

Mr Francisco Nunes Correia Minister for Environment, Spatial Planning and Regional Development Rua de "o Século", 51 1200 – 433 Lisboa Portugal

20 November 2007

Informal Ministerial Meeting on Territorial Cohesion and Regional Development, 23-24 November 2007

Dear Minister,

Cohesion policy has been a major contributor to successful economic integration in a progressively enlarged European Union. However, EU cohesion policy must be better adapted to respond to challenges of evolving technology, global competition for high value-added activities and increasing demographic pressures. I would like to draw your special attention to the following key points for the business community:

- A policy to prepare Europe for the future: with finite budgetary resources and in a context of a rapidly changing economic environment, cohesion policy will not succeed if it is based on a concept of assistance and income support for the regions. Instead, funds must help anticipate change and facilitate transitions by strengthening framework conditions for innovation, making education and training systems more responsive and increasing the adaptability of workers, enterprises and entrepreneurs.
- Coordination of funds and coherence with other policy instruments: the Lisbon strategy offers an overarching theme to align all policy efforts and ensure an effective coordination of all resources in pursuing economic and social cohesion. Linking cohesion policy funds with the policy frameworks for innovation and research policies offers good opportunities for synergies and encourage companies to engage in public-private partnerships. Effective spending can only be achieved if coordination between national and regional policy-makers and between regional authorities themselves works.

BUSINESSEUROPE

- A good functioning of the partnership principle: the involvement of businesses in the programming process at local, regional, national and Community level is fundamental to create real leverage on growth and jobs and ensure sustainable convergence. An appropriate and effective use of this partnership principle still encounters major stumbling blocks in certain countries and regions.
- Further involvement of business required at regional level: regional administrations should do strategic planning with the real involvement of business local partners and simplify territorial management procedures. Administrations should be more aware of the business thinking and seek more complementarities with other policies.

A more detailed position is attached to this letter, which puts together the views of BUSINESSEUROPE member federations on the future of cohesion policy. We hope that you will give due consideration to this contribution in your Ministerial Meeting discussions.

Yours sincerely,

Philippe de Buck

Enclosure: 1