



# **Fostering Human and Social Capital**

## **Cohesion Policy today and post 2013**

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***"Regions - not nations - determine the success or failure of a human capital strategy, and with it they determine up to 71% of the differences in wealth creation between their regional peers...."***

***A European strategy based on human capital - as Europe 2020...is - should be focused on the regions. ..."***

***In return, the European regions can present themselves more forcefully and more constructively ... as the primary and rightful partner in implementing the European growth strategy."***

(Study on "Human Capital Leading Indicators")



"The diversity of cities and problems they face cannot be dealt with solely by top down policies based on aggregate statistics and targets.

It is essential ... to mobilise the knowledge that the cities have of the reality on the ground in order to implement effective policies to combat the crisis. ..."

(Results from an URBACT II survey with 131 cities in the EU and Switzerland and 10 case studies)



"Previously we believed that we especially need investment capital, later we realized that human capital is more important, now we understand that the most important is the social capital."

(Tomasz Kayser, Deputy Mayor of Poznan)



## Thesis 1

***There is an increasing recognition, that the action of Regions and Cities determines to a large extent the success or failure of sustainable development strategies in general and development strategies for human and social capital in particular.***

Regional and local actors often have a better knowledge of the realities and needs on the ground (geographical proximity), and a strategy for human and social capital development has a much bigger chance to succeed if there is regional and local ownership.



## Thesis 2

***Cohesion Policy with its multi-level governance system is particularly well placed to respond to the need for an active involvement of regional and local authorities, as well as for the inclusion of non-governmental actors (social partners, civil society organisations).***

Depending of the size of territories and the problems to be addressed, development programmes under Cohesion Policy can be local, regional, multi-regional or national programmes.

Programme design and implementation, including project selection and evaluation, take place at corresponding levels, in dialogue with the EU.

The European Commission has a final responsibility for the use of the EU budget and overall policy evaluation.



## Thesis 3

***Already today, Cohesion Policy fosters the development of human capital on a whole range of fronts, in particular through support for investment***

***in training;***

- ***in educational and research infrastructure;***
- ***in health and social infrastructure;***
- ***in Research, development and innovation;***
- ***in business development, entrepreneurship and start-ups;***
- ***in urban development.***

Through these investments and related measures, it also tackles issues of youth unemployment, long-term unemployment, social exclusion and poverty. It can also provide targeted support to particularly disadvantaged groups.



## Thesis 4

***With its current orientation, Cohesion policy is already well in line with the Europe 2020 strategy and its vision of smart sustainable and inclusive growth. This alignment will be reinforced in the future. Human and social capital development figure prominently in Europe 2020.***

The Policy will have to pay particular attention on the right match between the creation of new jobs at the regional level and the development of new skills they require.

As a "vehicle" for Europe 2020, Cohesion Policy should be active in all regions of the EU. However, in line with its Treaty mission, it should continue to focus its (financial) support on the least advanced Regions.



## Thesis 5

***The Lisbon Treaty makes Territorial Cohesion an explicit objective of Cohesion Policy; this implies a particular attention on "functional areas", including areas with specific handicaps. Human and social capital development is of crucial importance for most of these areas.***

- In many cases, more territorial cohesion implies better territorial cooperation between regions and countries.
- It also implies a reinforcement of the partnership approach and a more effective involvement of local and regional partners and civil society.



## Thesis 6

***Despite many positive results, the policy evaluations of and the public consultations on Cohesion Policy reveal also weaknesses, in particular as regards policy implementation.***

Therefore:

- Policy implementation has to become more performance oriented.
- Delivery mechanisms have to be simplified.
- Coordination between the different policies fostering human and social capital has to be reviewed and strengthened.



## Cohesion Policy post 2013: *Main orientations*

- Reinforcing strategic programming
  - Alignment with the Europe 2020 strategy
  - Focus on a limited number of priorities
  - More attention to factors of success
- Strengthening of territorial cohesion and territorial cooperation
- Increasing the leverage of EU funding through new financial instruments
- Streamlining delivery
- Stronger focus on results (performance orientation)



**Thank you very much for your attention!**