RUDN university

International regulation in city-planning and environmental protection.

Urban Dimension in Cohesion Policy of EU

Establishment of regulatory framework of EU Regional Policy

Vladislav Plyushchikov, Mario De Martino
Peoples` Friendship University of Russia
(RUDN University)

The module is realized in the frame of the project "Enhanced Skills and COmpetences in European Studies for Landscape ARchitects, environmental specialists and managers" (project number: 611545-EPP-1-2019-1-RU-EPPJMO-MODULE), Erasmus+ Jean Monnet Actions.

Co-funded by the Erasmus+ Programme of the European Union

Treaty of Rome (EEC)

- WHAT WAS THE AIM OF THE TREATY?
- Signed on 25 March 1957, it applied from 1 January 1958.
- It set up the European Economic Community (EEC) which brought together 6 countries (Belgium, Germany, France, Italy, Luxembourg and the Netherlands) to work towards integration and economic growth, through trade.
- It created a **common market** based on the free movement of:goods
- people
- services
- capital.
- It was signed in parallel with a second treaty which set up the European Atomic Energy Community (Euratom).
- The Treaty of Rome has been amended on a number of occasions, and today it is called the Treaty on the Functioning of the European Union.

Treaty of Rome (EEC)

- **Aims**

- The aim of the EEC and the common market was to:
  - transform the conditions of trade and production on the territory of its 6 members and
  - serve as a step towards the closer political unification of Europe.

Treaty of Rome (EEC)

- **Specific goals**

- The signatories agreed to:
- lay the foundations of an 'ever closer union' among the peoples of Europe
- ensure the economic and social progress of their countries by joint action to eliminate trade and other barriers between them;
- improve their citizens' living and working conditions;
- ensure balanced trade and fair competition;
- reduce the economic and social differences between the EEC's various regions;
- gradually abolish restrictions on international trade through a common trade policy;
- abide by the principles of the UN charter;
- pool their resources to preserve and strengthen peace and liberty and call on other peoples of Europe who share this ideal to join them in these efforts.

Treaty of Rome (EEC)

- **Common market**

The treaty:

- establishes a common market, in which the signatory countries agree to gradually align their economic policies;
- creates a single economic area with free competition between companies. It lays the basis for approximating the conditions governing trade in products and services over and above those already covered by the other treaties (European Coal and Steel Community (ECSC) and Euratom);
- broadly prohibits restrictive agreements and government subsidies which can affect trade between the 6 countries;
- includes the 6 members' overseas countries and territories in these arrangements and the customs union, to promote their economic and social development.

Treaty of Rome (EEC)

- **Customs union**

- The treaty abolished quotas (i.e. ceilings on imports) and customs duties between its 6 signatories.
- It established a **common external tariff on imports from outside the EEC**, replacing the previous tariffs of the different states.
- The customs union was accompanied by a common trade policy. This policy, managed at EEC level and no longer at national level, distinguishes the customs union from a mere free-trade association.

Treaty of Rome (EEC)

- **Joint policies**

- The treaty established certain policies from the start as joint policies among the member countries, including:
- common agricultural policy (Articles 38 to 47)
- common trade policy (Articles 110 to 116)
- transport policy (Articles 74 to 84).
- It allowed for the creation of other joint policies, should the need arise. After 1972, the EEC established joint action in the fields of environmental, regional, social and industrial policy.
- These policies were accompanied by the creation of:
- a European Social Fund, to improve job opportunities for workers and to raise their standard of living
- a European Investment Bank (EIB), to facilitate the EEC's economic expansion by creating investment funding.

Treaty of Rome (EEC)

- **Institutions**

- The treaty established institutions and decision-making mechanisms which make it possible to express both national interests and a joint vision.
- The main institutions were:
- the Council of Ministers,
- the Commission,
- the Parliamentary Assembly (later to become the European Parliament),
- the Court of Justice.
- The first 3 are advised in the decision-making process by the Economic and Social Committee.

The Maastricht Treaty

- **WHAT IS THE AIM OF THE TREATY?**
- It was signed on 7 February 1992 and entered into force on 1 November 1993.
- Maastricht is an ambitious treaty. It creates the European Union. This encompasses 3 separate strands (so-called pillars):
- the European Communities,
- a common foreign and security policy, and
- cooperation between EU governments on justice and home affairs.
- Among its most prominent innovations, the treaty:
- lays the foundations for economic and monetary union, the single currency (the euro) and the criteria for its use;
- provides the legal basis for 6 new EU common policies;
- strengthens the powers of the European Parliament; and
- introduces the concept of European citizenship.

The Maastricht Treaty

- **KEY POINTS**
- European Communities (1st pillar)
- This groups the traditional activities, working and decision-making procedures of the 3 original EU organisations:
- European Economic Community,
- European Coal and Steel Community,
- Euratom.

The Maastricht Treaty

- **Common foreign and security policy (2nd pillar)**

- This aims to:

- safeguard the EU’s common values, fundamental interests and independence;
- strengthen the security of the EU and its member countries;
- preserve peace and international security in line with United Nations’ principles;
- promote international cooperation;
- develop and consolidate democracy and the rule of law, and respect for human rights and fundamental freedoms.

The Maastricht Treaty

- **Cooperation on justice and home affairs (3rd pillar)**

- This aims to provide the public with a high level of safety by:

- establishing rules and controls for the EU’s external borders;
- fighting against terrorism, organised crime, drug trafficking and international fraud;
- organising criminal and civil judicial cooperation;
- creating a European Police Office (Europol) for information exchange between national forces;
- controlling illegal immigration;
- developing a common asylum policy.

The Maastricht Treaty

- **Economic and monetary union**

- EU countries must:

- coordinate their economic policies;
- provide multilateral surveillance of this coordination;
- respect financial and budgetary discipline.

The Maastricht Treaty

- **Common currency (euro)**

- This is introduced in 3 stages:
- liberalisation of capital movements (from 1 January 1990);
- convergence of national economic policies (from 1 January 1994);
- creation of a single currency and a European Central Bank (from 1 January 1999 at the latest);
- sets out criteria on inflation, levels of public debt, interest rates and exchange rates countries must meet before adopting the euro;
- provides an opt out for the UK (1) from the 3rd stage and subjects Danish participation to a national referendum.

The Maastricht Treaty

- **New policies**

- The EU is given responsiblity for:

- trans-European networks (TEN);
- industrial policy;
- consumer protection;
- education and vocational training;
- youth issues;
- culture.

The Maastricht Treaty

- **Social protocol**
- This extends EU responsibility to:
  - promote employment;
  - improve living and working conditions;
  - provide adequate social protection;
  - conduct a social dialogue;
  - develop human resources to ensure a high and sustainable level of employment;
  - integrate people excluded from the labour market.
- The UK ([1]) has an opt out from the social protocol.

The Maastricht Treaty

- **European citizenship**

- This gives every national of an EU country the right to:

- travel and live freely anywhere in the EU;
- vote and stand as a candidate in European and local elections in the country in which they live;
- diplomatic assistance and protection by other member countries' embassies and consulates;
- petition the European Parliament and address any complaints of EU administrative malpractice to the European Ombudsman.

The Maastricht Treaty

- **Institutional changes**

- These include:

- increased legislative powers for the European Parliament;
- more majority voting when EU governments adopt legislation;
- creation of a Committee of the Regions;
- application of the subsidiarity principle, whereby the EU will only act if this is more effective at the EU rather than national level.

Lisbon Strategy,

- **During the European Council in Lisbon in March 2000, European Union leaders launched a Lisbon Strategy aimed at making the EU the world's most competitive economy by 2010.**
- This strategy, developed at subsequent meetings of the European Council, rests on three pillars:
- An economic pillar laying the groundwork for the transition to a competitive, dynamic, knowledge-based economy. There is a strong emphasis on adapting quickly to changes in the information society and to investing in research and development.
- A social pillar designed to modernize the European social model by investing in human resources and combating social exclusion. The Member States are expected to invest in education and training, and to conduct an active policy for employment, making it easier to move to a knowledge economy.
- An environmental pillar, added at the Göteborg European Council in June 2001, which urges a decoupling of economic growth from the use of natural resources.

Lisbon Strategy,

- **During the European Council in Lisbon in March 2000, European Union leaders launched a Lisbon Strategy aimed at making the EU the world's most competitive economy by 2010.**
- This strategy, developed at subsequent meetings of the European Council, rests on three pillars:
- An economic pillar laying the groundwork for the transition to a competitive, dynamic, knowledge-based economy. There is a strong emphasis on adapting quickly to changes in the information society and to investing in research and development.
- A social pillar designed to modernize the European social model by investing in human resources and combating social exclusion. The Member States are expected to invest in education and training, and to conduct an active policy for employment, making it easier to move to a knowledge economy.
- An environmental pillar, added at the Göteborg European Council in June 2001, which urges a decoupling of economic growth from the use of natural resources.

Lisbon Strategy,

- Europe faces major structural challenges – globalisation, climate change and an ageing population. The economic downturn has made these issues even more pressing. The Lisbon strategy addresses these challenges – aiming to stimulate growth and create more and better jobs, while making the economy greener and more innovative.

- Before the financial and economic crisis hit the EU, the strategy had helped create more than 18m new jobs. When the economy slumped, the EU acted to stabilise the financial system and adopted a recovery plan to boost demand and restore confidence.

- The plan is delivering a major fiscal stimulus, with measures to keep people in work and public investment in infrastructure, innovation, new skills for the workforce, energy efficiency and clean technologies to meet the goals of the Lisbon strategy.

Lisbon Strategy,

- In 2004, when a mid-term evaluation of the Lisbon Strategy was started, the outcome of the strategy proved deceiving. A task force chaired by former Dutch Prime Minister Wim Kok was then appointed by the Council to work out proposal on how to relaunch the strategy. This process led to a revised Lisbon Strategy which was agreed at the Spring Council on 25-26 March 2005.
- The 2005 revised Lisbon Strategy- European Council set Integrated guidelines and specific areas for priority actions
- The renewed Lisbon strategy focused on growth and jobs and a three-year cycle was set out for more focused and effective action. Integrated Guidelines were set by the Spring European Council in 2005, providing guidance at the microeconomic, macroeconomic and employment level. Within those guidelines, the 2006 Spring European Council agreed on the following areas for priority action:

Lisbon Strategy,

- 1. Investing more in knowledge and innovation
- 2. Unlocking business potential, especially for SMEs
- 3. Increasing employment opportunities for priority categories
- 4. Climate change and energy policy for Europe

- Upon request of the 2006 Spring European Council, the Committee of the Region has submitted to the 2008 Spring European Council a report showing a gap between the actual involvement of the EU regions and cities in many of the key Lisbon policy domains and their involvement in the implementation of the National Reform Programs (blueprints for implementing the Strategy at the national level).

Lisbon Strategy,

- The contribution of cohesion policy to the Lisbon objectives
- The various Cohesion Policy instruments - primarily the Structural Funds – were called to contribute, directly or indirectly, to the Lisbon Strategy. This was already the case during the 2000-2006 programming period, but a specific alignment with the Lisbon objectives, through the "earmarking" procedure was explicitly requested for the 2007-2013 programmes.
- Through the Earmarking procedure, which has been called “Lisbon earmarking”, European Commission requests that each Member State should aim, over the course of the 2007-2013 programming period, to increase the average share of funds devoted to competitiveness at least to 60 per cent in convergence regions, and 75 per cent in the regions which fall under our “Regional Competitiveness and Employment” objective.

Lisbon Strategy,

- The Lisbon Strategy as part of the EU answer to the financial and economic crisis

- In December 2008 the European Council adopted the European Economic Recovery Plan. While taking urgent expenditure measures to face the economic crisis, the EERP reaffirmed that implementation of Lisbon reforms is vital to overcome the crisis stemming socially and environmentally sustainable growth.

Europe 2020

- Europe 2020 is a 10-year strategy proposed by the European Commission on 3 March 2010 for advancement of the economy of the European Union. It aims at "smart, sustainable, inclusive growth" with greater coordination of national and European policy. It follows the Lisbon Strategy for the period 2000–2010

Europe 2020

- Europe 2020 puts forward three mutually reinforcing priorities:

- – Smart growth: developing an economy based on knowledge and innovation.
- – Sustainable growth: promoting a more resource efficient, greener and more competitive
- economy.
- – Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

Europe 2020

- EU headline targets:

- – 75 % of the population aged 20-64 should be employed.
- – 3% of the EU's GDP should be invested in R&D.
- – The "20/20/20" climate/energy targets should be met (including an increase to 30% of
- emissions reduction if the conditions are right).
- – The share of early school leavers should be under 10% and at least 40% of the younger
- generation should have a tertiary degree.
- – 20 million less people should be at risk of poverty.

Europe 2020

- The Commission is putting forward seven flagship initiatives to catalyse progress under each priority theme:

– "Innovation Union" to improve framework conditions and access to finance for research and innovation so as to ensure that innovative ideas can be turned into products and services that create growth and jobs.

– "Youth on the move" to enhance the performance of education systems and to facilitate the entry of young people to the labour market.

EN 4 EN

Europe 2020

– "A digital agenda for Europe" to speed up the roll-out of high-speed internet and reap the benefits of a digital single market for households and firms.

– "Resource efficient Europe" to help decouple economic growth from the use of resources, support the shift towards a low carbon economy, increase the use of renewable energy sources, modernise our transport sector and promote energy efficiency.

– "An industrial policy for the globalisation era" to improve the business environment, notably for SMEs, and to support the development of a strong and sustainable industrial base able to compete globally.

Europe 2020

– "An agenda for new skills and jobs" to modernise labour markets and empower people by developing their of skills throughout the lifecycle with a view to increase labour participation and better match labour supply and demand, including through labour mobility.

– "European platform against poverty" to ensure social and territorial cohesion such that the benefits of growth and jobs are widely shared and people experiencing poverty and social exclusion are enabled to live in dignity and take an active part in society.

Flagship Initiative: "Innovation Union"

The aim of this is to re-focus R&D and innovation policy on the challenges facing our society, such as

climate change, energy and resource efficiency, health and demographic change. Every link should be strengthened in the innovation chain, from 'blue sky' research to commercialisation.

Flagship initiative: "Youth on the move"

The aim is to enhance the performance and international attractiveness of Europe's higher education institutions and raise the overall quality of all levels of education and training in the EU, combining both excellence and equity, by promoting student mobility and trainees' mobility, and improve the employment situation of young people.

Flagship Initiative: "A Digital Agenda for Europe"

The aim is to deliver sustainable economic and social benefits from a Digital Single Market based on fast and ultra fast internet and interoperable applications, with broadband access for all by 2013, access for all to much higher internet speeds (30 Mbps or above) by 2020, and 50% or more of European households subscribing to internet connections above 100 Mbps. .

Flagship Initiative: "Resource efficient Europe"

The aim is to support the shift towards a resource efficient and low-carbon economy that is efficient in the way it uses all resources. The aim is to decouple our economic growth from resource and energy use, reduce CO_2 emissions, enhance competitiveness and promote greater energy security.

Flagship Initiative: "An industrial policy for the globalisation era"

Industry and especially SMEs have been hit hard by the economic crisis and all sectors are facing the challenges of globalisation and adjusting their production processes and products to a low-carbon economy. The impact of these challenges will differ from sector to sector, some sectors might have to "reinvent" themselves but for others these challenges will present new business opportunities. The Commission will work closely with stakeholders in different sectors (business, trade unions, academics, NGOs, consumer organisations) and will draw up a framework for a modern industrial policy, to support entrepreneurship, to guide and help industry to become fit to meet these challenges, to promote the competitiveness of Europe's primary, manufacturing and service industries and help them seize the opportunities of globalisation and of the green economy. The framework will address all elements of the increasingly international value chain from access to raw materials to after-sales service.

Flagship Initiative: "An Agenda for new skills and jobs"

The aim is to create conditions for modernising labour markets with a view to raising employment levels

and ensuring the sustainability of our social models. This means empowering people through the

acquisition of new skills to enable our current and future workforce to adapt to new conditions and

EN 17 EN

potential career shifts, reduce unemployment and raise labour productivity.

Flagship Initiative: "European Platform against Poverty"

The aim is to ensure economic, social and territorial cohesion, building on the current European year for combating poverty and social exclusion so as to raise awareness and recognise the fundamental rights of people experiencing poverty and social exclusion, enabling them to live in dignity and take an active part in society.

Europe 2020

All EU policies, instruments and legal acts, as well as financial instruments, should be

mobilised to pursue the strategy's objectives. The Commission intends to enhance key

policies and instruments such as the single market, the budget and the EU's external economic

agenda to focus on delivering Europe 2020's objectives. Operational proposals to ensure their

full contribution to the strategy are an integral part of the Europe 2020.

Europe 2020

A single market for the 21st century

Investing in growth: cohesion policy, mobilising the EU budget and private finance

Deploying our external policy instruments

Investing in growth: cohesion policy, mobilising the EU budget and private finance

Economic, social and territorial cohesion will remain at the heart of the Europe 2020 strategy

to ensure that all energies and capacities are mobilised and focused on the pursuit of the

strategy's priorities. Cohesion policy and its structural funds, while important in their own

right, are key delivery mechanisms to achieve the priorities of smart, sustainable and inclusive

growth in Member States and regions.

Investing in growth: cohesion policy, mobilising the EU budget and private finance

The financial crisis has had a major impact on the capacity of European businesses and governments to finance investment and innovation projects. To accomplish its objectives for
Europe 2020, a regulatory environment that renders financial markets both effective and secure is key. Europe must also do all it can to leverage its financial means, pursue new avenues in using a combination of private and public finance, and in creating innovative instruments to finance the needed investments, including public-private partnerships (PPPs).
The European Investment Bank and the European Investment Fund can contribute to backing
a "virtuous circle" where innovation and entrepreneurship can be funded profitably from early
stage investments to listing on stock markets, in partnership with the many public initiatives
and schemes already operating at national level.

Investing in growth: cohesion policy, mobilising the EU budget and private finance

The EU multi-annual financial framework will also need to reflect the long-term growth priorities. The Commission intends to take the priorities, once agreed, up in its proposals for the next multi-annual financial framework, due for next year. The discussion should not only be about levels of funding, but also about how different funding instruments such as structural funds, agricultural and rural development funds, the research framework programme, and the competitiveness and innovation framework programme (CIP) need to be devised to achieve the Europe 2020 goals so as to maximise impact, ensure efficiency and EU value added. It will be important to find ways of increasing the impact of the EU budget – while small it can have an important catalytic effect when carefully targetted.

Investing in growth: cohesion policy, mobilising the EU budget and private finance

The Commission will propose action to develop innovative financing solutions to support Europe 2020's objectives by:

– Fully exploiting possibilities to improve the effectiveness and efficiency of the existing EU budget through stronger prioritisation and better alignment of EU expenditure with the goals of the Europe 2020 to address the present fragmentation of EU funding instruments (e.g. R&D and innovation, key infrastructure investments in cross-border energy and transport networks, and low-carbon technology). The opportunity of the review of the Financial Regulation should also be fully exploited to develop the potential of innovative financial instruments, whilst ensuring sound financial management;

– Designing new financing instruments, in particular in cooperation with the EIB/EIF and the private sector, responding to hitherto unfulfilled needs by businesses. As part of the forthcoming research and innovation plan, the Commission will co-ordinate an initiative with the EIB/EIF to raise additional capital for funding innovative and growing businesses;

– Making an efficient European venture capital market a reality, thereby greatly facilitating direct business access to capital markets and exploring incentives for private sector funds that make financing available for start-up companies, and for innovative SMEs.

The European Semester

Monitoring progress and ensuring the active involvement of EU countries are key elements of the strategy. This is done through the European Semester, an annual cycle of macro-economic, budgetary and structural policy coordination. The key stages in the European semester are as follows:

In January, the Commission issues its Annual Growth Survey, which sets out EU priorities for the coming year to boost growth and job creation.

In February, the Council of the European Union and the European Parliament discuss the Annual Growth Survey.

In March, EU Heads of State and Government (i.e. the European Council) issue EU guidance for national policies on the basis of the Annual Growth Survey.

The European Semester

In April, Member States submit their plans for sound public finances (Stability or Convergence Programmes) and reforms and measures to make progress towards smart, sustainable and inclusive growth (National Reform Programmes).

In May, the Commission assesses these Programmes.

In June, the Commission provides country-specific recommendations as appropriate. The European Council discusses and endorses the recommendations.

In July, the Council of the European Union formally adopts the country-specific recommendations.

In Autumn, the Governments present the budget draft to their Parliaments

Europe 2020

Europe 2020 headline indicators, EU-28, 2008 and 2014-2018

Topic	Headline indicator	2008	2014	2015	2016	2017	2018	Target
Employment	**Employment rate age group 20-64, total** (% of population)	70.2	69.2	70.1	71.1	72.2	73.2	75.0
	Employment rate age group 20-64, females (% of population)	62.7	63.5	64.3	65.3	66.5	67.4	:
	Employment rate age group 20-64, males (% of the population)	77.8	75.0	75.9	76.9	78.0	79.0	:
R&D	**Gross domestic expenditure on R&D** (1) (% of GDP)	1.83	2.03	2.04	2.04	2.06	:	3.00
Climate change and energy	**Greenhouse gas emissions** (2) (Index 1990 = 100)	90.7	77.5	78.1	77.8	78.3	:	80.0
	Share of renewable energy in gross final energy consumption (%)	11.3	16.2	16.7	17.0	17.5	:	20.0
	Primary energy consumption (Million tonnes of oil equivalent)	1 697	1 511	1 537	1 547	1 562	:	1 483
	Final energy consumption (Million tonnes of oil equivalent)	1 180	1 066	1 088	1 110	1 123	:	1 086
Education	**Early leavers from education and training, total** (3) (% of population aged 18-24)	14.7	11.2	11.0	10.7	10.6	10.6	< 10.0
	Early leavers from education and training, females (3) (% of population aged 18-24)	12.7	9.6	9.5	9.2	8.9	8.9	:
	Early leavers from education and training, males (3) (% of population aged 18-24)	16.7	12.7	12.4	12.2	12.1	12.2	:
	Tertiary educational attainment, total (3) (% of population aged 30-34)	31.1	38.0	38.7	39.2	39.9	40.7	≥ 40.0
	Tertiary educational attainment, females (3) (% of population aged 30-34)	34.3	42.3	43.4	43.9	44.9	45.8	:
	Tertiary educational attainment, males (3) (% of population aged 30-34)	28.0	33.6	34.0	34.4	34.9	35.7	:
Poverty and social exclusion	**People at risk of poverty or social exclusion** (4)(5) (Million people)	116.1	120.8	117.8	116.9	111.9	:	96.2 (6)
	People at risk of poverty or social exclusion (4) (Million people)	:	122.0	119.0	118.1	113.0	:	:
	People at risk of poverty or social exclusion (4)(7) (% of population)	23.7	24.4	23.8	23.5	22.4	:	:
	People living in households with very low work intensity (7) (% of population aged 0-59)	9.2	11.3	10.7	10.5	9.5	:	:
	People at risk of poverty after social transfers (7) (% of population)	16.6	17.2	17.3	17.3	16.9	:	:
	Severely materially deprived people (7)(8) (% of population)	8.5	8.9	8.1	7.5	6.6	6.0	:

(1) 2017 data are provisional.
(2) Total emissions, including international aviation, but excluding emissions from land use, land use change, and forestry (LULUCF).
(3) Break in time series in 2014 (switch from ISCED 97 to ISCED 2011).
(4) The indicator 'People at risk of poverty or social exclusion' corresponds to the sum of persons who are: at risk of poverty after social transfers, severely materially deprived or living in households with very low work intensity. Persons are only counted once even if they are present in several sub-indicators.
(5) Data refer to EU without Croatia.
(6) The overall EU target is to lift at least 20 million people out of the risk of poverty and exclusion by 2020. Due to data availability issues, the target is evaluated only for the EU without Croatia.
(7) EU without Croatia data for 2008.
(8) Data for 2018 are estimates.

eurostat

RUDN university

The module is realized in the frame of the project "Enhanced Skills and COmpetences in European Studies for Landscape ARchitects, environmental specialists and managers" (project number: 611545-EPP-1-2019-1-RU-EPPJMO-MODULE), Erasmus+ Jean Monnet Actions.

Co-funded by the Erasmus+ Programme of the European Union

RUDN university