



**STRENGTHENING THE LIFELONG LEARNING DIMENSION
TO THE EUROPEAN UNION'S REGIONAL POLICY
- THE REGIONAL RESPONSE TO THE THIRD COHESION REPORT -**

THE VIEWS OF THE EUROPEAN ASSOCIATION OF REGIONAL AND
LOCAL AUTHORITIES FOR LIFELONG LEARNING (EARLALL)

Introduction

1. This document represents the collective views of 18 regional governments from 9 countries across Europe, which constitute the European Association of Regional and local Authorities for Lifelong Learning.
2. "It builds on the EARLALL position paper, adopted at the 18 March General Assembly, "Views on the Reform of the European Social Fund and Action to build a Knowledge based society":
<http://www.earlall.org/earlall/modules.php?name=News&file=article&sid=115>
3. It aims to provide the response of the network to the Third Report on economic and social cohesion published by the European Commission on 18 February 2004. It focuses on the principles that the network believes should inform EU cohesion policy post 2006, and how that policy should be delivered. As such, the Association calls on the member states individually and in the relevant Council formations, as well as the European Parliament, to take account of our views in their negotiations on the Structural Fund Regulations.
4. Underpinning this response are a set of core beliefs:
 - That the principal objective of EARLALL is to facilitate the development of knowledge societies that provide all citizens opportunities for advancement and empowerment, and knowledge economies in each member region -thereby actively contributing to meeting the Lisbon goal of making the EU "the most competitive, knowledge based economy in the world" by 2010 through the development of its human resources as the key to progress in the 21st century
 - That, in order to achieve this goal, the European Union and member states must fully engage regions and local authorities in the Lisbon process, especially since competence over education and training is often at regional or local level. This is increasingly urgent given the Kok report's judgement that insufficient progress is being made towards meeting Lisbon goals.
 - That the related policy goals of economic and social cohesion are important for all parts of the European Union – cohesion policy should not be considered as aid, but as a means of promoting solidarity between regions and member states of the EU



- That EU cohesion policy should focus on lifelong learning as the key to innovation, labour mobility, low unemployment and knowledge based productivity.
- That in our knowledge driven economies investment in lifelong learning, from both the public and private sectors, must be increased and there must be more and better co-operation between the public and private sector. Spending on human capital must not be considered as a cost but as an investment¹
- That Structural Funding in the next programming period must increase its emphasis on developing human rather than physical capital, with the proviso that new member states must receive adequate support for physical infrastructure

EU cohesion policy post 2006 – key principles

5. The Association strongly welcomes the more strategic “roadmap to Lisbon and Gothenburg” approach taken in the Third Cohesion Report. In this way the structural funds post 2006 will be tools to help member states and sub-national tiers of government to meet the goals agreed at the Lisbon and Gothenburg Councils.
6. It is also pleased that the Report proposes strengthening the links between the European Employment Strategy and the European Social Fund post 2006. Future support must be fully consistent with the European Employment strategy and directed at achieving its three overarching aims – full employment, better jobs and a more inclusive labour market.
7. The structural funds post 2006 must also take account of the recommendations to member states made arising from the European Social Inclusion Strategy and in allocating ESF monies to member states, account should be taken of social inclusion and inactivity indicators, not simply eligible population, national/regional prosperity, (un)employment rates, and population density.
8. Investment in lifelong learning is among the priorities of the European Employment Strategy and EARLALL believes that such investment is vital to achieving a high skill, high value, socially cohesive economy that competes with the rest of the world on quality. A recent Commission study shows that one additional year of education and training after compulsory schooling would lead to an immediate increase in productivity of 6.2%, and a further 3% in the long term.

¹ To quote the Interim report on education and training 2010 agreed on 26 February 2004 “Investment in education and training is a key factor of the Union's competitiveness, sustainable growth, and employment and therefore a prerequisite for achieving the economic, social and environmental goals set in Lisbon for the European Union”.



Moreover, statistics show a high correlation between high levels of investment in lifelong learning and low unemployment levels (Eurostat 2002).

The Third Cohesion report - policy priorities

“Convergence strand”

9. The Association broadly welcomes the priorities for ESF proposed by the Commission as regards the Convergence strand (the new Objective 1), particularly as regards the development of education and training systems.
10. However, it believes that the Commission should clarify that the “development of social and care services” is in the context of helping people overcome the barriers that prevent them accessing the labour market. For example providing good child-care helps improve female participation in the labour market – in Nordic countries there is currently an increase in both female employment and the birth rate as a result of high quality child-care provision.
11. The Association also proposes that the Commission should explore the possibility of extending the “development of social and care services” to cover measures which enable people with otherwise incapacitating health conditions to access, or stay part of, the labour market (such as retraining following physical disablement). This is particularly important given that many areas suffer from high levels of inactivity due to poor health, often as a legacy of earlier employment in physically harmful occupations. Such measures should not, however, cover the provision of general health care.

“Competitiveness strand”

12. The priority given to enhancement of life-long learning strategies is also welcome. In the Interim Report on education and training 2010, member states agreed that “These strategies should include the validation of prior learning, and the creation of learning environments that are open, attractive and accessible to everyone, especially to disadvantaged groups”
13. The Association welcomes the fact that active ageing strategies and the prevention of early exit from the labour market are priorities in the competitiveness strand. The demographic challenge of an ageing population and shrinking workforce makes the focus on lifelong learning all the more necessary. Older workers must be given the opportunity to acquire the skills necessary for participation in active life.



14. EARLALL appreciates the importance of in-company training and stresses that high priority must be given to Small and Medium sizes enterprises and micro-businesses and new enterprises as they are the least able to afford to train their staff.

Trans-national activities

15. EARLALL is pleased that the Commission intends to integrate the lessons of the EQUAL community initiative (trans-national dimension, innovation, partnership and empowerment) into the mainstream programmes, and that there will continue to be scope for trans-national activity within mainstream ESF. Such activity provides a valuable opportunity to exchange good practice on labour market exclusion issues. However, the Association calls on the European Commission to clarify what is meant by “learning the lessons of EQUAL in mainstream ESF” and feels that the Commission should consider higher intervention rates for trans-national projects post 2006.
16. The Association is also supportive of the high added value provided by the Interreg programme and welcome its continuation under the co-operation strand.

The Third Cohesion report – delivery

17. The Association strongly supports the planned simplification of the programming system – notably as regards removing the onerous management-by-measure, through the proposal for one fund per programme and the increased flexibility for allowing ESF to support capital activities when they are directly related to the ESF project in question.
18. EARLALL believes that the Commission must imperatively promote a more co-ordinated or integrated approach across European programmes, so that integrated strategies at regional level are underpinned by integrated approaches at European Commission level.
19. As regards decentralisation, we urge the Commission to allow more than one national programme within each Member State and support a regional level focus on delivery.
20. In the spirit of the Third Cohesion Report’s decentralised approach and in accordance with the principle of subsidiarity, we hope that there will be no micro-management from the European Commission in terms of allocating set funding to certain activities. For example, decisions on how resources in the Competitiveness strand are concentrated thematically should be made by Member States and regional governments, in consultation with key partners.



Conclusions

EARLALL

- believes that regional and local governments have a crucial role to play in delivering on the Lisbon goals as far as education and training are concerned, and that EU cohesion policy should focus on Lifelong Learning.
- strongly supports the more strategic focus in the Third Cohesion Report, which will ensure that we can better use the Structural Funds in general as tools to achieve the goals of the Lisbon and Gothenburg agendas, and ESF in particular, to meet the overarching aims of the European Employment Strategy.
- calls for increased investment from both the public and private sector to ensure that the challenges set by the Lisbon Council are achieved.
- broadly welcomes the priorities proposed by the Commission as regards ESF post 2006 but would like the Commission to explore the possibilities of extending the "development of social and care services" (Convergence strand) to cover rehabilitative health measures that facilitate continued employment or re-employment.
- would like the Commission to give high priority to SMEs and micro-businesses as regards in company training (competitiveness strand).
- supports the Commission's intention to continue funding trans-national activities through a successor programme to Interreg, and through continued support for trans-national working in mainstream ESF, but would like clarification as to how the latter will be achieved in practice.
- welcomes the Commission's proposals for greater decentralisation, streamlining and simplification of programme management notably as regards the one fund per programme provision.

***EARLALL General Assembly
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