



Dialogues on Cohesion Policy



Welcome to Gävleborg County –Why We Need a Dialogue Conference

Eva Lindberg (S) Regional Council / Regional Board Chairman, Region Gävleborg.

- *States that cohesion policy is about solidarity and about contributing eco-friendly resources to our entire continent.*
- *Also, cohesion policy is both a social and cultural initiative.*
- *Claims that all municipalities, county councils and regions must take common responsibility and work for a more coherent Europe.*

After welcoming everybody to the conference, Eva Lindberg (S) states that cohesion policy includes economics, jobs, growth and, last but not least, solidarity. Also, she clarifies how these elements are essential in bringing us closer to each other and that cohesion policy is very important to Gävleborg – it is a way and a method of consolidating the regions in Europe.

“It’s about contributing eco-friendly resources to our entire continent – so that all Europeans can feel connected to each other.”
– Eva Lindberg (S).

In regards to regional conditions and specific needs, Lindberg (S) states that during the period 2014-2020 there is an amount of all together two billions to allocate in regional development funds – which is very important for the growth and development of Europe as a whole – at both regional and local levels. One conclusion also worth mentioning is that cohesion policy is both a social and cultural initiative.

“We need to take joint responsibility for our entire continent. The pressure on the European Union is very high; partly the European Union work for the eradication of poverty but responding to criticism towards the European Union, mainly criticizing its legitimacy, is also an everyday issue.” – Eva Lindberg (S).

Lindberg (S) concludes that all municipalities, county councils and regions must take common responsibility for a more coherent EU policy. Also, seeing the benefits of the funds and the coherent factors that make us learn from each other across borders is also vital.



Cohesion Policy after 2020

Isabel Poli, Programme Manager (Desk Officer DG-Regio) – EU-policies.

- *States that cohesion policy is about learning and development across borders.*
- *Also, it is important to overcome the internal division in poor and rich regions.*
- *Regarding risks in radical changes, Poli means that if one only focuses on less developed regions, it will create a redistribution policy.*

Isabel Poli talks about learning and development across borders and of maintaining a common picture and understanding of cohesion policy. Also, she wants to give



everybody an idea of how the discussion about cohesion policy goes in the commission.

Exactly why do we really need cohesion policy? According to Poli, it's about finding a balance in order to benefit the market - it's also about political cohesion and avoiding war and how the entire European Union will live and contribute to the objectives of all regions of Europe.

"Nowhere in the world can you find such a successful project as the European Union. Europe is a union where freedom and peace has prevailed for over 70 years. Now it is important to overcome the internal division in poor and rich regions, in order to be able to act as a global player in key future issues." – Isabel Poli.

Poli also states that cohesion policy helps smaller regions in order to catch up, helps to reduce disparities and promote innovation. Regarding the impacts of cohesion policy, Poli confirms that it represents 41 % of EU-13 public investments and cohesion policy is about to raise GDP by 3 % until 2030.

Regarding the future prospects of cohesion policy, Poli sees three scenarios. The first one maintains the funding level and focuses on the needs and challenges of different regions, enhancing the efficiency of the funds – mainly, things will continue as of today. In the second scenario, she sees larger cuts meaning that there is no budget for all regions, only for those who really need it. In the last scenario, she sees even bigger cuts resulting in that only the poorest countries will be allowed to take part of the regional development funds. Supporting all European regions is, according to Poli, the most favorable choice, in contrast to only supporting less developed regions and cohesion countries.

"Cohesion policy is traditional but not old fashioned. It will keep playing its role in the next EU budget."- Isabel Poli.

When discussing post 2020, Poli sees a stronger focus on economic and social reforms in the European regions. Especially, this applies to those with multiple reforms, structural reforms in member states and regions that have much flexibility and adaptability. She also sees changes in the distribution system, as of now, funds are distributed by GDP (*Gross Index Product*). Also, Germany has proposed that one needs to look at how many asylum seekers a country receives and how far a country has come in becoming a low carbon economy. There is also a radical simplification; Poli means that, for each period, they have worked hard to achieve simplifications.

How should cohesion policy relate to strategies then? In regards to Agenda 2030 and Smart Specialization, Poli believes this to be a very good question that is often asked in Sweden. She clarifies and states that the global goals for sustainable development are still being held. Concerning risks in radical changes, Poli means that if one only focuses on less developed regions, it will create a redistribution policy, meaning that one side always contributes and one side only receives. Further, this might divide Europe in an even more measurable way.

"We need to strive for the same goals, this would make it harder for the regions to work towards the same goals as well as create more gaps. Hence, evening out differences is one of the EU's main tasks." - Isabel Poli.

Poli states that in Sweden there is a difference between the regions in Sweden's view of politics. The picture differs at both regional and at a national level – meaning that in order to be part of the negotiations it is important to have dialogue conferences such as this one so that we create a forum for discussion.

In regards to new proposals regarding ITI, Poli means that we lack tools in this period for promoting investments between regions, thus creating important value chains. Opportunities are not given, meaning that is hard for regions to develop an investment pipeline. Inter-REG, (*regional investment*

projects) is one of the areas in regards to promoting investments between regions. Thus, we need to make thematic priorities because urban development is an important priority issue.

Poli concludes that we are all aware of what our policies can provide in different areas, talking about it and talking about the options as well makes us more enlightened.

Governmental Thoughts on a New Budget Period within the European Union

Sofia Kamps, Cabinet Office, Government Office (Regeringskansliet, tbc).

- States that no Member State shall have an unfair division of labor.
- Also, it becomes all the more important that financial development funds goes to efforts and countries that have higher needs.
- In order to get the funds to cooperate we need competency support which supports innovation development as a whole

“Today, 1 % of the European Union’s body mass index (BMI) is more in total than the last time we negotiated, thus EU is on good terms and things are going well, but no Member State shall have an unfair division of labor” that is how Sofia Kamps begins her seminar. With the aim to discuss a more modern budget, Kamps states that cross-border challenges such as security and immigration needs to be an increased part of cohesion policy.

With the possibility of having an even more reduced budget in mind, it becomes all the more important that financial development funds goes to efforts and countries that have higher needs. Hence, she highlights the fact that all resources are currently on promoting the work in all regions as cohesion policy is financed by one third of EU spending, which is as much as agricultural policy.



“Therefore, we need to minimize it. Many regions have had an enormous convergence in recent years, for instance Czech Republic Slovakia and Slovenia receives a lot of support from cohesion policy, and thus outrun countries that have been involved in cohesion policy for a longer time.” – Sofia Kamps.

Kamps also highlights the importance of having a strong national co-financing and asks; where is the ownership of the 95 % that is financed by EU-funding? SOP-funds are big and important, but KAP-funds are bigger in Sweden. She states that there must be a focus on the poorest regions in Europe, but cohesion policy should cover EU as a whole. Further, she means that cohesion policy can contribute to many challenges that Sweden and many countries in Europe have pointed out that the EU must act upon, for instance, regarding integration. Another point which needs to be further addressed is scalability as a criterion in the allocation model.

The grand proposal will be presented on May 2 2018, followed by negotiations at group levels in the Council on May 14. On May 29 about 30 sectoral proposals will be discussed in the Council and in the European Parliament. Regarding the internal preparations and regulation package, Kamps states partnership agreements as a driving force. All ministries are responsible for their own sectors. They have started an internal job in developing positions and as knowledge develops even more, it is negotiated overall in a Council working group in Brussels, as well as in the Agriculture Committee.

In regards of regulatory simplification and cooperation, the current period involves much concern about mutual fund coordination, for instance, ESF Northern Central Sweden. Kamps means that in order to get the funds to cooperate we need competency support which supports innovation development as a whole. But how does the department work together to achieve coordination between the departments?

Well, Kamps means that rural development is very important. Everything is contrasted and compared between all ministries - step two is how we will implement it in Sweden and in other countries.

Regional Development Capital

Helena Gidlöf, Department for Growth and Civic Planning, SKL.

- *States that cohesion policy is about learning and development across borders.*
- *Also, we have become much better in Sweden in seeing the importance of cohesion policy and to talk more about regional development.*

What and where is Sweden's regional development capital? Helena Gidlöf states. Continuously, she highlights work within change, globalization, migration and digitization, including funding sources such as the European Structure and Investment Funds.

In total, Gidlöf states that the funds amount to just over SEK 13.5 billion for regional development in 2013. Of the total funding, the majority is invested in the metropolitan regions and the northernmost Norrland County. 36% of the funds go to Stockholm, Västra Götaland and Skåne. 28% go to the four Norrland countries, Norrbotten, Västerbotten Jämtland and Västernorrland.

"I think we have become much better in Sweden in seeing the importance of cohesion policy and to talk more about regional development. For instance, what structural changes are created by taking these approaches? By this I mean both in decision and in project forms. I think that we have every opportunity in the world if we rig this system – the only question is how we land and can deliver to the maximum. However, self-evidently, there are some concerns, ideas and suggestions." – Helena Gidlöf.

A Renewed Regional Policy – How we Work Within the 8-group

Tomas Riste, Regional Council/Regional Board Chairman, Region Värmland.

- *States that there must be higher demands in co-financing and wider goals with greater flexibility in order for us to adapt to regional conditions.*
- *Also, the Government wants to see budget priorities in for instance security, migration, competitiveness, research and climate change.*

The 8-group is a political working party with regional representatives and according to Tomas Riste they are "SKL's chancellor and civil servant support". The 8-group represents the regions in the dialogue with the government and other stakeholders. Relocation and relationship building takes place during SKL's meetings and in other forums of politics where



all regions participate.

“The 8 group was formed from a national forum and we want to have influence of the process for the 2014-2020 program periods.” – Tomas Riste.

Riste states that approximately, Sweden receives 140 MSEK from cohesion policy per year. About 40 MSEK is invested in 1-1 funds (*regional development funds*), which is less than in the culture cooperation model, which receives about 55 MSEK.

In regards to the Swedish Government's position for the budgetary negotiations, Riste states that the government wants to see a powerful reduction of the budget. When Britain's contribution disappears due to Brexit, the budget needs to decrease by as much. The Government wants to see budget priorities in for instance security, migration, competitiveness, research and climate change. This will be achieved through substantial reductions in cohesion policy and agricultural policy. Member States' contributions to the EU budget should be stabilized at current levels based on the principle of "burden sharing".

“There must be higher demands for co-financing. Infrastructure will not be equally clear. We want to see wider goals with greater flexibility in order to adapt to regional conditions.” – Tomas Riste.

Regional Added Value from a Government Perspective

The Swedish Agency for Economic and Regional Growth (ERDF), Lena Johansson-Skeri, Program Manager Northern Sweden & Swedish ESF Council (ESF), Per-Åke Fredriksson, Northern Mid Sweden coordinator.

- *States that the EU structural funds are mostly invested in regions with low growth and low R & D density*
- *Also, structural clusters have been strengthened, as well as the collaboration with academia and business enterprises, increasing the focus on digitization.*

An enhanced entrepreneurial promotion system which increases the focus on competitiveness and growth in European companies? Well, Lena Johansson-Skeri means that such a system enhances company growth, giving Region Gävleborg's electrical road system and the transitions in becoming a low-carbon economy as examples.

Johansson-Skeri also states that the EU Structural Funds is altogether divided into 276 regions and that Sweden has eight regions and thus eight regional programs. There is also a national program for Sweden as a whole.

“The EU structural funds are mostly invested in regions with low growth and low R & D density. However, digitalization also plays an important role of enterprise services, promoting the digital maturity of companies.” – Lena Johansson Skeri.

For instance, Northern Sweden received 2, 37 billion SEK (*with co-financing*) during the period 2014-2020. 31 % was invested in small and medium-sized enterprises, 30 % in information and communication technology. She also highlights the fact that structural clusters have been strengthened, as well as the



collaboration with academia and business enterprises, increasing the focus on digitization.

Per-Åke Fredriksson talks a lot about the European Social Fund (ESF), the lack of knowledge of the EU Structural Funds, as well as the ESF-council. A council that has about 130 employees in eight regions, with the head office in Stockholm. Fredriksson also states that the Social Fund is a part of the EU's Europe 2020 strategy for smart, sustainable and inclusive growth in the EU.

"We need to talk about inclusive growth, as we have people that are still not included in today's labor market. Despite the boom, long-term unemployment continues to increase. However, the high unemployment rate in our counties can change and ESF, as well as ERDF, contribute to these structural changes." – Per-Åke Fredriksson.

How ESF and the ERDF Contribute to Structural Change in Northern Central Sweden

- ***A Wermlandian Broadband Strategy***, Erik Larsson, Broadband Coordinator, Region Värmland.

Erik Larsson talks about the availability of having fixed broadband in the region of Wermland, thanks to investments in local networks with ERDF-funding.

Larsson also states that the project was funded by 200 million SEK in order to build 133 expansions of broadband stretches.

"We had not seen the development we see today without funding from ERDF, the research projects are also collaborative projects, meaning that we have got the municipalities to gather around the issues and found a common ground in them." – Erik Larsson.

- ***EKC (Energy Competency Center) and CetLer (Center for Tourism and Leisure Research)***, Anna Klerby, University of Economics and Economics and Process Manager for Smart Specialization North Central Sweden, Region Dalarna.

Anna Klerby talks about smart specialization in Northern Middle East Sweden, through collaborations with Gävle High School (HiG) and Karlstad University. The overall mission is to work with knowledge transfer in the energy sector, thus creating an energy competence center.



Klerby states that both EKC and CetLer create open paths to knowledge for an even greater society. Highlighting profile areas for smart specialization such as: innovative experience production, energy-efficient community building, health and welfare and advanced industry. The projects arrange seminars/workshops in order to contribute to dissemination of knowledge. By collaborating with students, they see better essays and a greater dissemination of research ideas.

"CeTLer is the University of Dalarna's knowledge platform that contributes to a systematic and integrated work for collaboration and feedback on education. In a regional perspective, the project creates mutual learning with the surrounding community." – Anna Klerby.

- ***KiVo - Quality Assurance in Healthcare and Welfare***, Systematics and Methodology for Increased Inclusion in the Swedish Labor Market, Per Iversen, Project Manager Hudiksvalls Municipality.

In order to collaborate and build strategies based on recruitment needs, get forecasts for newly educated and overcome demographic challenges, “Health- and health care college” (Vård och omsorgscollege) was started.

“Gävleborg also has the most long-term unemployed in Sweden - and thus receives funding for regional development work.” – Per Iversen.

Iversen coordinates the resources from the Social Fund and employers are active from first match. He states that they work in seamless flows, having only jobseekers in focus. KiVo works for having clear collaboration plans between employers, employment agencies, municipalities, labor market units and trainers. They also have three parallel ESF-projects within KiVo.

- **Knowledge Transfer Partnerships (KTP) - A Concept for Qualified Knowledge Exchange between Academia and Industry.** Per Edén, Operations Manager, University of Dalarna and Ola Wiklund, Process Manager, University of Gävle
 - States that KTP can be seen as a strategic tool in a region's innovation system for implementing of smart specialization.
 - Also, these projects had not been possible without contributions from social funds and the ERDF.

Knowledge Transfer Partnerships (KTP) can be seen as a strategic tool in a region's innovation system for the implementing of smart specialization. Benefits from this concept are an increased cooperation with regional actors, implementation of academic skills in the region, kick-start in career for graduates but also increased knowledge-based sharing.

Ola Wiklund states that time, money, skills and partners are the most common problems in development. Thus, KTP includes and employs new graduates from all over Sweden or abroad to meet or increase strategic development needs within Swedish companies. Half of the graduates' salaries are paid by the project and the second part by the employer for approximately 1-2 years.



“We have about 100 universities that are linked to the project, about 700-800 ongoing projects where 70% of the graduates are offered permanent jobs.” – Per Edén.

Wiklund states that they have 2.5 million SEK in earnings/year/company and a lot of exams and project work related to the project. The Swedish Agency for Economic and Regional Growth also conducts a formal investigation and exposes project applications for various tests.

“These projects had not been possible without contributions from social funds and the ERDF. You create added value simply where you get inspiration and new ideas and support for thinking strategically.” – Ola Wiklund.

At the same time, networking with the universities increase, as well as the digitalization of business systems and logistics, production development (lean management) and digitization of production systems.

Regional Innovation - Only for the Resource-Intensive?

Johanna Bond, Policy Advisor, Central Sweden European Office.

- *States that, within the framework of smart specialization, actions support the development of the innovation system, whether it regards the innovation climate or business environment.”*
- *Also, we need to be more present and there is always an added value in working in an EU-project.*

Central Sweden is Gävleborg, Dalarna and Örebro County's extended arm in the EU. Altogether, Johanna Bond sees a risk of reduced structural funding in the NPD, which might become problematic as a large proportion of the activities associated with R & D in the regions is financed by the ERDF.



What about the European added value in our EU-projects? In answering this question, Bond believes that we need to be more present and there is always an added value in working in an EU-project.

She also believes that we need to create a basis for exactly how big a share of the European structural funds a region might get and try to identify exactly which types of activities that are actually financed.

Bond also highlights the regional development capital. She sees two different groups, where the sources of funding in themselves create different conditions for regional development. Thus, all players, components, people, organizations, activities and technologies create networks between each other that are especially important in the innovation process.

“Within the framework of smart specialization actions support the development of the innovation system, whether it regards the innovation climate or business environment.” – Johanna Bond.

Why Municipalities need Structural Funds - A Local/Municipal Perspective.

Yoomi Renström, Municipal Commissioner, Ovanåker Municipality.

- *States that having one's own regional responsibility is good, but it also requires that a region understands which sort of development/prerequisites that is actually needed.*
- *Also, there are special efforts required in order to communicate what the EU actually does and what the funds that can be sought through the EU really contribute to*

Exactly, why are the EU Structural Funds good for the Municipality of Ovanåker? Yoomi Renström states that there is an uneven distribution of the project resources, which goes beyond the regional development projects that require time, resources and special consideration.

“Do you have to join the EU in order to do this? We got rural and regional development when we joined the EU – but the EU is better at it than our own politicians. The EU has a greater understanding of what needs to be done in schools, work life and in regional development.”
– Yoomi Renström.

Renström states that having one's own regional responsibility is good, but it also requires that a region understands which sort of



development/prerequisites that is actually needed in order to make long-lasting changes. Mostly, Renström believes that things are ruled from a “cosmopolitan perspective” and questions outside our own perspective are not really that interesting to us.

“Regarding politics, if politics do not think cohesion policy is interesting enough, how can it then be interesting enough for the target groups?” – Yoomi Renström.

In her conclusion, Renström states that there are special efforts required in order to communicate what the EU actually does and what the funds that can be sought through the EU really contribute to. This also relates back to how we might want to deliver results in our own municipalities

Why Sweden Needs Cohesion Policy

Abbe Ronsten, Regional Board Chairman, Region Dalarna.

Abbe Ronsten claims that we are completely dependent on development funds and the Structural Funds are an incredibly important part in being able to run several projects. Also, he states that, the EU has invested 2 billion in northern central Sweden.



“There is an advantage in that the funds based on the decentralization that Noomi raised, focuses particularly on special efforts.” – Abbe Ronsten.

Ronsten states that all European regions are partaking in Vanguard and that collaboration in Europe would not be done solely with national economic resources. EU-cooperation, globalization issues, assets such as large forests or other regional challenges mean that we get different topics of interest at different levels.

“We want to see structural fund systems that cover the whole of Europe and that we work together - unless we do that, we breed the tomb of nationalism and populism. We must have a regional policy in which Europe is totally involved. – Abbe Ronsten.

Ronsten concludes that all questions regarding the Structural Funds are not actually downpipe-issues. Because of development issues, it is incredibly important that we get bring them up for discussion. Without the Structural Funds, Ronsten means that we would have an incredibly difficult time ahead of us, seen from a regional development perspective.

Concluding paragraph

Eva Lindberg (S) Regional Council / Regional Board Chairman, Region Gävleborg & Carina Löfgren, Regional Development Strategist.

Carin Löfgren states that the conference has been very satisfying, it has been a *statement*. All speakers have filled the day with interesting content and she hopes that all participants feel enlightened with new knowledge, as the day was meant to be about knowledge fulfillment. She claims that cohesion policy affects everyone in Europe; whether it regards the citizens in Gävleborg, the regions, the Swedish government or the European Commission.

“We need to work across borders. We are not so different; in fact, we are very similar to each other.” – Carin Löfgren.

Eva Lindberg (S) is also unbelievably satisfied with the conference. The question is, she says, have we communicated this enough at a national level? She also praises the 8 group as a group of frenzy, patience and humility.