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H.E. Mr. Johannes Hahn, Commissioner for Regional Policy
EUSBSR team, DG Regio, High Level Group, PAC's,
PAC Focal Points, FPL, National and Regional Authorities

21 September 2012

Concerning the Action Plan, European Union Strategy for the Baltic Sea Region

ScanBalt™ fmba (ScanBalt) representing ScanBalt BioRegion hereby expresses the opinions of the association regarding the European Union Strategy for the Baltic Sea Region Action Plan (EUSBSR Action Plan) in its latest draft version.

ScanBalt first of all would like to compliment the European Union with the visionary creation of strategies for European Macro-regions.

We strongly support the continued development and implementation of such strategies, not only for the Baltic Sea Region and the Danube Area but throughout Europe as an effective tool for enhanced coordination and implementation of trans-national and cross-sectorial efforts in order to reach key EU objectives.

Governance p. 7 -14

In general we find the governance structure overly complicated and it is not entirely clear how it ensures that all relevant information is passed on to the implementing level, the flagships. It is our concern that the proposed governance structure which reflects an administration driven "top-down" approach may counteract the intentions of the many "bottom-up" flagship initiatives.

Furthermore, in the governance description of the action plan we recommend that the role of the regions is emphasised since the regions have a strong responsibility for implementing the action plan and are very important stakeholders in order to ensure a successful outcome. The direct involvement of the regions promotes a bottom-up structure of the action plan which ScanBalt believes is crucial and important for high level impact and quality.

The Regional Authorities should thus be acting in a coordinated manner with the Member States on the matters mentioned in "The tasks for the Member States" and it should be up to the Member States and the Regional Authorities in the respective countries to ensure implementation of

efficient procedures for the coordination between them. Therefore we recommend changing the headline to “The Tasks of the Member States and the Regional Authorities” as we believe the Regional Authorities can and should play an important role in all the tasks mentioned.

On p.11 is mentioned “the task of a body in charge of implementation of a programme/financial instrument”. It is not clear for us which bodies specifically are referred to which we believe should be clarified. In addition their role should be described more precise than just with words like “contribute”; “consider”; “promote”; “participate”; “disseminate”; “indicate”. What is their exact role and mandate, which decisions can or should they make – if any?

We would like to stress that successful implementation of the EUSBSR Action Plan depends entirely on the support and trust it receives at the national and regional level and among the stakeholders who are to carry out the concrete actions.

Therefore ScanBalt points out the importance of a transparent and impartial governance structure. In particular ScanBalt would like to stress the importance of transparent decision making regarding flagships and flagship-like activities. It has to be ensured that this is independent of individual national or regional interests and ensures focus on relevance for implementation of the action plan and quality.

Therefore the role of the PAC's in approving and assessing flagship (p. 13 - 14) has to be re-considered as there may be the risk that they cannot fulfill basic criteria for being neither impartial nor independent. This may lead to serious critics and mistrust and be harmful for the otherwise important tasks of the PACs. We therefore propose that PACs should not be involved in the decision making on flagship and flagship like activities and thus should not be requested to give any opinions in this respect.

Instead we recommend that DG Regio establish a system with independent peer reviewers to call for opinions on flagship and flagship like activities.

Funding Issues p.15

We find the description of funding unclear and not well described.

ScanBalt February 2011 released a position paper “EU Cohesion Policies and the importance of Macro-regions and Regional Clusters for Smart growth and Smart specialization”¹.

Here ScanBalt recommends to ensure separate and sufficient budget lines in EU Cohesion policies for macro-regions and their successful flagships in order to fully exploit the potential of macro-regions and clusters as drivers for reaching key objectives of EU Cohesion Policies and the EU2020 strategy.

This we still believe is of crucial importance.

In general this part of the action plan needs to be elaborated much more in details, so it is clear how the interaction and coordination between EU funds, national and regional resources are supposed to establish EU macro-regions as an effective tool to promote EU objectives.

Objectives and Sub-objectives of the Strategy

¹ <http://www.scanbalt.org/opinions>

The structure of the action plan appears rather complicated and with a lack of interconnection between Priority Areas (PA's). It can unfortunately give the impression of "fence building" around specific areas leading to rigidity and sub optimization.

ScanBalt therefore recommends that more fluidity and flexibility is incorporated into the action plan in order to adapt more efficiently to real challenges, needs and demands. ScanBalt suggests that:

- Flagships should be able to belong to, operate and interact within more than one PA
- Flagships for which it is relevant should have status for being pilots cross-PA's.
- Flagships accepted as pilot cross-PA's should have additional fast track funding

ScanBalt believes that Health in the EUSBSR Action Plan needs a status adequate to its role and importance. In the draft action plan this has been achieved by the proposed PA Health.

ScanBalt finds this very positive.

However in order to reach the intentions of the PA it needs to be closely linked to Innovation within the Health Care system and related areas, and therefore ScanBalt recommends to establish the existing flagship 7.4 "ScanBalt Health Region" as a pilot cross-PA flagship between PA Inno, PA Health, PA SME, PA Tourism (health tourism) and PA Agro (healthy food) with the purpose of connecting innovation with health and health and bio economy aiming to maintain and improve overall BSR competitiveness.

At p. 26 "to increase prosperity" it has to be underlined that though the main goal is to improve competitiveness we have to face the fact that it is equally important constantly to fight for *maintaining* competitiveness as BSR is under competitive pressure from other regions; first of all outside the EU.

Actions and Flagship Projects

At p. 84 – 85 are mentioned a number of flagships in the action line "Establish a common Baltic Sea Region Innovation Strategy".

We regrettably notice that the flagship proposal "SUBMARINER - Transnational Projects for Sustainable and Innovative Uses of Baltic Marine Resources" still does not figure in this chapter or in other parts of the action plan.

ScanBalt strongly recommends that SUBMARINER is given flagship status based on the reasons outlined in the application.

We hope that our comments are a support in the further discussions of the revised EUSBSR Action Plan which we find to be another step in the right direction for European Macro-regions.

Yours sincerely

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Peter Frank

Chairman

General Secretary