

ECOS-005

Brussels, 26 March 2002

**OPINION**

of

the Committee of the Regions

of 13 March 2002

on the

**Communication from the Commission to the Council, the European Parliament, the  
Economic and Social Committee and the Committee of the Regions**

**Strengthening the local dimension of the European Employment Strategy**

(COM(2001) 629 final)

**The Committee of the Regions**

HAVING REGARD TO the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on strengthening the local dimension of the European Employment Strategy COM(2001) 629 final;

HAVING REGARD TO the decision of the Commission on 6 November 2001, under the first paragraph of Article 265 of the Treaty establishing the European Community, to consult it on this matter;

HAVING REGARD TO the decision of the President of the Committee of the Regions on 20 November 2001 to instruct Commission 6 (Employment, Economic Policy, Single Market, Industry and SMEs) to draw up an opinion on this subject;

HAVING REGARD TO its opinion on the Communication from the Commission - From guidelines to action: the National Action Plans for Employment and the Communication from the Commission - Proposals for guidelines for Member States' employment policies 1999, adopted on 19 November 1998 (CdR 279/98 fin)<sup>1</sup>;

HAVING REGARD TO its resolution on the European Employment Pact, adopted on 2 June 1999 (CdR 156/99 fin)<sup>2</sup>;

HAVING REGARD TO its opinion on the Proposal for guidelines for Member States' employment policies 2000, adopted on 18 November 1999 (CdR 360/99 fin)<sup>3</sup>;

HAVING REGARD TO its resolution on the implementation of the European Employment Strategy, adopted on 12 April 2000 (CdR 461/99 fin)<sup>4</sup>;

HAVING REGARD TO its opinion on the Proposal for a Council Decision on guidelines for Member States' employment policies for the year 2001 and the Proposal for a Decision of the European Parliament and of the Council on Community incentive measures in the field of employment (CdR 310/2000 fin)<sup>5</sup>;

HAVING REGARD TO its opinion on the Communication from the Commission: Acting Locally for Employment – a Local Dimension for the European Employment Strategy (CdR 187/2000 fin)<sup>6</sup>.

HAVING REGARD TO its opinion on the Proposal for a Council Decision on Guidelines for Member States' employment policies for the year 2002 (CdR 271/2001 fin)<sup>7</sup>;

HAVING REGARD TO the conclusions of the conference organised by the Dublin Regional Authority in association with the European Commission, the Committee of the Regions and the Irish Delegation to the Committee in Dublin on 18-19 October, 2000 on "Working Together: A supportive environment for local action for employment";

HAVING REGARD TO the draft opinion (CdR 453/2001 rev. 1) adopted unanimously by Commission 6 on 21 January 2002 (rapporteur: **Mrs Sexton** IRL/ELDR, Mayor of Longford, Member of the Midlands Regional Authority);

adopted the following opinion unanimously at its 43<sup>rd</sup> plenary session of 13 and 14 March 2002 (meeting of 13 March).

## 1. **The Committee of the Regions' views regarding the Communication**

### 1. **General assessment**

1. The Committee of the Regions welcomes the communication from the Commission as it demonstrates the continued commitment to the local dimension of the European Employment Strategy (EES) and helps create a firm basis for the continued realisation of the local and regional dimension of the EES, as advocated by the Committee. The Committee considers that the communication is a comprehensive response to the process of defining the role of local actors in employment strategies, highlighting problems and good practice and providing insights for future actions at the local and regional levels.
2. The CoR accepts that the communication is not intended as a mechanism to identify new problems that the EES should address but rather to set out ways in which the local dimension can address such problems in a more effective manner and suggest ways to help actors play their full role in the EES in order to increase employment and provide stable, quality jobs.
3. The Committee has consistently endorsed the area-based approach and the development of partnerships of key local actors and social partners as the most efficient method of implementing Local Employment Strategies, most notably in

the Territorial Employment Pact initiative of 1997-2001, and welcomes the extent to which local and regional partnerships promoted by this initiative have been mainstreamed in various ways in different Member States.

4. The Committee highlights that this opinion is intended to be a considered but selective response to the Commission's communication based on its views and recommendations in previous opinions, as the communication is more of a summing up of previous actions than a proposal for new actions. The Committee is, however, pleased to see that the communication recognises a number of concerns and shortcomings that it has raised in earlier opinions.
5. The Committee welcomes the communication's acknowledgement that the institutional and administrative structures of present and future EU Member States is beyond the Community's competences. However, the Committee also supports recommendations of the Commission's White Paper on Governance for a stronger interaction between European institutions, national governments, regional and local authorities and civil society, not least in the EES.

## **2. Towards a Local Dimension of the European Employment Strategy**

1. The Committee is satisfied with the growing awareness of the local dimension and welcomes the progress that has been achieved to date, in particular the evolution of the commitment to the local dimension in the European Employment Guidelines, the inclusion of local employment strategies in the drafting of the National Action Plans (NAPs) of some Member States and in the implementation of the EES.
2. The Committee is encouraged by the trends of decentralisation in the implementation of the EES in the Member States but is still concerned that obstacles continue to exist towards the greater consideration for the active role that can be played by the local dimension, while maintaining the principle of subsidiarity. The Committee considers that there is scope for an increasing involvement of local and regional authorities not only in the implementation but also, and especially, in the formulation of Local Employment Strategies (LES) and in informing the drafting of the NAPs.
3. The Committee welcomes the statement in the communication that local and regional authorities are uniquely placed to facilitate the development of the social economy or third sector, not least through the fostering of effective partnerships of all key local actors but also as major suppliers of services to the community, through the practice of out-sourcing or contracting the delivery of a range of services to the third sector. This applies particularly to the provision of environmental and social services, insofar as differing legal and constitutional frameworks in Member States allow. The CoR believes that the potential for expanding and developing the activity of local and regional authorities in this area needs to be vigorously resourced and supported within national programmes and also through the use of Community Instruments in fostering the development and dissemination of good practice and in providing test-beds for innovative approaches.
4. The Committee also welcomes the acknowledgement that the facilitative and supportive role of local and regional authorities in promoting the social economy equally applies to their role in developing a strongly supportive environment for fostering entrepreneurship and enterprise support, as has been emphasized in a

number of previous opinions of the Committee. The need for private businesses to shoulder their share of responsibility for boosting employment is of key importance in promoting the objective of a European employment strategy.

5. The Committee agrees with the conclusion in the communication that the information to and involvement of the local and regional level in the NAP process are largely insufficient but underlines that simply acknowledging the role and importance of local and regional authorities is not enough. The Commission's recognition of the importance of mobilising all regional and local players for the purpose of executing the employment strategy does not automatically mean that Member States have taken this message on board. Member States must ensure that local and regional authorities are given the mandate, the opportunity and the resources to develop meaningful local strategies in close collaboration with key local actors.

### 3. **Developing Local Employment Strategies - the way forward**

1. The Committee welcomes the emphasis in the communication for strengthening the link between local, regional, national and Community levels but would underline that actions speak louder than words.
2. The CoR believes that regional and local authorities are also uniquely placed to facilitate and promote the involvement of the public employment services in local partnerships and employment pacts, and hence in the development of Local Employment Strategies and would call on Member States to foster and encourage the involvement of the public employment and training services at this level.
3. While the CoR believes that the rationalisation of the Employment Guidelines has been beneficial, it also wants to see its recommendations regarding them reflected in the refinement of their provisions, particularly as regards the role of local and regional authorities in the drafting as well as the implementation of the National Action Plans.
4. The Committee welcomes developments to benchmark the development of the EES and to draw attention to best practice in each dimension of the strategy. In particular the Committee hopes that suitable and easily understood indicators will be developed as practical tools for benchmarking the development of employment strategies in regional and local environments in order to identify the obstacles to developing strategic employment initiatives and to facilitate the comparison of efforts to include the local dimension across the Member States.
5. The Committee would emphasise the need for close links between the bodies running employment services and local and regional authorities in promoting employment and developing best practice.
6. The Committee would underline the role played by local and regional authorities by the fact that in many cases they are themselves major local employers. This means that local and regional authorities can also play an important role as promoters of best practice, not least in fostering open and inclusive employment practices, particularly in increasing the participation of women in the workforce through the imaginative provision of services such as childcare and transportation and through the adoption in their own organisations of innovative family-friendly work practices. Local and regional authorities are also uniquely placed to increase employability among currently excluded groups

through the development of models of good practice within their own organisations through partnerships of local interests, social partners, NGOs and representatives of excluded groups.

7. The Committee notes that in some cases the innovative measures promoted through calls for tender under Article 6 of the ESF do not allow for applications by municipal-level authorities. It therefore urges the Commission to provide resources to promote the EES at local level, possibly with smaller financial reserves, but capable of developing and disseminating local best practice and also bringing in partnerships with the applicant countries.

#### **4. Orientations for local employment strategies**

1. The Committee views the communication of the Commission partly as a response to the request from the CoR for specific concrete proposals regarding the development of Local Employment Strategies. The Committee feels that, without being prescriptive, Annex 1 to the communication represents a positive starting point in this process.

#### **2. The Committee of the Regions' recommendations regarding the Communication**

##### **1. General assessment**

1. The Committee believes that the communication should lead to the emergence of a firm commitment, from the Member States, to providing concrete supports to local and regional actors in the development and implementation of Local Employment Strategies. The CoR considers that the role of Member States in fostering, resourcing and enabling this process must form part of the review of the European Employment Strategy in 2003 and be expressed more forcefully in future European Employment Guidelines.

##### **2. Strengthening the links between local, regional, national and Community levels**

1. The Committee believes that if the local dimension of the EES is to be strengthened then the national consultation process for drawing-up the NAPs must be widened and deepened. To further enable this the CoR believes that the NAPs and the guidelines should in future be developed on a longer time-span rather than the current one-year basis, to enable sufficient time for National Action Plans to be developed through inclusive consultation of regional and local actors, including elected representatives, in all phases of the process. This would, the Committee believes, strengthen and inform the NAPs process and avoid the problem of local and regional authorities being confined to implementing measures solely formulated and decided at national level. The CoR would welcome consideration of this aspect in the review of the European Employment Strategy from 2003.
2. The Committee would encourage a continued shift from individual local employment initiatives to coherent integrated Local Employment Strategies. This requires on-going and full integration between the local, regional, national and EU levels of the European Employment Strategy. It also requires the provision of supports to enable local and regional actors to develop the skills necessary to successfully undertake this role, particularly as regards the development of strategic aspects of local employment strategies. The development of vertical integration could, the Committee believes, be enhanced

and more easily facilitated by a longer-term framework to the EES and the NAPs process, the availability of technical and advisory supports for local and regional authorities in developing LESs, the establishment of exchange forums at national level to facilitate local action and the reduction in the number of bureaucratic conditions and rules in applying the EES. In this context, the Committee would call for reports from Member States on the promotion of Local Employment Strategies within their NAPs to include reference to resources made available to local and regional authorities to properly undertake this role.

3. The Committee would recommend that Member States should be obliged within the European Employment Strategy to report regularly and comprehensively on progress in fostering the development of Local Employment Strategies and on the level and nature of the input from local and regional actors in both the drafting process and the implementation of the NAPs. The Committee would recommend that at the very least each NAP should provide an introductory statement on the role of the local dimension in the preparation of the NAP and an indication of the guidelines in which they have been involved.
4. The Committee would also highlight that in some Member States the government department or ministry charged with preparing the NAPs is not always the most engaged with local and regional authorities (on a day-to-day basis) and would encourage Member States to ensure better integration and interaction to fully involve local and regional authorities in the preparation of the NAPs.
5. While building on local expertise, skills and knowledge, the development of successful Local Employment Strategies within the context of National Action Plans requires active support in the transfer and dissemination of best practice in the integration of currently excluded groups. e.g. in the integration of immigrants and ethnic minorities, and that some urgency be attached to the widest dissemination of tangible results from successful innovative approaches to these issues, throughout the Union.

### **3. Building on experience and making better use of existing instruments**

1. The Committee would welcome an initiative that would promote the use of mainstream ESF in Local Employment Strategies rather than depending on special initiatives or budget lines. In this context it welcomes the Commission's view as expressed in the communication that special initiatives form a resource enabling the dissemination of good practice and as a test-bed for innovative ideas. It would however emphasise that, as in the EQUAL initiative, all such special initiatives and instruments must include key elements more strongly relating to the mainstreaming of successful initiatives.
2. The Committee supports the Commission's view that Community Instruments should be used as vehicles for the dissemination of best practice and the development of strategic aspects of Local Employment Strategies, as a means for test-bedding new ideas and approaches, as a means for gathering and disseminating best practice and as a means of influencing the ESF mainstream. The Committee would further recommend that the Commission, within its competencies, should establish a database of employment strategies which would inform the policy formulation, local employment strategy and NAPs development processes. Such a database would assist as a guide or "toolbox" to local and regional authorities. The Committee considers that this database would

either assist in the preparations for the proposed Local Development Forum or else be a concrete output of the Forum itself.

#### 4. **Candidate countries**

1. The Committee agrees with the Commission that the candidate countries should be encouraged and assisted to actively embrace the European employment strategy's aims and join in its implementation, and be encouraged from the start to fully involve partnerships of local actors in the process. In this regard the Committee welcomes the signing of joint employment assessments and agreements to shadow Community policy between the Commission and many of the candidate countries in the run-up to accession but would emphasise that the role of the local dimension should be strengthened where necessary to contribute to labour market developments in these countries.

#### 5. **The Local Development Forum**

1. The Committee believes the employment strategy must be developed in a coherent form as part of an integrated local development approach combining local strategies on employment, social inclusion, the fostering of entrepreneurship, and the social economy. The CoR welcomes the proposed *Local Development Forum* if it can deliver as a means of sharing experience and disseminating practice on integrating these aspects into comprehensive and integrated local development strategies.
2. The Committee is willing to actively co-operate with the Commission in the preparation and realisation of the *Local Development Forum*. The CoR has been very involved and supportive of actions taken to strengthen the local dimension and feels that it can make a positive contribution to the work of the Forum, through the expertise and experience of its members and their local and regional authorities, in the design and delivery of workshops and other aspects of the Forum. Given the central role played by local and regional authorities in both leading and facilitating local development, the CoR requests that it be consulted and involved from a very early stage in the planning and conceptualisation of the Forum.

Brussels, 13 March 2002.

The President

The Secretary-General

of the

of the

Committee of the Regions

Committee of the Regions

**Albert Bore**

**Vincenzo Falcone**

<sup>5</sup> OJ C 144 of 16.5.2001, p. 30

<sup>6</sup> OJ C 44 of 24.1.2001, p. 13

<sup>7</sup> Opinion delivered on 14.11.2001 (not yet published in the OJ)

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