

**Introductory remarks by the Commissioner-Designate**

**Johannes HAHN**

**Hearing at the European Parliament**

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**=== CHECK AGAINST DELIVERY ===**

Madame Chairman,

Honourable Members of the European Parliament,

It is a pleasure and an honour to be here today. I stand in front of you because I seek your support to become European Commissioner for Regional Policy.

Regional policy is one of the success stories of European integration. Let's put it plainly. There are also discussions about whether we should continue on the course we have followed to date, or whether a better course would be to strengthen sectoral policy approaches. In the interests of the regions I say: There is no alternative to an integrated approach! I am in favour of this approach and I ask you for your support — together, let us be strong partners for the regions and their needs!

The developments in regional policy in recent years have been outstanding, and I would like to offer my sincerest thanks to one of my predecessors — you, Madame Chairman — for your efforts and engagement for the regions and the people in them. At this point, let me

just mention three fundamental achievements that have led to a modernisation of regional policy: the strategic alignment with the Lisbon objectives, the 'earmarking' of expenditure, and the first amendment of the Regulations during the period to make them simpler and more flexible — in the interests of the regions. The new financial engineering instruments will provide outstanding services, for example to SMEs and newly self-employed people.

Ladies and Gentlemen,

Regional policy has faced various challenges in the past. Recent years have been characterised by the integration of a Europe that had been split for decades and had developed in different directions. In these years, Europe has proved, and it must continue to demonstrate in the future, that it is a community based on solidarity.

For me, solidarity means that the poorest regions — in the heartland of Europe, but also in the most distant overseas territories — must continue to be the focus of our attention. They need EU support to strengthen their economic base, to build up their infrastructure and to provide the necessary skills to their workers. Cohesion policy guarantees a fair balance of opportunities so that these regions too will benefit from our shared prosperity.

However, the situation in which we find ourselves today is different to that of two years ago. We are facing the severest economic crisis since the end of the Second World War, many citizens are rightly worried about their jobs and about European prosperity, and again much is expected of regional policy.

Let us not deceive ourselves: Europe will not be the same after the crisis. No region has a guarantee of prosperity for all eternity! For that reason we need a new policy offering tailor-made solutions for the individual regions and assisting in the creation of a modern, sustainable and innovative Europe. A Europe that is capable both of holding its own in the face of global competition and of supporting the competitiveness of all its regions. A Europe that can stand up as one to the common challenges it faces.

Let me be very clear:

I am opposed to re-nationalisation. Cohesion policy is a policy for all the regions. Nobody should be left behind. Limiting it to the poorest parts of Europe would transform the policy into a simple mechanism for transferring funds from the rich to the poor. It would cut off from the policy more than 170 regions home to two-thirds of the EU population. It would weaken both social cohesion inside the Union and our collective competitiveness.

Ladies and Gentlemen,

I am a committed supporter of cohesion policy. But I also think that there are areas where changes and a new emphasis are needed. Let me mention three specific areas of action:

Firstly, future cohesion policy must clearly serve the major priorities of the EU 2020 Strategy: competitiveness, a knowledge-based society, climate protection and energy transition. If we concentrate our efforts on these priority areas, and if we manage to achieve better coordination and

cooperation with other policy areas in the Union, such as research and innovation, education, the environment, energy and transport, we will be able to maximise the impact of cohesion policy. This is why we will continue in the coming period to ' earmark ' some of the expenditure.

Secondly, we need a new urban policy for Europe. Towns and cities are the economic, cultural and social focus of our continent, and today they are in particular need of our attention. I would like to launch a wide-ranging consultation on this issue, and the results would be used in the next programme period.

And last but not least, we need to find the right balance between, on the one hand, checks on errors and irregularities and, on the other hand, a reduction of the administrative burden. The error rate reported by the European Court of Auditors is a warning signal which I take very seriously. And I assure you that I will take strict and rigorous measures to combat errors, misuse and fraud. Sound financial administration need not be incompatible with simplified rules and procedures. On the contrary, we are in need of procedures that are simpler and rules that are easier to understand. This would minimise the error rate and make it easier to achieve an effective and efficient administration.

Ladies and Gentlemen,

The European Parliament, the REGI Committee and you, Honourable Members, are extremely important partners for me in shaping a common policy for the regions. I was a Parliamentarian myself for many years, and I know about the needs of elected members. I look forward to working with you in a spirit of openness and mutual trust — in the

interests of Europe, in the interests of the regions, and in the interests of our citizens.