



USLRRE
Union of Socialist
Local and Regional
Representatives in Europe

FOUNDATION FOR EUROPEAN
PROGRESSIVE STUDIES
FONDATION EUROPÉENNE
D'ÉTUDES PROGRESSISTES



Conclusions and Statements

Workshop

«Fair Growth - The Local and Regional Dimension»
of the **Union of Socialist Local and Regional Representatives in Europe (USLRRE)** and
FEPS – Foundation of European Progressive Studies

within the framework of the **Convention of the Party of European Socialists (PES)**
on Friday, 25th November 2011 from 9.00 h till 10.30 h, in Brussels
in the **SQUARE - BRUSSELS MEETING CENTRE**
(rue Mont des Arts, Brussels, B1000 Belgium).

Speakers:

Karl-Heinz LAMBERTZ, Minister-President of the German-speaking Community of Belgium, President of the PES Group in the Committee of the Regions

Claudy LEBRETON, President of the Conseil Général des Côtes d'Armor, President of the Assembly of French Departements, President of the USLRRE

Roland SCHÄFER, Mayor of Bergkamen, President of the Association of German Towns and Municipalities, Vice-President of the USLRRE

Freddy THIELEMANS, Mayor of Brussels

Moderator:

Dr. Ernst STETTER, FEPS Secretary General

Conclusions of the Workshop «Fair Growth - The Local and Regional Dimension»

Fair and sustainable growth in a social Europe can only be achieved with strong municipalities, cities and regions. Through their investments, their economic promotion and innovative infrastructure policies they can give a strong impulse for sustainable growth and make an important contribution to the safeguarding of jobs and the creation of new employment. Local and regional authorities also play an important role in the fight against climate change and the protection of the environment due to measures like sustainable spatial and settlement development and innovative mobility and transport concepts at regional level, as well as the use of renewable energy and making buildings more energy-efficient. At the same time municipalities, cities and regions have the responsibility to provide citizens with a comprehensive range of fundamental services of general interest. These services are important for job creation, social inclusion, the maintenance and development of infrastructure and for the development of social and territorial cohesion of the EU.

Statement by Claudy LEBRETON

It is a great pleasure to open, in your presence, a working group of our Union. These times of exchange and discussion are always greatly enriching for all of us, even if they are probably too short and not frequent enough.

1. The economic context

We can't help but acknowledge that we are today in a very special situation. Indeed, Europe is perhaps going through its worst crisis since the end of the Second World War.

This is a crisis on many fronts as it involves the economic, political and social foundations of our union. It also leads us to question the very essence of our public action and our commitment to the general interest. Are there no other options than to limit public action? Are we facing a debt crisis or a revenue crisis?

2. The specific political context

In less than a year, the crisis has overthrown 7 governments. In February in Ireland, the Centre (Fianna Fail), that had dominated political life since 1987, was defeated by the right (Fine Gael).

In April in Finland, the "conservatives - social democrats" coalition replaced the centrist government.

In June in Portugal, the right won the legislative elections following the resignation of the socialist prime minister Jose SOCRATES.

In September in Denmark, a centre left coalition dominated by the social democratic party won the legislative elections.

In November in Greece, following the resignation of George PAPANDEOU, a national unity government headed by a former ECB vice-president (Lucas PAPADEMOS) was formed encompassing from the socialists to the extreme right.

In November in Italy, Silvio BERLUSCONI had to resign. Mario MONTI became the head of a government of technicians largely supported by the parties represented in Parliament.

Lastly, in November in Spain, the Popular Party (right) won the legislative elections against the outgoing socialist prime minister, ZAPATERO.

How far is this "upheaval" going to go? We wish for a change of government in France, but also hope that it will restore some hope.

3. Issues

In the economic and political context, it is important to reflect on the issue of "fair growth". In a time of intense crisis, the question of growth is fundamental.

We have to participate in the construction of a new development model because we see the deep inequalities contained in the old model and, especially, how it has led us to the current economic crisis. Whereas the issue of growth is inherent to our capitalist societies, the kind of growth, wealth distribution and the balance of taxes depend on political choices. As socialist elected officials, we would like to promote fair growth with sustainable development and social justice as basic principles of development.

4. The position of local authorities on fair growth

We are all aware that local authorities in Europe have a predominate role in public investments. Yet, there won't be any lasting upswing in growth, and thus no exit from the crisis, without such investments.

To bring back growth, we need together to activate all the leverage available at national and local level to restart the economic machinery. We have indeed a unique opportunity to try to start off on a new, healthier footing: one more respectful of everyone's needs and of those of the environment.

To put it simply, GDP cannot remain the only tool used to measure the effectiveness of our policies. The concepts of well-being, sustainable development and social justice now have to be included to lay the foundations of "fair growth". There are indicators of economic, social and environmental analysis that can help us.

5. Implementation of "fair growth"

The text of the convention of the European Socialist Party is an extremely interesting working basis. It raises, for our discussions today and for our future exchanges, the big questions pertaining to the fundamental issues of the 21st century.

Even if much remains to be done on our territories and with our local authorities, some of us already have experience of relevant tools and, especially, policies.

In particular, we have to continue our efforts as regards solidarity, professional integration, economic development and environmental preservation.

I come from an agricultural department very much concerned by all issues connected to sustainable development. For instance, I implement a number of measures enabling local jobs to be maintained while facilitating the conversion of the most polluting modes of production.

Likewise, in my department, I have been trying for years to maintain the not-for-profit sector which is a "glue" for real social cohesion. It's not always easy and it's particularly delicate to find a balance. However, I'm convinced that local authorities can do this just as well as governments, if not better.

They are greatly aware of the special characteristics of their territories and are thus able, through consultation, to come up with the most appropriate solutions.

I very much believe in the power of experimentation. Even if we are not directly involved in deciding our governments', or the European Union's, broad strategic economic and social policies, we all have the tools to innovate locally and to demonstrate every day the effectiveness of different policies, more respectful of humans and territories.

I have no doubt that all of you here have in mind initiatives and examples illustrating this.

Statement by Freddy THIELEMANS

The economic, environmental and social crisis strongly affects our cities and its inhabitants. Yet, European cities are best placed to meet our citizens' needs.

European cities and local authorities :

- Represent > 75 % of EU population
- Nb : Brussels (demographic growth : +15% in 10 years)
- Manage $\frac{3}{4}$ of public investments and employ > 64 millions workers.
- Play a fundamental role in ensuring the quality of life of their territory's inhabitants by providing public services.
- These services concern all aspects of daily life: services for people, transport, health, education, early childhood, energy, water policies, green spaces, roads, sports and culture.

To do so, cities must have adequate financial resources. **Yet, banks don't play along.**

Solution : to avoid local authorities needing to have recourse to short-term lending on the market for financing (because of prohibitive rates) = encourage the system of intra-public lending. → **This is already done at the City level, with the City's hospitals and social services: the treasuries are merged according to the needs of each service. One approach would be to do this on a larger scale.**

In this difficult context, how does the Socialist Party provide for fair and sustainable growth in the city of Brussels?

Key idea : the crisis should not give rise to spending cuts; on the contrary, **the role of public authorities, in times of crisis, is to invest in well-being:**

- by having ambitious policies of public investments with added-value
- by increasing the "hold" of public intervention

Some of the City's tools and achievements that generate fair growth:

- Financing of strong and high-quality public services, infrastructures and facilities (schools, day care centres, etc.), which guarantee equal access to all citizens.
- Plan 1000 housing units (1300 housing units created): the City aims at putting pressure on the rental market to limit speculation.
- neighbourhood contracts: participation tools for urban revitalisation, implementation of socio-economic and environmental projects (stimulating social cohesion, sustainable development, employment integration (training))
- local agenda 21 : participation tool for sustainable local development (21 objectives - 150 actions for effective, socially fair and environmentally sustainable economic development). In Belgium, the City is one of the first to have adopted this tool.
- Technological innovation and tourism growth: creation of facilities for congress tourism = International Congress Centre Neo = activities generating economic activity (creation of services and jobs that cannot be delocalised)
- Ethical and solidarity investments: the City invests parts of its revenue through the ethical bank Triodos Bank. This is a symbolic measure, but it is my wish to increase the amount invested.

Conclusion : exchanges (of good practices) between European cities is essential. Cities and local authorities stand to learn from one another's experiences.

Statement by Karl-Heinz LAMBERTZ

Europe is in a difficult situation with the ongoing crisis, the bad situation in terms of budget, high unemployment and general insecure real economic factors outlook.

Together with the unfortunate regional/local context (public finances), this general situation has a deep impact on the regional and local level due to ongoing austerity measures and the fact that regions are the first to pay (both economically but also socially) as the reality of the citizens have to be dealt with at this level first and foremost.

Political reforms are therefore needed and I am happy to see so many of us around the table to discuss this important issue: European Socialists need to be stronger in confronting the growth challenges: productivity vs. solidarity, equal distribution, access to jobs, a new energy-model etc.

We also need to think more about election results: the left in Europe has been very impacted by the crisis as has been very busy implementing austerity measures and thus neglecting the task of giving hope to its citizens. We need a real technological strategy and progress.

We have to remember the crucial role which the regions play in all of this, and from an EU level it needs to be ensured that the regional and local authorities can benefit intelligently from the EU budget, which indeed is an investment-budget.

Not to be neglected either are the European funds, think for example in terms of:

- education
- labour market
- development of social projects
- innovations in the health sector
- initiation of business projects
- improvement in the public services and so on...

We of course also have to put the deserved focus on equal distribution of the results of growth, as well as we should work around growth not only in the economic terms but also consider growth to benefit the human, social, green, sustainable aspects.

In conclusion, we as European Socialists need to stand together now and fight for a brighter future for the coming generations."

Statement by Roland SCHÄFER
“Sustainable economy at local level” – Experiences from Bergkamen

General context:

The proportion of renewable energies for electricity consumption in Germany is set to be 30% in 2020 (2050: 80%), for the EU 20%. Political targets (National Energy Concept 2011, nuclear energy phaseout, development of renewable energies, state-decreed energy efficiency measures, CO2 reduction) have led to a shift in energy generation and on sustainability. Local authorities play a key role in this energy transition, as they are tasked with town planning and issuing building permits, as well as being the biggest contractor, real estate owner and owner of public services. Local authorities are also promoters, setting an example and advising citizens.

Experiences from Bergkamen:

Bergkamen, with its approx. 50.000 inhabitants and a surface of 44,8sqkm, is a medium-sized town in the region of Unna (NRW). The city's industry is centred on coal and chemicals and its balance sheet total amounts to 357m Euros. Sustainable economic activity in Bergkamen focusses on three areas:

1. Awarding contracts for services and construction

The contract specifications of the city of Bergkamen set out sustainability criteria under the headings "environmental protection" and "fair purchases". When procuring materials and goods, their recyclability and reusability, as well as longevity, repair capacity and waste balance are assessed. Social and environmental criteria guide the procurement of supplies and contract awards.

2. Sustainable economic activity and energetic refurbishment of city buildings

In Bergkamen 64% of electricity needs are met by renewable energies. Targeted energy controlling allows for causer-appropriate classification and specific key figures. Energy data is not passively collected; instead, there is active control, analysis and management. We were able to reduce the overall energy consumption of Bergkamen between 1995 and 2010 from 32.679 MWh to 23.092 MWh (CO2 emissions: 10.790t (1995); 6.955t (2010)). The local authority owns 6 photovoltaic plants and a solar thermal plant; in total there are in Bergkamen 300 photovoltaic plants with an installed capacity of 4.408 kWp. The refurbishment of the Römerberg sports hall in 2009 led to a reduction in the building's energy consumption of overall 47,2%, energy costs were thus reduced by 42,6%. Furthermore, though its series of initiatives entitled "Home refurbishment-profits", the city of Bergkamen encourages its citizens to energetically refurbish private buildings.

3. Local public services and sustainable energy supply

The local public services Kamen-Bönen-Bergkamen guarantee a sustainable energy supply. The renewable production units comprise the offshore wind park Borkum, the onshore wind parks Bergtheim and Hardheim, as well as photovoltaic systems on municipal rooftops. The local public services are also active partners in the field of electromobility. The local public services' business areas include electricity, gas, water and heat supply and generation. Moreover, the local public services operate various facilities (7 pools, 1 ice rink, 1 sauna).

Bergkamen is a model of sustainable energy: electricity is generated as to 100% by hydraulic power and at a cost of only 1% above that of conventional electricity.

Fair growth and sustainable economic activity is only possible with the involvement of local authorities!