European & International Board – report from Councillor Dave Wilcox OBE (Chair)

Delivering Our Lobbying Priorities

EU Budget 2014-20

1. European issues took centre stage of national debate once again last month, with European leaders agreeing a budget deal for the rest of the decade that will lead to the first cut in EU spending in its 56-year history. The agreement represents a cut of €33 billion to €960 billion compared with the current period, but funds important to councils, such as regional development funds, remained largely intact. The UK will receive a similar allocation to the current period. The deal saw more funds for research and innovation as well as a new fund for Small and Medium Enterprises (SMEs) called 'COSME'. The UK rebate was retained. The European Parliament now has to approve or reject the deal but cannot amend it.

EU Structural Funds 2014-20

2. The fact that the negotiations, which lasted over 25 hours, ended with a deal on the EU financial plan for 2014-2020 is great news for local authorities. This will ensure that a new round of EU funds can begin promptly and support local projects from the second half of 2014, something we have fought for.

3. Worth up to £8 billion, EU structural funds should play a significant contribution to local partners' efforts to bring growth to local areas, which is why the issue remains a top LGA priority. At our February Board meeting, colleagues and I heard from Sue Baxter (Department for Business, Innovation and Skills), the Civil Servant leading the UK negotiations on structural fund reform, on the latest position in the EU-wide negotiations. It was reassuring to hear that within Government our arguments regarding the principles of localism have won out; however this does not mean that we will reduce our efforts in this area. We will now be turning our attention to focus on working with our member authorities and with the relevant Whitehall departments on the detail of how a devolved EU funding system will work at a Local Enterprise Partnership (LEP) area level.

4. With this in mind, the LGA would be interested in finding out from councils how discussions are progressing locally between you and your LEP on this issue. Please send any updates to nick.porter@local.gov.uk. On 7 February, Ministers from Whitehall departments managing EU funds wrote to LEP chairs outlining next steps for developing local investment plans for using future EU growth and skills funds. However, we understand that the Government did not send this letter to councils, which we had urged them to do.

5. At our February meeting, Board colleagues and I also heard about practical ways in which local areas use European Investment Bank (EIB) financial engineering instruments such as JEREMIE and JESSICA can help secure growth in local areas. Such instruments will play an important role in the future alongside the traditional grants from the structural funds. It is therefore important that councils and their partners understand the opportunities that exist and help shape these investments in their local areas.

Council's role in supporting International Trade and Investment

6. On 18 February 2013, Councillor Richard Kemp, Vice-Chair of the Board, met with senior UK Trade and Investment (UKTI) representatives with responsibility for Africa and Turkey, to discuss ways in which councils can support UKTI activity in these areas. These discussions form part of the Board's activities on international trade and investment as a means to promote local growth, and will also form the basis of a wider roundtable discussion that I will be hosting with UKTI on 19 March. Key topics to be discussed at this round table include how to ensure councils as well as LEPs are better engaged on international trade and investment issues by national government, so that our collective effort to promote the UK is better coordinated and more effective. If you have ideas you would like to put forward on this issue, please contact Russell Reefer (Policy Adviser) on russell.reefer@local.gov.uk.

The LGA Public Health Conference

7. I was pleased to be able to make a presentation at the LGA's Public Health Conference on Tuesday 26 February, highlighting the importance of localities addressing the increase in smoking that has occurred in younger age groups since 2005.

8. Of particular importance is the EU Commission's proposal on a new tobacco products labelling directive which addresses new developments in tobacco retailing, particularly in terms of products aimed at young women who perceive smoking and smoking products to contribute to an improved body image. I was able to highlight that new products on the market are clearly targeted at the junior end of the addiction ladder.

International Links: Learning and Sharing

Council of European Municipalities and Regions (CEMR)

9. On 30 January 2013, the CEMR Policy Committee agreed to the transfer of the CEMR Paris office to Brussels for reasons of efficiency and effectiveness. This has been a long-held ambition of the UK section, and represents a success for the LGA and its European Associations allies, particularly as it will be achieved at no cost to the subscribing associations.

Launch of 2014 RegioStars Awards

10. The European Commission has launched the 2014 RegioStars Awards. These awards aim to share good, innovative practices funded through the EU's Cohesion policy. The award categories for 2014 cover: SME innovation; green growth and jobs; creating jobs for young people; investment projects in sustainable urban public transport; and, energy efficiency and the low-carbon economy.

11. The deadline for applications is 19 April 2013. Further information on how to apply, including on the eligibility and awards criteria, can be found on the RegioStars website - http://ec.europa.eu/regional_policy/cooperate/regions_for_economic_change/regiostars_en.cfm. They can also be contacted at regio-stars@ec.europa.eu.

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