

Do the EU Institutions have the tools to push  
Member States governments to incorporate “Roma  
Inclusion” in their structural funds distribution?

by

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## **Abstract**

There are between 10 and 12 million Roma in the European Union (EU) which live in extremely bad conditions. The EU has allocated structural funds which are available to the member states to combat the social exclusion of the Roma but, the states do not make the use of them. Therefore this thesis attempts to answer the question what tools the EU institutions have in order to push the member states to incorporate policies for Roma inclusion. The question will be examined by assessing the Multi-level Governance theory and the development theory, as well as assessing the practical application of the structural funds, and finally what progress for Roma inclusion might be achieved by using the tools which the EU institutions have. In the end it will close with the conclusions.

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## Introduction:

There are between 10 and 12 million Roma in the European Union (EU) who suffer everyday discrimination, social exclusion and poverty (EC, 2008). On the other side structural funds “promote economic and social cohesion in the European Union.” (DG REGIO, b). Therefore the EU Member States (MS) are able to use the structural funds in order to promote social and economic inclusion of the Roma in the mainstream society, because the costs of the social exclusion are very high both for the Roma and for the MSs. Yet this is not what is happening in practice.

The Roma who are living in poor conditions are unable to influence the MSs policy for distribution of the structural funds, the MSs on the other side are avoiding the Roma inclusion for a number of reasons, as they have other funding priorities. The EU institutions as the European Council, European Parliament and European Commission emphasize the importance of the Roma inclusion by all means (EC, 2010) but cannot impose direct decisions on the MSs, except in particular cases, as they are sovereign entities. Thus in the situation created what leverage do the EU institutions have, in order to push Member States to incorporate “Roma inclusion” in their structural funds distribution?

According to the Multi-level Governance theory there are financial tools which connect the EU directly to the local governments (Hooghe and Marks, 2001). However it is questionable whether those tools might be used in order for the EU structural funds to reach the Roma? According to the development theory social exclusion persists even in the most developed countries, but through equality and growth those states may achieve to close the gap between the mainstream society and the marginalized groups (Pieterse, 2001).The

question arising from this theory is: can the development theory be employed in order to explain how to achieve equality and growth of the Roma through the structural funds? And finally what would be the benefit of the use of the EU tools for the promotion of social equality of Roma?

*I assert that even if the EU institutions have the leverage to push the MS to implement social policies for the Roma, if they do not use these tools wisely small or no progress in the Roma inclusion will be achieved, which means that those tools would be wasted.*

In order to assert my question I have done a literature review on the theory of Multi-level Governance and the development theory. In addition I have done document analysis on the EU structural funds and the Roma searching for the tools which EU has in order to push the MSs for social inclusion of the Roma through the structural funds, and used the interviews done before. The limitation of my research was the lack of academic literature on Roma issue, lack of official data on Roma as well as lack of literature on the tools available within the EU for pushing MSs to work on the issue of social inclusion.

This thesis is making a modest contribution to the existing literature in regards to the Roma and structural funds by assessing the available EU leverage to push the MS for inclusion policy on Roma. This research has also practical implication since it assesses the progress achieved through the use of this EU tools identifying the areas where it is most effective.

In order to answer my research question I will structure my thesis as follows. In the first chapter I will scrutinize two theories the Multi-level Governance and the Development theory, aiming to assess whether the claims of these theories might be employed for the improvement of the Roma situation through the use of the structural funds. In the second chapter I will give an overview of the structural funds, the reforms they have undergone, the current state of the cohesion policy, how the funds work and what the relation between the structural funds and

the Roma is. In my last, third chapter I will discuss the current situation of the Roma and the difficulties which they are facing. In addition I will assess the tools that the EU institutions used to push the Member states for Roma inclusion policy through the structural funds, and compare the tools which the EU applies on the pre-accession countries and on the Member States. Lastly, I will discuss the progress achieved for the Roma inclusion through the structural funds according to the European Commission agenda. Finally I will come up with the conclusions.

## Chapter1: Theoretical framework

When talking about European policy there is no distinct theory which can explain everything about the European Union (EU) politics, polities and policies. That is why when referring to the structural funds we cannot consider only one theory as dominant or the one which explaining all phenomena. What a theory does though?

A theory examines a phenomenon. It has the task to explain, analyze and predict (Wiener, 2009). The theory might be related to polity, policy, or politics. In the European integration, first came proto integration theories as “Functionalism” and “Early federalism”, and later on “Neo-functionalism” and “Intergovernmentalism”, which are EU related integration theories. In the next phase integration theories move away from the International relations field to the comparative politics where “Neo- institutionalism” arises developed mainly by Stone Sweet, and the “Liberal intergovernmentalism” takes place as a theory developed by Andrew Moravcsik.

With regards to the structural funds and EU cohesion policy in general one may refer to the multi-level type of governance. The aim of the cohesion policy is to “...to reduce disparities in development and promote economic and social cohesion in the European Union (EU)” (EC, 1999). As the structural funds are part of the cohesion policy of the EU one should assume that a multi- tier type of interaction is involved among the participants because the cohesion policy includes sub-national, national, and supra-national actors in the process of convergence of the EU regions. That is why many of the scholars refer to Multi-level Governance theory when referring to EU cohesion policy (Hooghe and Marks, 2001; Scharpf, Olsson, 2003; Bachtler and Mendez, 2007; Bailey and Propis, 2002; Bache, 1998, Bache et al, 2005, Piattoni, 2009; Benz and Eberlein, 1999, Schmitter, 2004). As it can be inferred the

Multi-level Governance (MLG) theory became pretty fashionable after it was developed by Gary Marks and later on he was supported by Liesbet Hooghe (Hooghe and Marks, 2001).

When trying to bridge the cohesion policy with the Multi-level Governance theory and the Roma integration in Europe it seems that a new approach of policy and theory should be found, as the three concepts are not linked in one theory approach. That is why in order to find a theory which could bridge the Roma integration through the cohesion policy of the EU I would overview the MLG theory. And in addition I was suggested also to overview a development theory which may contain a pathway to filling the theoretical gap, in order to explain the relations between the Roma, the structural funds and the EU.

## **1.1 Multi-level Governance (MLG)**

Multi-level governance can be defined as an arrangement for making binding decisions that engages a multiplicity of politically independent but otherwise interdependent actors – private and public – at different levels of territorial aggregation in more-or-less continuous negotiation/deliberation/implementation, and that does not assign exclusive policy competence or assert a stable hierarchy of political authority to any of these levels (Schmitter 2004: 6)

Even though this is a descriptive definition of Multi-level Governance (MLG) still it cannot embrace the whole complexity of the ongoing processes between the interdependent actors from the different tiers - sub-national, national, and supra-national (Bache, 1998: 16; Piattoni, 2009: 2). That is why 1990's Gary Marks assessing that the proto theories (Intergovernmentalism and Neofunctionalism) are incapable to fully explain the ongoing decision making process in the EU, develops the MLG theory. Until then the traditional theory - schools of the realists (Intergovernmentalism) and the pluralists (Neofunctionalism) - have been dominating the EU integration. To make it more clear the Neofunctionalists are

arguing that the EU integration is has a “spillover” effect, meaning that when in one sector the EU integration takes part it will spillover to other sectors of economy or politics (Bache, 1998). The spill over affect might be functional and political. The intergovernmentalists assume that national governments are the main actors in the EU integration process and that their interest is the prevailing one by them being the “ultimate arbiters” (Bache, 1998:19). Yet both of the theory approaches consider only the state governments and the EU institutions as actors in decision making process, whereas with the introduction of the Structural Funds reform from 1988 the role of the sub-national actors became official and the decentralization process became a necessity. Therefore with the introduction of the new players- local governments, social actors, NGOs, local authorities, and interest groups who can have a direct say before the EU institutions, the prevailing traditional theories were exhausted. Because they are state-centric oriented and they could not explain anymore the ongoing decision making process in the EU.

That is why Hooghes and Marks point out that now there are “two models of the European Union” (2001: 2), not only state centric governance, but multi-level governance as well. The authors claim that the Member States’ (MS) governments are still the dominant decision making actors in the MLG, yet a part of the control has also slipped down to the sub-national actors. It has happened because the sub-national actors may play a role directly on the international stage, which was a field genuinely reserved only for the national governments. Hooghe and Marks claim as well that the MS have lost power to the other nations when the qualified majority voting was introduced (2001). One can recognize two types of interaction, first between the MS, which is on the horizontal dimension of the decision making, and the second within the nations, which is the vertical dimension of the policy making in the EU. It is vertical because the local authorities are involved. That is why new “lenses” should be put when analyzing the EU integration going beyond the state-centric

orientation, this is what the MLG theory does, it moves the focus from the state on the actor or it introduces actor-centered approach (Bache, 1999: 22).

Hooghe and Marks underline as well the increasing power of the European Parliament (EP), which with the co-decision procedure has a considerable say in the decision making. The authors point out as well the increased power of the European Court of Justice (ECJ) which through its decisions brings change not only on the EU level but within the MS as well (Hooghe and Marks, 2001: 11). The authors emphasize as well the role of the interest groups who have important say within the European Commission (EC), and ever strengthening lobby in the heart of the Union – Brussels (Hooghe and Marks: 15).

Nevertheless the MLG discreetly “confronts the sovereignty of the MS” (Hooghe and Marks, 2001: 27), because it recognizes the supremacy of the MS governments as the main actors in the EU policy making, yet their power has significantly decreased, which as a matter of fact brings further to democratization and accountability within the EU. As decision making process becomes more open and accessible for different actors, overall the transparency of the process increases dramatically thus the benefits for the EU are greater. Yet there is the threat that some of the actors would become too influential, but the other actors in the decision making process have the possibility to control the process and correct if needed.

MLG aims at finding the reasons why the national governments have lost control and became less powerful. Marks and Hooghe claim that there are three reasons and they relate to the national governments officials (2001). One of them is that the government officials want to lose or shift authority, because it gives them the opportunity to bargain, for example more powerful regions would mean that the government would have to listen more carefully to their say. The say later on MSs may use as an excuse for a particular decision before the EU institutions. Other reason mentioned by the authors is that the governments have lost their authority to the other actors unwillingly, yet they are obliged to agree with the empowered

regions or interest groups for an instance. The third claim which the authors make is that governments are unable to control sub-national actors.(Hooghe and Marks, 2001). Yet the strongest tool of the MLG theory is to examine the cohesion policy of the EU. The MLG sets the question of who have lost power to whom? In other words have the EU institutions and sub-national authorities gained power to the national governments, or still the governments are the main decision maker in the EU?

Hooghe and Marks recognize three phases of cohesion policy making “bargaining the financial envelope, creating institutional context and structural programming” (2001: 94). The authors recognize three main actors in the policy making process- the European commission, Central governments, and the Sub-national governments. In the phase of creating the budgetary envelope the Commission bargains the “multi-year cycle of the structural plans” (Hooghe and Marks, 2001:94), or the so called – community support framework (CSF) with every member state. Those are the financials tools of EU to push the MSs.

The EC according to the authors has a political leverage as well – namely it can foster or slow down the funds agreed upon during previous funding periods. EC also has its own budget - Community Initiatives, which can spend on its own priorities (Hooghe and Marks, 2001: 95). The MSs have bigger say in the first phase of the allocation of the funds, which is not the case in the second and the third ones. In the second phase commission issues blueprint guiding for the MSs with the priorities set by the EC.

Yet with the different reforms of the funds the MSs and the EC have changed the magnitude of power against each other (Hooghe and Marks, 2001: 97). In the third phase the sub-national actors get involved in the implementation of the funds. Hooghe and Marks recognize four stages in that phase (2001: 99-102). In the first stage the MSs governments prepare national development plans, which should be discussed with the sub-national actors. Yet it is not obligatory practice in the whole EU, as it depends on the central government’s

will from one side, or the power of the local authorities on the other. On the second stage the authors reveal that the commission and MSs governments bargain over the national development plans in order those plans to be shaped as contracts. In the third stage, the authors point out, the sub-national actors give information to the national governments regarding the operational programs (OPs) (Hooghe and Marks, 2001). Thus local actors provide information what they need and how they will implement the projects. In the final fourth stage sub-national actors are the strongest players as they implement and monitor the OPs.

The main conclusions which the authors draw are that EC is more powerful when funds are to be allocated. And it is the case because it might use the regulations as a leverage to promote its own agenda. An additional tool which the EC has to influence the MS decisions is when providing technocratic help and expertise, which is highly valuable for the less developed pre-accession countries and current MS, and also the EC with the multi-annual programming brought to the EU scene the sub-national actors according to Hooghe and Marks (Hooghe and Marks: 2001). Yet, according to the authors the MS are not thus weak as they might still play the role of the “gatekeepers” on the way of interaction between the EC and the local authorities. And finally the developers of the MLG theory criticize the overall structural policy for not bringing a big change in to the regions where implemented because the GDP per capita is not an appropriate criterion for allocating funds (Hooghe and Marks: 2001)

### **1.1.1 Critique to the MLG**

The theoretical concept of the MLG has quickly become a fashionable term as mentioned above. Yet many of the authors when appraising the theory underline its positive and negative qualities.

For an instance Piattoni mentions that “MLG is a rather popular term” (2009: 163) and adds: “From a theoretical point of view, it is unclear whether MLG refers to processes or to situations, to strategies or to structures.” (2009: 163). Olsson argues that there are “democracy paradoxes in multi-level governance” (2003), thus in order to bring more democracy, the structural funds existing model should be challenged with new regulation. Another critique coming from Bachtler and Mendez reads that the role of the MSs has been overestimated in a number of articles related to the MLG and the structural funds (2007). They argue, that even though the MS provide the list of the regions that will be granted funds, the EC still decides on the ceiling of funds allocated to a country. That gives the EC the role of an arbiter between the MS. In addition, authors claim, the EC gives its approval on the OPs proposed by the MSs, which might influence the decision about which regions the funds should be allocated to. This leads to a clash between the MSs and EC, whereas the former are willing to include more regions which can benefit from the funds, and whereas the last is assisting on less eligible regions which will be granted with more resources, thus leading to grater impact of the funds (Bachtler and Mendez, 2007). Yet the MSs are the only ones in charge for the regional competitiveness objective and employment objective. Furthermore Bachter and Mendez argue that in the programming the EC has not become less powerful, but rather has changed the way of its influence, and that MS are the decisive factors, yet the EC is a strong actor. When talking about leverage the authors emphasize the role of regulations, monitoring and reporting (Bachtler and Mendez, 2007).

Another criticism is coming from Bailey and Propis who intrigue with their argument that in the Central and Eastern European (CEE) countries the MLG is not working properly (2002). In the pre-accession period, the authors claim, the EC puts considerable amount of pressure on the candidate countries to create institutions dealing with the structural funds, which after the accession leads to the long-lasting governmental influence on the regional

authorities, as they are incapable to deal with the funds. This incapability earns the role of “gatekeepers” to national governments. That is why Bailey and Propis claim that in CEE MLG model is not fully applicable. Because the sub-national actors are important players, but it is “multi-level participation” (2002) rather than MLG. Therefore more time is in need for the new MS to become more decentralized, only then the local governments would be able to take their role as equal actors in the cohesion policy.

In conclusion the Multi-level governance theory and concept came as an alternative to existing EU integration theories, which have been state-centric, rather than actor-centric. The MLG does not claim that the state governments are not still the main actors but rather that new actors have been introduced, especially within the cohesion policy, therefore the MSs governments would have to share their power with them. As the cohesion policy aims at removing disparities among EU regions, it empowers particularly the sub-national actors, pressing the national governments to the process of deeper decentralization. This could be a problem for the new MS as their governments has gained their decision making powers relatively soon and are reluctant to share it.

*Then, what about the Roma, and the structural funds, in accordance with the MLG?*

As seen according to the theory the EC has leverages as regulation, monitoring, reporting, agenda setting and others, which I will describe further on, in order to push the MS towards a direction which the EC wants. Moreover the empowering of lobby and interest groups, international organizations, and other economic and social actors opens the “gates” to EU institutions. Therefore the national governments might be bypassed, and the interests of those sub-national actors may be channeled directly on the EU level. Yet the MLG mainly explains the phenomena from the actors’ point of view who have already gained the power,

which is not the case with the Roma, who are underrepresented on sub-national, national, and supra-national level. That is why the EU institutions as the EC and the EP have to take the lead and play the role of Roma representatives on the International level, which could bring some confusion because the EC may not represent any interest as supra-national entity, it can lobby for various policies, but not to represent particular European minority. Nevertheless EC and EP have started some initiatives related to the Roma, yet this is not the empowerment of which the MLG is referring to. More over as the economic situation of the Roma minority overall Europe is quite bad, 23% unemployment across EU (FSG, 2009: 25); it is quite doubtful that strong economic Roma interest group would come up any soon in order to lobby stronger. That is why in terms of the Roma and the EU, the MLG does not fulfill the criteria to explain, analyze and predict, therefore is not applicable, or if it is applicable it is to small extent. Yet the Roma form considerable amount of EU citizens and are on the agenda of the EU that is why cannot be just ignored.

## ***1.2 Development theory***

In order to find a theory serving the Roma and the EU leverage to push the MSs, I was suggested to scrutinize the development theory. My research on the existing development theory has shown that there is no sole approach which is dominant in the field but rather the different authors present different aspects of the development making the field diverse but not coherent (Edelman and Haugerud, 2005; Schuurman, 1993; Hettne, 1990). That is why I have chosen to analyze the work of Jan Pieterse “Development theory” (2001) because in his work he makes important remarks which could be related to the Roma community in the EU.

According to the author the development theory is still in development as it is a new field of exploitation. It borrows definitions and terms from other different academic fields. Yet the definition the author gives about the development theory says:

We can probably define development as the organized intervention in collective affairs according to a standard of improvement. What constitutes improvement and what is appropriate intervention...vary according to class, culture, historical context and relations of power. Development theory is the negotiations of these issues. (Pieterse, 2001: 3)

Which would mean that for a person from EU, for example, living in a relatively powerful economically and politically state, most of the countries with low level of GDP per capita would have the need to be supported in their development. Yet the same person would have to look better around his or her own environment because as Pieterse mentions the social exclusion is a problem persisting across the globe (2001: 4). Thus even the wealthier countries have excluded groups. It has to be pointed out that the author refers to the MLG in the framework of development (2001:15), because the state is still the main actor in the development process, but the local actors are the ones who do the real job of implementing the development programs. Moreover the local authorities have the most accurate information and knowledge about the needs of the demos as they are closest to the people. In the so created multi-tier construction, Pieterse recognizes microregional development, local development, nation development, regional development and global development (2001: 15).

Pieterse refers to the cultural aspect of the development theory (2001). Because the opinion that each nation has a culture built upon centuries, is also equally true for the minorities within the MSs. Consequently the cultural heritage of the minority groups should not be suppressed by the culture of the mainstream society, but rather the culture of the minority should be accepted as a national heritage which should be preserved and developed further. Moreover when the culture is to be threatened by extinction some hazard situation might be created, as the identity loss of the minority or ethnic mobilization for and instance.

Pieterse adds that attention should be paid not only on the national, but on the regional, and local level culture as well, because on local level the clash of cultures is most powerful (2001: 63).

I would like to underline one more remark from the development theory- the equity and growth concept. According to Pieterse equity and growth must be developed together in order to bring positive results for social inclusion (2001: 113). He claims that the market leads to a deeper exclusion and marginalization of the already excluded social groups, which is exactly the case with the Roma across Europe, whereas the author claims, in the well developed societies there should not be excluded social groups (2001: 114). Yet from political point of view it is not easy to socially support an excluded society as the mainstream society feels discriminated against the minority group, because of the measures taken. That is why the political actors are extremely careful when talking for minority empowerment, developing, or social inclusion, nevertheless we may assume that political actors are rational actors as well, who would like to maximize their benefits, which in that case would mean that they would like to be re-elected. But from other point of view when the marginalized group is left too long in the *status quo* there is a possibility for a minority mobilization according to Pieterse (2001).

Pieterse argues as well that there should be coherent politics on social, economic, political, human development, and that the programs should be, if possible, executed simultaneously (2001). The characteristics of the development theory as mentioned above, explain to a big extent the current situation of the Roma community in the EU. The theory gives important predictions for the situation when there is an attempt to change or suppress the culture of the minority groups as the costs of it are too high for both, the mainstream society and the minority group. More over when talking about development, coherent programming is an important factor for achieving the goal set. Having said that, I assume the

development theory might give much more explanations to the relations of the Roma community and the EU institutions, In addition the development theory refers to the MLG, which refers to the Cohesion policy, from which structural funds are part of. Thus in this complex net of theories and concepts with a deeper research and analysis there is the possibility that the Roma and the MSs might find a common language of cooperation which would not require further intervention from the EU institutions in the MSs.

## **Chapter 2: Structural funds**

Currently there are four types of structural funds each of them targeting at different issues (EC, 1999). The European Regional Development Fund (ERDF) targets the infrastructure, local projects and job creation in order to reduce the EU disparities between EU regions. The European Social Fund (ESF) aims at combating unemployment, discrimination and social exclusion. European Agriculture Guidance and Guarantee Fund (EAGGF) aims at rural development and better structures in agriculture. Financial Instrument for Fisheries Guidance (FIFG) is aiming at improvements in the fishery area. In addition there is the Cohesion fund which aims to prepare the MSs for their entry to the European Monetary Union.

### ***2.1 History of the cohesion policy***

The history of the cohesion policy might be divided into two periods - the one before the 1988 reform and after it. It is the case because the reform mentioned brings a new era in the cohesion policy making.

#### **2.1.1 The reforms before 1988**

The cohesion policy relates back to the Treaty of Rome, which creates the European Economic Community (EEC), when in 1957 the cohesion policy was first mentioned. (Bache, 1999), yet it was only in 1958 when the ESF and the EAGGF were created, later on in 1967 a

new Directorate General (DG) was presented under the number XVI, which now is named Directorate General for Regional Policy (DG REGIO). Later on in 1975 ERDF was created. What is has to be outlined, is the fact that with its creation ERDF introduced three important principles (Bache, 1999:36; 2007:40): the principle of additionality, meaning that the MSs will have to cover part of the costs for the projects they implement; the principle of Concentration, meaning that the funds will be allocated to regions in need; and the principle of coordination which would guarantee the coordination between different community instruments. The reasoning behind was that the poorer regions started to loose human and monetary resources which were attracted by the wealthier regions.

### **2.1.2 The reforms after 1988**

The Single European Act (1986) brought the 1988 reform which relates to many changes in the cohesion policy of the EU. It merged the ERDF, ESF, and EAGGF in to one- the Cohesion Policy of the EU. Another important innovation which this reform has brought is the introduction of the Nomenclature of Territorial Units for Statistics (NUTS), counting from 2 for the biggest regions who actually received the funding, till 5 for the smallest regions, as cities and villages. With this reform the principle of coordination was removed, yet the concentration and additionally principles were kept, more over, in addition two new principles were introduced: the principle of programming, which is promoting larger, longer term programmed projects for greater impact, and the principle of partnership, which brought the regional authorities to the international scene, after what Marks et. al started developing their MLG theory.

Another crucial innovation brought by the 1988 reform was the introduction of five priority objectives in order to address different regional issues through the funds. Objective 1, thus far the most important one, which promoted the development of the regions lagging

behind with GDP per capita responding to less than 75 percent of the community average. It is served by the ERDF, ESF and EAGGF. Objective 2, served by the ERDF and ESF, aims at regions which suffer the most from the industrial decline. Objective 3, served by the ESF aims at the people in order to combat unemployment. Objective 4, targeting the young people through the ESF. And objective 5 which had two dimensions. The first 5.a targeting agricultural structures, through EAGGF, and 5.b targeting the rural areas and their further development, through EAGGF, ESF and ERDF. Furthermore with the 1988 reform the EC allocated part of the ERDF for its Community Initiatives, which provided funding to particular EC projects, but not programs.

Later on in 1991 the Cohesion fund was introduced, which additionally serves states who are in need, yet it is, allocated only for environmental projects and projects related to transport. Another reform from 1993 did not bring much change; it introduced Objective 6 which was to serve the Nordic accession countries. Later the 1999 reform was introduced aiming at the countries that have started accession process. The accession was to bring to the union large number of regions which are underdeveloped. The other concern of the reform was the introduction of the monetary union, which would raise not only the prices but the overall unemployment rate as well. That is why Agenda 2000, an agreement from Berlin, was proposed (1997), stating that the EU structural funds are “the main instrument of solidarity among Europeans...” (Agenda 2000, 1997: 9). The agenda brought instruments as the pre-accession structural instrument (ISPA), Special Accession Programme for Agricultural and Rural Development (SAPARD) and Poland and Hungary - Aid for economic Restructuring (PHARE) now known as IPA. With the 1999 reform, the programming period was changed to six years in order to bring greater impact of the programs applied. In the program period 2000-2006 the number of the objectives was reduced from seven to three. Objective 1, yet targeting the lagging behind regions, Objective 2, aiming at the regions facing structural

difficulties and Objective 3, targeting the development of the human capital of the EU, through investment in education, job creation and providing trainings (EC, 1999).

The community initiatives were reduced radically from thirteen to four: INTERREG III, URBAN II, Equal, and Leader + (EC, 1999). It is important to be mentioned that, the Equal initiative was of high importance for the Roma in Europe, because its primary aim was and is to combat discrimination in employment area on different grounds, as religion, ethnicity, sex etc. (EC, 2000). Moreover with Agenda 2000 the principle of concentration was omitted, but two new were introduced:

-the principle of management, monitoring and evaluation. The MS have to create management authorities and monitoring committees dealing with funds in order to achieve greater transparency, whereas the evaluation process is performed both ex ante and ex post the execution of the projects. This principle was introduced mainly after the critics that there is no control over the EU funds after their allocation.

-the second new principle introduced is the payment and financial control. (DG REGIO, EC, b)

## ***2.2 Current Cohesion policy (2007-2013)***

Current Cohesion policy of the Union is substantially different from the ones before. With the new program period 2007-2013 the focus of the regional policy is on the human capital, its development and sustainable growth. Currently the EU consists of 27 member states and the new member states are the ones that are in deep need for the funding. That is why from additionality to the MSs budgets, the funds became a necessity. Yet an important factor is time needed for the new member states (NMSs) in order to achieve the level of development which the older MSs have, and they can do it with the help of the funds. Examples for the positive influence on the growth of the regions can be found in MSs as

Spain, Ireland, Greece, and Portugal who have been one of the biggest beneficiaries of the Structural Funds. Yet it has taken them a lot time and of efforts to achieve sustainable economic growth.

But will the Union be able to give time and support to the NMSs in their path of growth? More over the EU population is rapidly ageing, and it became one of the main issues which the EC is combating with. Other issue is the social exclusion which leads to marginalization of large groups of the society, depriving them from access to labor in a time which requires more and more active workers. That is why ERDF and ESF are aiming as well to particular crisis regions to combat ghettoisation and to rebuild up the national and European identity in those EU citizens who have lost it. Currently the total budget allocated for the Structural funds is near to 347 billion euro, which corresponds to 37.7 % of the EU budget, as 81.5 % of the budget of the funds is allocated for convergence (EC, 2006).

Table 1

Objectives	Structural funds and instruments 2007-2013		
Convergence	ERDF	ESF	Cohesion fund
Regional competitiveness and employment	ERDF	ESF	
European territorial cooperation	ERDF		

Source: (DG REGIO, EC, c)

Convergence is one of the new objectives introduced by the EC. As mentioned before the whole rationale behind the funds is substantially different now. Convergence responds to the previous Objective 1 covering regions lacking behind in their development. The regional competitiveness and employment objective aims at better jobs, job creation, human development, and environment projects and covers more than the half of the population of the EU. The European territorial cooperation objective aims at trans-border cooperation (EC, 2006).

### **2.3 How does it work?**

There are particular steps which should be undertaken before the funds reach the local authorities. First the European Council decides upon the proposal of the European Commission regarding the funds. The proposal itself comes after a close cooperation and consultation of the EC with the MS over the “Community strategic guidelines on cohesion” (Council Decision, 2006). They are suggested by the EC to the MS, in that way the EC is to be assured that the MS follow the main goals set with the Cohesion policy. After this on the basis of the guidelines provided the national governments draft the National Strategic Reference Frameworks (NSRFs). The NSRFs contain Operational Programs (OPs) which set the priority of the MS and the way in which the funds will be spent. This is the stage where the local actors have their say and may influence the direction of the negotiations between them, the MS and the EC in their favor. In the last stage EC overviews the OPs present by the MS and decides upon them, after what the managing authorities give green light for the implementation, monitoring and evaluation of the programs by the local authorities.

Regarding the stage of preparation of the OPs, the local governments and social actors are shaping the OPs and the EC expects them to provide full information about the ongoing

situation on grassroots level, and in that process the policy might be shaped from bottom-up instead to be set as a top-down process. In that stage as well the MSs may play the role of gatekeeper between the EU institutions and the local actors. As mentioned above this is particularly the case in regards with the new MSs who have recently gained their centralized authority and currently are in a situation that they have to give up part of their power to the local actors. This leads to the situation where the created local authorities are still strongly influenced by central governments, thus still it decides upon the management of the funds. In addition to this the civil society is so weak that it can be said to be quasi civil society which only seems to be working, but in the matter of fact cannot bring any change.

It is even more disturbing when talking about the Roma and the structural funds which I will elaborate further on in the next chapter. Yet to mention that as the Roma are occupying mainly the new MSs they are facing the paradox of quasi civil society and ill working local governments. Hence the only way that the Roma would benefit the structural funds would be only if the national governments decide to undertake a program related to the community development. As it can be inferred the minority cannot rely on its civil society representatives as they are weak and cannot channel community's further needs. The local authorities are not really managing the funds, as they have a long path to go in order to achieve full decentralization and to have greater say. Hence those two important local players, just mentioned, cannot actually introduce the needs which they have on national level in regards with the Roma. More over the MSs governments, as rational actors, anticipating victory in the next elections would not lunch by themselves policy on Roma. Consequently the Roma are in paradox situation in terms not only of the structural policy but to any other policy, if they do not find a way to channel their voice. Therefore structural funds are those which may empower the minority and support the Roma in their way out of the social exclusion and marginalization.

The EU institutions have understood that conclusion and already are taking measures to push the MSs to create measures to socially include the Roma with the help of the Structural funds, yet the MSs are sovereign entities, on which supranational organization as the EU have limited influence. But does the situation look so desperate? Is the cause of the Roma in EU completely lost, and is there any way that the MSs would start implementing policy for the Roma inclusion in the mainstream society? Let me first introduce you the Roma.

## **Chapter 3: The Roma, the structural funds and the progress achieved**

### **3.1 Who are the Roma?**

The Roma on first place are fellow EU citizens who inhabit Europe already for centuries (Hanckok, 2002). Even though there is not much academic literature about the Roma community there are some academics who have explored the subject (Hanckok, 2002; 1995; 1987; Nikolae, 2007; Sigona and Nidhi, 2009), yet overall the subject remains underdeveloped. I mention the academic literature not only to underline that it is scarce, but to emphasize as well the high number of reports on the situation of the Roma in Europe. Only on the World Bank webpage (WB, a) might be found more than ten reports concerning the Roma. As well as the Fundamental Rights Agency (FRA), European Roma Rights Center (ERRC), European Commission, Open Society Institute, Council of Europe (COE), United Nations (UN), the Organization for Security and Co-operation in Europe (OSCE), Fundamental Rights Agency (FRA), Roma Decade, and many more produce considerable amount of reports each year regarding the current situation of the largest minority of Europe (UN, a). In the matter of fact the increasing number of reports each year might be a useful indicator, not only for the growing concern over the Roma issues, but as well that the situation has not changed, or has become even worse for the community members.

There is a problem with the data collection, as the Roma are extremely sensitive about any registering, because the cost of being Roma are higher than the benefits of it, there is no official data coming from a census revealing simple data, as the numbers of Roma in EU, conditions of housing, employment, health care, education, etc. Yet some international

organizations by using proxies to collect data have achieved the estimation of some numbers in order to give a basis on which further evidence based policies can be designed.

The Roma according to the COE are 10 to 12 million around Europe. (COE, a). But I would like to introduce you some of the findings of a recent report conducted with funding from the EU dealing with the health of the Roma community in EU (FSG, 2009). According to the report the average Europeans leave longer than the average Roma, the assertion that the European population declines rapidly is now true for the Roma as well. More than 40 percent of the Roma are illiterate, and there is no evidence how many have higher education, but the report shows that only 17.3 percent of the Roma between 15 and 24 years old are in school. The report shows that 29.5 percent of the Roma are unemployed which is relatively high percentage in comparison to the overall 9.6 percent of unemployment in the EU (Eurostat, 2010). The report shows as well that 49.9 percent of the Roma are employed, I would rather disagree with that number, but even if I accept that it is relevant, then it is important to survey further what type of jobs the community members have, which the report does not do. Because given the high rate of illiteracy of the community members, one may assume that the Roma occupy mainly low skilled jobs. Taking into consideration the data from the EU-Midis report (FRA, 2009) that every second Roma is discriminated, it only affirms my perception that there are not many Roma who are occupying high level jobs. Which additionally leads to the deeper exclusion of the Roma as there are no role models and experienced community leaders to lead the empowerment of the minority.

I would like to provide further some more findings of the health report (FSG, 2009). According to it 27 percent of the Roma in EU live in sub-standard housing, and 20 percent of the Roma live isolated from the mainstream society, which leads to a lack of access to health services, which is strengthened by high number of self healing Roma according to the report.

I have shown the percents from above not only to emphasize the extremely bad condition in which most of the Roma live, but as well to underline the major areas of concern related to the community: Education, Employment, Housing, and Health care. Those major areas are being discussed as well by many organizations on national, supra-national, and sub-national levels, but a considerable change for the community has not been achieved, as seen from above. That is why a European coherent strategy for Roma is from an urgent need. The lack of coherent strategy does not mean that the EU institutions do not do anything related to the Roma, but that coherence would bring more positive results in combating the poverty, social exclusion, discrimination, and marginalization of the community members.

### ***3.2 The structural Funds and the Roma***

As I have outlined the major areas of concern for development related to Roma are housing, education, access to health care and unemployment. One can assume that the Structural funds are the most appropriate instruments for funding projects combating the social exclusion and discrimination of the Roma. Yet is it the case in reality? Are the MS willing to have particular policy for Roma, and if not what instruments the EU institutions have in order to push the MS to create such a policy?

In that case I distinguish two groups of states: pre-accession countries and already MS countries.

### 3.2.1 The Roma, the structural funds and the pre-accession countries

The Roma and the structural funds in the soon-to-be member states countries is a subject which is as well underdeveloped by the academic researchers, yet contribution to the topic has been made by Emiryana (2009), Spirova and Budd (2008), and Guy (2009). What they all agree is that in the pre-accession period it is a lot more easier to promote any policy to the candidates as they are a way more flexible and willing to comply with all the requirements imposed from the EC. Thus the will for an accession is a pretty powerful tool in the hands of the EU institutions that is why it has to be used very wisely and not to be wasted as it happened in the case of the Roma integration process in the Central and Eastern Europe (CEE).

After the fall of the communism the EU has undertaken its expansion policy, yet the old MSs were reluctant about it and anticipated that many citizens from the new eastern MSs would be using the Single European Market to settle and work in the old MSs, consequently the Copenhagen Criteria were introduced (1993) to the candidate countries. The criteria were setting minimum standards which the candidates had to achieve before the accession. Some of the criteria refer to the human rights, protection of minorities, the rule of law, and the full acceptance of *acquis communautaire*, which is more than eighty thousand pages of EU legislation. After the introduction of the Criteria the Framework Convention for the Protection of National Minorities was introduced by the Council of Europe (COE) (1995) promoting further equality, yet it is to be underlined that the decisions of the COE do not have binding character but serve more as recommendations, working on the naming and shaming principle. Thus far it may be assessed that the regulations are one of the leverage which the EU institutions have and it is powerful tool which can bring change if used wisely.

Other tools which can serve the EU to push pre-accession countries to adopt policies for Roma are the financial and the technical assistance in the process of preparation of the

country for membership. For example PHARE, currently IPA, was introduced as a financial tool which can be used by the candidates to promote social cohesion thus social inclusion of the Roma. To be able to use it the candidates have to prepare action plans, with which they can tackle their needs. It was acknowledged that PHARE was a leverage for change (Guy, 2009: 31), but yet there was not enough time for the potential of the program to be observed. Nevertheless neither of the countries working with PHARE embedded the Roma inclusion in their action plans, it was the EC who pressed on the candidates to create programs for the Roma related to the PHARE projects.

European Commission claims that more than 75 million has been spent for housing, health care, and education for Roma targeted projects (Spirova and Budd, 2008: 84). Yet if we assume that the Roma are near to 12 million in Europe as mentioned above, than the sum of the funds per capita is extremely insufficient to bring any change. That is why despite the efforts and because of the lack of a coherent EU level strategy not much was achieved. (Guy, 2009: 31). What progress was achieved though is that the Roma issues became more visible for the EU society and on local level. Yet on the grassroots the Roma policy did not have a positive acceptance from the mainstream society.

In the time before the accession the EC has warned the EEC candidates that they will have to deal with the Roma integration more seriously otherwise they will be denied access to the Union (Guy, 2009; Spirova and Budd 2008). This was an important sign given by the commission, because when the candidates become MSs than it is really difficult to impose on the national governments any decision which is not legally binding. More over as mentioned above the Roma themselves could not undertake any politics within the MS as they are underrepresented. That is why it would depend only on the will of the national governments to implement Roma policies.

To summarize even though that the candidate countries are responsive in the pre-accession period to any influence by the EC, not much was achieved with regards to the integration policies for Roma. Even though that the EU had the regulation, financial and assistance tools to push the candidate countries and bring change for the Roma, the EU institutions could not use them wisely in order to make the maximum use of them. An important factor as well was the short time which the candidate countries had in order to close all the negotiation chapters, thus the pre-accession countries were avoiding to deal with the Roma issues.

### **3.2.2 The Roma, the structural funds, the Member States and the progress achieved**

As it was mentioned above in the process of pre-accession the EU institutions have more say on the membership candidate countries. But when the countries become MSs then the EU institutions do not have the power to impose their say, except in particular areas as fiscal policy, monetary union, competition etc., yet not in the area of social policy. There is the paradox that the Roma are citizens of the MSs and the EU, even though the problems of housing, employment, discrimination, health care access, and education for an instance are worse in comparison to the other citizens of the Union. It is as the Roma are not living on the same territory as the other citizens of the EU, but are an aliens, excluded and marginalized. Therefore, what are the EU institutions doing in order to promote Roma inclusion union wide?

On first place they produce numerous reports, recommendations, resolutions, conclusions and other regulations. These documents are coming from EU institutions as the Council of Ministers, EC, European Parliament (EP), and different committees, such as the Committee of the Regions, and the Economic and Social Committee (ECOSOC). Yet those documents coming from the committees are mainly recommendations and mainly to the EU institutions, rather towards the MS. A report by the EU Roma Policy Coalition (ERPC) which is still not published, counts for 28 past activities on Roma in the period from 1984 till 2010 undertaken by the EU institutions. The activities are mainly describing the situation of the Roma community and propose that measures should be taken.

There were different unfortunate events with Roma across Europe which brought to the urgency of measures to be taken by the EU institutions. The most significant one from the end of 2007, when in Italy the police have torn shanty towns of Roma, after what the mayor of the city ordered the eviction of the minority from the limits of the town. Because of the high media coverage of the case and other disturbing accidents, in December 2007 the Council of Europe in its resolution points out that the Roma are now on the agenda of the Union, and that the EU institutions and the MS have to work for the inclusion of the Roma in the mainstream society.

...the European Council, conscious of the very specific situation faced by the Roma across the Union, invites Member States and the Union to use all means to improve their inclusion. To this end it invites the Commission to examine existing policies and instruments and to report to the Council on progress achieved before the end of June 2008. (European Council, Presidency conclusions, 2007)

I think that the situation is to some extent paradoxical when the European Council, which consists of MS ministers, urges the same MS to take the Roma situation into account. Nevertheless I assume that the message is pretty strong, and that it is a big recognition from

the highest EU institution. After the call from the Council the EC has undertaken number of measures targeting the MS and the other EU institutions with regards to the Roma.

After the request of the Council the EC published the staff working document called Community Instruments and Policies for Roma Inclusion (EC, 2008). The report is policy oriented and covers wide range of issues related to the Roma. What is important though is that it outlines the cohesion policy instruments related to structural funds. In the report the Commission proposes to be strengthened the principle of partnership in the OPs designing stage, where it recommends the participation of the community members in the stage (EC, 2008). Yet as mentioned above the Roma are underrepresented not only on national, but on the local levels as well. In addition the civil society is not as powerful to influence the decisions in that stage. The report invites the MS to join the Decade of Roma Inclusion 2005-2015 (Roma Decade) and use it as additional to the Structural Funds tool (EC, 2008). The Decade of Roma Inclusion, first launched by the WB and OSI with the aim to help the Roma community in their social and economic inclusion, is an initiative which now is supported by nine national governments and numerous international organizations. The main priority areas of the Decade are: housing, health care, education and employment.

Further suggestions of the report of the European Commission (2008) state that the ESF should be used in order to raise awareness regarding anti-discrimination legislation and social exclusion. With that measure the Commission was targeting the promotion of the anti-discrimination Directive 2000/43/EC for equal treatment regardless the race and ethnic origin, which is now to be amended and Directive 2000/78/EC for equal treatment at the employment area, both from 2000.

The EC recommends with the report (EC, 2008) the MS to use the ERDF and the ESF in the conjunction in the areas of:

-Education, for projects targeted for school infrastructure, teacher assistants and better educational environment.

-Employment, for designing employment programs, and vocational training and providing micro-credits, as well the usage of the EQUAL program.

-Health, by involving community members in the designing and implementation of the major health projects in the countries, as well as by training health mediators.

-Gender equality, by empowering the Roma women

-Housing, ERDF particularly should be used for the improvement of the living conditions, especially in the Roma neighborhoods.

-As well as in the areas of participation to mainstream life, local level empowerment, and Trans-border cooperation. The report recommends the usage of OSI project “Making the most of EU funding for Roma”, which is a tool to supplement funding needed for projects related to the Roma and the Structural Funds. The other instruments or tools which the EC report recommends are effective monitoring, cooperation and inclusion of Roma who are not settled. (EC, 2008)

The euphoria after the publishing of the report of the EC from 2008 was high among the Roma activists and civil society, some were stating that this is an immense success, other were claiming that it was a failure and it is just another piece of paper. Nevertheless the real promotion of the paper was on the First European Roma Summit organized by the European commission, in 2008 in Brussels. It brought a number of MSs and EU officials, Roma and non-Roma civil society representatives and media in one place. The critiques of the event, coming from the civil society, were positive and negative. Even though it is worth mentioning that on this level meeting sharing opinions and experience is the most important component to ensure the further deepening and the initiation of new strategies. It was not loudly spoken but the First and the Second European Roma Summits are pretty powerful tool for shaping

MS politics for Roma. On one side it is a forum on which the MS governments and the EU institutors, share, or rather give report on the stage of the development on which they are. By this way they can hold the other actors to some extent responsible by naming and shaming. And on the other side the actors make future commitments.

The Second European Roma Summit organized by the Spanish presidency of the EU was held in 2010, in Cordoba. The remarkable point is that during the two years period the overall language of the EU actors has change from the predominantly “should” in the first, to the rising hope “we are doing” in the second summit. The Second Summit was a place as well for the promotion of the second Commission Staff Working Document CSWD (EC, 2010), which is a report for the progress made on the implementation of the community instruments, in the period 2008-2010.

The report (EC, 2010) recognizes that the Roma exclusion is still persistent, and that on the local level there is not enough capacity for development, as mentioned above in Chapter 2, especially in the new MSs the local authorities still need time to achieve full decentralization and empowerment in order not to be influenced by the national governments. It should be recognized as well that the Roma minority lacks capacity to influence the cohesion policy in the MSs. The document reveals further what the EU institutions do for the economic and social integration of the Roma. The council is apprizing the CSWD from 2008, requests for implementation of EU projects related to the Roma, and underlines the importance of the Roma inclusion in the negation process for the new candidates. The EP according to the 2010 CSWD has allocated 5 million euros for a pilot project for coordination of Roma integration methods (EC, 2010).

Further the report refers to the “European Platform for Roma Inclusion” (EC, 2010: 5), which is to assist the MSs to exchange good practices, to provide analytical support and to bring together all actors dealing with Roma issues. As it can be seen it is pretty powerful tool

created by the EC. It was initially devised in the former Directorate General for Employment, Social affairs and Equal opportunities (DG EMPL) by the Roma Action Group which is within the Unit for antidiscrimination. The Roma Action Group is responsible for designing policies and assessing all the issues related to the Roma in the Union. As it is a small group responsible for more than 10 million Roma community members, I assume that a larger entity dealing with the Roma issues in the EU should be established. It might be an executive agency, as it is partially autonomous type of organization and may employ experts on Roma issues. Some Roma activists disagree with me stating that Roma Unit within the EC or Roma DG should be created to serve the community, yet I assert that an agency type of organization is more realistic to achieve and useful entity, as if it is an executive one, it can impose regulations and minimum standards. Thus a larger group of experts acquainted with the Roma issues would be able to bring better results in the process of social and economic inclusion of more than 10 to 12 million people in the EU.

More over the European Platform for Roma inclusion introduced the ten common principles for Roma inclusion. I am not sure if there was initially sought the similarity with the Ten Commandments, nevertheless the principles are important guidelines, yet not having binding character for the MSs. The principles according to the CSWD are (EC, 2010):

Principle no 1: Constructive, pragmatic and non-discriminatory policies

Principle no 2: Explicit but not exclusive targeting

Principle no 3: Inter-cultural approach

Principle no 4: Aiming for the mainstream

Principle no 5: Awareness of the gender dimension

Principle no 6: Transfer of evidence-based policies

Principle no 7: Use of Community instruments

Principle no 8: Involvement of regional and local authorities

Principle no 9: Involvement of civil society

Principle no 10: Active participation of the Roma

As principles they are vague and embracing as much as possible, yet this leads to some misunderstandings and often confusion in the reader. For example Principle no 2: Explicit but not exclusive targeting, it might be assumed that it refers to projects funded by the structural funds, but it might be the case that it refers to some particular policy. Moreover it is really difficult on practice to target some group specifically without excluding some other group. Another Principle which I think should be discussed is number 7: Use of Community instruments. According to the CSWD it embraces all available community instruments (EC, 2010: 36): legal and financial ones which were discussed above and the Open Method of Coordination (OMC). What is the Open Method of Coordination?

According to Heidenreich and Bischoff, It is:

“a procedure which institutionalizes systematic learning process between the Member States, of EU... It is the methodological backbone of the Lisbon strategy with which the EU tries to modernize the European employment, economic, educational, and social policies.” (2008: 499)

According to the authors with the OMC the MSs share opinion and expertise, it involves different actors, brings further to more transparency, and involves possible future veto players in the negotiations. Yet it has no binding character, but has rather voluntary basis that is why it is referred to as a “soft law” (Heidenreich and Bischoff, 2008: 501).

What lastly the CSWD do is to measure the progress of the MSs and the EU institutions putting an emphasis on the higher costs of not having the Roma included, and anticipated economic and social benefits of Roma inclusion (EC, 2010). With regards to do MS the report

claims that progress has been achieved in terms of the Roma inclusion in the period of 2008-2010. The MSs according to the document now are in a better coordination, they are developing policies for Roma on education, employment, health and housing with the assistance of the Structural Funds. The document claims as well that the Roma community was more involved in the 2008-2010 period, than ever before, in the managements of the projects on national and local level, and that the ten Common Basic Principles are being implemented by some of the MSs.

In terms of the progress achieved at EU level, CSWD comments that with regards to the cohesion policy there is a progress achieved also. It underlines the importance of the OMC and the mainstreaming approach. Concerning the mainstreaming approach there is a debate between the EU institutions and the civil society representing the Roma on EU level as European Roma and Travellers Forum (ERTF), European Roma Rights Center (ERRC), ERPC, OSI – Roma initiative, and others. Whereas the Roma representatives insist on targeted approach when designing EU projects for the Roma, in order that the funds reach the local level communities, EU claims that mainstreaming approach is more applicable as the Roma are not a MS, but a minority, therefore are not eligible to be targeted as a group. I assume that both of the sides have relevant point in their arguments yet we talk about 10 to 12 million people who face across EU similar difficulties in their everyday life, thus a special approach should be applied, at least till the moment when social inclusion is achieved.

Further more the CSWD asserts that some progress has been achieved in the area of employment, social inclusion, education, public health, and youth and culture policies, yet most of the problems in this policy areas with regards to the Roma are still there. Finally the report urges for more effective use of the funds for the inclusion of the Roma in to the mainstream society (EC, 2010). Whereas the ESF might have stronger focus on the Roma and It needs better monitoring, and evaluation on the projects related to the Roma, ESF as well

might be used to detect the existing gaps, study them and with the help of the Roma representatives trying to bridge them. The report refers to a good practice which is currently running it is the European Network on Social Inclusion and Roma under the Structural Funds -the (EURoma) network. The EURoma network, according to a report on the Roma and the Structural Funds from 2010, is a tool for a better coordination, cooperation, and monitoring, evaluation and data collection; between 11 MS and different relevant actors for the better use of the ESF for Roma (EURoma, 2010).

Very important progress reform, in my opinion, is the one in relation to the ERDF. Currently the EP has approved an “amendment of the 1080/2006 EC regulation “(EC, 2010: 25). What is this amendment about?

According to the proposal for amendment made by the EC, interventions, by simplifying the procedures for application, would be allowed for marginalized communities in the urban and rural areas targeting housing issues (renovation and change). It is related to the Roma, but not explicitly only for them (EC, 2009). Yet the funds allocated should be supported in addition by other projects in the areas of education, health, employment etc. (EC, 2009). The proposal was made by DG REGIO in 2008 and it marks a huge step further in the social and economic inclusion of the Roma in EU. It only asserts that the EC has tools and instrument for push the MSs governments to implement social policies for the Roma on their territories. Even though the amendment allows for the use of maximum 2 percent of the ERDF budget, I believe that it will bring further progress in Roma inclusion process, if used wisely.

The final comment which I would like to make is that with the CSWD, EC assess that a progress has been made as well by the use of the IPA and the European Instrument for Human Rights (EIDHR) in the pre-accession countries, whereas the Roma inclusion is a criterion for future access to the EU (EC, 2010). Those funds were used according to the report for

awareness raising, funding projects, from which the Roma community may benefit, strengthening the local authorities and the civil society, and empowering the minorities.

## Conclusion:

In the process of searching for an answer to the question what leverage the EU institutions have in order to push the MSs governments to implement projects for Roma, I have come to the following conclusions:

According to the MLG governance theory the EC may use monitoring, reporting, agenda setting, regulations and financial instruments in order to push the MS towards a desired policy. Yet in relation to the Roma who are underrepresented the MLG is not applicable thus another theoretical approach should be employed. Further more I have assessed the development theory as offered by Pieterse (2001), after critical examination of the cultural and equality and growth concept of the theory I have come to the conclusion that development theory might make a great impact for explaining the social exclusion of the Roma and it might suggest useful measures for the social inclusion of the Roma in Europe. Yet it does not link the minority with the structural funds and the EU institutions, thus is not fully applicable as well for answering the research question. This in terms of theoretical approach would mean that either another theory should be scrutinized, as the minority empowerment for example, which because of space constrain I could not examine. Or the existing MLG or development theories might be adjusted in order to embrace the complex issue of the interactions between the Roma, the structural funds, the MS and the EU. Therefore further research on the topic is needed.

In terms of the practical implication of the research question some important conclusions came up. From the analysis made on the structural funds and the current cohesion policy it appears that the main tools which the EC posses are legislative and financial. Yet there are additional ones as the PHARE program for the pre-accession countries and OMC for

the MSs. It should be mentioned as well that if the EC develops better the European platform for Roma inclusion, as it is pretty vague concept now. And in addition if the EC makes more transparent the ten common principles for Roma inclusion, then I assume that the MS would be more willing to implement policies for the Roma by using those tools.

In terms of the Roma it self I conclude that in order to be able to benefit from the funds they should develop stronger civil society and become politically more active.

And finally it has to be underlined that the EC is a pioneer by targeting the Roma directly for first time with the new amendment on the structural funds regulation.

Nevertheless even though that the EU institutions have the leverage to push the MS to incorporate Roma inclusion policies, if those leverage are not used wisely they might be wasted, thus no further progress would be achieved for the Roma inclusion.

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