

# Implementation of the Structural Funds Regulation 2007 - 2013: the results of the negotiations on the national cohesion strategies and the operational programmes

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The Committee on Regional Development adopted the own-initiative report drawn up by Miroslav MIKOLÁŠIK (EPP-ED, SK) in response to the Commission communication on the results of the negotiations concerning cohesion policy strategies and programmes for the programming period 2007-2013.

The committee acknowledges the efforts made by all Member States to incorporate the three priorities laid down in the Strategic guidelines on cohesion, which correspond to the objectives of the Lisbon agenda, into their operational programmes. It notes the fairly slow start made to the new programming period in many Member States but is confident that commitments made during the negotiation and approval process of operational programmes will be respected for the benefit of the regions and of the Union as a whole.

The main points covered in the report are as follows:

**Mitigating regional disparities:** MEPs take note of the determination of Member States to address their specific territorial needs by drawing up strategies to diminish intra-regional and inter-regional imbalances. They reiterate the fact that **economic and environmentally sound development and the reduction of regional disparities** remain the principal goals of EU regional policy.

The report also notes that convergence between countries may mask a widening gap between and within regions. These regional and local disparities can be observed in a number of areas, such as employment, productivity, income, education levels and innovation capacity. MEPs stress the importance of the **territorial dimension of cohesion** in overcoming these problems. Moreover, they stress the need to aim cohesion policy at rural areas, since territorial cohesion can only be achieved by developing an urban/rural balance.

**Cohesion policy delivering the Lisbon agenda:** the committee appreciates the efforts made by the national authorities to ensure that the average allocation of expenditure for the achievement of the Lisbon agenda constitutes 65% of the available funds in the convergence regions and 82% in the regional competitiveness and employment regions, which is in fact more than was initially requested.

MEPs consider that stronger EU guidelines and increased financial resources must be allocated to serve these objectives and specifically that at least 5% of structural funding should be required to be spent on improving the **energy efficiency of existing homes**.

MEPs consider the financial resources earmarked for the **trans-European energy networks** insufficient, since they are vital for the completion of the internal energy market. They call therefore for an active energy policy to support all forms of innovation in **small firms and micro-enterprises**, and particularly in craft enterprises. The Commission is called upon to create opportunities for mutual cooperation between businesses, the public sector, schools and universities, in order to create regional **innovation clusters** in the spirit of the Lisbon Strategy.

**Responding to globalisation and structural change:** MEPs welcome the fact that all Member States devoted a significant amount of their total financial allocations to investments in R&D and innovation. They note that for most of the Union's convergence regions, ensuring accessibility remains a significant problem, as they face a lack of transport infrastructure.

In order to increase the competitiveness of Member States and the Union, the report supports the priority in the cohesion policy to unlock business potential, particularly that of SMEs.

**Demographic change and more inclusive labour markets:** the committee congratulates Member States on their efforts to prioritise investments aimed at increasing labour participation, ensuring equal opportunities and supporting initiatives designed to improve the situation of women in the labour market. Member States are called upon to take account of the impact on women and the gender dimension in relation to all Structural Fund projects.

MEPs also stress that it is important and necessary to continue efforts to support employment in the face of the growing economic crisis, taking particular account of the special needs of people with disabilities and senior citizens.

**Responding to the challenges of sustainable development, climate change and energy:** MEPs consider that measures aimed at protecting the environment, combating climate change and promoting energy efficiency should be incorporated into all operational programmes. However, they consider that the specific allocations for combating climate change and promoting energy efficiency are insufficient to meet real needs.

The report stresses that, in times of economic crisis, Member States should capitalise on the notion of achieving synergies between environmental protection and job creation stipulated in the Strategic Guidelines on Cohesion and allocate more resources into projects that promote green economy, green jobs and green innovation.

**Reinforcing governance:** MEPs consider that multi-level governance and the partnership principle are key elements of the effectiveness of operational programmes during the programming phase and especially during the implementation process. They consider that **transparency** in the allocation of funding and **administrative simplification** facilitating the access of potential beneficiaries of the Structural Funds to information are key preconditions for achieving the overall objectives of cohesion policy.

Member States are called upon to strengthen the procedures they put in place in order to ensure that a fully operational **integrated approach** is applied for the implementation of cohesion policy, thus ensuring that all aspects of any particular operational programme are duly considered. The report encourages the Commission in its efforts to ensure that Member States operate **efficient control systems** in order to be able to apply sound financial management to Community expenditure.

Lastly, the report notes that the current global economic crisis has created a new situation in all Member States that requires **re-evaluation and the possible adaptation of investment priorities**. In this context, MEPs welcome the Commission's proposals for amending the Regulations in order to meet the needs of the Union in these exceptional circumstances. They reiterate their view that cohesion policy is central to economic recovery, throughout the whole of the territory of the Union and, therefore, reject any attempt to renationalise the policy.