State of play and future synergies for increased effectiveness between ERDF and other Structural Funds

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The Committee on Regional Development adopted the own-initiative report by Georgios STAVRAKAKIS (S&D, EL) on the state of play and future synergies for increased effectiveness between the ERDF and other structural funds.

The report notes that the Commission, in the Europe 2020 strategy, pledged to mobilise the EU financial instruments (namely the rural development and the structural funds, R&D programmes, Trans-European Networks (TENs), the Competitiveness and Innovation Framework Programme (CIP) and the EIB, among others) as part of a consistent funding strategy, pulling together EU and national public and private funding, in the context of the flagship initiative entitled 'Resource efficient Europe', thus reflecting the need for coherence between policies and instruments.

Members point out that the goal of cohesion policy should be sustainable, smart and inclusive economic growth evenly spread both territorially and socially, reduction of development disparities between regions, job creation, improved quality of life, worker training for new jobs, including in the field of sustainable economy, social and territorial cohesion and the implementation of the European social model, which constitutes a factor of cohesion and competitiveness of the European economy.

The committee considers that the rationalisation of spending calls for greater effectiveness and efficiency of policies at EU level as well as at national, regional and local levels, and whereas closer coordination and complementarity are essential elements in the modernisation of cohesion policy in the future. In this context, it sets out the following recommendations:

(1) Greater coordination and synergies: the report calls for a single strategic framework to be proposed, in time for the next financing period after 2013, to ensure a common approach and to capitalise on synergies between all actions which serve on the ground to further cohesion policy objectives as defined by the Treaties and are funded by the ERDF, the Cohesion Fund, the ESF, the EAFRD and the EFF.

Members believe that expenditure in the field of cohesion policy must be rationalised by **reducing fragmentation of funding instruments** and channels and fostering **greater complementarity** between the various funding instruments. They stress that coordination should be further enhanced not only between cohesion policy instruments as such (the ERDF, the ESF and the Cohesion Fund) but also between actions financed by these instruments and activities carried out under TENs, the Seventh Framework Programme and the CIP.

Members welcome the proposal set out in the Commission Communication on the Budget Review for the adoption by the Commission of a Common Strategic Framework in order to strengthen the integration of EU policies for the delivery of the Europe 2020 strategy. They call in this context for action to foster synergies between **funding methods for the EU 2020 strategy's flagship initiatives**.

The report draws attention to the role that the ERDF plays in the effective use of the ESF, given that the ERDF is responsible for the creation of conditions such as proper infrastructure and adequate accessibility, without which employment-related investments cannot be efficient. Members are of the opinion that the rural development actions under the EAFRD and the sustainable development actions for

fisheries areas under the EFF should be integrated in a single framework with the other structural funds, namely the ERDF, the Cohesion Fund and the ESF.

Stressing that mutual reinforcement and coordination of EU policies can undoubtedly ensure the best possible results from the EU budget, Members call for the development of **financial engineering initiatives** such as the instruments financed by the EIB, and for greater recourse to these instruments.

The report highlights the fact, however, that many Member States face difficulties in coordinating the various funds and have apparently expressed anxiety about the lack of synergy, and even in some cases about overlap, between funds. Members highlight, in this respect, the **importance of co-financing and the need to simplify the rules** to make it possible to strengthen synergies between the structural funds.

(2) Instruments to achieve cohesion: the report calls on the Commission to examine the most effective ways of **increasing synergies on the ground**. Members suggest, in this respect, that consideration be given to the possibility of allowing the Member States to choose to have a **single operational programme per region** or a multi-regional operational programme in the framework of macro-regional strategies encompassing different funds (ERDF, ESF, Cohesion Fund, EAFRD and EFF) with a single managing authority, paying particular attention to the regions' contributions to a decentralised approach and to giving the regions more autonomy and flexibility with regard to participation in their own strategies and upgrading regional and local levels of administration. They suggest that the national management authorities in the Member States draw up future operational programmes geared as closely as possible to local and regional objectives.

The Commission is invited to:

- consider multi-fund programmes for Member States and regions that want to use them;
- put forward proposals for reviewing the provisions on cross-financing and reducing the barriers to their application;
- play its role with a view to increasing administrative capacity in the Member States, at regional and local level as well as among stakeholders, in order to overcome barriers to effective synergies between structural funds and other funds and to support effective policy design and implementation;
- to develop a **one-stop shop scheme** to provide practical guidance, information and advice for those concerned, so as to ensure that the public is kept properly up to date with regard both to cross-financing and to synergies between funds in general;
- enhance both **technical assistance** and training for national, regional and local administrations in order to increase the capacities and knowledge of rules on implementation-related problems;
- draw up a **European guide** to multilevel governance and encourage the Member States to implement it in line with specific local and regional objectives.

Members believe that the new strategy for the use of funds will be more effective **if it involves regional and local levels of governance**, which are capable of applying the strategic objectives to local conditions, inter alia through a structured dialogue with all stakeholders, organisations which promote gender rights, social partners and non-governmental organisations but also financial and banking institutions. They stress the need to leave sufficient margin for regional and local requirements in formulating political objectives.

Lastly, the Commission is called upon, when establishing the new Common Strategic Framework and bringing forward proposals for regulations, to include provisions enabling local and **regional partnerships** (cities, towns, functional regions, groups of local authorities) to incorporate the various EU funding streams into a consistent and integrated framework in their respective territories.