

# EC 5th cohesion report and strategy for the post-2013 cohesion policy

2011/2035(INI) - 05/07/2011 - Text adopted by Parliament, single reading

The European Parliament adopted by 506 votes to 48, with 101 abstentions a resolution on the fifth Cohesion Report and the strategy for post-2013 cohesion policy. The resolution follows on from the [Communication of the Commission](#) of 9 November 2010 entitled 'Conclusions of the fifth report on economic, social and territorial cohesion: the future of cohesion policy'.

**1) Cohesion policy added value and investment priorities:** Parliament calls for cohesion and structural policy programmes to place more emphasis on European added value. It deems such added value to be achieved where:

a) EU projects bring about a sustainable improvement in the economic, infrastructural, social and/or environmental status of disadvantaged, less-developed regions, and where that improvement would not have been achievable without the European stimulus;

b) projects supported at national, regional and local level contribute to the achievement of pan-European objectives in the fields of European integration, economic growth, research, environmental protection, culture, resource management, sport, demographic change, sustainability of energy supply, social cohesion or cross-border development and this would not have been achieved without the European stimulus.

Members make the following observations:

- the achievement of European objectives in accordance with a **decentralised approach** and the principle of multi-level governance and shared management is one of the major advantages of cohesion policy ;
- **transparency** should be introduced (particularly regarding the list of beneficiaries) as a guiding cross-sectoral principle in the cohesion programming and decision-making processes in the next funding period;
- major imbalances still exist – and among/in some Member States are actually growing, inter alia as a result of the economic and financial crisis and cohesion policy must therefore continue to concentrate on reducing disparities and implementing harmonious and sustainable development **for all regions of the Union**, regardless of the Member State in which they are located;
- Member States and the Commission must retain special forms of preference in respect of the **particularly disadvantaged types of region** referred to in the TFEU (outermost regions, northernmost regions with a very low population density and island, mountain and cross-border regions);
- targeting Structural Fund resources in a broad territorial approach must also serve to compensate for structural weaknesses in the **stronger regions**;
- macro-regional strategies afford a major opportunity to harness forms of supranational potential, improve cooperation between the different levels of governance and take a joint approach towards shared challenges such as environmental protection or the use of resources and development capacities;
- **urban areas and regions** – including capital cities and their regions – play a key role in achieving the economic, environmental and social objectives of the Europe 2020 strategy; the dynamic process launched during the previous programming period for Integrated Urban Programmes in addressing problems of areas with disadvantaged communities should be supported;
-

- structural and cohesion funding should also take into account the educational, **cultural and socio-political challenges of the Europe 2020 strategy**, while remaining in line with the overarching EU objective of economic, social and territorial cohesion. Members call for further place-based local development approaches that could serve as models to be introduced, while retaining existing national and regional competences;
- cohesion policy should make a greater contribution to the rapid development of **environmental technology and renewables**;
- the trans-European transport networks play a decisive role in the cohesion of European regions and development of TEN infrastructure, Motorways of the Sea and designated E-roads must be stepped up and access to them improved, especially in border regions and outermost regions;
- the fundamental principles of the **Small Business Act** for Europe (SBAE) must be considered one of the bases of cohesion policy, and these principles should be applied by Member States and regions in the definition of their operational programmes.

**2) System of objectives and framework for programme planning:** Parliament takes the view that the Europe 2020 challenges can be integrated very easily into the three objectives system (Convergence, Regional Competitiveness and Employment, and European Territorial Cooperation). It stresses that the **ESF is the most important instrument** for the implementation of the social dimension of the Europe 2020 strategy and that the fund can contribute significantly to the fulfilment of the central priorities of that strategy, namely employment, transition to a sustainable economy, a lower number of school drop-outs, fighting against poverty, discrimination and social exclusion.

Parliament takes the view that **GDP must be retained as the key criterion** in the definition of areas eligible for maximum support (those with a per capita GDP below 75% of the EU average) and, where appropriate, cohesion countries (per capita GNI below 90% of the EU average). It considers that the competent national and regional authorities should be given scope for the use – at the appropriate decision-making level, for each objective and in a manner reflecting geographical concentrations – of additional indicators, to be agreed in the development and investment partnership contracts, with which to assess the social, economic, environmental, demographic and geographical challenges which they face.

Cohesion policy must continue to target as a priority those **regions that lag furthest behind**. The neediest regions should be granted an appropriate share of the funding available under Objective 1 (Convergence).

Parliament calls on the Commission to present a proposal for the duration of the next programming period that will ensure the provision of adjustable, robust and proportionate **transitional assistance for regions no longer coming under the Convergence Objective**, in order to address their specific situation, and for **regions with per capita GDP between 75% and 90% of the EU average**, in the form of an intermediate category, in order to avoid unequal treatment of regions in spite of their similar situations.

Parliament calls for a **strengthening of Objective 2 (Regional Competitiveness and Employment)** through its horizontal nature to achieve results on a limited number of EU priorities, such as support for SMEs, green innovations, local economies, education and training, infrastructure, sustainable mobility, renewable energies and energy supply, resource efficiency and social inclusion.

Furthermore, **efforts under Objective 3 (European Territorial Cooperation) need to be stepped up** at all EU internal borders and at all three levels of such cooperation (cross-border, inter-regional and trans-national), and Parliament calls for the relevant share of structural funds to be increased to 7%.

With a view to increasing synergies, the resolution calls for greater integration of sectoral policies (transport, energy, research, environment, education) under the cohesion and structural policies, so as to achieve greater effectiveness and better coordination between the Structural Funds, the CIP and the Framework Programmes for Research and Development. It suggests that multi-fund programming could contribute to a more integrated approach.

It also calls for a common strategic framework for the ERDF, the ESF, the Cohesion Fund, the framework programmes, the EAFRD and the EFF, for the post-2013 funding period. The Common Strategic Framework should be adopted under the ordinary legislative procedure.

**3) Incentives, conditionality, result-orientation, co-financing and financing options:** the resolution calls for funding under the development and investment partnerships to be made subject to certain specific commitments predetermined in a dialogue between the Commission and Member States. Those predetermined conditions must require Member States to undertake reforms in order to ensure that funds are used efficiently in areas directly related to cohesion policy.

Members **reject, however, the imposition of conditions requiring Member States to undertake fundamental social and economic reform.** All conditions should fully respect the principles of subsidiarity and partnership. Any new conditionality must not result in extra administration burdens for the actors involved.

The resolution calls for the effectiveness and transparency of the ESF to be increased through more results-oriented action and asks for the ex ante setting of clear and measurable targets and outcome indicators, directly linked to the purpose of the funding, which measure, in particular, success in the fight against poverty and social exclusion and integration into high-quality employment. Parliament emphasises that the provision of grants must always be retained as an option and that it must be the responsibility of those involved on the ground to use the funding mix best suited to regional needs.

**4) Budget, financial processes, reducing red tape, budgetary discipline and financial control:** Parliament takes the view that the system of seven-year programming periods has proved its worth regarding cohesion policy and should be **retained at least until the end of the next planning period (2020)**. It calls, however, for swifter strategic reassessment of the basic conditions so that the EU can respond even more quickly and more flexibly to exceptional events (such as the financial crisis, the energy crisis or natural disasters).

Parliament calls for the adoption of **stricter rules on the monitoring of irregularities in the use of the Structural Funds** in respect of Member States. It also calls for the Commission to have, from the start of the next programming period, greater responsibility for the **improvement of national administrative procedures**. Members consider, in this connection, that there is an urgent need for **simplification** and clarification of the administration of support programmes, in particular in the area of financial implementation and financial control.

**5) Neighbourhood and enlargement policies:** the resolution emphasises the importance of the European Neighbourhood and Partnership Instrument (ENPI) for cohesion policy with regard to cross-border cooperation with states outside the EU. It calls on the Commission to look into the feasibility of establishing better synergies between ERDF initiatives, the Instrument for Pre-Accession Assistance, the European Neighbourhood and Partnership Instrument (ENPI) and the European Development Fund (EDF).

Parliament reiterates its call for the Committee on Regional Development to be involved in and share responsibility for determining the form that these instruments will take in future.