

# European Regional Development Fund (ERDF): support to the European territorial cooperation goal 2014-2020

2011/0273(COD) - 06/10/2011 - Legislative proposal

**PURPOSE:** to define the next framework for cohesion policy for the period 2014-2020 (European Territorial Cooperation).

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**BACKGROUND:** in its [proposal for the next multi-annual financial framework for the period 2014-2020](#), the Commission decided that cohesion policy should remain an essential element of the next financial package and underlined its pivotal role in delivering the Europe 2020 strategy. It proposed a number of important changes to the way cohesion policy is designed and implemented. Concentrating funding on a smaller number of priorities better linked to the Europe 2020 Strategy, focusing on results, monitoring progress towards agreed objectives, increasing the use of conditionalities and simplifying the delivery are among the major hallmarks of the proposal.

This proposal is part of a package of legislative measures relating to the **Cohesion policy 2014-2020**. This package includes:

- an [overarching regulation](#) setting out common rules governing the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund, the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). This will allow for the better combination of funds for a stronger impact of EU action;
- three specific regulations for the [ERDF](#), the [ESF](#) and the [Cohesion Fund](#);
- two regulations dealing with the [European territorial cooperation](#) goal and the European grouping of territorial cooperation ([EGTC](#));
- two regulations on the European Globalisation Fund ([EGF](#)) and the [Programme for Social Change and Innovation](#);
- a communication on the European Union Solidarity Fund ([EUSF](#)).

**European Territorial Cooperation** is one of the goals of cohesion policy and provides a framework for the implementation of joint actions and policy exchanges between national, regional and local actors from different Member States. This is all the more important given that the challenges faced by Member States and regions increasingly cut across national /regional boundaries and require joint, co-operative action at the appropriate territorial level.

**IMPACT ASSESSMENT:** the options assessed in the impact assessment relate to the improvement of the strategic focus and of the coordination between cooperation and regional programmes.

The options considered included:

1. **the continuation of the *status quo*** (broad priorities, no formal link between cooperation and regional programmes),

2. a **scenario focused on thematic concentration** and integration of cooperation in overall strategic framework (limited number of thematic objectives that cross-border and transnational programmes can choose, integration of cooperation aspects in Common Strategic Framework and Partnership Contract);
3. a scenario that would **fully integrate** cooperation aspects in the regional programmes without the need for separate cooperation programmes.

The second option was chosen as the preferred one since it will ensure a better focus on European priorities, strengthen the programme intervention logic and ensure a better link and coherence with regional programmes.

LEGAL BASIS: Article 178 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: a separate regulation is proposed for European Territorial Cooperation to take better account of multi-country context of the programmes and make more specific provisions for cooperation programmes and operations, as has been requested by a large number of stakeholders.

The proposal also:

- establishes the scope of the European Regional Development Fund with regard to the European Territorial Cooperation goal;
- defines the priority objectives and organisation of the ERDF, eligibility criteria, financial resources available and criteria for their allocation
- sets the implementation arrangements, including provisions for financial management and control. The Common Provisions Regulation and the ERDF regulation both apply subject to the specific provisions contained in this regulation.

The proposal also includes the **continuation of the mechanism for the transfer of resources** for cooperation activities at the external borders of the Union, to be supported under the European Neighbourhood and Partnership Instrument and the instrument for Pre-Accession Assistance. Synergies and complementarity between programmes under the European Territorial Cooperation goal and programmes financed under external instruments shall be promoted.

**New element:** a new element in the proposal is the provisions on **thematic concentration and investment priorities**. This is to be seen in the overall context of improving the strategic focus of programmes and their results orientation. Programmes will also contain a performance framework defining programme-specific milestones against which progress in implementation can be assessed.

The 2007-2013 programming period has seen the emergence of new forms of territorial cooperation, tailor-made responses to address macro-regional challenges. At the request of the European Council, two **macro-regional strategies** have been prepared by the Commission for the [Baltic Sea](#) and the [Danube](#) Regions respectively. The proposed regulation explicitly foresees that transnational cooperation can also support the development and implementation of macro-regional strategies and sea-basin programmes (including the ones established on the external borders of the EU).

The **implementation modalities have been streamlined** for cooperation programmes. The number of authorities involved in programme implementation has been reduced and roles and responsibilities further clarified.

BUDGETARY IMPLICATION: the Commission's proposal for a Multiannual Financial Framework includes **EUR 376 billion** for cohesion policy for the period 2014-2020. The proposed budget (in billion euros) is broken down as follows:

- Less developed regions EUR 162.6
- Transition regions: EUR 38.9
- More developed regions: EUR 53.1
- Territorial cooperation: EUR 11.7
- Cohesion fund: EUR 68.7
- Extra allocation for outermost and sparsely populated regions: EUR 0.926.
- Facility for transport, energy and ICT: EUR 40 billion (with an additional EUR 10 billion ring-fenced inside the Cohesion Fund).

In the proposed Regulation, the resources provides for **European territorial cooperation** are broken down as follows:

- 73.24% (i.e., a total of EUR 8 569 000 003) for cross-border cooperation;
- 20.78% (i.e., a total of EUR 2 431 000 001) for transnational cooperation;
- 5.98% (i.e., a total of EUR 700 000 000) for interregional cooperation.

**DELEGATED ACTS:** this proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU).