

Optimising the role of territorial development in cohesion policy

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The Committee on Regional Development adopted the report by Derek VAUGHAN (S&D, UK) on optimising the role of territorial development in cohesion policy. It recalls that the territorial dimension is a cross-cutting aspect of cohesion policy and is now recognised by the Lisbon Treaty as a fundamental EU objective.

Overarching concerns: strengthening the territorial objective: Members emphasise that, despite significant progress towards convergence in the EU, disparities (e.g. in terms of accessibility) still exist, and are continuing to widen, between EU regions. The budget for cohesion policy post-2013 must be at least maintained at its current level in order to ensure that support continues to reach areas in need of economic and social regeneration in all regions of the EU. The report welcomes the Commission's proposals to focus on measurable results delivered by cohesion policy and highlights the need for a results-led system to include flexibility at national, regional and local level, so that results-led systems are region-specific.

It endorses the Commission's overarching [proposals throughout the CPR](#), highlighting the fact, that rules, checks and eligibility must be made clear from the outset. Flexibility should extend to greater provision for projects to operate across different funds covered by the CPR. This increased flexibility would help to simplify project delivery and increase the complementary and cross-cutting aspects of European funding. Using other funding programmes (e.g. Horizon 2020), possibly in alignment with cohesion policy funding, should also be considered when working towards Europe 2020 objectives.

Members recognise a **simplified multi-level governance system** as integral to the decision-making process under cohesion policy, and call on the Commission to ensure that this is reflected in the development of clear and well-defined partnership contracts. This can only be achieved with the involvement of actors at local and regional level, so that all parties can contribute to the preparation and delivery of programmes.

Greater integration of European funds for 2014-2020: on this issue, Members welcome the above-mentioned CPR proposals which encourage better coordination and integration of funding programmes, and stress that a stronger and more integrated territorial approach to European funding, with adequate capacity-building and the involvement of social and civil society partners at local and regional level, in both urban and rural settings, is a positive way of ensuring that money is directed towards addressing Europe's long-term social and economic challenges. Members also emphasise that, given the characteristics shared by the funds covered by the CPR and other funding programmes (e.g. Horizon 2020, LIFE+), the effectiveness of European funding could be enhanced by exploring the potential alignment between these funds.

Mechanisms for integrating European Funds: Members welcome the proposals for a regulatory framework development through 'community-led local development', 'joint action plans' and 'integrated territorial investment', and highlight the need to keep the application of the proposed instrument as simple as possible, so as to avoid adding to the administrative burden of local authorities and to keep in line with simplification objectives. They call for a fully integrated approach to related delivery instruments (community-led local development (CLLD), integrated territorial investments (ITIs), joint action plans

(JAPs)), allowing local partnerships to choose different combinations of these instruments as appropriate, and for consideration to be given to the possibility of applying flexible arrangements for the purpose of concentrating resources, taking into account the specific needs of Member States and regions.

Community-led local development (CLLD): Members support the Commission's proposals on CLLD as an important provision of the CPR and an excellent way of encouraging bottom-up participation from a cross-section of local community actors working towards sustainable territorial objectives. However, they call for the Commission to **clarify its proposals on CLLD in the implementation phase** in order to allow potential participants to fully determine the likely purpose, scope and effect of CLLD. They also underline the need to look at examples such as the **integrated use of EARDF and EMFF funds through CLLD** in the future programming period as a way of developing synergies between all funds covered by the CPR.

Joint action plans: similarly, Members support proposals by the CPR to introduce joint action plans to allow groups of projects to be funded by more than one operational programme, but they **call for clarification on the scope and integration of joint action plans**, and on whether they will be used to deliver entire, or only parts of, programmes.

Integrated territorial investment (ITI): the committee would welcome further clarification on the scope of ITIs and the potential for the instrument, if it fits local needs, to be used also in non-urban and peri-urban areas, with the use of all the funds covered by the CPR. It emphasises that the coherence of ITIs with regional sustainable development strategies has to be ensured in order to improve economic and social cohesion, not only among regions, but also among urban and non-urban areas within the regions.

Financial instruments: Members welcome the Commission's proposals for greater use of financial instruments and highlight the potential of these instruments, including micro-credits, to open up alternative sources of finance for a wide range of actors to complement traditional financing methods. Financial instruments should have the ability to **lever private funding** and offer flexibility to Member States and regions to tailor target sectors and implementation methods to their specific needs.

Integration of the funds covered by the CPR with other EU policies and instruments: the report welcomes the proposals in the Common Strategic Framework for Partnership Contracts to outline potential alignment between the funds covered by the CPR and other funding programmes, such as the EU Framework Programme for Research and Innovation (previously FP7, now Horizon 2020), LIFE + and the Connecting Europe Facility. Existing synergies between the funds covered by the CPR and Horizon 2020 mean that both sources of funding could potentially be used while working towards complementary thematic objectives.

Employment and social aspects: Members consider that the territorial approach should prove an effective mechanism for supporting SMEs in creating new sustainable jobs and developing vocational training programmes. Territorial cooperation and macro-regional strategies could also be useful instruments for identifying and combating regional disparities, e.g. in access to education and employment, and for promoting convergence between European regions. Members stress the need to encourage voluntary mobility of workers and young graduates in the EU and to link educational services and facilities to local labour market needs.

Lastly, they believe it is of paramount importance to promote exchanges of best practice between Member States, in the context of meaningful and effective long-term territorial development planning and by promoting decent and sustainable employment with a view to fighting poverty and unemployment.