

Optimising the role of territorial development in cohesion policy

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The European Parliament adopted by 495 to 48 with 21 abstentions a resolution 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: despite significant progress towards convergence in the EU, Members emphasise that 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. Parliament 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](#), which sets out common rules applicable to all five European funding programmes (European Regional Development Fund (ERDF), European Social Fund (ESF), Cohesion Fund, European Agricultural Fund for Rural Development (EAFRD), European Marine and Fisheries Fund (EMFF)) that are designed to implement cohesion, rural and fisheries policies. 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.

Parliament recognises a **simplified multi-level governance system** as integral to the decision-making process under cohesion policy, and calls on the Commission to ensure that this is reflected in the development of clear and well-defined partnership contracts. It highlights the importance of the **European code of conduct** for Member States, regions and local authorities during the preparation, implementation and monitoring of funding 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 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, 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: Parliament calls 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): Parliament supports 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, it calls 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. It also underlines 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): Parliament 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: Parliament 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.

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 macroregional 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, Parliament believes it is of paramount importance to promote exchanges of best practice between Member States, and also considers it essential to coordinate the actions supported by the ESF at different policy levels, in order to allow an efficient territorial approach.