Building blocks for a post-2020 EU cohesion policy

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The Committee on Regional Development adopted the own-initiative report by Kerstin WESTPHAL (S&D, DE) on building blocks for a post-2020 EU cohesion policy.

Members recalled that cohesion policy at European level was very effective and that it remained - in its economic, social and territorial dimension – a necessary policy which combines the specific needs of a territory with EU priorities and delivers tangible results on the ground for all citizens. They called on the Commission to present a **comprehensive legislative proposal** for a strong and effective cohesion policy post-2020 and considered it essential that cohesion policy should have an **adequate budget**.

The increasing constraints on both the EU and the national budgets and the consequences of Brexit should not lead to EU cohesion policy being weakened.

Added value of EU cohesion policy: the report stressed the importance of shared management, which is based on the partnership principle, multilevel governance and the coordination of different administrative levels, in order to achieve regional, economic and social convergence. It called for **optimal coordination and cooperation** between the Commission DG responsible for cohesion policy and other DGs, as well as with national, regional and local authorities.

Members stressed the importance of:

- addressing the shortcomings of the **financial planning and implementation system** leading to the accumulation of unpaid bills and the build-up of an unprecedented backlog that rolled over from the last MFF to the current one;
- **the early involvement** of all stakeholders, including from civil society, with a view to ensuring increased accountability and visibility in the implementation of cohesion policy without increasing administrative burdens or causing delays;
- strengthening measures to reduce regional disparities and prevent the emergence of new disparities in **all types of regions**;
- continuing to seek **cross-border, transnational and interregional cooperation** as part of the aim to strengthen territorial cohesion and to extend funding opportunities to the next post-2020 Interreg Europe programme.

Architecture: Members underlined that the current categorisation of regions, the reforms introduced, such as thematic concentration, and the performance framework have demonstrated the value of cohesion policy. The value of *ex-ante* conditionalities, in particular the one on Research and Innovation Strategies for smart specialisation has also been highlighted.

Members highlighted the need for:

- **greater flexibility** in the implementation of the EU budget in order to respond to unforeseen events and to adapt ESIF investments to the changing needs of each region;
- a balanced link between cohesion policy and economic governance process in the framework of the **European Semester**; greater consideration of the territorial dimension would be beneficial for the European Semester;

- strengthened national and regional agencies for supporting investments to **improve administrative and institutional capacity** in the programming, implementation and evaluation of operational programmes;
- the **simplification of the cohesion policy's overall management system** at all levels of governance by facilitating the programming, management and evaluation of operational programmes: improvements are possible in terms of multiple layers of audit, as well as the number of controls, in order to achieve greater harmonisation between cohesion policy, competition policy and other Union policies, in particular state aid rules;
- **financial instruments to be with caution**: grants should be complemented only where such financial instruments demonstrate an added value and could have a leverage effect by attracting additional financial support;
- **synergies** and communication between ESI Funds and other Union funds and programmes, including EFSI, to be strengthened and that multi-fund operations are implemented;
- the development of a set of **indicators** (taking into account the Social Progress Index or a demographic indicator) that complement the GDP indicator.

Key policy areas for a modernised cohesion policy after 2020: Members are of the view that combating unemployment remains a priority and that cohesion policy should continue to care for the **vulnerable and marginalised**, address growing inequalities and build solidarity through co-investments in education, training and culture.

Other important areas are the fight against climate change and the effects of demographic change, innovation, SMEs in job creation, as well as sustainable urban development and urban innovative actions.

Members stressed the importance of **partnerships between rural and urban areas**.

In addition, the increased **visibility** of the cohesion policy is vital to fight against euroscepticism.

Members called for the Commission's preparation of the new legislative framework to start in due time so that the post-2020 cohesion policy may be implemented at the start of the new programming period.