Economic and social cohesion: regional trends, debate on future developments: 2nd interim report

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The committee adopted the own-initiative report by Emmanouil MASTORAKIS (PES, GR) on the Commission's 2nd progress report on economic and social cohesion. It endorsed the Commission's stance of rejecting attempts at the renationalisation of regional and cohesion policy and welcomed its determination to maintain a genuine Community policy. However, it noted the need for a more accurate setting of targets and priorities and for greater coordination between sectoral policies (agriculture, fishing, transport, R&D, etc.) and regional and cohesion policy. The report emphasised that the Commission should pay special attention to those regions suffering from the 'statistical' effects of enlargement, which lose their eligibility for Objective 1 as a result of the recalculation of EU GDP, by continuing to treat those regions as similar to Objective 1 areas with the equivalent level of support and administering aid. However, MEPs accepted that the threshold of 75% of the average GDP in the EU Member States must remain the essential criterion for eligibility for Objective 1. The committee supported the idea of a new Objective 2 to foster regional competitiveness, within the framework of balanced and sustainable polycentric development, in accordance with the Lisbon and Göteborg guidelines. It suggested that regional areas in which permanent geographical handicaps hinder economic development, output and job creation and which are not eligible for other Structural Funds should be eligible for a reformed Objective 2. The report stressed the need for consistency in the policy for regional cooperation in its three dimensions: cross-border (land or sea), trans-national and inter-regional. The Commission was urged to submit proposals, on the basis of experience gained from INTERREG, to improve the operation of such cooperation, for example by helping to finance investment in infrastructure and the implementation of certain cross-border infrastructure projects under the new instruments of Community regional policy. The committee also endorsed the Commission's main goal of simplifying the rules for implementing regional policy and supported the idea of a single fund approach per development objective. It reiterated its conviction that it was both necessary and feasible to achieve a proper balance between simplification and scrutiny and called for less cumbersome payment procedures. Lastly, it underlined the importance of tripartite contracts between the Commission, Member State and the region and called on the Commission to divide powers and responsibilities clearly amongst all those involved in cohesion policy.