Impact and consequences of structural policies on EU cohesion

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The European Parliament adopted a resolution based on the own-initiative report by Francisca Pleguezuelos **AGUILAR** (PES, ES) on the impact and effects of the structural policies on EU cohesion. Since the positive impact of structural policies varies from one region to another, the resolution puts forward recommendations for maximising its impact in the new programming period 2007 to 2013. Between 1995 and 2005 GDP per capita growth in the 13 cohesion countries was greater than that of the Union of fifteen Member States, the former's annual rate reaching 3.6 % compared with an average of 2.2 % for the latter. The free play of market forces was incapable of creating the cohesion that the EU's founding fathers envisaged, and cohesion necessarily requires public authority intervention so as to enable the balance between regions to be restored.

Parliament stressed the cohesion policy's critical role in supporting the internal market in that, by virtue of the design and implementation of projects co-financed by the EU, trade has increased and jobs have been created. It emphasised the importance of developing an integrated and sustainable structural policy that combines support from the structural and cohesion funds with support given within the framework of other Community policies. This concept of integrated policy should be the subject of communication and training measures, and used by all the actors concerned.

It insisted that companies which had received State aids and relocated within the EU should be debarred from obtaining public benefits for their new places of business and excluded from Structural Fund and national support for seven years from the date of relocation.

Parliament considered that the Commission and the Member States should improve the contribution of the European Social Fund to implementation of the European Employment Strategy (EES), strengthening the relationship between them, and that this improvement should be immediately demonstrated using relevant indicators to promote equal opportunities. It urged the Commission to explore new ways of combining structural policies and instruments with other Community instruments aimed at increasing synergies that will promote competitiveness and sustainable research and innovation, drawing on the work of the Commission's interdepartmental task forces dedicated to these fields.

Parliament felt that the Council and Commission should look into whether a requirement to earmark at least 20 % of the Structural Funds to promoting research and development, starting from the next programming period 2007-2013, was viable, and to focus not only on major projects and centres of excellence but to also pay attention to smaller projects in less favoured regions. It proposed that the Council and Commission encourage the establishment of regional and local technology facilitators, using existing resources, such as the EuroInfoCentre and Innovation Relay Centre networks. These will be financed by the structural funds and associated with regional projects, technology parks, clusters and networks, and will reinvigorate innovation for businesses, particularly small businesses, by facilitating access to European aid schemes and programmes.

Members proposed that European institutions and the Member States promote best practice and measure the impact of Community policies on cohesion, by endowing the European Spatial Planning Observatory Network (ESPON) with the necessary resources to enable it to act as an observatory of the effects of structural policies on cohesion.

It urged relevant parties to investigate which instruments were best suited to securing a territorial balance between urban and rural areas, encouraging an integrated strategic approach to the development of urban areas together with the surrounding suburban and rural areas ("catchment areas") and encouraging the exchange of best practice, especially in regional and sectoral networks for improving the management of funds. Cohesion policy should make a greater contribution to meeting the objectives of the new sustainable development strategy, by focusing on largely renewable sources of energy, transport systems that exploit the possibilities of intermodal combinations more efficiently and on recycling.

Parliament went on to call for other territorial indicators to be used, apart from per capita GDP, for measuring the degree of cohesion, such as the rate and quality of employment, the level of disparities in GDP between neighbouring regions, the decentralisation and accessibility index, infrastructure and transport provision, the level of research/innovation, education and training activities and the diversity of production in the area in question.

It encouraged the Commission to analyse the leverage effect that structural funds have had on attracting private investment within the context of the new cohesion policy and to highlight the need for cooperation between the public and private sectors. It also suggested that the Commission should obtain better information on the quality and sustainability of the jobs that have been created using structural funds.

Parliament drew the Commission's attention to the fact that a shortage of administrative capacity could act as a major obstacle to maximising the impact of cohesion policies. It called on the Commission to develop the instrument made up of tripartite contracts and to continue the process of administrative capacity building during the implementation phase of the new cohesion policy. This should be done by setting up a network of accredited trainers so as to ensure coherence between training measures and awareness-raising campaigns carried out by management authorities of a Member State.

Lastly, Parliament called on the Commission to examine, in the context of the implementing regulation, actions to raise the visibility of spending, not only on major infrastructure projects but also on smaller projects. The Commission should monitor more closely the application of mandatory publicity measures and punish the Member States concerned in the event of serious breach. Management authorities were called upon to involve MEPs in the provision of information connected with projects financed by structural funds.