Basic information

2010/2139(INI) INI - Own-initiative procedure	Procedure completed
Report 2010 on the implementation of the cohesion policy programmes for 2007-2013 **Subject** 4.70.02 Cohesion policy, Cohesion Fund (CF)	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
REGI Regional Development	MIKOLÁŠIK Miroslav (PPE)	03/06/2010
	Shadow rapporteur KADENBACH Karin (S&D) PAKARINEN Riikka (ALDE) SCHROEDTER Elisabeth (Verts/ALE) TREMOPOULOS Michail (Verts/ALE) VLASÁK Oldřich (ECR)	

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	GODMANIS Ivars (ALDE)	08/09/2010
CONT Budgetary Control	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
EMPL Employment and Social Affairs	PAPADOPOULOU Antigoni (S&D)	21/04/2010
ENVI Environment, Public Health and Food Safety	FERNANDES José Manuel (PPE)	05/10/2010
ITRE Industry, Research and Energy	SOSA WAGNER Francisco (NI)	12/10/2010

IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	
TRAN Transport and Tourism	KOHLÍČEK Jaromír (GUE/NGL)	02/09/2010
PECH Fisheries	The committee decided not to give an opinion.	
CULT Culture and Education	The committee decided not to give an opinion.	
FEMM Women's Rights and Gender Equality	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
General Affairs	3068	2011-02-21

European Commission

Commission DG	Commissioner
Regional and Urban Policy	HAHN Johannes

Key events

Date	Event	Reference	Summary
31/03/2010	Non-legislative basic document published	COM(2010)0110	Summary
09/09/2010	Committee referral announced in Parliament		
21/02/2011	Debate in Council		Summary
22/03/2011	Vote in committee		Summary
01/04/2011	Committee report tabled for plenary	A7-0111/2011	
23/06/2011	Decision by Parliament	T7-0283/2011	Summary
23/06/2011	Results of vote in Parliament		
23/06/2011	Debate in Parliament		
23/06/2011	End of procedure in Parliament		

Technical information

Procedure reference	2010/2139(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Implementation
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	REGI/7/03588

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	ITRE	PE450.898	02/12/2010	
Committee opinion	EMPL	PE450.880	03/12/2010	
Committee draft report		PE454.716	17/12/2010	
Committee opinion	TRAN	PE450.650	27/01/2011	
Committee opinion	ENVI	PE452.620	27/01/2011	
Committee opinion	BUDG	PE454.426	27/01/2011	
Amendments tabled in committee		PE458.491	07/02/2011	
Committee report tabled for plenary, single reading		A7-0111/2011	01/04/2011	
Text adopted by Parliament, single reading		T7-0283/2011	23/06/2011	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2010)0110	31/03/2010	Summary
Commission response to text adopted in plenary	SP(2011)8296	03/10/2011	

Report 2010 on the implementation of the cohesion policy programmes for 2007-2013

2010/2139(INI) - 21/02/2011

The Council held a **policy debate** and adopted conclusions on a Commission report, presented in November 2010, on economic, social and territorial cohesion in the EU.

The Council conclusions highlight the following points:

(1) the need for **continued pursuit of the objective of reduced disparities** between the development levels of the various regions of the EU and underline the contribution cohesion policy has made towards the EU's competitiveness and growth objectives;

(2) that cohesion policy should focus on a **limited number of priorities**, in line with the Europe 2020 strategy, while maintaining sufficient flexibility to allow for regional needs.

The conclusions call for further discussions on the following Commission suggestions:

- the creation of a "**development and investment partnership contract**", which outlines an investment and development strategy addressing the priorities established under the Europe 2020 strategy for jobs and growth;
- a list of priorities on which EU and national resources should focus;
- conditionalities and incentive mechanisms linked to cohesion policy.

Comments made during the Council debate will provide input to the Commission in its preparation of a legislative package for structural funds after 2013, which is due to be published before the summer.

The Council also adopted without discussion conclusions on a special report by the European Court of Auditors concerning the effectiveness of structural measures spending on the supply of water for domestic consumption, set out in document *6490/11*.

Report 2010 on the implementation of the cohesion policy programmes for 2007-2013

2010/2139(INI) - 23/06/2011 - Text adopted by Parliament, single reading

The European Parliament adopted by 601 votes to 61 and 12 abstentions a resolution on the Report 2010 on the implementation of the cohesion policy programmes for 2007-2013.

Parliament recalls that cohesion policy has been a key element of the European Economic Recovery Plan (EERP), demonstrating the importance of the Structural Funds as tools of economic stimulus, in particular for small businesses, sustainability and energy efficiency, and the Commission was asked to present a report in 2010 about the uptake of measures adopted as part of Europe's response to the crisis. Accordingly, Parliament welcomes the Commission's strategic and Considers that transparency in the allocation of funds fosters correct implementation. Parliament also believes that disclosure of the list of beneficiaries should be continued, notably online. It calls for regular political debate in order to improve transparency, accountability and assessment of the effects of cohesion policy.

Implementation: Parliament notes that the reported financial volume of projects selected is EUR 93.4 billion, representing 27.1% of available EU resources in the current period, and that this average rate applies to the three cohesion policy objectives. It underlines, however, that progress varies widely between countries and across themes, with aggregate selection rates above 40% in the case of 9 Member States and below 20% for 4 Member States. Members note with satisfaction that a total of EUR 63 billion is reported as allocated to Lisbon earmarking projects and urge Member States to continue in future to earmark resources for projects supporting the EU 2020 Strategy.

They go on to make several observations on the themes financed by cohesion policy (particularly the Territorial Dimension theme with 30%) and welcome the progress already made in implementing projects relevant to the ‘More and better jobs’ Guideline. They recommend, however, that the Commission introduce methods for delivering social and territorial cohesion and poverty reduction.

Parliament discusses the following principal matters related to cohesion policy:

- labour market reforms through the ESF;
- the fight against gender segregation and inequalities (the pay gap and under-representation of women in decision-making positions);
- improving infrastructure and services for disadvantaged microregions with a high concentration of socially marginalised people (e.g. the Roma);
- the importance of transport in general and particularly investment in the rail sector, which is not progressing according to plan;
- investment in energy efficiency and renewable energy in housing construction and housing projects for marginalised communities.

Members call for more effective implementation of programmes in the environmental sector, especially in cross-cutting areas which provide European added value, such as action to combat, mitigate and adapt to climate change, investment in cleaner and low-carbon technologies, action to combat air and water pollution, action for biodiversity protection, the expansion of railway networks. They call for the relevant funds to be used for environmental disaster prevention and/or rapid reaction and speeding up investment in prevention and in the rehabilitation of industrial sites and contaminated land.

Parliament regrets the delays in project selection for strategic areas such as the rail sector, certain energy and environmental investments, the digital economy, social inclusion, governance and capacity building. It calls for a thorough analysis of the causes of these delays. Rapid project selection and implementation and an overall better use of the allocated funds is particularly needed for the activities aimed at improving human capital, promoting health and fostering disease prevention, ensuring equal opportunities, supporting labour markets and enhancing social inclusion.

Challenges in implementation: Members underline the fact that effective selection and implementation of projects in some areas is hampered by missing relevant preconditions such as simpler application procedures at national level, and by excessive national red tape. They note the need to adapt the legal framework in the field of state aid, public procurement and environmental rules and pursue institutional reforms. They recall with regret that the substantial delay in policy implementation results mainly from late conclusion of the negotiations on the multiannual financial framework, resulting in belated completion of the national strategies and operational programmes.

Response to the economic crisis: Parliament notes that, in the context of the global financial and economic crisis and the current economic slowdown, the EU cohesion policy decisively contributes to the European Economic Recovery Plan. It calls for greater flexibility and reduced complexity in the

rules to combat crisis. It stresses the importance of making supplementary efforts to overcome the difficulty of measuring the overall impact of specific cohesion policy-related measures under the EERP, and regrets that the review can only give limited insights into concrete examples at national level. Parliament considers that the signs of recovery from the crisis are fragile, and that in the coming years Europe has to tackle its structural weaknesses, including through Cohesion Policy interventions and targeted investments notably in research and development, innovation, education and technologies that are beneficial for all sectors in acquiring competitiveness. It stresses therefore the need for a thorough analysis of the impact of measures aimed at counteracting the crisis and the necessity to provide for accessible structural funding.

Creating synergies and avoiding the sectoral dispersion of regional policy resources: Members stress the need in the post-crisis era to consolidate public budgets and increase synergies and the impact of all available funding sources (EU, national, EIB instruments) through effective coordination. Synergies between structural funds and other sectoral policy instruments, and between these instruments and national, regional and local resources, are vital. Members also highlight the benefits of synergies between ERDF, ESF and EAFRD, and note that successful performance of ESF-financed programmes is essential in order to maximise the effectiveness of ERDF funding.

Monitoring and evaluation: Parliament regrets that only 19 Member States reported on core indicators and therefore at this stage it is impossible to have a first clear EU-wide picture of the impact of the policy on the ground. It strongly encourages Member States to use core indicators in the next round of the strategic reporting exercise in 2012-2013. Members underline the need for the Commission to ensure efficient and constant monitoring and control systems in order to improve governance and effectiveness of the delivery system of the Structural Funds. Parliament notes that that experience clearly proves that successful performance of ESF-financed programmes is essential in order to maximise the effectiveness of ERDF funding for economic actions.

Good practices: Members encourage good practices related to national reporting such as using core indicators, reporting on results and outputs, reporting on synergies between national policies and EU policies, organising public debates and consultations with stakeholders, submitting the reports to national parliaments for opinions and publishing the reports on governmental websites. They also call on Member States to act without delay, invest more in sustainable development and smart growth, social inclusion and gender equality in the labour market and use funds more effectively. The Commission is asked to launch a debate to elaborate further on how cohesion policy can, over the current period 2007-2013, contribute to the objectives of the Europe 2020 strategy.

Conclusions and recommendations: Members make the following observations and recommendations:

- the role of SMEs as innovative players in the economy is underlined, as is the need to facilitate SMEs' access to financing and operating capital and encourage SMEs to become involved in innovative projects with a view to strengthening their competitiveness and potential for greater employment. Members stress the effective use of all existing resources, including the financial engineering instruments (Jeremie);
- good governance at European, national, regional and local level and effective cooperation between the various levels of government are fundamental. Members stress the importance of a genuine partnership strategy, both vertically and horizontally, and recommend that the quality of partnership involvement be assessed, recalling that partnership may lead to simplification, particularly in the project selection procedure;
- simplification of provisions and procedures should contribute to the speedy allocation of funds and payments, and that it should therefore continue and should result in improved rules in the post-2013 period, both at EU and national level without creating major difficulties for the beneficiaries;
- Member States and regional authorities to enhance capacity-building and reduce the administrative burden, in particular to ensure the cofinancing of projects by national contributions and, when relevant, to introduce financial engineering support, in order to increase the absorption of the funds and to avoid further major delays in investing;
- strategic reporting creates a basis for peer review and strategic debate at EU level; and the Strategic report 2013 should be result-oriented and focused more on qualitative analysis of the effectiveness of programmes, outputs, outcomes and early impacts rather than on excessive presentation of statistical data;
- the Commission and Member States should use the opportunity of the mid-term review of the financial perspective 2007-2013 and of cohesion policy to ensure increased absorption of European funding in the period 2011-2013;
- all EU institutions and Member States must to facilitate speedier conclusion of key documents, such as the multiannual financial framework and regulations, in the next round of negotiations with a view to overcoming the start-up difficulties that might arise at the beginning of the next programming period.

Lastly, the future cohesion policy must benefit from adequate financial resources.

Report 2010 on the implementation of the cohesion policy programmes for 2007-2013

2010/2139(INI) - 31/03/2010 - Non-legislative basic document

PURPOSE: to present the report Communication on the implementation of the cohesion policy programmes 2007-2013.

CONTENT: this Communication provides, for the first time, a complete overview of the implementation of the cohesion policy programmes 2007-2013. It is primarily based on the 27 national strategic reports, which are a new feature of cohesion policy for this period. The paper notes that Member States have fulfilled their responsibility and produced a significant effort to report on progress. Through the experience gained in this first exercise it should be possible for the 2012 national reports to be more concise and more focussed on outputs, results and strategic developments. Yet, while the national reports were prepared in close cooperation with the relevant managing authorities it would have been useful to use more systematically public presentation and debate.

Due to the specific legal basis and strategic objectives set, the scope of the strategic reports was limited to the 2007-2013 programmes. This provides only a partial picture of the impact of the policy. Now that the 2000-2006 programmes have ended and spending is clearly accelerating in the 2007-2013 programmes data on the outputs and results on the ground is expected to show acceleration.

The common system of reporting on projects selected has proved its worth in providing “real time” data on the project pipeline. Member States should ensure that the annual programme reports are accompanied by accurate and complete data allowing a rolling monitoring of progress and a better understanding of programme content. It is encouraging that many Member States provided information on EU defined core indicators for ERDF and Cohesion Fund interventions, even though this was not obligatory. Reporting on common indicators should be reinforced. The specific programme reports due in mid 2010 and the next round of national strategic reports in 2012 must analyse the progress of programmes in achieving objectives and signal a clear move from reporting on inputs to discussing outputs, results and early impacts.

The national reports have emphasised the fundamental relevance of the strategies agreed in 2007 and the value of cohesion policy as a policy aiming at long-term economic development. In general, the measures to deliver the agreed strategies and objectives are implemented at a good pace while adapting to the sharp change in the economic climate. After an average of 18 months of effective implementation on the ground 27.1% of projects are selected and progress is evidenced by accelerating expenditure. The reported financial volume of projects selected is EUR 93.4 billion. . The average rate of project selection is closely respected in the three objectives – Convergence, RCE and European Territorial Cooperation (ETC) – and equally applies to the rate of selection of the Lisbon Earmarking categories. A total of EUR 63 billion is reported as allocated to Lisbon earmarking projects. The projects to deliver the agreed EU earmarked priorities are selected as quickly as non-earmarked priorities. These EU priorities include smart, clean and socially inclusive investments in infrastructures (energy efficiency, broadband, social infrastructures) business support (eco-innovation, financial engineering) and flexible labour markets.

This positive progress can be partly explained because the Member States are using flexibility within programmes to address changing needs under the agreed priorities. The cohesion policy recovery package of late 2008, involving increased pre-financing, rule changes to improve the speed of reimbursement and simplifications has been widely taken up, while Member States have also simplified their own rules.

However, no one can be complacent. Using the information exchanged through this exercise Member States can benchmark their rate of progress in different priority themes with the EU average, identifying areas of good and slow progress.

The Commission therefore calls on the Member States:

- to implement quickly the already selected projects;
- to accelerate the selection of quality projects to contribute to the agreed programme objectives, to facilitate the exit strategy from the current economic crisis;
- to ensure that, in a climate of growing pressure on national budgets, the national co-financing needed to fund the agreed investments is made available so that the EU budget resources are fully mobilised.

For its part, the Commission will bring forward in 2010 communications outlining how it believes cohesion policy 2007-2013 can foster support to the objectives set for the Europe 2020 strategy. In particular, these documents will address how the current programmes can reinforce employment policies and social recovery and inclusion; support for sustainable development and support to innovation at national and regional level. The Commission is committed to continue working with the Member States on improving delivery of the programmes and addressing bottlenecks in different thematic areas.

Delays in selecting projects in important investment fields are clearly evident from the national reports. The Commission calls on Member States to target these priority areas – if necessary by putting in place action plans to correct the delays while there is still time. The Commission has identified the following priority areas facing delays generally or a lack of homogenous progress across the Member States:

- in the rail sector there are difficulties in preparing important investment in a core group of Member States based both on reported progress and results from evaluations;
- certain energy and environmental investments are not progressing as expected. This must be redressed by Member States and regions for them to fully contribute to the EU’s sustainable developments goals;
- investment in the area of the digital economy - rolling out broadband and exploiting ICT use in the public and business sectors - is slower than average with uneven performance, even if some good practices are identified;
- progress on delivering the priority of social inclusion is relatively slow and not spread evenly across the funds and programmes. Action is needed to mobilise EU resources to contribute to the achievement of the proposed poverty reduction target fixed in the Europe 2020 strategy;
- there are delays in implementation of governance and capacity building measures which need to be addressed to improve public sector performance, especially in view of the crisis.

By pressing ahead now with the good progress already made in many priority areas and addressing the delays, Member States, regions and programme stakeholders can take ownership and achieve the objectives of the 2007-2013 programmes. The Commission calls on Member States to improve implementation of programmes with increased transparency, networking and good practice exchange and policy learning on cohesion policy priorities to make a very important early contribution to achievement of the Europe 2020 strategy, its flagship initiatives and its quantified targets.