Basic information

2013/2008(INI) INI - Own-initiative procedure	Procedure completed
European Commission's seventh and eight progress reports on the EU cohesion policy and the 2013 strategic report on programme implementation 2007-2013 **Subject** 4 Economic, social and territorial cohesion 4.70.02 Cohesion policy, Cohesion Fund (CF)	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
REGI Regional Development	SAVISAAR-TOOMAST Vilja (ALDE)	19/03/2012
	Shadow rapporteur DEUTSCH Tamás (PPE) NILSSON Jens (S&D) RÜHLE Heide (Verts/ALE) ALFONSI François (Verts/ALE) VLASÁK Oldřich (ECR)	

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	KÓSA Ádám (PPE)	03/07/2013
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
FEMM Women's Rights and Gender Equality	BLINKEVIČIŪTĖ Vilija (S&D)	14/03/2013

European Commission

Commission DG	Commissioner
Regional and Urban Policy	HAHN Johannes

Key events

Date	Event	Reference	Summary
24/11/2011	Non-legislative basic document published	COM(2011)0776	Summary
17/01/2013	Committee referral announced in Parliament		
22/01/2014	Vote in committee		
03/02/2014	Committee report tabled for plenary	A7-0081/2014	Summary
26/02/2014	Decision by Parliament	T7-0132/2014	Summary
26/02/2014	Results of vote in Parliament		
26/02/2014	End of procedure in Parliament		

Technical information

Procedure reference	2013/2008(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	REGI/7/11646

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE523.085	13/11/2013	
Committee opinion	EMPL	PE519.793	27/11/2013	
Amendments tabled in committee		PE524.733	03/12/2013	
Committee opinion	FEMM	PE522.835	17/12/2013	
Committee report tabled for plenary, single reading		A7-0081/2014	03/02/2014	Summary
Text adopted by Parliament, single reading		T7-0132/2014	26/02/2014	Summary

European Commission

Document type	Reference	Date	Summary
Commission document (COM)	COM(2011)0776	24/11/2011	Summary

Commission response to text adopted in plenary	SP(2014)447	22/07/2014	

European Commission's seventh and eight progress reports on the EU cohesion policy and the 2013 strategic report on programme implementation 2007-2013

2013/2008(INI) - 24/11/2011 - Non-legislative basic document

PURPOSE: Commissions progress report on economic, social and territorial cohesion.

CONTENT: cohesion policy is a key delivery mechanism for Europe 2020. This progress report assesses how, in the context of cohesion policy, regions and cities can contribute to smart, sustainable and inclusive growth of the Europe 2020 strategy. It measures the distance of cities and regions to the national 2020 targets proposed in the national reform programmes. **Smart growth**: the **convergence regions score poorly on smart growth** with low levels of R&D, low productivity and low shares of higher educated. With regard to the latter, only one in five EU regions has reached the target to increase the share of people aged 30-34 with a tertiary degree to 40% by 2020. Member States have set themselves targets ranging from 26% to 60%. The regions eligible under the regional competitiveness and employment (RCE) objective score the best with (1 in 3), the transition regions score average (1 in 4), while the convergence regions score poorly (1 in 20).

R&D is typically concentrated in core areas such as capital and metropolitan regions. In 2008, expenditure exceeded the Europe 2020 target in 24 out of 159 RCE regions, but only in one out of 84 convergence regions and not in a single transition region. On average R&D expenditure of the convergence regions is only 0.9% of their GDP.

Sustainable growth: the challenge of sustainable growth is present in all regions. With respect to the need to reduce emissions, the report stresses that **the energy efficiency of existing and new buildings must increase everywhere.** Regions can play a prominent role in fostering energy efficiency and this is particularly true as regards buildings, where actions must adapt to the local context and climate.

The report also notes that regional characteristics directly determine the extent to which EU regions can produce **renewable energy** such as solar and wind energy. Moving renewable energy between regions with a high potential to regions with a high demand will require the development of better and more intelligent energy networks. Increasing renewable energy will **require more investment in efficient locations and in the network connecting supply with demand.**

Inclusive growth: many **convergence regions display low levels of employment and high unemployment levels.** The employment rate in convergence regions in 2010 was only 63% after a decline due to the economic crisis. Only two convergence regions have reached the EU target of 75% in 2010. If the goal were to reach the 2020 target in all convergence regions, 11 million people would have to find a job.

The risk of poverty and exclusion is also higher in the convergence regions.

Although transition regions and RCE regions score better on these issues, they also need to improve their performance to reach the Europe 2020 targets. The crisis has reduced employment in RCE regions and revealed a lack of competitiveness in some of them. Unemployment has risen in more than 100 RCE regions and 36 have an unemployment rate above the EU average.

The report notes that cohesion policy programmes should **select their investment priorities** taking into account the starting position of a region or city in relation to the national 2020 targets and identify the concentrations to promote and the ones to fight. Cohesion policy programmes provide an opportunity to design strategies in an integrated way — focused on the specific needs of each territory — and reflect the trade-offs and synergies between different types of investments.

European Commission's seventh and eight progress reports on the EU cohesion policy and the 2013 strategic report on programme implementation 2007-2013

2013/2008(INI) - 26/02/2014 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution on the European Commission’s 7th and 8th progress reports on the EU Cohesion Policy and the Strategic Report 2013 on programme implementation 2007-2013.

Cohesion policy in the context of a crisis: empirical evidence shows that the economic, financial and social crisis has brought the convergence process to a halt or has even reversed it, thus aggravating disparities between regions. Public resources both at Member State and EU level have become scarcer. The crisis is adversely affecting all European regions and cities, thus increasing the importance of cohesion policy funding.

The resolution noted that the emphasis of cohesion policy has up until now rather been on **absorption than on defining and monitoring** – and evaluating the achievement of – objectives, while the monitoring and evaluation systems fail to fully achieve their purpose of improving the definition of differentiated targets according to the local, regional and interregional features, specificities and needs.

Cohesion policy continues to be the main source of EU public funding in the context of the multiannual financial framework 2014-2020, and within the new framework for the cohesion policy all the emphasis is placed on the need to concentrate investment at regional and local level in important areas such as job creation, SMEs, training and education, urban development and cities.

General implementation challenges for the current programming period: welcoming the seventh and eighth progress reports, as well as the strategic report 2013, Parliament called on the Commission – which is now launching the 2007-2013 ex-post evaluation – and Member States to ensure that the monitoring and evaluation are based on reliable data, to look at the efficiency, effectiveness and impact of operations, and to ensure that the ex-post evaluation is completed by the end of 2015, in order for **clear lessons to be drawn** with a view to the implementation of the new programming period.

Members expressed concern over the **lack of sufficient public financial resources**, in particular at sub-national level, to implement the Europe 2020 Strategy adequately, owing to the impact of the economic crisis.

Although the resources allocated to cohesion policy in the current multiannual financial framework are relatively small as compared to the needs on the ground, Parliament felt that **ensuring greater efficiency** as well as synergies between the EU budget and the national budgets might nevertheless constitute important levers for growth-enhancing policies.

Further action must be taken to **reinforce the territorial dimension** of the governance system of cohesion policy, the Europe 2020 strategy and the European Semester.

Focus on employment and social inclusion: Parliament noted that, owing to the crisis, the percentage of the population at risk of poverty or social exclusion, suffering of material deprivation, environmental degradation and poor housing conditions, or having very low work intensity and threatened by energy poverty has increased considerably.

Employment rates have remained well below the Europe 2020 target of having at least 75 % of the population aged 20–64 in employment by 2020. Employment in some regions remains below 60 % and that some regions are missing their national targets by a factor of 20-25 %. The European Social Fund (**ESF**) should play a role in reducing the disparities in human capital among regions and in helping to increase employment rates.

The importance of the Youth Guarantee is also underlined.

Evaluation evidence: while there is strong evidence that implementation of cohesion policy has accelerated, a number of Member States are at risk of failing to implement their programmes before the end of the current programming period. Parliament urged the Commission, to analyse the **low absorption rates**, and urged the Member States to provide **co-financing in order to accelerate the implementation of funds**. Member States should also explore synergies between cohesion policy financing and other sources of EU funding as well as with financing provided by the European Investment Bank and the European Bank for Reconstruction and Development. They were also urged to accelerate implementation and to improve access to the funds in order to encourage SMEs, civil society organisations, local municipalities and other interested beneficiaries to make use of them.

Monitoring and evaluation challenges: Members considered that evaluation has an essential role to play in the policy debate and learning, but are concerned that the **uneven quality of progress reporting in many cases makes it difficult to develop a full and accurate picture of progress towards the targets at regional and local level**. They emphasised that **evaluation should also assess and propose measures** to relieve unnecessary burdens on beneficiaries, including SMEs, local and regional authorities and NGOs.

In this respect, the Commission and the Member States are asked to make full use of the monitoring and evaluation tools available in the context of the current legislative framework (stronger result orientation, use of common output indicators, choice of programme-specific result indicators and a clear performance framework).

The Commission is urged to:

- **improve Member States' reporting systems** by introducing and utilising **indicators** so as to make it possible to assess the support provided under cohesion policy for genuine progress on gender equality;
- check whether Managing Authorities apply the Late Payment Directive in relation with beneficiaries of projects and take adequate measures to **decrease the payments' delays**.

European Commission's seventh and eight progress reports on the EU cohesion policy and the 2013 strategic report on programme implementation 2007-2013

2013/2008(INI) - 03/02/2014 - Committee report tabled for plenary, single reading

The Committee on Regional Development adopted the own-initiative report by Vilja SAVISAAR-TOOMAST (ALDE, EE) on the European Commission's 7th and 8th progress reports on the EU Cohesion Policy and the Strategic Report 2013 on programme implementation 2007-2013.

Empirical evidence shows that the economic, financial and social crisis has brought the convergence process to a halt or has even reversed it, thus aggravating disparities between regions. Public resources both at Member State and EU level have become scarcer. The crisis is adversely affecting all European regions and cities, thus increasing the importance of cohesion policy funding.

The report noted that the emphasis of cohesion policy has up until now rather been on **absorption than on defining and monitoring** – and evaluating the achievement of – objectives, while the monitoring and evaluation systems fail to fully achieve their purpose of improving the definition of differentiated targets according to the local, regional and interregional features, specificities and needs.

The cohesion policy continues to be the main source of EU public funding in the context of the multiannual financial framework 2014-2020, and within the new framework for the cohesion policy all the emphasis is placed on the need to concentrate investment at regional and local level in important areas such as job creation, SMEs, training and education, urban development and cities.

General implementation challenges for the current programming period: the report welcomed the seventh and eighth progress reports, as well as the strategic report 2013, and called on the Commission – which is now launching the 2007-2013 ex-post evaluation – and the Member States to ensure that the monitoring and evaluation are based on reliable data, to look at the efficiency, effectiveness and impact of operations, and to ensure that the ex-post evaluation is completed by the end of 2015, in order for **clear lessons to be drawn** with a view to the implementation of the new programming period.

Members stated that, although the resources allocated to cohesion policy in the current multiannual financial framework are relatively small as compared to the needs on the ground, ensuring greater efficiency as well as synergies between the EU budget and the national budgets may nevertheless constitute important levers for growth-enhancing policies.

Further action must be taken to **reinforce the territorial dimension** of the governance system of cohesion policy, the Europe 2020 strategy and the European Semester.

Focus on employment and social inclusion: the report noted that, owing to the crisis, the percentage of the population at risk of poverty or social exclusion, suffering of material deprivation, environmental degradation and poor housing conditions, or having very low work intensity and threatened by exclusion and energy poverty has increased considerably. The European Social Fund (**ESF**) should play a role in reducing the disparities in human capital among regions and in helping to increase employment rates.

Evaluation evidence: the report recalled that while there is strong evidence that implementation of cohesion policy has accelerated, a number of Member States are at risk of failing to implement their programmes before the end of the current programming period. It urged the Commission, in this regard, to analyse in depth the causes of the **low absorption rates**, and urged the Member States to provide **co-financing in order to accelerate the implementation of funds**. Member States should also explore synergies between cohesion policy financing and other sources of EU funding as well as with financing provided by the European Investment Bank and the European Bank for Reconstruction and Development. They were also urged to accelerate implementation and to simplify and improve access to the funds available in order to encourage SMEs, civil society organisations, local municipalities and other interested beneficiaries to make use of them.

Monitoring and evaluation challenges: Members considered that evaluation has an essential role to play in the policy debate and learning, but are concerned that the **uneven quality of progress reporting in many cases makes it difficult to develop a full and accurate picture of progress towards the targets at regional and local level**. They emphasised that **evaluation should also assess and propose measures** to relieve unnecessary burdens on beneficiaries, including SMEs, local and regional authorities and NGOs.

In this respect, the Commission and the Member States are asked to make full use of the monitoring and evaluation tools available in the context of the current legislative framework (stronger result orientation, use of common output indicators, choice of programme-specific result indicators and a clear performance framework).

The Commission is urged to **improve Member States' reporting systems** by introducing and utilising **indicators** so as to make it possible to assess the support provided under cohesion policy for genuine progress on gender equality and to what extent this is being achieved. It is also urged to check whether Managing Authorities apply the Late Payment Directive in relation with beneficiaries of projects and take adequate measures to **decrease the payments' delays**.