

CPMR discussion on post-2020 Cohesion Policy at the European Parliament

09 November, Brussels

The CPMR was invited to contribute for the second time to the REGI meeting of the European Parliament to exchange views with Members of the European Parliaments (MEPs) on the vision of the future of Cohesion Policy for the post-2020 period on Wednesday 9th November in Brussels. This is a summary of the main messages emerging from the discussion.

I. Context

The meeting was held one week after the CPMR adopted its <u>position paper on the future of Cohesion</u> <u>Policy</u>, at the Azores General Assembly on 3rd November.

II. Key points of the CPMR presentations on Cohesion Policy

The first session was an opportunity for the CPMR to present MEPs the view of its 150 member Regions on Cohesion Policy.

a) Messages from Enrico Rossi, President of the Tuscany Region (IT) and Vice-President of the CPMR

Enrico Rossi presented CPMR policy position on the future of Cohesion Policy for post-2020. He stressed the following:

- The original policy objectives to reduce regional disparities are very relevant in today's difficult political and economic context
- Cohesion Policy should be modernised based on three principles: subsidiarity, territoriality and socio-economic integration
- Ex ante conditionalities should be strengthened resources should be used with a strong European dimension
- The European Commission should prepare a European investment strategy combining the strengths of Cohesion Policy and the European Fund for Strategic Investment (the Juncker Plan)

Email: Secretariat@crpm.org; Website: www.crpm.org

- The link between the Structural funds and the Europe 2020 Strategy should be strengthened in order to have a common strategy for growth and development across the EU. For example, in Tuscany the regional development plan fulfils the five objectives set by Europe 2020.
- He stressed the need for simplification and for focusing more on the outcomes of the Policy
- He stated his opposition to macro-economic conditionality because regions do not have to pay for the responsibilities of national governments. Also, he was in favour of an incentive approach rather than a punishment approach.

b) Messages from Nicolas Brookes, CPMR Director for Cohesion Policy

- Nicolas Brookes provided the MEPS with an update on studies developed by the CPMR with its Member Regions on subjects linked to Cohesion Policy:
 - o "The territorial dimension of Cohesion Policy financial instruments"

Recommendations:

- ✓ Cohesion Policy should combine grants and Financial Instruments (FIs) in the future: there are objectives/missions that are clearly more suited to FIs and those where grants are more effective
- ✓ The increase of the use of FIs should not be an end in itself
- ✓ The choice to set up FIs should happen on a voluntary basis according to domestic needs and not on the level of development
- ✓ **Legislation** should be more **flexible/adaptable**
- ✓ Some regions suggest that grants should be set up at EU level and FIs at national level in order to be closer to domestic needs
 - o "The role of regions and partnership in Cohesion Policy for 2014-2020"

Recommendations:

- ✓ Article 5 on multilevel governance/partnership should be given real 'teeth' and could therefore be an ex-ante conditionality
- ✓ The role of the Commission should be strengthened so that it is an effective guardian of partnership principles
- ✓ Island regions deserve special consideration as per Article 174 TFEU

III. Q&A session with Members of the Parliament of the REGI Committee

The two contributions were followed by a debate between MEPs and the CPMR.

Overall, the MEPs welcomed the studies realised by the CPMR and shared the analysis. Many MEPs also agreed with the CPMR proposals for post-2020 Cohesion Policy particularly with regards to the need for proper synergies between Cohesion Policy and the Juncker Plan, the need for more simplification, that the policy should cover all European regions after 2020 and the need to maintain a strong Cohesion policy.

The key messages of the MEPs to the CPMR were the following:

a) Mercedes BRESSO (IT/S&D)

She underlined that there are still divergences between peripheral regions and other regions.

- She recalled that many EU regions have suffered from the economic crisis but Cohesion Policy has played a key role in mitigating the negative impact of the crisis.
- She stressed the need for simplification and asked for concrete proposals of simplification coming up from people on the ground.
- She asked Mr Rossi's opinion on the synergies between the Juncker Plan and the European structural and investment funds (ESIF). Mr Rossi presented three concrete examples on how the Region Tuscany was combining the Juncker Plan and the ESIF.

b) Ivan JAKOVČIĆ (PO/ALDE)

- He pointed out that Cohesion Policy is not a priority policy for the current European Commission, as revealed by the absence of reference to Cohesion Policy in the speech of the State of the Union delivered by president Juncker¹. The MEP therefore called for exerting pressure on national governments to ensure Cohesion Policy will be maintained for post 2020.
- He stood for maintaining the Stability and Growth pact.

c) Michela GIUFFRIDA (IT/S&D)

• She emphasised the need to pay specific attention and apply specific measures to peripheral and insular regions, as they have features that constrained their development.

d) Marc JOULAUD (FR/EPP)

- He shared the CPMR analysis that the use of the FIs should not be an end in itself and the need to find a balance between grants and FIs in the future.
- He raised the question of the possibility of using other indicators alongside the GDP criteria.

e) Monika VANA (AU/Greens-EFA)

- She supported CPMR position for a strengthened and reformed Cohesion Policy.
- She raised concerns about the link between the Juncker Plan and Cohesion Policy and how to secure the social and solidarity strands of Cohesion Policy.

f) Joachim ZELLER (GER/EPP)

He put into question the effectiveness of the FIs. He underlined that FIs have not produced the expected results.

g) Rosa D'AMATO (IT/EFD)

- On macroeconomic conditionality she called for a review of Article 23
- She raised the question whether there are distinctions between more developed countries, transition countries and less developed countries in terms of the performance of the use of the Fls.
- Nick Brookes confirmed there were indeed differences of perception on financial instruments depending on the categories of regions, according to the CPMR study

¹ President Juncker addressed the European Parliament in his annual State of the European Union speech on 14 September 2016

h) Ivana MALETIC (CRO/EPP)

- She noted that many regions and Member States are reluctant to use FIs and that managing authorities still avoid the use of simplified costs options.
- She suggested to have in the future only regional operational programmes and to abolish national operational programmes.

i) Daniel BUDA (RO/EPP)

- He regretted that the European Commission does not take more into consideration all the benefits and the added value of Cohesion Policy.
- He stressed the incapacity of the European Commission to give enough visibility to the policy. He therefore called for improving the communication of the policy. He gave the example of several UK regions which voted to leave the EU, even though they have benefited from a large amount of EU funding.

j) Lambert van NISTELROOIJ (NE/EPP)

- He pointed out that projects financed under the Juncker Plan do not follow any horizontal linkage.
 For instance, the projects have no linkages to education, to housing or to infrastructure.
- He emphasised that the European Commission is missing the resources and the tools for a good communication of Cohesion policy. He therefore called for further communication on Cohesion Policy among European citizens to raise further awareness.

k) Representative of the European Commission

- She mentioned that the European Commission had already analysed the findings of the CPMR studies.
- She spoke about the Commission expert group (Structured Dialogue) which gathers the Commission and local and regional authorities, socio-economic partners and the civil society to discuss the future design of Cohesion policy post 2020. The CPMR is an active member of that group.

Finally, there was a general consensus that the regional and local authorities have to be fully involved in the discussion on the design of the future Cohesion Policy.

The CPMR was invited to continue sharing its analysis and proposals for post-2020 Cohesion Policy with the REGI Committee in the future.

→ Watch a video recording of the <u>CPMR contribution to the REGI Committee meeting of the European Parliament</u> (begins at 15.38).

Email: Secretariat@crpm.org; Website: www.crpm.org



Contact person: Nicolas Brookes, CPMR Director Responsible for Regional Policy **Email:** nicolas.brookes@crpm.org

The Conference of Peripheral Maritime Regions (CPMR) brings together some 160 Regions from 25 States from the European Union and beyond.

Representing about 200 million people, the CPMR campaigns in favour of a more balanced development of the European territory.

It operates both as a think tank and as a lobby group for Regions. It focuses mainly on social, economic and territorial cohesion, maritime policies and accessibility.

www.cpmr.org

CONTACT:

6, rue Saint-Martin, 35700 Rennes F Tel: + 33 (0)2 99 35 40 50

Rond-Point Schuman 14, 1040 Brussels Tel: +32 (0)2 612 17 00

Email: Secretariat@crpm.org; Website: www.crpm.org

Email: Secretariat@crpm.org; Website: www.cpmr.org

5