Methodology for a study on the impacts on enlargement on Cohesion policy and the EU regions

Rationale for the study

The European Union is gearing up for a significant enlargement process, encompassing not only the existing candidate countries in the Western Balkans but also extending to Ukraine, Moldova, and Georgia. The candidature of the latter three nations has been prompted and expedited by Russia’s aggressive actions towards Ukraine.

CPMR endorses the EU’s endeavours to assist Ukraine, as well as Georgia and Moldova, in their aspirations to join the EU. Nevertheless, legitimate concerns arise regarding the potential impact of such enlargement on the EU budget and Cohesion Policy. It is imperative for regions to comprehend the potential implications for their territories, enabling them to formulate strategies for the future and decide on policy positions in response to possible impacts.

This analysis will outline various scenarios detailing the potential impact of enlargement. These scenarios aim to serve as a foundation for policy discussions, contributing to the preparations for enlargement that will be integral to the upcoming Multiannual Financial Framework.

Methodology

This study aims to establish a comprehensive database encompassing all EU regions and the regions of candidate countries, facilitating the exploration of various scenarios:

a) No Enlargement – Assessing the impact of regional economic trends on the eligibility and distribution of EU funds within the current policy framework.

b) Immediate Enlargement – Examining the repercussions of a sudden enlargement involving all candidate countries.


Sub-scenarios for Enlargements – Providing results based on the following options:

i. Increasing financial allocation for Cohesion Policy in proportion to enlargement costs to minimize financial losses on EU regions.

ii. Raising financial allocation to Cohesion Policy by only half of the estimated additional budget required to mitigate the impact on EU regions.

iii. Maintaining the financial allocation to Cohesion Policy at the existing level despite the enlargement to new member states.

The primary objective of this exercise is to model the impact of each EU region resulting from enlargement. Specifically, it aims to analyse the statistical effects of a decline in EU average GDP per capita in PPP and its consequences on financial allocations. This analysis will incorporate similar transitory mechanisms and safeguards introduced during the 2003 enlargement.
Objectives of the study and next steps

It is a background document providing factual input for policy discussion for CPMR members. It will support the development of policy positions based on evidence and reinforce CPMR’s position as a regional policy think tank.

The report will be presented in Patras to the political bureau members of CPMR.

The report will also be presented in the European Parliament on 9 April 2024 in a dedicated session hosted by the REGI Committee.