

Elisabeth Schroedter, MEP: Future of Cohesion Policy

Elisabeth Schroedter, MdEP

**Future of Cohesion Policy**

**The Greens** | EFA  
in the European Parliament

## What should be the future role of the Cohesion Policy (CP) in the new Multiannual Financial Framework (MFF)

Budget-Review (COM): Structure of MFF should reflect the *EUROPA2020-Flagships*,

*CP: disciplined concentration on the objectives of EUROPA 2020*

5.Cohesion Report (COM): The *explicit linkage of cohesion policy and Europe 2020* as opportunity to help the poorer regions catch up, coordination between EU policies, help to leading enabler of growth, also in qualitative terms, while addressing societal challenges such as ageing and climate change.

GREENS/EFA: Cohesion Policy has its own reason, its own logic and is a permanent EU Treaty objective for all regions and not just a delivering tool for Europe 2020 strategy.

## Aims of the Cohesion Policy

**5.Cohesion Report (COM):CP promote harmonious development of EU + its regions by reducing regional disparities; underpins the growth model of the Europe 2020 strategy,**

**GREENS/EFA: CP is strengthening economic, social and territorial cohesion by reducing regional disparities, improving well-being of and providing equal opportunities to all citizens regardless their place of residence; promote a sustainable and balanced territorial development which is embedded in an ecosystem based approach and takes account of the EU's international responsibility in the fight against climate change.**

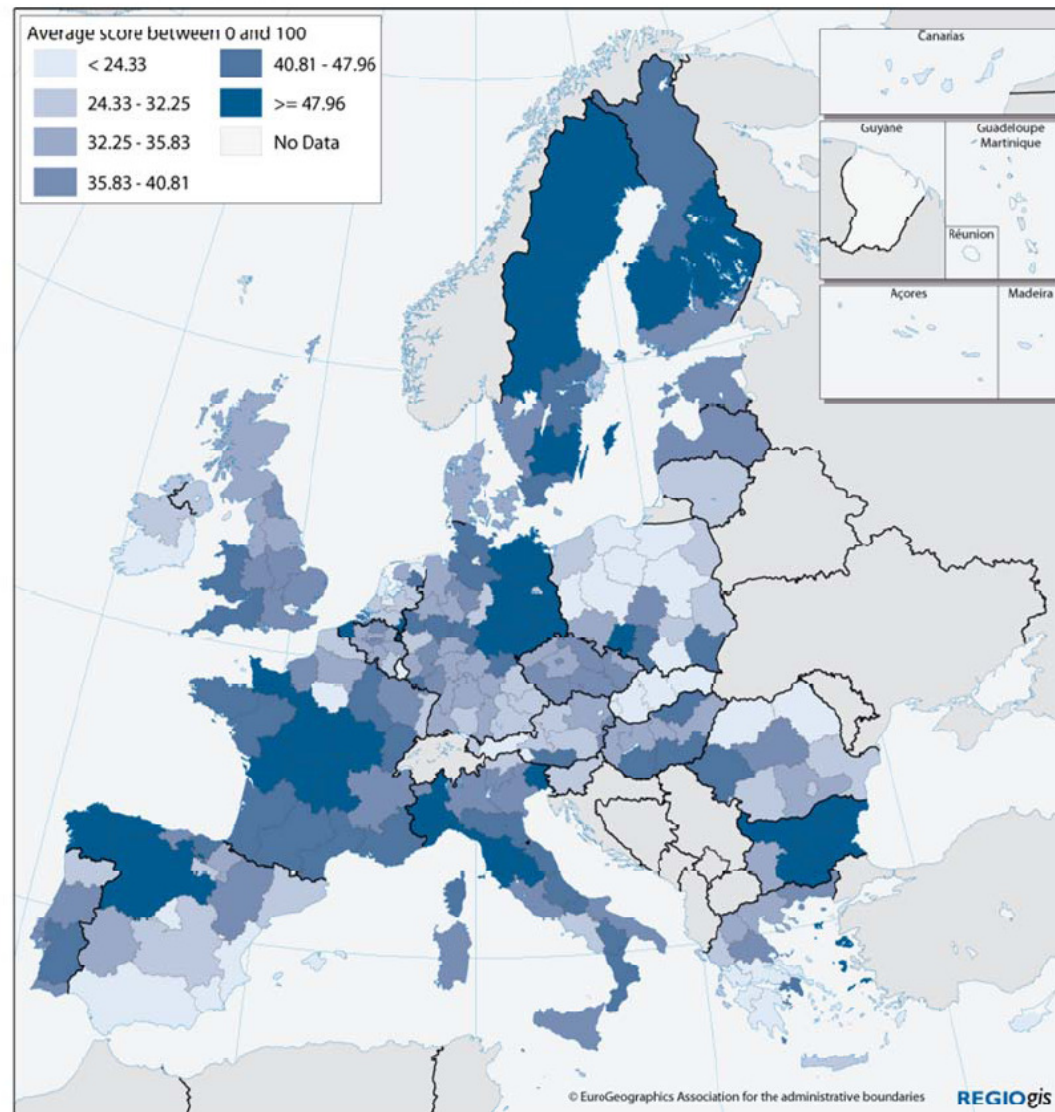
# Challenges of harmonious development of EU and their regions

(COM-Study Regions2020)

- globalisation
- demographic change
- climate change
- energy question (energy dependents)
- poverty and social exclusion

Abbildung 2: Verflechtung der Regionen mit dem demographischen Wandel (mittelfristig)

## Demography vulnerability index, 2020



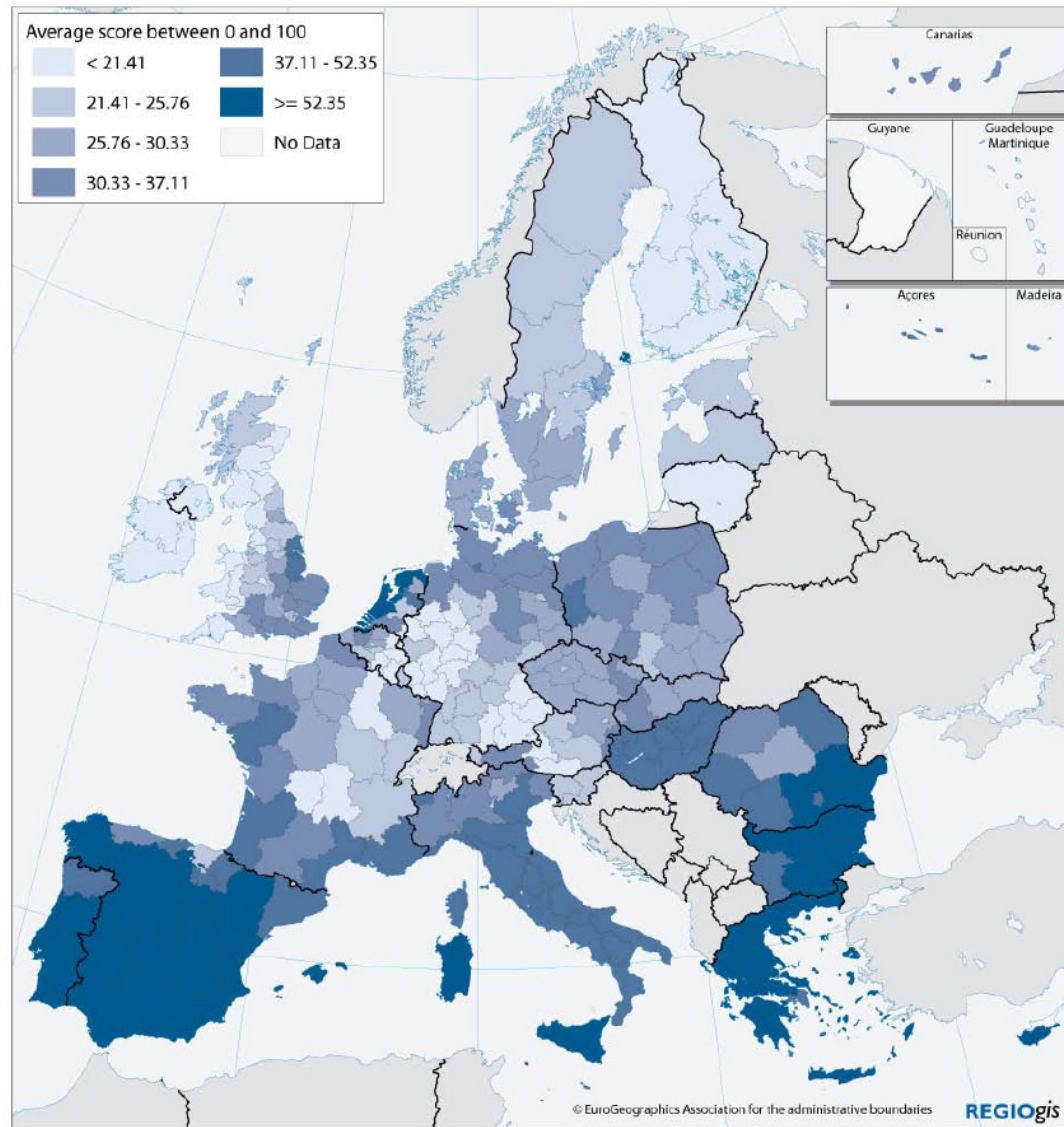
ARBEITSPAPIER DER KOMMISSION

REGIONEN 2020

BEWERTUNG DER KÜNFTIGEN HERAUSFORDERUNGEN  
FÜR DIE EU-REGIONEN

Hinweis: Der Index basiert auf Schätzungen für den Anteil der über 65-Jährigen an der Gesamtbevölkerung, den Anteil der Erwerbsbevölkerung an der Gesamtbevölkerung und den Bevölkerungsrückgang im Jahr 2020.

**Abbildung 3: Gefährdung der Regionen durch den Klimawandel (mittelfristig)**  
**Climate change vulnerability index**



ARBEITSPAPIER DER KOMMISSION

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BEWERTUNG DER KÜNFTIGEN HERAUSFORDERUNGEN  
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*Hinweis: Grundlage für den Index sind Bevölkerungsveränderungen durch Flussüberschwemmungen, eine Bevölkerung in Küstenregionen unter 5 Millionen, Dürregefahren sowie die Anfälligkeit von Landwirtschaft, Fischerei und Tourismus, wobei Änderungen von Temperatur und Niederschlagsmustern berücksichtigt sind.*

# Architecture of Cohesion Policy

(5th Cohesion Report)

- I) less developed regions
  - II) intermediate regions
  - III) more developed regions
- + territorial co-operation (most added European value)

**GREENS/EFA supports generally  
this architecture**

## Groups of regions – but how?

### Commissssion

- I) < 75% GDP EU-average
- II) phasing-out and phasing-in equally treated  
(> 75% < 90% BIP)
- III) All other regions

### GREENSEFA

- I) < 75% GDP+ EU-average
- II) > 75% < 100% GDP+ with modulation of co-financing rate in distance to 75% GDP+
- III) Problem Hotspots auf NUTS 3-Level

## **GDP beyond COM(2009)433**

- ***But GDP is not meant to be an accurate gauge of longer term economic and social progress and notably the ability of a society to tackle issues such as climate change, resource efficiency or social inclusion.***
- ***There is a clear case for complementing GDP with statistics covering the other economic, social and environmental issues, on which people's well-being critically depends.***

**GDP beyond: GREENS/EFA-Study:  
GDP plus social indicators for eligibility  
for structural funds**

- **Social indicator correct GDP**
- **Social indicators discover poverty und inequality access to economic gain also in regions with prosperity**

Conclusions of the study:

- → → **investment in people it more important than investment in motorways to overcome the gaps**
- **ESF within the future OPs should be increased**

## EUROPE 2020 - Flagships

- ✓ - Raise the employment rate of the population aged 20-64 from the current 69% to at least 75%.
- ✓ – Achieve the target of investing 3% of GDP in R&D in particular by improving the conditions for R&D investment by the private sector, and develop a new indicator to track innovation.
- ✓ – Reduce greenhouse gas emissions by at least 20% compared to 1990 levels or by 30% if the conditions are right, increase the share of renewable energy in our final energy consumption to 20%, and achieve a 20% increase in energy efficiency
- ✓ – Reduce the share of early school leavers to 10% from the current 15% and increase the share of the population aged 30-34 having completed tertiary education from 31% to at least 40%.
- ✓ – Reduce the number of Europeans living below national poverty lines by 25%, lifting 20 million people out of poverty

**REGIONAL POLICY CONTRIBUTING TO  
SUSTAINABLE GROWTH IN EUROPE 2020  
COM/2011/17**

**2-pillar-concept**

- (1) **Investing more in sustainable growth:** encouraging greater strategic focus in investments on sustainable growth with an emphasis on resource efficient and lowcarbon economy;
- (2) **Investing better in sustainable growth:** improving policy delivery mechanisms by reinforcing the application of sustainable development principles in the operational programmes.

**10 year working phase for EUROPE 2020 has already started,  
therefore regional policy contribution to sustainable growth in  
EUROPE 2020 should start now!**

## **GREENS/EFA spending priorities**

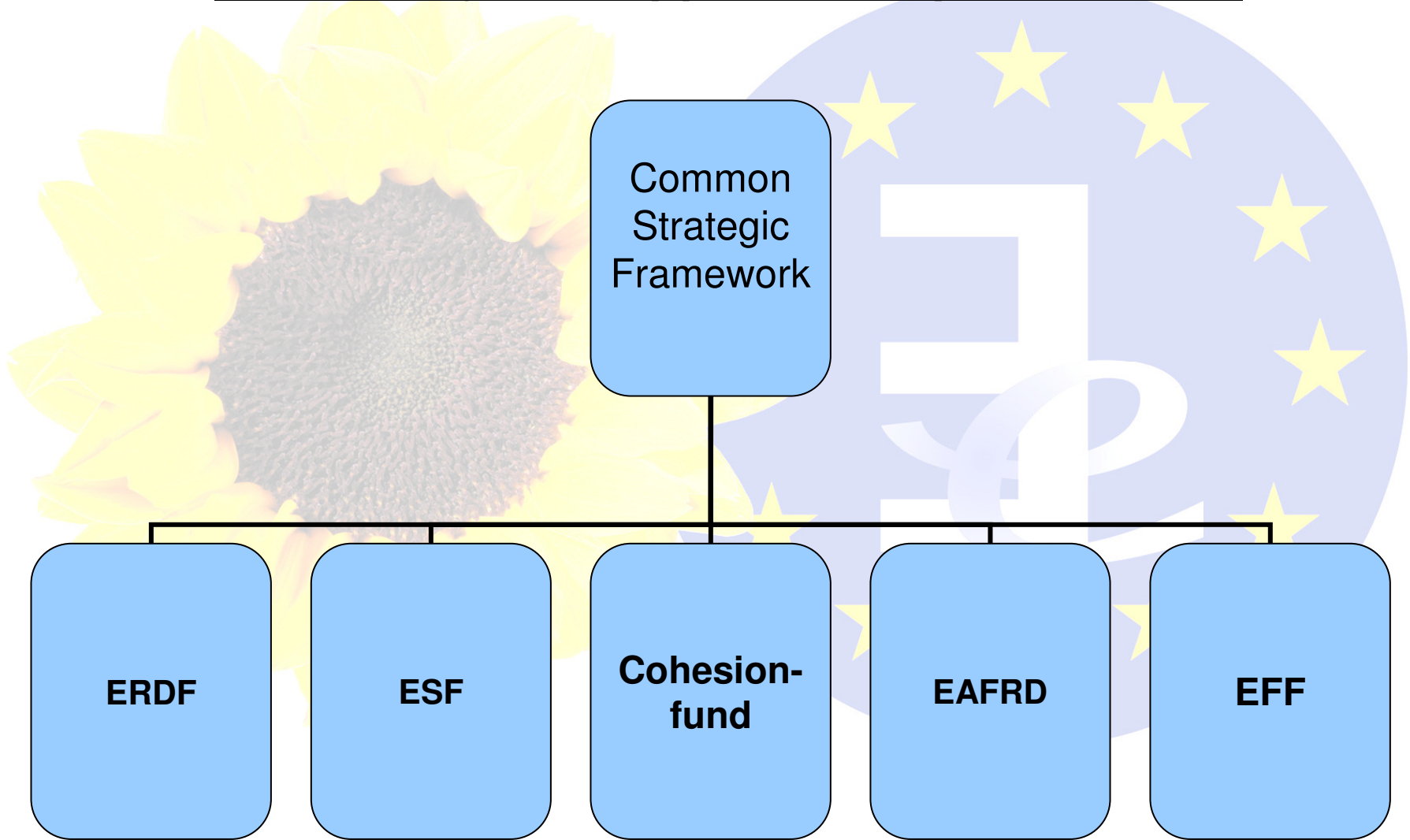
- ✓ **green innovations and local economies**
- ✓ **SMEs**
- ✓ **access to labour market, education and training**
- ✓ **social inclusion, including active integration policy**
- ✓ **climate mitigation**
- ✓ **biodiversity, green infrastructure**
- ✓ **access to services of general interest**
- ✓ **sustainable mobility**
- ✓ **energy efficiency, renewable energies and energy supply (smart, decentralised energy infrastructure)**
- ✓ **resource efficiency (in particular waste and water)**
- ✓ **cultural heritage**

## **Result orientated approach**

### **Proposals of the Commission:**

- **Development and investment contract (DIC)  
Instrument for incorporate the priorities of EUROPE  
2020 and the National Reform Program (NRP)**
- **Indicators for result approvable in quantities' and  
qualities**
- **Agreements for coordination of the different funds  
on national level**
- **Annual reports**
- **Performance reserve**

**COM: Integrated approach – specific funds**



## **COM: thematic concentration**

- **Depending on the amount of EU funding involved, countries and regions would be required to focus on more or fewer priorities**
- **MS and regions receiving less funding would be required to allocate the entire financial allocation available to two or three priorities**
- **MS those receiving more financial support may select more**
- **Certain priorities would be obligatory.**
- **At the same time**
  - **experiment and fund innovative projects**
  - **Ring-fencing expenditure for specific target groups or experimental approaches (e.g. local development)**
  - **possibly in the form of global grants**

## Conditionalities and Incentives

- A) specific binding conditionality in the areas directly linked to cohesion policy
  - B) administrative management capacity and governance ability
  - C) financial sanctions and incentives linked to the Stability and Growth Pact – under discussion
  - D) Performance reserve encourage progress towards EUROPE 2020 targets
- **GREENS/EFA supports A) B) D)**
  - **GREENS/EFA more incentives, less sanctions; sanctions ok: financial mismanagement, violation transparency and violation of EU-law (i.e. EIA, SEIA, FFH, WFD)**

## **GRÜNE/EFA: supports result orientated approach**

- **Supports Commission proposals for instruments DIC, quantity and quality indicators, special support for innovative local development, performance reserve (GREENS/EFA proposed 10 %)**
- **NECATER to facilitate project selection compatible with reduction of carbon emissions**
- **Competition for best projects**
- **Strengthening of the partnership principal**
- **„Cohesion-Ombuds-Center” as add sources for information about best practise and poss. misuse of funds**

## Urban dimension plays in all concept a important role

### Metropolitan Concept

**EUROCITIES u.a.**

**Cities with Prosperity will be supported for widening the success and the prosperity to the neighbour regions**

**→ Structural funds also for rich part of cities**

### Cohesion Concept

**COM, GRÜNE/EFA**

- **Urban problems, whether related to environmental degradation or to social exclusion, call for a specific response**

**→ Financial resources clearly address urban problems and should concentrate in purer areas**

## **Strengthening the governance**

**=co-operation of regions and within regions**

- Functional areas**
- Areas with demographic und geographic problems**
- macro regions**
- urban development concepts**
- partnership between urban areas and rural areas**

# **Strengthening the governance II** **= Partnership principal with the** **„actors of change“**

- **Municipalities and regions**
- **Social partners**
- **Civil society (Environmental Partners, GM-Partners)**

**→ Dialog under equal partners!**

## **Strengthening the governance III**

**For locale development concepts**

**→ LEADER-Method for all  
types of regional  
development**

## Strengthening the governance IV

**Gender mainstreaming and gender budgeting as horizontal principles of all structural funds and investments.**

- ✓ *gender related statistics as a precondition for monitoring gender related developments*
- ✓ *impact assessment of the use of funds on gender effects*
- ✓ *obligatory representation of bodies/partners responsible for promoting equality between men and women in monitoring committees*
- ✓ *gender board on the level of the DIC*
- ✓ *technical assistance for gender training in the regions*

**We want all these factors being a prerequisite of future funding and clearly fixed in the DIC.**

## **Partnership principal – GREENS/EFA demands**

**The partnership principle has to be upgraded in the context of simplification!**

**Clear guidance and effective control of the Commission are necessary for full application of binding requirements of partnership principle**

**a guidebook to be published by the Commission right in advance of the coming programme period**

**and to be made available to all relevant partners for appropriate funding under technical assistance also for building capacities**