

Building blocks for post-2020 cohesion policy

Article 174 of the Treaty on the Functioning of the EU states that the Union should pursue actions leading to the strengthening of its economic, social and territorial cohesion as well as to reduce regional disparities. The cohesion policy of the EU aims at addressing these aims. An own-initiative report on building blocks for a post-2020 cohesion policy is to be voted during the June plenary session. It gives an overview of the priorities for the future of cohesion policy.

Background

Discussions regarding the future priorities of cohesion policy, as well as on the ongoing and post-2020 multiannual financial framework ([MFF](#)), are under way. The departure of the United Kingdom from the EU may have a significant impact on the EU budget and consequently on the financial envelope for cohesion policy. The [White Paper on the future of Europe](#) presented by the European Commission in March 2017 provides various scenarios for the direction of the EU, some of which may have a detrimental impact on post-2020 cohesion policy. In addition, Member States, net contributors to the EU budget, are challenging the current functioning and value of cohesion policy, and pushing for budget resources to be allocated to other policy fields.

Future of cohesion policy

Some of the issues debated on the future of cohesion policy require changes in technical procedures of cohesion policy (e.g. tackling bureaucratic procedures, simplification), whereas others are of a more political nature and may lead to intensive debate. For instance, the appearance of new political priorities may require further flexibility in funding in cases of emergencies (such as tackling immigration), which may lead to a transfer of resources from the main funds underpinning cohesion policy – the European Structural and Investment ([ESI](#)) Funds. Possible reductions in or re-allocations of funds through re-budgeting or a re-prioritisation of policy targets may reopen debate between net contributor and net recipient Member States. In addition, the emergence of the European Fund for Strategic Investments ([EFSI](#)) as a major Commission priority may also lead to a conflicting relationship with the ESI Funds.

European Parliament position

On 18 May 2017, the Committee on Regional Development (REGI) adopted an own-initiative [report](#) on building blocks for a post-2020 EU cohesion policy. The report opposes any scenario which scales down the EU's effort in cohesion policy, and calls for the budget share allocated to it to be maintained at an adequate level if not increased. It underlines the involvement of partners at national, regional and local levels in cohesion policy, as stated in the Common Provisions Regulation ([CPR](#)) partnership principle. It calls for the [European Territorial Cooperation](#) budget to be increased. It asks the Commission to present ideas for greater flexibility in the implementation of the EU budget and considers the creation of a reserve as an interesting option to address unforeseen events. It highlights that there must be a balanced link between cohesion policy and economic governance processes in the [European Semester](#). It asks the Commission to adopt simplification measures and suggests better use of ESI Funds to tackle demographic change. Grants should remain the basis of cohesion policy, although financial instruments may also be used in cases where they make a positive contribution. EFSI should not undermine cohesion policy. The report notes the importance of technology, innovation, smart specialisation, the urban dimension, and rural-urban connections as well as the significance of cohesion policy in fighting climate change and in promoting the green economy. It claims that the steering of funds towards growth, jobs and competitiveness and the digital agenda should be top priorities, and calls for early preparation of cohesion policy. The importance of cohesion policy in addressing migration challenges is also stated.

Own-initiative report: [2016/2326\(INI\)](#). Committee responsible: REGI; Rapporteur: Kerstin Westphal, S&D, Germany.

