European Semester: Investment dimension and link to EU funds 2021-2027

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Outline

I. Objective-why

II. The process-how

III. Challenges ahead
"The Commission proposes to strengthen the link between the EU budget and the European Semester of economic policy coordination, which takes regional specificities into account."

2 May 2018 as part of the Multiannual Financial Framework (MFF 2021-2027)
Moving from the analysis of the macroeconomic challenges

Country report 2019
Germany – Executive summary:

"Focusing private and public investment on network industries and services such as digital, energy and transport infrastructure, as well as on education and innovation, could improve Germany's growth potential."

1. MAIN OBJECTIVE

To the actual projects and spending at the micro level and ensure EU funds can contribute addressing these challenges:

- Cohesion – € 600 bn (+nat.cofinancing)
- InvestEU – € 650 bn
- HORIZON EUROPE – € 100 bn
- Connecting Europe Facility – € 42.3 bn
1- More comprehensive analysis of investment needs in the Country Reports
   - Deeper analysis
   - Regional dimension
   - Annex D (2x, mid-term review 2024/5)
   - Developed with all Commission relevant services and in-line with the analysis of the EIB
   - Positive feedback from Member States

2- Including cohesion funds into economic governance discussions
   - Cohesion represents more than 25% of public investment in 9 Member States
   - It deserves to be part of the Economic Governance Toolkit of the EU
2. PROCESS

- Modernising cohesion
- Organisation within the Commission
- Organisation within the Member States
- EC proposal Common Provision Regulation: “Member States should determine how relevant country-specific recommendations (...) are taken into account in the preparation of programming documents.”

- During the 2021–2027 programming period (...), Member States should regularly present to the monitoring committee and to the Commission the progress in implementing the programmes in support of the CSRs.”
2. PROCESS

Country reports published on 28 February

Launch events – March/April – start of the dialogue between Commission and Member States on the next programming period

Drafting of concrete CSRs

Future monitoring on investment under the European Semester
3. Challenges ahead

- Different legal basis
- Different stakeholders
- Multiannual programming vs yearly CSRs
- Thematic concentration vs reform analysis

New approach to various established processes