REGI



Committee on Regional Development

Newsletter



A word from the Chair

Dear Colleagues, Dear Friends,

Despite the deteriorating global geopolitical context, it has been a very productive autumn for the REGI Committee. We have adopted four initiative reports and REGI has contributed to STEP and Net Zero Industry Act.



The end of 2023 brings the 2014-2020 cohesion-programming period to a close. We were awaiting the European Council Summit to kick off the trilogues on STEP. It is unfortunate that the modification included in the STEP proposal, which would have allowed for additional flexibility, has not been agreed separately to allow a timely entry into force to ease the closure of the programmes. Even if the conclusions were not adopted by the European Council, the overall results of negotiations look positive and are going in the right direction for all EU regions. We now hope to start the trilogues as early as possible in 2024.

Also, other positive news is that the Commission just adopted an amended legislative proposal on the European Cross-Border Mechanism, as called for by our Committee. We are now waiting for the Council to go forward as well as for a positive conclusion before the end of the legislature. A presentation of this new proposal is planned in our next REGI Committee meeting on 23rd January.

Significant progress was made with regard to the creation of a Mediterranean Macro-region and we hope to find a way forward with the Council for the next concrete steps.

Last but not least, we held a successful public hearing on how to further simplify cohesion policy and an interparliamentary committee meeting on the future of cohesion policy with broad participation from national parliaments. Messages from the Parliament were clear: we want much simplification and an even more efficient cohesion policy.

From 1st of January, Belgium will take over the Presidency of the Council and we are looking forward to productive cooperation. We will hold an exchange of views with Minister President Elio Di Rupo in our next REGI Committee meeting on 23rd January.

In the meantime, I wish you all the best for the New Year and invite you to follow our next Committee meetings online. Keep up-to-date by following us on Twitter <u>@EP_Regional</u> and <u>@younousomarjee</u>.

Yours, Younous Omarjee

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PROTECT, STRENGTHEN, PREPARE

Motto for the Belgian Presidency of the Council of the EU (January - June 2024)

Issue 50

9th Parliamentary term

September - November 2023

Last times

REGI meetings

7 September 2023

Exchange of views on Mayotte, contribution of the ERDF to the achievement of UN's sustainable development goals especially regarding access to water

The debate was focused on the critical situation concerning access to water in Mayotte, which was hit by severe droughts this summer. It was underlined that allocation of EU funds (e.g. ERDF or ESF) to projects in EU regions should not replace the national funding. Member States must respect the principle of additionality of EU funds, i.e. EU money comes on top of the national envelope. The Commission pledged to adopt urgent measures to ensure delivery of water to the people of Mayotte.

Exchange of views with Ms Olena Shuliak, the Chair of the VR Committee on State Building, Local Governance, Regional and Urban Development of the Verkhovna Rada (Ukrainian Parliament)

This was a first debate at committee-to-committee level with Ukrainian partners. Five Members of the UA Parliament (the chair of UA REGI Committee and 4 chairs of subcommittees) took part in a debate with REGI Members. REGI recently appointed a standing rapporteur for Ukraine and would like to further develop mutual cooperation.

Ukraine will need a solid investment programme for post-war rehabilitation and reconstruction. This will place considerable demands on cooperation between central government, parliament (Rada) and regional authorities. REGI Committee can offer to develop closer relations with the authorities responsible for cohesion policy and regional development. The REGI Committee has a wealth of experience in setting up a legislative framework and monitoring the implementation of the Structural and Cohesion Funds. In addition, REGI can act as an interlocutor between Ukrainian partners and EU regions in order to facilitate the exchange of best practices and know-how for the implementation of regional, urban and cohesion policy during the reconstruction of Ukraine.

Everyone echoed these sentiments. Ukrainian members outlining their efforts: their preparation of relevant legislation, as well as the launch of the Digital Reconstruction Ecosystem for Accountable Management (DREAM), a fully transparent electronic platform to coordinate all stages of reconstruction project implementation. DREAM will provide Ukraine's citizens, government and donors with a one-stop platform to monitor and manage all stages of Ukraine's post-war reconstruction projects, creating a single pipeline from communities to funders. The necessity for differential regional development was emphasised as a key point.

REGI members expressed their support and respect for the work of Ukrainian colleagues. Union's own efforts were also highlighted: New European Bauhaus, EU launch of a capacity-building programme to start Ukraine's reconstruction, as well as Interreg Europe programme expansion to seven additional countries, including Ukraine and Moldova.

20 September 2023

Establishing a framework of measures for strengthening Europe's net-zero technology products manufacturing ecosystem (Net Zero Industry Act)

Adoption of draft opinion



Niklas Nienass (The Greens)
Rapporteur for opinion

REGI Committee is an associated committee on this file, with shared competence on the selection criteria for net-zero strategic projects (Article 10(3) and corresponding recital 45).

In its opinion, adopted on 20 September with 26 votes in favour, 2 against and 5 abstentions, REGI expresses its support for renewable, biobased energy resources, stresses the importance of engagement with local communities, and highlights that tenders should contribute to territorial cohesion, creation of job opportunities and inclusiveness. REGI also encourages the take-up of net-zero strategic projects in all regions, especially in less developed, transition regions and the Just Transition Fund Territories, favours the possibility of municipalities to become shareholders of net-zero projects, and highlights the need to respect the partnership principle. In its opinion, the committee also highlights that net-zero strategic projects shall be recognised in line with the "do no significant harm" principle and calls the Commission to identify an individual threshold for state aid per Member State. Finally, REGI highlights that EESC and CoR have a role to play in the Net-Zero Platform, and reinforces the Commission's role in repealing the decision granting a project the status of net-zero strategic project.

The opinion was transmitted to ITRE, the lead committee, which adopted its <u>report</u> on 25 October. The vote in plenary took place in November.

Establishing the Strategic Technologies for Europe Platform ('STEP') and amending Directive 2003/87/EC, Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241

Adoption of draft opinion



Rovana Plumb (S&D)

Rapporteur for opinion

REGI in its <u>opinion</u> agreed with the Commission's proposal to open the possibility of financing STEP objectives via cohesion policy funds, and with the financial incentives that would apply to it, such as the 100% co-financing and the exceptional pre-financing in 2024.

However, they set a cap on the related expenses, at 20% of the initial ERDF allocation. REGI accepted the proposal for a derogation allowing for financing of large companies under STEP objectives, under certain conditions, but insisted on a focus on small enterprises and midcaps.

Moreover, the committee supported the rapporteur's initiative to relieve some of the administrative pressure on the managing authorities, by extending the final accounting year of the 2014-2020 period by 12 months, and to allow for a 100% co-financing rate in that final accounting year. Derogations for the outermost regions were also adopted.

The opinion was transmitted to the lead committee (BUDG - ITRE), which adopted its <u>report</u> on 9 October, followed by a <u>vote in the plenary</u> on 17 October.

Exchange of views with María Jesús Montero Cuadrado, Minister of Finance on the priorities of the Spanish Presidency

The Minister responsible for the EU cohesion policy at the Spanish government presented the <u>political priorities for the Presidency of the Council of the EU</u> over the second semester of 2023. In his introductory statement, Ms Montero explained that the Spanish Presidency would mainly focus on four priorities: Reindustrialise the EU and ensure its open strategic autonomy; Advance in the green transition and the environmental adaptation; Promoting greater social and economic justice; and strengthening European unity.

The Spanish Minister said that the Presidency will foster actions aimed at EU-wide territorial convergence, strengthening economic, social and territorial cohesion. The Presidency intends to adopt a 2.0 cohesion approach, identifying essential elements such as shared management, the regional approach, pre-financing, and co-financing rates.

The Spanish government would promote analyses beyond the income criterion, modifying the calculation of cofinancing rates and the thematic concentration criteria. In this sense, the Minister explained that her government will propose the inclusion of criteria relating to exposure to climate change, unemployment and youth unemployment rates, social exclusion, school drop-out rates, and migratory pressure. Incentives for digital transformation and the full use of the green transition to generate opportunities in every territory will also be taken into account.

The Spanish Presidency is in charge of chairing the negotiation of the Strategic Technologies for Europe Platform (STEP) which is particularly relevant to reinforce the funding assistance for large companies through the Structural Funds, depending on each region's level of development, as well as the proposal of delaying the closure of the 2014-2020 period to maximise the absorption rates of the funds. The Minister expressed the support of her government for the territories with particular geographical difficulties, such as island territories, cross-border regions, and maritime and sparsely-populated areas. In this sense, the Minister mentioned the intention to foster discussions on the development of strategies for maritime regions with common geographical specificities, such as the Atlantic macro-region.

During the debate, the Chair and many REGI members stressed the importance for the REGI Committee of proposals linked to the EU cohesion such as STEP and the MFF revision, the Atlantic and Mediterranean macro-strategies, the EU initiatives related to islands and the cross-border cooperation with Ukraine and outermost regions. Members reminded that the EU cohesion policy has been a key tool to create a fairer, more inclusive and prospect Europe and they express their commitment to find solutions to overcome the current challenges.

The Spanish Minster informed in her final intervention about the organisation of an informal ministerial meeting on cohesion in the city of Murcia (Spain) on 29 September this year, as well as a General Affairs Council dedicated to cohesion which could adopt Council conclusions on 30 November 2023.

Exchange of views with Copernicus on the regional dimensions of its activities, on the monitoring of natural disasters and of climate change

The Chair introduced Copernicus as an EU programme, which provides information services, notably about sea, forest, and air, on the basis of a combination of satellite information and in-situ ground-based sensors. He highlighted that, notably in the context of the recent natural disasters and catastrophes which marked last summer, there is a need to increase knowledge and awareness about such tools and services which can be used to anticipate, monitor and manage such events.

Mrs Elisabeth HAMDOUCH, representative of the Commission (DG DEFIS), further introduced Copernicus as the world-leading earth observation programme, aiming to help regions and municipalities in better understanding the evolutions in their immediate environment and to support them in planning and decision-making, notably when disasters take place.

It is embedded in the EU civil protection mechanism, and contributes to the work of the EU Emergency Response Coordination Centre. The Emergency management service of Copernicus builds on three components: (1) the on-

demand mapping service, providing geo-spatial information of the immediate aftermaths of a disaster but also information to support risk prevention and reduction; (2) the early warning and monitoring service, with specific monitoring systems for forest fires, floods and droughts; and (3) the exposure mapping service, which provides data on exposed population and built-up areas.

To illustrate the various types of services Copernicus can provide to the public authorities, Mrs HAMBOUCH referred to a compendium of 99 user stories, accessible under the following link:

https://www.esa.int/Applications/Observing the Earth/Copernicus/Copernicus improving daily lives in 99 stories She also presented the Members with a series of recent examples in which Copernicus data was used by various Member States, notably Greece, Portugal, Slovenia, Sweden or Germany.

In the debate that followed, the Members discussed the importance of Copernicus in anticipating and preventing forest fires, in supporting the cohesion policy, or in improving land management and space planning.

The Chair suggested to further discuss the importance of Copernicus at other occasions, including the involvement of the Committee of Regions, as this topic is of high relevance.

12 October 2023

Annual Joint REGI - COTER Meeting: "The Future of Cohesion Policy Beyond 2027"

On 12 October this year, a new edition of a joint REGI - COTER meeting took place within the framework of the "EU Regions Week". Members of REGI, EP's Committee on Regional Development, and COTER, the Commission for Territorial Cohesion Policy and EU Budget of the Committee of the Regions, had the occasion to discuss the "Future of Cohesion Policy beyond 2027" in the presence of Ms Elisa Ferreira, Commissioner in charge of regional policy and reforms.

Members agreed that regional policy should remain the main EU investment tool and it should continue to deliver on its main goals of economic, social and territorial cohesion. Despite the fact that the long-term prosperity of EU regions must remain the focus, cohesion policy must also be able to react with flexibility to emerging challenges. Members highlighted that investment in innovation and digitalisation could help bridge and eliminate existing regional disparities and support overall sustainable growth.

In view of the future programming period post-2027, Members of both institutions shared the opinion that regions will need to prepare for future challenges such as the impact of green and digital transitions, as well as the demographic change. They agreed that continuing with the involvement of local and regional authorities under the partnership and multilevel governance principles would be key to ensure the ownership of EU policies and helping to fight against the geographical of discontent.

Members also asked the Commissioner to endeavour to simplify the regulatory framework, to reduce the administrative burden and to increase the absorption rate of the EU Structural and Investments Funds.

23 October 2023

Harnessing talent in Europe's regions

Adoption of draft report



Cristina Maestre Martín de Almagro (Renew) *Rapporteur*

The European Year of Skills has put the investment in a talented workforce at the core of EU policy-making. It is in this context that the Commission has launched the Communication on Harnessing Talents in EU regions, linking the need for such investments with the impact of demographic trends in the EU's workforce. The adopted <u>report</u> provides further analysis of the demographic and skills situation in the EU, as well as putting forward proposals that aim at finding innovative solutions.

Reshaping the future framework of EU structural funds to support regions particularly affected by challenges related to the automotive, green and digital transitions

Adoption of draft report



Susana Solís Pérez (Renew) Rapporteur

The adopted <u>report</u> calls for the extension of the Just Transition Fund (JTF) in the programming period post-2027, which should be endowed with additional financial means in order to support regions that are highly dependent on sectors, which are undergoing a deep transformation, such as the automotive sector. In addition, it identifies a margin for further simplification in order to facilitate the access of micro, small- and medium-sized enterprises (SMEs) and small mid-caps to the European Structural and Investments Funds. In the text, REGI also asked the EU Member States to ensure equal access to electric mobility by making public investments into alternative fuel infrastructure, particularly in rural, island and remote regions not sufficiently covered by private providers.

Exchange of views with Marko Pavić, Chairperson of the Croatian Parliament's Committee on Regional Development and EU Funds on the experience and possible particular difficulties when dealing with the cohesion policy funds in Croatia

It has been ten years since Croatia joined the EU as its newest Member. In light of that, the Committee appreciated the opportunity to have an exchange with the representatives of the Croatian Parliament's Committee on Regional Development and European Union Funds regarding Croatia's experiences this past decade when it comes to cohesion and regional policies.

The programming period for the implementation for cohesion policy funds 2014-2020 is heading to its end, the first programming period in which Croatia has fully participated. It is important to take stock of the lessons learned that are being implemented in the 2021-2027 period and already start consideration of the design of the cohesion policy for the post-2027 period.

This exchange of views gave the opportunity to highlight the issues Croatia has been facing and present recommendations that would potentially improve the current policy framework.

https://www.europarl.europa.eu/committees/en/regi/meetings/webstreaming

https://multimedia.europarl.europa.eu/en/webstreaming/regi-committee-meeting 20231024-0930-COMMITTEE-REGI

Simplifying cohesion policy: exchange of views with final beneficiaries and managing authorities on concrete difficulties of funds management

Hearing

Three experts were invited to the public hearing: Mr Vincent Richez, Deputy Director-General, Region Hauts-de-France, Ms Rosa Stefania Carparelli from the Welfare Department of the Puglia Region and Mr Georg Platzer, CEO and owner of Ramsauer & Stuermer Consulting (R&S).

The proposed hearing aimed at a first in-depth exchange with financial beneficiaries and managing authorities on concrete problems they experience with structural funds and thus, launch a first reflection on one of the main aspects of the future of cohesion policy. Experts acknowledged the achievements of cohesion policy and efforts towards simplification in cohesion policy 2021-27, however stressed that it is not enough. Mr Richez presented concrete difficulties of funds management. He particularly referred to excessive administrative burdens and complicated audits demanding disproportionate use of resources from/of the managing entities. Regarding audits, he underlined that most irregularities are genuine errors often leading to disproportionate and punitive effects for managing authorities and final beneficiaries. Ms Carparelli stressed the importance of reducing disparities between the levels of development of the various regions and made a short presentation on the absorption levels of cohesion funds in different regions of Italy.

Chair and MEPs that took the floor, stressed the importance of simplification as one of the main concerns and challenges of the future cohesion policy. They urged the Commission to identify and work in this direction and underlined the importance of monitoring how the money is spent at the end of the chain. All seemed to agree on the need to introduce principles of proportionality, a favourable legal framework and simple audit schemes. They stressed that the chain to the EU citizen needs to be shorter and in that regard, territorial approach and the current REGI report on territorial agenda was mentioned.

7 November 2023

Interparliamentary committee meeting: Cohesion Policy: Achievements, Challenges and Future

The future of cohesion policy post-2027 is of utmost importance for the EU and it is essential to work together at all levels to ensure that cohesion policy remains a policy that meets the challenges and is accessible to all regions and cities of the Union. In this context, this meeting offered national parliaments the possibility to express their views, discuss challenges, opportunities and best practices.

Keynote speakers for this event were: Elisa Ferreira, European Commissioner for Cohesion and Reforms, Mercedes Caballero Fernández, Spanish Secretary General for European Funds, Ministry of Finance, Emil Boc, Chair of the Commission for Territorial Cohesion Policy and EU Budget (COTER) of the Committee of the Regions, Co-rapporteur on CoR opinion on the future of Cohesion Policy, Andrey Novakov and Marcos Ros Sempere, Members of the European Parliament, Peter Berkowitz, Director, DG REGIO, European Commission.

Panel 1: COHESION POLICY: ACHIEVEMENTS, CHALLENGES AND FUTURE

The Chair emphasised that the future of cohesion policy lies in strengthening regional development and in overcoming territorial economic or social disparities. Additionally, cohesion policy is a tool to fight climate change, enhance sustainability and improve EU values, with a focus on the long-term.

The Commissioner highlighted the effective cooperation between the EU and the national parliaments to overcome the various crises that the EU faced over the last years (and is still facing). Cohesion policy functioned as a stabiliser during this period, providing the chance to bounce back for all regions. That is why it should remain the centre of EU policies and continue to be founded upon the place-based approach, multi-level governance and the partnership principle. Nevertheless, the next MFF should introduce more flexibility and simplification, as well as a multipolar approach to reinforce efficiency.

Mercedes Caballero Fernandez pointed out that the future of cohesion policy as the backbone of the EU needs more creativity, more involvement of the respective parties, and more efficiency in assigning resources. Moreover, cohesion policy should have a clear and implementable vision where success may be measured by new indicators apart from the traditional GDP.

Open debate with Members of national parliaments and Members of the European Parliament:

Participants accentuated that social and economic disparities in the regions have persisted or even increased over the last years/decades challenging the efficiency of the current cohesion policy. This has contributed to the discontent of EU citizens, which consequently led to a rise in Euroscepticism, demanding a modernisation of cohesion policy. That is, less bureaucracy and complexity, more flexibility and transparency, and focus on a sustainable and socially-inclusive green and digital transition.

A further point of discussion was enlargement, which clearly provides opportunities to new Member States but also entails particular uncertainties that need to be addressed beforehand.

Panel 2: IMPROVING THE EFFECTIVENESS OF COHESION POLICY

The panellists stressed the importance of a more transparent and present communication regarding, on the one hand, the success of EU projects to citizens, and, on the other hand, the actual benefits that net payers receive from investing in the EU. Furthermore, cohesion policy represents the values of the EU - leaving no one behind - and must continue to focus on the citizens themselves. Therefore, an emphasis on stakeholder input and maintaining the core identity of cohesion policy is essential.

Open debate:

The participants emphasised the importance of cohesion policy in the EU, with a focus on reducing regional social disparities and efficient resource allocation. Participants called for more customized and less complex cohesion policy

to prevent fragmentation, address asymmetric development, and consider enlargement within the EU. They also stressed the need for larger investments in social policy and the green transition, as well as citizen involvement and a focus on economic viability and societal solidarity.

29 - 30 November 2023

Election of the first Vice-Chair

The committee elected Pascal Arimont (PPE, BE) as its 1st Vice-Chair by acclamation. Mr Arimont replaces Mr Hetman who resigned from the European Parliament following his election in the Parliament of Poland.

Mission to Ukraine - Reporting back to the committee

The Chair, together with the two Members participating in the mission, reported on a successful mission to Kyiv and thanked all services involved for the efficient preparation of this Members' delegation under special security circumstances.

Exchange of views on PEACE PLUS programme 2021-2027 with Ms Gina McIntyre, Chief Executive of the Special EU Programmes Body

Ms Gina McIntyre, Chief Executive of the Special EU Programmes Body, which manages the EU Structural Funds programmes in Northern Ireland and the border counties of Ireland, gave a presentation on the PEACE programme. Ms McIntyre gave concrete examples of the impact of PEACE on the lives of the communities in Northern Ireland since 1995 and explained the programme's approach and lessons learnt from it, which have been transferred successfully to other post-conflict societies.

She also presented the recently-launched PEACEPLUS, bringing together the objectives of previous PEACE and Interreg programmes. PEACEPLUS has been developed with the partnership principle and taking the local level as a starting point. It has a strong focus on inclusion and on engaging the community, and especially those marginalised, to become involved in improving their environment. Ms McIntyre stressed the importance of addressing hurt and healing cultural trauma in post-conflict societies and of supporting young people and especially children. She also invited Members to consult the <u>PEACE Learning Platform</u>, a repository of studies, testimonies, reports about projects supported by the programme.

Members underlined that the role of this programme in breaking barriers in the NI community cannot be overemphasised. The Chair recognised the importance of addressing mental health issues in post-conflict societies and reaffirmed REGI's commitment to continue supporting the PEACE programme in the future.

2022 discharge: General budget of the EU - Commission

Consideration of draft opinion



Younous Omarjee (The Left) Rapporteur for opinion

The Chair, in his role as rapporteur for the yearly procedure on discharge, presented his draft opinion on discharge in respect of the implementation of the general budget for 2022, section III - Commission.

Mr Omarjee commented on the striking difference between the levels of error estimated by the Court of Auditors, on one hand, and by the Commission, on the other, and requested some clarity in this respect. He reiterated that, beyond error rates, the most pressing issues in the area of cohesion are its overly complex rules and procedures and increasing the effectiveness of the funds. Members agreed with the rapporteur's take on this matter, especially with the plea for simplification. They suggested that holding information sessions together with the ECA aimed at local authorities could be useful to enhance their awareness of the rules and the auditing process.

Simplification, however, is only possible if there is an effective control framework in place. Mr Omarjee referred to a recently published article, which stated that about 90% of fraud cases go undetected by the Commission. In his view, a thorough and rigid control system such as the one that is used in the area of cohesion should be able to effectively detect not just errors, but also fraud. In this respect, groups concurred with the Chair that the EPPO needs to have the necessary means to carry out its duties.

Cohesion policy 2014-2020 - implementation and outcomes in the Member States

Consideration of draft report



Andrey Novakov (PPE)
Rapporteur

Mr Novakov presented his draft report on the implementation of cohesion policy 2014-2020, which analyses investments carried out using REGI funds during the previous programming period. He reminded Members of the unparalleled achievements of cohesion policy across Europe and underlined its irreplaceable role as the Union's convergence machine. He warned against following a logic that confronts net beneficiary countries and net payers, highlighting that, thanks to cohesion, there are only net winners.

The recommendations contained in the draft report have a strong local dimension. The message the rapporteur has received from municipalities and practitioners at local level is clear: too many rules and obligations are preventing them from making the most of cohesion policy funds. The place-based approach should be enhanced and local authorities, especially at NUTS 3 level, should be effectively involved in the design and programming of projects, to make sure that these cater for their specific needs.

Members agreed with the rapporteur's general approach and with the local focus of his proposals. There were some controversial points, such as the calls for further decentralisation and for increasing allocations to urban areas, and the proposal to conflate cohesion policy funds. In addition, the Members announced their intention to table amendments to insist on the need to support rural areas and outermost regions and improve cohesion's governance framework.

Current and future challenges regarding cross-border cooperation with neighbouring countries Adoption of draft report



Daniel Buda (PPE)
Rapporteur

Cross-border cooperation is a key element of the EU's policy towards its neighbours, promoting cooperation between EU countries and neighbouring countries sharing a land or sea border and contributes to sustainable development along the EU's external borders, and helps reduce differences in living standards and address common challenges.

The report turns the spotlight on cross-border cooperation following the dramatic developments in Ukraine. In particular, the report underlines that, although it is not in an open war with Russia, the Republic of Moldova also has conflict zones supported by Russia, and has welcomed a large number of Ukrainian refugees . Additionally, Moldova's economic and social situation was greatly affected by the cessation of its commercial relations with Russia. Therefore, the report stresses the importance of solid investments and projects in all economic and social fields in the area.

Furthermore, the report covers the challenges of cooperation in the Black Sea area and the Mediterranean basin. Those challenges include regional development, the environment, transport infrastructure, migration, in particular the need to combat irregular migration, human trafficking and security. The report highlights the importance of the Interreg NEXT programmes both for managing migration flows and for achieving energy security.

Implementation of territorial development (CPR, Title III, Chapter II) and its application in the European Territorial agenda 2030

Adoption of draft report



Marcos Ros Sempere (S&D)
Rapporteur

Integrated territorial development is key for strengthening resilience and triggering prosperity in all Union's regions. The Common Provisions Regulation (CPR) regulates Integrated Territorial Investments (ITI) and Community Led Local Development (CLLD) as the main tools to implement cohesion policy funding in an integrated and place-based manner, with the active involvement of regional and local authorities.

With this own-initiative report that was unanimously adopted in Committee (26 votes in favour, 0 against, 2 abstentions), REGI aims to promote the above-mentioned integrated territorial development tools and the integration of the <u>Territorial Agenda 2030</u> (TA2030) into EU policies, calling for adequate funding and a future allocation methodology.

The report looks closely at the implementation of territorial development so far, takes into account the main difficulties encountered in the 2014-2020 period and welcomes the seven pilot actions launched with the adoption of the TA2030. REGI welcomes the valuable contribution to territorial development delivered by actions implemented through CLLD such as LEADER, and encourages the use of ITIs to develop further the TA2030. Finally, REGI requests further technical support to promote the use of territorial tools and favours the earmarking of funding for rural areas and regions that suffer from severe and permanent natural or demographic handicaps.

Commission presentation of the 'Annual summary on the implementation of financial instruments under the Structural and Investment Funds for the 2014-2020 period'

Mrs Oana DORDAIN (DG REGIO, Unit B3) presented the main elements of the upcoming report. She indicated that, based on the latest figures (end 2022), 9% of the allocations of 14-20 European Structural and Investment Funds are implemented through financial instruments. The ERDF remains the driving force, but other funds, including ESF, are catching up.

The latest figures available indicate that EUR 25 bn have been committed, and that EUR 21 bn were actually paid at the end of 2022. More than 800,000 final recipients were reached, among which 66% are SMEs (including very small companies). An uptake was recorded following the COVID crisis and the war in Ukraine, as the financial instruments were seen as the most efficient way to provide support to SMEs, notably through loans, guarantees or equity (or a combination of those).

Mrs DORDAIN concluded by hinting at the situation for the 2021-2027 programming period, indicating that the use of financial instruments remains quite stable compared to the 2014-2020 period.

*** VOTED IN THE LAST MEETINGS ***

During the Committee meetings, the following texts were adopted (for more information please follow the hyperlink):

TITLE	RAPPORTEUR
Establishing a framework of measures for strengthening Europe's net-zero technology products manufacturing ecosystem (Net Zero Industry Act) 2023/0081(COD)	Niklas Nienass (The Greens)
Establishing the Strategic Technologies for Europe Platform ('STEP') and amending Directive 2003/87/EC, Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241 2023/0199(COD)	Rovana Plumb (S&D)
Harnessing talent in Europe's regions 2023/2044(INI)	Cristina Maestre Martín De Almagro (S&D)
Reshaping the future framework of EU structural funds to support regions particularly affected by challenges related to the automotive, green and digital transitions 2023/2061(INI)	Susana Solís Pérez (Renew)
Current and future challenges regarding cross-border cooperation with neighbouring countries 2022/2076(INI)	Daniel Buda (PPE)
Implementation of territorial development (CPR, Title III, Chapter II) and its application in the European Territorial agenda 2030 2023/2048(INI)	Marcos Ros Sempere (S&D)

News from Policy Department and Research Projects

<u>Forest Fires of Summer 2022 – Lessons to Draw from the Cohesion Policy Response</u>

<u>Eurostat regional yearbook - 2023 edition</u> The Eurostat regional yearbook 2023 provides a detailed picture relating to a broad range of statistical topics across the regions of the EU Member States, as well as the regions of the EFTA and candidate countries.

Other Useful links

EP Policy department studies Website

EP studies Website
EP Library - Info on items related to regional development
OEIL - The Legislative Observatory
EUR-Lex
EC Regional Policy - InfoRegio
European Committee of the Regions

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