



EUROPEAN PARLIAMENT

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Committee on Regional Development

2010/2211(INI)

31.1.2011

OPINION

Committee on Regional Development

for the Special Committee on the policy challenges and budgetary resources for a sustainable European Union after 2013

on the policy challenges and budgetary resources for a sustainable European Union after 2013
(2010/2211(INI))

Rapporteur for the opinion: Constanze Angela Krehl

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SUGGESTIONS

The Committee on Regional Development calls on the Special Committee on the policy challenges and budgetary resources for a sustainable European Union after 2013, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Points to the increased importance of cohesion policy following the entry into force of the Treaty of Lisbon, and to the fact that a third pillar – territorial cohesion – has been added to it, and notes that Member States, regions and cities are best placed to implement that policy on an active basis and that sectorialisation would therefore be counterproductive and would not be consistent with the Treaty on the Functioning of the European Union;
2. Takes the view that cohesion policy is a key component for the accomplishment of the EU 2020 strategy and that a sound autonomous cohesion policy is the prerequisite for successful joint action by the EU as it contributes as an effective tool to achieving common goals of that strategy at regional and local level and allows for a consolidation of strategic goals and local needs with potential on the ground; stresses that the cohesion policy with its horizontal character is contributing to all EU2020 objectives – smart, sustainable and inclusive growth – and that this should be reflected in the structure of the post- 2013 Multiannual Financial Framework; underlines that objectives which are included in the Lisbon Treaty but are not part of EU2020 goals should also be achieved and that the relationship between the objectives of the EU2020 Strategy and other objectives should be clarified; supports the Commission in optimising the exploitation of synergies between the existing funds;
3. Considers economic, social and territorial cohesion to be a fundamental prerequisite for achieving the competitiveness objective, specifically through encouraging economic growth and job creation;
4. Points out that the success of economic and social cohesion policy can be clearly seen in the 271 regions of the 27 Member States and notes that the subsidiarity principle, the partnership principle, and multilevel governance are fundamental prerequisites for that success; reaffirms its position on best practice, as set out in its resolution of 24 March 2009 on best practices in the field of regional policy and obstacles to the use of the Structural Funds¹;
5. Stresses that the European added value of cohesion policy, which accounts for the largest individual budget, is uncontested, as this policy constitutes a well-established mechanism of delivery of European objectives and has been one of the EU's most significant, visible and successful policies for decades with the capacity to promote synergies among the other European internal policies;
6. Points out that a modern cohesion policy must take on the remaining needs of structural reforms and the new challenges facing all the EU regions; considers that it is therefore necessary to set the following priorities:

¹ OJ C 117 E, 6.5.2010, p. 38.

- we need sustainable economic growth which has a positive impact on the labour market in both urban and rural areas;
 - we need smart, effective and modern infrastructure (transport, communications, water/sewage, waste, energy);
 - we stress the need, within cohesion policy, for increased support for:
 - (i) smart growth based on research, development and innovation, as well as ICT deployment,
 - (ii) education, training and further training,
 - (iii) employment,
 - (iv) integrated urban development (including, for example, promoting building energy efficiency),
 - (v) strengthening the social dimension, including the services of general interest, and demographic change issues,
 - (vi) small and medium-sized enterprises (SMEs) as the motor of regions' economic and social development,
 - (vii) climate change objectives,
 - (viii) regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions,
 - (ix) the establishment of more integrated and balanced regional economic structures as a guarantee of more harmonious economic and social development;
7. Draws attention to the fact that the means of achieving greater competitiveness depend on the specificities of each region, including the development levels thereof, and therefore that due attention must be paid to providing flexibility to Member States and regions in order to draw up the best policy mixes;
 8. Endorses the view that the ESF must remain an integral component of cohesion policy and be strengthened; calls for greater coordination both with cohesion policy and rural development measures under the ERDF and the EAFRD with a view to using resources in the most effective and efficient manner possible, not only by taking into account the characteristics and convergence problems of each region but also by properly involving rural regions;
 9. Takes the view that all forms of territorial cooperation (cross-border, interregional and transnational cooperation) and the budgets allocated to them must be strengthened;
 10. Insists, in keeping with a spirit of solidarity, on specific support for the EU-27's least developed and most disadvantaged regions (Objective 1); stresses, at the same time, the

need for a powerful Objective 2 for the more developed regions as well as for appropriate transitional rules; considers, however, that, in order to ensure harmonious and balanced development in all the EU regions, cohesion policy must necessarily embrace the whole territory of the EU;

11. Points out that there is a significant threshold effect between the regions eligible for funding under the convergence objective and the other regions, and takes the view that this threshold effect should be reduced;
12. Stresses that a successful, strengthened cohesion policy needs adequate funding, which cannot in any circumstances be less than in the current 2007-2013 programming period;
13. Recalls that one of the main criticisms directed at cohesion policy has to do with the complexity of its rules; insists on the importance of simplifying the rules and procedures of this policy and reducing complexity and administrative burdens in order to ensure more transparent and effective allocation of resources to the cities, municipalities and regions, while the frequency of checks should be commensurate with the risk of irregularities in keeping with the proportionality principle;
14. Underscores the fact that a better mix of financing instruments, including grants, loans or revolving funds, can support more efficient use of resources; encourages local and regional authorities to make as much use as possible of the financial engineering and technical support instruments introduced by the Commission in order to boost investment at local and regional level;
15. Emphasises the need to strengthen the leverage effect of Structural Funds through better use of public procurement; stresses in this respect the need to further develop and implement rules of procurement with reduced environmental impacts ('green procurement'); encourages the Commission and the Member States to further stimulate the use of pre-commercial procurement in order to contribute to more R&D and innovation in the EU;
16. Insists that, in future, expenditure control should be streamlined and more result-oriented in order not to put excessive administrative burden on final beneficiaries;
17. Stresses that conditionality agreed ex ante in areas directly linked to the cohesion policy and appropriate outcome indicators should be designed to constitute an opportunity for improving regions' policy-making and a more open debate with a view to strengthening cohesion effectiveness;
18. Notes that a five-year period is too short, since authorisation procedures would be much too long and would not make it possible to use resources efficiently; points to the fact that a seven-year period has proved its worth in the past and that the programming period should in no circumstances be shorter; underscores the fact that a seven-year or, past 2020, even longer multiannual financial framework (MFF) period, would safeguard efficiency; stresses that a period thus established ought to be designed so as to match the scheduling of financing priorities with the terms of office of Parliament and of the Commission;

19. Stresses that cofinancing and the n+2 and n+3 rules should be maintained, possibly combined with greater flexibility to cover exceptional situations which might be expected to arise within the next programming period; takes the view that cofinancing for the next programming period should remain similar in overall terms to that for the current period; insists that while a degree of flexibility in the use of resources should be guaranteed, de-committed funds arising from the above rules should remain in the cohesion budget and not be returned to the Member States;
20. Points out that monies from funds set up in connection with cohesion policy should not be used, under the Stability and Growth Pact, as a means of ‘punishment’; insists that this would be counterproductive for the regions and Member States affected and the EU and that such measures would treat Member States and regions unequally as they would punish the poorest the most;
21. Points to the fact that any conditionality rules provided for should be limited in their scope to the framework of cohesion policy measures and instruments;
22. Demands a proposal with the aim of stricter financial sanctions for Member States which do not adhere to the stability criteria, and therefore suggests that stronger automatisms be provided for;
23. Takes the view that, in addition to assisting the regions, cohesion policy measures also raise the EU’s profile in the regions, and points out that better visibility in the regions could demonstrate this even more clearly and contribute to the added value of European action;
24. Particularly stresses the fact that cohesion policy, which is at the same time ‘smart’, ‘sustainable’ and ‘inclusive’ plays a crucial role within the EU 2020 strategy and can give, as all policy fields, a contribution to these goals; points out that this provides further clear evidence of the importance of cohesion policy as a whole, and rejects any fragmentation of this policy across various budget headings as cohesion policy should have its own heading within the EU budget.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	27.1.2011
Result of final vote	+: 40 -: 1 0: 1
Members present for the final vote	François Alfonsi, Luís Paulo Alves, Charalampos Angourakis, Sophie Auconie, Catherine Bearder, Victor Boştinaru, Zuzana Brzobohatá, Alain Cadec, Salvatore Caronna, Francesco De Angelis, Tamás Deutsch, Rosa Estaràs Ferragut, Danuta Maria Hübner, Ian Hudghton, María Irigoyen Pérez, Seán Kelly, Evgeni Kirilov, Constanze Angela Krehl, Petru Constantin Luhan, Riikka Manner, Iosif Matula, Erminia Mazzoni, Miroslav Mikolášik, Lambert van Nistelrooij, Jan Olbrycht, Wojciech Michał Olejniczak, Markus Pieper, Georgios Stavrakakis, Csanád Szegedi, Nuno Teixeira, Michael Theurer, Kerstin Westphal, Hermann Winkler, Joachim Zeller
Substitute(s) present for the final vote	Karima Delli, Karin Kadenbach, Andrey Kovatchev, James Nicholson, Elisabeth Schroedter
Substitute(s) under Rule 187(2) present for the final vote	Edvard Kožušník, Norica Nicolai, Jan Zahradil