

EUROPEAN UNION



# Committee of the Regions

Wolfgang Petzold

## **The role of regions in EU cohesion policy**

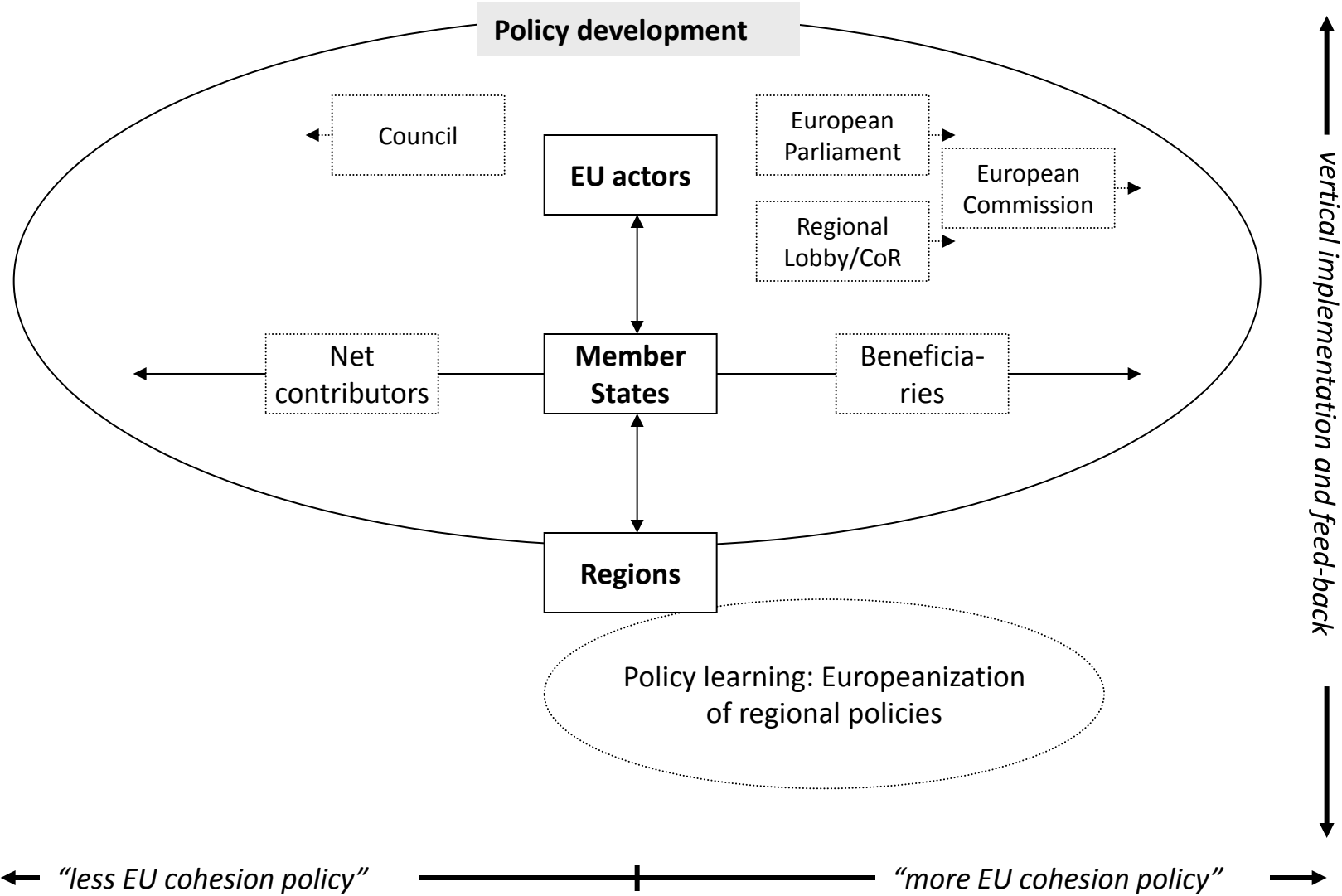
RSA workshop on EU cohesion policy: focus on the territorial dimension

Lisbon, 5 November 2015

The usual disclaimer applies



# Who governs EU cohesion policy?





## The embedded 2013 reform of EU cohesion policy

**Context:** crisis; cuts in EU/national/regional budgets; broad academic discussion; new “territorial” dimension; full EP involvement

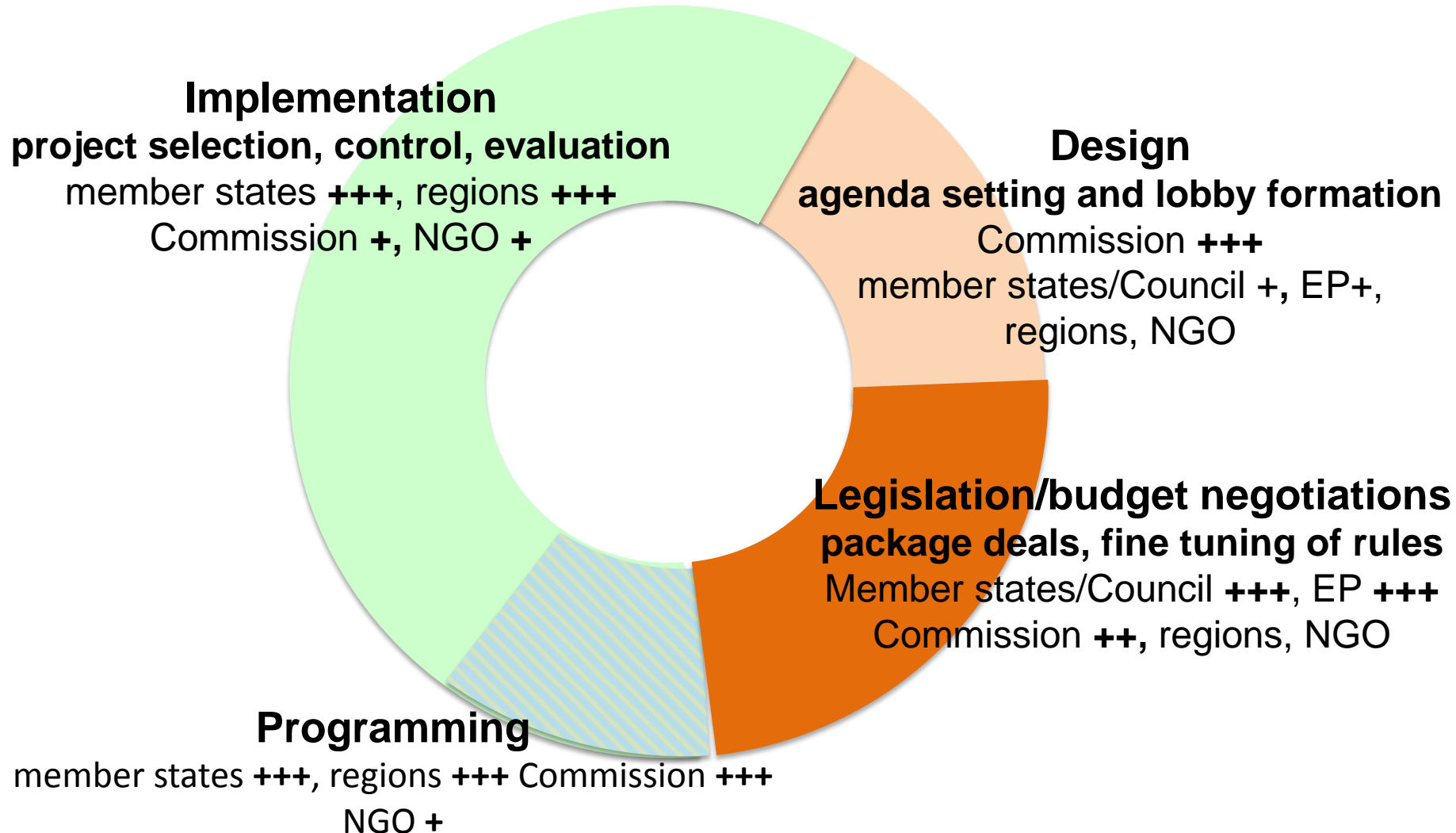
**Result:** less significant cuts compared to other parts of the EU budget; return of rural/fisheries funds under common provisions, increased concentration, new narratives (place-based vs. economic governance), the rise of “institutional capacity”/quality of governance; but: path-dependency and *juste retour* logic of EU budget negotiations dominate

**Cost:** increased administrative burden and reduced flexibility with regard to policy implementation

**Risk:** policy switch-off in a number of member states, de-regionalisation of EU cohesion policy?



# Varying powers along the policy cycle





## EU regions active in policy design?

### **National positioning (in the Council) involving regions**

Depending on constitutional provisions (Belgian and German regions most influential)

### **Ad-hoc networks across member states**

Industrial regions (1980s/90s)

“Statistically affected” regions (2004/05)

Transition regions (2011/12)

### **Committee of the Regions**

Issuing opinions on several aspects of policy design and implementation throughout the policy cycle

### **Active participation in Commission consultations (since 2000s)**

150+ regions, cities and associations active in the 2010/11 consultation

### **European associations**

CPMR, CEMR, Eurocities



## Role of regions in programming

- Partnership principle (since 1988)
- Multilevel governance and European Code of Conduct on Partnership (Art. 5 Common Provisions Regulation; Commission Regulation on ECCP)

Van den Brande Report on the multilevel governance and partnership (2014):

*“Compared to the previous programming period, the management and coordination of the drafting process of Partnership Agreements and Operational Programmes has been to a greater extent decentralised.”*



**ESI Funds 2014-2020: 544 programmes, of which 345 regional**

**Cohesion policy:** 399 programmes, 261 of which regional (330 adopted on 4 November 2015)

311 operational programmes under the Investment for Jobs and Growth objective: 124 are only financed by the ERDF/Cohesion Fund, 95 OPs by the ESF only (including from the Youth Employment Initiative) and 92 are multifund (ERDF/Cohesion Fund and ESF); 76 are OPs under the European Territorial Cooperation objective (ERDF), and 12 are cross-border programmes with accession countries/IPA-CBC)

**Rural development/EAFRD:** 118 programmes, 84 of which regional (87 adopted)

**Fisheries/EMFF:** 27 programmes, all national (16 adopted)

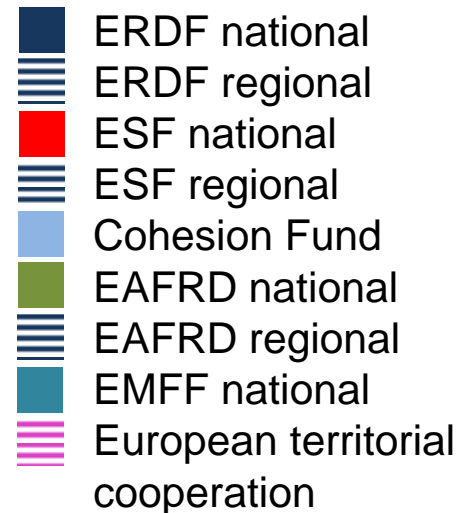
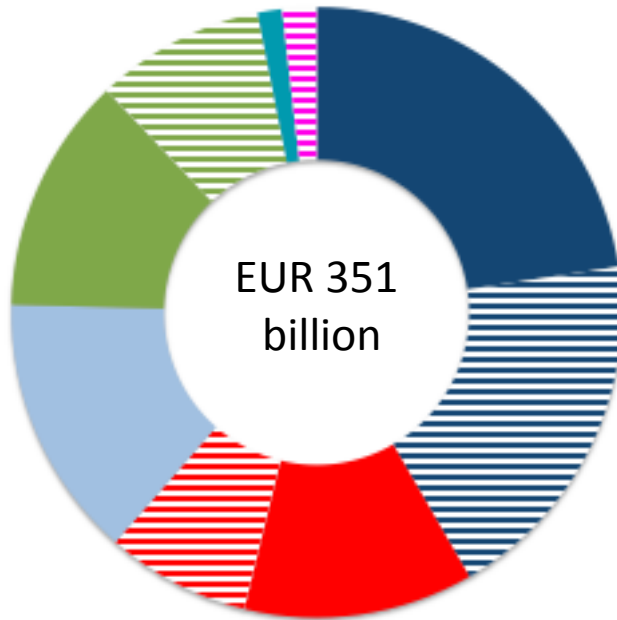




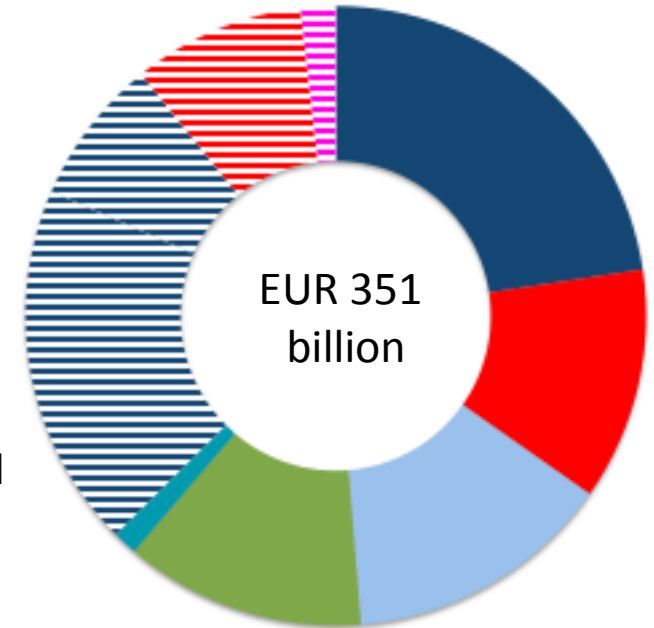


## Regional vs. national ESIF programmes (2)

ESIF programmes  
grouped by fund



ESIF programmes  
grouped by level of management

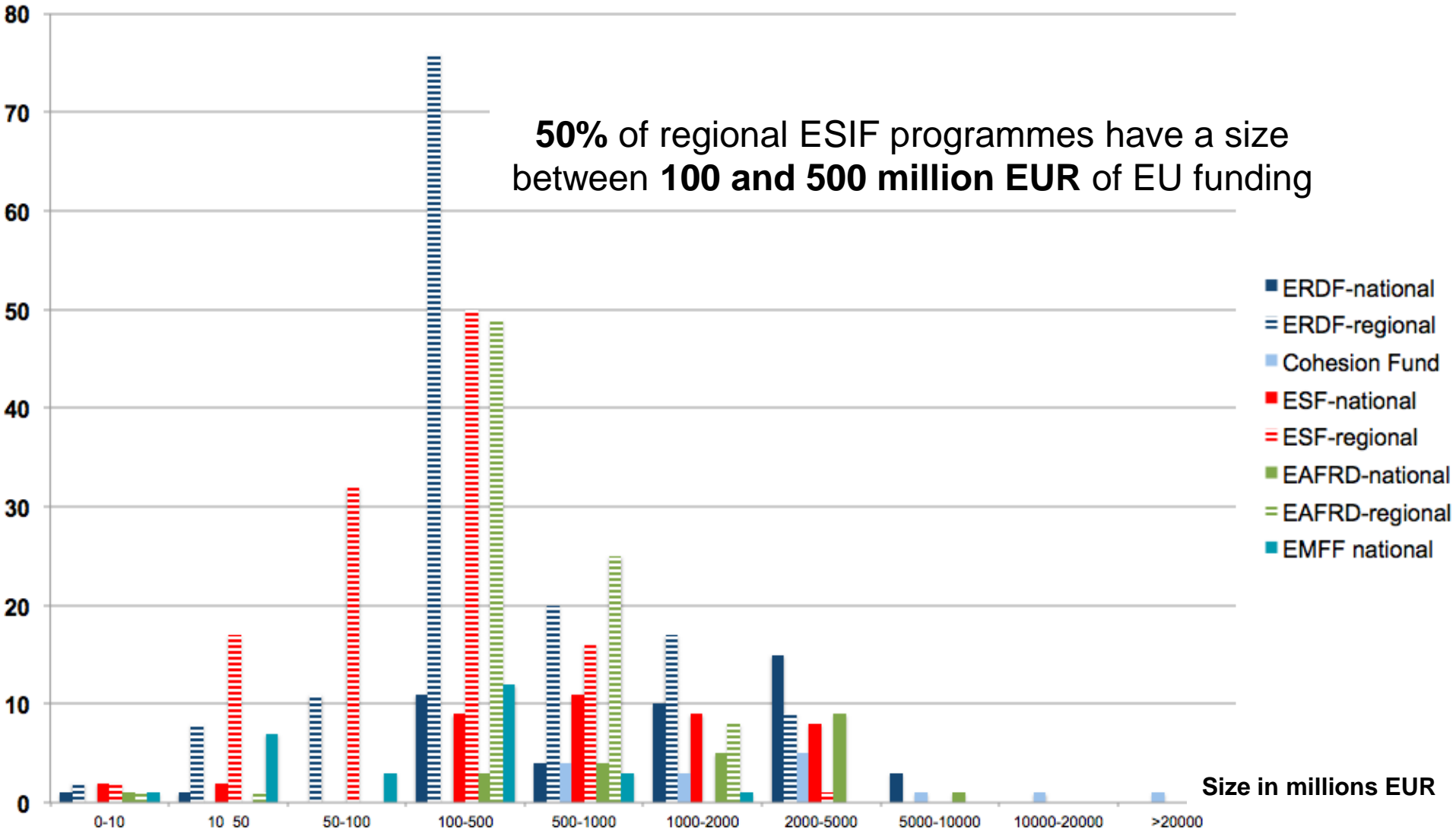


Regions will **manage 70%** of the about 540 ESI Funds' programmes totalling just **37% of EU funding** (EUR 351 billion).



# Regional vs. national ESIF programmes (3)

No of programmes



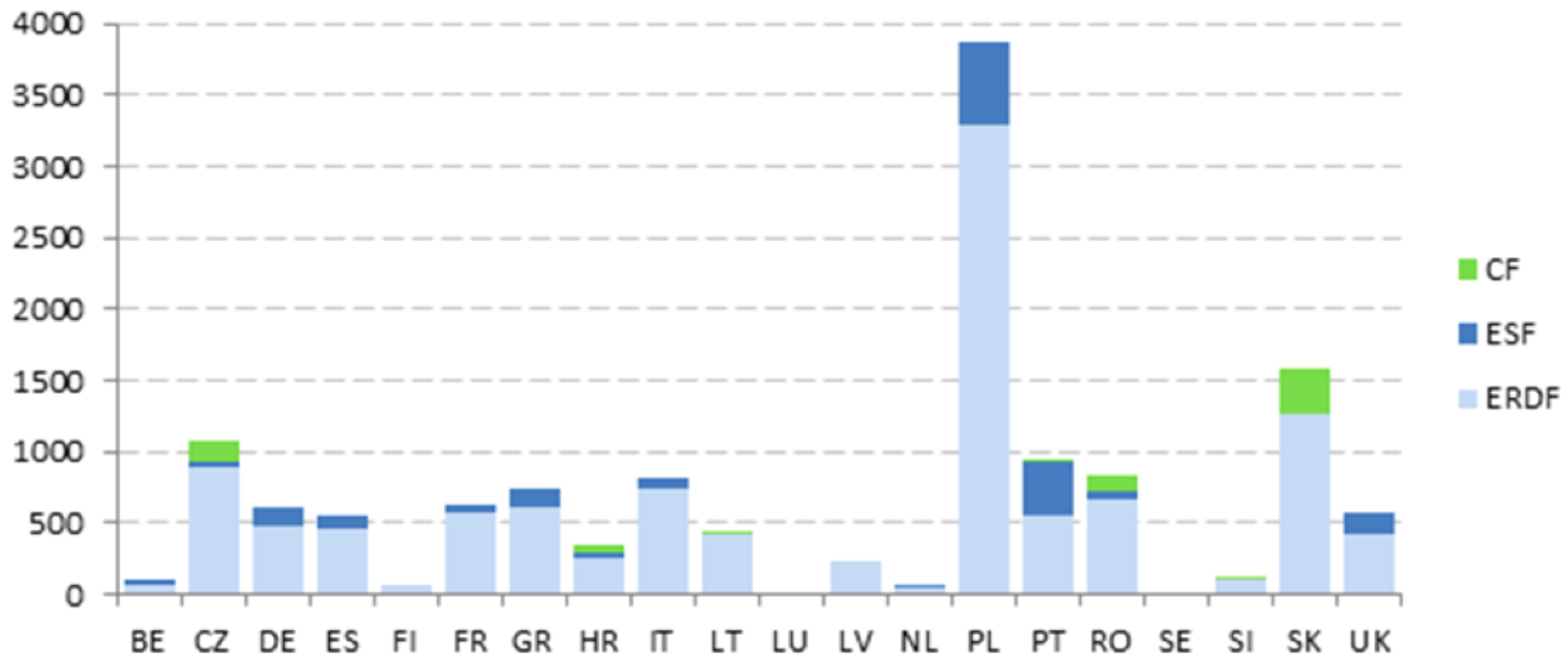
Size in millions EUR

Source: European Commission, own calculations (2015)



## EU cohesion policy 2014-2020: “territorial” delivery (1)

### Integrated Territorial Investments (ITI) programmed by member state in million EUR

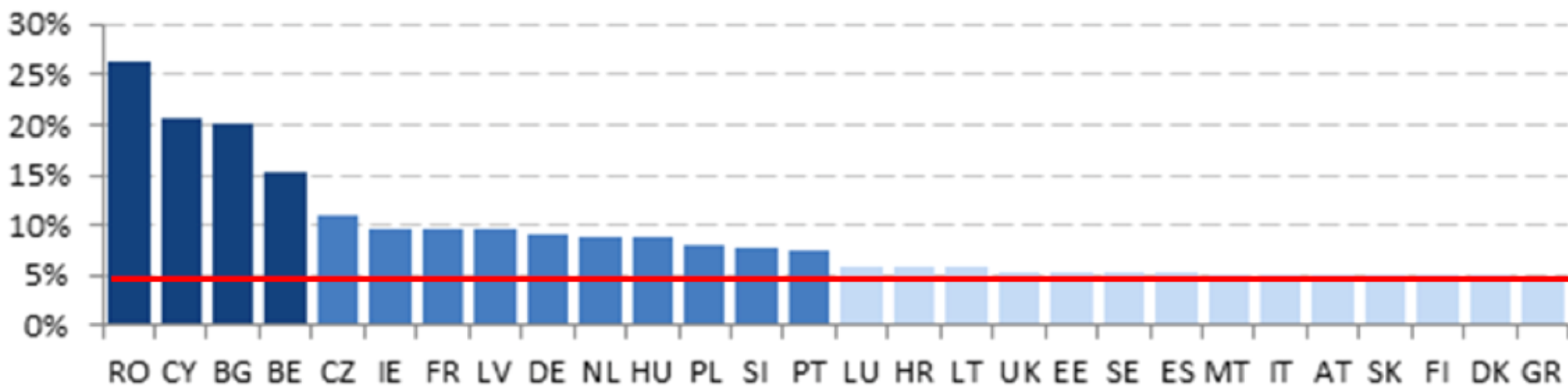


Source: European Commission, DG REGIO (2015)



## EU cohesion policy 2014-2020: “territorial” delivery (2)

**Sustainable urban development** programmed by member state according to Art. 7 of the ERDF Regulation, in % of national ERDF allocation





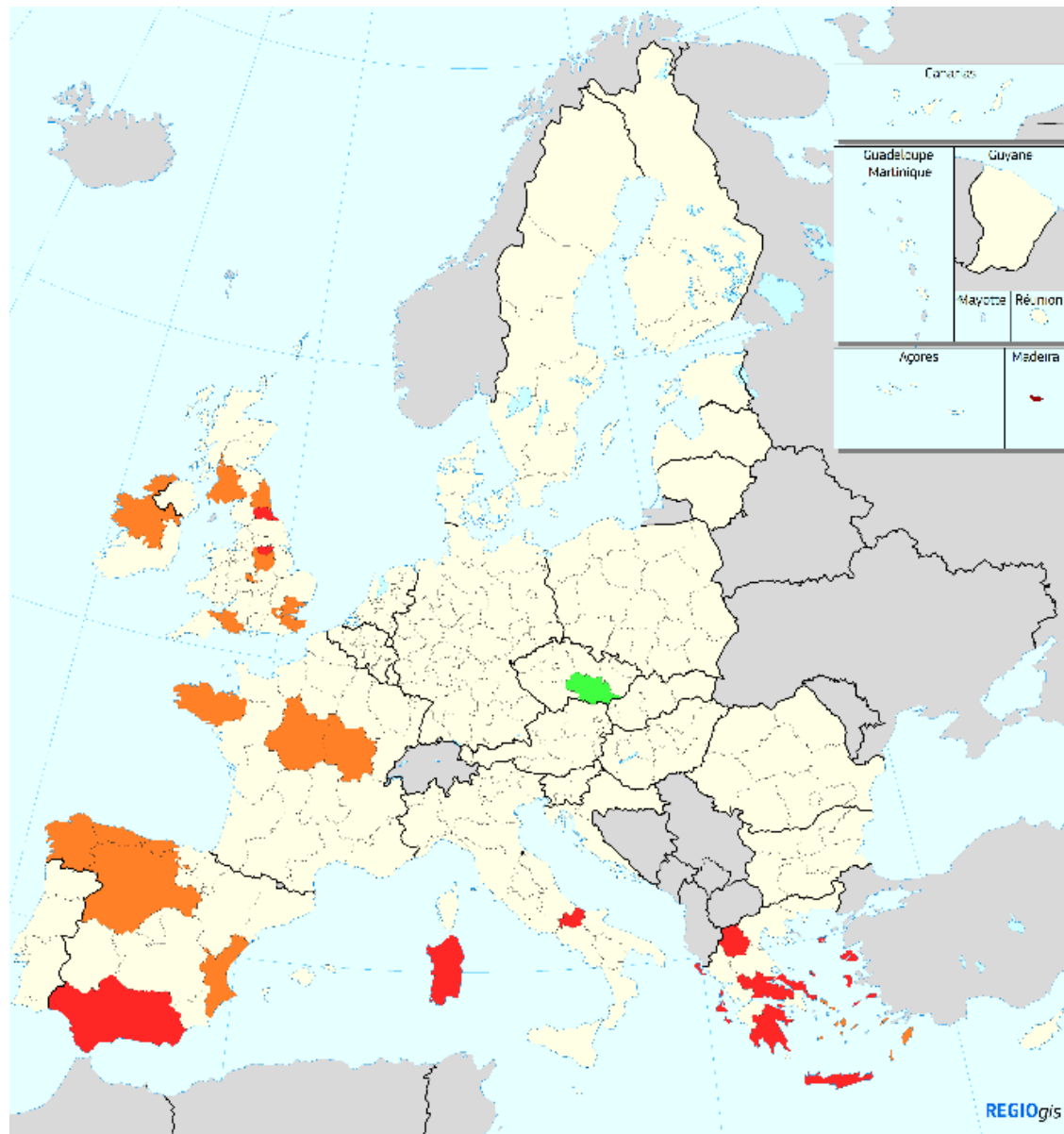
## Disparities between EU regions increase

### Virtual change of categories

GDP/head 2011/12 compared to eligible regions 2014-20

- Transition to less developed
- More developed to transition
- No change
- Less developed to transition

million inh.	2014-2020	on latest GDP
<b>Less developed</b>	126	135
<b>Transition</b>	68	95
<b>More developed</b>	305	269
<b>Total</b>	<b>499</b>	<b>499</b>





## The role of regions in EU cohesion policy: conclusions

**Design and legislation:** member states coordinate internal positioning with regions and other stakeholders (mixed picture)

**Programming/implementation:** orientation vs. economic governance points to stronger link to national frameworks; implementation arrangements go hand-in-hand with trends towards decentralisation in some member states (PL, FR), while in others a higher degree of centralisation can be observed (AT, SE).

**Potential:** strengthening of institutional/administrative capacity in many member states, policy learning and transfer via Interreg Europe, Urbact, ESPON, Smart Specialisation Platform, macro-regions etc.

**Research:** new approach to evaluation; implementation of multilevel and partnership arrangements; alternatives to current policy design (split in light/heavy implementation systems; fiscal equalisation/federalism: Molle 2015)

## What next?

26 November 2015: Informal Council on Cohesion Policy to **evaluate/review Territorial Agenda 2020**

Before end-2015: Commission **report on 2014-2020 programming**

March 2016: **Conference of the Committee of the Regions** on cohesion policy post-2020, Brussels

21-22 April 2016: **Academic conference of DG REGIO** on EU cohesion policy in London (LSE)

First half of 2016: **Urban Agenda** subject to several conferences under Dutch Presidency

2016: Additional **allocation of EUR 4 billion** in view of most recent statistics (Art. 92.3 of Common Provisions Regulation)

Before end-2016: **Review of EU 2014-2020 budget**

2017: **High-level Group on Simplification** to present conclusions

Before end-2017: **7<sup>th</sup> Cohesion Report** and proposal for **Multiannual Financial Framework post-2020**