

How to save Cohesion Policy for post-2020?

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What is the CPMR ?

- Membership organisation, network, association of regions, think tank
- Based on 6 Geographical Commissions
- Thematic and sea-basin dimension
- 160 regions in 28 countries

Born in 1973 to achieve the following:

- **Greater involvement of regions in the European integration process**
- **Address disparities of competitiveness between centre and periphery of Europe**
- **Realise the potential of the Sea**

Cohesion Policy under threat (1)

- **Not a priority at Commission level**
 - Policy or funding pot?
 - Implicit recognition that it is flawed?

“Identifying how EU structural and investment funds can be **better** geared towards creating jobs and growth” (*source: Commissioner Cretu mission letter*)

‘Should perhaps a larger part of the [Cohesion] funding be centralised on EU level to ensure that money is spent according to (EU) priorities?’ (*source: EU Budget Commissioner Kristalina Georgieva speech, 28 January 2016*)

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- **No longer the EU investment policy**
 - EFSI/Juncker Plan: change of approach

Cohesion Policy under threat (2)

- **Dwindling support (from Member States)**
 - Questionable added value
 - Low absorption rate, fraud
 - Important share of the EU budget
- **Who cares about reinforcing social, economic and territorial cohesion anymore?**



Current debate on future reform

- **Simplification** – age old debate... but is it helping the policy?
- **Urban** – old debate resurfacing?
- **Improving performance** – time to assess success of performance indicators ?
- **Flexibility** – how flexible do you need to go?
- **Migration** – long term vs short term objectives?
- **Link with EU economic governance** – changing the essence of the policy?

... a fairly negative way to approach Cohesion policy reform!

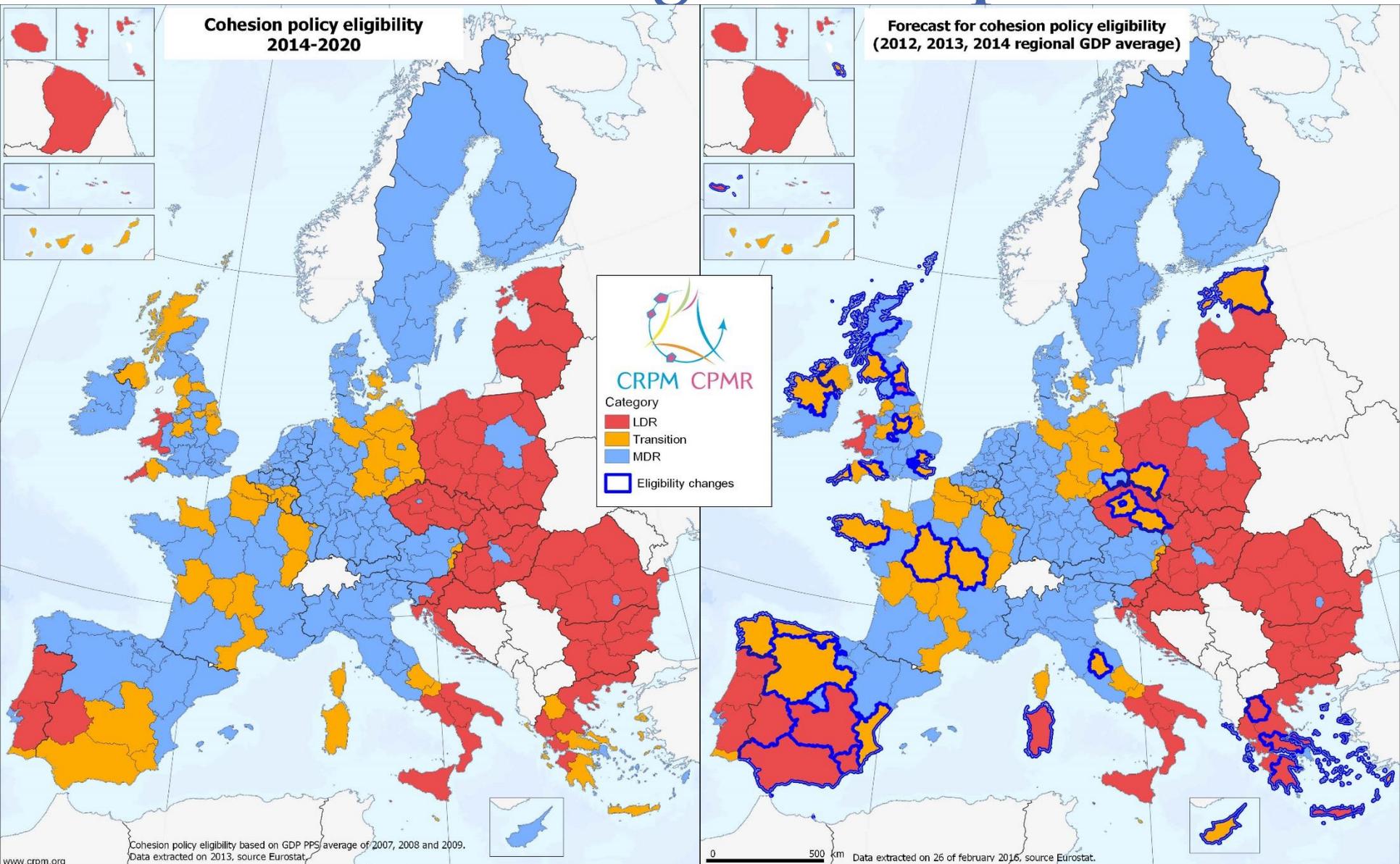


What is Cohesion Policy actually for ?

**Is there a more positive way to approach
Cohesion Policy reform?**



Reduction of regional disparities?



Added value of Cohesion Policy?

- Added value is certainly disputed!
 - 2009 report from World Bank (Reshaping economic geography) : concentration of efforts in more advanced regions needed, 'trickle down' effect to poorer regions

But a lot of positive evidence:

- OECD study (2012): presence of considerable dynamism and employment generation in intermediate and peripheral regions of the EU. **'Two thirds of growth outside the main agglomerations'**
- ESPON Territorial Vision 2050: 'regional scale' scenario shows added value of **focusing ESI funds on rural and peripheral regions for long term growth**
- LSE study (2014) confirming **positive role of Cohesion policy** for regions during crisis
- **Upcoming reports and studies from DG REGIO?**

It's in the EU Treaty, stupid!

Role of Cohesion Policy has evolved... but its mission is clearly defined in the EU Treaty

- Article 174: “reducing disparities between the levels of development of the various regions”
- Article 176 ERDF: “development and structural adjustment of regions whose development is lagging behind”



Keys to securing Cohesion Policy

- Radical approach with radical arguments needed!
- Key questions to be answered:
 - Do we accept that the policy needs not only to be about investment BUT also structural reforms ?
 - Do we accept that only less developed regions will receive grants?
 - Do we accept a different model of growth: investment in high potential/richer parts of Europe, forget about balanced territorial development ?



CPMR battlegrounds

Objective: CPMR vision for post-2020 Cohesion Policy at CPMR General Assembly in November 2016 (Azores)

Based on:

- Governance/role of regions
- Territorial dimension of Cohesion Policy (islands, outermost regions, NSRF, etc...)
- Territorial dimension of financial instruments
- Link with EU Economic governance



Many thanks for your attention!

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