

Committee on Regional Development
The Chair

Mr José Manuel Barroso
President
European Commission
1049 Bruxelles

311502 15.07.2010

Dear Mr President,

In November 2009, the Committee on Regional Development, which I have the honour to preside, set up an informal working group to discuss future Cohesion Policy. Over the past 6 months this working group, made up of senior members of the Committee and chaired by me, has held a number of meetings during which it has interviewed experts, practitioners and Commission officials, in order to arrive at a cross-group consensus as to the orientation Regional development policy should take in the programming period 2013-2020.

This work has resulted in the attached Position Paper, which has been endorsed by the vast majority of Committee members and which I believe will be of assistance to all concerned in ensuring that the legislative procedure which will soon commence, runs as smoothly as possible.

Mr President, I am sure you will agree that this initiative, which aims at avoiding unnecessary institutional variance and ensuring that Regional development policy continues to reflect the ideas and aspirations of the people it is to serve, is a positive step in inter-institutional cooperation. I therefore invite you and your colleagues and staff to give credence to the points raised in our paper, which together I believe, represent a positive structure upon which we will be able to continue building a successful and efficient policy.

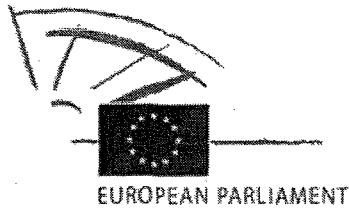
Lastly, I would inform you that I am forwarding this letter to the President of the European Council, the President of the Council and the President of the European Parliament in order to inform them of our position.

Yours sincerely,

Danuta Hübner

CC: Commissioner Johannes Hahn

Encl.



COMMITTEE ON REGIONAL DEVELOPMENT

13 July 2010

POSITION PAPER ON THE FUTURE COHESION POLICY

At its meeting of the 13 July the Committee on Regional Development of the European Parliament endorsed the following non exhaustive list of points as reflecting the committee's basic position on the future Cohesion Policy post 2013.

1. Cohesion Policy which aims at reducing disparities between the levels of development of European regions, mobilising growth potential to achieve economic, social and territorial cohesion has proved to be essential to the process of European integration. It is a policy with European added value, facilitating the pursuit of modernisation and sustainable growth as well as demonstrating European solidarity. In conformity with the spirit of the Treaties, these characteristics require an EU-wide regional policy implemented throughout the entire territory of the Union and embracing all the European regions.
2. The current accumulation of long and short term challenges¹ that the European Union faces entails the adoption of an adapted EU2020 strategy capable of creating a framework favourable to stable and sustainable economic growth and job creation in Europe. Cohesion Policy implementation is indispensable for the success of this strategy, while always remaining an independent policy providing a framework for establishing strong synergies between all European policies.
3. Any attempt to renationalise the policy has to be rejected. Furthermore as the present financial framework has an important impact on regional development it is necessary for the regional dimension to be fully considered in the proposed review of the EU budget and the future Financial Framework. A strong and well financed EU regional policy is a condition *sine qua non* for achieving social, economic and territorial cohesion.

¹ See Regions 2020, An Assessment of Future Challenges for EU Regions, Commission Staff Working Document, November 2008

4. In accordance with the provisions of the Treaty of Lisbon territorial cohesion, implies a targeted approach to territorial development ensuring polycentric development, by creating synergies and avoiding the sectoral dispersion of regional policy resources. To that end there must also be sufficient flexibility to accommodate regional specificities and support lagging behind regions in their efforts to overcome their socio-economic difficulties. The outermost regions, border regions, regions with specific geographical features and other regions facing specific development challenges must continue to benefit from specific provisions.

5. Past experience, examples of best practices and successful past Community initiatives, should permit the adoption of a more focused approach to the urban dimension of Cohesion Policy. Cities play a dynamic role in regional economic development giving a positive economic stimulus to the surrounding rural areas. Therefore, in the next programming period financial resources should be allocated for investments in urban as well as sub-urban projects. The application of an appropriate instrument should be considered in order to achieve these objectives.

6. Multi-level governance is one of the key principles of Cohesion Policy and is fundamental to ensuring the quality of the decision making process, strategic planning and implementing the objectives. In the future an integrated approach to policy implementation should be mandatory, subsidiarity in its strengthened and widened concept defined in the TFEU, as well as a better defined partnership principle, and transparency as an essential element for the correct implementation of all EU policies, should be reinforced accordingly.

7. The basic design of current objectives should remain and territorial cooperation, which has a clear European added value, should be enhanced. Other measures including earmarking and good practices should be assessed and common problems and their solutions, identified. Among these measures could figure the setting of common objectives and the rational use of shared resources. Spending should be concentrated on core priorities which constitute European added-value.

8. The architecture of post 2013 Cohesion Policy should offer a simple, fair and transparent transition regime taking into account past experiences and the latest trends in the social and economic situation of the regions concerned; as well as enabling them to continue on their paths towards growth and development.

9. GDP must remain the main criterion for determining the eligibility for regional policy assistance, leaving room for national authorities to apply, at the appropriate level of decision making, other indicators which take into account the specific attributes of regions and cities.

10. The European Social Fund should remain an integral part of Cohesion Policy.

11. Rural development, in the framework of the 2nd pillar of the CAP should be coordinated with cohesion development objectives and should be managed at regional level to ensure that it is adapted to needs.

12. Cohesion Policy and its delivery system must be more result oriented aiming at increased efficiency and effectiveness, and establishing an optimal balance between quality of performance and financial control. This requires significant improvements in the monitoring and evaluation systems, increased efficiency in administrative

capacity and error reduction levels as well as the identification of objective and measurable indicators that are comparable across the EU.

13. Simplification of policy implementation has to continue and be accompanied by the simplification of national and regional procedures. It is necessary to establish the correct balance between procedural simplicity and efficiency and good financial management. Cohesion Policy could therefore become a user friendly policy, with increased visibility.

14. The use of financial engineering instruments, the use of revolving funds, the use of global grants, a simplified access to risk capital and micro-finance ought to be increased. Member States should make greater use of the available technical assistance resources to enhance the capacities of local and regional authorities, and other stakeholders, in particular NGOs and SMEs.

15. Regional development policy is at the heart of the Union's economic, social and territorial development and therefore merits a formal ministerial structure as a political platform. The management and policy design role of the European Commission should be enhanced.

Consequently, the Committee on Regional Development of the European Parliament requests and requires that the European Commission, the Council Presidency, and the European Council give due consideration to the points raised when discussing the future Cohesion Policy and related matters; including and in particular the Fifth Cohesion Report, the Draft Multi-annual Financial Framework and the legislative proposals which will be put before Parliament in the coming months, defining the scope and architecture of Cohesion Policy for the next programming period.