What future Cohesion Policy for the post-2020 period?

A view from the CPMR

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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
The context

- Increase of regional disparities
- Falling level of investment (\& resulting competitiveness)

‘Total investment in the EU fell was 15\% lower in 2007 than in 2014. To keep up with the pace of investment in the U.S., the EU should have invested an additional €540 billion in 2012-2013’ (source: European Commission)

- Cohesion Policy’s poor reputation
- A do-it-all policy?
CPMR vision for Cohesion Policy

- A Cohesion Policy at the service of regional development, not just ‘financial transfers’
- A Cohesion Policy that is simpler for beneficiaries and managing authorities
- A Cohesion Policy with a stronger territorial dimension (closer link with Article 174 TFEU)
- A Cohesion Policy based on stronger multi-level governance arrangements
What is being looked at?

1) The architecture of the policy... in particular, support for more developed regions

«Should cohesion policy continue to invest in the advanced regions, especially in the metropolitan ones, which are not only richer, but also privileged by private investors?»
(extract from Commissioner Cretu speech delivered on 28 August)

CPMR initial views:
- Cohesion Policy should continue to cover all EU regions
- Cohesion Policy adds value, even in rich regions: leverage effect, secure funding in times of crisis, addresses market failures, link to citizens...
- Need to build strong arguments to demonstrate added value!
What is being looked at?

2) The share of financial instruments in Cohesion Policy

« What is the best use of cohesion policy funds to stimulate investment in Europe? Should the share of financial instruments in EU funds be further increased? »

CPMR initial views:
- Financial instruments are helpful, but should not replace grants entirely
- Huge differences of experiences in regions in terms of financial instruments
- Need to understand role of financial instruments vs grants, and territorial dimension of financial instruments!
What is being looked at?

3) The territorial dimension of the policy

« Should we pay a more specific attention to certain geographical areas? »

CPMR initial views:
- Yes!
- Closer links between Article 174 of the EU Treaty and Cohesion Policy
- Is the pursuit of territorial cohesion a real priority though?
What is being looked at?

4) More ‘conditions’ attached to the policy?
   - Vicious circle: Cohesion Policy survival entirely linked to Commission having to demonstrate added value to Member States

5) Simplification
   - ... only for beneficiaries?
   - Real issue is relationship between justification of the policy and simplification

6) Allocation of funds based on new criteria?
   - Not a genuine question... moving beyond GDP is too politically sensitive
Conclusions - factors for reform

- Cohesion Policy WILL survive because every Member State has a financial stake

But in which form?

Some key factors:
- How strongly the Commission will defend it, and how it will adapt it to bigger EU priorities
- The extent to which Cohesion Policy remains both a competitiveness and a cohesion policy. Will more developed regions only be ‘eligible’ for financial instruments?
- The success of the Juncker Plan
- Resolving the simplification vs results orientation equation
Many thanks for your attention!

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