

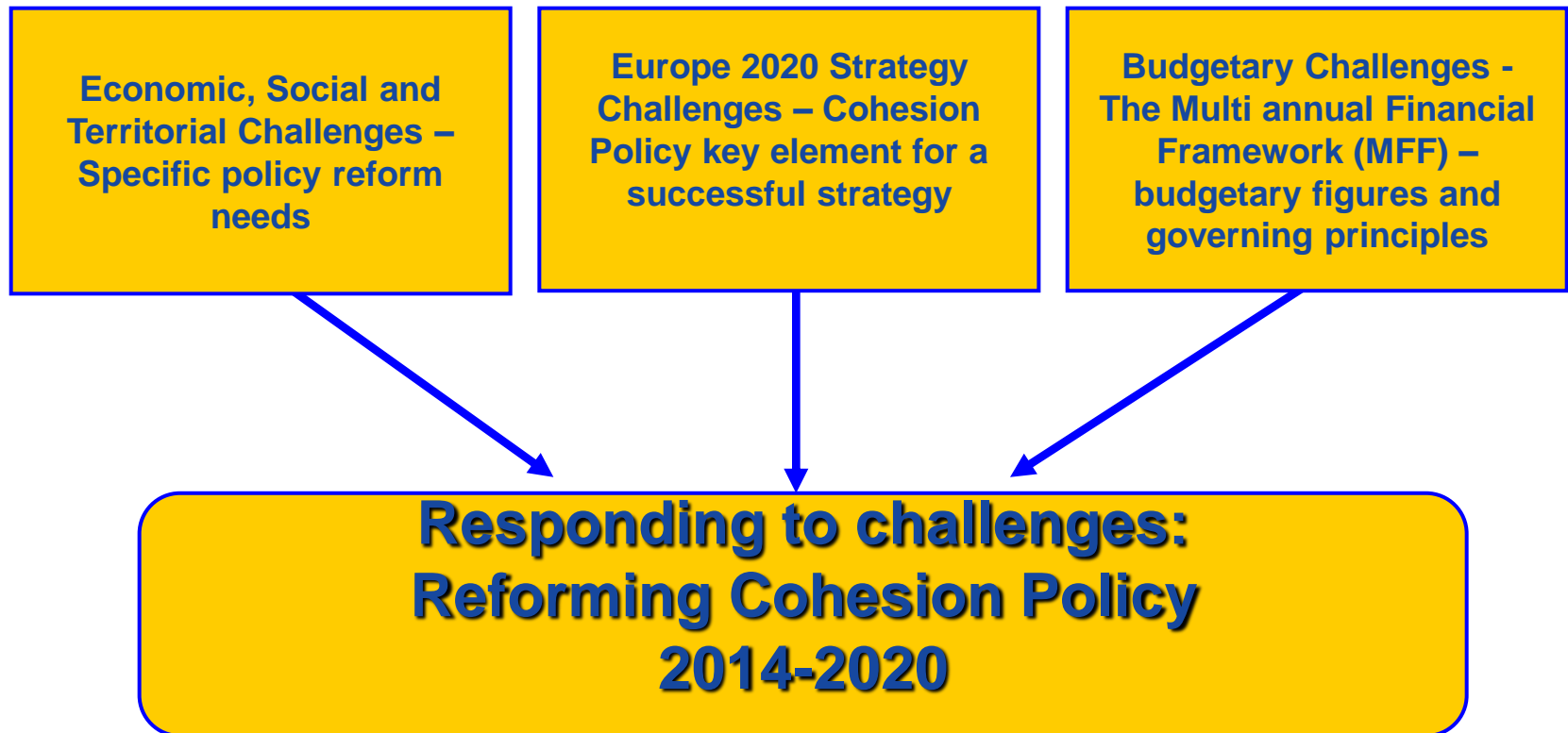


# EU Cohesion Policy 2014- 2020

## The Last Steps Before Implementation

# Why reform?

## The context of the EU Cohesion Policy reform





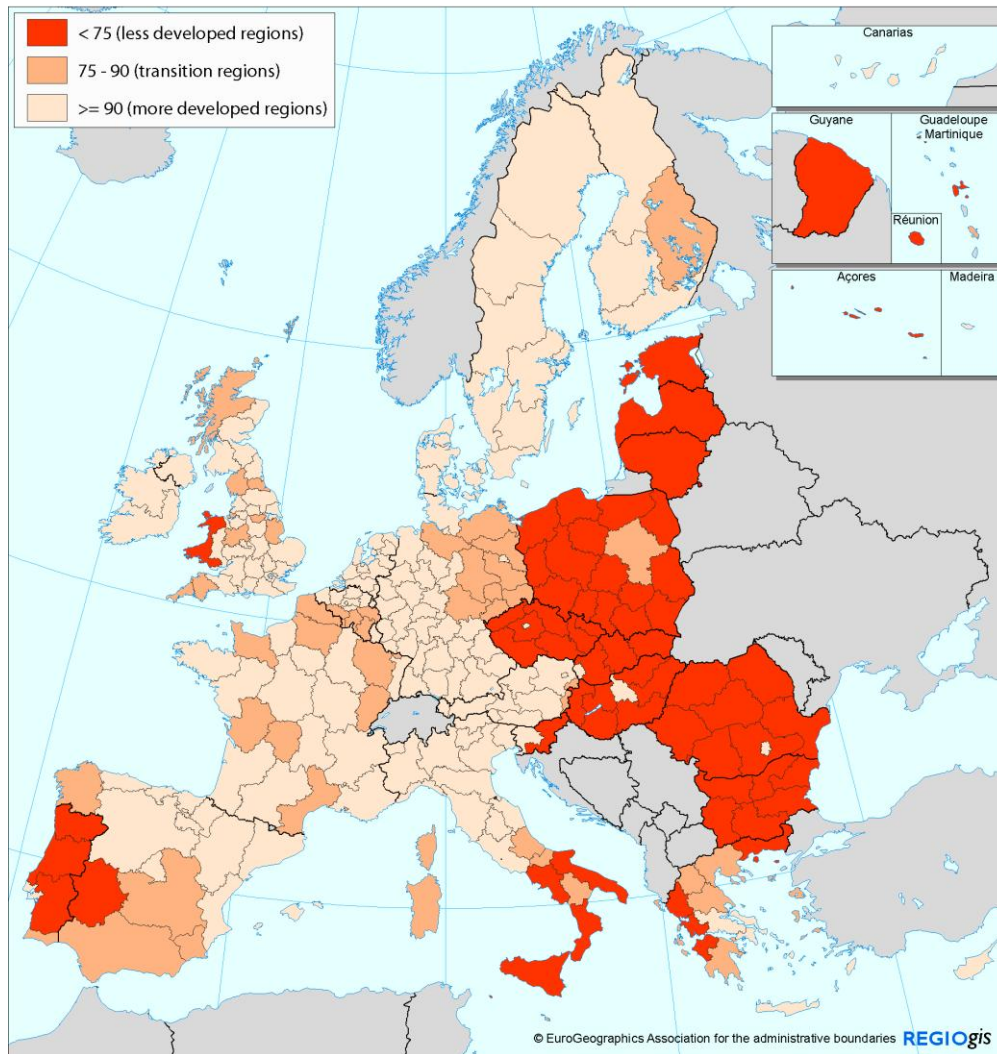
# Updated architecture of Cohesion Policy

- **Three categories of regions**
  - Less developed regions (GDP per capita < 75% of EU average)
  - Transition regions (GDP per capita between 75% and 90%)
  - More developed regions (GDP per capita > 90%)
- **Cohesion Fund for Member States with GNI per capita <90%**
- **Territorial cooperation**  
(3 strands: cross-border, transnational, interregional cooperation)



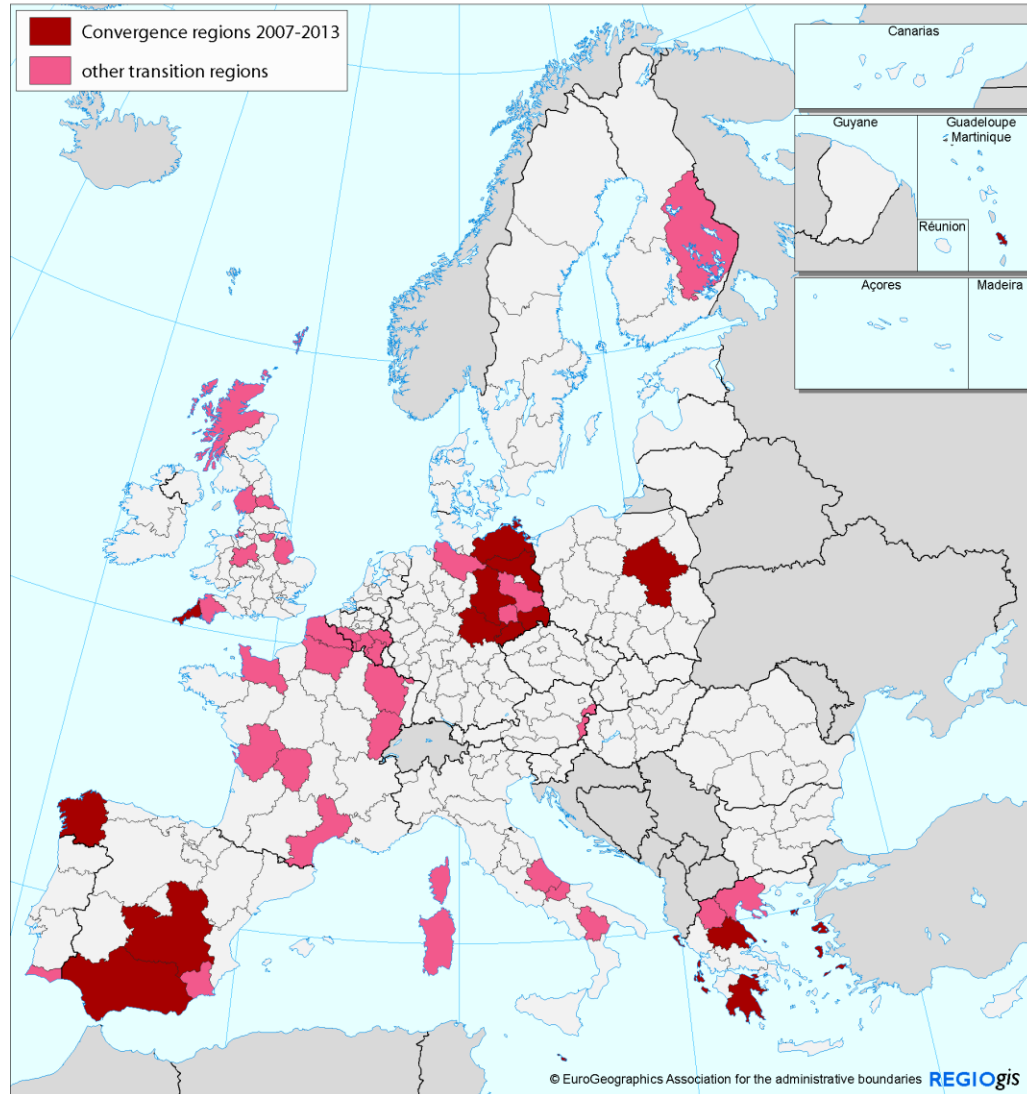
## Eligibility simulation 2014-2020

GDP/head (PPS), index EU27=100





## Transition regions, 2014-2020



Former  
Convergence  
regions will  
keep two thirds  
of their current  
financial  
allocation  
(safety net)

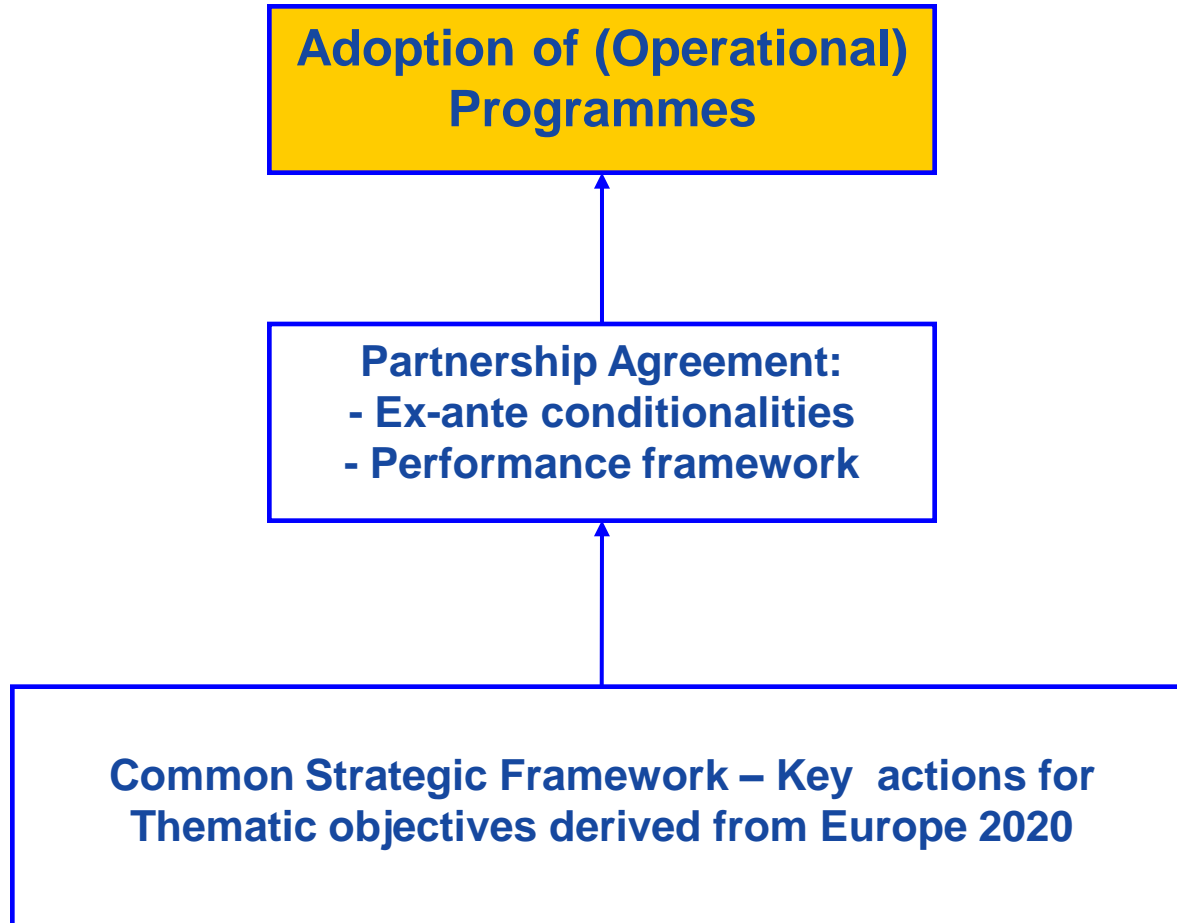


# Reinforcing the Strategic Approach

- **The Common Strategic Framework**
- **The Partnership Agreement**
- **Thematic concentration**
- ***Ex ante* and Macroeconomic conditionality**
- **Performance framework**



# Strengthening the Strategic Approach



# The Common Strategic Framework

## Aim and Rationale



- Sets a comprehensive investment strategy for cohesion policy at EU level
- Translates the targets and objectives of Europe 2020 into investment priorities for Member States and regions
- Ensures better coherence and consistency with the National Reform Programmes
- Covers cohesion, rural development and fisheries policies and coordination with other EU instruments
- Sets key territorial challenges related to territorial cohesion, in particular in relation to rural, urban and coastal areas and areas with particular territorial features (sparsely populated areas, outermost regions)





# Thematic Objectives to Deliver Europe 2020

- **Strengthening research, technological development and innovation**
- **Enhancing access to, and use and quality of, information and communication technologies**
- **Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)**
- **Supporting the shift towards a low-carbon economy in all sectors**
- **Promoting climate change adaptation, risk prevention and management**
- **Protecting the environment and promoting resource efficiency**
- **Promoting sustainable transport and removing bottlenecks in key network infrastructures**
- **Promoting employment and supporting labour mobility**
- **Promoting social inclusion and combating poverty**
- **Investing in education, skills and lifelong learning**
- **Enhancing institutional capacity and an efficient public administration**



# The Partnership Agreement and the Programmes

- **Results from negotiation between the Commission and Member State on:**
  - Thematic objectives to address the priorities/targets established in Europe 2020
  - Specific objectives and corresponding indicators that translate Europe 2020 priorities in a national and/or regional context
  - Strategic investments
  - An integrated strategy for territorial development supported by the Cohesion Policy Funds, the EAFRD and the EMFF
  - Commitments for fulfillment of conditionalities
  - Coordination with other EU funds
- **Programmes (either thematic or regional)**
  - Translates agreement on contract into concrete investment priorities accompanied by clear and measurable targets



# Thematic concentration of resources

- **Member States and regions will be required to concentrate EU and national resources on a limited number of thematic objectives linked to the Europe 2020 strategy**
- **Transition and more developed regions will have to focus their allocation primarily on**
  - **Energy efficiency**
  - **Renewable energy**
  - **SME competitiveness and innovation**
- **Less developed regions will be able to devote their allocation to a wider range of objectives reflecting their broader development needs**

} 20 % of total

# Reinforcing Effectiveness and Performance



- **Ex-ante conditionality**
  - Conditions prior to submission of Partnership Contracts and OPs
  - Directly related to the thematic objectives
  - Specified criteria for fulfillment
- **Reinforced macroeconomic conditionality for the Funds**
  - Closer and gradual link between cohesion policy and the economic governance of the Union
  - Decisions on suspensions – proportionate, effective and should respect equality of treatment between Member States

# Ex-ante conditionality



- Four types of ex-ante conditionality:
  - **Regulatory (water pricing, small business regulation)**
  - **Strategic (innovation, research, climate change)**
  - **Project planning capacity (transport, energy interconnectors)**
  - **Institutional (budget planning, public procurement)**

# Performance framework



- Sets out milestones/indicators for performance of programmes
- Focuses on the achievement of Europe 2020 objectives
- A performance reserve of 5% - allocated depending on progress on the milestones
- If unsatisfactory performance - warning, reprogramming of resources, or suspension of funds

# Simplification



## Common rules - funds covered by Common Strategic Framework

- Cohesion Policy, rural development and maritime & fisheries policy

## Option of multi-fund programmes

- ERDF, ESF and Cohesion Fund

## Streamlined delivery system

- Harmonised rules on eligibility and durability
- Greater use of simplified costs
- Linking payments with results
- e-Cohesion: “one stop shop” for beneficiaries
- Proportional approach to control

# Strengthening Territorial Cohesion



- **Integrated approach to community-led local development**
  - Facilitates integrated investment by small communities including local authorities, NGOs, and economic and social partners
  - Integrated local development strategies
  - Local action groups to design and implement these strategies
- **Integrated territorial investments**
  - Investments under 1 or more Operational Programmes can take the form of integrated territorial investments
  - Requires urban development strategy or other territorial strategies or pacts



# The Cohesion Policy Reform In a nutshell



- **Concentrating funding on a smaller number of priorities**
- **Focusing on results**
- **Increasing the use of conditionalities**
- **Monitoring progress towards agreed objectives**
- **Simplifying the delivery system**

# Future Steps: From Decision-Making Towards Implementation



- Current Interinstitutional Negotiations
- Provisional Agreements on most of the negotiation blocks: Programming, Territorial Development, Management and Control, Monitoring and Evaluation, Major Projects, Eligibility
- Still open: Political MFF related issues: Macroeconomic Conditionality, Performance Reserve, Pre-financing and Co-financing