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?

Policy development

Council

EU actors

European Parliament

Regional Lobby/CoR

Member States

European Commission

Beneficiaries

Net contributors

Regions

Policy learning: Europeanization of regional policies

“less EU cohesion policy”

“more 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

**Design**
- Agenda setting and lobby formation
- Commission +++
- Member states/Council +, EP+, regions, NGO

**Legislation/budget negotiations**
- Package deals, fine tuning of rules
- Member states/Council +++, EP +++
- Commission ++, regions, NGO

**Implementation**
- Project selection, control, evaluation
- Member states +++, regions +++
- Commission +, NGO +

**Programming**
- Member states +++, regions +++
- Commission +++
- NGO +
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)


"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)
2/3 of regional programmes in 4 countries (DE, IT, ES, FR) and 15 countries without any regional programme

Source: European Commission, own calculations (2015)
Regions will **manage 70%** of the about 540 ESI Funds’ programmes totalling just **37% of EU funding** (EUR 351 billion).

Source: European Commission, own calculations (2015)
50% of regional ESIF programmes have a size between 100 and 500 million EUR of EU funding.

Source: European Commission, own calculations (2015)
Integrated Territorial Investments (ITI) programmed by member state in million EUR

Source: European Commission, DG REGIO (2015)
Sustainable urban development programmed by member state according to Art. 7 of the ERDF Regulation, in % of national ERDF allocation

Source: European Commission, DG REGIO (2015)
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

<table>
<thead>
<tr>
<th>Category</th>
<th>2014-2020 on latest GDP</th>
</tr>
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<tbody>
<tr>
<td>Less developed</td>
<td>126 - 135</td>
</tr>
<tr>
<td>Transition</td>
<td>68 - 95</td>
</tr>
<tr>
<td>More developed</td>
<td>305 - 269</td>
</tr>
<tr>
<td>Total</td>
<td>499 - 499</td>
</tr>
</tbody>
</table>

Source: European Commission, DG REGIO (2015)
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

End-2017: 7th Cohesion Report including public consultation on post-2020 policy design

By mid-2018 (tbc): Commission to present 2021-2027 (?) budget and legislative proposals