



## HIGH LEVEL GROUP REFLECTING ON FUTURE COHESION POLICY

### REPORT OF FIRST MEETING OF 2<sup>ND</sup> OCTOBER 2009

#### 1. INTRODUCTION

On 23-24 April 2009, Ministers responsible for Cohesion policy met in Mariánské Lázně to discuss future policy directions and delivery systems. Danuta Hübner, then Commissioner for Regional Policy, also attended this meeting at which she presented a Reflection Paper on future Cohesion policy and announced the establishment of a High Level Group reflecting on future Cohesion Policy (HLG).

The first meeting of this HLG took place on 2<sup>nd</sup> October 2009, bringing together Commission services (Directorate-General for Regional Policy, Directorate-General for Employment and Social Affairs, CABINET Samecki) and high level government experts from the 27 Member States. The first session of the meeting was devoted to discussion about organisational matters: the mandate and work programme for the group. Subsequent sessions provided an opportunity for a broad discussion about future policy directions.

#### 2. CONTEXT

Preparation for future Cohesion policy started in 2007, with the launch of the 4<sup>th</sup> Cohesion report and its subsequent public consultation. Further milestones in the preparation for the future to date include: the 5<sup>th</sup> and 6<sup>th</sup> Progress Reports on Economic and Social Cohesion, the Green Paper on Territorial Cohesion and subsequent public consultation, the working paper on regions 2020, Commissioner Hübner's reflection paper on future Cohesion policy and the independent expert report by Fabrizio Barca.

Future directions of the policy have been discussed in various *fora*, including the Cohesion forum, the various events organised around the publication of the Barca report, conferences organised at EU, national and regional level and the annual Open Days.

However, there has not yet been an opportunity for the Commission to discuss either the broad directions of future Cohesion policy or specific topics, such as territorial cooperation, with high level government experts from the Member States in an informal, yet structured manner.

The HLG has therefore been established as an informal platform to support the work of the Commission in developing the main building blocks of future Cohesion policy. The tasks of the HLG will be to discuss future policy directions, to ensure

transparency between the Commission and Member States and to offer a possibility to contribute to the preparatory process and to exchange between colleagues with similar responsibilities. It will not constitute a pre-negotiation exercise.

The HLG will not duplicate or replace the informal expert group on simplification, which has contributed to the work on simplification of the regulations for the current programme period 2007-2013. The informal expert group on simplification is currently focusing on practical management and audit issues of the current programme period.

### **3. ORGANISATION**

It is planned that meetings of the HLG will take place four times a year i.e. twice under each Presidency. In general, the format of the meeting will be that high level government experts from the national ministries responsible for Cohesion policy are asked to give their views on issues or questions raised in a discussion document or documents presented by the Commission. Experts may also contribute input in writing at their own initiative.

All Member States are members of the HLG. The European Commission is a member of the HLG, gives technical support and ensures the secretariat.

The Commission wished to establish the group on the basis of one specific high level government expert per Member State in order to keep the group small and informal, and to ensure continuity of debate. Some government experts agree with this approach, while others would prefer to be supported by either experts or alternates. In order to accommodate these different preferences, the Commission proposed that invitations would continue to be limited to one government expert and to urge limited and continuous participation. However, that Member States could decide to send an alternate or, at their own expense, up to one further government expert in a supporting role.

In view of the importance of the question of improved future coordination between policy areas, several government experts welcomed the participation of the Directorate-General for Employment and Social Affairs and emphasised that other Commission services should attend future meetings as appropriate, in particular the other Directorates-General dealing with shared management and / or relevant sectoral policies. The Commission accepted this suggestion and undertook to follow up this issue with the other Directorates-General.

The European Parliament, Committee of the Regions and the European Economic and Social Committee will be kept informed about the work of the group through regular exchange of information.

### **4. FUTURE COHESION POLICY DIRECTIONS**

Further to the discussion at the Ministerial meeting of 23-24 April, and to the discussions and reaction on the Barca report, Commissioner Samecki, Mrs Hübner's successor, announced on 2<sup>nd</sup> September that he will publish a policy orientation paper this November. In this context, a number of broad questions on future Cohesion policy directions were identified on which the opinions and contributions

of the members of the HLG were sought. These included questions about the mission of the policy, its objectives and priorities and its delivery. Government experts were invited to present not only broad political views but also to make practical suggestions on what could be retained and what might be changed.

The main points were as follows:

- The EU needs a territorial development policy and this is provided in the shape of Cohesion policy. Cohesion policy is not simply a means of redistribution but should be seen in the broader context of integration processes, especially the single market.
- Cohesion policy is not just about competitiveness but also about solidarity and providing a way to address new challenges, such as globalisation, demographic change, climate change and energy security.
- Cohesion policy has a role to play throughout the entire territory of the Union, with a focus on poorer regions. Reference was made in this context to the communiqué adopted by Ministers at the informal meeting at Mariánské Lázně on 23-24 April 2009.
- More attention might be paid in future to urban and rural areas; however, there is not support for a future fragmentation of the policy into different functional territorial areas; rather, this should be treated within one single approach.
- Effective institutions are vital in delivering policy goals and Cohesion policy can help to support or optimising their effectiveness. There is some reticence about the idea of applying incentives and conditionalities in this context.
- Coordination and complementarity between Cohesion policy and sectoral policies should be improved both at EU and national level. Demarcation between these policies is not a useful or simple way to proceed.
- There is agreement that the strategic dimension of Cohesion policy is important; however, there are differences of opinion as to whether the previous reforms strengthened this adequately or whether more needs to be done. The strategic dimension could be strengthened by placing Cohesion policy as part of the answer to achieving the EU's social and economic goals.
- In this context, there is a continued debate about flexibility as opposed to focus and how a situation of flexibility at EU level with focus at national and regional level based on territorial needs and potentials could be concretised into policy and programmes.
- European Territorial Cooperation provides a clear European added-value, however, there are important issues which need to be considered in its future development; namely: options for strengthening ETC; placing any strengthening of ETC in the context of a more focused policy; better linkage of ETC to delivery of other objectives; the macro-regional approach with specific reference to the Baltic Sea Strategy; and governance and delivery mechanisms, including to what extent EGTC provides or does not provide a solution.
- It is necessary to develop fairer, smoother transition measures.

- There needs to be further discussion of management and control issues as problems with these constitute a constraint on the future development of the policy.

## **5. NEXT STEPS**

The next meeting will take place on 3<sup>rd</sup> December and focus on European Territorial Cooperation. This topic has been chosen because there has already been a certain amount of preparatory work undertaken, because it is a subject which is not directly constrained by the work on the forthcoming Budget Review and because it does not usually get enough attention in the context of the negotiations.

On the request of the government experts, one session of 3<sup>rd</sup> December meeting will be dedicated to Commissioner Samecki's orientation paper.

Future topics for discussion in 2010 are likely to include management and control, proportionality, local development, institutions.