



HIGH LEVEL GROUP REFLECTING ON FUTURE COHESION POLICY

REPORT OF SECOND MEETING - 3RD DECEMBER 2009

1. INTRODUCTION

On 23-24 April 2009, Ministers responsible for Cohesion policy met in Mariánske 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 2nd October 2009 and was dedicated to organisational matters and a broad discussion about future policy directions.

The second meeting of the HLG took place on 3rd December 2009. It was chaired by Katarína Mathernová, Deputy Director-General of DG Regional Policy and was attended by Member State experts and by Commission representatives from the Samecki and Špidla Cabinets and from the Directorates-General for Agriculture and Rural Development, Budget, Employment, Social Affairs and Equal Opportunities, Energy and Transport, Enterprise and Industry, Environment, Maritime Affairs and Fisheries, Regional Policy, Research and the Secretariat-General. Member State experts welcomed the broad representation from the Commission as an important development in helping to discuss post-2013 Cohesion policy in a wider context covering the relationship with other policies.

During the first part of the meeting, Commissioner Samecki presented his Orientation paper on future Cohesion policy and participated in a discussion with the Member State experts on the paper. The second part of the meeting was dedicated to presentation by a representative of the Secretariat-General of the consultation paper on 'EU2020' – the successor to the Lisbon Strategy – and to discussion of this consultation paper and the strategic alignment of Cohesion policy with the future Lisbon Strategy.

2. COMMISSIONER SAMECKI'S ORIENTATION PAPER ON FUTURE COHESION POLICY

Commissioner Samecki presented his Orientation paper, emphasising that the document sets out his personal views and does not represent in any way an official position of the European Commission or DG Regional Policy. The Orientation paper is available at:

http://ec.europa.eu/regional_policy/newsroom/pdf/pawel_samecki_orientation_paper.pdf

Commissioner Samecki's speech is available at:

The main points of the discussion were as follows:

- Member State experts congratulated Commissioner Samecki on the paper and welcomed his initiative, with several considering the paper to be a much-needed response to recent criticisms of Cohesion policy.
- Member State experts welcomed the link highlighted between Cohesion policy and the broader context, emphasising that Cohesion policy is a development policy and tool to help achieve EU goals by enabling all regions to unlock their potentials and make the most of territorial assets.
- Many Member State experts reiterated the position stated in the October meeting of the HLG that, while most attention should be paid to 'lagging' regions (< 75 % EU GDP) and 'transitional' regions (emerging from 'lagging' status), future Cohesion policy is a place-based policy which should enable all EU regions to make the most of their territorial assets. Reference was made to OECD work on the place-based integrated approach to development, and also to a need to define the weight of territorial cohesion in relation to the economic and social pillars of cohesion set out in the Treaty on the Functioning of the European Union.
- There was agreement on the need for concentration of resources on a limited number of priorities; however, this concentration should not be determined at EU level as one size does not fit all – Member States and regions should be given the flexibility to determine the policy mix most appropriate to their specific needs and assets. Care should be taken that concentration does not lead to a purely sectoral approach.
- There were mixed views as to the extent to which the green economy can be addressed through Cohesion policy – all would support better policy integration but not all would support the green economy as a distinct or separate goal of the policy.
- There were mixed views on whether future eligibility should be determined by GDP alone: some consider that a wider indicator (e.g. quality of life, new challenges) might be applied while others considered that the focus should remain on GDP as this best reflects different regional capacities.
- There was agreement about the need for more evidence-based policy making and better focus on performance and results; however, questions were raised as to how this can be achieved in practice - for example, how to establish and measure indicators. Some experts expressed doubts about the repetition of the performance reserve, based on their experience of the 2000-2006 programming period. There was a concern that a performance-based system should not lead to additional bureaucracy.
- A more high level political debate on Cohesion policy could help support an increased focus on results. However, not all experts considered that this should be held within the General Affairs Council as the ministers responsible for Cohesion policy would not usually be in attendance. Alternative suggestions

included an informal ministerial meeting and a meeting of Cohesion policy ministers in the fringes of the General Affairs Council.

- Several participants referred to Cohesion policy's unique and well-established multi-level governance delivery system with demonstrated positive spill-over effects in public administrations across the EU, and emphasised that these aspects cannot be overlooked when considering alternative ways or mechanisms to deliver policy goals.
- The current delivery system has been simplified and provides a certain measure of flexibility: the future delivery system should remain flexible and the scope for further simplification should be carefully examined. On the one hand, many stated that there is a need for further and bolder simplification through, for example, application of differentiation/proportionality, and more responsibility for financial implementation given to Member States under the Treaty on the Functioning of the European Union. On the other hand, some warned that too many regulatory changes in order to simplify can themselves bring complexity and that too much discussion of simplification can help to encourage perceptions of complexity.
- There was agreement on the need for improved coordination and a more strategic approach: some agreed with the ideas of a single strategic framework and better alignment of funding instruments put forward in the paper, while others highlighted that this might be difficult to achieve in practice due to fundamental differences between policy areas (in particular with regard to implementing rules).

3. EU2020

Gerard De Graaf, Head of the Strategic Objective Prosperity Unit at the Secretariat-General, gave a presentation on the consultation document on the successor to the Lisbon Strategy - 'EU2020' – which was launched by the European Commission on 24th November 2009 and has a deadline for responses of 15th January 2010. He set out the main points of the document and invited Member State experts to respond in writing as soon as possible. The consultation document is published on the European Commission's website at:

<http://ec.europa.eu/eu2020/>

Katarína Mathernová also invited experts to respond during the meeting to a number of questions relating specifically to the question of the strategic alignment of Cohesion policy with EU2020. These questions concerned lessons from the current period, the future role of Cohesion policy, how 'EU2020' might contribute to strengthened territorial cohesion and how to ensure efficient subsidiarity and ownership.

The main points of the discussion were as follows:

- The opportunity to discuss policy before funding was welcomed, although there were some criticisms of the short timetable for response to the consultation.

- Several experts said that Cohesion policy should be more closely aligned to the Lisbon Strategy, while others emphasised that alignment of Cohesion policy should not be understood as its subordination – rather that Cohesion policy is part and parcel of the Lisbon Strategy.
- There was a general view that, notwithstanding some initial scepticism, the 'Lisbonisation' of Cohesion policy has succeeded in the current period. Some gave examples of how the Lisbon Agenda has contributed to better focusing of investments and to resolving local political disagreements about investments. Several experts mentioned that the earmarking exercise had increased the quality of programming. Some of the interventions highlighted that earmarking can emphasise a sectoral approach at the potential expense of an integrated approach, and that there is a need to ensure that auditors as well as other actors are equally focused on EU goals rather than only on compliance matters.
- There was criticism that the EU2020 consultation document does not give enough attention either to Cohesion policy or to the regional and local dimensions. Similarly, several experts highlighted that the EU2020 consultation document does not address or mention territorial cohesion except in relation to industrial policy, whereas territorial cohesion is a new pillar included in the Treaty on the Functioning of the EU and should be taken to mean a situation where all territories (industrial or not) can use their potential to achieve EU goals. Territorial impact of all policies should be considered in the future – not only Cohesion policy.
- Referring back to the morning's discussion, several experts emphasised that Cohesion policy already applies an integrated rather than sectoral approach, taking into account overall EU goals and objectives as well as regional circumstances and that it is better to use existing instruments than to introduce new ones.

Mr De Graaf thanked the experts for their contributions and highlighted that discussion on the successor to the Lisbon Strategy had begun following the spring 2008 General Affairs Council. The consultation document is not meant to be exhaustive or to treat implementation or funding issues. It is important that a wide range of stakeholders contribute, and do so as soon as possible, in particular on implementation issues. DG Regional Policy will be involved in the evaluation of the responses to the consultation document.

4. NEXT STEPS

Several Member State experts expressed a wish to have another opportunity to discuss the ideas in Commissioner Samecki's orientation paper and requested that some or all of a future meeting be dedicated to this. In this context and with a view to enabling a focused discussion at the next meeting, Member State experts were requested to highlight which issues/parts of the paper they wished to discuss more concretely. In the meantime, written responses to Commissioner Samecki's orientation paper could also be sent.

With regard to the consultation on 'EU2020', Member State experts were encouraged to respond as soon as possible, and to encourage other stakeholders to respond. The final deadline for contributions is 15th January 2010.

Proposed dates for the 2010 meetings of the HLG were briefly discussed and Member State experts were invited to send any comments on the schedule for the draft work programme by email.