

Opinion of the European Economic and Social Committee on the ‘Proposal for a Regulation of the European Parliament and of the Council on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal’

COM(2011) 611 final — 2011/0273 (COD)

(2012/C 191/09)

Rapporteur: **Mr PÁLENÍK**

On 25 October 2011 the European Parliament, and on 27 October 2011 the Council, decided to consult the European Economic and Social Committee, under Articles 178 and 304 of the Treaty on the Functioning of the European Union, on the

Proposal for a Regulation of the European Parliament and of the Council on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal

COM(2011) 611 final — 2011/0273 (COD).

The Section for Economic and Monetary Union and Economic and Social Cohesion, which was responsible for preparing the Committee’s work on the subject, adopted its opinion on 3 April 2012.

At its 480th plenary session, held on 25 and 26 April 2012 (meeting of 25 April 2012), the European Economic and Social Committee adopted the following opinion by 162 votes to 5 with 14 abstentions.

1. Summary of the EESC’s conclusions and recommendations

1.1 On 29 June 2011, the European Commission adopted a proposal for the next multi-annual financial framework for the period 2014–2020: a budget for delivering the Europe 2020 strategy. In it, the Commission decided that cohesion policy should remain an essential element of the next financial perspective and should support the Europe 2020 strategy.

1.2 European territorial cooperation is one of the goals of cohesion policy and provides a framework for the implementation of joint actions and policy exchanges between national, regional and local actors from different Member States.

1.3 The Commission sets out numerous examples of added value and of growth- and job-creating investment that could not have happened without the support of the EU budget. However, the results of its evaluation also show the effects of lack of focus and prioritisation. Investment for growth is all the more important at a time when public funds are scarce in the Member States.

1.4 European territorial cooperation is of particular importance because of its nature and role as part of cohesion policy. It contributes to cooperation at cross-border, transnational and interregional level.

1.5 The proposed distribution of financial resources between the different components of European territorial cooperation, i.e. between cross-border, transnational and interregional cooperation, provides sufficient financial capacity for each of them.

1.6 The EESC also supports the trend towards thematically focused intervention and investment priorities within each cooperation component, although it is important to take into account the specificities and needs of individual countries and regions.

1.7 The EESC welcomes and supports the attempt to simplify the rules at all the levels involved: beneficiaries, programme authorities, participating Member States and third countries, as well as the Commission.

1.8 The EESC particularly welcomes the unification of managing and certifying authorities, the simplification of the declaration of costs, electronic reporting and the production of annual reports in 2017 and 2019 only.

1.9 The establishment of common indicators (set out in the annex to the regulation) for evaluating the concrete outputs of individual programmes is also a significant element, enabling a better assessment of the results and effectiveness of particular structural interventions.

1.10 The EESC supports the direct involvement of civil society in the whole programming cycle (programming, implementation, monitoring and evaluation) on a basis of equal partnership.

1.11 The involvement of civil society stakeholders is also important in smaller projects, which have the potential to increase the added value of intervention, particularly in relation to cross-border cooperation.

1.12 Technical assistance should be used primarily to increase the absorption capacity of all parties to European territorial cooperation, so as to support the effectiveness of administrative capabilities without additional administrative burdens.

2. Main elements and background to the opinion

2.1 The legal framework for the implementation of cohesion policy is Article 174 of the Treaty on the Functioning of the European Union (TFEU).

2.2 According to Article 175 TFEU, Member States must conduct their economic policies and coordinate them in such a way as to attain the objectives set out in Article 174. The formulation and implementation of the Union's policies and actions and the implementation of the internal market must take into account the objectives set out in Article 174 and contribute to their achievement.

2.3 The aims of the European Social Fund, European Regional Development Fund and Cohesion Fund are defined in Articles 162, 176 and 177 TFEU.

2.4 Article 174 TFEU states that particular attention must be paid to rural areas, areas affected by industrial transition and regions which suffer from severe and permanent natural or demographic handicaps, such as the northernmost regions with very low population density and island, cross-border and mountain regions.

2.5 Article 349 TFEU states that specific measures must be adopted to take account of the social and economic situation of the outermost regions, which is exacerbated by certain specific features which severely restrain their development.

2.6 On 29 June 2011, the Commission adopted a proposal for the next multi-annual financial framework for the period 2014–2020: a budget for delivering the Europe 2020 strategy. In it, the Commission decided that cohesion policy should remain an essential element of the next financial package and underlined its pivotal role in delivering the Europe 2020 strategy.

2.7 The proposal is part of the cohesion policy legislative package⁽¹⁾ for the 2014–2020 period. European territorial cooperation is one of the goals of cohesion policy and provides a framework for the implementation of joint actions and policy exchanges between national, regional and local actors from different Member States.

⁽¹⁾ The Proposal for a Regulation of the European Parliament and of the Council on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal and the Proposal for a Regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006 (COM(2011) 615 final) together constitute the main legislative framework and the basis for discussion of the future shape of cohesion policy for the period 2014–2020.

2.8 The Commission's evaluation of past cohesion policy spending has identified many examples of added value and of growth- and job-creating investment that could not have happened without the support of the EU budget. However, the results also show the effects of dispersion and lack of prioritisation. At a time when public money is scarce and when growth-enhancing investment is more needed than ever, the Commission has decided to propose important changes to cohesion policy.

2.9 European territorial cooperation is of particular value because:

- Transboundary problems can most effectively be solved with the cooperation of all regions concerned to avoid disproportionate costs for some and free-riding by others (e.g. cross-border environmental pollution).
- Cooperation can provide an effective mechanism for sharing good practice and learning to spread know-how (e.g. enhancing competitiveness).
- Cooperation can ensure that a solution to a specific problem becomes more effective due to economies of scale and the achievement of a critical mass (establishment of clusters to foster research and innovation).
- Governance can improve as a result of coordination of the sector policies, actions and investments on a cross-border and transnational scale.
- Relations with EU neighbours through cooperation programmes on the EU's external borders can contribute to safety and stability, and mutually beneficial relationships.
- In some contexts, such as sea basins and coastal regions, cooperation and transnational action are indispensable to support growth, employment and eco-system-based management.
- It creates the conditions for the implementation of macro-regional development strategies.

3. General comments

3.1 The EESC supports the Commission's aim of presenting the specificities of European territorial cooperation more clearly

in a separate regulation and so facilitating both its implementation and the definition of the scope of the ERDF with regard to the European territorial cooperation goal ⁽²⁾.

3.2 The clear distribution of financial resources between the different components of European territorial cooperation, i.e. between cross-border, transnational and interregional cooperation, provides sufficient financial capacity for each of these. It is clear from this distribution that the greatest emphasis is laid on cross-border cooperation (73.24 % for cross-border cooperation, 20.78 % for transnational cooperation and 5.98 % for interregional cooperation). The financial allocation for the outermost regions is also appropriate.

3.3 In relation to the outermost regions (e.g. the French overseas departments), it would be useful to identify more explicitly their neighbours and hence potential partners.

3.4 The EESC also supports the trend towards thematically focused intervention and investment priorities within each cooperation component ⁽³⁾. However, flexibility is also important in this area and the needs of particular countries must be taken into account in accordance with the principle of subsidiarity.

3.5 The focus on specific priorities within thematic areas and their selection in accordance with the needs of individual European territorial cooperation programmes (projects) could also help with the goal of increasing the value added of European territorial cooperation.

3.6 The EESC welcomes and supports the attempt to simplify the rules at all the levels involved: beneficiaries, programme authorities, participating Member States and third countries, as well as the Commission. Simplification of administrative procedures could significantly increase the value added of cohesion policy under European territorial cooperation ⁽⁴⁾.

3.7 However, the simplification of the rules must also be implemented consistently at national and regional level, so as to avoid excessive administrative burdens. The EESC recommends that the European Commission should, within

the limits of its powers and capacities, monitor and actively reduce the creation of excessive administrative burdens at national and regional level.

3.8 An important element when it comes to monitoring and evaluation is the creation of a common framework for drawing up the 2017 and 2019 annual reports and their focus on the outcomes identified in Article 13(3) of the Regulation on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal.

3.9 The establishment of common indicators (set out in the annex to the regulation) for evaluating the concrete outputs of individual programmes financed under the European territorial cooperation goal is also a significant element, enabling a better assessment of the results and effectiveness of particular structural interventions.

4. Specific comments

4.1 The EESC welcomes the Commission's attempts to simplify the rules. It particularly welcomes the unification of managing and certifying authorities, the simplification of the declaration of costs, electronic reporting and the production of annual reports in 2017 and 2019 only.

4.2 Experience in the field of territorial cooperation in the Member States shows that greater involvement of civil society is important, particularly so that the financial resources intended for intervention in this area are directed towards civil society projects.

4.3 The Committee supports the direct involvement of civil society, on a basis of equal partnership, in the whole programming cycle:

— strategic analysis and programming,

— implementation of projects, and

— monitoring and evaluation.

4.4 In this context, it would be appropriate to consider setting aside part of the funding used for projects aimed at local and regional authorities (i.e. for the needs of regional governments) and at different civil society stakeholders. In certain fields, local and regional authorities should invite organised civil society to take part in project partnerships as early as the project preparation stage.

⁽²⁾ See also the EESC opinion on the European Grouping of Territorial Cooperation – Amendments (See page 53 of this Official Journal).

⁽³⁾ The principle of thematic focus was endorsed by the EESC opinion on the Fifth Cohesion Report, OJ C 248, 25.8.2011, p. 68, points 2.2.5 and 6.14. The EESC has also long insisted on the need for simplification of administrative and accounting procedures, for example in its opinion on efficient partnership in cohesion policy, OJ C 44, 11.2.2011, p. 1 and, once again, in its opinion on the Fifth Cohesion Report, OJ C 248, 25.8.2011, p. 68.

⁽⁴⁾ Simplification of the cohesion policy rules has been the subject of a number of EESC opinions, including OJ C 248, 25.8.2011, p. 68 and OJ C 44, 11.2.2011, p. 1.

4.5 In line with the partnership principle⁽⁵⁾, it is important to focus on supporting civil society stakeholders with specific projects (e.g. micro-projects) that have the potential to increase the added value of intervention under territorial cooperation (particularly in the field of cross-border cooperation) and so include smaller civil society entities in cooperation.

4.6 The EESC underlines the need to ensure better information and publicity in the Member States about these instruments and regulations. Similarly, it is important to provide examples of good practices from projects that have already taken place.

4.7 It is also important to consider the involvement and role of private non-profit entities as lead partners in projects.

4.8 Technical assistance under the European territorial cooperation goal should be used to increase the absorption capacity of potential final recipients of support and to increase the effectiveness of managing authorities' administrative capabilities, with a focus on eliminating excessive administrative burdens.

Brussels, 25 April 2012.

The President
of the European Economic and Social Committee
Staffan NILSSON

⁽⁵⁾ This principle has been supported by the EESC's opinions OJ C 248, 25.8.2011, p. 68 and OJ C 44, 11.2.2011, p. 1 and in public statements by EESC representatives in Gödöllő in June 2011 and Gdansk in October 2011.