

Working Group 2

EVERYDAY PERSPECTIVES OF THE COHESION POLICY

Discussion paper

prepared for the Second Macro-Regional Citizen Agora

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A. CURRENT CHALLENGES

The future of Cohesion Policy, one of the biggest and politically most important items in the EU budget, is now under scrutiny in all European institutions. This policy has driven social and economic progress across the Union through investments tailored to the unique needs of each region. Its future directions and priorities are of paramount importance to every Member State.

Back in 2023 the European Commission established a group of high-level specialists on the future of Cohesion Policy. In their final report, published in February 2024, the role of Macro-Regional Strategies (MRS) is seen positively. In its 9th Cohesion Report published in March 2024, the Commission shows that the Cohesion Policy continues to narrow the gaps in EU regions and Member States. The document highlights the importance of macro-regional strategies and Interreg programmes in the Cohesion Policy.

The Draghi Report underscores the importance of reducing regional disparities to ensure balanced growth across the EU. Regarding Cohesion Policy, Draghi advocates for targeted investments in less developed regions to enhance their infrastructure, education, and technological capabilities.

Enrico Letta, who was tasked by the European Commission to write a report on the future of the single market, confirms that economic, social and territorial cohesion should continue to be the central objective of this single market. About the future of Cohesion Policy, the Letta Report argues it is crucial to ensure that all regions have high-level services of general interest and have the possibility to be an attraction point, in particular for young people.

B. REGIONAL PERSPECTIVE

It is essential for the 4 macro-regions (Baltic Sea Region, Danube Region, Adriatic and Ionian Region, Alpine Region) to be active players in the ongoing discussions. As civil society organisations (CSOs) play a vital role in contributing to better decision-making, presenting new ideas and proposals for better governance on different levels, their involvement is also imperative. CSOs often bring together professional research and project management teams with a good knowledge and clear understanding of particular issues in their macro-regions.

It is all the more important to take into account the perspective of macro-regions, as the European Commission's report calls for a Cohesion Policy without borders and says that the existing Policy in the EU seeks to promote cross-border integration and drive cross-border cooperation. However, cooperation is not always smooth, and difficulties frequently emerge, the report admits. In fact, legal and administrative barriers remain the main obstacle to cross-border cooperation.

As one of the largest components of the EU budget, Cohesion Policy will be a prime concern in the debate about the next Multiannual Financial Framework. With the mid-term evaluation for the 2021-2027 period in play, the debate and planning for the next period have already started and are expected to intensify in 2025.

“European cohesion is about bringing Europe closer to citizens and bring Europeans closer to each other,” writes European Commission President Ursula von der Leyen in the Mission Letter to Raffaele Fitto, Executive Vice-President-designate for Cohesion and Reforms. She adds: “I expect you to visit projects, raise awareness, strengthen communication and speak with people on the ground to see how we can improve implementation and better cater for their needs.”

The Mission Letter also emphasizes: “You should work on designing a strengthened, modernised cohesion and growth policy, working in partnership with national, regional and local authorities. As part of the next EU long-term budget, cohesion policy should be aligned to wider EU priorities, be more focused, simpler and more impactful and help mobilise reforms and investments.” The Commission’s president urges Raffaele Fitto to “ensure that people in Europe’s regions – whether in cities, coastal communities or rural areas – have real opportunities to drive growth and productivity across Europe”.

C. SUGGESTIONS FOR IMPROVEMENT

1. More targeted Cohesion Policy

Targeting too many goals at the same time hinders significant progress in individual goals. A more focused set of objectives – aligning with broader European policy goals, such as digital transition, green transition and competitiveness – would certainly strengthen effectiveness.

2. Simplifying programmes

Current inconsistencies and duplications should be eliminated. Many of the different EU grant programmes, funding instruments impacting territorial development are difficult to combine in a way which brings specific benefits on the ground.

3. Focus on poorer regions

Since 2007, the EU has distributed funds across all European regions, including the wealthiest. However, the focus should remain on less developed regions, primarily in Eastern and Southern Europe. With the next waves of EU enlargement on the horizon, including Ukraine and Western Balkan countries, fund allocation will become an even more sensitive question.

4. Strengthening the capacity for absorption

Cohesion Policy funds are planned for longer periods, but fund utilisation has definitely slowed. This means slower decision-making at the European level, and challenges in effective fund utilisation at the regional level. The absorption capacity is particularly low in the poorest regions.

5. Delivering results

EU funding programmes should be able to prove results on the ground rather than just monitor spending. A more result-oriented approach would help to demonstrate the real value of Cohesion Policy to the citizens – as well as to decision-makers and politicians.

6. Addressing demographic challenges

Ageing populations, declining fertility and birth rates, brain drain, and urban-rural disparities are among the demographic challenges impacting Europe's competitiveness. As the demographic trends differ across Member States and regions, it is key to develop place-based projects taking into territorial characteristics.

7. Developing social infrastructure

The ongoing economic crisis and the impact of globalisation have hit Europe hard. As a result, large sections of the European population are living under difficult conditions. To successfully respond to the current situation, the Cohesion Policy needs to support a robust development of the EU's social infrastructure.

8. Coordination with national policies

Cohesion Policy is not Europe's only instrument for structural development, many Member States have their own policies with national scope. A better alignment between national policies and the EU's Cohesion Policy would enhance regional development.

9. Ensuring citizen participation

Conclusions of the Conference on the Future of Europe, as well as recommendations from European Citizens' Panels must be taken into consideration when defining priorities of Cohesion Policy. This is key to ensure a culture of participative democracy and to strengthen the ownership feeling in societies across the European Union – securing a people-based, bottom-up approach.

10. Less bureaucracy

Regional funds are managed collaboratively, with Member States and regional authorities drawing up multiannual programmes incorporating inputs from a broad spectrum of regional and local stakeholders. The European Commission then reviews these plans to ensure they meet regulatory requirements before national and regional administrations begin to put them to work. This complicated system contributes to the notoriously slow administration and absorption of cohesion funds.

11. Increasing visibility of EU projects

Local stakeholders and civil society organisations should be involved to make the benefits of Cohesion Policy – and specific EU-funded projects – more visible. Explaining to citizens how Cohesion Policy makes a difference to people's lives on the ground helps to promote the European idea in all types of social groups.

References

- [Report of the High-Level Group on the future of Cohesion policy](#)
- [The 9th Cohesion Report](#)
- [Letta Report](#)
- [Resolution of the EESC – No one should be left behind, 11/07/2024](#)
- [The Draghi Report](#)

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