

Greens/EFA key demands to make cohesion policy work for the citizens and the climate

Context: On 26th and 27th June 2017, the European Commission is holding the 7th Cohesion Forum, which will be a milestone in the preparations for the future of cohesion policy post-2020. It comes at a decisive moment, closely following the Commission's March 2017 White Paper on the future of Europe, which sent an alarming signal for the future of cohesion policy. In scenario 4, 'Doing less more efficiently', cohesion policy is indeed mentioned as one of the areas where EU interventions are "perceived as having more limited added value, or as being unable to deliver on promises".

In the Omnibus regulation, the Commission has already proposed far-reaching changes to the way cohesion policy currently works, including boosting the use of financial instruments and facilitating the combination of ESI Funds with the EFSI. The Greens/EFA group recently helped to secure a clear opposition from the Parliament to the Commission's intent to co-opt cohesion spending for the Juncker Plan.

The Greens/EFA group intends to keep up the fight to defend a strong, autonomous and targeted cohesion policy. The points below outline our key demands to make cohesion policy work for the citizens and the climate. For more information, please refer to our position paper.

- 1. For us, cohesion policy is first and foremost an expression of EU solidarity. It aims at strengthening economic, social and territorial cohesion by reducing inequalities, improving the well-being of citizens and providing equal opportunities to all, regardless of where they live. It is a commitment to help each other, to cooperate with each other and to learn from each other.
- 2. We see in cohesion policy a symbol of European integration and a strong weapon against populism as it delivers tangible results to improve the quality of life for all citizens. It is a powerful tool to make Europe deliver on the ground, by combining the specific needs of a territory with the common EU objectives and priorities. In that sense it is a unique yet undervalued arrangement in EU politics. We therefore reject attempts to cut budgetary allocations, and believe that cohesion policy should continue to benefit all regions, while concentrating resources on the least and less developed ones. The most vulnerable communities should also be better targeted based on a set of social and environmental indicators complementary to GDP.
- 3. We don't need to reinvent the wheel, but to build on the positive achievements of the past years for which the Greens/EFA group has been instrumental in their adoption: partnership involvement and public participation, integrated and place-based approach, ERDF earmarking for low-carbon economy and sustainable urban development, gender equality and non-discrimination, stronger link with overarching EU priorities (ex-ante conditionalities) and EU2020 goals (thematic objectives), capacity building, etc. Those measures have shown their added value and should be reinforced in the future. In particular, an increased share of the cohesion budget should be earmarked for achieving the targets set in the COP21 agreement. Stronger gender mainstreaming and gender budgeting requirements should also be introduced.
- 4. The effective participation of local and regional authorities and all relevant partners and stakeholders is key to better aligning cohesion policy with citizens' demands and territorial needs. Yet the management of European Structural and Investment Funds (ESI Funds) is still often perceived as too complex and opaque. We need to bring cohesion policy closer to citizens and make it more transparent, by strengthening the partnership principle and introducing participatory governance and budgeting in the management and



implementation of ESI Funds. We should give more space to local initiatives and pilots, by reinforcing innovative territorial instruments such as the Community-Led Local Development (CLLD), Integrated Territorial Investments (ITI) and Urban Innovative Actions (UIA). The new EU Urban Agenda launched in May 2016 should be continued. Access to EU funding should also be improved, for instance by setting up one-stop shops in all EU Member States in order to provide holistic advice and support to citizens and SMEs wishing to participate in EU funding programmes.

- 5. Cohesion policy remains EU's main long-term sustainable investment policy. It has played an important role in tackling the financial, economic and social crisis of the past years and should continue to make European regions more resilient towards sudden shocks and all sorts of crises. It has a key role to invest in the just transition towards highly resource-efficient and fully renewables-based economies. The Paris Agreement substantially increased the level of global ambition on climate change mitigation. ESI Funds should actively contribute to the financing of Member States' integrated energy and climate plans for 2030.
- 6. No matter the size of the future EU budget, we need to make EU spending more effective. The Greens/EFA group puts a strong emphasis on combating corruption in cohesion policy, but we also believe it is time to put an end to wasteful spending and invest only in Europe's sustainable future. ESI funds should stop financing airports, motorways and fossil fuels infrastructures. We insist that both nuclear and defence sectors should be kept out of cohesion policy. Sustainability and resource efficiency should act as guiding principles for both the architecture and implementation of cohesion policy in order to avoid lock-in effects.
- 7. The Greens/EFA strongly oppose the idea of allowing Member States to transfer ESI Funds to the EFSI, and express serious concerns about the negative impact those proposals may have on cohesion policy by further diluting investment in the real economy and eroding the integrated approach. We want to strengthen the investment character of cohesion policy by responsibly determining the use of financial instruments and complementarity with other investment tools also by highlighting the result-orientation of cohesion policy, its structural orientation and strategic approach responding to public needs, whereas financial instruments and EFSI are market-driven and not closely bound to EU priorities and objectives.
- 8. Cohesion policy should never be used as a punitive tool nor as political leverage to force Member States to comply with other non-related EU policies. Such an arbitrary suspension of ESI Funds would first harm the most vulnerable ones and punish citizens and SMEs, which remain the main beneficiaries of cohesion policy, for something they are not responsible of. Only in very exceptional cases where a Member State systematically violates EU fundamental values might ESI Funds be suspended, according to article 7-1 of the Treaty of European Union.
- 9. Cohesion policy should reduce the negative effects of borders and pave the way for bringing people, administrations, businesses and academia together. An increased proportion of the cohesion budget should be dedicated to European Territorial Cooperation. As Greens, we also consider that cohesion policy should be the catalyst for ensuring continued cooperation with UK regions after Brexit, maintaining contacts and working together with its citizens towards common objectives.