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COESIONET

EUROPEAN COHESION AND TERRITORIES RESEARCH NETWORK

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Current State of Discussions and Preparations for the 2014-2020 Cohesion Policy Jean-Charles Leygues

Evolution of the Institutional Framework

The projects that are to be implemented are increasingly complex, decisions are taken at multiple levels and the infra-national level is increasingly under pressure. In such a complex environment, public policies are facing a crisis of legitimacy in terms of cohesion and the national policy tools. Everywhere, there is a trend towards decentralization, as promoted by the Structural Funds. Decentralization can take various forms but a common element is that it requires working in networks.

Coordination of Public Intervention

Sector-based public intervention represents a main obstacle and brake to the political action of cohesion. It increases disparities and privileges a handful of development poles.

There is a need to favour common effort among the various levels of decision-making and competence and to accept and recognize competencies (both public and private). This will allow us to bring all available and complementary competencies to bear on working together on a common project. And this requires genuine political will and leadership.

Added Value of Cohesion Policy?

What is the added value of cohesion policy? In a difficult economic context, structural investment may not be sustainable. There is a need for qualitative additionality for strategic orientation.

EU2020 Strategy

EU2020 Strategy remains at a very general level but everyone agrees on its main goals: environmental protection and the promotion of a sustainable and inclusive society.

If we demand that cohesion policy strengthen competitiveness and reduce disparities, we are requiring something for which it is not equipped.



How to Finance Cohesion Policy?

Discussions of how to finance cohesion policy will probably lead to maintaining financial distribution rules. Moreover it will be difficult for Member States to transfer funds to the Community level for 2014-2020. But if the Member States agree on the EU2020 Strategy, there is a need for coherence between national budgets and the strategic choices of Community policies.

Two options concerning conditionality can be discussed:

- Macro-economic conditionality on the basis of macroeconomic criteria;
- Is there a specific conditionality in the area of cohesion policy? In order for this specific conditionality to be fair, the same conditionality must be applied in all Member States. It thus requires common, clear and credible indicators. The only credible indicators are those of the structural reforms linked with the EU2020 Strategy. This implies that there should be an initial contract ("partnership contract") between the European Commission and the Member States to distribute funds at the regional level. The national partnership contract will force major strategic discussions. Subsidiarity will be organised. For the three main priorities of EU2020 Strategy we need to develop one indicator and one result objective. According to this result, funds can be reinforced or reduced.

Is There Compatibility Between or an Alternative to the Various Forms of Conditionality?

It probably will not be applied to all policies but it is certain to be applied to cohesion policy. The macro-economic sanction can only be symbolic but, given the climate of mistrust among Member States and the budget crisis, it will exist. It is not necessarily negative if it encourages the regions to make efforts to transpose Community policies in their use of structural funds and acts as an incentive for Member States to make changes that they have been reluctant to adopt.

Discussion:

- EU2020 Strategy represents general objectives acceptable to all but is not an integrated and complete strategy as such.
- What are the particular objectives of conditionality? Since inclusion and innovation also have to be taken into consideration, it can not be based on macro-economic indicators.
- Does the EU2020 Strategy meet the expectations of the new Member States or does it rather favour the countries of the "competitiveness objective"?
- What is the place of the new Member States in the process of decentralisation? Do they represent an opportunity to deprive the European Commission of responsibility to transfer the responsibility to the States?
- The European Commission establishes norms and rules but no longer refers to any dynamics of action. Isn't the European Commission facing a global crisis (financial, reference, etc.)?
- Does it mean a return to the place-based approach?
- Cohesion policy methodology seems to focus on the control and oversight rather than on new development strategies or new strategies of collective action.
- The European Commission seems to no longer be invested in the question of content. Is this explained by the position of States that say "take care of the criteria, we take care of the contents of the policies"?
- What is the role and place of the "confidence contract" between the European Commission and the Member States?
- There is a need for real political debate concerning the role of cohesion policy, which may otherwise become an indiscriminate financial tool.
- Do we want community-level governance or not?
- How to translate the EU2020 Strategy given its sector-based approach? Does the "partnership contract" help reduce the risk of sector-based cohesion policy?
- It seems that cohesion may encourage increased competitiveness, polarization and divergence: can we still talk about cohesion in that case? What is the role of territories? If we consider the convergence and reduction of disparities, it is easier to see the role of the territory.



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- What is the importance of territorialised policies if sector policies prevail? It is not only an issue of subsidiarity.
- With the new perspective of strategic alignment with Community policies based on EU2020 Strategy, there is a change in paradigm: how do Member States react to that?
- How can we have "a good" cohesion policy without a larger budget?
- What would be the nature of macro-economic conditionality? How can it be implemented in concrete terms?

