

**European Parliament**  
**Committee on Regional development**

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***"Future trends of the cohesion policy.  
Simplification of the procedures"***

Informal Meeting of Ministers of Regional Policy  
*19 February 2010*  
Zaragoza-Spain

We, in the European Parliament see its increased competences in the area of cohesion policy in terms of responsibility. We will promote all actions and proposals aiming at making Europe fully benefit from its cohesion policy. I fully agree with Commissioner Johannes Hahn that investing in regions means progress in Europe. I will focus on two issues in my presentation.

**On simplification**

As you know the European Parliament has been supporting all subsequent tranches of modification of current regulations to simplify the rules of shared management of structural funds. We supported them in all the legislature and non-legislature stages needed for the approval of the modification.

The Parliament gave proof of a high sense of responsibility in some cases not exploiting all the possibilities available in its quality of co-legislator. We have privileged the swift approval and entry into force of the proposed measures.

With regard to the third round of modifications of the General and ERDF Regulations which is ongoing, let me briefly recall.

As regards the ERDF, the REGI Committee voted in November on a text taking on board the majority of the Council amendments. The vote in plenary took place 9th February. I hope that the Council will be successful in completing its procedure as soon as possible.

As regards the General Regulation, the situation has been more complex as this file changed from assent (now consent) to the ordinary legislative procedure.

Additionally, the lack of a formal referral of the Commission proposal to the Parliament, several procedural uncertainties linked to the new provisions of the Reform Treaty and the conflict of competence raised by the EMPL Committee in the Parliament have aggravated the situation.

As regards the conflict of competence, REGI strongly defended at all levels and stages of the discussion its exclusive competence on the General Regulation in its integrity, insisting on the need of avoiding the split of responsibilities on this legislative instrument among committees, which would result in an absolute contradiction against the past practice, a dangerous precedent in the perspective of the future negotiations after 2013 and an implicit concession to the supporters of a sectorized cohesion policy. A positive decision on this issue was taken by the Conference of Presidents at the beginning of February. The intention is to complete the procedure with one reading and to have it in Plenary in April.

Last but not least the majority of the political groups have shown their clear will to conclude negotiations on the file as soon as possible although this may imply again a not full exploitation of the powers deriving to the Parliament from the ordinary legislative procedure.

All these elements show the strong commitment of the Parliament towards simplification. Simplification, however, is not an ingredient universally valid for any recipe, able alone to solve all problems related to implementation,

management and control of the Programmes. For efficiency we need more than simplification effort. Flexibility is a key word here.

Let me also say the Parliament is also very much eager to see the detailed data of the report on implementation by Member States of the anti-crisis measures entered into force in 2009, that the Commission has committed to present by April this year. This moment will be crucial to see if the measures adopted are able to reach the aimed results especially in an optic of long term.

The Parliament strongly supports the position of the Commission that the current set of modifications are meant as the last one to be implemented before the negotiations on the new package of Structural Funds post 2013 start. We are not in favour of further changes: it is important that now that the implementation of programmes has started, a certain degree of stability in the rules is ensured as a matter of respect and consideration towards Managing Authorities and final beneficiaries, who have recently borne the burden of adapting to continuously changing rules, risking to destabilise the efficient management of Programmes and projects.

Indeed, the Parliament would have preferred a more comprehensive approach in the modification of the Regulations, which would have facilitated the implementation of the measures on the ground and avoided delays deriving from long procedures for Programme modification. Besides, a more systematic approach since the beginning would have avoided to expose beneficiaries to serious liquidity problems due to the long times needed for reimbursements.

In short, this process should have started not as a direct reaction to the economic crisis but with the overall objective to make Structural Funds programmes easier to handle by potential beneficiaries and their rules more transparent and less cumbersome.

## **On the future**

The Parliament strongly recommends that the set of modifications under discussion as well as those already approved in the last year are kept and reinforced in the next programming period. Simplification should become a horizontal principle inspiring the whole package of the future regulations with a much higher daring of the Member States in this exercise.

In this perspective the work of the Task Force on simplification must be supported and continued not only at legislative level for the future but also as regards practical suggestions to improve practices in the current implementation. I believe that we must fully exploit through smart practises the entire simplification potential that has been already created. The European Parliament hopes to receive constant and updated information about ongoing discussions and proposals put forward in that context and to be able to participate actively in this process.

The work of the High Level Group on the future of cohesion policy should focus seriously on simplification as a horizontal and sound principle guiding the negotiations on the future cohesion policy. We must capitalise on the lessons learned so far and setting up a more efficient and at the same time "user-friendly" architecture of the funds for the future.

We believe that the three European institutions involved in the cohesion policy - the Commission, the Council and the Parliament should demonstrate tough discipline in order to focus priorities in the Strategic Guidelines for cohesion policy, by means of strict rules for 2007-2013.

No doubt cohesion policy converge with 2020 on common goals and EU 2020 strategy should be a guiding path in this respect. We also support the idea of a single programming and implementing framework.

The financial instruments for cohesion policy (ERDF, ESF and EAFRD) should be integrated into a single programme for each region, to make for coherence, concentration and integration of co-financed projects.

But equally important, we should further explore possibilities of having activities under the Cohesion Fund, the ERDF and the TENs and by the EIB better coordinated with a view to regional and national convergence.

We need more joint work with EIB to make the existing financial instruments Jeremie, Jessica, Jasmine and Jaspers work more efficiently. Perhaps, we can think of creating separate set of rules that would facilitate leverage function of structural funds and attract more funding from private sector, as well as from financial market. We need tailored approach, perhaps different rules for combining grants and loans.

We need also a clear framework for deeper coordination of cohesion policy programming and implementation with existing sectoral policies, and in particular research policy. Here, regional and local level is crucial for bringing universities and businesses together.

Finally, let me say that programming, and the strategic approach to it, is essential. Programming should remain the instrument for organising priorities. The Commission's role is crucial in this process and the Parliament will be supporting Commission's strong role in the cohesion policy.