



EUROPEAN COMMISSION - PRESS RELEASE

Commission lays foundations to boost impact of cohesion investments after 2013

Brussels, 06 October 2011 - EU cohesion policy has been a force for change over the last ten years, making a genuine contribution to convergence and growth in the EU and directly creating over one million jobs, investing in training to improve the employability of over ten million people, co-financing the construction of over 2 000km of motorway and 4 000km of railway and setting up at least 800.000 Small and Medium-Sized Enterprises (SMEs). To continue this work in the future and strengthen the focus on European economic priorities the European Commission has today adopted a legislative package for cohesion policy for the period from 2014 until 2020. It is designed to boost growth and jobs across Europe by targeting EU investment on Europe's Growth and Jobs Agenda ("Europe 2020").

The focus on fewer investment priorities in line with these objectives will be at the heart of the new Partnership Contracts, which Member States will agree with the European Commission. They will set clear targets and set aside a financial performance reserve to reward regions who do best in reaching their goals. To ensure that the impact on growth and jobs of EU investments is not undermined by unsound macro-economic policies or by weak administrative capacity Commission can ask to review programmes or suspend the funding if remedial action is not taken.

The impact of the funds will also be strengthened by simplifying and harmonizing the rules of different funds, including rural development and maritime and fisheries. One set of rules for five different funds. And a more integrated approach will make sure the various funds serve coherent goals and strengthen each other's impact.

Today's proposals will bolster in particular social investment, empowering people to face future challenges of the labour market, with the Globalisation Adjustment Fund and a new Programme for Social Change and Innovation complementing and reinforcing the European Social Fund.

Johannes Hahn, Commissioner for Regional Policy commented: *"Cohesion policy has already contributed a lot to building prosperity in the EU. But given the economic crisis, it must now become a motor for growth and competitiveness. Our proposals will make EU funds work even harder. By targeting investments on the keys to growth — Small- and Medium-Sized Enterprises (SMEs), innovation, energy efficiency - we will achieve a greater impact. And we are modernising the policy with conditions to ensure performance and results, incentives for those who deliver most effectively, and simplified procedures"*

László Andor, Commissioner for Employment, Social Affairs and Inclusion added: *"This integrated proposal strengthens the social dimension of cohesion policy by securing minimum shares for the European Social Fund and by strengthening the Globalisation Adjustment Fund. Putting people first is an important part of our effort to exit from the crisis. These funds are the financial levers that translate our policies into a reality on the ground for millions of citizens, helping them to find employment and contribute to a job-rich recovery"*.

Background

The package includes:

- An overarching regulation setting out common rules governing the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund, the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). This will allow for the better combination of funds for a stronger impact of EU action.
- Three specific regulations for the ERDF, the ESF and the Cohesion Fund.
- Two regulations dealing with the European territorial cooperation goal and the European grouping of territorial cooperation (EGTC).
- Two regulations on the European Globalisation Fund (EGF) and the Programme for Social Change and Innovation.
- A communication on the European Union Solidarity Fund (EUSF)

Next steps

These proposals will now be discussed by the Council and the European Parliament, with a view to adoption by the end of 2012, to allow for the start of a new generation of cohesion policy programmes in 2014.

Negotiations on the Multiannual Financial Framework for the whole EU budget will continue in parallel. The Commission has already proposed to allocate €336 billion for cohesion policy instruments in 2014-2020. ([IP/11/799](#))

The final allocations by Member State, and lists of eligible regions by category, will only be decided after the final adoption of the package on the table today.

For more detailed analysis, see [MEMO/11/663](#)

The [European Week of Regions and Cities](#) ("Open Days 2011") from 10 to 13 October will provide an opportunity for stakeholders working on the policy to discuss the new proposals.

For the legislative texts please see:

http://ec.europa.eu/regional_policy/what/future/proposals_2014_2020_en.cfm

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