

Az európai kohéziós politika: elképzelések és dilemmák

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Városkutatás Kft

Többszintű területi kormányzás és a kohéziós
politika jövője

URBACT városhálózati szeminárium

2018. november 6.

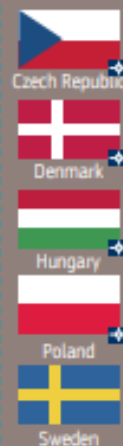
Az előadás struktúrája

- I) A Bizottság által előterjesztett javaslat a 2020 utáni Kohéziós Politikára
- II) Részletes elemzés és a hatások feltérképezése:
Eurocities anyag
- III) Kritikai megjegyzések és javaslatok európai szervezetek részéről
- IV) Néhány kiemelt szempont és konklúzió magyar szemszögből



European Union

Euro area



European Free Trade Association

European Economic Area

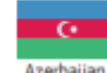


United Kingdom

Council of Europe



Armenia



Azerbaijan



Bosnia and Herzegovina



Georgia



FYROM



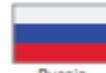
Moldova



Montenegro



Ukraine



Russia



Serbia



Albania

European Customs Union



Andorra



Monaco



San Marino



Turkey



NATO



Canada



United States



**Post-2020: what
kind of EU it will be?**

Source: https://www.google.hu/search?q=future+of+eu+cartoons&tbm=isch&source=iu&pf=m&ictx=1&fir=RrztPJ2WOnQN-M%253A%252C1N1YGxBO1dhlUM%252C_&usg=__CAjhlUgpl_HLPWWvUIOM_Mklf8M%3D&sa=X&ved=0ahUKEwizj6aqn_vWAhUFnRoKHdaABesQ9QEIJzAA#imgsrc=4XUPLC5wosFj6M:

	Carrying on	Nothing but the single market	Those who want more do more	Doing less more efficiently	Doing much more together
Single market & trade	Single market is strengthened, including in the energy and digital sectors; the EU27 pursues progressive trade agreements	Single market for goods and capital strengthened; standards continue to differ; free movement of people and services not fully guaranteed	As in "Carrying on", single market is strengthened and the EU27 pursues progressive trade agreements	Common standards set to a minimum but enforcement is strengthened in areas regulated at EU level; trade exclusively dealt with at EU level	Single market strengthened through harmonisation of standards and stronger enforcement; trade exclusively dealt with at EU level
Economic & Monetary Union	Incremental progress on improving the functioning of the euro area	Cooperation in the euro area is limited	As in "Carrying on" except for a group of countries who deepen cooperation in areas such as taxation and social standards	Several steps are taken to consolidate the euro area and ensure its stability; the EU27 does less in some parts of employment and social policy	Economic, financial and fiscal Union is achieved as envisioned in the report of the Five Presidents of June 2015
Schengen, migration & security	Cooperation in the management of external borders stepped up gradually; progress towards a common asylum system; improved coordination on security matters	No single migration or asylum policy; further coordination on security dealt with bilaterally; internal border controls are more systematic	As in "Carrying on" except for a group of countries who deepen cooperation on security and justice matters	Cooperation on border management, asylum policies and counter-terrorism matters are systematic	As in "Doing less more efficiently", cooperation on border management, asylum policies and counter-terrorism matters are systematic
Foreign policy & defence	Progress is made on speaking with one voice on foreign affairs; closer defence cooperation	Some foreign policy issues are increasingly dealt with bilaterally; defence cooperation remains as it is today	As in "Carrying on" except for a group of countries who deepen cooperation on defence, focusing on military coordination and joint equipment	The EU speaks with one voice on all foreign policy issues; a European Defence Union is created	As in "Doing less more efficiently", the EU speaks with one voice on all foreign policy issues; a European Defence Union is created
EU budget	Partly modernised to reflect the reform agenda agreed at 27	Refocused to finance essential functions needed for the single market	As in "Carrying on"; additional budgets are made available by some Member States for the areas where they decide to do more	Significantly redesigned to fit the new priorities agreed at the level of the EU27	Significantly modernised and increased, backed up by own resources; a euro area fiscal stabilisation function is operational
Capacity to deliver	Positive agenda for action yields concrete results; decision-making remains complex to grasp; capacity to deliver does not always match expectations	Decision-making may be easier to understand but capacity to act collectively is limited; issues of common concern often need to be solved bilaterally	As in "Carrying on", a positive agenda for action at 27 yields results; some groups achieve more together in certain domains; decision-making becomes more complex	Initial agreement on tasks to prioritise or give up is challenging; once in place, decision-making may be easier to understand; the EU acts quicker and more decisively where it has a greater role	Decision-making is faster and enforcement is stronger across the board; questions of accountability arise for some who feel that the EU has taken too much power away from the Member States



Key themes

Modern

- Focus on smart, low carbon
- Enabling conditions, link to Semester

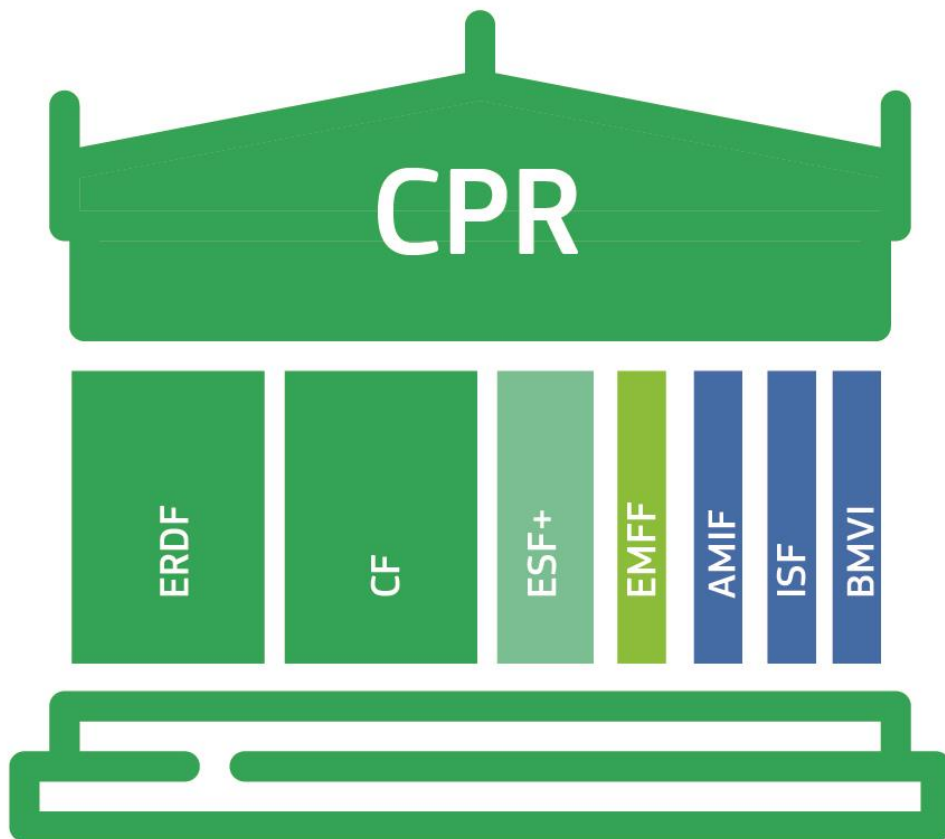
Simple & flexible

- 50% shorter regulations
- 50 key simplifications
- Adapts to emerging needs (migration, economy)

For all regions

- Objective method
- 75% for poorest regions
- Present for emerging needs elsewhere

7 funds, 1 regulation



CPR covers delivery.
1 set of rules is:

- More coherent
- Simpler to learn
- Simpler to combine



Simpler

- The architecture itself – 7 Funds, 1 rulebook.
- Rulebook half as long
- Handbook of 50 key administrative simplifications (examples on next slides)



Coherence with other EU instruments

- Horizon Europe ("European excellence")
ERDF ("regional relevance", e.g. smart specialisation – innovation diffusion) & reinforced seal of excellence mechanism
- CEF/CF: Transfer of EUR 10 billion from the CF to the CEF; trans-European transport networks projects to be financed both through shared and direct management
- Migration: all Cohesion Policy Funds will address long-term needs linked to integration, while AMIF will focus on short term needs.



Policy objectives

11 objectives are simplified and consolidated to 5:

1. A smarter Europe (innovative & smart economic transformation)
2. A greener, low-carbon Europe (including energy transition, the circular economy, climate adaptation and risk management)
3. A more connected Europe (mobility and ICT connectivity)
4. A more social Europe (the European Pillar of Social Rights)
5. A Europe closer to citizens (sustainable development of urban, rural and coastal areas and local initiatives)

Horizontal issues: administrative capacity building, cooperation outside the programme area

ERDF THEMATIC CONCENTRATION

- Maintaining spending in the key areas for growth and jobs
- At national level based on GNI per head => flexibility

For countries with:	minimum % PO1 ("smarter Europe")	minimum % PO2 ("greener, low carbon Europe")
GNI below 75%	35%	30%
GNI 75-100%	45%	30%
GNI above 100%	60%	PO1 + PO2 min. 85%

- 6% of budget to urban development, delivered through local development partnerships

Sustainable urban development

- New dedicated specific objective for integrated development of urban areas
- 6% of ERDF to go to urban development, delivered through local development partnerships with different tools
- Requirement for local development strategies – local ownership
- European Urban Initiative: a coherent approach to capacity building, innovative actions, knowledge and policy development and communication



Creating the conditions for success

Enabling conditions (used to be "ex ante")

- Fewer, clearer, tighter link to policy
- Followed up, not just set at the beginning

EU Governance

- European Semester
- Macroeconomic conditionality
- Reform Support Instrument
- Rule of law

Indicators in the "Berlin method"

(% indicates financial weight)

	2014-2020	2021-2027
GDP (incl. GNI for Cohesion Fund)	86%	81%
Labour market, education, demographics	14%	15%
Climate	-	1%
Migration	-	3%
Total	100%	100%

Labour market: unemployment rate, youth unemployment rate, employment rate

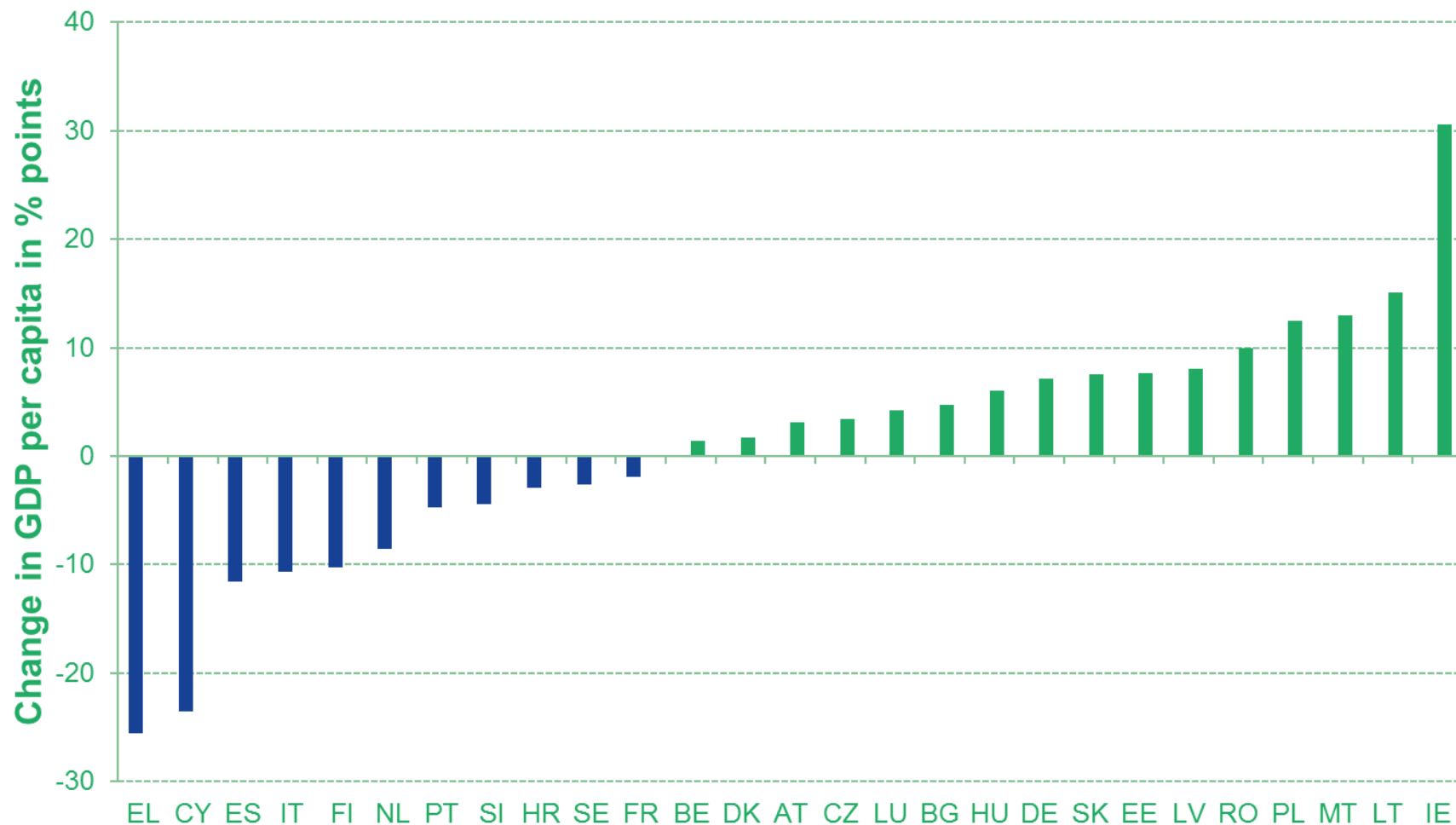
Education: early school leavers, tertiary level of education, low level of education

Demographics: population of regions, low density of population

Climate: Green House gas emissions in the non ESD sectors

Migration: Net migration of non EU citizens

The main driver of changes: change in GDP per capita 2007-2009 vs 2014-2016



Continued concentration on the poorest regions

	2021-2027	2014-2020
Cohesion Fund	13%	22%
ERDF Less developed regions	62%	53%
ERDF Transition	14%	10%
ERDF More developed	11%	15%
Total	100%	100%
Share CF + ERDF less developed	75%	74%

Complex problem

- Manage Brexit financial gap
- Respond to new challenges: migration, security, defence
- Strengthen integration, unity of EU27 and link to citizens

Proposed solutions

- Increased national contributions (1.114% GNI), new forms of own resources (ETS, plastic packaging, VAT)
- Cuts on cohesion policy (CF) and rural development (EAFRD)
- Strengthened priorities
 - Climate (25% earmarking, LIFE)
 - Structural reforms, Eurozone (SRSP)
 - Innovation, Digital & Single Market (HorizonE, DigitalE, Space pr, InvestEU)
 - Defence, External action, Border control and internal security, migration
 - Erasmus (doubled)
- Larger unallocated reserves, more flexibility within headings
- Less programmes (57→36), simpler and shorter rules

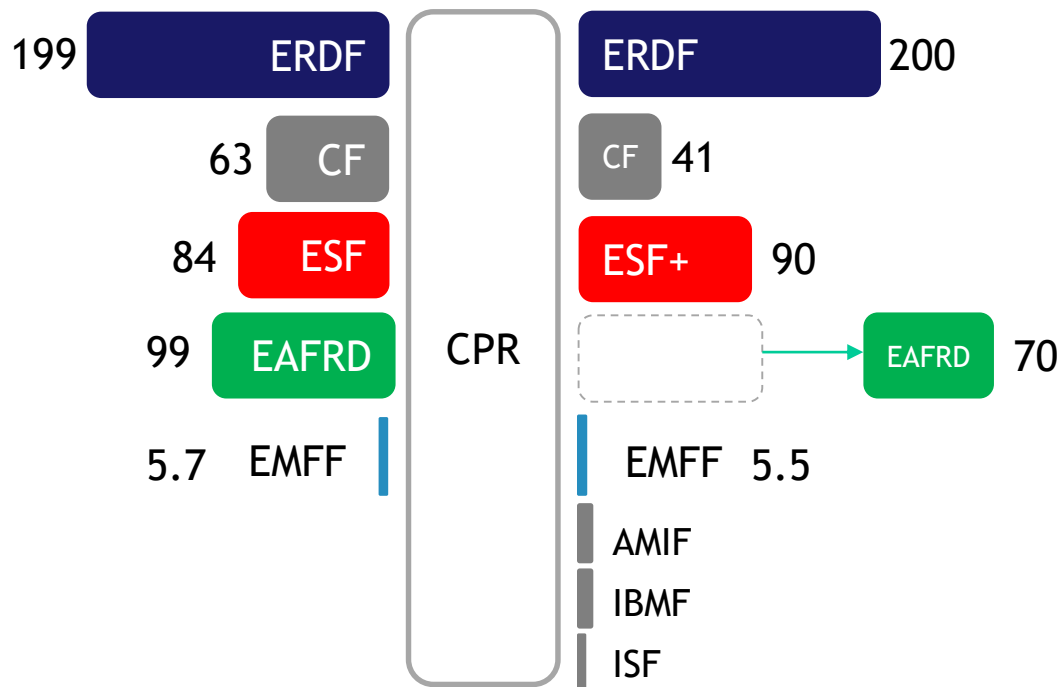
Principles

- EU added value
- Flexibility
- Transparency
- Results orientation
- Simplified rules, less red tape

Main figures

- Total commitments 1,134 billion euros in 2018 prices
- Cohesion and CAP still around 60%
- Innovation, digital, single market 15%
- External action 10%
- Migration, borders, Security & def 5%
- Administration 7%

- Budget cut of 7 to 10% (due to comparison in different prices)
- ERDF (-), Cohesion Fund (-35%), ESF (-)
- Poorer ties within ESIF family: ESF+ partly separate, EAFRD entirely out



- CP funds will continue to **cover all regions**
- Threshold for categories of regions changes
- Allocation still **based largely on GDP/capita** but **new criteria** added to better reflect socio-economic situation
 - low education levels,
 - (youth) unemployment,
 - integration of migrants,
 - climate change
- **EU co-financing rates** back to pre-crisis levels

More developed
region
GNI \geq 100% of EU27

Max 40%

Transition
region
75% \leq GNI < 100%

Max 55%

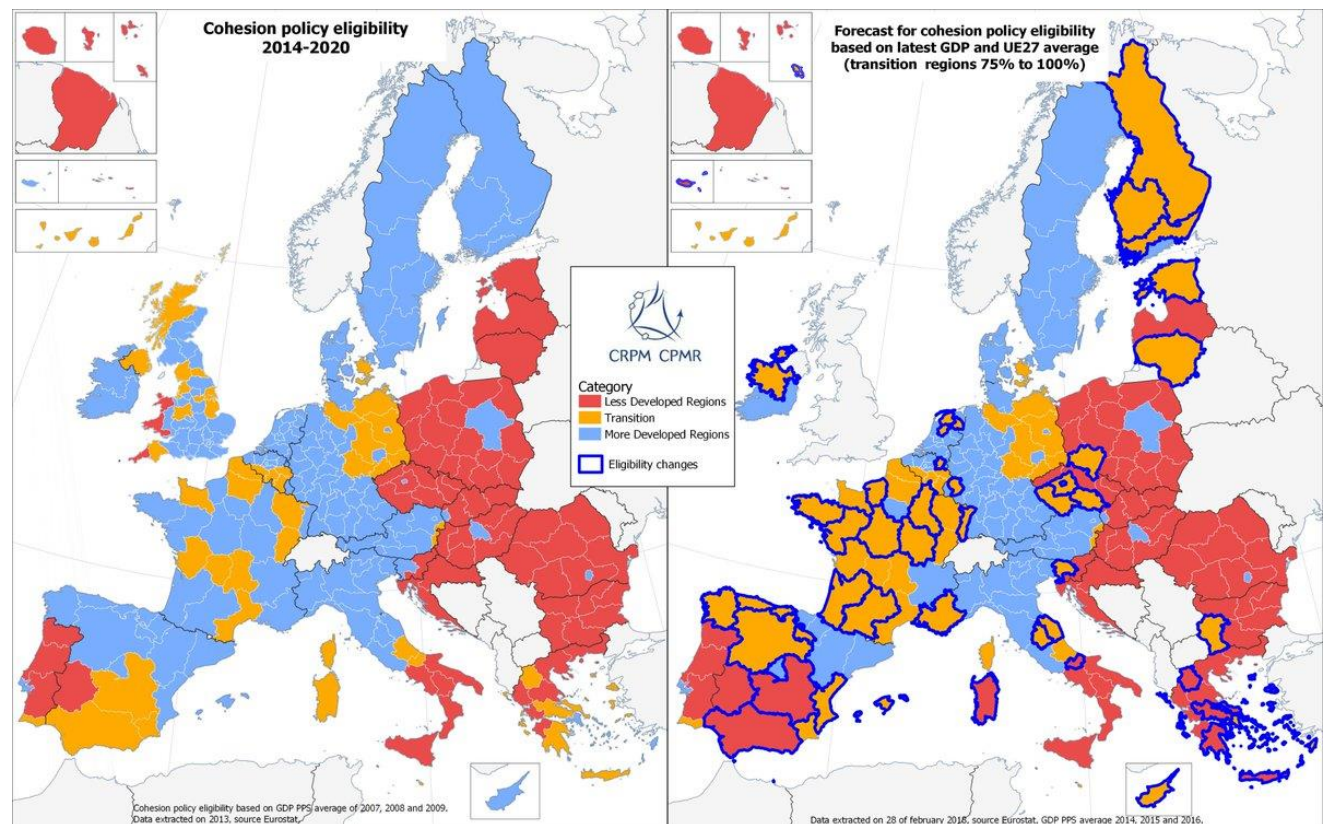
Less developed
region
GNI < 75% of EU27

Max 70%

Changes in eligibility category at regional level

Massive changes due to both real decline and statistical effects

- Significant downward convergence in Greece (6), Italy (2), Spain (2)
- Presumably mainly statistical effects in Finland (3), France (10), NL (4), Spain (7)
- Upward shifts in Bulgaria (1), Czech Rep (3), Poland (1), Estonia, Lithuania

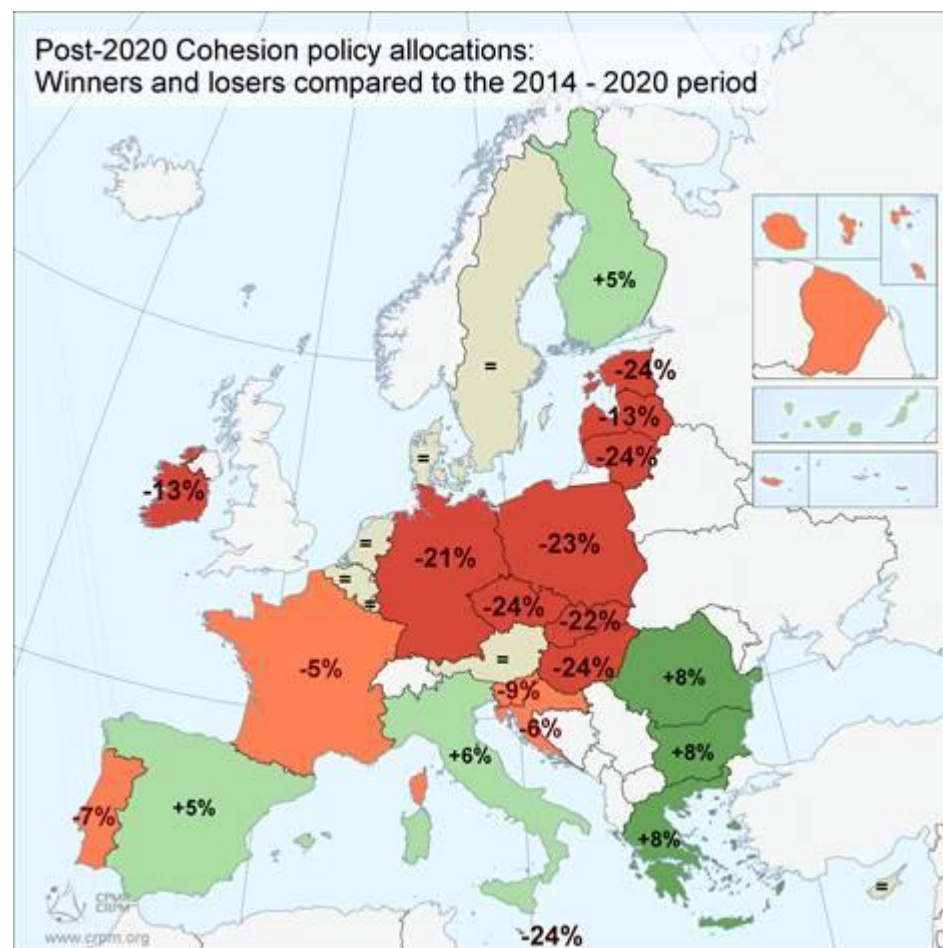


Change in financial allocations at national level

A clear shift of resources from East to South (limit: no MS can lose >24%)

	2018 prices	Current prices
BE	2 443 732 247	2 754 198 305
BG	8 929 511 492	10 081 635 710
CZ	17 848 116 938	20 115 646 252
DK	573 517 899	646 380 972
DE	15 688 212 843	17 681 335 291
EE	2 914 906 456	3 285 233 245
IE	1 087 980 532	1 226 203 951
EL	19 239 335 692	21 696 841 512
ES	34 004 950 482	38 325 138 562
FR	16 022 440 880	18 058 025 615
HR	8 767 737 011	9 888 093 817
IT	38 564 071 866	43 463 477 430
CY	877 368 784	988 834 854
LV	4 262 268 627	4 812 229 539
LT	5 642 442 504	6 359 291 448
LU	64 879 682	73 122 377
HU	17 933 628 471	20 247 570 927
MT	596 961 418	672 802 893
NL	1 441 843 260	1 625 023 473
AT	1 279 708 248	1 442 289 880
PL	64 396 905 118	72 724 130 923
PT	21 171 877 482	23 861 676 803
RO	27 203 590 880	30 765 592 532
SI	3 073 103 392	3 463 528 447
SK	11 779 580 537	13 304 565 383
FI	1 604 638 379	1 808 501 037
SE	2 141 077 508	2 413 092 535

Source: European Commission

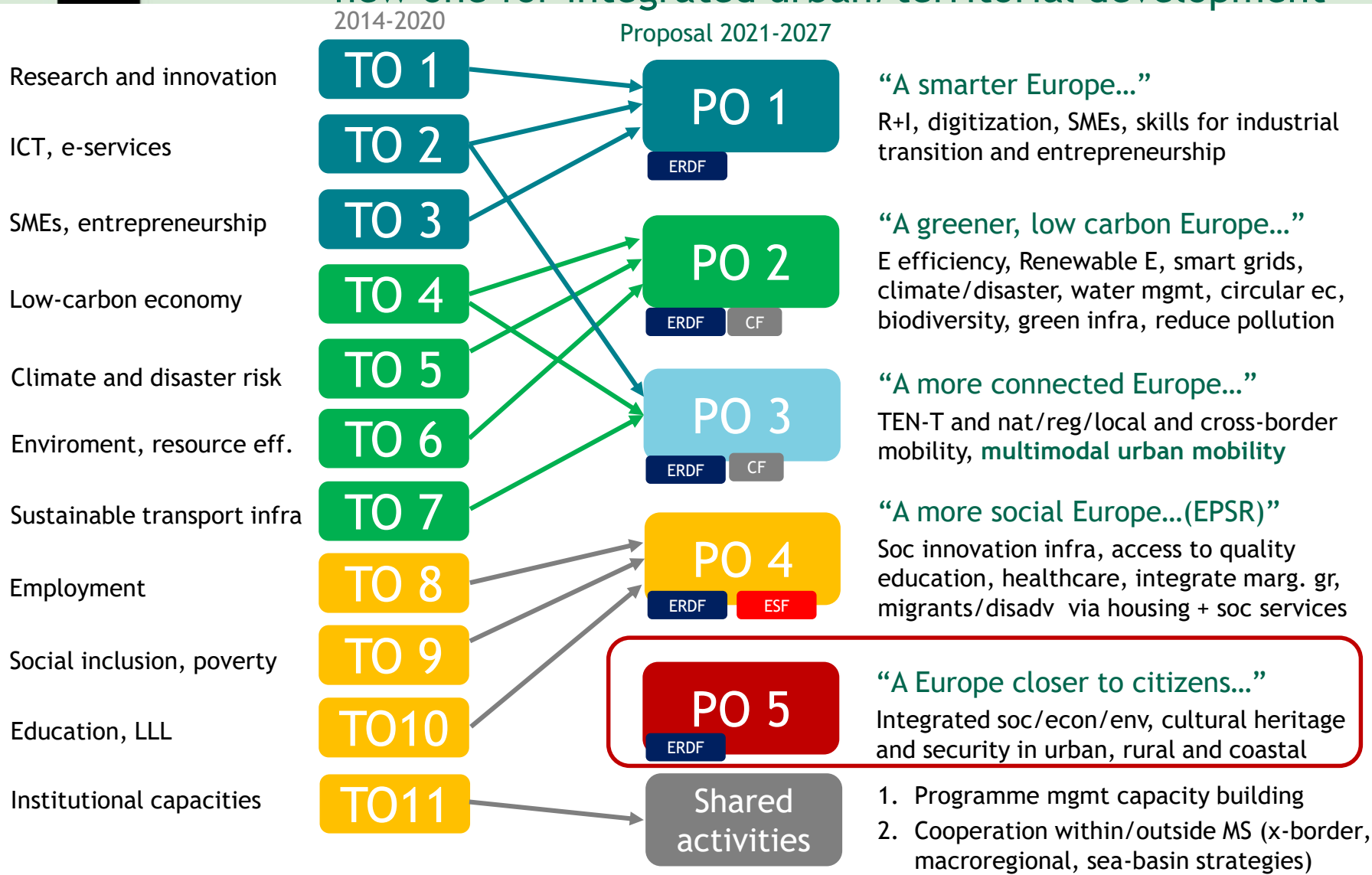


Source: CPMR

Allocations by Member State

Member State	2021-27 allocation (billions, 2018 prices)	Change from 2014-2020 period (%)	Aid intensity (EUR/head)	Change from 2014- 2020 period (%)
BG	8.9	8	178	15
RO	27.2	8	196	17
HR	8.8	-6	298	0
LV	4.3	-13	308	0
HU	17.9	-24	260	-22
EL	19.2	8	254	12
PL	64.4	-23	239	-24
LT	5.6	-24	278	-12
EE	2.9	-24	317	-22
PT	21.2	-7	292	-5
SK	11.8	-22	310	-22
CY	0.9	2	147	-5
SI	3.1	-9	213	-11
CZ	17.8	-24	242	-25
ES	34.0	5	105	3
MT	0.6	-24	197	-28
IT	38.6	6	91	5
FR	16.0	-5	34	-9
FI	1.6	5	42	2
BE	2.4	0	31	-5
SE	2.1	0	31	-6
DE	15.7	-21	27	-20
DK	0.6	0	14	-3
AT	1.3	0	21	-4
NL	1.4	0	12	-3
IE	1.1	-13	33	-17
LU	0.1	0	16	-14
EU27	331	-9.9	106	-11

Strategic framework: clustered objectives + new one for integrated urban/territorial development



Stronger thematic concentration

To be applied at national level	Group 1 GNI $\geq 100\%$ of EU27	Group 2 $75\% \leq \text{GNI} < 100\%$	Group 3 GNI $< 75\%$ of EU27
	AT/BE/DE/DK/FI/ FR/IE/LU/NL/SE	CY/CZ/EE(?)/ES/IT/ LT(?)/MT/PT/SI/SK	BG/GR/HR/HU/ LV/PL/RO
PO 1 a smarter Europe	60%	45%	35%
PO 2 a greener Europe	Not specified	30%	30%
Total resources for PO1+2	85%	75%	65%

Some observations:

- Applying thematic concentration at national level
 - provides more flexibility for more developed regions in poorer MS
 - greatly decreases flexibility for less developed/transition regions in richer MS
- Sustainable, multimodal urban mobility not included in PO2!
- Very small margin for social inclusion, mobility, cultural heritage, security and community-led initiatives in richest MS.

Integrated territorial development

Supported under both ERDF goals (IGJ and ETC)

Implementation modes

Integrated territorial investment (ITI)

If strategy involves investments from more than one priority, programme or fund

Community-led local development (CLLD)

Sub-regional areas, local action groups design and implement integrated strategy for networking, innovation and territorial cooperation
ERDF, ESF+ and EMFF, option of Lead Fund

Other, MS specific territorial tool (PO5)

Conditions

Integrated territorial strategy

- Drawn up under responsibility of relevant urban/local/territorial authority/body
- Preparation and design of strategy may be supported
- Contains following elements:
 - Geographic area covered
 - Analysis of development needs
 - Description of integrated approach
 - Description of involvement of partners
- May contain list of projects
- If no list, **relevant urban/local/terr. authorities to select** or be involved in selection of **projects** to ensure compliance w strategy
- **Intermediate body** status if tasks of relevant urb/loc/terr authorities **go beyond selection**

The urban dimension of cohesion policy

Supported under both ERDF goals (IGJ and ETC)

Implementation modes

ITI

CLLD

Other, MS specific territorial tool (PO5)

Sustainable urban development

PO1

PO2

PO3

PO4

PO5

fully flexible

ITI, CLLD

- Earmarking: min. 6% of ERDF (IGJ) without TA
- Minimum conditions: integrated SUD strategy, cities involved in project selection

URBACT

UIA

UDN

European Urban Initiative

Budget: 500 m EUR
Direct/indirect mgmt

Supporting the Urban Agenda for the EU

Capacity building (ex-URBACT)

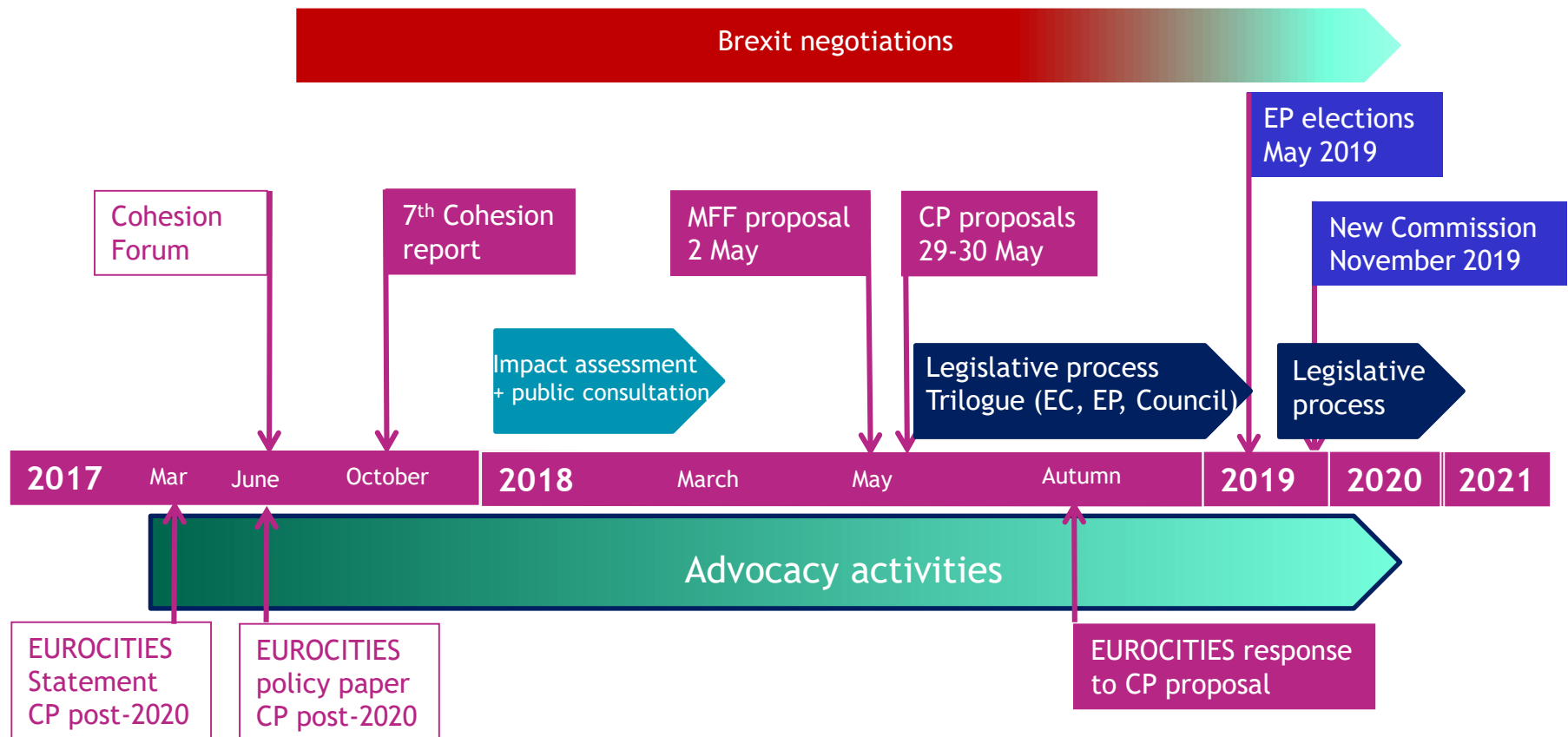
Innovative actions (ex-UIA)

Knowledge, policy development and communication

Intergovernmental cooperation on urban matters (UA?)

- Separate sub-heading: ESF+ merges ESF, YEI, FEAD, EaSI and Health
- Thematic focus:
 - delivering European Pillar of Social Rights and contributing to implementation of EU Semester CSRs, to which appropriate amount should be allocated
 - 25% earmarked for social inclusion, most deprived
 - 10% earmarked for youth employment in case of high rates
- Territorial approach reduced
- Supports CLLD for social innovation
- Concerns:
 - How will an integrated approach work in cities?
 - Urban and local authorities not mentioned in ESF article on partnership

Chronology of events on post-2020 cohesion policy



Reactions on the COM proposal

EESC (European Economic and Social Council)

- completely **disagrees with the cuts** to the cohesion policy in general, and in particular cuts of 12% to the ERDF and 46% to the Cohesion Fund (CF);
- underlines that the **decrease in the national co-financing rates** will hinder the implementation of projects, especially by Member States facing budget difficulties;
- considers that the Commission's proposal to **reintroduce the N+2 rule** is not supported by practical evidence or by the results analysis of the implementation of the N+3 rule

Reactions on the COM proposal

European Parliament

- The European Parliament is particularly against any **drastic cut** that will negatively affect the nature and goals of this policy, such as the reductions put forward for the Cohesion Fund (45%) and the European Agricultural Fund for Rural Development (over 25%).
- In this context, it questions the justification of the proposal that aims to **reduce the European Social Fund** by 6% despite its broader scope of implementation and the integration of the initiative for youth employment.

Reactions on the COM proposal

Professionals: Robert Schuman Foundation

- There is a danger of having structural funds that are **fully integrated into the tools used to enhance the Economic and Monetary Union**. This might lead to an increasingly **top down cohesion policy**, with priorities granted to Brussels and mainly introduced at national level – instead of Member States having structural funds so that they can follow-up on the specific per country recommendations.
- Critiques against the transfer of **11 billion € from the Cohesion Fund towards the European Interconnection Mechanism**, for the financing of projects in the trans-European transport networks

Reactions on the COM proposal

Eurocities

- to what extent **cities will be practically involved** in programming
- how a stronger thematic concentration and an ESF focused on CSRs will enable an **integrated place-based approach to complex local challenges**

Lack of reforming the indicators

- A considerable portion (around 30%) of funds should be allocated on the basis of a criterion that is **no longer the GDP-per-inhabitant ratio** but the **European Social Progress Index (EU-SPI)**.
- This index, of which the DG REGIO has recently disseminated a test version for 272 regions (NUTS II), was established on the basis of fifty social and environmental indicators structured around three axes:
 - **basic human needs** (basic food and healthcare needs, water quality, housing and security),
 - **the population's prosperity and well-being** (access to basic education, access to information, health levels, the ecosystem and sustainability)
 - **opportunities** (individual rights, individual freedom and choice, tolerance and inclusion and access to higher education)

Territorial aspects

- **Urban development: 6% of ERDF budget** (10% was discussed but finally declined...)
- ERDF Territorial Objective (urban, rural, coastal):
Rural development fund is not part any more of the CPR as DG Agri lobbied strongly to get out...
However, merging on national level is still possible...
MS-s will decide how much they dedicate to rural development. Countries already differ in that way.

Enabling conditions

- Enabling conditions: followed up, **not just set at the beginning**
- Example: educational and spatial segregation. MS-s should provide evidence about anti-segregation and cooperation with NGO-s. **Verification of compliance is required.**
- In any moment the COM can go to the MS that a call is not in line with the enabling conditions. **COM can warn the MS and ask for clarification within one month.** If an enabling condition is not fulfilled, the COM will not pay for the given programme.
- MS-s will not be happy about this harsh regulation, **large debate can be expected in the Council**

European Urban Initiative

European Urban Initiative: **500 m EUR new tool** supporting the Urban Agenda for the EU, aimed for coherent approach to capacity building, innovative actions, knowledge and policy development and communication (merging earlier independent initiatives: **UIA, UDN, URBACT**)

- COM: in that way there is **more flexibility** to adopt the tools to the real needs of cities...
- Member States: there is a danger **to loose the innovativity and client-orientation of URBACT**

URBACT capitalization:

Fighting urban deprivation: Local Pact

- URBACT **Capitalization project** (requested by France), directly contributing to the Urban Agenda partnership on Urban Poverty, being one of the actions contributing to the 'better regulation' and to the 'better knowledge' strands.
- France, Germany, Poland, Spain (and the relevant MA-s)
- Barcelona, Berlin, Lille Metropole, Lodz
- URBACT experts in urban poverty: Ivan Tosics, Severine Bressaud, Daniela Patti

The aim of the project

- to understand the structure and functioning of **multi-level governance approach to handle urban poverty** (concentrating on deprived areas but including people-based interventions)
- based on **experiences of countries where such approaches exist since decades**, exploring how the idea of a multi level governance framework to deal with urban poverty could be understood and handled in countries where such framework did not exist so far
- to develop a **pilot scheme** for multi-level governance approach to handle urban poverty, which can be **suggested by the Commission as an optional tool** within Article 8 ERDF

Metropolitan areas study by MRI for Area Metropolitana Barcelona

ADDRESSING THE METROPOLITAN CHALLENGE IN BARCELONA METROPOLITAN AREA

Lessons from five European metropolitan areas: Amsterdam, Copenhagen, Greater Manchester, Stuttgart and Zürich



- 1. institutional challenge:**
how to strengthen AMB as an existing metropolitan authority?
- 2. territorial challenge:** how to enlarge the territorial scope of the Barcelona Metropolitan Area?

Metropolitan areas study by MRI for Area Metropolitana Barcelona

International experience: two viable approaches exist to the handling of metropolitan challenges:

- **institutional**, i.e. the creation of a metropolitan organisation on a fixed territorial basis with sufficiently large range of competences (**Stuttgart, Greater Manchester, Area Metropolitana Barcelona**)
- **procedural**, i.e. striving for mechanisms and rules which allow for coordinated activities on a sufficiently large metropolitan territory, not necessarily in fixed territorial constellations (**Amsterdam, Copenhagen, Zürich**)

Institutional challenge:

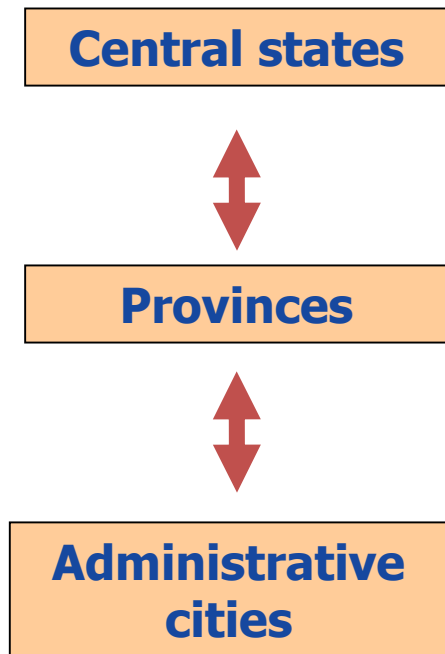
- Adopt **direct election** of the president of the metropolitan area (in the long run: direct election of metropolitan council members)
- Promote a **metropolitan identity**
- Take on **more functions** from higher administrative tiers
- Strengthen economic development **cooperation with the private sector**
- Develop **strategic thinking capacity** on the metropolitan level
- Develop stronger **financial tools** and methods to achieve metropolitan priorities

Territorial challenge:

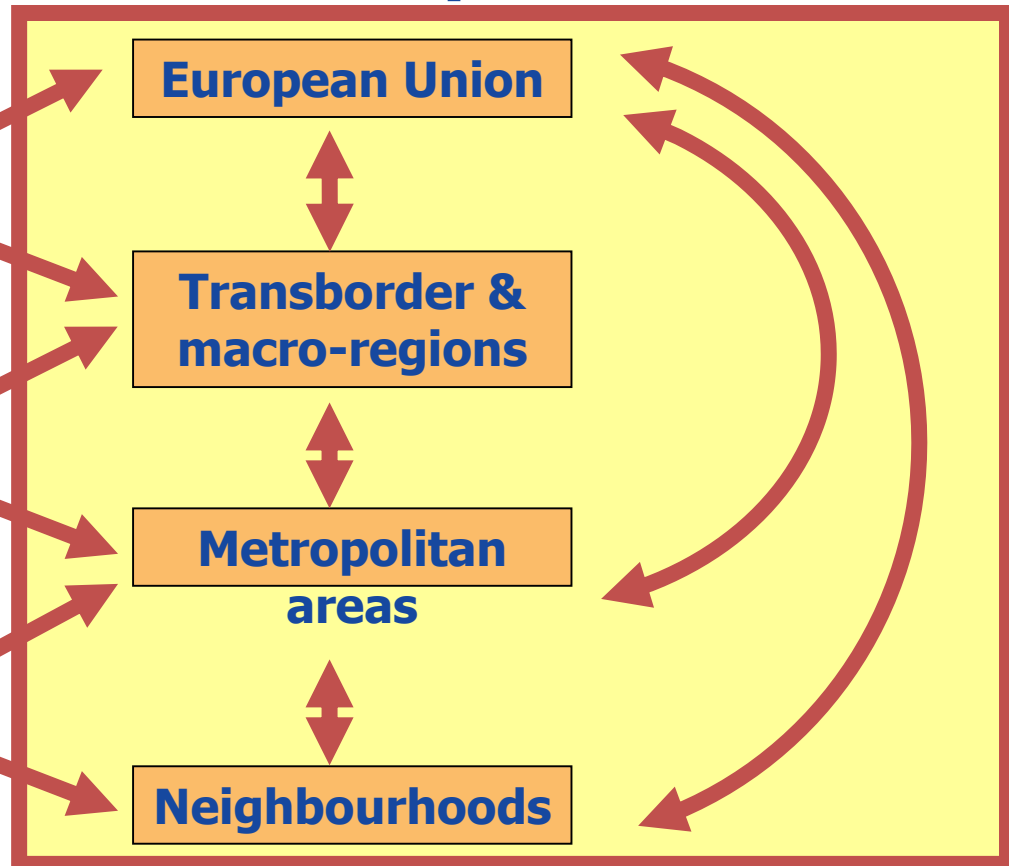
- seek cooperation with the surrounding area through **collaboration and planning agreements**
- advocate for improvements in the **national and regional framework** (e.g. indirect planning power at the metropolitan level or a strategic planning system) that would make room for the territorial bodies of larger metropolitan areas to more effectively cooperate

Planning in flexible space for implementing in fixed space

**Old: fixed
action space**



**New: flexible action
space**



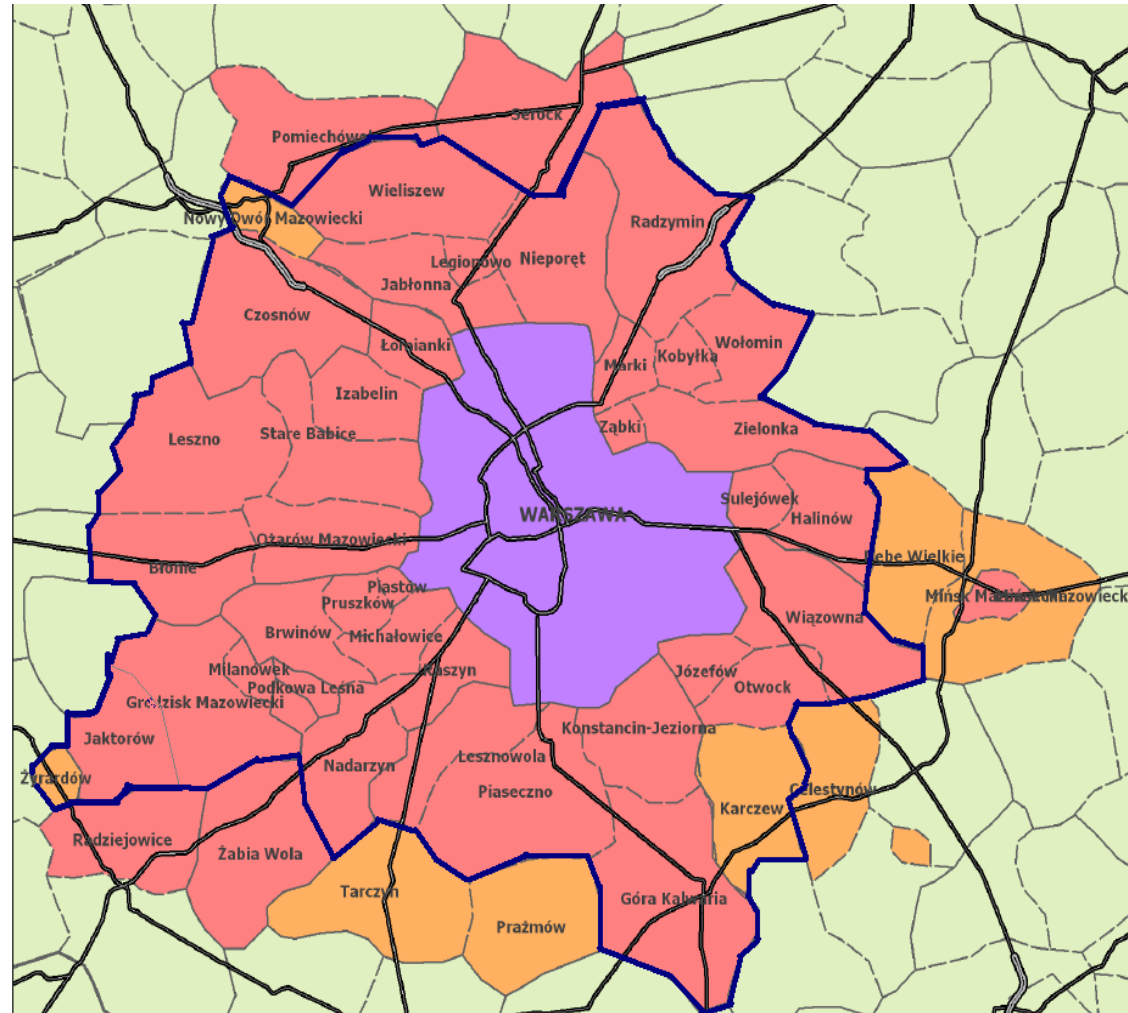
Adapted from Jacquier, 2010

Személyes vélemény a többszintű területi kooperációról Magyarországon

- **A 7 NUTS 2 régió elvesztette jelentőségét** (fejlesztési tanácsok feloszlatása), a 19 megye vált a területi fejlesztés szintjévé, megfelelő kapacitások nélkül
- **A többcélú kistérségi társulások feloszlatásra kerültek** és helyüket adminisztratív egységek foglalták el
- **Budapest körül minden agglomerációs szerveződés feloszlatásra került** (BAFT, Budapesti Közlekedési Szövetség, ...)
- 2014-2020: az **MJV-k kiemelése, külön programba rakása** megszüntette az agglomerációs együttműködéseket
- 2016: KMR megszüntetése, **Budapest and Pest megye különválása**

ITI – Teritorial definition of the Warsaw Functional Area

- **surface: 2.932 sqkm.**
(8% of the surface of the region)
- **population:**
2.656.917 inhabitants
(50,3% of the population of the region)
- **40 communes –**
including Warsaw
(within 11 counties)



Rövid konklúzió

- **Kedvezőtlen körülmények** a 2020 utáni Kohéziós Politika kialakítására
- A Bizottság első elképzelései **sok vitatható elemet** tartalmaznak
- Sok **innovatív megoldás** található EU országokban, amelyeket máshol figyelembe kellene venni
- Ez a találkozó reményt adhat, hogy a **magyar szabályozás gyengeségei is megváltoztathatóak** a 2020 utáni időszakra

KÖSZÖNÖM A FIGYELMET!

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