

Council of European Municipalities and Regions

European Section of United Cities and Local Governments

The Parliament heard local and regional governments and vote for a stronger EU cohesion policy

The Committee on Regional Development (REGI) of the European Parliament has adopted today the <u>report</u> on the European Regional Development Fund and the Cohesion Fund. After yesterday's plenary vote on the common provisions, the European Parliament has again adopted the majority of CEMR's proposals in its report:

• Support to integrated territorial development and specific support to rural areas

- The REGI committee confirmed that the ERDF and CF shall support measures of integrated territorial development in the future. A mandatory 5% of ERDF total resources at national level are foreseen for measures in non-urban areas that face certain challenges, thus following CEMR recommendations. It also increased the percentage allocated to sustainable urban development to 10%. In addition, the Parliament included the <u>Reference Framework for Sustainable Cities</u> to be supported by the new European Urban Initiative. This tool is currently managed by CEMR.
- REGI committee made sure the funding will also support areas facing natural or demographic handicaps and challenges through a new rule, as suggested by CEMR.

• A clear reference to the SDGs

- For local and regional governments, the implementation of Sustainable Development Goals (SDGs) at local level has gained momentum and is inherent to the integrated territorial development. Therefore, CEMR <u>welcomes</u> the clear link between SDGs and the cohesion policy that Members of the European Parliament Established today.
- Place based funding through thematic concentration on a regional level
 - The Members of the European Parliament agreed to apply a thematic concentration on the regional rather than on the national level, thus allowing the funding to tackle regional and/or local specificities.
- However, the vote still leaves room for improvement

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info@ccre-cemr.org www.ccre.org - The relative quotas for thematic concentration have been lowered in absolute terms compared to the EC proposal, however the agreement foresees a large percentage of the funds to be earmarked to two policy objectives by default. This "one size fits all" approach leaves very little room for flexibility and limits the possibility to target the different and numerous challenges that regional and local authorities face that may be reflected in the other three policy objectives.

On Wednesday 13 February, the European Parliament adopted the <u>report</u> on the EU Common Provision Regulation. This document also reflected the majority of the key demands of CEMR and the <u>#CohesionAlliance</u> for a strong and ambitious cohesion policy in the coming seven years.

- Maintaining the current level of financing for cohesion policy
 - o Against the Commission's proposal, the Members of the European Parliament reaffirmed that Cohesion policy is one of the main investment policies of the EU and should keep the same level of financing as in the current period (2014-2020) despite the numerous new tasks and the vast impact of Brexit on the EU-budget. It reintroduced the resources for economic, social and territorial cohesion to the same level as the current period 378billion€ (instead of 330 billion€ in EC proposal). The members of the European Parliament succeeded in making sure the co-financing rates remain at a level that allows local governments in all member states to benefit from the European funds.

• Rural development is kept under common provision rules

 CEMR has been advocating for single set of rules for all the ESIF. The European Parliament has rejected the Commission's proposal to exclude the European Agricultural fund for Rural Development from the common rules to be integrated under the Common Agricultural Policy. The proposed changes ensure the possibilities for local governments in rural areas to apply to different funds, without increasing its administrative burden.

A strong Partnership for an active involvement of local government

The European Parliament vowed to uphold the Partnership principle, allowing local government to be actively involved in the drafting of Partnership Agreements and operational programs in all member states and all regions. This is crucial to achieve maximum effectiveness of the European funds as they are implemented on the local level.

CEMR welcomes the swift agreement on a parliament position that will contribute to a fluent transition to the next funding period. CEMR calls on the Council to follow the example of the European Parliament and encourages the representatives of the Institutions to push for trialogues to start as soon as possible.