



Outcome of the survey in the framework of the Group of high-level specialists on the future of Cohesion Policy

November 2023



Group of high-level specialists on the future of Cohesion Policy

The European Commission, the Directorate-General Regional and Urban Policy (lead) and the Directorate-General Employment, Social Affairs and Inclusion (associated) have set up a High-level Group on the future of Cohesion Policy. The group includes members from academia and practice and in 2023 will meet nine times to reflect on current and future needs and the functioning of Cohesion Policy.

The group will offer conclusions and recommendations that will feed the reflection process on Cohesion Policy post-2027 including through the 9th Cohesion Report in 2024 and the mid-term review of Cohesion Policy programmes in 2025.

Disclaimer

The opinions expressed in this paper are the sole responsibility of the authors and do not represent the official position of the European Commission.

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1 Purpose and scope of the survey

During the discussions held throughout previous meetings of the Group, several members stressed the need to get some feedback about the implementation of several emblematic mechanisms of Cohesion Policy, namely:

- Application of thematic concentration requirements during the programming process
- Application of earmarking requirements for sustainable urban development
- Use of transfer possibilities offered by the Common Provisions Regulation, between categories of regions
- Programming and implementation of the Just Transition Fund

Subsequently, a dedicated survey was launched in July 2023 by email, targeting all programming authorities in Member States, both in charge of the preparation of partnership agreements (national level) and programmes. 350 potential respondents have been approached.

In total, 177 people have responded to the survey (51% reply rate, significantly robust), including 46 authorities involved in the negotiation of partnership agreements. With the exception of Estonia and Lithuania, respondents from all other Member States have replied.

2 Outcome of the survey

Thematic concentration

Thematic concentration requirements apply to the European Regional Development Fund (ERDF) and are detailed in the corresponding Fund specific Regulation¹:

- Member States are required to earmark a minimum share of their ERDF allocations to policy objectives 1 (A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity) and 2 (A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility);

¹ Article 4 of Regulation (EU) 2021/1058

- These obligations are tailored to the level of development of Member States, with lower requirements for less developed Member States, so to enable support for other development needs;
- Thematic concentration requirements can be met at the national level or at the level of the category of regions. The first option enables higher flexibility in tailoring the requirements to specific regional needs and challenges, by modulating the resources dedicated to the concerned policy objectives accordingly.

As regards the possible constraints triggered by the application of thematic concentration, the outcome of the survey indicates that:

1. More than 48% of respondents indicate that thematic concentration has not constituted a constraint for addressing national and regional development challenges;
2. 40% indicate that it has constituted a constraint. However:
 - 42% of the respondents of this group acknowledge that they have applied the concentration evenly between all programmes, in a much more rigid manner than the regulatory requirements and missing the opportunity to tailor the support between programmes, based on actual regional needs;
 - 10 Member States have applied the concentration at the category of regions level, missing again the opportunity of higher flexibility enabled by the option to apply at the national level.

For respondents who indicated that legal obligations on thematic concentration constituted a constraint for addressing regional or national development challenges, the following policy objectives would be supported to a greater extent:

- PO1: 33%
- PO2: 5%
- PO3: 15%
- PO4: 20%
- PO5: 28%

The appetite for climate and environmental expenditure is the lowest and the concentration requirements for this policy objective are largely seen as a constraint (notably for more developed Member States).

45% respondents do not see concentration requirements triggering absorption difficulties for PO2 and 57% respondents do not see concentration requirements triggering absorption difficulties for PO1. However, 30% of respondents are fearing such risks for PO2 and 19% for PO1. For the latter, the risk is nonetheless perceived as higher in policy objective 2.

Earmarking for sustainable urban development

ERDF Regulation, under Article 11, requires that 8% of ERDF resources under the investment shall be allocated to sustainable urban development.

- Only 20% of respondents indicate that this requirement could alter their capacity to address (other) development challenges – against 50% indicating the opposite.
- Only 15% indicate that this could trigger absorption difficulties, with 50% indicating the opposite.
- On the incentivisation provided by this provision on the support to sustainable urban development, 36% of respondents indicate that the same amounts – or more – would have anyhow been allocated to such objective, in the absence of legal requirement, against 17% indicating the opposite.

Transfers of resources between categories of regions

Common Provisions Regulation, under Article 111, provides for the possibility to carry out, in an asymmetric manner, transfer between categories of regions. Member States are enabled to transfer up to 5% of the initial allocations for less developed regions to transition regions or more developed regions and from transition regions to more developed regions, whereas no limitations are applied in the other direction.

This mechanism had been paid due attention during the programming negotiations.

Only respondents in charge of the partnership agreement have replied to the corresponding questions.

- Only 24% of respondents indicated that they have used the transfer possibility from less developed to transition and more developed regions and 7% from transition to more developed regions. When such transfers have been made, the amounts transferred have nonetheless been inferior to the 5% ceiling, for 85% of the respondents.
- Although the sample of replies is very low (7), respondents indicate (57%), that these ceilings could have prevented them from addressing development challenges.

Programming and implementation of the Just Transition Fund

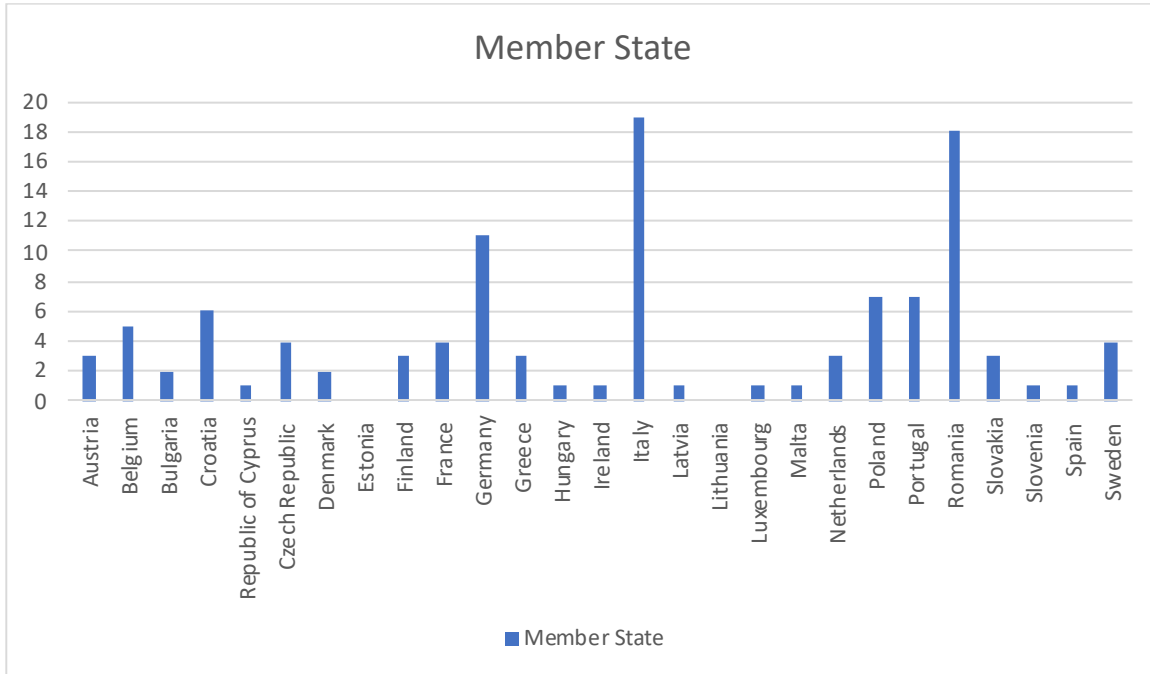
As regards the capacity of JTF to contribute to alleviating the social and economic impacts of climate transition, the respondents have identified, the main features of the JTF:

- The thematic scope, for 12%,
- The territorial focus, for 19% and
- The financing resources, for 13%.

The fact that the JTF is programmed and implemented as a separate instrument has been perceived as a constraint for 23% of respondents, whereas 18% indicated the opposite.

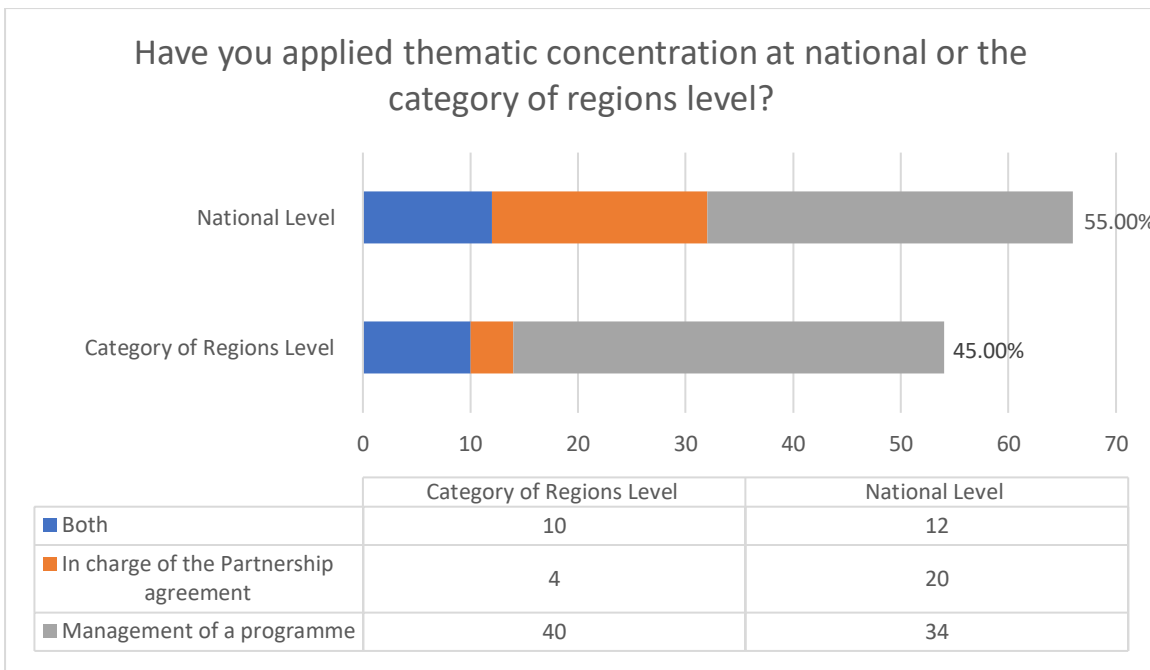
Annex – detail of replies

Breakdown of replies

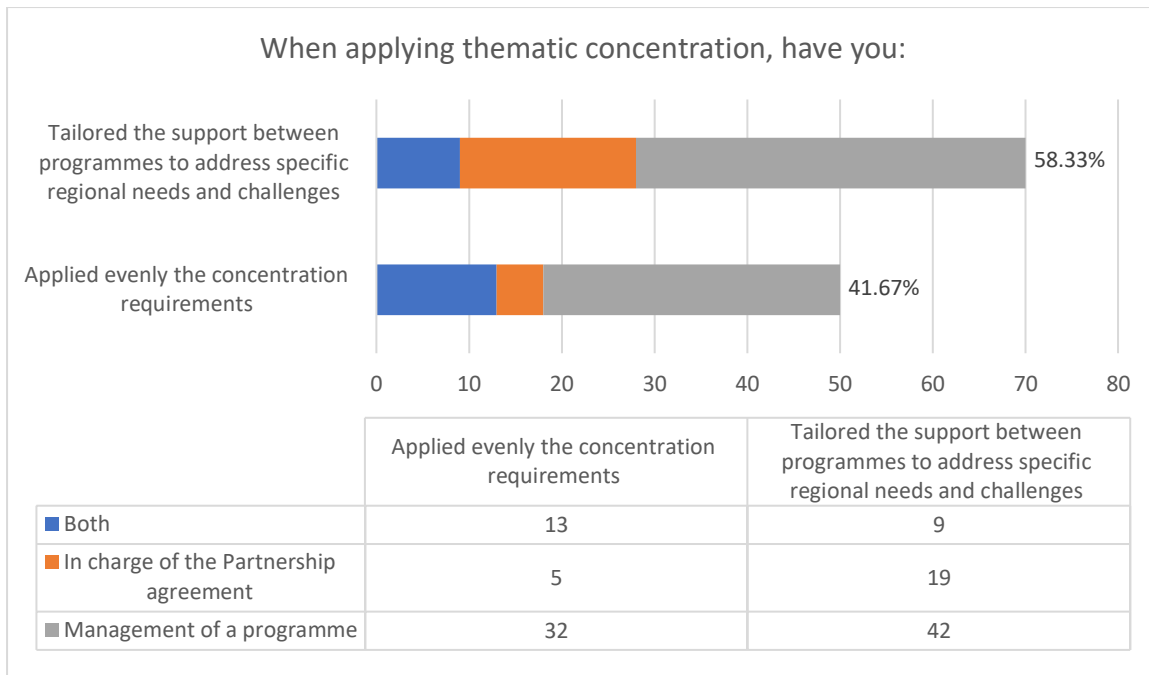


n=112 Answered by respondents who indicated that they are in charge of the management of a programme or in charge of partnership agreement

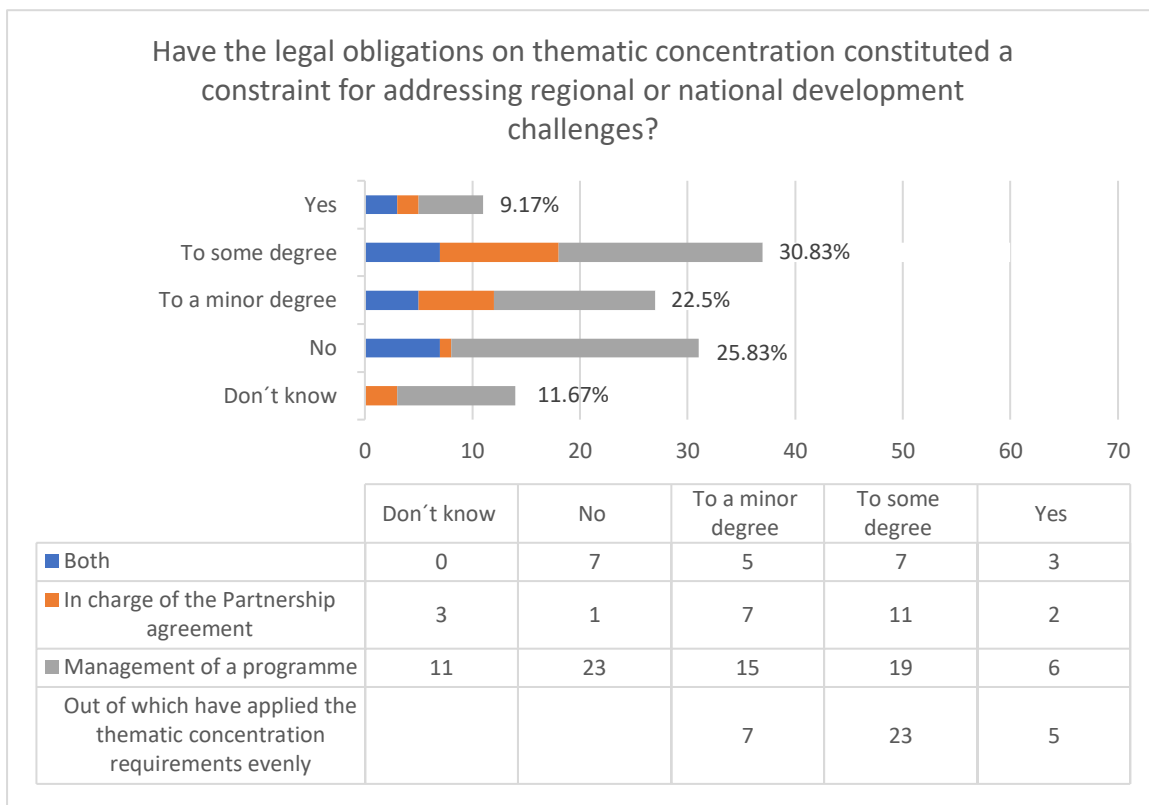
Thematic concentration



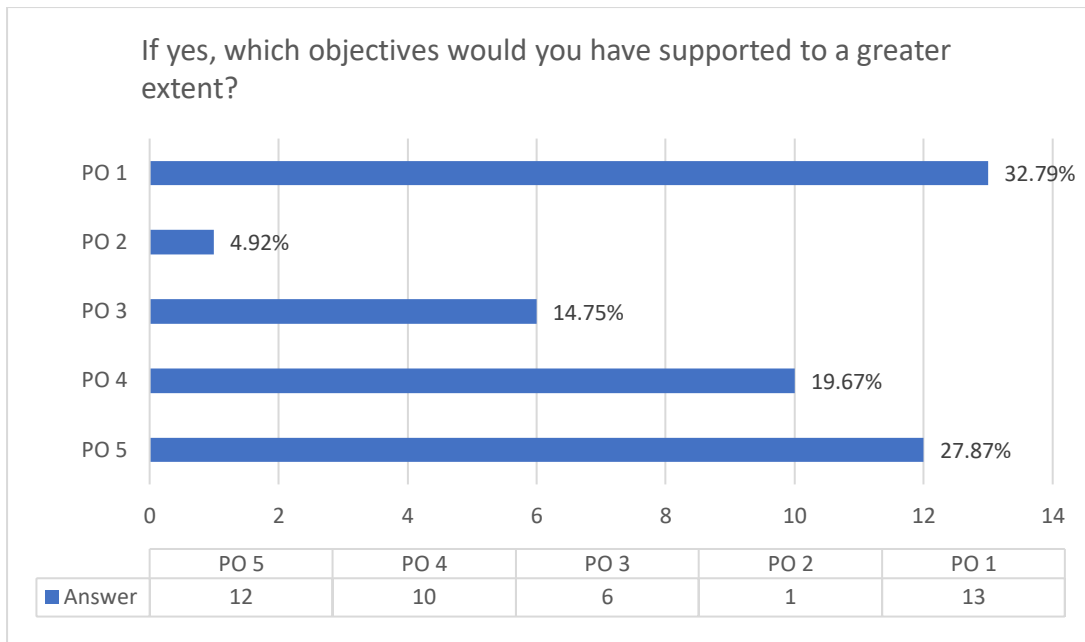
n= 120 Answered by respondents who indicated that they are in charge of the partnership agreement or in charge of the management of a programme



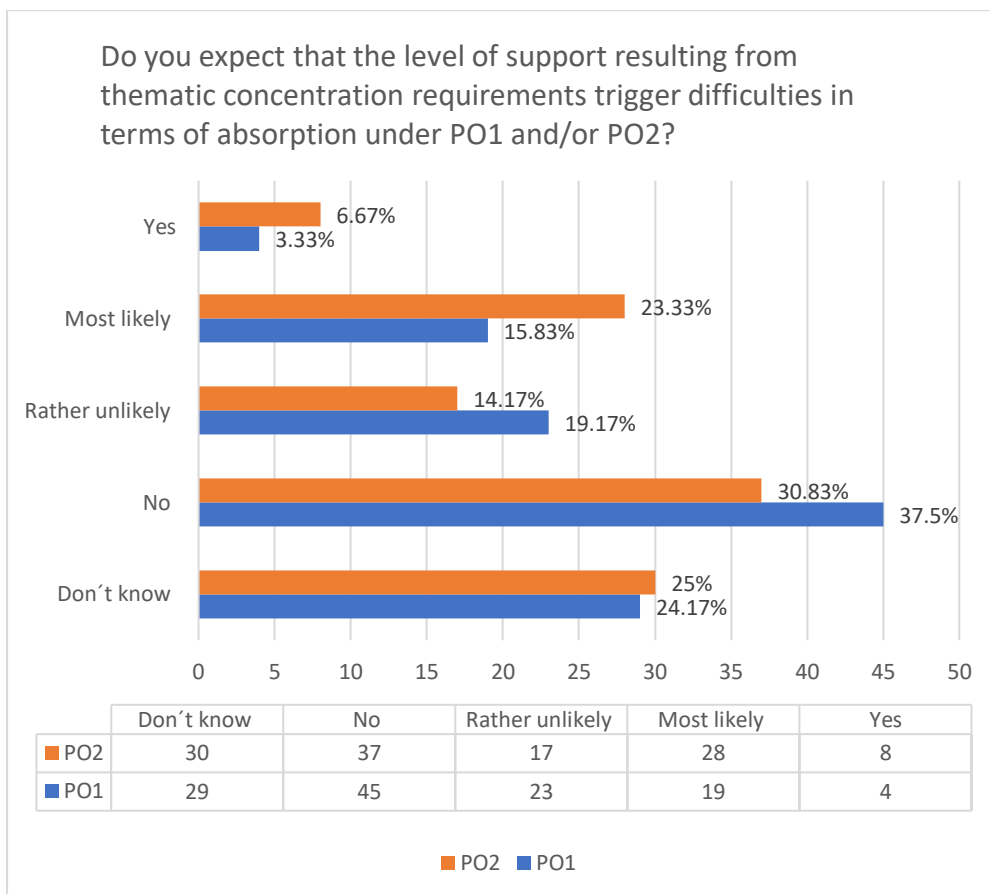
n= 120 Answered by respondents who indicated that they are in charge of the partnership agreement or in charge of the management of a programme



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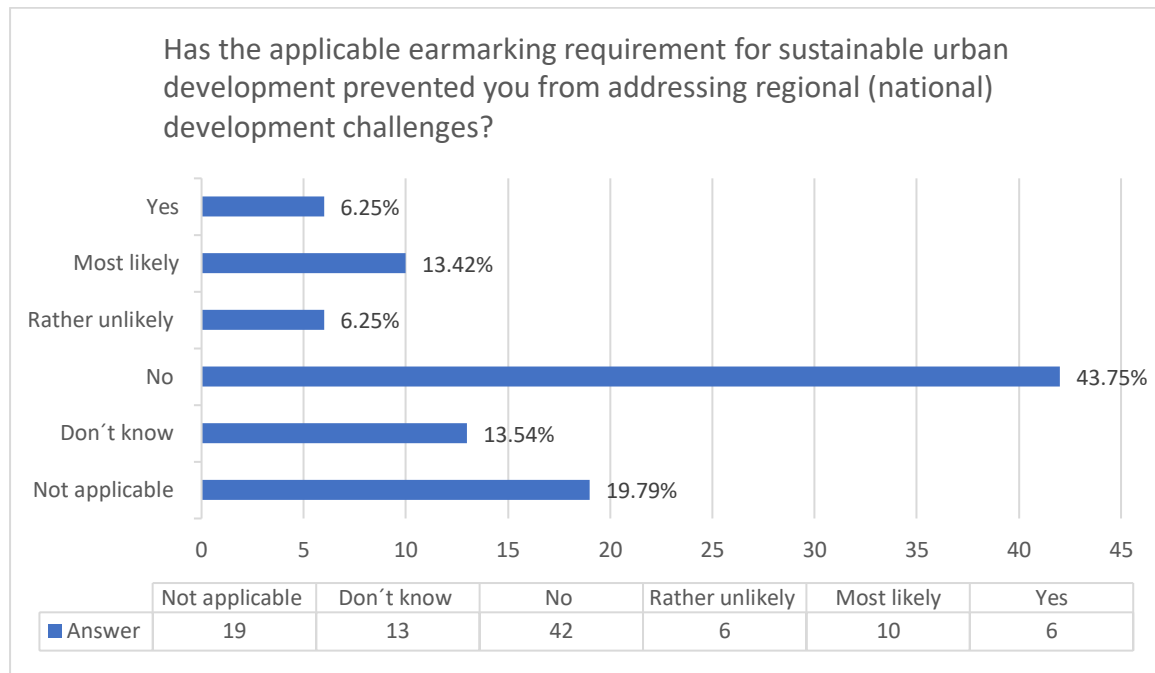


n= 42 Answered by respondents who indicated 'Yes' or 'To some degree' to question 'Have the legal obligations on thematic concentration constituted a constraint for addressing regional or national development challenges?', non-mandatory question

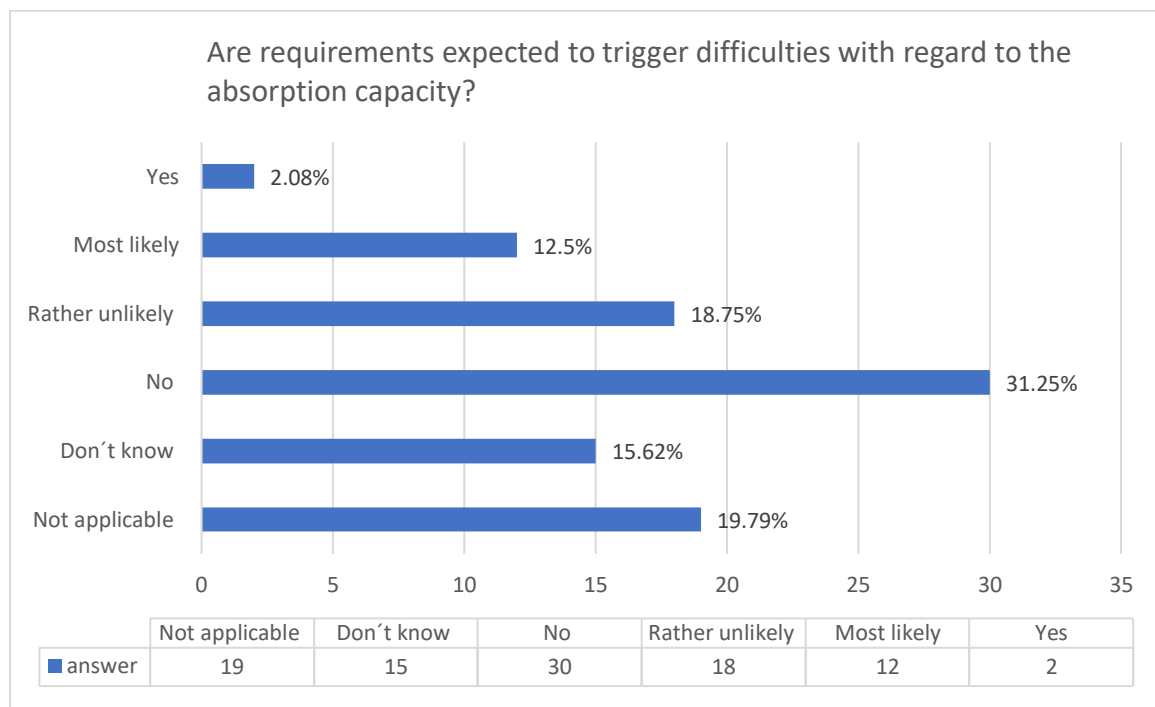


n= 120 Answered by respondents who indicated that they are in charge of the partnership agreement or in charge of the management of a programme

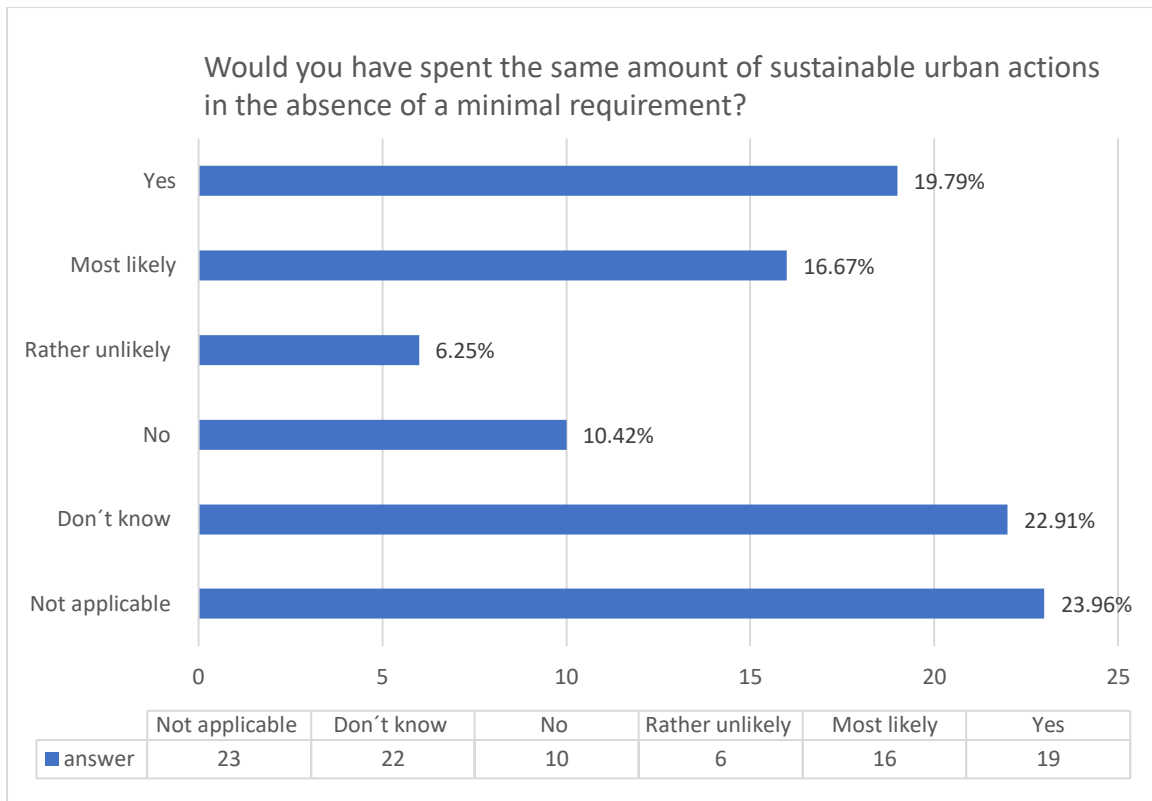
Earmarking requirements for sustainable urban development



n= 96 Answered by respondents who indicated that they are in charge of the management of a programme

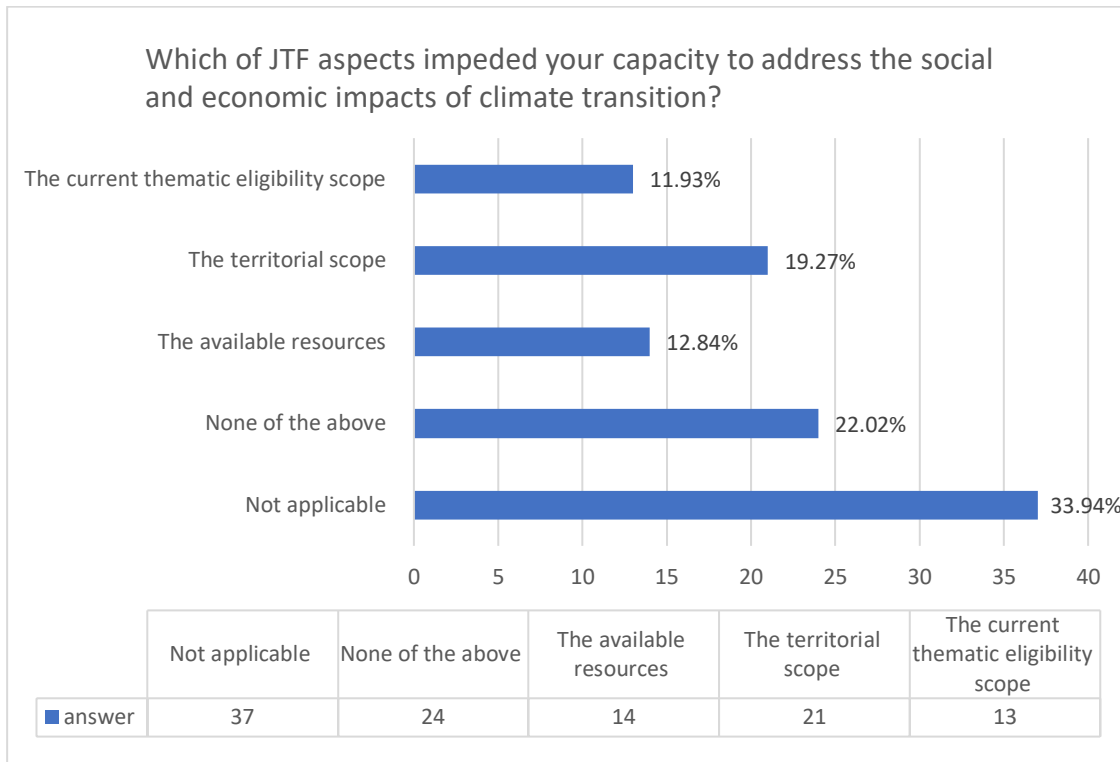


n= 96 Answered by respondents who indicated that they are in charge of the management of a programme

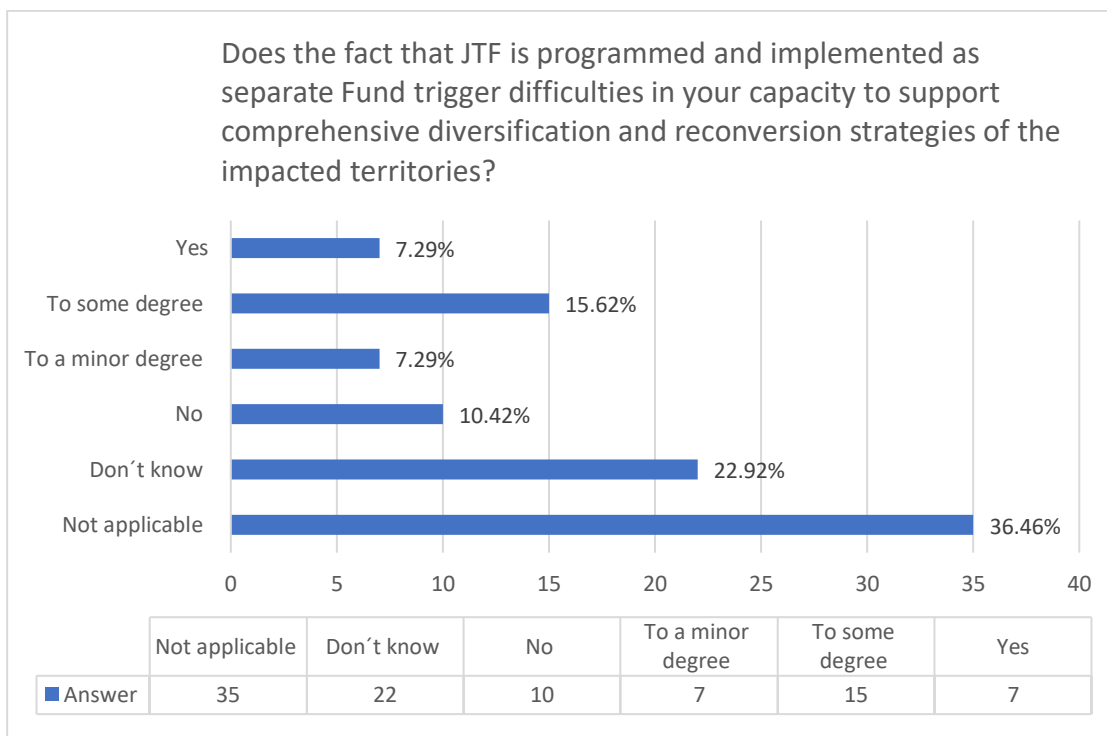


n= 96 Answered by respondents who indicated that they are in charge of the management of a programme

Just Transition Fund

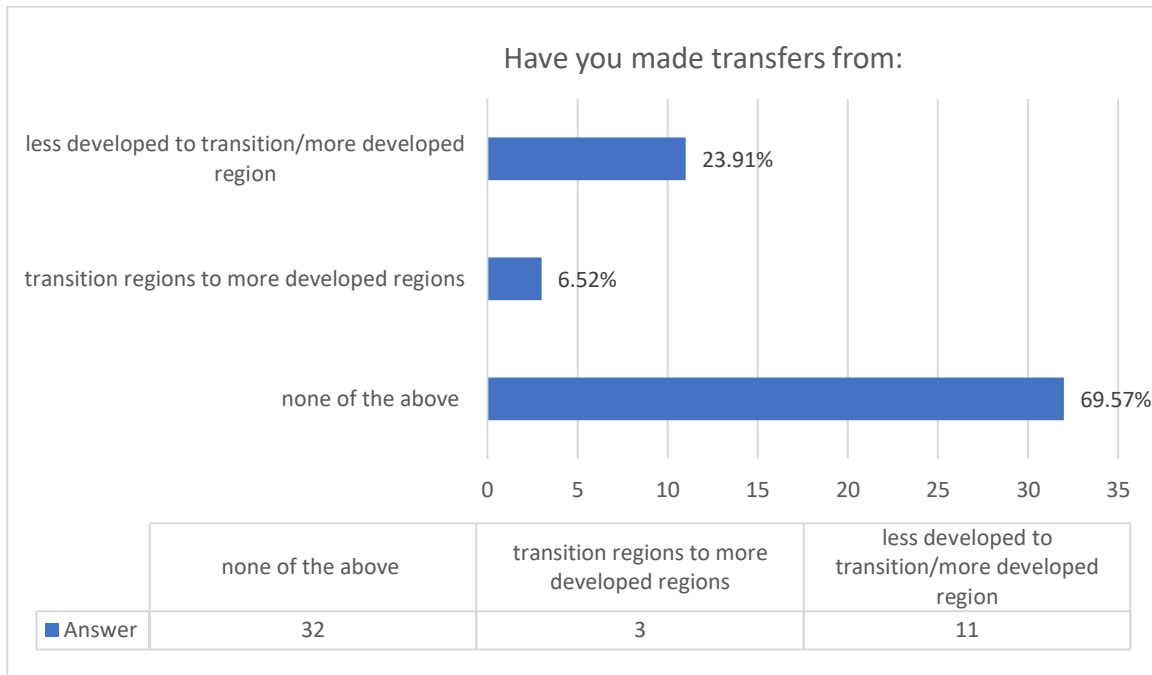


n= 96 Answered by respondents who indicated that they are in charge of the management of a programme (11 of which provided 2 answers, and 1 provided 3)

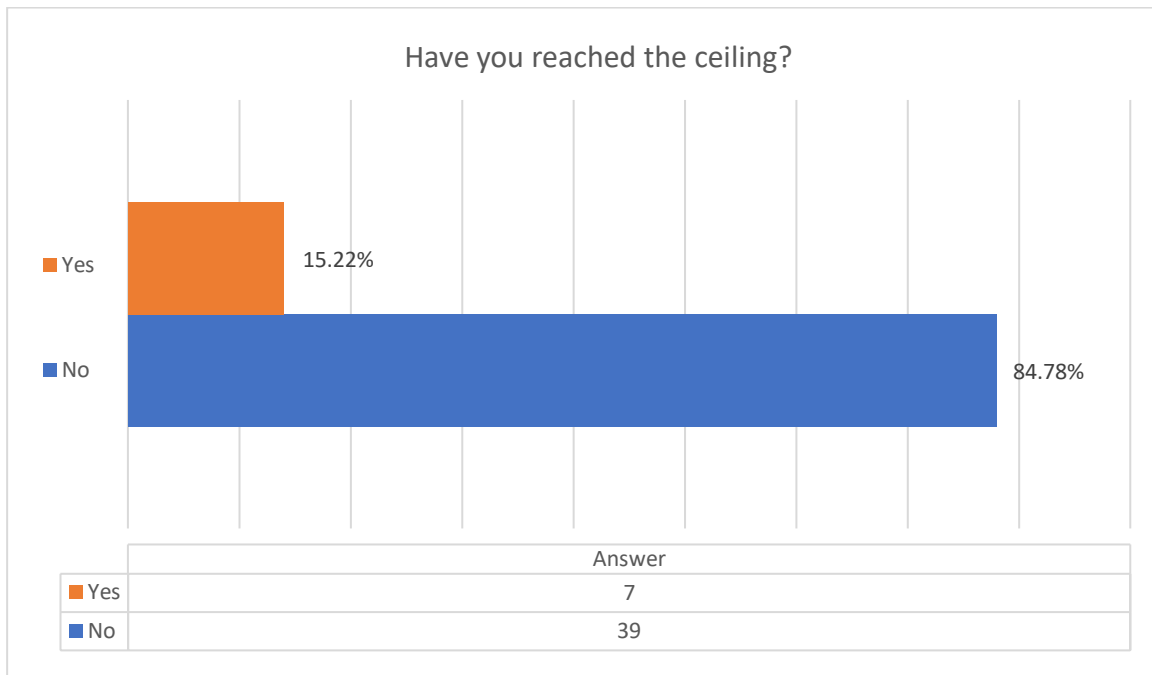


n= 96 Answered by respondents who indicated that they are in charge of the management of a programme

Transfers between categories of region



n= 46 Answered by respondents who indicated that they are in charge of the partnership agreement



n= 46 Answered by respondents who indicated that they are in charge of the partnership agreement

If yes, has the ceiling on transfers between categories of regions prevented you from addressing development challenges in transition regions or in more developed regions?



	Answer
Yes	4
No	3

n= 7 Answered by respondents who indicated 'Yes' on question 'Have you reached the ceiling?'