

Investing in jobs and growth - Maximising the contribution of European Structural and Investment Funds: an evaluation of the report under Article 16(3) of the CPR

2016/2148(INI) - 16/02/2017 - Text adopted by Parliament, single reading

The European Parliament adopted by 493 votes to 53, with 40 abstentions, a resolution on investing in jobs and growth – maximising the contribution of European Structural and Investment Funds: an evaluation of the report under Article 16(3) of the [Common Provisions Regulation](#) (CPR).

Members recalled that with a budget of **EUR 454 billion for the period 2014-2020**, the European Structural and Investment Funds (ESI Funds) are the EU's main investment policy tool and are a vital source of public investment in many Member States. They made the following recommendations:

Sharing results, communication and visibility: Parliament highlighted the need to improve communication on and the visibility of ESI Funds, with greater focus on participation by stakeholders and recipients, and on involving citizens in the design and implementation of cohesion policy. The key communication on cohesion policy projects should focus on **European added value, solidarity and the visibility of success stories**.

Thematic concentration: Parliament insisted that cohesion policy should continue to have thematic focus, while allowing for the degree of flexibility that is sufficient in order to take on board the specific needs of each region, especially the specific needs of the less developed regions.

The resolution recommended the following:

- allowing sufficient flexibility for Member States and regions to support new policy challenges, such as those relating to **immigration**, as well as the broadly understood **digital dimension** of cohesion policy;
- the ESI Funds have an important role to play in delivery of the EU's commitments under the Paris climate change;
- the Funds should encourage a **knowledge economy, innovation and social inclusion**: they should be used to create and boost quality jobs, as well as quality lifelong learning and vocational (training systems, including school infrastructure);
- the Commission should pay more attention to the impact of cohesion policy on **promoting employment and reducing unemployment**. For their part, Member States should intensify their efforts in order to achieve substantial and tangible effects from the funds invested, particularly with respect to funds made available in the form of advance payments, and ensure that the **Youth Employment Initiative** (YEI) is implemented correctly;
- the ESI Funds are a very important tool in the completion of the core **TEN-T network** which is a European transport policy priority.

Parliament also recommended, *inter alia*:

- an analysis of the current situation and the adoption of targeted action to counteract the fact that a significant proportion of *ex ante* conditionalities have not yet been fulfilled;

- an assessment of whether the **performance reserve** -consisting of 6 % of the resources allocated to the ESI Funds for each Member State - actually creates added value or whether it has led to more red tape;
- establishing a balanced link between cohesion policy on the one hand, and the **European Semester** and the Country Specific Recommendations on the other;
- better exploiting new possibilities for **simplification** in terms of common eligibility rules, simplified cost options and e-governance, and establish standard procedures for drawing up operational programmes and for management;
- establishing the necessary tools for permanent administrative capacity, by exploiting functional and flexible e-government solution;
- strengthening **administrative capacity** particularly in Member States with low absorption of funds.

Synergies and financial instruments: whilst the use of grants is still indispensable, Members observed that there seems to be a focus on a gradual shift from grants to loans and guarantees, and noted also that the use of the multi-fund approach still appears to be difficult.

Moreover, the Commission's Article 16 Report provides little information on coordination and synergies among different programmes and with instruments of other policy areas, and in particular has **not always presented reliable data** on the expected results of the ESF and YEI programmes.

Members were convinced that synergies with other policies and instruments, including EFSI and other financial instruments, should be enhanced in order to maximise the impact of investment. The Commission was asked to provide specific data on EFSI's impact in terms of growth and employment and to come forward after the evaluation with learning points to enable the ESI Funds to be put to use more successfully in the new programming period from 2021 onwards.

European Territorial Cooperation: Parliament highlighted the European added value of European Territorial Cooperation (ETC), especially from the point of view of reducing disparities between border regions. This should be reflected in an increased level of appropriations for this cohesion policy objective, to be introduced as soon as practicable. It underlined the need to **preserve this instrument** as one of the core elements of cohesion policy after 2020.

Future cohesion policy: Members were convinced that the future performance-oriented cohesion policy must be founded on data and indicators that are appropriate for measuring efforts, outcomes and impacts achieved, as well as experience at regional and local level in the area (performance-based budgeting, *ex ante* conditionalities and thematic concentration).

The resolution underlined that **faster take-up of the available funds** and a more balanced progression of expenditure during the programming cycle will be needed in future.

The legislative process to adopt the next **multi-annual financial framework** (MFF) should be concluded by the end of 2018, so that the regulatory framework for future cohesion policy might be adopted swiftly after that and come into force without delay on 1 January 2021.