

# Procedure file

Basic information		
INI - Own-initiative procedure	<a href="#">2006/2181(INI)</a>	Procedure completed
Impact and consequences of structural policies on EU cohesion		
Subject 4.70 Regional policy		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>REGI</b> Regional Development		02/05/2006
		PSE <a href="#">PLEGUEZUELOS AGUILAR Francisca</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>BUDG</b> Budgets		20/09/2004
		ALDE <a href="#">GRIESBECK Nathalie</a>	
European Commission	Commission DG	Commissioner	
	<a href="#">Regional and Urban Policy</a>	HÜBNER Danuta	

Key events			
06/07/2006	Committee referral announced in Parliament		
12/04/2007	Vote in committee		Summary
19/04/2007	Committee report tabled for plenary	<a href="#">A6-0150/2007</a>	
21/05/2007	Debate in Parliament		
23/05/2007	Results of vote in Parliament		
23/05/2007	Decision by Parliament	<a href="#">T6-0202/2007</a>	Summary
23/05/2007	End of procedure in Parliament		

Technical information	
Procedure reference	2006/2181(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54

Stage reached in procedure	Procedure completed
Committee dossier	REGI/6/38476

## Documentation gateway

Committee opinion	<b>BUDG</b>	<a href="#">PE382.430</a>	25/01/2007	EP	
Committee draft report		<a href="#">PE384.349</a>	05/02/2007	EP	
Amendments tabled in committee		<a href="#">PE386.316</a>	05/03/2007	EP	
Committee report tabled for plenary, single reading		<a href="#">A6-0150/2007</a>	19/04/2007	EP	
Text adopted by Parliament, single reading		<a href="#">T6-0202/2007</a>	23/05/2007	EP	Summary
Commission response to text adopted in plenary		<a href="#">SP(2007)3179</a>	14/06/2007	EC	
Commission response to text adopted in plenary		SP(2007)3608/2	05/09/2007	EC	

## Impact and consequences of structural policies on EU cohesion

The committee adopted the own-initiative report drawn up by Francisca Pleguezuelos AGUILAR (PES, ES) on the impact and effects of the structural policies on EU cohesion. The report set out recommendations for maximising the impact of the new cohesion policy in social, economic, regional and governance terms.

Emphasising the crucial role played by cohesion policy in supporting the internal market in terms of the trade and jobs created through projects cofinanced by the EU, the report called for the development of an integrated structural policy that combines support from the structural and cohesion funds with the other Community policies. MEPs urged the Commission and Member States to improve the European Social Fund's contribution to implementing the European Employment Strategy by strengthening the relationship between them. This improvement should subsequently be demonstrated using relevant indicators to promote equal opportunities.

The committee urged the Commission to explore new ways of combining structural policies and instruments with other Community policies and instruments so as to increase synergies for promoting competitiveness, sustainable research and innovation. As far as research is concerned, the Commission and the Council were urged to assess whether earmarking at least 20% of structural funds for R&D and innovation for the next programming period was viable, and to focus not only on major projects and centres of excellence but also on smaller projects in less favoured regions, particularly those which contribute to sustainable regional development. Among other recommendations, the committee called for the establishment of regional and local "technology facilitators", using existing resources such as the Euro Info Centre and the Innovation Relay Centre networks, which will be financed by the structural funds and associated with regional projects, technology parks, clusters and networks, and will invigorate innovation for business by facilitating access to European aid schemes and programmes.

The report also called on the Commission, the Member States, the regions and the local authorities to investigate which instruments are best suited to securing a territorial balance between urban and rural areas, encouraging an integrated strategic approach to the development of urban, suburban and rural areas and encouraging the exchange of good practice, especially in regional and sectoral networks for improving the management of funds.

For measuring the degree of cohesion, the committee called for other territorial indicators to be used apart from per capita GDP, such as the rate and quality of employment, the level of disparities in GDP between neighbouring regions, the decentralisation and accessibility index, the infrastructure and transport provision, [the level of research/innovation, education and training activity and the diversity of production in the area](#). The report also encouraged the Commission to analyse the leverage effect of the structural funds in attracting private investments in the context of the new cohesion policy and to underline the need for cooperation between the public and the private sectors.

Given that the shortage of administrative capacity can be a major obstacle to maximising the impact of the cohesion policies, MEPs called on the Commission to develop the instrument represented by tripartite contracts and to continue the process of administrative capacity-building. Lastly, the committee called on the Commission to consider actions to raise the visibility of structural interventions, to monitor more closely the application of mandatory publicity measures and to punish the Member States concerned "in the event of serious breach".

## Impact and consequences of structural policies on EU cohesion

The European Parliament adopted a resolution based on the own-initiative report by Francisca Pleguezuelos AGUILAR (PES, ES) on the impact and effects of the structural policies on EU cohesion. Since the positive impact of structural policies varies from one region to another, the resolution puts forward recommendations for maximising its impact in the new programming period 2007 to 2013. Between 1995 and 2005 GDP per capita growth in the 13 cohesion countries was greater than that of the Union of fifteen Member States, the former's annual rate

reaching 3.6 % compared with an average of 2.2 % for the latter. The free play of market forces was incapable of creating the cohesion that the EU's founding fathers envisaged, and cohesion necessarily requires public authority intervention so as to enable the balance between regions to be restored.

Parliament stressed the cohesion policy's critical role in supporting the internal market in that, by virtue of the design and implementation of projects co-financed by the EU, trade has increased and jobs have been created. It emphasised the importance of developing an integrated and sustainable structural policy that combines support from the structural and cohesion funds with support given within the framework of other Community policies. This concept of integrated policy should be the subject of communication and training measures, and used by all the actors concerned.

It insisted that companies which had received State aids and relocated within the EU should be debarred from obtaining public benefits for their new places of business and excluded from Structural Fund and national support for seven years from the date of relocation.

Parliament considered that the Commission and the Member States should improve the contribution of the European Social Fund to implementation of the European Employment Strategy (EES), strengthening the relationship between them, and that this improvement should be immediately demonstrated using relevant indicators to promote equal opportunities. It urged the Commission to explore new ways of combining structural policies and instruments with other Community instruments aimed at increasing synergies that will promote competitiveness and sustainable research and innovation, drawing on the work of the Commission's interdepartmental task forces dedicated to these fields.

Parliament felt that the Council and Commission should look into whether a requirement to earmark at least 20 % of the Structural Funds to promoting research and development, starting from the next programming period 2007-2013, was viable, and to focus not only on major projects and centres of excellence but to also pay attention to smaller projects in less favoured regions. It proposed that the Council and Commission encourage the establishment of regional and local technology facilitators, using existing resources, such as the EuroInfoCentre and Innovation Relay Centre networks. These will be financed by the structural funds and associated with regional projects, technology parks, clusters and networks, and will reinvigorate innovation for businesses, particularly small businesses, by facilitating access to European aid schemes and programmes.

Members proposed that European institutions and the Member States promote best practice and measure the impact of Community policies on cohesion, by endowing the European Spatial Planning Observatory Network (ESPON) with the necessary resources to enable it to act as an observatory of the effects of structural policies on cohesion.

It urged relevant parties to investigate which instruments were best suited to securing a territorial balance between urban and rural areas, encouraging an integrated strategic approach to the development of urban areas together with the surrounding suburban and rural areas ("catchment areas") and encouraging the exchange of best practice, especially in regional and sectoral networks for improving the management of funds. Cohesion policy should make a greater contribution to meeting the objectives of the new sustainable development strategy, by focusing on largely renewable sources of energy, transport systems that exploit the possibilities of intermodal combinations more efficiently and on recycling.

Parliament went on to call for other territorial indicators to be used, apart from per capita GDP, for measuring the degree of cohesion, such as the rate and quality of employment, the level of disparities in GDP between neighbouring regions, the decentralisation and accessibility index, infrastructure and transport provision, the level of research/innovation, education and training activities and the diversity of production in the area in question.

It encouraged the Commission to analyse the leverage effect that structural funds have had on attracting private investment within the context of the new cohesion policy and to highlight the need for cooperation between the public and private sectors. It also suggested that the Commission should obtain better information on the quality and sustainability of the jobs that have been created using structural funds.

Parliament drew the Commission's attention to the fact that a shortage of administrative capacity could act as a major obstacle to maximising the impact of cohesion policies. It called on the Commission to develop the instrument made up of tripartite contracts and to continue the process of administrative capacity building during the implementation phase of the new cohesion policy. This should be done by setting up a network of accredited trainers so as to ensure coherence between training measures and awareness-raising campaigns carried out by management authorities of a Member State.

Lastly, Parliament called on the Commission to examine, in the context of the implementing regulation, actions to raise the visibility of spending, not only on major infrastructure projects but also on smaller projects. The Commission should monitor more closely the application of mandatory publicity measures and punish the Member States concerned in the event of serious breach. Management authorities were called upon to involve MEPs in the provision of information connected with projects financed by structural funds.