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“Europe needs growth, investments to support SMEs, education, research, innovation, digital infrastructure, energy and transport. It is now up to the regions and cities to step up efforts towards investments, which will be co-financed by the EU budget”

Danuta Hübner

(PL) Chair of the negotiations for the new cohesion policy



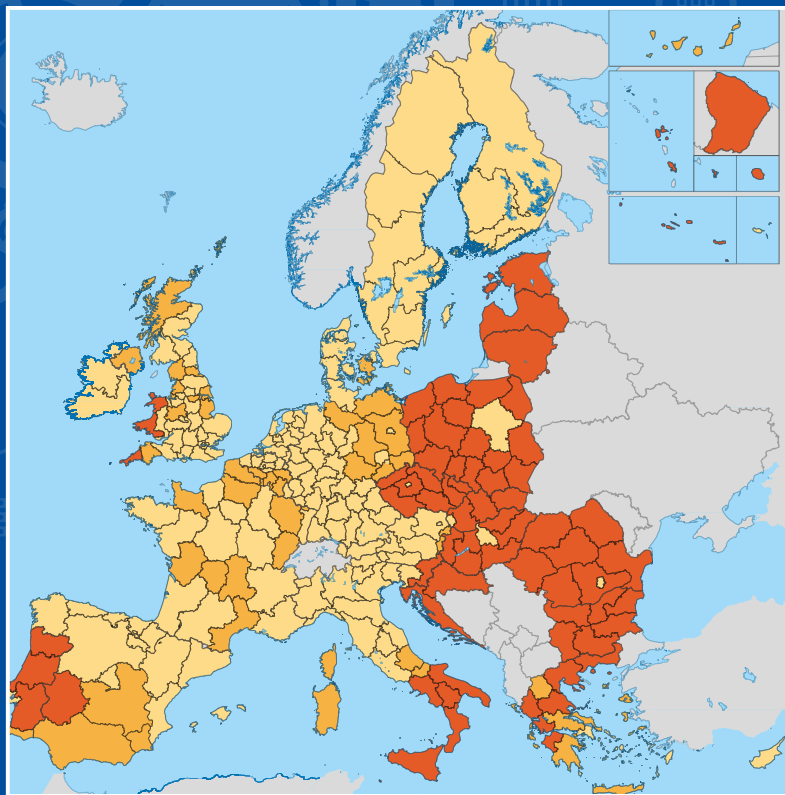
What is regional policy and what does it do for you?

Europe is a patchwork of countries and regions with a different geographic, industrial, agricultural and social features. The EU's regional policy is the driver for economic growth and job creation as well as the glue that holds Europe together. It aims to reduce the economic, social and territorial inequalities that still exist between Europe's regions. It embodies both Europe-wide investment and European solidarity in their most practical form.

The EPP Group in the European Parliament (EP) has always been a staunch defender of an EU regional policy that stimulates growth and competitiveness for all European regions. For us it is crucial that EU regional policy funds are focused on where they can make the biggest difference - to citizens, businesses and regions. In practice this means help with projects like new roads, broadband internet or vocational training.

The EPP Group in the European Parliament (EP) played a major role in the adoption of the new EU regional policy, which with a budget of over 350 billion euro will run from now to the year 2020.

Structural Funds (ERDF and ESF) eligibility 2014-2020



Category

- Less developed regions (GDP/head < 75% of EU-27 average)
- Transition regions (GDP/head between 75% and 90% of EU-27 average)
- More developed regions (GDP/head >= 90% of EU-27 average)

This new EU regional policy framework is financed via the European Structural and Investment Funds (ESI Funds) and includes:

- **the European Regional Development Fund (ERDF)**, aiming to strengthen economic and social cohesion in the EU and to increase EU competitiveness through targeted investments;
- **the European Social Fund (ESF)**, investing in people with a focus on improving employment and education opportunities across the Union;
- **the Cohesion Fund (CF)**, addressing Member States whose Gross National Income (GNI) per inhabitant is less than 90% of the EU average, aiming to reduce economic and social disparities;

They are completed by the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund.

We have been making a continuous effort to ensure that ESI funds have a direct, positive impact on EU citizens' lives. What follows is an overview of the priorities the EPP Group focuses on to achieve this.

growth sectors

“In times of vast public debt, risk aversion and a severe lack of public spending, European funding will stimulate public and private investments and help focus the financial sector on what should be its core business: providing means for long-term investments for SMEs, innovation and infrastructure”

Joachim Zeller

(DE) EP Rapporteur on the European Grouping of Territorial Cooperation



1. Investing in key growth sectors

For the EPP Group in the EP investments should focus on key growth sectors:

- **research, technological development and innovation** constitute drivers for the EU's competitiveness. Innovation bottlenecks have to be addressed and business research and development have to get priority in funding;
- **information and communication technologies** are key to facilitate innovation and productivity, therefore projects related to the access to, the use of and the quality of information and communication technologies should also have priority funding;
- **small and medium-sized enterprises (SMEs)** – providing two out of every three private-sector jobs there is no doubt that projects involving SMEs will be crucial to strengthen the back-bone of the European economy;
- **the transition to a low-carbon economy** – in order to achieve the EU climate targets, greater energy efficiency and a shift towards low carbon sources we have to promote investments that make sure our energy supply does not undermine energy efficiency and that develop smart energy distribution, storage and transmission systems;
- **more efficient intra-European connections to direct investments towards better Trans European transport links, better broadband networks and digital services.**

“In helping the professional integration of young people and of those people who have stayed away from the labour market for a long time, the European Social Fund is a major tool in the fight against unemployment and poverty”

Élisabeth Morin-Chartier

(FR) EP Rapporteur on the European Social Fund




people



2. Investing in people

The EPP Group finds it crucial to invest in employment through training, life-long learning and professional education, in order to create real job opportunities for people across all EU regions.

- Young job-seekers, but also older workers, must get the chance to obtain the **skills and qualifications** that match the demand on the job market, including the capacity to work with the newest eco-friendly techniques;
- **Combatting social exclusion** is another one of our targets. The EPP Group in the EP makes sure, that the money reaches people who need it most, and ensures that enough money is allocated for the fight against poverty;
- An increased budget for **territorial cooperation** between the border regions to better address common challenges can simply improve the opportunities of the 200 million European citizens that live in them.



An example: Health services in Catalonia (ES)

In response to the need for quality general health services and also urban development, the first ever cross-border hospital has been built in North Catalonia at the initiative of i.a. local and regional EPP representatives. The European Regional Development Fund has provided 18.6 million euro, or 60% of the total cost of this pioneering project, the first health centre in Europe to provide care for populations on both sides of a border. The hospital serves both the Catalan and French sides of the regions of Cerdanya and Capcir.

“The policy will focus even more than before on innovation. This will open the door to more ‘Made in Europe’ inventions. We are looking forward to making our economy flourish again. These funds guarantee a huge investment in these times of economic crisis”

Lambert Van Nistelrooij

(NL) EP Rapporteur on the Common Provisions for the European Structural and Investment Funds



city & region

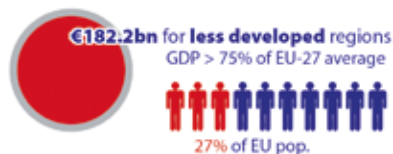
3. Investing in your city and region to become a world leader in what it does best

For maximum impact, regions have to focus investments in the sectors they excel in. This “smart specialisation” strategy means regions are encouraged to focus resources on a limited number of smart growth priorities in which they have a competitive strength. **The goal of smart specialisation is to trigger innovation and capitalise on locally dynamic activities.** EU investments can help to put a region on the map for a specific product, service or industry and help attract further (private) investments.

An example: A Telecentre project in Antwerp (BE)

The Telecentre project has been established in Antwerp with the aim of fostering both economic growth and social inclusion by the European Union cohesion policy. It employs over 160 people, many of them from excluded social groups, from 10 different nationalities, speaking 14 different languages. The goal was to make this a profitable enterprise, creating employment and promoting the regeneration of the area. The EU contributed 325.000 euro to the project, supported as well by the EPP-led Flemish government and private enterprises, creating a total investment of almost 2.3 million euro. The growth of this business has convinced several business support services, such as a temp agency, a restaurant and a small supermarket to set up in the immediate vicinity of the Telecentre, contributing further to the economic regeneration of the neighbourhood.


solidarity



4. More solidarity for a balanced development across the EU

The EU budget is the most concrete lever we have available to support new **innovation and infrastructure projects** in our regions.

- All 273 European regions are benefiting from funding, according to their level of development:
 - less developed regions, with a GDP per capita less than 75% of the EU average,
 - transition regions, with a GDP per capita of 75 to 90% of the EU average,
 - more developed regions, with a GDP per capita above 90% of EU average.
- In some regions, the EU budget is the only way to get public investment, because of the lack of resources at national level as a consequence of the crisis. Increased support will be offered to the regions , which need it most.
- The EU projects are co-financed, as a rule, between the European Union and public and/or private partners.



An example: Inter-connection in Upper Silesia (PL)

Cohesion policy is giving the finishing touches to the vital infrastructure on the crossroads between various European regions. A new regional road some 5.6 km long built between two cities in Upper Silesia, southern Poland, interconnects the trans-European corridors (Baltic-Adriatic, Dresden-Kiev). It is the culmination of a multi-annual investment project co-funded by the EU, contributing 102.7 million euro out of the total cost of 174.5 million, and pursued at the instigation of national and regional EPP-led authorities. The project's implementation phase is expected to create almost 1 800 jobs.

partnering

“This legislation means more money for investments across the EU. Targeted investments are a novelty as is the innovative approach to the development of cities. With today’s vote, European regions are being offered a flexible investment fund that will allow them to make the best possible use of EU funds”

Jan Olbrycht

(PL) EP Rapporteur on the European
Regional Development Fund



5. Partnering up with regions

The new regional policy gives local and regional authorities a bigger say in the use of EU regional funding. The procedures for implementation have been designed so as to guarantee better spending of taxpayers' money.

- The reformed cohesion policy places a **strong focus on partnership**: partners (local and regional authorities, economic and social partners, representatives of the civil society) are actively taking part both in the process of policy programming and implementation.
- Transparent and **measurable targets for accountability and results** are fixed. This will allow for close control of funding as well as monitoring of the cost-effectiveness of EU financing.
- The **coordination with other EU funds**, such as Horizon 2020 (Research and Development), Erasmus for all (education), LIFE (the instrument supporting environmental and nature conservation projects) and others will be strengthened.



Published by:	Publications Team Press and Communications Service Group of the European People's Party (Christian Democrats) in the European Parliament
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Address:	European Parliament 60 Rue Wiertz B-1047 – Brussels
Published in:	July 2014
Internet:	www.eppgroup.eu
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