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DIRECTORATE-GENERAL
REGIONAL AND URBAN POLICY

Political and Inter-Institutional Coordination and Document Management

Brussels, 12 April 2017

Minutes

Meeting of the Structured Dialogue with European Structural and Investment Funds' partners group of experts¹

28 March 2017, Brussels

I. Approval of the agenda and of the minutes of previous meeting

The agenda and the minutes of the previous meeting were approved.

II. Nature of the meeting

This meeting was public, i.e. web-streamed and recorded (available to anyone inside and outside the European Commission)²

III. List of points discussed

1. Welcome Address by Corina Crețu, Commissioner for Regional Policy

Corina Crețu, Commissioner for Regional Policy, opened the meeting. She highlighted the critical importance of the partnership principle not only for cohesion policy, but for the entire European project, especially in a time during which the EU faces a lot of challenges. She thanked the partners for their contribution to the implementation of the partnership principle, which already functions well in many regions but should be strengthened in some Member States. Commissioner Crețu pointed out that both the 60th anniversary of Rome as well as Brexit called for introspection and reflection. She invited partners to contribute to the debate on the future of Cohesion Policy. Commissioner Crețu reminded that cohesion policy was the backbone of European integration and that it had a positive and crucial impact in the life of European citizens. She therefore insisted on the need for more communication and called upon the partners to help the Commission in this endeavour. The Commissioner also underlined the need to go further into simplification, arguing for a harmonisation of rules of the ESI Funds.

Following Ms. Crețu's address, comments were made by **CAN Europe** (underlining the role of climate action in cohesion policy), **COGECA** (stressing that rural development funds are not **sufficient** to cope with the challenges of rural areas which play a vital role for the viability of the EU), **EAPN** (calling for the inclusion of partners on the ground, who have knowledge on poverty, to be included in partnerships in order to better tailor investment to reduce poverty and

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² <https://webcast.ec.europa.eu/6th-meeting-of-the-structured-dialogue-with-european-structural-and-investment-funds-partners-group-of-experts>. This link will remain available for two years after the event.

inequality), **CPMR** (stressing the need for strengthened communication efforts which should directly involve regions), **ERIN** (inquiring about how smart specialisation would be used to create effective synergies between funds and Horizon 2020, and how could smart specialisation become a cornerstone of future cohesion policy), **EUROCITIES** (pointing out that regions could do more in terms of bridging the gap between EU policies and citizens, and calling for a better application of the partnership principle as well as a strengthened territorial and integrated approach) and **CCRN** (stressing their commitment to good implementation and communication, informing about a future position paper on the future of cohesion policy to be presented at the Cohesion Forum).

Commissioner Crețu acknowledged that there should be a continued focus on rural areas and described how metropolitan strategies also help rural areas by involving less developed areas around cities. She also mentioned the importance of broadband in the development of rural areas, and the need for an integrated approach and a better coordination between cohesion and rural policies. She regretted that awareness of the tools at hand was not always sufficient in all Member States and underlined the need for improved ownership at Member State level as well as for a radical change of communication. Regarding smart specialisation, the Commissioner underlined that it was a top priority for the Commission, referring to the 10 000 projects already launched under the Seal of Excellence. She also stressed that the best argument for cohesion policy in future debates were the results of the policy on the ground. Finally, Commissioner Crețu emphasized that she continues to welcome partners' ideas on the future of cohesion policy and participants were encouraged to submit further questions and comments via mail.

2. How to better communicate the impact of European Structural and Investment Funds?

The Commission (DG REGIO) stated that cohesion policy had a strong communication deficit, as people associate the EU with complicated rules rather than the benefits induced by European funds. The Commission stressed that communicating in the current period was pivotal: the feeling of being disconnected from the European Union has a clear impact on the ballots. To change this trend and to sap this emotional wall, the Commission proposed a clear and strong narrative about what cohesion policy delivers: a valuable contribution to sustaining the European way of life by enabling Europeans to treasure their past, preserve their culture and address the future. Furthermore, the Commission underlined the need for more communicators: Member States, local and regional authorities and businesses had a crucial role to play in this regard. Finally, the Commission (DG EMPL) underlined that the 60th anniversary of the European Social Fund was a great opportunity to communicate on the results and the impact of the funds in the daily life of citizens.

Following the Commission's presentation, remarks were made by **UEAPME** (underlining the importance of partnerships for local visibility and their willingness to work with the Commission regarding communication, while at the same time stressing the need for more data and calling for a guide on good practices), **EDF** (praising the current level of commitment regarding accessibility requirements), **COPA** (wondering whether the results of the High Level Group monitoring simplification for beneficiaries of ESI Funds would feed into the future communication developments), **Euromontana** (emphasizing the contribution of rural areas to societal balance, pointing out the issue of people in rural areas feeling left aside by major EU policies), **REVES** (underlining that communication efforts should not only focus on bridges and infrastructure but also on the human dimension and empowerment), **ETUC** (stressing the need to

create better coherence and complementarity between different funds and asking the Commission to increase their efforts in training journalists base in Brussels, who are often unaware of the most important issues regarding EU policies).

The Commission responded by underlining the importance of local ownership of communication efforts and of communicating through results as well as the role that ex post evaluations play. The Commission acknowledged the central role of simplification efforts and pointed to the Omnibus proposal, which aims at improving the current regulation in this regard. The Commission also pointed out that one of the major challenges in terms of better communication was building an emotional bridge with citizens. Finally, the Commission mentioned some of its training for journalists and stressed the importance of local partners, saying that the best stories were often told in regional newspapers about local projects.

3. Implementation of the Partnership Principle

The Commission (DG EMPL) presented its ongoing European Code of Conduct on Partnership (ECCP) Review, which looks beyond compliance in order to study the added value of partnerships for ESI funds. The objective of the review was to raise awareness on the partnership principle from project to programme level, to examine the most appropriate mechanisms and provide guidance to partnership practitioners. The Commission pointed out that one of the shortcomings regarding the implementation of the partnership principle was the fact that the Commission is not part of the monitoring committees and only has a role of observer, which creates problems of both ownership and influence. In this regard, the Commission encouraged partners to share concrete examples of bottlenecks with the Commission in order to allow desk officers to follow up on them.

Following the presentation, comments were made by **ETUC** (regretting that the meeting did not allow sufficient time to discuss thoroughly partnership issues, criticising that partners were not properly involved in many Member States, asking for a committee for social dialogue in DG REGIO, deploring the lack of representativeness of this Structured Dialogue and regretting the annual consultation of social partners in the previous programming period, and asking for the respect of the EECPP to become an ex-ante conditionality, as there is currently no provision sanctioning a Member State for not applying it properly), **FSG** (expressing interest in the ECCP Review and asking for guidance by the Commission on how to effectively implement the partnership principle) **EAPN** (noting that there was progress but stressing that there was not enough time provided for partners to be really involved and criticizing bureaucracy), **CPMR** (informing that they were developing concrete proposals for the future of cohesion policy, asking for more incentives to ensure the implementation of the partnership principle, an increased quality of informal partnerships and for the introduction of the ECCP as an ex ante conditionality).

The Commission (DG REGIO) responded by underlining once more its wish to receive feedback and concrete information from partners on this topic. Regarding the remarks from ETUC, the Commission said it might consider the option of launching a new call which would reflect these concerns.

4. Perspectives for Agricultural and Rural Policy

Mr Jerzy Bogdan Plewa, Director General of DG AGRI, presented the Cork 2.0 declaration on a Better Life in Rural Areas and outlined follow-up actions planned to be put in place in 2017. Backed by a wide spectrum of agricultural and rural area stakeholders, the declaration includes clear recommendations for future policy development in agriculture and rural areas and calls for a switch from compliance to performance-orientation. Mr Plewa underlined Commissioner Hogan's strong personal commitment to this agenda and its focus areas: restoring and building trust of stakeholders, promoting quality of life in rural areas, enhanced connectivity, strengthened rural-urban linkages, enhancing local administrative capacities, and favouring bottom up local initiatives. The declaration also request a rural-proofing mechanism which systematically reviews other macro and sectorial policies through a rural lens and considers the impact they have on rural communities. Mr Plewa also addressed the issue of the modernisation and simplification of the common agricultural policy (CAP). He recalled that the Commission intends to publish a Communication by the end of 2017, presenting current performance of the CAP and assessing possible policy options for future. A public consultation is open until 2 May. Mr Plewa underlined his openness to receiving contributions from partners and taking them into account during the debate on CAP post 2020. Mr Plewa highlighted price pressure and uncertainties on the food market as major issues for the future and pointed to the impact that recent commitments such as COP 21 and the sustainable development goals would have in this assessment. Mr Plewa also emphasised the role of agricultural in creating jobs and growth.

Afterwards, questions were raised by **Birdlife** (asking if the Commission was ready to consider a programmatic approach for pillar 1), **COPA** (asking for the Director General's views on simplification), **ESIN** (inquiring whether there were going to be special conditions for islands in the future), **COGECA** (reiterating the shortcomings in current rural development funding and wondering how to ensure viable rural areas in the future), **EURAF** (highlighting the lack of availability of data to evaluate CAP for land management professionals), **EAPN** (inquiring how CAP could contribute to the Commission's overall goal of combatting poverty and inequality), **Euromontana** (stressing the need for recognition of the agricultural sector as a precondition for asking the sector for improvements), **EDF** (inquiring how the rural development fund could contribute to the availability in rural areas of certain crucial services for persons with disabilities).

In response, Mr Plewa pointed out that the discussions on the future of CAP were still ongoing and that he did not want to pre-empt the discussions while at the same time underlining that there was a need for a deep reflection on the future of CAP. He also emphasized the close cooperation with DG REGIO on regarding the High Level Group on simplification and pointed to the importance of the Omnibus proposal in this context. He acknowledged the special situation of islands and affirmed it was on the Commission's screen for future discussions. Mr Plewa also agreed that the availability of data was a crosscutting challenge not only for CAP but also in the area of forestry; he regretted that Member States stopped collecting certain data during the financial crisis. Director General Plewa emphasised the agricultural sector's role in fighting poverty by referring to direct payments' share in famers' income and to the policy's success in delivering food at a reasonable price.

5. An Assessment of ex-ante Conditionalities

The Commission (DG REGIO) started out with a brief introduction on ex ante conditionalities and their role as an effective tool to ensure that conditions for optimal use of resources from the EU budget are met. The Commission then reminded partners of the milestones of the ex ante conditionalities process, both before and after programme adoption. The Commission mentioned the draft Staff Working document on the value added of ex ante conditionalities that was to be made public shortly after the Structured Dialogue meeting. According to this document, the positive influence of ex ante conditionalities is much wider than just ESI fund implementation and they were a motivating factor for structural reforms. However, the document also identified room for improvement, regarding *inter alia* the involvement of stakeholders in the process within the required timeframe. Furthermore, the Commission highlighted that the success of the process depends on ownership of Member State authorities. The Commission then asked partners to share their experience on ex ante conditionalities, to point out what could be improved and to identify which ex ante conditionalities should be kept in the future.

Remarks were made by **LUMOS** (praising the ex-ante conditionality on social inclusion but pointing towards the continuously large number of children in need), **EDF** (praising the disability and social inclusion conditionality but pointing out that implementation often does not go beyond the mere adoption of a strategy), **CAN Europe** (calling the strategic environmental assessment a missed opportunity and proposing linking the 2030 climate and energy framework to structural funds), **ENIL** (criticising a lack of coordination with NGOs when strategies were designed, the lack of a mechanism to check whether strategies were really put in place and a lack of inclusiveness at an early stage in the decision making process), **CECHODAS** (inquiring about how the Commission wanted to ensure enforcement and whether regional specificities would be taken into account when developing the post 2020 conditionalities), **FSG** (pointing towards the risk of ex ante conditionalities remaining a formality), **CPMR** (welcoming ex ante conditionalities, praising especially smart specialisation, calling for a smaller number of conditionalities, for a direct link between the objectives of cohesion policy and ex ante conditionalities and for introducing partnership as an ex ante conditionality), **EAPN** (highlighting the usefulness of the social inclusion conditionality, stressing the importance of organisations on the ground to ensure fulfilment and the fact that countries that most need that have the poorest NGO infrastructure, inquiring how to invest in real engagement of citizens' organisations), **ENIL** (pointing out that meetings in monitoring committees could too easily become formalities), **ESIN** (echoing the remarks made by EAPN).

The Commission responded by thanking partners for sharing their different experiences and concerns and by reiterating its clear intention to strengthen partnership. The Commission asked partners to submit their ideas in written form and expressed regret that it currently did not have a regulatory mechanism to check up on conditionalities after strategies were established, which was why information from partners was needed.

6. Improving the Performance of Lagging Regions

The Commission (DG REGIO) highlighted the challenges in improving the performance of lagging regions and its current pilot initiative focusing on two regions in Poland and two regions in Romania. The Commission described the two categories of lagging regions - the low growth regions and the low income regions - underlining that they were facing different types of

challenges and macroeconomic issues. The main findings of the Commission's work were that lagging regions needed more structural reforms on the labour market and in business environment, and that low income regions should avoid overinvesting in infrastructure and invest more in innovation instead.

Following the presentation, comments were made by **CECHODAS** (inquiring about the next steps and wondering how to motivate private investment in these regions) and **EDF** (inquiring whether integrating refugees was included as one of the challenges).

The Commission replied that that the integration of refugees was not part of the challenges studied. Furthermore, it underlined that smart specialisation as well as peer-to-peer learning had proven to be very useful and that the next step should be linking the policy to the structural reforms and government framework.

7. Any other business

EAPN reiterated how difficult it is to achieve a coordinated approach amongst the structural funds and pointed to delays in implementation in some regions. The Commission repeated that the Commission was working on ways to better harmonise the use of funds in the future. **LUMOS** announced that they were launching their first report on the initiative on community living, advocating for an ex ante conditionality on social inclusion, and that it would be presented towards the end of June in Brussels. **ECOLISE** announced that they would re-launch the European day of sustainable communities on 23 September. On **REVES** question regarding the timing of the consultation of the future of cohesion policy, the Commission assured that it would share the information with partners as soon as possible. With regard to questions about the Cohesion Forum, the Commission informed partners that it would follow the same procedure as in previous years.

IV. Conclusions/recommendations/opinions

The Commission thanked partners for their active participation and the fruitful discussions. The Commission pointed out that the coming months would be a rich and diverse period for cohesion policy, with upcoming events such as the Cohesion Forum in June, the publication of the Cohesion Report early autumn, the communication on smart specialisation in May, another communication on cross border obstacles in September, and on the upcoming EU outermost regions strategy.

The Commission reiterated that it encourages partners to share with the Commission any findings, studies and experiences with the implementation of cohesion policy and the partnership principle among other which may also feed the reflections on the future of cohesion policy. The Commission informed partners that the minutes from the meeting would be shared within a month.

V. Next steps

The minutes will be forwarded to the European Parliament and the Council in order to fulfil the requirement of Article 5(6) of the CPR. They will also be forwarded for information to the European Economic and social Committee and the Committee of the Regions.

VI. Next meeting

The Commission informed partners that the next Structured Dialogue would be held late October or early November 2017, and that suggestions for the agenda would soon be solicited.

VII. List of Participants

Nr. crt.	Organisation
Experts from external organisations	
1.	ARCO LATINO
2.	ATLANTIC CITIES
3.	BAE - BUSINESS ANGELS EUROPE
4.	BIRDLIFE EUROPE
5.	BUSINESS EUROPE
6.	CAN EUROPE
7.	CCRN - Capital Cities and Regions Network
8.	CEEP - European Centre of Employers and Enterprises providing Public Services
9.	CEPAIM
10.	CIVIL DIALOGUE GROUP
11.	COPA COGEPA
12.	CPMR
13.	EAPB
14.	EAPN - European Anti-Poverty Network
15.	EASPD
16.	ECOLISE
17.	ELARD
18.	ENIL - European Network on Independent Living
19.	ENNA - European Network of National Civil Society Associations
20.	ENSIE - European Network of Social Integration Enterprises
21.	ERRIN _ European Regions Research and Innovation Network
22.	ESIN - European Small Islands Federation
23.	ETUC
24.	EUA - European University Association
25.	EURADA
26.	EURAF - European Agroforestry Federation
27.	EUROCHILD
28.	EURO HEALTH NET
29.	EUROCHAMBRES
30.	EUROCITIES
31.	EUROMA NETWORK
32.	EUROMONTANA
33.	FEANTSA - European federation of national organisations working with homeless people
34.	Housing Europe
35.	LUMOS Foundation
36.	MEDCITIES
37.	Prepare Network
38.	REVES - European Network of Cities and Regions for the Social Economy
39.	Social Platform
40.	UEAPME - European Association of Craft, Small and Medium-sized Enterprises
Commission and other EU institutions	
1.	European Commission (DG AGRI, DG EMPL, DG MARE and DG REGIO)
2.	Chairmanship of the AGRI Civil Dialogue on Rural Development
3.	Committee of the Regions
4.	European Economic and Social Committee