



Brussels, 9 January

Minutes

Meeting of the Dialogue with CPR Partners 2021-2027

13 December 2023

A. NATURE OF THE MEETING

The meeting was dedicated to informing the Common Provisions Regulations (CPR) partners about the state of the debate on the future of cohesion policy (by Director for Policy, DG REGIO), on current initiatives by DG REGIO, such as the Harnessing Talent Platform, the EU Teens for Green project, and the European Community of Practice on Partnership (ECoPP). In addition, the Commission (DG BUDG) presented its proposal for the mid-term review of the Multiannual Financial Framework (MFF), including the Strategic Technologies for Europe Platform (STEP) proposal, and DG REGIO & DG EMPL informed about the state of play of implementation, including enabling conditions. Besides, the meeting also served as a possibility to exchange views with the participants and receive their feedback on the implementation of the Just Transition Fund and their work in the monitoring committees. The meeting was a physical only and non-public meeting (neither recorded nor web-streamed) on the Commission's premises.

The meeting was chaired by the Head of Unit for Political and Inter-Institutional Coordination, Strategic Management and Document Management of DG REGIO (REGIO 01).

B. APPROVAL OF THE AGENDA

The Chair announced the agenda and confirmed the approval by the participants.

C. LIST OF POINTS DISCUSSED

1. Future Cohesion policy

DG REGIO (Director REGIO.B) informed about the ongoing discussions on the future of cohesion policy post-2027. That process has started with the meetings of the group of high-level specialists on the future of cohesion policy and dialogues in Member States that will all feed into the 9th Cohesion Report which will be published at the end of March 2024. In this process, the Commission puts a focus on the input from stakeholders. The main takeaways from the debates held so far were that the future cohesion policy needs to address the big challenges Europe is facing, such as the green & digital transitions, and demography. As these

challenges are profoundly place-based, the solutions need to be place-based as well, i.e., tailored to the individual situation of the regions, with particular attention to the issue of development traps. In that regard, cohesion policy should be conceived not only as an investment policy, but weight needed to be also given to reforms and institutional capacity. While the focus on performance should thus be strengthened, the core principles of the policy, such as the partnership principle, multi-level governance, and strong local ownership needed to be kept and enhanced. With the arrival of a new Commission next year and the legislative proposals for the next programming period expected to be adopted by mid-2025, stakeholders are invited to bring their voices into the debate along that timeline. The DG REGIO Director concluded by stressing that the issue of deepening and strengthening the partnership in the future was of particular importance for DG REGIO and encouraged the partners to come forward with innovative approaches.

EURADA stated that the multitude of crises in recent years had kept many actors in a reactive mode and left them no time for strategic thinking about future cohesion policy. Many of the EU's latest policies were according to EURADA cohesion-blind, such as the RRF, and added another layer of complexity. EURADA proposed to include aspects such as the post-growth debate and climate mitigation in the debate about future cohesion policy to enhance its future-proofness.

Referring to the partnership principle, **CCRN** pointed out that the implementation of the principle from the view of local governments was still insufficient in some cases and called on the Commission to exert more pressure on Member States that do not take their obligations from the Common Provisions Regulation on these aspects seriously.

CCRE/CEMR called for simplification as a main priority for the next programming period. While there had been some progress on the issue in the 2021-2027 period, it was still very complex for the beneficiaries to navigate through the large number of funds that should therefore be reduced. CCRE/CEMR also underlined the importance of institutional capacity-building and technical assistance for beneficiaries as well as the need for clear rules for Member States regarding the partnership principle. Finally, CCRE/CEMR stressed that cohesion policy needed to be integrated in the overall architecture of EU policies, so that the principle of “do no harm to cohesion” would be applied.

DG REGIO agreed that simplification had to be enhanced even further while also pointing to the progress made in that regard in the current programming period, e.g., with Simplified Cost Options. The broad variety of support models in the EU budget presented both a challenge and an opportunity, as it provided an incentive to refocus on the essentials of cohesion policy. DG REGIO agreed that a reduction of the number of funds should be considered and that the commitment of Member States to honour the principles of the Code of Conduct on Partnership needed to be strengthened in the future. DG REGIO stated that the link between cohesion policy and the European Semester would be further reinforced and ensured that the upcoming Cohesion Report would emphasize the need for strong subnational actors.

EUROCITIES reported about positive changes in the implementation of the partnership principle, while also regretting that regional and local actors had been side-lined in the

implementation of the RRF. EUROCITIES recalled that further simplification for beneficiaries would likely lead to increased work for managing authorities.

ENIL underlined the importance to invest in community-based services to respond to demographic challenges and underlined the importance of independent living and especially non-segregation.

EAPB stressed the importance of continuity for the next programming period to facilitate programme implementation. EAPB also called for a simplification of reporting procedures via digital solutions, more flexibility in the use of funds and better coordination with other programmes.

DG REGIO took note of the requests to invest more in community-based services and to ensure continuity in the cohesion programmes and invited the partners to come forward with their suggestions regarding digitalisation.

FSG welcomed the focus of cohesion policy on green & digital transition and reminded that not only no place but also no person must be left behind in these transitions, for which cohesion policy was a key tool. FSG also agreed with the focus on reforms but called for a balance between reforms and investment considering the specific characteristics of cohesion policy, such as its long-term approach. Simplification for beneficiaries was necessary and needed to be ensured not only on EU, but also on national level. FSG also asked for a timeline for providing input for the debate on future cohesion policy.

CPMR expressed their concern about centralisation tendencies in some Member States and underlined the need for a vision on how long-term investment can build resilience. CPMR joined the calls for a strengthening of the partnership principle, including a stronger focus on reforms, and called also for a better analysis of competitiveness challenges among regions. Simplification and capacity-building were the most crucial aspects for the next programming period.

ECOLISE expressed its support for a place-based approach and the building of resilience. Cohesion policy should see citizens more as actors of change and feature a stronger bottom-up and community-building aspect. ECOLISE also enquired about the possibilities to provide input for the debate on the future of cohesion policy.

REVES underlined that it was important not to disconnect digitalisation from the policy objectives that should be achieved with cohesion policy.

DG REGIO thanked for the valuable input by the partners and agreed that simplification should focus on beneficiaries in the first place as successful regional place-based policies needed an ecosystem which helps generate good projects. The capacity of intermediaries needed to be strengthened as well with technical assistance. DG REGIO agreed that the enabling of a long-term planning framework was one of the key strengths of cohesion policy, while there was also need for reflection on how the policy could react to potential crises and their possibly asymmetric effects. DG REGIO invited the participants to start reflections within their organisations and contribute to the ongoing dialogues on the future of cohesion policy at national level.

2. Just Transition Fund implementation

REVES presented some preliminary insights from their members on the implementation of the Just Transition Fund (JTF). Actors from the social economy were only sometimes involved in the implementation and in some regions, the departments of the authorities in charge were not aware of the JTF. REVES underlined the necessity to overcome silo approaches to ensure a successful JTF implementation and called for more guidance and peer exchange on good and bad practices of JTF implementation as well as a cross-monitoring of the implementation of JTF, ESF+ and ERDF. ([Link to the presentation](#))

CEE Bankwatch shared their experiences with the JTF implementation, stressing that the organisation had been involved since the beginning and was present at many EU events on the topic. CEE Bankwatch welcomed the strong added value of the regional focus of the JTF and mentioned the existence of dedicated JTF sub-committees in some regions as good practice as this allowed for more targeted decisions and benefits to transparency. There was a strong need for capacity-building and more time for the implementation as the tight deadlines pushed authorities to choose mainly projects that were easy to implement but lacked a true transformational impact. CEE also called for more technical support and a continuation of the JTF beyond its currently foreseen period. ([Link to the presentation](#))

CCRE/CEMR stressed in its presentation that many member municipalities and regions were still trying to figure out how to best make use of the JTF. Main challenges for the members related to their involvement that depended very much on the size and the scope of the projects. CCRE/CEMR also stated that ministries that had worked for a long time with structural funds were more prone to involve local and regional actors and called for simplification in the JTF implementation. ([Link to the presentation](#))

EUROCITIES stressed in their presentation that the challenges that the JTF addressed were not limited to the selected regions but affected all regions of the EU, including cities, and particularly vulnerable groups. EUROCITIES pointed out that the JTF required a new set-up and there were certain risks as to a possible dispersal of funds and the capability of regions to absorb the assigned sums. ([Link to the presentation](#))

EAPB shared some input from its members on the JTF implementation, pointing out that the JTF enabled projects that could not be financed otherwise and had a positive impact on regions undergoing structural changes. On the other hand, the programming process was deemed quite complex, and endangered together with the strict time limitation a successful implementation.

CPMR mentioned problems with the implementation of the JTF in northern regions of Finland.

SGI Europe emphasized the importance of reinvesting in the skills of workers to achieve the objectives of the green transition.

DG REGIO thanked for the input and took note of the reported difficulties to set up new structures and to ensure a timely implementation. DG REGIO also referred to the Just Transition Platform that offered many streams of support for the JTF regions and invited the

participants to inform their member organisations about the available support and to approach the Commission with their needs to make sure that the necessary support would be provided.

3. Updates on current Commission activities:

3.1 Harnessing Talent Platform ([Link to the presentation](#))

DG REGIO (Unit 03, Inclusive Growth, Urban & Territorial Development) presented the Harnessing Talent Platform which had been kicked off with a launch event on 23 November 2023. The platform is one of eight pillars of the talent booster mechanism, most of which are coordinated by DG REGIO and already being implemented. The mechanism aims to support those regions that have either been identified by the Commission to be in a talent development trap (46 regions), or to be at risk of such a trap (36 regions). Besides technical support for these regions, the mechanism also features an exchange of experiences and the sharing of best practices.

3.2 EUTeens4Green initiative ([Link to the presentation](#))

DG REGIO (Head of Unit E1, Administrative Capacity Building & Solidarity Instruments) also informed about the EUTeens4Green initiative, whose objective is to engage young people from just transition regions. For that, a consortium of like-minded organisations has been set up that has organised an open call for projects, as part of which 75 projects in 44 Just Transition regions in 21 Member States have been selected. The projects, which predominantly address the topics of climate change and just transition, started on 1 April 2023 and are also widely communicated on social media. The initiative will finish with a final event in Brussels on 19 April 2024 with the participation of Commissioners Sinkevicius and Ferreira where some recommendations for the involvement of young people in EU cohesion policy and the Just Transition Fund in particular will be shared.

3.3 European Community of Practice on Partnership (ECoPP) ([Link to the presentation](#))

DG REGIO (Unit 02, Coordination of Programmes) gave an update about the European Community of Practice on Partnership (ECoPP) which was launched in 2022 and of which some of the participants' organisations are already members. The ECoPP has already delivered several recommendations on mechanisms for inter-fund coordination, good examples for partnership facilitation and for strengthening the application of the European code of conduct on partnership. In 2024, the community will mainly work in different task forces on co-creation and capacity building for multi-level governance, with the next plenary meeting taking place in Brussels on 8 February 2024, including a keynote speech by Commissioner Ferreira.

4. Commission proposal on the mid-term review of the Multiannual Financial Framework, including the Strategic Technologies for Europe Platform (STEP) proposal ([Link to presentation](#))

DG BUDG (Head of unit 01, Budget performance, coordination and communication) presented the mid-term review of the Multiannual Financial Framework (MFF) and informed about the Strategic Technologies for Europe Platform (STEP) proposal. For the mid-term review, the

Commission suggested additional resources in its proposal to account for the multiple crises, the high inflation and to ramp up support for Ukraine. The STEP proposal had been created out of the idea for a sovereignty fund that was proposed by the President of the European Commission in her State of the European Union speech. It consists of a platform that features three pillars, with the first one focusing on redeploying money from existing funds, such as the Cohesion Funds and the Recovery and Resilience Facility. The second pillar is aimed at reinforcing with a proposal to top up funds such as the European Defence Fund or the Innovation Fund with additional money and the third pillar aims at creating synergies by setting up a dedicated team in the Commission that works as a one-stop shop and provides support to project promoters. The STEP proposal concerns deep and digital technologies as well as clean and bio-technologies. Within the Cohesion Funds, in case of reprogramming for STEP, Member States would benefit from a 30% pre-financing rate in 2024 and increased EU co-financing to 100% until the end of the programming period. In addition, the closure deadlines for the 2014-2020 programmes would be extended by one year to facilitate the revision of programmes for STEP. If the co-legislators reach a political agreement by February, the STEP regulation could enter into force at the end of Q1 or the beginning of Q2 2024.

EAPB asked about the state of negotiations as regards the proposed top-up for funds and the location of the STEP team within the Commission. **EN** inquired whether the proposed one-stop shop would only focus on STEP or also concern other sectorial initiatives. **ECRE** pointed out that cohesion policy was the only heading in the mid-term review that did not receive additional money and expressed their concern that the redeployment of budget priorities might decrease the budget available for social initiatives and reminded that new priorities should receive adequate financing.

DG BUDG informed that the latest compromise proposal on the MFF mid-term review foresaw a top-up only for the European Defence Fund. A STEP task force was already installed in DG BUDG that should be seen as a back office for EU funds so that synergies between them could be increased not only for the purpose of STEP but every part of the EU budget. DG BUDG expressed its confidence that the change of rules for Cohesion Funds could lead to a substantial financial support for strategic technologies.

CPRM raised its concern about implementation. **CoR** referred to its opinion on the STEP proposal and the territorial impact assessment it had carried out. CoR reiterated its warning that STEP could lead to a concentration of funding in more developed regions and Member States at the expense of less developed regions and a lowering of the overall investment in cohesion policy. **EUROCITIES** warned that reprogramming for STEP would lower the amounts available for cities within the operational programmes and questioned whether the funding available would be able to support the new priorities. On the other hand, **EUROCITIES** welcomed the extension of one year for the closure of programmes.

DG BUDG agreed that the reprogramming was a difficult exercise, and it was up to the Member States to decide whether they wanted to engage in an uptake. The structures of the Cohesion Funds would be kept, however, so managing authorities could start reprogramming as soon as an agreement on STEP had been reached. DG BUDG underlined that the use of STEP was up to the regions and the Commission was just providing additional flexibility. Therefore, it had also not conducted an impact assessment as no new instrument was created

with STEP. The aim of STEP was to provide means to less advanced regions to attract competitive companies, which was also the reason behind the 100% co-financing rate.

5. Work in the monitoring committees

ENSIE shared the experiences of their partner organisations with the work in the monitoring committees, stressing that the feedback was based on the organisations' individual perceptions. According to the feedback, the involvement by managing authorities was insufficient in many cases and participation often only formal. Some partners complained about a systematic impossibility to provide their own input and the massive administrative and monitoring burden. Proposed solutions included more exchanges, more qualitative auditing and financial compensation for the work in the monitoring committees. Furthermore, involvement should be paired with knowledge-sharing and the organisations should be involved at each stage of the implementation process. ([Link to the presentation](#)).

ECRE shared similar findings in its presentation, its members being mostly active in monitoring committees for home affairs' funds. Consultations with civil society organisations in the programming phase were often only informal, their inclusion in the monitoring committees persisted to be marginal and approaches to the inclusion were fragmented both across and within member states. Furthermore, due to the lacking transparency many organisations were not aware of the existence of monitoring committees, and especially smaller organisations lacked the institutional capacity to ensure meaningful participation. ECRE called therefore on the Commission to ensure that civil society organisations could participate meaningfully in the monitoring committees. ([Link to the presentation](#))

In its presentation, **ENIL** mentioned the lack of capacities and resources as key obstacles to their member organisations' participation in monitoring committees. In addition, organisations were not properly consulted even when being present in the committees and there was a lack of transparency about the financing of projects. ENIL proposed an increase of the use of technical assistance as possible solutions and demanded that a variety of organisations representing disabled people should be represented and that they be involved throughout all stages of planning and implementation of cohesion policy. ([Link to the presentation](#))

CEE Bankwatch shared insights from a study on the work of the monitoring committees with a focus on environmental and energy investments which found that members of the committees were faced with administrative burdens and a lack of technical support. In addition, the representativeness of the partners in the monitoring committees continued to be an issue in many member states and discussions were often merely formal. CEE Bankwatch proposed to have clearer rules for the representation of members in the monitoring committees and clearer rules of procedures. CEE Bankwatch also demanded a stronger enforcement of the partnership principle and a better mainstreaming of the principle in EU policies.

MEDCITIES pointed out that the monitoring committees for the Interreg funds were mainly constituted by national ministries and agencies but implemented by local authorities and actors. As a consequence, the rules set by the committees were often very strict without any flexibilities and not reactive to the realities on the ground. MEDCITIES demanded more

capacity-building for the beneficiaries, particularly on how to make the best use of the funds, and a dedicated mechanism for communication with the monitoring committees.

CoR agreed with the opinions of the partner organisations and referred to its opinion on the future of cohesion policy which suggests an enabling condition on the partnership principle and demands that the code of conduct be embedded in the regulation itself for the next programming period. **SIG Europe** stated that the application of the partnership principle was not only a question of capacity-building and complained that it was often applied only after the important decisions had already been taken.

DG REGIO thanked the partners for their input and took note of the difficulties relating to the functioning of monitoring committees in Member States (e.g. formal involvement of partners, rigidity and lack of transparency of the systems in place, lack of administrative capacity, difference in use of TA to support partners) and welcomed the proposals for more exchanges of examples of good practices.

FSG proposed to share examples of good practices between the partners to be able to refer to them in the communication with management authorities. **ECOLISE** asked about the study on the implementation of the partnership principle. **ECRE** asked whether DG REGIO did a systematic mapping of the monitoring committees.

DG REGIO promised to explore the possibility of a systematic collection of good examples and informed that a study on the partnership principle was currently conducted and would be published in 2024.

6. State of play implementation, including enabling conditions ([Link to the presentation](#))

DG REGIO (Unit 02, Coordination of Programmes) and **DG EMPL** (Head of Unit G1, European Social Fund +) presented the state of play of implementation of the cohesion funds for the 2021-2027 programming period. In general, implementation was starting slowly, mainly due to the delays in programming, with the JTF being of particular concern given the shorter implementation period of Next Generation EU. DG REGIO invited the partners to take a look at the Cohesion Open Data Platform (<https://cohesiondata.ec.europa.eu/>) where up-to-date numbers and stories were published. DG EMPL informed about the two types of enabling conditions (horizontal enabling conditions and thematic enabling conditions) and how they were assessed by the Commission. DG EMPL underlined that the monitoring of the fulfilment of the conditions was crucial and that the Commission had just adopted a decision that Hungary was now fulfilling the horizontal enabling condition (HEC) related to the effective application and implementation of the Charter of Fundamental Rights, but others remained unfulfilled in the view of the Commission.

EMA pointed out that the COVID-induced delays in the implementation of the programmes meant that local actors were dealing at the moment mostly with the closure of the 2014-2020 programming period and of the NGEU resources and therefore were only starting to implement the 2021-2027 programmes. In that regard, EMA referred to the danger of a recentralization of the funds which could create imbalances and asked for the Commission's support to remind national authorities that local authorities needed to be included in the entire implementation process.

CCRE/CEMR also referred to the exceptional context in which the 2021-2027 programming period had started with the COVID pandemic and the war against Ukraine and demanded that this should be kept in mind when discussing about the future of cohesion policy. **ECRE** asked about the process that leads the Commission to conclude that HECs are not fulfilled and inquired what kind of evidence was considered in that process.

DG REGIO acknowledged that there had been delays at the start of the programming period which had led to a slow implementation but also pointed out that the conceptualisation of the future cohesion policy would be based on the assessment of the present performance, so implementation needed to be speeded up to demonstrate the effectiveness of cohesion policy and its added value. **DG EMPL** underlined that the assessment that HECs are not fulfilled needed to be court-proof. While there was no explicit guidance to member states, there was a continuous close interaction and exchange.

FSG asked about the member states concerned by the non-fulfilment of thematic enabling conditions and the state of play on the thematic enabling condition on the national Roma inclusion strategic policy framework. FSG also stressed that the implementation needed to be not only speedy but also high-quality, with investments that achieve tangible results and have a long-term perspective. **EUROCHILD** inquired which mechanisms existed for stakeholder organisations to present evidence for the Commission's assessment of the fulfilment of the enabling conditions. **CCRN** expressed scepticism about the effectiveness of the HEC assessment with regard to the current situation in Hungary.

DG EMPL explained that the enabling conditions could only be considered fulfilled or not fulfilled by the Commission and that final beneficiaries should normally not suffer from problems on national level. DG EMPL underlined the high level of scrutiny when assessing the fulfilment of HECs and encouraged the partners to come forward with any concerns underpinned by evidence regarding the fulfilment of HECs.

D. CONCLUSIONS

The CPR partners welcomed the topics of the meeting and appreciated the constructive exchanges with Commission representatives.

The discussions underlined the importance of multilevel governance and partnership principle as one of the crucial values of Cohesion policy – they need to be preserved and further improved in the **future policy**. The CPR partners expressed their wish to actively take part in the discussion on the future of the policy and the Commission invited them to get involved, also by taking part in the discussions on Member State level.

On the implementation of the **current programming period**, the partners acknowledged good practices and adequate implementation of the partnership principle in some Member States but were concerned about inadequate implementation in other Member States. Therefore, a generally stronger enforcement of the partnership principle is needed. The Commission invited the partners to inform about concrete Monitoring Committees where the partnership principle is not respected. The partnership principle is also key for the JTF implementation process. The Commission is aware of the struggles with the timely implementation of the JTF and took note of the capacity issues raised. The JTF Platform may address some of the challenges mentioned, providing support for technical assistance on the ground and focus on capacity building in the JTF regions.

The Commission acknowledged that there had been delays at the start of the programming period which had led to a slow implementation but also that implementation needed to be speeded up to demonstrate the effectiveness of cohesion policy and its added value.

E. CLOSING AND NEXT STEPS

The chair thanked the participants for their cooperation and participation not only in this event but also in the virtual preparatory meeting in October and encouraged the partners to make use of the group platform on Teams that has been set up to exchange best practices, share studies, and reach each other and the Commission.

The chair announced that the next formal meeting will take place in June 2024 with a virtual meeting in preparation of the formal meeting to take place in spring 2024, but that the group secretariat would also consider shorter meetings in an online format in between.

6. LIST OF PARTICIPANTS

AGORA ENERGIEWENDE

BUSINESSEUROPE

CCRE/CEMR COUNCIL OF EUROPEAN MUNICIPALITIES AND REGIONS

CCRN CAPITAL CITIES AND REGIONS NETWORK

CEE BANKWATCH NETWORK

COGECA EUROPEAN AGRI-COOPERATIVES

COPA EUROPEAN FARMERS

CPMR CONFERENCE OF PERIPHERAL MARITIME REGIONS

EAPB EUROPEAN ASSOCIATION OF PUBLIC BANKS AND FUNDING AGENCIES

EARTO EUROPEAN ASSOCIATION OF RESEARCH AND TECHNOLOGY ORGANISATIONS

ECOLISE EUROPEAN NETWORK FOR COMMUNITY-LED INITIATIVES ON CLIMATE CHANGE AND SUSTAINABILITY

ECRE EUROPEAN COUNCIL ON REFUGEES AND EXILES

ELARD EUROPEAN LEADER ASSOCIATION FOR RURAL DEVELOPMENT

EN EUCLID NETWORK

ENIL EUROPEAN NETWORK ON INDEPENDENT LIVING

ENSIE EUROPEAN NETWORK OF SOCIAL INTEGRATION ENTERPRISES

EURADA EUROPEAN ASSOCIATION OF DEVELOPMENT AGENCIES

EUROCHILD

EUROCITIES

EUROMONTANA

EUA EUROPEAN UNIVERSITY ASSOCIATION

EMA EUROPEAN METROPOLITAN AUTHORITIES

FSG FUNDACION SECRETARIADO GITANO/EUROMA NETWORK

IFRC INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES

MEDCITIES/MEDCITÉS

REVES EUROPEAN NETWORK OF CITIES AND REGIONS FOR THE SOCIAL ECONOMY

SGI EUROPE

OBSERVERS:

COR (EUROPEAN COMMITTEE OF THE REGIONS)

EESC (EUROPEAN ECONOMIC AND SOCIAL COMMITTEE)