Foreword

Jacques Delors said that every widening or deepening of Europe must be accompanied by reinforced cohesion. This is the firm foundation, on which the European social market economy has been built.

In 2023 we celebrated 30 years of the Single Market, and this year we celebrate 20 years since the enlargement of 2004. Countries who joined then have seen their GDP per capita rise from 52 % of the EU average in 2004, to nearly 80 % in 2023. Both events represent cornerstones of European integration – and both were underpinned by Cohesion Policy, which has helped every region to make the most of its EU membership.

This 9th Cohesion Report presents a wealth of data and analysis on Europe's territories – including a snapshot of their current situation, an analysis of the changes over the past decades, and trends for the future. It shows that Cohesion Policy delivers tangible results. Every region in Europe has benefitted from EU-funded investments and from the positive spillovers of higher trade and demand, and stronger supply chains.

Cohesion Policy generates considerable return on investments. Each euro invested between 2014 and 2027 will, by 2030, have generated EUR 1.3 of GDP, almost tripling by end-2043 (30 years after these programmes began).

But some gaps persist: convergence at national level hides internal disparities, and some regions have fallen into a development trap and are experiencing economic stagnation. In addition, current challenges, such as geopolitical tensions, geoeconomic competition, climate transition, demographic decline and technological transformation, often impact the EU's poorer regions more heavily. That is why we have to always consider the asymmetrical impact of transformations and new challenges and come up with people- and place-sensitive policies to address them.

To continue delivering economic progress in EU regions – and to ensure that in reality 'no-one is left behind' – Cohesion Policy must adapt and modernise. This is why we launched a debate on the future of Cohesion Policy. We wanted to encourage a full, transparent debate with all the partners, fed by expert input. While the debate continues, some broad lines are emerging.

First, everyone should be able to reap the benefits of the transformations of our economy, and no place should be or feel forgotten – or get stuck in a development trap. For every region to reach their full potential, investments need to target strategic sectors and industries – such as the STEP initiative – that can increase our competitiveness, improve Europe's productivity and generate quality jobs. New methods will have to be embraced, focussing even more on performance and results.

Second, we must make the most of people and partners. People are our greatest asset, and the skills of young people must continue to be developed, –providing them opportunities so they can thrive in all corners of the EU. Cohesion Policy must be simpler and more user-friendly, while strengthening administrative capacity, so that regional partners can deliver the right projects in a timely and effective fashion. The strength of Cohesion Policy has long been the close link with local people and partners – our future must build on this.

Third, Cohesion Policy investments alone are not enough. Other policies, at EU and national level must take into account their spatial impact. Growth-enhancing reforms, and institutional capacity building, can help amplify the impact of these investments.

The history of the European project has been defined by cohesion and solidarity. This underpinned the success of the Single Market and previous enlargements. This is also how the Union has responded to the crises of recent years and how we have thrived as the economy and society changed. And this is how we will face the future.

We recommend this report, its analysis and lessons, to all who are interested in the future of the European Union.

Elisa Ferreira,
Commissioner for Cohesion
and Reforms

Nicolas Schmit,
Commissioner for Jobs
and Social Rights