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Which place based approach to EU investments?

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Director at Conference of Peripheral Maritime Regions

SEARICA conference

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What is the EU investment policy?



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What we have today

- A **Europe 2020** strategy for growth and jobs
- A **Cohesion Policy** focused on achieving these strategy objectives at regional level
- An **EFSI** to stimulate investment
- **EIB instruments**
- Centrally managed **EU programmes** (COSME, etc...)

For post-2020?

- **No plans** to renew Europe 2020 strategy (slide 3)
- A smaller EU budget tasked to ‘do more with less’ (slide 4)
- Plans to **renew and strengthen the EFSI** (slide 5)
- Cohesion Policy under **severe criticism** (slide 8)

Cohesion back on the agenda?



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No plans to renew Europe 2020... but positive 'place-based' analysis!

Social dimension reflection paper

- **disparities of development between Member States and regions** persisting and increasing gaps of development between capital cities and other regions
- **'Convergence'** is part of Europe's model and is achieved via single market integration and **thanks to support from EU funds**

Harnessing globalisation reflection paper

- **'Solidarity', 'social cohesion', 'redistributive policies'** feature heavily
- Dedicated section on **'empowered regions'** and need to target regional and local investment needs to ensure that **all regions can benefit from the internal market**
- **Cohesion policy and EU Structural and Investment Funds are key to supporting investment**

A post-2020 investment Budget?



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Post-2020 EU Budget faced with unique challenges:

- Potentially **more priorities** (defence, migration...) with **less money** (Brexit)
- **Impact of Brexit process** on post-2020 MFF proposal
- **Eurozone budget**

Key issues for CPMR:

- Treaty objectives of territorial, social and economic cohesion **less of a priority**
- **Push towards financial instruments** (Cohesion Policy, Transport policy, etc...)
- Less focus on grant support for **infrastructure financing**
- Will the EU budget continue to be a **redistributive/solidarity budget**, or focus more on EU level initiatives?

The territorial dimension of the EFSI



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EFSI and Cohesion Policy:

- **same objective** (stimulate investment)
- **similar investment priorities** (SME support, infrastructure projects)
- **competing logic** (territorial development vs non-concentration)
- **different means** (grants vs financial instruments)
- **different rules** (state aids, evaluation, communication...)

Key issues for CPMR:

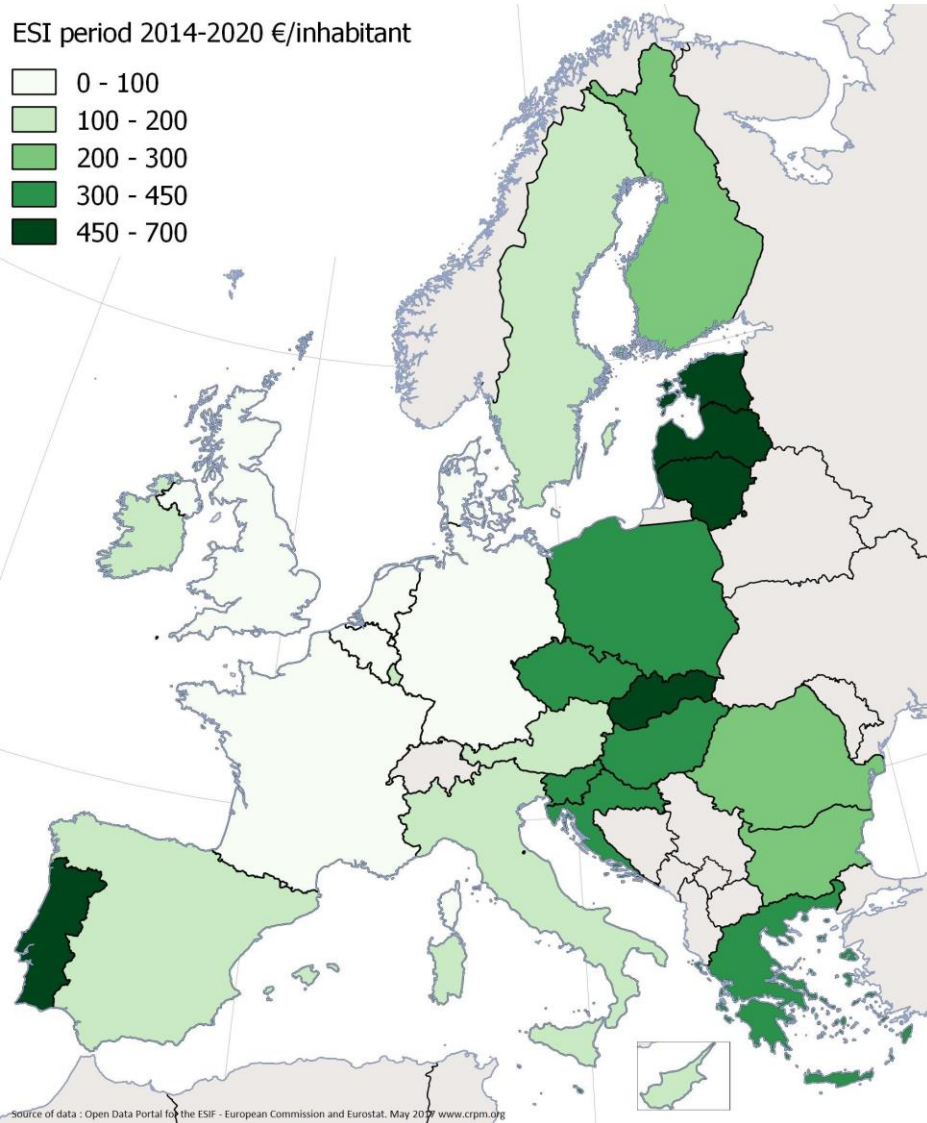
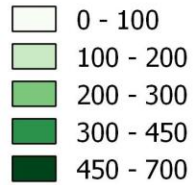
- EFSI works in advanced Member States, but **many regions are left out**
- **Coherence with EU objective of social, economic and territorial cohesion?**

Cohesion Policy vs ESI (per capita)

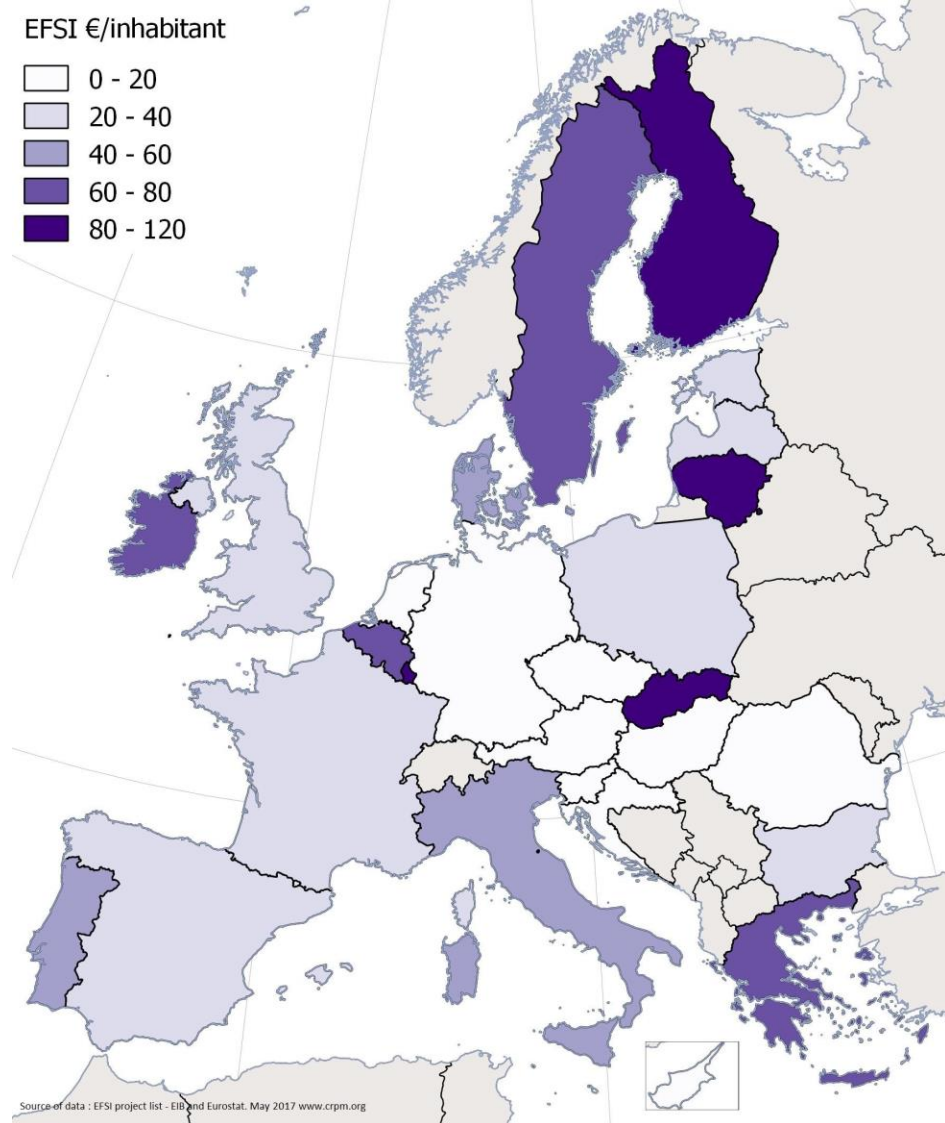
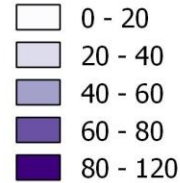


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ESI period 2014-2020 €/inhabitant



EFSI €/inhabitant



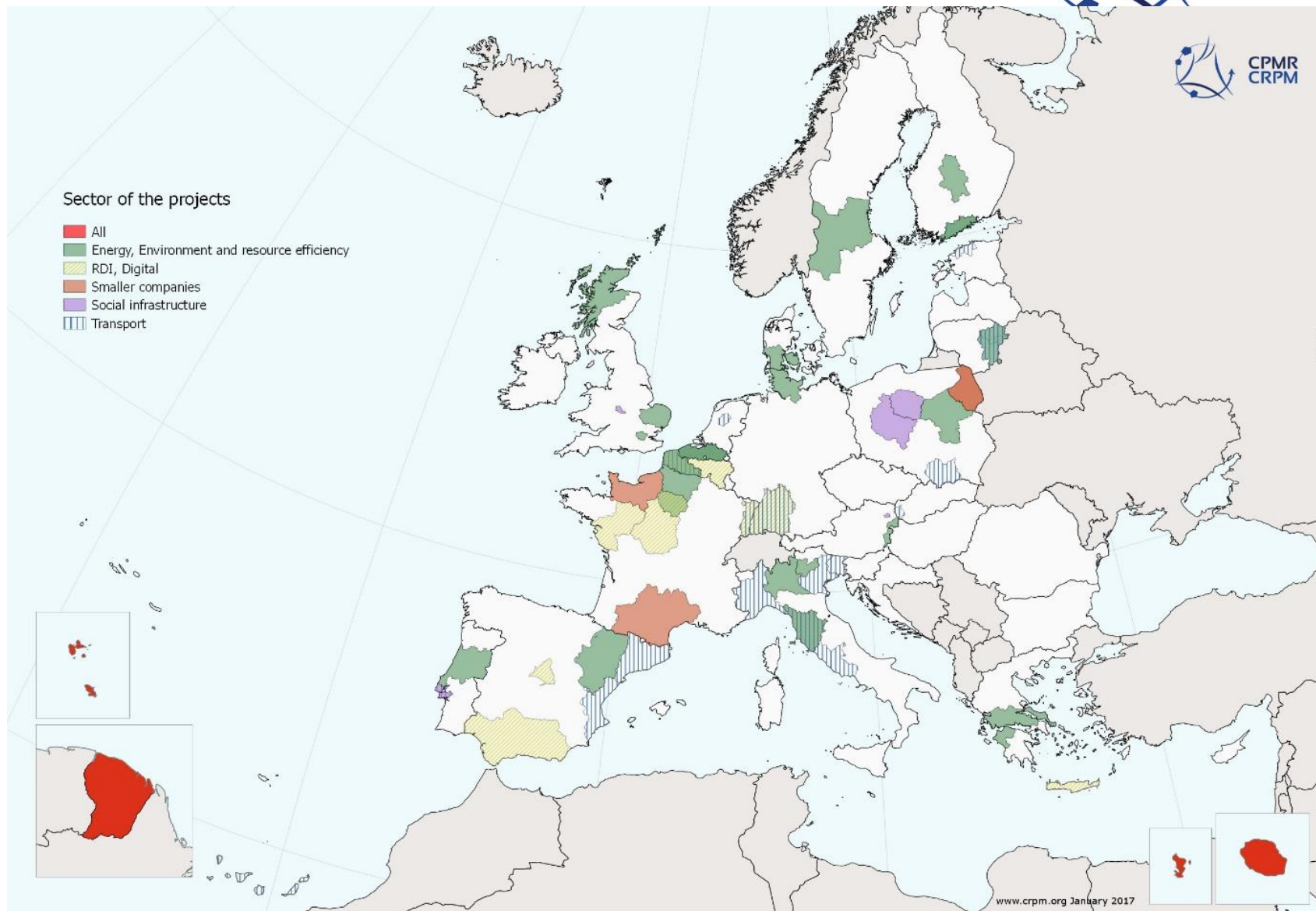
Source of data : EFSI project list - EIB and Eurostat. May 2017 www.crpm.org

Source of data : Open Data Portal for the ESIF - European Commission and Eurostat. May 2017 www.crpm.org

EFSI projects locatable at NUTS II level



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Why we need a Cohesion Policy

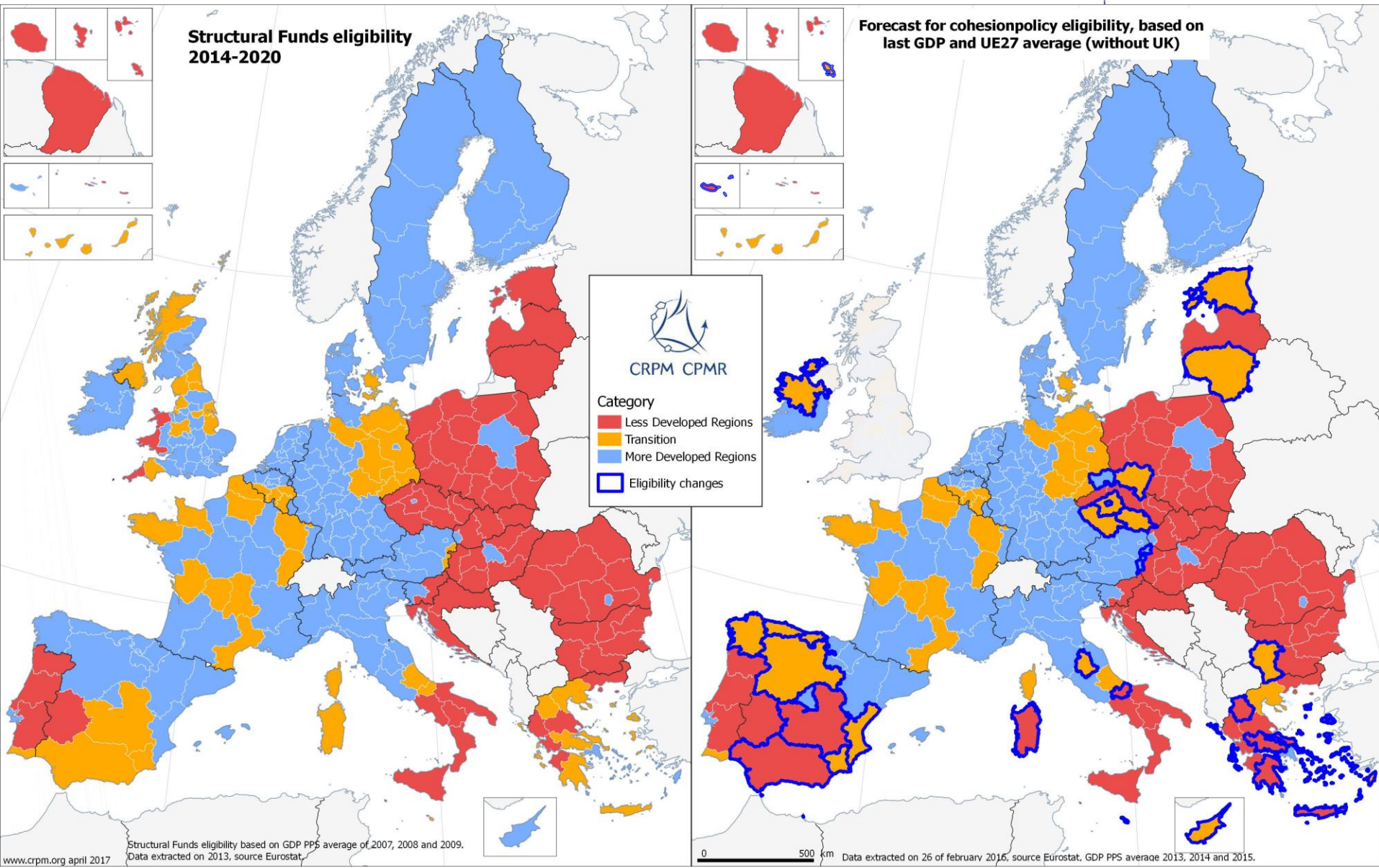


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Cohesion Policy adds value...

- Covers all European regions
- Partnership & multilevel governance
- Strong role of regions
- Implementation of EU objectives at local/regional level
- Territorial cooperation
- 1 euro to generate 2.73 euros by 2023 (2007-2013 funds)

**But is significantly hampered by slow start for 2014-2020
(3.2% of funding spent so far...)**



...Cohesion Policy needed more than ever!

Considerations for the future



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- The EFSI does have an impact on regional development (competences at regional level): **need to involve regions better**
- **Reconcile EFSI with 'Cohesion' objective:** 'Development window' or improved project selection process taking into account balanced regional development?
- **Establish clear roles and boundaries** for the EFSI and Cohesion Policy
- **Financial instruments** are useful for certain types of sectors, but not a miracle solution
- **Future Cohesion Policy** should continue to achieve EU objectives at territorial level
- **Territorial dimension should be improved:** needs of island regions, outermost regions, NSPAs to be taken into account better



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Many thanks for your attention!

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