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| **RESOLUTION** |
| European Economic and Social Committee |
| **No one should be left behind!**  **For an inclusive and participatory cohesion policy in support of social, economic and territorial cohesion** |
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| Rapporteurs: **Ioannis VARDAKASTANIS** |

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| Legal basis | Rule 52(4) of the Rules of Procedure |
| Adopted at plenary session | 11/7/2024 |
| Plenary session No | 589 |
| Outcome of vote (for/against/abstentions) | 159/2/07 |

# Just before the new mandate of the European Commission starts, we, the European Economic and Social Committee, representing civil society organisations, call on the Member States of the European Union and its leaders, the European institutions and the EU citizens, to safeguard and protect the economic, social and territorial cohesion of the EU according to Article 174 of the TFEU.

# We loudly stress that the fundamental principle of cohesion policy, according to which ‘no one should be left behind’, remains sound and valid, and that civil society partners are ready to continue working towards it by means of a solid EU investment policy.

# We stress that inequality of opportunity can have a detrimental effect on long-term growth and competitiveness at regional, national and EU level. Cohesion policy therefore needs to be more diversified and flexible but at the same time credible stable and clear in order to be able to pay more attention to people, especially the most vulnerable, and to better address the inequality of opportunities faced by many.

# We are critical of eliminating the role of a Commissioner whose main responsibility is a cohesion policy portfolio.

# We are against the reduction and transformation of cohesion policy into an instrument for tackling emergency crises.

# We reject the idea of converting cohesion policy into an instrument similar to the Recovery and Resilience Facility (RRF) with little or no structural stakeholder involvement, shared management and muti-level governance.

# We are in favour of the partnership principle and clear rules for the inclusion of civil society in the selection, governance and monitoring of EU-funded operations.

# We request a strong wording regarding the involvement of civil society in the next Common Provisions Regulation (CPR), which governs the use of Cohesion Funds as well as other EU funding after 2027 in the same manner as it was for the period 2021-2027.

# We call for a cohesion policy that is place-based and people-based.

## place-based’ because territorial characteristics must be respected and fully taken into account on the basis of territorial impact assessments;

## A ‘people-based’ approach must be followed to achieve the desired results – an approach that fully respects the partnership principle and has multilevel governance, co-partnership and bottom-up approaches as its cornerstones.

# We call for a new impetus for cohesion policy. Our Committee believes that the range of instruments and approaches should be broadened, modernised or revised to build a strong, effective, flexible and renewed cohesion policy, focusing more on capacity, interregional links, effectiveness of results and opportunities for beneficiaries beyond investment alone. To this end, it is essential to:

## address the main structural challenges of the EU: low development, long-term economic stagnation and lack of equal opportunities across all regions, and disparities between and within regions and society;

## place greater emphasis on territorial policy strategies, such as integrated territorial investment (ITI) and community-led local development (CLLD),. The fund management capacities of local, urban and territorial authorities should therefore be strengthened, without losing sight of the need for consistency;

## focus on categories of people with lower employment rates (women, young people, people with disabilities, immigrants, those with lower levels of education), for whom specific training, reskilling, upskilling and support programmes are needed on the ground;

## continue on the specialisation and diversification of instruments, including financial instruments, so that cohesion policy can act on specific groups and areas of vulnerable people and in specific regions, where general employment-related solutions are not the answer to integration in the labour of these people;

## support investments in social infrastructure to tackle effectively the significant demographic challenges that the EU faces. This is even more necessary in regions suffering from a shrinking labour force and a low proportion of people with a tertiary education, and in regions affected by the departure of young people;

## enhance the potential of cross-border labour markets, which are underdeveloped due to legal and administrative barriers. To this end, cross-border and interregional cooperation, especially for infrastructure development and for supporting the activities of social economy entities, must be strengthened;

## continue protecting small and medium-sized enterprises (SMEs) and their sustainability. To this end, the existing standard European instruments, such as the European Social Fund, the European Regional Development Fund (ERDF), the Cohesion Fund and the Just Transition Mechanism, should be used in an innovative but simple way so that SMEs can easily access finance and obtain favourable credit conditions in the long term;

## have more intensive synergies within the Just Transition Mechanism (JTM) as a whole. We are convinced that cohesion policy should remain the EU's key investment policy for supporting European regional policy on adapting to climate goals. The "do no significant harm" principle should ensure that investments are fully aligned with the Green Deal objectives.

## examine further the financing of large companies as an important factor for convergence, especially as regards strategic technologies through the new STEP (Strategic Technologies for Europe Platform) instrument;

## create new types of economic prospects for less developed, peripheral, sparsely populated and rural areas, EU islands and outermost regions. It is also necessary to address the gaps between rural areas, urban areas and city centres, while strengthening the links between them;

## promote initiatives to carefully identify and address the specific needs of regions and territories in development traps, and help them overcome their challenges;

## adopt a cohesion policy that includes key elements such as shared management, a regional approach, prefinancing and co-financing rates. Investment alone is not sufficient. Each region needs solid governance structures and an appropriate combination of policies that takes advantage of the synergies between all of the parties involved. We need a bottom-up approach. Investment should therefore often go hand-in-hand with tailored reforms and citizen-friendly policies;

## involve civil society and all stakeholders at local level more closely in order to strengthen the effectiveness of the partnership and multilevel governance principles in cohesion policy. This can help address the pressure on democracy by increasing ownership of EU policies;

## strengthen the administrative capacity of the various levels of government, beneficiaries and other national, regional and local stakeholders, and provide more tailored technical support to improve policy implementation on the ground;

## consider and take on board the best practices, effective policy measures and specific funding currently implemented by the RRF so that they continue to function under the new cohesion policy. We must ensure that the use of funds from the RRF remain fully compatible with the implementation of the future cohesion policy, and that investments and programmes already launched under the RRF are not put on hold as a result of changes to the financing of the Facility;

## integrate further the targets of cohesion into the European Semester;

## make the overall multiannual financial framework (MFF) budget more ambitious and to ensure adequate funding for the cohesion policy, including in view of the future need for EU investment in defence and of a 27+ European Union. Investing in the EU, and in its economic, social and territorial cohesion, wealth and competitiveness, cannot be done with just 1% of EU GNI;

## consider on the future enlargements, that there is going to be adequate funding in the next programming period, in order to guarantee the smooth integration of future Member States, without compromising investments in the current developing regions.

# **We, as representatives of civil society, will do whatever it takes to safeguard the core principles of cohesion policy and ensure that it remains the glue that keeps Europe united.**

Brussels, 11 July 2024.

*The President of the European Economic and Social Committee*

Oliver RÖPKE

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