

**From Regional and Structural
Development to Cohesion: A short
history of the development of the
premisses, boundary conditions,
aims, and characteristics of EU
Cohesion Policy**

**Prof. Dr. Dr.h.c. R. Meyers
Dept. of Politics
Westfälische Wilhelms-Universität
Münster**

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http://ec.europa.eu/regional_policy/sources/slides/slides_en.htm

Slides presentations of the European Commission

:

[Cohesion Policy 2007-13](#)

[Governance White paper : implications for the regions](#)

[Reports on Economic and Social Cohesion](#)

[Cohesion Policy and its financial instruments](#)

[Structural Funds 2000-2006](#)

[Cohesion Funds 2000-2006](#)

[Instrument for Structural Policies for Pre-Accession](#)

[Community Initiatives](#)

[Management of Structural Funds](#)

A solidarity policy

Legal basis:

Art. 2,3,146 – 148, 158 – 162 ECT

In order to promote its overall harmonious development, the Community shall develop and pursue its actions leading to the strengthening of its economic and social cohesion.

In particular, the Community shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least-favoured regions, including rural areas.

What to look at ?

- **Why?**
- **Which instruments?**
- **What priorities?**
- **What budget?**
- **What process?**
- **What history?**
- **What future?**

Why?

Regional policy puts into practice the solidarity between the peoples of Europe mentioned in the preamble to the Treaty on European Union.

It helps to achieve one of the fundamental objectives laid down in the Treaty: the strengthening of the EU's economic and social cohesion by reducing developmental disparities between its regions.

It has a significant impact on the competitiveness of the regions and on the living conditions of their inhabitants, mainly by co-financing multiannual development programmes.

Which instruments?

These programmes are supported by four Structural Funds:

the European Regional Development Fund (ERDF) for infrastructures and investments, generating jobs and SMEs,

the European Social Fund (ESF) for training, social integration and employment,

the European Agricultural Guidance and Guarantee Fund (EAGGF, Orientation section) for rural development and aid to farms,

and the Financial Instrument for Fisheries Guidance (FIFG) for the adaptation of the fisheries sector.

The Cohesion Fund supports environmental and transport projects in the least prosperous Member States.

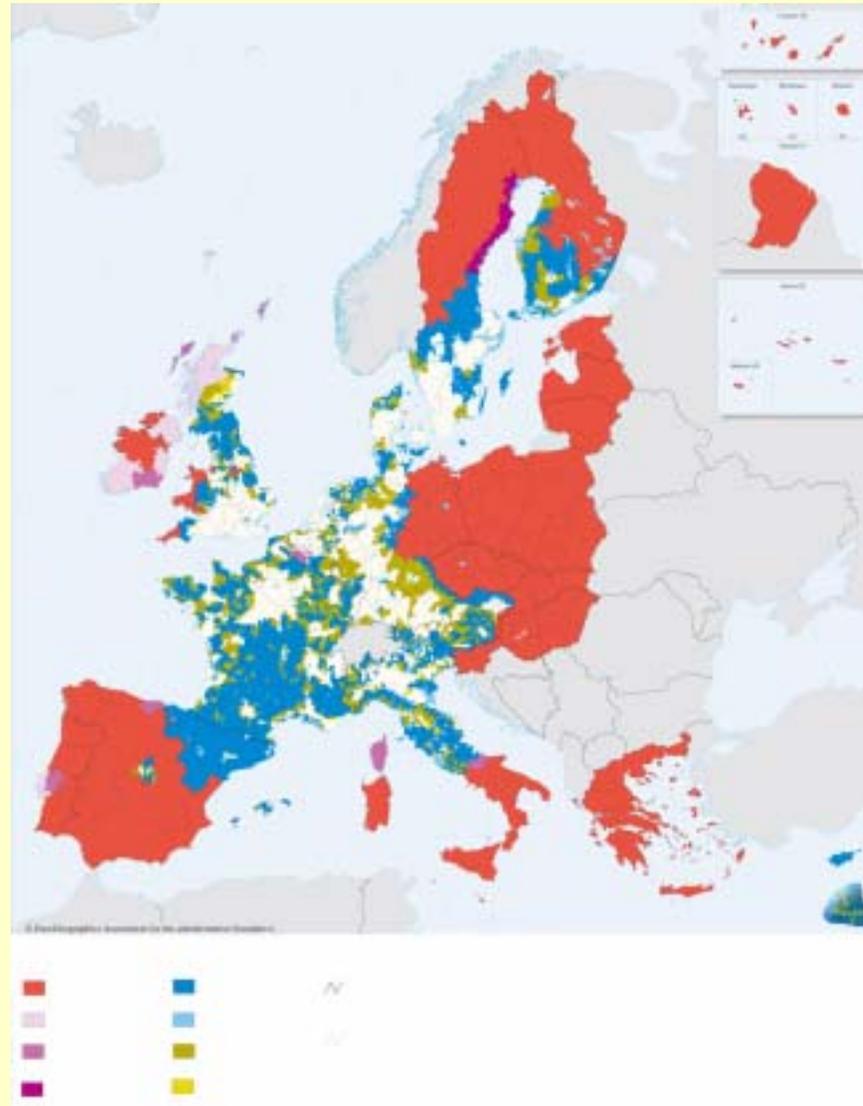
What priorities?

The Structural Funds concentrate on three priority Objectives:

- catch-up for regions lagging behind in development (Objective 1),
- socio-economic conversion of industrial, urban or rural zones or zones which are dependent on fisheries (Objective 2),
- Improved training and job opportunities (Objective 3),
- Aid is also granted by four Community Initiatives which encourage
 - cross-border, transnational and interregional cooperation throughout the EU (INTERREG III),
 - the regeneration of cities and neighbourhoods in crisis (URBAN II),
 - equality in the labour market (EQUAL) and
 - the development of rural areas (LEADER+).

Regional policy in the enlarged Union

Structural Funds 2004-2006: areas eligible under Objectives 1 and 2



What budget?

The Structural Funds absorb approximately one third of the EU budget. Their allocation for the 2000-2006 period is EUR 195 billion for the EU 15, plus 15 billion for the new Member States between 2004 and 2006.

The Cohesion Fund receives EUR 25.6 billion for the EU 25.

What process?

The programmes are drawn up by the European Commission and national and regional authorities on the basis of Commission guidelines and priorities of the Member States.

The Member States select concrete projects and are responsible for their implementation.

European financing supplements national aid to the regions.

What History ?

1957: The countries signing the Treaty of Rome refer in its preamble to the need 'to strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing among the various regions and the back-wardness of the less-favoured regions'.

1958: Setting-up of two sector-based funds: the European Social Fund (ESF) and the European Agricultural Guidance and Guarantee Fund (EAGGF).

1975: Creation of the European Regional Development Fund (ERDF) to redistribute part of the Member States' budget contributions to the poorest regions.

1986: The Single European Act lays the basis for a genuine cohesion policy designed to offset the burden of the single market for the southern countries and other less-favoured regions.

1989 – 93: The European Council in Brussels in February 1988 overhauls the operation of the Solidarity Funds (now referred to as the Structural Funds) and allocates ECU 68 billion to them (at 1997 prices).

1992: The Treaty of the European Union, which came into force in 1993, designates cohesion as one of the main objectives of the Union, alongside economic and monetary union and the single market. It also establishes the creation of the Cohesion Fund to support projects in the fields of the environment and transport in the least prosperous Member States.

1994 – 1999: The Edinburgh European Council (December 1993) allocates almost 200 billion ECU (at 1997 prices), one third of the Community budget, to cohesion policy.

Alongside the Structural Funds, a new Financial Instrument for Fisheries Guidance (FIFG) is created.

The Berlin European Council (March 1999) reforms the Structural Funds and adjusts the operation of the Cohesion Fund. These funds will receive over EUR 30 billion per year between 2000 and 2006, i.e. EUR 213 billion over seven years.

The Instrument for Structural Policies for Pre-accession (ISPA) and the Special Accession Programme for Agriculture and Rural Development (Sapard) complements the Phare programme that has been in existence for seven years to promote economic and social development and environmental protection in the applicant countries in central and eastern Europe.

- **2000 – 2001** The European Council in Lisbon (March 2000) adopts a strategy focused on employment and designed to make the Union ‘the most competitive and dynamic knowledge-based economy in the world by the year 2010’. The Gothenburg Council (June 2001) completed this strategy by linking it with sustainable development.
- **2002** The European Council in Copenhagen (December 2002) leads to an agreement on the conditions for the accession of 10 new Member States to the Union.

- **2004:** On 18 February, the European Commission presents its proposals for the reform of cohesion policy for the period 2007–13: ‘A new partnership for cohesion: convergence, competitiveness, cooperation’.
- On 1 May, accession to the European Union of Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia.

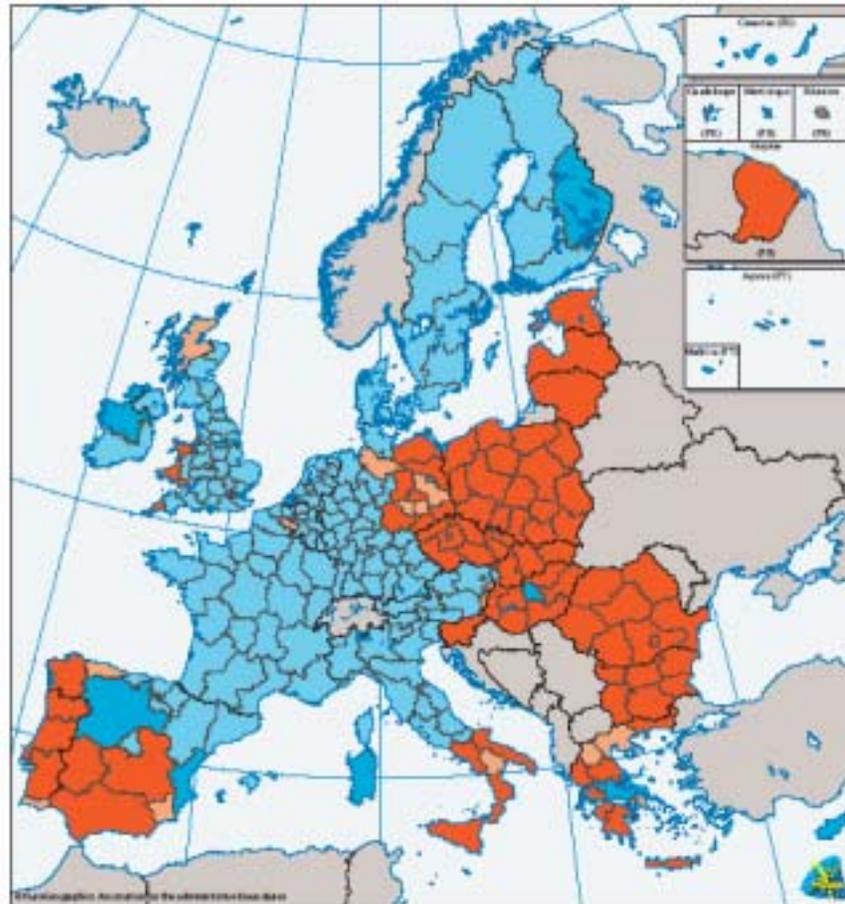
What future?

For the 2007-2013 period, the Commission proposes to concentrate its priorities in three areas, with a global budget of approx. EUR 336 billion.

"Convergence" will stimulate growth and employment in the less developed regions (principally the new Member States) which will continue to benefit from the Cohesion Fund.

"Competitiveness" will anticipate changes in the rest of the EU. This will include a regional component, for which each Member State will select the beneficiary zones, and a national component based on the European employment strategy.

"Cooperation" will draw on the experience acquired by INTERREG to encourage harmonious development throughout the EU territory.



**Structural Funds 2007- 2013:
Convergence and Regional Competitiveness Objectives**

- Convergence Regions
- Phasing-out Regions
- Phasing-in Regions
- Competitiveness and Employment Regions

*Position as of October 2006.
Regional boundaries, budgets and amounts are indicative only.*



Coffee break

