Monika Slupinska
Cohesion policy in 2014-2020. New „quality” of european integration

1. Introduction

European Commission’s proposals introduce many changes to the current model of cohesion policy implementation. The vision of the future cohesion policy reflects the ambitions of the European Commission to make it the main investment tool of achieving the goals of Europe 2020 strategy. The new cohesion policy is supposed to be more result-oriented by e.g. maximising the benefits of Structural Funds.

The main goal of regulations proposed by the Commission is to clearly translate the priorities of the cohesion policy, via structural programmes, into concrete projects implemented in countries and regions, and to reinforce the links between regions – leaders in development and less developed regions which should strengthen the effects of national and European efforts to attain the objectives of Europe 2020 strategy. New policy is supposed to be more performance-oriented and subjected to a greater extent to conditionality mechanisms and simplification in the implementation of projects financed by EU funds.

Despite a relatively short time that passed after its presentation, the Commission’s proposal raised rather substantive reservations of some Member States. They concerned e.g. the lowering of the absorption ceiling from 4% to 2.5% GDP and authorising the Commission to request the review of a programme or to suspend funding if irresponsible macroeconomic policy or poor administrative potential are found out.

Commission's proposals also reinforce the role of NUTS 2 regions in effective implementation of the cohesion policy. Their active role will be reflected in drafting partnership contracts, deciding upon the content and implementation of Operational Programmes, taking part in developing joint action plans, and participating in management and implementation of Integrated Territorial Investment (ITI). In the forthcoming months (until the end of 2012) the proposal of the cohesion policy after 2013 presented by the European Commission will be debated at length by both the European Parliament and the European Council. The final outcome of these discussions will be a compromise between the European interest and particular national interests.

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2. Commission’s proposal – where is European integration heading?

Fifth Cohesion Report adopted in November 2010 outlines ideas for the reform of the cohesion policy and postulates to:

- better concentrate resources on a few priorities closely linked with the Europe 2020 strategy;
- define clear and measurable targets;
- improve regulatory and institutional framework;
- implement mechanisms of conditionalities and incentives;
- increase the leverage effect generated by investment;
- increase financial involvement of the private sector;
- simplify management;
- focus on the poorest Member States and regions.

Social consultations went on between November 2010 and January 2011 and were designed to help to define the future shape of the cohesion policy and to prepare draft legal regulations. Consultations included representatives of the EU institutions, Member States, regions, social and economic partners, NGOs and academic circles.

On 29 June 2011 European Commission presented the Communication on Multiannual Financial Framework which formally launched negotiations on the structure and the size of the EU budget in 2014-2020. The future budget of the European Union was proposed to become a real instrument that will support smart and sustainable development. Hence in the proposed budget particular stress was placed on R&D, education, SMEs development, Common Agricultural Policy and the cohesion policy.

Legislative package proposed by the Commission specifies the model of the future cohesion policy (draft regulations laying down the rules for Structural Funds) includes:

- basic regulation laying down common provisions for the European Regional Development Fund (ERDF), European Social Fund (ESF), Cohesion Fund, European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). This is supposed to better combine the funds and to achieve a stronger impact upon EU operations;
- three detailed regulations on ERDF, ESF and the Cohesion Fund;
- two regulations on the objective “European Territorial Cooperation” and on the European grouping of territorial cooperation;

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65 Budget for Europe 2020, COM [2011] 500 final
two regulations on the European Globalisation Fund (EGF) and the Programme for Social Change and Innovation;
communication on the European Union Solidarity Fund (EUSF).
The following strategic documents and reports importantly contributed to the debate on the shape of the cohesion policy proposed by the Commission:
- Fifth progress Report on economic and social cohesion (2008)\textsuperscript{66},
- Regions 2020 – an Assessment of Future Challenges for EU Regions (2008)\textsuperscript{67},
- Fabricio Barca Report (2009)\textsuperscript{68},
- Green Paper on territorial cohesion (2009)\textsuperscript{69},
- Sixth progress Report on economic and social cohesion (2009)\textsuperscript{70}.
Commission proposal on the general framework of the cohesion policy\textsuperscript{71} is based on the strategic approach and recommends listing thematic objectives in the regulation in accordance with Europe 2020 strategy. Thematic objectives cover the following areas:
- strengthening research, technological development and innovation;
- enhancing accessibility, the use and quality of ICT;
- enhancing the competitiveness of SMEs, agriculture (with respect of the European Agricultural Fund for Rural Development), fisheries and aquaculture (with respect of the European Maritime and Fisheries Fund);
- supporting the shift towards low-carbon economy in all sectors;
- promoting climate change adaptation, risk prevention and management;
- environmental protection and resource efficiency;

\textsuperscript{68} Barca F., An Agenda For A Reformed Cohesion Policy. A place-based approach to meeting European Union challenges and expectations, Independent Report prepared at the request of Danuta Hübner, Commissioner for Regional Policy, April 2009
promoting sustainable transport and removing bottlenecks in key network infrastructures;
• promoting employment and supporting labour mobility;
• promoting social inclusion and combating poverty;
• investing in education, skills and lifelong learning;
• enhancing institutional capacity and an efficient public administration.

Commission proposal introduces many changes compared to the present model of the cohesion policy. These changes concern the objectives, instruments, geographical scope of support, new allocation ceilings for Member States and the introduction of mechanisms of conditionality and efficiency (increasing the efficiency of European investments). The scope of modifications proposed by the European Commission compared to the current programming period is outlined in Table 1.

Table 1. Main modifications of the cohesion policy proposed by the European Commission for 2014-2020 compared to the current programming period

<table>
<thead>
<tr>
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<tr>
<td>Budget (€ bn)</td>
<td>347.41</td>
<td>376</td>
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<tr>
<td>Objectives</td>
<td>Convergence</td>
<td>Investment in economic growth and employment</td>
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<tr>
<td></td>
<td>Regional competitiveness and</td>
<td>European Territorial Cooperation</td>
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<td></td>
<td>employment</td>
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<td></td>
<td>European Territorial Cooperation</td>
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<td>Financial instruments</td>
<td>European Regional Development</td>
<td>European Regional Development Fund</td>
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<td>Fund</td>
<td>European Social Fund</td>
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<td>European Social Fund</td>
<td>Cohesion Fund</td>
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<td>Cohesion Fund</td>
<td>“Connecting Europe” Facility</td>
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<td>Including the European</td>
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<td>Agricultural Fund for Rural</td>
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<td>Development and the European</td>
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<td></td>
<td>Maritime and Fisheries Fund into the common strategic framework</td>
</tr>
<tr>
<td>Allocation ceiling for</td>
<td>4% PKB</td>
<td>2.5% PKB</td>
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<tr>
<td>Member States</td>
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Source: own studies

What is new is the concept of a new infrastructural instrument, Connecting Europe Facility (CEF), closely linked with the cohesion policy and designed to assist projects of key importance for
Europe (improving transport and telecommunication network by extending transport infrastructure, energy connections and ICT solutions). European Commission is to be the managing authority for the CEF.

The Commission also intends to introduce some performance-oriented instruments that could improve investment efficiency of funds. Among measures proposed by the Commission we may list: concentrated number of objectives, partnership contracts\textsuperscript{72} (that will clearly specify goals and will enable making a performance reserve to reward regions with the best record in achieving goals), and a Common Strategic Framework\textsuperscript{73}.

The most discussed part of the reform is the issue of conditionality, which is supposed to improve the efficiency of programmes delivered under the cohesion policy. Conditions will include \textit{ex ante} conditions that must be met before funds are disbursed and \textit{ex post} conditions that will make the release of additional funds contingent on performance. \textit{Ex ante} conditionalities are to ensure that the conditions necessary for effective support of funds are in place meaning that structural funds will be deployed only after national instances demonstrate they are capable of ensuring effective use of EU funds based on appropriate strategic, regulatory and institutional framework. Transposition of the EU law in the area for which funds are disbursed is one of such conditions. E.g. in order for a country to be able to benefit from resources for energy efficiency it will have to implement the energy performance of buildings directive. Disbursement of additional funds will be contingent upon the \textit{ex post} evaluation, i.e. upon the performance. The Commission’s proposal introduces measures that prevent Member States from pursuing incorrect macroeconomic policy which in practice means that the disbursement of funds under the cohesion policy will be closely linked to macroeconomic capabilities of a given state (i.e. its national fiscal and monetary policy) and the payment of structural funds will depend on financial stability of a Member State. Besides the performance reserve (5% of the budget of appropriate funds will be set aside and allocated in the course of mid-term evaluation of the implementation), penalties are also proposed. Non-attainment of indirect goals may lead to the suspension of funds and serious irregularities in the delivery of the objectives of the programme may result in cancelling of the financial aid.

\textsuperscript{72} specifying responsibilities of partners at national and regional levels and those of the Commission; contracts will include an obligation to annually inform about the progress in Annual Cohesion Policy Progress Reports, Rural Development Policy Reports and other public reports.

\textsuperscript{73} “common strategic framework” is a document translating the objectives and targets of the EU strategy for smart, sustainable and inclusive growth into key actions for funds included in the common strategic framework specifying key actions for each thematic objective that are to be supported with these funds and mechanisms that ensure cohesion and consistency of programming funds included in the common strategic framework with economic and employment policies of the EU Member States.
Another modification proposed by the European Commission that raised concerns of some Member States is the proposal to lower the maximum national absorption ceiling from current 4% GDP to 2.5%. Prime Ministers of Baltic States and Hungary opposed the provision and wrote a letter to the President of the European Commission, José Manuel Barroso, Commissioner Janusz Lewandowski and to Prime Minister Donald Tusk head of the Polish presidency on the issue. In the letter we read that the solution „punishes those Member States who efficiently absorbed cohesion funds and made significant effort to ensure co-funding and smooth implementation of programmes despite the crisis”. „Relative reduction in cohesion funds allocated in our four countries cannot be explained especially when we compare ourselves to other beneficiaries of the cohesion policy”. They noted that, „the competitiveness of the European Union may not be achieved without internal cohesion” hence it is particularly important to „ensure adequate support, mainly to regions eligible under the convergence objective” (regions with GDP below 75% of the EU average) Prime Ministers Kubilius, Dombrovskis, Ansip and Orban continued to argue that „long-term GDP forecasts are highly unreliable” and making the ceiling contingent upon the GDP and its forecast „is unfair and highly doubtful”. Prime Ministers of the four countries appealed to the EC to „reconsider this part of its proposal in order to ensure the most effective implementation of the objectives of the cohesion policy after 2013”\textsuperscript{74}.

3. Old instruments of the cohesion policy in the new arrangement of the European Commission

In the programming period 2014-2020 the European Commission intends to enhance harmonisation and coordination of the implementation of funds offering support for the cohesion policy, i.e. the European Regional Development Fund (ERDF), European Social Fund (ESF) and the Cohesion Fund with the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). In the assessment of the Commission all these funds (referred to as „funds covered by the common strategic framework”) should be governed by common provisions. Because of the specificity of each of these funds, detailed provisions applying to them and to the objective of „European Territorial Cooperation” under the ERDF are laid down in separate legislative proposals (draft regulations). Legislative package presented by the European Commission includes numerous modifications in individual cohesion instruments.

For the **European Regional Development Fund** (ERDF) modifications result from the identification of several categories of regions (the issue will be discussed further in the paper). Transition regions and more developed regions will be obliged to focus the most of their allocations (except the ESF) on energy efficiency and renewable energy sources, SMEs competitiveness and innovation. Less developed regions will be able to use their allocations for a larger number of objectives connected with their specific development needs. Main modifications for the ERDF are presented in Table 2.

**Table 2. Proposal of the European Commission for the European Regional Development Fund in 2014-2020**

(1) at least 80% of funds will focus on energy efficiency, renewable energy sources, research and innovation as well as SMEs support in more developed regions and in transition regions, out of which 20% will be allocated to energy efficiency and renewable energy sources. In regions not covered any more by the “Convergence” objective minimum percentage is reduced to 60%;
(2) at least 50% of funds will be focused on energy efficiency and renewables, research and innovation, and SMEs support in less developed regions out of which 6 % will be allocated to energy efficiency and renewable energy sources;
(3) more stress will be placed on sustainable urban development by allocating at least 5% of the ERDF to sustainable urban development, development of a platform for urban development to promote capacity building and exchanges of experience, and the adoption of a list of cities where integrated actions for sustainable urban development will be implemented;
(4) in operational programmes particular attention should be paid to difficulties of regions with specific and unfavourable natural or demographic features;
(5) additional allocation specially addressed to the outermost regions.


Modifications proposed in relation to the **European Social Fund** (ESF) are driven mostly by unemployment and poverty situation in Europe. At the moment almost 23 m people are unemployed
and 113 m are threatened with social exclusion and live below the poverty threshold. Standard of living of the EU citizens is of primary importance to the European Commission. In the period 2014-2020 the ESF should become a tool ensuring better conditions for the improvement of employment situation, education and training and also combating social exclusion and poverty. The scope of the ESF Regulation for 2014-2020 proposes to target ESF funds on four „thematic objectives” in all of the European Union: (1) promoting employment and supporting labour mobility; (2) investing in education, skills and lifelong learning; (3) promoting social inclusion and combating poverty; (4) enhancing institutional capacity and an efficient public administration. The most important modifications linked to ESF operations in 2014-2020 are presented in Table 3.

Table 3. Proposal of the European Commission for the European Social Fund in 2014-2020

| (1) enhancing administrative capacity restricted to those Member States where regions are the least developed or eligible for the assistance from the Cohesion Fund; |
| (2) at least 20 % of the ESF should be allocated to promoting social inclusion and combating poverty; |
| (3) funding under operational programmes targeted at limited number of investment priorities; |
| (4) member states should combine systematic mainstreaming of gender issues with concrete actions for promoting gender equality and non-discrimination; |
| (5) at least 20% of the ESF should be allocated to actions in social inclusion area (combating youth unemployment, support for the most disadvantaged groups, i.e. migrants, people living at the margin of the society); |
| (6) enhanced involvement of social partners and NGOs into the delivery of ESF tasks (mostly in less developed regions); |
| (7) greater support of the European Commission for transnational cooperation and social innovation; |
| (8) simplification of the ESF for smaller beneficiaries; |
| (9) joint action plans for managing operational programmes. |

Also the Cohesion Fund (CF) will be covered by the reforms proposed by the European Commission although to a minor extent compared to other funds. As until the present in the field of environment the Cohesion Fund will support investment in climate change adaptation and risk prevention as well as investment in the water and waste sectors, and the urban environment. Also investments in energy will be eligible for support if they really bring benefits to the environment which naturally shows Commission’s preferences for energy efficiency and renewable sources of energy. In the field of transport the Cohesion Fund will support investments into trans-European transport networks, low-emission transport systems and urban transport. For the first time, however, part of the Cohesion Fund will be used to support the „Connecting Europe” facility designed for a competitive and sustainable European transport system.

Provisions on thematic concentration and investment priorities are new in the European Territorial Cooperation (ETC). Modifications are supposed to improve the strategic focus of programmes and their effectiveness. Programmes may choose a limited number of priorities (from the thematic menu) with corresponding investment priorities, thus ensuring the concentration on European priorities and interventions guaranteeing the highest value added. Selection criteria were identified in a more stringent way to ensure that funds are allocated to genuinely joint actions.

Modifications have also been proposed for the European Grouping of Territorial Cooperation (EGTC). They concern e.g. the membership, the contents of the EGTC convention and statute, its objective and adoption by the national authorities. New legal basis is planned for the membership that will allow regions and third country authorities to become members to the EGTC, independently of the fact whether the remaining members come from one or many member states. Eligible private law subjects are also identified in a more precise way.

4. Regions and their role in the EU cohesion policy in 2014-2020

European Commission proposal connected with geographical scope of support differentiates less developed regions, transition regions and more developed regions. These categories are decisive for the allocation of funds among types of regions (NUTS 2) under the objective „Investment for

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economic growth and employment”. The Commission proposes the division in three categories of regions for which it specifies funds allocation criteria under the objective „Investment for economic growth and employment”. The Commission plans to allocate in total 96.52% of funds from the general allocation for this objective (Table 4).

Regions will be included in one of the proposed categories based on the relation of their GDP per capita measured with purchasing power parity for the EU-27 average. The list of regions in all categories will be announced by the Commission in a decision.

In the future period of the EU cohesion policy it is postulated to increase the impact of regions upon its implementation in accordance with the concept of place-based economy (F. Barca). Regions will be equipped with some competences in both programming, management and monitoring effects of operational programmes.

<table>
<thead>
<tr>
<th>Region category</th>
<th>Eligibility criteria for regions under the objective „Investment for economic growth and employment”</th>
<th>Criteria for allocations among member states</th>
</tr>
</thead>
<tbody>
<tr>
<td>LESS DEVELOPED REGIONS 50.13%</td>
<td>GDP per capita below 75% of average GDP in EU-27.</td>
<td>eligible population, affluence of the country and unemployment rate in less developed and in transition regions</td>
</tr>
<tr>
<td>TRANSITION REGIONS 12.01%</td>
<td>- new category of regions*;</td>
<td>eligible population, affluence of the region unemployment rate, employment ratio, education and population density in more developed regions</td>
</tr>
<tr>
<td></td>
<td>- replace the current phasing-out and phasing-in system;</td>
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<tr>
<td></td>
<td>- GDP per capita between 75% and 90% of the EU-27 average.</td>
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<tr>
<td></td>
<td>*all regions for which GDP per capita for 2007-2013 was less than 75% of the EU-25 average but where GDP per capita exceeded 75% of the EU-27 average will receive two thirds of their allocation for 2007-13. For each category a minimum share of the ESF will be decided (25% for the regions under the „Convergence” objective and 40% for transition regions, and 52% for regions under the competitiveness objective).</td>
<td></td>
</tr>
<tr>
<td>MORE DEVELOPED REGIONS 16.39%</td>
<td>GDP per capita above 90% of the GDP average for EU-27</td>
<td>population, affluence of the country and its area for the Cohesion Fund</td>
</tr>
</tbody>
</table>

**Partnership Contracts** will become the main instruments for regions to impact cohesion policy. The document will be drafted by a Member State and will set out its strategy, priorities and conditions for effective use of funds in accordance with the Common Strategic Framework. Partnership contracts will cover the entire programming period and all of the allocation for a given Member State. Pursuant to Art 5 of the Regulation on Private-Public Partnership and Multi-Level Governance contracts will have to be drafted with active involvement of partners, i.e. competent regional, local, urban bodies and other public authorities, economic and social partners and NGOs. Partners, besides being engaged in drafting partnership contracts, will also participate in reporting on the progress in works on partnership contracts, drafting, implementation, monitoring and evaluation of operational programmes and they will take part in the work of Monitoring Committees for operational programmes.

Partnership contracts give regions real opportunity to impact priorities and the conditions for the use of funds. They were proposed by the Commission in its attempt to ensure the real participation of regional authorities in the shaping of national programming documents and the implementation of the cohesion policy.

Regions will also be able to actively participate in drafting operational programmes implemented under the European Regional Development Fund and the European Social Fund. The programmes will be drafted in accordance with the institutional system of each Member State at appropriate geographic level and at least at the NUTS 2 level. Regions as subjects of public law, together with Member States and managing institutions, will also be able to **submit applications on joint action plans** when or after appropriate operational programmes are presented if they are designated to do so. Joint action plan is defined and managed with respect of outputs and results that a Member State wishes to attain. It comprises a group of projects carried out under the responsibility of the beneficiary as a part of an operational

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programme or operational programmes. Outputs and results of a joint action plan will be agreed by a Member State and the Commission and should contribute to specific objectives of operational programmes and provide the basis for support from the Funds. Results refer to direct effects of a joint action plan and the beneficiary is a public law body. Joint action plans should cover a part of the programming period and will not be considered major projects.\(^{80}\)

Another instrument fostering the engagement of regions in the cohesion policy and directly referring to the territorial development is the possibility for a Member State or for a managing authority to designate regions to become intermediate bodies in managing and implementing Integrated Territorial Investment (ITI). Such investments are undertaken when the strategy for urban development or other strategies or territorial pacts require an integrated approach involving investments under more than one priority axis or one or several operational programmes [European Commission 2011, draft proposal].\(^{81}\)

Regions may also be designated by a Member State (together with other national and local bodies) to be a managing, certification and auditing authority for operational programmes. Experience in managing operational programmes or their priorities comes from the current programming period. In Poland regions are managing authorities for regional operational programmes and intermediate bodies implementing regional components of Operational Programme Human Capital (priority axes VI-IX).

Undoubtedly, in the light of the Commission’s proposal for the new programming period of the cohesion policy, the role of regions in the implementation of the policy is enhanced, however, which is a major change, it is accompanied by bigger responsibility of regional administration for ensuring appropriate conditions for receiving support (conditionality).

5. New cohesion policy – integration or decomposition?

Cohesion policy occupies a special place in European integration and it has evolved together with political and economic integration of Europe. The scope and forms of the cohesion policy, on the


one hand, result from integration processes but at the same time they represent their measurable hallmark. The establishing of the cohesion policy and its further evolution are closely linked with the deepening and the widening of the European integration, going on for years and based on various changing models of integration (which often also overlap).

We should remember that although the postulate of having a regional policy in the then integrating organism appeared already in the Treaty of Rome, the Treaty itself missed concrete provisions that would establish the policy. The then six Member States did not express their political will to delegate national competences in this field to the supranational level. Only as late as in 1975 the foundations of the European Regional Development Fund marked the beginning of a genuine regional policy. Interestingly enough, despite the will of the integrating states to deepen and widen integration („The Hague Summit”), the Fund was limited to financing national goals, disregarding the needs and the involvement of the regions.

The adoption of the Single European Act (1986) was the main turning point for the cohesion policy. The Act for the first time introduced a chapter on economic and social cohesion into the acquis communautaire, where reference was made to the need to balance disproportions in social and economic development of the regions. For the first time regional policy became an instrument of structural transformations that would allow regions to fully participate in economic growth. The wording of the Single European Act, enhanced with the Maastricht Treaty (1992), clearly showed that politicians realised the links between the dynamics of European integration and economic development. What was also important, regional policy ceased to be perceived as a redistributive policy but as a tool to mobilise the endogenous development potential of the regions which supports long-term changes. As D. Hübner rightly notes, Single European Act made it possible to transform the cohesion policy into a genuine development policy with its own objectives, rules and tools.

The 1980s were also the years of two, politically conditioned enlargements of the European integration. European Communities were joined by Greece, Spain and Portugal, countries which because of their economic development became immediate main candidates (together with Ireland) to benefit from the cohesion policy. Unanimous consent of the Member States of the then European Economic Community to extend the membership to these countries followed by a slightly later

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82 Pietrzyk, I., Polityka regionalna Unii Europejskiej i regiony w państwach członkowskich (EU regional policy and regions in the Member States), Wydawnictwo Naukowe PWN, Warsaw 2002
reform of the cohesion policy under the so called 1st Dellors package are indicative of the convergence of the model of the cohesion policy with “pro-integration” concepts of integration. Also further enlargements and adopted treaties, i.e. the Maastricht Treaty (1992), the Treaty of Amsterdam (1997) and the Treaty of Nice (2001), and especially the establishing of the Economic and Monetary Union and of the Cohesion Fund as a part of the project are the reflection of the deepening and widening of European integration based on the principle of solidarity with the cohesion policy understood as the “visible hand” of European integration. At that time cohesion policy remained focused on reducing internal disproportions in social and economic development of the EU regions while the Member States and other sectoral policies were left with facing external challenges including progressing globalisation and its main characteristics: competitiveness, efficiency and innovation. Two the latest enlargements of the European Union to the East which allowed to cover a large group of former socialist countries, Poland included, with cohesion policy funds should be considered continuation of the construction of an internally coherent space of European social and economic growth.

The below presented Diagram 1 is the Author’s attempt to connect the evolution of the cohesion policy with theoretical models of economic integration. The models range from extreme concepts of „pro-integration”, „disintegration” and potential enlargement scenarios. The model is an adaptation and development of the legacy of a research project EU-CONSENT implemented under the EU 6th Framework Programme. A. Faber and W. Wessels ⁸⁴ developed a model representing the deepening and widening of the European integration correlating the milestones of European integration with modern theories thereof.


⁸⁴ Faber, A., Wessels, W., Revision and further development of the background paper on the project’s theoretical and methodological framework including yardsticks with indicators. Deliverable No. D 71, University of Cologne, 2007, Project No. 513416 EU-CONSENT, Network of Excellence
Diagram 1: Cohesion policy and the deepening and widening of European integration

Source: own studies

The above diagram represents links between horizontal development of the Communities and then of the Union (enlargement and „milestones”) with the evolution of the cohesion policy (deepening of integration). Subsequent European Treaties and initiatives which shaped integration allow us to identify stages that integrated, disintegrated or remained indifferent for the cohesion policy. Whilst the first enlargement of the European Economic Community with the United Kingdom, Denmark and Ireland (1973) may be considered neutral for the cohesion policy, further enlargements marked important stages revealing a positive correlation of the cohesion policy and integration which deepened internal links among integrating countries.

The following were identifiable milestones in cohesion policy: Single European Act – SEA (legal legitimisation of regional policy), The Maastricht Treaty – MT (establishing of the Cohesion Fund and the launching of the construction of the Economic and Monetary Union), The Treaty of Amsterdam – TA (beginning of the internal reform designed to prepare the Community for further enlargements, reform of the cohesion policy under the Agenda 2000) and The Treaty of Nice - TN (institutional preparations to the „big enlargement”).
The Maastricht Treaty (1992) is the first case in the historic stages of the evolution of the cohesion policy presented on the Diagram which contributed to the integration and decomposed it at the same time. Besides elements that developed the cohesion policy, such as the establishing of the Cohesion Fund as an instrument to support economic convergence of the so called „cohesion states” (Spain, Greece, Portugal and Ireland) in their efforts to meet convergence criteria to join the Euro, the Treaty also introduced elements that narrowed and decomposed integration. One of those was the possibility to accept the opt-out from joining the Economic and Monetary Union proposed by the United Kingdom and Denmark, two states that until the present have remained outside of the „Euro zone” without the obligation to join the euro in the future. Member States which joined the EU after 1992 did not set the condition in their accession treaties which reflected their will to ultimately join the euro zone when ready (when they meet clear convergence criteria and the vague time criterion of achieving the readiness).

While the so far stages of the evolution of the cohesion policy should be considered convergent with the pro-integration concept of international economic cooperation due to the progressing deepening and widening of European integration, the situation has changed to a large extent with respect of the proposed modifications of the cohesion policy for 2014-2020. The future shape of the cohesion policy proposed by the European Commission decomposes, in a way, the integration achieved based on the Maastricht Treaty and leads to the „renationalisation” of further integration. Cohesion policy in the proposal of the European Commission gets closer to the integration model based on concentric circles where the internal circle is formed by the most integrated states (euro zone), interested in improved efficiency of Structural Funds and stronger external dimension of the EU; the middle circle includes the poorest states for which the cohesion policy is the tool of the solidarity principle and which are interested mostly in the closing of the gap between them and the richest states; and the external circle are countries interested in European integration (candidate countries).

6. Conclusion

The proposal of the European Commission of the shape and principles of the cohesion policy for the period 2014-2020 introduces numerous modifications compared to the period 2007-2013. Undoubtedly, directions of the reforms were, on the one hand, influenced by the conclusions of the Barca’s report (place-based development, enhanced focus on key objectives or rather having one leading objective, stronger engagement of regional and local authorities and social partners in the programming and implementation of the cohesion policy) and, on the other hand, by the economic situation of the euro zone and high uncertainty of future economic scenarios for united Europe.
(lower absorption limit of 2.5% GDP for the Member States, the possibility to suspend the transfer of resources to states pursuing irresponsible macroeconomic policy, higher pressure on the efficiency of investments co-financed with Structural Funds).

For Polish regions the new shape of the cohesion policy means both new opportunities and new challenges. Enhanced impact upon the content and the implementation of the Operational Programmes or taking part in the drafting of the partnership contract give regions a bigger possibility to pursue their own priorities and strategies (if regions are able to draft clear development strategies based on reliable diagnosis and coherent with the EU guidelines). In the Author’s assessment the lowering of the absorption ceiling to 2.5% of GDP does not pose a major threat for Poland and its regions. How much funds will Poland finally receive will depend on its growth rate in 2014-2020. Unofficially, based on long-term forecasts, the European Commission estimates that the allocation for Poland may reach even more than EUR 80 bn. In the current budget for 2007-13 the ceiling was 4% GDP for the allocation of EUR 67 bn. The need to meet ex ante conditionalities by public authorities, especially when it comes to the effectiveness and efficiency of the administration, seems a bigger threat. Regions in Poland are not very much experienced in delivering the cohesion policy and the staff in regional administrations often fluctuates. It seems that more responsibility and discipline in the operations of public authorities proposed by the European Commission will force regional and local authorities to undertake actions that comply with the conditionality criterion.

The introduction of the conditionality principle and strong reorientation of the cohesion policy towards increased efficiency are in fact supposed to strengthen the European Union in its external dimension (requirement of globalisation) but they weaken the principle of solidarity by strongly linking the allocation with the GDP and by extending support to the richest regions. Does it mean that after 2014 cohesion policy will be based upon the principle of diversified solidarity? Solidarity subordinated to efficiency where the economic potential of a given territory and the efficiency of its institutions will decide on the allocation of cohesion resources.

Economic crisis and euro zone crisis remain clearly connected with the possibilities and expectations vis-a-vis cohesion policy. One may not disregard the importance of various studies, among them Barca’s report, setting out arguments for improving the efficiency of the cohesion policy. However, in the Author’s opinion, the key question concerns the vision of further European integration to which the future cohesion policy should be subordinated. An attempt to

85 Besides postulating enhanced efficiency, F. Barca also opts for more actions for social inclusion, simplification of procedures that promote timely disbursing of resources and subordination of expenditure to procedures at the cost of the quality and efficiency thereof.
shape the leading development policy of the European Union without identifying the directions of future development of the EU itself, under the absence of its clear vision, poses a threat to the model of integration worked out in recent decades. Will the Member States from the most integrated group, acting under the pressure of the crisis, opt for the decomposition of the cohesion policy as an element of integration? And is the crisis a requirement or an excuse for such actions? The answer to these questions will be known in several months to come.

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ABSTRACT

As it always happens in the times of economic difficulties, discussions on further European integration re-emerge. It is more difficult then to find a common, pro-European vision of Europe, free from the dictate of current, individual interests of Member States. This very moment in Europe encourages reflecting upon further development scenarios of the European Union determined in fact by the pressure of the economic crisis. The cohesion policy will be the main development tool. In October 2011 European Commission adopted a package of legislative proposals outlining the Commission's vision of the future shape of the cohesion policy for the period 2014–2020. The concept of the cohesion policy for the future programming period as proposed by the Commission is, on the one hand, consistent with the objectives of the Europe 2020 strategy and, on the other hand, it makes reference to the postulate of implementing a place-based development policy from the so called Barca Report [F. Barca, 2009]. New vision of the cohesion policy proposed by the Commission makes reference to the main tasks of the European Union identified in Europe 2020, i.e.: climate protection, sustainable development, innovation and knowledge-based economy, improved competitiveness of SMEs.