

Addressing Cohesion Policy's Identity Crisis in a Changing European Union

Contact: Alison Hunter
alison.hunter@hotmail.co.uk



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Executive summary

This paper focuses on the upcoming review of the post-2027 Multi-annual Financial Framework and the debate concerning the post-2027 EU Cohesion Policy. A different, bolder Cohesion debate is needed, reflecting a radically changed global environment. The Policy's purpose requires reinvention, not an incremental upgrade.

Four overarching themes are analysed, reframing Cohesion Policy with a strategic, long-term investment perspective: EU resilience, security, strategic autonomy and reforms. Five recommendations weave together these themes with the policy's long-standing, core features:

RECOMMENDATION 1 ACKNOWLEDGE THE NEED TO REVIEW COHESION POLICY'S PURPOSE

Key messages:

- Confront the reality of an eroding Cohesion Policy purpose.
- Respond to the EU's convergence stagnation challenge.
- Review the Policy's future role in addressing new challenges for the EU Single Market and level playing field commitment.

Key takeaway: Breathe new life into the post-2027 Cohesion Policy's debate.

RECOMMENDATION 2 REVITALISE COHESION POLICY'S LONG-TERM VALUE BY DEFENDING ITS PILLARS

Key messages:

- Upgrade Cohesion's 3 'pillars' towards EU economic, social and territorial security.
- Champion the Policy's investment orientation, addressing illusions of a future (default) remit focused on crisis response.
- Articulate the risk of "taking Cohesion Policy hostage" in the EU's future 'gameplan' vacuum.

Key takeaway: Re-confirm Cohesion Policy in the post-2027 debate as a long-term structural policy.

RECOMMENDATION 3 POSITION COHESION POLICY AS THE 'GUARDIAN' OF EU PLACE-BASED POLICYMAKING

Key messages:

- Cohesion Policy should lead the EU's place-based policymaking efforts.

- Territorial Impact Assessments should be embedded in the post-2027 Cohesion Policy's toolkit.
- The uptake of Territorial Impact Assessments should be synonymous with delivering a 'just transition' across all EU territories.

Key takeaway: Cohesion Policy can champion the 'future-proofing' of regional resilience.

RECOMMENDATION 4 ARTICULATE COHESION POLICY'S ROLE IN THE EVOLVING EU GOVERNANCE AND REFORM AGENDA

Key messages:

- The EU's multi-level governance system requires upgrading.
- Re-energise Cohesion Policy's reform orientation, clarifying its relationship with the European Semester.
- Sustain momentum for EU reforms through targeted support in the post-2027 Cohesion Policy.

Key takeaway: Reach beyond the Recovery and Resilience Facility to reclaim Cohesion Policy's structural reform role.

RECOMMENDATION 5 IMPROVE COHESION POLICY'S CONVENING POWER TO CATALYSE DEEPER EU INNOVATION COOPERATION

Key messages:

- Position the post-2027 Cohesion Policy as a cornerstone of the EU's innovation collaboration agenda.
- Cohesion Policy should coordinate the bottom-up efforts of EU innovation ecosystems and their value chain orientation.
- Cohesion Policy's innovation collaboration conditionality should drive EU 'open innovation' and strategic autonomy.

Key takeaway: The future Cohesion Policy must deliver a more connected approach to EU innovation collaboration.

A large-scale consultation exercise would ensure that the future Cohesion Policy evolves in lockstep with the needs of EU citizens and places. This will not be easy. Critical discussions about the EU's future have been side-lined in the crisis-prone era. The challenges ahead require more EU leadership and cooperation. As the EU rebuilds its future vision, the post-2027 Cohesion Policy - with a legacy for championing EU convergence and solidarity - has much to contribute.

Report recommendations

- 1. Acknowledge the need to review Cohesion Policy's purpose**
- 2. Revitalise Cohesion Policy's long-term value by defending its pillars**
- 3. Position Cohesion Policy as the 'guardian' of EU place-based policy making**
- 4. Articulate Cohesion Policy's role in the evolving EU governance and reform agenda**
- 5. Improve Cohesion Policy's convening power to catalyse deeper EU innovation cooperation**