



2025

**LDnet** webinar series

# Key challenges of EU Cohesion Policy – why and how is it going to change?

Serafin Pazos-Vidal



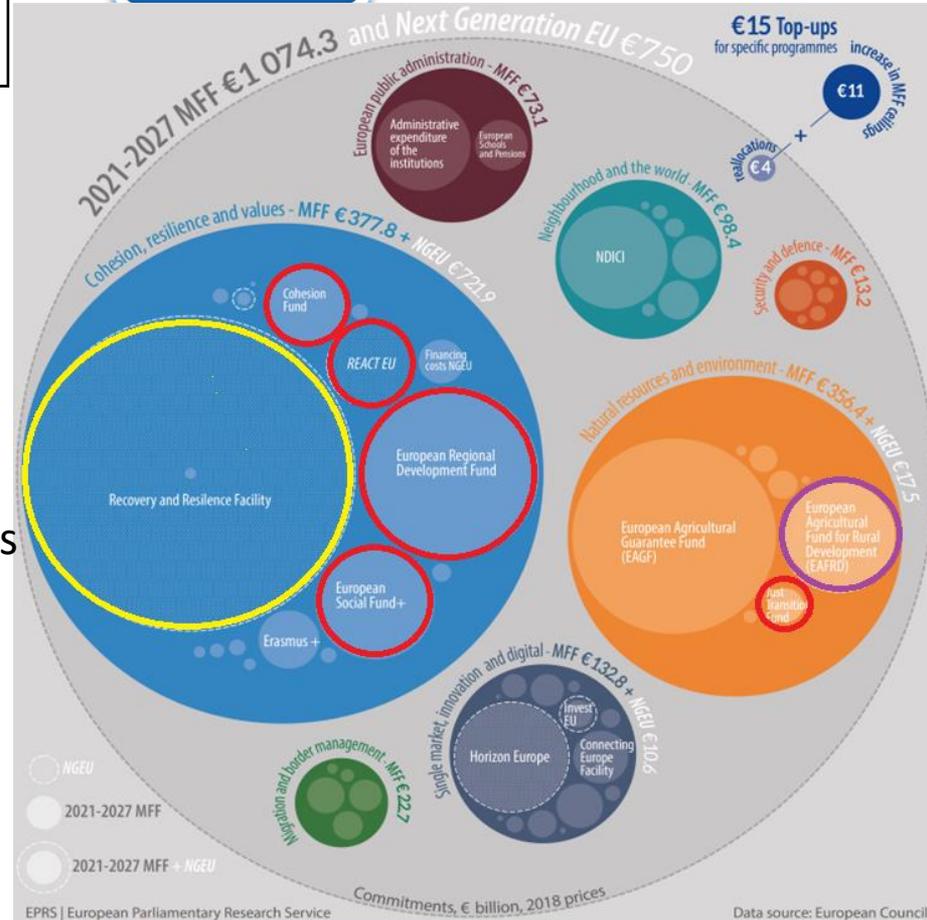
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# The 2020 revolution

- NGEU almost **doubling** MFF
- **RRF** doubles up as a “new” Cohesion Fund
- Finance Not Linked to Costs
- Payment for Reforms? – Semester
- “Milestones” can be input, outputs, outcomes
- “Direct management”?
- De facto national centralisation
- New EU fund spending ministries
- No Partnership Principle, only consultation
- Territorial development a by-product
- 2025 proposals build upon 2020 shift

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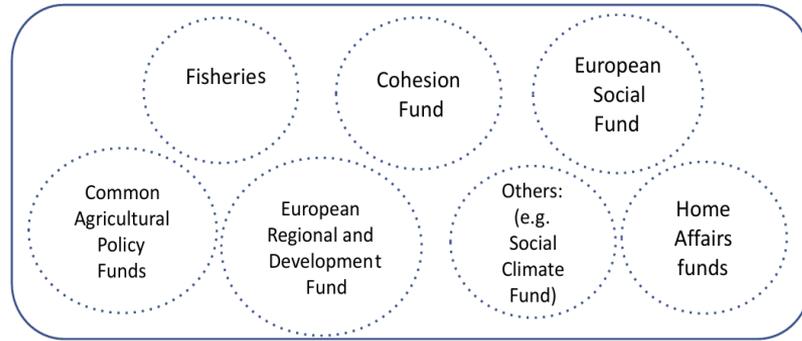
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# Pillar I: Single Plan for each Member State

Around **530 programmes** for Member States (2021-2027 MFF)

- Cohesion policy: 398 (national and regional programmes + 27 partnership agreements)
- Agriculture and fisheries: 54
- Home funds: 79



Single all-policy document for each

- Simpler legal framework
- Streamlined negotiations (more leverage and flexibility)
- Less red tape

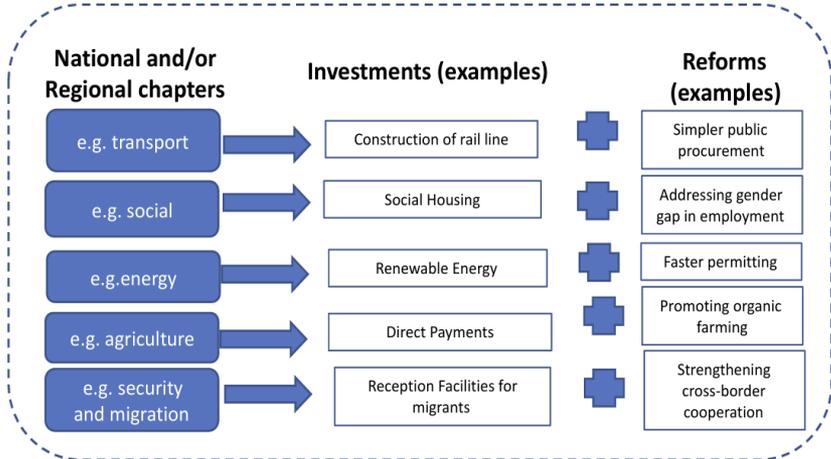
27 programmes for all Member States

Next MFF: "Single Plan" for each Member State

**Strong policy agenda on joint EU priorities**

Reference Framework identifying challenges for the Member States (Pillar 1) and the EU (Pillar 2)

- European Semester CSRs
- National Energy and Climate Plans
- European Governance Plans
- Other policy tools (e.g. Schengen, Rule of Law)



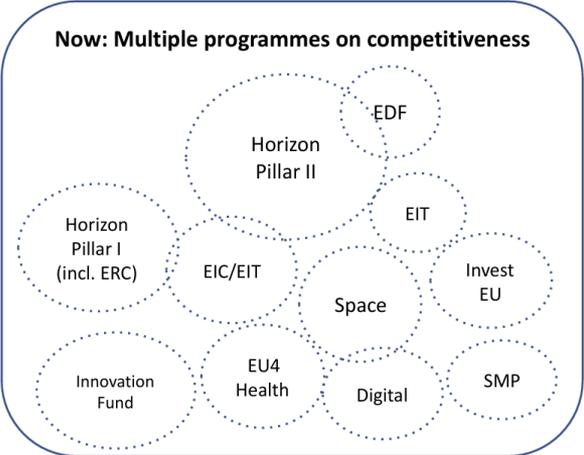
Performance-based delivery model

Payments against fulfilment of policy objectives

Strong Conditionality

Protection of EU financial interests, Rule of Law and EU values

# European Competitiveness – a scenario



Lack of strategic steer

Complexity for EU industry

Limited flexibility for reallocation

Different rules

Gaps and overlaps in projects covered

Multiple entry points

Multiple financial instruments

Delay in access to funding

No common governance

Heavy management of programmes for COM



Strong policy agenda and strategic steer

Reference framework identifying challenges and priorities for innovation and strategic dependencies

Steer by policies not by programmes  
Focus on EU added value

Simplification and flexibility

Single rulebook (eligibility rules, third country participation, etc.)

Single governance  
Possible reallocation of budget within the Single Fund

Financial toolbox to adjust type of support and level of investment from the EU budget



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## Some questions

- Reforms **do** work
- Link to reforms needs a **reformed Semester**
- Bring back the **Common Strategic Framework!**
- Single National Plans need **Single Regional Plans**: demarcation
- Less investment, more **institutional reform & capacity** building
- EU earmarked priorities → rigidity  
... but no **earmark** → national (political) discretion
- Finance NOT linked to investment...nor to outcomes
- No co-financing, no reimbursement of costs
- 3 dimensional Partnership Principle: **European Partnership Pact**
- **Right to stay** – EU enabling environment for basic services
- No Rural Development beyond farming & LEADER (ESIF €25bn)



Resource 5 Discussion Paper: Towards a funding EUtopia in Europe?  
October 2009

This LGA discussion paper presents a vision of how EU funds could work in an ideal world without real-life constraints. The focus is on the simplification of EU funds and the



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POLICY BRIEF

June 2024

## Last chance saloon for EU Cohesion Policy post 2027

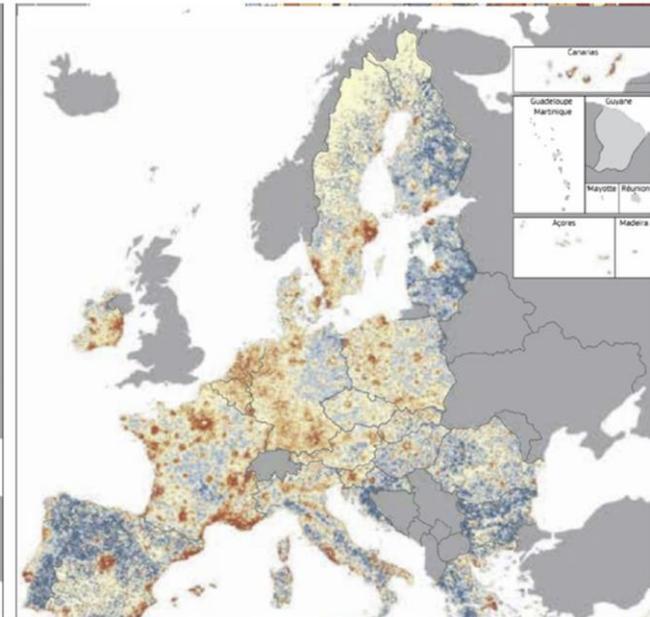
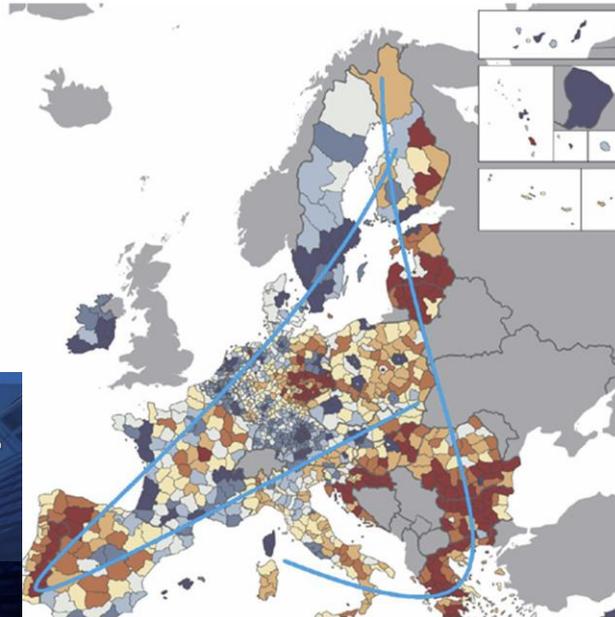
Authors: Serafin Pazos-Vidal, Senior Expert Rural and Territorial Development (AEIDL)

AEIDL Senior Expert on Territorial Development sums up key challenging ideas for the next generation of EU Cohesion Policy

This time is not the different

## EU BUDGET AND PLACE-BASED POLICIES

KEY PROPOSALS FOR POST-2027



Left: Total population change by NUTS 3, 2010-2021/ Right: Average population change per decade by area of 5x5km, 1961-2021

Source: 9th Cohesion Report