EU COHESION POLICY POST 2020

Initial position of the Slovak Republic
OBJECTIVES

• **TO PRESERVE A STRONG POSITION OF COHESION POLICY POST 2020** as the main investment policy of the EU in order to support growth and jobs and to maintain its percentage at the highest level of the EU budget.

• **TO GIVE GREATER ATTENTION TO THE CHANGING SITUATION IN INDIVIDUAL REGIONS OF THE EU** in achieving economic, social and territorial cohesion. To take advantage of the diversity of the regions and their interests in favour of their competitive advantage.

• **TO PRESERVE THE STRATEGIC STABILITY OF COHESION POLICY POST 2020 WITH A HIGHER LEVEL OF FLEXIBILITY** to the benefit of the specific needs and possibilities for the development of regions within the EU.

• **TO NOT CONSIDER COHESION POLICY AS “EMERGENCY” POLICY** at the expense of which crisis situations linked to the new EU challenges should be financed.

BASIC FEATURES OF COHESION POLICY

• To publish a strategic document at EU level defining joint medium-term development priorities post 2020 (set of main objectives in the fields of economic, social and territorial cohesion);

• To concentrate the national allocation of ESIF to reduced number of priorities thereby increasing the effectiveness of EU support. The selection of priorities from a list of common objectives of the EU should be within the competencies of EU Member State while respecting the partnership principles and multi-level governance;

> "The fragmentation of support into a large number of small projects has proved to be inefficient and administratively demanding." *

• To apply a thematic concentration based on a territorial approach without the obligatory limitation of the thematic scope of support for individual categories of regions;

* Ex post „Evaluation of impacts of NSRF implementation to achieve the strategic objective of the NSRF“, Interim report
• To support all EU regions post 2020 - more intensive support for less developed regions;
• To comprehensively assess the achieved level of development of the region. Add to GDP per capita in purchasing power parity also other complementary indicators reflecting the quality of life in the region;
• To keep current maximum EU co-financing rates;
• To maintain value added tax (VAT) as eligible expenditure for projects financed by Structural Funds and EU Cohesion Fund in those cases where VAT is non-refundable under national law;
• To extend the use and combination of various support instruments, including their use in a single project;
• To keep the seven-year programming period (2021-2027), including the n + 3 rule;
• To establish a specific reserve at EU level within EU Cohesion policy budget, as an incentive instrument for EU Member States and, at the same time, a source of funding for new, unexpected challenges which are eligible in terms of EU Cohesion policy.

**SHARED MANAGEMENT OF COHESION POLICY**

• To maintain shared management, as the most appropriate model for Cohesion policy implementation. There is a need to increase trust and to find a new balance between the responsibilities of the different participants of shared management;
• To elaborate the main strategic document for ESIF at national level. It should be less descriptive and not duplicate other operational programs. Simplify programming documents and greatly reduce the programming process;
• To simplify monitoring and evaluation processes, strengthen EC engagement. Significantly reduce the scope of annual implementation reports;
• To reduce the number of mandatory monitored indicators. The monitoring and evaluation system should pay particular attention to the result indicators and a uniformly defined EU common indicator;
• To maintain the implementation of major projects under shared management;
• To keep the single communication strategy as the basic framework set at EC level.

Multiple recommendations of ex ante „Evaluation of progress made in the implementation of the Partnership Agreement” concern the need to review the indicators (reduction, simplification) and their focus on the result achieved. Similarly, analysis of the ex post Interim report „Evaluation of impacts of NSRF implementation to achieve the strategic objective of the NSRF” points to the inappropriateness of setting indicators, many of which do not allow for the evaluation of the results achieved.
TERRITORIAL FOCUS OF COHESION POLICY

• **Wider use of an integrated approach** to support all types of territory;

• **Simplify rules for combining different sources**, including multi-fund programs, so that an integrated territorial approach could be one of the key elements of the post 2020 Cohesion policy implementation mechanism;

• **Combine the various integrated approach instruments** supported by the ESIF under one type of integrated territorial approach (Regulation Nr. 7 of the EFRR - Sustainable Urban Development, Community Local Development, Integrated Territorial Investments, Joint Action Plan);

  "With regard to several parallel structures in the area of regional development, it can be assumed that coordination will be more than demanding ... Previous developments indicate a high concentration of strategic materials and a lesser degree of coordination. Recommendation: Develop a coordination mechanism for integrated development tools. "*

• **Maintain European Territorial Cooperation (ETC) as part of EU Cohesion policy**, with increased financial allocation for ETC programs;

• **Establish uniform and clear implementation rules** for all types of ETC programs.

  "Cross-border cooperation programs complement the ESIF programs whereas their activities are of utmost importance for neighboring regions and deal with those areas (transport, nature conservation) where the solution on one side of the border would not be relevant. Therefore, they are complementary and bring synergic effects. "*

THE LINK WITH EU ECONOMIC GOVERNANCE

• **To achieve greater strategic coherence between Cohesion policy and EU economic governance.** Prevent duplication between various instruments that contribute to meeting the same objectives, for example between ex ante conditionalities and Country Specific Recommendations (CSRs);

• **Cohesion policy cannot be the only EU instrument for implementing structural measures under the conditions of EU Member States;**

• **To achieve the longer term CSRs**, (not on annual basis) and where appropriate, take into account their territorial dimension;

*Ex ante „Evaluation of progress made in the implementation of the Partnership Agreement“, Final report
SIMPLIFICATION OF COHESION POLICY

- Do not use Cohesion policy implementation to ensure compliance of EU Member States with EU horizontal rules and policies (in particular in the area of public procurement and state aid);
- Adopt the EU’s post 2020 legislative regulation package on EU Cohesion policy with sufficient time, at the latest 6 months prior to the eligibility of expenditures for the programming period post 2020;
- Common Provisional Regulation should only provide the Member State with a basic legislative framework. Specific issues, relevant to the implementation system in an individual EU Member States, should be the subject of mutual agreement between the Commission and EU Member State, respecting principle of equal treatment with EU Member States;
- Simplify the designation process. The outcome of designation should be valid post 2020 unless the mechanism of Cohesion policy implementation changes significantly. Any new implementation must be significantly simplified;

Structured interviews conducted in the framework of the “Evaluation of progress made in the implementation of the Partnership Agreement” have, in many cases, highlighted the delay in implementation due to the delayed adoption of legislation and the designation process.
• Mandatory use of Simplified Cost Options;
• Simplify the controls at the level of beneficiaries. More result orientation will lead to simplification;
• Establish "the principle of a single audit";
• Establish a single database of audit findings at EU level to share experiences of EU Member States with the most effective measures taken to remove and remedy the shortcomings identified;
• To harmonise the rules not only within ESIF but also between Cohesion policy and other EU instruments;
• Simplify the rules of the financial instruments implemented at national level;
• Do not create other parallel management and implementation systems for Cohesion policy at EU level.

CONTACTS

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