

OUR GUEST

Interview with Corina Crețu, European Commissioner for Regional Policy

Corina Crețu: Cohesion policy is now the EU's main investment policy

We met with Corina Crețu, European Commissioner for Regional Policy, to discuss the current challenges Europe is facing in supporting jobs and economic growth. She stressed that 40 years after its creation, regional policy is the most important investment policy of the EU. The new 2014-2020 priorities are research and innovation, the digital agenda, support to SMEs and the low-carbon economy. Regarding green growth, European Union will invest more than EUR 38 billion in the low-carbon economy, which is twice the amount spent during the previous funding period. These investments will help regions and cities invest in energy-efficient buildings, renewable energy, smart grids and sustainable urban transport. Commissioner Crețu also stressed that we have to cut red tape: "We do need further simplification of our procedures, while preserving sound administrative and financial management. I know this is a difficult challenge, but I do not want to hear again that an SME is no longer interested in receiving our support, because it finds it too lengthy or bureaucratic."

Interview by **Branislav Stanicek**

Commissioner, what is your key message to the participants of OPEN DAYS 2015?

The OPEN DAYS 2015 will be a great opportunity for Europe's regions and cities to showcase their capacity to create jobs and growth, implement the EU's cohesion policy and prove the importance of the active involvement of local and regional authorities for sound European policy-making. This year's event, which will take place from 12 to 15 October 2015, will give regions a chance to learn from each other, share good practice and build strong partnerships.

Now that most of the 2014-2020 Operational Programmes have been adopted, it is time for national and regional authorities to start identifying and selecting high-quality projects. In this context, I hope that participants will be inspired by the best examples presented by their counterparts. In particular, I am thinking of the stakeholders who are running in the competition for the 2015 RegioStars Awards. The winners of these Awards, which honour Europe's most inspirational and innovative regional projects supported by cohesion policy funds, will be announced on 13 October. I also expect participants to return to their Member States and regions with new ideas about how they can contribute to enhancing the competitiveness of their regions. Our policy will be judged on its ability to deliver growth and create jobs, in particular in the many regions where it constitutes the primary source of public investment.

The key theme of this year's edition of OPEN DAYS is investment, growth and job creation. What are your main proposals to enhance investment capacities in our regions and cities?

Forty years after the creation of the European Regional Development Fund, cohesion policy is now the EU's main investment policy to deliver the Europe 2020 Strategy for smart, sustainable and inclusive growth. It will also help reach the objectives of President Juncker's Investment Plan for Europe. Cohesion policy has undergone important reforms

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for the new period. It has been made more efficient, in particular through a clear focus on results and performance and with investments targeted at four key growth generating areas: research and innovation, the digital agenda, support to SMEs and the low-carbon economy. More than EUR 100 billion, nearly half the European Regional Development Fund, will be allocated to these four priorities throughout 2014-2020.

The Managing Authorities should select the best projects in these areas, projects that can have a tangible and positive impact on the competitiveness of local economies and on citizens' quality of life. Furthermore, I strongly encourage Managing Authorities to double the use of financial instruments in the context of the European Structural and Investment Funds and give SMEs more access to credit. By doubling their use compared to 2007-2013, financial instruments could generate up to EUR 40 billion of additional investments in the coming years. To help them make the most out of this opportunity, we launched, in partnership with the European Investment Bank, the "fi-compass", an advisory service on the financial instruments of the European Structural and Investment funds (ESIF) and microfinance under the Programme for Employment and Social Innovation (EaSI). This service could be consulted online as well.

Could you tell us what stage we are at with the new Operational Programmes that are approved?

When I came into office in November 2014, I knew there was a strong expectation for the swift adoption of the 2014-2020 Operational Programmes. In the back of my mind I had the promise I made to adopt them quickly, as citizens and stakeholders on the ground needed these vital investment packages. My team and I worked hard to adopt as many programmes as possible, as fast as possible. It was not an easy task, but I am very satisfied with what we have done so far. Thanks to the hard work and dedication of my services, we managed to adopt the



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vast majority of the new Operational Programmes by summer 2015. My expectation is that by the end of the year we will have adopted all the remaining ones. I am proud of all the programmes adopted. Each and every one of them focuses on key measures to bring back trust and growth in Europe’s regions and cities – connecting people, skills and jobs. Now is the time for an efficient implementation on the ground in order for citizens to fully benefit from the potential of cohesion policy.

Several countries, mainly Slovakia and Romania, have encountered considerable difficulties in using all regional funds in the previous programming period. What are the measures to prevent this in the current period; measures to simplify the procedures and enhance co-financing capacities, in particular for small recipients?

One of my first initiatives as Commissioner for Regional Policy was to create a Task Force on Better Implementation inside the Commission to help some Member States implement the 2007-2013 programmes in a swift, strategic and efficient way. The work of the Task Force is one of my top priorities in 2015 and I hope that it will both provide the necessary final push for the 2007-2013 period and help us learn valuable lessons for the new period and beyond. But, for our policy to succeed, we need to ensure that public administrations in the Member States function smoothly. I say it often, administrative capacity is as important as the money itself. That is why, in March, I launched the REGIO Peer-2-Peer Platform for public service officials around the EU to exchange expertise and best practices in administrative capacity-building.

Finally, we do need further simplification of our procedures, while preserving sound administrative

and financial management. I know this is a difficult challenge, but I do not want to hear again that an SME is no longer interested in receiving our support, because it finds it too lengthy or bureaucratic. That is why I decided to set up a High Level Group on Simplification, whose purpose is to ensure that Member States make full use of the simplification measures included in the new regulations, from simplified cost rules to better use of online application tools. This High Level Group will look at concrete ways of reducing the administrative burden for the beneficiaries of our funds, monitor what Member States are already doing and identify good practices. It should deliver its first recommendations in 2016.

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Finally, could you briefly present the most innovative projects and programmes such as “green cities” or “digital agenda”? What would be the impact on local authorities?

European Union will invest more than EUR 38 billion in the low-carbon economy, which is twice the amount spent during the previous funding period. These investments will help regions and cities invest in energy-efficient buildings, renewable energy, smart grids and sustainable urban transport.

It will help cut costly energy imports, diversify energy sources, and tackle energy poverty. Furthermore, nearly EUR 15 billion from the 2014-2020 envelope of the European Regional Development Fund are earmarked for initiatives in the field of sustainable urban development. Finally, climate-resilient cities will be at the heart of the EU Urban Agenda which will be developed in the course of the next year.

Let me take the example of the IMAGINE Low Energy Cities project, a finalist of the 2015 RegioStars Awards, which aims to develop local 2050 Energy Roadmaps in eight European pilot cities, with the active involvement of stakeholders and citizens. Around 2.4 million European citizens living in these cities would benefit from these roadmaps.

Cohesion policy is also an important contributor to the EU Digital Agenda and key to developing infrastructure supporting the Digital Single Market. For 2014-2020, EUR 20 billion from cohesion policy funds will be invested in digital projects. This means that regional and local authorities will be able to select and implement projects that correspond best to people’s needs, with investments in broadband deployment, online public services or better access to Information & Communication Technologies (ICT) for small businesses. One of the categories of the 2015 RegioStars Awards will support projects that aim to unleash SME growth potential for a digital economy. For example, one of the finalists, the project “Torun Technology Park” in Poland, focuses on providing business services, access to advanced IT services and new technology space to innovative ICT companies. ■