



Investments for growth & jobs

**Promoting development and good
governance in EU regions and cities**

**6th Report on economic, social and territorial
cohesion, July 2014**

6th Cohesion Report

- *Art. 175 of the consolidated treaty:*
'The Commission shall submit a report to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions every three years on the progress made towards achieving economic, social and territorial cohesion ...'
- *Exceptionally, the report has been delayed by one year to report on the new Cohesion Policy programming period*

New structure instead of old

- | | |
|--|--|
| 1. <i>Smart growth</i> | 1. <i>Economic, social and territorial situation</i> |
| 2. <i>Inclusive growth</i> | |
| 3. <i>Sustainable growth</i> | |
| 4. <i>Public investment, growth and the crisis</i> | 2. <i>National policies and cohesion</i> |
| 5. <i>Good governance</i> | |
| 6. <i>Evolution of Cohesion Policy</i> | 3. <i>Other EU policies and cohesion</i> |
| 7. <i>Impact of Cohesion Policy</i> | |
| 8. <i>Cohesion Policy in 2014-2020</i> | 4. <i>Impact of Cohesion Policy</i> |



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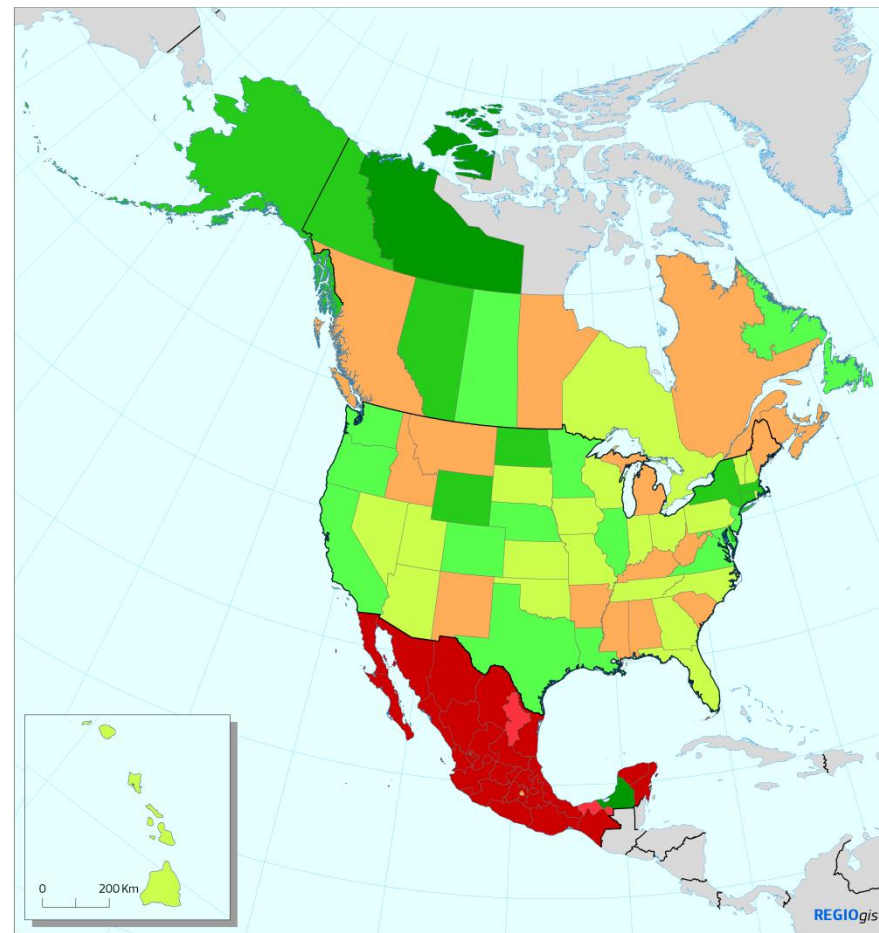
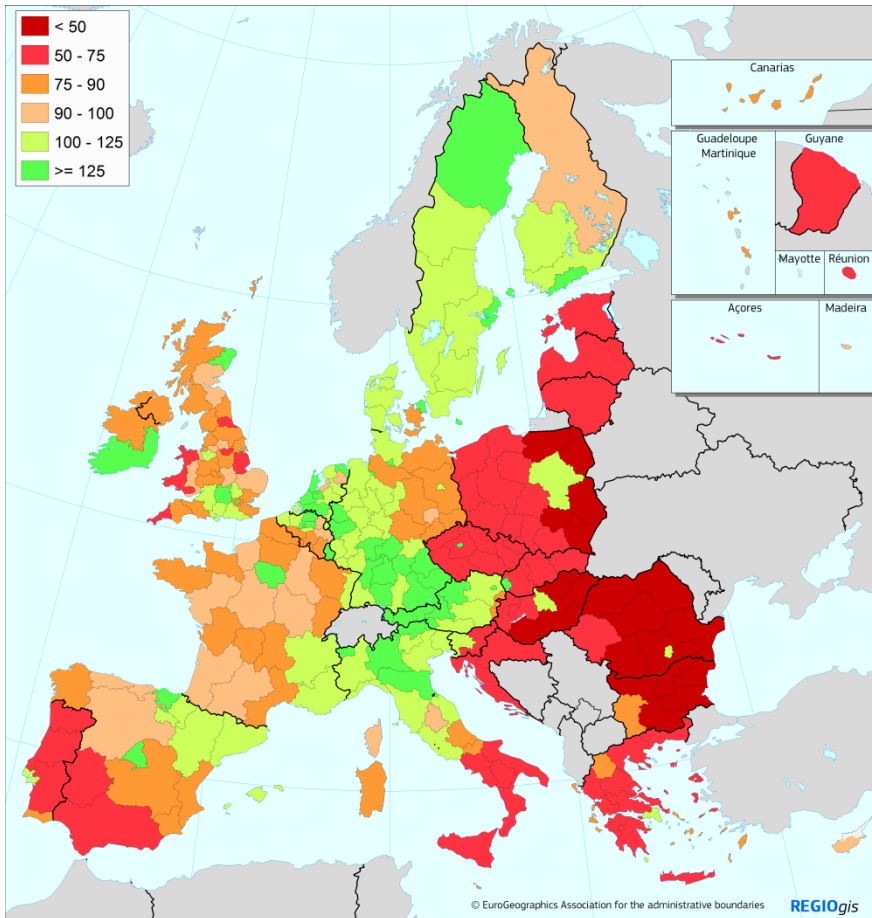
SMART GROWTH



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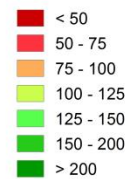
GDP per head (pps), 2011

Index, EU28 = 100



NAFTA: GDP/head (USD PPS), 2012 (US,CA) 2011(MX)

Index, NAFTA average = 100

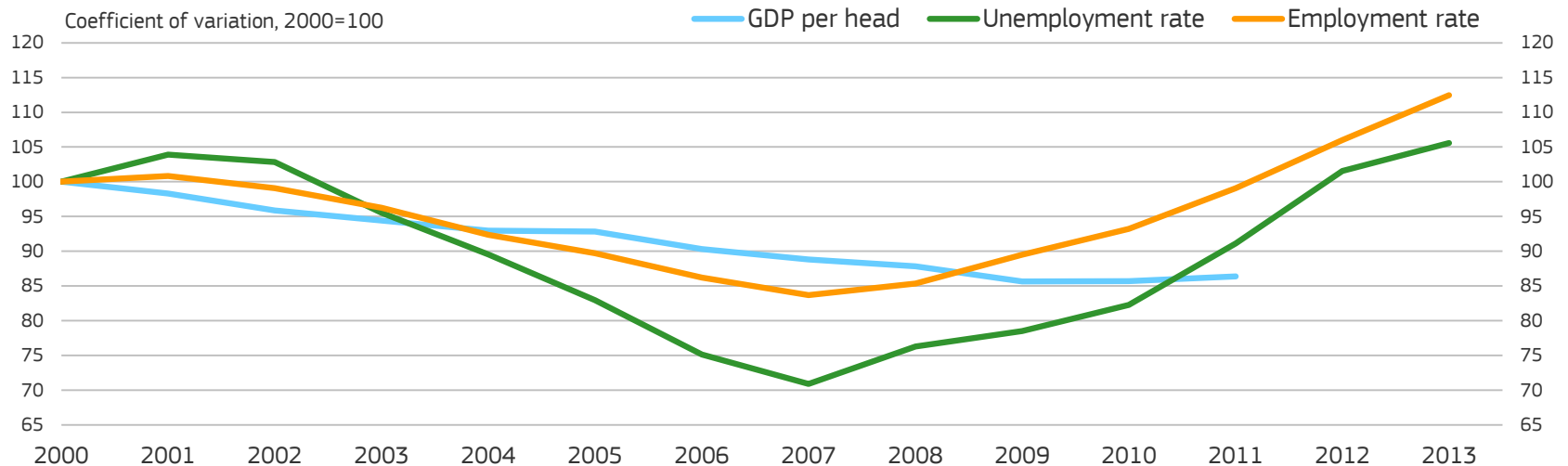


Source: OECD

Source of Administrative boundaries: The Global Administrative Unit Layers (GAUL) dataset, implemented by FAO within the EC FAO Food Security for Action Programme

Regional disparities increased

Coefficient of variation of GDP per head, employment rate (15-64), unemployment rate, EU-27 NUTS 2 regions, 2000-2012

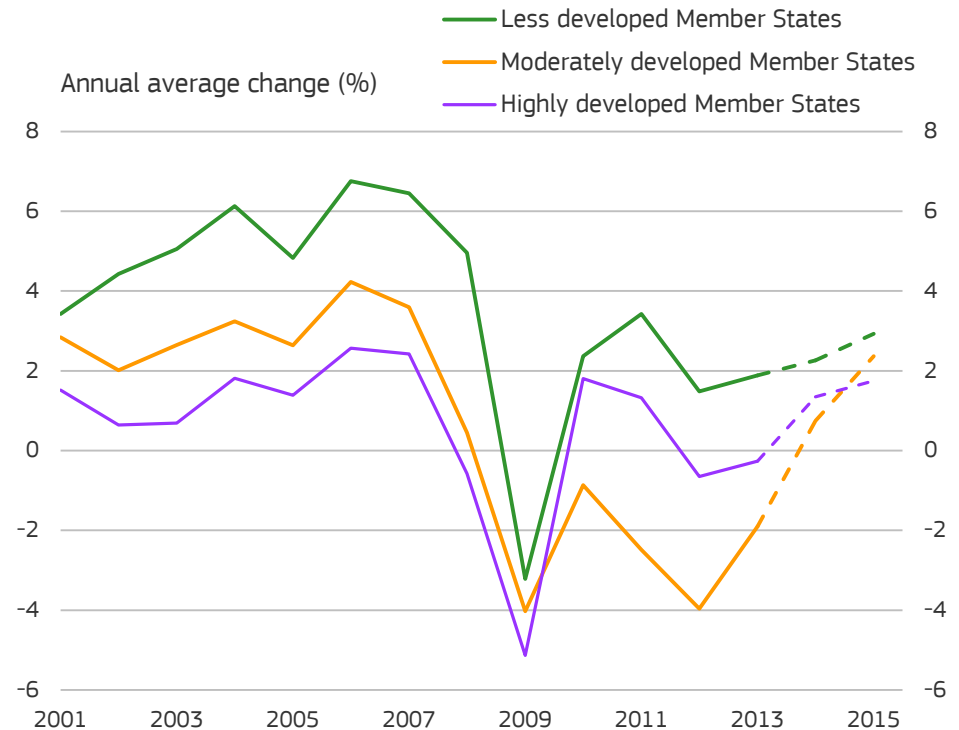


Source: Eurostat, DG REGIO calculations

Economic disparities

- *Crisis halted regional economic convergence*
- *National GDP projections show slow convergence post-crisis*

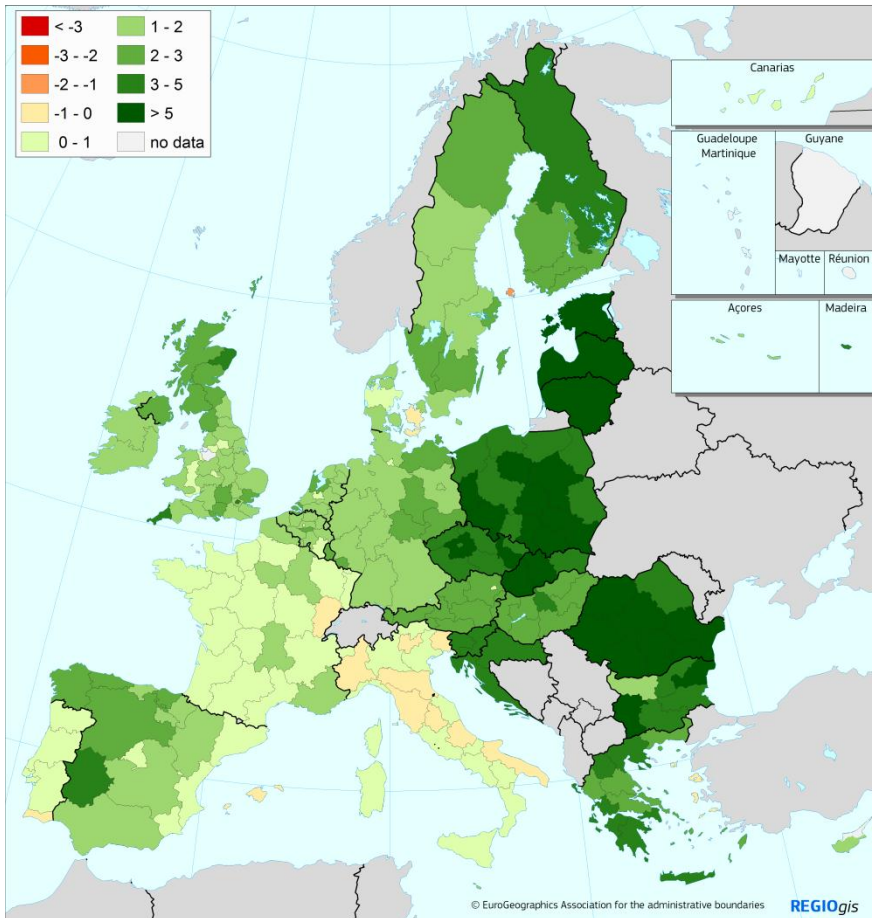
Growth of GDP per head in real terms, EU-28, 2001-2015



Source: Eurostat

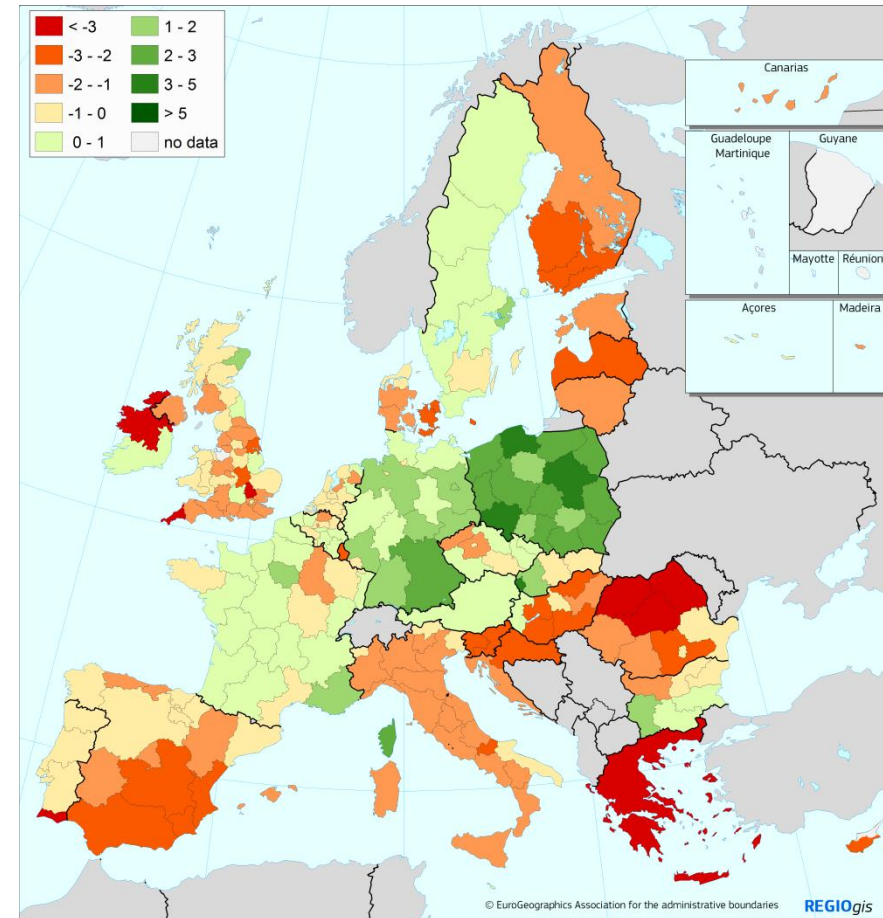
Growth of GDP per head in real terms, 2001-2008

Annual average % change



Growth of GDP per head in real terms, 2008-2011

Annual average % change



Rural regions and the crisis

Change in GDP per head, productivity and employment per head by urban-rural typology, 2000-2008 and 2008-2011

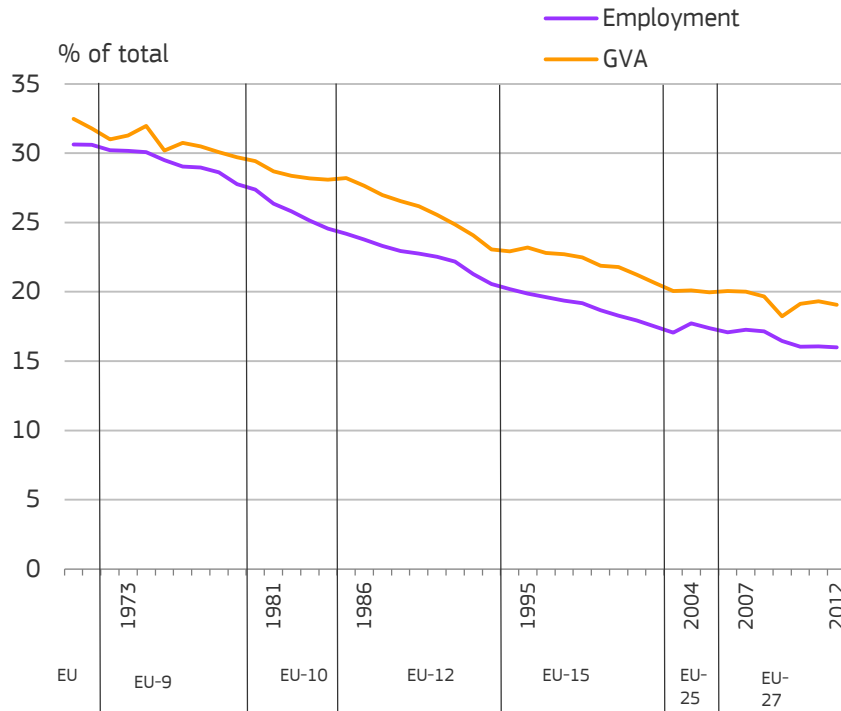
<i>Average annual change (%)</i>	2000-2008			2008-2011		
	GDP per head	Productivity	Employment per head	GDP per head	Productivity	Employment per head
EU-15						
Urban	1.3	0.8	0.5	-0.9	0.2	-1.0
Intermediate	1.2	0.7	0.5	-0.6	0.3	-0.8
Rural	1.2	0.7	0.5	-0.5	0.4	-0.9
Total	1.3	0.8	0.5	-0.7	0.2	-0.9
EU-13						
Urban	5.5	3.6	1.9	0.7	0.9	-0.2
Intermediate	4.6	4.2	0.4	0.5	1.5	-1.0
Rural	4.3	4.5	-0.2	0.6	1.6	-1.1
Total	4.9	4.3	0.6	0.7	1.4	-0.8

Change in GDP per head, productivity and employment per head by type of metropolitan region, 2000-2008 and 2008-2011

Average annual change (%)	2000-2008			2008-2011		
	GDP per head	Productivity	Employment per head	GDP per head	Productivity	Employment per head
EU-15						
Capital metropolitan region	1.4	0.9	0.6	-0.8	0.3	-1.1
Second tier metropolitan region	1.3	0.7	0.6	-0.8	0.1	-0.9
Smaller metro region	1.2	0.7	0.5	-0.6	0.2	-0.8
Non-metropolitan region	1.2	0.8	0.4	-0.8	0.2	-1.0
Total	1.3	0.8	0.5	-0.7	0.2	-0.9
EU-13						
Capital metropolitan region	5.5	3.6	1.9	-0.3	1.0	-1.3
Second tier metropolitan region	4.9	4.1	0.8	1.4	1.3	0.1
Smaller metro region	3.7	3.6	0.1	1.4	1.2	0.2
Non-metropolitan region	4.5	4.4	0.0	0.6	1.7	-1.1
Total	4.9	4.3	0.6	0.7	1.4	-0.8

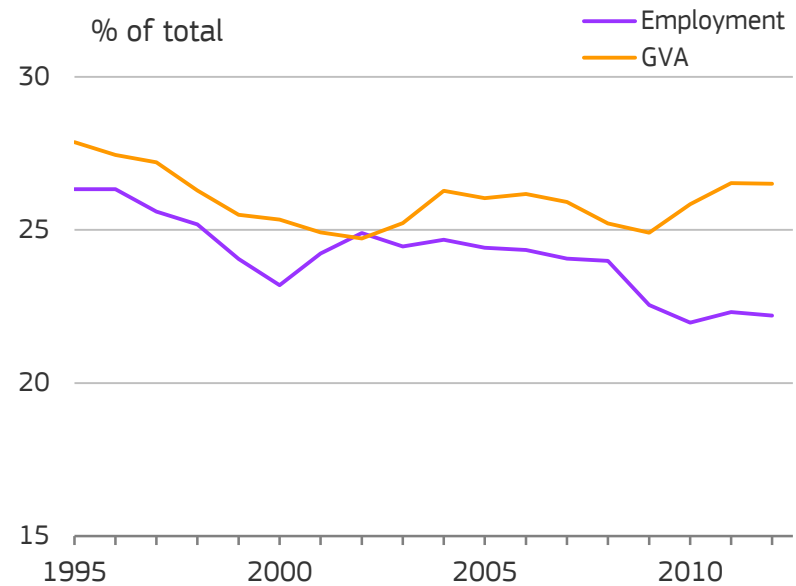
Industry in the EU

Share of industry (excluding construction) in the EU, 1970-2012

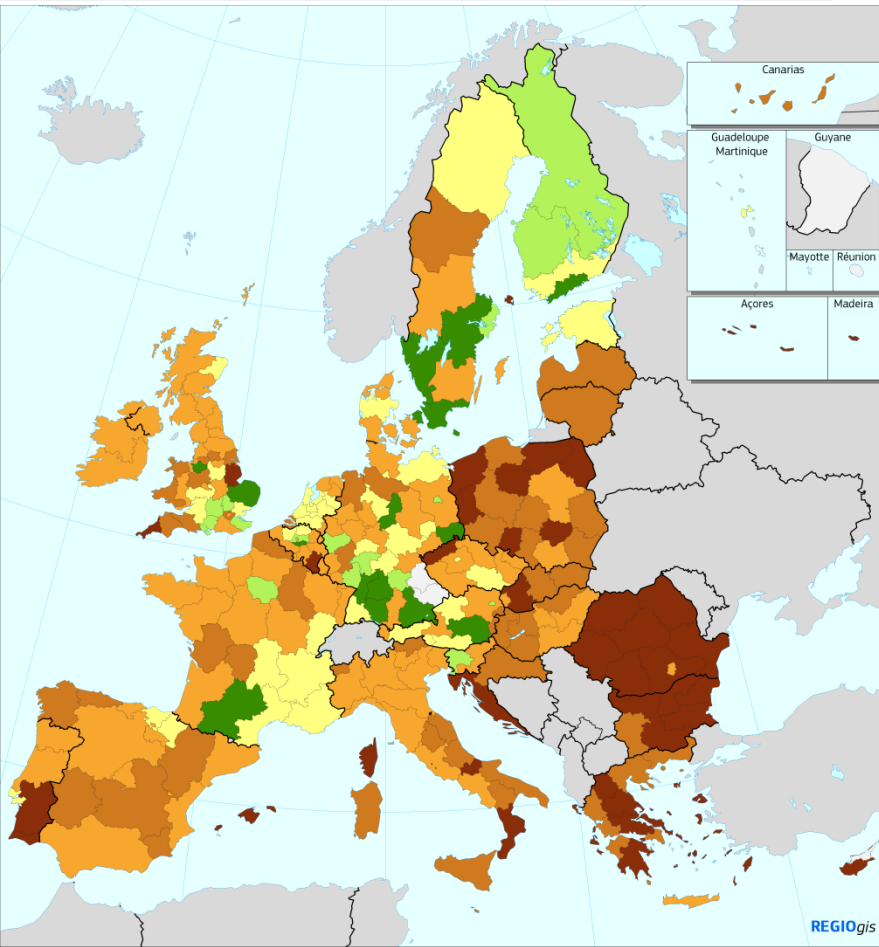


Source: AMECO

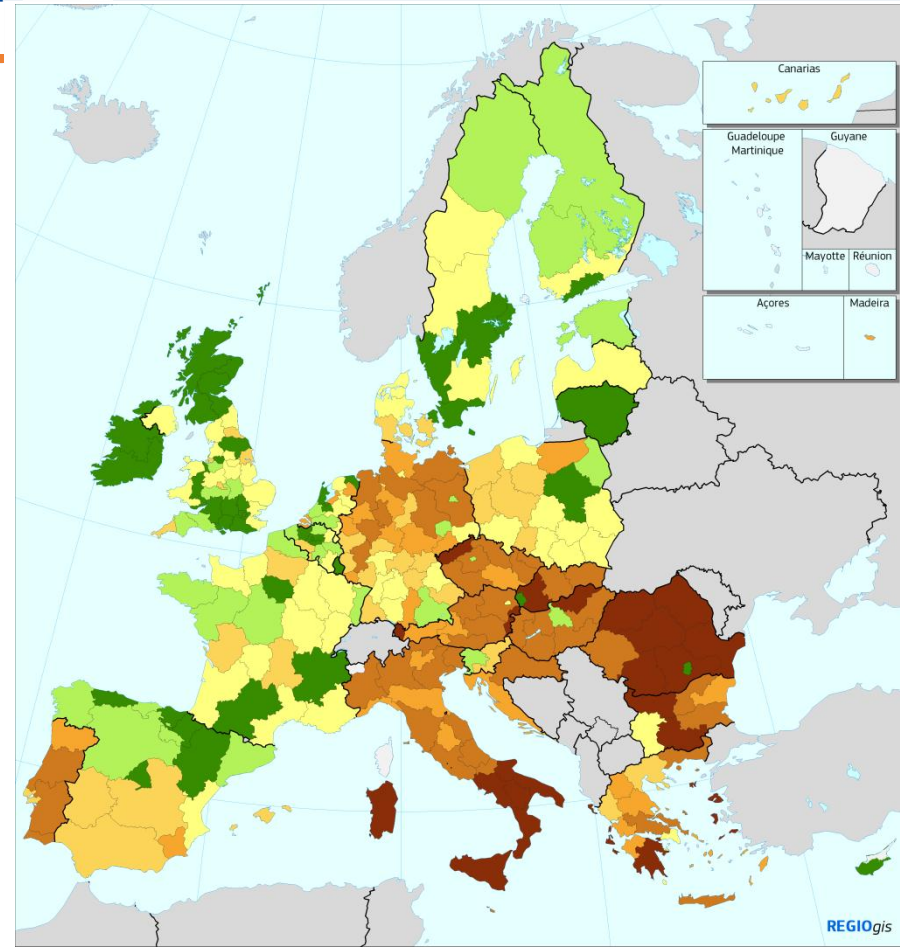
Share of industry (excluding construction) in the EU-12, 1995-2012



Source: AMECO



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Total expenditure on R&D, 2011

- % of regional GDP
- < 0.5
 - 0.5 - 1
 - 1 - 2
 - 2 - 3
 - 3 - 4
 - >= 4
 - no data

EU-28 = 2.04
FR91:2009 LU:2010

The Europe 2020 R&D target is 3%.

Source: Eurostat, DG REGIO

0 500 Km

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Population aged 30-34 with a tertiary educational attainment, average 2011-2013

- % of population aged 30-34
- < 20
 - 20 - 25
 - 25 - 30
 - 30 - 35
 - 35 - 40
 - 40 - 45
 - > 45
 - no data

EU-28 = 35.7

The Europe 2020 target for the share of population aged 30-34 with a tertiary education is 40%.

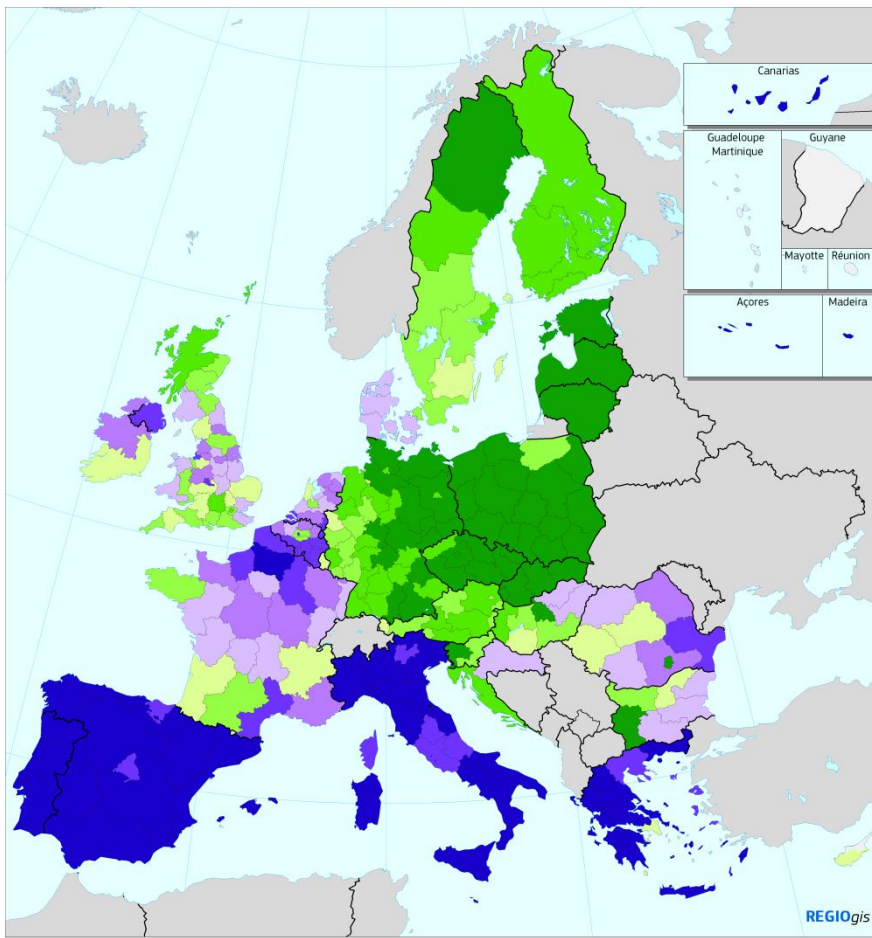
Source: Eurostat, DG REGIO

0 500 Km

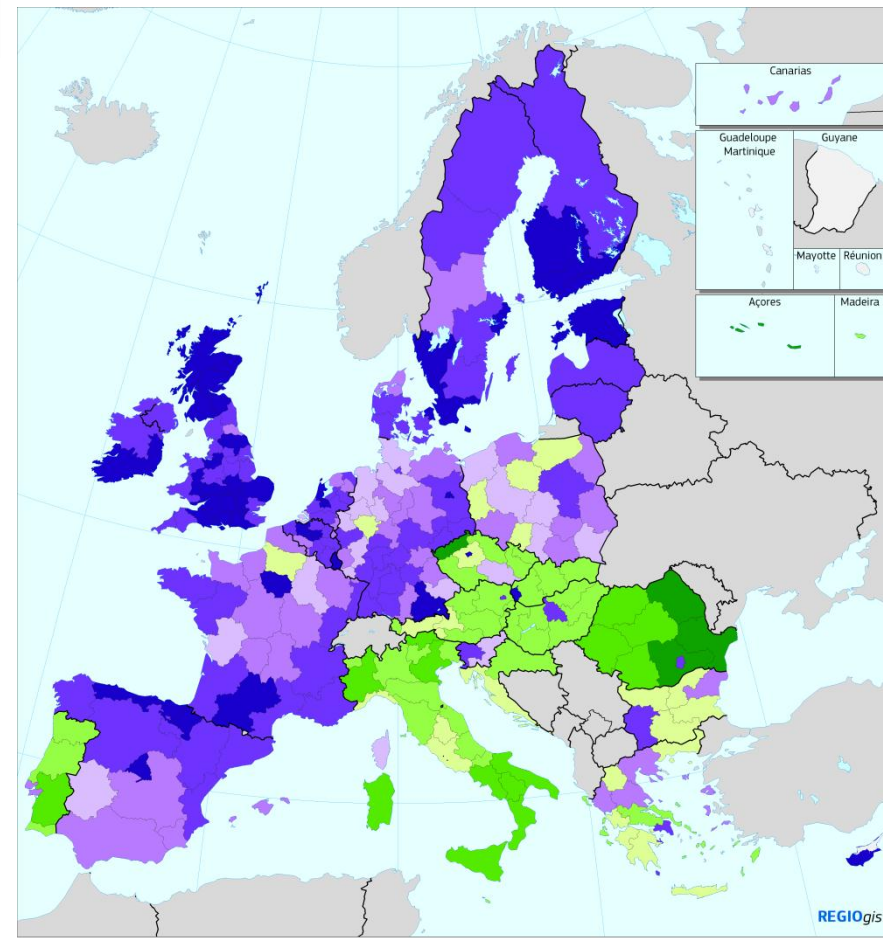
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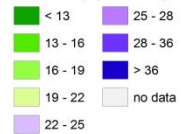
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Population aged 25-64 with low educational attainment level, 2013

% of total population aged 25-64



EU-28 = 24.8
ISCED levels 1 and 2

Source: Eurostat

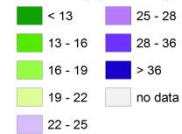


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Population aged 25-64 with tertiary educational attainment level, 2013

% of total population aged 25-64



EU-28 = 28.4
ISCED level 5 and 6

Source: Eurostat



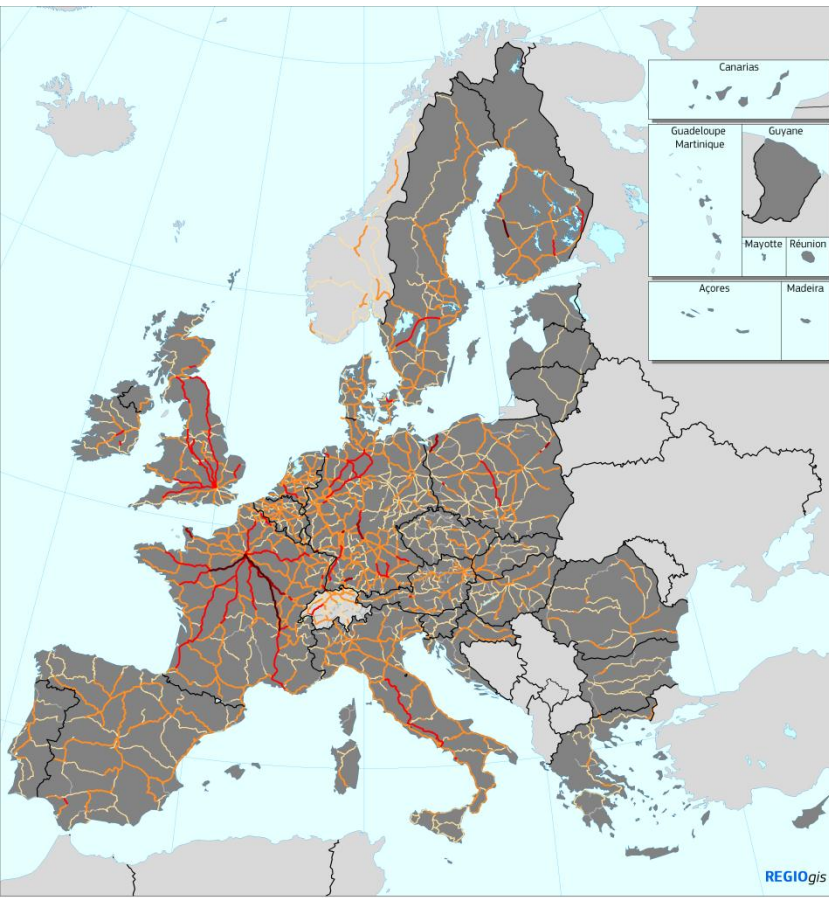
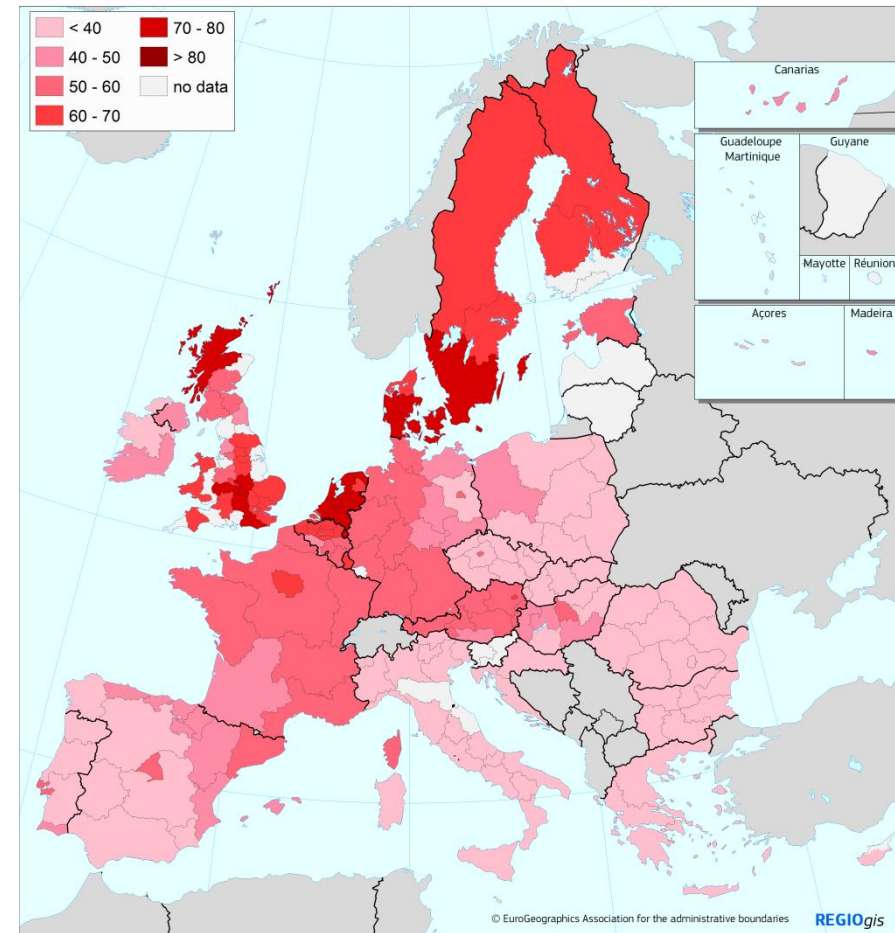
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Households with broadband connection, 2008

% of all households



Highest speed on railway sections according to timetables, 1990

- km/h
- <= 50
- 51 - 80
- 81 - 120
- 121 - 160
- 161 - 200
- 201 - 320

Since different train services with different speeds may operate along rail sections, the shown speeds indicate the average speed of the fastest train service. Rail sections exclusively for freight services are not shown. Source: RRG GIS Database, Railway company's timetables

0 500 Km

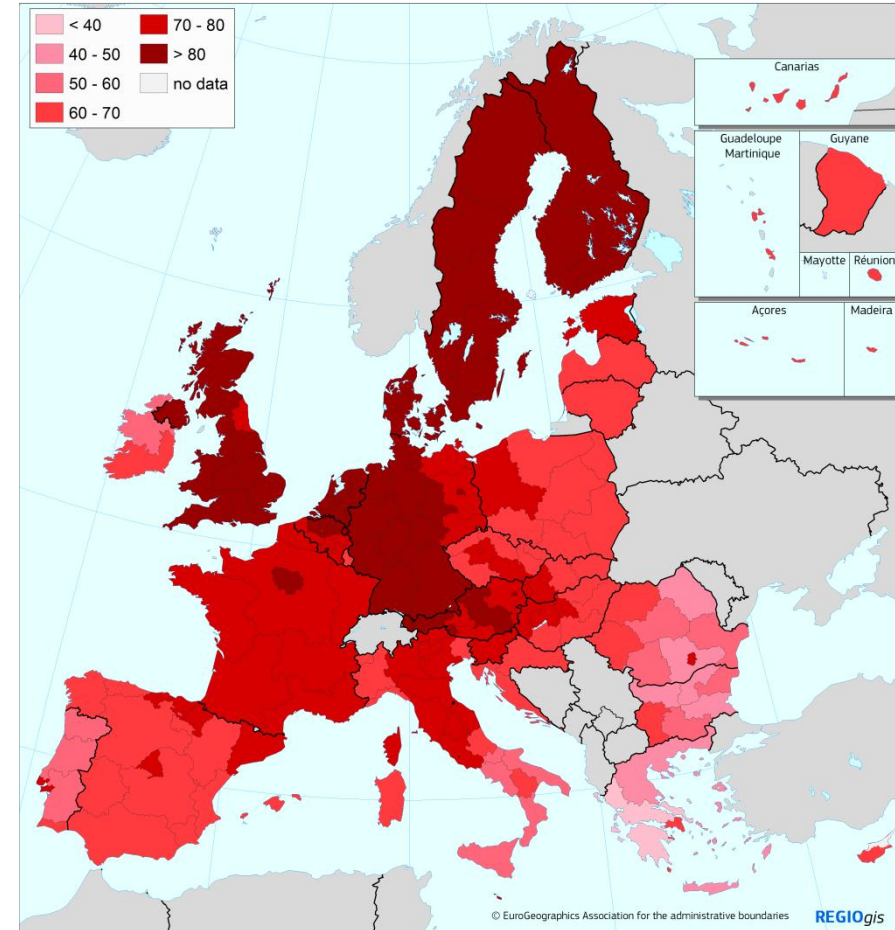
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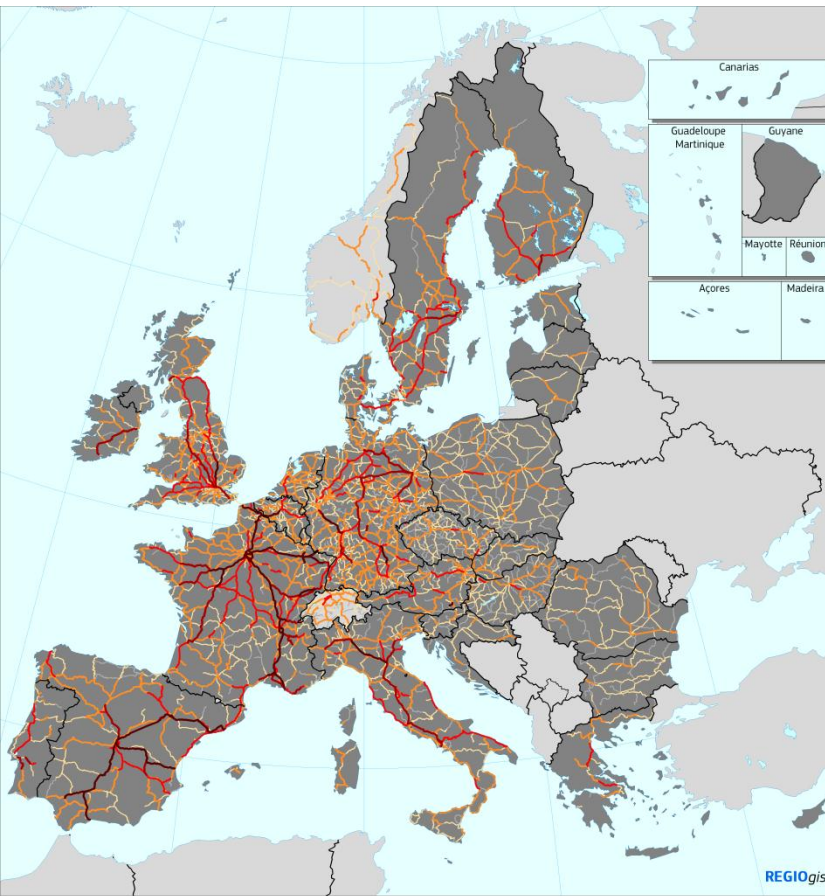
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Households with broadband connection, 2013

% of all households



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Highest speed on railway sections according to timetables, 2013



Since different train services with different speeds may operate along the same rail sections, the speeds shown indicate the speed of the fastest train service.
Rail sections exclusively for freight services are not shown.
Source: RRG GIS Database, Railway company's timetables

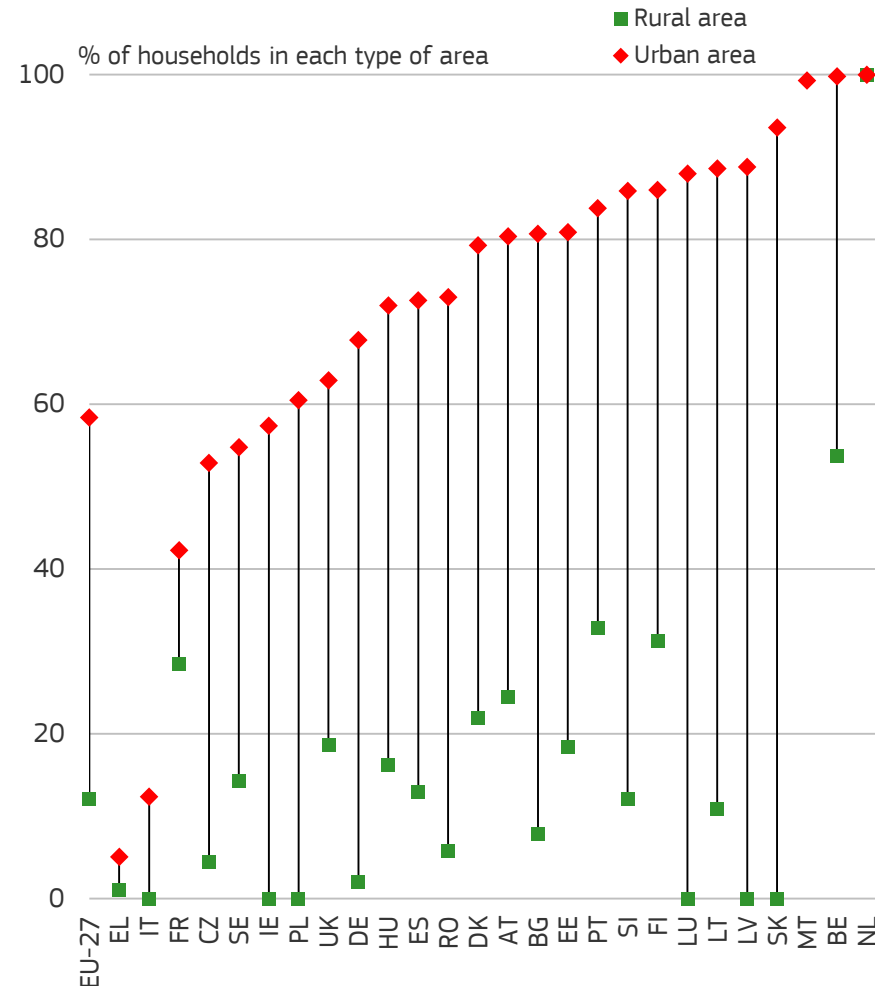
0 500 Km

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Digital Agenda

- Access to broadband 100% in 2013
- Access to NGA 100% in 2020
- Investments in case of market failure (!) from EAFRD and ERDF

Next Generation Access (NGA) coverage by type of area, end of 2011



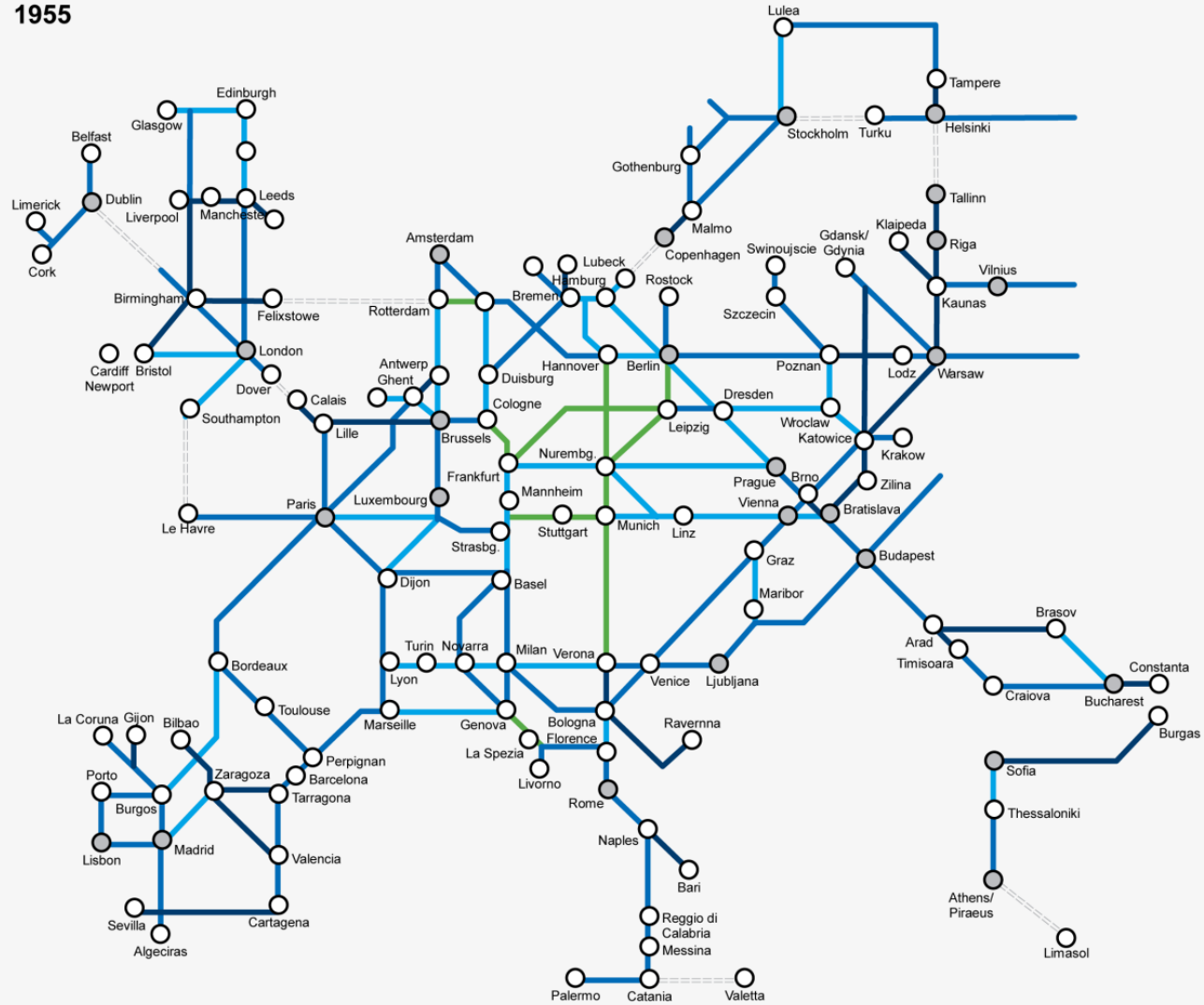
Source: European Commission, 2013, Broadband lines in the EU: situation at 1 July 2012, Communications Committee Working Document.



European Commission

Major roads 1955-2030

1955



Average travel speed along the core network

- 45 - 59
- 60 - 69
- 70 - 79
- 80 - 89
- 90 - 99
- 100 - 109
- 110 - 119

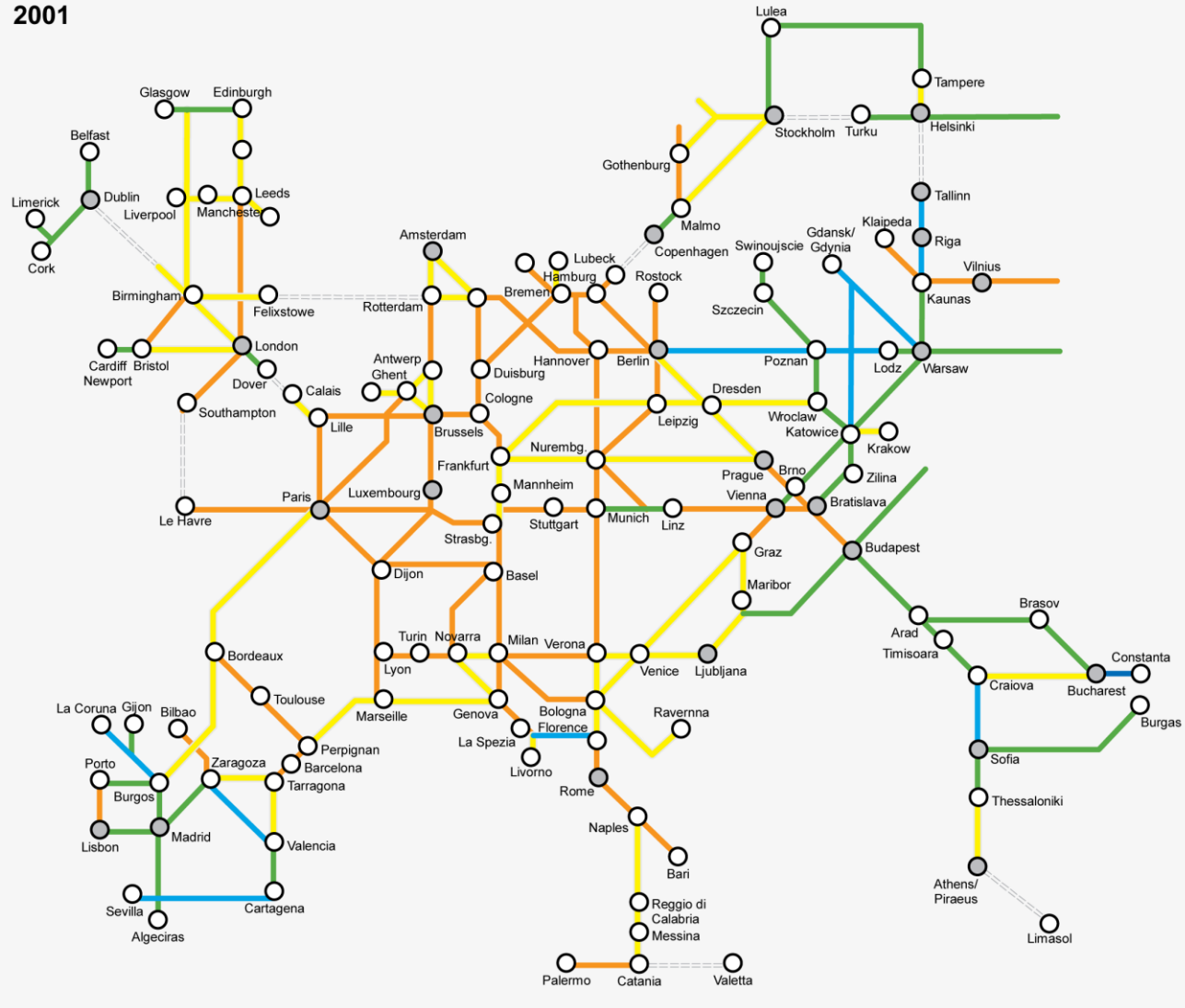
Average speed in Km/h



European Commission

Major roads 1955-2030

2001



Average travel speed along the core network

- 45 - 59
- 60 - 69
- 70 - 79
- 80 - 89
- 90 - 99
- 100 - 109
- 110 - 119

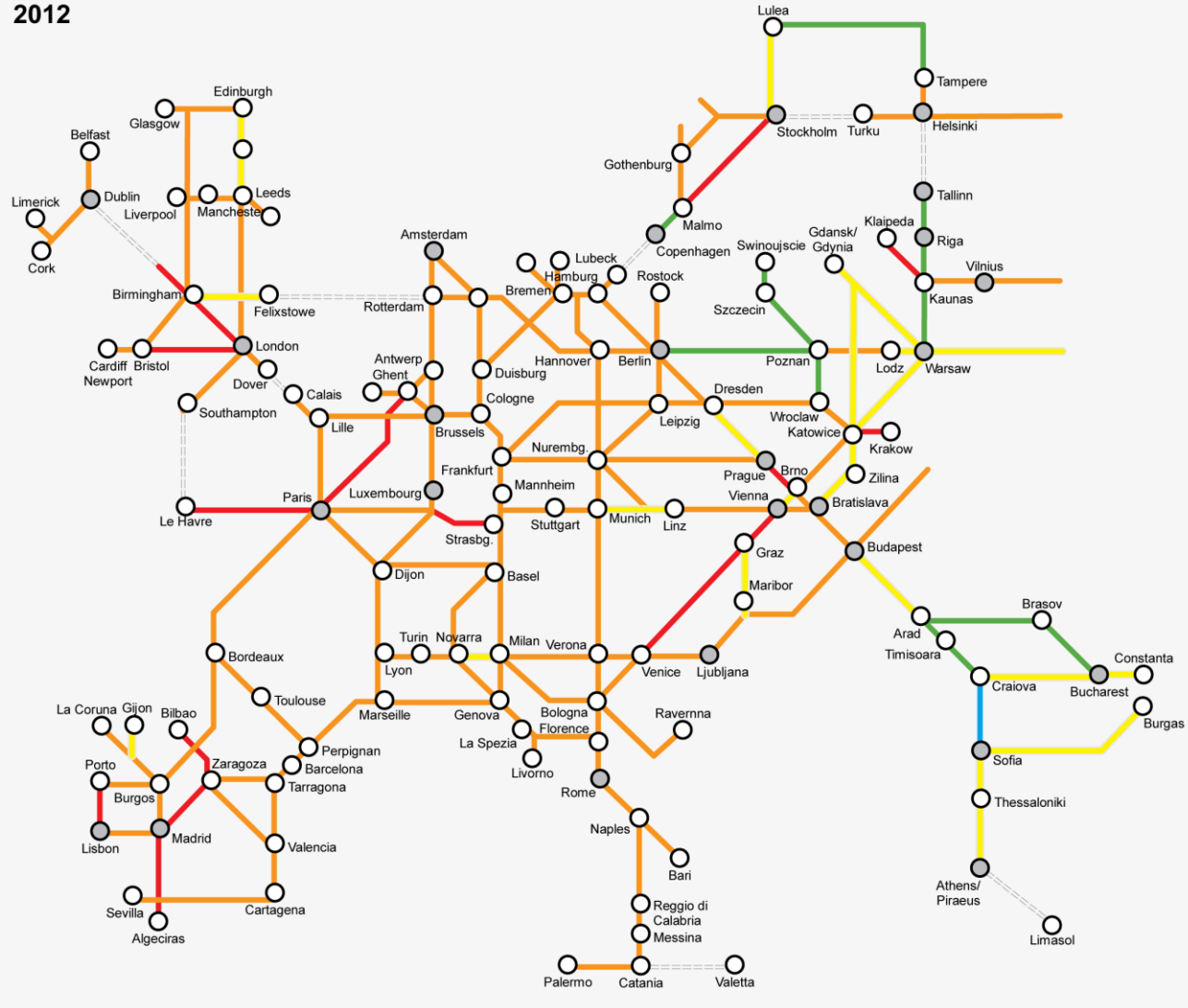
Average speed in Km/h



European Commission

Major roads 1955-2030

2012



Average travel speed along the core network

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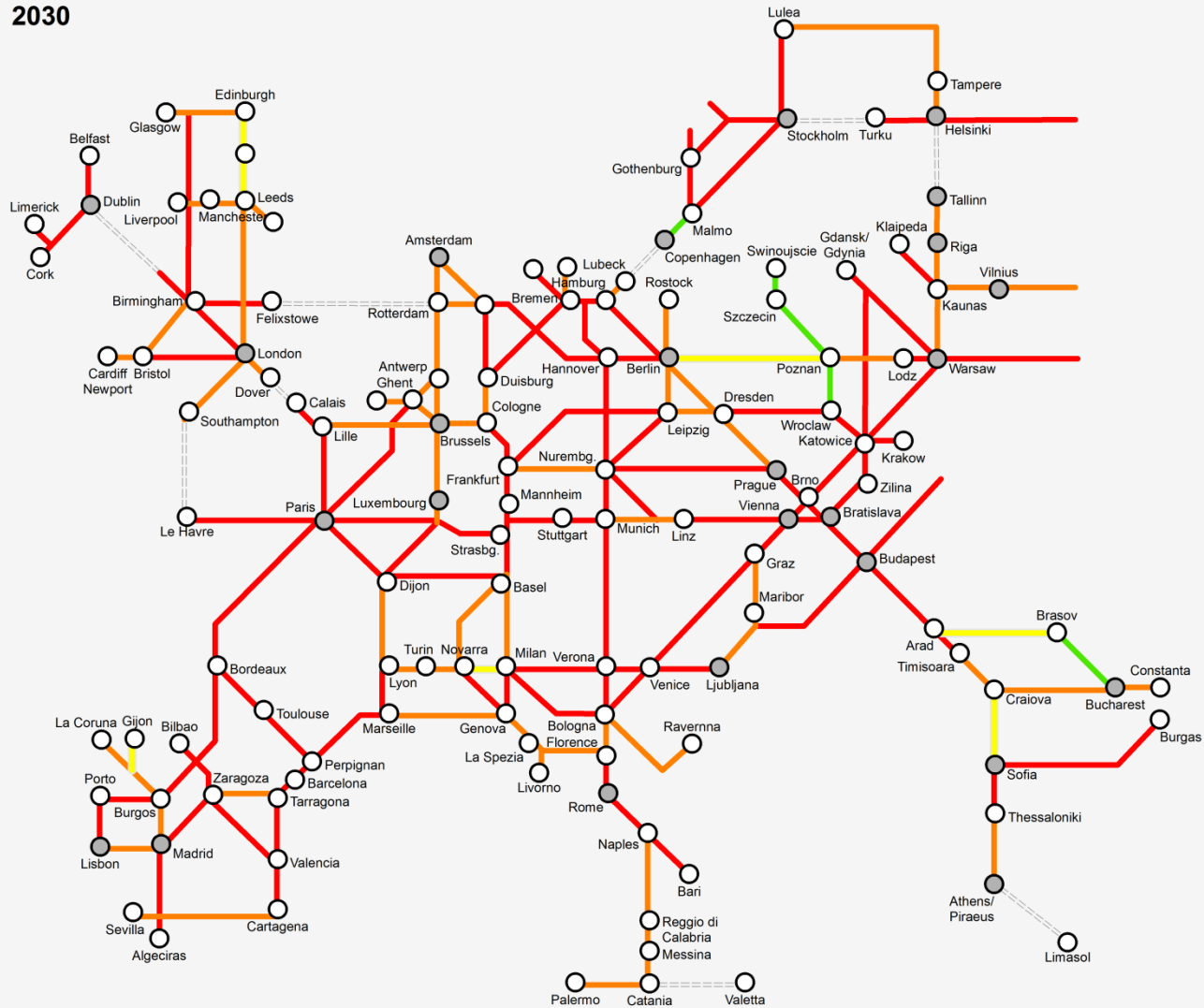
Average speed in Km/h



European Commission

Major roads 1955-2030

2030



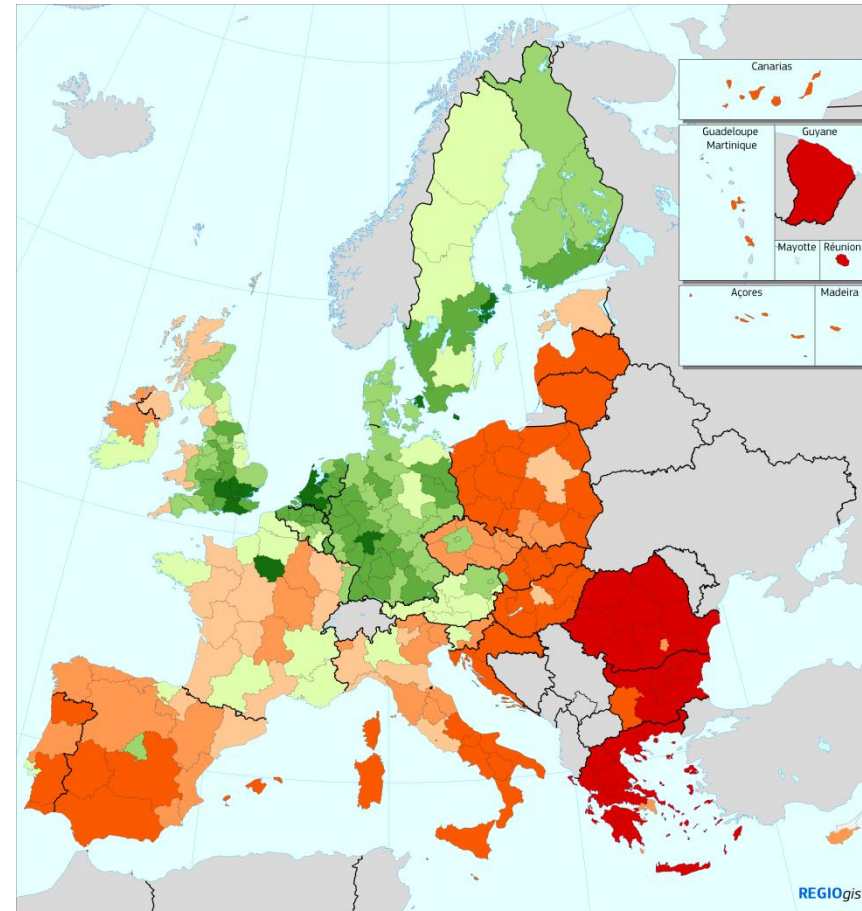
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Average speed in Km/h

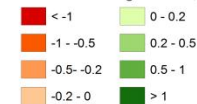
Regional competitiveness

- *Boosting competitiveness requires more investments in innovation, entrepreneurship, education, digital and physical networks and more exports & FDI*



Regional Competitiveness Index - RCI 2013

Index: values range for low (negative) to high (positive)



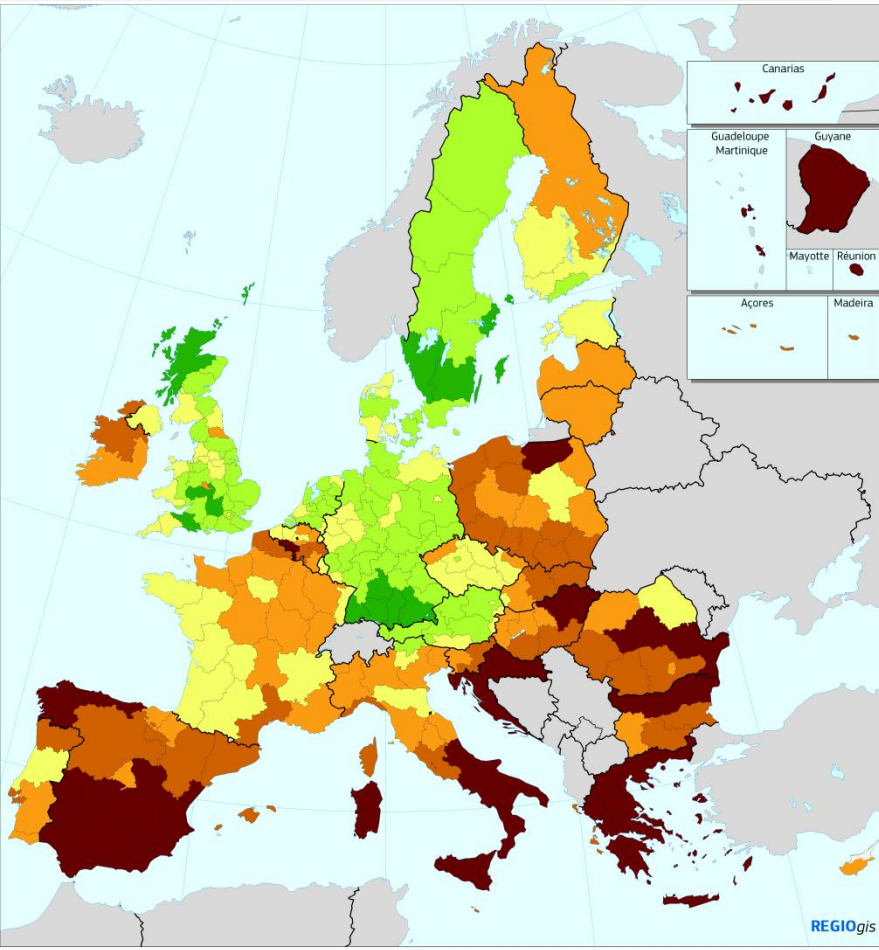
EU-28 = 0

Source: JRC and DG REGIO



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INCLUSIVE GROWTH



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More developed Transition Less developed EU-28

Employment rate population aged 20-64, 2013

72.0 65.1 61.1 68.3

% point change 2008 - 2013

-1.4 -2.9 -2.7 -1.9

% point change 2000 - 2008

4.1 4.6 2.4 3.7

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Employment rate, (ages 20-64), 2013

% of population, aged 20-64

- < 60
- 60 - 65
- 65 - 70
- 70 - 75
- 75 - 80
- > 80

EU-28 = 68.3

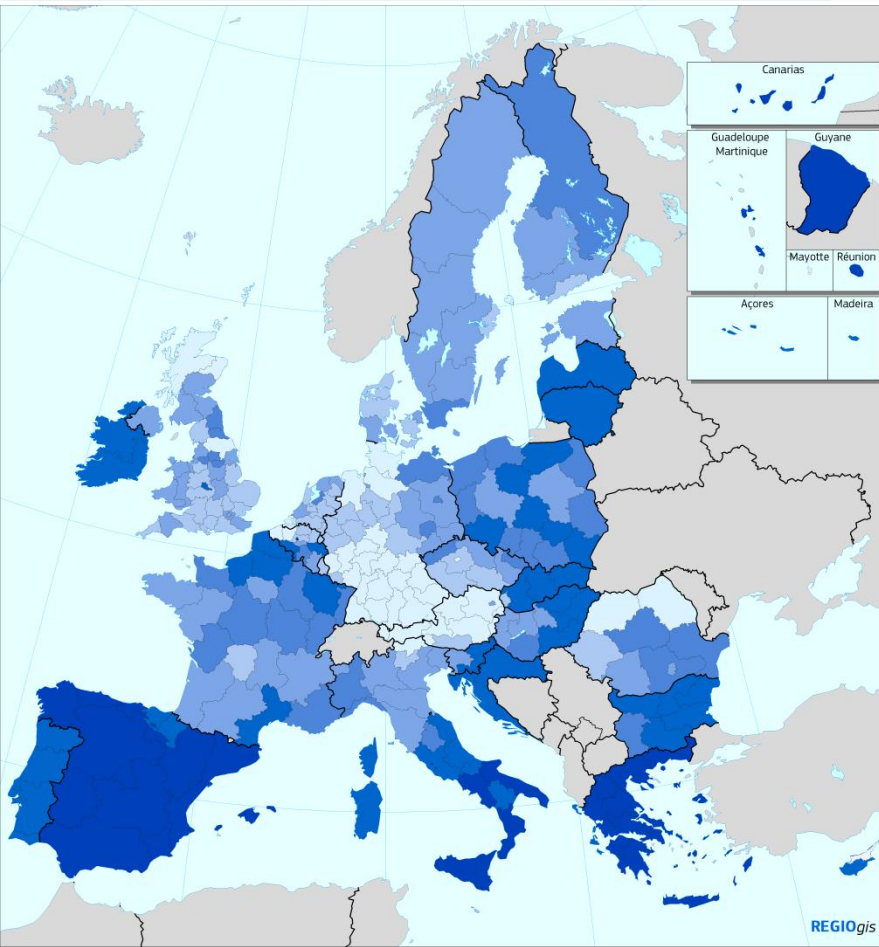
The Europe 2020 employment rate target is 75%.

Source: Eurostat

0 500 Km

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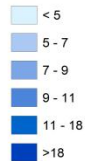
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Unemployment rate, 2013

% of labour force



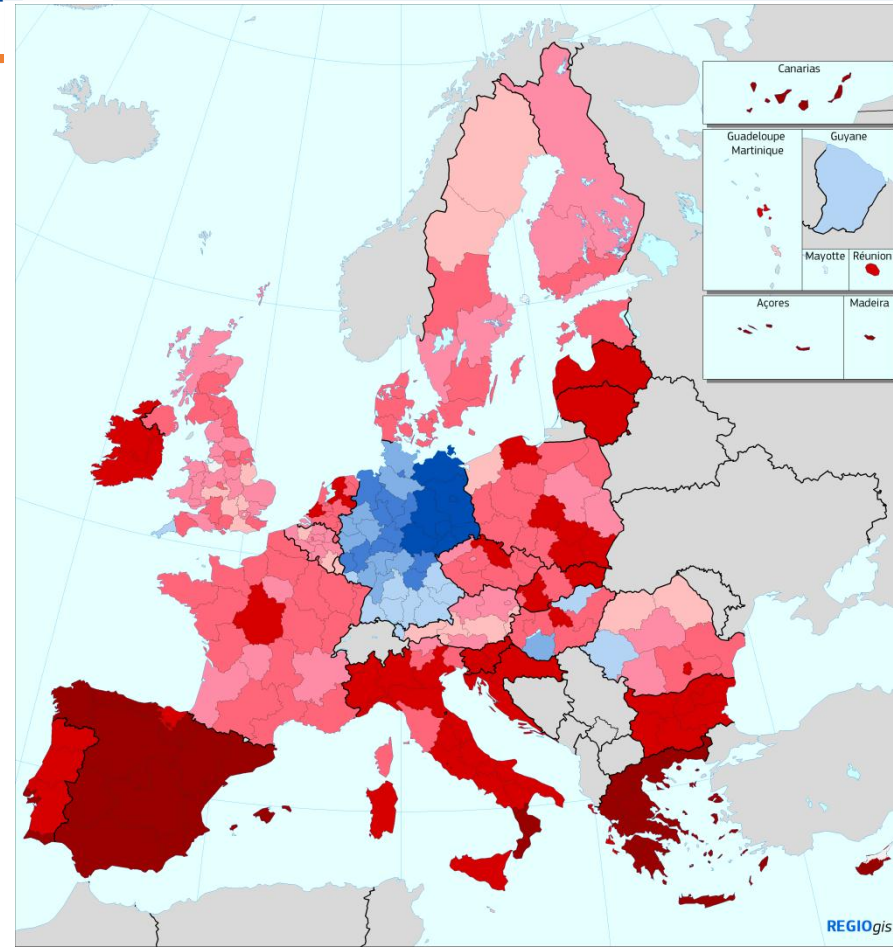
EU-28 = 10.8

Source: Eurostat



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Change in unemployment rate, 2008-2013

Percentage point change

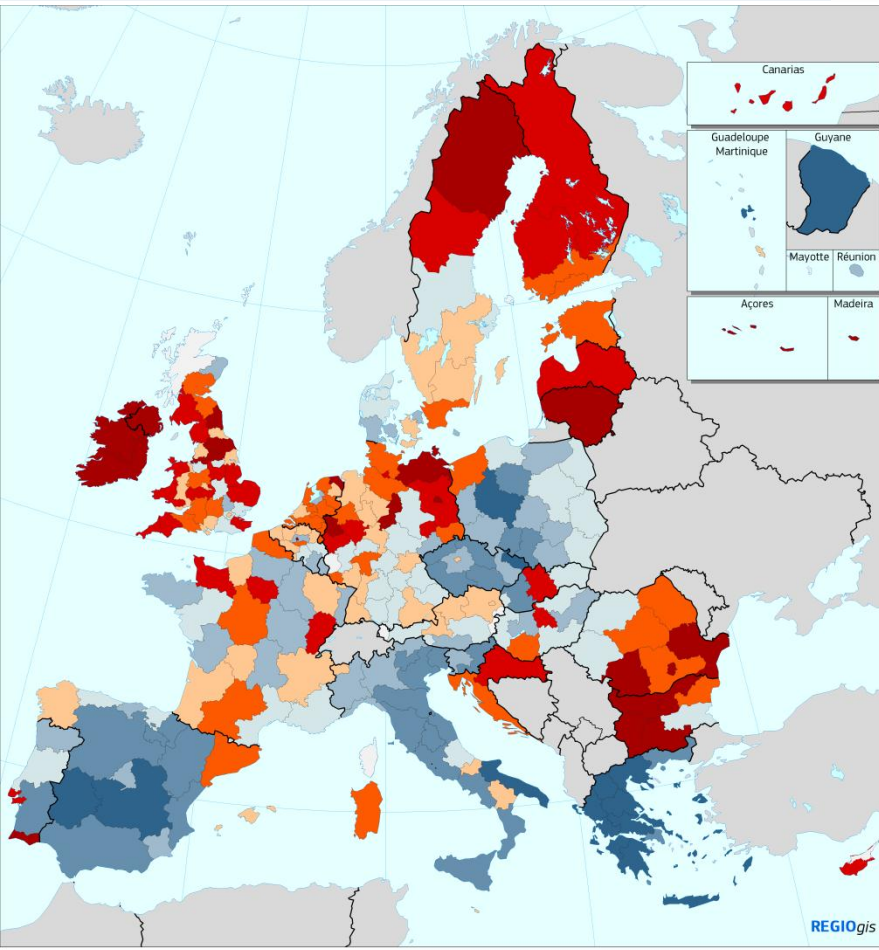


EU-28 = 3.8

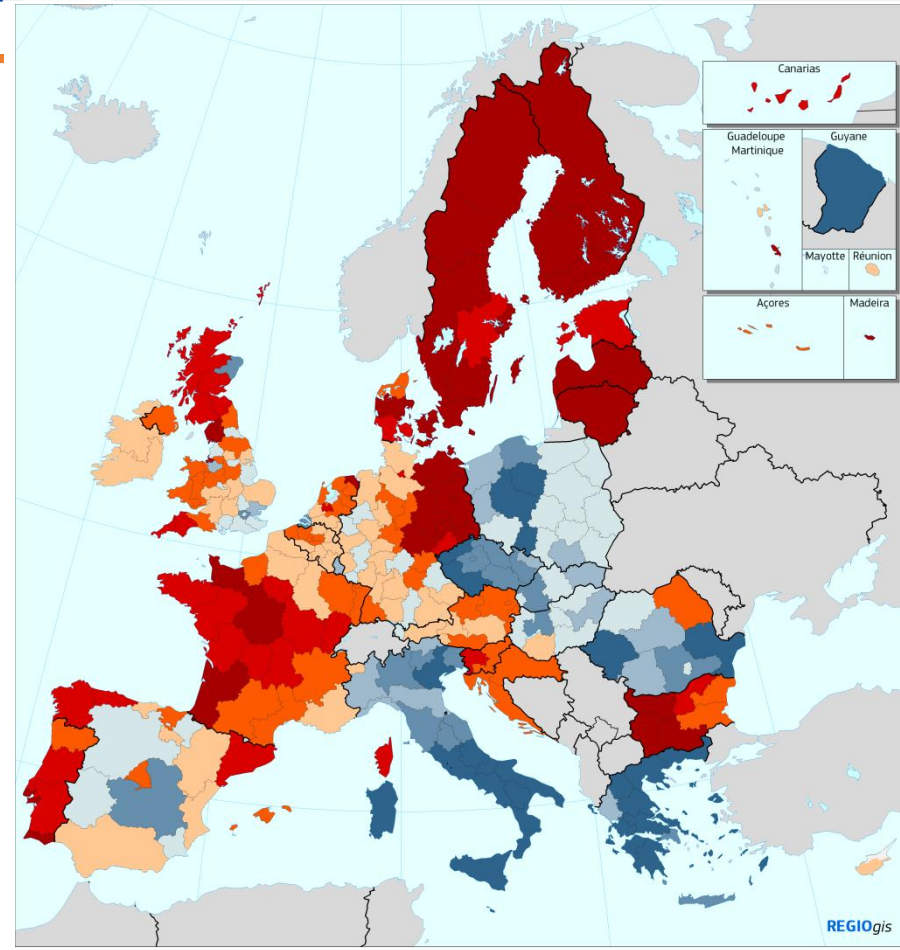
Source: Eurostat, DG REGIO



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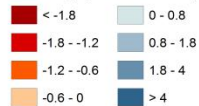


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Difference between female and male unemployment rate, 2013

Percentage point difference (female-male)



EU-28 = 0

Source: Eurostat

0 500 Km

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Difference between female and male employment rates, 20-64, 2013

Percentage point difference (female-male)



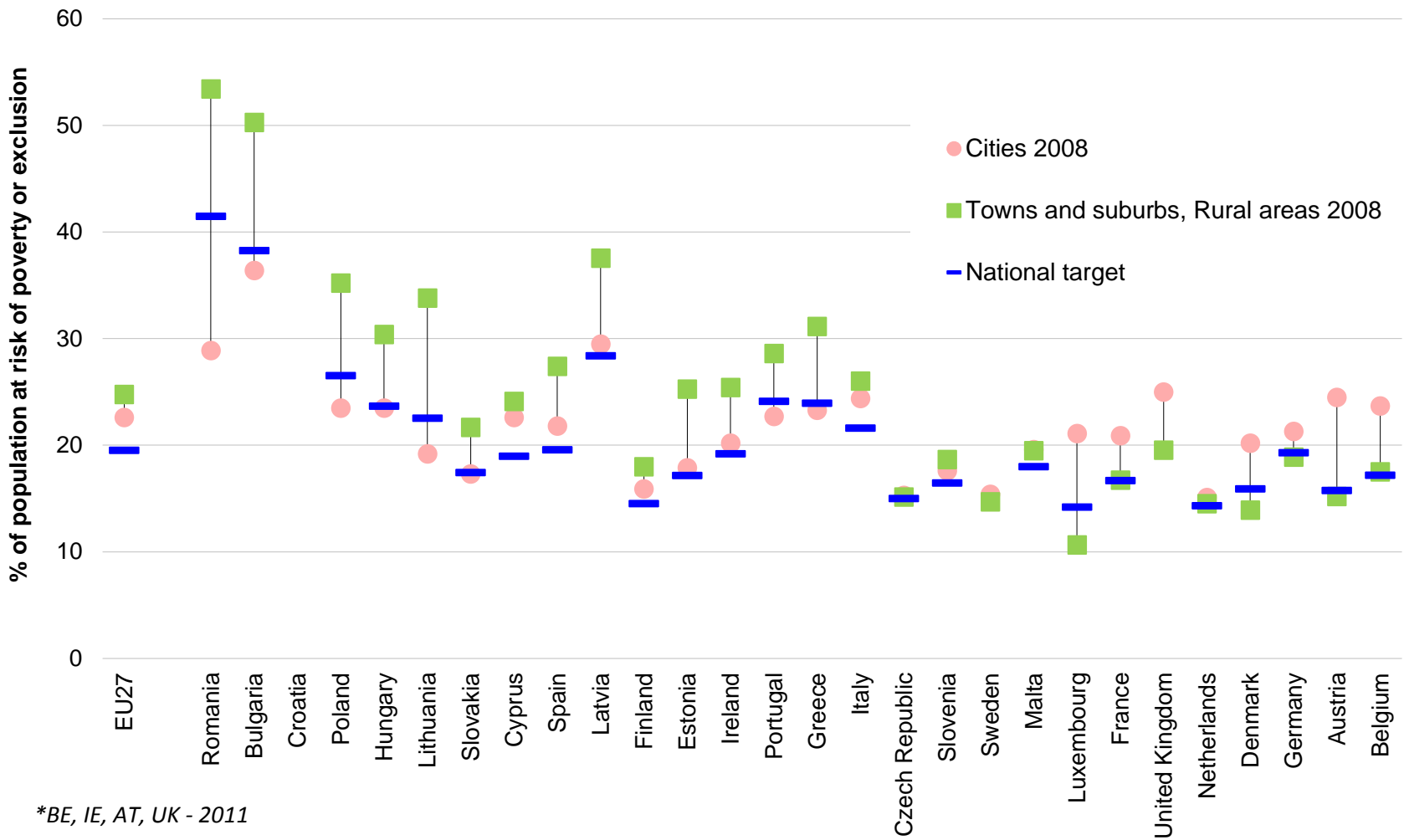
EU-28 = -11.8

Source: Eurostat

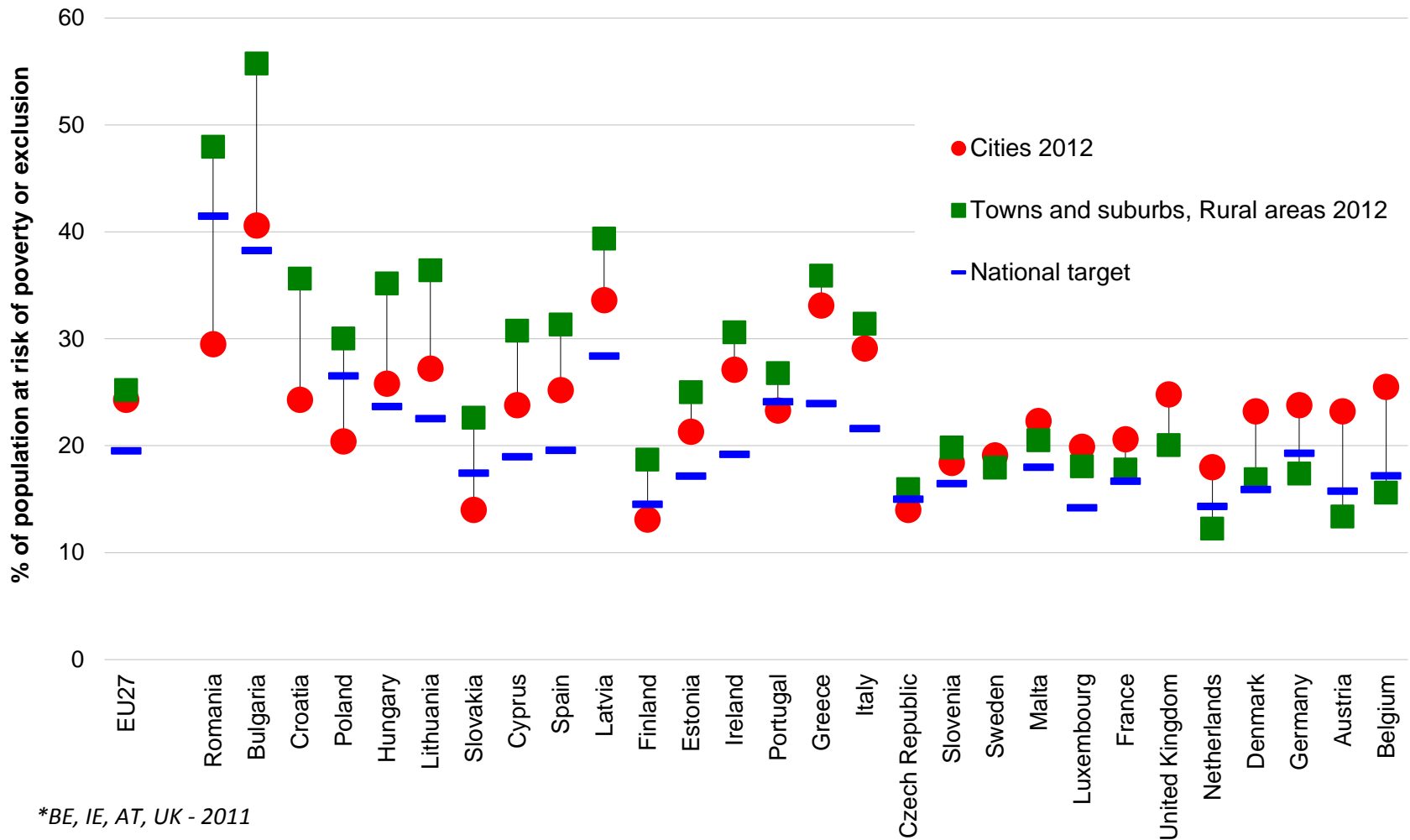
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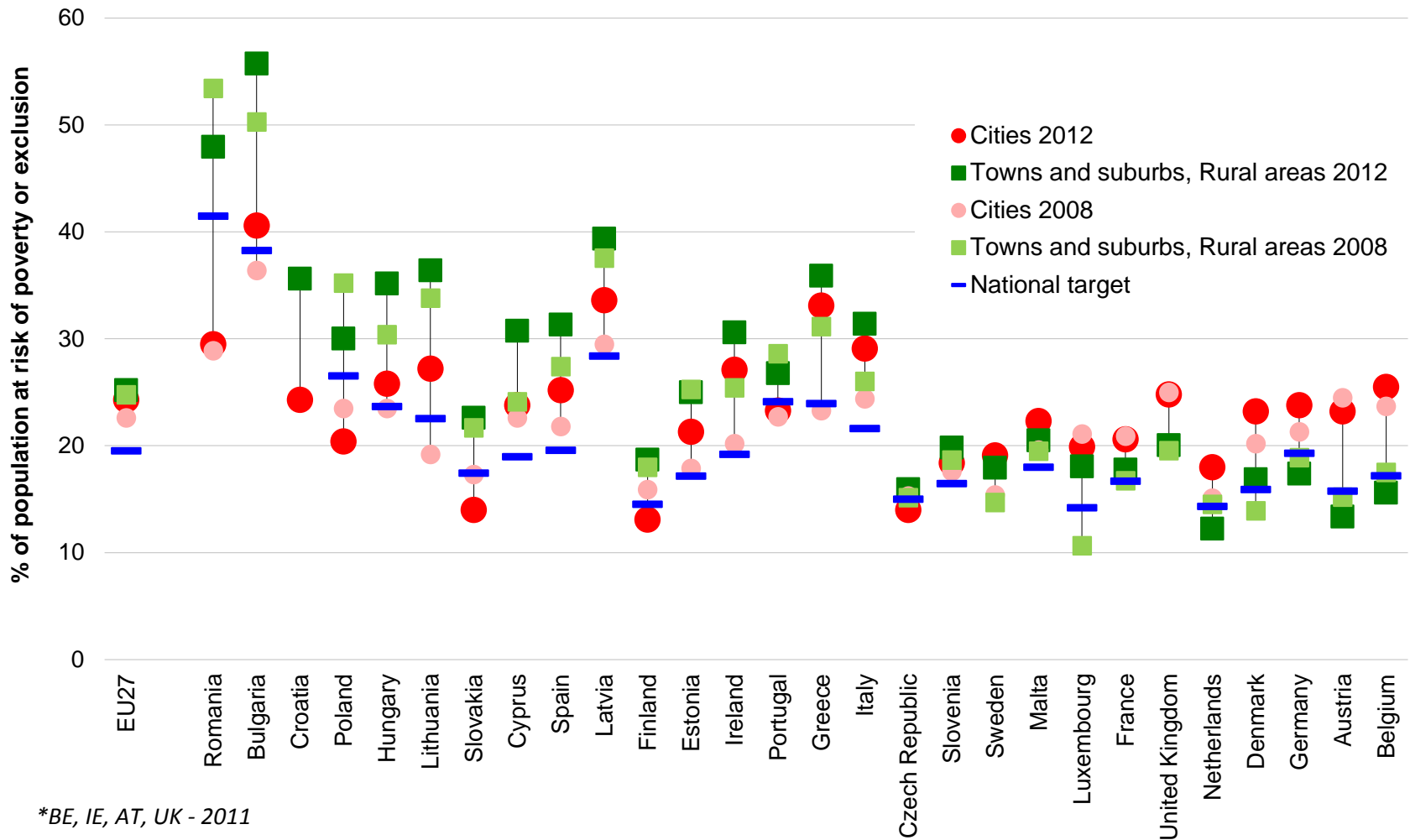
At risk of poverty or exclusion and 2020 targets



At risk of poverty or exclusion and 2020 targets



At risk of poverty or exclusion and 2020 targets

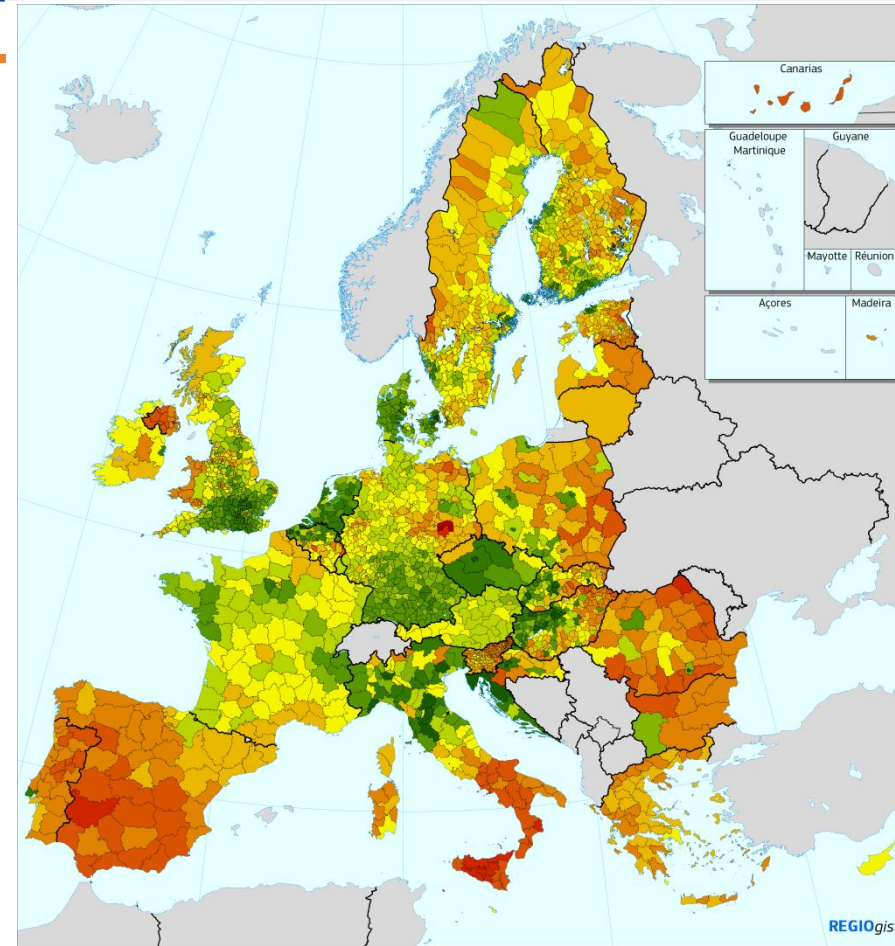


*BE, IE, AT, UK - 2011

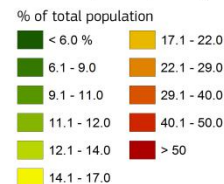


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- *WB and ESPON poverty mapping*
- *At request of the EC to allow Cohesion Policy to target areas with the highest at-risk-of-poverty rates*
- *Based on SILC and census data*
- *Created with small area estimations techniques*



At risk of poverty rate, 2010-2011



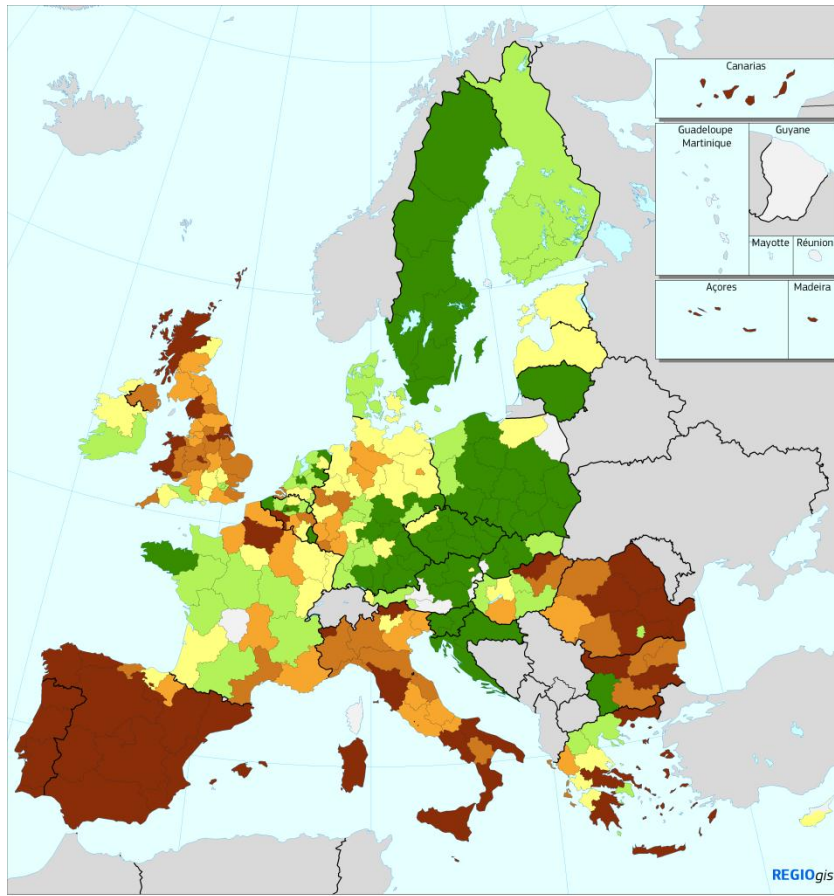
IE: 2009; EL, HU, UK: 2005; HR: 2004; AT: 2001
Sources: Eurostat, NSIs, ESPON, World Bank

0 500 Km

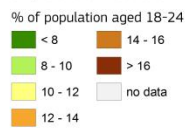
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Early school leavers from education or training aged 18-24, average 2011-2013



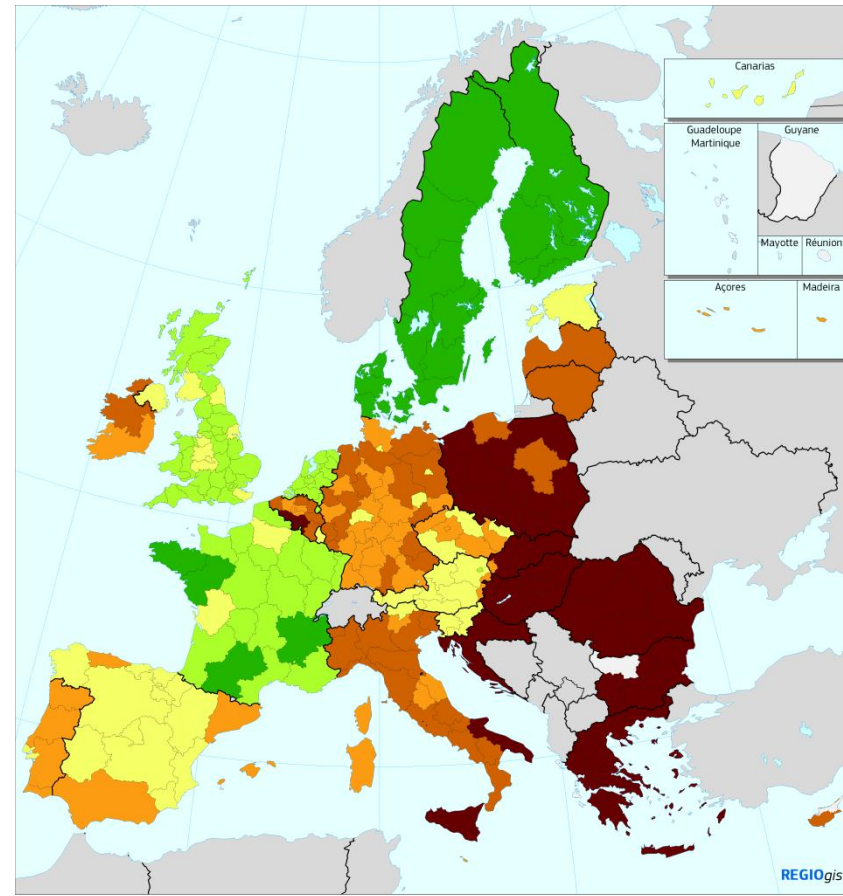
EU-28 = 12.7

The Europe 2020 target for early school leavers from education and training aged 18-24 is 10%.

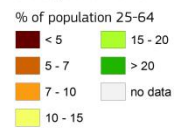
Source: Eurostat, DG REGIO



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Participation of adults aged 25-64 in education and training, 2013



EU-28: 10.4

The Europe 2020 life-long learning target is 15%.

Source: Eurostat



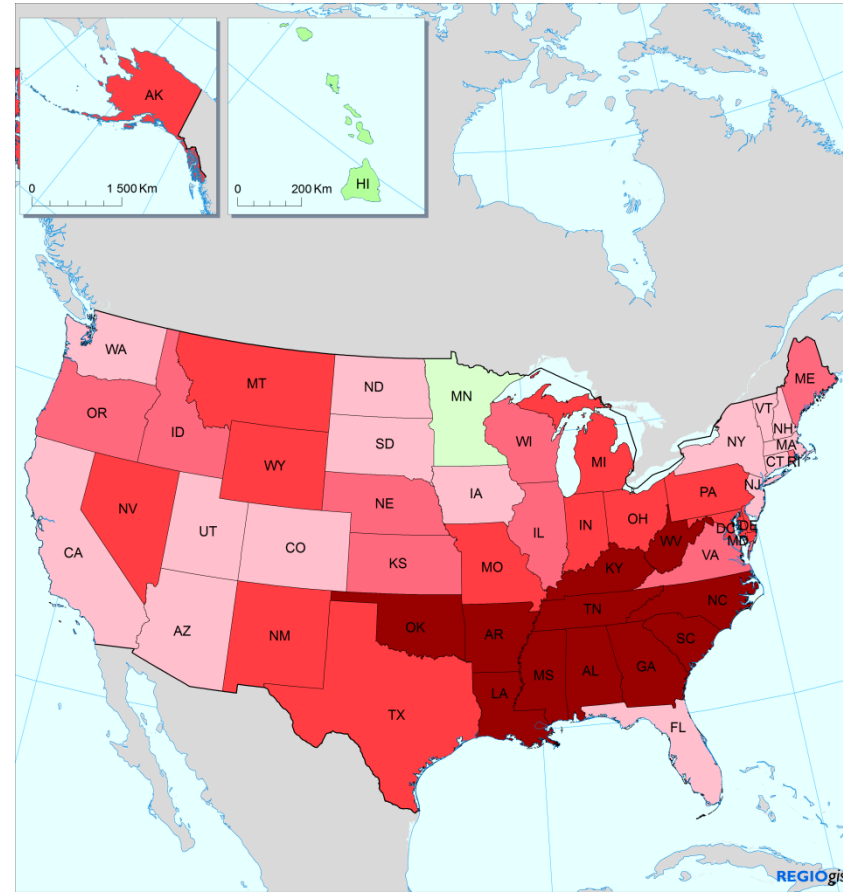
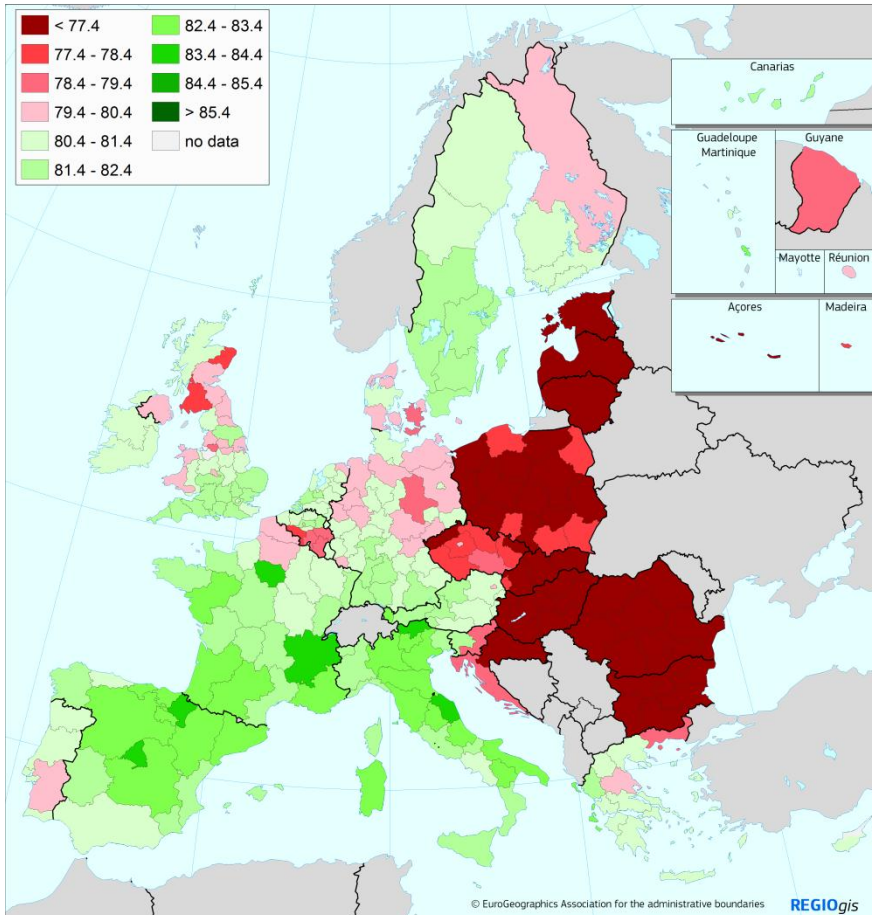
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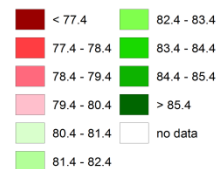
EU Life expectancy - 2011

Years



US: Life expectancy 2010

Age

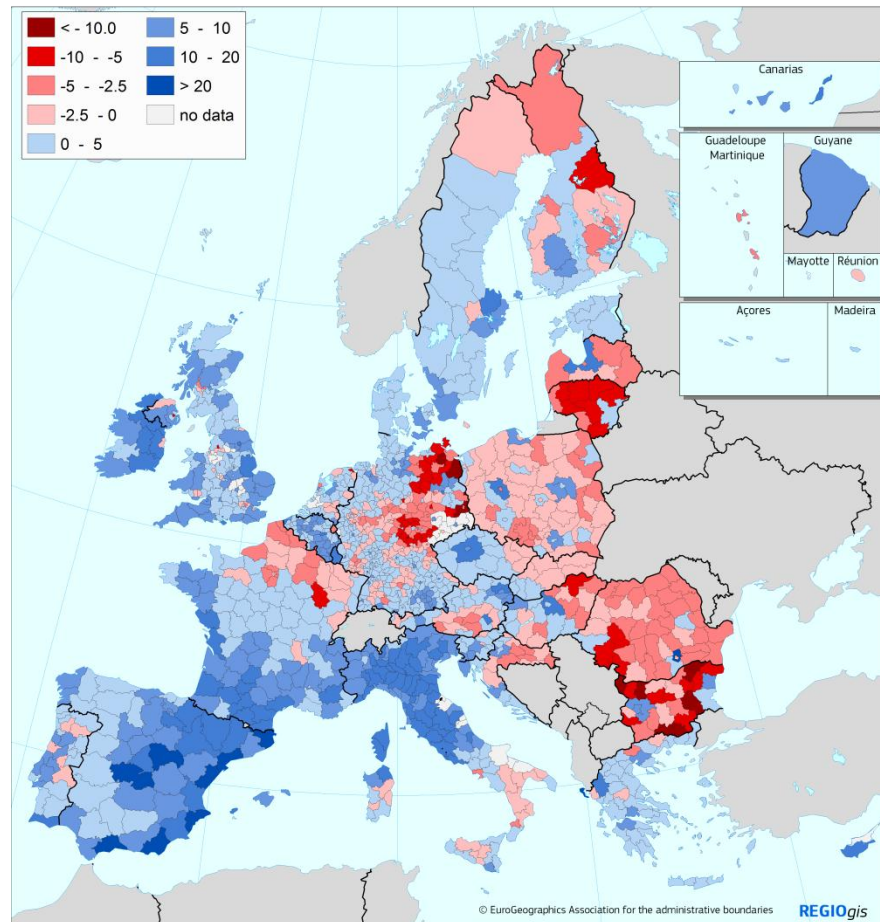


US average: 78,6
 SA long and healthy life is measured using life expectancy at birth.
 This indicator is calculated by Measure of America using abridged life tables based on the Chiang methodology.
 The mortality data come from the Centers for Disease Control and Prevention, the National Center for Health Statistics and the population estimates come from the U.S. Census Bureau Population Estimates Program.

0 1 000 Km

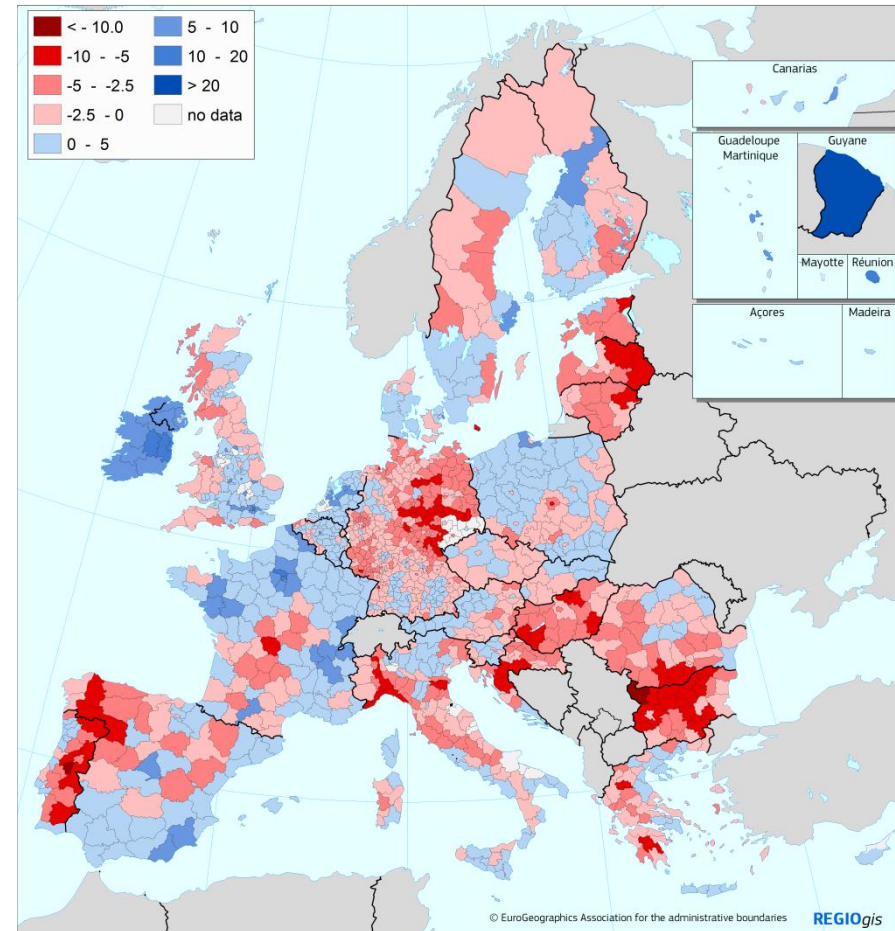
Net migration into NUTS 3 regions, 2001-2011

Total change in %



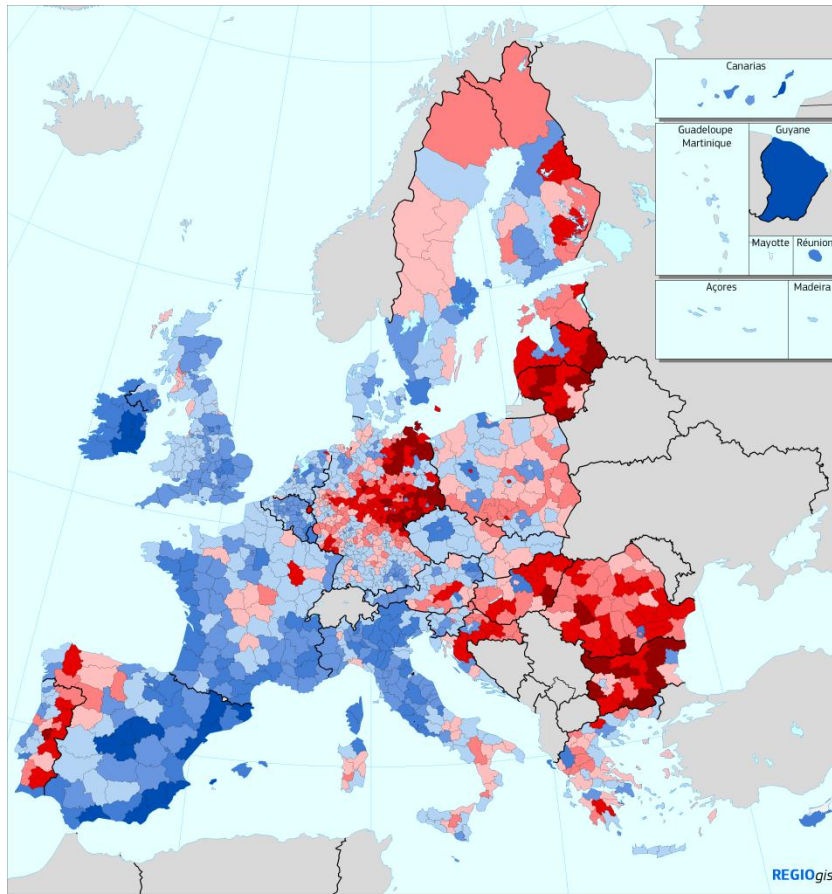
Natural population growth, 2001-2011

Total change in %





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Total population change, 2001-2011



EU-28 = 3.39
HR: 2002-2011

Source: Eurostat

0 500 Km

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Population change, natural change and net migration by urban-rural typology, 2001-2011

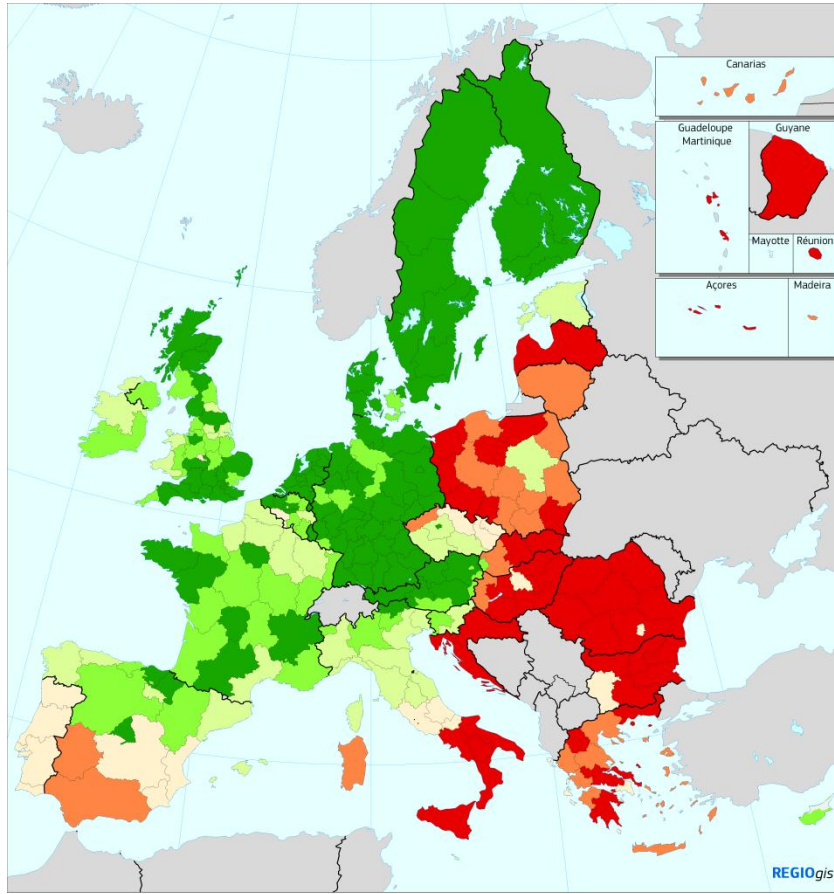
Total change (%)	Urban	Intermediate	Rural	Total
EU-15				
Total population change	6.8	4.7	3.1	5.4
Natural population change	2.6	0.5	-0.6	1.3
Net migration	4.1	4.2	3.7	4.1
EU-13				
Total population change	0.6	-1.1	-3.9	-1.9
Natural population change	-1.2	-0.7	-1.8	-1.3
Net migration	1.8	-0.4	-2.2	-0.6
EU-28				
Total population change	6.1	3.3	0.4	3.8
Natural population change	2.2	0.2	-1	0.7
Net migration	3.8	3.1	1.5	3

Population change follows the urban hierarchy

Population change, natural change and net migration by metro regions, 2001-2011			
Change in %	Total change	Natural change	Net migration
EU-15			
Capital metro region	9.0	4.8	4.2
Second tier metro region	5.7	1.8	3.9
Smaller metro region	4.8	0.7	4.1
Non-metro regions	3.8	0.0	3.8
EU-13			
Capital metro region	3.7	-1.0	4.6
Second tier metro region	-1.2	-0.9	-0.3
Smaller metro region	-0.4	-0.3	-0.1
Non-metro regions	-4.0	-1.6	-2.4



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EU Human Development index, 2012

0 = low level of human development 100 = high level of human development



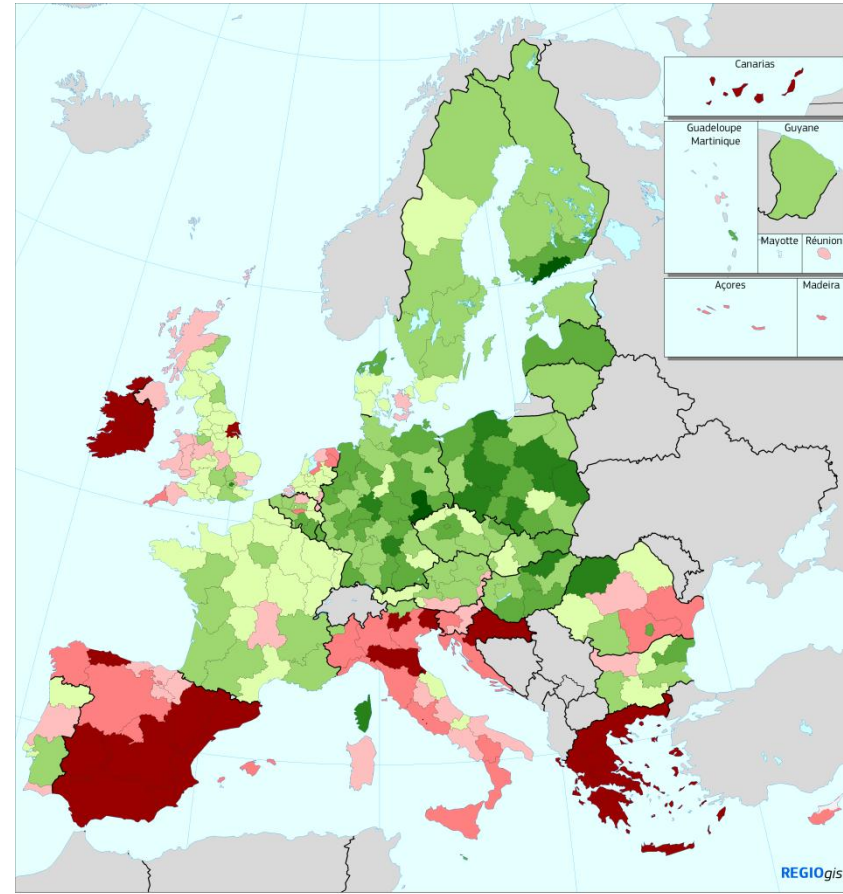
EU-28 = 54

Source: Eurostat and JRC

0 500 Km

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Regional &
Urban Policy



Change in EU Human Development index, 2008-12

Change in index



EU-28 = 0.01

Source: Eurostat and JRC

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Chapter 2



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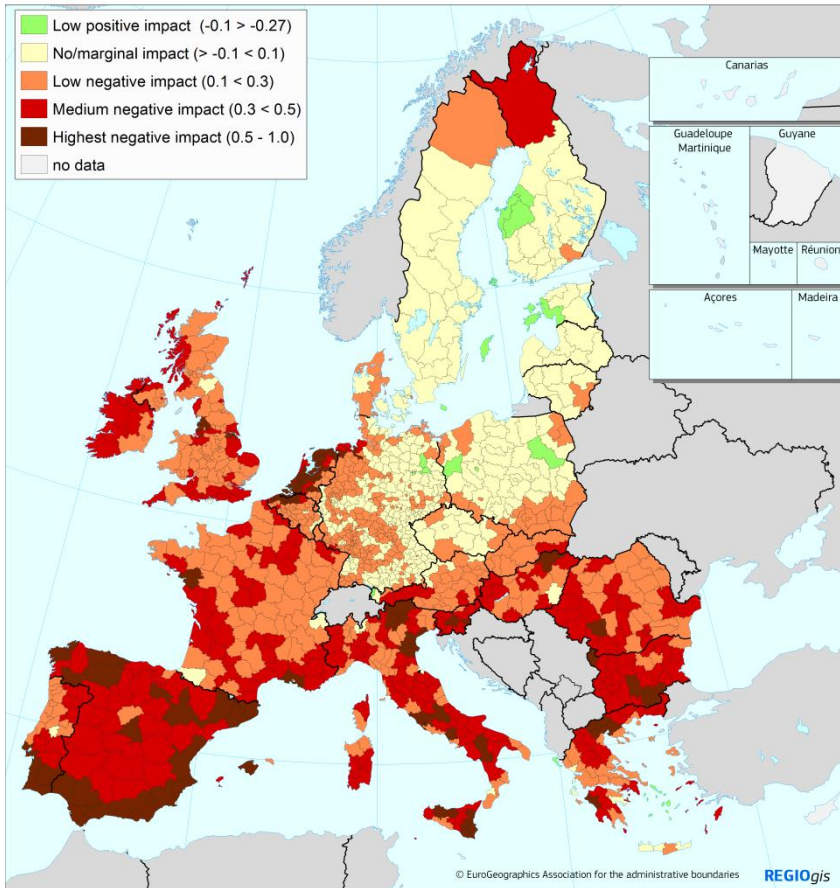
SUSTAINABLE GROWTH



European
Commission

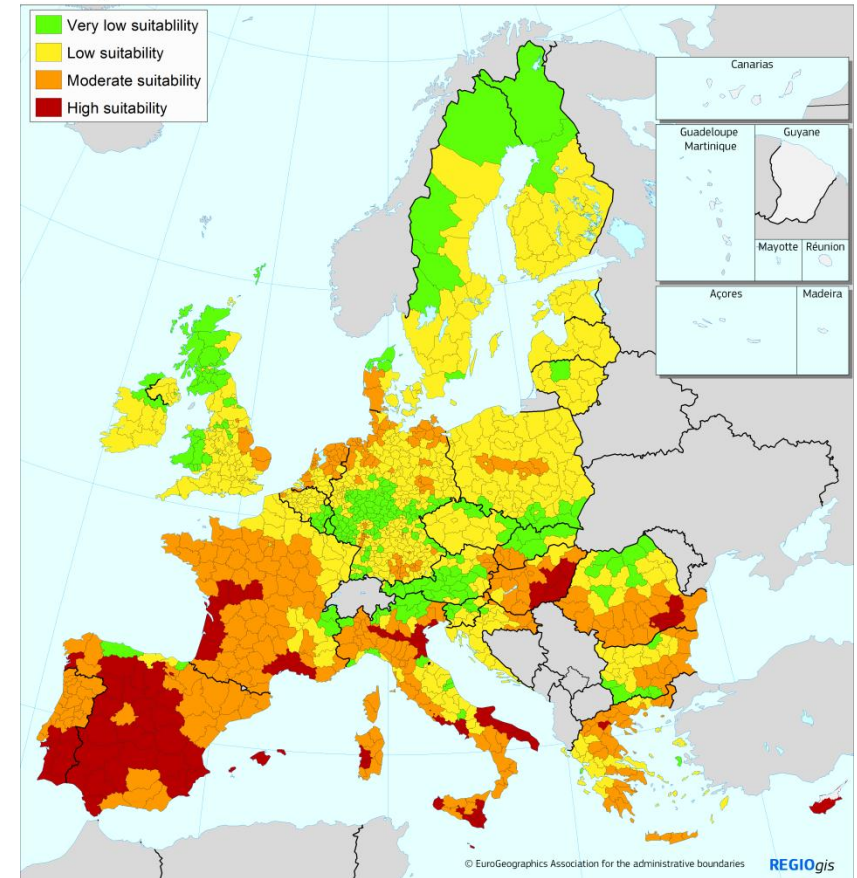
Aggregate potential impact of climate change, 2009

Heading of the legend



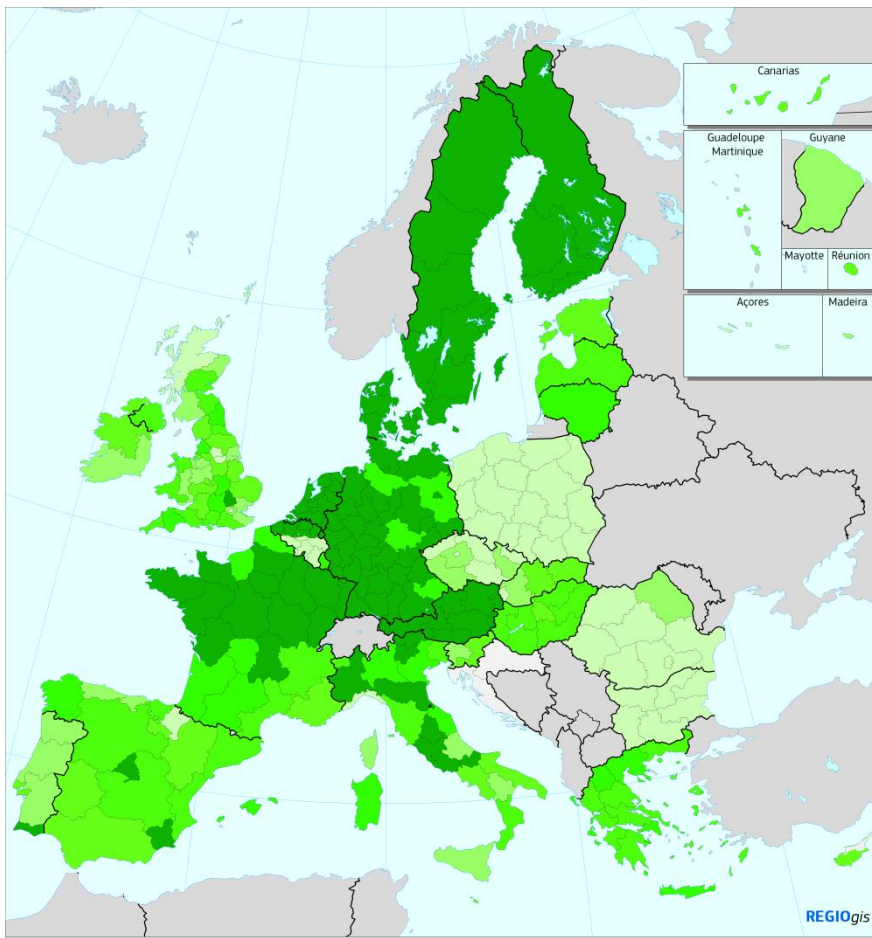
Average suitability for photovoltaic systems at NUTS3 levels

Suitability levels

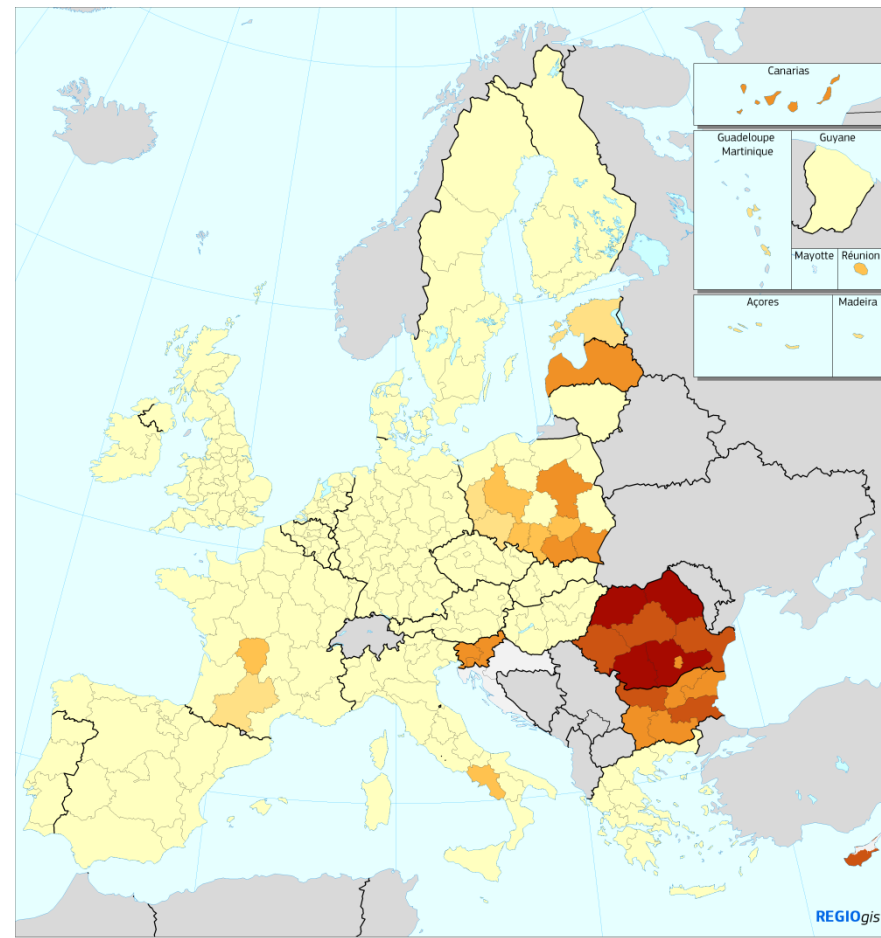




European Commission



REGIOgis



REGIOgis

Urban wastewater with more stringent treatment, 2010



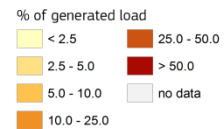
EE, CY, LV, LT, HU, NL, PT, RO, SI, SK, FI: 2009
Source: EEA - REGIO-GIS

0 500 Km

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Regional & Urban Policy

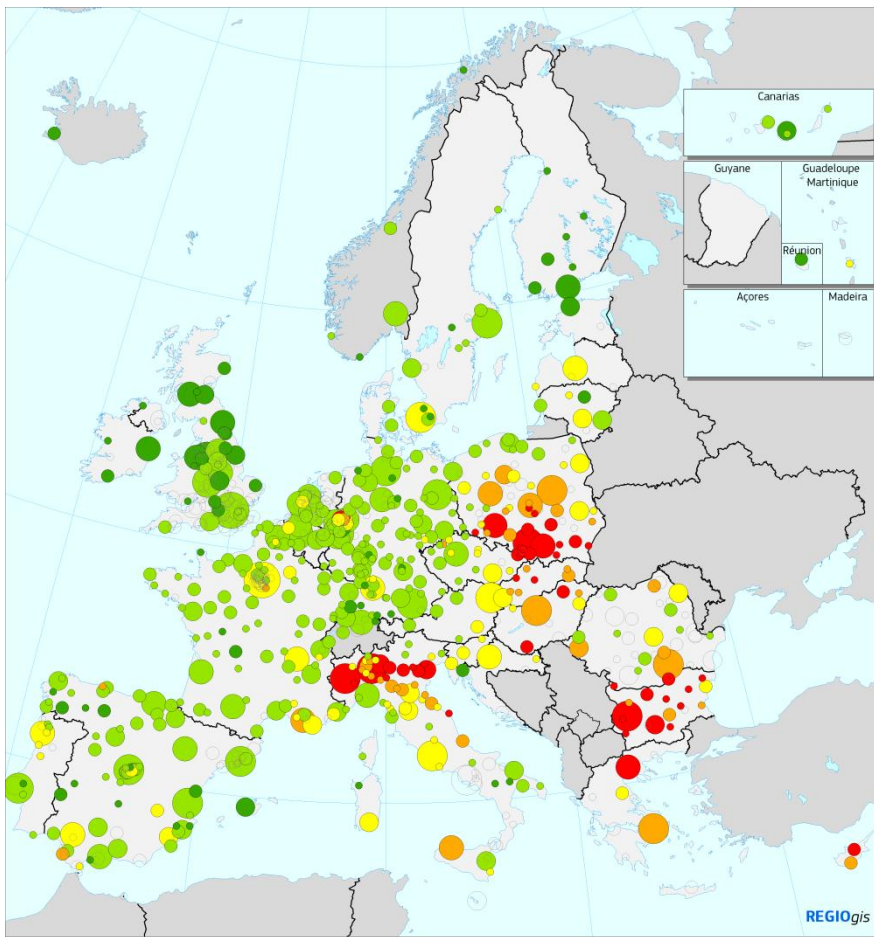
Urban wastewater not collected, 2010



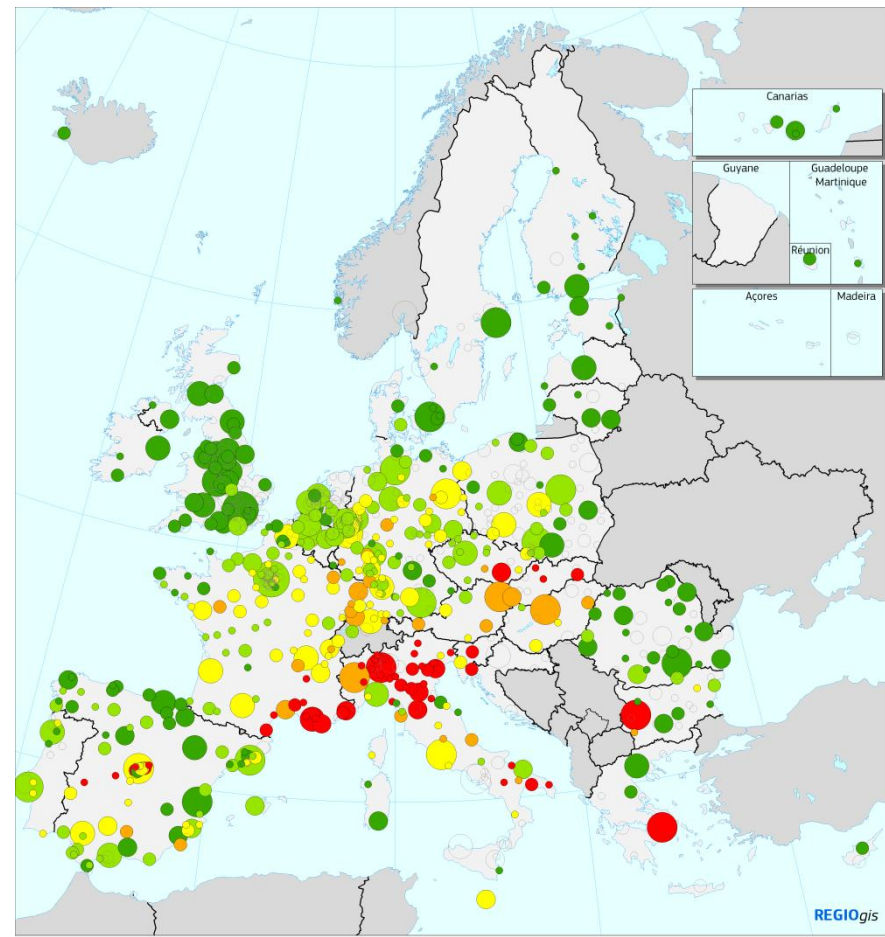
EE, CY, LV, LT, HU, NL, PT, RO, SI, SK, FI: 2009
Not collected by collecting systems nor treated by individual or other appropriate systems.
Source: EEA - REGIO-GIS

0 500 Km

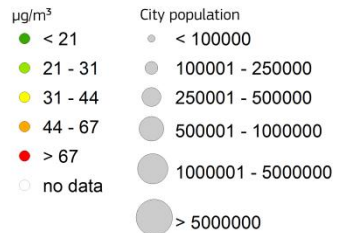
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PM10 daily average concentration, 2011



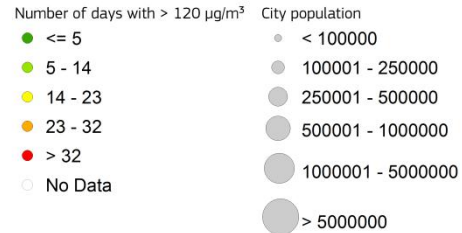
Note: Average for measuring stations within city boundaries

Source: EEA, DG REGIO



© EuroGeographics Association for the administrative boundaries

Ozone concentrations, 2011



Note: Average for measuring stations within city boundaries

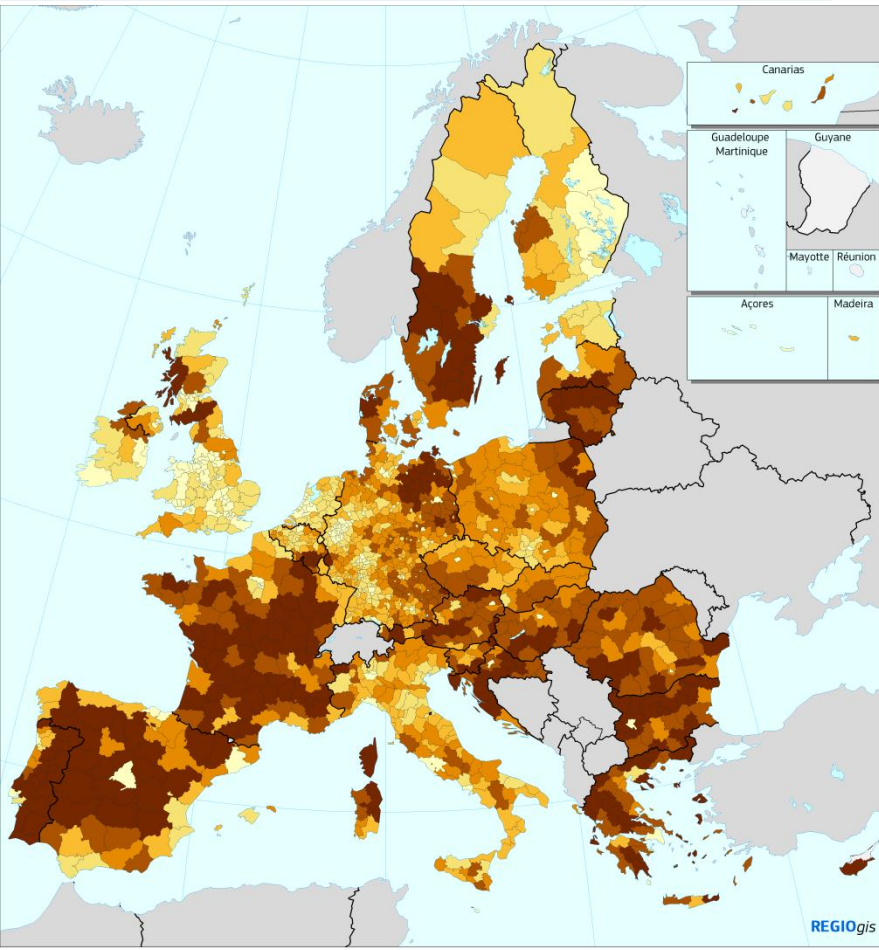
Source: EEA, DG REGIO



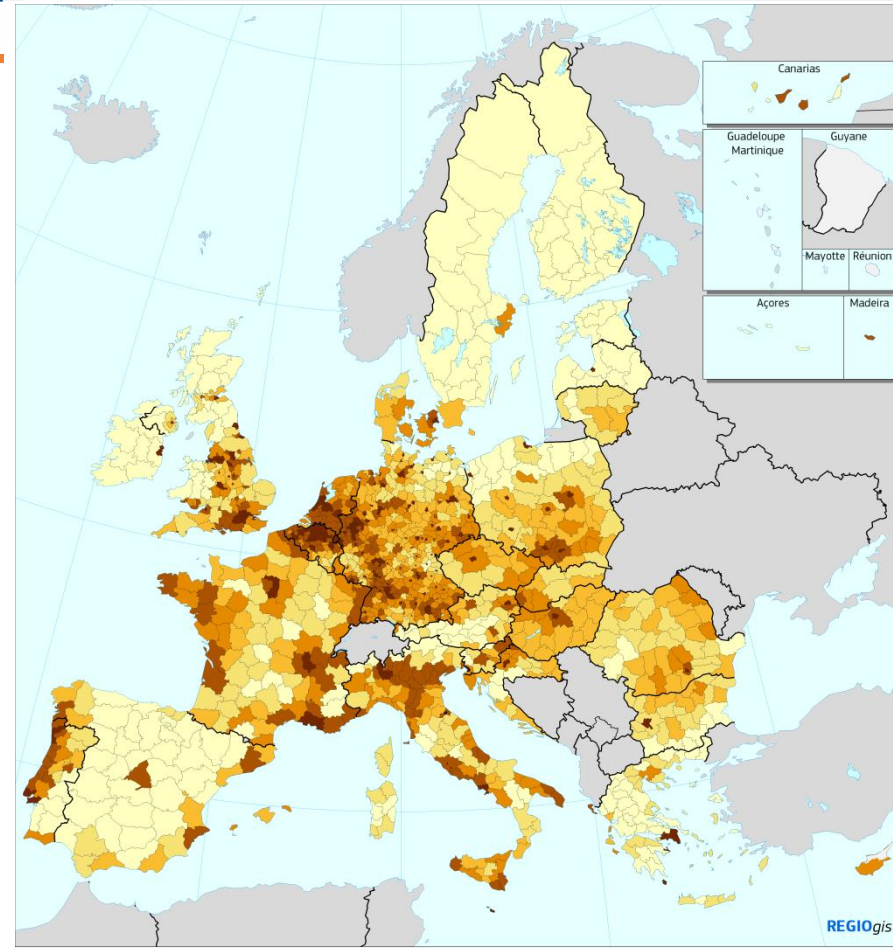
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REGIOgis

Built up area per head by region, 2012

sq.km per million inhabitants

- < 96.4
- 96.4 - 158.5
- 158.5 - 223.5
- 223.5 - 294.9
- 294.9 - 404.5
- >= 404.5

Source: JRC

0 500 Km

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Regional & Urban Policy

Share of built up area in total area by region, 2012

Percentage

- < 2.0
- 2.0 - 2.6
- 2.6 - 3.3
- 3.3 - 4.2
- 4.2 - 7.0
- >= 7.0

Source: JRC

0 500 Km

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Land-use efficiency of cities

Built-up area per inhabitant,
EU regions, 2012

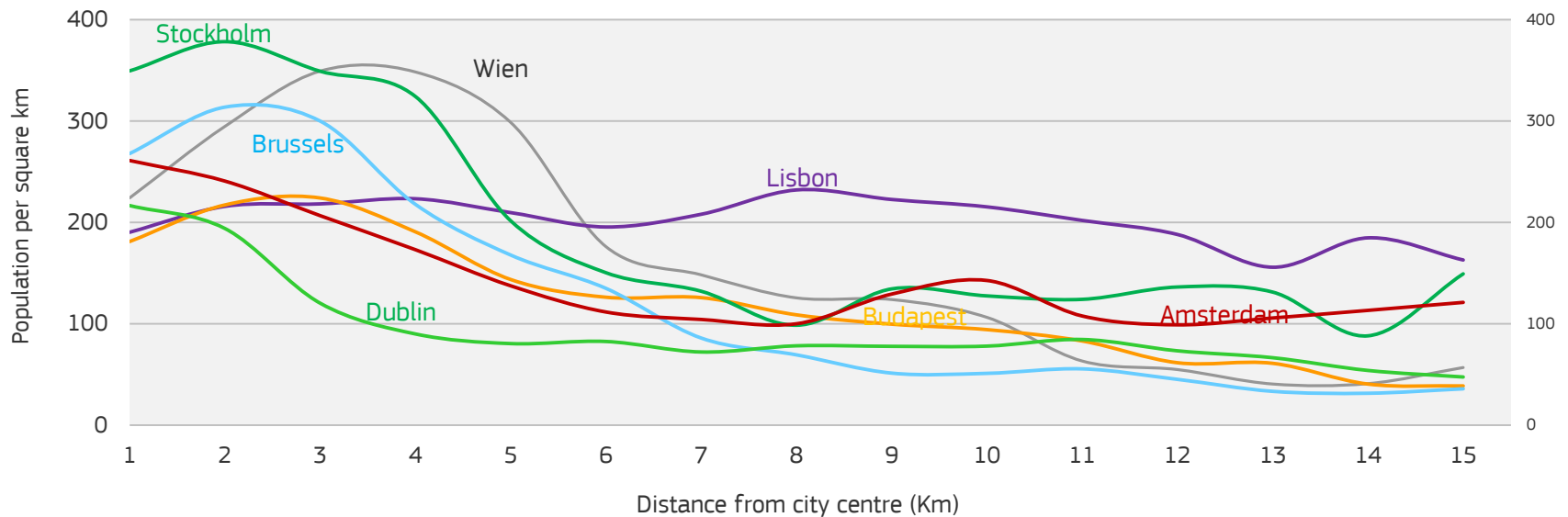
sq. km per mn inhabitants	Urban regions	Inter- mediate regions	Rural regions
EU-28	97	230	368
EU-15	94	221	372
EU-13	126	260	362

Source: JRC European Human Settlement Map and DG REGIO calculations

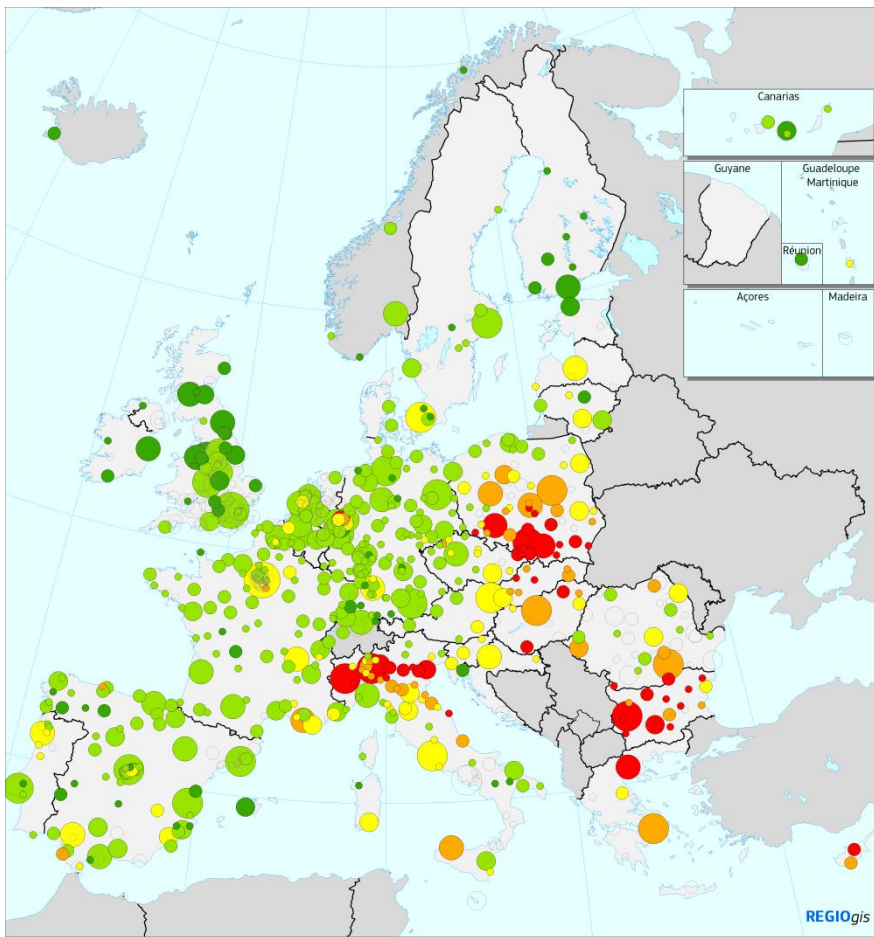
- *Dwellings in cities are smaller and more vertical*
- *Offices are more vertical*
- *Energy use for transport, heating and cooling also lower in cities*

Density drops away from the centre

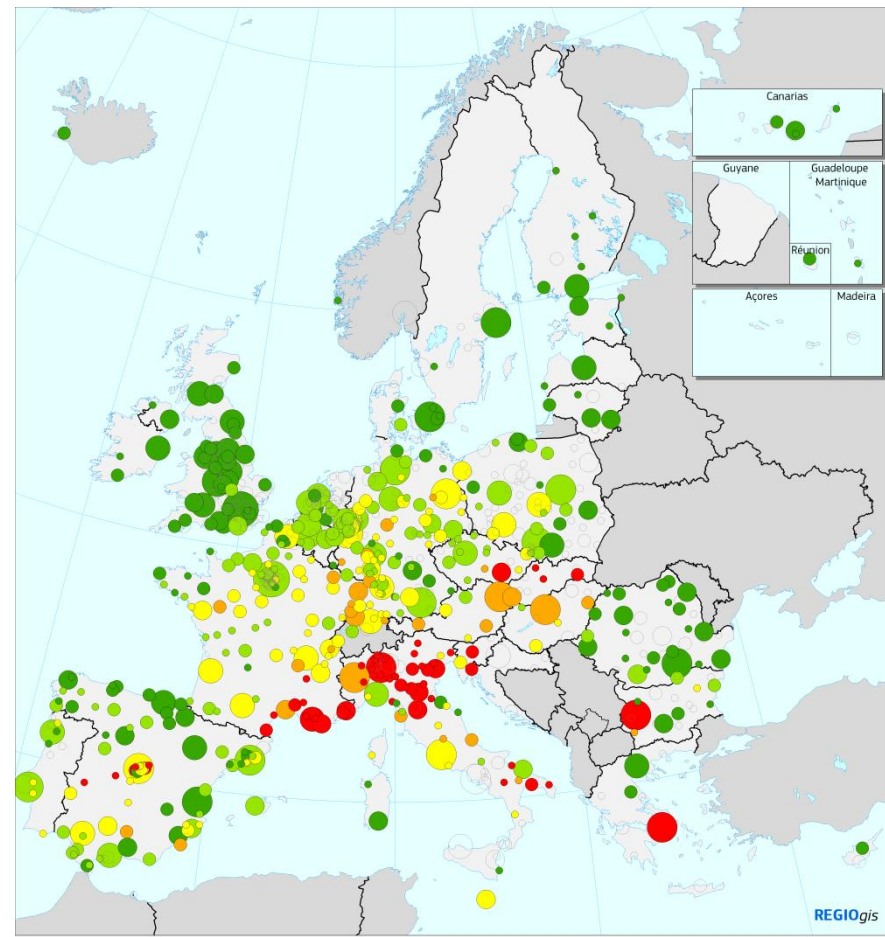
Population density profile of selected mid-sized European capital cities, 2006



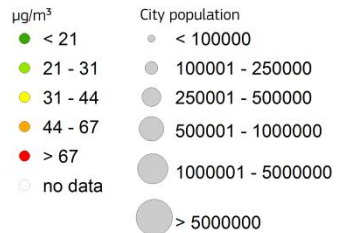
Source: Batista e Silva, F. et al. (2012)



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PM10 daily average concentration, 2011



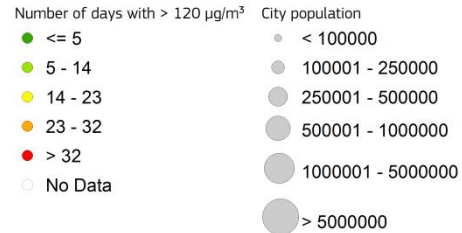
Note: Average for measuring stations within city boundaries

Source: EEA, DG REGIO



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Ozone concentrations, 2011



Note: Average for measuring stations within city boundaries

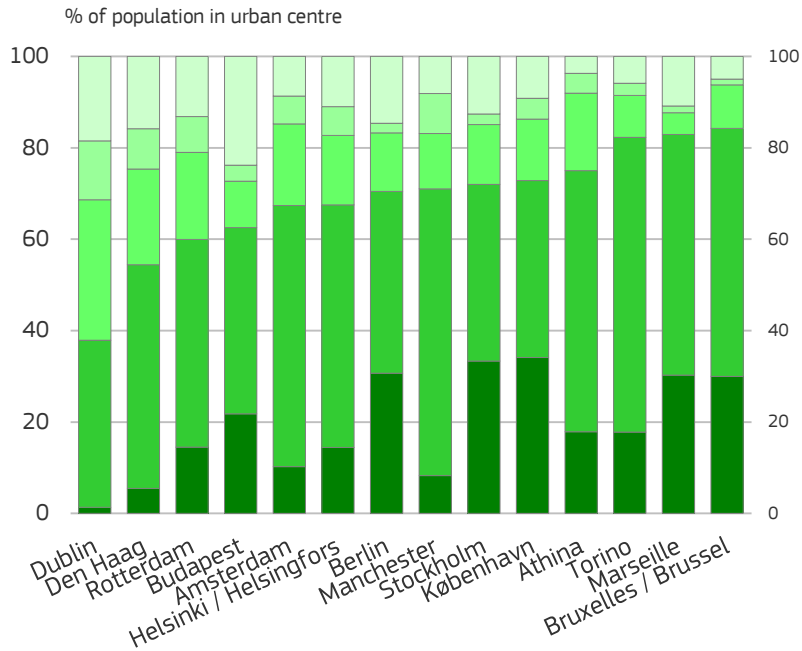
Source: EEA, DGREGIO



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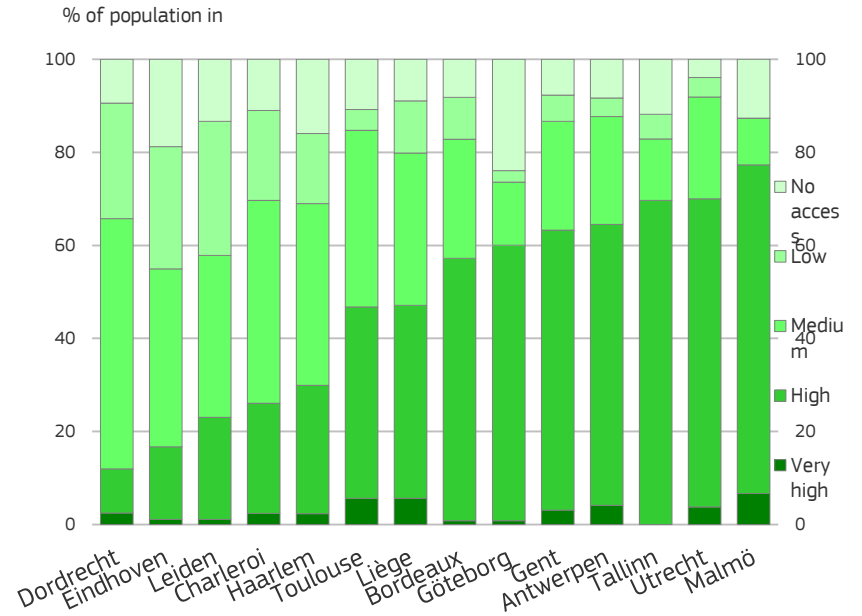
Large cities have better access to public transport

Access to public transport in large European cities, 2012



Source: Dijkstra, L. and Poelman, H. (2014)

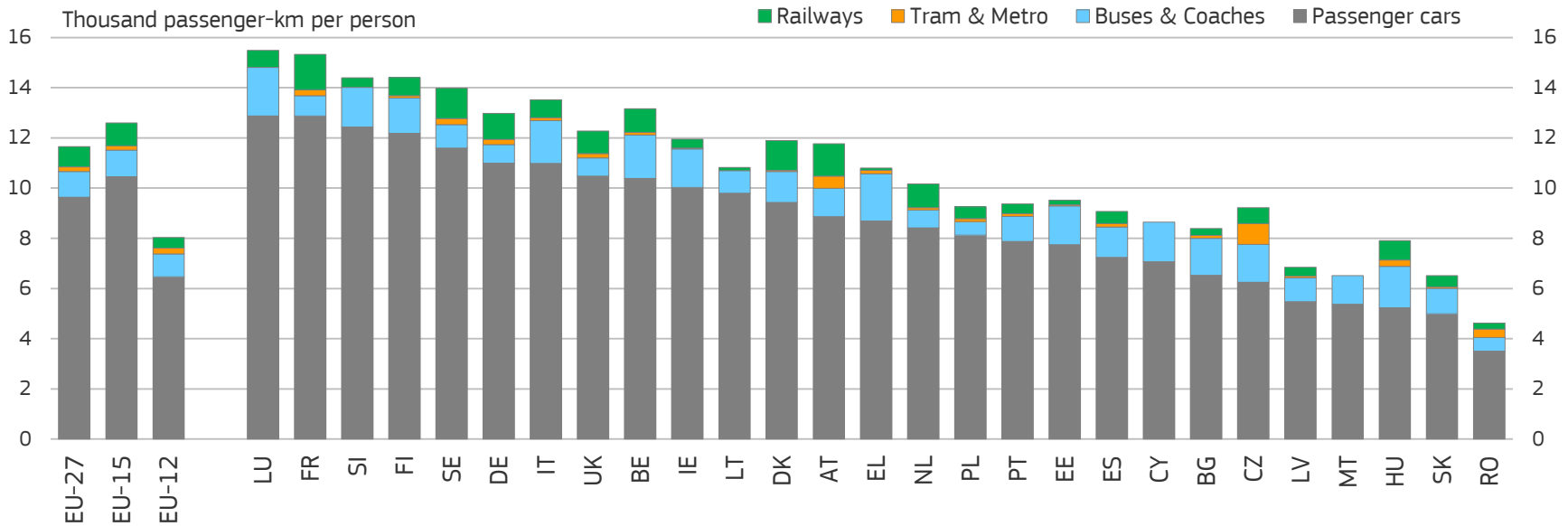
Access to public transport in mid-sized European cities, 2012



Source: Dijkstra, L. and

Passenger cars predominate, especially in EU-15

Passenger-km by transport mode, 2012

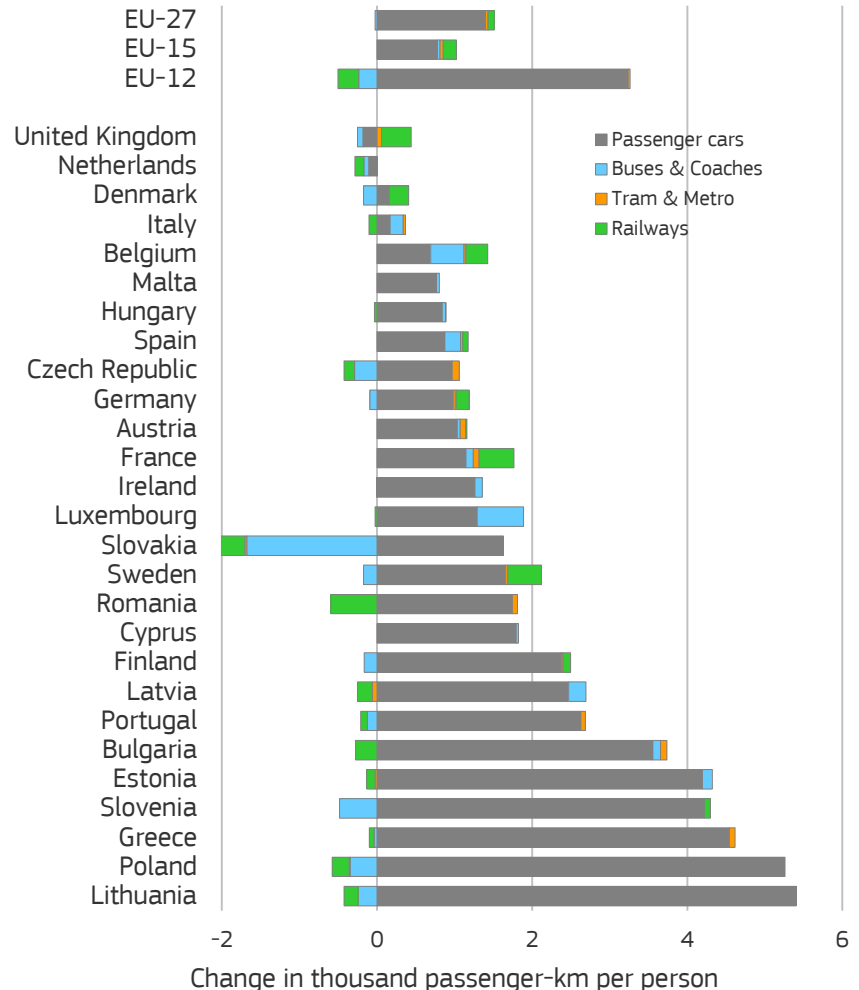


Source: EU transport in figures: Statistical pocketbook 2013

Car dependency

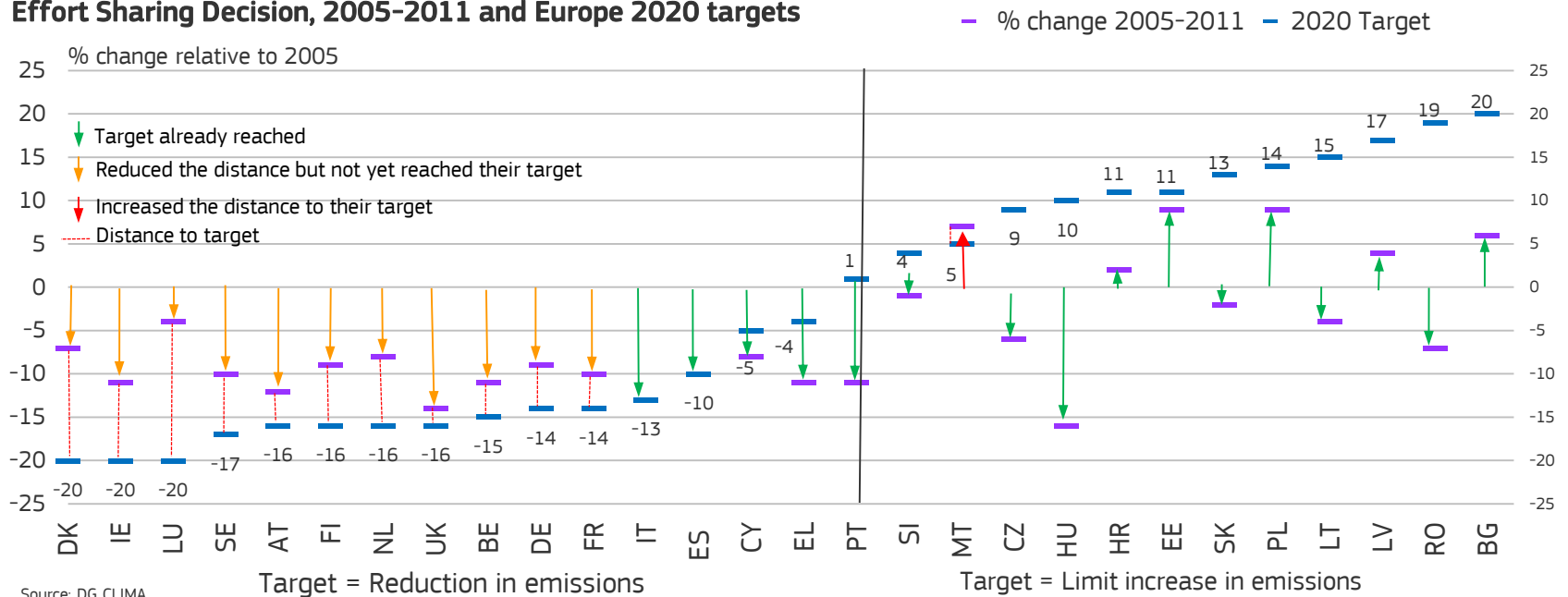
- *Growth primarily in passenger-km by car*
- *High growth in car travel in EU-12, combined with decline of public transport*

Change in passenger-km by transport mode, 1995-2011

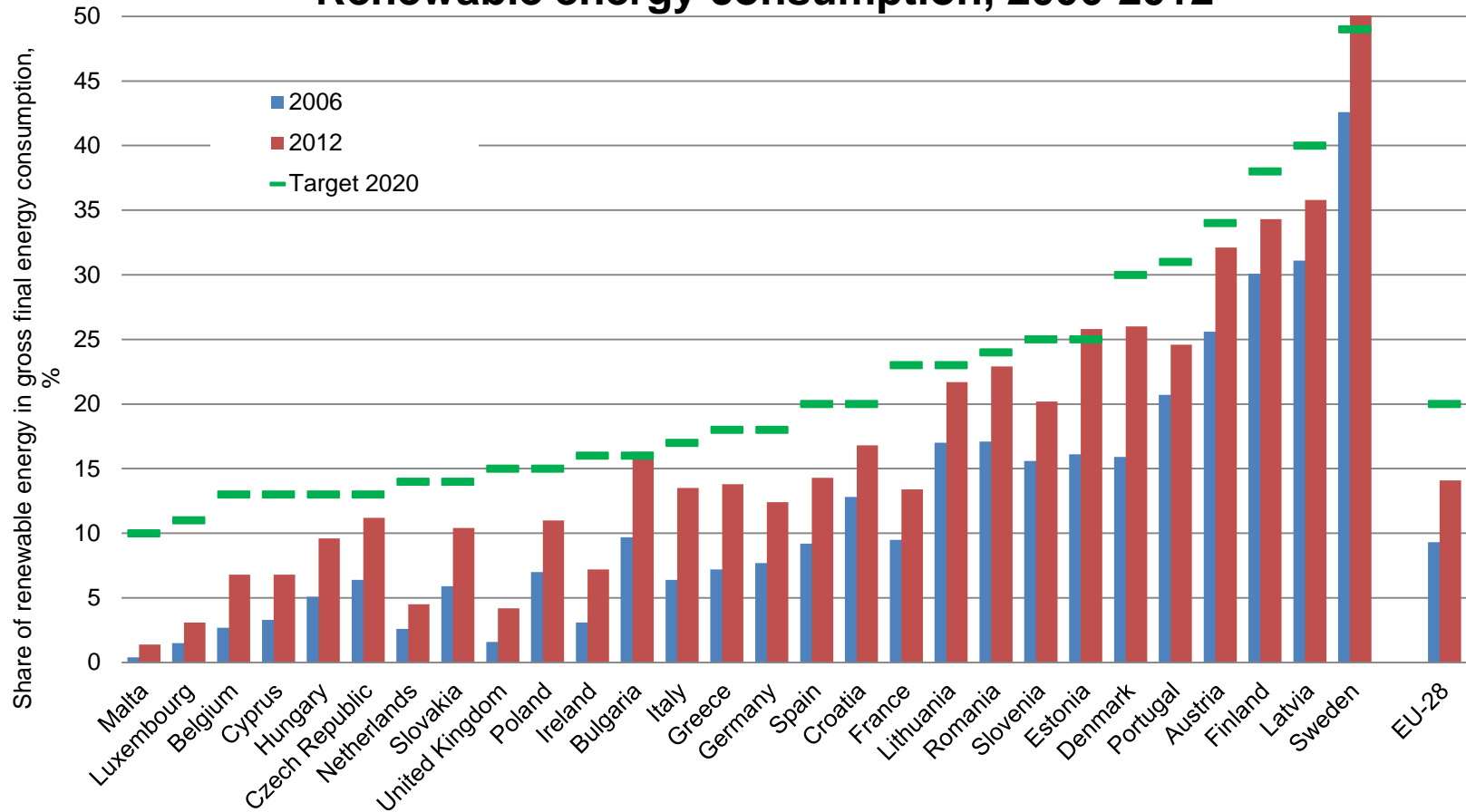


Non-ETS GHG emissions are shrinking

Change in greenhouse gas emissions in areas covered by the Effort Sharing Decision, 2005-2011 and Europe 2020 targets

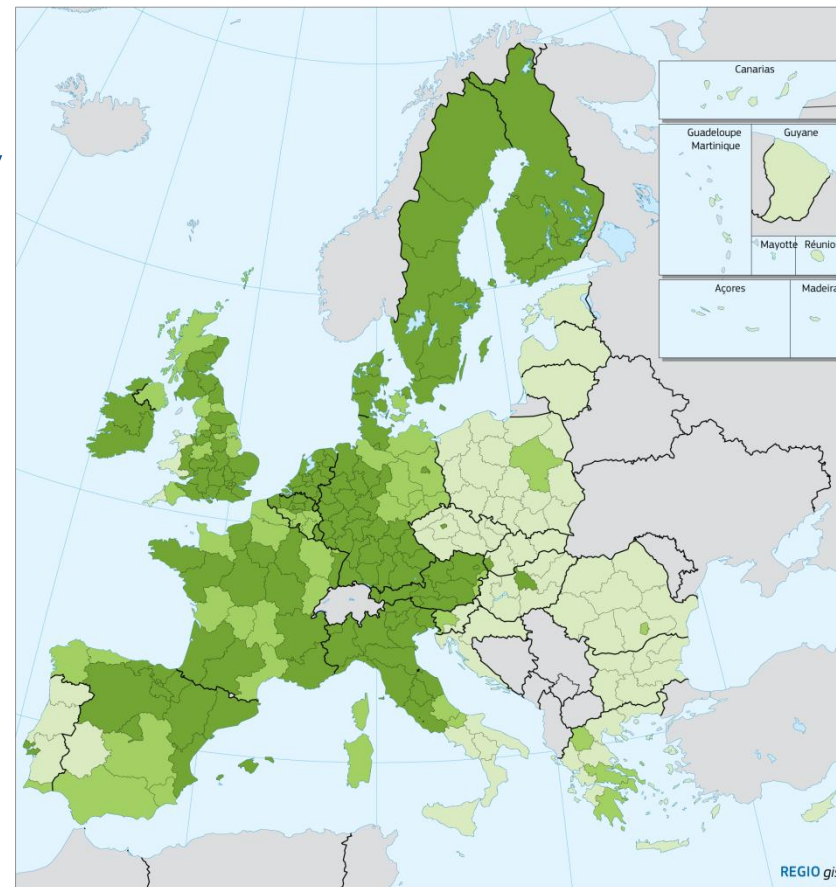


Renewable energy consumption, 2006-2012

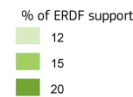


Low-carbon economy

- *Minimum ERDF support between 12% and 20%*
- *37 billion euro foreseen in Partnership Agreements*



Funding for the low-carbon economy, 2014-2020



Based on minimum funding share for thematic objective 4 supporting the shift towards a low-carbon economy. Member States may deviate from these regional minimum shares if the national share is maintained. Source: DG REGIO

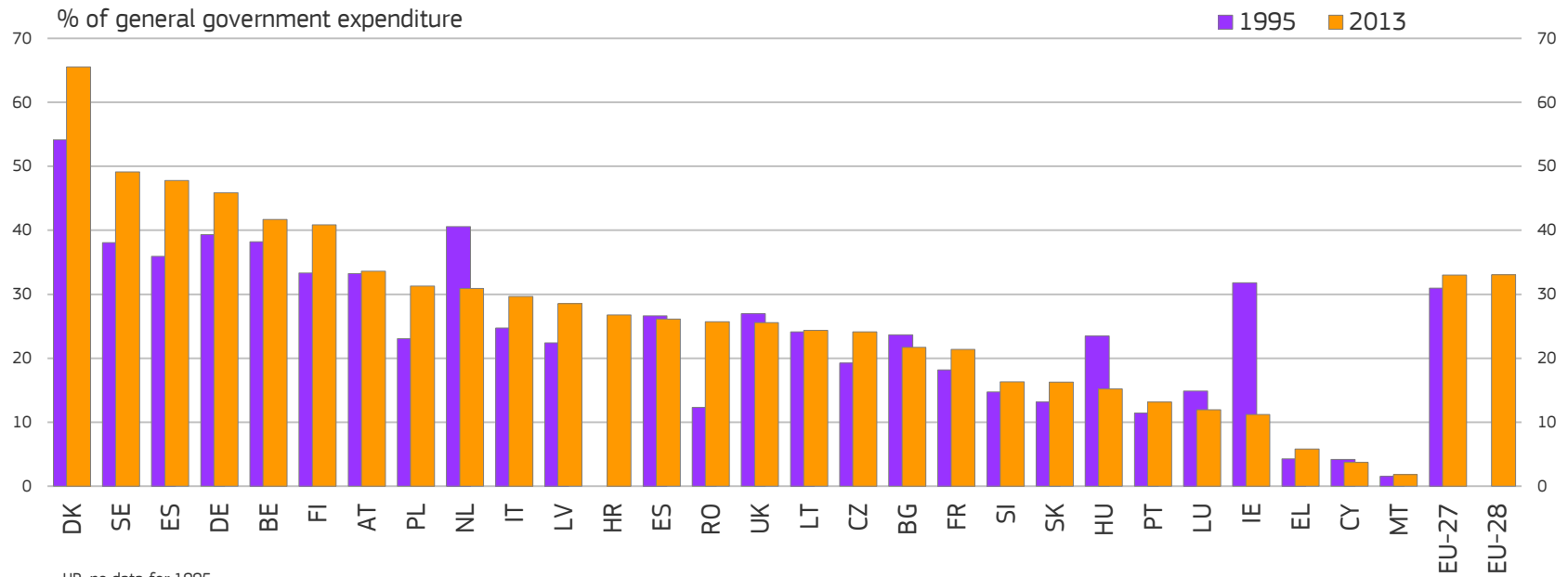
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PUBLIC INVESTMENT, GROWTH AND THE CRISIS

Local and regional authorities spend 1/3 of government expenditure

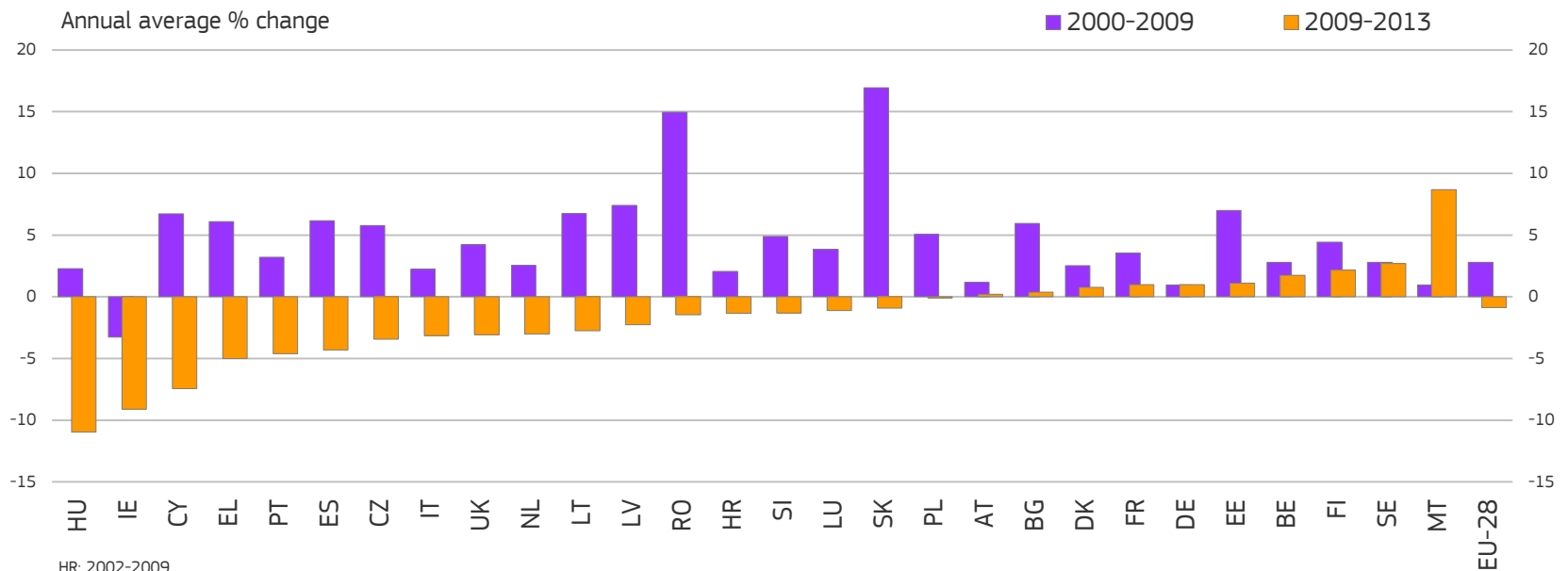
Figure 4.7 Sub-national government expenditure, 1995 and 2013



Source: Eurostat

But their expenditure dropped

Figure 4.11 Average annual change in sub-national government expenditure, in real terms, 2000-2009 and 2010-2013

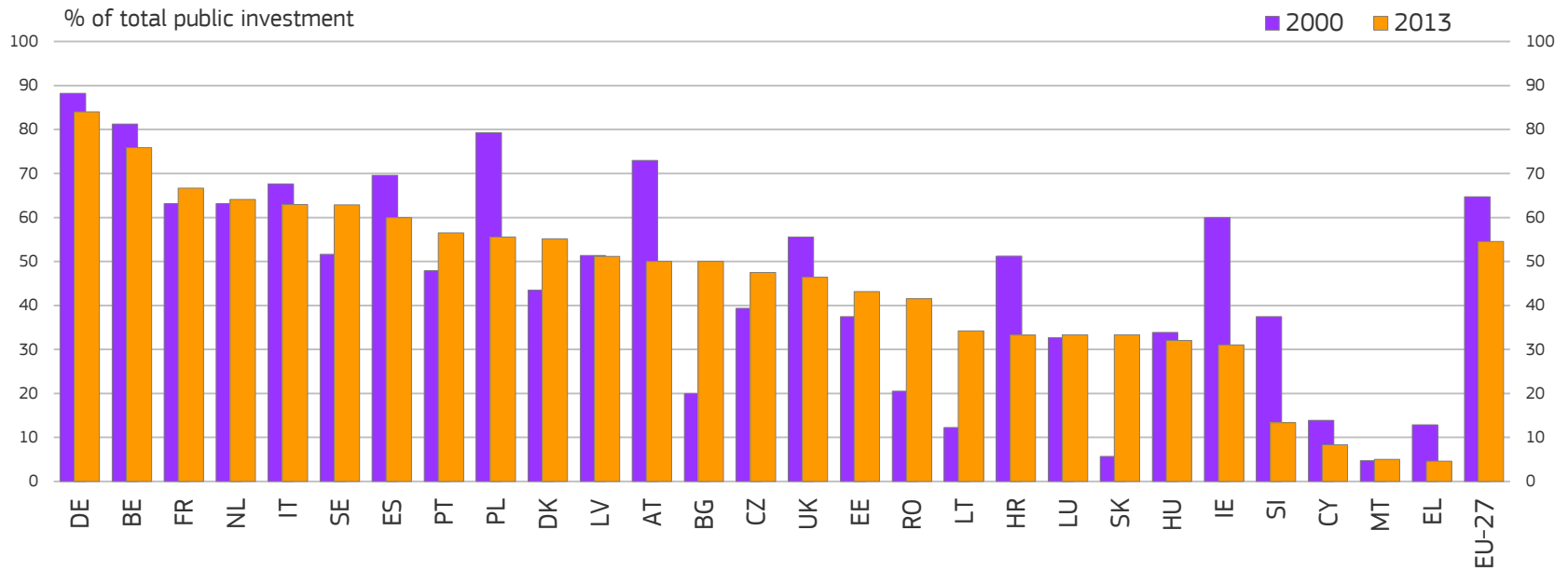


HR: 2002-2009

Source: Eurostat

Local and regional authorities spend over half of public investments

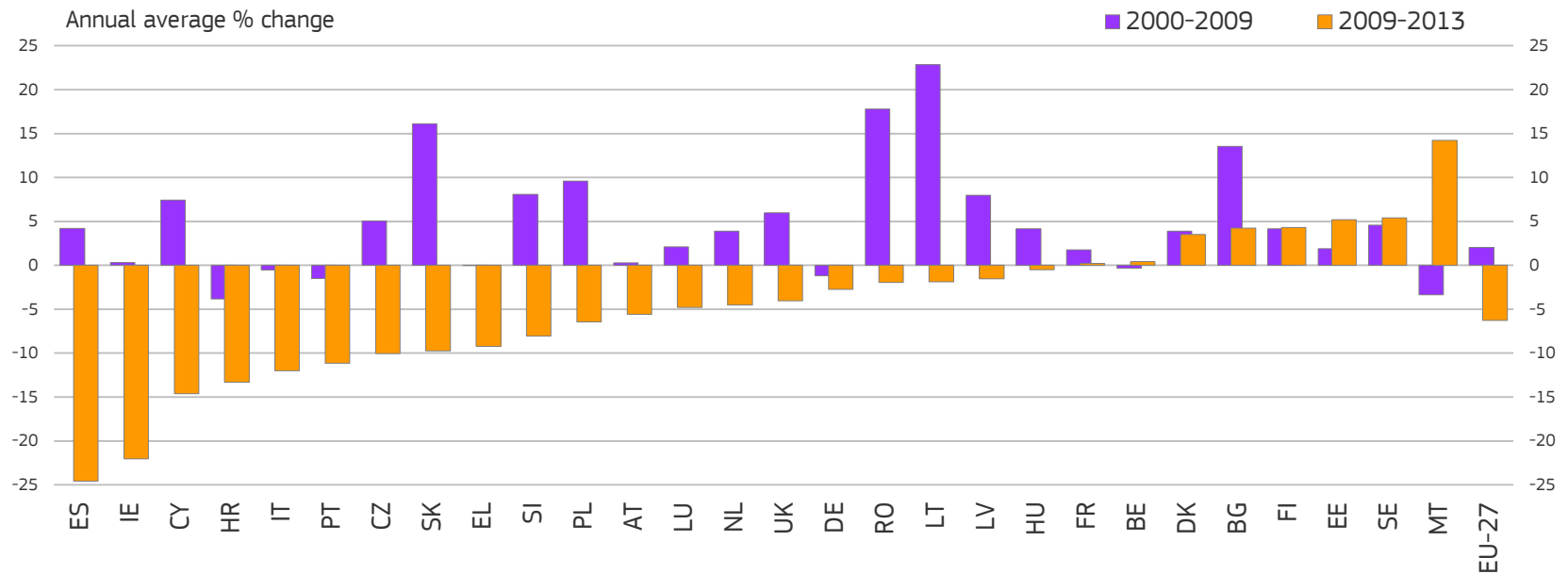
Figure 4.10 Sub-national governments investment, 2000 and 2013



Source: Eurostat

But investment dropped even faster

Figure 4.13 Average annual change in sub-national government investment, volume, 2000-2009 and 2009-2013

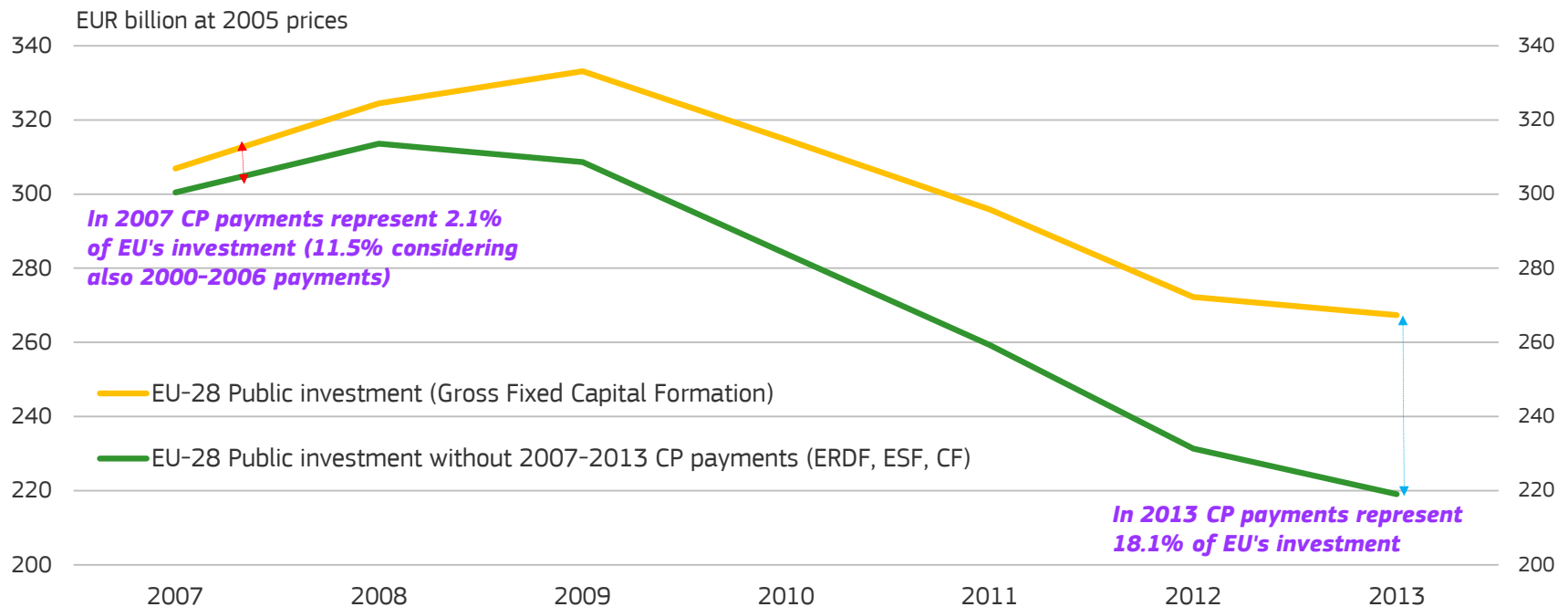


HR: 2002-2009

Source: Eurostat

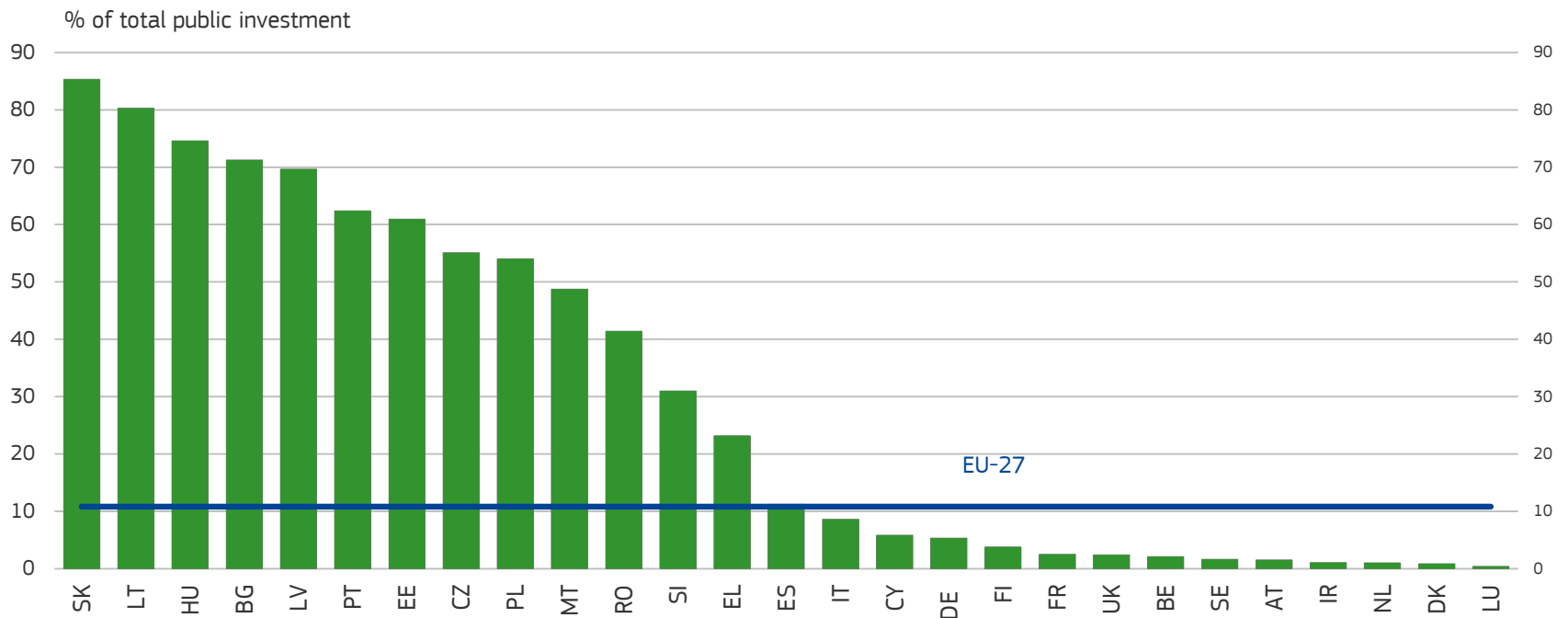
Cohesion Policy's growing share of total public investment

Contribution of Cohesion Policy (CP) to public investment, EU-28, 2007-2013



Especially in EU-12

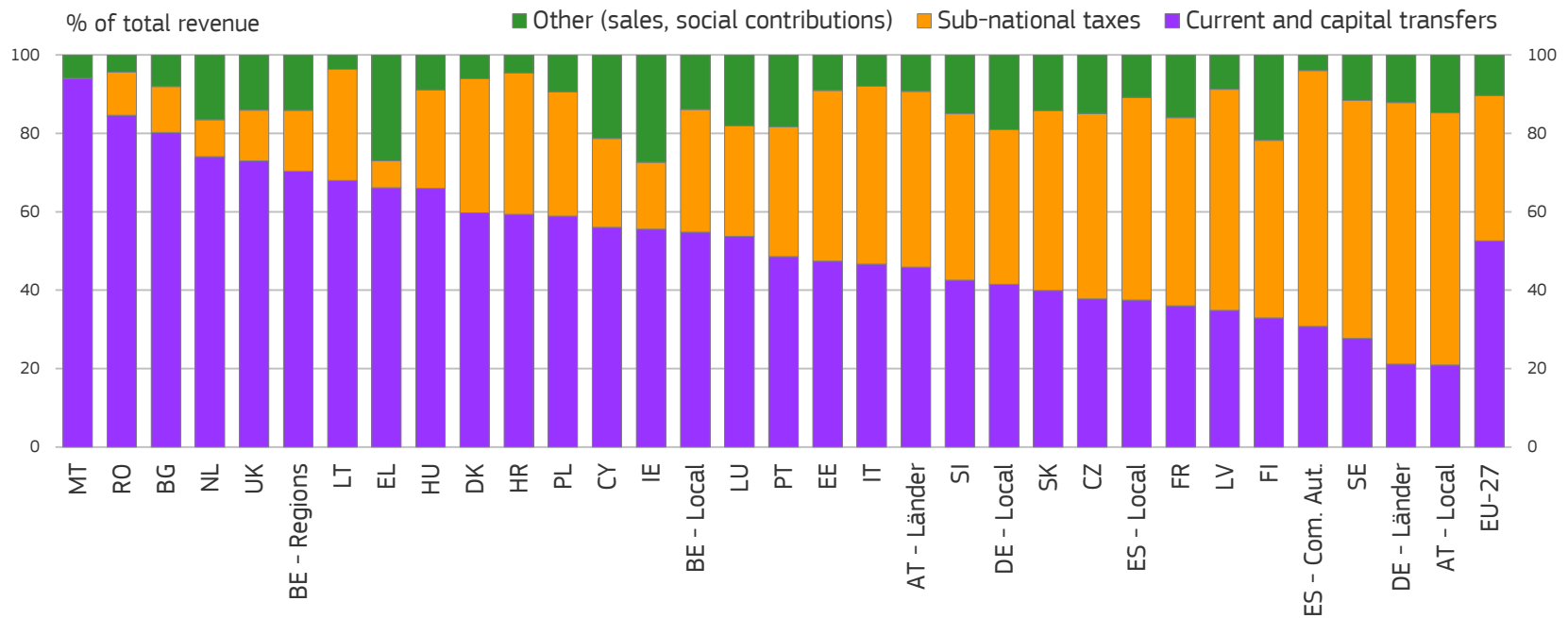
Share of ERDF, ESF and Cohesion Fund allocations and national co-financing in total public investment, average 2011-2013



Source: Eurostat, DG REGIO

Half the revenue of local and regional authorities are transfers

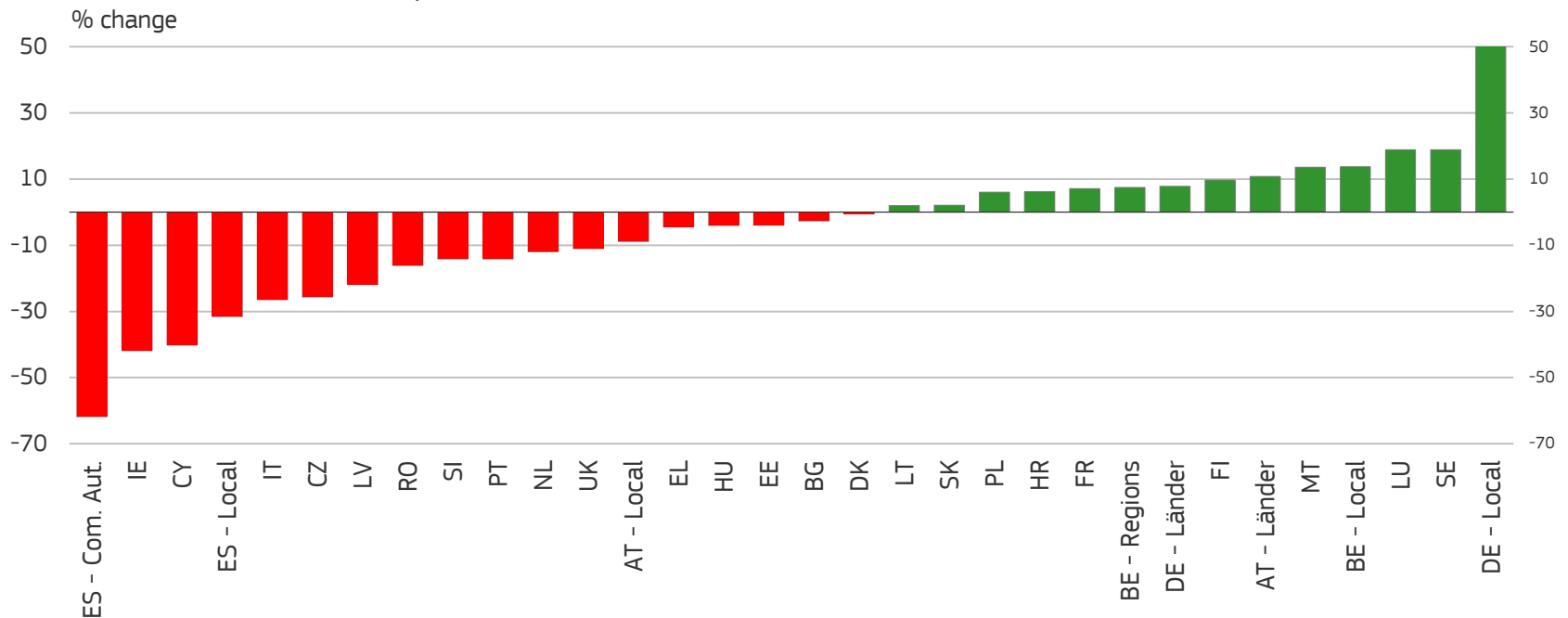
Figure 4.17 Sources of sub-national government revenue, 2013



Source: Eurostat

And net transfers dropped

Change in net transfers from central to state and local governments, in real terms, 2009-2013



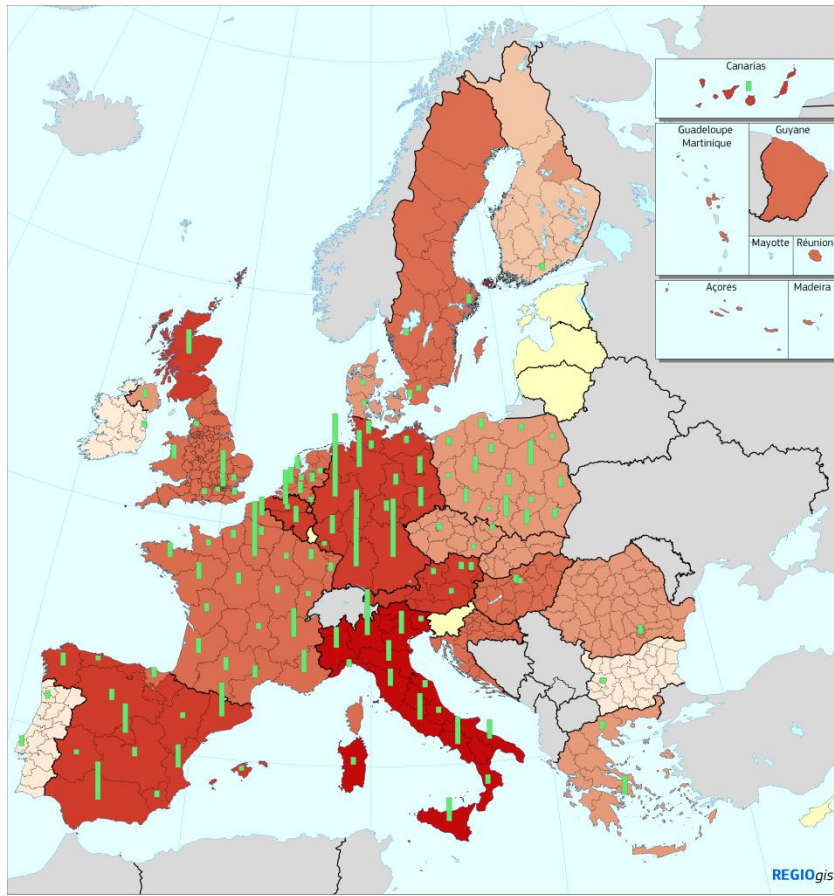


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GOOD GOVERNANCE

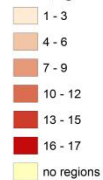


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Regional self-rule index, 2011

Index (highest value by region)

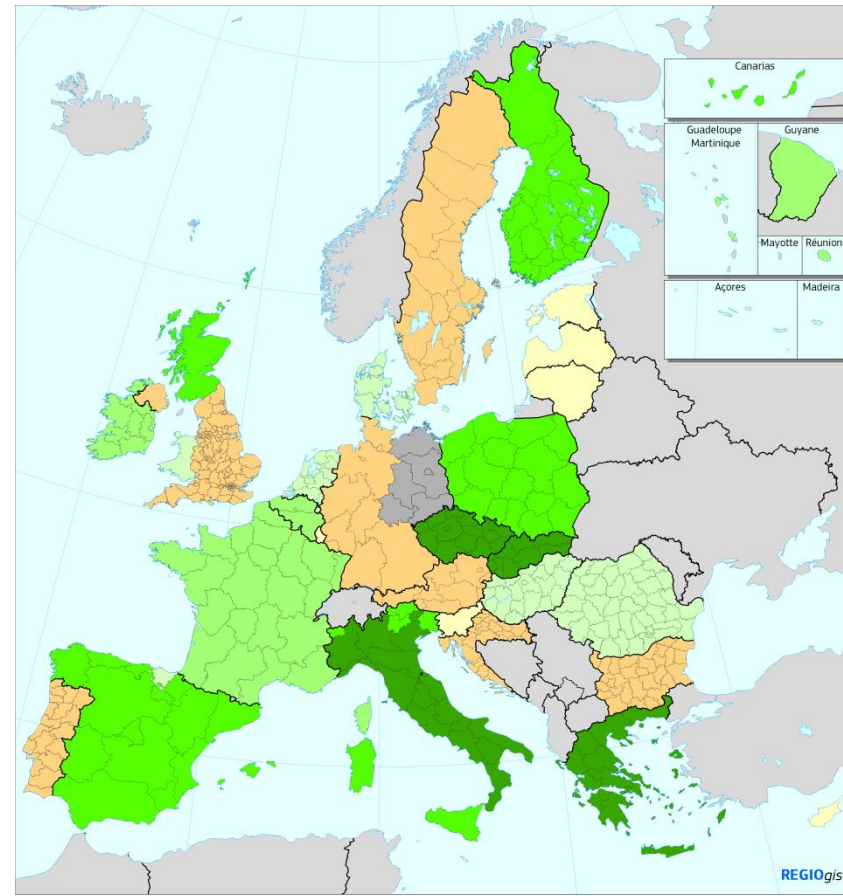


population of regions with at least 1 million inhabitants

Source: Hooghe, Marks and Schakel (forthcoming)

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Change in regional self-rule index, 1960-2011 *

Change in highest index value by region



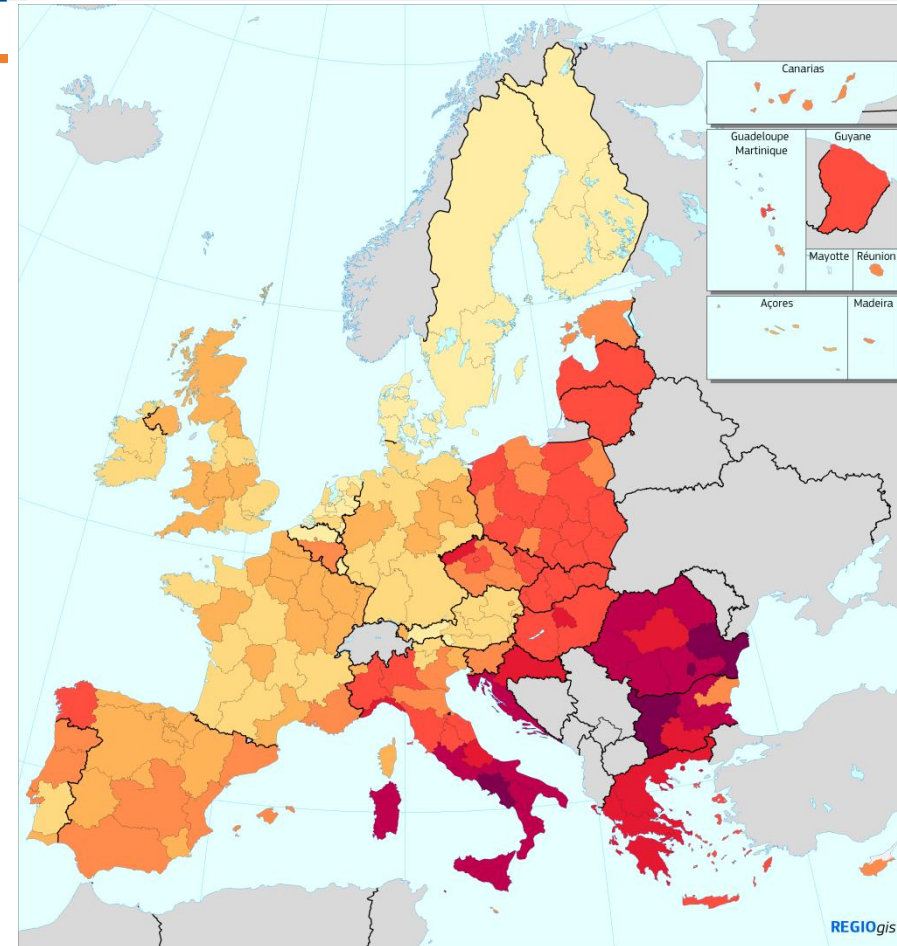
* PT: 1976-2011; ES: 1978-2011;
BG, HU, PL, RO: 1991-2011;
CZ,
HR, SK: 1993-2011
Source: Hooghe, Marks and Schakel (forthcoming),
DG REGIO

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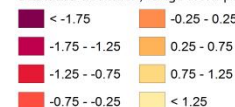
Governance

Poor governance slows down Cohesion Policy implementation, reduces its impact and hinders economic growth and entrepreneurship



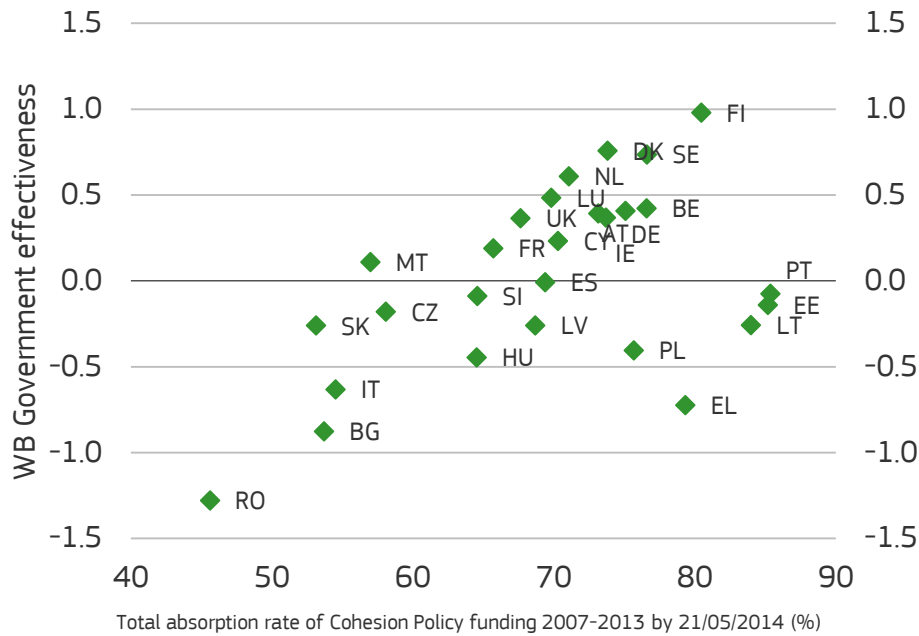
European Quality of Government index, 2013

Standard deviation, range from poor quality (negative) to high quality (positive)

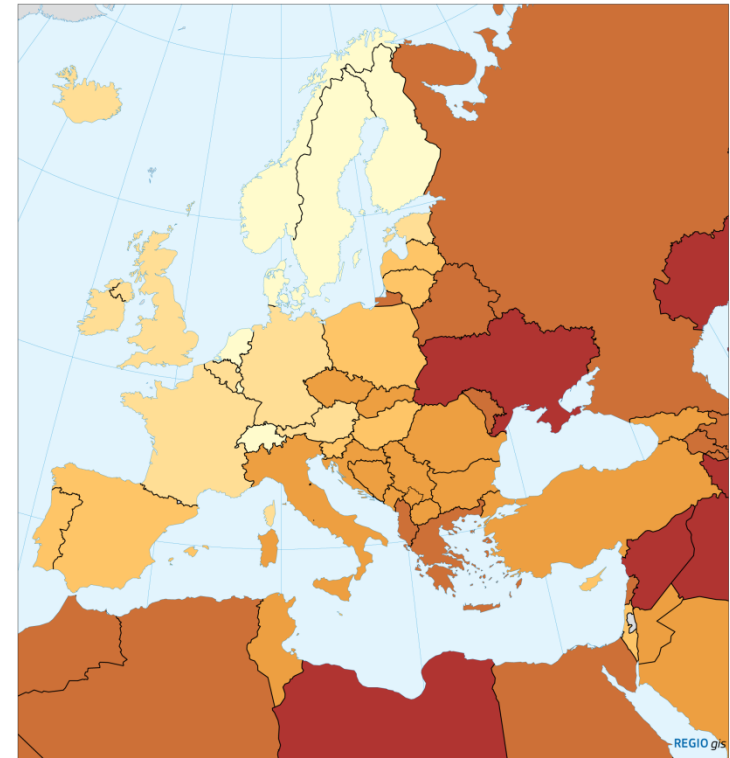


Note: EU = 0
Source: ANTICORRP, based on World Bank data and a regional quality of government survey

Absorption of Cohesion Policy funding and



Source: World Bank and SFC



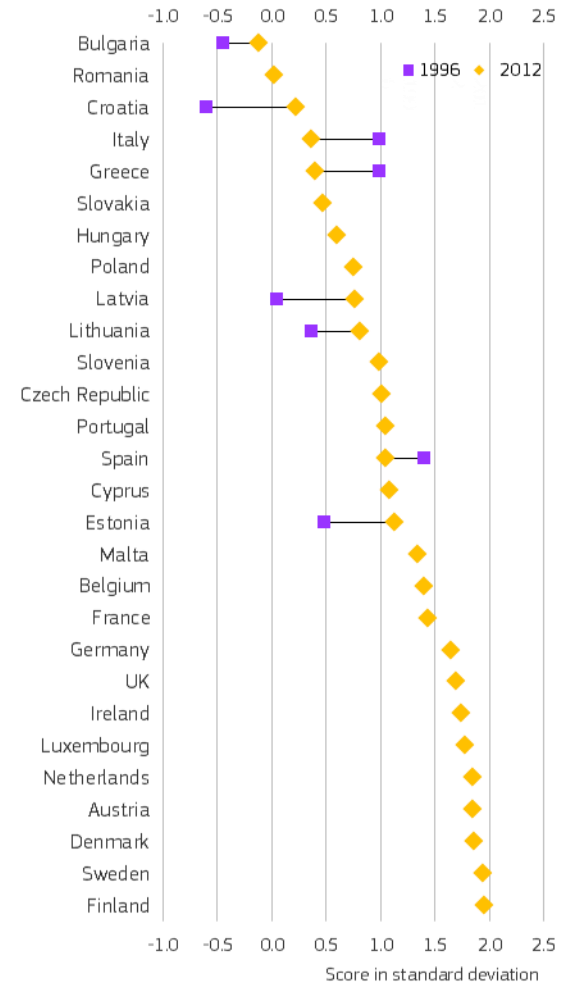
World Bank Indicators, 1996-2012

Government effectiveness



World Bank Indicators, 1996-2012

Rule of law



EVOLUTION OF COHESION POLICY

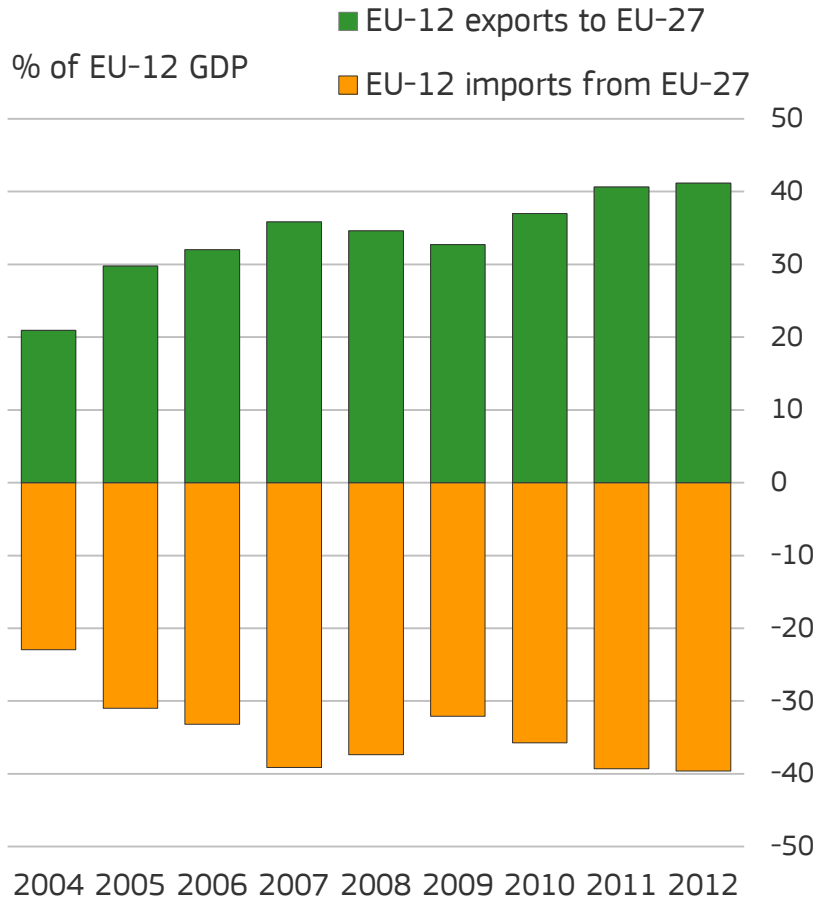
First and second nature

- *Remoteness*
- *Island*
- *Mountain*
- *Rural area*
- *Sparsely populated area*
- *Natural handicaps*
- *Under-investment in public capital stock*
- *Low accessibility*
- *Low human capital*
- *Low innovation*
- *Low institutional quality*
- *Agglomeration and clusters*

Cohesion and the single market

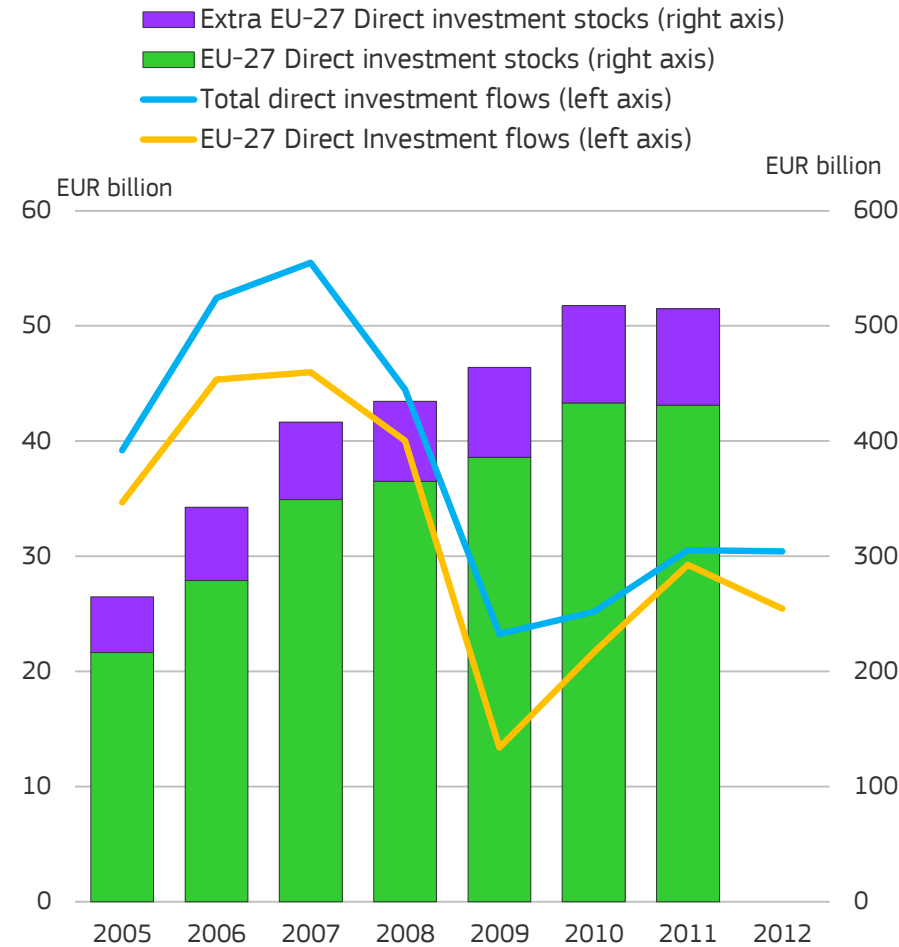
- *Single market will reduce economic growth in most less developed regions due to lack of critical mass and competitiveness*
- *Single market will help most less developed regions due to increased specialisation and comparative advantages*

Trade between the EU-12 and EU-27 relative to GDP, 2004-2012



Source: Eurostat

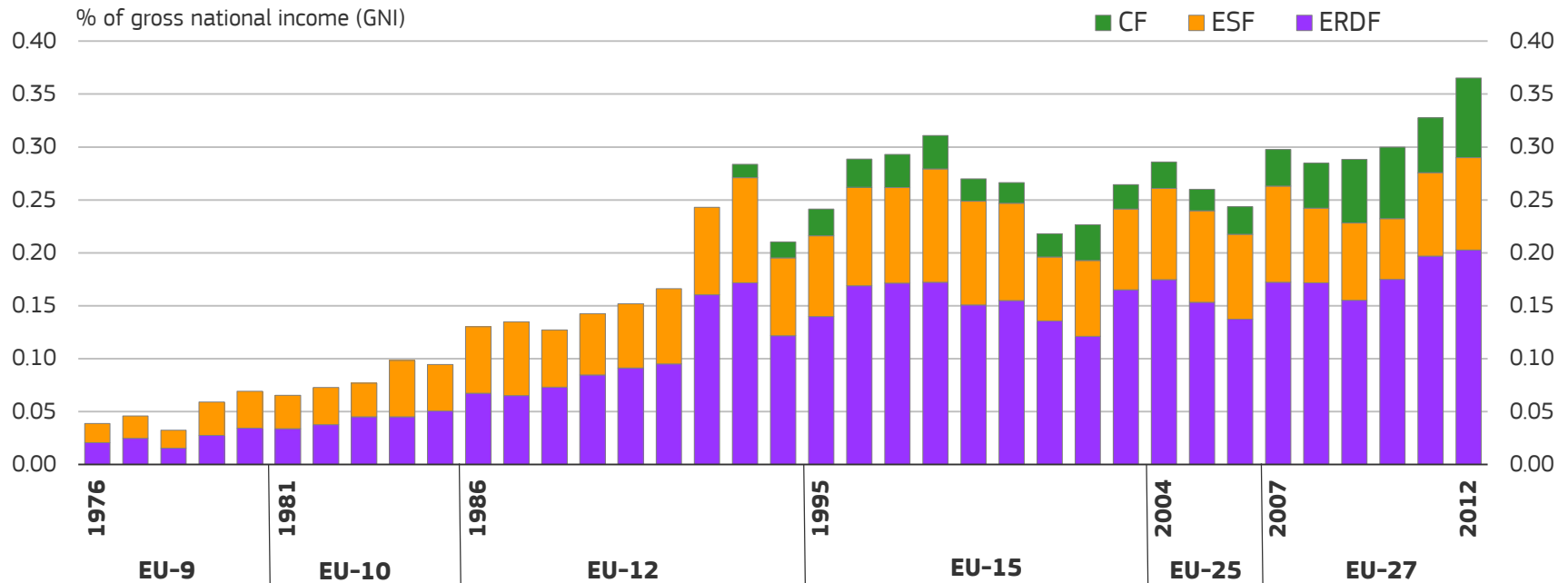
Foreign Direct Investment in the EU-12, 2005-2012



Source: Eurostat

A growing source of investment

Cohesion Policy expenditure, 1976-2012



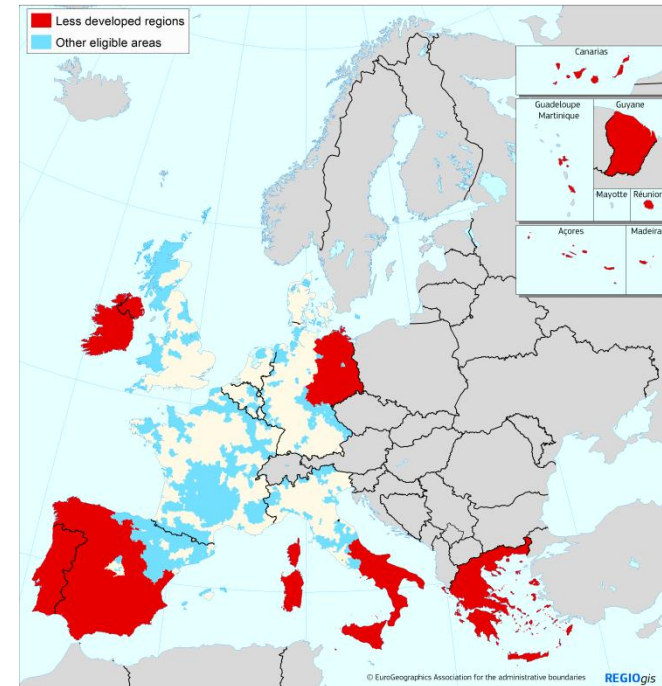
Source: DG BUDG, AMECO, DG REGIO calculations

Simplifications of categories

- *5 Categories*

Structural Funds Eligible Areas, 1989-1993

Category of areas

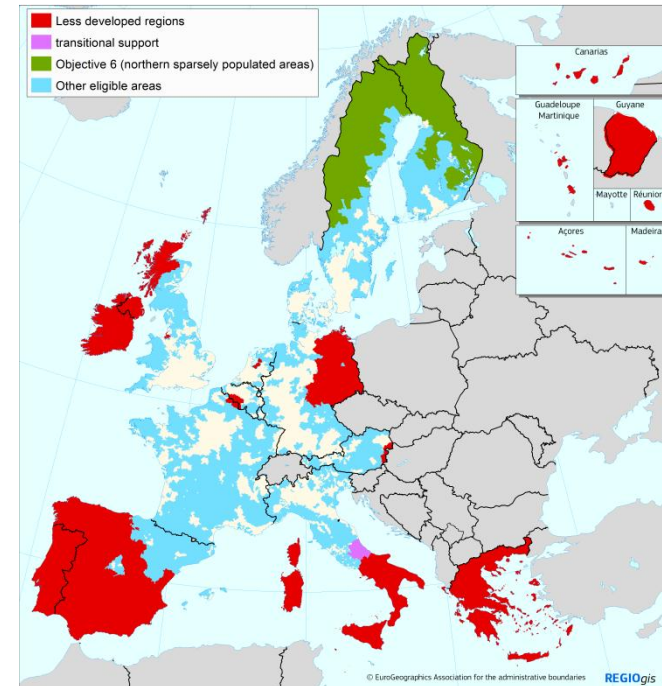


Simplifications of categories

- *7 categories including the first transition category*

Structural Funds Eligible Areas, 1994-1999

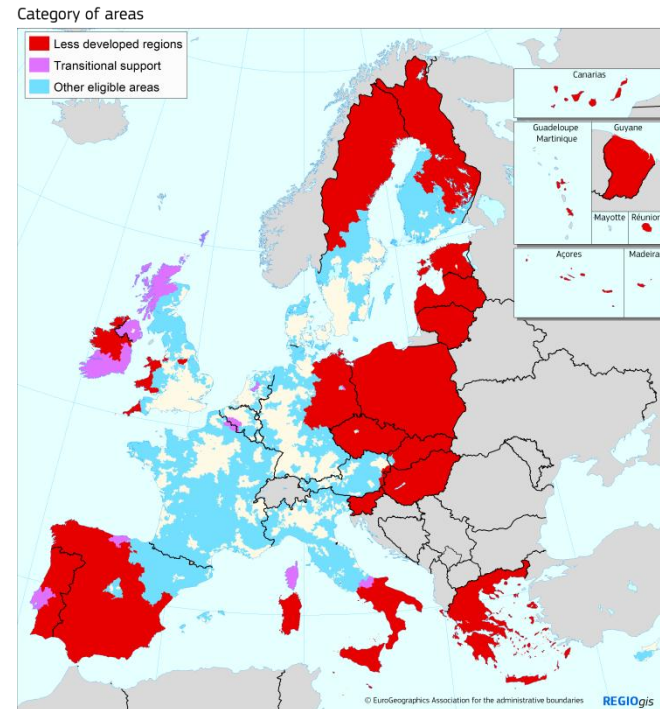
Category of areas



Simplifications of categories

- *4 categories:*
 - **Objective 1**
 - **Phasing-out**
 - **Objective 2**
 - **Objective 3 (ESF)**

Structural Funds Eligible Areas, 2000-2006

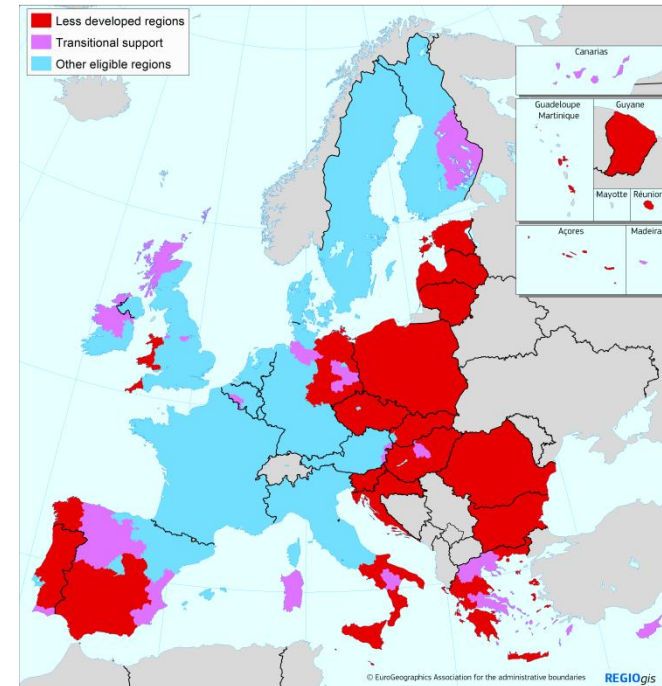


Simplifications of categories

- *3 categories*
- *Full coverage*

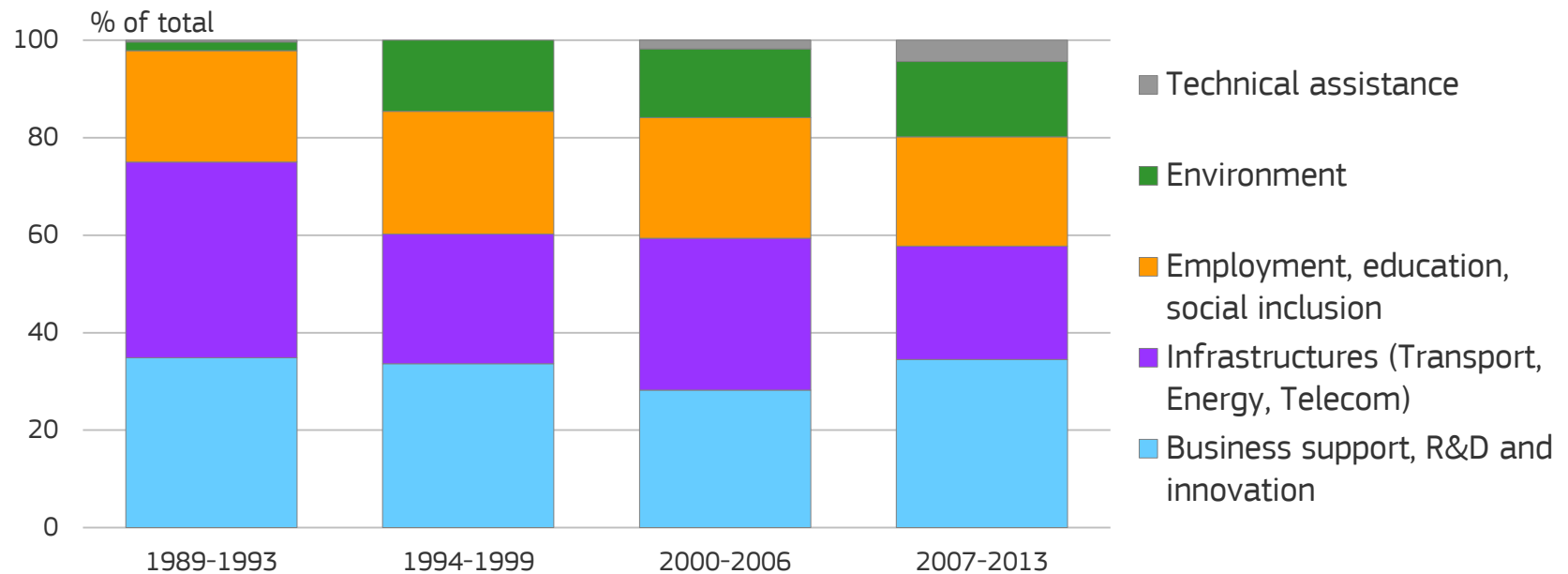
Structural Funds Eligible Areas, 2007-2013

Category of areas



A stronger focus on key priorities

Composition of Cohesion Policy investment in less developed regions, 1989-2013



Source: DG REGIO

IMPACT OF COHESION POLICY

Impact on EU economies

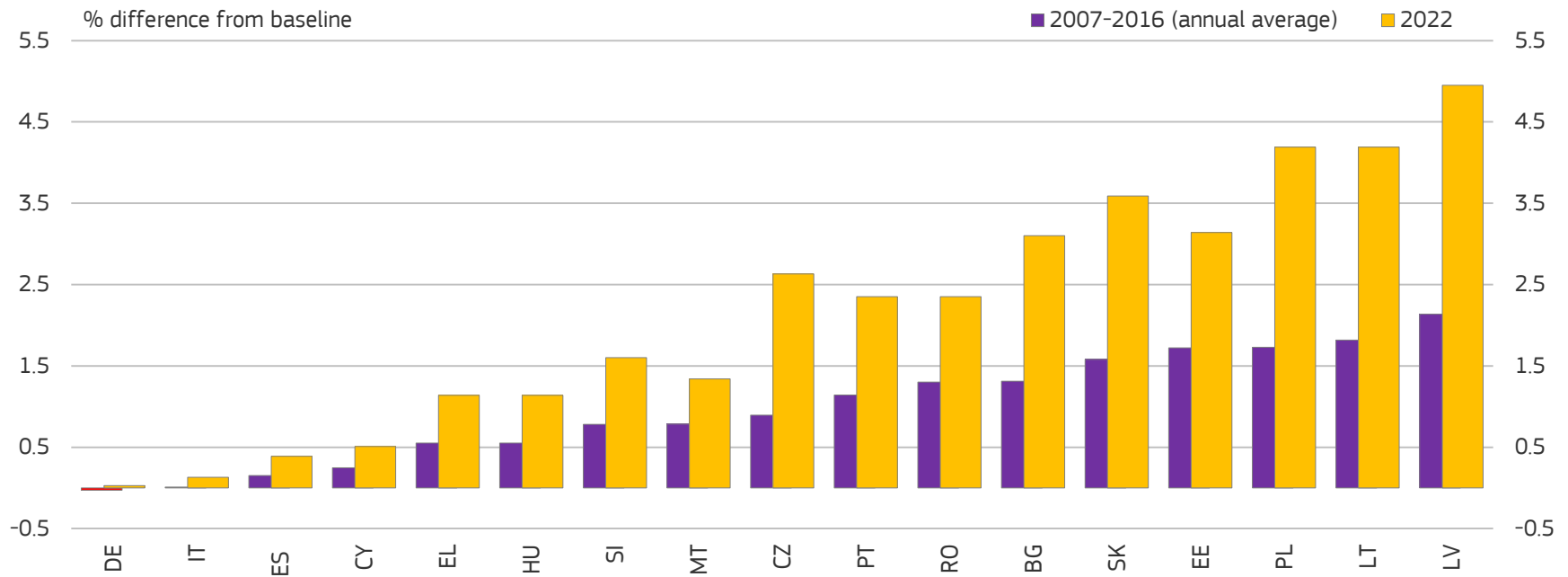
Evaluations have shown that cohesion investments have contributed to improving the structure of the EU economies by:

- enhancing the performance of enterprises, increase their investment and employment, particularly for SMEs.
- increasing firms activities in R&D and their capacity to innovate
- improving public infrastructure
- improving the matching between supply and demand on the labour market

At the macro level, model simulations show that Cohesion Policy has a significant impact on GDP, in particular in the Member States which are the main beneficiaries of the policy.

Big impacts on Poland and Baltic States

Estimated impact of Cohesion Policy for the 2007-2013 period on GDP



Source: QUEST

Tangible benefits of cohesion policy in 2007-2013

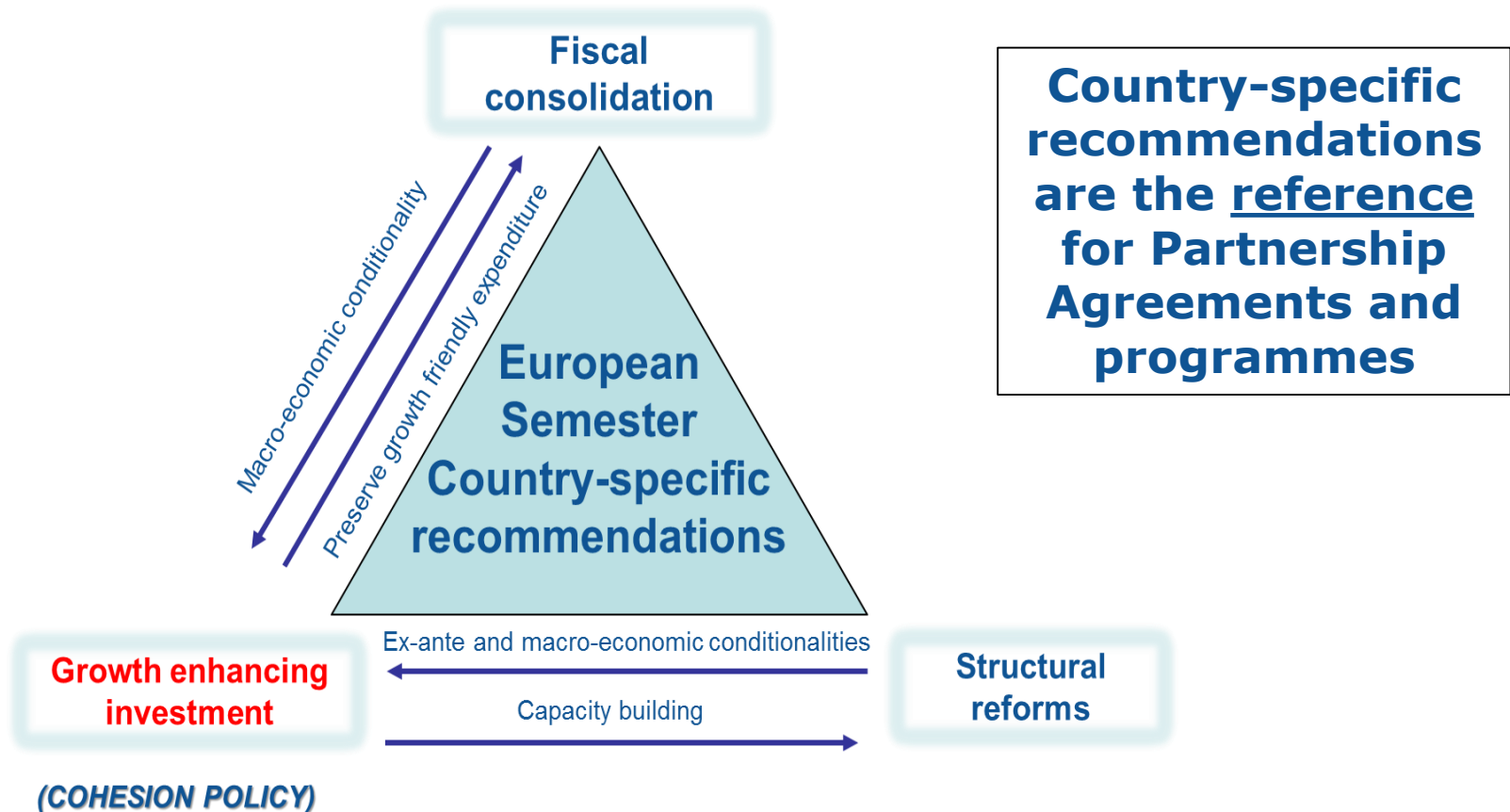
- 594 000 jobs created – at least 262 000 in SMEs
- 77 800 start-up companies supported
- 2 700 KM of new or reconstructed railways
- 25 800 KM of new or reconstructed roads
- Broadband access for 5 million citizens
- Access to clean drinking water for 3.2 million citizens
- ESF: 15 million participants per year
- 940 financial instruments in 25 Member States rising EUR 12.6 billion € OP funding (including EUR 8.36 billion structural Funds) for equity, loans and guarantees



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COHESION POLICY 2014-2020

Cohesion Policy 2014-20 in the EU economic policy mix



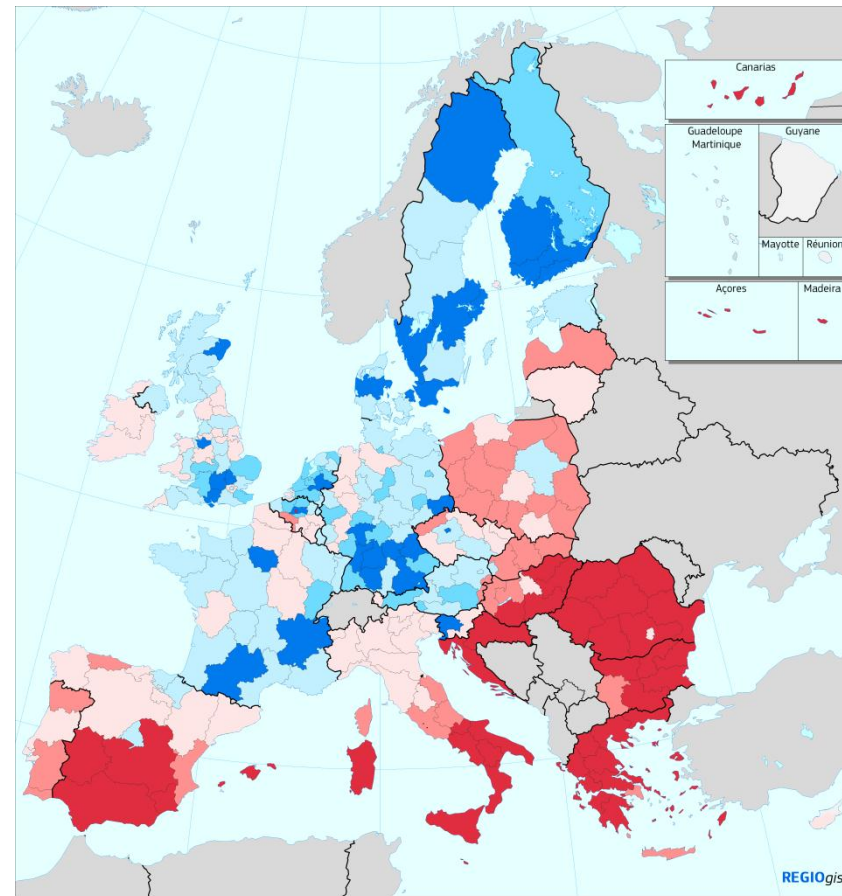
Country-specific recommendations are the reference for Partnership Agreements and programmes

Cohesion Policy 2014-2020

- *Focus on growth-enhancing investments*
- *Concentration on Europe 2020 priorities*
- *Improving governance*
- *Linked to the European Semester*
- *Linked to structural reform through ex-ante conditionalities*

Europe 2020

- *Less developed regions furthest removed from both EU and national 2020 targets*



Europe 2020 Index - 2011

Index of distance to EU targets



Low = far from target
High = close to target

EU average = 0.82

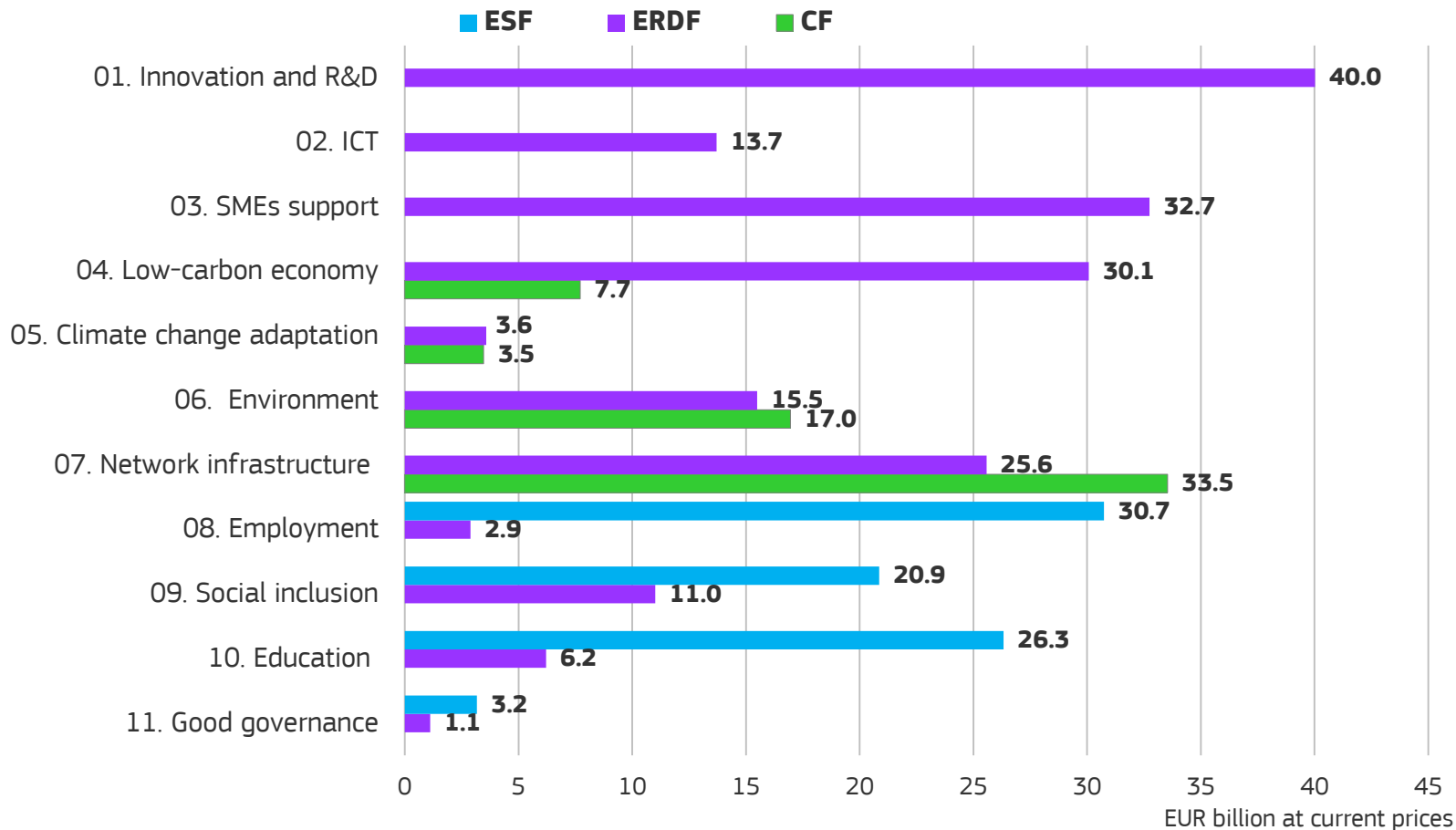
This index takes into account the following indicators:

Employment, R&D spending, Education (ESL and TERT) and fighting poverty and social exclusion (AROPE)
Source: JRC

0 500 Km

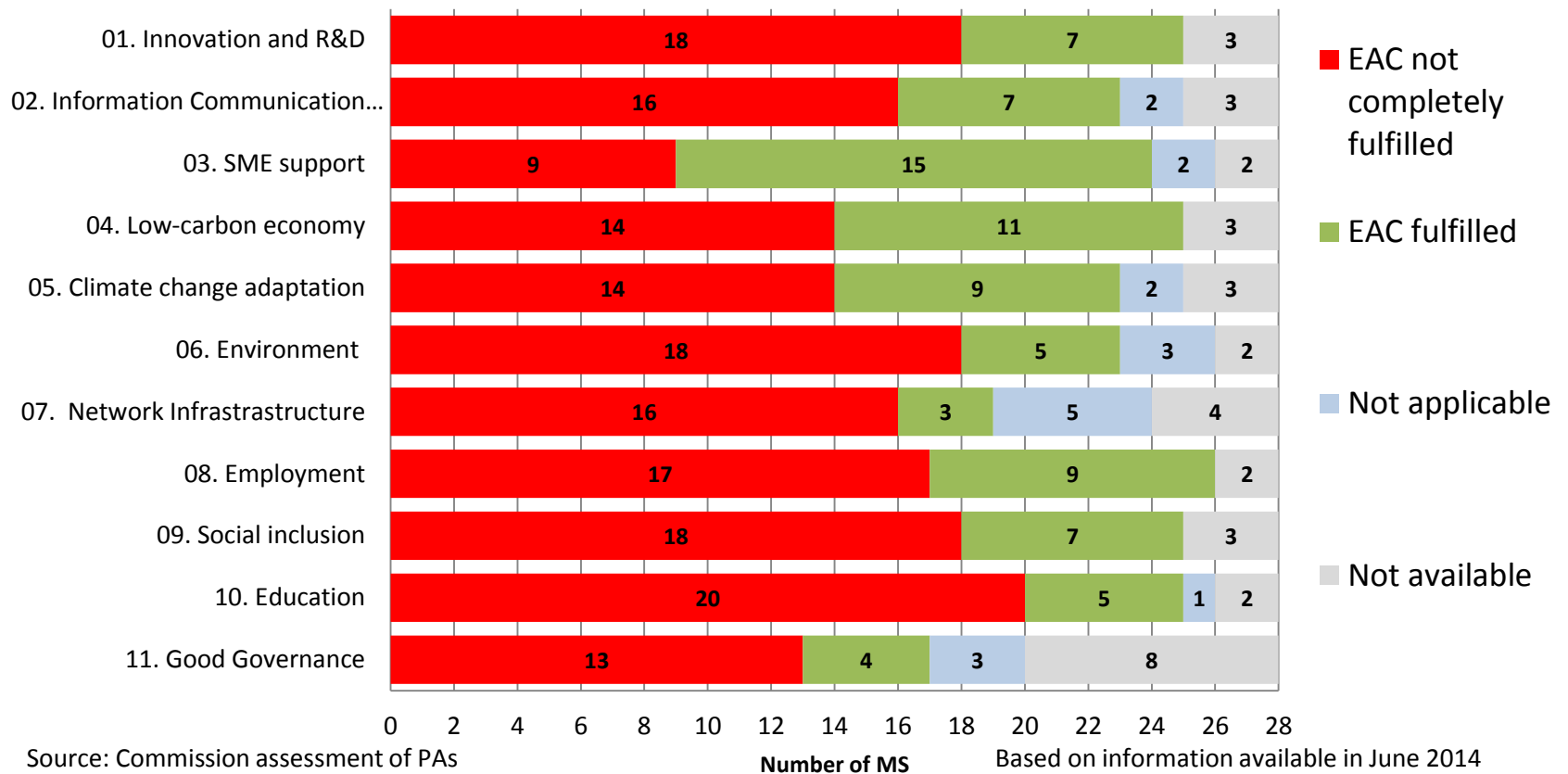
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Allocation to thematic objectives by Fund (EUR), 2014-2020

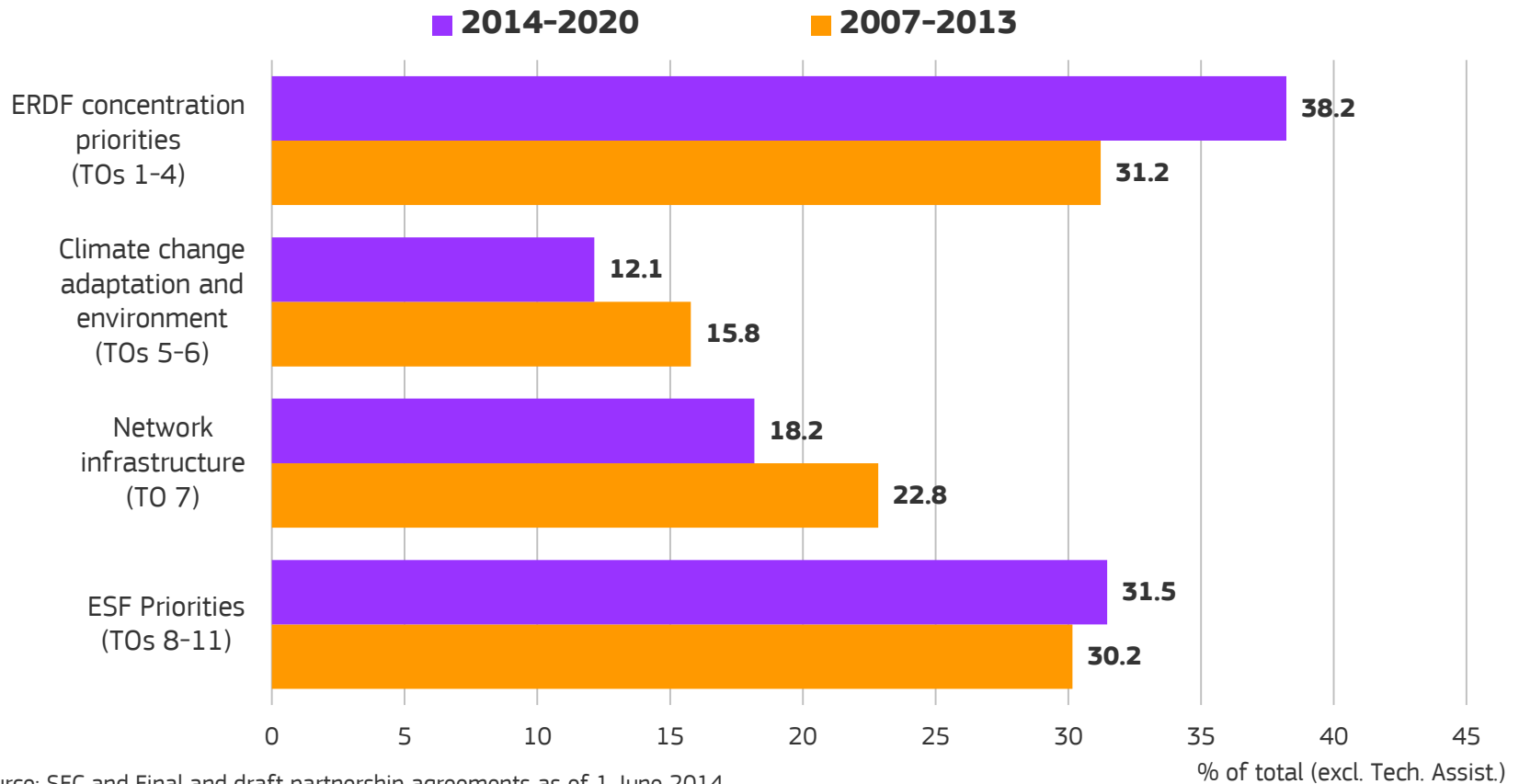


Source: Final and draft partnership agreements as of 1 June 2014

Ex-ante conditionality is challenging



Allocation by thematic objective, EU-28, 2014-2020 and



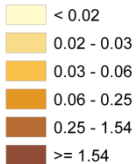


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Poland
Short run impact on GDP of a reduction in transport costs in five Polish regions

% above baseline



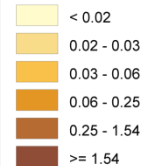
0 120 Km

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Poland
Long run impact on GDP of a reduction in transport costs in five Polish regions

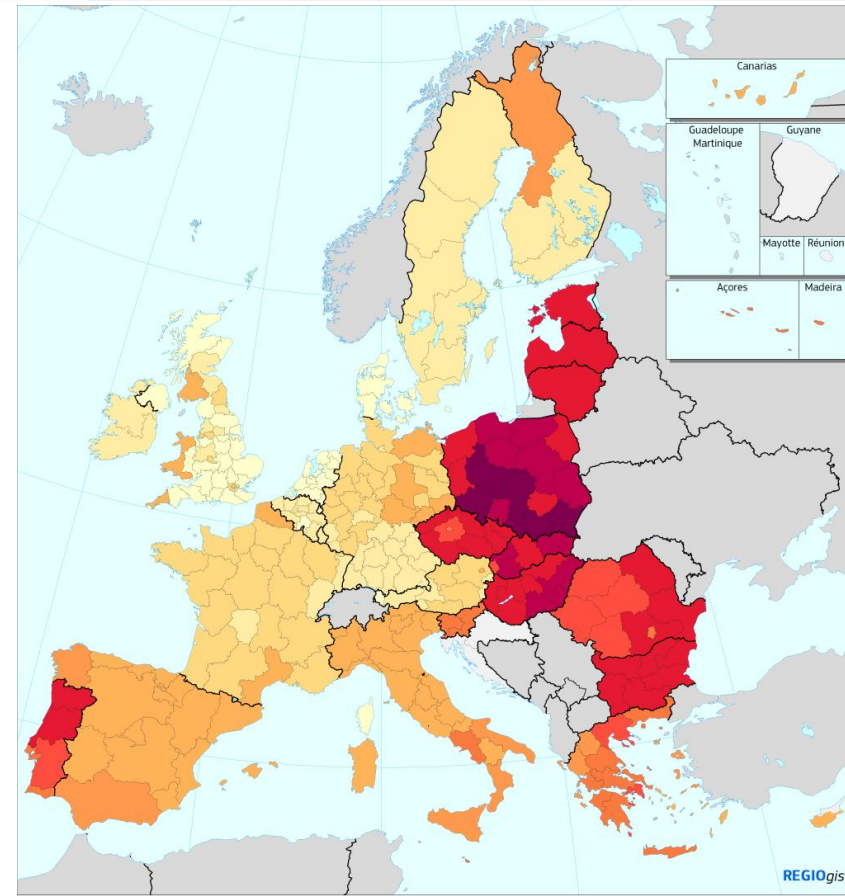
% above baseline



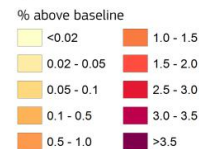
0 120 Km

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- *Cohesion Policy will significantly boost GDP per head in less developed regions*
- *The impact over time will spread to main trade partners*
- *Better core TEN-T network strengthens market integration and specialisation.*



Impact of the 2014-2020 cohesion policy programmes on GDP, 2030



Source: RHOMOLO

0 500 Km

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Conclusions

- *Real challenges*
 - **Regional economic disparities**
 - **Increasing unemployment, poverty and exclusion**
- *Real impact*
 - **Growth and jobs, innovation, networks, sustainable development**
- *Real change*
 - **Linked to Europe 2020 and the European Semester**
 - **Concentrated on EU priorities**