

EU budget: Commission helps prepare new Cohesion programmes with Regional Competitiveness Index and Eurobarometer

Today the Commission publishes the [2019 Regional Competitiveness Index](#) and a [Eurobarometer on Regional Policy](#). This will help authorities in the Member States in charge of designing the future Cohesion Policy programmes for the 2021-2027 EU budget period to evaluate public opinion, identify regional assets and better focus investments.

Negotiations on the [next EU budget for 2021-2027](#) and [the future Cohesion Policy](#) are ongoing with the European Parliament and the Member States. In parallel, [the Commission has started a discussion](#) with all EU countries on the priorities of the future Cohesion Policy programmes. This is so EU investments can reach the ground as soon as possible. The Competitiveness Index and the Eurobarometer aim to feed into this programming process.

Commissioner for Neighbourhood Policy, Enlargement Negotiations and Regional Policy, Johannes **Hahn** said: *“The sooner the new Cohesion Policy programmes are ready, the sooner EU funds can deliver on the ground. The Commission is actively helping Member States design their programmes and both the Regional Competitiveness Index and Eurobarometer published today provide useful insight on where to direct EU and public investments.”*

The Regional Competitiveness Index 2019

Updated every three years, the [Regional Competitiveness Index](#) allows regions to monitor and assess their development over time and in comparison with other regions.

With its interactive web tool, policy-makers and citizens alike can see how their region scores in terms of innovation, governance, transport, digital infrastructure, health or human capital. By helping regions to identify their strengths and their weaknesses and to target public investments, the index can be a powerful tool in the preparation of the new programmes.

The Eurobarometer on citizens' awareness and perception of Regional Policy

The [Eurobarometer Flash survey](#) on citizens' awareness and perception of Regional Policy shows that the vast majority of Europeans (81%) believe EU-funded projects have a positive impact on their life – when they are actually aware of those projects (only 40%).

The Commission has stressed the need for more communication from programme authorities and beneficiaries on EU-funded projects and laid out new requirements in its proposal for the next Cohesion Policy. This includes a

communication plan for all programmes, social media activities and the organisation of events around important projects.

According to the Eurobarometer, most respondents said that EU should invest more in education, health or social infrastructures (91%), the environment (90%) and should focus on regions with high unemployment (69%), deprived urban areas (54%) and remote and mountain areas (52%).

This is in line with the policy priorities that the Commission proposed for the next Cohesion Policy and it provides insights on citizens' priorities at country level; breakdown of answers by country are available [here](#).

Background

Following [its proposal for the future Cohesion Policy](#) tabled on 29 May 2018, the Commission has been supporting Member States in the programming exercise, to allow for a swift start of investments on the ground.

In particular, the Commission has issued a large [simplification package](#), country-specific investment guidance as part of the [European Semester](#) and such tools as the Regional Competitiveness Index or the Eurobarometer on Regional Policy.

They are presented in the context of the [2019 European Week of Cities and Regions](#), which kick-starts in Brussels today.

For More Information

[EU Regional Competitiveness Index 2019](#)

[Flash Eurobarometer 480 on citizens' awareness and perceptions of Regional Policy](#)

[Article – Tuesday's commissioner hearings: Dombrovskis, Vestager and Timmermans](#)

Valdis Dombrovskis



Margrethe Vestager



Frans Timmermans



Before the European Parliament votes the new European Commission, led by [Ursula von der Leyen](#), into office, parliamentary committees assess the suitability of the commissioners-designate.

Each candidate commissioner is invited to a live-streamed, [three-hour hearing](#) in front of the committee or committees responsible for their proposed portfolio. The hearings take place between Monday 30 September and Tuesday 8 October.

[Learn more about the hearings process.](#)

[EU boosts its partnership with Cabo Verde](#)

Commissioner for International Cooperation and Development Neven **Mimica** is on an official visit to Cabo Verde, a country with which the EU has a special partnership since 2007. The visit takes place as a follow-up of the meeting between President Jean-Claude **Juncker** and President Jorge Carlos Fonseca on 18 June 2019.

Ahead of the visit, commissioner **Mimica** said: *"I am here to recall the*

longstanding relations and the importance of our special partnership which has already delivered good results in the areas of migration and mobility, trade, renewable energy, sustainable fisheries, and maritime security. In the framework of the Africa-Europe Alliance for Sustainable Investment and Jobs, we are committed to strengthen it even further.”

During his visit, commissioner **Mimica** is announcing an EU co-funded project (€3.5 million) in the area of sustainable urban development to improve water and sanitation infrastructure for the city of Praia. The project will be carried out in partnership with the city of Madrid.

Commissioner **Mimica** is also meeting with the President of Cabo Verde Jorge Carlos Fonseca, the Minister of Foreign Affairs, Communities, and Defence Luís Felipe Tavares, and the Vice Prime Minister and Minister of Finance/NAO, Olavo Avelino Garcia Correia.

At the occasion of his visit, the Commissioner will visit several EU funded projects, such as the solid waste treatment centre located on Santiago island. He will furthermore visit the cultural visitor centre and EU square in Cidade Velha, the Amilcar Cabral Foundation and its museum to the memory of this leader of the Independence.

Background

The EU's Special Partnership with Cabo Verde dates back to 2007. It includes a regular political dialogue and the promotion of policy convergence through cooperation for sustainable development. The partnership is based on close human and cultural links, shared political values as well as common interests. It provides a framework for close cooperation under six pillars: good governance; security and stability, including increased cooperation in fighting illegal migration, drug-trafficking and organised crime; regional integration; technology and standards convergence; knowledge-based society; poverty alleviation and development. Furthermore, two years ago, on the 10th anniversary of the Special Partnership, additional areas for cooperation were added: investment, jobs and growth; ocean governance and blue economy and reform of the administration.

For the period 2014-2020, the EU has allocated €79 million under the 11th European Development Fund to Cabo Verde, notably in the area of good governance to reduce poverty and boost growth, security, information society, regional integration, normative and technical convergence.

More information

[EU's cooperation with Cabo Verde](#)

The Council adopts conclusions on the circular economy

EU environment ministers unanimously support further ambitious efforts to stimulate a systemic transition to a sustainable society.

The Council today adopted conclusions on **“More circularity – Transition to a sustainable society”**.

Recently adopted EU legislation helps tackle marine litter from plastics, improves chemicals management and increases the recycling of materials. The Council stresses in its conclusions that **further ambitious efforts are needed** to stimulate a systemic transition to a sustainable society. The circular economy is an important driver for cutting greenhouse gas emissions, respecting the planetary boundaries as well as reaching the UN Sustainable Development Goals.

The Council invites the Commission to come up with **an ambitious long-term strategic framework**, including a common vision for a circular economy and to adopt **a new circular economy action plan** with targeted actions.

The Council calls for action to **promote circularity systemically across the value chain**, including from the consumer perspective, in key sectors including **textiles, transport, food as well as construction and demolition**. The Council also stresses the need for more measures on **batteries and plastics**.

In its conclusions, the Council highlights that **ecodesign** principles have helped make an increasing number of energy-related products more energy-efficient, and tasks the Commission with assessing whether ecodesign principles could be **applied to new product groups** (for example information and communications technology products) and, if appropriate, to put forward a legislative proposal. The Council asks the Commission to broaden the scope of eco-design measures by including criteria on material efficiency such as **durability, reparability, recyclability and recycled content**.

The conclusions encourage the use of **economic instruments**, such as environmental taxation, green tax reforms and extended producer responsibility schemes, to promote the circular economy, more sustainable production and consumption patterns, and improved waste management. The Council highlights that the procurement of products and services can boost circular markets and investments in clean, safe, non-toxic and sustainable cycles. Businesses and the financial sector should be encouraged to use clear and comparable environmental performance targets to guide their investments.

[Visit the meeting page](#)

[Mergers: Commission opens in-depth investigation into joint ventures proposed by Boeing and Embraer](#)

The European Commission has opened an in-depth investigation to assess the proposed creation of two joint ventures by aircraft manufacturers Boeing and Embraer, under the EU Merger Regulation. The Commission is concerned that the transaction may reduce competition as regards commercial aircraft.

Commissioner Margrethe **Vestager**, in charge of competition policy, said: *“Markets for commercial aircraft need to function well to deliver innovative and efficient products to customers at a fair price. Therefore, with our in-depth investigation, we want to make sure that mergers in commercial aircraft do not significantly reduce effective competition on prices and product development.”*

The planned transaction consists in the creation of:

- (i) a joint venture solely controlled by Boeing that would take over Embraer’s global commercial aircraft business (product development, production, marketing, services), and
- (ii) a joint venture jointly controlled by the two companies that would be in charge of the marketing of the Embraer KC-390 military aircraft.

The parties compete mainly in the markets for commercial aircraft. **Boeing** is besides Airbus one of the two leading globally active manufacturers of commercial aircraft, in particular as regards single-aisle and twin-aisle large commercial aircraft. Within the single-aisle market (100-225 seats), Boeing offers the 737 MAX family of aircraft. **Embraer** is the leading globally active manufacturer of regional jets and offers the E2 family of aircraft, which serve both the regional jet market (below 100 seats) and the lower end of the single-aisle market.

The Commission preliminary competition concerns

At this stage, the Commission is concerned that the proposed transaction may remove Embraer as the third largest global competitor in the already highly concentrated commercial aircraft industry. Potential entrants from China, Japan and Russia seem to face high barriers to entry and expansion and may be unable to replicate within the next five or even ten years the competitive constraint currently exerted by Embraer. The transaction may therefore result in higher prices and less choice.

In particular:

- As regards the segment for small single-aisle commercial aircraft (100-150 seats), Boeing and Embraer have an aircraft offering that appears to target, at least to a certain extent, the same demand and customers. While they face important competition from Airbus, Boeing and Embraer also seem to engage in head-to-head competition as regards price and other parameters in important aircraft purchasing campaigns globally and in the European Economic Area (EEA).
- As regards the overall single-aisle market (100-225 seats), Embraer has been steadily expanding its customer base as well as its technical and commercial capabilities to bring new aircraft models to the market. Despite Embraer's comparatively small market share it also seems to exert some price constraint on the market leaders Boeing and Airbus even beyond the boundaries of the lower 100-150 seats segment. The transaction may therefore eliminate a small but important competitive force in the concentrated overall single-aisle market.

The Commission will now carry out an in-depth investigation into the effects of the proposed transaction to determine whether it is likely to significantly reduce effective competition.

The transaction was notified to the Commission on 30 August 2019. Boeing and Embraer have decided not to submit commitments during the initial investigation to address the Commission's preliminary concerns. The Commission now has 90 working days, until 20 February 2020, to take a decision. The opening of an in-depth investigation does not prejudice the outcome of the investigation.

Companies and products

Boeing, based in the US, designs and manufactures large commercial aircraft and defence, space and security systems. It also provides aftermarket services.

Embraer, based in Brazil, designs and manufactures regional and small commercial aircraft, business executive jets and military aircraft.

Merger control rules and procedure

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the [Merger Regulation](#)) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II).

In addition to the current transaction, there are two on-going phase II merger investigations: the [proposed acquisition of Lotos by PKN Orlen](#) and the [proposed acquisition of Bonnier Broadcasting by Telia Company](#).

More information will be available on the competition [website](#), in the

Commission's public [case register](#) under the case number [M.9097](#).