<u>Future EU budget: Undermining Cohesion</u> <u>Policy risks undermining Europe's</u> future

CoR calls on EU Member States to express support for a strong Cohesion policy for all regions at next European Council

☐The President of the European Committee of the Regions, Karl-Heinz Lambertz, warned today that EU cohesion funds must not be cut and must continue to be made available for all regions and cities if the European Union wanted a more united, inclusive, greener and prosperous future. President Lambertz was reacting to a document released today by the European Commission which sets out options for the EU budget post-2020, and includes significant reductions of the funds for EU cohesion policy.

Commission which recognise the added value of cohesion policy, and more recently support shown by the Portuguese, Italian and German governments, President Lambertz, said: "The next EU budget will define the future of the European Union. As the EU's main investment and solidarity tool, cohesion policy creates jobs, supports SMEs, fosters innovation and tackles climate change. Undermining cohesion would undermine the future unity of an EU of 27. The EU's Rome Declaration made only last year supports a Europe that allows every level of government, including local and regional authorities, to strengthen "Europe's innovation and growth" potential. The European Council and Commission openly recognise the positive impact cohesion policy has had, which is why the next EU budget must continue to invest the same amount that it currently received in the current programming period — 34.2% ".

With discussions on the next Multiannual Financial Framework (MFF) — which sets out the annual expenditure ceilings for all EU policies for 2021-2027 — on the agenda of the next informal EU Council meeting (23 February) and with the European Commission's proposal expected on 2 May, local and regional governments are concerned that new priorities, such as security and migration, will trigger a reduction in cohesion policy.

President Lambertz reiterated a recent call by the European Committee of the Regions — the EU's assembly of 350 local and regional leaders — that Member States should increase their contributions to the next EU budget from 1.1% to 1.3% of the Gross National Income, a position shared by the European Parliament. " If we want a Europe of ambition, we need a budget of ambition. The EU should be doing more with more: we will never achieve a truly social, inclusive and greener Europe that improves the lives of every citizen unless Member States contribute more to the EU purse. Europe's future now lies in the hands of the leaders of the EU27. We hope that they create a people's budget that is effective, flexible and ambitious to allow Europe to respond to the challenges of today and overcome the challenges of tomorrow ", added

the President.

To make the case for a strong cohesion policy for all regions and cities after 2020, the Committee together with leading EU associations representing regions and cities launched the #CohesionAlliance: a grass-roots movement open to anyone who believes that EU cohesion policy must continue to be a pillar of the EU's future. Since its launch in October last year, the Alliance has attracted nearly 3000 signatories, including regional and local authorities, Members of the European Parliament, EU ministers, business associations, academia, trade unions and think tanks.

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