The joint declaration of ministers responsible for cohesion policy Prague, May 2024

In unity and recognition of the pivotal role of cohesion policy in fostering sustainable development and competitiveness across the European Union (EU) and driving structural change in its regions, we, the ministers responsible for cohesion policy, underline that keeping and strengthening cohesion policy, with appropriate administrative capacity at all levels, is a must and declare our shared will to shaping its future beyond 2027. We come together with a resolute will to cooperate, contributing collectively to maintaining and promoting the Treaty objectives of economic, social and territorial cohesion in order to support the structural transformation of all Member States and EU regions and building their resilience.

Emphasizing the need for transparency, simplicity, efficiency, flexibility and predictability, we express our readiness to work collaboratively on a future legislative framework that aligns with our common vision for a more cohesive and resilient EU. Through this joint declaration, we express shared responsibility, aiming for overall harmonious development and prosperity across all Member States and EU regions. We, the ministers:

The role of cohesion in the development of the European Union

- REMIND that cohesion is the engine of the European integration, builds resilience of the EU
 Member States and regions, bringing the EU and the European values closer to its citizens,
 contributing to reinforcing democracy, to ensuring the economic and social security and to the open
 strategic autonomy of the EU.
- 2. CONSIDER that convergence of the EU regions and within EU should be one of the core priorities and CALL for the integration of the convergence objectives into various policies and instruments.
- 3. REMIND that cohesion policy is a fundamental and EU investment policy and plays a crucial role in promoting convergence, common European competitiveness and in reducing economic, social and territorial disparities among EU regions.
- 4. HIGHLIGHT that cohesion policy enhances the efficiency and competitiveness of the Single Market, contributing significantly to the creation of a level playing field within the Single Market and to its proper functioning, ensuring that all Member States can fully participate in and benefit from the shared economic opportunities, thus reinforcing the core principles of solidarity and unity in the EU.
- 5. UNDERLINE that cohesion policy is also a necessary catalyst for a successful implementation of the other EU policies and instruments in order to make EU fit for the future.
- 6. ARE OF THE OPINION that the "do no harm to cohesion" principle should be understood as a way of how the convergence of the EU regions is respected across different EU policies and instruments aiming to avoid any negative effects on the convergence already achieved or projected for the future.
 - a. INVITE the Commission to assess the impacts of EU instruments and policies on convergence for EU, Member States and regions as one of the criteria in the process of impact assessment;
 - b. CALL FOR a systematic use of Territorial Impact Assessments (TIA), ensuring that every legislative proposal is accompanied by a TIA necessity check foreseen in the Better Regulation Guidelines.

The main aspects of cohesion policy post 2027

- 7. RECOGNIZE the long-term nature of cohesion policy and INSIST that cohesion policy should preserve the role of main EU investment policy fulfilling its primary objectives to reduce disparities between the levels of development of the various regions. STRESS the ability of cohesion policy to adapt to changing circumstances and conditions while pursuing its long-term objectives.
- 8. STRESS that shared management as a cornerstone of cohesion policy, underlining its significance as an expression of political commitment and the partnership principle, facilitating the active involvement of all relevant stakeholders and increasing their ownership, shall continue in the future.

- HIGHLIGHT that shared management should be based on mutual trust and a clear and well-balanced division of tasks and responsibilities between the European Commission and Member States in order to facilitate implementation of tailor-made cohesion policy.
- POINT OUT that subsidiarity principle should be further respected and EMPHASIZE that an
 inclusive response to bottom-up needs and priorities, coming from Member States, EU regions and
 cities, needs to be streightened.
- 10. HIGHLIGHT that the quality of governance and administrative capacity at all levels is a key prerequisite for efficient implementation of structural reforms and investments, therefore, the support of re/up-skilling and building of administrative capacities at all levels should be part of cohesion policy in the future.
- 11. SUPPORT further use of smart and simplified integrated territorial approaches in cohesion policy to allow design of place sensitive investment measures and programmes.

The scope of cohesion policy post 2027

- 12. CALL FOR cohesion policy to continue to actively support investments and relevant structural reforms in line with Member States priorities in order to promote sustainable development and growth in Member States and EU regions. STRESS that this strategic support is crucial to boosting competitiveness and productivity.
- 13. REMAIN COMMITTED to contributing towards European priorities, but at the same time RECOGNIZE the need of more simplified and flexible thematic concentration and climate earmarking that should allow cohesion policy to be more tailor-made and responsive to the needs of diversed territories and their citizens.
- 14. ARE CONVINCED that cohesion policy is a policy for all EU regions, helping to boost their resilience and diminish the risk of their fall into the so-called development trap. STRESS that special attention must be paid to supporting less developed and specific types of regions and their needs, as these regions suffer from various structural or other serious impacts and imbalances such as the risk of poverty and social exclusion.
- 15. NOTE that structural challenges linked to the green and digital transformation and adjustment to the lack of human capital equipped with the skills needed for these transformations have severe impact on specific regions. RECOMMEND continuing to support just transition, enabling to combine soft and investment activities to develop complex transformation, integrated into traditional cohesion policy funds.
- 16. RECALL the considerable impact of climate change on Member States and EU regions and ARE OF THE OPINION that cohesion policy should continue supporting climate related spending in the future based on specific needs of Member States and EU region.
- 17. EMPHASIZE that demographic challenges such as the negative demographic trend, labour shortages, ageing population, depopulation and talent drain significantly deepen the existing disparities across the regions and hinder the resource productivity of the economy, hampering cohesion, competitiveness and growth. CALL FOR cohesion policy to address demography as one of the future goals.
- 18. HIGHLIGHT the role of cohesion policy for the EU and regional competitiveness, by investing in human capital and knowledge. ARE AWARE that the current technology transformation requires a skilled workforce to face the new social and economic challenges as well as engaging the regional potential.
- 19. POINT OUT that the geopolitical situation and geographical location are important factors having an impact on harmonious development of Member States and EU regions. CALL FOR considering the disproportionate effects on Member States exposed to negative impacts of Russian aggression and geopolitical risks on Member States and EU regions, taking into account specific situation namely of those:
 - a. bordering the aggressor countries thus facing significant negative economic, social, security and territoriral impacts;
 - b. sharing the borders with Ukraine dealing with related consequences.

EMPHASIZE the importance of strengthening the broadly understood resilience of regions as a condition for their long-term and lasting security as well as securing supply chains within European market to avoid undermining EU regions convergence.

- 20. ARE OF THE OPINION that cooperation across national borders offers EU regions an additional opportunity to strengthen their development, therefore UNDERLINE the important role of Interreg with a clear European added value enhancing cross-border, trans-national and interregional cooperation and thus contributing to EU cohesion.
- 21. POINT OUT that all four strands of Interreg proved their relevance and CALL for their maintaining as well as implemention under shared management.

The financial aspects of cohesion policy post 2027

- 22. RECOGNIZE that the convergence of EU regions is a prerequisite for a strong and robust EU and therefore EMPHASIZE the necessity to ensure adequate budget for cohesion policy within the next multiannual financial framework reflecting the substantial needs and challenges within the EU, including the future enlargement.
- 23. ARE OF THE OPINION that the current concept of categories of regions, with GDP per capita as the main criterion should be preserved, while STRESSING the need for increased flexibility in the implementation at national level to enable more targeted solutions and the application of a place-based approach.
- 24. HIGHLIGHT in this context that in order to ensure continuity of support among budgetary periods, the individual Member States' allocations should be kept as stable as possible. To this end the appropriate measures (e.g. safety net) should be continued similarly to the one established for 2021-2027.

The implementation of cohesion policy post 2027

- 25. EMPHASIZE the need to have in place and in time simple, flexible, transparent and predictable rules and legal framework to ease and speed up programming and implementation. Special attention should be paid to eliminating any rules susceptible to cause ambiguity in their interpretation, thus hampering simplification of EU funds administration processes.
- 26. STRESS that multiplication of similar EU instruments and overlaps among EU policies should be avoided as this leads to fragmentation of efforts towards reaching EU objectives, excessive administrative burden in planning and designing, in setting the synergies, complementarities and mechanisms for preventing double financing as well as to unnecessary complexity for authorities and beneficiaries.
- 27. CALL FOR maximum alignment of rules and application of synergies and complementarities at all levels so that the potential of existing tools and their possible use are always explored in advance before creating any new instruments and structures.
- 28. STRESS the need to use a place-based approach as a key principle, leaning on integrated strategy of the given territory especially through growing trend for functional areas taking into account their roles and justification to join potentials to improve the quality of public services instead of multiplying them within neighbouring areas.
- 29. RECOGNIZE the need to assess the experiences gained of a performance-oriented approach and the current approach of financing not linked to costs, where relevant, based on in-depth evaluation and impact assessment, while avoiding an excessive administrative burden and securing sufficient level of flexibility.SUPPORT the wider use of simplified cost options and ensuring timely and open consultation on their setting.
- 30. SUPPORT the use of financial instruments, where their feasibility and suitability is viable and appropriate, with the aim to increase the efficiency of financial sources and to maximize the effects of cohesion policy.
- 31. STRESS the necessity to maintain the legislation in the area of financial instruments and grants under conditions as simple and stable as possible as well as the need to reduce the administrative difficulties for fund managers, financial intermediaries and final recipients.

The possible impacts of enlargement on post 2027 cohesion policy

- 32. ACKNOWLEDGE that countries which joined the EU in the years of 2004-2013 period are a good example of the crucial role of cohesion policy in the success of the enlargement process, the smooth integration of the new Member States and of aligning with EU standards and objectives.
- 33. EMPHASIZE the support of continuous EU enlargement. RECALL in this context, especially the process, lessons learnt and provisions from the previous, especially 2004, EU enlargements.

In conclusion, we, the undersigned ministers responsible for cohesion policy and heads of delegations, declare our will to fostering a resilient, inclusive and sustainable EU through a robust and forward-looking post 2027 cohesion policy. This joint declaration testifies our shared will commitment to achieve economic and social convergence while addressing the specific needs of our diverse regions and contribution to EU resilience and enlargement.