Kraków, 29 January 2025

# Cohesion Policy Will Make the EU a Better Place But Must Become Ever Greener and Closer to the People

***Key demands of the expert seminar for civil society organisations on the shape of the post-2027 cohesion policy "Towards a Green Cohesion" held in Kraków on 29th January 2025.***

The Multiannual Financial Framework (MFF), often called the EU budget, is a major catalyst of the European green and social transition. European Funds account for many public investments in the Member States.

The size of the future MFF is crucial to ensuring the EU's sustainable development, achieving the European Green Deal objectives, and overcoming the development trap and competitiveness crisis. For the 2028-2034 period, it should be at least the size of the current one, with the RRF pillar included. The EU should focus on the Cohesion Policy as it is a key investment policy of the Union. It should be maintained and be further improved by strengthening its key features such as:

- supporting climate and environmental investments
- preventing harmful investments (Do No Significant Harm principle)
- mainstreaming of the partnership principle and multi-level governance
- providing for regional and place-based approaches (with examples like the Just Transition Fund)

For the future renewed Cohesion Policy to adequately address the challenges ahead of the Union and to fit in the changing EU policy framework, it needs to be genuinely based on the principle of Cohesion set out by the Treaty. It should provide for value-based, green, and just, socially oriented investments.

Therefore, the Cohesion Policy should:

1. **Coordinate other EU policies** regarding climate, transport, agriculture, and social principles like gender mainstreaming, youth empowerment, and addressing depopulation and poverty. It should also serve as a

vertical coordination mechanism between national, regional, and local authorities to ensure that cohesion and policy impact on regions are considered across the EU's policy and regulatory envelope.

2. **Strengthen the reform aspect**, but it should be closely linked with decarbonisation strategies (e.g., NECPs) and the EU governance process (the European Semester). The Country-Specific Recommendations under the Semester process must be more concrete and better linked with the EU green policies.
3. **Increase transparency, accountability, and public participation** to improve EU funds' efficiency and spending quality. The governance framework should be further enhanced, as should the improved partnership principle in programming, implementation, monitoring, and evaluation. This can strengthen the subsidiarity rule further.
4. **Further regionalise** (at NUTS 2 level as a rule, but with a strengthened NUTS 3 role, as in the Just Transition process) and prioritise funding for cross-border and cross-regional exchange and the EU external border areas. Strengthen the place-based and territorial approach and enhance the Territorial Impact Assessment process.
5. **Invest in capacities at the local level**. Human capital investments are among the best value investments in Europe; hence, we need to allow Cohesion Policy funds to support the operational costs of local and regional authorities. It will, among other things, enable the collection of data or the planning of regional programmes for environmentally and socially responsible energy transformation.
6. **Improve access to funds for various beneficiaries**, primarily to finance small-scale and innovative projects and those implemented by the marginalised sectors of society. This requires better design of calls for proposals, which should address beneficiaries' needs and capacities, apply simple rules, and raise awareness of Cohesion and the EU policy framework objectives. Design of support measures for beneficiaries that improve accessibility and quality of projects prepared, such as one-stop shops, should be obligatory at national and regional levels.
7. **Engage citizens in achieving long-term goals** by implementing investments not only "for" but also "by" the people, e.g. by supporting the de-centralisation of the energy systems with the emergence of citizens' energy communities,
8. **Improve the "added value rule,"** which should promote transformative solutions with significant environmental and social benefits. Maintain the DNSH principle and climate earmarking at the MFF level.
9. **Scale up targetted support for technologies** by well-designed employment of financial instruments, green public procurement procedures, state aid rules and de-risking the companies that genuinely contribute to decarbonisation and demand-side management.

10. **Map investment needs in decarbonisation**, challenges, and effectiveness of different financing approaches (public, blended, or private funding). Financial instruments should become more attractive by providing tailor-made offers for certain types of investments and beneficiaries based on data-based analyses.
11. **Review current and potential new Cohesion Policy priorities** to support EU public goods and address inequalities within EU Member States.
12. **Establish a dedicated Biodiversity Fund** to finance climate adaptation investments in nature-based solutions (NBS) that implement the Nature Restoration Law.

Applying the aforementioned recommendations will adjust the Cohesion Policy to the needs and challenges of the EU. At the same time, the cost of inaction would undermine the Union's efforts to achieve territorial, social, and economic Cohesion.

On behalf of the organisers,


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