## **Draft Final Declaration**

CPMR General Assembly, 27-28 October 2022



### **CPMR** regions charting the future of the European project

The European Union and the world have entered a crucial political and economic phase due to the aftermath of the COVID-19 pandemic, the climate emergency, the invasion of Ukraine, and the spike in the price of raw materials, food and energy.

Several technological, demographic, and environmental megatrends are having worrying impacts on territorial cohesion. Their effect varies from country to country and even within the same country. Therefore, place-based policies will become even more important as will the need to better consider diversity and tailored solutions when it comes to specific territorial needs or advantages. This calls for the active involvement of regional authorities, which are the backbone of a real place-based approach.

In the face of a volatile geopolitical environment on the European continent, it is vital to keep building a European project based on peace and stability. The potential enlargement of the EU to the Western Balkans and Eastern countries constitutes an opportunity in this regard, and candidate countries should be supported in their process towards fulfilling the conditions for membership. At the same time, some specific areas such as the Arctic are emerging as strategic and should be the focus of reinforced cooperation.

The convergence between the objectives of EU policies and the Sustainable Development Goals constitutes a great opportunity for regional authorities to influence the design of the future EU legislative framework by capitalising on their existing territorial policies and strategies.

In light of the above considerations, the EU cannot plan to go back and maintain the "pre-pandemic" models of development, ways of doing and living. The EU needs to adapt its policies rapidly by boosting the green and digital transitions while providing the legislative and financial conditions to support the new reindustrialisation of Europe as well as its food and energy security. The Green Deal with the "Fit for 55 package" and "RepowerEU" is a strategic step in that direction. Nevertheless, despite their high climate, energy and economic ambitions, it is unclear how far these initiatives will be implemented through a multilevel governance and a place-based approach. One that considers both the specific assets and the different vulnerabilities of all EU territories, as well as the territories of candidate countries and potential candidates.

The EU is thus at a complex and evolutive juncture where strong political actions should be taken, including possible modification of the Treaties. At the same time, the CPMR believes that any change in the direction of the EU project and legislative framework cannot be made without the active involvement of regional authorities.

The global context will also have an influence on EU's strategy and its investment policy via its Multiannual Financial Framework (MFF). The CPMR is therefore acknowledging this complex situation and starting to develop its own vision for the future. The CPMR does not wish to see any region left behind, for instance as a result of not being involved in key decision and policy making processes, when it is not clear where they will be headed.

The history of the European Union has shown that the EU project needs to be strengthened to address common challenges, including defending EU values and way of life, especially when it comes to addressing economic, social and environmental crises. The CPMR regions gathered in Crete for the General Assembly strongly believe that the answer to the challenges we face, at all levels, is more Europe, not less, and a political project that puts people first and regions at the core.



#### I. DO NO HARM TO COHESION, EMPOWER THE REGIONS

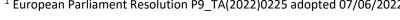
#### Regarding the "do no harm to cohesion" principle, the CPMR:

- 1. Believes paramount that all EU policies should contribute to the cohesion of the Union in order not only to secure their efficient and fair implementation, but also to help ensure their acceptance and ownership.
- 2. Welcomes the idea of the "do no harm to cohesion" principle introduced into the 8<sup>th</sup> Cohesion report and believes that this concept is full of promises. However, the CPMR sees clear shortcomings in the application of the current "do no significant harm" criteria. The CPMR therefore invites the European Commission (EC) to further define this concept and set clear and strong criteria for checking that it is respected across all EU policies.
- 3. Regrets that recently proposed legislation falls short of properly addressing the diversity of challenges and opportunities European regions feature, ignoring or minimising their regional impact, resulting in territorially blind legislation. The CPMR notes, for instance, a lack of consideration for the Union's cohesion in several elements of the Fit for 55 Package, resulting in a poor ex-ante impact assessment that fails to anticipate negative consequences on regional accessibility.
- 4. Recalls that regional disparities across the continent remain pronounced and can likely increase due to the climate, energy and food crises. This poses a threat to both the good functioning of the single market and the support to democratic institutions.
- 5. Demands that the European Commission takes greater account of the variety of the EU's territories when designing its policies as requested by the European Parliament in different reports1. Calls on the Commission therefore to apply a systematic territorial proofing of its policies to ensure that the "do no harm to cohesion" principle is respected.
- 6. Suggests that "do not harm cohesion" should be defined as follows: EU policies should be designed with a territorial dimension and demonstrate that their implementation does not hinder the Union's cohesion, while respecting the diversity of its regions is fully taken into account. This principle should be firmly anchored in future EU legislation. As an example, the CPMR invites the European Commission to embrace the "EU Islands Pact" as an important factor to implement the "do no harm to cohesion" principle.
- 7. Urges the European Commission to design compensation mechanisms when EU legislation is not able to respect the cohesion principle.

#### Regarding the role of the Regions, the CPMR:

- 8. Sees a tendency to further entrust Member States to plan the implementation of EU policies, while regional authorities play a crucial role in implementing and financing many of them. Underlines the contribution of regional and local plans and strategies to achieving EU objectives and implementing policies.
- 9. Notices that regional and local authorities tend to show a more Europeanised logic than their own Member State, for instance when it comes to developing cross-border cooperation initiatives that bring high EU added value, such as ensuring seamless transport between border-regions. Is also convinced that well organised multi-level governance schemes can enhance local and regional ownership of EU legislation.
- 10. Demands, in light of the above, that regional authorities are properly involved in the governance and design of relevant legislation rather than playing a simple role of barely consulted observer. Their involvement early in the legislative process helps to achieve better EU legislations by anticipating potential implementation challenges, building on territorial experiences, hence smoothening legislative adaptation at regional and local scale, and ensuring a stronger coherence between the different levels of public authorities involved.

<sup>&</sup>lt;sup>1</sup> European Parliament Resolution P9\_TA(2022)0225 adopted 07/06/2022





# II. TOWARDS A NEW AND RESILIENT POLICY FRAMEWORK FOR EU INVESTMENTS BEYOND 2027 HARNESSING THE FULL POTENTIAL OF PERIPHERAL MARITIME REGIONS

#### Regarding the EU's future financial framework, the CPMR:

- 11. Considers it important to approach the reflection on the future of the MFF with a proactive rather than a defensive attitude and not refrain from bringing innovative proposals to the table. This is crucial to give regional authorities a prominent role in the debate. In the event the EC plans a major reform of the MFF, the CPMR regions will stand ready to exert influence on this process of change rather than resist it.
- 12. Calls on the EC to centre its preparatory work on the future MFF around three main goals: 1) achieving simplification, including via a rationalisation and improved coordination of funds; 2) strengthening the place-based orientation of investments; 3) making the budget more responsive to negative shocks via dedicated flexibility instruments. These three principles should be already reflected, where possible, in the mid-term review of the current MFF.
- 13. Urges the establishment, under the post-27 MFF, of a *single investment policy* governed by a common legal and long-term strategic framework and with cohesion policy as its centrepiece. The current multiplication of funds, and their fragmentation across different legal bases, is producing an untenable burden on regional authorities in charge of implementation. It also deters potential beneficiaries from applying for funding as they feel often lost in the face of this babel of procedures and instruments. Ultimately, it may undermine the impact of investments and lower the EU's capacity to help address territorial challenges. A radically simplified configuration is needed in the future.
- 14. Notes that the Recovery and Resilience Facility has represented a watershed for EU finances on many accounts and is likely to influence the shape of future investment instruments, including cohesion policy. It is important for regional authorities to take this as an opportunity, rather than a threat, and develop their own proposals, for instance in terms of simplification. By contrast, the lack of involvement of regional authorities and the limited territorial dimension of the RRF should not be reproduced in any future instrument.
- 15. Regrets that the principle of additionality, whereby EU funds shall not replace national investments but be additional to them, has been discontinued under the 2021-2027 cohesion policy legislation and does not apply to the RRF. The CPMR is concerned that this could contribute, at least in some Member States, to a further decrease of national funds for territorial development and the deployment of EU resources to plug the resulting gap.
- 16. Calls on the Council to respect the commitment made in the Interinstitutional Agreement on the MFF to work alongside the European Parliament towards introducing new own resources. A revamp of the revenue side of the MFF, by reducing the share of Gross National Income (GNI)-based contributions and therefore diminishing the influence of national interests over the MFF, could help strengthen both the EU added value and the territorial orientation of the EU budget.
- 17. Believes that synergies and interoperability across funds will have to be strengthened, including by scaling up or mainstreaming innovative frameworks piloted in this period, such as single investment strategies at regional level encompassing all EU funds and Horizon Europe missions.
- **18. Considers** it therefore paramount to give adequate means to funds under shared management such as Cohesion Policy, rural development and maritime, fishery and aquaculture funds in the future budgetary framework.



#### III. SOLIDARITY AT THE CORE OF THE EUROPEAN PROJECT

#### Regarding solidarity as a fundamental European principle and value, the CPMR:

- **19. Recalls** that according to Article 3 of the Treaty on European Union, solidarity among Member States should be promoted alongside social, economic and territorial cohesion.
- **20. Believes** that a strong Europe cannot be built without a concrete expression of this solidarity, and that in the face of internal and external challenges that are shaking Europe's stability, it should be the basis on which to develop common solutions and responses.
- **21. Applauds** in this regard the united EU approach to ensuring a rapid and effective response to the COVID-19 pandemic and a recovery package for all its territories to cope with the fall-out.
- 22. Welcomes as a shining example the wave of solidarity seen at the European level from the EU institutions, countries, regional and local authorities down to the citizens on the ground in support of Ukraine and the Ukrainian people following the unjustified and unprovoked attack by Russia. The CPMR reiterates that its member regions are providing a key contribution to solidarity efforts in the wake of the Ukraine crisis, by providing humanitarian aid and receiving and ensuring the integration and inclusion of refugees, while also assisting their own businesses and citizens to cope with the economic effects induced by the war.
- 23. Regrets, in contrast, that it is precisely a lack of solidarity that has led to a deadlock on a key piece of EU legislation, the Migration and Asylum Pact, which has prevented Member States from agreeing on a more sustainable, organised, multilevel and humane policy at the European level. It therefore hopes that the united response to the Ukrainian refugee crisis with the activation of the Temporary Protection Directive represents a breakthrough for the future, showing that such solidarity mechanisms can be implemented when there is political will. In the future, the EU should do more to ensure a fair, non-discriminatory and equal treatment of all beneficiaries of international protection and vulnerable migrants.
- 24. Warns that challenges in this area are only set to become greater, as the world faces the risk of escalating conflicts, climate disasters, famine and extreme poverty pushing people to move from their homelands and seek refuge. Immobility or lack of long-term vision at European Union and Member State level would directly impact the regions as they continue to bear the brunt of failed EU policy, lack of solidarity, disinformation and inadequate resources to deal with the migration phenomena.
- 25. Highlights that decentralised cooperation is an expression of solidarity on the ground that must be encouraged and developed through dedicated EU programmes and funding. It plays a crucial role within Europe, its neighbourhood and beyond. At operational level, it allows sharing and transfer of knowhow and experiences, and the boosting of capacities. At democratic level, it contributes towards achieving more successful decentralisation and multi-level governance processes. As a key illustration, regions, together with municipalities and other key players, are engaging in such peer-to-peer cooperation in view of Ukraine's reconstruction and future accession.

# IV. REFLECTIONS IN VIEW OF A EUROPEAN CONVENTION TO AMEND THE EU TREATIES

#### Regarding the future of Europe, the CPMR:

26. Stresses that the "Conference on the Future of Europe - (CoFE)" has launched an important debate among European Institutions, national governments, regional and local authorities, citizens, social partners and civil society. It considers that the conclusions as endorsed by the Conference's plenary on 30 April 2022 provide the preconditions to move forward with the reflection on the European project. It draws the attention of the European Parliament, the Council and the European Commission to their own responsibility to live up to the expectations that have been created by the CoFE.



- 27. Highlights that to address the current geopolitical, climate, energy, economic, and food security challenges, the EU requires rapid and firm political action and should proceed with some Treaty changes. Hence, it fully supports the Conference's plenary and the European Parliament's proposal to convene a Convention, by triggering the ordinary procedure of Art. 48 of the Treaty of the European Union, and calls upon Member States, the European Parliament and the European Commission to fully involve regional and local authorities in its preparatory work and implementation.
- **28. Believes** that the proposed amendments to be submitted to the Convention should go beyond dealing with topics such as simplifying the EU institutional architecture and improving transparency and accountability in the decision-making process. In this regard, **it specifically demands:** 
  - **a.** to add "do no harm to cohesion" as a new guiding principle of next generation policies aiming to enhance the EU's sustainable development;
  - **b.** to enlarge the scope of art. 174 of the TFEU by adding the new objective of strengthening "climate cohesion", in such a manner that no EU region gets left behind due to its vulnerability to climate change;
  - c. to enlarge to the "do no harm cohesion principle" the scope of the "Early Warning System", according to which national parliaments can request the revision of a Commission's proposal if they deem it breaches the subsidiarity principles. The system should also be triggered by regional governments along with regional parliaments that can be already consulted by National Parliaments;
  - **d.** to reflect on the possibility to embed in the Treaties a clear definition of multilevel governance so that EU policies can better consider it.



# **Draft Final Declaration**





This political declaration seeks to demonstrate the potential and the added value that the CPMR and its member regions could provide to chart a brighter future for the European project, and in this way be considered by EU Institutions, a priori, as a solid partner in any possible scenario and configuration. This document includes key questions, reflections, commitments and recommendations that will inform the EU policy debate and continue to evolve in view of the next CPMR General Assembly in 2023, when the organisation will celebrate its 50 years of existence and deliver its manifesto and consolidated proposals to the new EU Institutions.

#### CPMR Regions call on the European Institutions to consider the highlights of this Final Declaration to inspire the discussion on the future of the European project:

- 1. Convene a convention for the modification of the EU Treaties and give regional and local authorities a key role in its preparatory work and implementation.
- 2. Include a clear definition of "do no harm to cohesion" in the EU Treaties as a principle to be respected across all EU policies and embedded in relevant EU legislation. Ensure in this way that the new generation of policies is fully shaped on a place based and multilevel governance approach.
- **3.** Maintain solidarity at the core of the European project and include "climate cohesion" as an additional key objective, so that no EU region gets left behind due to its vulnerability to climate change.
- **4.** Foresee a single EU investment policy beyond 2027, governed by a common legal and strategic framework and with cohesion policy as its centrepiece. Ensure adequate means, especially for funds under shared management, to harness the full potential of peripheral maritime regions.