



**COUNCIL OF
THE EUROPEAN UNION**



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COUNCIL APPROVES COHESION POLICY PACKAGE FOR 2007-2013

The Council reached today¹ a political agreement on proposals for five regulations establishing the framework and modalities for the intervention of the EU's structural funds and cohesion fund for the period 2007-2013.

It will formalise its agreement at a forthcoming Council meeting, after finalisation of the draft regulations, which will be sent to the European Parliament with a view to adoption under their respective procedures.²

¹ The decision was taken by the Economic and Financial Affairs Council, without discussion.

² The five draft regulations are: a general regulation and a cohesion fund regulation, for which the treaty requires unanimity within the Council and the assent of the European Parliament, and regulations on the European regional development fund, European social fund and European grouping of territorial cooperation, to be adopted by the Council by qualified majority in codecision with the Parliament.

P R E S S

The Council decided to integrate the cohesion fund into the programming of structural assistance to seek greater coherence amongst the interventions of the various funds in order to increase the Community added value of cohesion policy. The work of the structural funds and the cohesion fund will be concentrated on the three following redefined objectives:

- Convergence of the member states and the regions
- Regional competitiveness and employment
- European territorial cooperation

Convergence of the member states and the regions

The key aim of the renewed cohesion policy under the "convergence" objective will be to promote growth-enhancing conditions and factors leading to real convergence within the Union.

It covers member states and regions whose development is lagging behind; the regions targeted by this objective are those whose per capita gross domestic product (GDP) measured in purchasing power parities is less than 75% of the Community average.

Regions suffering from the statistical effect linked to the reduction in the Community average following enlargement of the Union will benefit for that reason from substantial transitional aid in order to complete the convergence process. This aid will end in 2013 and is not due to be followed by a further transitional period.

Member states targeted by the convergence objective whose per capita gross national income (GNI) is less than 90% of the Community average will benefit under the cohesion fund.

A total amount of EUR 251 163 million is foreseen for this objective over the seven year period.

Regional competitiveness and employment

This objective will cover member states and regions not eligible under the “convergence” objective. Eligible regions are those under objective 1 for the 2000-06 programming period that no longer satisfy the regional eligibility criteria of the “convergence” objective and therefore benefit from transitional aid, as well as all other regions of the Community.

The "regional competitiveness and employment" objective will involve, through regional programmes financed by the European regional development fund, at helping regions and regional authorities to anticipate and promote economic change in industrial, urban and rural areas by strengthening their competitiveness and attractiveness, taking into account existing economic, social and territorial disparities.

Through programmes financed by the European social fund, it is also aimed at helping people to anticipate and to adapt to economic change by supporting policies aimed at full employment, quality and productivity at work and social inclusion.

A total amount of EUR 49 127 million is foreseen for this objective over seven years.

European territorial cooperation

This is a new objective proposed by the Commission, building on the experience of the Interreg initiative (interregional cooperation). It is aimed at furthering the balanced integration of the EU's territory by supporting cooperation between regions across land or sea frontiers. It will include actions to promote integrated territorial development and support for interregional cooperation and the exchange of experiences.

A total amount of EUR 7 750 million is foreseen for this objective over seven years.

The programming period for the structural funds and cohesion fund is of seven years as in the past.

Adoption and implementation: next steps

- The texts of the five draft regulations will be sent to the European Parliament with a view to its assent on the "general" regulation - laying down general provisions on the European regional development fund (ERDF), the European social fund (ESF) and the cohesion fund - and on the cohesion fund regulation, and the Parliament's second reading opinion on the ERDF regulation, the ESF regulation and the regulation establishing a European grouping of territorial cooperation.
- Once the decision-making process is completed, and following adoption of the texts, the Council will adopt strategic guidelines on the basis of a proposal from the Commission. With reference to the strategic guidelines, each member state will prepare, in dialogue with the Commission, a national reference document on its development strategy, which will constitute the framework for preparing operational programmes.
