Cohesion policy benefits both the recipient and donor countries, explain Lambert van Nistelrooij and Andrey Novakov.

Cohesion policy is based on the Treaty of the Union. In the current period, around €350bn have been allocated to it. When considering cohesion policy, images of infrastructure in less developed and newer member states such as Romania and Bulgaria may spring to mind, but in reality there is much more to the policy.

It also greatly benefits highly-developed member states such as German and Belgium - ‘externalities’, benefits stemming from public investments within cohesion policy. There are benefits for the recipients - the new member states - as well as for the ‘net contributors’.
Until now, the integrated effects of EU have never been properly researched. This (added) value of cohesion policy has, for too long, gone unrecognised. It’s time to reveal the findings of recent studies. A study commissioned by the European Parliament looks at how cohesion investments affect the entire Union.

**RELATED CONTENT**

- Future of cohesion policy to involve 'radical rethink' [1]
- Corina Crețu talks cohesion policy: It's up to us to do more with less [2]
- Lambert van Nistelrooij: EU must better communicate its success stories [3]
- Iskra Mihaylova: Committee guide: REGI providing scrutiny on implementation of cohesion policy [5]

Such a study can only be based on real data. This is why we opted for an analysis of the data for the period 2007-2014 (ex-post). The relationships have not changed much since then, allowing us to extrapolate these numbers as a basis for the actual period 2014-2020.

In particular, we looked at the EU15 of Austria, Germany, the Netherlands, Belgium, Luxembourg, Sweden, Ireland, Denmark, Italy, Spain, Finland, France, the United Kingdom, Portugal and Greece. This was based on cohesion-receiving countries, namely Poland, Hungary, Czech Republic and Slovakia.

The study discusses growth in recipient countries and the effects in the ‘donor countries’, and reveals some interesting outcomes. The EU15 invested €120bn in ‘cohesion policy’ in the four recipients, with a €97bn return on investment.

Net contributors see positive results in their own country. The bulk of cohesion policy funding is devoted to developing transport infrastructure, water and waste management, development of new products and innovation transfer in the new member states.

The benefits of such investments for the EU15 arise not only from direct participation in construction work, for example, but also from the supply of machinery, technology and knowledge, the improvement of spatial coherence and access to transport.

Thanks to cohesion policy, many bottlenecks in the trans-European transport networks have been removed. This allows companies, originating from the EU15 and operating on the eastern European market, to reduce the costs and time of transport of goods, which has a positive effect for EU citizens in the form of lower prices of imported goods.

And, we must not forget the comfort and safety of travelling through Europe due to improved infrastructure. This is beneficial for all parties.

All in all, we can conclude from this study that it is not just the new member states that profit from cohesion policy. Following last week’s EU budget proposals, this conclusion carries a lot of weight. Cohesion is, and always will be, the glue that holds Europe together.

On 23 May, the EPP group will organise a public hearing on these externalities in the European Parliament.
About the author

Lambert van Nistelrooij (NL) is Parliament’s EPP group coordinator for regional development

Andrey Novakov (BG) is Parliament’s EPP group vice-coordinator for regional development

Tags
European Commission
Regions

Categories
Society and welfare

Parliament Magazine is a Dods Group plc title
Dods events


Partnership events

The Health and Care Innovation ExpoCivil Service LiveCivil Service AwardsChief Nursing Officer for England's SummitWomen into LeadershipThe Youth Justice ConventionSocitm Spring ConferenceNHSCC Annual Members' EventDods at Party Conference