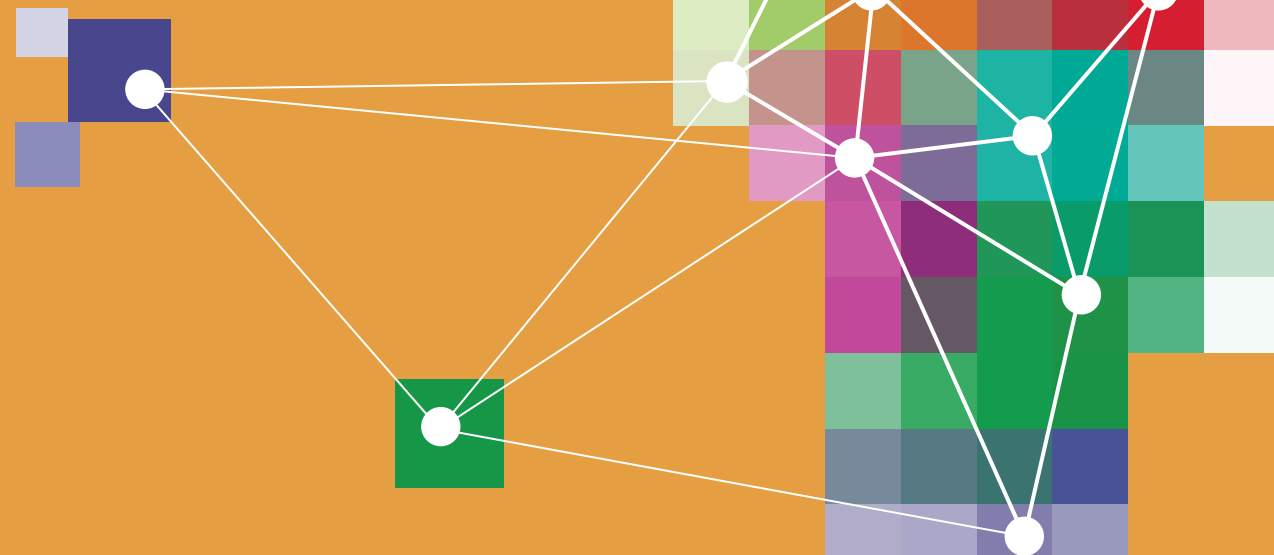


Relatório do Desenvolvimento & Coesão II

A governação multinível e as políticas
de coesão: **aliança de futuro?**

11 de dezembro
Piso 2 Nascente, Alfândega do Porto



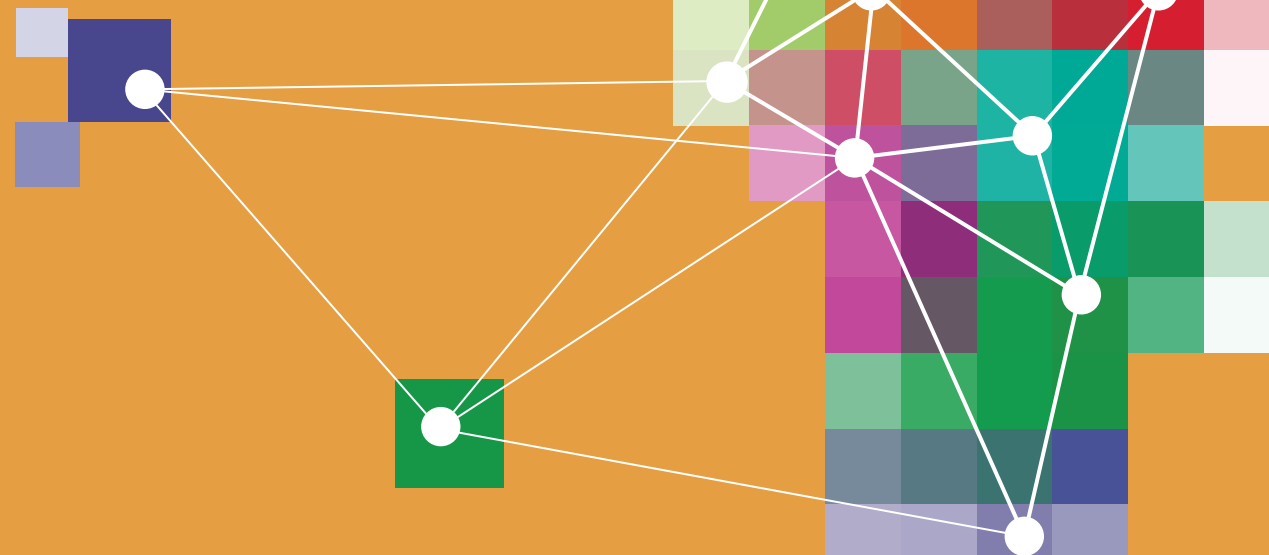
Relatório do Desenvolvimento & Coesão II

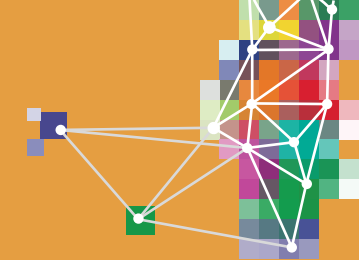
A governação multinível e as políticas
de coesão: **aliança de futuro?**

Multilevel Governance and Cohesion
Policies: **a future alliance?**

Autor: Duarte Rodrigues
Vice presidente da AD&C

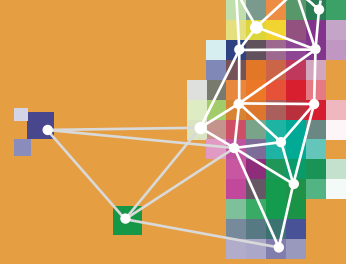
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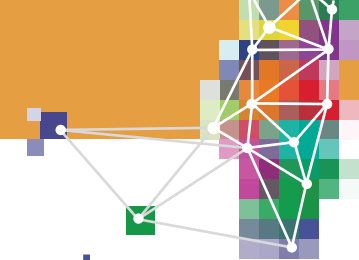


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1. Context of the debate
2. Multi-level governance as a key element



1. Context of the debate
2. Multi-level governance as a key element



Context of the debate

A different world – and a different Europe – from the past

The demographic challenge

Loss of population

Concentration in urban areas

Provision of public services



Challenge of climate and energy transition

Extreme events and vulnerability

Asymmetric impacts of the transition

Recomposition of global value chains

Strategic sovereignty and protectionism forces

Digitalization, AI and automation

Digital network coverage

The impact of automation and AI on the labour market

Global geopolitical context

Geography of discontents, instability and wars

Governance

Medium-term budgetary structural plan

Institutional implications of the enlargement process

New operational logics (RRP, STEP, ...)

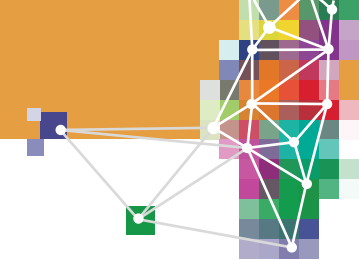
Budget

Debt service, defence and enlargement

A variety of instruments

Different financial instruments under the Cohesion Treaty objective

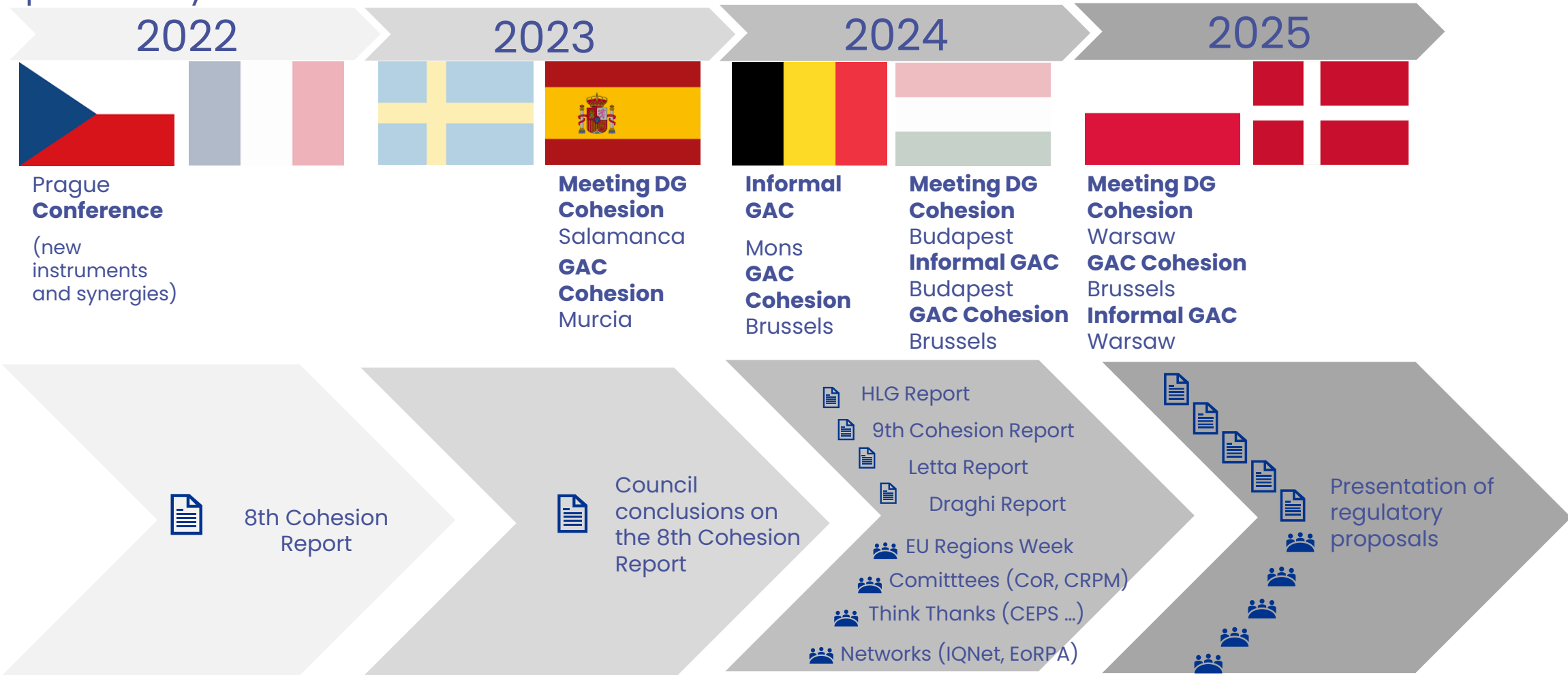




Context of the debate

(It's always) a long journey...

The future began with the Czech presidency in 2022 and intensifies with the Polish presidency in 2025...



Context of the debate

Relevant set of Reports



Cohesion is essential to achieve the EU's goals. It must focus on the main structural challenges. All eligible regions, with a focus on the least developed and those caught in development traps. Strengthening institutional quality.



Some potential areas for cohesion policy:

- Responding to development traps;
- A more place-based approach;
- Strengthening local partnerships; Strengthening institutional capacity;
- Linking reforms and investments



Cohesion policy as a fundamental element of the internal market and emphasises the importance of territorial policies, highlighting regions in decline and stagnation, without forgetting the need to solve the problems of less developed regions.



- The relevance of a European industrial policy to support strategic sectors and promote innovation;
- The need for simplification (bureaucracy and legislative process);
- The need for coordination of European policies;
- Critical analysis of the existence of different European funding instruments.

Context of the debate

The role of cohesion in the success of the European project



“Cohesion is the glue that holds Europeans together.”

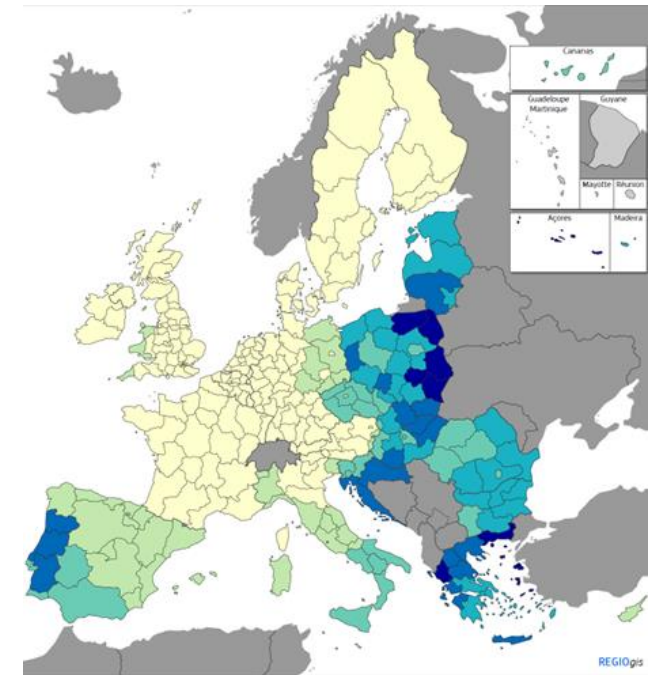
In High Level Report, page 5

What is Cohesion?

Development policy focusing on European convergence and opportunities for all

Balanced development of the EU

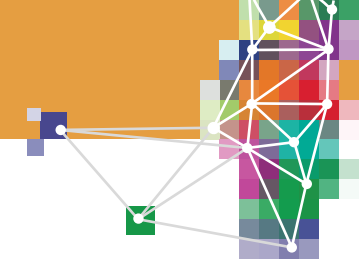
Tackling low development, long-term stagnation and lack of opportunities in all regions



Map 9.1 Impact of Cohesion Policy programmes 2014–2020 and 2021–2027 on GDP in NUTS 2 regions, 2023 (% increase relative to the baseline)

% above baseline
◻ <+ 0.5 ◼ 45 - 60

Source: 9th Cohesion Report



Context of the debate

The need for cohesion policy

Cohesion policy is a key response to the major European challenges, namely:

A new COMPETITIVENESS strategy based on a new EU INDUSTRIAL POLICY to strengthen critical areas and harness the potential of all territories.

PRODUCTIVITY is key, especially in the light of demographic prospects.

Societal acceptance of the EU project is strongly dependent on the ability to manage JUST TRANSITIONS (digital, climate and demographic), where the territorial approach is essential.

The challenges of transitions are specific to each TERRITORIAL CONTEXT

Without cohesion policy, we would be:

Further away from an efficient path in terms of industrial policy and decarbonization, because we won't be able to mobilize all the EU's resources.

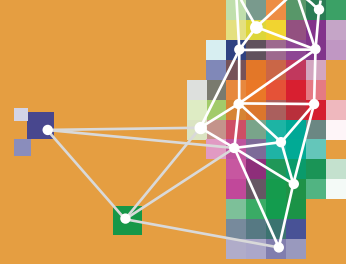
Closer to a spatial concentration model that will be socially discriminatory, as a larger share of EU citizens will not benefit from this transition....

With the great risk of widening the geography of discontent.

"We need a strengthened cohesion and growth policy with regions at the center. It must be designed in partnership with national, regional and local authorities. We will address regional and social disparities and ensure all citizens have an effective right to stay in the place they call home"



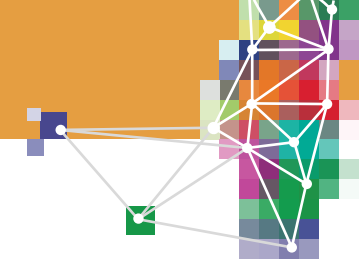
In Political Guidelines of Commission President, 2024-29



1. Context of the debate

2. Multi-level governance as a key element

- a) Geographies and scales
- b) Actors
- c) Strategies
- d) Financing instruments
- e) Coordination mechanisms



Multi-level governance as a key element

Multi-level governance

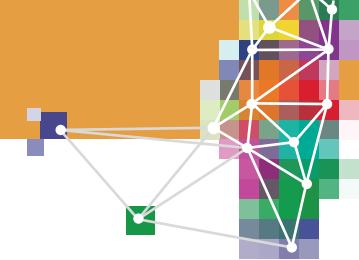
Mechanisms to combine European orientation (European added value) with territorial specificities in its implementation (place-based) - example: the great challenge of industrial policy and RIS3

Shared management – Partnership – Multi-level governance

as an added value of Cohesion Policy in the framework of the future of European policies

Some challenges for more efficient and effective multi-level governance:

- How to give a territorial dimension to the European Semester and/or integrated contractual mechanisms between MS and the EU?
- National strategic framework(s) linking reforms with investments at different territorial scales – the role of a national strategy for regional development;
- Rethinking territorial instruments, focusing them on increasingly integrated investments with a greater degree of flexibility (this requires robust territorial strategies prior to the programming of European instruments);
- Rethinking monitoring and participation mechanisms (e.g. the configuration and role of monitoring committees and their articulation with existing national or regional councils);
- The best way to strengthen and support administrative capacity as a necessary condition for the success of interventions.



Multi-level governance as a key element

Geographies and scales

Consolidation and stabilization of a geography for regional policy

Plan Region/ NUTS

Consolidation and stabilization of a lexicon for regional development policy

Rural/urban development policy
(logic of urban/rural articulation)

Low density/interior

Integrated responses to complex challenges

(avoiding simple dichotomies that do not reflect reality in a highly complex context)

Coastal/interior

Urban/rural

Rich region/poor region

Scales of governance:

European Union

National

Administrative regions

Regional and interregional

Sub-regional

Local

Other scales

Cross-border

Functional regions

Areas to be structured (PNPOT)

Better articulation between **territorial policies and positive discrimination policies** in more vulnerable territories

Multi-level governance as a key element

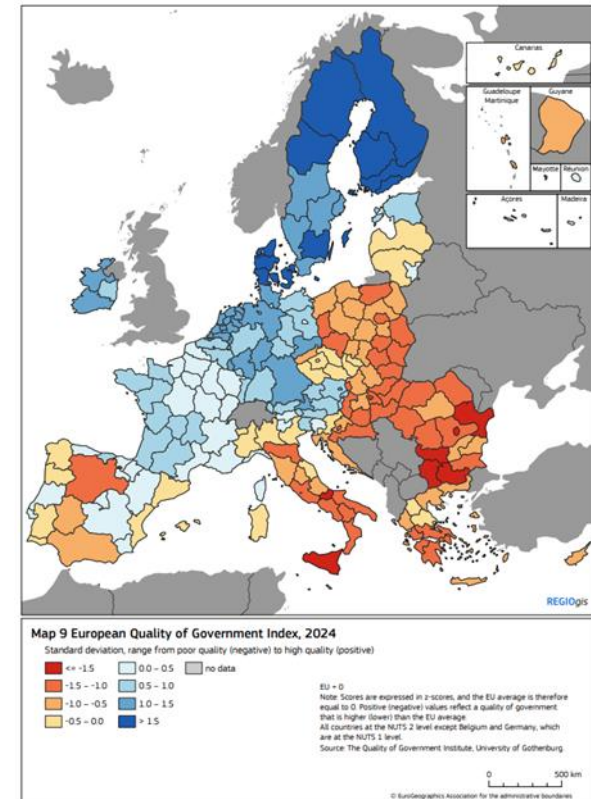
Actors

Quality of governance determines capacity and effectiveness of instrument implementation

Strengthening capacity and improving institutional quality to maximise the impact of cohesion funding.

Political/institutional trust fosters greater cooperation between actors, leading to easier policy implementation.

Regions with better quality of governance and political/institutional trust outperform others in terms of economic growth.



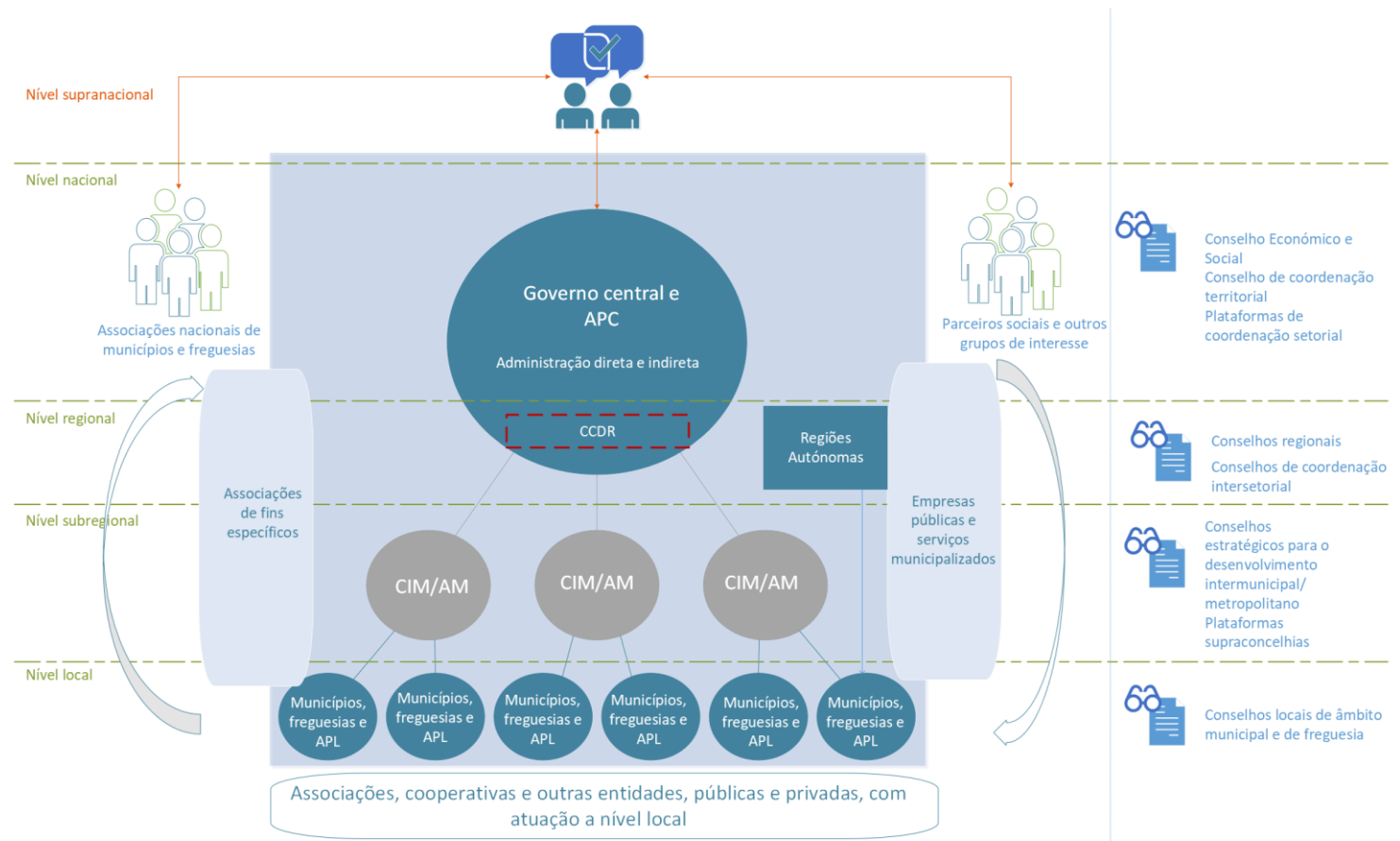
Source: 9th Cohesion Report

Multi-level governance as a key element

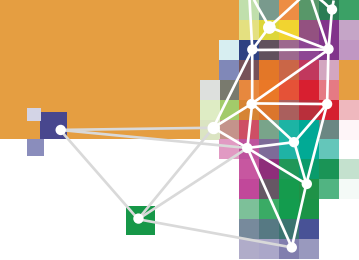
Actors

Clarification and more autonomy on the scope and functions of the different entities from the multilevel governance: from the planning to implementation

Ongoing projects:
 Capacity Building Roadmap – helping to strengthen the capacity of the funds ecosystem for the solid institutions needed for an effective place-based approach



LEGENDA:
 AM - Área Metropolitana
 APC - Administração Pública Central
 APL - Administração Pública Local
 CCDR - Comissão de Coordenação e Desenvolvimento Regional
 CIM - Comunidade Intermunicipal



Multi-level governance as a key element Strategies

Relevance of anchor strategies for the alignment of priorities (e.g. Portugal 2030 strategy) – need to (re)define anchors in advance of the new structural programming cycle

Articulation of territorial policies within a framework of multi-level governance and greater coherence between the different levels – national, regional and subregional.

1. Discussion of key objectives and strategies for the integrated promotion of regional development

Ongoing projects:

- Ongoing Assessment Interior Development Programme
- Rethinking Regional Attractiveness for Green and Inclusive Globalization
- Preparing regions for demographic change – Shrinking Smartly and Sustainably

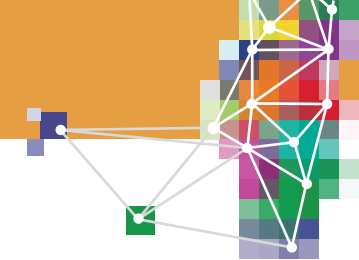
2. Existence of robust territorial strategies prior to and independent of programming and funding mechanisms

Ongoing projects:

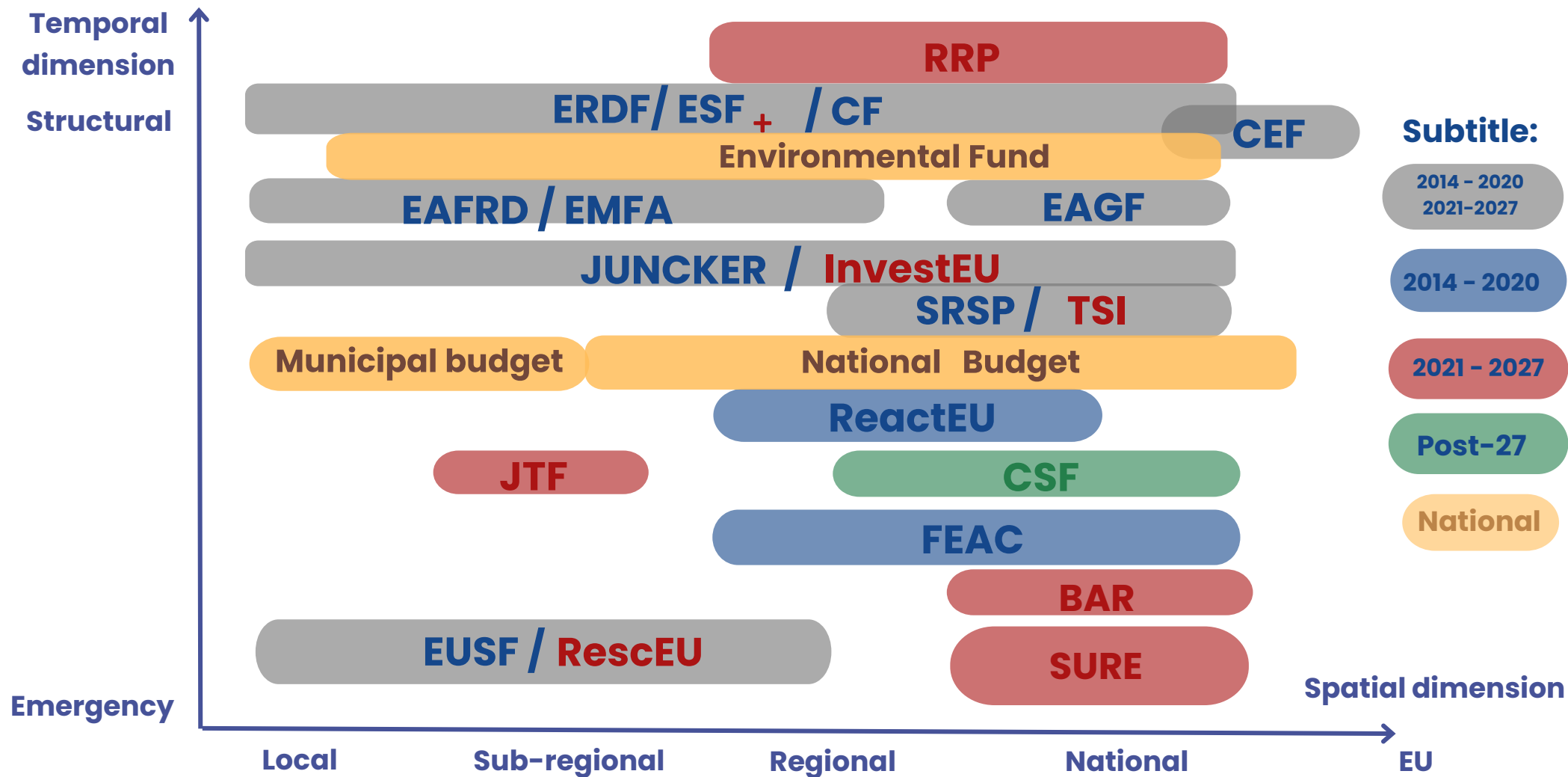
- Portugal 2030 Strategy first monitoring report – Strengthening territorial and regional dimension in strategy and planning instruments
- PROT– modification (AML, OVT, Alentejo e Algarve) and development (Norte e Centro)

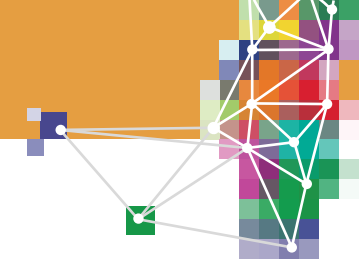
It is crucial to prioritize and clarify key objectives.

Rebalancing the “silo logic” in which different policies are conceived and designed



Financing instruments

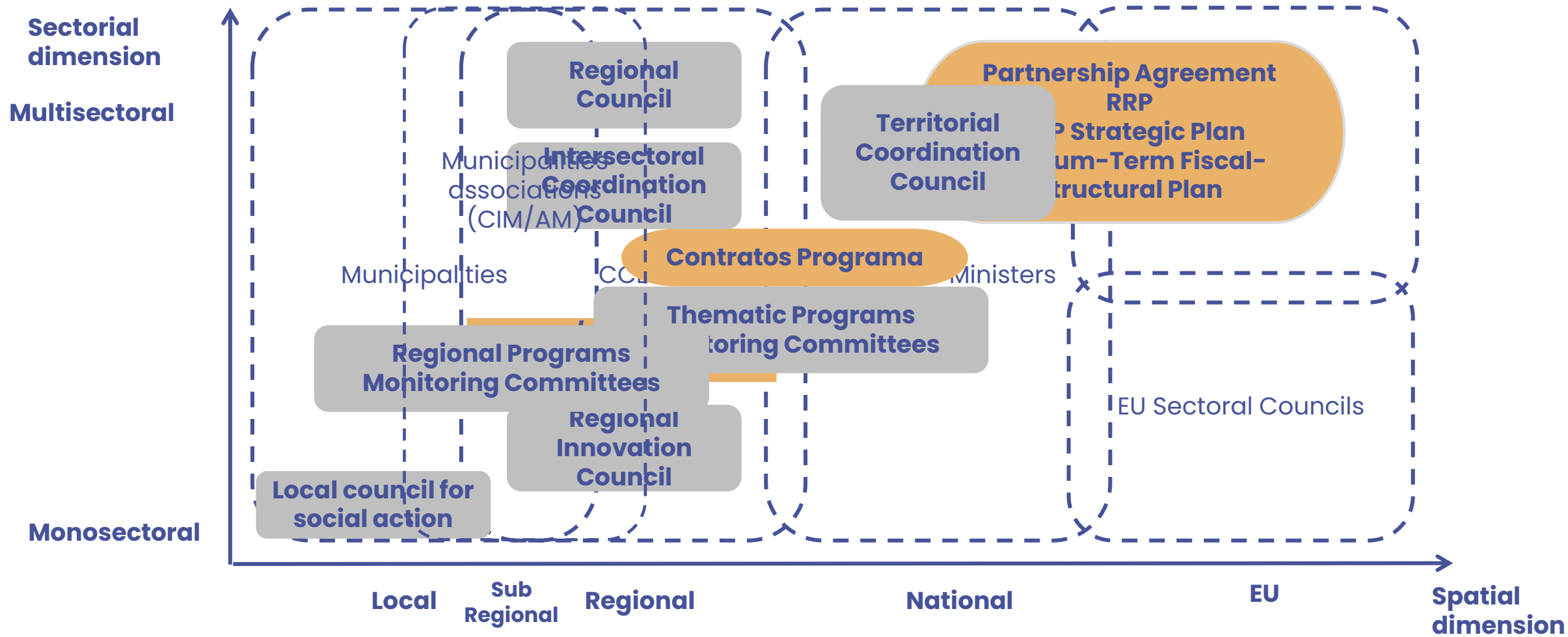




Multi-level governance as a key element

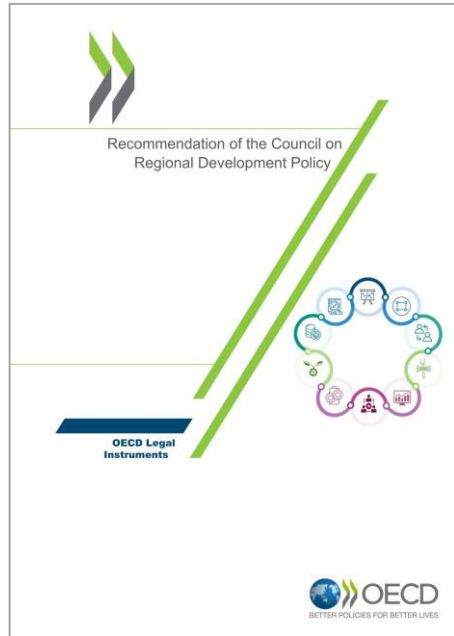
Coordination mechanisms

Governance mechanisms



MLG is relevant in all countries

OECD Recommendation on Regional Development Policy



Regional OUTLOOK 2023 (OCDE)

5 priorities for a policy roadmap to tackle regional disparities

The priorities are mutually reinforcing and need to be implemented in a coordinated way

Deconcentration and decentralization requires more (and not less) vertical and horizontal coordination