

## EAPN Response to the Barca Report

### Introduction

Fabrizio Barca, an Italian Economist, prepared a Report entitled “An Agenda for a reformed cohesion policy” at the request of the European Commissioner for Regional Policy. This Report, published in April 2009, sets out a comprehensive argument on the need to reform the current cohesion policy. It is a major step forward for making the Cohesion Policy a powerful means to fight against poverty and social exclusion. EAPN has indeed constantly advocated for rebalancing the cohesion policy towards more social inclusion. The following four main ideas laid down in this Report could directly contribute to this overall aim:

- 1) Putting social inclusion at the forefront of the Cohesion Policy
- 2) Developing the European territories through a better involvement of local actors
- 3) Building a new paradigm for the Structural Funds governance
- 4) Creating a new effective culture of evaluation

### 1) Putting social inclusion at the forefront of the Cohesion Policy

- Social inclusion as a main objective of the cohesion policy

#### **Description:**

The Barca Report proposes a reshuffling of the current priorities of the cohesion policy. Up to two thirds of the cohesion policy budget would be concentrated on three or four core priorities ranging between **two objectives**:

- **Efficiency**
- **Equity / social inclusion**

Each objective entails 2 key priorities:

- For efficiency: innovation and climate change
- For equity: migration and child poverty

#### **We welcome:**

- **The big shift of the cohesion policy proposed by the Barca Report from infrastructures (underpinned by the Lisbon earmarking) to people and their quality of life** embracing the social and environmental pillars.
- The idea of a balance between territorial and social inequalities to have a decisive impact on the most deprived areas.
- The newly promoted social inclusion objective that would **solve the problem of low-level of social inclusion earmarking** in the current programming period.

#### **Our key concerns:**

- **The distinction between efficiency and equity shouldn't be contradictory.** By placing innovation and the fight against climate change in the scope of the efficiency objective, the Barca Report may lead to adopting a **traditional mono-focused and business-oriented approach**.

- **The priorities shouldn't be defined too narrowly.** If EAPN supports the focus put on the two priorities of the social inclusion objective (the management of the social consequences of migration and the tackling of child poverty), it should not undermine support for other forms of exclusion during the whole life cycle before the entrance in the labour market and after leaving the labour market.
  - **A list of priorities which should deal with the needs of the various categories of people experiencing poverty.**
  - The definition of the core priorities should be tailored to the territories with a full implementation of participative methods to make sure that the voice of the social NGOs and their beneficiaries will be heard.
- *A missing opportunity to strengthen the coherence between social OMC and the cohesion policy*

**Description:**

- The Barca Report adopts a short harsh diagnosis of the social OMC. If the social OMC has achieved important results in methodological tools, the process has failed to deliver its political commitments.
- This Report highlights the fact that the social OMC had only little impact on Member States' policy-making and no impact on the use of resources in cohesion policy.

**We welcome:**

- **The assessment of the lack of transferability of the guidelines** developed through the social OMC to the cohesion policy which damages its current contribution to social inclusion.

**Our key concerns:**

- The social OMC shouldn't be considered as a weak instrument for the Cohesion Policy due to its current lack of influence on the use of resources of the Structural Funds.
- The solution is rather **to strengthen the social OMC by better mainstreaming its objectives and better developing the coherence and links between the social OMC and the structural funds.**

## II) Developing the European territories through a better involvement of local actors

The effective development of all European territories is underpinned by a new concept called "place-based" policy. It is defined by the Barca Report as following:

"A place-based policy is a territorial strategy for improving social inclusion, in its various dimensions, through the provision of public goods and services, by guaranteeing socially agreed essential standards to all and by improving the well-being of the least advantaged. "

- *Developing the European territories*

**Description:**

The Barca Report is clearly in favour of maintaining a Cohesion Policy for all the Regions. He clearly points out the idea that the purpose of the cohesion policy is not financial redistribution between states but to develop the European territories.

**We welcome:**

- The idea of a **cohesion policy for all the Regions** as “inefficiency and social exclusion traps can arise in all places”.
- **The importance given to the involvement of local actors in making the place-based strategy effective** (“more involvement of the bodies representing social interests at EU and national levels, including NGOs in particular, is clearly required”.)
- The proposal of **raising public awareness to enhance the mobilization of local actors** with a greater role being played by the Commission (through workshops and conventions).

**Our key concerns:**

- Do not leave the implementation of the partnership principle to the Member States’ discretion. “The requirements for mobilization” must be based on guidelines set up by the European Commission to better commit the Member States.
- **Enhancing capacity-building and not only awareness-raising:** the most crucial role to be played by the Commission would be to contribute more actively to enhance NGOs’ capacity-building so as to facilitate their access to structural funds.

- A new fund for Innovative territorial actions

**Description:**

The Barca Report proposes to create a new fund for Innovative territorial actions of around 0,1% of the total cohesion policy to allow local actors to be involved in innovative or experimental projects.

**We welcome:**

- The overall aim of this new Fund of Innovative territorial Actions.
- **The reference made to three key principles of the previous Poverty programmes** which were designed to facilitate the access to grass-roots NGOs :
  - Their **small size of the target area** which allows in-depth action to be taken and enables all interested parties to work together.
  - The **partnership principle**: this principle is very important in that it implies a full commitment of each organisation to that partnership.
  - The **participation principle**: the participation of poor people in projects designed to combat poverty has been a defining characteristic of these programmes.

**Our key concerns:**

- The **amount** attributed to this new Fund **is too small** to finance enough innovative projects.
- There needs to be effective **implementation** to make sure that the **empowerment, bottom-up approach and transnationality** required for these innovative projects to be widespread are addressed.
- A place-base strategy based on the provision of integrated services

**Description:**

To ensure a real social and territorial cohesion, the Barca Report suggests underpinning the place-based approach with the provision of integrated goods and services which would be tailored to local needs.

**We welcome:**

- The important role given to **Structural Funds to facilitate the access to services thanks to its territorial and social dimensions.**
- **The emphasis on the active involvement of local actors** as they have a particular knowledge of the needs encountered at the local level.

**Our key concerns:**

- The Barca Report is silent **about the way the local actors will be mobilized** so as to make sure that accessibility and affordability principles of services are guaranteed.

**III) Building a new paradigm for the Structural Funds governance**

- *A strengthened role for the European Commission in the new multilevel governance*

**Description:**

- The Barca Report put forward the idea of shifting from a programming system to contractualisation. A new form of contract between the European Commission, the Member States and the regions is proposed. It would be accompanied with a system of conditionality based on outcomes clauses. This would give more power to the superior level.
- The Barca Report also suggests a very early timetable to organize the debate on the future of the cohesion policy

**We welcome:**

- The justification used by the Barca Report to give more power to the European Commission reflecting the EAPN view i.e. that **a place-based strategy prevents cohesion policy from becoming hostage to local rentiers.**
- The positive consequences of a **more independent and transparent allocation of structural funds** which are a pre-requisite to facilitate access to EU funding for NGOs.
- **The contractualisation process to be based on a partnership principle** so as to make sure that the objectives and targets are relevant for social inclusion and support NGOs' involvement as key partners.

**Our key concerns:**

- EAPN would like to stress the **importance of social conditionality** so as to not give Member States a blank cheque even when they don't sufficiently promote social inclusion in the contracts that they would sign with the European Commission.
- **How to put into place sanctions** if this partnership principle is not in place or the terms of the contract are broken? The Commission could hardly be contractor and judge at the same time.
- **The local actors are surprisingly absent in the proposed timeline** for the future of the Cohesion Policy.

- *Adapting the current architecture of the Cohesion policy*

**Description:**

The main proposals made by the Barca Report concerning the architecture of the Cohesion policy are the following:

- Promoting a full integration of the interventions financed by the Regional and Social Funds, and a strategic cooperation of DG REGIO and DG EMPL by combining the social and the territorial agendas.
- Aligning the objectives and rules of the ERDF and Cohesion Fund.

***We welcome:***

- **The better coordination** suggested within the European Commission especially **between DG REGIO and DG EMPL** to further develop an integrated approach of the social inclusion objective.

***Our key concern:***

- The Barca Report doesn't go far enough concerning the promotion of a more strategic integration of the different structural funds.

**IV) Creating an effective culture of evaluation**

- *A performance monitoring based on outcome indicators*

***Description:***

The Barca Report elaborates a management performance based on outcome indicators and targets to better assess the achievement of the projects' core objectives and priorities.

***We welcome:***

- The assessment of the current indicators and targets used, although the **indicators and the targets are not well-defined**. Evaluations and indicators are indeed treated as a financial compliance exercise.
- The proposal to **assess the level of social inclusion of the projects and their effects**.

***Our key concerns:***

- The outcome indicators mentioned by the Barca Report should be further detailed. **Measuring social inclusion outcomes entails targeted and more qualitative indicators (or soft indicators) with a real inclusion-proofing.**

- *A conservative view of territorial resources allocation*

***Description:***

The GDP per capita is retained as the key allocation indicator.

***Our key concern:***

- GDP per capita appears as **a narrow economic indicator not designed to measure the achievement of the newly-promoted social inclusion objectives and to enable a socially adequate allocation of resources**. Despite an increase of GDP per capita and employment in the past few years, there is hardly any improvement in terms of poverty reduction in a lot of EU countries. So, the use of GDP must be balanced by new indicators for social and sustainable progress.

**Conclusion:**

EAPN sees the Barca Report as providing a very interesting basis for discussion with the EU institutions on the future of the Cohesion Policy and a great advance towards a real involvement of social NGOs in this field. EAPN urges the EU institutions to take up the following points in the upcoming debate around the post-2013:

**EAPN supports:**

- The major shift of the aim of the cohesion policy from infrastructures to people and their local needs.
- The promotion of the social inclusion objective as one of the two key priorities of the Cohesion Policy
- A Cohesion Policy aiming at developing all the EU territories
- A place-based strategy underpinned by a real involvement of local actors and supported by a new Fund for innovative territorial actions
- A strengthened role given to the European Commission in the revised Cohesion Policy
- An effective culture of evaluation based on performance monitoring with outcome indicators and targets

But some proposals need to be further developed to make sure that the future reformed Cohesion Policy will fully benefit people experiencing poverty.

**Key Demands:**

- Strengthen rather than undermine the link between Structural Funds and the social OMC
- Make sure that social NGOs will be involved at all stages of the future reformed Cohesion Policy from design to delivery and evaluation
- Go further than GDP per capita to measure social and territorial disparities and to allocate resources
- Keep in mind some crucial points, which are missing in the Barca Report to achieve the so-called social inclusion objective:
  - The simplification of the structural funds is particularly important for social NGOs to access to EU funding
  - Some precious tools such as technical assistance and global grants well-designed for targeting people experiencing poverty.