



## **AER President's Statement**

### **The Next EU Budget Period and Cohesion Policy**

**Brussels, 28 April 2020**

The Assembly of European Regions welcomes the latest EU initiatives to tackle the COVID-19 pandemic. We acknowledge that the amendments on existing regulations which allow the use of EU structural funds, such as cohesion policy, will positively alleviate the burden that most of our member regions are facing in these extraordinary circumstances. In this regard, I would like to express our sincere support for all the regions extremely affected by the pandemic, now more than ever AER member regions need to stand together in solidarity.

The adoption of the Coronavirus Response Investment Initiative (CRII) and its extension, the Coronavirus Response Investment Initiative Plus (CRII+), will introduce extraordinary flexibility for Member States to access all existing 2020 reserves from the European Structural and Investment Funds. These measures are expected to have a more effective response to the pandemic by allocating more resources to mitigate the negative impact on SMEs, short-term work schemes, and healthcare sectors. This provision for mitigating the collateral damage resulting from the pandemic proves cohesion policy to be a crucial EU instrument that can help regions and EU Member States overcome this emergency through European solidarity.

The Assembly of European Regions is concerned that granting exceptional flexibility to Member States in order to distribute the money coming from structural funds among regions will have an eventual risk of recentralisation and thus diminish the involvement of regional and local actors in the short- and long-term. Regions and cities have been on the very front line tackling the pandemic, and therefore should remain the key actors in the management of cohesion funds for better efficiency and management of the current health and economic crises.

At AER we welcome the recovery plan approved on 23 April 2020 by the European Council and we take the occasion to ask for a stronger and fairer cohesion policy budget within the next Multiannual Financial Framework 2021-2027. Cohesion policy should have a central role in the social and economic fallout post-COVID-19, and this can only be achieved by a more ambitious MFF ready to respond to the challenges to come. In this regard we acknowledge the need for a one-year extension to the starting period of the next financial framework, this being the most suitable option to achieve a smooth transition between programming periods and conclude an ambitious budget that will support regions and cities to recover from the aftermath of COVID-19.

At the Assembly of European Regions, we acknowledge that the new proposals for tackling the health and economic crises may undermine cohesion and CAP funding. Cohesion policy should remain the main EU value and its leading principle for a future recovery plan for a more resilient and sustainable European Union. In order to achieve this, it is key that more resources are allocated to those who are at the front line and are working on the ground to fight the pandemic, such as regions and cities, who have been doing so over the past months.

**Magnus Bertnsson,**  
**AER President**