

Committee on Regional Development
The Chair

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Jerzy BUZEK
Chair
Conference of Committee Chairs

315274 02.10.2014

Dear Mr Buzek,

Subject: Parliamentary hearing of Commissioner-designate Crețu, 1 October 2014

In accordance with Rule 118 of the Rules of Procedure of the European Parliament, the Committee on Regional Development held a public hearing this morning with Ms Corina Crețu, Commissioner-designate for regional policy.

In her opening statement, Ms Crețu said that regional policy is the practical expression of solidarity within the European social market model and the key tool of the EU budget to support investment in the real economy. She stressed that the policy is neither a fiscal transfer mechanism nor a budgetary support tool: rather, it plays a central role in the delivery of Commission priorities in areas such as innovation, small and medium-sized enterprises, the digital single market, the European energy union, climate change objectives, trans-European networks and social inclusion.

She continued that, were she to be confirmed as Commissioner, her chief priorities would be to maximise the contribution of regional policy to the goal of creating jobs and growth; to promote institutional capacity and good governance; to make life simpler for beneficiaries of cohesion policy; to ensure that cohesion expenditure is properly managed in line with the Financial Regulation and the principles of sound financial management; to promote a greater focus on the performance of cohesion policy and the results it delivers; and to engage in a broad debate about the future of cohesion policy after 2020.

There then followed a round of questions from the Committee coordinators and 38 questions from Members. Members' questions ranged very widely across the whole field of cohesion policy, covering areas such as:

- the problem of the payments backlog under heading 1b of the EU budget;

- implementation of the "measures linked to sound economic governance" principle enshrined in Article 23 of the Common Provisions Regulation (so-called "macroeconomic conditionality");
- the link between President Juncker's EUR 300 billion investment plan and cohesion policy;
- the impact of the Stability and Growth Pact on public investment and cohesion policy;
- the role of the urban policy in the new cohesion policy;
- measures related to the development of the Outermost Regions;
- the role of macro-regions and cross-border cooperation;
- measures to improve access to financing for SMEs;
- the links between cohesion policy and other EU policies (agriculture, transport, research and innovation, enlargement, neighbourhood, employment and social policies, inclusion of marginalised communities);
- specific features of cohesion policy (partnership and multilevel governance principle, gender equality principle, new policy instruments);
- measures to address the range of challenges faced in implementing cohesion policy (administrative capacity of the Member States, low absorption rates, errors, fraud);
- the link between cohesion policy and sustainable development (energy efficiency and environmental issues);
- the need for better communication about the effectiveness of cohesion policy, especially as regards job creation.

Before the end of the hearing, the Commissioner-designate made a brief closing statement in which she underlined her commitment - were she to be appointed as a commissioner - to working very closely with the Parliament, and with this Committee in particular.

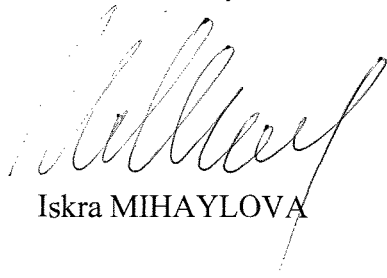
The Committee's coordinators held an evaluation meeting under my chairmanship very shortly after the hearing. To summarise their remarks, the coordinators:

- all expressed a positive view of the Commissioner-designate's suitability as a future Commissioner for Regional Policy, especially as regards her ability to communicate effectively and her knowledge of, and commitment to working closely with, the Parliament;
- took note of the answers that the Commissioner-designate had provided in response to the written questions the Parliament had addressed to her, and considered these to be satisfactory;
- noted the commitment of the Commissioner-designate to cohesion policy and its future after 2020, and were convinced that she would quickly deepen her knowledge of the policy area;
- considered that the Commissioner-designate needed to take a stronger position, within the framework of collegial responsibility of the College, in order to solve the shortfall in payments; to defend cohesion policy in the mid-term review of the MFF; to clarify the role of cohesion policy in delivering the Juncker investment plan; to cooperate closely with regional and local authorities, and other stakeholders, in line with the multi-level governance and partnership principles of cohesion policy; to ease access to cohesion funding for SMEs;
- welcomed, in particular, the Commissioner-designate's undertakings to develop cohesion policy as a cross-cutting policy, present throughout the full range of Union initiatives; to promote the urban dimension in EU policies; to maintain support for the less developed and outermost regions; to maximise the synergies between cohesion policy and other EU policies; to simplify cohesion policy delivery; to promote high-quality projects and to

improve the efficiency and effectiveness of cohesion policy, by better focusing on performance audits; and to maintain the Northern Ireland Task Force.

The coordinators' overall assessment of this hearing is that the Commissioner-designate gave a generally convincing impression of her fitness to be a member of the College of Commissioners and to carry out the specific tasks assigned to her.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Iskra Mihaylova', written in a cursive style.

Iskra MIHAYLOVA