



Swedish position on cohesion policy after 2027

The European Union is facing major and complex challenges. Discussions on the need for changes to EU policies to efficiently meet those challenges are ongoing and will intensify. Continued enlargement of the Union will affect EU cooperation and require reforms. In this context, Sweden wants to point to a desired direction for cohesion policy after 2027, without preceding the discussions on the size of the next financial framework and in accordance with Sweden's general budget-restrictive position.

With the right framework and efficient implementation, cohesion policy and its instruments can address the Union's long-term challenges, increase growth and employment, and reduce regional disparities in the EU of today but also in a further enlarged Union. Focus should be on competitiveness, innovation, and the green and digital transitions.

Building on the EU's fundamental values as set out in Article 2 of the Treaty on European Union, cost-effective and result-focused measures with high EU added value shall guide reform and implementation of the policy.

Cohesion policy should not be used as a short-term emergency instrument, putting its long-term focus at risk. The importance of avoiding subsidies that risk distorting the internal market, should be noted.

Against this background, Sweden would like to emphasize the following on the future of cohesion policy.

Strategic direction

- ✓ Cohesion policy should be closely connected to other EU policies and underpin national reforms needed to strengthen the EU as a whole. Also, a strategic framework that promotes a clear link between cohesion policy and other Union instruments, as well as with national policies, is important. Such a framework needs to be adapted to the size of national envelopes for cohesion policy.

Place-based policy

- ✓ Conditions differ between regions in terms of geography, demographics and economy as well as the capacity of public institutions etc. A place-based policy – together with the cohesion policy principles of partnership, multi-level governance and shared management – promotes tailor-made measures adapted to national, regional and local conditions.

Focus on the least prosperous regions

- ✓ Cohesion policy should concentrate its resources on the least prosperous regions. In this context, Sweden would like to stress that transition rules and safety nets should be avoided in the allocation method for the cohesion funds. The status of the sparsely populated regions in Sweden's accession protocol as well as the allocation to sparsely populated regions are priorities.

European territorial cooperation

- ✓ Territorial cooperation (Interreg) should continue to be part of cohesion policy post-2027. Territorial cooperation contributes to EU integration and adds value by enabling joint development projects across national borders. Stable eligibility rules and geographical coverage ensure long-term cooperation, which is a prerequisite for efficient implementation, although all programmes need to demonstrate their impact.

National co-financing

- ✓ National co-financing remains an important principle. It contributes to national and regional ownership as well as to effective implementation of cohesion policy and its instruments.

Focus on results

- ✓ Thematic concentration, adapted to different needs and challenges, as well as monitoring and evaluation, are important components to ensure a result-oriented and focused implementation of cohesion policy and its instruments. The possibility of a more result-based implementation model should be explored. Such a model must be in line with the principles of cohesion policy and sound financial management, stimulate innovation and represent real simplification for all actors.

Rule of law

- ✓ Compliance with the principles of the rule of law and good governance in current and new Member States is essential for the functioning of the Union and the internal market. Countries that do not comply with the rule of law should not receive EU-funds. Therefore, a stronger link between the disbursement of cohesion funds and Member States' compliance with the rule of law is needed.

Simplification

- ✓ There are challenges in dealing with today's many EU instruments with similar objectives and, sometimes, overlapping regulatory frameworks. The number of instruments should therefore be reduced. The programme structure with policy objectives, specific objectives and earmarking needs to be simplified to avoid lock-in effects. The regulatory framework also needs to be adapted to the size of Member States' EU-funding. The EU should pursue a reduction of the administrative burden for implementing organisations and beneficiaries without weakening the protection of its financial interests.

Administrative capacity

- ✓ To design and implement result-based efficient and effective programmes with a good absorption, administrative capacity is a key. Ensuring administrative capacity throughout the Union is therefore important. Cohesion policy and its instruments should increase their contribution to strengthening administrative capacity by focusing on, inter alia, conditionalities and efficient management.