

Cohesion policy contribution to New European Bauhaus

The New European Bauhaus is a European Commission initiative, which links the sustainability, aesthetics and inclusion dimensions of building design. Announced in September 2020 by Commission President Ursula von der Leyen, the project has now entered the design phase, which involves exploring ideas, launching the New European Bauhaus prize and opening calls for proposals to bring the new ideas to life through the use of EU funds at national and regional level. EU cohesion policy, through its support for environmental, socio-economic and cultural projects, can make a significant contribution to the New European Bauhaus.

New European Bauhaus initiative

The New European Bauhaus project was <u>announced</u> by Ursula von der Leyen in her State of the Union address on 16 September 2020. The name makes <u>reference</u> to the early 20th century <u>Bauhaus</u> architectural movement, which sought to combine art and practicality. In the words of the Commission President, the initiative 'is about matching sustainability with style, to bring the <u>European Green Deal</u> closer to people's minds and homes'. The project aims to involve designers, artists, scientists, architects and citizens to <u>cocreate</u> these ideas and put them into practice. It will take place in <u>three phases</u> – design, delivery and dissemination (see box below). On the occasion of <u>launching</u> the 'design phase' on 18 January 2021, the Commissioner for Cohesion and Reforms, Elisa Ferreira <u>described</u> the project as 'relevant for all regions and territories', and confirmed that the Commission is exploring how EU funding tools could be mobilised to support concrete <u>New European Bauhaus</u> actions. The 2020 Commission <u>communication</u> on 'A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives' also highlights the role of cohesion policy funding for renovation of buildings, while respecting cultural heritage, sustainability and social inclusion aspects.

Cohesion policy

Cohesion policy accounts for about one third of the EU <u>budget</u>. It supports a wide range of investments in all EU regions, in <u>areas</u> such as innovation, economic transformation, energy transition, transport and digital networks, social inclusion and sustainable urban development across the EU. In the 2021-2027 budgetary period, cohesion policy will be governed by the <u>Common Provisions Regulation</u> to be adopted in the coming months. The provisional <u>agreement</u> on the proposed regulation establishes five <u>policy objectives</u> for regional funding. These include the financing of environmental, cultural and socio-economic inclusion projects, which could support New European Bauhaus actions.

Support for the environment

The European Regional Development Fund (ERDF) and Cohesion Fund (CF) will offer support in a variety of areas relevant to the New European Bauhaus project, with particular relevance to its 'sustainability' strand. The policy objective on 'a greener Europe' includes promoting energy efficiency measures, renewable energy, smart energy systems and grids, climate change adaptation, risk prevention and disaster resilience, sustainable water management, circular economy, and reducing pollution. In the 2021-2027 period, Member States will be required to allocate at least 8 % of their ERDF resources to sustainable urban development, while over 30 % of ERDF resources and CF resources must be set aside for climate objectives. Moreover, the new Just Transition Fund (JTF) aims to address the social, economic and environmental impacts of the transition towards a climate-neutral economy in high-emission regions. The Fund is governed by cohesion policy rules and included in the Common Provisions Regulation. Some activities supported by JTF could be relevant in the context of the New European Bauhaus. These include investments in the deployment of technology and infrastructure for affordable clean energy, in greenhouse gas emission reduction, energy efficiency and renewable energy.

Support for culture

The Common Provisions Regulation for 2021-2027 also supports interventions in the area of 'arts, entertainment, creative industries and recreation', which are important themes in the context of the New European Bauhaus thanks to its focus on aesthetics and culture. One of the five policy objectives ('a Europe closer to citizens') also covers cultural heritage. The cultural dimension of the New European Bauhaus may also be supported under the European Social Fund Plus, which is an instrument supporting employment, skills development and social inclusion. The European Regional Development Fund with its support for enterprises, research activities and skills development may also support New European Bauhaus actions encompassing collaborative projects in these areas. The REACT-EU programme (funded from Next Generation EU but delivered under cohesion policy rules) also offers support for those sectors most hit by the coronavirus pandemic, including the cultural sector.

Support for socio-economic projects

The socio-economic aspects of the New European Bauhaus and its focus on inclusion may be addressed under the policy objective of 'a smarter Europe'. Aimed at promoting innovative and smart economic transformation, specific supported actions include enhancing research and innovation capacities and the uptake of advanced technologies, boosting digitalisation, supporting enterprises and developing skills for smart specialisation, industrial transition and entrepreneurship. Support relevant to the New European Bauhaus could also be drawn from investments under the policy objective on 'a more social Europe'. These include, for instance, social innovation and the socioeconomic integration of marginalised communities, migrants and disadvantaged groups, through integrated measures including housing and social services. Moreover, the policy objective on 'a Europe closer to citizens' offers support for integrated social, economic and environmental development, including through community-led local development. This again presents opportunities for the New European Bauhaus project in the context of its 'inclusiveness' strand.

Outlook

Cohesion policy in the 2021-2027 period will offer several opportunities to support the New European Bauhaus project. These include energy efficiency measures, renovation of buildings, urban renewal, preserving cultural heritage and ensuring social inclusion. Depending on the final shape the New European Bauhaus project takes, activities such as enhancing research and innovation capacities and the uptake of advanced technologies as well as skills development may also help support it. Cohesion policy is thus likely to complement other possible sources of funding for the New European Bauhaus project under the 2021-2027 Multiannual Financial Framework and Next Generation EU, relating to the European Green Deal, Renovation Wave Strategy, InvestEU and other programmes. The final shape of cohesion policy will be known in the coming months, once the Common Provisions Regulation and the sectoral regulations on the individual funds have been adopted by the EU co-legislators.

Next steps for the New European Bauhaus

In its first 'design phase' of the project in 2021, the European Commission aims to enable the co-creation of ideas, launch the New European Bauhaus prize and open calls for proposals to select five pilot projects in EU Member States. The 'design' phase will then be <u>followed</u> by the 'delivery' (2021-2024) and 'dissemination' phases (in parallel from 2023 onwards).

