

## AMENDMENT FORM

**Suggestion for amendment of Article: 111 (ex 158)**

**By Mr Hain**

**Status : - Member**

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### SECTION 3 ECONOMIC, AND SOCIAL ~~AND TERRITORIAL~~ COHESION

In order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of its economic, and social ~~and territorial~~ cohesion.

In particular, the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions or islands, including rural areas.

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#### **Explanation (if any) :**

##### Title

*Inclusion of territorial cohesion could distort the scope of the structural and cohesion funds by attaching importance to geographic rather than economic concerns. As in Article I – 3, we are concerned about the implications of adding ‘territorial cohesion’ to the objectives of the Union. It could have implications for [Gibraltar or] defence policy; and may distort the scope of the Structural and Cohesion Funds by attaching importance to solely geographic concerns rather than economic concerns of which geography may be a factor.*

##### 111

*As in Article I-3, we are concerned about the implications of adding ‘territorial cohesion’ to the objectives of the Union. As well as the concerns noted above, it could also result in an extension of Union competence into planning, change the nature of SFs from funding to transform regions into a mechanism for compensating regions for unchangeable circumstances ie. their island status or peripherality, and be used as an argument to block market liberalisation & the assessment criteria is less clear than for economic concerns – not the same established set of agreed statistics]*