**Mgr. František Lukl**

**President**

Praha, 7 May, 2020

*Ref.nu. 217/2020*

Dear Director-General,

Epidemic COVID-19 brought us challenges that Europe as well as world could not have imagined so far. It is already clear that the preventive measures that have been and are being adopted in all European countries against the spread of the disease have also hit the economy of EU member states and their regions really hard. All European countries are facing a sharp economic decline, expressed for instance by decrease of GDP, increase of unemployment and related social problems. The economic and social consequences of the pandemic will be enormous, not only for the national economies but also for the local and regional level.

I very much appreciate the rapid response of the European Commission which has answered to the current situation with measures proposed for slowing down the impact of pandemic. Measures such as CRII +, the SURE instrument, possibility to use of ESI funds or State Aid rules in a more flexible way etc. made it possible to react quickly to the current situation.

However, the epidemic will also affect the design of EU policies, including the direction of investment under the future Multiannual Financial Framework 2021-2027. The European Union will face dozen of challenges in next decade and those will differ from region to region, especially in terms of territorial needs and growing potential.

We, as a national association representing Czech local governments, believe that the Cohesion policy with strong territorial approach has great potential to contribute to the post-covid economic recovery. This crisis clearly shows that in a globalised environment we can only succeed if we are locally strong, because the stronger we are at the lowest level, the stronger the EU as a whole will be. Towns and municipalities and other local actors are an obvious engine for the development in this terms. Thus Cohesion policy should remain a strongest policy and the substantial part of it should be focused on needs of territories.

For that purpose we are sending you the Position of the Union of Towns and Municipalities of the Czech Republic towards future Cohesion policy and other EU policies after 2020, which summarizes the fundamental proposals of Czech self-governments on the programming period 2021-2027 and the role of the territorial dimension in the future Cohesion policy.

Dear Director-General, I hope you take into account our position in the forthcoming negotiations and I believe that a place-based approach will be a guiding principle in the formulation of the future Cohesion policy and other EU policies. Let me to assure you that our association is ready to contribute to this debate and to clarify our position in more details.

Yours sincerely

Enclosure: Position of Union of Towns and Municipalities of the Czech Republic towards future Cohesion policy and other EU policies after 2020

**Mr. Mark Lemaître**

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