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Plenary sitting

A7-0381/2013

13.11.2013

***I REPORT

on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1083/2006 as regards the financial allocation for certain Member States from the European Social Fund (COM(2013)0560 – C7-0244/2013 – 2013/0271(COD))

Committee on Regional Development

Rapporteur: Jan Olbrycht

Rapporteur for the opinion (*): Elisabeth Morin-Chartier, Committee on Employment and Social Affairs

(*) Associated committee – Rule 50 of the Rules of Procedure

RR\1009733EN.doc PE521.556v02-00

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

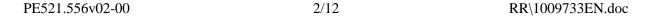
Deletions are indicated in *bold italics* in the left-hand column. Replacements are indicated in *bold italics* in both columns. New text is indicated in *bold italics* in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

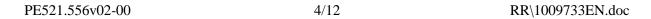
New text is highlighted in *bold italics*. Deletions are indicated using either the symbol or strikeout. Replacements are indicated by highlighting the new text in *bold italics* and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.



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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1083/2006 as regards the financial allocation for certain Member States from the European Social Fund (COM(2013)0560-C7-0244/2013-2013/0271(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2013)0560),
- having regard to Article 294(2) and Article 177 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0244/2013),
- having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
- having regard to the opinion of the European Economic and Social Committee of 17 October 2013¹,
- after consulting the Committee of the Regions ,
- having regard to Rule 55 of its Rules of Procedure,
- having regard to the report of the Committee on Regional Development and the opinions of the Committee on Employment and Social Affairs and the Committee on Budgets (A7-0381/2013),
- 1. Adopts its position at first reading, taking over the Commission proposal;
- 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
- 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

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Not yet published in the Official Journal.

OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS (*)

for the Committee on Regional Development

on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1083/2006 as regards the financial allocation for certain Member States from the European Social Fund (COM(2013)0560 – C7-0244/2013 – 2013/0271(COD))

Rapporteur(*): Elisabeth Morin-Chartier

(*) Procedure with associated committees – Rule 50 of the Rules of Procedure.

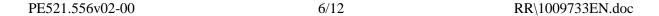
SHORT JUSTIFICATION

The legislative proposal under examination, which amends the general regulation on the Funds for the period 2007-2013 currently in force (Council Regulation (EC) No 1083/2006), provides for an additional European Social Fund (ESF) envelope of EUR 150 million, made available through the flexibility instrument, to be allocated for 2013 to three Member States, notably France, Italy and Spain (receiving EUR 100 million, 30 million and 20 million respectively in current prices). In addition, in order to avoid commitment constraints, the draft regulation sets out a special derogation to the standard deadline for commitments, allowing for budget commitments under this additional allocation to be made until 30 June 2014.

These increases of the ESF national envelopes have been agreed upon at the European Council of 27 and 28 June 2013 in order to support the Member States concerned in their efforts to cope with the challenges brought by the current crisis and as a way for compensating them for the negative impact they will suffer because of the choices made in the multiannual financial framework 2014-2020.

This amending proposal needs to be adopted and enter into force before 1st January 2014, when Council Regulation (EC) No 1083/2006 is expected to be repealed by the common provisions regulation (CPR) currently under negotiation at inter-institutional level. In addition, there is also urgency on the ground as the Member States and projects are already suffering from the lack of resources in these social areas.

It must be highlighted that there are specific reasons why the additional allocation has been made available to the Member States concerned through the ESF. Firstly, this is because these Member States are currently facing high levels of unemployment (France: 11%, Italy: 12,2% and Spain: 26,2%; above the EU28 average: 10,9%), in particular youth unemployment, as well as a growing number of people at risk of poverty and social exclusion. The increase of



the allocation of the ESF will provide France, Italy and Spain with additional resources to help them cope with these problems. In light of the urgent investment needs that these Member States are experiencing in the social area, the ESF is also considered to be the instrument that can ensure a higher rate of absorption of funds in the current context.

Last but not least, the increase of the allocation of the ESF for the three above-mentioned Member States highlights the importance of this Fund in promoting employment and social inclusion and in reinforcing the social dimension of the European Union in the present economic situation, which also offers clear evidence in support of the call for a minimum share of 25% of cohesion policy resources to be devoted to the ESF in the next programming period 2014-2020.

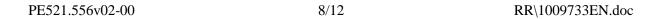
The European Social Fund is the main EU tool for social inclusion through integration into the labour market and an essential lever in times of crisis for the benefit of both jobseekers and employees. Since 2008, the crisis has been emphasising the need for the type of interventions supported by the ESF. More than ever, those three Member States: France, Italy and Spain should be able to benefit from the increase of their ESF allocation by supporting employment for all through:

- facilitating access to employment,
- promoting return into employment after a work interruption,
- supporting workers' employability (training of employees to adapt to new working methods and/or new jobs).

For all these reasons, your rapporteur for opinion recommends that the proposal be adopted without any amendments and in the speediest possible way.

PROCEDURE

Title	Financial allocation for certain Member States from the European Social Fund
References	COM(2013)0560 - C7-0244/2013 - 2013/0271(COD)
Committee responsible Date announced in plenary	REGI 10.9.2013
Opinion by Date announced in plenary	EMPL 10.9.2013
Rapporteur Date appointed	Elisabeth Morin-Chartier 11.9.2013
Discussed in committee	17.10.2013
Date adopted	5.11.2013
Result of final vote	+: 41 -: 1 0: 3
Members present for the final vote	Regina Bastos, Edit Bauer, Heinz K. Becker, Phil Bennion, Pervenche Berès, Vilija Blinkevičiūtė, Philippe Boulland, Milan Cabrnoch, Alejandro Cercas, Ole Christensen, Derek Roland Clark, Minodora Cliveti, Marije Cornelissen, Emer Costello, Andrea Cozzolino, Frédéric Daerden, Karima Delli, Sari Essayah, Richard Falbr, Thomas Händel, Nadja Hirsch, Stephen Hughes, Danuta Jazłowiecka, Jean Lambert, Patrick Le Hyaric, Verónica Lope Fontagné, Olle Ludvigsson, Thomas Mann, Elisabeth Morin-Chartier, Csaba Öry, Siiri Oviir, Konstantinos Poupakis, Sylvana Rapti, Licia Ronzulli, Joanna Katarzyna Skrzydlewska, Jutta Steinruck, Traian Ungureanu, Inês Cristina Zuber
Substitute(s) present for the final vote	Georges Bach, Jürgen Creutzmann, Jelko Kacin, Martin Kastler, Anthea McIntyre, Ria Oomen-Ruijten, Tatjana Ždanoka



OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on Regional Development

on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1083/2006 as regards the financial allocation for certain Member States from the European Social Fund (COM(2013)0560 – C7-0244/2013 – 2013/0271(COD))

Rapporteur: Reimer Böge

SHORT JUSTIFICATION

On 25 July 2013 the Commission adopted a proposal for a Regulation of the European Parliament and the Council amending the general Regulation for Structural and Cohesion Funds¹ which modifies the financial allocation for France, Italy and Spain from the ESF. This is with the aim of addressing certain issues resulting from the final outcome of the negotiations of the MFF for the years 2014-2020, affecting these Member States.

An appropriation of EUR 150 million is proposed to be added to the ESF 2013 commitments for France, Italy and Spain, in order to address the specific issue of unemployment, in particular of young people, and of social exclusion. To ensure the effectiveness of the increase of appropriations and facilitate the implementation of the programmes, the Commission has taken into account the absorption capacity of the Member States concerned for the two objectives of the Funds: 'Convergence objective' and 'Regional competitiveness and employment objective'.

The compensation shall be provided from the 2007-2013 period with the amounts being made available through the flexibility instrument and the margin left under 2013 budget².

The Rapporteur's recommendations relating to the mobilisation of the Flexibility Instrument will be presented in his draft report on the Proposal for a Decision of the European Parliament and of the Council on the Mobilisation of the Flexibility Instrument, drafted in parallel to this opinion.

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² Proposal for a Decision of the European Parliament and of the Council on the Mobilisation of the Flexibility Instrument, COM(2013) 559 and the Draft Amending Budget n° 7 to the general budget 2013 COM(2013) 557.

The current proposal translates this increase of appropriations into the legal basis by modifying Articles 18 - global resources, Article 19 - resources available for the Convergence objective, Article 20 - resources available for the Regional competitiveness and employment objective, and Article 75 on budget commitments, as well as Annex I - annual breakdown of commitment appropriations and Annex II - criteria and methodology for the allocation of the resources.

Having regard to the special efforts needed to tackle unemployment, in particular youth unemployment, and of poverty and social exclusion in the Member States concerned, notably in the context of the current economic crisis, your Rapporteur endorses the Commission proposal and recommends its approval.

Given that those commitment appropriations refer to the year 2013 and that the existing allocation for France, Italy and Spain from the ESF has been fully committed in the EU budget, your Rapporteur stresses that this Regulation should enter into force as a matter of urgency.

The Committee on Budgets calls on the Committee on Regional development, as committee responsible, to propose that Parliament adopts its position at first reading, taking over the Commission proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1083/2006 as regards the financial allocation for certain Member States from the European Social Fund.

PROCEDURE

Title	Financial allocation for certain Member States from the European Social Fund
References	COM(2013)0560 - C7-0244/2013 - 2013/0271(COD)
Committee responsible Date announced in plenary	REGI 10.9.2013
Opinion by Date announced in plenary	BUDG 10.9.2013
Rapporteur Date appointed	Reimer Böge 5.9.2013
Date adopted	17.10.2013
Result of final vote	+: 20 -: 1 0: 0
Members present for the final vote	Zuzana Brzobohatá, José Manuel Fernandes, Eider Gardiazábal Rubial, Lucas Hartong, Jutta Haug, Anne E. Jensen, Ivailo Kalfin, Sergej Kozlík, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, Jan Mulder, Vojtěch Mynář, Juan Andrés Naranjo Escobar, Nadezhda Neynsky, Andrej Plenković, Alda Sousa, Oleg Valjalo
Substitute(s) present for the final vote	Maria Da Graça Carvalho, Paul Rübig, Georgios Stavrakakis

PROCEDURE

Title	Financial allocation for certain Member States from the European Social Fund	
References	COM(2013)0560 - C7-0244/2013 - 2013/0271(COD)	
Date submitted to Parliament	25.7.2013	
Committee responsible Date announced in plenary	REGI 10.9.2013	
Committee(s) asked for opinion(s) Date announced in plenary	BUDG CONT EMPL 10.9.2013 10.9.2013	
Not delivering opinions Date of decision	CONT 2.9.2013	
Rapporteur(s) Date appointed	Jan Olbrycht 24.9.2013	
Discussed in committee	14.10.2013	
Date adopted	7.11.2013	
Result of final vote	+: 39 -: 0 0: 0	
Members present for the final vote	Luís Paulo Alves, Jean-Jacob Bicep, Victor Boştinaru, Nikos Chrysogelos, Danuta Maria Hübner, Filiz Hakaeva Hyusmenova, Vincenzo Iovine, Iñaki Irazabalbeitia Fernández, María Irigoyen Pérez, Constanze Angela Krehl, Petru Constantin Luhan, Iosif Matula, Erminia Mazzoni, Jens Nilsson, Younous Omarjee, Markus Pieper, Ovidiu Ioan Silaghi, Georgios Stavrakakis, Nuno Teixeira, Lambert van Nistelrooij, Oldřich Vlasák, Kerstin Westphal, Elżbieta Katarzyna Łukacijewska	
Substitute(s) present for the final vote	Joseph Cuschieri, Cornelia Ernst, Jens Geier, Ivars Godmanis, Rodi Kratsa-Tsagaropoulou, James Nicholson, Ivari Padar, Elisabeth Schroedter, Giommaria Uggias, Iuliu Winkler	
Substitute(s) under Rule 187(2) present for the final vote	Zuzana Brzobohatá, Matthias Groote, Krzysztof Lisek, Marian-Jean Marinescu, Ria Oomen-Ruijten, Eleni Theocharous	
Date tabled	13.11.2013	