REPORT


Committee on Regional Development

Rapporteur: Iskra Mihaylova

(Simplified procedure - Rule 50(2) of the Rules of Procedure)
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.
<table>
<thead>
<tr>
<th>CONTENTS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION</td>
<td>5</td>
</tr>
<tr>
<td>EXPLANATORY STATEMENT</td>
<td>7</td>
</tr>
<tr>
<td>PROCEDURE – COMMITTEE RESPONSIBLE</td>
<td>9</td>
</tr>
</tbody>
</table>
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION


(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2016)0778),

– 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 (C8-0489/2016),

– 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 22 February 2017¹,

– after consulting the Committee of the Regions,

– having regard to Rules 59 and 50(2) of its Rules of Procedure,

– having regard to the report of the Committee on Regional Development (A8-0070/2017),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ Not yet published in the Official Journal.
Amendment 1

Proposal for a regulation
Article 1 – paragraph 1
Regulation (EU) No 1303/2013
Article 120 – paragraph 8 – subparagraph 1 a (new)

*Text proposed by the Commission*

*Amendment*

The amount allocated to the operations referred to in the first subparagraph shall not exceed 5 % of the total ERDF allocation in a Member State for the 2014-2020 programming period.
EXPLANATORY STATEMENT

The recent series of earthquakes in Italy have had a devastating effect in the regions affected. Large reconstruction works are necessary in order to help local people live in decent conditions and preserve the cultural heritage. Besides the initial support offered by the European Union Solidarity Fund (EUSF), additional amounts from the European Regional Development Fund (ERDF) can be provided to Member States in order to support the reconstruction of regions hit by major natural disasters.

In order to provide such additional assistance to Member States affected by natural disasters, the overall legal framework established for the European Structural and Investment Funds (ESI) has to be adjusted. More concretely, the Commission proposes to amend Article 120 of the Common Provisions Regulation (CPR)\(^1\), introducing a separate priority axis for reconstruction projects supported by the ERDF within an operational programme. Considering the potential magnitude natural disasters can have, a co-financing rate up to 100% for the ERDF projects is proposed. Operations selected by managing authorities will be financed within this priority axis only if they are linked to reconstruction following major natural disasters as defined in the Council Regulation (EC) No 2012/2002 establishing the European Union Solidarity Fund. The Commission also proposes for the new measure to be applied retroactively, considering the date of the disaster as the starting date of eligibility of expenditures.

The Commission proposal should complement in practice the support already offered by the EUSF, as defined in its regulation.\(^2\) This proposal is considered neutral from a budgetary point of view, remaining within the limits of the overall allocation for the period 2014-2020. The increased co-financing rate, of up to 100%, will lead to a partial front-loading of payments, followed by lower payments at a later stage as the overall envelope is unchanged.

**Position of the rapporteur**

Your rapporteur welcomes the Commission proposal as a focussed and budgetary-neutral solution. She considers that cohesion policy must adapt to new challenges and provide a fast reaction to all Member States whose regions are affected by major natural disasters.


A simple, efficient and effective procedure has to be established for these specific cases in order to use the ERDF support in a transparent and accountable manner.

Following several discussions with the REGI Members, the rapporteur recommends that the Committee and Parliament at plenary stage take over the Commission proposal with the set of amendments, herewith included. These amendments enjoy wide support in the Committee and therefore agreement of the Parliament in plenary is required in order to begin negotiations with the Council.
**PROCEDURE – COMMITTEE RESPONSIBLE**

<table>
<thead>
<tr>
<th>Title</th>
<th>Specific measures to provide additional assistance to Member States affected by natural disasters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date submitted to Parliament</td>
<td>30.11.2016</td>
</tr>
<tr>
<td>Committee responsible</td>
<td>REGI</td>
</tr>
<tr>
<td>Date announced in plenary</td>
<td>15.12.2016</td>
</tr>
<tr>
<td>Date announced in plenary</td>
<td>15.12.2016</td>
</tr>
<tr>
<td>Rapporteurs</td>
<td>Iskra Mihaylova</td>
</tr>
<tr>
<td>Date appointed</td>
<td>16.2.2017</td>
</tr>
<tr>
<td>Simplified procedure - date of decision</td>
<td>16.2.2017</td>
</tr>
<tr>
<td>Date adopted</td>
<td>17.3.2017</td>
</tr>
<tr>
<td>Date tabled</td>
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</tr>
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