



EUROPEAN PARLIAMENT

2014 - 2019

Committee on Regional Development

2015/2074(BUD)

18.6.2015

OPINION

of the Committee on Regional Development

for the Committee on Budgets

on the mandate for the trilogue on the 2016 draft budget
(2015/2074(BUD))

Rapporteur: Maria Spyra

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SUGGESTIONS

The Committee on Regional Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Stresses that cohesion policy represents the main EU investment policy in the real economy and recalls the policy's TFEU-based objective of reducing disparities between European regions by strengthening economic, social and territorial cohesion; underlines its long-term perspective, which implies that outcomes are preconditioned by the selection of priorities, the application of an appropriate performance framework, as well as sound management and efficient control systems; recalls that in several Member States it is the essential and main source of funding for investments developing synergies and is having a multiplying effect in economic growth, job creation and sustainable development; is aware that, as a result of the financial crisis, some Member States still face difficulties in co-financing certain projects, and therefore calls for full use to be made of all the possibilities provided by the legislative framework for Member States with temporary budgetary difficulties;
2. Emphasises that the cohesion policy, which accounts for almost a third of the total EU budget, provides – through the European Structural and Investment Funds (ESI Funds) – the appropriate framework for contributing to meeting the smart, sustainable and inclusive growth objectives of the Europe 2020 strategy; points out that the role of the European Fund for Strategic Investments is to attract private capital, providing a complementary source of financing and allowing increased synergies between the different instruments; recalls, in this connection, that the review of the multiannual financial framework must not reduce the preallocated national envelopes;
3. Draws attention to the fact that the delayed approval of the Operational Programmes 2014 – 2020 made it necessary to adopt DAB No 2/2015 and is concerned about the slow start of implementation of the policy in the current programming period; stresses, in this connection, that a significant proportion of the unused 2014 commitments will be reallocated to 2015, exerting pressure on several Member States to contract and absorb the allocations; calls on the Commission to prepare and implement, together with the Member States, action plans to accelerate the implementation of the ESI Funds, and to propose measures to avoid, as far as possible, the decommitment of funds in 2017 resulting from delays in implementation; calls on the Member States, in this connection, to take all the necessary financial management measures as quickly as possible in order to start sending payment claims on time and to avoid a concentration of payment requests in the coming years;
4. Recalls that the annual breakdown of commitment appropriations for cohesion policy for 2016 accounts for more than EUR 46 billion (Annex VI of the Common Provisions Regulation), and underlines the imperative of ensuring coordination between all sources of funding with a view to creating added value and spurring long-term competitiveness;
5. Is seriously concerned about the recurrent problem of the backlog of payments, especially

under the cohesion policy (EUR 24.7 billion at the end of 2014¹), a phenomenon which is not sustainable in terms of sound financial management and puts at risk the implementation of the ESI Funds; stresses that there is a danger of perpetuating the ‘snowball’ effect of accumulating unpaid invoices at year’s end unless a tangible and sustainable solution to the problem is found, as fast as possible, through effective interinstitutional cooperation within the budgetary procedure; underlines the fact that delays in payments seriously and negatively affect implementation and good economic governance, decreasing the absorption capacity and jeopardising the effectiveness and efficiency of the cohesion policy and EU budget as a whole, ultimately creating practical difficulties and hampering the funding of beneficiaries;

6. Notes the Commission’s document ‘Elements for a payment plan to bring the EU budget back onto a sustainable track’ presented in Parliament on 16 April 2015; notes in particular that, according to the outlook presented by the Commission, the year-end backlog of outstanding payment claims under Heading 1B for 2007-2013 could be reduced to EUR 20 billion at the end of 2015 and to a sustainable level of EUR 2 billion by the end of 2016;
7. Requests that the Commission report to Parliament, not only on quantitative indicators such as RAL (‘Restant à liquider’) and RAC (‘Restant à contracter’), but also on the efficiency and effectiveness of the spent budget appropriations;
8. Stresses the need for the 2016 budget to provide the necessary resources to meet the commitments already made and to implement the Union’s 2016 policy priorities, and underlines the fact that the estimated reduction of the backlog and the limitation of delays to a minimum as regards interim payments will be possible only if a sufficient level of payment appropriations is ensured in the 2016 budget; demands that the payment plan endorsed at end of May by Parliament, the Council and the Commission, in line with the joint statement of December 2014 of the Parliament and of the Council in the framework of the agreement reached on the 2014 and 2015 budgets, be implemented without any further delay; expects the Commission to provide further details as soon as possible on the concrete actions to be taken; reiterates the importance of properly and effectively addressing this situation, as the accumulation of outstanding payments undermines the credibility, effectiveness and sustainability of the policy, due to the negative impacts which such an accumulation has on the budgets of Member States;
9. Highlights the fact that the three main pillars for EU economic recovery and growth – boosting investment, accelerating structural reforms and implementing growth-friendly fiscal consolidation –, which the European Commission defined in the Annual Growth Survey 2015, should be strengthened; calls on the Commission to encourage and speed up the use of the ESI Funds for structural reforms and investments;
10. Underlines the fact that visible progress should be made over the coming years on an agreement on reforming the system of own resources for the EU budget; points to the risk that by the end of 2019 the payments pattern from the previous programming period could reappear and calls on the Commission to develop early warning mechanisms within the

¹ According to the Commission document ‘Elements for a payment plan to bring the EU budget back onto a sustainable track’ presented in Parliament on 16 April 2015.

framework of the payment plan in order to avoid as far as possible any accumulation of outstanding payments.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	17.6.2015
Result of final vote	+: 27 -: 3 0: 3
Members present for the final vote	Pascal Arimont, José Blanco López, Franc Bogovič, Steeve Briois, Rosa D'Amato, Bill Etheridge, Michela Giuffrida, Ivan Jakovčić, Constanze Krehl, Martina Michels, Iskra Mihaylova, Andrey Novakov, Stanislav Polčák, Julia Reid, Terry Reintke, Monika Smolková, Maria Spyraiki, Olaf Stuger, Ramón Luis Valcárcel Siso, Ángela Vallina, Monika Vana, Matthijs van Miltenburg, Lambert van Nistelrooij, Kerstin Westphal
Substitutes present for the final vote	Petras Auštrevičius, Daniel Buda, Ivana Maletić, James Nicholson, Jan Olbrycht
Substitutes under Rule 200(2) present for the final vote	Edward Czesak, Jens Nilsson, Georgi Pirinski, Daniele Viotti