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| European Parliament  2014-2019 |  |

<Commission>{REGI}Committee on Regional Development</Commission>

<RefProc>2017/0336</RefProc><RefTypeProc>(COD)</RefTypeProc>

<Date>{26/06/2018}26.6.2018</Date>

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<TitreType>DRAFT REPORT</TitreType>

<Titre>on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 as regards support to structural reforms in Member States</Titre>

<DocRef>(COM(2017)0826 – C8‑0432/2017 – 2017/0336(COD))</DocRef>

<Commission>{REGI}Committee on Regional Development</Commission>

Rapporteurs: <Depute> Lambert van Nistelrooij, Constanze Krehl </Depute>

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| 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.) |

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| 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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(COM(2017)0826 – C8‑0432/2017 – 2017/0336(COD))

(Ordinary legislative procedure: first reading)

*The European Parliament*,

– having regard to the Commission proposal to Parliament and the Council (COM(2017)0826),

– having regard to Article 294(2) and the third paragraph of Article 175 and Article 177 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8‑0432/2017),

– 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 14 March 2018[[1]](#footnote-1),

– after consulting the Committee of the Regions,

– having regard to Rule 59 of its Rules of Procedure,

– having regard to the report of the Committee on Regional Development and also the opinions of the Committee on Budgets, the Committee on Economic and Monetary Affairs, the Committee on Budgetary Control, the Committee on Employment and Social Affairs, the Committee on Environment, Public Health and Food Safety, the Committee on Industry, Research and Energy, the Committee on Agriculture and Rural Development and the Committee on Women’s Rights and Gender Equality (A8‑0000/2018),

1. Rejects the Commission proposal;

2. Calls on the Commission to withdraw its proposal;

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

EXPLANATORY STATEMENT

This proposal, adopted by the Commission on 6 December 2017, seeks to amend the Common Provisions Regulation (CPR) in order to allow the performance reserve (6% of the resources allocated to the ERDF, ESF and CF Investment for Jobs and Growth Goal, to the EAFRD and to the EMFF) to be used for structural reforms instead of for the ‘specific priorities’ set out in Partnership Agreements. In particular, the proposal seeks to insert Articles 22(1a), 22(8) and 23a into the CPR, setting out the principles and procedures for using cohesion policy monies for structural reforms. In addition, consequential amendments affect the CPR’s provisions on its objective, definitions and reporting obligations accordingly.

The co-rapporteurs have given the proposal their fullest consideration, and have come to the conclusion that the proposal should be rejected.

Whilst the European Parliament did not originally support the concept of a performance reserve when the current cohesion package was adopted, the co-rapporteurs consider that it is important that the funds in the performance reserve are spent as originally intended, on cohesion projects, and are not diverted to structural reforms. This does not mean that structural reforms are not important: in other contexts, the Committee on Regional Development has supported an increase to the budget for structural reforms. However, local authorities and stakeholders are in most cases relying on the 6% set aside in the performance reserve in order to fund projects which are already planned up until the end of this programming period.

The Committee on Regional Development has held a number of consultations on this proposal, including exchanges of views in committee with Commission Vice-President Dombrovskis, the Commission services (both the Structural Reform Support Service and DG REGIO), the European Economic and Social Committee, the Committee of the Regions, the Council Presidency and the European Court of Auditors. The co-rapporteurs have the overall impression that support for the proposal is very weak across the board, with very few stakeholders supporting the proposed optional diversion of the performance reserve to fund structural reforms.

1. Not yet published in the Official Journal. [↑](#footnote-ref-1)