EUROPEAN PARLIAMENT

2009 - 2014

Committee on Employment and Social Affairs

2011/0276(COD)

9.7.2013

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 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 covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Council Regulation (EC) No 1083/2006
(COM(2013)0246 – C7-0107/2013 – 2011/0276(COD))

Rapporteur: Ádám Kósa(*)

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

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SHORT JUSTIFICATION

The new proposal by the Commission comprises many new elements which have given rise to serious disagreements within both the Council and the European Parliament, in the latter case not only between political groups but also between Members with similar political affiliations. What is at stake is far from negligible: nothing less than the cohesion of the ever growing community, the easing – on the basis of common solidarity – of tensions arising from the mutual interdependence among the various Member States, regions and peoples. Such solidarity is inconceivable – particularly on the basis of employment and social considerations – unless equal opportunities are ensured; hence it is necessary to tackle inequalities caused by historical, economic and social differences as equitably and lastingly as possible, this being the pre-eminent objective in a new century in which Europe has grown into an economic giant while a fine-meshed and harmonious tissue of solidarity is still lacking.

Meanwhile, despite Europe's conspicuous past successes and achievements in the field of integration, it is currently contending with many types of crisis. It faces simultaneous challenges of an institutional, financial and economic, social and demographic nature, as well as in the fields of energy policy and transport and logistics. At the same time, these may also be seen as presenting opportunities, provided that they are based on appropriate changes, i.e. changes which are based on a sustainable balance and are continuous and predictable. Any more radical change therefore needs to be approached with caution and circumspection, particularly as regards a functioning system of implementing institutions.

The present legislative proposal is based on a way of thinking dating back more than half a century, which stresses peace and development and is based on the solidarity generated in the early days among the founding Member States and nurtured not only by social solidarity but also, increasingly, by the concept of cohesion. This led to the mentality which in recent decades has become the most important and at the same time the most attractive reason for enlargements, as far as the newer Member States are concerned, in an ever growing Union. This is true in that, to this day, the strength of the common market and common action has lain in a system which guaranteed a certain degree of detailed redistribution on the basis of solidarity.

Everyone should enjoy equal opportunities to benefit from European solidarity, with due regard for the characteristics of the Member States and the size of their populations, and in particular in such a way that the legislative instrument to be adopted should at the same time not be unacceptably detrimental to individual Member States. This is no small task. However, it should not mean any dispensation from the desideratum of increasing discipline in the management of common funds – on the contrary, indeed: the European tax-payers' money must not fall victim to thoughtlessness and irresponsibility.

At the same time, strictness must not be an end in itself or impose ever more impracticable administrative requirements on the Member States responsible for implementation, while entitlements are reduced. Both powers and obligations (responsibility) must be proportionate to entitlements and expectations, as must their division among institutions. The rapporteur strongly believes that growing powers should not be accompanied by relative reductions in the responsibility of the Commission. Reductions in the burdens borne by national administrative or regional or local implementing agencies or by the Member States should

only be altered proportionately and to a justifiable extent, on the basis of appropriate calculations and factual arguments.

The purpose of the legislative instrument should be nothing other than to ensure that every cent earmarked for solidarity and cohesion among Europe's citizens reaches its intended destination, not that ultimately, with the passing of large-scale enlargements and with the increasing establishment of the common and more integrated market, less funding reaches the places where it is needed.

AMENDMENTS

The Committee on Employment and Social Affairs calls on the Committee on Regional Development, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Proposal for a regulation
Recital 2 a (new)

Text proposed by the Commission	*Amendment*
	(2a) From conception to implementation, the Structural Funds should take account of the priorities and principles of the Small Business Act for Europe, especially the 'Think Small First' principle.

Amendment 2

Proposal for a regulation
Recital 9

Text proposed by the Commission	*Amendment*
(9) For the Partnership Contract and each programme respectively, a Member State should organise a partnership with the representatives of competent regional, local, urban and other public authorities, economic and social partners, and bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting equality and non-discrimination.	(9) For the Partnership Contract and each programme respectively, a Member State should organise a partnership***, in accordance with its National Reform Programme,*** with the representatives of competent regional, local, urban and other public authorities, economic and social partners, and bodies representing civil society, including environmental partners, non-governmental organisations, and

The purpose of such a partnership is to respect the principle of multi-level governance, ensure the ownership of planned interventions by stakeholders and build on the experience and know-how of relevant actors. ***The Commission*** should ***be empowered to adopt delegated acts providing for a code of conduct in order to*** ensure that partners are involved in the preparation, implementation, monitoring and evaluation of Partnership Contracts and programmes in a consistent manner.

bodies responsible for promoting ***gender*** equality and non-discrimination***, as well as non-governmental organisations promoting social inclusion and organisations active in the areas of culture, education and youth policy***. ***Specific attention should be paid to groups that might be affected by the programmes and might have difficulties in influencing them. Cooperation with the partners should follow best practice. Each Member State should ensure an adequate level of technical assistance in order to facilitate their involvement and participation in all stages of the programming process.*** The purpose of such a partnership is to respect the principle of multi-level governance, ensure the ownership of planned interventions by stakeholders and build on the experience and know-how of relevant actors. ***Therefore the partners should represent the different territorial levels, and reflect the institutional structure, of the Member States. The partners should select and appoint the members they wish to represent them on the monitoring committee***. ***Member States*** should ensure that partners are involved in the preparation, implementation, monitoring and evaluation of Partnership Contracts and programmes in a consistent manner.

Amendment 3

Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) In the context of its effort to increase economic, territorial and social cohesion, the Union should, at all stages of implementation of the CSF Funds, aim at eliminating inequalities and promoting equality between men and women, as well as combating discrimination based on sex,

Amendment

(11) In the context of its effort to increase economic, territorial and social cohesion, the Union should, at all stages of implementation of the CSF Funds, aim at eliminating inequalities and promoting equality between men and women, ***taking into account Article 2 TEU and Articles 8***

racial or ethnic origin, religion or belief, disability, age or sexual orientation.	***and 10 TFEU,*** as well as combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation***, as well as ensuring accessibility for persons with disabilities***.

Amendment 4

Proposal for a regulation
Recital 11 a (new)

Text proposed by the Commission	*Amendment*
	(11a) The European Union and most Member States are party to the United Nations Convention on the Rights of Persons with Disabilities while the remaining Member States are in the process of ratifying it. It is important in the implementation of the relevant projects that the obligations stemming from this Convention with regard, inter alia, to education, employment, and accessibility are considered by all projects supported by the CSF Funds.

Amendment 5

Proposal for a regulation
Recital 13

Text proposed by the Commission	*Amendment*
(13) ***In order to achieve the targets and objectives of the Union strategy for smart, sustainable and inclusive growth, the CSF Funds should focus their support on a limited number of common thematic objectives.*** The precise scope of each of the CSF Funds should be set out in Funds-specific rules ***and may be limited to only some of the thematic objectives defined in this Regulation***.	(13) The precise scope of each of the CSF Funds should be set out in Funds-specific rules.

Amendment 6
Proposal for a regulation
Recital 14

Text proposed by the Commission	*Amendment*
(14) ***In*** order to ***maximise the contribution of the CSF Funds and*** to provide ***clear*** strategic direction to the programming process at the level of Member States and the regions***, a Common Strategic Framework should be established.*** The Common Strategic Framework should facilitate sectoral and territorial coordination of Union intervention under the CSF Funds and with other relevant Union policies and instruments.	(14) ***A Common Strategic Framework should be defined in*** order to ***promote a harmonious, balanced and sustainable development of the Union and*** to provide ***clearer*** strategic direction to the programming process at the level of Member States and regions. The Common Strategic Framework should facilitate sectoral and territorial coordination of Union intervention under the CSF Funds and with other relevant Union policies and instruments. ***The Commission should be empowered to adopt a delegated act in order to supplement the Common Strategic Framework with a set of key actions translating the objectives of the Union into recommendations for the CSF Funds.***

Amendment 7

Proposal for a regulation
Recital 16

Text proposed by the Commission	*Amendment*
(16) On the basis of the Common Strategic Framework ***adopted by the Commission***, each Member State should prepare, in cooperation with its partners and in dialogue with the Commission, a Partnership Contract. The Partnership Contract should ***translate*** the elements set out in the Common Strategic Framework into the national context and set out firm commitments to the achievement of Union objectives through the programming of the CSF Funds.	(16) On the basis of the Common Strategic Framework, each Member State should prepare, in cooperation with its partners***, particularly those referred to in this Regulation,*** and in dialogue with the Commission, a Partnership Contract ***in accordance with its National Reform Programme***. The Partnership Contract should ***select*** the elements set out in the Common Strategic Framework ***and put them*** into the national context and set out firm commitments to the achievement of Union objectives through the programming of the CSF Funds ***and lay down provisions to guarantee access to such funds for***

SMEs and micro-enterprises, in particular, and to ensure that they have access to such funds, and that CSF Funds are used in an efficient and effective manner.

Amendment 8

Proposal for a regulation
Recital 17

Text proposed by the Commission	*Amendment*
(17) Member States should concentrate support to ensure a significant contribution to the achievement of Union objectives in line with their specific national and regional development needs. Ex ante conditionalities should be defined to ensure that the necessary framework conditions for the effective use of Union support are in place. The fulfilment of those ex ante conditionalities should be assessed by the Commission in the framework of its assessment of the Partnership Contract and programmes. In cases where ***there is a failure*** to fulfil an ex ante conditionality, the Commission should have the power to suspend payments to the programme.	(17) Member States should concentrate support to ensure a significant contribution to the achievement of Union objectives in line with their specific national and regional development needs. Ex ante conditionalities ***and criteria for their fulfilment*** should be defined to ensure that the necessary framework conditions for the effective use of Union support are in place. ***Such ex ante conditionalities should be relevant to the effectiveness of the contribution of the CSF Funds in the applicable cases of investment.*** The fulfilment of those ex ante conditionalities should be assessed by the Commission in the framework of its assessment of the Partnership Contract and programmes***, taking due account of the previous experience***. In cases where***, in spite of the Commission's recommendations, a Member State fails significantly*** to fulfil an ex ante conditionality, the Commission ***should be given*** the power to suspend payments to the programme. ***When deciding whether to suspend payments, the Commission should take account of the economic and social effects of such a suspension. The suspensions should be lifted and funds be made available again as soon as the Member State takes the necessary action.***

Amendment 9

Proposal for a regulation
Recital 18

Text proposed by the Commission	*Amendment*
(18) A performance framework should be defined for each programme with a view to monitoring progress towards the objectives and targets set for each programme over the course of the programming period. The Commission should undertake a performance review in cooperation with the Member States in ***2017*** and ***2019***. ***A performance reserve should be foreseen and allocated in 2019 where milestones set in the performance framework have been attained. Due to their diversity and multi-country character, there should be no performance reserve for 'European Territorial Cooperation' programmes.*** In cases where the shortfall in the achievement of milestones or targets is significant, the Commission should be able to suspend payments to the programme ***or, at the end of the programming period, apply financial corrections, in order to ensure that the Union budget is not used in a wasteful or inefficient way***.	(18) A performance framework should be defined for each programme with a view to monitoring progress towards the objectives and targets set for each programme over the course of the programming period. The ***performance framework should include ambitious but realistic targets and milestones and should take due account of the particular circumstances and the nature of the interventions foreseen by the Member State. The*** Commission should undertake a performance review in cooperation with the Member States ***twice during the programme period,*** in ***the years to be agreed between the Member State*** and ***the Commission. The Commission should provide the Member State with the necessary technical assistance if it is not achieving the stated aims***. In cases where the shortfall in the achievement of milestones or targets is significant, the Commission should be able to suspend payments to the programme. ***When deciding to suspend payments, the Commission should take account of any changes in economic and social circumstances that might affect the achievement of milestones or targets, and of the economic and social effects of the suspension. The suspensions should be lifted and funds be made available again as soon as the Member State takes the necessary action.***

Amendment 10

Proposal for a regulation
Recital 19

Text proposed by the Commission	*Amendment*
(19) Establishing a closer link between cohesion policy and the economic governance of the Union will ensure that the effectiveness of expenditure under the CSF Funds is underpinned by sound economic policies and that the CSF Funds can, if necessary, be redirected to addressing the economic problems a country is facing***. This process has to be gradual, starting with amendments to the Partnership Contract and to the programmes in support of Council recommendations to address macroeconomic imbalances and social and economic difficulties. Where, despite the enhanced use of CSF Funds, a Member State fails to take effective action in the context of the economic governance process, the Commission should have the right to suspend all or part of the payments and commitments. Decisions on suspensions should be proportionate and effective,*** taking into account ***the impact of the individual programmes for addressing the economic and social situation in the relevant Member State and previous amendments to the Partnership Contract. When deciding on suspensions, the Commission should also respect equality of treatment between Member States, taking into account in particular the impact of the suspension on the economy of the Member State concerned. The suspensions should be lifted and funds be made available again to the Member State concerned as soon as the Member State takes the necessary action***.	(19) Establishing a closer link between cohesion policy and the economic governance of the Union will ensure that the effectiveness of expenditure under the CSF Funds is underpinned by sound economic policies and that the CSF Funds can, if necessary, be redirected to addressing the economic problems a country is facing taking into account ***its National Reform Programme***.

Amendment 11

Proposal for a regulation
Recital 21 a (new)

Text proposed by the Commission	*Amendment*
	(21a) In order to better mobilise potential at a local level, it is necessary to strengthen and facilitate community-led local development by laying down common rules and close coordination for all CSF Funds. Responsibility for the implementation of local development strategies should be given to local action groups representing the interests of the community, as an essential principle. Existing LEADER-groups should be recognized.

Amendment 12

Proposal for a regulation
Recital 36

Text proposed by the Commission	*Amendment*
(36) It is useful to specify the types of action that may be undertaken at the initiative of the Commission and of the Member States as technical assistance with support from the CSF Funds.	(36) It is useful to specify the types of action that may be undertaken at the initiative of the Commission and of the Member States as technical assistance with support from the CSF Funds. ***Member State should ensure that an adequate level of technical assistance is allocated to partners referred to in this Regulation, including thematic umbrella organisations and non-governmental organisations, churches, socio-economic partners and networks and associations representing local, urban and regional authorities, in order to facilitate their involvement in the whole programming process.***

Amendment 13

Proposal for a regulation
Recital 57

Text proposed by the Commission	*Amendment*
(57) It is necessary to fix the limits of those resources for the 'Investment for growth and jobs' goal and to adopt objective criteria for their allocation to regions and Member States. In order to encourage the necessary acceleration of development of infrastructure in transport and energy as well as information and communication technologies across the Union, a Connecting Europe Facility should be created. The allocation of the annual appropriations from the Funds and the amounts transferred from the Cohesion Fund to the Connecting Europe Facility to a Member State should be limited to a ceiling that would be fixed taking into account the capacity of that particular Member State to absorb these appropriations. In addition, in line with the headline target on poverty reduction, it is necessary to reorient the scheme for food support for the most deprived persons to promote social inclusion and the harmonious development of the Union. A mechanism is envisaged which transfers resources to this instrument and ensures that these will be constituted from ESF allocations ***through an implicit corresponding decrease of the minimum percentage of the Structural Funds to be allocated to the ESF in each country***.	(57) It is necessary to fix the limits of those resources for the 'Investment for growth and jobs' goal and to adopt objective criteria for their allocation to regions and Member States. In order to encourage the necessary acceleration of development of infrastructure in transport and energy as well as information and communication technologies across the Union, a Connecting Europe Facility should be created. The allocation of the annual appropriations from the Funds and the amounts transferred from the Cohesion Fund to the Connecting Europe Facility to a Member State should be limited to a ceiling that would be fixed taking into account the capacity of that particular Member State to absorb these appropriations. In addition, in line with the headline target on poverty reduction, it is necessary to reorient the scheme for food support for the most deprived persons to promote social inclusion and the harmonious development of the Union. A mechanism is envisaged which transfers resources to this instrument and ensures that these will be constituted from ESF allocations.

Amendment 14
Proposal for a regulation
Recital 57 bis

Text proposed by the Commission	*Amendment*
(57 bis) Given the urgent priority to address youth unemployment in the Union's most affected regions, a Youth Employment Initiative should be created and funded from a specific allocation and from targeted investment from the	(57 bis) Given the urgent priority to address youth unemployment in the Union's most affected regions ***and in the Union as a whole,*** a Youth Employment Initiative should be created and funded from a specific allocation and from

European Social Fund. The Youth Employment Initiative should aim to support young people not in employment, education or training residing in the eligible regions. The Youth Employment Initiative should be implemented as a part of the Investment for growth and jobs goal.

targeted investment from the European Social Fund. The Youth Employment Initiative should aim to support young people not in employment, education or training residing in the eligible regions***, including those leaving training systems without qualifications, by providing a good-quality offer of either employment, continuing education, an apprenticeship or a traineeship within four months of their becoming unemployed or leaving formal education***. The Youth Employment Initiative should be implemented as a part of the Investment for growth and jobs goal.

Amendment 15

Proposal for a regulation
Recital 58

Text proposed by the Commission	*Amendment*
(58) In order to strengthen the focus on results and achievement of the Europe 2020 objectives and targets, five per cent of the resources for the 'Investment for growth and jobs' goal should be set aside as a performance reserve for each Fund, and category of region in each Member State.	***deleted***

Amendment 16

Proposal for a regulation
Recital 65

Text proposed by the Commission	*Amendment*
(65) Where an urban or ***territorial*** development strategy requires an integrated approach because it involves investments under more than one priority axis of one or several operational programmes, action supported by the Funds should be carried out as an integrated territorial investment within an	(65) Where an urban or ***rural*** development strategy requires an integrated approach because it involves investments under more than one priority axis of one or several operational programmes, action supported by the Funds should be carried out as an integrated territorial investment within an

operational programme.

operational programme.

Amendment 17

Proposal for a regulation
Recital 70

Text proposed by the Commission

(70) It is important to bring the achievements of the Union's Funds to the attention of the general public. Citizens have the right to know how the Union's financial resources are invested. The responsibility to ensure that the appropriate information is communicated to the public should lie with both the managing authorities and the beneficiaries. To ensure more efficiency in communication to the public at large and stronger synergies between the communication activities undertaken at the initiative of the Commission, the resources allocated to communication actions under this Regulation shall also contribute to cover the corporate communication of the political priorities of the European Union as far as they are related to the general objectives of this Regulation.

Amendment

(70) It is important to bring the achievements of the Union's Funds to the attention of the general public. Citizens have the right to know how the Union's financial resources are invested. The responsibility to ensure that the appropriate information is communicated to the public should lie with both the managing authorities and the beneficiaries***, but especially with the Commission***. ***New technology makes it possible to publish in a graphic manner on a single centralised website financial flows for each country and the results achieved through use of the Funds.*** To ensure more efficiency in communication to the public at large and stronger synergies between the communication activities undertaken at the initiative of the Commission, the resources allocated to communication actions under this Regulation shall also contribute to cover the corporate communication of the political priorities of the European Union as far as they are related to the general objectives of this Regulation.

Amendment 18

Proposal for a regulation
Recital 71

Text proposed by the Commission

(71) For the purpose of ensuring a wide dissemination of information about the achievements of the Funds and the role of the Union therein and to inform potential

Amendment

(71) For the purpose of ensuring a wide dissemination of information about the achievements of the Funds and the role of the Union therein and***, in particular via the***

beneficiaries about funding opportunities, detailed rules about information and communication measures, as well as certain technical characteristics of such measures, should be defined in this Regulation.	***organisations representing the various stakeholders,*** to inform potential beneficiaries about funding opportunities, detailed rules about information and communication measures, as well as certain technical characteristics of such measures, should be defined in this Regulation.

Amendment 19

Proposal for a regulation
Recital 85

Text proposed by the Commission	*Amendment*
(85) In order to safeguard the Union's financial interests and provide the means to ensure effective programme implementation, there should be measures allowing for the suspension by the Commission of payments at the level of priority axis or operational programme.	(85) In order to safeguard the Union's financial interests and provide the means to ensure effective programme implementation, there should be measures allowing for the suspension by the Commission of payments at the level of priority axis or operational programme. ***When deciding whether to suspend payments, the Commission should take account of the economic and social effects of the suspension on the region in question.***

Amendment 20

Proposal for a regulation
Recital 88

Text proposed by the Commission	*Amendment*
(88) In order to supplement and amend certain non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of a ***code of conduct on the objectives and criteria to support the implementation of partnership, the adoption of*** the ***elements of the*** Common Strategic Framework ***related to indicative***	(88) In order to supplement and amend certain non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of a ***supplement to*** the Common Strategic Framework***,*** the ***indicative*** definition of the area and population covered by the local development strategies, detailed rules on financial

actions of high European added value and corresponding prinicples for delivery, and priorities for cooperation, additional rules on the allocation of the performance reserve, the definition of the area and population covered by the local development strategies, detailed rules on financial instruments (*ex ante* assessment, combination of support, eligibility, types of activities not supported), the rules on certain types of financial instruments set up at national, regional, transnational or cross-border level, rules concerning funding agreements, transfer and management of assets, the arrangements for management and control, the rules on payment requests, and establishment of a system of capitalisation of annual instalments, the definition of the flat rate for revenue generating operations, the definition of the flat rate applied to indirect costs for grants based on existing methods and corresponding rates applicable in Union policies, the responsibilities of Member States concerning the procedure for reporting irregularities and recovery of sums unduly paid, the modalities of exchange of information of operations, the arrangements for the adequate audit trail, the conditions of national audits, the accreditation criteria for managing authorities and certifying authorities, the identification of commonly accepted data carriers, and the criteria for establishing the level of financial correction to be applied. The Commission should also be empowered to amend***, by means of delegated acts, Annexes I and*** VI***, both of which contain non-essential elements to this Regulation,*** in order to address future adaptation needs. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level.

instruments (*ex ante* assessment, combination of support, eligibility, types of activities not supported), the rules on certain types of financial instruments set up at national, regional, transnational or cross-border level, rules concerning funding agreements, transfer and management of assets, the arrangements for management and control, the rules on payment requests, and establishment of a system of capitalisation of annual instalments, the definition of the flat rate for revenue generating operations, the definition of the flat rate applied to indirect costs for grants based on existing methods and corresponding rates applicable in Union policies, the responsibilities of Member States concerning the procedure for reporting irregularities and recovery of sums unduly paid, the modalities of exchange of information of operations, the arrangements for the adequate audit trail, the conditions of national audits, the accreditation criteria for managing authorities and certifying authorities, the identification of commonly accepted data carriers, and the criteria for establishing the level of financial correction to be applied. The Commission should also be empowered to amend ***Annex*** VI in order to address future adaptation needs. It is of its particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level.

Amendment 21

Proposal for a regulation
Recital 90

Text proposed by the Commission	*Amendment*
(90) The Commission should be empowered to adopt, by means of implementing acts, as regards all CSF Funds, decisions approving the Partnership Contracts, ***decisions on the allocation of the performance reserve, decisions suspending payments linked to Member States' economic policies,*** and, in the case of decommitment, decisions to amend decisions adopting programmes; and as regards the Funds, decisions identifying the regions and Member States fulfilling the Investment for growth and jobs criteria, decisions setting out the annual breakdown of commitment appropriations to the Member States, decisions setting out the amount to be transferred from each Member State's CF allocation to the Connecting Europe Facility, decisions setting out the amount to be transferred from each Member State's Structural Funds allocation for food for deprived people, decisions adopting and amending operational programmes, decisions on major projects, decisions on joint action plans, decisions suspending payments and decisions on financial corrections.	(90) The Commission should be empowered to adopt, by means of implementing acts, as regards all CSF Funds, decisions approving the ***agreed*** Partnership Contracts, and, in the case of decommitment, decisions to amend decisions adopting programmes; and as regards the Funds, decisions identifying the regions and Member States fulfilling the Investment for growth and jobs criteria, decisions setting out the annual breakdown of commitment appropriations to the Member States, decisions setting out the amount to be transferred from each Member State's CF allocation to the Connecting Europe Facility, decisions setting out the amount to be transferred from each Member State's Structural Funds allocation for food for deprived people, decisions adopting and amending operational programmes, decisions on major projects, decisions on joint action plans, decisions suspending payments and decisions on financial corrections.

Amendment 22

Proposal for a regulation
Article 2 – paragraph 2 – point 2

Text proposed by the Commission	*Amendment*
(2) ***'***Common Strategic Framework***'*** means the ***elements that provide clear*** strategic direction to the programming process ***and facilitate*** sectoral and territorial coordination of Union intervention under	(2) ***'***Common Strategic Framework***'*** means the ***document providing a*** strategic direction to the programming process ***at the level of Member States and regions, facilitating*** sectoral and territorial

the CSF Funds and with other relevant Union policies and instruments ***in line with the objectives and targets of the Union strategy for smart, sustainable and inclusive growth***;	coordination of Union intervention under the CSF Funds and with other relevant Union policies and instruments***, and establishing the mechanisms for ensuring the coherence and consistency of the programming of the CSF Funds with the economic and employment policies of the Member States and of the Union in order to achieve socially and environmentally sustainable development. The Commission shall be empowered to adopt delegated acts, in accordance with Article 142, concerning a supplement to the CSF translating the objectives and targets of the Union strategy for smart, sustainable and inclusive growth into key actions for the CSF Funds by establishing for each thematic objective key actions as recommendations to be taken into account by each CSF Fund in accordance with investment priorities, considering the different needs, challenges and opportunities of regions and the necessary flexibility for regional sustainable development, and suggesting the priorities for cooperation under the CSF Funds***;

Amendment 23

Proposal for a regulation
Article 2 – paragraph 2 – point 6

Text proposed by the Commission	*Amendment*
(6) 'programming' means the process of organisation, decision-making and allocation of financial resources in several stages intended to implement, on a multi-annual basis, the joint action by the Union and the Member States to achieve Union strategy for smart, sustainable and inclusive growth;	(6) 'programming' means the process of organisation, decision-making and allocation of financial resources in several stages***, with the involvement of partners and in line with the multi-level governance approach as laid down in Article 5,*** intended to implement, on a multi-annual basis, the joint action by the Union and the Member States to achieve Union strategy for smart, sustainable and inclusive growth;

Amendment 24

Proposal for a regulation
Article 2 – paragraph 2 – point 12

Text proposed by the Commission	*Amendment*
(12) 'State aid' means aid falling under Article 107(1) *of the Treaty* which shall be deemed for the purposes of this Regulation also to include de minimis aid within the meaning of Commission Regulation (EC) No 1998/2006 of 15 December 2006 on the application of Articles 87 and 88 of the Treaty to de minimis aid, Commission Regulation (EC) No 1535/2007 of 20 December 2007 on the application of Articles 87 and 88 of the EC Treaty to de minimis aid in the sector of agricultural production and Commission Regulation (EC) No 875/2007 of 24 July 2007 on the application of Articles 87 and 88 of the EC Treaty to de minimis aid in the fisheries sector and amending Regulation (EC) No 1860/2004;	***(12) 'State aid' means aid falling under Article 107(1) TFEU which shall be deemed for the purposes of this Regulation also to include de minimis aid within the meaning of Commission Regulation (EC) No 1998/2006 of 15 December 2006 on the application of Articles 87 and 88 of the Treaty to de minimis aid, Commission Regulation (EC) No 1535/2007 of 20 December 2007 on the application of Articles 87 and 88 of the EC Treaty to de minimis aid in the sector of agricultural production and Commission Regulation (EC) No 875/2007 of 24 July 2007 on the application of Articles 87 and 88 of the EC Treaty to de minimis aid in the fisheries sector and amending Regulation (EC) No 1860/2004, Commission Regulation (EU) No 360/2012 of 25 April 2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid granted to undertakings providing services of general economic interest[1], as well as aid in the form of public services granted to certain undertakings entrusted with the operation of services of general economic interest within the meaning of the Commission Decision 2012/21/EU of 20 December 2011 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest[2].* [1] *OJ L 114, 26.4.2012, p. 8.*

[2] ***OJ L 7, 11.1.2012, p. 3.***

Justification

As provision of services of general economic interest is one of forms of state aid it should be included in the definition of "state aid".

Amendment 25

Proposal for a regulation
Article 2 – paragraph 2 – point 20

Text proposed by the Commission	*Amendment*
(20) 'Partnership Contract' means the document prepared by the Member State with the involvement of partners in line with the multi-level governance approach, which sets out the Member State's strategy, priorities and arrangements for using the CSF Funds in an effective and efficient way to pursue the Union strategy for smart, sustainable and inclusive growth, and which is approved by the Commission following assessment and dialogue with the Member State;	(20) 'Partnership Contract' means the document prepared by the Member State with the involvement of partners in line with the multi-level governance approach ***as laid down in Article 5***, which sets out the Member State's strategy, priorities and arrangements for using the CSF Funds in an effective and efficient way to pursue the Union strategy for smart, sustainable and inclusive growth***, taking account of its National Reform Programme, while recognising the different needs of its regions, and guaranteeing the necessary flexibility for sustainable regional development***, and which is approved by the Commission following assessment and dialogue with the Member State;

Amendment 26

Proposal for a regulation
Article 2 – paragraph 2 – point 26 a (new)

Text proposed by the Commission	*Amendment*
	(26a) 'ex ante conditonality' means a concretely and precisely pre-defined critical factor, which is a necessary prerequisite for, and has a genuine link to, and direct impact on, the effective and efficient implementation of the concrete

content of investment to be financed from any of the CSF Funds.

Amendment 27

Proposal for a regulation
Article 4 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The CSF Funds shall provide support, through multi-annual programmes, which complements national, regional and local intervention, to deliver the Union strategy for smart, sustainable and inclusive growth, taking account of the Integrated Guidelines, the country-specific recommendations under Article 121(2) *of the Treaty* and the relevant Council recommendations adopted under 148(4) *of the Treaty*.	1. The CSF Funds shall provide support, through multi-annual programmes, which complements national, regional and local intervention, to deliver the Union strategy for smart, sustainable and inclusive growth ***in accordance with National Reform Programmes***, taking account of ***Article 9 TFEU,*** the ***relevant*** Integrated Guidelines, the ***relevant*** country-specific recommendations under Article 121(2) *TFEU* and the relevant Council recommendations adopted under 148(4) *TFEU*.

Amendment 28

Proposal for a regulation
Article 4 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The Commission and the Member States shall ensure that support from the CSF Funds is consistent with the policies and priorities of the Union and complementary to other instruments of the Union.	2. The Commission and the Member States shall ensure that support from the CSF Funds is consistent with the ***relevant*** policies and priorities***, including the horizontal targets,*** of the Union and complementary to other instruments of the Union.

Amendment 29

Proposal for a regulation
Article 4 – paragraph 5

Text proposed by the Commission	*Amendment*
5. Arrangements for the implementation and use of the CSF Funds, and in particular the financial and administrative resources required for the implementation of the CSF Funds, in relation to the reporting, evaluation, management and control shall take into account the principle of proportionality having regard to the level of support allocated.	5. Arrangements for the implementation and use of the CSF Funds, and in particular the financial and administrative resources required for the implementation of the CSF Funds, in relation to the reporting, evaluation, management and control shall take into account the principle of proportionality having regard to the level of support allocated ***and the size of the beneficiaries***.

Amendment 30

Proposal for a regulation
Article 4 – paragraph 9

Text proposed by the Commission	*Amendment*
9. The Commission and the Member States shall ensure the effectiveness of the CSF Funds, in particular through monitoring, reporting and evaluation.	9. The Commission and the Member States shall ensure the effectiveness of the CSF Funds, in particular through monitoring, reporting and evaluation***, informing the potential beneficiaries about funding opportunities and making publicly known the role and the achievements of cohesion policy***.

Amendment 31

Proposal for a regulation
Article 4 – paragraph 10

Text proposed by the Commission	*Amendment*
10. The Commission and the Member States shall carry out their respective roles in relation to the CSF Funds with the aim of reducing the administrative burden for beneficiaries.	10. The Commission and the Member States shall carry out their respective roles in relation to the CSF Funds with the aim of reducing the administrative burden for beneficiaries***, for national, regional and local public authorities, and bodies acting at different levels of administration as***

managing authorities.

Amendment 32

Proposal for a regulation
Article 5 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. For the Partnership Contract and each programme respectively, ***a*** Member ***State*** shall organise a partnership with the following partners:	1. For the Partnership Contract and each programme respectively, Member ***States and regional authorities*** shall organise a partnership with the following partners:

Amendment 33

Proposal for a regulation
Article 5 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) ***competent regional, local, urban and*** other public authorities;	(a) other ***relevant*** public authorities;

Amendment 34

Proposal for a regulation
Article 5 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting equality and non-discrimination.	(c) bodies representing civil society, including environmental partners, non-governmental organisations, ***among them non-profit organisations promoting social inclusion and those active in the areas of culture, education and youth policy,*** and bodies responsible for promoting ***gender*** equality and non-discrimination.

Amendment 35

Proposal for a regulation
Article 5 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. A Member State shall include in the partnership those institutions, organisations and groups that might influence, or might be affected by, the implementation of the programmes. Specific consideration shall be given to groups that might be affected by the programmes and might face difficulties in influencing them, in particular vulnerable and marginalised groups.

Amendment 36

Proposal for a regulation
Article 5 – paragraph 2

Text proposed by the Commission	*Amendment*
2. In accordance with the multi-level governance approach, the partners shall be involved by Member States in the preparation of Partnership Contracts and progress reports and in the preparation, implementation, monitoring and evaluation of programmes. The partners shall participate in the monitoring committees for programmes.	2. In accordance with the multi-level governance approach ***and with the Partnership Contract, as referred to in paragraph 1***, the partners ***representing the different territorial levels and reflecting the institutional structure of the Member States*** shall be involved by Member States in ***all stages of*** the preparation of Partnership Contracts and progress reports and in the preparation, implementation, monitoring and evaluation of programmes ***in a timely and consistent manner***. The partners shall participate in the monitoring committees for programmes.

Amendment 37

Proposal for a regulation
Article 5 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The Commission shall be empowered to adopt delegated acts in accordance with Article 142 to provide for a European code	3. The Commission shall be empowered to adopt delegated acts in accordance with Article 142 to provide***, after consulting the***

of conduct that lays down objectives and criteria to support the implementation of partnership and to facilitate the sharing of information, experience, results and good practices among Member States.	***European economic and social partners and European partner organisations,*** for a European code of conduct that lays down objectives and criteria to support the implementation of partnership and to facilitate the sharing of information, experience, results and good practices among Member States.

Amendment 38

Proposal for a regulation
Article 5 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. When implementing CSF Funds, the authorities responsible shall encourage appropriate participation and access to financial measures for the partners referred to in Article 5(1)(c), particularly in the fields of combating poverty, social inclusion, gender equality and equality of opportunity.

Amendment 39

Proposal for a regulation
Article 7 – title

Text proposed by the Commission	*Amendment*
Promotion of ***equality between men and women*** and non-discrimination	Promotion of ***equal opportunities*** and non-discrimination

Amendment 40

Proposal for a regulation
Article 7 – paragraph 1

Text proposed by the Commission	*Amendment*
The Member States and the Commission shall ensure ***that*** equality between men ***and women*** and the integration of gender	The Member States and the Commission shall ensure equality between ***women and*** men and the ***coherent*** integration of gender

perspective ***is promoted in*** the preparation and implementation of programmes.	perspective ***at all stages of*** the preparation***, programming*** and implementation***, monitoring and evaluation of the CSF Funds in a timely and consistent manner, and using the methods of the gender budgeting assessment.***

Amendment 41

Proposal for a regulation
Article 7 – paragraph 2

Text proposed by the Commission	*Amendment*
The Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes.	The Member States and the Commission shall take appropriate steps to ***promote equal opportunities,*** prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation ***and make sure that segregation is not reproduced*** during the preparation and implementation of programmes ***while paying particular attention to those who face discrimination on multiple grounds.***

Amendment 42

Proposal for a regulation
Article 7 a (new)

Text proposed by the Commission	*Amendment*
	Article 7 a
	Accessibility for persons with disabilities
	The Member States and the Commission shall make sure that accessibility for persons with disabilities is ensured in all stages of the preparation and implementation of programmes.

Amendment 43

Proposal for a regulation
Article 9 – paragraph 1 – point 3

Text proposed by the Commission	*Amendment*
(3) enhancing the competitiveness of small ***and*** medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF);	(3) enhancing the competitiveness of small***,*** medium-sized ***and micro-***enterprises, ***as well as of businesses run by self-employed people and of*** the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF);

Amendment 44

Proposal for a regulation
Article 9 – paragraph 1 – point 6

Text proposed by the Commission	*Amendment*
(6) protecting the environment and promoting resource efficiency;	(6) protecting the environment and ***biodiversity and*** promoting ***energy and*** resource efficiency;

Amendment 45

Proposal for a regulation
Article 9 – paragraph 1 – point 8

Text proposed by the Commission	*Amendment*
(8) promoting employment and supporting labour mobility;	(8) promoting ***sustainable and quality*** employment and supporting ***voluntary*** labour mobility;

Amendment 46

Proposal for a regulation
Article 9 – paragraph 1 – point 9

Text proposed by the Commission	*Amendment*
(9) promoting social inclusion and combating poverty;	(9) promoting social inclusion and combating poverty ***and discrimination***;

Amendment 47

Proposal for a regulation
Article 9 – paragraph 1 – point 10

Text proposed by the Commission	*Amendment*
(10) investing in education, skills and lifelong learning;	(10) investing in education***, training, including vocational training***, skills and lifelong learning;

Amendment 48

Proposal for a regulation
Article 9 – paragraph 1 – point 10 a (new)

Text proposed by the Commission	*Amendment*
	(10a) investing in accessibility for persons with reduced mobility, including the elderly and persons with disabilities

Amendment 49

Proposal for a regulation
Article 9 – paragraph 1 – point 11

Text proposed by the Commission	*Amendment*
(11) enhancing institutional capacity and ***an*** efficient public administration.	(11) enhancing institutional capacity and efficient public administration ***and promoting capacity building for stakeholders***.

Amendment 50

Proposal for a regulation
Article 10

Text proposed by the Commission	*Amendment*
In order to promote the harmonious, balanced and sustainable development of	In order to promote the harmonious, balanced and sustainable development of

the Union, a Common Strategic Framework ***shall provide*** clear strategic direction to the programming process ***and facilitate sectoral and territorial coordination of Union intervention under the CSF Funds and with other relevant Union policies and instruments in line with*** the objectives and targets of the Union strategy for smart, sustainable and inclusive growth.	the Union, a Common Strategic Framework, ***as set out in Annex I, provides a*** strategic direction to the programming process ***at the level of Member States and regions and to the contribution of the CSF Funds to the achievement of*** the objectives and targets of the Union strategy for smart, sustainable and inclusive growth***, considering the different needs, challenges and opportunities of regions and the necessary flexibility for sustainable regional development***.

Amendment 51

Proposal for a regulation
Article 11

Text proposed by the Commission	*Amendment*
Content	Content
The Common Strategic Framework shall establish:	***In cooperation with the European economic and social partners, the*** Common Strategic Framework shall establish:
(a) means to achieve coherence and consistency of the programming of the CSF Funds with the country-specific recommendations under Article 121(2) of the Treaty and the relevant Council recommendations adopted under 148(4) of the Treaty;	
(b) coordination mechanisms among the CSF Funds, and with other relevant Union policies and instruments, including external instruments for cooperation;	
(c) horizontal principles and ***cross-cutting*** policy objectives for the implementation of the CSF Funds;	(c) horizontal principles and policy objectives for the implementation of the CSF Funds;
(d) arrangements to address territorial challenges and the steps to be taken to encourage an integrated approach that reflects the role of urban, rural, coastal and fisheries areas, as well as the specific	

challenges for areas with particular territorial features referred to in Articles 174 and 349 of the Treaty;

(e) for each thematic objective, the indicative actions of high European added value to be supported by each CSF Fund and the corresponding principles for delivery;

(e) coordination mechanisms among the CSF Funds, and with other relevant Union policies and instruments, including external instruments for cooperation;

(f) priorities for cooperation for the CSF Funds, where appropriate, taking account of macro-regional and sea basin strategies.

(f) mechanisms for ensuring the coherence and consistency of the programming of the CSF Funds with instruments of other Union policies and, in accordance with the National Reform Programme, the relevant country-specific recommendations under Article 121(2) TFEU and the relevant Council recommendations adopted under 148(4) TFEU.

The Commission shall be empowered to adopt a delegated act, within 3 months of the adoption of this Regulation, in accordance with Article 142 in order to supplement the Common Strategic Framework with the following:

(a) for each thematic objective, recommendations on key actions to be supported by each CSF Fund;

(b) the key territorial challenges for urban, rural, coastal and fisheries areas, as well as for areas with particular territorial features referred to in Articles 174 and 349 TFEU, to be addressed by the CSF Funds;

(c) priority areas for cooperation activities for each of the CSF Funds, where appropriate, taking account of macro-

regional and sea basin strategies in accordance with Member States' priorities.

Amendment 52

Proposal for a regulation
Article 12

Text proposed by the Commission	*Amendment*
Adoption and review	***deleted***
The elements of the Common Strategic Framework related to coherence and consistency with the economic policies of Member States and the Union, the coordination mechanisms among the CSF Funds and with other relevant Union policies and instruments, the horizontal principles and cross-cutting policy objectives and the arrangements to address territorial challenges are laid down in Annex I.	
The Commission shall be empowered to adopt delegated acts in accordance with Article 142 laying down the specific elements of the Common Strategic Framework related to the establishment of indicative actions of high European added value and corresponding principles for delivery for each thematic objective and of priorities for cooperation.	
Where there are major changes in the Union strategy for smart, sustainable and inclusive growth, the Commission shall review the Common Strategic Framework and, where appropriate, adopt by means of delegated acts in accordance with Article 142, amendments to Annex I.	
Within 6 months of adoption of a revision to the Common Strategic Framework, Member States shall propose amendments, where necessary, to their Partnership Contract and programmes to ensure their consistency with the revised	

Common Strategic Framework.

Amendment 53

Proposal for a regulation
Article 13 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Each Member State shall prepare a Partnership Contract for the period from 1 January 2014 to 31 December 2020.	1. Each Member State shall prepare***, with the regional authorities,*** a Partnership Contract for the period from 1 January 2014 to 31 December 2020.

Amendment 54

Proposal for a regulation
Article 13 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The Partnership Contract shall be drawn up by Member States in cooperation with the partners referred to in Article 5. The Partnership Contract shall be prepared in dialogue with the Commission.	2. The Partnership Contract shall be drawn up by Member States ***and regional authorities*** in cooperation with the partners referred to in Article 5. The Partnership Contract shall be prepared in dialogue with the Commission.

Amendment 55

Proposal for a regulation
Article 13 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Each Member State shall transmit its Partnership Contract to the Commission within ***3*** months of the adoption of the Common Strategic Framework.	4. Each Member State shall transmit its Partnership Contract to the Commission within ***six*** months of the adoption of the Common Strategic Framework.

Amendment 56

Proposal for a regulation
Article 14 – paragraph 1 – point a – point i

Text proposed by the Commission	*Amendment*
(i) an analysis of disparities and development needs with reference to the thematic objectives, the ***Common Strategic Framework and*** the targets set in the country-specific recommendations under Article 121(2) ***of the Treaty*** and the relevant Council recommendations adopted under Article 148(4) ***of the Treaty***;	(i) an analysis of disparities and ***sustainable*** development needs with reference to the thematic objectives***, to the horizontal principles set out in Articles 6, 7, 7a*** and ***8 of this Regulation and the recommended actions defined in*** the ***CSF, taking into account*** the targets set in the ***relevant*** country-specific recommendations under Article 121(2) ***TFEU*** and the relevant Council recommendations adopted under Article 148(4) ***TFEU, and the Member State's National Reform Programme***;

Amendment 57

Proposal for a regulation
Article 14 – paragraph 1 – point a – point ii

Text proposed by the Commission	*Amendment*
(ii) a summary analysis of the ***ex ante evaluations of the*** programmes justifying the selection of the thematic objectives ***and*** the indicative allocations of the CSF Funds;	(ii) a summary analysis of the programmes justifying the selection of the thematic objectives***,*** the indicative allocations of the CSF Funds ***and a summary of the main results expected for each of the CSF Funds***;

Amendment 58

Proposal for a regulation
Article 14 – paragraph 1 – point a – point iii

Text proposed by the Commission	*Amendment*
(iii) for each thematic objective, a summary of the main results expected for each of the CSF Funds;	***deleted***

Amendment 59

Proposal for a regulation
Article 14 – paragraph 1 – point b – point ii

Text proposed by the Commission	*Amendment*
(ii) the arrangements to ensure an integrated approach to the use of the CSF Funds for the territorial development of urban, rural, coastal and fisheries areas and areas with particular territorial features, in particular the implementation arrangements for Articles 28, 29 and 99 accompanied, where appropriate, by ***a*** list of the cities to participate in the urban development platform referred to in Article 8 of the ERDF Regulation;	(ii) the arrangements to ensure an integrated approach to the use of the CSF Funds for the territorial development of urban, rural, coastal and fisheries areas and areas with particular territorial features, in particular the implementation arrangements for Articles 28, 29 and 99 accompanied, where appropriate, by ***an indicative*** list of the cities to participate in the urban development platform referred to in Article 8 of the ERDF Regulation;

Amendment 60

Proposal for a regulation
Article 14 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) an integrated approach to address the specific needs of geographical areas most affected by poverty or of target groups at ***highest*** risk of discrimination or exclusion, with special regard to marginalised communities***, where appropriate***, including the indicative financial allocation for the relevant CSF Funds;	(c) an integrated approach to address the specific needs of geographical areas most affected by poverty or of target groups at ***high*** risk of discrimination or ***poverty and social*** exclusion, with special regard to ***persons with disabilities and*** marginalised communities, including the indicative financial allocation for the relevant CSF Funds***, with a view to helping implement the national strategies for combating poverty***;

Amendment 61

Proposal for a regulation
Article 14 – paragraph 1 – point c a (new)

Text proposed by the Commission	*Amendment*
	(ca) the way in which the CSF Funds will

contribute to the delivery of integrated national anti-poverty strategies detailed in the National Reform Programmes promoting the inclusion of all groups facing or at risk of poverty and social exclusion, underpinned by National Social Reports;

Amendment 62

Proposal for a regulation
Article 14 – paragraph 1 – point c a (new)

Text proposed by the Commission	*Amendment*
	(ca) an integrated approach to address the specific needs of the geographical areas most affected by unemployment, with special regard to youth unemployment, specifying both the measures to combat it as part of each fund strategy, and the financial allocations committed to such measures;

Amendment 63

Proposal for a regulation
Article 14 – paragraph 1 – point d – point ii

Text proposed by the Commission	*Amendment*
(ii) a summary of the assessment of the fulfilment of ex ante conditionalities and of the actions to be taken at national and regional level, and the timetable for their implementation, where ex ante conditionalities are not fulfilled;	(ii) a summary of the assessment of the fulfilment of ***relevant*** ex ante conditionalities and of the actions to be taken at national and regional level, and the timetable for their implementation, where ex ante conditionalities are not fulfilled;

Amendment 64

Proposal for a regulation
Article 14 – paragraph 1 – point d – point iv

Text proposed by the Commission	*Amendment*
(iv) the actions taken to involve the partners and their role in the preparation of the Partnership Contract and the progress report as defined in Article 46 of this Regulation;	(iv) the actions taken to ***implement the multi-level governance approach and to*** involve the partners ***referred to in Article 5*** and the ***effectiveness of those actions, the indicative list of partners and their*** role in the preparation of the Partnership Contract and the progress report as defined in Article 46 of this Regulation;

Amendment 65

Proposal for a regulation
Article 14 – paragraph 1 – point d – point iv a (new)

Text proposed by the Commission	*Amendment*
	(iv a) an identification of the legal and administrative barriers to the implementation of partnership in the national context and actions envisaged to address those obstacles;

Amendment 66

Proposal for a regulation
Article 14 – paragraph 1 – point d – point iv b (new)

Text proposed by the Commission	*Amendment*
	(iv b) an identification of relevant existing national, regional and local partnerships and multilevel governance structures and ways they will be taken into account;

Amendment 67

Proposal for a regulation
Article 14 – paragraph 1 – point e – point i

Text proposed by the Commission	*Amendment*
(i) an assessment of whether there is a need	(i) an assessment of whether there is a need

to reinforce the administrative capacity of the authorities and***, where appropriate,*** beneficiaries, and actions to be taken for this purpose;	to reinforce the administrative capacity of the authorities and beneficiaries ***and partners referred to in Article 5(1) (a), (b) and (c)***, and actions to be taken for this purpose;

Amendment 68

Proposal for a regulation
Article 15 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The Commission shall adopt a decision, by means of implementing acts, approving the Partnership Contract no later than ***six*** months after its submission by the Member State, provided that any observations made by the Commission have been satisfactorily taken into account. The Partnership Contract shall not enter into force before 1 January 2014.	2. The Commission shall adopt a decision, by means of implementing acts, approving the ***elements of the*** Partnership Contract ***falling under Article 14 (a) (iii), (iv), (vi) and (vii) and (d) (i) - (iii)*** no later than ***four*** months after its submission by the Member State, provided that any observations made by the Commission have been satisfactorily taken into account. The Partnership Contract shall not enter into force before 1 January 2014.

Amendment 69

Proposal for a regulation
Article 16

Text proposed by the Commission	*Amendment*
Member States shall concentrate support, in accordance with the Fund-specific rules, on actions bringing the greatest added value in relation to the Union strategy for smart, sustainable and inclusive growth, addressing the challenges identified in the country-specific recommendations under Article 121(2) of the Treaty and the relevant Council recommendations adopted under 148(4) of the Treaty, and taking into account national ***and*** regional needs.	Member States shall concentrate support, in accordance with the Fund-specific rules, on actions bringing the greatest added value in relation to ***the achievement of the headline targets of*** the Union strategy for smart, sustainable and inclusive growth, addressing the challenges identified in the country-specific recommendations***, as translated in the context of the National Reform Programme and other strategies,*** under Article 121(2) of the Treaty and the relevant Council recommendations adopted under 148(4) of the Treaty, and taking into

account national**,** regional ***and local*** needs.

Amendment 70

Proposal for a regulation
Article 17 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Ex ante conditionalities shall be defined for each CSF Fund in the Fund-specific rules.	1. Ex ante conditionalities ***and corresponding criteria for their fulfilment*** shall be defined for each CSF Fund in the Fund-specific rules.

Amendment 71

Proposal for a regulation
Article 17 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Member States shall assess whether the ***applicable*** ex ante conditionalities are fulfilled.	2. Member States shall assess whether the ex ante conditionalities***, relevant to the effectiveness of the contribution of the CSF Funds in the applicable cases of investment,*** are fulfilled ***in line with the division of powers between the different levels of government***. ***The assessment shall be based on a common methodology and involve the partners referred to in Article 5.***

Amendment 72

Proposal for a regulation
Article 17 – paragraph 5

Text proposed by the Commission	*Amendment*
5. The Commission shall assess the information provided on the fulfilment of ex ante conditionalities in the framework of its assessment of the Partnership Contract and programmes. ***It may decide,***	5. The Commission shall assess the information provided on the fulfilment of ex ante conditionalities in the framework of its assessment of the Partnership Contract and programmes. The failure to

when adopting a programme, to suspend all or part of interim payments to the programme pending the satisfactory completion of actions to fulfil an ex ante conditionality. The failure to complete actions to fulfil an ex ante conditionality by the deadline set out in the programme ***shall*** constitute a basis for suspending payments by the Commission.

complete actions to fulfil an ex ante conditionality by the deadline set out in the programme ***may*** constitute a basis for suspending payments by the Commission. ***When deciding whether to suspend payments, the Commission shall take account of the economic and social effects of the suspension.*** The failure to maintain an already fulfiled ex-ante conditionality during the implementation of the programme may also constitute a basis for suspending payments by the Commission. ***The suspensions shall be lifted and funds be made available again as soon as the Member State takes the necessary action.***

Amendment 73

Proposal for a regulation
Article 17 – paragraph 5 a (new)

Text proposed by the Commission	*Amendment*
	5a. When acting pursuant to paragraph 5, the Commission shall take due account of the situation in the Member State concerned and of its previous experience with regard to the fulfilment of the relevant ex ante conditionality.

Amendment 74
Proposal for a regulation
Article 18

Text proposed by the Commission	*Amendment*
Performance reserve	***deleted***
5% of the resources allocated to each CSF Fund and Member State, with the exception of resources allocated to the European territorial cooperation goal, to the Youth Employment Initiative, and to Title V of the EMFF Regulation, shall constitute a performance reserve to be allocated in accordance with Article 20.	

Amendment 75

Proposal for a regulation
Article 19 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The Commission, in cooperation with the Member States, shall undertake a review of the performance of the programmes in each Member State ***in 2017 and 2019***, with reference to the performance framework set out in the respective Partnership Contract and programmes. The method for establishing the performance framework is set out in Annex II.	1. The Commission, in cooperation with the Member States, shall undertake a review of the performance of the programmes in each Member State, with reference to the performance framework set out in the respective Partnership Contract and programmes. The ***performance review shall take place twice during the programme period. The Member State and the Commission shall agree the years in which the review is to take place. The*** method for establishing the performance framework is set out in Annex II.

Justification

In order to ensure flexibility, taking account of situation in different Member States, the modalities of the performance review should be mutually agreed by the Member State and the Commission.

Amendment 76

Proposal for a regulation
Article 19 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The review shall examine the achievement of the milestones of the programmes at the level of priorities, on the basis of the information and the assessments presented in the progress reports submitted by the Member States in the years ***2017 and 2019***.	2. The review shall examine the achievement of the milestones of the programmes at the level of priorities, on the basis of the information and the assessments presented in the progress reports submitted by the Member States in the years ***of the performance review***.

Amendment 77

Proposal for a regulation
Article 19 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. The review shall take into account any changes in the economic and social circumstances that may influence the achievement of the milestones of the programmes.

Amendment 78

Proposal for a regulation
Article 19 – paragraph 2 b (new)

Text proposed by the Commission	*Amendment*
	2b. Apart from the above-mentioned review, continuous monitoring, carried out by the Commission, functioning as an early warning system is necessary to detect programmes which have not contributed to the delivery of the goals and objectives of the CFS Funds, in order to prevent the suspension of payments.

Amendment 79

Proposal for a regulation
Article 20 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Where the review of performance undertaken in ***2017*** reveals that a priority within a programme has not attained its milestones set for the year ***2016***, the Commission shall make recommendations to the Member State concerned.	1. Where the review of performance undertaken in ***the year of the first performance review*** reveals that a priority within a programme has not attained its milestones set for the year ***preceding the year of the first performance review***, the Commission shall make recommendations

to the Member State concerned.

Amendment 80

Proposal for a regulation
Article 20 – paragraph 2

Text proposed by the Commission	*Amendment*
2. On the basis of the review undertaken in ***2019***, the Commission shall adopt a decision, by means of implementing acts, to determine for each CSF Fund and Member State the programmes and priorities which have attained their milestones. ***The Member State shall propose the attribution of the performance reserve for the programmes and priorities set out in that Commission decision.*** The Commission shall approve the amendment of the programmes concerned in accordance with Article 26. ***Where a Member State fails to submit the information in accordance with Article 46(2) and (3), the performance reserve for the programmes or the priorities concerned shall not be allocated.***	2. On the basis of the ***final*** review undertaken in ***the year of the second performance review***, the Commission shall adopt a decision, by means of implementing acts, to determine for each CSF Fund and Member State the programmes and priorities which have attained their milestones ***taking into account, inter alia external conditions and changes of the GDP of the Union and the Member State concerned***. The Commission shall approve the amendment of the programmes concerned in accordance with Article 26.

Amendment 81

Proposal for a regulation
Article 20 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Where there is evidence resulting from a performance review that a priority has failed to achieve the milestones set out in the performance framework, the Commission may suspend all or part of an interim payment of a priority of a programme in accordance with the procedure laid down in Fund-specific rules.	3. Where there is evidence resulting from a performance review ***referred to in paragraph 2*** that a priority has ***significantly*** failed to achieve the milestones set out in the performance framework, the Commission may suspend all or part of an interim payment of a priority of a programme in accordance with the procedure laid down in Fund-specific rules ***in accordance with the previous comments by the Commission. When***

deciding whether to suspend the payments, the Commission shall take into account the economic and social effects of the suspension. The suspension shall be lifted and funds made available again as soon as the Member State takes the necessary action.

Amendment 82

Proposal for a regulation
Chapter 4 – title

Text proposed by the Commission	*Amendment*
Macroeconomic conditionalities	***Assistance to Member States with serious budgetary difficulties***

Amendment 83

Proposal for a regulation
Article 21

Text proposed by the Commission	*Amendment*
[...]	***deleted***

Amendment 84

Proposal for a regulation
Article 23 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Programmes shall be drawn up by Member States or any authority designated by them, in cooperation with the partners.	2. Programmes shall be drawn up by Member States or any authority designated by them, in cooperation with the partners ***referred to in Article 5. Each Member State shall draw up a consultation plan and shall publish the results of the consultations before the finalisation of programmes***.

Amendment 85

Proposal for a regulation
Article 23 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Programmes shall be submitted by the Member States ***at the same time as*** the Partnership Contract, with the exception of European territorial cooperation programmes, which shall be submitted within ***six*** months of the ***approval*** of the Common Strategic Framework. All programmes shall be accompanied by the ex ante evaluation as set out in Article 48.	3. Programmes shall be submitted by the Member States ***within 3 months after*** the ***submission of*** the Partnership Contract, with the exception of European territorial cooperation programmes, which shall be submitted within ***nine*** months of the ***adoption*** of the Common Strategic Framework. All programmes shall be accompanied by the ex ante evaluation as set out in Article 48.

Amendment 86

Proposal for a regulation
Article 23 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. The implementation of multi-fund programmes (ERDF, ESF, CF, EAFRD, EMFF) is strongly encouraged. To this end, the Commission shall take any measures necessary to ensure that such programmes are prepared and implemented in line with the principle of Fund proportionality.

Amendment 87

Proposal for a regulation
Article 24 – paragraph 3 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
Each priority shall set out indicators to assess progress of programme implementation towards achievement of objectives as the basis for monitoring, evaluation and review of performance.	Each priority shall set out ***qualitative and quantitative indicators based on the Member State's past achievements and challenges in line with horizontal principles set out in Articles 7, 7a and 8*** to

These shall include:	assess progress of programme implementation towards achievement of objectives as the basis for monitoring, evaluation and review of performance. These shall include:

Amendment 88

Proposal for a regulation
Article 24 – paragraph 3 – subparagraph 2

Text proposed by the Commission	*Amendment*
For each CSF Fund, the Fund-specific rules shall set out common indicators and may provide for programme-specific indicators.	For each CSF Fund, the Fund-specific rules shall set out common ***qualitative and quantitative*** indicators and may provide for programme-specific indicators.

Amendment 89

Proposal for a regulation
Article 24 – paragraph 4

Text proposed by the Commission	*Amendment*
Each programme, except those which cover exclusively technical assistance, shall include a description of the actions to take into account the principles set out in Articles 7 and 8.	Each programme, except those which cover exclusively technical assistance, shall include a description of the actions to take into account the principles set out in Articles 7, ***7a*** and 8***, and corresponding qualitative and quantitative indicators based on the Member State's past achievements and challenges***.

Amendment 90

Proposal for a regulation
Article 25 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The Commission shall assess the consistency of programmes with this Regulation, the Fund-specific rules, their effective contribution to the thematic	1. The Commission shall assess the consistency of programmes with this Regulation, the Fund-specific rules, their effective contribution to the thematic

objectives and the Union priorities specific to each CSF Fund, the Common Strategic Framework, the Partnership Contract, the country-specific recommendations under Article 121(2) of the Treaty and the Council recommendations adopted under 148(4) of the Treaty, taking account of the ex ante evaluation. The assessment shall address, in particular, the adequacy of the programme strategy, the corresponding objectives, indicators, targets and the allocation of budgetary resources.	objectives and the Union priorities specific to each CSF Fund, the Common Strategic Framework, the Partnership Contract, the ***relevant*** country-specific recommendations under Article 121(2) of the Treaty and the ***relevant*** Council recommendations adopted under 148(4) of the Treaty, taking account of the ex ante evaluation. The assessment shall address, in particular, the adequacy of the programme strategy, the corresponding objectives, indicators, targets and the allocation of budgetary resources.

Amendment 91

Proposal for a regulation
Article 26 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
Requests for amendment of programmes submitted by a Member State shall be duly substantiated and shall in particular set out the expected impact of the changes to the programme on achieving the Union strategy for smart, sustainable and inclusive growth and the specific objectives defined in the programme, taking account of the Common Strategic Framework and the Partnership Contract. They shall be accompanied by the revised programme and, where appropriate, a revised Partnership Contract.	Requests for amendment of programmes submitted by a Member State shall be duly substantiated and shall in particular set out the expected impact of the changes to the programme on achieving the Union strategy for smart, sustainable and inclusive growth***, on sustainable development*** and the specific objectives defined in the programme, taking account of the Common Strategic Framework and the Partnership Contract. They shall be accompanied by the revised programme and, where appropriate, a revised Partnership Contract.

Amendment 92

Proposal for a regulation
Article 26 – paragraph 1 – subparagraph 1a (new)

Text proposed by the Commission	*Amendment*
	Amendment of programmes shall be made according to the requirements set out in Article 24, in particular those related to

horizontal principles, including the partnership principle and multi-level governance approach. Requests for amendment of programmes shall be also based on revised programmes and, where appropriate, a revised Partnership Contract.

Amendment 93

Proposal for a regulation
Article 27 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The EIB may, at the request of Member States, participate in the preparation of the Partnership Contract, as well as in activities relating to the preparation of operations, ***in particular major*** projects, financial instruments and public-private partnerships.	1. The EIB may, at the request of Member States, participate in the preparation of the Partnership Contract, as well as in activities relating to the preparation of operations, ***large- and small-scale*** projects ***which offer significant potential for innovation***, financial instruments and public-private partnerships.

Amendment 94

Proposal for a regulation
Article 28 – paragraph 1 – point d

Text proposed by the Commission	*Amendment*
(d) designed taking into consideration local needs and potential, and include innovative features in the local context, networking and, where appropriate, cooperation.	(d) designed taking into consideration local needs and potential, and include innovative ***and socio-cultural*** features in the local context, networking and, where appropriate, cooperation.

Amendment 95

Proposal for a regulation
Article 29 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Local development strategies shall be	3. ***Sustainable*** local development strategies

selected by a committee set up for this purpose by the relevant managing authorities of the programmes.	shall be selected by a committee set up for this purpose by the relevant managing authorities of the programmes. ***The partners, referred to in Article 5, shall be represented on that committee.In particular, the economic and social partners shall have a strong representation.***

Amendment 96

Proposal for a regulation
Article 31 – paragraph 1 – point d a (new)

Text proposed by the Commission	*Amendment*
	(da) consulting costs

Amendment 97

Proposal for a regulation
Article 32 – paragraph 1 – subparagraph 2

Text proposed by the Commission	*Amendment*
Financial instruments may be combined with grants, interest rate subsidies and guarantee fee subsidies. In this case, separate records must be maintained for each form of financing.	Financial instruments may be combined with grants, interest rate subsidies***, microcredits*** and guarantee fee subsidies. In this case, separate records must be maintained for each form of financing.

Amendment 98

Proposal for a regulation
Article 32 – paragraph 1 – subparagraph 3

Text proposed by the Commission	*Amendment*
The Commission shall be empowered to adopt delegated acts in accordance with Article 142 laying down detailed rules concerning the ex ante assessment of financial instruments, the combination of support provided to final recipients through grants, interest rate subsidies, guarantee fee	The Commission shall be empowered to adopt delegated acts in accordance with Article 142 laying down detailed rules concerning the ex ante assessment of financial instruments, the combination of support provided to final recipients through grants, interest rate subsidies, guarantee fee

subsidies and financial instruments, additional specific rules on eligibility of expenditure and rules specifying the types of activities which shall not be supported through financial instruments.	subsidies***, microcredits*** and financial instruments, additional specific rules on eligibility of expenditure and rules specifying the types of activities which shall not be supported through financial instruments.

Amendment 99

Proposal for a regulation
Article 32 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Contributions in kind are not eligible expenditure in respect of financial instruments, except for contributions of land or real estate in respect of investments with the objective of supporting urban development or urban regeneration, where the land or real estate forms part of the investment. Such contributions of land or real estate shall be eligible provided that the conditions in Article 59 are met.	3. Contributions in kind are not eligible expenditure in respect of financial instruments, except for contributions of land or real estate in respect of investments with the objective of supporting urban ***and/or rural*** development ***as well as*** urban ***and/or/ rural*** regeneration, where the land or real estate forms part of the investment. Such contributions of land or real estate shall be eligible provided that the conditions in Article 59 are met.

Amendment 100

Proposal for a regulation
Article 39

Text proposed by the Commission	*Amendment*
Member States shall adopt the necessary measures to ensure that the capital resources and gains and other earnings or yields attributable to the support from the CSF Funds to financial instruments are used in accordance with the aims of the programme for a period of at least ***10*** years after the closure of the programme.	Member States shall adopt the necessary measures to ensure that the capital resources and gains and other earnings or yields attributable to the support from the CSF Funds to financial instruments are used in accordance with the aims of the programme for a period of at least ***7*** years after the closure of the programme. ***The amount left over after that period shall be transferred to the budget of the European Union.***

Amendment 101

Proposal for a regulation
Article 40 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The managing authority shall send to the Commission a specific report covering the operations comprising financial instruments as an annex to the annual implementation report.	1. The managing authority shall send to the Commission a specific report covering the operations comprising financial instruments as an annex to the annual implementation report ***paying attention to avoiding duplicity and additional administrative burdens***.

Amendment 102

Proposal for a regulation
Article 42 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
1. The monitoring committee shall be composed of representatives of the managing authority and intermediate bodies and of representatives of the partners. Each member of the monitoring committee shall have a voting right.	1. The monitoring committee shall be composed of representatives of the managing authority and intermediate bodies and of representatives of the partners ***referred to in Article 5, with particular consideration given to the partners involved in the preparation of the programmes concerned***. Each member of the monitoring committee shall have a voting right. ***The Member States shall ensure that the monitoring committee is gender balanced.***

Amendment 103

Proposal for a regulation
Article 42 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission	*Amendment*
	The partners shall select and appoint the members representing them in the monitoring committee.

Amendment 104

Proposal for a regulation
Article 42 – paragraph 1 – subparagraph 1 b (new)

Text proposed by the Commission	*Amendment*
	The list of members of the monitoring committee shall be published.

Amendment 105

Proposal for a regulation
Article 42 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. The body from which the committee Chair comes shall assume the role of a central office to assist the partners in the exercise of their duties and to help the Chair in preparing and conducting meetings and ensuring that they achieve results.

Amendment 106

Proposal for a regulation
Article 43 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The monitoring committee shall meet at least ***once*** a year and shall review implementation of the programme and progress towards achieving its objectives. In doing so, it shall have regard to the financial data, common and programme-specific indicators, including changes in result indicators and progress towards quantified target values, and the milestones defined in the performance framework.	1. The monitoring committee shall meet at least ***twice*** a year and shall review implementation of the programme and progress towards achieving its objectives ***and the observance of the horizontal principles as set out in Articles 6, 7, 7a and 8***. In doing so, it shall have regard to the financial data, common and programme-specific indicators, including changes in result indicators and progress towards quantified target values, and the milestones defined in the performance framework.

Amendment 107

Proposal for a regulation
Article 43 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The monitoring committee shall examine in detail all issues that affect the performance of the programme.	2. The monitoring committee shall examine in detail all issues that affect the performance of the programme***, including the performance review***.

Amendment 108

Proposal for a regulation
Article 43 – paragraph 4

Text proposed by the Commission	*Amendment*
4. The monitoring committee may issue recommendations to the managing authority regarding implementation of the programme and its evaluation. It shall monitor actions taken as a result of its recommendations.	4. The monitoring committee may issue recommendations to the managing authority regarding implementation of the programme and its evaluation ***in order to reduce the administrative burden on beneficiaries***. It shall monitor actions taken as a result of its recommendations.

Amendment 109

Proposal for a regulation
Article 43 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. The monitoring committee shall approve the annual reports on the implementation of the programmes referred to in Article 44 and the progress reports referred to in Article 46.

Amendment 110

Proposal for a regulation
Article 44 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Annual implementation reports shall set out information on implementation of the programme and its priorities by reference to the financial data, common and programme-specific indicators and quantified target values, including changes in result indicators, and the milestones defined in the performance framework. The data transmitted shall relate to values for indicators for fully implemented operations and also for selected operations. They shall also set out actions taken to fulfil the ex ante conditionalities and any issues which affect the performance of the programme, and the corrective measures taken.	2. Annual implementation reports shall set out information on implementation of the programme and its priorities by reference to the financial data, common and programme-specific indicators and quantified target values, including changes in result indicators, and the milestones defined in the performance framework. The data transmitted shall relate to values for indicators for fully implemented operations and also for selected operations. They shall also set out actions taken to fulfil the ex ante conditionalities***, simplify administrative procedures*** and ***address*** any issues which affect the performance of the programme, and the corrective measures taken.

Amendment 111

Proposal for a regulation
Article 44 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The annual implementation report submitted in ***2017*** shall set out and assess the information set out in paragraph 2 and progress towards achieving the objectives of the programme, including the contribution of the CSF Funds to changes in result indicators, when evidence is available from evaluations. It shall also assess the implementation of actions to take into account the principles set out in Articles 6, 7 and 8 and report on support used for climate change targets.	3. The annual implementation report submitted ***in the year of the first performance review*** shall set out and assess the information set out in paragraph 2 and progress towards achieving the objectives of the programme, including the contribution of the CSF Funds to changes in result indicators, when evidence is available from evaluations. It shall also assess the implementation of actions to take into account the principles set out in Articles 6, 7***, 7a*** and 8 and report on support used for climate change***, poverty reduction and overall and youth unemployment reduction*** targets.

Amendment 112

Proposal for a regulation
Article 44 – paragraph 4

Text proposed by the Commission	*Amendment*
4. The annual implementation report submitted in ***2019*** and the final implementation report for the CSF Funds shall, in addition to the information and assessment set out in paragraphs 2 and 3, include information on and assess progress towards achieving the objectives of the programme and its contribution to achieving the Union strategy for smart, sustainable and inclusive growth.	4. The annual implementation report submitted in ***the year of the second performance review*** and the final implementation report for the CSF Funds shall, in addition to the information and assessment set out in paragraphs 2 and 3, include information on and assess progress towards achieving the objectives of the programme and its contribution to achieving the Union strategy for smart, sustainable and inclusive growth.

Amendment 113

Proposal for a regulation
Article 45 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The annual review meeting may cover more than one programme. In ***2017 and 2019***, the annual review meeting shall cover all programmes in the Member State and shall also take account of the progress reports submitted by the Member State in accordance with Article 46 in those years.	2. The annual review meeting may cover more than one programme. In ***the years in which the performance review is carried out***, the annual review meeting shall cover all programmes in the Member State and shall also take account of the progress reports submitted by the Member State in accordance with Article 46 in those years.

Amendment 114

Proposal for a regulation
Article 45 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The Member State and the Commission may agree not to organise an annual review meeting for a programme in years other than ***2017 and 2019***.	3. The Member State and the Commission may agree not to organise an annual review meeting for a programme in years other than ***the years in which the performance***

review is carried out.

Amendment 115

Proposal for a regulation
Article 46 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) progress towards achievement of the Union strategy for smart, sustainable and inclusive growth, in particular in respect of the milestones set out for each programme in the performance framework and the support used for climate change objectives;	(b) progress towards achievement of the Union strategy for smart, sustainable and inclusive growth, in particular in respect of ***reasonable, measurable, qualitative and quantitative*** milestones ***based on the Member State's past achievements and challenges*** set out for each programme in the performance framework and the support used for climate change, ***poverty reduction and overall and youth unemployment reduction*** objectives;

Amendment 116

Proposal for a regulation
Article 46 – paragraph 2 – point h

Text proposed by the Commission	*Amendment*
(h) the role of the partners referred in Article 5 in the implementation of the Partnership Contract.	(h) the role of the partners referred in Article 5 in the implementation of the Partnership Contract***, including a list of the partners involved, their responsibilities, and their views on the implementation of the programme and on the partnership principle, as well as the way that their views have been taken into account***.

Amendment 117

Proposal for a regulation
Article 46 – paragraph 5

Text proposed by the Commission	*Amendment*
5. In 2018 and 2020, the Commission shall include in its Annual Progress Report to the spring meeting of the European Council a section summarising the strategic report, in particular with regard to progress made towards Union strategy for smart, sustainable and inclusive growth.	5. In 2018 and 2020, the Commission shall include in its Annual Progress Report to the spring meeting of the European Council a section summarising the strategic report, in particular with regard to progress made towards Union strategy for smart, sustainable and inclusive growth ***and the targets of the flagship initiatives within the Union strategy for smart, sustainable and inclusive growth***.

Amendment 118

Proposal for a regulation
Article 47 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Evaluations shall be carried out to improve the quality of the design and implementation of programmes, as well as to assess their effectiveness, efficiency and impact. Impact of programmes shall be evaluated in accordance with the mission of the respective CSF Funds in relation to the targets for the Union strategy for smart, sustainable and inclusive growth as well as in relation to Gross Domestic Product (GDP) and unemployment, where appropriate.	1. Evaluations shall be carried out to improve the quality of the design and implementation of programmes, as well as to assess their effectiveness, efficiency and impact. Impact of programmes shall be evaluated in accordance with the mission of the respective CSF Funds in relation to the targets for the Union strategy for smart, sustainable and inclusive growth as well as in relation to ***the climate targets, to the horizontal indicators, to t***Gross Domestic Product (GDP) and ***to*** unemployment ***and qualitative jobs***, where appropriate. ***Member States may use other social and environmental indicators, in addition to the GDP/inhabitant indicator, in order to have a more social vision of the general state of well-being in the evaluated region or Member State.***

Amendment 119

Proposal for a regulation
Article 47 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Member States shall provide the resources necessary for carrying out evaluations, and shall ensure that procedures are in place to produce and collect the data necessary for evaluations, including data related to common and where appropriate programme-specific indicators.	2. Member States shall provide the resources necessary for carrying out ***qualitative and quantitative*** evaluations, and shall ensure that procedures are in place to produce and collect the data necessary for evaluations, including data related to common ***qualitative*** and ***quantitative, and*** where appropriate programme-specific indicators.

Amendment 120

Proposal for a regulation
Article 48 – paragraph 3 – point a

Text proposed by the Commission	*Amendment*
(a) the contribution to the Union strategy for smart, sustainable and inclusive growth, having regard to the selected thematic objectives and priorities, taking into account national and regional needs;	(a) the contribution to the Union strategy for smart, sustainable and inclusive growth, having regard to the selected thematic objectives***, the horizontal principles as set out in Articles 6, 7, 7a and 8 of this Regulation*** and priorities, taking into account national and regional needs;

Amendment 121

Proposal for a regulation
Article 48 – paragraph 3 – point d

Text proposed by the Commission	*Amendment*
(d) the consistency of the selected thematic objectives, the priorities and corresponding objectives of the programmes with the Common Strategic Framework, the Partnership Contract and the country-specific recommendations under Article 121(2) of the Treaty and the Council recommendations adopted under Article 148(4) of the Treaty;	(d) the consistency of the selected thematic objectives, the priorities and corresponding objectives of the programmes ***and the horizontal principles set out in Articles 6, 7, 7a and 8 of this Regulation,*** with the Common Strategic Framework, the Partnership Contract and the country-specific recommendations under Article 121(2) of the Treaty and the Council recommendations adopted under Article

148(4) of the Treaty;

Amendment 122

Proposal for a regulation
Article 48 – paragraph 3 – point e

Text proposed by the Commission	*Amendment*
(e) the relevance and clarity of the proposed programme indicators;	(e) the relevance and clarity of the proposed programme ***and horizontal*** indicators;

Amendment 123

Proposal for a regulation
Article 48 – paragraph 3 – point l

Text proposed by the Commission	*Amendment*
(l) the adequacy of planned measures to promote equal opportunities between men and women and to prevent discrimination;	(l) the adequacy of planned measures to promote equal opportunities between men and women and to prevent discrimination ***in accordance with the principles set out in Article 7***;

Amendment 124

Proposal for a regulation
Article 48 – paragraph 3 – point l a (new)

Text proposed by the Commission	*Amendment*
	(la) the adequacy of planned measures to ensure accessibility for persons with disabilities;

Amendment 125

Proposal for a regulation
Article 48 – paragraph 3 – point m

Text proposed by the Commission	*Amendment*
(m) the adequacy of planned measures to promote sustainable development.	(m) the adequacy of planned measures to promote sustainable development, ***social inclusion, and delivery on poverty reduction targets***.

Amendment 126

Proposal for a regulation
Article 50

Text proposed by the Commission	*Amendment*
The ex post evaluations shall be carried out by the Commission ***or by*** the Member States***, in close cooperation***. Ex post evaluations shall examine the effectiveness and efficiency of the CSF Funds and their contribution to the Union strategy for smart, sustainable and inclusive growth in accordance with specific requirements established in the Fund-specific rules. Ex post evaluations shall be completed by 31 December 2023.	The ex post evaluations shall be carried out by the Commission ***in close cooperation with*** the Member States. Ex post evaluations shall examine the effectiveness and efficiency of the CSF Funds and their contribution to the Union strategy for smart, sustainable and inclusive growth ***and the targets of the flagship initiatives within the Union strategy for smart, sustainable and inclusive growth*** in accordance with specific requirements established in the Fund-specific rules. Ex post evaluations shall be completed by 31 December 2023.

Amendment 127

Proposal for a regulation
Article 51 – paragraph 1 – subparagraph 2 – point a a (new)

Text proposed by the Commission	*Amendment*
	(aa) assistance in relation to accessing funds, targeted in particular at SMEs and micro-enterprises.

Amendment 128

Proposal for a regulation
Article 51 – paragraph 1 – subparagraph 2 – point f

Text proposed by the Commission	*Amendment*
(f) actions to disseminate information, support networking, carry out communication activities, raise awareness and promote cooperation and exchange of experience, including with third countries. To bring about greater efficiency in communication to the public at large and stronger synergies between the communication activities undertaken at the initiative of the Commission, the resources allocated to communication actions under this Regulation shall also contribute to covering the corporate communication of the political priorities of the European Union ***as far as they*** that these are related to the general objectives of this Regulation;	(f) actions to disseminate information, support networking, carry out communication activities, raise awareness and promote cooperation and exchange of experience***, particularly amongst civil society organisations***, including with third countries. To bring about greater efficiency in communication to the public at large and stronger synergies between the communication activities undertaken at the initiative of the Commission, the resources allocated to communication actions under this Regulation shall also contribute to ***covering*** the corporate communication of the political priorities of the European Union ***provided that such priorities*** are related to the general objectives of this Regulation;

Amendment 129

Proposal for a regulation
Article 51 – paragraph 1 – subparagraph 2 – point j a (new)

Text proposed by the Commission	*Amendment*
	(ja) support for capacity building of social partners and civil society organisations, referred to in Article 5, in particular regarding the involvement of representatives of vulnerable groups, and support to umbrella organisations of non-governmental organisations, social partners, networks and associations representing local, urban and regional authorities, working at Union level on cohesion policy for networking with national and regional partners.

Amendment 130

Proposal for a regulation
Article 51 – paragraph 1 – subparagraph 2 – point j b (new)

Text proposed by the Commission	*Amendment*
	(jb) assistance to support exchange of views and cooperation in existing and new thematic networks of local action groups as referred to in Article 30 for the design and implementation of local development strategies.

Amendment 131

Proposal for a regulation
Article 52 – paragraph 1

Text proposed by the Commission	*Amendment*
At the initiative of a Member State, the CSF Funds may support actions for preparation, management, monitoring, evaluation, information and communication, networking, complaint resolution, and control and audit. The CSF Funds may be used by the Member State to support actions for the reduction of administrative burden for beneficiaries, including electronic data exchange systems, and actions to reinforce the capacity of Member State authorities and beneficiaries to administer and use the CSF Funds. These actions may concern preceding and subsequent programming periods.	At the initiative of a Member State, the CSF Funds may support actions for preparation, management, monitoring, evaluation, information and communication, networking, complaint resolution, and control and audit. The CSF Funds may be used by the Member State to support actions for the reduction of administrative burden for beneficiaries, including electronic data exchange systems, and ***additional*** actions to reinforce the capacity of Member State authorities, ***partners referred to in Article 5, with the strong representation of social and economic partners, in order to promote the exchange of views and the best practice among local action groups referred to in Article 30 at national level, and of*** beneficiaries to administer and use the CSF Funds. These actions may concern preceding and subsequent programming periods.

Amendment 132

Proposal for a regulation
Article 52 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. Each Member State shall ensure that an adequate level of technical assistance in its operational programmes is allocated to partners referred to in points (a), (b) and (c) of Article 5 (1) in order to facilitate the involvement and participation of those partners in the preparation and implementation of the Partnership Contracts and in the preparation, implementation, monitoring and evaluation of programmes.

Amendment 133

Proposal for a regulation
Article 52 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. Each Member State shall ensure in all operational programmes that sufficient technical assistance is made available to facilitate the involvement and participation of non-governmental organisations in the preparation, implementation, monitoring and evaluation of the Funds.

Amendment 134

Proposal for a regulation
Article 55 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The eligibility of expenditure shall be determined on the basis of national rules, except where specific rules are laid down in or on the basis of this Regulation or the Fund-specific rules.	1. The eligibility of expenditure shall be determined on the basis of national rules, ***save in relation to expenditure on European territorial cooperation projects, and*** except where specific rules are laid down in or on the basis of this Regulation

	or the Fund-specific rules.

Amendment 135

Proposal for a regulation
Article 55 – paragraph 8 a (new)

Text proposed by the Commission	*Amendment*
	8a. The Commission shall establish a specific support scheme for expenditure made under European territorial cooperation programmes in order to improve their operational application.

Amendment 136

Proposal for a regulation
Article 56 – paragraph 2

Text proposed by the Commission	*Amendment*
In the case of repayable assistance, the support repaid to the body that provided it, or to another competent authority of the Member State, shall be kept in a separate account and reused for the same purpose or in accordance with the objectives of the programme.	In the case of repayable assistance, the support repaid to the body that provided it, or to another competent authority of the Member State, shall be kept in a separate account ***code*** and reused for the same purpose or in accordance with the objectives of the programme.

Amendment 137

Proposal for a regulation
Article 57 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) lump sums not exceeding ***EUR 100 000*** of public contribution;	(c) lump sums not exceeding EUR ***200 000*** of public contribution;

Amendment 138

Proposal for a regulation
Article 58 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) a flat rate of up to ***20*** % of eligible direct costs, where the rate is calculated on the basis of a fair, equitable and verifiable calculation method or a method applied under schemes for grants funded entirely by the Member State for a similar type of operation and beneficiary;	(a) a flat rate of up to ***30*** % of eligible direct costs, where the rate is calculated on the basis of a fair, equitable and verifiable calculation method or a method applied under schemes for grants funded entirely by the Member State for a similar type of operation and beneficiary;

Amendment 139

Proposal for a regulation
Article 58 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) a flat rate of up to ***15*** % of eligible direct staff costs;	(b) a flat rate of up to ***20*** % of eligible direct staff costs;

Amendment 140

Proposal for a regulation
Article 59 – paragraph 3 – point c

Text proposed by the Commission	*Amendment*
(c) value added tax. However, VAT amounts shall be eligible where they are not recoverable under national VAT legislation ***and are paid by a beneficiary other than non-taxable person as defined in the first subparagraph of Article 13(1) of Directive 2006/112/EC, provided that such VAT amounts are not incurred in relation to the provision of infrastructure***.	(c) ***recoverable*** value added tax. However, VAT amounts shall be eligible where they are not recoverable under national VAT legislation.

Amendment 141

Proposal for a regulation
Article 61 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. An operation comprising investment in infrastructure or productive investment shall repay the contribution from the CSF Funds if within five years from the final payment to the beneficiary or within the period of time set out in the State aid rules, where applicable, it is subject to:	1. An operation comprising investment in infrastructure or productive investment shall ***proportionally*** repay the contribution from the CSF Funds if within five years***, and specifically in the case of SMEs within three years,*** from the final payment to the beneficiary or within the period of time set out in the State aid rules, where applicable, it is subject to:

Amendment 142

Proposal for a regulation
Article 61 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Operations supported by the ESF and operations supported by the other CSF Funds that are not investment in infrastructure or productive investments shall repay the contribution from the Fund only where they are subject to an obligation for maintenance of investment under the applicable State aid rules and where they undergo a cessation or relocation of a productive activity within ***the period laid down in those rules***.	2. Operations supported by the ESF and operations supported by the other CSF Funds that are not investment in infrastructure or productive investments shall repay the contribution from the Fund only where they are subject to an obligation for maintenance of investment under the applicable State aid rules and where they undergo a cessation or relocation of a productive activity within ***ten years***.

Amendment 143

Proposal for a regulation
Article 66 – paragraph 4

Text proposed by the Commission	*Amendment*
As regards the performance reserve, budget commitments shall follow the Commission decision approving the amendment of the programme.	***deleted***

Amendment 144

Proposal for a regulation
Article 74 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. The payment deadline for an interim payment claim may be interrupted by the authorising officer by delegation within the meaning of the Financial Regulation for a maximum period of ***nine*** months if:	1. The payment deadline for an interim payment claim may be interrupted by the authorising officer by delegation within the meaning of the Financial Regulation for a maximum period of ***six*** months if:

Amendment 145

Proposal for a regulation
Article 81 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) 'Investment for growth ***and*** jobs' in Member States and regions, to be supported by all the Funds; and	(a) 'Investment for growth***,*** jobs ***and social inclusion***' in Member States and regions, to be supported by all the Funds; and

Amendment 146

Proposal for a regulation
Article 82 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The Structural Funds shall support the Investment for growth ***and*** jobs goal in all regions corresponding to level 2 of the common classification of territorial units for statistics (hereinafter referred to as 'NUTS level 2') established by Regulation (EC) No 1059/2003.	1. The Structural Funds shall support the Investment for growth***,*** jobs ***and social inclusion*** goal in all regions corresponding to level 2 of the common classification of territorial units for statistics (hereinafter referred to as 'NUTS level 2') established by Regulation (EC) No 1059/2003.

Amendment 147

Proposal for a regulation
Article 82 – paragraph 2 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
Resources for the Investment for growth ***and*** jobs goal shall be allocated among the following three categories of NUTS level 2 regions:	Resources for the Investment for growth**,** jobs ***and social inclusion*** goal shall be allocated among the following three categories of NUTS level 2 regions:

Amendment 148
Proposal for a regulation
Article 83 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The resources for economic, social and territorial cohesion available for budgetary commitment for the period 2014 to 2020 shall be EUR [x] at 2011 prices, in accordance with the annual breakdown shown in Annex III, of which EUR [x] represents the global resources allocated to the ERDF, the ESF and the CF and EUR [3 000 000 000] constitutes a specific allocation for the Youth Employment Initiative. For the purposes of programming and subsequent inclusion in the general budget of the Union, the amount of the resources for economic, social and territorial cohesion shall be indexed at 2 % per year.	1. The resources for economic, social and territorial cohesion available for budgetary commitment for the period 2014 to 2020 shall be EUR [x] at 2011 prices, in accordance with the annual breakdown shown in Annex III, of which EUR [x] represents the global resources allocated to the ERDF, the ESF and the CF and EUR [3 000 000 000] constitutes a specific allocation for the Youth Employment Initiative. ***That specific allocation for the Youth Emplyment Initiative, and the matching ESF allocation, should be committed in equal instalments by 30 June 2017.*** For the purposes of programming and subsequent inclusion in the general budget of the Union, the amount of the resources for economic, social and territorial cohesion shall be indexed at 2 % per year.

Amendment 149
Proposal for a regulation
Article 83 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The Commission shall adopt a decision, by means of implementing acts, setting out the annual breakdown of the global resources for the Funds by Member State, in accordance with the criteria and	2. The Commission shall adopt a decision, by means of implementing acts, setting out the annual breakdown of the global resources for the Funds by Member State, in accordance with the criteria and

methodology set out in Annex IIIbis and the annual breakdown of the resources from the specific allocation for the Youth Employment Initiative by Member State together with the list of eligible regions, in accordance with the criteria and methodology set out in Annex IIIter without prejudice to paragraph 3 of this Article and Article 84(7).	methodology set out in Annex IIIbis and the annual breakdown of the resources from the specific allocation for the Youth Employment Initiative by Member State together with the list of eligible regions, in accordance with the criteria and methodology set out in Annex IIIter without prejudice to paragraph 3 of this Article and Article 84(7). ***Macroeconomic conditionality shall not apply to the allocation of resources.***

Amendment 150

Proposal for a regulation
Article 84 – paragraph 1 – subparagraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) ***16,35*** % (i.e., a total of EUR ***55 419 406 116***) for more developed regions;	(c) ***16,39*** % (i.e., a total of EUR ***53 142 922 017***) for more developed regions***, with special regard to possible exceptions in the case of a national capital with a high density of population and extreme concentration of the national population there, based on the Partnership Contract***;

Amendment 151

Proposal for a regulation
Article 84 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) eligible population, regional prosperity, national prosperity and unemployment rate for less developed regions and transition regions;	(a) eligible population, ***elderly dependency ratio, population density,*** regional prosperity, national prosperity***, net adjusted disposable income per inhabitant,*** and unemployment rate for less developed regions and transition regions;

Amendments 152
Proposal for a regulation

Article 84 – paragraph 3

Text proposed by the Commission	*Amendment*
3. ***At least 25 %*** of ***the*** Structural Funds resources ***for less developed regions, 40% for transition regions and 52% for more developed regions*** in each Member State shall ***be allocated to the ESF.*** For the purposes of this provision, ***the support to a Member State through the [Food for deprived people instrument]*** shall be considered as part of the share of Structural Funds allocated to the ESF.	3. ***In order to ensure that sufficient investment is targeted at youth employment, labour mobility, knowledge, social inclusion and combating poverty, the share*** of Structural Funds resources ***available for programming for operational programmes under the Investment for growth and jobs goal allocated to the ESF*** in each Member State shall ***not be lower than the corresponding ESF share for that Member State observed in the operational programmes for the Convergence and Regional competitiveness and employment objectives for the period 2007-2013. An additional amount shall be added to that share for each Member State determined according to the method set out in Annex III quater in order to ensure that the share of the ESF as a percentage of the total combined resources for the Structural Funds and the Cohesion Fund at Union level, excluding the support from the Cohesion Fund for transport infrastructure under the Connecting Europe Facility referred to in Article 84 (4) and support from the Structural Funds for aid for the most deprived people referred to in Article 84(5), in Member States is not less than 25 %.*** For the purposes of this provision, ***investment from the ESF in the Youth Employment Initiative*** shall be considered as part of the share of Structural Funds allocated to the ESF.

Amendment 153
Proposal for a regulation

Article 84 – paragraph 3 bis

Text proposed by the Commission	*Amendment*
3bis. Resources for the Youth Employment Initiative shall amount to EUR [3 000 000 000] from the specific allocation for the Youth Employment Initiative and at least EUR [3 000 000 000] from ESF targeted investment.	3bis. Resources for the Youth Employment Initiative shall amount to EUR [3 000 000 000] from the specific allocation for the Youth Employment Initiative and at least EUR [3 000 000 000] from ESF targeted investment. ***Resources for the Youth Employment Initiative shall be revised upwards pursuant to the review clause set out in Article 144 and in the context of the revision of the Multiannual Financial Framework foreseen for XXXX.***

Amendment 154
Proposal for a regulation
Article 84 – paragraph 5

Text proposed by the Commission	*Amendment*
5. The support from the Structural Funds for ***food for deprived people*** under the Investment for Growth and Jobs shall be EUR 2 500 000 000.	5. The support from the Structural Funds for ***the FEAD*** under the Investment for Growth and Jobs shall be EUR 2 500 000 000***. Member States may decide to increase their allocations in addition to that amount by up to EUR 1 000 000 000 in total***.
The Commission shall adopt a decision by implementing act setting out the amount to be transferred from each Member State's Structural Funds allocation for the whole period in each Member State. The Structural Funds allocation of each Member State shall be reduced accordingly.	The Commission shall adopt a decision by implementing act ***on the basis of the criteria and methodology set out in Regulation (EU) No […/…] [FEAD Regulation]*** setting out the amount to be transferred from each Member State's Structural Funds allocation for the whole period in each Member State. The Structural Funds allocation of each Member State shall be reduced accordingly.
The annual appropriations corresponding to the support from the Structural Funds mentioned in the first subparagraph shall be entered in the relevant budget lines of the ***food for deprived people instrument***	The annual appropriations corresponding to the support from the Structural Funds mentioned in the first subparagraph shall be entered in the relevant budget lines of the ***FEAD*** with the 2014 budgetary

with the 2014 budgetary exercise.	exercise.

Amendment 155

Proposal for a regulation
Article 84 – paragraph 6

Text proposed by the Commission	*Amendment*
6. 5% of the resources for the Investment for growth and jobs goal shall constitute the performance reserve to be allocated in accordance with Article 20.	***deleted***

Amendment 156

Proposal for a regulation
Article 84 – paragraph 7

Text proposed by the Commission	*Amendment*
7. ***0,2%*** of the ERDF resources for the Investment for growth and jobs goal shall be allocated to innovative actions at the initiative of the Commission in the area of sustainable urban development.	7. ***1%*** of the ERDF resources for the Investment for growth and jobs goal shall be allocated to innovative actions at the initiative of the Commission in the area of sustainable urban ***and rural*** development.

Amendment 157

Proposal for a regulation
Article 85 – paragraph 2

Text proposed by the Commission	*Amendment*
2. By way of derogation from paragraph 1, the Commission may accept, in duly justified circumstances which are linked to the implementation of one or more thematic objectives, a proposal by a Member State in its first submission of the Partnership Contract to transfer up to ***2***% of the total appropriation for a category of regions to other categories of regions.	2. By way of derogation from paragraph 1, the Commission may accept, in duly justified circumstances which are linked to the implementation of one or more thematic objectives, a proposal by a Member State in its first submission of the Partnership Contract to transfer up to ***6*** % of the total appropriation for a category of regions to other categories of regions.

Justification

Following the rules in place under the current legislation, there is no reason for adding a further burden on the Member States. In addition, the high level of complexity of the Cohesion policy should be taken into account and the principle of subsidiarity as enshrined in the Treaty should be respected.

Amendment 158

Proposal for a regulation
Article 86 – paragraph 3 – subparagraph 3

Text proposed by the Commission	*Amendment*
The Commission and the Member States shall take into account the general macroeconomic conditions and specific or exceptional circumstances***, such as privatisations or*** an exceptional ***level of*** public or equivalent structural expenditure by a Member State in the period 2007-2013. They shall also take into account changes in the national allocations from the Structural Funds as compared to the years 2007-2013.	The Commission and the Member States shall take into account the general macroeconomic conditions and specific or exceptional circumstances ***which may represent*** an exceptional ***variation in*** public or equivalent structural expenditure by a Member State in the period 2007-2013. They shall also take into account changes in the national allocations from the Structural Funds as compared to the years 2007-2013.

Amendment 159

Proposal for a regulation
Article 86 – paragraph 5 – subparagraph 1

Text proposed by the Commission	*Amendment*
The verification of whether the level of public or equivalent structural expenditure under the Investment for growth and jobs goal has been maintained shall take place at the time of submission of the Partnership Contract (ex ante verification), in ***2018 (***mid-term verification***)***, and in ***2022 (***ex post verification***)***.	The verification of whether the level of public or equivalent structural expenditure under the Investment for growth and jobs goal has been maintained shall take place at the time of submission of the Partnership Contract (ex ante verification), ***and*** in mid-term verification, and ***finally*** in ex post verification.

Amendment 160

Proposal for a regulation
Article 86 – paragraph 6

Text proposed by the Commission	*Amendment*
6. If it is established by the Commission in the ex post verification that a Member State has not maintained the reference level of public or equivalent structural expenditure under the Investment for growth and jobs goal set out in the Partnership Contract as set out in Annex IV, the Commission may carry out a financial correction. ***In deciding whether or not*** to carry out a financial correction, ***the Commission will take into account*** whether the economic situation of the Member State has significantly changed since the mid-term verification and whether the change was taken into account at that time. The detailed rules relating to financial correction rates are set out in point 3 of Annex IV.	6. If it is established by the Commission in the ex post verification that a Member State has not maintained the reference level of public or equivalent structural expenditure under the Investment for growth and jobs goal set out in the Partnership Contract as set out in Annex IV, the Commission may carry out a financial correction. ***The Commission shall only make a decision whether*** to carry out a financial correction, ***when it is of the view that the Member State has not taken the necessary steps to comply with the recommendations it has made to this effect and shall consider*** whether the economic situation of the Member State has significantly changed since the mid-term verification and whether the change was taken into account at that time. The detailed rules relating to financial correction rates are set out in point 3 of Annex IV.

Amendment 161

Proposal for a regulation
Article 87 – title

Text proposed by the Commission	*Amendment*
Content and ***adoption*** of operational programmes under the Investment for growth and jobs goal	Content***, adoption*** and ***amendment*** of operational programmes under the Investment for growth and jobs goal

Amendment 162

Proposal for a regulation
Article 87 – paragraph 1

Text proposed by the Commission	*Amendment*
1. An operational programme shall consist of priority axes. A priority axis shall concern one Fund for a category of region and shall correspond***, without prejudice*** to ***Article 52, to*** a thematic objective and comprise one or more investment priorities of that thematic objective, in accordance with the Fund-specific rules. For the ESF, a priority axis may combine investment priorities from different thematic objectives set out in Article 9(8), (9), (10) and (11) in order to facilitate their contribution to other priority axes, in duly justified circumstances.	1. An operational programme shall consist of priority axes. A priority axis shall concern one Fund for a category of region and shall correspond to a thematic objective and comprise one or more investment priorities of that thematic objective, in accordance with the Fund-specific rules. ***In duly justified circumstances, a priority axis may concern more than one category of region and more than one Fund*** For the ESF, a priority axis may combine ***one or more complementary*** investment priorities from different thematic objectives set out in Article 9(8), (9), (10) and (11) in order to facilitate their contribution to other priority axes, in duly justified circumstances.

Amendment 163

Proposal for a regulation
Article 87 – paragraph 2 – point c – point iii

Text proposed by the Commission	*Amendment*
(iii) the list of cities where integrated actions for sustainable urban development will be implemented, the indicative annual allocation of the ERDF support for these actions, including the resources delegated to cities for management under Article 7(2) of Regulation (EU) No […] [ERDF] and the indicative annual allocation of ESF support for integrated actions;	(iii) the ***indicative*** list of cities***, functional urban areas and suburban areas for regeneration*** where integrated actions for sustainable urban development will be implemented, the indicative annual allocation of the ERDF support for these actions, including the resources delegated to cities for management under Article 7(2) of Regulation (EU) No […] [ERDF] and the indicative annual allocation of ESF support for integrated actions;

Amendment 164

Proposal for a regulation
Article 87 – paragraph 2 – point c – point iii a (new)

Text proposed by the Commission	*Amendment*
	(iii a) the list of rural micro-regions with the highest concentration of poverty and the indicative annual allocation of ESF, ERDF and EAFRD support for integrated actions;

Amendment 165

Proposal for a regulation
Article 87 – paragraph 2 – point c – point iv

Text proposed by the Commission	*Amendment*
(iv) the identification of the areas in which community-led local development will be implemented;	(iv) the ***indicative*** identification of the areas in which community-led local development will be implemented;

Amendment 166

Proposal for a regulation
Article 87 – paragraph 2 – point c – point vi

Text proposed by the Commission	*Amendment*
(vi) ***where appropriate,*** the contribution of the planned interventions towards macro regional strategies and sea ***basin strategies***;	(vi) the contribution of the planned interventions towards macro regional strategies and ***strategies relating to*** sea ***basins and mountain regions***;

Amendment 167

Proposal for a regulation
Article 87 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) the contribution to the integrated approach set out in the Partnership Contract to address the specific needs of geographical areas most affected by poverty or target groups at highest risk of discrimination or exclusion, with special	(d) the contribution to the integrated approach set out in the Partnership Contract to address the ***regional demographic challenges and*** specific needs of geographical areas most affected by poverty ***and unemployment*** or target

regard to marginalised communities, and the indicative financial allocation;	groups at highest risk of discrimination or ***social*** exclusion, with special regard to ***persons with disabilities and*** marginalised communities, and the indicative financial allocation;

Amendment 168

Proposal for a regulation
Article 87 – paragraph 2 – point e – point ii

Text proposed by the Commission	*Amendment*
(ii) for each ex ante conditionality, established in accordance with Annex V, that is not fulfilled at the date of submission of the Partnership Contract and operational programme, a description of the actions to fulfil the ex ante conditionality and a timetable for such actions;	(ii) for each ***relevant*** ex ante conditionality, established in accordance with Annex V, that is not fulfilled at the date of submission of the Partnership Contract and operational programme, a description of the actions to fulfil the ex ante conditionality and a timetable for such actions;

Amendment 169

Proposal for a regulation
Article 87 – paragraph 2 – point f – point ii

Text proposed by the Commission	*Amendment*
(ii) ***an assessment of*** the ***administrative burden for beneficiaries and the*** actions planned to achieve a reduction accompanied by targets;	(ii) the actions planned to achieve a reduction ***of the administrative burden for beneficiaries*** accompanied by targets;

Amendment 170

Proposal for a regulation
Article 87 – paragraph 2 – point f – point iii

Text proposed by the Commission	*Amendment*
(iii) ***a*** list of major projects for which the estimated start date for the execution of the main works is before 1 January 2018;	(iii) ***an indicative*** list of major projects for which the estimated start date for the execution of the main works is before 1

January 2018;

Amendment 171

Proposal for a regulation
Article 87 – paragraph 2 – point h – point i

Text proposed by the Commission	*Amendment*
(i) identification of ***the accrediting body,*** the managing authority, the certifying authority, where applicable, and the audit authority;	(i) identification of the managing authority, the certifying authority, where applicable, and the audit authority;

Amendment 172

Proposal for a regulation
Article 87 – paragraph 3 – subparagraph 1 – point ii

Text proposed by the Commission	*Amendment*
(ii) a description of the specific actions to promote equal opportunities and prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, design and implementation of the operational programme and in particular in relation to access to funding, taking account of the needs of the various target groups at risk of such discrimination ***and in particular the requirements of ensuring accessibility for disabled persons***;	(ii) a description of the specific actions to promote equal opportunities and prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation ***and avoid reproducing segregation*** during the preparation, design and implementation of the operational programme and in particular in relation to access to funding, taking account of the needs of the various target groups at risk of such discrimination;

Amendment 173

Proposal for a regulation
Article 87 – paragraph 3 – subparagraph 1 – point ii a (new)

Text proposed by the Commission	*Amendment*
	(ii a) a description of the specific actions to ensure accessibility for persons with disabilities during the preparation, design

and implementation of the operational programme;

Amendment 174

Proposal for a regulation
Article 87 – paragraph 3 – subparagraph 1 – point iii

Text proposed by the Commission	*Amendment*
(iii) a description of its contribution to the promotion of equality between men and women and, ***where appropriate,*** the arrangements to ensure the integration of gender perspective at operational programme and operation level.	(iii) a description of its contribution to the promotion of equality between men and women and, the arrangements to ensure the integration of gender perspective at operational programme and operation level ***and a description of the specific actions taken to promote equality between men and women***.

Amendment 175

Proposal for a regulation
Article 87 – paragraph 3 – subparagraph 1 – point iii a (new)

Text proposed by the Commission	*Amendment*
	(iii a) a description of the specific actions taken to achieve the Union's poverty reduction target by promoting the social inclusion of disadvantaged groups of people;

Amendment 176

Proposal for a regulation
Article 87 – paragraph 3 – subparagraph 2

Text proposed by the Commission	*Amendment*
Member States shall submit an opinion of the national equality bodies on the measures set out in points (ii) and (iii) with the proposal for an operational programme under the Investment for growth and jobs	Member States shall submit an opinion of the national equality bodies ***and partners referred to in points (a), (b) and (c) of Article 5 (1),*** on the measures set out in points ***(i),*** (ii) and (iii) ***of this paragraph, together*** with the proposal for an

goal.

operational programme under the Investment for growth and jobs goal.

Amendment 177

Proposal for a regulation
Article 87 – paragraph 5

Text proposed by the Commission	*Amendment*
5. The Commission shall adopt a decision approving the operational programme by means of implementing acts.	5. The Commission shall adopt a decision approving the ***elements of the*** operational programme ***falling under points (a)(ii), b(i) - (ii), (d), (e)(i) - (ii), g(i) - (ii) and h(i) - (ii) of paragraph 2,*** by means of implementing acts.

Amendment 178

Proposal for a regulation
Article 88 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The Funds may jointly provide support for operational programmes under the Investment for growth ***and*** jobs goal.	1. The Funds may jointly provide support for operational programmes under the Investment for growth***,*** jobs ***and social inclusion*** goal.

Amendment 179

Proposal for a regulation
Article 88 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The ERDF and the ESF may finance, in a complementary manner and subject to a limit of ***5 %*** of Union funding for each priority axis of an operational programme, a part of an operation for which the costs are eligible for support from the other Fund on the basis of eligibility rules applied to that Fund, provided that they are necessary for the satisfactory implementation of the	2. The ERDF and the ESF may finance, in a complementary manner and subject to a limit of ***10 %*** of Union funding for each priority axis of an operational programme, a part of an operation for which the costs are eligible for support from the other Fund on the basis of eligibility rules applied to that Fund, provided that they are necessary for the satisfactory implementation of the

operation and are directly linked to it.	operation and are directly linked to it.

Amendment 180

Proposal for a regulation
Article 89 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	Operational programmes focusing on vulnerable groups such as the youth, women, migrants, the long-term unemployed, the deprived elderly, people with disabilities and ethnic minorities shall be eligible to operate across the territory irrespective of the geographical limitations of reference.

Amendment 181

Proposal for a regulation
Article 91 – paragraph 1 – subparagraph 1 – point f

Text proposed by the Commission	*Amendment*
(f) an analysis of the environmental impact, taking into account climate change adaptation and mitigation needs, and disaster resilience;	(f) an analysis of the environmental impact, taking into account climate change adaptation and mitigation needs, and disaster resilience***, and of the social impact, taking into account the benefits in terms of cohesion and development***;

Amendment 182

Proposal for a regulation
Article 95 – paragraph 1 – point 6

Text proposed by the Commission	*Amendment*
(6) an analysis of the effects of the joint action plan on the promotion of equality between men and women and the prevention of discrimination;	(6) an analysis of the effects of the joint action plan on the promotion of equality between men and women and the prevention of discrimination ***as set out in Article 7***;

Amendment 183

Proposal for a regulation
Article 95 – paragraph 1 – point 6 a (new)

Text proposed by the Commission	*Amendment*
	(6 a) an analysis of the effects of the joint action plan on accessibility for persons with disabilities;

Amendment 184

Proposal for a regulation
Article 97 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) review progress towards achieving the milestones, outputs and results of the joint action plan;	(a) review progress towards achieving the milestones, outputs and results of the joint action plan ***and transmit the results to the monitoring committee***;

Amendment 185

Proposal for a regulation
Article 97 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) consider and approve any proposal to amend the joint action plan in order to take account of any issues affecting its performance.	(b) consider and approve any proposal to amend the joint action plan in order to take account of any issues affecting its performance ***and transmit the results to the monitoring committee***.

Amendment 186

Proposal for a regulation
Article 99 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Where an urban development ***strategy or other territorial*** strategy or pact as defined in Article 12(1) of Regulation…[ESF] requires an integrated approach involving investments under more than one priority axis of one or more operational programmes, the action shall be carried out as an integrated territorial investment (an 'ITI').	1. Where an urban ***or rural*** development strategy or pact as defined in Article 12(1) of Regulation…[ESF] requires an integrated approach involving investments under more than one priority axis of one or more operational programmes, the action shall be carried out as an integrated territorial investment (an 'ITI').

Amendment 187

Proposal for a regulation
Article 100 – paragraph 1 – point f a (new)

Text proposed by the Commission	*Amendment*
	(f a) actions to ensure accessibility for persons with disabilities;

Amendment 188

Proposal for a regulation
Article 100 – paragraph 1 – point f b (new)

Text proposed by the Commission	*Amendment*
	(fb) actions to fight poverty and promote social inclusion of disadvantaged groups of people;

Amendment 189

Proposal for a regulation
Article 101 – paragraph 1

Text proposed by the Commission	*Amendment*
1. By 30 ***April*** 2016 and by 30 ***April*** of each subsequent year until and including 2022 the Member State shall submit to the Commission an annual report in	1. By 30 ***June*** 2016 and by 30 ***June*** of each subsequent year until and including 2022 the Member State shall submit to the Commission an annual report in

accordance with Article 44(1). The report submitted in 2016 shall cover the financial years 2014 and 2015, as well as the period between the starting date for eligibility of expenditure and 31 December 2013.

accordance with Article 44(1). The report submitted in 2016 shall cover the financial years 2014 and 2015, as well as the period between the starting date for eligibility of expenditure and 31 December 2013.

Amendment 190

Proposal for a regulation
Article 101 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. The annual implementation reports submitted in ***2017 and 2019*** shall set out and assess the information required under Articles 44(3) and (4) respectively, the information set out in paragraph 2, ***together with***:	3. The annual implementation reports submitted in ***the years of the performance review*** shall set out and assess the information required under Articles 44(3) and (4) respectively, the information set out in paragraph 2, ***and may, depending on the content and objectives of operational programmes, add information on the following elements***:

Amendment 191

Proposal for a regulation
Article 101 – paragraph 3 – point a

Text proposed by the Commission	*Amendment*
(a) progress in implementation of the integrated approach to territorial development, including sustainable urban development, and community-led local development under the operational programme;	(a) progress in implementation of the integrated approach to territorial development, including sustainable urban ***and rural*** development, and community-led local development under the operational programme;

Amendment 192

Proposal for a regulation
Article 101 – paragraph 3 – point e

Text proposed by the Commission	*Amendment*
(e) the specific actions taken to promote	(e) the specific actions taken to promote

equality between men and women and to prevent discrimination***, including accessibility for disabled persons***, and the arrangements implemented to ensure the integration of the gender perspective in the operational programme and operations;

equality between men and women and to prevent discrimination, and the arrangements implemented to ensure the integration of the gender perspective in the operational programme and operations***, as well as the specific actions taken to fight poverty and promote social inclusion of vulnerable groups of people***;

Amendment 193

Proposal for a regulation
Article 101 – paragraph 3 – point e a (new)

Text proposed by the Commission

Amendment

(e a) the specific actions taken to ensure accessibility for persons with disabilities;

Amendment 194

Proposal for a regulation
Article 101 – paragraph 3 – point i

Text proposed by the Commission

(i) progress in the implementation of measures to address the specific needs of geographical areas most affected by poverty or of target groups at highest risk of discrimination or exclusion, with special regard to marginalised communities including***, where appropriate***, the financial resources used;

Amendment

(i) progress in the implementation of measures to address the ***regional demographic challenges and the*** specific needs of geographical areas most affected by poverty ***and unemployment*** or of target groups at highest risk of discrimination or ***social*** exclusion, with special regard to ***persons with disabilities and*** marginalised communities including the financial resources used;

Amendment 195

Proposal for a regulation
Article 102 – paragraph 1 – introductory part

Text proposed by the Commission

1. By 31 January***, 30 April,*** 31 July ***and 31***

Amendment

1. By 31 January ***and*** 31 July, the

October, the managing authority shall transmit electronically to the Commission for monitoring purposes, for each operational programme and by priority axis:	managing authority shall transmit electronically to the Commission for monitoring purposes, for each operational programme and by priority axis:

Amendment 196

Proposal for a regulation
Article 105 – paragraph 1 – point c a (new)

Text proposed by the Commission	*Amendment*
	(ca) informing the public about the timelines for programming and about the expected timelines of all related public consultation processes at all stages of the preparation of the Partnership Contract and the programmes;

Amendment 197

Proposal for a regulation
Article 105 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. The EU institutions and the advisory bodies shall organise awareness-raising actions in order to explain how cohesion policy works.

Amendment 198

Proposal for a regulation
Article 106 – paragraph 1 – subparagraph 2 a (new)

Text proposed by the Commission	*Amendment*
	The communication strategy shall be accessible for persons with disabilities.

Amendment 199

Proposal for a regulation
Article 108 – paragraph 1

Text proposed by the Commission	*Amendment*
The Funds may support technical assistance up to a ceiling of ***0,35 %*** of their respective annual allocation.	The Funds may support technical assistance up to a ceiling of ***0,25 %*** of their respective annual allocation.

Amendment 200

Proposal for a regulation
Article 109 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Technical assistance shall take the form of a ***mono-fund*** priority axis within an operational programme or of a specific operational programme.	2. Technical assistance shall take the form of ***all or part of a*** priority axis within an operational programme or of a specific operational programme.

Amendment 201

Proposal for a regulation
Article 110 – paragraph 3 – subparagraph 1 – point d

Text proposed by the Commission	*Amendment*
(d) ***75%*** for the less developed regions of Member States other than those referred to in points (b) and (c), and for all regions whose GDP per capita for the 2007-2013 period was less than 75% of the average of the EU-25 for the reference period but whose GDP per capita is above 75% of the GDP average of the EU-27;	(d) ***85%*** for the less developed regions of Member States other than those referred to in points (b) and (c), and for all regions whose GDP per capita for the 2007-2013 period was less than 75% of the average of the EU-25 for the reference period but whose GDP per capita is above 75% of the GDP average of the EU-27;

Justification

In order to ensure efficient use and better absorption of EU funds regions whose GDP per capita for the 2007- 2013 period was less than 75% of the average GDP of the EU- 25 and who are now eligible under the transition or more developed regions category, should have higher co- financing rate.

Amendment 202

Proposal for a regulation
Article 111 – paragraph 1 – point 1

Text proposed by the Commission	*Amendment*
(1) the importance of the priority axis for the delivery of the Union strategy for smart, sustainable and inclusive growth, having regard to the specific gaps ***to be addressed***;	(1) the importance of the priority axis for the delivery of the Union strategy for smart, sustainable and inclusive growth, having regard to the specific gaps ***and the aims of the flagship initiatives of the Union strategy for smart, sustainable and inclusive growth***;

Amendment 203

Proposal for a regulation
Article 111 – paragraph 1 – point 1 a (new)

Text proposed by the Commission	*Amendment*
	(1a) reduction of poverty and promotion of social inclusion of vulnerable groups of people, especially through integrated active inclusion approaches;

Amendment 204

Proposal for a regulation
Article 111 – paragraph 1 – point 1 b (new)

Text proposed by the Commission	*Amendment*
	(1b) the importance of the priority axis for reducing the rate of general and youth unemployment, in particular in those Member States where the rates are substantially higher than the European average;

Amendment 205

Proposal for a regulation
Article 113 – paragraph 7

Text proposed by the Commission	*Amendment*
7. The Member State or the managing authority may entrust the management of part of an operational programme to an intermediate body by way of an agreement in writing between the intermediate body and the Member State or managing authority (a 'global grant'). The intermediate body shall provide guarantees of its solvency and competence in the domain concerned, as well as its administrative and financial management.	7. The Member State or the managing authority may entrust the management of part of an operational programme to an intermediate body by way of an agreement in writing between the intermediate body and the Member State or managing authority (a 'global grant'). ***With a view of facilitating access to Structural Funds for small NGOs, Member States shall promote the use of small and tailor-made global grants.*** The intermediate body shall provide guarantees of its solvency and competence in the domain concerned, as well as its administrative and financial management.

Amendment 206

Proposal for a regulation
Article 124 – paragraph 1 – subparagraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) in 2014: ***2*** % of the amount of support from the Funds ***and the EMFF*** for the entire programming period to the operational programme;	(a) in 2014: ***3*** % of the amount of support from the Funds for the entire programming period to the operational programme;

Justification

The thrust of the current legislation (Article 82 of Regulation No 1083/2006) should be maintained in points (a), (b) and (c) in order to ensure better stability and sustainability as well as to help addressing the consequenses of the economic crisis in Europe.

Amendment 207

Proposal for a regulation
Article 124 – paragraph 1 – subparagraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) in 2015: ***1*** % of the amount of support from the Funds ***and the EMFF*** for the	(b) in 2015: ***2*** % of the amount of support from the Funds for the entire programming

entire programming period to the operational programme;	period to the operational programme;

Amendment 208

Proposal for a regulation
Article 124 – paragraph 1 – subparagraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) in 2016: ***1*** % of the amount of support from the Funds ***and the EMFF*** for the entire programming period to the operational programme.	(c) in 2016: ***2*** % of the amount of support from the Funds for the entire programming period to the operational programme.

Amendment 209

Proposal for a regulation
Article 127 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
1. The Commission shall decommit any part of the amount calculated in accordance with the second subparagraph in ***an operational programme*** that has not been used for payment of the initial and annual pre-financing, interim payments and annual balance by 31 December of the ***second*** financial year following the year of budget commitment under the operational programme or for which a payment application drawn up in accordance with Article 121 has not been submitted in accordance with Article 126.	1. The Commission shall decommit any part of the amount calculated in accordance with the second subparagraph in ***a Member State*** that has not been used for payment of the initial and annual pre-financing, interim payments and annual balance by 31 December of the ***third*** financial year following the year of budget commitment under the operational programme or for which a payment application drawn up in accordance with Article 121 has not been submitted in accordance with Article 126.

Amendment 210

Proposal for a regulation
Article 134 – paragraph 1 – point f

Text proposed by the Commission	*Amendment*
(f) there is evidence resulting from a performance review that a priority has failed to achieve the milestones set out in	(f) there is evidence resulting from a performance review that a priority ***axis*** has ***significantly*** failed to achieve the

the performance framework;	milestones set out in the performance framework;

Amendment 211

Proposal for a regulation
Article 134 – paragraph 1 – point g

Text proposed by the Commission	*Amendment*
(g) the Member State fails to respond or does not reply satisfactorily under Article 20(3).	***deleted***

Amendment 212

Proposal for a regulation
Article 134 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a.For the sake of legal certainty, the Commission shall be empowered, to adopt delegated acts, in accordance with Article 142, concerning setting out the concepts and situations that may be considered serious within the meaning of paragraph1 of this Article.

Amendment 213

Proposal for a regulation
Article 136 – paragraph 6

Text proposed by the Commission	*Amendment*
6. The Commission shall be empowered ***to adopt*** delegated acts in accordance with Article 142 ***establishing*** the criteria for establishing the level of financial correction to be applied.	6. The Commission shall be empowered***, to adopt*** delegated acts in accordance with Article 142***, to establish*** the ***cases that are to be regarded as serious deficiencies within the meaning of this Article and the*** criteria for establishing the level of financial correction to be applied.

Amendment 214

Proposal for a regulation
Article 137 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4 a. In the event of an agreement, the Member State may reuse the Union funds concerned in conformity with the Article 135 (3).

Amendment 215

Proposal for a regulation
Article 137 – paragraph 5

Text proposed by the Commission	*Amendment*
5. In order to apply financial corrections the Commission shall take a decision, by means of implementing acts, within six months of the date of the hearing, or of the date of receipt of additional information where the Member State agrees to submit such additional information following the hearing. The Commission shall take account of all information and observations submitted during the course of the procedure. If no hearing takes place, the six month period shall begin to run two months after the date of the letter of invitation to the hearing sent by the Commission.	5. In ***the absence of an agreement and in*** order to apply financial corrections the Commission shall take a decision, by means of implementing acts, within six months of the date of the hearing, or of the date of receipt of additional information where the Member State agrees to submit such additional information following the hearing. The Commission shall take account of all information and observations submitted during the course of the procedure. If no hearing takes place, the six month period shall begin to run two months after the date of the letter of invitation to the hearing sent by the Commission.

Amendment 216

Proposal for a regulation
Article 140 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Operations for which the total eligible expenditure does not exceed ***EUR 100 000 for the Funds or EUR 50 000 for the***	1. Operations for which the total eligible expenditure does not exceed ***EUR 200 000*** shall not be subject to more than one audit

EMFF shall not be subject to more than one audit by either the audit authority or the Commission prior to the closure of all the expenditure concerned under Article 131. Other operations shall not be subject to more than one audit per accounting year by the audit authority and the Commission prior to the closure of all the expenditure concerned under Article 131. These provisions are without prejudice to paragraph 4.

by either the audit authority or the Commission prior to the closure of all the expenditure concerned under Article 131. Other operations shall not be subject to more than one audit per accounting year by the audit authority and the Commission prior to the closure of all the expenditure concerned under Article 131. These provisions are without prejudice to paragraph 4.

Amendment 217

Proposal for a regulation
Annex I

Text proposed by the Commission	*Amendment*
Common Strategic Framework ***elements related to the coherence and consistency with the economic policies of Member States and the Union, coordination mechanisms among the CSF Funds and with other relevant Union policies and instruments, horizontal principles and cross-cutting policy objectives and arrangements to address territorial challenges***	Common Strategic Framework
1. Introduction	
In order to maximise the contribution of the CSF Funds to smart, sustainable and inclusive growth***, thereby reducing disparities, it is necessary to ensure that policy commitments made in the context of the Europe 2020 strategy are underpinned by investment through the CSF Funds and other Union instruments. Member States shall thus identify how their programmes can contribute to the policy objectives and headline targets of the Europe 2020 strategy and the flagship initiatives.***	***The purpose of this framework is to provide, in accordance with Article 10, a strategic direction to the programming process at the level of Member States and regions and to*** the contribution of the CSF Funds to ***the achievement of the objectives and targets of the Union strategy for*** smart, sustainable and inclusive growth. ***To achieve that objective, this framework establishes the main horizontal principles and identifies the corresponding cross-cutting challenges, elaborates the synergies and coordination mechanisms between the CSF Funds and instruments of other Union policies and those among the CSF Funds, and establishes priorities***

for territorial cooperation.

In addition to the framework contained in this Annex, the Commission should support Member States and regions by adopting, in particular, a non-exhaustive list of recommended actions for the CSF Funds in the form of a delegated act in accordance with Article 142. This non-exhaustive list, as part of the CSF, should provide Member States and regions with guidance on how they can translate the thematic objectives laid down in Article 9 into programming, considering the different needs, challenges and opportunities of regions and the necessary flexibility for regional sustainable development.

1. Horizontal Principles and cross-cutting challenges

1.1 Partnership and multi-level governance

1.1.1 The principle of multi-level governance requires coordinated action carried out in accordance with the principles of subsidiarity and proportionality, and in partnership. It also shall take the form of operational and institutionalised cooperation, in particular with regard to the drawing-up and implementation of the Union policies. Explicit reference to the principle of multi-level governance in this Regulation represents a reinforcement of that principle and provides an added value for cohesion policy itself.

1.1.2 The principle of multi-level governance shall be respected in order to facilitate achieving social, economic and territorial cohesion and delivery of the Union's priorities of smart, sustainable and inclusive growth.

1.1.3 In order to ensure effective multi-level governance Member States and regions shall carry out the following actions:

a) implement partnership in accordance with Article 5;

b) establish coordination mechanisms between the different levels of governance in accordance with the respective constitutional powers systems;

c) report regularly on the implementation of partnership.

1.1.4 At all stages of the implementation of the CSF Funds, partnership shall be organised so as to directly involve regional and local authorities in the preparation of Partnership Contracts, and of programmes and also in the preparation, implementation, monitoring and evaluation of those programmes. Social and economic partners, other public authorities, as well as bodies representing civil society, including environmental partners, non-governmental organisations and bodies responsible for promoting equality and non-discrimination shall also be included in order to ensure partnership in all phases of policy implementation.

1.1.5 The cooperation with the partners shall follow best practices. Member States and managing authorities shall use part of their technical assistance of the current and next programming periods to ensure that partners, in particular small local authorities, economic and social partners and NGOs, have the capacity necessary to participate in preparation, implementation, monitoring and evaluation of the Partnership Contract and the programmes.

1.2 Sustainable development

1.2.1 The principle of sustainable development, as laid down in Article 3 of the Treaty on European Union (TEU), relates to a concept of progress according to which social, economic and environmental considerations are to be integrated when considering well-being

and a better quality of life for the present and future generations.

1.2.2 Sustainable Development considerations as well as the polluter pays principle should, therefore, be an integral part of every plan, from design to delivery, and monitoring to evaluation. Non-application of the polluter pays principle may be permitted only in exceptional cases and provided that clear mitigating measures are in place.

1.2.3 In order to tackle the complex challenges they face, Member States and regions should deploy all available Union policy instruments. In particular, for the purposes of tackling climate change, resources should be focused on preventative and mitigating measures. Any new investment made with the support of the CSF Funds should be of a nature such that it is inherently resilient to the impact of climate change and natural disasters.

1.2.4 The ERDF and CF should continue to make major investments in Member States' and regions infrastructures to meet the requirements of the water framework and other relevant directives. Technological solutions, aimed at contributing to sustainable actions, exist and new ones are emerging, the ERDF should therefore continue to provide support to research in this area. Such support should aim to complement measures covered by Horizon 2020. Finance for biodiversity actions may be made available through the EAFRD and the EMFF. The EAFRD may also be used to provide support to land managers where mandatory environmental requirements lead to area-specific disadvantages.

1.2.5 Pursuing sustainable development should not be a technical exercise. In order to ensure that this goal is mainstreamed in the operation of the CSF

Funds on the ground, managing authorities should have due and consistent regard to this goal throughout the programme lifecycle, and should take a more active approach in reducing environmentally harmful effects of interventions by, inter alia, taking the following actions:

a) directing investments towards the most resource-efficient options,

b) carefully weighing the need for investments where those investments have a significant negative environmental impact,

c) taking a long-term perspective when 'life-cycle' costs of alternative methods of investment are compared,

d) using green public procurement,

e) directing investments towards accessibility for all users contributing to a barrier-free environment for persons with disabilities.

1.3 Promotion of equality between men and women and non-discrimination

1.3.1 Member States and regions should take appropriate steps to eliminate inequalities, to promote equality between men and women, as well as to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation, at all stages of the implementation of the CSF Funds.

1.3.2 Member States and regions should pursue the objective of equality between men and women and should take appropriate steps to prevent any discrimination during the preparation implementation, monitoring and evaluation of operations in the programmes co-financed by the CSF Funds and clearly state the actions to take into account this principle in the programmes.

1.3.3 Higher participation of women in the labour market, both as employers and employees, would invigorate the Union's economy. Unblocking the potential for such an increase in activity, by increasing the female employment rate is crucial for reaching the Europe 2020 employment targets. Barriers to women's labour market participation, should, therefore, be fully addressed by, amongst others, encouraging better participation of women in the field of R&D and including female workers into training and vocational training in 'green jobs'. Member States and regions should ensure that in addition to the ESF, the ERDF, the CF, the EMFF and the EAFRD also finance activities that promote women's economic independence, contribute to attaining an appropriate balance between work and family life, and that advance women's opportunities as entrepreneurs.

1.3.4 Monitoring and evaluating programmes will help to measure the impact of the expected contribution of the CSF Funds to gender equality.

1.3.5. An opinion should be issued by the equality bodies on the programmes for the ESF, ERDF and CF with the aim to ensure that all necessary provisions are in place. In addition, the involvement of equality bodies or other organisations active in combating discrimination is strongly recommended in order to provide the necessary expertise in the preparation, monitoring and evaluation of the Funds.

1.4 Accessibility

1.4.1 All products and services that are offered to the public and are co-financed by the CSF Funds should be accessible. In particular, ensuring and promoting, with appropriate steps taken by Member States, barrier-free built environment, transport, information and communication technologies, is essential for the purposes of inclusion for

disadvantaged groups, including persons with disabilities, in accordance with the UN Convention on the Rights of Persons with Disabilities in force since 3 May 2008 and policies to implement the UN Convention.

1.4.2 It is crucial to appropriately address the needs of disadvantaged groups in order to allow them to better integrate into the labour market, and to fully participate in society.

1.4.3 Member States and regions should continue to promote social cohesion, on an equal footing to economic and territorial cohesion, across all EU regions, if the EU 2020 Strategy is to achieve its targets. For that purpose, a minimum share for the ESF for each category of regions is established in accordance with Article 84(3).

1.5 Demography

1.5.1 Adapting to demographic change is one of the core challenges facing Member States and regions in the decades to come. The combination of a smaller working population and a higher share of retired people will place additional strains on Member States' welfare systems and thus on the Union's economic competiveness.

1.5.2 Demographic change gives rise to new challenges. Such demographic developments should be studied and met at regional and local level in particular, wherever different development trends become apparent. Member States and regions should rely on the CSF Funds to develop tailor-made strategies to tackle demographic problems and to create opportunities for developing the 'silver economy'.

1.5.3 Enhancing job opportunities for the elderly will bring about a multitude of benefits to people, including younger people with disabilities, societies and public budgets. Member States and

regions should use the CSF Funds to take action to facilitate inclusion of all age groups. Making the best use of all existing human resources, including by making efforts to tackle youth unemployment, reflects one of the immediate tasks for the CSF Funds in contributing to maximising the potential of all of the Union's population. This will be achieved through improving access to, minimum levels and quality of, education and enhancing social support structures. Investments in health infrastructures would also serve the goal of a long and healthy working life for all of the Union's citizens.

1.5.4 In drawing up their programmes, Member States and regions should take account of the long-term challenges of demographic change. In those regions most affected by demographic change, they should identify measures to:

a) support demographic renewal through better conditions for families and an improved balance between working, private and family life;

b) boost employment; raise productivity and economic performance through investing in education and research;

c) focus on the adequacy and quality of education and social support structures; and

d) ensure the provision of health care, social services and long-term care including investment in infrastructure.

1.6 Employment

1.6.1 Member States and regions should ensure the promotion of a high level of employment as set in Article 9 TFEU. Member States and regions should ensure its mainstreaming in the preparation, implementation, monitoring and evaluation of actions under all CSF Funds and the integration of employability as a binding principle of

ERDF, ESF and CFprogrammes.

1.6.2 National, regional, local and other relevant authorities should identify those projects that will have the biggest impact in terms of job creation in order to guarantee social cohesion. Funds should pay particular attention to regions and undertakings affected by restructuring and relocation processes.

1.6.3 Quality job creation for young people in those regions registering high rates of youth unemployment in comparison to the EU average rate should be a priority.

1.7 Poverty Reduction and Social Inclusion

1.7.1 Priority should be given to projects that combine employment targets and strategies with integrated active inclusion approaches, such as projects designed to strengthen intergenerational solidarity at regional and local level or which specifically contribute to gender equality and the active inclusion of vulnerable groups, including the working poor.

1.8 Integrated approach

1.8.1 An integrated territorial approach is fundamental to respond effectively to the challenges Member States and regions are confronted with. Those challenges are related to the impacts of: globalisation; environmental and energy concerns; ageing-related problems and demographic change; technological transformation and innovation demands; and income inequality and social segregation. The complex and interrelated nature of these issues means that solutions should be integrated, multi-sectoral and multi-dimensional in nature in order to succeed.

1.8.2 In this context, the CSF Funds make it possible to combine the power of different EU funds into integrated packages which are tailor-made to fit local and regional specific needs for

achieving the Europe 2020 targets and objectives.

1.8.3 In the most disadvantaged areas, social exclusion can be treated successfully only in the framework of comprehensive, multi-funded programmes which target human resource development and social infrastructure development in parallel. Therefore, safeguarding the synergy between ESF and ERDF is essential.

1.8.4 When developing their strategies and programmes with a view to identifying the most appropriate interventions to support the Europe 2020 Strategy, Member States and regions should pay particular attention to predominant territorial, structural and institutional features, such as connectivity of the region in question, barrier-free environment, employment patterns and labour mobility; rural-urban linkages; the local interdependencies between different sectors; cultural heritage; ageing and demographic shifts etc.

1.8.5 Member States and regions should analyse what the major societal challenges they face are. In response to those challenges, they should also consider the question as to what are the particular aspects of the well-being of their citizens that they wish to influence and enhance by means of the policy, and how the policy is to be designed and delivered in the particular context of the Member State or region in question.

1.8.6 So as to foster good policies which are tailored to specific regional needs, Member States and regions should further develop an integrated territorial approach to policy design and delivery. The method of integrated territorial investment should be the main tool to achieve balanced sustainable development, with the potential to promote employment, social inclusion and prosperity, taking account

of relevant contextual aspects but focusing on the basis of the following central elements:

a) an evaluation of the region's Europe 2020 development potential and capacity;

b) an assessment of the Europe 2020 Strategy development challenges and bottlenecks facing the region, as well as its ability to address them;

c) consideration of the appropriate territorial scale and context for policy design and delivery, according to the subsidiarity principle;

d) combination of one or more complementary investment priorities from different thematic objectives in one priority axis or within one programme;

e) design of the multi-level governance arrangements necessary to ensure effective policy delivery;

f) the choice of appropriate result and outcome indicators, to be used for policy monitoring and evaluation.

2. Coherence and Consistency with the Union's Economic Governance

1. Member States shall give particular attention to prioritising growth-friendly expenditure, including spending on education, research, innovation and energy efficiency and expenditure to facilitate the access of SMEs to finance and to ensure environmental sustainability, the management of natural resources and climate action, and to ensuring the effectiveness of such spending. They shall also take account of maintaining or reinforcing the coverage and effectiveness of employment services and active labour market policies, with a focus on youth unemployment.

2. In preparing their Partnership Contracts, Member States shall programme the CSF Funds taking into account the most recent relevant country-

specific recommendations issued by the Council on the basis of Article 121(2) and Article 148(4) of the Treaty on the Functioning of the European Union in accordance with their respective roles and obligations. Member States shall also take into account relevant Council recommendations based on the Stability and Growth Pact and the economic adjustment programmes. Each Member State shall set out in the Partnership Contract, in accordance with Article 14(a)(i) of this Regulation, how different Union and national funding streams contribute to addressing the challenges identified by the relevant country-specific recommendations concerned and the objectives set out in their National Reform Programmes in close consultation with the responsible regional and local authorities.

3. Coordination Mechanisms Among the CSF Funds

3.1 Introduction

1. Member States shall ensure that the interventions supported through the CSF Funds are complementary and are implemented in a coordinated manner that leads to a reduction of administrative cost and burden on the ground.

3.2 Coordination and complementarity

1. Member States and managing authorities responsible for the implementation of the CSF Funds shall work closely together in the preparation, implementation, monitoring and evaluation of the Partnership Contract and programmes. In particular, they shall ensure that the following actions are carried out:

(a) identify areas of intervention where the CSF Funds can be combined in a complementary manner to achieve the thematic objectives set out in this

Regulation;

(b) promote the involvement of managing authorities responsible for other CSF Funds or other managing authorities and relevant ministries in the development of support schemes to ensure coordination and avoid overlaps;

(c) establish, where appropriate, joint monitoring committees for programmes implementing the CSF Funds, and the development of other joint management and control arrangements to facilitate coordination between authorities responsible for the implementation of the CSF Funds;

(d) make use of joint eGovernance solutions aimed at applicants and beneficiaries, and "one-stop shops" for advice on the opportunities of support available through each of the CSF Funds;

(e) establish mechanisms to coordinate cooperation activities financed by the ERDF and the ESF with investments supported by the 'Investment for Growth and Jobs goal' programmes.

3.3 Encouraging integrated approaches

1. Member States shall, where appropriate, combine the CSF Funds into integrated packages at local, regional or national level, which are tailor-made to address specific needs in order to support the achievement of the national Europe 2020 targets, and make use of Integrated Territorial Investments, Integrated Operations and Joint Action Plans.

2. Member States shall promote the development of local and sub-regional approaches, in particular via community-led local development by delegating decision-making and implementation to a local partnership of public, private and civil society actors. Community-led local

development shall be implemented in the context of a strategic approach to ensure that the 'bottom-up' definition of local needs takes account of priorities set at a higher level. Member States shall therefore define the approach to community-led local development across the CSF Funds and shall indicate in the Partnership Contracts the main challenges to be tackled in this way, the main objectives and priorities for community-led local development, the types of territories to be covered, which specific role will be attributed to local action groups in the delivery of strategies and the role envisaged for the different CSF Funds in implementing local development strategies in different types of territories such as rural, urban and coastal areas and the corresponding co-ordination mechanisms.

4. ***Coordination*** of CSF Funds with ***Other*** Union Policies ***and Instruments***

The Union programmes set out in this section do not constitute an exhaustive list.

4.1 Introduction

1. Member States shall undertake an analysis of the impact of Union policies at national and regional level, and on social, economic and territorial cohesion with a view to fostering effective coordination and to identifying and promoting the most suitable means of using European funds to support local, regional and national investment.

2. ***Synergies and coordination*** of CSF Funds with ***instruments of other*** Union policies

2.1 Introduction

2.1.1 With a view to achieving optimal results for sustainable growth and development on the ground, it is important to coordinate all Union policies and related instruments which play a role in achieving economic, social and territorial cohesion and a better balanced territorial development in the Union. This should also be reflected in better

coordination between the Union budget and the Member States' national and sub-national budgets in financing common political priorities as well as in improved vertical cooperation between the Union and national and regional entities.

2.1.2 Synergies and coordination do not imply one size-fits-all solutions. In this context, it is necessary to undertake a closer analysis of the impact of Union policies in the regions and on cohesion with a view to fostering effective synergies and to identifying and promoting the most suitable means at European level of supporting local and regional investment.

2. Member States ***shall*** ensure consistency at programming and implementation stages between interventions supported by the CSF Funds and the objectives of other Union policies. To this end, they ***shall*** seek to ***take into account the following aspects***:

2.1.3 Member States ***and regions should*** ensure consistency at programming and implementation stages between interventions supported by the CSF Funds and the objectives of other Union policies. To this end, they ***should*** seek to:

(a) identify and exploit complementarities between different Union instruments at national and regional level, both in the planning phase and during implementation;

a) identify and exploit complementarities between different Union instruments at national and regional level, both in the planning phase and during implementation.

(b) optimise existing structures and where necessary, establish new ones that facilitate the strategic identification of priorities for the different instruments and structures for coordination at national level, avoid duplication of effort and identify areas where additional financial support is needed;

b) optimise existing structures and where necessary establish new ones that facilitate the strategic identification of priorities for the different instruments and structures for coordination at national level, avoid duplication of effort and identify areas where additional financial support is needed;

(c) make full use of the potential to combine support from different instruments to support individual operations and work closely with those responsible for implementing other national instruments to deliver coherent and streamlined funding opportunities for beneficiaries.

c) make full use of the potential to combine support from different instruments to support individual operations and work closely with those responsible for implementing other national instruments to deliver coherent and streamlined funding opportunities for beneficiaries.

4.2 Coordination with the Common Agricultural Policy and the Common Fisheries Policy

1. The EAFRD is an integral part of the Common Agricultural Policy and complements the measures under the European Agricultural Guarantee Fund which provide direct support to farmers and support market measures. Member States shall therefore manage these interventions together to maximise synergies and the added value of EU support.

2. The EMFF aims at achieving the objectives of the reformed Common Fisheries Policy and of the Integrated Maritime Policy. Member States shall therefore make use of the EMFF to support efforts to improve data collection and strengthen control, and ensure that synergies are also sought in support of the priorities of Integrated Maritime Policy, such as marine knowledge, maritime spatial planning, integrated coastal zone management, integrated maritime surveillance, the protection of the marine environment and of biodiversity, and the adaptation to the adverse effects of climate change on coastal areas.

4.3 Horizon 2020 ***and other centrally managed EU programmes in the areas of research and innovation***

1. Member States and the Commission shall pay attention to strengthening coordination and complementarities between ***the CSF Funds*** and Horizon 2020, ***the Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME)[1], and other relevant centrally managed Union funding programmes*** while ***also*** establishing a clear division of areas of intervention between them.

2. In particular, Member States ***shall*** develop national ***and/***or regional research and innovation (R&I) ***strategies*** for 'smart specialisation' in line with the National Reform Programme. These strategies ***shall*** be developed through ***involving*** national or

2.2 Horizon 2020

2.2.1 It is crucial to strengthen synergies and complementarities between ***cohesion policy*** and Horizon 2020, while establishing a clear division of areas of intervention between them.

2.2.2 In particular, Member States ***and regions should*** develop ***a*** national or regional research and innovation (R&I) ***strategy*** for 'smart specialisation' in line with the National Reform Programme. These strategies ***should*** be developed

regional managing authorities and ***stakeholders such as universities and other higher education institutions, industry and social partners in an entrepreneurial discovery process. The*** authorities directly concerned by Horizon 2020 s***hall be closely associated to this process. Under these strategies (inter alia):***

through ***close collaboration between*** national or regional managing authorities and ***the*** authorities directly concerned by Horizon 2020***, but also involving stakeholders such as universities and higher education institutions, local industry and social partners***. ***Regarding accessibility and the barrier-free environment and services, stakeholders representing disabled people should be involved in implementing innovation strategies reflecting the needs of elderly people in terms of promoting the idea of "universal design' for all. Those innovation strategies should take into account both upstream and downstream actions to and from Horizon 2020.***

(a) ***"***Upstream actions***"*** to prepare regional R&I players to participate in Horizon 2020 ("***staircase*** to excellence") ***shall*** be developed through capacity building. Communication and cooperation between Horizon 2020 national contact points and managing authorities of the CSF Funds ***shall*** be strengthened.

2.2.3 Upstream actions to prepare regional R&I players to participate in Horizon 2020 ***projects*** ("***stairways*** to excellence") ***will*** be developed through capacity building. Communication and cooperation between Horizon 2020 national contact points and managing authorities of the CSF Funds ***should*** be strengthened***, in particular regarding any Horizon 2020 shortlisted projects which have not been funded due to lack of resources***.

(b) ***"***Downstream actions***" shall*** provide the means to exploit and diffuse R&I results, stemming from Horizon 2020 ***and preceding programmes***, into the market ***with particular attention on creating an innovation-friendly business environment for SMEs and in line with the priorities identified for the territories in the relevant smart specialisation strategy***.

2.2.4 Downstream actions ***should*** provide the means to exploit and diffuse R&I results, stemming from Horizon 2020, into the market***, and may include: pilot plants and demonstration sites, proof of concept and early stage financing, incubation facilities, applied research, specific industrial and technology transfer capabilities and cluster support***.

2.2.5 Joint support should be provided to national and regional authorities for the design and implementation of such innovation strategies, which may include: support to identify opportunities for joint financing of R&I infrastructures of European interest, the promotion of international collaboration, methodological support through peer reviews, exchange of good practice, and

training across regions.

3. Member States shall make full use of the provisions in this regulation allowing for combining the CSF Funds with those under Horizon 2020 in the relevant programmes used to implement parts of the strategies. Joint support shall be provided to national and regional authorities for the design and implementation of such strategies, to identify opportunities for joint financing of R&I infrastructures of European interest, the promotion of international collaboration, methodological support through peer reviews, exchange of good practice, and training across regions.

4. Member States ***shall*** consider the following additional measures aimed at unlocking their potential for excellence ***in research*** and innovation, in a manner that is complementary to and creates synergies with Horizon 2020***, in particular through joint funding***:

(a) linking emerging centres of excellence and innovative regions in less developed Member States to leading counterparts elsewhere in Europe;

(b) building links with innovative clusters and recognising excellence in less developed regions;

(c) establishing "ERA Chairs" to attract outstanding academics***, in particular to less developed regions***;

(d) supporting access to international networks for researchers and innovators ***who are less involved in the ERA or from less developed regions;***

(e) contributing as appropriate to the European Innovation Partnerships;

(f) preparing national institutions and/or clusters of excellence for participation in

2.2.6 Member States ***and regions should*** consider the following additional measures aimed at unlocking their potential for excellence and innovation, in a manner that is complementary to and creates synergies with Horizon 2020:

(a) linking emerging centres of excellence, and innovative regions in less developed Member States to leading counterparts elsewhere in Europe;

(b) building links with innovative clusters and recognising excellence in less developed regions;

(c) establishing "ERA Chairs" to attract outstanding academics; ***and***

(d) supporting access to international networks for researchers and innovators***.***

the Knowledge and Innovation Communities (KICs) of the European Institute of Innovation and Technology (EIT); and

(g) hosting high-quality international researcher mobility programmes with co-funding from the "Marie Sklodowska-Curie Actions".

4.4 New Entrants Reserve (NER) 300 demonstration funding[1]

Member States shall ensure, where appropriate, that financing from the CSF Funds is coordinated with support from the NER 300 Programme, which uses the revenues from auctioning 300 million allowances reserved under the new entrants reserve of the European Emissions Trading Scheme to co-finance a wide range of large-scale demonstration projects of carbon capture and storage (CCS) as well as of innovative renewables technologies across the EU.

LIFE ***and the environmental acquis***

1. Member States shall, where possible, seek to exploit synergies with Union policy instruments (both funding and non-funding instruments) serving climate change mitigation ***and adaptation***, environmental protection and resource efficiency.

2. Member States shall, where appropriate, ensure complementarity and coordination with LIFE, in particular with ***Integrated Projects*** in the areas of nature, water, waste, air, climate change mitigation and climate change adaptation. ***This coordination shall*** be ***achieved in particular by promoting the funding of activities through the CSF Funds that***

2.3 LIFE

2.3.1 Synergies with Union policy instruments (both funding and non-funding instruments) serving climate change mitigation, environmental protection and resource efficiency ***should be exploited where possible.***

2.3.2 As programmes will contribute to the goals of sustainable growth through stronger thematic focus and by a reinforced sustainable development principle, the synergies referred to in 2.3.1 are inherent in the regulatory framework of the CSF Funds.

2.3.3 Synergies with LIFE, in particular with ***integrated projects*** in the areas of nature ***(such as ecosystem services and biodiversity)***, water, waste, air, climate change mitigation and climate change adaptation ***should be pursued. Coordination with LIFE should*** be ***ensured through supporting projects that are of a complementary nature,*** as well as

complement Integrated Projects under the LIFE Programme as well as by promoting the use of solutions, methods and approaches validated under the LIFE Programme.

by promoting the use of solutions, methods and approaches validated under the LIFE Programme.

2.3.4 The use of Environmental Impact Assessments (EIAs), Sustainability Impact Assessments (SIAs), Strategic Environmental Assessments (SEAs) and other relevant instruments, in particular dealing with the quality and extension of the barrier-free environment and services, should be promoted in order to take account of biodiversity loss and the effects of climate change in territorial planning (including macro-regional strategies) and regional and local decision-making.

2.3.5 Member States and regions should promote green infrastructure, eco-innovation and the adoption of innovative technologies in order to create a greener economy.

2.3.6 Capacity building is a prerequisite to deliver on these activities, and it should enhance potentials and develop skills both in local and regional authorities and partners.

2.3.7 Given that environmental challenges do not respect administrative boundaries, cross-border, interregional and transnational cooperation among European, national, regional and local authorities with regard to protecting biodiversity and natural resources across regions is of utmost importance. Better use of the potential of territorial cooperation and exchanges of information, experience and good practice would contribute significantly to achieving environmental and climate-related objectives.

2.3.8 In addition, financing from the CSF Funds should be coordinated with the support from the NER 300 Programme, which uses revenue from auctioning allowances under the European

	Emissions Trading Scheme.
3. The relevant sectoral plans, programmes or strategies (including the Prioritised Action Framework, the River Basin Management Plan, the Waste Management Plan, the national mitigation plan or adaptation strategy), as referred to in the LIFE Regulation, shall serve as the coordination framework for support from the different Funds.	
4.6. ERASMUS for All	
1. Member States shall seek to use CSF Funds to mainstream tools and methods developed and tested successfully under "Erasmus for All".	
2. Member States shall ensure effective coordination between CSF Funds and 'Erasmus for All' at national level through a clear distinction in the types of investment and target groups supported. Member States shall seek complementarity with regards to the funding of mobility actions, while exploring possible synergies.	
3. Coordination shall be achieved by putting in place appropriate cooperation mechanisms between managing authorities and the national agencies established under the 'Erasmus for All' programme.	
4.7 Programme for Social Change and Innovation (PSCI)	***2.4*** Programme for Social Change and Innovation (PSCI)
1. Member States shall, where appropriate, seek effective coordination between the Programme for Social Change and Innovation ***and the support provided by the CSF Funds under the*** employment ***and social inclusion thematic objectives.***	***2.4.1 Synergies between the CSF Funds and*** the ***European Union*** Programme for Social Change and Innovation ***(PSCI) should be increased so that the Funds and the PSCI can better contribute to the implementation of the Europe 2020 Strategy, its headline targets, flagship initiatives, Integrated Guidelines and the Youth Opportunities Initiative, by providing financial support in order to promote a high level of quality and sustainable*** employment***, guaranteeing adequate and decent social protection,***

combating social exclusion and poverty, improving working conditions and improving the employment and educational situation of young people.

2. Member States ***shall, where appropriate, seek to scale-up the most successful measures developed under the progress axis of*** the PSCI***, notably on social innovation and social policy experimentation with the support of the ESF.***

2.4.2. In particular, Member States ***should use the opportunity and deliver on actions under the Funds, in particular the ESF which should be consistent with and complementary to activities carried out under*** the PSCI***, as well as with actions in areas such as social dialogue, justice and fundamental rights, equal opportunities, education, vocational training, children's rights and well-being, youth policy, migration policy, research and innovation, entrepreneurship, health, working conditions, enlargement and external relations, and general economic policy.***

3. In order to promote workers' geographical mobility and boost employment opportunities, Member States shall ensure complementarity of actions to enhance transnational labour mobility supported by the ESF, including cross-border partnerships***, with support provided under the EURES axis of the PSCI.***

2.4.3 In border regions, EURES cross-border partnerships ***play an important role in developing a genuine European labour market. EURES cross-border partnerships should therefore continue to be supported through horizontal Union activities, which could be complemented by national resources or by the ESF.***

4. Member States ***shall seek complementarity and coordination between*** CSF Funds***' support for self-employment, entrepreneurship, business creation and social enterprises and*** the PSCI ***support under*** the microfinance and social entrepreneurship ***axis aimed*** at increasing ***the*** access to microfinance ***for people furthest away from the labour market and for*** micro-enterprises ***as well as*** supporting the development of social enterprises***.***

2.4.4 Member States ***should coordinate the corresponding actions under the*** CSF Funds***, in particular under the ESF and the ERDF, with actions under*** the PSCI ***pillar on*** microfinance and social entrepreneurship ***which aim*** at increasing access to ***and the availability of*** microfinance ***to vulnerable persons who wish to start up or develop their own micro-enterprises or a self-employment activity but are in a disadvantaged position with regard to access to the conventional credit market, and to*** micro-enterprises ***which employ persons furthest from the labour market, as well as with actions aimed at*** supporting the development of social enterprises***.***

2.4.5 Adopted at the initiative of the European Parliament, the 'Youth

Initiative axis' within the PSCI supports actions for people aged under 25, including actions aimed at preventing early-school leaving especially through reintegration into training; actions aimed at developing skills that are relevant to the labour market in order to bring more closely the worlds of employment, education and training; actions aimed at supporting access to the labour market through obtaining a first job and on-the-job training; and actions aimed at improving the quality of traineeships and apprenticeships. In order to strengthen the efforts under the PSCI, Member States and regions should set up corresponding actions in the programmes under the CSF Funds.

2.5 ERASMUS for All

2.5.1 The synergies between the CSF Funds and the 'Erasmus for All' programme should be ensured in order to maximise the efficiency of the tools developed and the social and economic impact of investment in people. That synchronised investment will crucially benefit both individuals and society as a whole by contributing to growth and prosperity, providing a better intercultural understanding, giving access to a wide range of education and training actions, both formal and informal, with special regard to language, including sign language learning, and giving impulses to youth initiatives and citizens' actions directed to all generations. 'Erasmus for All' supports mainly transnational projects, whereas cohesion policy has a more pronounced regional and national dimension. Member States and regions are encouraged to test tools and methods resulting from transnational cooperation through 'Erasmus for All' and then to implement them on their territory through CSF Funds.

2.5.2 The Commission and Member States should ensure effective coordination

between cohesion policy and 'Erasmus for All' through a clear distinction in the types of investment and target groups supported, in particular taking into account groups of vulnerable people. 'Erasmus for All' shall focus its support on transnational projects, including the and barrier-free mobility of students, youth and staff regardless of their disabilities; on strategic partnerships between organisations, stakeholders and institutions across Europe and on actions supporting policy development and implementation. The primary investment priority targets for cohesion policy will be: education, labour market training, persons with disabilities and adult learners' mobility.

2.5.3 Furthermore, enhanced results will be achieved by promoting complementarity of funding for mobility and the funding of activities that mainstream best practices and innovative projects identified at Union level under 'Erasmus for All'. The National Agencies, established under this programme, can contribute to achieving this coordination.

4.8 Connecting Europe facility (CEF***)***

1. The CEF is the dedicated Union fund for the implementation of the Union policies for Trans-European Transport Networks of infrastructure (TENs) in the field of transport, telecommunications and energy. To maximise European added value ***in these areas***, ***Member States and the Commission shall ensure that*** ERDF ***and Cohesion Fund interventions are planned in close cooperation with the support provided from the*** CEF, so as to ***avoid duplication of efforts and*** ensure that optimal links of different types of infrastructure at local, regional and national levels, and across the Union are provided for. Maximum leverage of ***the different funding instruments shall*** be ensured for projects with a European and

2.6 CEF **+** ***TENs, energy and telecommunications networks***

2.6.1 In order to maximise European added value, ***the*** ERDF ***and the CF, Trans-European Networks and the Connecting Europe Facility (***CEF***) should be planned in close cooperation***, so as to ensure that optimal links of different types of infrastructure ***(in Transport, Energy and Telecommunications)*** at local, regional and national levels, and across the Union are provided for. Maximum leverage of ***funds should*** be ensured for projects with a European and Single Market dimension, ***in particular priority transport, energy and digital*** networks***.***

Single Market dimension, ***and*** in particular ***those projects implementing the*** priority transport, energy and digital ***infrastructure*** networks ***as identified in the respective TEN policy frameworks***.

2. In the field of transport, plans shall be based on real and projected transport demand and identify missing links and bottlenecks, taking into account the development of Union cross border links, and developing links across regions within a Member State. Investment in regional connectivity to the comprehensive ***trans-European transport network*** (TEN-T) ***and to the core TEN-T network shall*** ensure that urban and rural areas benefit from the opportunities created by major networks.

2.6.2 Just as national infrastructure needs to be planned coherently, both by taking into account the development of Union cross border links, and ***by*** developing links across regions within a Member State***, plans should be based on real and projected transport demand and identify missing links and bottlenecks.*** Investment in regional connectivity to the comprehensive ***network and to the core Trans European Network of transport infrastructure*** (TEN-T) ***network should*** ensure that urban and rural areas benefit from the opportunities created by major networks.

3. Prioritisation of investments which have an impact beyond a certain Member State, ***particularly along the core TEN-T network corridors, shall*** be coordinated with TEN-T planning ***and core network corridors implementation plans,*** so that investments by the ERDF and the ***Cohesion Fund*** in transport infrastructure are fully in line with the TEN-T Guidelines.

2.6.3 Prioritisation of investments which have an impact beyond a certain Member State***, should*** be coordinated with TEN-T planning so that investments by the ERDF and the ***CF*** in transport infrastructure are fully in line with the TEN-T Guidelines***, which define the Union's transport priorities, including: accessibility for elderly people, persons of reduced mobility and for disabled passengers, addressing the climate change challenge, the future development of an integrated TEN-T network, and the multimodal corridor concept.***

4. Member States shall take into account the Commission's White Paper on Transport ***which*** sets out a vision for a competitive and resource-efficient transport system, highlighting that a significant reduction in greenhouse gases is required in the transport sector. For the CSF Funds, this means focusing on sustainable forms of transport and ***sustainable urban mobility as well as*** investing in areas that offer the greatest European added value. Once identified, investments ***shall*** be prioritised according

2.6.4 The Commission's White Paper on Transport sets out a vision for a competitive and resource-efficient transport system, highlighting that a significant reduction in greenhouse gases is required in the transport sector. For the CSF Funds, this means focusing on sustainable forms of transport and investing in areas that offer the greatest European added value***, for example Trans-European Networks.*** Once identified, investments ***should*** be prioritised according to their contribution to

to their contribution to mobility, sustainability, to reducing greenhouse gas emissions, and to the Single European Transport Area.

accessibility and barrier-free mobility, sustainability, to reducing greenhouse gas emissions, and to the Single European Transport Area.

5. The CSF Funds shall deliver the local and regional infrastructures and their linkages to the priority Union networks in the energy and telecommunication areas.

6. Member States and the Commission shall put in place appropriate coordination and technical support mechanisms to ensure the complementarity and effective planning of ICT measures to make full use of the different Union instruments (CSF Funds CEF, Trans-European networks, Horizon 2020) for the financing of broadband networks and the digital service infrastructures. The selection of the most appropriate financing instrument shall take into account the revenue generating potential of the operation and its level of risk in order to make the most effective use of public funds. If an operation has been submitted for CEF funding but has not been selected, its evaluation under the CEF shall be taken into account by the Member State in the context of selection for support by the CSF Funds.

2.6.5 Member States and regions should focus investments on building new infrastructure and enhancing the capacity of existing infrastructure through substantial upgrading.

2.6.6 With regard to maritime transport, ports should be developed as efficient entry and exit points through full integration with land infrastructure. Priority should be given to projects concerning port access and hinterland connections. The development of inland waterways should reinforce their contribution to sustainable European freight transport networks.

2.6.7 In particular, complementarity should be sought between infrastructure investments by the ERDF and the CF, under shared management, and by the Connecting Europe Facility (CEF), which is a directly managed facility with competitive project selection. The CEF will fund projects on the core network (the strategically most important parts of the comprehensive network) that have the highest European added-value and appear to be the most complex with regard to the TEN-T in terms of implementation: cross-border missing links, key bottlenecks and multimodal modes. The CF will concentrate on high European added-value projects to remove bottlenecks in transport networks by supporting TEN-T infrastructure, for both the core and the comprehensive network.

2.6.8 CSF Funds will deliver the local and regional infrastructures and their linkages to the priority Union networks in the energy and telecommunication areas also.

2.6.9 The CEF is complementary to the Cohesion and Structural Funds since it contributes to the achievement of regional and local development goals in terms of infrastructure, in order to deliver maximum added value for a functional, integrated Single Market and for social, economic and territorial cohesion.

4.9. IPA, ENI ***and*** EDF

1. Member States and the Commission shall seek to increase coordination between external instruments and ***the CSF Funds*** to improve effectiveness in achieving multiple Union policy objectives. ***Coordination*** and complementarities ***with*** the European Development Fund, the Pre Accession Instrument and the European Neighbourhood Instrument is particularly ***important***.

2. To support deeper territorial integration,

2.7 IPA, ENPI***,*** EDF

2.7.1 Increasing synergies between external instruments and ***cohesion policy should be sought,*** to improve effectiveness in achieving multiple Union policy objectives. ***In particular, synergies and*** complementarities ***should be built upon with regard to*** the European Development Fund, the Pre Accession Instrument and the European Neighbourhood Instrument.

2.7.2 Providing for deeper territorial

Member States ***shall seek to capitalise on*** synergies between territorial cooperation activities under cohesion policy and the European Neighbourhood Instruments***, in particular*** with regard to cross border cooperation activities. Member States ***shall also, where appropriate,*** ensure that existing activities are associated with newly created European Groupings of Territorial Cooperation, having special regard to ***coordination*** and exchange of best practices.

integration, synergies between territorial cooperation activities under cohesion policy and the European Neighbourhood Instruments ***should be capitalised upon. The potential for creating complementarities between these instruments is strongest*** with regard to cross border cooperation ***activities.*** Member States ***and regions should, therefore***, ensure that existing activities are associated with newly created European Groupings of Territorial Cooperation, having special regard to ***capacity building of non-governmental organisations, in particular umbrella organisations, in order to access the Funds, coordinate*** and exchange of best practices***.***

3. Coordination mechanism among CSF Funds

3.1 Member States and regions should ensure that the interventions financed through the CSF Funds create synergies and that streamlining leads to a reduction of administrative cost and burden on the ground.

3.2 Public and managing authorities responsible for the implementation of the CSF Funds should work closely together in the preparation, implementation, monitoring and evaluation of the Partnership Contract and programmes. In particular, they should:

a) identify areas of intervention where the CSF Funds can be combined in a complementary manner to achieve one or more thematic objectives set out in this Regulation.

b) promote the involvement by managing authorities responsible for one of the CSF Funds of other managing authorities and relevant public authorities in the development of support schemes to ensure synergies and avoid overlaps and to promote a multi-fund approach;

c) establish joint monitoring committees

for programmes implementing the CSF Funds, and the development of other joint management and control arrangements to facilitate coordination between authorities responsible for the implementation of CSF Funds;

d) make use of joint eGovernance solutions aimed at applicants and beneficiaries and "one-stop shops" for advice on the opportunities of support available through each CSF Fund;

e) ensure the access of these Funds to SMEs.

3.3 A European Monitoring system should be put in place to monitor implementation of the CSF Funds, and progresses made in meeting the Europe 2020 targets, ensuring involvement of partners as referred to in Article 5.

5. Coordination with Cooperation Activities

1. Member States shall seek complementarity between cooperation ***activities and other actions supported by the CSF Funds.***

4. Priorities for territorial coordination (cross-border, transnational and interregional)

4.1 Great potential for regional development, job creation and cohesion lies in cooperation ***that goes beyond administrative borders and attempts to overcome the natural ones. Co-operation based on a shared need in a shared territory is often the most effective one.***

4.2 Cross-border cooperation derives from an understanding that many challenges do not stop at administrative borders. An effective response requires joint, cooperative action and sharing of knowledge at the appropriate territorial level.

4.3 Furthermore, the embedded potential of border regions may be tapped through locally oriented support measures.

4.4 The two existing macro-regional strategies have paved the way for organising the interested parties into joint actions at the suitable territorial level. The strategies have increased the

understanding of the necessity of cooperation in tackling problems which cannot be solved by one Member State only, such as for example, cleaning of the Baltic Sea or the Danube. Macro-regional strategies and other forms of territorial cooperation may be supported from both ERDF and ESF and the specific conditions for support for macro-regional strategies should be outlined in the programmes.

4.5 Overcoming barriers needs to be part of the programming of the CSF Funds – the objectives of the existing macro-regional strategies should be reflected in the needs analysis and goal setting for the relevant operational programmes from the planning phase on. Those strategies will not have served their purpose unless the objectives of the macro-regional strategies form part of the strategic planning in cohesion policy programmes in the regions and Member States concerned.

2. Member States ***shall*** ensure that cooperation ***activities*** make an effective contribution to the ***objectives*** of the Europe 2020 ***strategy and*** that cooperation is organised in support of wider policy goals. ***To achieve this Member States shall ensure complementarity and coordination with other Union-funded programmes or instruments.***

4.6 At the same time, Member States ***and regions should*** ensure that ***territorial*** cooperation ***programmes*** make an effective contribution to the Europe 2020 ***objectives. Member States and regions can thus foster cooperation as well as test, pilot and introduce new solutions, making sure*** that cooperation is organised in support of ***the*** wider policy goals. ***Where needed, territorial cooperation should be used to bring together policy-makers from across borders to work towards overcoming common problems.***

4.7 Member States and regions should view the territorial cooperation programmes primarily as useful tools in overcoming barriers to co-operation, which would in turn support national and regional policy goals with impact beyond the programme area.

3. To reinforce the effectiveness of cohesion policy Member States shall seek coordination and complementarity between the European Territorial Cooperation and the "Investment for Growth and Jobs goal" programmes, in particular to ensure coherent planning and facilitate the implementation of large-scale investment.

4. Member States shall, where appropriate, ensure that the objectives of macro-regional and sea-basin strategies form part of the overall strategic planning in cohesion policy programmes in the regions and Member States concerned. Member States shall also ensure that where macro-regional and sea basin strategies have been put in place, all the CSF Funds, where appropriate, support their implementation. To ensure efficient implementation there shall also be coordination with other Union-funded instruments as well as other relevant instruments.

5. Member States shall, where appropriate, make use of the possibility to carry out interregional and transnational actions with beneficiaries located in at least one other Member State within the framework of the operational programmes under the "Investment for Growth and Jobs goal", including the implementation of relevant research and innovation measures emanating from their smart specialisation strategies.

6. Horizontal Principles and Cross-cutting Policy Objectives

A. Horizontal principles

6.1 Partnership and multi-level governance

In accordance with Article 5, the principle of partnership and multi-level governance shall be respected by Member States in order to facilitate achieving social, economic and territorial cohesion and delivery of the Union's priorities of smart, sustainable and inclusive growth. This requires coordinated action carried out in accordance with the principles of subsidiarity and proportionality, and in partnership. It also shall take the form of operational and institutionalised cooperation, in particular with regard to the drawing-up and implementation of the Union's policies. Member States shall therefore make full use of the partnerships established in the framework of the CSF Funds.

6.2 Sustainable development

1. To ensure the full mainstreaming of sustainable development into the CSF Funds, and respecting the principle of sustainable development as laid down in Article 3 of the Treaty on European Union, the obligation to integrate environmental protection requirements according to Article 11 and the polluter pays principle as set out in Article 192 of the Treaty on the Functioning of the European Union, managing authorities shall undertake actions throughout the programme lifecycle, to avoid or reduce environmentally harmful effects of interventions and ensure results in net social, environmental and climate benefits by the following actions:

(a) directing investments towards the most resource-efficient and sustainable options,

(b) avoiding investments that may have a significant negative environmental or climate impact, and supporting actions to mitigate any remaining impacts,

(c) taking a long-term perspective when 'life-cycle' costs of alternative options for

investment are compared,

(d) increasing the use of green public procurement.

2. Member States shall ensure that investments made with the support of the CSF Funds consider climate change mitigation potential, as well as be resilient to the impact of climate change and natural disasters such as increased risks of flooding, heat waves and extreme weather events.

3. Member States shall track biodiversity related expenditure using the methodology based on the categories of intervention or measures adopted by the Commission.

4. Investments also need to be consistent with the water hierarchy, with a focus on demand management options with alternative supply options only to be considered when the potential for water savings and efficiency has been exhausted. Public intervention in the waste management sector shall complement efforts by the private sector, in particular producer responsibility. Actions should support innovative approaches that promote a closed-loop economy and need to be consistent with the waste hierarchy.

6.3 Promotion of equality between men and women and non-discrimination

1. In accordance with Article 7, Member States shall pursue the objective of equality between men and women and must take appropriate steps to prevent any discrimination and to ensure accessibility during the preparation, implementation, monitoring and evaluation of operations in the programmes co-financed by the CSF Funds. When pursuing the objectives of Article 7, Member States shall describe in detail actions to be taken, in particular with regard to selection of operations, setting of objectives for

interventions, and arrangements for monitoring and reporting. Member States shall also carry out gender analyses where appropriate.

2. Member States shall ensure the participation of the relevant bodies responsible for promoting gender equality, non-discrimination and accessibility in the partnership, and ensure adequate structures in accordance with national practices to advise on gender equality, non-discrimination and accessibility in order to provide the necessary expertise in the preparation, monitoring and evaluation of the CSF Funds. The composition of the monitoring committees shall be gender balanced and include a gender expertise/responsibility function.

3. Managing authorities shall regularly undertake specific evaluations or self-assessment exercises, in coordination with the monitoring committees, focusing on the application of the gender mainstreaming principle.

4. Member States shall address, in an appropriate manner, the needs of disadvantaged groups in order to allow them to better integrate into the labour market, and to fully participate in society.

B. Cross-cutting policy objectives

6.4 Accessibility

1. Managing authorities shall ensure that all products, goods, services and infrastructures that are open or provided to the public and are co-financed by the CSF Funds are accessible to all citizens including those with disabilities. In particular, accessibility to the physical environment, transport, information and communication technologies in order to achieve inclusion for disadvantaged groups, including persons with disabilities has to be ensured. Managing authorities shall undertake actions throughout the

programme lifecycle to identify and remove existing accessibility barriers or prevent new ones.

6.5 Addressing demographic change

1. The challenges resulting from demographic change shall be taken into account at all levels. Member States shall therefore make use of the CSF Funds to develop tailor-made strategies, where appropriate, to tackle demographic problems and to create growth linked to an ageing society.

2. Member States shall use the CSF Funds to take action to facilitate inclusion of all age groups. They shall in particular enhance job opportunities for the elderly and young people. Investments in health infrastructures shall serve the goal of a long and healthy working life for all of the Union's citizens.

3. In the regions most affected by demographic change, Member States shall identify measures to:

(a) support demographic renewal through better conditions for families and an improved balance between working and family life;

(b) boost employment, raise productivity and economic performance through investing in education, ICT and research;

(c) focus on the adequacy and quality of education and social support structures; and

(d) ensure cost-effective provision of health care and long-term care including investment in e-health, e-care and infrastructure.

6.6 Climate change mitigation and adaptation

Climate change mitigation and adaptation and risk prevention shall be integrated in the preparation, programming, implementation, monitoring and

evaluation of all funds.

The visibility of contributions towards the goal of a spending of at least 20% of the Union budget on climate change mitigation shall be ensured.

7. Arrangements to Address Territorial Challenges

7.1 Member States and regions shall undertake the following steps for the purpose of preparation of their Partnership Contracts and programmes:

(a) An analysis of the Member State's or region's development potential and capacity, particularly in relation to the key challenges identified in Europe 2020, the National Reform Programmes and the relevant country-specific recommendations. The responsible authorities shall undertake a detailed analysis of national, regional and local characteristics;

(b) An assessment of the major challenges to be addressed by the region or Member State, the identification of the bottlenecks and missing links, innovation gaps, including the lack of planning and implementation capacity that inhibit the long-term potential for growth and jobs. This shall form the basis for the identification of the possible fields and activities for policy prioritisation, intervention and concentration;

(c) An assessment of the cross-sectoral, cross-jurisdictional or cross-border coordination challenges, particularly in the context of macro-regional and sea-basin strategies;

(d) Identification of steps to achieve improved coordination across different territorial levels and sources of funding to deliver an integrated approach linking Europe 2020 with regional and local actors.

7.2 In order to take into account the objective of territorial cohesion, the Member States and regions shall ensure that the overall approach to promoting smart, sustainable and inclusive growth:

(a) reflects the role of cities, rural areas fisheries and coastal areas, areas facing specific geographical or demographic problems;

(b) takes account of the specific challenges of the outermost regions, the northernmost regions with a very low population density and of island, cross-border or mountain regions;

(c) addresses urban-rural linkages, in terms of access to affordable, quality infrastructures and services, and problems in regions with a high concentration of socially marginalised communities.

Amendment 218

Proposal for a regulation
Annex II – point 1 – introductory part

Text proposed by the Commission	*Amendment*
1. The performance framework shall consist of milestones established for each priority for the years ***2016*** and ***2018*** and targets established for 2022. The milestones and targets shall be presented in accordance with the format set out in table 1.	1. The performance framework shall consist of milestones established for each priority for ***two specific years of*** the ***programme period, preceding the*** years ***of the performance review to be mutually agreed by the Member State*** and ***the Commission,*** and targets established for 2022. The milestones and targets shall be presented in accordance with the format set out in table 1.

Amendment 219

Proposal for a regulation
Annex II – point 2

Text proposed by the Commission	*Amendment*
2. Milestones are intermediate targets for the achievement of the specific objective of a priority**,** expressing the intended progress towards the targets set for the end of the period. Milestones established for ***2016*** shall include financial indicators and output indicators. Milestones established for ***2018*** shall include financial indicators**,** output ***indicators and where appropriate, result*** indicators. Milestones may also be established for key implementation steps.	2. Milestones are intermediate targets for the achievement of the specific objective of a priority expressing the intended progress towards the targets set for the end of the period. Milestones established for ***the year preceding the year of the first performance review*** shall include financial indicators and output indicators. Milestones established for ***the year preceing the year of the second performance review*** shall include financial indicators ***and*** output indicators. Milestones may also be established for key implementation steps.

Amendment 220

Proposal for a regulation
Annex II – point 3 – indent 1 a (new)

Text proposed by the Commission	*Amendment*
	- ambitious but realistic in terms of the particular circumstances in the Member State, the nature of the interventions and the resources earmarked to the priority concerned;

Amendment 221

Proposal for a regulation
Annex II – point 3 a (new)

Text proposed by the Commission	*Amendment*
	3 a. Milestones and targets may be modified on the request of Member State in accordance with the procedure laid down in Article 26.

Amendment 222

Proposal for a regulation
Annex III ter – point I – paragraph 1

Text proposed by the Commission	*Amendment*
1. The number of young unemployed persons ***between the ages of 15-24*** shall be identified in the NUTS 2 level regions that have youth unemployment rates of more than ***25%*** in 2012 (hereinafter the "eligible regions").	1. The number of young unemployed persons ***under the age of 30*** shall be identified in the NUTS 2 level regions that have youth unemployment rates of more than ***20 %*** in 2012 (hereinafter the "eligible regions")***, or in subregions that have youth unemployment rates of more than 22.5 % in 2012***.

Amendment 223

Proposal for a regulation
Annex III quater (new)

Text proposed by the Commission	*Amendment*
	Methodology for determining the minimum share of ESF
	The additional percentage share to be added to the share of Structural Funds resources, referred to in Article 84(3), allocated in a Member State to the ESF, which corresponds to the share of that Member State for the programming period 2007-2013 shall be determined, based on employment rates (for persons between the ages of 20-64) of reference year 2012, as follows, :
	- where the employment rate is 65 % or less the share shall be increased by [1.7%];
	- where the employment rate is more than 65 % but not more than 70 % the share shall be increased by [1.2 %];
	- where the employment rate is more than 70 % but not more than 75 % the share shall be increased by [0.7 %];

- where the employment rate is more than 75 %, no increase is required.

That notwithstanding, the total percentage share of a Member State after the addition shall not exceed 52% of Structural Funds resources referred to in Article 84(3)

For Croatia the share of Structural Funds resources, excluding the European Territorial Cooperation goal, allocated to the ESF for the programming period 2007-2013 shall be the average share of the convergence regions of those Member States which acceded to the Union on or after 1 January 2004.

Justification

Percentages in the text will have to be adapted to the outcome of vote on Article 84, paragraph 3

Amendment 224

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 8 – sub-point 8.1 – column 3 – indent 1 – sub-indent 1

Text proposed by the Commission	*Amendment*
- personalised services and active and preventive labour market measures at an early stage, which are open for all jobseekers;	- personalised services and active and preventive labour market measures at an early stage, which are open for all jobseekers***, including people from marginalised communities***;

Amendment 225

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 8 – sub-point 8.1 – column 3 – indent 2

Text proposed by the Commission	*Amendment*
- Employment services have set up networks with employers and education institutes.	- Employment services have set up networks with employers and education institutes***, also crossing the sectors***.

Amendment 226

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 8 – sub-point 8.2 – column 3 – indent 1 – sub-indent 3 a (new)

Text proposed by the Commission	*Amendment*
	- actions for information and awareness raising at secondary education level;

Amendment 227

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 8 – sub-point 8.2 – column 3 – indent 1 – sub-indent 3 b (new)

Text proposed by the Commission	*Amendment*
	- advice and preparation of new business start-ups;

Amendment 228

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 8 – sub-point 8.3 – column 3 – indent 1 – sub-indent 1

Text proposed by the Commission	*Amendment*
- personalised services and active and preventive labour market measures at an early stage, which are open for all jobseekers;	- personalised services and active and preventive labour market measures at an early stage, which are open for all jobseekers***, including people from marginalised communities***;

Amendment 229

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 8 – sub-point 8.4 – column 3 – indent 1 – sub-indent 2

Text proposed by the Commission	*Amendment*
- a Member State has measures in place to promote active ageing ***and to reduce early retirement***.	- a Member State has measures in place to promote active ageing.

Amendment 230

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 8 – subpoint 8.6 – column 2

Text proposed by the Commission	*Amendment*
8.6. Sustainable integration into the labour market of young people ***aged 15-24*** not in employment, education or training:	8.6. Sustainable integration into the labour market of young people not in employment, education or training***, in particular in the context of the Youth Guarantee (for young people under the age of 30, including graduates and those leaving training systems without qualifications)***:

Amendment 231

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 8 – subpoint 8.6 – column 3 – indent 1 – sub-indent 1

Text proposed by the Commission	*Amendment*
– is based on evidence that measures the results for young people ***aged 15-24*** not in employment, education or training:	– is based on evidence that measures the results for young people not in employment, education or training, ***in particular in the context of the Youth Guarantee (for young people under the age of 30, including graduates and those leaving training systems without qualifications)***:

Amendment 232

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 9 – sub-point 9.1 – column 3 – indent 2 – sub-indent 3 a (new)

Text proposed by the Commission	*Amendment*
	- pays special attention to the special needs of groups at increased risk of early school leaving, also through prevention of early school leaving, with access to quality, diverse early childhood development programs, home-based and community-based learning initiatives and free childcare services;

Amendment 233

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 9 – sub-point 9.1 – column 3 – indent 2 – sub-indent 4

Text proposed by the Commission	*Amendment*
- cuts across-sectors, and involves and coordinates all policy sectors and stakeholders that are relevant to address ESL.	- cuts across-sectors, and involves and coordinates all policy sectors and stakeholders***, including the areas of culture, arts and sport,*** that are relevant to address ESL.

Amendment 234

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 9 – sub-point 9.2 – column 3 – indent 1 – sub-indent 1 – sub-indent 2

Text proposed by the Commission	*Amendment*
- increase higher education participation among low income groups and other under-represented groups.	- increase higher education participation among low income groups and other under-represented groups***, with special consideration for the most vulnerable groups***.

Amendment 235

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 9 – sub-point 9.3 a (new)

Text proposed by the Commission

Thematic objectives	Ex ante conditionality	Criteria for fulfilment

Amendment

Thematic objectives	Ex ante conditionality	Criteria for fulfilment
	9.3a Vocational education and training - The existence of national or regional strategies for a modern vocational education and training.	***- Recognition of vocational education and training as engine for sustainable development and inclusive growth;*** ***- Measures to improve the quality and efficiency of initial and continuous vocational training;*** ***- Measures to promote vocational education and training.***

Amendment 236

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 10 – sub-point 10.1 – column 3 – indent 1 – sub-indent 2

Text proposed by the Commission	*Amendment*
- ***is in accordance with*** the national poverty and social exclusion target (as defined in the National Reform Programme), which includes the extension of employment opportunities for disadvantaged groups;	- ***lays out concrete proposals and public policy measures designed to work towards the achievement of*** the national poverty and social exclusion target (as defined in the National Reform Programme ***and National Social Reports***), which includes the extension of ***quality*** employment opportunities for disadvantaged groups;

Amendment 237

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 10 – sub-point 10.1 – column 3 – indent 1 – sub-indent 4

Text proposed by the Commission	*Amendment*
- demonstrates that social partners and relevant stakeholders are involved ***in the design of*** active inclusion;	- demonstrates that social partners and relevant stakeholders are involved ***at all stages (programming, implementation and evaluation) of the national anti-poverty strategies and all the*** active inclusion ***strategies***;

Amendment 238

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 10 – sub-point 10.1 – column 3 – indent 1 – sub-indent 6 a (new)

Text proposed by the Commission	*Amendment*
	- includes a comprehensive approach to tackle child poverty and promote child well-being.

Amendment 239

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 10 – sub-point 10.1 – column 3 – indent 2 – sub-indent 1

Text proposed by the Commission	*Amendment*
- sets achievable national goals for Roma integration to bridge the gap with the general population. These targets should address, as a minimum, the four EU Roma integration goals relating to access to education, employment, healthcare and housing;	- sets achievable national goals for Roma integration to bridge the gap with the general population. These targets should address, as a minimum, the four EU Roma integration goals relating to access to education, employment, healthcare and housing ***reflected in public policy measures***;

Amendment 240

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 10 – sub-point 10.1 – column 3 – indent 2 – sub-indent 2

Text proposed by the Commission	*Amendment*
- is coherent with the National Reform Programme;	- is coherent with the National Reform Programme ***and National Social Reports***;

Amendment 241

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 10 – sub-point 10.2 – column 3 – indent 1 – sub-indent 3

Text proposed by the Commission	*Amendment*
- contains a monitoring and review system.	- contains a monitoring and review system ***with adequate budgetary resources;***

Amendment 242

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 10 – sub-point 10.2 – column 3 – indent 1 – sub-indent 3 a (new)

Text proposed by the Commission	*Amendment*
	- ensures that community and civil society as well as regional and local authority perspectives are included in planning, implementing, monitoring and evaluating policies and programmes.

Amendment 243

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 11 – column 1

Text proposed by the Commission	*Amendment*
11. Enhancing institutional capacity and efficient public administration	11. Enhancing institutional capacity and efficient public administration ***and promoting capacity building for stakeholders***
(referred to in Article 9(11))	(referred to in Article 9(11))

Amendment 244

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 11 – column 3 – indent 1

Text proposed by the Commission	*Amendment*
- A strategy for reinforcing a Member State's administrative efficiency is in place and in the process of being implemented. The strategy includes:	- A strategy for reinforcing a Member State's ***regional and local*** administrative efficiency is in place and in the process of being implemented. The strategy includes:

Amendment 245

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 11 – column 3 – indent 1 – sub-indent 4 a (new)

Text proposed by the Commission	*Amendment*
	- the employment of people from marginalised communities in the public sector;

Amendment 246

Proposal for a regulation
Annex V – Thematic *ex ante* conditionalities – point 11 – column 3 – indent 1 – sub-indent 6 a (new)

Text proposed by the Commission	*Amendment*
	- strategies of the effectiveness of the partnership principle including a financial concept for an sufficient capacity building of the partners referred to in points (a), (b) and (c) of Article 5 (1).

Amendment 247

Proposal for a regulation
Annex V – General ex-ante conditionalities – point 1 – column 2

Text proposed by the Commission	*Amendment*
The existence of a mechanism which ensures effective implementation and application of Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation and Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin	The existence of a mechanism which ensures effective implementation and application of Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation and Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin***, and other international anti-discrimination commitments such as the UN Convention on the rights of persons with disabilities (Article 5)***

Amendment 248

Proposal for a regulation
Annex V – General ex-ante conditionalities – point 1 – column 3 – indent 1 – sub-indent 2

Text proposed by the Commission	*Amendment*
- a strategy for training and dissemination of information for staff involved in the implementation of the funds;	- ***the designation of an equality unit with adequate capacity and power to ensure equal opportunities, and*** a strategy for training and dissemination of information for staff involved in the implementation of the funds;

Amendment 249

Proposal for a regulation
Annex V – General ex-ante conditionalities – point 1 – column 3 – indent 1 – sub-indent 3 a (new)

Text proposed by the Commission	*Amendment*
	- arrangements for collecting disaggregated data on the Roma, the disabled, women, and young and elderly people, and using them in monitoring and evaluation;

Amendment 250

Proposal for a regulation
Annex V – General ex-ante conditionalities – point 2 – column 2

Text proposed by the Commission	*Amendment*
The existence of a strategy for the promotion of gender equality and a mechanism which ensures its effective implementation.	The existence of a strategy for the promotion of gender equality and a mechanism which ensures its effective implementation ***through gender mainstreaming specific actions***.

Amendment 251

Proposal for a regulation
Annex V – General ex-ante conditionalities – point 3 – column 3 – indent 1 – sub-indent 1

Text proposed by the Commission	*Amendment*
- Implementation of measures in line with Article 9 of the UN Convention to prevent, identify and eliminate obstacles and barriers to accessibility of persons with disabilities;	- Implementation of measures in line with Article 9 of the UN Convention to prevent, identify and eliminate obstacles and barriers to accessibility of persons with disabilities ***to all domains including infrastructure, services and goods***;

Amendment 252

Proposal for a regulation
Annex V – General ex-ante conditionalities – point 3 – column 3 – indent 1 – sub- indent 2

Text proposed by the Commission	*Amendment*
- institutional arrangements for the implementation and supervision of the UN Convention in line with Article 33 of the Convention;	- institutional arrangements for the implementation and supervision of the UN Convention in line with Article 33 of the Convention ***and the involvement of disability representative organisations in the design and implementation of these arrangements***;

Amendment 253

Proposal for a regulation
Annex V – General ex-ante conditionalities – point 3 – column 3 – indent 1 – sub-indent 3 a (new)

Text proposed by the Commission	*Amendment*
	- the involvement of disability representative organisations in the design and implementation of these arrangements;

PROCEDURE

Title	Common provisions on European Funds and repealing Regulation (EC) No 1083/2006
References	COM(2013)0246 – C7-0107/2013 – COM(2011)0615 – C7-0335/2011 – COM(2012)0496 – C7-0291/2012 – 2011/0276(COD)
Committee responsible Date announced in plenary	REGI 25.10.2011
Opinion by Date announced in plenary	EMPL 25.10.2011
Associated committee(s) - date announced in plenary	18.4.2013
Rapporteur Date appointed	Ádám Kósa 27.10.2011
Discussed in committee	23.4.2012 20.6.2012 22.4.2013 19.6.2013
Date adopted	9.7.2013
Result of final vote	+: 38 –: 3 0: 3
Members present for the final vote	Regina Bastos, Edit Bauer, Heinz K. Becker, Jean-Luc Bennahmias, Phil Bennion, Pervenche Berès, Vilija Blinkevičiūtė, 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, Marian Harkin, Nadja Hirsch, Stephen Hughes, Danuta Jazłowiecka, Ádám Kósa, Jean Lambert, Patrick Le Hyaric, Olle Ludvigsson, Thomas Mann, Elisabeth Morin-Chartier, Csaba Őry, Siiri Oviir, Konstantinos Poupakis, Sylvana Rapti, Licia Ronzulli, Elisabeth Schroedter, Joanna Katarzyna Skrzydlewska, Jutta Steinruck, Ruža Tomašić, Traian Ungureanu, Inês Cristina Zuber
Substitute(s) present for the final vote	Jan Kozłowski, Csaba Sógor, Gabriele Zimmer
Substitute(s) under Rule 187(2) present for the final vote	Anneli Jäätteenmäki