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AMENDMENTS 211 - 480

Draft report
Ingeborg Gräßle, Richard Ashworth
(PE601.115v01-00)

Financial rules applicable to the general budget of the Union

Proposal for a regulation
(COM(2016)0605 – C8-0372/2016 – 2016/0282(COD))

(Rule 55 - Joint committee meetings)

Amendment 211
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Title 1

Text proposed by the Commission

Proposal for a
REGULATION OF THE EUROPEAN
PARLIAMENT AND OF THE COUNCIL
on the financial rules applicable to the
general budget of the Union and amending
Regulation (EC) No 2012/2002,
Regulations (EU) No 1296/2013, (EU)
1301/2013, (EU) No 1303/2013, EU No
1304/2013, (EU) No 1305/2013, (EU) No
1306/2013, (EU) No 1307/2013, (EU) No
1308/2013, (EU) No 1309/2013, (EU) No
1316/2013, (EU) No 223/2014, (EU) No
283/2014, (EU) No 652/2014 of the
European Parliament and of the Council
and Decision No 541/2014/EU of the
European Parliament and of the Council

Amendment

Proposal for a
REGULATION OF THE EUROPEAN
PARLIAMENT AND OF THE COUNCIL
on the financial rules applicable to the
general budget of the Union and amending
Regulation (EC) No 2012/2002,
Regulations (EU) No 1296/2013, (EU)
1301/2013, (EU) No 1303/2013, EU No
1304/2013, (EU) No 1305/2013, (EU) No
1306/2013, (EU) No 1307/2013, (EU) No
1308/2013, (EU) No 1309/2013, (EU) No
1316/2013, (EU) No 223/2014, (EU) No
283/2014, (EU) No 652/2014 of the
European Parliament and of the Council
and Decision No 541/2014/EU of the
European Parliament and of the Council
*and repealing Regulation (EU, Euratom)
No 966/2012*

Or. en

Justification

Technical correction.

Amendment 212
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Citation 1

Text proposed by the Commission

Having regard to the Treaty on the
Functioning of the European Union, and in
particular Articles 42, 43(2), 46(d), 149,
153(2)(a), 164, 168(4)(b), 172, 175, 177,

Amendment

Having regard to the Treaty on the
Functioning of the European Union, and in
particular Articles 42, 43(2), 46(d), 149,
153(2)(a), 164, 168(4)(b), 172, 175, 177,

178, 189(2), **209(1)**, **212(2)**, **322(2)** and 349 thereof, in conjunction with the Treaty establishing the European Atomic Energy Community, and in particular **Articles 106a thereof**,

178, 189(2), **212(2)**, **322(1)** and 349 thereof, in conjunction with the Treaty establishing the European Atomic Energy Community, and in particular **Article 106a thereof**,

Or. en

Justification

Correction of the legal basis.

Amendment 213

Marco Valli, Laura Agea

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Since following three years of implementation further amendments are to be made to the financial rules applicable to the general budget of the Union in order to remove bottlenecks in implementation by increasing flexibility, to simplify delivery for the stakeholders and the services **and** to focus more on results, Regulation (EU, Euratom) no 966/2012¹⁴ of the European Parliament and of the Council should be repealed and replaced by this Regulation.

¹⁴ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

Amendment

(1) Since following three years of implementation further amendments are to be made to the financial rules applicable to the general budget of the Union in order to remove bottlenecks in implementation by increasing flexibility, to simplify delivery for the stakeholders and the services, to focus more on results **and to improve accessibility, transparency and accountability**, Regulation (EU, Euratom) no 966/2012¹⁴ of the European Parliament and of the Council should be repealed and replaced by this Regulation.

¹⁴ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

Or. it

Amendment 214
Luke Ming Flanagan

Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) **Since following** three years of implementation further amendments are to be made to the financial rules applicable to the general budget of the Union in order to remove bottlenecks in implementation by increasing flexibility, to simplify delivery for the stakeholders and the services and to focus more on results, Regulation (EU, Euratom) no 966/2012¹⁴ of the European Parliament and of the Council should be repealed and replaced by this Regulation.

¹⁴ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

Amendment

(1) Following three years of implementation, further amendments are to be made to the financial rules applicable to the general budget of the Union in order **to** remove bottlenecks in implementation by increasing flexibility, to simplify delivery for the stakeholders and the services and to focus more on results, Regulation (EU, Euratom) no 966/2012¹⁴ of the European Parliament and of the Council should be repealed and replaced by this Regulation.

¹⁴ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

Or. en

Amendment 215
Jens Geier

Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) The fundamental budgetary principles should be maintained. Derogations from those fundamental principles for specific areas such as research, external actions and structural funds should be reviewed and simplified as

Amendment

(3) The fundamental budgetary principles, **as well as the distribution of powers and the central role of the Court of Auditors in carrying out the Union's audit laid down in Article 285 and 287 TFEU**, should be maintained. Derogations

far as possible, taking into account their continuing relevance, their added-value for the budget, and the burden they impose on stakeholders.

from those fundamental principles for specific areas such as research, external actions and structural funds should be reviewed and simplified as far as possible, taking into account their continuing relevance, their added-value for the budget, and the burden they impose on stakeholders.

Or. en

Amendment 216

Marco Valli, Laura Agea

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The fundamental budgetary principles should be maintained. Derogations from those fundamental principles for specific areas such as research, external actions and structural funds should be reviewed and simplified as far as possible, taking into account their continuing relevance, their added-value for the budget, and the burden they impose on stakeholders.

Amendment

(3) The fundamental budgetary principles should be maintained. Derogations from those fundamental principles for specific areas such as research, external actions and structural funds should be **limited**, reviewed and simplified as far as possible, taking into account their continuing relevance, their added-value for the budget, and the burden they impose on stakeholders.

Or. it

Amendment 217

Vladimír Maňka, Inés Ayala Sender
on behalf of the S&D Group

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) **Up to 10% of the** funds of the Instrument for Pre-accession Assistance (IPA II), the European Neighbourhood

Amendment

(4) **The possibility to carry over remaining unallocated** funds of the Instrument for Pre-accession Assistance

Instrument and the financing instrument for development cooperation (DCI) *may be kept unallocated at the beginning of the financial year to allow additional funding* to respond to major unforeseen needs, new crises situations or significant political shifts in *third* countries, *in addition to the amounts already programmed*. These unallocated funds, if not committed during the year, should be carried over by a Decision of the Commission.

(IPA II), the European Neighbourhood Instrument and the financing instrument for development cooperation (DCI) *should be introduced, within a limit of 10% of the initial appropriations of each instrument, in order to increase capacity* to respond to major unforeseen needs, new crises situations or significant political shifts in *the countries concerned by those instruments and avoid pressure to commit unallocated funds towards the end of the year*. These unallocated funds, if not committed during the year, should be carried over by a Decision of the Commission, *whilst ensuring that they are spent in accordance with the specific objectives of their initial instrument and governed by the rules and bodies relating to that instrument*.

Or. en

Amendment 218

Marco Zanni

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) *Up to 10% of the* funds of the Instrument for Pre-accession Assistance (IPA II), the European Neighbourhood Instrument and the financing instrument for development cooperation (DCI) may be kept unallocated at the beginning of the financial year to allow additional funding to respond to major unforeseen needs, *new crises situations or significant political shifts in third countries*, in addition to the amounts already programmed. *These unallocated funds, if not committed during the year, should be carried over by a Decision of the Commission*.

Amendment

(4) *The* funds of the Instrument for Pre-accession Assistance (IPA II), the European Neighbourhood Instrument and the financing instrument for development cooperation (DCI) may be kept unallocated at the beginning of the financial year to allow additional funding to respond to major unforeseen needs *or new crisis situations*, in addition to the amounts already programmed.

Or. it

Amendment 219

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) Up to **10%** of the funds of the Instrument for Pre-accession Assistance (IPA II), the European Neighbourhood Instrument and the financing instrument for development cooperation (DCI) may be kept unallocated at the beginning of the financial year to allow additional funding to respond to major unforeseen needs, new crises situations or significant political shifts in third countries, in addition to the amounts already programmed. These unallocated funds, if not committed during the year, should be carried over by a Decision of the Commission.

Amendment

(4) Up to **5%** of the funds of the Instrument for Pre-accession Assistance (IPA II), the European Neighbourhood Instrument and the financing instrument for development cooperation (DCI) may be kept unallocated at the beginning of the financial year to allow additional funding to respond to major unforeseen needs, new crises situations or significant political shifts in third countries, in addition to the amounts already programmed. These unallocated funds, if not committed during the year, should be carried over by a Decision of the Commission.

Or. en

Amendment 220

Marco Zanni

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) The rules governing transfers of appropriations should allow for greater flexibility in order to ensure better budget implementation. ***To that end, it is important for the Commission to have the possibility of deciding on transfers, of up to 10%, of operational appropriations between Titles when they are covered by the same basic act. Transfers from administrative support lines to the***

Amendment

(7) The rules governing transfers of appropriations should allow for greater flexibility in order to ensure better budget implementation.

corresponding operational lines should also be done autonomously by the Commission.

Or. it

Amendment 221

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 8

Text proposed by the Commission

Amendment

(8) In order to improve agility of the implementation of special instruments, simplified mobilisation and transfer procedures are necessary for the European Globalisation Adjustment Fund and the European Union Solidarity Fund.

deleted

Or. en

Amendment 222

Marco Zanni

Proposal for a regulation

Recital 10

Text proposed by the Commission

Amendment

(10) Union institutions should be able to accept any donation made to the Union.

deleted

Or. it

Amendment 223

Marco Zanni

Proposal for a regulation

Recital 11

Text proposed by the Commission

Amendment

(11) An enabling clause should be introduced to allow for in-kind sponsoring by a legal person of an EU event or activity for promotional or corporate social responsibility purposes.

deleted

Or. it

Amendment 224

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 11

Text proposed by the Commission

Amendment

(11) An enabling clause should be introduced to allow for in-kind sponsoring by a legal person of an EU event or activity for promotional or corporate social responsibility purposes.

deleted

Or. en

Amendment 225

Jean-Paul Denanot, Isabelle Thomas

Proposal for a regulation

Recital 12

Text proposed by the Commission

Amendment

(12) The concept of performance as regards the EU budget should be clarified. Performance should be described **as a** direct application of the principle of sound financial management. **There** should be a link between **performance, objective-setting**, indicators, results and economy, efficiency and effectiveness in the use of appropriations. To avoid conflicts with

(12) The concept of performance as regards the EU budget should be clarified. Performance should be described **on the basis of the achievement of objectives and the** direct application of the principle of sound financial management. **Without seeking to prejudge the relevance of the programme concerned, there** should be a link between **objectives set and**

existing performance frameworks of the different programmes, references in terms of performance terminology should be limited to objectives and monitoring progress in achieving them.

performance, indicators, results and economy, efficiency and effectiveness in the use of appropriations. To avoid conflicts with existing performance frameworks of the different programmes, references in terms of performance terminology should be limited to objectives and monitoring progress in achieving them.

Or. fr

Amendment 226

Marco Valli, Laura Agea

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) The concept of performance as regards the EU budget should be clarified. Performance should be described as a direct application of the principle of sound financial management. There should be a link between performance, objective-setting, indicators, results and economy, efficiency and effectiveness in the use of appropriations. To avoid conflicts with existing performance frameworks of the different programmes, references in terms of performance terminology should be limited to objectives and monitoring progress in achieving them.

Amendment

(12) The concept of performance as regards the EU budget should be clarified. Performance should be described as a direct application of the principle of sound financial management. There should be a link between performance, objective-setting, indicators, results, **additionality** and economy, efficiency and effectiveness in the use of appropriations. To avoid conflicts with existing performance frameworks of the different programmes, references in terms of performance terminology should be limited to objectives and monitoring progress in achieving them.

Or. it

Amendment 227

Marco Valli, Laura Agea

Proposal for a regulation

Recital 14

Text proposed by the Commission

Amendment

(14) The principle of transparency, enshrined in Article 15 TFEU which requires the institutions to work as openly as possible, implies, in the area of the implementation of the budget, that citizens are able to know where, and for what purpose, funds are spent by the Union. Such information fosters democratic debate, contributes to the participation of citizens in the Union's decision-making process and reinforces institutional control and scrutiny over Union expenditure. Such objectives should be achieved by the publication, preferably using modern communication tools, of relevant information concerning all recipients of Union funds which takes into account such all recipients' legitimate interests of confidentiality and security and, as far as natural persons are concerned, their right to privacy and the protection of their personal data. Institutions should therefore adopt a selective approach in the publication of information, in accordance with the principle of proportionality. Decisions to publish should be based on relevant criteria in order to provide meaningful information.

(14) The principle of transparency, enshrined in Article 15 TFEU which requires the institutions to work as openly as possible, implies, in the area of the implementation of the budget, that citizens are able to know where, and for what purpose, funds are spent by the Union. Such information fosters democratic debate, contributes to the participation of citizens in the Union's decision-making process and reinforces institutional control and scrutiny over Union expenditure. Such objectives should be achieved by the **full** publication, preferably using modern communication tools, of relevant information concerning all recipients of Union funds which takes into account such all recipients' legitimate interests of confidentiality and security and, as far as natural persons are concerned, their right to privacy and the protection of their personal data. Institutions should therefore adopt a selective approach in the publication of information, in accordance with the principle of proportionality. Decisions to publish should be based on relevant criteria in order to provide meaningful information.

Or. it

Amendment 228
Luke Ming Flanagan

Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) The principle of transparency, enshrined in Article 15 TFEU **which** requires the institutions to work as openly as possible, **implies**, in the area of the implementation of the budget, that citizens are able to know where, and for what purpose, funds are spent by the Union.

Amendment

(14) The principle of transparency **is** enshrined in Article 15 TFEU; **this** requires the institutions to work as openly as possible **and**, in the area of the implementation of the budget, **implies** that citizens are able to know where and for what purpose funds are spent by the Union.

Such information fosters democratic debate, contributes to the participation of citizens in the Union's decision-making process and reinforces institutional control and scrutiny over Union expenditure. Such objectives should be achieved by the publication, preferably using modern communication tools, of relevant information concerning all recipients of Union funds which takes into account *such all* recipients' legitimate interests of confidentiality and security and, as far as natural persons are concerned, their right to privacy and the protection of their personal data. Institutions should therefore adopt a selective approach in the publication of information, in accordance with the principle of proportionality. Decisions to publish should be based on relevant criteria in order to provide meaningful information.

Such information fosters democratic debate, contributes to the participation of citizens in the Union's decision-making process and reinforces institutional control and scrutiny over Union expenditure. Such objectives should be achieved by the publication (preferably using modern communication tools) of relevant information concerning all recipients of Union funds, which takes into account *those same* recipients' legitimate interests of confidentiality and security and, as far as natural persons are concerned, their right to privacy and the protection of their personal data. Institutions should therefore adopt a selective approach in the publication of information, in accordance with the principle of proportionality. Decisions to publish should be based on relevant criteria in order to provide meaningful information.

Or. en

Justification

Clearer and less ponderous language

Amendment 229

Marco Valli, Laura Agea

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) The information on the use of Union funds implemented under direct implementation should be published on an internet website of the institutions and should include at least the name, the locality, the amount and the purpose of the funds. That information should take into account relevant criteria such as the periodicity, the type and the importance of the measure.

Amendment

(15) ***In any case, the utmost transparency regarding data on beneficiaries should be sought, without prejudice to the rules on the protection of personal data.*** The information on the use of Union funds implemented under direct implementation should be published on an internet website of the institutions and should include at least the name, the locality, the amount and the purpose of the

funds. That information should take into account relevant criteria such as the periodicity, the type and the importance of the measure.

Or. it

Amendment 230

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) The information on the use of Union funds implemented under direct implementation should be published on an internet website of the institutions and should include at least the name, the locality, the amount and the purpose of the funds. That information should take into account relevant criteria such as the periodicity, the type and the importance of the measure.

Amendment

(15) The information on the use of Union funds implemented under direct, ***indirect and shared*** implementation should be published ***in the Financial Transparency System and*** on an internet website of the institutions and should include at least the name, the locality, the amount and the purpose of the funds. That information should take into account relevant criteria such as the periodicity, the type and the importance of the measure.

Or. en

Amendment 231

Luke Ming Flanagan

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) ***The name and locality of the recipients of Union funds should be published for*** prizes, grants and contracts awarded following the opening-up of a public procedure to competition, ***as it is the case*** in particular for contests, call for

Amendment

(16) For prizes, grants and contracts awarded following the opening-up of a public procedure to competition, ***and*** in particular for contests, ***for a*** call for proposals ***and/or a*** call for tenders, ***to*** respect the principles of the TFEU and in

proposals *and* call for tenders, *in the* respect *of* the principles of the TFEU and in particular the principles of transparency, proportionality, equal treatment and non-discrimination. *Moreover such* publication should contribute to the control of the public selection procedures by the *rejected* applicants *of* the competition.

particular the principles of transparency, proportionality, equal treatment and non-discrimination, *the name and locality of the recipients of Union funds should be published.* Such publication should contribute to the control of the public selection procedures by the *unsuccessful* applicants *in* the competition.

Or. en

Justification

Clearer language

Amendment 232

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) Information on scholarships, and other direct support paid to natural persons in most need should remain exempt from publication.

Amendment

(20) Information on scholarships, and other direct support paid to natural persons in most need, *such as unemployed people and refugees*, should remain exempt from publication.

Or. en

Amendment 233

Luke Ming Flanagan

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) Information on scholarships, and other direct support paid to natural persons in most need should remain exempt from publication.

Amendment

(20) Information on scholarships and other direct support paid to natural persons in most need, should remain exempt from publication.

Amendment 234
Luke Ming Flanagan

Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) In order to ensure the respect of the principle of equal treatment between recipients, the publication of information related to natural persons should also be ensured in line with the obligation for the Member States to establish *a large* transparency of *the* contracts above the amount laid down in Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts.

Amendment

(21) In order to ensure the respect of the principle of equal treatment between recipients, the publication of information related to natural persons should also be ensured in line with the obligation for the Member States to establish transparency of contracts above the amount laid down in Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts.

Amendment 235
Bart Staes, Indrek Tarand
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 23

Text proposed by the Commission

(23) *In* the case of indirect and shared implementation, it should be for the persons, entities or designated bodies implementing Union funds to make available information on recipients and final recipients. Where applicable, the level of detail and criteria should be defined in the relevant sector specific rules and may be further defined in the financial framework partnership agreements. The

Amendment

(23) *Apart from the elements laid down in Recital 15*, in the case of indirect and shared implementation, it should be for the persons, entities or designated bodies implementing Union funds to make available information on recipients and final recipients. Where applicable, the level of detail and criteria should be defined in the relevant sector specific rules and may be further defined in the financial

Commission should make available a reference of the website where the information on recipients and final recipients can be found.

framework partnership agreements. The Commission should make available a reference of the website where the information on recipients and final recipients can be found.

Or. en

Amendment 236
Luke Ming Flanagan

Proposal for a regulation
Recital 23

Text proposed by the Commission

(23) In the case of indirect and shared implementation, it should be **for** the persons, entities or designated bodies implementing Union funds to make available information on recipients and final recipients. Where applicable, the level of detail and criteria should be defined in the relevant **sector specific** rules and may be further defined in the financial framework partnership agreements. The Commission should make available a reference of the website where the information on recipients and final recipients can be found.

Amendment

(23) In the case of indirect and shared implementation, it should be **the responsibility of** the persons, entities or designated bodies implementing Union funds to make available information on recipients and final recipients. Where applicable, the level of detail and criteria should be defined in the relevant **sector-specific** rules and may be further defined in the financial framework partnership agreements. The Commission should make available a reference of the website where the information on recipients and final recipients can be found.

Or. en

Amendment 237
Luke Ming Flanagan

Proposal for a regulation
Recital 28

Text proposed by the Commission

(28) For reasons of legal certainty, it is necessary to clarify that the directors of executive agencies act as authorising

Amendment

(28) For reasons of legal certainty, it is necessary to clarify that the directors of executive agencies act as authorising

officers by delegation when managing operational appropriations of programmes delegated to their agency. To achieve the full effect of efficiency gains resulting from a global centralisation of certain support services the possibility for executive agencies to implement administrative expenditures should be explicitly mentioned.

officers by delegation when managing operational appropriations of programmes delegated to their agency. To achieve the full effect of efficiency gains resulting from a global centralisation of certain support services, the possibility for executive agencies to implement administrative expenditures should be explicitly mentioned.

Or. en

Amendment 238
Luke Ming Flanagan

Proposal for a regulation
Recital 32

Text proposed by the Commission

(32) Consequently, the tasks, responsibilities and principles of the procedures to be observed should also be laid down. It is also necessary to provide that the authorising officers by delegation shall ensure that the authorising officers by subdelegation and their staff receive information concerning the control standards and respective methods and techniques and that measures are taken in order to ensure the functioning of the control system which should replace the obligation to establish specific code of professional standards applicable to financial verifications only. The responsibilities assumed are accounted for in an annual report to the institution and the report shall include the required financial and management information to support the authorising officer by delegation's declaration of assurance on the performance of his or her duties, including the information on the overall performance of the operations carried out. The supporting documents relating to the operations carried out should be kept.

Amendment

(32) Consequently, the tasks, responsibilities and principles of the procedures to be observed should also be laid down. It is also necessary to provide that the authorising officers by delegation shall ensure that the authorising officers by subdelegation and their staff receive information concerning the control standards and respective methods and techniques, and that measures are taken in order to ensure the functioning of the control system which should replace the obligation to establish specific code of professional standards applicable to financial verifications only. The responsibilities assumed are accounted for in an annual report to the institution and the report shall include the required financial and management information to support the authorising officer by delegation's declaration of assurance on the performance of his or her duties, including the information on the overall performance of the operations carried out. The supporting documents relating to the operations carried out should be kept.

Finally, all the various forms of negotiated procedure for the award of public contracts should, *since those contracts represent derogations from the usual award procedures*, be the subject of a special report to the institution and of a communication to the European Parliament and Council.

Finally, all the various forms of negotiated procedure for the award of public contracts should be the subject of a special report to the institution and of a communication to the European Parliament and Council, *since those contracts represent derogations from the usual award procedures*.

Or. en

Amendment 239
Luke Ming Flanagan

Proposal for a regulation
Recital 33

Text proposed by the Commission

(33) The double role of the Head of Union delegation, and of their deputies in their absence, as authorising officer by subdelegation for the European External Action Service (hereinafter ‘EEAS’) and, as regards operational appropriations, for the Commission should be taken into account.

Amendment

(33) The double role of the Head of Union delegation (and of their deputies in their absence) as authorising officer by subdelegation **1)** for the European External Action Service (hereinafter ‘EEAS’) and (as regards operational appropriations) **2)** for the Commission, should be taken into account.

Or. en

Amendment 240
Luke Ming Flanagan

Proposal for a regulation
Recital 35

Text proposed by the Commission

(35) The accounting officer continues to be responsible for the proper execution of payments, the collection of revenue and the recovery of amounts receivable. He/She manages the treasury, bank accounts and *third party* files, keeps the accounts and is

Amendment

(35) The accounting officer continues to be responsible for the proper execution of payments, the collection of revenue and the recovery of amounts receivable. He/She manages the treasury, bank accounts and *third-party* files, keeps the accounts and is

responsible for drawing up the institution's financial statements. The accounting officer of the Commission is the only person who is entitled to define the accounting rules and harmonised charts of accounts, while accounting officers of all other Union institutions define accounting procedures applicable in their institutions.

responsible for drawing up the institution's financial statements. The accounting officer of the Commission is the only person who is entitled to define the accounting rules and harmonised charts of accounts, while accounting officers of all other Union institutions define accounting procedures applicable in their institutions.

Or. en

Amendment 241
Luke Ming Flanagan

Proposal for a regulation
Recital 38

Text proposed by the Commission

(38) The conditions for the use of imprest accounts, a system of management which constitutes an exception to normal budgetary procedures, should also be laid down, and the tasks and responsibilities of the imprest administrators, as well as those of the authorising officer and accounting officer in connection with the control of imprest accounts, should be set out. The European Parliament and Council should be informed of any appointment or termination of duties. For reasons of efficiency, imprest accounts should be set up in Union delegations, for appropriations from both the Commission and EEAS sections of the budget. It is also appropriate to allow *under specific conditions* for the use of imprest accounts in the Union delegation for payments of limited amounts by budgetary procedures. As regards the appointment of imprest administrators, it has proven necessary to choose them also from personnel employed by the Commission in the field of crisis management aid and humanitarian aid operations whenever there is no Commission statutory staff available.

Amendment

(38) The conditions for the use of imprest accounts, a system of management which constitutes an exception to normal budgetary procedures, should also be laid down, and the tasks and responsibilities of the imprest administrators, as well as those of the authorising officer and accounting officer in connection with the control of imprest accounts, should be set out. The European Parliament and Council should be informed of any appointment or termination of duties. For reasons of efficiency, imprest accounts should be set up in Union delegations for appropriations from both the Commission and EEAS sections of the budget. It is also appropriate to allow for the use of imprest accounts in the Union delegation for payments of limited amounts by budgetary procedures, *under specific conditions*. As regards the appointment of imprest administrators, it has proven necessary to choose them also from personnel employed by the Commission in the field of crisis management aid and humanitarian aid operations whenever there is no Commission statutory staff available.

Amendment 242
Luke Ming Flanagan

Proposal for a regulation
Recital 40

Text proposed by the Commission

(40) Once the tasks and responsibilities of each financial actor have been defined, they may be held liable only under the conditions laid down in the Staff Regulations of Officials of the European Union and the Conditions of Employment of Other Servants of the European Union. ***The specialised*** financial irregularities panels have been set up in the Union institutions, however due to limited number of cases submitted to them and for reasons of efficiency, it is appropriate to transfer their functions to the newly established inter-institutional panel which has been set up to assess requests and issue recommendations on the imposition ***on*** administrative sanctions (exclusion and financial penalty) referred to it by the Commission or other Union institutions and Union bodies. This transfer also aims at avoiding duplication and mitigating the risks of contradictory recommendations or opinions, in cases where both an economic operator and an EU staff member are involved. The procedure should be maintained by which an authorising officer may seek confirmation of an instruction which that officer considers to be irregular or contrary to the principle of sound financial management, and thus be released from any liability. The composition of this panel should be modified when it fulfils this role.

Amendment

(40) Once the tasks and responsibilities of each financial actor have been defined, they may be held liable only under the conditions laid down in the Staff Regulations of Officials of the European Union and the Conditions of Employment of Other Servants of the European Union. Specialised financial irregularities panels have been set up in the Union institutions; however, due to ***the*** limited number of cases submitted to them and for reasons of efficiency, it is appropriate to transfer their functions to the newly established inter-institutional panel which has been set up to assess requests and issue recommendations on the imposition ***of*** administrative sanctions (exclusion and financial penalty) referred to it by the Commission or other Union institutions and Union bodies. This transfer also aims at avoiding duplication and ***at*** mitigating the risks of contradictory recommendations or opinions in cases where both an economic operator and an EU staff member are involved. The procedure should be maintained by which an authorising officer may seek confirmation of an instruction which that officer considers to be irregular or contrary to the principle of sound financial management, and thus be released from any liability. The composition of this panel should be modified when it fulfils this role.

Amendment 243
Luke Ming Flanagan

Proposal for a regulation
Recital 48

Text proposed by the Commission

(48) In order to secure the management of assets whilst also yielding financial remuneration, it is necessary to have the amounts provisionally cashed, such as competitions fines which are being contested, invested in financial assets, and to determine the assignment of the return on them. Since the Commission is not the only institution which is entitled to impose fines or other penalties, it is necessary to set provisions concerning such fines or other penalties imposed by other institutions and to set rules for their recovery which should be equivalent to those for the fines or penalties imposed by the Commission.

Amendment

(48) In order to secure the management of assets whilst also yielding financial remuneration, it is necessary to have the amounts provisionally cashed (such as competitions fines which are being contested), invested in financial assets, and to determine the assignment of the return on them. Since the Commission is not the only institution which is entitled to impose fines or other penalties, it is necessary to set provisions concerning such fines or other penalties imposed by other institutions and to set rules for their recovery which should be equivalent to those for the fines or penalties imposed by the Commission.

Or. en

Amendment 244
Marco Zanni

Proposal for a regulation
Recital 49

Text proposed by the Commission

(49) In order to ensure that the Commission has all the necessary information for the adoption of the financing decisions, it is necessary to lay down the minimum requirements for the contents of financing decisions on grants, procurement, trust funds, prizes, financial instruments, *blending facilities* and budgetary guarantees. At the same time, in

Amendment

(49) In order to ensure that the Commission has all the necessary information for the adoption of the financing decisions, it is necessary to lay down the minimum requirements for the contents of financing decisions on grants, procurement, trust funds, prizes, financial instruments and budgetary guarantees. At the same time, in order to give a longer-

order to give a longer-term perspective to the potential recipients, it is necessary to allow that the financing decisions are adopted for more than one year but the implementation being subject to the availability of budget appropriations for the respective year. In order to enable such longer-term perspective it is necessary to reduce the number of the elements required for the financing decision. With the aim of simplification, the financing decision should at the same time constitute an annual or multi-annual programme. Since the contribution to the bodies referred to in Articles 69 and 70 is already established in the annual budget, it should not be required to adopt a specific financing decision in this respect.

term perspective to the potential recipients, it is necessary to allow that the financing decisions are adopted for more than one year but the implementation being subject to the availability of budget appropriations for the respective year. In order to enable such longer-term perspective it is necessary to reduce the number of the elements required for the financing decision. With the aim of simplification, the financing decision should at the same time constitute an annual or multi-annual programme. Since the contribution to the bodies referred to in Articles 69 and 70 is already established in the annual budget, it should not be required to adopt a specific financing decision in this respect.

Or. it

Amendment 245
Luke Ming Flanagan

Proposal for a regulation
Recital 52

Text proposed by the Commission

(52) In order to make better use of the appropriations available for the implementation of external actions, the time limit during which individual legal commitments may be made on the basis of global budgetary commitment should be removed as well as the obligation to conclude a contribution agreement until 31 December of year n+1 in cases where a financing agreement with the third country presents the global budgetary commitment covering also the contribution agreement.

Amendment

(52) In order to make better use of the appropriations available for the implementation of external actions, the time limit during which individual legal commitments may be made on the basis of global budgetary commitment should be removed, as well as the obligation to conclude a contribution agreement until 31 December of year n+1 in cases where a financing agreement with the third country presents the global budgetary commitment covering also the contribution agreement.

Or. en

Amendment 246
Luke Ming Flanagan

Proposal for a regulation
Recital 53

Text proposed by the Commission

(53) As regards the typology of payments which may be made by authorising officers, clarification of the various types of payments should, in accordance with the principle of sound financial management, ***be provided***. The rules for clearing of pre-financing payments should further be clarified in particular for situations where no interim clearing is possible. To this effect, appropriate provisions should be included in legal commitments signed.

Amendment

(53) As regards the typology of payments which may be made by authorising officers, clarification of the various types of payments should ***be provided***, in accordance with the principle of sound financial management. The rules for clearing of pre-financing payments should further be clarified, in particular for situations where no interim clearing is possible. To this effect, appropriate provisions should be included in legal commitments signed.

Or. en

Amendment 247
Nedzhmi Ali, Martina Dlabajová, Nils Torvalds

Proposal for a regulation
Recital 54

Text proposed by the Commission

(54) This Regulation should stipulate that the payments must be made within a specified time limit and that in the event of failure to respect this time limit creditors will be entitled to default interests to be charged to the budget, with the exception of Member States ***and as newly introduced, also the European Investment Bank and the European Investment Fund***.

Amendment

(54) This Regulation should stipulate that the payments must be made within a specified time limit and that in the event of failure to respect this time limit creditors will be entitled to default interests to be charged to the budget, with the exception of Member States.

Or. en

Justification

The EIB Group should not be treated differently in this respect from other entities implementing EU budgetary funds or creditors of the Union. In this regard the EIB Group is required by its Statute to ensure its costs are covered and that the inclusion of the EIB/EIF in this provision may provoke negative reactions from the credit rating agencies related to existing instruments such as EFSI, the ELM (External Lending Mandate) and InnovFin.

Amendment 248 **Luke Ming Flanagan**

Proposal for a regulation **Recital 54**

Text proposed by the Commission

(54) This Regulation should stipulate that the payments must be made within a specified time limit and that in the event of failure to respect this time limit creditors will be entitled to default interests to be charged to the budget, with the exception of Member States and as newly introduced, *also* the European Investment Bank and the European Investment Fund.

Amendment

(54) This Regulation should stipulate that the payments must be made within a specified time limit, and that in the event of failure to respect this time limit, creditors will be entitled to default interests to be charged to the budget, with the exception of Member States and *also*, as newly introduced, the European Investment Bank and the European Investment Fund.

Or. en

Amendment 249 **Luke Ming Flanagan**

Proposal for a regulation **Recital 55**

Text proposed by the Commission

(55) It is considered appropriate to integrate the provisions concerning validation and authorisation of expenditure in one article and to introduce a definition of de-commitments. Since the transactions are carried out in computerised systems, the concept of "signing a 'passed for payment' voucher" has been replaced by "electronically secured signature" except in

Amendment

(55) It is considered appropriate to integrate the provisions concerning validation and authorisation of expenditure in one article and to introduce a definition of de-commitments. Since the transactions are carried out in computerised systems, the concept of "signing a 'passed for payment' voucher" has been replaced by "electronically secured signature" except in

a limited number of cases. It is also necessary to clarify that the validation of expenditure applies to all eligible costs, *i.e. also such* which are not associated with a request for payment, this being the case for the clearing of pre-financing.

a limited number of cases. It is also necessary to clarify that the validation of expenditure applies to all eligible costs, *including those* which are not associated with a request for payment, this being the case for the clearing of pre-financing.

Or. en

Amendment 250
Luke Ming Flanagan

Proposal for a regulation
Recital 56

Text proposed by the Commission

(56) In order to reduce complexity, streamline existing rules and improve the readability of this Regulation rules common to more than one budget implementation instruments should be established. For those reasons certain provisions should be regrouped, the wording and scope of other provisions should be aligned and unnecessary repetitions and cross referencing should be removed.

Amendment

(56) In order to reduce complexity, streamline existing rules and improve the readability of this Regulation, rules common to more than one budget implementation instruments should be established. For those reasons certain provisions should be regrouped, the wording and scope of other provisions should be aligned and unnecessary repetitions and cross referencing should be removed.

Or. en

Amendment 251
Bart Staes, Indrek Tarand
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 57

Text proposed by the Commission

(57) More emphasis should be put on performance *and results*. It is thus appropriate to define an additional form of financing not linked to costs of the relevant

Amendment

(57) More emphasis should be put on performance *outputs and outcomes*. It is thus appropriate to define an additional form of financing not linked to costs of the

operations in addition to the forms of Union contribution already well established (reimbursement of the eligible costs actually incurred, unit cost, lump sums and flat-rate financing). This form of financing should be either based on the fulfilment of certain conditions ex ante or the achievement of results measured by reference to the previously set milestones or through performance indicators.

relevant operations in addition to the forms of Union contribution already well established (reimbursement of the eligible costs actually incurred, unit cost, lump sums and flat-rate financing). This form of financing should be either based on the fulfilment of certain conditions ex ante or the achievement of results measured by reference to the previously set milestones or through performance indicators.

Or. en

Amendment 252
Marco Zanni

Proposal for a regulation
Recital 60

Text proposed by the Commission

Amendment

(60) It is important to allow Member States to request that resources allocated to them under shared implementation are transferred at Union level and implemented by the Commission in direct or indirect implementation, where possible for the benefit of the Member State concerned. This would optimise the use of these resources and of the instruments established under this Regulation or under sector specific Regulations including the EFSI Regulation, to which the Member States would request these resources to be transferred. In order to guarantee an efficient implementation of these instruments, it is necessary to foresee that where resources are transferred to instruments established under this Regulation or under sector specific Regulations including the EFSI Regulation, the rules of those regulations shall apply.

deleted

Or. it

Amendment 253

**Vladimír Maňka, Inés Ayala Sender, Georgi Pirinski, Jutta Steinruck, Derek Vaughan,
Constanze Krehl**
on behalf of the S&D Group

Proposal for a regulation

Recital 60

Text proposed by the Commission

Amendment

(60) It is important to allow Member States to request that resources allocated to them under shared implementation are transferred at Union level and implemented by the Commission in direct or indirect implementation, where possible for the benefit of the Member State concerned. This would optimise the use of these resources and of the instruments established under this Regulation or under sector specific Regulations including the EFSI Regulation, to which the Member States would request these resources to be transferred. In order to guarantee an efficient implementation of these instruments, it is necessary to foresee that where resources are transferred to instruments established under this Regulation or under sector specific Regulations including the EFSI Regulation, the rules of those regulations shall apply.

deleted

Or. en

Justification

Such a transfer of resources would be in contradiction with policy objectives of the funds under shared implementation, favouring instead financial instruments, EFSI and trust funds under direct and indirect implementation, and, therefore, must not be considered. The Commission should propose other mechanism and to provide more technical assistance for optimal use of the resources allocated to Member States.

Amendment 254

Esteban González Pons, José Ignacio Salafranca Sánchez-Neyra

Proposal for a regulation

Recital 60

Text proposed by the Commission

Amendment

(60) It is important to allow Member States to request that resources allocated to them under shared implementation are transferred at Union level and implemented by the Commission in direct or indirect implementation, where possible for the benefit of the Member State concerned. This would optimise the use of these resources and of the instruments established under this Regulation or under sector specific Regulations including the EFSI Regulation, to which the Member States would request these resources to be transferred. In order to guarantee an efficient implementation of these instruments, it is necessary to foresee that where resources are transferred to instruments established under this Regulation or under sector specific Regulations including the EFSI Regulation, the rules of those regulations shall apply. *deleted*

Or. en

Justification

Infringes the agreements reached by the budgetary authority when the MFF was approved because it allows to move cohesion policy funds, which have shared management, to other policies managed directly by the Commission. This undermines the control of the budgetary authority.

Amendment 255

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 60

Text proposed by the Commission

Amendment

(60) *It is important to allow Member States to request that resources allocated to them under shared implementation are transferred at Union level and implemented by the Commission in direct or indirect implementation, where possible for the benefit of the Member State concerned. This would optimise the use of these resources and of the instruments established under this Regulation or under sector specific Regulations including the EFSI Regulation, to which the Member States would request these resources to be transferred. In order to guarantee an efficient implementation of these instruments, it is necessary to foresee that where resources are transferred to instruments established under this Regulation or under sector specific Regulations including the EFSI Regulation, the rules of those regulations shall apply.*

deleted

Or. en

Amendment 256

Vladimír Maňka, Inés Ayala Sender
on behalf of the S&D Group

Proposal for a regulation

Recital 60 a (new)

Text proposed by the Commission

Amendment

(60 a) *Financial instruments enable the Member States to reuse unspent resources from the European Structural and Investment Funds for future purposes. The coordination, synergy, and complementarity of these funds and EFSI for the benefit of the Member State and*

the regions concerned, and supporting thematic objectives of the Cohesion Policy, should remain possible under Article 265.

Or. en

Amendment 257
Luke Ming Flanagan

Proposal for a regulation
Recital 63

Text proposed by the Commission

(63) This Regulation should establish standard periods for which documents relating to Union contributions should be kept by recipients so as to avoid divergent or disproportionate contractual requirements while still providing the Commission, the European Anti-fraud office and the Court of Auditors with sufficient time to obtain access to such data and documents and perform the ex post checks and audits. In addition, participants and recipients should be obliged to cooperate in the protection of the Union's financial interest.

Amendment

(63) This Regulation should establish standard periods for which documents relating to Union contributions should be kept by recipients so as to avoid divergent or disproportionate contractual requirements, while still providing the Commission, the European Anti-fraud office and the Court of Auditors with sufficient time to obtain access to such data and documents and perform the ex post checks and audits. In addition, participants and recipients should be obliged to cooperate in the protection of the Union's financial interest.

Or. en

Amendment 258
Luke Ming Flanagan

Proposal for a regulation
Recital 64

Text proposed by the Commission

(64) In order to provide adequate information to participants and recipients and to ensure that they have the possibility to exercise their right of defence this

Amendment

(64) In order to provide adequate information to participants and recipients and to ensure that they have the possibility to exercise their right of defence, this

Regulation should allow participants and recipients to submit their observations before adoption of any measure adversely affecting their rights and to be informed on the means of redress *they dispose of* for challenging such a measure.

Regulation should allow participants and recipients to submit their observations before adoption of any measure adversely affecting their rights and to be informed on the means of redress for challenging such a measure.

Or. en

Amendment 259
Luke Ming Flanagan

Proposal for a regulation
Recital 66

Text proposed by the Commission

(66) The early detection and exclusion system should apply to participants, recipients, entities on whose capacity the candidate or tenderer intends to rely *or to* subcontractors of a contractor, any person or entity receiving Union funds where the budget is implemented under indirect implementation, any person or entity receiving Union funds under financial instruments directly implemented *and* participants or recipients of entities implementing the budget under shared implementation.

Amendment

(66) The early detection and exclusion system should apply to:
* participants;
* recipients;
* entities on whose capacity the candidate or tenderer intends to rely;
* subcontractors of a contractor;
* any person or entity receiving Union funds where the budget is implemented under indirect implementation;
* any person or entity receiving Union funds under financial instruments directly implemented;
* participants or recipients of entities implementing the budget under shared implementation.

Or. en

Amendment 260
Luke Ming Flanagan

Proposal for a regulation
Recital 68

Text proposed by the Commission

Amendment

(68) The decision to exclude a person or entity from participation in award procedures or the imposition of a financial penalty and the decision to publish the related information should be taken by the authorising officer responsible, in light of their autonomy in administrative matters. In the absence of a final judgment or final administrative decision and in cases related to a serious breach of contract, the authorising officers responsible should take their decision having regard to the recommendation of the panel on the basis of a preliminary classification in law.. The panel should also assess the duration of an exclusion in cases where the duration has not been set by the final judgment or the final administrative decision.

(68) The decision to **a)** exclude a person or entity from participation in award procedures or the imposition of a financial penalty and **b)** the decision to publish the related information, should be taken by the authorising officer responsible, in light of their autonomy in administrative matters. In the absence of a final judgment or final administrative decision and in cases related to a serious breach of contract, the authorising officers responsible should take their decision having regard to the recommendation of the panel on the basis of a preliminary classification in law. The panel should also assess the duration of an exclusion in cases where the duration has not been set by the final judgment or the final administrative decision.

Or. en

Amendment 261
Luke Ming Flanagan

Proposal for a regulation
Recital 70

Text proposed by the Commission

(70) The preliminary classification in law does not prejudice the final assessment ***of the conduct of the person or entity concerned by the competent authorities of Member States under national law***. The recommendation of the panel, as well as the decision of the authorising officer responsible, should therefore be reviewed following the notification of such a final assessment.

Amendment

(70) The preliminary classification in law does not prejudice the final assessment ***by the competent authorities of Member States under national law of the conduct of the person or of the entity concerned***. The recommendation of the panel, as well as the decision of the authorising officer responsible, should therefore be reviewed following the notification of such a final assessment.

Or. en

Amendment 262
Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 71

Text proposed by the Commission

(71) A person or entity should be excluded by the authorising officer responsible when a final judgment or a final administrative decision has been taken in the case of grave professional misconduct, non-compliance, whether intentional or not, with the obligations related to the payment of social security contributions or the payment of taxes, fraud affecting the budget, corruption, participation in a criminal organisation, money laundering, terrorist financing, terrorist related offences, child labour or other forms of trafficking in human beings or irregularity. It should also be excluded in the case of a serious breach of a legal commitment or bankruptcy.

Amendment

(71) A person or entity should be excluded by the authorising officer responsible when a final judgment or a final administrative decision has been taken in the case of grave professional misconduct, non-compliance, whether intentional or not, with the obligations related to the payment of social security contributions or the payment of taxes, ***tax good governance standards including fair tax competition***, fraud affecting the budget, corruption, participation in a criminal organisation, money laundering, terrorist financing, terrorist related offences, child labour or other forms of trafficking in human beings or irregularity. It should also be excluded in the case of a serious breach of a legal commitment or bankruptcy. ***It should also be excluded in the case it does not comply with tax transparency and publicly disclose country by country reporting information as foreseen in Directive 2013/34/EU.***

Or. en

Amendment 263

Luke Ming Flanagan

Proposal for a regulation

Recital 71

Text proposed by the Commission

(71) A person or entity should be excluded by the authorising officer responsible when a final judgment or a final administrative decision has been taken in the case of grave professional

Amendment

(71) A person or entity should be excluded by the authorising officer responsible when a final judgment or a final administrative decision has been taken in the case of ***any of the following***:

misconduct, non-compliance, whether intentional or not, with the obligations related to the payment of social security contributions or the payment of taxes, fraud affecting the budget, corruption, participation in a criminal *organisation*, money laundering, terrorist financing, *terrorist related* offences, child labour or other forms of trafficking in human beings or irregularity. It should also be excluded in the case of a serious breach of a legal commitment or bankruptcy.

* grave professional misconduct *and/or of* non-compliance (whether intentional or not) with the obligations related to the payment of social security contributions or the payment of taxes;
* fraud affecting the budget;
* corruption;
* participation in a criminal *organization*;
* money laundering;
* terrorist financing;
* *terrorist-related* offences;
* child labour or other forms of trafficking in human beings or *any such* irregularity. It should also be excluded in the case of a serious breach of a legal commitment or bankruptcy.

Or. en

Justification

Clarifying that non-compliance with even any ONE of the above is grounds for exclusion

Amendment 264

Marco Valli, Laura Agea

Proposal for a regulation

Recital 71

Text proposed by the Commission

(71) A person or entity should be excluded by the authorising officer responsible when a final judgment or a final administrative decision has been taken in the case of grave professional misconduct, non-compliance, whether intentional or not, with the obligations related to the payment of social security contributions or the payment of taxes, fraud affecting the budget, corruption, participation in a criminal organisation, money laundering, terrorist financing, terrorist related offences, child labour or other forms of trafficking in human beings or irregularity. It should also be excluded

Amendment

(71) A person or entity should be excluded by the authorising officer responsible when a final judgment or a final administrative decision has been taken in the case of grave professional misconduct, non-compliance, whether intentional or not, with the obligations related to the payment of social security contributions or the payment of taxes, *where its registered office is established in a non-cooperative jurisdiction*, fraud affecting the budget, corruption, participation in a criminal organisation, money laundering, terrorist financing, terrorist related offences, child labour or

in the case of a serious breach of a legal commitment or bankruptcy.

other forms of trafficking in human beings or irregularity. It should also be excluded in the case of a serious breach of a legal commitment or bankruptcy.

Or. it

Amendment 265
Marco Zanni

Proposal for a regulation
Recital 71

Text proposed by the Commission

(71) A person or entity should be excluded by the authorising officer responsible when a final judgment or a final administrative decision has been taken in the case of grave professional misconduct, non-compliance, whether intentional or not, with the obligations related to the payment of social security contributions or the payment of taxes, fraud affecting the budget, corruption, participation in a criminal organisation, money laundering, terrorist financing, terrorist related offences, child labour or other forms of trafficking in human beings or irregularity. It should also be excluded in the case of a serious breach of a legal commitment or bankruptcy.

Amendment

(71) A person or entity should be excluded by the authorising officer responsible when a final judgment or a final administrative decision has been taken in the case of grave professional misconduct, non-compliance, whether intentional or not, with the obligations related to the payment of social security contributions or the payment of taxes, fraud affecting the budget, corruption, participation in a criminal **organisation or aiding and abetting such an** organisation, money laundering, terrorist financing, terrorist related offences, child labour or other forms of trafficking in human beings or irregularity. It should also be excluded in the case of a serious breach of a legal commitment or bankruptcy.

Or. it

Amendment 266
Luke Ming Flanagan

Proposal for a regulation
Recital 72

Text proposed by the Commission

Amendment

(72) When deciding on the exclusion or the imposition of a financial penalty **and on the publication thereof or on the rejection of person or entity**, the authorising officer responsible should ensure compliance with the principle of proportionality by taking into particular account the seriousness of the situation, its budgetary impact, the time which has elapsed since the relevant conduct, its duration and its recurrence, the intention or degree of negligence and the degree of collaboration of the person or entity with the relevant competent authority and its contribution to the investigation.

(72) When deciding on the exclusion **of a person or entity**, or the imposition of a financial penalty **on a person or entity, and on the publication thereof**, the authorising officer responsible should ensure compliance with the principle of proportionality by taking into particular account the seriousness of the situation, its budgetary impact, the time which has elapsed since the relevant conduct, its duration and its recurrence, the intention or degree of negligence and the degree of collaboration of the person or entity with the relevant competent authority and its contribution to the investigation.

Or. en

Amendment 267
Luke Ming Flanagan

Proposal for a regulation
Recital 74

Text proposed by the Commission

(74) A person or entity should not be subject to a decision of exclusion when it has taken remedial measures, thus demonstrating its reliability. That possibility should not apply in case of **the most severe criminal activities**.

Amendment

(74) A person or entity should not be subject to a decision of exclusion when it has taken remedial measures, thus demonstrating its reliability. That possibility should not apply in **the case of criminal activities involving an amount greater than EUR 5000**.

Or. en

Justification

'Most severe' needs defining...

Amendment 268
Luke Ming Flanagan

Proposal for a regulation

Recital 75

Text proposed by the Commission

(75) In light of the principle of proportionality, cases where a financial penalty may be imposed as an alternative to the exclusion and cases where the gravity of the conduct of the recipient concerned in respect of attempting to unduly obtain Union funds justifies the imposition of a financial penalty in addition to the exclusion so as to ensure a deterrent effect should be distinguished. The minimum and maximum financial penalty which can be imposed by the contracting authority should also be defined.

Amendment

(75) In light of the principle of proportionality, cases where **a)** a financial penalty may be imposed as an alternative to the exclusion and **b)** cases where the gravity of the conduct of the recipient concerned in respect of attempting to unduly obtain Union funds justifies the imposition of a financial penalty in addition to the exclusion so as to ensure a deterrent effect, should be distinguished. The minimum and maximum financial penalty which can be imposed by the contracting authority should also be defined.

Or. en

Amendment 269

Luke Ming Flanagan

Proposal for a regulation

Recital 77

Text proposed by the Commission

(77) The possibility to apply administrative and/or financial penalties on a regulatory basis is independent from the possibility to apply contractual penalties, such as liquidated damages and should be noted.

Amendment

(77) The possibility to apply administrative and/or financial penalties on a regulatory basis is independent from the possibility to apply contractual penalties such as liquidated damages, and should be noted.

Or. en

Amendment 270

Luke Ming Flanagan

Proposal for a regulation

Recital 80

Text proposed by the Commission

(80) It is important to be able to reinforce the deterrent effect achieved by the exclusion and the financial penalty. In that regard, the deterrent effect should be reinforced by the possibility *to publish* the information related to the exclusion and/or to the financial penalty, with full respect for the data protection requirements set out in Regulation (EC) No 45/2001 of the European Parliament and of the Council (6) and in Directive 95/46/EC of the European Parliament and of the Council (7). This should contribute to ensuring that the same conduct is not repeated. For reasons of legal certainty and in accordance with the principle of proportionality it should be specified in which situations a publication should not take place. In its assessment, the authorising officer responsible should have regard to any recommendation of the panel. As far as natural persons are concerned, personal data should only be published in exceptional cases justified by the seriousness of the conduct or its impact on the Union's financial interests.

Amendment

(80) It is important to be able to reinforce the deterrent effect achieved by the exclusion and the financial penalty. In that regard, the deterrent effect should be reinforced by the possibility *of publishing* the information related to the exclusion and/or to the financial penalty, with full respect for the data protection requirements set out in Regulation (EC) No 45/2001 of the European Parliament and of the Council (6) and in Directive 95/46/EC of the European Parliament and of the Council (7). This should contribute to ensuring that the same conduct is not repeated. For reasons of legal certainty and in accordance with the principle of proportionality, it should be specified in which situations a publication should not take place. In its assessment, the authorising officer responsible should have regard to any recommendation of the panel. As far as natural persons are concerned, personal data should only be published in exceptional cases justified by the seriousness of the conduct or its impact on the Union's financial interests.

Or. en

Amendment 271
Luke Ming Flanagan

Proposal for a regulation
Recital 84

Text proposed by the Commission

(84) While the setting up and the operation of the early detection and exclusion system should be the responsibility of the Commission, other institutions and bodies, as well as all entities implementing the budget under direct, shared and indirect implementation

Amendment

(84) While the setting up and the operation of the early detection and exclusion system should be the responsibility of the Commission, other institutions and bodies (as well as all entities implementing the budget under direct, shared and indirect implementation)

should participate in that system by transmitting relevant information to the Commission. The authorising officer responsible and the panel should guarantee the right of defence of economic operators. The same right should be given to a person *of* entity, in the context of an early detection, where an act envisaged by an authorising officer could adversely affect the rights of the person *of* entity concerned. In cases of fraud, corruption or any other illegal activity affecting the Union's financial interests which are not yet subject to a final judgment, the authorising officer responsible and the panel should be given the possibility to defer the opportunity given to the person *of* entity to submit its observations. Such deferral should only be justified where there are compelling legitimate grounds to preserve the confidentiality of the investigation.

should *also* participate in that system by transmitting relevant information to the Commission. The authorising officer responsible and the panel should guarantee the right of defence of economic operators. The same right should be given to a person *or* entity, in the context of an early detection, where an act envisaged by an authorising officer could adversely affect the rights of the person *or* entity concerned. In cases of fraud, corruption or any other illegal activity affecting the Union's financial interests which are not yet subject to a final judgment, the authorising officer responsible and the panel should be given the possibility to defer the opportunity given to the person *or* entity to submit its observations. Such deferral should only be justified where there are compelling legitimate grounds to preserve the confidentiality of the investigation.

Or. en

Amendment 272
Luke Ming Flanagan

Proposal for a regulation
Recital 87

Text proposed by the Commission

(87) This Regulation should foster the objective of e-Government, *and in particular the use of electronic data* in the exchange of information between the institutions and third parties.

Amendment

(87) This Regulation should foster the objective of e-Government in the exchange of information between the institutions and third parties, *in particular the use of electronic data*.

Or. en

Amendment 273
Luke Ming Flanagan

Proposal for a regulation
Recital 89

Text proposed by the Commission

(89) Rules on the composition and tasks of the committee in charge of assessing application documents in procurement, grant award procedures and in contests for prizes should be laid down. The committee may be composed of external experts if provided *so* in the basic act.

Amendment

(89) Rules on the composition and tasks of the committee in charge of assessing application documents in procurement, grant award procedures and in contests for prizes should be laid down. The committee may be composed of external experts, if provided *for* in the basic act.

Or. en

Amendment 274
Luke Ming Flanagan

Proposal for a regulation
Recital 90

Text proposed by the Commission

(90) In line with the principle of good administration the authorising officer should request clarifications or missing documents while respecting the principle of equality of treatment and without substantially changing the application documents. The authorising officer may decide not to do so only in duly justified cases. In addition, the authorising officer should be able to correct an obvious clerical error or request the participant to correct it.

Amendment

(90) In line with the principle of good administration, the authorising officer should request clarifications or missing documents, while respecting the principle of equality of treatment and without substantially changing the application documents. The authorising officer may decide not to do so only in duly justified cases. In addition, the authorising officer should be able to correct an obvious clerical error or request the participant to correct it.

Or. en

Amendment 275
Luke Ming Flanagan

Proposal for a regulation
Recital 91

Text proposed by the Commission

(91) Sound financial management should require that the Commission protects itself by requesting guarantees at the time of paying pre-financing. The requirement for contractors and beneficiaries to lodge guarantees should not be automatic, but should be based on a risk analysis. Where during the course of implementation the authorising officer discovers that a guarantor is no longer authorised to issue guarantees in accordance with the applicable national law, the authorising officer should be able to require replacement of the guarantee.

Amendment

(91) Sound financial management should require that the Commission protects itself by requesting guarantees at the time of paying pre-financing. The requirement for contractors and beneficiaries to lodge guarantees should not be automatic, but should be based on a risk analysis. Where, during the course of implementation, the authorising officer discovers that a guarantor is no longer authorised to issue guarantees in accordance with the applicable national law, the authorising officer should be able to require replacement of the guarantee.

Or. en

Amendment 276
Luke Ming Flanagan

Proposal for a regulation
Recital 93

Text proposed by the Commission

(93) The provisions on the ex-ante pillar assessment should be revised to enable the Commission to rely as much as possible on the systems and procedures of the partners which have deemed equivalent to the ones used by the Commission. In addition, it is important to clarify that where the assessment reveals areas where the procedures in place are not sufficient to protect the financial interests of the Union, the Commission may sign contribution agreements while imposing additional supervisory measures. It is also important to clarify where the Commission does not require a pillar assessment in order to sign contribution agreements.

Amendment

(93) The provisions on the ex-ante pillar assessment should be revised to enable the Commission to rely as much as possible on the systems and procedures of the partners which have *been* deemed equivalent to the ones used by the Commission. In addition, it is important to clarify that where the assessment reveals areas where the procedures in place are not sufficient to protect the financial interests of the Union, the Commission may sign contribution agreements while imposing additional supervisory measures. It is also important to clarify *the areas* where the Commission does not require a pillar assessment in order to sign contribution agreements.

Or. en

Amendment 277
Luke Ming Flanagan

Proposal for a regulation
Recital 94

Text proposed by the Commission

(94) It is appropriate to indicate that the remuneration of the Organisations implementing the EU budget should, where relevant and possible, have a ***performance based*** nature.

Amendment

(94) It is appropriate to indicate that the remuneration of the Organisations implementing the EU budget should, where relevant and possible, have a ***performance-based*** nature.

Or. en

Amendment 278
Bart Staes, Indrek Tarand
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 96

Text proposed by the Commission

(96) It is important to ***recognise the specific nature*** of blending facilities where the Commission blends its contribution with that of Financial Institutions and to clarify the application of Title X on Financial Instruments.

Amendment

(96) It is important to ***improve the nature and the use*** of blending facilities where the Commission blends its contribution with that of Financial Institutions and to clarify the application of Title X on Financial Instruments.

Or. en

Amendment 279
Marco Valli, Laura Agea

Proposal for a regulation
Recital 97 a (new)

Text proposed by the Commission

Amendment

(97a) The utmost transparency should be ensured with regard to contractors and subcontractors, making the relevant data accessible.

Or. it

Amendment 280
Luke Ming Flanagan

Proposal for a regulation
Recital 103

Text proposed by the Commission

(103) The contribution of contracting authorities the protection of the environment and the promotion of sustainable development, while ensuring that they can obtain the best value for money for their contracts, in particular through requiring specific labels or through the use of appropriate award methods, should be clarified.

Amendment

(103) The contribution of contracting authorities *to* the protection of the environment and the promotion of sustainable development, while ensuring that they can obtain the best value for money for their contracts, in particular through requiring specific labels or through the use of appropriate award methods, should be clarified.

Or. en

Amendment 281
Luke Ming Flanagan

Proposal for a regulation
Recital 104

Text proposed by the Commission

(104) In order to ensure that, when executing contracts, economic operators comply with the applicable environmental, social and labour law obligations established by Union law, national law, collective agreements or the applicable international social and environmental conventions listed in Annex X to Directive 2014/24/EU, such obligations should be

Amendment

(104) In order to ensure that when executing contracts, economic operators comply with the applicable environmental, social and labour law obligations established by Union law, national law, collective agreements or the applicable international social and environmental conventions listed in Annex X to Directive 2014/24/EU, such obligations should be

part of the minimum requirements defined by the contracting authority and should be integrated in the contracts signed by the contracting authority.

part of the minimum requirements defined by the contracting authority and should be integrated in the contracts signed by the contracting authority.

Or. en

Amendment 282
Marco Zanni

Proposal for a regulation
Recital 105

Text proposed by the Commission

(105) It is appropriate that different cases usually referred to as situations of conflict of interest be identified and treated distinctly. The notion of a ‘conflict of interest’ should be solely used for cases where an entity or person with responsibilities for budget implementation, audit or control or an official or an agent of a Union institution is in such a situation. In cases where an economic operator attempts to unduly influence a procedure or obtain confidential information, this should be treated as grave professional misconduct. In addition, economic operators may be in a situation where they should not be selected to implement a contract because of a professional conflicting interest. For instance, a company **should not** evaluate a project in which it has participated or an auditor **should not** be in a position to audit accounts it has previously certified.

Amendment

(105) It is appropriate that different cases usually referred to as situations of conflict of interest be identified and treated distinctly. The notion of a ‘conflict of interest’ should be solely used for cases where an entity or person with responsibilities for budget implementation, audit or control or an official or an agent of a Union institution is in such a situation. In cases where an economic operator attempts to unduly influence a procedure or obtain confidential information, this should be treated as grave professional misconduct. In addition, economic operators may be in a situation where they should not be selected to implement a contract because of a professional conflicting interest. For instance, **it should be prohibited for** a company **to** evaluate a project in which it has participated or **for** an auditor **to** be in a position to audit accounts it has previously certified.

Or. it

Amendment 283
Bart Staes, Indrek Tarand
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 124

Text proposed by the Commission

(124) It is necessary to clarify the scope of the Title on grants, particularly with regard to the type of action or body eligible for a grant as well as with regard to legal commitments that may be used to cover grants. In particular, grant decisions should be phased out due to their limited use and progressive introduction of e-grants. The structure should be simplified by moving the provisions on instruments which are not grants to other parts of the Regulation. The nature of bodies which may receive operating grants should be clarified since the notion of bodies pursuing an aim of general Union interest is covered by the notion of bodies having an objective forming part of and supporting a Union policy. ***In addition, the restrictive definition of a body pursuing an aim of general Union interests should be removed.***

Amendment

(124) It is necessary to clarify the scope of the Title on grants, particularly with regard to the type of action or body eligible for a grant as well as with regard to legal commitments that may be used to cover grants. In particular, grant decisions should be phased out due to their limited use and progressive introduction of e-grants. The structure should be simplified by moving the provisions on instruments which are not grants to other parts of the Regulation. The nature of bodies which may receive operating grants should be clarified since the notion of bodies pursuing an aim of general Union interest is covered by the notion of bodies having an objective forming part of and supporting a Union policy.

Or. en

Amendment 284
Luke Ming Flanagan

Proposal for a regulation
Recital 125

Text proposed by the Commission

(125) In order to simplify procedures and improve the readability of this Regulation provisions related to the content of the grant application, of the call for proposals and of the grant agreement should be simplified and streamlined.

Amendment

(125) In order to simplify procedures and improve the readability of this Regulation, provisions related to the content of the grant application, of the call for proposals and of the grant agreement should be simplified and streamlined.

Or. en

Amendment 285
Luke Ming Flanagan

Proposal for a regulation
Recital 127

Text proposed by the Commission

(127) Experience gained in the use of lump sums, unit costs or flat-rate financing has shown that, such forms of financing significantly simplified administrative procedures and reduced the risk of error **substantially**. Lump sums, flat rates and unit costs are a suitable form of financing independently of the area of Union intervention and in particular for standardised and recurrent actions, e.g. mobility, institutional twinning, training activities, etc. In this context, the conditions for using lump sums, unit costs and flat rates should be made more flexible. It is necessary to provide explicitly for the establishment of single lump sums covering the entire eligible costs of the action or the work programme. In addition, in order to foster focus on results, priority should be given to output-based funding. Input based lump sums, unit costs and flat rates should remain an option where output based ones are not possible or appropriate.

Amendment

(127) Experience gained in the use of lump sums, unit costs or flat-rate financing has shown that such forms of financing significantly simplified administrative procedures and **substantially** reduced the risk of error. Lump sums, flat rates and unit costs are a suitable form of financing independently of the area of Union intervention and in particular for standardised and recurrent actions, e.g. mobility, institutional twinning, training activities, etc. In this context, the conditions for using lump sums, unit costs and flat rates should be made more flexible. It is necessary to provide explicitly for the establishment of single lump sums covering the entire eligible costs of the action or the work programme. In addition, in order to foster focus on results, priority should be given to output-based funding. Input based lump sums, unit costs and flat rates should remain an option where output based ones are not possible or appropriate.

Or. en

Amendment 286
Petri Sarvamaa

Proposal for a regulation
Recital 130

Text proposed by the Commission

(130) The scope of checks and controls as

Amendment

(130) The scope of checks and controls as

opposed to the periodic assessment of lump sums, unit costs or flat rates should be clarified. Those checks and controls should focus on the fulfilment of the conditions triggering the payment of lump sums, unit costs or flat-rates, including, where required, the achievement of outputs. Those conditions should not require reporting on the costs actually incurred by the beneficiary. Where the amounts of lump sums, unit costs or flat-rate financing have been decided ex ante by the authorising officer responsible or the Commission they should not be challenged by ex post controls. The periodic assessment of lump sums, unit costs or flat rates may require access to the accounts of the beneficiary for statistical and methodological purposes. The periodic assessment may lead to updates of the lump sums, unit costs or flat rates applicable to future agreements but should not be used for questioning the value of the lump sums, unit costs or flat rates already agreed upon. Access to the beneficiary's accounts is also necessary for fraud-prevention and detection purposes.

opposed to the periodic assessment of lump sums, unit costs or flat rates should be clarified. Those checks and controls should focus on the fulfilment of the conditions triggering the payment of lump sums, unit costs or flat-rates, including, where required, the achievement of outputs. Those conditions should not require reporting on the costs actually incurred by the beneficiary. ***The frequency and scope of those checks and controls should be dependent on risk related to a beneficiary based on past irregularities.*** Where the amounts of lump sums, unit costs or flat-rate financing have been decided ex ante by the authorising officer responsible or the Commission they should not be challenged by ex post controls. The periodic assessment of lump sums, unit costs or flat rates may require access to the accounts of the beneficiary for statistical and methodological purposes. The periodic assessment may lead to updates of the lump sums, unit costs or flat rates applicable to future agreements but should not be used for questioning the value of the lump sums, unit costs or flat rates already agreed upon. Access to the beneficiary's accounts is also necessary for fraud-prevention and detection purposes.

Or. en

Justification

Checks and controls should be focused more on beneficiaries posing a higher risk to the Union budget. Risk-based checks and controls would allow the EU to use more of its resources on concrete action instead of administration.

Amendment 287
Luke Ming Flanagan

Proposal for a regulation
Recital 130

Text proposed by the Commission

(130) The scope of checks and controls as opposed to the periodic assessment of lump sums, unit costs or flat rates should be clarified. Those checks and controls should focus on the fulfilment of the conditions triggering the payment of lump sums, unit costs or flat-rates, including, where required, the achievement of outputs. Those conditions should not require reporting on the costs actually incurred by the beneficiary. Where the amounts of lump sums, unit costs or flat-rate financing have been decided ex ante by the authorising officer responsible or the Commission they should not be challenged by ex post controls. The periodic assessment of lump sums, unit costs or flat rates may require access to the accounts of the beneficiary for statistical and methodological purposes. The periodic assessment may lead to updates of the lump sums, unit costs or flat rates applicable to future agreements but should not be used for questioning the value of the lump sums, unit costs or flat rates already agreed upon. Access to the beneficiary's accounts is also necessary for fraud-prevention and detection purposes.

Amendment

(130) The scope of checks and controls as opposed to the periodic assessment of lump sums, unit costs or flat rates should be clarified. Those checks and controls should focus on the fulfilment of the conditions triggering the payment of lump sums, unit costs or flat-rates, including, where required, the achievement of outputs. Those conditions should not require reporting on the costs actually incurred by the beneficiary. Where the amounts of lump sums, unit costs or flat-rate financing have been decided ex ante by the authorising officer responsible or **by** the Commission, they should not be challenged by ex post controls. The periodic assessment of lump sums, unit costs or flat rates may require access to the accounts of the beneficiary for statistical and methodological purposes. The periodic assessment may lead to updates of the lump sums, unit costs or flat rates applicable to future agreements but should not be used for questioning the value of the lump sums, unit costs or flat rates already agreed upon. Access to the beneficiary's accounts is also necessary for fraud-prevention and detection purposes.

Or. en

Amendment 288
Luke Ming Flanagan

Proposal for a regulation
Recital 131

Text proposed by the Commission

(131) In order to facilitate the participation of small organisations in the implementation of *the* EU policies ***in an environment of limited availability of resources***, it is necessary to recognise the

Amendment

(131) ***In an environment of limited availability of resources and*** in order to facilitate the participation of small organisations in the implementation of EU policies, it is necessary to recognise the

value of the work provided by volunteers as eligible costs. As a result, such organisations may rely to a greater extent on volunteers' work *for sake of providing co-financing to the action*. Without prejudice to the maximum co-financing rate specified in the basic act, in such cases, the Union grant needs to be limited to the estimated eligible costs other than those covering volunteers' work. As volunteers work is *a* work provided by third parties without a remuneration being paid to them by the beneficiary, the limitation avoids reimbursing costs which the beneficiary did not incur.

value of the work provided by volunteers as eligible costs. As a result, such organisations *in providing co-financing* may rely to a greater extent on volunteers' work. Without prejudice to the maximum co-financing rate specified in the basic act, in such cases the Union grant needs to be limited to the estimated eligible costs other than those covering volunteers' work. As volunteers work is work provided by third parties without a remuneration being paid to them by the beneficiary, the limitation avoids reimbursing costs which the beneficiary did not incur.

Or. en

Amendment 289

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 131 a (new)

Text proposed by the Commission

Amendment

(131 a) In order to protect one of the fundamental principles of the public finances, the non-profit rule should be kept in this Regulation. The non-profit rule should be seen as one of the main instruments to avoid misuse of the public money.

Or. en

Amendment 290

Marco Zanni

Proposal for a regulation

Recital 136

Text proposed by the Commission

(136) In recent years the Union has increasingly used financial instruments that **allow a higher** leverage of the EU budget **to be achieved** but, at the same time, they generate a financial risk for that budget. Among those financial instruments are not only the financial instruments already covered by the Financial Regulation, but also other instruments such as budgetary guarantees and financial assistance that previously have been governed only by the rules established in their respective basic acts. It is important to establish a common framework to ensure the homogeneity of the principles applicable to that set of instruments and to regroup them under a new Title, comprising sections on budgetary guarantees and on financial assistance to Member States or third countries in addition to the existing rules applicable to Financial Instruments.

Amendment

(136) In recent years the Union has increasingly used financial instruments that **should, in theory, increase the** leverage of the EU budget but, at the same time, they generate a financial risk for that budget. Among those financial instruments are not only the financial instruments already covered by the Financial Regulation, but also other instruments such as budgetary guarantees and financial assistance that previously have been governed only by the rules established in their respective basic acts. It is important to establish a common framework to ensure the homogeneity of the principles applicable to that set of instruments and to regroup them under a new Title, comprising sections on budgetary guarantees and on financial assistance to Member States or third countries in addition to the existing rules applicable to Financial Instruments.

Or. it

Amendment 291
Marco Zanni

Proposal for a regulation
Recital 138

Text proposed by the Commission

(138) Within the framework of the annual appropriations authorised by the European Parliament and the Council for a given programme, financial instruments should be used on the basis of an ex ante evaluation demonstrating that they are effective for the achievement of the Union's policy objectives.

Amendment

(138) Within the framework of the annual appropriations authorised by the European Parliament and the Council for a given programme, financial instruments should be used on the basis of an **independent** ex ante evaluation demonstrating that they are **really** effective for the achievement of the Union's policy objectives.

Or. it

Amendment 292

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 139

Text proposed by the Commission

(139) Financial instruments, budgetary guarantees *and financial assistance* should be authorised by means of a basic act.

Where financial instruments are established without a basic act in duly justified cases, they should be authorised by the European Parliament and the Council in the budget.

Amendment

(139) Financial instruments, budgetary guarantees, *financial assistance and Trust Funds* should be authorised by means of a basic act.

Or. en

Amendment 293

Luke Ming Flanagan

Proposal for a regulation

Recital 140

Text proposed by the Commission

(140) The instruments that potentially fall under Title X, such as loans, guarantees, equity investments, quasi-equity investment and risk-sharing instruments should be defined. The definition of risk-sharing instruments should allow for the inclusion of credit enhancements for project bonds, covering the debt service risk of a project and mitigating the credit risk of bond holders through credit enhancements in the form of a loan or a guarantee.

Amendment

(140) The instruments that potentially fall under Title X, such as loans, guarantees, equity investments, quasi-equity investment and risk-sharing instruments, should be defined. The definition of risk-sharing instruments should allow for the inclusion of credit enhancements for project bonds, covering the debt service risk of a project and mitigating the credit risk of bond holders through credit enhancements in the form of a loan or a guarantee.

Or. en

Amendment 294

Petri Sarvamaa

Proposal for a regulation
Recital 142

Text proposed by the Commission

(142) It is appropriate to recognise the alignment of interests in pursuing Union policy objectives and, in particular, that the European Investment Bank and the European Investment Fund have the specific expertise to implement financial instruments.

Amendment

(142) It is appropriate to recognise the alignment of interests in pursuing Union policy objectives and, in particular, that the European Investment Bank and the European Investment Fund have the specific expertise to implement ***Union funds, financial instruments and budgetary guarantees.***

Or. en

Justification

The EIB is the only EU finance institution which is obliged by the TFEU to apply EU objectives, regulations and standards and which has an audit and control system set out in the TFEU.

Amendment 295

Vladimír Maňka, Inés Ayala Sender, Georgi Pirinski
on behalf of the S&D Group

Proposal for a regulation
Recital 144

Text proposed by the Commission

(144) It should be clarified that, where financial instruments are combined with other forms of support from the Union budget, the rules ***on financial instruments should apply. Such rules should be complemented, where applicable, by specific requirements*** stemming from the ***sector specific*** legislation.

Amendment

(144) It should be clarified that, where financial instruments are combined with other forms of support from the Union budget, the rules stemming from the ***sector-specific*** legislation ***should apply.***

Or. en

Amendment 296

Georgi Pirinski, Jutta Steinruck, Inés Ayala Sender

Proposal for a regulation
Recital 144

Text proposed by the Commission

(144) It should be clarified that, where financial instruments are combined with other forms of support from the Union budget, the rules on financial instruments *should apply. Such rules should be complemented, where applicable, by specific requirements stemming from the sector specific legislation.*

Amendment

(144) It should be clarified that, where financial instruments are combined with other forms of support from the Union budget, the *corresponding* rules on financial instruments *and sector-specific legislation* should *apply*.

Or. en

Amendment 297
Indrek Tarand, Bart Staes
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 144

Text proposed by the Commission

(144) It should be clarified that, where financial instruments are combined with other forms of support from the Union budget, the rules *on financial instruments* should apply. Such rules should be complemented, where applicable, by specific requirements *stemming from the sector specific legislation.*

Amendment

(144) It should be clarified that, where financial instruments are combined with other forms of support from the Union budget, the rules *stemming from the sector-specific legislation* should apply. Such rules should be complemented, where applicable, by specific requirements *on financial instruments.*

Or. en

Amendment 298
Luke Ming Flanagan

Proposal for a regulation
Recital 145

Text proposed by the Commission

(145) In addition, the implementation of financial instruments and budgetary guarantees should comply with Union's tax policy objectives and achievements regarding tax avoidance, in particular aggressive tax planning and tax good governance. In that respect, attention should be given to the Commission Recommendation on aggressive tax planning (C(2012)8806), the Commission Recommendation regarding measures to encourage third countries to apply minimum standards of good tax governance in tax matters (C(2012)8805), the Commission Communication on an Anti-Tax Avoidance Package: Next steps towards delivering effective taxation and greater tax transparency in the EU (COM(2016)23), **including** particular the Commission Communication on an External Strategy for Effective Taxation (COM(2016)24), and related developments at Union level.

Amendment

(145) In addition, the implementation of financial instruments and budgetary guarantees should comply with **the** Union's tax policy objectives and achievements regarding tax avoidance, in particular aggressive tax planning and tax good governance. In that respect, attention should be given to the Commission Recommendation on aggressive tax planning (C(2012)8806), the Commission Recommendation regarding measures to encourage third countries to apply minimum standards of good tax governance in tax matters (C(2012)8805), the Commission Communication on an Anti-Tax Avoidance Package: Next steps towards delivering effective taxation and greater tax transparency in the EU (COM(2016)23), **including in** particular the Commission Communication on an External Strategy for Effective Taxation (COM(2016)24), and related developments at Union level.

Or. en

Amendment 299

Marco Zanni

Proposal for a regulation

Recital 146

Text proposed by the Commission

(146) Budgetary guarantees and financial assistance to Member States **or third countries** are off-budget operations that have a significant impact on the balance sheet of the Union. While remaining off-budget operations, their inclusion in the Financial Regulation provides a stronger protection of the financial interests of the Union and a clearer framework for their authorisation, management and accounting.

Amendment

(146) Budgetary guarantees and financial assistance to Member States are off-budget operations that have a significant impact on the balance sheet of the Union. While remaining off-budget operations, their inclusion in the Financial Regulation provides a stronger protection of the financial interests of the Union and a clearer framework for their authorisation, management and accounting.

Amendment 300
Marco Zanni

Proposal for a regulation
Recital 153

Text proposed by the Commission

(153) Financial assistance to Member States *or third countries* should take the form of a loan, of a credit line or any other instrument deemed appropriate to ensure the effectiveness of the support. The resources to be provided are borrowed by the Commission that should be empowered to that end, *on the capital markets or* from financial institutions, avoiding the involvement of the Union in any transformation of maturities that would expose it to an interest risk or any other market risk.

Amendment

(153) Financial assistance to Member States should take the form of a loan, of a credit line or any other instrument deemed appropriate to ensure the effectiveness of the support. The resources to be provided are borrowed by the Commission that should be empowered to that end, from financial institutions, avoiding the involvement of the Union in any transformation of maturities that would expose it to an interest risk or any other market risk.

Amendment 301
Marco Zanni

Proposal for a regulation
Recital 155

Text proposed by the Commission

(155) On 22 October 2014 the European Parliament and the Council adopted Regulation (EU, Euratom) No 1141/2014 (5) repealing Regulation (EC) No 2004/2003 and laying down new rules for, inter alia, the funding of political parties and political foundations at European level, in particular with regard to funding conditions, the award and distribution of funding, donations and contributions, financing of campaigns for elections to

Amendment

deleted

the European Parliament, reimbursable expenditure, the prohibition of funding, accounts, reporting and audit, implementation and control, penalties, cooperation between the Authority for European political parties and foundations, the Authorising Officer of the European Parliament and the Member States, and transparency. This Regulation shall apply from 1 January 2017.

Or. it

Amendment 302
Marco Valli, Laura Agea

Proposal for a regulation
Recital 155

Text proposed by the Commission

Amendment

(155) On 22 October 2014 the European Parliament and the Council adopted Regulation (EU, Euratom) No 1141/2014 (5) repealing Regulation (EC) No 2004/2003 and laying down new rules for, inter alia, the funding of political parties and political foundations at European level, in particular with regard to funding conditions, the award and distribution of funding, donations and contributions, financing of campaigns for elections to the European Parliament, reimbursable expenditure, the prohibition of funding, accounts, reporting and audit, implementation and control, penalties, cooperation between the Authority for European political parties and foundations, the Authorising Officer of the European Parliament and the Member States, and transparency. This Regulation shall apply from 1 January 2017.

deleted

Or. it

Amendment 303
Marco Valli, Laura Agea

Proposal for a regulation
Recital 155 a (new)

Text proposed by the Commission

Amendment

(155a) The Union budget should, under no circumstances, fund European political parties and European foundations, which should be funded through voluntary contributions from their members.

Or. it

Amendment 304
Marco Zanni

Proposal for a regulation
Recital 156

Text proposed by the Commission

Amendment

(156) Rules should be included on contributions from the general budget of the Union to European political parties as envisaged by Regulation (EU, Euratom) No 1141/2014. Those rules should allow political parties at European level to have a broader degree of flexibility as regards the time limits for using those contributions, as the nature of their activities so requires.

deleted

Or. it

Amendment 305
Marco Valli, Laura Agea

Proposal for a regulation

Recital 156

Text proposed by the Commission

Amendment

(156) Rules should be included on contributions from the general budget of the Union to European political parties as envisaged by Regulation (EU, Euratom) No 1141/2014. Those rules should allow political parties at European level to have a broader degree of flexibility as regards the time limits for using those contributions, as the nature of their activities so requires.

deleted

Or. it

Amendment 306

Marco Zanni

Proposal for a regulation

Recital 157

Text proposed by the Commission

Amendment

(157) The financial support given to European political parties should take the form of a specific contribution, to match the specific needs of the European political parties.

deleted

Or. it

Amendment 307

Marco Valli, Laura Agea

Proposal for a regulation

Recital 158

Text proposed by the Commission

Amendment

(158) Although financial support is awarded without an annual work programme being required, European political parties should justify ex post the

deleted

sound use of Union funding. In particular, the authorising officer responsible should verify if the funding has been used to pay reimbursable expenditure as established in the call for contributions within the time limits laid down in this Regulation. Contributions to European political parties should be spent by the end of the financial year following that of their award, after which, any unspent funding should be recovered by the authorising officer responsible.

Or. it

Amendment 308
Marco Zanni

Proposal for a regulation
Recital 158

Text proposed by the Commission

Amendment

(158) Although financial support is awarded without an annual work programme being required, European political parties should justify ex post the sound use of Union funding. In particular, the authorising officer responsible should verify if the funding has been used to pay reimbursable expenditure as established in the call for contributions within the time limits laid down in this Regulation. Contributions to European political parties should be spent by the end of the financial year following that of their award, after which, any unspent funding should be recovered by the authorising officer responsible.

deleted

Or. it

Amendment 309
Luke Ming Flanagan

Proposal for a regulation
Recital 158

Text proposed by the Commission

(158) Although financial support is awarded without an annual work programme being required, European political parties should justify ex post the sound use of Union funding. In particular, the authorising officer responsible should verify if the funding has been used to pay reimbursable expenditure as established in the call for contributions within the time limits laid down in this Regulation. Contributions to European political parties should be spent by the end of the financial year following that of their award, after which, any unspent funding should be recovered by the authorising officer responsible.

Amendment

(158) Although financial support is awarded without an annual work programme being required, European political parties should justify ex post the sound use of Union funding. In particular, the authorising officer responsible should verify if the funding has been used to pay reimbursable expenditure as established in the call for contributions within the time limits laid down in this Regulation. Contributions to European political parties should be spent by the end of the financial year following that of their award, after which any unspent funding should be recovered by the authorising officer responsible.

Or. en

Amendment 310
Marco Zanni

Proposal for a regulation
Recital 159

Text proposed by the Commission

(159) Union funding awarded to finance the operating costs of the European political parties should not be used for other purposes than those established in Regulation (EU, Euratom) No 1141/2014, in particular to directly or indirectly finance other entities such as national political parties. The European political parties should use the contributions to pay a percentage of current and future expenditure and not expenditure or debts incurred before the submission of their applications for contributions.

Amendment

deleted

Amendment 311
Marco Valli, Laura Agea

Proposal for a regulation
Recital 159

Text proposed by the Commission

Amendment

(159) Union funding awarded to finance the operating costs of the European political parties should not be used for other purposes than those established in Regulation (EU, Euratom) No 1141/2014, in particular to directly or indirectly finance other entities such as national political parties. The European political parties should use the contributions to pay a percentage of current and future expenditure and not expenditure or debts incurred before the submission of their applications for contributions. *deleted*

Amendment 312
Marco Valli, Laura Agea

Proposal for a regulation
Recital 160

Text proposed by the Commission

Amendment

(160) The award of contributions should also be simplified and adapted to the specificities of the European political parties, in particular by the absence of selection criteria, the establishment of a single full prefinancing payment as a general rule, and by the possibility to use lump sums, flat-rate, unit cost financing and financing not linked to costs of the relevant operations. *deleted*

Amendment 313
Marco Zanni

Proposal for a regulation
Recital 160

Text proposed by the Commission

Amendment

(160) *The award of contributions should also be simplified and adapted to the specificities of the European political parties, in particular by the absence of selection criteria, the establishment of a single full prefinancing payment as a general rule, and by the possibility to use lump sums, flat-rate, unit cost financing and financing not linked to costs of the relevant operations.* **deleted**

Or. it

Amendment 314
Marco Zanni

Proposal for a regulation
Recital 161

Text proposed by the Commission

Amendment

(161) *The contributions from the general budget of the Union should be suspended, reduced or terminated if the European political parties infringe the obligations laid down in Regulation (EU, Euratom) No 1141/2014.* **deleted**

Or. it

Amendment 315
Marco Valli, Laura Agea

Proposal for a regulation
Recital 161

Text proposed by the Commission

Amendment

(161) The contributions from the general budget of the Union should be suspended, reduced or terminated if the European political parties infringe the obligations laid down in Regulation (EU, Euratom) No 1141/2014.

deleted

Or. it

Amendment 316
Marco Zanni

Proposal for a regulation
Recital 163

Text proposed by the Commission

Amendment

(163) This Regulation should establish a general framework under which budget support may be used as an instrument in external action including the obligation for the third country to provide the Commission adequate and timely information to evaluate the fulfilment of the agreed conditions and provisions ensuring the protection of the financial interests of the Union.

deleted

Or. it

Amendment 317
Bart Staes, Indrek Tarand
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 163 a (new)

Text proposed by the Commission

Amendment

(163 a) Trust funds constitute a problematic financial instrument as they may seriously alter budgets adopted by the budgetary authorities and bear the risk of using funds from financing instruments for purposes not foreseen in the latter's basic act. Trust funds do, however, add value through pooling of resources as long as this pooling is not mostly limited to Union resources.

Or. en

Amendment 318

Vladimír Maňka, Inés Ayala Sender
on behalf of the S&D Group

Proposal for a regulation **Recital 164**

Text proposed by the Commission

(164) The Commission should be authorised to create and manage Union trust funds for emergency, post-emergency or thematic actions *not only in* external actions *but also in EU-internal actions*. ***Recent events in the European Union show the need for increased flexibility for funding within the EU. As the boundaries between external and internal policies are increasingly blurred, this would also provide a tool for replying to cross-border challenges.*** It is necessary to specify the principles applicable to the contributions to ***Union*** Trust Funds, to clarify the responsibilities of the financial actors and of the Board of the Trust Fund. It is also necessary to define rules ensuring a fair representation of the participating donors in the Board of the Trust Fund and a mandatory positive vote of the Commission for the use of the funds.

Amendment

(164) The Commission should be authorised to create and manage Union trust funds for emergency, post-emergency or thematic actions ***for*** external actions. It is necessary to specify the principles applicable to the contributions to ***these*** Trust Funds, to clarify the responsibilities of the financial actors and of the Board of the Trust Fund. It is also necessary to define rules ensuring a fair representation of the participating donors in the Board of the Trust Fund and a mandatory positive vote of the Commission for the use of the funds.

Or. en

Justification

For the reasons of transparency, proper scrutiny and the budgetary unity, the use of Trust Funds should be limited to external policies, and to actions that could not be financed otherwise.

Amendment 319

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 164

Text proposed by the Commission

(164) The Commission should be authorised to create and manage Union trust funds *for emergency, post-emergency or thematic actions not only in external actions but also in EU-internal actions. Recent events in the European Union show the need for increased flexibility for funding within the EU. As the boundaries between external and internal policies are increasingly blurred, this would also provide a tool for replying to cross-border challenges.* It is necessary to specify the principles applicable to the contributions to Union Trust Funds, to clarify the responsibilities of the financial actors and of the Board of the Trust Fund. It is also necessary to define rules ensuring a fair representation of the participating donors in the Board of the Trust Fund and a mandatory positive vote of the Commission for the use of the funds.

Amendment

(164) The Commission should be authorised to create and manage Union trust funds *exclusively for external actions for emergency, post-emergency or thematic actions.* It is necessary to specify the principles applicable to the contributions to Union Trust Funds, to clarify the responsibilities of the financial actors and of the Board of the Trust Fund. It is also necessary to define rules ensuring *the representation of the European Parliament*, a fair representation of the participating donors in the Board of the Trust Fund and a mandatory positive vote of the Commission for the use of the funds.

Or. en

Amendment 320

Marco Zanni

Proposal for a regulation

Recital 164

Text proposed by the Commission

(164) The Commission should be authorised to create and manage Union trust funds for emergency, post-emergency or thematic **actions not only in external actions but also in EU-internal** actions. Recent events in the European Union show the need for increased flexibility for funding within the EU. As the boundaries between external and internal policies are increasingly blurred, this would also provide a tool for replying to cross-border challenges. It is necessary to specify the principles applicable to the contributions to Union Trust Funds, to clarify the responsibilities of the financial actors and of the Board of the Trust Fund. It is also necessary to define rules ensuring a fair representation of the participating donors in the Board of the Trust Fund and a mandatory positive vote of the Commission for the use of the funds.

Amendment

(164) The Commission should be authorised to create and manage Union trust funds for emergency, post-emergency or thematic **EU internal** actions. Recent events in the European Union show the need for increased flexibility for funding within the EU. As the boundaries between external and internal policies are increasingly blurred, this would also provide a tool for replying to cross-border challenges. It is necessary to specify the principles applicable to the contributions to Union Trust Funds, to clarify the responsibilities of the financial actors and of the Board of the Trust Fund. It is also necessary to define rules ensuring a fair representation of the participating donors in the Board of the Trust Fund and a mandatory positive vote of the Commission for the use of the funds.

Or. it

Amendment 321
Luke Ming Flanagan

Proposal for a regulation
Recital 165

Text proposed by the Commission

(165) In line with the streamlining of the existing rules and in order to avoid undue repetition, **the Part two** of the Financial Regulation, dedicated to special provisions applicable to the European Agricultural Guarantee Fund, to Research, external action and to specific EU funds, should be removed. The provisions of this Part **two** should be either introduced in the relevant parts of the Financial Regulation, or, **in case** the provisions are not used or no longer relevant, simply deleted.

Amendment

(165) In line with the streamlining of the existing rules and in order to avoid undue repetition, Part Two of the Financial Regulation, dedicated to special provisions applicable to the European Agricultural Guarantee Fund, to Research, **to** external action and to specific EU funds, should be removed. The provisions of this Part Two should be either introduced in the relevant parts of the Financial Regulation, or, **where** the provisions are not used or no longer relevant, simply deleted.

Amendment 322

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 167

Text proposed by the Commission

(167) The manner in which the institutions currently report on building projects to the European Parliament and the Council should be ***maintained***. Institutions should be allowed to finance new building projects with the appropriations received for buildings already sold, therefore a reference to assigned revenue provisions should be introduced. This would allow meeting the changing needs in the building policy of the institutions, while saving costs and introducing more flexibility.

Amendment

(167) The manner in which the institutions currently report on building projects to the European Parliament and the Council should be ***improved***. Institutions should be allowed to finance new building projects with the appropriations received for buildings already sold, therefore a reference to assigned revenue provisions should be introduced. This would allow meeting the changing needs in the building policy of the institutions, while saving costs and introducing more flexibility.

Amendment 323

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 169

Text proposed by the Commission

(169) In order to improve agility of implementation of special instruments, it is appropriate to simplify mobilisation and transfer procedures by using Commission internal transfers for the European Globalisation Adjustment Fund and the European Union Solidarity Fund.

Amendment

deleted

Amendment 324
Luke Ming Flanagan

Proposal for a regulation
Recital 170

Text proposed by the Commission

(170) In order to ensure that the European Union Programme for Employment and Social Innovation (EaSI) provides swiftly adequate resources to support changing political priorities, the indicative shares for each of the three *axis* and the minimum percentages for each of the thematic priorities within the individual axis should allow for a greater flexibility. This should improve the management of the Programme and allow focussing budgetary resources on actions producing better employment and social results.

Amendment

(170) In order to ensure that the European Union Programme for Employment and Social Innovation (EaSI) provides swiftly adequate resources to support changing political priorities, the indicative shares for each of the three *axes* and the minimum percentages for each of the thematic priorities within the individual axis should allow for a greater flexibility. This should improve the management of the Programme and allow focussing budgetary resources on actions producing better employment and social results.

Or. en

Justification

Plural of 'axis' is 'axes', unless hyphenated, as in '3-axis'.

Amendment 325
Luke Ming Flanagan

Proposal for a regulation
Recital 173

Text proposed by the Commission

(173) As the amendment of provisions of Regulation (EU) No 1303/2013 of the European Parliament and of the Council¹⁹ provides more favourable conditions for certain revenue generating operations for which amounts or rates of support are defined in Annex II to EMFF Regulation it

Amendment

(173) As the amendment of provisions of Regulation (EU) No 1303/2013 of the European Parliament and of the Council¹⁹ provides more favourable conditions for certain revenue generating operations for which amounts or rates of support are defined in Annex II to EMFF Regulation, it

is necessary to establish a different date of entry into force for these provisions to ensure equal treatment of operations supported on the basis of Regulation (EU) No 1303/2013.

is necessary to establish a different date of entry into force for these provisions to ensure equal treatment of operations supported on the basis of Regulation (EU) No 1303/2013.

¹⁹ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347 20.12.2013, p. 320)

¹⁹ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347 20.12.2013, p. 320)

Or. en

Amendment 326
Luke Ming Flanagan

Proposal for a regulation
Recital 176

Text proposed by the Commission

(176) In view of maximising the synergies between all Union funds to address the challenges of migration and asylum in an effective way, it should be ensured that, when the thematic objectives are translated into priorities in the Fund-specific rules, such priorities cover the appropriate use of each Fund for these areas.

Amendment

(176) In view of maximising the synergies between all Union funds to address the challenges of migration and asylum in an effective way, it should be ensured that when the thematic objectives are translated into priorities in the Fund-specific rules, such priorities cover the appropriate use of each Fund for these areas.

Or. en

Amendment 327
Marco Zanni

Proposal for a regulation
Recital 178

Text proposed by the Commission

Amendment

(178) In view of optimising the use of the financial resources allocated to Member States under Cohesion policy, it is necessary to allow Member States to transfer ESI Funds allocation to instruments established under the Financial Regulation or under sector specific Regulations. *deleted*

Or. it

Amendment 328
Esteban González Pons, José Ignacio Salafranca Sánchez-Neyra

Proposal for a regulation
Recital 178

Text proposed by the Commission

Amendment

(178) In view of optimising the use of the financial resources allocated to Member States under Cohesion policy, it is necessary to allow Member States to transfer ESI Funds allocation to instruments established under the Financial Regulation or under sector specific Regulations. *deleted*

Or. en

Justification

Infringes the agreements reached by the budgetary authority when the MFF was approved because it allows to move cohesion policy funds, which have shared management, to other policies managed directly by the Commission. This undermines the control of the budgetary authority.

Amendment 329

Vladimír Maňka, Inés Ayala Sender, Georgi Pirinski, Jutta Steinruck, Derek Vaughan, Constanze Krehl
on behalf of the S&D Group

Proposal for a regulation

Recital 178

Text proposed by the Commission

Amendment

(178) In view of optimising the use of the financial resources allocated to Member States under Cohesion policy, it is necessary to allow Member States to transfer ESI Funds allocation to instruments established under the Financial Regulation or under sector specific Regulations. *deleted*

Or. en

Justification

Such a transfer of resources would be in contradiction with policy objectives of the funds under shared implementation, favouring instead financial instruments, EFSI and trust funds under direct and indirect implementation, and, therefore, must not be considered. The Commission should propose other mechanism and to provide more technical assistance for optimal use of the resources allocated to Member States.

Amendment 330

Indrek Tarand, Bart Staes
on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 178

Text proposed by the Commission

Amendment

(178) In view of optimising the use of the financial resources allocated to Member States under Cohesion policy, it is necessary to allow Member States to transfer ESI Funds allocation to instruments established under the Financial Regulation or under sector specific Regulations. *deleted*

Amendment 331
Luke Ming Flanagan

Proposal for a regulation
Recital 179

Text proposed by the Commission

(179) In order to facilitate the preparation and implementation of community-led local development strategies the lead fund should be allowed to cover preparatory, running and animation costs.

Amendment

(179) In order to facilitate the preparation and implementation of community-led local development strategies, the lead fund should be allowed to cover preparatory, running and animation costs.

Amendment 332
Luke Ming Flanagan

Proposal for a regulation
Recital 180

Text proposed by the Commission

(180) In order to facilitate the implementation of community-led local development and integrated territorial investments, ***the roles and responsibilities of local action groups*** in the case of community-led local development strategies and local authorities, regional development bodies or non-governmental organisations in the case of ITIs in relation to other programme bodies should be clarified. Designation as intermediate body should ***only*** be required in cases where the relevant bodies carry out tasks which go beyond those described in the relevant Article or where it is required by the Fund specific rules.

Amendment

(180) In order to facilitate the implementation of community-led local development and integrated territorial investments, in the case of community-led local development strategies and local authorities ***the roles and responsibilities of local action groups***, regional development bodies or non-governmental organisations in the case of ITIs in relation to other programme bodies, should be clarified. Designation as ***an*** intermediate body should be required ***only*** in cases where the relevant bodies carry out tasks which go beyond those described in the relevant Article or where it is required by the Fund specific rules.

Amendment 333
Marco Zanni

Proposal for a regulation
Recital 182

Text proposed by the Commission

(182) Many Member States have established publicly-owned banks or financial institutions that operate under a public policy mandate to promote economic development. Such banks or financial institutions have specific characteristics which differentiate them from private commercial banks in relation to their ownership, their development mandate and the fact that they do not have the objective of maximising profits. The role of such banks is notably to mitigate market failures, where in certain regions or for certain policy areas or sectors financial services are underprovided by commercial banks. These publicly-owned banks or financial institutions are well-placed to promote access to the ESI funds while maintaining competitive neutrality. Their specific role and characteristics can allow Member States to increase the use of financial instruments for delivering ESI funds in order to maximise the impact of these funds in the real economy. ***Such an outcome would be in line with the Commission policy to facilitate the role of such banks or institutions as fund managers both in the implementation of ESI funds as well as in the combination of ESI funds with EFSI financing, as set out in particular in the Investment Plan for Europe.*** It is justified therefore to allow managing authorities to award contracts directly to such public banks or financial institutions. Nevertheless, in order to ensure that this possibility of direct award remains consistent with the principles of the internal market, strict conditions to be

Amendment

(182) Many Member States have established publicly-owned banks or financial institutions that operate under a public policy mandate to promote economic development. Such banks or financial institutions have specific characteristics which differentiate them from private commercial banks in relation to their ownership, their development mandate and the fact that they do not have the objective of maximising profits. The role of such banks is notably to mitigate market failures, where in certain regions or for certain policy areas or sectors financial services are underprovided by commercial banks. These publicly-owned banks or financial institutions are well-placed to promote access to the ESI funds while maintaining competitive neutrality. Their specific role and characteristics can allow Member States to increase the use of financial instruments for delivering ESI funds in order to maximise the impact of these funds in the real economy. It is justified therefore to allow managing authorities to award contracts directly to such public banks or financial institutions. Nevertheless, in order to ensure that this possibility of direct award remains consistent with the principles of the internal market, strict conditions to be fulfilled by public banks or institutions should be laid down for this provision to be applicable.

fulfilled by public banks or institutions should be laid down for this provision to be applicable.

Or. it

Amendment 334
Marco Zanni

Proposal for a regulation
Recital 184

Text proposed by the Commission

Amendment

(184) In adopting Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal – the European Fund for Strategic Investments (EFSI) – it was desired to enable Member States to use ESI Funds to contribute to the financing of eligible projects that are supported by the EU guarantee covered by the EFSI. A specific provision should be introduced to set out the terms and conditions to allow for better interaction and complementarity that will facilitate the possibility to combine ESI funds with EIB financial products under the EFSI's Union Guarantee.

deleted

Or. it

Amendment 335
Indrek Tarand, Bart Staes
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 184

Text proposed by the Commission

Amendment

(184) In adopting Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal – the European Fund for Strategic Investments (EFSI) – it was desired to enable Member States to use ESI Funds to contribute to the financing of eligible projects that are supported by the EU guarantee covered by the EFSI. A specific provision should be introduced to set out the terms and conditions to allow for better interaction and complementarity that will facilitate the possibility to combine ESI funds with EIB financial products under the EFSI's Union Guarantee.

deleted

Or. en

**Amendment 336
Marco Zanni**

**Proposal for a regulation
Recital 188**

Text proposed by the Commission

Amendment

(188) In order to incentivise private investors to co-invest in public policy projects, the concept of differentiated treatment of investors, which allows under specific conditions that ESI Funds can take a subordinated position to a private investor and EIB financial products under the EFSI's EU Guarantee, should be introduced. At the same time, the conditions for application of such a differentiated treatment when implementing ESI funds should be laid down.

deleted

Amendment 337
Luke Ming Flanagan

Proposal for a regulation
Recital 192

Text proposed by the Commission

(192) With a view to facilitate the implementation of revenue generating operations, reduction of the co-financing rate should be allowed at any time of the programme implementation and possibilities for the establishment *offlat rate* net revenue percentages at national level should be provided.

Amendment

(192) With a view to facilitate the implementation of revenue generating operations, reduction of the co-financing rate should be allowed at any time of the programme implementation and possibilities for the establishment *of flat-rate* net revenue percentages at national level should be provided.

Or. en

Amendment 338
Luke Ming Flanagan

Proposal for a regulation
Recital 197

Text proposed by the Commission

(197) In view of the aim to reduce the administrative burden of the implementation of projects by *beneficiairies* a new form of simplified *costs option* for financing based on conditions others than costs of operations should be introduced.

Amendment

(197) In view of the aim to reduce the administrative burden of the implementation of projects by *beneficiaries*, a new form of simplified *cost options* for financing based on conditions others than costs of operations should be introduced.

Or. en

Amendment 339
Marco Zanni

Proposal for a regulation

Recital 202

Text proposed by the Commission

(202) With a view to improving the effectiveness and impact of operations implementation of nation-wide operations or operations covering different programme areas should be facilitated and possibilities for expenditure outside the Union for certain investments should be increased .

Amendment

deleted

Or. it

Amendment 340

Luke Ming Flanagan

Proposal for a regulation

Recital 202

Text proposed by the Commission

(202) With a view to improving the effectiveness and impact of operations implementation of nation-wide operations or operations covering different programme areas should be facilitated and possibilities for expenditure outside the Union for certain investments should be increased .

Amendment

(202) With a view to improving the effectiveness and impact of operations, implementation of nation-wide operations or operations covering different programme areas should be facilitated and possibilities for expenditure outside the Union for certain investments should be increased .

Or. en

Amendment 341

Luke Ming Flanagan

Proposal for a regulation

Recital 204

Text proposed by the Commission

(204) In order to promote the use of joint action plans which will reduce administrative burden for beneficiaries it is

Amendment

(204) In order to promote the use of joint action plans which will reduce administrative burden for beneficiaries, it

necessary to reduce regulatory requirements linked to the setting up of a joint action plan.

is necessary to reduce regulatory requirements linked to the setting up of a joint action plan.

Or. en

Amendment 342
Luke Ming Flanagan

Proposal for a regulation
Recital 206

Text proposed by the Commission

(206) With a view to reducing the administrative burden and ensuring the effective use of technical assistance across Funds and categories of regions flexibility for the calculation and monitoring of the respective limits applicable to technical assistance of Member States should be increased

Amendment

(206) With a view to reducing the administrative burden and ensuring the effective use of technical assistance across Funds and categories of regions, flexibility for the calculation and monitoring of the respective limits applicable to technical assistance of Member States should be increased

Or. en

Amendment 343
Luke Ming Flanagan

Proposal for a regulation
Recital 208

Text proposed by the Commission

(208) The responsibilities of the managing authorities regarding the verification of expenditure when simplified cost options are being used should be specified more in detail.

Amendment

(208) The responsibilities of the managing authorities regarding the verification of expenditure when simplified cost options are being used, should be specified more in detail.

Or. en

Amendment 344

Luke Ming Flanagan

**Proposal for a regulation
Recital 211**

Text proposed by the Commission

(211) With a view to *facilitate* certain target groups' access to the ESF, the collection of data for certain indicators should be based on representative samples and twice in the programming period.

Amendment

(211) With a view to *facilitating* certain target groups' access to the ESF, the collection of data for certain indicators should be based on representative samples and twice in the programming period.

Or. en

**Amendment 345
Luke Ming Flanagan**

**Proposal for a regulation
Recital 214**

Text proposed by the Commission

(214) Nowadays farmers are exposed to increasing economic risks as a consequence of market developments. However, those economic risks do not affect all agricultural sectors equally. Consequently, *Member States should have the possibility, in duly justified cases*, to help farmers with sector-specific income stabilisation tools, in particular for sectors affected by a severe income drops, which would have a significant economic impact for a specific rural area, *provided that the international obligations of the Union are respected*. In addition, in order to monitor the expenditure made in relation to this new tool, the content of the financial plan of the programme should be adapted. Moreover, the specific reporting requirement for the risk management measure in 2018 referred to in Article 36(5) of Regulation (EU) No 1305/2013 is already covered by the report to the European Parliament and the Council on

Amendment

(214) Nowadays farmers are exposed to increasing economic risks as a consequence of market developments. However, those economic risks do not affect all agricultural sectors equally. Consequently, *and provided that the international obligations of the Union are respected, Member States should have the possibility* to help farmers with sector-specific income stabilisation tools, in particular for sectors affected by a severe income drops, which would have a significant economic impact for a specific rural area. In addition, in order to monitor the expenditure made in relation to this new tool, the content of the financial plan of the programme should be adapted. Moreover, the specific reporting requirement for the risk management measure in 2018 referred to in Article 36(5) of Regulation (EU) No 1305/2013 is already covered by the report to the European Parliament and the Council on

the monitoring and evaluation of the CAP referred to in Article 110(5) of Regulation (EU) No 1306/2013. Therefore the second subparagraph of Article 36(5) should be deleted.

the monitoring and evaluation of the CAP referred to in Article 110(5) of Regulation (EU) No 1306/2013. Therefore the second subparagraph of Article 36(5) should be deleted.

Or. en

Justification

'in duly certified cases' is both loose and superfluous

Amendment 346
Luke Ming Flanagan

Proposal for a regulation
Recital 216

Text proposed by the Commission

(216) Support for investments for the restoration of production potential after natural disasters and catastrophic events under Articles 18(1)(b) and 24(1)(d) of Regulation (EU) No 1305/2013 is usually granted to all eligible applicants. Therefore, Member States should not be obliged to define selection criteria for restoration operations. Moreover, *in duly justified cases*, where it is not possible to define selection criteria due to the nature of the operations, Member States should be allowed to define alternative selection methods.

Amendment

(216) Support for investments for the restoration of production potential after natural disasters and catastrophic events under Articles 18(1)(b) and 24(1)(d) of Regulation (EU) No 1305/2013 is usually granted to all eligible applicants. Therefore, Member States should not be obliged to define selection criteria for restoration operations. Moreover, where it is not possible to define selection criteria due to the nature of the operations, Member States should be allowed to define alternative selection methods.

Or. en

Justification

Again, loose and superfluous terminology

Amendment 347
Luke Ming Flanagan

Proposal for a regulation

Recital 217

Text proposed by the Commission

(217) Article 59 of Regulation (EU) No 1305/2013 defines the maximum EAFRD contribution rates. In order to ease the pressure on the national budget of some Member States and to accelerate much-needed investments in Cyprus, the maximum contribution rate of 100% referred to in Article 59(4)(f) should be extended until the programme closure. In addition, a reference to the specific contribution rate introduced in Regulation (EU) No 1303/2013 for the new financial instrument referred to in point (c) of Article 38(1) of the same Regulation should be mentioned in Article 59(4).

Amendment

(217) Article 59 of Regulation (EU) No 1305/2013 defines the maximum EAFRD contribution rates. In order to ease the pressure on the national budget of some Member States and to accelerate much-needed investments in ***countries and regions where it is most needed (such as Cyprus)***, the maximum contribution rate of 100% referred to in Article 59(4)(f) should be extended until the programme closure. In addition, a reference to the specific contribution rate introduced in Regulation (EU) No 1303/2013 for the new financial instrument referred to in point (c) of Article 38(1) of the same Regulation should be mentioned in Article 59(4).

Or. en

Amendment 348

Luke Ming Flanagan

Proposal for a regulation

Recital 218

Text proposed by the Commission

(218) Pursuant to Article 60(1) of Regulation (EU) No 1305/2013, in cases of emergency measures due to natural disasters, eligibility of expenditure relating to programme changes may start from the date when the natural disaster occurred. This possibility to ***make eligible*** expenditure ***made*** before the submission of a programme amendment should be extended to other circumstances, such as catastrophic events or a significant and sudden change in the socio-economic conditions of the Member State or region, including sudden and significant demographic changes resulting from

Amendment

(218) Pursuant to Article 60(1) of Regulation (EU) No 1305/2013, in cases of emergency measures due to natural disasters, eligibility of expenditure relating to programme changes may start from the date when the natural disaster occurred. This possibility to ***enable eligibility for*** expenditure ***incurred*** before the submission of a programme amendment should be extended to other circumstances, such as catastrophic events or a significant and sudden change in the socio-economic conditions of the Member State or region, including sudden and significant demographic changes resulting from

migration or reception of refugees.

migration or reception of refugees.

Or. en

Amendment 349
Luke Ming Flanagan

Proposal for a regulation
Recital 219

Text proposed by the Commission

(219) According to the second subparagraph of Article 60(2) of Regulation (EU) No 1305/2013, in respect of investments in the agricultural sector, only expenditure incurred after the submission of an application is eligible. Members States should be given the possibility to provide in their programmes that, where the investment is related to emergency measures due to natural disasters, catastrophic events or adverse climatic events or a significant and sudden change in the socio-economic conditions of the Member State or region, expenditure incurred after the occurrence of event is eligible.

Amendment

(219) According to the second subparagraph of Article 60(2) of Regulation (EU) No 1305/2013, in respect of investments in the agricultural sector, only expenditure incurred after the submission of an application is eligible. Members States should be given the possibility to provide in their programmes that where the investment is related to emergency measures due to natural disasters, catastrophic events or adverse climatic events or a significant and sudden change in the socio-economic conditions of the Member State or region, expenditure incurred after the occurrence of *the* event is eligible, *even where this is before the submission of an application.*

Or. en

Amendment 350
Luke Ming Flanagan

Proposal for a regulation
Recital 225

Text proposed by the Commission

(225) Experience has shown that the rule, first introduced with Regulation (EU) No 1290/2005, of equally sharing between the budget and the Member States the risk of

Amendment

(225) Experience has shown that the rule, first introduced with Regulation (EU) No 1290/2005, of equally sharing between the budget and the Member States the risk of

the lack of recovery of sums due for irregularities when these sums had not been recovered within reasonable deadlines (so called 50/50 rule), has worked well for the safeguarding of the budget. However, such a system entails a heavy administrative and book-keeping burden for both the European Commission and the Member States. It is therefore considered appropriate to further change this approach and charge the related sums entirely to the Member States concerned after the expiry of the related deadlines allowing them, on the other side, to keep in their national budgets the sums subsequently recovered at the end of the related recovery procedures.

the lack of recovery of sums due for irregularities when these sums had not been recovered within reasonable deadlines (so called 50/50 rule), has worked well for the safeguarding of the budget. However, such a system entails a heavy administrative and book-keeping burden for both the European Commission and the Member States. It is therefore considered appropriate to further change this approach and charge the related sums entirely to the Member States concerned after the expiry of the related deadlines, *while* allowing them, on the other side, to keep in their national budgets the sums subsequently recovered at the end of the related recovery procedures.

Or. en

Amendment 351
Luke Ming Flanagan

Proposal for a regulation
Recital 227

Text proposed by the Commission

(227) The experience gained so far shows that *through* implementing the three criteria for being regarded an active farmer, listed in the third subparagraph of Article 9(2) of Regulation (EU) No 1307/2013 of the European Parliament and of the Council²², has proven difficult for many Member States. In order to reduce the administrative burden associated with the implementation of the three criteria, Member States should have the possibility of making available only one or two of them. The experience further shows that in some Member States the administrative costs of implementing the active farmer clause as a whole outweighs the benefit of excluding a very limited number of non-active beneficiaries from the direct support

Amendment

(227) The experience gained so far shows that implementing the three criteria for being regarded an active farmer, listed in the third subparagraph of Article 9(2) of Regulation (EU) No 1307/2013 of the European Parliament and of the Council²², has proven difficult for many Member States. In order to reduce the administrative burden associated with the implementation of the three criteria, Member States should have the possibility of making available only one or two of them. The experience further shows that in some Member States the administrative costs of implementing the active farmer clause as a whole outweighs the benefit of excluding a very limited number of non-active beneficiaries from the direct support schemes. In order

schemes. In order to allow Member States to address such situations in future claim years, the application of Article 9 as a whole should become optional for them.

²² Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347 20.12.2013, p. 608)

to allow Member States to address such situations in future claim years, the application of Article 9 as a whole should become optional for them.

²² Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347 20.12.2013, p. 608)

Or. en

Amendment 352
Luke Ming Flanagan

Proposal for a regulation
Recital 230

Text proposed by the Commission

(230) Pursuant to Article 52 of Regulation (EU) No 1307/2013, Member States may **grant**, under certain conditions, coupled support to farmers in specific agricultural sectors or types of farming, to the extent necessary to create an incentive to maintain current levels of production in the sectors or regions concerned. In order to avoid that the levels of production are to be maintained where this is not appropriate due to structural market imbalances, the Commission should be empowered to adopt delegated acts allowing that voluntary coupled support can continue to be paid until 2020 on the basis of the production units for which such support was granted in a past reference period. In the context of the current crisis this temporary derogation aims at attaining in the long term the objective of voluntary

Amendment

(230) Pursuant to Article 52 of Regulation (EU) No 1307/2013, Member States may, under certain conditions, **grant** coupled support to farmers in specific agricultural sectors or types of farming to the extent necessary to create an incentive to maintain current levels of production in the sectors or regions concerned. In order to avoid that the levels of production are to be maintained where this is not appropriate due to structural market imbalances, the Commission should be empowered to adopt delegated acts allowing that voluntary coupled support can continue to be paid until 2020 on the basis of the production units for which such support was granted in a past reference period. In the context of the current crisis this temporary derogation aims at attaining in the long term the

coupled support of maintaining the level of production in the areas concerned.

objective of voluntary coupled support of maintaining the level of production in the areas concerned.

Or. en

Amendment 353
Luke Ming Flanagan

Proposal for a regulation
Recital 232

Text proposed by the Commission

(232) In addition to withdrawals for free distribution, it is also appropriate to grant coaching actions intended to encourage producers to set up organisations meeting the criteria to be **recognised a** full Union financing within the operational programmes of existing producer organisations.

Amendment

(232) In addition to withdrawals for free distribution, it is also appropriate to grant coaching actions intended to encourage producers to set up organisations meeting the criteria to be **recognized for** full Union financing within the operational programmes of existing producer organisations.

Or. en

Amendment 354
Luke Ming Flanagan

Proposal for a regulation
Recital 233

Text proposed by the Commission

(233) Crisis prevention and management measures should be extended to cover refilling of mutual funds which could as new instruments **help to** combat crises.

Amendment

(233) Crisis prevention and management measures should be extended to cover refilling of mutual funds which could **act** as new instruments **to help** combat crises.

Or. en

Amendment 355

Luke Ming Flanagan

Proposal for a regulation

Recital 236

Text proposed by the Commission

(236) In order to simplify the current procedure of first authorising Member States to grant additional national financial assistance to producer organisations in regions of the Union where the organisation degree is particularly low and second reimbursing a part of the national financial assistance if further conditions are complied with, a new system could be established. Member States where the organisation rate is particularly low *was* below 20% at national level in 2013 could grant an additional percentage of the value of the marketed production as national aid with a result similar to the current scheme of prior authorisation and subsequent Union reimbursement. The Commission should regularly review the list of Member States that may grant additional national assistance to keep it updated.

Amendment

(236) In order to simplify the current procedure of first, authorising Member States to grant additional national financial assistance to producer organisations in regions of the Union where the organisation degree is particularly low and second, reimbursing a part of the national financial assistance if further conditions are complied with, a new system could be established. Member States where the organisation rate is particularly low (below 20% at national level in 2013) could grant an additional percentage of the value of the marketed production as national aid with a result similar to the current scheme of prior authorisation and subsequent Union reimbursement. The Commission should regularly review the list of Member States that may grant additional national assistance to keep it updated.

Or. en

Amendment 356

Jean-Paul Denanot, Isabelle Thomas

Proposal for a regulation

Recital 238

Text proposed by the Commission

(238) The EGF should continue after 31 December 2017 to temporarily provide assistance to young people not in employment, education or training (NEETs) who reside in *regions eligible under the Youth Employment Initiative, since those regions are* disproportionately impacted by major redundancies.

Amendment

(238) The EGF should continue after 31 December 2017 to temporarily provide assistance to young people not in employment, education or training (NEETs) who reside in *areas affected by high unemployment rates or have been* disproportionately impacted by major redundancies. *The EGF should also*

continue to provide assistance to people who have lost their jobs as a result of major structural changes in international trade due to globalisation or the global economic and financial crisis, and should be reinforced by new tools that give it a strategic and prospective role with a view to funding sectors likely to face problems in the future, based on sectoral globalisation impact studies.

Or. fr

Amendment 357
Marco Zanni

Proposal for a regulation
Recital 239

Text proposed by the Commission

Amendment

(239) In order to increase the efficiency of the intervention, a blending facility or blending facilities may be established under the Connecting Europe Facility (CEF). Such blending facilities should finance blending operations which are actions combining non-reimbursable forms of support and/or financial instruments from the Union budget, including combination of CEF equity and CEF debt financial instruments, and financing from EIB Group (including EIB financing under EFSI) development or other finance institutions as well as investors.

deleted

Or. it

Amendment 358
Wim van de Camp

Proposal for a regulation
Recital 239

Text proposed by the Commission

(239) In order to increase the efficiency of the intervention, a blending facility or blending facilities may be established under the Connecting Europe Facility (CEF). Such blending facilities should finance blending operations which are actions combining non-reimbursable forms of support and/or financial instruments from the Union budget, including **combination** of CEF equity and CEF debt financial instruments, and financing from EIB Group (including EIB financing under EFSI) development or other finance institutions as well as investors.

Amendment

(239) In order to increase the efficiency of the intervention, a blending facility or blending facilities may be established under the Connecting Europe Facility (CEF). Such blending facilities should finance blending operations which are actions combining non-reimbursable forms of support, **such as Member States' budgets and CEF grants**, and/or financial instruments from the Union budget, including **combinations** of CEF equity and CEF debt financial instruments, and financing from **the** EIB Group (including EIB financing under EFSI), development or other finance institutions as well as investors **and/or private financial support, including both direct and indirect financial contributions (including through Public Private Partnership constructions)**.

Or. en

Amendment 359

Marco Zanni

Proposal for a regulation

Recital 240

Text proposed by the Commission

(240) A blending facility under CEF should aim to enhance the multiplier effect of Union spending by attracting additional resources from private investors. In addition, it should ensure that the actions supported become economically and financially viable.

Amendment

deleted

Or. it

Amendment 360
Luke Ming Flanagan

Proposal for a regulation
Recital 242

Text proposed by the Commission

(242) Only grants and procurement may currently be used to support actions in the area of Digital Service Infrastructures. In order to ensure as efficient as possible, financial instruments should also be made available to support these actions.

Amendment

(242) Only grants and procurement may currently be used to support actions in the area of Digital Service Infrastructures. In order to ensure **that they are** as efficient as possible, financial instruments should also be made available to support these actions.

Or. en

Amendment 361
Luke Ming Flanagan

Proposal for a regulation
Recital 246

Text proposed by the Commission

(246) In order to avoid unfair treatment of partner organisations, irregularities that are imputable only to the body in charge of purchasing the assistance, should not affect the eligibility of expenditure of partner organisations.

Amendment

(246) In order to avoid unfair treatment of partner organisations, irregularities that are imputable only to the body in charge of purchasing the assistance should not affect the eligibility of expenditure of partner organisations.

Or. en

Amendment 362
Luke Ming Flanagan

Proposal for a regulation
Recital 250

Text proposed by the Commission

(250) Regulation (EU) No 652/2014 of the European Parliament and of the Council²⁵ provides for the possibility to

Amendment

(250) Regulation (EU) No 652/2014 of the European Parliament and of the Council²⁵ provides for the possibility to

divide budgetary commitments into annual instalments only in the case of approval of multiannual programmes for the eradication, control and surveillance of animal diseases and zoonoses, for survey programmes concerning the presence of pests and for programmes concerning the control of pests in outermost regions of the Union. In the interest of simplification and in order to reduce the administrative burden this possibility should be extended to the other actions provided for in Regulation (EU) No 652/2014.

divide budgetary commitments into annual instalments only in the case of approval of multiannual programmes for the eradication, control and surveillance of animal diseases and zoonoses, for survey programmes concerning the presence of pests and for programmes concerning the control of pests in outermost regions of the Union. In the interest of simplification and in order to reduce the administrative burden, this possibility should be extended to the other actions provided for in Regulation (EU) No 652/2014.

²⁵ Regulation (EU) No 652/2014 of the European Parliament and of the Council of 15 May 2014 laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material, amending Council Directives 98/56/EC, 2000/29/EC and 2008/90/EC, Regulations (EC) No 178/2002, (EC) No 882/2004 and (EC) No 396/2005 of the European Parliament and of the Council, Directive 2009/128/EC of the European Parliament and of the Council and Regulation (EC) No 1107/2009 of the European Parliament and of the Council and repealing Council Decisions 66/399/EEC, 76/894/EEC and 2009/470/EC (OJ L 189, 27.6.2014, p. 1).

²⁵ Regulation (EU) No 652/2014 of the European Parliament and of the Council of 15 May 2014 laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material, amending Council Directives 98/56/EC, 2000/29/EC and 2008/90/EC, Regulations (EC) No 178/2002, (EC) No 882/2004 and (EC) No 396/2005 of the European Parliament and of the Council, Directive 2009/128/EC of the European Parliament and of the Council and Regulation (EC) No 1107/2009 of the European Parliament and of the Council and repealing Council Decisions 66/399/EEC, 76/894/EEC and 2009/470/EC (OJ L 189, 27.6.2014, p. 1).

Or. en

Amendment 363
Marco Zanni

Proposal for a regulation
Article 2 – paragraph 1 – point 6

Text proposed by the Commission

6. ‘blending operation’ means an action carried out within a blending

Amendment

deleted

facility which combines non-repayable forms of support and/or financial instruments from the EU budget and financial instruments from development or other public finance institutions as well as from commercial finance institutions and investors. Blending operations may include preparatory action leading to potential investments from finance institutions;

Or. it

Amendment 364
Wim van de Camp

Proposal for a regulation
Article 2 – paragraph 1 – point 6

Text proposed by the Commission

6. ‘blending operation’ means an action *carried out within a blending facility which combines non-repayable forms of support* and/or financial instruments from the *EU* budget *and* financial instruments *from* development or other *public* finance institutions as well as *from commercial finance institutions and investors*. Blending operations may include preparatory action leading to potential investments from finance institutions;

Amendment

6. ‘blending operation’ means an action *combining non-reimbursable forms of support, such as Member States’ budget and CEF grants*, and/or financial instruments from the *Union* budget, *including combinations of CEF equity and CEF debt* financial instruments *and financing from the EIB Group (including EIB financing under EFSI)*, development or other finance institutions as well as *investors and/or private financial support, including both direct and indirect financial contributions (including through Public Private Partnership constructions)*. Blending operations may include preparatory action leading to potential investments from finance institutions;

Or. en

Amendment 365
Ingeborg Gräßle, Richard Ashworth, Wim van de Camp

Proposal for a regulation
Article 2 – paragraph 1 – point 6

Text proposed by the Commission

6. ‘blending operation’ means an action carried out within a blending facility which combines non-repayable forms of support and/or financial instruments from the EU budget and financial instruments from development or other public finance institutions as well as from commercial finance institutions and investors. Blending operations may include preparatory action leading to potential investments from finance institutions;

Amendment

6. ‘blending operation’ means an action carried out within a blending facility which combines non-repayable forms of support and/or financial instruments from the EU budget and financial instruments from development or other public finance institutions as well as from commercial finance institutions and investors, ***notwithstanding the rule contained in Article 201(4) stating that only public law bodies or bodies with a public service mission may be entrusted with the implementation of the Union budget.*** Blending operations may include preparatory action leading to potential investments from finance institutions;

Or. en

Justification

This AM updates and replaces the original rapporteurs' AM 4. The purpose is to underline that only banks with a public service mission may be entrusted with the management of EU money.

Amendment 366
Marco Zanni

Proposal for a regulation
Article 2 – paragraph 1 – point 7

Text proposed by the Commission

7. ***‘blending facility’ means a facility established as a cooperation framework between the Commission and development or other public finance institutions as well as commercial finance institutions and investors which aims at achieving certain Union priority objectives and policies in using blending operations and other***

Amendment

deleted

individual actions;

Or. it

Amendment 367

Ingeborg Gräßle, Richard Ashworth, Wim van de Camp

Proposal for a regulation

Article 2 – paragraph 1 – point 7

Text proposed by the Commission

7. ‘blending facility’ means a facility established as a cooperation framework between the Commission and development or other public finance institutions as well as commercial finance institutions and investors which aims at achieving certain Union priority objectives and policies in using blending operations and other individual actions;

Amendment

7. ‘blending facility’ means a facility established as a cooperation framework between the Commission and development or other public finance institutions as well as commercial finance institutions and investors which aims at achieving certain Union priority objectives and policies in using blending operations and other individual actions, ***notwithstanding the rule contained in Article 201(4) stating that only public law bodies or bodies with a public service mission may be entrusted with the implementation of the Union budget;***

Or. en

Justification

This AM updates and replaces the original rapporteurs' AM 5. The purpose is to underline that only banks with a public service mission may be entrusted with the management of EU money.

Amendment 368

Wim van de Camp

Proposal for a regulation

Article 2 – paragraph 1 – point 7

Text proposed by the Commission

7. ‘blending facility’ means a facility established as a cooperation framework

Amendment

7. ‘blending facility’ means a facility established as a cooperation framework

between the Commission and development or other public finance institutions as well as commercial finance institutions *and* investors which *aims at achieving* certain Union priority objectives and policies in using blending operations and other individual actions;

between the Commission and development or other public finance institutions as well as *any private* commercial finance institutions *and/or* investors which *aim to achieve* certain Union priority objectives and policies in using blending operations and other individual actions;

Or. en

Amendment 369

Georgi Pirinski, Jutta Steinruck, Inés Ayala Sender

Proposal for a regulation

Article 2 – paragraph 1 – point 7 a (new)

Text proposed by the Commission

Amendment

7 a. " budget implementation" means a process including the stages of management, implementation, control and audit of Union financial resources, which involves the Commission and other actors depending on different methods of implementation;

Or. en

Amendment 370

Georgi Pirinski, Jutta Steinruck, Inés Ayala Sender

Proposal for a regulation

Article 2 – paragraph 1 – point 27

Text proposed by the Commission

Amendment

27. ‘financial instruments’ means Union measures of financial support provided from the budget in order to address one or more specific policy objectives of the Union. Such instruments may take the form of equity or quasi-equity investments, loans or guarantees, or other risk-sharing instruments, and may, where

27. ‘financial instruments’ means Union measures of financial support provided from the budget, *and from national co-financing in case of financial instruments under shared implementation*, in order to address one or more specific policy objectives of the Union. Such instruments may take the form

appropriate, be combined with other forms of financial support or with funds under shared implementation or EDF funds;

of equity or quasi-equity investments, loans or guarantees, or other risk-sharing instruments, and may, where appropriate, be combined with other forms of financial support or with funds under shared implementation, ***only in case sector specific rules for these funds exclusively provide possibility for such combination***, or EDF funds;

Or. en

Justification

There should be a reference that financial instruments exist also under shared implementation. The following funds under shared implementation should be excluded from combination with financial instruments at EU level as their policy objectives are not compatible with financial instruments objectives: FEAD, EGF, EUSF, EAGF, AMIF.

Amendment 371

Isabelle Thomas, Jean-Paul Denanot

Proposal for a regulation

Article 2 – paragraph 1 – point 27

Text proposed by the Commission

27. ‘financial instruments’ means Union measures of financial support provided from the budget in order to address one or more specific policy objectives of the Union. Such instruments may take the form of equity or quasi-equity investments, loans or guarantees, or other risk-sharing instruments, and may, where appropriate, be combined with other forms of financial support or with funds under shared implementation or EDF funds;

Amendment

27. ‘financial instruments’ means Union measures of financial support provided from the budget in order to address one or more specific policy objectives of the Union. Such instruments may take the form of equity or quasi-equity investments, loans or guarantees, ***repayable advances*** or other risk-sharing instruments, and may, where appropriate, be combined with other forms of financial support or with funds under shared implementation or EDF funds;

Or. fr

Amendment 372

Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation

Article 2 – paragraph 1 – point 27

Text proposed by the Commission

27. ‘financial instruments’ means Union measures of financial support provided from the budget in order to address one or more specific policy objectives of the Union. Such instruments may take the form of equity or quasi-equity investments, loans or guarantees, or other risk-sharing instruments, and may, where appropriate, be combined with other forms of financial support or with funds under shared implementation or EDF funds;

Amendment

27. ‘financial instruments’ means Union measures of financial support provided from the budget in order to address one or more specific policy objectives of the Union. Such instruments may take the form of equity or quasi-equity investments, loans, **repayable advances** or guarantees, or other risk-sharing instruments, and may, where appropriate, be combined with other forms of financial support or with funds under shared implementation or EDF funds;

Or. en

Justification

Addition in line with rapporteur's amendment to Art 2. par. 1 - point 46a new.

Amendment 373

Isabelle Thomas, Jean-Paul Denanot

Proposal for a regulation

Article 2 – paragraph 1 – point 27 a (new)

Text proposed by the Commission

Amendment

27a. ‘repayable advance’ means a loan for a project which is paid in one or more instalments, the conditions for the reimbursement of which depend on the outcome of the project.

Or. fr

Justification

This is linked to the amendment which adds 'repayable advances' to the definition of financial instruments.

Amendment 374
Georgi Pirinski, Jutta Steinruck, Inés Ayala Sender

Proposal for a regulation
Article 2 – paragraph 1 – point 29 a (new)

Text proposed by the Commission

Amendment

29 a. 'grant' means direct financial contribution by way of donation from the Union budget under direct implementation, shared implementation and indirect implementation;

Or. en

Justification

Moved from Art. 174 (2) for reasons of consistency: all definitions should be in Art. 2.

Amendment 375
Ingeborg Gräble, Richard Ashworth

Proposal for a regulation
Article 2 – paragraph 1 – point 34

Text proposed by the Commission

Amendment

34. 'loan' means an agreement which obliges the lender to make available to the borrower an agreed sum of money for an agreed period of time and under which the borrower is obliged to repay that amount within the agreed time;

34. 'loan' means an agreement which obliges the lender to make available to the borrower an agreed sum of money for an agreed period of time and under which the borrower is obliged to repay that amount within the agreed time; ***such loans may take the form of a repayable advance;***

Or. en

Justification

In line with rapporteur's amendment to Art. 2. par. 1 - point 46a new.

Amendment 376
Ingeborg Gräble, Richard Ashworth

Proposal for a regulation
Article 2 – paragraph 1 – point 38

Text proposed by the Commission

38. 'multiplier effect' means the ***investment by eligible final recipients*** divided by the amount of the Union contribution.

Amendment

38. 'multiplier effect' means the ***amount of private capital attracted*** divided by the amount of the Union contribution.

Or. en

Amendment 377
Petri Sarvamaa

Proposal for a regulation
Article 2 – paragraph 1 – point 38 a (new)

Text proposed by the Commission

Amendment

38 a. 'output' means the specific desired outcome of a project, which is established in advance and upon the attainment of which the reimbursement of costs incurred by a beneficiary depends;

Or. en

Justification

In its opinion (1/2017) the ECA recommends including a definition for 'output' in the Financial Rules (paragraph 148 of the opinion). Both the proposed Financial Rules and the sectoral regulations aim at putting a stronger focus on results and outputs. Recent audit results however highlighted that there are significant differences in the use 'output' between the Commission's activities (ECA opinion 1/2017, para 147), therefore the definition of the term should be streamlined.

Amendment 378
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Article 2 – paragraph 1 – point 46 a (new)

Text proposed by the Commission

Amendment

46 a. 'repayable advance' means a loan for a project which is paid in one or more instalments and the conditions for the reimbursement of which depend on the outcome of the project;

Or. en

Justification

Definition taken from Commission communication on 'Framework for State aid for research and development and innovation' 2014/C 198/01. Repayable advances are not defined in the Financial Regulation which could create a legal vacuum given its definition and use in communications on EU state aid.

Amendment 379

Petri Sarvamaa

Proposal for a regulation

Article 2 – paragraph 1 – point 49 a (new)

Text proposed by the Commission

Amendment

49 a. 'results' mean the achievement of specific performance measured by reference to the previously set milestones or through performance indicators, upon which the reimbursement of costs incurred by a beneficiary depends;

Or. en

Justification

In its opinion (1/2017) the ECA recommends including a definition for 'results' in the Financial Rules (para 148). Both the proposed Financial Rules and the sectoral regulations aim at putting a stronger focus on results and outputs. Recent audit results however highlighted that there are significant differences in the use 'results' between the Commission's activities (ECA opinion 1/2017, para 147), therefore the definition of the term should be streamlined.

Amendment 380

Georgi Pirinski, Jutta Steinruck, Inés Ayala Sender

Proposal for a regulation

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Article 2 – paragraph 1 – point 51 a (new)

Text proposed by the Commission

Amendment

51 a. "sound financial management" means a principle of implementation of the Union budget in economical, efficient and effective way;

Or. en

Amendment 381

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 1 – point 51 a (new)

Text proposed by the Commission

Amendment

51 a. 'small grant' means a grant above EUR 60 000 and lower than or equal to EUR 250 000;

Or. en

Amendment 382

Inés Ayala Sender, Vladimír Maňka

Proposal for a regulation

Article 2 – paragraph 1 – point 51 a (new)

Text proposed by the Commission

Amendment

51 a. "small grant" means a grant above EUR 60 000 and lower than or equal to EUR 250 000;

Or. en

Amendment 383

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 1 – point 60 a (new)

Text proposed by the Commission

Amendment

60 a. 'withdrawing Member State' means a Member State which has officially triggered Article 50 of the TEU and whose final agreement with the Union has not entered into force;

Or. en

Amendment 384

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 1 – point 60 b (new)

Text proposed by the Commission

Amendment

60 b. 'provisional agreement' means a temporary agreement agreed between the Union and a withdrawing Member State which shall end with the entry into force of the final agreement agreed between the Union and the withdrawing Member State;

Or. en

Amendment 385

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 1 – point 60 c (new)

Text proposed by the Commission

Amendment

60 c. 'volunteer' means a person doing an unpaid non-compulsory activity for a

non-profit organisation.

Or. en

Amendment 386
Christofer Fjellner

Proposal for a regulation
Article 12 – paragraph 2 – subparagraph 1 – introductory part

Text proposed by the Commission

Amendment

Appropriations may be carried over, but only to the following financial year, **by a decision taken by 15 February by the institution concerned** in respect of:

Appropriations may be carried over, but only to the following financial year, **in accordance with the procedure set out in paragraph 3**, in respect of:

Or. en

Justification

Amendment connected to new procedure for decisions on carry-overs.

Amendment 387
Christofer Fjellner

Proposal for a regulation
Article 12 – paragraph 2 – subparagraph 1 – point e

Text proposed by the Commission

Amendment

(e) appropriations kept unallocated at the beginning of the financial year relating to the funds referred to in Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II), Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (ENI) and Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a **deleted**

financing instrument for development cooperation for the period 2014-2020 (DCI), within a limit of 10% of the initial appropriations of each instrument.

Or. en

Amendment 388

Vladimír Maňka, Inés Ayala Sender
on behalf of the S&D Group

Proposal for a regulation

Article 12 – paragraph 2 – subparagraph 1 – point e

Text proposed by the Commission

(e) appropriations ***kept unallocated at the beginning of the financial year*** relating to the funds referred to in Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II), Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (ENI) and Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020 (DCI), within a limit of 10% of the initial appropriations of each instrument.

Amendment

(e) appropriations relating to the funds referred to in Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II), Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (ENI) and Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020 (DCI) ***which were kept unallocated in order to allow for more flexibility in responding to unforeseen needs and which were not committed during the financial year***, within a limit of 10% of the initial appropriations of each instrument. ***These appropriations shall be spent in accordance with the specific objectives of their initial instrument and governed by the rules and bodies relating to that instrument.***

Or. en

Amendment 389

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 12 – paragraph 2 – subparagraph 1 – point e

Text proposed by the Commission

(e) appropriations kept unallocated at the beginning of the financial year relating to the funds referred to in Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II), Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (ENI) and Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020 (DCI), within a limit of **10%** of the initial appropriations of each instrument.

Amendment

(e) appropriations kept unallocated at the beginning of the financial year relating to the funds referred to in Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II), Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (ENI) and Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020 (DCI), within a limit of **5%** of the initial appropriations of each instrument.

Or. en

Amendment 390

Vladimír Maňka, Inés Ayala Sender

on behalf of the S&D Group

Proposal for a regulation

Article 12 – paragraph 2 – subparagraph 1 – point e a (new)

Text proposed by the Commission

Amendment

(e a) - non-cumulative carry over appropriations could be introduced for non-personnel budget lines up to 5 % of the budget line concerned.

Or. en

Amendment 391
Christofer Fjellner

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

Text proposed by the Commission

Amendment

The institution concerned shall inform the European Parliament and the Council by 15 March of the carry-over decision it has taken. It shall also state, for each budget line, how the criteria in points (a), (b) and (c) have been applied to each carry-over.

deleted

Or. en

Justification

Amendment to take into account a new paragraph inserting new procedure for carry-overs.

Amendment 392
Christofer Fjellner

Proposal for a regulation
Article 12 – paragraph 2 – point 1 (new)

Text proposed by the Commission

Amendment

(1) Every year by 15 February, each institution concerned shall submit to the European Parliament and the Council a proposal containing a comprehensive list of all the appropriations it intends to carry over pursuant to paragraph 2. The institution concerned shall also state, for each budget line, how the criteria in points (a), (b) and (c) have been applied to each carry-over it envisages.

The European Parliament and the Council, the latter acting by qualified majority, shall deliberate upon each carry-over proposal by 31 March of the current financial year. A carry-over

proposal shall be deemed approved, unless the European Parliament or the Council have taken a decision contrary to the proposal by 31 March.

If either the European Parliament or the Council has amended the amount of a proposed carry-over while the other institution has not taken a decision contrary to that carry-over, or if the European Parliament and the Council have both amended the amount of a carry-over, then that carry-over shall be deemed approved in the lesser of the two amounts.

Or. en

Justification

To increase democratic accountability, any decisions on carry-overs should be taken by the budgetary authorities.

Amendment 393

Tamás Deutsch

Proposal for a regulation

Article 12 – paragraph 3 – point a

Text proposed by the Commission

(a) amounts corresponding to commitment and payment appropriations for the Emergency Aid Reserve and **for the European Union Crisis Reserve and** to commitment appropriations for the European Union Solidarity Fund;

Amendment

(a) amounts corresponding to commitment and payment appropriations for the Emergency Aid Reserve and to commitment appropriations for the European Union Solidarity Fund;

Or. en

Amendment 394

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 12 – paragraph 3 – point a

Text proposed by the Commission

(a) amounts corresponding to commitment and payment appropriations for the Emergency Aid Reserve and for the European *Union Crisis Reserve* and to commitment appropriations for the European Union Solidarity Fund;

Amendment

(a) amounts corresponding to commitment and payment appropriations for the Emergency Aid Reserve and for the European *Globalization Adjustment Fund* and to commitment appropriations for the European Union Solidarity Fund;

Or. en

Amendment 395 Christofer Fjellner

Proposal for a regulation Article 12 – paragraph 3 – point a

Text proposed by the Commission

(a) amounts corresponding to commitment *and payment* appropriations for the Emergency Aid Reserve *and for the European Union Crisis Reserve and to commitment appropriations for the European Union Solidarity Fund*;

Amendment

(a) amounts corresponding to commitment appropriations for the Emergency Aid Reserve; *such amounts may be carried over only to the following financial year and may be committed up to 31 December*;

Or. en

Justification

To ensure budgetary discipline, carry-overs should only be permitted for one financial year.

Amendment 396 Christofer Fjellner

Proposal for a regulation Article 12 – paragraph 3 – point b – paragraph 1

Text proposed by the Commission

amounts corresponding to internal assigned revenue;

Amendment

deleted

Amendment 397
Christofer Fjellner

Proposal for a regulation
Article 12 – paragraph 3 – point d

Text proposed by the Commission

Amendment

(d) payment appropriations related to the EAGF resulting from suspensions in accordance with Article 41 of Regulation (EU) No 1306/2013. **deleted**

Or. en

Amendment 398
Christofer Fjellner

Proposal for a regulation
Article 12 – paragraph 4

Text proposed by the Commission

Amendment

4. Non-differentiated appropriations legally committed at the end of the financial year shall be paid until the end of the following financial year. **deleted**

Or. en

Amendment 399
Inés Ayala Sender, Vladimír Maňka

Proposal for a regulation
Article 12 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. In respect of non-differentiated appropriations a distinction shall be made between planned and unplanned carry-

overs. The definition and reporting of those categories should be established in guidelines by the Commission in agreement with the European Parliament and the Court of Auditors.

Or. en

Amendment 400

Petri Sarvamaa

Proposal for a regulation

Article 12 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. In respect of non-differentiated appropriations a distinction shall be made between planned and unplanned carry-overs. The definition and reporting of those categories shall be established in guidelines by the Commission in cooperation with the Court of Auditors.

Or. en

Justification

The long-standing issue of carry-overs reported and criticised by the Court of Auditors should be resolved by drawing the attention explicitly to the amount of unplanned carry-overs which are often caused by delays in budget implementation and shortcomings in the planning process. Planned carry-overs would be the foreseeable amount of appropriations carried forward to the following financial year based on the specific work programme of the EU body. The Commission and the Court of Auditors would be best placed to develop and publish guidelines on the exact definition and the appropriate reporting of the planned and unplanned carry-overs.

Amendment 401

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 12 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. *In respect of non-differentiated appropriations a distinction shall be made between planned and unplanned carry-overs. The definition and reporting of those categories shall be established by the Commission in cooperation with the Court of Auditors.*

Or. en

Amendment 402
Christofer Fjellner

Proposal for a regulation
Article 12 – paragraph 5

Text proposed by the Commission

Amendment

5. Without prejudice to paragraph 3, appropriations placed in reserve and appropriations for staff expenditure shall not be carried over. For the purposes of this Article, staff expenditure comprises the remuneration and allowances for members and staff of the institutions subject to the Staff Regulations.

5. Without prejudice to paragraph 4, appropriations placed in reserve and appropriations for staff expenditure shall not be carried over. For the purposes of this Article, staff expenditure comprises the remuneration and allowances for members and staff of the institutions subject to the Staff Regulations.

Or. en

Justification

Amendment to take into account a new paragraph inserting new procedure for carry-overs.

Amendment 403
Tamás Deutsch

Proposal for a regulation
Article 14 – paragraph 3

Text proposed by the Commission

Amendment

3. *Without prejudice to paragraphs (1) and (2), decommitted appropriations*

deleted

made in year n-2 shall be made available again to the European Union Crisis Reserve in the framework of the budgetary procedure for the year n.

When the Commission considers that the Reserve needs to be called on, it shall present to the European Parliament and the Council a proposal for a transfer from the Reserve to the corresponding budgetary lines, in line with Article 30 (4).

Or. en

Amendment 404

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 14 – paragraph 3 – subparagraph 1

Text proposed by the Commission

Without prejudice to paragraphs (1) and (2), decommitted appropriations made in year n-2 shall be made available again to the *European Union Crisis Reserve in the framework of the budgetary procedure for the year n.*

Amendment

Without prejudice to paragraphs (1) and (2), decommitted appropriations made in year n-2 shall be made available again to the *Global Margin for Commitments as referred to in Article 14 of Council Regulation (EU, Euratom) No 1311/2013.*

Or. en

Amendment 405

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 14 – paragraph 3 – subparagraph 2

Text proposed by the Commission

When the Commission considers that the Reserve needs to be called on, it shall present to the European Parliament and the Council a proposal for a transfer from

Amendment

deleted

the Reserve to the corresponding budgetary lines, in line with Article 30 (4).

Or. en

Amendment 406

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 15 – paragraph 4 – subparagraph 1

Text proposed by the Commission

If the continuity of action by the Union so require, the **Council**, acting by *qualified* majority on a proposal of the Commission, may authorise expenditure in excess of one provisional twelfth but not exceeding the total of four provisional twelfths, **excluding the one twelfth made automatically available**, except in duly justified cases, both for commitments and for payments over and above those automatically made available in accordance with paragraphs 1 and 2. It shall forward the decision on authorisation without delay to the **European Parliament**.

Amendment

If the continuity of action by the Union so require, the **European Parliament**, acting by *a majority of its component Members* on a proposal of the Commission, may authorise expenditure in excess of one provisional twelfth but not exceeding the total of four provisional twelfths, except in duly justified cases, both for commitments and for payments over and above those automatically made available in accordance with paragraphs 1 and 2. It shall forward the decision on authorisation without delay to the **Council**.

Or. en

Amendment 407

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 15 – paragraph 4 – subparagraph 2 – introductory part

Text proposed by the Commission

The decision referred to in the first subparagraph shall enter into force 30 days following its adoption unless the **European Parliament** takes any of the following

Amendment

The decision referred to in the first subparagraph shall enter into force 30 days following its adoption unless the **Council** takes any of the following actions:

actions:

Or. en

Amendment 408

Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 15 – paragraph 4 – subparagraph 2 – point a

Text proposed by the Commission

(a) acting by a **majority of its component Members**, decides to reduce that expenditure within that time limit, in which case the Commission shall submit a new proposal;

Amendment

(a) acting by a **qualified majority**, decides to reduce that expenditure within that time limit, in which case the Commission shall submit a new proposal;

Or. en

Amendment 409

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 15 – paragraph 4 – subparagraph 2 – point b

Text proposed by the Commission

(b) informs the **Council** and the Commission that it does not wish to reduce that expenditure, in which case the decision shall enter into force before the expiry of the 30 days.

Amendment

(b) informs the **European Parliament** and the Commission that it does not wish to reduce that expenditure, in which case the decision shall enter into force before the expiry of the 30 days.

Or. en

Amendment 410

Eider Gardiazabal Rubial

Proposal for a regulation

Article 20 – paragraph 2 – point g a (new)

Text proposed by the Commission

Amendment

g a) resources coming from Member States not complying with the corrective allocation mechanism established under Regulation (EU) No 604/2013.

Or. en

Amendment 411

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 22 a (new)

Text proposed by the Commission

Amendment

Article 22 a

Assigned revenue resulting from the participation of a withdrawing Member State in certain Union programmes

1. The budget structure to accommodate the revenue provided for in Article 20(2)(e) shall be as follows:

in the statement of revenue, a line with a token entry pro memoria shall be entered to accommodate the full amount of the withdrawing Member State's contribution for the financial year in question;

2. Under the provisional agreement the amounts of the annual participation of the withdrawing Member State shall give rise to the provision, at the start of the financial year, of the full amounts of the corresponding commitment appropriations and payment appropriations.

Or. en

Amendment 412
Marco Zanni

Proposal for a regulation
Article 23

Text proposed by the Commission

Amendment

Article 23

deleted

Donations

1. Union institutions may accept any donation made to the Union, such as income from foundations, subsidies, gifts and bequests.

2. Acceptance of a donation of a value of EUR 50 000 or more which involves a financial charge, including follow-up costs, exceeding 10 % of the value of the donation made, shall be subject to the authorisation of the European Parliament and of the Council. In light of such an authorisation, the European Parliament and the Council, shall act on the matter within two months of receiving the request from the Commission. If no objection is made within that period, Union institutions shall take a final decision regarding the acceptance of the donation. Union institutions shall explain the financial charges entailed by the acceptance of donations made to the Union.

Or. it

Amendment 413
Marco Zanni

Proposal for a regulation
Article 24

Text proposed by the Commission

Amendment

Article 24

deleted

Corporate sponsoring

1. Corporate sponsoring means an agreement by which a legal person supports in-kind an event or an activity for promotional or corporate social responsibility purposes.

2. On the basis of specific internal rules Union institutions and bodies may exceptionally accept in kind corporate sponsoring provided that:

(a) there is due regard to the principles of non-discrimination, proportionality, equal treatment, transparency;

(b) it contributes to the positive image of the Union and is directly linked to the core objective of an event or of an action;

(c) it does neither generate conflict of interest nor concern exclusively social events.

Or. it

Amendment 414

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 24 – paragraph 2 – introductory part

Text proposed by the Commission

2. On the basis of specific internal rules Union institutions and bodies may exceptionally accept in kind corporate sponsoring provided that:

Amendment

2. Union institutions and bodies *shall not* accept in kind corporate sponsoring.

Or. en

Amendment 415

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation
Article 24 – paragraph 2 – point a

Text proposed by the Commission

Amendment

(a) there is due regard to the principles of non-discrimination, proportionality, equal treatment, transparency;

deleted

Or. en

Amendment 416
Marco Valli, Laura Agea

Proposal for a regulation
Article 24 – paragraph 2 – point a a (new)

Text proposed by the Commission

Amendment

(aa) as regards transparency, all the data concerning the sponsoring and sponsors are published;

Or. it

Amendment 417
Indrek Tarand, Bart Staes
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 24 – paragraph 2 – point b

Text proposed by the Commission

Amendment

(b) it contributes to the positive image of the Union and is directly linked to the to the core objective of an event or of an action;

deleted

Or. en

Amendment 418

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 24 – paragraph 2 – point c

Text proposed by the Commission

Amendment

(c) *it does neither generate conflict of interest nor concern exclusively social events.* **deleted**

Or. en

Amendment 419

Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation

Article 28 – paragraph 1 – subparagraph 1 – point e

Text proposed by the Commission

Amendment

(e) *with regard to the European Union Solidarity Fund (EUSF), transfer appropriations from the reserve to the line upon the adoption by the Parliament and the Council of the decision of mobilisation of the Fund;* **deleted**

Or. en

Justification

The budgetary authority oversight should be maintained.

Amendment 420

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 28 – paragraph 1 – subparagraph 6

Text proposed by the Commission

Amendment

Three weeks before making the transfers referred to in *point (b) of* the first subparagraph of this Article, the Commission shall inform the European Parliament and the Council of its intention to do so. In the event that duly justified reasons are raised within that period by the European Parliament or the Council, the procedure laid down in Article 29 shall apply.

Three weeks before making the transfers referred to in the first subparagraph of this Article, the Commission shall inform the European Parliament and the Council of its intention to do so. In the event that duly justified reasons are raised within that period by the European Parliament or the Council, the procedure laid down in Article 29 shall apply.

Or. en

Amendment 421

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 29 – paragraph 2 – subparagraph 1

Text proposed by the Commission

The Commission may submit proposals for transfers of payment appropriations to the funds managed under shared implementation with the exception of the EAGF to the European Parliament and the Council by 10 January of the following financial year. The transfer of the payment appropriations may be made from any item of the budget. *The six-week period referred to in paragraph 3 shall be reduced to three weeks.*

Amendment

The Commission may submit proposals for transfers of payment appropriations to the funds managed under shared implementation with the exception of the EAGF to the European Parliament and the Council by 10 January of the following financial year. The transfer of the payment appropriations may be made from any item of the budget.

Or. en

Amendment 422

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 29 – paragraph 5 – subparagraph 2

Text proposed by the Commission

Amendment

The six-week period referred to in paragraph 4 shall be reduced to three weeks.

deleted

Or. en

Amendment 423
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Article 29 – paragraph 6 – introductory part

Text proposed by the Commission

Amendment

6. The transfer proposal shall be approved, if, within the six-week period, ***any of the following occurs:***

6. The transfer proposal shall be approved, if, within the six-week period, ***neither the European Parliament nor the Council take a decision to amend or refuse the transfer proposal.***

Or. en

Justification

Simplification. No change in substance.

Amendment 424
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Article 29 – paragraph 6 – point a

Text proposed by the Commission

Amendment

(a) ***the European Parliament and the Council approve it;***

deleted

Or. en

Justification

Simplification. See above.

Amendment 425
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Article 29 – paragraph 6 – point b

Text proposed by the Commission

Amendment

(b) either the European Parliament or the Council approves it and the other institution refrains from acting; *deleted*

Or. en

Justification

Simplification. See above.

Amendment 426
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Article 29 – paragraph 6 – point c

Text proposed by the Commission

Amendment

(c) the European Parliament and the Council refrain from acting or do not take a decision to amend or refuse the transfer proposal. *deleted*

Or. en

Justification

Simplification. See above.

Amendment 427
Tamás Deutsch

Proposal for a regulation
Article 30 – paragraph 3

Text proposed by the Commission

Amendment

3. Paragraph 1 shall not apply to internal assigned revenue in the event that there are no identified needs allowing such revenue to be used for the purpose for which it is assigned.

deleted

Or. en

Amendment 428

Esteban González Pons, José Ignacio Salafranca Sánchez-Neyra

Proposal for a regulation

Article 30 – paragraph 3

Text proposed by the Commission

Amendment

3. Paragraph 1 shall not apply to internal assigned revenue in the event that there are no identified needs allowing such revenue to be used for the purpose for which it is assigned.

deleted

Or. en

Justification

It allows internal assigned revenue to be used to create payment appropriations in other budgetary lines

Amendment 429

Tamás Deutsch

Proposal for a regulation

Article 30 – paragraph 4 – subparagraph 1

Text proposed by the Commission

Amendment

Decisions on transfers to allow the use of the emergency aid reserve **and the European Union Crisis Reserve** shall be taken by the European Parliament and the Council on a proposal from the

Decisions on transfers to allow the use of the emergency aid reserve shall be taken by the European Parliament and the Council on a proposal from the Commission.

Commission.

Or. en

Amendment 430

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 30 – paragraph 4 – subparagraph 1

Text proposed by the Commission

Decisions on transfers to allow the use of the emergency aid reserve and the European ***Union Crisis Reserve*** shall be taken by the European Parliament and the Council on a proposal from the Commission.

Amendment

Decisions on transfers to allow the use of the emergency aid reserve and the European ***Globalization Adjustment Fund*** shall be taken by the European Parliament and the Council on a proposal from the Commission.

Or. en

Amendment 431

Tamás Deutsch

Proposal for a regulation

Article 30 – paragraph 4 – subparagraph 3 – introductory part

Text proposed by the Commission

Proposals for transfers from the emergency aid reserve ***and the European Union Crisis Reserve*** shall be accompanied by appropriate and detailed supporting documents demonstrating:

Amendment

Proposals for transfers from the emergency aid reserve shall be accompanied by appropriate and detailed supporting documents demonstrating:

Or. en

Amendment 432

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 30 – paragraph 4 – subparagraph 3 – introductory part

Text proposed by the Commission

Amendment

Proposals for transfers from the emergency aid reserve and the European *Union Crisis Reserve* shall be accompanied by appropriate and detailed supporting documents demonstrating:

Proposals for transfers from the emergency aid reserve and the European *Globalization Adjustment Fund* shall be accompanied by appropriate and detailed supporting documents demonstrating:

Or. en

Amendment 433

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 30 – paragraph 5

Text proposed by the Commission

Amendment

5. *Transfers from the reserve for the European Globalisation Adjustment Fund shall be deemed approved by the European Parliament and the Council upon the adoption of the decision to mobilise the Fund.*

deleted

Or. en

Amendment 434

Georgi Pirinski, Jutta Steinruck, Inés Ayala Sender

Proposal for a regulation

Article 31 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

1. Appropriations shall *respect* the principle of sound financial management, and thus *be implemented in accordance with* the following principles:

1. Appropriations shall *be used and Union budget shall be implemented in accordance with* the principle of sound financial management, and thus *respecting* the following principles:

Amendment 435
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Article 32 – paragraph 1

Text proposed by the Commission

1. Programmes and activities which entail significant spending shall be subject to *ex-ante and retrospective* evaluation ("evaluation"), which shall be proportionate to the objectives and expenditure.

Amendment

1. Programmes and activities which entail significant spending *with resources mobilized exceeding EUR 5 000 000* shall be subject to *impact assessment and ex-post* evaluation ("evaluation"), which shall be proportionate to the objectives and expenditure.

Or. en

Justification

See rapporteur's amendment to Art. 32 par. 3.

Amendment 436
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Article 32 – paragraph 2

Text proposed by the Commission

2. *Ex-ante evaluations* supporting the preparation of programmes and activities shall be based on evidence on the performance of related programmes or activities and shall identify and analyse the issues to be addressed, EU added value, objectives, expected effects of different options and monitoring and evaluation arrangements.

Amendment

2. *Impact assessments* supporting the preparation of programmes and activities shall be based on evidence on the performance of related programmes or activities and shall identify and analyse the issues to be addressed, EU added value, objectives, *the policy options available including the risks associated with them*, expected effects of different options *in particular any economic, social and environmental impact*, and monitoring and evaluation arrangements *needed to measure them, the most appropriate*

method of implementation for the preferred option(s), the internal coherence and relations with other relevant instruments, the volume of appropriations, human resources and other administrative expenditure to be allocated with due regard to cost-effectiveness, and the lessons learned from the past.

Or. en

Justification

See rapporteur's amendment to Art. 32 par. 3.

Amendment 437
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Article 32 – paragraph 3

Text proposed by the Commission

3. **Retrospective** evaluations shall assess the performance of the programme or activity, including aspects such as effectiveness, efficiency, coherence, relevance and EU added value. They shall be undertaken periodically and in sufficient time for the findings to be taken into account in *ex-ante evaluations* which support the preparation of related programmes and activities.

Amendment

3. **Ex-post** evaluations shall assess the performance of the programme or activity, including aspects such as effectiveness, efficiency, **economy**, coherence, relevance and EU added value. **In so doing, they shall take into account the outcome of the monitoring exercise with performance indicators, as specified in Article 31(2).** They shall be undertaken periodically, **and at least every six years for programmes and activities which entail significant spending**, and in sufficient time for the findings to be taken into account in **impact assessments** which support the preparation of related programmes and activities.

Or. en

Justification

Additional text to AM 34. The terminology on 'Evaluations' should be aligned with the Interinstitutional Agreement of 13 April 2016 on Better Law-Making and the Better

Regulation Guidelines. Moreover, wording from Art. 18 of the current Rules of Application has been reintroduced regarding programmes and activities entailing significant spending.

Amendment 438

Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation

Article 33 – paragraph 1 – subparagraph 1

Text proposed by the Commission

Any proposal or initiative submitted to the legislative authority by the Commission, the High Representative of the Union for Foreign Affairs and Security Policy (the ‘High Representative’) or by a Member State, which may have an impact on the budget, including changes in the number of posts, shall be accompanied by a financial statement and by an *ex ante evaluation* as provided for in Article 32.

Amendment

Any proposal or initiative submitted to the legislative authority by the Commission, the High Representative of the Union for Foreign Affairs and Security Policy (the ‘High Representative’) or by a Member State, which may have an impact on the budget, including changes in the number of posts, shall be accompanied by a financial statement and by an *impact assessment* as provided for in Article 32.

Or. en

Justification

Consistent terminology in line with rapporteur's amendments to Art. 32.

Amendment 439

Marco Zanni

Proposal for a regulation

Article 35 – paragraph 2 – subparagraph 2

Text proposed by the Commission

The budgets shall be published within *three* months of the date on which they are declared definitively adopted.

Amendment

The budgets shall be published within *two* months of the date on which they are declared definitively adopted.

Or. it

Amendment 440

Indrek Tarand, Bart Staes
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 35 – paragraph 2 – subparagraph 2

Text proposed by the Commission

The budgets shall be published within **three months** of the date on which they are declared definitively adopted.

Amendment

The budgets shall be published within **four weeks** of the date on which they are declared definitively adopted.

Or. en

Amendment 441
Bart Staes, Indrek Tarand
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 36 – paragraph 1 – subparagraph 3

Text proposed by the Commission

The information on recipients of Union's funds implemented under direct implementation shall be published on an internet site of the Union institutions, no later than 30 June of the year following the financial year in which the funds were legally committed.

Amendment

The information on recipients of Union's funds implemented under direct implementation shall be published on an internet site of the Union institutions **and in the Financial Transparency System**, no later than 30 June of the year following the financial year in which the funds were legally committed.

Or. en

Amendment 442
Inés Ayala Sender, Vladimír Maňka

Proposal for a regulation
Article 36 – paragraph 1 – subparagraph 3

Text proposed by the Commission

The information on recipients of Union's funds implemented under direct implementation shall be published **on an**

Amendment

The information on recipients of Union's funds implemented under direct implementation shall be published **in the**

internet site of the Union institutions, no later than 30 June of the year following the financial year in which the funds were *legally committed*.

Financial Transparency System, no later than 30 June of the year following the financial year in which the funds were *disbursed*;

Or. en

Amendment 443

Liadh Ní Riada

on behalf of the GUE/NGL Group

Proposal for a regulation

Article 36 – paragraph 1 – subparagraph 3

Text proposed by the Commission

The information on recipients of Union's funds implemented under direct implementation shall be published *on an internet site of the Union institutions*, no later than 30 June of the year following the financial year in which the funds were *legally committed*.

Amendment

The information on recipients of Union's funds implemented under direct implementation shall be published *in the Financial Transparency System*, no later than 30 June of the year following the financial year in which the funds were *dispersed*.

(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)

Or. en

Justification

In order to ensure that the Financial Transparency System is up to date, complete and consistent with specific programme databases, it should be explicitly mentioned in the article. Basing the data on annual payment rather than on multiple year commitments would increase transparency on amounts effectively disbursed to the different beneficiaries.

Amendment 444

Liadh Ní Riada

on behalf of the GUE/NGL Group

Proposal for a regulation

Article 36 – paragraph 2 – subparagraph 1 – point c

Text proposed by the Commission

Amendment

(c) the amount ***legally committed***;

(c) the amount ***paid to the recipient***;
(*This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.*)

Or. en

(In order to ensure that the Financial Transparency System is up to date, complete and consistent with specific programme databases, it should be explicitly mentioned in the article. Basing the data on annual payment rather than on multiple year commitments would increase transparency on amounts effectively disbursed to the different beneficiaries.)

Amendment 445

Inés Ayala Sender, Vladimír Maňka

Proposal for a regulation

Article 36 – paragraph 2 – subparagraph 1 – point c

Text proposed by the Commission

Amendment

(c) the amount ***legally committed***;

(c) the amount ***paid to the recipient***;

Or. en

Amendment 446

Marco Valli, Laura Agea

Proposal for a regulation

Article 36 – paragraph 2 – subparagraph 3 – point b

Text proposed by the Commission

Amendment

(b) ***very low value contracts awarded to experts selected pursuant to Article 230(2) as well as very low value contracts below the amount referred to in point 14.4 of the Annex to this Regulation.*** ***deleted***

Or. it

Amendment 447

Marco Zanni

**Proposal for a regulation
Article 36 – paragraph 3**

Text proposed by the Commission

3. Where natural persons are concerned, the publication shall be limited to the name and locality of the recipient, the amount legally committed and the purpose of the measure. The disclosure of those data shall be based on relevant criteria such as the periodicity, or the type or importance of the measure. ***As far as personal data are concerned, the information shall be removed two years after the end of the financial year in which the amount was legally committed. The same shall apply to personal data referring to legal persons for whom the official title identifies one or more natural persons.***

Amendment

3. Where natural persons are concerned, the publication shall be limited to the name and locality of the recipient, the amount legally committed and the purpose of the measure. The disclosure of those data shall be based on relevant criteria such as the periodicity, or the type or importance of the measure.

Or. it

Amendment 448

Indrek Tarand, Bart Staes
on behalf of the Verts/ALE Group

**Proposal for a regulation
Article 36 – paragraph 4 a (new)**

Text proposed by the Commission

Amendment

4 a. The Commission, with the help of the Member States, shall make available, in an appropriate and timely manner, information on recipients, as well as the nature and purpose of the measure financed from the budget, where the latter is implemented directly in accordance with point (b) of Article 61(1).

The obligation set out in the first subparagraph shall also apply to local authorities when they implement the

Union budget.

The information on recipients of Union's funds implemented under shared implementation shall be published on an internet site of the Union institutions, no later than 30 June of the year following the financial year in which the funds were legally committed.

The information referred to in the first subparagraph shall be made available, having due regard for the requirements of confidentiality and security, in particular the protection of personal data and shall include the following:

- (a) the name of the recipient;***
- (b) the locality of the recipient;***
- (c) the amount legally committed;***
- (d) the nature and purpose of the measure.***

For the purposes of point b) of the fourth subparagraph the term 'locality' shall mean:

- (i) the address of the recipient when the latter is a legal person***
- (ii) the Region on NUTS 2 level when the recipient is a natural person***

This information shall only be published for prizes, grants and contracts which have been awarded as a result of contests or grant award procedures or public procurement procedures, and for experts which have been selected pursuant to Article 230(2). The information shall not be published for:

- (i) education supports paid to natural persons and other direct support paid to natural persons most in need as referred to in point (b) of Article 185(4)***
- (ii) very low value contracts awarded to experts selected pursuant to Article 230(2) as well as very low value contracts below the amount referred to in point 14.4 of the Annex to this Regulation***

The internet site of the Union institutions shall contain at least a reference to the address of the website where the information can be found if it is not published directly on the dedicated place of the internet site of the Union institutions.

Where natural persons are concerned, the publication shall be limited to the name and locality of the recipient, the amount legally committed and the purpose of the measure. The disclosure of those data shall be based on relevant criteria such as the periodicity, or the type or importance of the measure. As far as personal data are concerned, the information shall be removed two years after the end of the financial year in which the amount was legally committed. The same shall apply to personal data referring to legal persons for whom the official title identifies one or more natural persons.

The publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the recipients.

Or. en

Amendment 449

Marco Valli, Laura Agea

Proposal for a regulation

Article 36 – paragraph 5 – subparagraph 2

Text proposed by the Commission

The information on final recipients of funds provided through financial instruments who receive support from the Union budget for an amount lower than EUR 500 000, shall be limited to statistical data, aggregated in accordance with relevant criteria, such as

Amendment

deleted

geographical situation, economic typology of recipients, type of support received and the Union policy area under which such support was provided.

Or. it

Amendment 450
Marco Zanni

Proposal for a regulation
Article 36 – paragraph 5 – subparagraph 2

Text proposed by the Commission

The information on final recipients of funds provided through financial instruments who receive support from the Union budget for an amount lower than EUR **500 000**, shall be limited to statistical data, aggregated in accordance with relevant criteria, such as geographical situation, economic typology of recipients, type of support received and the Union policy area under which such support was provided.

Amendment

The information on final recipients of funds provided through financial instruments who receive support from the Union budget for an amount lower than EUR **100 000**, shall be limited to statistical data, aggregated in accordance with relevant criteria, such as geographical situation, economic typology of recipients, type of support received and the Union policy area under which such support was provided.

Or. it

Amendment 451
Tamás Deutsch

Proposal for a regulation
Article 36 – paragraph 5 – subparagraph 2

Text proposed by the Commission

The information on final recipients of funds provided through financial instruments who receive support from the Union budget for an amount lower than EUR **500 000**, shall be limited to statistical data, aggregated in accordance with relevant criteria, such as geographical

Amendment

The information on final recipients of funds provided through financial instruments who receive support from the Union budget for an amount lower than EUR **200 000**, shall be limited to statistical data, aggregated in accordance with relevant criteria, such as geographical

situation, economic typology of recipients, type of support received and the Union policy area under which such support was provided.

situation, economic typology of recipients, type of support received and the Union policy area under which such support was provided.

Or. en

Amendment 452

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 36 – paragraph 5 – subparagraph 2

Text proposed by the Commission

The information on final recipients of funds provided through financial instruments who receive support from the Union budget for an amount lower than EUR **500 000**, shall be limited to statistical data, aggregated in accordance with relevant criteria, such as geographical situation, economic typology of recipients, type of support received and the Union policy area under which such support was provided.

Amendment

The information on final recipients of funds provided through financial instruments who receive support from the Union budget for an amount lower than EUR **100 000**, shall be limited to statistical data, aggregated in accordance with relevant criteria, such as geographical situation, economic typology of recipients, type of support received and the Union policy area under which such support was provided.

Or. en

Amendment 453

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 36 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5 a. The publications as referred in to this Article shall be available on a single website under the responsibility of the Commission.

Amendment 454
Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation
Article 39 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Before submitting the draft budget, the Commission shall perform a consultation of citizens.

Or. en

Justification

The co-rapporteurs welcome the idea of more citizens' engagement, as proposed by the Commission in Art. 54(3), and consider this should also apply to the drawing up of the annual budget.

Amendment 455
Indrek Tarand, Bart Staes
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 39 – paragraph 3 – point b – point iii

Text proposed by the Commission

Amendment

(iii) the number of posts actually filled at the beginning of the year in which the draft budget is presented, indicating their distribution by grade **and** administrative unit;

(iii) the number of posts actually filled at the beginning of the year in which the draft budget is presented, indicating their distribution by grade, **by** administrative unit **and by gender**;

Or. en

Amendment 456
Nedzhmi Ali, Martina Dlabajová, Nils Torvalds, Urmas Paet

Proposal for a regulation

Article 39 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3 a. *a comparative table including the Commission's draft budget for the other institutions and the other institutions' original financial requests as sent to the Commission;*

Or. en

Justification

This amendment seeks to oblige the Commission to add to its proposal for the budget the original budget as adopted by the different institutions so that the unilateral changes made by the Commission become visible and transparent.

Amendment 457

Marco Valli, Laura Agea

Proposal for a regulation

Article 39 – paragraph 4 – subparagraph 1 – point k a (new)

Text proposed by the Commission

Amendment

(ka) *the amount of private capital attracted;*

Or. it

Amendment 458

Ingeborg Gräßle, Richard Ashworth

Proposal for a regulation

Article 39 – paragraph 4 – subparagraph 2

Text proposed by the Commission

Amendment

This working document shall also include an overview of the administrative expenditure arising from management fees and other financial and operating charges paid for the management of financial instruments in total and per managing party

This working document shall also include ***specific information on the ten worst-performing financial instruments, as well as*** an overview of the administrative expenditure arising from management fees and other financial and operating charges

and per financial instrument managed.

paid for the management of financial instruments in total and per managing party and per financial instrument managed.

Or. en

Amendment 459

Bart Staes, Indrek Tarand

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 39 – paragraph 6

Text proposed by the Commission

6. Where the Commission makes use of Union Trust Funds, it shall attach to the draft budget a working document on the activities supported by Union Trust Funds, on their implementation and performance.

Amendment

6. Where the Commission makes use of Union Trust Funds, it shall attach to the draft budget a working document on the activities supported by Union Trust Funds, on their implementation and performance ***and how the actions under the Trust Funds have contributed to the objectives laid down in the basic act of the instrument from which the Union contribution to the Trust Funds were provided.***

Or. en

Amendment 460

Vladimír Maňka, Inés Ayala Sender

on behalf of the S&D Group

Proposal for a regulation

Article 39 – paragraph 6

Text proposed by the Commission

6. Where the Commission makes use of Union Trust Funds, it shall attach to the draft budget a working document on the activities supported by ***Union*** Trust Funds, on their implementation and performance.

Amendment

6. Where the Commission makes use of Union Trust Funds ***for external actions***, it shall attach to the draft budget a working document on the activities supported by ***these*** Trust Funds, on their implementation and performance.

Justification

For the reasons of transparency, proper scrutiny and the budgetary unity, use of Trust Funds should be limited to external policies, and to actions that could not be financed otherwise.

Amendment 461**Indrek Tarand, Bart Staes**

on behalf of the Verts/ALE Group

Proposal for a regulation**Article 42 – paragraph 2 – subparagraph 2***Text proposed by the Commission*

Before presenting a draft amending budget, the Commission and the other institutions shall examine the scope for reallocation of the relevant appropriations, with particular reference to any expected under-implementation of appropriations.

Amendment

Before presenting a draft amending budget, the Commission and the other institutions shall examine the scope for reallocation of the relevant appropriations, with particular reference to any expected under-implementation of appropriations ***without putting into danger programmes already adopted and being implemented especially those contributing to the Union objectives.***

Or. en

Amendment 462**Indrek Tarand, Bart Staes**

on behalf of the Verts/ALE Group

Proposal for a regulation**Article 44 – paragraph 1 – point b***Text proposed by the Commission*

(b) separate sections for each institution, ***with the exception of the European Council and the Council which shall share the same section, subdivided into statements of revenue and expenditure.***

Amendment

(b) separate sections for each institution.

Or. en

Amendment 463

Esteban González Pons, José Ignacio Salafranca Sánchez-Neyra

Proposal for a regulation

Article 48 – paragraph 1

Text proposed by the Commission

The Commission section of the budget may include a "negative reserve" limited to a maximum amount of EUR **400 000 000**. Such a reserve, which shall be entered in a separate title, shall comprise payment appropriations only.

Amendment

The Commission section of the budget may include a "negative reserve" limited to a maximum amount of EUR **200 000 000**. Such a reserve, which shall be entered in a separate title, shall comprise payment appropriations only.

Or. en

Justification

It doubles the current amount without an adequate justification. It infringes the budgetary principle of annuality.

Amendment 464

Tamás Deutsch

Proposal for a regulation

Article 49 – title

Text proposed by the Commission

Emergency Aid Reserve **and European Union Crisis Reserve**

Amendment

Emergency Aid Reserve

Or. en

Amendment 465

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 49 – title

Text proposed by the Commission

Emergency Aid Reserve and European
Union Crisis Reserve

Amendment

Emergency Aid Reserve and European
Globalization Adjustment Fund

Or. en

Amendment 466

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 49 – paragraph 1

Text proposed by the Commission

1. The Commission section of the budget shall include a reserve for emergency aid for third countries and a European *Union Crisis Reserve*.

Amendment

1. The Commission section of the budget shall include a reserve for emergency aid for third countries and a *reserve for the European Globalization Adjustment Fund*.

Or. en

Amendment 467

Tamás Deutsch

Proposal for a regulation

Article 49 – paragraph 1

Text proposed by the Commission

1. The Commission section of the budget shall include a reserve for emergency aid for third countries *and a European Union Crisis Reserve*.

Amendment

1. The Commission section of the budget shall include a reserve for emergency aid for third countries

Or. en

Amendment 468

Tamás Deutsch

Proposal for a regulation
Article 49 – paragraph 2

Text proposed by the Commission

2. The reserves referred to in paragraph 1 shall be drawn upon before the end of the financial year by means of transfer in accordance with the procedure laid down in **Articles 28 and 30**.

Amendment

2. The reserves referred to in paragraph 1 shall be drawn upon before the end of the financial year by means of transfer in accordance with the procedure laid down in **Article 28**.

Or. en

Amendment 469
Vladimír Maňka, Inés Ayala Sender
on behalf of the S&D Group

Proposal for a regulation
Article 50 – paragraph 1 – point a – point v a (new)

Text proposed by the Commission

Amendment

(v a) all revenue and expenditure under the respective European Development Funds entered under a special budget heading within the Commission section;

Or. en

Justification

Inclusion of the European Development Fund in the EU budget.

Amendment 470
Indrek Tarand, Bart Staes
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 54 – paragraph 3

Text proposed by the Commission

Amendment

3. Citizens may be consulted on the implementation of the Union budget by the Commission, Member States or any other

3. Citizens may be consulted on the **preparation and the** implementation of the Union budget by the Commission, Member

entity implementing the Union budget.

States or any other entity implementing the Union budget. *Such consultations shall be encouraged as much as possible, including through the representative associations.*

The consultation as referred in to the first subparagraph shall respect the principle of transparency, diversity and proportionality, whereas:

(i) transparency means that the consultation shall be public and accessible to a wide public;

(ii) diversity means that the consultation shall not lead to an overrepresentation of a certain group or part of the societies;

(iii) proportionality means that the consultation, and the inherent costs, shall be consistent with the size of the project or programme.

Or. en

Amendment 471

Liadh Ní Riada

on behalf of the GUE/NGL Group

Proposal for a regulation

Article 54 – paragraph 3

Text proposed by the Commission

3. *Citizens may be consulted* on the implementation of the Union budget by the Commission, Member States or any other entity implementing the Union budget.

Amendment

3. *An open, transparent and regular dialogue with citizens through their representative associations* on the implementation of the Union budget *shall be fostered and maintained* by the Commission, *European Parliament*, Member States or any other entity implementing the Union budget.

(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)

Or. en

(It is important that article 11 TEU on consultation and dialogue with civil society is fully implemented in the implementation of the EU budget)

Amendment 472
Inés Ayala Sender

Proposal for a regulation
Article 54 – paragraph 3

Text proposed by the Commission

3. *Citizens may be consulted* on the implementation of the Union budget by the Commission, Member States or any other entity implementing the Union budget.

Amendment

3. *An open, structured, transparent and regular dialogue with citizens through their representative associations* on the implementation of the Union budget *shall be fostered and maintained* by the Commission, Member States or any other entity implementing the Union budget.

Or. en

Amendment 473
Vladimír Maňka
on behalf of the S&D Group

Proposal for a regulation
Article 54 – paragraph 3

Text proposed by the Commission

3. Citizens may be consulted on the implementation of the Union budget by the Commission, Member *States or any other* entity *implementing the Union budget*.

Amendment

3. Citizens may be consulted on the *aims of future* implementation of *a specific part* of the Union budget by the Commission, Member *State or an* entity *responsible for its implementation*.

Or. en

Justification

The remit of this paragraph should be limited, so that it cannot be misused for political purposes. Furthermore, clear rules of application should be in place.

Amendment 474

Vladimír Maňka, Inés Ayala Sender
on behalf of the S&D Group

Proposal for a regulation
Article 56 – paragraph 2 – point a – paragraph 2

Text proposed by the Commission

The total amount of appropriations for the pilot projects shall not exceed EUR 40 000 000 in any financial year.

Amendment

The total amount of appropriations for the pilot projects shall not exceed EUR 40 000 000 in any financial year, ***not including pilot projects proposed by the Commission.***

Or. en

Justification

The pilot projects and preparatory actions proposed by the Commission should come over and above the ceiling specified in the Financial Regulation.

Amendment 475
Indrek Tarand, Bart Staes
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 56 – paragraph 2 – point a – paragraph 2

Text proposed by the Commission

The total amount of appropriations for the pilot projects shall not exceed EUR **40 000 000** in any financial year.

Amendment

The total amount of appropriations for the pilot projects shall not exceed EUR **60 000 000** in any financial year.

Or. en

Amendment 476
Vladimír Maňka, Inés Ayala Sender
on behalf of the S&D Group

Proposal for a regulation
Article 56 – paragraph 2 – point b – paragraph 2

Text proposed by the Commission

Amendment

The total amount of appropriations for new preparatory actions referred to under this point shall not exceed EUR 50 000 000 in any financial year, and the total amount of appropriations actually committed for preparatory actions shall not exceed EUR 100 000 000.

The total amount of appropriations for new preparatory actions referred to under this point shall not exceed EUR 50 000 000 in any financial year, and the total amount of appropriations actually committed for preparatory actions shall not exceed EUR 100 000 000, *not including preparatory actions proposed by the Commission.*

Or. en

Justification

The pilot projects and preparatory actions proposed by the Commission should come over and above the ceiling specified in the Financial Regulation.

Amendment 477

Indrek Tarand, Bart Staes

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 56 – paragraph 2 – point b – paragraph 2

Text proposed by the Commission

The total amount of appropriations for new preparatory actions referred to under this point shall not exceed EUR **50 000 000** in any financial year, and the total amount of appropriations actually committed for preparatory actions shall not exceed EUR **100 000 000**.

Amendment

The total amount of appropriations for new preparatory actions referred to under this point shall not exceed EUR **75 000 000** in any financial year, and the total amount of appropriations actually committed for preparatory actions shall not exceed EUR **150 000 000**.

Or. en

Amendment 478

Marco Zanni

Proposal for a regulation

Article 57 – paragraph 1

Text proposed by the Commission

1. *The Commission shall confer on the other institutions **the requisite powers***

Amendment

1. *All the other institutions **shall be responsible** for the implementation of the*

for the implementation of the sections of the budget relating to them.

sections of the budget relating to them.

Or. it

Amendment 479

Georgi Pirinski, Inés Ayala Sender

Proposal for a regulation

Article 61 – paragraph 1 – point c – introductory part

Text proposed by the Commission

Amendment

(c) indirectly ('indirect implementation'), where this is provided for in the basic act or in the cases referred to in points (a) to (d) of the first subparagraph of Article 56(2), **with**:

(c) indirectly ('indirect implementation'), where this is provided for in the basic act or in the cases referred to in points (a) to (d) of the first subparagraph of Article 56(2), **by entrusting budget implementation tasks to**:

Or. en

Justification

Reinserted from Art. 58, paragraph 1 (c), Reg. 966/2012. If the modification from "indirect management" to "indirect implementation" is only linguistic, according to the Commission, the existing definition of indirect method of implementation of the budget should be kept.

Amendment 480

Marco Zanni

Proposal for a regulation

Article 61 – paragraph 1 – point c – point i

Text proposed by the Commission

Amendment

(i) **third countries or the bodies they have designated;**

deleted

Or. it