REGI News

Newsletter of the Committee on Regional Development



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In Focus

Striving for simplification in Cohesion Policy

17,4

it's an average number of municipalities per 100.000 inhabitants in the EU (e.g. 0,7 in Ireland and 59,4 in Czech Republic) (OECD)

A word from the Chair

Dear Colleagues,

Dear Friends,



Simplification is a keyword and one of the central focus points of interest for the REGI Committee. Simplification is of interest to beneficiaries but also to MEPs because we will have to find ways to tackle and implement it in the future.

After a discussion with Siim Kallas, the Chair of the HLG on simplification, during our next meeting we will address this issue in the workshop format. I hope that this will meet both your and our expectations in the area of simplification.

Another important aspect of our work is cooperation and the exchange of information with other institutions. The European Investment Bank is high on the list of institutions with which we need to strengthen our cooperation.

After the presentation of a very interesting study last time, we will have the pleasure to receive Mr László Baranyay, Vice-President, and Mr Wilhelm Molterer, EFSI Managing Director of the ElB. I'm sure that this exchange of views will be of interest to many of us.

Looking forward to our next and hopefully fruitful meeting.

Iskra Mihaylova







Issue 5

8th Parliamentary term



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In Focus

Striving for simplification in Cohesion Policy



The objective to simplify the implementation of the ESI Funds has traditionally been high on the agenda of the REGI Committee. Considerable efforts have been made in recent years to simplify, streamline and harmonise rules to increase both the accessibility and the performance of ESI Funds. However, the tensions between administrative complexity, on the one hand, and the need for assurance and effectiveness of the Funds, on the other hand, remain very challenging.

REGI promotes in particular the reduction of the administrative burden for beneficiaries which is why it supported strongly the set-up of the "High Level Group for Monitoring Simplification for Beneficiaries of ESI Funds" by the Commission last year. The group is composed of 12 high level independent experts, selected on the basis of their expertise in the reduction of administrative burdens and the ESI Funds.

On 16 February, the Chair of this new High Level Group, Mr Kallas, came to the REGI Committee to report about the topics dealt with in its first 3 meetings: The simplified cost options, e-cohesion, accessibility of Funds, especially for SMEs, and Financial Instruments.



Siim KALLAS

He explained how all governance levels contribute to complexity, pointing to the numerous guidelines by the Commission which – often at the request of the Member States – add an administrative burden to the legal provisions in force. Mr Kallas also referred to the "gold plating" of EU rules by additional national provisions, a topic the High Level Group will focus on in its next meeting in June 2016. While actively looking for effective areas to simplify, Mr Kallas stressed the importance of legal certainty for all actors involved which is why he prefers to avoid changes to the current legal base.

In the following lively debate, many REGI Members expressed their views on a range of aspects regarding simplification and encouraged Mr Kallas to ensure close cooperation between the High Level Group and the EU institutions, especially Parliament and the European Court of Auditors. All speakers agreed on the crucial importance of simplification and indicated their support for the work of the High Level Group, hoping it will contribute to making the benefits of ESI Funds more easily accessible and their impact more effective.

After a Public Hearing on 15 October 2015, a Parliament resolution in November and this exchange of views with Mr Kallas in February 2016, the REGI meeting on 16 March will address the topic again, this time in the framework of a Workshop on simplification.

First, three external experts will provide an insight into three areas of Cohesion Policy with potential for simplification: the simplified cost options, e-cohesion and the area of audit.

Then, two representatives from Managing Authorities will share their views on the options for and challenges of simplification, following which the Commission will get the opportunity to react to all of these interventions.

We can expect that the REGI Members will use this occasion to further shape their position on the simplification issue, and to prepare for future proposals in this area by the High Level Expert Group, to be considered in view of the preparations of Cohesion Policy after 2020.

Last time - REGI meeting – 15 and 16 February 2016

Presentation of a study on "Review of the role of the EIB Group in European Cohesion policy"



The study presented on the 15 February, 2016 was commissioned by Policy Department B: Structural and Cohesion Policies and carried out by the European Policies Research Centre (University of Strathclyde). Professor John Bachtler and Dr. Arno van der Zwet presented their work on how Cohesion Policy objectives have been delivered through measures that involved the European Investment Bank.

The study found that the role of the European Investment Bank in Cohesion Policy increased significantly in the 2007-13 programme period and continues to increase in the 2014-20 period. The experts addressed the effectiveness as well as the accountability, transparency and visibility of the EIB activities in Cohesion Policy. Relationships between EU institutions and the EIB and future expectations of the role of the EIB in Cohesion Policy were also discussed. Key recommendations included the need to establish more systematic scrutiny of the role of the EIB in Cohesion Policy by REGI and the need to foster ongoing dialogue between European Parliament and ElB. Members highlighted the importance of the study subject, enquired about the relatively low uptake of the so called SME initiative in Member States, and questioned the perceived financial instruments tendency of favouring over grants. The recommendations were welcomed, especially with respect to the need to step up the debate in REGI on EIB and financial instruments related issues.

*** VOTED IN THE LAST MEETING ***

During the last Committee meeting, the following texts were adopted (for more information please follow the hyperlink):

TITLE	RAPPORTEUR
New territorial development tools in Cohesion policy 2014-2020: Integrated Territorial Investment (ITI) and Community-Led Local Development (CLLD) 2015/2224(INI)	Ms Ruža Tomašić (ECR)
"Discharge 2014: EU general budget - European Commission" 2015/2154(DEC)	Ms Ivana Maletić (EPP)
"European Semester for economic policy coordination: Annual Growth Survey 2016" 2015/2285(INI)	Ms Iskra Mihaylova (ALDE)
"The situation in the Mediterranean and the need for a holistic EU approach to migration" 2015/2095(INI)	Mr Andrea Cozzolino (S&D)

Ahead of us - REGI meeting – 16 – 17 March 2016

(*) agenda of the forthcoming meeting might be changed after publication of the Newsletter

European Territorial Cooperation - best practices and innovative measures 2015/2280(INI)



Rapporteur: Iskra Mihaylova

On March 17 REGI committee will hold the presentation of the draft INI report by Ms Iskra Mihaylova on European Territorial Cooperation.

The proposed draft report is taking stock of 25 years of intense territorial cooperation in the EU underlining the best practices in the three different strands of Interreg – cross-border, interregional and transnational cooperation while it also formulates a number of recommendations to improve the implementation of the second priority of cohesion policy.

The rapporteur also believes it is timely to launch a long term reflexion on what European territorial Cooperation should be in the medium and long-term. While in 1990, Interreg was developed as a Community Initiative with a budget of just EUR 1 bn. exclusively covering cross-border cooperation and benefiting 11 Member States in 2015, the 25th anniversary of Interreg, it has become a key instrument of cohesion policy, implementing a budget of EUR 10,1 bn. and designed to solve problems which transcend administrative borders.

The 2014-2020 ETC has been reshaped to achieve greater impact and more effective use of the investments through focus on thematic concentration and results-orientation. It is now geared to make a significant contribution to enhancing the economic, social and territorial potential of regions through reflecting and integrating diverse sectorial policies on territorial scale, transgressing national boundaries (cross-border and transnational cooperation), as well as in individual cities and regions (interregional cooperation).

Exchange of views with Mr László Baranyay, Vice-President, and Mr Wilhelm Molterer, EFSI Managing Director, European Investment Bank



László Baranyay



Wilhelm Molterer

On March 17 REGI committee will host an exchange of views with EIB Vice-President Mr László Baranyay and EFSI Managing Director Mr Wilhelm Molterer.

The central focus of this exchange of views will be the very topical issue of creating synergies between the newly established EFSI and cohesion policy ESIFs.

The EFSI, established within the EIB, is aimed at supporting key projects across the EU, through levering private capital investment, in order to directly stimulate the creation of growth and jobs.

The EFSI has been provided with a governance structure which function is to ensure the appropriate use of the EU guarantee and which is composed of a Steering Board, an Investment Committee and a Managing Director, who is responsible for the day-to-day functioning of the ESIF.

Following an open and transparent selection process and with the

endorsement of the European Parliament Mr. Wilhelm Molterer has been appointed by the EIB President as Managing Director of the EFSI. Mr Molterer is expected to present to REGI Members how the ESIF has been functioning so far.

Another topic of discussion with REGI Members will be the increased use of financial instruments in the 2014-2020 cohesion policy programming period. With a number of significant regulatory improvements on the use of FI's based on the past experience and with the Investment Plan for Europe, calling on Member States to boost the impact of the ESI Funds by committing to the use of financial instruments in key investment areas one can expect at least an overall doubling in their use in 2014-2020.

Upcoming events in Brussels or near to your home

Date		Place	Addition al info
16- 17/03/2016	REGI Committee meeting	EP, Brussels	
22/03/2016	EESC Public Hearing on "Maximising the contribution of European Structural and Investment Funds"	EESC, Brussels	Registration deadline: 16/03/2016
	Maximising the contribution of ESI Funds		
29- 31/03/2016	REGI Delegation	Martinique, France	
13/04/2016	"Routes to Urban Research and Innovation"	Amsterdam, Netherlands	

Useful internet links

<u>REGI Website</u>

EP studies Website

EP Library - Info on items related to regional development

OEIL - The Legislative Observatory

Regional Policy Inforegio

EUR-Lex

Committee of the Regions