

# REGI News

## Newsletter of the Committee on Regional Development



Европейски парламент; Parlamento Europeo; Europský parlament; Europa-Parlamentet; Europäisches Parlament; Euroopa Parlamend; Ευρωπαϊκό Κοινοβούλιο; European Parliament; Parlement européen; Parlamenti i Evropës; Europski parlament; Parlamento europian; Europos Parlamentas; Európski Parlament; Parliament European; Europes Parlament; Parlament Europejski; Parlamento Europeu; Parlamentele Europene; Európský parlament; Европски парламент; Europen parlamentti; Europaparlamentet



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### In Focus

*"Talking about money"*

### EUR 15.3 billion

*Slovakia can, through its 9 national programmes, benefit from ESIF funding of EUR 15.3 billion representing an average of 2 830 euro per person over the period 2014-2020.*

[\(European Commission\)](#)

### A word from the Chair



Dear Colleagues,

Dear Friends,

Although we are approaching summer holidays, we have still few interesting files ahead of us.

First of all we will have pleasure to host Mr Peter Pellegrini, Deputy Prime Minister of the Slovak Republic for the investments and informatisation. He will present the Slovak Presidency priorities in the area of cohesion policy.

After an exchange of views with Commissioner Cretu last time, in our next meeting we will host Mr Walter DEEFFA, Director-General for Regional Policy - this will be our last meeting before his retirement. We will be able to discuss the Annual Activity report of DG REGIO as well as the current most important files in his portfolio which will be carried over to his successor in September.

As you can see in this issue we focus on the budgetary files with a report from the exchange of views with Budget Rapporteur and upcoming presentation of the REGI opinion for Budget 2017.

This is only one part of our programme and I'm convinced that it will be of great interest to all of you.

I'm looking forward to seeing you on our last meeting before the well-deserved summer break,

Iskra Mihaylova



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## In Focus

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### *“Talking about money”*



**Jens Geier**

During the last meeting on Thursday 16 June the Members of REGI had an exchange of views with Mr Jens Geier (S&D), rapporteur of the Committee on Budgets, on the general budget of the EU for the 2017 financial year.

Mr Geier started the discussion by underlining the political context of the 2016 migrant/ crisis and referendum in the United Kingdom which made the Commission postpone the presentation of the draft budget for one month and also jeopardized the timetable of the 2017 budgetary procedure. He outlined the Parliament's priorities for the budget procedure two of which are the migrant crisis and the European Fund for Strategic Investments (EFSI).

Mr Geier further explained the financial impact of the migration crisis on the Multiannual Financial Framework (MFF), which was decided in a different political context and will be reviewed shortly. He then proposed a more in depth assessment of the available economic instruments (economic forecasts, annual growth surveys and the European semester process) in order to increase the European added value of the budget.

In the following discussion, the REGI members stressed the link between EFSI and the European Structural and Investment Funds, the risk of a backlog in the second half of the MFF, the need for simplification and focus on results in order to ensure that the money is well spent.



**Derek Vaughan**

Mr. Derek Vaughan (S&D), the REGI rapporteur for opinion on this matter, will present his draft opinion in the July meeting.

In the meantime, the Commission has presented the Draft Budget (DB) for 2017. Bearing in mind that REGI is responsible for cohesion policy which accounts for about one-third of the total Commission budget, the main points of Mr Vaughan's draft opinion will stress that the DB 2017, under heading 1b (economic, social and territorial cohesion) foresees a 5,4 % increase of commitments (amounting to EUR 53,6 billion as compared with 2016), while payment appropriations are reduced by 23,5 % (EUR 37.3 billion). The question will be whether the amounts proposed are sufficient to cope with the level of payments needed under this heading.

The increasing gap in the DB 2017 between commitments and payments appropriations under heading 1b, from EUR 2 billion in 2016 to EUR 16, 3 billion in 2017, creates the risk of a new backlog of payments, notably the possible accumulation of unpaid invoices over the second half of the multiannual financial framework.

REGI will vote on the draft opinion on the 8 September 2016.

## Last time - REGI meetings – 15 and 16 June 2016

### Exchange of views with Corina Crețu, Commissioner for Regional Policy



Corina Crețu

The exchange of views with Commissioner Crețu was largely devoted to the urban agenda and the results of the 2007-2013 cohesion policy.

In her opening remarks, the Commissioner spoke about the Commission's assessment of the 2007-2013 generation of cohesion policy. The Commissioner underlined that the period was very challenging, owing to the worst financial and economic crisis the EU has ever known. She also underlined the challenges linked to the accession of three new Member States and the adoption of the ambitious Europe 2020 goals. In 2007-2013, Cohesion Policy funds helped create 1 million jobs across the EU and directly supported almost 250 000 SMEs. This evaluation will feed into our reflection on the future of the policy.

On urban policy, Commissioner Crețu highlighted the adoption on 30 May by ministers responsible of the "Pact of Amsterdam", which foresees greater involvement of cities in shaping EU policy initiatives which affect urban areas.

Commissioner Crețu also underlined the good cooperation with REGI committee as being essential for the success of the policy.

### Public hearing on “Evaluating the contribution of the European Structural and Investment Funds” (Article 16(3) CPR)



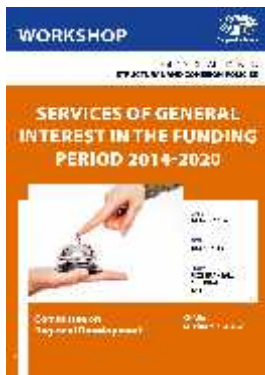
The experts' presentations at the REGI public hearing provided interesting insights regarding the negotiations of the partnership agreements and of the operational programmes between the Member States and the European Commission, as requested by article 16(3) of the Common Provisions Regulation (CPR). More precisely, they referred, among other things, to the use of thematic objections, ex-ante conditionalities with a focus on the role of smart specialisation strategies, multilevel governance, performance frameworks and simplification.

The use of financial instruments, synergies among various funds, ITIs and CLLD, the reduction of gold plating and the increased cooperation in implementing macro-regional strategies were also mentioned by the experts. The Communication between Member States and Commission during negotiations and afterwards in implementation, the unknown correlations between the cohesion and the common agricultural policies,

the overinvestment issue as well as the political dimension of the cohesion policy and its' "social psychology" (dominance of EU-driven strategies and perception of the ESI Funds as "easy money") were also highlighted..

In the debate that followed, all participants (REGI and EMPL rapporteurs of the implementation report "Investing in jobs and growth - maximising the contribution of European Structural and Investment Funds: an evaluation of the report under Article 16(3) of the CPR", other MEPs, Commission representatives and the four experts) expressed their views on the above-mentioned elements of the cohesion policy as well as on novelties brought by the new legislation, delays in adoption of the operational programmes, and on the link between the cohesion policy and the economic governance. The need for a complementarity between the ESI Funds and EFSI, the "aid-dependency" syndrome, interregional cooperation, the difficulties faced by the national, regional and local administrations in implementing this policy, and especially the lessons learnt from these negotiations in order to bring future improvements to the cohesion policy were also debated.

### Presentation of a study on "Services of General Interest in the Funding Period 2014-2020"



During the second committee meeting day, Dr Erik Gløersen, Spatial Foresight, made a presentation of the Policy department B study - Services of General Interest in the Funding Period 2014-2020.

Mr Gløersen highlighted the important role SGI are playing in the economy producing some 25% of added-value, representing almost 30% of employment and some 22% of all investments and how they can play an important stabilising factor in periods of economic crisis.

Mr Gløersen also analysed the contribution of the EFSI Funds to the SGIs and formulated a number of recommendations to decision makers for the future.

The study analyses the role that SGI can play in the 2014-2020 programming period and shows that the ESIF contributions to improved SGI provision can be strengthened through a focus on capacity building efforts and more integrated territorial approaches. SGI-related cohesion policy measures can, as a complement to European competition policy, help to build a social market economy in the European Union.

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**\*\*\* VOTED IN THE LAST MEETING \*\*\***

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

TITLE	RAPPORTEUR
<b>DRAFT REPORT on "An EU strategy for the Alpine region"</b> <b>2015/2324(INI) - (PE580.480)</b> <a href="#">2015/2324(INI)</a>	<b>Mercedes Bresso (S&amp;D)</b>

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## Ahead of us - REGI meeting – 13 and 14 July 2016

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

### The right funding mix for Europe's regions: balancing financial instruments and grants in EU cohesion policy



Rapporteur:  
**Andrey Novakov**

In the past, non-repayable grants to project organisers have been the main funding tool in cohesion policy. However, the share and importance of financial instruments (such as loans, guarantees, equity share and other risk-bearing mechanisms) in funding cohesion policy projects have grown in recent years.

The proposed report aims to examine the best combination of grants and financial instruments to fund cohesion policy projects, ahead of the legislative proposals for the next generation of cohesion policy.

The report will explore the strengths and weaknesses of financial instruments as means to achieve the aims of cohesion policy, and suggest ways in which any weaknesses might be overcome.

### Investing in jobs and growth - maximising the contribution of European Structural and Investment Funds (article 16)



Rapporteur:  
**Lambert van Nistelrooij**

Following the public hearing held in the REGI meeting of 15 June, this exchange of views is a new occasion to briefly assess the outcomes of the negotiations between the Member States and the European Commission on the partnership agreements and on the operational programmes, as requested by article 16(3) of the Common Provisions Regulation (CPR).

Another purpose of this implementation report is to propose certain recommendations for the future measures, with the aim to improve the cohesion policy. Among other suggestions, the rapporteur will refer to the communication on the ESI Funds and their visibility, the link between the European Semester (in the form of the priorities mentioned in the Country Specific Recommendations) and cohesion policy, ex-ante conditionalities and synergies with other funds and especially with financial Instruments. Simplification, partnership principle and multi-level governance, European Territorial Cooperation, performance based budgeting, thematic concentrations and improvement of the administrative capacity are also among the points to be tackled by the rapporteur, Mr Lambert van Nistelrooij (EPP).

The draft report will be presented on 8 September, while the deadline for tabling amendments is provisionally set for 15 September. The vote of this report is foreseen for the REGI meeting of 9 - 10 November.

### Exchange of views with Walter Deffaa, Director-General for Regional and Urban Policy, European Commission



**Walter Deffaa**

Mr Walter Deffaa will address three main topics: reporting on 2015 activities in view of the discharge procedure, the links between Cohesion Policy and economic governance, and the preparation of post-2020 Cohesion Policy. Other subjects might be also raised in the discussion, e.g. Cohesion Policy in relation to other EU policies, especially Economic Governance, preparations of CP after 2020 or the situation in Greece after last year's CPR amendment.

Mr Walter Deffaa is coming to the REGI Committee for a final meeting before leaving his position as Director General in DG REGIO. He will hand over REGIO files to his successor in September.

### Exchange of views with Mr Peter Pellegrini, Deputy Prime Minister of the Slovak Republic for Investments and Information Society, President in office of the Council, on the priorities of the Slovak presidency



**Peter Pellegrini**

Mr. Pellegrini will present the priorities of the Slovak Presidency of the Council of the EU. This is part of ongoing dialogue between the European Parliament and the Presidency of the Council which takes place every 6 months.

Slovak Deputy Prime Minister will update Members on the files carried over from the Dutch Presidency and on the new files which we could expect to be treated in the second half of 2016.

## Presentation of a study commissioned by Policy Department B on "Maximisation of synergies between the European Structural and Investment Funds and other EU instruments to attain the Europe 2020 goals"



Synergies between different EU instruments are important to increase effectiveness and efficiency of EU policies and to avoid overlapping and duplication of activities. Therefore, the REGI Committee has requested a study to explore the scope for synergies between European Structural and Investments Funds on the one side and other EU instruments such as Horizon 2020, EFSI or COSME on the other side.

On 13/14 July, the results of this research project will be presented by the expert to the REGI Members. The systematic analysis is based on a wide range of academic and evaluation evidence, as well as on guidance for the 2014-2020 period, and covers regulatory and strategic frameworks, governance arrangements and a diversity of implementation approaches.

The study looks back at the 2007-2013 programming period and assesses the potential for maximising synergies in the years 2014-2020. It finds that there is strong variation of synergies across the EU, depending on the stage of the policy cycle, the thematic fields and the territory examined. The conclusions and recommendations of this study will provide valuable input for REGI Members in view of the improvement of policy implementation and of the discussions on cohesion policy after 2020.

## The European Union Solidarity Fund: an assessment



Rapporteur:  
**Salvatore CICU**

The European Union Solidarity Fund (EUSF) is an effective and important tool set up in 2002 in order to show EU solidarity towards disaster-stricken regions within Europe after severe floods in Central Europe.

The first exchange of views in May already showed various concerns regarding use of the EUSF. This is particularly the case in countries which have faced huge challenges due to the financial crisis.

The draft report will try to answer to the concerns of the most concerned beneficiaries on the basis of the annual Commission report. The BUDG and CONT committees are drawing up opinions. The vote on this report is planned for after summer break.



## Upcoming events in Brussels or near to your home

Date	Event	Place	Additional info
8-9 July 2016	<a href="#">7th European Summit of Regions and Cities</a>	Bratislava, Slovakia	
13-14 July 2016	REGI committee meeting	Brussels	
5 September 2016	<a href="#">Conference on sustainable water management in highly concentrated urban areas</a>		
8 September 2016	REGI committee meeting	Brussels	
15-16 September 2016	<a href="#">EU Cohesion Policy Conference</a>	Bratislava, Slovakia	
19-20 September 2016	REGI delegation	Greece	
27 September 2016	<a href="#">3rd Atlantic Stakeholder Platform Conference</a>	Dublin, Ireland	

## Useful internet links

[REGI Website](#)

[EP studies Website](#)

[EP Library - Info on items related to regional development](#)

[OEIL - The Legislative Observatory](#)

[EUR-Lex](#)

[Regional Policy Info regio](#)

[Committee of the Regions](#)