



# Newsletter

## Inside this Issue

p. 2 [Last time on the agenda](#)

p. 4 [Ahead of us](#)

p. 6 [Upcoming Regional policy related events](#)

## A word from the Chair



Dear Colleagues,  
Dear Friends,

The final year of this parliamentary term is underway, and there are still many things to finish: the months to come will be very busy.

The next generation of cohesion policy and the related legislative proposals will take up most of our committee's time for the remainder of this parliamentary term. REGI will also issue many legislative opinions on other committees' MFF-related reports.

You can find short introductions to the files REGI is in charge of in this newsletter. Information on the ongoing work and rapporteurs is also available on the REGI website.

In the July meeting, there will be a vote on the draft report discussing "Boosting growth and cohesion in EU border regions" (Mr Hetman prepared the draft for the committee). Other main topics, in addition to the legislative work mentioned above, include a discussion on the draft opinion on the 2019 budget and a presentation of the cohesion policy priorities of the Austrian presidency of the Council.

I look forward to seeing you in our last meeting before the summer break.

Yours,

Iskra Mihaylova

*"Also in the future, cohesion policy shall stay at the very core of the Union's development. It will enable the EU to harness globalisation, and to foster prosperous economies, caring societies and sustainable growth through innovation and skills."*  
([European Commission](#))



### Legal disclaimer

The items contained herein are drafted by the REGI Secretariat and are provided for general information purposes only. The Newsletter may contain links to websites that are created and maintained by other organizations. The REGI Secretariat does not necessarily endorse the views expressed on these websites.

## Last time

---

### REGI meeting – 20 June 2018

#### Common provisions regulation (COM(2018) 375)



**Andrey Novakov**

On 20 June, the committee heard a presentation by the Commission on the proposal for the next Common Provisions Regulation (CPR), covering the 2021-2027 period. The Commission presentation was made by Eric von Breska, the director responsible for the CPR in DG REGIO.

The coverage of the CPR has been extended, and now includes the Asylum and Migration Fund, the Internal Security Fund, and the Border Management and Visa Instrument. By contrast, the European Agricultural Fund for Rural Development is no longer included. The new CPR proposal is a long and complicated document, as it sets the rules for the disbursement of a great deal of public money across the full range of Member States. However, the Commission emphasised that it has paid special attention to simplification as the keyword in preparing its proposal.



**Constanze Krehl**

The floor was then given to Mr Novakov and Ms Krehl, the co-rapporteurs for the proposal, who presented their initial approach. The shadow rapporteurs and other Members were also able to ask questions.

The co-rapporteurs now intend to present their draft opinion in September, and aim for the report to be voted by the end of November, allowing time for interinstitutional negotiations before the elections.

More information on the topic can be found on the [Legislative Observatory](#).

#### European Regional Development Fund and Cohesion Fund



**Andrea Cozzolino**

The proposal for the European Regional Development Fund and Cohesion Fund was presented in the REGI meeting on 20 June by Mr Eric von Breska, Director at the European Commission.

He said that the Commission proposed five overall policy objectives for the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the ESF+ and the EMFF, namely: a smarter Europe; a greener, low-carbon Europe; a more connected Europe; a more social Europe and a Europa closer to its citizens.

Mr von Breska told Members that investments for jobs and growth would continue to be the key spending areas for the ERDF, as those will boost opportunities across EU regions and strengthen economic and territorial cohesion within the EU. The Commission has proposed to allocate at least 6% of the budget to urban development, delivered through local development partnerships and with various tools.

Whilst cities play an important role in boosting innovation and economic growth, the Commission believes it is key to invest in the development of urban areas and urban innovation. Although the Commission's proposal has a strong focus on urban areas, it continues to invest as well in rural areas and outermost regions, which are facing complex challenges related to their size, geographical location and climate conditions.

The rapporteur for this report is Mr Cozzolino. During the debate after Mr von Breska's presentation, questions were asked on topics such as the European Urban Initiative and its objectives, goldplating, and transferring funds to InvestEU.

More information on the topic can be found on the [Legislative Observatory](#).

### Specific provisions for the European territorial cooperation goal (Interreg)



**Pascal Arimont**

Mr von Breska also presented the proposal on European territorial cooperation in the REGI meeting of 20 June. He said that it would be subject to the same five overall policy objectives as the ERDF and CF. In addition, the proposal of the Commission included a few specific objectives for Interreg, namely 'a better Interreg governance' and 'a safer and more secure Europe'.

Mr von Breska discussed the greatest changes compared to the current Interreg, and mentioned for example that, compared to the current programming period, Member States, third countries and partner countries will be placed on an equal footing. Also, the role of macro-regional strategies is more prominent in the new proposal.

According to Mr von Breska, the Commission has proposed to implement a new tool for interregional innovation investments in order to enhance investments in regions across Member States that pursue smart specialisation strategies along the same priority areas. Another new aspect of the Commission's proposal is the Small Project Fund: a tool for funding small projects within the Interreg framework. By including this Small Project Fund in the proposal, the Commission aims to enhance the development of small projects set up by citizens in proximity of a border.

The rapporteur, Mr Arimont, started his intervention saying that Interreg embodies the idea of cooperation across Europe. He asked about the distribution of funds inside the proposal, continuous functional areas, interregional innovation investments and small projects. Other members raised questions about topics such as the definition of small projects, the funding available for maritime cooperation and the possibility for Member States to use funding from ESF+ and EMFF for Interreg. In general, Members expressed their concerns about the overall decrease in funding available for territorial cooperation, although Interreg projects have proven to be very successful in current and previous programming periods. The proposed cuts in funding, together with the lower co-financing rates, could have a significant impact on the continuation of current successful projects.

More information on the topic can be found on the [Legislative Observatory](#).

### Mechanism to resolve legal and administrative obstacles in a cross-border context



**Matthijs van Miltenburg**

The proposal for a mechanism to resolve legal and administrative obstacles in a cross-border context stems from a cross-border review that the Commission carried out between 2015 and 2017. This review revealed that many potential beneficiaries face legal and administrative difficulties while trying to cooperate across borders.

Mr von Breska, Director at the European Commission, who was in the 20 July meeting to present the proposal, said that the proposal for a new mechanism does not come with a proposed budget; it is a legal proposal which allows partners that want to cooperate across borders to apply the national rules of the neighbouring Member State to one's own Member State, and vice versa. It can be applied to well-defined cooperation projects with a clear time limit and a specific purpose. The best example to explain the importance of this new mechanism is the

tramline between Strasbourg (FR) and Kehl (DE).

The rapporteur for the report is Mr van Miltenburg.

REGI Members had many questions about the proposal's implementation. Some Members wanted to know, for example, how cross-border coordination points - which would be needed to implement the mechanism - would be funded, and how the Commission could ensure that this mechanism will be applied while Member States can implement it on a voluntary basis. Further on, REGI members asked whether the Commission could give concrete examples of other projects besides the tramline.

More information on the topic can be found on the [Legislative Observatory](#).

### \*\*\* VOTED IN THE LAST MEETINGS \*\*\*

*During the Committee meetings on 20 and 25 June 2018, the following texts were adopted (for more information please follow the hyperlink):*

TITLE	RAPPORTEUR
<b>DRAFT REPORT on "The impact of EU cohesion policy on Northern Ireland"</b> <a href="#">2017/2225(INI)</a>	Derek Vaughan (S&D)
<b>DRAFT REPORT on the "Specific measures for Greece under Regulation 2015/1839"</b> <a href="#">2018/2038(INI)</a>	Pascal Arimont (PPE)
<b>DRAFT REPORT on "Increase of the financial envelope of the Structural Reform Support Programme and adapt its general objective"</b> <a href="#">2017/0334(COD)</a>	Ruža Tomašić (ECR)

## Ahead of us

### REGI meeting – 10 July 2018

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

#### Boosting growth and cohesion in EU border regions



Krzysztof Hetman

Mr Krzysztof Hetman's draft report on 'Boosting growth and cohesion in EU border regions' will be put to the vote in the July REGI meeting.

A total of 137 amendments have been tabled to the draft report and, based on those, the rapporteur has proposed several compromise amendments.

There is one opinion-giving committee - the Committee on Culture and Education.

## Exchange of views with Alexis Charitsis, Alternate Minister of Economy and Development of the Hellenic Republic



**Alexis Charitsis**

Regulation (EU) 2015/1839 on “Specific measures for Greece under Regulation 2015/1839” considerably improved the absorption of structural funds in Greece for the 2007-2013 programming period. Greece received approximately EUR 2 billion in 2015-2016, and the investments supported by cohesion policy and rural development policies in Greece is estimated to have increased GDP in 2015 by just over 2% more than it would have reached in the absence of the funding provided.

During the discussion on Mr Arimont’s report on “Specific measures for Greece under Regulation 2015/1839” the REGI members expressed the wish to invite the Greek Minister in charge of the dossier. Mr Alexis Charitsis, Alternate Minister of Economy and Development, has accepted the invitation and the committee will hold an exchange of views with him on this issue.

## Performance Reserve (COM(2017) 0826)



**Lambert van Nistelrooij**

At this meeting, the co-rapporteurs, Constanze Krehl and Lambert van Nistelrooij, will present their draft report on proposed changes to the performance reserve. The proposal in question was made by the Commission in December 2017, and seeks to amend the Common Provisions Regulation (CPR).

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



**Constanze Krehl**

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

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

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

## General Budget of the EU for the financial year 2019



**Derek Vaughan**

In our July meeting, Mr Derek Vaughan (S&D), REGI rapporteur on the general budget of the EU for the 2019 financial year, will present his draft opinion, outlining his main ideas on the design of the draft EU budget for next year as regards regional development issues. This area, for which REGI is responsible, accounts for about one-third of the total EU budget.

Mr Vaughan's draft opinion recalls the importance of cohesion policy as the main investment policy of the Union, and underlines the high return on investment of this policy that European regions have benefited from so far. It also highlights the strong links that exist between the political priorities featured in the Commission's draft budget for next year and the general objectives of cohesion policy. Besides, the rapporteur encourages the various levels of governance to speed up the implementation on the ground while ensuring sound budgetary implementation.

The vote on this budgetary opinion will take place in REGI in September.

## Exchange of views with Juliane Bogner-Strauß, President in office of the Council, on the priorities of the Austrian Presidency



**Juliane Bogner-Strauß**

On Tuesday 10 July, the REGI committee will hold an exchange of views on the priorities of the Austrian Council Presidency for the next six months with Juliane Bogner-Strauß, Federal Minister for Women, Families and Youth.

The motto of the Austrian Presidency is 'A Europe that protects'. It has identified three focus areas for the upcoming six months: security and the fight against illegal migration, securing prosperity and competitiveness through digitalisation, and stability and the European neighbourhood. Ms Bogner-Strauß will present the priorities in the field of cohesion policy, and explain the work programme for the upcoming six months.

## Upcoming events in Brussels or near to your home

Date	Event	Place	Additional info
10 July	REGI committee meeting	EP, Brussels	
3 September	REGI committee meeting	EP, Brussels	

## Useful internet links

[REGI Website](#)

[EP studies Website](#)

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

[OEIL - The Legislative Observatory](#)

[EUR-Lex](#)

[EC Regional Policy - InfoRegio](#)

[Committee of the Regions](#)