



Newsletter

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80% of EU citizens are happy about quality of life in their region, and 66% are optimistic about their region's future

Source: [Eurobarometer](#)

A word from the Chair



Dear Colleagues,
Dear Friends,

The final parliamentary committee meetings of this year will take place in the next few weeks. It has been a very busy autumn for the REGI committee, and we have made good progress with our MFF-related files and opinions. The Common Provisions Regulation, the European Regional Development Fund, the Cohesion Fund file and the Interreg dossier are all key legislative reports for the committee, and together they will set the framework for the Cohesion Policy for 2021-2027.

In addition to these reports, REGI has drawn up a large number of opinions for other committees on important MFF-related legislative proposals. Many of these - such as our opinions on the InvestEU, Horizon Europe and Connecting Europe Facility proposals - have a strong link with the legislative reports that our committee is working on. You can read more about the work that we have done, and the current status of these files, in a special feature in this newsletter.

We have also made headway with the legislative report establishing a Mechanism to resolve legal and administrative obstacles in a cross-border context. The vote on this file is foreseen for our meeting on 21-22 November.

You can follow our committee meetings live on the REGI website, or watch them later through recordings that you can find on our "multimedia library" sidebar to the right of our REGI page.

I look forward to seeing you at our next meeting,

Yours,

Iskra Mihaylova



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In Focus

REGI mission to Reunion (France)

In September 2018, the Committee on Regional Development sent a delegation to the island of Reunion, France, to examine the implementation on the ground of cohesion-funded programmes in the outermost regions and to exchange views on this topic with local politicians, experts and representatives of the civil society.

The Members who took part in the mission were Joachim Zeller (EPP), who lead the delegation, Lambert van Nistelrooij (EPP), Martina Michels (GUE/NGL), Constanze Krehl (S&D), Angela Rosa Vallina de la Noval (GUE/NGL), Derek Vaughan (S&D), Michela Giuffrida (S&D), Liliana Rodrigues (S&D), Norica Nicolai (ALDE), Younous Omarjee (GUE/NGL) and Louis-Joseph Manscour (S&D).



The mission started with meetings in Saint-Denis with the Prefect, the Presidents of the Regional and Departmental Councils, and with representatives of the University of Reunion. It continued with a visit to the sugarcane-processing factory Sucrierie de Bois-Rouge.

The second morning was dedicated to a visit to the Grand Seaport of Reunion and to a meeting with the local authorities of the nearby city of Le Port.

The afternoon continued with a visit to the higher education establishment ILOI and a movie studio specialized in animation film making, Pipangai.

The day closed with a visit to the construction site of the biggest infrastructure project on the island currently, the new coastal road (Nouvelle Route du Littoral), which receives EUR 160 million of EU funds.



The last part of the mission took place in Saint-Pierre and in Le Tampon, where the delegation met with the local authorities and visited the Volcanological observatory, a recipient of EU funds, as well as the construction sites of several infrastructure projects on the territory of Le Tampon, supported by the ERDF. The mission finished with a visit to Techsud, one of the technology parks of Reunion.

Overall, this mission gave participants a comprehensive overview of the achievements made by Cohesion Policy on the island of Reunion, while casting light on the issues that the outermost regions have to face. It also highlighted the need to support those regions at European level.

Last time

REGI meetings

8-9 October 2018

Common Provisions Regulation



Andrey Novakov



Constanze Krehl

At the meeting of 8-9 October 2018, Andrey Novakov and Constanze Krehl the co-rapporteurs for the proposal for the new Common Provision Regulation (CPR) for the 2021-2027 period, presented their draft report which was followed by a debate with the shadow rapporteurs, other Members, the Commission, the CoR and the EESC.

The draft report contains 11 key proposals, which are as follows:

1. Reintegration of the EAFRD

The Commission rightly notes that having a common rulebook for the different shared-management funds contributes to administrative simplification and coherence, and allows synergies between the different funds. The co-rapporteurs are therefore surprised that the EAFRD is not covered by the CPR, which could lead to strategic gaps and coordination issues for local investments. A number of the amendments above therefore seek to reintegrate the EAFRD into the CPR.

2. Resources for economic, social and territorial cohesion

The Commission's proposal provides for a smaller budget for Cohesion Policy compared to the previous seven-year period. Parliament decided, in its resolution of 30 May 2018 on the 2021-2027 Multiannual Financial Framework and own resources, that the allocation for Cohesion Policy should remain, in real terms, at the same level for 2014-2020. The co-rapporteurs have therefore tabled an amendment to increase the overall amount by around 12% to bring it up to the same level as that of the previous period. This increase is then implemented in the figures for the ERDF, CF and ESF+. The key for allocations between the Member States contained in Annex XXII is not touched, however. The allocations will merely need to be recalculated on the basis of the new total.

3. Readjustment of the balance between the 'Investment for jobs and growth' goal and the 'European territorial cooperation' (Interreg) goal

The Commission proposal provides for 97.5% of the overall envelope to be spent on the jobs and growth goal, and only 2.5% on the Interreg goal. In view of the importance of the Interreg programme for cross-border cooperation and of its recognised EU added value, the co-rapporteurs propose to modify those percentages to 97% and 3% respectively. This requires consequential modifications to the allocations to the different categories of regions, without modifying the respective proportions.

4. European Urban Initiative and transnational cooperation supporting innovative solutions

In view of the adjustment of the overall figures by 12% in order to reinstate the level of funding available for the previous period, the co-rapporteurs propose to increase the fixed amounts of the allocation to the European Urban Initiative and transnational cooperation supporting innovative solutions by the same percentage.

5. Transfers out of Cohesion Policy to InvestEU and the Connecting Europe Facility

The Commission proposal allows Member States to transfer up to 5% of their Cohesion Policy allocation in order to increase their allocations under InvestEU. Whilst the co-rapporteurs support the goals of InvestEU, they feel that Cohesion Policy is also very important for the development of Europe. It is not appropriate to permit the diversion of 5% of cohesion monies for other purposes. The co-rapporteurs therefore wish to remove this possibility entirely. The Commission's proposal also provides for EUR 10 billion to be taken out of the Cohesion Fund in order to be spent on the Connecting Europe Facility. The co-rapporteurs see this transfer in a very similar light: whilst the Connecting Europe Facility is a worthy enterprise, it is not appropriate to further reduce the allocation for the Cohesion Fund. This transfer is therefore also cancelled.

6. Transfers between funds and between categories of regions

The Commission proposal allows Member States to transfer up to 5% of their allocations under a specific fund to a different fund. Whilst the co-rapporteurs understand the need for flexibility in some cases, they consider that allowing transfers between all funds could endanger the fulfilment of the core objectives of Cohesion Policy. They therefore propose allowing such transfers of up to 5% from any fund, but only towards the ERDF, CF and ESF+, thus preventing the hollowing out of Cohesion Policy. The Commission's proposal also allows for up to 15% of the allocation for less-developed regions, which are to benefit from the largest share of Cohesion Policy funding, to be transferred to other categories of regions. Again, the co-rapporteurs agree that some flexibility is required. However, the reason less-developed regions receive the largest share of Cohesion Policy funding is that they need it most. This draft report therefore proposes to limit such transfers to 5% at most.

7. Co-financing rates

The Commission proposal provides for maximum co-financing rates which differ according to the fund and the category of region. The co-rapporteurs consider that there needs to be more leeway to provide higher rates of co-financing where appropriate. They therefore propose having co-financing rates of 50% for more developed regions, 60% of transition regions, and 85% for less-developed regions. In the case of funding paid out of the Cohesion Fund or under Interreg programmes, they propose that the maximum co-financing rate should be 85%, as in 2014-2020.

8. Pre-financing rates

In the Commission proposal, pre-financing is to be paid on an annual basis at a flat rate of 0.5% each year. The co-rapporteurs consider it appropriate to increase the pre-financing rate over the course of the multiannual framework to take into account the increasing level of implementation over that time. They therefore suggest increasing the pre-financing rate in steps each year, so as to reach 2% in the last year of the funds.

9. Links with the European Semester

The Commission proposes a strengthened link between Cohesion Policy and the European Semester process. This idea has been hotly disputed for some time. The co-rapporteurs consider it inappropriate to punish local communities for perceived failings of national economic policies. They therefore propose that serious failure to comply with recommendations linked to the European Semester process should only lead to the suspension of commitment appropriations and not payment appropriations. Even in serious cases, it should not be possible for such suspensions to exceed a certain proportion of the funds to be spent in a Member State.

10. Mid-term review

The Commission proposal provides for the mid-term review by the Member States of programmes supported by the ERDF, the ESF+ and the CF. The co-rapporteurs consider this a very important point in the framework of Cohesion Policy, as conditions necessarily change over the course of a seven-year programme. However, based on the experiences Europe has had over the last years, the co-rapporteurs consider it appropriate to indicate that economic crises are one of the key reasons which might warrant the reorientation of Cohesion Policy programmes.

11. Major projects

In the 2014-2020 period, the CPR contains provisions putting in place special controls for major projects. Those provisions have not been included in the Commission's new proposal as part of the drive to decrease administrative burdens. The co-rapporteurs are sympathetic towards this objective, but take the view that some sort of special consideration is needed for major projects. They therefore propose reintroducing a streamlined version of the current rules on major projects, albeit with a higher threshold.

Cohesion policy: best instrument to promote the European idea



On Tuesday 9 October, within the framework of the European Week of Regions and Cities, REGI met with the Commission for Territorial Cohesion Policy (COTER) of the European Committee of the Regions to exchange views on the future of Cohesion Policy.

After a presentation of the new ESIF regulations for the programming period 2021-2027 by Commissioner Crețu, the Members reiterated that Cohesion policy is the best instrument to promote the European idea amongst the citizens and called for an adequate budget. The special responsibility of the European Parliament and of the Committee of the Regions towards the citizens was highlighted. They reminded everyone of the importance to continue to cover all EU regions and to simplify the administrative procedures (not only at EU level but also at national and regional level) and they addressed their concerns about the communication strategy that needs to be improved.

15 October 2018

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



Matthijs van Miltenburg

In the extraordinary REGI meeting on 15 October, the rapporteur, Mr van Miltenburg, presented his draft report on the Mechanism to resolve legal and administrative obstacles in a cross-border context (ECBM) to the REGI committee members.

The rapporteur supports the Commission proposal on the creation of the mechanism to promote effective cross-border cooperation. In his opinion, it can provide a lot of added value and solutions to challenges that cross-border regions face daily. However, he pointed out several issues that still need to be clarified: among them the proportionality and subsidiarity questions, as well as the scope of the mechanism and the degree of its voluntariness.

Most of the amendments he introduced in his draft report deal with the above-mentioned topics and concerns. He also advocates a project-by-project approach, where the most suitable way of solving an issue would be selected uniquely for the project in question. Additionally, he wants to prolong deadlines so as to give time for cases to be thoroughly assessed.

The vote on the file is foreseen for the November REGI meeting.

European Regional Development Fund and Cohesion Fund



Andrea Cozzolino

The publication of the European Regional Development Fund and Cohesion Fund (ERDF-CF) proposal on 29 May and presentation by the Commission in REGI on 20 June marked the beginning of the EP legislative work on this file (nine EP committees will provide their opinion on the proposal).

The general rules governing Cohesion Policy after 2020 are set out in the Common Provisions Regulation (CPR). The specific provisions applicable to the ERDF and Cohesion Fund are detailed in a separate proposal, which includes:

- a list of specific objectives to be supported by the ERDF and Cohesion Fund;
- the thematic concentration;
- the exclusion of support from the ERDF and CF;
- specific provisions on the treatment of particular territorial features; and
- a list of indicators to be collected and transmitted by the managing authorities;

At the meeting of 15 October 2018, Andrea Cozzolino, rapporteur for the proposal for the new ERDF-CF presented his draft report, which was followed by a debate with the other members of the REGI committee and representatives from the EESC and the Commission.

The rapporteur welcomes the Commission's work on simplification, however he pointed out that simplification should not be applied to the principles or the goals but to cutting bureaucracy and the costs that weigh heavily on regions and citizens.

The 72 amendments tabled by the rapporteur focus on the following parts of the legislative proposal:

- the Proposal (art. 2) sets out the specific objectives of the ERDF and the CF dividing them into 5 macro-areas which draw on the previous 11 investment priorities together and simplify them. The list is reasonably inclusive but, according to the rapporteur, it is necessary to intervene to make some measures more achievable (natural heritage, zero-emissions, urban mobility and sustainable tourism).
- the Proposal (art. 3) considers the concentration criteria for the thematic objectives shifting their classification from a regional level tied in to per capita GDP to a national level tied in to gross national income. This approach, in the rapporteur's opinion, opens up a political debate on the real consequences of a possible centralization and on the effects this could have for EU regions.
- the Proposal (art. 4 and 5) establishes the scope of support from the ERDF and the Cohesion Fund (investments in infrastructure, access to services, SMEs, sustainable development and energy presenting environmental benefits and technical assistance). Concerning technical assistance, the rapporteur considers it vital to insert a clear reference in these articles stressing the importance of these funds being used to strengthen public authorities.
- the Proposal (art. 6) lists sectors excluded from the ERDF support. The list, much longer than previously, is intended to reduce areas of uncertainty. The rapporteur has some doubts in particular in the field of investments in landfill waste disposal, where support for decommissioning, reconversion and making safe facilities no longer in use, needs to be preserved.
- the Proposal (art. 8 and 9) includes some provisions on the treatment of particular territorial features. In the rapporteur's opinion, Article 8 is intended to benefit "non-urban areas" whilst provision needs to be made for a minimum reserve to be allocated to support and develop urban areas that are facing problems of impoverishment and falling population numbers. Sustainable urban development (art. 9) is equally important and therefore the resources for this form of local development should be increased.

The aim of these and other amendments by the rapporteur is to ensure both now and for the future that Cohesion Policy continues to reduce inequalities and contribute to a Europe that is more social, more attentive and closer to its regions, citizens, enterprises and young people.

*** VOTED IN THE LAST MEETINGS ***

During the Committee meetings on 8 & 9 October, 15 October, 25 October and 15 November 2018, the following texts were adopted (for more information please follow the hyperlink):

TITLE	RAPPORTEUR
<p>Draft report rejecting the "Proposal for a regulation of the European Parliament and of the Council amending 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 as regards support to structural reforms in Member States"</p> <p>2017/0336(COD)</p>	<p>Lambert van Nistelrooij (PPE) & Constanze Krehl (S&D)</p>

Draft opinion on the "Interim report on the Multiannual Financial Framework 2021-2027 – Parliament's position with a view to an agreement" [2018/0166\(APP\)](#) Derek Vaughan (S&D)

Draft opinion on the "Proposal for a regulation of the European Parliament and of the Council establishing a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EU) No 1293/2013" [2018/0209\(COD\)](#) Maria Gabriela Zoană (S&D)

Draft opinion on the "Proposal for a regulation of the European Parliament and of the Council establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination" [2018/0224\(COD\)](#) Lambert van Nistelrooij (PPE)

Draft opinion on "European Social Fund Plus (ESF+)" [2018/0206\(COD\)](#) Mercedes Bresso (S&D)

Draft opinion on "European Globalisation Adjustment Fund (EGF)" [2018/0202\(COD\)](#) Tamás Deutsch (PPE)

Draft opinion on "Assessing how the EU budget is used for public sector reform" [2018/2086\(INI\)](#) Raffaele Fitto (ECR)

Draft opinion on "Streamlining measures for advancing the realisation of the trans-European transport network" [2018/0138\(COD\)](#) Demetris Papadakis (S&D)

Draft opinion on "Establishing the Connecting Europe Facility" [2018/0228\(COD\)](#) Mirosław Piotrowski (ECR)

Ahead of us

REGI meetings

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

21-22 November 2018

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



Matthijs van Miltenburg

During the REGI meeting of 21-22 November, the committee members will vote on the legislative report drafted as a response to the Commission's proposal on establishing the European Cross-Border Mechanism.

This proposal has sparked interesting exchanges and showed that while there is need for such a mechanism, the one size truly does not fit all and there are various views on how to implement such a tool.

The members of the REGI committee have tabled 119 amendments and the opinion-giving committee - ENVI - has tabled two.

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3 December 2018

Common Provisions Regulation



Andrey Novakov



Constanze Krehl

The next stage of the REGI committee's consideration of the Common Provisions Regulation proposal will be the vote, which may take place on 3 or 13 December (tbc).

Following the debate in October, 2181 amendments were tabled by committee members, which are now under consideration by the co-rapporteurs and will be debated in meetings of the shadow rapporteurs.

Nine EP committees provide their opinion on the proposal.

Interreg: searching for compromises



Pascal Arimont

The vote on the new INTERREG regulation is foreseen for 3 December. A total of 775 amendments have been tabled and the rapporteur is trying to build compromises between the political groups.

In his draft report, Mr Arimont deplores the reduction of the financial envelope, which goes against Parliament's repeated calls for a significant budget increase.

Simplification and reduction of the administrative burden is welcome and the rapporteur proposes to increase the co-financing rate to 85% and that of the financial envelope for ETC to at least 3% of the total ERDF budget.

He also suggests some modifications to the cooperation strands to reflect the key role of border regions and the importance of maritime cooperation. Funding for small projects brought by the civil society are encouraged. The draft report highlights the need to rethink the introduction of the "Interregional Innovation Investment" given its limited Cohesion Policy dimension.

13 December 2018

European Regional Development Fund and Cohesion Fund



Andrea Cozzolino

Following the debate in October, 859 amendments were tabled and negotiations on possible compromises amendments will start soon with a planned vote to take place on 13 December 2018 (tbc).

Update on the REGI work on legislative MFF opinions

The European Commission published its legislative proposals linked to the Multiannual Financial Framework (MFF) at the end of May and the beginning of June this year.

The REGI committee is the lead committee in three legislative MFF reports - the Common Provisions Regulation (CPR), European Regional Development Fund and Cohesion Fund (ERDF + CF) and Interreg. In addition to these, the committee is giving opinions on a number of other legislative MFF files that have links to Cohesion Policy.

Some of the MFF opinions have already been adopted - this is the case for Horizon Europe, ESF+, LIFE, EGF, Connecting Europe Facility and TEN-T that were voted in October and mid-November. A majority of the lead committees in these cases will vote on their reports quite soon this month, so giving early input was necessary.

The second group of opinions are the ones that will be put to vote in REGI November meeting. Votes are foreseen for the Reform Support Programme and InvestEU. The lead committees are voting in late November at the earliest.

The rest of the opinions will be put to vote in December and January. This applies to such opinions as IPA III, Solidarity Corps, EMFF and the three opinions REGI is preparing for the AGRI committee. The lead committees will vote their reports on these topics in the first months of 2019.

You can find more information on the draft opinions and opinions on the [REGI committee website under documents tab](#).

Upcoming events in Brussels or near to your home

Date	Event	Place	Additional info
21-22 November	REGI Committee meeting	EP, Brussels	
3 December	REGI Committee meeting	EP, Brussels	
4 December	Enhancing Healthcare Cooperation in Cross-Border Regions	EC, Brussels	
5 December	Enhancing Rural Innovation Capacity and Performance	Hamburg, Germany	
13 December	REGI Committee extraordinary meeting	EP, Strasbourg	

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](#)

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