



Newsletter

Inside this Issue

p. 2 [In Focus](#)

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

p. 5 [Ahead of us](#)

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

"It is not possible to have a true European Union without a solid Cohesion Policy"

Karl-Heinz Lambertz,
President of CoR

[132nd CoR plenary session \(6th February 2019\)](#)

A word from the Chair



Dear Colleagues,
Dear Friends,

There are only a few months to go before the European Parliament elections take place and the 2014-2019 parliamentary term closes.

Our Committee has already voted all the reports and opinions linked with the Multiannual Financial Framework. The next step will be the trilogue negotiations.

When preparing the files, our Committee has worked hard to create a modern policy with proper funding. Simplification has also been important for us, as the policy should be as easy as possible for beneficiaries to use. Furthermore, special attention has been paid to synergies with other policies, and visibility and communication activities.

In our Brussels meeting, on 20 February, we will have a very interesting presentation of a study on Digital Agenda and Cohesion Policy. The study offers a critical analysis of the contribution of the ESI Funds to the Digital Agenda for Europe and the Digital Single Market during the 2014-2020 programming period. This is useful information for our current and future work.

You can read more about all these matters in this newsletter.

If you want to follow our meetings live, it is possible via a web streaming link on the REGI website.

I look forward to seeing you at our next meeting.

Yours,

Iskra Mihaylova



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In Focus

Update on the REGI work on legislative MFF reports and opinions

The past eight months have been busy in the REGI committee, because the European Commission published its legislative proposals for the next Multiannual Financial Framework (MFF) for 2021-2027 in May and June last year, and REGI is in charge of several files. The Commission presented the proposals at a Committee meeting in June, and the designated rapporteurs started working on their files straight away.

The three legislative reports for which REGI is the lead committee - Common Provisions Regulation (CPR), European Regional Development Fund and Cohesion Fund (ERDF and CF) and Interreg - have all now gone through the committee phase, and CPR and Interreg already have negotiation mandates from the plenary. The next step after the mandate will be the interinstitutional trilogue negotiations.

In addition to its own MFF files, the REGI committee has had several legislative MFF opinions. These have all been voted in Committee. Some, including Horizon Europe, ESF+, LIFE, EGF, Connecting Europe Facility (CEF), TEN-T, Maritime and Fisheries Fund, InvestEU, Rule of Law and Reform Support Programme, were already voted last year to fit the schedules of the lead committees.

Several opinions have been put to the vote this year - three opinions that REGI prepared for the AGRI committee, the European Solidarity Corps and IPA III.

You can find more information on the files and procedures on the [REGI committee website](#).

Last time

REGI meetings

22 January 2019

Northern Ireland continuation of PEACE Programme - next steps

The Brexit Withdrawal Treaty provides for the continuation of the European cross-border cohesion programmes between Ireland and Northern Ireland. However, it is unclear whether the United Kingdom will ratify the Withdrawal Treaty. The withdrawal of the United Kingdom, without such an agreement, would cause particular hardship in Northern Ireland and the border areas of Ireland, as their status under the Good Friday Agreement, which guarantees peace, is dependent on both parts of the island being in the European Union with open borders.

The Commission therefore submitted a proposal establishing a derogation to allow the continuation of the PEACE IV and United Kingdom-Ireland cooperation programmes, at least until the end of the current 2014-2020 programming period, of those two programmes, even if the Withdrawal Treaty is not approved.

The proposal does this by providing that funding to Northern Ireland continues as provided for in the INTERREG Regulation. Furthermore, the standard rule, which provides that no more than 20% of a cooperation programme's budget

may be spent outside the EU, will not apply to these two programmes as spending in Northern Ireland would otherwise be restricted.

The Committee on Regional Development carried out a mission to Northern Ireland in March 2018, and followed this up with an implementation report: one of the key conclusions was that the PEACE IV Programme should be maintained after Brexit, whatever the context. In order to allow the funding to continue, it is essential that the legislation is adopted and enters into force before 30 March.

The Committee on Regional Development approved the Commission proposal without amendment on 22 January 2019, under the simplified procedure (Rule 50(1) of the Rules of Procedure). The regulation is due to be adopted by the plenary during the March I part-session.

Vote on Common Provisions Regulation 2021-2027 - next steps



Andrey Novakov



Constanze Krehl

On 22 January, the Committee on Regional Development voted on the proposal for the new Common Provisions Regulation for the 2021-2027 period. In total, 2181 amendments were tabled to the proposal in the REGI committee, as well as opinions by the AGRI, BUDG, CONT, ECON, EMPL, ENVI, FEMM, LIBE and TRAN committees.

The Committee held an extensive debate on the proposal and on the amendments tabled thereto. The co-rapporteurs, Andrey Novakov and Constanze Krehl, and the shadow rapporteurs also held consultations on compromise text, leading to cross-party agreement on large parts of the proposal, including most of the major provisions.

The final report resulting from the vote contains 412 amendments. It forms the basis of a mandate for interinstitutional negotiations, as adopted by the plenary on 13 February. The first trilogue takes place on 19 February.

Exchange of views with the Romanian Presidency of the Council, Minister Plumb

On Tuesday, 22 January 2019, the REGI committee held an exchange of views with Ms Rovana Plumb, Minister of European Funds of Romania. You can watch the recording of the discussion [here](#).

Ms Plumb spoke about the priorities of the Romanian Presidency, with a focus on the policies that are part of the REGI committee agenda. Ms Plumb stressed the importance of the future of the Cohesion Policy, and mentioned that the presidency takes places during an an important period, as the European Parliament elections will be held in May.

There were many questions on the timetable for the MFF related files and the trilogues. Ms Plumb said that on CPR file the Council had received mandates to negotiate on a couple of blocks, and the Council is ready to start the trilogues on them as soon as possible. She said also that they will follow the path of the Austrian Presidency, taking advantage of the steps already achieved, with the aim of having a strong basis post-2020 on Cohesion Policy.

Ms Plumb also mentioned that Romania wants to have a citizen-oriented approach to every legislative and non-legislative file. In this way, they aim to build a stronger and more democratic Union.

Exchange of views with Commissioner Corina Crețu

During the REGI meeting on 22 January, the REGI committee held an exchange of views with Commissioner Corina Crețu. You can watch the recording of the discussion [here](#), starting at 16:35.

The Commissioner congratulated the rapporteurs of the CPR file and the whole committee for producing a high-quality report in record time. She also thanked the committee for supporting the guiding principles that the EC used when drafting the legislation - modernisation, flexibility and simplification, and for supporting the good level of funding for the policy.

Talking about timing for the MFF files, the Commissioner stressed that “now is the time to push forward”. She said that to avoid delays with projects, it would be essential to adopt the regulations this year.

14 February 2019

Vote on European Regional Development Fund and Cohesion Fund - next steps



Andrea Cozzolino

On 14 February, REGI held the vote on the European Regional and Development Fund and on the Cohesion Fund for the 2021-2027 period. In total, 1146 amendments were tabled to the proposal in the REGI committee and by the BUDG, CONT, ENVI, TRAN, AGRI, CULT and LIBE committees.

The Committee held a debate on the proposal and on the amendments tabled thereto. The rapporteur, Mr Cozzolino, and the shadow rapporteurs have also held numerous consultations on compromise texts, leading to agreements on large parts of the proposal.

The report adopted in the form of amendments to the Commission's proposal will now be tabled for vote in plenary.

Vote on Amendment to the Common Provisions Regulation – pre-financing for 2021-2023- next steps



Mirosław Piotrowski

On 7 September, the Commission submitted a proposal to amend the current Common Provisions Regulation (CPR) for 2014-2020. This amendment concerns pre-financing rates for the years 2021-2023, under the 2014-2020 programmes. Funding under the CPR for 2021-2027 is not affected.

The Commission proposes reducing the annual pre-financing rate for the years 2021-2023 from 3% of the amount of the support from the Funds to 1%, in view of the cash-flow requirements for programme implementation. The reduction of the pre-financing rate takes into account the expected increasing number of interim payment claims, the addition of the performance reserve to the basis for the calculation of pre-financing, and the new pre-financing available under the 2021-2027 programming period.

The rapporteur for this proposal is Mirosław Piotrowski. At the meeting on 14 February, he presented his draft report, which approves the Commission proposal but suggests that the pre-financing rate for 2021-2023 should be set at an intermediate rate of 2%. A debate took place, with the deadline for amendments planned for 21 February. The vote on the proposal is scheduled for 21 March.

*** VOTED IN THE LAST MEETING ***

During the Committee meetings on 22 January and 14 February the following texts were adopted (for more information please follow the hyperlink):

TITLE	RAPPORTEUR
Draft report on Continuation of the territorial cooperation programmes PEACE IV (Ireland-United Kingdom) and United Kingdom-Ireland (Ireland-Northern Ireland-Scotland) in the context of the withdrawal of the United Kingdom from the European Union 2018/0432(COD)	Iskra Mihaylova (Chair)
Draft opinion on Discharge 2017: General budget of the EU - European Commission 2018/2166(DEC)	Iskra Mihaylova (ALDE)
Draft report on Common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument 2018/0196(COD)	Andrey Novakov (PPE) Constanze Krehl (S&D)
Draft opinion on European Semester for economic policy coordination: Annual Growth Survey 2019 2018/2119(INI)	Iskra Mihaylova (Chair)
Draft report on European Regional Development Fund and on the Cohesion Fund 2018/0197(COD)	Andrea Cozzolino (S&D)
Draft opinion on Establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) 2018/0216(COD)	Bronis Ropé (Verts/ALE)

Ahead of us

REGI meetings

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

20 February 2019

Products eligible for exemption from or a reduction in dock dues

In 2014, the Council adopted a Decision to extend the special regime for exemption or reduction to the 'dock dues' tax applicable to a number of products produced in the French outermost regions until the end of 2020. The aim of these

[Back to the first page](#)

tax arrangements is to make local businesses competitive again by compensating part of the extra production costs entailed by local production in the French outermost regions.

On 13 December 2018, the Commission submitted to the Council, a report analysing the economic and social impact of the dock dues arrangements as well as a proposal for modifying the provisions of the Decision. The purpose of this proposal is to adapt the list of products eligible for a tax differential to reflect the latest changes in the local economies since the adoption of the Decision.

This proposal has been referred to REGI in the Parliament and is being considered under the consultation procedure: the Council is not obliged to take account of the Parliament's position, but it can act only after the EP has been consulted. On 17 January, REGI coordinators decided to apply the simplified proposal without amendment (Rule 50(1)) to this Commission proposal, with the Chair as rapporteur. Under this procedure, the Chair proposes in her draft report - to be considered by REGI during its meeting on 20 February - that this legislative proposal be adopted without amendment. Unless one-tenth of the Members of the Committee oppose this, the Chair will then present a report to plenary approving the proposal.

Study: "Digital agenda and cohesion policy"

Upon request of REGI, Policy Department B commissioned a study on "Digital agenda and cohesion policy". This study provides a critical analysis of the contribution of Cohesion Policy and the European Structural Investment Funds to the Digital Agenda for Europe and the Digital Single Market.

Based on the analysis of past and current patterns of ESIF digital investments and selected case studies, this study shows that Cohesion Policy should concentrate where its added value is highest, i.e., on support to the formulation of effective regional digital strategies and on the promotion of partnerships between relevant stakeholders, at regional level and beyond.

The research paper was completed in 2018 and was published and circulated to REGI Members last year. It will be presented on 20 February, by the lead researcher, Ms Julie Pellegrin, CSIL Centre for Industrial Studies (Milano, Italy).

Upcoming events in Brussels or near to your home

Date	Event	Place	Additional info
20 February	REGI Committee meeting	EP, Brussels	
22 February	Workshop on the economic implications of Brexit on European regions	Committee of the Regions, Brussels	
26 February	STOA workshop 'Reconversion of industrial areas in the framework of regional policy	EP, Brussels	
14-15 March	8th European Summit of Regions and Cities	Bucharest, Romania	
21 March	REGI committee meeting	EP, Brussels	
26 March	CoR-OECD conference and annual meeting of EER regions: "Are EU SME policies fit for the new challenges? The regional perspective"	Committee of the Regions, 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](#)