



Newsletter

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"To continue progressing in Europe, regional policy investment is crucial."

Mr Valcárcel Siso, Vice-President of the European Parliament

[More information](#)

A word from the Chair



Dear Colleagues,
Dear Friends,

The European Parliament Elections are now two months away. The five years of this parliamentary term have gone by quickly.

During the past months, REGI Committee has worked intensively on the legislative procedures linked with the next Multiannual Financial Framework (MFF). Thanks to the efforts of the rapporteurs, shadow-rapporteurs and the teams working on the files, we have made good progress, and all of our MFF files have gone through the committee phase. As mentioned in our last meeting, we started the inter-institutional negotiations on the Common Provisions Regulation (CPR), and we will hear more about that in our March meeting.

We will also have two interesting guest speakers in our meeting. Firstly, Mr Leo Brincat, Member of the European Court of Auditors (ECA), will present a recently published special report on EFSI entitled "European Fund for Strategic Investments: Action needed to make EFSI a full success". Our second guest speaker will be the Director-General of DG REGIO, Mr Marc Lemaître, who will take the floor to talk about the current key topics in Cohesion Policy. This will be a good opportunity for the REGI members to exchange views on these topics before the end of the term.

This newsletter also covers a recent REGI mission to Portugal, with project visits in Braga and Porto.

If you want to follow our meetings live, you can do so via a web-streaming link on the REGI website.

I am looking forward to seeing you at our next meeting.

Yours,

Iskra Mihaylova



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In Focus

REGI mission to Porto and Braga (Portugal)

From 27 February to 1 March 2019, a delegation of the Committee on Regional Development, led by Lambert van Nistelrooij, visited Northern Portugal, with projects in Braga and Porto. Nine Members from five Member States had a close look at how EU structural and cohesion funds are being implemented on the ground and further assessed regional needs.

The agenda included meetings with the Mayor of Braga, Ricardo Rio, representatives of the Norte2020 and Compete2020 operational programmes, academics and professionals. The delegation also visited projects that have received EU funds.



The first meeting of the mission took place at the Northern Coordination and Regional Development Commission in Porto, where Members were welcomed by Prof Dr Jaime Andrez, Chair of the Compete2020 programme, and his colleague Paula Ascensão, as well as by Vítor Devesa and Ana Magalhães of the Norte2020 programme. Prof Dr Jaime Andrez made a presentation on the role of Compete2020 in ensuring national competitiveness as well as promoting internationalisation. Vítor Devesa made a brief presentation on the achievements of the Norte2020 programme, particularly in relation to the RegioStars scheme. Members asked questions and commented positively on the results achieved.

Members then went to Porto city hall, where they attended a presentation by Sofia Alves and Paulo Valença on the Atlantic Sea World Heritage (AtlaS.WH) project, a consortium of cities with world heritage sites which cooperated to improve measures for the management and development of historic locations. This was followed by a brief walking tour through the streets of the old centre of Porto, which had benefited from these measures.

The next day, work commenced with a visit to the Bosch Car Multimedia facility in Braga, the largest private employer in the area, and sixth-largest exporter in Portugal. Members were welcomed by Carlos Ribas, representative of Bosch in Portugal. Annemarie Holleczeck and Alexandre Correia made a presentation on light detection and ranging (LiDAR) technology, followed by explanations from Stefan Kaulmann and Hernani Correia on automotive precise positioning. Members were then able to follow a demonstration on the cockpit of the future by Nuno Ribeiro, showing the various advanced technologies for self-driving cars. Finally, the Members had a short ride in self-driving cars which communicated with each other. These development projects were partly supported by the Compete2020 programme.

The second visit of the day was to the Iberian International Laboratory of Nanotechnology, where Members were welcomed by Prof Paulo Freitas, the Deputy Director General. Prof Dr Fernando Freire de Sousa, the President of the Northern Coordination and Regional Development Commission and Chair of the Norte2020 programme, was also in attendance. Prof Dr Freire de Sousa gave a very informative presentation on the goals, organisation and achievements of the Norte2020 programme, focusing on the progress which has been made in Northern Portugal in the past decades. Prof Freitas then explained the role of the laboratory and led Members on a guided tour around the facility, including the clean room, workspaces, and microscopic imaging equipment. The laboratory's budget was covered by the EU at a level of around 80%, some of which was cross-border funding.



The mission then met the Mayor of Braga, Ricardo Rio, at the Altice Forum, a cultural and sports centre. Ricardo Rio welcomed the Members to Braga and explained the history and importance of the city.

In the afternoon, the mission went to the rectorate of the University of Minho, where they met representatives of the Portuguese Rectors' Council, namely Prof Rui Reis, Vice-Rector of the University of Minho, Prof Luís Filipe Pinheiro de Castro, Vice-Rector of the University of Aveiro, Prof Emídio Gomes, Vice-Rector of the University of Trás-os-Montes and Alto Douro, Prof Pedro Rodrigues, Vice-Rector of the University of Porto, and Prof José Pascoa, Vice-Rector of the University of Beira Interior. A vigorous debate took place, focused on the importance of EU funding for research, which was in turn key for the development of the economy. The Portuguese academics were generally critical of the national centralised management of funds, which they believed led to allocation of funding to projects of general political importance rather than to more deserving research- and innovation-based projects.

A meeting with the heads of the research centres of the University of Minho ensued, involving Prof Rui Reis, Vice-Rector, and Prof Filipe Vaz, Pro-Rector, as well as representatives of various research centres, including the Centre of Molecular and Environmental Biology, the Microelectromechanical Systems Research Unit, the Research Centre on Child Studies, the Communication and Society Research Centre and the Centre of Physics. Debates focused on the importance of European funding for the University as a whole and for research in particular.

On the last day of the mission, work started with a visit to the Nortempresa Perfume Lab in the centre of Braga, hosted by Daniel Vilaça, CEO and founder. The company was the only producer of perfume in Portugal, and had been able to expand with the help of EU funds, with 40 branches. The company not only produced and sold its own perfume but also produced perfume for other brands. EU funds had assisted in the development of the company by supporting its participation in international trade fairs and thus the expansion of its client base.

The final meeting of the mission was to the Satinskin digital textile printing company. The visit was hosted by Manoel Veloso, Antero Pedras and Carlos Costa, who explained the processes behind the success of the company and confirmed the importance of EU funds for the development of the factory. New modern printing presses enabled the company to be competitive at global level for higher quality printed fabrics. The company employed 140 workers and sold to major global brands.

Last time

REGI meeting

20 February 2019

Youth Employment Initiative - next steps

On 1 February 2019, the Commission submitted a further proposal to amend the current Common Provisions Regulation (CPR), concerning the funding for the Youth Employment Initiative (YEI) in 2019.

The YEI supports young people who are not in education, employment or training (NEETs), including the long-term unemployed and those not registered as job-seekers. It ensures that young people, in those parts of Europe facing the greatest challenges, can receive targeted support. Generally, the YEI funds the provision of apprenticeships, traineeships, job placements and further education courses leading to a qualification.

Previously, some of the 2020 specific allocation for the YEI was frontloaded to 2018. An increase in the specific allocation for the YEI has also been agreed for 2019, this time without a corresponding reduction in the allocation for 2020. The increase is considerable, namely by an amount of EUR 116,7 million, which brings the total YEI budget for 2019 to EUR 350 million.

On 20 February, the Committee on Regional Development decided to approve the Commission proposal under the simplified procedure, without amendments. The plenary is due to vote on this proposal in the March II part-session.

Study "Digital agenda and cohesion policy"

In the REGI meeting of 20 February, the lead researcher Ms Julie Pellegrin from CSIL Centre for Industrial Studies (Milano, Italy), presented to the REGI members a study entitled "Digital agenda and cohesion policy". The study was commissioned by Policy Department B based on a request from the REGI Committee and was published in June 2018.

According to Ms Pellegrin, the study analyses the contribution of Cohesion Policy and ESI Funds to the Digital Agenda for Europe and the Digital Single Market during the current programming period. She said they also looked at past interventions and provided insights for the next funding term.

Ms Pellegrin stated that Cohesion Policy is well-placed to support EU digital policy because of both its significant budget and its territorial approach. The contribution it makes to digital policy has also significantly increased over time. She pointed out, however, that the data analysis and case studies on this subject revealed some gaps that have caused inefficiencies and missed opportunities.

During the Q&A session, Members asked Ms Pellegrin about topics such as digitalization of rural areas, smart villages, access to digital resources in outermost regions, eHealth and new technologies in farming.

You can read the full study [here](#) and watch the discussion in committee [here \(starting at 09:58\)](#).

*** VOTED IN THE LAST MEETING ***

During the Committee meeting on 20 February the following texts were adopted (for more information please follow the hyperlink):

TITLE	RAPPORTEUR
Draft report on Products eligible for exemption from or a reduction in dock dues 2018/0417(CNS)	Iskra Mihaylova (Chair)
Draft report on Resources for the specific allocation for the Youth Employment Initiative 2019/0027(COD)	Iskra Mihaylova (Chair)

STOA workshop "Reconversion of industrial areas in the framework of regional policy"



European Parliament's Panel for the Future of Science and Technology (STOA) organised a workshop entitled "Reconversion of industrial areas in the framework of regional policy" on 26 February 2019 in the European Parliament in Brussels. The event was based on a topic proposed by REGI Member Ms Rosa D'Amato and endorsed by the REGI committee.

Mr Ramón Luis Valcárcel Siso, Vice-President of the European Parliament responsible for STOA, and Ms D'Amato opened the event. The moderator was Ms Pirita Lindholm, the Director of the European Regions Research and Innovation Network (ERRIN).

Ms Lorraine Farrelly, Professor and Head of Architecture from University of Reading set the scene for the workshop by explaining from an architectural point of view on how old industrial areas are reconverted into new use. She stressed that it is good to keep some of the industrial flavour in the new design, like local

landmarks, and refurbish them instead of completely demolishing them.

The keynote speech was followed by a policy section. There was a lot of discussion on how these reconversion projects can be financed, and Mr Sander Happaerts from the European Commission, and Mr Gerald Muscat from the European Investment Bank told participants about the funding opportunities. The Members who spoke in this section - Mr Gilles Pargneaux and Mr Bronis Ropé - gave some practical examples of the reconversion process in their countries and explained how the European Parliament works to set the best possible conditions and funding opportunities for reconversion processes.

Several interesting regional examples ensued: representatives of the City of Bilbao (Spain), City of L'Aquila (Italy), City of Gdansk (Poland), Ruhr Region (Germany) and City of Lille (France) told the participants about their success stories but also about what they had learned through the processes. The representative of Ruhr region explained that anything is possible, even "turning a steel plant into a lake". However, he said that the solutions take time and need to be tailor-made. He also stressed that public sector needs to go in first and invest in the site, and then private sector will follow.

You can find the programme of the event, as well as the video recording and the presentations [on the STOA website](#).

Ahead of us

REGI meeting

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

21 March 2019

Report-back on negotiations with Council on Common Provisions Regulation 2021-2027



Andrey Novakov and Constanze Krehl during the trilogue negotiations

On 22 January, the Committee on Regional Development voted on the proposal for the new Common Provisions Regulation for the 2021-2027 period. The report was approved in plenary, with some changes on 13 February, following which the file was referred back to the Committee for interinstitutional negotiations. Three trilogues have now taken place, as well as a number of meetings at staff level to prepare those trilogues.

Discussions have focused on 'block 1' as defined by the Council, covering in particular the partnership principle and partnership agreements, technical assistance and horizontal principles. A certain amount of progress has been made, but it has not been possible to conclude negotiations on these very complex issues.

In the March II plenary, Parliament will therefore vote to conclude its first reading, and the progress made so far will be recorded and made available to the negotiators in the new Parliament. Negotiations are expected to resume in September.

Amendment to the Common Provisions Regulation – pre-financing for 2021-2023



Miroslaw 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 Miroslaw 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%.

Four amendments have been tabled to the proposal, suggesting pre-financing rates varying between 2% and 3% for 2021-2023. The vote on the proposal is scheduled for 21 March.

Exchange of views with Leo Brincat, Member of the European Court of Auditors (ECA)

Mr Brincat, Member of ECA, will attend the REGI March meeting to present their special report No 03/2019 entitled "European Fund for Strategic Investments: Action needed to make EFSI a full success".

The special report was published at the end of January, and according to ECA, it shows that "the EFSI helped the EIB to provide more higher-risk finance for investments, financed many investment projects that could not otherwise have taken place, attracted additional public and private investment to those projects and supported investments in many policy sectors across the EU." You can find the full report [on the ECA website](#).

Exchange of views with Marc Lemaître, DG REGIO Director-General

DG REGIO's Director-General, Mr Lemaître, will take the floor in the REGI March meeting to discuss ongoing files, implementation of current cohesion policy, and the way forward with the REGI members.

He has had exchanges of views twice before with REGI Committee - in January and September 2017.

Upcoming events in Brussels or near to your home

Date	Event	Place	Additional info
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"	Brussels, Belgium	
10 April	Europe, let's cooperate!	Wild Gallery, Brussels	
11 April	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](#)