REGI



Committee on Regional Development

Newsletter



A word from the Chair

Dear Colleagues,

Dear Friends,



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October promises to be a key month for the REGI Committee. On the 2 October, the Committee will hear the Commissioner-designate for Cohesion and Reforms, Mrs Elisa Ferreira. This is an important meeting for our Committee and a time for an in-depth exchange notably on the future political agenda for cohesion. After the hearing, at around 21.30, we will hold a press point together with Mrs Ferreira.

In the REGI meeting on 2-3 October, we will have votes on several items - on the budget 2020, as well as the opening of negotiations for early second reading agreement for CPR, ERDF-CF and Interreg files, the Cross-Border Mechanism and CPR pre-financing amendment. The Commission's proposal for an amendment to the European Solidarity Fund to take account of the economic impact of a possible "no deal Brexit" will be discussed.

The following week, REGI will hold a joint meeting with their COTER commission colleagues from the European Committee of the Regions as a part of the programme of activities and events making up the European Week of Regions and Cities (7-10 October).

Our legislative work on the MFF-related files will also continue in October, and an extensive series of trilogues and other inter-institutional meetings are foreseen for the rest of the year. During those negotiations our REGI Committee will be fighting for a strong Cohesion Policy that is able to strongly support all EU regions. In the upcoming month we will work on making as much progress as possible under the Finnish Presidency, so that much-needed projects will start on time during the next 2021-2027 programming period.

You can watch our meetings and the hearing online, and keep up to date on main developments by following us on Twitter @EP_Regional.

I wish everyone a fruitful and productive October,

Yours, Younous Omarjee



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Last time

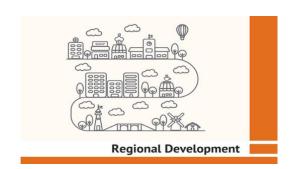
REGI meeting

3 September 2019

Introduction to the work of Policy Department B and presentation of the study "The Agenda for Cohesion Policy in 2019-2024: Key issues for the REGI Committee"

Johannes Litzelmann, Head of Unit, briefly outlined the work of the Policy Department for Structural and Cohesion Policies. The Policy Department, which is part of Parliament's administration, supports the work of the REGI-Committee through providing research and expertise (e.g. externally commissioned studies), in line with a sixmonthly work programme approved by the Committee.

Carlos Mendez, Senior Research Fellow at the European Policies Research Centre Delft, presented the conclusions of the study "The Agenda for Cohesion Policy in 2019-2024: Key issues for the REGI Committee". The purpose of the study, commissioned by the out-



going REGI Committee, was to provide a broad overview to incoming members on key issues and developments in EU Cohesion Policy, with a view to supporting the work of the Committee during its new mandate. Among the key issues highlighted were the need for a more coherent approach in EU Cohesion Policy, "fully-fledged partnership" agreements, as well as further simplification for beneficiaries and managing authorities.

An exchange of views followed, during which Members raised a wide range of issues and questions, including: the need for simplification and cutting red tape; the links between Cohesion Policy and the European Semester; the role of macro-economic conditionality; the stronger involvement of citizens in cohesion policy, e.g. through participatory budgeting; the lack of coherence between the different funds and the potential for improving synergies. Also included was the position of the REGI Committee and its role in the upcoming negotiations on the post-2020 cohesion package.

The full study (as well as the Executive Summaries) is available online.

Draft General Budget of the EU for the financial year 2020



Younous Omarjee

In our September meeting, Mr Younous OMARJEE (GUE/NGL), REGI rapporteur for the General Budget of the EU for the financial year 2020, presented his draft opinion, outlining his ideas on next year's draft EU budget as regards regional development and cohesion policy.

The draft opinion was positively received by REGI Members who indicated tabling of amendments to further emphasize or elaborate some key points of cohesion policy.

Exchange of views with DG REGIO's Director-General Marc Lemaître

The Director-General of DG REGIO, Mr Marc Lemaître, attended the September REGI meeting to talk about the current implementation of cohesion policy and about the plans for the future after 2020. This was his fourth time in the REGI Committee, and first time after the May European Elections.

In his speech, Mr Lemaître made a strong case against the N+3 rule and, in his opinion, it has resulted in slow implementation of the policy. He mentioned also that the project selection has been going well, but these are just decisions on paper which do not change people's lives. The more crucial indicator is the rate of payments, which still stands at around 25%. That means that only a quarter of the cohesion policy money for the current 2014-2020 period has been used, and he finds this worrying.

The performance review was one of the topics Mr Lemaître talked about at length. The review that is based on the CPR legislation was carried out in July and August this year. The aim was to see how well the set cohesion policy targets have been met. He mentioned that 80% of the original targets were achieved, but 5 billion euros still need to be reallocated. He stressed that "we should not abandon performance focus" for the 2020+ period.

On planning for the future, Mr Lemaître thinks that the institutions should go for a very ambitious timetable for the trilogues and try to come up with partial agreements for the parts that are crucial for programming by the end of the year. He regretted that the Multiannual Financial Framework (MFF) has not been a priority for the European Council (EUCO) so far, but hoped that this would change in October when EUCO next meets.

You can listen to the whole debate here (starting at 16:08).

Ahead of us

REGI meeting

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

2 - 3 October 2019

Draft General Budget of the EU for the financial year 2020



Younous Omarjee

During the October REGI meeting the Committee Members will vote on the Draft opinion for the General Budget of the EU for the financial year 2020, prepared by Mr Younous OMARJEE (GUE/NGL), REGI rapporteur.

The Members of the REGI Committee have tabled 41 amendments and compromise amendments have been negotiated between the groups.

Votes on entry into negotiations with a view to concluding early second-reading agreements

Before the elections, Parliament adopted its first-reading positions on five legislative files:

 Common provisions on European Regional Development Fund, European Social Fund Plus, Cohesion Fund, and European Maritime and Fisheries Fund and financial rules for those and for Asylum and Migration Fund, Internal Security Fund and Border Management and Visa Instrument 2021–2027 2018/0196(COD)

Co-rapporteurs: Andrey Novakov (EPP) and Constanze Krehl (S&D)

 European Regional Development Fund (ERDF) and Cohesion Fund 2021–2027 2018/0197(COD)

Rapporteur: Andrea Cozzolino (S&D)

 Specific provisions for European territorial cooperation goal (Interreg) supported by European Regional Development Fund (ERDF) and external financing instruments 2021–2027 2018/0199(COD)

Rapporteur: Pascal Arimont (EPP)

 Mechanism to resolve legal and administrative obstacles in a cross-border context 2018/0198(COD)

New rapporteur: Cristian Ghinea (Renew)

 European Structural and Investment Funds: adjustment of annual pre-financing for the years 2021 to 2023 2018/0322(COD)

New rapporteur: Andżelika Możdżanowska (ECR)

In the new term, the time has now come to prepare for negotiations with a view to concluding early second-reading agreements.

Rule 72 of the Rules of Procedure provides as follows: "Where Parliament has adopted its position at first reading, that position shall constitute the mandate for any negotiations with other institutions. The committee responsible may decide, by a majority of its members, to enter into negotiations at any time thereafter. [...]"

At this meeting, REGI will therefore vote on whether to enter into negotiations for each of the five files. An absolute majority of 22 committee members must approve negotiations in each case for them to start.

European Union Solidarity Fund - Brexit amendment

The United Kingdom is due to withdraw from the European Union on 31 October 2019, and it is not yet clear whether the agreed withdrawal agreement will ultimately be ratified.

In the absence of a withdrawal agreement, the United Kingdom will no longer be part of, or associated with, the single market or customs union from 1 November 2019. Brexit will therefore lead to considerable economic hardship, not only in the United Kingdom, but also in those parts of the remaining Member States that rely heavily on economic ties with the United Kingdom.

The Commission has therefore proposed to amend the regulation on the European Union Solidarity Fund.

First, the proposal would add Brexit to the circumstances justifying the disbursement of the Fund (the Fund currently covers only natural disasters). The Commission envisages that Member States may request to use this new branch of the EUSF for the 2019 and 2020 financial years as from 1 November 2019. Brexit compensation payments would only be possible up to the end of 2020, and only up to a maximum of 50% of the Fund's budget, with the remainder still reserved for natural disasters.

Second, the proposal aims to increase advance payments out of the Fund from 10% to 25%. This change is independent of Brexit, and the Commission proposes it since it considers that current advance payments are too low, delaying efforts on the ground after natural disasters.

This proposal arrives at a late stage in proceedings, and the Committee on Regional Development aims to use the simplified procedure for this urgent amendment, with the Chair as rapporteur. Rule 52(1) of the Rules of Procedure provides as follows: "Following a first discussion of a proposal for a legally binding act, the Chair may propose that it be approved without amendment. Unless members or a political group or groups reaching at least the medium threshold in the committee object, the proposed procedure shall be deemed to have been approved. The Chair or if one has been appointed, the rapporteur, shall present to Parliament a report approving the proposal."

If there is no objection to using the simplified procedure, this report will thus be adopted on 2 October 2019 in the Committee on Regional Development, and will be on the agenda of the plenary session in late October.

Hearing of Commissioner-designate for Cohesion and Reforms

Following the announcement of the proposed College of Commissioners on 10 September by Commission Presidentelect Ursula von der Leyen, the portfolio of Cohesion and Reforms goes to Ms Elisa Ferreira from Portugal.

Ms Ferreira has been a MEP from 2004 to 2016 (S&D); she has served the ECON and INTA committees and has been rapporteur for several legislative proposals in the field of economic, budgetary and taxation policy.

In her three-hour hearing scheduled for Wednesday, 2 October, at 18.30, REGI Members will have the opportunity to question her and examine her skills and qualifications. After Ms Ferreira's opening statement, our Members will ask her twenty-five oral questions, in addition to five - already submitted - written questions. The hearing will be streamed live. BUDG and ECON are associated committees to Ms Ferreira's hearing, whereas REGI will participate as an invited committee to the hearings of Commissioners-designate Timmermans (European Green Deal), Dombrovskis (An Economy that Works for People) and Šuica (Democracy and demography).

On Thursday morning, the REGI Chair and Coordinators will evaluate the performance of the Commissioner-designate, taking into account the short evaluations provided by BUDG and ECON on their respective remits. Based on all committee evaluations, Parliament will vote on 23 October on whether to confirm the entire College of Commissioners.

You can read more about the Commissioners-designate <u>here</u> and find out more about the hearings and watch them live <u>here</u>. For information on Ms Ferreira's hearing, click <u>here</u>.

REGI-COTER meeting, 8 October 2019



On Tuesday 8 October, within the framework of the European Week of Regions and Cities, REGI will meet with the Commission for Territorial Cohesion Policy (COTER) of the European Committee of the Regions to exchange views on "the state of play of the negotiations on the future cohesion policy after 2020."

Commissioner for Regional Policy, Mr Johannes Hahn, has been invited to present an update on the implementation of the funds. His presentation will be followed by an exchange of views with COTER and REGI Members.

You can find more information here.

Upcoming events

in Brussels or near to your home

Date	Event	Place	Additional info
2-3 October	REGI Committee meeting and <u>hearing</u> for the Commissioner-designate	Brussels	
7-10 October	European Week of Regions and Cities	Brussels	
4-5 November	REGI Committee meeting	Brussels	
7-8 November	EuroPCom	Brussels	

Useful 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

European Committee of the Regions