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*Plenary Sitting*

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**A8-0085/2019**

22.2.2019

**\*\*\*I**  
**REPORT**

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 as regards the resources for the specific allocation for the Youth Employment Initiative (COM(2019)0055 – C8-0041/2019 – 2019/0027(COD))

Committee on Regional Development

Rapporteur: Iskra Mihaylova

(Simplified procedure – Rule 50(1) of the Rules of Procedure)

### ***Symbols for procedures***

- \* Consultation procedure
- \*\*\* Consent procedure
- \*\*\*I Ordinary legislative procedure (first reading)
- \*\*\*II Ordinary legislative procedure (second reading)
- \*\*\*III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

### ***Amendments to a draft act***

#### **Amendments by Parliament set out in two columns**

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

#### **Amendments by Parliament in the form of a consolidated text**

New text is highlighted in ***bold italics***. Deletions are indicated using either the ***■*** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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## **DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION**

**on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 as regards the resources for the specific allocation for the Youth Employment Initiative (COM(2019)0055 – C8-0041/2019 – 2019/0027(COD))**

**(Ordinary legislative procedure: first reading)**

*The European Parliament,*

- having regard to the Commission proposal to Parliament and the Council (COM(2019)0055),
  - having regard to Article 294(2) and Article 177 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0041/2019),
  - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
  - after consulting the European Economic and Social Committee,
  - after consulting the Committee of the Regions,
  - having regard to Rule 59 of its Rules of Procedure,
  - having regard to the report of the Committee on Regional Development and also the opinion of the Committee on Budgets (A8-0085/2019),
- A. Whereas for reasons of urgency it is justified to proceed to the vote before the expiry of the deadline of eight weeks laid down in Article 6 of Protocol No 2 on the application of the principles of subsidiarity and proportionality;
1. Adopts its position at first reading, taking over the Commission proposal;
  2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
  3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

## EXPLANATORY STATEMENT

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 provides support to young people living in regions where youth unemployment was higher than 25 % in 2012. In 2017, funds were increased for regions where youth unemployment was higher than 25 % in 2016.

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, in those parts of Europe facing the greatest challenges, young people can receive targeted support. Generally, the YEI funds the provision of apprenticeships, traineeships, job placements and further education courses leading to a qualification.

The YEI is part of the Youth Guarantee, which is a scheme whereby Member States implement measures to ensure that young people up to the age of 25 receive a good quality offer of employment, continued education, an apprenticeship or a traineeship within four months of leaving school or becoming unemployed.

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.

This amendment to the CPR is required because the YEI specific allocation is set out in the text of the regulation, in Article 92(5). The increase to the figures in that paragraph must also be reflected in the total amounts in Article 91(1) and Annex VI. The budgetary increase for 2019 cannot be implemented without this amendment.

In addition, the Commission proposes some changes in order to facilitate the implementation of the increase in the specific allocation for the YEI, by allowing the transfer of up to 50% of the additional resources to the European Social Fund.

The Committee on Regional Development has therefore decided to follow the simplified procedure for this textually minor amendment to the CPR, with the chair as rapporteur. The rapporteur proposes rapid adoption of the proposal, without amendments.

## OPINION OF THE COMMITTEE ON BUDGETS

Ms Iskra Mihaylova  
Chair  
Committee on Regional Development  
BRUSSELS

Subject: BUDG opinion in the form of a letter (Rule 53(1) second sub-paragraph) on the Proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 as regards the resources for the specific allocation for the Youth Employment Initiative (COM(2019)0055 – C8-0041/2019 – 2019/0027 (COD))

Dear Chair,

I am writing to you in your capacity as REGI Chair and rapporteur for the above legislative proposal. I understand that your committee has opted for the application of the simplified procedure laid down in Rule 50 and that your report will be adopted on 20 February 2019.

The objective of the proposal is to adapt the amounts of resources available for economic, social and territorial cohesion set out in Article 91(1) of Regulation (EU) No 1303/2013<sup>1</sup>, the amount of resources for the specific allocation for the Youth Employment Initiative ('YEI') set out in Article 92(5) of that Regulation and the annual breakdown of commitment appropriations reflected in Annex VI of that Regulation to reflect the increase of the resources of the YEI, in line with the adopted budget for 2019. More specifically, commitment appropriations for the specific allocation for the YEI should be increased by an amount of EUR 116,7 million in current prices, bringing the overall amount for 2019 up to EUR 350 million.

The proposal introduces also provisions to facilitate the programming of the additional resources by Member States. Due to the advanced implementation of the 2014-2020 operational programmes and in view of the legal requirement to match the YEI specific allocation by corresponding ESF support, there is a need to prevent the possible reduction of ESF support to other policy areas and to measures outside the YEI. Therefore, the proposal

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<sup>1</sup> 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 (OJ L 347 20.12.2013, p. 320), as last amended by Regulation (EU) 2018/1719 of the European Parliament and of the Council of 14 November 2018 amending Regulation (EU) No 1303/2013 as regards the changes to the resources for economic, social and territorial cohesion and to the resources for the Investment for growth and jobs goal and for the European territorial cooperation goal. (OJ L 291, 16.11.2018, p. 5).

introduces a second subparagraph in Article 92(5) allowing Member States to transfer up to 50% of the additional resources for the specific allocation for the YEI to the ESF to constitute the corresponding ESF targeted investment as required by Article 22 of Regulation (EU) No 1304/2013<sup>2</sup>.

I should like to highlight that the proposal includes the necessary technical adjustments following the adoption of the 2019 budget increasing the resources of the YEI specific allocation, which fully reflects the request by your committee in the 2019 budgetary procedure. In addition, on the request of the budgetary authority to facilitate the programming and to ensure a smooth implementation of the increased resources, it introduces a possibility for Member States to transfer part of the additional resources to constitute the corresponding ESF support.

On behalf of the Committee on Budgets, I recognise the necessity to swiftly adopt the Commission proposal in order to ensure swift reprogramming and making sure the resources are available to the beneficiaries as soon as possible. Therefore, the Committee on Budgets invites the Committee on Regional Development to adopt the proposal without amendment.

Yours sincerely,

Jean Arthuis

Copy:

Thomas HÄNDEL, Chair of the Committee on Employment and Social Affairs (EMPL)

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<sup>2</sup> Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006 (OJ L 347, 20.12.2013, p. 470).



## PROCEDURE – COMMITTEE RESPONSIBLE

<b>Title</b>	Resources for the specific allocation for the Youth Employment Initiative		
<b>References</b>	COM(2019)0055 – C8-0041/2019 – 2019/0027(COD)		
<b>Date submitted to Parliament</b>	1.2.2019		
<b>Committee responsible</b> Date announced in plenary	REGI 11.2.2019		
<b>Committees asked for opinions</b> Date announced in plenary	BUDG 11.2.2019	EMPL 11.2.2019	CULT 11.2.2019
<b>Not delivering opinions</b> Date of decision	EMPL 18.2.2019	CULT 20.2.2019	
<b>Rapporteurs</b> Date appointed	Iskra Mihaylova 20.2.2019		
<b>Simplified procedure - date of decision</b>	20.2.2019		
<b>Discussed in committee</b>	20.2.2019		
<b>Date adopted</b>	20.2.2019		
<b>Date tabled</b>	22.2.2019		