



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Agriculture and Rural Development

2011/0276(COD)

22.6.2012

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on Regional Development

on the proposal for a regulation of the European Parliament and of the Council 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 covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006
(COM(2011)0615 – C7-0335/2011 – 2011/0276(COD))

Rapporteur: Salvatore Caronna

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SHORT JUSTIFICATION

The first part of the Commission's proposal for a regulation laying down the lines of the future cohesion policy for 2014 - 2020 sets out a series of common provisions governing all structural instruments covered by the Common Strategic Framework (CSF).

The European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF) will pursue, in the next programming period, complementary policy objectives in line with the objectives outlined in the Europe 2020 Strategy.

Even the European Agricultural Fund for Rural Development will shortly be called upon to give its contribution to the achievement of the strategy for a smart, inclusive and sustainable Europe, to complement the other instruments of the common agricultural policy, cohesion policy and fisheries policy.

Your rapporteur welcomes this new approach geared to reinforcing the strategic integrated programming process and bringing it into line with the Europe 2020 Strategy; however, he believes that some changes should be made to the legislative text in order to define more clearly the priorities and implementing bodies and to eliminate anything that may be liable to misinterpretation and undermine the effectiveness of the entire cohesion policy.

Below is a summary of the main changes to the Commission proposal for a regulation suggested by your rapporteur.

1. Thematic concentration

Under the new structural programming period, cohesion policy has now become the main investment tool with which to support the EU's key priorities as set out in the Europe 2020 Strategy.

Your rapporteur welcomes the principle of thematic concentration with regard to the key objectives of the strategy for a smart, inclusive and sustainable Europe; however, he fears that this lack of flexibility in the choice of objectives could call into question the bottom-up approach typical of cohesion policy, which enables that policy to be geared to the needs of individual regions, which are the true drivers of development as they are more deeply connected to local communities and their needs.

2. Multi-level governance

The proposal for a regulation introduces the instrument of the Partnership Contract, the document which, amongst other things, sets out the Member State's strategy, priorities and arrangements for using the Common Strategic Framework funds in an effective and efficient way. The Partnership Contract is drawn up by the Member State, in cooperation with the partners listed in Article 5 of the proposal.

Your rapporteur takes the view that the system of governance proposed by the Commission with regard to the involvement of local and regional partners in the drawing up of the

Partnership Contract does not respect the principle of subsidiarity.

More specifically, the bodies at which cohesion policy is mainly targeted, and those which also implement the policy, i.e. the local and regional authorities of the Member States, are being assigned the same role as that of the economic and social partners and civil society associations; in other words, they are all being put on an equal footing in a manner that is not in keeping with the management responsibilities that the local and regional authorities have in relation to cohesion policy.

In view of these considerations, your rapporteur calls for greater involvement of local authorities, and in particular of regional authorities.

3. Macroeconomic conditionalities

In its proposal, the Commission provides for the tightening up of the rules on macro-fiscal conditionality which, as a last resort, make the partial or full disbursement of funds subject to compliance with the new Stability and Growth Pact enforcement measures.

Your rapporteur totally objects to this provision, and therefore proposes that it be deleted. The risk is that macroeconomic conditionality will shift the blame for the failure to meet the conditions laid down as part of the macroeconomic convergence measures onto the local and regional authorities, when the responsibility actually lies with the Member States themselves.

4. Performance reserve

The Commission proposal provides for the establishment in each Member State of a performance reserve equal to 5% of the total funds allocated to it, which is to be frozen for the entire programming period until the Commission carries out a performance review in 2019.

Your rapporteur objects to this provision, as he fears that this mechanism might ultimately tempt Member States to set targets that are particularly modest and thus easy to attain, in order to receive additional funding.

5. Common Strategic Framework

Fund coordination mechanisms and the general objectives and aims of the European Union with regard to smart, inclusive and sustainable growth are set out in the Common Strategic Framework. In its proposal, the Commission states that this important strategic document is to be adopted by means of a delegated act.

Your rapporteur considers the legal status of the Common Strategic Framework as proposed to be inappropriate. Through delegated acts the legislator confers on the Commission the power to adopt non-legislative acts of general application to supplement or amend certain non-essential elements of a legislative act.

Your rapporteur therefore calls for the Common Strategic Framework to be adopted under the ordinary legislative procedure and to be placed in a specific annex to the regulation.

AMENDMENTS

The Committee on Agriculture and Rural Development calls on the Committee on Regional Development, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Proposal for a regulation Recital 14

Text proposed by the Commission

(14) The Commission should adopt by delegated act a Common Strategic Framework which translates the objectives of the Union into key actions for the CSF Funds, in order to provide clearer strategic direction to the programming process at the level of Member States and regions. The Common Strategic Framework should facilitate sectoral and territorial coordination of Union intervention under the CSF Funds and with other relevant Union policies and instruments.

Amendment

(14) The Commission should adopt by delegated act a Common Strategic Framework ***as laid down in Annex Ia of this Regulation*** which translates the objectives of the Union into key actions for the CSF Funds, in order to provide clearer strategic direction to the programming process at the level of Member States and regions. The Common Strategic Framework should facilitate sectoral and territorial coordination of Union intervention under the CSF Funds and with other relevant Union policies and instruments, ***taking into account the principle of territoriality and governance at various levels, and the specific characteristics recognised in Article 349 TFEU with regard to the outermost regions.***

Amendment 2

Proposal for a regulation Recital 16

Text proposed by the Commission

(16) On the basis of the Common Strategic Framework ***adopted by the Commission***, each Member State should prepare, in cooperation with its partners and in dialogue with the Commission, a Partnership Contract. The Partnership Contract should translate the elements set

Amendment

(16) On the basis of the Common Strategic Framework, each Member State should prepare, in cooperation with its partners, and in dialogue with the Commission, a Partnership Contract. The Partnership Contract should translate the elements set out in the Common Strategic Framework

out in the Common Strategic Framework into the national context and set out firm commitments to the achievement of Union objectives through the programming of the CSF Funds.

into the national context and set out firm commitments to the achievement of Union objectives through the programming of the CSF Funds.

Amendment 3

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) Member States should concentrate support to ensure a significant contribution to the achievement of Union objectives in line with their specific national and regional development needs. Ex ante conditionalities should be defined to ensure that the necessary framework conditions for the effective use of Union support are in place. The fulfilment of those ex ante conditionalities should be assessed by the Commission in the framework of its assessment of the Partnership Contract and programmes. In cases where there is a failure to fulfil an ex ante conditionality, the Commission should have the power to suspend payments to the programme.

Amendment

(17) Member States should concentrate support to ensure a significant contribution to the achievement of Union objectives in line with their specific national and regional development needs. Ex ante conditionalities should be defined ***which have a close substantive relationship with, and a direct impact on, the efficient use of the CSF funds, in order*** to ensure that the necessary framework conditions for the effective use of Union support are in place. The fulfilment of those ex ante conditionalities should be assessed by the Commission in the framework of its assessment of the Partnership Contract and programmes. In cases where there is a failure to fulfil an ex ante conditionality, the Commission should have the power to suspend payments to the programme.

Amendment 4

Proposal for a regulation

Recital 18

Text proposed by the Commission

(18) A performance framework should be defined for each programme with a view to monitoring progress towards the objectives and targets set for each programme over

Amendment

(18) A performance framework should be defined for each programme with a view to monitoring progress towards the objectives and targets set for each programme over

the course of the programming period. The Commission should undertake a performance review in cooperation with the Member States in 2017 and 2019. ***A performance reserve should be foreseen and allocated in 2019 where milestones set in the performance framework have been attained. Due to their diversity and multi-country character, there should be no performance reserve for 'European Territorial Cooperation' programmes. In cases where the shortfall in the achievement of milestones or targets is significant, the Commission should be able to suspend payments to the programme or, at the end of the programming period, apply financial corrections, in order to ensure that the Union budget is not used in a wasteful or inefficient way.***

the course of the programming period. The Commission should undertake a performance review in cooperation with the Member States in 2017 and 2019.

Justification

Consequence of the suggested deletion of Articles 18 to 20.

Amendment 5

Proposal for a regulation Recital 19

Text proposed by the Commission

Amendment

(19) Establishing a closer link between cohesion policy and the economic governance of the Union will ensure that the effectiveness of expenditure under the CSF Funds is underpinned by sound economic policies and that the CSF Funds can, if necessary, be redirected to addressing the economic problems a country is facing. This process has to be gradual, starting with amendments to the Partnership Contract and to the programmes in support of Council recommendations to address macroeconomic imbalances and social and economic difficulties. Where, despite

deleted

the enhanced use of CSF funds, a Member State fails to take effective action in the context of the economic governance process, the Commission should have the right to suspend all or part of the payments and commitments. Decisions on suspensions should be proportionate and effective, taking into account the impact of the individual programmes for addressing the economic and social situation in the relevant Member State and previous amendments to the Partnership Contract. When deciding on suspensions, the Commission should also respect equality of treatment between Member States, taking into account in particular the impact of the suspension on the economy of the Member State concerned. The suspensions should be lifted and funds be made available again to the Member State concerned as soon as the Member State takes the necessary action.

Justification

Consequence of the suggested deletion of Article 21.

Amendment 6

Proposal for a regulation

Recital 33

Text proposed by the Commission

(33) In order to improve the quality and design of each programme, and verify that objectives and targets can be reached, an ex ante evaluation of each programme should be carried out.

Amendment

(33) In order to improve the quality and design of each programme, and verify that objectives and targets can be reached ***and are consistent in terms of programme aims and financial allocations***, an ex ante evaluation of each programme should be carried out ***that draws on prior experiences***.

Amendment 7

Proposal for a regulation
Recital 58

Text proposed by the Commission

(58) In order to strengthen the focus on results and achievement of the Europe 2020 objectives and targets, five per cent of the resources for the 'Investment for growth and jobs' goal should be set aside as a performance reserve for each Fund, and category of region in each Member State.

Amendment

deleted

Amendment 8

Proposal for a regulation
Recital 59

Text proposed by the Commission

(59) As regards the Funds and with a view to ensuring an appropriate allocation to each category of regions, resources should not be transferred between *less developed, transition and more developed* regions except in duly justified circumstances linked to the delivery of one or more thematic objectives and for no more than 2 % of the total appropriation for that category of region.

Amendment

(59) As regards the Funds and with a view to ensuring an appropriate allocation to each category of regions, resources should, **as a rule, not** be transferred between **different** regions except in duly justified circumstances linked to the delivery of one or more thematic objectives and for no more than **30** % of the total appropriation for that category of region.

Amendment 9

Proposal for a regulation
Recital 87

Text proposed by the Commission

(87) The frequency of audits on operations should be proportionate to the extent of the Union's support from the Funds. In particular, **the number of audits** carried out **should be reduced** where the total eligible expenditure for an operation does not exceed EUR **100 000**. Nevertheless, it

Amendment

(87) The frequency of audits on operations should be proportionate to the extent of the Union's support from the Funds. In particular, **a single audit should be** carried out where the total eligible expenditure for an operation does not exceed EUR **200 000**. Nevertheless, it should be

should be possible to carry out audits at any time where there is evidence of an irregularity or fraud, or, following closure of a completed operation, as part of an audit sample. In order that the level of auditing by the Commission is proportionate to the risk, the Commission should be able to reduce its audit work in relation to operational programmes where there are no significant deficiencies or where the audit authority can be relied on.

possible to carry out audits at any time where there is evidence of an irregularity or fraud, or, following closure of a completed operation, as part of an audit sample. In order that the level of auditing by the Commission is proportionate to the risk, the Commission should be able to reduce its audit work in relation to operational programmes where there are no significant deficiencies or where the audit authority can be relied on.

Amendment 10

Proposal for a regulation

Recital 88

Text proposed by the Commission

(88) In order to supplement and amend certain non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of the following: a code of conduct on the objectives and criteria to support the implementation of partnership, ***the adoption of a Common Strategic Framework***, additional rules on the allocation of the growth and competitiveness reserve, the definition of the area and population covered by the local development strategies, detailed rules on financial instruments (ex ante assessment, eligibility of expenses, types of activities not supported, combination of support, transfer and management of assets, payment requests, and capitalisation of annual instalments), the definition of the flat rate for revenue generating operations, the responsibilities of Member States concerning the procedure for reporting irregularities and recovery of sums unduly paid, the model of management declaration of assurance on the functioning of the management and control system, the

Amendment

(88) In order to supplement and amend certain non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of the following: a code of conduct on the objectives and criteria to support the implementation of partnership, additional rules on the allocation of the growth and competitiveness reserve, the definition of the area and population covered by the local development strategies, detailed rules on financial instruments (ex ante assessment, eligibility of expenses, types of activities not supported, combination of support, transfer and management of assets, payment requests, and capitalisation of annual instalments), the definition of the flat rate for revenue generating operations, the responsibilities of Member States concerning the procedure for reporting irregularities and recovery of sums unduly paid, the model of management declaration of assurance on the functioning of the management and control system, the conditions of national audits, the accreditation criteria for managing

conditions of national audits, the accreditation criteria for managing authorities and certifying authorities, the identification of commonly accepted data carriers, the level of financial correction to be applied, the amendment of annexes; the specific measures necessary for the facilitation of transition from Regulation (EC) No 1083/2006. The Commission should also be empowered to amend Annexes I and IV in order to address future adaptation needs. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level.

authorities and certifying authorities, the identification of commonly accepted data carriers, the level of financial correction to be applied, the amendment of annexes; the specific measures necessary for the facilitation of transition from Regulation (EC) No 1083/2006. The Commission should also be empowered to amend Annexes I and IV in order to address future adaptation needs. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level.

Amendment 11

Proposal for a regulation Recital 90

Text proposed by the Commission

(90) The Commission should be empowered to adopt, by means of implementing acts, as regards all CSF Funds, decisions approving the Partnership Contracts, ***decisions on the allocation of the performance reserve, decisions suspending payments linked to Member States' economic policies***, and, in the case of decommitment, decisions to amend decisions adopting programmes; and as regards the Funds, decisions identifying the regions and Member States fulfilling the Investment for growth and jobs criteria, decisions setting out the annual breakdown of commitment appropriations to the Member States, decisions setting out the amount to be transferred from each Member State's CF allocation to the Connecting Europe Facility, decisions setting out the amount to be transferred from each Member State's Structural Funds allocation for food for deprived people, decisions adopting and amending operational programmes, decisions on

Amendment

(90) The Commission should be empowered to adopt, by means of implementing acts, as regards all CSF Funds, decisions approving the Partnership Contracts, and, in the case of decommitment, decisions to amend decisions adopting programmes; and as regards the Funds, decisions identifying the regions and Member States fulfilling the Investment for growth and jobs criteria, decisions setting out the annual breakdown of commitment appropriations to the Member States, decisions setting out the amount to be transferred from each Member State's CF allocation to the Connecting Europe Facility, decisions setting out the amount to be transferred from each Member State's Structural Funds allocation for food for deprived people, decisions adopting and amending operational programmes, decisions on major projects, decisions on joint action plans, decisions suspending payments and

major projects, decisions on joint action plans, decisions suspending payments and decisions on financial corrections.

decisions on financial corrections.

Amendment 12

Proposal for a regulation Article 4 – paragraph 1

Text proposed by the Commission

1. The CSF Funds shall provide support, through multi-annual programmes, which complements national, regional and local intervention, to deliver the Union strategy for smart, sustainable and inclusive growth, taking account of the Integrated Guidelines, the country-specific recommendations under Article 121(2) of the Treaty and the relevant Council recommendations adopted under 148(4) of the Treaty.

Amendment

1. The CSF Funds shall provide support, through multi-annual programmes, which ***creates synergies and*** complements national, regional and local intervention, to deliver the Union strategy for smart, sustainable and inclusive growth, taking account of the Integrated Guidelines, the country-specific recommendations under Article 121(2) of the Treaty and the relevant Council recommendations adopted under 148(4) of the Treaty.

Amendment 13

Proposal for a regulation Article 4 – paragraph 3

Text proposed by the Commission

3. Support from the CSF Funds shall be implemented in close cooperation between the Commission and the Member States.

Amendment

3. Support from the CSF Funds shall be implemented in close cooperation between the Commission and the Member States, ***in accordance with the principle of subsidiarity.***

Amendment 14

Proposal for a regulation Article 4 – paragraph 6

Text proposed by the Commission

6. In accordance with their respective responsibilities, the Commission and the

Amendment

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Member States shall ensure coordination among the CSF Funds, and with other Union policies and instruments, including those in the framework of the Union's external action.

Member States shall ensure coordination among the CSF Funds, and with other Union policies and instruments, including those in the framework of the Union's external action ***and ensure policy coherence for development in accordance with Article 208 TFEU.***

Amendment 15

Proposal for a regulation

Article 5 – paragraph 1

Text proposed by the Commission

1. For the Partnership Contract and each programme respectively, ***a*** Member ***State*** shall organise a partnership with the following partners:

- (a) ***competent regional, local, urban and*** other public authorities;
- (b) economic and social partners; and
- (c) bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting equality and non-discrimination.

Amendment

1. For the Partnership Contract and each programme respectively, Member ***States and regional and local authorities*** shall organise a partnership with the following partners:

- (a) other public authorities;
- (b) economic and social partners; and
- (c) bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting equality and non-discrimination.

Justification

Regional and local authorities shall be involved in the Partnership on equal footing with the Member States.

Amendment 16

Proposal for a regulation

Article 5 – paragraph 1 – point c

Text proposed by the Commission

(c) bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting equality and

Amendment

(c) bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting equality and

non-discrimination.

non-discrimination, *and others such as non-governmental organisations promoting social inclusion and organisations active in the areas of culture, education and youth policy.*

Amendment 17

Proposal for a regulation

Article 5 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. A Member State, or sub-national government with competent authority, shall include those institutions, organisations and groups in the Partnership that might influence or might be affected by the implementation of the programmes. Specific attention shall be paid to groups that might be affected by the programmes and may suffer difficulties to influence them, in particular the most vulnerable and marginalised groups.

Amendment 18

Proposal for a regulation

Article 5 – paragraph 2

Text proposed by the Commission

Amendment

2. In accordance with the multi-level governance approach, the partners shall be involved by Member States in the preparation of Partnership Contracts and progress reports and in the preparation, implementation, monitoring and evaluation of programmes. The partners shall participate in the monitoring committees for programmes.

2. In accordance with the multi-level governance approach, the partners *representing the different territorial levels in the Member States* shall be involved by Member States, *and sub-national governments with competent authority*, in *all stages of* the preparation of Partnership Contracts and progress reports and in *all stages of* the preparation, implementation, monitoring and evaluation of programmes. The partners shall participate in the monitoring committees for programmes.

Amendment 19

Proposal for a regulation

Article 5 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. Member States shall ensure that the partners are provided capacity building to participate in partnership and public consultation processes effectively.

Amendment 20

Proposal for a regulation

Article 8 – paragraph 1

Text proposed by the Commission

Amendment

The objectives of the CSF Funds shall be pursued in the framework of sustainable development and the Union's promotion of the aim of protecting and improving the environment, as set out in Article 11 *of the Treaty*, taking into account the polluter pays principle.

The objectives of the CSF Funds shall be pursued in the framework of ***integrated*** sustainable development and the Union's promotion of the aim of protecting and improving the environment, as set out in Article 11 TFEU, taking into account the polluter pays principle ***and avoiding future external costs for European society.***

Amendment 21

Proposal for a regulation

Article 8 – paragraph 2

Text proposed by the Commission

Amendment

The Member States and the Commission shall ensure that environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management are promoted in the preparation and implementation of Partnership Contracts and programmes. Member States shall provide information

The Member States and the Commission shall ensure that environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management are promoted in the preparation and implementation of Partnership Contracts and programmes. Member States shall provide information

on the support for climate change objectives using the methodology adopted by the Commission. The Commission shall adopt this methodology by means of an implementing act. The implementing act shall be adopted in accordance with the examination procedure referred to in Article 143(3).

on the support for climate change objectives using the methodology adopted by the Commission. The Commission shall adopt this methodology by means of an implementing act. The implementing act shall be adopted in accordance with the examination procedure referred to in Article 143(3). ***Sustainability shall also be ensured in terms of maintaining and creating employment.***

Amendment 22

Proposal for a regulation Article 9 – paragraph 1 – point 6

Text proposed by the Commission

(6) protecting the environment and promoting resource efficiency,

Amendment

(6) protecting the environment ***and the cultural heritage***, and promoting resource efficiency,

Amendment 23

Proposal for a regulation Article 9 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

Each Member State shall, in response to the specific analyses in connection with the thematic objectives, establish the types and levels of support to be provided in the context of each of the measures.

Amendment 24

Proposal for a regulation Article 10

Text proposed by the Commission

In order to promote the harmonious, balanced and sustainable development of the Union, a Common Strategic Framework shall **translate** the objectives and targets of the Union strategy for smart, sustainable and inclusive growth **into key actions for the CSF Funds**.

Amendment

In order to promote the harmonious, balanced and sustainable development of the Union, **the** Common Strategic Framework **as laid down in Annex Ia** shall **provide coordination of the CSF funds in order to achieve** the objectives and targets of the Union strategy for smart, sustainable and inclusive growth.

Justification

Horizontal amendment. If adopted, references to the Common Strategic Framework shall be transformed into references to the new Annex throughout the text.

The Common Strategic Framework shall be included in the basic act.

Amendment 25

Proposal for a regulation Article 12

Text proposed by the Commission

The Commission shall be empowered to adopt a delegated act in accordance with Article 142 on the Common Strategic Framework within 3 months of the adoption of this Regulation.

Where there are major changes in the Union strategy for smart, sustainable and inclusive growth, the Commission shall review and, where appropriate, **adopt**, by delegated act in accordance with Article 142, **a revised** Common Strategic Framework.

Within 6 months of adoption of a revised Common Strategic Framework, Member States shall propose amendments, where necessary, to their Partnership Contract and programmes to ensure their consistency

Amendment

The Common Strategic Framework is laid down in Annex Ia.

Where there are major changes in the Union strategy for smart, sustainable and inclusive growth, the Commission shall review and, where appropriate, **amend**, by delegated act in accordance with Article 142, **the** Common Strategic Framework **laid down in Annex Ia**.

Within 6 months of adoption of a revised Common Strategic Framework, Member States shall propose amendments, where necessary, to their Partnership Contract and programmes to ensure their consistency

with the revised Common Strategic Framework.

with the revised Common Strategic Framework.

Justification

Horizontal amendment. If adopted, references to the Common Strategic Framework shall be transformed into references to the new Annex throughout the text.

The Common Strategic Framework shall be included in the basic act.

Amendment 26

**Proposal for a regulation
Article 13 – paragraph 1**

Text proposed by the Commission

1. Each Member State shall prepare a Partnership Contract for the period from 1 January 2014 to 31 December 2020.

Amendment

1. Each Member State shall prepare, ***in agreement with its own local and regional authorities***, a Partnership Contract for the period from 1 January 2014 to 31 December 2020.

Justification

Since the local and regional authorities finance and manage cohesion policy, they should play a full role in framing, negotiating, implementing and amending it.

Amendment 27

**Proposal for a regulation
Article 13 – paragraph 1 a (new)**

Text proposed by the Commission

Amendment

1a. In those Member States in which, under national law or certain administrative provisions, the local and regional authorities act as the managing authority for the operational programmes, those local and regional authorities shall play a full role in drawing up the Partnership Contract.

Justification

Since the local and regional authorities finance and manage cohesion policy, they should play

a full role in framing, negotiating, implementing and amending it.

Amendment 28

Proposal for a regulation Article 13 – paragraph 4

Text proposed by the Commission

4. Each Member State shall transmit its Partnership Contract to the Commission within **3** months of the adoption of the Common Strategic Framework.

Amendment

4. Each Member State shall transmit its Partnership Contract to the Commission within **5** months of the adoption of the Common Strategic Framework.

Justification

Given the amount and precise nature of the information requested, the fact that the programmes have to be submitted at the same time as the Partnership Contract (in accordance with Article 23(3)) and the need for an effective and active partnership, a longer time frame is essential.

Amendment 29

Proposal for a regulation Article 13 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The Partnership Contract shall undergo public consultation prior to its submission to the Commission.

Amendment 30

Proposal for a regulation Article 14 – point a – indent iv

Text proposed by the Commission

(iv) the indicative allocation of support by the Union by thematic objective at national level for each of the CSF Funds, as well as the total indicative amount of support foreseen for climate change objectives;

Amendment

(iv) the indicative allocation of support by the Union by thematic objective at national level for each of the CSF Funds, ***in accordance with the priorities laid down in the specific regulations on the CSF funds***, as well as the total indicative amount of support foreseen for climate

change objectives;

Justification

The regulations on the individual CSF funds, adopted by ordinary legislative procedure, shall not be overruled by priorities laid down in the Partnership Contracts.

Amendment 31

Proposal for a regulation

Article 14 – paragraph 1 – point c

Text proposed by the Commission

(c) an integrated approach to address the specific needs of geographical areas most affected by poverty or of target groups at highest risk of discrimination or exclusion, with special regard to marginalised communities, where appropriate, including the indicative financial allocation for the relevant CSF Funds;

Amendment

(c) an integrated approach to address the specific needs of ***the regions containing*** geographical areas most affected by poverty, ***of regions facing demographic challenges*** or of target groups at highest risk of discrimination or exclusion, with special regard to marginalised communities, where appropriate, including the indicative financial allocation for the relevant CSF Funds;

Amendment 32

Proposal for a regulation

Article 15 – paragraph 2

Text proposed by the Commission

2. The Commission shall adopt a decision, by means of implementing acts, approving the Partnership Contract no later than six months after its submission by the Member State, provided that any observations made by the Commission have been satisfactorily taken into account. The Partnership Contract shall not enter into force before 1 January 2014.

Amendment

2. The Commission shall adopt a decision, by means of implementing acts, approving the Partnership Contract no later than six months after its submission by the Member State, provided that any observations made by the Commission have been satisfactorily taken into account. The Partnership Contract shall not enter into force before 1 January 2014. ***In its decision, the Commission shall refer to the genuine involvement of the local and regional authorities, which shall be called upon to sign the Partnership Contract in accordance with the institutional system***

of each Member State.

Justification

Regional and local authorities shall be involved in the Partnership on an equal footing with the Member States.

Amendment 33

Proposal for a regulation

Article 15 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Where appropriate, the Commission may adopt a decision, by means of implementing acts, allowing the Member States to start implementing specific CSF programmes in advance of the approval of the Partnership contract. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 143(3).

Justification

In specific cases, it should be possible for the Commission to give a partial go ahead for the implementation of specific funds, even if the conditions for approval of the Partnership contract are not fulfilled completely.

Amendment 34

Proposal for a regulation

Article 15 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Where a Member State implements the specific funds through more than one programme, the Partnership Contract may be adjusted after the last programme of that Member State has been approved.

Justification

In the context of the European Agricultural Fund for Rural Development, federal Member

States usually implement several regional programmes instead of a single national one. It is appropriate to provide for a simplified procedure for federal MS to adjust their Partnership Contract. Else, the modification of a single regional programme due to COM comments might entail the need to change the Partnership Contract through the administratively burdensome procedure described in Art. 15(3).

Amendment 35

Proposal for a regulation Article 16

Text proposed by the Commission

Member States shall concentrate support, in accordance with the Fund-specific rules, on actions bringing the greatest added value in relation to the Union strategy for smart, sustainable and inclusive growth, addressing the challenges identified in the country-specific recommendations under Article 121(2) of the Treaty and the relevant Council recommendations adopted under 148(4) of the Treaty, and taking into account national and regional needs.

Amendment

Member States shall concentrate support, in accordance with the Fund-specific rules, on actions bringing the greatest added value in relation to the Union strategy for smart, sustainable and inclusive growth, addressing the challenges identified in the country-specific recommendations under Article 121(2) of the Treaty and the relevant Council recommendations adopted under 148(4) of the Treaty, and taking into account national and regional needs ***as well as the principles of subsidiarity and multi-level governance.***

Justification

Regional and local authorities shall be involved in the Partnership on equal footing with the Member States.

Amendment 36

Proposal for a regulation Article 17 – paragraph 1

Text proposed by the Commission

1. Ex ante conditionalities shall be defined for each CSF Fund in the Fund-specific rules.

Amendment

1. Ex ante conditionalities shall be defined for each CSF Fund in the Fund-specific rules. ***These conditionalities should, without fail, have a close substantive connection to the actual implementation of the CSF Fund.***

Amendment 37

Proposal for a regulation Article 18

Text proposed by the Commission

Amendment

Article 18

deleted

Performance reserve

5% of the resources allocated to each CSF Fund and Member State, with the exception of resources allocated to the European territorial cooperation goal and to Title V of the EMFF Regulation, shall constitute a performance reserve to be allocated in accordance with Article 20.

Justification

The amendment deletes the performance reserve which would bring little added value to the programming, while being very burdensome in implementation.

Amendment 38

Proposal for a regulation Article 20

Text proposed by the Commission

Amendment

Article 20

deleted

Allocation of performance reserve

1. Where the review of performance undertaken in 2017 reveals that a priority within a programme has not attained its milestones set for the year 2016, the Commission shall make recommendations to the Member State concerned.

2. On the basis of the review undertaken in 2019, the Commission shall adopt a decision, by means of implementing acts, to determine for each CSF Fund and Member State the programmes and priorities which have attained their milestones. The Member State shall propose the attribution of the

performance reserve for the programmes and priorities set out in that Commission decision. The Commission shall approve the amendment of the programmes concerned in accordance with Article 26. Where a Member State fails to submit the information in accordance with Article 46(2) and (3), the performance reserve for the programmes or the priorities concerned shall not be allocated.

3. Where there is evidence resulting from a performance review that a priority has failed to achieve the milestones set out in the performance framework, the Commission may suspend all or part of an interim payment of a priority of a programme in accordance with the procedure laid down in Fund-specific rules.

4. Where the Commission, based on the examination of the final implementation report of the programme, establishes a serious failure to achieve the targets set out in the performance framework, it may apply financial corrections in respect of the priorities concerned in accordance with Fund-specific rules. The Commission shall be empowered to adopt delegated acts in accordance with Article 142 to establish criteria and the methodology for determining the level of financial correction to be applied.

5. Paragraph 2 shall not apply to programmes under the European territorial cooperation goal and to Title V of the EMFF Regulation.

Justification

Consequence of the suggested deletion of Article 18.

Amendment 39

Proposal for a regulation Article 21

Text proposed by the Commission

Amendment

This article is deleted

Justification

References to macroeconomic conditionalities should be adapted throughout the text.

Amendment 40

Proposal for a regulation Article 24 – paragraph 2

Text proposed by the Commission

Amendment

2. Each programme shall define priorities setting out specific objectives, financial appropriations of support from the CSF Funds and corresponding national co-financing.

2. Each programme shall define priorities setting out specific objectives, financial appropriations of support ***it receives*** from ***one or more of*** the CSF Funds ***referred to in Article 1*** and corresponding national co-financing. ***Where a programme receives support from more than one Fund, a lead Fund may be designated, in which case the running costs shall be financed by the lead Fund and the financial management rules of the lead Fund shall apply.***

Amendment 41

Proposal for a regulation Article 24 – paragraph 3 – subparagraph 1 – point c a (new)

Text proposed by the Commission

Amendment

(ca) indicators relating to the impact of the operations on the environment and climate change.

Amendment 42

Proposal for a regulation
Article 29 – paragraph 3

Text proposed by the Commission

3. Local development strategies shall be selected by a committee set up for this purpose by the relevant managing authorities of the programmes.

Amendment

3. Local development strategies shall be selected by a committee set up for this purpose by the relevant managing authorities of the programmes. ***The partners referred to in Article 5 shall be appropriately represented in this committee.***

Amendment 43

Proposal for a regulation
Article 59 – paragraph 3 –point c

Text proposed by the Commission

c) value added tax. However, VAT amounts shall be eligible where they are not recoverable under national VAT legislation ***and are paid by a beneficiary other than non-taxable person as defined in the first subparagraph of Article 13(1) of Directive 2006/112/EC, provided that such VAT amounts are not incurred in relation to the provision of infrastructure.***

Amendment

c) value added tax. However, VAT amounts shall be eligible where they are not recoverable under national VAT legislation.

Justification

This amendment is in order to maintain continuity with the previous programming periods and is based on the need to refrain from further draining the budgets of public sector bodies which, being unable to include VAT in their accounts, are liable to jeopardise the implementation of the operations and, ultimately, the very effectiveness of the policies they are meant to be supporting.

The proposal, moreover, takes over an amendment adopted by the Agriculture Committee regarding the proposal to amend Regulation (EC) No 1698/2005, which is awaiting final adoption.

Amendment 44

Proposal for a regulation Article 66 – paragraph 4

Text proposed by the Commission

Amendment

As regards the performance reserve, budget commitments shall follow the Commission decision approving the amendment of the programme.

deleted

Justification

Consequence of the suggested deletion of Article 18.

Amendment 45

Proposal for a regulation Article 82 – paragraph 2 – subparagraph 1 – point b

Text proposed by the Commission

Amendment

(b) transition regions, whose GDP per capita is between 75% and 90% of the average GDP of the EU-27;

deleted

Amendment 46

Proposal for a regulation Article 84 – paragraph 3

Text proposed by the Commission

Amendment

3. At least 25 % of the Structural Funds resources *for less developed regions, 40% for transition regions and 52% for more developed regions* in each Member State shall be allocated to the ESF. For the purposes of this provision, the support to a Member State through the [Food for deprived people instrument] shall be considered as part of the share of Structural Funds allocated to the ESF.

3. At least 25 % of the Structural Funds resources in each Member State shall be allocated to the ESF. For the purposes of this provision, the support to a Member State through the [Food for deprived people instrument] shall be considered as part of the share of Structural Funds allocated to the ESF.

Amendment 47

Proposal for a regulation Article 84 – paragraph 5

Text proposed by the Commission

Amendment

5. The support from the Structural Funds for [food for deprived people] under the Investment for Growth and Jobs shall be EUR 2 500 000 000. *deleted*

The Commission shall adopt a decision by implementing act setting out the amount to be transferred from each Member State's Structural Funds allocation for the whole period in each Member State. The Structural Funds allocation of each Member State shall be reduced accordingly.

The annual appropriations corresponding to the support from the Structural Funds mentioned in the first subparagraph shall be entered in the relevant budget lines of the [food for deprived people instrument] with the 2014 budgetary exercise.

Amendment 48

Proposal for a regulation Article 84 – paragraph 6

Text proposed by the Commission

Amendment

6. 5% of the resources for the Investment for growth and jobs goal shall constitute the performance reserve to be allocated in accordance with Article 20. *deleted*

Amendment 49

Proposal for a regulation Article 85 – paragraph 1

Text proposed by the Commission

1. The total appropriations allocated to each Member State in respect of less developed regions, transition regions and more developed regions shall not be transferable between each of those categories of regions.

Amendment

1. The total appropriations allocated to each Member State in respect of less developed regions, transition regions and more developed regions shall not, **as a general rule**, be transferable between each of those categories of regions.

Amendment 50

**Proposal for a regulation
Article 85 – paragraph 2**

Text proposed by the Commission

2. By way of derogation from paragraph 1, the Commission may accept, in duly justified circumstances which are linked to the implementation of one or more thematic objectives, a proposal by a Member State in its first submission of the Partnership Contract to transfer up to **2 %** of the total appropriation for a category of regions to other categories of regions.

Amendment

2. By way of derogation from paragraph 1, the Commission may accept, in duly justified circumstances which are linked to the implementation of one or more thematic objectives, a proposal by a Member State in its first submission of the Partnership Contract to transfer up to **30 %** of the total appropriation for a category of regions to other categories of regions.

Amendment 51

**Proposal for a regulation
Article 88 – paragraph 2**

Text proposed by the Commission

2. The ERDF and the ESF may finance, **in a complementary manner and** subject to a limit of **5 %** of Union funding for each priority axis of an operational programme, a part of an operation for which the costs are eligible for support from the other Fund on the basis of eligibility rules applied to that Fund, provided that they are necessary for the satisfactory implementation of the operation and are directly linked to it.

Amendment

2. The ERDF and the ESF may finance, subject to a limit of **20 %** of Union funding for each priority axis of an operational programme, a part of an operation for which the costs are eligible for support from the other Fund on the basis of eligibility rules applied to that Fund, provided that they are necessary for the satisfactory implementation of the operation and are directly linked to it.

Amendment 52

Proposal for a regulation

Article 105 – paragraph 1 – point a

Text proposed by the Commission

(a) ensuring the establishment of a single website or a single website portal providing information on, and access to, all operational programmes in that Member State;

Amendment

(a) ensuring the establishment of a single website or a single website portal providing information on, and access to, all operational programmes in that Member State; ***that website or portal shall be updated promptly if any changes are made;***

Amendment 53

Proposal for a regulation

Article 105 – paragraph 1 – point b

Text proposed by the Commission

(b) informing potential beneficiaries about funding opportunities under operational programmes;

Amendment

(b) informing potential beneficiaries, ***using a range of accessible methods,*** about funding opportunities under operational programmes;

Amendment 54

Proposal for a regulation

Article 110 – paragraph 3 – subparagraph 1 – point d

Text proposed by the Commission

(d) 75 % for the less developed regions of Member States ***other than those referred to*** in points (b) and (c), and for all regions ***whose GDP per capita for the 2007-2013 period was less than 75 % of the average of the EU-25 for the reference period but whose GDP per capita is above 75 % of the GDP average of the EU-27;***

Amendment

(d) 75 % for the less developed regions of Member States ***which do not fulfil the criteria*** in points (b) and (c), and for all regions ***which received funding under the ‘Convergence’ objective*** for the 2007-2013 period ***and*** whose GDP per capita ***was*** above 75 % of the GDP average of the EU-27;

Amendment 55

Proposal for a regulation
Article 140 – paragraph 1

Text proposed by the Commission

1. Operations for which the total eligible expenditure does not exceed EUR **100 000** shall not be subject to more than one audit by either the audit authority or the Commission prior to the closure of all the expenditure concerned under Article 131. Other operations shall not be subject to more than one audit per accounting year by the audit authority and the Commission prior to the closure of all the expenditure concerned under Article 131. These provisions are without prejudice to paragraph 4.

Amendment

1. Operations for which the total eligible expenditure does not exceed EUR **200 000** shall not be subject to more than one audit by either the audit authority or the Commission prior to the closure of all the expenditure concerned under Article 131. Other operations shall not be subject to more than one audit per accounting year by the audit authority and the Commission prior to the closure of all the expenditure concerned under Article 131. These provisions are without prejudice to paragraph 4.

Amendment 56

Proposal for a regulation
Annex -I (new) introductory part

Text proposed by the Commission

Amendment

The purpose of this framework is to serve, in accordance with Article 10, as a means of coordinating, integrating and balancing the objectives of different policies in specific regional contexts, and, in particular, as a means of coordinating and balancing investment priorities with the thematic objectives set out in Article 9 and without prejudice to the priorities and objectives laid down in the fund-specific regulations.

Amendment 57

Proposal for a regulation
Annex -I (new) - Part 1 – Section 1.2 – paragraph 1.2.4

Text proposed by the Commission

Amendment

1.2.4 The ERDF and CF must continue to make major investments in Member States' and Regions infrastructures to meet the requirements of the water framework and other relevant directives. Technological solutions, aimed at contributing to sustainable actions, exist and new ones are emerging, the ERDF must therefore continue to provide support to research in this area. Such support must aim to complement measures covered by Horizon 2020. Finance for biodiversity actions may also be made available through the EAFRD and the EMFF. The EAFRD may also be used to provide support for sustainable management of natural resources, to foster knowledge transfer and innovation, enhance the competitiveness of agriculture and the inclusive development of rural areas.

Amendment 58

Proposal for a regulation

Annex V – paragraph 3 – subparagraph 3.1 – point 2 – introductory part

Text proposed by the Commission

Amendment

2. The managing authority shall ensure that potential beneficiaries are informed on at least the following:

2. The managing authority shall ensure that potential beneficiaries are informed, ***using a range of accessible methods***, on at least the following:

Amendment 59

Proposal for a regulation

Annex V – paragraph 3 – subparagraph 3.1 – point 2 – point d a (new)

Text proposed by the Commission

Amendment

(da) any change to the information referred to in points (a) to (d), at least

*three months before that change comes
into effect;*

PROCEDURE

Title	Common provisions on European Funds and repealing Regulation (EC) No 1083/2006
References	COM(2011)0615 – C7-0335/2011 – 2011/0276(COD)
Committee responsible Date announced in plenary	REGI 25.10.2011
Opinion by Date announced in plenary	AGRI 25.10.2011
Rapporteur Date appointed	Salvatore Caronna 23.11.2011
Discussed in committee	24.4.2012
Date adopted	19.6.2012
Result of final vote	+: 41 -: 1 0: 0
Members present for the final vote	Liam Aylward, José Bové, Luis Manuel Capoulas Santos, Vasilica Viorica Dăncilă, Michel Dantin, Paolo De Castro, Albert Deß, Diane Dodds, Herbert Dorfmann, Hynek Fajmon, Iratxe García Pérez, Julie Girling, Béla Glattfelder, Sergio Gutiérrez Prieto, Martin Häusling, Esther Herranz García, Peter Jahr, Elisabeth Jeggle, Elisabeth Köstinger, George Lyon, Gabriel Mato Adrover, Mairead McGuinness, Mariya Nedelcheva, Rareş-Lucian Niculescu, Wojciech Michał Olejniczak, Georgios Papastamkos, Marit Paulsen, Britta Reimers, Ulrike Rodust, Alfreds Rubiks, Giancarlo Scottà, Czesław Adam Siekierski, Alyn Smith, Janusz Wojciechowski
Substitute(s) present for the final vote	Luís Paulo Alves, Salvatore Caronna, María Auxiliadora Correa Zamora, Spyros Danellis, Jill Evans, Sylvie Goulard, Christa Klaß, Giovanni La Via, Anthea McIntyre, Petri Sarvamaa, Milan Zver