



11.12.2018

OPINION

of the Committee on Budgets

for the Committee on Regional Development

on the proposal for a regulation of the European Parliament and of the Council
on the European Regional Development Fund and on the Cohesion Fund
(COM(2018)0372 – C8-0227/2018 – 2018/0197(COD))

Rapporteur for opinion: Jan Olbrycht

PA_Legam

AMENDMENTS

The Committee on Budgets calls on the Committee on Regional Development, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) The ERDF and the Cohesion Fund (CF) should help finance support to strengthen economic, social and territorial cohesion, eliminating the main disparities and correcting regional imbalances within the Union, and reducing the backwardness of the least favoured regions, through sustainable development and structural adjustment of regional economies.

Amendment 2

Proposal for a regulation Recital 3

Text proposed by the Commission

Amendment

(3) Regulation (EU) 2018/XXX of the European Parliament and of the Council [new CPR]¹⁶ sets out common rules applicable to various funds including the European Regional Development Fund ('ERDF'), the European Social Fund Plus ('ESF+'), the Cohesion Fund, the European Maritime and Fisheries Fund ('EMFF'), the Asylum and Migration Fund ('AMIF'), the Internal Security Fund ('ISF') and the Border Management and Visa Instrument ('BMVI') which operate under a common

(3) Regulation (EU) 2018/XXX of the European Parliament and of the Council [new CPR]¹⁶ sets out common rules applicable to various funds including the European Regional Development Fund ('ERDF'), the European Social Fund Plus ('ESF+'), the Cohesion Fund, ***the European Agricultural Fund for Rural Development ('EAFRD')***, the European Maritime and Fisheries Fund ('EMFF'), the Asylum and Migration Fund ('AMIF'), the Internal Security Fund ('ISF') and the

framework ('the Funds').

Border Management and Visa Instrument ('BMVI') which operate under a common framework ('the Funds').

¹⁶ [Full reference - new CPR].

¹⁶ [Full reference - new CPR].

Amendment 3

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) Horizontal principles as set out in Article 3 of the Treaty on European Union ('TEU') and in Article 10 of the TFEU, including principles of subsidiarity and proportionality as set out in Article 5 of the TEU, should be respected in the implementation of the ERDF and the Cohesion Fund, taking into account the Charter of Fundamental Rights of the European Union. Member States should also respect the obligations of the UN Convention on the Rights of Persons with Disabilities and ensure accessibility in line with its article 9 and in accordance with the Union law harmonising accessibility requirements for products and services. Member States and the Commission should aim at eliminating inequalities and at promoting equality between men and women and integrating the gender ***perspective***, as well as at combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. The Funds should not support actions that contribute to any form of segregation. The objectives of the ERDF and the Cohesion Fund should be pursued in the framework of sustainable development and the Union's promotion of the aim of preserving, protecting and improving the quality of the environment as set out in Articles 11 and 191(1) of the TFEU, taking into account

Amendment

(5) Horizontal principles as set out in Article 3 of the Treaty on European Union ('TEU') and in Article 10 of the TFEU, including principles of subsidiarity and proportionality as set out in Article 5 of the TEU, should be respected in the implementation of the ERDF and the Cohesion Fund, taking into account the Charter of Fundamental Rights of the European Union ***and the United Nations Sustainable Development Goals***. Member States should also respect the obligations of the UN Convention on the Rights of Persons with Disabilities and ensure accessibility in line with its article 9 and in accordance with the Union law harmonising accessibility requirements for products and services. Member States and the Commission should aim at eliminating inequalities and at promoting equality between men and women and integrating the gender ***mainstreaming and gender equality***, as well as at combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. The Funds should not support actions that contribute to any form of segregation. The objectives of the ERDF and the Cohesion Fund should be pursued in the framework of sustainable development and the Union's promotion of the aim of preserving, protecting and improving the quality of the

the polluter pays principle. In order to protect the integrity of the internal market, operations benefitting undertakings shall comply with State aid rules as set out in Articles 107 and 108 of the TFEU.

environment as set out in Articles 11 and 191(1) of the TFEU, taking into account the polluter pays principle. In order to protect the integrity of the internal market, operations benefitting undertakings shall comply with State aid rules as set out in Articles 107 and 108 of the TFEU.

Amendment 4

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) In order to enable the ERDF to provide support under ETC/Interreg in terms of both investments in infrastructure and the associated investments, training and integration activities, it is necessary to provide that the ERDF may also provide support for activities under the specific objectives of the ESF+, set up under Regulation (EU) 2018/XXX of the European Parliament and of the Council [new ESF+]¹⁸.

¹⁸ [Full reference - new ESF+].

Amendment

(15) In order to enable the ERDF to provide support under ETC/Interreg in terms of both investments in infrastructure and the associated investments, training and integration activities, ***for the improvement and development of administrative skills and competences***, it is necessary to provide that the ERDF may also provide support for activities under the specific objectives of the ESF+, set up under Regulation (EU) 2018/XXX of the European Parliament and of the Council [new ESF+]¹⁸.

¹⁸ [Full reference - new ESF+].

Amendment 5

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) The ERDF should help to redress the main regional imbalances in the Union and to reduce disparities between the levels of development of the various regions and the backwardness of the least favoured regions including those facing challenges

Amendment

(17) The ERDF should help to redress the main regional imbalances in the Union and to reduce disparities between the levels of development of the various regions and the backwardness of the least favoured ***and less developed*** regions including those

due to the decarbonisation commitments. ERDF support under the Investment for jobs and growth goal should therefore be concentrated on key Union priorities in line with policy objectives laid down in Regulation (EU) 2018/xxx [new CPR]. Therefore support from the ERDF should be concentrated on the policy objectives of 'a smarter Europe by promoting innovative and smart economic transformation' and 'a greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management'. *That* thematic concentration should be attained at national level *while allowing* for flexibility at the level of individual programmes and between *the three groups of Member States formed according to respective gross national income*. In addition, the methodology to classify *Member States* should be set out in detail taking into account the specific situation of the outermost regions.

facing challenges due to the decarbonisation commitments. ERDF support under the Investment for jobs and growth goal should therefore be concentrated on key Union priorities in line with policy objectives laid down in Regulation (EU) 2018/xxx [new CPR]. Therefore support from the ERDF should be concentrated on the policy objectives of 'a smarter Europe by promoting innovative and smart economic transformation' and 'a greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management'. *Said* thematic concentration should be attained at national level, *allowing margins* for flexibility at the level of individual programmes and between *various categories of regions, taking account too of different levels of development*. In addition, the methodology to classify *the regions* should be set out in detail taking into account the specific situation of the outermost regions.

Amendment 6

Proposal for a regulation Recital 19

Text proposed by the Commission

(19) This Regulation should set out the different types of activities the costs of which may be supported by means of investments from the ERDF and the Cohesion Fund, under their respective objectives as set out in the TFEU. The Cohesion Fund should be able to support investments in the environment and in TEN-T. With regard to the ERDF, the list of activities should be simplified and it should be able to support investments in infrastructure, investments in relation to access to services, productive investments in SME's, equipment, software and

Amendment

(19) This Regulation should set out the different types of activities the costs of which may be supported by means of investments from the ERDF and the Cohesion Fund, under their respective objectives as set out in the TFEU. The Cohesion Fund should be able to support investments in the environment and in TEN-T. With regard to the ERDF, the list of activities should be simplified and it should be able to support investments in infrastructure, investments in relation to access to services, productive investments in SME's, equipment, software and

intangible assets, as well as measures with regard to information, communication, studies, networking, cooperation, exchange of experiences and activities involving clusters. In order to support the programme implementation, both funds should also be able to support technical assistance activities. Finally, in order to support provide for a broader range of interventions for Interreg programmes, the scope should be enlarged to also include the sharing a broad range of facilities and human resources and costs linked to measures within the scope of the ESF+.

intangible assets, as well as measures with regard to information, communication, studies, networking, cooperation, exchange of experiences and activities involving clusters. In order to support the programme implementation, both funds should also be able to support technical assistance activities ***including for the improvement and development of administrative skills and competences***. Finally, in order to support provide for a broader range of interventions for Interreg programmes, the scope should be enlarged to also include the sharing a broad range of facilities and human resources and costs linked to measures within the scope of the ESF+.

Amendment 7

Proposal for a regulation

Article 2 – paragraph 1 – point a – point iv a (new)

Text proposed by the Commission

Amendment

(iva) enhancing digital connectivity;

Justification

It is important to shift the specific objective ‘Enhancing digital connectivity’ from PO3 to PO1 in order to effectively achieve innovation and smart economic transformation.

Amendment 8

Proposal for a regulation

Article 2 – paragraph 1 – point a – point iv b (new)

Text proposed by the Commission

Amendment

(ivb) strengthening cyber security.

Amendment 9

Proposal for a regulation

Article 2 – paragraph 1 – point b – point vii a (new)

Text proposed by the Commission

Amendment

(viiia) promoting sustainable multimodal urban mobility;

Justification

Shifting the objective ‘Promoting sustainable multimodal urban mobility’ from PO3 to PO2 will help getting greener European towns and cities. This is a major step in the way to climate adaptation in Europe.

Amendment 10

Proposal for a regulation

Article 2 – paragraph 1 – point c – introductory part

Text proposed by the Commission

Amendment

(c) 'a more connected Europe by enhancing mobility and regional **ICT** connectivity' ('PO 3') by:

(c) 'a more connected Europe by enhancing mobility and regional connectivity' ('PO 3') by:

Amendment 11

Proposal for a regulation

Article 2 – paragraph 1 – point c – point i

Text proposed by the Commission

Amendment

(i) enhancing digital connectivity;

deleted

Justification

It is important to shift the specific objective ‘Enhancing digital connectivity’ from PO3 to PO1 in order to effectively achieve innovation and smart economic transformation.

Amendment 12

Proposal for a regulation

Article 2 – paragraph 1 – point c – point iv

Text proposed by the Commission

Amendment

(iv) promoting sustainable multimodal urban mobility; **deleted**

Justification

Shifting the objective ‘Promoting sustainable multimodal urban mobility’ from PO3 to PO2 will help getting greener European towns and cities. This is a major step in the way to climate adaptation in Europe.

Amendment 13

Proposal for a regulation

Article 2 – paragraph 1 – point c – point iv a (new)

Text proposed by the Commission

Amendment

(iva) promote transport connections, including maritime connection, for the peripheral and insular regions of the Union;

Amendment 14

Proposal for a regulation

Article 2 – paragraph 1 – point d – point iv a (new)

Text proposed by the Commission

Amendment

(iva) developing social entrepreneurship and social innovation.

Amendment 15

Proposal for a regulation

Article 3 – paragraph 3 – subparagraph 1 – introductory part

Text proposed by the Commission

Amendment

Member States shall be classified, in terms of their gross **national income** ratio, as follows:

Regions shall be classified, in terms of their gross **domestic product** ratio, as follows:

Amendment 16

Proposal for a regulation

Article 3 – paragraph 3 – subparagraph 1 – point a

Text proposed by the Commission

Amendment

(a) **those with a gross national income ratio equal to or above 100 % of the EU average ('group 1');**

(a) **more developed regions;**

Amendment 17

Proposal for a regulation

Article 3 – paragraph 3 – subparagraph 1 – point b

Text proposed by the Commission

Amendment

(b) **those with a gross national income ratio equal to or above 75 % and below 100 % of the EU average ('group 2');**

(b) **transition regions;**

Amendment 18

Proposal for a regulation

Article 3 – paragraph 3 – subparagraph 1 – point c

Text proposed by the Commission

Amendment

(c) **those with a gross national income ratio below 75 % of the EU average ('group 3').**

(c) **less developed regions;**

Amendment 19

Proposal for a regulation

Article 3 – paragraph 3 – subparagraph 2

Text proposed by the Commission

For the purposes of this Article, the **gross national income ratio** means the ratio between the gross **national income** per capita of **a Member State**, measured in purchasing power **standards** and calculated on the basis of Union figures for the period from 2014 to 2016, and the average **gross national income per capita in purchasing power standards** of the 27 **Member States** for that same reference period.

Amendment

For the purposes of this Article, the **classification of a region under one of the three categories of regions shall be determined on the basis of** the ratio between the gross **domestic product (GDP)** per capita of **each region**, measured in purchasing power **parity (PPP)** and calculated on the basis of Union figures for the period from 2014 to 2016, and the average **GDP** of the **EU 27** for that same reference period.

Amendment 20

Proposal for a regulation

Article 3 – paragraph 3 – subparagraph 3

Text proposed by the Commission

With regard to programmes under the Investment for Jobs and growth goal for the outermost regions, they shall be classified as **falling within group 3**.

Amendment

With regard to programmes under the Investment for Jobs and growth goal for the outermost regions, they shall be classified as **less developed regions**.

Justification

In order to simplify the thematic concentration of ERDF support and make it more flexible and operational, only 2 categories of countries are proposed in the relevant classification. The determining threshold is set at 90% of the EU average of gross national income ratio by way of analogy with the eligibility criterion for the Cohesion Fund (CPR Regulation, art. 102, point 3)

Amendment 21

Proposal for a regulation

Article 3 – paragraph 4 – point a

Text proposed by the Commission

(a) **Member States of group 1 shall allocate** at least **85 %** of their total ERDF resources under priorities other than for technical assistance to PO 1 and PO 2, and at least **60 %** to PO 1;

Amendment

(a) **In more developed regions** at least **75 %** of the total ERDF resources **at national level shall be allocated** under priorities other than for technical assistance to PO 1 and PO 2, and at least **30 %** to PO 2;

Amendment 22

Proposal for a regulation

Article 3 – paragraph 4 – point b

Text proposed by the Commission

(b) **Member States of group 2 shall allocate** at least **45 %** of **their** total ERDF resources under priorities other than for technical assistance to PO 1, and at least 30 % to PO 2;

Amendment

(b) **In transition regions** at least **35%** of **the** total ERDF resources **at national level shall be allocated** under priorities other than for technical assistance to PO 1, and at least 30 % to PO 2;

Amendment 23

Proposal for a regulation

Article 3 – paragraph 4 – point c

Text proposed by the Commission

(c) **Member States of group 3 shall allocate** at least **35 %** of their total ERDF resources under priorities other than for technical assistance to PO 1, and at least 30 % to PO 2.

Amendment

(c) **In less developed regions** at least **25 %** of the total ERDF resources **at national level shall be allocated** under priorities other than for technical assistance to PO 1, and at least 30 % to PO 2

Amendment 24

Proposal for a regulation

Article 4 – paragraph 1 – subparagraph 1 – point f

Text proposed by the Commission

Amendment

(f) technical assistance.

(f) technical assistance, ***including improvement and development of administrative skills and competences of local authorities in managing these funds.***

Amendment 25

Proposal for a regulation

Article 5 – paragraph 1 – subparagraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(ba) development of sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility;

Amendment 26

Proposal for a regulation

Article 5 – paragraph 1 – subparagraph 1 – point b b (new)

Text proposed by the Commission

Amendment

(bb) promotion of sustainable multimodal urban mobility;

Amendment 27

Proposal for a regulation

Article 5 – paragraph 1 – subparagraph 1 – point c

Text proposed by the Commission

Amendment

(c) technical assistance.

(c) technical assistance, ***including improvement and development of administrative skills and competences of local authorities in managing these funds.***

Amendment 28

Proposal for a regulation

Article 5 – paragraph 1 – subparagraph 2

Text proposed by the Commission

Member States shall ensure an appropriate balance between investments under points (a) *and* (b).

Amendment

Member States shall ensure an appropriate balance between investments under points (a), (b), (ba) *and* (bb).

Amendment 29

Proposal for a regulation

Article 6 – paragraph 1 – point e

Text proposed by the Commission

(e) investment in airport infrastructure except for outermost regions;

Amendment

(e) investment in airport infrastructure except for outermost regions *and regions which suffer from severe and permanent natural or demographic handicaps in line with Article 174 TFEU*;

Amendment 30

Proposal for a regulation

Article 6 – paragraph 1 – point j

Text proposed by the Commission

(j) *funding for the purchase of rolling stock for use in rail transport, except if it is linked to the:*

(i) *discharge of a publicly tendered public service obligation under Regulation 1370/2007 as amended;*

(ii) *provision of rail transport services on lines fully opened to competition, and the beneficiary is a new entrant eligible for funding under Regulation (EU)*

Amendment

deleted

Amendment 31

Proposal for a regulation Article 6 – paragraph 2

Text proposed by the Commission

2. In addition, the Cohesion Fund shall not support investment in housing unless related to the promotion of energy efficiency *or* renewable energy use.

Amendment

2. In addition, the Cohesion Fund shall not support investment in housing unless related to the promotion of energy efficiency, renewable energy use, *or water usage*.

Amendment 32

Proposal for a regulation Article 9 – paragraph 2 – subparagraph 1

Text proposed by the Commission

At least **6%** of the ERDF resources at national level under the Investment for jobs and growth goal, other than for technical assistance, shall be allocated to sustainable urban development in the form of community-led local development, integrated territorial investments or another territorial tool under PO5.

Amendment

At least **10%** of the ERDF resources at national level under the Investment for jobs and growth goal, other than for technical assistance, shall be allocated to sustainable urban development in the form of community-led local development, integrated territorial investments or another territorial tool under PO5.

Amendment 33

Proposal for a regulation Article 10 – paragraph 2 – subparagraph 1 – point a

Text proposed by the Commission

(a) support of capacity-building;

Amendment

(a) support of capacity-building *at subnational level*;

Amendment 34

Proposal for a regulation

Article 10 – paragraph 2 – subparagraph 1 – point c

Text proposed by the Commission

(c) support of knowledge, policy development and communication.

Amendment

(c) support of knowledge, **territorial impact assessments**, policy development and communication.

Amendment 35

Proposal for a regulation

Article 12 a (new)

Text proposed by the Commission

Amendment

Article 12 a

Areas with natural or demographic handicaps

In operational programmes co-financed by the ERDF, covering areas with severe and permanent natural or demographic handicaps as referred to in Article 174 TFEU, particular attention shall be paid to addressing the specific difficulties of those areas.

Amendment 36

Proposal for a regulation

Annex I – table – Policy objective 3 – RCO 34

Text proposed by the Commission

RCO 34 - Additional capacity for waste recycling

RCR 46 - Population served by waste recycling facilities and small waste management systems

RCR 47 - Waste recycled

RCR 48 - Recycled waste used as raw materials

RCR 49 - Waste recovered

Amendment

RCO 34 - Additional capacity for waste ***prevention and recycling***

RCR -46 - Waste generation per capita

ERC -46a - Per capita waste sent to disposal and energy recovery

RCR 46 - Population served by waste recycling facilities and small waste management systems

RCR 47 - Waste recycled

RCR 47a - Biowaste recycled

RCR 48 - Recycled waste used as raw materials

RCR 49 - Waste recovered

RCR 49a - Population served by waste preparing for re-use facilities

RCR 49b - Waste prepared for re-use as defined in the Article 11a.1(b) on the Waste Framework Directive (EU) 2018/851

RCR 49c - Indicators that the Commission has to establish by 31 March 2019 via the adoption of implementing acts to measure the overall progress in the implementation of waste prevention measures (Article 9.7 of the Waste Framework Directive (EU) 2018/851)

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	European Regional Development Fund and on the Cohesion Fund
References	COM(2018)0372 – C8-0227/2018 – 2018/0197(COD)
Committee responsible Date announced in plenary	REGI 11.6.2018
Opinion by Date announced in plenary	BUDG 11.6.2018
Rapporteur Date appointed	Jan Olbrycht 28.6.2018
Discussed in committee	24.9.2018
Date adopted	10.12.2018
Result of final vote	+: 25 –: 1 0: 1
Members present for the final vote	Jean Arthuis, Richard Ashworth, Lefteris Christoforou, Manuel dos Santos, André Elissen, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Ingeborg Gräßle, John Howarth, Siegfried Mureşan, Liadh Ní Riada, Jan Olbrycht, Pina Picierno, Paul Rübige, Petri Sarvamaa, Jordi Solé, Patricija Šulin, Indrek Tarand, Monika Vana, Daniele Viotti, Marco Zanni
Substitutes present for the final vote	Xabier Benito Ziluaga, Karine Gloanec Maurin, Marco Valli
Substitutes under Rule 200(2) present for the final vote	Clara Eugenia Aguilera García, Claudia Schmidt

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

25	+
ALDE	Jean Arthuis
EFDD	Marco Valli
GUE/NGL	Xabier Benito Ziluaga, Liadh Ní Riada
PPE	Richard Ashworth, Lefteris Christoforou, José Manuel Fernandes, Ingeborg Gräßle, Siegfried Mureşan, Jan Olbrycht, Paul Rübig, Petri Sarvamaa, Claudia Schmidt, Patricija Šulin
S&D	Clara Eugenia Aguilera García, Eider Gardiazabal Rubial, Jens Geier, Karine Gloanec Maurin, John Howarth, Pina Picierno, Daniele Viotti, Manuel dos Santos
Verts/ALE	Jordi Solé, Indrek Tarand, Monika Vana

1	-
ENF	André Elissen

1	0
ENF	Marco Zanni

Key to symbols:

+ : in favour

- : against

0 : abstention