

2009 - 2014

Committee on Regional Development

2012/2027(INI)

25.6.2012

OPINION

of the Committee on Regional Development

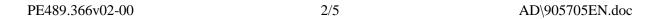
for the Committee on Budgets

on innovative financial instruments in the context of the next Multiannual Financial Framework (2012/2027(INI))

Rapporteur: Mojca Kleva

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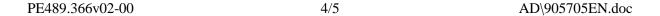
SUGGESTIONS

The Committee on Regional Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- 1. Welcomes the Commission's proposal to enhance the use of financial instruments (FI) in the next programming period (2014-2020); stresses that at a time of heavy fiscal constraint and reduced lending capacity on the part of the private sector, the increased use of innovative FI can foster public-private partnerships, achieve a multiplier effect with the EU budget, open up alternative sources of finance, guarantee an important financing stream for strategic regional investments, support long-term, sustainable investments and raise EU growth potential; believes that, if used for appropriate projects, FI could, as a complement to grants, evolve to become an important aspect of the EU's regional growth strategies towards achieving the EU's objectives of smart and sustainable economic growth; states that FI are appropriate if, as a result of the support provided, a project generates income and profits, so that credit and loans can be paid back;
- 2. Urges a legal definition of FI to be adopted as soon as possible in the upcoming revised Financial Regulation and to become a coherent reference in all legislative acts dealing with FI; stresses the importance of guaranteeing clarity, simplicity and transparency of the FI legal framework in a timely manner and before the start of the next programming period, so as to ensure that FI are attractive to public and private investors;
- 3. Underlines the importance of an extensive EU-level information campaign on the new financial instruments in order to allow access to all investors, regardless of the size of the institution they represent;
- 4. Underlines the importance of the ex ante assessment in identifying situations of market failure or sub-optimal investment; calls on the Commission to introduce relevant requirements regarding the role and application of the ex ante assessment such as evidence of market failure, quantified financing gap and investment needs, possible private sector participation, resulting added value of the FI in question and assessment of critical mass into the relevant regulation as part of the basic act;
- 5. Welcomes the application of FI being extended under the cohesion policy to all thematic objectives and all CSF funds, or to those projects, project groups or parts of project programmes that will generate income and profits and which therefore are appropriate for financial instruments in the next programming period; stresses, nevertheless, that a better overview of applied FI is necessary in order to mitigate the risk of a lack of coordination and overlapping of different schemes;
- 6. Believes that adequate monitoring, reporting and auditing are of the utmost importance in order to ensure that EU resources are being used for the purpose intended; calls on the Commission to strengthen the reporting requirements for managing authorities during the programming period;
- 7. Believes that know-how and the technical capacity for using and managing FI should also be strengthened at the level of managing authorities, financial intermediaries and banks;

stresses that better knowledge of FI among those responsible for implementation of public policies is vital in order to remove constraints of a cultural nature and promote the success of FI;

- 8. Encourages the Commission to use the experiences gained with instruments such as JEREMIE, JESSICA, JASMINE, which are crucial for Europe's regions, towns and cities, while defining the new era of financial instruments for the 2014-2020 programming period;
- 9. Believes that the role of various national and regional banking institutions needs to be acknowledged, given their necessary experience and know-how in addressing local and regional specificities of relevance to the development and implementation of financial instruments;
- 10. Acknowledges the importance of the urban dimension, and the increased role for cities, in the programming and implementation of the funds covered by the Common Provisions Regulation in the next programming period; calls, therefore, on the Commission to further clarify the procedural and practical implications of the stronger role for cities in the development and implementation of FI and, at the same time, to ensure use of public participatory processes for these projects too;



RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	21.6.2012
Result of final vote	+: 41 -: 1 0: 3
Members present for the final vote	François Alfonsi, Catherine Bearder, Jean-Paul Besset, Victor Boştinaru, John Bufton, Alain Cadec, Salvatore Caronna, Nikos Chrysogelos, Ryszard Czarnecki, Francesco De Angelis, Rosa Estaràs Ferragut, Brice Hortefeux, Danuta Maria Hübner, Filiz Hakaeva Hyusmenova, María Irigoyen Pérez, Seán Kelly, Constanze Angela Krehl, Petru Constantin Luhan, Ramona Nicole Mănescu, Vladimír Maňka, Riikka Manner, Iosif Matula, Erminia Mazzoni, Miroslav Mikolášik, Jan Olbrycht, Younous Omarjee, Markus Pieper, Monika Smolková, Ewald Stadler, Lambert van Nistelrooij, Oldřich Vlasák, Kerstin Westphal, Joachim Zeller, Elżbieta Katarzyna Łukacijewska
Substitute(s) present for the final vote	Antonello Antinoro, Cornelia Ernst, Pat the Cope Gallagher, Jens Geier, Lena Kolarska-Bobińska, James Nicholson, Ivari Padar, Vilja Savisaar- Toomast, Elisabeth Schroedter, Czesław Adam Siekierski, Patrice Tirolien