OPINION

of the Committee on Regional Development

for the Committee on Budgets

on general budget of the European Union for the financial year 2016 (2015/2132(BUD))

Rapporteur: Maria Spyra\ki
SUGGESTIONS

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

1. Considers alarming the decrease of payment appropriations under heading 1b to EUR 49 billion (-4% as compared to 2015), and questions with concern whether the amounts proposed in the Draft Budget (DB) 2016 for heading 1b are sufficient to face the current unprecedented level of payments needed because of the backlog under this heading;

2. Notes that according to the Commission's document "Elements for a payment plan to bring the EU budget back onto a sustainable track", the foreseen payment appropriations for heading 1b must also be used to pay the expected backlog at the end of 2015 (EUR 20 billion), and calls on the Commission to make further efforts to reduce delays in payments, stressing that such delays greatly increase the burdens on regional and national authorities, especially where social, economic and financial problems prevail, and have an extremely serious domino effect and impact on recipients and on vulnerable beneficiaries of funding;

3. Recalls that the conclusions of the sixth report on economic, social and territorial cohesion highlighted the fact that regional disparities had increased since 2008; emphasises the crucial role played by the EU budget in triggering investment, given that, by supplementing public and private financing at national and international level, its leverage effect helps reinforce growth and ensure economic, social and territorial cohesion in the Union;

4. Notes that the DB 2016 foresees commitments amounting to EUR 153 500 billion (a 5,3% reduction as compared with 2015) and payment appropriations of EUR 143,5 billion (a 1,6% increase over 2015);

5. Notes that the proposed level of payment appropriations in the DB 2016 stems from a significant increase in payment appropriations for 2014-2020 programmes and a significant decrease for 2007-2013 programmes, although almost 50% of the payments requested in 2016 are still related to the latter;

6. Notes furthermore that it is desirable also to take into account in advance the impact on payments under heading 1b due to the modification of the Multiannual Financial Framework 2014-2020;

7. Recalls the need for sufficient resources to ensure, on the one hand, the proper implementation of the programmes, and on the other, their multiannual operation, which together call for appropriate means and measures in order to minimise the risk of recurrence of the backlog of payments; recalls that outstanding payments undermine the credibility and accountability of the Union; requests a long-term solution for the payment backlog, which is a structural problem likely to re-occur if no adequate solution is found; notes, moreover, the increase in administrative expenditure, in spite of earlier assurances that it would be limited to the same level;
8. Calls on the Commission to thoroughly monitor, in close cooperation with the Member States and regions, and to prepare a detailed forecast on the evolution of payments under heading 1b related to the 2014-2020 programming period, using measurable and thus comparable key performance indicators which will account for the efficiency and effectiveness of the budget appropriations;

9. Is concerned that, in certain cases, the Member States will disburse funding quickly to avoid losing funds which have been committed, a procedure which would increase the risk of irregularities and might lead to financial corrections, and that a situation would arise whereby funds which had not been absorbed at the end of the programming period were subject to automatic decommitment;

10. Welcomes the Commission's proposal for a preparatory action under heading 1b, which is open to all Member States, and is intended to finance capacity development and institution-building to support the implementation of reforms identified as priorities in the lifecycle of the macroeconomic surveillance, and calls for further similar initiatives.
RESULT OF FINAL VOTE IN COMMITTEE

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<th>Date adopted</th>
<th>17.9.2015</th>
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<td>Result of final vote</td>
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Members present for the final vote
Pascal Arimont, José Blanco López, Franc Bogovič, Mercedes Bresso, Steeve Briois, Edward Czesak, Rosa D’Amato, Bill Etheridge, Michela Giuffrida, Krzysztof Hetman, Ivan Jakovčić, Constanze Krehl, Andrew Lewer, Louis-Joseph Manscour, Martina Michels, Andrey Novakov, Younous Omarjee, Demetris Papadakis, Mirosław Piotrowski, Stanisław Polčák, Julia Reid, Liliana Rodrigues, Fernando Ruas, Maria Spyraki, Ruža Tomašić, Ramón Luis Valcárcel Siso, Angela Vallina, Monika Vana, Matthijs van Miltenburg, Lambert van Nistelrooij, Derek Vaughan, Joachim Zeller

Substitutes present for the final vote
Petras Auštrevičius, Jan Olbrycht, Maurice Ponga

Substitutes under Rule 200(2) present for the final vote
Brando Benifei, Andrejs Mamikins, Soraya Post