

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; general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund

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The Committee on Regional Development adopted the report drafted by Lambert van NISTELROOIJ (EPP, NL) and Constanze Angela KREHL (S&D, DE) on the amended 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 Council Regulation (EC) No 1083/2006.

The Committee on Employment and Social Affairs, exercising its powers as an associated committee under [Rule 50 of the Rules of Procedure](#), was also consulted and gave its opinion on the report.

The committee recommended that the position of Parliament adopted in first reading following the ordinary legislative procedure should amend the Commission proposal as follows:

Cohesion policy: the Common Strategic Framework (CSF) shall establish:

- mechanisms for ensuring the contribution of the European Structural and Investment Funds to the Union's Europe 2020 Strategy;
- the arrangements to address the key territorial challenges;
- arrangements to promote the integrated use of the European Structural and Investment Funds;
- arrangements for coordination between the European Structural and Investment Funds and other relevant Union policies and instruments.

Special attention should be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps inter alia, outermost regions, northernmost regions with very low population density and island, cross- border and mountain regions.

Moreover, implementation of the programme should take into account the overall aim of **reducing administrative burden** for bodies involved in the management and control of the programmes.

Increased flexibility: the Funds should focus their support on a limited number of common thematic objectives, which leave **sufficient scope for flexibility** in order to accommodate the specific needs of regions and give adequate responses to them.

Partnership Agreement: the Funds should be implemented through programmes covering the programming period in accordance with the Partnership Agreement. The purpose of such a partnership is to respect the principles of multi-level governance, but also of subsidiarity and proportionality and the specificities of the Member States' different legal and institutional frameworks. A **code of conduct** will facilitate Member States the implementation of partnership.

Members amended the provisions on the partnership agreement so as to give **local and regional authorities** and bodies representing civil society greater rights of participation in planning and implementation.

Efficacy of Funds: Member States and regions increasingly face interrelated challenges regarding the impact of globalisation, environmental and energy concerns, population ageing and demographic shifts, technological transformation and innovation demands, and social inequality. Accordingly, Members considered that the solutions supported by Funds should be integrated, multi-sectoral and multi-dimensional, and it should be possible for **the ESI Funds to be combined into integrated packages that are tailor-made** to fit the specific territorial needs.

Ex ante conditions: the proposal set out ex ante conditionalities to ensure that the necessary framework conditions for the effective use of Union support are in place.

Members were of the opinion that an ex ante conditionality should be applied only where it has a direct link to and impact on the effective implementation of the European Structural and Investment Funds. The Commission should assess the information provided by Member States on the fulfilment of ex ante conditionalities in the framework of its assessment of the Partnership Agreement and programmes.

Performance reserve and macro-economic conditionality: Members deleted the provision in the proposal that set aside a performance reserve of 5% of the resources for the 'Investment for growth and jobs' goal for each Fund, and category of region in each Member State.

Members noted that conditions on project performance could make regional policy more efficient but they were **opposed to macro-economic conditionality**.

Pre-financing: Members considered that the pre-financing payment at the start of programmes ensures that the Member State also has the means to provide **ex ante support to beneficiaries** from the start of the implementation of the programme, so as to ensure that the beneficiaries have the financial sustainability to make the allocated investments.

Smart specialisation: Members introduced provisions on smart specialization into the structural funds. This concerned national or regional innovation strategies which set priorities in order to build competitive advantage by developing and matching research and innovation own strengths with business needs. Such a strategy may take the form of or be included in a national or a regional research and innovation (R&I) strategic policy framework.

Sustainable impact of intervention: Members considered it necessary to set out provisions guaranteeing that investments are long-lasting and prevent the Funds from being used to undue advantage. It was considered that a period of five years is an appropriate period to be applied.

Furthermore, in the case of an operation comprising investment in infrastructure or productive investment, the operation should **repay the contribution from the Funds** if within 10 years from the final payment to the beneficiary, the productive activity is subject to relocation outside the Union.