

## **COUNCIL OF** THE EUROPEAN UNION



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## Council takes another hurdle towards new EU cohesion policy

Today, the Council took a further step<sup>1</sup> towards the adoption of new rules for EU cohesion policy for the 2014-2020 period by agreeing on a third partial general approach<sup>2</sup> (14287/2/12 REV 2).

The purpose of cohesion policy is to reduce disparities between the levels of development of the EU's various regions.

The partial general approach agreed today complements the two partial general approaches agreed on 24 April  $(8925/12)^3$  and 26 June  $(11221/12)^4$ .

Care has been taken to ensure that these partial general approaches do not prejudge the outcome of negotiations on other elements of cohesion policy or on the EU's multiannual financial framework (MFF) for 2014-2020.

<sup>4</sup> This partial general approach covered the following four items: thematic concentration; financial instruments; net revenue generating operations and private public partnerships; performance framework.



<sup>1</sup> The decision was taken at a meeting of the General Affairs Council.

<sup>2</sup> A general approach is a political agreement of the Council pending the adoption of a firstreading position by the European Parliament. The general approach on the cohesion policy legislative package is partial since some elements are excluded, in particular the sums to be devoted to cohesion policy and the eligibility of different regions.

<sup>3</sup> This partial general approach covered the following six items: programming; ex ante conditionality; management and control; monitoring and evaluation; eligibility; major projects.

Since all three partial general approaches were agreed on the principle that nothing is agreed until everything is agreed they may be subject to change as a result of these other negotiations.

The partial general approach agreed today covers the following seven thematic blocs:

- Information and communication, technical assistance, as set out in <a href="#">14287/12 ADD</a>
  <a href="#">1 REV 2</a>. This part of the partial general approach is aimed at ensuring visibility of EU cohesion policy and informing potential beneficiaries about funding opportunities. It also seeks to allow technical assistance, such as for project preparation and appraisal, to be supported by the Cohesion Fund, the European Social Fund and the European Regional Development Fund, subject to certain limits<sup>1</sup>.
- European territorial cooperation, as set out in <u>14287/12 ADD 2 REV 1</u>. European territorial cooperation seeks to encourage regions from different member states and also, under certain conditions, third countries to work together and learn from each other through joint projects and programmes. It is financed by the European Regional Development Fund (ERDF) and covers three types of cooperation:
  - 1. cross-border cooperation between adjacent regions from two or more member states or between neighbouring border regions from at least one member state and one third country;
  - 2. transnational cooperation over larger transnational territories;
  - 3. interregional cooperation.
- Territorial development, as set out in <u>14287/12 ADD 3 REV 1</u>. This part of the partial general approach contains provisions notably on community-led local development and sustainable urban development. Community-led local development is aimed at mobilising local communities to contribute to achieving the Europe 2020 strategy goals of smart, sustainable and inclusive growth. Sustainable urban development is about integrated actions to tackle the economic, environmental, climate and social challenges of urban areas.

14911/12

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As a general rule, 4% of the total amount of the funds allocated to operation programmes in a member state under each category of region, and 4% of the cohesion fund allocated to operational programmes in a member state.

- Financial issues not covered in the negotiations on the multiannual financial framework (MFF) for 2014-2020, as set out in <u>14287/12 ADD 4 REV 2</u>. These provisions provide clarity inter alia on the transferability of resources from one category of regions to another and on the condition of additionality (in other words EU support from cohesion policy may not replace national expenditure by a member state.
- Country-specific recommendations, as set out in <u>14287/12 ADD 5 REV 1</u> and <u>14287/12 ADD 8 REV 2</u>. This part of the partial general approach clarifies the role which the country-specific recommendations and the national reform programmes play in assuring the link between the EU strategy for jobs and growth on the one hand and cohesion policy on the other.
- Management and control, as set out in <u>14287/12 ADD 6 REV 1</u>. These provisions amend the partial general approach agreed on 24 April in order to take account of the political agreement reached on the financial regulation in June 2012 (<u>11872/12</u>).
- Indicators, as set out in <u>14287/12 ADD 7 REV 1</u>. This part of the partial general approach is aimed at providing for the necessary means to assess the impact of the supported measures.

Most of the elements of the cohesion policy package are now covered by the Council. One outstanding issue on which a further partial general approach still needs to be agreed in the coming months is the common strategic framework, since the Commission presented an amended proposal on this in September.

The new cohesion policy rules are closely linked to the MFF negotiations; they are only expected to be adopted by the European Parliament and the Council once an agreement on the MFF has been reached.

14911/12