



Council of the
European Union

037573/EU XXVI. GP
Eingelangt am 09/10/18

Brussels, 8 October 2018
(OR. en)

12687/18

Interinstitutional File:
2018/0265(COD)

FSTR 61
REGIO 84
FC 56
SOC 583
PECHE 371
CADREFIN 234
CODEC 1574
POLGEN 164
AGRISTR 71

'I' ITEM NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee (Part 2)

Subject: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) No 1303/2013 as regards the resources for economic, social and territorial cohesion and correcting that Regulation as regards the resources for the investment for growth and jobs goal
- Mandate for negotiations with the European Parliament

I. INTRODUCTION

1. On 28 June 2018, the Commission transmitted to the Council the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 as regards the changes to the resources for economic, social and territorial cohesion and correcting that Regulation as regards the resources for the investment for growth and jobs goal (doc. 10642/18 + ADD1).

2. The proposal is of a technical nature and implies a technical modification to Articles 91(1) and 92(5) of the Common Provisions Regulation (framework regulation governing the European Structural and Investment Funds) in order to align the financial figures included within such Regulation to decisions already taken in the context of the MFF Mid-Term Review 2017-2020 and the EU annual budget for 2018. This particularly concerns the allocation and financial programming for the Youth Employment Initiative (YEI). Such changes also apply to the annual breakdown of commitment appropriations for the YEI reflected in Annex VI of the Common Provisions Regulation.

The objective of the proposal is to adapt the amounts of resources available for the Investment for growth and jobs goal and for the European territorial cooperation goal set out in Articles 91(1) and 92(1) and (5) of Regulation (EU) No 1303/2013 and the annual breakdown of commitment appropriations reflected in Annex VI to decisions adopted since the adoption of that Regulation.

II. PRESIDENCY COMPROMISE PROPOSAL

3. The Working Party on Structural Measures examined the Commission proposal at its meeting on 12 July 2018. Delegations gave support to the proposal, including preference for a speedy adoption of the legal act.
4. There were no objections to the Presidency's approach of proceeding by taking over the Commission's proposal, as set out in the Annex to this note.

III. SUBMISSION TO COREPER

5. On that basis, the Permanent Representatives Committee is invited to:

- confirm the agreement reached in favour of the compromise package concerning the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 as regards the changes to the resources for economic, social and territorial cohesion and correcting that Regulation as regards the resources for the investment for growth and jobs goal (doc. 10642/18).
- authorise the Presidency to send a letter to the Chair of the European Parliament's Committee on Regional Development confirming that, should the European Parliament adopt its position at first reading, in accordance with Article 294 paragraph 3 of the Treaty, in the form set out in the compromise package contained in the Annex (subject to revision by the legal linguists of both institutions), the Council would, in accordance with Article 294, paragraph 4 of the Treaty, approve the European Parliament's position and the act shall be adopted in the wording which corresponds to the European Parliament's position.

2018/0265 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) No 1303/2013 as regards the resources for economic, social and territorial cohesion and correcting that Regulation as regards the resources for the investment for growth and jobs goal

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 177 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Having regard to the opinion of the Committee of the Regions²,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) Regulation (EU) No 1303/2013 of the European Parliament and of the Council³ lays down the common and general rules applicable to the European Structural and Investment Funds.

¹ OJ C [...], [...], p. [...].

² OJ C [...], [...], p. [...].

³ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 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 and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

- (2) Regulation (EU) 2017/2305 of the European Parliament and of the Council⁴ amended Regulation (EU) No 1303/2013, among others, as regards the resources allocated for economic, social and territorial cohesion.
- (3) The general budget of the European Union for the financial year 2018⁵ amended the financial programming for the Youth Employment Initiative ('YEI') by increasing commitment appropriations for the specific allocation for the YEI by an amount of EUR 116.7 million in current prices and bringing the overall amount of commitment appropriations for the YEI for 2018 up to EUR 350 million in current prices.
- (4) The amount of commitment appropriations for 2020 needs to be adjusted downwards accordingly to reflect the frontloading to 2018. Regulation (EU) No 1303/2013 should therefore be amended accordingly.
- (5) When Article 92(1) of Regulation (EU) No 1303/2013 was amended by Regulation (EU) 2017/2305, certain financial data set in point (a) of Article 1(2) of Regulation (EU) 2017/2305 were wrong. That financial data should be replaced by correct data. Regulation (EU) No 1303/2013 should therefore be corrected accordingly.
- (6) Given the urgency of amending the programmes supporting the YEI, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*.

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EU) No 1303/2013 is amended as follows:

- (1) in Article 91, paragraph 1 is replaced by the following:

"1. The resources for economic, social and territorial cohesion available for budgetary commitment for the period 2014 - 2020 shall be EUR 329 982 345 366 in 2011 prices, in accordance with the annual breakdown set out in Annex VI, of which EUR 325 938 694 233 represents the global resources allocated to the ERDF, the ESF and the Cohesion Fund and EUR 4 043 651 133 represents a specific allocation for the YEI. For the purposes of programming and subsequent inclusion in the budget of the Union, the amount of resources for economic, social and territorial cohesion shall be indexed at 2 % per year.";

⁴ Regulation (EU) 2017/2305 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 1303/2013 as regards the changes to the resources for economic, social and territorial cohesion and to the resources for the Investment for growth and jobs goal and for the European territorial cooperation goal (OJ L 335, 15.12.2017, p. 1).

⁵ OJ L 57, 28.2.2018, p. 1.

in Article 92, paragraph 5 is replaced by the following:

"5. Resources for the YEI shall amount to EUR 4 043 651 133 from the specific allocation for the YEI and at least EUR 4 043 651 133 from ESF targeted investment.";

Annex VI is replaced by the text set out in the Annex to this Regulation.

Article 2

Regulation (EU) No 1303/2013 is corrected as follows:

in Article 92, paragraph 1 is replaced by the following:

"1. Resources for the Investment for growth and jobs goal shall amount to 96.09 % of the global resources (that is to say, a total of EUR 317 073 545 392) and shall be allocated as follows:

- (a) 51.52 % (that is to say, a total of EUR 163 359 380 738) for less developed regions;
- (b) 10.82 % (that is to say, a total of EUR 34 319 221 039) for transition regions;
- (c) 16.33 % (that is to say, a total of EUR 51 773 321 432) for more developed regions;
- (d) 20.89 % (that is to say, a total of EUR 66 236 030 665) for Member States supported by the Cohesion Fund;
- (e) 0.44 % (that is to say, a total of EUR 1 385 591 518) as additional funding for the outermost regions identified in Article 349 TFEU and the NUTS level 2 regions fulfilling the criteria laid down in Article 2 of Protocol No 6 to the 1994 Act of Accession."

Article 3

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

d for calculating the impact on revenue.

"ANNEX VI

**ANNUAL BREAKDOWN OF COMMITMENT APPROPRIATIONS FOR THE YEARS
2014 TO 2020**

Adjusted annual profile (including the YEI top-up)

	2014	2015	2016	2017
EUR, 2011 prices	34 108 069 924	55 725 174 682	46 044 910 736	48 027 317 164

	2018	2019	2020	Total
EUR, 2011 prices	48 341 984 652	48 712 359 314	49 022 528 894	329 982 345 366

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