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## OUTCOME OF THE COUNCIL MEETING

3704th Council meeting

## **General Affairs**

# **Cohesion policy**

Luxembourg, 25 June 2019

President Roxana Mînzatu Minister for European Funds of Romania



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#### **OTHER ITEMS APPROVED**

none

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<sup>&</sup>lt;sup>1</sup> • Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.

<sup>•</sup> Documents for which references are given in the text are available on the Council's internet site (http://www.consilium.europa.eu).

<sup>•</sup> Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's internet site or may be obtained from the Press Office.

#### **ITEMS DEBATED**

#### Legislative package for cohesion policy 2021-2027

#### Overall state of play of negotiations

The Council took stock of the state of play of negotiations on the cohesion policy package for the 2021-2027 period.

The Romanian presidency provided ministers with an overview of the achievements during its term on the basis of two reports submitted to the Council, concerning:

- progress achieved within the Council on the various regulations included in the cohesion policy legislative package (10049/19), and
- the state of play in the negotiations with the Parliament on the Common Provisions Regulation (10052/19).

Over recent months, partial mandates for negotiations with the European Parliament have been agreed on the Common Provisions Regulation and the relevant regulations covering the European Regional Development Fund and Cohesion Fund, the European Social Fund Plus and Interreg. All provisions with budgetary implications or of a horizontal nature have been put between square brackets and excluded from such partial negotiating mandates pending further progress in the discussions on the next multiannual financial framework. They will be discussed at Council level on the basis of the guidance provided by the EU leaders.

The Council has streamlined management of the funds, reducing the administrative burden while increasing flexibility and proportionality for member states. The Council's partial mandates also bring more predictability and ensure stability for the investments.

The Council's partial mandates on the fund-specific regulations ensure a coherent approach to the different funding resources while providing enough flexibility for the implementation of the funds.

Beyond the work within Council preparatory bodies, negotiations with the European Parliament took place in February and March 2019 on the programming and strategic planning provisions of the Common Provisions Regulation. These exchanges with the Parliament provided useful guidance for further work under the Finnish presidency.

The negotiations with the new EP on the various parts of the cohesion policy package are expected to re-start this autumn.

#### Future challenges in the programming of the funds

The Council held a policy debate on future challenges in the programming of cohesion funds for 2021-2027. The debate took place on the basis of a presidency background paper (10054/19).

The legislative package for cohesion policy strengthens the link between cohesion policy and the European Semester, making the 2019 country-specific recommendations (CSRs) a key element in designing the programmes for 2021-2027, with a mid-term review exercise in 2025 based on the 2024 CSRs.

During the debate, ministers broadly welcomed this strengthened link and the new approach of complementing country reports under the European Semester with investment guidance on cohesion policy funding 2021-2027. It was noted that this would allow synergies to be achieved while also requiring more efforts at national level to coordinate the two processes.

In terms of challenges, it was important to adequately address the timing issue, with the CSRs being issued annually, while cohesion policy needed a stable and predictable multi-annual framework for investments. Several ministers stressed the need to have sufficient flexibility to implement the CSRs in order to adequately respond to their national and regional needs. In this context a few of them took the view that the involvement in the European Semester process of ministers responsible for cohesion policy should be enhanced.

In addition, it was important to better align thematic concentration requirements and the decommitment rule with the CSRs. A few ministers stressed the importance of taking the implementation of the European Pillar of Social Rights into account.

Ministers also had an opportunity to exchange views on sound economic governance and other conditionalities applicable to funding in the field of cohesion policy. Several ministers expressed their support for macroeconomic conditionality, with some suggesting strengthening it further. A few mentioned other possible conditionalities, which could be discussed in the context of the negotiations on the next multiannual financial framework (MFF). Other ministers could only support enabling conditions which are directly linked to the effective use of the funds.

Conditionalities for EU funding form part of the horizontal negotiations on the next MFF. Further discussions on this issue will therefore take place in the context of the preparation of the MFF negotiating box.

### **OTHER ITEMS APPROVED**

None