



2017/0336(COD)

30.8.2018

## OPINION

of the Committee on Budgets

for the Committee on Regional Development

on the proposal for a regulation of the European Parliament and of the Council amending 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 as regards support to structural reforms in Member States  
(COM(2017)0826 – C8-0432/2017 – 2017/0336(COD))

Rapporteur for opinion (\*) : Jens Geier

(\*) Associated committee – Rule 54 of the Rules of Procedure

PA\_Legrej

## SHORT JUSTIFICATION

The Rapporteur takes note of the Commission proposal to open the possibility to Member States to fully or partially allocate the performance reserve embedded in the regulation to support structural reform commitments by the Member States. The decision to use the performance reserve for structural reforms would be completely to the discretion of the Member States, which are asked to make an official proposal for this reallocation including measures for the reform implementation, milestones, targets and a timetable. The Commission would assess the proposal and adopt a decision by an implementing act

The possibility to use the performance reserve for structural reforms clearly undermines its original purpose and the purpose of cohesion policy, as the performance reserve was set up to allocate funds to ESIF-programmes that have reached their milestones. As the Commission will undertake a review of these programmes in 2019, programmes have been striving to achieve their milestones and have calculated with the funds from the performance reserve. If now Member States can decide to use the reserve for a different purpose, cohesion programmes may face financial insecurity and delays in implementation. The incentive for ESIF-programmes to be successful would vanish.

In addition, the amending regulation subordinates cohesion policy under the European Semester, although it has its own objectives laid down in the treaty.

The choice of direct management for the support of structural reforms with money that was supposed to go to cohesion policy would also breach with the cohesion policy's principle of co-financing.

Further, the Commission does not clearly define structural reforms in its proposal, which makes the reallocation of money from the performance reserve more unclear.

Finally, the Commission justifies its proposal stating that it shall serve as a pilot project for the next MFF. However, the results from this pilot phase will not be able to be taken up in the design of the next MFF.

Considering all this, the Rapporteur proposes to reject the Commission proposal, as it is the best way of guaranteeing an efficient, autonomous and successful cohesion policy.

\*\*\*\*\*

The Committee on Budgets calls on the Committee on Regional Development, as the committee responsible, to propose rejection of the Commission proposal.

## PROCEDURE – COMMITTEE ASKED FOR OPINION

<b>Title</b>	Proposal for a regulation of the European Parliament and of the Council amending 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 as regards support to structural reforms in Member States	
<b>References</b>	COM(2017)0826 – C8-0432/2017 – 2017/0336(COD)	
<b>Committee responsible</b> Date announced in plenary	REGI 14.12.2017	
<b>Opinion by</b> Date announced in plenary	BUDG 14.12.2017	
<b>Associated committees - date announced in plenary</b>	19.4.2018	
<b>Rapporteur</b> Date appointed	Jens Geier 23.4.2018	
<b>Discussed in committee</b>	19.6.2018	10.7.2018
<b>Date adopted</b>	29.8.2018	
<b>Result of final vote</b>	+: 30 -: 1 0: 2	
<b>Members present for the final vote</b>	Nedzhmi Ali, Jean Arthuis, Reimer Böge, Gérard Deprez, Manuel dos Santos, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Esteban González Pons, Ingeborg Gräßle, Iris Hoffmann, Monika Hohlmeier, John Howarth, Bernd Kölmel, Zbigniew Kuźmiuk, Vladimír Maňka, Jan Olbrycht, Younous Omarjee, Răzvan Popa, Paul Rübig, Petri Sarvamaa, Patricija Šulin, Indrek Tarand, Isabelle Thomas, Inese Vaidere, Daniele Viotti, Tiemo Wölken, Marco Zanni	
<b>Substitutes present for the final vote</b>	Xabier Benito Ziluaga, Janusz Lewandowski, Ivana Maletić, Ivan Štefanec, Marco Valli	

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

<b>30</b>	<b>+</b>
ALDE	Jean Arthuis
ECR	Zbigniew Kuźmiuk
EFDD	Marco Valli
ENF	Marco Zanni
GUE/NGL	Xabier Benito Ziluaga, Younous Omarjee
PPE	Reimer Böge, José Manuel Fernandes, Esteban González Pons, Ingeborg Gräßle, Monika Hohlmeier, Janusz Lewandowski, Ivana Maletić, Jan Olbrycht, Paul Rübig, Petri Sarvamaa, Ivan Štefanec, Patricija Šulin, Inese Vaidere
S&D	Eider Gardiazabal Rubial, Jens Geier, Iris Hoffmann, John Howarth, Vladimír Maňka, Răzvan Popa, Manuel dos Santos, Isabelle Thomas, Daniele Viotti, Tiemo Wölken
VERTS/ALE	Indrek Tarand

<b>1</b>	<b>-</b>
ALDE	Nedzhmi Ali

<b>2</b>	<b>0</b>
ALDE	Gérard Deprez
ECR	Bernd Kölmel

Key to symbols:

+ : in favour

- : against

0 : abstention