

# **Structural Funds: repayable assistance, financial engineering and certain provisions related to the statement of expenditure**

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The Committee on Regional Development adopted the report by Danuta Maria HUBNER (EPP, PL) on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1083/2006 as regards repayable assistance and financial engineering. It recommended that the European Parliaments position at first reading, under the ordinary legislative procedure, should be to amend the Commission proposal. The main amendments are as follows: Credit line: this is defined in the amended text as a financial facility allowing the beneficiary to draw down the financial contribution, which can be totally or partially reimbursable, in relation to expenditure paid by the beneficiary and supported by receipted invoices or accounting documents of equivalent probative value." Attachment to the statement of expenditure: Members consider that an attachment to each statement of expenditure must include information on the amount of total expenditure paid in establishing financial engineering instruments and on the advances paid to the beneficiaries in the context of State aid. The format of the attachment is defined in the Annex IVa to Regulation (EC) 1083/2006 for the purpose of legal security and consistency. However, the practical implementation of the collection of data necessary for this purpose shall be conducted at national level and, as far as the applicable legal framework allows it, it should not result in a modification of national computer systems. A standard form of the attachment is set out in Annex IVa, The attachment shall indicate the following information in relation to the amount of total expenditure included therein: as regards financial engineering instruments, the total expenditure paid in establishing or contributing to such funds or holding funds and the corresponding public contribution; as regards advances paid in the context of State aid, the total expenditure paid in the form of advances to the beneficiaries by the body granting the aid and the corresponding public contribution." Reports on implementation of financial engineering instruments: Members add that reports must cover the progress in the financing and implementation of financial engineering instruments, namely: (i) description of the financial engineering instrument and implementation arrangements; (ii) identification of the entities which implement the financial engineering instrument, including those acting through holding funds; (iii) amounts of the assistance from the Structural Funds and national co-financing paid to the financial engineering instrument. In addition, the committee stipulated that every year, by 1 October, the Commission shall provide a summary of the data on the progress in the financing and implementation of financial instruments, provided by the managing authorities of the Member States. Reuse of repayable assistance: the committee states that Member States must ensure an adequate record of the assistance repaid in the accounting system of the appropriate authority or body.