

Structural reform support programme 2017-2020

2015/0263(COD) - 26/11/2015 - Legislative proposal

PURPOSE: to establish the Structural Reform Support Programme for the period from 1 January 2017 to 31 December 2020 with the objective of strengthening the overall capacity of Member States to prepare and implement growth-enhancing institutional, structural and administrative reforms.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: several Member States have been undergoing and continue to undergo adjustment processes to correct macroeconomic imbalances accumulated in the past and many are facing the challenge of low potential growth. **The Union has identified the implementation of structural reforms among its policy priorities** to set the recovery on a sustainable path, unlock the growth potential to strengthen the adjustment capacity, and support the process of convergence.

Reforms are by their very nature complex processes that require a complete chain of highly-specialised knowledge and skills. In this context, the provision of support by the Union in the form of technical assistance has been crucial in supporting the economic adjustment of Greece and Cyprus in the last years.

Member States may benefit from support in addressing challenges as regards the design and implementation of structural reforms. The Commission proposed to use the experience gained by the Union in assisting national authorities carrying out reforms in order to **enhance the capacity of the Union to provide support to Member States**.

IMPACT ASSESSMENT: the Commission has examined two policy options in the ex-ante evaluation which is accompanying this proposal: a baseline option that foresees no change in the status quo, and a second option where a dedicated funding Programme is introduced and technical support is provided, on request from Member States, to assist potentially all Member States in order to support the implementation of growth-enhancing reforms in the context of economic governance processes.

Based on the ex-ante evaluation, **the second scenario is the preferred policy choice** since it allows providing support in an organised and systematic manner to all Member States.

CONTENT: this Regulation seeks to establish the **Structural Reform Support Programme** for the period from 1 January 2017 to 31 December 2020.

General objective: the general objective of the Programme is to contribute to reforms in the Member States by providing support to national authorities for measures aimed at **reforming institutions, governance, administration, economic and societal sectors** in response to economic and social challenges with a view to enhancing competitiveness, growth, jobs, and investment, in particular in the context of economic governance processes, including through assistance for the efficient and effective use of the Union funds ([European Structural and Investment funds](#), the [Fund for the European Aid to the Most Deprived](#), the Asylum, Migration and Integration [Fund](#) as well as the instrument for financial support for external borders and visa).

Specific objectives: the specific objectives of the Programme will be to **support the initiatives of national authorities** to:

- design their reforms according to priorities,
- enhance their capacity to formulate, develop and implement reform policies and strategies and pursue an integrated approach ensuring consistency between goals and means across sectors,
- support their efforts to define and implement appropriate processes and methodologies, and to assist them to enhance the efficiency and effectiveness of human resources management.

Support for the reforms: the support will relate to specific policy areas, such as:

- **public financial management**, budget process, debt management and revenue administration,
- **institutional reform** and efficient and service-oriented functioning of public administration, effective rule of law, reform of the justice system and reinforcement of anti-fraud, anticorruption and anti-money laundering,
- **business environment**, private sector development, access to finance, investment, financial sector policies, privatisation processes, trade and foreign direct investment, competition, public procurement, sustainable sectoral development and support for innovation,
- **education and training**, labour market policies, social inclusion, social security and social welfare systems, public health and healthcare systems, asylum, migration and borders policies,
- policies for the **agricultural sector** and the sustainable development of rural areas.

Introduction of a request for support: a request for support under this Programme shall be made by a Member State wishing to receive such support. The request may be made within the **dialogue of the European Semester**, in any case by 31 October of the calendar year. The request for support may relate to three circumstances:

1. the implementation of reforms **in the context of economic governance processes**, in particular of relevant Country Specific Recommendations issued in the context of the European Semester or implementation of other actions related to the Union law;
2. the implementation of reforms associated with **economic adjustment programmes** for Member States receiving Union financial assistance under the existing instruments;
3. the implementation of **reforms undertaken by Member States at their initiative**, notably to achieve sustainable investment, growth and job creation.

Additional financial resources: the Programme may receive additional financial resources also through **voluntary allocations** from the technical assistance financial resources at the initiative of the Member States. To that end, it is proposed to allow all Member States (and not only Member States under temporary financial difficulties, as currently is the case) to contribute to the financial envelope of the Programme.

Monitoring and evaluation: the achievement of the specific objectives of the Programme will be monitored and evaluated according to a **number of indicators** linked to the activities of technical support. This will include: (i) number and type of national authorities which received support, (ii) the number and type of support providers, (iii) the number and type of eligible actions performed (such as the provision of experts, training actions, seminars, etc.), (iv) the number of policy initiatives (such as action plans, road maps, guidelines, recommendations, legislation recommended/or adopted).

BUDGETARY IMPLICATION: the dedicated financial envelope for the implementation of the Programme shall be up to **EUR 142 800 000 (current prices) for a period of 4 years**. This will be deduced from the technical assistance resources at the initiative of the Commission under [Regulation \(EU\) No 1303/2013](#) and [Regulation \(EU\) 1305/2013](#) and appropriately allocated for use within the scope and purpose of the Programme.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.