

Basic information

2011/0274(COD)

COD - Ordinary legislative procedure (ex-codecision procedure)
Regulation

Cohesion Fund 2014-2020

Repealing Regulation (EC) No 1084/2006 [2004/0166\(AVC\)](#)

Subject

4.70.02 Cohesion policy, Cohesion Fund (CF)

Procedure completed

Key players

European
Parliament

Committee responsible

REGI

Regional Development

Rapporteur

BOȘTINARU Victor (S&D)

Appointed

21/06/2011

Shadow rapporteur

MAZZONI Erminia (PPE)

MĂNESCU Ramona Nicole
(ALDE)

CHRYSOGELOS Nikos
(Verts/ALE)

VLASÁK Oldřich (ECR)

ERNST Cornelia (GUE/NGL)

Committee for opinion

BUDG

Budgets

Rapporteur for opinion

COZZOLINO Andrea (S&D)

Appointed

06/02/2012

EMPL

Employment and Social Affairs

The committee decided not
to give an opinion.

ENVI

Environment, Public Health and Food Safety

GUTIÉRREZ-CORTINES
Cristina (PPE)

08/11/2011

ITRE

Industry, Research and Energy

TOIA Patrizia (S&D)

15/11/2011




TRAN

Transport and Tourism

CRAMER Michael (Verts
/ALE)




24/11/2011

Council of the European Union	Council configuration	Meetings	Date
	General Affairs	3192	2012-10-16
	General Affairs	3180	2012-06-26
	General Affairs	3259	2013-09-30
	General Affairs	3160	2012-04-24
	Justice and Home Affairs (JHA)	3228	2013-03-07
	Agriculture and Fisheries	3285	2013-12-16
European Commission	Commission DG	Commissioner	
	Regional and Urban Policy	HAHN Johannes	
European Economic and Social Committee			
European Committee of the Regions			

Key events			
Date	Event	Reference	Summary
06/10/2011	Legislative proposal published	COM(2011)0612 	Summary
25/10/2011	Committee referral announced in Parliament, 1st reading		
24/04/2012	Debate in Council		Summary
16/10/2012	Debate in Council		
07/03/2013	Debate in Council		
10/07/2013	Vote in committee, 1st reading		
18/07/2013	Committee report tabled for plenary, 1st reading	A7-0270/2013	Summary
30/09/2013	Debate in Council		Summary
19/11/2013	Debate in Parliament		
20/11/2013	Decision by Parliament, 1st reading	T7-0486/2013	Summary
20/11/2013	Results of vote in Parliament		
16/12/2013	Act adopted by Council after Parliament's 1st reading		
16/12/2013	End of procedure in Parliament		
17/12/2013	Final act signed		
20/12/2013	Final act published in Official Journal		

Technical information	
Procedure reference	2011/0274(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)

Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EC) No 1084/2006 2004/0166(AVC)
Legal basis	Treaty on the Functioning of the European Union TFEU 177-p1
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	REGI/7/07462

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Amendments tabled in committee		PE491.027	06/06/2012	
Committee opinion	TRAN	PE486.019	20/06/2012	
Committee opinion	ITRE	PE486.189	21/06/2012	
Committee opinion	BUDG	PE488.058	21/06/2012	
Committee opinion	ENVI	PE487.713	22/06/2012	
Committee draft report		PE486.124	03/06/2013	
Amendments tabled in committee		PE514.690	24/06/2013	
Amendments tabled in committee		PE514.834	02/07/2013	
Committee report tabled for plenary, 1st reading/single reading		A7-0270/2013	18/07/2013	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0486/2013	20/11/2013	Summary
Council of the EU				
Document type	Reference	Date	Summary	
Draft final act	00082/2013/LEX	17/12/2013		
European Commission				
Document type	Reference	Date	Summary	
Legislative proposal	COM(2011)0612 	06/10/2011	Summary	
Document attached to the procedure	SEC(2011)1138 	06/10/2011		
Document attached to the procedure	SEC(2011)1139 	06/10/2011		
Commission response to text adopted in plenary	SP(2014)87	30/01/2014		

Follow-up document	COM(2016)0812 	20/12/2016	Summary
Follow-up document	SWD(2016)0447 	20/12/2016	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2011)0612	01/12/2011	
Contribution	RO_SENATE	COM(2011)0612	08/12/2011	
Contribution	RO_CHAMBER	COM(2011)0612	13/01/2012	
Contribution	CZ_SENATE	COM(2011)0612	08/05/2012	
Contribution	IT_SENATE	COM(2011)0612	30/05/2012	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	
European Commission	EUR-Lex	

Final act

Regulation 2013/1300 OJ L 347 20.12.2013, p. 0281	Summary
--	-------------------------

Cohesion Fund 2014-2020

2011/0274(COD) - 06/10/2011 - Legislative proposal

PURPOSE: to define the next framework for cohesion policy for the period 2014-2020 (Cohesion Fund Regulation).

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

BACKGROUND: in its [proposal for the next multi-annual financial framework for the period 2014-2020](#), the Commission decided that cohesion policy should remain an essential element of the next financial package and underlined its pivotal role in delivering the Europe 2020 strategy. It proposed a number of important changes to the way cohesion policy is designed and implemented. Concentrating funding on a smaller number of priorities better linked to the Europe 2020 Strategy, focusing on results, monitoring progress towards agreed objectives, increasing the use of conditionalities and simplifying the delivery are among the major hallmarks of the proposal

This proposal is part of a package of legislative measures relating to the **Cohesion policy 2014-2020**. This package includes:

- an [overarching regulation](#) setting out common rules governing the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund, the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). This will allow for the better combination of funds for a stronger impact of EU action;
- three specific regulations for the [ERDF](#), the [ESF](#) and the [Cohesion Fund](#);

- two regulations dealing with the [European territorial cooperation](#) goal and the European grouping of territorial cooperation (EGTC);
- two regulations on the European Globalisation Fund (EGF) and the [Programme for Social Change and Innovation](#);
- a communication on the European Union Solidarity Fund (EUSF).

The **Cohesion Fund** helps Member States whose GNI per inhabitant is less than 90% of the EU27 average in making investments in TEN-T transport networks and the environment. Part of the Cohesion Fund allocation (EUR 10 billion) will be ring-fenced to finance core transport networks under the "Connecting Europe" Facility. The Cohesion Fund can also support projects related to energy, as long as they clearly present a benefit to the environment, for example by promoting energy efficiency and the use of renewable energy.

IMPACT ASSESSMENT: options were assessed in particular in relation to the Cohesion Fund contribution to investing in basic infrastructure in transport and environment. **Various ways of making funding conditional on a sound macro-fiscal framework were assessed**, including: (i) the status quo, with a weak ex-post conditionality which has never been applied; (ii) a strengthened ex post conditionality; (iii) ex ante conditionality, which would require the fulfilment of preconditions before the adoption of the programmes.

An evolution of the current system best fulfils the criteria of ownership, transparency and predictability, while at the same time ensuring that the effectiveness of growth-enhancing investments is not undermined by the pursuit of unsound fiscal policies. Such a procedure implies suspension of part or all of commitments in the case of repeated breaches.

LEGAL BASIS: Article 177 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the proposed Regulation determines the scope of intervention of the Cohesion Fund. It includes an article on scope defining the general areas for intervention within the area of transport and environment. The scope of intervention is also defined by a negative list of activities which will not be eligible for support, and a list of investment priorities.

Environment: the Cohesion Fund will support investment in climate change adaptation and risk prevention, investment in the water and waste sectors and the urban environment.

Energy: investment in energy is also eligible for support, provided it has positive environmental benefits. Therefore investment in energy efficiency and renewable energy are also supported.

Transport: the Cohesion Fund will contribute to investments in the Trans-European Transport Network, as well as low-carbon transport systems and urban transport.

BUDGETARY IMPLICATION: the Commission's proposal for a Multiannual Financial Framework includes **EUR 376 billion** for cohesion policy for the period 2014-2020. The proposed budget (in billion euros) is broken down as follows:

- Less developed regions EUR 162.6
- Transition regions: EUR 38.9
- More developed regions: EUR 53.1
- Territorial cooperation: EUR 11.7
- Cohesion fund: EUR 68.7
- Extra allocation for outermost and sparsely populated regions: EUR 0.926.
- Facility for transport, energy and ICT: EUR 40 billion (with an additional EUR 10 billion ring-fenced inside the Cohesion Fund).

Cohesion Fund 2014-2020

2011/0274(COD) - 20/12/2016

This Commission report is the first in a series of annual reports to the EU institutions on the implementation of the European Structural and Investment Funds (ESI Funds). It provides an overview of the 2016 annual implementation reports on the 533 programmes submitted by Member States and regions for the 2014-2015 period and summarises the available evaluations of these programmes.

The late adoption of the multiannual financial framework for the period 2014-2020 has had an impact on the adoption of legislation governing the ESI Funds. By the end of 2014, 220 programmes had been adopted. However, the majority (313) of programmes were finalised in 2015 181 of which were completed only in the second half of the year.

Progress in implementation: on the basis of the 2016 annual implementation reports covering 2014 and 2015, it appears that the total volume of projects selected for support from the Funds amounted to **EUR 58.8 billion**, or 9.2% of the total volume of investment planned for the 2014-2020 period. The EU's contribution to the selected projects is estimated at EUR 41.8 billion.

- According to the most recent financial data submitted up to the autumn of 2016, **implementation has accelerated significantly** in terms of the volume of project selection. The total financial volume of selected projects more than doubled in nine months, **from EUR 58.8 billion at the end of 2015 to EUR 128.8 billion** (20.2% of planned investments).
- By the end of 2015, the Member States and regions had selected **989 000 projects** ranging from investments in heavy infrastructure to individual support to farms. A total of **274 000 businesses** benefited from the selected operations, representing approximately 13.6% of the target of supporting 2 million businesses by the end of the period.
- At the time of the adoption of the programmes, about **75% of all conditionalities** to ensure investment effectiveness (*ex ante* conditions) were met.
- The implementation of programme **structures and procedures** to ensure the robustness and quality of investments throughout the programme life cycle has been important for the successful launch of the programmes.

- Lastly, more than two-thirds of the country-specific recommendations adopted in 2014 in the context of the **European Semester** concerned investments under the ESI Funds and were therefore integrated into the priorities of the Member States' programmes.

Implementation by theme: the report provides an overview of the financial volume and the selection rate of projects for the ESI Funds by thematic objective at the end of 2015.

At the end of 2015, an amount of over EUR 20 billion was already allocated to specific projects in the fields of the **low-carbon economy** (EUR 2.3 billion), **climate change** (EUR 6.6 billion), **the environment and transport** (EUR 7.6 billion), and **energy networks** (EUR 4.1 billion), representing around 9% of the total amount across all the funds contributing directly (ERDF, Cohesion Fund, EAFRD and EMFF);

As regards investment in **strategic networks**, significant investments are planned in the Trans-European Transport Network (TEN-T) and other transport areas under the ERDF and the Cohesion Fund.

At the end of 2015, the projects selected totalled EUR 4.1 billion (6.2% of the planned amount). Among the projects carried out in the field of transport, the report cites in particular the following examples:

- projects for reconstruction or renovation of nearly 150 km of TEN-T railway lines in Estonia and almost 140 km in Poland have already been selected for funding;
- in Poland, almost 320 km of new TEN-T roads will be built as part of the selected projects.

The Commission now considers it vital that the **implementation of the new programmes is accelerated** throughout the European Union.

Recent data show a more uniform state of advancement in most Member States and themes. The evolution of these trends will be further evaluated in the 2017 reporting cycle, which will provide a more comprehensive picture of implementation and allow for better reporting on a qualitative level.

Cohesion Fund 2014-2020

2011/0274(COD) - 18/07/2013 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Regional Development adopted the report by Victor BOȘTINARU (S&D, RO) on the proposal for a regulation of the European Parliament and of the Council on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006.

It recommended that the European Parliament's position at first reading under the ordinary legislative should be to amend the Commission proposal as follows:

Subject-matter of the Cohesion Fund: Members noted that a Cohesion Fund was established for the purpose of **strengthening the economic, social and territorial cohesion** of the Union in the interests of promoting sustainable development.

Investment priorities: the scope of the Cohesion Fund was broadened to include:

- support for **energy efficiency** and renewable energy use in the housing sector;
- support for **high efficiency** district heating and **cogeneration** of heat and power;
- support of investment for adaptation to **climate change** including eco-system based approaches;
- investing in the **waste** sector and in the **water** sector, not only to meet the requirements of the Union's environmental *acquis* but to address needs identified by the Member States;
- **soil protection and restoration** and promotion of **ecosystem** services including through NATURA 2000 and green infrastructures;
- actions for the **revitalisation of cities**, regeneration and decontamination of brownfield sites (including conversion areas), and promotion of noise-reduction measures;
- **environmentally-friendly** (including low-noise) and low-carbon **transport systems** including inland waterways and maritime transport, ports, multimodal links and airport infrastructure.

A reference was maintained in relation to the support that might be granted by the Cohesion Fund to the [Connecting Europe Facility's](#) transport infrastructure projects in Cohesion Member States.

Scope of application: Members foresaw the explicit exclusion of support for the manufacturing, processing and marketing of tobacco and tobacco products, and for undertakings in difficulties as defined under Union State aid rules.

Indicators: the Commission shall be empowered to adopt a delegated act to amend the list of common output indicators in the Annex to this Regulation, in order to make adjustments, where justified to ensure effective assessment of progress in programme implementation.

Cohesion Fund 2014-2020

2011/0274(COD) - 30/09/2013

The presidency informed the Council about the **state of play** in the ongoing trilogue discussions with the European Parliament and the Commission on the [EU's cohesion policy package for 2014-2020](#) on the basis of an issue paper (see *Council doc. 13796/13*).

The Council exchanged views and provided guidance to the presidency for finalising the negotiations with the European Parliament.

All Member States considered that a timely agreement was **urgently needed** in order to allow the new cohesion policy programmes to be implemented as from 1 January 2014. Member States reminded the significant concessions which the Council had already made to the European Parliament. They reiterated their willingness to continue working in a constructive spirit on this file.

With regard to the outstanding political issues, the discussion went along the following lines:

- Several Member States opposed any dilution of the **macro-economic conditionality**. They stressed its importance for making sure that the five European structural and investment funds (the European regional development fund (ERDF), the European social fund (ESF), the cohesion fund (CF), the European agricultural fund for rural development (EAFRD) and the European maritime and fisheries fund (EMFF)) were not undermined by unsound macro-economic policies.
- Many Member States objected to any change to the **performance reserve and the pre-financing** which could have an impact on the payments' profile, seen as a core element of the MFF agreement.
- Some Member States resisted to any modification to co-financing, reminding that national cofinancing was essential to guarantee the ownership of the different programmes on the ground.

Cohesion Fund 2014-2020

2011/0274(COD) - 20/11/2013 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 617 votes to 39, with 31 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amended the Commission proposal as follows:

Subject-matter of the Cohesion Fund: Parliament noted that a Cohesion Fund was established for the purpose of **strengthening the economic, social and territorial cohesion** of the Union in the interests of promoting sustainable development.

Investment priorities: the scope of the Cohesion Fund was broadened to include:

- support for **energy efficiency** and renewable energy use in the housing sector;
- promoting **low-carbon strategies** for all types of territories, in particular for urban areas;
- support for **high efficiency** district heating and **cogeneration** of heat and power;
- support of investment for adaptation to **climate change** including eco-system based approaches;
- investing in the **waste** sector and in the **water** sector, not only to meet the requirements of the Union's environmental *acquis* but to address needs identified by the Member States;
- **soil protection and restoration** and promotion of **ecosystem** services including through NATURA 2000 and green infrastructures;
- actions for the **revitalisation of cities**, regeneration and decontamination of brownfield sites (including conversion areas), and promotion of noise-reduction measures;
- **environmentally-friendly** (including low-noise) and low-carbon **transport systems** including inland waterways and maritime transport, ports, multimodal links and airport infrastructure.

A reference was maintained in relation to the support that might be granted by the Cohesion Fund to the **Connecting Europe Facility's** transport infrastructure projects in Cohesion Member States, and this for an amount of EUR 10 000 000 000.

Scope of application: Parliament foresaw the explicit exclusion of support for the manufacturing, processing and marketing of tobacco and tobacco products, and for undertakings in difficulties as defined under Union State aid rules.

Indicators: the Commission shall be empowered to adopt a delegated act to amend the list of common output indicators in the Annex to this Regulation, in order to make adjustments, where justified to ensure effective assessment of progress in programme implementation.

Cohesion Fund 2014-2020

2011/0274(COD) - 17/12/2013 - Final act

PURPOSE: to define the next framework for cohesion policy for the period 2014-2020 (Cohesion Fund Regulation).

LEGISLATIVE ACT: Regulation (EU) No 1300/2013 of the European Parliament and of the Council on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006.

CONTENT: the Regulation is part of a **package of measures** relating to the cohesion policy comprising the following Regulations:

- **Regulation (EU) No 1303/2013** of the European Parliament and of the Council sets out the **provisions common to five European structural and investment funds** (ESI Funds) i.e. the European regional development fund (ERDF), the European social fund (ESF), the cohesion fund (CF), the European agricultural fund for rural development (EAFRD) and the European maritime and fisheries fund (EMFF);
- the Regulations specific to the five funds for the **ERDF**, the **ESF**, the **Cohesion Fund**, the European Territorial Cooperation and the European grouping of territorial cooperation (**EGTC**).

This Regulation establishes a **Cohesion Fund** for the purpose of strengthening the economic, social and territorial cohesion of the Union in the interests of promoting sustainable development. It lays down the tasks of the Cohesion Fund and the scope of its support with regard to the **Investment for growth and jobs** goal referred to in Regulation (EU) No 1303/2013.

Scope of support from the Cohesion Fund: the Cohesion Fund shall, while ensuring an appropriate balance and according to the investment and infrastructure needs specific to each Member State, support:

- investment in the environment, including areas related to sustainable development and energy which present environmental benefits;
- TEN-T, in compliance with the guidelines adopted by [Regulation \(EU\) No 1315/2013](#).

The Cohesion Fund shall not support: (i) the decommissioning or the construction of nuclear power stations; (ii) investment to achieve the reduction of greenhouse gas emissions from activities listed in Annex I to Directive 2003/87/EC; (iii) investment in housing unless related to the promotion of energy efficiency or renewable energy use; (iv) the manufacturing, processing and marketing of tobacco and tobacco products; (v) undertakings in difficulty, as defined under Union State aid rules; (vi) investment in airport infrastructure unless related to environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact.

In order to accelerate the development of transport infrastructure across the Union, the Cohesion Fund should support transport infrastructure projects of European added value provided for in [Regulation \(EU\) No 1316/2013 establishing the Connecting Europe Facility](#) for a total amount of **EUR 10 000 000 000**.

The Cohesion Fund shall support the following investment priorities:

Supporting the shift towards a low-carbon economy in all sectors by: (i) promoting the production and distribution of energy derived from renewable sources; (ii) supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector; (iii) developing and implementing smart distribution systems that operate at low and medium voltage levels; (iv) promoting low-carbon strategies for all types of territories, in particular for urban areas; (v) promoting the use of high-efficiency co-generation of heat and power based on useful heat demand.

Promoting climate change adaptation, risk prevention and management by supporting investment for adaptation to climate change, including ecosystem-based approaches and addressing specific risks, ensuring disaster resilience and developing disaster management systems.

Preserving and protecting the environment and promoting resource efficiency by: (i) investing in the waste and water sector; (ii) protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure; (iii) improving the urban environment, to revitalise cities, regenerate and decontaminate brownfield sites; (iv) promoting noise-reduction measures.

Promoting sustainable transport and removing bottlenecks in key network infrastructures by: (i) supporting a multimodal Single European Transport Area; (ii) developing and improving environmentally-friendly (including low-noise) and low-carbon transport; (iii) developing and rehabilitating comprehensive, high quality and interoperable railway systems, and promoting noise-reduction measures.

Enhancing institutional capacity of public authorities and stakeholders and efficient public administration through actions to strengthen the institutional capacity and the efficiency of public administrations and public services related to the implementation of the Cohesion Fund.

Results-based approach: the Regulation lays down, in an annex, a series of **common output indicators** in order to make adjustments, where justified to ensure effective assessment of progress in operational programme implementation.

ENTRY INTO FORCE: 21.12.2013.

DELEGATED ACTS: the Commission may adopt delegated acts in respect of the amendment of the list of common output indicators set out in Annex I to this Regulation. The power to adopt delegated acts shall be conferred on the Commission **from 21 December 2013 to 31 December 2020**. The European Parliament or the Council may object to a delegated act within a period of two months from the date of notification (this period can be extended for two months). If the European Parliament or the Council make objections, the delegated act will not enter into force.

Cohesion Fund 2014-2020

2011/0274(COD) - 24/04/2012

The Council reached agreement on a **partial general approach** concerning the EU cohesion policy for the 2014-2020 period.

The Council's partial general approach is aimed at strengthening results orientation and improving the quality of cohesion spending. It also seeks to contribute to the integration of cohesion policy in the economic governance of the EU.

The partial general approach does not prejudice the outcome of negotiations on other elements of cohesion policy or on the EU's multiannual financial framework (MFF) for 2014-2020 or the Financial Regulation.

(1) The Council's compromise text: this covers some of the more technical features of the future cohesion policy. Work on the more political elements will continue. Some of these are dealt with in the negotiations on the MFF.

More concretely, the partial general approach includes the following elements:

Programming: common programming rules are envisaged for the five funds covered by a common strategic framework, namely: (i) the European Regional Development Fund (ERDF); (ii) the European Social Fund (ESF); (iii) the Cohesion Fund (CF); (iv) the European Agricultural Fund for Rural Development (EAFRD); (v) the European Maritime and Fisheries Fund (EMFF).

Each programme has to specify how it contributes to the EU's 2020 strategy for jobs and growth. The question as to whether the link between the EU strategy for jobs and growth on one hand and cohesion policy on the other should be assured through country-specific recommendations or national reform programmes has been left open. The Council will come back to it in June.

Ex ante conditionality: certain conditions must be met before funding may start. It is aimed at improving cohesion policy performance.

Management and control: the partial general approach provides for specific rules for the management and control of funds disbursed.

Monitoring and evaluation: this part of the partial general approach makes sure that the implementation of the cohesion policy programmes is duly monitored and evaluated.

Eligibility: the financing of already completed projects, which is possible under the current rules, would be excluded under the partial general approach.

Major projects: the Council's compromise text would facilitate the deployment of "upstream" quality reviews by independent experts of major projects. This is considered to be more effective than the existing approvals "downstream" by the Commission.

Further discussions will be held at Council level in the coming months. The new cohesion policy rules are closely linked to the MFF negotiations. They are only expected to be adopted by the European Parliament and the Council once an agreement on the MFF has been reached.

(2) Multiannual financial framework 2014-2020: the Council discussed, in public session, for the first time on the basis of the negotiating box, certain areas of the multiannual financial framework (MFF) including cohesion policy and the provisions relating to the five funds belonging to these policy fields.

During the debate, a number of delegations voiced concerns about the **proposed overall level of expenditure** in times of fiscal consolidation and asked for cuts to be made in all headings.

Cohesion policy: some Member States considered the proposed amount for cohesion policy as a minimum, whereas others viewed the amount proposed for the common agricultural policy as a minimum.

Several Member States expressed concerns relating either to the new category of transition regions or to its scope. A number of delegations opposed the proposed level of capping, limiting the level of transfer to each Member State to a certain percentage of its gross domestic product. Some Member States objected to the so-called reversed safety net, which would limit the scope of support to a certain percentage as compared to its level during the 2007-2013 period. Some Member States argued for co-financing rates of 85% for less developed regions, whereas others pleaded for reducing the rates.

The rules governing the five funds under the common strategic framework: some Member States stressed the importance of macro-economic conditionality. Others were sceptical about it, unless it was extended to other types of expenditure.

The General Affairs Council of 29 May will hold a first discussion on a comprehensive version of the negotiating box covering all elements of the MFF negotiating package.

Ministers for European Affairs will continue their work on the MFF at an informal meeting in Horsens (Denmark) on 10 and 11 June.

The European Council will discuss the MFF for the first time on 28 and 29 June.

Cohesion Fund 2014-2020

2011/0274(COD) - 26/06/2012

The Council agreed a **second partial general approach** on the new rules for EU cohesion policy for the 2014-2020 period.

The partial general approach agreed **complements** the partial general approach on six rather technical elements (programming; ex ante conditionality; management and control; monitoring and evaluation; eligibility; major projects) agreed on 24 April 2012. **Care has been taken to ensure that the partial general approach does not prejudge the outcome of negotiations on other elements of cohesion policy or on the EU's multiannual financial framework (MFF) for 2014-2020 or the financial regulation.** It may therefore be subject to change as a result of these other negotiations.

The partial general approach agreed today covers the **four following thematic blocks:**

1. **Thematic concentration** : the funds are concentrated on a limited number of thematic objectives, reflecting the 2020 priorities of the EU and taking into account the level of development of the different regions. Minimum shares of cohesion policy expenditure are set for employment, social inclusion and education.
2. **Financial instruments** : the five funds covered by a **common strategic framework** (CSF) (European Regional Development Fund (ERDF), European Social Fund (ESF), **Cohesion Fund** (CF), European Agricultural Fund for Rural Development (EAFRD) and European Maritime and Fisheries Fund (EMFF)) may be used to support financial instruments such as loans, guarantees, equity investments or other risk-sharing instruments as long as these instruments address specific market needs.

3. **Net revenue generating operations and public-private partnerships** : this part of the partial general approach applies to operations which generate net revenue after their completion such as the construction of infrastructure (e.g. roads) for the use of which charges are levied. The Council agreed to reduce the eligible expenditure of a project to be co-financed by the EU by taking into account the project's potential to generate net revenue. The partial general approach also includes provisions on the use of the five funds covered by the CSF to support operations implemented within a public-private partnership.
4. **Performance framework** : this includes provisions setting out the rules on the possibility of suspension and cancellation of funds in the event of serious underachievement of certain targets.

As regards whether the **link between the EU strategy for jobs and growth and the cohesion policy** should be ensured via country-specific recommendations or national reform programmes, the Danish presidency decided to await clarification on the macroeconomic conditionality within the discussion on the multiannual financial framework (MFF) 2014-2020.

Further discussions will be held at Council level in the coming months under the Cypriot Presidency with a view to reaching **another partial general approach**. The new cohesion policy rules are closely linked to the MFF negotiations; they are only expected to be adopted by the European Parliament and the Council once an agreement on the MFF has been reached.