Basic information

2013/0156(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Structural Funds and Cohesion Fund: extension of increased co-financing for Member States experiencing or threatened with serious difficulties with respect to their financial stability, to decommitment rules for certain Member States, and to rules on payments of final balance Amending Regulation (EC) No 1083/2006 2004/0163(AVC) **Subject** 4.10.15 European Social Fund (ESF), Fund for European Aid to the Most Deprived (FEAD) 4.70.02 Cohesion policy, Cohesion Fund (CF) 4.70.07 European Regional Development Fund (ERDF) 5.10.01 Convergence of economic policies, public deficit, interest rates 8.70.03 Budgetary control and discharge, implementation of the budget	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
REGI Regional Development	VLASÁK Oldřich (ECR)	30/05/2013
	Shadow rapporteur DEUTSCH Tamás (PPE) BOŞTINARU Victor (S&D) SILAGHI Ovidiu Ioan (ALDE) CHRYSOGELOS Nikos (Verts/ALE)	

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	GARDIAZABAL RUBIAL Eider (S&D)	10/06/2013
CONT Budgetary Control	The committee decided not to give an opinion.	
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	

TRAN	Transport and Tourism	The committee decided not to give an opinion.	
PECH	Fisheries	The committee decided not to give an opinion.	
FEMM	Women's Rights and Gender Equality	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Transport, Telecommunications and Energy	3278	2013-12-05

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	-- --
Regional and Urban Policy	-- --

European Economic and Social Committee

European Committee of the Regions

Key events

Date	Event	Reference	Summary
21/05/2013	Legislative proposal published	COM(2013)0301	Summary
10/06/2013	Committee referral announced in Parliament, 1st reading		
24/09/2013	Vote in committee, 1st reading		
01/10/2013	Committee report tabled for plenary, 1st reading	A7-0312/2013	Summary
20/11/2013	Decision by Parliament, 1st reading	T7-0495/2013	Summary
20/11/2013	Results of vote in Parliament		
05/12/2013	Act adopted by Council after Parliament's 1st reading		
11/12/2013	Final act signed		
11/12/2013	End of procedure in Parliament		
20/12/2013	Final act published in Official Journal		

Technical information

Procedure reference	2013/0156(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)

Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation (EC) No 1083/2006 2004/0163(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/7/12815

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE514.735	27/06/2013	
Amendments tabled in committee		PE516.692	17/07/2013	
Committee opinion	BUDG	PE516.594	18/09/2013	
Committee report tabled for plenary, 1st reading/single reading		A7-0312/2013	01/10/2013	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0495/2013	20/11/2013	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00101/2013/LEX	11/12/2013	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2013)0301	21/05/2013	Summary
Commission response to text adopted in plenary	SP(2014)87	30/01/2014	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	ES_PARLIAMENT	COM(2013)0301	06/07/2013	
Contribution	PT_PARLIAMENT	COM(2013)0301	09/07/2013	
Contribution	CZ_SENATE	COM(2013)0301	17/09/2013	
Contribution	IT_SENATE	COM(2013)0301	21/12/2013	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES5122/2013	19/09/2013	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Regulation 2013/1297
OJ L 347 20.12.2013, p. 0253 Summary

Structural Funds and Cohesion Fund: extension of increased co-financing for Member States experiencing or threatened with serious difficulties with respect to their financial stability, to decommitment rules for certain Member States, and to rules on payments of final balance

2013/0156(COD) - 21/05/2013 - Legislative proposal

PURPOSE: to amend Council Regulation (EC) No 1083/2006 as regards certain provisions relating to financial management for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability and to the decommitment rules for certain Member States.

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: in the current situation of sustained financial and economic crisis, ensuring a **smooth implementation of cohesion policy programmes is of particular importance for investment in growth and jobs**.

This is particularly the case for those Member States which have been most affected by the crisis and have received financial assistance under an adjustment programme. To date, seven countries (Cyprus, Hungary, Romania, Latvia, Portugal, Greece and Ireland) have received financial assistance and have agreed a macro-economic adjustment programme with the Commission.

To ensure that these Member States continue to implement cohesion policy programmes on the ground, it is necessary to ensure that the **Commission is able to make increased payments to these countries** for the period they are under the support mechanisms, without modifying their overall allocation under cohesion policy for the period 2007-2013.

Moreover, the European Council, on 8 February 2013, invited the Commission to explore practical solutions to **reduce the risk of automatic decommitment of funds from the 2007-2013 envelopes for Romania and Slovakia**. Having examined various solutions to reduce the risk of automatic decommitment, it became clear that the risk cannot be substantially reduced without an amendment of the General Regulation. Therefore, to implement the agreement reflected in the European Council Conclusions, and to facilitate the absorption of the 2007-2013 funds for Romania and Slovakia, it is necessary to extend the decommitment deadline for these two Member States.

IMPACT ASSESSMENT: the proposal:

- would allow the Commission to top up payments to programme countries until the end of the 2007-2013 period by an amount calculated by applying ten percentage point top-up to the co-financing rates applicable to the priority axes of the programmes to the newly certified expenditure submitted during the period in question until the ceiling for payments is reached;
- would allow Romania and Slovakia to submit expenditure claims up to the end of 2014, rather that up to the end of 2013, for the 2011 commitment and up to closure, rather than up to the end of 2014, for the 2012 commitment. This would reduce the risk of automatic decommitment of the 2011 and 2012 commitments.

The total financial allocation for the period from the Funds to the countries and the programmes in question will not change.

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

CONTENT: the proposal seeks to amend Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund (General Regulation) with a view to:

- allowing the Commission to continue, until the end of the 2007-2013 period, to reimburse the newly declared expenditure by an increased amount calculated by applying a 10 percentage-point top-up of the applicable co-financing rates for the priority axis. The co-financing rate of the programme **cannot exceed by more than 10 percentage points** the maximum ceilings of Annex III of the General Regulation;
- allowing a one**-year extension of the automatic decommitment period** of the 2011 and 2012 commitments for Romania and Slovakia.

BUDGETARY IMPACT: there is no impact on commitment appropriations since no modification is proposed to the maximum amounts of Structural Funds and Cohesion Fund financing provided for in the operational programmes for the 2007-2013 programming period. For payment appropriations, the proposal relating to the top-up is budget neutral.

The budgetary impact of the proposal to extend the automatic de-commitment by one year for Romania and Slovakia does not change the total amount of commitment appropriations. However, it could have a net positive impact on total payment appropriations in future years linked to the reduced decommitment risk.

Structural Funds and Cohesion Fund: extension of increased co-financing for Member States experiencing or threatened with serious difficulties with respect to their financial stability, to decommitment rules for certain Member States, and to rules on payments of final balance

2013/0156(COD) - 01/10/2013 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Regional Development adopted the report by Oldřich VLASÁK (ECR, CZ) on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1083/2006 as regards certain provisions relating to financial management for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability and to the decommitment rules for certain Member States.

The committee recommended that the European Parliament’s position adopted at first reading, under the ordinary legislative procedure, should amend the Commission proposal.

In order to avoid large programme amendments at the end of the programming period and to allow for efficient absorption of funds, the committee proposed that the Union contribution, through payments of the **final balance**, should not deviate, at priority level, by more than **10%** of the maximum amount of assistance from the Funds as stated in the financing plan of the latest decision approved by the Commission. The maximum amount of assistance at programme level shall not be affected by a deviation at priority level.

Structural Funds and Cohesion Fund: extension of increased co-financing for Member States experiencing or threatened with serious difficulties with respect to their financial stability, to decommitment rules for certain Member States, and to rules on payments of final balance

2013/0156(COD) - 20/11/2013 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 580 votes to 36, with 67 abstentions, legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1083/2006 as regards certain provisions relating to financial management for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability and to the decommitment rules for certain Member States.

The European Parliament adopted its position at first reading, under the ordinary legislative procedure. The amendments adopted in plenary are the result of a compromise negotiated between the European Parliament and the Council.

The amended Regulation stipulates that, by way of derogation and from the ceilings set out in Annex III, **interim payments and payments of the final balance** shall be increased by an amount corresponding to **10 percentage points above the co-financing rate applicable to each priority axis**, but not exceeding 100 %, to be applied to the amount of eligible expenditure newly declared in each certified statement of expenditure submitted until the end of the programming period, where, after the date of entry into force a Member State meets one of the following conditions:

- financial assistance is made available to it in accordance with Council Regulation (EU) No 407/2010 or financial assistance is made available to it by other euro area Member States before the entry into force of that Regulation;
- medium-term financial assistance is made available to it in accordance with Council Regulation (EC) No 332/2002;
- financial assistance is made available to it in accordance with the Treaty establishing the European Stability Mechanism following its entry into force.

Structural Funds and Cohesion Fund: extension of increased co-financing for Member States experiencing or threatened with serious difficulties with respect to their financial stability, to decommitment rules for certain Member States, and to rules on payments of final balance

2013/0156(COD) - 11/12/2013 - Final act

PURPOSE: to facilitate financing under the EU's cohesion policy for 2007-2013 in order to counter the financial crisis.

LEGISLATIVE ACT: Regulation (EU) n° 1297/2013 of the European Parliament and of the Council amending Council Regulation (EC) No 1083/2006 as regards certain provisions relating to financial management for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability, to the de-commitment rules for certain Member States, and to the rules on payments of the final balance.

CONTENT: the Regulation responds to the need to **take urgent additional measures** to alleviate the pressure on national financial resources through the maximal and optimal use of the funding from the Structural Funds and the Cohesion Fund

To ensure that the Member States hardest hit by the crisis continue to implement cohesion policy programmes on the ground, the Regulation aims to allow the Commission to make increased payments to these countries for the period they are under the support mechanisms, without modifying their overall allocation under cohesion policy for the period 2007-2013.

The new Regulation provides for the following two key measures:

Payments made under the European regional development fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund: the Regulation provides that interim payments and payments of the final balance shall be **increased by an amount corresponding to 10 percentage points** above the co-financing rate applicable to each priority axis, but not exceeding 100 %. These increased co-financing rates will be available to the countries under financial assistance at the moment of the entry into force of the regulation, i.e. Cyprus, Greece, Ireland and Portugal, and will apply until 31 December 2015.

Romania and Slovakia: in order to improve the absorption of funds, these two Member States will have an additional year to use the commitments made in 2011 and 2012, meaning that these commitments can now be used **until the end of 2014 and 2015** respectively (rather than until the end of 2013 and 2014). This measure responds to a request from the European Council of 8 February 2013 to seek a solution that would reduce the risk of automatic de-commitment of funds from the 2007-2013 national envelopes of Romania and Slovakia, which are affected by the 110% cap on any increase of their cohesion allocation for 2014-2020 compared to 2007-2013.

ENTRY INTO FORCE: 20/12/2013.