III

(Preparatory acts)

EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

492ND PLENARY SESSION HELD ON 18 AND 19 SEPTEMBER 2013

Opinion of the European Economic and Social Committee 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'

COM(2013) 301 final — 2013/0156 (COD)

(2013/C 341/06)

Rapporteur-General: **Mr PÁLENÍK**

On 6 June and 10 June 2013 respectively, the Council and the European Parliament decided to consult the European Economic and Social Committee, under Articles 177 and 304 of the Treaty on the Functioning of the European Union, 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

COM(2013) 301 final — 2013/0156 (COD).

On 9 July 2013 the Committee Bureau instructed the Section for Economic and Monetary Union and Economic and Social Cohesion to prepare the Committee's work on the subject.

Given the urgent nature of the work, the European Economic and Social Committee decided to appoint Mr Páleník as Rapporteur-General at its 492nd plenary session, held on 18/19 September 2013 (meeting of 19 September), and adopted the following opinion by 135 votes to 0 with 2 abstentions.

1. **Conclusion and recommendations**

1.1 The European Economic and Social Committee (EESC) takes note of the Commission's proposal amending Regulation (EC) No 1083/2006, which aims to increase payments by putting up the co-financing rate for the priority axis for Member States affected by the crisis and in receipt of financial aid from the European Financial Stabilisation Mechanism (EFSM) or Balance of Payments mechanism by ten percentage points for the period in question. However, the total funds allocated under EU cohesion policy for the 2007-13 programming period are not being increased, but effectiveness is maintained through co-financing.

1.2 The EESC notes the Commission's proposal to amend Regulation (EC) 1083/2006 such that Romania and Slovakia can submit applications for payment by the end of 2014 rather than by the end of 2013 (for funds committed in 2011) and by the end of the programme rather than by the end of 2014 (for funds committed in 2012), whilst not increasing the total funds allocated under EU cohesion policy for the programming period 2007-13. This reduces the danger of automatic decommitment of funds for the years 2011 and 2012.

1.3 The EESC, in line with its previous opinions, supports this proposal provided that consistency and efficacy in the use of budgetary resources are preserved.

2. **Explanatory statement**

2.1 Under the Commission proposal, lower contributions to projects co-financed under EU cohesion policy would be required from seven Member States that come under the EFSM or the Balance of Payments mechanism. This would mean that Member States would not have to look for the necessary funding exclusively from their own resources. At a time when state budgets are under heavy strain, this would make a significant contribution to putting their crisis-hit economies back on the path to growth. Co-financing enhances the efficacy of aid. Less co-financing brings with it the risk of making the aid less effective. However, this risk should be mitigated to the greatest possible extent with all available resources. The EESC agrees with the Commission proposal, which is in line with its earlier opinions (1).

2.2 This extension of the deadline for submitting applications for payment until the end of 2014 gives Slovakia and Romania extra room for manoeuvre so that they can better implement projects that are co-financed under EU cohesion policy. The extension of the deadline for automatic decommitment is also proportionate in that it is restricted to those Member States whose funds allocated during the period 2014-2020 were capped at a certain level by agreement of the European Council. The extension of the deadline for decommitment is based on a suggestion from the European Council, which, in its conclusions of 8 February 2013, invited the Commission to explore practical solutions to reduce the risk of automatic de-commitment of funds from the 2007-2013 national envelope in the case of Romania and Slovakia, possibly also via the amendment of Regulation (EC) 1083/2006.

2.3 The EESC also takes the view that it is important to boost prosperity and competitiveness in those Member States worst affected by the crisis and therefore supports this proposal.

2.4 The EESC agrees that the total budget appropriations from the funds to the affected countries and programmes will remain unchanged in the specified period.

Brussels, 19 September 2013.

The President
of the European Economic and Social Committee
Henri MALOSSE

(1) OJ C 24, 28.1.2012, p. 81; OJ C 24, 28.1.2012, p. 83; OJ C 24, 28.1.2012, p. 84.