



EUROPEAN COMMISSION

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Dear President,

The Commission would like to thank the Narodno Sabranie for its Opinion on the European Union cohesion policy legislative package for the period 2014-2020 {COM(2011) 615_614_612_611_10 final} and apologises for the delay in replying to it.

The Commission shares the view of the Narodno Sabranie regarding conditionalities and more specifically macroeconomic conditionality as these elements represent a new way forward for cohesion policy. A close link between cohesion policy and the economic governance of the Union ensures that the effectiveness of expenditure under the CSF Funds is underpinned by sound economic policies. It also means that the Common Strategic Framework (CSF) Funds can, if necessary, be redirected to address the economic problems a country is facing. In the Commission's view, macroeconomic conditionality is designed in full respect of the principles of subsidiarity and proportionality, as this process has to be gradual, starting with amendments to the Partnership Contract and to the programmes to support Council recommendations to address macroeconomic imbalances and social and economic difficulties.

The Commission acknowledges the concerns of the Narodno Sabranie regarding the degree of flexibility for achieving the milestones set out in the Partnership Contracts. The changes in the economic environment that have taken place in the past years have made it clear that some flexibility is required in this respect. Where socio-economic conditions change significantly, the operational programmes and Partnership Contracts, including milestones and targets can be modified to accommodate these changes, in duly justified circumstances.

The Commission also takes note of the views of the Narodno Sabranie regarding the system of simplified costs rates and financial management. The preparation of the proposals on these aspects of future cohesion policy has been guided by the aim to maximise simplification and streamlining of the policy, while at the same time maintaining adherence to the budgetary principles and principles of cohesion policy including regularity, legality, sound financial management and co-financing.

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The Opinion of the Narodno Sabranie feeds into the work of the Commission, European Parliament and Council in preparing the next cohesion policy regulatory framework for the period post-2013.

I hope that these explanations address the issues raised in your Opinion and I look forward to continuing the political dialogue with the Narodno Sabranie on this important subject.

Yours faithfully,

*Maroš Šefčovič
Vice-President*