EUROPEAN COMMISSION



Brussels, 14.4.2014 C(2014) 2547 final

Dear President,

The Commission would like to thank the Senato della Repubblica for its Opinion on the proposal 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}.

The Opinion recommends that the measures of the proposal should not be limited merely to meeting a negative need faced by certain Member States, but that these measures could also form part of a positive new partnership between the Commission and the Member States and that flexibility clauses should be agreed for all the Member States where appropriate.

The proposal was adopted by the European Parliament and the Council as Regulation (EU) No 1297/2013 on 11 December 2013 and amended Council Regulation (EC) No 1083/2006 with regard to the decommitment rules for the programming period 2007-2013.

The Commission would like to point out that in the agreed Regulation, the extension of the n+3 decommitment rule to other Member States was rejected by both the Council and the European Parliament. As explained in recital 8 of that Regulation, in its conclusions of 8 February 2013, the European Council invited the Commission to explore practical solutions with regard to reducing the risk of automatic decommitment only for Romania and Slovakia but for no other Member State. An extension to other Member States, without any request from the European Council, would not be in line with the conclusions' insistence on a strict approach to decommitment.

Regarding the increase in co-financing rates by 10% ("top-up"), Regulation (EU) No 1311/2011 and Regulation (EU) No 1297/2013, both amending Council Regulation (EC) No 1083/2006 for the programming period 2007-2013, and Article 24 of Regulation (EU) No 1303/2013 for the programming period 2014-2020 provide that an increased co-financing rate by 10% can only be provided for countries which face serious difficulties with respect to their financial stability and have requested that this measure be activated. The top-up has therefore an objective criterion for its application and is addressed to countries that face serious budgetary restrictions due to their commitment to an adjustment programme.

The close partnership between Commission and Member States has been underlined in the past by several amendments to the Council Regulation (EC) No 1083/2006 for the

Mr Pietro GRASSO President of the Senato della Repubblica Piazza Madama, 1 IT-00186 ROMA programming period 2007-2013 that all tried to counteract the current financial crisis and its socio-economic consequences, notably the simplification of the implementation rules for Cohesion Policy, an increased pre-financing (advance payments) to European Regional Development Fund (ERDF) and European Social Fund (ESF) programmes, the widening of eligibility rules or most recently the re-introduction of a 10 % flexibility for reallocations of amounts between priorities at closure. All these measures were intended to significantly simplify the implementation of the programmes and boosting the absorption of the funds, while reducing administrative burdens on beneficiaries.

The Commission hopes that these clarifications address the concerns raised by the Senato della Repubblica and looks forward to continuing the political dialogue in the future.

Yours faithfully,

Maroš Šefčovič Vice-President