EUROPEAN COMMISSION

Brussels, 6.9.2012
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Dear President,

The Commission would like to thank the Camera Deputatilor for its Opinion on the Proposal for a Regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006, {COM(2011) 615 final}.

The Commission apologises for the delay in replying. In the context of ongoing negotiations, the Commission takes careful note of the points and recommendations made by the Camera Deputatilor as regards the content of the proposal.

As regards the different issues raised in your Opinion, the Commission would like to provide the following clarifications.

The Commission takes note of the request of the Camera Deputatilor for further clarifications and guidance in the field of monitoring and evaluation, especially as regards the functions and the consultation procedure of the Monitoring Committee by the Management Authority. The Commission considers that the Monitoring Committee has the right to raise for discussion in a meeting any issue that affects the performance of the programme, and therefore to obtain information from the Management Authority on the issue. Furthermore, the Monitoring Committee has to be consulted and given the opportunity to express its opinion on the proposed amendments. The Member State can decide which form the opinion of the Monitoring Committee should take.

Mr. Valeriu Ştefan ZGONEA
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RO – BUCHAREST

The Commission understands the reservations regarding the introduction of the transition regions category but would like to reassure the Camera Deputatilor that, for the next financial period post-2013, the concentration of resources on the poorest regions is maintained. The aid intensity in the less developed regions (expressed in terms of EU support per capita per year) will increase in 2014-20 as compared to 2007-2013 (based on the Commission's proposal) despite the introduction of the category of transition regions. The objective of a new transition system covering regions with a GDP/head between 75% and 90% of EU average is to ensure a fair, balanced and politically acceptable cohesion budget. It ensures fairness in the financial treatment of regions, recognising the stage of economic development reached by each region. This is not the case in the present system based on two categories of regions (convergence and competitiveness) and two transitional regimes (phasing out and phasing in). This system is too rigid, creates a significant discontinuity in the level of support around the 75% threshold and treats regions with significantly different GDP levels under the competitiveness objective in a similar manner.

The Commission also takes careful note of the concerns raised by the Camera Deputatilor in relation to the macroeconomic conditionalities foreseen in Article 21(4) of the proposed regulation. Such conditionalities form an integral part of the Commission's proposal for the next multi-annual financial framework. The legal framework for the EU's various Funds (the Cohesion Fund, the Structural Funds, etc.), is laid down in regulations, applicable to the EU-27, based on the respective legal bases governing the policy area (e.g., Articles 43 (2), 164, 172, 177, 178 TFEU). Such regulations may contain provisions which set out conditionality rules providing for mechanisms of suspension and cancellation of EU funding. These rules must be necessary and proportionate for the achievement of the objective pursued by the policy in question, in compliance with the corresponding legal base.

The achievement of the growth and jobs related objectives of cohesion policy depends on sound fiscal and economic policies carried out by Member States. Past experience suggests that in their absence, investments funded by cohesion policy will not provide the expected impact. Hence, the compliance with economic and budgetary obligations and the achievement of cohesion policy's objectives are closely interlinked. This is the reason why the Commission has proposed to further align cohesion policy with the EU economic governance, making the policy more responsive to structural reform needs and emerging economic imbalances.

Regarding the definition and the specification of the territorial level of implementation for the 'integrated territorial investment', for the Commission, an integrated territorial investment (ITI) comprises integrated delivery arrangements for investments under more than one priority axis of one or several operational programmes. This means that funding from several priority axes and programmes can be bundled for an integrated investment strategy for a certain territory or functional area, for example for an integrated strategy for urban development in a city, in an urban area or neighbourhood, in a metropolitan region or city-region, but also for inter-municipal co-operations in urban-rural areas. Furthermore, and in response to the concerns of the Camera Deputatilor about the degree of flexibility of such an instrument, the Commission would like to emphasise that this initiative is optional for the Member States.

As regards the provision for infrastructure in the context of a Joint Action Plan, the Commission would like to point out that the use of Joint Action Plans is not permitted for projects comprising investment in infrastructure since the estimations of milestones, outputs and results under the joint action (which form the basis for reimbursement) are established through lump sums or standard scales of unit costs. It is very difficult to establish lump *sums or standard scales of unit costs for infrastructure given the dependence of individual projects on specific site and market specific conditions. This can lead to significant discrepancies between estimated costs and real costs.*

As regards the 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.

The Commission also takes note of the reservations expressed by the Camera Deputatilor in relation to the Code of Conduct and would like to underline that partnership is already enshrined in the legislative framework of Cohesion Policy and is one of the elements that contribute substantially to the policy effectiveness. The European code of conduct will set out objectives and criteria to support the implementation of the partnership principle and facilitate the sharing of information, experience, results and good practices among Member States. The purpose of this code is not to add new rules to the national approaches, but to ensure that the involvement of partners in key processes is guaranteed in all Member States and regions and conforms to certain minimum criteria, based on already existing good practices.

I look forward to continuing the political dialogue with the Camera Deputatilor on this very important subject.

Yours faithfully,

Maroš Šefčovič
Vice-President