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INFORMATION NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) No 1303/2013 as regards the resources for the specific allocation for the Youth Employment Initiative - Outcome of the European Parliament's first reading, (Strasbourg, 25 to 28 March 2019)

I. INTRODUCTION

The rapporteur, Iskra MIHAYLOVA (ALDE, BG), presented a report on the above-mentioned proposal on behalf of the Committee on Regional Development, aiming at taking over the Commission proposal.

II. VOTE

The Parliament adopted its first-reading position on 27 March 2019 by taking over the Commission proposal. This position is contained in its legislative resolution as set out in the Annex hereto.

On 6 March 2019, the Permanent Representatives Committee had approved the Commission's proposal without amendments. The Council should therefore be in a position to approve the European Parliament's position. The legislative act would then be adopted in the wording which corresponds to the Parliament's position.

Resources for the specific allocation for the Youth Employment Initiative *I**

European Parliament legislative resolution of 27 March 2019 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 as regards the resources for the specific allocation for the Youth Employment Initiative (COM(2019)0055 – C8-0041/2019 – 2019/0027(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2019)0055),
 - having regard to Article 294(2) and Article 177 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0041/2019),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 22 March 2019¹,
 - after consulting the Committee of the Regions,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Development and also the opinion of the Committee on Budgets (A8-0085/2019),
- A. Whereas for reasons of urgency it is justified to proceed to the vote before the expiry of the deadline of eight weeks laid down in Article 6 of Protocol No 2 on the application of the principles of subsidiarity and proportionality;
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ Not yet published in the Official Journal.

Position of the European Parliament adopted at first reading on 27 March 2019 with a view to the adoption of Regulation (EU) 2019/... of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 as regards the resources for the specific allocation for the Youth Employment Initiative

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 177 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee²,

After consulting the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure³,

² Opinion of 22 March 2019 (not yet published in the Official Journal)

³ Position of the European Parliament of 27 March 2019.

Whereas:

- (1) Regulation (EU) No 1303/2013 of the European Parliament and of the Council⁴ lays down the common and general rules applicable to the European Structural and Investment Funds.
- (2) The European Union's general budget for the financial year 2019⁵ amended the total amount of resources for the Youth Employment Initiative ('YEI') by increasing commitment appropriations for the specific allocation for the YEI in 2019 by EUR 116,7 million in current prices and increasing the total amount of commitment appropriations for the specific allocation for the YEI for the entire programming period to EUR 4 527 882 072 in current prices.
- (3) For 2019, the additional resources of EUR 99 573 877 in 2011 prices are funded by the Global Margin for Commitments within the margin of the multiannual financial framework for the years 2014-2020.
- (4) It is appropriate to provide for specific measures to facilitate the implementation of the YEI, due to the advanced stage of implementation of the operational programmes for the 2014-2020 programming period.

⁴ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 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 and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

⁵ OJ L 67, 7.3.2019, p. 1.

- (5) Given the urgency of amending the programmes which support the YEI in order to include the additional resources for the specific allocation for the YEI before the end of 2019, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*.
- (6) Regulation (EU) No 1303/2013 should therefore be amended accordingly,

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EU) No 1303/2013 is amended as follows:

(1) in Article 91, paragraph 1 is replaced by the following:

- ‘1. The resources for economic, social and territorial cohesion available for budgetary commitment for the period 2014 - 2020 shall be EUR 330 081 919 243 in 2011 prices, in accordance with the annual breakdown set out in Annex VI, of which EUR 325 938 694 233 represents the global resources allocated to the ERDF, the ESF and the Cohesion Fund, and EUR 4 143 225 010 represents a specific allocation for the YEI. For the purposes of programming and subsequent inclusion in the budget of the Union, the amount of resources for economic, social and territorial cohesion shall be indexed at 2 % per year.’;

(2) in Article 92, paragraph 5 is replaced by the following:

- ‘5. Resources for the YEI shall amount to EUR 4 143 225 010 from the specific allocation for the YEI, of which EUR 99 573 877 constitutes the additional resources for 2019. Those resources shall be complemented by ESF targeted investment in accordance with Article 22 of the ESF Regulation.

Member States who benefit from the additional resources for the specific allocation for the YEI for 2019 as referred to in the first subparagraph may request the transfer of up to 50 % of the additional resources for the specific allocation for the YEI to the ESF in order to constitute the corresponding ESF targeted investment as required by Article 22 of the ESF Regulation. Such a transfer shall be made to the respective categories of region corresponding to the categorisation of the regions eligible for the increase of the specific allocation for the YEI. Member States shall request the transfer in the request for amendment of the programme in accordance with Article 30(1) of this Regulation. Resources allocated to past years may not be transferred.

The second subparagraph of this paragraph shall apply to any additional resources for specific allocation for the YEI increasing the resources to above EUR 4 043 651 133.’;

(3) Annex VI is replaced by the text set out in the Annex to this Regulation.

Article 2

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at,

For the European Parliament

For the Council

The President

The President

ANNEX

‘ANNEX VI

ANNUAL BREAKDOWN OF COMMITMENT APPROPRIATIONS FOR THE YEARS 2014 TO 2020

Adjusted annual profile (including the YEI top-up)

	2014	2015	2016	2017
EUR, 2011 prices	34 108 069 924	55 725 174 682	46 044 910 736	48 027 317 164

	2018	2019	2020	Total
EUR, 2011 prices	48 341 984 652	48 811 933 191	49 022 528 894	330 081 919 243