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'I' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee (Part 2)
No. Cion doc.:	COM(2020) 206 final - 8275/20 + ADD 1
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 - Mandate for negotiations with the European Parliament

I. INTRODUCTION

1. On 25 May 2020, the Commission transmitted to the Council 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 (doc. 8275/20 + ADD 1).

2. The objective of the proposal is to adapt the amount of resources available for economic, social and territorial cohesion set out in Article 91(1) of Regulation (EU) No 1303/2013 and the amount of resources for the specific allocation for the Youth Employment Initiative ('YEI') set out in Article 92(5) of that Regulation and the annual breakdown of commitment appropriations reflected in Annex VI of that Regulation. More specifically, in line with the adopted budget for 2020, commitment appropriations for the specific allocation for the YEI for 2020 should be increased by an amount of EUR 28 333 334 in current prices, bringing the overall amount for 2020 up to EUR 145 million.

3. In addition, the proposal clarifies that the relevant provisions that were introduced in order to facilitate programming of additional YEI resources in 2019, will apply as well to the additional YEI resources in 2020.

II. PRESIDENCY COMPROMISE PROPOSAL

4. The Working Party on Structural Measures examined the Commission proposal at its meeting on 9 June 2020. Delegations gave support to the proposal, including preference for a speedy adoption of the legal act.

5. The Working Party did not object to the Presidency's approach of proceeding to not modify the Commission's proposal, as set out in the Annex to this note.

III. SUBMISSION TO COREPER

6. On that basis, the Permanent Representatives Committee is invited to:

   - confirm the agreement reached concerning 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, as set out in the Annex to this note;

- authorise the Presidency to send a letter to the Chair of the European Parliament's Committee on Regional Development confirming that, should the European Parliament adopt its position at first reading, in accordance with Article 294 paragraph 3 of the Treaty, in the form set out in the compromise text contained in the Annex (subject to revision by the legal linguists of both institutions), the Council would, in accordance with Article 294, paragraph 4 of the Treaty, approve the European Parliament's position and the act shall be adopted in the wording which corresponds to the European Parliament's position.

ANNEX

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

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 Committee[1],

Having regard to the opinion of the Committee of the Regions[2],

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) Regulation (EU) No 1303/2013 of the European Parliament and of the Council[3] lays down the common and general rules applicable to the European Structural and Investment Funds.

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1 OJ C […], […], p. […].

2 OJ C […], […], p. […].

3 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).

(2) The general budget of the Union for the financial year 2020[4] amended the total amount of resources for the Youth Employment Initiative ('YEI') by increasing commitment appropriations for the specific allocation for the YEI in 2020 by an amount of EUR 28 333 334 in current prices and bringing the total amount of commitment appropriations for the specific allocation for the YEI for the entire programming period to EUR 4 556 215 406 in current prices.

(3) For 2020, the additional resources of EUR 23.7 million 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) As it is urgent to amend the programmes supporting the YEI to include the additional resources for the specific allocation for the YEI before the end of 2020, this Regulation should enter into force on the day following that of its publication in the Official Journal of the European Union.

(5) 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 330 105 627 309 in 2011 prices, in accordance with the annual breakdown set out in Annex VI, of which EUR 325 938 694 233 represent the global resources allocated to the ERDF, the ESF and the Cohesion Fund and EUR 4 166 933 076 represent 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 4 166 933 076**,** of which EUR 23.7 million constitute the additional resources for 2020. They shall be complemented by ESF targeted investment in accordance with Article 22 of Regulation (EU) No 1304/2013.

[4] OJ C […], […], p. […].

Member States who benefit from the additional resources for the specific allocation for the YEI may request the transfer of up to 50% of the additional resources for the specific allocation for the YEI to the ESF to constitute the corresponding ESF targeted investment as required by Article 22(1) of Regulation (EU) No 1304/2013. 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 shall apply to any additional resources for the specific allocation for the YEI allocated in 2019 and 2020.".

(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 Brussels,

For the European Parliament	*For the Council*
The President	*The President*

"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"

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