

Summarised report

REPORT 7/2015 BY THE JOINT COMMITTEE FOR EU AFFAIRS, DATED 8 OCTOBER 2015, ON THE COMPLIANCE WITH THE PRINCIPLE OF SUBSIDIARITY BY THE PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING REGULATION (EU) No 1303/2013 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 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 AS REGARDS SPECIFIC MEASURES FOR GREECE [COM (2015) 365 FINAL] [2015/0160 (COD)]

BACKGROUND

- A.** The legal basis for this report is to be found in articles 3 j), 5 and 6 of Act 8/1994 (amended by Act 24/2009), developing in Spain the Protocol on the Application of the Principles of Subsidiarity and Proportionality attached to the Lisbon Treaty.
- B.** The deadline for national parliaments to verify the subsidiarity check of this Proposal is October 19, 2015.
- C.** The Joint Committee for EU Affairs requested a report to the Government and MP Mr. José López Garrido has been appointed as rapporteur for the subsidiarity report on this initiative.
- D.** The Government states in its report that this Proposal complies with the subsidiarity principle.
- E.** The Joint Committee for EU Affairs, in its meeting held on October 8, 2015, adopted the following:

REPORT

- 1.** Articles 5 (1) and 5 (3) of the TEU describe the principles of subsidiarity and proportionality.
- 2.** The legislative Proposal under consideration is based on article 177 of the Treaty on the Functioning of the European Union.
- 3.** In the framework of the Greek crisis, many circumstances led Greek economy to the brink of default. All throughout this period, the EU has shown its support to Greece and the Greek people, being indeed EU funds the main foreign direct investment source in

Greece. After an enormous effort devoted to the modernization and reform of the country, Greece resumed its economic development with a real GDP growth of 0, 8%. This economic boost, together with the renewed trust in recovery, led to an increase of investment for the first time since 2008, and this was so until political and economic uncertainty reigned again.

4. If EU funds are used adequately, they will no doubt contribute to recovery and they may act as a strong basis for economic regeneration. In the current situation, it is not obvious that this shall be the case in Greece. If Greek authorities do not use up before the end of 2015 the total amount of EU funds still available under the 2007-2013 financing period, the said unused funds would be lost and initiated but uncompleted projects would require, as from 2016, supplementary national funds. Moreover, for Greece to benefit from EU financing, it is likewise essential that all basic legal requirements are met, hence the “ad hoc” regulatory amendment proposed to make it possible.

5. Therefore, and as an exceptional measure, the Commission proposes the amendment, exclusively as regards Greece, of Regulation (EU) No 1303/2013 of the European Parliament and of the Council, in the following aspects:

- a) Increase the level of initial pre-financing of the funding available for 2014-2020 paying an additional amount of 3, 5% with a view to providing immediate boost to investment.
- b) Greece shall repay to the Commission the total amount of the additional initial pre-financing if by 31 December 2016 it is not covered by payment applications.
- c) Allow for the ceiling for the cumulative total of pre-financing and interim payments to be 100% and to increase the co-financing rate for 2007-2013 operational programmes for the Convergence and the Regional competitiveness and employment objectives in Greece to 100%.

6. Although the Proposal does not imply any changes from a budgetary perspective, it is indicated that the Proposal may cause a “delayed payment of the structural funds which may affect future payments expected in Spain”. However, the Government, for the sake of solidarity among EU Member States, does not object it, nor does this report.

7. It is therefore concluded that the goals of the pursued action can only be achieved at European level and therefore it complies with the subsidiarity principle.

CONCLUSION

For the aforementioned reasons, the Joint Committee for EU Affairs considers that this proposal complies with the principles of subsidiarity and proportionality laid down in the Treaty on the European Union in force.