

ECON-VI/011

#### 117th plenary session, 7 and 8 April 2016

#### **OPINION**

#### Structural Reform Support Programme for the period 2017 to 2020

#### THE EUROPEAN COMMITTEE OF THE REGIONS

- agrees with the principle underlying this support programme, which aims to provide on a voluntary basis and upon request technical assistance with regard to structural reforms in Member States, and which should be used in policy areas that fall under the competences shared between the European Union and the Member States;
- considers that the main objective of the support programme should be to improve administrative capacity at national, regional and local levels of government in requesting Member States; believes that implementation of the programme should be based on a single strategic Union document to improve the institutional and administrative capacity of public authorities at all levels of government; this document would enable effective coordination with existing technical assistance programmes at EU and beneficiary Member State level;
- stresses that, in view of the division of powers and responsibilities applying in each Member
   State and the country-specific recommendations often addressed to local and regional
   authorities, the programme must be open to local and regional authorities;
- points out that a high level of ownership of the structural reforms on the ground by the relevant local and regional authorities, social partners and civil society players is essential for the programme to be successful and for it to help to raise confidence and promote cooperation between the requesting Member State, the Commission and the other Member States;
- stresses that the programme should be considered to be a pilot programme; recommends that it
  be evaluated in good time, in order to decide whether it would be beneficial to make it
  permanent, and, if so, whether establishing a fund of own resources to support structural
  reforms is necessary, feasible and desirable;
  - stresses that financing the programme through the transfer of funds allocated to technical assistance under the European Structural and Investment Funds can only be a temporary solution; furthermore, is opposed to these funding arrangements paving the way for subordinating cohesion policy to the "European Semester" exercise since cohesion policy has its own legitimacy, enshrined in the European Treaties.

# Rapporteur Olga Zrihen (BE/PES), Member of the Walloon Parliament Reference document Proposal for a Regulation of the European Parliament and of the Council on the establishment of the Structural Reform Support Programme for the period 2017 to 2020 and amending Regulations (EU) No 1303/2013 and (EU) No 1305/2013 COM(2015) 701 final

#### Opinion of the European Committee of the Regions – Structural Reform Support Programme for the period 2017 to 2020

#### I. RECOMMENDATIONS FOR AMENDMENTS

#### **Amendment 1**

Recital 4

# Reforms are by their very nature complex processes that require a complete chain of highly-specialised knowledge and skills. Addressing structural reforms in a variety of public policy areas is challenging since their benefits often take time to materialise. Therefore, early and efficient design and implementation is crucial, be it for crisis-struck or structurally-weak economies. In this context, the provision of support by the Union in the form of technical assistance has been crucial in supporting the economic adjustment of Greece and Cyprus in the last years.

Reforms are by their very nature complex processes that require political will, the ability to engage in dialogue and multi-level cooperation, budgetary and administrative resources, and a complete chain of highly-specialised knowledge and skills. Addressing structural reforms in a variety of public policy areas is challenging since their benefits often take time to materialise. Therefore, early and efficient design and implementation is crucial, be it for crisis-struck or structurally-weak economies. In this context, the provision of support by the Union in the form of technical assistance must take into account the lessons learned from the programmes that aimed to support the economic adjustment of Greece and Cyprus in the last years. Ownership of structural reforms on the ground, in particular through local and regional authorities and the social partners, is essential for the Programme to be

CoR amendment

#### Reason

successful.

Special Report No 19/2015 of the European Court of Auditors<sup>1</sup> on the technical assistance provided to Greece provides some useful lessons regarding possible improvements in terms of technical assistance intended to improve a beneficiary Member State's economic adjustment.

#### **Amendment 2**

Recital 5

Text proposed by the Commission	CoR amendment
Member States may benefit from support in	Member States may benefit from support in
addressing challenges as regards the design and	addressing challenges as regards the design and
implementation of structural reforms. These	implementation of structural reforms. These

http://www.eca.europa.eu/en/Pages/DocItem.aspx?did=35302

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challenges may be dependent on various factors, including limited administrative and institutional capacity or inadequate application and implementation of Union legislation.

challenges may be dependent on various factors, including limited administrative and institutional capacity *at different levels of government* or inadequate application and implementation of Union legislation.

#### Amendment 3

Recital 6

#### Text proposed by the Commission

The Union has a long-lasting experience on providing specific support national administrations and other authorities of Member States as regards capacity building and similar actions in certain sectors (e.g. taxation, customs, support to small and medium-sized enterprises) and relation the implementation of cohesion policy. The experience gained by the Union in assisting national authorities carrying out reforms should be used in order to enhance the capacity of the Union to provide support to Member States. Comprehensive and integrated action is indeed necessary in order to provide support to those Member States that are undertaking growthenhancing reforms and request assistance from the Union in this respect.

#### CoR amendment

The experience gained by the Union in assisting national and/or subnational authorities carrying out reforms related to capacity building in national administrations, local and regional authorities and other Member State authorities, and similar actions in certain sectors (e.g. taxation, customs, support to small- and medium-sized enterprises), should be used. Action to support those Member States that are undertaking reforms to enhance sustainable growth, social well-being, and the accessibility of healthcare and education, and that request assistance from the Union in this respect, might be necessary if these reforms are not already technical other eligible assistance programmes. These support measures will be based on an integrated approach, taking into account the links between the different areas of structural reforms, and the ability of all levels of government to work together as partners - while respecting each Member State's institutional framework and also involving all stakeholders.

#### **Amendment 4**

Recital 8

## Support under the Programme should be provided by the Commission upon request by a Member State, in areas such as *budget and taxation*, *public function*, *institutional and administrative reforms*, the justice system, anti-fraud, anti-

corruption and anti-money laundering, business

Text proposed by the Commission

#### CoR amendment

Support under the Programme should be provided by the Commission upon request by a Member State, in areas that fall under the competences shared between the Union and the Member States and that are not already targeted by a technical assistance programme, such as the

development, environment, private sector investment, competition, public procurement, privatization processes, access finance, investment, trade, sustainable development, innovation. education and training, labour policies, public health, asylum, migration policies, agriculture and rural development and financial sector policies.

administrative capacity of the public service, the justice system and the rule of law, taxation, antifraud, anti-corruption and anti-money laundering, business environment, private sector development, investment, competition, public procurement, privatisation or (re-)nationalisation or (re-)municipalisation processes, access to finance, investment. trade, development, sustainable innovation, education and training, labour policies, public health, and financial sector policies. Member States wishing to benefit from the Programme must bring local and regional authorities, as well as the social partners, civil society and other stakeholders, into the process of drawing up the application, based on the code of conduct on partnership in force with regard to cohesion policy.

#### Reason

It would be illogical for EU funds to finance technical assistance in areas that do not fall under the competences shared between the Union and the Member States. The partnership principle will guarantee the effectiveness of the technical assistance provided by the programme due to ownership on the ground.

#### **Amendment 5**

Recital 10

#### Text proposed by the Commission

Further to a dialogue with the requesting Member State, including in the context of the European Semester, the Commission should analyse the request, taking into account the principles of transparency, equal treatment and sound financial management and determine the support to be provided based on urgency, breadth and depth of the problems as identified, support needs in respect of the policy areas envisaged, analysis of socioeconomic indicators, and the general administrative capacity of the Member State. The Commission should also, in close cooperation with the Member State concerned, identify the priority areas, the scope of the support measures be provided and the global financial contribution for such support, taking into account the existing actions and measures financed by

#### CoR amendment

Further to a dialogue with the requesting Member State, including in the context of the European Semester, the Commission should analyse the request, taking into account the principles of subsidiarity, transparency, equal treatment, partnership and sound financial management and determine the support to be provided based on urgency, breadth and depth of the problems as identified, support needs in respect of the policy areas envisaged, analysis of socioeconomic indicators, and the general administrative capacity of the Member State. With a view to the entry into force of the Programme, the Union will draw up a single strategic document to improve the institutional and administrative capacity of public authorities at all levels of government, transparently and fairly setting criteria to be Union funds or other Union programmes.

adopted so as to determine which measures under the Programme are to be prioritised and how available resources are to be allocated, as well as criteria and mechanisms to coordinate measures at Union, national, regional and local level. The Commission should also, in close cooperation with the Member State concerned, identify the priority areas, the scope of the support measures to be provided and the global financial contribution for such support, taking into account the existing actions and measures financed by Union funds or other Union programmes; in so doing, the Commission and the Member State concerned will take into account the current division of powers between the different levels of government - which often provides for an important role for local and regional authorities - as well as the fact that some Country Specific Recommendations are addressed to local and regional authorities.

#### Reason

The partnership principle is one of the cornerstones of the governance of the European Structural and Investment Funds, which are to provide the funds to finance the structural reform support programme. By analogy, therefore, it is consistent to apply the partnership principle to the structural reform support programme as well.

#### **Amendment 6**

Recital 11

#### Text proposed by the Commission CoR amendment The Commission Communications 'The EU The Commission Communications 'The EU Budget Review'<sup>2</sup> and 'A budget for Europe Budget Review<sup>4</sup> and 'A budget for Europe 2020<sup>3</sup> underline the importance of focusing 2020<sup>5</sup> underline the importance of focusing funding on activities with clear European added funding on activities with clear European added value, i.e. where the Union intervention can bring value, i.e. where the Union intervention can bring additional value compared to action of Member additional value compared to action of Member States alone. Against this background, the support States alone. Against this background, the support actions carried out under the Programme should actions carried out under the Programme should

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<sup>2</sup> COM(2010) 700 final of 19 October 2010.

<sup>3</sup> COM(2011) 500 final of 29 June 2011.

<sup>4</sup> COM(2010) 700 final of 19 October 2010.

<sup>5</sup> COM(2011) 500 final of 29 June 2011.

ensure complementarity and synergy with other programmes and policies at national, Union and international level. The actions under the Programme should allow elaborating and implementing solutions that address national challenges which have impact on cross-border or Union-wide challenges and achieve a consistent and coherent implementation of Union law. In addition, they should contribute to further develop trust and promote cooperation with the Commission and among Member States. Moreover, the Union is in a better position than Member States to provide a platform for the provision and sharing of good practices from peers as well as to mobilise expertise.

ensure complementarity and synergy with other programmes and policies at national, regional, local, Union and international level. The actions under the Programme should allow elaborating and implementing solutions that address national challenges which have impact on cross-border or Union-wide challenges and achieve a consistent and coherent implementation of Union law. In addition, they should contribute to further develop trust and promote cooperation with Commission and among Member States. Moreover, the Union is in a better position than Member States to provide a platform for the provision and sharing of good practices from peers as well as to mobilise expertise so as to develop solutions tailored to the specific situation in the requesting Member States.

#### Amendment 7

Recital 21

#### Text proposed by the Commission

In order to adapt the list of indicators measuring the achievement of the objectives of the Programme, in the light of experience during the implementation of the Programme, the power to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of the amendment of the list. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous. timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

#### CoR amendment

In order to adapt the list of indicators measuring the achievement of the objectives of the Programme, in the light of experience during the implementation of the Programme, the power to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of the amendment of the list. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, involving - in accordance with the partnership principle – the relevant local and regional authorities, social partners and civil society players. Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the Committee of the Regions, the European Parliament and to the Council.

#### **Amendment 8**

Article 3(1)

## The Programme shall finance actions with

European added value. To that effect, the Commission shall ensure that actions selected for funding are likely to produce results with European added value and shall monitor whether European added value is actually achieved.

#### CoR amendment

The Programme shall finance technical assistance actions that have, in accordance with the principle of subsidiarity, European added value, and that fall under the competences shared between the Union and the Member States and are not already targeted by a technical assistance programme. To that effect, the Commission shall ensure that actions selected for funding are likely to produce results with European added value and shall monitor whether European added value is actually achieved.

#### Reason

Using the EU budget to fund national measures over which the EU has no jurisdiction would go against the spirit of the principle of subsidiarity.

#### Amendment 9

Article 3(2)

#### Text proposed by the Commission

Actions and activities of the Programme shall ensure European added value in particular through:

- (a) the development and implementation of solutions that address *national* challenges which have impact on cross-border or Union-wide challenges;
- (b) their complementarity and synergy with other Union programmes and policies at national, Union and international level;
- (c) their contribution to the consistent and coherent implementation of Union law;
- (d) their contribution to the sharing of good practices and to building a Union-wide platform and network of expertise;
- (e) the promotion of mutual trust between Beneficiary Member States and the Commission and cooperation among Member States.

#### CoR amendment

Actions and activities of the Programme shall ensure European added value in particular through:

- (a) the development and implementation of solutions that address challenges which have impact on cross-border or Union-wide challenges;
- (b) their complementarity and synergy with other Union programmes and policies at national, *regional*, *local*, Union and international level;
- (c) their contribution to the consistent and coherent implementation of Union law;
- (d) their contribution to the sharing of good practices and to building a Union-wide platform and network of expertise;

#### Reason

Trust between Member States and the Commission cannot be reduced to the implementation of this

programme – it is a general principle of how the European Union operates and is necessary for it to function.

#### Amendment 10

Article 4

#### Text proposed by the Commission

The general objective of the Programme shall be to contribute to institutional, administrative and structural reforms in the Member States by providing support to national authorities for measures aimed at reforming institutions, governance, administration, economic and social sectors in response to economic and social challenges with view enhancing competitiveness, growth, jobs, and investment, in particular in the context of governance processes, including through assistance for the efficient and effective use of the Union funds.

#### CoR amendment

The general objective of the Programme shall be to contribute to structural reforms in the Member States that bring European added value in policy areas relating to competences shared between the Union and the Member States and that are not already targeted by a technical assistance programme, by providing support to Member public authorities *to* attain administrative capacity necessary to design and *implement* measures aimed economic and social sectors in response to economic and social challenges with a view to enhancing competitiveness, sustainable growth, jobs, investment, and economic, social and territorial cohesion, including through assistance for the efficient and effective use of the Union funds, involving all levels of government.

#### Reason

Clarification in line with the proposed legislative amendments to Articles 3(1) and 3(2), and Recital 9.

#### **Amendment 11**

Article 5(1)

#### Text proposed by the Commission

- To achieve the general objective set out in Article 4, the Programme shall have the following specific objectives:
- (a) to assist the initiatives of *national* authorities to design their reforms according to priorities, taking into account initial conditions and expected socio-economic impacts;
- (b) to support the *national* authorities to enhance their capacity to formulate, develop and implement reform policies and strategies and pursue an integrated approach ensuring consistency between goals and means across sectors;

#### CoR amendment

- To achieve the general objective set out in Article 4, the Programme shall have the following specific objectives:
- (a) to assist the initiatives of *public* authorities to design their reforms according to priorities, taking into account initial conditions and expected socioeconomic impacts;
- (b) to support the *public* authorities to enhance their capacity to formulate, develop and implement reform policies and strategies and pursue an integrated approach ensuring consistency between goals and means across sectors;

- (c) to support the efforts of *national* authorities to define and implement appropriate processes and methodologies by taking into account good practices and lessons learned by other countries in addressing *similar* situations;
- (d) to assist the *national* authorities to enhance the efficiency and effectiveness of human resources management, where appropriate, through definition of clear responsibilities and increase of professional knowledge and skills.

These objectives shall be pursued *in close cooperation with* Beneficiary Member States.

- (c) to support the efforts of *public* authorities to define and implement appropriate processes and methodologies by taking into account good practices and lessons learned by other countries in addressing situations *with some similarities*;
- (d) to assist the *public* authorities to enhance the efficiency and effectiveness of human resources management, where appropriate, through definition of clear responsibilities and increase of professional knowledge and skills, *especially within the framework of any collective bargaining agreements* (CBA) concluded as part of the national and/or regional social consultation process;
- (e) to assist public authorities to enhance their capacity to work with each other as partners, as well as with stakeholders, especially the social partners and private economic players.

These objectives shall be pursued upon the request of Beneficiary Member States, and in close cooperation with them, as well as with local and regional authorities, according to the division of powers and competences in force in each Member State, and the Country Specific Recommendations addressed to local and regional authorities.

#### Reason

Structural reforms are not the preserve of national authorities, least of all in Member States with a federal structure. Indeed, several Country Specific Recommendations are addressed to regional and local authorities. Moreover, it is worth noting that the programme only comes into play upon the request of beneficiary Member States.

#### **Amendment 12**

Article 5(2)

#### Text proposed by the Commission

The specific objectives set out in paragraph 1 shall refer to policy areas related to competitiveness, growth, jobs *and* investment, in particular to the following:

- (a) public financial management, budget process, debt management and revenue administration;
- (b) *institutional reform and* efficient and *service*-oriented functioning of public administration,

#### CoR amendment

The specific objectives set out in paragraph 1 shall refer to policy areas related to competitiveness, sustainable growth, jobs, investment, and economic, social and territorial cohesion, and that are among the goals of the Europe 2020 strategy, in particular to the following:

(a) public financial management, budget process, debt management and revenue administration;

effective rule of law, reform of the justice system and reinforcement of anti-fraud, anti-corruption and anti-money laundering;

- (c) business environment, private sector development, investment, *privatization processes*, *trade and foreign direct investment*, competition and public procurement, sustainable sectoral development and support for innovation;
- (d) education and training, labour market policies, social inclusion, social security and social welfare systems, public health and healthcare systems, asylum, migration and borders policies;
- (e) policies for the agricultural sector and the sustainable development of rural areas;
- (f) financial sector policies and access to finance.

- (b) efficient and *general interest*-oriented functioning of public administration, effective rule of law, reform of the justice system and reinforcement of anti-fraud, anti-corruption and anti-money laundering;
- (c) business environment, private sector development, *privatisation or (re-)nationalisation or (re-)municipalisation processes*, investment, competition and public procurement, sustainable sectoral development and support for innovation;
- (d) education and training, labour market policies, social inclusion *and combating poverty*, social security and social welfare systems, public health and healthcare systems;
- (e) financial sector policies and access to finance.

#### Reason

Omission of policy areas that are already targeted by a technical assistance programme and compliance with Article 345 TFEU, which enshrines the neutrality of EU law in relation to systems of property ownership. Moreover, the crisis has demonstrated that public authorities might also feel the need to renationalise, at least temporarily, certain economic activities.

#### **Amendment 13**

Article 7(2)

#### Text proposed by the Commission

**Taking** into account the principles transparency, equal treatment and sound financial management, further to a dialogue with the Member State, including in the context of the European Semester, the Commission shall analyse the request for support referred to in paragraph 1 based on the urgency, breadth and depth of the problems identified, support needs in respect of the policy areas concerned, analysis of socioeconomic indicators general and administrative capacity of the Member State. Taking into account the existing actions and measures financed by Union funds or other Union programmes, Commission cooperation with the Member State concerned shall identify the priority areas for support, the scope of the support measures to be provided and the global financial contribution for such support.

#### CoR amendment

Taking into account the principles of *subsidiarity*, transparency, equal treatment, partnership and sound financial management, further to a dialogue with the Member State's relevant public authorities, including in the context of the European Semester, the Commission shall analyse the request for support referred to in paragraph 1 based on the urgency, breadth and depth of the problems identified, support needs in respect of the policy areas concerned, analysis socioeconomic indicators and administrative capacity of the Member State. Taking into account the existing actions and measures financed by Union funds or other Union and within the framework programmes, established under the single strategic Union document to improve the institutional and administrative capacity of public authorities at

all levels of government, transparently and fairly setting criteria to be adopted so as to determine which measures under the programme are to be prioritised and how available resources are to be allocated, as well as criteria and mechanisms to coordinate measures at Union, national, regional and local level, the Commission in close cooperation with the Member State concerned shall identify the priority areas for support, the scope of the support measures to be provided and the global financial contribution for such support.

#### **Amendment 14**

Article 8(2)

#### Text proposed by the Commission

The Beneficiary Member State, in coordination with the Commission, may enter into partnership with one or more other Member States *which shall act as* Reform Partners in respect of specific areas of reform. A Reform Partner shall, in coordination with the Commission, help formulate strategy, reform roadmaps, design high-quality assistance or oversee implementation of strategy and projects.

#### CoR amendment

The Beneficiary Member State, in coordination with the Commission, may enter into partnership with one or more other Member States and, if necessary, strengthen this or these partnership(s) with the level of government most relevant to implementing the reform, so that they become Reform Partners in respect of specific areas of reform. A Reform Partner shall, in coordination with the Commission, help formulate strategy, reform roadmaps, design high-quality assistance oversee implementation of strategy and projects.

#### **Amendment 15**

Article 12(3)

### Grants may be awarded to Member States'

national authorities, the European Investment Bank group, international organisations, public and/or private bodies and entities legally established in any of the following:

- (a) Member States;
- (b) European Free Trade Agreement countries which are party to the European Economic Area Agreement, in accordance with the conditions laid down in the EEA Agreement.

The co-financing rate for grants shall be up to 100

#### CoR amendment

Grants may be awarded to Member States' *public* authorities, the European Investment Bank group, international organisations, public and/or private bodies and entities legally established in any of the following:

- (a) Member States;
- (b) European Free Trade Agreement countries which are party to the European Economic Area Agreement, in accordance with the conditions laid down in the EEA Agreement.

The co-financing rate for grants shall be up to 100

% of the eligible costs, without prejudice to the principles of co-financing and no-profit.

% of the eligible costs, without prejudice to the principles of co-financing and no-profit.

#### **Amendment 16**

Article 13

#### Text proposed by the Commission

## The Commission and the Beneficiary Member States, within their respective responsibilities, shall foster synergies and ensure effective coordination between the Programme and other Union programmes and instruments, and in particular with measures financed by the Union funds. To this end, they shall:

- a) ensure complementarity and synergy between different instruments at Union and national levels, in particular in relation to measures financed by Union funds, both in the planning phase and during implementation;
- b) optimise mechanisms for coordination to avoid duplication of effort;
- c) ensure close cooperation between those responsible for implementation at Union and national level to deliver coherent and streamlined support actions.

(...)

#### CoR amendment

The Commission and the Beneficiary Member States, within their respective responsibilities, shall foster synergies and ensure effective coordination between the Programme and other Union programmes and instruments, and in particular with measures financed by the Union funds, on the basis of the single strategic document mentioned in Article 7. To this end, they shall:

- a) ensure complementarity and synergy between different instruments at Union and national, *regional and local* levels, in particular in relation to measures financed by Union funds, both in the planning phase and during implementation;
- b) optimise mechanisms for coordination to avoid duplication of effort;
- c) ensure close cooperation between those responsible for implementation at Union and national, *regional and local* level to deliver coherent and streamlined support actions.

(...)

#### Amendment 17

Article 15

	1. The Commission shall monitor the			
	implementation of the actions financed by the			
Programme and measure the achievement of the				
	specific objectives referred to in Article 5(1) in			
	accordance with indicators set out in the Annex			

Text proposed by the Commission

Monitoring and evaluation

The Commission shall be empowered to adopt delegated acts in accordance with Article 16 concerning amendments to the list of indicators

#### CoR amendment

Monitoring and evaluation

1. The Commission shall monitor the implementation of the actions financed by the Programme and measure the achievement of the specific objectives referred to in Article 5(1) in accordance with indicators set out in the Annex.

The Commission shall be empowered to adopt delegated acts in accordance with Article 16 concerning amendments to the list of indicators set out in the Annex.

- 2. The Commission shall provide the European Parliament and the Council with an interim evaluation report, by mid of 2019, at the latest, and an ex-post evaluation report by end of December 2021.
- 3. The interim evaluation report shall include information on the achievement of the Programme's objectives, the efficiency of the use of resources and the Programme' European added value and assessment on whether funding in areas covered by the Programme needs to be adapted *or* extended after 2020. It shall also address the continued relevance of all objectives and actions. The ex-post evaluation report shall include information on the longer-term impact of the Programme.

set out in the Annex.

- 2. The Commission shall provide the European Parliament and the Council, *as well as the consultative committees*, with an interim evaluation report, by mid of 2019, at the latest, and an ex-post evaluation report by end of December 2021.
- 3. The interim evaluation report shall include information on the achievement of the Programme's objectives, the efficiency of the use of resources and the Programme' European added value and assessment on whether funding in areas covered by the Programme needs to be adapted, extended after 2020 *or stopped*. It shall also address the continued relevance of all objectives and actions. The ex-post evaluation report shall include information on the longer-term impact of the Programme.

#### II. POLICY RECOMMENDATIONS

#### THE EUROPEAN COMMITTEE OF THE REGIONS

- 1. agrees with the principle underlying this support programme, which aims to provide on a voluntary basis and upon request technical assistance with regard to structural reforms in Member States in policy areas that fall under the competences shared between the European Union and the Member States; is of the opinion that effective coordination with existing technical assistance programmes at EU and beneficiary Member State level and active participation by local and regional authorities in that coordination with a view to giving the programme a more regional focus are prerequisites for the success of this programme;
- 2. considers that the main objective of the support programme should be to improve administrative capacity at national, regional and local levels of government in requesting Member States, and that such improvements must also be used as a parameter in the ongoing revision of the Europe 2020 strategy;
- 3. calls for the programme to be based on a single strategic Union document to improve the institutional and administrative capacity of public authorities at all levels of government; invites the Commission to put forward this single document which must, among other things, transparently and fairly set criteria to be adopted so as to determine which measures under the programme are to be prioritised and how available resources are to be allocated, as well as criteria and mechanisms to coordinate existing measures both at Union level, including under the programme, and at national, regional and local level, in full compliance with the principles

of subsidiarity and proportionality and guaranteeing the autonomy and individuality of the different regional levels. On this basis, similar single documents will be drawn up for beneficiary Member States, in cooperation with the Member States and in accordance with the partnership principle;

- 4. stresses that, in view of the division of powers and responsibilities in each Member State and the Country Specific Recommendations that are often addressed to local and regional authorities, the programme must be open to local and regional authorities; calls on the Commission to ensure that this is the case, for example, by checking, in cases of requests for technical assistance made by national authorities that come under local and regional authorities' areas of responsibility, that the latter have been involved in putting together the structural reform project in question, while respecting each country's institutional set-up;
- 5. considers that the proposal for a Regulation appears to comply with the principle of subsidiarity if technical assistance is provided in areas of shared competence between the Union and the Member States (see amendments to Recital 6, Article 3(1) and Article 4). As the proposal is based on a voluntary mechanism, the question of proportionality does not arise;
- 6. considers it essential that the programme is effectively coordinated with the EU programmes and instruments that co-finance technical assistance under the Structural Funds (Article 59 of Regulation No 1303/2013 and thematic objective No 11), the Fund for European Aid to the Most Deprived (FEAD), the Asylum, Migration and Integration Fund (AMIF), the Internal Security Fund (ISF), and sectoral EU programmes (Connecting Europe Facility, Horizon 2020, "Europe for Citizens", "Justice" and "Rights, Equality and Citizenship");
- 7. stresses that financing the programme through the transfer of funds allocated to technical assistance under the European Structural and Investment Funds can only be a temporary solution. Furthermore, it is opposed to these funding arrangements paving the way for subordinating cohesion policy to the "European Semester" exercise since cohesion policy has its own legitimacy, enshrined in the European Treaties;
- 8. stresses that there is no one-size-fits-all method for structural reforms and that best practices can only act as the incentive to search for solutions tailored to the different conditions and local and regional characteristics in requesting Member States;
- 9. encourages best practices regarding the implementation of structural reforms to be exchanged between the Member States, and calls for local and regional authorities with socio-economic or geographical similarities, or subject to structural reforms with cross-border implications, to be involved so as to strengthen partnerships between Member States under the programme;
- 10. points out that a high level of ownership of the structural reforms on the ground by the relevant local and regional authorities, social partners and civil society players is essential for the programme to be successful and for it to help to raise confidence and promote cooperation between the requesting Member State, the Commission and the other Member States;

- 11. calls for support for structural reforms to systematically draw attention to the objectives of sustainable development, social inclusion, and accessibility of health care, employment and training, in line with the objectives of the Europe 2020 strategy. The CoR therefore urges indicators other than GDP to be taken into account in evaluations of the support programme carried out by the Commission<sup>6</sup>;
- 12. believes that Member States' co-financing under the support programme comes under the Stability and Growth Pact's structural reform clause<sup>7</sup>;
- 13. stresses that the programme should be considered to be a pilot programme; recommends that an evaluation be carried out in good time before the beginning of the next financial programming period, starting in 2021, in order to decide whether it would be beneficial to make it permanent, and, if so, whether establishing a fund of own resources to support structural reforms is necessary, feasible and desirable.

Brussels, 7 April 2016

The President of the European Committee of the Regions

Markku Markkula

The Secretary-General of the European Committee of the Regions

Jiří Buriánek

<sup>6</sup> 

See the CoR's opinion on "Indicators for territorial development – GDP and beyond", adopted on 10 February 2016.

See the CoR's opinion on "Making the best use of the flexibility within the existing rules of the Stability and Growth Pact", adopted on 9 July 2015.

#### III. PROCEDURE

Title	Structural Reform Support Programme for the
	period 2017 to 2020
Reference	COM(2015) 701 final
Legal basis	Article 307 of the Treaty on the Functioning of the
	European Union
Procedural basis	Rule 41(a) of the CoR Rules of Procedure
Date of Council/EP referral/Date of	
Commission letter	
Date of Bureau/President's decision	9 December 2015
Commission responsible	Commission for Economic Policy (ECON)
Rapporteur-general	Olga Zrihen (BE/PES), Member of the Walloon
	Parliament
Analysis	
Discussion in commission	General exploratory debate (Rule 43(4) of the Rules
	of Procedure) on 29 February 2016
Date adopted by commission	n/a
Result of the commission vote	n/a
(majority, unanimity)	
Date adopted in plenary	7 April 2016
<b>Previous Committee opinions</b>	
Consultation of Subsidiarity Monitoring	n/a
Network	