



**COUNCIL OF
THE EUROPEAN UNION**



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Council adopts measures to boost impact of cohesion policy

The Council today adopted¹ a regulation aimed at facilitating the use of funding from the EU cohesion policy for 2007-2013 in order to counter the crisis ([101/13](#)). It herewith confirmed an agreement reached earlier between the Lithuanian presidency and representatives of the European Parliament and the Commission.

The purpose of cohesion policy is to reduce disparities between the levels of development of the EU's various regions by promoting economic growth, job creation and competitiveness.

The new regulation provides for the following two key measures:

- For payments made under the European regional development fund (ERDF), the European social fund (ESF) and the cohesion fund the EU co-financing rates will be increased by ten percentage points above the usual co-financing rates, to a maximum of 95%. The increased co-financing rates will be applicable to countries under financial assistance at the moment of the entry into force of the regulation, i.e. Cyprus, Greece, Ireland² and Portugal and apply until 31 December 2015. The top-ups do not increase the total appropriations for the affected countries, meaning that no additional EU funding is needed.

¹ The decision was taken by the Transport, Telecom and Energy Council. The Hungarian delegation voted against.

² Depending of when Ireland exist its adjustment programme.

P R E S S

- Romania and Slovakia will have one year more time to use the commitments³ made in 2011 and 2012, meaning that these commitments can be used until the end of 2014 and 2015 respectively (rather than until the end of 2013 and 2014). This measure is designed to improve the absorption of funding in Romania and Slovakia. It responds to an invitation of the European Council of 8 February 2013 to seek a solution to reduce the risk of automatic de-commitment of funds from the 2007-2013 national envelopes of Romania and Slovakia which are affected by the 110% capping in the possible increase of their cohesion allocation for 2014-2020 compared to 2007-2013.
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³ Commitments are legal promises to spend money on activities whose implementation extends over several financial years.