



Brussels, 12 October 2012

BACKGROUND¹
GENERAL AFFAIRS COUNCIL
Tuesday 16 October in Luxembourg

*Ministers will hold an informal breakfast meeting from 8:00 to 10:00 to discuss the EU's **multiannual financial framework 2014-2020**.*

*Starting at 10.00, the Council will endeavour to reach a third partial general approach on further elements of the **cohesion policy legislative package**.*

*It will prepare the **European Council** meeting on 18-19 October on the basis of draft conclusions and take note of a draft annotated agenda of the special European Council meeting on 22-23 November. The presidency will brief the Council on the follow-up of the implementation of the June European Council conclusions*

A presidency press conference will be held at the end of the meeting (+/- 17:00).

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Public events and press conferences by video streaming: <http://video.consilium.europa.eu>

Video coverage in broadcast quality (MPEG4): www.eucouncil.tv

Photos of the event: www.consilium.europa.eu/photo

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¹ This note has been drawn up under the responsibility of the press office

Multiannual financial framework

During an informal breakfast meeting (which is not part of the Council's agenda) ministers will discuss the EU's multiannual financial framework (MFF) for the 2014-2020 period. This meeting will also be attended by representatives of the European Parliament and of the cabinet of the President of the European Council.

The Cyprus presidency intends to issue a newly revised negotiating box with some ranges of figures after the European Council of 18-19 October. The President of the European Council, Herman Van Rompuy, will hold bilateral consultations starting from 5 November. The objective is to reach agreement on the MFF package at the special European Council on 22-23 November.

Further information on the negotiations may be found on the Council's MFF webpages:

<http://www.consilium.europa.eu/special-reports/mff>

Cohesion policy - public session

The Council will endeavour to agree on a third partial general approach² on the cohesion policy legislative package for the 2014-2020 period (*14287/12 REV 2*).

The partial general approach will include the following seven elements:

- Territorial development, as set out in *14287/12 ADD 3 REV 1*. This part of the partial general approach contains provisions regarding the territorial dimension of cohesion policy and notably on sustainable urban development and community-led local development. Sustainable urban development is about integrated actions to tackle the economic, environmental, climate and social challenges of urban areas. Community-led local development is aimed at mobilising local communities to contribute to achieving the Europe 2020 strategy goals of smart, sustainable and inclusive growth.
- European territorial cooperation, as set out in *14287/12 ADD 2 REV 1*. The European territorial cooperation seeks to encourage regions from different member states and, under certain conditions, also third countries to work together and learn from each other through joint projects and programmes. It is financed by the European Regional Development Fund (ERDF) and covers three types of cooperation:
 1. cross-border cooperation between adjacent regions from two or more member states or between neighbouring border regions from at least one member state and one third country;
 2. transnational cooperation over larger transnational territories;
 3. interregional cooperation.

² A general approach is a political agreement of the Council pending the adoption of a first-reading position by the European Parliament. The general approach on the cohesion policy legislative package is partial since some elements are excluded. This concerns for instance the overall amount for cohesion policy in 2007-2013 which will be decided at a later stage.

- Financial issues not covered in the negotiations on the multiannual financial framework for 2014-2020, as set out in *14287/12 ADD 4 REV 1*. These provisions provide clarity inter alia on the transferability of resources from one category of regions to another and on the condition of additionality (i.e. ensuring that EU support from cohesion policy should be additional to the national funding of multiannual investments which would be undertaken anyway).
- Management and control, as set out in *14287/12 ADD 6 REV 1*. These provisions amend the partial general approach agreed on 24 April in order to take account of the political agreement reached on the financial regulation in June 2012 (*11872/12*). These provisions are mainly related to the procedures and criteria for designation of authorities that will manage the funds in member states.
- Country-specific recommendations, as set out in *14287/12 ADD 5 REV 1* and *14287/12 ADD 8 REV 1*. This part of the partial general approach clarifies the role which the "country-specific recommendations" and the "national reform programmes" play in assuring the link between the EU strategy for jobs and growth on one hand and cohesion policy on the other.
- Information and communication, technical assistance, as set out in *14287/12 ADD 1 REV 1*. This part of the partial general approach is aimed at ensuring transparency and visibility of EU cohesion policy and informing potential beneficiaries about funding opportunities. It also seeks to allow technical assistance, such as for project preparation and appraisal, to be supported by the five funds covered by a common strategic framework (CSF)³, subject to certain limits⁴.
- Indicators, as set out in *14287/12 ADD 7 REV 1*. This part of the partial general approach is aimed at providing for the necessary means to assess the impact of the supported measures, in particular at the EU aggregate level.

The partial general approach would complement the two partial general approaches agreed on 24 April (*8925/12*)⁵ and 26 June (*11221/12*)⁶.

Care has been taken to ensure that these partial general approaches do not prejudge the outcome of negotiations on other elements of cohesion policy or on the EU's multiannual financial framework (MFF) for 2014-2020.

Since all three partial general approaches were agreed on the principle that nothing is agreed until everything is agreed they may be subject to change as a result of these other negotiations.

³ European Regional Development Fund (ERDF), European Social Fund (ESF), Cohesion Fund (CF), European Agricultural Fund for Rural Development (EAFRD) and European Maritime and Fisheries Fund (EMFF).

⁴ As a general rule, 4% of the total amount of the funds allocated to operation programmes in a member state under each category of region, and 4% of the cohesion fund allocated to operational programmes in a member state.

⁵ This partial general approach covered the six following items: programming; ex ante conditionality; management and control; monitoring and evaluation; eligibility; major projects.

⁶ This partial general approach covered the four following items: thematic concentration; financial instruments; net revenue generating operations and private public partnerships; performance framework.

The presidency intends to complement the work on the cohesion policy package with the agreement on a further partial general approach at the General Affairs Council in the coming months.

Preparation of the October European Council

The Council will examine draft conclusions for the European Council meeting to be held on 18-19 October, prepared by the President of the European Council in cooperation with the presidency and the Commission.

The European Council is due to focus on:

- *Economic policy*: review of progress in the implementation of the compact for growth and jobs, future of the Economic and Monetary Union; assessment of progress as regards the single European banking supervision mechanism;
- *Strategic partners*: exchange of views on relations with strategic partners;
- *Other issues*: specific foreign policy issues may be addressed.

An annotated draft agenda was discussed by the Council on 24 September ([13386/12](#)).

During lunch, ministers will have an exchange of views on the draft conclusions with the President of the European Council, Herman Van Rompuy.

Preparation of the November European Council

The Council will examine a draft annotated agenda, drawn up by the President of the European Council in cooperation with the presidency and the Commission, for the special European Council meeting to be held on 22 and 23 November ([14500/12](#)).

The European Council is dedicated exclusively to the EU's multiannual financial framework (MFF) 2014-2020 (*see first item*).

Follow-up of the implementation of the European Council conclusions

The presidency will present its report on the follow-up of the implementation of priority orientations set out in the conclusions agreed at the European Council ([14658/12 REV 1](#)).

The report provides an overview of ongoing work within the Council and is aimed at giving member states a common picture of the state of play. This should allow the Council to assess if further steps are needed to keep work on track for meeting the targets of the European Council.

The report covers items of the compact for growth and jobs, economic and financial affairs, justice and home affairs, and trade.

ANY OTHER BUSINESS

Integrated maritime policy

The Cyprus presidency will inform ministers on the outcome of the informal ministerial conference on the integrated maritime policy "The Limassol Declaration" which took place in Limassol (Cyprus) on 8 October 2012.
