

## II

(Non-legislative acts)

## REGULATIONS

## COMMISSION DELEGATED REGULATION (EU) No 522/2014

of 11 March 2014

**supplementing Regulation (EU) No 1301/2013 of the European Parliament and of the Council with regard to the detailed rules concerning the principles for the selection and management of innovative actions in the area of sustainable urban development to be supported by the European Regional Development Fund**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006 <sup>(1)</sup>, and in particular Article 8(3) thereof,

Whereas:

- (1) According to Article 4(7) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council <sup>(2)</sup> the Structural Funds resources for the Investment for growth and jobs goal allocated to the innovative actions in the area of sustainable urban development (hereinafter referred to as 'innovative actions') should be implemented by the Commission.
- (2) Article 92(8) Regulation (EU) No 1303/2013 allows the Commission to implement the resources allocated to innovative actions under indirect management provided for in Article 60 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council <sup>(3)</sup>.
- (3) It is necessary to establish detailed rules concerning the principles for the management of innovative actions by an entity or a body entrusted with budget implementation tasks pursuant to Article 58(1)(c) of Regulation (EU) No 966/2012.
- (4) It is necessary to establish detailed rules concerning the principles for the selection of innovative actions to be supported by the European Regional Development Fund (ERDF). In order to ensure that high quality proposals are selected, the procedures and criteria for the selection of innovative actions should be set out, taking account of the territorial diversity of the Union's urban areas.

<sup>(1)</sup> Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006 (OJ L 347, 20.12.2013, p. 289).

<sup>(2)</sup> 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).

<sup>(3)</sup> Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

- (5) The Commission should define the themes for selection of innovative actions to ensure that the calls for proposals address urban issues which will potentially grow in importance for the Union in future years,

HAS ADOPTED THIS REGULATION:

#### Article 1

### Management of innovative actions

1. The Commission shall designate one or more entities or bodies to be entrusted with the budget implementation tasks for innovative actions at Union level pursuant to Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012 (hereinafter referred to as 'entrusted entity').

In addition to the requirements laid down in Article 60(1) of Regulation (EU, Euratom) No 966/2012, the entrusted entity shall have a demonstrated track record in managing Union funds in several Member States.

2. The Commission shall conclude a delegation agreement with the entrusted entity in accordance with Article 61(3) of Regulation (EU, Euratom) No 966/2012 and that delegation agreement shall contain in addition to the requirements set out in Article 40 of Commission Delegated Regulation (EU) No 1268/2012 <sup>(1)</sup> provisions governing:

- (a) guidance for applicants and beneficiaries;
- (b) an annual work programme for approval by the Commission;
- (c) the organisation of calls to select the innovative actions;
- (d) the assessment of the eligibility of the applicants;
- (e) the setting-up of an expert panel, in agreement with the Commission, to assess and rank the proposals;
- (f) the selection of the innovative actions on the basis of the recommendation of the expert panel, in agreement with the Commission;
- (g) the requirement that the beneficiary is provided with a document setting out the conditions for support, as specified by the Commission;
- (h) the examination of reports submitted by the beneficiaries and payments to the beneficiaries;
- (i) the monitoring of individual innovative actions;
- (j) the organisation of communication events;
- (k) the dissemination of results, in agreement with the Commission;
- (l) the audit of individual innovative actions to ensure that they implement the grant according to the principles of sound financial management;
- (m) a financial contribution in support of the management tasks of the entrusted entity to be provided in the form of a flat-rate contribution to the operational costs of the entrusted entity and established on the basis of the amount of Union funds for grant support entrusted to that entity.

3. The entrusted entity shall provide the Commission with the documents in accordance with Article 60(5) of Regulation (EU, Euratom) No 966/2012 and with all necessary information required for the evaluation of the implementation of the innovative actions.

<sup>(1)</sup> Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

*Article 2***Selection of innovative actions**

1. The entrusted entity shall select innovative actions on the basis of calls for proposals, taking account of themes defined by the Commission services on an annual basis.
2. The following authorities may apply for support to undertake innovative actions:
  - (a) any urban authority of a local administrative unit defined according to the degree of urbanisation as city, town or suburb and comprising at least 50 000 inhabitants;
  - (b) any association or grouping of urban authorities of local administrative units defined according to the degree of urbanisation as city, town or suburb where the total population is at least 50 000 inhabitants; this can include cross-border associations or groupings, associations or groupings in different regions and/or Member States.
3. The expert panel referred to in Article 1(2)(e) shall make recommendations concerning the innovative actions to be selected. The expert panel shall be geographically balanced and chaired by the Commission. In making its recommendations, the expert panel shall take into account, in particular, the following criteria:
  - (a) the innovative content of the proposal and its potential to identify or test new solutions;
  - (b) the quality of the proposal;
  - (c) the involvement of relevant partners in the preparation of the proposal;
  - (d) the capacity to demonstrate measurable results;
  - (e) the transferability of the solutions proposed.

The expert panel shall ensure that the territorial diversity of the Union's urban areas is taken into account in its recommendations.

4. The entrusted entity shall select the innovative actions on the basis of the recommendation of the expert panel and in agreement with the Commission.
5. The amount granted to each innovative action shall not exceed EUR 5 000 000.
6. Each innovative action shall be implemented within a maximum period of three years.

*Article 3***Entry into force**

This Regulation shall enter into force on the twentieth 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, 11 March 2014.

*For the Commission*  
*The President*  
José Manuel BARROSO