



# How to plan support for Smart Villages within the Cohesion Policy post 2020?

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## 374 Billion EUR for a modernized Cohesion Policy

## 371 Billion EUR for a reformed Common Agricultural Policy



Despite a 5% cut in each of the policies,  
both Cohesion and Agriculture fully retain their predominant position,  
accounting for ~ **60%** of the overall EU budget.



### COHESION POLICY

### AGRICULTURAL POLICY

European  
Regional  
Development Fund  
(ERDF)

**226,3 BEUR**

Cohesion Fund  
(CF)

**46,6 BEUR**

*of which 11,2  
BEUR  
contribution for  
Connecting  
Europe Facility*

European  
Social Fund  
(ESF+)

**101,1**

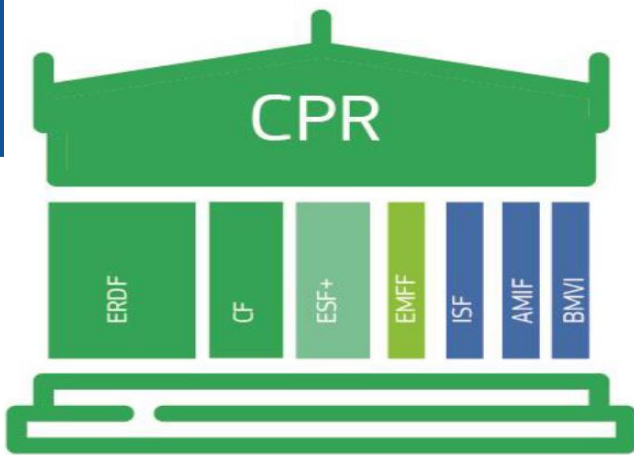
**BEUR**  
*of which 1,1 BEUR for  
former Health and  
EaSI central  
programmes*

European  
Agriculture  
Fund for Rural  
Development  
(EAFRD)

**78,8 BEUR**

European Maritime  
and Fisheries  
Fund  
(EMFF)

**6,1 BEUR**



## Legal framework 2021-2027

- Policy objectives (Art. 4)
- Tools and requirements for integrated territorial development (Art. 22-28)
  - ITI
  - CLLD
  - Other MS territorial tools

### Fund-specific Regulations (ERDF/CF, ETC, ESF+, EMFF)

- Scope
- Specific objectives
- Thematic concentration and other fund-specific focus areas (e.g. urban earmarking for ERDF)

### CAP Second Pillar (EAFRD)

- CPR territorial chapter is applicable
- Common set of rules for CLLD (LEADER)
- Overall similar rules retained



Lead Fund as a way to accommodate easier multi-funding

# Cohesion Policy Objectives

11 objectives simplified and consolidated to 5:

1. **A smarter Europe** (innovative & smart economic transformation)
2. **A greener, low-carbon Europe** (including energy transition, the circular economy, climate adaptation and risk management)
3. **A more connected Europe** (mobility and ICT connectivity)
4. **A more social Europe** (the European Pillar of Social Rights)
5. **A Europe closer to citizens** (sustainable and integrated development of urban, rural and coastal areas and local initiatives)

Horizontal issues:

- Partnership
- Administrative capacity building
- Co-operation between regions and across borders (embeds co-operation in mainstream)



**Very suitable for Smart Villages but not the only option**

# ERDF Thematic Concentration



## Focus spending in key areas for jobs and growth

### Member States equal or above 100% of GNI per head

- At least 85% of resources other than technical assistance to policy objectives 1 and 2, and at least 60% to policy objective 1 – no minimum for PO2

### Member States equal or above 75% and below 100% of GNI per head

- At least 45% of resources other than technical assistance to policy objective 1 and at least 30% to policy objective 2 (75% to policy objective 1 and 2)

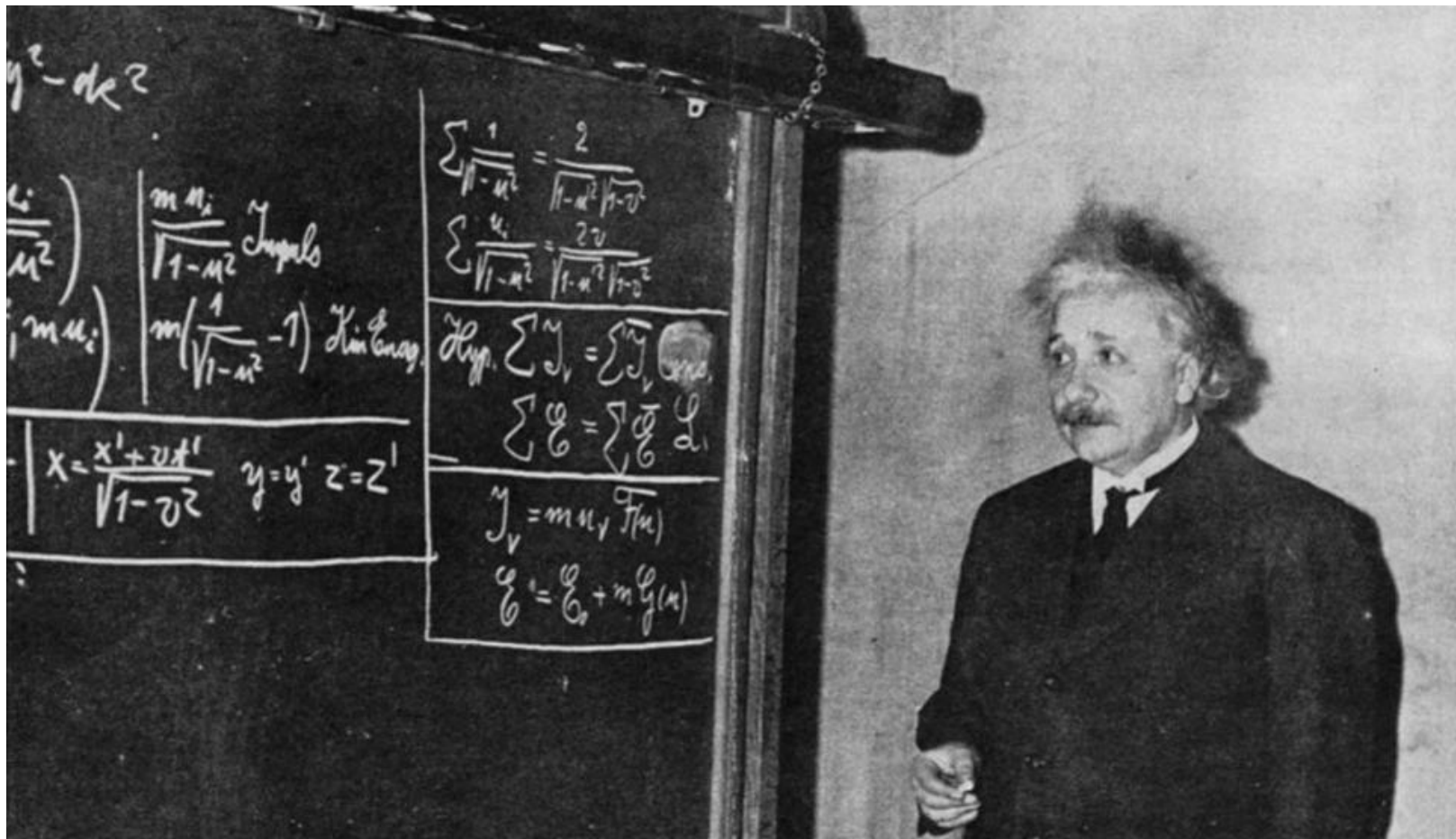
### Member States below 75% of GNI per capita

- At least 35% of resources other than technical assistance to policy objective 1 and at least 30% to policy objective 2 (65% to policy objective 1 and 2)

For countries with:	minimum % PO1 ("smarter Europe")	minimum % PO2 ("greener, low carbon Europe")
GNI below 75%	35%	30%
GNI 75-100%	45%	30%
GNI above 100%	60%	PO1 + PO2 min. 85%



European  
Commission



## And a Minimum 6% of ERDF at national level for Sustainable Urban Development (*new ERDF/CF Art. 9*)

**Integrated territorial development** targeting **urban areas**, to more effectively tackle the economic, environmental, climate, demographic and social challenges affecting urban areas, including functional urban areas

- All investments under PO5 specific objective 1 (per definition for urban areas)
- All investments under PO1-4 territorial instruments (ITI, CLLD) when targeting urban areas



**Fostering Urban – Rural Links can be a way to support the development of smart villages**

## **PO 5 has a broader Territorial focus: Not only urban but other territories**



**specific call/s for smart villages?**

*Interventions targeting:*

- **Mountainous areas**
- **Islands and coastal areas**
- **Sparsely populated areas**
- **Any other types of territories targeted**

Territorial focus must be underpinned by common challenges, development needs and growth potentials.

Territorial focus will be monitored together with the delivery mechanisms.



# Enabling conditions

## Horizontal:

- Public procurement, State aid, Charter of Fundamental Rights, United Nations' Convention on the Rights of Persons with disabilities

## Thematic:

- Smart specialisation strategies
- Policy framework for energy efficiency, renewable energy
- National plans on water and wastewater, waste management, prioritised action framework for nature conservation
- National/regional broadband plan
- Transport plan
- Policy framework : labour market, gender equality, education, health, social inclusion and poverty reduction, Roma inclusion, etc



smart  
villages  
references

# Integrated territorial development (*new CPR Art. 22*)

Support from the Funds to Smart Villages is possible and can be provided via integrated territorial and local development in the form of:

- **ITI:** when a territorial strategy receives funding from multiple priorities, or even programmes, funds or POs
- **CLLD:** when a local strategy is designed and implemented using a specific bottom-up method
- **Other territorial tool (i.e. inner strategies):** a territorial strategy receives funding through the new cross-cutting PO5

## Focus on minimum requirements (*new CPR Art. 23; 26-27*)

- Investments based on **integrated territorial or local development strategies** (*cross-sectoral, multi-stakeholder, optionally multi-territorial*)
- Relevant local or territorial body that draws up the strategies shall **select or shall be involved in the selection of operations** (*multi-level, optionally community-led*)



**No need to identify intermediate body for the minimum scope of responsibilities!**

## Cooperation and synergies:

- **Interreg:** potential for supporting smart villages in cross-border or transnational cooperation (cross-border rural areas, mountain ranges, etc.)
- **Smart Specialization Strategies**

# Programming in Cohesion Policy

## What's new?

- Simplified, more focused and more strategic programming
- Performance-oriented: Mid-term review in 2025
- Synergies: Closer link with the European Semester
- Flexibility: No Commission decision needed for up to 5 % of funding
- Clarity: PA and programme templates as part of CPR

## What's out?

- Changes of the PA during implementation
- Overlaps between PA and programmes
- Separate procedure for technical adjustment (combined with the performance review)
- Lengthy details and descriptions

## Partnership Agreement (*Article 7, 8 and 9 CPR*)

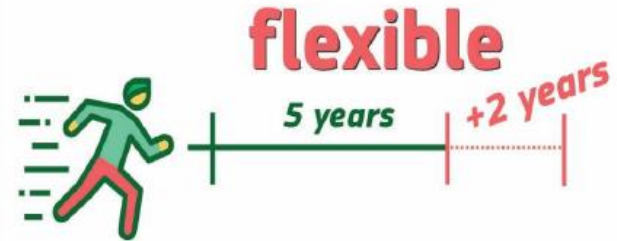
- Setting out objectives and arrangements for using ERDF, Cohesion Fund, ESF+, EMFF, AMIF, ISF, BMVI at the beginning of the period
  - **Selected policy objectives**
  - **Coordination, demarcation and complementarities between the Funds and other Union instruments**
  - **Preliminary financial allocation by policy objective (thematic concentration requirements) and list of programmes with preliminary allocations**
  - **Amount to be delivered through InvestEU and transfers between categories of region**
  - **Summary of actions to reinforce the institutional capacity**
- Option: PA submitted together with a programme
- Option: PA submitted as part of NRP

## Content of Operational programmes (*Article 17 CPR*)

Programming for years 2021-2025 (5 yrs!) (*Article 18-19 CPR*)

- **NEW! Transfer of up to 5 % of initial allocation of a priority (with 3% of total programme budget ceiling) – an amending decision of the Commission is NOT required**
- Summary of the main development challenges and strategy for contribution to policy objectives
- Justification for selection of policy objectives and specific objectives
- Priorities - each corresponds to a single policy objective
- Description of specific objectives (actions, operations of strategic importance, target groups, indicators, types of intervention, targeted territories)
- Financing plan & Assessment of fulfilment of enabling conditions
- Communication and visibility & Partnership

## Mid-term review (*Article 14 CPR*)



Flexible programming adjusted to new challenges and emerging needs in a fast changing world

- Review of all programmes taking into account changes in socio-economic situation, country specific recommendations and performance
- **NEW!** Allocation of financial resources for 2026 and 2027 – '5+2' programming → no performance reserve!
- Request for amendment of programmes by 31 March 2025
- Takes into account the MFF technical adjustment; where relevant, adjusts the 2025 commitment as well





**Be proactive in the negotiations don't be observers**



**Thank you for your attention!**

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