

# Seminar on 2021-2027 programming

5 and 6 March 2020



Programming of Cohesion Policy funds

# AGENDA:

1. Partnership
2. Programme template
3. Performance framework and indicators
4. Financing not linked to costs
5. Administrative Capacity Building – roadmaps and financing not linked to costs
6. Territorial Just Transition Plans
7. Policy objectives
8. Financial instruments
9. Contributions to InvestEU
10. Communication
11. Enhanced proportionate arrangements
12. Q&A Session

# 1. Partnership

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# Partnership

- The partnership principle and the Code of Conduct on partnership (ECCP) – a joint responsibility
- 2014-2020: lessons learnt and remaining challenges
- Post 2020 framework on partnership
  - article 6 CPR: key novelties
  - article 8 ESF+
  - state of play of negotiations
- Capacity building



## 2. Programme template

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# Construction of a programme

## What is possible in building a priority?

- ✓ Multi-fund priorities (incl. a priority dedicated to CSRs)
- ✓ Multi-category of region priorities
- ✓ ESF+ can contribute to all policy objectives, BUT is programmed only under PO 4
- ✓ There might be one or several priorities under the same policy objective
- ✓ Each priority may consist of one or more specific objectives
- ✓ To repeat the specific objective under several priorities
- ✓ **New:** technical assistance based on real costs (as a priority and as a programme)
- ✓ 2 TA priorities needed If programme has TA based on real costs and on Art. 32

## What is impossible in building a priority?

- X To mix different policy objectives within one priority
- X Technical assistance (TA) priority in case TA is reimbursed on the basis of a flat rate (Art. 30(4) CPR)

# 1. Programme strategy 1/2

**Content:** Text field [30 000]

**a) summary of the main challenges** (Article 17(3)(a)(i)-(vii)):

- Economic, social and territorial disparities and **(new) inequalities**
- Market failures
- Challenges identified in the CSRs and **(new) national and regional strategies, NECP, European Pillar of Social Rights (EPSR)**
- Challenges in administrative capacity and governance and **(new) simplification measures**
- **(New) integrated approach to address demographic challenges, where relevant**
- Lessons learnt from past experience
- Macro-regional strategies and sea-basin strategies

**b) justification for the selected policy objectives, corresponding priorities, specific objectives and forms of support** (Article 17(3)(b))

# 1. Programme strategy 2/2

## Content:

- 1. Table 1** should provide a **justification for each selected specific objective**, based on the information and data in the text field, with regards to:
  - corresponding priorities
  - the relevant specific objective
  - the forms of support (grants or financial instruments)

Policy objective	Specific objective	Justification
PO 1	Skills for smart specialisation	Present a narrative around e.g. the following points: <ul style="list-style-type: none"><li>• Identified weakness in regional S3 strategy</li><li>• Need to upgrade regional skills</li><li>• Cooperation with local R&amp;D businesses and technical university</li><li>• Use of grants for up-skilling</li></ul>



# 2.A. Priorities other than technical assistance

## Content:

1. **Title of the priority [300]**
2. **A list of tick-off boxes applicable only to the ESF+ programmes:**
  - A priority dedicated to a relevant CSR
  - A priority dedicated to youth employment
  - A priority dedicated to innovative actions
  - A priority dedicated to support to the most deprived under specific objective (xi)
  - A priority dedicated to support to the most deprived under specific objective (x)

## 2.A.2 Specific objective

### Content:

1. **Operations of strategic importance** – not indicated under each specific objective, but for the whole programme + timetable
2. **New elements at specific objective level** (but they were required in 2014-2020):
  - a) actions safeguarding equality, inclusion and non-discrimination
  - b) not only interregional and transnational actions, but also cross-border and with the partners outside of the Union, where relevant
3. **Types of interventions** and indicative breakdown of the programmes resources by type of intervention or area of support
4. **In comparison with 2014-2020, these elements are not required:**
  - X guiding principles for the selection of operations
  - X types of beneficiaries
  - X major projects

# Specific objective - logic

'Corresponding' types of actions

Operations of strategic importance

Actions safeguarding equality, inclusion and non-discrimination

Interregional, **cross-border** and international actions

Types of intervention ('categories')

intervention field  
ESF+ secondary themes  
territorial dimension  
form of support

Output indicators

Result indicators

Specific territories targeted and use of territorial tools

Target groups

What and how we intend to do

Indicative inputs  
tracking on climate earmarking  
SUD earmarking  
'statistical' representation of actions

What we deliver

What we intend to achieve

Territorial aspect of actions

Specific focus of action  
(primarily ESF+)

# Specific objective - example

'Corresponding' types of actions

Equality, inclusion, non-discrimination

Interregional, CBC, transnational actions

Types of intervention ('categories')

Output indicators

Result indicators

Scaling up a pilot project on vocational training in cooperation with business, **taking into account under-representation of some groups**

Exchange of best practice and twinning with leading S3 region

Intervention field: Skills development for S3  
ESF+ theme: R&I and smart specialisation  
Form of support: Grants  
Territorial dimension: No territorial targeting

Common output indicators:  
Investment in regional ecosystem for skills development  
SMEs investing in skills development

Common result indicators:  
Apprenticeships supported in SMEs  
SMEs benefiting from activities for skills delivered by regional ecosystem





# Technical assistance

**What will be filled out for the technical assistance programme and what will not?**

- X Part 1 Programme strategy
- X Part 2.A Priorities other than technical assistance
- ✓ Part 2.B Technical assistance priority
- ✓ Part 3 Financial plan
- X Part 4 Enabling conditions
  - ✓ Programme authorities
  - ✓ Partnership
  - ✓ Communication and visibility

## 2.B Technical assistance priority

1. **Part 2.B.1 concerns only the TA based on real costs (Article 30(4)):**
  - a) The types of actions
  - b) Output indicators with milestones and targets
  - c) The main target groups
  - d) Indicative breakdown of the programmes resources by type of intervention or area of support (Table 8 and Table 9)
  
2. **Part 2.B.2 concerns the TA pursuant to Article 32:**
  - a) Description
  - b) Indicative breakdown of the programmes resources by type of intervention or area of support (Table 8 and Table 9)
  - c) Appendix 2 to be filled out

# 3. Financial plan

1. Parts on contribution to InvestEU pursuant to Article 10 and on transfers pursuant to Article 21 – still under negotiations
2. **Part 3.1 Financial appropriations by year**
  - For years 2026 and 2027 the column is divided into financial appropriation without flexibility amount and a flexibility amount
3. **Part 3.2 Total appropriations by fund and national co-financing**
  - The 50/50 split concerns every priority, no modulation between priorities
  - Separate tables for the real cost TA and for the flat-rate TA

# 4. Enabling conditions

1. **Table 12:** Assessment of fulfilment of enabling conditions at the date of submission of a programme
2. 'Justification' and 'Reference to documents' are not aimed at giving 'complete' description of fulfilment, but for main information in a nutshell

## Example: Enabling condition for specific objective XYZ

Fulfilment	Criteria	Fulfilment of criteria	Reference	Justification
NO	Criterion 1	YES	Adopted strategy (name, ref. number, adopted by, on date...) and a link to it  [500 characters]	A strategy or a law was adopted by the government on 1 January 2020, containing the following elements that fulfil the criterion:  [1000 characters]
	Criterion 2	NO	- - -	- - - (No justification needed)



# 5. Programme authorities

## Content:

1. **Table 13 listing the programme authorities and the contact details:**
  - a) Managing authority
  - b) Audit authority
  - c) Body which receives payments from the Commission
  - d) **New:** where applicable body/ies which receive payments from the Commission in case of the flat-rate TA + percentages for each (Table 13bis)
  - e) **New:** accounting function in case this function is entrusted to a body other than managing authority
2. **Table 13 bis – share of the flat-rate TA per body indicated in Table 13**

# 6. Partnership

## Content:

1. **Text field [10 000] – describing the partnership established with the relevant partners:**
  - a) actions taken to involve the relevant partners in the preparation of the programme (see Article 6(1));
  - b) role of those partners in the implementation, monitoring and evaluation of the programme;
- + appropriate percentage of the Funds' resources for the administrative capacity building of social partners and civil society organisations (Article 6(2))
- + Take into account the Code of Conduct on Partnership!

# 7. Communication and visibility

## Content:

1. **Text field [4 500] – envisaged approach to communication and visibility for the programme:**
  - a) defining the objectives
  - b) identifying the target audiences
  - c) defining the communication channels
  - d) planning a budget
  - e) setting indicators for monitoring and evaluation
  - f) visibility measures focusing on operations of strategic importance

# Additional parts

1. **Part 8 on Union contribution based on Article 88 (simplified cost options) and Article 89 (financing not linked to costs)**
  - a) Table 14 to indicate the use of either of these options at programme submission
  - b) Appendix 1 for Union contribution based on unit costs, lump sums and flat rates
  - c) Appendix 2 for Union contribution based on financing not linked to costs
2. **Appendix 2a text field [2000] a list of planned operations of strategic importance** with a timetable, for information purposes only.
3. Environmental report prepared in the context of the **strategic environmental assessment** shall be published on the programme website



# 3. Performance framework and indicators

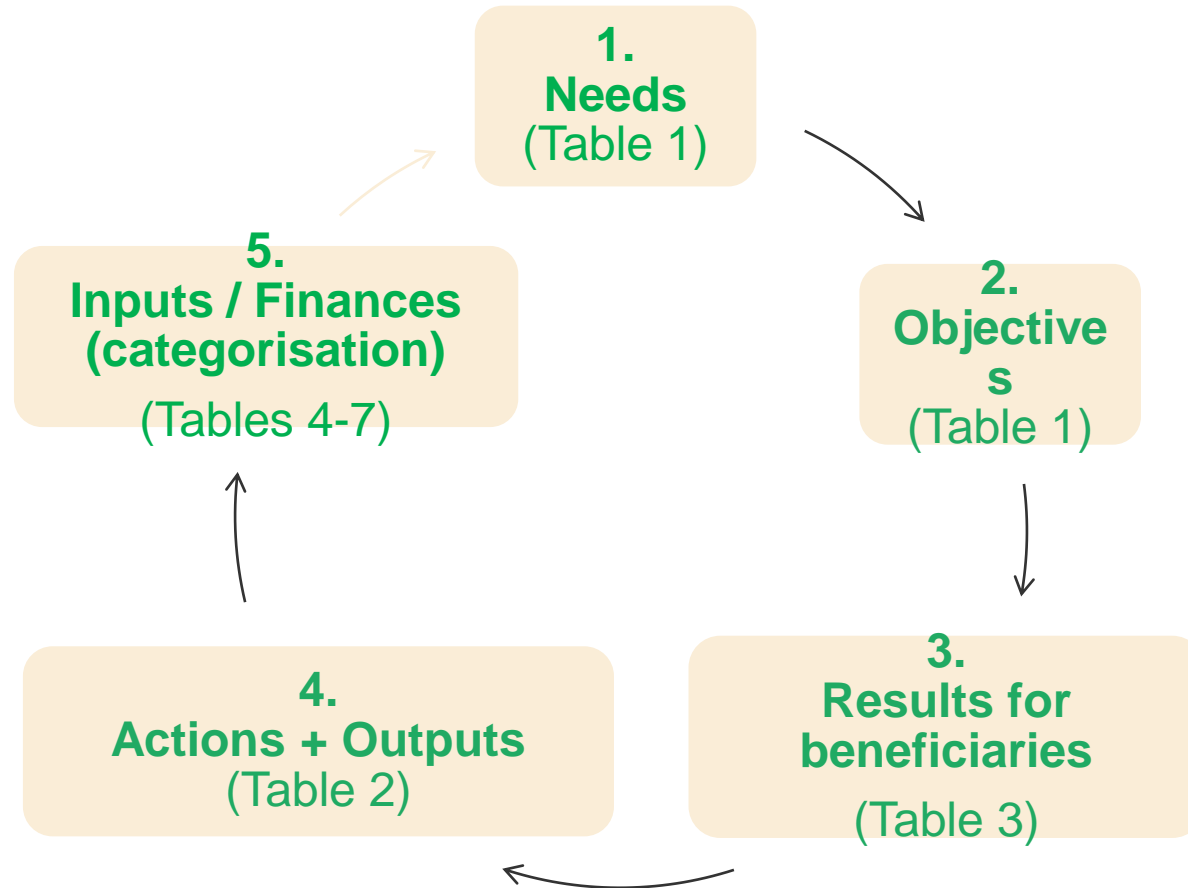
John WALSH - Gabor TOTH  
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# Intervention rationale (simplified) by SO

**Specific Objectives** are the building blocks for the intervention rationale and the **\*NEW\*** performance framework:

- **What is (are) the need(s) that the programme will address?**  
Part of justification for choice of SO in narrative at programme level  
(*could mention context or impact indicators, Annexes D, CSRs, ...*)  
=> **Table 1**
- **What will be the relevant types of actions to support beneficiaries to reach that change?**  
=> identify types of actions and expected contribution to objective + target groups, territories, etc., (narrative)  
=> Output indicators measure specific deliverables of interventions => **Table 2** (milestones + targets)
- **What is the change expected for beneficiaries?**  
=> Result indicators => **Table 3** (baselines + targets)
- **What is the budget? How will it be used?**  
=> Budget with breakdown by 4 categorisation dimensions => **Tables 4-7**  
(Intervention field – Finance form – Territorial delivery + Focus – ESF 2<sup>nd</sup> theme)

# Intervention rationale



# Programming by Specific Objective

Objective	Results	Outputs	Inputs
Identify need(s): choose ERDF-CF- ESF+ specific objective from the Regs	Common and specific result indicators (short term effects of interventions, proxy for the objectives)	Common and specific outputs indicators for specific deliverables of interventions	EUR budget allocated via categorisation tables by SO

- **Concept of results:** outcome for beneficiary or user. What has changed as a direct result; reported at closure or after +/- 1 year  
(Example ESF+: upon leaving the operation, or 6 months after for longer-term, as currently)
- **Concept of outputs:** ERDF/CF direct deliverables; reported when achieved; ESF+: at entry to operation, as currently



# Cohesion policy - performance framework – Art 12 (1/2)

(Art 12: to serve monitoring, reporting and evaluation and measuring overall performance )

<b>Indicator type (common &amp; specific)</b>	<b>Baselines / reference values</b>	<b>Milestone</b>	<b>Target</b>
<u>All output indicators</u>	Zero	End-2024 value for output implemented	2029 value for output implemented
<u>All result indicators</u>	Dependent on indicator (ERDF/CF)	No milestone	2029 value

## Cohesion policy performance framework (2/2)

- PF by Specific Objective (except TA)
- Targets covering all 7 years of financing – main and flexibility amount (no need to identify flexibility fraction ex ante.)
- ERDF/CF and ESF+ Common indicators to be used when suitable to the intervention logic (TIP: map national indicators)
- Specific indicators may also be needed (i.e. when common are not relevant)
- Commission objective for ERDF/CF is that common outputs should cover 70-80% of investments (2014-20 = 50-60%; extended list 21-27); All PF indicators should cover a very high volume of investments
- PF not limited to a subset of indicators to avoid complexity (cf. 14-20), while providing fullest picture of progress

# PF methodology document – 1/3 (Art 13)

- Methodology document supports programme/SO template and mid-term review.
- Justifies selection of indicators and criteria for choice (i.e. relevance to interventions / beneficiaries, coverage of budget, justify use of specific indicators)
- Documents the data, evidence, assumptions used
- Discusses the risks and how they were taken into account
- Shall be provided upon request: automatic submission with first quantified draft of the programme would facilitate negotiations

# PF methodology document – 2/3 (Art 13)

- Should contain definitions of specific indicators (an annex)
- No template is proposed
- A stylized example follows at the end of these slides
  - **ERDF - SO 1.1**
  - **ESF+ - SO**
- More examples will be discussed with the REGIO Evaluation Network + ESF Evaluation Partnership

# PF methodology document – 3/3 (Art 13)

Benefits of the PF methodology documents:

- It documents data and assumptions used (certainly needed for complex Specific Objectives)
- Provides institutional memory for programmes
- Provides basis to justify later programme changes when assumptions, demand change
- Supports later evaluation

# Mid-term review 2025

- Changes in the legislative text in the provisional understanding extend the factors to be taken into account
- CPR does not define a range for “problematic achievement” of output milestones; MS are free to define thresholds, make qualitative assessment; narrative will be important
- No implementing act is planned
- Where targets were difficult to set then mid-term will be good moment to correct final targets
- Indicator targets will need recalibration in case flexibility amount is moved



# Other questions

- Indicator targets to be broken down and data collected by category of region
- PO5 + Integrated approaches
  - Programmes asked to prepare based on lessons / data from 2014-2020 experience
  - strategies and national policy frameworks,
  - partnership with relevant local/territorial actors etc.
  - Revise at mid term after definition and selection
- TA indicators – No common indicators; programme specific
  - TA Reimbursed based on expenditure
  - TA Reimbursement not based on expenditure: specific indicators have to be developed for deliverables triggering payments

# Example of SO from the programme template

## **\*\* (Narrative sections) \*\***

**Section 1: Main development challenges and policy responses**

**Table 1: Justification for SO / dedicated ESF+ priority**

**Section 2.A.1 Priority level information**

**Section 2.A.2 Specific Objective** (repeated by SO / dedicated priority)

**2.A.2.1 Interventions of the Funds**

## **\*\* (Quantified sections) \*\***

**2.A.2.2 Indicators:**

**Table 2: Output indicators**

**Table 3: Result Indicators**

**2.A.2.3 Indicative breakdown of programmed resources (EU) ... :**

**Table 4: Dimension 1 - Intervention Fields**

**Table 5: Dimension 2 - Form of financing**

**Table 6: Dimension 3 - Territorial delivery mechanism and territorial focus**

**Table 7: Dimension 6 - ESF+ secondary themes**

**Example:**  
**ERDF - Specific Objective 1.1**

# Programme template

## Specific Objective 1.1 - 1/4

*[Category of region: More developed]*

*[Basis for calculation: Public cost]*

### Policy Objective 1 - SO 1.1 - Enhancing research and innovation capacities and the uptake of advanced technologies

The related **types of actions**:

- Action 1.1 Support R&I in SMEs by investing in fixed assets for relevant activities
- Action 1.2 Investments in intangible assets in SMEs for activities directly related to R&I

The main **target groups**:

SMEs

Actions safeguarding equality, etc. :

None

Specific territories targeted:

None

Interregional/cross-border/transnational actions: None

Use of financial instruments:

No

# Programme template

## Specific Objective 1.1 - 2/4

<b>Table 2: Output indicators</b>								
<b>Priority</b>	<b>Specific objective (Jobs and growth goal) or area of support (EMFF)</b>	<b>Fund</b>	<b>Category of region</b>	<b>ID [5]</b>	<b>Indicator [255]</b>	<b>Measurement unit</b>	<b>Milestone (2024)</b>	<b>Target (2029)</b>
<i>PAI</i>	<i>SO1.i</i>	<i>ERDF</i>	<i>More</i>	<i>RCO01</i>	<i>Enterprises supported</i>	<i>enterprises</i>	<i>62</i>	<i>620</i>
<i>PAI</i>	<i>SO1.i</i>	<i>ERDF</i>	<i>More</i>	<i>RCO02</i>	<i>Enterprises supported by grants</i>	<i>enterprises</i>	<i>62</i>	<i>620</i>
<i>PAI</i>	<i>SO1.i</i>	<i>ERDF</i>	<i>More</i>	<i>RCO06</i>	<i>Researchers working in supported research facilities</i>	<i>Annual FTE</i>	<i>36</i>	<i>360</i>

# Programme template

## Specific Objective 1.1 - 3/4

<b>Table 3: Result indicators</b>											
Priority	Specific objective	Fund	Category of region	ID [5]	Indicator [255]	Measurement unit	Baseline or reference value	Reference year	Target (2029)	Source of data [200]	Comments [200]
<i>PA1</i>	<i>SO1.i</i>	<i>ERDF</i>	<i>More</i>	<i>RCR03</i>	<i>SMEs introducing product or process innovation</i>	<i>enterprises</i>	<i>0</i>	<i>2021</i>	<i>450</i>	<i>Monitoring system</i>	
<i>PA1</i>	<i>SO1.i</i>	<i>ERDF</i>	<i>More</i>	<i>RCR102</i>	<i>Research jobs created in supported entities</i>	<i>annual FTE</i>	<i>0</i>	<i>2021</i>	<i>60</i>	<i>Monitoring system</i>	
<i>PA1</i>	<i>SO1.i</i>	<i>ERDF</i>	<i>More</i>	<i>RCR02</i>	<i>Private investments matching public support</i>	<i>Eur</i>	<i>0</i>	<i>2021</i>	<i>147 000 000</i>	<i>Monitoring system</i>	
<i>PA1</i>	<i>SO1.i</i>	<i>ERDF</i>	<i>More</i>	<i>RCR07</i>	<i>Patent applications</i>	<i>patents</i>	<i>0</i>	<i>2021</i>	<i>84</i>	<i>Monitoring system</i>	

# Programme template

## Specific Objective 1.1 - 4/4

<b>Table 4: Dimension 1 – intervention field</b>					
<b>Priority No</b>	<b>Fund</b>	<b>Category of region</b>	<b>Specific objective</b>	<b>Code</b>	<b>Amount (EUR)</b>
<b>PA1</b>	<b>ERDF</b>	<b>More</b>	<b>SO 1.i</b>	<b>002</b>	<b>50,000,000</b>
<b>PA1</b>	<b>ERDF</b>	<b>More</b>	<b>SO1.i</b>	<b>005</b>	<b>60,000,000</b>

<b>Table 5: Dimension 2 – form of financing</b>					
<b>Priority No</b>	<b>Fund</b>	<b>Category of region</b>	<b>Specific objective</b>	<b>Code</b>	<b>Amount (EUR)</b>
<b>PA1</b>	<b>ERDF</b>	<b>More</b>	<b>SO1.i</b>	<b>01</b>	<b>110,000,000</b>

<b>Table 6: Dimension 3 – territorial delivery mechanism and territorial focus</b>					
<b>Priority No</b>	<b>Fund</b>	<b>Category of region</b>	<b>Specific objective</b>	<b>Code</b>	<b>Amount (EUR)</b>
<b>etc</b>					



# PF Methodology Doc.

## SO 1.1 – SME R+I – 1/4

- Methodological document is clearly needed to understand
  - **the intervention logic,**
  - **the use of resources and**
  - **the choice of indicators by type of intervention.**
- The methodological document should present the evidence which supports the assumptions used for the calculation of the 2024 milestones (for output indicators) and the 2029 targets (for output and result indicators)
  - **For example, the rate of innovation of 90% assumed for ERDF action 1.1 can be based on experience from similar interventions in the past programming period, related research or experience from other (similar) regions.**
- The document should also discuss risks

# SO 1.1 – SME R+I – PF Methodology Doc. - 2/4

## Action (or measure/scheme) 1: Support to product and process innovation in SMEs

The action supports investments in fixed assets in R&I activities in SMEs (IF category 002). Total budget EUR 100 million (assumption 50:50)

The success of the intervention is defined in terms of SMEs introducing product or process innovation as a result of the support. The outputs are measured in terms of enterprises supported by grants.

The 2029 target for RCO02 is based on the assumption of 200 000 euro average support per enterprise

(i.e. EUR 100 million / EUR 200 000 = 500 enterprises)

The 2029 target for RCO01 equals the 2029 target for RCO02

As regards output milestones for 2024, it is assumed that progress with the action would amount to 10% of the final targets set based on the allocation for 2021-2025 (i.e.  $10\% * 500 = 50$  enterprises; )

The 2029 target for RCR02 (private investment) is based on the assumption of 40% private financing under state aid rules (i.e. EUR 100 m public = 60% total => Private = EUR 67 m)

The 2029 target for RCR03 is based on the assumption of a success rate of innovation of 90%. That is, 90% of all enterprises supported (as reflected by RCO02) will introduce product or process innovation as a result of the support (i.e.  $90\% * 500 = 450$  enterprises)

# SO 1.1 – SME R+I – PF Methodology Doc. - 3/4

## Action (or measure/scheme) 2: Support patentable innovation and SMEs and creation of research jobs in SMEs

The action provides support for investments in intangible assets for R&I activities through research projects in SMEs (category 005).

Success is defined in terms of new researchers hired for the work on these projects and the patents submitted by the supported SMEs as a result of the investment. Outputs are measured in terms of enterprises supported by grants and the number of researcher in these SMEs who work in the research projects supported.

The 2029 target for RCO02 is based on the assumption of 1 million euro average support per enterprise (i.e. EU 120 million/ EUR 1 million = 120 enterprises). The 2029 target for RCO01 equals the 2029 target for RCO02.

The 2029 target for RCO06 is based on the assumption of, on average, 3 researchers employed per enterprises supported (at the start of the project) (i.e.  $3 * 120=360$  FTEs).

As regards milestones for 2024, it is assumed that progress with the action would amount to 10% of the final targets set based on the allocation for 2021-2025 (i.e.  $10% * 120=12$  enterprises).

The 2029 target for RCR102 is determined based on the assumption that 50% of the enterprises supported by the action will finance, on average, one additional researcher (i.e.  $50%*120=60$  FTEs).

The 2029 target for RCR02 is based on the assumption that the supported enterprises will provide private matching finance of 40% of the total public cost under state aid rules (i.e. EUR 120 million = 60% of total => private = EUR 80 million).

The 2029 target for RCR07 is based on the assumption that 70% of the supported enterprises will submit patents as a result of the support one year after the (research) output is completed (i.e.  $70%*120 = 84$  patents).

# SO 1.1 – SME R+I – PF Methodology Doc. - 4/4

Action	Total allocation at action level (indicative)	Indicator		M.U.	Baseline		Milestone 2024	Target 2029	Allocation 2021-2025 used for calculation of 2029 target (euro)	Intervention field	
		Code	Name		Value	Year				Code and name	Amount (EU+National) (euro)
Action 1.1	100,000,000	RCO01	Enterprises supported	enterprises	0	n.a.	50	500	100,000,000	002 - Investments in fixed assets in SMEs directly linked to R&I activities	100,000,000
		RCO02	Enterprises supported by grants	enterprises	0	n.a.	50	500			
		RCR03	SMEs introducing product or process innovation	enterprises	0	n.a.	n.a.	450			
		RCR02	Private investments matching	EUR	0	n.a.	n.a.	67,000,000			
Action 1.2	120,000,000	RCO01	Enterprises supported	enterprises	0	n.a.	12	120	120,000,000	005 - Investments in intangible assets in SMEs directly linked to R&I activities	120,000,000
		RCO02	Enterprises supported by grants	enterprises	0	n.a.	12	120			
		RCO06	Researchers working in supported research facilities	annual FTE	0	2021	36	360			
		RCR102	Research jobs created in supported enterprises	annual FTE	0	2021	n.a.	60			
		RCR02	Private investments matching public support	EUR	0	n.a.	n.a.	80,000,000			
		RCR07	Patent applications submitted	patents	0	n.a.	n.a.	84			

**Example:**  
**ESF+ - Specific Objective 4.vii**

# Example 2: ESF+ Specific Objective 4.vii

*[Category of region: Less developed]*

*[Basis for calculation: Public cost]*

## **Policy Objective 1 - SO 4.vii - fostering active inclusion with a view to promoting equal opportunities and active participation, and improving employability**

The related **types of actions**: personalised, accredited social and active labour market services by PES and NGOs to disadvantaged groups, in particular migrants and disabled

The main **target groups**: disadvantaged groups, in particular migrants and disabled

Actions safeguarding equality, etc. : (None)

Specific territories targeted: (None)

Interregional/cross-border/transnational actions: (None)

Use of financial instruments: No

# Intervention logic (1/4)

- Challenge derived from CSR: Promote the socio-economic integration of third country nationals, promote the social integration of people at risk of poverty or social exclusion, including the most disadvantaged
- Selected specific objective (vii): fostering active inclusion with a view to promoting equal opportunities and active participation, and improving employability (other SOs also possible)
- Justification for the selected SO: active inclusion policies are the best means to provide access to the labour market to disadvantaged groups



## Intervention logic (2/4)

Types of actions: personalised, accredited social and active labour market services by PES and NGOs to disadvantaged groups, in particular migrants and disabled.

Contribution to the specific objective: the expected result is that participants improve their skills or acquire new skills or competences necessary in the labour market as well as start searching for a job.

# Intervention logic (3/4)

**Table 2: Output indicators**

Priority	Specific objective	Fund	Category of region	ID [5]	Indicator [255]	Measurement unit	Milestone (2024)	Target (2029)
<b>PA1</b>	<b>SO4.vii</b>	<b>ESF</b>	<b>Less developed</b>	<b>ECO03</b>	<b>Inactive</b>	<b>persons</b>	<b>1500</b>	<b>5000</b>

**Table 3: Result indicators**

Priority	Specific objective	Fund	Category of region	ID [5]	Indicator [255]	Measurement unit	Baseline or reference value	Reference year	Target (2029)	Source of data [200]	Comments [200]
<b>PA1</b>	<b>SO4.vii</b>	<b>ESF</b>	<b>Less developed</b>	<b>ECR01</b>	<b>Participants engaged in job searching upon leaving</b>	<b>persons</b>	<b>1250</b>	<b>2020</b>	<b>1500</b>	<b>Monitoring system</b>	

# Intervention logic (4/4)

<b>Table 4: Dimension 1 – intervention field</b>					
<b>Priority No</b>	<b>Fund</b>	<b>Category of region</b>	<b>Specific objective</b>	<b>Code</b>	<b>Amount (EUR)</b>
PA1	ESF	Less developed	SO4.vii	116	3 5000 000

<b>Table 5: Dimension 2 – form of financing</b>					
<b>Priority No</b>	<b>Fund</b>	<b>Category of region</b>	<b>Specific objective</b>	<b>Code</b>	<b>Amount (EUR)</b>
PA1	ESF	Less developed	SO4.vii	Etc	...

<b>Table 6: Dimension 3 – Territorial delivery mechanism and territorial focus</b>					
<b>Priority No</b>	<b>Fund</b>	<b>Category of region</b>	<b>Specific objective</b>	<b>Code</b>	<b>Amount (EUR)</b>
PA1	ESF	Less developed	SO4.vii	Etc	...

<b>Table 7: Dimension 6 - ESF+ Secondary theme</b>					
<b>Priority No</b>	<b>Fund</b>	<b>Category of region</b>	<b>Specific objective</b>	<b>Code</b>	<b>Amount (EUR)</b>
PA1	ESF	Less developed	SO4.vii	Etc	...

# SO 4.vii – ESF+ - PF Methodology Doc. - 1/2

**Output indicator selected for target setting: CO03 inactive.**

**Examples of other possible output indicators for target setting:**

- CO10 participants with disabilities,
- CO11 third country nationals,
- PSOI: socially excluded.)

**Result indicator selected for target setting: CR01: participants engaged in job searching upon leaving. Examples of other possible result indicators for target setting:**

- CR02 participants in education or training upon leaving,
- PSRI Participants with improved or acquired new skills or competences.)

**... / Continued**

# SO 4.vii – ESF+ - PF Methodology Doc. - 2/2

## *Output indicators*

- Historical unit cost in IP 9.i active inclusion – EUR 800 per participant
- Assumptions and adjustments: Change to accredited service providers = increase by 20%; Legislative change: increase in statutory wage to personnel = increase by 5%;  
New estimated unit cost:  $800 * 1.20 * 1.05 \approx \text{EUR } 1\,000$  per participant
- Estimation: target value = budget of the specific objective / adjusted unit cost  
=> 5 million EUR total cost / 1000 EUR/participant = 5 000 participants.
- Output milestone for 2024 based on historic data 2014-20 (at end 2017) = 5 000 \* 30% = 1500

## *Result indicators*

Historical success rate (CR/CO) in IP 9.i active inclusion – reference value = 25%

Assumptions and adjustments: **Change to accredited service providers = increase to 30%; Change in the composition of the target group? Target revision in 2023 in case share of third country nationals changes by more than 10%.**

Estimation: target value = adjusted success rate \* reference output indicator target value

**=> adjusted success rate \* reference output indicator target value  
= 30% \* 5000 participants = 1 500 participants**



## 4. Financing not linked to costs

Tereza Krausova  
Unit DG REGIO B1



# Financing not linked to costs – Article 89

## Relation Commission to Member States

- Flexibility when defining the conditions/deliverables (Article 89)
- More legal certainty as regards audit trail requirements in Annex XI
- They may be established:
  - For a specific programme  COM approval (Appendix 2)
  - At EU level - Delegated Act  NO Appendix 2 to programme
- Member States to use any form of support to reimburse operations concerned (MA-beneficiary level: Article 48(1))
- Audits and management verifications will **exclusively** aim at verifying that the conditions of reimbursement by Commission have been fulfilled



# Financing not linked to costs – Article 89

## Specific to a programme

- Member State to submit a proposal to the Commission as part of a programme or part of a request for programme amendment
- The proposal needs to contain all these elements (Appendix 2):
  - a. Priority concerned, overall amount, type of operations
  - b. Description of the conditions to be fulfilled or results to achieve with a timeline
  - c. Intermediate deliverables that trigger reimbursement by the Commission
  - d. Measurement units
  - e. Schedule for reimbursements by the Commission and amounts linked to progress
  - f. Arrangements for verification of intermediate deliverables, achievements, results
  - g. Method for adjustment of the amounts and
  - h. Arrangements to ensure audit trail (Annex XI point IV)
- Commission **decision** approving all the required elements

# Practical examples (1)

## Energy efficiency in buildings

- Expected results: EE achievement expressed by a decrease in primary energy consumption
- Total amount for the financing not linked to cost scheme
- Indicator: decrease of primary energy consumption of public buildings by **XX** kWh/year (with a detailed definition)
- Intermediate deliverables: milestones for the indicator chosen with corresponding amounts (payment profile)
- Final deliverable: overall decrease of primary energy consumption
- Verifications: achievements of results will be based on the energy certificates of buildings according to Art. 12.1b of Dir. 2010/31/EU (issued before and after the reconstruction); beneficiary will be obliged to deliver certificates; MA to verify if the investment was delivered according to the documents setting up the conditions
- Audit and control work: shall only aim at verifying that the conditions for reimbursement have been fulfilled, not checking the underlying data or supporting documents
- Audit trail: document retention by MA

## Practical examples (2)

### Private connections to sewage systems

- Results: private users effectively connected to a sewage system
- Total amount for the financing not linked to cost scheme
- Indicator: polluting load (kg BOD5/ day) effectively reaching the wastewater treatment plant (WWTP) – compared to baseline (before sewage extension project)
- Intermediate deliverables: Yearly milestones for the indicator chosen with corresponding amounts (payment profile)
- Verification: Monitoring system at the entrance of WWTP, based on operator's data
- Audit and control work: verify conditions for reimbursement have been fulfilled and MA has procedures to monitor and check the fulfilment of the financing conditions, etc.
- Audit trail: document retention by MA

## Practical examples (3)

### Small scale reform: discouraging individual coal fired boilers

- Rationale: ensuring effectiveness of parallel financing scheme supporting replacement of coal boilers
- Results: implementation of measures entailed in dedicated tailored “reform package”:
  1. Adoption of air quality plans in concerned agglomerations
  2. Application of economic cost to coal prices (national / regional measure)
  3. Setting-up voucher scheme benefiting to the most vulnerable part of population (addressing energy poverty)
- Total amount for the financing not linked to cost scheme
- Indicator: implementation of individual measures – corresponding payment of fixed amounts:
  - **Adoption of air quality plans**
  - **Updated pricing system in force**
  - **Voucher scheme operational – fixed amount calculated based on the estimated annual cost (expected number of recipients and average bill)**
- Intermediate deliverables: none
- Verification:
  - **Legal / administrative act endorsing the adoption of air quality plans**
  - **Revised coal cost charged by coal suppliers**
  - **Vouchers effectively granted to recipients**
- Adjustment method: none
- Audit and control work: verify conditions for reimbursement have been fulfilled and MA has procedures to monitor and check the fulfilment of the financing conditions, etc.
- Audit trail: document retention by MA

## 5. Administrative Capacity Building – roadmaps and financing not linked to costs

Stefan Appel  
Head of Unit DG REGIO E1

# Opportunities and challenges related to capacity building for 2021-2027

## **Stronger focus on ACB:**

Capacity building linked to investments under each specific objective under ERDF/Cohesion Fund

2 types of Technical Assistance

« Standard TA » - flat rate or real costs

« Financing not linked to costs for TA of MS»

**More strategic use of TA/capacity building** – possibility to develop roadmaps on ACB



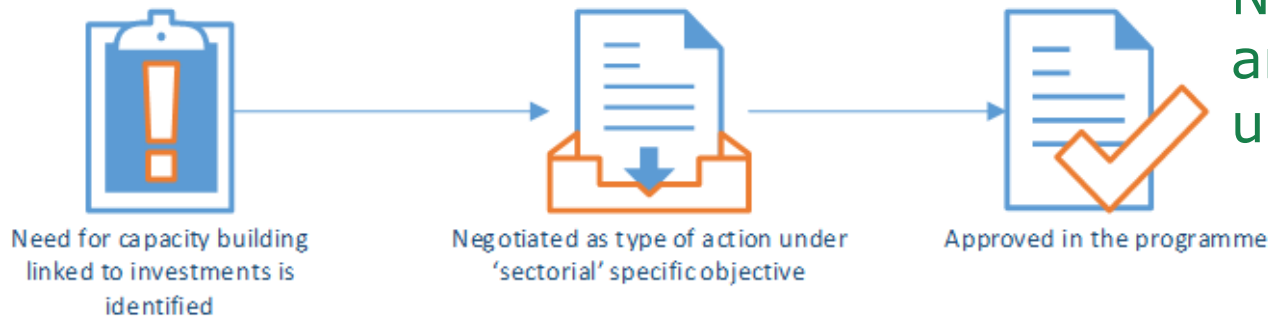
# Capacity building directly linked to investments

For programme authorities and bodies linked to the implementation of the funds

To address sectorial and/or territorial (PO5) administrative capacity challenges + it complements/enables more effective ERDF/CF investments

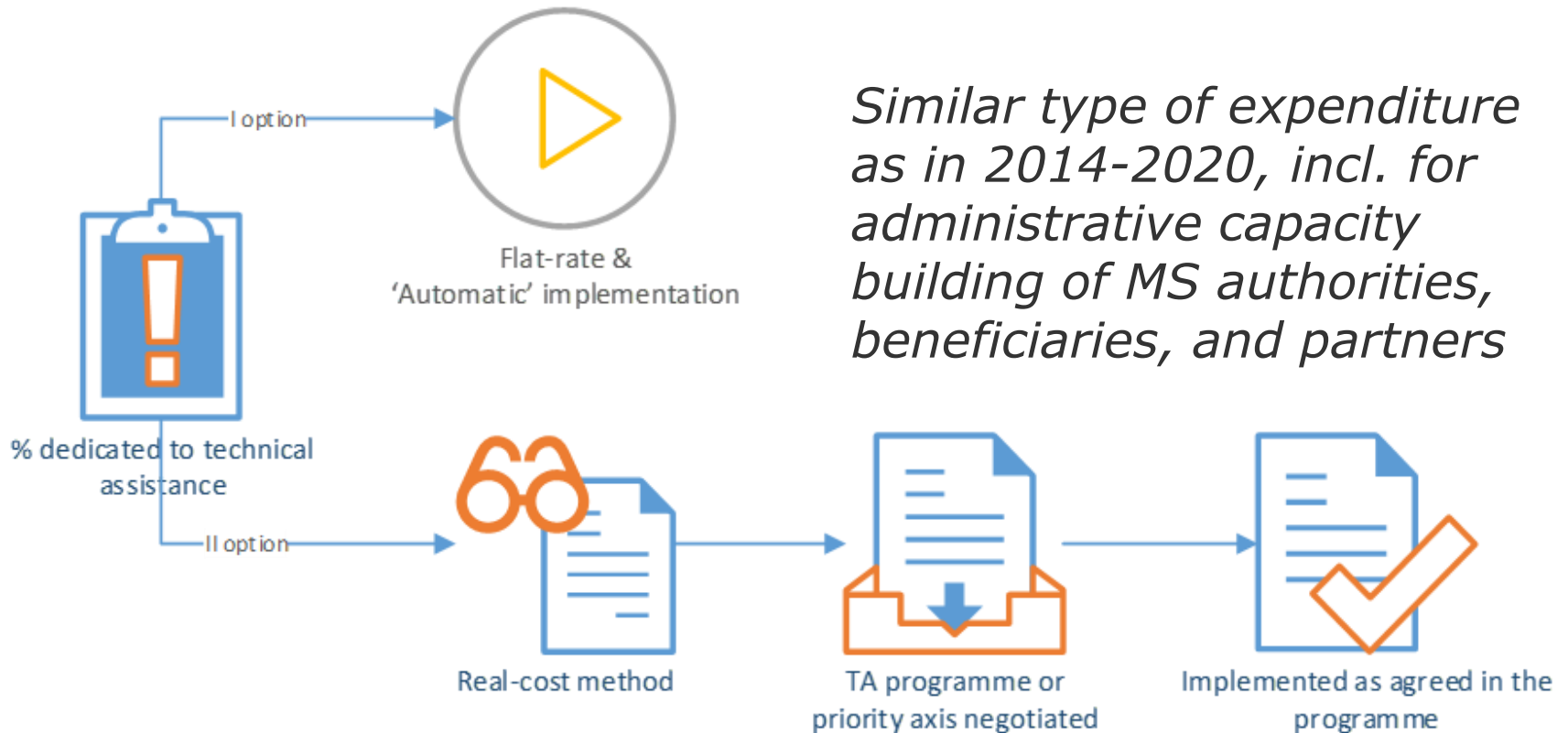
- ✓ Needs are identified in 2019 European Semester Country reports (Annex D) and other relevant sources.

*Examples: Capacity building of road or rail agencies or competent regional/national bodies responsible for managing the smart specialisation strategy*



N.B. Salaries of staff are not to be funded under this option

# « Standard » Technical Assistance for effective administration and use of the Funds





# Financing not linked to costs TA

Additional actions to ***reinforce capacity of MS authorities, beneficiaries and relevant partners*** necessary for the effective administration and use of the Funds

Support for such actions shall be based on ***conditions*** to be fulfilled or ***results*** to be achieved

COM will adopt individual schemes as part of the programme or later in an amendment

There is no financial ceiling for this type of capacity building – can be used with or without a roadmap for ACB

COM and MS audits will only verify if conditions are fulfilled or results achieved

*Suitable for **specific targeted actions** with clear deliverables, e.g. for ‘developing a learning and development plan for the MA’ or ‘improving time-to-grant and time-to-pay’.*

# ACB roadmaps

A roadmap is to be seen as a **strategic** document that can include **all types of capacity building actions** linked to the management and use of the Funds combining funding options from different sources

It is a **voluntary document** - regarded as **good practice**

It is flexible in format and structure, and can be developed at national or programme level

It is a self-standing document – not to be formally adopted by the Commission as part of PA or programme

## Roadmap

Action A

Action B

Action C

Action D

Action E

Action F

Action G

## Funding options

'Standard' technical assistance

National funding, or other technical support mechanisms

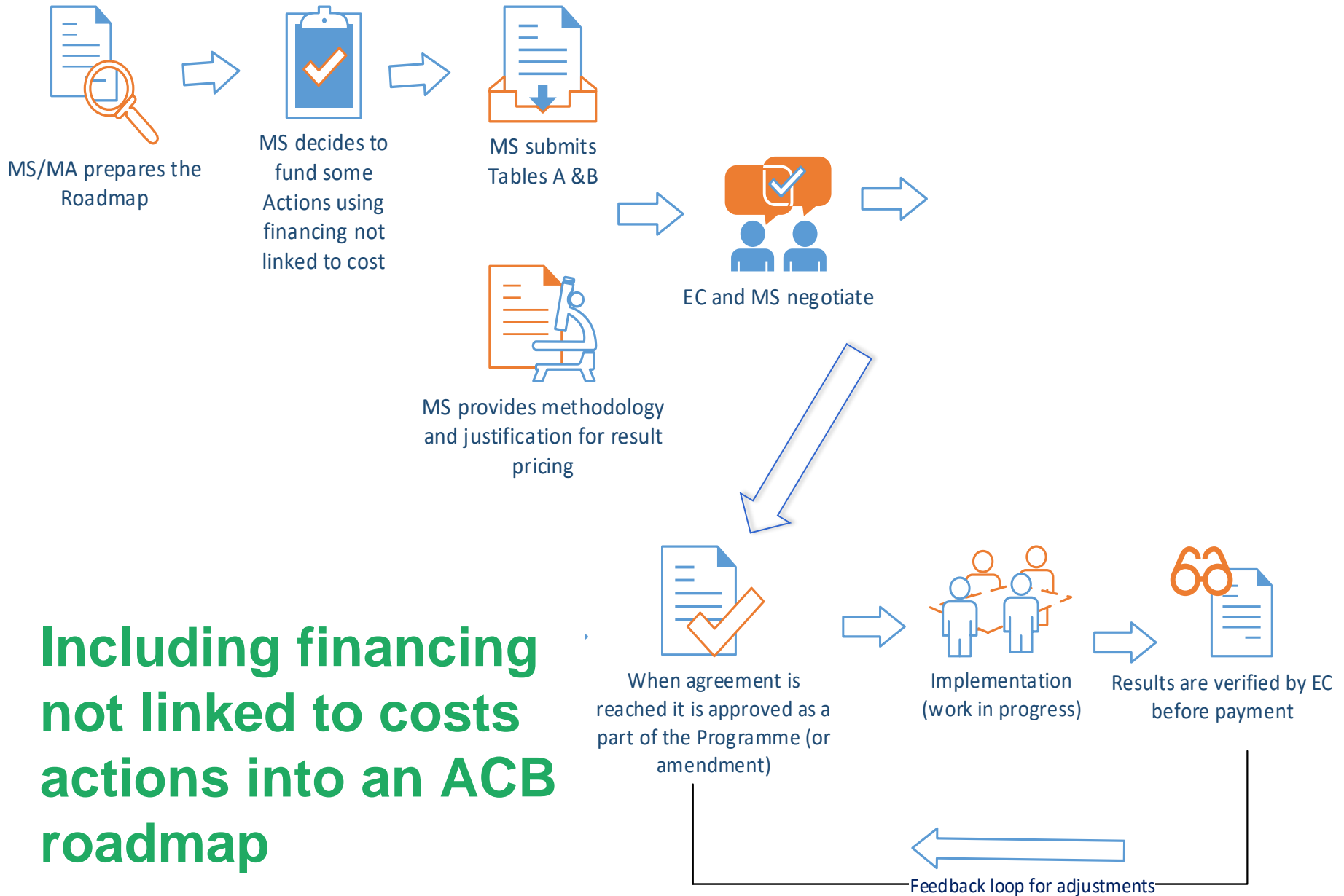
Capacity building directly linked to investments under ERDF/CF

'Financing not linked to costs' technical assistance

*Individual actions leading to payments for results achieved or conditions fulfilled are to be approved/adopted by COM as part of the programme*

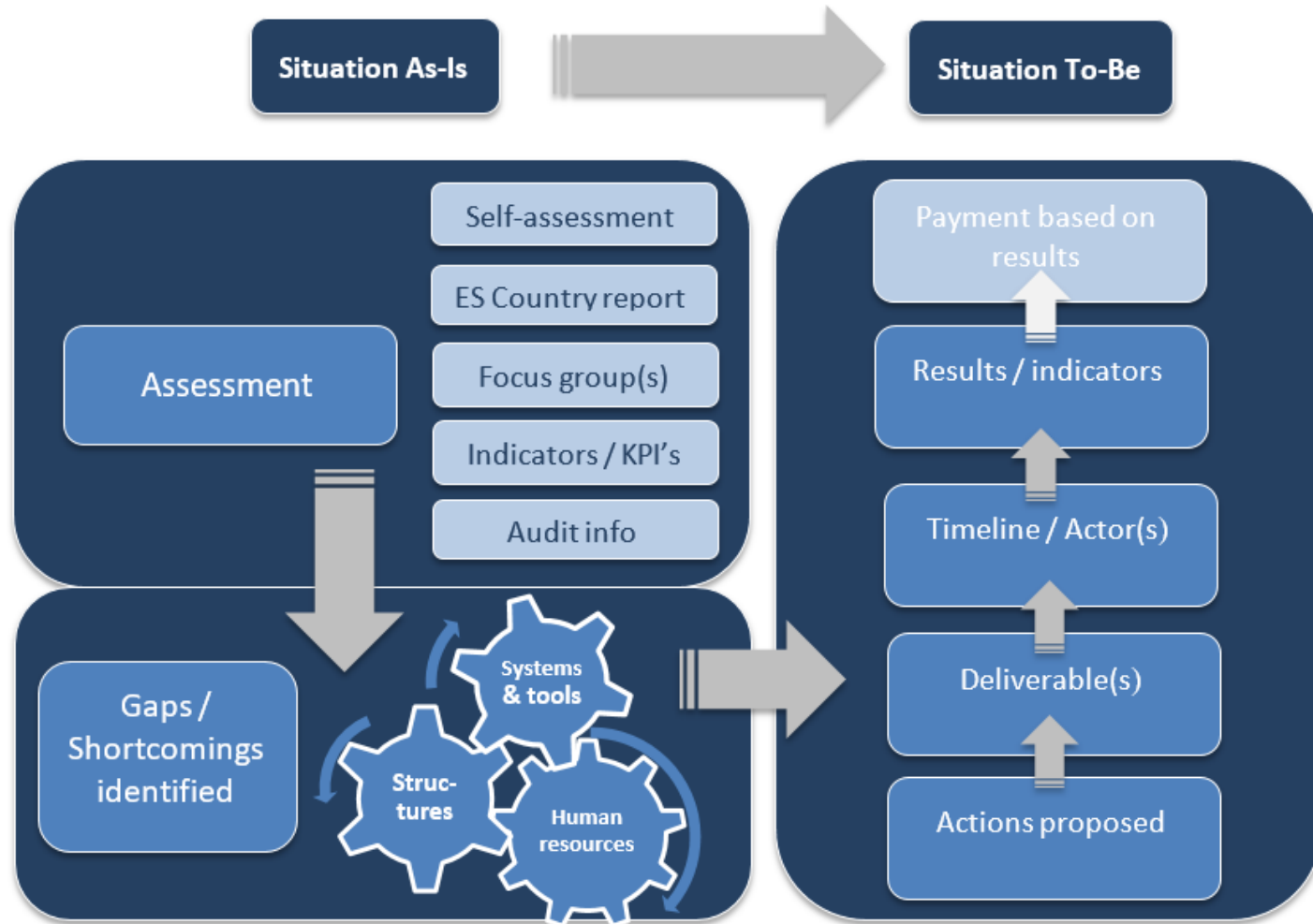
Action G  
Appendix 2  
of Annex V  
Tables A&B

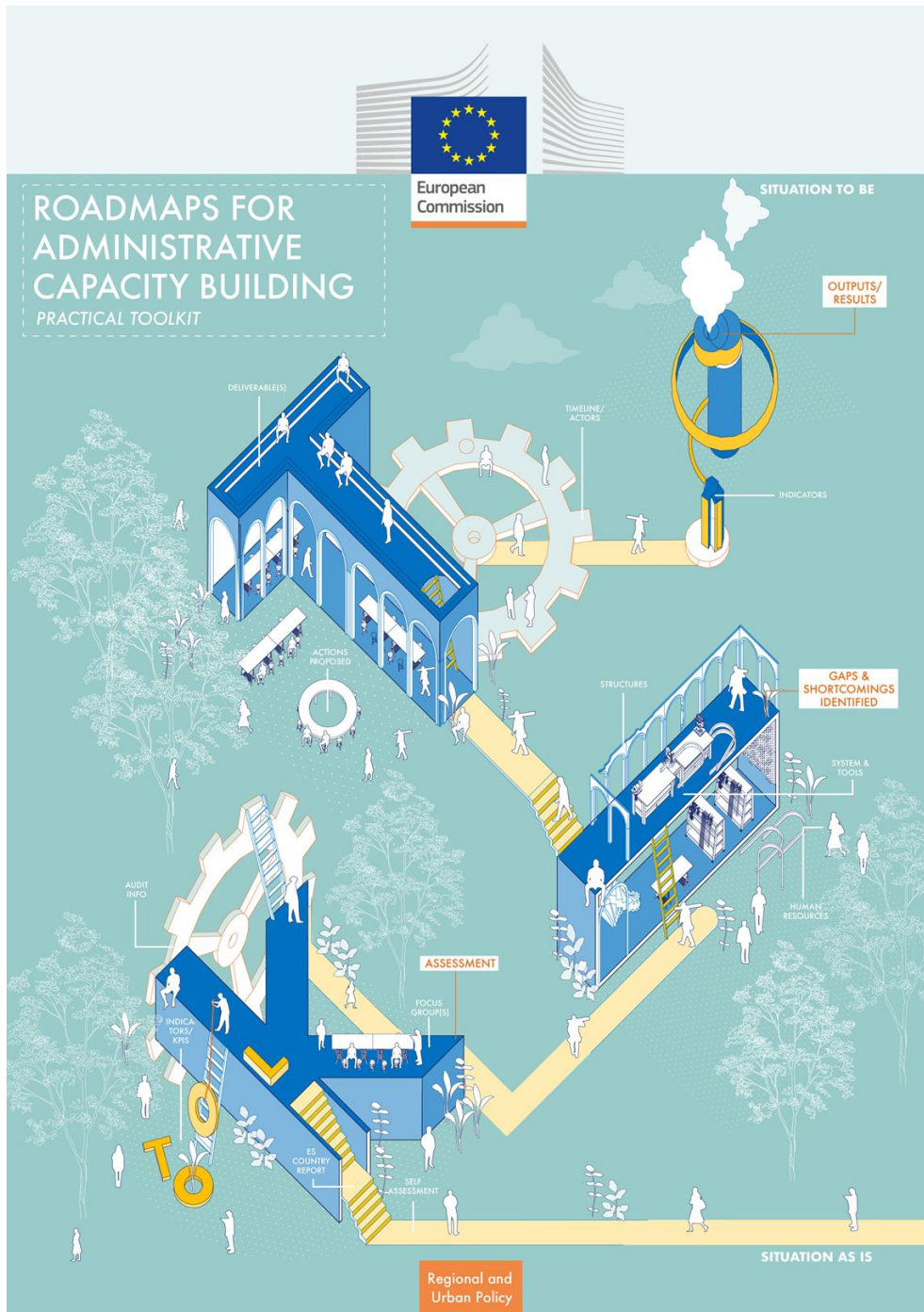
Action F  
Appendix 2  
of Annex V  
Tables A&B



# Including financing not linked to costs actions into an ACB roadmap

# Developing ACB roadmaps – a process involving stakeholders





# A practical toolkit for developing ACB roadmaps

*N.B. It must not be regarded as a formal set of guidelines containing legal interpretation of the cohesion policy regulations 2021-2027.*

*It is designed to provide inspiration for Member State administrations seeking to develop roadmaps for building their own administrative capacities in order to facilitate the programme implementation and to encourage good practices.*

Link:

[https://ec.europa.eu/regional\\_policy/en/policy/how/improving-investment/roadmap\\_admin/](https://ec.europa.eu/regional_policy/en/policy/how/improving-investment/roadmap_admin/)



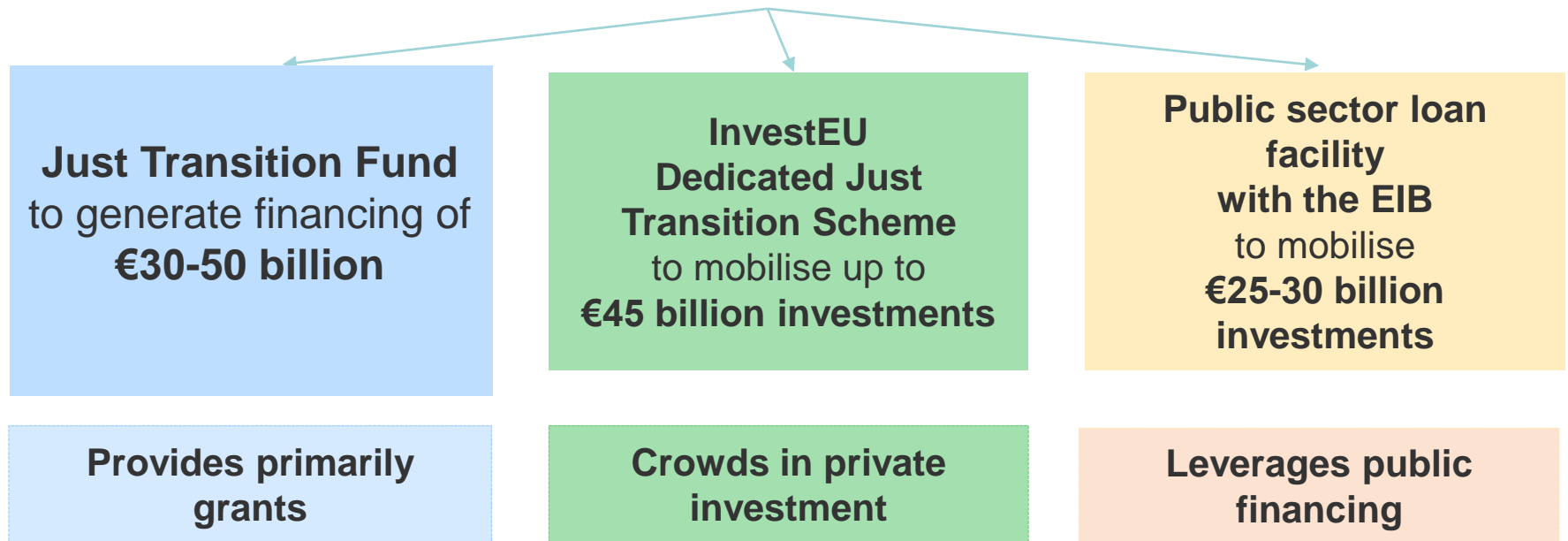
## 6. JTF and Territorial Just Transition Plans

Anna Wagner  
Deputy Head of Unit DG REGIO B1



# Just Transition Mechanism at least EUR 100 billion investments

to support and finance regions most exposed to transition challenges  
in all Member States



- Adoption of a territorial just transition plan enables access to all three pillars of JTM
- Investments under pillars two and three of JTM shall benefit territories identified in the territorial just transition plans adopted by COM – without being necessarily located in these territories
- Pillars two and three of JTM have a wider thematic scope than JTF



# Articles 1 and 2

## Subject matter and scope

Support to territories facing serious socio-economic challenges deriving from the transition process towards a climate-neutral economy of the Union by 2050.

- *No direct support to climate transition but contributes to its achievement*
- *Rio marker for climate contribution: 100%*

## Dedicated specific objective

“Enabling regions and people to address the social, economic and environmental impacts of the transition towards a climate-neutral economy.”

# Geographical coverage and resources – Article 3

## Just Transition Fund resources : EUR 7.5 billion

- Heading 3 (Natural Resources and Environment) of the MFF
- Complementary to the 2018 MFF proposal of the Commission

## Transfers from ERDF and ESF+ resources

- At least 1.5 times the JTF allocation and maximum 3 times
- Transfers cannot exceed 20% of ERDF or ESF+ national allocations
- Justified by territorial just transition plans through envisaged investments
- Amounts transferred follow JTF rules
- In case of later increase of resources, transfers from ERDF and ESF+ not required
  - *Not to disrupt implementation of programmes or complicate programming*

## National co-financing

- Cohesion policy co-financing rates apply

# Scope of support – Article 4 and 5

- More focused than mainstream programmes
- Economic diversification and reconversion
- Re-skilling and up-skilling, job search assistance to and social inclusion of jobseekers
- Support to climate transition and environmental sustainability
- Technical assistance
  - *Eligible scope exhaustive under Article 4*

## Conditions for eligibility

- Activities to be directly linked to the JTF specific objective
- Activities to contribute to the implementation of the territorial just transition plan
- Only investment areas/activities listed in Article 4(2) provided they are not excluded as per Article 5
- In case of support to people: those supported by the JTF must be affected by the transition that is described in the just transition plan.

# Exclusions – Articles 4 and 5

## Limited additional investment eligible – to be justified in territorial just transition plans

- Productive investments in large enterprises: if needed to offset job losses
- Investments reducing GHG emissions from ETS activities: if needed to preserve jobs
  - *in compliance with applicable State aid rules*

## Exclusions consistent with ERDF and Cohesion Fund proposals

- Shorter list reflecting limited scope of support (when compared with ERDF) - transport and environment infrastructure not within scope
- Gas infrastructure not eligible under Just Transition Fund but can be supported under Pillar 2 (InvestEU rules apply)

# Programming process and conditionality - summary

**Country reports and Annexes D bis**  
Analysis on the most impacted territories and respective challenges



## **Territorial just transition plans**

- Description of transition process and key transition steps – **consistently with NECPs**
- Identification of territories (NUTS3 or parts thereof)

- Development needs, type of operations
- Justification of specific investments (productive investments for larger companies and activities in ETS sectors)



**Programmes with JTF support**  
Territorial just transition plans annexed

**2020 Semester and review in 2024**  
taking into account revised NECPs

**At national level**

**For each territory**

**Adoption by Commission Decision**

# Allocation methodology – Annex I

## The methodology captures the transition challenges and their impact

- GHG emissions of industrial facilities in high carbon-intensive regions
- Employment in industry in high carbon intensive regions
- Employment of coal and lignite extraction
- Production of peat
- Production of oil shale

## Corrections applied : fairness and effectiveness

- *Capping: ensures fair distribution and guarantees meaningful support*
  - National allocation cannot exceed EUR 2 billion
  - Aid intensity (over the whole period) at least equal to EUR 6
- *Corrections related to GNI per capita : ensures an appropriate concentration of resources on the less developed Member States*

## Built on latest statistics available

- Methodology detailed in Annex I of the JTF proposal



## Just Transition Mechanism allocation (EUR million)

	Proposed JTF allocation (2018 prices)	Total estimated funding under Pillar 1* (2018 prices)	Estimated expected investments to be mobilized under Pillar 1, 2 and 3** (current prices)
BE	68	311	989
BG	458	1.710	6.205
CZ	581	2.074	7.761
DK	35	217	569
DE	877	4.614	13.387
EE	125	569	1.811
IE	30	187	490
EL	294	1.049	3.923
ES	307	1.397	4.445
FR	402	1.825	5.807
HR	66	235	879
IT	364	1.301	4.868
CY	36	163	518
LV	68	242	906
LT	97	345	1.292
LU	4	23	59
HU	92	330	1.234
MT	8	37	119
NL	220	1.045	3.174
AT	53	331	867
PL	2.000	7.692	27.344
PT	79	283	1.058
RO	757	2.704	10.116
SI	92	327	1.223
SK	162	580	2.170
FI	165	749	2.383
SE	61	380	995
<b>Total</b>	<b>7.500</b>	<b>30.719</b>	<b>104.589</b>

\* including the national contribution required under the cohesion policy as well as a minimum transfer of 1.5 EUR from the European Regional Development Fund and/or the Social Fund+ for every 1 EUR drawn from the JTF.

\*\* reflects total minimum funding JTF and expected investment to be mobilised in Pillar 1, 2 and 3 in nominal prices. The split by Member State is an indicative estimate.



# 7. Policy objectives and thematic enabling conditions



# Policy objective 4

DG EMPL and DG REGIO



## Horizontal principles – Art. 6 ESF+

- Member States and Commission ensure equality between men and women and gender mainstreaming in programming (art. 6a (2) CPR)
- Member states and Commission prevent discrimination and take into account accessibility for PD in programming (art.6a (3) CPR)
- Targeted actions for women/accessibility
- Promote transition from institutional care to family and community-based care.



## Horizontal principles – Art. 8 ESF+

- Member States shall ensure adequate participation of social partners and civil society organisations in delivery of the shared management strand of ESF+
- Member States shall allocate appropriate ESF+ resources in each programme for capacity building of SPs and CSOs

# Complementarities in the area of integration

**ESF+** will focus on socio-economic integration of TCN (e.g. access to labour market, reducing poverty, promoting social inclusion and health, combating discrimination etc.).

**AMF** will focus on integration measures linked to the reception (support tailored to the specific needs of the TCN, language training, civic orientation courses, one-stop shops etc.) + development of national integration strategies and capacity building of MS

**ERDF** will invest in: social, health, education, housing and childcare infrastructure; actions to regenerate deprived urban areas and reduce isolation of people with a migrant background; business start-ups; territorial instruments

# ESF+ Art 4(1) - Specific objective (viii) 1/3

- COM proposal: (viii) promoting socio-economic integration of third country nationals and of marginalised communities such as the Roma;
- EP amendment: (viii) promoting **long-term** socio-economic integration of third country nationals, **including migrants**; ~~and of marginalised communities such as the Roma;~~
- Common provisional understanding at technical level (20/01) (viii) promoting socio-economic integration of third country nationals, **including migrants**; ~~and of marginalised communities such as the Roma;~~

## ESF+ Art 4 (1) - Specific objective (viii) 2/3

Member States to coordinate resources under ESF+ and AMF based on:

- Scope and objectives of each fund
- Type of actions required to address identified challenges related to integration of TCNs in a MS or region
- ... not on a distinction short-term/long-term; any measure should aim for long-term integration, under both AMF and ESF+.

Member States to ensure coherence and complementarity of both Funds at the national level:

- Partnership Agreements - policy choices and coordination, demarcation and complementarities
- Monitoring committees - “balanced representation of relevant Member State authorities and partners



# ESF+ Art 4 (1) - Specific objective (viii) 3/3

EC to support MS through exchange of good practices and coordinated actions e.g.:

- The Toolkit on the use of EU Funds for the integration of migrants
- European Migration Forum, Transnational cooperation, conferences...

# ESF+ synergies and coordination (Art 7(1) second subparagraph)

- **Aim:** to deliver coherent and streamlined support actions by avoiding duplication of effort and ensuring close cooperation
- **Member States:** to identify policy areas where ESF+ can be combined with other Funds; set up arrangements for effective coordination between the ESF+ and these Funds, including involvement of relevant ministries and other managing authorities
- **Commission:** will check the synergies and complementarities between MS programmes for the different funds; will ensure synergy and complementarity between ESF+ and actions supported by the Reform Delivery Tool



# ESF+ 'appropriate amount' for challenges identified in relevant CSRs and the European Semester (Art 7(1) first subparagraph)

- MS will be required to allocate an appropriate amount to challenges identified in relevant CSRs and the European Semester.
- The criteria for the quantitative allocation of ESF+ resources will depend on the actual challenges faced by MS in areas falling within the scope of the ESF+, the ESF+ resources allocated to the MS, the actions the MS is already undertaking with its own resources, the envisaged cost of the actions, etc.
- The amount will be agreed between the Commission and the Member State during the negotiations

# Employment & Social Innovation strand

Implemented under Direct Management - EC launches calls for tender and calls for proposals

- Activities follow work programme consulted with the ESF+ committee and approved by EC
- Calls are published on the EUROPA web site

<http://ec.europa.eu/social/main.jsp?catId=629&langId=en> and in the future also on:

<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>

- The work programme is available on the EaSI webpage:

<http://ec.europa.eu/social/main.jsp?catId=1081&langId=en&moreLinks=yes>

# Tracking of ESF+ support to climate

- Captured through the ESF+ secondary theme 01:
  - “contributing to green skills and jobs and the green economy” (Table 6 of Annex I CPR)
- Code can be used across all intervention fields/specific objectives.
- Same approach as for 2014-2020.

# ESF+ intervention fields and specific objectives

- Main ESF+ relevant intervention fields are codes 097-127 (+ codes related to technical assistance: 140-143).
- Based on Provisional Common Understanding, reporting to be done at the level of the specific objective.
- Codes can be used under any specific objective when relevant.

# ESF+ support to the most deprived

Jan Behrens  
DG EMPL

# ESF+ support for addressing material deprivation - specific objective (xi) – 1/3

- Ensures continuation of support provided by the FEAD in 2014-2020 to OP I: Addressing material deprivation through food and/or basic material assistance to the most deprived, including accompanying measures
- Objective of the merge: to promote synergies between ESF and FEAD support, whilst preserving lighter rules for FEAD-type support:
- ESF+ Regulation and CPR proposals continue to provide for simpler requirements for this type of operations
- Relevant derogations in CPR proposal, such as: Performance framework, no targets and milestones. Exceptions on programming, monitoring, communication and visibility



# ESF+ support for addressing material deprivation - specific objective (xi) -2/3

## Content of Programming

- Priority must be dedicated to specific objective (xi). It may be part of a broader programme (e.g covering also (x) and/or other Specific objectives) or a separate programme limited to specific objective (xi).
- Content of the priority (Art. 18): (1) Type of support, (2) Main target groups, (3) A description of national or regional support schemes
- (only if separate programme): criteria for selecting operations
- Annex V of the CPR (template for a programme) includes a specific section for the priority addressing material deprivation
- Targeting of end recipients : Definition of most deprived person in line with ESF+ Article 2 (13); Need to consult stakeholders;
- ECA recommendations: Special Report 5/ 2019
- Technical assistance: 5% Flat rate financing (Article 31(2)(b) CPR)

# ESF+ support for addressing material deprivation - specific objective (xi) -3/3

- The **Partnership Agreement has to be submitted before or at the same time as the first programme** (Article 7(2) CPR – provisional common understanding)
- An ESF+ programme exclusively addressing material deprivation will be **uploaded in SFC2021** as any other ESF+, ERDF or CF programme - as it is covered by the CPR.
- **Enabling conditions:** Only Annex III on horizontal enabling conditions applies. Annex IV does not set out any thematic enabling condition for specific objective (xi)
- **Co-financing rate:** Higher co-financing rate for specific objective (xi) to be decided by co-legislators if allowed by MFF Negotiation Box
- **Financial tables, category of regions:** Amounts in financial table should be based on the challenges faced by Member States (e.g, those regions most affected by material deprivation or with highest number of most deprived).



# ESF+ support to the most deprived - specific objective (x)

- May ensure continuation of support provided by the FEAD in 2014-2020 to OP II: now part of a broader specific objective (x) – “promoting social integration of people at risk of poverty or social exclusion, including the most deprived and children”.
- To count for **2% thematic concentration** requirement, it must:
  - Be duly justified (in view of the challenges faced by Member State)
  - Target the most deprived
  - Be programmed as a dedicated priority to specific objective (x), which is limited to the most deprived
  - Possible to target other target groups under specific objective (x) but they can't be part of the dedicated priority to specific objective (x) for the most deprived.
  - Not possible to combine specific objective (x) and (xi) under the same priority as different rules apply (e.g, content of priority is different), but they may be part of the same programme

# Thematic enabling conditions and material deprivation under ESF+

- There are no thematic enabling conditions linked to ESF+ specific objective (xi) on material deprivation
  - reference: Annex IV CPR proposal

# Modified specific objective 4.4 ERDF Regulation

## COM proposal:

(iv) ensuring equal access to health care through developing infrastructure, including primary care.

## Provisional common understanding

(iv) ensuring equal access to health care through developing infrastructure, including primary care **and promoting the transition from institutional to family- and community-based care.**

# Use of territorial instruments

- Territorial instruments (ITI, CLLD, SUD) can be used under any Policy Objectives.
- Under PO5, ERDF supported operations can be coordinated with ESF+ supported operations. It should entail a coordination mechanism at the programme or project level.
- Article 20(2) of CPR allows **15%** of cross-financing under each priority of a programme.

# Policy objective 5

Marek Teplansky  
Head of Unit DG REGIO 03

# Policy objective 5: strategies and tools for integrated territorial development

- New, **cross-cutting policy objective** for the integrated and sustainable development of urban and other territories (PO5)
- **Territorial tools:** integrated territorial investment (ITI), community-led local development (CLLD), other territorial tools
- Requirements: **integrated local/territorial development strategies and involvement of relevant urban/territorial bodies** – local empowerment
- Min **6% of ERDF to sustainable urban development**, in line with min. requirements
- **European Urban Initiative:** more coherent approach in capacity building, innovative actions, knowledge and policy development and communication.



# Minimum requirements

Key requirements to operationalise Cohesion Policy support to Integrated Territorial Development (CPR Art 23 for all territorial strategies, and Art 25-28 for CLLD local strategies)

- Interventions linked to **territorial or local strategies** of relevant local or territorial bodies (must be urban for 6%)
- Definition of the **targeted area** according to **development needs and potentials** (must be urban for 6%)
- Locally coordinated interventions through an **integrated approach** (cross-sectoral, multi-stakeholder, multi-territorial)
- Relevant **local or territorial bodies involved** in project selection (must be urban for 6%)
- **Partnership with relevant actors** to be ensured at local level

# Sustainable Urban Development in 2021-2027 (new ERDF/CF Art. 9)

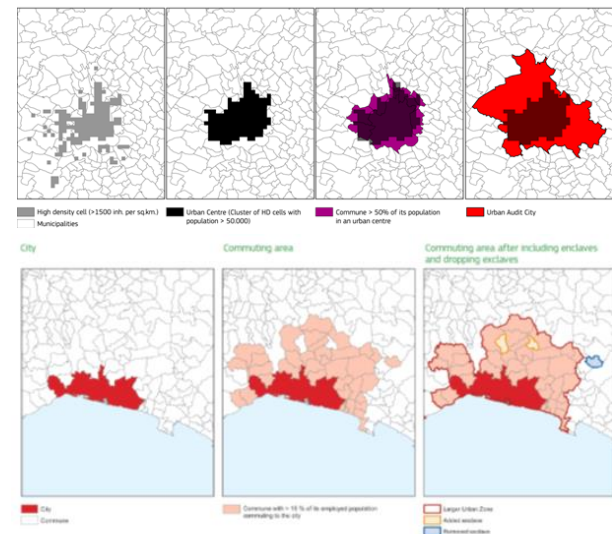
**Integrated territorial development** focused on **urban areas**, to more effectively tackle the economic, environmental, climate, demographic and social challenges affecting urban areas, including functional urban areas and urban-rural linkages

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

**Minimum 6% of ERDF  
at national level**



**Aligned with the tools and minimum requirements for integrated territorial development!**





# Example: integrated response to urban challenges

- ✓ Challenge: a need to improve **urban mobility**, **circular economy** and limit **urban sprawl** in **metropolitan areas**
- ✓ Admin. Capacity and governance: systematic cooperation through joint body started already, lack of shared strategic planning and coordination at metropolitan level
- ✓ Lessons learnt: 2014-20 ITI supported inter-municipal partnership projects in public transport and waste management, successful pilot actions to mitigate urban sprawl
- ✓ Programme responses:
  - ✓ coordinated support through **new territorial strategies**, **existing joint bodies will select projects**
  - ✓ scaling up pilot projects on urban sprawl through PO5, SO for urban
  - ✓ complementary thematic actions under PO2 and PO3 related to circular economy and urban mobility

Policy objective	Specific objective	Justification
PO 2	Transition to circular economy	<ul style="list-style-type: none"><li>• Need to collaborate on waste management plans, and use of locally available resources</li></ul>
PO 3	Sustainable urban mobility	<ul style="list-style-type: none"><li>• Need to improve multi-modal transport for daily commuting in major urban centres</li><li>• Successful partnership project in public transport</li></ul>
PO 5	Integrated development of urban areas	<ul style="list-style-type: none"><li>• <b>Need for integrated response to urban sprawl around major urban centres</b></li><li>• <b>Identified weaknesses in metropolitan cooperation</b></li></ul>

# Specific objective – PO5 example (cont.)

## Specific objective

### SO5.1: integrated development of urban areas

'Corresponding' types of actions

Integrated measures to mitigate urban sprawl (i.e. to decrease the share of urban area with low density)

Operations of strategic importance

Actions will be selected by the joint metropolitan body

**Specific territories targeted and use of territorial tools**

The metropolitan area of the major urban centers are targeted, defined based on commuting and urban sprawl. Support will be provided through ITI tool as explained above (PO2 and PO3 contribution)

Types of intervention ('categories')

**Intervention field:** rehabilitation of industrial sites, clean urban transport, housing infrastructure, enhancing cooperation

**Form of support:** Grants

**Territorial focus and delivery mechanism :** functional urban area ITI

Output indicators

**Common PO5:** Integrated strategies, population covered, collaborative projects

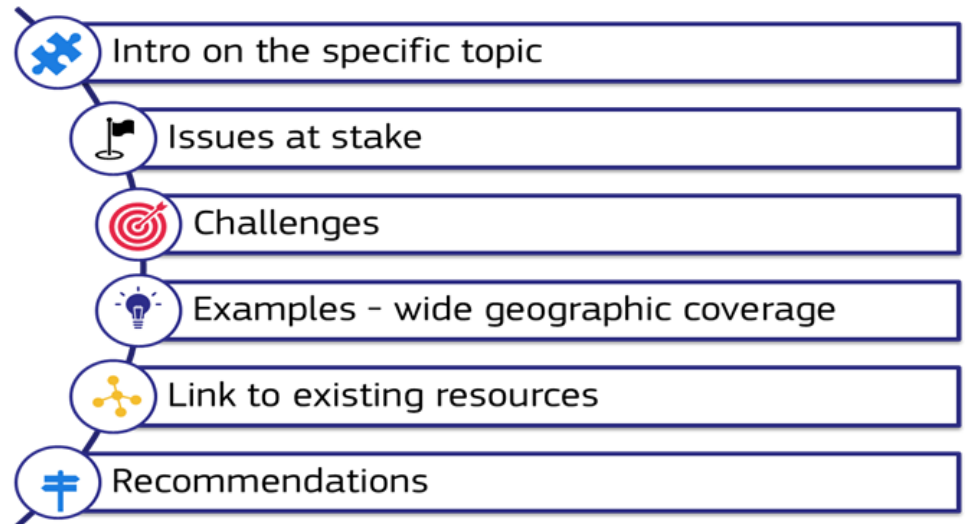
**Common thematic:** Area of rehabilitated land, Capacity of rehabilitated housing

Results indicators

**Common result indicators:** Rehabilitated land used, Occupancy of rehabilitated housing

# Handbook of Sustainable Urban Development Strategies

- A handbook for policy learning on the place-based, integrated and strategic approach to urban development in 2014-2020
- Main targets: Local Authorities, Managing Authorities
- 6 building blocks: strategic dimension, territorial focus, governance, cross-sectoral integration, funding and finance, monitoring
- It focuses on key challenges, and tackle them through examples, link to online resources, recommendations



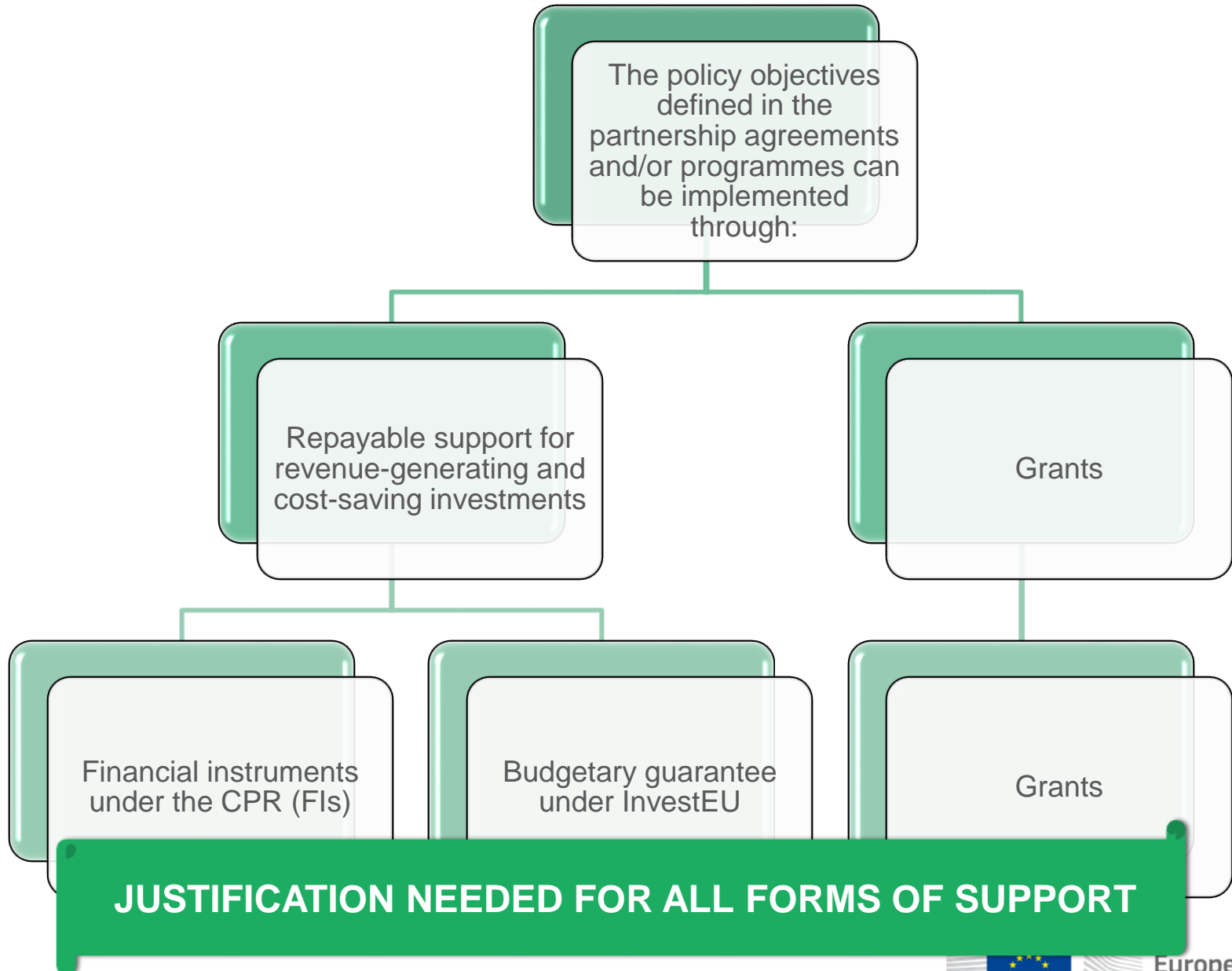
**Available online:**

<https://urban.jrc.ec.europa.eu/#/en/urbanstrategies>

# 8. Financial instruments

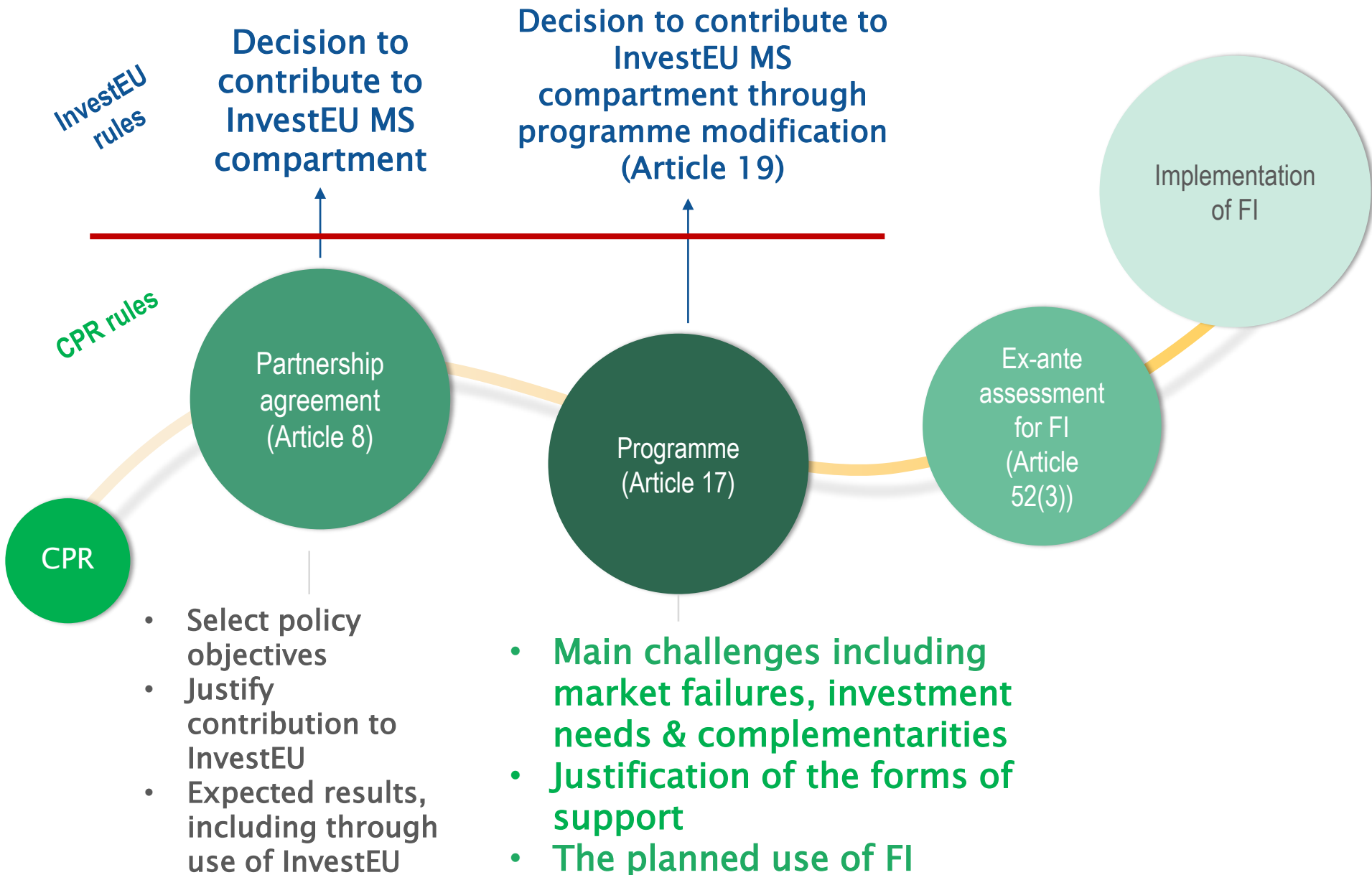
Axel Badrichani  
Deputy Head of Unit DG REGIO B3

# Intervention logic





# Partnership Agreement (Art. 8) and Programmes (Art. 17)



# Ex-ante assessment (Art. 52(3)) – managerial tool

## NEW! Programming

### NEW! Ex-ante assessment only for Financial instruments

#### Minimum requirements

#### Article 52(3)

- proposed amount and estimated leverage effect
- proposed financial products, including the possible need for differentiated treatment of investors
- proposed target group of final recipients;
- expected contribution of the financial instrument to the achievement of specific objectives

Possibility to use existing or updated ex-ante assessment

Monitoring committee examines elements of ex-ante assessment and the strategy document

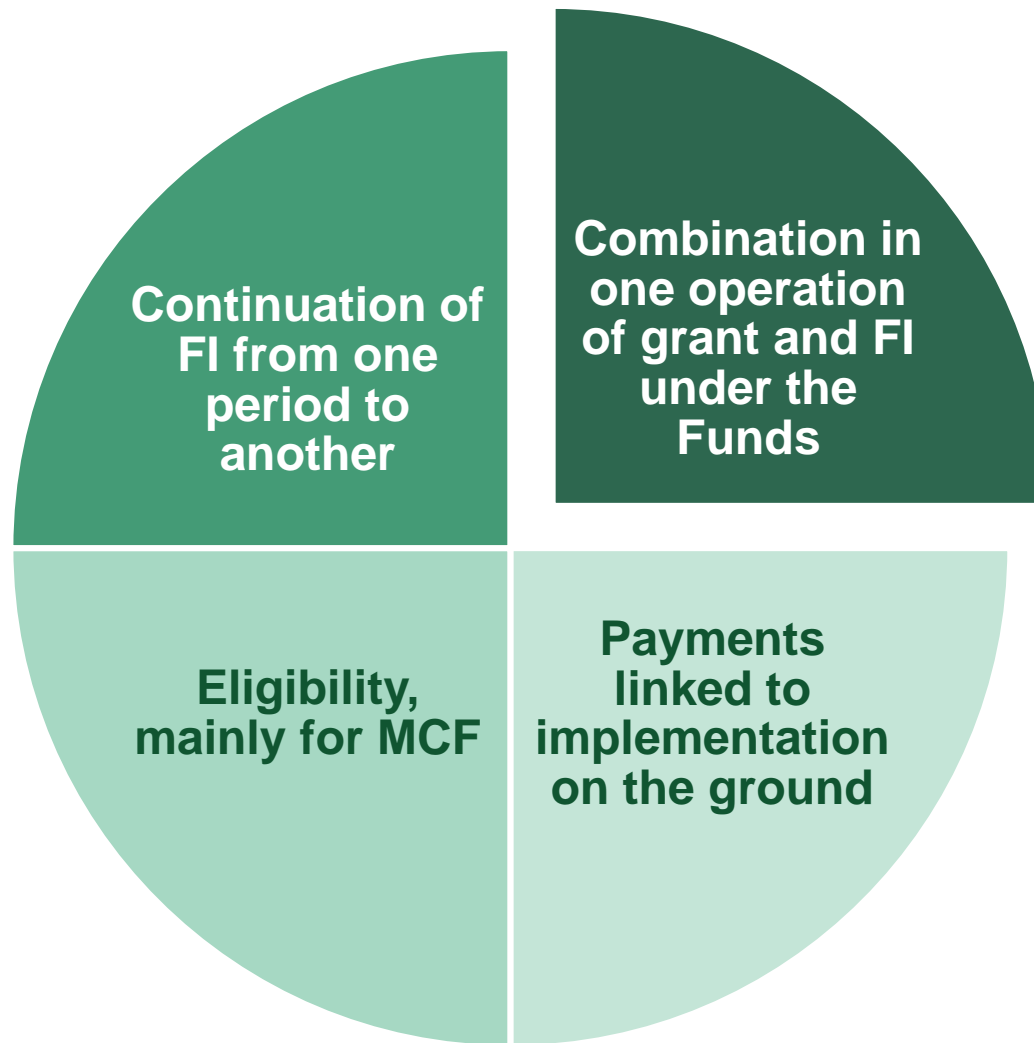
Drafted or updated under responsibility of MA

Methodology at discretion of MA

No guidance from the Commission

**Purpose: accelerate set-up of FI**

# Simplified and clearer rules for FIs





# Potential for financial instruments

There is untapped potential for the use of FIs. In this context 3 studies were commissioned by DG REGIO

- A **Stock-taking study** on financial instruments in the sectors of: Renewable Energy, Urban Development and Transport, Environment, ICT infrastructure and RDI in SMEs showed that:
  - Despite large amounts programmed for these sectors, delivery through financial instruments is limited
  - Potential exists for further financial instruments in the five sectors
- Publication of the full study on fi-compass website soon
- **SME & Energy Efficiency** on going studies: investment needs and potential use of FIs

# 9. Contributions to InvestEU

Axel Badrichani  
Deputy Head of Unit DG REGIO B3

# InvestEU state of play

- Design of the products for the EU compartment is advancing: intensive work on product fiches for the InvestEU financial products to be deployed. Meetings with the EIB Group and potential IPs actually taking place
- As well as other InvestEU streams e.g.: organization (establishment) of the InvestEU advisory hub, design of climate tracking and sustainability proofing guidance, communication with stakeholders and final beneficiaries
- MS authorities and the EIB Group maintain interest in the MS compartment



# 10. Communication

G. Comuniello  
Unit A2 DG REGIO

# Communication requirements: 2021-2027 vs. 2014-2020

2021-2027	2014-2020
<b>Responsibilities of Member States</b>	
Member States shall ensure specific visibility to operations of strategic importance	
<b>Responsibilities of MAs</b>	
Website to be online within 6 months from adoption of OP	No explicit provision on programme website
Pre-publication of planned calls (1 month before)	List of operations to be updated every six months
List of operations to be updated every [three] months	Communication strategy approved by Monitoring Committee after OP adoption
Communication chapter to be included in the operational programme according to art 17 CPR (included into OP negotiations)	

# Communication requirements: 2021-2027 vs. 2014-2020

2021-2027	2014-2020
<b>Responsibilities of beneficiaries</b>	
<p>Extra obligations for operations of strategic importance or +10M</p> <p>Sanctions up to 5% for non-compliance with obligations</p> <p>One plaque allowed for multiple projects in single venue</p>	
<b>Communication officers</b>	
<p>One national communication coordinator for all funds</p> <p>Coordination role of communication measures across programmes explicitly recognised</p>	<p>A national coordinator for each fund can be appointed</p>
<b>Reporting obligations</b>	
<p>Annual implementation reports are discontinued. However, Member States shall submit to the Commission detailed information on implementation of communication measures for the annual review meeting</p>	<p>Annual implementation reports submitted in 2017 and 2019 shall provide information on the results of the information and publicity measures of the Funds carried out under the communication strategy</p>

# Proposal for MA's communication activities indicators

1. Number of attendees to events (physical and online)
2. Percentage of target audience having a more positive opinion of the EU/programme/project
3. Number of views (web analytics, social media metrics, global counting)
4. Number of engagement: shares, likes, clickthroughs, comments
5. Number of contacts made during the communication campaign



# 11. Simplified management and control systems

Rafael López Sánchez  
Deputy Head of Unit C1 DG REGIO



# Management verifications (Article 68.2)

## Latest text:

*"The management verifications referred to in point (a) of paragraph 1 shall be risk-based and proportionate to the identified risks defined ex ante and in writing"*

- Managing authorities can decide to apply 2014/2020 practice of risk analysis for the on-the-spot verifications or apply the risk based approach for both administrative and on-the-spot.
- Roll over of good functioning control systems is advisable
- Important to ex ante document the risk assessment

# Enhanced proportionate arrangements (Articles 77 to 79)

## **Latest text 77 (a):**

*"by way of derogation from Article 68(1)(a) and 68(2), the managing authority may apply only national procedures to carry out management verifications"*

- The national procedures refer to the set-up and methodology used by the national authorities when making first control for the implementation of their national budget.
- The applicable law remains the same than in the standard arrangements meaning EU and national law



# 12. Q&A session