



Brussels, 23 December 2016

Minutes

Meeting of the Structured Dialogue with European Structural and Investment Funds' partners group of experts¹

15 November 2016, Brussels

1. APPROVAL OF THE AGENDA AND OF THE MINUTES OF PREVIOUS MEETING

2. NATURE OF THE MEETING

The meeting was public, i.e. web-streamed and recorded (available to anyone inside and outside European Commission)².

3. LIST OF POINTS DISCUSSED

This was the fifth meeting of the Structured Dialogue with European Structural and Investment Funds' Partners Group of Experts under the 2014-2020 programming period. The dialogue addressed the following points:

1. WELCOME ADDRESS BY MARC LEMAÎTRE, DIRECTOR GENERAL OF DG REGIO

The meeting was opened by **Marc Lemaître, Director General of DG REGIO**, who thanked the partners for their work towards implementing cohesion policy and invited them to continue their pro-active approach in providing feed-back to the Commission from their experience on the ground. He underlined the extreme importance of the joint effort of all stakeholders for the successful implementation of the programmes. Mr. Lemaître also invited members to look into the key findings of the recent ex-post evaluation of cohesion policy 2007-2013, in particular how the policy contributed to achieving structural change in Member States and its support to Member States' economies during the economic crisis.

Following Mr. Lemaître's address, remarks were made by **CEMR** (need for further simplification, including possibly the creation of a single fund), **Medcities** (praising the positive outcomes in Spain, and particularly in Cataluña, regarding mobility and waste management; stressing the challenges to apply strict thematic concentration; suggesting to have in mind the Metropolitan governance in future programmes), **EASPD** (stressing the creation of 1.3 million jobs in the medical and social sector in the EU, calling for the social sector to be a high priority for the next MFF and that ERDF should address demographical

¹ Published in the Register of Commission Expert Groups and Other Similar Entities, code number E03226

² <https://webcast.ec.europa.eu/5th-meeting-of-the-structured-dialogue-with-european-structural-and-investment-funds-partners-group-of-experts>. This link will remain available for 2 years after the event (after 2 years it will be automatically deleted).

challenges; noting the positive outcome of simplification for local authorities, but not necessarily for Civil Society Organisations or NGOs), **EUA** (referring to the difficulties in ensuring real synergies between ESIF and Horizon 2020; suggesting to focus on showing more successful EU funded projects in order to encourage more people to apply and stressing the need for more partnerships with universities, since innovation and human talent are important), **ELARD** (presenting various obstacles on the ground, including the impossibility to support regional projects, while there are often no such), **FEANTSA** (praising the focus on the needs of the people most in need in current programmes, in particular of homeless people; inquiring about The New Urban Agenda in the context of ESIF).

Marc Lemaître acknowledged that if the territorial approach is to be privileged, then setting up clearer boundaries between the funds will be essential, since there are currently many overlaps. He underlined the need for thematic concentration in the face of limited available funding in particular in more developed regions and acknowledged the role of innovation in addressing current challenges such as global competition or demographic change. He agreed with the need for further simplification of ESIF, not only for managing authorities but also for beneficiaries.

2. IMPLEMENTATION OF THE PARTNERSHIP PRINCIPLE

- **Update on the activities of the Thematic Network on Partnership**

The Commission (DG EMPL) updated members on the work of the Thematic Network on Partnership. A dedicated webpage is under construction³. Several organisations of the ESIF Structured Dialogue also participate in activities of the network (Business Europe, CPMR, ETUC, Eurochild, REVES, UEAPME). The numbers of participants to the network is however limited.

- **Final results of the study on partnership**

The Commission (DG REGIO) presented the final findings of the study on the implementation of the partnership principle and multi-level governance in 2014-2020 ESI Funds, following the publication of the final report in July 2016⁴. Partnership has been improved compared to 2007-2013, especially during the programming phase. The modified legislative framework was generally perceived as positive as it increased awareness and visibility of the partnership principle. The main challenge of partnership involvement is mobilising stakeholders. This could be achieved by regular reviews of the partnership, capacity building schemes and differentiation of partnership for different stages of the programme lifecycle.

- **Feed-back and discussion with Structured Dialogue members**

Following these two presentations, remarks were made by **Bankwatch** (on the need for stricter partnership enforcement, while signalling practices in certain Member States that prevent partners from being involved, such as explicitly excluding consultation of partners in a liquefied gas project in PL, or classifying certain projects as state secret in LV), **BirdLife** (requesting further details about environment NGOs interviewed during the study on partnership), **EAPN** (acknowledging the improvement compared to the previous programming period; calling on further assessment of the quality of participation in particular in monitoring committees), **EASPD** (on the need to reinforce partnership in the post-2020 legislative framework), **ENIL** (also on the insufficient quality of partnership), **ERGO** (on

³ <http://ec.europa.eu/esf/main.jsp?catId=56&langId=en>

⁴ http://ec.europa.eu/regional_policy/en/information/publications/studies/2016/implementation-of-the-partnership-principle-and-multi-level-governance-during-the-2014-2020-esi-funds

how lack of capacity hampers partners participation), **REVES** (on how partnership is being applied in ESIF-EFSI combinations) and **UEAPME** (on the lack of real involvement of partners, even though partnership exists on paper; the solution, more than stricter enforcement, lays in further capacity building measures – and here training is needed more than training; also pointing out at partners' share of responsibility in particular the need for them to defend the common good, not only their own interests). Partners overall praised the Commission's openness towards dialogue.

The Commission took note of these ideas and encouraged further exchange on the issues raised. Furthermore, it addressed the issue of the quality of partnership, by stressing that the joint engagement of several NGOs and the Commission could result in putting enough pressure on Member States to change their practices. Furthermore, the Commission reminded that two surveys on capacity building have shown that NGOs have achieved better results than social partners with regards to the implementation of the programmes, as well as that the capacity building itself is aimed at improving the way participation is made and facilitating the proposal of new projects.

3. EX-POST EVALUATION OF COHESION POLICY 2007 – 2013

The Commission (DG REGIO) presented the findings of the European Regional Development Fund (ERDF) and Cohesion Fund (CF) ex-post evaluation for 2007-2013. The policy has benefitted the economies of all EU Member States and supported them during difficult economic times. It has invested in nearly 400,000 SMEs and start-ups and has been a pillar of the EU's growth and jobs agenda. One million jobs created, corresponding to one-third of overall net job creation across the EU during this period and €2.74 of additional GDP for every euro of cohesion policy money invested, meaning an estimated return of €1 trillion of additional GDP by 2023 – these are the key results of the evaluation of the 2007-2013 period.

The Commission (DG EMPL) went on to present the initial findings of the European Social Fund (ESF) ex-post evaluation for 2007-2013. Like the ERDF and the CF, the ESF was implemented in very challenging times. Overall, the ESF has been instrumental in supporting EU strategic objectives and national policies. 77 billion EUR of the EU budget have been used in order to support Member States' Policies on the basis of the Employment guidelines and Country Specific Recommendations. The key findings of the study show that there is a strong alignment of the ESF-supported measures to EU and national challenges and priorities and that implementation has progressed adequately. Furthermore, the ESF has reached the most relevant target groups of participants and its interventions have been effective in all policy fields, helping 9.2 million participants to be in employment after ESF and 8.7 million to gain a qualification.

Following the two presentations, questions were raised by **EUA** (the need to standardize the job creation indicators for more accurate monitoring and to ensure coherence between the various evaluations), **EURoma Net** (decrying that programmes for Roma inclusion are too often short term interventions not anchored in a national strategy; this leads to a lot of EU funds being returned at the end of the programming period for lack of use, whereas the need for intervention exists), **ENIL** (the need to further align EU-funded programmes with the EU Charter for Fundamental Rights), **ERGO** (the need to put pressure on Member States where democratic practices are at question and corruption is particularly high, since even though some of these countries are among the biggest beneficiaries of funds, big improvements cannot be expected, especially on local level), **ESIN** (calling for a more visible place for islands in Commission evaluations) and **the Chairmanship of the AGRI Civil Dialogue on Rural Development** (stressing the need to take in account the different territorial zones, such as rural, urban or mountain areas in the ex-post evaluation).

The Commission took note of these concerns and reassured members that the territorial dimension will be taken in account in future evaluations in particular such performed by Member States concerning programmes under the European territorial cooperation goal. Civil society could advocate with national authorities in favour of using these criteria in their evaluations, so that such data becomes available and can be taken into account by the Commission.

With regard to the job creation indicators, the differences lay in the various methodologies used by the ERDF and the ESF. Discussions on harmonisation have started.

Finally, the Commission addressed the problem of corruption in several Member States and explained that EU funds have an important contribution to the fight against corruption, in particular through capacity building measures. Furthermore, partnerships with important NGOs, such as Transparency International, have been created in order to closely work with the most at risk countries.

4. HIGH LEVEL GROUP ON SIMPLIFICATION

The Commission (DG REGIO) updated members on the activities of the High Level Group on Monitoring Simplification for Beneficiaries of the ESI Funds. Four reports have been finalised since the first meeting in October 2015 on the following subjects: E-governance, Simplified costs options, Access to EU funding for SMEs and Financial instruments.

Significant parts of the high level group's recommendations were included in the “Omnibus” proposal adopted on 14 September 2016. The suggested changes to the rules governing ESI Funds were: reducing administrative burden for beneficiaries; improving synergies with other EU instruments; streamlining financial instruments; increasing flexibility for investments in Member States. Further activities of the high level group include continued monitoring of implementation of the non-legislative proposals and discussion on the post-2020 period.

Following the presentation, questions were raised by **BirdLife** (how is the work of the high level group being articulated with that of the REFIT platform; the Commission explained that the high level group is systematically informed of the REFIT platform's opinions that are relevant for ESIF), **EAPN** (express general satisfaction over how simplified cost options are managed; however, delays in ESIF implementation affect NGO's in getting loans; the Commission confirmed it was well aware of the difficulties created by the delays in beginning of the current period – this is a key topic for the High Level Group discussions on post 2020 period), **EASPD** (need for the high level group and the Commission to duly take into account the needs of different beneficiaries, including by proposing sufficiently attractive simplified costs options), **COGECA** (request confirmation that the simplification measures proposed in the Omnibus will be applicable also to the ongoing programmes; the Commission explained that the Omnibus proposal is intended to be applied during the current programming period, once adopted by the co-legislator: the quicker the Regulation is adopted, the better), **FEANTSA** (how will the MFF mid-term review/revisions feed in the work of the high level group; the Commission explained that the work related to the MFF review has already been taken into account, and the high level group will from now on focus on post-2020) and the representative of the **Committee of the Regions** (congratulate the Commission on the Omnibus proposal; express worries over the possibility to transfer ESIF money into centrally-managed funds; Commission underlined that the regional and local focus will not necessarily be lost following such transfer, it all depends on Member States).

5. FINAL RESULTS OF STUDIES ON NEW PROVISIONS AND EX-ANTE CONDITIONALITIES

The Commission (DG REGIO) presented the key findings of these two studies, whose purpose is to take stock of how the new regulatory elements of the reformed policy have been integrated into the programming phase of the European Structural and Investment Funds.

The studies provide evidence and an analytical basis for the debate on the design of the policy post 2020 and related impact assessments.

The study on the use of **new provisions**⁵ revealed that the new regulatory framework has significantly altered the Member States' approach to programming. The new provisions required programmers to link strategic thinking and result-based management, and relate strategic thinking with the objectives and the means of the Europe 2020 strategy. The new programming approach succeeded to make the strategy behind the allocation of resources, the links between means and results more specific and transparent than before. At the same time, the scope for applying the integrated instruments in all sectors and types of areas has not yet been exhausted. Implementation-related new provisions were among the less controversial elements of the nineteen new provisions analysed, and in general, Member States did comply with new requirements in this area. This provides a good basis for further developing implementation capacity.

The study on the implementation of the provisions in relation to the **ex-ante conditionalities**⁶ reviews the implementation of the ex-ante conditionalities introduced in the 2014-2020 ESIF legislative framework. The research findings highlight the value of ex-ante conditionalities, in encouraging the fulfilment of EU regulatory requirements, improving the investment framework and institutional capacity and reinforcing effectiveness through associated strategies in the policy areas supported by ESI Funds. The process has also allowed the Commission to engage in a dialogue with Member States, resulting in an improved understanding of the situation in the Member States and increasing awareness about necessary pre-conditions for effective investments. Ex-ante conditionalities requested resource implications, and the effort for fulfilling them was considered sometimes disproportionate by certain more developed Member States.

Following the presentation, questions were raised by **COGECA**, **COPA** (both emphasized the need that Member States and the Commission act and speak along the same line), **CPMR** (cohesion policy is not only a pot of money, integration of Europe 2020 objectives and Country Specific Recommendations must continue post-2020; also asked what will happen with the unfulfilled ex ante conditionalities and if Europe 2020 will be succeeded by an all-encompassing post-2020 strategy; the Commission explained that rules regarding ex ante conditionalities will have to be applied, i.e. suspensions might be applied if there are unfulfilled ex ante conditionalities; following thorough assessment of each concrete situation), **ELARD** (bottom-up approach must continue, CLLD rather a success story; the Commission agreed, while underlining the need for further action in that respect outside the ESF), **ENIL** (how will the Commission follow-up the quality of strategies with Member States), **ERRIN** (on synergies between various sources of EU funding; Commission confirmed that action is needed beyond guidance notes), **EUROCITIES** (need to further simplify cities participation), **LUMOS** (on maintaining deinstitutionalisation as a priority in the post-2020 legislative framework) and **Social Platform** (requesting further details about budget support, as well as the integration of Europe 2020 objectives and Country Specific Recommendations).

⁵ http://ec.europa.eu/regional_policy/en/information/publications/studies/2016/the-use-of-new-provisions-during-the-programming-phase-of-the-european-structural-and-investment-funds

⁶ http://ec.europa.eu/regional_policy/en/information/publications/studies/2016/the-implementation-of-the-provisions-in-relation-to-the-ex-ante-conditionalities-during-the-programming-phase-of-the-european-structural-and-investment-esi-funds

6. PLANNED STEPS IN PREPARATION OF THE POST-2020 LEGISLATIVE FRAMEWORK

The Commission (DG REGIO) presented the planned steps in preparation of the post-2020 legislative framework, which is closely related to and dependent upon the preparation of the next Multiannual Financial Framework (MFF). Preparations will include an Impact Assessment (2017), a Cohesion Forum (June 2017) and a Cohesion report (September/October 2017). The adoption of the legislative proposals is expected for 2018, followed by legislative negotiations in view of starting the new funding period on 1 January 2021.

Preparations will also include a public consultation with a 12-week period, in accordance with the Better Regulation guidelines; the Commission will inform the members of the ESIF Structured Dialogue in due time of the timeline for this consultation, once these details are known.

Multiple sources will feed into the preparatory work: the ex-post evaluation of 2007-2013 programmes; the experience gained with the programming and implementation of the 2014-2020 programmes; exchanges with academics, EU institutions and bodies; input from OECD and World Bank, the High Level Group on Simplification, the Lagging regions initiative, public consultations and the Structured Dialogue with ESIF partners at EU level. Four key policy questions will need to be addressed in the debate: (i) flexibility, (ii) performance and delivery of results, (iii) economic governance and structural reforms and (iv) simplification.

The Commission (DG AGRI) then presented the results of the Cork 2.0 Conference (5-6 September 2016, which concluded with the signing of the Cork Declaration on Rural Development. The conference was organised by the European Commission. The participants included project holders, media and various participants from agricultural value chains, environmental organisations, territorial stakeholders, as well as research and knowledge providers.

Following the presentations, questions were raised by **BirdLife** (on the need to properly focus on the implementation of the current programmes), **CAN Europe** (calling for an open debate on the various policy options), **CEMR** (referring to its recent policy paper on post-2020 preparations, including the idea of a possible future tripartite signing of Partnership Agreements; also stressing the importance of capacity-building measures also for local and regional authorities), **CPMR** (referring to its recently-adopted position on post-2020 and expressing misgivings over the decision of the Commission to prolong EFSI without a proper evaluation of the experience over the past 3 years; also calling on the Commission to work towards an overarching strategy on investment bringing on board EFSI and cohesion policy funding), **EASPD** (suggesting that thematic discussions on issues such as partnership, deinstitutionalisation, ex ante conditionalities, etc., are held at future meetings of the ESIF Structured Dialogue), **ELARD** (underlining the partners' responsibility in pursuing CLLD; calling for more coordination between the various civil dialogue groups maintained by the Commission), **EUA** (referring to synergies between various sources of EU funding, calling for further flexibility at regional level), **FEANTSA** (need to keep the thematic focus on poverty in the post-2020 policy framework) and **the Chairmanship of the AGRI Civil Dialogue on Rural Development** (praising the inclusive approach that led to the Cork Declaration and calling for a similar approach for its implementation). The Commission highlighted the essential role of partners in bringing cohesion policy closer to citizens.

4. CONCLUSIONS/RECOMMENDATIONS/OPINIONS

The Commission closed the meeting by thanking participants for the quality of the dialogue. The **meeting material** is available on the InfoRegio website⁷:

The group will continue to look closely at the preparations for the post-2020 legislative framework, while also discussing about the challenges of the current programming period. The Commission also counts on members' active role in (i) disseminating further to their constituencies the results of the exchanges in the framework of the ESIF Structured Dialogue, (ii) building good practices in the implementation of the partnership principle throughout the entire programme lifecycle and (iii) signalling bottlenecks that they became aware of in their field work.

The Commission services will continue to monitor with special attention the way Member States are involving partners and to that effect they will discuss the implementation of the partnership principle with Member States in the context of the Annual Review meetings and in monitoring committees. Members were encouraged to forward to the Commission findings or recommendations stemming from their own studies as well as concrete examples of good or bad practices from their experience on the ground.

5. NEXT STEPS

The **minutes** will be forwarded to the European Parliament and the Council in order to fulfil the requirement of Article 5(6) of the CPR. They will also be forwarded for information to the European Economic and Social Committee and the Committee of the Regions.

6. NEXT MEETING

Two ESIF Structured Dialogue meetings will take place in 2017, in principle late March and late October. The exact dates will be communicated to members in due time. As foreseen in the group's rules of procedure, the invitation and draft agenda will be communicated to members at least 30 calendar days before the date of the meeting.

The Commission invited members to **submit by 15 January 2017 their suggestions** for discussion topics that should be included on the agenda of the Structured Dialogue in 2017.

7. LIST OF PARTICIPANTS

Annex.

⁷ http://ec.europa.eu/regional_policy/en/policy/communication/structured-dialogue-with-partners/#1

List of Participants

Nr. crt.	Organisation
Experts from external organisations	
1.	ARCO LATINO
2.	BAE Business Angels Europe
3.	BirdLife Europe
4.	BUSINESS EUROPE
5.	CAN EUROPE – Climate Action Network Europe
6.	CCRE-CEMR – Council of European Municipalities and Regions
7.	CCRN – Capital Cities and Regions Network
8.	CEE Bankwatch Network
9.	CEEP – European Centre of Employers and Enterprises providing Public Services
10.	CEETTAR – Confédération européenne des entreprises de travaux techniques agricoles, ruraux et forestiers
11.	COGECA
12.	EAPN – European Anti-Poverty Network
13.	EARTO – European Association of Research and Technology Organisations
14.	ECOLISE – European Network for Community-led Initiatives on Climate Change and Sustainability
15.	EDF – European Disability Forum
16.	ELARD – European LEADER Association for Rural Development
17.	Energy Cities
18.	ENIL – European Network on Independent Living
19.	ENNA – European Network of National Civil Society Associations
20.	ENSIE – European Network of Social Integration Enterprises
21.	ERGO – Stichting ERGO Network
22.	ERRIN – European Regions Research and Innovation Network
23.	ESIN – European Small Islands Federation
24.	ETUC – European Trade Union Confederation
25.	EUA – European University Association
26.	EURAF – European Agroforestry Federation
27.	EuroHealthNet
28.	EUROCHAMBRES
29.	EUROCITIES
30.	European Youth Forum
31.	FEANTSA – European federation of national organisations working with homeless people
32.	Fundación Secretariado Gitano / EURoma Network Technical Secretariat
33.	IFOAM – International Federation of Organic Agriculture Movements EU Regional Group
34.	LUMOS Foundation
35.	MEDCITIES
36.	REVES – European Network of Cities and Regions for the Social Economy
37.	Social Platform
38.	UEAPME – European Association of Craft, Small and Medium-sized Enterprises
EU Institutions	
1.	European Commission (DG AGRI, DG EMPL, DG MARE and DG REGIO)
2.	Chairmanship of the AGRI Civil Dialogue on Rural Development
3.	Committee of the Regions
4.	European Economic and Social Committee