

**Thematic concentration – overview of delegations' comments on CSF Regulations**

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*This overview of questions and answers has been drawn up to provide further information for delegations. The clarification provided does not prejudge in any way the final position of the Commission on any of these questions.*

Questions	Commission answers
<b>Common Provision Regulation</b>	
<b>Article 16 Thematic concentration</b>	
<p>Article 16 specifies a scope of CSF Funds. How should “national and regional needs” be taken into account?</p>	<p>Article 16 lays down general provisions for thematic concentration. The scope of each CSF fund is defined in the fund specific regulation. For cohesion policy, Member States and/or regions should set specific objectives that correspond to national and regional needs in relation to applicable investment priorities. They will have flexibility in defining the mix of interventions needed to reach the specific objectives defined in the context of their circumstances in relation to the investment priorities laid down in the Regulation.</p>
<b>Different approach to concentration between ERDF and ESF Article</b>	
<b>Article 4 of the ERDF regulation and of Article 4 ESF Regulation</b>	
<p>In the ERDF Regulation, there is the same concentration for more developed regions and transition regions (80% on three thematic objectives). In the ESF Regulation, the concentration level in more developed regions is 80% and in transition regions 70%.</p>	<p>As regards the ERDF, transition regions require enhanced investments in research and innovation, SME competitiveness and transition to the low-carbon economy in order to be competitive in the global knowledge based economy and complete their catching up process. Specific provisions are foreseen for ex-convergence regions to reflect their ongoing restructuring needs as regards ERDF (60% on the three thematic objectives).</p>
<p>Why is the thematic concentration for ESF (focused on priority investment level) stricter than for ERDF? Why is a different approach proposed: 50% of ERDF on 3 thematic objectives, art. 4 of ERDF Regulation and 60% of ESF on 4 investment priorities, art. 4 of ESF Regulation</p>	<p>The different modalities of concentration proposed for the ERDF and the ESF reflect the specificities of each fund and the nature of investments they support. For the ESF MSs should concentrate resources primarily on addressing challenges identified in country specific recommendations and the National Reform Programmes. This requires a more focused targeting of resources within the thematic objectives. It would not be appropriate to restrict the flexibility of Member States by imposing a selection between thematic objectives such as employment, education or inclusion. Given this flexibility the Commission does not share the view that it is a "stricter" system.</p>
<p>Are the ERDF and the ESF approaches to concentration consistent</p>	<p>See above. The two approaches are consistent and reflect the broader</p>

with each other? The ERDF regulation requires to concentrate on 1 (strengthening research, technological development and innovation), 3 (enhancing competitiveness of SMEs) and 4 (supporting the shift towards a low-carbon economy) thematic objectives, while related actions supported by the ESF as laid down in Article 3 (2) a) (resource-efficiency), c) (R&D), d) (competitiveness of SMEs) of the ESF regulation are excluded from concentration requirements.	focus of the ERDF in terms of support to all thematic objectives and more narrow focus of the ESF on 4 thematic objectives.
<b>ERDF Regulation</b>	
<b>Article 4 Thematic concentration</b>	
Why only establishing three priorities in competitiveness and intermediate regions, taking into account that the number of priorities in convergence regions has increased with regard to the current period. It would be positive to have a longer list of priorities and more flexibility. It would be especially interesting that, after a period of investment in R+D and innovation infrastructures, it would be possible to invest in human capital for a better use and an optimization of those infrastructures.	These correspond to key Europe 2020 priorities. A series of European Council conclusions called for improving the conditions for research and development with the aim of bringing combined public and private investment levels in this sector to 3% of GDP. Reaching national targets set requires additional investments. Similarly, the European Council has endorsed a 20 % target for renewable energy and 20 % for energy efficiency. Meeting energy efficiency targets requires considerable investments. The key role SMEs play in the European economy has been underlined by several Competitiveness Council conclusions. Investments in human capital will be possible from the ESF to support and complement ERDF grant and infrastructure support.
Quotas established at national level are not workable in federal countries; on what basis have they been established?	The rationale behind the proposal to concentrate ERDF resources at national level is to ensure contribution of the ERDF to Europe 2020 headline targets in the field of research and the low carbon economy and to core EU priorities such as SMEs. Applying concentration at national level will allow for flexibility in the breakdown of funding at regional level. One option for a federal country would be to apply the same percentages at regional level.
Pre-fixed percentages are inappropriate for small programmes; it is counterproductive; additional justification from the EC is needed.	The key objective of concentration is to ensure that the funds deliver key Europe 2020 headline targets and priorities. ERDF concentration is set at level of Member State for a given category of region, not programmes.
Would it be possible to ringfence 80% for low-carbon economy?	Yes it is possible to focus the entire 80 % on the low-carbon economy.
<b>Article 5 Investment priorities</b>	
Restriction to support large companies and extensive focus on SMEs	Support to large enterprises is possible where it is focused on research and

	innovation which will bring long term regional benefits.
Possibility for ERDF to support soft actions in the investment priorities which cannot be supported by ESF.	As in the current period ERDF can support "soft" actions that fall under the ERDF scope and the ERDF investment priorities.
How are investment priorities connected to indicators?	Each investment priority should set a specific objective and corresponding result indicator(s).
Could the limited number of common indicators (e.g. energy and climate change) lead to a limitation of the flexibility to support actions which are not covered by the common indicators? Clarifications are needed.	No. There is flexibility to cover interventions not directly linked to the common indicators. The regulation explicitly refers to the possibility for programme specific indicators.
(1b) concrete definition of the terms: social innovation and public service applications.	Social innovation is a type of innovation that is both social in its end and means, in that it represents a new idea (product, service or model) that simultaneously meets social needs and can create new forms of collaboration The ESF supports in particular testing and scaling up innovative solutions to address social needs A public service application is a form of innovation that can be made use of in the public sector, particularly linked to ICT applications such as e-government and e-learning.
(9a) explanation if all three conditions have to be incorporated in each concrete investment action (1 contribution to national, regional, local development, 2 reducing inequalities and 3 transition from institutional to community based).	The three elements referred to under (9) (a) should be interpreted as objectives which are driving the investments. This means that for investment in health infrastructure, actions supported should contribute to development as well as reduce inequalities in health status; while investments in social infrastructure need to take into account the need to support transition from institutional to community-based care. However, the precise mix and applicability of these objectives will depend on the nature of the investment.
Why has the figure of 6% been chosen for less developed regions and 20% for more developed and transition regions – this is a marked difference particularly for regions that may fall just either side of the 75% GNI boundary.	All types of regions need increased investments in the low-carbon economy. Less developed regions, however, need to address a range of development needs and require continued investments in basic infrastructure.
Does housing for marginalized people include Roma community?	Yes.
Will tourism investments continue to be supported?	Yes, investments in tourism are possible. It is one economic sector. Investments in tourism need to contribute to thematic objectives/investment priorities linked to SME development and
How would rural tourism fit? What is eligible under ERDF and the	

EAFRD?	environment. Rural tourism can be supported under cultural heritage. Complementarity between ERDF and EAFRD to be defined in programmes on basis of needs.
The link with demographic change should be explained. Article 3 of the ERDF Regulation limits the scope of intervention in more developed regions. What would then be supported in more developed regions? What is the link between Article 3 and Article 5?	Demographic change is cross-cutting and requires a range of investments, from ERDF but notably also through the ESF, which may take the form of promoting female entrepreneurship, supporting the adaptability of older workers, urban development, life-long learning, etc. Social, health and educational infrastructure can be supported in more developed regions.  The proposed ERDF regulation article 3 defines the scope of intervention namely the types of investments which can be supported, while Article 5 defines investment priorities which need to fall under the scope defined in Article 3.
The thematic objectives (Art. 5 of ERDF regulation, Art. 9 of General Regulation) do not include actions in the areas of energy such as rehabilitation/upgrade of energy production infrastructure and construction/ upgrading of natural gas networks.	The areas listed will be covered by the Connecting Europe Facility (CEF) which is more suited to supporting energy production and transmission infrastructure.
The priorities focused on the SMEs do not address issues concerning the expansion of production activities and product improvement, that are necessary to address the on-going financial crisis	The investment priority related to SMEs competitiveness focuses on promoting entrepreneurship and developing new business models. This can be achieved in a number of different ways ranging from business advice to investment in equipment and processes. However, it is not enough simply to give money to SMEs, it is necessary to ensure that this will contribute to improved competitiveness.
Can activities in Article 5 (8-10) ERDF be combined with activities in 5(1)(a), if it is the same type of activity?	Yes.
Are investment priorities mutually exclusive? E.g. would it be possible to implement a certain type of Article 5(1)(a) project as an Article 5(4) project?	No. They are not mutually exclusive There can therefore be an overlap in the types of investments supported for different investment priorities. It should be for each programme to define the specific mix of investments needed to achieve the investment priorities.
What activities/actions can be financed under the “green infrastructure”?	A range of activities can be financed under green infrastructure. For example flood protection, coastal defense and connecting habitat nature

	sites, but they should be implemented through eco-system based approaches.
What can be financed under the investment priority “promoting low-carbon strategies for urban areas”? The preparation of such kind strategies? Or raising the awareness regarding the low-carbon economy?	A broad range of activities can be funded ranging from preparation of strategies and awareness raising to support for collective private and public sector actions to reduce energy consumption.
The description of some ERDF and CF investment priorities falling under the same thematic objectives are identical in both Regulations (ERDF and CF). Does it mean that the same activities could be funded by different funds?	Yes
Could the reconstruction/building of sport infrastructure be supported under the ERDF? If yes, under which thematic objective sport infrastructure (for example, reconstruction of stadiums) could be funded by ERDF?	An operation relating to sport infrastructure could be funded where it supports the achievement of an investment priority, for example in relation to social inclusion or health (community facility).
<b>Cohesion Fund regulation</b>	
<b>Article 2-3 Scope of support and investment priorities</b>	
Why Cohesion Fund refers only to infrastructure?	The TFEU states that the Cohesion Fund shall be set up with the aim of contributing to projects in the fields of environment and trans-European networks in the area of transport infrastructure; it should be noted, however, that the cohesion fund will not only fund infrastructure investments. Art. 3 (a) (ii) of the Cohesion Fund regulation for example foresees an investment priority for promoting energy efficiency and renewable energy use in SMEs; Art. 3 (c) (iii) foresees measures to protect and restore biodiversity, including – but not limited to – green infrastructure.
Article 2 a) says that Cohesion Fund shall support investments in the environment, including areas related to sustainable development and energy which present environmental benefits. Taking into account that supporting energy efficiency in both public infrastructures and in housing is creating benefits for environment, why energy efficiency in public buildings is eligible for Cohesion Fund support, while energy efficiency in housing sector is not?	The main purpose of the Cohesion Fund is to support public infrastructure in the field of transport and the environment. Investment needs for housing can be addressed by the ERDF for which there is now no limit on expenditure.
Possibility for CF to support housing investment for energy	See above. No, investment in housing is explicitly excluded in Art. 2 (2c)

efficiency?	of the Cohesion Fund regulation. It is also not mentioned in the corresponding investment priority in Art. 3 (a) (iii) that explicitly only refers to public infrastructures.
Allocation from CF to Connecting Europe Facility – details and clarification - How will the distinction/delimitation between Cohesion Fund and Connecting Europe Facility be set up?	<p>The CEF will finance infrastructure projects with high EU added value in the areas of transport, energy and ICT. €10 billion would be ring-fenced inside the financial allocation for the Cohesion Fund for the Connecting Europe Facility in order to support investments in core TEN-T infrastructure. The Cohesion Fund will continue to cover investments in environment and transport, more specifically supporting the shift towards a low-carbon economy in all sectors, promoting climate change adaptation, protecting the environment (waste and water sectors) and promoting sustainable transport and removing bottlenecks in key network infrastructures.</p> <p>The spending will be on the basis of dedicated calls for Member States eligible for the Cohesion Fund. They will address projects along core priority corridors specified in the annex of the Connecting Europe Facility. These projects should be of particularly complex nature, i.e. addressing missing links like cross border infrastructure. The calls will follow the rules established in the Connecting Europe Facility Regulation. Project selection and monitoring will be by the TEN-T Executive Agency. However, greatest priority shall be given to projects respecting the national allocations under the Cohesion Fund. Funding rules, such as the maximum co-financing rates will be the same for the ring-fenced 10 billion EUR as for the other expenditure in the Cohesion Fund.</p>
<b>ESF Regulation</b>	
Due to 20 per cent ring-fencing requirement it is likely that many Operational Programmes would chose to finance all three investment priorities related to the ESF thematic objective “promoting social inclusion and combating poverty”. To what extent	The linkage between the 20% ring-fencing to social inclusion and thematic concentration is not direct given that they are applied at a different scale: Member State for 20%, OP for concentration. According to the strategic choice, it is feasible that none of the investment priorities

<p>investment under these priorities could be included also under 60 percent concentration requirement? A practical example showing interlinkage between two concentration requirements (20 and 60 percent) at the OP level would be helpful.</p>	<p>count among those four which fulfill the 60% criteria; or at the other extreme all of them: it will depend on the architecture of programmes decided by Member State.</p>
<p>What can be financed under the investment priority “community-led local development strategies”: the activities foreseen in the community-led local development strategies or the preparation of such strategies?</p>	<p>Both types of activities can be financed. However a lead Fund may be designated in the case of multi fund community led local development and in that case costs of preparation should be financed from the lead fund only.</p>
<p>According to the Articles 7 and 8 of the ESF regulation, the promotion of equality will be implemented through the following investment priorities 3 (1) (a) (iv) and 3 (1) (c) (iii). Does it mean that aiming to ensure the principle of equality the above mentioned investment priorities (3 (1) (a) (iv) and 3 (1) (c) (iii) will be obligatory?</p>	<p>The implementation of the principle of equality and non discrimination will be designed both via mainstreaming and specific actions. As regards equality between men and women specific actions are compulsory and investment priority 3 (1) (a) (iv) will also be compulsory. Specific actions for promotion of non discrimination are compulsory but they might in principle be related to all the ESF investment priorities. Investment priority 3 (1) (c) (iii) is not compulsory.</p>
<p>Why are some investment priorities are provided in more detailed manner than others? For example, investment priority 3 (1) c (iii) “combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation” provides in detail the basis of discrimination. Meanwhile the investment priority 3 (1) (c) (ii) mentions only one marginalized group – Roma.</p>	<p>This difference reflects specificities for the various domains and was adopted to ensure coherence with each respective policy framework. The Commission has in this context also, where relevant, taken into account the existing <i>acquis</i>.</p>
<p>What marginalised groups are meant under the ESF funded investment priority “integration of marginalised communities such as the Roma”? There is mentioned only Roma. What other marginalized groups could be involved under this investment priority? (people with disabilities, unemployed people, migrants)?</p>	<p>Other marginalized communities could be constituted for example by a specific migrant community, or ethnic minorities for which statistics or evaluations provide evidence of a considerable socio-economic disadvantage. The term "community" implies also a certain degree of geographical proximity, cohesiveness and common values. Unemployed people are disadvantaged, but do not constitute a community.</p>
<p>Article 3 Scope of support, par. 1. We miss explicit investment priorities for technical assistance, social innovation and transnational cooperation.</p>	<p>Investment priorities are related to policies, whereas the role of technical assistance is supporting efficient programme implementation. The latter is covered by the general provisions.</p> <p>Social innovation and transnationality, are not investment priorities, but</p>

Furthermore we are of the opinion, that it is not possible to precisely define amounts of resources allocated on investment priorities that are to be horizontal ((a)(iv) equality between man and woman and (c)(iii) combating discrimination).

Article 3 Scope of support, par. 1. It is rather unclear under which investment priority to classify the 2007-2013 important ESF priority "increasing adaptability of workers, enterprises and entrepreneurs". The most appropriate ones appear to be (a) (v) and (b) (iii) but it seems to be rather unfortunate that one of the largest priorities in the current programming period falls under (at least) two investment priorities, each of them even under different thematic objective and the ratio how to split it is unclear.

Article 3 Scope of support, par. 1. The investment priority Active inclusion is very broad and seems to include substantial parts of many other investment priorities. Following EC replies on SAWP active inclusion shall include also labour market policy measures. That would mean that investment priorities (a)(i) and (a)(ii) in fact belong under active inclusion. What is the approximate demarcation line between these three above mentioned investment priorities?

implementation methods, which can apply to all of the investment priorities. If MS wish to have a more streamlined approach, they could regroup these activities in a priority axis.

As regards equality and combating discrimination, these are compulsory principles. Defining the amounts allocated to the respective investment priorities is therefore important, especially in terms of follow up. However the amounts should relate only to specific actions and not to mainstreaming in operations. Specific actions are by definition programmed, thus it should be possible to allocate funding to these investment priorities in the same way as to others.

The thematic objectives reflect different policy fields of the EU Strategy organized around the headline targets, this is the reason why the adaptability priority has been split. If the operation is targeted at the general up-skilling of the workforce through adult education and continuing training, it should be placed under the Investment Priority (b) (iii). If the focus of the intervention is to support enterprises and entrepreneurs to adapt to change in specific sectors, it should be under IP (a) (v).

The term "active inclusion" is used to underpin the implementation of the COM Recommendation on Active Inclusion (2008/86/EC), which places emphasis on combining inclusive labour markets with access to services and income support. In operational terms it should be associated to "integration pathways" already funded under the current programming period. The objective is to reach out to those furthest from the labour market and address the specific needs through combining various types of support, such as training, social and care services, employment support with the ultimate objective of promoting social inclusion through employment. The demarcation line with (a)(i) and (a)(ii) could be defined

Article 3 Scope of support, par. 1. The investment priority (b)(iii) includes also the aspect of upgrading the skills and competences of the workforce. This would virtually mean, that any operation targeting employed or unemployed and upgrading their skills and competencies (which are perhaps all of the operations targeting workforce) will fall under this category. What is the expected content of this investment priority?

Article 4 Consistency and thematic concentration, par. 3. The requirement of concentration of volumes “of the allocation to each OP” allows for different interpretations. Does that mean the allocation of ESF to the OP? Or total resources of the OP (ESF + national)? How this will be dealt with in case of multi-fund OP’s? The Article 4(3) refers to ESF investment priorities resulting in the fact that should the ERDF share in the multi-fund OP in more developed region exceed 20 % of the OP budget, such an OP can never comply with the requirement on thematic concentration, because the ESF share would be below 80 % of allocation to the OP.

It is obvious that requirements for thematic concentration will be verified by the EC during the negotiations of the OP’s. But will

on the basis vulnerability of the target group, the kind of support they need to reintegrate in the labour market and the delivery system. For instance, long-term unemployed or addicts would be better targeted under active inclusion. Experience shows that NGOs are much more effective in reaching these groups than for instance public employment services. On the other hand, certain unemployed or inactive people could access the labour market much more easily only by receiving orientation, training or job placement services delivered possibly by PES. It should be noted that the reform of social protection systems can also be financed under active inclusion, however passive measures will remain ineligible for ESF.

The term "workforce" should be understood as those having an employment. Unemployed people should be targeted under the Article 3(1)(a) or (c) and not under this investment priority. The objective here is to enhance access to life-long learning, for instance to promote occupational mobility (e.g. through gaining new qualifications) or to upgrade the skills in certain sectors (e.g. training of nurses) or to focus on certain skills (ICT, green skills), which could also be possible linked to certain sectors or professions.

Thematic concentration applies by fund. The rule on thematic concentration applies to the amount of resources allocated to given objectives and investment priorities. Ex-post verification will be at the level of financial allocations and not the classification of operations.

<p>there be similar verification at the end of the programming period? Can the EC doubt the correct classification of operations under defined investment priorities which could potentially lead to ex-post non fulfilment of thematic concentration requirements in the legislation? If yes, what would be then the impacts?</p> <p>There is inconsistency of Articles 3 (2) and 11 (3) (a) in the ESF regulation. In the first case obligatory ESF contribution to a <u>limited set</u> of “ERDF type” of thematic objectives is required. In the latter case contribution of ESF to <u>all</u> “ERDF type” of thematic objectives is required. Furthermore we miss a reference to the scope of the particular OP meaning that it should not be obligatory to report on objectives that are not relevant given the scope and planned interventions of the OP.</p>	<p>Article 3(2) clarifies that ESF may contribute to all thematic objectives. However the ESF can only support these objectives through the IP listed in article 3(1) even. The 4 points referred to in article 3(2) list and merge the most relevant points of the first 7 thematic objectives of Article 9 of the Common provisions. Article 11(3) aims to ensure that MS when designing their programmes take into account important objectives (related to Europe 2020) to which the ESF can make a visible contribution, state a level of ambition (in particular for climate change, SMEs, digital agenda and research) and report on these objectives. The categorization system which the COM intends to propose will reflect for the ESF projects a secondary level, which will for example allow to allocate a project under Investment Priority "Adaptation of workers, enterprises and entrepreneurs to change" but also to the thematic objective "supporting a shift towards a low carbon economy".</p>
<p><b>ETC Regulation</b></p>	
<p><b>Article 5-6 on Thematic concentration and investment priorities</b></p>	
<p>Does the ring-fencing of resources apply to ETC as well?</p>	<p>No. ETC has its own system for thematic concentration which is laid down in Art. 5 of the ETC regulation.</p>
<p>Basic services of environment and transport cannot be supported under ETC;</p>	<p>It is true that Art. 3 para. 1 of the ERDF regulation states at the end that the ERDF shall not support investments in infrastructure providing basic services to citizens in the areas of environment, transport and ICT in more developed regions. However, the categorisation of regions is not relevant in the cooperation context and Art. 6 of the ETC regulation explicitly refers to infrastructures, so this type of investment is not excluded in a cooperation context.</p>

How will it be possible to support within European Territorial Co-operation programmes those interventions which are not under thematic objectives but are crucial for development of co-operation and for close integration of border area?	Alignment with Europe 2020 objectives is also key for cooperation programmes. However, in order to take account of the specific character of cooperation programmes, a number of additional activities are explicitly foreseen in Art. 6 of the ETC regulation, such as the integration of cross-border labour markets and the promotion of legal and administrative cooperation and cooperation between citizens and institutions
Confirmation that investment priorities established in art. 6 of ETC Regulation should be seen as additional to investment priorities foreseen in art. 5 of ERDF regulation	Yes, Art. 6 of the ETC regulation explicitly recognises that the investment priorities listed are "in addition to Art. 5 of " the ERDF-regulation.
<b>Menu of thematic objectives</b>	
<b>Article 87 of Common Provisions Regulation</b>	
Possibility to have different thematic objectives under one priority axis?	For the ERDF, this is not possible, since a priority axis shall correspond to a thematic objective. For the ESF, a priority axis may in duly justified cases combine investment priorities from different thematic objectives.
Who decides on which thematic objectives will be supported?	The thematic objectives to be supported will be laid down in the partnership contract and the respective operational programmes. It is up to the Member States and regions to justify the selection of thematic objectives.
Is there a limitation of number of the TOs which a country should choose?	No, the regulation does not establish a limitation in the number of thematic objectives.
What will happen if some other needs (not covered by the regulations) appear in the process of programming?	Focussing on Europe 2020 objectives is a key element of the reformed cohesion policy. Support therefore needs to be focused on the thematic objectives and investment priorities laid down in the regulatory frame. There is significant flexibility in the selection of actions for support from the programme to achieve the objectives set. However, thematic concentration and alignment with Europe 2020 will require a stronger focus on results.
In the case of limited thematic priorities national (Sectoral) Operational Programmes are promoted to the detriment of Regional Operational Programmes, since the latter are more complex and require a broader flexibility in their structure;	The number of thematic objectives that Member state can choose is not limited. Each Member State is free to organise the programming structure as it sees fit, finding the right balance between national and regional programmes in line with the institutional context.

<p>How should it be decided what is eligible under a certain thematic objective or investment priority? Who will decide this? Is there a possibility that an auditor will come and say at a later stage that a certain project should not have been financed as although it contributes to the thematic objective under which it is financed it should have contributed to a much larger extent than it did to be eligible?</p>	<p>The scope of support of the Funds is defined in the Fund specific regulations. Furthermore, operational programmes will have to set out for each priority axis the corresponding categories of intervention, which will determine the concrete type of actions to be financed. These aspects will be part of the programme negotiations between the Commission and Member States. Operations funded on the basis of the programme have to be in line with these provisions. Programmes should have selection criteria to ensure that operations contribute to thematic objectives and investment priorities. See above on the verification of the respect of thematic concentration.</p>
<p><b>Thematic Objectives 1 – 3</b></p>	
<p>Why EAFDR and EMFF are mentioned only for TO 3, since such interventions are possible also for other TOs?</p>	<p>To clarify explicitly their role in the agricultural and fisheries sector, and not just SMEs.</p>
<p>According to art. 4(a) “at least 80% of the total ERDF resources at national level shall be allocated to the thematic objectives set out in points 1, 3, and 4 of Article 9...”. Does this mean that Member States have to concentrate on all three of these, or could a Member State choose to concentrate on just one or two of the themes?</p>	<p>Only low carbon economy is obligatory.</p>
<p>Could investments like exchange of knowledge, participation in networks and environmental innovation be financed?</p>	<p>Yes, under article 5(1)b</p>
<p>Clarification on term "capacities" in Article 5 (1) (a)</p>	<p>Definition as used in Research Framework Programme</p>
<p>Under which thematic objectives and investment priorities could the tourism projects be financed?</p>	<p>Under SMEs, environment, research, employment, social inclusion. See earlier question on tourism.</p>
<p>Sustainable urban development is not listed as a discrete element neither within the scope of support from the ERDF (Article 3) nor among the investment priorities of the ERDF in Article 5 of the draft regulation (9/b is not very clear). Article 7 deals with urban development, however it does not specify in detail what kind of activities/investment priorities can be supported.</p>	<p>It will be up to programmes to decide which investment priorities and actions to support. There are, however, four urban specific investment priorities.</p>
<p>Thematic objective '(3) enhancing the competitiveness of SMEs' is rather narrow; it totally lacks more common development areas like technological development without R+D content</p>	<p>Technological development without innovation content can be supported where linked to improved competitiveness, entrepreneurship, and new business models</p>

<p>The introduction of new or improved products, processes and services onto the market by SMEs and to improve access to finance for SMEs and the support for and services to enterprises, in particular SMEs, creation and development of financing instruments are not included in the new proposal, unlike the current regulation.</p>	<p>See above. Financial instruments are now horizontal across programmes and can be used for access to finance for SMEs</p>
<p>Art. 5 (3) ERDF Regulation – additional explanations are needed for ‘new business models’ and “promoting of entrepreneurship”. The aim of the Member States is to support national companies. How could cross-border assistance be implemented in the framework of internationalization?</p> <p>The objective on RTDI is a bit old-fashioned as the paradigm has changed and the broad definition of innovation policy should be considered. Explanation is needed for 'new business models'. The SME investment priority could be expressed in a more general way.</p>	<p>New business models and internationalization relate to organization of SMEs, their export orientation and their marketing strategies, not necessarily the obligation to operate across borders.</p> <p>There is a need to target SMEs as these are the most important both for regional development and Economic growth as recognized at EU level.</p>
<p>Art. 5(3) ERDF Regulation excludes the support of existing companies</p>	<p>No. All types of firms can be supported to improve entrepreneurship and business models.</p>
<p>Does the definition of infrastructure for basic ICT services for citizens, excluded from more developed regions in Art 1, include broadband deployment or high speed networks (as in the priority in Art 5.2a)?</p>	<p>It excludes large scale backbone ICT networks. However, small scale infrastructure linked to the local loop can be supported.</p>
<p>Why is there a distinction between the thematic objectives for RTD and SMEs. RTD is partially carried out by SMEs. Better coordination between the thematic objectives needed.</p>	<p>Up to the programme to decide where exact focus lies depending on definition of specific objectives.</p>
<p>The ERDF Regulation seems to limit energy and environmental infrastructure in more developed regions. What types of activities would then be supported under different thematic objectives? Would access to ICT of SMEs be covered?</p>	<p>Yes. Support for infrastructure providing basic services to citizens is excluded in richer regions. However, small-scale infrastructure is allowed where this is linked to regional development and innovation. ICT access to SMEs would therefore be allowed.</p>
<p><b>Thematic Objectives 4 – 7</b></p>	
<p>Are flood control measures included in Art 5 (5) ERDF – climate change adaptation, risk prevention and management?</p>	<p>Yes</p>

Article 5 (6) ERDF - Where would investments in brownfields other than urban regeneration be supported? Confirmation that the foreseen action on regeneration of brownfield sites (CF regulation) include all brownfield sites irrespectively of their location.	Brownfield sites are generally in urban areas, would like to see specific examples of brownfield sites in rural areas
Protection of cultural heritage is only represented under Art 5(6)c, in connection with environmental protection and resource-efficiency; in this respect, the proposal is quite restrictive	Focus of cultural heritage and related tourism measures should be environmentally sustainable. As stated above, tourism can contribute to a broad range of objectives.
Would Article 5 (7) support developing P+R system, also the parking possibilities?	Yes provided it corresponded to the investment priority article 5.7.c
Where might rehabilitation of mining area fit?	Could fit under 6 (d) (soil) and (e) brownfields sites
ERDF investment priorities focus too much on low-carbon economy	This is a political priority set by the European Council
What can be financed under low-carbon economy? Can green technologies be supported under thematic objective 4?	Yes, provided they contribute to thematic objective and investment priorities - in particular in the private sector under 4 (b) and for the public sector under 4 (c) to (e). However, it should be recalled that that the primary objective of this priority is the low carbon economy. Therefore, green technologies whose primary objectives is different (water and waste, biodiversity) should be supported under the innovation, environment or SME priority.
Could trans-European energy networks be financed by ERDF?	Yes
Thematic objective 4 will be addressed by the Cohesion Fund and the Connecting Europe Facility, which should count for ringfencing. Investments in energy efficiency and renewable energy are welcome. Investments in secondary roads should not only relate to trans-European infrastructure.	Only ERDF should count as set out in MFF. The Cohesion Fund has a specific focus set out in the Treaty.
The low carbon economy is a cross-cutting rather than a single thematic objective. Developing businesses in peripheral areas may require transport and ICT investments.	Low carbon economy can be dealt with both under thematic objective and as a cross-cutting priority. However, the thematic concentration relates exclusively to energy efficiency and renewables.
Does the scope of 4(c) under ERDF include reconstruction of residential buildings?	No. The support relates to energy efficiency investments, therefore activities should be limited to energy efficiency investments in residential buildings. Social housing can be supported under thematic objective 9 (a) and (b)

<p>Would distribution networks be covered under energy? What do intelligent distribution networks mean? Would investments in water supply in more developed contexts be possible?</p>	<p>Smart distribution systems (i.e. where supply is determined as a function of usage through use of smart meters) can be supported. Water supply to a small scale infrastructure could be supported, but not the water network.</p>
<p>20 % earmarking to the low-carbon economy is high as climate change cannot be stopped by cohesion budget. Simulations needed on what the appropriate level could be</p>	<p>Objective is not to stop climate change, but ensure that we meet our energy efficiency and renewables targets as established by the European Council and set out at national level in the National Reform Programmes.</p>
<p><b>Thematic Objectives 8 – 11</b></p>	
<p>The strict method of setting minimum shares in the 3 categories of regions (Art. 4 of the ESF regulation) may limit the MSs and regions necessary flexibility in planning the relevant interventions</p>	<p>The use of Structural Funds for delivery on the headline targets of the Europe 2020 strategy and Country specific Council recommendations, with a view of enhancing the competitiveness of the EU economy as a whole, requires making choices. The Commission has aimed at providing a proposal which contains sufficient guarantees for the concentration of resources, allowing for measurable results in the delivery on these elements, as well as a sufficient level of flexibility for Member States and regions. The proposal leaves room of maneuver, since 20% for the more developed regions, 30% for the transition regions and 40% for the less developed regions can be allocated on the 14 remaining Investment Priorities. An assessment of present allocations underlines that for most Member States and regions the proposals constitute either no additional concentration effort, or a limited increase in concentration efforts.</p>
<p>Under the ESF Regulation, are the “investment priorities” in Article 3 mutually exclusive?</p>	<p>They are mutually exclusive in the sense that a project will necessary fall under only one IP, the one which correspond to its explicit and principal aim. However, projects may contribute to different aims. For instance a project supporting the creation of micro enterprises under IP a (iii) can have a strong dimension on women entrepreneurship. They can also contribute to the other TO listed in article 9 of the GR (climate change, SMEs, digital agenda...)</p>
<p>Ring-fencing 20% of the total ESF resources in each Member State which should be allocated to the thematic objective “promoting social inclusion and combating poverty”. Why has this particular theme been selected as obligatory, and how does the Commission envisage that all Member States can implement additional actions under this theme?</p>	<p>This particular theme has been selected in line with the emphasis put on social inclusion and poverty in the Europe 2020 Strategy. The Commission wants to reinforce ESF focus on the most vulnerable groups in the context of the crisis and in line with the inclusive growth dimension of Europe 2020.</p>

<p>According to art. 4(3) the 80 % concentration regarding more developed regions concerns 4 “investment priorities” whereas the 80% earmarking in the ERDF regulation is related to “thematic objectives”. Clarifications of the different approach are needed.</p>	<p>The ERDF intervenes in the 11 Thematic Objectives, while the ESF intervenes in 4 Thematic Objectives. The concentration mechanism for the ESF is adapted to this particular reality. The Commission had no evidence that it was effective to choose amongst the four ESF Thematic Objectives but rather considered that concentration should take place within thematic objectives, in line with the NRP's and the Europe 2020 strategy, to allow that programmes have flexibility and respond to national and regional needs.</p>
<p>Art. 3(2) ESF Regulation requires that “through the investment priorities listed in paragraph 1, the ESF shall also contribute to the other thematic objectives listed in article 9 of CPR, primarily by.....”. Could the Commission explain how this contribution towards other themes can be secured? And does this requirement limit the possibilities to support actions/projects if these cannot demonstrate an impact on other themes than those of the ESF regulation? Additional clarification is needed.</p>	<p>The Commission's intention is to ensure that MS when designing their programmes take into account important objectives (related to Europe 2020) to which the ESF can make a visible contribution, state a level of ambition (in particular for climate change, SMEs, digital agenda and research) and report on these objectives. This requirement does not limit the possibilities to support actions / projects if these cannot demonstrate an impact on these themes. The categorization system which the COM intends to propose will reflect for the ESF projects a secondary level, which will for example allow to allocate a project under Investment Priority "Adaptation of workers, enterprises and entrepreneurs to change" also to supporting a shift towards a low carbon economy.</p>
<p>Article 3 p 1 (a) (vi) ESF Regulation – does the investment priority “active and healthy ageing” also include activities to support improving working-age population health related behaviour and work toward reducing accidents?</p>	<p>Health and safety has always been a concern for the ESF. Under this Investment Priority, the ESF can support activities which are clearly linked to keeping older people longer in employment. Health and safety at work type activities may be covered by Art. 3(1) (a) (v) adaptation of workers, enterprises and entrepreneurs to change.</p>
<p>Why are the followings missing from the Missions of ESF: age group equality, racial and national equality; family-friendly facilities and actions; new working methods, like supporting part-time jobs, or tele-work?</p>	<p>There is one specific IP on combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.</p> <p>There is one IP on promoting active and healthy ageing and one IP on youth unemployment. Both may be used to advance "age group equality".</p> <p>There is one IP on equality between men and women and reconciliation of work and private life, under which family friendly facilities and actions and family friendly working methods could be funded.</p>

	There is one IP on adaptation of workers, enterprises and entrepreneurs to change under which new working methods can be supported.
Can the ESF support the thematic objectives listed under Article 3 (Scope of support) paragraph 2 of the ESF regulation separately (as are the objectives under paragraph 1) or investment priorities under paragraph 2 are supported only with one of the investment priority under paragraph 1? What does the expression "through the investment priorities listed in paragraph 1" mean in practice?	The ESF can only support the objectives listed under paragraph 2 through the IP listed in article 3.1. Article 3.1 forms the basic logic of intervention. Article 3.2 is about the contribution which can be made by the ESF to a certain number of important objectives.
Art 3 para 1 pt (b) of the ESF Regulation (Investing in education, skills and life-long learning) - How could lifelong learning (LLL) be accessible for the wide range of employees? "Community-led local development strategies" are mentioned as an investment priority: what actions and expenditures would be eligible here?	Lifelong learning can be supported under two different Investment Priorities in the proposed ESF regulation. If the operation is targeting adult education and continuing training systems, it should be placed under the Investment Priority mentioned here. If the operation is targeting lifelong learning for employees in a specific company or a specific sector without involving a structural change in the education and training system, it should be under IP "adaptation of workers". Actions and expenditures which could be eligible under all the other IP listed in article 3 (1) in terms of employment, education, social inclusion and institutional capacity.
Where could the development of cultural services be supported? Would it be possible under „investing in education, skills and lifelong learning" as well as under "promoting social inclusion and combating poverty"?	It depends on what the objective of the action is. It is important to demonstrate the link of the operation to the targets and objectives of the OP. The ESF may support the development of cultural services for example for people or groups when these services appear directly necessary in their pathway to employment in a shorter or longer term under social inclusion. Training for employees in the cultural sector can be supported under "investing in education, skills and life-long learning".
Article 3, para (e) "enhancing institutional capacity": is unclear – clarification needed. What kind of projects are welcome here? What is the demarcation with ESF and ERDF?	Article 3 (1) (d) (i) is about strengthening the capacity of the public administration and is geographically limited. In terms of content, it is a continuation of the present situation.  Article 3 (1) (d) (ii) is about strengthening the capacity of stakeholders, other than public administration, delivering employment, education and social policies and strengthening the collective capacity of stakeholders

	<p>(public administration and other) through sectoral and territorial pacts. Also these elements are already covered within the present ESF regulation.</p> <p>The ESF shall support any actions related to strengthening human capital (training, HR management, introduction of new working methods...), the ERDF focusing on infrastructure.</p>
<p>Clarification if the listed priorities for achieving the thematic objective “Enhancing institutional capacity and an efficient public administration”, retain the possibility to support training for all public administration employees, namely the investment priorities set out in Article 3(1)(d)(ii).</p>	<p>For the public administration, this is only possible under article 3(1) (d) (i) and thus only for those MS, which have at least one less developed region or Cohesion countries. In terms of coverage of different departments within the public administration, nothing would change from the present situation. Hence, through this priority, investments could for example take place to enhance the capacity of the environmental, judicial system, etc.</p>
<p>Institutional capacity and an efficient public administration are proposed to be eligible under all funds. We understand the Commission’s intention to allow for maximum flexibility, which we warmly welcome, the regulation however also puts forward some qualifications that potentially reduce optimal policy-mix by fund. How exactly does the Commission see the possibility of combining different funds for this purpose, e.g. what does it mean “public administrations and public services related to implementation of the ERDF”? It might prove rather hard or at least subject to interpretation what administration is related to what fund.</p>	<p>Flexibility is not an objective per se. Support for institutional capacity and public administration from the two funds will have to be undertaken while respecting, scope, eligibility and specificity of each fund. The ESF shall support actions related to strengthening human capital (training, HR management, introduction of new working methods...), the ERDF focusing on infrastructure and systems. Member States may also undertake actions within the scope of the ERDF to support institutional capacity, where this is not undertaken by the ESF and is directly linked to the implementation of the ERDF. (e.g. EIA, public procurement etc.)</p>
<p>Clarify that the Commission’s intention is that “investment in institutional capacity” is eligible in all parts of a Member State with at least one less developed region (i.e. even in the more developed regions), and not just restricted to the less developed regions (as has been the case in the 2007-2013 period)</p>	<p>This interpretation is correct.</p>
<p>If an investment priority under the thematic objective on social inclusion and poverty is combined with an investment priority under</p>	<p>No, only Investment Priorities listed under the Thematic Objectives social inclusion will count in the 20% earmarking.</p>

<p>another thematic objective (as provided for in Article 87.1 of the general regulation), will the combined investment priority count towards the 20% earmark?</p>	
<p>What is meant by “in support of actions in institutional capacity and in the efficiency of public administration supported by the ESF”? Does this entail multi-fund approach?</p>	<p>This support from the ERDF can be provided through multi-fund OPs or two or more different mono-fund OPs. Both options have advantages and disadvantages and should be considered in view of the objectives to be achieved and the MS institutional setup.</p>
<p>Clarification needed on the investment priority on active inclusion, social innovation and transnational cooperation.</p>	<p>Social innovation and transnationality are not investment priorities, but implementation methods, which can apply to all of the investment priorities. If MS wish to have a more streamlined approach, they could regroup these activities in a priority axis.</p> <p>Active inclusion is used to reflect that ESF supports the COM policies, notably the implementation of the COM Recommendation on Active Inclusion (2008/86/EC). In operational terms for the ESF, it can be associated to "integration pathways" already funded under the current programming period</p>
<p>What is the rationale for supporting the full spectrum of education (from early school leaving to tertiary education) in more developed contexts? Why is institutional capacity restricted to less-developed regions?</p>	<p>Shortcomings and weaknesses can be noticed in the education and training systems of many MS irrespective of the level of development. The high priority given to Education in the Europe 2020 strategy argues for opening the scope in this respect to all MS.</p> <p>There is also evidence that many employment related capabilities have to be supported from early childhood if sustainable effects are to be expected. Also, many social inclusion measures have to start with educational support.</p> <p>The ESF is focused on the headline targets, thus to make a contribution to the target of reducing early school-leaving, it is necessary to open up the scope of the ESF to cover the full spectrum of education system, also in the more developed regions.</p>

	<p>On the other hand, public administration capacity is clearly stronger in more developed Member States and thus the intervention of the fund is less justified. It should be noted that institutional capacity for stakeholders is open to all regions as it varies a lot and does not always depend on the level of development.</p>
<p>Financing of equipment under the ESF should be clarified. Who would be the target group under active and healthy ageing? What is meant by enhancing access to quality public services?</p>	<p>Equipment is eligible under the ESF provided it is clearly linked to a project which contributes to one IP listed in article 3 (1).</p> <p>The target group under active and healthy ageing is people above 54 years old. However, no specific age limit applies to general health promotion activities, such as awareness raising campaigns or health and safety at work.</p>
<p>Merging of some of the ESF investment priorities is suggested</p>	<p>The Commission is not in favor of merging ESF IP because this would dilute focus and hinder relevant reporting. The proposed 18 IPs represent specific fields of intervention of significant political relevance on which the Commission shall be able to report to the Council, the EP and the general public. Merging means creating heterogeneous categories which thus lose a large part of their interest in terms of programming, monitoring and reporting. However it should be noted that within the context of operational programmes, ESF priority axes may merge investment priorities falling within for example one thematic objective.</p>
<p>Is it possible to support training for all public administration employees?</p>	<p>Support is possible to increase the efficiency of the public administration with a view to reforms, better regulation and good governance in Member States, which have at least one less developed region or Cohesion countries. Planned training schemes will have to demonstrate their strategy and specific impact on the efficiency of public administration.</p>
<p>How does the requirement for concentration apply for multi-fund programmes. Several thematic objectives will contribute to promoting employment. Will these be taken into account in the ring-fencing calculation?</p>	<p>The concentration requirement applies to multi and mono fund programmes equally. Concentration mechanisms are by fund: the intention is that the shares of OP allocation defined in article 4 of ESF regulation applies to the ESF part of the OP.</p> <p>Ring-fencing is not foreseen in the proposal for the TO on promoting employment.</p>

<p>Can preventing youth employment through internships, or preparing people in prisons to return to society be supported.</p>	<p>Both types of interventions can be supported. Their labeling under the corresponding investment priority shall be made according to their objective (Art. 3 (1) (a) (ii) or for example (c) (I)(ii) or (iii)).</p>
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