

**Questions and answers concerning the scope of investment priorities
in the “Thematic concentration” block**

2nd July 2012

Based on the Presidency compromise text from 26 June

This document sets out the Commission services' current understanding of the Presidency compromise text from 26 June. It does not prejudice the final position that the Commission may take on these issues.

Many of the questions relate to the definition of investment priorities. Investment priorities set out objectives to which the funds should contribute in order to achieve the thematic objectives; they do not define which actions or which type of expenditure are eligible. As part of the focus on results, operations should demonstrate how they contribute to investment priorities and their corresponding specific objectives.

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.

SUBJECT	QUESTION	ANSWER
1. Tourism, culture and sports	<p>Will there be a possibility to support:</p> <ul style="list-style-type: none"> • cultural development programmes (e.g. programme and infrastructure development for museums, libraries, public education); • programmes provided by local cultural institutions focused on development of skills and social inclusion (development of basic skills, digital literacy, development of competences); • special talent care programmes; <p>which support education and social inclusion?</p>	<p>These types of actions can be supported provided that they are necessary to achieve the specific objectives defined by the Member State/region and contribute to the investment priorities listed under the thematic objectives education and social inclusion.</p> <p>It is not fully clear what special talent care programmes are, thus it is difficult to provide a conclusive reply. However activities that constitute competence development can be supported provided that the other conditions above are fulfilled.</p>
	<p>Would extracurricular educational programmes closely related to school education (e.g. study circles organized by cultural institutions, thematic activities, drama pedagogy, museum pedagogy activities, summer camps, contest-series etc.) be eligible under thematic objectives 9 and 10?</p>	<p>These actions can be supported under the investment priority "Reducing early school-leaving and promoting equal access to good quality early-childhood, primary and secondary education," if they clearly and effectively contribute to this priority, in particular the reduction of early school leaving with regard to the Europe 2020 headline target. Depending on the ultimate objective to be achieved, they could also fall under "active inclusion" or "integration of marginalized communities". However the Member State will need to demonstrate the need for such actions and ensure appropriate targeting of support.</p>
	<p>Would the digitization of cultural goods be supported? Such activities facilitate greatly the improvement of access to cultural values, the elimination of territorial inequalities, and consequently constitute the basis of numerous further developments through created digital values. Under which</p>	<p>The possibility to finance such activities depends to an extent on the final wording of the investment priorities, however the Council has proposed to include "e-culture" under thematic objective no 2 on ICT. It is not precluded that such activities could be</p>

SUBJECT	QUESTION	ANSWER
	thematic objective would this best fit?	supported under other thematic objectives, depending on the objectives defined and the nature of the activities. In all cases the Member States must be able to demonstrate how these actions contribute to investment priorities and the specific objectives defined.
	Would it be possible to set up development programmes for the creative industry , which, beyond the use of economic development tools, would include cultural training and the establishment of incubator houses?	Yes, support to small businesses and fostering entrepreneurship including in the field of creative industries is possible.
	<p>What kind of investment does the Commission consider to be eligible in connection with the protection of cultural heritage? Would, for instance, tourist and urban rehabilitation programmes be possible? Would it be possible to support programmes for the sustainable development of cultural heritage in the more developed capital regions?</p> <p>Would multi-focused tourism investment (such as eco-, cultural, etc. tourism), including urban reconstruction elements be eligible for funding?</p>	<p>Financing of small scale infrastructure, including those related to culture and tourism will be possible in all regions provided that these investments are linked to the development of endogenous potential of the region.</p> <p>Provided that it contributes to urban regeneration objectives.</p>
	Would it be possible to set up dedicated (repayable) financial instruments solely for the support of tourism related activities?	Yes, provided that all regulatory requirements are complied with.
	<p>ERDF – art. 3, para 8 (b)</p> <p>What kind of activities COM/PRES DK mean by proposing this investment priority and in particular “enhancing accessibility to and the development of specific natural and cultural</p>	This reference was introduced by the Presidency.

SUBJECT	QUESTION	ANSWER
	resources”?	
	<p>Under which investment priorities does the Commission envisage investment in sport infrastructure (that is, infrastructure for health enhancing physical activity [such as gym building and reconstruction] – and not infrastructure for professional sport) to be eligible? Could sports infrastructure be supported, for example, under:</p> <p>ERDF - action to improve the urban environment, including regeneration of brownfield sites and reduction of air pollution (including bicycle roads?)</p> <p>ERDF - investing in health and social infrastructure which contribute to national, regional and local development, reducing inequalities in terms of health status, and transition from institutional to community-based services; (taking into account social inclusion through sports activities?)</p> <p>ERDF - support for physical and economic regeneration of deprived urban and rural communities (taking into account social inclusion through sports activities?)</p> <p>ERDF - investing in education, skills and lifelong learning by developing education and training infrastructure (e.g. would renovation of school gyms be eligible for support under this point?)</p>	<p>Support to sport infrastructure, as any other type of intervention should be justified with regards to the achievement of thematic objectives, investment priorities and specific objectives. All examples provided may be justified in certain contexts, provided that they clearly contribute to the investment priorities set out in the fund specific regulations and the thematic objectives.</p>
ICT	<p>ERDF Art 5, 2, (c)</p> <p>Does this investment priority include e-science applications?</p>	<p>This can be part of e-government or e-learning and could also be financed under other thematic objectives.</p>
Health	<p>Under which investment priorities does the Commission envisage HEPA (health enhancing physical activity) to be</p>	<p>Generally, HEPA could be supported under either of the investment priorities, if those activities are clearly aimed at keeping people, in particular older people,</p>

SUBJECT	QUESTION	ANSWER
	<p>eligible? Could HEPA be supported, for example, under:</p> <ul style="list-style-type: none"> • ESF - active and healthy ageing; • ESF - enhancing access to affordable, sustainable and high-quality services, including health care and social services of general interest; <p>If so, under what conditions?</p> <p>Can health related activities apply to the whole territory and population of the country under this thematic objective?</p>	<p>longer in employment and depending on the specific objectives defined in the OP. The objective cannot be to subsidize leisure activities for persons who can afford it or where there is no link to employment or inclusion objectives.</p> <p>Appropriate targeting depends on the actions financed, the investment priorities under which such actions are undertaken and the specific objectives defined.</p>
	<p>ESF Art3 (1) a) (vi) - Is it possible to finance health promoting activities under this investment priority?</p>	<p>Financing of health related activities under the investment priority cited for the ESF is possible provided that there is a structural objective.</p>
<p>Climate change and the low carbon economy</p>	<p><u>Art. 5, para 4 (e)</u></p> <p>Does the support of integrated low-carbon strategies refer to their drafting or their implementation or both? As regards implementation of integrated low-carbon strategies, is it expected that projects in transport and environment can be part of such strategies or Article 3 point 2 (e) which does not permit projects of basic infrastructure in more developed regions takes precedence?</p> <p>Why the “clean public transport” has been dropped out both here and in the CF provision? According to us it is a wider concept that the one that has been left there having “urban” at its centre.</p>	<p>Both preparation and implementation of low carbon strategies can be supported, but taking into account any regulatory restrictions on eligibility</p> <p>The concept of clean public transport also includes railway investment which is more closely linked to thematic objective 7 and would have a substantial effect on thematic concentration requirements. The terminology used has been adjusted to clarify that</p>

SUBJECT	QUESTION	ANSWER
		thematic objective no 4 does not cover railway transport.
	<u>ERDF – art. 3, para 2 (b) and CF, art. 2, para 2 (b)</u> What is meant under „ installations ” and what under „ activities ” (connected to directive 2003/87/EC) when excluding them from financing.	See explanation in Annex 1 of the Directive 2003/87/EC.
Transport	According to the Commission Staff Working Document as well as the preamble points of the proposal for a country-specific recommendation, it is mentioned that “the railway company’s rolling stock is out of date”. Would it be possible to support the purchase or upgrading of that rolling stock through cohesion policy resources? Currently the Commission (or at least the geographical desk) has imposed a limitation that rolling stock may only be eligible for a support from the funds if they are connected to an upgrade of certain lines. This approach seems not to be derived from the EU eligibility rules, would this limitation change for the future period?	The approach under cohesion policy is aligned to that under state aid. Rolling stock for passenger travel can be supported, where a clear development need can be demonstrated and it can be guaranteed that the stock will remain in the region, rolling stock for freight transport would not be supported.
	ERDF Art 5 From regional mobility perspective it is essential to enhance connectivity among rural areas and development centres, thus providing better accessibility of jobs and services also for people living in rural areas. Under which investment priority will it be possible to finance infrastructure to promote connectivity among rural and urban areas? Currently support for regional mobility is foreseen only through connecting secondary and tertiary nodes to TEN-T infrastructure.	This will be possible where support is given to connecting the tertiary network to the secondary and TEN-T network. The objective of support is to ensure better mobility of goods and people within the single market. Access roads to business infrastructure, research facilities and urban development etc. can be supported under the relevant investment priority.
<u>Business development</u>	<u>Art. 3,para 1 (d)</u>	

SUBJECT	QUESTION	ANSWER
	<p>What will the EC understand as "business infrastructure" mentioned in the Art.3, para 1, (d)?</p>	<p>Business infrastructure is infrastructure that serves specifically the needs of enterprises. Examples: business parks, incubators.</p>
	<p>Art. 3. para 6 (g)</p> <p>What is meant under supporting industrial transition towards a resource-efficient economy and promoting green growth? Does this IP apply only to ERDF, or should be added also to CF?</p>	<p>This refers to business focused measures to promote a resource-efficient economy linked to the transition from and industry based to service based economy. For this reason, it should not be added to the Cohesion Fund.</p>
	<p>Art. 5, para 3 (a) and para 8 (a)</p> <p>In the wording of the Art. 5, para 3 (a) ... fostering creation of new firms "including through business incubators" has been inserted into the DK PRES proposal. From the point of view of the EC - will there be any difference in what the support of business incubators will/should be focused on under this investment priority and under the investment priority falling under the thematic objective 8 in para 8 (a) - "development of business incubators..."? </p> <p>ERDF Art 5, 3 (a)</p> <p>Does this investment priority apart from supporting business incubators can include also other business infrastructure support forms (for example, industrial parks)?</p>	<p>Article 5. 3 focuses on enhancing the competitiveness of SMEs and article 5.8 focuses on promoting employment and supporting labour mobility.</p> <p>The drafting of Article 5 (3) (a), as proposed by the presidency does not preclude other types of investment.</p>
<p><u>Research and development, innovation</u></p>	<p><u>Art. 3 para 1 (e)</u></p> <p>How has been justified the change which has resulted in generalization of the original proposal? The change from support to public research and innovation bodies and</p>	<p>There is no change of substance, whether the bodies in question are private or public is not relevant for the scope of the ERDF. Both can be supported.</p>

SUBJECT	QUESTION	ANSWER
	<p>investment in technology and applied research in enterprises to support to research and innovation bodies?</p> <p><u>Art. 3, para 1 (e)</u> In the new DK PRES proposals of the ERDF regulation (firstly in the version of 16 May and then in the one of 25 May), the wording in Article 3, para 1 (e) "... and investment in technology and applied research in enterprises" has been deleted. Is there any explanation for that change?</p>	<p>There is no change major of substance; the text is more general than before to allow flexibility to support a wide scope of activities.</p>
	<p>Synergies and links with Horizon 2020 can be foreseen as very specific investment activities (e.g. the agenda of the European Institute of Innovation and Technology, capacity building on regional level). The recital is very general, therefore we kindly ask the Commission for clarification and possibly a tentative list of examples of activities or projects that may be financed under the general principle of the recital. More specifically, it would be useful to provide a definition of „Stairway to excellence“ and most conveniently a list of specific investment activities which could be financed under this principle. On the contrary examples of projects which may not be eligible in this context might be helpful to clarify the issue.</p>	<p>The recital does not set out a set of activities but rather a general principle that should be applied in developing innovation and research projects. This will be set out in more detail in the CSF. In the context of the MFF discussions, a fiche has been prepared on synergies between Horizon 2020 and Cohesion Policy.</p>
<p>ETC</p>	<p><u>Art. 3, para 3</u> We would like to ask about explanation of the meaning of this proposal. There is no mention of the relation to the investment priorities set in the Art. 5 of this regulation. Therefore in case of support of human resources sharing and infrastructure sharing across borders it could be interpreted as if ETC is taken out of the scope of investment priorities. Is it really the intention? Furthermore this proposal sets the derogation from para 2 of</p>	<p>The relevant clarifications are included in Article 6 of the ETC regulation.</p>

SUBJECT	QUESTION	ANSWER
	this article which means those interventions ineligible for support from ERDF will be eligible in ETC.	
Education, social inclusion, employment and development of administrative capacity	<p>Under which ESF investment priority should be categorised the training of employees organized by companies (vocational in-company training)? The split between "adaptation of workers, enterprises and entrepreneurs to change" and "Enhancing access to lifelong learning (LLL)..." is rather unclear.</p>	<p>The Staff Working Paper on elements of the future CSF refers to 'implementing LLL strategies for the workforce in cooperation with social partners' under the thematic objective for LLL.</p> <p>However, such training could indeed fit under both investment priorities mentioned. Depending on the thematic objective the MS pursues (promoting employment or investing in LLL) it could be placed under one or the other investment priority.</p>
	<p>Capacity building for stakeholders delivering employment, education and social policies and sectoral and territorial pacts to mobilise for reform at national, regional and local level. Why is capacity building restricted to only a selection of areas (employment, education and social policies and sectoral and territorial pacts) - we do not understand the justification and logic of such a restriction, which is indeed contrary to the objectives of Europe 2020 strategy objectives.</p>	<p>The limitation of capacity building to these stakeholders corresponds to the scope of the ESF which is limited - in accordance with the Treaty - to supporting policies in these policy domains but also clearly linked to the Europe 2020 strategy.</p> <p>ESF stakeholders are parties that have a role to play in the policy areas covered by the ESF, e.g. where non-governmental players support governments in delivering policy and programmes. These policies are defined by the regulation and correspond to the thematic objectives 8, 9 and 10 and their implementation.</p> <p>Sectoral and territorial pacts are instruments to be used to mobilise for reform in those fields as well.</p> <p>Support to a wider range of actions is possible through the investment priority "investment in the institutional capacity and in the efficiency of public administration...".</p>
	<u>Art. 3 para 1 (b) (ii)</u>	<p>There is no formal definition at EU level. Member</p>

SUBJECT	QUESTION	ANSWER
	<p>Can you specify point (ii) "Integration of marginalised communities such as the Roma"? Could you add more examples of marginalized communities or provide a general definition of „marginalised community“?</p>	<p>States should define marginalised communities in line with national practices.</p> <p>Generally speaking, a marginalised group is a group of persons which are excluded from state driven and societal services (education and labour market measures) or are not able to take part in everyday life compared to the majority of the society (excluded from meaningful participation to society). The reason for marginalisation can be seen mainly in socio-economic factors, such as unemployment, educational disadvantages, poverty, migration, etc. and the affiliation of persons with such attributes to a group. It is assumed that their marginal status is not chosen voluntarily.</p>
	<p>ESF Art3</p> <p>It should be clarified whether the elaboration of integrated local development strategies are going to be supported under the subparagraph (d), taking into account that integrated local development strategies (in.al. urban development strategies) are essential precondition for efficient implementation of integrated territorial investments – ITI. Currently regulation foresees support only for elaboration of Community-led local development strategies.</p>	<p>The IP under Art. 3(1)(d)ii is about the capacity building of stakeholders to act in certain fields. It is up to the national or regional authorities to assess whether reinforcement of administrative capacity is necessary. Support to these actions need not be related to ITI.</p> <p>Support for the development and animation of any integrated sectorial or territorial strategy should be programmed under the IP 3.1d ii), with the exception of CLLD.</p> <p>Support for the development and the animation of local employment initiatives may also be programmed under the IP 3.1 a (i).</p> <p>Promotion of low carbon strategies (incl. in urban areas) can be supported from ERDF under thematic</p>

SUBJECT	QUESTION	ANSWER
		objective no 4.