



2014-20

Lessons from the current programme

Andy Churchill, Network for Europe

Step by Step

- Apr '09 Agenda for a Reformed Cohesion Policy
 - Place based approach to meeting EU challenges & expectations
- Mar '10 **Europe 2020**
 - Smart, Sustainable, Inclusive Growth
- Nov '10 **Fifth Cohesion Report**
 - Economic, Social and Territorial Cohesion
- June '11 Multi Annual Financial Framework - proposed 7 year **budget**
- Sept '11 Social Banks FEBEA
- Oct '11 **Regulations**
- Oct '11 Open Days
- Nov '11 Social Business
- Dec '11 Services of General Economic Interest



EUROPE 2020

A European strategy for smart, sustainable and inclusive growth

- Smart
- Sustainable
- Inclusive



Investing in Europe's future

- Economic and
- Social
- Cohesion

Fifth report on economic, social and territorial cohesion

Investing in Europe's future

- Economic
- Social
- and Territorial
- Cohesion

Fifth report on economic, social and territorial cohesion

- Economic
- Social
- and Territorial
- Cohesion

Cohesion policy 2007–13

Commentaries and official texts

- European Regional Development Fund
- European Social Fund
- Cohesion Fund
- European Grouping of Territorial Cooperation
- Instrument for Pre-Accession Assistance

The draft Regulations

- General Regulations
- ESF
- ERDF
- Cohesion Fund
- European Grouping for Territorial Cohesion

CHAPTER II

Community-led local development

Article 28

Community-led local development

1. Community-led local development, which is designated as LEADER local development in relation to the EAFRD, shall be:
 - (a) focused on specific sub-regional territories;
 - (b) community-led, by local action groups composed of representatives of public and private local socio-economic interests, where at the decision-making level neither the public sector nor any single interest group shall represent more than 49 % of the voting rights;
 - (c) carried out through integrated and multi-sectoral area-based local development strategies;
 - (d) designed taking into consideration local needs and potential, and include innovative features in the local context, networking and, where appropriate, cooperation.

2. Support from the CSF Funds to local development shall be consistent and coordinated between the CSF Funds. This shall be ensured inter alia through coordinated capacity-building, selection, approval and funding of local development strategies and local development groups.



CHAPTER II

Community-led local development

Article 29

The Common Strategic Framework will translate the objectives and priorities of smart, sustainable and inclusive growth into key actions of the CF, the ESF, the EAFRD and the EMFF which will ensure an integrated approach of the Funds to deliver common objectives.

Partnership Contracts between the Commission and each Member State will set out the commitments of partners at national and regional level and the Co-ordinated Capacity-Building linked to the objectives of the Europe 2020 Strategy and the ERDF and ERDF Programmes. They will set out an integrated approach for the ERDF supported by all the CSF Funds and include objectives based on strategic investments and a number of conditionalities. They will give a yearly account of progress in the annual reports on community-led development policy and in other public reporting.

5.1.3. Conditionalities and performance



CHAPTER II

Community-led local development

Article 38

The Common Strategic Framework will translate the objectives and priorities of smart, sustainable and inclusive growth into key actions

4. BUDGETARY IMPLICATIONS

The Commission's proposal for a multi-annual financial framework foresees an allocation of EUR 376 billion for economic, social and territorial cohesion for the period 2014-2020.

Proposed budget 2014-2020	EUR billion
Less developed regions	162,6
Transition regions	38,9
More developed regions	53,1
Territorial cooperation	11,7
Cohesion Fund	68,7
Extra allocation for outermost and sparsely populated regions	0,926
Connecting Europe Facility for transport, energy and ICT	40 (with an additional 10 billion EUR ring-fenced for the Fund)

CHAPTER II

Community-led local development

Article 38

The Common Strategic Framework will translate the objectives and priorities of smart, sustainable and inclusive growth into key actions.

4. BUDGETARY IMPLICATIONS

The Commission's proposal for a multi-annual financial framework foresees an allocation of EUR 376 billion for economic, social and territorial cohesion for the period 2014-2020.

Proposed budget 2014-2020

EUR billion

low carbon economy and social polarisation exacerbated by the current climate. This category concerns those regions whose GDP per capita is above the average GDP of the EU-27.

All regions whose GDP per capita for the 2007-2013 period was less than the average of the EU-25 for the reference period but whose GDP per capita is more than 75% of the EU-27 average will receive two thirds of their 2007-13

Minimum shares for the ESF will be established for each category: 40% for convergence regions, 40% for transition, and 52% for competitive and growth regions.

5.2.1. Geographical coverage of support

This includes a distinction in relation to less developed, transition regions.

Less developed regions: In accordance with the TFEU, such regions will remain an important priority for cohesion policy; economically and socially lagging regions will require long-term support in a world of increasing uncertainty. This category concerns the regions whose GDP per capita is less than 75 % of the average GDP of the EU-27.

Transition regions: A new category of region – 'transition regions' – to replace the current phasing-out and phasing-in system. Transition regions will be those regions with a GDP per capita between 75% and 90% of the average GDP of the EU-27.

More developed regions: While interventions in the less developed regions will remain the priority for cohesion policy, there are important challenges for more developed States such as global competition in the knowledge-based economy.

5.2.1. Geographical coverage of support

5.1.8. Simplified and streamlined eligibility rules

In the current period, many beneficiaries using funds from different Union fund instruments are faced with different eligibility rules which increases the complexity management and thus also the risk of errors. Emphasis has therefore been placed on measures to ensure that administrative costs are proportionate and that the administrative burden associated with the management of EU funds by beneficiaries is reduced. The aim is to harmonise, to the extent possible, these basic rules for instruments implemented under shared management, in order to reduce the multiplicity of rules applied on the ground. Simplified costs options such as flat rates and lump sums provide the means for Member States to introduce performance-oriented management at the level of individual operations.

Common provisions on the delivery include common rules on eligible expenditure, different forms of financial support, simplified costs, and durability of operations. The proposal also envisages common principles for the management and control systems

~~the priority for cohesion policy, were the important common~~
States such as global competition in the knowledge-based ec

5.2.1. Geographical coverage of support

5.1.8. Simplified and streamlined eligibility rules

In the current period, many beneficiaries using funds from different Union fund instruments are faced with different eligibility rules which increases the complexity

5.1.5. Community-led local development

Member States will have the possibility to use common processes for preparation, negotiation, management and implementation, and will be encouraged to do so in particular where the need for improved coordination of human capital and infrastructure investments is greatest.

The CSF Funds need to address multiple development needs at sub-regional and local level. To facilitate the implementation of multi-dimensional and cross-sectoral interventions, the Commission proposes to strengthen community-led initiatives, facilitate the implementation of integrated local development strategies and formation of local action groups, based on the experience of the LEADER approach.

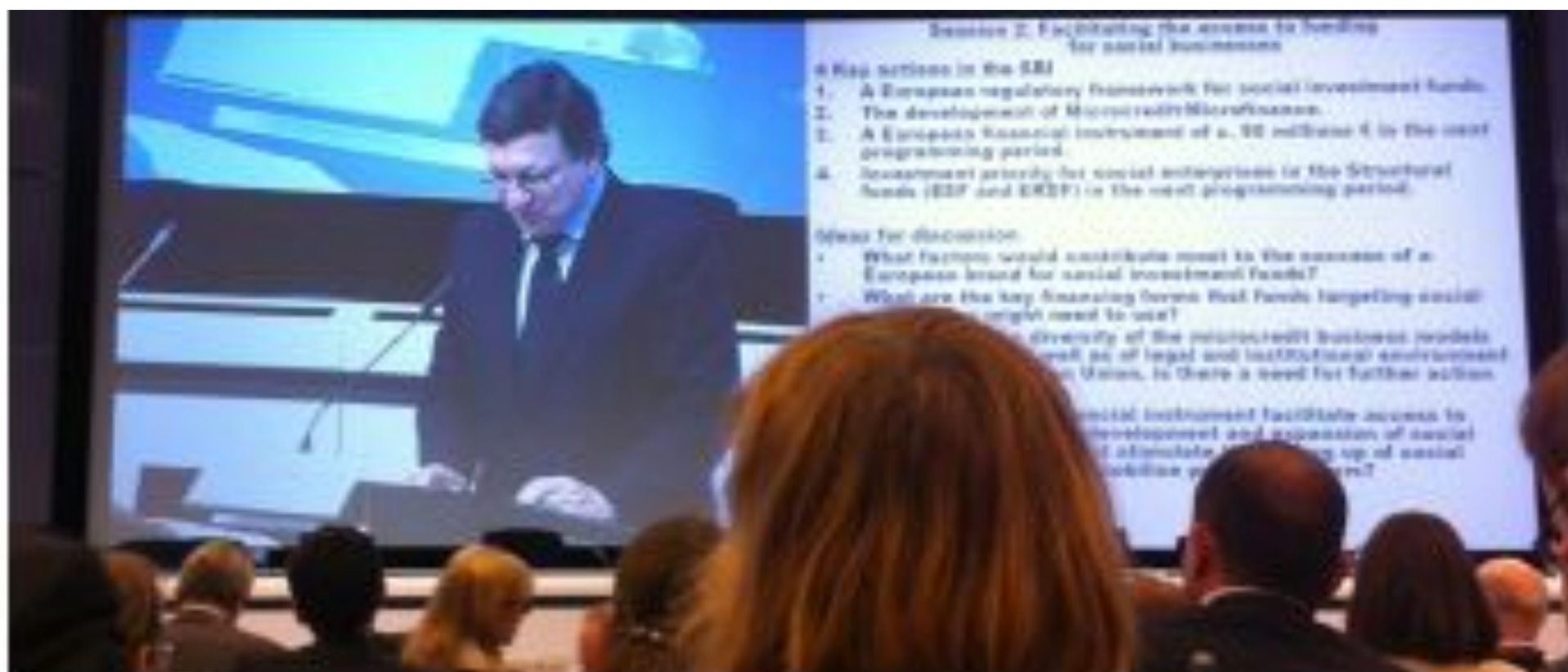
5.1.6. Financial instruments

In addition to grant funding, it is proposed that support for enterprises and projects



Social Business

- 18th November Launch
- Barnier DG Market



Social Business

- 18th November Launch
- Barnier DG Market
- Barroso Head of European Commission



Social Business

- 18th November Launch
- Barnier DG Market
- Barroso Head of European Commission
- UK - Nick Hurd

State aid: Commission adopts new package on State aid rules for services of general economic interest (SGEI) – frequently asked questions

A. General Questions

1. What are services of general economic interest (SGEI)?

SGEI are economic activities that would not be produced by market forces alone or at least not in the form of an affordable service available indiscriminately to all. SGEI are carried out in the public interest under conditions defined by the State, who imposes a public service obligation on one or more providers. SGEI range from large commercial activities, such as postal services, energy supply, telecommunications or public transport, to social services, such as care for the elderly and disabled.



EUROPEAN COMMISSION - PRESS RELEASE

Commission adopts Quality Framework for Services of General Interest in the EU

Brussels, 20 December 2011 - The European Commission has today adopted a Quality Framework for Services of General Interest (SGI) in the EU. They provide an essential safety net for citizens in areas such as health care, care for the elderly, child care, assistance to disabled persons and social housing. They also have a key role to play in the knowledge economy in the area of schools, training centres and university. At a time when public authorities are confronted with the need for fiscal consolidation, it is essential to ensure that right framework is in place so that high-quality services can be provided as efficiently and cost-effectively as possible.

President Barroso said, *"I made clear in my Political Guidelines in 2009 that Services of General Interest play a key role in ensuring social cohesion and can also be a driver for new sources of growth. This quality framework adopted today is a confirmation of the European Commission's determination to support innovative, high quality public services, which are even more essential in the current difficult economic situation"*.



new context that the Commission has decided to bring together in a single quality framework the comprehensive set of actions which it is pursuing on services of general interest. This framework will help the Commission to deliver on its broader commitment to put the social economy and social innovation at the heart of its work under the Europe 2020 strategy.

For further details:

Commission adopts Quality Framework for Services of General Interest in the EU

Brussels, 20 December 2011 - The European Commission has today adopted a Quality Framework for Services of General Interest (SGI) in the EU. They provide an essential safety net for citizens in areas such as health care, care for the elderly, child care, assistance to disabled persons and social housing. They also have a key role to play in the knowledge economy in the area of schools, training centres and university. At a time when public authorities are confronted with the need for fiscal consolidation, it is essential to ensure that right framework is in place so that high-quality services can be provided as efficiently and cost-effectively as possible.

President Barroso said, *"I made clear in my Political Guidelines in 2009 that Services of General Interest play a key role in ensuring social cohesion and can also be a driver for new sources of growth. This quality framework adopted today is a confirmation of the European Commission's determination to support innovative, high quality public services, which are even more essential in the current difficult economic situation"*.



EU Cohesion Policy 2014 – 2020

Proposals from the
European Commission

Johannes Hahn, Commissioner for Regional Policy
László Andor, Commissioner for Employment, Social Affairs and Inclusion

European Union
Cohesion Policy



Version 2011



Westfälische
Ingenieurhochschule

EUROPEAN REGIONAL DEVELOPMENT FUND



European Union
European Social Fund
www.esf.europa.eu

Key Messages

- Social Innovation
- Simplification - focus on outputs and results
- Place based, transition areas and city regions
 - integrated territorial investments
- ESF and ERDF working together multi-fund
- Programme for Social Change & Innovation PSCI
- Financial Instruments
- Social Business
- Community-led local development

Social Innovation

Simplification

- Lump sums
- Standard Rates
- Proportional approach to control
- Focus on outputs and results

Three areas (NUTS 2)

- Less developed regions
 - below 75% GDP
 - Eastern countries, some of Wales, Spain, Portugal, Italy, Greece
- Transition regions
 - 75 to 90 % GDP
 - East Germany, parts of England, France, Spain, Italy, Greece...
- More developed regions
 - greater than 90% GDP

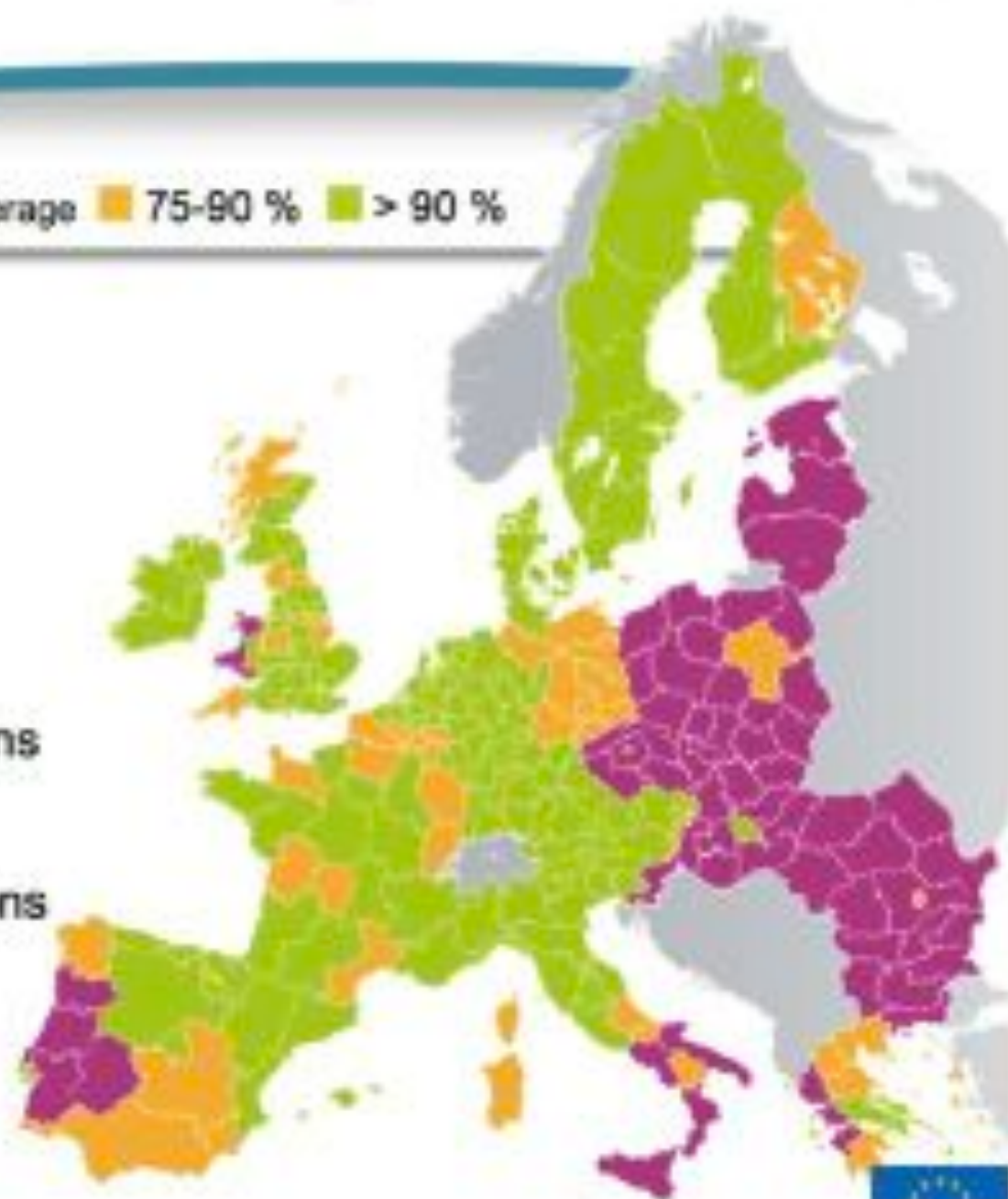
(eligibility simulation)

GDP/capita* ■ < 75 % of EU average ■ 75-90 % ■ > 90 %

*index EU27=100

3 categories of regions

- Less developed regions
- Transition regions
- More developed regions



Westfälische
ingenieurhochschule

tel: 2006-07-08

EUROPEAN REGIONAL DEVELOPMENT FUND



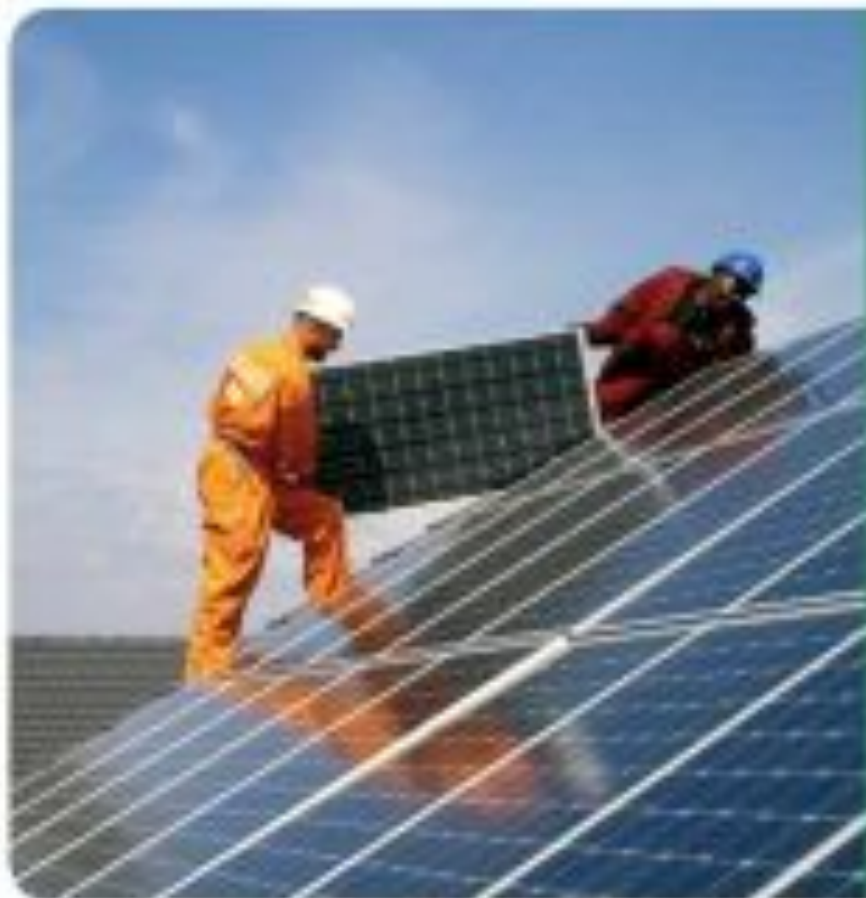
Provisional map of UK regions (based on 2005-09 GDP figures)
[Note: this will change when figures are updated]

- Less developed regions
- Transition regions
- More developed regions



	People millions	% Funds	% EIE	%ESF	% EU
Less developed	120	69	50	25	75-85
Transition	70	12	80	40	60
More developed	300	16	80	52	50

EIE Energy efficiency & renewable energy, research & innovation, competitiveness of SMEs



European and International

EU funds and place-based budgets

Towards more efficient, effective and accountable spending

European Social Fund

- Minimum 40% in Transition regions, 52% in developed
- Minimum 20% for social inclusion
- Greater emphasis on Youth Unemployment
- Better involvement of social partners, local authorities, NGOs
- Simplification, improve accessibility of funding specially for small beneficiaries
 - More lump sums & standard costs, lighter admin
 - More than half ESF projects under £40,000
 - Joint Action Plans

Financial Instruments

- JEREMY
- JESSICA
- Micro Credit (£40,000)
- Credit Unions
- Asset based developments
- Working Capital
- Social Investment Bonds

Social Business

- Social Enterprise, Social Economy, Social Business
- Social Business Initiative
 - Clarity and Publicity
 - Finance
 - Procurement - need level playing field
- Financial Instruments
- Services of General Economic Interest

Community-led Local Development

- Integrated and multi-sectoral area-based local development strategies
- Designed taking into consideration local needs and potential
- Can be ESF and ERDF together
- Can be 10% higher intervention rate (ie max 70% in transition)
- Description of the process of community involvement in the development of the strategy
- Local Action Groups
 - Build Capacity of local actors
 - Transparent Selection
 - Monitor and Evaluate

Community-led Local Development

- Support shall include
 - costs of preparatory support
 - implementation of operations
 - co-operation activities
 - running costs and animation of the local strategy

What next?



151 Dale Street
Liverpool
L2 2AH

Tel: 0151 237 3972
Fax: 0151 237 3973

Email: info@networkforeurope.eu

Website: www.networkforeurope.eu

Facebook: www.facebook.com/networkforeurope

Twitter: [@network4europe](https://twitter.com/network4europe)