

# **EU Regional Policy**

## **EU Structural Funds**

# EU Regional Policy

- Regional policy is the vehicle for **delivering regional aid**
- **Biggest slice of the EU budget** which helps:
  - poorer regions catch up
  - areas undergoing economic change to restructure
  - with the realisation of most other Community policies

# Regional policy interventions

Regional policy interventions to reduce disparities and promote economic convergence are spread through 3 funds:

- **ERDF**: European Regional Development Fund
- **ESF**: European Social Fund  
and...
- **Cohesion Fund** (applies to MS with <90% average GNI and covers the new member states as well as Greece and Portugal. Spain is eligible on a transitional basis)

....financing thousands of project across Europe each year





# Structural Funds linkage to IPA

- *“IPA assistance to the Candidate Countries mirrors the Structural Funds (SF) and Cohesion (CF) Fund rules, providing Candidate Countries an effective **“learning by doing”** experience to prepare for Structural Funds” (EC IPA Manual)*
- *“Help prepare candidate countries for the **programming, management and implementation** of the .... **European Social Fund** .... that will be made available to them upon accession” (IPA Implementing Regulation, Clause 7)*

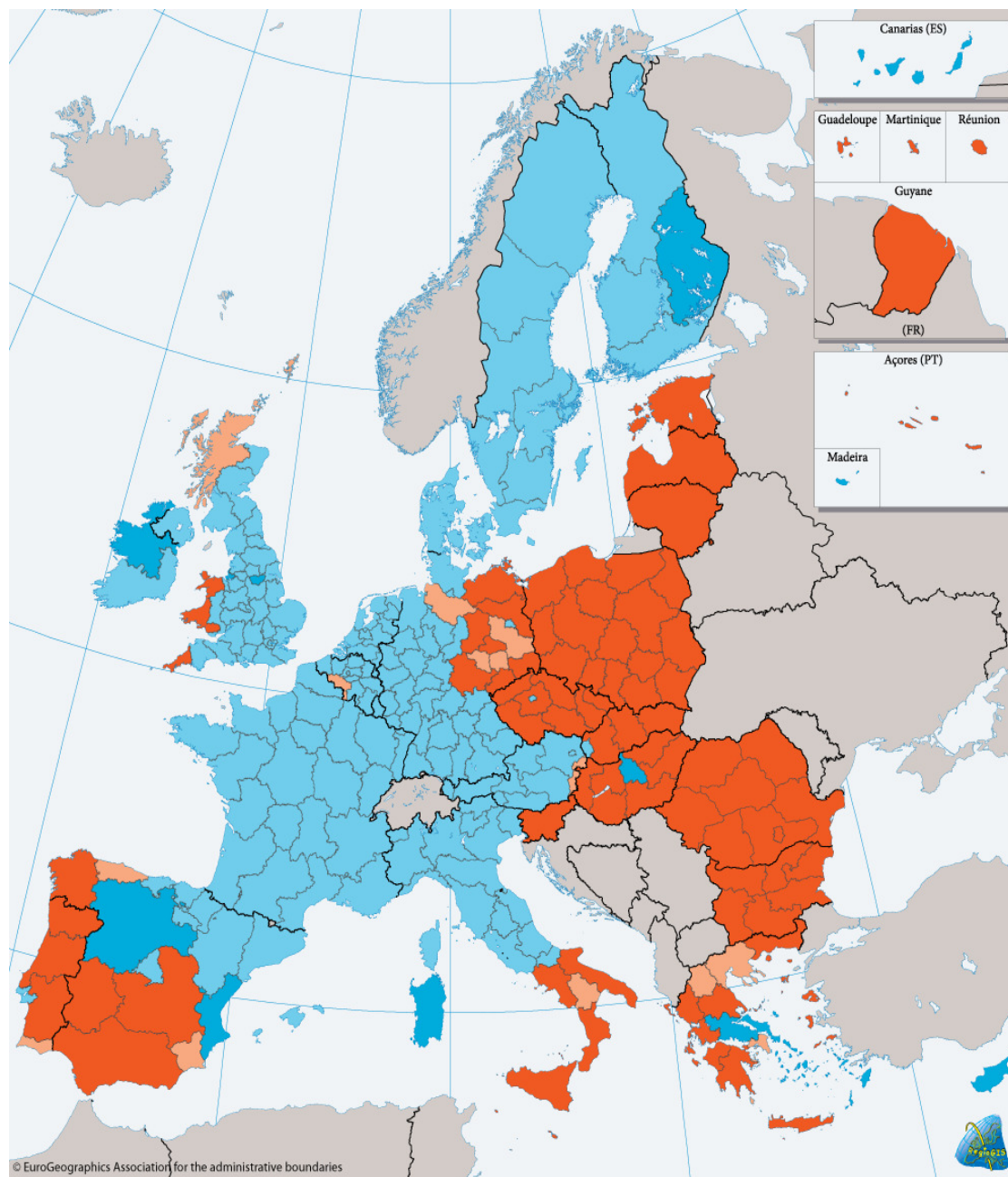
# Objectives, Structural Funds and instruments 2007-2013

Objectives	Structural Funds and instruments		
Convergence	ERDF	ESF	Cohesion Fund
Regional Competitiveness and Employment	ERDF	ESF	
European territorial Cooperation	ERDF		

# Geographical Eligibility for Structural Funds Support 2007-2013

-  **Convergence objective**  
*(Regions < 75% in EU 25)*
-  **Convergence objective**  
*statistically affected regions*
-  **Objective 'Regional Competitiveness and Employment'**  
*Phasing-in regions, "naturally" above 75%*
-  **Objective 'Regional Competitiveness and Employment'**

Index EU 25 =  
100



# What does the EU citizen ?

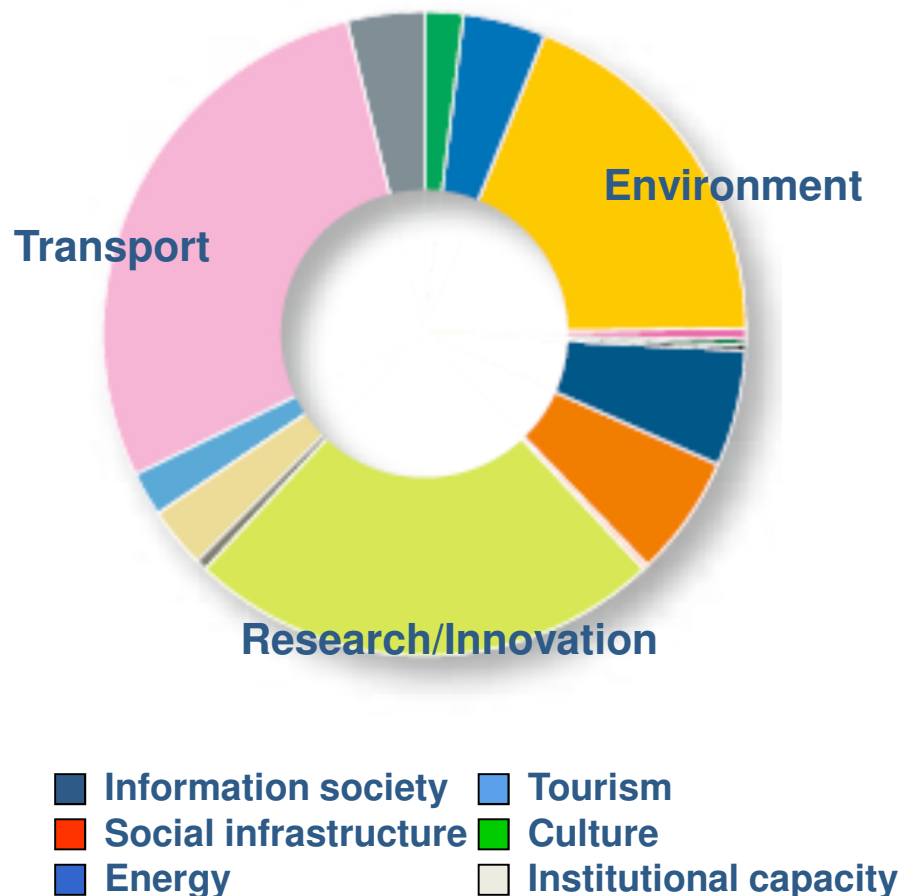
*The three funds target:*

- **ERDF (€201 billion)**: regional development, economic decline in industrial or rural areas, competitiveness and co-operation
- **(ESF) (€76 billion)**: employment, social inclusion and tackling discrimination
- **Cohesion Fund (€70 billion)**: environment and transport

*with overarching aim of “boosting growth and employment”*

# What do we spend the money on?

European Regional Development Fund and Cohesion Fund (€271 billion)



European Social Fund (€76 billion)





# **New programming period 2014 - 2020**

**Deliver the Europe 2020 strategy objective  
of smart, sustainable and inclusive growth**

**Focus on results**

**Maximise the impact of EU funding**

# New SF – 2014 - 2020

- Research & innovation
- Information and communication technologies (ICT)
- Competitiveness of Small and Medium-sized Enterprises (SMEs)
- Shift towards a low-carbon economy
- Climate change adaptation & risk prevention and management
- Environmental protection & resource efficiency
- Sustainable transport & removing bottlenecks in key network infrastructures
- Employment & supporting labour mobility
- Social inclusion & combating poverty
- Education, skills & lifelong learning
- Institutional capacity building & efficient public administrations

# The method – main principles

- Multi-annual programming – strategic approach  
**NEW – from 2014:** Option of MULTI-Fund programme (ESF, ERDF and Cohesion Fund)
- Concentration of financial resources
- Partnership - shared responsibilities: Commission - Member State – regions – other partners = targeted interventions
- Additionality – EU resources are additional to the national effort – no replacement
- Exchange of experience and good practice
- Management, monitoring and evaluation

# The method – main tools



# Funding through project activities !

The aim of ESF spending is to support the **creation of more and better jobs** in the EU

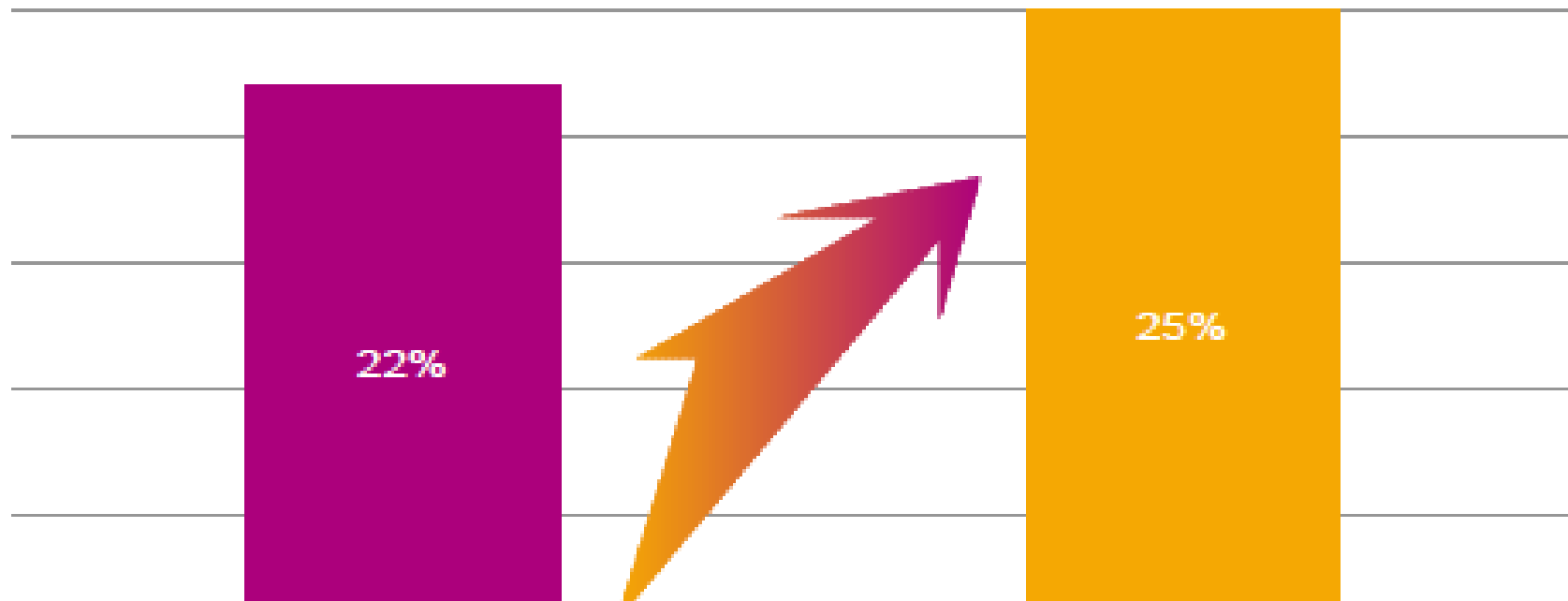
which is done by **co-funding national, regional and local projects** that improve the levels of employment, the quality of jobs, and the inclusiveness of the labour market in the Member States and their regions.

# New ESF – 2014 - 2020

■ 2007-2013

■ 2014-2020

**Share of ESF within Cohesion Policy budget**



# New ESF – 2014 - 2020

## Fully in line with the Europe 2020 strategy

- Promoting employment & supporting labour mobility
- Investing in education, skills & life-long learning
- Promoting social inclusion & combating poverty
- Enhancing institutional capacity & efficient public administration

## Reinforced social dimension

- 20 % of ESF allocations for social inclusion
- Greater emphasis on fighting youth unemployment
- Mainstreaming & specific support for gender equality & non-discrimination

# ERDF measures

As part of its task to promote regional development, the ERDF contributes towards financing the following measures:

## **1. Objective "Convergence"**

- modernising / diversifying economic structures;
- creating sustainable jobs;
- stimulating economic growth;
- attention to areas with specific characteristics: urban, remote, mountainous, sparsely populated and the [outermost regions](#).

## **2. Objective "Regional competitiveness & employment"**

- innovation and knowledge economy (research & technological development, innovation & entrepreneurship, financial engineering);
- environment and risk prevention (cleaning up polluted areas, energy efficiency, clean urban public transport, risk prevention plans);
- access to transport and telecommunications.



# ERDF measures

## **3. Objective "Territorial cooperation"**

- cross-border economic and social and environmental activities;
- transnational cooperation (including bilateral cooperation between maritime regions);
- interregional cooperation (including networking and exchange of experiences between regional and local authorities).

# **NEW ERDF – 2014 - 2020**

## Concentration of ERDF investment

- Energy efficiency and renewable energy
- Research and innovation
- Competitiveness of SMEs

# **EU Regional Policy .... Programmes ..... Projects**

## **Results EU Structural Funds**

- **Evidence suggests positive contribution to growth, national convergence and reduction of interregional disparities**
- **Ex-post evaluations demonstrate positive employment effects**
- **Clear benefits in terms of regional governance**