



Council of the
European Union

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FSTR 11
FC 6
REGIO 11
SOC 148
EMPL 98
AGRI 128
PECHE 83
CADREFIN 13
ECOFIN 222
COMPET 122
RECH 70
ENV 160
CLIMA 25
TRANS 78
ENER 85

OUTCOME OF PROCEEDINGS

From: General Secretariat of the Council

To: Delegations

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Subject: Investing in jobs and growth - maximising the contribution of European
Structural and Investment Funds

- Council conclusions (15 March 2016)

Delegations will find in the annex the Council conclusions on Investing in jobs and growth - maximising the contribution of European Structural and Investment Funds, adopted by the Council at its 3458th meeting held on 15 March 2016.

Council conclusions
"Investing in jobs and growth - maximising
the contribution of European Structural and Investment Funds"

THE COUNCIL OF THE EUROPEAN UNION:

- (1) RECALLING that the mission of Cohesion Policy is to strengthen its economic, social and territorial cohesion and, in particular, to reduce disparities between the levels of development of the various regions as set out in Article 174 of Treaty on the Functioning of the European Union;
- (2) WELCOMES the highly anticipated communication from the European Commission: "Investing in jobs and growth – maximising the contributions of European Structural and Investment Funds" provided under Article 16 of the Common Provisions Regulation¹ (hereafter "Article 16 report");
- (3) COMMENDS the work done by the Commission and Member States' authorities in preparing the Partnership Agreements and the Programmes after the adoption of the aforementioned Regulation in December 2013;
- (4) UNDERLINES the importance of involving relevant partners during the preparation of the Partnership Agreement and the Programmes, and of continuing this cooperation throughout the implementation phase;

¹ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

- (5) RECALLS that with a budget of EUR 454 billion for 2014-2020, the European Structural and Investment Funds (ESI Funds) are the European Union's (EU) main investment tool, and that by pursuing their economic, social and territorial cohesion objectives, the ESI Funds play a key role in supporting this investment strategy, and WELCOMES that the Article 16 report specifically concentrates on results to be achieved, thereby indicating the strengthened alignment with ESI Funds with the principle of result-orientation, which could set an example to other policy areas;
- (6) NOTES that the expected results to be delivered through the use of ESI-Funds in the current period are amongst others that more than 2 million enterprises will be supported, that tens of millions of people will receive support to improve their skills and adaptability and that large investments in infrastructure will make it possible that less developed regions will catch up with the rest;
- (7) REITERATES the importance of funding from the ESI Funds for co-financing public investment programmes, which represents a significant and important share of public investment in some Member States and helps to reduce the investment gap for research and innovation, sustainable and inclusive growth and regional disparities that, in the aftermath of the economic crisis still persists;
- (8) WELCOMES the alignment of the investments with the priorities of the Europe 2020 strategy and the European Semester, and that the outcome of the negotiations shows a clear move towards a more focused policy approach, a stronger result orientation, solid framework conditions for investments, a better coordinated use of ESI Funds through the Common Strategic Framework and improved links between EU priorities and regional needs;

- (9) NOTES that the support from the ESI Funds represents on average 71 % of the total programmed 2014-2020 investment; CALLS on the Commission to further analyse the 2014-2020 level of co-financing and the trends compared to previous periods, including the share of private funding, in order to obtain more information on the provision of national co-financing and the effects in terms of leverage, impact, and ownership of the policy on different levels and sources of co-financing;
- (10) CALLS on Member States to further encourage the use of private funding, for instance through the optimal use of Financial Instruments or public-private partnerships, where appropriate, and seeking complementarity with other instruments such as the European Fund for Strategic Investments;
- (11) WELCOMES the finding that Member States have largely taken into account the relevant Country Specific Recommendations (CSRs) while preparing the Partnership Agreements and Programmes and UNDERLINES the importance to continue to align the ESI Funds with the European Semester, which can indeed be delivered with the help of the ESI Funds, while taking into account the continuity and stability of the multi-annual programmes, and STRESSES that in this respect the CSRs need to be relevant, clear and specific;
- (12) STRESSES the importance of the territorial dimension of cohesion policy and of the ESI Funds and the role of European Territorial Cooperation in enhancing the economic, social and territorial potential of regions, in particular border regions, and in reinforcing their competitiveness, as well as of the continuous, increased focus on the new instruments and delivery mechanisms such as the Integrated Territorial Investments and the Community-led local development (CLLD). REGRETS therefore that the analysis of the territorial aspects and challenges of the ESI Funds is rather limited in the Article 16 report and INVITES the Commission to provide a deeper analysis in future publications;
- (13) WELCOMES that the introduction of the new strategic framework of Partnership Agreements and Programmes has led to more cross-fund alignment within Member States, but IS CONCERNED, in light of the lessons learned from the negotiation process, that the framework may result in unnecessary delays and duplication of work;

- (14) EMPHASIZES that the success of the programmes and the corresponding strategies will depend on good governance and on them starting as early as possible, as well as on their full implementation in the coming years;
- (15) REGRETS the absence of an in-depth analysis, in particular with regard to the process of setting up the Partnership Agreements and Programmes, as well as with regard to the ex-ante conditionalities which were not fulfilled at the moment of publication of the Article 16 report; and CALLS therefore on the Commission to:
- evaluate the abovementioned strategic framework of the Partnership Agreements and the Programmes, including the preparatory process, and
 - analyse the ex-ante conditionalities, with emphasis on which conditionalities were not fulfilled at the moment of publication of the Article 16 report, as well as on the related Action Plans, in particular with a view to determine underlying bottlenecks in relation to specific ex-ante conditionalities,
- having in mind that the result of this evaluation and analysis could have a learning effect for all stakeholders and feed into the policy discussions on the post-2020 period;
- (16) TAKES NOTE that the country fiches, annexed to the Article 16 report, are based on evolving data and sought to reflect the state of play at the time of the drafting of the Article 16 report, but REGRETS that Member States were not given an opportunity to review the data prior to publication and that details on key issues for each Member State cannot be used for peer-to-peer comparison and learning;
- (17) WELCOMES in this context the new ESI Funds Open Data website of the Commission. HIGHLIGHTS it as a good practice, as it provides for greater transparency of the use and performance of the ESI Funds without increasing the administrative burden, and RECOGNISES that the regular submission of data by Member States and their authorities within the existing regulatory framework will allow the Commission to provide updated and additional information in the open data platform to be used by Member States for benchmarking and peer learning;

- (18) NOTES that the "High Level Group of Independent Experts on Monitoring Simplification for Beneficiaries of the European Structural and Investment Funds" identifies good and best practices, but deems this scope too narrow, REITERATES its demand that simplification measures should apply to the entire cycle of policy programming and implementation, taking into consideration the needs of all bodies involved in management and control and beneficiaries, CALLS upon the Commission to also identify substantial horizontal issues and INVITES the Commission to regularly inform the Council on its activities;
- (19) REMAINS COMMITTED that a regular debate takes place among relevant ministers in the Council to discuss the implementation and the results of the ESI Funds.
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