

MID-TERM EVALUATION

OF THE EUROPEAN REGIONAL DEVELOPMENT
FUND, THE COHESION FUND AND
THE JUST TRANSITION FUND

 **2021
2027**

**SUPPORTING STUDY
FINAL REPORT**

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Executive summary

Introduction

This study was performed from January to September 2024 by a consortium that includes t33 srl, Spatial Foresight and ÖIR.

The study supports the European Commission in complying with the provisions of Common Provisions Regulation (CPR) Article 45: 'The Commission shall carry out a mid-term evaluation to examine the effectiveness, efficiency, relevance, coherence and Union added value of each Fund by the end of 2024'. This study covers design, programming and implementation for European Regional Development Fund (ERDF), Cohesion Fund (CF) and Just Transition Fund (JTF) from 1 January 2021 in the 27 Member States. This includes all categories of regions (less developed, transition, more developed; of which outermost and northern sparsely populated regions also receive special allocations).

Methodology

The study is structured under three activities – data gathering, analysis and reporting, in particular:

- A literature review of more than 500 items from 90 programmes, covering 60% of the funds' allocations and all 70 Territorial Just Transition Plans (TJTPs).
- Programme data analysis, from SFC 2021 data and data downloaded from the Open Data Cohesion Platform. The analysis includes fund and programme allocations by Member State and category of region, a needs analysis based on Nomenclature of Territorial Units for Statistics 2 (NUTS2) indicators, financial implementation data, output and result indicator target analysis, as well as progress based on selected and implemented operations by up to 30 June 2024. Programme planned amounts were downloaded from the Open Data Cohesion Platform in February 2024.
- A survey of cohesion policy stakeholders, with more than 600 replies from national and regional programme authorities, members of monitoring committees and representatives of civil society.
- Interviews with 45 stakeholders involved in cohesion policy design, programming and implementation, including programme managers, representatives of European Union (EU) and national institutions, non-government organisations (NGOs) and experts.

- A seminar in June 2024 in Brussels to discuss the preliminary study findings and lessons learnt. 46 people attended in presence with 106 more online.
- Seven detailed fiches, covering the five Policy Objectives (POs), the JTF fund and Interreg with a focus on the intervention logic and implementation characteristics

Cohesion Policy overview

The Treaty on the Functioning of the European Union (TFEU) Article 174, with Article 176 related to the ERDF and Article 177 related to the CF, sets the legal foundation for cohesion policy with the objective of reducing socio-economic and territorial disparities between EU regions. In the 2021-2027 programming period, a new fund – the JTF – was added to the ERDF, CF and European Social Fund Plus (ESF+). General and fund-specific regulations define the Policy Objectives (POs) of cohesion policy for the period 2021-2027, including PO1 Smart Europe, PO2 Greener Europe, PO3 Connected Europe, PO4 Social Europe and PO5 Europe Closer to Citizens. JTF has a single specific objective of addressing impacts of the transition towards the Union's 2030 targets for energy and climate as well as climate-neutrality of the Union by 2050. Interreg programmes can cover all the POs but also invest in Interreg-specific objectives.

The total EU financial allocation for the three evaluated funds is around EUR 282.5 bn (including technical assistance), split by fund and PO as follows:

Policy Objectives	ERDF* (PO1 – PO5 excluding Interreg)	CF*	JTF*
PO 1 – Smarter Europe	73 866		
PO 2 – Greener Europe	72 948	20 371	
PO 3 – Connected Europe	22 636	17 838	
PO 4 – Social Europe	19 633		
PO 5 – Europe Closer to Citizens	19 554		
JTF (SO) – addressing impacts of the transition towards climate-neutrality			19 199
Interreg funds*	10 597		

*Planned EU financial allocations as of February 2024, current prices

Programmes' state of play assessment

Both the end of the last programming period and the beginning of the new one saw multi-crises affecting society, the economy and the environment in the EU. These include the COVID 19 pandemic and the Russian War of aggression on Ukraine with consequences for energy and the economy, including inflation. In addition,

climate change is accelerating with large-scale impacts affecting many people and territories across the EU.

These factors meant that legal adoption of the cohesion policy regulatory framework came later than in past programming periods.

Financial progress

While 2021-2027 implementation is still lagging 2014-2020 programmes, speed is picking up - the selection rate at the end of June 2024 has more than doubled since December 2023.

As of end-June 2024, the total cost of selected operations ('decided' resources), for CF and ERDF 'Investments in Jobs and Growth' reached 23.8% (EUR 11.7 billion) and 20.7% (EUR 64.3 billion) respectively of the total allocation, including national funding. Interreg Funds have the largest share of 'decided' budget at 36.9% (EUR 5.2 billion). The project selection rate for JTF has caught up to ERDF and CF levels reaching 22% (EUR 5.9 billion). Mid-2024 the progress in decided values for ERDF and CF is broadly similar to Q4 2016 in the previous period. Across funds, the most progress is reported under PO1 (ERDF and Interreg Funds) and PO2 (CF). Less progress was made under PO3 (Connected Europe, only in ERDF and CF), PO5 (Europe closer to citizens) and Interreg-specific objective 2 (a safer and more secure Europe).

The total eligible expenditure declared by beneficiaries to managing authorities as a share of total allocation, including national funding by mid-2024 reached EUR 2 billion (4.1%) for CF, EUR 3.4 billion (1.1%) for IJG/ERDF, EUR 183 million (1.3%) for Interreg and EUR 123 million (0.5%) for JTF. While JTF is the least advanced for implemented financial values, it has broadly caught up with ERDF/CF and is now relatively advanced for decided values. Interreg is the most advanced in terms of decided values, however considerably less so with regards to implemented values. CF in comparison is by far the most advanced for implemented values and is relatively advanced for decided values.

Physical progress

Across the EU, as of mid-June 2024, most output indicators (63%) report no progress in achievements towards their 2024 milestones, indicating some potential challenges in implementation. Additionally, 10% of output indicators show first reported values and thus indicate progress in implementation but are reportedly not close to their milestones yet. A number of output indicators (27%), however, are on track and projected to reach at least 80% of their milestones.

There has been considerable progress in planned values of output indicators based on selected operations since January 2024. Only two Member States (Spain and Latvia) have not yet reported any progress. Little progress has been made in

Cyprus, Croatia, Italy, Malta, Portugal or Romania, where more than 75% of the programme indicators have reported no decided values yet. Implementation in terms of reported indicator values is more advanced in eastern and northern Member States. For Finland and Sweden, more than 75% of indicators are on track. Sweden in particular shows the milestones (almost) reached, also in terms of achieved values based on implemented projects, for 30% of indicators. Czechia, Finland, Estonia, Hungary and the Netherlands are likewise advancing with more than 10% of indicators on track to reaching milestones for implemented values. In turn, across the EU, 90% of indicators show no reported implementation progress yet and only 3% are projected to be on track for the 2024 milestone. In general, programmes in northern and eastern Europe perform slightly better with Czechia, Denmark, Estonia and Sweden being the only countries with more than 90% of programmes reporting achievements for implemented projects. POs show varying progress. Most Member States and programmes have reported significant progress under PO1 and PO2, while progress for PO3 and PO4 is more limited.

External factors had a significant impact on cohesion policy design and implementation, notably the COVID-19 crisis, Russia's aggression against Ukraine, the energy crisis and the resulting inflation. Compared to the past programming period, the 2021-2027 period started late with delays in approval of the regulatory package. Difficulties in managing high level of payments in the 2014-20 programmes added complexity. Moreover, internal factors, such as low administrative capacity, political instability and labour supply shortages should be also taken into account when analysing differences in the state of play of programme implementation between Member States and regions.

Effectiveness

ERDF, CF and JTF funding have a pronounced needs-based profile as more resources are usually allocated where there are more development challenges. This contributes to the higher-level goals of social, economic and territorial cohesion across the EU. In addition, choices made by individual programme authorities mean EU-level allocations surpass fund-specific thematic concentration requirements. PO1 Smarter Europe and PO2 Green Europe allocations by category of region exceed minimum thresholds established by the ERDF and CF regulation. Spending is usually higher in regions with more needs for each PO and associated Specific Objectives (RSO)

ERDF and CF implementation progress in 2024 is accelerating but it still lags behind the 2014-2020 programming period at the same point in time, that is between the third and fourth year of implementation, mainly because of exogenous factors such as: the delay in approving the CPR and fund-specific legislation; the implementation of 2014-2020 cohesion policy crisis instruments; and the frontloading of the RRF). This is true for both financial and physical progress. Actual and forecast spending are lower, though increasingly in line with expectations. Paid out rates were in the single digits at the financial data cut-off date of mid-2024 and planned expenditure is closing in on similar values to 2016. Nevertheless, considerable progress has

been made over the first half of 2024 and reported progress is likely to considerably improve by the end of the year. Early implementation confirms some patterns across the periods. For example, CF has had the fastest start in implementation in terms of spent amounts. Interreg was also the quickest in terms of decided values.

JTF is a newly introduced fund, intending to contribute to the specific objective of enabling regions and people to address social, employment, economic and environmental impacts of the transition towards the Union's 2030 targets for energy and climate as well as a climate-neutral economy of the Union by 2050. Financial and physical progress in terms of closed projects was limited as of 30 June 2024. Progress for forecast values based on the selection rate has, however, caught up with other funds. While planned interventions and their financial allocation reflect JTF objectives, it is too early to draw any conclusions on achievements. The start of the programming period, marked by the COVID-19 pandemic and its effects on the EU legal framework, did not facilitate its adoption and implementation. Qualitative information from JTF implementing bodies indicate that, despite delays in programming and implementation, there is progress in launching calls for projects, project selection and providing support for potential beneficiaries. The new fund is also well perceived by potential beneficiaries, especially its very targeted territorial approach, engaging with many stakeholders. Implementing a new fund is a challenge. While there is pressure to see JTF programmes deliver on their targets, mobilising and training local and regional actors in the green and digital transitions requires time.

Cohesion policy programmes for 2021-2027, financed under ERDF/CF/JTF are highly relevant for specific territorial needs. Programme analysis shows that several mechanisms are used to consider and address specific territorial needs such as Integrated Territorial Investment (ITI), Community-Led Local Development (CLLD), Interreg for border areas, specific funding for urban development and territorial strategies to address the needs of also other, non-urban areas. JTF, through TJTPs, also addresses the specific needs of territories most negatively affected by the transition to a climate neutral economy. Most stakeholders perceive the delivery system as effective in addressing territorial needs. In general, stakeholders consulted under this study indicate that effectiveness is particularly high for regional programmes and specific territorial instruments such as Interreg and JTF. This consultation also highlighted areas of improvement. Programming and implementation might be improved to ensure more effective territorial links, avoid thematic overlaps, focus on regional and local specificities, as well as establish stronger and more efficient coherence with other funds and EU instruments. Delivery systems for cohesion policy are complex. Despite important simplifications in the regulatory framework and efforts to solve implementation bottlenecks, which are producing tangible results, stakeholders still see high administrative costs related to ERDF/CF and JTF programmes. These include high workloads in delivery systems which lack proportionality, especially for small programmes. Stakeholders identified several implementation bottlenecks, mostly linked to the late approval of programmes, delays in implementation, applying rules and procedures as well as setting up the management framework. The partnership principle and multi-level

governance have clear added value in enhancing the effectiveness of ERDF/JTF/CF programme implementation. Partnership practices enhance collective commitment and ownership of EU policies, increase knowledge, expertise and viewpoints in the implementation of strategies, and ensure greater transparency in decision-making processes. In particular, territorial tools (e.g. ITI, CLLD) and JTF add a specific territorial partnership component to programme implementation.

Most stakeholders find that multi-level governance and the partnership principle are effective in programme design and implementation. Many underline that the partnership approach and coordination are unique features of cohesion policy. However, the analysis shows there is also potential for better involvement of partners and more effective partnerships. Engaging stakeholders remains a key challenge. Quality governance rules and procedures as well as sufficient administrative capacity are key prerequisites for effective cohesion policy partnerships. Several stakeholders suggest improved frameworks for partnerships, such as Codes of Conduct at national or regional level, as well as capacity building for potential partners. Resources such as the European Community of Practice on Partnership (ECoPP) can help improve application of the partnership principle in practice.

Efficiency

For the 2021-2027 programming period, important measures have been taken to solve persistent implementation bottlenecks. Several novelties in the regulatory framework address implementation challenges, concretely reduce administrative burden and at least partially solve many implementation bottlenecks in 2021-2027 programmes. Despite these positive developments, stakeholders still perceive implementation challenges such as 'extensive reporting and auditing requirements' that are noted as disproportionate especially for smaller programmes, or difficulties from a lack of common understanding among national authorities at Member State level on how to apply novelties such as those on Simplified Cost Options (SCOs).

The occasional perception of unclear rules and procedures is partially linked to the new regulatory requirements. In particular, the new elements proposed for 2021-2027 for SCOs cause additional workload initially, while they reduce it in the medium-term and overall, during the implementation period. Stakeholders confirm in the survey and interviews that training, administrative capacity building and instruments such as Peer2Peer Communities, Administrative Capacity Roadmaps and the Technical Support Instrument (TSI) have been crucial to building and improving capacity and solving important bottlenecks from the 2014-2020 period with a 'steep learning curve' for programme managers and beneficiaries.

Most novelties introduced for the current programming period refer to simplification measures. These should reduce administrative burden in terms of procedures, staff and time. Many studies justify the introduction of simplification measures. In general, these measures have been well-received by programme authorities and early evidence confirms a burden reduction so far. Very few consider them not useful.

The most popular measures are SCOs, harmonised eligibility rules for beneficiaries, and reduced reporting obligations for beneficiaries. The pace and level of introduction of the simplification measures in programming and implementation varies by Member State and region. For example, Financing Not Linked to Cost (FNLC) is applied in only a few countries, and the number of SCO schemes adopted under CPR Article 94 varies greatly by Member State. This may be because some programme authorities still have doubts when it comes to management, control and audit trails. If some simplifications are viewed almost unanimously as being useful, the effects of some of them on the reduction of the administrative burden is still uncertain or unknown. Stakeholders highlight a stable regulatory and procedural framework over the entire programming period as well as clear and harmonised guidance early in the period as necessary preconditions for facilitating the implementation of simplification measures.

‘Enabling Conditions’ are a key element of cohesion policy for 2021-2027. They build on ex-ante conditionalities from the 2014-2020 period to ensure the conditions for effective and efficient use of the funds are in place. Enabling conditions bring advantages to programme design and implementation and their fulfilment is overall less burdensome than ex ante conditionalities because of the smaller number of conditions. Their use strengthens the intervention logic of programmes and ensures long-term commitment to strategic goals and the creation of favourable frameworks for investments. Enabling conditions triggered reform for climate and social policies in Member States. Another valuable feature is their positive effect in aligning national and regional plans and strategies. Analysis of a sample of programmes shows a high level of active compliance with enabling conditions and most stakeholders acknowledge their benefits. However, they are criticised by survey respondents since the increased ambition of individual conditions results in short-term administrative burden. Sometimes, overlaps have been noticed between the planning and negotiation within national frameworks and the requirements of the enabling conditions, reducing flexibility of EU funding programmes.

Coherence

The coherence analysis covers the design of measures and coordination of actors involved in fund implementation, as well as synergy and implementation mechanisms between ERDF/CF/ JTF programming and as well as with other EU funds and instruments. These include CPR funds ESF+, Asylum, Migration and Integration Fund (AMIF), Instrument for Financial Support for Border Management and Visa Policy (BMVI), Internal Security Fund (ISF), and European Maritime, Fisheries and Aquaculture Fund (EMFAF) as well as EU funding instruments (other pillars of the Just Transition Mechanism (JTM), Connecting Europe Facility, Horizon Europe, the Digital Europe Programme and others), including the Recovery and Resilience Fund (RRF).

ERDF, CF and JTF programmes have implemented several coordination mechanisms with other EU funding instruments, but the degree of coordination is highly dependent on the fund. The combination of formal committees (notably

monitoring committees), working groups, and informal networks fosters coordination among instruments and funds linked by areas of intervention. This facilitates collaboration and resource allocation across sectors and regions. Most coordination activities regard cohesion policy funds and, to a limited extent, other EU funding instruments.

Coordination mechanisms with programmes dedicated to migration and home affairs – AMIF, BMVI and ISF – are often less detailed and very few synergies are described with these funds. Coordination with other EU funding instruments outside the umbrella of the CPR is more varied. For example, the European Agricultural Fund for Rural Development (EAFRD) has a variety of mechanisms to foster coordination with cohesion policy, ranging from demarcation criteria established by regulations to governance mechanisms such as CLLD (LEADER).

At the operational level, the high degree of coordination between ERDF and ESF+ is mirrored by multiple synergies between the two. The programmes offer several examples of concurrent synergies, where ERDF supports infrastructure investments while ESF+ supports personnel. Another fund usually cited for synergies is EMFAF, especially with ERDF, where the two have established clear demarcation criteria. Lastly, JTF is often cited as working with ESF+ to support up-skilling and re-skilling for workers and measures for the unemployed and with ERDF to support other investments alleviating negative social, economic and environmental effects of transition.

The RRF is a temporary instrument established in response to the COVID-19 pandemic and developed within a relatively short timeframe in 2020 and 2021. Cohesion policy funds (including the ERDF, CF and JTF) differ from the RRF in terms of payment provisions, monitoring, control and audit procedures. Despite the differences in the implementation modalities of the RRF and the cohesion policy funds, the RRF pillars largely overlap with the five policy objectives of the cohesion policy funds. Several studies highlight the possible issues resulting from this overlap between the RRF and cohesion policy, as well as opportunities for synergy. Member States are required to address the Country Specific Recommendations (CSRs), aligning objectives of the two instruments and coordination mechanisms with cohesion policy funds are described in Recovery and Resilience Plans (RRPs). However, there are significant differences between RRP, with some lacking detailed coordination mechanisms for interaction with other EU funding instruments. In several Member States, actors in charge of implementing and monitoring cohesion policy work within the same bodies also responsible for interventions under the RRP, facilitating coordination between the two instruments. Sometimes additional structures are established to ensure more effective complementarity and consistency across the interventions. These additional governance mechanisms include working groups, inter-departmental committees and contact points. They are not always described in the RRP and have sometimes been refined during implementation of the RRF. Descriptions of the coordination mechanisms highlight how RRP bodies have benefited from the experience of cohesion policy implementation.

There is substantial additional funding for Member States under the RRF. This, alongside additional administrative challenges and limited capacity, impacts fund absorption for Member States and regions, as confirmed by stakeholder consultations under this study and others. These challenges have been partially addressed in the planning phases of RRF and cohesion policy. RRP should describe how they intend to avoid double funding and differentiate specific measures, activities and projects funded under the RRF from other Union programmes.

Synergies with RRF are mostly sequential or demarcation-based. In the sequential approach, different timelines and more stringent deadlines for RRF implementation have allowed some Member States to develop synergies with cohesion policy. In these cases, interventions are financed by RRF until 2026 and will be then taken up by cohesion policy. RRP also note demarcation criteria with cohesion policy, even if these are sometimes only generally described. Financing different operations that build on each other could increase synergy. The investment in reforms under RRF should improve the framework conditions for investment using other EU funding.

The coherence assessment also examines complementarity and alignment with national/regional policies notably in relation to innovation, climate, biodiversity, energy, environmental risk prevention, transport and rural/urban development policies. ERDF, CF and JTF investments are significantly intertwined with national and regional interventions and reforms. In some Member States, priorities are set at national level and EU funds are a source of funding alongside national ones. Some smaller Member States with limited national funding capacity find EU funding an essential source that needs to be coherent with national objectives. Partnership agreements and national strategy documents ensure consistency with EU regulations and guidelines, as well as CSRs and national development documents. National Reform Programmes (NRPs) also play a role in ensuring coherent interventions. In their 2022 and 2023 NRPs, Member States reported complementarities between priorities supported by cohesion funds and RRP with the NRPs, providing an overview of how key investment priorities were being addressed. All 2023 NRPs explicitly cite ERDF or CF, while almost 80% also cite JTF. In addition, enabling conditions facilitate synergies with national and regional policies.

One difficulty of establishing complementarity between EU and national levels is the profile of these instruments. While the national funding framework can change faster, cohesion policy is based on a multiannual financial framework. Moreover, interventions are often closely intertwined with national programmes, but the consideration of regional needs can be improved, especially for innovation and the economy, where regional interests may not be fully addressed.

According to the survey, rural development policy seems to be the least complementary policy, with 26% of respondents assessing it as complementary, probably because there are fewer regional/national rural development policies. In more centralised systems, where regions and local actors are formally involved but do not manage funding, members of monitoring committees are concerned that local

and regional objectives are less represented. This more top-down approach limits the possibility for place-based interventions and investments despite formal stakeholder participation in the monitoring committee. However, cohesion policy funds can include specific goals to be addressed (e.g. climate change) where there may be little funding available from local sources (especially municipalities). With renewed attention on place-based planning and intervention in this programming period, territorial tools such as ITI and local needs are better addressed in ad-hoc strategies. This facilitates the assessment of complementary funding at regional and local levels with coherent objectives.

Coherence evaluation also examines the Do No Significant Harm (DNSH) principle and horizontal priorities. Programmed interventions (ERDF/CF/JTF) are coherent with DNSH principle and horizontal priorities for climate, biodiversity and gender equality. The review of a sample of programmes shows that cohesion policy programmes and their interventions are in line with the horizontal principle of gender equality, mostly through selection criteria and representation in monitoring committees. Few programmes go beyond the minimum requirements to develop active gender-sensitive approaches, for example by clarifying the potential impacts of their spending decisions or using gender budgeting tools. The 2021-2027 CPR reaffirms the framework of sustainable development for cohesion policy initiatives, which includes an emphasis on environmental sustainability. ERDF/JTF/CF programmes are coherent with the horizontal principle of 'sustainable development, climate and biodiversity' because of several ex-ante settings and instruments (e.g. thematic concentration, climate and environmental tagging).

All programmes integrate the DNSH principle which is a cornerstone of the environmental sustainability concept in EU Taxonomy. Technical screening criteria for DNSH is a requirement for economic activities to be classified as environmentally sustainable. Some Member States have integrated the principle in national initiatives where national guidelines and methodologies ensure compliance and support implementation. Application of the DNSH principle follows the RRF approach, though as a novelty for cohesion policy it is seen as burdensome by stakeholders. Literature and feedback from stakeholders suggest additional action to take further advantage of the principle, including harmonising the legal basis for the integration of DNSH across EU policies and instruments and deepening links with green finance and green budgeting.

EU added value

The added value of ERDF, CF and JTF compared to national policy actions and reforms supporting territorial cohesion and sectoral policy goals is both quantitative and qualitative.

The document review and stakeholder consultations confirm significant quantitative added value of ERDF/CF/JTF. This is because they enable more investments, promote regional development initiatives, address emerging challenges (e.g.

ageing, depopulation, security, etc.) and ensure a faster response to local development needs.

Interviews and surveys with stakeholders explore the quality of policy delivery tools and administrative capacity, ERDF/CF/JTF establish and finance a long-term investment vision as opposed to the shorter-term national budget perspective. These funds focus more systematically on local needs than centrally managed EU instruments and funds, through a place-based approach. They promote thematic concentration and more effective, efficient and standardised delivery mechanisms, horizontal principles and the possibility of experimenting with innovative approaches. Most of the stakeholders agree that ERDF/CF/JTF are an opportunity to address development challenges which would otherwise not be pursued as much in less developed countries and regions. Several experts underline the added value of cohesion policy as unique and necessary for the convergence in the EU. Reducing regional disparities is necessary to boost the competitiveness of EU regions and the EU as a whole. EU cohesion policy tackles challenges where other national and EU policies are sector and 'place-blind'.

Two features that make cohesion policy valuable are its long-term perspective and its territorial focus, addressing specific territories such as border regions, islands, sparsely populated areas or JTF territories. Territorial cooperation, both within and between regions, e.g. within Interreg or Innovation partnerships, as well as the partnership principle are key to EU added value. They enhance the ownership of strategies/projects and strengthen the territorial relevance of investments, going beyond or adding to national approaches in most Member States. The stakeholder consultation shows that EU funds promote learning through evaluation and monitoring, risk management and anti-fraud procedures, as well as facilitating knowledge and exchanges of best practice between EU cities and regions. In this regard, the Ninth Cohesion Report emphasises the role of cohesion policy in improving administrative capacity and the quality of governance in Member States. Accordingly, stakeholders remarked that a significant EU added value is the improvement of administrative capacity for officers and institutions working with EU funds, at regional and national level. Working with EU funds is perceived as a 'training ground' to improve expertise and skills, both administrative and content with spillover effects to national policymaking. This enhances administrative capacity and multi-level governance beyond the management of EU funds and influences how any policy instrument is designed and delivered.

Cohesion policy ensures a strong territorial focus and a place-based approach and enables concrete, multi-governance level capacity building, tailored to the unique needs and potential of specific territories. National policies are complemented with a broader perspective and shared expertise, enabling stakeholders to implement best practices and innovative solutions that may not be feasible through national policies alone.

The three funds also contribute to the twin digital and green transitions. These transitions boost sustainable competitiveness and create good-quality jobs, but they might have an uneven impact on EU society and regions. The transitions can be

successful and can reinforce each other; however they are not automatically aligned. Cohesion policy – in particular ERDF, CF and JTF – is critical to reducing digital and territorial disparities and mitigating unbalanced green development between regions. Cohesion policy is often a key player in promoting innovative local green and digital initiatives such as energy communities or digital innovation hubs. Representatives of western and northern Member States mention that cohesion policy is most valuable in speeding up the green transition with national policy frameworks already in place. Southern and eastern country representatives underline the high added value of launching and implementing new projects and strategies for the green transition. The perceived added value is slightly lower for the digital transition.

One feature of the added value is that it channels investments to peripheral or sparsely populated areas, often benefitting less from other EU instruments or national support frameworks.

Relevance

The European Semester is the policy coordination framework designed to ensure a robust and future-proof economy, aiming at EU competitiveness and long-term prosperity. It promotes an integrated approach across all policy areas including coordination of RRF and cohesion policy programmes, as well as updated reporting on progress towards the Sustainable Development Goals (SDGs). *CSRs* and *Country Reports* are key deliverables of the European Semester. These documents are the primary channels for the EU to convey tailored recommendation and analysis to Member States, guiding their efforts to address economic challenges and advance social rights. Through the literature review and stakeholder consultations, this evaluation investigates cohesion policy programming document alignment with the European Semester process. In 2019, the Country Reports included Annex D – Investment Guidance on Cohesion Policy Funding 2021- 2027, detailing the preliminary Commission service view on priority investment areas and framework conditions for effective delivery of 2021-2027 cohesion policy. A document review reveals that Annex DI of the 2019 Country Reports and CSRs were taken into account in programming documents. Almost all partnership agreements refer, at least in general terms, to European Semester documents and in particular to 2019 Country Reports Annex D. The following year, Annex D to the 2020 Country Reports reported guidance on investments proposed under the JTF, including identification of territories most negatively affected by the climate transition. Detailed analysis is in Annex 6.2. All programmes follow or have followed European Semester recommendations including proposals and expectations. While some interviewees highlight that the European Semester does not fully address specific regional challenges, Semester outputs have been increasingly focusing on territorial aspects. Programmes and partnership agreements are aligned with the European Semester. However, respondents emphasise that Country Reports adopt a top-down approach which should be better matched with the bottom-up approach of cohesion policy territorial programming. In addition, during implementation,

uncertainties remain about how priorities identified in the semester process will be specifically tracked by programmes.

Programmes contribute to meeting basic needs of EU citizens by creating favourable conditions for development, through support for educational infrastructure and equipment, health and social infrastructure, addressing energy poverty, as well as improving accessibility and means of communication, especially in remote regions and regions with natural constraints. Furthermore, the programmes address environmental issues through PO2. Emerging challenges linked to demographic change are tackled in an indirect manner, mostly through investment in infrastructure. In terms of demographic challenges, ageing and depopulation are targeted needs, whereas measures addressing low-fertility are more difficult to integrate in programmes. The analysis indicates a positive correlation between needs funding in ERDF/CF/JTF programmes.

The allocation of funds is relevant to the needs of regions (NUTS2 regions, NUTS3 and below in case of the JTF). PO1 for example, sees higher funding for regions with a lower Regional Innovation Scoreboard (RIS) performance, especially southern and eastern regions of the EU. For PO2, the link between funding and needs is robust, with more funding going to regions with lower renewable energy consumption and demand. Similarly, funding per capita in territories at risk of natural hazards sees the most vulnerable regions receiving the most funds. It is similar for regions with limited wastewater collection, those most in need of sewage treatment infrastructure have high percentages of funding. Funds for PO3 appear to be highest in regions with moderate to good rail access and lower in the most accessible regions as well as regions with low rail access. Funds from PO4 seem to go to both regions with high needs and those with effective strategies against poverty and social exclusion. Similar results are found for participation in education and training. This relationship is however less clear for funding of health infrastructure, with other (national) funding probably influencing the pattern. PO5 has a positive correlation between the number of strategies in a region and the funding per capita. Lastly, JTF also has a robust link between funding and the specific needs of territories most affected by the transition (those dependent on declining and transforming sectors).

Nonetheless, EU funding alone is not enough to meet the basic needs of all people in a given region and needs to be complemented with national funding or funding from other sources to meet all the objectives.

Kurzfassung

Einführung

Dieser Bericht enthält den Endbericht der „Studie zur Unterstützung der Halbzeitbewertung der kohäsionspolitischen Programme 2021-2027, die aus dem EFRE, dem Kohäsionsfonds und dem JTF finanziert werden“.

Die Studie wurde von Januar bis September 2024 von einem Konsortium erarbeitet, dem t33 srl, Spatial Foresight und ÖIR angehören. Die Studie unterstützt die Europäische Kommission bei der Einhaltung der Bestimmungen von Artikel 45 der Dachverordnung: „Die Kommission nimmt bis Ende 2024 eine Halbzeitevaluierung zur Untersuchung von Wirksamkeit, Effizienz, Relevanz, Kohärenz und Unionsmehrwert jedes Fonds vor“. Diese Studie bezieht sich auf die Konzeption, Programmplanung und Durchführung des Europäischer Fonds für regionale Entwicklung (EFRE), des Kohäsionsfonds und des Fonds für einen gerechten Übergang (JTF) ab dem 1. Januar 2021 in den 27 Mitgliedstaaten und in allen Regionskategorien (weniger entwickelte Regionen, Übergangsregionen, stärker entwickelte Regionen, von denen die Regionen in äußerster Randlage und die nördlichen, dünn besiedelten Regionen ebenfalls eine Sonderzuweisung erhalten).

Die Angaben zur Durchführung beziehen sich auf die Daten, die zu diesem Zeitpunkt im System für die Fondsverwaltung in der Europäischen Union (SFC) verfügbar waren. Der Stichtag für diese Daten ist der 30. Juni 2024. Die Daten zu den geplanten Beträgen der Programme, die von der Offenen Datenplattform zur Kohäsionspolitik heruntergeladen wurden, beziehen sich auf Februar 2024.

Methodik

Die Studie gliederte sich in drei Phasen: Datenerhebung, Analyse und Berichterstattung. Sie basierte auf den folgenden Aktivitäten:

- Eine Literaturanalyse von mehr als 500 Dokumenten aus 90 Programmen, die 60 % der Mittelzuweisungen abdecken. Überprüfung aller 70 JTF-Pläne (TJTPs).
- Analyse von Programmdaten auf der Grundlage von SFC 2021-Daten und Daten, die von der Offenen Datenplattform zur Kohäsionspolitik heruntergeladen wurden. Die Analyse umfasst die Mittel- und Programmuweisung nach Mitgliedstaat und Regionenkategorie, eine Bedarfsanalyse auf der Grundlage von NUTS-2-Indikatoren, die finanzielle Umsetzung, die Analyse der Zielvorgaben für Output- und Ergebnisindikatoren sowie den Fortschritt auf der Grundlage bewilligter und durchgeführter Vorhaben bis zum 30. Juni 2024. Die Daten zu den geplanten Beträgen der Programme, die von der Offenen Datenplattform heruntergeladen wurden, beziehen sich auf Februar 2024.

- Eine Umfrage unter den Akteuren der Kohäsionspolitik mit mehr als 600 Antworten von nationalen und regionalen Programmbehörden, Mitgliedern von Begleitausschüssen und Vertretern der Zivilgesellschaft.
- Interviews mit 45 Akteuren, die an der Gestaltung, Programmierung und Umsetzung der Kohäsionspolitik beteiligt sind, darunter Programmmanager, Vertreter von EU- und nationalen Institutionen, NRO und Experten.
- Ein Seminar, das im Juni 2024 in Brüssel zur Erörterung der vorläufigen Studienergebnisse und der daraus gezogenen Lehren veranstaltet wurde. 46 Personen nahmen daran vor Ort teil, 106 weitere online.
- Sieben detaillierte Datenblätter, die die fünf politischen Ziele, den JTF-Fonds und Interreg mit Schwerpunkt auf die jeweilige Interventionslogik und die Durchführungsmerkmale abdecken.

Überblick über die Kohäsionspolitik

Artikel 174 AEUV bildet zusammen mit den Artikeln 176 (EFRE) und 177 (KF) die Rechtsgrundlage der Kohäsionspolitik mit dem Ziel, die sozioökonomischen und territorialen Ungleichheiten zwischen den EU-Regionen zu verringern. In der Förderperiode 2021-2027 wurde dem EFRE, dem KF und dem ESF+ ein neuer Fonds hinzugefügt – der Fonds für den gerechten Übergang (JTF). In den allgemeinen und fondsspezifischen Verordnungen sind die Politischen Ziele (PZ) der Kohäsionspolitik für den Zeitraum 2021-2027 festgelegt, darunter PZ1 Intelligenteres Europa, PZ2 Grüneres Europa, PZ3 Vernetztes Europa, PZ4 Soziales Europa und PZ5 Bürgernahes Europa. Die JTF hat ein einziges spezifisches Ziel, das sich mit den Auswirkungen des Übergangs zu den Energie- und Klimazielen der Union für 2030 und der Klimaneutralität der Union bis 2050 befasst. Interreg-Programme können alle PZ abdecken, aber auch in Interreg-spezifische Ziele investieren.

Die Gesamtmittelausstattung der EU für die drei evaluierten Fonds beläuft sich auf rund 282,5 Mrd. EUR (einschließlich technischer Hilfe), die sich wie folgt auf die einzelnen Fonds und PZ verteilen:

Politische Ziele	EFRE* (PO1 - PO5 ohne Interreg)	KF*	JTF*
PZ 1 - Ein intelligenteres Europa	73 866		
PZ 2 - Grüneres Europa	72 948	20 371	
PZ 3 - Das vernetzte Europa	22 636	17 838	
PZ 4 - Soziales Europa	19 633		
PZ 5 - Ein bürgernahes Europa	19 554		
JTF (SZ) - Bewältigung der Auswirkungen des Übergangs zur Klimaneutralität			19 199
Interreg-Fonds*	10 597		

*Geplante EU-Mittelzuweisungen im Februar 2024, aktuelle Preise

Bewertung des Stands der Programme

Sowohl am Ende der letzten Förderperiode als auch zu Beginn der neuen gab es mehrere Krisen, die die Gesellschaft, die Wirtschaft und die Umwelt in der EU beeinträchtigten. Dazu gehören die COVID 19-Pandemie und der russische Angriffskrieg auf die Ukraine mit Folgen für Energie und Wirtschaft, einschließlich einer hohen Inflation. Darüber hinaus beschleunigt sich der Klimawandel und hat weitreichende Auswirkungen auf viele Menschen und Gebiete in der EU.

Aufgrund dieses Kontextes wurde der regulatorische Rahmen der Kohäsionspolitik später als in früheren Förderperioden rechtlich angenommen.

Finanzielle Fortschritte

Während die Umsetzung für den Zeitraum 2021-2027 immer noch hinter der für den Zeitraum 2014-2020 zurückbleibt, nimmt das Tempo zu – die Auswahlquote Ende Juni 2024 hatte sich seit Dezember 2023 mehr als verdoppelt.

Ende Juni 2024 beliefen sich die Gesamtkosten der ausgewählten Maßnahmen („bewilligte“ Mittel) für den KF und den EFRE¹ auf 23,8 % (11,7 Mrd. EUR) bzw. 20,7 % (64,3 Mrd. EUR) der Gesamtzuweisung (einschließlich nationaler Mittel). Die Interreg-Fonds² haben mit 36,9 % (5,2 Mrd. EUR) den größten Anteil am „bewilligten“ Budget. Die Projektauswahlquote für JTF hat mit 22 % (5,9 Mrd. EUR) das Niveau von EFRE und KF erreicht. Mitte 2024 sind die Fortschritte bei den Werten für bewilligte Mittel für den EFRE und den KF im Großen und Ganzen

¹ Im Ziel „Investitionen in Beschäftigung und Wachstum“ (IBW).

² Ziel „Europäische territoriale Zusammenarbeit“, unterstützt aus dem EFRE.

ähnlich wie in Q4 2016 im vorherigen Zeitraum. Über alle Fonds hinweg werden die größten Fortschritte bei PZ1 (EFRE und Interreg-Fonds) und PZ2 (KF) gemeldet. Geringer sind die Fortschritte bei PZ3 (Vernetztes Europa, nur im EFRE und KF), PZ5 (Ein bürgernahes Europa) und dem Interreg-spezifischen Ziel 2 (Ein sichereres und geschütztes Europa).

Die von den Begünstigten bei den Verwaltungsbehörden gemeldeten zuschussfähigen Gesamtausgaben (in % der Gesamtzuweisung, einschließlich der nationalen Mittel) beliefen sich bis Mitte 2024 auf 2 Mrd. EUR (4,1 %) für den KF, 3,4 Mrd. EUR (1,1 %) für den EFRE/IBW, 183 Mio. EUR (1,3 %) für Interreg und 123 Mio. EUR (0,5 %) für den JTF. Während JTF bei den ausgezahlten finanziellen Werten am wenigsten fortgeschritten ist, hat es im Großen und Ganzen zu EFRE/CF aufgeholt und ist nun bei den bewilligten Werten relativ fortgeschritten. Interreg ist bei den bewilligten Werten am weitesten fortgeschritten, bei den ausgezahlten Werten jedoch deutlich weniger. Im Vergleich dazu ist der KF bei den umgesetzten Werten bei weitem am weitesten fortgeschritten und bei den bewilligten Werten relativ weit fortgeschritten.

Physischer Fortschritt

In der gesamten EU zeigen die meisten Output-Indikatoren (63 %) bis Mitte Juni 2024 keine Fortschritte bei der Erreichung der für das Programm bis Ende 2024 festgelegten Meilensteine, was auf mögliche Herausforderungen bei der Umsetzung hinweist. Darüber hinaus weisen 10 % der Output-Indikatoren erste gemeldete Werte auf und deuten somit auf Fortschritte bei der Umsetzung hin, sind aber noch nicht nahe an ihren Meilensteinen. Eine Reihe von Output-Indikatoren (27 %) sind jedoch auf dem richtigen Weg und werden voraussichtlich mindestens 80 % ihrer Meilensteine erreichen.

Bei den Planwerten der Output-Indikatoren, die auf bewilligten Vorhaben beruhen, sind seit Januar 2024 erhebliche Fortschritte zu verzeichnen. Nur zwei Mitgliedstaaten (Spanien und Lettland) haben noch keine Fortschritte gemeldet. Geringe Fortschritte sind in Zypern, Kroatien, Italien, Malta, Portugal und Rumänien zu verzeichnen, wo für mehr als 75 % der Programmindikatoren noch keine Werte verzeichnet wurden. In den östlichen und nördlichen Mitgliedstaaten ist die Umsetzung, gemessen an den gemeldeten Indikatorwerten, weiter fortgeschritten. In Finnland und Schweden sind mehr als 75 % der Indikatoren auf dem richtigen Weg. Vor allem Schweden hat bei 30 % der Indikatoren die Meilensteine (fast) erreicht, auch was die erreichten Werte auf der Grundlage der durchgeführten Projekte betrifft. Die Tschechische Republik, Finnland, Estland, Ungarn und die Niederlande sind ebenfalls auf dem Weg, mehr als 10 % der Indikatoren sind auf dem Weg zum Erreichen von Meilensteinen im Hinblick auf bereits umgesetzte Vorhaben. In der gesamten EU wiederum sind bei 90 % der Indikatoren noch keine Umsetzungsfortschritte zu verzeichnen, und nur 3 % sind voraussichtlich auf dem Weg zum Meilenstein 2024. Im Allgemeinen schneiden die Programme in Nord- und Osteuropa etwas besser ab, wobei die Tschechische Republik, Dänemark, Estland und Schweden die einzigen Länder sind, in denen mehr als 90 % der Programme

die erreichten Indikatorwerte auf der Grundlage der durchgeführten Projekte melden. Für die PZ sind unterschiedliche Fortschritte zu verzeichnen. Die meisten Mitgliedstaaten und Programme meldeten erhebliche Fortschritte bei PZ1 und PZ2, während die Fortschritte bei PZ3 und PZ4 geringer sind.

Externe Faktoren hatten einen erheblichen Einfluss auf die Kohäsionspolitik. Faktoren wie die COVID-19-Krise, Russlands Aggression gegen die Ukraine, die Energiekrise und die daraus resultierende Inflation wirkten sich auf die Gestaltung und Umsetzung der Kohäsionspolitik aus. Im Vergleich zur vergangenen Förderperiode begann der Zeitraum 2021-2027 mit Verzögerungen bei der Genehmigung des Vorschriftenpakets. Die Schwierigkeiten bei der Verwaltung einer Vielzahl von Zahlungseingängen aus den Programmen 2014-20 haben die Komplexität erhöht. Darüber hinaus sollten auch interne Faktoren wie geringe Verwaltungskapazitäten, politische Instabilität und Arbeitskräftemangel bei der Analyse des unterschiedlichen Stands der Programmdurchführung in den einzelnen Mitgliedstaaten und Regionen berücksichtigt werden.

Wirksamkeit

Die EFRE-, KF- und JTF-Mittel haben ein ausgeprägtes bedarfsorientiertes Profil, da in der Regel dort mehr Mittel bereitgestellt werden, wo es mehr Entwicklungsprobleme gibt. Dies sollte zur Verwirklichung der übergeordneten Ziele des sozialen, wirtschaftlichen und territorialen Zusammenhalts in der EU beitragen. Darüber hinaus bedeuten die von den einzelnen Programmbehörden getroffenen Entscheidungen, dass die Zuweisungen auf EU-Ebene über die fondsspezifischen Anforderungen an die thematische Konzentration hinausgehen. Die Mittelzuweisungen für PZ1 Intelligenteres Europa und PZ2 Grüneres Europa nach Regionenkategorie übersteigen die in der EFRE- und KF-Verordnung festgelegten Mindestschwellen. Die Ausgaben sind in der Regel in den Regionen höher, in denen ein größerer Bedarf für jedes PZ und die entsprechenden Spezifischen Ziele besteht.

Die Fortschritte bei der Durchführung des EFRE und des Kohäsionsfonds im Jahr 2024 beschleunigen sich, liegen aber zum gleichen Zeitpunkt, d. h. zwischen dem dritten und vierten Jahr der Durchführung, immer noch hinter denen der Förderperiode 2014-2020 zurück; hauptsächlich aufgrund exogener Faktoren wie: die Verzögerung bei der Verabschiedung der Grundverordnung und der fondsspezifischen Rechtsvorschriften, die Umsetzung der Kriseninstrumente der Kohäsionspolitik 2014-2020 und die Vorabausstattung der Aufbau- und Resilienzfazilität (ARF). Dies gilt sowohl für den finanziellen als auch für den materiellen Fortschritt. Die tatsächlichen und die prognostizierten Ausgaben waren niedriger, auch wenn sie entsprechend den Erwartungen steigen. Die Auszahlungsraten lagen im Jahr 2024 zum Stichtag Mitte des Jahres im einstelligen Bereich, und die geplanten Ausgaben nähern sich lediglich ähnlichen Werten wie 2016. Dennoch wurden in der ersten Hälfte des Jahres 2024 beträchtliche Fortschritte erzielt, und die gemeldeten Fortschritte dürften sich bis zum Ende des Jahres deutlich verbessern. Die frühe Umsetzung bestätigt einige Muster über die

Zeiträume hinweg. So hat beispielsweise der KF in Bezug auf die ausgegebenen Beträge am schnellsten mit der Durchführung begonnen. Interreg war auch der schnellste in Bezug auf die bewilligten Werte.

Der JTF ist ein neu eingeführter Fonds, der zu dem spezifischen Ziel beitragen soll, Regionen und Menschen in die Lage zu versetzen, die sozialen, beschäftigungspolitischen, wirtschaftlichen und ökologischen Auswirkungen des Übergangs zu den Energie- und Klimazielen der Union für 2030 und zu einer klimaneutralen Wirtschaft in der Union bis 2050 zu bewältigen. Die finanziellen und materiellen Fortschritte bei den abgeschlossenen Projekten waren bis zum 30. Juni 2024 begrenzt. In Bezug auf die prognostizierten Werte, die auf der Auswahlrate basieren, hat der Fortschritt jedoch zu anderen Fonds aufgeholt. Die geplanten Interventionen und ihre finanzielle Ausstattung entsprechen zwar den Zielen der JTF, doch ist es noch zu früh, um Schlussfolgerungen über die erzielten Ergebnisse zu ziehen. Der Beginn der Förderperiode, der von der COVID-19-Pandemie und ihren Auswirkungen auf den EU-Rechtsrahmen geprägt war, hat die Bewilligung und Durchführung der Maßnahmen nicht erleichtert. Qualitative Informationen von JTF-Durchführungsstellen deuten darauf hin, dass trotz der Verzögerungen bei der Programmierung und Durchführung Fortschritte bei der Veröffentlichung von Aufrufen zur Einreichung von Projekten, der Projektauswahl und der Unterstützung potenzieller Begünstigter zu verzeichnen sind. Der neue Fonds wird auch von den potenziellen Begünstigten gut angenommen, insbesondere sein sehr gezielter territorialer Ansatz, der viele Interessengruppen einbezieht. Die Umsetzung eines neuen Fonds ist eine Herausforderung. Während der Druck besteht, dass die JTF-Programme ihre Ziele erreichen, erfordert die Mobilisierung und Schulung lokaler und regionaler Akteure für den grünen und digitalen Wandel Zeit.

Die kohäsionspolitischen Programme 2021-2027, die aus dem EFRE/KF/JTF finanziert werden, sind für spezifische territoriale Bedürfnisse von großer Bedeutung. Die Programmanalyse zeigt, dass mehrere Mechanismen genutzt werden, um spezifische territoriale Bedürfnisse zu berücksichtigen und zu behandeln, wie ITI, CLLD, Interreg für Grenzgebiete, spezifische Finanzierung für die Stadtentwicklung und territoriale Strategien, die dazu ermutigen, auch die Bedürfnisse anderer, nicht städtischer Gebiete zu berücksichtigen. Die JTF geht durch territoriale Pläne für einen gerechten Übergang auch auf die spezifischen Bedürfnisse der Gebiete ein, die vom Übergang zu einer klimaneutralen Wirtschaft am stärksten betroffen sind. Die überwiegende Mehrheit der Interessengruppen hält das System für die Deckung des territorialen Bedarfs für wirksam. Im Allgemeinen weisen die im Rahmen dieser Studie befragten Interessenvertreter darauf hin, dass die Wirksamkeit bei regionalen Programmen und spezifischen territorialen Instrumenten wie Interreg und JTF besonders hoch ist. Die Konsultation der Interessenvertreter trägt auch dazu bei, Bereiche mit Verbesserungsbedarf aufzuzeigen. Die Programmplanung und -durchführung könnte verbessert werden, um wirksamere territoriale Verbindungen zu gewährleisten, thematische Überschneidungen zu vermeiden, sich auf regionale und lokale Besonderheiten zu konzentrieren und eine stärkere und effizientere Kohärenz mit anderen Fonds und EU-Instrumenten herzustellen. Die Durchführungssysteme für die Kohäsionspolitik

sind jedoch komplex. Trotz erheblicher Vereinfachungen des Rechtsrahmens und Bemühungen um die Beseitigung von Durchführungsengpässen, die schon erste Ergebnisse zeigen, sehen die Beteiligten nach wie vor hohe Verwaltungskosten im Zusammenhang mit den EFRE/CF- und JTF-Programmen. Dazu gehört eine hohe Arbeitsbelastung in den Durchführungssystemen, die insbesondere bei kleinen Programmen nicht verhältnismäßig sind. Die Beteiligten haben mehrere Durchführungsengpässe festgestellt, die vor allem mit der späten Genehmigung von Programmen, Verzögerungen bei der Durchführung, der Anwendung von Vorschriften und Verfahren und der Einrichtung des Verwaltungsrahmens zusammenhängen. Das Partnerschaftsprinzip und die Multi-Level-Governance haben einen klaren Mehrwert für die Verbesserung der Wirksamkeit der EFRE/KF/JTF-Programmdurchführung. Partnerschaftspraktiken verstärken das kollektive Engagement und die Eigenverantwortung für die EU-Politik, erhöhen das verfügbare Wissen, die Expertise, erweitern die Ansatzpunkte bei der Umsetzung von Strategien und gewährleisten eine größere Transparenz der Entscheidungsprozesse. Insbesondere die territorialen Instrumente (z. B. ITI, CLLD) und JTF fügen der Programmumsetzung eine spezifische territoriale Partnerschaftskomponente hinzu.

Die große Mehrheit der Akteure ist der Ansicht, dass die Multi-Level-Governance und das Partnerschaftsprinzip bei der Programmgestaltung und -umsetzung wirksam sind. Viele betonen, dass der partnerschaftliche Ansatz und die Koordinierung einzigartige Merkmale der Kohäsionspolitik sind. Die Analyse zeigt jedoch auch, dass es Potenzial für eine bessere Einbeziehung der Partner und wirksamere Partnerschaften gibt. Die Einbindung der Akteure ist nach wie vor eine zentrale Herausforderung. Qualitativ hochwertige Governance-Regeln und -Verfahren sowie ausreichende Verwaltungskapazitäten sind wichtige Voraussetzungen für wirksame kohäsionspolitische Partnerschaften. Mehrere Interessengruppen schlagen verbesserte Rahmenbedingungen für Partnerschaften vor, z. B. Verhaltenskodizes auf nationaler oder regionaler Ebene, sowie den Aufbau von Kapazitäten für potenzielle Partner. Ressourcen wie die Europäische Praxisgemeinschaft für Partnerschaften (ECoPP) können helfen, die Anwendung des Partnerschaftsprinzips in der Praxis zu verbessern.

Effizienz

Für die Förderperiode 2021-2027 wurden wichtige Maßnahmen ergriffen, um anhaltende Durchführungsengpässe zu beseitigen. Mehrere Neuerungen im Rechtsrahmen gehen auf die Herausforderungen der Umsetzung ein und verringern konkret den Verwaltungsaufwand. Damit wurden viele Durchführungsengpässe in den Programmen 2021-2027 behoben. Die Beteiligten bestätigen, dass ein großer Teil der Engpässe im Zeitraum 2021-2027 zumindest teilweise behoben wurde. Trotz der positiven Entwicklungen bei vielen Engpässen sehen die Interessenvertreter immer noch Umsetzungsprobleme, z. B. bei den „umfangreichen Berichts- und Prüfungsanforderungen“, die insbesondere für kleinere Programme als unverhältnismäßig angesehen werden, oder

Schwierigkeiten, die sich aus dem „mangelnden Einvernehmen zwischen den nationalen Behörden auf der Ebene der Mitgliedstaaten“ über die Anwendung von Neuerungen, z. B. bei den Vereinfachten Kostenoptionen (VKO), ergeben.

Die gelegentliche Wahrnehmung unklarer Regeln und Verfahren hängt teilweise mit den neuen rechtlichen Anforderungen zusammen. Besonders die für 2021-2027 vorgeschlagenen neuen Elemente im Bereich der VKO verursachen in den ersten Jahren der Programmdurchführung eine zusätzliche Arbeitsbelastung, während sie diese mittelfristig und während des Durchführungszeitraums insgesamt verringern. Die Beteiligten bestätigen in der Umfrage und in den Interviews, dass Schulungen, der Aufbau von Verwaltungskapazitäten und Instrumente wie die Peer2Peer-Gemeinschaften, Fahrpläne für den Aufbau von Verwaltungs-kapazitäten oder das Instrument für technische Unterstützung TSI sehr wichtig waren für den Aufbau und die Verbesserung von Kapazitäten und die Behebung wichtiger Engpässe im Zeitraum 2014-2020 mit einer „steilen Lernkurve“ für Programmmanager und Begünstigte.

Die meisten Neuerungen, die für die laufende Förderperiode eingeführt wurden, betreffen Vereinfachungsmaßnahmen. Diese sollen den Verwaltungsaufwand in Bezug auf Verfahren, Personal und Zeit verringern. Viele Studien rechtfertigen die Einführung von Vereinfachungsmaßnahmen. Im Allgemeinen wurden diese Maßnahmen von den Programm-behörden gut aufgenommen und erste Anzeichen bestätigen, dass sich die Belastung bisher verringert hat. Nur sehr wenige halten sie für nicht sinnvoll. Die am besten bewerteten Maßnahmen sind die VKO, harmonisierte Förderfähigkeitsregeln für Begünstigte und die reduzierten Berichtspflichten für Begünstigte. Das Tempo und der Umfang der Einführung der Vereinfachungsmaßnahmen bei der Programmplanung und -durchführung variiert je nach Mitgliedstaat und Region. So wird beispielsweise die Finanzierung, die nicht an Kosten geknüpft ist (FNLC) nur in einigen wenigen Ländern angewandt, und die Zahl der gemäß Artikel 94 der Grundverordnung angenommenen VKO-Regelungen variiert stark von Mitgliedstaat zu Mitgliedstaat. Dies mag daran liegen, dass einige Programmbehörden noch Zweifel haben, wenn es um Verwaltung, Kontrolle und Prüfpfade geht. Während einige Vereinfachungen fast einhellig als nützlich angesehen werden, ist ihre Wirkung auf die Verringerung des Verwaltungsaufwands noch ungewiss oder unbekannt. Die Beteiligten heben einen stabilen Rechts- und Verfahrensrahmen während des gesamten Programmplanungszeitraums sowie klare und harmonisierte Leitlinien zu Beginn des Zeitraums als notwendige Voraussetzungen für die Erleichterung der Durchführung von Vereinfachungsmaßnahmen hervor.

Die „grundlegenden Voraussetzungen“ sind ein Schlüsselement der Kohäsionspolitik für 2021-2027. Sie bauen auf den Ex-ante-Konditionalitäten des Zeitraums 2014-2020 auf, um sicherzustellen, dass die Voraussetzungen für eine wirksame und effiziente Nutzung der Mittel gegeben sind. Grundlegende Voraussetzungen bringen Vorteile für die Programmgestaltung und -durchführung, die Durchführung und Erfüllung der Bedingungen ist insgesamt weniger aufwendig als die Ex-ante-Konditionalitäten, da die Zahl der Bedingungen geringer ist. Ihr

Einsatz stärkt die Interventionslogik der Programme und gewährleistet ein langfristiges Engagement für strategische Ziele und die Schaffung günstiger Rahmenbedingungen für Investitionen. Durch die grundlegenden Voraussetzungen wurden in den Mitgliedstaaten Reformprozesse in der Klima- und Sozialpolitik angestoßen. Ein weiteres wertvolles Merkmal ist ihre positive Wirkung auf die Angleichung nationaler und regionaler Pläne und Strategien. Die Analyse einer Stichprobe von Programmen zeigt ein hohes Maß an aktiver Einhaltung der Voraussetzungen. Eine große Mehrheit der Interessenvertreter erkennt die Vorteile der grundlegenden Voraussetzungen an. Sie werden jedoch von den Umfrageteilnehmern kritisiert, da der erhöhte Anspruch der einzelnen Bedingungen zu einem kurzfristigen Verwaltungsaufwand führt. Manchmal wurden Überschneidungen zwischen der Planung und Verhandlung innerhalb des nationalen Rahmens und den Anforderungen der grundlegenden Voraussetzungen festgestellt, was die Flexibilität der EU-Förderprogramme verringert.

Kohärenz

Die Kohärenzanalyse bezieht sich auf die Gestaltung der Maßnahmen, die Koordinierung der an der Fondsumsetzung beteiligten Akteure sowie auf Synergie- und Umsetzungsmechanismen. Die nachstehenden Ergebnisse geben einen allgemeinen Überblick über die Kohärenz zwischen der EFRE-, KF- und JTF-Programmplanung und anderen Fonds der Dachverordnung (ESF+, AMIF, BMVI, ISF und EMFAF) und EU-Finanzierungsinstrumenten (andere Säulen des JTM, Fazilität Connecting Europe, Horizont Europa, das Programm „Digitales Europa“ und andere), einschließlich der Aufbau- und Resilienzfazilität (ARF). Die Analyse der Programm-planungsdokumente und der Literatur zeigt, dass die EFRE-, KF- und JTF-Programme mehrere Koordinierungsmechanismen mit anderen EU-Finanzierungsinstrumenten eingeführt haben, wobei der Grad der Koordinierung stark vom jeweiligen Fonds abhängt. Die Kombination aus formellen Ausschüssen (insbesondere dem Begleitausschuss), Arbeitsgruppen und informellen Netzwerken fördert die Koordinierung zwischen Instrumenten und Fonds, die durch Interventionsbereiche miteinander verbunden sind. Dies erleichtert die sektor- und regionenübergreifende Zusammenarbeit und Mittelzuweisung. Die meisten Koordinierungs-aktivitäten betreffen kohäsionspolitische Fonds und in begrenztem Umfang auch andere EU-Finanzierungsinstrumente.

Die Koordinierungsmechanismen mit den Programmen für Migration und Inneres – AMIF, BMVI und ISF – sind oft weniger detailliert. Es werden nur wenige Synergien mit diesen Fonds beschrieben. Die Koordinierung mit anderen EU-Finanzierungsinstrumenten, die nicht unter die Dachverordnung fallen, ist vielfältiger. So verfügt beispielsweise der ELER über eine Vielzahl von Mechanismen zur Förderung der Koordinierung mit der Kohäsionspolitik, die von durch Verordnungen festgelegten Abgrenzungskriterien bis hin zu Governance-Mechanismen wie CLLD (LEADER) reichen.

Auf der operationellen Ebene spiegelt sich der hohe Grad der Koordinierung von EFRE und ESF+ in zahlreichen Synergien zwischen den beiden Programmen wider.

Die Programme bieten mehrere Beispiele für gleichzeitige Synergien, bei denen der EFRE Infrastrukturinvestitionen unterstützt, während der ESF+ Personal unterstützt. Ein weiterer Fonds, der in der Regel für Synergien angeführt wird, ist der EMFAF, insbesondere mit dem EFRE, wo beide klare Abgrenzungskriterien festgelegt haben. Schließlich wird häufig erwähnt, dass der JTF mit dem ESF+ zusammenarbeitet, um die Höher- und Umschulung von Arbeitnehmern und Maßnahmen für Arbeitslose zu unterstützen, und dass er mit dem EFRE zusammenarbeitet, um andere Arten von Investitionen zu unterstützen, die die negativen sozialen, wirtschaftlichen und ökologischen Auswirkungen des Übergangs abmildern.

Die Aufbau- und Resilienzfazilität (ARF) ist ein befristetes Instrument, das als Reaktion auf die COVID-19-Pandemie eingerichtet wurde und innerhalb eines relativ kurzen Zeitrahmens in 2020 und 2021 entwickelt wurde. Die kohäsionspolitischen Fonds (einschließlich EFRE, KF und JTF) unterscheiden sich von der ARF in Bezug auf Zahlungsbestimmungen, Überwachung, Kontrolle und Prüfverfahren. Trotz der Unterschiede bei den Durchführungsmodalitäten der Sonderfazilität und der kohäsionspolitischen Fonds überschneiden sich die Säulen der ARF weitgehend mit den fünf politischen Zielen der Kohäsionspolitikfonds. Mehrere Studien weisen auf mögliche Probleme aber auch Synergien hin, die sich aus den Überschneidungen zwischen der ARF und der Kohäsionspolitik ergeben. Die Mitgliedstaaten müssen sich mit den länderspezifischen Empfehlungen befassen und die Ziele der beiden Instrumente aufeinander abstimmen. Die Koordinierungsmechanismen mit den Fonds der Kohäsionspolitik werden in den nationalen Aufbau- und Resilienzplänen (ARP) beschrieben. Allerdings gibt es erhebliche Unterschiede zwischen den ARP, wobei in einigen detaillierte Koordinierungs-mechanismen für die Interaktion mit anderen EU-Finanzierungsinstrumenten fehlen. In mehreren Mitgliedstaaten arbeiten die für die Umsetzung und Überwachung der Kohäsionspolitik zuständigen Akteure in denselben Einrichtungen, die auch für die Interventionen im Rahmen der ARP verantwortlich sind, was die Koordination zwischen den beiden Instrumenten erleichtert. In einigen Fällen werden zusätzliche Strukturen eingerichtet, um eine wirksamere Komplementarität und Kohärenz zwischen den Interventionen zu gewährleisten. Zu diesen zusätzlichen Steuerungsmechanismen gehören Arbeitsgruppen, dienststellenübergreifende Ausschüsse und Kontaktstellen, die die Zusammenarbeit mit den für die Kohäsionspolitik zuständigen Behörden erleichtern. Es ist wichtig zu betonen, dass diese Koordinierungs- und Governance-Strukturen nicht immer in den ARP beschrieben sind und manchmal während der Durchführung der ARF verfeinert wurden. Die Beschreibungen der Koordinierungsmechanismen zeigen, wie die ARP-Gremien von den Erfahrungen mit der Umsetzung der Kohäsionspolitik profitiert haben.

Die zusätzlichen Mittel für die Mitgliedstaaten im Rahmen der ARF sind beträchtlich. Dies sowie zusätzliche administrative Herausforderungen und begrenzte Kapazitäten wirken sich auf die Fähigkeit der Mitgliedstaaten und Regionen aus, die Mittel zu absorbieren, wie die Konsultationen der Interessengruppen im Rahmen dieser und anderer Studien bestätigen. Diese Herausforderungen wurden in der

Planungsphase der ARF und der Kohäsionspolitik teilweise berücksichtigt. Die Behörden wurden aufgefordert, in ihren ARP zu beschreiben, wie sie beabsichtigen, eine Doppelfinanzierung zu vermeiden und spezifische Maßnahmen, Aktivitäten und Projekte, die im Rahmen der ARF und anderer EU-Programme finanziert werden, zu unterscheiden. Synergien mit der ARF können als sequenziell oder abgrenzungsbasiert charakterisiert werden. Beim sequenziellen Ansatz haben unterschiedliche Zeitpläne und strengere Fristen für die Umsetzung der ARF es einigen Mitgliedstaaten ermöglicht, Synergien mit der Kohäsionspolitik zu entwickeln. In diesen Fällen werden die Maßnahmen zunächst bis 2026 aus der Sonderfazilität finanziert und dann von der Kohäsionspolitik aufgegriffen. In den ARP werden auch Beispiele für Abgrenzungskriterien zur Kohäsionspolitik genannt, auch wenn diese manchmal nur allgemein beschrieben werden. Generell könnten wirksamere Investitionen durch mehr Synergien mit der ARF erreicht werden, indem verschiedene Maßnahmen finanziert werden, die aufeinander aufbauen, oder indem die beiden Instrumente zur Finanzierung verschiedener Elemente ein und derselben Maßnahme eingesetzt werden. Investitionen in Reformen im Rahmen der ARF können auch die Rahmenbedingungen für Investitionen mit anderen EU-Mitteln verbessern.

Bei der Kohärenzbewertung werden auch die Komplementarität und die Angleichung an nationale/regionale Politiken untersucht, insbesondere in Bezug auf Innovation, Klima, biologische Vielfalt, Energie, Vermeidung von Umweltrisiken, Verkehr und ländliche/städtische Entwicklung. EFRE-, KF- und JTF-Investitionen sind in erheblichem Maße mit nationalen und regionalen Interventionen und Reformen verflochten. In einigen Mitgliedstaaten werden die Prioritäten auf nationaler Ebene festgelegt, und die EU-Mittel sind eine Finanzierungsquelle neben den nationalen Mitteln. Für einige kleinere Mitgliedstaaten mit begrenzten nationalen Finanzierungskapazitäten ist die EU-Finanzierung eine wichtige Quelle, die mit den nationalen Zielen kohärent sein muss. Partnerschaftsvereinbarungen und nationale Strategiedokumente gewährleisten die Kohärenz mit EU-Verordnungen und -Leitlinien, länderspezifischen Empfehlungen und nationalen Entwicklungsdokumenten. Auch die NRP spielen eine Rolle bei der Gewährleistung kohärenter Interventionen. Nach einer Textanalyse der Nationalen Reformprogramme (NRP) 2022 und 2023 berichteten die Mitgliedstaaten über Komplementaritäten zwischen den Prioritäten, die durch die Kohäsionsfonds und die ARP unterstützt werden, und den NRP, die einen Überblick darüber geben, wie die wichtigsten Investitionsprioritäten angegangen werden. Alle NRP 2023 nennen ausdrücklich den EFRE oder den KF, während fast 80 % auch den JTF anführen. Darüber hinaus erleichtern die Rahmenbedingungen Synergien mit nationalen und regionalen Politiken.

Eine Schwierigkeit bei der Herstellung von Komplementarität zwischen der EU- und der nationalen Ebene ist das Profil dieser Instrumente. Während sich der nationale Finanzierungsrahmen schneller ändern kann, basiert die Kohäsionspolitik auf einem mehrjährigen Finanzrahmen. Darüber hinaus sind die Interventionen oft eng mit den nationalen Programmen verflochten, aber die Berücksichtigung regionaler Bedürfnisse kann verbessert werden, insbesondere in den Bereichen Innovation

und Wirtschaft, wo regionale Interessen möglicherweise nicht vollständig berücksichtigt werden. Der Umfrage zufolge scheint die Politik zur Entwicklung des ländlichen Raums die am wenigsten komplementäre Politik zu sein: lediglich 26 % der Befragten bewerteten sie als komplementär, wahrscheinlich weil es weniger regionale/nationale Politiken zur Entwicklung des ländlichen Raums gibt. In stärker zentralisierten Systemen, in denen die Regionen und lokalen Akteure zwar formell beteiligt sind, aber keine Mittel verwalten, befürchten Mitglieder der Begleitausschüsse, dass lokale und regionale Ziele weniger stark vertreten sind. Dieser eher von oben nach unten gerichtete Ansatz schränkt die Möglichkeiten für ortsbezogene Interventionen und Investitionen trotz der formellen Beteiligung der Akteure im Begleitausschuss ein. Die Mittel der Kohäsionspolitik können jedoch die Möglichkeit bieten, spezifische Ziele (z. B. den Klimawandel) einzubeziehen, für die auf lokaler Ebene (insbesondere auf kommunaler Ebene) nur wenig Mittel zur Verfügung stehen. Da in dieser Förderperiode der ortsbezogenen Planung und Intervention wieder mehr Aufmerksamkeit geschenkt wird, können territoriale Instrumente wie die ITI und lokale Bedürfnisse besser in Ad-hoc-Strategien berücksichtigt werden. Dies erleichtert die Bewertung der komplementären Finanzierung auf regionaler und lokaler Ebene und der kohärenten Ziele.

Die Kohärenzbewertung untersucht auch den „Do No Significant Harm“ (DNSH)-Grundsatz und die horizontalen Prioritäten. Die programmierten Interventionen (EFRE/KF/JTF) sind kohärent mit dem DNSH-Grundsatz und den horizontalen Prioritäten in den Bereichen Klima, biologische Vielfalt und Gleichstellung. Die Überprüfung einer Stichprobe von Programmen zeigt, dass die kohäsionspolitischen Programme und ihre Interventionen mit dem horizontalen Grundsatz der Gleichstellung der Geschlechter in Einklang stehen, vor allem durch die Auswahlkriterien und die Vertretung in den Begleitausschüssen. Nur wenige Programme gehen über die Mindestanforderungen hinaus, um aktive geschlechtersensible Ansätze zu entwickeln, indem sie beispielsweise die potenziellen Auswirkungen ihrer Ausgabenentscheidungen auf die Gleichstellung klären oder Gender-Budgeting-Instrumente einsetzen. Die Verordnungen für 2021-2027 bekräftigen den Rahmen der nachhaltigen Entwicklung für kohäsionspolitische Initiativen. Dies beinhaltet eine Betonung der ökologischen Nachhaltigkeit. Die EFRE/KF/JTF-Programme sind im Allgemeinen mit dem horizontalen Grundsatz „nachhaltige Entwicklung, Klima, biologische Vielfalt“ kohärent, da mehrere Ex-ante-Einstellungen und Instrumente (z. B. thematische Konzentration, Klima- und Umweltkennzeichnung) vorhanden sind. Der DNSH-Grundsatz ist ein Eckpfeiler des Konzepts der ökologischen Nachhaltigkeit in der EU-Taxonomie. Die Erfüllung der technischen Screening-Kriterien für DNSH ist eine Voraussetzung für die Einstufung von Wirtschaftstätigkeiten als ökologisch nachhaltig im Rahmen dieses Instruments. Alle Programme berücksichtigen den DNSH-Grundsatz. In einigen Mitgliedstaaten sorgen nationale Leitlinien und Methoden für die Einhaltung und unterstützen die Umsetzung. Einige Mitgliedstaaten haben den Grundsatz in nationale Initiativen integriert. Obwohl die Anwendung des DNSH-Prinzips dem Ansatz in der Aufbau- und Resilienzfazilität (ARF) folgt, wird es als erschwerend empfunden, da es für die Kohäsionspolitik und die beteiligten Akteure ein Novum ist. In der Literatur und in den Rückmeldungen der Beteiligten werden zusätzliche

Maßnahmen vorgeschlagen, um die Vorteile des Grundsatzes weiter zu nutzen, die Rechtsgrundlage für die Integration des DNSH-Prinzips in alle EU-Politiken und -Instrumente zu harmonisieren und die Verbindungen zu Bereichen wie der grünen Finanzierung oder der grünen Haushaltsplanung zu vertiefen.

EU-Mehrwert

Der Mehrwert von EFRE, KF und JTF im Vergleich zu nationalen politischen Maßnahmen und Reformen zur Unterstützung des territorialen Zusammenhalts und sektoraler politischer Ziele ist sowohl quantitativer als auch qualitativer Natur.

Die Überprüfung der Dokumente und die Konsultationen der Beteiligten bestätigen einen erheblichen quantitativen Mehrwert von EFRE, KF und JTF. Dies liegt daran, dass sie mehr Investitionen ermöglichen, regionale Entwicklungsinitiativen fördern, die Bewältigung neuer Herausforderungen (z. B. Alterung und Entvölkerung, Sicherheit usw.) ermöglichen und eine schnellere Reaktion auf lokale Entwicklungsbedürfnisse gewährleisten. In Gesprächen und Erhebungen mit den Beteiligten werden die Qualität der Instrumente zur Umsetzung der Politik und die Verwaltungskapazität untersucht. EFRE, KF und JTF schaffen und finanzieren eine langfristige Investitionsvision im Gegensatz zur kurzfristigen nationalen Haushaltsperspektive. EFRE, KF und JTF konzentrieren sich durch einen ortsbezogenen Ansatz systematischer auf die lokalen Bedürfnisse als zentral verwaltete EU-Instrumente und -Fonds. Sie fördern die thematische Konzentration und wirksamere/effizientere und standardisierte Durchführungsmechanismen, horizontale Grundsätze und die Möglichkeit, innovative Ansätze zu erproben. Die meisten Stakeholder sind sich einig, dass EFRE, KF und JTF eine Gelegenheit bieten, spezifische Entwicklungsherausforderungen anzugehen, die ansonsten in weniger entwickelten Ländern und Regionen nicht so stark verfolgt würden. Mehrere Experten heben den Mehrwert der Kohäsionspolitik als „einzigartig und notwendig für die Konvergenz in der EU“ hervor. Der Abbau regionaler Ungleichgewichte ist notwendig, um die Wettbewerbsfähigkeit der EU-Regionen und der EU als Ganzes zu stärken. Nach Ansicht einer großen Mehrheit von Experten und Interessenvertretern geht die EU-Kohäsionspolitik Herausforderungen an, bei denen andere nationale und EU-Politiken sektoral und „ortsblind“ sind. Zwei Merkmale, die die Kohäsionspolitik so wertvoll machen, sind ihre langfristige Perspektive und ihr territorialer Schwerpunkt, der sich auf bestimmte Gebiete wie Grenzregionen, Inseln, dünn besiedelte Gebiete oder die Gebiete des JTF bezieht. Die territoriale Zusammenarbeit sowohl innerhalb als auch zwischen den Regionen, z. B. im Rahmen von Interreg oder den Innovationspartnerschaften, sowie das Partnerschaftsprinzip sind der Schlüssel zu einem echten EU-Mehrwert. Sie erhöhen die Eigenverantwortung für Strategien/Projekte und stärken die territoriale Relevanz von Investitionen, was in den meisten Mitgliedstaaten über die nationalen Ansätze hinausgeht oder diese ergänzt. Die Konsultation der Beteiligten zeigt, dass die EU-Fonds das Lernen durch Evaluierung und Überwachung, Risikomanagement und Betrugsbekämpfungsverfahren fördern und den Austausch von Wissen und „Best Practice“ zwischen den Städten und Regionen der

EU erleichtern. In diesem Zusammenhang betont der Neunte Kohäsionsbericht die Rolle der Kohäsionspolitik bei der Verbesserung der Verwaltungskapazität und der Qualität der Verwaltung in den Mitgliedstaaten. Dementsprechend merkten die Beteiligten an, dass die Verbesserung der Verwaltungskapazitäten für Beamte und Einrichtungen, die mit EU-Mitteln arbeiten, auf regionaler und nationaler Ebene einen erheblichen Mehrwert für die EU darstellt. Die Arbeit mit EU-Mitteln wird als „Trainingsfeld“ für die Verbesserung von Fachwissen und Fähigkeiten, sowohl in administrativer als auch in inhaltlicher Hinsicht, wahrgenommen, was sich auch auf die nationale Politikgestaltung auswirkt. Dies kann die allgemeinen Verwaltungskapazitäten und die Multi-Level-Governance verbessern, die über die Verwaltung der EU-Fonds hinausgehen und die Art und Weise beeinflussen, wie jedes politische Instrument gestaltet und umgesetzt wird.

Die Kohäsionspolitik gewährleistet eine starke territoriale Ausrichtung und einen ortsbezogenen Ansatz, der einen konkreten Aufbau von Kapazitäten auf mehreren Verwaltungsebenen ermöglicht, die auf die besonderen Bedürfnisse und das Potenzial bestimmter Gebiete zugeschnitten sind. Nationale Politiken werden durch eine breitere Perspektive und gemeinsames Fachwissen ergänzt, wodurch die Akteure in die Lage versetzt werden, bewährte Verfahren und innovative Lösungen umzusetzen, die durch nationale Politiken allein möglicherweise nicht realisierbar wären.

Die drei Fonds tragen auch zum digitalen und grünen Übergang bei. Die beiden Übergänge fördern eine nachhaltige Wettbewerbsfähigkeit und neue hochwertige Arbeitsplätze, können aber ungleiche Auswirkungen auf die Gesellschaft und die Regionen der EU haben. Der grüne und der digitale Wandel können erfolgreich sein und können sich gegenseitig verstärken. Sie sind jedoch nicht automatisch aufeinander abgestimmt. Daher ist die EU-Kohäsionspolitik - insbesondere EFRE, KF und JTF - von entscheidender Bedeutung für den Abbau digitaler und territorialer Disparitäten und die Abschwächung einer unausgewogenen grünen Entwicklung zwischen den Regionen. Die Kohäsionspolitik ist häufig ein Hauptakteur bei der Förderung innovativer lokaler grüner und digitaler Initiativen wie Energiegemeinschaften oder Digital Innovation Hubs. Vertreter der westlichen und nördlichen Mitgliedstaaten erwähnen, dass die Kohäsionspolitik am wertvollsten ist, wenn es darum geht, den grünen Übergang mit bereits bestehenden nationalen politischen Rahmenbedingungen zu beschleunigen, während die Vertreter der südlichen und östlichen Länder den hohen Mehrwert der Einleitung und Umsetzung neuer Projekte und Strategien für den grünen Übergang hervorheben. Der wahrgenommene Mehrwert für den digitalen Übergang ist etwas niedriger. Ein Merkmal des Mehrwerts ist, dass er Investitionen in Randgebiete oder dünn besiedelte Gebiete lenkt, die oft weniger von anderen EU-Instrumenten oder nationalen Förderrahmen profitieren.

Relevanz

Das Europäische Semester ist der politische Koordinierungsrahmen, der eine robuste und zukunftssichere Wirtschaft gewährleisten soll und auf die

Wettbewerbsfähigkeit und den langfristigen Wohlstand der EU abzielt. Es fördert einen integrierten Ansatz in allen Politikbereichen, die Koordinierung der ARF und der kohäsionspolitischen Programme sowie eine aktuelle Berichterstattung über die Fortschritte bei der Verwirklichung der Nachhaltigkeitsziele (SDGs). *Länderberichte* und *länderspezifische Empfehlungen (LSE)* sind die wichtigsten Ergebnisse des Europäischen Semesters. Diese Dokumente sind die wichtigsten Kanäle für die EU, um den Mitgliedstaaten maßgeschneiderte Empfehlungen und Analysen zu übermitteln, die sie bei der Bewältigung wirtschaftlicher Herausforderungen und der Förderung sozialer Rechte unterstützen. Anhand der Literaturrecherche und der Konsultation von Stakeholdern wurde untersucht, ob die kohäsionspolitischen Programmplanungsdokumente mit dem Prozess des Europäischen Semesters übereinstimmen. Im Jahr 2019 enthielten die Länderberichte den Anhang D - Investitionsleitlinien für die Finanzierung der Kohäsionspolitik 2021-2027, in dem die vorläufige Auffassung der Kommissionsdienststellen zu den prioritären Investitionsbereichen und den Rahmenbedingungen für eine wirksame Umsetzung der Kohäsionspolitik im Zeitraum 2021-2027 dargelegt wird. Eine Überprüfung der Dokumente zeigt, dass Anhang D der Länderberichte 2019 und die LSE in den Programmplanungsdokumenten berücksichtigt wurden. Fast alle Partnerschaftsvereinbarungen beziehen sich zumindest in allgemeiner Form auf Dokumente des Europäischen Semesters und insbesondere auf Anhang D der Länderberichte 2019. Im darauffolgenden Jahr enthielt Anhang D der Länderberichte 2020 Leitlinien für die im Rahmen der JTF vorgeschlagenen Investitionen, einschließlich der Ermittlung der vom Klimawandel am stärksten betroffenen Gebiete. Eine detaillierte Analyse findet sich in Anhang 6.2. Alle Programme folgen oder folgten den Empfehlungen des Europäischen Semesters, einschließlich konkreter Vorschläge und Erwartungen. Obwohl einige Befragte betonen, dass das Europäische Semester nicht vollständig auf spezifische regionale Herausforderungen eingeht, haben sich die Ergebnisse des Semesters zunehmend auf territoriale Aspekte konzentriert. Insgesamt sind die Programme und Partnerschaftsvereinbarungen auf das Europäische Semester abgestimmt. Die Befragten betonen jedoch, dass in den Länderberichten ein Top-down-Ansatz verfolgt wird, der besser mit dem Bottom-up-Ansatz der territorialen Programmplanung der Kohäsionspolitik in Einklang gebracht werden sollte. Darüber hinaus bestehen bei der Umsetzung nach wie vor Unklarheiten darüber, wie die im Rahmen des Europäischen Semesters festgelegten Prioritäten in den Programmen konkret verfolgt werden sollen.

Die Programme tragen zur Befriedigung der Grundbedürfnisse der EU-Bürger bei, indem sie günstige Bedingungen für die Entwicklung schaffen, z. B. durch Unterstützung der Bildungsinfrastruktur und -ausrüstung, der Gesundheits- und Sozialinfrastruktur, der Bekämpfung der Energiearmut sowie der Verbesserung der Zugänglichkeit und der Kommunikationsmittel, insbesondere in abgelegenen und benachteiligten Gebieten. Darüber hinaus befassen sich die Programme im Rahmen von PO2 mit Umweltfragen. Aufkommende Herausforderungen im Zusammenhang mit dem demografischen Wandel werden auf indirekte Weise angegangen, meist durch Investitionen in die Infrastruktur. Was die demografischen Herausforderungen anbelangt, so werden Alterung und Entvölkerung oft in

Programmen angegangen, während Maßnahmen zur Bekämpfung der niedrigen Geburtenrate schwieriger in die Programme zu integrieren sind. Die Analyse des durch die EFRE/KF/JTF-Programme abgedeckten Bedarfs und der zugewiesenen Mittel zeigt eine positive Korrelation zwischen dem Bedarf und der Höhe der Mittel.

Insgesamt entspricht die Mittelzuweisung den Bedürfnissen der Regionen (NUTS2-Regionen, NUTS3 und darunter im Falle der JTF). Im Rahmen von PZ1 werden beispielsweise mehr Mittel für Regionen mit einer geringeren Leistung im Regionalen Innovationsanzeiger (RIS) bereitgestellt, insbesondere in den südlichen und östlichen Regionen der EU. Bei PZ2 ist der Zusammenhang zwischen Finanzierung und Bedarf eindeutig, wobei mehr Mittel in Regionen mit geringerem Verbrauch und geringerer Nachfrage nach erneuerbaren Energien fließen. Auch bei der Pro-Kopf-Finanzierung in von Naturkatastrophen bedrohten Gebieten erhalten die am stärksten gefährdeten Regionen die meisten Mittel. Ähnlich verhält es sich bei den Regionen mit begrenzter Abwassersammlung: Diejenigen, die am dringendsten eine Kläranlageninfrastruktur benötigen, erhalten einen hohen Prozentsatz an Finanzmitteln. Die Mittel für PZ3 scheinen in Regionen mit mäßiger bis guter Bahnanbindung am höchsten und in den am besten zugänglichen Regionen sowie in Regionen mit geringer Bahnanbindung am niedrigsten zu sein. Die Mittel für PZ4 fließen sowohl in Regionen mit hohem Bedarf als auch in Regionen mit wirksamen Strategien gegen Armut und soziale Ausgrenzung. Ähnliche Ergebnisse werden für die Beteiligung an der allgemeinen und beruflichen Bildung festgestellt. Bei der Finanzierung der Gesundheitsinfrastruktur ist diese Beziehung jedoch weniger eindeutig, wobei andere (nationale) Finanzierungen das Muster wahrscheinlich beeinflussen. PZ5 weist eine positive Korrelation zwischen der Anzahl der Strategien, an denen die Region beteiligt ist, und der Pro-Kopf-Finanzierung auf. Schließlich sieht der JTF auch eine solide Verbindung zwischen der Finanzierung und den spezifischen Bedürfnissen der vom Übergang am stärksten betroffenen Gebiete (die von rückläufigen und sich wandelnden Sektoren abhängig sind). Die EU-Mittel allein reichen jedoch nicht aus, um die Grundbedürfnisse aller bedürftigen Menschen in einer bestimmten Region zu decken. Sie müssen durch nationale Mittel oder Mittel aus anderen Quellen ergänzt werden, um alle Ziele zu erreichen

Résumé analytique

Introduction

L'étude a été réalisée de janvier à septembre 2024 par un consortium comprenant t33 srl, Spatial Foresight et ÖIR.

L'étude soutient la Commission européenne à se conformer aux dispositions de l'article 45 du Règlement portant dispositions communes : « *La Commission procède à une évaluation à mi-parcours afin d'examiner l'efficacité, l'efficience, la pertinence, la cohérence et la valeur ajoutée de l'Union de chaque Fonds d'ici la fin de 2024 au plus tard.* » Cette étude couvre la conception, la programmation et la mise en œuvre du FEDER (Fonds Européen de Développement Régional), du FC (Fonds de Cohésion) et du FTJ (Fonds pour une Transition Juste) à partir du 1er janvier 2021 dans les 27 États membres et dans toutes les catégories de régions (moins développées, en transition, plus développées ; parmi lesquelles les régions ultrapériphériques et les régions nordiques à faible densité de population reçoivent également une allocation spéciale).

Les informations sur la mise en œuvre se réfèrent aux données disponibles dans le Système de gestion des fonds de l'Union européenne (SFC) à cette date. La date limite pour ces données est le 30 juin 2024. Les données sur les montants prévus des programmes téléchargées depuis la Plateforme de données ouvertes sur la cohésion se rapportent à février 2024

Méthodologie

L'étude est structurée en trois activités - collecte de données, analyse et établissement de rapports - comprenant :

- Une analyse documentaire de plus de 500 éléments provenant de 90 programmes couvrant 60 % des allocations de fonds. L'examen de l'ensemble des 70 plans FTJ (Plans Territoriaux de Transition Juste - PTTJ).
- Une analyse des données des programmes, à partir des données SFC 2021 et des données téléchargées depuis la Plateforme de données ouvertes sur la cohésion. L'analyse inclut l'allocation des fonds et des programmes par État membre et catégorie de région, une analyse des besoins basée sur les indicateurs NUTS 2, la mise en œuvre financière, l'analyse des cibles des indicateurs de réalisation et de résultat, ainsi que les progrès réalisés sur les opérations sélectionnées et mises en œuvre d'ici le 30 juin 2024. Les données sur les montants prévus des programmes téléchargées depuis la Plateforme de données ouvertes sur la cohésion se rapportent à février 2024.
- Une enquête auprès des parties prenantes de la politique de cohésion, avec plus de 600 réponses provenant des autorités de programme nationales et

régionales, des membres des comités de suivi et des représentants de la société civile.

- Des interviews avec 45 parties prenantes impliquées dans la conception, la programmation et la mise en œuvre de la politique de cohésion, y compris des gestionnaires de programmes, des représentants des institutions européennes et nationales, des ONG et des experts.
- Un séminaire en juin 2024 à Bruxelles pour discuter des premières conclusions de l'étude et des enseignements tirés. 46 personnes ont assisté en présentiel, ainsi que 106 participants supplémentaires en ligne.
- 7 fiches couvrant les cinq Objectifs Stratégiques, le fonds FTJ et Interreg, avec un accent sur la logique d'intervention et les caractéristiques de mise en œuvre.

Vue d'ensemble de la Politique de Cohésion

L'article 174 du traité sur le fonctionnement de l'Union européenne, ainsi que les articles 176 relatifs au FEDER et 177 relatif au FC, établit la base juridique de la politique de cohésion visant à réduire les disparités socio-économiques et territoriales entre les régions de l'UE. Pour la période de programmation 2021-2027, un nouveau fonds – le Fonds pour une Transition Juste (FTJ) – a été ajouté au FEDER, au FC et au FSE+. Le règlement général et le règlement spécifiques aux fonds définissent les Objectifs Stratégiques (OS) de la cohésion pour la période 2021-2027, notamment l'OS 1 Europe intelligente, l'OS 2 Europe plus verte, l'OS 3 Europe connectée, l'OS 4 Europe sociale et l'OS 5 Europe plus proche des citoyens. Le FTJ a un objectif spécifique unique visant à traiter les impacts de la transition vers les objectifs de l'Union pour 2030 en matière d'énergie et de climat, ainsi que la neutralité climatique de l'Union d'ici 2050. Les programmes Interreg peuvent couvrir tous les Objectifs Stratégiques mais peuvent également contribuer à la réalisation des objectifs spécifiques d'Interreg.

L'allocation financière totale de l'UE pour les trois fonds évalués s'élève à environ 282,5 milliards d'euros (y compris l'assistance technique), répartie par fonds et par OS comme suit :

Objectif Stratégique	FEDER* (OS1 – OS5 ex. Interreg)	FC*	FTJ*
OS 1 – Europe plus intelligente	73 866		
OS 2 – Europe plus verte	72 948	20 371	
OS 3 – Europe plus connectée	22 636	17 838	
OS 4 – Social Europe	19 633		
OS 5 – Europe plus proche des citoyens	19 554		
FTJ (OS) – traitant des impacts de la transition vers la neutralité climatique			19 199
Fonds Interreg*	10 597		

* Allocations financières de l'UE prévues en février 2024, prix courants

Évaluation de l'état d'avancement des programmes

La fin de la dernière période de programmation et le début de la nouvelle ont été marqués par de multiples crises affectant la société, l'économie et l'environnement dans l'UE. Il s'agit notamment de la pandémie de COVID 19 et de la Guerre d'agression russe contre l'Ukraine, qui a eu des conséquences sur l'énergie et l'économie, y compris l'inflation. En outre, le changement climatique s'accélère, avec des impacts à grande échelle qui touchent de nombreuses personnes et territoires à travers l'UE.

Compte tenu du contexte, l'adoption juridique de la politique de cohésion a été plus tardive par rapport aux périodes de programmation précédentes.

Progrès financiers

Si la mise en œuvre de la période 2021-2027 est toujours en retard par rapport à la période 2014-2020, le rythme s'accélère - le taux de sélection à la fin du mois de juin 2024 a plus que doublé depuis décembre 2023.

À la fin du mois de juin 2024, le coût total des opérations sélectionnées (ressources « décidées »), pour le FC et l'IJG/FEDER, atteindra respectivement 23,8 % (11,7 milliards d'euros) et 20,7 % (64,3 milliards d'euros) de l'allocation totale (y compris le financement national). Les fonds Interreg représentent la part la plus importante du budget « décidé » avec 36,9 % (5,2 milliards d'euros). Le taux de sélection des projets pour le FTJ a rattrapé les niveaux du FEDER et du FC, atteignant 22 % (5,9 milliards d'euros). À la mi-2024, la progression des valeurs décidées pour le FEDER et le FC est globalement similaire à celle du quatrième trimestre 2016 de la période précédente. Pour l'ensemble des fonds, les progrès les plus importants sont signalés dans le cadre des OS1 (FEDER et Fonds Interreg) et OS2 (FC). Les

progrès sont nettement moins importants dans le cadre de l'OS3 (Europe plus connectée, uniquement dans le FEDER et le FC), de l'OS5 (Europe plus proche des citoyens) et de l'Objectif Spécifique Interreg 2 (Europe plus sûre et plus sécurisée).

Le total des dépenses éligibles déclarées par les bénéficiaires aux autorités de gestion (en % de l'allocation totale, comprenant le financement national) à la mi-2024 atteignait 2 milliards d'euros (4,1 %) pour le FC, 3,4 milliards d'euros (1,1 %) pour la IJG FEDER, 183 millions d'euros (1,3 %) pour Interreg et 123 millions d'euros (0,5 %) pour le FTJ. Alors que le FTJ est le moins avancé pour les valeurs financières mises en œuvre, il a largement rattrapé le FEDER/FC et est maintenant relativement avancé pour les valeurs décidées. Interreg est le plus avancé pour les valeurs décidées, mais nettement moins avancé pour les valeurs mises en œuvre. En comparaison, le FC est de loin le plus avancé pour les valeurs mises en œuvre et relativement avancé pour les valeurs décidées.

Progrès physiques

Dans l'ensemble de l'UE, à la mi-juin 2024, la plupart des indicateurs de réalisation (63 %) ne font état d'aucun progrès dans la réalisation des valeurs intermédiaires par le programme pour la fin de l'année 2024, ce qui indique des difficultés potentielles dans la mise en œuvre. En outre, 10 % des indicateurs de résultats affichent les premières valeurs déclarées et indiquent donc des progrès dans la mise en œuvre, mais ne sont pas encore proches de leurs valeurs intermédiaires. Toutefois, un certain nombre d'indicateurs de résultats (27 %) sont sur la bonne voie et devraient atteindre au moins 80 % de leurs valeurs intermédiaires.

Les progrès se sont considérablement améliorés en ce qui concerne les valeurs planifiées des indicateurs de réalisation basés sur les opérations sélectionnées depuis janvier 2024. Seuls deux États membres (l'Espagne et la Lettonie) n'ont pas encore fait état de progrès. Peu de progrès ont été réalisés à Chypre, en Croatie, en Italie, à Malte, au Portugal ou encore en Roumanie, où plus de 75 % des indicateurs du programme n'ont pas encore fait l'objet d'une décision. La mise en œuvre en termes de valeurs d'indicateurs déclarées est plus avancée dans les États membres de l'est et du nord. En Finlande et en Suède, plus de 75 % des indicateurs sont en bonne voie. La Suède, en particulier, montre que les valeurs intermédiaires sont (presque) franchies, y compris en termes de valeurs atteintes basées sur des projets mis en œuvre, pour 30 % des indicateurs. La Tchécoslovaquie, la Finlande, l'Estonie, la Hongrie et les Pays-Bas progressent également, avec plus de 10 % des indicateurs en passe d'atteindre les valeurs intermédiaires pour les valeurs mises en œuvre. En revanche, dans l'ensemble de l'UE, 90 % des indicateurs ne font état d'aucun progrès en matière de mise en œuvre et seuls 3 % devraient être en bonne voie pour atteindre la valeur intermédiaire de 2024. En général, les programmes d'Europe du Nord et de l'Est affichent des résultats légèrement meilleurs, la Tchécoslovaquie, le Danemark, l'Estonie et la Suède étant les seuls pays où plus de 90 % des programmes font état de valeurs d'indicateurs atteintes sur la base de projets mis en œuvre. Les OS affichent des progrès variables. La plupart des États

membres et des programmes ont fait état de progrès significatifs pour les OS1 et OS2, tandis que les progrès pour les OS3 et OS4 sont plus limités.

Les facteurs externes ont eu un impact significatif sur la politique de cohésion. Des facteurs tels que la crise COVID, l'agression de la Russie contre l'Ukraine, la crise énergétique et l'inflation qui en résulte ont affecté la conception et la mise en œuvre de la politique de cohésion. Par rapport à la période de programmation précédente, la période 2021-2027 a démarré tardivement, avec des retards dans l'approbation du paquet réglementaire. Les difficultés rencontrées dans la gestion des paiements élevés enregistrés dans les programmes 2014-20 ont ajouté de la complexité. En outre, des facteurs internes, tels que la faible capacité administrative, l'instabilité politique et les pénuries de main-d'œuvre, devraient également être pris en compte lors de l'analyse des différences dans l'état d'avancement de la mise en œuvre des programmes entre les États membres et les régions.

Efficacité

Les financements du FEDER, du FC et du FTJ sont fortement axés sur les besoins, car davantage de ressources sont généralement allouées là où les défis en matière de développement sont les plus importants. Cela contribue à la réalisation des objectifs supérieurs de cohésion sociale, économique et territoriale à travers l'UE. En outre, les choix effectués par les autorités responsables des programmes individuels signifient que les allocations au niveau de l'UE dépassent les exigences de concentration thématique spécifiques aux fonds. Les dotations des OS1 Europe plus intelligente et OS2 Europe plus verte par catégorie de région dépassent les seuils minimaux établis par le FEDER et le règlement du FC. Les dépenses sont généralement plus élevées dans les régions qui ont davantage de besoins pour chaque OP et Objective Spécifique associé (RSO).

Les progrès de la mise en œuvre du FEDER et du FC en 2024 s'accélèrent, mais ils restent inférieurs à ceux de la période de programmation 2014-2020 au même moment, c'est-à-dire entre la troisième et la quatrième année de mise en œuvre. Cela est dû en particulier à des facteurs externes tels que les retards dans l'approbation des règlements, la mise en œuvre en parallèle d'instruments de gestion des crises et la priorité donnée à la Facilité pour la reprise et la résilience (FRR). Cela est vrai tant pour les progrès financiers que pour les progrès physiques. Les dépenses réelles et prévues sont inférieures, bien qu'elles augmentent conformément aux attentes. Les taux de paiement sont à un seul chiffre à mi- 2024 et les dépenses prévues se rapprochent seulement de valeurs similaires à celles de 2016. Néanmoins, des progrès considérables ont été accomplis au cours de la première partie de l'année 2024 et les progrès signalés sont susceptibles de s'améliorer considérablement jusqu'à la fin de l'année. La mise en œuvre précoce confirme certaines tendances pour les différentes périodes. Par exemple, le FC a connu le début de mise en œuvre le plus rapide en termes de montants dépensés. Interreg a également été le plus rapide en termes de valeurs décidées.

Le Fonds pour une transition juste (FTJ) est un nouveau fonds introduit pour contribuer à l'objectif spécifique de permettre aux régions et aux populations de faire face aux impacts sociaux, économiques, environnementaux et en matière d'emploi de la transition vers les objectifs de l'Union pour 2030 en matière d'énergie et de climat et vers une économie neutre en carbone d'ici 2050. Au 30 juin 2024, les progrès financiers et physiques en termes de projets clôturés étaient limités. Cependant, en termes de valeurs prévisionnelles basées sur le taux de sélection, les progrès ont rattrapé ceux des autres fonds. Bien que les interventions prévues et leurs allocations financières soient en phase avec les objectifs du FTJ, il est encore trop tôt pour tirer des conclusions sur les réalisations. Le début de la période de programmation, marqué par la pandémie de COVID-19 et ses effets sur le cadre juridique de l'UE, n'a pas facilité son adoption et sa mise en œuvre. Les informations qualitatives fournies par les organismes de mise en œuvre de la FTJ indiquent que, malgré les retards dans la programmation et la mise en œuvre, des progrès ont été réalisés dans le lancement des appels à projets, la sélection des projets et le soutien aux bénéficiaires potentiels. Le nouveau fonds est également bien perçu par les bénéficiaires potentiels, notamment en raison de son approche territoriale très ciblée, qui implique de nombreuses parties prenantes. La mise en œuvre d'un nouveau fonds est un défi. Bien qu'il y ait une pression pour que les programmes de la FTJ atteignent leurs objectifs, la mobilisation et la formation des acteurs locaux et régionaux dans les transitions verte et numérique demandent du temps.

Les programmes de la politique de cohésion 2021-2027, financés par le FEDER/CF/FTJ, sont extrêmement pertinents pour les besoins territoriaux spécifiques. L'analyse du programme montre que plusieurs mécanismes sont utilisés pour prendre en compte et répondre aux besoins territoriaux spécifiques, tels que l'ITI (Investissement Territorial Intégré), le Développement local mené par les acteurs locaux, Interreg pour les zones frontalières, le financement spécifique pour le développement urbain et les stratégies territoriales encouragées à répondre aux besoins d'autres zones non urbaines. La FTJ, par le biais de plans territoriaux de transition juste, répond également aux besoins spécifiques des territoires les plus touchés par la transition vers une économie neutre sur le plan climatique. La grande majorité des parties prenantes considère que le système de mise en œuvre est efficace pour répondre aux besoins territoriaux. En général, les parties prenantes consultées dans le cadre de cette étude indiquent que l'efficacité est particulièrement élevée pour les programmes régionaux et les instruments territoriaux spécifiques tels qu'Interreg et le FTJ. La consultation des parties prenantes permet également de mettre en évidence les domaines susceptibles d'être améliorés. La programmation et la mise en œuvre pourraient être améliorées pour garantir des liens territoriaux plus efficaces, éviter les chevauchements thématiques, se concentrer sur les spécificités régionales et locales, et établir une cohérence plus forte et plus efficace avec d'autres fonds et instruments de l'UE. Toutefois, les systèmes de mise en œuvre de la politique de cohésion sont complexes. Malgré d'importantes simplifications du cadre réglementaire et des efforts pour résoudre les problèmes de mise en œuvre, qui produisent de réels résultats, les parties prenantes constatent toujours des coûts administratifs élevés liés aux programmes du FEDER/FC et du FTJ. Il s'agit notamment de charges de

travail élevées dans les systèmes de mise en œuvre, qui manquent de proportionnalité, en particulier pour les petits programmes. Les parties prenantes ont identifié plusieurs obstacles à la mise en œuvre, principalement liés à l'approbation tardive des programmes, aux retards dans la mise en œuvre, à l'application des règles et procédures et à la mise en place du cadre de gestion. Le principe de partenariat et la gouvernance à plusieurs niveaux apportent une valeur ajoutée évidente à l'amélioration de l'efficacité de la mise en œuvre des programmes FEDER/FTJ/FC. Les pratiques de partenariat renforcent l'engagement collectif et l'appropriation des politiques de l'UE, augmentent les connaissances, l'expertise et les points de vue disponibles dans la mise en œuvre des stratégies et garantissent une plus grande transparence dans les processus de prise de décision. En particulier, les outils territoriaux (par exemple l'ITI, Développement local mené par les acteurs locaux) et le FTJ ajoutent une composante spécifique de partenariat territorial à la mise en œuvre du programme.

Une grande majorité des parties prenantes estime que la gouvernance à plusieurs niveaux et le principe de partenariat sont efficaces dans la conception et la mise en œuvre des programmes. Beaucoup soulignent que l'approche partenariale et la coordination sont des caractéristiques uniques de la politique de cohésion. Toutefois, l'analyse montre qu'il existe également un potentiel pour une meilleure implication des partenaires et des partenariats plus efficaces. L'engagement des parties prenantes reste un défi majeur. Des règles et des procédures de gouvernance de qualité ainsi qu'une capacité administrative suffisante sont des conditions préalables essentielles à l'établissement de partenariats efficaces dans le cadre de la politique de cohésion. Plusieurs parties prenantes suggèrent d'améliorer les cadres des partenariats, tels que les codes de conduite au niveau national ou régional, et de renforcer les capacités des partenaires potentiels. Des ressources telles que la Communauté européenne de pratique en matière de partenariat (ECoPP) peuvent contribuer à améliorer l'application du principe de partenariat dans la pratique.

Efficiencia

Pour la période de programmation 2021-2027, des mesures importantes ont été prises pour résoudre les obstacles persistants à la mise en œuvre. Plusieurs nouveautés dans le cadre réglementaire permettent de relever les défis de la mise en œuvre et de réduire la charge administrative. Grâce à cela, de nombreux obstacles à la mise en œuvre ont été éliminés dans les programmes 2021-2027. Les parties prenantes confirment qu'une grande partie des obstacles à la mise en œuvre a été au moins partiellement résolue dans les programmes 2021-2027. Malgré l'évolution positive de nombreux obstacles, les parties prenantes perçoivent encore des difficultés de mise en œuvre telles que « des exigences étendues en matière de rapports et d'audits » qui sont considérées comme disproportionnées, en particulier pour les petits programmes, ou des difficultés dues à un « manque de compréhension commune entre les autorités nationales au niveau de l'État membre » sur la manière d'appliquer les nouveautés telles que celles concernant les OCS

(options de coûts simplifiés). La perception d'un manque de clarté des règles et des procédures est partiellement liée aux nouvelles exigences réglementaires. Les nouveautés proposées pour la période 2021-2027 entraînent une charge de travail supplémentaire au cours des premières années de mise en œuvre des programmes, alors qu'elles la réduisent à moyen terme et globalement au cours de la période de mise en œuvre. Les parties prenantes confirment dans l'enquête et les entretiens que la formation, le renforcement des capacités administratives et les instruments tels que les communautés Peer2Peer, les feuilles de route pour les capacités administratives ou les TSI (Technical Support Instrument) ont été essentiels pour renforcer et améliorer les capacités et pour résoudre les obstacles importants de la période 2014-2020 avec une « courbe d'apprentissage abrupte » pour les gestionnaires de programme et les bénéficiaires. La plupart des nouveautés introduites pour la période de programmation actuelle concernent des mesures de simplification. Celles-ci devraient réduire la charge administrative en termes de procédures, de personnel et de temps. De nombreuses études justifient l'introduction de mesures de simplification. En général, ces mesures ont été bien accueillies par les autorités responsables des programmes. Très peu d'entre eux les considèrent comme inutiles. Les mesures les plus populaires sont les OCS, l'harmonisation des règles d'éligibilité pour les bénéficiaires et la réduction des obligations de déclaration pour les bénéficiaires. Le rythme et le niveau d'introduction des mesures de simplification dans la programmation et la mise en œuvre varient selon les États membres et les régions. Par exemple, le financement non lié aux coûts (FNLC taux forfaitaire) n'est appliqué que dans quelques États membres, et le nombre d'OCS adoptées au titre de l'article 94 du RPC varie considérablement d'un État membre à l'autre. Cela peut s'expliquer par le fait que certaines autorités en charge des programmes ont encore des doutes en ce qui concerne la gestion, le contrôle et les pistes d'audit. Si certaines simplifications sont considérées presque unanimement comme utiles, les effets de certaines d'entre elles sur la réduction de la charge administrative sont encore incertains ou inconnus. Les parties prenantes identifient des actions d'accompagnement pour faciliter la mise en œuvre des mesures de simplification. Il s'agit notamment d'un cadre réglementaire et procédural stable pour l'ensemble de la période de programmation, ainsi que d'orientations claires et harmonisées au début de la période de programmation.

Les « Conditions Favorisantes » sont un élément clé de la politique de cohésion pour la période 2021-2027. Elles s'appuient sur les conditionnalités ex ante de la période 2014-2020 pour garantir que les conditions d'une utilisation efficace et efficiente des fonds sont en place. Les conditions favorisantes apportent des avantages à la conception et à la mise en œuvre des programmes, et considérant leur nombre limité, elles apparaissent comme moins contraignantes que les conditions ex-ante de la précédente période de programmation ; mais elles entraînent également une charge administrative supplémentaire. Leur utilisation renforce la logique d'intervention des programmes et garantit un engagement à long terme en faveur des objectifs stratégiques et la création de cadres favorables aux investissements. Les conditions favorisantes ont déclenché des processus de réforme dans les États membres en matière de politiques climatiques et sociales.

Une autre caractéristique intéressante est leur effet positif sur l'alignement des plans et stratégies nationaux et régionaux. L'analyse d'un échantillon de programmes montre un niveau élevé de conformité active avec les conditions propices. Une grande majorité des parties prenantes reconnaissent les avantages de ces conditions. Toutefois, les répondants à l'enquête critiquent ces conditions en raison de la charge administrative supplémentaire qu'elles représentent à court terme. Parfois des chevauchements avec les processus de programmation ont été observés, qui se traduisent par une moindre flexibilité dans l'utilisation des fonds.

Cohérence

L'analyse de la cohérence couvre la conception des mesures, la coordination des acteurs impliqués dans la mise en œuvre des fonds, ainsi que les mécanismes de synergie et de mise en œuvre. Les conclusions ci-dessous donnent tout d'abord un aperçu général de la cohérence entre la programmation du FEDER, du FC et du FTJ et d'autres fonds du RPDC (FSE+, Fonds Asile Migration Intégration, L'Instrument de Soutien financier à la gestion des Frontières et à la politique des Visas, le Fonds Européen pour la Sécurité Intérieur et le Fonds Européen pour les Affaires Maritimes, la Pêche et l'Aquaculture) et instruments de financement de l'UE (autres piliers du MTJ, Connecting Europe Facility, Horizon Europe, le programme Digital Europe et d'autres), y compris le DRR. L'analyse des documents de programmation et de la littérature montre que les programmes du FEDER, du FC et de la FTJ ont mis en œuvre plusieurs mécanismes de coordination avec d'autres instruments de financement de l'UE, mais que le degré de coordination dépend fortement du fonds. La combinaison de comités formels (notamment le comité de suivi), de groupes de travail et de réseaux informels favorise la coordination entre les instruments et les fonds liés par des domaines d'intervention. Cela facilite la collaboration et l'allocation des ressources entre les secteurs et les régions. La plupart des activités de coordination concernent les fonds de la politique de cohésion et, dans une moindre mesure, d'autres instruments de financement de l'UE.

Les mécanismes de coordination avec les programmes consacrés aux migrations et aux affaires intérieures - FAMI, IGVF et FSI - sont souvent moins détaillés et très peu de synergies sont décrites avec ces fonds. La coordination avec d'autres instruments de financement de l'UE en dehors du cadre du CPR est plus variée. Par exemple, le FEADER dispose d'une variété de mécanismes pour favoriser la coordination avec la politique de cohésion, allant des critères de démarcation établis par les règlements aux mécanismes de gouvernance tels que le CLLD (LEADER).

Au niveau opérationnel, le haut degré de coordination entre le FEDER et le FSE+ se traduit par de multiples synergies entre les deux. Les programmes offrent plusieurs exemples de synergies concomitantes, où le FEDER soutient des investissements dans les infrastructures tandis que le FSE+ finance le personnel. Un autre fonds souvent cité pour ses synergies est le FEAMPA, en particulier avec le FEDER, où des critères de démarcation clairs ont été établis. Enfin, le FTJ est souvent cité pour son travail avec le FSE+ pour soutenir le perfectionnement et la

reconversion des travailleurs ainsi que des mesures pour les chômeurs, et avec le FEDER pour soutenir d'autres types d'investissements atténuant les effets négatifs de la transition sur le plan social, économique et environnemental.

Les fonds de la politique de cohésion (FEDER, FC et FTJ) diffèrent du FRR (Facilité pour la reprise et la résilience), notamment en ce qui concerne les modalités de paiement, les procédures de suivi, de contrôle et d'audit. De plus, le FRR est un instrument temporaire établi en réponse à la pandémie de COVID-19 et a été élaboré dans un délai extrêmement court en 2020 et 2021. Malgré ces différences, plusieurs études soulignent la possibilité de chevauchements entre le FRR et la politique de cohésion, ainsi que des opportunités de synergie, puisque les piliers du FRR recoupent largement les cinq objectifs stratégiques de la politique de cohésion. Les États membres sont tenus de traiter les recommandations spécifiques par pays (RSP), alignant ainsi les objectifs des deux instruments, et les mécanismes de coordination avec les fonds de la politique de cohésion sont décrits dans les PRR (Plan pour la reprise et la résilience). Toutefois, il existe des différences significatives entre les PRR, certains d'entre eux étant dépourvus de mécanismes de coordination détaillés pour l'interaction avec d'autres instruments de financement de l'UE. Dans plusieurs États membres, les acteurs chargés de la mise en œuvre et du suivi de la politique de cohésion travaillent au sein des mêmes organismes également responsables des interventions au titre des PRR, ce qui facilite la coordination entre les deux instruments. Dans certains cas, des structures supplémentaires sont mises en place pour assurer une complémentarité et une cohérence plus efficaces entre les interventions. Ces mécanismes de gouvernance supplémentaires comprennent des groupes de travail, des comités interdépartementaux et des points de contact pour faciliter la coopération avec les autorités chargées de la politique de cohésion. Il est essentiel de souligner que ces structures de coordination et de gouvernance ne sont pas toujours décrites dans les PRR et qu'elles ont parfois été affinées au cours de la mise en œuvre du FRR. Les descriptions des mécanismes de coordination mettent en évidence la manière dont les organes des PRR ont bénéficié de l'expérience de la mise en œuvre de la politique de cohésion.

Comme l'a souligné la CEE, le financement supplémentaire accordé aux États membres au titre du FRR est substantiel. Cette situation, associée à des défis administratifs supplémentaires et à une capacité limitée, pourrait affecter la capacité des États membres et des régions à absorber les fonds, comme l'ont confirmé les consultations des parties prenantes dans le cadre de cette étude et d'autres. Ces défis ont été partiellement abordés lors de la phase de planification du FRR et de la politique de cohésion. Les autorités ont été invitées à décrire dans leurs PRR comment elles entendent éviter le double financement et différencier les mesures, activités et projets spécifiques financés par le FRR et les autres programmes de l'Union. Les synergies avec le FRR peuvent être caractérisées comme séquentielles ou basées sur la démarcation. Dans l'approche séquentielle, des calendriers différents et des délais plus stricts pour la mise en œuvre du FRR ont permis à certains États membres de développer des synergies avec la politique de cohésion. Dans ces cas, les interventions sont initialement financées par le FRR jusqu'en

2026, puis seront prises en charge par la politique de cohésion. Les PRR (Plan de font également état de critères de démarcation avec la politique de cohésion, même s'ils ne sont parfois décrits que de manière générale. En général, des investissements plus efficaces pourraient être réalisés grâce à une plus grande synergie avec le FRR, en finançant des opérations différentes mais complémentaires, ou en utilisant les deux instruments pour financer des éléments différents d'une même opération. L'investissement dans les réformes via le FRR peut également améliorer les conditions-cadres pour les investissements utilisant les financements de l'UE.

L'évaluation de la cohérence examine également la complémentarité et l'alignement avec les politiques nationales/régionales, notamment en ce qui concerne l'innovation, le climat, la biodiversité, l'énergie, la prévention des risques environnementaux, les transports et les politiques de développement rural/urbain. Les investissements du FEDER, du Fonds de Cohésion et du FTJ sont étroitement liés aux interventions et réformes nationales et régionales. Dans certains États membres, les priorités sont définies au niveau national et les fonds de l'UE constituent une source de financement aux côtés de ceux nationaux. Certains États membres plus petits, dont la capacité de financement nationale est limitée, considèrent le financement de l'UE comme une source essentielle qui doit être cohérente avec les objectifs nationaux. Les accords de partenariat et les documents stratégiques nationaux garantissent la cohérence avec les règlements et directives de l'UE, les RSP et les documents de développement national. Les PNR (Plan national de réforme) jouent également un rôle dans la cohérence des interventions. Selon l'analyse textuelle des PNR de 2022 et 2023, les États membres ont signalé des complémentarités entre les priorités soutenues par les fonds de cohésion et les PRR avec les PNR, une vue d'ensemble de la manière dont les principales priorités d'investissement ont été traitées. Tous les PNR de 2023 mentionnent explicitement le FEDER ou le FC, tandis qu'environ 80 % citent également le FTJ. De plus, les conditions favorables facilitent les synergies avec les politiques nationales et régionales.

Une des difficultés d'établir une complémentarité entre les niveaux européen et national réside dans le profil de ces instruments. Alors que le cadre de financement national peut évoluer plus rapidement, la politique de cohésion est basée sur un cadre financier pluriannuel. De plus, les interventions sont souvent étroitement liées aux programmes nationaux, mais la prise en compte des besoins régionaux pourrait être améliorée, notamment en ce qui concerne l'innovation et l'économie, où les intérêts régionaux peuvent ne pas toujours pleinement pris en compte. Selon l'enquête, la politique de développement rural semble être la politique la moins complémentaire, avec 26 % des répondants l'évaluant comme telle, probablement en raison d'un nombre réduit de politiques de développement rural régionales/nationales. Dans les systèmes plus centralisés, où les régions et les acteurs locaux sont formellement impliqués mais ne gèrent pas les financements, les membres des comités de suivi s'inquiètent de la sous-représentation des objectifs locaux et régionaux. Cette approche plus descendante limite la possibilité d'interventions et d'investissements ancrés dans le territoire, malgré la participation

formelle des parties prenantes dans le comité de suivi. Cependant, les fonds de la politique de cohésion peuvent créer une opportunité d'inclure des objectifs spécifiques qui doivent être abordés (par exemple, le changement climatique) lorsque les financements disponibles à partir de sources locales (en particulier les municipalités) sont limités. Avec une attention renouvelée sur la planification et l'intervention territoriale dans cette période de programmation, les outils territoriaux tels que les ITI et les besoins locaux sont mieux pris en compte dans des stratégies ad hoc. Cela facilite l'évaluation des financements complémentaires aux niveaux régional et local et des objectifs cohérents

L'évaluation de la cohérence prend également en compte le principe DNSH et les priorités horizontales. Les interventions programmées (FEDER/FC/FTJ) sont cohérentes avec le principe DNSH et les priorités horizontales liées au climat, à la biodiversité et à l'égalité entre les femmes et les hommes. L'examen d'un échantillon de programmes montre que les programmes de politique de cohésion et leurs interventions sont conformes au principe horizontal de l'égalité entre les femmes et les hommes, principalement par le biais de critères de sélection et de représentation dans les comités de suivi. Peu de programmes vont au-delà des exigences minimales pour développer des approches actives sensibles au genre, par exemple en clarifiant les impacts potentiels de leurs décisions de dépenses sur l'égalité des sexes ou en utilisant des outils de budgétisation sensible au genre. Le RDC 2021-2027 réaffirme le cadre de développement durable pour les initiatives de politique de cohésion. Cela inclut un accent sur la durabilité environnementale. Les programmes FEDER/FTJ/FC sont généralement cohérents avec le principe horizontal du « développement durable, climat, biodiversité » en raison de plusieurs paramètres et instruments ex ante (par exemple, concentration thématique, étiquetage climatique et environnemental). Le principe DNSH est un pilier du concept de durabilité environnementale dans la taxonomie de l'UE. Le respect des critères de filtrage techniques pour le DNSH est une exigence pour que les activités économiques soient classées comme durables sur le plan environnemental dans le cadre de cet instrument. Tous les programmes intègrent le principe DNSH. Dans certains États membres, des lignes directrices et des méthodologies nationales garantissent la conformité et soutiennent la mise en œuvre. Certains États membres ont intégré le principe dans des initiatives nationales. Bien que l'application du principe DNSH suive l'approche adoptée par le FRR, elle est considérée comme contraignante car il s'agit d'une nouveauté pour la politique de cohésion et les parties prenantes concernées. La littérature et les retours des parties prenantes suggèrent d'autres actions pour tirer davantage parti du principe, pour harmoniser la base juridique de l'intégration du DNSH dans les politiques et instruments de l'UE et pour approfondir les liens avec des domaines tels que la finance verte ou la budgétisation verte.

Valeur ajoutée de l'UE

La valeur ajoutée du FEDER, du FC et du FTJ par rapport aux actions et réformes politiques nationales soutenant la cohésion territoriale et les objectifs de politique sectorielle est à la fois quantitative et qualitative.

L'examen des documents et les consultations avec les parties prenantes confirment une valeur ajoutée quantitative significative du FEDER, du Fonds de Cohésion et du FTJ. Cela s'explique par le fait qu'ils rendent possibles davantage d'investissements, favorisent des initiatives de développement régional, permettent de relever des défis émergents (comme le vieillissement et la dépopulation, la sécurité, etc.) et garantissent une réponse plus rapide aux besoins de développement locaux. Les entretiens et les enquêtes auprès des parties prenantes explorent la qualité des outils de mise en œuvre des politiques et la capacité administrative. Le FEDER, le Fonds de Cohésion et le FTJ établissent et financent une vision d'investissement à long terme, contrairement à la perspective budgétaire à court terme des budgets nationaux. Le FEDER, le FC et le FTJ se concentrent de manière plus systématique sur les besoins locaux que les instruments et fonds de l'UE gérés de manière centralisée, grâce à une approche basée sur le territoire. Ils favorisent la concentration thématique ainsi que des mécanismes de mise en œuvre plus efficaces, efficaces et standardisés, des principes horizontaux et la possibilité d'expérimenter des approches innovantes. La plupart des parties prenantes s'accordent à dire que le FEDER, le Fonds de Cohésion et le FTJ représentent une occasion de relever des défis de développement spécifiques qui ne seraient pas autant poursuivis dans les pays et régions moins développés. Plusieurs experts soulignent la valeur ajoutée de la politique de cohésion comme étant « unique et nécessaire à la convergence au sein de l'UE. Réduire les disparités régionales est nécessaire pour renforcer la compétitivité des régions de l'UE et de l'UE dans son ensemble ». De l'avis d'une grande majorité d'experts et de parties prenantes, la politique de cohésion de l'UE s'attaque à des problèmes pour lesquels d'autres politiques nationales et européennes sont sectorielles et « sans lien avec le lieu ». Les deux caractéristiques qui font la valeur de la politique de cohésion sont sa perspective à long terme et son orientation territoriale, qui s'adresse à des territoires spécifiques, tels que les régions frontalières, les îles, les zones à faible densité de population ou les territoires couverts par le Fonds de Transition Juste. La coopération territoriale, tant au sein des régions qu'entre elles, par exemple au sein d'Interreg ou des partenariats d'innovation, est essentielle pour créer une véritable valeur ajoutée pour l'UE. Les consultations auprès des parties prenantes montrent que les fonds européens favorisent l'apprentissage à travers l'évaluation et le suivi, la gestion des risques et les procédures anti-fraude, ainsi que la facilitation des connaissances et des échanges de bonnes pratiques entre les villes et régions de l'UE. À cet égard, le Neuvième Rapport sur la Cohésion souligne le rôle de la politique de cohésion dans l'amélioration de la capacité administrative et de la qualité de la gouvernance dans les États membres. En conséquence, les parties prenantes impliquées dans ce séminaire d'étude ont fait remarquer qu'une valeur ajoutée significative de l'UE est l'amélioration de la capacité administrative des agents travaillant avec les fonds européens, tant au niveau régional que national.

Travailler avec des fonds de l'UE est perçu comme un « terrain d'entraînement » pour améliorer l'expertise et les compétences, tant administratives que techniques, avec des effets de débordement sur l'élaboration des politiques nationales. Cela pourrait renforcer la capacité administrative globale et la gouvernance à plusieurs niveaux, allant au-delà de la gestion des fonds européens et influençant la manière dont tout instrument politique est conçu et mis en œuvre.

Les trois fonds garantissent un fort accent territorial et une approche basée sur le territoire, permettant un renforcement concret des capacités à plusieurs niveaux de gouvernance, adapté aux besoins uniques et au potentiel de territoires spécifiques. Les politiques nationales sont complétées par une perspective plus large et un partage d'expertise, permettant aux parties prenantes de mettre en œuvre des meilleures pratiques et des solutions innovantes qui pourraient ne pas être réalisables par le biais des seules politiques nationales.

La politique de cohésion de l'UE contribue également aux transitions numérique et verte. Ces deux transitions renforcent la compétitivité durable et créent de nouveaux emplois de qualité, mais elles peuvent avoir un impact inégal sur la société et les régions de l'UE. Les transitions verte et numérique peuvent réussir et se renforcer mutuellement. Cependant, elles ne s'alignent pas automatiquement. C'est pourquoi la politique de cohésion de l'UE – en particulier le FEDER, le FC et le FTJ – est essentielle pour réduire les disparités numériques et territoriales et atténuer le développement vert déséquilibré entre les régions. La politique de cohésion joue souvent un rôle clé dans la promotion d'initiatives locales vertes et numériques, telles que les communautés énergétiques ou les pôles d'innovation numérique. Les représentants des États membres occidentaux et nordiques soulignent que la politique de cohésion est particulièrement précieuse pour accélérer la transition verte, dans des cadres politiques nationaux déjà établis, tandis que les représentants des pays du sud et de l'est mettent en avant la grande valeur ajoutée de la politique de cohésion pour la transition verte. La perception de la valeur ajoutée est légèrement inférieure pour la transition numérique. L'un des aspects de cette valeur ajoutée est qu'elle canalise des investissements vers des zones périphériques ou peu peuplées, qui bénéficient souvent moins d'autres instruments de l'UE ou de cadres de soutien nationaux.

Pertinence

Le Semestre européen est le cadre de coordination des politiques conçu pour garantir une économie robuste et pérenne, visant à renforcer la compétitivité de l'UE et à assurer une prospérité à long terme. Il promeut une approche intégrée à travers tous les domaines politiques, la coordination des programmes du RRF et de la politique de cohésion, ainsi que des rapports actualisés sur les progrès réalisés vers les ODD. Les *RSP* et les *rapports par pays* sont des livrables clés du Semestre européen. Ces documents constituent les principaux canaux par lesquels l'UE transmet des recommandations et des analyses sur mesure aux États membres, guidant leurs efforts pour relever les défis économiques et promouvoir les droits sociaux. Grâce à la revue de la littérature et aux consultations des parties

prenantes, cette question d'évaluation examine l'alignement des documents de programmation de la politique de cohésion avec le processus du Semestre européen. En 2019, les rapports par pays ont inclus l'Annexe D – Orientations en matière d'investissement sur le financement de la politique de cohésion 2021-2027, détaillant l'avis préliminaire des services de la Commission sur les domaines d'investissement prioritaires et les conditions-cadres pour une mise en œuvre efficace de la politique de cohésion 2021-2027. Une revue de documents révèle que l'Annexe D des rapports par pays de 2019 et les recommandations spécifiques par pays (RSP) ont été prises en compte dans les documents de programmation. Presque tous les accords de partenariat font référence, au moins en termes généraux, aux documents du Semestre européen et en particulier à l'Annexe D des rapports par pays de 2019. L'année suivante, l'Annexe D des rapports par pays de 2020 a présenté des orientations sur les investissements proposés dans le cadre du FTJ, y compris l'identification des territoires les plus négativement affectés par la transition climatique. Une analyse détaillée figure à l'annexe 6.2. Tous les programmes suivent ou ont suivi les recommandations du Semestre européen, y compris les propositions et les attentes concrètes. Par exemple, la Slovaquie a élaboré un mécanisme explicite, l'« Annexe Spécifique de Partenariat » dans les programmes, recommandant d'ajouter les recommandations individuelles du Conseil pour 2019-2022 à l'accord de partenariat pour chaque objectif spécifique. Cependant, malgré une tendance récente à la territorialisation du processus, certaines personnes interrogées soulignent que le Semestre européen ne répond pas pleinement aux défis régionaux spécifiques. Dans l'ensemble, les programmes et les accords de partenariat sont alignés avec le Semestre européen. Cependant, les rapports de pays adoptent une approche descendante qui devrait mieux correspondre à l'approche ascendante de la programmation territoriale de la politique de cohésion. De plus, lors de la mise en œuvre, des incertitudes demeurent quant à la manière dont les priorités identifiées dans le processus du semestre seront spécifiquement suivies par les programmes.

Les programmes adoptés semblent répondre aux besoins fondamentaux des citoyens de l'UE, en particulier ceux liés à la qualité de l'environnement, principalement via l'objectif stratégique 2 (OS 2). Les défis émergents liés à l'évolution démographique semblent être abordés, principalement par le biais d'investissements dans les infrastructures. Les programmes contribuent à répondre aux besoins fondamentaux des citoyens de l'UE en créant des conditions favorables au développement, par exemple en soutenant les infrastructures et les équipements éducatifs, les infrastructures sanitaires et sociales, en luttant contre la pauvreté énergétique et en améliorant l'accessibilité et les moyens de communication, en particulier dans les régions éloignées et difficiles d'accès. En termes de défis démographiques, le vieillissement est le besoin le plus ciblé, tandis que les mesures relatives à la faible fécondité sont plus difficiles à intégrer dans la conception des programmes. L'analyse des besoins traités par les programmes FEDER/FC/FTJ et le financement alloué indique une corrélation positive entre les besoins et le montant du financement.

Dans l'ensemble, l'allocation des fonds semble pertinente par rapport aux besoins et aux régions NUTS2, ou NUTS3 et en dessous dans le cas du FTJ. Par exemple, l'Objectif Stratégique 1 (OS 1) reçoit un financement plus élevé pour les régions ayant un faible score de performance sur le tableau de bord de l'innovation régionale. Ces régions se trouvent principalement dans le sud et l'est de l'UE. Pour l'Objectif Stratégique 2 (OS 2), le lien entre le financement et les besoins semble solide, avec davantage de financements accordés aux régions ayant une consommation et une demande d'énergie renouvelable plus faibles. De même, le financement par habitant dans les territoires à risque de dangers naturels montre que les régions les plus vulnérables reçoivent le plus de fonds. Il en va de même pour les régions ayant une collecte des eaux usées limitée, celles qui ont le plus besoin d'infrastructures de traitement des eaux usées bénéficiant de pourcentages élevés de financement. Les fonds pour l'objectif stratégique 3 (OS 3) semblent être les plus élevés dans les régions ayant un accès ferroviaire modéré à bon, tandis qu'ils sont plus faibles dans les régions les plus accessibles ainsi que dans celles ayant un accès ferroviaire faible. Les fonds de l'objectif stratégique 4 (OS 4) semblent être alloués à la fois aux régions ayant de grands besoins et à celles disposant de stratégies efficaces contre la pauvreté et l'exclusion sociale. Des résultats similaires sont observés en ce qui concerne la participation à l'éducation et à la formation. Cependant, cette relation est moins claire pour le financement des infrastructures de santé, d'autres financements (nationaux) influençant probablement le schéma. L'objectif stratégique 5 (OS 5) présente une corrélation positive entre le nombre de stratégies auxquelles une région participe et le financement par habitant. Enfin, le FTJ montre également un lien solide entre le financement et les besoins spécifiques des territoires les plus touchés par la transition (ceux dépendant de secteurs en déclin et en transformation). Néanmoins, certains citoyens et certaines localités ne reçoivent pas suffisamment de financements européens, et ont besoin d'être complétés par des fonds nationaux ou en provenance d'autres sources pour répondre à leurs besoins essentiels.

1. Introduction

1.1. Purpose and scope of the study

This study supports preparation of the Commission's mid-term evaluation of cohesion funds 2021-2027 (Article 45(1) of the CPR), which will be published in the form of a Staff Working Document.

The study evaluates the implementation of activities funded under the European Regional Development Fund (ERDF), the Cohesion Fund (CF), and the Just Transition Fund (JTF). The study conclusions, findings and answers to the evaluation questions will inform programme implementation in the second part of the programming period (2024-2027). It will also support reprogramming to improve use of the Funds, as well as pave the way for preparation of the next generation of cohesion fund programmes.

The study:

- provides an overview of ways ERDF, CF and JTF funding has been designed and programmed across the EU;
- assesses ERDF, CF, JTF and Interreg intervention logic, in relation to both place-based and general needs;
- provides early evidence of fund effectiveness, efficiency, coherence with other policies, relevance and added value;
- assesses expected achievements where they can be identified.

To achieve its objectives, the study addresses 'key areas' for the Funds. These include innovation compared to previous monitoring periods, simplification measures, enabling conditions, early implementation bottlenecks, the twin (digital and green) transition, territorial needs and tools, administrative capacity, horizontal priorities and principles, the value cohesion policy adds to national and subnational development policies, the European Semester process, regional disparities, including access to public services, basic needs of EU citizens, emerging challenges for territorial cohesion, including demography, and coherence with other EU funding instruments.

The study covers 27 Member States, in all categories of regions relevant for cohesion policy (less developed, transition, more developed, outermost and northern sparsely populated regions).

1.2. Methodology

The study combines several data collection and analysis activities in parallel. The analysis is based on the data and into answers to 16 evaluation questions. Seven thematic fiches also illustrate the intervention logic of the funds and policy objectives (POs). The methodology is briefly described below, more details are in annexes 6.2, 6.3 and 6.4 and 6.5.

Data collection

Data collection builds on a literature and document review, cohesion policy financial and physical data (output and result indicators) shared by DG REGIO as well as stakeholder consultation.

The literature and document review covered more than 500 items, including:

- Studies and literature related to the design and implementation of cohesion policy programmes for 2021-27;
- All partnership agreements;
- European Semester Country Reports for 2019 and 2020, CSRs for 2019, 2020 and 2022 as well as NRPs of 2021, 2022 and 2023; and
- 90 programmes with related documentation: Smart Specialisation Strategies, roadmaps, criteria to select operational and monitoring committee members. The review covered 78 mainstream ERDF, CF and the JTF programmes (all the 70 TJTPs), accounting for more than 60% of the EU planned financial allocation and 12 Interreg programmes. All Member States and type of regions are represented.

The review focused on 13 areas of major interest for cohesion policy including novelties compared to previous monitoring periods, Simplified Costs Options (SCOs) and Financing not linked to Costs (FNLCs), enabling conditions, implementation bottlenecks, territorial needs and tools, administrative capacity, horizontal priorities and principles, the added value of cohesion policy, the European Semester process and coherence with other EU instruments, regional disparities, social and health dimensions and emerging challenges, including demography. Details were at fund, programme and PO levels whenever possible and relevant.

Financial and physical data on cohesion policy from the System for Fund Management in the European Union (SFC) and shared by DG REGIO cover:

- Planned amount updated in February 2024;
- Selected operations, spending, output and result indicator targets and achievements updated at the end of June 2024.

While this study was being carried out, Member States transmitted implementation data (i.e. combining financial values and output/result indicator values) to the Commission twice, with cut-off dates at the end of December 2023 and the end of June 2024. Programme implementation progress used in this study to answer the Evaluation Questions (EQs) and to fill in the thematic fiches were updates based on the latest data transmission, as at 30 June 2024.

A survey of programme stakeholders in parallel to the desk analysis involved ERDF, CF, JTF and Interreg managing authorities, central coordination bodies and intermediate bodies, as well as monitoring committee members and other organisations at national and sub-national levels in all Member States. In total, 618 answers cover 297 cohesion policy programmes. In addition, two rounds of interviews with 45 stakeholders at regional, national and European levels complement the survey responses for JTF, social inclusion, audit and control, added value, place-based policies and the urban dimension. A seminar in Brussels in June 2024 concluded the stakeholder engagement process, with 46 participants in person and 106 on-line discussing first findings and lessons learnt.

Data analysis

Illustrations of implementation data are maps (NUTS2 level), figures, graphics and charts reporting funding intensity across funds, POs, Specific Objectives (RSOs) and types of regions. Achievements are also represented graphically.

The answers to all the EQs are based on evidence from data collection and analyses. They follow a similar structure of understanding the evaluation question, presenting the main elements, triangulating evidence and the conclusion. They were constraints to answering EQs from a lack of evidence (e.g. some simplification measures not yet implemented by programmes), a lack of disaggregated data (e.g. multi fund programmes not enabling a specific fund analysis) and limited implementation progress. Lessons learnt are provided in a separate section.

Considering the large scope of the study and its timing, the results are limited, not only by the information available, but also related to the methodology, as the document and literature review is sample-based. Other limitations are discrepancies between the territorial coverage of programmes and NUTS 2 geographical level, as well as imperfect matching between funding at intervention field level and policy objective level. In addition, an important caveat is the inherent lag between activities and their visibility in monitoring systems. Some activities, mainly linked to the management of programmes before selecting projects for support, are not tracked by programme monitoring systems. There is also an inherent lag in reporting project activities, which is ex-post and does not capture ongoing actions.

The triangulation of data sources supporting the answer depends on the EQ, the topics covered, and/or the data available. The methodology is illustrated in an evaluation matrix matching EQs with related judgement criteria and sources of information. EQs 1 and 2 predominantly follow a quantitative approach and rely on

programme progress, while answers from EQ 3 to 16 are largely based on qualitative evidence (literature and document review, a survey, interviews and a seminar). In general, evidence is stronger for programme design and fund allocation than for outcomes and achievements. In addition, valuable results from parallel DG Regio studies (e.g. SCOs and FNLCs, complementarity and partnership principles) not yet published, were also considered whenever possible.

Seven fiches present the intervention logic at PO level, addressing also JTF and Interreg. The fiches do not overlap with the EQs, but provide more detail on how the five POs, JTF and Interreg have been structured and are operating at Member State and regional levels.

1.3. Organisation of the report

The final report beyond this first chapter, is organised as follows:

- Chapter II highlights expected outcomes of cohesion policy interventions under ERDF/CF/JTF, using information from the fiches produced under task 4. This includes an overview of the logic of intervention for each PO and fund, covering needs, objectives, inputs, outputs, results and impacts.
- Chapter III illustrates implementation progress by PO and fund, with both qualitative (institutional organisation, implementation steps, monitoring and reporting arrangements) and quantitative (financial data, expected outputs and results) information.
- Chapter IV presents answers to the 16 evaluation questions addressing efficiency, effectiveness, coherence, relevance and added value.
- Chapter V offers conclusions and lessons learnt.
- The annexes detail activities and contributions which sustain the results of this study. These include the evaluation matrix (annex 6.1), 'Summaries' based on the literature and document review (annex 6.2), the investment analysis (annex 6.3), the synopsis report on stakeholder engagement (annex 6.4), and seven thematic fiches (annex 6.5).

2. Expected outcome of the intervention

This chapter introduces an overview of the policy context in paragraph 2.1 and in section 2.2 adds elements of the PO intervention logic. Annex 6.5 details the intervention logic for each PO, JTF and Interreg in specific fiches, which also summarise the evaluation findings for implementation. Chapter III gives further details on implementation progress, which are used in chapter IV to answer EQs.

2.1. ERDF, CF and JTF in 2021-2027

Since the launch of the Single Market and the 2004 enlargement, significant strides have been made in narrowing the economic and social disparities between EU Member States. However, this progress has not been uniform. Empirical evidence indicates uneven convergence across different EU regions. While some regions have experienced significant economic growth and development, others continue to lag behind in terms of income, employment and infrastructure development. The disparity between high-growth urban regions and more vulnerable, slower-growing areas underscores the necessity of targeted investments and tailored regional strategies to address these gaps and to reduce the associated economic, social and political costs.

TFEU Article 174, with Article 176 related to ERDF and Article 177 related to CF, constitute the legal foundation of cohesion policy and set the objective of reducing socio-economic and territorial disparities between EU regions. In the 2021-2027 programming period, a new fund – JTF – was added to ERDF, CF and ESF+. Common provisions and specific regulations apply to the funds. The Common Provisions Regulation (CPR - EU Reg. 1060/2021) defines the general rules and POs more precisely in Article 5 (1). Fund-specific regulations define the specific objective for each fund under each PO. PO1 regards Smart Europe, PO2 Greener Europe, PO3 Connected Europe, PO4 Social Europe and PO5 Europe Closer to Citizens. JTF has a single specific objective of addressing impacts of the transition towards climate-neutrality. Interreg programmes can cover all the POs but also invest in Interreg-specific objectives.

ERDF, CF and JTF are cohesion funds as is ESF+, but this fund is out of the scope of the present study and is not considered. The funds are delivered under shared management between the EC and Member States, so programmes are not run directly by the Commission, but implemented in partnership with Member States. Shared management is implemented through various mechanisms and at different governance levels, depending on the administrative organisation in each Member State. This encompasses a co-decision framework between the EU and national and regional policymakers (multi-level governance), the

involvement of stakeholders in decision-making (through partnerships), clear rules in monitoring and reporting, and transparent communication.

To determine the share of funds, cohesion policy identifies regions according to their level of development. Less developed regions have a GDP per capita of less than 75% of the EU 27 average. Transition regions GDP per capita is 75% to 100% of the EU 27 average and more developed regions have more than 100% of the average. CF is only for the 15 less developed Member States. It covers the environment and Trans-European Network in the TEN-T area and supports POs 2 and 3.

The top ten beneficiaries of the funds are Poland (22%), Italy (9.7%), Spain (8.6%), Romania (8.5%), Czechia (6.7%), Hungary (5.9%), Greece (5.3%), Portugal (5.3%), Germany (4.7%) and Slovakia (3.7%).

The financial allocation is reported below.

Table 1 – EU financial allocation, Policy objectives, JTF SO and Interreg

Policy Objectives	ERDF* (PO1 – PO5 excluding Interreg)	CF*	JTF*	Member States (top 10)
PO 1 – Smarter Europe	73 866			PL, IT, ES, DE, PT, HU, RO, EL, FR, CZ
PO 2 – Greener Europe	72 948	20 371		PL, ES, IT, RO, CZ, HU, EL, PT, SK, DE
PO 3 – Connected Europe	22 636	17 838		PL, RO, CZ, SK, PT, HU, EL, IT, BG, ES
PO 4 – Social Europe	19 633			PL, IT, RO, CZ, ES, SK, HU, EL, LT, HR
PO 5 – Europe Closer to Citizens	19 554			HU, PL, IT, ES, PT, BG, RO, EL, FR, DE
JTF (SO) – addressing impacts of the transition towards climate-neutrality			19 199	PL, DE, RO, CZ, EL, BG, FR, IT, ES, NL
Interreg	10 597			

*EU planned financial allocation as at February 2024 (EUR Million, current prices)

The allocation of funds covers themes consistent with cohesion policy missions. These include innovation, competitiveness, digitalisation, job creation, climate and environment, transport, as well as health infrastructure and services. High-level priorities for the current period are the twin digital and green transitions, the Green Deal (including climate and biodiversity), and social inclusion in line with the European Pillar of Social Rights. Demographic transition is a growing source of disparities between regions and also a priority.

Horizontal principles guide implementation of the funds. This entails respect for fundamental rights and compliance with the Charter of Fundamental Rights of the EU, equality between men and women and gender mainstreaming, accessibility for people with disabilities, compliance with the UNCRPD, preventing discrimination, and consistency with the UN Sustainable Development Goals (SDGS), the Paris Agreement and the Do No Significant Harm (DNSH) principles. A territorial focus is also encouraged, promoting a place-based approach and allocating resources through Integrated Territorial Investment (ITI) and Community-Led Local Development (CLLD).

In line with the European Green Deal objectives and the goal of a just transition, the JTF has been set-up to support the transition process in territories most negatively impacted by the transition to climate neutrality.

To maximise the impact of the funds, a thematic concentration for POs 1 and 2 is required at Member State level and by category of region. The thematic concentration reported by the programmes shows that more developed regions allocate 87% of funding to PO1 and PO2, transition regions assign 43% to PO1 and 35% to PO2, while less developed regions earmark 30% for PO1 and 34% for PO2. Less developed regions received more funding than developed and transition regions, in line with cohesion policy objectives.

In addition, and based on lessons learnt from previous periods, innovations and simplification measures in the current programming period should improve the governance framework, reduce administrative burden and simplify access to funding for beneficiaries. These include Simplified Cost Options (SCOs) and Financing Not Linked to Cost (FNLC), enabling conditions, the 'Seal of Excellence' to increase integration of EU instruments (direct management), simplified and harmonised eligibility rules for beneficiaries, reduced reporting obligations for beneficiaries, no specific rules or procedures for major or revenue-generating projects, new common output and results indicators, simpler provisions for financial instruments, lighter and more frequent data reporting instead of annual reports, more flexibility for re-programming, as well as reduced audit requirements and control systems .

2.2. POs, JTF SO and Interreg intervention logic

According to the Better Regulation toolbox (tool#46), the intervention logic summarises and describes how the intervention is expected to work. It shows the rationale, referring to needs underpinning the intervention, the objectives, inputs indicating how the expected changes are going to be achieved and targets in terms of outputs, results and impacts considering the possible influence of external factors. The regulatory package and impact assessment also provide basic elements to frame and describe the PO, JTF and Interreg intervention logic. Each fiche in the annex provides further information.

The ERDF, CF and JTF are administered in shared management. In practice, this means that the CPR and fund-specific regulations are only the basis for Member States/managing authorities to translate into investment programmes. Based on the objectives, rules and procedures described in the legislation, each Member State drafts a partnership agreement to be agreed with the EC setting out the expected results for each PO and/or JTF SO at national level. Then, each of the 287 cohesion policy programmes (excluding ESF+ led by DG EMPL as it is outside the scope of this study), of which 42 include JTF activities and 86 are Interreg, in agreement with the EC, identifies the challenges it intends to tackle in its programme area (regional, cross border or national needs) and selects which of the five POs, and 23 related specific objectives (RSOs), plus one JTF and two Interreg SOs, it wants to support. Each programme defines the types of intervention and forms of support according to Annex I CPR and indicates the actions, outputs and results it intends to achieve, considering the 97 common output and 66 result indicators from fund-specific regulations ⁽³⁾. The logic of intervention also includes impacts to be evaluated at the end of the programming period. In addition, programmes must comply with 16 thematic and 4 horizontal enabling conditions and address horizontal principles. Climate spending targets (with at least 30%/37% of the respective ERDF/CF financial resources allocated) are mandatory and specified at the intervention field level.

The section below contains more context on the logic of intervention for each PO, the JTF SO and Interreg.

2.2.1. PO 1: A Smarter Europe

The capacity to innovate and implement advanced technological solutions is key to ensuring long-term productivity growth and business competitiveness, particularly in a worldwide context of geopolitical instability, economic disruption, an energy crisis and inflation. Public policy is pivotal to supporting innovation, reducing the digital divide, bridging gaps between EU territories, promoting place-based development, addressing industrial transformation and energy challenges, and developing skills for 'smart specialisation' ⁽⁴⁾. PO1, through its five specific objectives, provides some EUR 73.9 bn to support a more competitive and smarter Europe, more than 1/3 of the ERDF planned amount. The contribution to climate change targets is estimated at EUR 4 billion.

PO1 shows geographic and thematic concentration. The share of planned EU investments under PO1 varies substantially across Member States, with the

⁽³⁾ See SWD (2021) – 198 for the list of common indicators. Additional specific indicators can be designed by the programmes to complete this list.

⁽⁴⁾ See for example Cohesion reports 2022, 2023, Digital decade report 2023, Annual Growth Survey 2023, 2024.

lowest in Romania and Malta and the highest in Sweden and Luxembourg. More developed regions allocate approximately 53%, transition regions 43% and less developed regions around 31% of funding under PO1.

The study estimates the capital allocation across specific objectives using DG REGIO regionalised data based on intervention fields. This shows that the per capita allocation is higher in less developed than in transition and more developed regions. The top specific objectives in terms of per capita financing are RSO 1.1 'Enhancing research and innovation' and RSO 1.3 'Growth and competitiveness of SMEs', while those on digitalisation (RSOs 1.2 and 1.5) and skills for smart specialisation and transition (RSO 1.4) see lower per capita investment.

PO1 support for research and innovation activities, enterprises competitiveness and digitalisation, programmes should:

- create 168 621 jobs and encourage the hiring of 17 799 researchers,
- support 79 022 enterprises in successfully introducing innovations,
- improve very high-capacity network connections for 1.5 million enterprises,
- benefit one billion users from improved digital products, services or processes,
- mobilise about EUR 44 bn of private investments.

Investments are implemented under the smart specialisation strategy for research and innovation and broadband plans established at Member State level.

2.2.2. PO 2: A Greener Europe

The EU faces growing environmental and climate issues. Needs span from mitigation and adaptation to climate change, biodiversity conservation, air quality, access to water and water quality, waste recycling, circular economy promotion, sustainable urban mobility, and reduced pollution⁽⁵⁾. Needs vary between Member States and regions according to their ecological and climatic conditions (e.g. precipitation, temperature, natural areas), demographic density and geographic characteristics (e.g. urban areas, remote regions, islands), as well as the risks they face (e.g. droughts, floods, storms, marine submersion) and their natural resources (e.g. forests, water, natural habitats).

The European Green Deal and related legislative acts (e.g. European Climate Law, and Nature Restoration Law), define EU environmental and climate

⁽⁵⁾ For an overview of environmental and climate issues and policy challenges see European Environmental Agency, The European environment-state and outlook 2020: knowledge for transition to a sustainable Europe (SOER 2020).

objectives, including a 55% decrease in GHGs by 2030 ⁽⁶⁾. Almost EUR 93.3 bn should contribute to PO2 with EUR 73 bn from ERDF and EUR 20.4 bn from CF.

At national level, allocations to PO 2, including but not only as a consequence of thematic concentration requirements, range between 10% in the Netherlands to 40% in Malta. For ERDF, and by type of region:

- more developed regions allocate some 35% under PO2, from 0% in Lithuania to 51% in Slovakia,
- transition regions allocate some 35% of funding under PO2, from 19% in Bulgaria to 55% in Portugal,
- less developed regions allocate some 35% of funding under PO2, from 30% in Portugal to 44% in France

The study estimates the allocation per capita is higher in less developed than in transition and more developed regions according to the funding and co-financing rules, at least for ERDF which allows for regional categorisation. The highest per capita financing is for RSO 2.1 'Energy efficiency and GHG emissions' and RSO 2.8 'Sustainable multimodal urban mobility', followed by investments in large infrastructure such as RSO 2.5 'water management', RSO 2.2 'renewable energy investments', and RSO 2.7 'nature protection and biodiversity', while 'smart grids' (RSO 2.3), 'adaptation to climate change' (RSO 2.4) and 'waste management and circular economy' (RSO 2.6) receive less.

Overall, 66% of the amount allocated to PO2 covers climate change objectives, 57% environmental objectives, 31% clean air, 12% biodiversity, 2.6% gender and 3% of the resources are for the digital transition ⁽⁷⁾. Moreover, under SO 2.8 'Sustainable urban mobility', EUR 17.8 billion of Cohesion policy funds is helping cities to make urban mobility smarter and more sustainable, tackling issues of congestion, air quality, safety and accessibility

Achievements (output and results) under PO2, by the end of the period, programmes should:

- save 40 MWh/year in energy consumption,
- produce 14 million MWh/year more renewable energy,
- connect 8 million more people to waste-water treatment systems,
- recycle 10 million additional tons of waste per year,

⁽⁶⁾ Green Deal environmental and climate objectives are reviewed in the '8th Environment Action Programme to 2030'.

⁽⁷⁾ The sum of these percentages is over 100% because these topics are interlinked and overlap.

- reduce GHG emissions by 21 million tons per year,
- protect 108 million people from natural disasters,
- improve habitats in 3.8 million hectares of Natura 2000 sites,
- improve air quality for 76 million people,
- reach 1.8 billion public transport passengers, 951 million tram and metro passengers and 147 million cyclists per year in supported projects.

PO2 investments are defined and implemented in compliance with strategic environmental and climate frameworks, including integrated national, energy and climate plans, national and regional plans to support energy efficiency and renewable as well as water and waste management plans, and climate risk and flood management plans.

2.2.3. PO 3: Connected Europe

Freight and passenger transport is growing in the EU, increasing the need for efficient transport networks to facilitate mobility for goods, services and people. Given the diversity of geographical features, demographic distribution and connectivity, ensuring mobility across EU territories is key to addressing socio-economic disparities. Rural and sparsely populated areas, alongside geographically disadvantaged territories such as islands, outermost, mountain and border regions, pose significant obstacles to ensuring adequate transport connectivity as pointed out in the Ninth Cohesion Report (EC, 2024). While past Cohesion policy interventions developed trans-European corridors, national networks, regional connectivity and local mobility, support is still needed to develop safe, low-carbon (public) transport, and multimodality between road, rail, ports including, to a limited extend, airport infrastructure.

The EU priorities for transport, in line with European Green Deal and Sustainable and Smart Mobility Strategy objectives, the are defined with relevant policy directions contained in the 2024 TEN-T Regulation, the Alternative Fuels Infrastructure Regulation, and the Urban Mobility Framework, to name but a few. PO 3 is contributing with EUR 40.5 bn (European contribution) allocated to the TEN-T network (EUR 25.3 bn), and to mobility in national, regional, territorial and cross-border contexts (EUR 15.2 bn).

There is an even split of resources between the ERDF and CF, with the former accounting for 56% of the allocation (including 1% dedicated to Interreg). The 2019 European semester country specific recommendations formed the basis for defining sectoral priorities in the EU Member States. The three Member States with the highest share of PO3 investments – also due to its access to ERDF and Cohesion Fund Poland, Romania, and Czechia, are accounting for 60% of the EU financial allocations for PO3. Six Member States do not invest under PO3 objectives: Austria, Germany, Denmark, Ireland, Luxembourg and the

Netherlands. This is because their transport networks are generally well developed and therefore it did not feature in the European Semester recommendations.

Investments under PO3 are concentrated in less developed regions, where they account for around 13% of all ERDF investments. PO3 accounts for only 6% in transition regions (from 25% in Poland to 1% in France), and 1% in more developed regions. Climate spending under PO3 is expected to reach EUR 18.7 bn by the end of the programming period. This entails i.e. railway infrastructure and rolling stock, clean regional buses, intelligent transport systems and cycling infrastructure.

The per capita allocation is higher in less developed than in transition and more developed regions for both RSO 3.1 'Sustainable TEN-T' and RSO 3.2 'Sustainable transport'. For RSO 3.1, more developed regions invest more per capita than transition regions, with the opposite for RSO 3.2.

Achievements expected for PO3 per year, are:

- time-saving of 32 million days per year due to improved road infrastructure,
- 4 billion more rail passengers per year,
- 20.2 billion more road passengers per year

For PO3 the enabling condition refers to transport planning at the appropriate level. This means multimodal mapping of existing and planned infrastructure. This mapping should include investments in TEN-T core network corridors and, outside these, on urban networks and regional and local connectivity to the core TEN-T and its nodes.

2.2.4. PO 4: Social Europe

Social and inclusive growth is a key priority of cohesion policy for the 2021-2027 period. Continuous economic change, fostered by the twin digital and green transitions, coupled with population ageing, is leading to different social needs. These range from equal access to high-quality non-segregated services in the areas of employment, education and life-long training, to affordable housing and healthcare. The poorest and most vulnerable are particularly affected by these changes. While disparities between Member States are decreasing, they persist within Member States, as underlined by the 2023 and 2024 Cohesion reports. Generally, peripheral and less developed regions are more exposed. The digital and green transitions and demographic challenges may increase social and territorial disparities, especially between rural, remote and urban areas, as pointed out by the EC Communication (2021) 'Long term vision for EU's rural Areas' and the EC Communication (2023) 'Harnessing Talent in Europe's

Regions'. ESF+ is the main channel for delivering this policy objective with EUR 92.7 billion.

The ERDF contribution is EUR 19.3 billion, mainly through infrastructure and equipment across PO4 specific objectives. In healthcare for RSO 4.5 'Access to health care' (EUR 7.1 bn) as well as education, and training and skills enhancement for RSO 4.2 'Education and training infrastructure' (EUR 5.6 bn). In addition is RSO 4.1 'Enhancing the effectiveness and inclusiveness of labour markets and access to quality employment through developing social infrastructure and promoting social economy' (EUR 111 million), as well social housing and social services with RSO 4.3 'Promoting the socioeconomic inclusion of marginalised communities, low-income households and disadvantaged groups [...]' (EUR 2.87 bn) and RSO 4.4 'Promoting the socio-economic integration of third country nationals, including migrants' (EUR 25.1 m) both benefitting marginalised communities, low-income households and disadvantaged groups (including migrants). ERDF support for infrastructure and equipment is closely coordinated with ESF+ support for human capital.

Support for culture and sustainable tourism (RSO 4.6 'Culture and sustainable tourism') is also part of the ERDF intervention in this programming period, with EUR 3.7 bn allocated. Although there is a relatively even distribution across Member States, there are regions with no PO4 funding in Sweden, Ireland and Austria. The ERDF allocation under PO4 by type of region is:

- More developed regions, some 3%, from 22% in Lithuania to 1% in Hungary,
- Transition regions, some 6%, from 25% in Malta to 3% in Portugal, France and Belgium
- Less developed regions, approximately 11%, from 26% in Czechia to 4% in Belgium.

Examples of annual achievements expected from ERDF-PO4 by the end of the programming period are:

- 120 099 users of employment services,
- 417 462 users of childcare facilities,
- 30 567 203 users of health care facilities, and
- 41 261 901 visitors to cultural and tourism sites

For PO4, the thematic enabling conditions refer to the adoption of national or regional policy frameworks in the field of health and long-term care, labour-market policies, gender equality, education and training, social inclusion and poverty reduction.

2.2.5. PO 5: Europe Closer to Citizens

This PO addresses citizen needs, in terms of civil society and local stakeholder participation in the decision-making process. This supports cohesion policy place-based and multi-level governance and guarantees the engagement of local authorities, civil society and citizens in addressing local challenges. With PO 5 and integrated territorial tools which can be used under any other PO, cohesion policy supports sustainable urban development and development in other, non-urban territories such as urban-rural linkages, rural areas, border areas, islands, mountains, sparsely populated and remote areas. Interventions are supported through ITI, CLLD and other integrated sustainable development investments in all types of territories.

All Member States, except Finland, Luxembourg and Sweden ⁽⁸⁾ have programmed more than EUR 19 billion of EU contribution: EUR 12.8 bn for RSO 5.1, EUR 6.7 bn for RSO 5.2, while Interreg accounts for EUR 0.3 bn. The total contribution is EUR 27.3 billion to support place-based investments via more than 2 150 integrated territorial development strategies and around 430 CLLD strategies, covering 2 331 projects. Almost two-thirds of this allocation is planned to foster integrated and inclusive social, economic and environmental development, culture, natural heritage, sustainable tourism and security within urban areas, while one-third will pursue such objectives in non-urban territories. Countries with the highest EU fund budget for PO5 are Italy, Hungary, Spain and Poland. For PO5 funding as a share of the total fund allocation, Bulgaria with 14%, Hungary (12%), Lithuania (10%), Cyprus (9%), and Croatia (8%) have the highest allocation to PO5. There is also some variation in investments by category of region at EU level:

- More developed regions allocate some 7% under PO5, from 19% in Hungary to 1% in Poland,
- Transition regions allocate some 9% under PO5, from 31% in Bulgaria to 3% in Czechia,
- Less developed regions allocate some 10% under PO5, from 27% in Bulgaria to 4% in Czechia.

No common result indicators are specifically designed for PO 5. The most cited achievements relate to climate mitigation measures, including energy efficiency, GHG emission reductions and green infrastructure. Another outcome planned by programmes is to increase the number of visitors to cultural and tourism sites.

⁽⁸⁾ Programmes in Finland and Luxembourg have planned ITIs in POs 1 and 2

2.2.6. Just Transition Fund Specific Objective (JTF SO)

The JTF was created under the European Green Deal to help people and places most affected by the transition to climate neutrality in all EU Member States. The needs are various and territory-specific, as shown in the ninth Cohesion report. The fund invests in enterprises and economic diversification with a focus on SMEs and job creation; skills, job-search and education; clean energy; research, technology development and innovation; land and brownfield site recovery and reconversion; and to a lesser extent circular economy, sustainable mobility, decarbonisation and other types of investments linked to the transition. The Fund supports the transition process in territories identified in the territorial just transition plans as most negatively affected by the climate transition, i.e. territories that depend on the extraction or production of coal, lignite, peat and oil shale, and/or territories depending on carbon-intensive industries such as steel, cement and chemicals which need to reconvert their activities in the short to medium term. Territorial just transition plans (TJTP) were approved by the EC as part of the relevant programmes supported by the JTF. These plans outline transition strategy and milestones to be achieved in the transition pathways, identify resulting challenges faced by the territories and related investment needs. JTF is part of a broader mechanism (the Just Transition Mechanism), including two other instruments (the InvestEU Just Transition Scheme and the Public Sector Loan Facility), addressing the same objective to alleviate the social and economic transition costs toward a carbon-neutral economy. These are implemented in complementarity with JTF.

The planned EU amount under JTF is about EUR 19.7 billion (including transfers from the ERDF and ESF+). The largest beneficiaries in absolute terms receiving EUR 11 billion out of the total JTF funding are Poland (20%), Germany (12%), Romania (11%), Czechia (8%) and Greece (7%). Examining the JTF planned expenditure allocation per Member State, it appears that while SMEs and diversification are supported across all Member States, Romania and Portugal clearly emphasise this type of support. Although research, technology development and innovation (RTDI) has limited support, Sweden allocates almost 80% of its JTF budget to such investments. Similarly, Malta allocates all its JTF funding to sustainable local mobility, which generally receives little support in other Member States. Clean energy support is substantial in Cyprus and Belgium (with 81% and 46% respectively).

Analysis of the planned amount shows that 59% is allocated to less developed regions, and 27% to regions in transition. More developed regions are supported with 13%. To a limited extent, outermost and northern sparsely populated regions are also targeted.

Key achievements expected by the end of the programming period are:

- 62 938 jobs created,

- 178 398 people gaining a qualification,
- More than EUR 5 bn of private investment mobilised,
- 3 770 SMEs supported to introduce innovations and 1 800 new enterprises surviving on the market,
- Over 2.8 MWh/year of renewable energy produced,
- More than 8 million tonnes less annual GHG emissions ⁽⁹⁾,
- 7 964 ha of land rehabilitated.

2.2.7. Interreg

Interreg is one of the two goals of Cohesion Policy along with Investment for Jobs and Growth. It fosters cooperation between regions and countries within the EU as well as with its external borders, involving non-EU regions, with an enlargement component. As highlighted in the 9th Cohesion report, cross-border territories are often peripheral, with limited access to public services and specific challenges such as the influx of refugees and security. In addition, cooperation is made more difficult by different governance, linguistic and cultural systems. So, there is a need to remove barriers to transport, education, health and business, as well improve institutional and transnational cooperation in border regions.

Interreg is organised under multiple strands: cross-border (Interreg A), transnational (Interreg B), interregional (Interreg C) and outermost region cooperation (Interreg D) ⁽¹⁰⁾. Interreg benefits from three sources of funding: ERDF,

⁽⁹⁾ Considering both RCR29 Climate: Estimated GHG emissions and RCR29a JTF: Est. GHG emissions in enterprises (Dir. 2003/87/EC)

⁽¹⁰⁾ ERDF Cross-border cooperation (strand A) covers common challenges identified jointly in border regions and seeks to exploit the untapped growth potential in border areas. Strand A programmes support cooperation between NUTS III regions in at least two Member States (and with external borders) lying directly on borders or adjacent to them. Transnational cooperation (strand B) aims (at strengthening cooperation for integrated territorial development linked to the Union's priorities according to the subsidiarity principle. Compared to cross-border cooperation, the transnational one relates to larger territories including those covered by macro-regional strategies and also include non-EU countries. Strand C aims at boosting the effectiveness of cohesion policy through exchanges of experience and knowledge, innovative approaches and capacity building between regions within the EU and above. This is through four specific programmes: Interreg Europe, Interact, Urbact and Espon. Strand D supports cooperation of outermost regions with their neighbouring countries. Strand D can combine ERDF and other funds and concerns four geographical areas: Amazonia, Caribbean, Middle Atlantic/Gulf of Guinea (MAC), Indian Ocean/Mozambique Channel

Instrument for Pre-accession Assistance (IPA), and Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI).

Interreg programmes can invest in the five policy objectives under CPR Article 5. Given its different nature, Interreg regulation added two specific objectives (ISOs): better cooperation governance (ISO 1), and a safer and more secure Europe (ISO 2). The total Interreg financial allocation is EUR 14 billion for 2021-27, with an EU contribution of EUR 10.6 billion ⁽¹¹⁾. More than half the EU financial resources, EUR 6.3 billion, are dedicated to Interreg strand A, 22% to strand B (EUR 2.3 billion), while EUR 0.6 bn goes to strand C, and EUR 0.3 bn to strand D. The Interreg contribution to climate spending is EUR 2.5 bn.

Of the EU allocation:

- 14% is for ISO1— A better cooperation governance, EUR 1.49 billion.
- 0.3% is for ISO2—Safer and more secure Europe, EUR 43.22 million.
- The remainder is planned under PO1 (EUR 1.8 bn), PO 2 (EUR 3.5 bn), PO 3 (EUR 0.5 bn), PO 4 (EUR 2.8 bn), and PO5 (EUR 0.3 bn), analysed in the respective fiches (see annexes of this study).

Under ISO 1, 45% of resources are allocated to ‘Institutional capacity of public authorities’ actions. The second most funded categories are ‘Other actions to support better cooperation governance’ (almost 23%) and ‘People-to-people action for increased trust’ (16%).

At the end of the programming period, achievements in cooperation are expected to be:

- 3 746 joint strategies and action plans,
- 137 legal/administrative obstacles addressed,
- 20.9 million people covered by cooperation schemes/agreements.

⁽¹¹⁾ An additional 9% is dedicated to the Peace Plus Ireland-Northern Ireland/United Kingdom programme

3. Implementation progress

In section 3.1 we illustrate external factors which impacted the launch of the new programming period, and which partly explain the delays in programme implementation. Sections 3.2 and 3.3 identify financial and output/result indicator progress of project selection and implementation across Member States and programmes. This enables us to highlight programmes and Member States compared to their milestones.

3.1. Context and legislative process

Both the end of the last programming period and the beginning of the new one saw multi-crises affecting society, the economy and the environment in the EU. These include the COVID 19 pandemic and the Russian' War of aggression on Ukraine with consequences for energy and the economy, including inflation. In addition, climate change is accelerating, with large-scale impacts affecting many people and territories across the EU.

To tackle the COVID 19 crisis, policy measures were rapidly implemented at EU level. These included new interventions, simplification measures and more funding targeting specific groups and sectors (e.g. health).

Due the context, legal adoption of cohesion policy was later than in past programming periods (Official Journal publication date) with 24 June 2021, for the current legislative package (CPR), against 17 December 2013, for the 2014-20 package and 5 July 2006, for the package covering 2007-2013.

Partnership agreement approvals with Member States span from July 2021 (Greece) to December 2022 (Belgium, Luxemburg and Hungary) ⁽¹²⁾. Submission of cohesion policy programmes in the months following submission of the partnership agreement ⁽¹³⁾, while approvals were from April 2022 (Germany) to March 2023 (France and Belgium) ⁽¹⁴⁾. 50% of programmes (ERDF, CF, JTF and ESF+) were approved within 95 days (around 3 months after partnership

⁽¹²⁾ Art. 4 CPR: 'The Commission shall adopt a decision by means of an implementing act approving the Partnership agreement no later than 4 months after the date of first submission [...]'

⁽¹³⁾ The timing of Interreg programme submission according to art. 10 comma 7 of the CPR is specific as: 'Interreg programmes may be submitted to the Commission before submission of the Partnership Agreement'

⁽¹⁴⁾ Art. 23 CPR: 'The Commission shall adopt a decision by means of an implementing act approving the programme no later than 5 months after the date of the first submission of the programme by the Member State.'

agreement approval), while 25% account for more than 155 days from partnership agreement approval ⁽¹⁵⁾. Variability is high across Member States, from a few days in some countries (when the programmes and partnership agreement were included in the same package) to 387 days on average in Greece. This depends, among other factors, on the type of regions (e.g. in France approval of Outermost programmes came later).

After approval of the programmes, organisational work was intense, as required by the CPR:

- Within 3 months, monitoring committees were established. Organisational arrangements, rules of procedure and selection criteria were the first points on the agenda for discussion and approval;
- Within six months, programme websites were set up; a first timetable of the planned calls for proposals published on programme website or single website portal (covering all Funds in MS) (with regular updates – at least 3 per year);
- Evaluation plans were prepared by managing authorities and submitted to the monitoring committee within a year.

3.2. Financial data

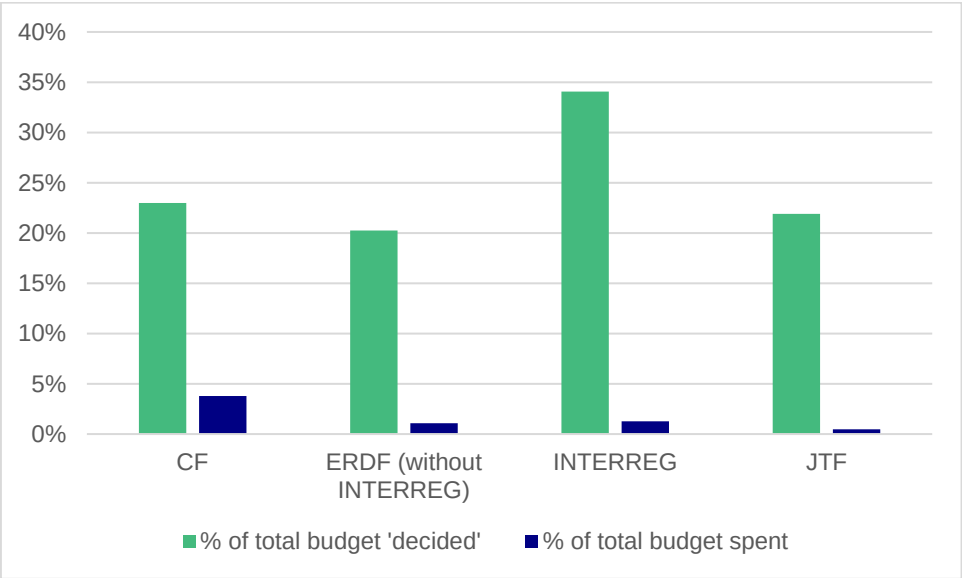
In this section, for financial indicators, progress is assessed by fund and PO against current targets and benchmarked the 2014-2020 programming period. No similar comparison to output indicator milestones can be made for current financial progress only, thus context is provided by comparison to the past period. Funds and POs show a diverse degree of progress for both decided and spent amounts. While 2021-2027 funds and POs are compared to corresponding funds and thematic objectives for 2014-2020, this is only an approximation, as no thematic objective can be directly linked to a PO despite some overlaps. The analysis below compares implementation data for mid-2024 ⁽¹⁶⁾ with progress in 2016 and -2017, which fall between the third and fourth years of the programming period, providing an orientation point for the assessment of progress.

⁽¹⁵⁾ Consortium estimates based on SFC data (September 2024).

⁽¹⁶⁾ Values for financial data and output and result indicators are based on the end of July data transmission (extraction date; 8 September 2024) referring to the programme status as of 30 June 2024. Data updates are regularly published on the Cohesion Open Data Platform, see https://cohesiondata.ec.europa.eu/cohesion_overview/21-27.

As of 30 June 2024, the ‘decided’ resources for CF make up 23% (EUR 11.2 billion) and 20% for ERDF ⁽¹⁷⁾ (EUR 62.7 billion) of the budget. Interreg has the largest percentage of allocated budget with 34% (EUR 4.7 billion). ‘Decided’ JTF funding has caught up to ERDF and CF levels reaching 22% (EUR 5.8 billion). **Error! Reference source not found.** shows the progress for CF, ERDF (Interreg is shown separately) and JTF.

Figure 1 – Financial progress for CF, ERDF and JTF, mid-2024



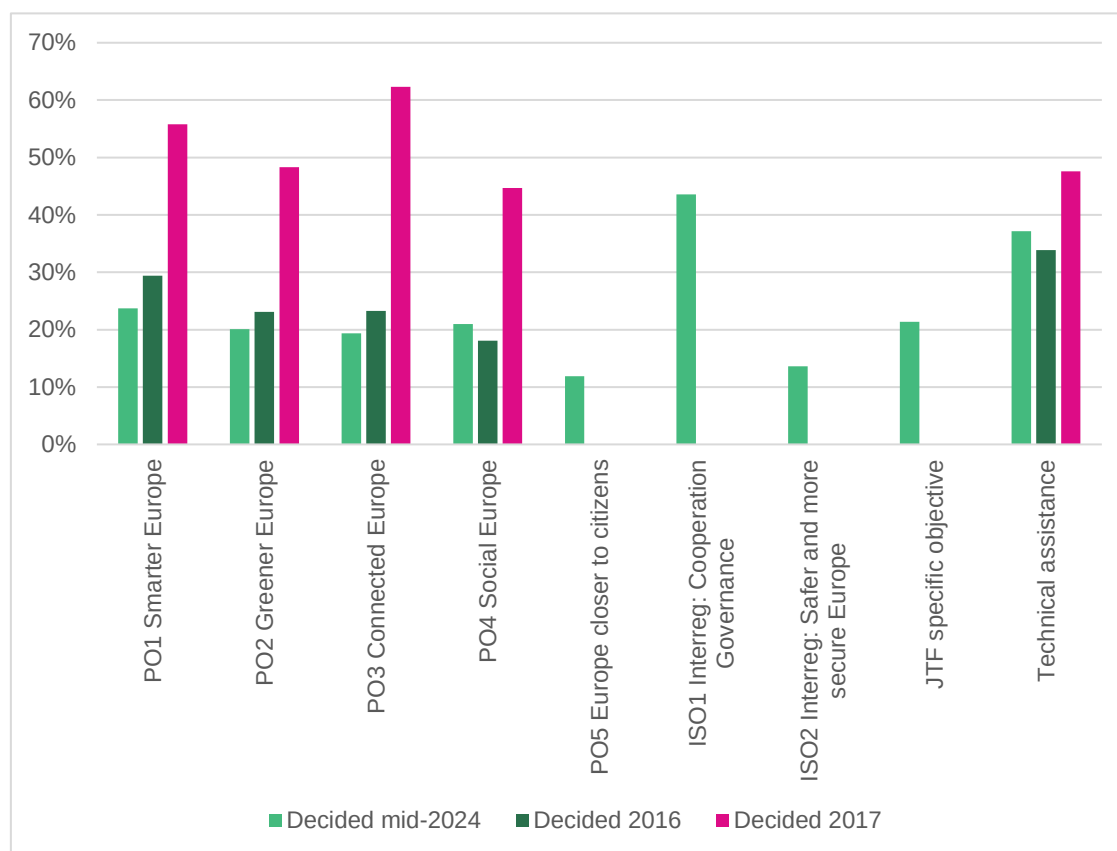
Source: Consortium elaboration, 2024

In mid-2024, progress on decided values reached similar values as 2016 in the previous period, yet it is trailing 2017 values by between 20% and 40% in most POs. The areas with the highest percentage of budget already allocated include Technical assistance, across all funds and ISO1 (Interreg: cooperation governance). POs with notably less reported progress include PO3 (Connected Europe, only in ERDF and CF), PO5 (Europe closer to citizens) and ISO2 (Interreg: safer and more secure Europe). Across funds, the most progress is under PO1 (ERDF and Interreg in particular) and PO2 (CF).

The following graphs and analyses contrast mid-2024 data with 2016 and 2017 values, as the cut-off dates were between these years, factoring in the time for the legislative framework to come into force.

⁽¹⁷⁾ Due to the different structures and implementation mechanisms, analyses on implementation progress present Interreg separately. ERDF values here exclude Interreg.

Figure 2 – Financial progress in mid-2024 compared to 2016 and 2017: ‘decided’ values

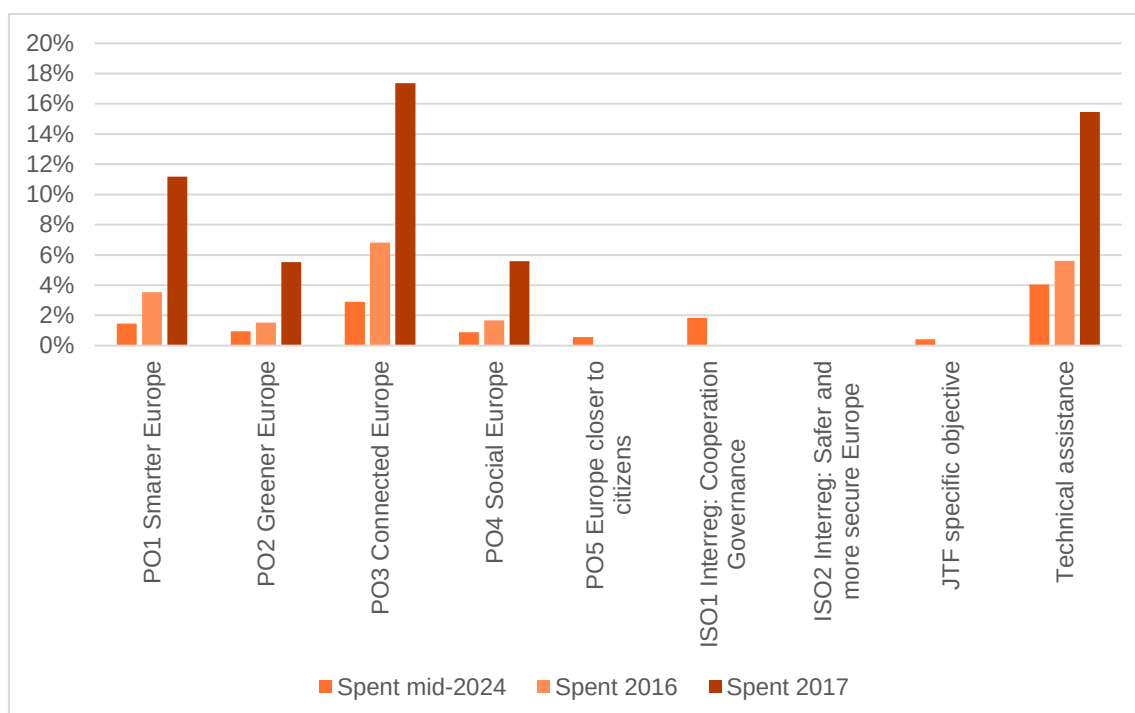


Source: Consortium elaboration, 2024

The share of financial resources already spent (in terms of expenditure declared by the beneficiaries to the managing authorities) has increased during 2024 is shown in Figure 3. Currently it stands at 3.8% for CF, 1% for ERDF, 1.3% for Interreg and 0.5% for JTF. This amounts to EUR 1.8 billion (CF), EUR. 3.3 billion (ERDF), EUR. 0.2 billion (Interreg) and EUR 0.1 billion (JTF). Contrary to decided resources, the money spent for ERDF and CF is still lower than in 2016. Within CF most money was spent for PO3 (Connected Europe), for ERDF the majority was on PO1 (Smarter Europe) and PO3, while for Interreg projects PO1 is the most advanced.

There was considerable progress in the selection rate from the beginning of 2024 until mid-2024, with Interreg programmes being the most advanced. JTF caught up with selection rates in CF and the ERDF, while spending is still relatively low under all funds (varying from 4.1% for CF to 0.5% for JTF).

Figure 3 – Spent budget in 2024 compared to 2016 and 2017



Source: Consortium elaboration, 2024

The graphs above show limited expenditure progress, which naturally affects programme potential to deliver agreed outputs and results by mid-2024. However, data on financial progress is only available up to mid-2024 and compared values always refer to the end of a year. Progress in the first half of 2024 developed considerably in particular for project selection. Nevertheless, the values reported in this section will be out of date by the time the report is published. ⁽¹⁸⁾

3.3. Outputs and results

The programmes provide quantitative output and result indicator targets to be reached by 2029, as well as output indicator milestones (a certain share of the 2029 target) to be reached by the end of 2024, against which the programmes can be benchmarked. The milestones and targets are provided based on programmes versions in force by the end of June 2024 and include any adopted reprogramming. Both achieved (based on implemented projects) and forecasted values (based on selected projects) are assessed, however the analysis has shown that by June 2024 achieved values are only relevant in a limited number

⁽¹⁸⁾ For the latest data, see the Cohesion Open Data Platform https://cohesiondata.ec.europa.eu/cohesion_overview/21-27.

of cases, as most indicators have a value of zero.⁽¹⁹⁾ While programme and project activities are already underway, reporting on implementation is (mostly) linked to completed projects and therefore not all programme and project activities are currently accurately reflected in monitoring systems. At this stage of implementation, progress towards milestones is more relevant than progress towards the 2029 targets. A few indicators and programmes have exceeded the milestones, as presented below.

The analysis of progress for outputs was conducted as follows:

- Define progress in relation to the milestone as 0% (no implemented/decided value reported), >0 to 80% (reported implementation is ongoing), >80% (reported implementation is on track)
- Identify milestones, decided and implemented values for each programme and indicator;
- Calculate share of the milestone reached for decided and implemented values;
- Determine the class for each indicator;
- Identify per programme the number of indicators per class;
- Cluster programmes based on number of indicators per class into: no reported progress, ongoing and on track

Due to the lack of 2024 result milestones and many zero values, this analysis focuses on output indicators with only a brief overview of result indicator status.

Across the EU, most indicators (63%) show no reported progress (in terms of implemented or forecast values) towards their milestones⁽²⁰⁾, indicating delays in implementing actions and milestones. Additionally, 10% of indicators report values and thus started implementation but are not close to their milestones yet. A number of indicators however (27%) are on track, projected to reach at least 80% of the milestone.

In general, there has been considerably improved progress for the decided values since January 2024. Only two Member States (Spain and Latvia) have not yet reported any progress. Little progress has been made in Cyprus, Croatia, Italy, Malta, Portugal and Romania, where more than 75% of the programme indicators have no decided values. Implementation is more advanced in eastern and northern Member States. In Finland and Sweden, more than 75% of indicators

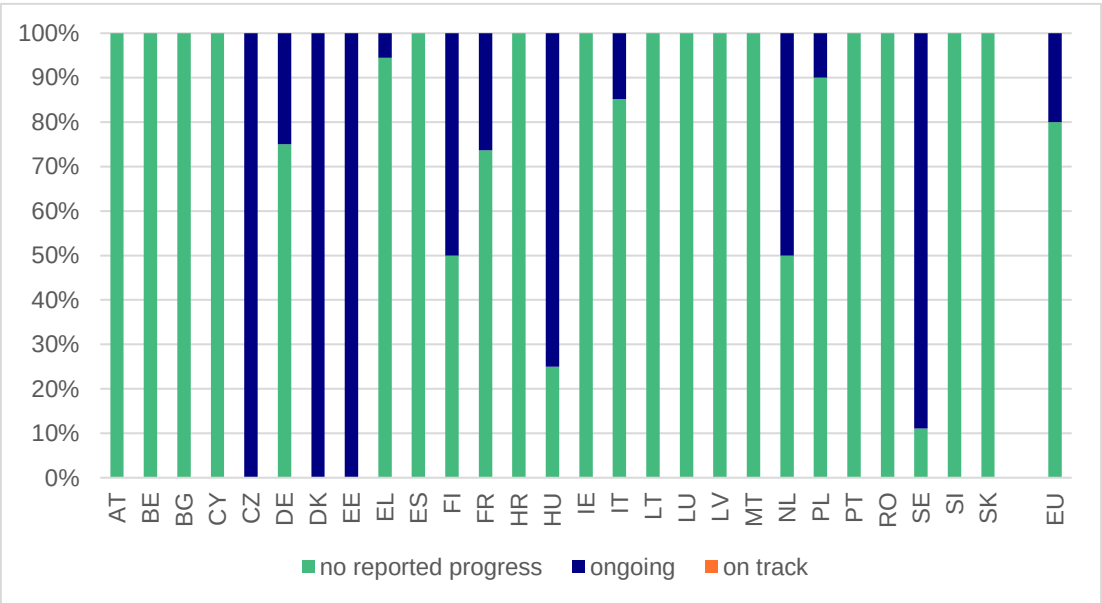
⁽¹⁹⁾ For the latest data, see the Cohesion Open Data Platform:
https://cohesiondata.ec.europa.eu/cohesion_overview/21-27.

⁽²⁰⁾ Notably, only 5 output indicators do show a milestone of 0 for all programmes that applied them, all of which (RCO48, 51, 52, 109 and 123) relate to construction- and infrastructure related activities.

are on track. Sweden in particular shows the milestones (almost) reached already for 30% of indicators also in terms of implemented values. Czechia, Finland, Estonia, Hungary and the Netherlands are likewise advancing with more than 10% of indicators on track to reach implementation milestones. Across the EU, 90% of indicators show no implementation progress yet, and only 3% are on track for 2024 milestones.

Analysis at programme level shows that progress varies between Member States, often in line with the progress described above. All Finish and Luxemburgish programmes, as well as most Polish, Estonian and French programmes show progress across most their indicators. On the other hand, Spain, Croatia, Latvia and Malta have not yet reported any significant progress. While 75% of programmes show at least some progress across the decided indicator values, only around 20% have reported implementation. As a result, none have reached their milestones for more than a few indicators.

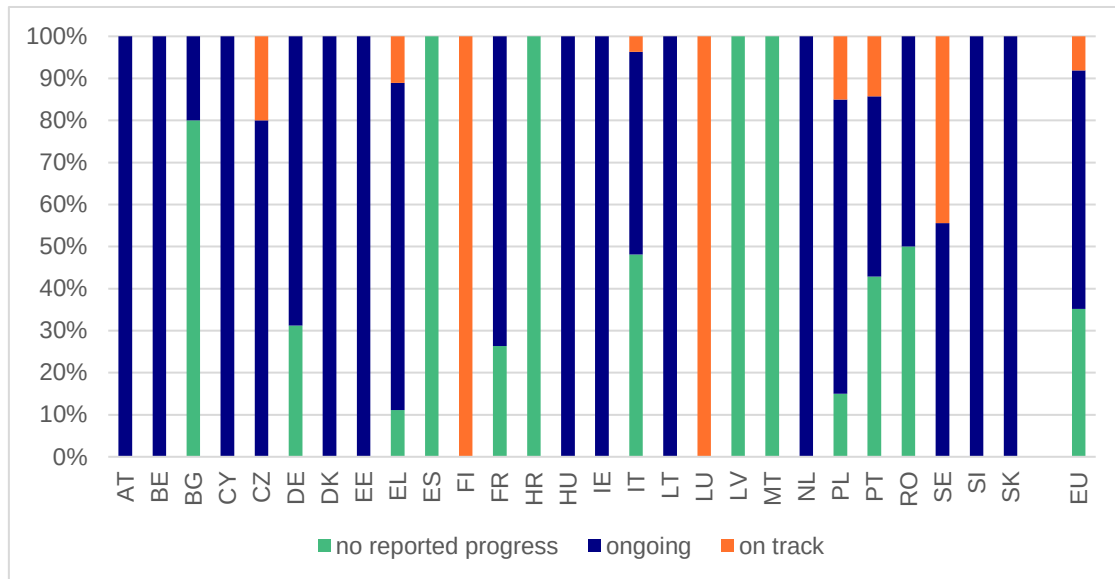
Figure 4: Achieved values: reported progress



Source: Consortium elaboration, 2024

Progress in the programmes is more heterogeneous. In general, programmes in northern and eastern Europe perform slightly better with Czechia, Denmark, Estonia and Sweden being the only countries where more than 90% of programmes report ongoing implemented indicator values.

Figure 5: Decided values: reported progress



Source: Consortium elaboration, 2024

POs show varying progress.

- Most Member States and programmes have reported significant progress under PO1, even exceeding milestones for the end of 2024 (in particular support to firms e.g. RCO01 Enterprises supported and RCO04 Enterprises with non-financial support). Most notably, RCO10 Enterprises cooperating with research organisations shows the most progress for implementation. Though overall, implementation lags the milestones.
- For PO2, outputs have increased considerably under RCO57 Capacity of environmentally friendly rolling stock for collective public transport and RCO04 Enterprises with non-financial support (30% of the milestone implemented with 150% and 300% respectively decided). For decided values, the milestone is exceeded or almost exceeded in all frequently used indicators.
- PO3 shows much progress for decided values in several key indicators, most notably RCO44 Length of new or upgraded roads, non-TEN-T, at 458%. However, implementation values lag or sit at 0 for most indicators. The notable exception is RCO57 Capacity of environmentally friendly rolling stock for collective public transport already showing 73% achievement of the milestone.
- PO4 indicators are regularly applied in the programmes, however most have little implementation reported.
- Under PO5, Population covered by projects in integrated territorial development strategies show 112% of the milestone implemented.

Finally, PO5 indicators show diversified progress. Of the most frequently used, RCO74 Population covered by projects in integrated territorial development strategies, RCO75 Strategies for integrated territorial development supported and RCO77 Number of cultural and tourism sites supported show progress between 56% and 75% for decided values and up to 14% for implementation. RCO01 Enterprises supported on the other hand already records 164% for

decided and 30% for implemented values. Notably, several indicators exceed their milestones considerably (up to 700%), however most are used by less than 10 programmes.

4. Contribution to evaluation findings

The evaluation questions have been answered combining findings from different Tasks, from Task 1 to Task 3. The information used to answer the evaluation questions are reported in the annexes of this report, including annex 6.1 which provides more details for some of them. Evaluation questions are grouped by evaluation criterion.

4.1. Effectiveness

Evaluation question 1: How and to what extent do adopted programmes and progress in implementation reflect the goals of the ERDF, the CF and the JTF for 2021-2027?

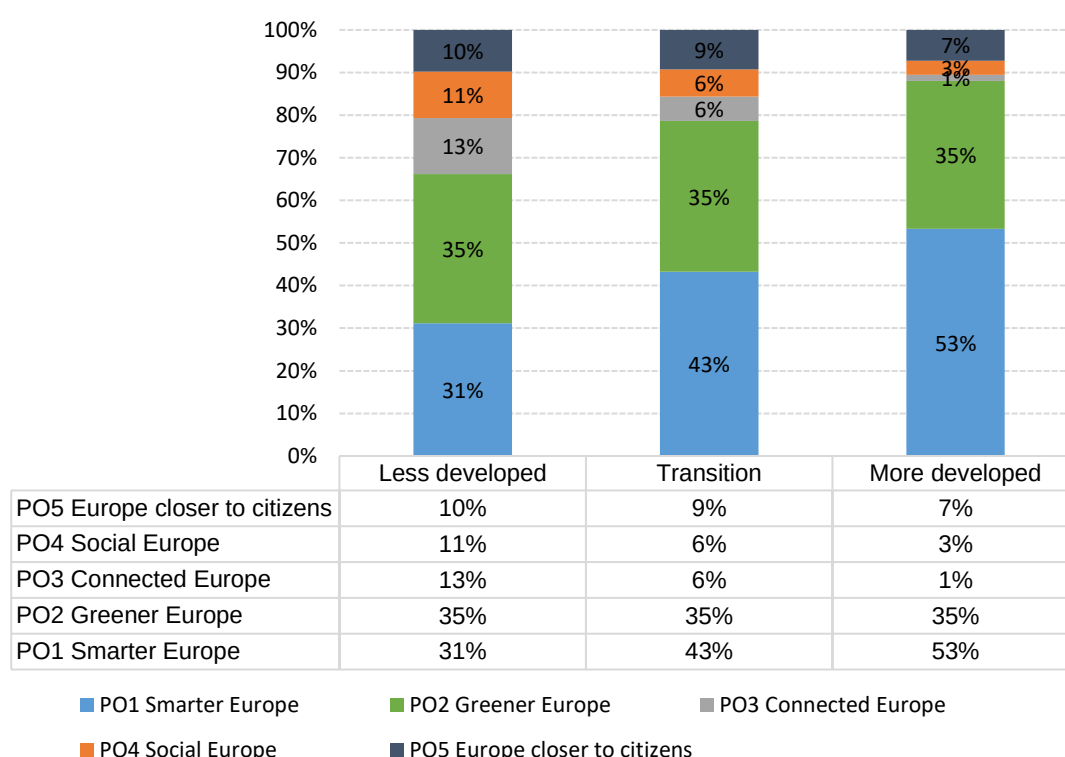
This evaluation question (EQ) requires an initial assessment of the implementation of the ERDF, CF and JTF as a foundation for the subsequent analysis and evaluation linked to the following EQs. The analysis explores how much the funding reflects the goals of the funds, including territorial cohesion and thematic concentration. The financial and output indicator progress analysis gauges progress towards those goals. The assessment of progress is across all funds and topics, however this high-level analysis concentrates on aspects which can be addressed in detail.

The choices made by managing authorities regarding ERDF and JTF funding allocations follow needs-based targeting, as the process involves regional expertise, political decision-makers and the Commission which contributes to a thorough review of needs and the design of an appropriate funding programme. Nevertheless, a high-level verification of this assumption is not possible for this study. High-level ERDF, CF and JTF goals are however reflected in implementation at programme level.

In line with the high-level objective of supporting regions needing more development than more developed regions, most resources under cohesion policy are to be spent in less developed regions for all policy objectives and funds addressed by the study. Approximately 72% of ERDF resources are allocated to less developed regions, 18% to transition regions and 1% to outermost or northern sparsely populated regions. The JTF allocation broadly mirrors this pattern, though with more allocation towards transition regions (27% of funding). For POs, there is a strong focus of PO3 and PO4 funding on less developed regions, respectively 88% and 83%. PO1 and PO2 funding is concentrated on more developed regions (14% and 9% respectively). These patterns are partly a consequence of thematic concentration requirements in the legislation.

The thematic concentration requirements for PO1 and PO2 are exceeded by programmes across Member States and at EU level. PO1 related requirements for more developed and transition regions are slightly exceeded, while less developed regions exceed these by 5% or almost 20% of the required amount. PO2 in comparison is exceeded across all types of region by 4 to 5% or approximately 11% of the required amount. Programmes thus go beyond the minimum requirements for the high-level goals of competitiveness and green transition, furthering ambitions of the Commission. In addition, horizontal obligations commit 30% of funding to climate objectives and 8% to urban development via local partnership processes.

Figure 6: Thematic concentration –funding by type of region at EU level



Source: Consortium elaboration based on Cohesion Data

At PO and RSO levels, the thematic focus of programmes is more detailed showing very different emphasis on different goals. A considerable focus is on research and innovation (RSO1.1, with 47% of funding under PO1), Energy efficiency (RSO2.1, 23% of funding under PO2) and Access to health care (RSO4.4, 34% of funding under PO4). Underrepresented aspects include Skills for smart specialisation ⁽²¹⁾ (RSO1.4, with 2.3% of funding under PO1), Labour market infrastructure (RSO4.1, 1.5% of funding under PO4) and Integration of third country nationals (RSO4.4, 1.1% of funding under PO4). More detailed

⁽²¹⁾ RSO1.4 was newly introduced in this programming period. Support linked to Skills for smart specialisation was previously covered by ESF interventions. This might explain the underrepresentation of this SO.

analysis by intervention field enables a more nuanced perspective, nevertheless the high-level priorities already indicate a clear focus for most POs.

Thematic concentration rules and clear focus on selected aspects strongly determine overall implementation, however, the principles of needs-based targeting for funding are regarded. RSO-level analyses show clear evidence that principles are generally regarded across programmes and specific measures are implemented where there is more need for them. In particular, PO1, PO2 and PO3 confirm this approach, while for PO4 and PO5 the link between territorial needs and the corresponding measures is more difficult to establish due to the broader nature of actions and lack of regional (NUTS2 or below) indicators capturing those needs across Europe.

Despite the higher share of more developed regions in the funding mix of PO1, funding is significantly higher in regions with lower innovation performance. The bottom 20% of regions by Regional Innovation Scoreboard are allocated EUR 419 per capita, whereas the top 20% are allocated EUR 58. Programming is thus in line with the high level intervention logic and goals of the Commission.

For PO2, funding under RSO 2.2, is targeted at regions that are lagging behind in renewable energy consumption. Under this SO, considerably higher funding per capita supports regions with low renewable energy consumption or greater reliance on fossil fuel-based heating systems. Contributions to improve regional resilience to climate change are also well targeted: RSO 2.4 spends EUR 90 per capita in the top 20% of regions at risk of natural hazards, ten times higher than in the bottom 20%. This is also the case for water management under RSO 2.5, with significantly higher funding in regions with less-developed sewage systems than in those with well-built systems (EUR 98 compared to EUR 28 per capita). Programming decisions appear to be in line with the high-level goals set for PO2.

The patterns are less pronounced for mobility and infrastructure support under PO3, as uptake is generally more focussed on transition and less developed regions (influenced by CF design). Nevertheless, regions with lower access invest more per capita than high access regions.

Contributions to social cohesion targeted via PO4 are more diverse. Largely, regions with higher rates of social deprivation obtain more related funding per capita (EUR 123 in the 20% lowest performing regions). However, the broader nature of the PO and the strong position of ESF+ in the topics do not enable a clear assessment of targeting higher level goals.

Progress in implementation has picked up considerably in the first half of 2024. In financial terms, Interreg funds continue to outperform at 34% based on projects selected while CF programmes at 3.8% show the most progress in implementation based on expenditure declared by the beneficiaries. These observations mirror the patterns of the 2014-2020 period, albeit at lower levels. For progress on projects selected, except for Interreg funds, ERDF (excluding

Interreg), CF and JTF all show between 20% and 23% selection rates, while expenditure trails at 1.2% (ERDF) and 0.5% (JTF).

Patterns for POs show stronger progress for PO1 and PO2 related funding, while PO5 trails in all funds. However, these patterns do not imply a thematic focus but are indicative of the different types of projects and decisions of managing authorities in relation to calls. A precondition to implement PO5 is the finalisation of territorial strategies. This may lead to delays in the implementation of ITIs, as experienced in the previous programming period.

Programme progress across periods and funds trails the 3rd and 4th year of implementation for the 2014-2020 period. Factors such as later adoption of the legislation for the 2021-2027 period, the COVID pandemic with increased difficulties for programme development (2021-2027) and programme closure (2014-2020) play a considerable role in these delays, however their actual effect cannot be quantified. Considerable progress has been made in decided values providing a good outlook for the end of 2024, though expenditure declared by the beneficiaries did not see the same level of progress.

In terms of physical progress (analysis of output and result indicators), considerable improvements can be seen between the start of 2024 and July 2024. Nevertheless, taking into consideration the milestones set by programmes themselves, almost all programmes are lagging with only approximately 8% on track even considering the implementation forecast ⁽²²⁾, and 0% on track for actual implementation ⁽²³⁾. In total, 55% of programmes have already reported some progress in forecast values and 19% in implemented values. Eight Member States have not reported any progress in implemented values for any indicator and correspondingly for any programme. For milestones set by programmes, progress is lagging more in physical than in financial terms. Potential reasons for the delay will be explored in more detail in other EQs, notably EQ3 and EQ2 (for JTF).

In the light of the above information, the following conclusions help answer this first evaluation question:

ERDF, CF and JTF programmes show pronounced needs-based planned funding allocated in the 2021-2027 period. This should contribute to the higher level goals of social, economic and territorial cohesion across the EU. Following programming activities, planned spending is higher in regions with greater needs for each PO and the majority of associated RSOs. In addition, choices made by individual programme authorities mean that EU-level allocations surpass the thematic concentration requirements: PO1 and PO2 allocations by type of region exceed the minimum thresholds. Only for a few RSOs is there a smaller than

⁽²²⁾ Based on selected projects, but not yet referring to reported implemented values

⁽²³⁾ Reported values of implemented projects.

expected allocation, i.e. the allocation is lower than the identified needs (relative to other European regions) would suggest.

Progress in 2024 lags 2014-2020 programmes in their third and fourth year of implementation, in terms of both financial and physical progress. Paid out and forecast expenditures are lower, albeit picking up in line with expectations. Paid out rates are in single digits in 2024 and planned expenditure is closing in on similar values in 2016. Nevertheless, considerable progress has been made in 2024 and reported progress is likely to considerably improve by the end of the year.

Linked to the financial progress, programmes are also behind in terms of (planned and realised) expenditure, with very low progress towards milestones for physical progress. The number of programmes with no reported physical progress has reduced considerably in 2024, though several remain. Only 8% of programmes are on track to reach their milestones for most indicators.

Evaluation question 2: What is the progress in the implementation of TJTPs? Is it in line with the JTF goal to address the socio-economic challenges of specific territories of the transition towards the Union's 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050? What are the challenges and gaps of the planned interventions?

The JTF is a new cohesion policy fund introduced in the 2021-2027 programming period. The aim of the new instrument is to accompany the transition to a climate-neutral economy by smoothing its social, economic and environmental effects on local communities.

To enable its specific objective to be achieved, JTF was established with differences in intervention logic and inner framework compared to other funds. Through the TJTPs, JTF reinforces the place-based approach to funding under cohesion policy by emphasising strategic planning and analysis while matching measures to identified needs. This is also demonstrated by JTF support being conditional on the adoption of a TJTP. In addition, TJTPs must describe the transition process towards a climate-neutral economy (including a timeline for the key transition steps), identify territories most negatively affected by the transition with due justification, assess challenges faced by the identified territories (including the social, economic, and environmental impacts), as well as describe types of operations supported and their contribution to alleviating negative impacts of the transition. Content-related requirements of TJTPs are laid down by the JTF regulation (namely by Article 11 and Annex II), ensuring coherence across Member States.

This EQ requires examining the territorial needs addressed by the JTF through the 70 approved TJTPs supporting 96 different territories, the current state of financial and physical progress as well as implementation challenges faced. This

illustrates how and to what extent the planned and undertaken activities contribute to the JTF specific objective. One key assumption underlying this analysis is that JTF programmes and principally the TJTPs, which resulted from a long negotiation between the Commission and each Member State, provide an accurate picture and targeting of regional and local population needs linked to social, employment, economic and environmental impacts of the transition.

The information sources used to answer this question include an analysis of TJTPs, data on planned, decided and spent financial resources, output and result indicator progress as well as input from JTF managing authority survey respondents and interviewees. This review is critical as implementation of the JTF is challenging due to its novelty and to the frontloading of NextGenerationEU resources: the bulk of its resources (70%) needs to be spent by the end of 2026.

The JTF addresses territories facing serious socio-economic challenges from the transition towards climate neutrality. The most affected territories are the prime target and are dependent on declining or transforming economic sectors. Declining sectors have high GHG emissions, e.g. fossil fuels, including coal, peat and oil shale, and GHG-intensive industrial processes. For sectors with high emission intensity, referred to as transforming sectors (e.g. metals, chemicals, cement, fertilisers), technological alternatives to carbon-intensive processes are available and can be supported. Of all JTF supported regions, 65 rely on economic sectors in decline and 58 on industries that are transforming ⁽²⁴⁾.

The majority of TJTPs indicate that coal/lignite plays a major role in local industry, notably regions in Spain, Poland, Bulgaria, Romania, Czechia, but also in Croatia, Germany, Hungary, Italy, Portugal, Slovenia and Slovakia. TJTPs in these countries include measures to phase out coal, mitigate the impact of this transition and support more climate-friendly alternatives. For example, in Spain, the TJTP includes actions to phase out coal for energy production in regions such as Asturias, Andalusia and the island of Mallorca. These initiatives focus on channelling investments in technological innovation in offshore renewable energy, energy storage and innovative projects such as using microalgae to produce renewable fuel. Peat extraction is much more territorially concentrated, but is a very clear focus of the Finnish, Irish and Latvian TJTPs. For example, the Irish TJTP supports the restoration and rehabilitation of degraded peatlands and intends to provide former peat communities with smart and sustainable mobility options to enable them to benefit directly from the green transition.

All 14 Finnish regions are dependent on peat extraction and all nine Spanish regions on coal. In 15 Member States, the TJTPs have identified a maximum of two industries which play a major role in one or several regions. A few countries, such as Czechia, France, Lithuania and Romania support regions with several

⁽²⁴⁾ Note that one region may cumulate dependencies in relation to both declining and transforming sectors

sectoral dependencies. Addressing the transitions in these regions facing multiple dependencies may be more challenging. A focus and targeting on carbon-intensive industries is clearly outlined in the TJTPs, an essential first step in line with the JTF specific objective. Further details on the sectoral focus of TJTPs is provided in the JTF Fiche (annex 6.5).

The TJTPs generally address a large array of territorial challenges linked to the transition towards climate neutrality. Analysis of all TJTPs for JTF supported activities (as per Article 8 – Scope of support of Regulation (EU) 2021/1056) indicates that the most supported activities relate to economic diversification, upskilling and reskilling of workers and jobseekers as well as investments in clean energy and renewable energy. Rehabilitating and upgrading district heating networks as well as investments in smart and sustainable local mobility were the least addressed. The full split of (planned) JTF resources per type of activity is detailed in the Fiche JTF in annex 6.5.

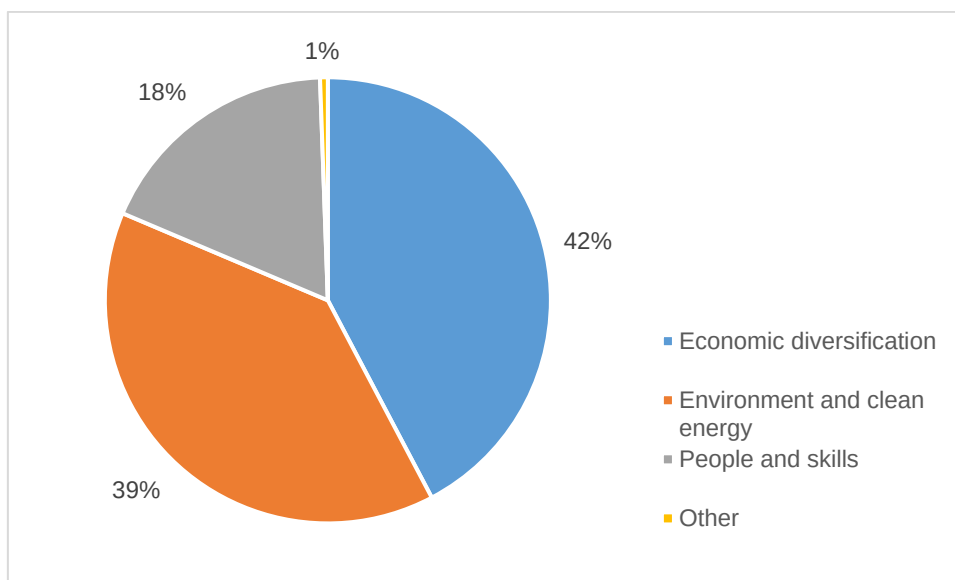
Based on a high-level analysis, establishing links between the types of sectoral dependencies and supported activities is difficult as numerous other factors enter into play (e.g. demography, general socio-economic situation). Most of the supported activities referred to in the TJTPs are general, i.e. economic diversification, support for upskilling, job search are relevant for all regions, regardless of the sector they depend on. For a few countries/regions, the link is more obvious. For example, Finland, Ireland and Latvia, where supported regions are reliant on peat extraction (or are suffering from the closure of peat extraction industries) are planning to support measures related to regenerating sites.

Examining planned resources per type of supported activity, support principally targets business development and economic diversification, followed by environmental actions (including support for renewable energy) and actions focusing on people and skills. The following figure presents the share of JTF planned interventions which were thematically grouped based on elements featured in JTF specific objective. Further details are provided in the JTF Fiche (annex 6.5). While overlaps between the categories are fully acknowledged, as per this analysis (solely based on financial information), interventions linked to social aspects may not be as prominently represented.

Figure 7: JTF planned expenditure per element of the JTF specific objective ⁽²⁵⁾

⁽²⁵⁾ Economic diversification (addressing negative economic impacts of the transition) - including actions related to productive investments in SMEs (and large enterprises), RDI, startups and incubators;

Environment and clean energy (addressing negative environmental impacts of fossil fuels and GHG intensive industries - providing alternatives) - development of renewable energy sources - production and storage, heating systems, energy efficiency, sustainable transport, GHG reduction; circular economy, brownfields;



Source: Consortium elaboration, 2024

This analysis however only provides a very partial data-based picture of how much the JTF supports actions address the social, employment, economic and environmental impacts of transitions. It does not fully reflect another cornerstone of the JTF, how its activities expressly target vulnerable groups. JTF intends to support groups that would otherwise face the most difficulties during the transition, such as workers in fossil-fuel industries. In addition to workers directly concerned by the transition, JTF also supports groups disproportionately suffering from the negative effects (e.g. workers with disabilities, women, long-term unemployed, youth and other underrepresented groups). The JTF Fiche (annex 6.5) provides some examples of JTF-supported projects focussing on specific vulnerable groups. Nonetheless, such information remains very limited due to the early stages of implementation.

Analysis of selection criteria for JTF programme operations shows that gender equality is highly considered, albeit to a lesser extent for the treatment of minority and other disadvantaged groups. The analysis indicates that JTF has a high contribution to gender equality by creating employment and employability opportunities for women. For example, Irish JTF investments have a strong social dimension focusing on ensuring gender equality and employment / employability opportunities.

An important element to consider, especially for JTF social targeting, is application of the partnership principle. While its application is central to programming and implementation for all cohesion policy programmes, it may be even more important for JTF, due to its territorial targeting and place-based focus on the most vulnerable regions and groups. For example, preparation of the

People and skills (responding to negative social impacts): education, social services, re- and up-skilling, labour market assistance; etc.

TJTPs involved working with partners in a narrowly defined territory and in a very intense and thematically focused way.

Interviews with JTF stakeholders as well as the review of TJTPs highlight the stakeholder consultation process. Drafting these plans included extensive participation of local partners and stakeholders. The interviews indicate that the place-based and granular approach to involvement in the instrument is impressive and facilitates the involvement of various stakeholders. The fund/territorial plan has been very well received by local communities/stakeholders. Interviewees also raised interesting points about improving the culture of collaboration and involvement especially where regional governance is not very prominent and where national and local levels are not used to working together. Some interviewees indicated however that the consultation process was rushed during TJTP preparation. One interviewee highlighted limitations of the consultation tools (online questionnaires) and underlined that emails may also not be the most appropriate and effective way to reach stakeholders. Also, effective mobilisation and consultation of key stakeholders often relies on local civil society organisations, whose work is often not recognised or properly supported. Success of the JTF depends on a whole local socio-economic system, which must be considered and supported. Focussing on a specific target group (e.g. entrepreneurs) may not be enough to fulfil TJTP objectives. Overall, the bottom-up approach of JTF programming and implementation is very positively received, as indicated by the interviewed JTF managing authorities.

The above information sheds light on TJTP targeting, the territorial needs addressed and planned actions on specific elements of the JTF objective. It indicates that TJTPs are in particular addressing economic and environmental impacts of the transition. Nonetheless, quantitative analysis of current financial and physical implementation shows progress towards this objective is yet to be confirmed.

Financial progress of JTF is very limited (as of 30 June 2024). Most Member States have selected projects (in the pipeline) as decided values range from 0.3% to 94.3% in 23 Member States. As of the same date, almost 22% of JTF funding (EUR 5.8 billion) had been decided (expected payments to the project) and EUR 0.1 billion spent (cost of finalised operations), 0.5% of the total JTF funding. Progress on output and result indicators is similarly limited, several countries having no reported progress at all. This analysis only provides partial information on fund implementation as elements such as issuing calls and other activities of JTF managing authorities are not accounted for. Further information on financial and physical progress is provided in the JTF Fiche (annex 6.5).

This limited implementation status is linked to different challenges and bottlenecks. In a survey answered by 23 JTF managing authorities, issues concerning workload, staff shortages and staff fluctuations are noted as prominent implementation bottlenecks. An interviewee also added that JTF implementation is hindered by the insufficient capacity of implementing

agencies/ministries to produce the relevant legislative acts. Also, State aid rules are reported as being very complex, and preparing the necessary documentation is time consuming.

When asked about specific challenges linked to the JTF implementation, interviewees elaborated on diverse issues. For instance, JTF stakeholders from Estonia and Lithuania described the late enactment of regulations and change of technical documents during preparation. These led to delays in starting implementation. Several interviewees also indicated that developing project applications is difficult due to tight deadlines. An interviewee mentioned that calls would be relaunched to have more time to inform potential applicants and receive more qualified applications.

Lack of potential beneficiary competence and preparedness was frequently raised by interviewees. In Romania, a large share of the JTF budget is dedicated to SMEs. However, supporting training and re-skilling of pre-identified beneficiaries who could find new jobs in SMEs or become entrepreneurs is difficult. The national employment agency is reportedly struggling to adapt its activities to meet transition needs (training unemployed people). 'Local actors are also not well-prepared to embrace the concept of transition'.

JTF implementation is generally at an early stage. Financial and physical progress was limited as of 30 June 2024. While planned interventions and their financial allocations are in line with the JTF objective, it is too early to draw any conclusions on achievements. Qualitative information from JTF implementing bodies indicate implementation progress, despite delays in programming, notably regarding launching calls for projects, project selection and support for potential beneficiaries. The new fund is also well perceived by potential beneficiaries, especially its very targeted territorial approach, engaging with a large array of stakeholders.

Implementing a new fund is a challenge, especially given that the start of the programming period, marked by the COVID-19 pandemic and its effects on the EU legal framework, did not provide auspicious grounds for adoption and implementation of the JTF. Moreover, the monitoring system did not take into account the late implementation start. As a result, delays in implementation of JTF programmes and limited progress to date are particularly visible in the monitoring data. While the pressure to see JTF programmes delivering on their targets is high, mobilising and training local and regional actors in the green and digital transitions requires time. As projects start being implemented and initial hurdles overcome, JTF programming authorities indicated that significant implementation progress is expected in the next two years.

Evaluation Question 3: Are ERDF, CF and JTF delivery systems effective in considering and addressing specific territorial needs? What implementation bottlenecks can be identified?

This EQ reviews the effectiveness of cohesion policy delivery systems to address specific territorial needs. It also identifies implementation bottlenecks for this programming period 2021-2027. The question is interlinked with other evaluation questions, namely EQ2 (specifically addressing the JTF), EQ5 (addressing previous implementation bottlenecks) and EQ7 (success of simplification measures).

Main information sources have been interviews with stakeholders and a highly representative survey (see Annex 6.4) of cohesion policy stakeholders involved in the programming and implementation of the three funds. Cohesion policy programmes and additional literature were reviewed for effectiveness and persistent implementation bottlenecks.

Cohesion policy can be considered the EU funding instrument which is widely addressing specific territorial needs and thus contributing to cohesion as overarching objective of the EU. Cohesion Policy is strongly rooted in place-based approaches, both through its design and implementation mechanisms as well as through various specific instruments. This is simultaneously one of its strengths but also a challenge (McCann, 2023). Shared management encourages programmes to address place-specific needs in a bottom-up approach. An emphasis on multi-level governance along with subsidiarity and partnership promote the involvement of relevant stakeholders in programme development and implementation, e.g. monitoring committees including regional, local and territorial authorities, social partners, entrepreneurs, NGOs. Cohesion Policy also applies specific place-based tools and instruments, most prominently Smart Specialisation Strategies, TJTPs, CLLD and ITI. Moreover, PO 5 'Europe closer to citizens' reinforces the place-based approach in national and regional cohesion policy measures. These place-based features are unique for cohesion policy programmes. (Polverari, 2024:14)

It has to be considered that the EU entrusts management of the cohesion policy funds to the Member State. The organisation of cohesion policy implementation varies by Member State, according to the different size of allocations, institutional settings, or funding strategies. While there are countries with mostly national programmes (e.g. Bulgaria, Czechia, Finland), there are other Member States with only regional programmes (Belgium) or a mix of national and regional programmes (e.g. Germany, Italy, Spain). Therefore, the level of consideration of territorial needs is not the same across the Member States due to these differences.

Cohesion policy programmes 2021-2027, financed under the ERDF/CF/JTF, are highly relevant for specific territorial needs. The analysis of 2021-2027 programmes shows that several mechanisms are used to consider and address

specific territorial needs such as ITI, CLLD, Interreg for border areas, specific funding for urban development and territorial strategies also encouraged in other, non-urban territories. Almost 200 programmes within all Member States have allocated resources to ITI, CLLD or other territorial tools developed by the Member States. The foreseen funding for urban areas in the fund legislation (8%) were exceeded by the Member States by earmarking almost 12% of their ERDF allocation.

An example from Spain shows the attention to specific territorial needs within an ERDF programme:

One example is the Programme Castilla-La Mancha ERDF 2021-2027 (Spain) where a specific ITI approach in 2014-2020 has been mainstreamed, addressing specific territorial needs of depopulated areas: 'Regarding the demographic challenge, [...] the Regional Strategy against Depopulation 2021-2031 is the main planning instrument to address the development of the 26 sparsely populated rural areas at risk of depopulation, which include 721 municipalities (79% of the total), [...] which occupy 73% of the regional surface. [...] The demographic challenges facing the region will be addressed in an integrated manner in the set of actions included in the specific objectives of this Programme through prioritization of the areas affected by these phenomena, giving continuity to the policy to combat depopulation, which has been developed in recent years through instruments such as the ITI.'

While most of the resources planned for ITI and CLLD are allocated within PO5, these mechanisms also involve other policy objectives, accounting for almost 10% of the planned financial allocation of PO2 (in the case of ITI) and around 0.5% of PO4 resources (CLLD). This shows that specific territorial needs are addressed not only within PO5 and not only by the pre-designed territorial instruments, as can be observed in the example of Sweden.

With regard to sustainable urban development, Sweden uses about 8% of the ERDF to support the development of some 15 territorial strategies and, later on, the actual implementation of a selection of them. This approach will implement sustainable urban development actions across cities, urban regions, and city networks, in the framework of a common nationally designed territorial tool under PO1 and PO2.

The large majority of stakeholders perceive the delivery system as effective in addressing territorial needs. In general, stakeholders indicate that the effectiveness is particularly high with regard to regional programmes and specific territorial instruments, while national programmes are considered less effective in addressing in this context. Especially, Interreg and the JTF are considered effective. A common opinion is that decentralising the design and implementation of the regional programmes has had a positive impact on beneficiaries, increasing the involvement of local authorities. In addition, instruments such as ITIs and CLLD have been considered excellent examples for addressing effectively the

territorial dimension. Interviews highlight that Cohesion Policy is effective in bridging global EU priorities and objectives with the territory and everyday policymaking at local level.

Despite its general effectiveness, cohesion policy implementation remains complex. Previous studies (e.g. Böhme et al., 2023) on the CPR and changes in the 2021-2027 funding period confirm the existence of a well-functioning delivery system, but also the need for further simplification and improvement, including the need for new tools and instruments as well as the administrative disruptions and costs. The study asks to openly discuss the trade-off between changes to improve the delivery system and the administrative costs of these changes. Another study states that: 'complex and resource-intensive procedural processes and demanding administrative requirements, particularly related to public procurement and state aid, were among major obstacles in the past and are expected to continue hindering progress in 2021-27.' (Dozhdeva and Fonseca, 2021:58) Another study identified implementation challenges in 2021-2027 for implementation bodies (Michie et al., 2023): time pressure, given late approval of the EU Regulation; coordination of different funding streams; overlap between programme periods; lacking capacity of beneficiaries; lack of capacity to deal with a new funding instrument (JTF); dealing with a large number of overlapping calls. A recent study shows opportunities to solve at least some of the implementation challenges through administrative capacity building (Gal et al., 2023) (see also EQ 7).

Stakeholders also indicate concerns about the delivery systems of EU Cohesion Policy. Some respondents stressed that sometimes programming and implementation fail to ensure territorial linkages or that the systems are not always effective due to thematic overlaps but lack of coherence with other funds and EU instruments. In other cases, it was stressed that territorial needs are rather addressed by individual initiatives rather than collective integrated strategies. In addition, responses indicate high administrative costs including high workload in the delivery systems, which lack proportionality especially for small programmes. It was also highlighted that programmes in many countries are often very general and thematic without focusing on regional or local specificities. Stakeholders identified several implementation bottlenecks, mostly linked to the late approval of programmes, delays in the implementation, rules and procedures application and setting up their management framework. Specific challenges mentioned by the stakeholders refer to uncertainties and delays in implementing the JTF, unclear and demanding General Block Exemption Regulation (GBER) (section 7) and State aid issues, and challenges with Joint Electronic and Monitoring System and SFC as e-cohesion instruments.

'Some state aid/GBER related questions prevail. Some rules (SCO, eligibility, VAT...) are interpreted by different actors differently now than in the beginning of the programme, leading to insecurity for the managing authority. New rules - even

simplifications - require explaining and time to settle.' (managing authority representative from Finland)

There are also uncertainties about the application of the DNSH principle referring to 'a lot of ambiguity understanding DNSH' or 'technical guidance is not very helpful since each country, institution, consultants understand this differently' (see also EQ 10).

For the future, some stakeholders ask to better address the needs of specific territories with limited growth opportunities such as the (northern) sparsely populated areas or the territories close to the Eastern external border. For sparsely populated areas, stakeholders propose, for example, an adjusted interpretation of State Aid regulations that would make delivery more effective as market conditions do not work in the same way as in more densely populated areas.

Evaluation question 4: In what ways do partnership and multi-level governance affect programme design and implementation?

To answer this question, the analysis looks into ways partners are involved in programme design and implementation and how they contribute. It also looks into the satisfaction of stakeholders with partnership and multi-level governance and into issues that hamper an effective partnership.

The information sources include cohesion policy programmes, literature, interviews and the stakeholder survey.

The partnership principle is a cornerstone of all cohesion policy funds. The regulations mandate that partners must be engaged in programming, implementation, monitoring and evaluation of cohesion policy funds (Article 8, CPR). This includes, regional, local, urban and other public authorities, economic and social partners, research organisation and universities and other relevant actors representing civil society. The European Code of Conduct on Partnership approved in 2014 includes requirements and good practice recommendations on the involvement of partners.

Member States are free to establish their own governance of programmes. As a broad generalisation, the larger the Member State, the more managing authorities, which are especially likely to be organised at regional as well as national levels in federal systems (Zeitlin et al., 2023). Their involvement depends thus on the organisation of funds at Member State level. 16 Member States adopt centralised implementation of EU Cohesion Policy funds, i.e., the funds are managed by or under the supervision of national authorities (relevant Ministries). 11 Member States opt for decentralised management, entrusting the funds

(partially) to regional or local governments, e.g. in France, Ireland, Italy, The Netherlands, Poland ⁽²⁶⁾.

Partners can be involved during programme design via (a) involvement in the needs analysis, (b) consultations on the definition or selection of priorities, (c) the design and set up of specific territorial tools such as ITI, CLLD, or TJTPs for the JTF, (d) funding being allocated to them, (e) participation in the definition of programmes' specific indicators, (f) commenting and influencing the consideration of horizontal principles, while their participation during programme implementation relies on (g) (co-)implementing specific measures or territorial tools and (h) participating in the monitoring committee of a programme, and, for certain programmes such as Interreg, (i) participating in the selection of interventions. In addition, partners can be involved through communication measures and in capacity building activities, which is a rather new form of involvement in 2021-2027.

The analysis of 2021-2027 programmes shows that partnership agreements and programmes are built on extensive cooperation, including authorities from different thematic areas and competence levels, civil society actors and representatives of specific interests (economic, social, environmental, gender equality, research and business). All programmes analysed usually describe the process of consultation to engage stakeholders in the design and planning stages. The process is helpful in contributing to programme and partnership agreement design, increasing ownership and buy-in. The example below from Denmark shows the steps of a partnership process during programme design.

'The Danish partnership process began in spring 2019, when seven stakeholder workshops were held across the country to gather input for the programmes and strategy for decentralised business promotion. In 2019, two national events were also organised to follow up on the regional workshops. In total, over 700 people participated in the process. In 2020 and 2021, the Danish Business Authority held bilateral meetings with professional organisations, business organisations, knowledge institutions and civil society as well as national and local public authorities, as well as giving presentations on the Regional Fund Programme and the Social Fund Programme to the Danish Business Promotion Board on 10 March and 29 September 2021.' (translation from the Danish partnership agreement 2021-2027)

The participatory approach was important especially for the design of TJTPs. In all countries there was broad involvement of local and regional partners via informational events, surveys and expression of interest procedures as well as working groups or round tables. Engagement of civil and business partners in many cases went beyond the usual on/off consultation but asked for continuous participation in a longer process with concrete actions to be implemented.

⁽²⁶⁾ See also [Molica \(2024\)](#)

Partnership during implementation is usually ensured by monitoring committees, however other forms of partnership (e.g. territorial tools) are possible.

'Partnership of the Monitoring Committee, consisting of 82 identified actors. Enlarged Regional Partnership of the ERDF OP, made up of 199 actors of regional relevance, composed as follows: a. 97 institutional partners: Municipalities, Metropolitan Cities and Networks, Provinces, Representatives of Municipal Assemblies, Universities, etc. b. 56 economic and social partners: Trade Union Organisations, Production Organisations and Organisations of Small and Medium-sized Enterprises, Organisations operating in the agricultural sector, Crafts Organisations, etc. c. 46 civil society partners: Environmental and health promotion associations, Consumer associations, Voluntary and associations, Voluntary and Third Sector associations and bodies for the promotion and social inclusion, gender equality associations, Sports associations. As well as the Territorial partnership, made up of 669 subjects of territorial relevance.' (Sardegna ERDF Programme 2021-2027, Italy)

Studies (e.g. Holstein et al., 2021 and OECD, 2020) as well as the survey and interview responses show that partnership and multi-level governance have a strong positive effect on programme design and implementation, when existing tools and processes are applied effectively. A large majority of stakeholders finds that multi-level governance and the partnership principle are effective in programme design ⁽²⁷⁾ and implementation ⁽²⁸⁾. For them multi-level governance is key to the design and implementation of programmes. Many underline that the partnership approach and coordination are unique features of EU Cohesion Policy.

'Developing a strong, trusting, and cooperative relationship – a partnership – between the managing authority and external stakeholders, as well as with internal stakeholders, can facilitate the alignment of policy objectives and priorities, contribute to needs assessments, build programme legitimacy, support feedback and evaluation processes, and improve project quality overall'. (OECD, 2020:94)

During the design of programmes, the involvement of sub-national governance levels, such as regional and local authorities, play a crucial role in putting forward territorial needs. The contribution to socio-economic analyses and the knowledge

⁽²⁷⁾ Based on results of the survey and interviews to MAs. 86% of the MA, 90% of the coordination bodies and 92% of MC members and other sectoral entities confirm the effectiveness of multi-level governance and the partnership principles in programme design. This is confirmed by interviews.

⁽²⁸⁾ Based on results of the survey and interviews to MAs. 83% of the MA, 90% of the coordination bodies and 89% of MC members and other sectoral entities confirm the effectiveness of multi-level governance and the partnership principles in programme implementation. This is confirmed by interviews.

about local and regional needs, challenges and potentials are helpful in addressing specific challenges during programming. Tools and processes like public consultations are considered as useful for engagement during programme design. This was especially acknowledged in the survey by representatives of local authorities, civil society and business representatives as well as stakeholders involved in rural development or representing minorities.

The survey and interview results also confirm that partnership and multi-level governance have a clear added value in enhancing the effectiveness of implementation of ERDF/JTF/CF programmes. Partnership practices have the potential to enhance collective commitment and ownership of EU policies, increase available knowledge, expertise and viewpoints in the implementation of strategies, and ensure greater transparency in decision-making processes. In particular, territorial tools (e.g. ITI, CLLD) and TJTPs add a specific territorial partnership component to the implementation of ERDF/JTF/CF programmes (see Ferry, 2019).

The role of the monitoring committee has been particularly praised by survey respondents, as its involvement is crucial for the programme decisions, and the efficient use of the financial resources. Some representatives of local governance levels and sectoral entities perceive that regional and national authorities are overrepresented in monitoring committees and partnerships during programme implementation. However, perceived under-representation of local authorities and non-public authorities may be partially explained due to the involvement of (national or regional) umbrella organisations and the lack of awareness about participation among local and civil society stakeholders.

Digital solutions make it easier for a larger part of the population to join partnerships, especially during programme design, through online consultations and online communication and meeting tools. But still the complexity and bureaucratic nature of some processes pose significant challenges. Sometimes territorial and sectoral stakeholders perceive that late information from managing authorities hampers the active involvement of all governance levels. Very few stakeholders perceive an insufficient programme budget to address development needs or struggle with the need to adopt a joint vision for regional development. Other occasional frustrations of survey respondents regard the lack of acceptance of suggestions for the simplification of processes, while in some cases stakeholders feel that there is limited influence of the monitoring committee members on shaping decisions during programme implementation. Depending on the approach to partnership in the different Member States, some stakeholders ask for more and better involvement, for example regarding the parity of partners, greater diversity in stakeholder selection and ensuring the participation of smaller groups.

Limited resources and capacity constraints hamper active engagement especially for the civil society representatives and the low governance levels. However, quality governance rules and procedures as well as sufficient administrative

capacity are key prerequisites for effective work within cohesion policy partnerships. For this reason, several stakeholders suggest improved frameworks for effective partnerships, such as Codes of Conduct at national or regional level, as well as capacity building for partners to be involved. Resources such as the European Community of Practice on Partnership (ECoPP) ⁽²⁹⁾ might help to improve the application of the partnership principle in practice.

Overall, the analysis shows that the potential for partnership is not fully utilised. Even if multi-level governance within ERDF/JTF/CF programmes is largely considered effective and the uptake of place-based approaches, in particular, CLLD, ITI and JTF, has contributed to improve this aspect, engagement of stakeholders remains a key challenge.

4.2. Efficiency

Evaluation question 5: How are implementation bottlenecks identified in previous programming periods tackled and addressed in 2021-2027?

This EQ looks into challenges for efficient fund management with regard to bottlenecks identified in previous programming periods. The analysis looks into understanding the bottlenecks, analysis and solutions as well as the impression of stakeholders on how much these bottlenecks have been addressed or solved. The EQ is linked to EQ7 on the effects of simplification and general administrative burden.

The main information sources have been the survey and interviews with stakeholders. Literature helped identify common implementation bottlenecks from previous programming periods. Cohesion policy programmes were reviewed to find information on lessons learnt and solutions to challenges.

Analysis of literature (see Annex 6.2) and the survey and interview responses shows that cohesion policy faces persistent implementation challenges. In 2014, a study (Metis and EPRC, 2014) analysed relevant challenges for the management and implementation of ESIF programmes 2014-2020. Major challenges were linked to institutional instability associated with legislative, organisational or procedural changes, high staff turnover in managing authorities and intermediate bodies, a high administrative burden due to increasing regulatory complexity and the need to digest and introduce regulatory and administrative changes at the beginning of each programming period, insecurity and fear about decisions leading to over bureaucratic ('gold-plating') management with duplication of control loops. In 2017, the High-Level Expert Group monitoring simplification for beneficiaries (European Commission, 2017)

⁽²⁹⁾ https://ec.europa.eu/regional_policy/policy/communities-and-networks/ecopp_en

acknowledged that the current volume of rules hampers programme implementation especially for smaller beneficiaries. The fact that regulatory complexity is perceived as a major issue often has its root in parallel systems (national rules and EU rules) in authorities at MS level with a lack of adjustment and flexibility. Member States with a detached Cohesion policy system run the risk of the duplication of processes. Other reasons for high administrative burden include the use of processes that are not adjusted to the national rules and procedures and a lack of fair and transparent communication between administrative levels (Böhme et al., 2017).

Specific challenges are associated to the different phases of the implementation process, e.g. the selection of projects, interaction with beneficiaries (application, reporting and payment processes) or the certification and auditing as well as information and reporting to the EC, monitoring and evaluation. A previous study on administrative costs and burden of cohesion policy found that the *'tasks with the highest administrative burden are: 1. Reporting. Gathering information on the progress and results of the project (including financial information and indicator data) and submission of that information to the authorities (monitoring and reporting). 2. Keeping records (including accounting) and proof of all transactions and actions. 3. Payment claims. Preparing and submitting a payment claim, with supporting documents (financial management).'*' (European Commission, 2018)

The revision of challenges and administrative burden can be translated into the following implementation bottlenecks identified in previous programming periods:

- Fraud risk and irregularities management
- Professional development, learning and exchange with peers
- Unclear rules and procedures
- High workload related to staff shortage and high staff turnover
- Weak organisational structures
- Poor physical resources
- Poor information and communication technology (ICT)
- Lack of experience and knowledge to deal with emerging topics
- Weak capacities of intermediate bodies
- Weak capacities of beneficiaries.

It has to be considered that general administrative capacity for cohesion policy is influenced by the wider quality of government in each country (Bachtler et al., 2023). Furthermore, variations in administrative burden and costs are strongly influenced by the financial size of a programme, the number of beneficiaries and time span of the individual operations, and the thematic focus of a programme. Moreover, the administrative burden differs largely by type of beneficiary, with

NGOs perceiving a higher burden than national authorities, probably due to their lack of routine with cohesion policy matters and their high share of volunteers (European Commission, 2018).

For 2021-2027, important measures have been taken to solve persisting implementation bottlenecks. In the first place, there is the revised Regulation with certain novelties supposed to address implementation challenges and reduce administrative burden⁽³⁰⁾. In addition, there is increased support for administrative capacity building and more possibilities to learn and exchange, e.g. via TAIEX-REGIO Peer2Peer and the REGIO Peer2Peer communities, the Technical Support Instrument (TSI), and the Just Transition Platform for JTF implementation. This section examines perceptions of implementation bottlenecks and solutions found to overcome them. Specific novelties related to simplification (SCOs and FNLC), enabling conditions and administrative capacity (Roadmaps, Technical Assistance etc.) are further analysed under EQ6 and EQ7.

With the regulatory novelties, many implementation bottlenecks have been tackled in the 2021-2027 programmes. Stakeholders confirm that a large share of implementation bottlenecks has at least been partially solved in 2021-2027.

Solutions have been found with regard to fraud risk management, professional knowledge sharing and learning, clarifying rules and procedures, as well as improving IT support and systems. Between 5% and 14% of the stakeholders in the survey find that certain issues have been fully solved, in particular fraud management and risks, IT issues and learning and knowledge exchange. Most bottlenecks have been partially addressed⁽³¹⁾.

Some challenges are not identified as bottlenecks by stakeholders, e.g. weak capacity of intermediate bodies, limited physical resources and the unsatisfactory ICT available⁽³²⁾.

Despite the positive development for many bottlenecks, stakeholders perceive that some issues are still relevant and have been insufficiently addressed. These include the high workload in combination with staff shortages and fluctuations,

⁽³⁰⁾ A list of the 2021-27 novelties is provided in the SWD(2023) 134 final (section 4).

⁽³¹⁾ 45% of the responses (n = 198) see that the fraud risk management has been solved partially, 44% see solutions for learning and knowledge exchange, 40% see the usual fund management workload and staff fluctuation partially solved, 39% see the weak capacity of beneficiaries partially addressed.

⁽³²⁾ Weak capacities of intermediate bodies are not seen as an implementation bottleneck by 32% of the respondents (n = 200), poor physical resources are not a challenge for 32% (n = 194), while IT is not a bottleneck for 27% (n = 201).

unclear rules and procedures, weak capacity of beneficiaries and weak organisational structures ⁽³³⁾).

Comments in the survey refer to persistent bottlenecks and solved issues as can be seen in the following examples:

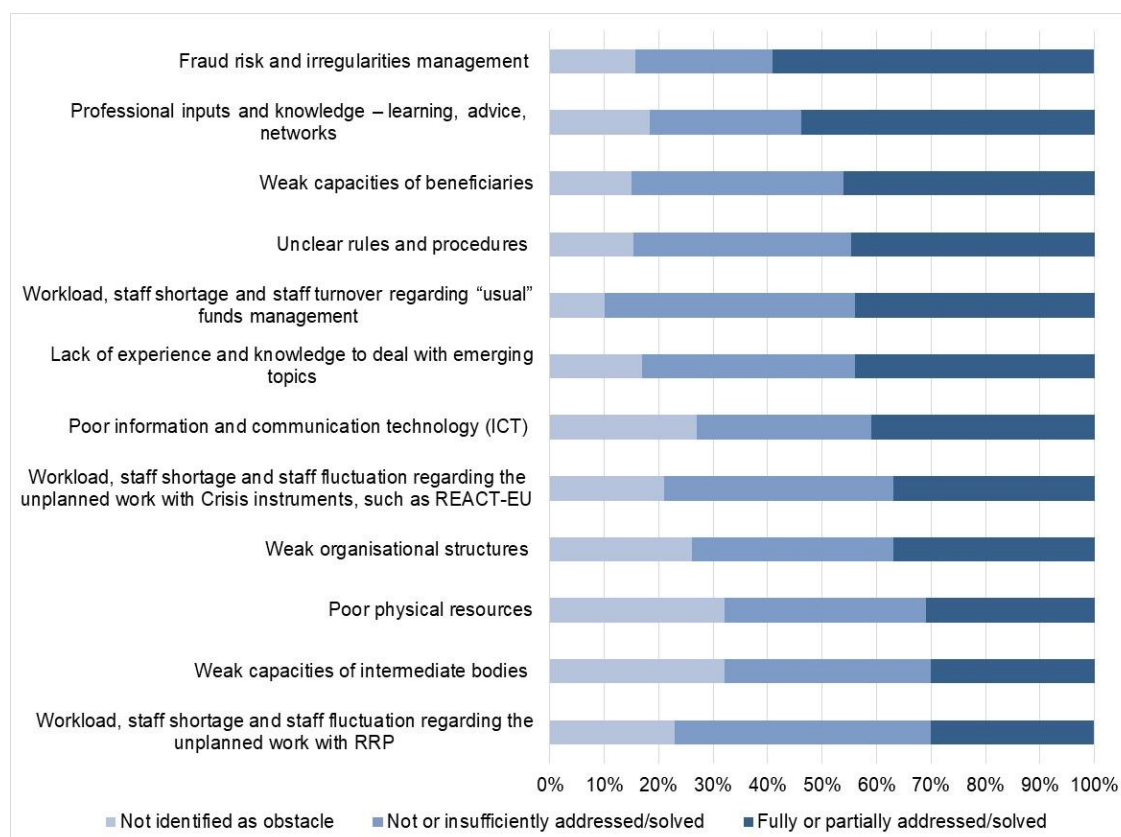
'The Recovery and Resilience Plans tasks add to the responsibilities, which is a challenge as there are no additional staff to carry out these tasks. This means that the same staff are responsible for implementing the Cohesion Policy and RRF.' (managing authority from Poland)

'GBER section 7 'Aid for environmental protection' is not easy to use or may not be used without proper clarification from EC (ex. art 38a, 41).' (intermediate body from Poland)

'Capacity of intermediate body has been increased through re-organization of resources – more staff regarding project selection process at the start of planning period, more efficient inner procedures. Though implementation of 'Consult first' principle, process between intermediate body and final beneficiaries has been speeded up. Many improvements have been made in EU funds management information system regarding in-build procedures, and much more user-friendly interface for final beneficiaries.' (managing authority from Latvia)

⁽³³⁾ High workload in combination with staff shortages/fluctuation is seen as insufficiently addressed by 33% (n = 205), unclear rules and procedures by 30% (n = 203), weak capacities of beneficiaries by 30% (n = 201) and weak organisational structures by 29% (n = 203).

Figure 8: Addressed implementation bottlenecks from previous periods



Source: Consortium elaboration based on stakeholder survey results, 2024 (based on n = 200 on average, per item between 192 and 206)

Stakeholders highlight specific implementation challenges such as ‘extensive reporting and auditing requirements’ which are disproportionate especially for smaller programmes, or difficulties deriving from a ‘lack of common understanding among national authorities at Member State level’ on how to apply novelties such as SCOs. The perception of unclear rules and procedures is partially linked to the new regulatory requirements. Even the novelties proposed for 2021-20207 cause additional workload in the first years of implementing the programmes. This is supported by feedback from stakeholders who refer to the ‘time-consuming’ introduction of SCOs or FNLC and the need to develop manuals, explanations, guidelines and training aimed at institutions in the implementation system for DNSH, Charter of Fundamental Rights and the circular economy.

Many stakeholders point out in interviews and survey that capacity building and organisational restructuring have helped to address past bottlenecks. Moreover, the revision of programmes shows that staff retention measures, training and structural re-organisation are key for tackling implementation bottlenecks.

In Malta, the National ERDF-CF-JTF Programme 2021-2027 states: 'Based on lessons learnt, ensuring that the required HR capacity in the implementation of funds is essential for an effective and efficient management and control system. To ensure retention rates of personnel, it is equally important that these resources are well-trained. Further staff training to ensure an adequate staff complement is envisaged under Technical Assistance.'

The Administrative Capacity Roadmaps are often mentioned in programmes as a specific measure to increase capacity and deal with bottlenecks through training and developing new capacity. Technical Assistance as a means to increase capacity and solve bottlenecks is mentioned in the vast majority of programmes.

Stakeholders confirm in the survey and interviews that training, administrative capacity building and instruments such as the Peer2Peer Communities, the Roadmaps or the TSI have been crucial to build and improve capacities and to solve important bottlenecks from the 2014-2020 period with a 'steep learning curve' for programme managers and beneficiaries. Already, in 2014-2020 implementation challenges were addressed by ESIF programmes under the Thematic Objective 11: Efficient public administration. The revision of 2014-2020 evaluations (European Commission, 2024a:13) shows some examples:

'In Lithuania support has helped improve the quality of public services, implement state reforms, including in the justice system, and increase the expertise of civil servants. Similarly, in Romania, the measures implemented have helped simplify legislation, improve the quality of judicial services and increase access to the justice system. However, institutional instability, complex procedures and administrative bottlenecks have meant that the measures were not as effective as they could otherwise have been. In Latvia, a set of measures for developing the skills of staff in public authorities has led to a better understanding of ways of stimulating entrepreneurship in SMEs, while corruption prevention training has also led to more cases of money laundering being brought to light.'

Stakeholders confirm that institutional learning over several programming periods has helped to develop knowledge and strategies to deal with administrative challenges, regulatory requirements and emerging topics such as energy and low-carbon technologies that pose specific challenges on reporting, monitoring and auditing. Overall, this has helped to create robust and transparent implementation and monitoring systems and learning structures.

However, stakeholders also perceive that challenges persist and new challenges emerged in 2021-2027, e.g. related to new enabling conditions ⁽³⁴⁾ or to the

⁽³⁴⁾ See EQ 6 for more detail.

DNSH principle ⁽³⁵⁾. In the survey, managing authorities ⁽³⁶⁾ identified the most relevant programme implementation challenges for 2021-2027 ⁽³⁷⁾, which led to significant delays in programme implementation ⁽³⁸⁾.

Exceptionally, a new challenge emerged in 2021-2023 with the NextGenerationEU package, with additional tasks for many coordination bodies, managing authorities and intermediate bodies. This led to an increased workload related to the management of crisis instruments, such as REACT-EU, and the articulation of programmes and projects within the RRF. Stakeholders indicate that multiple and sequential major crises, such as COVID-19 and Russia's war of aggression against Ukraine, significantly impacted the framework conditions for implementing the ERDF, CF and JTF in the early years of the 2021-2027 period. This was particularly true between 2021 and 2023, when the old and new programming periods overlapped and coincided with unprecedented EU support to be managed (i.e. RRF and cohesion policy crisis responses) and a worsening context for beneficiaries (i.e. national emergency measures, supply chain constraints and inflation). The resulting steep and steady increase in workload for managing authorities and difficulties on the ground led to new implementation bottlenecks, starting with delays to 2014-2020 programme closure and major delays in launching 2021-2027 programmes.

Evaluation question 6: How do enabling conditions affect intervention logic and programme implementation? Do they improve the efficiency and effectiveness of investments?

This question is linked to other evaluation questions, namely EQ3 (effectiveness of delivery systems), EQ5 (addressing implementation bottlenecks) and EQ7 (success of simplification). Aspects that have been revised are compliance in programmes, the opinion of stakeholders regarding the enabling conditions in programme design or during implementation, administrative burden and other issues related to enabling conditions.

⁽³⁵⁾ See EQ 10 for more detail.

⁽³⁶⁾ n = 183

⁽³⁷⁾ Most relevant are delays in the programme approval (68% of responses), delays in implementation activities (63%), applying rules and procedures (52%), setting up the management framework (39%). The least challenges are reporting to the EC (5%), financial data monitoring (14%) and coordination with intermediate bodies (16%).

⁽³⁸⁾ 35% of the survey respondents (n=164) see some influence of the challenges on delays in programme implementation, while 52% consider them as major reasons for the delays.

The main information sources have been literature analysis, comparison with ex-ante conditionalities of the 2014-2020 programming period, interviews with managing authorities and the stakeholder survey.

Enabling conditions are defined under CPR Article 2(2), Article 15 and Annexes III and IV. As explained in recital 21 of the CPR: ‘a limited list of enabling conditions as well as a concise and exhaustive set of objective criteria for their assessment should be established’ to ensure the prerequisites for effective and efficient use of Union support granted by the Funds. There are four horizontal enabling conditions linked to the horizontal aspects of programme implementation and 16 thematic enabling conditions each linked to a specific objective and automatically applicable where the specific objective is selected for support. According to the DG REGIO glossary ‘Enabling Conditions are one of the key elements of the Cohesion Policy for 2021-2027. They build on the ex-ante conditionalities from the 2014-2020 to ensure that the necessary conditions for the effective and efficient use of the Funds are in place.’ ⁽³⁹⁾

Already for the 2014-2020 period, the governance and delivery framework for the cohesion policy funds was substantially revised to reinforce their performance orientation, in particular through the introduction of ex ante conditionalities and the creation of a mandatory performance reserve. The effectiveness of these measures in making the financing of cohesion policy more genuinely performance-based continued to be sharply criticised by the ECA, the European Parliament, and other external commentators. In response, the cohesion policy governance and delivery framework was revised again for the 2021-2027 period, transforming the ex-ante conditionalities into enabling conditions applicable throughout the funding period in order to ensure the presence of key conditions during the whole programming period and not only at its starting point; requiring the use of common result indicators for monitoring each specific objective; and making 50% of the final two years’ funding reprogrammable in light of a mid-term review of implementation progress. (Zeitlin et al., 2023)

In the 2021-2027 period there are 20 enabling conditions compared to 36 ex-ante conditionalities in 2014-2020. Most of the conditions are broadly consistent with former ex-ante conditionalities. General ex-ante conditionalities have been replaced by horizontal enabling conditions. These conditions relate to public procurement and State aid, as well as the EU Charter of Fundamental Rights and the United Nations Convention on the Rights of Persons with Disabilities.

The new horizontal enabling condition on the Charter (which encompasses elements such as judicial independence linked to the ‘rule of law’) is complementary to other instruments, such as RRF super milestones and the new conditionality regime that promotes the rule of law and its application as well as

⁽³⁹⁾ DG REGIO Glossary, Enabling Conditions, available at:
https://ec.europa.eu/regional_policy/policy/what/glossary/enabling-conditions_en

protecting the EU budget. It is one of the 'layers of protection' in the hands of the Commission to protect the EU budget. (Rubio et al., 2023). The 'conditionality regulation' has been in force since January 2021. It allows the EU to take measures – for example suspension of payments or financial corrections – to protect the budget. The Conditionality Regulation is a permanent instrument applying beyond the limits of a given multiannual financial framework. Guidelines have been defined to, inter alia, further define the relation between the Conditionality Regulation and other instruments, such as the horizontal enabling conditions (European Commission, 2022b).

The enabling conditions have to be examined within their trajectory since 2014-2020. Assessments of the 2014-2020 ex-ante conditionalities by the Commission (2017b) and others (Huguenot-Nöel et al., 2017; Núñez Ferrer et al. 2018) concluded that they appeared to have made a positive contribution to the strategic quality and performance orientation of Member States' cohesion programmes, especially in countries with low administrative capacities, while also reinforcing their links with European policy priorities. In 2017, ECA found 'that [ex-ante conditionalities] provided a consistent framework for assessing Member States' readiness to implement EU funds and that the Member States perceived them as a positive element.' However, also weaknesses were found. ECA (2021) emphasised the heterogeneity of strategic frameworks and action plans across Member States; long delays in their preparation in many countries; inconsistencies in assessments by the Commission and the fact that the assessments were designed as a one-off exercise at the beginning of the period.' (ECA, 2021:20). The regulatory framework for the period 2021-2027 strengthened the conditionality, introducing the principle of ongoing monitoring of the fulfilment of applicable ex-ante conditions, linked to the suspension of payments by the Commission in the case of non-compliance. Yet, the enabling conditions replicate the logic of the ex-ante conditionalities with regards to their focus: they too do not relate to the outcomes to be produced by the policy, but rather to the 'conditions' that are needed to guarantee the efficient and effective implementation of the programmes.' (Polverari, 2024:6)

Certainly, the enabling conditions bring advantages to programme design and to programme implementation, including the selection of operations. In addition, while fulfilling an individual condition is more burdensome because of the increased ambition, the overall administrative burden is reduced thanks to the smaller number of conditions. However, conflicts between efficiency and effectiveness might emerge, leading to an ambiguous assessment of the consequences on cohesion policy programmes.

Analysis of a sample of programmes shows a high level of compliance with enabling conditions. For the horizontal enabling conditions, fulfilment of the condition related to public procurement is in most cases covered by national normative and legal frameworks. In the analysed programmes, there is general fulfilment of the conditions related to State aid. Some Member States have

created new platforms or information tools and measures to comply with this condition. The enabling conditions referring to the EU Charter of Fundamental Rights and the UN Convention on the Rights of Persons with Disabilities are new to the system of cohesion policy, but usually have not posed a challenge for most Member States. In all analysed cases, programme and partnership agreements refer to national disability strategies and policies, as well as to the national constitutional and legal framework.

Interesting measures were taken by some managing authorities, for example, the Norte Region Managing Authority in Portugal to prepare for the enabling conditions: *'1. Comparative analysis study of best European practices and recommendations from the European Commission regarding compliance with the EU Charter of Fundamental Rights, 2. Programmatic Roadmap on application of the Charter of Fundamental Rights of the European Union, 3. Training actions within the scope of the EU Charter of Fundamental Rights.'*

Analysis of thematic enabling conditions by PO shows that their use strengthens the intervention logic of programmes and ensures long-term commitment to strategic goals and the creation of favourable frameworks for investments. This assessment has been widely confirmed by stakeholders in the survey and interviews.

- PO1: The enabling conditions refer to the good governance of regional and national Smart Specialisation Strategies and to the existence of national/regional broadband plans. The revision of a sample of programmes shows that the tool of Smart Specialisation Strategies has been strengthened since 2014-2020 in line with updated requirements in the CPR. Stakeholders in the survey and interviews confirm the value of the strategies and their governance systems to the design and implementation of national and regional research and innovation policies. The enabling conditions have helped to coordinate national and regional policies and to build innovation capacities.
- PO2: The many enabling conditions related to PO 2 are diverse. Usually they require existence of specific sectoral plans, strategies and objective frameworks in all fields of environmental, climate and energy policy fields. The revision of the sample of programmes shows that for most Member States compliance does not seem to be a problem and is reported in all fields (e.g. Sweden). In others fulfilment is not yet guaranteed and major reforms are still ongoing (e.g. Romanian Programmes for energy policy/strategies). Some Member States and regions are in the final phase of compliance, with specific changes on the way, e.g. waste management plans in some German regions. An example of the important changes and developments are the new strategic frameworks related to energy efficiency renovation of buildings (e.g. policy to support energy efficiency renovation of residential and non-residential buildings in Ireland). Other reform projects include the 'Spending review on climate change policies

and assessment of the economic impact of climate change-related risks (REFORM/ SC2021/057)' in Spain. These examples show that the enabling conditions have contributed to trigger reform processes in Member States.

- PO3: Compliance with enabling conditions is generally guaranteed through Transport or Mobility Plans or Strategies which ensure the long-term commitment of investments.
- PO4: Compliance with enabling conditions is generally guaranteed through national plans and strategies. These include active labour market policy, or national strategies for gender equality, education and training at all levels, social inclusion and for health and long-term care. In some programmes, new links and monitoring systems had to be created between regional and national strategies or between relevant legal and strategic frameworks, including for vocational training. In some cases, the enabling conditions result in reforms and significant changes, such as the Spanish National Strategy for Deinstitutionalisation, or a new community-based model for long-term care, between 2020 and 2023. However, it is not clear if enabling conditions were the (sole) cause of these reforms.

A large majority of stakeholders acknowledge the benefits of enabling conditions⁽⁴⁰⁾. Most respondents find the conditions especially helpful for programme design. They contribute to better strategic embedding of interventions, better intervention logic and, during implementation, faster planning and implementation. They provide a basis for the intervention logic, improving the quality of the programme and aligning it better with EU priorities. Furthermore, they ensure that strategies and agendas are integrated into policy implementation helping prioritisation and result orientation. However, stakeholders indicate that it is still too early to get a full picture of the effects of enabling conditions on implementation and the efficiency and effectiveness of investments.

Some managing authorities and implementation bodies in interviews and survey highlight that there has been a learning process on certain conditions since 2014-2020, accompanied by positive effects on design and implementation. For example, Smart Specialisation Strategies with their governance and monitoring systems are now well defined and are helpful in defining PO1 and even PO2 priorities and actions, especially at regional level. Another valuable feature of the enabling conditions is their positive effect on aligning national and regional plans and strategies, as highlighted by some survey and interview respondents.

⁽⁴⁰⁾ 91% of managing authorities and 97% of coordination bodies find the enabling conditions at least somewhat helpful in the design of intervention logic and programmes. According to 90% of the survey respondents enabling conditions helped ensure an efficient use of human, financial and time resources, while 93% see enabling conditions benefitting their capacity to deliver programme achievements.

In contrast, enabling conditions also have been criticised in individual survey comments for their additional administrative burden for an individual condition, while still smaller overall thanks to the smaller number of conditions. Sometimes, overlaps have been noticed between the planning and negotiation within national frameworks and the requirements of the enabling conditions, reducing flexibility of EU funding programmes. The extensive documentation required to fulfil enabling conditions and the increased reporting and audit requirements have also been mentioned as cumbersome. Therefore, a minor share of respondents ⁽⁴¹⁾ sees them more as obstacles rather than as support mechanisms, due to the additional administrative pressure. Not complying with enabling conditions at national level may lead to payments being withheld, something that managing authorities might find difficult to communicate to final beneficiaries.

Evaluation question 7: Do the simplification measures proposed for the 2021-2027 programming period reduce administrative burden for managing authorities and intermediary bodies? How and to what extent are they used by the programmes?

This EQ requires an overview of how much simplification measures are used by managing authorities and intermediate bodies, across Member States and regions, and the perception of authorities involved about how they work. The EQ relates to efficiency and examines how implementation resources, including administrative and procedural resources, have been used to deliver outputs. The literature and document review provides definitions and specifies challenges and opportunities for simplification measures, while stakeholder consultation adds qualitative evidence.

Reduced administrative burden for cohesion funds is a cornerstone of the 2021-2027 programming period. Simplification is supported by regulatory measures including lighter and more frequent reporting, lighter controls with fewer management verifications, the 'single audit principle', proportionate arrangements for audits, faster delivery and more possibility to use SCOs and FNLC, the end of Commission approval for major projects and no more designation of management and control bodies. Other measures simplify the work of managing authorities and beneficiaries and reduce administrative burden. These include the Seal of Excellence, simpler provisions for financial instruments and more flexibility in reprogramming. Most of the simplification measures address bottlenecks identified in the last programming period. So, this EQ complements EQ 5.

⁽⁴¹⁾ 1% of managing authorities and implementation bodies (n = 179) see enabling conditions as 'not helpful at all', while 8% see them as 'not so helpful' for programme design. Also, 3% of coordination bodies (n=30) see them as 'not so helpful' for programme design.

Studies on the CPR and changes introduced in the 2021-2027 funding period emphasise the importance of financial simplification to reducing administrative burden ⁽⁴²⁾. The simplification measures have been well received by programme authorities. Very few respondents consider them not useful. However, this depends on the type of measures and the role of the authorities in implementation. Measures have not been uniformly introduced across Member States and regions.

For the programming period 2021-2027, EU level mapping of SCO schemes regulated by Article 94 (for ERDF, CF and JTF), reveals that 145 SCO schemes had been adopted by July 2024. The situation is evolving quickly, with new schemes regularly submitted by Member States ⁽⁴³⁾. In addition to higher level SCOs (Article 94), managing authorities are also applying lower level SCOs, to reimburse beneficiaries for many programmes.

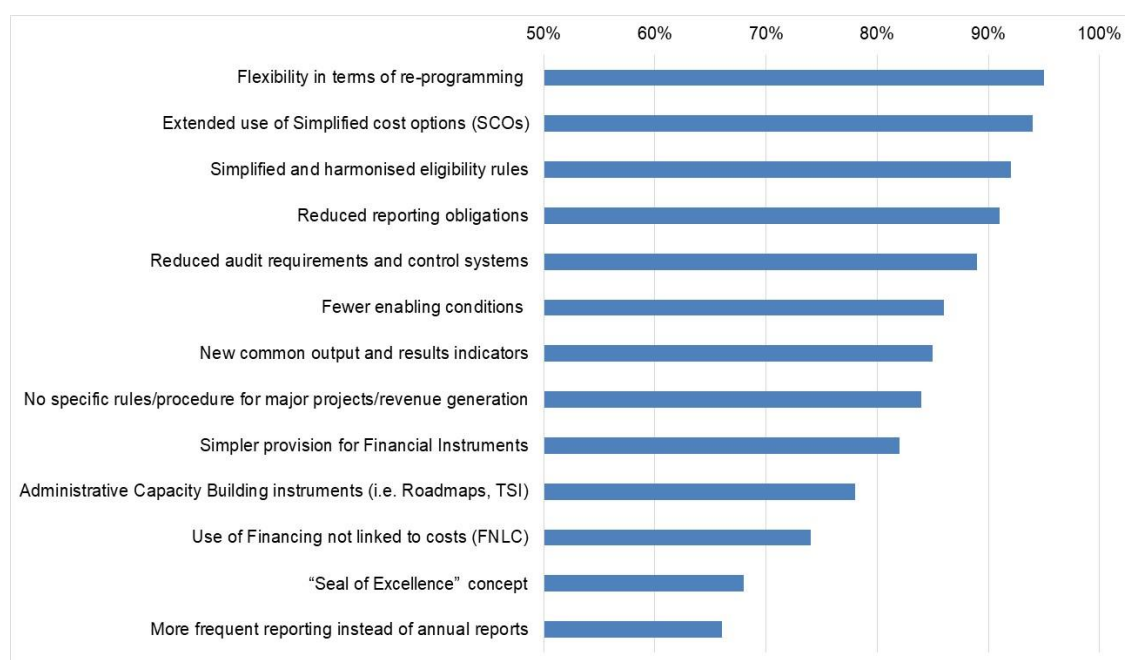
As showed in figure 7, the most popular simplification measures according to managing authorities refer to SCOs, with 73% of responses finding them very or extremely helpful. SCO off-the-shelf schemes that are easily applicable by programmes are greatly appreciated by some managing authorities. SCOs are followed by simplified rules and reduced reporting obligations for beneficiaries (with 68% and 66% respectively), and flexibilities for reprogramming (64%). The Seal of Excellence (68%), less frequent reporting (62%), administrative capacity building instruments (55%), and simpler provisions for financial instruments (51%) are also important ⁽⁴⁴⁾. These results confirm an early-stage examination of novelties (Böhme et al., 2023), with the difference that reporting via data transmission instead of annual implementation reports is not yet perceived as helpful by managing authorities. Survey responses indicate this is due to initial challenges related to the new format for data collection, management and transmission and the use of e-cohesion systems.

Figure 9: Helpful Novelties as perceived by stakeholders

⁽⁴²⁾ DG REGIO Study: *New assessment of ESIF, administrative costs and Burden* - Final Report – October (2018a); ECA, *Simplification in post-2020 delivery of Cohesion Policy*, Briefing Paper, May 2018; Key recommendations of the High Level Group on Simplification for the post-2020 Cohesion Policy, November 2017

⁽⁴³⁾ Up to October 2024, 159 SCO schemes have been adopted as part of programmes in 14 Member States (Belgium, Cyprus, Czechia, Germany, France, Italy, Lithuania, Latvia, Malta, the Netherlands, Poland, Portugal, Romania and Spain) and five Interreg programmes (ESPON, BE-NL, SI-AT, SI-HR, and SI-HU) for a total of EUR 6.89 bn (+0.1 bn). Member States making most use of upper level SCOs are France (EUR 1.7 bn), Lithuania (EUR 1.6 bn), Portugal (EUR 1.0 bn) and Poland (1.0 bn). Most of the schemes concern SME business development and internationalisation; research and innovation; technology transfer and energy efficiency.

⁽⁴⁴⁾ Stakeholders generally agree, albeit with some small differences that SCOs and flexibility in reprogramming are more popular for coordination bodies than implementing bodies, the opposite applies for enabling conditions and reporting frequency.



Source: Consortium elaboration, 2024 (based on n = 207 on average, range per item between 198 and 214)

For Interreg respondents, 90% found SCOs very to extremely helpful, followed by simplified and harmonised eligibility rules for beneficiaries (83%), reduced audit requirements (74%) and reduced reporting obligations (68%). JTF respondents find SCOs, fewer eligibility conditions and simplified eligibility rules for beneficiaries the most helpful. The least helpful has been the Seal of Excellence.

For survey respondents, some simplifications are less appealing for implementation, such as the Seal of Excellence or fewer reporting requirements⁽⁴⁵⁾. These require time to implement and test, which is challenging when time is lacking (e.g. for JTF). Simplification at an early stage of programming can entail more complexity later (e.g. control and audit requirements). Sometimes it is the other way around, when simplification for later stages requires investment during design and approval. Control and audit of simplification measures (e.g. SCOs) is still a discussion point for managing authorities. The control and audit trail needs to be adapted to ensure continuity for rules and procedures over the entire programme cycle. Not all the novelties reduce administrative work. DNSH improves alignment and compliance with environmental standards but entails additional work with unclear procedural requirements. Simplification can also have drawbacks. For example, focusing on common indicators can reduce the capacity of programmes to capture all the expected effects of cohesion policy⁽⁴⁶⁾, specifically for Interreg programmes.

⁽⁴⁵⁾ This has been discussed during the Study seminar of June 2024 (see in annexes the Synopsis report)

⁽⁴⁶⁾ See on this point Böhme, K., Marinović, P., Zillmer, S. Hat, K., Schuh, B. (2023). *The delivery system of Cohesion Policy now and in future*. European Committee of the Regions.

Specific programme-related indicators can always be included, but there is a clear administrative burden trade-off between simplified off-the-shelf and more specific programme-tailored solutions. Also, at this early stage, simplification measures such as reprogramming flexibility, have not been used yet.

It is worth noting also that complying with the new regulations, including to adjusting management and control systems to the new rules, can make programme management more complex short-term. Reduced administrative burden should be viewed long-term.

The table below provides an analysis by type of measure, considering how each potentially affects administrative burden and the main target groups (beneficiaries, managing and national authorities, audit authorities, monitoring committees) to date. However, considering the late launch of programmes and delays in implementation, the effectiveness of measures to reduce administrative burden is partial. More experience is needed to certify the real impacts of these measures. Meanwhile, stakeholders pinpoint accompanying actions to facilitate implementation of simplification measures. These include a stable regulatory and procedural framework over the entire programming period, as well as clear and harmonised guidance early in the programming period. Capacity building is also cited as a positive factor by some survey respondents and more support is needed to integrate cohesion policy and other EU legislation, such as State aid and public procurement.

In conclusion, most novelties introduced in the current programming period refer to simplification measures. These are expected to reduce administrative burden in terms of procedures, staff and time. If some simplifications are almost unanimously viewed as being useful, the effects of some to reduce administrative burden is still uncertain or unknown. Many studies justify the introduction of simplification measures and they have been well-received by programme authorities. Very few consider the measures not useful. The most popular are SCOs, simplified and harmonised eligibility rules for beneficiaries, as well as reduced reporting obligations for beneficiaries. The pace and level of introduction of the measures in programming and implementation varies by Member State and region. For example, FNLC is applied in only a few Member States, and the number of SCO schemes adopted under CPR Article 94 varies greatly between Member States. This may be because some programme authorities still have doubts when it comes to management, control and audit trails.

Measure	Justification for introduction (expected benefits) *	Main target group	Evaluation findings	Main source of evidence
SCOs and FNLC	SCOs not only reduce bureaucracy linked to verifications, they also reduce the risk of errors. SCOs could reduce total administrative costs by 25%.	Managing authorities (upper level) and beneficiaries (lower level)	Already used in some Member States; new commitments from other Member States for the coming period. Very popular among managing authorities and intermediate bodies. Estimates of 25% cost reduction needs to be confirmed by a coming DG Regio study. Less burden in implementation, but additional costs for planning/approving SCOs and FNCL schemes. More experience is needed in management, audit and control trails.	Literature review, survey and interviews
Enabling conditions	Reduced list, policy area oriented and automatic application	Managing and national authorities	Addressing the programming phase. Improves fund intervention logic and legal basis for action. Positive but limited impact on reducing administrative burden in the opinions of managing authorities and intermediate bodies.	Literature review, survey and interviews
No specific rules or procedures for major projects/revenue-generating projects	Commission approval will not be necessary for any particular projects	Managing authorities	Impacting project preparation, mainly under PO 2 and 3 policy areas.	Literature review and survey
Seal of excellence	Project under central EC management eligible for funding	Managing authorities and beneficiaries	Perceived not very effective by managing authorities and intermediate bodies.	Survey
Simplified and harmonised eligibility rules for beneficiaries	Simplification of VAT eligibility, larger geographical coverage of projects.	Beneficiaries	Benefits beneficiaries.	Survey

Measure	Justification introduction for (expected benefits) *	Main target group	Evaluation findings	Main source of evidence
Reduced reporting obligations. More frequent reporting instead of annual reports	Annual implementation reports discontinued, transmission of financial data five times per year.	Managing authorities	Lack of annual implementation reporting is a real simplification. However, more frequent reporting burdensome and not perceived as being a simplification according to some stakeholders. Audit and management reporting requirements are still relevant	Literature review, survey and interviews
New common output and results indicators	The proposed common output and result indicators will cover a high share of programme interventions – no obligation for programme specific indicators	Managing and national authorities	Well received by managing authorities of mainstream programmes, more perplexity for capturing Interreg specificities. Programme specific indicators still useful in some cases.	Literature review and survey
Simpler provisions for financial instruments	Management, monitoring and payment rules simplified.	Managing authorities, audit authorities and beneficiaries	Not enough experience to date,	Literature
More flexibility for re-programming	Greater flexibility in making small financial changes between programme priorities	Managing and national authorities	Not enough experience to date	Literature
Reduced audit requirements and control systems	Risk-based management verifications. Simpler audit requirements and fewer burdens for programmes. Reduction of audits in ETC programmes Estimated reduction in administrative costs of 2-3%	Managing authorities, audit authorities	Stakeholders' opinion is positive. Risk-based approach for control is appreciated. For some novelties, e.g. DNSH, impacts on control and audit requirement still to understand.	Literature review, survey and interviews

*Source: Simplification Handbook, 74 simplification measures ; own elaboration.

4.3. Coherence

Evaluation question 8: To what extent are ERDF, CF and JTF programming and implementation coherent with other EU funding instruments (e.g., ESF+, JTM Pillars II and III, Connecting Europe Facility, Horizon Europe, The Digital Europe Programme) and in particular with the RRF? How is this achieved?

The coherence analysis covers the design of measures, coordination of actors implementing the funds, as well as synergy and implementation mechanisms. It investigates the coherence between ERDF, CF, and JTF programming and with other CPR funds (ESF+, AMIF, BMVI, ISF, and EMFAF) and EU funding instruments (other pillars of the JTM, Connecting Europe Facility, Horizon Europe, the Digital Europe Programme and others), including RRF.

The primary sources used to respond to this question were part of the literature and document review under task 1. In addition, the study team focused on stakeholder interviews, a survey, and group work at the study seminar. The literature review relies, among others, on a forthcoming study commissioned by DG REGIO, 'Strategic coordination and financial complementarity of CPR Funds with other EU Instruments'. This study assesses to what extent managing authorities use 2021-2027 policy and implementation options that favour coordination, complementarities and synergies between CPR funds and other EU funding instruments at both strategic and implementation levels. The complementarity analysis includes textual analysis of all approved CPR programmes, all partnership agreements, and all RRFs, and further relies on interviews and a focus group to enrich the analysis.

The answer to this evaluation question first presents the coordination mechanisms and evidence on synergy between cohesion policy funds and other CPR funds. It later illustrates the same aspects between ERDF, CF and JTF with other EU funding instruments. Lastly, a specific section is dedicated to coherence between cohesion policy funds and RRF,.

Coherence between ERDF; CF and JTF and other CPR funds

The literature and document review confirm how ERDF, CF, and JTF envisage coordination mechanisms with other CPR funds. The analysis of partnership agreements and programmes underlines how ERDF, CF and JTF usually have coordination mechanisms and synergies with other CPR funds, especially ESF+ and EMFAF. In accordance with CPR article 11(b), most partnership agreements provide a detailed description of the mechanisms and modalities proposed by the programme authorities to ensure effective collaboration and communication

among CPR funds. The partnership agreement represents the first strategic document outlining coordination among funds and setting up the possibility for synergies during implementation. For this reason, and following the template provided by CPR Annex V, programmes usually contain minimal or no information on coordination with other funds / programmes simply referring to the partnership agreement.

The combination of formal committees (notably the monitoring committee), working groups, and informal networks fosters coordination among instruments and funds linked by similar policy priorities. This facilitates collaboration and resource allocation across sectors and regions. In Member States with national and regional programmes, the partnership agreement focuses on coordinating actors at different levels (multi-level governance). The monitoring committee plays a crucial role in coordinating CPR programmes. It provides oversight, facilitates multilevel and stakeholder collaboration, ensures programme alignment and compliance, and is critical to continuously evaluating and adjusting programme strategies and activities. Actions under ESF+ are usually coordinated in programme planning, particularly in multi-fund programmes (ERDF/ESF+) and programmes with joint monitoring committees between ERDF and ESF+.

For Interreg, stakeholder consultation highlights that monitoring committees, ad-hoc working groups and national contact points are the main instruments; most coordination activities regard cohesion policy funds and, to a limited extent, other EU funding instruments.

Interreg programmes in the MED area – Interreg Euro-MED, Next MED, Italy-Maritime France, Italy-Croatia and Greece-Cyprus programmes– participate in a multi-programme coordination mechanism. The aim is to strengthen synergies between the Mediterranean programmes for developing improved Interreg policy recommendations and joint monitoring and evaluation actions based on tested/transferred good practices and innovative solutions in the Mediterranean area.

Coordination mechanisms with programmes dedicated to migration and home affairs – AMIF, BMVI and ISF – are often less detailed in the partnership agreements. At programme level, there are very few descriptions of synergies with these funds. The partnership agreements and programmes mainly refer to synergic interactions between AMIF and ESF+, rather than ERDF, CF and JTF.

At operation level, the high degree of coordination of ERDF and ESF+ is mirrored by many synergies between the two. The programmes present several examples of concurrent synergies, where ERDF supports infrastructure investments while ESF+ supports personnel (see the example of Finland in the box below). Another fund usually cited for synergies is EMFAF, especially with ERDF, where the two

clearly delineate demarcation criteria. Lastly, JTF is often cited as working with ESF+ to support up-skilling and re-skilling for workers and measures for the unemployed. JTF is the first pillar of the Just Transition Mechanism, alongside pillar II - InvestEU and pillar III – Public Sector Loan Facility. Nonetheless, these other two pillars are rarely mentioned in partnership agreements and programme documents, as the description of complementarities among the pillars is, by design, left to the TJTPs. As a regulatory requirement, TJTPs expressly lay down different uses of the three pillars, delineating areas of intervention covered by each and ensuring intervention coherence. The review of TJTPs confirmed that all documents outline the sectors that should be financed under Pillar 2 and Pillar 3 to ensure the coherence of all JTM pillars. Nonetheless, the TJTPs mostly focus on planning for JTF interventions and the level of details concerning interventions and sectors covered by other Pillars varies. *In the 2021-2027 Innovation and skills programme in Finland (ERDF/ESF+/JTF), the ERDF measures prioritise promoting R&D&I activities, digitisation and the growth and competitiveness of SMEs, mainly supporting green growth and internationalisation. ERDF actions are also aimed at energy efficiency, reducing greenhouse emissions, adapting to climate change, and promoting the circular economy. The ESF+ comprehensively manages the province's employment and retraining activities (including gender equality), considering the needs of special target groups (i.e., the undereducated, vulnerable, and immigrants). It is possible to combine multidisciplinary welfare, social, health and rehabilitation services into an individual's service path. In this way, employment is supported, and marginalisation is prevented.*

Coherence between ERDF, CF and JTF and other EU funding instruments

The analysis under task 1 included reviewing regulatory and programming documents of other EU funding instruments (see Coherence in the annex for more details). This reveals that coordination with other EU funding instruments outside the umbrella of the CPR is more varied and not always confirmed by managing authorities. For example, EAFRD has a variety of mechanisms to foster coordination with cohesion policy, ranging from demarcation criteria established by regulations to governance mechanisms such as CLLD (LEADER). EAFRD adheres to the same rules for financial instruments as the CPR. However, there seems to be less coordination at regional level than in the past due to a shift in the management structure, which is now central and no longer under the CPR umbrella. There are other examples of coordination, especially in Horizon Europe, LIFE, Digital European Programme, and Connecting Europe Facility.

Horizon Europe stands out for its extensive coordination with ERDF, particularly in the research and innovation. To this end, Horizon Europe work plans explicitly mention the relevant cohesion policy funds and modalities of interaction. The Digital European Programme actively coordinates with ERDF, particularly in digital transformation projects, the LIFE programme coordinates with ERDF and

JTF. While the TSI is rarely mentioned in programme documents, this instrument has several policy areas in common with cohesion policy. According to the preliminary results of the study to support the mid-term evaluation of TSI ⁽⁴⁷⁾, the instrument is coherent with other EU interventions that have similar objectives, with no significant overlaps of activities. TSI complements technical assistance provided by cohesion policy funds that focus on programme implementation. An example of synergy with cohesion policy is TSI support for application of the DNSH principle, as described in EQ 10 below. Nonetheless, more could be done at operational level to increase synergies between TSI and cohesion policy.

In 2022, the EC issued a notice on synergies between Horizon Europe and ERDF. This provides insights into potential mechanisms to ensure synergies. Beyond Horizon Europe, the document also refers to other EU funding instruments, such as the Digital European Programme, LIFE, ERASMUS+, and the Connecting Europe Facility. There are illustrations mechanisms such as the Seal of Excellence, financial transfers, cumulative funding (which can also support Horizon Europe Co-founded and Institutionalised European Partnerships), and support for Teaming. It also covers 'upstream/downstream synergies'. For instance, Horizon Europe implements innovation partnerships that facilitate stakeholder collaboration and coordination, systematically leveraging different EU resources, primarily ERDF. The LIFE programme includes two categories of projects: 'Strategic Nature Projects' and 'Strategic Integrated Projects'. Both aim to optimise synergies with other EU Funds, provide technical assistance and support capacity building. An example of cumulative funding between DEP and ERDF to support European Digital Innovation Hubs is described in several programmes.

Both the ERDF/Cohesion Fund and CEF can finance TEN-T projects, demonstrating important synergies, with CEF-Transport mainly focusing on cross-border investments and missing links for transit traffic, while cohesion policy funds also targets national transport sections as well as access to TEN-T, as well as regional and local connectivity priorities. The CEF regulation mandates a budget transfer from cohesion fund to CEF-Transport. The preparation of a project may therefore be financed under Cohesion Policy, but then construction could start under CEF, and vice versa. Cohesion Policy can also allow for realising TEN-T (and other) projects over two programming periods if needed. The same beneficial complementarity can also be demonstrated between cohesion policy funds' and CEF investments in TEN-T energy and digital networks. Based on a review of the previous programming period, ECA (2022) assessed there were limited synergies in the previous programming, especially

⁽⁴⁷⁾ Unpublished 'Study to support the mid-term evaluation of Technical Support Instrument (2021-2027)', Interim Report, July 2024

downstream synergy (Seal of Excellence). The same report assesses how the commission positively addressed shortcomings related to rules and regulations. Nonetheless, consultations with managing authorities⁽⁴⁸⁾ suggest a lack of awareness of the notice on synergy that should help apply the new rules. A key explanation is that the notice was issued once the programmes had been elaborated. Moreover, more targeted training could increase synergies. An interesting example is the Italian national agency APRE:

The APRE – Agency for the Promotion of European Research - aims to support and facilitate Italian participation in the European Union's Research and Innovation (R&I) funding programmes through information services, training and assistance. The agency has issued a manual⁽⁴⁹⁾ that is continually updated to encourage synergies. This manual is aimed at regional and national programming entities and includes key legislative references to synergies in EU funding programs. It also features a mapping of synergy experiences in Italy with ESIF or other resources during the 2014-2020 period. This Vademecum considers the recommendations in Commission Notice (2022/C 421/03) on Synergies between Horizon Europe and the ERDF programmes to facilitate the application of synergies. While the Commission notice provides an official interpretation of EU law and its provisions relating to synergies, the APRE guide offers suggestions on the implementation of synergies and related practices.

Coherence between ERDF, CF and JTF with RRF

In both the RRF Regulation⁽⁵⁰⁾ and Commission guidance on the RRF (European Commission, 2021), Member States were required to justify the consistency of RRP with partnership agreements and programmes as well as ensure coordination and foster synergies between RRF and cohesion policy. The RRP were also required to indicate coordination mechanisms to avoid duplication.

These coordination and synergy objectives present a unique set of challenges as the RRF is a temporary instrument established in response to the COVID-19 pandemic⁽⁵¹⁾. A core challenge is in the timing of the two instruments, the RRP

⁽⁴⁸⁾ Strategic coordination and financial complementarity of CPR Funds with other EU Instruments. Final Report (Forthcoming 2025)

⁽⁴⁹⁾ GIURI (Gruppo Informale Uffici di Rappresentanza Italiani per la Ricerca e Innovazione) (2022) Gruppo di Lavoro Sinergie tra fondi europei, Le sinergie tra Fondi Strutturali e altri programmi di finanziamento EU, July 2022, available at: https://apre.it/wp-content/uploads/2022/07/Vademecum_Sinergie_-Luglio-rev_11.07.22.pdf

⁽⁵⁰⁾ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility, Article 28 Coordination and complementarity

⁽⁵¹⁾ Strategic coordination and financial complementarity of CPR Funds with other EU Instruments. Final Report (Forthcoming 2025)

were elaborated within an extremely short timeframe, shorter than the 2021-2027 ERDF, CF and JTF programmes. Given the necessity of a quick response to the emergency, detailed coordination mechanisms with cohesion policy funds were not always provided by Member States. The RRFs were sometimes drafted while the programme documents were still being developed, further complicating the assessment of possible synergy of interventions between the two. In addition, the RRF was a new instrument that national governments had to familiarise themselves with. It also required new governance structures and, in some cases, inter-institutional cooperation to ensure coherence with cohesion policy. Moreover, the RRF differs with respect to cohesion policy in the '*overall framework, governance and management arrangements*' (ECA, 2023). In the programming and implementation of both the RRF and cohesion policy, Member States are required to address CSRs, aligning the objectives of the two instruments. RRF funding is structured around six pillars that largely overlap with the five policy objectives of cohesion policy. Nonetheless, the RRF allows direct support to national structural reforms that cohesion policy does not foresee. As objectives of the enabling conditions, these reforms should create the framework for implementation of the funds. However, the two are not directly comparable for several reasons. Firstly, cohesion policy's enabling conditions have a more limited scope with respect to some RRF reform ambitions. Perhaps more importantly, the enabling conditions are common to all Member States, while the thematic areas of RRF reforms are more tailored to country-specific needs ⁽⁵²⁾.

In contrast with the shared management of cohesion policy, RRF is implemented under direct management. Crucially, while the RRF requires engagement with partners ⁽⁵³⁾, this is less of an obligation than the multi-level governance and partnership principle in cohesion policy. Analysis of the RRFs suggests that planning the RRF saw limited involvement of local and regional authorities (CoR, 2021). The distribution of RRF financial support does not take into account regional disparities as Member States are the beneficiaries, coupled with the lack of involvement of regional authorities in the programming phase, this may undermine territorial cohesion objectives and the territorialisation of interventions.

Lastly, cohesion policy and RRF substantially differ in their payment provisions, monitoring, control and audit procedures. Given all the challenges and

⁽⁵²⁾ Study to support the Mid-term evaluation of the RRF prepared by ECORYS, CEPS, CSIL, NIESR, and Wavestone for the European Commission, Directorate-General for Economic and Financial Affairs. Case study on the functioning of the RRF and other EU funds (2023)

⁽⁵³⁾ Member States were required to indicate how the consultation of local and regional authorities, social partners, civil society organisations, youth organisations and other relevant stakeholders was carried out, and how their inputs are reflected in the recovery and resilience plan. RRF Regulation, article 18(4)

differences between the two instruments, at the onset of the programming period, several publications underlined the possibility of overlaps between the RRF and cohesion policy, as well as opportunities provided by the synergy with the RRF (EPRC, 2021) (ECA, 2022b).

Document analysis investigated whether RRFs included organisational and institutional mechanisms and routines that facilitate information exchanges and ensure coordination with those managing and implementing cohesion policy funds.

Ten RRFs provide specific details on coordination with CPR funds: Belgium, Bulgaria, Czechia, Estonia, Latvia, Malta, Poland, Portugal, Romania and Slovakia. In these Member States, the bodies in charge of implementing and monitoring cohesion policy are also responsible for interventions under the RRF. Additional structures in some cases ensure more complementarity and consistency across the interventions. These additional governance mechanisms include working groups, inter-departmental committees and contact points to facilitate cooperation with cohesion policy authorities

The coordination mechanism in Slovakia is based on an interdepartmental platform, which includes five working groups in line with the five RRF areas and five cohesion policy goals. Working groups within individual ministries and at interdepartmental level ensure demarcation between EU funds, RRF and other financial instruments.

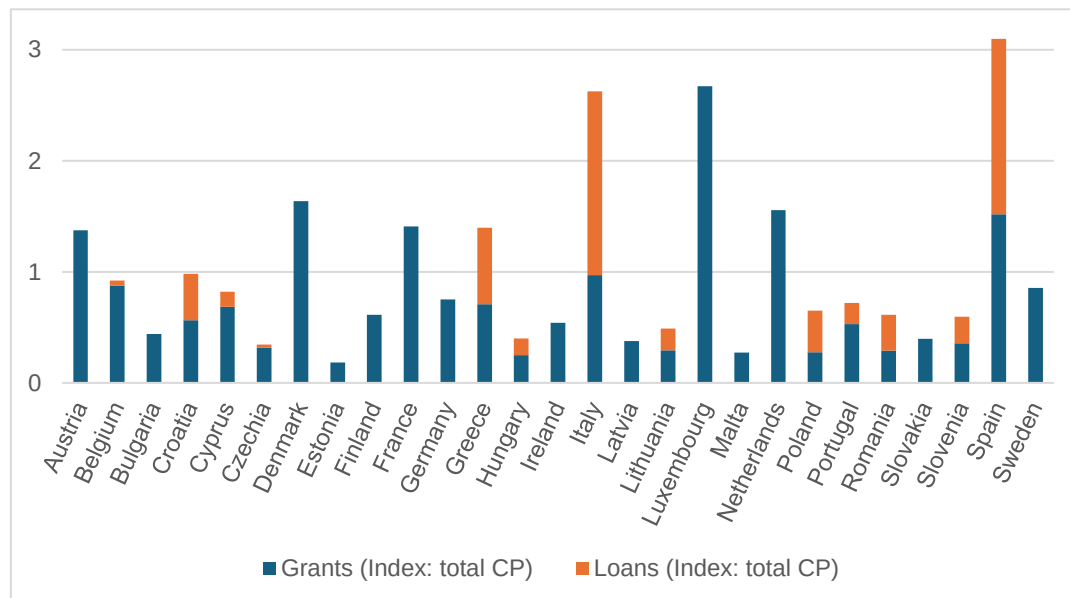
An additional eight Member States (Cyprus, Croatia, France, Greece, Hungary, Netherlands, Spain and Slovenia) have established governance structures to ensure collaboration between cohesion policy funds and RRF, even if these are not explained in detail in the RRFs. For example, in some Member States, the ministry or departments managing and implementing RRF and ERDF, CF and JTF programmes have elaborated coordination matrices and synergies that define demarcation criteria

The remaining eight RRFs provided limited information on any coordination mechanism: Austria, Germany, Finland, Ireland, Italy, Lithuania, Luxembourg and Sweden. These efforts of coordination and governance structures are not always described in the RRFs and have sometimes been refined in the implementation phase of the RRF, as in Italy.

An assessment of the RRFs underlines how the financial allocation influences cooperation mechanisms as countries with smaller allocations have elaborated *'less institutionalised coordination mechanisms, relying on operational cooperation between relevant units in different ministries'* (EPRC, 2021). Descriptions of the coordination mechanisms also highlight how RRF bodies have benefited from experience of cohesion policy implementation. In several

cases, RRF funds managers are the same ministries and departments entrusted with implementing cohesion policy fund programmes.

Figure 10: RRF allocations 2022 and cohesion policy total allocations 2024



Source: Consortium elaboration. RRF 2022 allocations based on the RRF Scoreboard, index: total cohesion policy planned allocation in February 2024

Additional funding for Member States under the RRF is substantial, in Spain reaching triple the value of cohesion policy total allocation. This, alongside the additional administrative challenges and limited capacity, could impact the possibility for Member States and regions to absorb funds, as confirmed by stakeholder consultations in this study and others⁽⁵⁴⁾. These challenges have been partially addressed in the planning phase of RRF and cohesion policy. As illustrated above, the extensive thematic overlay between RRF and cohesion policy, especially for the digital and green transformation, means authorities had to describe in their RRP how they intend to avoid double funding and differentiate specific measures, activities and projects funded under the RRF and other Union programmes. Nonetheless, the RRP and programmes usually have only general descriptions and possible synergies or demarcation mechanisms with cohesion policy funds⁽⁵⁵⁾. Additional planned synergies are seen in the

⁽⁵⁴⁾ Strategic coordination and financial complementarity of CPR Funds with other EU Instruments. Final Report (Forthcoming, 2024) & (Eurocities, 2024)

⁽⁵⁵⁾ Study to support the Mid-term evaluation of the RRF prepared by ECORYS, CEPS, CSIL, NIESR, and Wavestone for the European Commission, Directorate-General for Economic and Financial Affairs. Case study on the functioning of the RRF and other EU funds (2023)

partnership agreements and programme documents, as well as stakeholder consultations.

Synergies exploited with RRF are primarily sequential, demarcation or concurrent⁵⁶. In the sequential approach, different timelines and more stringent deadlines for implementation of the RRF have allowed some Member States to develop synergy with cohesion policy. In these cases, interventions are initially financed by the RRF until 2026 and are then taken up by cohesion policy.

In Estonia, the investment cost for bicycles and/or footpaths for local governments outside the larger urban areas (Tallinn, Tartu and Pärnu) is EUR 5 million from the RRF. An additional investment of EUR 20 million under PO3 will be added to this from the CF and local governments. The RRF financing will be used first, and the CF budget will be utilised thereafter. Double funding and the double counting of indicators are excluded at project level: support for the construction of a specific cycle and footpath is provided by only one source

The RRFs also list several instances of demarcation criteria with cohesion policy, even if these are sometimes only generally described. Commission guidelines for drafting the RRF provided some elements to judge whether the interventions should be financed under RRF or cohesion policy. The decision could be guided by eligibility criteria, allocations, national or regional competencies, the availability of mature projects and investment size. The Mid-Term Evaluation of the RRF (European Commission, 2024c) presents several examples of demarcation with cohesion policy. For example, the German RRF supports the energy efficiency of residential buildings with RRF, while support for non-residential buildings comes from ERDF. The evaluation also underlines risks of substitution effects between RRF and cohesion policy. In some Member States, more mature projects (e.g. in Spain, Greece, Italy and Romania) that were previously planned under cohesion instruments (and expected to be implemented under 2021-2027 cohesion programmes) were moved into the RRFs. In Spain and Greece RRF was given priority, while in Romania the shift did not create difficulties due to significant investment gaps and an extensive pipeline of projects.

In general, more effective investments could be achieved by concurrent synergy with RRF, either financing different projects/operations linked by a common objective, generating greater added value, or using the two instruments to finance different components of the same operation.

(⁵⁶) Strategic coordination and financial complementarity of CPR Funds with other EU Instruments. Final Report (Forthcoming, 2025). For a more detailed definition of synergy categories refer to the Annex 6.2

In Greece, the JTF-specific objective focuses on the just and viable transition of the coal-affected areas of Greece – the Western Macedonia Region and the Municipality of Megalopolis – which are directly impacted by the national strategy for fully decarbonising power generation by 2028. The investments planned through the RRP and the National Energy and Climate Plans (NECP) will complement JTF interventions. For example, RRP Component 1.1 proposes investments in restoring the mine lands in Western Macedonia and Megalopolis as part of the broader targets in the NECP and the TJTP for the productive and environmental revitalisation of coal-affected areas and the development of new land uses that can accommodate and support different activities.

Furthermore, reform investment under RRF opens an opportunity to improve the conditions for investment under other EU funding (EPRC, 2021). The Portuguese RRP includes a reform of the central public administration's modernisation and digital transition, which is complemented by ERDF. The Italian RRP includes a reform of the regulatory and market framework to improve the efficiency and effectiveness of public investments in the water sector, which will address existing barriers to ERDF investment in sustainable water management (European Commission, 2024c:64).

In conclusion, analysis of programming documents and the literature establishes that ERDF, CF and JTF programmes have implemented coordination mechanisms with other EU funding instruments, but the degree of coordination is highly dependent on the fund. Interviews confirm these conclusions, providing additional perspectives on Interreg programming. The RRP also describe coordination mechanisms with cohesion policy funds. However, differences between RRP are significant, with some lacking detailed coordination mechanisms for interaction with other EU funding instruments. At the operational level, ERDF is the principal fund designing synergetic interventions. The main EU funding instruments planning interactions with ERDF, CF and JTF, including other CPR funds, are ESF+, EMFAF; Horizon Europe, LIFE, EAFRD, the Digital Europe Programme and the Connecting Europe Facility. Cohesion policy is also strongly interlinked with RRF, as pillars of the RRF largely overlap with themes covered by cohesion policy funds. This is true especially for investments in the green and digital transitions, as dictated by the regulations, where allocated financial resources are significant. However, the RRF presents several differences to cohesion policy in its framework, governance and management arrangements. These differences, alongside the additional administrative burden that the RRF entails for authorities, have posed challenges in exploiting synergies and possibly in the absorption of funds.

Evaluation question 9: To what extent and in what ways do ERDF, Cohesion Fund and JTF interventions complement policy actions and reforms at the national and subnational level?

This evaluation question covers the complementarity and alignment of ERDF, CF and JTF interventions with policy actions and reforms at the national and sub-

national levels. The analysis examines complementarity and alignment in relation to innovation, climate, biodiversity, energy, environmental risk prevention, transport and rural/urban development policies.

As indicated in the preamble to the CPR, the European Semester, including the principles of the European Pillar of Social Rights, is the framework to identify national reform priorities and monitor their implementation. Member States are asked to develop their own national multiannual investment strategies in support of those reforms. This is also reflected in the content of the partnership agreement. According to article 11 of the CPR, the partnership agreement should justify objectives pursued with cohesion policy *‘taking into account relevant country-specific recommendations, the integrated national energy and climate plan, the principles of the European Pillar of Social Rights and, where relevant, regional challenges’*. For each policy objective, the partnership agreement should further provide *‘a summary of the policy choices and the main results expected’*. The European Semester process and the NRP are therefore the basis of a coherent policy framework for Member State investments and reforms supported by both national and EU funding. For this reason, the answer to this evaluation question builds on a review of literature and documents such as partnership agreements, programmes and NRPs. The review will focus on how these key planning documents interact with and shape the policy framework of Member States. The stakeholder consultations provide additional elements.

The literature review and stakeholder consultations indicate how ERDF, CF and JTF investments are significantly intertwined with national and regional interventions and reforms, though with some differences. This variation depends on factors such as the multi-level governance framework of the Member State, the level of funding provided by cohesion policy with respect to national and regional funding and the thematic areas considered.

In some Member States, priorities are set at national level and EU funds are a source of funding alongside national ones. Some smaller Member States with limited national funding capacity find EU funding an essential source that needs to be coherent with national objectives. In general, complementarity revolves around coordination and demarcation across policy areas and stakeholders and is primarily achieved through structured coordination, such as monitoring committees (see also EQ 4). Projects are defined within policy areas, often parallel to similar initiatives. This is also dictated by the availability of EU funds, which give national and regional levels the opportunity to invest heavily in some areas of priority for EU funds. This includes national objectives (e.g., green transformation), and EU funds that greatly facilitate these. Collaboration among public bodies ensures synergy in projects related to research, innovation, SMEs, digitalisation, cybersecurity, transport and rural policies. For Member States where EU funds contribute a large share of public spending, this takes

precedence in financing activities. Demarcation is established by the decision to finance with national sources what is not possible to fund with EU ones, especially larger measures (for example, infrastructure projects). National resources tend to complement EU funds by financing smaller projects.

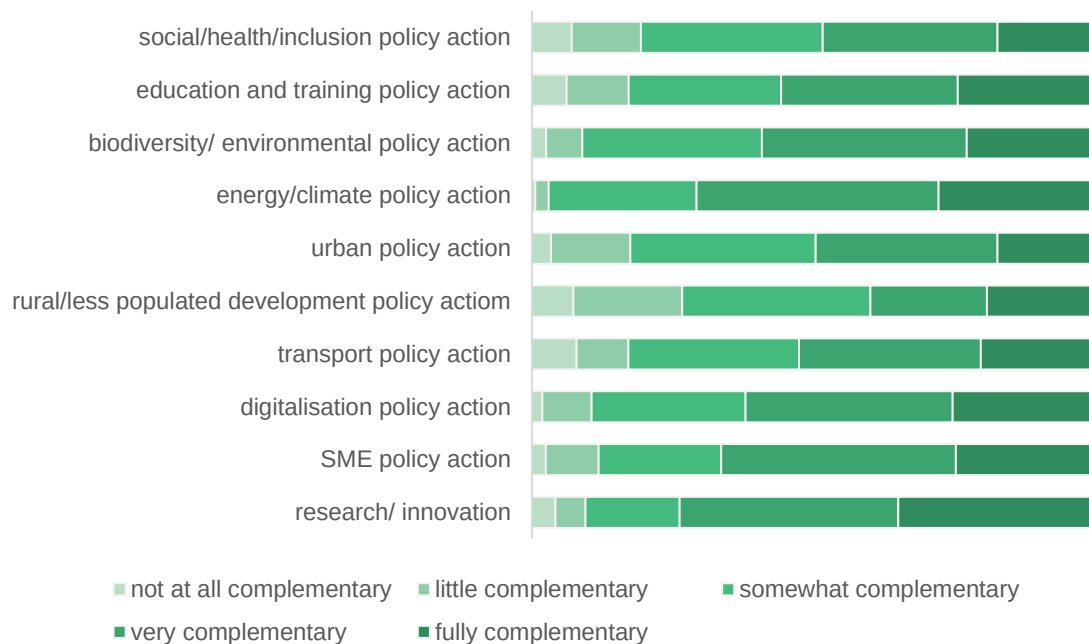
Medium and long-term goals for Member States are cited in partnership agreements and by stakeholders as a means to align implementation. National strategy documents help to ensure consistency between the different national and EU funding sources. To achieve this, Member States are guided by EU regulations and guidelines, country-specific recommendations and national development documents. In this context, the NRPs help the coherence of interventions. As part of the European Semester cycle, NRPs drafted by Member States contain an overview of ongoing economic policy actions, including responses to the CSR received the previous year⁽⁵⁷⁾. According to textual analysis of the 2022 and 2023 NRPs, almost all documents (90%) dedicate a section to the use of cohesion policy funds to address challenges identified in the programme, or at least cite cohesion policy. In 2023 NRPs, Member States reported complementarities between priorities supported by cohesion funds and RRFs with the NRPs, providing an overview of how key investment priorities were being addressed. All 2023 NRPs explicitly cite ERDF or CF, while almost 80% also cite JTF. This encompassing vision ensures the complementarity of funds is considered.

Enabling conditions also facilitate synergies with national and regional policies. Key documents provide a strategic framework ensuring alignment of EU and national / regional policies and reform, often requested in the fulfilment of enabling conditions.

Smart Specialisation Strategies promote the coordination of research and innovation investments with cohesion policy support under RSO 1.1, RSO1.4 and, in some cases, encourage the design of SME growth and competitiveness interventions under RSO 1.3. This key strategy ensures policy objective alignment. The survey responses confirm this alignment, giving an overview of the themes most coherent with EU funding policies. Most respondents (74%) consider a high degree of complementary in policies related to research and innovation at EU level with national and regional policies. The same high coherence is seen for SME policy (67% of respondents), digitalisation (62%) but also energy policy (71%) and biodiversity (59%).

Figure 11: RRF allocations 2022 and cohesion policy total allocations 2024

⁽⁵⁷⁾ Starting from the 2022 cycle, the NRPs also fulfil one of the two bi-annual reporting requirements of Member States under the RRF.



Source: Consortium elaboration based on survey results, 2024 (based on 'n' per item between 150 and 169)

These trends are also reflected in the interviews. According to programme authorities, climate-related national and regional policies are fully integrated into the programmes. In this context, the National Energy and Climate Plan provides a crucial link between EU policy objectives and national thematic priorities, delineated for several sectors. Programme documents consistently cite National Climate Plans in the identification of needs within PO2 investments. For instance, the Dutch regional programme for West Netherlands (ERDF) is *'fully in line with the National Climate Plan (INEK 2019)'* and the agreements reached by key sector roundtables match concrete climate objectives. Investments under PO 1 and PO 2 of the programme will contribute to innovative projects reducing nitrogen deposition and improving air quality. Environmental and green transition strategies are also considered extensively, reflecting a comprehensive approach.

Another example of alignment aided by the thematic enabling condition under PO3, requires a reflection on regional and national transport strategies, highlights needs and funding sources at national and EU levels. One survey respondent reports that *'complementarity of interventions at the regional and national level has been ensured, among other things, through the development of a Transport Plan, setting out the most important directions and a coherent vision for the development of transport in the region'*. This is also reported in several programmes, not only under PO3 but also in relation to RSO2.8 investments, as in the Croatian Integrated Territorial Programme (ERDF/JTF). Coordination is also evident in education and health, where ministries seek to incorporate regional needs into planning processes.

Nonetheless, one limit highlighted by stakeholders is the timing of interventions: *‘the national funding landscape changes faster than the funding within the ERDF/JTF programmes. The latter is designed for the entire funding period, while the national programs are subject to shorter legislative periods and are also more frequently adjusted as part of budget negotiations.’* Moreover, new and ambitious requirements for JTF highlight the need for better coordination at both EU and national levels. This includes between departments in charge of EU funds, economic development, innovation, environmental development, energy and climate transition, social issues and employment. Also, stakeholders must be involved in upholding fund objectives.

Closely intertwining interventions with national programmes improves the consideration of regional interests, especially innovation and the economy. In particular, rural development seems to be the least complementary policy, with 26% of respondents assessing it as complementary. This may be because there are fewer regional/national rural development policies. In more centralised systems, where regions and local actors are formally involved but do not manage funding, members of monitoring committees are concerned that local and regional objectives are less represented. This more top-down approach limits the possibility for place-based interventions and investments despite formal stakeholder participation in the monitoring committee. However, cohesion policy funds can create an opportunity to include specific goals that need to be addressed (e.g. climate change) where there may be little funding available from local sources (especially municipalities). Perceptions vary about the weight of regional priorities in deciding investment objectives. With renewed attention on place-based planning and intervention in this programming period, territorial tools such as ITI and local needs are better addressed in ad-hoc strategies. This facilitates the assessment of complementary funding at regional and local levels and coherent objectives.

Finally, the literature review and stakeholder consultation highlight that cohesion policy mechanisms, such as enabling conditions, align EU investment with national and subnational priorities, ensuring a complementary framework for the interventions.

Evaluation question 10: Are programmed interventions coherent with the horizontal principle of ‘do no significant harm’ (DNSH) and the horizontal priorities on climate, biodiversity and gender equality?

This EQ reviews the coherence of cohesion policy interventions with horizontal principles on climate, biodiversity and gender equality, as well as with the DNSH principle. It assesses the effectiveness of measures to ensure coherence. Gender equality is mentioned as one aspect of the ‘horizontal principles’

presented in Article 9(2) of the CPR. Climate and biodiversity are important priorities under the horizontal principle of sustainable development mentioned under Article 9(4), without being noted directly. The DNSH principle is mentioned under Article 9(4). This section refers to the aspects that are noted and puts them in the general context of horizontal principles and priorities.

The analysis reviewed measures to ensure coherence with horizontal principles and the DNSH principle. Main information sources have been data on programmes and their implementation from the Cohesion Open Data Platform, in particular data from 2021-2027 tracking biodiversity, climate and gender equality, information and a sample of revised programmes. Cohesion policy programmes and additional literature were reviewed to add information on application of the DNSH principle. Finally, interviews and the representative survey to cohesion policy stakeholders offered additional information.

According to CPR (Article 9) Member States and the Commission shall ensure that equality between men and women, gender mainstreaming and a gender perspective are taken into account and promoted throughout the preparation, implementation, monitoring, reporting and evaluation of programmes. In addition, the fund objectives shall be pursued in line with promoting sustainable development, taking into account the SDGs, the Paris Agreement and the DNSH principle.

In general, coherence with horizontal principles is strongly related to compliance with the enabling conditions ⁽⁵⁸⁾. Horizontal enabling conditions to ensure compliance with the EU Charter of Fundamental Rights as well as implementation of the United Nations Convention on the Rights of Persons with Disabilities are effective mechanisms to put in place frameworks to apply horizontal principles. Gender equality as well as sustainable development, climate and biodiversity can be improved by requirements of the thematic enabling conditions ⁽⁵⁹⁾ in programmes with corresponding Specific Objectives under PO2 or PO4.

Gender equality is an overall objective of cohesion policy, with gender mainstreaming as a strategy to accomplish those goals. Gender equality is a cross-cutting principle, meaning that gender equality and a gender perspective must be included and promoted throughout all stages of the process to prepare, implement, monitor and evaluate Cohesion programmes. To this end, in 2021-2027 the legislative framework (CPR) includes a requirement for Member States

⁽⁵⁸⁾ See also EQ 6 on the analysis of enabling conditions.

⁽⁵⁹⁾ Including the requirements to have an integrated national energy and climate plan, a priority action framework for conservation measures and a national strategic policy for gender equality.

to organise a partnership with competent national and regional authorities, including civil society organisations and bodies such as those promoting fundamental rights and gender equality. There are also stronger enabling conditions for funding to ensure a supportive environment for cohesion policy investments to be effective and efficient. All Member States are required to have mechanisms in place to ensure compliance with the EU Charter of Fundamental Rights, including gender equality. A thematic enabling condition requires the Member State to have a national strategic policy framework for gender equality. Despite the increasing relevance of gender equality in regional cohesion policy, according to the European Institute for Gender Equality (EIGE 2017, 2020) gender gaps in 2014-2020 cohesion policy fund programmes referred to (i) fragmented/insufficient use of the gender mainstreaming approach, and (ii) weak involvement of women in participatory processes relating to the programming and implementation of cohesion policy funds. Further action was proposed such as changes in the conceptual understanding of investment, which could consider links between social and physical infrastructure and work-life-balance (EIGE, 2020).

The sample analysed shows that cohesion policy programmes and their interventions are in line with the horizontal principle of gender equality, mostly through selection criteria and representation in monitoring committees. Specific selection criteria are most frequent under PO1, followed by PO2 and PO4, while Interreg also has a prominent consideration of gender quality selection criteria. Few programmes go beyond the minimum requirements to develop active gender-sensitive approaches, for example by clarifying the potential gender equality impacts of their spending or using gender budgeting tools.

One positive example of strengthening the consideration of the gender equality principle is the Applicants' Guide for the PEACEPLUS cross-border programme (IE-UK). The guide not only offers guidance to beneficiaries but also transparency on the scoring and assessment process during project selection. Evaluation of the horizontal principles goes far beyond the minimum consideration, corresponding to the importance of involving women in supporting peace and (re-)building communities across Northern Ireland and the border counties of Ireland.

The cohesion data story on *gender equality* shows that ERDF and JTF cover gender mainstreaming and gender targeting for investments of around EUR 24 billion ⁽⁶⁰⁾. Significant contributions to both gender targeting and mainstreaming actions are allocated under ERDF support to enhancing research and innovation, growth and competitiveness of SMEs, renewable energy and sustainable urban mobility and transport. This reflects the importance of gender equality to the green

⁽⁶⁰⁾ <https://cohesiondata.ec.europa.eu/stories/s/gkxm-7hxd>

and digital transitions. Austria, Denmark, Sweden, Ireland and Luxembourg promote gender equality the most as a share of the total amounts.

The European Green Deal focuses on several policy areas related to environmental sustainability, namely biodiversity, circular economy, clean energy energy-efficiency, sustainable mobility, eliminating pollution and climate action. The 2021-2027 CPR reaffirms the framework of sustainable development for Cohesion Policy initiatives. This includes an emphasis on environmental sustainability. The goal to contribute to sustainable development and the climate goals of the Paris Agreement also relates to two EU Mission domains: (1) adaptation to climate change, and (4) 100 climate-neutral and smart cities. (Capellano et al. 2023) In the 2021-27 period, the EU continues its commitment that started in 2014-2020 to climate mainstreaming, evidenced by raising the Multiannual Financial Framework target for sustainability initiatives. The framework for cohesion policy in the new period is strongly geared towards achieving EU climate and environment-related objectives. The resources for sustainable transition in the form of the JTF also reinforce support for sustainability objectives. The EU's strong focus on biodiversity protection is emphasised in the European Green Deal and the EU Biodiversity Strategy for 2030, which requires integrating or 'mainstreaming' biodiversity into all sectorial policies and ensuring sizeable funding for investments.

ERDF/JTF/CF programmes are generally coherent with the horizontal principle of 'sustainable development, climate, biodiversity' because of several ex-ante settings and instruments:

- Policy Objectives: In 2021-27, PO2 on Greener Europe, is dedicated entirely to 'green' issues, demonstrating a clear distinction from the previous period. PO2's specific objectives encompass actions related to energy efficiency, renewable energy, sustainable urban mobility, circular economy, climate adaptation, and biodiversity. Other POs can also promote sustainable investments, e.g. PO1 through the funding for environmental R&D and competitiveness, PO3 through support for sustainable mobility, and PO4 and PO5 including through support for the green transition, resilience and long-term sustainability of the tourism and cultural sectors as well as cultural and natural heritage sites.
- Thematic concentration for PO 2: In 2021-27, all regions and Member States must have a thematic concentration of at least 30% for actions transitioning towards a net zero carbon economy (either at national or category of region level). In addition, Fund-specific climate targets have been introduced.

- All programmes are required to provide information on support for environment and climate objectives using a methodology based on types of intervention for each of the Funds (Article 6, CPR).
- The requirements to apply the DNSH principle ⁽⁶¹⁾, linked also to ‘climate proofing’ to prevent investments and infrastructure from being vulnerable to potential long-term climate impacts.

All the analysed programmes meet these requirements. In addition, most programmes use additional options to actively support sustainability, in addition to implementing via the Specific Objectives of PO2 and JTF. For example, they have specific selection criteria for operations to select (only or preferably) operations that comply or actively address and monitor the principles of sustainable development, biodiversity, or climate. Coherence with sustainable development is also ensured via thematic representation in monitoring committees and programme partnerships. Coherence with the UN SDGs is generally ensured through a specific analysis in programmes or partnership agreements. A vast majority of programmes foresee application of the New European Bauhaus concept as a way of delivering sustainable development ‘closer to citizens’.

The cohesion data story on biodiversity shows that cohesion policy programmes for 2021-2027 plan to use 6% of the EU fund allocation for biodiversity action. Compared to the 2014-2020 programming period where 4% of total ERDF and CF expenditure contributed to biodiversity objectives, this is a significant increase ⁽⁶²⁾. The cohesion data story on climate shows that for the 2021-2027 period, 30% of the EU budget will be spent on climate action ⁽⁶³⁾. The major areas to receive support are energy efficiency, particularly in buildings, boosting sustainable urban mobility and adaptation to climate change. A wide variety of intervention fields contributes to the climate goal.

The DNSH principle is a cornerstone of the environmental sustainability concept in EU Taxonomy. Fulfilment of the DNSH technical screening criteria for each environmental objective is a requirement for economic activities to be classified as environmentally sustainable within this instrument. The DNSH principle is included as a horizontal principle under Article 9(4) of the CPR. This horizontal principle is then articulated into the ERDF/CF Regulation (in Recital 6) and in the JTF Regulation (also in its Recital 6). The Explanatory Note on the Application of

⁽⁶¹⁾ The DNSH principle is derived from the EU’s approach to sustainable finance and enshrined in Regulation (EU) 2020/852 (Taxonomy Regulation).

⁽⁶²⁾ <https://cohesiondata.ec.europa.eu/stories/s/rza5-iu48>

⁽⁶³⁾ <https://cohesiondata.ec.europa.eu/stories/s/FINAL-2021-2027-climate-story/mdt2-qvkd/>

DNSH for Cohesion Policy (European Commission, 2021a) further clarifies the operationalisation of the principle in these funds. A JRC study (Beltran Miralles et al., 2023) confirms that the DNSH principle is nowadays implemented in cohesion policy, and compliance is assessed by multiple actors at different levels. It recognises the support to Member States on DNSH, for example, through the Peer2Peer Community on the DNSH principle or the TSI programme, under which the EC supports Member States in the development of capacity to apply the DNSH principle and green budgeting.

All the analysed programmes respect and integrate the DNSH principle. In some Member States, national guidelines and methodologies ensure compliance and implementation of the DNSH principle. It appears to be a common practice for managing authorities to commission studies to analyse the compliance of programme measures with the DNSH principle and carry out climate proofing. Others developed guidance for assessment at the level of interventions. Some Member States have integrated the principle in different national initiatives. Finland, where the DNSH principle is referenced in priority permit procedures, regional state administrative agencies give priority to projects boosting the green transition. Application of the DNSH principle is seen as burdensome as it is a novelty for stakeholders.

Literature and feedback from stakeholders suggest additional action further benefit from the DNSH principle, to harmonise the legal basis for integration of the DNSH principle across different EU policies and instruments and to deepen links with areas such as green finance or green budgeting. Better mapping and analysing application of the principle by Member States could help identify synergies and complementarities, increase coordination and reduce administrative burden. Suggestions in interviews and the survey include new tools to guide implementation of the principle across EU instruments which would foster consistent application and synergies. Stakeholders in the call for evidence asked for application at the level of programmes and not at the level of smaller projects, thus reducing the burden for intermediate bodies and beneficiaries.

To conclude, programmed interventions are coherent with the DNSH principle and the horizontal priorities on climate, biodiversity and gender equality. However, few programmes go beyond the minimum requirements and there is a need for harmonisation across EU policies and less administrative burden related in particular to DNSH and the concepts of climate and environmental proofing.

4.4. EU added value

Evaluation question 11. Would cohesion and sectorial policy objectives be pursued in the absence of ERDF, CF and JTF interventions? To what extent? What is their expected additional value compared to what could be reasonably achieved by Member States and subnational authorities?

Evaluation question 12. How do ERDF, CF and JTF investments contribute to a place-based approach in Member States and territories? What is the added value for outermost regions and cross-border cooperation?

EU added value is a principle for programming and implementing cohesion policy. It is multi-dimensional, quantitative and qualitative. The concept of EU added value regards achieving objectives set out in the treaties. It also concerns a budget that provides for public goods in a European dimension or helps uphold basic freedoms, the single market and economic and monetary union. EU action has to achieve objectives without deadweight effects, and within a reasonable timeframe to additional or complementary to national or regional efforts. In short, EU action should not simply fill in gaps left by national policies and its benefits cannot be exclusively national ⁽⁶⁴⁾.

This paragraph covers EQs 11 and 12, examining the added value of ERDF, CF and JTF in comparison to national policy actions and reforms supporting territorial cohesion and sectorial policy goals. Given the current implementation status, this answer addresses mainly the expected EU added value, and focuses on contributions to economic, social and territorial cohesion, policy design and delivery as well as administrative capacity building.

Contribution to economic, social and territorial cohesion - EU added value particularly for less developed Member States and regions, is confirmed by several sources, including the ECA 'There is a broad agreement that the use of the EU's Cohesion Policy to support the less developed Member States and regions (around 80% of total EU funding for cohesion) and the transitional regions with below average incomes produces strong EU added value, particularly in terms of modernisation and their integration in the single market) ⁽⁶⁵⁾. The Eight

⁽⁶⁴⁾ European Commission (2017), Reflection paper on the future of EU finances <https://op.europa.eu/en/publication-detail/-/publication/5f9c0e27-6519-11e7-b2f2-01aa75ed71a1>

⁽⁶⁵⁾ ECA (2020), *Realising European added value* https://www.eca.europa.eu/en/publications/JOURNAL20_03.

Cohesion Report highlights that EU cohesion policy (including ESF+) complements national measures, such as sectoral and territorial interventions, at least with additional resources. The 9th Cohesion Report also refers to potential additional macroeconomic impacts of cohesion policy on regional economies (including ESF+ funding): 'The impact is the greatest in 2030, when GDP in the EU is estimated to be 0.9 % higher as a result of the combination of the 2014–2020 and 2021–2027 interventions. The cumulative impact of these programmes is particularly significant in less developed Member States and especially in Croatia (an increase of 8 % in GDP), Poland and Slovakia (an increase of 6 %) and Lithuania (a 5 % increase). The impact increases over time in all regions up to 2030. In both 2023 and 2030, the largest increases occur in less developed regions, such as those in Bulgaria, Greece, Hungary, Portugal, Poland and Slovakia' (p.289).

Moreover, the 9th Cohesion Report highlights that regions receiving lower per capita support, also benefit from 'strong positive spillovers generated by programmes elsewhere.' (p.xviii). In more developed regions, impact is higher in the long-run and essentially is due to positive spatial spillover effects⁽⁶⁶⁾. Analysis of French, Spanish and Portuguese partnership agreements along with a sample of programmes recognises the expected EU added value for outermost regions. This comes typically from interventions under PO 2 'Greener Europe', which support environmental protection and adaptation to climate change. Also, investments from PO 3 'Connected Europe' contribute to reducing development costs associated with natural constraints that cannot be addressed by national funding alone.

From a policy design perspective, ERDF, CF and JTF ensure a strong focus on regional and local development needs - Overall, 79% of respondents from managing authorities, national coordination bodies and monitoring committees indicate high or extremely high added value of ERDF, CF and JTF for development in their region. This means that the EU added value is in addressing specific investment needs as well as unlocking existing potential. The most important aspects of added value for policy design are the possibility to establish and finance a long-term investment vision as opposed to the shorter-term national budget perspective, a greater focus on local needs through a place-based approach, thematic concentration to ensure more effective investment of public and private resources, cooperation among regions, a stronger focus on cohesion and sectoral policy objectives. Moreover, the survey highlights stakeholder perceptions of the added value of cohesion policy financial resources. These

(66) EC (2024), Ninth Cohesion Report and Crucitti, F., Lazarou, N.J., Monfort, P. and Salotti, S. (2023), 'Where does the EU cohesion policy produce its benefits? A model analysis of the international spillovers generated by the policy', *Economic Systems*, 47(3), p. 101076.

include some correlation with the EU / total planned amount ratio at Member State level. While general patterns remain ambiguous, several countries with a lower EU / total planned amount ratios perceived a lower added value of EU financial resources. These include Denmark, Luxembourg, Ireland, Sweden and Austria. On the contrary, some with a higher EU / total planned amount ratio perceived greater added value including Lithuania, Latvia, Slovenia, Czechia and Croatia. The added value of ERDF, CF and JTF in promoting local investment is confirmed by representatives from countries where national resources are deemed insufficient such as Greece, Latvia, Portugal, Croatia, (northern) Sweden and Italy. Cohesion policy financial resources are also important to support specific types of investments, which would not have been pursued in the same way without cohesion policy. For example, about 50% of survey respondents highlight the high / extremely high contribution to tackling emerging developing challenges (e.g. demographic change, migration, crisis effects and the green and digital transitions). This is confirmed by interviews with managing authorities and findings for EQ 13 on the twin transition.

Added value in policy delivery - Stakeholders emphasise the importance of ERDF, CF and JTF in promoting more effective, efficient and standardised delivery mechanisms, horizontal principles (e.g. green, digital and gender policies), as well as the possibility to experiment with innovative approaches. Stakeholders highlight that EU cohesion policy is an occasion to address specific development challenges and support large-scale investments (e.g. decarbonisation of transport) which would not be pursued without these financial resources, especially in less developed countries and regions. Moreover, EU added value also impacts specific territories, such as border regions. In this regard, as indicated by the 9th cohesion report, better cooperation across EU regions can contribute to more balanced territorial development, in particular thanks to Interreg programmes supporting interregional collaboration, as well as cross-border and transnational cooperation, including through macro-regional strategies.

The ERDF, CF and JTF contribute to building and reinforcing administrative capacity. Stakeholders involved the seminar confirmed that a significant EU added value of ERDF, CF and JTF is the improvement of administrative capacity for officers working with EU funds, at regional and national levels. Working with EU funds is perceived as a 'training ground' to improve administrative and content expertise and skills. The added value lies in the place-based approach and territorial focus. Cohesion policy enables concrete, multi-governance level capacity building, tailored to the unique needs and potential of specific territories. National policies are complemented by a broader perspective and shared expertise, enabling stakeholders to implement best practices and innovative solutions that may not be feasible through national policies alone. Stakeholders note that EU funds promote learning through evaluation and monitoring, risk

management and anti-fraud procedures, as well as facilitating knowledge and exchanges of best practice between EU cities and territories. JTF stakeholders think the place-based approach adds significant value by facilitating stakeholder involvement and creating tailored plans based on local realities.

Around EUR 13 billion has been allocated to supporting Member States through technical assistance for the 2021-2027 period. Technical assistance aims to help managing authorities with preparation, management, evaluation, monitoring, audit and control, administrative capacity-building of programme authorities, beneficiaries and partners, as well as information and communication. As part of the technical assistance budget, around EUR 2.3 billion aims to reinforce administrative capacity⁽⁶⁷⁾. This study has analysed several roadmaps for administrative capacity building to examine the EU added value. Roadmaps typically focus on transversal logic and needs of programme authorities, intermediate bodies, beneficiaries and stakeholders. This means concentrating more on the administrative machine than on specific themes. However, many of the documents are more strategic than operational, leaving the definition and implementation of capacity building actions to the programmes. Moreover, this study has examined partnership agreements and identified two broad issues. The first is a general one affecting public administration at large (availability of human resources, the importance of procurement processes and the need to avoid gold-plating). The second relates more to cohesion policy including SCOs, IT systems, expertise in specific areas and coordination. The main solutions regard individual competence enhancement, organisational change and structural streamlining of the institution.

The European Commission also provides direct technical assistance to Member States through self-assessment instruments, peer exchange and networking opportunities, handbooks and guides, as well as training on strategic topics through non-cohesion policy funding sources. Technical support is provided to Member States through the TSI, the Just Transition Platform, and Cohesion for Transitions (C4T) Community of Practice. Programmes can fund capacity building under each PO but such activities are directly linked to actions under Specific Objectives. This ensures that capacity building is closely aligned with implementation of the investments. This is expected to cover operations more directly and complement rather than overlap with support provided by other EU resources such as TSI or RRF.

In conclusion, considering the current implementation status, the analysis covers the expected added value of ERDF, CF in a quantitative and qualitative way. Compared to a situation without cohesion policy, EU financial resources promote

⁽⁶⁷⁾ Figures are based on the 9th Cohesion Report

more investment, target sectors and groups which would not be covered without cohesion policy and are pivotal to addressing emerging development challenges. Cohesion policy also has an added value for EU policy objectives and strategies, policy design and delivery, cooperation between EU regions and territorial cohesion and development. Other important added values are building administrative and local development capacity as well as establishing and reinforcing networks.

Evaluation question 13. What is the added value of ERDF, CF and JTF in supporting the twin digital and green transition?

The answer to this EQ builds on several methods and information sources. The literature and document review highlights development challenges and opportunities. Analysis of Open Cohesion data shows how ERDF, CF and JTF planned resources are distributed across policy and specific objectives and categories of regions. The interviews and survey add qualitative evidence.

The European Commission Communication COM/2020/562 highlights that 'digital technologies will be key part of making sure the EU reaches climate neutrality and strengthens its competitiveness globally'. Greening and digitalising the economy might increase socio-economic and territorial disparities across EU regions. In this regard, the 8th cohesion report emphasizes that the twin digital and green transition can 'boost sustainable competitiveness and create new good-quality jobs but can also have an uneven impact on employment across type of occupation, sector, region and Member State'. The green and digital transitions can reinforce each other; however they are not automatically aligned. Digital technologies can have substantial environmental footprints. Digital technologies can have substantial environmental footprints. Moreover, greening and digitalising the economy might increase socio-economic and territorial disparities across EU regions. This calls for an EU-wide proactive and integrated approach to policy decisions and funds, in particular for the most GHG emitting sectors such as agriculture, building and construction, energy, energy-intensive industries, transport and mobility. In this regard, ERDF, CF and JTF provide a comprehensive framework for addressing the interconnected challenges of digitalisation and environmental sustainability. They enhance cooperation between regions, promote innovation, support infrastructure development and ensure the transition is just and inclusive, ultimately contributing to a more resilient and sustainable Europe. The main added value of EU action relies in reducing digital and territorial disparities and mitigating unbalanced green development between regions, as well as promoting local green and digital initiatives such as energy communities and digital innovation hubs. Therefore, EU added value is not only providing financial resources, but shaping public policies, providing strategic guidance and long-term objectives to influence priorities for

regional development at Member State level as well as ensuring knowledge transfer to support lagging regions and Member States with less experience such as border areas, outermost regions, islands and sparsely populated areas.

According to the 8th cohesion report, the EU cohesion policy makes a major contribution to the 'twin transition'. It also boosts sustainable competitiveness and new good-quality jobs but may have an uneven impact on EU society and regions. The EC Rural vision published in 2021 emphasises the role of rural areas and communities in digitalisation as well as the importance of sustainable digital transformation for rural areas. The 9th cohesion report published in 2024 highlights that access to fast internet connection is essential to harnessing the potential of the digital transition. This is in line with the 2023 Digital decade report, which emphasises the importance of simultaneous digital and green transitions. The alignment of national Digital Decade roadmaps with 2021- 2030 national energy and climate plans can reinforce the twin transition. Likewise, the EU Action Plan on the Digitalisation of the Energy System identifies ICT as a driver for investment in renewables and energy efficiency. As pointed out by the 2024 annual growth survey, workforce upskilling and reskilling will have to accompany the twin transition and ultimately strengthen productivity and resilience.

Monitoring committee document analysis shows that a few programmes have included ad hoc selection criteria on the contribution to the twin transition and or the digital and green or ecological transitions. These are Interreg programmes (e.g. the Interreg VI-B Danube programme in RSO 1.3 and 1.4), ERDF programmes (e.g. German Sachsen programme in RSO 1.1 and the Italian Sardegna programme in RSO 1.4 and 1.2) but also JTF programmes (e.g. the integrated territorial Croatian programme with reference to patenting and intellectual property rights and the Just Transition Fund Romanian programme assigning additional points to projects substantially contributing to environmental objectives).

Information from the Cohesion data platform offers an opportunity to estimate ERDF, CF and JTF investments in the twin transition using tracking weightings. Open data platform categorises the planned amount as environmental, digital, climate, or clean air. Of the total planned ERDF, CF and JTF amount of about EUR 403 billion (the EU amount is approximately EUR 284 billion), 12% is CF investments, 78% ERDF, 3% Interreg Funds and 7% JTF. Of this total planned amount, 28% are environmental investments, 39% regard climate, 18% clean air and 12% digital priorities. Considering its relative financial weight, the ERDF has the largest contribution to both green and digital transition. However, there are different patterns for fund contributions to the green transition and to the digital transition. While CF and JTF are pivotal in the green transition, in particular for climate, environmental and clean air investments, ERDF covers most of most digital transition investments (about 89% of them). Interreg funds follow a similar

pattern to the ERDF, focusing on climate, environment, biodiversity and clean air investments.

Combining both digital and green transition values gives the resources invested in the twin transition. These estimates combine digital with environmental, climate, or clean air tracking. So twin transition investments range from about 0.7% to 3.8% of the total amount (from EUR 2.9 billion for environmental investments to EUR 15.4 billion for climate investments).

Analysis of the Specific Objectives shows how financial resources are distributed. The most financially relevant are JSO 8.1 under JTF with specific reference to climate transition, RSO 2.3 Smart energy systems and RSO 2.2 for energy and RSO 2.8 and RSO 3.1 for transport. Under PO1, RSO 1.2 Reaping the benefits of digitalisation is the most financially relevant. Limited resources are invested in POs 4 and 5, through Interreg programme areas and in outermost or sparsely populated areas.

Analysis of selected annex I CPR intervention fields provides more insights into investments funded for twin transition. Twin transition investments regard SME development (enterprise digitisation, business development and internationalisation, incubation support for spin offs / outs, start-ups), ICT government solutions, smart energy systems and related storage, digitalisation of urban transport and European Rail Traffic Management System (ERTMS). Despite the limitations of using tracking weightings in the Open data platform to quantify contributions to the twin transition, this analysis shows that ERDF, CF and JTF have the most added value, as recommended by the JRC study, in some of the most GHG emitting sectors such as energy, transport and mobility.

Stakeholder consultation reveals even stronger results than the quantitative analysis about the added value of ERDF, CF and JTF supporting the twin transition. About 67% of survey respondents see a high or extremely high added value of cohesion policy for the green transition. Likewise, 60% of responses see a high / extremely high added value of cohesion policy for the digital transition. Managing authorities and coordination bodies estimate more added value to both digital and green transitions than other stakeholders such as monitoring committee members. According to the survey findings, the added value of EU cohesion policy is considered extremely high / high in some countries such as Belgium, Cyprus, Estonia, Luxembourg and the Netherlands, where more funds have been allocated to green climate investments.

This positive recognition of EU cohesion policy for the twin transition is confirmed by interviews, with about 60% of the managing authorities confirming the extremely high added value of EU Cohesion policy supporting the green and digital transitions. However, high added value is perceived for the green transition

where many country representatives estimate that in this regard, national policies are perceived as not in place to carry out similar investments, strategies, or approaches. JTF stakeholders are positive in particular for the green transition in JTF territories. There is a positive appreciation for southern as well as central and eastern European countries, but also in France. The share of respondents indicating an extremely high / high added value is slightly lower for the digital transition compared to the green transition (60% vs. 67%). In this regard, where many national investments are expected contribute more to the digital than the green transition, countries already have national schemes and strategies. According to the survey findings, the added value of EU cohesion policy is considered extremely high / high in some countries such as Spain and Finland, where more funds have been allocated to digital investments. On the contrary, the added value of EU cohesion policy is considered not too high or only partial in countries such as Slovenia and Slovakia, Luxembourg, Ireland, Austria or Germany, where less EU funds have been allocated to digital investments.

From a financial perspective, the main expected added value of cohesion policy to twin transition investments regard enterprise development, ICT government solutions, smart energy systems and related storage, as well as digitalisation for transport. ERDF, CF and JTF have the most added value, as recommended by the JRC study, in some of the most GHG emitting sectors such as energy, transport and mobility. Furthermore, there is an important added value of cohesion policy investments in shaping a level-playing field for the green and the digital transition in all Member States, contributing to cohesion and a just transition, with an impact also on the functioning of the Single Market.

4.5. Relevance

Evaluation question 14: To what extent do adopted programmes meet the basic human needs of EU citizens by creating the conditions for development and by addressing the emerging challenges for social, economic and territorial cohesion?

The literature and desk review identified basic human needs under a broader EU context. Analysis of some ERDF, JTF and CF programmes highlighted basic human needs they should address most. The investment analysis helped identify where, thematically and geographically, funds are allocated, and to which type of regions. These were then refined by the survey and interviews investigating how much the programmes address these needs and challenges.

While ESF+ is the EU's main instrument to support implementation of the European Pillar of Social Rights, ERDF/CF and JTF also contribute to this goal. However, their contribution is generally more indirect, as the focus of their support

notably is in improving infrastructure and the environment in EU regions. ERDF aims to correct imbalances between regions on economic, environmental, digital and social themes as well as support broader local initiatives. Support for the transition towards a climate neutral economy and implementation of the European Green Deal is also ensured by JTF. This new instrument only supports the regions most affected by social, employment, economic and environmental impacts of the green transition and thus contributes to the support of basic human needs in these regions. CF also contributes to the fulfilment of basic human needs by funding investments in the environment and TEN-T infrastructure.

In line with the 8th Cohesion Report, this study considers the EU Regional Social Progress Index (RSPI) ⁽⁶⁸⁾ with 'social and health dimensions for the definition of the basic human needs of the EU's citizens. This index builds on social and environmental indicators reflecting societal development. The dimensions covered include basic services such as nutrition, basic medical care, shelter, water and sanitation and personal security, to access to information and communication technologies, energy efficiency, education and skills, and environmental quality' (DG REGIO, 2020). The thematic specialisation and scope of intervention of ERDF/CF/JTF determine the needs addressed by these funds. These needs include water and sanitation, access to information, energy efficiency, communication and environmental quality.

The literature analysis shows that despite overall good results, some domains have worsened since 2019 (e.g. access to healthcare and health inequalities, food poverty) or stagnated and (regionally) remain below EU goals (access to clean and safe water, participation in early childhood education, percentage of NEETs). Migrants and minorities also still have more difficulty fulfilling their basic needs than other EU citizens. Similarly, EU's habitats are in poor to bad conservation status and soil imperviousness increased since 2006. Despite improvements in air quality, exposure to fine particle matter still caused 54 per 1 000 premature deaths in 2020. Furthermore, the crises of 2022 with the rise in energy prices meant more people in the EU could not afford to keep their homes warm (from 6.9% in 2021 to 9.3% in 2022).

Beyond basic human needs, emerging challenges threaten European cohesion. These include demographic changes such as ageing, declining birth rates, depopulation, brain drain, immigration, intra-EU mobility and a shrinking working age population. Such challenges reinforce social, economic and territorial difficulties across the EU. They increase problems of equal access to quality services in scarcely populated areas and regions facing talent development traps

⁽⁶⁸⁾ For further details on the RSPI see: https://ec.europa.eu/regional_policy/information-sources/maps/social-progress_en

as well as pressure on the environment and services in densely populated areas (European Commission, 2024g).

This observation at European level is partially reflected in analysis of the coverage of basic human needs by ERDF and JTF programmes in their strategic design. This analysis highlights targeting on environmental quality, tolerance, inclusion and personal rights in ERDF and JTF programmes. On the other side of the spectrum, access to basic knowledge, nutrition and basic medical care, as well as personal security appear to be less targeted by ERDF and JTF programmes. Needs concerning shelter were mentioned 34 times in the programmes, 6% of the total mentions of needs. This is coherent with observations at EU level during the literature review.

The structure of the partnership agreement requires all Member States to mention challenges caused by demographic change as well as integrated approaches to tackle them. An analysis of the partnership agreements indicates that the extent these challenges are considered differs from country to country. Challenges caused by demographic changes were clearly mentioned in the partnership agreements of Finland and Romania (referring to ageing, insufficient fertility and sparsely populated areas). Other Member States did not make clear and direct references to demographic change in their partnership agreements, including Belgium, Denmark, Ireland, Greece, France, Hungary, Austria and Slovenia. Some of these, however, address these challenges in some of their ERDF/JTF programmes instead. Ireland, France and Slovenia have at least one regional programme that mentions demographic change, referring to issues such as ageing or depopulation. Examples of target measures are improvements, expansion and reorganisation of education, training and healthcare, culture and other public services and social housing to strengthen equal access to quality and inclusive services and increase the attractiveness of the areas.

Needs identified in the ERDF programmes are mostly tackled via PO2, which is the only PO tackling all types of needs analysed ⁽⁶⁹⁾. Over 250 needs were identified and targeted under PO2 in the analysed programmes ⁽⁷⁰⁾. This is the second most funded PO with over EUR 93 billion from ERDF/CF, giving an incentive to register a broad array of projects under this PO. It could also reflect the regulatory obligation to earmark 30% of measures to environmental projects.

⁽⁶⁹⁾ The dimensions covered include basic services such as nutrition, basic medical care, shelter, water and sanitation and personal security, access to information and communication technology, energy efficiency, education and skills, and environmental quality.

⁽⁷⁰⁾ Please refer to Annex 6.2 (section 11) for further details on the needs analysis per PO.

PO4 ranks second in support for basic human needs, with over 110 of the needs identified and targeted in programmes covered by PO4 measures ⁽⁷¹⁾. This PO tackles several needs identified as highly relevant by the literature review (access to health care and education, access to basic services for migrants and minorities, high share of NEETS in the region, etc.). For ERDF PO4 interventions, most cover health and wellness (23 mentions), access to basic knowledge (20), tolerance and inclusion (19). PO1 ranks third and addresses more than 100 needs in the programmes ⁽⁷²⁾. These mostly concern access to information and communication (38 mentions) as well as tolerance and inclusion (20).

EU level needs identified in the literature (see Annex 6.2) appear to be mostly tackled under PO2:

- 75% of needs concerning environmental quality were tackled under PO2.
- 31% of needs linked to tolerance and inclusion were tackled under PO2, 26% under PO1 and 25% under PO4.
- 40% of needs tackling personal rights issues were mentioned in PO2.
- Needs linked to shelter are mostly tackled via PO2 (56%).

While JTF programmes tend to mostly mention environmental needs (13), all TJTPs identify needs of territories and groups most affected by the transition and propose measures such as re- and upskilling, job search assistance, education and to a lesser degree social infrastructure.

ERDF programmes tend to address needs linked to demographic challenges under PO4 and PO5, mostly investments in the healthcare system, education and training, non-residential community-based services, social housing and culture. Interreg and JTF programmes also more or less directly tackle basic human needs and demographic change. For example, JTF interventions may support young people, providing them with attractive job opportunities and training, possibly incentivising them to stay in the region.

For the interviewed managing authorities, programmes contribute to meeting basic needs of EU citizens by creating favourable conditions for development, e.g. through support for educational/training infrastructure and equipment, health and social infrastructure, addressing energy poverty, improving accessibility and means of communication, especially in remote and constrained areas.

⁽⁷¹⁾ Please refer to Annex 6.2 (section 11) for further details on the needs analysis per PO.

⁽⁷²⁾ Please refer to Annex 6.2 (section 11) for further details on the needs analysis per PO.

The survey corroborates that programmes tackle emerging (demographic) challenges to a limited extent. Only 31% of respondents said their programme fully or correctly addresses ageing in their region and 27% say the same for depopulation. Low fertility is not or hardly addressed for 65% of respondents, in line with the scope of the funds. This assessment is shared by all programme stakeholders, though coordination bodies tend to be more positive on programme answers to depopulation than other stakeholders. According to the open responses, the link between programmes and support for such challenges remains weak and/or indirect as most measures can only influence the territorial context through investment in education and health infrastructure, digitalisation and protecting natural space. Growing concerns on external threats such as war were expressed via the open questions. Still, according to interviews with managing authorities, programmes appear to be in line with regions' overall and emerging needs, especially towards more sustainability and environmental quality. This is confirmed by the survey, where over 80% of respondents did not intend to modify programmes due to emerging challenges or needs at that time.

The allocation of funds seems to be relevant with needs examined at NUTS2 level.

PO1 for example, sees more funding in regions with a lower Regional Innovation Scoreboard result ⁽⁷³⁾. These appear to be more in southern and eastern EU regions.

For PO2, the link between funding and needs appears to be robust, with more funding going to regions with lower renewable energy consumption and thus demand. Also, the most vulnerable regions at risk of natural hazards appear to receive the most funding per capita. It is similar for regions with limited wastewater collection, the most in need of sewage treatment infrastructure have high percentages of funding.

Funds for PO3 appear to be highest in regions with moderate to good access by rail and lower in more accessible regions as well as regions with low rail access.

Funds from PO4 seem to go to regions with high needs and regions with solid strategies against poverty and social exclusion. There are similar results for participation in education and training. This is however less clear with funding for health infrastructure, with other (national) funding approaches probably influencing the pattern.

⁽⁷³⁾ The regional innovation scoreboard (RIS) is a regional extension of the European innovation scoreboard (EIS), assessing the innovation performance of European regions on a limited number of indicators.

Lastly, PO5 shows a positive correlation between the number of strategies in a region and the amount of funding per capita.

Regions benefitting the most from PO2 are the less developed, with EUR 75.9 bn invested, followed by regions in transition, with EUR 20.6 bn, and developed regions with EUR 9.7 bn. RSO 2.1. reaches almost all EU regions with the exception of some in the Netherlands and Sweden. RSO2.8, despite focusing on urban mobility, reaches rural populations with more than 30% of its allocation. RSO2.4 and RSO2.5 concentrate more funds in eastern and southern regions, supporting climate change adaptations and water management respectively. The funding going towards these RSOs seems in line with needs highlighted by the literature review, programme analysis and the survey.

The programmes appear to cover basic human needs of EU citizens, in particular those related to environmental quality, principally via PO2. Emerging challenges linked to demographic change seem to be tackled indirectly, mostly through investment in infrastructure. Programmes contribute to meeting basic needs of EU citizens by creating favourable conditions for development, e.g. through support for educational infrastructure and equipment, health and social infrastructure, addressing energy poverty, as well as improving accessibility and means of communication, especially in remote and natural constrained regions. In terms of demographic change, ageing is the most targeted need whereas measures addressing low-fertility are more difficult to integrate in programme design. The analysis of needs addressed by the ERDF/CF/JTF programmes and the allocated funding indicates a positive correlation between the needs and the amount of funding.

Evaluation question 15: To what extent and in what ways do programmed interventions ensure alignment/concentration of funding to challenges identified in the European Semester process, including Country Specific Recommendations?

The European Semester is a policy coordination framework designed to ensure a robust and future-proof economy, aiming at EU competitiveness and long-term prosperity. It promotes an integrated approach across all policy areas, coordination of RRF and cohesion policy programmes, as well as updated reporting on progress towards the SDGs. CSRs and *Country Reports* play a critical role in the process. These documents are the primary channels for the EU to convey tailored recommendation and analysis to Member States, guiding their efforts to addressing economic challenges and advancing social rights. According to the CPR preamble Member States should ‘take into account relevant country-specific recommendations’, including new challenges identified in 2024 CSRs to guide the mid-term review of the programmes.

This evaluation question investigates through the literature review and stakeholder consultations the alignment of cohesion policy programming documents with the European Semester process. This includes specialised literature, partnership agreements and programmes, financial analysis of programmes, combined with investment needs identified in 2019 and 2020 Country Reports and CSRs (more details are in Annex 6.2). Interviews with programme authorities focused on mechanisms to transfer European Semester recommendations into the programmes, and the impact of the European Semester on programme implementation.

Despite the 9th Cohesion Report emphasising the necessity of targeting territorial approaches for the effective implementation of Cohesion Policy, various studies have indicated that the cohesion aspect, particularly in terms of multi-level governance and territorial considerations, has been peripheral in the European Semester focus. The Committee of the Regions (CoR 2020b) study points out that while local and regional authorities are crucial to the deployment of investments and reforms envisioned by the European Semester, their involvement has been limited. Additionally, another CoR study (CoR 2021a) confirms that *'multi-level governance has still been inadequately applied within the European Semester'*, as decentralisation is predominantly managed at the national level, rather than being addressed within the European Semester framework (CoR 2023). Notably, in recent years, there has been a growing emphasis on both the territorial and social dimensions within the process. Notably, in recent years, there has been a growing emphasis on both the territorial and social dimensions within the European Semester process. Between 2019 and 2020, there was an 'increase in territory-related Country-Specific Recommendations', with regionally differentiated issues and implementation that depends on Local and Regional Authority involvement, and a greater focus on the territorial dimension in Country Reports (CoR 2020a and European Commission, 2024g).

In 2019, the Country Reports included Annex D – Investment Guidance on Cohesion Policy Funding 2021- 2027, detailing the preliminary Commission service view on priority investment areas and framework conditions for effective delivery of 2021-2027 cohesion policy. Our document review reveals that Annex D of the 2019 Country Reports and CSRs were taken into account in programming documents. Almost all partnership agreements refer, at least in general terms, to European Semester documents and in particular to 2019 Country Reports Annex D. Financial analysis of programmes reveals that funds have been allocated to cover most of the investment needs identified by Annex D of the Country Report. For POs 1, 2, 3 and 4 at least 85% of the investment needs identified by Annex D of Country Reports have been addressed by programme financial resources. For PO 5, this was 65%. The European Semester is least cited in the PO 5 description of programmes and partnership agreements.

In POs 1,2 and 3 the least covered investments were low carbon, circular economy and R&I in large enterprises (RSO 1.1), business infrastructure for SMEs (RSO 1.3), circular economy and commercial waste (RSO 2.6), digitalisation of transport and other means of transport (RSO 3.2). PO4 has the highest coverage of investment needs noted in the Country Report, although programmes usually assign a lower priority to investment needs than Annex D, with the notable exception of health (RSO 4.5). The following year, Annex D to the 2020 Country Reports contained guidance on investments proposed under the JTF, including the identification of territories most impacted by the transition to climate neutrality. Detailed analysis is reported in Annex 6.2.

All programmes follow or have followed the European Semester recommendations and include concrete proposals and expectations. For instance, Slovakia has elaborated an explicit mechanism in programmes, the 'Partnership Specific Annex', recommending adding individual recommendations of the Council for 2019-2022 to the partnership agreement for each specific objective. As mentioned by interviewees, Annex D of the European Semester report provides guidance for cohesion policy investment. Several managing authorities mention that CSRs and challenges in NRPs are embedded in the partnership agreement and programmes: *'Both in the preparation of the programme and in the modification of the programme, the recommendations are like a 'guiding star' for us, and it is easier to work then. It has really helped to focus the preparation of the programme itself and we take these recommendations very seriously, they are largely in line with the challenges that need to be addressed. However, there should be flexibility for negotiation with the Commission for countries to pose challenges and to address them.'*

However, some interviewees highlight that the common framework of the European Semester does not fully address specific regional challenges, despite the recent trend emphasising the territorial dimension of the process. Another challenge mentioned by one interviewee is that CSRs reflect reforms and investments in a top-down approach, but do not consider capacity on the ground, with regional and local actors not fully involved in the process. So, it is sometimes difficult to consider them in bottom-up approaches for cohesion policy, without supportive action at another level (regional, national). *'The problem is also that country specific recommendations are not always met with absorption capacity. In such a case, it does not make sense to finance some components based on these recommendations when we know in advance that such a component will not be exhausted.'*

Overall, programmes and partnership agreements ensure alignment with the European Semester. For example, in Poland, '[investments in] long-term care is the result of one of the EU [CSRs]'. On the other hand, the European Semester

Country Reports adopt a top-down approach which should be better matched with the bottom-up approach of cohesion policy territorial programming.

Evaluation question 16: To what extent and in what ways do PO1, PO2, PO3 and PO4 programmed interventions take into account territorial needs? Are they still relevant for the needs of targeted territories?

The relevance of POs in Cohesion Policy for targeted territories depends on the challenges and development goals in each region. The socio-economic profile of EU regions not only differs within a country and with other regions across all Member States, but also in relation to wider territorial dynamics and influences. The answer to this evaluation question takes into account the coverage of territorial needs and disparities in the implementation of the ERDF/CF/JTF, examining the specific objectives of POs 1, 2, 3 and 4, Interreg and the JTF specific objective. The answer also considers the relevance and update of programmes with changes in regional disparities.

The 9th Cohesion Report provides information on the evolution and state of play of regional disparities. By 2021, GDP per capita in around a third of less developed, transition and more developed regions had returned to 2008 levels. Eleven Member States saw increased regional disparities for GDP per capita between 2000 and 2021, notably Bulgaria, Croatia and Czechia but also Denmark, Greece and France. Over the same period, Portugal, Austria, Belgium and Germany saw declines in internal regional disparities. At NUTS-3 level, variations between rural and urban areas are particularly striking. While GDP per capita in rural regions tends to be lower than in urban ones, rural regions close to urban centres have experienced faster GDP growth over the past two decades, helping to reduce this disparity. However, remote rural regions, especially in eastern Member States such as Hungary, Bulgaria, Romania, Slovakia, Lithuania, Latvia and Poland, have not seen the same growth. The 9th Cohesion Report also highlights key challenges linked to housing, particularly the need to address affordability issues in urban areas and an ageing population in rural regions, which places additional pressure on public services. Negative net migration, particularly from rural and remote areas, exacerbates regional disparities as younger, more skilled individuals relocate to urban centres, leaving behind ageing and declining populations. In line with the principle of 'do no harm to cohesion' which involves people- and place-based policies cohesion policy plays a substantial role in balanced territorial development and reducing disparities not only at EU level, but also within Member States.

Addressing the PO1, 2, 3 and 4 coverage of territorial needs included an analysis of 27 partnership agreements, 91 programme documents, including 13 Interreg programmes, and 59 smart specialisation strategies. The analysis revealed that

territorial needs are often mentioned in programme documents and partnership agreements, particularly under PO3 A more connected Europe.

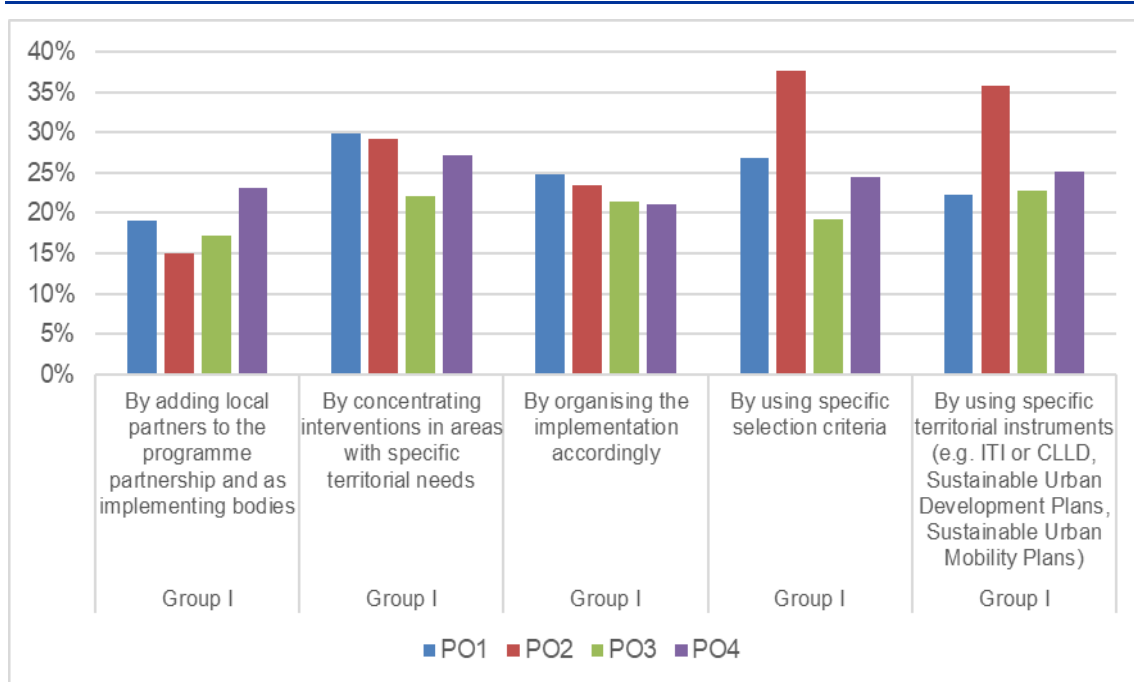
The distinction between rural and urban needs is less explicit in programme documents and partnership agreements. In both, references to rural needs are mainly found under PO2 Greener Europe. POs 2 and 3 also more frequently refer to territorial needs and disparities in access to public services. Demographic challenges related to depopulation and ageing are mentioned for rural areas in some programmes in Spain and Sweden. The digital divide is mentioned in programmes in Belgium, Germany, Estonia, Spain, Finland, Italy, Sweden and Romania. Access to healthcare in rural areas is also mentioned by some programmes in Spain. Programme documents show the specific objective most often mentioning access to public services is RSO1.2 Reaping the benefits of digitalisation and the one most often distinguishing between rural and urban needs is RSO2.8 Sustainable and urban mobility. Interreg programmes make sporadic reference to territorial needs and disparities, as well as to rural and/or rural-specific approaches. Of the 13 analysed Interreg programmes, only four refer to territorial needs and disparities in their strategy, three specifically distinguish between rural and urban areas⁽⁷⁴⁾. For instance, the Lithuania-Poland programmes mention significant socio-economic disparities, particularly between urban and rural areas, for SME economic performance, innovation capacity, demographic, and labour market trends. Although low population density poses challenges for cross-border cooperation, the area's rural and natural features offer potential for wellbeing and sustainable tourism. Territorial needs and disparities are more frequently addressed in smart specialisation strategies.

These results are partially confirmed by the survey regarding the application of territorial perspectives to policy objectives. Managing authorities and implementation bodies apply a territorial perspective to the POs in most cases. For PO1 the territorial perspective is not applied to 27% of policy objectives. For PO2 18%, PO3 34% and PO4 28%.

The Figure below shows how a territorial perspective is applied in POs, according to managing authorities that do apply a territorial perspective in their programmes.

Figure 12: Overview of the application of a territorial perspective to Policy Objectives

⁽⁷⁴⁾ Interreg VI-B Danube, Interreg VI-B EURO MED, Interreg VI-A Lithuania-Poland make explicit reference to the urban/rural divide, while Interreg VI-A Czechia-Poland only refers to territorial needs and disparities.



Source: Consortium elaboration based on the results of the survey (managing authorities)

The interviews with managing authorities show that programmes are considered very relevant, especially for addressing regional disparities and fostering economic development. Programmes address many emerging challenges including environmental sustainability and regional transformation and remain highly relevant to addressing current needs within territories. In some Member States, efforts have been made to align with regional development guidelines, ensuring programming reflects policy orientation. Programmes are still relevant because they focus on regions that were neglected in the previous programming period and for long-term needs of areas that have been already targeted.

Territorial mechanisms allow municipalities and regions to prioritise their funding needs, promoting a bottom-up approach to development. Regional structures such as Regional Development Agencies and Local Action Groups ensure effective implementation and evaluation of the regional dimension. The place-based approach and territorial tools such as ITI, CLLD and sustainable urban planning add significant value by empowering regions to address specific needs, fostering cooperation and strategic development. Despite challenges such as the need for public authority support and better long-term project selection, by the results of the interviews to managing authorities, the participatory process of these programmes ensures they address unique regional challenges, making them valuable for regional development in countries such as Slovenia, Slovakia, Lithuania and Poland. For representatives of other authorities and organisations, ERDF, CF and JTF interventions significantly complement national and regional policy actions by aligning with EU guidelines and national development documents. Programmes address territorial disparities linked to emerging

challenges such as economic, social, environmental and technological ones. Demographic challenges are in most cases directly addressed under PO4 and PO5, with activities in less developed and areas with limited access to services addressing these challenges. Despite some implementation delays, programmes support regional resilience, competence development and innovation. JTF was specifically mentioned as addressing new challenges, emphasising not only actions linked to a green but also a just transition.

Ongoing evaluations regarding potential revisions ensure alignment with evolving needs and circumstances. Some programmes apply a territorial perspective to POs 1 (smart) and 2 (green) mainly through mechanisms such as ITI ⁽⁷⁵⁾ and specific calls in Norte, Portugal. There are territorial-based incentives for small local investments under PO1, while environmental initiatives related to water, waste and energy efficiency are contracted with inter-municipal entities or allocated via regional quotas under PO2. Similarly, under PO4, initiatives promoting school success, social development and inclusion are contracted with municipal entities. In bigger Member States, programme measures are implemented at regional level, ensuring a strong territorial perspective. Enabling conditions under PO1 include the requirement to define Smart Specialisation Strategies for regional programmes emphasising programme commitment to developing local innovation ecosystems. However, challenges remain, particularly in terms of investment and financing in sparsely populated areas.

The survey confirms that most programmes fully or partially address regional disparities in access to public services (education, health, transport, digital services and infrastructure). 46% (262 out of 568 answers) of the programmes address disparities fully and 39% (222 respondents) partially. Only 10% do not address regional disparities at all, while 5% state there are no specific regional disparities. 37% of managing authorities address regional disparities in their programmes either fully (71 answers) or partially (69 answers), 17% do not address them at all, 10% do not report any. Coordination bodies said their programme addresses regional disparities either fully (57% of survey respondents corresponding to 21 coordination bodies) or partially (32%), 8% do not address them at all, and 3% do not report any. Monitoring committee members stated that their programme addresses regional disparities with 92% of 311 responses fully or partially addressing them.

⁽⁷⁵⁾ In the PO ERDF 2021-2027: Investing in a smarter and greener Europe in Luxembourg, Norte Regional Programme ERDF/ESF+/JTF in Portugal, Integrated Territorial Programme in Croatia, Lower Saxony 2021-2027 ERDF-ESF+ in Germany (Source: first round of interviews to managing authorities)

For the relevance of programmes to access to public services, flexibility in designing programmes is appreciated since it allows specific territorial needs to be addressed, such as education and healthcare infrastructure.

According to the open responses EAFRD can have a thematic focus on regional services of general interest. This is confirmed by one respondent stating that the fact that 'the EAFRD was separated from the other Cohesion Policy funds (no longer under Common Provision Regulations but under Common Agricultural Policy) creates a risk of separating rural areas from the rest of European territories and accelerates a perceived urban / rural divide in terms of opportunities and wellbeing for the inhabitants. It seems also difficult to assess the impact of ERDF, CF and JTF in rural areas when not looking at the programmes and projects financed by EAFRD in complementarity with these funds' (Survey, group III). Survey respondents also mentioned JTF as addressing regional disparities through sustainable urban development actions and mobility solutions, and upskilling initiatives. Among the changes for cohesion policy funds in the 2021-2027 period, there is a territorial delivery mechanism and territorial focus specifying the amount of funding planned for various types of territories (dimension 3). Cohesion policy funds (ERDF; CF, ESF+, JTF) and EMFAF for all policy objectives in the 2021-2027 period are implemented mainly in rural areas in most Member States. Only Estonia, Greece, Finland, Italy, Portugal and Sweden do not confirm this pattern and give more importance to funding for sparsely populated areas. As shown in annex 6.3 (on territorial focus), rural areas are explicitly targeted with EUR 8.9 bn (8.7 bn of which by ERDF). Thematically, the greatest emphasis of cohesion policy funding in rural areas is on PO5 'Europe closer to citizens' followed by PO4 Social Europe and PO2 Greener Europe (European Commission, 2024g).

Territorial needs are mainly addressed under PO2 A greener, low carbon transitioning towards a net zero carbon economy and PO3 A more connected Europe. They are also frequently taken into account in Smart Specialisation Strategies, in contrast to Interreg programmes, which only refer to them sporadically. The programmes are still considered to be very relevant to territorial needs, as they address emerging challenges such as environmental sustainability and regional transformation. They also remain highly relevant to addressing current needs within territories, such as access to education and health services. Addressing sparsely populated areas still appears challenging. JTF and EAFRD are in some cases perceived as the most suitable funds to specifically address territorial needs.

5. Conclusions and lessons learnt

Compared to the past programming period, the 2021-2027 period started late, with delays in approval of the regulatory package. Difficulties in successfully completing the implementation of 2014-20 programmes and preparing for closure added complexity.

Factors such as the COVID crisis, the design and implementation of crisis-response measures and recovery instruments, Russia's aggression against Ukraine, the energy crisis and resulting inflation absorbed administrative resources. This affected the start of the 2021-2027 programming period. Differences in administrative capacity, political instability and labour supply shortages should be also taken into account when analysing variations in the state of play of programme implementation between Member States and regions.

In the first part of the programming period, all these factors had a significant impact and the delays in implementation also translated into limited payments and achievements.

- As of June 2024, the 'decided' resources ⁽⁷⁶⁾ for CF and ERDF were 23% (EUR 11.2 billion) and 20% (EUR 62.7 billion) of the budget, respectively. Interreg had the largest share of 'decided' budget at 34% (EUR 4.7 billion); while 'decided' JTF funding has caught up to ERDF and CF levels reaching 22% (EUR 5.8 billion). As of mid-2024 the progress in decided values is broadly similar to 2016 in the previous period, yet trailing behind 2017 by 20% to 40% in most POs. PO3 'Connected Europe' (only in ERDF and CF) and PO5 'Europe closer to citizens' as well as the Interreg specific objective 'safer and more secure Europe' have less progress compared to the other POs.
- Across the EU, most output indicators (63%) show no reported progress towards their milestones. Additionally, 10% of output indicators show signs of implementation but are not close to their milestones yet. A number of output indicators however (27%) are on track, and projected to reach at least 80% of their milestones.
- JTF implementation is generally at an early stage. The fund is newly introduced and intends to contribute to enabling regions and people to address social, employment, economic and environmental impacts of the transition towards the Union's 2030 targets for energy and climate as well as climate-neutrality of the Union by 2050. Qualitative information from JTF implementing bodies indicates that, despite delays in programming and implementation, there is progress in launching calls for projects,

⁽⁷⁶⁾ Financial resources allocated to selected projects (project pipeline)

project selection and providing support for potential beneficiaries. However, progress in implementation was limited as of 30 June 2024. While planned interventions and their financial allocation seem to reflect JTF objectives, it is too early to draw any conclusions on achievements.

However, the evidence collected shows implementation is clearly accelerating and the most difficult phase is completed. There has been considerable progress on the financial and physical decided values since January 2024. Most Member States and programmes have reported significant progress during the year under PO1 and PO2, while for PO3 and PO4 the pace remained slower. The share of financial resources declared by beneficiaries to the managing authorities ('spent') has increased in 2024 reaching 3.8% for Cohesion Fund, 1% for ERDF, 1.3% for Interreg and for JTF, 0.5%. This amounts to EUR 1.8 billion (CF), EUR 3.3 billion (ERDF), EUR 0.2 billion (Interreg) and EUR 0.1 billion (JTF).

Intense organisational and administrative work has also been performed by national and regional authorities. Some obstacles in launching programmes were overcome, and learning costs linked to the new programming period framework are decreasing (to some extent). The competition for limited administrative resources to address alternative priorities is also decreasing, with the expected closure of 2014-2020 programming period and more advanced implementation of RRF.

This study has identified the first benefits from the implementation of cohesion policy programmes.

Effectiveness:

- More resources are usually allocated to territories that present more development challenges. This should contribute to the higher-level goals of social, economic and territorial cohesion across the EU. In addition, individual programme authority choices mean EU-level allocations surpass fund-specific thematic concentration requirements. PO1 Smarter Europe and PO2 Green Europe allocations by category of region exceed the minimum concentration thresholds established by the ERDF and CF regulation.
- Programme analysis shows that several mechanisms are used to consider and address specific territorial needs such as ITI, CLLD, Interreg for border areas and specific funding for rural and urban areas. The large majority of stakeholders perceive the delivery system as effective in addressing territorial needs.
- A large majority of stakeholders find that multi-level governance and the partnership principle are effective in programme design and implementation. Partnership practices enhance collective commitment and ownership of EU policies, increase available knowledge, expertise

and viewpoints in the implementation of strategies, and ensure greater transparency in decision-making processes.

Efficiency:

- For the 2021-2027 programming period, important measures have been taken to solve persistent implementation bottlenecks. Several novelties address implementation challenges and reduce administrative burden. Stakeholders confirm that a large share of implementation bottlenecks has been at least partially solved in 2021-2027.
- Most novelties introduced for the current programming period refer to simplification measures. These were expected to reduce administrative burden in terms of procedures, staff and time. In general, these measures have been well-received by programme authorities. The most popular measures are SCOs, simplified and harmonised eligibility rules for beneficiaries, and reduced reporting obligations for beneficiaries. However, the pace and level of introduction of these measures in programming and implementation varies by Member State and region.
- Enabling Conditions are a key element of cohesion policy for 2021-2027. They build on ex-ante conditionalities from the 2014-2020 period to ensure the conditions for effective and efficient use of the funds are in place. A large majority of stakeholders acknowledge the benefits of enabling conditions and the overall reduction of the admin burden caused by their fulfilment, although individual conditions are more demanding than in the past. Survey and interview results show that their use strengthens the intervention logic of programmes and ensures long-term commitment to strategic goals and the creation of favourable frameworks for investments. Enabling conditions have contributed to Member State climate and social policies.

Coherence:

- Document analysis and stakeholder feedback generally show overall coherence of the three funds with the complex EU policy framework. ERDF, CF and JTF programmes have implemented several coordination mechanisms with other EU funding instruments. However, the degree of coordination depends on the fund. A combination of formal committees (notably the monitoring committee), working groups, and informal networks fosters coordination among instruments and funds linked by policy area. This facilitates collaboration and resource allocation across sectors and regions.
- The additional funding for Member States from the RRF is substantial. This has presented opportunities for synergies, as RRF pillars largely overlap with the five policy objectives of cohesion policy. Document analysis and

existing literature show that Member States have strived to establish clear demarcation of interventions and also sequential synergies, where interventions are initially financed by RRF until 2026 and are then taken up by cohesion policy.

- According to the literature review and stakeholder consultation, ERDF, CF and JTF investments are significantly intertwined with national and regional interventions and reforms. In some Member States, priorities are set at national level and EU funds are a source of funding alongside national ones. In addition, enabling conditions facilitate synergies with national and regional policies. In more centralised systems, where regions and local actors are formally involved but do not manage funding, members of monitoring committees are concerned that local and regional objectives are less represented. This more top-down approach limits the possibility for place-based interventions and investments despite formal stakeholder participation. However, cohesion policy funds can create an opportunity to include specific goals that need to be addressed (e.g. climate change) where there may be little funding available from local sources (especially municipalities). With renewed attention on place-based planning and intervention in this programming period, territorial tools such as ITI and local needs are better addressed in ad-hoc strategies. This facilitates the assessment of complementary funding at regional and local levels and coherent objectives.
- Programmed interventions (ERDF/CF/JTF) show coherence with the DNSH principle and horizontal priorities on climate, biodiversity and gender equality. The review of a sample of programmes shows that cohesion policy programmes and their interventions are in line with the horizontal principle of gender equality, mostly through selection criteria and representation in monitoring committees. Few programmes go beyond the minimum requirements to develop active gender-sensitive approaches, for example by clarifying the potential gender equality impacts of their spending decisions or using gender budgeting tools. Fulfilment of the technical screening criteria for DNSH is a requirement for economic activities to be classified as environmentally sustainable within this instrument. All programmes integrate the DNSH principle. In some Member States, national guidelines and methodologies ensure compliance and support implementation.

EU added value:

- This study confirms the expected EU added value of cohesion policy intervention. This added value of ERDF, CF and JTF in comparison to national policy actions and reforms supporting territorial cohesion and sectoral policy goals is both quantitative and qualitative. Both quantitative evidence and stakeholder feedback indicate that the EU added value in supporting growth and cohesion is significantly higher in less developed

Member States and regions. Regions receiving lower per capita support, also benefit in the long-run from positive spillovers generated by programmes elsewhere. For outermost regions, the EU added value comes typically from interventions which support environmental protection and adaptation to climate change as well as accessibility. These reduce development costs associated with natural constraints that cannot be addressed by national funding alone.

- The majority of the stakeholders agree that ERDF, CF and JTF offer an opportunity to address specific development challenges which would not be pursued to the same extent in less developed countries and regions. They promote thematic concentration and more effective / efficient and standardised delivery mechanisms, horizontal principles and the possibility of experimenting innovative approaches. Territorial cooperation, both within and between regions, as well as the Partnership principle are key to true EU added value. They enhance the ownership of strategies/projects and strengthen the territorial relevance and acceptance of investments, going beyond national development approaches in most Member States.
- Another intangible benefit is the increased visibility of EU action on the ground. The three funds also contribute to the twin digital and green transitions, targeting sustainable competitiveness and new high-quality jobs and mitigating risks of an uneven impact on EU society and regions. Representatives of western and northern Member States mention that cohesion policy is most valuable in speeding up the green transition with national policy frameworks already in place, while southern and eastern country representatives underline the high added value of cohesion policy for the green transition.

Relevance:

- Stakeholder feedback, the literature and desk review confirm the relevance of the three funds to territorial, basic and emerging needs. The programmes cover basic human needs of EU citizens. Most needs are related to environmental quality, principally via PO2 Greener Europe. Emerging challenges linked to demographic change seem to be tackled in an indirect manner, mostly through investment in infrastructure. Programmes contribute to meeting basic needs of EU citizens by creating favourable conditions for development, e.g. through support for educational infrastructure and equipment, health and social infrastructure, addressing energy poverty, as well as improving accessibility and means of communication, especially in remote and constrained areas. The allocation of funds seems to be relevant to territorial needs (at local and regional levels).

- Programmes are in line with priorities of the European Semester. Programme review reveals that Annex D of the 2019 Country Reports and CSRs were taken into account. Almost all partnership agreements refer, at least in general terms, to European Semester documents and in particular to 2019 Country Report Annex D. All programmes follow or have followed European Semester recommendations including concrete proposals and expectations.

However, some challenges remain.

Effectiveness:

- Despite its general effectiveness, cohesion policy implementation remains complex. Stakeholders still perceive high administrative costs related to ERDF/CF and JTF programmes, which is often disproportional for smaller programmes.
- Territorial needs are effective when implemented as part of collective integrated strategies rather than addressed by individual initiatives. Evidence suggests that effective territorial links, thematic overlaps, focus on regional and local specificities, and stronger and more efficient coherence with other funds and EU instruments is not sufficiently ensured in all programmes.
- There is also potential for better partner involvement and more effective partnerships. Engaging stakeholders, especially representing local authorities and civil society, remains a key challenge. Quality governance rules and procedures as well as sufficient administrative capacity are key prerequisites for effective cohesion policy partnerships. Several stakeholders suggested improved frameworks for partnerships, such as Codes of Conduct at national or regional level, as well as capacity building for potential partners. Resources such as the European Community of Practice on Partnership (ECoPP) can help improve application of the partnership principle in practice.

Efficiency:

- Despite the positive development for many bottlenecks, stakeholders still perceive implementation challenges such as extensive reporting and auditing requirements which are noted as disproportionate especially for smaller programmes. There is also a lack of common understanding among national authorities on how to apply novelties such as SCOs. The perception of unclear rules and procedures are partially linked to the new regulatory requirements, including those related to the application of the revised GBER.

- Even if some simplifications are viewed almost unanimously as being useful, the effects on administrative burden are still uncertain. Stakeholders pinpoint accompanying actions to facilitate the implementation of simplification measures. These include a stable regulatory and procedural framework over the entire programming period, as well as clear and harmonised guidance at the early stage of the programming period.
- The increased ambition makes an individual enabling condition more burdensome than an individual ex ante conditionality. However, the overall fulfillment of enabling conditions is less burdensome than ex ante conditionalities due to the lower number of conditions. Enabling conditions have also been criticised for their additional administrative burden and other overlaps with programming processes of national frameworks, resulting in less flexibility and more complexity.

Coherence:

- Most coordination activities regard cohesion policy funds but to a more limited extent other EU funding instruments. This is also reflected at operational level, where most synergies have been established within and between cohesion policy funds. This is likely due to fragmentation of the policy framework and the diversity and complexity of the rules in place for different EU budget instruments.
- In general, more effective investments could be achieved through greater synergy with other EU funds and the RRF, for example by financing different operations that build on each other. This would help avoid overlaps and optimise regional capacity to absorb the funding at territorial level.
- Interventions are often closely intertwined with national programmes, but the consideration of regional needs can be improved, especially for innovation and the economy, where regional interests may not be fully addressed.
- Application of the DNSH principle is seen as burdensome as it is a novelty for cohesion policy and the stakeholders involved. Literature review and feedback from stakeholders suggest additional action to take further advantage of the principle, including harmonising the legal basis to integrate DNSH across EU policies and instruments and deepening links with areas such as green finance or green budgeting.

EU added value:

- The expected added value is confirmed, however better monitoring is needed at territorial level, especially for twin transition added value. This

could help to understand the added value of ERDF, CF, JTF and Interreg in ensuring new quality jobs and economic and social development opportunities from the twin digital and green transitions.

- There is room for improvement to track and monitor the added value of EU funding for regional development and to grasp more systematically intangible benefits beyond monetary transfers.

Relevance:

- Some interviewees highlight that CSRs reflect reforms and investments in a top-down approach, but do not consider capacity of implementation on the ground. The lack of regional and local considerations in the European Semester has been addressed in recent years but is still perceived as a challenge by stakeholders.

6. Annexes

The annexes detail activities and contributions which sustain the results of this study. These include the evaluation matrix (annex 6.1), 'Summaries' based on the literature and document review (annex 6.2), the investment analysis (annex 6.3), the synopsis report on stakeholder engagement (annex 6.4), and seven thematic fiches (annex 6.5).

6.1. Evaluation matrix

Provided in a separate file.

6.2. Desk analysis and literature review

Provided in a separate file.

6.3. Needs, inputs, outputs, results and implementation

Provided in a separate file.

6.4. Stakeholder consultation - synopsis report

Provided in a separate file.

6.5. Thematic fiches

Provided in a separate file.

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MID-TERM EVALUATION

OF THE EUROPEAN REGIONAL DEVELOPMENT
FUND, THE COHESION FUND AND
THE JUST TRANSITION FUND

 **2021
2027**

ANNEX 6.1 EVALUATION MATRIX

**No REGIO/2023/OP/0045 - Study to
support the mid-term evaluation of
cohesion policy programmes 2021-
2027 financed by the ERDF,
Cohesion Fund and JTF
(2023CE16BAT088)**

Evaluation Matrix

Evaluation Matrix

In line with the Better Regulation Toolbox, the EM outlines a framework for how the evaluation team will structure its approach, establishing a systematic link between the evaluation criteria, key areas, evaluation questions and judgement criteria. Additionally, it provides more detailed insights into the sources of information used and their link to the different tasks and evaluation requirements.

The EM identifies for each evaluation question:

- The evaluation criteria based on the ToR;
- The study 'key area' (see annex 6.2) covered by the evaluation question, when relevant, providing a clear link between the topics addressed in the study and the set of evaluation questions;
- The judgement criteria against which the evaluation question will be answered during the study, using different sources for the triangulation of data;
- The data necessary to address the evaluation and judgement criteria, split by source: literature review, data analysis and stakeholder consultations.

The evaluation matrix also illustrates how the team will employ 'triangulation', in aligning the evaluation questions with different sources of information and assessment tools (e.g., it shows how interviews will complement the literature review in addressing the efficiency criterion).

Legend: X = direct link; N/A= indirect link

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
Effectiveness	No specific	EQ1	across the POs, SOs by MS and type of regions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	Quantitative
Effectiveness	No specific	How and to what extent do adopted programmes and progress in implementation reflect	JC1.2: Financial progress (payments) by PO, SO, Fund, category of region, MS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	N/A	N/A	Quantitative
Effectiveness	No specific	the goals of the ERDF, the CF and the JTF for 2021-2027?	JC1.3: Physical progress (output and result indicator progress) by PO, SO, Fund, category of region, MS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	X	N/A	N/A	Quantitative
Effectiveness	Territorial needs and tools	EQ2 What is the progress in the implementation of TJTPs? Is it in line with the	JC2.1: Capacity to address key territorial challenges by MS	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	X	Qualitative
Effectiveness	No specific		JC2.2: Financial progress	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	Quantitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
Effectiveness	No specific	JTF goal to address the socio-economic challenges of specific territories of the transition towards the Union's 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050? What are the challenges and gaps of the planned interventions?	(payments) by MS																			
			JC2.3: Physical progress (output and result indicator progress) by MS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	Quantitative
Effectiveness	Early implementation bottlenecks		JC2.4: Implementation challenges	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	X	Qualitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for ERDF funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
Effectiveness	Territorial needs and tools	EQ3 Are ERDF, CF and JTF delivery systems effective in considering and addressing specific needs?	JC3.1: Effectiveness of delivery systems in considering and addressing specific needs	X terr. del. mechanisms and territorial focus dimension	N/A	N/A	N/A	X	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	Qualitative
Effectiveness	Early implementation bottlenecks	EQ3 Are ERDF, CF and JTF delivery systems effective in considering and addressing specific territorial needs? What implementation bottlenecks can be identified?	JC3.2: Identification of implementation bottlenecks	N/A	N/A	N/A	X	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	X	Qualitative
Effectiveness	Territorial needs and tools	EQ4 In what ways do partnership and multi-level governance affect programme design and implementation?	JC4.1: Effectiveness of the involvement / contribution of partnership and multi-level governance in the programme design	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	X	Qualitative
Effectiveness	Territorial	EQ4 In what ways do partnership and multi-level governance affect programme design and implementation?	JC4.2:	N/A	N/A	N/A	X	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	X	Qualitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents)	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
ss	needs and tools		Effectiveness of the involvement / contribution of partnership and multi-level governance in the implementation phase																			
Efficiency	Novelties compared to the previous programming period (regarding the capacity of addressing implementation bottlenecks identified in the previous programming period)	EQ5 How are implementation bottlenecks identified in previous programming periods tackled and addressed in 2021-2027?	JC5.1 Capacity of the programme to address implementation bottlenecks of the programming periods	x	N/A	N/A	x	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	x	x	x	Qualitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
Efficiency	Enabling conditions	EQ6 How do enabling conditions affect intervention logic and programme implementation? Do they improve the efficiency and effectiveness of investments?	JC6.1 Contribution of the enabling condition in the programme design phase	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	X	Qualitative/quantitative
Efficiency	Enabling conditions		JC6.2 Contribution of the enabling condition in the programme implementation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	X	Qualitative
Efficiency	Simplification measures	EQ7 Do the simplification measures proposed for the 2021-2027 programming period contribute to the	JC7.1 : Perceived reduction of the administrative burden/ costs for MA and IBs	N/A	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	X	Qualitative
Efficiency	Simplification measures		JC7.2: Adoption of simplification measures (upper level)	X	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	X	Qualitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
		reduction of the administrative burden for managing authorities and intermediary bodies? How and to what extent are they used by the programmes?	and estimation (lower level)																			
Coherence	Coherence with other EU instruments	EQ8 To what extent are ERDF, CF and JTF programming and implementation coherent with other EU funding instruments (e.g.,	JC8.1: Coordination mechanisms put in place by the ERDF, CF and JTF with the "relevant" EU funding instruments at strategic level.	x	x	x	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	x	x	N/A	Qualitative
Coherence	Coherence with other EU	with other EU funding instruments (e.g.,	JC8.2: Synergies or/demarcation and	x	x	x	N/A	N/A	x	x	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	x	x	N/A	Qualitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
	instruments	ESF+, JTM Pillar II and III, Connecting Europe Facility, EU4Health, Horizon Europe, The Digital Europe Programme and EMFAF)	mechanisms put in place by the ERDF, CF and JTF with the relevant EU funding instruments at operational level.																			
Coherence	Coherence with other EU instruments	and in particular with the RRF? How is this achieved?	JC8.3: Coordination mechanisms put in place by the ERDF, CF and JTF with the NRRPs at strategic level.	X	X	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	N/A	Qualitative
Coherence	Coherence with other EU instruments		JC8.4: Synergies or/demarcation and mechanisms put in place by the ERDF, CF and JTF with NRRPs operational level.	X	X	X	N/A	N/A	X	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	N/A	Qualitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
Coherence	No specific	EQ9 To what extent and in what ways do ERDF, Cohesion Fund and JTF interventions complement relevant policy actions and reforms at the national and subnational level?	JC9.1: Complementarities with regional investments/reforms (e.g. in the areas of innovation, biodiversity, energy, environmental risk prevention, transport, rural/urban development)	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	Qualitative
Coherence	No specific	EQ9 To what extent and in what ways do ERDF, Cohesion Fund and JTF interventions complement relevant policy actions and reforms at the national and subnational level?	JC9.2: Complementarities with the national investments/reforms identified in the NRPs.	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Qualitative
Coherence	Horizontal priorities and principles	EQ10 Are programmed interventions coherent with the horizontal principle of 'do not significant	JC10.1: Coherence with the horizontal principle of DNSH	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	Qualitative
Coherence	Horizontal priorities and principles	EQ10 Are programmed interventions coherent with the horizontal principle of 'do not significant	JC10.2: Contribution to biodiversity goals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	X	N/A	Quantitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
Coherence	Horizontal priorities and principles	harm' and the horizontal priorities on climate, biodiversity, and gender equality?	JC10.3: Contribution to climate goals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	X	N/A	Quantitative
Coherence	Horizontal priorities and principles	harm' and the horizontal priorities on climate, biodiversity, and gender equality?	JC10.4: Contribution to gender equality	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	X	N/A	Quantitative
EU Added value	Added value of cohesion policy	EQ11 Would cohesion and sectorial policy objectives be pursued in the absence of ERDF, CF and JTF interventions? What is their expected additional value compared to what could be reasonably achieved by Member States and subnational authorities?	JC11.1: Added value of cohesion funds for cohesion compared to national policy actions and reforms in terms of financial resources, quality of policy delivery tools, administrative capacities.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	N/A	N/A	N/A	X	X	X	Quantitative
EU Added value	Added value of cohesion policy	EQ11 Would cohesion and sectorial policy objectives be pursued in the absence of ERDF, CF and JTF interventions? What is their expected additional value compared to what could be reasonably achieved by Member States and subnational authorities?	JC11.2: Added value of cohesion funds for sectoral policy goals compared to national policy actions and reforms terms of financial resources, quality of policy delivery tools, administrative capacities	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	N/A	N/A	N/A	X	X	X	Quantitative
EU Added value	Territorial needs and tools	EQ12 How do ERDF, CF and JTF investments contribute to a	JC12.1: Added value for contribution to a place based approaches (IT1,	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	N/A	X	X	X	Qualitative/quantitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
EU Added value	Added value of cohesion policy	place-based approach in Member States and territories? What is the added value for outermost regions and cross-border cooperation?	LCLLD and urban integrated planning) in MS and territories																			
		EQ13 What is the added value of the ERDF, the CF and the JTF in supporting the twin digital and green transition?	JC12.2: Added value for Outermost regions and CBC of the EU intervention	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	N/A	X	X	X	Qualitative/quantitative
EU Added value	Added value of cohesion policy (twin transition)	EQ13 What is the added value of the ERDF, the CF and the JTF in supporting the twin digital and green transition?	JC13.1: Cohesion funds added value to the twin transition, considering both Digital and Green transitions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	X	X	N/A	X	X	X	Qualitative/quantitative
Relevance	Social and health dimension, including basic needs of EU citizens	EQ14 To what extent do adopted programs meet the basic human needs of EU citizens by creating the conditions for development and by addressing the emerging challenges for social, economic and territorial cohesion?	JC14.1: Coverage of adopted programmes of basic EU citizens needs in their strategic design	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	X	N/A	N/A	N/A	N/A	N/A	Qualitative/quantitative
Relevance	Emerging challenges for territorial cohesion, including demography		JC14.2: Coverage of adopted programme of emerging challenges	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	X	N/A	N/A	X	X	N/A	Qualitative/quantitative

Evaluation criterion	Key area	Evaluation question	Judgement criterion	Desk review: Programmes	Desk review: Partnership agreement	Desk review: Policy and programming sources for EU funding instruments	Desk review: Roadmaps	Desk review: S3	Desk Review: Selection of operation documents	Desk review: MC documents	Desk review: NRRP	Desk review: NRP	Desk review: CSR	Desk review: Cohesion Report	Desk review: other documents	Data analysis: Intervention fields planned	Data analysis: Indicators (planned))	Data analysis: Implementation data	Interviews	Survey	Seminar	Comments: quantitative (main sources: SFC2021, Open Data Platform); qualitative
Relevance	European Semester process	EQ15 To what extent and in what ways do programmed interventions ensure alignment/concentration of the funding in challenges identified in the European Semester processes and Country Specific Recommendations	JC15.1: Programme allocation of the funding aligned with challenges in European semester processes and Country Specific Recommendations	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	X	X	N/A	Qualitative
Relevance	European Semester process	EQ16 To what extent and in what ways do PO1, PO2, PO3 and PO4 programmed interventions take into account territorial needs? Are they still relevant for the needs of targeted territories?	JC15.2: Programme interventions support investment to tackle challenges identified in European semester processes and Country Specific Recommendations	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	X	N/A	N/A	X	X	N/A	Qualitative/quantitative
Relevance	Territorial needs and tools	EQ16 To what extent and in what ways do PO1, PO2, PO3 and PO4 programmed interventions take into account territorial needs? Are they still relevant for the needs of targeted territories?	JC16.1: Coverage of PO1, 2, 3 and 4 of territorial needs	X	N/A	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Qualitative
Relevance	Regional disparities, including the rural/urban divide and access to public services	EQ16 To what extent and in what ways do PO1, PO2, PO3 and PO4 programmed interventions take into account territorial needs? Are they still relevant for the needs of targeted territories?	JC16.2: Relevance and update of the programme considering the changes in terms of regional disparities	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	X	X	Qualitative

MID-TERM EVALUATION

OF THE EUROPEAN REGIONAL DEVELOPMENT
FUND, THE COHESION FUND AND
THE JUST TRANSITION FUND

 **2021
2027**

ANNEX 6.2 DESK ANALYSIS AND LITERATURE REVIEW

**No REGIO/2023/OP/0045 - Study
to support the mid-term
evaluation of Cohesion Policy
programmes 2021-2027 financed
by the ERDF, Cohesion Fund and
JTF (2023CE16BAT088)**

Annex 6.2:
Desk analysis and literature review

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Acronyms

AMIF	Asylum, Migration and Integration Fund
BMVI	Instrument for Financial Support for Border Management and Visa Policy
CAP	Common Agricultural Policy
CEF	Connecting Europe Facility
CF	Cohesion Fund
CLLD	Community Led Local Development
CoR	European Committee of the Regions
CPR	Common Provisions Regulation
CSR	EU country-specific recommendations
DEP	Digital European Programme
DG ECFIN	Directorate-General for Economic and Financial Affairs
DG EMPL	Directorate-General for Employment, Social Affairs and Inclusion
DG REGIO, REGIO	Directorate-General for Regional and Urban Policy
EAFRD	European Agricultural Fund for Rural Development
EGF	European Globalisation Fund
EMFAF	European Maritime, Fisheries and Aquaculture Fund
EQ	Evaluation Question
ERDF	European Regional Development Fund
ESF+	European Social Fund+
ERMTS	European Rail Traffic Management Systems
HE	Horizon Europe
IB	Intermediate Body

ISF	Internal Security Fund
IT, ICT	Information and communications technology
ITI	Integrated Territorial Investment
JTF	Just Transition Fund
MA	Managing Authority
MS	Member State
NRP	National Reform Programme
RRP	Recovery and Resilience Plan
PA	Partnership Agreement
PO	Policy Objective
PR	Programme
R&I	Research and Innovation
RRF	Recovery and Resilience Facility
RSO	ERDF / CF Specific Objectives
SCO	Simplified Cost Option
SDG	Sustainable Development Goal
TA	Technical assistance
TEN-T	Trans-European Transport Network
TJTP	Territorial Just Transition Plan
TMS	Traffic Management Systems
TSI	Technical Support Instrument

Introduction

This annex includes the definition of the key areas used in this study. There are 12 summaries addressing 12 topics key for the cohesion policy. This annex provides also the list of 90 programmes included in the study sample, with detail on the Nuts code, category of region and fund covered. The Interreg strand is also specified for the Interreg programmes.

Key areas definition

The table below provides revised definitions for the 13 key areas, regulatory sources and demarcation criteria (see references below)

Key areas	Definition	Regulations*	Detail
Novelties compared to previous monitoring periods	Novelties introduced by the new CPR compared to the last programming period. The 2021-27 novelties are detailed in the SWD(2023) 134 final, section 4; including : • Extended use of SCOs • Use of FNLC • Fewer enabling conditions • 'Seal of Excellence', integration of EU instruments (direct management) • Simplified and harmonised eligibility rules for beneficiaries • Reduced reporting obligations for beneficiaries • No specific rules or procedures for major projects / revenue generating projects • New common output and results indicators • Simpler provision for financial instruments • More frequent reporting instead of annual reports • Flexibility for re-programming • Reduced audit requirements and control systems • ACB instruments (i.e. Roadmaps, Technical Support Instrument -TSI).	'Novelties' are not noted in the Regulations	Detail For this study and to avoid overlapping with other key areas novelties include: • 'Seal of Excellence', integration of EU instruments (direct management) • Simplified and harmonised eligibility rules for beneficiaries • Reduced reporting obligations for beneficiaries • No specific rules or procedures for major projects / revenue generating projects • New common output and results indicators • Simpler provision for financial instruments • More frequent reporting instead of annual reports • Flexibility in terms of re-programming • Reduced audit requirements and control systems.

Key areas	Definition	Regulations*	Detail
SCOs and FNCL (as simplification measures)	Refer to: <u>Regulatory measures</u> (SCOs + FNLCs). <u>Non regulatory (specific) measures</u>: Activities to reduce administrative burden (in implementation, monitoring, control and reporting).	CPR Article 22 (3) Content of programmes, <i>'each programme shall set out a summary of the main challenges, taking into account [...] challenges in administrative capacity and governance and simplification measures'.</i> ERDF, recitals 41 and 48, 69. More details are in the Regulation for SCOs and FNLC (CPR articles 51-56, 94-95 and appendix 1 and 2).	Simplification is used several times in the regulation with different meanings (regulatory and non-regulatory simplification measures). In a broader sense, this area overlaps with 'Novelties' and 'administrative capacity' key areas. This section, for clarity will only include the regulatory measures SCOs and FNLCs.
Enabling conditions	Defined in the Regulation.	CPR – Chapter II, article 15. Term in the DG REGIO Glossary.	
Early implementation bottlenecks	Factors (financial, administrative, technical) that hamper efficient and effective implementation of programmes by managing authorities.	'Bottlenecks' not defined in the Regulations.	<u>'Bottlenecks' regard</u> : coordination issues, inadequate resources, setting clear objectives and priorities, capacity constraints, administrative burden, complexity and bureaucratic aspects as well as alignment with environmental and transport strategies, long-term (structural) versus one-off absorption capacity due to extra funding (e.g. crisis instruments and RRF).
Territorial needs and tools	Specific needs and tools for territorial development. These include ITI, CLLD and other approaches designed by Member States for territories with specific characteristics and needs (e.g. cross-border, rural/urban, peripheral regions, islands, mountains, areas with socio-economic disadvantages, etc.). In the analysis of territorial tools, the study will also consider multilevel governance and partnership principles with reference to EQ 4.	CPR chapter II (articles 28 to 34) 'Territorial development' CPR article 8 and European code of conduct on partnership established by Delegated Regulation (EU) No 240/2014.	The partnership established under Article 8 (1) shall operate in accordance with the multi-level governance principle and a bottom-up approach. The Member State shall involve partners referred to in paragraph 1 in preparation of the Partnership Agreement and throughout the preparation, implementation and evaluation of programmes, including through participation in monitoring committees.

Key areas	Definition	Regulations*	Detail
Administrative capacity	Administrative capacity under EU Cohesion Policy, refers to the capability of public and private entities across local, regional, national and EU levels to design, manage, implement, monitor, control and evaluate EU funds and projects. This capacity necessitates collaboration between diverse actors, including national coordinators, programme authorities, intermediate bodies, and beneficiaries. It spans individual skills and competencies, organisational structures and processes as well as institutional legislation and policy dimensions, each contributing to the holistic development and implementation of cohesive policies.	CPR in article 22 'Content of the programmes': each programme shall set out [...]: Challenges in administrative capacity and governance and simplification measures' + articles 35 and 40.	Terms used together in regulations/programmes and literature with governance and simplification. Administrative capacity is not mentioned in the evaluation matrix but will be covered in the analysis by referring to other key areas such as 'territorial needs and tools', 'early implementation bottlenecks', 'simplification measures', 'novelties compared to the previous programming period', 'added value of Cohesion Policy' if there is information about the Cohesion Policy contribution to increasing administrative capacity.
Horizontal priorities and principles	Horizontal principles: a) respect for fundamental rights and compliance with the Charter of Fundamental Rights; b) equality between men and women, gender mainstreaming and gender perspective, c) prevention of discrimination against minorities, d) in line with promoting UN Sustainable Development Goals, Paris Agreement and 'DNSH do no significant harm'.	CPR article 9 'Horizontal principles'	This is part of measures which include enabling conditions, climate proofing of investments in infrastructure, climate and environmental weighting as a contribution from the funds to climate and environmental objectives and gender tracking.

Key areas	Definition	Regulations*	Detail
Added value of Cohesion Policy	Defined in general terms in the Regulations, but specifically when it comes to evaluation related articles. Union added value is an evaluation criterion. The EC SWD (2021) 198 final on Performance, monitoring and evaluation of the ERDF, CF and JTF in 2021-2027 indicates that 'In assessing EU-added value we look for changes that can reasonably be attributed to the EU intervention, over and above what could reasonably have been expected from national actions by the Member States'. Different approaches are possible.	TFEU article 174. CPR articles (44-45) related to added value in the context of evaluation. Not in the ERDF and JTF regulations.	The twin transition will be analysed as part of the added value. References include the JRC Study: (Towards a green & digital future - 2022), the Annual Growth Survey and the Eighth and Ninth Cohesion report.
European Semester process	CSRs and Country Reports	CPR Recital 15: <i>At Union level, the European Semester of economic policy coordination, including the principles of the European Pillar of Social Rights, is the framework to identify national reform priorities and monitor their implementation. Those strategies should be presented alongside the yearly National Reform Programmes as a way to outline and coordinate priority investment projects to be supported by national or Union funding, or both. They should also serve to use Union funding in a coherent manner and to maximise the added value of the financial support to be received, in particular from the funds.</i>	EC website 'The European semester explained' https://www.consilium.europa.eu/en/policies/european-semester/

Key areas	Definition	Regulations*	Detail
Regional disparities, including access to public services	In the Cohesion report, 'regional disparities' mainly relate to employment, GDP, connectivity, and regional public investments. Public services are intended as access to transport, education and health, digital services and infrastructure.	Public services, in general terms, are not defined in the CPR. Public services are mentioned in the CPR only related to 'Public Private Partnership operations' in article 2.	For basic social and health needs see the following key areas.
Social and health dimension, including the basic needs of EU citizens	For this analysis, in line with the Eighth Cohesion report, for health and education we refer to the dimensions covered by the EU Regional Social Progress Index.	'Basic needs' are not defined in cohesion funds regulations.	For disparities in access to public services see the previous key area.
Emerging challenges for territorial cohesion, including demography.	Reference mainly to demographic challenges. These regard: economic, social, environmental/ climate, technological, territorial and demographic challenges not addressed by the programme strategy.	For demography: see CPR article 11.1.j and article 22 (3).	The Eighth Cohesion report addresses demographic change in chapter 6.
Coherence with other EU instruments	The 'coherence analysis' includes: design of measures, coordination mechanisms, synergies and implementation mechanisms.	Articles related to evaluation in the CPR. Not in the ERDF and JTF regulations.	

*:Regulations: CPR, ERDF (+ Cohesion Fund), JTF + ETC.

Main references:

- DG Regional Policy glossary: https://ec.europa.eu/regional_policy/policy/what/glossary_en
- JRC Study: <https://publications.jrc.ec.europa.eu/repository/handle/JRC129319>
- Annual Growth Survey: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022DC0780>.
- European semester: https://commission.europa.eu/business-economy-euro/economic-and-fiscal-policy-coordination/european-semester/framework/european-semester-explained_en

Summaries

1. European semester process

1.1 Introduction to the key area

Definition

Recital 15 CPR:

*‘At Union level, the European Semester of economic policy coordination, including the principles of the European Pillar of Social Rights, is the framework to identify national reform priorities and monitor their implementation. Those strategies should be presented alongside the yearly **National Reform Programmes** as a way to outline and coordinate priority investment projects to be supported by national or Union funding, or both. They should also serve to use Union funding in a coherent manner and to maximise the added value of the financial support to be received, in particular from the Funds.’*

The European Semester is the policy coordination framework to ensure a robust and future-proof economy aiming at EU competitiveness and long-term prosperity. It promotes the integrated approach across all policy areas, coordination between the implementation of the RRF and Cohesion Policy programmes as well as updated reporting on progress towards delivery of the SDGs. The Country Specific Recommendations (CSRs) and the Country Reports play a critical role in the European Semester. These documents are the primary channels the EU uses to convey tailored advice and evaluations to Member States, guiding their efforts in addressing economic challenges and advancing social rights.

Evaluation Questions associated with the key area

Evaluation question 15: *To what extent and in what ways do programmed interventions ensure alignment/concentration of the funding in challenges identified in the European Semester processes and Country Specific Recommendations?*

1.2 Information sources

Table 1 – References – European semester process

Type of document	Section analysed
Programmes	Textual search in all the programme documents of the words 'Council Specific Recommendation' / 'CSR'. The textual search is organised into two levels. The first refers to programme section 1, while the second to programme section 2 within the actions of each specific objective.
Partnership Agreement	All
National Reform Programmes	Where relevant, section dedicated to the use of EU funds.
2021 Country Specific Recommendations	EC's CSRs database, corresponding to the final section of the document: 'hereby recommends *MS* to'
2022 Country Specific Recommendations	EC's CSRs database, corresponding to the final section of the document: 'herby recommends that *MS* take action in 2022 and 2023 in'
2019 Country Report	Annex D
2020 Country Report	Annex D
2022 Country Reports	Section 'Key findings'
Ninth report on economic, social and territorial cohesion	Chapter 7, section 'The relevance of reforms and the European Semester'
COR, Cohesion as an overall value of the EU (2021a)	Section 4 'Cohesion spirit matters in the light of development trends' Section 9 'Envisioning cohesion spirit'
COR Potential impacts of COVID-19 on regions and cities of the EU (2020a)	Section 2 'Multilevel governance & sustainability in recovery policies'
COR, Active subsidiarity and the European Semester: the involvement of cities and regions in policy-making for investment and structural reform (2020b)	Section 1 'European Semester and 'active subsidiarity', review of ES criticalities and involvement of Local and Regional Authorities in the light of active subsidiarity'
COR, Regional and local authorities and the National Recovery and Resilience Plans (2021b)	Section 4 'Conclusions and Policy Recommendations'
COR Effective decentralisation in the context of the European Semester and beyond (2023)	Section 4 'Conclusions and Policy Recommendations'

1.3 Findings

1.3.1. Key findings

This summary provides an overview of the relationship between Cohesion Policy and the European Semester. Following a brief review of the specialised literature, the summary identifies the investment needs of the Member States as detailed in

the Country Specific Recommendations (CSRs) and the Country Reports within the framework of the European Semester. The analysis first examines the thematic evolution of the CSRs and Country Reports and then delves into a detailed financial analysis of the 2019 Country Report Annex D. Additionally, it offers a preliminary analysis of how these needs are addressed in the programmes and Partnership Agreements through a semantic analysis of all Partnership Agreements and a sample of ERDF, CF and JTF programmes.

The review of specialised literature on the relationship between the European Semester and Cohesion Policy begins with the Ninth Report on Economic, Social, and Territorial Cohesion. The document emphasises the necessity of targeting territorial approaches for the effective implementation of Cohesion Policy. It notes, 'The European Semester Country Reports while identifying nationwide economic and social challenges in Member States, also underscore the importance of the regional dimension in the EU's agenda for growth and resilience. These reports highlight disparities across regions concerning four dimensions of competitive sustainability: environmental protection, productivity, fairness, and macroeconomic stability.' However, various studies have indicated that the cohesion aspect, particularly in terms of multi-level governance (MLG) and territorial considerations, has been somewhat peripheral in the European Semester's focus. The Committee of the Regions (CoR 2020b) study points out that while local and regional authorities are crucial to the actual deployment of investments and reforms envisioned by the European Semester, their involvement has been limited. Additionally, another CoR study (CoR 2021a) confirms that 'Multi-level governance has still been inadequately applied within the European Semester', as decentralisation is predominantly managed at the national level, rather than being addressed within the European Semester framework (CoR 2023). Notably, in recent years, there has been a growing emphasis on both the territorial and social dimensions within the European Semester process. Between 2019 and 2020, there was an 'increase in territory-related Country-Specific Recommendations', with regionally differentiated issues and implementation that depends on Local and Regional Authority involvement, and a greater focus on the territorial dimension in Country Reports (CoR 2020a and Ninth Cohesion Report). Despite these improvements, Semester documents sometimes fail to link identified needs and associated investments with cohesion policy or explicitly establish their relevance.

Focusing on key Semester documents, such as the CSRs and Country Reports, and their relationship with investments related to Cohesion Policy, it is important to note that their policy focus has evolved over the years. In 2019, the Country Reports included the Annex D – Investment Guidance on Cohesion Policy Funding 2021- 2027, detailing the preliminary Commission service view on priority investment areas and framework conditions for effective delivery for the 2021-2027 Cohesion Policy. The following year, Annex D to the 2020 Country Reports reported guidance on investments proposed under the JTF, including the

identification of territories most impacted by the transition to climate neutrality ⁽¹⁾. In 2021 and 2022, the European Semester was adapted to the COVID-19 pandemic and the implementation of the recovery and resilience plans. The 2021 Annual Sustainable Growth Strategy indicated that the Commission would temporarily adapt the European Semester to take into account implementation of the RRF. This had a direct effect on European Semester documents, the Country Report was focused on the assessment of the implementation of the Recovery Resilience Plans and common recommendations were presented to all Member States. For these reasons, the year 2021 is not included in the analysis. Similarly, the 2022 Country Reports, in their section Key Findings, include both measures that will be addressed through the Recovery Resilience Plans and recommendations on investment needs not financed in the Recovery Resilience Plans, and recommendations for the new dedicated REPowerEU chapters. Hence, recommendations in the European Semester documents only address 'a limited number of additional reform and investment challenges'. Moreover, the 2022 CSRs include recommendations common to all EU Member States (such as the need to reduce energy dependency following Russia's invasion of Ukraine), and country-specific ones.

The analysis presented below entails the evolution of the investments recommended in the areas analogue to the Policy Objectives (POs) ⁽²⁾.

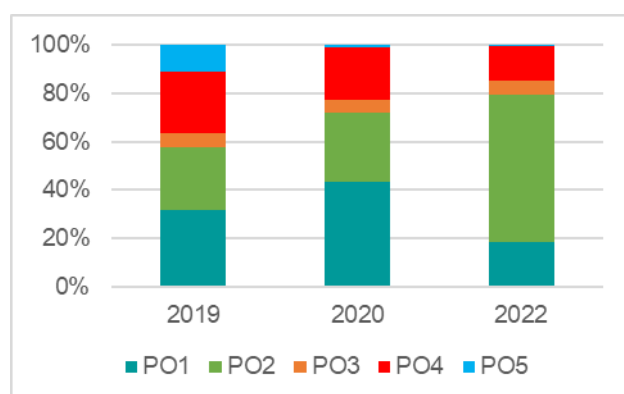
For the CSRs, the share of mentions of investments analogous to PO1 increased between 2019 and 2020 and then decreased in 2022. Conversely, recommended investments under PO2 accounted for less than one-third of recommendations in the 2019 and 2020, then increased to more than 60% in 2022. This shift of investment theme priorities was also influenced by the energy crisis started by the Russian invasion of Ukraine and the introduction of the REPowerEU, as explained above. Recommended PO3 investments accounted for around 6% of recommendations across the three years (2019, 2020, 2022). PO4 recommendations decreased from 25% in 2019 to 14% in 2022. Mentions of PO5 decreased and in 2022, they accounted for less than 1% of recommended investments.

⁽¹⁾ EC, European Semester 2020. Overview of Investment Guidance on Just Transition Fund 2021-2027 per Member State (Annex D)

⁽²⁾ The CSR and Country report analysis illustrated in this summary has been designed to spotlight instances where European Semester documents (CSRs and Country Reports) mention, even indirectly, types of investments that align with the goals of cohesion policy. It focuses on the investment needs that are analogous to those eligible under the five POs: PO 1 'Smarter Europe', PO 2 'Greener Europe', PO 3 'Connected Europe', PO 4 'Social Europe', and PO 5 'Europe Closer to Citizens'. Specifically, it evaluates the frequency of mentions and recommendations of such investment types for each Member State within the CSRs. Such frequency has been established by associating the policy areas mentioned in the EC's CSRs database with POs. The analysis of the CSRs covers hundreds of statements, which contained 96 recommendations in 2019, 101 in 2020 and 105 in 2022.

The figures below represent the most common investment recommendations for each PO, in terms of absolute numbers ⁽³⁾. A more detailed analysis of coherence between the investment recommendations outlined in both documents for each Member State is presented below by PO, including insights regarding the integration of the European Semester in Programmes and Partnership Agreements. This analysis, in the case of the 2022 Country Reports, does not include all investments under RRF. The analysis highlights that, notwithstanding the evolution of PO consideration within the European Semester, the cohesion policy is relevant to the European Semester.

Figure 1 – POs in CSRs, years 2019, 2020 and 2022



Source: Consortium elaboration.

The combined analysis of investment needs from Annex D, as outlined in the 2019 Country Report, along with programme financing details, provides a clearer understanding of how well the adopted programmes address the investment needs identified in the European Semester process, at least for that year. All investment needs in the 2019 Country Report Annex D are categorised by priority (*High Priority Needs, Priority Needs and Needs*). These needs are matched with sub-themes (investment areas corresponding to specific investment fields), under each specific and policy objective. This ranking of investment needs per subtheme, specific and policy objective is compared with the prioritisation of Member State needs considering the allocated financial resources ⁽⁴⁾.

Funds have been allocated to cover most of the investment needs identified in Annex D of the Country Report in 2019. For POs 1, 2, 3 and 4 at least 85% of the investment needs identified in Annex D have been addressed by programme financial resources. To a still significant extent, 65% of the investment needs for

⁽³⁾ There is no most frequent investment recommendation addressed under PO 5 since only 3 statements were made in this regard in the 2022 CSR.

⁽⁴⁾ Prioritisation of financial allocation in the programmes is: 'High priority' if more than 5% of the PO covers the sub-theme, 'Priority' if between 1% and 5% of the POI covers the sub-theme; 'Need' if less than 1% of PO covers the sub-theme.

PO 5 have been addressed and covered by programme financing ⁽⁵⁾. However, about 24% of these investment needs have greater priority in programmes, around 30% have lower priority and 35% the same level.

1.3.2. Key findings on POs, Interreg and JTF SOs

The main information and findings in relation to Policy Objectives, Interreg ⁽⁶⁾ and JTF specific objectives are illustrated below by information source (i.e. Programme, Partnership Agreement, and Country Reports). The analysis of PAs and programme documents involves a textual search within the POs and SOs to identify explicit references to European Semester documents, including CSRs and CRs. Most Member States have allocated policy funds to cover investment needs identified by Annex D of the Country Report in 2019, as emerged from the analysis of financial allocation. The alignment is not always explicitly referenced in the programming documents, as presented in the analysis by PO below.

PO 1 Smarter Europe

Partnership Agreement

While all Member States were recommended to invest in PO1 in their 2019 Country Reports Annex D and CSRs, a textual analysis of the Partnership Agreements reveals that the European Semester documents are not always cited in the identification of investment priorities. A limited number of Member States do not refer to Country Reports or CSRs in their selection of policy objectives and policy choices for PO1. Nonetheless, this can be interpreted differently by Member States. For example, planning for Common Provision Regulation (CPR) funds in Estonia is strictly linked to the long-term development strategy 'Estonia 2035', drafted also on the basis of the European Semester process. Other Member States, such as Italy, make general reference to the CSRs, ensuring the Partnership Agreement strategy is coherent with the recommendations but without citing specific policy choices within the PO investment identification. The Partnership Agreements also have several references to specific CSRs and Annex D guidelines (i.e. the Swedish Partnership Agreement acknowledges that *'The Country Specific Recommendations for Sweden 2019 and 2020 and Annex D of the Country Report for Sweden 2019 focused on research and innovation to, inter alia, improve linkages, cooperation and knowledge transfer between researchers and industry and promote the active involvement of universities in*

⁽⁵⁾ Some examples can be found in Estonia, Italy, Poland, Romania, Slovakia and Spain

⁽⁶⁾ Neither the CSR and CR, nor the Programme documents and Partnership Agreement made reference to Interreg.

projects, increase the growth and competitiveness of SMEs including investments for diversification and start-ups, and to target investments on green and digital transitions).'

Programme document

Analysis of a sample of programmes shows that at EU level, PO 1 cites CSRs and Country Reports more consistently than other POs. Reference to European Semester documents is usually in the justification for the selection of the POs and rarely in the description of types of actions planned at the RSOs level. For example, the Danish programme 'Smart green and digital transition of enterprises' highlights the European Commission's country report for 2019 in the identification of interventions targeted to SMEs: '[the Country Report states] *that most Danish SMEs are not sufficiently prepared for the future through innovation and transition. The Commission recommends that the innovative power of SMEs be increased by improving research and innovation capacities and the uptake of advanced technologies in SMEs, for example through clusters and networks. The country report also recommends that Denmark invest in developing skills for smart specialisation, industrial transformation and entrepreneurship and creating synergies with lifelong learning measures.*'

Financial analysis of 2019 Country Reports Annex D

PO 1 - Programmes cover 91% of the investment needs of Annex D, more frequently with the same priority level (38%), but also to a great extent with lower / greater prioritisation (23% and 30% respectively). The least covered investment needs are for the thematic fields of low carbon and circular economy and R&I in large enterprises (RSO 1.1), and business infrastructure for SMEs (RSO 1.3).

PO 2 Greener Europe

Programme

At the EU level, PO2 cites CSRs and Country Reports the second PO most. Some programmes detail the alignment between the European Semester documents and the programme interventions in the description of the type of actions at RSO level, as in the Croatian programme 'Competitiveness and cohesion' where each specific objective mentioned either the 2019 or 2020 Council recommendations in the description of planned actions.

Partnership agreement

All Member States were recommended to invest in policy areas connected to PO2. While both the 2019 Country Report Annex D and 2019-2020 CSRs are widely cited in the analysed Partnership Agreements, coherence between these documents and policy decisions for PO2 is not always detailed. For example, some documents make general reference to the European Semester documents, while others, such as the Bulgarian Partnership Agreement, detail the recommendations they intend to address with ERDF investments in PO2.

Financial analysis of 2019 Country Reports Annex D

PO2 – Programmes cover 93% of the investment needs of the 2019 Country Report Annex D, more frequently with a lower priority (38%), but also to a great extent with the same / greater priority (33% and 22% respectively). The least covered investment needs refer to RSO 2.6 and regard mainly circular economy and commercial waste, while there is more alignment on waste management interventions.

PO 3 Connected Europe

Programme

PO 3 cites the European Semester process least. An exception is Romania, where two Programmes mention the 2019 and 2020 CSRs, notably the South East Programme, which highlighted the necessity for investments that *‘contribute to improving regional connectivity, decongesting traffic, increasing traffic safety and the use of sustainable modes of transport by encouraging public transport and alternative means of transport and investing in charging points for electric vehicles’*.

Partnership agreement

Recommendations linked to PO3 are comparatively less prevalent in Annex D of the 2019 Country Reports, or in 2019 and 2020 CSRs compared to POs 1, 2 and 4. This explains why the European Semester documents are less consistently cited in the Partnership Agreements ⁽⁷⁾. Nonetheless, some Partnership Agreements specify the investments recommended, including Latvia: ‘CSR

(7) Six Member States – Austria, Germany, Denmark, Ireland, Luxembourg and the Netherlands – have not selected PO3 as an investment objective in the programming period 2021-2027. These Member States are therefore excluded from the coherence analysis with the European Semester documents for PO3.

emphasizes investments in sustainable transport infrastructure - the infrastructure in Riga and its surroundings should be improved, which would promote the mobility of the labor force and help limit the increasing energy consumption of passenger cars. [...] Railway transport is one of the most prospective, safest and most environmentally friendly forms of land transport for both passengers and cargo, therefore investments in the development of railway infrastructure should primarily be continued in order to improve the competitiveness of public transport compared to road transport, respecting CSR regarding the transition from cars to public transport.'

Financial analysis of 2019 Country Reports Annex D.

PO 3 - Programmes cover 85% of the investment needs of the 2019 Country Report Annex D, more frequently with the same priority level (51%). Some investment needs are not covered by programmes in RSO 3.2 (sustainable transport) for the investment subthemes of transport digitalisation and other means of transport.

PO 4 Social Europe

Programme

Several programmes cite the European Semester documents under PO4, some include specific references to recommendations. For example, the Czech 'Integrated Regional Programme' cites the 2019 Country Report in detail under RSO4.2, RSO4.3 and RSO4.5, as the basis for selecting interventions. Other programmes provide more general mentions of the European Semester process documents, ensuring that actions contribute to fulfilling the CSRs.

Partnership agreement

The analysis of PO4 for this study is limited to investments financed by ERDF and does not include ESOs financed by the ESF+. As many of the recommendations linked to PO4 and presented in the European Semester process concern ESF+, not all examples are presented in the analysis. Despite this, most of the Partnership Agreements cite European Semester documents, though not always with the same detail. Some Member States include the European Semester only in general terms, for example, the Czech Partnership Agreement states that *'The selection [of PO4 ndr] is justified by the European Pillar of Social Rights, relevant national strategies and takes into account the Council's Specific Recommendations 2019 and 2020 and the Report on the Czech Republic 2019 (including Annexes D) and 2020.'* Other Member States detail the identification of needs as presented in the 2019 Country Report and

CSRs between several themes, for example, Romania distinguishes recommendations related to the education, employment, health and social sectors.

Financial analysis of 2019 Country Reports Annex D

PO4 –has the highest coverage of the Annex D investment needs (94%). However, programmes usually assign a lower priority to investment needs than in Annex D. The only partial exception is health (RSO 4.5), where the Country Report priority is similar to the programme allocation (i.e. 44% of programmes give the same priority Annex D).

PO 5 Europe Closer to citizens

Programme

As with Partnership Agreements, few programmes cite the European Semester documents in PO5, for POs and SOs. An interesting case is ‘Investment in jobs and development’ from Malta, where the programme links RSO5.1 to the 2019 Country Report stating: *‘In line with the 2019 Malta Country Report, which highlights the more substantive impacts suffered by Gozo as a result of its double insularity vis-à-vis the mainland, as well as the territorial imbalances and regional differentiation between the two islands, actions under this Priority shall target Gozo’s sustainable urban development.’*

Partnership agreement

In all Partnership Agreements, the PO5 description cites the European Semester process least. Most Member States do not cite the CSRs or Country Reports in the identification of planned actions within PO5 ⁽⁸⁾.

A limited number of Partnership Agreements cite a focus on urban development as a recommendation in the 2019 Country Report Annex D such as Belgium: *‘The Commission has targeted certain priorities in its 2019 Country Report: supporting the revitalization of the local economy and the adaptation of the workforce in urban areas where an industrial transition is taking place and rehabilitating disadvantaged urban areas.’*

⁽⁸⁾ Three Member States decided not to invest in this PO in the programming period 2021-2027 – Finland, Luxembourg and Sweden

Financial analysis of 2019 Country Reports Annex D

PO5 –has the lowest level of coverage of the investment needs of Annex D (65%). However, when they are mentioned and funded they usually receive a similar or higher priority than in Annex D.

JTF specific objective

The JTF was not considered in the guidelines of 2019 Country Reports Annex D but the Commission presented guidance on investments proposed under the JTF, identifying eligible territories covered by this fund in the 2020 Country Report. This reference is often cited in the Partnership Agreements, but the identification of investment needs and priorities within the JTF specific objective is rarely linked to CSRs.

Financial analysis of 2020 Country Reports Annex D

The analysis of the Annex D 2020 challenges prioritisation and JTF programmes decisions shows a relatively high concordance for the intervention fields which are related, according to the EU cohesion platform correspondence table, primarily to a smarter Europe and a low carbon and greener Europe investments. Indeed, the JTF programmes ensure a coverage of around 67-68% of the Annex D challenges through JTF funding. Very limited coverage is for other intervention fields which are more related to more connected Europe, more social Europe, and a Europe closer to citizens. For Smarter Europe investments, JTF interventions ensure a higher coverage with similar or greater prioritisation than Annex D for challenges related to advanced supported services for SMEs and business development and generic support for enterprises. In case of low carbon and greener investments, higher coverage of Annex D challenges with similar or greater prioritisation is for rehabilitation of industrial sites investments

2. Coherence with other EU funding instruments

2.1 Introduction to the key area

Definition

This summary presents the finding on ‘coherence analysis’ between Cohesion Policy funds, EU funding instruments, including RRF, and other CPR funds outside the scope of the evaluation (ESF+, AMIF, BMVI, ISF and EMFAF). Coherence analysis includes the design of measures, coordination mechanisms of those implementing the funds as well as synergies and implementation mechanisms.

Evaluation Questions associated with the key area

Evaluation question 8: *To what extent are ERDF, CF and JTF programming and implementation coherent with other EU funding instruments (e.g., ESF+, JTM Pillar II and III, Connecting Europe Facility, Horizon Europe, The Digital Europe Programme) and in particular with the RRF? How is this achieved*

2.2 Information sources

Table 2 – Reference coherence

Type of document	Sections analysed
Partnership Agreements	Section 2
Programmes	Section 2.1.1.1.1 Interventions of the Funds - The related types of programme actions
EU funds and instruments Regulations and Work programmes, the complete list is provided below	Entire document

Type of document	Sections analysed
Regulation (EU) 2021/695 of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013 Horizon Europe Work programmes 2023- 2024	
Regulation (EU) 2021/1153 of 7 July 2021 establishing the Connecting Europe Facility and repealing Regulations (EU) No 1316/2013 and (EU) No 283/2014	
Regulation (EU) 2021/694 of 29 April 2021 establishing the Digital Europe Programme and repealing Decision (EU) 2015/2240 DEP Work programmes 2023-2024	
Regulation (EU) 2021/691 of 28 April 2021 on the European Globalisation Adjustment Fund for Displaced Workers (EGF) and repealing Regulation (EU) No 1309/2013	
Regulation (EU) 2021/817 of 20 May 2021 establishing Erasmus+: the Union Programme for education and training, youth and sport and repealing Regulation (EU) No 1288/2013 ERASMUS+ Work Programme 2024	
Regulation (EU) 2021/522 of 24 March 2021 establishing a Programme for the Union's action in the field of health ('EU4Health Programme') for the period 2021-2027, and repealing Regulation (EU) No 282/2014 EU4Health Work programme for 2024	
Regulation (EU) 2021/523 of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017	
Regulation (EU) 2021/783 of 29 April 2021 establishing a Programme for the Environment and Climate Action (LIFE), and repealing Regulation (EU) No 1293/2013 LIFE Work programme for the years 2021-2024	
Regulation (EU) 2021/2115 of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013	
Regulation (EU) 2021/2116 of 2 December 2021 on the financing, management and monitoring of the Common Agricultural Policy and repealing Regulation (EU) No 1306/2013	
Regulation (EU) 2021/240 of 10 February 2021 establishing a Technical Support Instrument (TSI)	
Regulation (EU) 2021/1229 of 14 July 2021 on the public sector loan facility under the Just Transition Mechanism	
EC, Study on the coordination and harmonisation of ESI Funds and other EU instruments (2018).	
EC study, Strategic coordination and financial complementarity of CPR Funds with other EU Instruments - Interim report – December 2023	

2.3 Findings

2.3.1. Key findings

The literature review on coherence examines previous studies related to complementarity, coordination and synergies among EU funding instruments and Cohesion Policy funds. It includes analysis of Partnership Agreements, CPR programmes, EU funding instruments under direct management (including Work Programmes and Regulations), and the Recovery Resilience Plans.

A study published in 2018 by the European Commission (EC, 2018) highlighted the improvements in policy development concerning coherence, complementarity and coordination across ESI Funds and other EU instruments, but coordination during implementation remained a challenge. The regulatory framework was amended for the 2014–2020 programming period to encourage greater harmonisation. Nonetheless, some regulatory variations, and in some cases differences in rules and processes between funds, continued to limit integrated implementation.

The study team is currently conducting the follow-up study on ‘Strategic coordination and financial complementarity of CPR Funds with other EU Instruments’ commissioned by DG REGIO. The scope is to assess to what extent managing authorities use 2021-2027 policy and implementation options to favour coordination and complementarities among CPR funds as well as complementarities and synergies between these and other EU funds and instruments, at strategic and implementation levels.

In 2022, the EC issued a Notice on synergies between Horizon Europe and ERDF ⁽⁹⁾. This document provides insights on potential mechanisms to ensure synergies, primarily between ERDF and Horizon Europe. The document refers to other EU funds and instruments, such as the Digital Europe Programme (DEP), LIFE, ERASMUS+, and Connecting Europe Facility (CEF). The notice illustrates mechanisms, such as Seal of Excellence, financial transfers, cumulative funding (which can also be used to support Horizon Europe Co-founded and Institutionalised European Partnerships), and support for Teaming. It covers also ‘upstream/downstream synergies’.

Based on the literature reviews, coherence includes coordination and synergy mechanisms used by managing and implementing actors to carry out interventions aiming at the same goal(s) or designed to target complementary policy areas. When interventions are coherent, complementarity is significant and policy tools are also coherent.

The study team suggests the following definitions to detect coordination mechanisms and synergies among EU funds:

- **Coordination** is the institutional arrangements/administrative mechanisms or procedures for programmes, instruments and funds to align their implementation.
- **Synergy** is when two or more funds/instruments interact at the operational level, or with a financial transfer between funds. Synergies are classified into four categories:

⁽⁹⁾ COMMISSION NOTICE (2022/C421/03) Synergies between Horizon Europe and ERDF programmes

- **Phased**, when interventions unfold in distinct stages while adhering to a unified direction and scope. Each phase not only aligns with overarching goals but also leverages the accomplishments of previous stages. Phased synergies can have two sub-categories: sequential and alternative. The former happens when an intervention under one programme, fund or instrument follows an intervention under a different programme, fund or instrument. One intervention could also lead to or facilitate another that would not happen otherwise. In such cases, timing is essential. The second sub-category concerns alternative synergy, such as the Seal of Excellence (SoE).
- **Concurrent**, when interactions unfold simultaneously, harnessing and amplifying synergies towards a unified goal. A concurrent synergy involves the strategic integration of outputs and/or financial resources from various sources, to boost the effectiveness and impact of the initiatives. There are two sub-categories. Combined synergy refers to support from more than one source of EU budget for separate projects/operations linked by a common objective. Support for interventions is provided in parallel and may differ, such as grants vs. financial instruments. The different intervention outputs should generate greater added value. Cumulative synergy, instead, allows the same project/ operation to be supported by funding from two sources of the Union budget, provided the funding does not cover the same cost.
- **Transfers** and contributions to the budgetary guarantee InvestEU. This category is based on the possibility, foreseen in the CPR, for Member States and managing authorities to request, in Partnership Agreements or amendment of a programme, a transfer of funding, up to established ceilings, from a fund to another fund(s) or to other instruments under direct or indirect management .
- **Demarcation** happens when the programme has identified criteria for interventions of the same nature with the same implementation time to avoid duplication of similar projects and double funding. In this case, the programme may indicate that interventions outside its scope could be financed by another programme, fund, or instrument.

Considering the methodological framework and definitions detailed above, all EU funds and investments are directly/ indirectly managed to envisage coordination mechanisms with the ERDF, CF, and JTF. For coordination mechanisms across various EU instruments:

- TSI project selection involves officers from DG REGIO, DG REFORM, and DG EMPL, which enhances the possibility of synergies. The common areas of intervention between TSI and Cohesion Policy programmes also support this coordination, although the TSI Work Programme lacks operational details and does not specify interactions with specific Cohesion Policy funds.

- EAFRD offers a variety of coordination mechanisms, from demarcation criteria established by regulations to governance mechanisms like CLLD (LEADER). It adheres to the same rules for financial instruments as the CPR but faces challenges in regional coordination due to centralisation changes in management structure. Traditionally, Rural Development Programmes (RDPs) under the EAFRD were also managed at the regional level.
- Horizon Europe implements partnerships for innovation that facilitate collaboration between different stakeholders and leverage EU resources, primarily the ERDF. The Work Programmes sometimes explicitly mention specific Cohesion Policy funds and the modalities of interaction, which are operationally detailed in the notice on synergy between Horizon Europe and ERDF.
- LIFE Programme: LIFE includes projects like 'Strategic Nature Projects (SNAPs)' and 'Strategic Integrated Projects (SIPs),' aimed at optimising synergies with other EU Funds and supporting capacity building through technical assistance. LIFE evaluations focus on assessing broader synergies between the LIFE programme and other EU programmes.

Other EU Instruments such as ERASMUS+, InvestEU, CAP, and DEP prioritise complementarity with Cohesion Policy funds. CAP and DEP, in particular, clearly reference Cohesion Policy in their selection criteria. Project selection criteria define demarcation between funds and foster synergies between them. Monitoring and evaluation also vary in terms of specificity regarding coordination with Cohesion Policy funds, with four funds and instruments - CAP, Horizon Europe, EGF (European Globalisation Adjustment Fund), and CEF - being most explicit.

The study team investigated whether Recovery Resilience Plans included organisational and institutional mechanisms and/or routines to facilitate exchanges of information and ensure coordination with those managing and implementing Cohesion Policy funds. RRF is an emergency instrument in response to the COVID-19 pandemic. The plans were therefore elaborated in a shorter timeframe than 2021-2027 ERDF, CF and JTF programmes. A quick response to the emergency meant detailed coordination between funds were not always provided by Member States. In addition, the RRF was a new instrument that national governments had to familiarise themselves with, as well as establish and adopt new governance structures. Even so, 21 of 27 Recovery Resilience Plans describe advanced coordination mechanisms. For example, the mechanism in Slovakia is based on an interdepartmental coordination platform, which includes five working groups, in line with the five Recovery Resilience Plan areas and five Cohesion Policy goals. Working groups within individual ministries, as well as at the interdepartmental level, ensure demarcation between EU funds, the Recovery Resilience Plan, and other financial instruments. In some Member States, the Ministry or departments in charge of managing and implementing

Recovery Resilience Plan and ERDF, CF and JTF programmes elaborated matrices of coordination and synergies with demarcation criteria. These include Spain and France, the former established internal guidance on synergy issued by the Secretary General of the Ministry of Finance. This guidance directs ministries to adhere to the principle of 'one project, one fund' to prevent double funding. It establishes when to use Cohesion Policy funds versus the Recovery Resilience Plan. Spain's programming aligns with RRF and ERDF timelines, starting with RRF for immediate projects and transitioning to ERDF for those requiring more time. A similar approach can be found in France, which has coordination mechanisms to define the strategy to support interventions by CPR funds and/or the French Recovery Resilience Plan. The guide 'Articulation de la Facilité pour la Reprise et la Résilience avec les Fonds de la politique de cohésion européenne' is issued by ANCT . The document describes steps to coordinate Cohesion Policy funds and RRF, as well as a matrix including all potential areas of actions for both funds, and demarcation lines. Descriptions of the coordination mechanisms highlight how Recovery Resilience Plan bodies have benefited from the experience of Cohesion Policy implementation. In several cases, ministries responsible for managing RRF funds are the same ministries and departments entrusted with implementing programmes supported by Cohesion Policy funds .

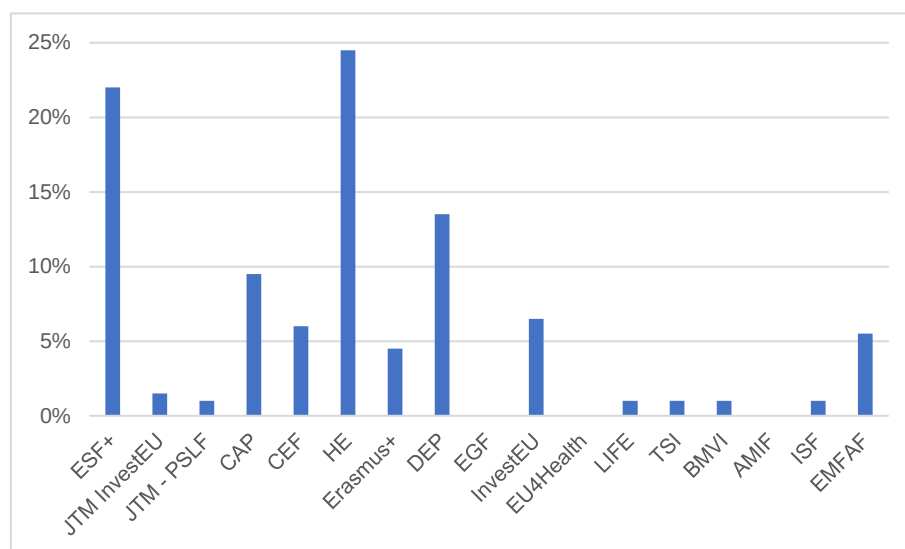
Findings on synergies are presented in the Policy Objectives section.

2.3.2. Key findings on POs, Interreg and JTF SOs

This section presents findings on Policy Objectives, Interreg and JTF SOs, by information source. The analysis is based on multiple sources reported in the table above. A text search in the section of the programmes describing SO actions (section 2.1.1.1.1 Interventions of the Funds - The related types of actions of the programmes), illustrates citations of other EU funding instruments. The same search has been done for the Partnership Agreements.

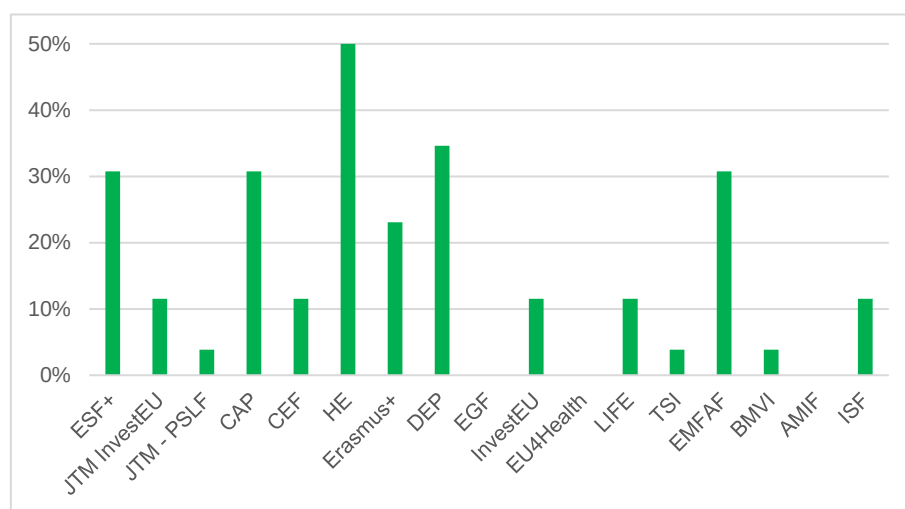
PO1 Smarter Europe

Figure 2 – Share of programmes RSOs citing EU funding instruments (PO1)



Source: Sample programmes analysis, share of citations for each RSO of all RSOs

Figure 3 – Share of Partnership Agreements citing EU funding instruments (PO1)



Source: Partnership Agreements, share of citations for each PO.

Programme document

Analysis of the programmes shows common trends across the Member States and funds: Horizon Europe is the most consistently cited fund within PO1 SOs. This is evident in 'RSO1.1 – Enhancing research and innovation', where more than 60% of the planned actions under this RSO cite Horizon Europe. This finding is not surprising given the thematic focus. Moreover, as illustrated above, synergies between ERDF and Horizon Europe have been encouraged and

codified by the EC. Most interactions between the two funds are either alternative (Seal of Excellence) or sequential. The latter is when pilot activities financed by Horizon Europe are scaled up with ERDF funding.

Other funds cited by several programmes under PO1 are: ESF+, DEP and CAP. Actions under ESF+ are usually coordinated in the programme planning, especially in multi-fund programmes (ERDF/ESF+) and regional programmes financed by ERDF, with no distinctive thematic focus. The DEP is more consistently cited within RSO1.2 – Reaping the benefits of digitalisation. An interesting synergy between ERDF and DEP is cumulative interactions between the two to set up Digital Innovation Hubs.

Partnership Agreement

As with the programmes, most references to PO1 in the PAs relate to the HE, ESF+, and DEP. In addition to these funds, the EMFAF also plays a key role in PO1. For actions supporting SME competitiveness, the ERDF is planned to be used alongside EMFAF for interventions. For instance, the Portuguese PA highlights synergies between EMFAF and ERDF in supporting SMEs in the fisheries and aquaculture sector. EMFAF will fund business investment projects in aquaculture and the processing and marketing of fishery and aquaculture products up to EUR 20 million, while larger investments in this sector will be supported by ERDF.

Regulatory and strategic documents of EU funding instruments under direct management (including EAFRD)

For PO1, ERDF is the main fund used to set up interaction with EU funds and instruments. TSI and Horizon Europe mainly intervene in investments within PO1 priorities, followed by DEP and InvestEU.

TSI provides technical assistance in the form of policy advice, expert support, capacity building, data and statistics collection, and the development of common methodologies. The fund intervenes on themes related to ERDF and PO1, which include improving the business environment for SMEs, promoting sustainable sectoral development, as well as supporting research, innovation and digitalisation.

The interactions between Horizon Europe and ERDF are extensive and encompass all Horizon Europe work programmes which concentrate on R&D&I.

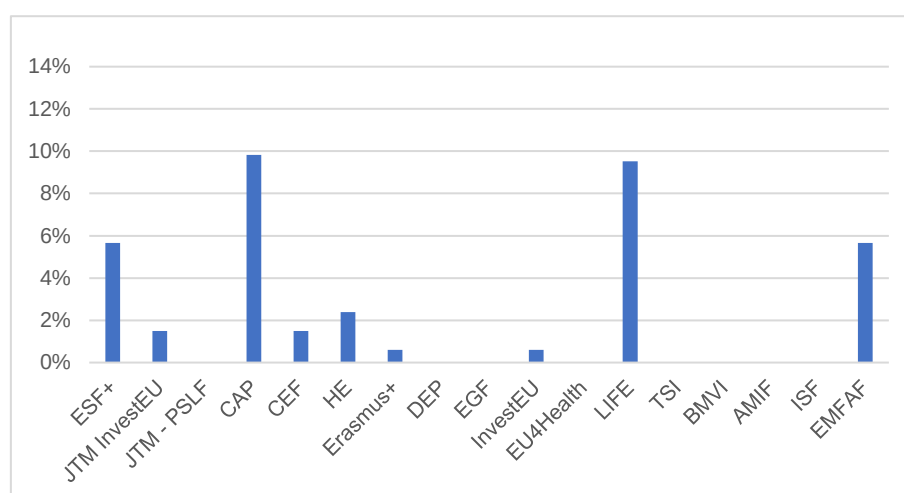
National Recovery and Resilience Plan

The NRRPs have a high policy overlay with Cohesion Policy fund investments under PO1 since they have many implementing actors in common. Moreover, NRRPs have allocated a high share of financial resources to PO1 areas of intervention, especially since the RRF Regulation provided that each NRRP invest at least 20% of the plan's allocation to digital objectives.

The focus is on preventing the risk of overlap and double funding. Although it is challenging to determine the exact type of synergy intended, the ERDF is the primary fund where these synergies are planned and implemented. Among Member States, Slovenia and Spain, followed by Romania and Portugal, recorded the highest number of synergies, all involving the ERDF and NRRP.

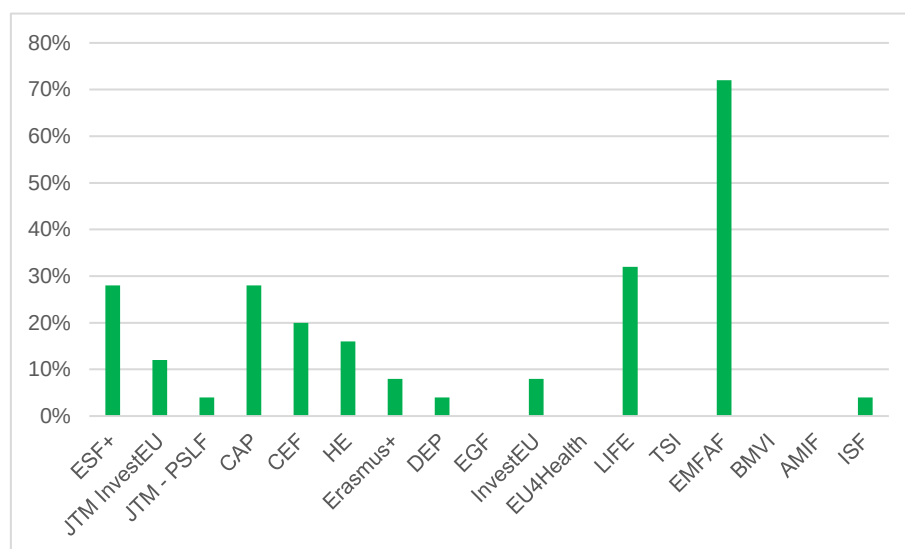
PO 2 Greener Europe

Figure 4 – Share of programmes RSOs citing EU funding instruments (PO2)



Source: Sample programmes analysis, share of citations for each RSO on all RSOs.

Figure 5 – Share of Partnership Agreements citing EU funding instruments (PO2)



Source: Partnership Agreement analysis, share of citations for each PO.

Programme document

Among PO2 SOs, CAP, LIFE and, partially, EMFAF funds are consistently cited by the programmes. The majority of ERDF interventions with CAP, especially regarding EAFRD, concern demarcation. The two funds need to prevent double funding as they both finance local development, often with a territorial focus. The same is with EMFAF, where ERDF programmes often delineate actions to be supported by EMFAF regarding the blue economy. Horizon Europe and LIFE Programmes often acknowledge phased synergies with ERDF, partially attributed to the 'Seal of Excellence' common to both.

Partnership Agreement

RRF and EMFAF are the other instruments that support interventions in combination with ERDF for the green transition. For example, the Ireland Partnership Agreement mentions that EMFAF will be used to support increased energy efficiency and renewables across the seafood sector, in synergy with ERDF. The Partnership Agreement also mentions that the fund will support the modernisation of the business environment and new employment opportunities, particularly in the renewable energy and low-carbon sectors by expanding support for enterprise development.

EU funds and instruments under direct management (including EAFRD)

Regarding PO2, TSI, CAP, Horizon Europe, InvestEU and LIFE have the greatest interplay with ERDF, CF and JTF. Interactions mainly relate to sustainable

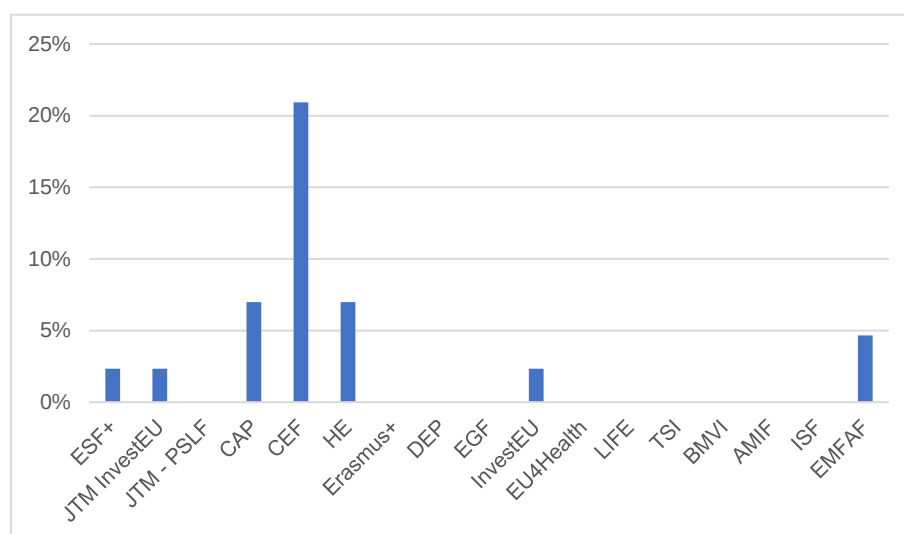
mobility, and climate change mitigation, particularly environmental protection, circular economy, and transitioning to a low-carbon economy.

National Recovery and Resilience Plan

NRRPs plan support for the green transition and climate change adaptation, including sustainable multimodal urban mobility. The plans identify recipients, many of whom will also benefit from Cohesion Policy funds. Since support identified by the Recovery Resilience Plans mirrors Cohesion Policy support, there can be a significant overlay. ERDF is the main fund to carry out these interactions, while CF is not widely mentioned in the documents. Most of the synergies cannot be categorised using the taxonomy presented above, due to the lack of detail in Recovery Resilience Plans and programme documents on how such synergies happen.

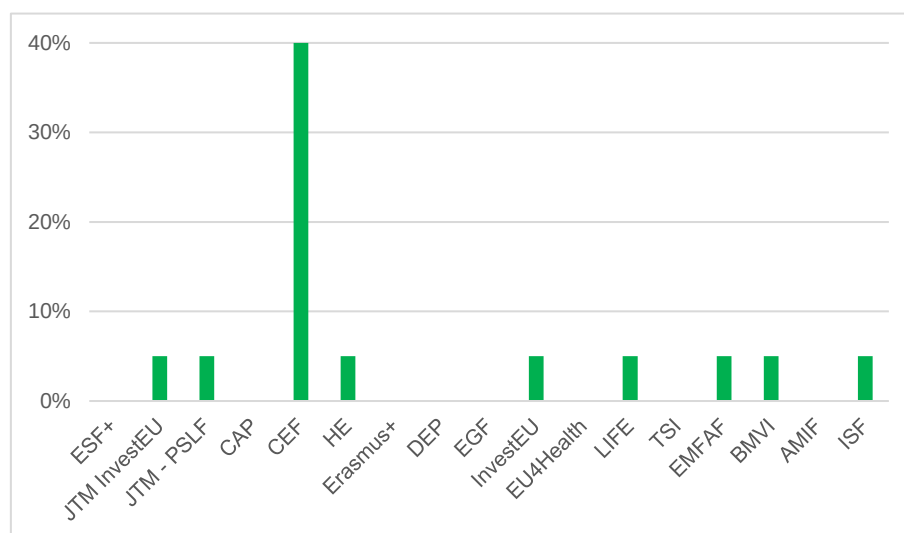
PO 3 Connected Europe

Figure 6 – Share of programmes RSOs citing EU funding instruments (PO3)



Source: Sample programmes analysis, share of citations for each RSOs on all RSOs selected.

Figure 7 – Share of Partnership Agreements citing EU funding instruments (PO2)



Source: Partnership Agreement analysis, share of citations for each PO selected.

Programme document

Under PO3, other EU funding instruments are rarely cited, with the exception of RRF and CEF, which finance complementary measures to ERDF and CF. Usually, interactions between the two are classified as combined. Most interactions with other funds, such as InvestEU and HE are not detailed enough to be classified.

Partnership Agreement

According to the analysis of the Partnership Agreements, few EU funding instruments complement Cohesion Policy funds under PO3. The exceptions are CEF and RRF, cited by almost half the Partnership Agreements. In the Slovenian Partnership Agreement ERDF and CF resources will be used in synergy with the CEF. CEF will mainly develop infrastructure networks, addressing market failures and stimulating further public and private sector investment. Grants from CF and CEF for transport focus on the Trans-European Transport Network (TEN-T), both the core and comprehensive networks. The Croatian Partnership Agreement plans to finance preliminary studies for investments in basic and comprehensive TEN-T networks through CEF, while interventions will also be financed through RRF and Cohesion Policy funds.

EU funds and instruments under direct management (including EAFRD)

TSI, CAP, Horizon Europe, CEF, DEP and InvestEU Fund have the most interaction with ERDF and CF, under PO3. The main policy areas that coincide

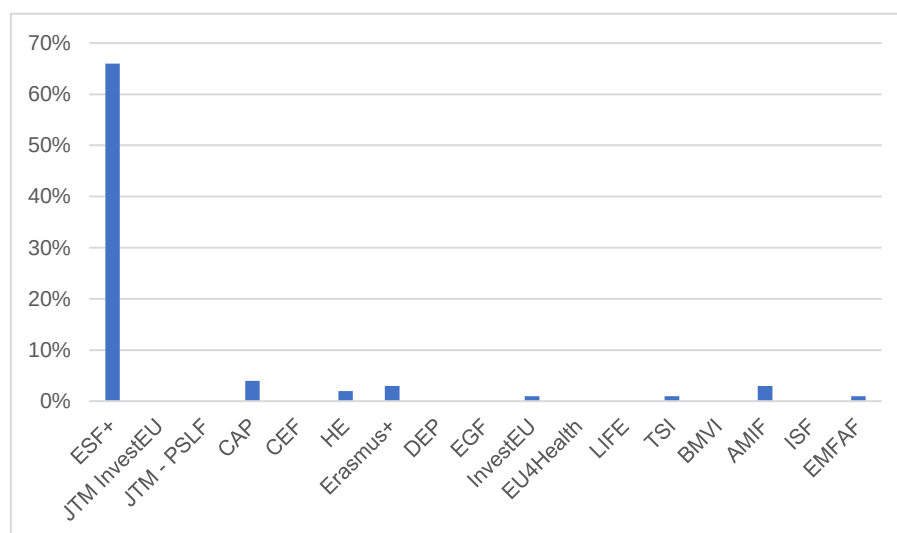
are sustainable transport infrastructure, infrastructure digitalisation, and TEN-T infrastructure development.

National Recovery and Resilience Plan

Cohesion Policy funds and NRRPs share the common goals of developing and enhancing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility. The investments supporting transport infrastructure are primarily in the hands of national institutions, which may also contribute to interventions supported by Cohesion Policy funds.

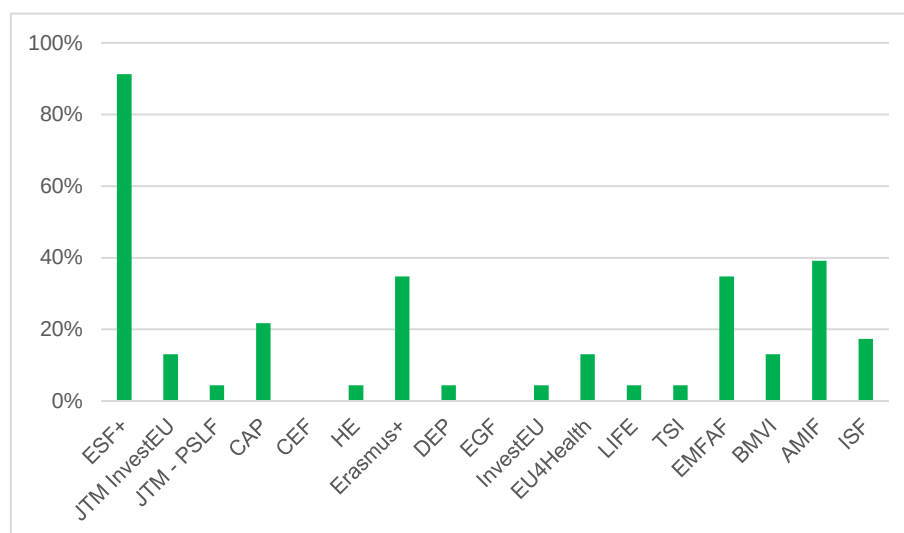
PO 4 Social Europe

Figure 8 – Share of programmes RSOs citing EU funding instruments (PO4)



Source: Sample programmes analysis, share of citations for each RSOs on all RSOs selected

Figure 9 – Share of Partnership Agreements citing EU funding instruments (PO4)



Source: Partnership Agreement analysis, share of citations for each PO selected

Programme document

Actions financed by ESF+ are closely linked with ERDF activities under PO4. The two have significant policy overlay, such as access to quality and inclusive education, and training to support up-skilling and reskilling. Other synergies between EU funding instruments and Cohesion Policy funds are planned with ESF+ funding. For this reason, ERDF, CF and JTF programmes rarely cite other instruments, such as Erasmus+ and AMIF within PO4. Interactions with Erasmus+ are mostly cited in RSO4.2 – Education and training infrastructure, as the two funds encourage synergy for access to education.

Partnership Agreement

Within PO4, the most common type of planned synergy is the combined use of ERDF and ESF+. Specifically, in the area of education and training, the PAs describe how ERDF will fund infrastructure improvements for schools, educational, and recreational centers, while ESF+ will focus on training school staff and employment center personnel, supporting children's participation in education, and preventing early school dropout. For example, the Bulgarian PA highlights how ERDF will invest in education infrastructure alongside ESF+ initiatives to modernize schools, support digital transformation, and foster innovation in pre-school and school education. Additionally, the Swedish PA outlines synergies between ESF+ and ERASMUS+, such as promoting educational mobility for disadvantaged students, supporting volunteering, strategic partnerships, youth exchanges, and skill development for youth workers.

For access to social services, actions to support social innovation, improvement in the quality of life in rural and peripheral areas, and social inclusion for the most disadvantaged social groups are commonly mentioned for ERDF and ESF+ intervention. The Italian Partnership Agreement notes that ERDF will be used for interventions to consolidate an adequate and accessible system of social protection and social inclusion in every territory and for all citizens. Interventions with ESF+ and ERDF will favour women at risk of discrimination, victims of violence and women in other fragile conditions. The Partnership Agreement also mentions interactions between ERDF and ESF+ for Housing First and Housing Led in favour of vulnerable people, including the homeless or those at risk of housing exclusion, where ERDF contributes to structural interventions. Combined synergies are the main interaction for access to healthcare. In this case, ERDF is used to upgrade materials and equipment in hospitals and healthcare infrastructure, while ESF+ can improve the quality of healthcare, by providing training and life-long learning for healthcare personnel.

For employment and the labour market policy, most Partnership Agreements envisage demarcation with ESF+ and JTF. More information is in the JTF specific objective.

EU funds and instruments under direct management (including EAFRD)

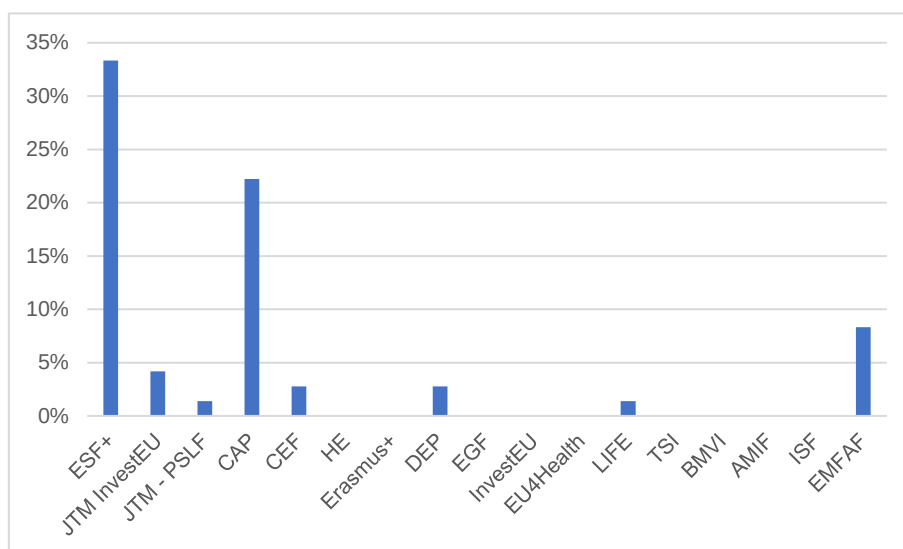
As with PO4, most interactions with Cohesion Policy funds described by EU funding instruments refer to ESF+ investments. Both Poland and Romania's Partnership Agreements cite the intention to use ERDF and EU4HEALTH.

National Recovery and Resilience Plan

Interventions to improve labour market policies, promote social inclusion and ensure fair and equal access to social service and healthcare systems, which align with the macro-objectives of PO4, are also planned in the NRRPs. Many and diverse actors have been identified as RRF recipients. These can also be beneficiaries and implementing entities of Cohesion Policy funds, so there could be significant policy overlay.

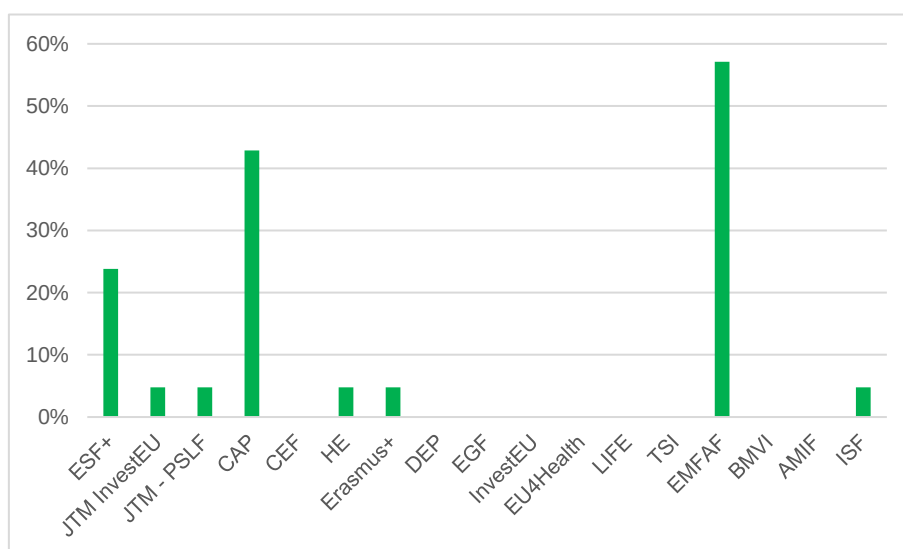
PO 5 Europe Closer to citizens

Figure 10 – Share of programmes RSOs citing EU funding instruments (PO5)



Source: Sample programmes analysis, share of citations for each RSOs on all RSOs.

Figure 11 – Share of Partnership Agreements citing EU funding instruments (PO5)



Source: Partnership Agreement analysis, share of citations for each PO.

Programme document

The programmes cite other funding instruments within PO5. In particular, integrated urban and rural development actions are mostly financed in combination with ESF+ and EAFRD. Programmes financed by ERDF also interact with EMFAF, especially within PO5.

For Cohesion Policy, most programmes cite the RRF as a complementary fund within PO5 because most plans contribute to territorial actions even if these are not the primary focus of intervention ⁽¹⁰⁾.

Partnership agreement

Considering demarcation criteria, EMFAF will interact most with ERDF in urban and local development, as it will support the sector specific area, as with CAP. In the Lithuanian Partnership Agreement, ESF+ and ERDF will support integrated territorial development: implementation of local development strategies and territorial development strategies in capital cities and/or areas with more than six thousand inhabitants. Local development strategies financed under the 3rd priority of the Fisheries Program (EMFAF) cannot be financed by ESF+ and/or ERDF.

Planned demarcation synergies between ERDF, CAP and EMFAF might reflect the sector specific-funds being deployed to support sustainable urban development, as well as blue and green economy strategies. EMFAF and CAP will be dedicated to coastal areas, rural areas, or actors active in the aquaculture and fisheries sectors, or agriculture.

EU funds and instruments under direct management (including EAFRD)

For PO5, EAFRD has an overlay with the policy on local and urban development. The main interaction is with ERDF.

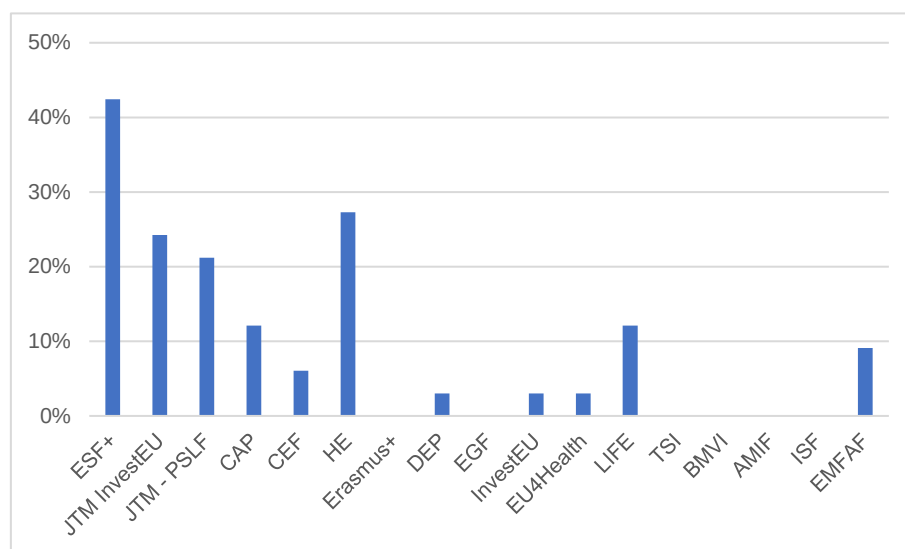
National Recovery and Resilience Plan

PO5 has the lowest number of interactions. Among the NRRPs, Lithuania, Poland, Slovenia and Slovakia had the most comprehensive plans for synergies and interactions across four POs.

⁽¹⁰⁾ According to the RRF Scoreboard, 'Social and territorial cohesion' is the third highest pillar for contributions considering both primary and secondary objectives.

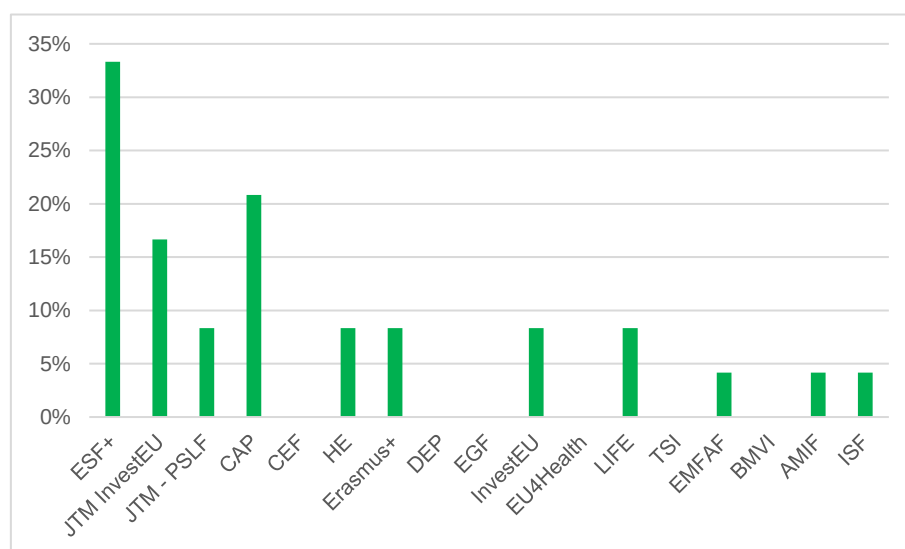
JTF specific objective

Figure 12 – Share of programme RSOs citing EU funding instruments (JTF)



Source: Sample programmes analysis, share of citations for each RSOs on all RSOs.

Figure 13 – Share of Partnership Agreements citing EU funding instruments (JTF)



Source: Partnership Agreement analysis, share of citations for each PO.

Programme document

The JTF specific objective shares several objectives with other funds and programmes often cite other funding instruments. JTF funded programmes almost exclusively interact with other pillars of the Just Transition Mechanisms,

which are generally not cited in other POs. JTF specific objectives also describe synergies with ESF+, Horizon Europe, LIFE and RRF.

Partnership Agreement

There are several instances of synergies between ESF+ and JTF. JTF supports the relocation of workers whose careers have been changed by the transition from a fossil-fuel based economy toward greener production and management. JTF and ESF+ should support unemployed people and in-transition workers through the transition to reposition themselves in the labour market. Training and life-long learning are described in the Partnership Agreement. In the French Partnership Agreement, JTF will support the socio-economic transformation of territories most impacted by the transition to climate neutrality and ESF+ and ERDF will act in synergy with such interventions. A detailed description of the interactions will be illustrated in the dedicated French publication on fund synergies.

National Recovery and Resilience Plan

The JTF is another important fund used for interventions alongside the NRRP. However, many of the synergies remain unclear because the NRRPs lack sufficient detail.

Interreg specific objectives

Programme document

Very few Interreg programmes and Interreg SOs cite other EU funding instruments in their section 2. Only one Interreg programme cites specific synergy, as demarcation with ESF+ and AMIF in ISO 7.2 – Mobility and migration management. The Interreg programme Madeira-Azores-Canary Islands (MAC) describes migration challenges, as the Canary Islands an arrival region and joint actions with regions and countries are possible. Actions under this specific objective will complement those under other EU funding instruments, in particular AMIF and ESF+, to avoid overlapping measures.

3. Administrative capacity

3.1. Introduction to the key area

Definition

Administrative capacity, for EU Cohesion Policy, refers to the ability of public and private entities at various levels of governance (local, regional, national and EU) to design, manage, implement, monitor, control and evaluate EU funds and projects. This capacity requires collaboration between different actors, including national coordinators, programme authorities, intermediate bodies and beneficiaries. It spans individual (skills and competencies), organisational (structures and processes) and institutional (legislation and policy frameworks) dimensions. To enhance administrative capacity in Member States, for 2021-2027 the Commission introduced the 'Roadmaps for Administrative Capacity Building'.

Evaluation Questions associated with the key area

As pointed out in the inception report, administrative capacity is not mentioned in the table below but will be covered in the analysis by referring to other key areas such as:

- Territorial needs and tools
- Early implementation bottlenecks
- Simplification measures
- Novelties compared to the previous programming period
- Added value of Cohesion Policy.

Therefore, the analysis here provides insights into several topics and contributes to one or more evaluation questions.

3.2. Information sources

Table 3 – References – Administrative capacity

Type of document	Sections analysed
CPR, EU regulation 1060/2021 (pp. 232–253)	Art.22 + Art.35 to 40 (pp. 232–253)
John Bachtler, Laura, Ekaterina Domorenok, Paolo Graziano, Administrative capacity and EU Cohesion Policy: implementation performance and effectiveness Regional Studies - (2023)	Pages 685-689
Servizio di valutazione strategica e operativa del PON Governance e Capacità istituzionale 2014-2020 (National Italian Program for capacity building) 2014-2020	Final Report 2022
RAPORT DE EVALUARE Implementarea Planului de Evaluare a Programului Operațional Capacitate Administrativă 2018-2019 (National Romanian Program for capacity building) 2014-2020)	Interim report 2021 Final report 2023
ACB Roadmaps: Portugal, Lithuania, Latvia, Czechia, Sardinia-IT (regional), North East-RO (regional), Hungary	All sections
IMF, Making Public Investment More Efficient, OECD Senior Budget Officials Meeting, IMF presented by Marco Cangiano (2015).	All sections
OECD Strengthening Governance of EU Funds under Cohesion Policy: Administrative Capacity Building Roadmaps, Multi-level Governance Studies (2020).	All sections
EC Ninth Report on Economic, Social and Territorial Cohesion (2024)	Chapter 7

3.3. Findings

Strengthening administrative capacity (**administrative capacity building ACB**) is key to successful implementation of the funds. Adapting to new challenges requires a stronger emphasis on building and reinforcing updated capacity. **International specialised literature** e.g. International Monetary Fund (IMF 2105) and OECD (2020) suggests that effective and efficient governance significantly improves and reduces inefficiencies in public investment. This increases the ability of public investment to leverage private investment. To ensure effectiveness, it is crucial to develop 'soft infrastructure', 'a robust business environment and appropriate human capital formation' ⁽¹¹⁾.

⁽¹¹⁾ OECD (2020).

Many of the studies conducted so far on **Cohesion Policy** have primarily examined how administrative capacity affects the success of ESIF programmes (Bachtler, J., Polverari 2024). These studies often contend that policy effectiveness is dependent on the capability of national, regional and local governments to create solid strategies, manage resources efficiently, handle EU funding effectively and improve financial compliance. As the effectiveness of Cohesion Policy support in a region depends largely on the quality of government and institutions, some regions and Member States are much slower in catching up than might be expected given the enormous support they have received. This also explains why EU institutions have paid special attention to strengthening capacities and skills in public administration, the 'soft infrastructure', to implement the 'hard infrastructure'. Quantitative studies indicate that governance quality impacts the use of EU funds by Member States, particularly at the regional level throughout the EU. For instance, Commission research using the RHOMOLO macro-economic model of EU regions suggests the quality of government significantly affects the return on investment financed by EU Cohesion Policy. The model estimates that a 5 % increase in the quality of government (proxied by the EQI index) in EU regions increases the impact of Cohesion Policy investment on GDP by up to 7 % in the short run and 3 % in the long term (Ninth Cohesion Report 2024). Furthermore, there is a correlation between government quality and two additional metrics of implementation success: compliance (administering EU funds according to regulations and minimising mistakes); and efficiency (meeting the intended outcomes of the funding).

During the 2014–2020 period, ACB has received support through Technical Assistance, Thematic Objective 11 (focusing on institutional capacity), Thematic Objective 2 (centred on e-government and open data), along with peer learning facilitated by exchanges and networks (for example, the European Week of Regions and Cities, and 'Taix Peer-to-Peer'). The importance of administrative capacity to policymakers overseeing EU Cohesion Policy was underscored by the allocation of EUR 6.4 billion to 'efficient public administration' for the 2014–2020 period. However, studies examining the application of Technical Assistance have revealed that successfully leveraging external aid to enhance administrative capacity hinges on a political dedication to effective governance. This includes adopting an 'ecosystem' perspective to tackle administrative challenges and implement learning strategies to guarantee that insights from experiences and knowledge sharing are assimilated. Scholars identified challenges for government bodies to simultaneously manage absorption, compliance, and outcomes, triggering possible compromises between the administrative requirements of quick expenditure and adherence to regulations (Bachtler, J., & Mendez, C. 2021). Apart from the distinct elements of Cohesion Policy, independent evaluations in the 2014-2020 period specifically focused on capacity-building challenges at national level. These highlighted how the departure of experienced staff because of political changes and organisational reshuffles could negatively impact the development of capacity and thus affect

the effectiveness of programme implementation (POCA Evaluation 2021/2023 PON Governance 2022).

2021-2027 Cohesion Policy envisages important shifts to support ACB:

- Technical Assistance to support capacity building in public administration, but under programmes rather than TO11 for Cohesion Policy (article 36).
- Less resources for TA and, in particular for ERDF support, the limit is 3.5%.
- EC support for traditional technical ACB assistance will be paid through:
 - reimbursement of expenditure; or
 - flat-rate financing, for specific eligible costs, identified in advance.
- Additional Technical Assistance activities specifically addressing the capacity and efficiency of national, regional and local authorities, intermediate bodies, beneficiaries and other stakeholders in ESIF investment projects. An EU contribution can be based on FNLC (Art 37). Currently, only four Member States have opted for FNLC to finance capacity-building activities. These are Latvia, Romania, Italy and Bulgaria. Italy stands out for its financial magnitude, where an entire priority axis is financed through FNLC, totalling EUR 900 million under the programme CAPCOE (Capacity in Cohesion).
- Programmes can fund capacity building under each PO, but these activities shall be directly linked to actions under the related SOs. This ensures that capacity building is closely aligned with the implementation of investments.

3.3.1. Key findings

It appears the adjustment was based on a strategy to reallocate resources from a broader empowerment of public administration (for example, support for reform or horizontal skills and competencies) to focus on capacity building (including technical assistance) closely related to operations funded by Cohesion Policy funds. This shift might favour more targeted investments and more directly support the specific needs of projects under Cohesion Policy, complementing rather than overlapping with support that could be provided by other EU resources such as TSI or RRF.

Administrative capacity is still crucial to cohesion fund implementation, especially in the investment guidelines for the 2019 Country Reports Annex D. As mentioned in the 'definition' section, investments in ACB have always been relevant in Cohesion Policy, but with limited results. To increase effectiveness, in

2021-2027 the Commission adopted a soft 'guiding' approach, suggesting accompanying the funds with a capacity building operational document. Consequently, under the 2019 European Semester, the EC recommended that ten Member States prepare and present ACB Roadmaps alongside their ERDF programmes.

The ten Member States that received the EC recommendation, namely Portugal, Spain, Croatia, Slovenia, HR, Czechia, Slovakia, Latvia, Romania, and Bulgaria, all eventually provided their documents.

Roadmaps are strategic documents that include comprehensive measures to build capacity to manage and use the funds. Despite not being mandatory, but as mentioned 'recommended', several Member States decided to build ACB Roadmaps, at national or regional level. For the EC, ACB Roadmaps should strategically define and tackle short, medium and long-term administrative capacity issues. To support Member States preparing the Roadmaps, the EC launched a 'Pilot action', followed by publication of a 'Practical toolkit for preparing Roadmaps for Administrative Capacity Building' and by establishing a Community of practitioners (the REGIO Peer2Peer Community on ACB Roadmaps).

The recently published Ninth Cohesion report confirmed that, as widely recognised, the quality of institutions - including respect for the rule of law and administrative capacity - is crucial to the return on public and private investments.

The recent crises (from the COVID-19 pandemic to Russia's war of aggression against Ukraine) have had an uneven impact throughout the Union. These asymmetric impacts have been amplified by uneven institutional capacity at various levels. Cohesion Policy has been quick to mobilise support for vulnerable regions, reducing the risk of widening disparities.

Deficiencies in public governance and administrative capacity hamper development potential and remain a structural challenge in several regions and Member States. Development of regions can also be undermined by the lack of diversification of funding sources at the regional and local level, relying heavily on transfers from national budgets. Sub-national authorities are responsible, on average, for more than half of public investments. This percentage is lower, but increasing, in less developed Member States. This type of dependency undermines the resilience of countries to shocks. An increased and diversified financing capacity of regional and local authorities, in particular the possibility to mobilise private investments, together with the strengthening of their institutional capacity and administrative skills, would therefore strengthen the sustainability of their development strategies.

To analyse capacity building strategies and instruments in 2021-27 programmes, seven roadmaps were examined, of which five at national level (Lithuania, Portugal, Czechia, Hungary, Latvia) and two at regional level (North-East

Romania, and Sardinia, Italy). This is a representative sample of the roadmaps at this point in time, with 12 at national level and 5 'pilot' roadmaps through the OECD pilot project (of which three are national and two are regional), and finally, 21 regional roadmaps for Italian regions and a regional one for Romania. Only some of the roadmaps are published, while others were provided by programme authorities.

It should first be noted that the structure of the documents varies greatly. All Member States and regions took into account the ACB Roadmap toolkit suggestions for needs analysis in the initial part. After that, none or almost none of the documents are organised by PO (which was not suggested in the toolkit), with the exception of the Roadmap of the Sardinia region, which is organised by PO like almost all other Italian regional roadmaps. The impression is that in drawing up the roadmaps, the focus was on transversal logic and the needs of programme authorities, intermediate bodies, beneficiaries and stakeholders. Thus, more on the administrative machine than on specific themes. However, many of the documents are more strategic than operational guidelines, leaving the definition and implementation of capacity building actions to programmes. Only two of the analysed documents defined indicators measuring capacity building actions. The actions are always indicated in the roadmaps, even though they are not linked to a specific fund and a specific budget. They are often macro-actions, that cannot be measured by indicators. Here again, the precise definition of actions and their measurement seems to be left to the programmes.

The predominantly strategic nature of the documents is confirmed by references in all roadmaps to enabling conditions that are administrative-strategic prerequisites, which are rarely mentioned in the Partnership Agreements (only the Lithuanian Partnership Agreement explicitly mentions them). Similarly, almost all roadmaps contain references or recommendations to simplification actions, particularly SCOs: again, the Partnership Agreements rarely mention simplification (only Lithuania and Romania), but the Roadmaps do. This does not mean these recommendations always translate into actions defined in the roadmaps, but at least they indicate a willingness to follow the Commission recommendations on this issue. In addition, all the analysed roadmaps focus on ACB for programme authorities and also for beneficiaries. The focus on beneficiaries is particularly evident for Latvia and Northeast Romania but is present in all documents. This is in line with the Partnership Agreements, which in all cases (except Czechia) also indicate the beneficiaries, in addition to programme authorities, as recipients of capacity building.

Only two of the roadmaps define a budget. The Portuguese roadmap, probably the most comprehensive of all and relating to all CPR funds, defines six macro-actions with a total budget of EUR 41.5 million. However, the source of funding is not precisely defined. There is a reference to the national technical assistance programme and to regional and thematic programmes, national funds or other funding instruments. Similarly, the budget in Latvia's roadmap is defined as EUR

51 million, but is not detailed, referring to Cohesion fund programmes and the State budget.

The needs and capacity building actions defined in the roadmaps have, as mentioned above, a transversal impact. The best examples are in the definition of actions by Portugal, Czechia and Latvia. The analysis of Partnership Agreements reveals two broad categories of issues. General, affecting public administration at large, or more specifically related to Cohesion Policy. Among the general challenges are:

- **Human Resources:** The availability and competence of human resources are crucial. Public administration contends with a diverse workforce with an increasing retirement, alongside few incoming staff. Together this risks the continuity of institutional expertise and capabilities. The situation is intensified by specialised training for anti-fraud, ICT and procurement.
- **Procurement Processes:** Public procurement is a complex area, necessitating straightforward measures that comply with regulations. This entails tackling conflicts of interests and fraud.
- **Prevention of Over-Regulation ('Gold-Plating'):** The partnership agreement implies a need to avoid excessive national regulations that exceed EU requirements, aiming to eliminate 'Gold-Plating'.

Within Cohesion Policy, public administrations have identified the following challenges:

- **SCOs:** a recurring topic along with streamlining administrative processes. This includes applying SCOs across various funding mechanisms.
- **IT Systems and e-Cohesion:** There is a clear necessity to create and enhance IT systems that are pivotal for the management of programmes. The goal is to streamline application and administration processes for beneficiaries, enhancing the efficacy of e-cohesion strategies.
- **Expertise in specialised areas:** public administrations need technical assistance to acquire expertise in specialised domains. This encompasses precise technical knowledge, including legal support, compliance with State aid regulations and ICT proficiency.
- **Coordination:** a significant challenge within public administration is the lack of coordination between territorial levels and administrations. This is particularly pronounced in Cohesion Policy due to its broad scope, which requires improved collaboration across State, regional and local authorities to prevent duplicated efforts and to enhance process efficiency.

While the solutions vary in nature and application across Member States, they can be grouped into three dimensions:

- (a) Individual Competence Enhancement. Capacity building often begins at the level of individual skills and competencies. This includes initiatives such as centralised in-depth training for cross-sectional areas of fund management. These activities aim to equip individuals with expertise, from legal compliance to IT proficiency.
- (b) Organisational changes. Organisational capacity building activities include new systems and measures to refine functionality and operations in institutions. This encompasses optimising administrative procedures and implementing more efficient data management systems. Technical assistance is critical, providing specialised support that enables entities to enhance their operational practices, such as improving procurement processes or integrating digital expertise.
- (c) Institutional structural streamlining. At the most macro-level, solutions tend to be structural, aiming for a more cohesive and streamlined institutional framework. This includes strategic measures such as consolidating intermediate bodies to reduce administrative layers and mitigate complexities arising from diverse actors and competencies. It also encompasses efforts to combat 'Gold-plating'. Another institutional-level solution is to align national and regional roadmaps, which are blueprints for capacity building across the board, ensuring each action is in line with overarching policy objectives (e.g.: Bulgaria, Romania, Czechia, Slovakia, Croatia).

ACB is sometimes a platform to test and innovate within delivery mechanisms. For instance, the Partnership Agreement in Germany plans to broaden the application of FNLC as a new delivery mechanism.

The assessment of **Cohesion Policy programmes** reveals that the needs largely reflect those outlined in the Partnership Agreements, yet they focus more on governance aspects, as illustrated in the Annex. The central needs to enhance administrative capacity through Cohesion Policy programmes concentrate on skill development and simplified administrative processes, as well as institutional alignment and stakeholder engagement. There is a noticeable call to leverage digital tools to gain efficiencies, which underscores technological deficiencies in current administrative operations. Additionally, the inclination towards a centralised coordination system emphasises the necessity for horizontal and vertical policy integration. This indicates a movement towards frameworks that facilitate better cooperation and interoperability between different levels of governance and various stakeholders. The explicit mention of governance issues suggests a recognition of the need for more robust, coherent governance structures that can manage the complexities inherent in implementing Cohesion Policy programmes.

Recurring needs include administrative simplification, predominantly through SCOs. There is obviously a focus on training and capacity development for

managing authority staff, public servants, as well as stakeholders and beneficiaries. In some cases, the strategic use of Technical Assistance is recognised not merely to fill management gaps but also as a tool for capacity building and strategic procurement.

Digitalisation is underscored, alongside enhancements to governance models, which incorporate stakeholder consultations and co-decision processes. For several Member States, roadmaps play a crucial role. Member States or regions, as exemplified by Italian, Croatian, and Romanian programmes, distinctly outline roadmaps, signalling a deliberate, methodical approach to developing administrative capacity that builds on past insights and tailors strategies to meet future demands.

3.3.2. Key findings on POs, Interreg and JTF Sols

PO1 Smarter Europe

Programme

For PO1, a synthesis of the outlined strategies involves targeted Technical Assistance crucial to bolstering administrative capability, ensuring stringent programme management and augmenting control measures. The focus will be on incorporating Integrity Pacts within procurement processes, especially for projects with substantial public interest and a high risk of corruption. For SME support, technical assistance entails enhancing the administrative skills of beneficiaries through planned projects and measures applied across the board. These measures include adopting SCOs and strengthened helpdesk services, supported by unambiguous procedural guidelines and less documentation. For S3, programmes anticipate specialised support services and training for stakeholders, exemplified by initiatives such as the One Stop Liaison Office. To methodically organise and direct these initiatives, there is a plan for a detailed roadmap. This strategic document aims to consolidate and provide a clear trajectory for the ongoing enhancement of administrative functions and stakeholders.

PO 2 Greener Europe

Programme

The activities for ACB are designed to meet the requirements at various stages of project management, from preparation to reporting for project beneficiaries. Some programmes, for instance in Bulgaria, include Integrity Pacts in

procurement procedures to mitigate corruption and promote collaboration. There is also mention of enhancing the simplification process, such as SCOs, and the development of roadmaps (e.g., Romania).

PO 3 Connect Europe

Programme

Specific actions for ACB for PO3 are outlined for Romania. These aim to boost technical expertise and stakeholder engagement, particularly among beneficiaries in the transport sector. This is part of a broader strategy that includes governance enhancement within this sector, guided by a national Roadmap. This support includes streamlining procedures, straightforward guidelines, less mandatory documentation, SCOs and enhanced helpdesk functions.

PO 4 Social Europe

Programme

In Greece, particularly within the healthcare sector, Local Health Teams are reinforced through ACB. Sustained activities should enhance the strategic focus and effectiveness of interventions. In Romania, drawing on identified challenges, needs and experience, as well as dedication to simplification initiatives since 2019, a customised approach is under development. This is supported by Technical Assistance and involves streamlining procedures, formulating clear guidelines and less documentation. The plan also includes the adoption of SCOs and enhanced helpdesk services. The programme references a national roadmap.

PO 5 Europe Closer to citizens

Programme

ACB measures envisaged for PO5 in Italy and Romania focus on simpler procedures and the development of skills. Within the scope of PO5, is support to intermediary bodies and small municipalities through technical assistance, particularly for urban development projects and strategies for inner areas. Additionally, they are implementing bottom-up governance that involves various stakeholders and employs co-planning to ensure targeted and strategic interventions and project development.

Roadmaps

The roadmaps include indications of POs in a few cases, almost always PO 5. In the Czechia roadmap, there is an explicit reference to capacity building for Local Action Groups, which are responsible for the implementation of CLLD. In the other roadmaps, although there are no actions categorised by PO, some strengthening initiatives can fall under PO 5, as expected from a document drafted primarily for administrators.

JTF specific objective

Programme

The ACB measures are designed to provide extensive training to implementing bodies and beneficiaries, to enhance their capabilities and understanding of their roles and responsibilities. An exemplary initiative is the Sardinia Region, where tailored interventions conform to the Minimum Environmental Criteria outlined in the regional roadmap.

Partnership Agreement

The Irish and Swedish Partnership Agreements specifically mention the need to build capacity to manage JTF. This includes comprehensive training, resource allocation for intermediate bodies, partners and beneficiaries, and organisational changes (e.g. Swedish Agency for Economic and Regional Growth should be the managing authority).

4. Novelties Compared to previous monitoring period

4.1. Introduction to the key area

Definition

The novelties introduced by the new CPR compared to the last programming period are detailed in SWD(2023) 134 final (section 4). For this study and to avoid overlapping with other key areas, in particular simplification (Use of SCOs and FNLC), enabling conditions and administrative capacity (Roadmaps, Technical Assistance, etc.), which are treated in separate summaries, novelties will include the following:

- (a) 'Seal of Excellence' concept, integration of EU instruments (direct management) (also linked to Coherence),
- (b) Simplified and harmonised eligibility rules for beneficiaries,
- (c) Reduced reporting obligations for beneficiaries,
- (d) No specific rules and procedures for major projects / revenue generating projects,
- (e) New common output and results indicators,
- (f) Simpler provision for financial instruments,
- (g) More frequent reporting instead of annual reports,
- (h) Flexibility in terms of re-programming,
- (i) Reduced audit requirements and control systems.

Novelties are understood as 'innovations' within administrative capacity (structures, processes, support) but also in relation to Cohesion Policy delivery systems. The focus is not on the specific concepts and rules or processes, but on assessing their value and merit in addressing implementation bottlenecks (especially noted in 2014-2020). The focus is therefore on whether novelties are used and perceived and how far they increase efficiency, reduce administrative burden and/or increase effectiveness and achievements.

Evaluation Questions associated with the key area

Evaluation question 5: *How are implementation bottlenecks identified in previous programming periods tackled and addressed in 2021-2027?*

4.2. Information sources

Table 4 – References – Novelties compared to previous monitoring periods

Type of document	Sections analysed
European Commission (2023). Cohesion 2021-2027: forging an ever stronger Union. Report on the outcome of 2021-2027 Cohesion Policy programming. COMMISSION STAFF WORKING DOCUMENT. SWD(2023) 134 final	Section 4 on novelties
Metis and EPRC (2014). Implementation of Cohesion Policy 2014-2020: Preparations and Administrative Capacity of Member States. Study for the European Parliament. Policy Department B: Structural and Cohesion Policies	All
Böhme, K., Marinović, P., Zillmer, S. Hat, K., Schuh, B. (2023). The delivery system of Cohesion Policy now and in future. European Committee of the Regions.	All
Böhme K., Holstein F., Toptsidou M., Zillmer S. (2017). Gold-plating in the European Structural and Investment Funds. Directorate-general for internal policies policy department B: Structural and Cohesion Policies	All
European Commission, (2018). New assessment of ESIF administrative costs and burden – Final report, Publications Office	All
Polverari, L. (2024). Coordinative Europeanisation as a response to crisis: what lessons from the RRF for future EU Cohesion Policy? Comp Eur Polit (2024).	All
Bachtler, J.; Polverari, L.; Domorenok, E.;Graziano, P. (2023). Administrative capacity and EU Cohesion Policy: implementation performance and effectiveness, Regional Studies	All
European Commission (2024). Synthesis of the Findings of the Evaluations of the European Structural and Investment Fund Programmes 2014-2020. Accompanying the Document Report from the Commission 'European Structural and Investment Funds. 2023 summary report of the annual programme implementation reports covering implementation in 2014-2020'. Commission Staff Working Document SWD(2024) 2 final	Section on TO 11.
Dozhdeva V. and Fonseca L. (2021). A Green Transition: Making the new programmes sustainable. IQ-Net Thematic Paper 49(2), European Policies Research Centre Delft	Section 8 Planning for 2021-27: Opportunities and Challenges Ahead

Type of document	Sections analysed
Michie, R. and Jabri, E. (2023). 'Barbenheimer: Managing Funds with different tonalities simultaneously': the challenges of Cohesion Policy implementation, IQ-Net Overview Paper 55(1), European Policies Research Centre Delft	Section 3.1.1 Implementation challenges
Gal, F., Van der Valk, O., and Bachtler, J. (2023). Administrative Capacity-Building in 2021-27 – Priorities, Strategies and Implementation. IQ-Net Thematic Paper 55(2), European Policies Research Centre Delft	All
Programmes	Section 1 of the programme should include according to CPR article 22 'lessons learnt from past experience'

Source: Type the source text here.

4.3. Findings

4.3.1. Key findings

Literature review

A list of the 2021-2027 innovations is provided in SWD(2023) 134 final (section 4). These innovations refer not only to improvements in administrative capacity (including structures, processes, and support activities) but also to advancements in the delivery systems of Cohesion Policy. Novelties related to simplification (SCOs and FNLC), enabling conditions and administrative capacity (Roadmaps, Technical Assistance etc.) are analysed under other sections in this document.

This section analyses implementation challenges from the past to prepare the analysis of how novelties have addressed these in 2021-2027.

In 2014, a study ⁽¹²⁾ analysed challenges for the management and implementation of ESIF programmes. It found that administrative capacity for Cohesion Policy is influenced by the quality of government in each country. There were major challenges mostly linked to:

- Institutional instability associated with legislative, organisational or procedural changes
- High staff turnover in managing authorities and intermediate bodies

⁽¹²⁾ Metis and EPRC (2014): Implementation of Cohesion Policy 2014-2020: Preparations and Administrative Capacity of Member States. Study for the European Parliament. Policy Department B: Structural and Cohesion Policies.

- A high administrative burden due to increasing regulatory complexity and the need to digest and introduce regulatory and administrative changes at the beginning of each programming period.
- Insecurity and fear about decisions leading to overbureaucratic ('gold-plating') management with duplicate control loops.

Other reasons for high administrative burden include processes that are not adjusted to national rules and procedures and a lack of fair and transparent communication between administrative levels ⁽¹³⁾.

Specific management bottlenecks are associated with specific implementation phases, e.g. selection of projects, interaction with beneficiaries (application, reporting and payment processes) or certification and auditing as well as information and reporting to the EC, monitoring and evaluation.

Specific challenges arise at various stages of the implementation process, such as project selection, interactions with beneficiaries (including application, reporting, and payment procedures), certification and auditing, as well as information reporting to the European Commission, monitoring, and evaluation. A previous study on administrative costs and burden of Cohesion Policy found that the 'tasks with the highest administrative burden are: 1. Reporting. Gathering information on the progress and results of the project (including financial information and indicator data) and submission of that information to the authorities (monitoring and reporting). 2. Keeping records (including accounting) and proof of all transactions and actions. 3. Payment claims. Preparing and submitting a payment claim, with supporting documents (financial management)' ⁽¹⁴⁾.

The revision of challenges and administrative burden can be translated into the following implementation bottlenecks:

- Fraud risk and irregularities management
- Professional development, learning and exchange with peers
- Unclear rules and procedures
- High workload related to staff shortage and high staff turnover
- Weak organisational structures
- Poor physical resources
- Poor ICT

⁽¹³⁾ Böhme et al., 2017

⁽¹⁴⁾ European Commission, (2018). New assessment of ESIF administrative costs and burden – Final report, Publications Office

- Lack of experience and knowledge to deal with emerging topics
- Weak capacities of intermediate bodies
- Weak capacities of beneficiaries.

The administrative capacity for Cohesion Policy is influenced by the quality of government in each country ⁽¹⁵⁾. Furthermore, variations in administrative burden and costs are strongly influenced by the financial size of a programme, the number of beneficiaries, the time span for individual operations and the thematic focus of a programme. Moreover, administrative burden differs largely by type of beneficiary, with NGOs perceiving a higher burden than national authorities, probably due to their lack of experience with Cohesion Policy matters and their high share of volunteers ⁽¹⁶⁾.

There is widespread evidence of the influence of training and professional development on administrative capacity. Already in 2007-2013 managing authorities were making serious efforts to address capacity constraints, a trend continued in 2014-2020. In 2014-2020 some implementation challenges were addressed by ESIF programmes under Thematic Objective 11: Efficient public administration. The revision of 2014-2020 evaluations ⁽¹⁷⁾ shows some examples:

'In Lithuania support has helped improve the quality of public services, implement state reforms, including in the justice system, and increase the expertise of civil servants. Similarly, in Romania, the measures implemented have helped simplify legislation, improve the quality of judicial services and increase access to the justice system. However, institutional instability, complex procedures and administrative bottlenecks have meant that the measures were not as effective as they could otherwise have been. In Latvia, a set of measures for developing the skills of staff in public authorities has led to a better understanding of ways of stimulating entrepreneurship in SMEs, while corruption prevention training has also led to more cases of money laundering being brought to light. In Czechia, measures have been introduced to improve transparency in the implementation of the ESI Funds and to prevent conflicts of interest from arising during project selection. In Estonia, the quality of government decisions, exchange of information and transparency have improved. Public administration digitalisation

⁽¹⁵⁾ Bachtler, J.; Polverari, L.; Domorenok, E.; Graziano, P. (2023). Administrative capacity and EU Cohesion Policy: implementation performance and effectiveness, Regional Studies.

⁽¹⁶⁾ European Commission, (2018). New assessment of ESIF administrative costs and burden – Final report, Publications Office

⁽¹⁷⁾ European Commission (2024): Commission Staff Working Document Synthesis of the Findings of the Evaluations of European Structural and Investment Fund Programmes 2014-2020. Accompanying the Document Report from the Commission 'European Structural and Investment Funds 2023 summary report of the annual programme implementation reports covering implementation in 2014-2020'.

projects supported under this thematic objective have helped improve operational performance, as in Portugal, where procedures have become faster and better tailored to users' needs, and in Lithuania, where digitalisation has helped shift the focus more towards results.'

For 2021-2027, there are important measures to solve persistent implementation bottlenecks and further support managing authorities and intermediate bodies. The revised Regulation contains novelties to address implementation challenges and reduce administrative burden. In addition, there is increased support to ACB, increased possibilities to learn and exchange, e.g. via Peer2Peer communities and the TSI.

Some novelties to reduce implementation bottlenecks were analysed at an early stage through a survey and an in-depth assessment¹⁸ :

- Reduced frequency and volume of reports to be delivered. In 2014-2020 annual implementation reports needed to be prepared as well as data transmission three times per year. In 2021-2027 data are transmitted five times per year for mainstream programmes and four times for Interreg programmes, while the policy dialogue between key partners – the Commission, Member State and the monitoring committee – is better structured, more transparent and focused on resolving any implementation issues. A reporting system brought some reductions, but also increased requirements. The cancellation of annual reporting is deemed a very efficient improvement. The administrative burden of monitoring and reporting has been reduced. The annual implementation reports have been replaced by an annual policy dialogue based on the latest information (including structured data under CPR Article 42 and Interreg Regulation Article 32, i.e. more frequent, but lighter and real time reporting.
- Possibility of reprogramming through the mid-term review in 2025. This option allows the programme to respond to a situation which is unpredictable at the beginning of the funding period (new processes, crises, etc.).
- Simplified and harmonised eligibility rules for beneficiaries for ERDF, CF and other funds. The perception of beneficiaries is that there is little improvement compared to previous funding periods.
- New common output and result indicators: While the introduction of common indicators is considered a significant simplification, it has also limited the scope for measuring achievements. When it comes to capturing the full range of Cohesion Policy outcomes, relying solely on common indicators is unlikely to provide satisfactory results.

(¹⁸) Böhme, K., Marinović, P., Zillmer, S. Hat, K., Schuh, B. (2023). The delivery system of Cohesion Policy now and in future. European Committee of the Regions

Despite important simplification through novelties, implementation challenges might remain in 2021-2027 and cannot be easily solved: *‘Complex and resource-intensive procedural processes and demanding administrative requirements, particularly related to public procurement and state aid, were among major obstacles in the past and are expected to continue hindering progress in 2021-27 (Biz, IE, PT, Vla). Portugal notes that regulations relating to state aid offer very little flexibility for implementing sustainability actions under PO2. State aid rules are particularly challenging for larger sustainability projects. In the Netherlands, for example, where such projects receive state aid as part of an exemption agreement, the MA is responsible for monitoring the conditions under which such exemptions are granted. This increases the complexity of the project in terms of monitoring and increases capacity pressure for the MA but also causes challenges for the beneficiaries. The main challenges foreseen are associated with lengthy and complex public procurements rules e.g. in Bizkaia, or Ireland, particularly around sustainable urban development’* ⁽¹⁹⁾.

Other implementation challenges in 2021-2027 identified by managing authorities are ⁽²⁰⁾:

- Time pressure, due to delays with late approval of the EU Regulation
- Coordination of different funding streams
- Overlaps between programme periods
- Capacity of beneficiaries
- Capacity to deal with a new funding instrument (JTF)
- Dealing with a large number of overlapping calls.

Also for 2021-2027, a recent study shows opportunities to solve at least some of the implementation challenges through ACB ⁽²¹⁾.

4.3.2. Key findings on POs, Interreg and JTF SOs

This section presents findings by information source.

⁽¹⁹⁾ Dozhdeva V and Fonseca L (2021), A Green Transition: Making the new programmes sustainable. IQ-Net Thematic Paper 49(2), European Policies Research Centre Delft. Page 58.

⁽²⁰⁾ Michie R and Jabri E (2023), Barbenheimer: Managing Funds with different tonalities simultaneously: the challenges of Cohesion Policy implementation, IQ-Net Overview Paper 55(1), European Policies Research Centre Delft.

⁽²¹⁾ Gal F, Van der Valk O, and Bachtler J (2023). Administrative Capacity-Building in 2021-27 – Priorities, Strategies and Implementation. IQ-Net Thematic Paper 55(2), European Policies Research Centre Delft.

Programme

Several Programmes state that implementation bottlenecks identified in previous programming periods have been addressed and tackled in the 2021-2027 programmes. In many programmes, training measures and structural re-organisation are key measures. One example is the Andalusia Programme (Spain), where several measures have been taken to address implementation bottlenecks: 'place coordinating staff for European funds in each Regional Department/Ministry, create a Technical Committee for the monitoring of the implementation of European funds at the level of the Regional Government, as well as a Technical Office to support fund managers and the intermediate bodies.'

In Malta, the National ERDF-CF-JTF Programme states: *'Based on lessons learnt, ensuring that the required HR capacity in the implementation of funds is essential for an effective and efficient management and control system. To ensure retention rates of personnel, it is equally important that these resources are well-trained. Further staff training to ensure an adequate staff complement is envisaged under TA.'*

One key element is the Administrative Capacity Roadmap, that is mentioned in many cases as specific Action Plans to increase capacity and to deal with bottlenecks through training and development of new capacities. Also, the use of Technical Assistance to increase capacity and solve bottlenecks is often mentioned in Programmes.

One example of Bulgaria (Environment ERDF-CF): *'Referring to the recommendations in the National Reports for Bulgaria for 2019 and 2020 on the need for additional efforts to strengthen and increase the administrative capacity for effective management and implementation of EU funds, the MA plans to use the TA support in a strategic way. As a long-term goal, the TA will address strengthening and maintaining the institutional and technical capacity of responsible authorities, (potential) beneficiaries and relevant partners. Training plans will be implemented according to the identified needs of the beneficiaries in terms of successful project preparation, implementation, monitoring and reporting. The measures will be based on an in-depth analysis, consistent with the nationally developed 'Roadmap for Building Administrative Capacity 2021-2027'.'*

In several programmes of Romania (Central Region, ERDF), *'a tailor-made approach is proposed per SO to strengthen the administrative capacity of beneficiaries through projects and horizontal measures operationalised with TA support or other actions: simplification of procedures, simple and clear guidelines, reduction of mandatory documents, use of SCO, strengthening of the helpdesk function.'*

Less information is available in Programmes about the use of the new simplified and flexible novelties. Only in some programmes information can be found, e.g.

the case of Thuringia, Germany: *'It is planned to further develop the systems and implement simplifications. Plans include the further standardisation of processes and the increased and improved use of simplified cost options.'*

5. SCOs and FNLC

5.1. Introduction to the key area

Definition of the key area

This summary refers to simplification measures defined by the regulatory framework: SCOs and FNLC. CPR article 51, articulates the 'Form of Union contribution to programmes' including both FNLC – article 51(a) – and SCOs – article 51(c-e). The rules regulating SCOs are laid down in articles 52-56 (lower level) and article 94 (upper level). FNLC is introduced by the CPR as an option at two levels: i) to allocate the EU contribution to an entire priority or its components, and ii) for projects implemented within these programmes or priorities, determining grants for beneficiaries (articles 53 ⁽²²⁾ and 95 ⁽²³⁾). Moreover, FNLC is mandatory for specific initiatives enhancing administrative capacity in the Member States (article 37).

Evaluation Questions associated with the key area

Evaluation question 7: *Do the simplification measures proposed for the 2021-2027 programming period contribute to the reduction of the administrative burden for managing authorities and intermediary bodies? How and to what extent are they used by the programmes?*

⁽²²⁾ Art. 53(1) (f) Forms of grants

Grants provided by Member States to beneficiaries may take any of the following forms [...] financing not linked to costs, provided such grants are covered by a reimbursement of the Union contribution pursuant to Article 95.

⁽²³⁾ Article 95(1) Union contribution based on financing not linked to costs

The Commission may reimburse the Union contribution to all or parts of a priority of programmes based on financing not linked to costs in accordance with Article 51, either based on the amounts approved by a decision referred to in paragraph 2 of this Article or set out in the delegated act referred to in paragraph 4 of this Article. In order to make use of a Union contribution to the programme based on financing not linked to costs, Member States shall submit a proposal to the Commission in accordance with the templates set out in Annexes V and VI, as part of the programme or of a request for its amendment.

5.2. Information sources

Table 5 – References – Simplification measures

Type of document	Sections analysed
Programmes Data and information on SCO schemes (article 94) from the programmes are based on the 'Mapping of 'upper level' SCOs related to the 2021-2027 programming period (updated October 2023)' by the Commission, available at: Simplification and simplified cost options (last accessed April 2024). The mapping has been integrated with data on Appendix 1 of programmes identified in the mapping (SFC2021).	Section 8 – Table 14: Use of unit costs, lump sums, flat rates and FNLC This section indicates whether the programme will use the Union contribution based on unit costs, lump sums and flat rates under the priority according to Article 94 CPR and based on FNLC according to Article 95 CPR. In the first case, authorities are required to complete Appendix 1 including a proposal to use SCOs detailing amounts and rates, type of SCO and indicators triggering reimbursement. Appendix I is not required when a Union-level SCO established by the delegated act. When programmes intend to use FNLC, Appendix 2 should be completed. Details of this are regulated in article 95(1) CPR.
DG REGIO Study: New assessment of ESIF, administrative costs and Burden - Final Report – October (2018a)	Sections: 3,4,5,6
EC Study Use and intended use of simplified cost options in European Social Fund (ESF), European Regional Development Fund (ERDF), Cohesion Fund (CF) and European Agricultural Fund for Rural Development (EAFRD) – (2018b)	Section 2
The European Court of Auditors, Simplification in post-2020 delivery of Cohesion Policy (2018)	Pages 73 – 79
The European Court of Auditors, Annual report of the Court of Auditors on the implementation of the budget concerning the financial year 2018, (2019).	Chapter 6, Economic, social and territorial cohesion
Transnational Network (TN) of ERDF/CF SCO practitioners – material available at https://ec.europa.eu/regional_policy/policy/how/improving-investment/simplified-cost-options_en	6th meeting – July 2020 16th meeting – March 2024
Commission notice guidelines on the use of simplified cost options within the European structural and investment funds (ESI) – revised version -(2021/c 200/01)	Section 1,2
ECA report n. 21, The Commission's Assessment of National Recovery and Resilience Plans (2022).	Section 'The Commission's assessment improved the quality of milestones (..)' (77-96)
EC, Study to develop EU level SCOs and other EU level results-based tools in the programming period 2021-2027 Final Study Report (2023)	Sections 1-3
ECA, Special report 'Performance-based financing in Cohesion Policy: worthy ambitions, but obstacles remained in the 2014-2020 period (2023a)	All

Type of document	Sections analysed
ECA report n.1 'EU Financing through Cohesion Policy and the Recovery and Resilience Facility: A Comparative Analysis' (2023b)	All

5.3. Findings

5.3.1. Key findings

The 2018 DG REGIO study on administrative costs and burdens, covering the programming period 2014-2020 ⁽²⁴⁾, reveals that administrative expenses and the effort required for information and communication tasks, administrative checks of each reimbursement request from beneficiaries, alongside monitoring and evaluations throughout the programming phase, had declined since 2014. Despite this, project execution phases such as monitoring, reporting, record-keeping and the preparation and submission of payment claims continue to impose the greatest administrative workload on project partners. A significant reduction in administrative costs can be achieved by reducing the frequency of verifications and greatly increasing the use of **Simplified Cost Options (SCOs)**. Expanding the application of SCOs was a key part of the simplification strategy for the 2021-2027 period. However, while SCOs are encouraged, Member States are not required to use them, except in the case outlined in Article 53(2a) of the Common Provisions Regulation (CPR). Under this article, operations of ESF+ and ERDF receiving public support of up to EUR 200 000 must employ unit costs, lump sums, or flat-rate financing, using SCOs. This aims to reduce checks on expenses, which, considering the minor value of these operations, would not be economically justified.

However, the 2018 DG REGIO Study highlighted that adopting SCOs could affect accountability and transparency, potentially impacting the quality of projects. It was noted that changes introduced in the 2021-2027 period might be implemented with some delay, and initially, their introduction could increase administrative burdens. Furthermore, the study mentioned that within the shared management system, reduced administrative costs and burdens are not solely reliant on the CPR. These reductions are also influenced by implementation practices and additional regulations of the Member State and programme. The CPR seeks to enhance legal certainty by reducing the need for overly cautious measures or interpretations—which often lead to ‘gold-plating’. Conversely, on transparency, the 2018 Annual Report from the European Commission highlighted that audited transactions using SCOs tend to have fewer errors. Nevertheless, the European Court of Auditors (ECA, 2018a) observed that SCOs are underused, even where they could be effectively applied. Based on

⁽²⁴⁾ An update of this study covering the programming period 2021-27 is on going.

experience of the previous programming period (ECA 2018, EC Study 2018b), several factors contribute to the limited use of SCOs, including legal ambiguities, particularly concerning State aid and public procurement, and Member State policies that prefer reimbursement based on actual costs. Additionally, there might be a scarcity of information on how to effectively design and implement SCOs. The process of creating SCOs can be administratively demanding, and their advantages may not be immediately apparent. Furthermore, there are concerns about the potential systemic effects of any miscalculations.

For the programming period 2021-2027, EU level mapping of SCO schemes regulated by article 94 CPR ⁽²⁵⁾, reveals that 145 SCO schemes have been adopted by July 2024. The situation is evolving quickly, with new schemes regularly submitted by MSs ⁽²⁶⁾. It worth noting that in addition to higher-level SCOs (art. 94), managing authorities are applying also lower-level SCOs, for the reimbursement of beneficiaries in many programmes.

Most of the schemes use the 'Unit cost' typology of SCO, with 'Lump sum' and 'Flat rate' accounting for a smaller percentage.

Compared to SCOs, **FNLC** is newer, introduced later, in 2018, in the legislative landscape (Regulation (EU, Euratom) 2018/1046, Article 125(1)(a).. Unlike SCOs, FNLC is notably limited (EC 2023). Austria was the only country to use this results-based tool and supported business investments in renewable energy and energy efficiency in the 2014-20 programming period. A survey by the DG REGIO Transnational Network on Simplification (2020) highlighted several reasons for the limited adoption. These include regulatory uncertainty, administrative burden, a lack of time and resources to develop the scheme, and challenges in defining results or conditions necessary for triggering reimbursements. These challenges were corroborated by the ECA in their special report (ECA 2023a) and an EC study (EC 2023), which also pointed out the risk of perverse incentives, such as creaming and cherry-picking. This refers to selecting participants most likely to succeed in the activity, thereby generating the desired outputs or results. Such risks may be mitigated by carefully designing the FNLC scheme, the related results to be achieved and conditions to be fulfilled, the type of indicators triggering reimbursement and other aspects.

In the current programming period, by October 2024 six FNLC schemes have been adopted. Another three have been informally submitted to DG REGIO),

⁽²⁵⁾ The mapping exercise is limited to ERDF, CF and JTF funded programmes.

⁽²⁶⁾ Up to October 2024, 159 SCO schemes have been adopted as part of programmes in 14 MS (BE, CY, CZ, DE, FR, IT, LT, LV, MT, NL, PL, PT, RO, ES) and five Interreg programmes (ESPON, BE-NL, SI-AT, SI-HR, and SI-HU) amounting to a total contribution of EUR 6.89 bn (+0.1 bn). MS making most use of the upper level SCOs are FR (EUR 1.7 bn), LT (EUR 1.6 bn), PT (EUR 1.0 bn) and PL (1.0 bn). Most of the schemes are adopted in the areas of SMEs' business development and internationalisation; research and innovation; technology transfer and energy efficiency

three concern capacity building as per article 37, with a budget of EUR 1.3 billion from both EU and national funds, as planned in the programmes. Of this allocation, approximately EUR 900 million is sourced from the Italian Programme – CAPCOE (see table below). The situation is moving with more MS expected to submit additional scheme.

Approved FNLC schemes under article 95 CPR not related to capacity building are under the multi-fund Austrian programme financed by ERDF and JTF and the Cypriot programme. Under the AT programme, one FNLC has been approved for specific objective RSO 2.1 – Energy efficiency and intervention field 040 - Energy efficiency in enterprises (deep renovation), extending this scheme from a pilot project in the 2014-2020 period. The scheme refunds EUR 300 per tonne of CO2 equivalent saved (tied to RCR29 reporting), with various milestones (from 25% of CO2 emission savings to 100%). The monitoring of project achievements is built on existing reporting systems and obligations as stipulated by the Energy Efficiency Directive (2012/27/EU) and corresponding Austrian laws. The other Austrian FNLC scheme is for operations developing laboratory infrastructure by research organisations, universities and enterprises. The scheme refunds amounts per infrastructure put into operation, disbursed along various milestones. Finally, the Cypriot scheme is for operations strengthening research and innovation activities in SMEs, large enterprises, research and higher education centres. The scheme refunds amounts per number of completed projects.

Table 6 – FNLC - state of play, Article 95 CPR

Member State	Formal submission	Informal submission (NEW)
AT	1 (energy efficiency) + 1 (R&D)	
EE		1 (energy efficiency for social housing)
BG	1 (TA Article 37 CPR)	
DE		1 (peatland restoration)
CY	1 (R&D)	1
IT	1 (TA Article 37 CPR)	
LV	1 (TA Article 37 CPR)	
TOTAL	6	3

Source: DG REGIO

5.3.2. Key findings on POs, Interreg and JTF SOs

This section presents findings by information source.

PO1 Smarter Europe

Programme

In the programming period 2021-2027, most SCO schemes (82%) concern the reimbursement of staff and labour costs, including third-party costs for consulting. Less than 10%, is allocated to similar expenses but specifically for 'Digitalisation activities'. These are similar cost categories, implemented by both Italy and Poland.

In Italy, the investments are directed towards enhancing the digitalisation of micro, small and medium-sized enterprises. These investments include digital diagnosis for enterprises and ICT solutions identified within the operation:

- Digital workplace (a new digital workstation);
- Cyber security: to protect a company's IT resources;
- Digital commerce and engagement: digital channels for marketing, sales, loyalty and after-sales support services;
- Cloud computing: acquisition or migration of enterprise applications to the open cloud.

The SCO scheme covers:

- Fees for cloud services and internet domains;
- Purchase and maintenance of licensed management and administration software or Cloud Services;
- Purchase or rental of hardware associated with cyber security;
 - ICT Professional Services associated with ICT solutions, including outsourcing cyber security.

In Poland, the SCO scheme covers costs related to increased digital connectivity, in particular access to broadband.

All PO1 SOs are covered by SCO schemes: RSO1.1 Enhancing research and innovation, RSO1.2 Reaping the benefits of digitisation, RSO1.3 Growth and competitiveness of SMEs, RSO1.4 Skills for smart specialisation and transition and RSO1.5 Digital connectivity.

The RSO 1.3 includes SCO schemes designed to address the additional transportation costs of imported raw materials for French outermost regions. These costs are due to the geographical distances of Guyana, Guadeloupe and La Réunion from their supply sources. The aim is to alleviate the burden of importing raw materials and thus support the local economy.

PO 2 Greener Europe

Programme

PO 2 has the most diverse range of cost categories covered by SCO schemes, with supply and equipment for energy efficiency and energy renovation of buildings. Typically, these schemes entail the provision of labour, materials and equipment.

As with PO1, all PO2 specific objectives are covered by SCO schemes: RSO2.1 Energy efficiency, RSO2.2 Renewable energy, RSO2.3 Smart energy systems, RSO2.4 Climate change adaptation, RSO2.5 Sustainable water, RSO2.6 Circular economy, RSO2.7 Nature protection and biodiversity and RSO2.8 Sustainable urban mobility.

PO 3 Connect Europe

Programme

Only one SCO scheme under article 94 is selected under PO3, the Lithuanian multi-funds programme for the 'Implementation of mandatory visibility and information measures on investments from EU funds'.

PO 4 Social Europe

Programme

Several programmes have approved SCO schemes within PO4, including: France Auvergne-Rhône-Alpes and Rhône Saône & Massif Central territories and France Pays de la Loire (ERDF, JTF), Lithuanian EU Funds' Investments Programme (ERDF, CF, JTF), the Portuguese programmes Norte, Centro and Alentejo and lastly the Interreg programme Belgium-The Netherlands (Vlaanderen-Nederland). All these schemes relate to staff costs under RSO4.2 Education and training infrastructure, RSO4.3 Integration of marginalised

communities, RSO4.5 Access to healthcare and RSO4.6 Culture and sustainable tourism.

PO 5 Europe Closer to citizens

Programme

Several programmes have approved SCO schemes within PO5, including: the Belgian programme Wallonie 2027 (ERDF), France Auvergne-Rhône-Alpes and Rhône Saône & Massif Central territories and France Pays de la Loire (ERDF, JTF), Occitanie, and Pays de la Loire, Lithuanian EU Funds' Investments Programme (ERDF, CF, JTF), the Dutch programme West Netherlands and the Portuguese programmes Norte, Centro and Alentejo. As with PO4, these all relate to staff costs (RSO5.1 Integrated development in urban areas, RSO5.2 Integrated development in rural and coastal areas).

Interreg specific objectives

Programme

Interreg specific objective supported through the SCO scheme is ISO6 – Cooperation Governance, are within five programmes included the ESPON programme and the Interreg VI-A Belgium-The Netherlands (Vlaanderen-Nederland) ⁽²⁷⁾.

For ESPON, activities financed by SCO relate to the delivery of territorial evidence to support stakeholders in the green transition to climate neutral economies and to ensure just living conditions for all people in all places. In the Interreg Belgium-The Netherlands, these include small-scale projects and events to build mutual trust and enable or improve cooperation

JTF specific objective

Programme

Based on the documentation analysed within the study so far (by October 2023), three programmes have approved article 94 SCOs under the JTF specific objective, including France Auvergne-Rhône-Alpes and Rhône Saône & Massif Central territories and France Pays de la Loire for staff cost (ERDF, JTF),

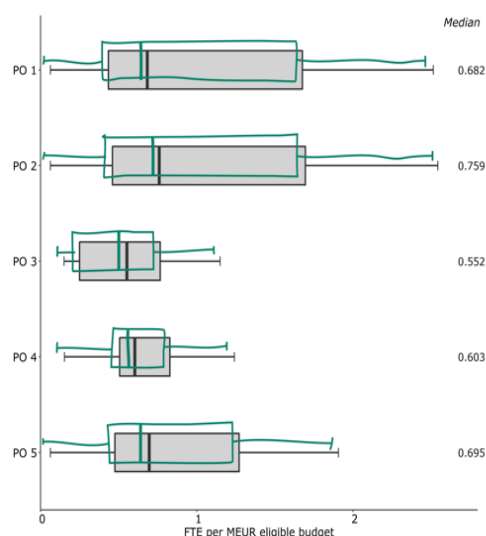
⁽²⁷⁾ At October 2024, three additional programmes SI-HU, SI-AT and SI-HR applied SCOs.

Lithuania programme EU funds' investments for annual leave of staff involved in EU-funded projects (ERDF, JTF) and implementation of mandatory visibility and information measures on investments from EU funds (ERDF, CF, JTF); as well as the programme JTF Netherlands for development projects, with costs other than personnel costs ⁽²⁸⁾. Development projects mostly involve the personnel costs of project partners. These projects involve the development, demonstration, or testing of products, services, or processes in pilot scenarios, or aim to enhance cooperation within the innovation ecosystem. These projects do not entail investment in production. All personnel costs of these development projects within the programme, except for those incurred by knowledge institutions using the national system, are covered by the SCO.

5.4. Annexes

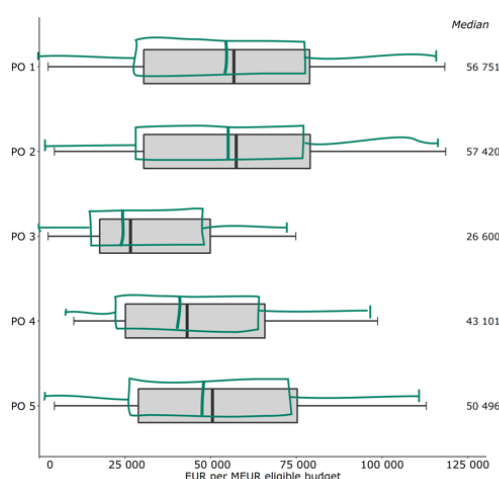
The two figures show the expected decrease of administrative costs.

Figure 14: Expected administrative costs by Policy Objectives (FTE)



Source: DG REGIO Study: New assessment of ESIF, administrative costs and Burden - Final Report – October 2018

Figure 15: Expected administrative costs by Policy Objectives (EUR)



Source: DG REGIO Study: New assessment of ESIF, administrative costs and Burden - Final Report – October 2018

⁽²⁸⁾ By October 2024, the list includes SCOs in: Belgium Wallonie, France Hauts de France, Latvia, Portugal Norte, Portugal Centro, and Portugal Alentejo.

6. Enabling conditions

6.1. Introduction to the key area

Definition

Enabling conditions are defined under CPR Articles 2(2) and 15. As explained in recital 21 of the CPR: ‘a limited list of enabling conditions as well as a concise and exhaustive set of objective criteria for their assessment should be established’ to ensure the necessary prerequisites for the effective and efficient use of Union support granted by the Funds. ‘Each enabling condition should be linked to a specific objective and should be automatically applicable where the specific objective is selected for support. Without prejudice to the rules on decommitment, where those conditions are not fulfilled, expenditure related to operations under the related specific objectives should not be reimbursed by the Commission’.

The term is further defined in the DG REGIO glossary: *‘Enabling Conditions are one of the key elements of the Cohesion Policy for 2021-2027. They build on the ex-ante conditionalities from the 2014-2020 to ensure that the necessary conditions for the effective and efficient use of the Funds are in place. The 2021-2027 Enabling Conditions are streamlined, automatically apply if matching specific objective is selected and must be respected throughout the whole programming period in order for expenditure to be reimbursed from the Union budget. There are 4 horizontal Enabling Conditions linked to the horizontal aspects of programme implementation and 16 thematic Enabling Conditions, which set out sector-specific conditions for relevant investment areas eligible for support under Cohesion Policy (specific objectives).’*⁽²⁹⁾

Evaluation Questions associated with the key area

Evaluation question 6: How do enabling conditions affect intervention logic and programme implementation? Do they improve the efficiency and effectiveness of the investments?

⁽²⁹⁾ DG REGIO Glossary, Enabling Conditions, available at:
https://ec.europa.eu/regional_policy/policy/what/glossary/enabling-conditions_en

6.2. Information sources

Table 7 – References – Enabling conditions

Type of document	Sections analysed
Programmes	Section 4 of the programme template - table 12 enabling conditions
Partnership Agreements	Section 11 - Summary of the fulfilment of enabling conditions
Zeitlin, J.; Bokhorst, D.; Eihmanis, E. (2023). Rethinking the Governance and Delivery of the Cohesion Policy Funds: Is the Recovery and Resilience Facility (RRF) a Model? Independent input to the reflection paper. Group of high-level specialists on the future of Cohesion Policy. European Commission.	All with regards to enabling conditions
European Court of Auditors (2021), Performance-based Financing in Cohesion Policy: worthy ambitions, but obstacles remained in the 2014-2020 period	page 20
European Commission (2017) The Value Added of Ex ante Conditionalities in the European Structural and Investment Funds, SWD (2017) 127 final, Brussels, 31 March	All
Huguenot-Nöel, R., and Hunter, A. with Zuleeg, F. (2017) Can the EU structural funds reconcile growth, solidarity and stability objectives? A study on the role of conditionalities in spurring structural reforms and reducing macroeconomic imbalances, Brussels: European Policy Centre	All
Núñez Ferrer, F. et al. (2018) Ex Ante Conditionality in ESI Funds: State of Play and their potential impact on the Financial Implementation of the Funds, study for the European Parliament, Directorate General for Internal Policies of the Union, PE 621.790, November.	All
Rubio, E., Kiss-Galfalvi, T., Nguyen, T., Ruiz de la Ossa, T., Corti, F. and Forns Gomez, A. (2023). The tools for protecting the EU budget from breaches of the rule of law: the Conditionality Regulation in context. European Parliament, Policy Department for Budgetary Affairs, Brussels	All

6.3. Findings

6.3.1. Key findings

Literature and regulatory framework review

Already in the 2014-2020 period, the governance and delivery framework for Cohesion Policy funds was substantially revised to reinforce their performance orientation, in particular through ex ante conditionalities and a mandatory performance reserve.

The effectiveness of these measures in making Cohesion Policy financing more performance-based continued to be criticised by the ECA, the European Parliament, and other external commentators. In response, the Cohesion Policy governance and delivery framework was revised again for the 2021-2027 period, transforming the ex-ante conditionalities into enabling conditions applicable throughout the funding period. This should ensure key conditions during the whole programming period and not only at its starting point; requiring common result indicators to monitor each specific objective; and making 50% of the final two years' funding reprogrammable in light of a mid-term review of implementation progress ⁽³⁰⁾.

In the 2021-2027 period there are 20 enabling conditions compared to 36 ex-ante conditionalities in 2014-2020. Most of the conditions are consistent with former ex-ante conditionalities. General ex-ante conditionalities have been replaced by horizontal enabling conditions. These relate to public procurement and State aid, as well as the EU Charter of Fundamental Rights and the United Nations Convention on the Rights of Persons with Disabilities.

The new 'rule of law' horizontal enabling condition is complementary to other instruments, such as RRF super milestones and the new conditionality regime that promotes the rule of law and its application and protects the EU budget.

The 'conditionality regulation' has been in force since January 2021. It allows the EU to take measures – for example suspension of payments or financial corrections – to protect the budget. The conditionality regulation is a permanent instrument applied beyond a given multiannual financial framework. Guidelines further define the relationship between the conditionality regulation and other

⁽³⁰⁾ Zeitlin, J.; Bokhorst, D.; Eihmanis, E. (2023). Rethinking the Governance and Delivery of the Cohesion Policy Funds: Is the Recovery and Resilience Facility (RRF) a Model? Independent input to the reflection paper. Group of high-level specialists on the future of Cohesion Policy. European Commission.

instruments, such as the horizontal enabling conditions³¹. According to the study by Rubio et al.⁽³²⁾, there has not yet been a non-reimbursement of costs due to non-compliance with horizontal enabling conditions (including the one related to the Charter of Fundamental Rights) [...]. The possibility to suspend approval of a programme or a programme amendment has happened once, proving effective to prevent discriminatory measures. This refers to Hungary, where the Commission, despite a Partnership Agreement and adopted programmes found that Hungary did not fulfil the horizontal enabling condition on the Charter of Fundamental Rights. Hungary could still implement the programmes, and receive prefinancing, but would receive reimbursements only for technical assistance, around 3% of the fund allocation under the CPR, or for operations that contribute to fulfilling the enabling condition. On 13 December 2023, after a thorough assessment and several exchanges with the Hungarian government, the Commission established that Hungary has taken the measures necessary for the Commission to consider the horizontal enabling condition on the EU Charter of Fundamental Rights fulfilled for judicial independence. As a consequence, Hungary may start receiving reimbursements for part of the funding, as long as the condition remains fulfilled⁽³³⁾.

6.3.2. Key findings on POs

This section presents findings by information source.

Programme and Partnership Agreement

Fulfilment of the public procurement condition is in mostly covered by national regulations. There is a broad fulfilment of the State aid condition, with which some Member States had experience. Some Member States have created platforms or information tools/measures to comply with this condition.

Enabling conditions referring to the EU Charter of fundamental rights and the UN Convention on the rights of persons with disabilities are new to Cohesion Policy

⁽³¹⁾ European Commission (2022), Guidelines on the application of the Regulation (EU, EURATOM) 2020/2092 on a general regime of conditionality for the protection of the Union budget. Brussels, 2.3.2022. C(2022) 1382 final.

⁽³²⁾ Rubio, E., Kiss-Galfalvi, T., Nguyen, T., Ruiz de la Ossa, T., Corti, F. and Forns Gomez, A. (2023). The tools for protecting the EU budget from breaches of the rule of law: the Conditionality Regulation in context. European Parliament, Policy Department for Budgetary Affairs, Brussels.

⁽³³⁾ European Commission (2024d): Communication on the application of Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget. Brussels, 23.2.2024. COM(2024) 17 final/2.

but have not usually been a challenge for most Member States. Most programmes and Partnership Agreements refer to national disability strategies and policies, as well as to their national constitutional and legal framework.

Interesting measures were taken by some managing authorities, including the Norte Region Managing Authority in Portugal to prepare for the enabling conditions: '1. Comparative analysis study of best European practices and recommendations from the European Commission regarding compliance with the EU Charter of Fundamental Rights, 2. Programmatic Roadmap on application of the Charter of Fundamental Rights of the European Union, 3. Training actions within the scope of the EU Charter of Fundamental Rights.'

Interviews

Interviews show that enabling conditions are helpful and contribute to programme design and intervention logic. Experience with the ex-ante conditionalities of 2014-2020 was important to be aware of the need to comply with enabling conditions and gain experience, especially with thematic enabling conditions. The interviews were less clear on the effect of enabling conditions on programme implementation.

PO1 Smarter Europe

Programme

The enabling conditions are linked to regional and national smart specialisation strategies as well as innovation governance and monitoring and evaluation systems at regional and national levels. The programmes have relevant documents to fulfil the enabling conditions. It seems there was a learning process since the 2014-2020 period and compliance is now based on well-established systems, structures and strategies.

PO 2 Greener Europe

Programme

The Enabling Conditions related to PO 2 are numerous and diverse. Usually, they require specific sectoral plans, strategies and objective frameworks in environmental, climate and energy policy fields. For example, Bulgaria updated planning for investments in the water and wastewater sectors (RSO2.5); updated waste management plans (RSO2.6); a disaster risk management framework

(RSO2.4); Priority action framework for necessary conservation and EU-funded measures (RSO2.7).

While in some Member States, compliance does not seem to be a problem and is reported in all fields (e.g. Sweden), in others fulfilment is not yet guaranteed, and major reforms are ongoing. This includes Romanian programmes for energy policy/strategies.

Some Member States and regions are apparently in the final phase of compliance, with specific changes on the way, e.g. waste management plans in some German regions.

Important changes and developments to comply with the enabling conditions include the relatively new strategic frameworks related to energy efficiency renovation of buildings (e.g. policy to support energy efficiency renovation in residential and non-residential buildings in Ireland) and reform projects such as the 'Spending review on climate change policies and assessment of the economic impact of climate change-related risks (REFORM/ SC2021/057)' in Spain.

PO 3 Connect Europe

Programme

Compliance with enabling conditions is generally guaranteed through transport or mobility plans or strategies. In some countries and regions, additional measures have been taken, for example, in Portugal, a measure in the National Strategic Plan for Security identifies critical points where problems occur on road networks in urban and municipal areas, promoting adaptation or intervention.

PO 4 Social Europe

Programme

Compliance with enabling conditions is generally guaranteed through national plans or strategies as in Slovakia with the national strategic policy framework for active labour market policy, the national strategic policy framework for gender equality, the strategic policy framework for education and training at all levels, national strategic policy for social inclusion and the strategic policy for health and long-term care. In some cases, new links and monitoring systems had to be created between regional or national strategies or between legal and strategic frameworks, such as for vocational training.

In some cases, enabling conditions are significantly changed, such as the Spanish national strategy for deinstitutionalisation and the development of community support services to promote the transition to a community-based model of long-term care. This took place between 2020 and 2023. However, it is not clear, if enabling conditions were the (sole) cause of these reforms.

Enabling conditions have to be examined within their trajectory since 2014-2020. Assessments of the 2014-2020 ex-ante conditionalities by the Commission ⁽³⁴⁾ and others ⁽³⁵⁾ concluded that they made a positive contribution to the strategic quality and performance orientation of cohesion programmes, especially in countries with low administrative capacity while reinforcing links with European policy priorities. In 2017, ECA ⁽³⁶⁾ found 'that EACs provided a consistent framework for assessing Member States' readiness to implement EU funds and that the Member States perceived them as a positive element.' However, weaknesses were also found. ECA (2021) emphasised the heterogeneity of strategic frameworks and action plans across Member States; long delays in their preparation in many countries; inconsistencies in assessments by the Commission and the fact that the assessments were designed as a one-off exercise at the beginning of the period ⁽³⁷⁾.

The enabling conditions bring advantages to programme design and implementation, but they also produce extra administrative burdens. In addition, conflicts between efficiency and effectiveness might emerge, leading to an ambiguous assessment of the consequences for Cohesion Policy programmes.

⁽³⁴⁾ European Commission (2017) The Value Added of Ex ante Conditionalities in the European Structural and Investment Funds, SWD(2017) 127 final, Brussels, 31 March.

⁽³⁵⁾ Huguenot-Nöel, R., and Hunter, A. with Zuleeg, F. (2017) Can the EU structural funds reconcile growth, solidarity and stability objectives? A study on the role of conditionalities in spurring structural reforms and reducing macroeconomic imbalances, Brussels: European Policy Centre. And Núñez Ferrer, F. et al. (2018) Ex Ante Conditionality in ESI Funds: State of Play and their potential impact on the Financial Implementation of the Funds, study for the European Parliament, Directorate General for Internal Policies of the Union, PE 621.790, November.

⁽³⁶⁾ This means ex-ante conditionalities.

⁽³⁷⁾ European Court of Auditors (2021), Performance-based Financing in Cohesion Policy: worthy ambitions, but obstacles remained in the 2014-2020 period, page 20.

7. Territorial needs and tools

7.1. Introduction to the key area

Definition

This key area covers specific needs and tools related to territorial development. These include ITI, CLLD and other approaches designed by Member States for territories with specific characteristics and needs (e.g. cross-border, rural/urban, peripheral regions, islands, mountains, and areas with socio-economic disadvantages). This analysis includes Territorial Just Transition Plans (TJTPs), given their place-based approach.

In the analysis of territorial tools, this study also considers partnership principles and multilevel governance as regulated in article 8 of the CPR.

Evaluation Questions

Evaluation question 2: *What is the progress in the implementation of TJTPs? Is it in line with the JTF goal to address the socio-economic challenges of specific territories of the transition towards the Union's 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050? What are the challenges and gaps of the planned interventions?*

Evaluation question 3: *Are ERDF, CF and JTF delivery systems effective in considering and addressing specific territorial needs? What implementation bottlenecks can be identified?*

Evaluation question 4: *In what ways do partnership and multi-level governance affect programme design and implementation?*

Evaluation question 12: *How do ERDF, CF and JTF investments contribute to a place-based approach in Member States and territories? What is the added value for outermost regions and cross-border cooperation?*

7.2. Information sources

Table 8 – References – Territorial needs and tools

Type of document	Sections analysed
Partnership Agreements	Section 1 on place-based approach and outermost regions Section 2 on partnership
Programmes	Section 2 Specific Objectives – Table 3 Territorial delivery mechanism and territorial focus dimension Section 6 of the programme should include a part on 'partnership' according to CPR article 22(3)(h)
Territorial Just Transition Plans	All
Smart Specialisation Strategies	All
Documents detailing the composition of the Monitoring Committee	All
Hat, K. et al. 2023, Research for REGI Committee – The impact of the gas supply crisis on the Just Transition Plans, European Parliament, Policy Department for Structural and Cohesion Policies, Brussels	Chapters 1, 3, 4 and Conclusions
Pertoldi, M., Fioretti, C., Guzzo, F., Testori, G., De Bruijn, M., Ferry, M., Kah, S., Servillo, L.A. and Windisch, S., Handbook of Territorial and Local Development Strategies, Pertoldi, M., Fioretti, C., Guzzo, F. and Testori, G. (editors), Publications Office of the European Union, Luxembourg, 2022	

7.3. Findings

7.3.1. Key findings

In line with the objectives of article 174 of the Treaty on the Functioning of the European Union (TFEU), Cohesion Policy acts to strengthen economic, social and territorial cohesion by reducing disparities between the level of development of the regions. Particular attention should be paid to 'least favoured regions or islands, and [...] rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps'. Territorial cohesion is the guiding principle of Cohesion Policy. ERDF, CF and JTF address territorial needs in the 2021-2027 programming period using several tools.

To tackle the unique challenges faced by territories and urban areas, recognised in the Urban Agenda for the EU,⁽³⁸⁾ the Commission has strengthened the urban and territorial dimension by dedicating a new policy objective, 'Europe closer to citizens' and by supporting place-based approach mechanisms to implement the funds. The Commission has also launched a new European Urban Initiative to support cities that are often at the forefront of emerging economic, environmental, climate and social challenges, and are often implement interventions funded under Cohesion Policy⁽³⁹⁾. Alongside sustainable urban development strategies, directed at urban areas, metropolitan regions, city and neighbours, the EU has also encouraged territorial and local development strategies. These are targeted at diverse territories, including rural areas, mountainous areas, islands and coastal areas as well as remote and sparsely populated areas. These strategies also reflect the distinctive challenges phased by non-urban areas, especially in accessing essential services⁽⁴⁰⁾. Territorial strategies are closely interlinked with demographic challenges affecting areas with negative demographic trends, including ageing. More details are in the summary of 'emerging challenges' in this report.

The renewed focus on place-based strategies for all territories will benefit urban and non-urban territories developing territorial cross-sectoral policy with the involvement of all local stakeholders in policy design and implementation. Moreover, Cohesion Policy fund programmes must implement multi-level governance that includes a broad partnership in the decision-making process.

Cohesion Policy has several mechanisms to encourage a place-based approach for investments. These include the participation of sub-regional territories and local communities in identifying needs and planning projects. Introduced in 2014-2020, the territorial tools ITI and CLLD are designed to implement funds with an integrated and place-based approach⁽⁴¹⁾.

- ITI is a territorial tool where the territorial approach is defined as *'the financing of urban or other territorial strategies through combined investments from more than one priority axis of one or more programmes'*

(38) Urban Agenda for the EU, more information are available at: https://commission.europa.eu/eu-regional-and-urban-development/topics/cities-and-urban-development/urban-agenda-eu_en

(39) SWD(2023) 134 final, Cohesion 2021-2027: forging an ever stronger Union Report on the outcome of 2021-2027 Cohesion Policy programming

(40) Pertoldi, M., Fioretti, C., Guzzo, F., Testori, G., De Bruijn, M., Ferry, M., Kah, S., Servillo, L.A. and Windisch, S., Handbook of Territorial and Local Development Strategies, Pertoldi, M., Fioretti, C., Guzzo, F. and Testori, G. (editors), Publications Office of the European Union, Luxembourg, 2022

(41) CPR Regulation, Chapter II – Territorial development

(⁴²). As recognised in the EC Handbook of Sustainable Urban Development Strategies, ITI emphasises the importance of integrating multiple sectors and funds.

- CLLD is based on the LEADER instrument and is another tool to foster a place-based approach to implementing funds, emphasising community-led initiatives. CLLD should focus on subregional areas and engage local interest groups and actors in the decision-making process.
- Member States have designed other territorial tools to support urban, rural and other areas.

According to ERDF Regulation Article 11, at least 8% of ERDF resources at national level under the Investment for jobs and growth goal, '*shall be allocated to sustainable urban development in one or more of the forms referred to in CPR Art. 28*'. Member States have exceeded this percentage by earmarking almost 12% of their ERDF allocation (⁴³). The majority planned for urban areas are funded by ERDF, but some is from CF, JTF and Interreg.

In line with the European Green Deal objectives, the programming period 2021-2027 also added the Just Transition Mechanism, intended to support the transition to climate neutrality of most affected territories, to prevent further regional disparities. Implementation of the first pillar of the JTM, the JTF, is based on TJTPs, strategic documents that JTF programmes had to approve. The EC proposed the most affected regions, and all Member States have approved at least one TJTP. Most are for each territory of the state, with some exceptions (Austria approved only one TJTP for all regions). The regions were identified for their reliance on coal and peat industries, CO₂ intensive industry and other fossil fuel production. The TJTPs include an overview of the transition process, specific opportunities and strategies to achieve climate neutrality at the regional level. The planning has enabled several Member States to better delineate their plans to phase out coal (⁴⁴). Early preliminary insights on the implementation of TJTPs from a study commissioned by the European Parliament (Hat et al., 2023) delineate how the plans are not entirely homogeneous in their identifications of needs and investments. '*The level of detail of the development strategies and measures provided in the TJTPs varies considerably across the EU.*' What emerged from the energy crisis followed by the Russia aggression in Ukraine is that '*the less regionally specific JTPs would benefit from further elaboration in order to better address regional needs, and understand and take into account*

(⁴²) EC DG REGIO, Scenarios for Integrated Territorial Investments, October 2015

(⁴³) Cohesion open data, DataStories, 'Cohesion Policy and sustainable urban development'.

(⁴⁴) SWD(2023) 134 final, Cohesion 2021-2027: forging an ever stronger Union Report on the outcome of 2021-2027 Cohesion Policy programming.

regional development opportunities, such as more detailed strategies for diversification of energy sources.'

The partnership principle is a cornerstone of Cohesion Policy, and engaging relevant partners is required in programming and implementation, monitoring and evaluation of Cohesion Policy funds (article 8 CPR). This includes regional, local, urban and other public authorities, economic and social partners, research organisations, universities and other actors representing civil society ⁽⁴⁵⁾. The European Code of Conduct on Partnership approved in 2014 includes requirements and good practice recommendations on the involvement of partners. A 2021 CoR study on application of the partnership principle in the design of Partnership Agreements and programmes underlines how participation is slowly improving but many routines have remained unchanged from the 2014-2020 programming period. Despite a call for better involvement of stakeholders, the potential for partnership is not fully used, especially in redacting Partnership Agreements. Mobilising stakeholders remains a key challenge for this activity and the use of place-based approaches and tools may improve this.

The programmes usually describe a long process of consultation to engage stakeholders in design and planning. Consultations and feedback are through working groups, ad-hoc meetings and open-consultation. Some programmes describe mechanisms for partner selection. An example is the regional German Lower Saxony programme where selection was on a topic-by-topic basis, starting with a very broad approach at the beginning. *'In addition to the requirements of the Common Provisions Regulation, the purely theoretical possibilities of the relevant sector regulations (ERDF and ESF+) and the very heterogeneous needs of the regions, companies, social groups and citizens of Lower Saxony, taking into account the Rural Development Fund (EAFRD), were the guiding principles for the selection. In addition to the partners from previous funding periods, special emphasis was placed on the participation of regional and municipal actors, new groups and the younger generation'.*

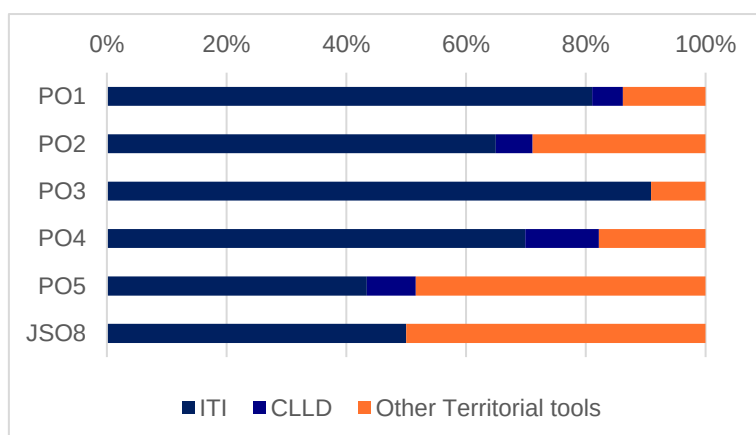
7.3.2. Key findings on POs, Interreg and JTF Sols

This section presents the findings by information source. Almost 200 programmes and all Member States have allocated resources to ITI, CLLD or other territorial tools, the distribution of these interventions among POs is shown in the figure below.

⁽⁴⁵⁾ Article 8(c) CPR: relevant bodies representing civil society, such as environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, fundamental rights, rights of persons with disabilities, gender equality and non-discrimination.

Figure 16 - Share of programmes with planned interventions

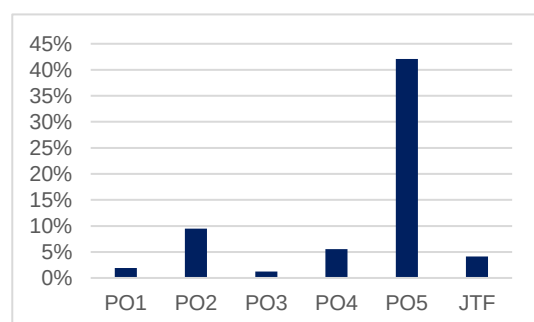
(by territorial tool and PO)



Source: Open data Cohesion

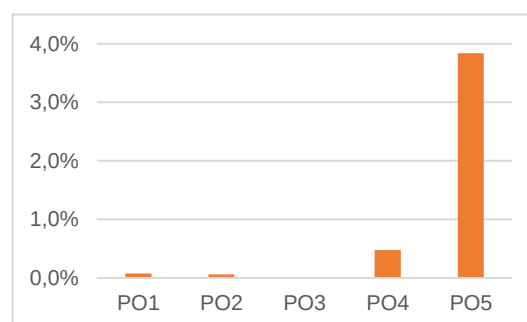
While most of the resources planned for ITI and CLLD are allocated within PO5, these are planned also in other POs, accounting for almost 10% of the planned financial allocation for PO2 (ITI) and around 0.5% of PO4 resources (CLLD).

Figure 17 - Share of planned allocation implemented through ITI



Source: Open data Cohesion

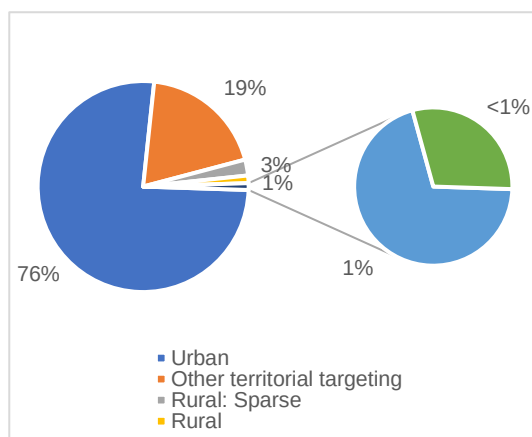
Figure 18 - Share of planned allocation implemented through CLLD



Source: Open data Cohesion

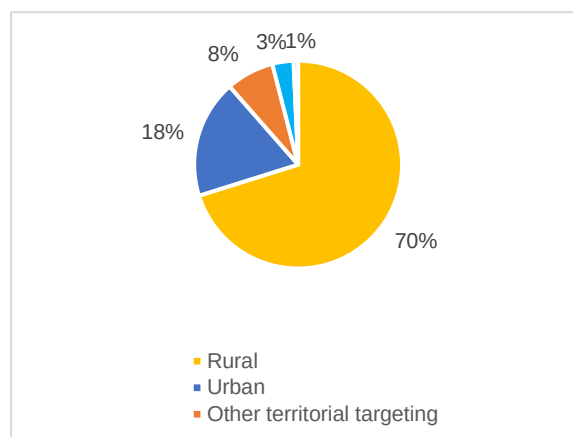
The figures below summarise the planned allocation under ERDF, CF and JTF that programmes intend to implement through ITI and CLLD. Not surprisingly, most are through ITI, across all policy objectives and target to urban areas (almost 80%). Other territorial targets share a significantly lower percentage of the budget. The opposite can be observed for CLLD, directed to rural areas (around 70% of the budget).

Figure 19 - Territories targeted, ITI



Source: Cohesion open data

Figure 20 - Territories targeted, CLLD



Source: Cohesion open data

PO1 Smarter Europe

Programme

As seen by the planned allocations, within PO1, few programmes reference specific territorial delivery mechanisms and territorial focus dimensions in section 2. Most interventions are planned through ITI and are directed at urban areas. A fifth of the programmes used this instrument in PO1, while only the Bulgarian ERDF programme Competitiveness and Innovation in Enterprises uses CLLD. Most citations are under RSO1.1, RSO1.2 and RSO1.3. The programmes recognised unique socio-economic challenges faced by mostly urban areas in guaranteeing sustainability and the digital transition. For example, the Finnish programme Innovation and Skills describes the ITI strategy for sustainable urban development to strengthen innovation ecosystems. City-specific challenges are defined in ecosystem agreements, from which an ITI strategy connecting cities is derived. The German regional programme Lower Saxony plans to implement the entire budget within RSO1.2 to the ITI, 'Regions for Future'.

Smart Specialisation Strategies

The Ninth Cohesion Report highlights smart specialisation strategies (S3s) centred on location, prioritisation and participation. The strategies should emphasise a place-based approach, strategic choices and stakeholder involvement. The S3 adopted by the Member States and the programmes selected in the sample were reviewed to assess their territorial and place-based approach. The majority of the analysed strategies identified disparities between territories and specific territorial needs, either at the sub-national or regional level. For example, the Czech Republic's National Research and Innovation Strategy

for Smart Specialisation 2021-2027 takes into account specific territorial conditions and regional characteristics, tailoring strategies to the regional level. However, a true territorial approach is rarely outlined in an S3. An exception is the region Hauts-de-France which emphasises the maritime coastline and its opportunities for the region. It is worth noting that the strategies mostly have a sectorial approach, and this may coincide with specific territories, for example, industrial districts are provincial in several Italian regions.

Nonetheless, specific territorial instruments and references to territorial implementation tools are mostly absent in the strategies.

PO 2 Greener Europe

Programme

PO 2 makes extensive use of territorial implementation tools and there are several instances in the programmes analysed. For example, the Dutch regional programme West Netherlands planned to implement investments under PO2 through ITI and CLLD. These investments are directed at urban territories for energy efficiency, renewable energy, smart energy systems and circular economy (Urban areas – Urban neighbourhoods). The Bulgarian national thematic programme Environment has several measures under RSO2.4, RSO2.6 and RSO2.7 that can be implemented through the ITI approach. In RSO2.4 – Climate change adaptation, according to a preliminary assessment by the managing authority, flood risk prevention and management measures, as well as measures addressing adverse geodynamic processes, can apply for funding through ITI. In RSO2.6 - Circular economy, the ITI approach can be applied to building centres for re-use and repair, ensuring separate waste collection combined with waste recycling in industrial areas/parks (except for production and hazardous waste, packaging waste, electrical and electronic equipment, batteries and accumulators and textiles). Measures can be applied at territorial level and through the CLLD approach. CLLD measures are aimed at information and education activities.

PO 3 Connect Europe

Programme

In PO3, through ITI, investments are directed at urban and rural areas and sparse territories, while no investments are planned with CLLD. For example, the regional Polish programme Małopolska RSO3.2 will be partially implemented through ITI and other territorial instruments.

PO 4 Social Europe

Programme

Several programmes refer to specific territorial needs and territories such as sparsely populated areas. For example, the Estonian Cohesion Policy funding programme, in RSO 4.2 underlines how investment in the development and restructuring of primary schools (action 2) focuses on regions with a shrinking and ageing population (especially Ida-Virumaa), which has a large proportion of the population with a migrant and poorer socio-economic background.

PO 5 Europe Closer to citizens

Programme

The new Policy Objective 5 'Europe closer to citizens' fosters a place-based approach to investments and gives preference to investment strategies that involve cities and local communities. Almost 65% of the planned allocation under PO5 will finance sustainable urban development strategies.

In particular, specific objective 5.1 is focused on 'Fostering the integrated and inclusive social, economic, and environment development, culture, natural heritage, sustainable tourism, and security in urban area'. Sustainable urban development investments at EU level are mostly financed under this specific objective.

Interreg specific objectives

Programme

Only one Interreg sample, the Spain-Portugal (POCTEP) programme, finances development strategies targeted at functional areas in the cooperation space. These interventions are financed in RSO5.2. None of the programmes has implemented territorial strategies within the Interreg specific objectives.

JTF SO

Programme and TJTPs

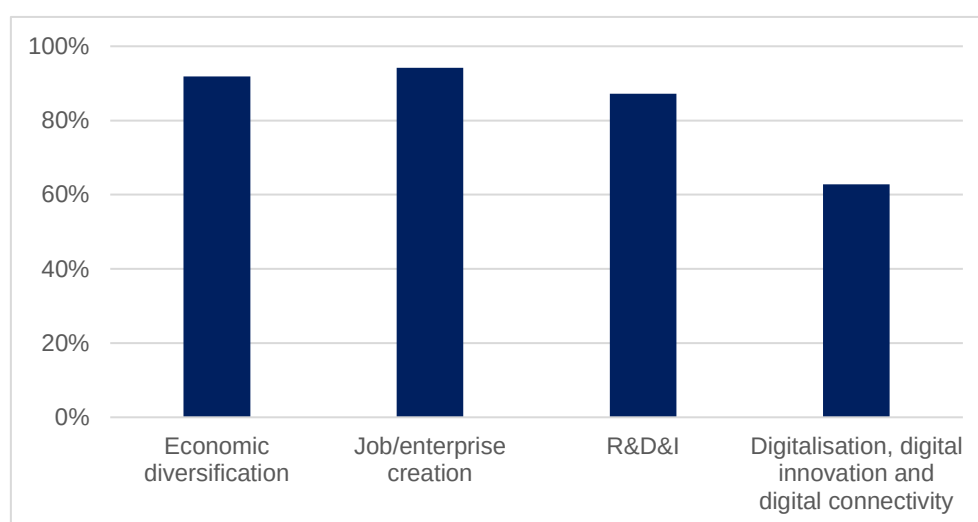
Traditional territorial tools, such as CLLD and ITI are rarely used at the EU level for this SO.

Nonetheless, like other place-based approaches, TJTP planning refers to narrowly selected territories and their multi-thematic investments. Drafting these plans included extensive participation with local partners and stakeholders.

The categories of interventions that emerged from the plans refer to economic activities and diversification, climate change mitigation and social interventions.

The vast majority of plans delineate measures for economic diversification, enterprise creation and R&D&I activities. Some digitalisation measures are mapped.

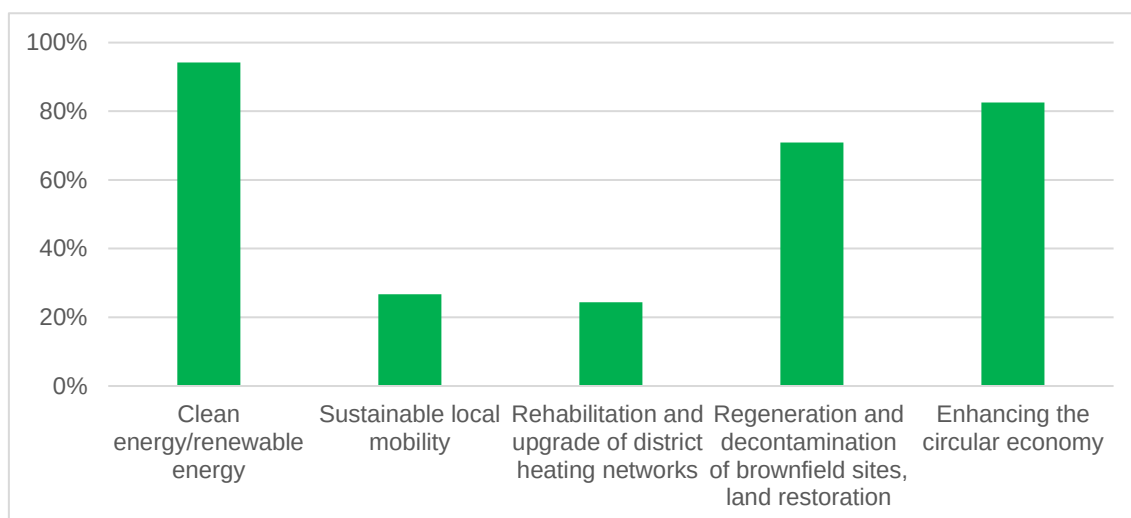
Figure 21 - Identification of measures in the TJTPs, economics



Source: Sample of programmes, percentage of plans with actions in each category

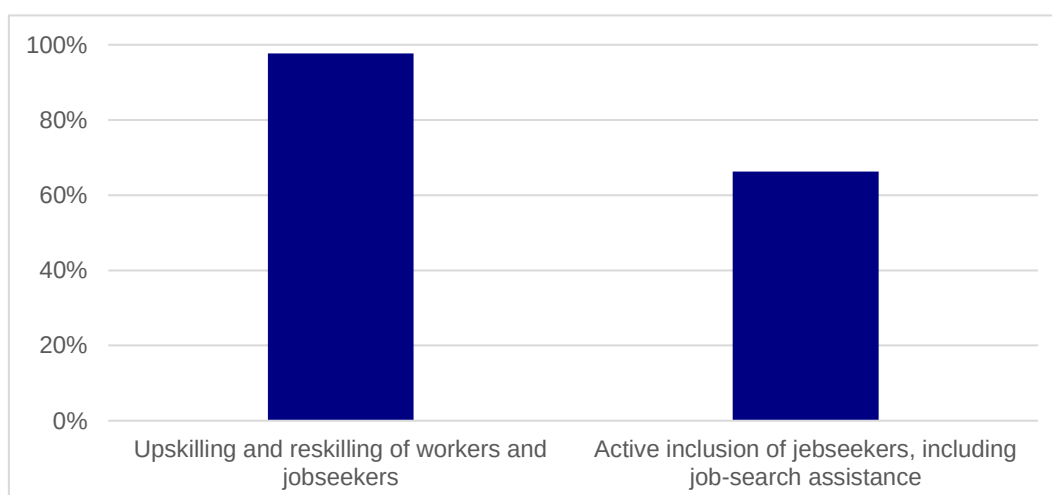
For the green transition and measures of climate change adaptation and mitigation, investments promoting clean and renewable energy were the most cited, alongside actions to enhance the circular economy and regeneration of contaminated sites. For example, the Sud-Sardinia province TJTP details activities to reclaim land polluted by mining. Sustainable local mobility is more rarely indicated, as it is not the main objective of the JTF.

Figure 22 - Identification of measures in the TJTPs, green transition



Source: Sample of programmes, percentage of plans with actions in each category

Figure 23 - Identification of measures in the TJTPs, workers



Source: Sample of programmes, percentage of plans with actions in each category

8. Horizontal priorities and principles

8.1. Introduction to the key area

Definition

According to the CPR (Article 9) Member States and the Commission shall:

- (a) ensure respect for fundamental rights and compliance with the Charter of Fundamental Rights;
- (b) ensure that equality between men and women, gender mainstreaming and the integration of a gender perspective are taken into account and promoted throughout the preparation, implementation, monitoring, reporting and evaluation of programmes;
- (c) take appropriate steps to prevent any discrimination based on gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, implementation, monitoring, reporting and evaluation of programmes. In particular, accessibility for persons with disabilities shall be taken into account throughout the preparation and implementation of programmes;
- (d) In addition, the objectives of the Funds shall be pursued in line with promoting sustainable development, taking into account the UN Sustainable Development Goals, the Paris Agreement and the DNSH principle.

Two horizontal principles are covered by horizontal enabling conditions (application and implementation of the Charter of Fundamental Rights as well as application and implementation of the United Nations Convention on the rights of persons with disabilities). Compliance with those principles is therefore covered by compliance with the enabling conditions.

The analysis in this section will focus on compliance and coherence with b); while points a) and c) are already treated above under 'enabling conditions', and the climate and biodiversity dimensions will be analysed in Task 2 based on expenditure declared in the associated intervention fields.

Evaluation Questions associated with the key area

Evaluation Question 10: *Are programmed interventions coherent with the horizontal principle of ‘do not significant harm’ and the horizontal priorities on climate, biodiversity and gender equality?*

8.2. Information sources

Table 9 – References – Horizontal priorities and principles

Type of document	Sections analysed
Documents related to the selection criteria of operations	Complete documents (analysed for all available documents)
Programmes	Section II, description of RSO includes ‘Actions safeguarding equality, inclusion and non-discrimination’. (analysed on a case-by-case basis).
EIGE – European Institute for Gender Equality (2016), Gender in regional Cohesion Policy	
EIGE – European Institute for Gender Equality (2020), Gender mainstreaming. Advancing work–life balance with EU Funds. A model for integrated gender-responsive interventions.	
Dozhdeva V and Fonseca L (2021) A Green Transition: Making the new programmes sustainable. IQ-Net Thematic Paper 49(2), European Policies Research Centre Delft.	
Cappellano, F., Molica, F. and Makkonen, T., Missions and Cohesion Policy: Living separate or dancing together. JRC Working Papers on Territorial Modelling and Analysis No 02/2023, European Commission, 2023, JRC133366.	
Ciffolilli, A, Telha, J & Caetano, G (2021) Research for REGI Committee – Cohesion Policy and Climate Change, European Parliament, Policy Department for Structural and Cohesion Policies, Brussels.	

8.3. Findings

8.3.1. Key findings

Gender mainstreaming integrates gender concerns into all policies and programmes of EU institutions and Member States. Within the European Union, gender mainstreaming was first defined by the European Commission in 1996 as: ‘mobilising all general policies and measures specifically for the purpose of achieving equality by actively and openly taking into account at the planning stage their possible effects on the respective situations of men and women (gender perspective)’. These overarching commitments have trickled down to the EU’s work.

Thus, gender equality is part of the overall objectives of Cohesion Policy, with gender mainstreaming a strategy to accomplish those goals. Despite the relevance of gender equality in regional Cohesion Policy, there are still gender gaps to be tackled via regional policy and ESI funds, according to the European Institute for Gender Equality⁴⁶. These are (i) fragmented/insufficient use of gender mainstreaming in ESI funds, and (ii) weak involvement of women in participatory processes relating to the programming and implementation of ESI funds.

Further action would be necessary including changes in the understanding of investment, which would consider links between social and physical infrastructure and work-life balance (⁴⁷).

The European Green Deal focuses on several policy areas related to environmental sustainability, namely biodiversity, sustainable food systems, circular economy, clean energy and technological innovation, sustainable industry, building and renovating for energy-efficient buildings, sustainable mobility, as well as eliminating pollution and climate action. Many of these areas are prioritised under 2021-27 Cohesion Policy programmes. The 2021-2027 CPR reaffirmed the framework of sustainable development for Cohesion Policy initiatives. These include an emphasis on environmental sustainability, in the aim of ‘preserving, protecting and improving the quality of the environment’ and application of the DNSH principle (⁴⁸).

(⁴⁶) EIGE – European Institute for Gender Equality (2016), Gender in regional Cohesion Policy. And EIGE – European Institute for Gender Equality (2020), Gender mainstreaming. Advancing work–life balance with EU Funds. A model for integrated gender-responsive interventions.

(⁴⁷) EIGE – European Institute for Gender Equality (2020), Gender mainstreaming. Advancing work–life balance with EU Funds. A model for integrated gender-responsive interventions.

(⁴⁸) Dozhdeva V and Fonseca L (2021) A Green Transition: Making the new programmes sustainable. IQ-Net Thematic Paper 49(2), European Policies Research Centre Delft.

The goal to contribute to sustainable development and the climate goals of the Paris Agreement also relates to two EU Mission domains: (1) adaptation to climate change, and (4) 100 climate-neutral and smart cities ⁽⁴⁹⁾.

In 2014-20, the EU mainstreamed climate action into the budget, with a target share of 20% of multi-annual financial framework (MFF) resources. Under cohesion policy, there was a significant increase in commitment compared to the previous period, not least due to earmarking funding for low-carbon (12 to 20% depending on regional status) ⁽⁵⁰⁾. In the 2021-27 period, the EU is continuing its commitment to climate mainstreaming, evidenced by raising the MFF commitment target for sustainability initiatives. The framework for cohesion policy in the new period is strongly geared towards EU climate and environment-related objectives.

Increased priority for sustainable actions is expected for carbon-neutral activities, rather low-carbon activities which was the focus in 2014-20. The resources for sustainable transition in JTF also reinforce support for sustainability objectives ⁽⁵¹⁾.

Cohesion policy programmes and their interventions are generally coherent with the horizontal principle of 'sustainable development, climate, biodiversity because of several settings:

- **Policy Objectives:** In 2021-27, PO2 on Greener Europe, is dedicated entirely to 'green' issues, demonstrating a clear distinction from the previous period. PO2 specific objectives include actions related to energy efficiency, renewable energy, sustainable urban mobility, circular economy, climate adaptation, and biodiversity – broadly encompassing areas targeted under TOs 4-6 in 2014-20. Other POs can also promote sustainable investments, e.g. PO1 through environmental R&D and competitiveness, PO3 through sustainable mobility, and PO4 and PO5 e.g. through sustainable tourism and natural heritage.
- **Climate-related thematic concentration:** In 2021-27, all regions and Member States must have a thematic concentration of at least 30% for

⁽⁴⁹⁾ Cappellano, F., Molica, F. and Makkonen, T., Missions and Cohesion Policy: Living separate or dancing together. JRC Working Papers on Territorial Modelling and Analysis No 02/2023, European Commission, 2023, JRC133366.

⁽⁵⁰⁾ Ciffolilli, A, Telha, J & Caetano, G (2021) Research for REGI Committee – Cohesion Policy and Climate Change, European Parliament, Policy Department for Structural and Cohesion Policies, Brussels.

⁽⁵¹⁾ Dozhdeva V and Fonseca L (2021) A Green Transition: Making the new programmes sustainable. IQ-Net Thematic Paper 49(2), European Policies Research Centre Delft. Page 9.

actions targeting a net zero carbon economy (at national or regional level). In addition, fund-specific climate targets have been introduced.

- **DNSH as an environmental requirement:** An activity is considered to do significant harm to climate change mitigation if it leads to significant GHG emissions. Similarly, significant harm to climate change adaptation includes an increased adverse impact on the current and expected future climate, people, nature and assets. Compliance with the DNSH principle must be ensured both during the design and the implementation stages of the programme. In most Member States, specific national guidelines and methodologies ensure compliance and the practical implementation of the DNSH principle, e.g. the '*Guía para el diseño y desarrollo de actuaciones acordes con el principio de no causar un perjuicio significativo al medio ambiente*' in Spain.

Programmes have more options to actively support sustainability in addition to PO2 Specific Objectives and the JTF. For example, they can have specific Selection Criteria for Operations to select operations that comply or actively address gender equality, sustainable development, biodiversity, climate and DNSH. Horizontal principles can also be considered via representation in the Monitoring Committee and Partnerships of Programmes.

Programmes and interventions are usually in line with the horizontal principle of gender equality. Programmes can provide specific information by adding a breakdown of programmed resources under the gender equality dimension.

8.3.2. Key findings on POs, Interreg and JTF SOs

This section presents findings by information source.

- 35% of the programmes include criteria in the Selection Criteria for Operations to select operations that comply with or actively address gender equality.
- 84% of the mainstream programmes and 20% of the Interreg programmes have a gender equality/gender issue representative in the Monitoring Committee.
- 93% of the mainstream programmes and 40% of the Interreg programmes have a representative of environmental issues in the Monitoring Committee.

Some programmes actively ensure coherence and contributions to SDGs through a specific analysis or text. Many programmes added a reference to the New European Bauhaus concept. This proposes a new way of delivering sustainable development bringing a positive experience closer to citizens. It should be affordable, accessible and co-created with people.

For the gender equality principle, the analysis by PO shows:

PO1 Smarter Europe

Programme

20% of the programmes include criteria in the Selection Criteria for Operations to select operations that comply with or actively address the principle of gender equality.

PO 2 Greener Europe

Programme

17% of the programmes include criteria in the Selection Criteria for Operations to select operations that comply with or actively address the principle of gender equality.

PO 3 Connect Europe

Programme

0% of the programmes include criteria in the Selection Criteria for Operations to select operations that comply with or actively address the principle of gender equality.

PO 4 Social Europe

Programme

15% of the programmes include criteria in the Selection Criteria for Operations to select operations that comply with or actively address the principle of gender equality.

PO 5 Europe Closer to citizens

Programme

7% of the programmes include criteria in the Selection Criteria for Operations to select operations that comply with or actively address the principle of gender equality.

Interreg specific objectives

Programme

34% of the programmes include criteria in the Selection Criteria for Operations to select operations that comply with or actively address the principle of gender equality.

JTF specific objective

Programme

7% of the programmes include criteria in the Selection Criteria for Operations to select operations that comply or actively address the principle of gender equality.

9. Added value of Cohesion Policy

9.1. Introduction to the key area

Definition

The added value of the cohesion policy is defined in general terms in the CPR: maximising EU added value of financial support is a principle for programming and implementing cohesion policy (recital 49). This requires concentrating financial resources in specific areas/sectors, and complementarities with other EU funding sources, as well as with national and regional policies. Added value is also one of the five evaluation criteria mentioned in the Better Regulation ⁽⁵²⁾. In line with this, EC SWD (2021) 198 final on Performance, monitoring and evaluation of the ERDF, CF and JTF in 2021-2027 indicates that *'In assessing EU-added value we look for changes that can reasonably be attributed to the EU intervention, over and above what could reasonably have been expected from national actions by the Member States'*. Added value is multi-dimensional and can be analysed in terms of policy objectives and priorities, delivery mechanisms and impacts at territorial and sector levels. In this report, the twin transition is part of added value ⁽⁵³⁾.

Evaluation Questions associated with the key area

Evaluation question 11: *Would cohesion and sectorial policy objectives be pursued in the absence of ERDF, CF and JTF interventions? To what extent? What is their expected additional value compared to what could be reasonably achieved by Member States and subnational authorities?*

Evaluation question 12: *How do ERDF, CF and JTF investments contribute to a place-based approach in Member States and territories? What is the added value for outermost regions and cross-border cooperation?*

⁽⁵²⁾ In the Better regulation guidelines (2021), EU Added value is addressed through a specific question: How did the EU intervention make a difference? The EU added value assesses the extent to which the value of EU interventions is 'additional' to the value that would have resulted from interventions initiated at regional or national levels. The guidelines require identifying who (individual and business) the intervention made a difference for and, if any, which territory benefited most from the intervention

⁽⁵³⁾ For an overview of the debate on the definition and measurement of the EU Added Value in Cohesion Policy see the ECA Journal Special Issue 2020.

Evaluation question 13: *What is the added value of the ERDF, the CF and the JTF in supporting the twin digital and green transition?*

9.2. Information sources

Table 10 – References – Added value of Cohesion Policy

Type of document	Sections analysed
Partnership Agreement	Section 1
Programmes	Section 2
Eighth, Ninth Report on economic, social and territorial cohesion	See Annex Task I: Other literature review

9.3. Findings

9.3.1. Literature review

The Eight cohesion report emphasises the role of cohesion programmes in supporting the twin transition: *EU Cohesion Policy is of paramount importance to contribute to the green and digital transition — the ‘twin transition’, which can boost sustainable competitiveness and create new good-quality jobs but can also have an uneven impact on employment across type of occupation, sector, region and Member State.*

The Ninth cohesion report does not provide a deep analysis of the twin transition challenges but focuses on digitalisation and highlights that access to a sufficiently fast internet connection is essential for harnessing the potential of the digital transition. Moreover, the Ninth cohesion report focuses on the potential macroeconomic additional impacts of the cohesion policy on the EU regional economies:

The impact is the greatest in 2030, when GDP in the EU is estimated to be 0.9% higher as a result of the combination of the 2014–2020 and 2021–2027 interventions. The cumulative impact of these programmes is particularly significant in less developed Member States and especially in Croatia (an increase of 8% in GDP), Poland and Slovakia (an increase of 6 %) and Lithuania (a 5% increase). The impact increases over time in all regions up to 2030. In both 2023 and 2030, the largest increases occur in less developed regions, including Bulgaria, Greece, Hungary, Portugal, Poland and Slovakia (p.289).

As mentioned in the 2023 CoR study, added value is also expected from a better involvement of the partnership at all governance levels:

Partnership and multi-level governance have clearly added value in enhancing the effectiveness of cohesion policy implementation and rural development. Partnership practices can enhance collective commitment and ownership of EU policies, increase knowledge, expertise and viewpoints in the design and implementation of strategies, and ensure greater transparency in decision-making processes.

9.3.2. Key findings on POs, Interreg and JTF SOs

The contribution from programmes and related documentation analysis to the added value criterion/key area covers outermost and CBC programmes only.

In the French, Spanish and Portuguese Partnership Agreements, the added value of cohesion funding in outermost regions is largely recognised. Added value is linked to PO2 'environment' and PO3 'infrastructure' for all three Member States, while PO5 is mentioned in the Portuguese Partnership Agreement only. Added value is mainly because the European financial contribution, through the specific allocation, covers additional development costs due to natural constraints that could not be addressed by national funding alone.

The three outermost programmes (Canarias, Madeira and Réunion) analysed underscore the potential added value of investment in transport infrastructure, while the Madeira programme expects additional benefits from EU funding in terms of better adaptation to climate change (flood control and rising sea level measures). For example, in Réunion, investments in transport infrastructure will promote the trade of goods and services between French outermost regions but also with Azores, Madeira and the Canary Islands.

10. Regional disparities

10.1. Introduction to the key area

Definition

Regional disparities refer to a lack of equality or similarity and thus to a measurable difference between regions within a Member State, between regions in different countries as well as between types of regions (e.g. less developed, in transition, more developed, as well as between urban and rural areas).

In the Ninth cohesion report, regional disparities mainly relate to economic performance e.g. employment and unemployment, GDP per capita, household disposable income, competitiveness and connectivity, but also to education levels and environmental issues such as air pollution.

Regional disparities are also considered in terms of access to public services. According to article 2 CPR, interventions linked to public services are only considered in relation to public-private partnership operation, i.e. *'operation which is implemented under a partnership between public bodies and the private sector in line with a PPP agreement, and which aims to provide public services through risk sharing by the pooling of either private sector expertise or additional sources of capital or both'*. The types of public services considered are public transport, digital services and infrastructure. Issues linked to access to social and health related public services are mostly addressed in another summary.

Evaluation Questions associated with the key area

Evaluation question 16: *To what extent and in what ways do PO1, PO2, PO3 and PO4 programmed interventions take into account territorial needs? Are they still relevant for the needs of targeted territories?*

10.2. Information sources

Table 11 – References – Regional disparities

Type of document	Sections analysed
Partnership Agreement	Section 1
Programmes	Section 1 and Table 1 – information on each PO and specific objective
Christou, T., Garcia Rodriguez, A., Heidelk, T., Lazarou, N., Monfort, P. and Salotti, S., A RHOMOLO assessment of 2014-2027 Cohesion Policy, European Commission, Seville, 2024, JRC136790.	All
Ninth Cohesion Report (2024) DG REGIO	All, but especially sections 1, II and III
Commission of the European Communities. 2021. 'COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS A Long-Term Vision for the EU's Rural Areas - Towards Stronger, Connected, Resilient and Prosperous Rural Areas by 2040.	All
Commission Staff Working Document (2023) Regional Trends for Growth and Convergence in the European Union	All
Data Story on the Cohesion open data platform: 2021-2027: Adopted National Partnership Agreements	All
OECD. (2023). OECD Regional Outlook 2023: The Longstanding Geography of Inequalities. OECD Publishing.	All
Lorenzo, X., Arndt, V., & Castilla, C. (2023). The State of Regions and Cities—Managing crises, bringing solutions, building the future (EU Annual Report). European Committee of the Regions.	All
ESPON. 2017. 'ESPON Policy Brief on Shrinking Rural Regions.' 2017. https://www.espon.eu/sites/default/files/attachments/ESPON%20Policy%20Brief%20on%20Shrinking%20Rural%20Regions.pdf .	All
Alcidi, C., Corti, F., Postica, D., Salvo, M. D., & Maftai, A. (2023). EU convergence: Geographical dimension, impact of COVID-19 and the role of policy. Publications Office of the European Union.	All
International Monetary Fund (Hrsg.). (2024). Regional Economic Outlook, Europe, April 2024: Soft Landing in Crosswinds for a Lasting Recovery: Bd. Regional Economic Outlook: Europe. International Monetary Fund.	All

Type of document	Sections analysed
Rodríguez-Pose, Andrés, Lewis Dijkstra, and Hugo Poelman. 2023. The Geography of EU Discontent and the Regional Development Trap. LU: Publications Office. https://data.europa.eu/doi/10.2776/164290 .	All

10.3. Findings

10.3.1. Key findings

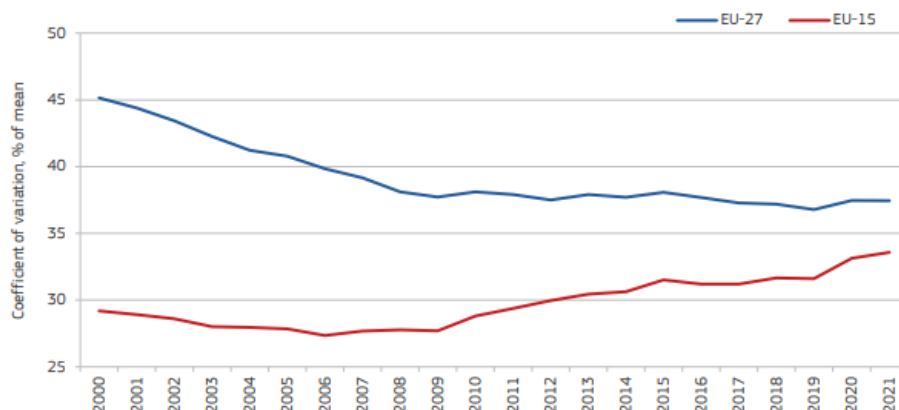
Regions across the EU have differing local circumstances (including geographic features, natural and climatic conditions) and prevailing social, economic and political conditions. The socio-economic profile of EU regions not only differs within a country and with other regions across all Member States but also in relation to wider territorial dynamics and influences. For example, a rural gap, also referred to as a divide, has been particularly examined in contrast to urban areas. Yet, the outlook in rural areas differs greatly as highlighted in the Long-Term Vision for EU Rural Areas (2021). Some rural areas are thriving in the vicinity of urban centres while others decline. Remote rural areas as well as islands and outermost regions have high disparities, especially in terms of economic prosperity and social inequalities. This contrasts greatly with metropolitan regions which show, according to the OECD regional outlook (2023), on average 32% higher GDP per capita than other regions. Metropolitan regions continue to benefit from dense infrastructure, better public services and more job opportunities, enhancing their access to new opportunities and growth.

Addressing these territorial differences implies balanced territorial development through both policy objectives as well as locally-tailored policy interventions and investments. Balanced territorial development not only refers to addressing or closing development gaps between economically flourishing regions and those lagging behind but also to an upward convergence for all regions. This is when all regions improve their performance while disparities between them are reduced. In this case, no region is left behind (Eurofound, 2023). Addressing persistent regional disparities is essential to ensuring that regions in relative decline for economic growth, employment, and productivity (compared to their neighbours) can avoid development traps (Rodríguez-Pose, Dijkstra, and Poelman 2023).

Along those lines, the Ninth Cohesion Report reviews the evolution and state of play of regional disparities. It highlights that after the 2008 financial crisis, GDP per capita stagnated due to slower growth in less developed regions in eastern and central Europe. Nonetheless by 2021, GDP per capita in around one third of

EU regions (less developed, transition and more developed regions) had returned to 2008 levels.

Figure 24 - Regional (NUTS 2) disparities, EU-27 and EU-15, GDP per head (PPS)

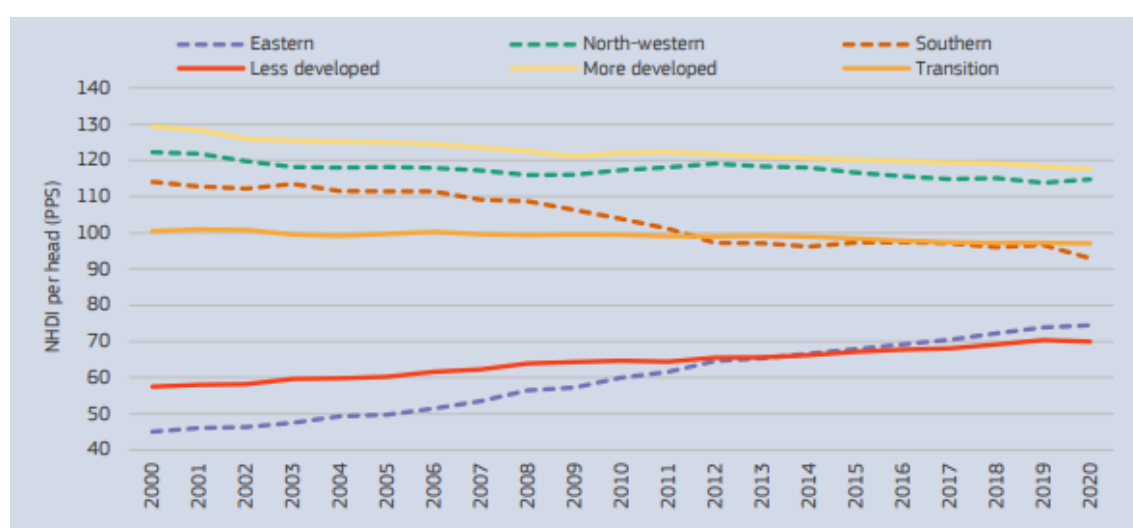


Source: DG REGIO calculations based on Eurostat data, extracted from the Ninth Cohesion Report

As per the Ninth Cohesion Report, of the 19 member states with more than four regions at NUTS2, 11 saw increased regional disparities in GDP per capita (between 2000 and 2021). This concerns Bulgaria, Croatia and Czechia but also Denmark, Greece and France. In turn, over the same period, Portugal, Austria, Belgium and Germany saw a decline in internal regional disparities. The following figure illustrates that household income per capita can show how convergence in GDP per capita is reflected in people's income.

Figure 25 - Net household disposable income per capita in PPS

(% of EU average, by group of NUTS 2 region, 2000–2020)



Source: Eurostat data, extracted from the Ninth Cohesion Report

In terms of social cohesion, the Ninth Cohesion report indicates that regional disparities in employment narrowed between 2019 and 2020, notably thanks to increased labour market participation of under-represented groups. This has furthered convergence and reduced labour shortages. Over this period, employment rates declined more in more developed regions than in transition and less developed ones. Substantial regional disparities however remain within Member States, notably regions in Greece, Romania, Italy, Spain, France (outermost regions), Belgium and Croatia.

Many factors alter job dynamics and household income, widening existing disparities. A recent study by the International Monetary Fund (IMF, 2024) investigates country-level artificial intelligence (AI) preparedness and exposure. The analysis shows that central, eastern, and southern Europe has less exposure and less preparedness for AI. In a few EU Member States (e.g. Cyprus and Slovenia), there is higher-than-average AI exposure and lower-than-average preparedness. In advanced European economies (e.g. Denmark, Finland, France and Germany), higher preparedness is paired with higher AI exposure, possibly contributing to productivity gains and higher incomes. Across and within EU Member States, readiness to harness AI differs greatly, presenting a multi-faceted challenge for EU labour markets.

Regional disparities are also seen in connections between territories and mobility. The density of road networks for instance vary by Member State and road infrastructure needs are higher in remote and thinly populated regions. Roads are limited in some countries (e.g. Slovakia and Romania) due to underdeveloped road networks and topographical constraints. There are substantial differences in railway performance across EU regions. Only a quarter of people in the EU (mostly urban residents) had access to a reasonable rail service in 2019. Transport infrastructure and accessibility are an important variable influencing how public services are distributed.

In most EU countries, persistent regional asymmetries remain to be addressed. The European Commission's 2023 country reports highlight significant regional disparities, particularly regarding access to basic public services, employment, unemployment, competitiveness and productivity. Regional disparities in access to education or public transportation are particularly high in Czechia, Bulgaria, Estonia, France, Spain, Hungary, Italy, Latvia, Lithuania, Slovakia and Portugal. These asymmetries are accentuated in rural areas, especially in remote and constrained rural areas. Disparities related to employment and unemployment as well as competitiveness are also found in Austria, Belgium, Germany, Bulgaria, Czechia, Germany, Hungary, Poland and Portugal (Commission Staff Working Document, 2023).

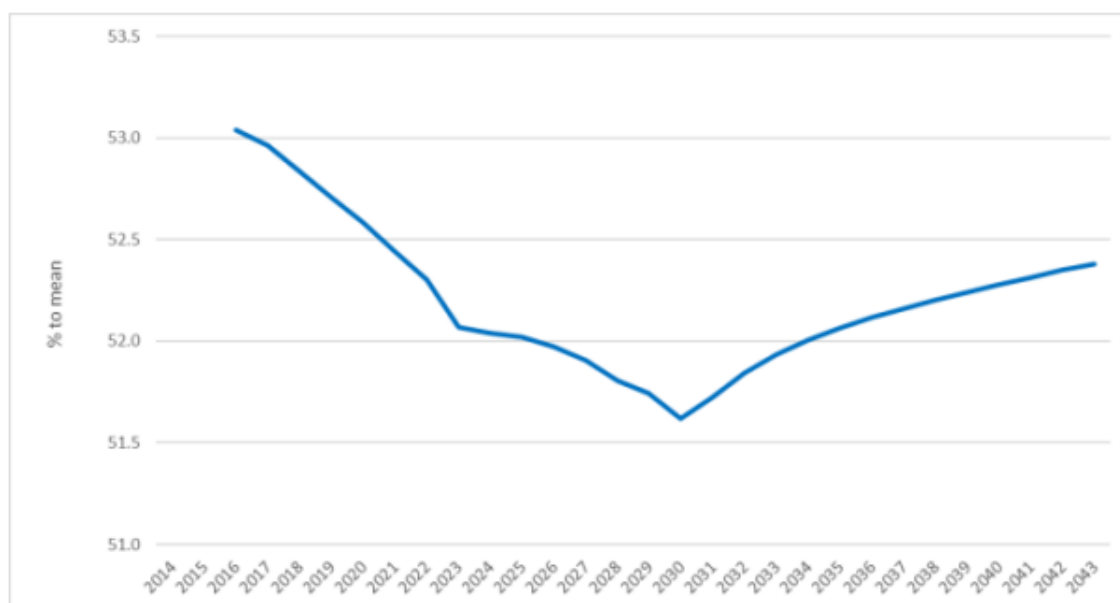
The OECD regional outlook (2023) also reports on how these regional asymmetries, particularly the access and quality of public services and infrastructure, undermine productivity and create vicious cycles of stagnation and decline. Limited or non-existent access to public services directly impacts well-

being, especially in lagging regions already facing demographic challenges. As the quality of life deteriorates, unemployment increases, and skilled labour becomes scarcer (ESPON, 2017). In many rural areas access to education (especially higher education) and training is a challenge along with access to healthcare facilities. Travel time can be five times more in remote rural areas than in urban areas. A rural-urban divide in digital infrastructure persists in some EU regions and Member States. These challenges and needs are expressed in the Long-Term Vision for Rural Areas which introduces a Rural Pact and a Rural Action Plan to make rural areas stronger, connected, resilient and prosperous.

Pivotal to strengthening economic, social and territorial cohesion in the EU, cohesion policy programmes likewise consider the specific needs of types of regions. This is in line with the principle of 'DNSH' which involves people-based and place-based policies. As indicated in a JRC Policy Insights publication (2024), cohesion policy plays a substantial role in balanced territorial development and reducing disparities not only at the EU level, but also within Member States.

Figure 26 - Impact of Cohesion Policy 2014-2027

(on the coefficient of variation of GDP per capita)



Source: Rhomolo, extracted from A RHOMOLO assessment of 2014-2027 Cohesion Policy (JRC, 2024)

The above figure indicates that regional differences as measured by the coefficient of variation in terms of GDP per capita should decrease by around 3% in 2030.

The impact of cohesion policy on GDP varies across regions. This is due to substantial differences in regional cohesion policy decisions at Member State and/or programme level as well as local economic conditions.

10.3.2. Key findings on POs and Interreg and JTF SOs

The following section presents findings on how much territorial needs and disparities are considered in cohesion policy implementation. The information is presented per PO, Interreg and JTF SO, based on information collected during this study.

PO1 Smarter Europe

Programme

Of the examined programmes covering PO1, 40% considered territorial needs and disparities for access to public services and 25% distinguish the needs of rural and urban areas, under PO1 interventions. The SO that most often distinguishes between rural and urban needs is RSO 1.5 Digital connectivity.

Under PO1, the Flemish programme (ERDF, Belgium) provides support to the development of smart cities.

In Hungary (Programme Economic development and Innovation Plus ERDF/ESF+), at least 65% of programme resources are allocated to the most disadvantaged areas. The focus on these areas is ensured through territorially targeted calls for projects, and specific selection criteria. The territorial approach is particularly emphasised for enterprise development.

Enterprise support is also a focus of the ERDF Castilla-La Mancha programme (Spain), targeting sparsely populated rural areas.

Partnership Agreement

Of the partnership agreements, 43% consider territorial needs and disparities for access to public services and 23% distinguish the needs of rural and urban areas, under PO1 interventions.

Disparities between regions are analysed in the Spanish Partnership Agreement, as well as disparities in certain types of territories including digitisation of administrative procedures, disparities in digital administration and public services. Accelerated deployment of 5G in rural areas is deemed key to bridging the rural-urban divide and supporting competitiveness in these areas.

PO 2 Greener Europe

Programme

Of the programmes covering PO2, 40% consider territorial needs and disparities for access to public services and 37% distinguish the needs of rural and urban areas, under PO2 interventions. The SO that most often distinguishes between rural and urban needs is RSO2.8 Sustainable and urban mobility.

In Italy (Calabria ERDF/ESF+), needs concern sustainable, low-carbon and efficient mobility solutions and accessibility in and to urban centres. These needs are also indicated in the Estonian Cohesion Policy programme (ERDF/ESF/CF/JTF) as high population density in urban areas leads to traffic congestion and high CO2 emissions.

The Integrated territorial programme for Croatia (ERDF/JTF) indicates the specific needs of islands, which are dependent on the mainland for energy and require support to develop sustainable energy sources. This issue is also mentioned in the Hungarian Environmental and Energy Efficiency Plus programme (ERDF/JTF/CF), focussing on decentralised energy production based on renewable energy.

Limited optical fibre coverage is a key issue in Croatian rural areas and is addressed by the Competitiveness and cohesion programme (CF/ERDF).

Partnership Agreement

Of all the partnership agreements, 30% consider territorial needs and disparities in accessing public services and 33% distinguish the needs of rural and urban areas. The Slovakian Partnership Agreement emphasises the need to promote sustainable urban mobility. The Czech Partnership Agreement refers to a lack of attractive public transport in urban areas and agglomerations due to underdeveloped transfer and multi-modal options.

PO 3 Connect Europe

Programme

Of the programmes covering PO3, 57% consider territorial needs and disparities in accessing public services and 33% distinguish the needs of rural and urban areas, under PO3 interventions. The SO that most often distinguishes between rural and urban needs is RSO 3.2 Sustainable transport.

The Czech Integrated Regional programme (ERDF) refers to the low quality, capacity and security of the regional road network. The Romanian South East ERDF programme addresses poor traffic safety and transport infrastructure in rural areas.

Accessibility is also a key challenge for Croatian islands, which are poorly connected. In Italy, Sicily likewise faces challenges linked to limited investment in transport infrastructure, which results in additional costs for the transport of people and goods with a negative impact on enterprise competitiveness.

Partnership Agreement

Of the examined partnership agreements, 65% consider territorial needs and disparities in accessing public services and 28% distinguish the needs of rural and urban areas.

The Slovakian Partnership Agreement emphasizes the need to improve transport connectivity in regions. The Belgium Partnership Agreement refers to the need to move from high dependency on individual vehicles linked to urban sprawl in the whole territory. The Czech Partnership Agreement highlights connectivity (access to high-speed internet) in rural areas of the country. The Estonian Partnership Agreement also refers to the insufficient access to fast internet in rural and sparsely populated areas.

PO 4 Social Europe

Programme

Of the programmes covering PO4, half consider territorial needs and disparities in accessing public services and 33% distinguish the needs of rural and urban areas, under PO4 interventions. The SO which most often distinguishes between rural and urban needs is RSO 4.2 Education and training infrastructure.

Some programmes, e.g. Smart green and digital transition of enterprises - DK – ERDF, support rural municipalities through nature and coastal tourism activities. The lack of investment in tourism outside large cities hinders growth and job creation/retention.

In Croatia, rural areas, especially remote ones are especially affected by limited housing, limiting the attractiveness and vitality of these areas which is addressed in the Competitiveness and cohesion programme (CF/ERDF). People in rural areas of Castilla-La Mancha are also facing deficient and unequal public services.

Partnership Agreement

Of all the partnership agreements, 32% consider territorial needs and disparities for access to public services and 18% distinguish the needs of rural and urban areas, under PO4 interventions.

Interreg SOs

Programme

In the Interreg programmes, there are few references to territorial needs and disparities or approaches specific to rural and/or urban areas.

The Interreg VI-B – Danube programme indicates a rural-urban divide in economic development, especially growing gaps between urban regions as engines of growth and rural regions as peripheries. The Interreg VI-B - Baltic Sea region also focuses on new green multimodal transport systems in cities, towns and their hinterland as well as connecting them across borders.

The Interreg VI-A - Spain-Portugal (POCTEP) programme highlights the need to improve training for a significant part of the population in the cross-border area to increase the chances of accessing quality employment.

The Interreg VI-A - Poland--Ukraine programme also mentions that the percentage of people using sewage systems in rural areas is still very low and, in some regions, the efficiency of wastewater treatment plants is declining.

S3

Of the 59 Smart specialisation strategies analysed, 30 refer to the territorial dimension for interventions. For instance, in the French Reunion strategy, there is a focus on twenty-three disadvantaged economic areas in the region (Zones de Reconquête Economique - ZRE). The Croatian National Smart Specialisation Strategy for Innovation 2022-2027 highlights territorial disparity between the city of Zagreb and the three regions still in industrial transition of Pannonian, Adriatic and Northern Croatia.

14 strategies refer to specific territorial tools for implementation. A prominent example is the Polish 'Regionalna Strategia Innowacji Województwa Śląskiego 2030' which supports development and innovation in rural and mining areas (Western Małopolska) through dedicated tools which take into account the specificity of challenges and barriers to innovation in the territory. The Małopolska Action Plan for the Development of Innovation in Rural Areas strategy aims at

fostering cooperation between provincial government and local governments (including mining communes).

11. Social and health dimension, including basic needs for EU citizens

11.1. Introduction to the key area

Definition

In line with the Eight Cohesion Report, this study refers to the EU Regional Social Progress Index (RSPI) with social and health dimensions, including the basic needs of EU citizens. This index builds on social and environmental indicators reflecting societal development. The index covers basic services such as nutrition, basic medical care, shelter, water, sanitation and personal security, access to information and communication technology, energy efficiency, education, skills and environmental quality (DG REGIO, 2020)⁵⁴.

Evaluation Questions associated with the key area

Evaluation question 14: *To what extent do adopted programmes meet the basic human needs of EU citizens by creating the conditions for development and by addressing the emerging challenges for social, economic and territorial cohesion?*

11.2. Information sources

Table 12 – References – Social and health dimension, including basic needs for EU citizens

Type of document	Sections analysed
Partnership Agreement	Section 1
Programme	Section 1 – Table I
Eighth Cohesion Report (2022) DG REGIO	
Ninth Cohesion Report (2024) DG REGIO	Particularly: Chapter 2 and 4.3.2

⁽⁵⁴⁾ https://ec.europa.eu/regional_policy/information-sources/maps/social-progress_en

Type of document	Sections analysed
Eurostat – Regional yearbook (2023)	
Eurostat study on digital skills in the EU (2022)	

11.3. Findings

11.3.1. Key findings

Introduction to the area, including information in the Cohesion Report, SWD and Regulations.

Ninth cohesion report and regional yearbook.

Health, nutrition and water sanitation

After improvements between 2013 and 2019, health inequalities grew between 2019 and 2022, with 2.2% of people reporting an unmet need for medical examination in 2022. The quality of access to healthcare varies greatly across the EU, with shares of people needing a medical examination of over 6% and under 0.5% of the regional population. Finland, Greece, Estonia and the eastern regions of Romania have the most problems with access to healthcare and the Flemish regions of Belgium, two regions of Bulgaria and one in Hungary had the best access. Similarly, food poverty in the EU 27 worsened between 2019 and 2022. In 2022, 8.3% of the EU-27 population could not afford a meal with meat, chicken, fish or a vegetarian equivalent every second day, particularly people at risk of poverty (+2.2% since 2019). This was an increase of 1.5% compared to 2019. While the north-western EU saw the biggest increase in people touched by food poverty since 2019, (+3%), Member States with the highest share of population experiencing food poverty were Bulgaria and north Romania (over 20%). Slovakia, most regions of Hungary, southern Italy and some German regions also had over 16% of the population experiencing food poverty. For access to clean and safe water, 29% of the EU was affected by water scarcity in at least one season (2019) most acutely in southern Europe, especially in Cyprus, Malta, Greece, Portugal, Italy and Spain. Between 2010 and 2019 ⁽⁵⁵⁾, there was no progress in the state of freshwater pollution and only 40% of EU-27 surface water had a good ecological status. Many regions in Europe remain under the

⁽⁵⁵⁾ Latest data available.

European average of 85.5% of urban wastewater receiving more stringent treatment (data from 2020).

Personal security

According to the 'Rule-of Law' index (2021), all Member States score highly for order and security, showing that people living in the EU tend to be well protected from crime, armed conflict and terrorism. They also tend not to resort to violence to redress personal grievances. However, personal security remains relevant as concerns of terror attacks remain and concerns on cybersecurity rises (Ninth cohesion report, 2024; Regional Yearbook 2023).

Risk of poverty and social exclusion

The rate of people at risk of poverty and social exclusion declined from 2016 to 2019 and stabilised at 21.6% in 2022. This represents 95 million people in the EU that are concerned, at least, by monetary poverty, severe material or social deprivation and living in a quasi-jobless household. The most important share of people live in south and south-eastern Europe and the Outermost regions (Ninth cohesion report).

Shelter/housing/energy efficiency

The rise of energy prices after the Covid-19 pandemic and the Russian war of aggression against Ukraine increased the risk of energy poverty for European households. In 2022 9.3% of people in the EU were unable to keep their home warm. This was an increase of 2.4% in 2021. The biggest increases were in Romania, France, Ireland, Germany and Spain. However, Member States with the largest share of people unable to keep their homes warm were Cyprus, Lithuania, Bulgaria and southern regions of Greece (over 20% of the population) (Ninth cohesion report).

Education and training/skills

Over 93 million pupils and students are enrolled across the EU, from pre-primary to tertiary education. In 2021, 96% of preschool age children were in early childhood education, reaching the EU policy goal. However, at the regional level, only 69 of 199 regions reached this target with regions reaching as low as 62%. The same year, approximately 18 million students were enrolled in the upper secondary level, i.e. continued an education programme beyond their compulsory one. Just under half were enrolled in a vocational education programme (49%), while the remainder followed general education programmes to prepare students for an academic education. In 2021, 84% of 20 to 24 year-olds had at least an

intermediate education. In 2021 over 18 million students were enrolled in tertiary education, almost 20% of all pupils and students. The share of people with a tertiary education in the EU is increasing, but remains higher in more developed regions (38%) and transition regions (36%). The increasing digitalisation of work and upcoming challenges with a green transition require re- and upskilling of the workforce. In 2022, 12% of 25–64 year-olds participated in education and training. The same year, 12% of 15-29 year-olds qualified as NEETs, which remains above the EU policy target of 9% by 2030 (Eurostat – regional yearbook, 2023).

Access to ICT

The COVID-19 pandemic highlighted the need for digital access and skills in Europe, emphasising territorial digital divides (see chapter on regional disparities) and demographic ones. In 2022, 7% of 16-74 year-olds in the EU had never used the internet. At the top was a Greek region where 20% of its population had never used the internet, and at the other end were three Swedish regions where less than 1% hadn't. A growing share of the European population uses the internet on a daily basis (84%). The highest share are younger people between 16- and 29 (96%) and lowest is the older generation 65-74-year-olds (55%). A Eurostat study showed that in 2021, 54% of people in the EU (16-74 years old) had at least basic digital skills. Member States ranking best were the Netherlands (79%), Finland (79%) and Ireland (70%) and the worst were Poland, Bulgaria and Romania (respectively, 43%, 31% and 28%) (Eurostat – regional yearbook, 2023).

Tolerance and inclusion

Some groups remain marginalised or faced more important difficulties in fulfilling basic needs than native-born people, especially first-line migrants and minorities (ethnicity, sexual, people with disabilities, etc.).

Environmental quality/pollution levels

While 19% of EU areas are protected under the NATURA 2000 regulation, 81% have a poor or bad conservation status (Ninth cohesion report), with some Member States having less than 10% in good condition (Belgium and Denmark). Despite an improvement in air quality since 2007, 2020 still registered 54 deaths per 100,000 inhabitants as premature and attributed to exposure to fine particle matter (PM2.5). The most populated and dense regions are the most affected and tend to be in southern and south-eastern Member States more dependent on solid fuels for heating (Eurostat – regional yearbook, 2023). Concerning soil quality in the EU, soil coverage increased by 3.4% between 2006 and 2018, with some regions increasing by over 5%. Soil in Europe is also degraded by erosion,

excessive use of nutrients, heavy-metal contamination as well as biodiversity and organic carbon loss (Ninth cohesion reports).

11.3.2. Key findings on POs, Interreg and JTF SOs

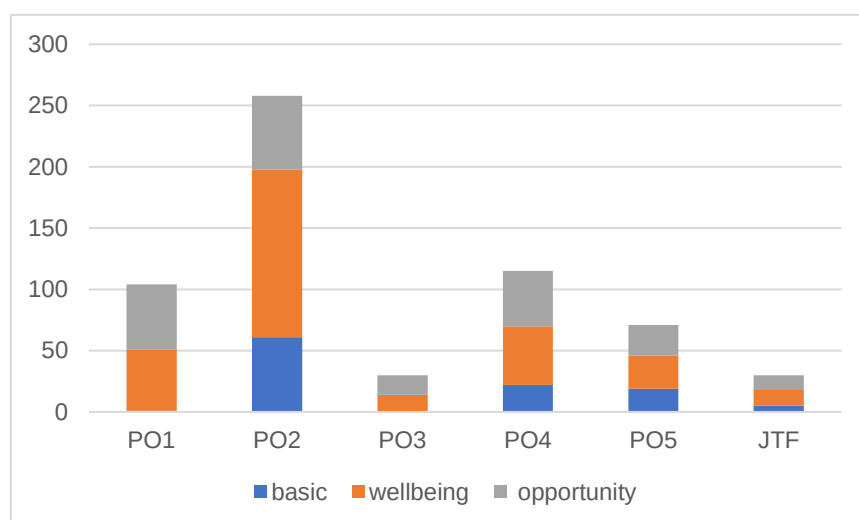
Information on POs, Interreg and JTF SOs, by information source.

According to the Ninth Cohesion Report (2024), an important amount of cohesion policy 2014-2020 investment was allocated to social, health and basic needs service improvements across the EU. For example, EUR 69 billion were invested in renewable energy, energy efficiency and other measures improving environmental quality and EUR 47 billion in education and training. These resulted in improved health services reaching 63 million people, childcare and education infrastructure for over 24 million children and young people, improved broadband connections for 7.8 million households, better energy performance in 550 000 households and 17 million people safeguarded from floods.

For the 2021-2027 period, six priorities guide the distribution of the EU funding: PO1 Smarter Europe, PO2 Greener Europe, PO3 Connected Europe, PO4 Social Europe, PO5 Europe closer to citizens with PO8 JTF. PO4 is expected to cover most of the needs, funds from the ERDF, CF and JTF also contribute (see Cohesion Open Data Platform). Similarly, and as discovered from the programme analysis, other POs contribute to the RSPI.

ERDF and JTF programmes analysed for the study show that POs contributing the most to the social, health and other basic needs are: PO2 (over 250 RSOs address at least one RSPI need), followed by PO4 (over 110) and PO1 (over 100). The figure below shows wellbeing needs tend to be tackled more often by programmes and across all POs.

Figure 27 - Needs addressed per PO



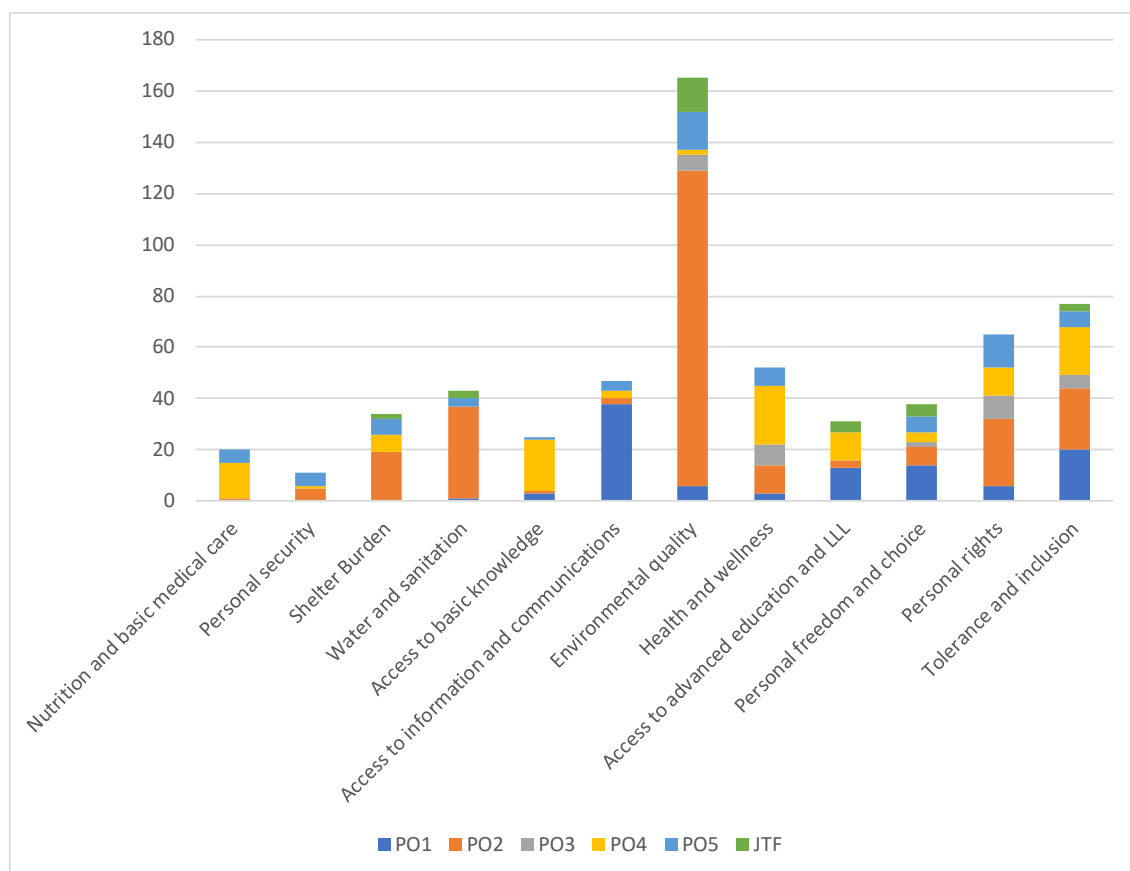
Source: Consortium elaboration on programme sample

As depicted below, RSPI needs mostly addressed by the programmes tackle:

- environmental quality (over 160 mentions), e.g. energy efficiency, research, climate change adaptations, support for a circular economy;
- tolerance and inclusion (over 70 mentions), e.g. supporting women, persons with disabilities, inclusion of underrepresented groups in companies in the innovation system;
- personal rights (over 60 mentions), e.g. improving barrier free access to public services, improving social infrastructure dedicated to integration and neighbourhood, and supporting citizen engagement.

The needs less addressed by the programmes are personal security (just over 10 mentions), nutrition and basic medical care (20) and access to basic knowledge (25).

Figure 28 - Number of RSOs tackling RSPI needs in the sample



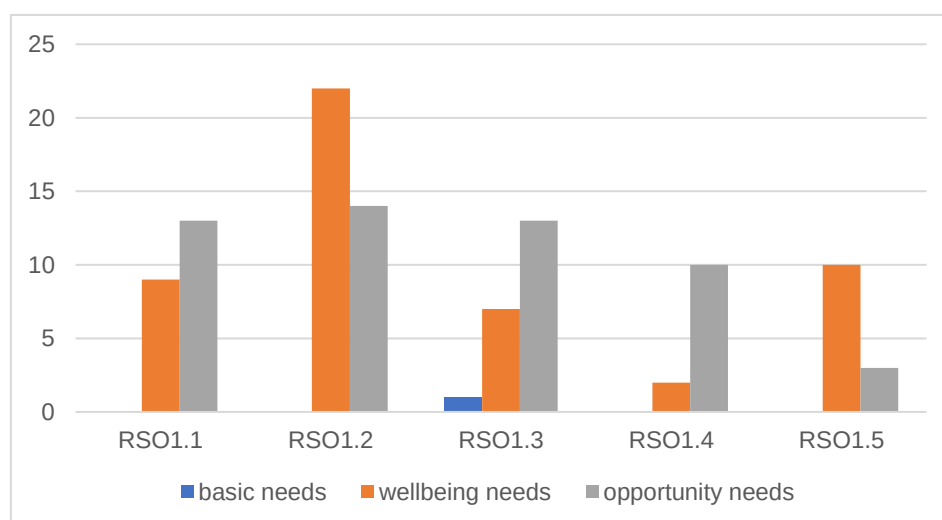
Source: Consortium elaboration on programme sample

PO1 Smarter Europe

Programme

The programmes revealed that the specific objective of the PO1 tackling RSPI needs the most was the RSO1.2 Reaping the benefits of digitalisation. Only one RSO tackled basic needs, RSO 1.3 Growth and competitiveness of SMEs.

Figure 29 - Number of RSOs tackling RSPI needs in the PO1



Source: Consortium elaboration based on programme sample

Partnership Agreement

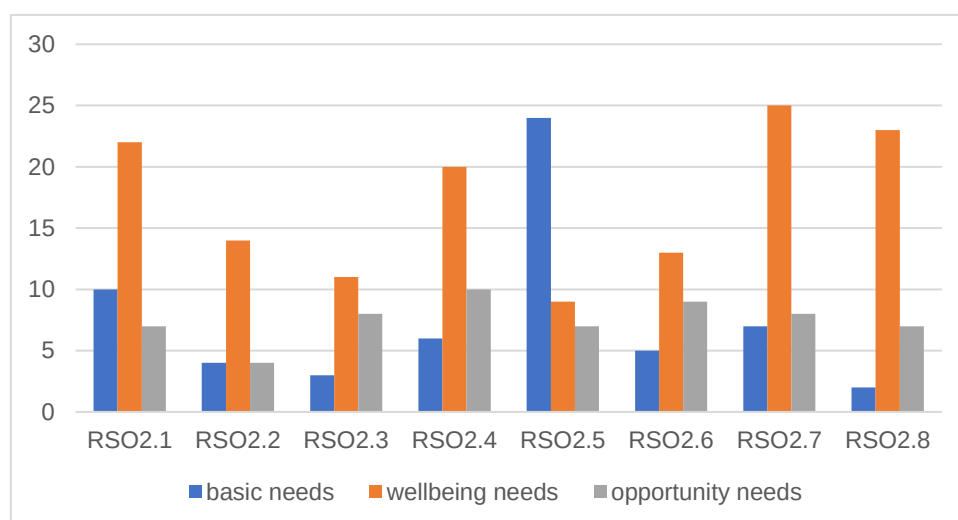
The partnership agreements do not mention addressing basic needs via this PO. Needs related to well-being were cited most often with most targeting access to information and communication. Concerning opportunity needs, references were equally distributed between access to advanced education and long-life learning as well as personal freedom and choice.

PO 2 Greener Europe

Programme

As mentioned above, PO2 contributes the most to RSPI needs, in particular by addressing environmental quality (under the category of wellbeing). Several basic needs are also addressed by this PO, especially via RSO2.5 Sustainable water. This RSO exclusively addresses 'water and sanitation' as mentioned by 24 programmes. RSO 2.7 Nature protection and biodiversity has the most programmes addressing wellbeing, the vast majority corresponding to 'environmental quality'.

Figure 30 - Number of RSOs tackling RSPI needs in PO2



Source: Consortium elaboration based on programme sample

Partnership Agreement

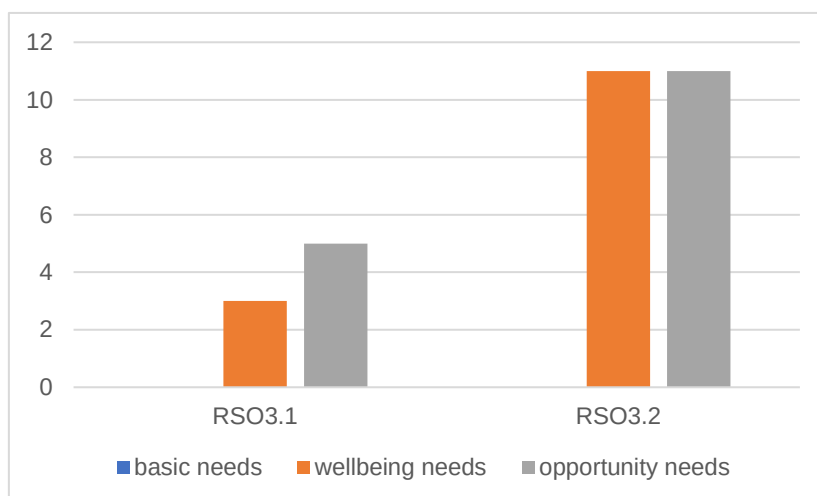
The partnership agreements mention environmental quality most often (as the only wellbeing need tackled under this PO). Some basic needs and opportunity needs are also referred to, though less.

PO 3 Connect Europe

Programme

The RSOs of PO3 address a few RSPI needs, under the categories of wellbeing and opportunity, mostly tackling tolerance and inclusion under RSO3.1 Sustainable TEN-T as well as personal rights and environmental quality under RSO3.2 Sustainable transport.

Figure 31 - Number of RSOs tackling RSPI needs in PO3



Source: Consortium elaboration based on Task I programmes sample

Partnership Agreements

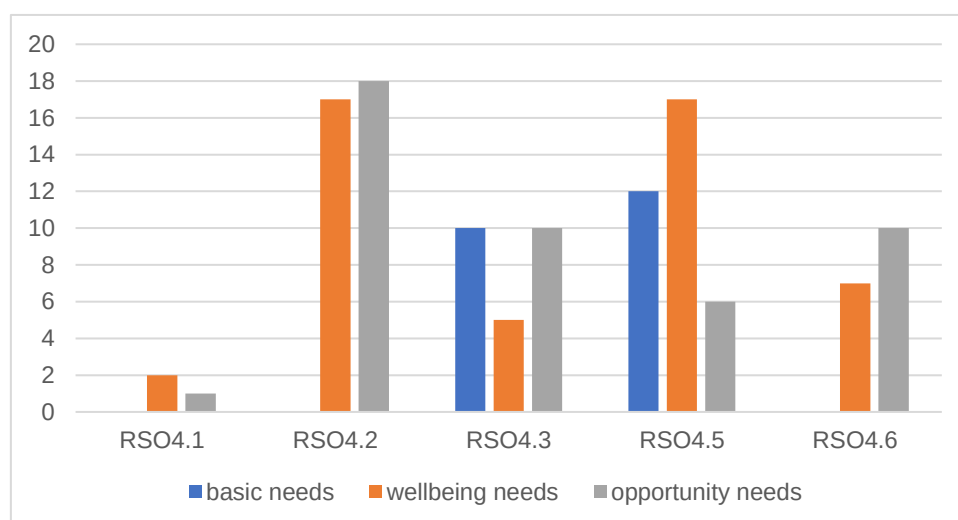
Similarly to the programmes, no mention of basic needs to be addressed is made in the partnership agreements. At this level, the focus is on environmental quality and health and wellness for well-being, as well as personal rights for opportunity needs. There are few needs addressed under this PO (8) compared to other POs with at least 15.

PO 4 Social Europe

Programme

The RSOs of PO4 address different needs from the RSPI. Only three mentions of needs were remarked for SO4.1 Labour market infrastructure whereas RSO 4.2 Education and training infrastructure had 32 mentions of needs. In RSO 4.2, the well-being needs almost exclusively refer to 'access to basic knowledge' and opportunity needs mostly refer to 'access to advanced education and lifelong learning'. Basic needs are only tackled via RSO4.3 Integration of marginalised communities and RSO4.5 Access to health care with a focus on 'Shelter Burden' and 'Nutrition and basic medical care' respectively.

Figure 32 - Number of RSOs tackling RSPI needs in PO4



Source: Consortium elaboration based on Task I programmes sample

Partnership Agreement

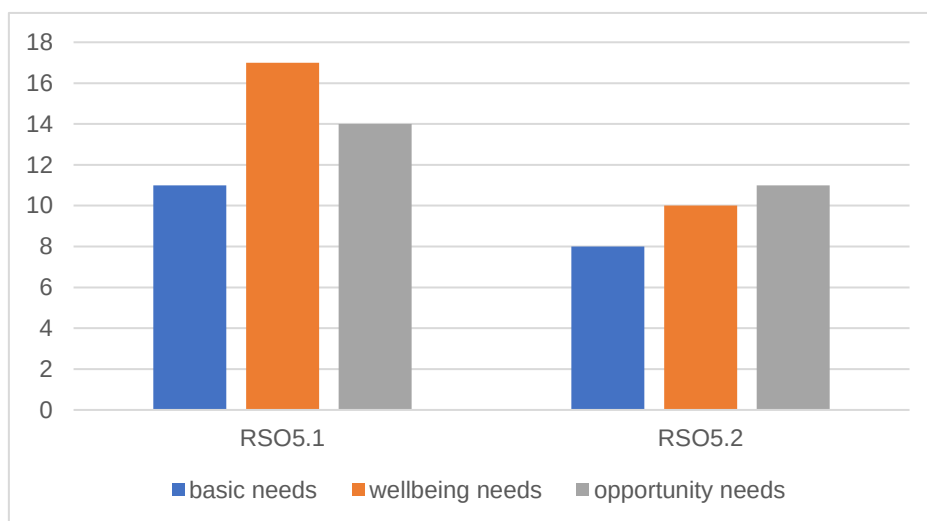
This PO had the most mentions of social needs to be addressed in the partnership agreements with 35 mentions. Basic needs addressed in the partnership agreements under this PO concern nutrition and basic medical care as well as shelter. The wellbeing needs concentrate on access to basic knowledge and health and wellness. Access to advanced education and lifelong learning was the most prominently cited opportunity need.

PO 5 Europe Closer to citizens

Programme

The needs addressed by RSOs of PO5 appear to be less focused than other POs. Under this PO all four basic RSPI needs are addressed for example. There are 5 mentions concerning nutrition and basic medical care, 5 for personal security, 6 for shelter and 3 for water and sanitation. All well-being needs are also addressed with a clear majority for environmental quality (15 of 27 well-being need mentions). Three of four opportunity needs are addressed under both RSOs with a majority tackling personal rights (13 of 25), the rest of the mentions are equally distributed between personal freedom and choice and tolerance and inclusion (6 mentions each).

Figure 33 - Number of RSOs tackling RSPI needs in the PO5



Source: Consortium elaboration on programme sample

Partnership Agreement

For PO5, a third of the needs to be tackled in the partnership agreement concern environmental quality (5, wellbeing), followed by shelter burden (3, basic needs). The rest are evenly distributed between all three categories (one or two mentions each).

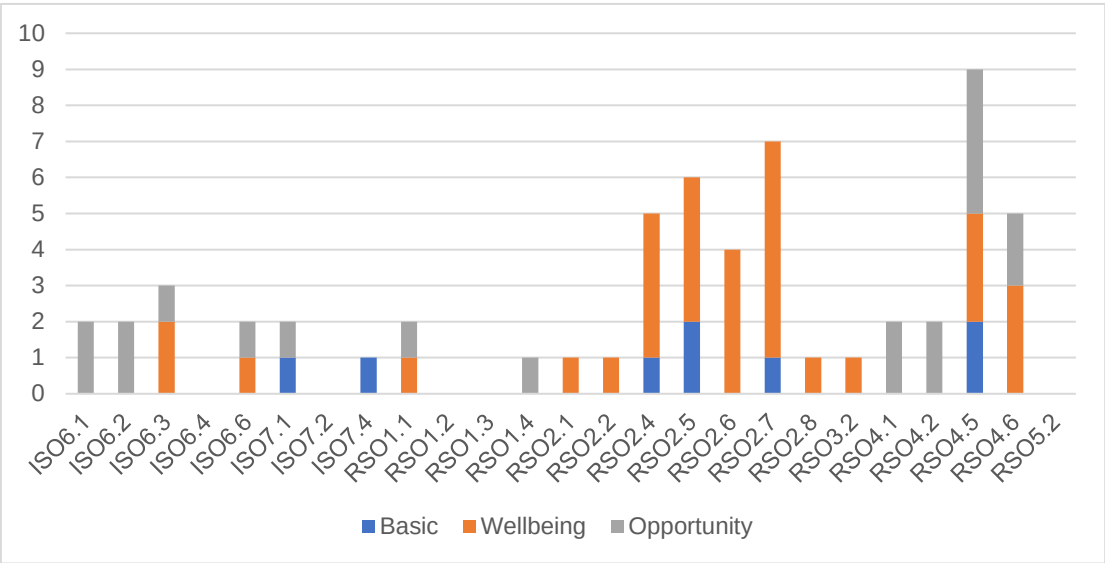
Interreg SOs

Programme

The SOs most addressing RSPI needs are RSO4.5 Access to healthcare and RSO2.7 Nature protection and biodiversity. As in other analysed programmes, the needs most tackled concern well-being with over 30 mentions. In this category the most cited need in Interreg programmes is environmental quality. Opportunity needs had 19 mentions with a majority citing personal rights. Basic needs only had 8 citations with no clear focus on a particular need.

One need from the well-being category is not tackled at all in the Interreg programmes: access to basic knowledge.

Figure 34 - Number of SOs tackling needs in the Interreg programmes



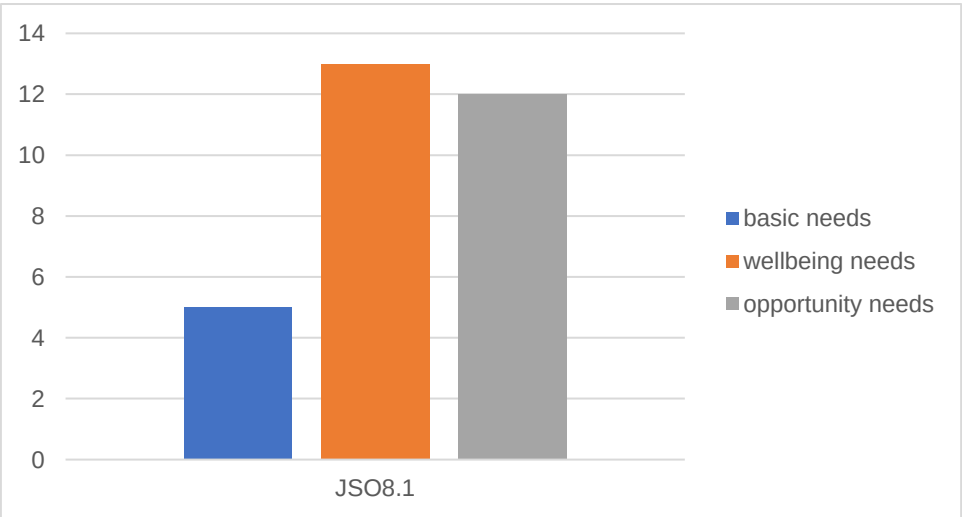
Source: Consortium elaboration on programme sample

JTF SO

Programme

PO8 only corresponds to JTF and thus refers to one specific objective. It has 30 mentions of RSPI needs being tackled, with a preponderance of wellbeing needs, followed by opportunity needs. The only wellbeing need addressed under this PO concerns environmental quality, and the most cited opportunity need is personal freedom and choice. Three mentions address the basic need for water and sanitation and two cover shelter burden.

Figure 35 - Number of RSOs tackling RSPI needs in PO8



Source: Consortium elaboration on programme sample

Partnership Agreement

The broad majority of needs tackled by PO8 in partnership agreements refer to environmental quality (10 of 15). Opportunity needs are less prominent, referring mostly to personal freedom and choice (3) and basic needs are referred to only once concerning water sanitation.

12. Emerging challenges

12.1. Introduction to the key area

Definition

As confirmed by the Ninth Cohesion Report, demographic change is one of the main challenges for territorial cohesion. Demographic change includes population ageing, declining birth rates, depopulation, brain drain, immigration, intra-EU mobility and shrinking working age population. All these affect the labour market and increase pressure on the public budget (e.g. increase the burden on the healthcare system and threaten the fiscal sustainability of the retirement system).

Confirming this challenge, CPR article 11(1)(j) states that the Partnership Agreements shall contain 'where appropriate, an integrated approach to address the demographic challenges or specific needs of regions and areas'. Article 22(3)(vi) of the same Regulation, also states that each programme shall set 'an integrated approach to address demographic challenges, where relevant'. Based on this, the study covers demographic challenges.

Evaluation Questions associated with the key area

Evaluation Question 14: *To what extent do adopted programmes meet the basic human needs of EU citizens by creating the conditions for development and by addressing the emerging challenges for social, economic and territorial cohesion?*

12.2. Information sources

Table 13 – References – Emerging challenges

Type of document	Sections analysed
Partnership Agreement	Section10
Programme	Section 2
Ninth Cohesion Report (2024) DG REGIO	Particularly chapter 6

Type of document	Sections analysed
Eighth Cohesion Report (2022) DG REGIO	Particularly chapter 6, section 1
Eurostat, 2023b. Eurostat regional yearbook: 2023 edition, 2023 edition. ed. Publications Office of the European Union, Luxembourg.	Section A.1
European Commission, 2021. 2021 Strategic Foresight Report – The EU's capacity and freedom to act.	All
Lutz, W. (Ed.), 2019. Demographic scenarios for the EU: migration, population and education. Publications Office of the European Union, Luxembourg.	All
European Committee of the Regions, 2020. Regional aspects of ageing and demographic change. Publications Office, LU.	All
ESPON, 2017. ESPON Policy Brief on Shrinking Rural Regions	All
Pawlewicz, A., Pawlewicz, K., 2023. The Risk of Agricultural Land Abandonment as a Socioeconomic Challenge for the Development of Agriculture in the European Union. Sustainability 15, 3233.	All
Núñez Ferrer, J., Kiss-Gálfalvi, T., Postica, D., Marcinkowska, I., Zubel, K., 2023. The cost of non-rurality: preparing for a better urban rural balance in EU funding. Publications Office, LU.	All
Beunen, R., Meijer, M., de Vries, J., 2020. Planning strategies for dealing with population decline: Experiences from the Netherlands. Land Use Policy, Mitigating boom & bust cycles: the roles of land policy and planning 93, 104107.	All
Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions A long-term Vision for the EU's Rural Areas – Towards stronger, connected, resilient and prosperous rural areas by 2040.	All

12.3. Findings

12.3.1. Key findings

Since the 1960s, the population of the EU 27 Member States has grown steadily. Until 1992 births outnumbered deaths, adding an average of 1.8 million people each year. However, over this period, natural growth was declining, and net migration (immigration minus emigration) was minimal, adding around 200 000 people per year (in some years more people left the EU than arrived). Since 1992,

inward migration has offset the natural reduction of population. Between 1961 and 2021, the EU population increased from 359 to 456 million. In 2020, a sudden increase in mortality due to the pandemic led to a population decline for the first time, despite the positive contribution of migration (Ninth Cohesion Report, 2024). Between 1 January 2021 and 1 January 2022, the population of the EU decreased by 472 200 persons. This was entirely due to natural population change (in other words, more deaths than births), as net migration plus adjustment remained positive as more people entered the EU than left (Eurostat, 2023). Eurostat population projections show that after a recovery in 2023, the population is expected to decline from 2026 onwards. According to the Strategic Foresight Report (2021), the EU's population will fall to 420 million in 2050, 4.3% of the world's population. By 2050, Europe's working-age population will shrink by about 16% and the projected median age will rise from 43.9 years in 2020 to 48.2 years in 2050. Sharp rises in age dependency ratios ⁽⁵⁶⁾ are projected for many EU regions. If this trend continues, there could be 135 non-workers for every 100 workers in the EU by 2050 (Lutz, 2019). Indeed, one of the main challenges of the demographic transition is ageing population, from the combined effect of fertility, mortality and migration. Life expectancy at birth in the EU is around 81 years, nine years more than the global average. This has a significant impact on economic and social security systems, as it increases the burden on care and pension systems and reduces the size of the labour force. Thus, the fiscal impact of ageing is currently one of the most important challenges in almost all Member States and is expected to worsen. The total cost ⁽⁵⁷⁾ of ageing was 25% of GDP in 2016 and is projected to increase by 1.7% of GDP by 2070 (European Committee of the Regions, 2020).

As confirmed by the Ninth Cohesion Report, drivers of population change vary between urban and rural regions. In the 2010-2021, the average population change followed a similar pattern at EU-27 level with an increase in urban areas and a decrease in rural ones (especially in Southern and Eastern European countries). On average there is a natural decline in all types of regions in the EU (urban, intermediate and rural), with the exception of urban regions in north-west (Ninth Cohesion Report, 2024). Rural depopulation and youth migration are driven by the greater attractiveness of urban areas, particularly for education, jobs, leisure and cultural activities. The out-migration of young and well-educated workers can lead to a persistent slow leakage of population, disinvestment (reduction including a shift in public and private expenditure) and a lower natural population.

⁽⁵⁶⁾ The total age dependency ratio relates the number of individuals who are likely to be dependent on the support of others for their daily living – the young and the elderly – to those who can provide this support (Eurostat)

⁽⁵⁷⁾ Total ageing-related public costs includes expenditures on pensions, health care and long-term care

In addition, weakening local markets and services become underutilised and often have to be withdrawn. In turn, the quality of life deteriorates, unemployment increases, and skilled labour becomes scarcer (ESPON, 2017). Depopulation (rural-urban migration) or low population growth is also a multidimensional driver of land and agricultural land abandonment (Pawlewicz and Pawlewicz, 2023). Ultimately, it undermines the attractiveness and vitality of a region. Such rural shrinkage is indicative of a wider structural crisis with economic and labour market decline, peripheralisation and a deepening urban-rural divide, which in turn exacerbates the inherent disadvantages of rural areas (Núñez Ferrer et al., 2023). Under these circumstances, short- and medium-term planning (public funding allocations and development trajectories) in depopulating areas is difficult. Strategies for dealing with depopulation, while highly context-specific, generally include approaches aimed at reversing the phenomenon (growth strategies), but also, conversely, plans for demographic adaptation (Beunen et al., 2020). Adapted policy responses are essential as long-term demographic projections suggest that rural regions, which have already been losing people over the last two decades, will continue on the same trajectory for at least the next forty years (Communication of the European Communities, 2021). Recent country case studies have shown that it is necessary to think also about the oversupply and decay of existing services, housing and infrastructure. Public services need to adapt to smaller populations and budgets, while at the same time, policies have to ensure that all citizens have access to essential services (Ninth Cohesion Report, 2024).

Migration of young people affects not only the rural-urban dimension but also intra-EU mobility, which is particularly important for Eastern European Member States. Due to westward intra-EU mobility, countries such as Bulgaria and the Baltic States have lost between 16% and 26% of their population over the last 25 years. Differences in wages and welfare systems drive migration within the EU (Lutz, 2019). Economic inequalities between Member States favour a loss of working-age population, brain drain and population decline in some countries.

Outward migration of the young and well-educated, combined with population ageing and a stagnant share of people with tertiary education, puts some regions at risk of falling into a talent development trap. This hampers their ability to build sustainable, competitive and knowledge-based economies. Some regions cannot compensate for the declining working-age population with a more skilled workforce capable of raising labour productivity, because they do not have enough people with tertiary-level education and do not retain young people (aged 20-24), who prefer to move away rather than enrol in tertiary education. Furthermore, while the proportion of 25-64 year-olds with tertiary education is increasing in the EU as a whole, in these regions it is growing more slowly. This has severe consequences on the competitiveness of these regions and widens their talent gap. The Commission has identified 46 regions, mostly in Bulgaria, Romania, Hungary, Croatia, the south of Italy, Portugal, eastern Germany and the north-east and outermost regions of France, as being in a talent development

trap (together they have 16% of the EU population). Additionally, 36 regions are at risk of falling into a talent development trap because of the outmigration of people aged 15-39 (Ninth Cohesion Report, 2024).

Another aspect related to the demographic composition is population density. Rural areas in particular have low population density, which is often associated with limited access to services of general interest with related facilities and amenities. Access to these services and infrastructure (e.g. healthcare, education, leisure, cultural and sports activities as well as water, sanitation, energy, transport, financial services and digital communication) is a prominent determinant of rural vitality and key to ensuring the resilience of rural areas. Urban areas have high population density which exerts pressure on existing infrastructure and services (e.g. housing, education and healthcare), but also poses challenges with pollution, congestion, crime and a lack of social cohesion (Ninth Cohesion Report, 2024).

While some of the outermost regions (e.g. Guadeloupe or Açores) also suffer from net emigration, due mainly to the lack of economic and employment opportunities or access to essential services, Mayotte, Guyana and Canarias have the opposite problem. Due to considerable inward migration from outside the EU, the latter are among the 10 EU regions with the highest share of non-EU-born migrants. In the two French outermost regions of Mayotte and Guyana, the population is expected to double by 2100, requiring a considerable adaption of services and infrastructure (Ninth Cohesion Report, 2024).

Insofar as the EU is a destination for international migration, this is an influential demographic factor. Migration can have a major impact on the total population and the size of the labour force. However, migration has a limited impact on the age structure of the EU in the long term, partly because migrants tend to settle for the long term and age in the same way as natives do. Therefore, the possibility of reversing demographic ageing with immigration is very limited. Moreover, if not supported by effective economic and social integration, significant immigration could lead to an even worse labour market than medium or low levels of immigration (Lutz, 2019). On the contrary, in the short term, integrating migrants into the labour market can have a positive effect on regional GDP, especially in lower-income countries (Eighth Cohesion Report, 2022).

12.3.2. Key findings on POs, Interreg and JTF SOs

Since the 1960s, the population of the EU 27 Member States has grown steadily. Until 1992 births outnumbered deaths, adding an average of 1.8 million people each year. However, over this period, natural growth was declining, and net migration (immigration minus emigration) was minimal, adding around 200 000 people per year (in some years more people left the EU than arrived). Since 1992, inward migration has offset the natural reduction of population. Between 1961

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Another aspect related to the demographic composition is population density. Rural areas in particular have low population density, which is often associated with limited access to services of general interest with related facilities and amenities. Access to these services and infrastructure (e.g. healthcare, education, leisure, cultural and sports activities as well as water, sanitation, energy, transport, financial services and digital communication) is a prominent determinant of rural vitality and key to ensuring the resilience of rural areas. Urban areas have high population density which exerts pressure on existing infrastructure and services (e.g. housing, education and healthcare), but also poses challenges with pollution, congestion, crime and a lack of social cohesion (Ninth Cohesion Report, 2024).

While some of the outermost regions (e.g. Guadeloupe or Açores) also suffer from net emigration, due mainly to the lack of economic and employment opportunities or access to essential services, Mayotte, Guyana and Canarias have the opposite problem. Due to considerable inward migration from outside the EU, the latter are among the 10 EU regions with the highest share of non-EU-born migrants. In the two French outermost regions of Mayotte and Guyana, the population is expected to double by 2100, requiring a considerable adaption of services and infrastructure (Ninth Cohesion Report, 2024).

Insofar as the EU is a destination for international migration, this is an influential demographic factor. Migration can have a major impact on the total population and the size of the labour force. However, migration has a limited impact on the age structure of the EU in the long term, partly because migrants tend to settle for the long term and age in the same way as natives do. Therefore, the possibility of reversing demographic ageing with immigration is very limited. Moreover, if not supported by effective economic and social integration, significant immigration could lead to an even worse labour market than medium or low levels of immigration (Lutz, 2019). On the contrary, in the short term, integrating migrants into the labour market can have a positive effect on regional GDP, especially in lower-income countries (Eighth Cohesion Report, 2022).

■ Key findings on POs, Interreg and JTF SOs

The following section presents findings related on how much demographic challenges are considered in cohesion policy implementation. The information is presented per PO, Interreg and JTF SOs connected with the framework of this study.

Partnership Agreement

At EU level, several Partnership Agreements account for demographic challenges. Thirteen refer to ageing population, five to fertility and sixteen to depopulation:

Finnish Partnership Agreements address all three aspects of demographic change, referring to increasing pressure on public finances due to ageing, the country's reduced economic potential due to a shrinking working-age population, and insufficient fertility to reverse the old-age dependency ratio. According to Finland's General Government Fiscal Sustainability Report (Ministry of Finance 2020), population ageing will put pressure on public finances with the growing number of elderly people increasing health, care and pension expenditure. Secondly, the shrinking working-age population weakens the growth potential of the economy. A significant recovery in the birth rate will not be enough to prevent the old-age dependency ratio worsening. From Finland's point of view, a key question concerns the increasing concentration of the population and its consequences. The Partnership Agreement refers to additional funding for sparsely populated areas in eastern and northern Finland to address demographic and accessibility problems.

the Spanish Partnership Agreement notes that demographic challenges must be addressed from a cross-cutting perspective and in accordance with priorities set out in national and regional strategies and plans. The agreement refers to actions that will have an impact on the surroundings of targeted cities.

The Italian Partnership Agreement addresses depopulation in rural and mountainous areas through a multi-level governance approach which involves the national government, but also regions and municipalities. Initiatives funded through cohesion funds have to be in line with objectives in the National Strategy for Inner Areas.

The Romanian Partnership Agreement refers to ageing, fertility and depopulation. To reverse population decline, Romania is tackling it from two angles. First, by trying to increase the birth rate with measures that provide incentives for families with more children, including childcare facilities and public services. Secondly, by improving the working and living conditions of Romanian citizens and including vulnerable groups in the labour market. Seven countries do not address any of the three demographic trends: Denmark, Austria, Belgium, Greece, France, Hungary, Ireland and Slovenia.

The Programme documents review is reported below per PO.

PO1 Smarter Europe

Of the programmes examined covering PO 1, only 10% took account of demographic challenges: Thüringen - DE – ERDF, Castilla-La Mancha – ERDF, EU Funds' Investments – LT – ERDF/ESF+/CF/JTF, Upper Norrland – ERDF and EU Cohesion Policy - SI - ERDF/CF/ESF+/JTF. These programmes refer to ageing or depopulation.

Specific objectives with a reference to demographic challenges in PO1 are: RSO1.1 Enhancing research and innovation, RSO1.2 Reaping the benefits of digitalisation, RSO1.3 Growth and competitiveness of SMEs, RSO1.4 Skills for smart specialisation and transition and RSO1.5 Digital connectivity.

PO 2 Greener Europe

Of the programmes covering PO 2, only 6% took account of demographic challenges: Castilla-La Mancha – ERDF, Central Region – RO – ERDF and Upper Norrland – ERDF. These programmes make specific reference only to depopulation.

Specific objectives referring to demographic challenges in PO2 are: RSO2.1 Energy efficiency, RSO2.2 Renewable energy, RSO2.5 Sustainable water, RSO2.6 Circular economy, RSO2.7 Nature protection and biodiversity, RSO2.8 Sustainable and urban mobility.

PO 3 Connect Europe

Of the programmes covering PO 3, only 9% took account of demographic challenges: Cohesion Policy Funding – EE – ERDF/ESF/CF/JTF and Upper Norrland – ERDF. These programmes refer only to the ageing population.

Specific objectives that refer to demographic challenges in PO3 are RSO3.1 Sustainable TEN-T and RSO3.2 Sustainable transport.

PO 4 Social Europe

Of the programmes covering PO 4, 50% took account of demographic challenges, as this is the PO which mainly addresses demographic challenges. The programmes address ageing, depopulation and other demographic challenges.

SOs that refer to demographic challenges in PO4 are: RSO4.2 Education and training infrastructure, RSO4.3 Integration of marginalised communities, RSO4.5 Access to health care, RSO4.6 Culture and sustainable tourism.

Within PO4, the RSO4.5 has the most references to ageing and the necessity to increase investments in healthcare to guarantee healthcare services in rural and urban areas.

Under RSO4.2, only two programmes refer to depopulation, among them Castilla-La Mancha – ERDF programme, which states that the aim is to ‘address the educational and training needs of children in rural areas’.

Under RSO4.3, six programmes refer to ageing or depopulation. For instance, the Integrated Regional Programme - CZ – ERDF is dedicated to the availability of services in regional centres as well as their rural hinterland to reduce the risk of social exclusion associated with ageing. Under the same RSO, the Sardegna-ERDF programme addresses ageing by referring to the social deprivation index, which identifies economic hardship, loneliness and non-self-sufficiency. There is a need for interventions to support the elderly and to rethink the care model.

PO 5 Europe Closer to citizens

Of the programmes covering PO 5, 34% took account of demographic challenges. Under PO5 programmes address ageing, depopulation and other demographic challenges.

SOs referring to demographic challenges in PO5 are: RSO5.1 Integrated development in urban areas, RSO5.2 Integrated development in rural and coastal areas.

Under RSO5.1 programme investments in employment and growth 2021-27 – AT – ERDF/JTF refers to population growth and increased settlement pressure on conurbations and regions within commuting distance. Another example is the Sachsen - DE - ERDF/JTF programme, which also refers to ‘the need for investment derived from the special urban development policy challenges resulting from demographic change and the tendency towards urban densification of economic deficits, social exclusion, poverty and discrimination in disadvantaged urban districts’. Nordrhein-Westfalen - DE - ERDF/JTF programme also highlights the need for public residential construction to cope with structural and demographic changes faced by some cities.

Interreg SOs

Eight Interreg programmes took account of demographic challenges, either in the general part or under POs 1,2,4,6 or 7. Demographic change is most present in Interreg VI-A - Romania-Moldova, specifically referring to ageing and depopulation caused by outmigration.

Only one programme (Interreg VI-B – Danube) refers to demographic aspects through an Interreg specific objective (ISO6.6 Other actions to support better cooperation governance). Additionally, some Interreg programmes address demographic challenges through RSO4.1 Labour market infrastructure, RSO4.5 Access to healthcare, RSO4.6 Culture and sustainable tourism and RSO5.2 Integrated development in rural and coastal areas.

JTF SO

Programme

Of the programmes covering JTF specific objectives, only 22% took account of demographic challenges under PO3, these being: Brandenburg - DE - ERDF/JTF, Just Development Transition – EL – JTF, Just Transition - ES – JTF, Integrated territorial programme – HR – ERDF/JTF, Just Transition - IE – JTF, Investment in jobs and development – MT – CF/ERDF/JTF. The programmes refer to depopulation and the necessity to hinder outmigration due to the loss of job opportunities.

Programmes sampling

The following table lists the mainstream programmes selected for the analysis the literature and document review task (78):

Table 14 – List of mainstream programmes for review

MS	Name	GEO level	NUTS code	Category of region	Fund covered			
					Less dev.	Transition	More dev.	
2021AT16FFPR001	AT	Investments in employment and growth 2021-27 - AT	National level			X	X	ERDF/JTF
2021BE16FFPR001	BE	Wallonia 2027	Regional level	BE3	X	X	X	ERDF/JTF
2021BE16RFPR002	BE	Flanders	Regional level	BE2		X	X	ERDF
2021BG16FFPR002	BG	Environment - BG - ERDF/CF	National level		X	X		ERDF/CF
2021BG16FFPR003	BG	Development of Regions - BG - ERDF/JTF	National level		X	X		ERDF/JTF
2021BG16RFPR001	BG	Competitiveness and Innovation in Enterprises - BG	National level		X	X		ERDF
2021CY16FFPR001	CY	THALIA – CY – CF/ERDF/ESF+/JTF	National level			X		ERDF/ESF+/CF/JTF

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MS	Name	GEO level	NUTS code	Category of region	Fund covered			
					Less dev.	Transition	More dev.	
2021CZ16FFPR001	CZ	Environment - CZ - ERDF/CF	National level		X	X		ERDF/CF
2021CZ16JTPO001	CZ	Just Transition - CZ - JTF	National level					JTF
2021CZ16RFPR002	CZ	Integrated Regional Programme - CZ - ERDF	National level		X	X	X	ERDF
2021DE16FFPR001	DE	Brandenburg -- ERDF/JTF	Regional level	DE4		X		ERDF/JTF
2021DE16FFPR002	DE	Nordrhein-Westfalen - ERDF/JTF	Regional level	DEA			X	ERDF/JTF
2021DE16FFPR003	DE	Sachsen - DE - ERDF/JTF	Regional level	DED		X	X	ERDF/JTF
2021DE16FFPR005	DE	Niedersachsen - DE - ERDF/ESF+	Regional level	DE9		X	X	ERDF/ESF+
2021DE16RFPR003	DE	Berlin - DE - ERDF	Regional level	DE3			X	ERDF
2021DE16RFPR011	DE	Thüringen - DE - ERDF	Regional level	DEG		X		ERDF
2021DK16JTPO001	DK	Green technologies and skills - DK - JTF	National level					JTF
2021DK16RFPR001	DK	Smart green and digital transition of enterprises - DK	National level			X	X	ERDF

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MS	Name	GEO level	NUTS code	Category of region	Fund covered			
					Less dev.	Transition	More dev.	
2021EE16FFPR001	EE	Cohesion Policy Funding – EE – ERDF/ESF/CF/JTF	National level			X		ERDF/ESF+ /CF/JTF
2021EL16FFPR001	EL	Competitiveness – EL – ERDF/ESF+	National level		X	X		ERDF/ESF+
2021EL16FFPR003	EL	Environment and Climate Change – EL – ERDF/CF	National level		X	X		ERDF/CF
2021EL16FFPR007	EL	Kentriki Makedonia – ERDF/ESF+	Regional level	EL52	X			ERDF/ESF+
2021EL16FFPR010	EL	Dytiki Ellada – ERDF/ESF+	Regional level	EL63	X			ERDF/ESF+
2021EL16FFPR017	EL	Attiki – ERDF/ESF+	Regional level	EL30		X		ERDF/ESF+
2021EL16JTPR001	EL	Just Development Transition – EL – JTF	National level					JTF
2021ES16JTPR001	ES	Just Transition - ES - JTF	National level					JTF
2021ES16RFPR001	ES	Plurirregional - ES - ERDF	National level		X	X	X	ERDF
2021ES16RFPR002	ES	Andalucía - ERDF	Regional level	ES61	X			ERDF
2021ES16RFPR008	ES	Castilla y León - ERDF	Regional level	ES41		X		ERDF

MS	Name	GEO level	NUTS code	Category of region	Fund covered			
					Less dev.	Transition	More dev.	
2021ES16RFPR009	ES	Castilla-La Mancha - ERDF	Regional level	ES42	X			ERDF
2021ES16RFPR020	ES	País Vasco - ERDF	Regional level	ES21			X	ERDF
2021FI16FFPR001	FI	Innovation and skills – FI – ERDF/ESF+/JTF	National level			X	X	ERDF/ESF+ /JTF
2021FR05FFPR001	FR	Île-de-France et bassin de la Seine - ERDF/ESF+	Regional level	FR1		X	X	ERDF/ESF+
2021FR05JTFR001	FR	Employment and Skills - FR - JTF	National level					JTF
2021FR16FFPR001	FR	Sud – Provence Alpes-Côte d’Azur – ERDF-ESF+-JTF	Regional level	FRL		X		ERDF/ESF+ /JTF
2021FR16FFPR002	FR	Réunion ERDF-ESF+	Regional level	FRY4	X			ERDF/ESF+
2021FR16FFPR004	FR	Occitanie ERDF-ESF+	Regional level	FRJ		X		ERDF/ESF+
2021FR16FFPR010	FR	Hauts de France ERDF-ESF+-JTF	Regional level	FRE		X		ERDF/ESF+ /JTF
2021HR16FFPR001	HR	Competitiveness and cohesion – HR – CF/ERDF	National level		X			ERDF/CF
2021HR16FFPR002	HR	Integrated territorial programme – HR – ERDF/JTF	National level		X			ERDF/JTF

MS	Name	GEO level	NUTS code	Category of region	Fund covered			
					Less dev.	Transition	More dev.	
2021HU16FFPR001	HU	Economic Development and Innovation Plus – HU	National level		X		X	ERDF/ESF+
2021HU16FFPR002	HU	Environmental and Energy Efficiency Plus – HU	National level		X			ERDF/CF/JTF
2021HU16FFPR005	HU	Digital Renewal Plus – HU ERDF/ESF+	National level		X		X	ERDF/ESF+
2021IE16JTPO01	IE	Just Transition - IE – JTF	Regional level	IE04				JTF
2021IE16RFPR002	IE	Southern, Eastern and Midland - IE – ERDF	Regional level	IE05			X	ERDF
2021IT16FFPR003	IT	Calabria - ERDF/ESF+	Regional level	ITF6	X			ERDF/ESF+
2021IT16JTPO01	IT	Just Transition – IT – JTF	National level					JTF
2021IT16RFPR001	IT	Research, innovation and competitiveness - IT - ERDF	National level		X			ERDF
2021IT16RFPR011	IT	Marche - ERDF	Regional level	IT13		X		ERDF
2021IT16RFPR015	IT	Sardegna - ERDF	Regional level	ITG2	X			ERDF
2021IT16RFPR016	IT	Sicilia - ERDF	Regional level	ITG1	X			ERDF

MS	Name	GEO level	NUTS code	Category of region	Fund covered			
					Less dev.	Transition	More dev.	
2021IT16RFPR017	IT	Toscana - ERDF	Regional level	IT11			X	ERDF
2021LT16FFPR001	LT	EU Funds' Investments – LT – ERDF/ESF+/CF/JTF	National level		X		X	ERDF/ESF+/CF/JTF
2021LU16FFPR001	LU	Smarter and greener Europe – LU – ERDF/JTF	National level				X	ERDF/JTF
2021LV16FFPR001	LV	Cohesion Policy funding - LV – ERDF/CF/ESF+	National level		X			ERDF/ESF+/CF/JTF
2021MT16FFPR001	MT	Investment in jobs and development – MT	National level			X		ERDF/CF/JTF
2021NL16JTPR001	NL	Nederland – NL – JTF	National level					JTF
2021NL16RFPR002	NL	West-Nederland – NL – ERDF	Regional level	NL3		X	X	ERDF
2021PL16FFPR001	PL	Dolny Śląsk - PL - ERDF/ESF+/JTF	Regional level	PL51		X		ERDF/ESF+/JTF
2021PL16FFPR006	PL	Małopolska - PL - ERDF/ESF+	Regional level	PL21	X			ERDF/ESF+/JTF
2021PL16FFPR012	PL	Śląskie - PL - ERDF/ESF+/JTF	Regional level	PL22	X			ERDF/ESF+/JTF
2021PL16FFPR015	PL	Wielkopolska - PL - ERDF/ESF+/JTF	Regional level	PL41		X		ERDF/ESF+/JTF

MS	Name	GEO level	NUTS code	Category of region	Fund covered			
					Less dev.	Transition	More dev.	
2021PL16FFPR017	PL	Infrastructure, Climate, Environment - PL	National level		X	X	X	ERDF/CF
2021PL16RFPR001	PL	Smart Economy - PL - ERDF	National level		X	X	X	ERDF
2021PT16CFPR001	PT	Thematic Programme for Climate Action and Sustainability	National level					CF
2021PT16FFPR003	PT	Norte Regional Programme 2021-2027	Regional level	PT11	X			ERDF/ESF+ /JTF
2021PT16FFPR007	PT	Algarve Regional Programme 2021-2027	Regional level	PT15		X		ERDF/ESF+
2021RO16FFPR001	RO	Sustainable development – RO	National level		X			ERDF/CF
2021RO16FFPR002	RO	Transport – RO	National level		X			ERDF/CF
2021RO16JTPR001	RO	Just Transition – RO	National level					JTF
2021RO16RFPR003	RO	South East – ERDF	Regional level	RO22	X			ERDF
2021RO16RFPR005	RO	Central Region –ERDF	Regional level	RO12	X			ERDF
2021RO16RFPR009	RO	Bucharest-Ilfov –ERDF	Regional level	RO32			X	ERDF

MS	Name	GEO level	NUTS code	Category of region	Fund covered			
					Less dev.	Transition	More dev.	
2021SE16JTPO01	SE	Just Transition – SE – JTF	National level					JTF
2021SE16RFPR006	SE	North-Central Sweden – ERDF	Regional level	SE31		X		ERDF
2021SE16RFPR008	SE	Upper Norrland – ERDF	Regional level	SE33			X	ERDF
2021SI16FFPR001	SI	EU Cohesion Policy - SI	National level		X		X	ERDF/ESF+ /CF/JTF
2021SK16FFPR001	SK	Programme Slovakia – SK	National level		X		X	ERDF/ESF+ /CF/JTF

Additional 12 Interreg programmes are selected for the analysis in task 1:

Table 15 – List of Interreg programmes for review

CCI	Name	ERDF allocation (in million)	Interreg Strand
2021TC16RFCB005	Interreg VI-A - Spain-Portugal (POCTEP)	321 M	Interreg VI-A: Cross Border Cooperation
2021TC16RFIR001	Interreg VI-C - Interreg Europe	394 M	Interreg VI-C: Interregional Cooperation
2021TC16RFCB039	Interreg VI-A - Belgium-France (Wallonie-Vlaanderen-France)	287 M	Interreg VI-A: Cross Border Cooperation
2021TC16FFTN001	Interreg VI-B - EURO MED	254 M	Interreg VI-B: Transnational Cooperation
2021TC16FFTN003	Interreg VI-B - Baltic Sea region	251 M	Interreg VI-B: Transnational Cooperation
2021TC16RFCB022	Interreg VI-A - Germany-The Netherlands	241 M	Interreg VI-A: Cross Border Cooperation
2021TC16FFTN004	Interreg VI-B - Danube	225 M	Interreg VI-B: Transnational Cooperation
2021TC16NXCB009	Interreg VI-A - Poland--Ukraine	187 M	Interreg VI-A: Cross Border Cooperation
2021TC16FFOR001	Interreg VI-D - Madeira-Azores-Canary Islands (MAC)	187 M	Interreg VI-D: Outermost Regions Programmes
2021TC16RFCB024	Interreg VI-A - Czechia-Poland	179 M	Interreg VI-A: Cross Border Cooperation
2021TC16RFCB030	Interreg VI-A - Lithuania-Poland	100 M	Interreg VI-A: Cross Border Cooperation
2021TC16NXCB011	Interreg VI-A - Romania-Moldova	97 M	Interreg VI-A: Cross Border Cooperation

MID-TERM EVALUATION

OF THE EUROPEAN REGIONAL DEVELOPMENT
FUND, THE COHESION FUND AND
THE JUST TRANSITION FUND

 **2021
2027**

ANNEX 6.3 NEEDS, INPUTS, OUTPUTS, RESULTS AND IMPLEMENTATION

**No REGIO/2023/OP/0045 - Study
to support the mid-term
evaluation of cohesion policy
programmes 2021-2027 financed
by the ERDF, Cohesion Fund and
JTF (2023CE16BAT088)**

Annex 6.3:

Needs, inputs, outputs, results and implementation

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1. Geographic analysis

This section presents an overview and an assessment of the geographic allocation of ERDF and CF funding (period 2021-2027). Detailed information on the territorial funding patterns and intensity per PO (including specifics on each SO) is provided. Attention is drawn in particular to the funding allocation to specific territories, i.e. less developed regions, more developed regions and regions in transition as well as rural regions.

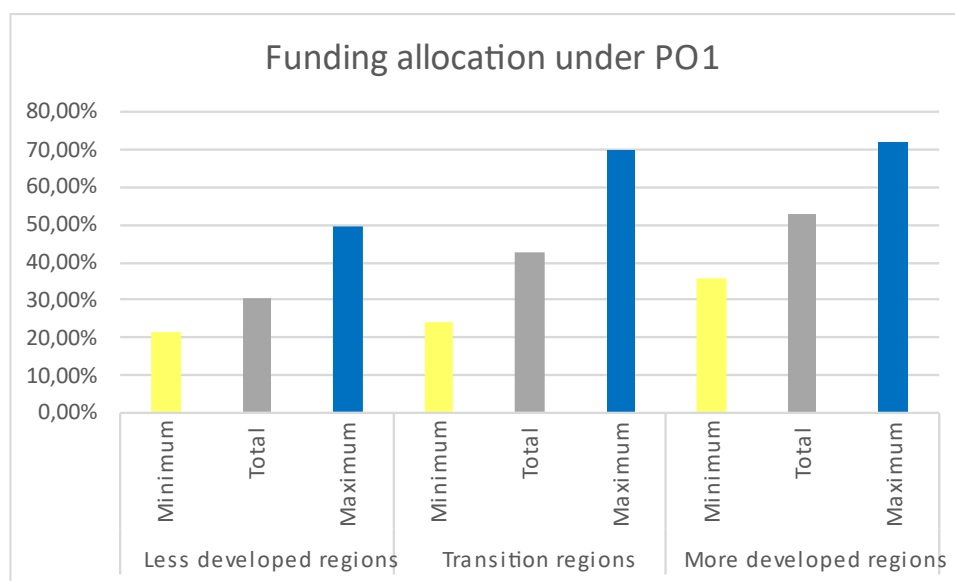
The data source of the regionalised funding allocation (at NUTS 2 level) was provided by DG REGIO and is regionalised based on programme level information. The regionalisation was conducted on the intervention field level to allow for high thematic accuracy of assessment. For each intervention field, Annex 1 of the CPR specifies a link to a PO. This constitutes the basis for the PO level assessments presented below. However, as intervention fields (and related funding) can be linked to different POs, some uncertainties are created from a methodological point of view. Funding differences between estimated (on the basis of intervention fields) and actual funding (on the basis of programmed monitoring information) are highlighted in relation to each PO. Due to these limitations, funding may be allocated to a NUTS2 region/programme under a given PO, while the programme itself may not have picked the PO in the first place. Also note the funding intensity per region/programme considers both funding related to regional and national-level programmes.

1.1. PO1 Smarter Europe

In the 2021-2027 period, a total EU funding of EUR 73.8 bn is allocated through ERDF programmes. PO1 is exclusively used by ERDF and as such represents the biggest single PO under ERDF and the third biggest PO considering all ESI funds. Within Member States, a considerable variation can be identified as the relative share of planned investments under PO1 ranges from 14% (Romania, Malta) to 34% (Sweden). Considerable influence on the choice of thematic focus on MS level is created by the thematic concentration rules applied to allocations under ERDF/IGJ which are determined by categories of regions:

- More developed regions allocate approximately 53% of their funding under PO1, ranging from 36% in Slovakia to 73% in Hungary
- Transition regions allocate approximately 43% of funding under PO1, ranging from 25% in Malta to 70% in Austria, Sweden, Finland or the Netherlands.
- Less developed regions allocate approximately 31% of funding under PO1, ranging from 21% in Lithuania to 49% in Belgium

Figure 1- Funding allocations under PO1 (Source: European Commission)



Intervention fields which are primarily used under PO1 notably make up significantly higher share of the funding, indicating their use across different PO. In total EUR 7.5 bn associated with intervention fields for PO1 are used under other PO, resulting in EUR 81 bn being spent under such intervention fields.

The map below presents the funding intensity in EUR per capita for intervention fields primarily associated with PO1. A wide range of topics is supported by those, including R&I in SME and larger enterprises as well as research centres, business development, digitalisation of firms and government, innovation and cooperation between institutions as well as smart specialisation and digital connectivity.

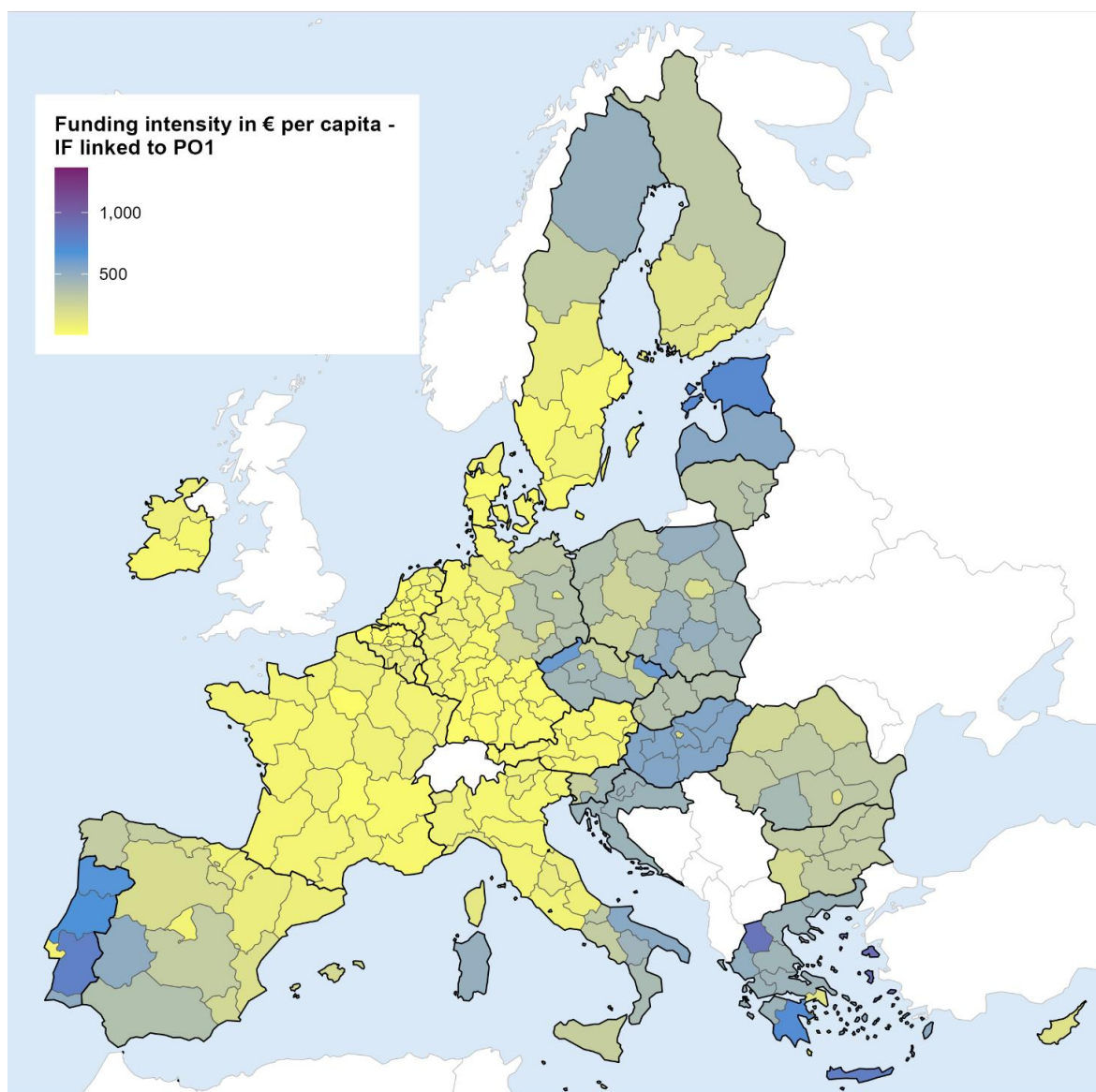
On average, approximately EUR 182 per capita are spent under PO1 across the EU. By type of region, funding per capita varies considerably.

- Less developed regions see an average of EUR 418 per capita for a total of EUR 51.5 bn
- Transition regions see an average of EUR 162 per capita for a total of EUR 18.4 bn
- More developed regions see an average of EUR 52 per capita for a total of EUR 11.3 bn

On regional level, particularly high per capita funding can be identified in Portuguese (most notably outermost regions Azores and Madeira), Greek (North Aegean and Western Macedonia), Czech (Severozápad, Moravskoslezsko) and several Hungarian regions. Estonia is also ranking considerably high, albeit does not show regional differentiation. Particularly low per capita funding on the other hand can be found in France (Ile-de-France, Auvergne), Netherlands (Utrecht), Luxembourg and Germany (Several cities in Baden-Württemberg), which are predominantly urban or

urbanised regions with particularly high population numbers. Across Europe, particularly eastern- and southern European regions as well as eastern parts of Germany and northern parts of Sweden and Finland exhibit comparatively high funding per capita.

The following map illustrates the funding intensity, specifically the funding allocated to intervention fields primarily linked to PO1, broken down by population, at NUTS2 level.



RSO 1.1

Intervention fields linked to RSO 1.1 “Developing and enhancing research and innovation capacities and the uptake of advanced technologies” account for EUR 31.5 billion of EU funding, or around 38% of the funding allocated to the intervention areas of PO1 in the EU, and cover regions with a total population of 446.9 million. Accordingly, per capita funding amounts to EUR 150 in less developed regions,

EUR 70 in transition regions and EUR 24 in more developed regions. Mirroring the pattern for the overall IF related to PO1, the highest per capita expenditure is foreseen in Estonia, Northern Sweden and the German-Czech border regions.

In particular, the interventions fields linked to RSO1.1 cover 133.2 million people living in rural areas (approx. 29.8% of the total population covered). More specifically, 45.1 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 1.1, 44.6 million in more developed regions, and 43.6 million in transition regions.

RSO 1.2

Intervention fields linked to RSO 1.2 “Reaping the benefits of digitalisation for citizens, companies, research organisations and public authorities” total EUR 12.1 billion, representing around 15% of the total EU funding allocated to the intervention fields related to PO1. These areas cover regions with a total population of 409.1 million. As a result, per capita funding is set at EUR 61 in less developed regions, EUR 27 in regions in transition and EUR 9 in more developed regions. High levels of funding are found throughout southern and eastern Europe, with the highest levels in Estonia, the Czech Republic, Greece and Spain. The only areas where no funding is available are in southern Germany and a few regions in the Netherlands and Austria.

In particular, the interventions fields linked to RSO1.2 cover 121.8 million people living in rural areas (approx. 29.8% of the total population covered). More specifically, 45.1 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 1.2, 34.4 million in more developed regions, and 42.3 million in transition regions.

RSO 1.3

Intervention fields linked to RSO 1.3 “Enhancing sustainable growth, competitiveness and job creation in SMEs” account for around 37% of the budget allocated to PO1 related intervention fields, which totals around EUR 30.1 billion. More than 447 million people live in the regions covered by RSO 1.3, with almost half (EUR 210.8 million) in the more developed regions. Per capita funding is EUR 167 in less developed regions, EUR 52 in regions in transition and EUR 17 in more developed regions. The highest per capita funding is observed in Portugal, Hungary and Greece. Funding is available in all NUTS 2 regions.

In particular, the interventions fields linked to RSO1.3 cover 133.3 million people living in rural areas (approx. 29.8% of the total population covered). More specifically, 45.1 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 1.3, 44.6 million in more developed regions, and 43.6 million in transition regions.

RSO 1.4

EU funding allocated to intervention fields associated with RSO 1.4 “Developing skills for smart specialisation, industrial transition and entrepreneurship” totals EUR 4.4 bn or 5.4% of all the funding intended for PO1 related intervention fields. The intervention fields cover regions with an overall population of 216.1 million people with over half (119.5 m) living in less developed regions. Noticeable, the funding per capita is the highest in more developed regions with EUR 29.9, followed by less developed regions (EUR 22.8) and transition regions (EUR 12.4). High per capita funding is available in Lithuania, Slovakia, Slovenia, Croatia and Southern Italy. Regions not implementing the corresponding funding include the whole of Ireland, Denmark and Cyprus as well as Bavaria in Germany and parts of Spain.

In particular, the interventions fields linked to RSO1.4 cover 120 million people living in rural areas (approx. 55.5% of the total population covered). More specifically, 44.1 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 1.4, 33.9 million in more developed regions, and 42 million in transition regions.

RSO 1.5

Intervention fields linked to RSO 1.5 total EUR 3.2 bn, which is 3,9% of the total funding allocated to PO1 related intervention fields. Overall, 396.4 million people live in areas covered by the corresponding intervention fields. Less developed regions show a funding per capita of EUR 19, while regions in transition have a funding of around EUR 8 per capita. Funding for more developed regions is only EUR 109 mil, which equals a per capita funding of just EUR 0.7. Interestingly, Brandenburg (DE) exhibits the highest per capita funding of all NUTS2, while the rest of Germany, with one exception, is not implementing corresponding funding. Other high funding per capita funding is available in Greece, Estonia, Latvia and Southern Portugal. In general, the funding is located predominantly in Eastern and Southern Europe, while large parts of Western and Northern Europe have no access to funding.

In particular, the interventions fields linked to RSO1.5 cover 73.5 million people living in rural areas (approx. 18.5% of the total population covered). More specifically, 43.8 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 1.5, 5.2 million in more developed regions, and 24.5 million in transition regions. PO2 Greener Europe

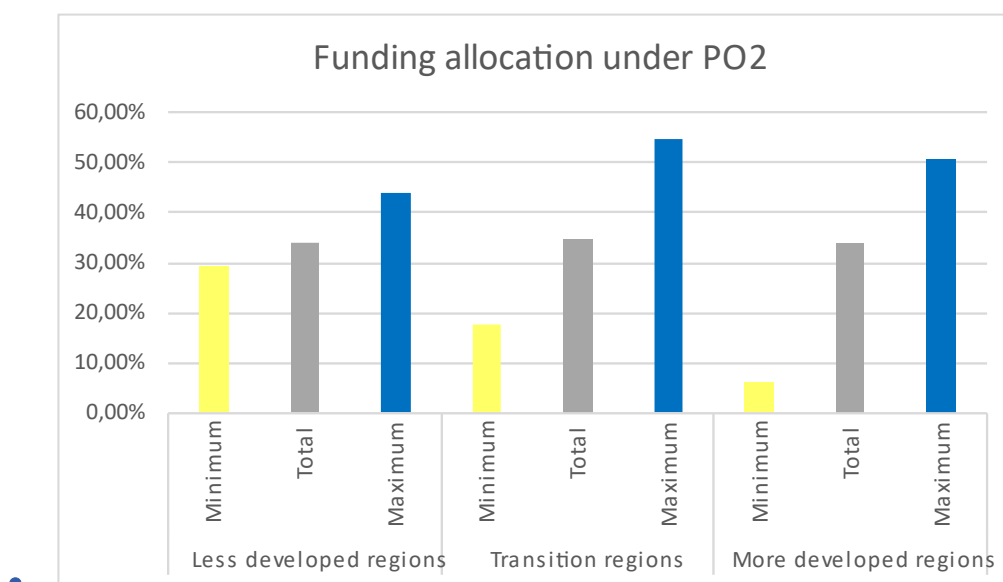
1.2. PO2 Greener Europe

The aggregated sum for PO2 Greener Europe is currently at EUR 93.3 bn. These resources are used by the ERDF (EUR 73 bn.) and the Cohesion Fund (EUR 20,4

bn). Hence, this PO is ranked second by number of financial allocations out of the five POs throughout all Member States. On national level, there is a diverging spectrum of relative allocations for PO2. This relative share out of all the cohesion policy fund allocations ranges between 10% in Netherlands to up to 40% in Malta. By categories of regions (ERDF), this allocation is as follows:

- More developed regions allocate approximately 35% of their funding under PO2, ranging from 6% in Hungary to 51% in Slovakia.
- Transition regions allocate approximately 35% of funding under PO2, ranging from 19% in Bulgaria to 55% in Portugal.
- Less developed regions allocate approximately 35% of funding under PO2, ranging from 30% in Portugal to 44% in France.

Figure 2 - Funding allocations under PO2 (Source: European Commission)



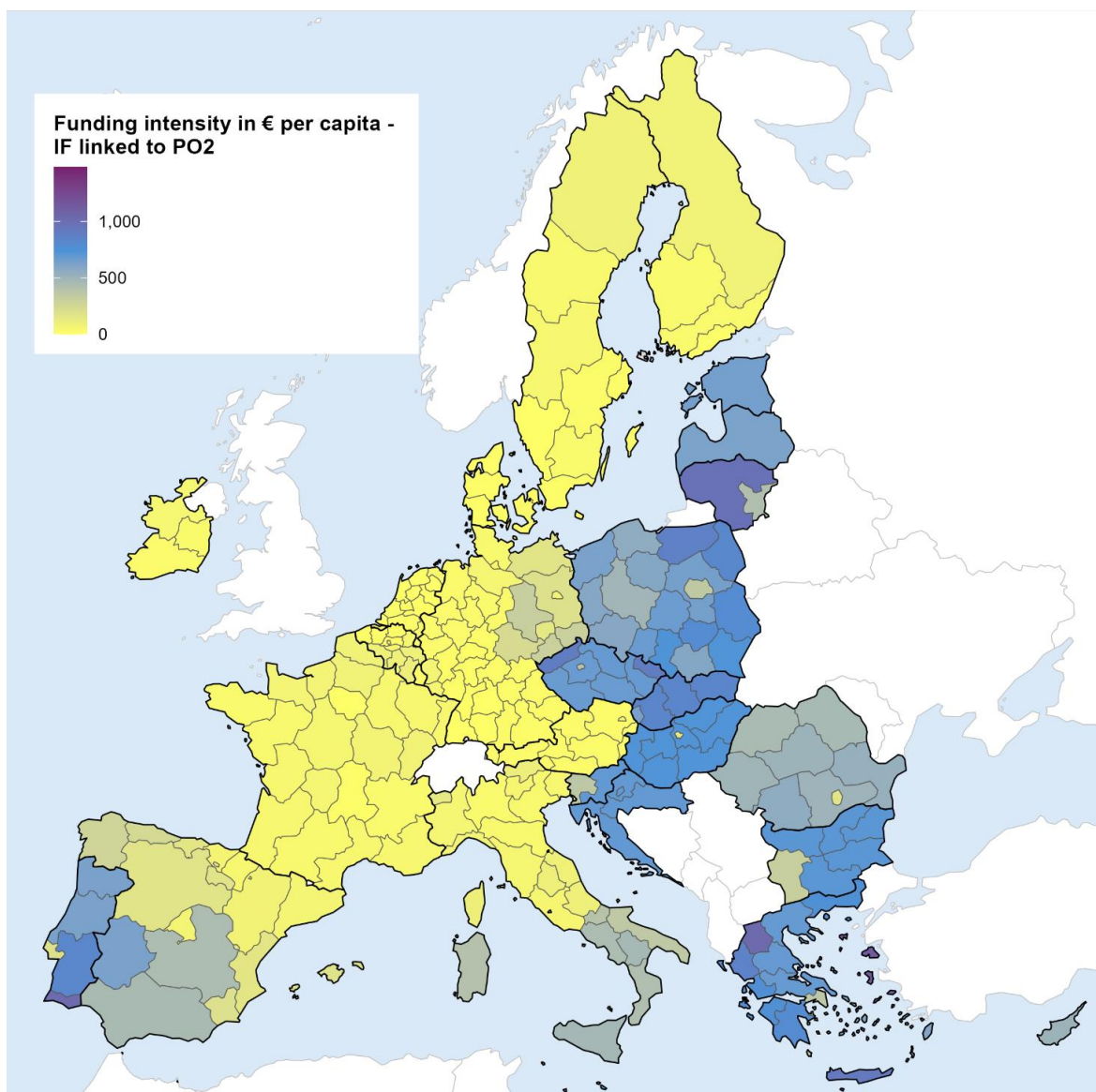
In addition to the EUR 93.3 bn used under PO2, around EUR12.8 bn of PO2 related intervention fields are implemented under other POs. Therefore, a total of EUR 106.1 bn is allocated for PO2 related fields of intervention.

Regarding the funding intensity per capita for PO2 (see map below), considerable differences throughout the European regions can be identified. On average, EUR 237 are spent per capita in PO2 related funding. When taking the different categories of regions into account, the considerable divergence of average per capita funding is visible:

- Less developed regions see an average of EUR 617 per capita for a total of EUR 75.9 bn
- Transition regions see an average of EUR 182 per capita for a total of EUR 20.6 bn

- More developed regions see an average of EUR 46 per capita for a total of EUR 9.7 bn

Beyond types of regions a clearly diverging funding intensity between Eastern and Southern regions vis-à-vis Central- and Northern regions in Europe can be identified.



RSO 2.1

Intervention fields linked to RSO 2.1 “Promoting energy efficiency and reducing greenhouse gas emissions” total EUR 26.2 bn, which is around 28% of all funding for PO2 related intervention fields. The funding is implemented across most European regions which in total host a population of 439 million people. In less developed regions the funding per capita amounts to EUR 143, in transitional regions EUR 53, while in more developed regions the per capita funding is around EUR 14. The highest per capita funding can be found in the Baltics, followed by

Eastern central Europe, Greece and the Southern part of the Iberian Peninsula. Only in Denmark as well as few regions in the Netherlands and Sweden there is no funding available.

In particular, the intervention fields linked to RSO2.1 cover 130.2 million people living in rural areas (approx. 29.6% of the total population covered). More specifically, 45 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 2.1, 43 million in more developed regions, and 42.2 million in transition regions.

RSO 2.2

The EU funding allocated to intervention fields associated with RSO 2.2 totals EUR 10,2 bn or around 10% of the overall PO2 related budget. RSO 2.2 covers regions with a combined number of 347 million inhabitants, who are vaguely equally split between more and less developed regions as well as transition regions. The funding per capita is EUR 60 for less developed regions, EUR 20 for transition regions and EUR 7 for more developed regions. The largest funding per capita can be found in Southern Spain and Lithuania, with other high values located across the Eastern parts of the EU. Austrian, Irish and Danish regions do not implement the respective funding as well as large parts of Germany, Sweden and multiple capital regions.

In particular, the intervention fields linked to RSO2.2 cover 105.5 million people living in rural areas (approx. 30.4% of the total population covered). More specifically, 45.1 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 2.2, 21.6 million in more developed regions, and 38.8 million in transition regions.

RSO 2.3

RSO 2.3 concerns “Developing smart energy systems, grids and storage outside the Trans-European Energy Network”. The intervention fields associated with the specific objective make up a total investment of EUR 5.8 bn, which is a bit over 5% of the total funding for PO2. The intervention fields cover regions with a total of 347 million people. The funding per capita is highest in less developed regions with EUR 36. Funding for transition regions is EUR 11 per person and EUR 3 for more developed regions. Regions in Hungary, Poland, the Czech Republic, Lithuania, Cyprus and Greece have the highest available funding per person. The biggest divergence within a Member State is displayed in Italy, where the Southern parts exhibit above-average funding, while the Northern regions are in large parts not implementing funding. Moreover, Estonia, Latvia, Denmark, Ireland, Luxembourg and Austria as well as parts from Germany, Germany and France have no funding available.

In particular, the interventions fields linked to RSO2.3 cover 100.8 million people living in rural areas (approx. 29% of the total population covered). More specifically, 44 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 2.3, 20.7 million in more developed regions, and 36.1 million in transition regions.

RSO 2.4

Intervention fields for “Promoting climate change adaption and disaster risk prevention, and resilience” (RSO 2.4) have an available budget of EUR 13.1 bn, which is 12% of the total funding for PO2 related intervention fields. Around 391 million people live in regions that are affected by the specific objective. Funding per capita is around EUR 78 for less developed regions, EUR 24 for transition regions and EUR 6 for more developed regions. The highest per capita funding is available in Greece and Bulgaria. In general, regions in eastern parts of Europe display a higher funding per person than in more western regions. Regions without available funding are mainly located in Ireland, the Benelux states and Western Germany.

In particular, the interventions fields linked to RSO2.4 cover 119 million people living in rural areas (approx. 30.4% of the total population covered). More specifically, 44.9 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 2.4, 35 million in more developed regions, and 39.6 million in transition regions.

RSO 2.5

Funding for the intervention fields associated with RSO 2.5 “Promoting access to water and sustainable water management” make up around 12% of the budget dedicated to PO2 related interventions. In total, around EUR 12.9 bn are planned to be spent on intervention fields related to the specific objective. The measures planned will be relevant to 267 million people, which is about 60% of all EU-citizens. A majority of those people affected live in lesser developed regions, where the funding per capita is EUR 87. In transition region the funding per capita is EUR 20 and for more developed regions EUR 10. Croatia and Southern Portugal exhibit the largest funding per capita. The available funding is strongly concentrated in Eastern and Southern Europe, while many regions of Western and Northern Europe do not have access to any funding.

In particular, the interventions fields linked to RSO 2.5 cover 83.4 million people living in rural areas (approx. 31.2% of the total population covered). More specifically, 44.9 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 2.5, 10 million in more developed regions, and 28.6 million in transition regions.

RSO 2.6

The specific object 2.6 is related to “Promoting the transition to a circular and resource efficient economy”. The intervention fields dispose over a budget of EUR 8.2 bn, which is around 8% of all available funding for PO2 related interventions. In total, over 401 million citizens are able to profit from the funding. Per capita, the funding for less developed regions is EUR 44, for transition regions EUR 18 and for more developed regions EUR 5. By far the largest funding per capita occurs in Greece, Bulgaria and Lithuania, with other high per capita values visible in the rest of the Baltics, Portugal, Slovakia and Southern Italy. Most regions are implementing related funding. However, some regions in Western Europe are not.

In particular, the intervention fields linked to RSO 2.6 cover 121.6 million people living in rural areas (approx. 30.3% of the total population covered). More specifically, 45.1 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 2.6, 37.6 million in more developed regions, and 38.9 million in transition regions.

RSO 2.7

The EU funding allocated to intervention fields associated with RSO 2.7 totals EUR 11.2 bn or around 11% of all funding going towards PO2 related interventions. The goal for RSO 2.7 is phrased as “Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution”. Overall, the regions implementing funding have a combined population of 386 million. The per capita funding is the highest in less developed regions (EUR 65), followed by transition regions (EUR 20) and more developed regions (EUR 7). The Czech Republic, Slovakia, Croatia and Bulgaria have access to the highest per capita funding. In general funding is the highest in member states that joined the EU since 2004. There is no funding available in Sweden, most regions of the Benelux-states as well as Western Germany.

In particular, the interventions fields linked to RSO 2.7 cover 118.9 million people living in rural areas (approx. 30.8% of the total population covered). More specifically, 45.1 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 2.7, 32.2 million in more developed regions, and 41.7 million in transition regions.

RSO 2.8

The intervention fields associated with RSO 2.8 “Promoting sustainable multi-modal urban mobility, as part of transition to a net zero car-bon economy”, are ascribed a budget of EUR 18.5 bn. This equals 17% of all funds reserved for PO2 related interventions. The specific objective reaches large parts of the EU, that are home to about 376 million people. Less developed regions have funding of EUR 106 per

capita available, while transition regions exhibit funding of EUR 35 per capita and more developed region EUR 12 per capita. Funding is available in all member states except Denmark and The Netherlands, with noticeable regions in Germany, France and Finland also missing. Meanwhile, the Czech Republic, Slovakia and Portugal have access to the highest per capita funding.

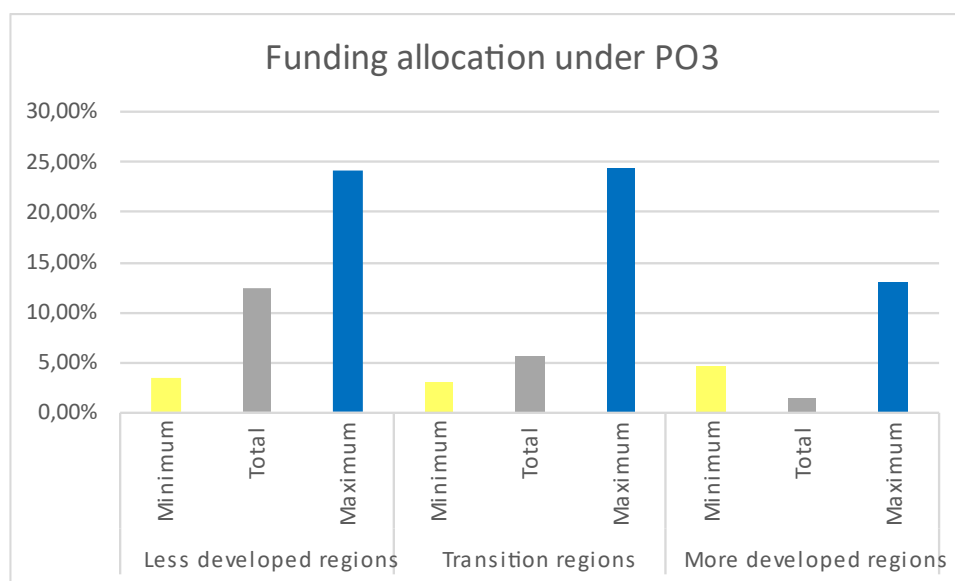
In particular, the intervention fields linked to RSO 2.8 cover 115.8 million people living in rural areas (approx. 30.7% of the total population covered). More specifically, 45.1 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 2.8, 33.3 million in more developed regions, and 37.4 million in transition regions.

1.3. PO3 Connected Europe

For the PO3 (Connected Europe) there is a listed budget of EUR 40.5 bn in the 2021 – 2027 funding period. Furthermore, there is a relatively even split of this budget between the ERDF (EUR 22.7 bn) and the Cohesion Fund (EUR 17.8 bn). Although it is not the smallest PO by size (rank 4) out of the 5 POs, it never surpasses the share of 20% in any MS. Moreover, the highest share of PO3 out of all Cohesion Policy funds is 20% in Czechia and also remains as low as 1% (e.g. Belgium), respectively 0% as it is not in use in several Member States e.g. Ireland, the Netherlands or Germany. Per category of regions, funding is allocated as follows:

- More developed regions allocate approximately 1% of their funding under PO3, ranging from 14% in Poland to 5% in Romania and Slovakia (All other MS do not take use of PO3 funding in more developed regions)
- Transition regions allocate approximately 6% of funding under PO3, ranging from 25% in Poland to 1% in France. (Majority of MS do not take use of PO3 funding in transitioning regions)
- Less developed regions allocate approximately 13% of funding under PO3, ranging from 3% in France to 25% in Poland.

Figure 3 - Funding allocations under PO3 (Source: European Commission)

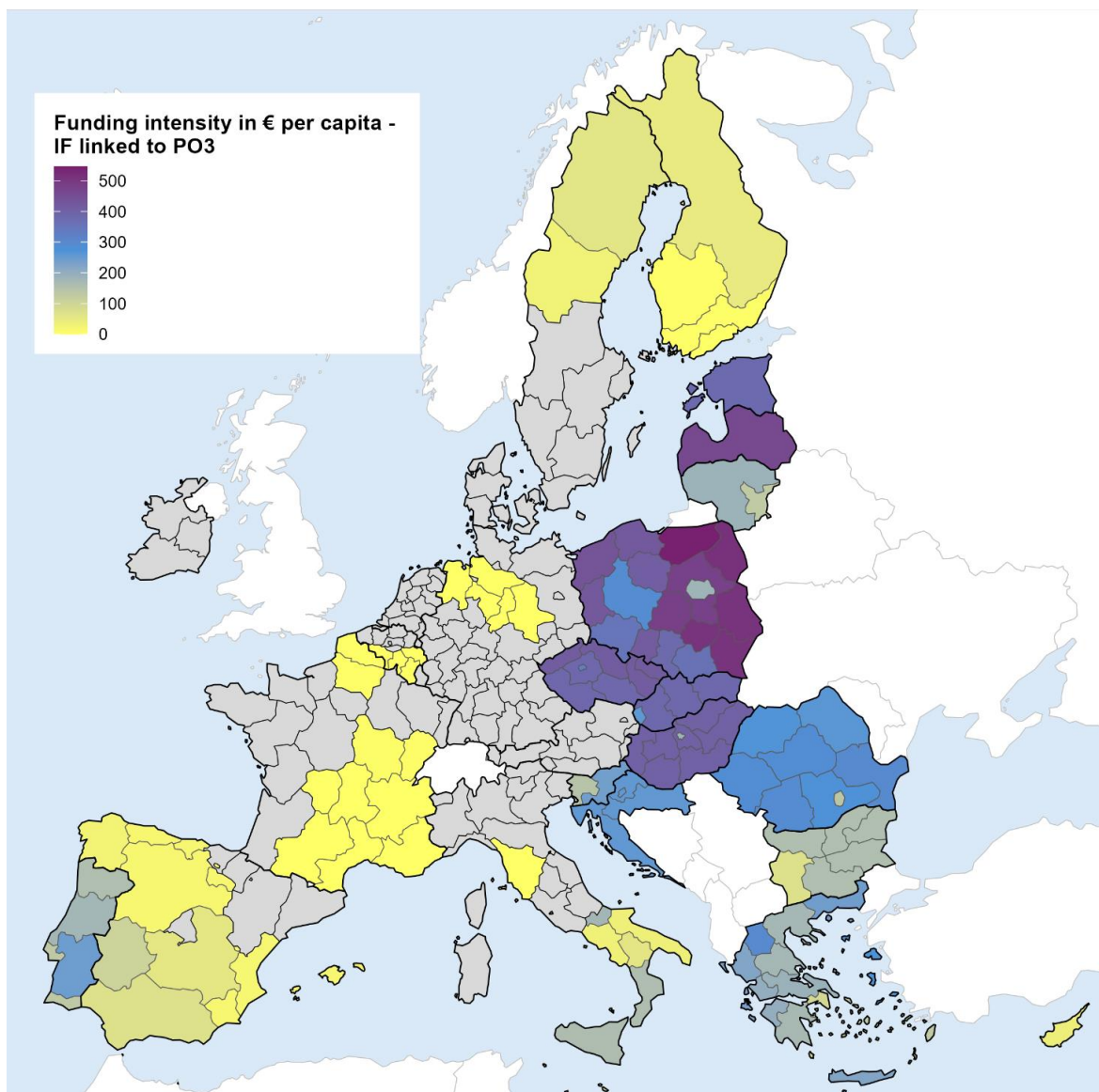


In comparison to all other POs, intervention fields primarily linked to PO3 are used almost exclusively under this PO. EUR 40.6 bn are allocated to intervention fields associated to PO3, which is only slightly higher than the EUR 40.5 bn programmed explicitly under PO3.

The planned expenditure per capita on PO3 funding averages EUR 91. But once again, there remains disparity across various regional categories:

- Less developed regions see an average of EUR 267 per capita for a total of EUR 32.9 bn
- Transition regions see an average of EUR 47 per capita for a total of EUR 5.3 bn
- More developed regions see an average of EUR 12 per capita for a total of EUR 2.4 bn

The map below indicates that the intensity of PO3 funding strongly varies. The areas with major PO3 engagement per capita are located in Eastern Europe, especially high in Eastern Poland and Latvia. Furthermore, in all of Czechia, Slovakia and Hungary a high PO3 funding intensity can be identified. Apart from Eastern Europe, also other, often remotely located areas, as Finland, Northern Sweden, South Italy or South-Western part of the Iberian Peninsula are using PO3 intensively. Grey regions represent no application of PO3-related intervention fields.



RSO 3.1

The funding of intervention fields linked to RSO 3.1 “Developing a climate resilient, intelligent, secure, sustainable and intermodal TEN-T” totals EUR 27.1 bn, which is the third highest budget for all specific objectives and around two thirds of all the funding going to intervention fields related to PO3. Noticeably, only 188 million EU-citizens live in regions affected by the specific objective, which is the third lowest number for all RSO. Of the 188 million people, who equal only around 42% of the EU’s population, a majority lives in less developed regions (120 million). 52 million live in transition regions and only 16 million in more developed regions. The funding per capita in less developed regions is EUR 180, which is the highest per capita value for any specific objective. This is also true for more developed region (EUR 128) and transition regions (EUR 66). The highest per capita funding is available in Latvia, followed by Estonia, Czechia, Slovakia and Poland. Significant parts of Central and Western Europe are on the other hand not eligible for funding.

In particular, the interventions fields linked to RSO 3.1 cover 61.5 million people living in rural areas (approx. 32.7% of the total population covered). More specifically, 43.9 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 3.1, 2.1 million in more developed regions, and 15.6 million in transition regions.

RSO 3.2

Under RSO 3.2 “Developing and enhancing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility”, the associated funding amounts to EUR 13.5 bn, which is a third of the total budget allocated to PO3. The intervention fields are strongly concentrated in less developed regions, where more than half of the 205 million citizens affected by the measures live. The funding per capita is also highest in less developed regions with EUR 97, followed by transition regions with EUR 32 and more developed regions with EUR 12. Hungarian and Polish regions have access to the highest funding per capita on average. Available funding is strongly localized in the Eastern parts of the EU. Many regions of member states that joined before 2004, except for Portugal and Finland, are not eligible for any funding.

In particular, the interventions fields linked to RSO 3.2 cover 69.8 million people living in rural areas (approx. 34% of the total population covered). More specifically, 43 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 3.2, 7.3 million in more developed regions, and 19.5 million in transition regions.

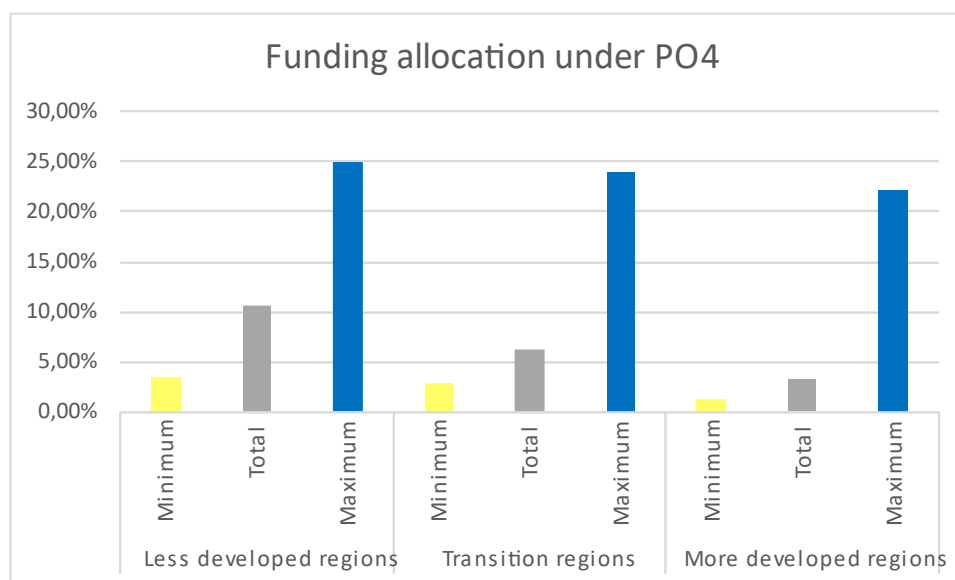
1.4. PO4 Social Europe

By allocated resources, PO4 (Social Europe) is ranked first of all POs with a budget of EUR 112.3 bn throughout all MS. Hereby, a great share of EUR 92.7 bn is implemented throughout ESF+ while a considerably smaller part of EUR 19.6 bn is used in the ERDF. According to its relevance throughout all MS, PO4 often takes a major, if not dominant, share of the Cohesion Policy funds in the MS, however mainly linked to the high concentration of funding in the ESF+. This high share can reach up to 54% or 51% of all Cohesion Policy Funds in Belgium respectively in Ireland. However, this number also ranges lower in some MS as is the case for Estonia or Poland, where 21% respectively 22% out of the total amount are allocated for PO4. Under ERDF, the allocation by type of region is as follows:

- More developed regions allocate approximately 3% of funding under PO4, ranging from 22% in Lithuania to 1% in Hungary
- Transition regions allocate approximately 6% of funding under PO3, ranging from 25% in Malta to 3% in Portugal, France and Belgium.

- Less developed regions allocate approximately 11% of funding under PO3, ranging from 4% in Belgium to 26% in the Czech Republic.

Figure 4 - Funding allocations under PO4 (Source: European Commission)

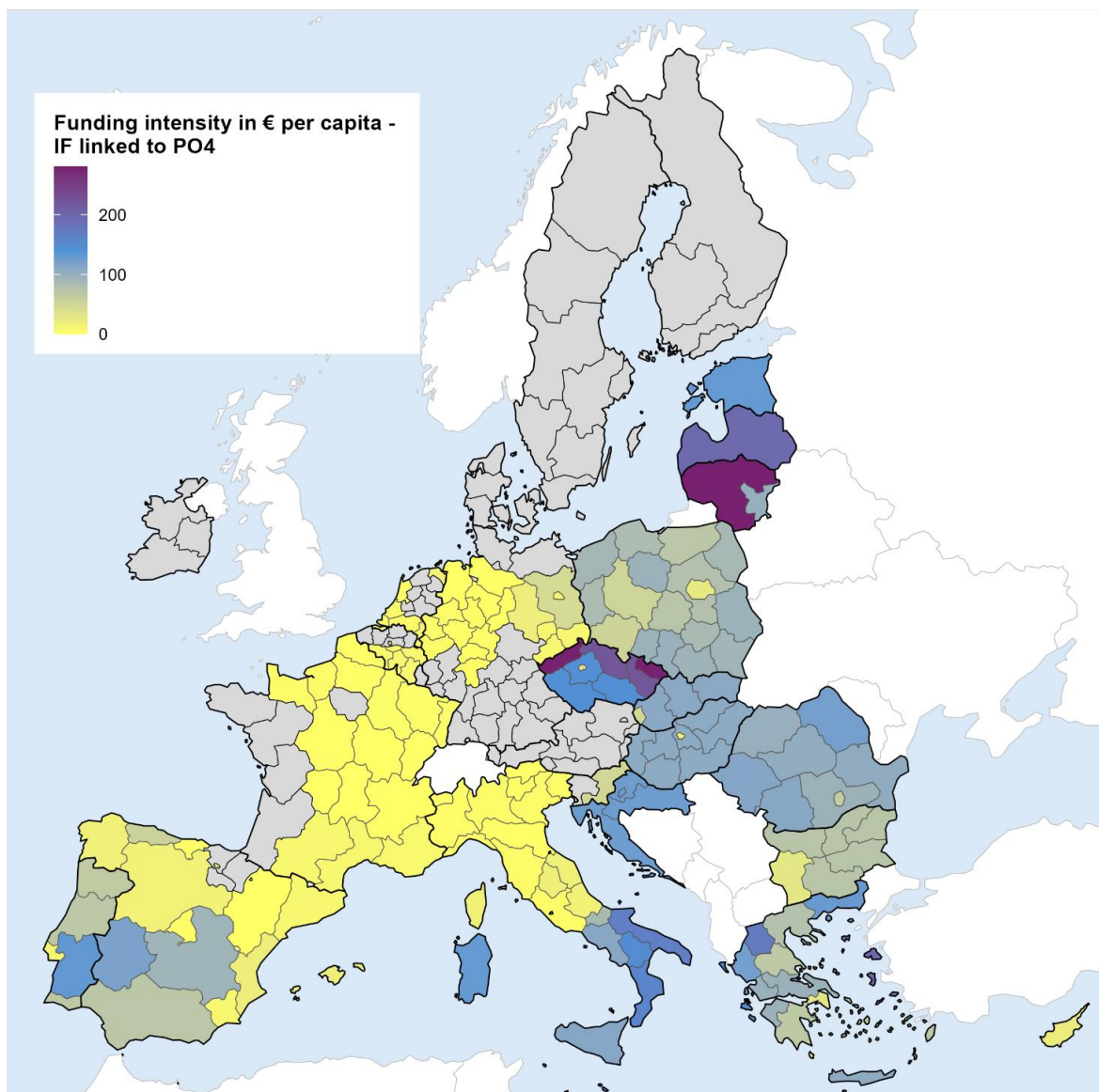


Intervention fields primarily associated with PO4 constitute a notably larger portion of the funding, reflecting their application across various POs. A total of EUR 5.6 bn allocated for PO1 intervention fields is utilized under other POs, bringing the total expenditure on these fields to EUR 25.2 bn

The sum per capita for PO4 is set at EUR 56 as average of all MS. However, differentiation is necessary among the various regions:

- Less developed regions see an average of EUR 167 per capita for a total of EUR 20.5 bn
- Transition regions see an average of EUR 31 per capita for a total of EUR 3.5 bn
- More developed regions see an average of EUR 5 per capita for a total of EUR 1.1 bn

When taking the geographical distribution on regional level into account, a high funding intensity in Eastern and Southeastern Europe is remarkable. Peaks of funding intensity of PO4 are to be found in northern Czechia, Lithuania and Slovakia. Although there is relatively even distribution throughout the Member States, there are also regions without PO4 funding, e.g. Sweden, Ireland or Austria.



RSO 4.1

Intervention fields under RSO 4.1 follow the goal of “Enhancing the effectiveness and inclusiveness of labour markets and access to quality employment through developing social infrastructure and promoting social economy”. In total over EUR 2.4 bn are planned to be spent, which equals around 10% of the total budget for PO4. Of the 199 million people living in regions that are eligible for funding more than half (111 million) live in less developed regions. 54 million live in more developed regions, while only 34 reside in transition regions. The funding per capita distributes itself between the different types of regions as followed: EUR 17 for less developed regions, EUR 10 for regions in transition and EUR 2 for more developed regions. Especially high fundings per person can be observed in the Baltics, followed by the Czech Republic, Croatia and Southern Italy. The measures are almost exclusively focused on countries that joined the EU since 2004. A noticeable exception is Italy, where funding for the whole territory is available. Besides Italy,

only few regions from EU members before the Eastern expansion, namely Germany, France, Spain and Portugal have access to funding.

In particular, the interventions fields linked to RSO 4.1 cover 65.3 million people living in rural areas (approx. 32.8% of the total population covered). More specifically, 42.6 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 4.1, 11.8 million in more developed regions, and 10.9 million in transition regions.

RSO 4.2

RSO 4.2 addresses the “Improvement of equal access to inclusive and quality services in education, training and lifelong learning [...]”. The intervention fields linked to the specific objective are provided with a budget of EUR 6.5 bn, which equals around 26% of the total budget intended for PO4. Overall, 282 million citizens live in regions that are eligible for funding und RSO 4.2, with a majority of them residing in less developed regions. The funding per capita is highest in less developed regions (EUR 42), followed by transition regions (EUR 17) and more developed regions (EUR 4). In the Czech Republic has access to the highest per capita funding. Other high per capita fundings are available in the Baltics, Slovakia, Hungary and Croatia and Greece. On the other hand, vast areas in Northern and Western Europe are not eligible for funding.

In particular, the interventions fields linked to RSO 4.2 cover 79.6 million people living in rural areas (approx. 28.2% of the total population covered). More specifically, 45.1 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 4.2, 15.8 million in more developed regions, and 18.8 million in transition regions.

RSO 4.3

The funding of intervention fields linked to RSO 4.3 “Promoting the socioeconomic inclusion of marginalised communities, low-income households and disadvantaged groups [...]” totals EUR 970 mil, which is the second lowest of all specific objectives. This is equivalent to 4% of all the funding towards PO4 related intervention fields. The regions in which funding is available have a combined population of 172 million, which is also the second lowest of all specific objectives. More than half of the affected population (101 mil) lives in less developed regions, which also have access to the highest funding per capita (EUR 8). For regions in transition a per capita funding of EUR 4 is available and for more developed EUR 2. Funding is only available in 11 member states, which are exclusively located in Eastern or Southern Europe. Latvia and Lithuania have access to the highest per capita funding.

In particular, the intervention fields linked to RSO 4.3 cover 52.7 million people living in rural areas (approx. 30.6% of the total population covered). More specifically, 36.2

million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 4.3, 10.4 million in more developed regions, and 6.1 million in transition regions.

RSO 4.4

Intervention fields under RSO 4.4 “Promoting the socio-economic integration of third country nationals, including migrants [...]”. make up only 0.3% of the foreseen budget for PO4, which is around EUR 85 mil. Both the available budget as well as the citizens living in regions eligible for funding (68 million) are by far the lowest of any specific objective. Of the 68 million citizens, more than half live in more developed regions. However, funding per capita for those regions is with EUR 0.02 extremely low. Also transition regions display a funding lower than EUR 1 per capita, while less developed regions have access to EUR 3.5 per person. Funding is almost exclusively available in Italy, with the highest funding per capita being located in the Southern regions of Italy. Besides Italy, funding is only available in 5 more regions, namely Algarve (PT), Languedoc-Roussillon (FR), Midi-Pyrénées (FR), Zachodniopomorskie (PL) and Lubuskie (PL).

In particular, the interventions fields linked to RSO 4.4 cover 17.9 million people living in rural areas (approx. 26.3% of the total population covered). More specifically, 4,9 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 4.4, 8.7 million in more developed regions, and 4.3 million in transition regions.

RSO 4.5

Intervention fields linked to RSO 4.5 “Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community-based care”. To support this objective a budget of EUR 6.4 bn is available, which amounts to around 26% of all the funding available for PO4. The number of citizens living in regions where funding is available amounts to 219 million, mostly in less developed and transition regions. Funding per capita is highest in less developed regions with EUR 45, followed by transition regions with EUR 11 and more developed regions with EUR 7. Funding is mostly available in Eastern Europe, but also across many regions in Italy, France, Spain and Portugal. Lithuania, Romania as well as the Southern parts of Italy, Spain and Portugal have access to the highest funding per capita.

In particular, the intervention fields linked to RSO 4.5 cover 73.6 million people living in rural areas (approx. 33,6% of the total population covered). More specifically, 44.9 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 4.5, 4.5 million in more developed regions, and 24.3 million in transition regions.

RSO 4.6

Intervention fields linked to RSO 4.6 “Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation” total EUR 8.7 bn. This equals 35% of the budget available for PO4, which is the highest share of all specific objectives under PO4. Moreover, RSO 4.6 covers areas with a combined population of 328 million people, also leading the specific objectives for policy objective 4. Less developed regions have with EUR 58 per capita access to the most funding, followed by transition regions (EUR 13) and more developed regions (EUR 3). Funding is available across most member states, excluding Ireland, Sweden, Estonia, The Netherlands, Austria and large parts of Southern Germany. The highest per capita funding can be observed in Poland and Slovakia.

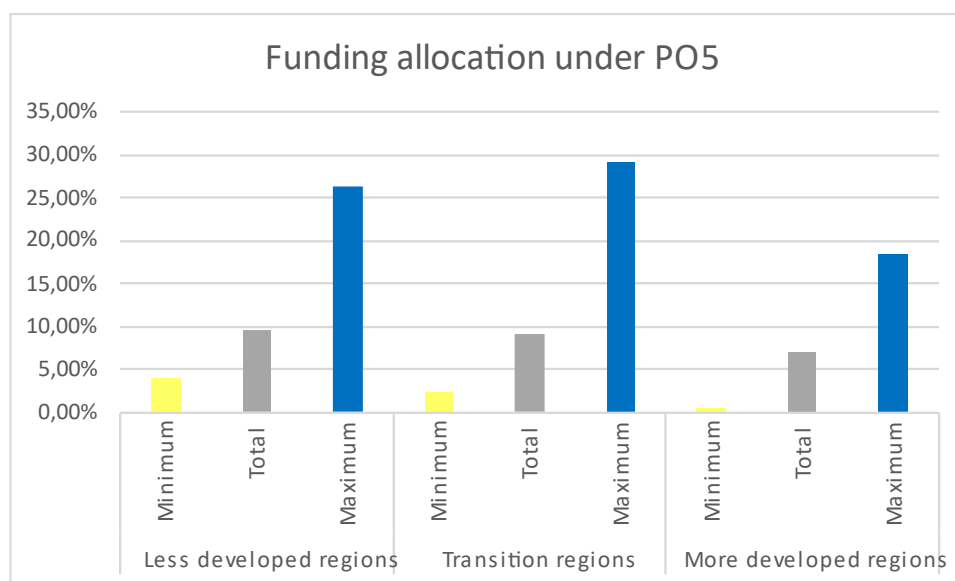
In particular, the intervention fields linked to RSO 4.6 cover 101.8 million people living in rural areas (approx. 31% of the total population covered). More specifically, 44.9 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 4.6, 21.1 million in more developed regions, and 35.8 million in transition regions.

1.5. PO5 Europe closer to citizen

During the 2021-2027 period, a total of EUR 19.6 bn in EU funding is allocated for this objective. PO5 is exclusively used by the ERDF. Yet, it still is the smallest single PO under ERDF. Within Member States, there is significant variation in the share of planned investments under PO5, ranging from 2% in the Netherlands to 14% in Sweden. Considerable influence on the choice of thematic focus on MS level is created by the thematic concentration rules applied to allocations under ERDF/IGJ which are determined by categories of regions:

- More developed regions allocate approximately 7% of funding under PO5, ranging from 19% in Hungary to 1% in Poland
- Transition regions allocate approximately 9% of funding under PO5, ranging from 29% in Bulgaria to 3% in Czech Republic.
- Less developed regions allocate approximately 10% of funding under PO5, ranging from 27% in Bulgaria to 4% in Czechia.

Figure 5 - Funding allocations under PO5 (Source: European Commission)

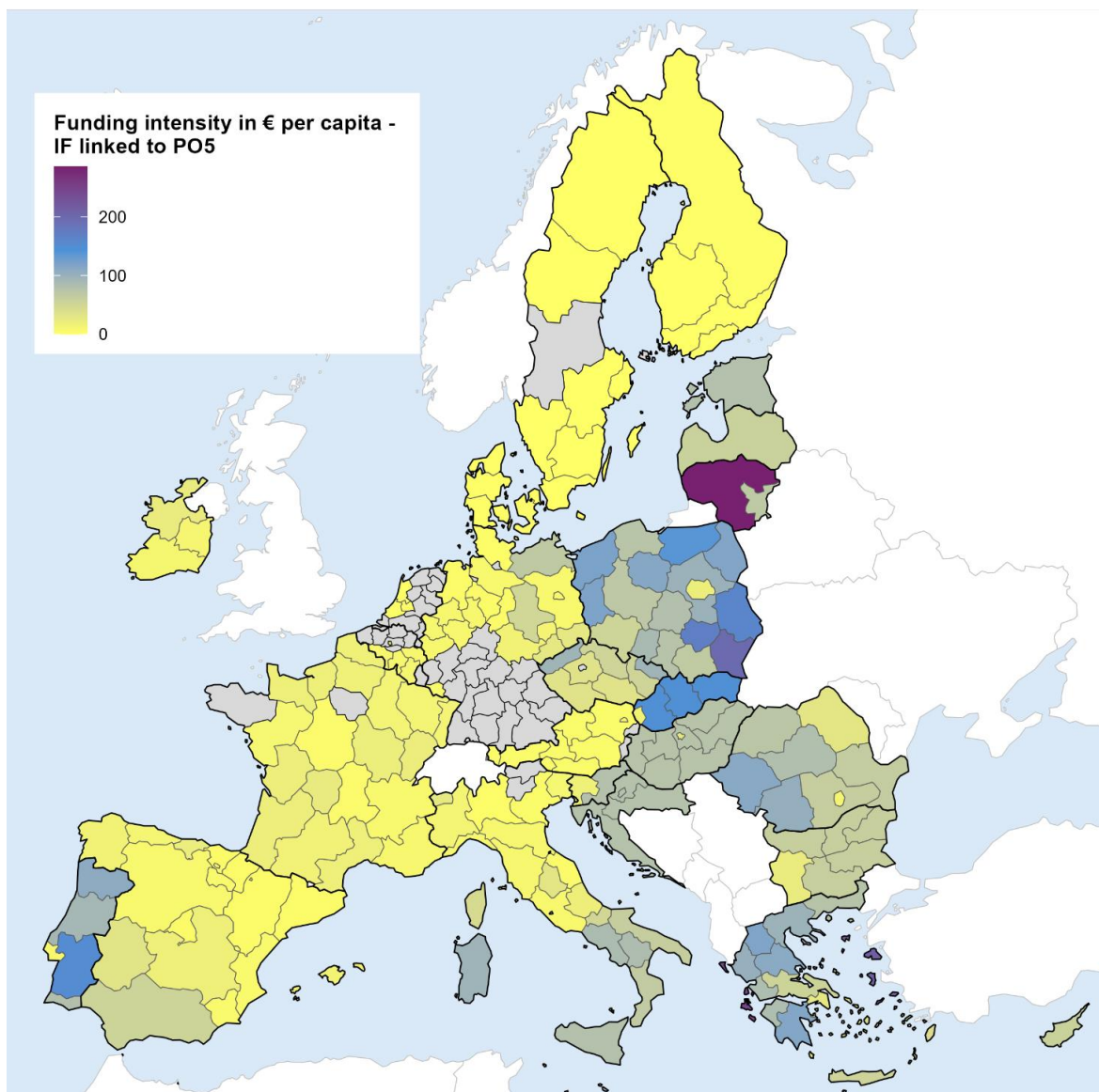


The majority of the funding (approximately 75% or EUR 14 bn) technically allocated to PO5 is done so via intervention fields not linked directly to PO5. Funding linked to natural and cultural heritage (approximately EUR 7 bn), Energy efficiency in public infrastructure (approximately EUR 1.5 bn) or Government ICT solutions (approximately EUR 1.3 bn) make up considerable shares.

The average per capita expenditure on directly PO5 related intervention fields is EUR 11. However, this figure shows considerable divergence across different regional categories:

- Less developed regions see an average of EUR 30 per capita for a total of EUR 3.6 bn
- Transition regions see an average of EUR 9 per capita for a total of EUR 1 bn
- More developed regions see an average of EUR 3 per capita for a total of EUR 0.5 bn

The funding intensity (see map below) in the European regions shows only moderate deviations. Generally, the use of PO5 related intervention fields is relatively widespread with moderate funding intensity. Lithuania, Portugal and parts of south-east Europe are the most prominent regions with higher funding intensity. On the other hand, there are also areas in which PO5 is not planned to be used, such as Finland or southern Germany.



RSO 5.1

Funding for intervention fields under RSO 5.1 “Fostering the integrated and inclusive social, economic and environmental development, culture, natural heritage, sustainable tourism and security” totals EUR 5.2 bn. As RSO 5.1 is the only specific objective under PO5, the budget for RSO 5.1 equals 100% of the funding for PO5 related intervention fields. Regions funded have a combined population of 360 million, who are roughly evenly distributed between transition regions as well as more and less developed regions. The highest per capita funding can be observed in less developed regions with EUR 30. Regions in transition display a funding of EUR 11 per capita and more developed regions one of EUR 4. The highest per capita funding can be found in Lithuania, followed with some distance by Estonia and Portugal. Finland, as well as large parts of the Benelux and Germany, have no funding available on the other hand.

In particular, the intervention fields linked to RSO5.1 cover 109.6 million people living in rural areas (approx. 30.4% of the total population covered). More

specifically, 44.4 million people living in rural areas located in less developed regions are covered by intervention fields linked to RSO 5.1, 29.5 million in more developed regions, and 35.7

2. Thematic analysis of territorial funding patterns

The project team contrasted per capita expenditure rates of cohesion policy programmes (ERDF and CF) with thematic indicators at NUTS2 level. This enables insights into the extent how which foreseen expenditure rates at intervention fields related to individual policy objectives match with needs at regional level. The assessment makes use of NUTS2 socio-economic indicators closely tied to needs targeted by cohesion policy interventions, as highlighted in Table 1.

Table 1 - Indicators illustrating funding needs per PO

Policy Objective	Proposed indicators/sources	Source
PO1: a more competitive and smarter Europe	Regional innovation scoreboard (RIS2023)	Regional innovation scoreboard 2023
PO2: a greener, low carbon transitioning towards a net zero carbon economy	Electricity demand (in MWh/cap) Renewable energy demand (in MWh/cap) Vulnerability to natural hazard Share of wastewater collected	ESPON LOCATE - Territories and Low-Carbon Economy ESPON LOCATE - Territories and Low-Carbon Economy ESPON TITAN - Territorial Impacts of Natural Disasters DG REGIO based on EEA data (Waterbase_UWWTD_v7)
PO3: a more connected Europe by enhancing mobility	Accessibility by rail (S&W)	ESPON Accessibility - Scenarios for accessibility by the sea, road, rail, air and multimodal
PO4: a more social and inclusive Europe	Population at risk of poverty or social exclusion by NUTS 2 regions (ilc_pepslIn) Participation rate in trainings and education (trng_lfse_04) Health personnel per 100,000 inhabitants (hlth_rs_prsrg)	Eurostat Eurostat Eurostat
PO5: Europe closer to citizens	Number of ITI ⁽¹⁾ , SUD ⁽²⁾ and CLLD ⁽³⁾ strategies (2014-2020) per 1 million inhabitants	JRC's STRAT-Board data

Source: Project team, 2024

⁽¹⁾ Integrated Territorial Investment

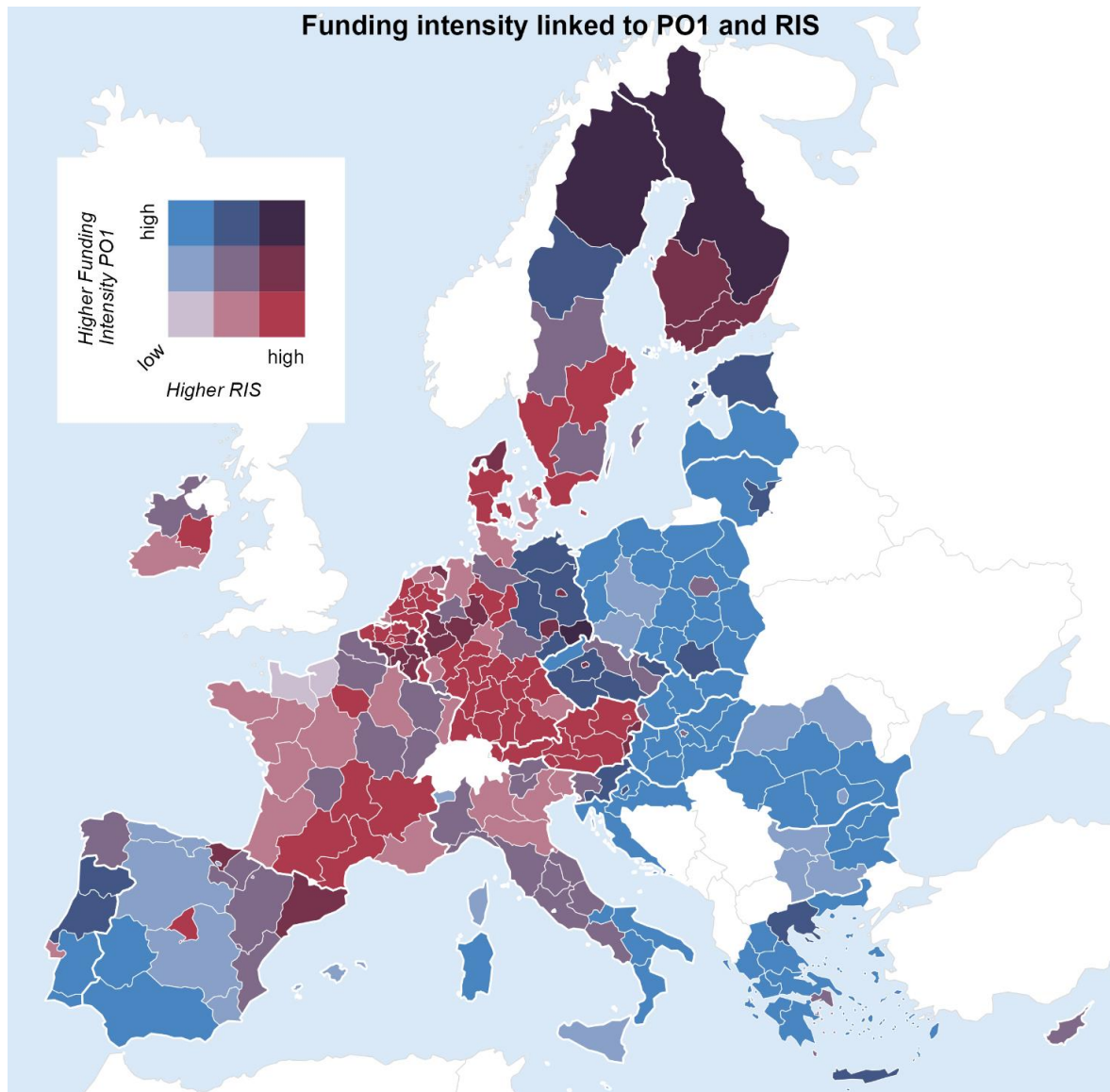
⁽²⁾ Sustainable Urban Development

⁽³⁾ Community-led local development

2.1. Policy objective 1: A more competitive and smarter Europe

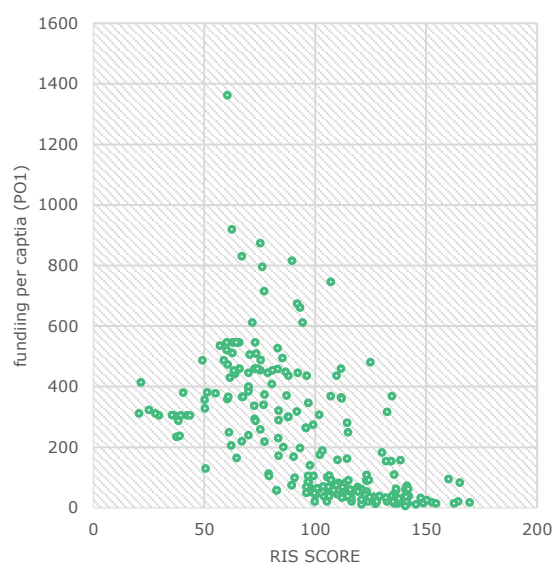
Map 1 contrasts funding under PO1 with regional innovation performance, as captured by the indicator regional innovation scoreboard. The shading of each region illustrates a combination of innovation score (the horizontal axis on the colour matrix, with a darker gradient signifying a higher value) and funding per capita (the vertical axis with corresponding use of colours as above). Dark purple shadings connote regions with a high funding per capita rate in PO1 and high innovation output: they are found mostly in Northern Europe, as well as some in Wallonia, and including hotspots in Spain and Eastern Germany. Of note, typical innovation centres across the EU-27, see relatively less PO1 funding per capita. This includes Dutch and Flemish, as well as some French, Swedish and Southern German regions. Regions of interest in this analysis are especially the regions with a blue gradient having a comparatively weak innovation ecosystems and obtaining relatively high funding in PO1 per capita.

Map 1 - Funding per capita (PO1) and RIS performance of NUTS2 regions



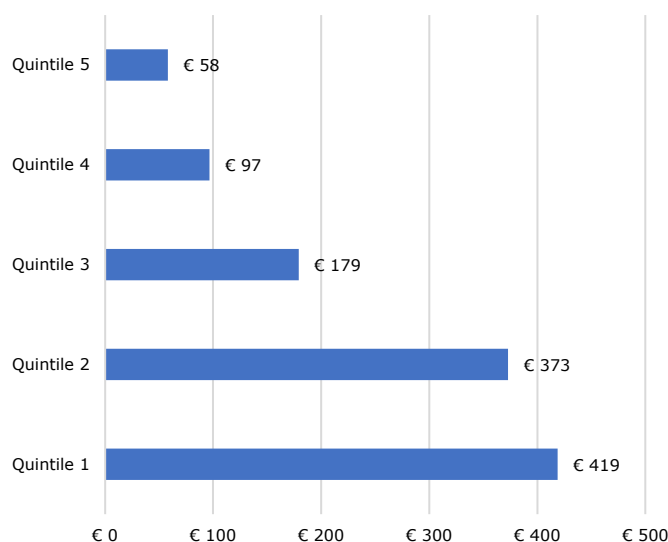
Source: Project team, 2024

Figure 6 - Funding intensity and innovation performance at NUTS2 level



Source: Project team, 2024

Figure 7 - Funding intensity per quintile (innovation performance, higher quintile denotes better performance)



Source: Project team, 2024

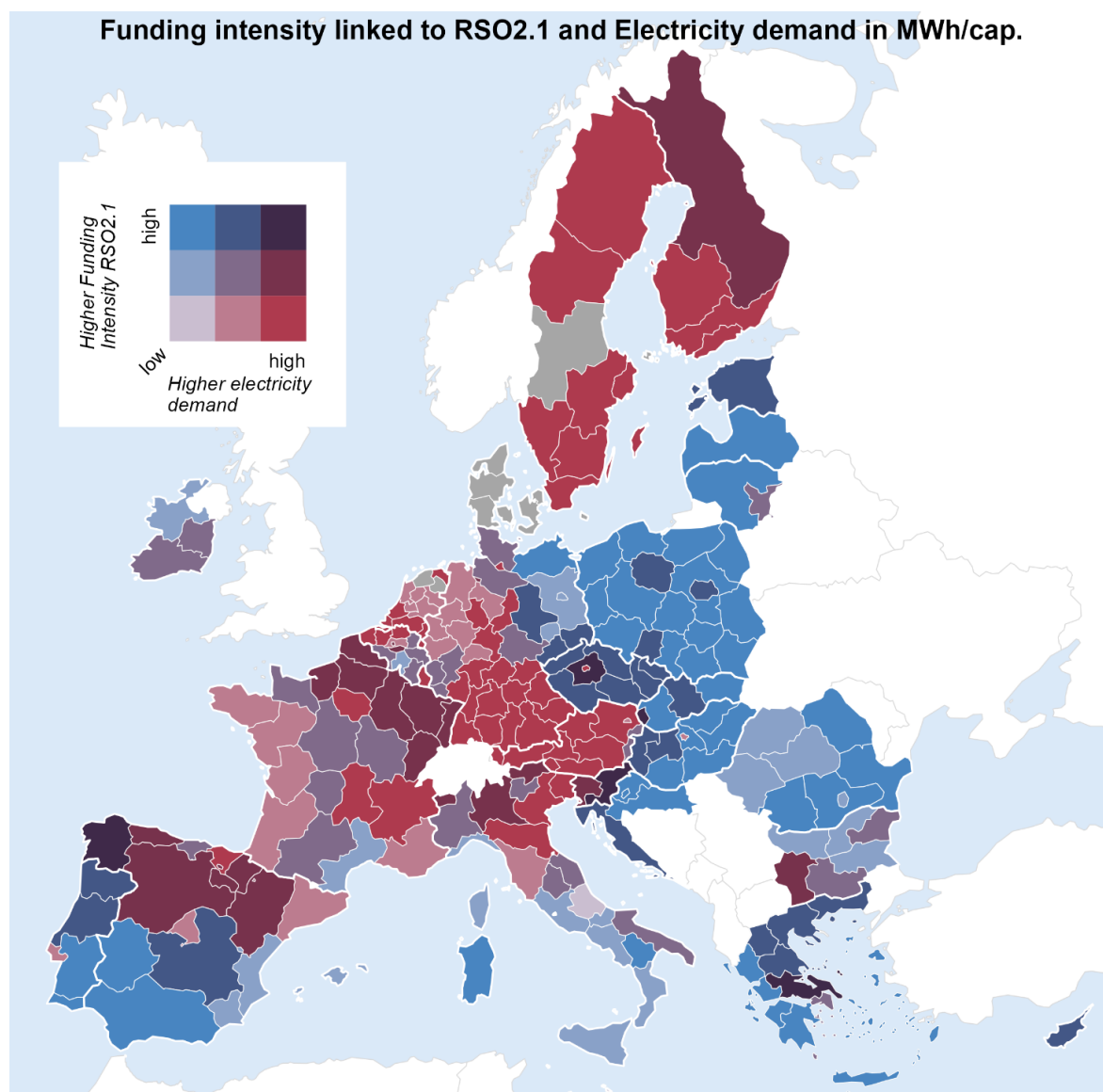
The relationship between regional characteristics and funding intensity in PO1 is also illustrated in Figure 6 and Figure 7. The scatterplot (Figure 6) showcases that better performing regions tend to have lower funding rates per capita, especially in the lower to mid-scores (between 50 and 100 on the RIS scale). These patterns are also reinforced when grouping regions according to their RIS performance (Figure 7): the worse performing quintiles (particularly the first and second quintiles) see significantly higher funding rates than the more innovative quintiles.

2.2. Policy objective 2: A greener, low carbon transitioning towards a net zero carbon economy

RSO 2.1 - Promoting energy efficiency and reducing greenhouse gas emissions

Map 2 illustrates funding per capita rates under RSO2.1 and electricity demand per capita at NUTS2 basis. It uses the same shading style as in the previous map: the darker gradients on the horizontal axis correspond to a higher electricity demand per capita; the darker gradients on the vertical axis correspond to a higher amount of funding per capita. The map showcases several electricity intensive regions (red to purple gradient) in Northern Europe, Northern Spain, as well as Eastern France with relatively high electricity requirements matched with relatively high funding rates under RSO2.1. There are also relatively many regions with high electricity demand which see low expenditure per capita (red gradient), as well as those with relatively lower demand and high expenditure (dark blue gradient).

Map 2 - Funding per capita (RSO2.1) and electricity demand per capita of NUTS2 regions

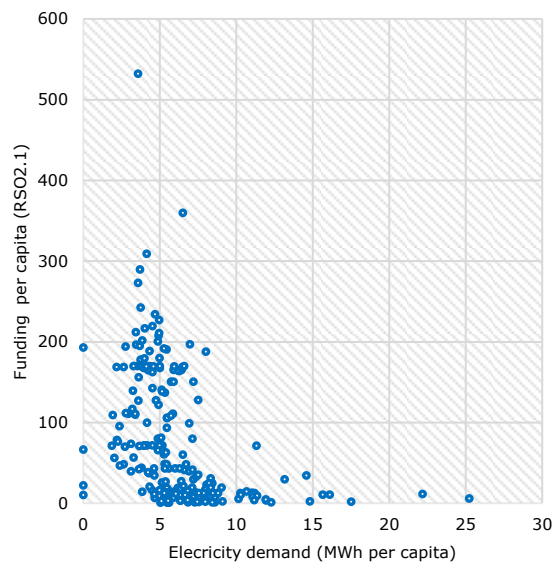


(*)Note: grey shading denotes lack of relevant programmed expenditure at NUTS2 level

Source: Project team, 2024

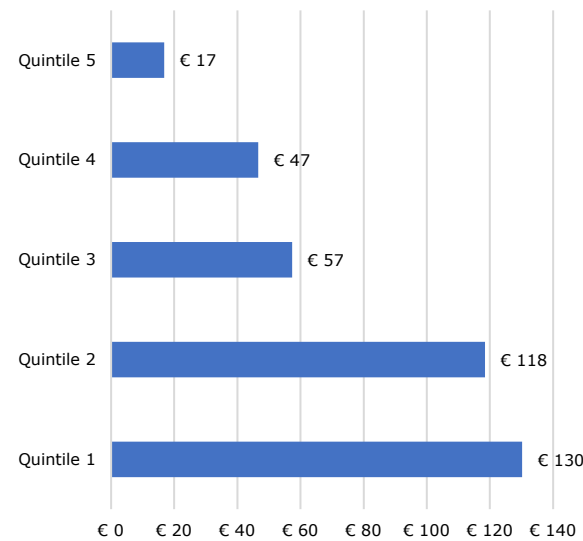
These patterns are also highlighted in Figure 8 and Figure 9. The scatterplot (Figure 8) shows a cluster of regions with electricity demand at around 5 MWh which see relatively high financing rates per capita. Regions with higher demand profiles tend to see low funding rates per capita. Higher funding rates are usually found in regions with lower per capita electricity demand, shown particularly in the first and second quintiles (Figure 9). Funding rates are, for the most part, significantly lower in regions with higher electricity demand profiles – particularly the fourth and fifth quintiles, with the fifth quintile accounting for 15% of the funding rate of the first quintile.

Figure 8 - Funding intensity and electricity demand at NUTS2 level



Source: Project team, 2024

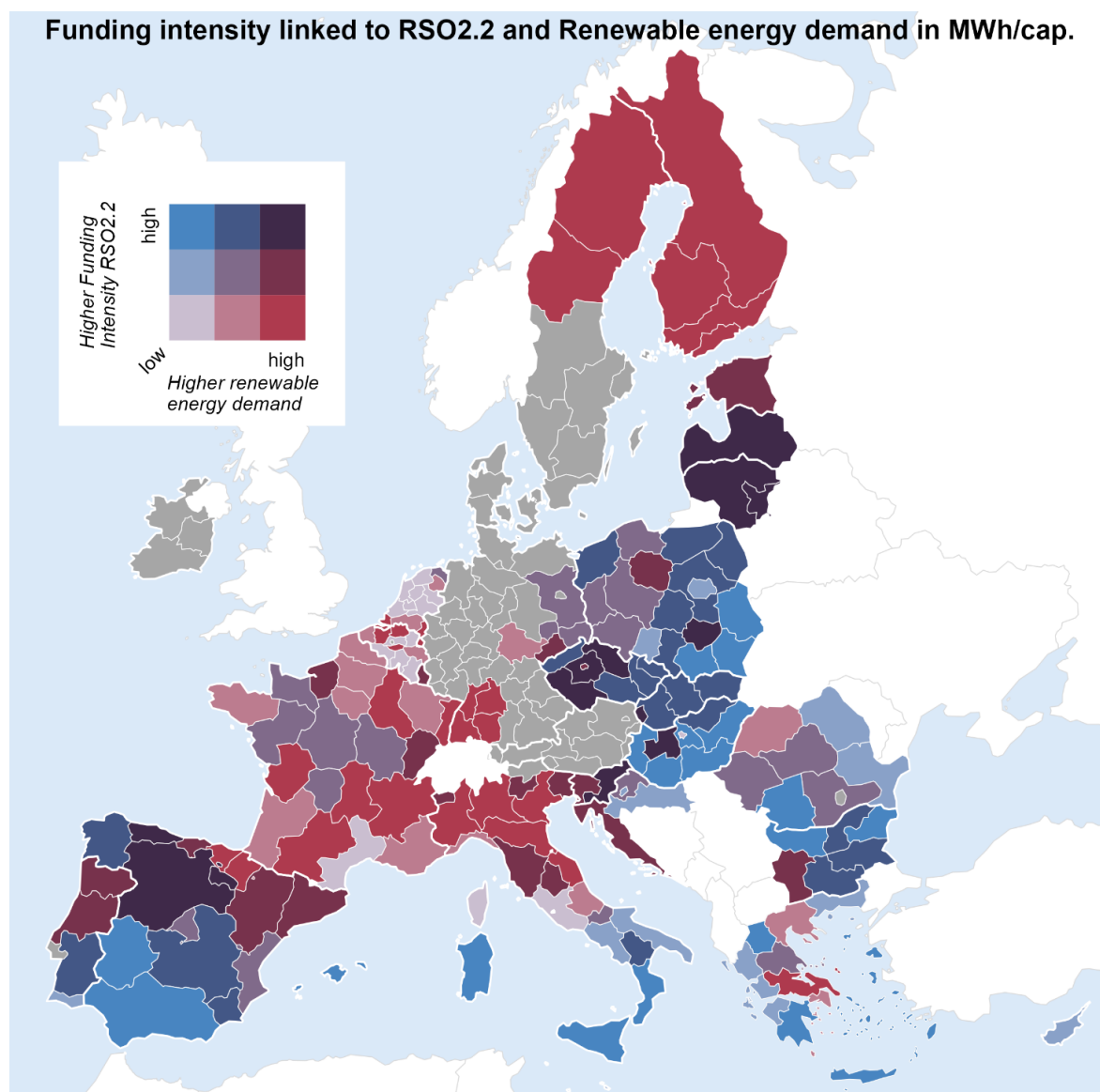
Figure 9 - Funding intensity per quintile (electricity demand, higher quintile denotes higher demand per capita)



Source: Project team, 2024

RSO 2.2 - Promoting renewable energy in accordance with Renewable Energy Directive (EU) 2018/2001, including the sustainability criteria set out therein (Renewable energy)

Map 3 - Funding per capita (RSO2.2) and renewable energy demand per capita of NUTS2 regions



(*)Note: grey shading denotes lack of relevant programmed expenditure at NUTS2 level

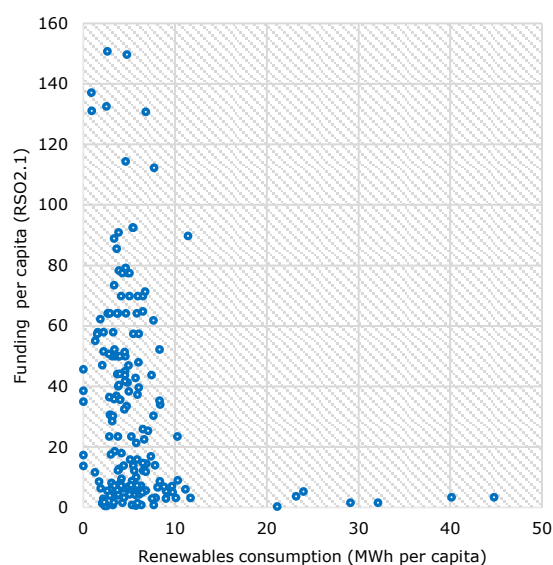
Source: Project team, 2024

The overall patterns when contrasting renewable energy demand and funding intensity for RSO2.2 at regional scale are broadly similar to those discussed above (in the case of electricity demand per capita), but the specifics vary. In the case of Map 3, the darker gradients on the horizontal axis correspond to a higher renewable energy demand per capita; the darker gradients on the vertical axis correspond to a higher amount of funding per capita. The map showcases particularly the Baltics, Croatian, as well as some Portuguese, Italian, and Nordic

regions receiving relatively high funding per capita and high demand for renewable energy (dark purple). On the other hand, there are also many regions highlighted in blue with comparatively lower energy demand and high funding, especially in Eastern Europe.

These patterns can also be identified in Figure 10 and Figure 11, with similar relationships highlighted as in the case above: by and large, regions with lower energy demand per capita obtain higher funding rates per capita. In the case of Figure 10, the scatterplot highlights many regions with renewable energy demand per capita below 10 MWh, some of which with very high funding rates. Figure 11 illustrates RSO2.2 expenditure for groups of regions (divided in quintiles): the figure also shows a (mostly) negative relationship between per capita renewable energy demand and RSO2.2 expenditure, with the lower quintiles seeing (on average) much higher funding rates.

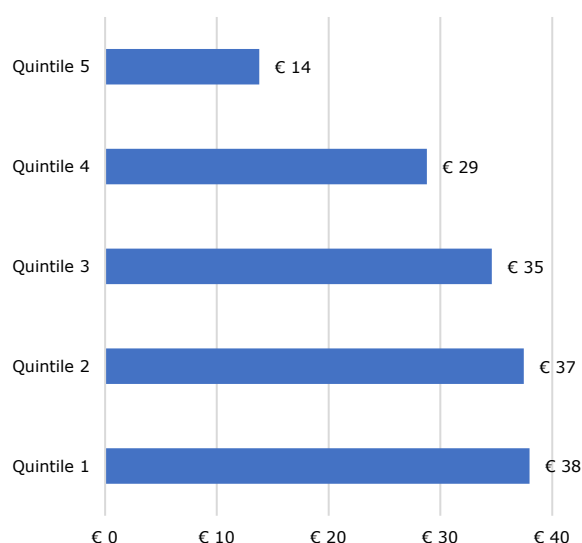
Figure 10 - Funding intensity and renewable energy demand per capita at NUTS2 level



(*) excluding regions without funding

Source: Project team, 2024

Figure 11 - Funding intensity per quintile of regions (renewable energy demand, higher quintile denotes higher demand per capita)



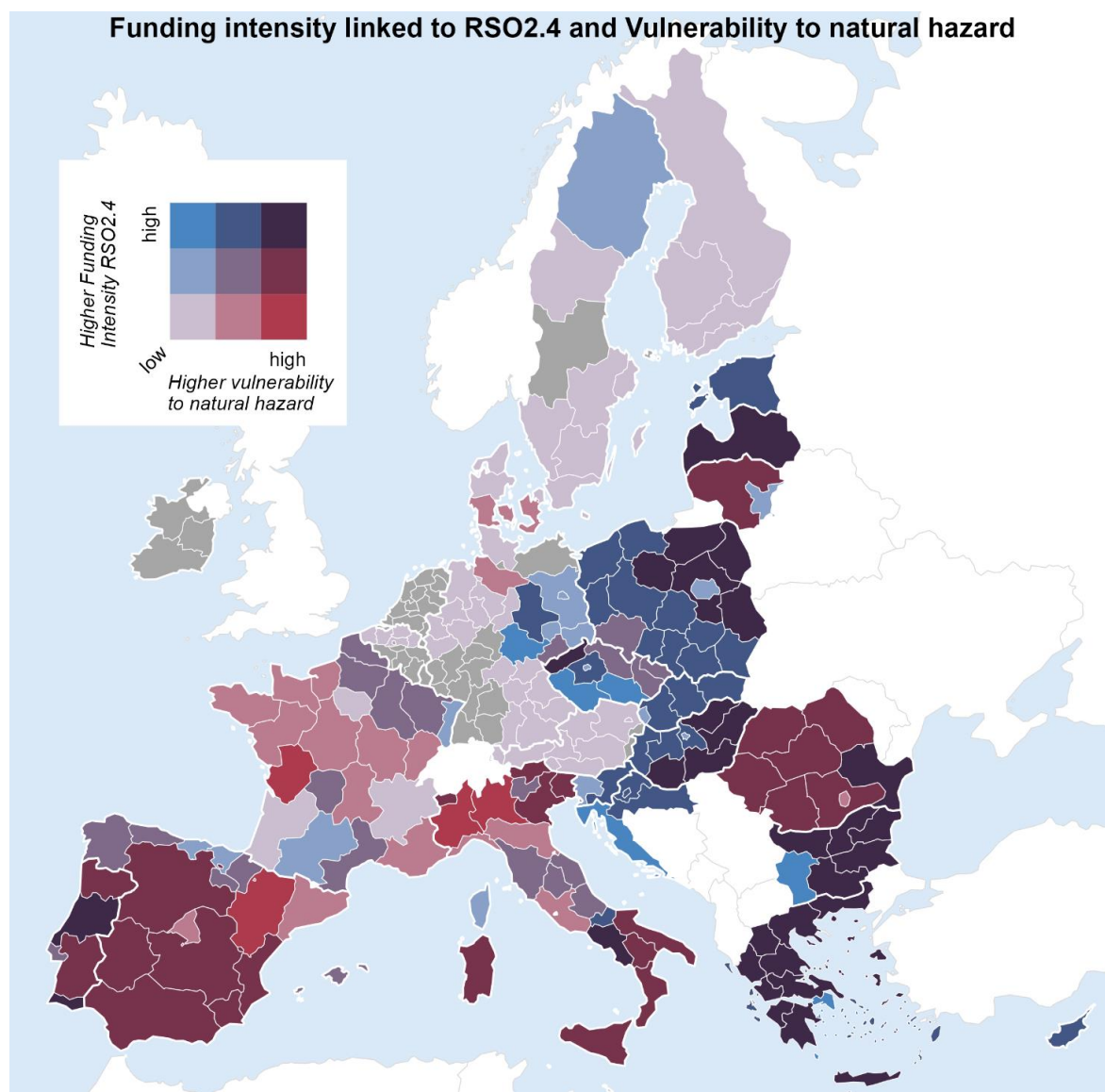
(*) excluding regions without funding

Source: Project team, 2024

RSO 2.4 - Promoting climate change adaptation and disaster risk prevention and resilience, taking into account eco-system based approaches

Map 4 highlights the relationship between funding intensity of RSO2.4 and the vulnerability to natural hazards at NUTS2 level for regions receiving such funding. Broadly, funding in darker shades of red and blue correspond to regions with relatively higher risk profiles which are also receiving more funding per capita. Examples of such regions are found in Southern Italy, Greece, Spain and Portugal, as well as along the eastern border regions in Poland, Bulgaria and Romania. On the other hand, there are also regions with high-risk profiles which receive comparatively less funding (shaded in bright red), such as in Northern Italy. However, as Figure 12 and Figure 13 show, there seems to be a largely positive relationship between higher risk profile and more funding per capita, showing a good targeting of RSO 2.4 funding. NUTS2 regions with higher risk profiles (such as in quintiles 4 and 5) received substantially higher funding rates per capita than those with lower risk profiles (e.g. quintiles 1 and 2).

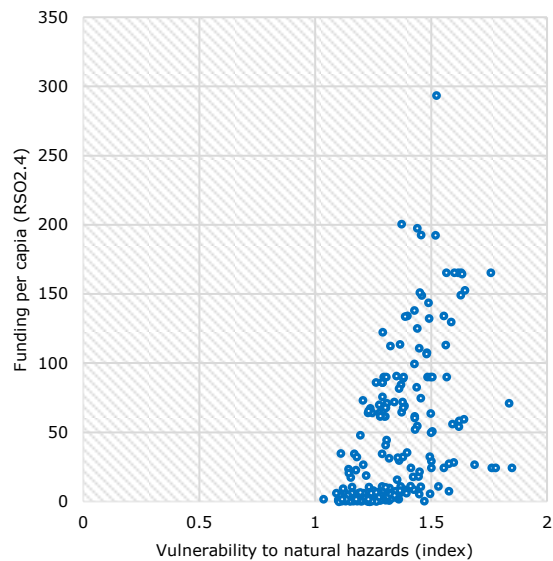
Map 4 - Funding per capita (RSO2.4) and vulnerability to natural hazards by NUTS2 regions



(*)Note: grey shading denotes lack of relevant programmed expenditure at NUTS2 level

Source: Project team, 2024

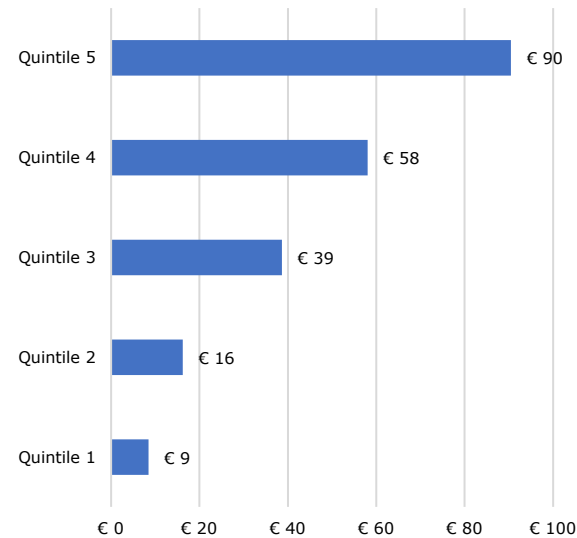
Figure 12 - Vulnerability to natural hazards and funding per capita at NUTS2 level



(*) excluding regions without funding

Source: Project team, 2024

Figure 13 - Funding intensity per quintile of regions (vulnerability to natural hazards; higher quintile means higher vulnerability)



(*) excluding regions without funding

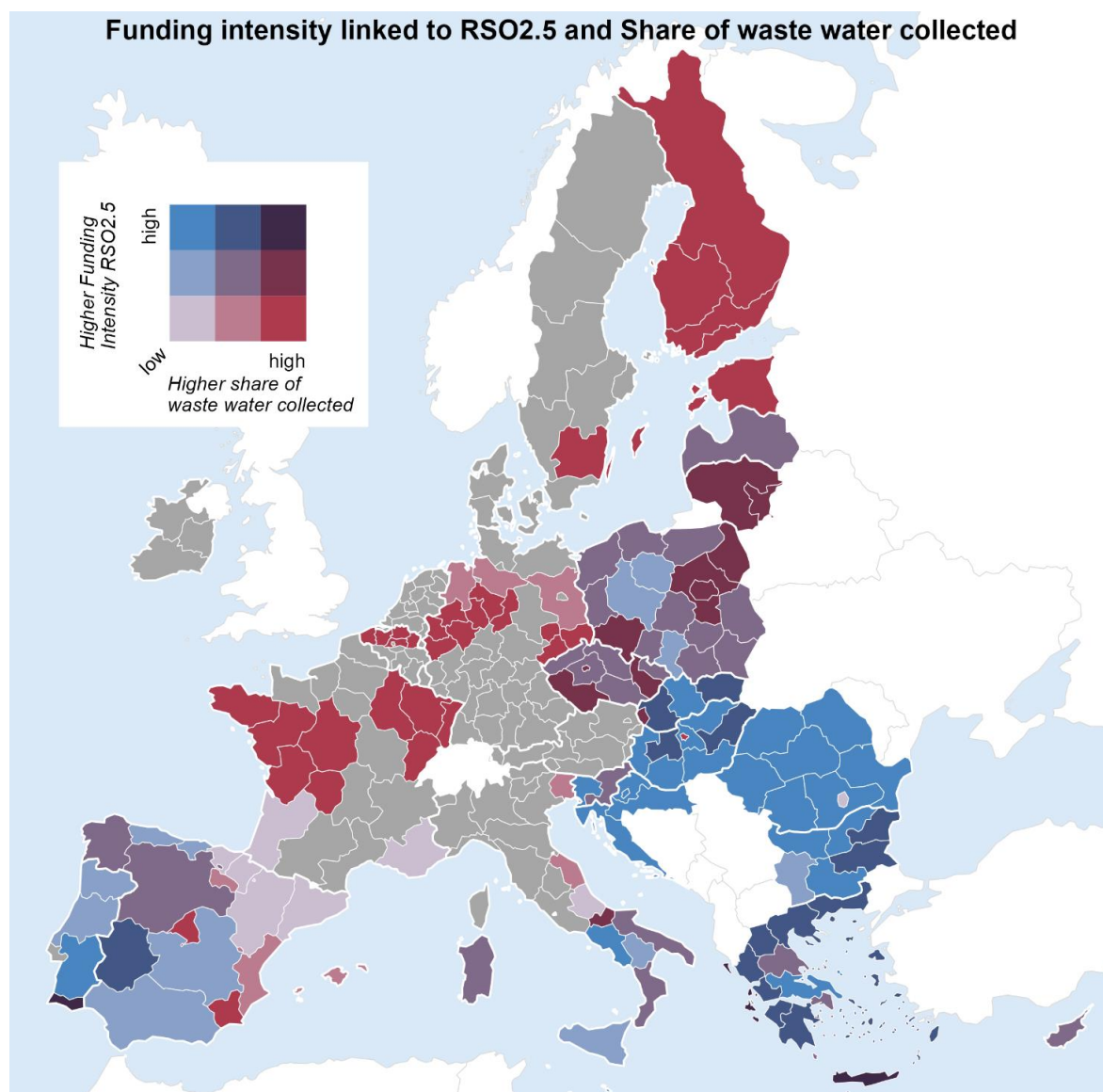
Source: Project team, 2024

RSO 2.5 - Promoting access to water and sustainable water management

The uptake of RSO 2.5 is comparatively more selective at regional level in the EU, as **Error! Reference source not found.** shows. The map illustrates the combination of wastewater treatment rates and RSO 2.5 funding intensity. Signs of good targeting of funding are found among regions shaded in stronger blue gradients: those regions have relatively lower wastewater recycling rates and receive higher rates of RSO 2.5 funding. They are found largely in South-East Europe and some parts of Central Europe, as well as selected regions in Italy and Portugal. Similarly, good targeting is also found in cases of regions shaded in a strong red gradient: those regions have high sewage treatment rates (close or at 100%) and low expenditure per capita. On the other hand, regions with comparatively less attention from cohesion policy despite pressing needs are highlighted in a light pink gradient. This includes regions in along the Spanish French border and parts of Italy.

This overall patterns of relatively robust targeting of RSO 2.5 funding at regions with more needs can also be highlighted in Figure 14. Regions with higher needs, i.e. a lower share of collected wastewater, receive per capita more RSO 2.5 funding: this is particularly visible for regions in quintile 1 (on average 43% collection and EUR 98 per capita) and quintile 2 (on average 83% collection and EUR 78 per capita). As can be seen in 14, many regions receiving support via RSO 2.5 are clustered at around 90% wastewater collection rates: these regions are found in quintiles 3 and upwards (in Figure 15) or roughly 60% of regions receiving support.

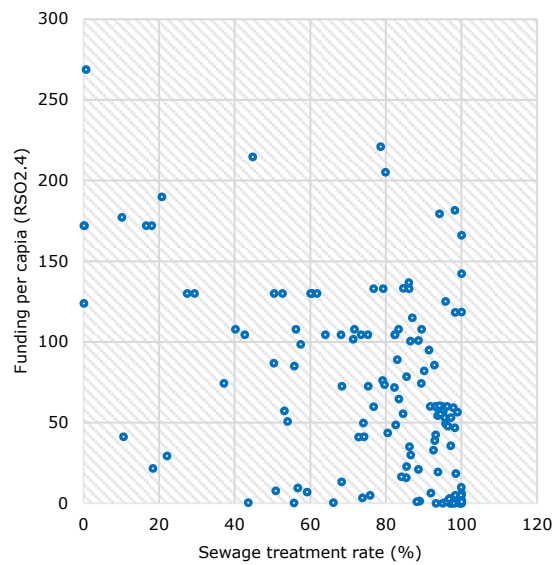
Map 5 - Funding per capita (RSO2.5) and share of wastewater collected by NUTS2 regions



(*) Note: grey shading denotes lack of relevant programmed expenditure at NUTS2 level

Source: Project team, 2024

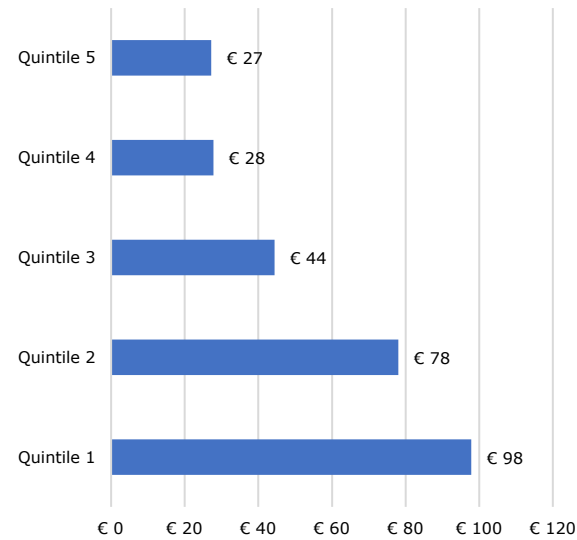
Figure 14 - Share of wastewater collected and funding per capita at NUTS2 level



(*) excluding regions without funding

Source: Project team, 2024

Figure 15 - Funding intensity per quintile of regions (share of wastewater collected; higher quintile means higher percentage collected vulnerability)



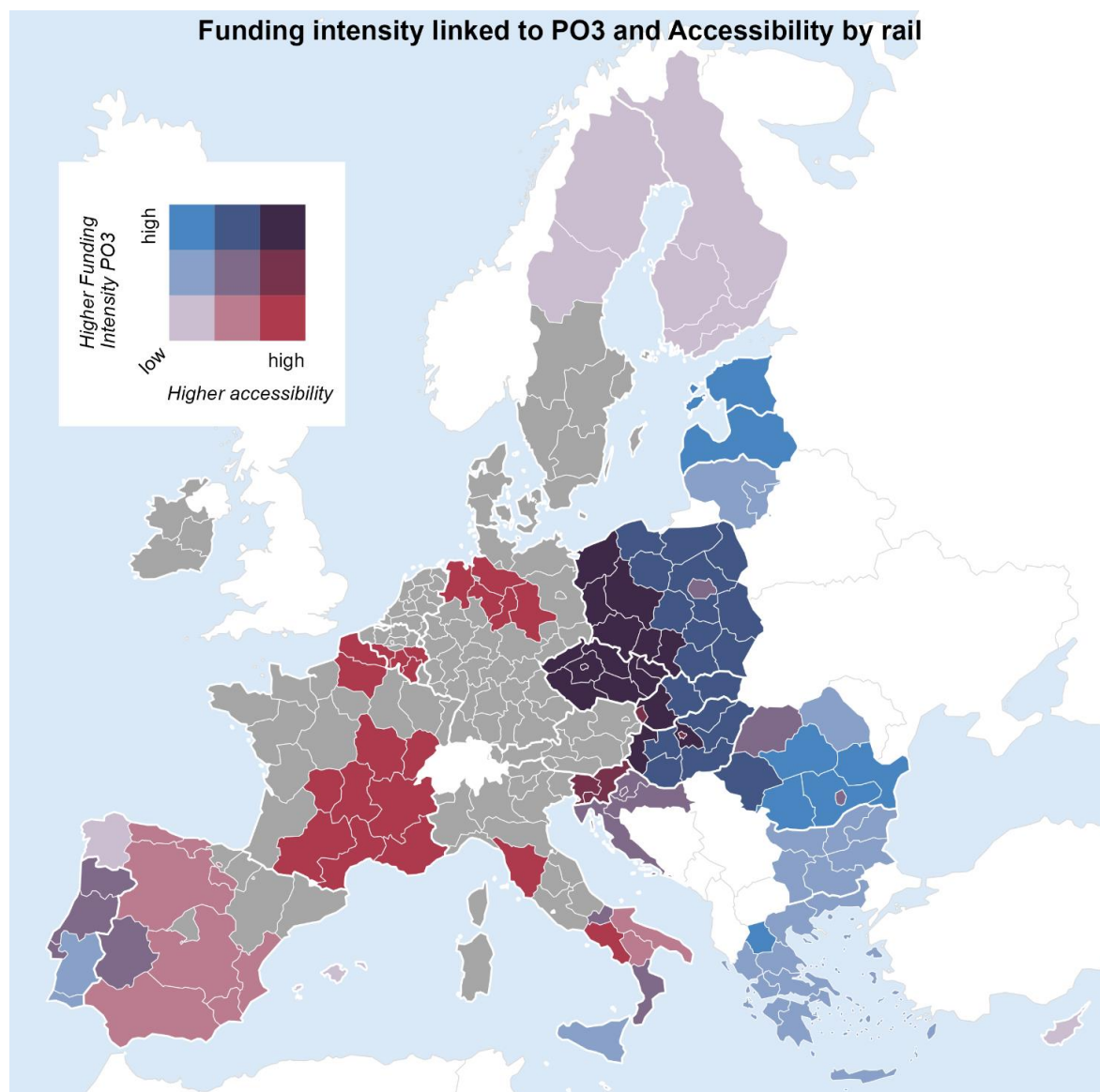
(*) excluding regions without funding

Source: Project team, 2024

2.3. Policy objective 3: A more connected Europe by enhancing mobility

Uptake of funding under PO3 is comparatively lower at regional level, as illustrated by the number of regions shaded in grey on Map 6. The darker gradients on the horizontal axis correspond to the degree of accessibility by rail; the darker gradients on the vertical axis correspond to a higher amount of funding per capita. Overall, PO3 funding occurs mostly in the less accessible regions across Europe, with a few exceptions (such as at the Belgian-Dutch border). PO3 funding also sees a considerable concentration among Central European regions, particularly in Poland and Czechia, parts of Hungary and Slovakia. However, there remain some comparatively less accessible regions mostly in Southern Europe (particularly on the Iberian Peninsula, Sicily, Greece, and Romania), Northern Europe and Lithuania which make little use of PO3 funding. The regions not applying funding (highlighted in grey), to an extent, overlap with more densely populated areas. But they also include regions with comparatively constrained accessibility (particularly in Ireland, Sardinia, and Corsica), parts of France and Germany.

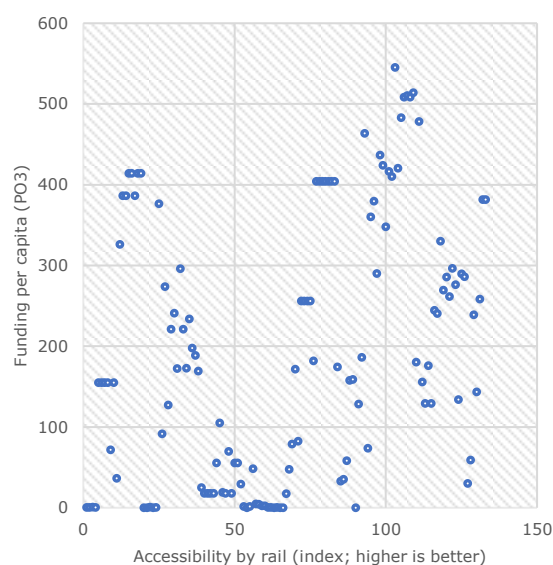
Map 6 - Funding per capita (PO3) and accessibility by rail of NUTS2 regions



(*) Note: grey shading denotes lack of relevant programmed expenditure at NUTS2 level

Source: Project team, 2024

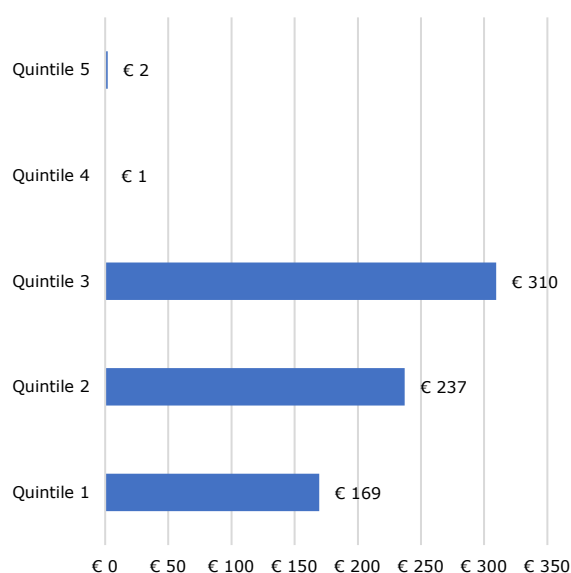
Figure 16 - Accessibility (index) and funding per capita at NUTS2 level



(*) excluding regions without funding

Source: Project team, 2024

Figure 17 - Funding intensity per quintile of regions (accessibility by rail, higher quintile denotes higher accessibility of the region)



(*) excluding regions without funding

Source: Project team, 2024

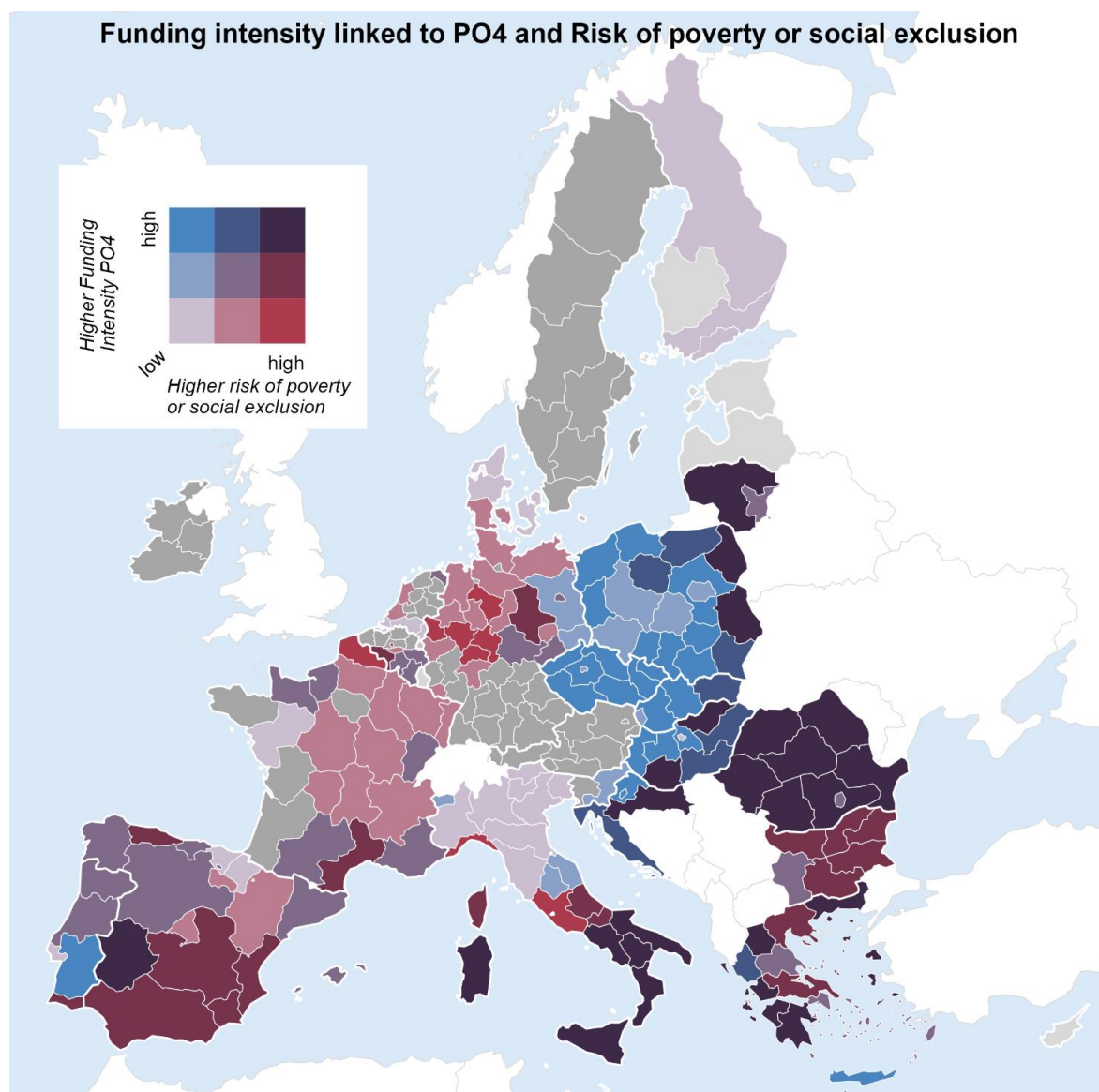
The relationship between funding per capita and accessibility by rail is not as clear cut as in the other analyses presented above (see Figure 16 and Figure 17). What can be observed from Figure 16 is that regions with moderate to good

accessibility tend to invest the most (quintiles three and four) per capita. Most accessible regions (quintile five) invest comparatively little and regions with low accessibility (the first and second quintiles) also show moderate investment per capita.

2.4. Policy objective 4: A more social and inclusive Europe

The project team classified regions in terms of their funding intensity and the degree of poverty or social exclusion encountered at NUTS2 level in Map 7I. The darker gradients on the horizontal axis correspond to the poverty rate, with more reddish shades indicating a higher rate; the darker gradients on the vertical axis correspond to a higher amount of funding per capita. As above, grey-shaded regions denote a lack of programmed PO4 funding. Overall, a relatively good degree of targeting can be identified when considering the degree of social exclusion or poverty in a region and comparing this to PO4 funding, especially for the regions with the most needs (in dark purple) at the EU periphery (e.g. Southern Italy, Bulgaria, Romania, Eastern Poland). However, there also remain regions with a relatively high poverty rate but very little funding per capita (such as in parts of Western Germany, at the French-Belgian border, and urban centres in Western Europe such as Brussels), as well as some more urbanised regions which remain untargeted. On the other hand, significant funding is also observed in regions with a comparatively lower rate of poverty or social exclusion, particularly so in Central Europe (such as Poland, Czechia, Slovakia, Slovenia, and Western Hungary).

Map 7 - Funding per capita (PO4) and population at risk of social exclusion in NUTS2 regions

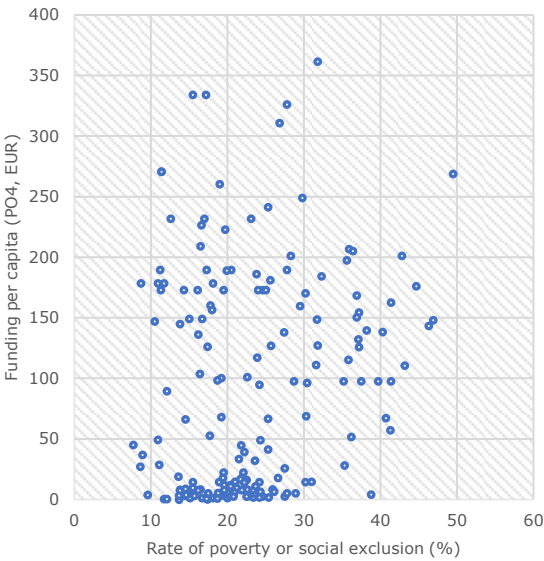


(*) Note: grey shading denotes lack of relevant programmed expenditure at NUTS2 level or a data gap in the indicator (i.e. data for Estonia and Latvia are missing)

Source: Project team, 2024

These patterns are also amplified in Figure 18 and Figure 19, with both hinting at a c-curve relationship: higher funding rates can be observed in both regions with relatively high social exclusion and poverty, as well as those with comparatively low poverty and social exclusion (respectively the lower and upper quintiles in Figure 18): both regions with low and high poverty invest comparatively more into PO4. Accordingly, the figures show that there remain regions (the third quintile) which see moderate social exclusion or poverty with comparatively low funding per capita.

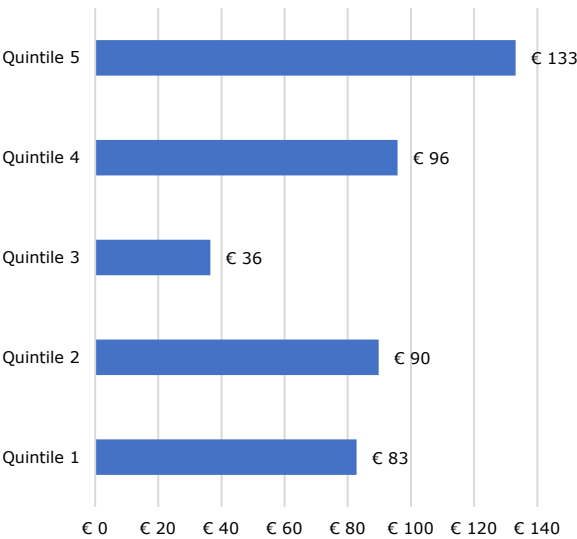
Figure 18 - Rate of poverty or social exclusion (%) and funding per capita at NUTS2 level



(*) excluding regions without funding

Source: Project team, 2024

Figure 19 - Funding intensity per quintile of regions (incidence of poverty or social inclusion; higher quintile means higher incidence)



(*) excluding regions without funding

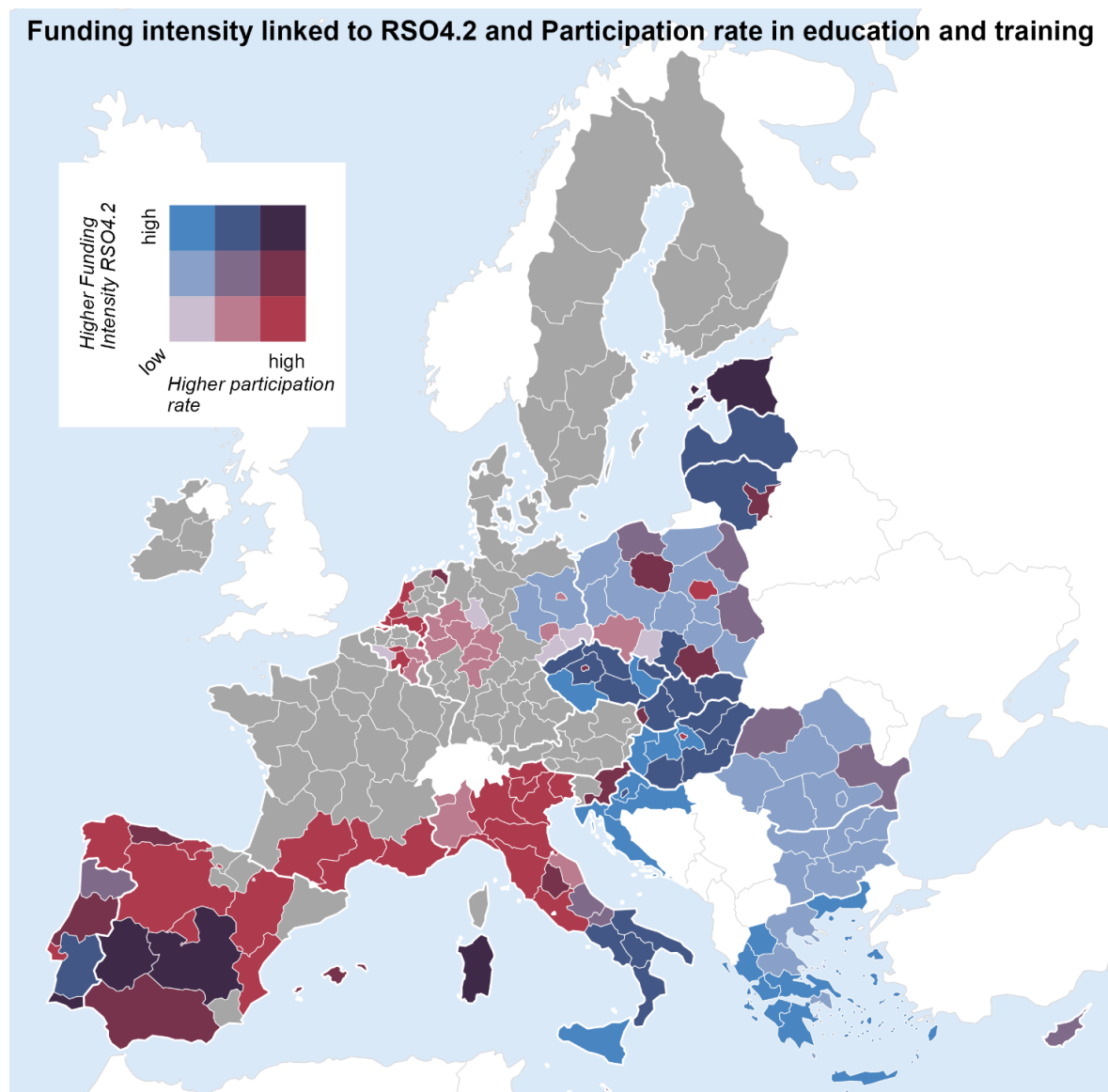
Source: Project team, 2024

RSO 4.2 - Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training

Map 8 looks more specifically at the patterns between RSO 4.2 funding per capita and the participation rate in training and education activities over the last month in those regions receiving support. Particularly interesting regions are those shaded in darker blue gradients: these regions have low participation rates and are targeted with relatively high funding per capita. They are found mostly in the Baltics, southern Italy, Greece and parts of central Europe. There are only few regions with low participation rates which are receiving limited support from cohesion policy means (shaded in a pinkish gradient). Regions in a dark purple gradient combine high funding per capita and high training rates. While not very numerous, those regions may not necessarily represent cases of imperfect targeting of such funds – rather, they may represent cases of regions with well-functioning adult training and education systems with prominent use of cohesion policy funds.

Largely patterns of needs-based targeting of RSO 4.2 funding in relation to participation rates in education or training are also highlighted in Figure 20 and Figure 21. Regions with low participation rates receive, generally, more funding than those with high participation rates. However, this pattern is not as robust as in other examples presented in this section: the regions in the lowest quintile (quintile 1, with on average 4.5% of adults taking part in training or education courses in the last month) receive on average EUR 51 per capita in RSO 4.2 funding; regions in the second lowest quintile (quintile 2, with average participation rates of 8.2%) receive slightly more at EUR 51 per capita.

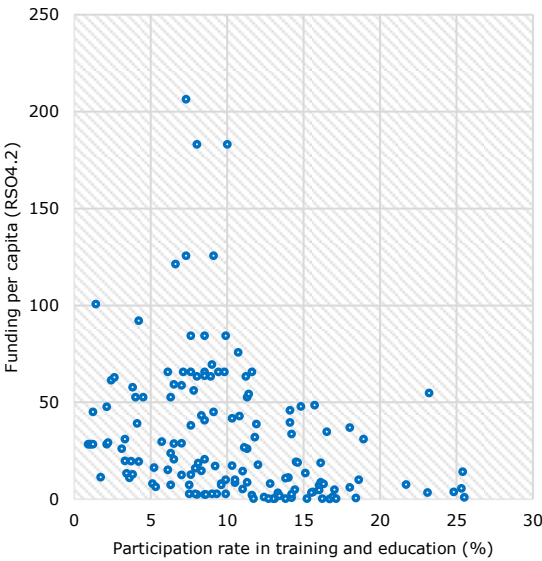
Map 8 - Funding per capita (RSO4.2) and participation rate in education and training in NUTS2 regions



(*) Note: grey shading denotes lack of relevant programmed expenditure at NUTS2 level

Source: Project team, 2024

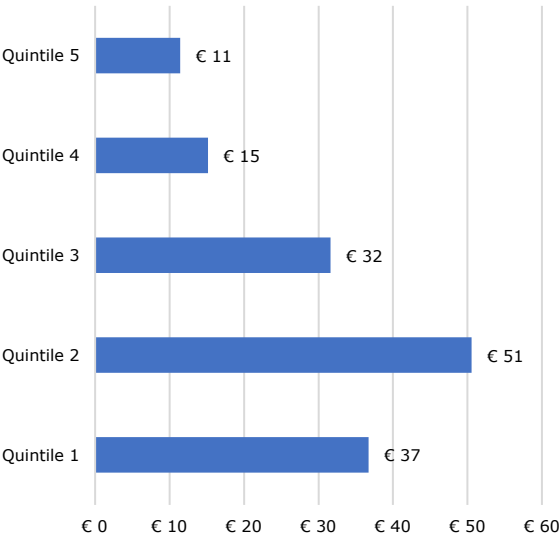
Figure 20 - Participation rate in education and training (%) and funding per capita at NUTS2 level



(*) excluding regions without funding

Source: Project team, 2024

Figure 21 - Funding intensity per quintile of regions (participation rate in education and training; higher quintile means a higher training rate)



(*) excluding regions without funding

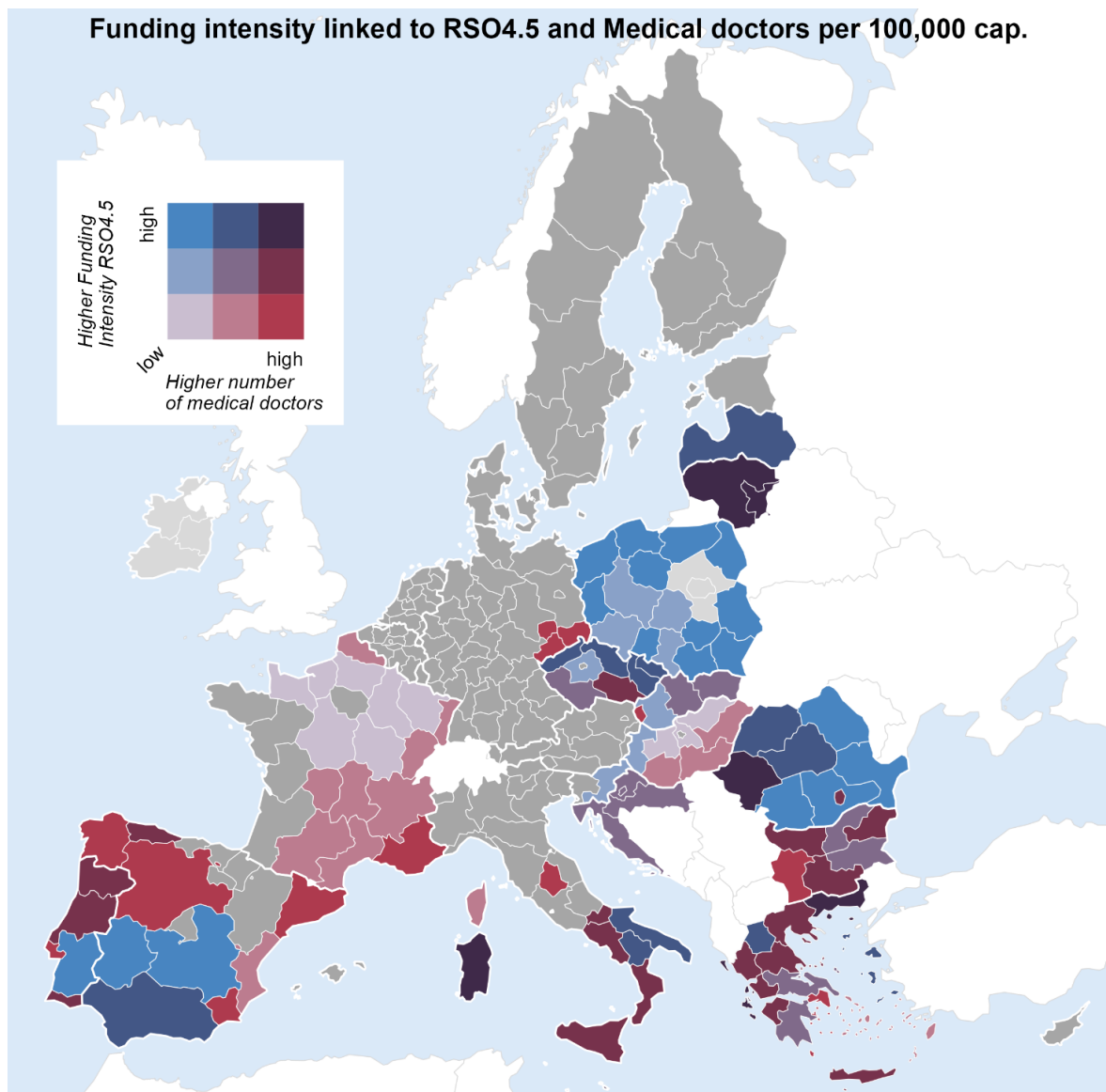
Source: Project team, 2024

RSO 4.5 - Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community-based care

Support implemented under RSO 4.5 is targeted at a comparatively smaller set of regions, with support mostly observed in Eastern and Southern European regions. Map 9 illustrates the relationship between RSO 4.5 funding intensity and the number of medical doctors per 100 000 inhabitants at NUTS2 level. Examples of highly needs-based targeting of funding are found in the regions with a dark blue gradient: those regions have relatively fewer doctors and receive high rates of support from RSO 4.5 in relation to their population. These regions are found in Poland, Romania as well as Southern Spain and Portugal. There are also regions with relatively fewer doctors and little support from cohesion policy, such as in France and Hungary.

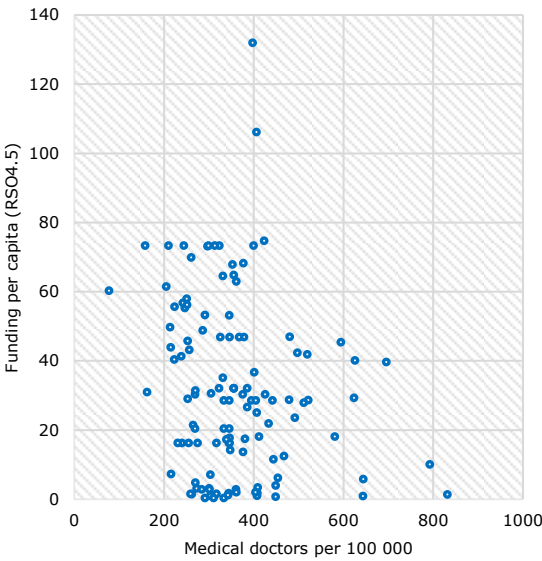
Largely the relationship between RSO 4.5 funding intensity and medical doctors per 100 000 inhabitants is not necessarily linear, as figure below show. Generally, regions with fewer doctors in relation to their population receive more funding, with average funding rates per capita in quintiles 1 through 3 (on average around 300 doctors per 100 000) being higher than in quintiles 4 and 5 (on average 490 doctors per 100 000) – the better performing regions. However, differences in funding may also be due to other factors, such as structure of the health system and national governance and funding approaches.

Map 9 - Funding per capita (RSO4.5) and medical doctors per 100 000 inhabitants in NUTS2 regions



Source: Project team, 2024

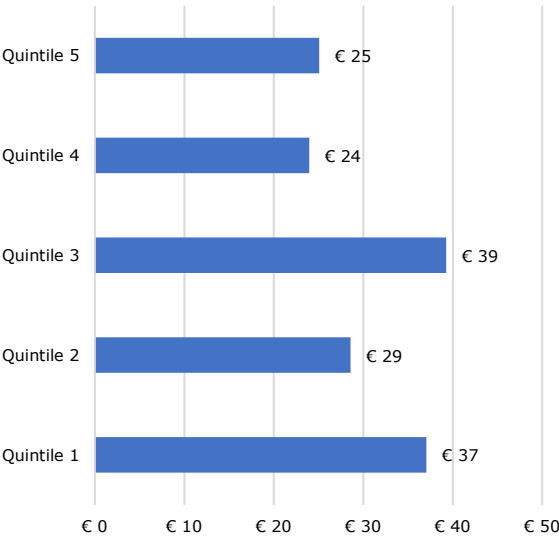
Figure 22 - Medical doctors per 100 000 inhabitants and funding per capita at NUTS2 level



(*) excluding regions without funding

Source: Project team, 2024

Figure 23 - Funding intensity per quintile of regions (number of doctors per 100,000; higher quintile more doctors)



(*) excluding regions without funding

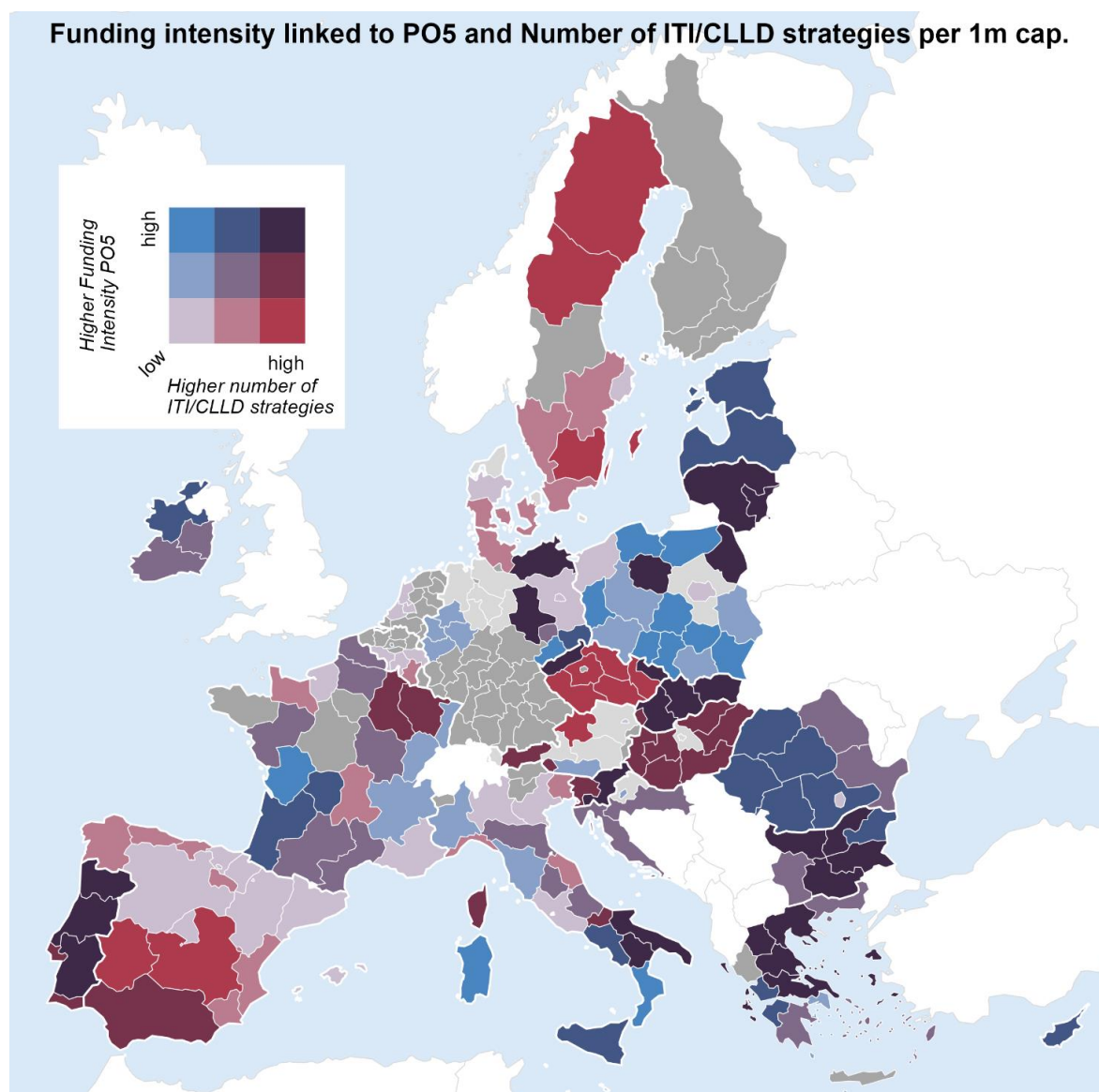
Source: Project team, 2024

2.5. Policy objective 5: Europe closer to citizens

Funding intensities of PO5 are compared with the number of strategies (CLLD, SUD, ITI) financed by cohesion policy in 2014-2020 per million inhabitants in Map 10. By the time of drafting this report, comparative data on strategies set up in the 2021-2027 period has not yet been made available, thus requiring the use of this second-best data. Regions accessing PO5 funding in the 2021-2027 period are required to set up regional strategies. As such, the number of strategies will have increased since the 2014-2020 period.

However, contrasting PO5 funding intensities with past efforts in the use of comparable instruments reveals interesting patterns: largely, regions with intensive past use of such approaches continue to use significant PO5 funding (see Figure 25, particularly in quantiles 4 and 5). This pattern is also showcased by regions in dark blue and red gradients on **Error! Reference source not found.** (e.g. in Greece, Portugal, southern Italy). However, many patterns may also be related to the cohesion policy governance arrangement in the Member States. In the case of Sweden (shaded in red, corresponding to high numbers of strategies in 2014-2020 and comparatively low PO5 funding intensities).

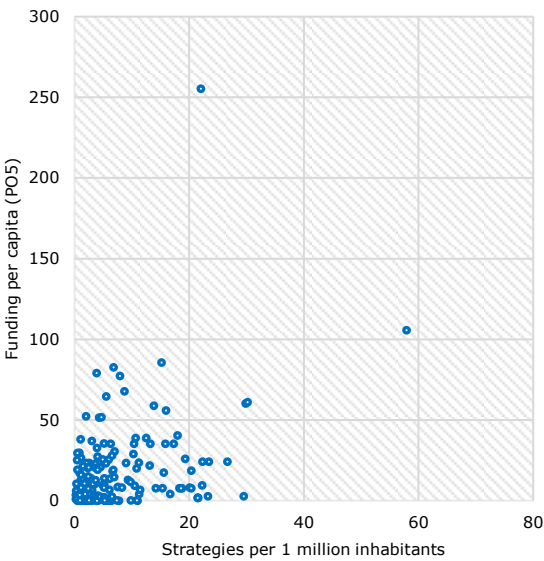
Map 10 - Funding per capita (PO5) and number of strategies (2014-2020) per 1 million inhabitants



(*) Note: grey shading denotes lack of relevant programmed expenditure at NUTS2 level or a data gap in the indicator (i.e. data for some German, Danish, Austrian, Belgian, Finnish, Croatian, Dutch, Italian, Hungarian and Polish regions are missing)

Source: Project team, 2024, based on the JRC's STRAT-Board

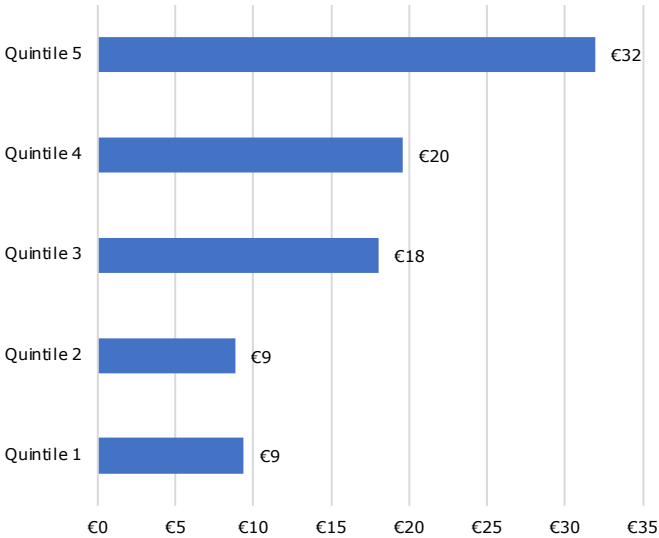
Figure 24 - Number of strategies per 1 million inhabitants and funding per capita at NUTS2 level



(*) excluding regions with no relevant funding

Source: Project team, 2024

Figure 25 - Funding intensity per quintile of regions (number of strategies; higher quintile means larger number of strategies)



(*) excluding regions with no relevant funding

Source: Project team, 2024

3. Analysis of thematic allocation and investment tracking

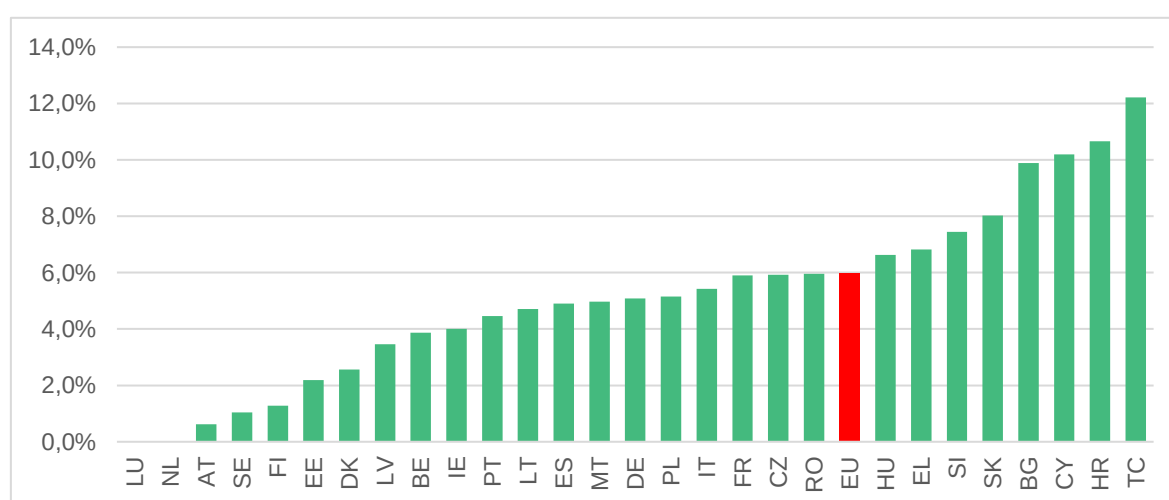
3.1. Biodiversity

Planned spending on biodiversity action totals EUR 22.7 bn for the 2021-2027 period. The budget is comprised of EUR 16.8 bn in EU funding and EUR 5.9 bn is co-financed by the member states. Overall, the financing rate of the EU equals 74%. More than two thirds (69%) of the EU funding are covered by the ERDF (excluding Interreg programmes), followed by the CF (18%), Interreg (8%) and the JTF

(5%). Compared to the last funding period the planned budget for biodiversity action covered by the ERDF more than doubled, while planned funding via the CF decreased from EUR 4.6 bn to EUR 3.1 bn.

Poland received EUR 3.2 bn by far the most funding, which is more than double the amount of the second largest beneficiary Italy (EUR 1.5 bn). Other member states with high funding available are Romania, Spain, the Czech Republic, Hungary and Greece. The Netherlands and Luxembourg are on the other hand the only member states without any funding opportunities. In Bulgaria, Cyprus and Croatia the highest share of the total cohesion policy funding goes towards biodiversity action.

Figure 26 - Share of funding (ERDF, CF, JTF - Interreg presented separately) under biodiversity tracking (Source: European Commission)



The intervention field with the most money allocated is “Nature and biodiversity protection” with EUR 5.2 bn, followed by “Prevention or management of floods and landslides” (EUR 2.6 bn), “Wastewater collection and treatment” (EUR 1.9

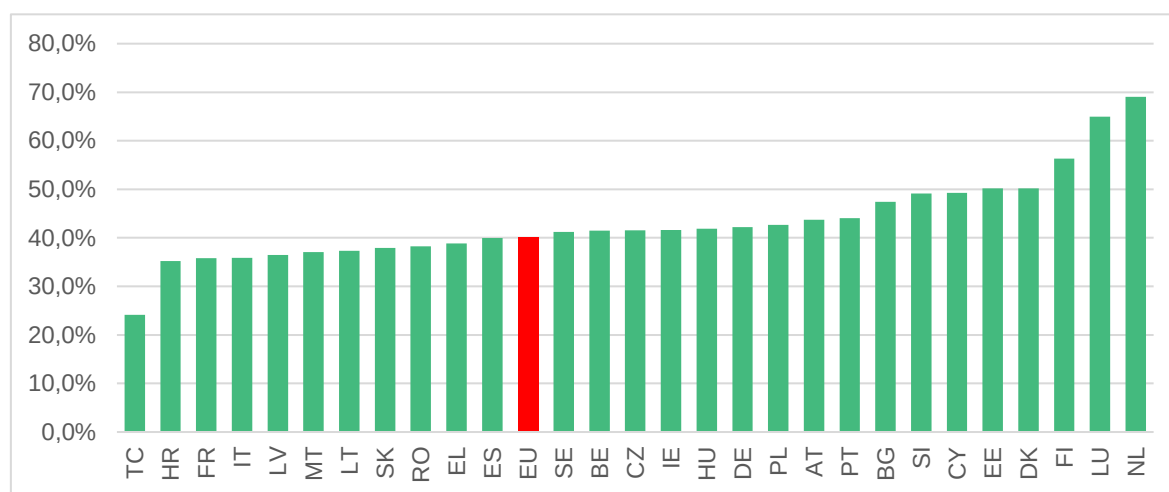
bn), “Protection, restauration + use of Natura 2000 sites” (EUR 1.7 bn) as well as “Climate change measures – prevention and management” (EUR 1.7 bn). It shall be noted that many of the intervention fields only indirectly support the protection and strengthening of biodiversity in the EU. Between member states, strong differences in the allocation of funding by intervention field can be observed. For example, Belgium (72%) and Finland (59%) are planning to spend a majority of their available funding for the rehabilitation of industrial sites and contaminated land, while, on average, the budget for this intervention field only makes up around 7% of the total funding. Malta stands out with an above-average share of funding (41%) going towards wastewater collection and treatment, while Bulgaria, Sweden and Cyprus all allocated between 42% and 43% towards measures to prevent or manage floods and landslides. Denmark and Austria allocate both over 60% of their funding to nature and biodiversity protection, while Ireland spends 39% of its budget on actions that are classified as “Other measures to reduce GHG emissions in natural areas”.

3.2. Climate tracking

With ambitious EU goals regarding the reduction of GHG emissions in the following years, around 30% of the total EU budget for the 2021-2027 period will be allocated to climate action measures. The combined spending on climate action covered by the ERDF, CF and JTF totals EUR 113.9 bn. The largest share of this budget will be distributed via the ERDF (excluding Interreg programmes) with EUR 69.9 bn, followed by the CF with EUR 22 bn, the JTF with EUR 19.4 bn and the Interreg programmes with EUR 2.6 bn. Adding national co-funding sources, the available budget increases to a total of EUR 156.8 bn. 33% of the available ERDF funding and 56% of the CF are going to be spent on climate action related projects. As the primary goal of the JTF is the transition to climate neutrality, 100% of its budget will be allocated towards climate action measures. Compared to the last funding period from 2014 to 2020, where the combined funding of the ERDF and the CF was a total of EUR 56.6 bn, the available EU-budget doubled in size.

Similarly to biodiversity funding, Poland is by far the biggest beneficiary of EU funding with EUR 22.8 bn, which is more than double that of Italy with EUR 8.8 bn. Spain, Romania, the Czech Republic, Hungary and Portugal also all receive more than EUR 6 bn. The least funding is available in Luxembourg, followed by Denmark, Ireland, Austria and the Netherlands, which all have access to less than EUR 200 mil for the current funding period.

Figure 27 - Share of funding (ERDF, CF, JTF - Interreg presented separately) under climate tracking (Source: European Commission)



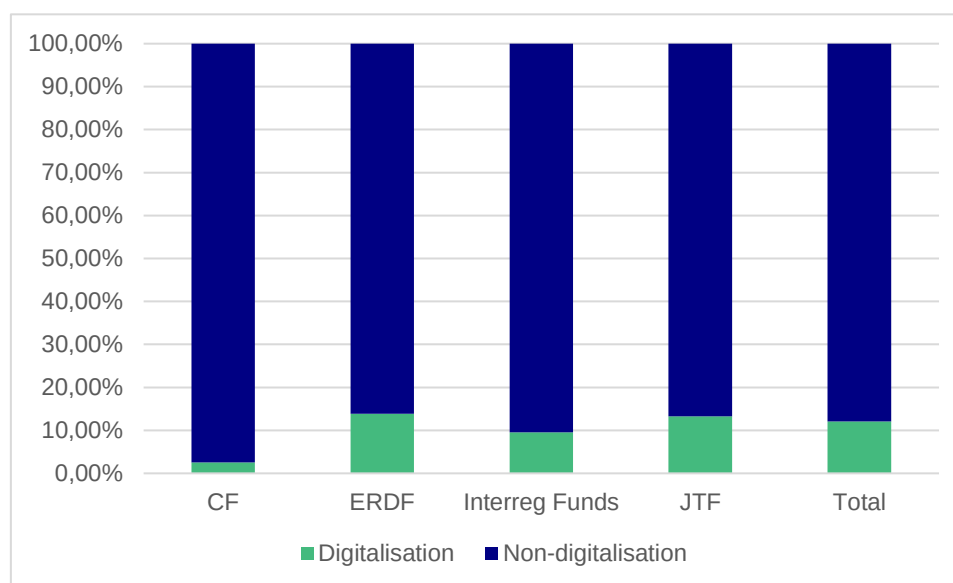
The two intervention fields with the most funding available are “Energy efficiency in the public sector” and “Clean urban transport infrastructure”, with both securing around EUR 8.1 bn in funding. Other large invention fields correspond to the prevention or management of floods and landslides, clean urban transport rolling stock as well as smart energy systems and related storage.

Spain receives the most funding under the intervention field “Energy efficiency in public infrastructure”, while Poland has the lead for most other intervention fields with the most funding. Strong funding activities for specific intervention fields can be for example observed in Bulgaria for the “Prevention or management of floods and landslides” or in Greece for the “Energy efficiency in housing”.

3.3. Digitalisation

The efforts of the EU to promote further digitalisation in the scope of the ERDF, CF and JTF as well as Interreg programmes is supported with a budget of around EUR 33.7 bn. Furthermore, EUR 16.5 bn of additional budget is secured from member state contributions. The largest share of the EU budget is distributed via the ERDF (excluding Interreg programmes) with a funding volume of EUR 29.6 bn. The budget of the JTF for measures regarding digitalisation is around EUR 2.6 bn, while the CF and Interreg programmes have less than EUR 1 bn in funding available. Compared to the funding period 2014-2020 the funding intensity for digitalisation measures were increased significantly. For the last funding period, the EU budget for the ERDF was set at EUR 17 bn and for the CF around EUR 710 mil.

Figure 28 - Share of digitalisation-related measures per funding strand (Source: European Commission)



Specific objectives that directly address digitisation are RSO 1.2 “Reaping the benefits of digitisation” and RSO 1.5 “Digital connectivity”. Interventions funded under RSO 1.2 have a total budget of EUR 10.9 bn available, while funding for RSO 1.5 is EUR 2.4 bn. Other specific objectives can indirectly influence further digitisation such as RSO 1.3 “Growth and competitiveness of SMEs”, RSO 1.4 “Access to employment and activation measures for all” or RSO 1.1 “Enhancing research and innovation”.

3.4. Gender dimension

(Planned) investments under the programmes of ERDF and JTF (Interreg and CF do not report on the gender dimension in the aggregated monitoring systems) in relation to the gender dimension are tracked via three main categories:

- Gender targeting
- Gender mainstreaming
- Gender neutral

Approximately 0.7% or EUR 1.8 bn of ERDF and JTF are allocated to gender targeting, while approximately 9% or EUR 24,3 bn are allocated to gender mainstreaming. Of note, the JTF in this case allocates a considerably higher share of almost 27% or EUR 5.1bn to gender mainstreaming, relatively exceeding the ERDF by 18 pp. Under the ERDF, the main focus of allocations in relation to the gender dimension are recorded under PO4 and PO5 with approximately 20% of EU allocation.

The analysis of selection criteria of operations shows how programmes take into account 'gender equality'. Programmes ensure the respect of horizontal principles and the compliance with article 9 CPR provision. Some of the analysed programmes provide examples of ad hoc criteria specifically integrating some of these horizontal principles. Findings from the programme sample analysis related to the gender dimension are summarised below.

Table 2 - Contribution to gender equality

	JTF	PO1	PO2	PO3	PO4	PO5	Interreg
Gender equality	High	Medium	Medium	Limited / no contr.	High	Medium	High

Source: Project team, 2024, Elaboration based on the analysis of a sample of selection criteria programme guidance. Note: High: more than 80% of the analysed documents indicate a contribution; medium: more than 30% and less than 80% of documents analysed indicate a contribution, limited / no contribution: under 1% of documents analysed indicate a contribution to the topic.

JTF

The analysis of selection criteria of programme operations shows that the JTF has a high contribution to gender equality and creating employment and employability opportunities in the process of ensuring a just transition. The Irish JTF investments have a strong social dimension focusing on ensuring gender equality and employment / employability opportunities. The Croatian integrated territorial programme ensures coverage of gender equality, disadvantaged groups and employment / employability opportunities. More precisely, it supports conception / establishment and implementation of new and innovative educational programmes and retraining for green, technological occupations based on learning outcomes and aligned with the needs of the labour market.

PO 1

PO 1 investments mainly cover gender equality principle and create employment and employability opportunities. The Spanish pluriregional ERDF programme for instance, introduces a specific criterion on the presence and participation of women and men to ensure the appropriate support to gender equality and social inclusion. The Italian Sardegna regional ERDF programme explicitly supports female employment under RSO 1.1 and new employment under RSO 1.2.

PO 2

PO 2 investments moderately cover gender equality principle. Relevant examples include the Italian Sardegna regional ERDF programme which explicitly refers to female employment under RSO 2.1.

PO 3

The analysis of the sample of documents analysis shows a very limited contribution to gender equality under this PO.

PO 4

Programme mainly have a high contribution to gender equality and coverage of disadvantaged groups' need. In case of Spanish plurirregional ERDF programme, priority will be given to investments supported by the ERDF that promote equal access to general education for men and women, including special considerations for people with disabilities to ensure the full integration and inclusion of these people.

PO 5

Programmes mainly have a medium contribution to gender equality and coverage of disadvantaged groups' need.

Interreg

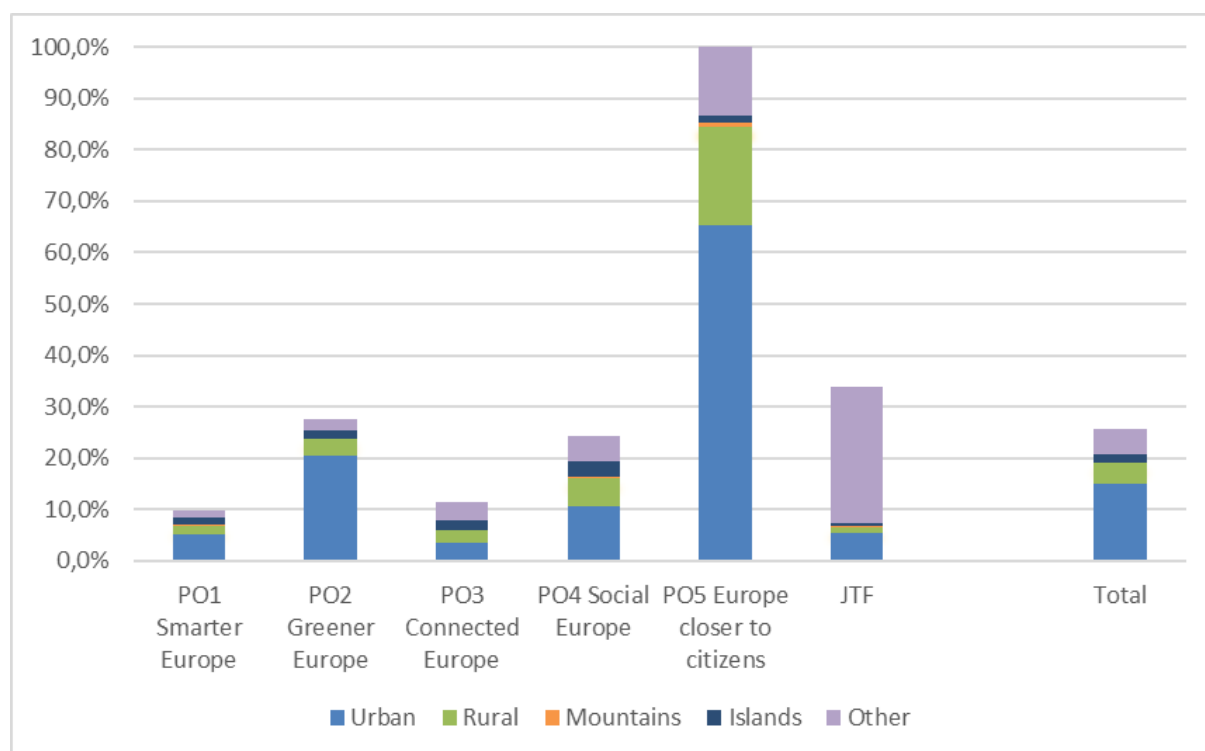
Interreg programmes examined in the sample have a high contribution to ensure gender equality, while contributing to a lower extent to the needs of disadvantaged groups. The Interreg Transnational Danube Programme selection criteria guidance indicates projects have to respect the fundamental rights and the horizontal principles of equal opportunity, non-discrimination (including based on national or ethnic origin, colour, religion, age, mental or physical disability or sexual orientation), gender equality and accessibility during project design and implementation and will have to embed them in the work plan. PO 4 has a more social orientation and coverage of the aforementioned principles compared to the other POs. The Interreg Europe programme ensures coverage of gender equality, initiatives for disadvantaged groups and promotes employment and employability and more precisely supports the inclusion of marginalised communities, low-income households and disadvantaged groups. The cross-border Lithuania Poland programme manual indicate specific coverage for gender equality, equal opportunities and non-discrimination in the project proposals and implementation.

The Interreg VI D Madeira-Azores-Canary Islands (MAC) explicitly covers in its methodological document for project selection and assessment gender equality.

Territorial focus

Planned investments under the analysed funds and programme (ERDF, CF, JTF and Interreg) show the largest share being foreseen without territorial targeting. EUR 204 bn or 74.7% are implemented without territorial targeting. Of the funds foreseen with territorial targeting, the largest share is foreseen for urban areas (including cities, towns and suburbs), amounting to EUR 39.9 bn (of which explicitly for sustainable urban development EUR 26.6 bn are foreseen). The largest contributing fund in this regard is the ERDF. Rural areas are explicitly targeted with EUR 8.9 bn (8.7 bn of which by the ERDF). Islands and coastal areas are ranked third in territorial targeting at EUR 4.3 bn. Except for PO5 (where 100% of the funding is implemented with territorial targeting), JSO8.1 (34%), and PO2 (28%) show the highest share of territorial targeting. Source: Open Cohesion data **Error! Reference source not found.** shows the distribution per PO and territory targeted. Of note. Interreg specific objectives are implemented without territorial targeting and as such not shown in in the graph.

Figure 29 - Share of territorial targeting per PO, across JTF, ERDF, CF and Interreg



Source: Open Cohesion data

3.5. Outputs and targets

The output and target analysis assesses the relationship between the inputs (allocated financial resources) and expected outputs and results, focusing on the 2021-2027 period and including a comparison with the previous programming period. The outcome of the subtask is an overview of the input-output ratios for both output and result indicators, which contributes primarily to efficiency related evaluation questions. Furthermore, it allows for an identification of Member States and ultimately programmes which exhibit specific characteristics (such as unusually high or low values) and thus can be further investigated.

The following analysis is based on the database set up by the project team with data from the Cohesion Open Data Platform for the 2014-2020 period and 2021-2027 period as well as data directly received by the EC mainly for the 2021-2027 period which is not yet published on the Cohesion Open Data Platform. All assessments are made based on 31/01/2024 data referring to the programme status of 31/12/2023. As the analyses only consider planned values, as outlined in the methodological section (below), no limitations regarding the punctuality and accuracy of data result from this.

For each RSO, the financial allocation per fund is presented in the input section based on these planned values. The corresponding output and result indicators are selected if they are considered "frequently used", i.e. used in more than 30% of the programmes of each respective fund applying the PO in question.

The subsequent input-output analysis assesses the relationship between inputs (financial resources allocated) and expected outputs and results. The goal of the input-output analysis is to identify costs per unit of output delivery for investments supported in the 2021-2027 period. In a subsequent step this allows for a comparison to similar cohesion policy support of the 2014-2020 period. The comparison between inputs (financial allocations) and outputs and results provides preliminary information on the efficiency of the programme results. However, it should also be noted that this analysis, based on intervention areas and indicators, is only part of the overall efficiency analysis conducted in the scope of this project, which highlights general aspects of variation across the EU and helps to identify Member States and programmes for more in-depth analysis.

3.6. Methodological considerations

As outlined by section 0, the indicators and intervention fields have been paired based on an analysis of the frequency of use of indicators under a specific RSO or PO, considering only those intervention fields with a clear thematic link. Thus, for each indicator used under an RSO, the frequency of use firstly decided the further consideration of the indicator for assessment. In a second step, for each

indicator to be further considered the intervention fields contributing to this RSO were checked to determine the clear thematic link to the indicator in question (making use of clear definitions of indicators provided by SWF (2021) 198 on Performance, monitoring and evaluation of ERDF, CF and JTF in 2021-2027). For example, identifying the relevant indicators and establishing the corresponding pairing under RSO 1.4 was done by firstly assessing the frequency of indicator use. The main indicator used (by 79% of programmes) is RCO101 SMEs investing in skills for smart specialisation, for industrial transition and entrepreneurship. The main intervention field used to allocate funding under RSO 1.4 is 023 Skills for smart specialisation, industrial transition (90.4% of funding), which shows a clear thematic link to the indicator considered, and no other IF shows a clearer link. The input-output relation is thus calculated based on this one indicator and one IF. For two other output indicators (RCO01 enterprises supported and RCO16 RTDI: Stakeholders in entrepreneurial discovery process) which are of frequent use, no such clear relation or only a generic relation can be established. The two indicators are thus not considered under RSO 1.4.

Subsequently, for a range of indicators a comparison between programming periods with similar input-output relations for the 2014-2020 period is implemented, to highlight critical differences and developments over time. Differences between the two programming periods represents a key limitation to the comparison analysis. However, the analysis can illustrate differences between the two programming periods as well as suggest territorial patterns between MS and categories of regions. Indeed, efficiency evaluation questions cover other topics such as the capacity to solve / address implementation bottlenecks from the previous programming periods, enabling conditions, simplification measures.

Due to the nature of a mid-term analysis at this stage in the programming period, there would however be considerable bias created by assessing these costs based on actual implementation progress. The analysis is thus conducted based on planned values both in regard to outputs and results as well as to financial indicators to highlight the potentials based on the current status of planning. The term “unit cost” in this regard is to be understood as potential ratio between (financial) inputs and achieved outputs/results. Financial inputs are considered as total funding (i.e. EU + national cofinancing) to accurately depict the relevant unit cost. The assessment is undertaken at programme, PO, and RSO level, as well as by type of region, for 23 common indicators used by the programmes. The matching process between common indicators of the 2014-2020 and the 2021-2027 periods is explained in section 0.

This comparative assessment enables insights into the development of unit costs for standard ERDF/CF and JTF support. It has to be considered, however, that such an assessment on EU – or even MS level (thus of considerable abstraction) can only indicate broad dynamics and highlight outstanding aspects. As such it

is used to guide further analyses of more qualitative nature but does not represent a concluding assessment on its own.

In relation to outliers (defined based on the standardised interquartile range (IQR) approach ⁽⁴⁾), the project team investigated methods for exclusion and conducted tests and assessments to identify suitable approaches. For all indicator pairings, effects of outlier exclusion were addressed by the analysis in the text directly. However as individual validation by checking outliers on programme level has shown in almost all cases, the majority of them simply indicate a non-standard approach by a specific programme or are based on differences in target groups (e.g. small vs. large enterprises). As it is not the purpose of the outlier exclusion to simply exclude over- or underperforming programmes, the project team – in line with the methodological approach and purpose of the task – presents analyses in this section without exclusions. Flagged programmes are however highlighted in the textual interpretation specifically.

In relation to Financial Instruments, the analysis applies a differentiated approach for high level comparisons. All programmes using FIs as a significant delivery mechanism in a given RSO are flagged as such if more than 30% of total funding is disbursed via such approaches. This enables a differentiated perspective into unit costs addressed by the analyses. As suspected and confirmed by the analyses below however, the variation in unit costs between MS and categories of regions in the majority of cases considerably outweighs the variation between programmes delivering higher or lower shares of their funding via FI.

There are several broader caveats to the analysis in general. First, the link between output/result indicators and the corresponding intervention fields is not perfect, but subject to some uncertainties. In particular for broader indicators, the cut-off for considering an IF in the analysis can be difficult to determine. Furthermore, the considerably different strategies applied by programmes in relation to individual indicators can create a bias in the analyses as well. As regards comparisons between programming periods, due to negative supply shocks affecting typical ERDF/CF and JTF funded operations between 2020 and 2024 and subsequently high and persistent (albeit variable between Member States) inflation across most Member States, the costs per unit of output generated in 2021-2027 will likely be significantly different from the previous period. Second, interventions supported by programmes in a given RSO in 2021-2027 may not necessarily be fully comparable across the two periods despite being measured by corresponding key indicators, e.g. due to differences in target groups or thematic scope of the intervention, even if the same indicators are used

⁽⁴⁾ Outliers based on the IQR method are data points that lie significantly outside the typical range of values, specifically those that are much lower or higher (1.5 times) than the majority of the data, as determined by the spread of the middle 50% of the data (interquartile range).

to measure the outputs or results tied to that RSO. Third, due to changes in thematic scope of programmes, not all programmes apply matching key indicators in both the 2014-2020 and 2021-2027 periods.

3.7. Matching of common indicators 2014-2020 and 2021-2027

Basis for comparison between periods is the identification of matching common indicators which are used in both periods. Programme specific indicators are not taken into account due to their obvious lack of general comparability. Basis for these pairings are in particular:

- Staff Working Document (SWD) 198 outlining crucial definitions and in Annex 3 of Part B of identifying output indicators of the 2014-2020 period which have been reclassified as common result indicators for the 2021-2027 period.
- Guidance document on Monitoring and Evaluation for the 2014-2020 period.
- (indicative) matching of intervention fields provided by DG REGIO. ⁽⁵⁾
- Supporting documentation from EC commissioned studies, e.g. on the development of indicators. ⁽⁶⁾

Furthermore, the project team has investigated the actual frequency of use of output and result indicators and correspondingly intervention fields (i.e. relative relevance for each RSO and use across programmes) under each RSO and TO as well as (to the extent possible) for IP. In parallel the relevance of specific indicators within the corresponding intervention logics for the 2021-2027 period has been taken into account.

The selection of indicators has been finetuned based on the above considerations, aiming at a broad coverage of topics across PO and RSO. Thus, not only the overall frequency of use has been taken into account but also the frequency of use under a given RSO and PO, as otherwise certain less broadly implemented indicators which are however of specific relevance for a given RSO would not be covered. Finally, the robustness of comparisons was assessed

⁽⁵⁾ [Correspondence 21-27 to 14-20 intervention fields | Data | European Structural and Investment Funds \(europa.eu\)](#)

⁽⁶⁾ [Development of a system of common indicators for European Regional Development Fund and Cohesion Fund interventions after 2020 \(europa.eu\)](#)

taking into account a sufficiently broad sample in both periods. In case a specific indicator and topic was only applied in one or two Member States in one of the periods concerned, the corresponding indicator pairing has been excluded from the analysis. Section 0 presents an overview of all considered indicator pairings and furthermore indicators of relevance for the current period without a corresponding pairing in 2014-2020.

3.8. Overview of results

As outlined above, the unit cost analysis serves as a basis to identify broad patterns and developments on European level. As such, differences between MS are assessed across programmes for each indicator pairing to allow for a high-level judgement on indicator pairings taking into account:

- General trends on PO level
- Use of Financial Instruments
- Differences between funds

It should be noted that for the summary analyses at EU level, some indicators where only a single programme implemented a specific measure in relation to this indicator pair have been excluded as they significantly distort the relevant scales. The data analysed shows that it is possible to identify general trends and patterns, but there is considerable variation in detail. A number of initial findings across all PO can be outlined as follows.

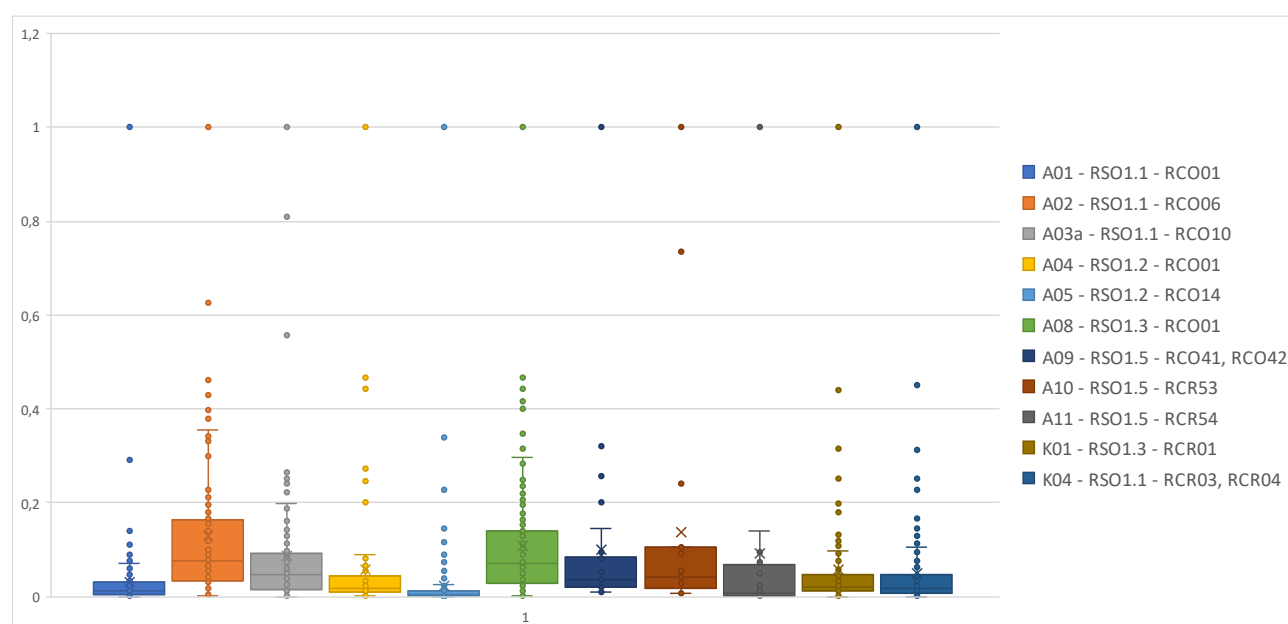
Under PO1 in the 2021-2027 considerable variation of unit costs can be observed throughout the assessed indicator pairings. However, the spread across all indicator pairings is average compared to the other PO assessed. Nevertheless, the ratios identified show the highest numbers of outliers compared to all other PO. In 3 out of the 11 assessed pairings, a single strong outlier programme can be identified and 8 show more than 10% outliers. As evident in the below visualisation, RCO06 researchers working in supported facilities and RCO01 enterprises receiving support (under RSO 1.3) show the highest variability for the majority of programmes, while RCO14 - Public institutions supported to develop digital services and applications and RCO01 under RSO1.1 on the other hand show a considerably lower variability.

Throughout the assessed indicator pairings, variation in unit cost is strongly determined by Member States, while types of regions show a considerably lower variation. Nevertheless, in most cases more develop regions exhibit lower unit costs than other categories. No clear geographical patterns could be drawn throughout indicator pairings regarding the unit costs. For most indicator pairings, a considerable share of the outputs is linked to single countries, e.g.

approximately 60% of outputs under RCR11 are stemming from Poland, 40% of outputs under RC01 for RSO1.1 are stemming from Germany etc.

Figure 30 shows the distribution of programme level unit costs visualised as boxplots for the 2021-2027 period. Each indicator is shown with a code (corresponding to the code used to present the indicator and corresponding IF as documented in 0), the RSO it corresponds to and the concrete indicator (RCO for outputs and RCR for results) it corresponds to. Values used for the calculation have been normalised ⁽⁷⁾ to allow for comparisons. As can be seen, statistical outliers (indicated as dots) are present for all indicators, however to a varying degree. Of note, this overview includes values for 2021, thus also indicators without comparable elements in the 2014-2020 period are included. The legend presented in Figure 30 shows the internal code of the indicator pairing considered (see the full details on page 196) as well as the RSO and Indicator code it refers to.

Figure 30 – Unit costs of relevant indicator pairings - PO1 ⁽⁸⁾



Source: Project team, 2024

⁽⁷⁾ Min-max normalization scales data to a fixed range between 0 and 1, by adjusting the data points relative to the minimum and maximum values in the dataset. This technique ensures that all values are proportionally adjusted to fit within the specified range, making it easier to compare and analyse the data.

⁽⁸⁾ See section 0 for an overview of assessed indicator pairings. 'A' and 'K' correspond to the indicator numberings in the table of the annex.

Under PO1 three of the assessed indicators showed an increase and four of the assessed indicators a decrease in unit costs compared across periods. Increases have been mainly linked to digitalisation in enterprises (RSO 1.2, 39% increase). Decreases on the other hand have been mainly linked to tech transfer and innovation (RSO 1.1, 46% decrease), R&I investments in public research centres (22% decrease) and R&I investments in enterprises (15% decrease). As regards general enterprise support under RSO1.3/TO3, an interesting dynamic can be identified. While the unit costs for enterprises receiving support is increasing considerably (100% increase), the unit costs for jobs created in those enterprises on the other hand are decreasing (12% decrease), indicating a different focus of support in the current period.

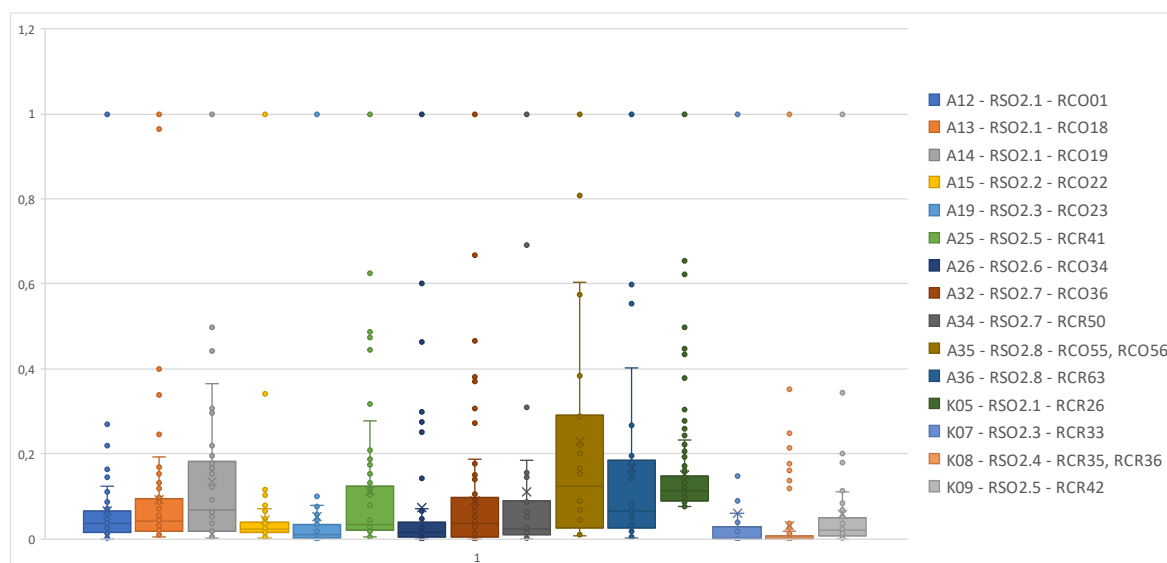
At the same time, use of FI under PO1 has seen a considerable decrease in associated unit costs across all but one indicator. Most notably for Tech-transfer (79% decrease), and R&R investments in enterprises (76% decrease) this effect has been visible. Nevertheless, the increase in picking up FI and considerable increase in funding dispersed through them can influence these developments.

Under PO2 in the 2021-2027 period likewise variation of unit costs is evident throughout the assessed indicator pairings, and spreads between minimum and maximum values are considerably higher than for PO1. 9 out of the 15 assessed pairings show outliers for more than 10% of programmes, however only for 2 of the assessed pairings a single strong outlier is to be identified. On average, the pairings assessed cover a total of 60 programmes. As is evident from the visualisation below RCO22 additional production capacity for renewable energy and RCR35 and RCR36 population benefiting from natural hazard protection measures exhibit the lowest variability for the majority of values across the indicators assessed while e.g. RCO55 and RCO56 for sustainable urban transport and RCR33 users connected to smart energy systems show more considerable variability across countries and programmes.

As for PO1, variation in unit costs is strongly determined by Member States, however for types of regions likewise considerable variation within and across Member States can be identified. Interesting in particular are considerably higher unit costs in more developed regions for RCO19 public buildings with improved energy performance or production capacity for renewable energy where this pattern is evident. Throughout assessed indicator pairings, less dominant Member States than for PO1 are visible, only for RCO19, Poland is implementing about 45% of the objective while for RCR41 likewise approximately 45% are implemented by Spain.

The following figure shows the distribution of programme level unit costs as boxplots indicating the spread of unit costs at programme level. Values have been normalised to allow for comparison. The legend presented shows the internal code of the indicator pairing considered (see the full details on page 196) as well as the RSO and Indicator code it refers to.

Figure 31 - Unit costs of relevant indicator pairings – PO 2 ⁽⁹⁾



Source: Consortium team (2024)

Under PO2 five of the indicators included in the analysis showed an increase and six indicators showed a decrease. On average. This led to an increase of approximately 10% in unit costs when compared across periods. Most notably, under PO2 a number of indicators saw a considerable decrease in unit costs more pronounced than for the other PO. Unit costs increase in particular activities in relation to wastewater treatment (RSO2.5, 165% increase), Energy efficiency in enterprises (RSO2.1, 106% increase) and Water consumption (RSO2.5, 84% increase). Decreases on the other hand are particularly pronounced in relation to smart energy systems (RSO2.4, 80% decrease) and Flood and wildfire protection (RSO2.5, 81% decrease).

Cohesion Fund activities under PO2 give a similar picture with 4 out of 8 indicators showing an increase in unit costs while conversely 4 show a decrease. As for activities under the ERDF, considerable increases are identified for activities in relation to wastewater. However also activities related to Flood and wildfire protection show a considerable increase under the CF (196% increase). Decreases in unit costs on the other hand are visible for activities related to energy efficiency in housing (RSO2.1, 45% decrease) and sustainable urban transport (RSO2.8, 38% decrease).

PO3 in 2021-2027 stands out particularly in terms of unit cost analysis for the 2021-2027 period, with the lowest average number of programmes implementing each indicator pairing (24), lowest average number of outliers while at the same time exhibiting the most significant spread of unit costs per indicator pairing. No

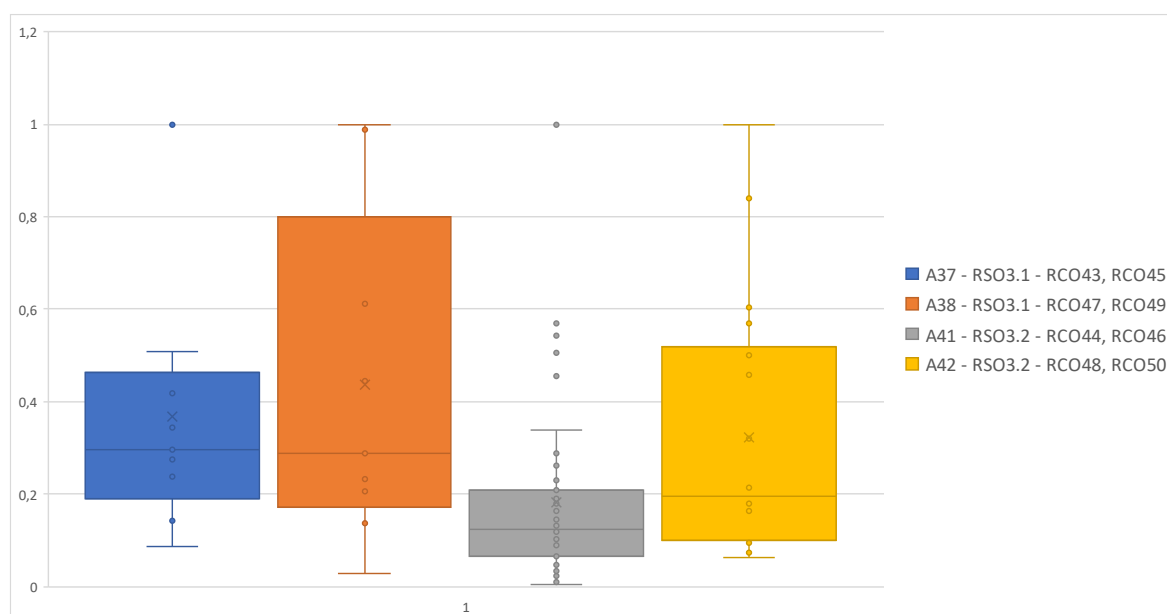
⁽⁹⁾ See section 0 for an overview of assessed indicator pairings. 'A' and 'K' correspond to the indicator numberings in the table of the annex.

assessed indicator pairing under PO3 shows strong outliers. The lowest variability is identified for RCO44 and RCO46 road works (non-TEN-T) which is at the same time the most widely used indicator pairing assessed under PO3. Conversely the highest variability is identified for RCO47 and RCO49 rail works (TEN-T) which is only used in a total of 10 programmes. Due to the nature of more standardised interventions under all activities of PO3 however, lower presence of outliers and more evenly distributed unit costs across programmes are to be expected.

Only a limited number of programmes and Member States implement interventions under PO3, and investments are mostly concentrated in less developed regions (with few exceptions), thus no comparisons between types of regions due to the low number of comparison cases are not meaningful to conduct on PO level. However, in comparison with investments under the CF, ERDF related investments show a considerably lower unit cost throughout Member States.

The figure below shows the distribution of programme level financial resources per output / result visualised as boxplots, normalised as above to allow for comparison. It is evident there are considerably fewer outliers than for other POs, and even distributions in particular for rail infrastructure support. However, there are considerably fewer programmes involved. The legend presented shows the internal code of the indicator pairing considered (see the full details on page 196) as well as the RSO and Indicator code it refers to.

Figure 32 - Unit costs of relevant indicator pairings – PO3 ⁽¹⁰⁾



Source: Project team, 2024

Under PO3 three out of the four assessed indicator pairings increased between periods. Only for rail works in relation to TEN-T (RSO 3.1) a decrease of 2% could be identified, while for rail works non TEN-T as well as road construction and upgrade both TEN-T and non TEN-T (considerable) increases in unit costs up to 224% could be identified. This is mirrored by activities under the CF where 2 out of 3 indicators showed an increase. Also under the CF, rail works in relation to TEN-T were the only activity showing a decrease in unit costs (11% decrease).

Under PO4 in the 2021-2027 period, the strongest variation in unit costs and at the same time highest presence of outliers for the assessed indicators is visible. All but one indicator exhibits more than 10% outliers, and 3 of the assessed indicators show single strong outlier programmes. In particular indicators linked to RSO4.5 are affected by this, however the distribution is strongly influenced by a single Estonian programme.

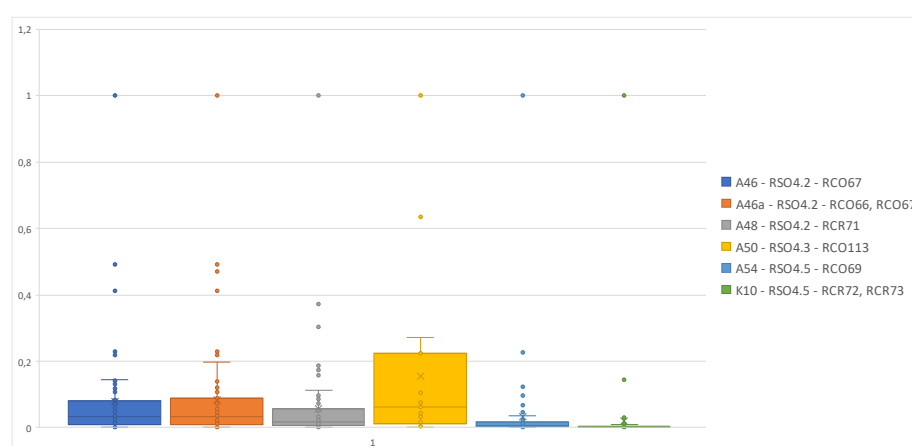
Different to all other PO, under PO4 in the 2021-2027 period the highest unit costs for all indicators assessed can be identified in more developed regions, which is linked in particular to interventions by Hungarian programmes in multiple indicators. The following figure shows the distribution of programme level unit

⁽¹⁰⁾ See section 0 for an overview of assessed indicator pairings. 'A' and 'K' correspond to the indicator numberings in the table of the annex.

costs as boxplots indicating the spread of unit costs at programme level. Values have been normalised to allow for comparison.

Figure 33 presents as the spread of indicator values at programme level. The legend presented shows the internal code of the indicator pairing considered (see the full details on page 196) as well as the RSO and Indicator code it refers to. Compared to all other PO, the least even distributions can be identified, in particular in relation to RSO 4.5. Of note this is represented by one single programme in both cases, while throughout all other programmes a more even distribution is to be noted.

Figure 33 - Unit costs of relevant indicator pairings – PO4 ⁽¹¹⁾



Source: Consortium team (2024)

Under PO4 an increase in unit costs can be identified for all the assessed indicator pairings. While an increase of unit costs of almost 600% for capacity of education facilities can be considered an outlier (the extremely low unit costs in the 2014-2020 period can be linked mainly to the Italian national education programme, responsible on its own for 87% of all outputs in the past period), the other included indicator pairing also show increases. Concretely, support for access to healthcare under RSO4.5 showed an increase in unit costs of 22%. However, due to the setup of the corresponding indicator pairing, it is not possible to differentiate between rather different types of supported activities, reducing the robustness of this particular assessment.

Under PO5 only one indicator pairing is assessed, with a lower comparability of the two included indicators due to different definitions. Even though to be interpreted with caution, integrated territorial development under RSO 5.1 in this regard showed a decrease in unit costs of approximately 21%.

⁽¹¹⁾ See section 0 for an overview of assessed indicator pairings. 'A' and 'K' correspond to the indicator numberings in the table of the annex.

For the application of financial instruments, across all indicator pairings assessed an average decrease of unit costs amounting to almost 19% can be identified. This corresponds to a decrease in unit costs for 9 out of the 13 indicator pairings assessed where a considerable amount of money was dispersed via financial instruments.

Overall, for ERDF funding, 13 of the assessed indicator pairings show an increase while 12 show a decrease in unit costs across periods. Nevertheless, on average across the indicator pairings, there was a significant increase in unit costs of around 56%. However, it's important to treat this figure with caution. Certain policy objectives are disproportionately represented in this analysis, as they inherently include a greater number of indicator pairings, which may bias the average based on the prevalence of these PO. Most notably, PO1 and PO2 are overrepresented, which on average showed a lower increase in unit costs than other PO. It has to be emphasized however that these high-level overviews have to be approached with caution in terms of drawing conclusions.

Under the JTF interesting patterns can be identified in particular in comparison to funding implemented under the ERDF in the same period (based on planned values), however considering the different nature of these funding instruments and their territorial targeting. Used by all but 6 Member States, the indicator RCR01 job creation in supported entities represents the most widely used result indicator under the JTF. The foreseen target represents approximately 50% of what is expected to be delivered by ERDF programmes under RSO 1.3 in this period, thus constitutes a considerable amount. Planned at around 30% (or EUR 50,000) lower unit costs than under the ERDF, however with significant variation on MS level, the JTF planning indicates a different strategic approach on MS level to these types of investments. For several indicators, individual Member States are considerably dominating the implementation with single countries implementing a significant share. For example, RCO22 additional production capacity for renewable energy expects approximately $\frac{3}{4}$ of all contributions from Portugal alone, while for RCCO67 Classroom capacity of new or modernised education facilities approximately 65% are planned for Czechia. Correspondingly, these two member states in both cases show by far the lowest unit costs of all MS considered.

RCO22 presents a particularly interesting case where under the JTF a slightly higher target is set (approximately 25% higher) than under the ERDF. However, unit costs are almost 8 times lower than under the ERDF. Likewise, this pattern is considerably influenced by the Portuguese JTF implementation, as disregarding the Portuguese contributions all other MS under the JTF show on average unit costs approximately 30% below the ERDF unit costs.

For JTF activities, by nature no comparison with the past period can be established, thus all assessments are made based on planned values for the current period.

3.9. Input-output analysis of selected indicators

The following section provides an overview of inputs and outputs per policy objective planned for the 2021-2027 period for selected indicators. Furthermore, it presents an assessment of input-output relations comparing the 2021-2027 with the 2014-2020 period. In order to improve readability of figures and numbers, all numbers presented in the section relating to result, output or financial indicators are rounded to the closest hundred euros.

3.9.1. Contribution to PO1

Under Policy Objective 1, funding is dispersed via ERDF and Interreg. A total of EUR 73.8 bn via ERDF and EUR 1.8 bn via Interreg are foreseen. Under ERDF, 61,4% of the funding are foreseen for less developed regions, 21.8% of funding for transition regions and 13.8% of funding for more developed regions. Outermost or northern sparsely populated regions are planned at 0.85% of funding.

Table 3 – Inputs to PO1

RSO	ERDF	INTERREG	Total
RSO1.1	54.692.914.854 €	1.457.436.854 €	56.150.351.709 €
RSO1.2	16.772.263.692 €	158.816.765 €	16.931.080.458 €
RSO1.3	36.924.473.963 €	583.258.449 €	37.507.732.412 €
RSO1.4	2.421.804.860 €	298.304.299 €	2.720.109.159 €
RSO1.5	3.557.646.580 €	2.635.949 €	3.560.282.529 €
Total	114.369.103.949 €	2.500.452.318 €	116.869.556.267 €

Under Policy Objective 1, funding is dispersed via ERDF and Interreg. A total of EUR 114.3 bn via ERDF and EUR 2.5 bn via Interreg are foreseen. Under ERDF, 61,4% of the funding are foreseen for less developed regions, 21.8% of funding for transition regions and 13.8% of funding for more developed regions. Outermost or northern sparsely populated regions are planned at 0.85% of funding.

A total of 11 output indicators can be considered frequently used (by more than 30% of programmes), with RCO01 being used by a total of 95.9% of all ERDF programmes:

Indicator	Target
RCO01 Firms: All firms	724.244
RCO02 Firms: Grant aided	270.894
RCO03 Firms: Non grant aided	129.680
RCO04 Firms: Advised	344.773
RCO05 Firms: New Enterprises	41.666
RCO06 RTDI: Researchers with improved infrastructure	83.117
RCO07 RTDI: ROs in joint research	3.334
RCO08 RTDI: Value of R+I equipment	6.191.662.392
RCO10 RTDI: Firms cooperating with Ros	41.135
RCO14 Digital: Public institutions supported for Digital	22.808

For result indicators a total of 6 can be considered frequently used, with RCR02 being used by 80.8% of programmes:

Indicator	Net Target
RCR01 Jobs created in supported entities	168.622
RCR02 Firms: Private investments	44.495.558.635
RCR03 RTDI: SMEs introducing product or process innovation	65.428
RCR102 RTDI: New researchers	17.799
RCR11 Digital: Users of new and upgraded public digital services	846.945.798
RCR98 RTDI: SMEs staff completing training	214.675

The following section provides an overview of (expected) input-output ratio for a series of common output indicators contributing to PO1 with clear equivalents in the 2014-2020 period. Please note that target values can slightly vary from the tables above as information in the following section is SO specific while above it is only PO specific. Table 4 in terms of unit costs in the 2014-2020 and 2021-2027 periods. With the exception of enterprise support in RSO1.2 and RSO1.3, unit costs have fallen in the aggregate.

Table 4 - Unit costs of selected common output indicators contributing to PO1

Indicator	Relevant RSO	Average unit cost 2014-2020	Average unit cost 2021-2027
RCO01 enterprises supported (enterprises)	RSO1.1	EUR 141,400	EUR 120,500
	RSO1.2	EUR 26,100	EUR 36,400
	RSO1.3	EUR 32,700	EUR 66,100
RCO06 researchers working in supported research facilities (FTE)	RSO1.1	EUR 211,000	EUR 163,500

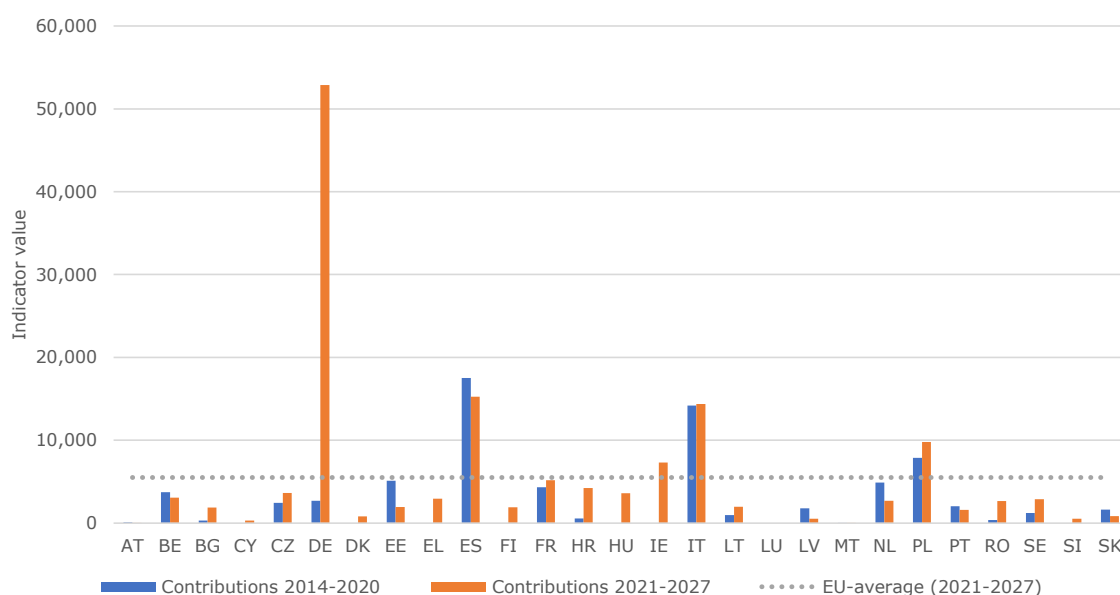
Indicator	Relevant RSO	Average unit cost 2014-2020	Average unit cost 2021-2027
RCO10 enterprises cooperating with research organisations (enterprises)	RSO1.1	EUR 457,100	EUR 259,500

Source: Project team, 2024

RCO01 enterprises receiving support

Considering enterprise support under RSO1.1, the allocated amount per unit of indicator has fallen between the two periods by approx. 15% from EUR 141,400 under TO01 ⁽¹²⁾ to EUR 120,500 for a total sum of 142,800 supported enterprises. The majority of enterprises were supported via German (approx. 52,900), Spanish (around 15,300) and Italian (approx. 14,400) programmes.

Figure 34 - RCO01 contributions under RSO1.1 (2014-2020 compared to 2021-2027) – in number of enterprises



Source: Project team, 2024

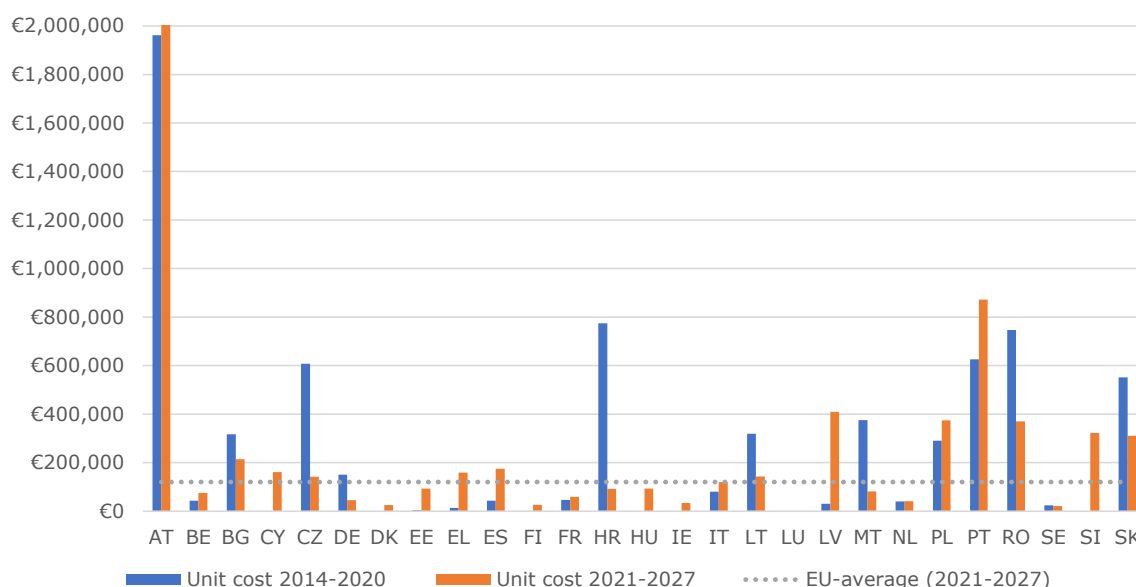
As can be seen in Figure 35, unit costs between the two periods have fallen on average for Czech, German, Croatian, Maltese, Romanian, Swedish, Slovakian and Bulgarian programmes. Unit costs per supported enterprise under RSO1.1

⁽¹²⁾ As measured via CO01 number of enterprises receiving support; also for contributions to following RSOs.

have increased relatively strongly, especially, for Austrian, Estonian, Greek, Spanish, Estonian, and Latvian programmes. For programmes of the 2021-2027 period, unit costs remain highest in Austria (an average EUR 3.5 m per supported enterprise), Portugal (EUR 872,300) and Latvia (EUR 409,100). Lowest unit costs per supported enterprise were in Finland and Denmark (both at around EUR 25,000) and Sweden (EUR 21,000). The following differences can be observed in terms of unit costs per category of region:

- The average unit cost of investments in less developed regions amounts to EUR 241,100 (2021-2027) decreasing from EUR 259,200 in 2014-2020;
- Investments in transition regions have an average unit cost of around EUR 156,100 (2021-2027) up from EUR 70,400 in 2014-2020;
- On average, support in northern sparsely populated or outermost regions has a unit cost in 2021-2027 EUR 32,500 per enterprise with no similar contributions in 2014-2020 to assess;
- Average unit costs of support in more developed regions amounts to EUR 51,900 in 2021-2027, decreasing from EUR 60,200 in 2014-2020.

Figure 35 - Unit costs: RCO01 contributions to RSO1.1 (2014-2020 compared to 2021-2027) – in EUR per enterprise



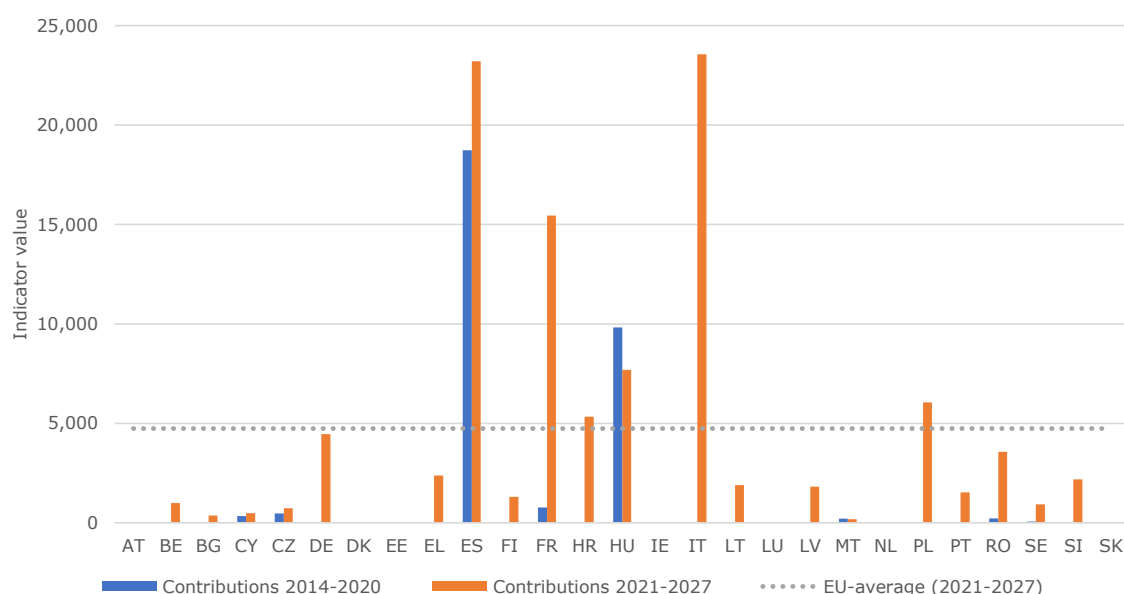
(*) Note: Austrian unit costs 2021-2027 amounts to approx. EUR 3.5 m per supported enterprise. The axis was cut-off to improve readability.

Source: Project team, 2024

In contrast to the discussion above, there is a comparatively lower degree of continuity in terms of enterprise support under RSO1.2 between the two periods. On average, unit costs have increased in the 2021-2027 period by 39% to

EUR 36,400 from EUR 26,400 under TO2 for a total of around 104,100 supported enterprises. The majority of enterprise support is implemented in Italian (23,600), Spanish (23,200), and (French 14,500) programmes.

Figure 36 - RCO01 contributions under RSO1.2 (2014-2020 compared to 2021-2027) – in number of enterprises

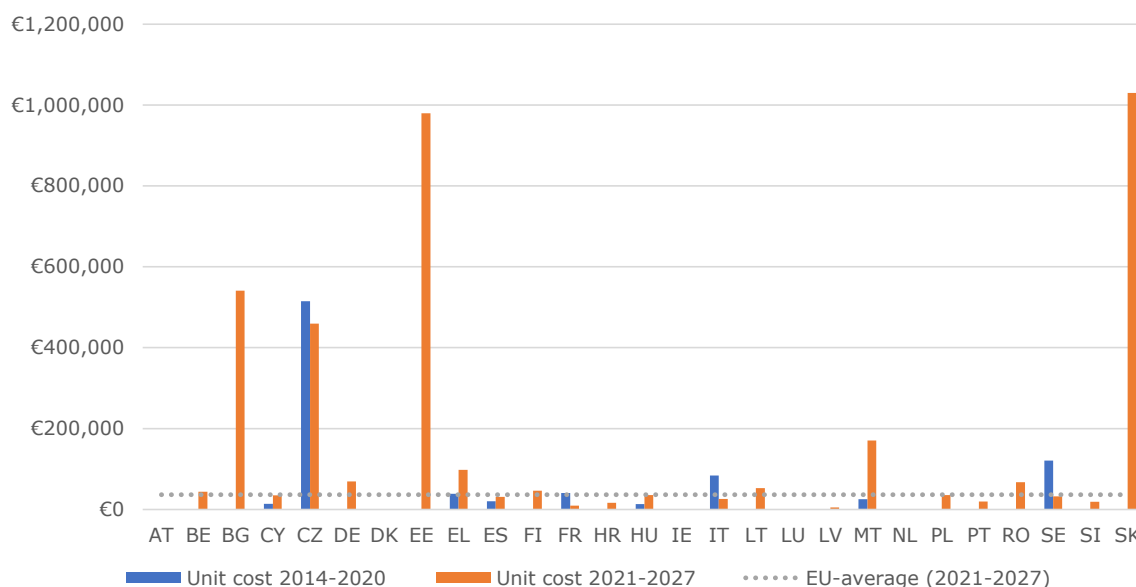


Source: Project team, 2024

Between the two periods, increased at Member State level are particularly pronounced for Cyprus, Greece, Spain, Hungary and Malta. Unit costs have fallen for Czech, French and Italian programmes. Unit costs in the 2021-2027 period remain highest in Slovakia (around EUR 1 m) Estonia (EUR 979,700), and Czechia (EUR 459,300) per investment. Comparatively low unit costs for enterprise support under RSO1.2 are found for French (EUR 9,370) Latvian (EUR 4,730) and Portuguese (EUR 19,000) programmes.

- The following differences can be observed in terms of unit costs per category of region:
- Investments in less developed regions have an average unit cost of EUR 37,100 (2021-2027) increasing from EUR 29,800 in 2014-2020;
- Investments in transition regions cost around EUR 50,200 (2021-2027) up from EUR 23,900 in 2014-2020;
- On average, support in northern sparsely populated or outermost regions costs in 2021-2027 EUR 51,300 per enterprise and EUR 150,600 in 2014-2020;
- Average unit costs of support in more developed regions amounts to EUR 25,600 in 2021-2027, increasing from EUR 22,500 in 2014-2020.

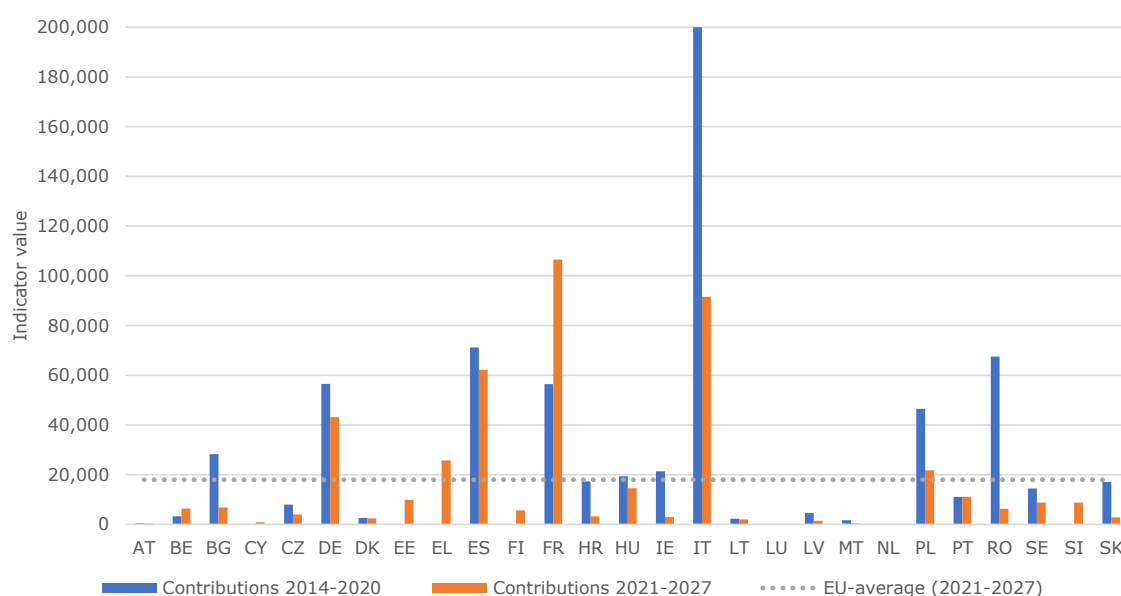
Figure 37 - Unit costs: RCO01 contributions to RSO1.2 (2014-2020 compared to 2021-2027) – in EUR per enterprise



Source: Project team, 2024

At EU level, average unit costs for enterprise support under RSO1.3 have doubled from EUR 32,700 under TO3 in 2014-2020 to approx. EUR 66,100 in 2021-2027 for a total of approx. 448,700 enterprises. The majority of contributions to this indicator are found in French (106,500 enterprises), Italian (91,600 enterprises) and Spanish (approx. 62,200) programmes.

Figure 38 - RCO01 contributions under RSO1.3 (2014-2020 compared to 2021-2027) – in number of enterprises



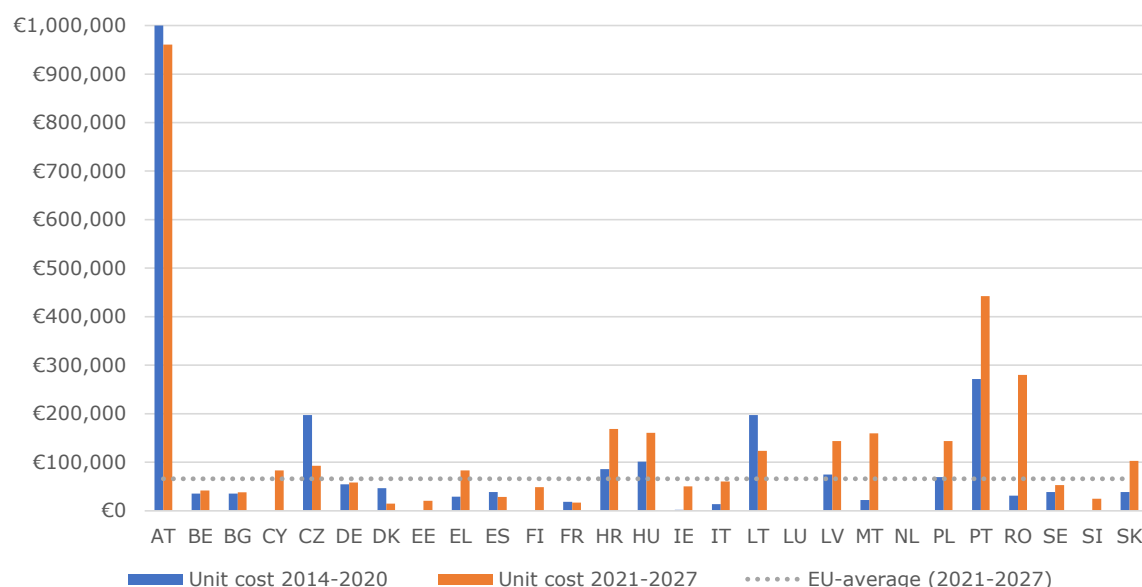
Source: Project team, 2024

As can be seen in **Error! Reference source not found.** 39, unit costs increased in all Member States on average implementing similar support in 2014-2020, except for Austrian, French, Czech, Spanish, Lithuanian, and Danish programmes. However, unit costs vary significantly across the programmes. On average, investments supported in Austria cost EUR 960,600 in 2021-2027, while significantly down from the 2014-2020 period, still relatively high. Similarly high costs are found in Portuguese programmes (increasing from EUR 271,500 to EUR 442,500 in 2021-2027) and Romania (increasing from EUR 30,900 in 2014-2020 to EUR 280,000). On average, programmes in the following Member States are at or below EU average unit costs: France, Belgium, Germany, Denmark, Spain, Ireland, Italy, Sweden, Slovenia, Bulgaria, Denmark and Finland.

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average unit cost of EUR 115,100 (2021-2027) increasing from EUR 32,300 in 2014-2020;
- Investments in transition regions cost around EUR 28,400 (2021-2027) decreasing from EUR 52,900 in 2014-2020;
- On average, support in northern sparsely populated or outermost regions costs in 2021-2027 EUR 66,300 per enterprise, up from EUR 56,100 in 2014-2020;
- Average unit costs of support in more developed regions amounts to EUR 60,200 in 2021-2027, increasing from EUR 28,600 in 2014-2020.

Figure 39 - Unit costs: RCO01 contributions to RSO1.3 (2014-2020 compared to 2021-2027) – in EUR per enterprise



(*) Note: Austrian unit costs 2014-2020 amounts to approx. EUR 2.6 m. The axis was cut off to improve readability.

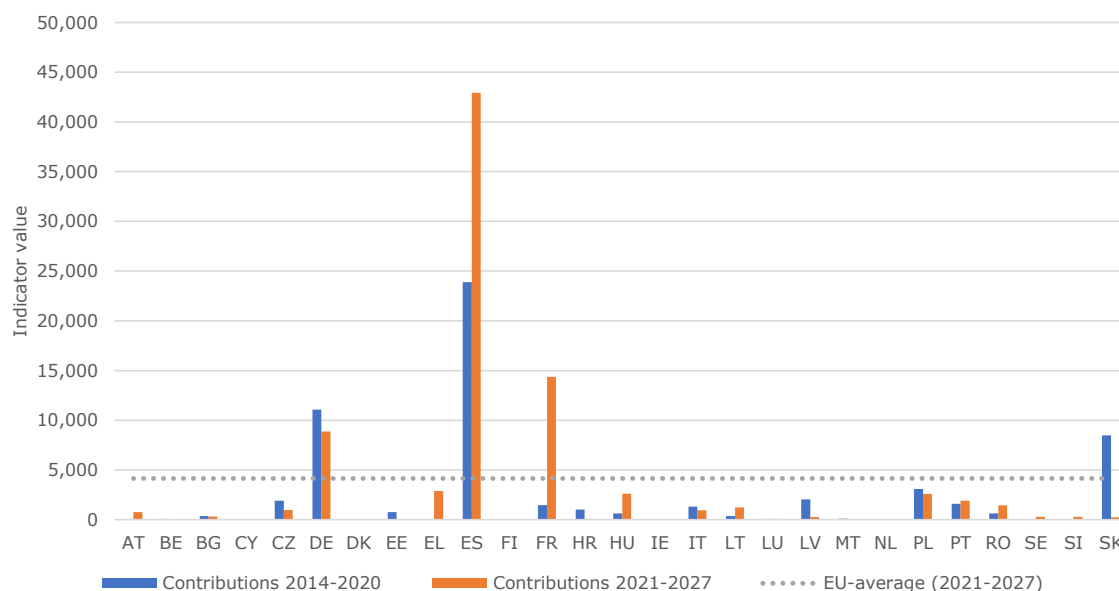
Source: Project team, 2024

RCO06 researchers working in supported facilities

In terms of RCO06, the number of researchers working in supported research facilities, relevant support under RSO1.1 came at a unit costs of EUR 163,500 per one of the 82,900 researchers supported this way in the 2021-2027 period. This represents a decrease of 23% in terms of unit cost and increase in 41% in terms of supported researchers as compared to the 2014-2020 period⁽¹³⁾. The majority of contributions in 2021-2027 are via Spanish (approx. 42,900 supported researchers), French (14,300), and Czech (8,800) programmes.

⁽¹³⁾ As captured via CO25 number of researchers working in improved research infrastructure facilities under TO1

Figure 40 - RCO06 contributions under RSO1.1 (2014-2020 compared to 2021-2027) – in number of researchers



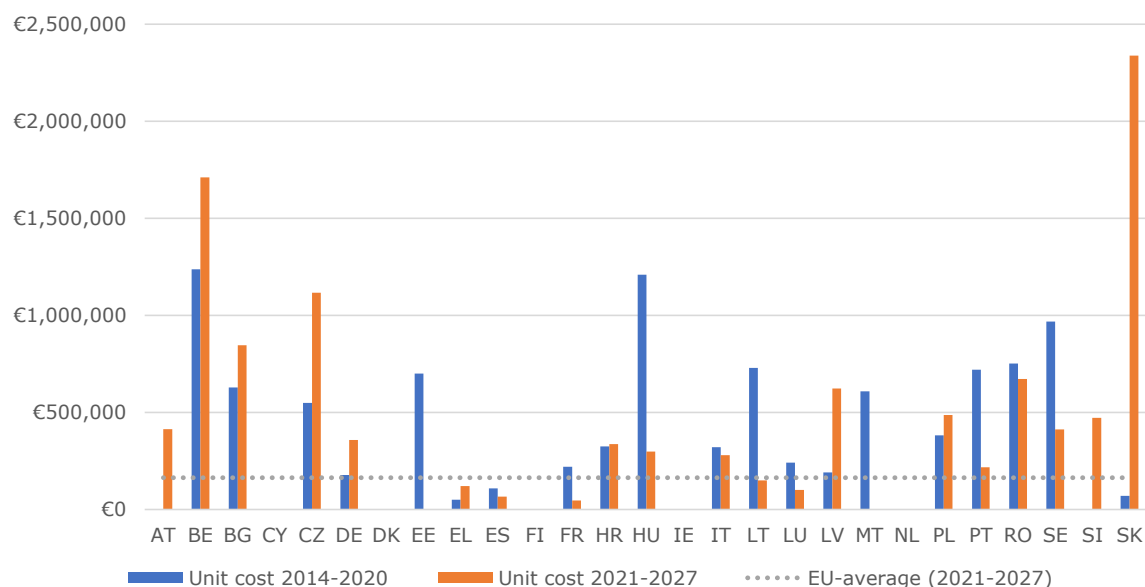
Source: Project team, 2024

At Member State level, in the majority (15 out of 20), unit costs are above average (see Figure 41). This includes, primarily, Belgian (at EUR 1.7 m), Slovakian (EUR 2.3 m), and Czech (EUR 1.1 m) programmes, with all three Member States also seeing substantial increases in unit cost compared to the 2014-2020 period. Lower or average unit cost per supported researcher in 2021-2027 programmes are found in the following Member States: France, Greece, Spain, Latvia, and Luxembourg.

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average unit cost of EUR 248,300 per researcher (2021-2027), decreasing, on average, from EUR 308,800 per researcher in 2014-2020;
- Investments in transition regions cost around EUR 116,700 (2021-2027) per supported researcher decreasing from EUR 131,000 in 2014-2020;
- On average, support in northern sparsely populated or outermost regions costs in 2021-2027 EUR 334,100 per researcher, though this only includes support implemented in Swedish programmes;
- Average unit costs of support in more developed regions are around EUR 154,300 per researcher in 2021-2027, decreasing from EUR 177,300 in 2014-2020.

Figure 41 - Unit costs: RCO06 under RSO1.1 (2014-2020 compared to 2021-2027) – in EUR per researcher



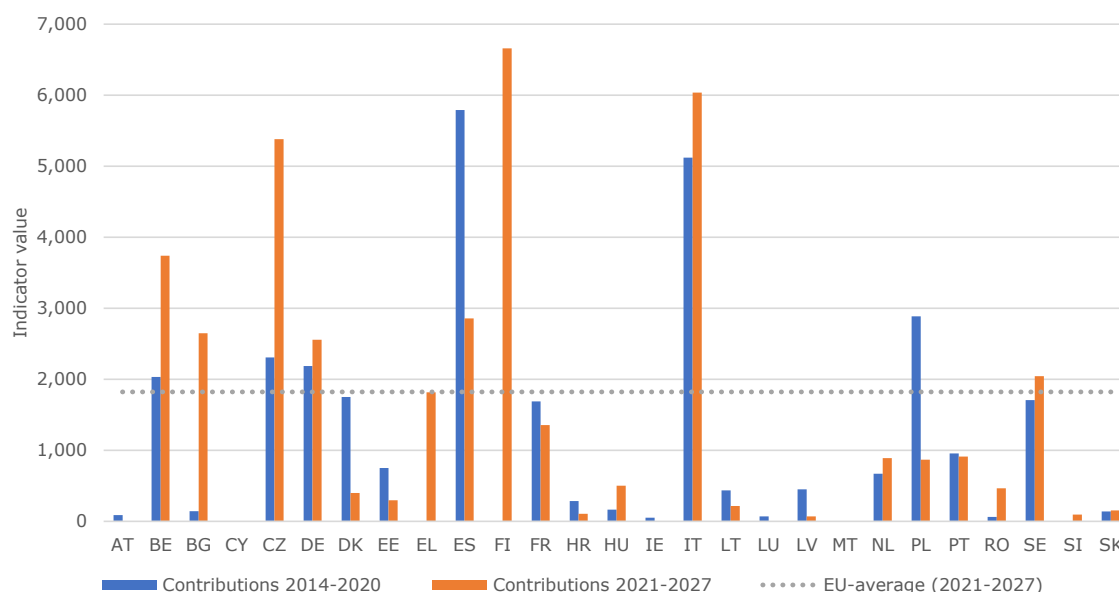
Source: Project team, 2024

3.9.1.1. RCO10 enterprises cooperating with research institutions

On average, one enterprise cooperating with research institutions under RSO1.1 has a unit cost of EUR 259,500 in the 2021-2027 programmes. In total, 40,100 enterprises are planned to cooperate with research organisation. This represents a decrease in terms of unit costs of 43% from EUR 457,100 and an increase of 32% in achieved outputs ⁽¹⁴⁾. The majority of contributions in the 2021-2027 period are from Finnish (around 6,700 cooperating enterprises), Italian (approx. 6,000), and Czech (approx. 5,400) programmes.

⁽¹⁴⁾ As measured via CO26 number of enterprises cooperating with research institutions under TO1

Figure 42 - RCO10 contributions under RSO1.1 (2014-2020 compared to 2021-2027) – in number of cooperating enterprises



Source: Project team, 2024

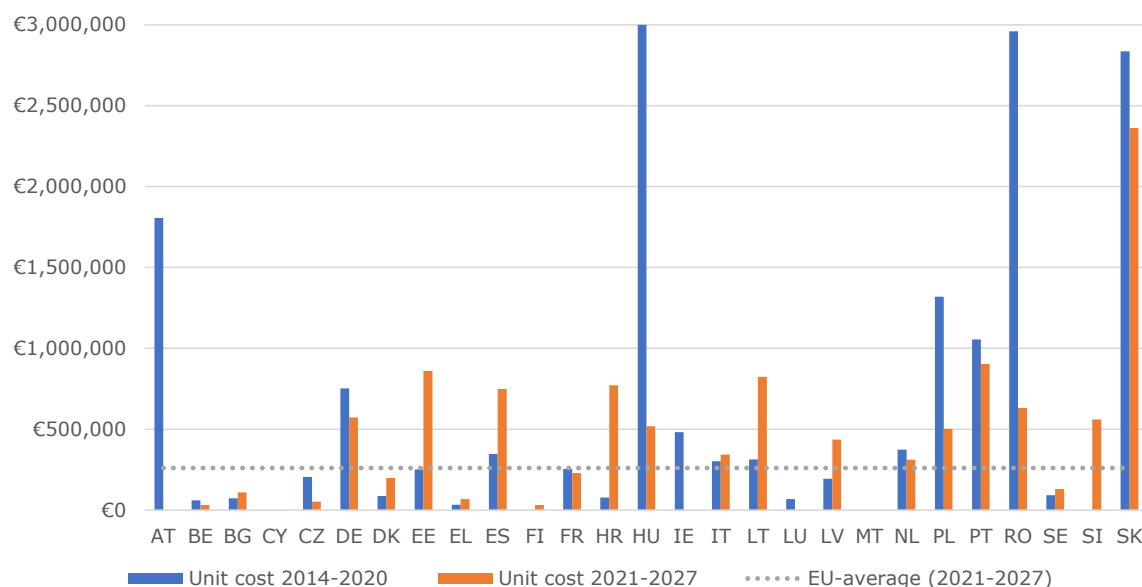
At Member State level, 14 out of 22 Member States using this indicator and corresponding intervention fields in one of their programmes have, on average, higher unit costs than the overall EU level, as can be seen in Figure 43. This includes Member States with high unit costs and above average output generation, like Italy (EUR 343,300 for one of the 6000 enterprises), Germany (EUR 572,800 for one of the 2600 enterprises) and Spain (EUR 749,300 per enterprise for a total of 2900 enterprises). Relatively low unit costs, on average, were found in programmes of the following Member States: Belgium, France, Czechia, Greece, Sweden, Bulgaria, Denmark, and Finland.

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average unit cost of EUR 496,700 per supported enterprise for programmes of the 2021-2027 period, decreasing, on average, from EUR 671,500 per enterprise in 2014-2020;
- Investments (2021-2027) in transition regions have a unit cost of around EUR 190,900 per supported enterprise, significantly decreasing from EUR 526,100 per enterprise in 2014-2020;
- On average, support in northern sparsely populated or outermost regions costs in 2021-2027 EUR 49,300 per enterprise, though this only includes support implemented in Swedish and Finnish programmes;

- Average unit costs of support in more developed regions are around EUR 178,200 per enterprise in 2021-2027, decreasing from EUR 306,200 in 2014-2020.

Figure 43 - Unit costs: RCO10 under RSO1.1 (2014-2020 compared to 2021-2027) – in EUR per enterprise



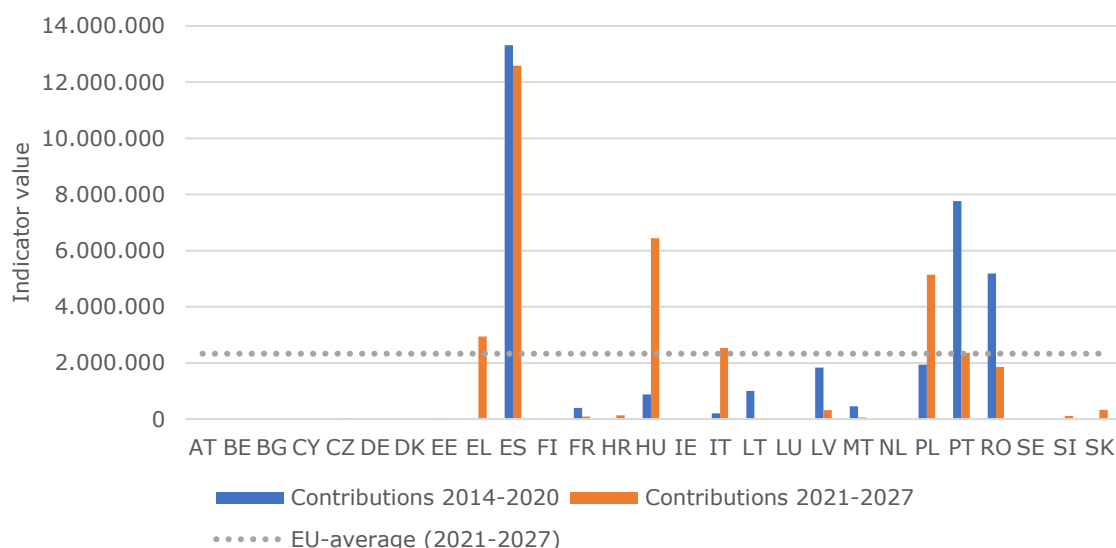
(*) Note: Hungarian unit costs 2014-2020 amounts to approx. EUR 6.2 m. The axis was cut off to improve readability.

Source: Project team, 2024

RCR11 users of new and upgraded public digital services, products and processes

The result indicator RCR11 counts the numbers of users of new and upgraded public digital services, products and processes benefitting from fundings under RSO1.2. It was introduced for the first time for the period 2021-2027. Over EUR 10.1 bn of fundings are planned towards this indicator at EU level, representing over 800 mio users benefitting from new and upgraded public digital services, products and processes. This represents an average unit cost of EUR12.3 at European level. The most contributions to this result indicator come from Poland with over 650 mn users impacted, followed by Spain and Italy with respectively over 98 mn and over 25 mn users expected to benefit from RSO1.2.

Figure 44 - RCO11 contributions under RSO1.2 (2021-2027) – in number of users of new and upgraded public digital services, products and processes



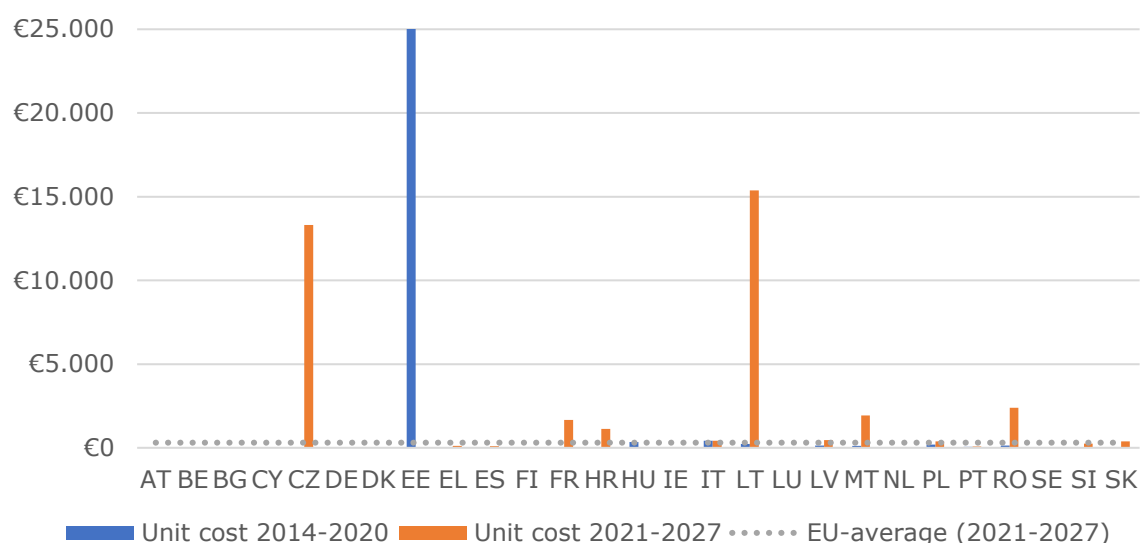
Source: Project team, 2024

23 Member States out of 27 are using this indicator to assess results under RSO1.2 in at least one of their programmes. All but one (Poland) have unit costs higher than the EU average of EUR 12.3 per user. Poland has the lowest unit cost from all with expected EUR 3.07 per user for over 650 mn users targeted, followed by Spain as second lowest unit cost country (EUR 17.26 per user for over 98 mn users targeted). On the other side of the spectrum, Latvia has the highest unit cost with over EUR 175,000 per user (914 users targeted), followed by Slovakia with a unit cost of EUR 21 300 per user (over 14,000 users targeted). Outside of these extreme cases, the average unit cost is of approx. EUR 620 per users, with Member States unit costs comprised between EUR 29 and EUR 3,200 per user.

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average unit cost of EUR 9.51 per benefitting user;
- Investments in transition regions have a unit cost of around EUR 14.5 per benefitting user;
- On average, support in northern sparsely populated or outermost regions costs EUR 715.46 per user, though this only includes support implemented in Swedish programmes;
- Average unit costs of support in more developed regions are around EUR 32.07 per user.

Figure 45 - Unit costs: RCO11 under RSO1.2 (2021-2027) – in EUR per user



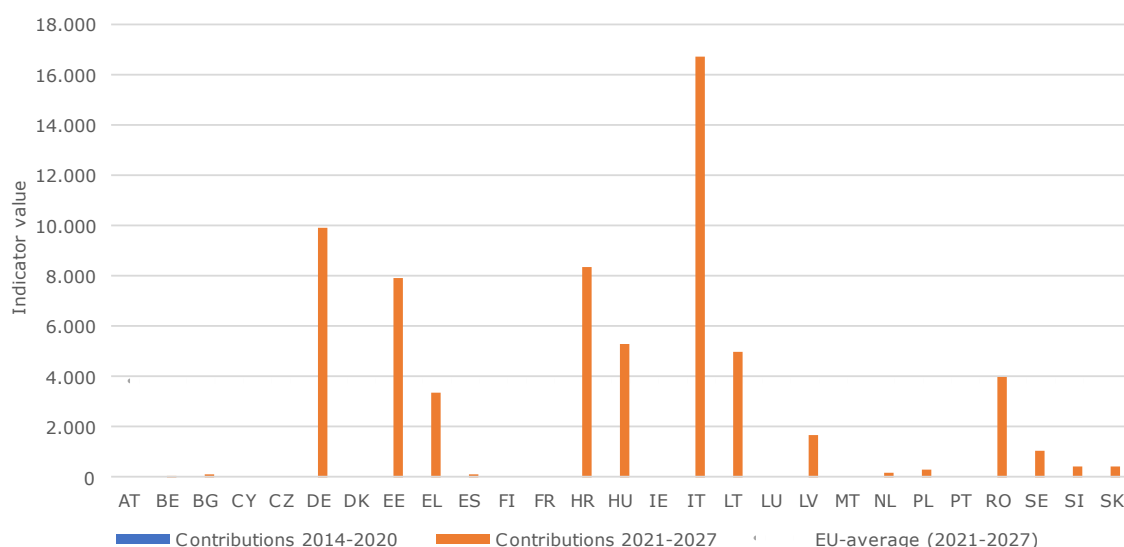
(*) Note: Latvian unit costs amounts to approx. EUR 175,000. The axis was cut off to improve readability.

Source: Project team, 2024

3.9.1.2. RCO101 SME investing in skills development

In terms of RCO101, support under RSO1.1 was planned at a unit costs of EUR 28,000 per one of the 64,700 SME foreseen to be supported in the 2021-2027 period. The majority of contributions in 2021-2027 are via Italian (approx. 16,600 supported enterprises), Hungarian (8,300), and German (9,900) programmes.

Figure 46 - RCO101 contributions under RSO1.4– in number of enterprises

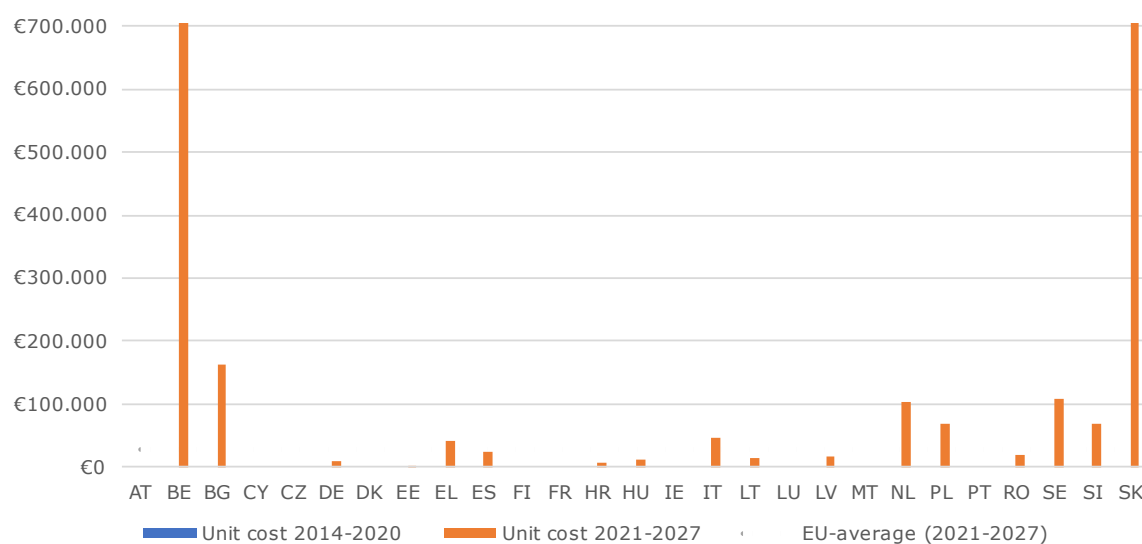


Source: Project team, 2024

No direct link between number of outputs and unit costs can be identified. The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average unit cost of EUR 36,600 per enterprise
- Investments in transition regions cost around EUR 10,00 per supported enterprise
- Average unit costs of support in more developed regions are around EUR 22,700 per enterprise

Figure 47 - Unit costs: RCO101 under RSO1.4 – in EUR per enterprise



Source: Project team, 2024

3.9.2. Contributions to PO2

The aggregated sum for PO2 Greener Europe is currently at EUR 133.2 bn. These resources are used by the ERDF (EUR 104.2 bn.), Interreg (EUR 4.5 bn) and the Cohesion Fund (EUR 24.4 bn). Under ERDF, 72,2% of the funding are foreseen for less developed regions, 18.16% of funding for transition regions and 9.14% of funding for more developed regions. Outermost or northern sparsely populated regions are planned at 0.52% of funding.

Table 5 - Inputs to PO2

RSO	CF	ERDF	Interreg	Total
RSO2.1	4.250.525.558 €	28.003.854.032 €	342.421.699 €	32.596.801.288 €
RSO2.2	325.319.693 €	12.520.999.610 €	323.219.754 €	13.169.539.056 €
RSO2.3	122.441.177 €	6.796.617.937 €	56.409.997 €	6.975.469.111 €
RSO2.4	2.345.187.231 €	14.999.623.310 €	1.436.246.139 €	18.781.056.680 €
RSO2.5	4.834.309.975 €	11.505.100.247 €	329.581.224 €	16.668.991.446 €
RSO2.6	2.412.845.625 €	6.669.483.166 €	693.360.003 €	9.775.688.795 €
RSO2.7	1.962.775.997 €	8.407.360.808 €	1.251.426.350 €	11.621.563.155 €
RSO2.8	8.165.157.952 €	15.361.048.789 €	136.298.307 €	23.662.505.048 €
Total	24.418.563.208 €	104.264.087.899 €	4.568.963.472 €	133.251.614.580 €

A total of 13 output indicators can be considered frequently used (by more than 30% of programmes), with RCO19 Energy being used by a total of 73.7% of all ERDF programmes:

Output indicator	Total Net Target
RCO01 Firms: All firms	58,234
RCO02 Firms: Grant aided	27,107
RCO18 Energy: Dwellings with improved energy performance	693,842
RCO19 Energy: Public buildings with improved energy performance	30,232,123
RCO22 Energy: Renewable energy capacity	9,504
RCO24 Climate: Investments in disaster management	2,055,132,992
RCO25 Climate: Flood protection newly built or consolidated	3,909
RCO26 Climate: Green infrastructure adaptated to climate change	231,819
RCO30 Water: Length of pipes for public water supply	45,707
RCO31 Water: Length of pipes for collection of waste water	37,031
RCO32 Water: New or upgraded capacity for waste water treatment	13,179,219
RCO34 Circular: Additional capacity for waste recycling	11,351,329

Output indicator	Total Net Target
RCO36 Env: Green infrastructure (not related to climate change)	234,394

For result indicators a total of 10 can be considered frequently used, with RCR26 Energy: Annual primary energy consumption being used by 79% of the ERDF programmes:

Result indicator	Total net target
RCR26 Energy: Annual primary energy consumption	-41,336,293
RCR29 Climate: Estimated GHG emissions	-20,880,617
RCR31 Energy: Total renewable energy produced	14,339,369
RCR35 Climate: Population benefiting from flood protection	43,513,994
RCR37 Climate: Pop protected from natural disaster (climate)	119,691,950
RCR41 Water: Population with improved water supply	16,367,577
RCR42 Water: Pop. connected to secondary wastewater treatment	8,553,846
RCR62 Urban Trans: Annual users of public transport	1,003,166,361
RCR64 Urban Trans: Annual users of cycling infrastructure	142,205,348
RCR95 Env: Pop. with access to green infrastructure	41,993,272

This following provides an overview of unit costs for a series of common output indicators contributing to PO2 with clear equivalents in the 2014-2020 period. An EU level overview of the selected common output indicators is provided in Table 6 in terms of unit costs in the 2014-2020 and 2021-2027 periods.

Table 6 - Unit costs of selected common output indicators contributing to PO2

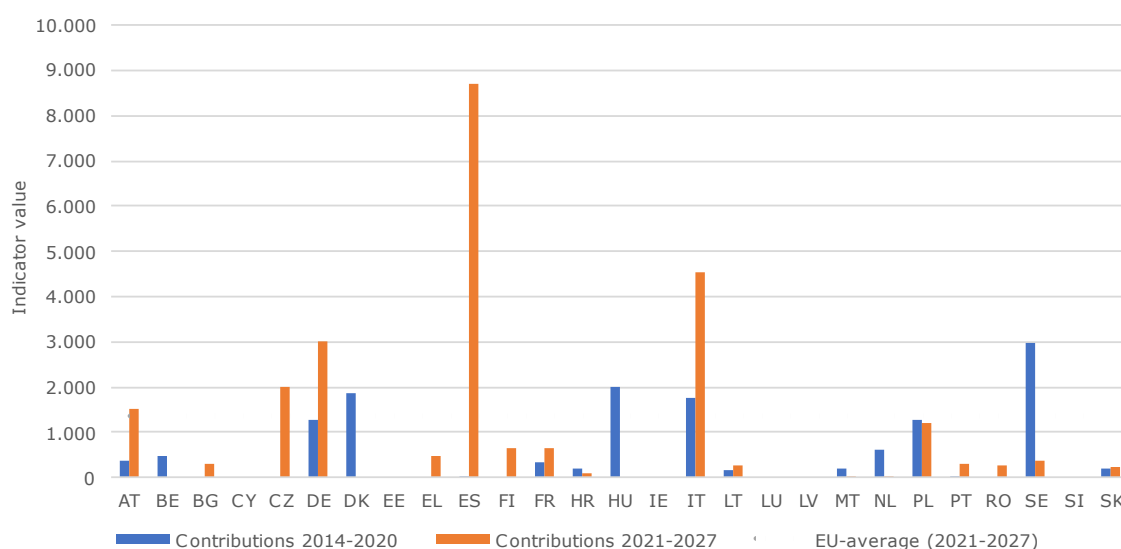
Indicator	Relevant RSO	Average unit cost 2014-2020	Average unit cost 2021-2027
RCO01 enterprises supported (enterprises)	RSO2.1	EUR 105,000	EUR 216,900
RCO18 dwellings with improved energy performance (dwellings)	RSO2.1	EUR 8,510 (CF: EUR 17,430)	EUR 13,000 (CF: EUR 9,500)
RCO19 public buildings with improved energy performance (m ²)	RSO2.1	N/A	EUR 97 (CF: EUR 139)
RCO22 additional production capacity for renewable energy (MW)	RSO2.2	EUR 759,000 (CF: EUR 726,100)	EUR 1.27 m (CF: EUR 552,500)
RCO34 additional capacity for waste recycling (tonnes per year)	RSO2.6	EUR 655	EUR 529

Source: Project team, 2024

RCO01 enterprises receiving support

Enterprise support under RSO2.1, as measured by RCO01, has a unit cost of EUR 216,900 on average across the EU for a total achievement of approx. 24,600 supported enterprises. Of the contributions in 2021-2027, most came from Spanish (8700), Italian (4500), German (3000), and Czech (2000) programmes. In comparison, in the 2014-2020 period a total of 13,700 enterprises were supported ⁽¹⁵⁾ at a unit cost of approximately EUR 105,000. Most contributions were foreseen from Sweden (3,000), Hungary (2,000), Denmark (1,800) and Italy (1,800).

Figure 48 - RCO01 contributions under RSO2.1 (2021-2027) – in number of enterprises

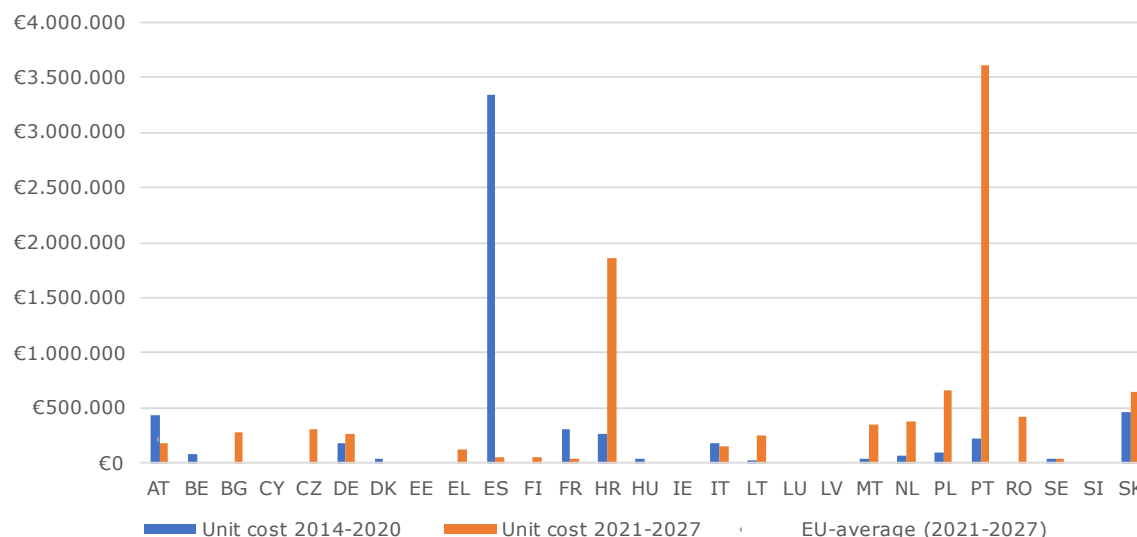


Source: Project team, 2024

Of the 18 Member States which have programmes contributing to this indicator, 11 have above-average unit costs. Above-average unit costs in combination with above average output contributions (i.e. with more outputs than approx. 1370) are found in programmes in Czechia (on average a unit cost of around EUR 300,000 for a total of approx. 2000 supported enterprises) and Germany (a unit cost of around EUR 258,500 for a total of approx. 2000 supported enterprises). Lower than average unit costs are found in Austria (EUR 180,800), France (EUR 36,800), Greece (EUR 126,800), Spain (EUR 44,000), Italy (EUR 151,600), Sweden (EUR 33,600) and Finland (EUR 56,300).

⁽¹⁵⁾ As measured by CO01 – Number of enterprises receiving support under TO4

Figure 49 - Unit costs: RCO01 contributions to RSO2.1 (2021-2027) – in EUR per enterprise



Source: Project team, 2024

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average unit cost of EUR 262,700 per supported enterprise for programmes of the 2021-2027 period compared to EUR 106,900 in the 2014-20 period;
- Investments in transition regions have a unit cost of around EUR 167,300 per supported enterprise in 2021-2027 programmes in comparison to EUR 143,300 for the 2014-2020 period;
- On average, support in northern sparsely populated or outermost regions cost in 2021-2027 EUR 71,900 per enterprise, though this only includes support implemented in Finnish programmes;
- Average unit costs of support in more developed regions are around EUR 185,700 per enterprise in 2021-2027 compared to EUR 90,100 in the 2014-2020 period.

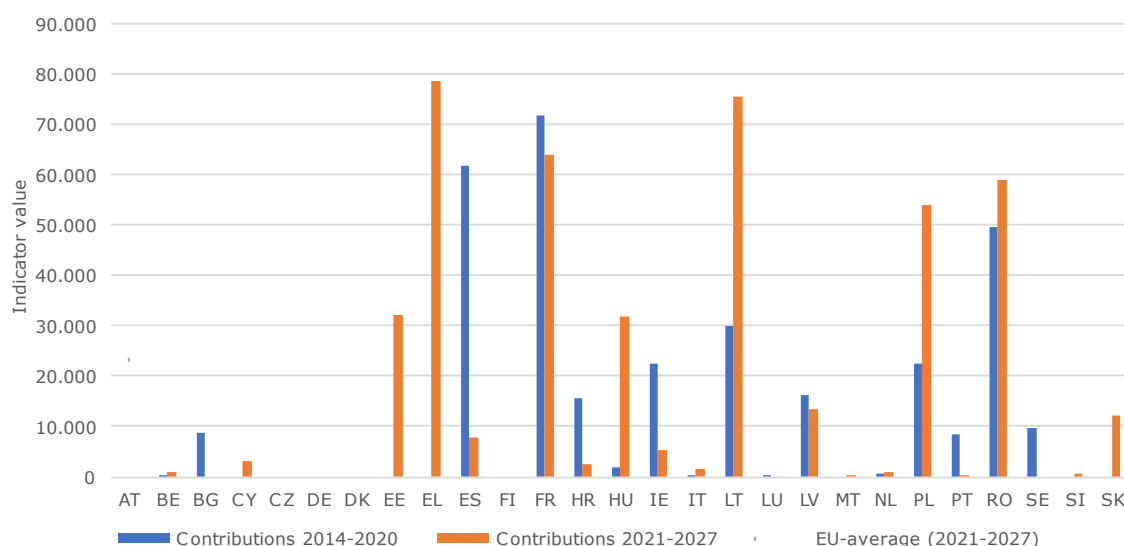
RCO18 dwellings with improved energy performance

To improving energy performance of buildings via RSO2.1 has a unit cost of approx. EUR 13,000 per dwelling. In total, 444,100 dwellings are planned to be supported this way across the EU. At Member State level, most contributions came from programmes in Greece (78,700 dwellings), Lithuania (75,400

dwellings), Poland Support (54,100 dwellings), and Romania (58,900 dwellings). In comparison in the 2014-2020 period support for 323.200 households were supported ⁽¹⁶⁾ at a unit cost of EUR 8.500. Most outputs were foreseen for France (71,600), Spain (61,900), Romania (49,500) and Lithuania (30,000).

Funding under CF saw considerable increase in the 2021-2027 period with a threefold increase of funding and almost sixfold increase in outputs, most notably due to Polish initiatives (supporting 200,000 dwellings in the 2021-2027 period). Consequently, unit costs are expected to decrease from EUR 17,400 (2014-2020) to EUR 9,500.

Figure 50 - RCO18 contributions under RSO2.1 (2021-2027) – in number of dwellings



Source: Project team, 2024

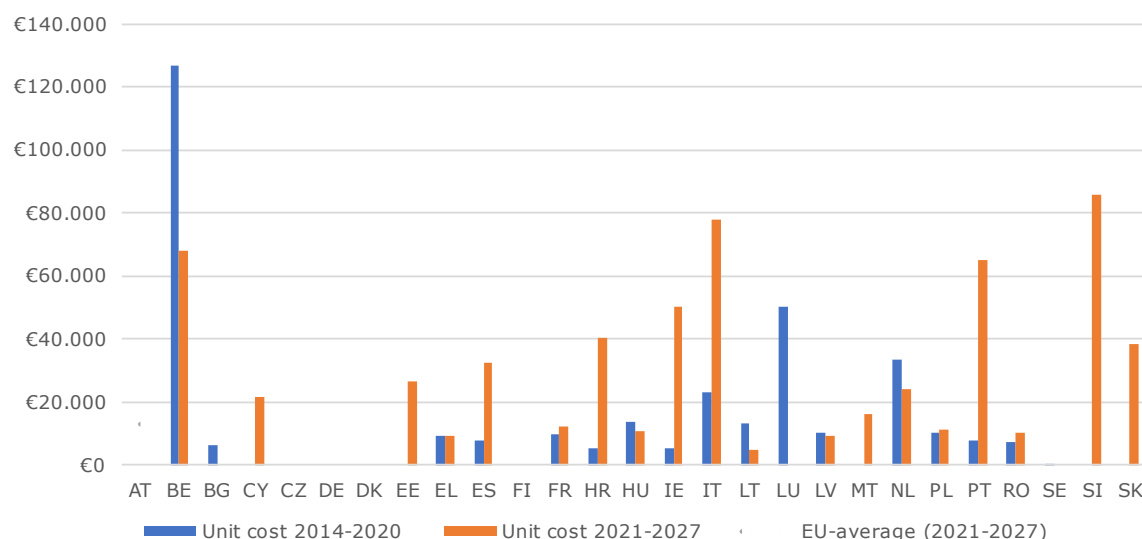
In total, programmes in 12 out of 19 the Member States with contributions to this indicator have above average unit costs (see Figure 51). The highest unit costs are found in Slovenia (EUR 86,000), Italy (EUR 77,900) and Belgium (EUR 68,200). The lowest unit costs are found in programmes of the following Member States: Greece and Latvia (both at approx. EUR 9,000), as well as Lithuania (EUR 4,700).

⁽¹⁶⁾ As measured by CO31 – Number of households with improved energy consumption classification under TO4

The following differences can be observed in terms of unit costs per category of region ⁽¹⁷⁾:

- Investments in less developed regions have an average unit cost of EUR 10,700 per dwelling for programmes of the 2021-2027 period compared to EUR 9,400 per household in the 2014-2020 period;
- Investments in transition regions have a unit cost of around EUR 17,000 per dwelling in 2021-2027 programmes compared to EUR 14,500 per household in the 2014-2020 period;
- Average unit costs of support in more developed regions are around EUR 22,700 per dwelling with improved energy performance in 2021-2027 compared to EUR 6,200 per household in the 2014-2020 period.

Figure 51 - Unit costs: RCO18 under RSO2.1 (2021-2027) – EUR per dwelling and EUR per household (2014-2020)



Source: Project team, 2024

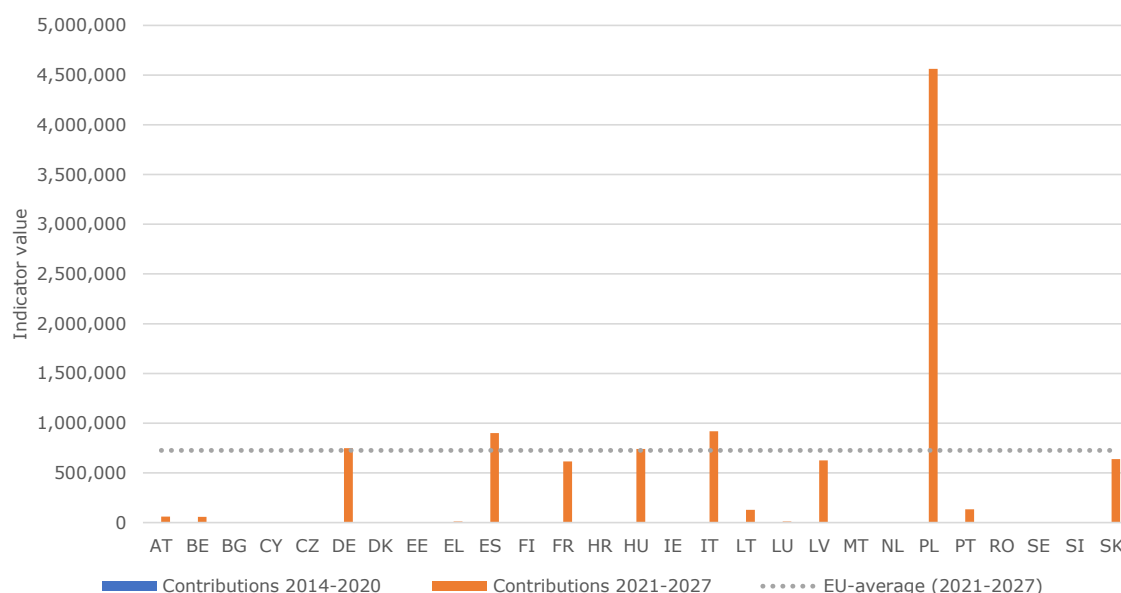
RCO19 public buildings with improved energy performance

Improving energy performance in public buildings is associated with a unit cost of EUR 97 per square metre. No comparative data is available for the 2014-2020 period for CO39 (public or commercial buildings newly built or renovated in urban areas). Programmes in 2021-2027 support the renovation of approx. 10.14 m square metres of public buildings, with major contributions to RCO19 in the

⁽¹⁷⁾ Of note, the differences materialise in the EU comparison. If compared within MS however, with the exception of ES and SI less developed regions generally see higher unit costs than more developed regions.

following Member States: Poland (around 4.5 m square metres), Spain (900,400 square metres), and Italy (918,200 square metres). Considerable efforts are likewise done by Poland under CF, with an expected contribution of 2m square meters. Overall unit costs of the CF are expected at EUR 139.

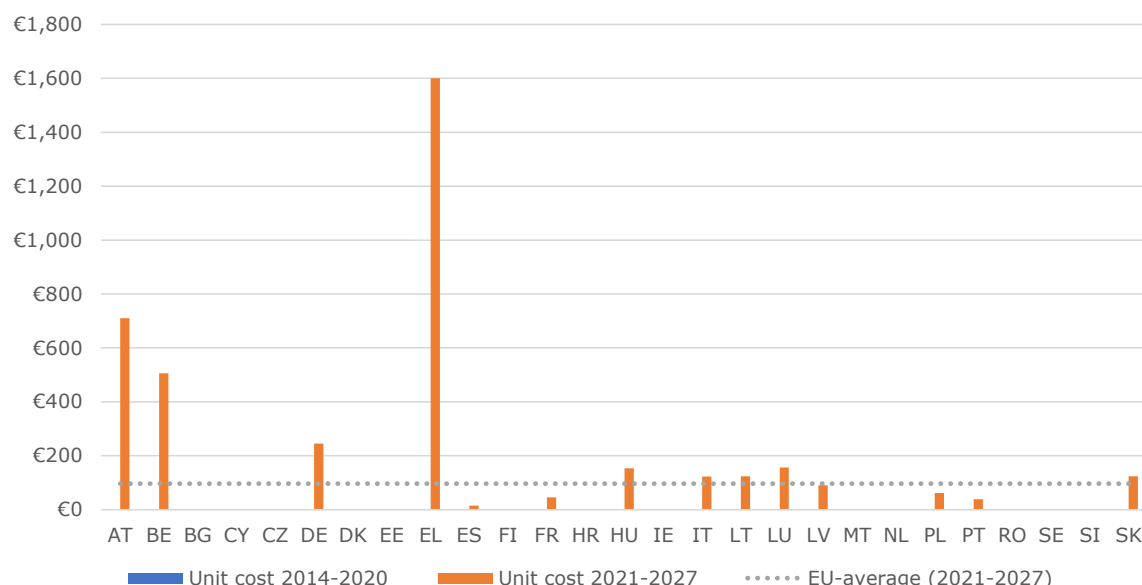
Figure 52 - RCO19 contributions under RSO2.1 (2021-2027) – in number of m²



Source: Project team, 2024

Unit costs per square metre are higher than average in programmes of 9 out of a total of 14 Member States (see Figure 53). Of those, German, Hungarian, and Italian programmes combine relatively high output and high unit costs, with German programmes supporting 747,000 square metres at EUR 245 per unit, Hungary 738,700 square metres at EUR 153 per unit, and Italian programmes supporting 918,200 square metres at EUR 122 per unit. The overall highest unit costs are found in Greek, Austrian, and Belgian programmes, at, respectively, EUR 1,600 (EL), EUR 710 (AT), and EUR 506 (BE). The lowest unit costs are found on average in the following Member States: Spain (EUR 15 per square metre), Portugal (EUR 39), and France (EUR 46).

Figure 53 - Unit costs: RCO19 contributions to RSO2.1 (2021-2027) – EUR per m²



Source: Project team, 2024

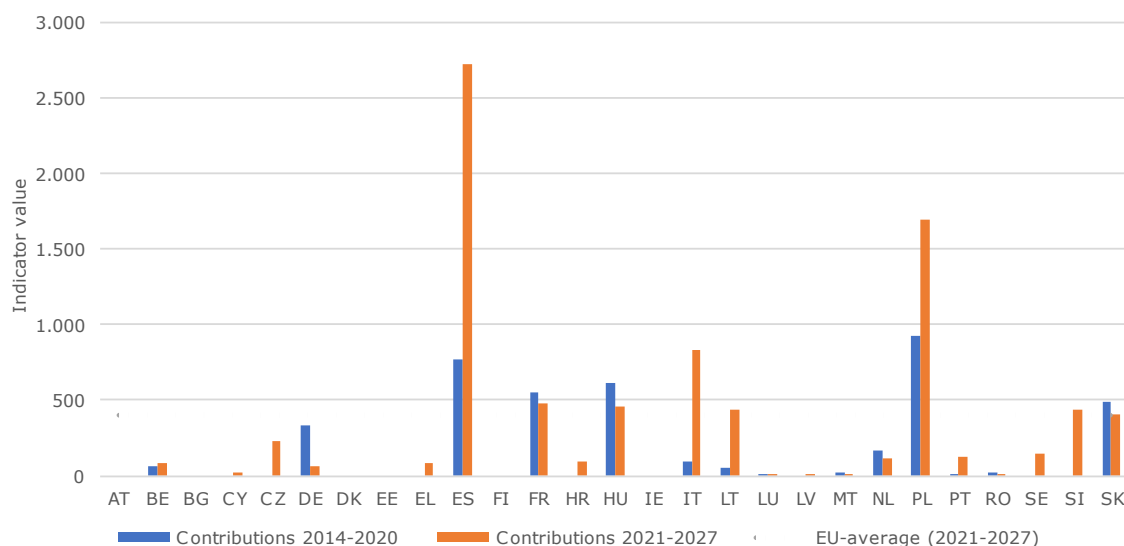
The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average unit cost of EUR 76 per square metre for programmes of the 2021-2027 period;
- Investments in transition regions have a unit cost of around EUR 123 per square metre in 2021-2027 programmes;
- Average unit costs of support in more developed regions are around EUR 180 per square metre in 2021-2027.

RCO22 additional production capacity for renewable energy

Investments into renewable energy production capacity under RSO2.2, as captured via RCO22, have an average unit cost of around EUR 1.27 m per megawatt (MW) for a total additional capacity of 8,500 MW. In the 2014-2020 period for CO30 (additional capacity of renewable energy production) supported the increase of around 4,100 MW at a unit cost of EUR 759,100 per MW. Most contribution of 2021-2027 programmes are expected to be made in Spain (2730 MW), Poland (1700 MW), and Italy (830 MW). Under CF funding, considerably lower outputs are expected, however with diverse patterns across periods. Unit costs for support were expected at EUR 726,100 for the 2014-2020 period, thus close to ERDF funding. In the 2021-2027 period on the other hand considerably lower unit costs of EUR 552,500 are expected.

Figure 54 - RCO22 contributions under RSO2.2 (2021-2027) and CO30 (2014-2020) – in MW of installed capacity



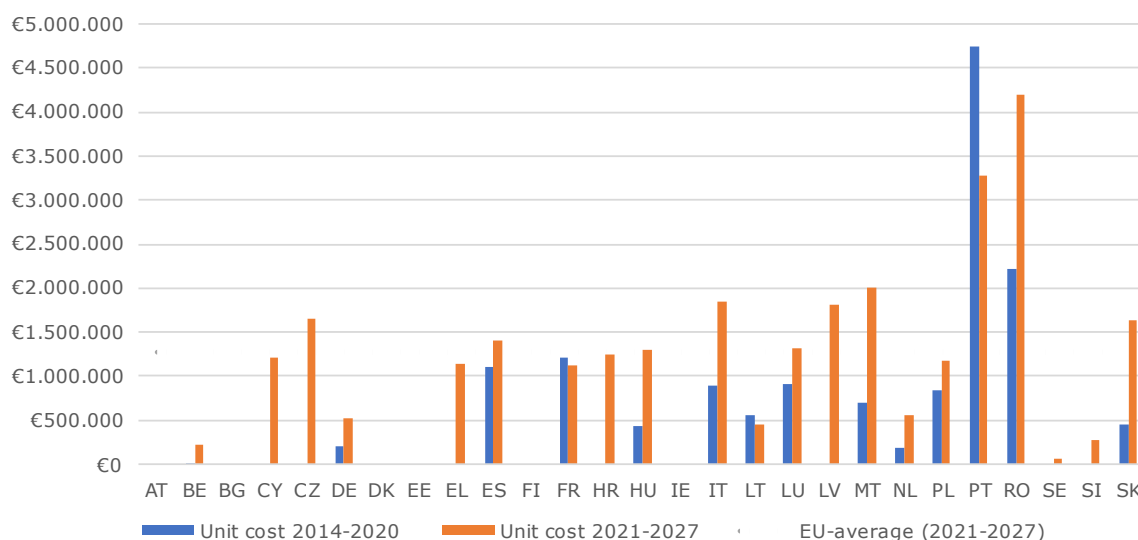
Source: Project team, 2024

From 21 Member States with programmes contributing to this indicator, unit costs were below average in 11. The highest unit costs were found in the following Member States: Romania (EUR 4.2 m), Portugal (EUR 3.3 m) and Malta (EUR 2 m). The lowest unit costs were found in Sweden (EUR 54,700), Belgium (EUR 220,800), and Slovenia (EUR 268,700) per installed MW. A high continuity of picking up the funding can be identified, with no MS discontinuing the funding and additional 5 picking it up.

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed and transition regions have an average unit cost of EUR 1.29 m, each, per MW for programmes of the 2021-2027 period and EUR 713,600 for the 2014-2020 period.
- For transition regions an average unit cost of EUR 1.29 m in the 2021-2027 and EUR 1 m for the 2014-2020 period could be identified.
- Average unit costs of support in more developed regions are around EUR 1.12 m per MW in 2021-2027 and EUR 651,900 for the 2014-2020 period.

Figure 55 - Unit costs: RCO22 contributions to RSO2.2 (2021-2027) – in EUR per MW



Source: Project team, 2024

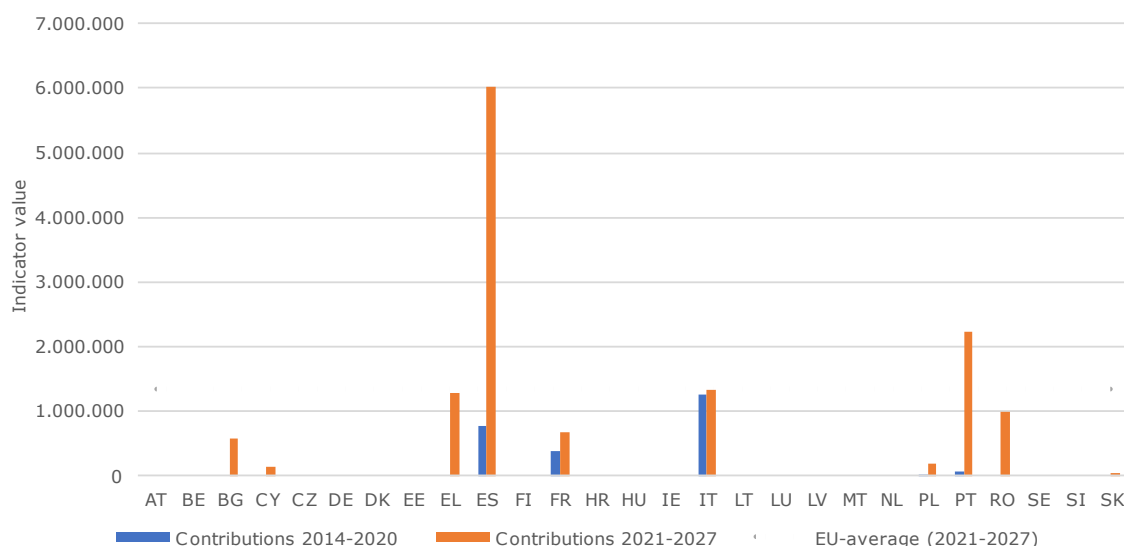
RCR41 Population connected to improved public water supply A25

Support to improved public water supply under RSO2.5 shows a unit cost of approx. EUR 347 per person for a total of 13.4 m persons across the EU. At Member State level, most contributions came from programmes in Spain (6 m persons), Portugal (2.2 m persons), Italy (1.3 m persons), and Greece (1.24 m persons). In comparison in the 2014-2020 period support for 3m households were supported ⁽¹⁸⁾ at a unit cost of EUR 188 per person. Most outputs were foreseen for Italy (1.26 m), Spain (770,800) and Greece (534,400).

In comparison under the CF in 2021-2027 a total of 2.9 m persons is foreseen to benefit at a unit cost of EUR 472. This represents an increase from EUR 340 unit costs for support of 7.4 m persons in the 2014-2020 period.

⁽¹⁸⁾ As measured by CO18 - Additional population served by improved water supply under TO6

Figure 56 - RCR41 contributions under RSO2.5 (2021-2027) and CO18 (2014-2020)– in population covered



Source: Project team, 2024

In total, programmes in 12 out of 19 the Member States (see **Error! Reference source not found.**) with contributions to this indicator have above average unit costs. The highest unit costs are found in Slovakia (EUR 4,900), Poland (EUR 2,000) and Romania (EUR 1200). The lowest unit costs are found in programmes of Spain (EUR 165) and Portugal (EUR 274).

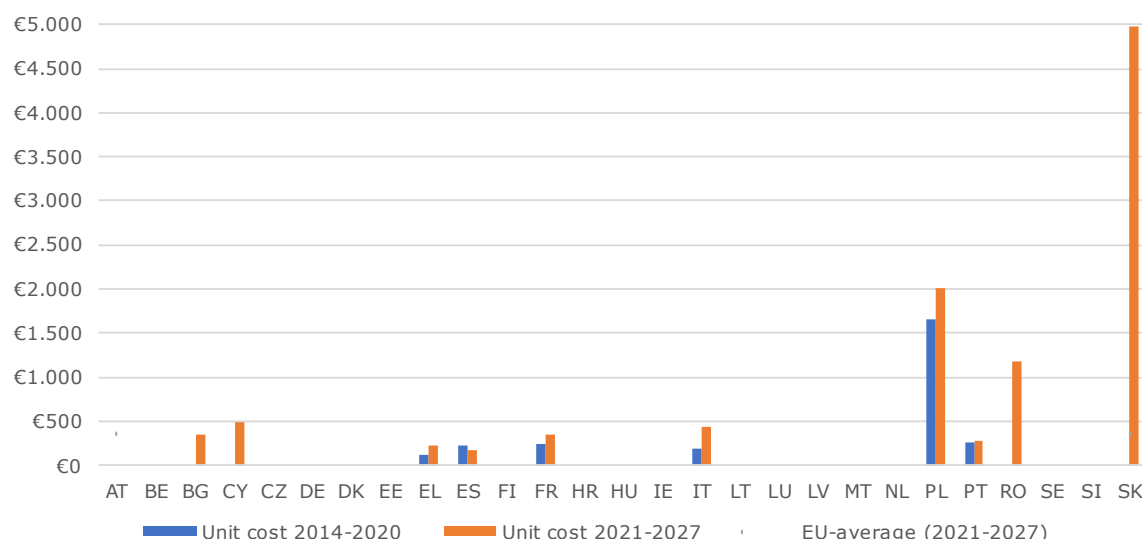
The following differences can be observed in terms of unit costs per category of region ⁽¹⁹⁾:

- Investments in less developed regions have an average unit cost of EUR 411 per person for programmes of the 2021-2027 period compared to EUR 235 in the 2014-2020 period;
- Investments in transition regions have a unit cost of around EUR 245 per person in 2021-2027 programmes compared to EUR 132 in the 2014-2020 period;

⁽¹⁹⁾ Of note, the differences materialise in the EU comparison. If compared within MS however, with the exception of ES and SI less developed regions generally see higher unit costs than more developed regions.

- Average unit costs of support in more developed regions are around EUR 146 per person in 2021-2027 compared to EUR 306 in the 2014-2020 period.

Figure 57 - Unit costs: RCR41 under RSO2.5 (2021-2027) and CO18 (2014-2020)– in EUR per population covered



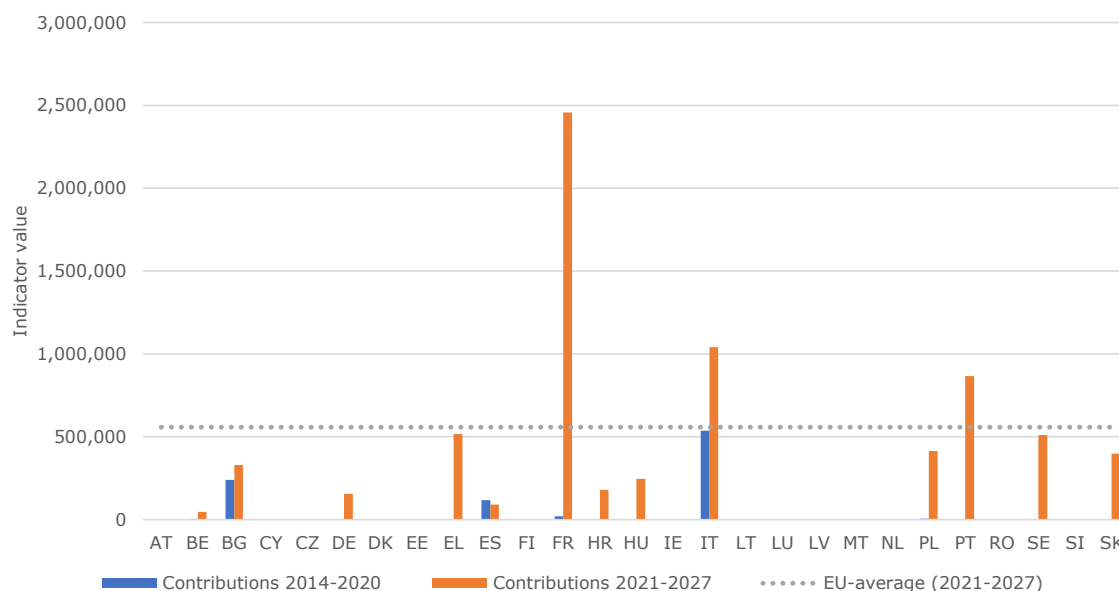
Source: Project team, 2024

RCO34 additional capacity for waste recycling

Investing into additional capacity for waste recycling, as supported under RSO2.6, has a unit cost of EUR 529 per annual tonne of capacity. Overall, investments from the 2021-2027 period have produced an additional capacity of 7.25 m annual tonnes. In comparison, unit costs of similar investments under TO6 as measured by CO17 (additional waste recycling capacity) had a unit cost of EUR 655, with 2021-2027 costs representing a decline of 17% to the 2014-2020 period. In total, 2014-2020 investment support led to the creation of around 992,800 annual tonnes in capacity, also significantly lower than the achievements in the current period. In terms of the 2021-2027 period, most achievements came from programmes in France (2.46 m annual tonnes), Italy (1.04 m annual tonnes), and Portugal (866,400 annual tonnes).

Similar patterns are observed for support under the CF, where an additional capacity of 4m tonnes in the 2021-2027 period is expected at a unit cost of EUR 512, representing a reduction of approx. 34% compared to the unit cost of EUR 772 for the 2014-2020 period.

Figure 58 - RCO34 contributions under RSO2.6 (2014-2020 compared to 2021-2027) – in annual tonnes



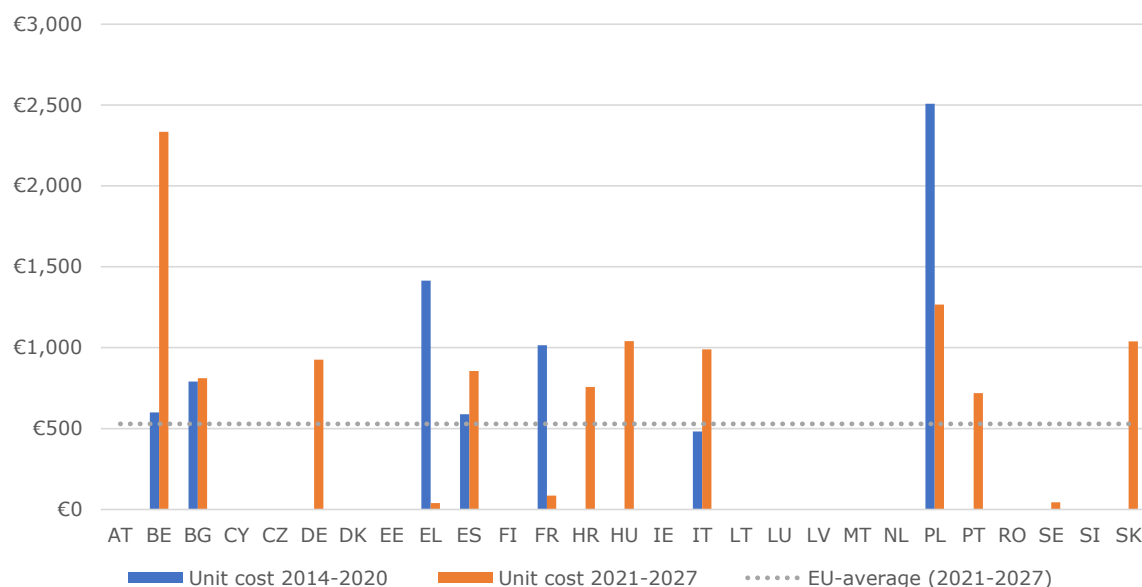
Source: Project team, 2024

Unit costs (2021-2027) are above average in ten out of the 13 Member States with programmes contributing to this indicator, largely due to the relatively high-volume delivery at low costs in Greece (at EUR 40 per annual tonne), France (at EUR 85), and Sweden (at EUR 44). Highest unit costs are in the following Member States: Belgium (EUR 2,330 per tonne), Poland (EUR 1,270), and Hungary (EUR 1,040). There is a relatively low degree of continuity between the two periods, with only eight Member States (see also **Error! Reference source not found.**) offering support in both. Of those, particularly investments in France, Greece, and Poland have a substantially lower unit cost in 2021-2027. Some unit costs markedly increased, especially in Italian and Belgian programmes.

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average unit cost of EUR 970 per annual tonne for programmes of the 2021-2027 period, increasing significantly from EUR 584 in 2014-2020 period programmes;
- Investments in transition regions have a unit cost of around EUR 171 per annual tonne in 2021-2027 programmes, down from EUR 927 in 2014-2020;
- Average unit costs of support in more developed regions are around EUR 407 per annual tonne in 2021-2027, decreasing from EUR 1,296 in 2014-2020.

Figure 59 - Unit costs: RCO34 under RSO2.6 (2014-2020 and 2021-2027) – in EUR per annual tonne



Source: Project team, 2024

RCO55 and RCO56 sustainable urban transport

The unit costs of reconstructed or improved metro- and tram lines in 2021-2027 programmes (RSO2.8), as illustrated by indicators RCO55 and RCO56 ⁽²⁰⁾, are assessed per km in comparison to expect unit costs of road works in 2014-2020 programmes, as illustrated by CO15 ⁽²¹⁾ under corresponding thematic objectives.

Unit costs have decreased slightly between 2014-2020 and 2021-2027 programmes to around EUR 7.45 m per modernised or constructed kilometre, down from approximately EUR 8 m in 2014-2020. In terms of supported outputs, matching investments increased significantly, from 238 km supported in 2014-2020 programmes to 732 km in 2021-2027 programmes. Among 2021-2027 programmes, the majority of contributions are expected in Spain (267 km) and Romania (213 km).

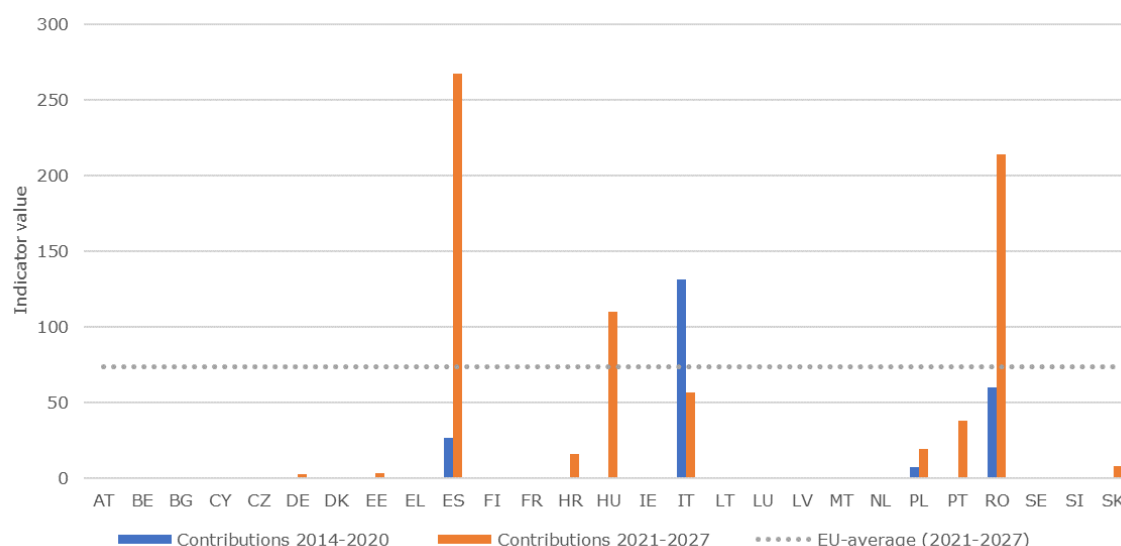
For similar support under the Cohesion Fund, considerably higher unit costs are expected in both periods at EUR 14.2 m for 2021-2027 and 23 m for 2014-2020.

⁽²⁰⁾ Respectively RCO43 length of new or upgraded roads - TEN-T and RCO45 length of roads reconstructed or modernised - TEN-T.

⁽²¹⁾ Respectively CO13 total length of newly built roads and CO14 total length of reconstructed or upgraded roads.

In the current period, the majority of contributions is foreseen from Polish (224 km) programmes.

Figure 60 - RCO55 & RCO56 contributions under RSO2.8 (2014-2020 compared to 2021-2027) – in km

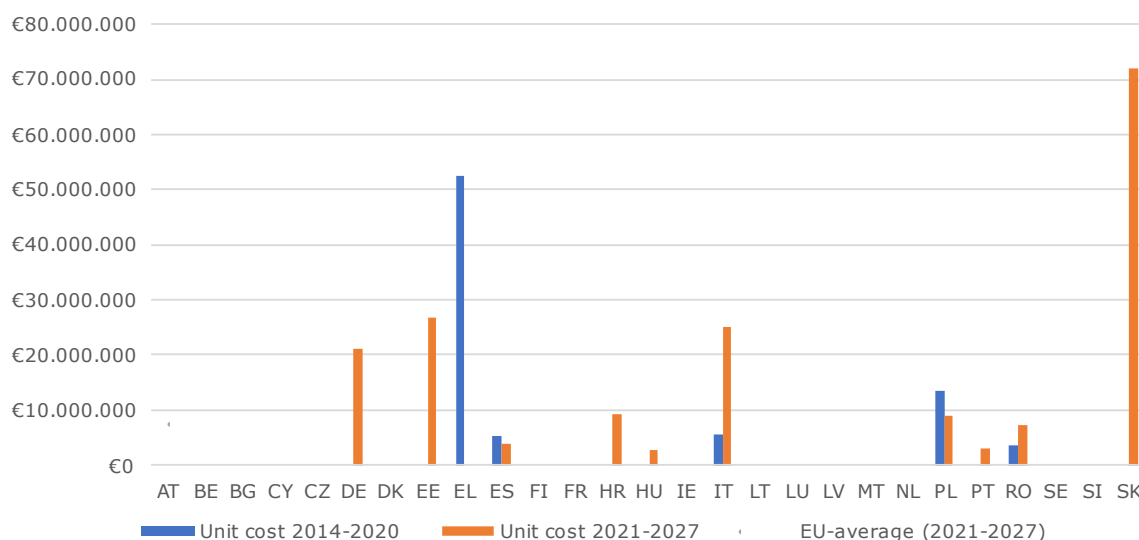


Source: Project team, 2024

The unit cost variance is relatively high in 2021-2027 programmes, varying between EUR 3 m per km in Romania to EUR 26.6 m per km in Estonia.

- Investments in less developed regions have an average unit cost of EUR 9.6 m for the 2021-2027 period, decreasing significantly from EUR 17.4 m in 2014-2020 period programmes;
- Investments in transition regions have a unit cost of around EUR 3.2 m in 2021-2027 programmes, down from EUR 5 m in 2014-2020.

Figure 61 - Unit costs: RCO55 & RCO55 under RSO2.8 (2014-2020 and 2021-2027) – in EUR per km



Source: Project team, 2024

3.9.3. Contributions to PO3

Under Policy Objective 5, funding is dispersed via CF, ERDF and Interreg. A total of EUR 23.6 bn via CF, EUR 29.2 bn via ERDF and EUR 0.7 bn via Interreg are foreseen. Under ERDF 87.6% of the funding are foreseen for less developed regions, 9.5% of funding for transition regions and 1.2% of funding for more developed regions.

Table 7 - Inputs to PO1

RSO	CF	ERDF	Interreg
RSO3.1	22.602.287.051 €	10.611.434.490 €	13.927.887 €
RSO3.2	1.006.255.373 €	18.556.428.707 €	707.412.242 €
Total	23.608.542.424 €	29.167.863.197 €	721.340.129 €

A total of 2 output indicators can be considered frequently used (by more than 30% of programmes), with RCO44 being used by a total of 58% of all ERDF programmes:

Indicator	Target	Number of prog.
RCO44 Road: Length of new or upgraded roads - non-TEN-T	856	41
RCO46 Road: Length of roads- non-TEN-T	5.124	39

Only one result indicator can be considered frequently used (by more than 30% of programmes), with RCR55 being used by a total of 64.06% of all ERDF programmes:

Indicator	Target	Number of prog.
RCR55 Road: Annual users of roads	14.885.322.324	41
RCR56 Road: Time savings due to improved road infrastructures	15.667.537	31

This section provides an overview of unit costs for a series of common output indicators contributing to PO3 with reasonable equivalents in the 2014-2020 period. An EU level overview of the selected common output indicators is provided in Table 8 in terms of unit costs in the 2014-2020 and 2021-2027 periods.

Table 8 - Unit costs of selected common output indicators contributing to PO3

Indicator	Relevant RSO	Average unit cost 2014-2020	Average unit cost 2021-2027
RCO43 & RCO45 road works TEN-T (km)	RSO3.1	EUR 1.162 m (CF: EUR 6.052 m)	EUR 3.773 m (CF: EUR 9.028 m)
RCO47 & RCO49 rail works TENT-T (km)	RSO3.1	EUR 1.999 m (CF: EUR 5.772 m)	EUR 1.964 m (CF: EUR 5.139 m)
RCO44 & RCO46 road works non-TEN-T (km)	RSO3.2	EUR 1.081 m (CF: EUR 281,300)	EUR 1.389 m
RCO48 & RCO50 rail works non-TEN-T (km)	RSO3.2	EUR 896,500 (CF: EUR 1.624 m)	EUR 1.972 m (CF: EUR 12.907 m)

Source: Project team, 2024

RCO43 and RCO45 road works (TEN-T)

The unit costs of road works per kilometre built or improved TEN-T infrastructure in 2021-2027 programmes (RSO3.1), as illustrated by indicators RCO43 and RCO45 ⁽²²⁾, are assessed in comparison to expect unit costs of road works in 2014-2020 programmes, as illustrated by CO13 and CO14 ⁽²³⁾ under corresponding specific objectives. Unit costs are assessed separately for

⁽²²⁾ Respectively RCO43 length of new or upgraded roads - TEN-T and RCO45 length of roads reconstructed or modernised - TEN-T.

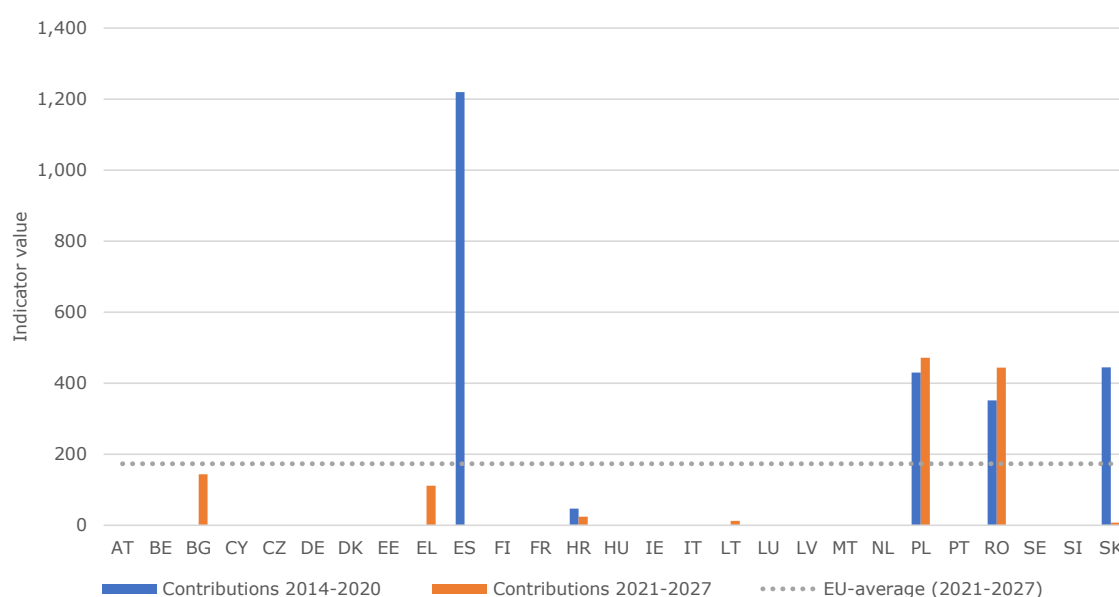
⁽²³⁾ Respectively CO13 total length of newly built roads and CO14 total length of reconstructed or upgraded roads.

investments under RSO3.1 for TEN-T investments and 3.2 non-TEN-T investments.

For roadworks under RSO3.1, unit costs have increased significantly between 2014-2020 and 2021-2027 programmes to around EUR 3.8 m per modernised or constructed kilometre, corresponding to a relative change of 225% in costs. In terms of supported outputs, matching investments have also fallen, from 2,677 km supported in 2014-2020 programmes to 1,314 km in 2021-2027 programmes. Among 2021-2027 programmes, the majority of contributions are expected in Poland (472 km), Romania (444 km), and Greece (111 km). Only seven Member States have programmes contributing to these indicators.

For similar support under the Cohesion Fund, considerably higher unit costs are expected in both periods at EUR 9.028 m for 2021-2027 and 6.052 m for 2014-2020. In the current period, the majority of contributions is foreseen from Romanian (335 km) and Greek (296.5km) programmes. Variations in unit costs between MS are also considerable increasing, ranging from EUR 623,200 in Bulgaria to EUR 39.457 m in Slovakia.

Figure 62 - RCO43 & RCO45 contributions under RSO3.1 (2014-2020 compared to 2021-2027) – in km

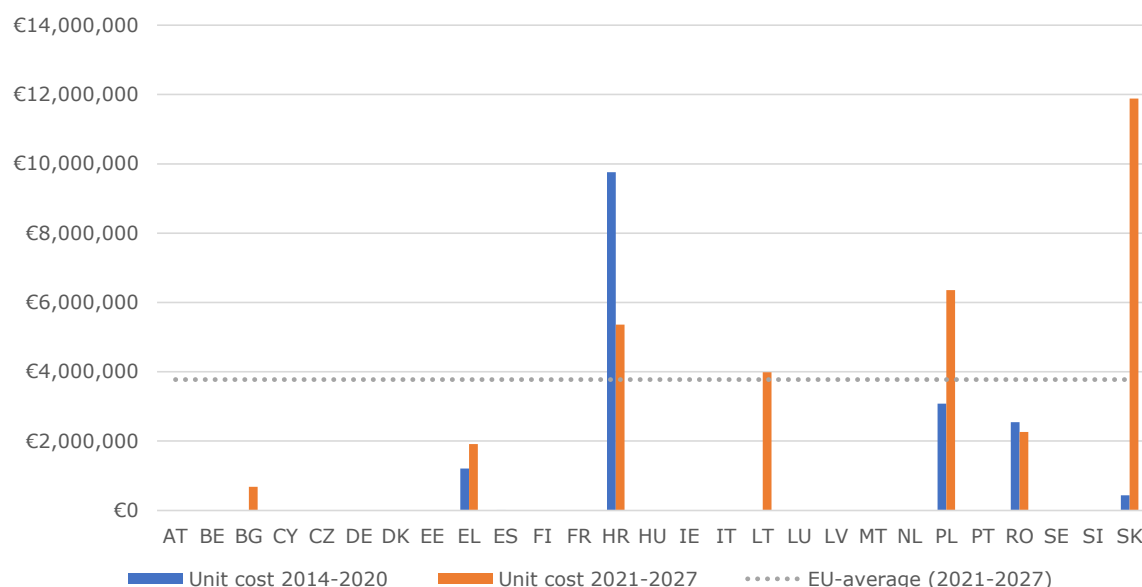


Source: Project team, 2024

The unit cost variance is relatively high in 2021-2027 programmes varying between EUR 680,500 per km in Bulgaria to EUR 11.9 m per km in Slovenia. Unit costs per km of road works have only fallen (substantially) in Croatian programmes and increased in all others. Support under this RSO is only implemented in less-developed regions in 2021-2027 at the unit cost of approx. EUR 3.8 m per km. In the 2014-2020 period, support was also implemented in transition regions: EUR 68,600 per km on average, though this figure is skewed

due to very low unit costs of support in Spanish regions. Unit cost of support in less-developed regions in 2014-2020 cost around EUR 2.2 per km on average.

Figure 63 - Unit costs: RCO43 & RCO45 under RSO3.1 (2014-2020 and 2021-2027) – in EUR per km



Source: Project team, 2024

RCO47 and RCO49 rail works (TEN-T)

The unit costs of rail works per kilometre of TEN-T infrastructure in 2021-2027 programmes under RSO3.1, as illustrated by indicators RCO47 and RCO49 ⁽²⁴⁾, are assessed in comparison to unit costs of rail works in 2014-2020 programmes, as illustrated by CO11 and CO12 ⁽²⁵⁾ under corresponding specific objectives.

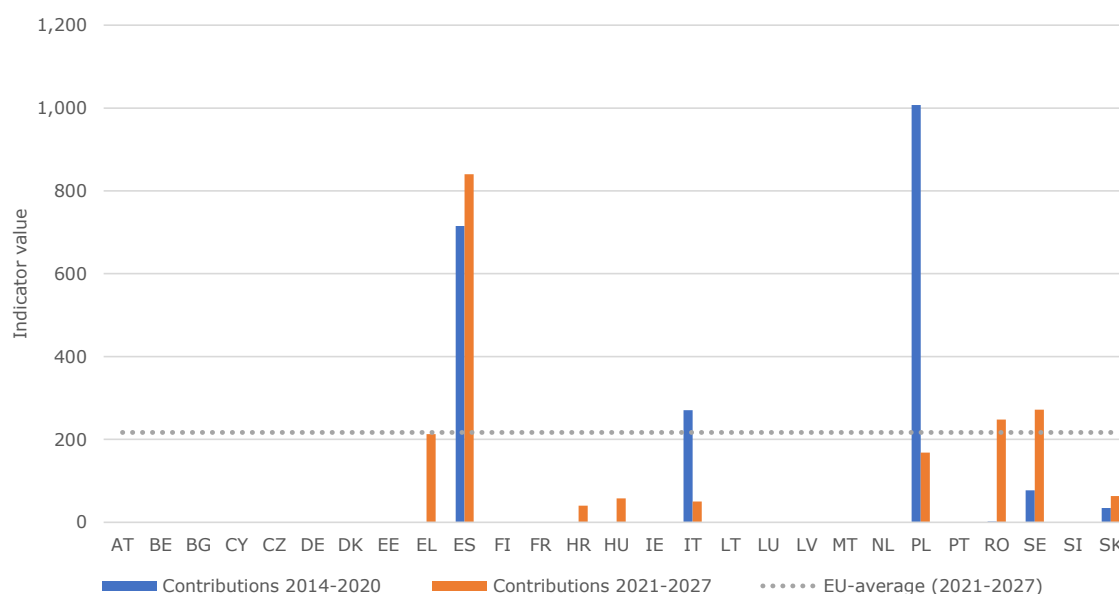
Average unit costs per kilometre of TEN-T rail have remained relatively stable on average at EUR 1.999 m for 2014-2020 programmes and EUR 1.964 m for 2021-2027 programmes. In the 2021-2027 period, outputs of 1,952 km are expected, down from the 2,106 km in 2014-2020 period. In the current programme period, most contributions are expected in Spain (840 km), Sweden (272 km) and Romania (248 km). Nine Member States have programmes contributing to these indicators.

⁽²⁴⁾ Respectively RCO47 length of new or upgraded rail - TEN-T & RCO49 length of rail reconstructed or modernised - TEN-T

⁽²⁵⁾ CO11 total length of new railway line & CO12 total length of reconstructed or upgraded railway line.

For support under the CF, average unit costs have even decreased from EUR 5.772 m to EUR 5.139 m, however still are more than 2.5x times the amount than for support under the ERDF. At the same time, almost the exact same amount of outputs is expected at 1,953 km, down from 2,118 km in 2014-2020.

Figure 64 - RCO47 & RCO49 contributions under RSO3.1 (2014-2020 compared to 2021-2027) – in km

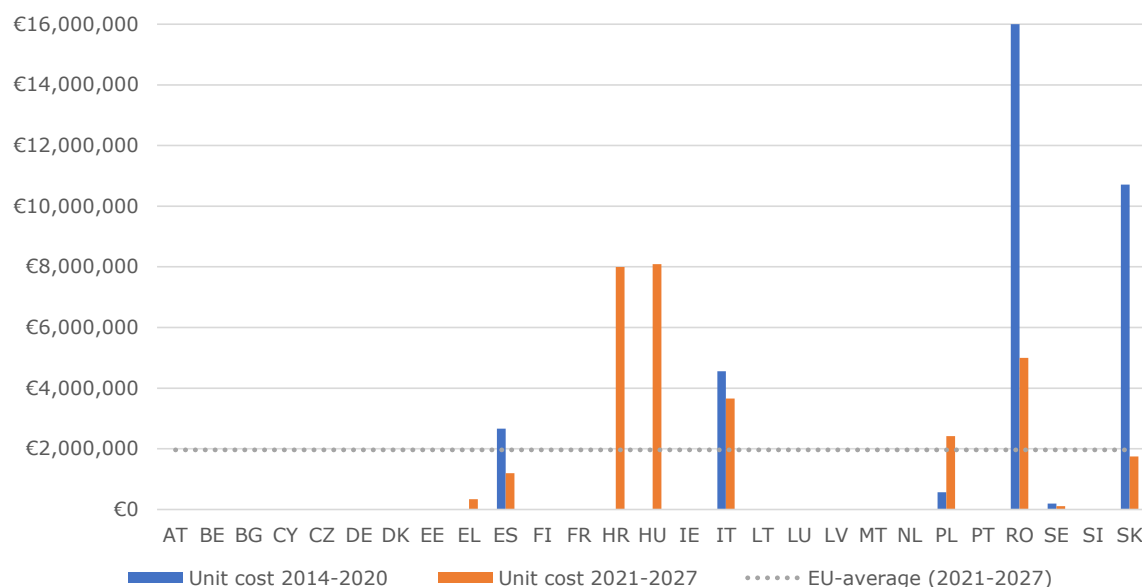


Source: Project team, 2024

Unit costs are particularly high in Croatia and Hungary at around EUR 8 m per km. On the other end, low unit costs are found in Sweden (EUR 105,500 per km) and Greece (EUR 339,100 per km). Unit costs have remained stable at EU level, but not at the level of Member States: particularly unit costs for investments in Romania have fallen (from EUR 70 m to EUR 5 m per km), as have those in Slovakia (from EUR 10.7 m to EUR 1.8 m per km). In contrast, unit costs have increased significantly in Poland, from EUR 570,300 to EUR 2.4 m per km.

Investments in less developed regions have a unit cost of EUR 2.2 m per km, increasing from around EUR 1.8 m per km in 2014-2020 programmes. Investments in other types of regions were comparatively more limited, as such, not providing a comparable baseline for assessment.

Figure 65 - Unit costs: RCO47 & RCO49 under RSO3.1 (2014-2020 and 2021-2027) – EUR per km



(*) Note: Axis was shortened to improve readability; Romanian unit costs per kilometre amounted to approx. EUR 70 m in 2014-2020.

Source: Project team, 2024

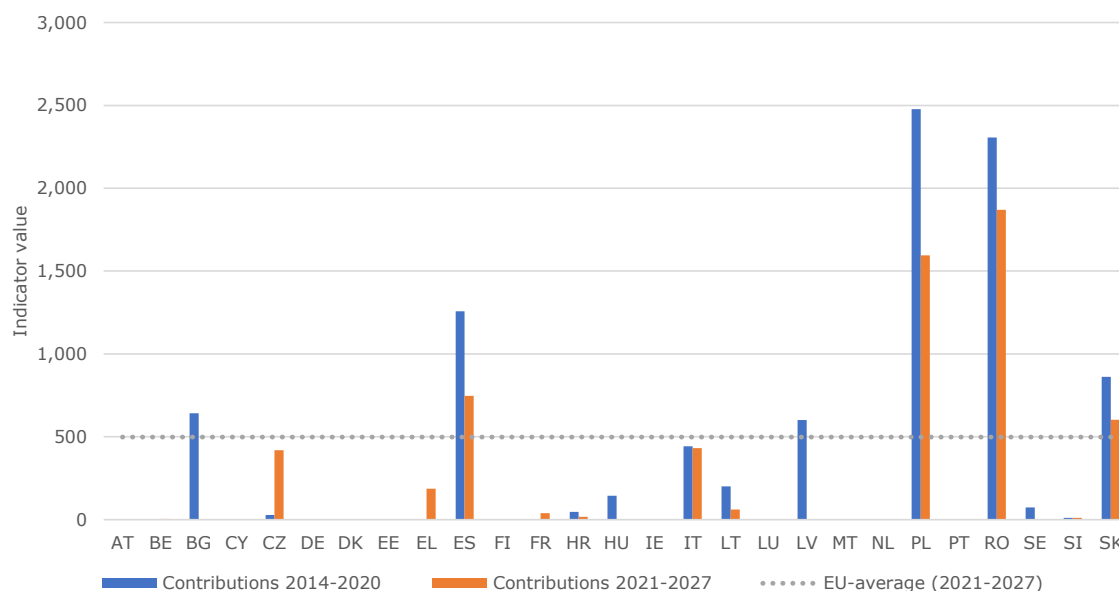
RCO44 and RCO46 road works (non-TEN-T)

The unit costs of road works per kilometre of non-TEN-T in 2021-2027 programmes (RSO3.2), as illustrated by indicators RCO44 and RCO46 ⁽²⁶⁾, are assessed in comparison to unit costs of road works in 2014-2020 programmes (via CO13 and CO14) under corresponding specific objectives.

In terms of roadworks supported under RSO3.2, investments per kilometre of modernised or constructed non-TEN-T roads amount to costs of around EUR 1.4 m per kilometre. This represents an increase in average unit costs from the 2014-2020 programmes of approx. 36%. In total, 2021-2027 programmes expect to support 5,980 km of roadworks, a decline of approx. 36% from 9,350 km of roadworks in 2014-2020 programmes. Most 2021-2027 contributions to these indicators under RSO3.2 period are expected in programmes from Romania (around 1,869 km), Poland (1,594 km), and Spain (748 km).

⁽²⁶⁾ Respectively RCO44 length of new or upgraded roads – non-TEN-T and RCO46 length of roads reconstructed or modernised – non-TEN-T.

Figure 66 - RCO44 & RCO46 contributions under RSO3.2 (2014-2020 compared to 2021-2027) – in km



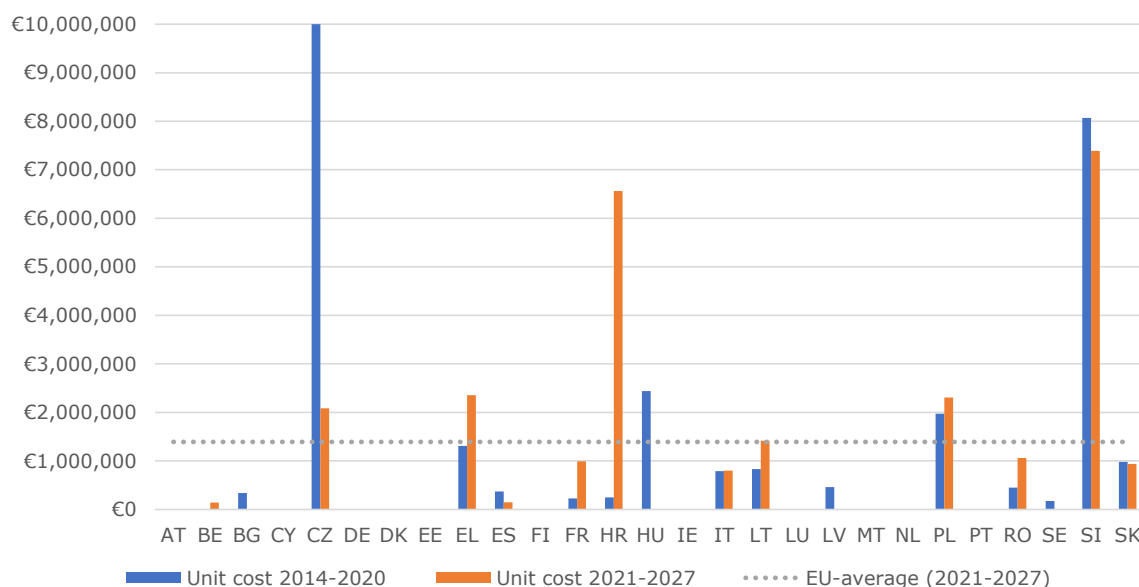
Source: Project team, 2024

Such investments are conducted in programmes of 12 Member States (see **Error! Reference source not found.**), with varying unit costs. Six of those Member States have below average unit costs in the 2021-2027 period, including, notably, Spain (EUR 149,000 per km) and Belgium (EUR 140,000 per km). At the higher end, unit costs are notably high in Slovenia (around EUR 8.1 m per km) and Croatia (EUR 6.6 m per km). There are also drastic changes in unit costs between the two periods: Unit costs fell massively in Czechia (from EUR 37.9 m to approx. EUR 2.1 m) and increased significantly in Croatia (EUR 250,300 to EUR 6.6 m per km).

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average unit cost of EUR 1.35 m per km for programmes of the 2021-2027 period, decreasing from EUR 1.19 m per km;
- Investments in transition regions have a unit cost of around EUR 1.92 m per km in 2021-2027 programmes, up from EUR 356,000 per km in 2014-2020;
- Average unit costs of support in more developed regions are around EUR 818,000 per km in 2021-2027, decreasing from EUR 2.8 m in 2014-2020.

Figure 67 - Unit costs: RCO43 & RCO45 under RSO3.2 (2014-2020 and 2021-2027) – EUR per km



(*) Note: Axis was shortened to improve readability; Czech unit costs per kilometre amounted to approx. EUR 37.91 m in 2014-2020.

Source: Project team, 2024

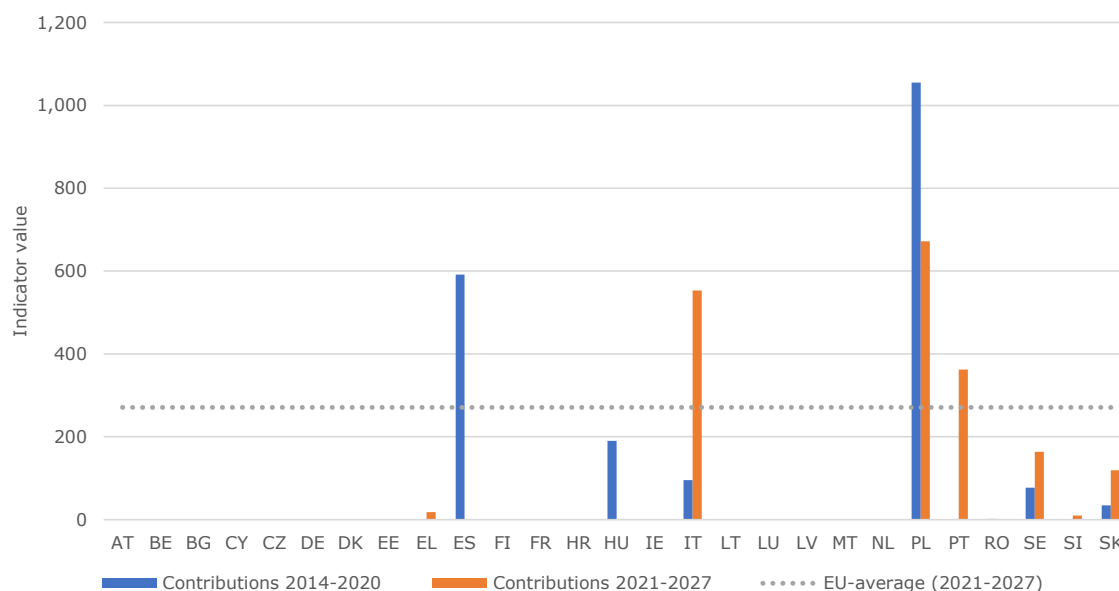
RCO48 and RCO50 rail works (non-TEN-T)

Average unit costs for non-TEN-T rail works (as captured by RCO48 and RCO50 under RSO3.2) have risen by 120% from EUR 896,500 to EUR 1.97 m per kilometre between the two periods ⁽²⁷⁾. In the 2014-2020 period, programmes supported 2110 km of rail works this way, approx. 10% more than the 1898 km in the 2021-2027 programmes. In the 2021-2027 period, most contributions to these indicators are made by programmes in Poland (672 km), Italy (553 km), and Portugal (362 km).

For support under the Cohesion Fund, in the past period installation of 1,226 km at a unit cost of 1.624m were foreseen. While in the 2021-2027 period these unit costs saw a considerable increase to EUR 12.908 m, only one MS is implementing the measure and thus comparability is limited.

⁽²⁷⁾ As derived from CO11 and CO12.

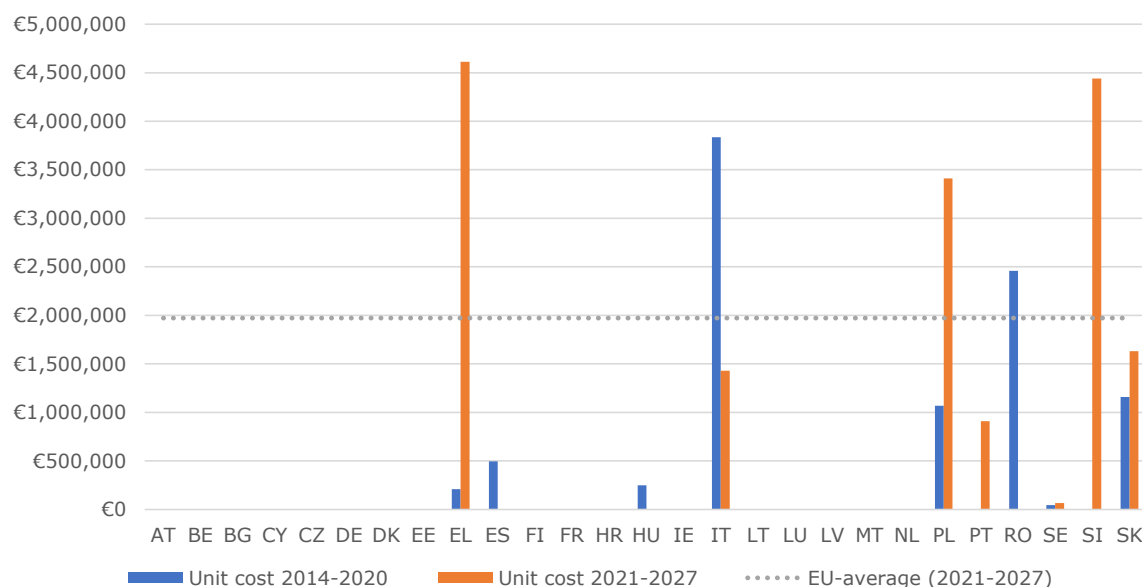
Figure 68 - RCO47 & RCO49 contributions under RSO3.2 (2014-2020 compared to 2021-2027) – in km



Source: Project team, 2024

Seven Member States operate programmes contributing to these indicators in the 2021-2027 period (see **Error! Reference source not found.**), with unit costs ranging from EUR 64,500 per km in Sweden to EUR 4.6 m in Greece. Unit costs increased in most Member States implementing similar support in both periods, especially in Greece and Poland, both in relative and absolute terms. As with road infrastructure support implemented under RSO3.2, most investments were supported in less developed regions: these regions saw increasing unit costs from EUR 1.06 to EUR 1.88 m per km. Support in other types of regions was limited, thus limiting the representativeness of those unit costs.

Figure 69 - Unit costs: RCO47 & RCO49 under RSO3.2 (2014-2020 and 2021-2027) – EUR per km



Source: Project team, 2024

3.9.4. Contributions to PO4

Under Policy Objective 4, funding is dispersed via ERDF and Interreg. A total of EUR 27.3 bn via ERDF and EUR 3.7 bn via Interreg are foreseen. Under ERDF, 83,4% of the funding are foreseen for less developed regions, 12,1% of funding for transition regions and 3,3% of funding for more developed regions. Outermost or northern sparsely populated regions are planned at 1,2% of funding.

Table 9 – Inputs to PO4

RSO	ERDF	INTERREG	Total
RSO4.1	164.763.724 €	315.044.196 €	479.807.920 €
RSO4.2	7.747.285.434 €	574.002.109 €	8.321.287.544 €
RSO4.3	3.988.950.458 €	64.629.016 €	4.053.579.474 €
RSO4.4	33.882.353 €		33.882.353 €
RSO4.5	10.562.309.942 €	654.260.180 €	11.216.570.122 €
RSO4.6	4.806.543.367 €	1.643.553.977 €	6.450.097.344 €
Total	27.303.735.278 €	3.764.645.949 €	31.068.381.228 €

A total of 7 output indicators can be considered frequently used (by more than 20% of programmes), with RCO77 being used by a total of 68,6% of all ERDF programmes:

Indicator	Target
RCO113 Integrated actions for inclusion of marginalised pop.	257.241
RCO65 Social Infra: Capacity of new or modernised social housing	48.806
RCO66 Education: Classroom capacity of childcare facilities	493.691
RCO67 Education: Classroom capacity of education facilities	3,271.609
RCO69 Health: Capacity of health care facilities	59.104.915
RCO75 Strategies for integrated territorial development	308
RCO77 Number of cultural and tourism sites supported	23.141

For result indicators a total of 5 can be considered frequently used, with RCR71 being used by 74,8% of ERDF programmes.

Indicator	Net Target
RCR67 Social Infra: Annual users of social housing	49.552
RCR70 Education: Annual users of childcare facilities	417.462
RCR71 Education: Annual users of education facilities	2.769.712
RCR73 Health: Annual users of health care facilities	30.567.203
RCR77 Visitors of cultural and tourism sites	41.261.901

The following section provides an overview of (expected input-output ratio for a series of common output indicators contributing to PO4 with clear equivalents in the 2014-2020 period. Please note that target values can slightly vary from the tables above as information in the following section is SO specific while above it is only PO specific. Table 10 shows an EU level overview of the selected common output indicators in terms of unit costs in the 2014-2020 and 2021-2027 periods.

Table 10 - Unit costs of selected common output indicators contributing to PO3

Indicator	Relevant RSO	Average unit cost 2014-2020	Average unit cost 2021-2027
RCO66 & RCO67 education and care facility capacity (persons)	RSO4.2	EUR 260	EUR 1,818
RCO69 capacity of health care facilities (persons per year)	RSO4.5	EUR 80	EUR 178

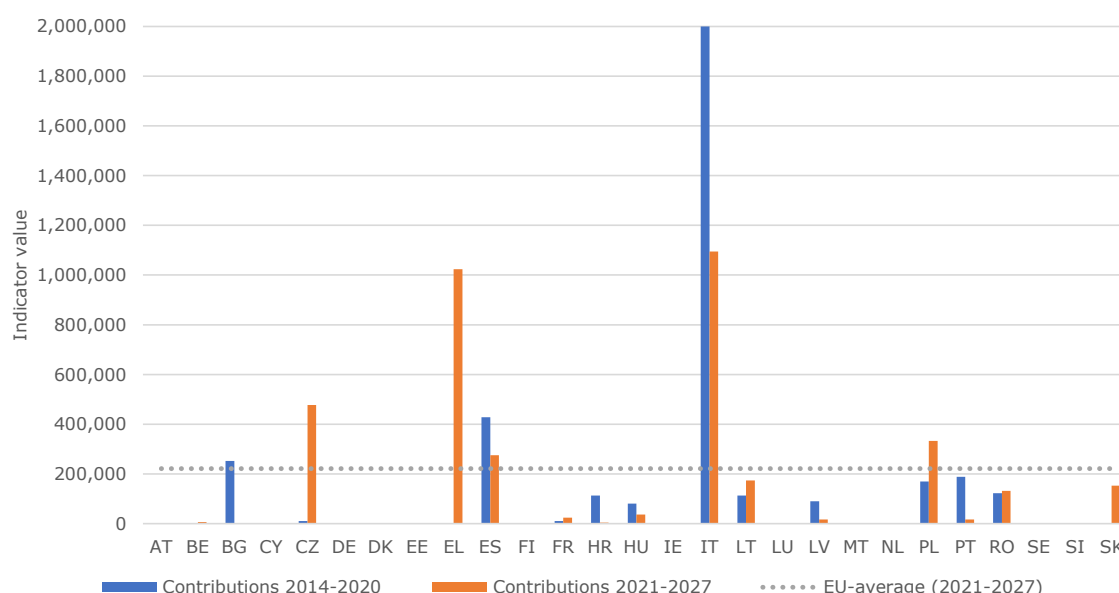
Source: Project team, 2024

RCO66 & RCO67 education and care facility capacity

Support to educational infrastructure under RSO4.2 has a unit cost of EUR 1,818 per person in terms of capacity created. In total 2021-2027 programmes will

create capacity for 3.77 m people in related care and education infrastructure ⁽²⁸⁾. Under equivalent support in the 2014-2020 period, programmes ⁽²⁹⁾ supported additional capacity of 16.58 m spots in care and educational facilities. In comparison between the two periods, this represents a 600% increase in unit costs at a 77% decline in created outputs. In the 2021-2027 period, most contributions to these indicators came from programmes in Italy (additional capacity for 1.094 m people), Greece (approx. 1.024 m), and Czechia (around 477,000).

Figure 70 - RCO66 & RCO67 contributions under RSO4.2 (2014-2020 compared to 2021-2027) – in persons



Source: Project team, 2024

Among the 17 Member States implementing such support in their programmes (see Figure 71), unit costs are highest in Estonia (at EUR 56,300) and Croatia (EUR 53,900). Low unit costs are found in Greece (EUR 462) and Lithuania (EUR 1,111). The increases in average unit costs between the two periods were highest in Croatian and Italian programmes in relative terms, both increasing at around 2900% per supported person capacity. However, unit costs also decreased in some Member States, notably Greece, Czechia, and Portugal.

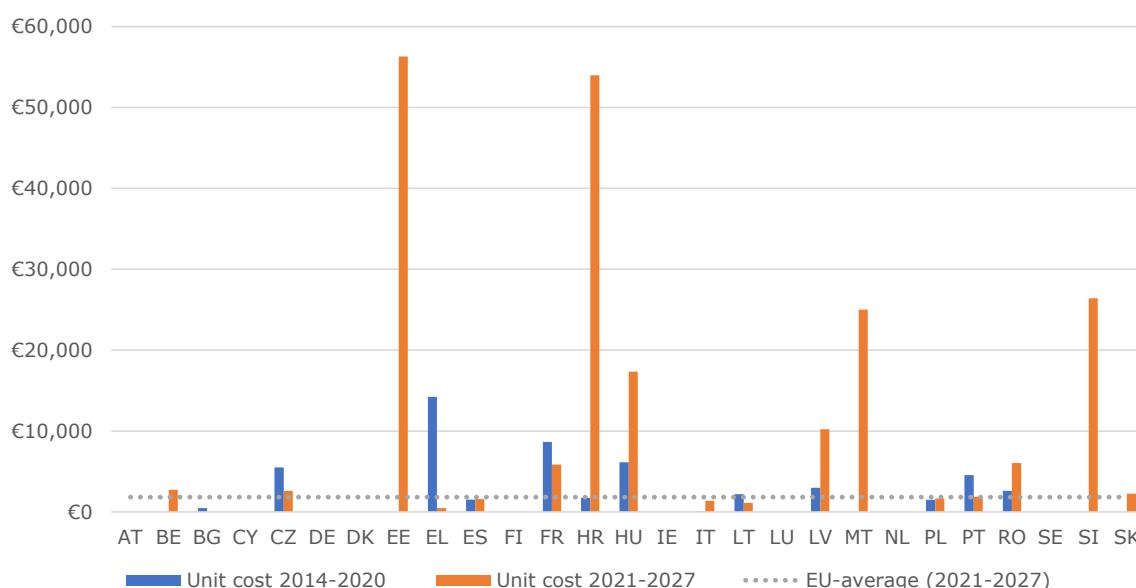
⁽²⁸⁾ As measured by RCO66 classroom capacity of new or modernised childcare facilities and RCO67 classroom capacity of new or modernised education facilities

⁽²⁹⁾ As measured via CO35 capacity of supported childcare or education infrastructure.

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average cost of EUR 1,940 per person for programmes of the 2021-2027 period, increasing from EUR 432 per person;
- Investments in transition regions have a cost of around EUR 1,269 per person in 2021-2027 programmes, up from EUR 463 per person in 2014-2020;
- Average costs of support in more developed regions are around EUR 2,547 in 2021-2027, increasing significantly from EUR 68 in 2014-2020.

Figure 71 - RCO66 & RCO67 under to RSO4.2 (2014-2020 and 2021-2027) – EUR per person

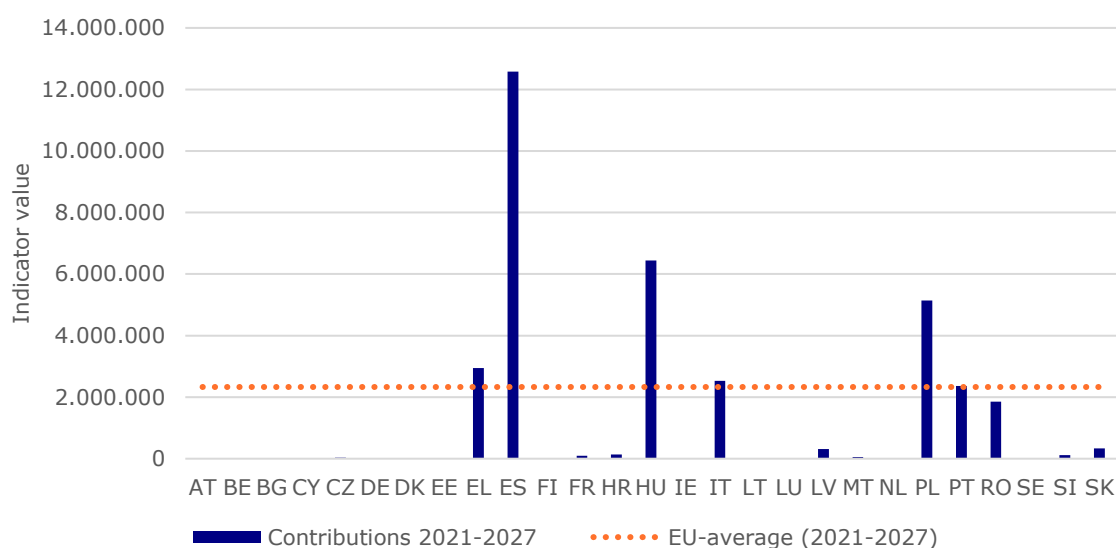


Source: Project team, 2024

RCR 71 - Annual users of new or modernised education facilities

Out of the 27 Member States of the EU 17 were using it in at least one of their programmes. The EU level average unit cost is of EUR 1,280 per users of new or modernised education facilities supported under this RSO. A total sum of EUR 5 bn is attributed to this indicator.

Figure 72 - RCR71under to RSO4.2 (2021-2027) – EUR



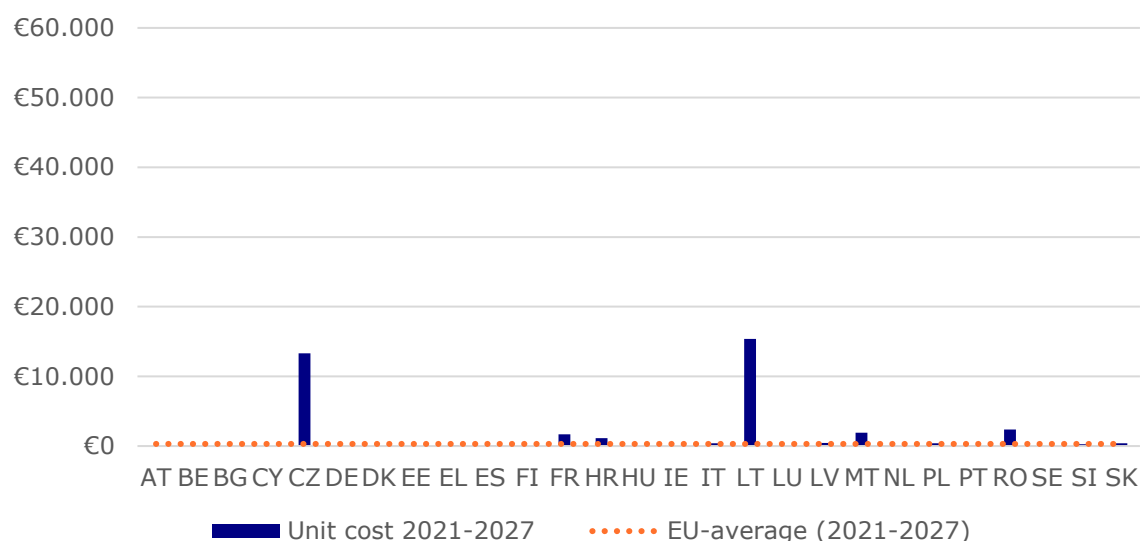
Source: Project team, 2024

Among the 17 Member States implementing such support in their programmes (see **Error! Reference source not found.** 73), unit costs are highest in Estonia (at EUR 62,500) and Croatia (EUR 29,400). Lowest unit costs are found in Greece (EUR 306) and Italy (EUR 783).

The following differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average cost of EUR 1,365 per user;
- Investments in transition regions have a cost of around EUR 871 per user;
- Average costs of support in more developed regions are around EUR 2,300.

Figure 73 - RCR71under to RSO4.2 (2021-2027) – EUR per user

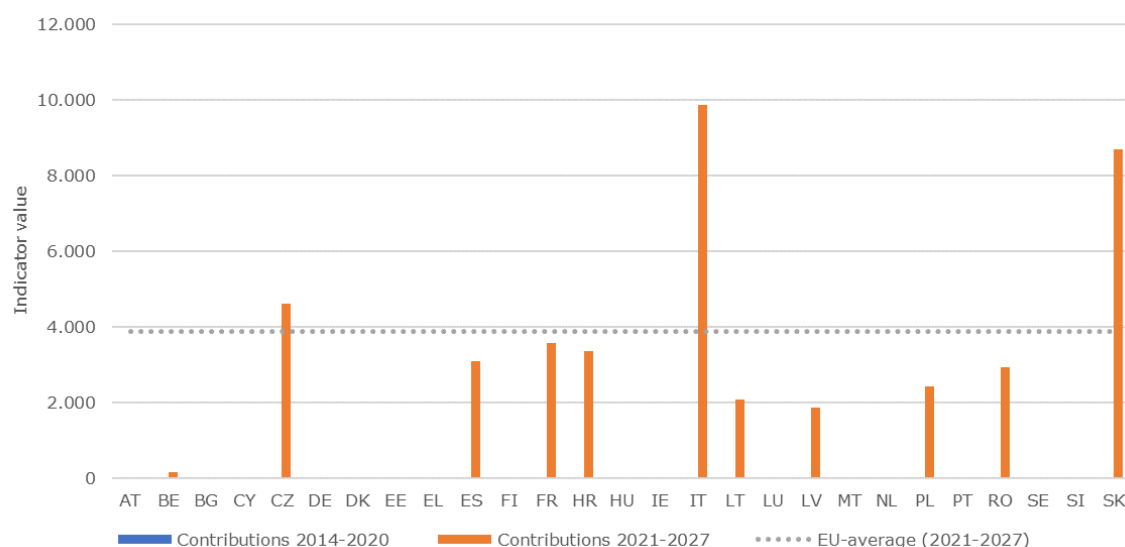


Source: Project team, 2024

RCR67 Annual users of modernised social housing

Out of the 27 Member States of the EU, 11 were using this indicator in at least one of their programmes. The EU level average unit cost is EUR 25,400 per yearly user of modernised social housing for a total of 4,293 persons. The majority of contributions are foreseen from Italy (approx. 10,000 persons), Slovakia (8,700) and Czechia (4,600).

Figure 74 - Contributions to RCR67 under RSO4.3 (2021-2027) – in persons per year



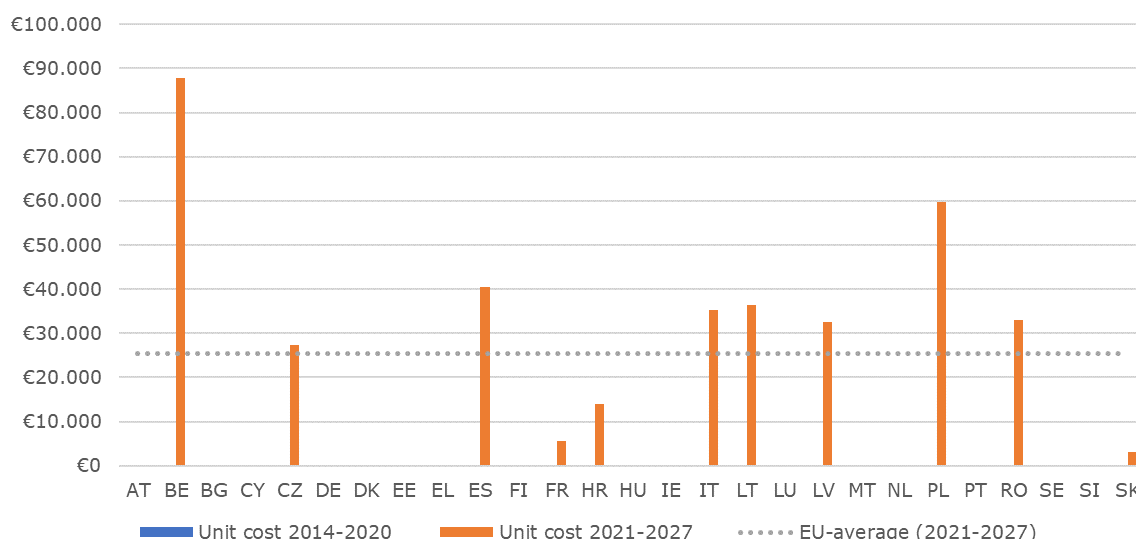
Source: Project team, 2024

Among the Member States implementing such support in their programmes (see figure below), unit costs are highest in Belgium (at EUR 87,900) and Poland (EUR 159,640). Low unit costs are found in France (EUR 5,600) and Slovakia (EUR 3,100).

Little differences can be observed in terms of unit costs per category of region:

- Investments in less developed regions have an average cost of EUR 24,700 per person;
- Investments in transition regions have a cost of around EUR 23,500 per person;
- Average costs of support in more developed regions are around EUR 32,400 per person.

Figure 75 - Unit costs for RCR67 under RSO4.3 (2021-2027) – EUR per person



Source: Project team, 2024

3.9.5. Contributions to PO5

Under Policy Objective 5, funding is dispersed via ERDF and Interreg. A total of EUR 26.9 bn via ERDF and EUR 0.4 bn via Interreg are foreseen. Under ERDF 75.2% of the funding are foreseen for less developed regions, 17.7% of funding for transition regions and 7% of funding for more developed regions.

Table 11 - Inputs to PO1

RSO	ERDF	Interreg	Total
RSO5.1	18.235.974.353 €		18.235.974.353 €
RSO5.2	8.692.464.952 €	409.443.278 €	9.101.908.230 €

RSO	ERDF	Interreg	Total
Total	26.928.439.304 €	409.443.278 €	27.337.882.583 €

A total of 5 result indicators can be considered frequently used (by more than 30% of programmes), with RCO74 being used by a total of 94.59% of all ERDF programmes:

Indicator	Target	Number of prog.
RCO114 Open space created or rehabilitated in urban areas	32.944.020,03	49
RCO74 Population covered in integrated territorial development	147.223.465,00	98
RCO75 Strategies for integrated territorial development	2.152,00	105
RCO76 Integrated projects for territorial development	3.331,00	40
RCO77 Number of cultural and tourism sites supported	3.812,00	60

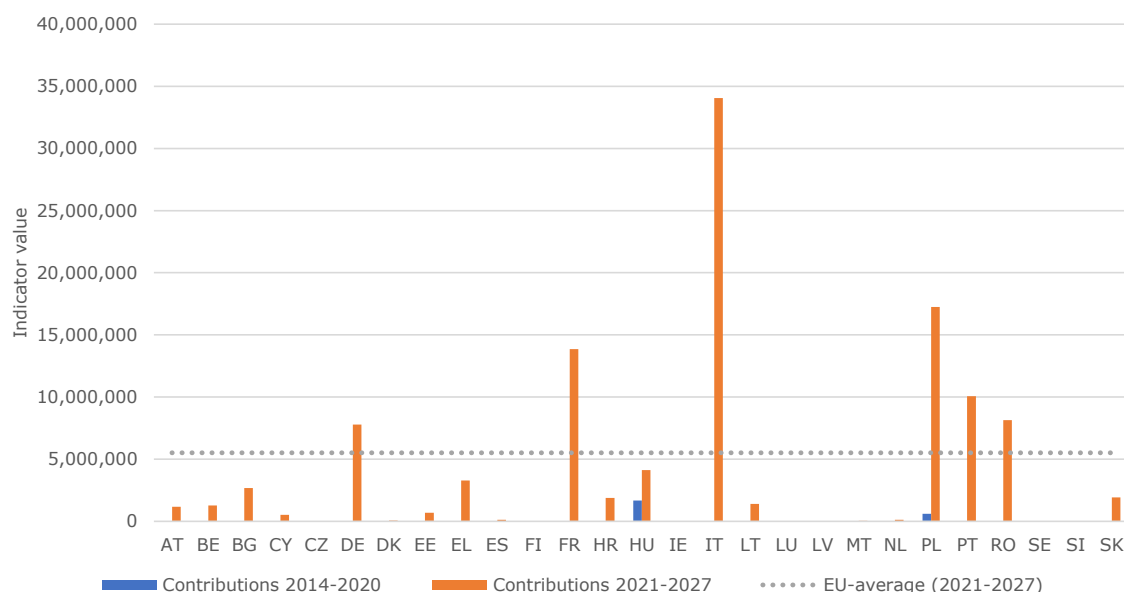
Only one result indicator can be considered frequently used (by more than 30% of programmes), with RCR77 being used by a total of 69.77% of all ERDF programmes:

Indicator	Target	Number of prog.
RCR77 Visitors of cultural and tourism sites	37.489.914	60

RCO74 Strategies for integrated territorial development

Strategies for integrated territorial development under RSO5.1 (as measured by RCO74) cost around EUR 41.95 per person covered. Programmes in the 2021-2027 period are expected to cover approx. 110.4 m people through integrated territorial strategies this way. Most contributions (see Figure 76) are expected in Italy (34 m), Poland (approx. 17.2 m), and France (around 13.9 m). The comparative basis is relatively limited for the 2014-2020 period, as the related indicator CO37 under TO9 only measured population living in areas with integrated urban strategies, thus capturing only a sub-set of the interventions of the previous period. Unit costs of 2014-2020 programmes amount to EUR 52.72 on average with approx. 2.3 m people covered this way.

Figure 76 - RCO74 contributions under RSO5.1 (2014-2020 compared to 2021-2027) – in persons covered by strategies



(*) French values of the 2014-2020 period are not visible due to very low values (11,750 people covered)

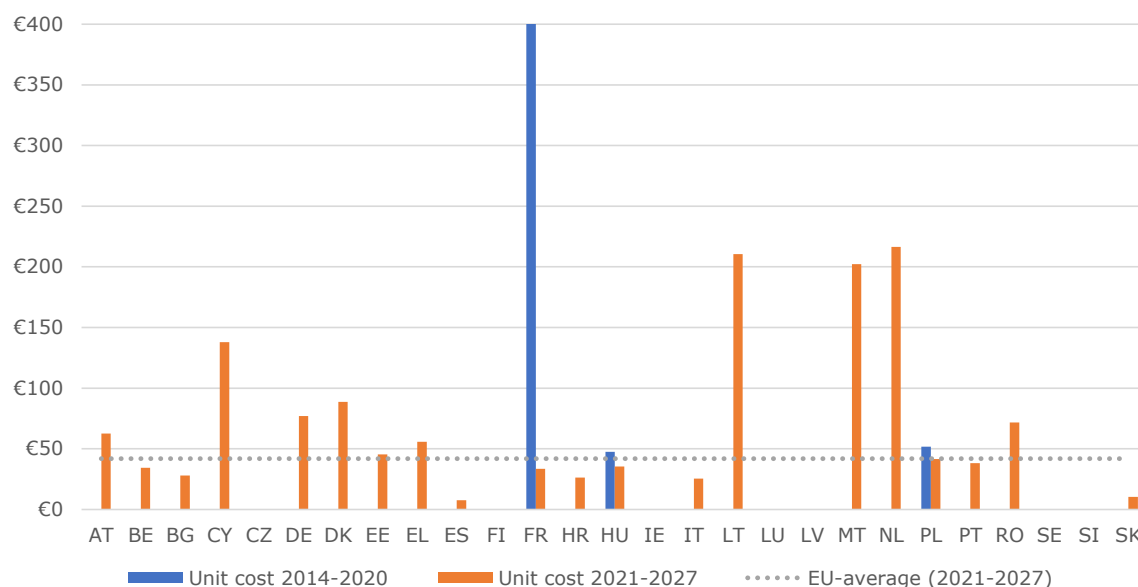
Source: Project team

Average allocated amount per strategy in 2021-2027 programmes is for many Member States around the EU-average in terms of costs per person covered. The highest unit costs are found in Dutch (EUR 216), Latvian (EUR 210), and Maltese (EUR 202) programmes per person covered via integrated strategies. In contrast, average unit costs are very low in Spanish (EUR 7.60), Slovakian (EUR 10.33), and Italian (EUR 25.40) programmes.

The following differences can be observed per category of region:

- Investments in less developed regions have an average of EUR 50.89 per person for programmes of the 2021-2027 period;
- Investments in transition regions have an average of around EUR 40.53 per person in 2021-2027 programmes;
- Average support in more developed regions is around EUR 28.58 per person in 2021-2027.

Figure 77 - Unit costs: RCO74 under RSO5.1 (2014-2020 compared to 2021-2027) – EUR per person covered



(*) Note: Axis was shortened to improve readability; unit costs of French support in 2014-2020 amount to, on average, EUR 851 per person at comparatively low outputs (11,750 people covered).

Source: Project team

3.9.6. Input-output analysis – JTF (key indicators)

A total of EUR 19.2 bn via the JTF are foreseen to be provided as EU funding. No differentiation between types of regions is made for the JTF. A total of 7 output indicators can be considered frequently used (by more than 30% of programmes), with RCO01 being used by a total of 92.7% of all programmes:

Indicator	Target	Number of prog.
RCO01 Firms: All firms	39.242	38
RCO02 Firms: Grant aided	28.458	36
RCO04 Firms: Advised	5.961	13
RCO10 RTDI: Firms cooperating with Ros	5.219	13
RCO22 Energy: Renewable energy capacity	12.019	24
RCO38 Env: Surface area of rehabilitated land supported	48.010	17
RCO57 Urban Trans: rolling stock for public transport	2.094.786	15
RCO67 Education: Classroom capacity of education facilities	160.561	12

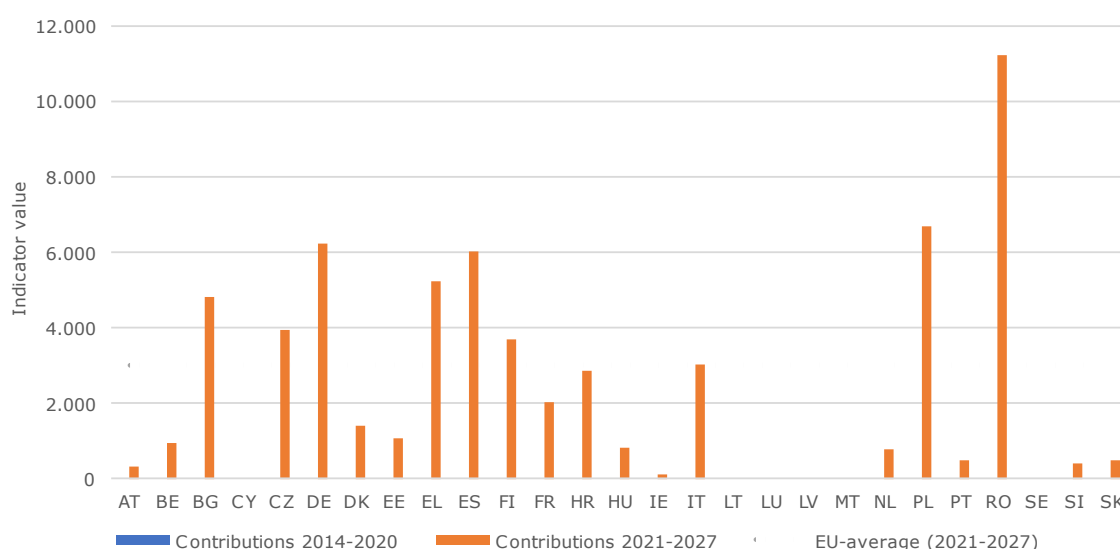
For result indicators a total of 7 can be considered frequently used, with RCR01 being used by 80.9% of programmes:

Indicator	Target	Number of prog.
RCR01 Jobs created in supported entities	62.938	34
RCR02 Firms: Private investments	5.458.172.470	21
RCR03 RTDI: SMEs introducing product or process innovation	3.770	21
RCR29 Climate: Estimated GHG emissions	-2.044.505	22
RCR31 Energy: Total renewable energy produced	2.858.666	20
RCR52 Env: Rehabilitated land	7.964	14
RCR62 Urban Trans: Annual users of public transport	21.445.990	14

RCR01 job creation in supported entities

The indicator RCR01 is assessed as the most widely used indicator across JTF programmes. At EU level, an aggregate job creation of 62,700 FTE (target value) is expected among supported entities, resulting in a unit cost of approx. EUR 97,600 per each FTE. Most contributions are planned in Romania (11,200 FTE), Poland (6,600 FTE) and Germany (6,200 FTE).

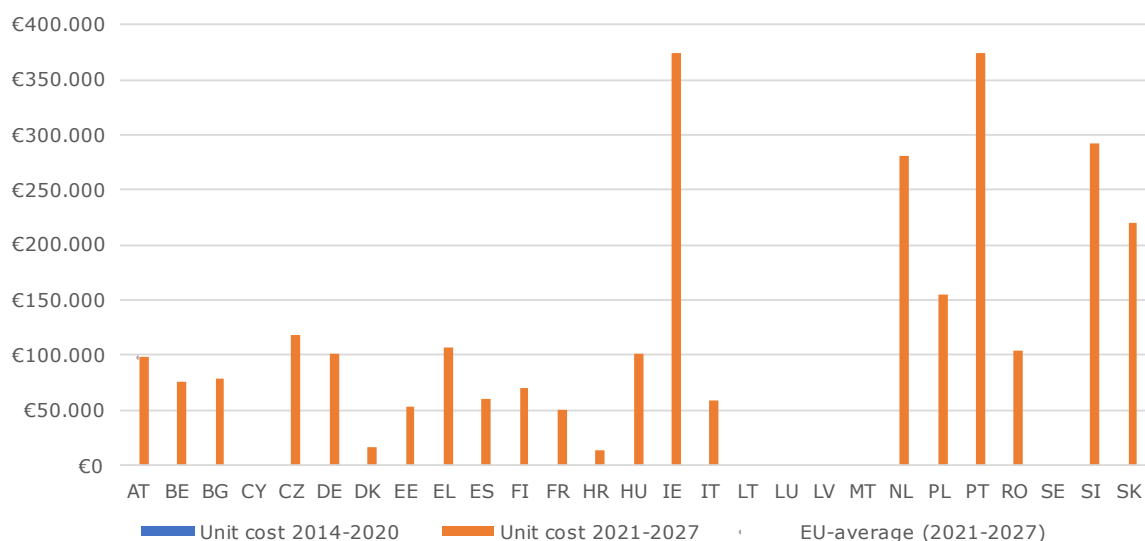
Figure 78 - RCR01 Job creation among supported entities in FTE



Source: Project team

At programme level, unit costs vary considerably. Ranging from individual German programmes with a unit cost of EUR 1,216,9 m to Hungarian programmes at EUR 13,300 or Portuguese (EUR 15,600) and Danish (EUR15,800). On MS level, unit costs range from approx. EUR 374,000 in Ireland and Portugal to EUR 15,800 in Denmark. Overall unit costs are lower compared to support under ERDF/CF, however likewise considerable variations between MS and programmes are visible.

Figure 79 - Unit costs: Job creation among supported entities– EUR per FTE

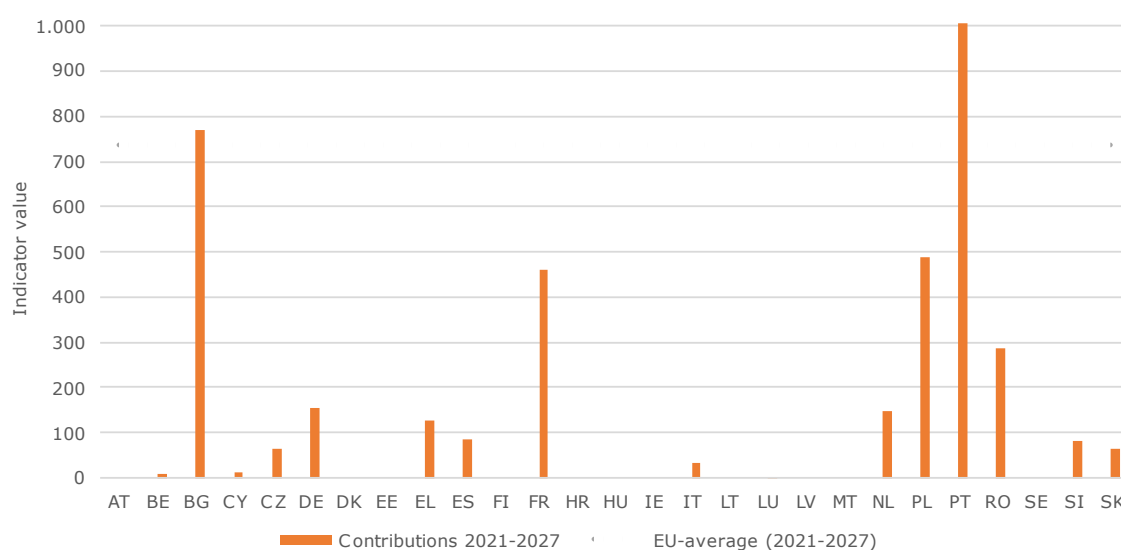


Source: Project team

RCO22 additional production capacity for renewable energy

Investments into renewable energy production capacity under the JTF as captured via RCO22, have an average unit cost of around EUR 172,500 per megawatt (MW) for a total additional capacity of 11,800 MW. However, contributions are heavily centered in Portugal (9,000 MW) with Bulgaria (700 MW) as second-largest contributor showing a considerably smaller role.

Figure 80 - RCO22 contributions in MW of installed capacity

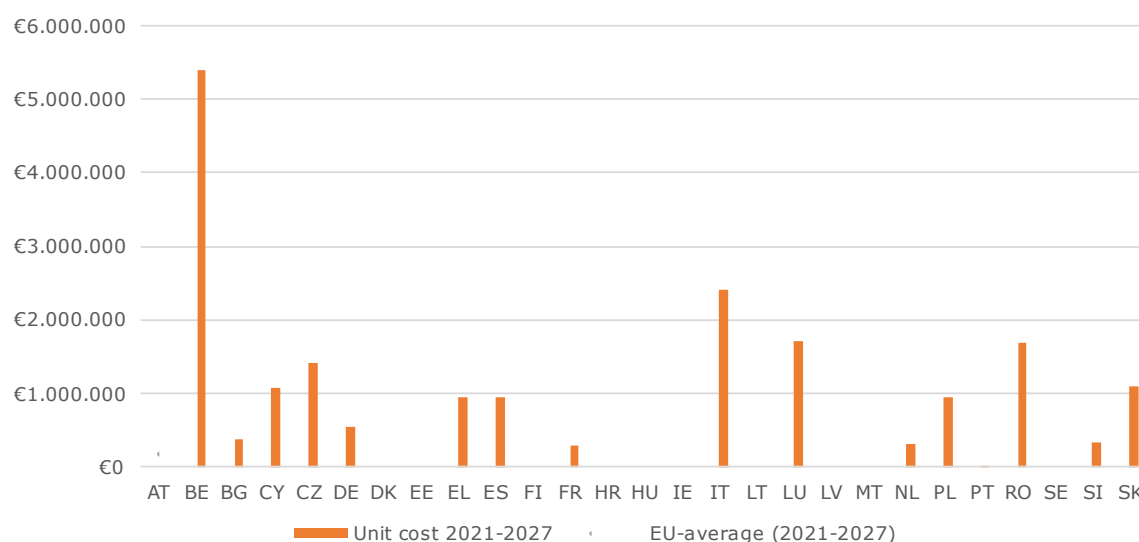


(*) Note: axis has been cut at 1,000MW for readability.

Source: Project team

As expected with a considerable outlier programme, unit costs were above average in all but one MS (Portugal) The highest unit costs were found in Belgium (EUR 5.39 m), Italy (EUR 2.4 m) and Luxembourg (EUR 1.7 m). The lowest unit costs were found in Portugal (EUR 650), France (EUR 283,700), and Netherlands (EUR 310,400) per installed MW.

Figure 81 - Unit costs: RCO22 contributions– in EUR per MW

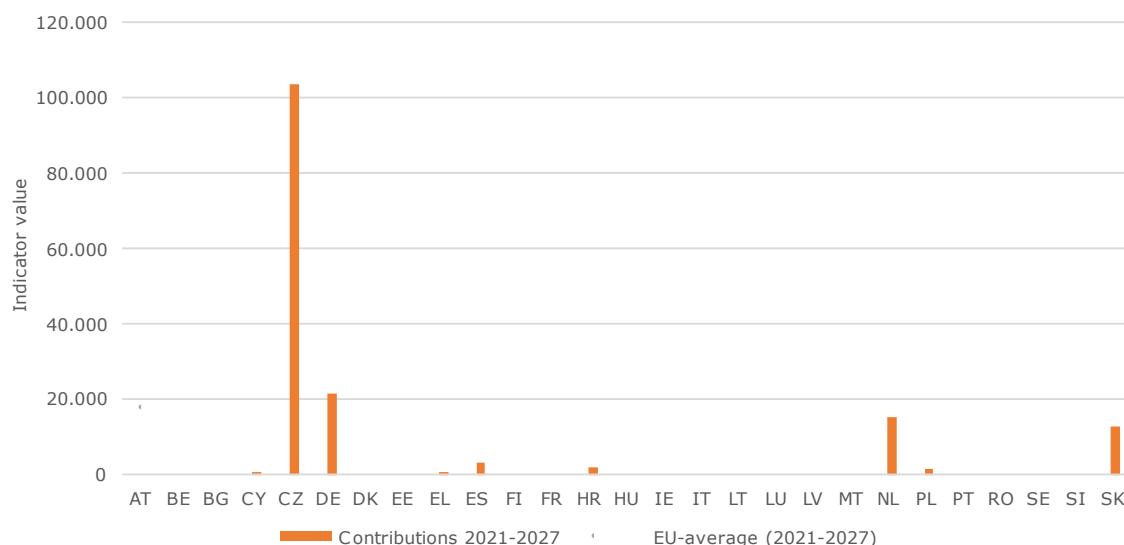


Source: Project team

RCO67 Classroom capacity of new or modernised education facilities

Support to educational infrastructure under the ERDF shows a unit cost of EUR 4,903 per person in terms of classroom capacity created. JTF programmes in total will create capacity for 160,500 people in relation to classrooms at a total cost of EUR 787.2 m as shown below. The majority of contributions are made by Czech programmes (103,800 persons) and German programmes (21,600 persons).

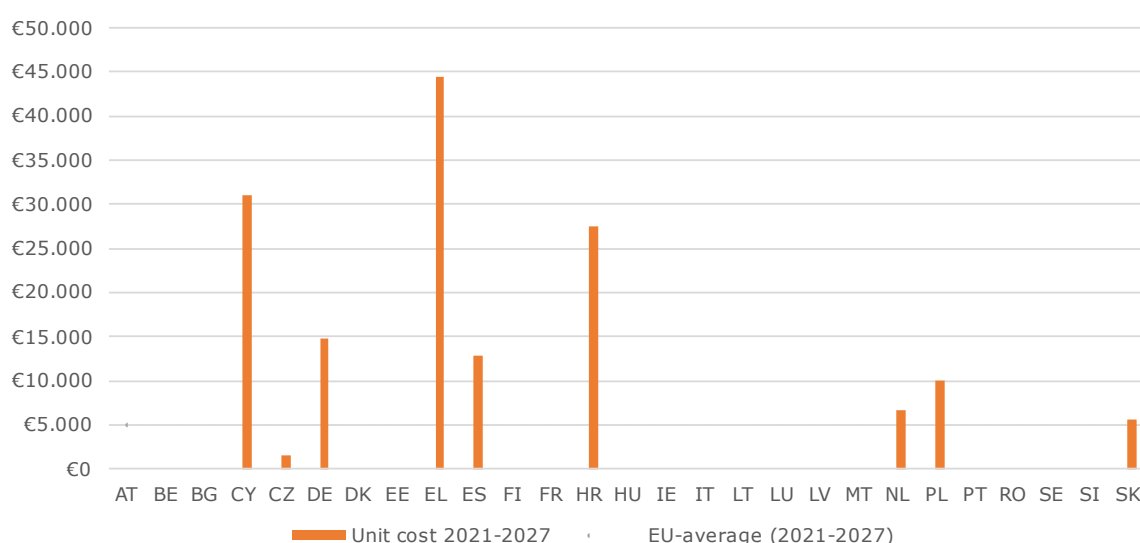
Figure 82 - RCO67 Classroom capacity of new or modernised education facilities – in persons



Source: Project team

Among the 9 Member States implementing such support in their programmes, unit costs are highest in Greece (EUR 44,400), Croatia (EUR 27,400) and Cyprus (EUR 30,900). Lowest unit costs on the other hand are observed in Czechia (EUR 1,480) and Slovakia (EUR 5,500). Particularly striking are differences in Greece, which shows the highest unit cost for this indicator under the JTF, while showing the lowest unit cost at the same indicator under ERDF support.

Figure 83 - RCO67 Classroom capacity of new or modernised education facilities – EUR per person



Source: Project team

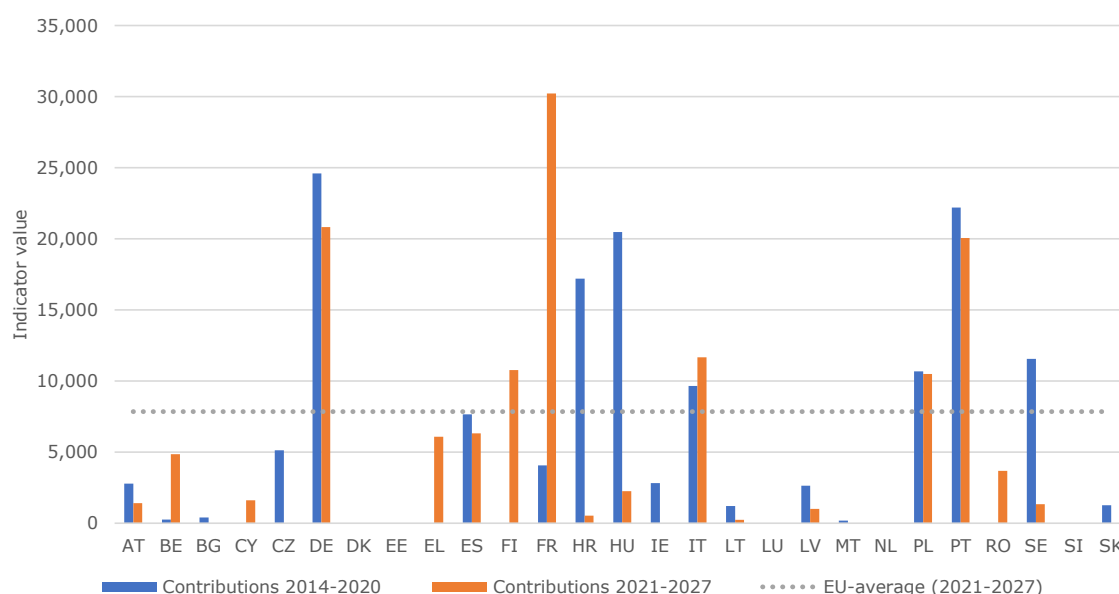
3.9.7. Result indicators directly matching 2014-2020 common indicators

As outlined by SWD (2021) 198 on Performance, monitoring and evaluation of the ERDF, CF and JTF in 2021-2027, a number of common indicators from the 2014-20 period have been reclassified as common result indicators for 2021-2021. As these indicators are considered directly comparable, they are presented as key indicators for the analyses. The findings of the analysis focus exclusively on the indicators with an appropriate matching in the 2014-2020 period (i.e. indicators with a high overlap in definitions and identical measurement units).

3.9.8. RCR01 job creation in supported entities

The indicator RCR01 is assessed under RSO1.3 as specified in Annex 0 and compared to equivalent funding under TO3. At EU level, an aggregate job creation of 133,300 FTE (target value) is expected among supported entities, approx. EUR 157,900 per each FTE. Most contributions (see also **Error! Reference source not found.**) in the 2021-2027 period are expected in France (30,200 FTE), Germany (20,800 FTE), and Portugal (20,000 FTE).

Figure 84 - RCR01 Job creation among supported entities (2014-2020 compared to 2021-2027) – FTE



Source: Project team, 2024

Into the 2014-2020 period, fewer jobs are supported however at this development represents a decrease in unit costs. In the past period under TO3, programmes supported job growth of 146,200 FTE at a unit cost of EUR 178,700 (CO08

‘Employment increase in supported enterprises’ under TO3). The following differences can be observed per category of region ⁽³⁰⁾:

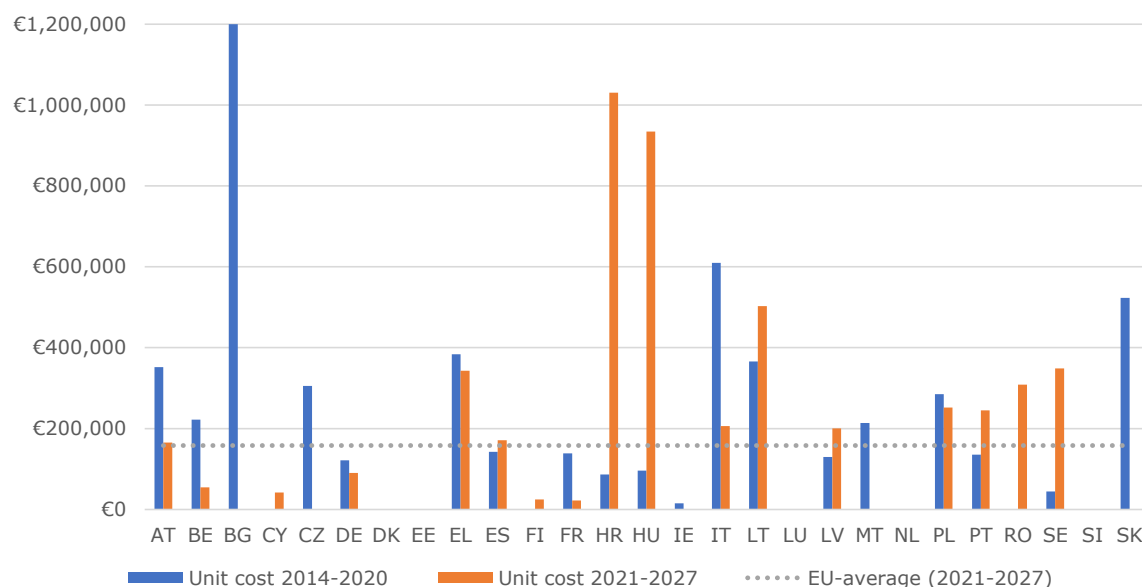
- Less developed regions: EUR 271,100 per FTE for the 2021-2027 programmes compared to EUR 201,900 per FTE in the 2014-2020 programmes;
- Transition regions: EUR 74,600 per FTE in the 2021-2027 period compared to EUR 172,600 in 2014-2020 programmes;
- More developed regions: EUR 95,000 per FTE in the 2021-2027 period compared to EUR 144,700 for 2014-2020 programmes.

Financial instruments play an important role as a delivery mechanism for job-related investments among the analysed programmes, with approx. 70,000 FTE expected to be supported and EUR 11.05bn in total funding disbursed via programmes using FIs for more than 30% of their relevant financial volume. Programmes of the 2021-2027 period using a significant share of financial instruments have, on average, an equivalent unit cost per created FTE to programmes not using a FIs in a prominent manner, both at approx. EUR 157,900 per FTE. However, this represents a significant improvement to the 2014-2020 period, when programme support to job creation via FI-supported approaches cost EUR 227,000 per FTE for a total of around 47,200 jobs.

At programme level, most unit costs fell between the 2014-2020 and the 2021-2027 periods. This includes, notably, Italian programmes (a decline in unit cost from approx. EUR 610,000 to EUR 206,000 per FTE), Austria (declining from EUR 351,700 to EUR 165,300 per FTE) and Belgian programmes (EUR 221,800 to EUR 54,400 per FTE). Increases in unit cost compared to the 2014-2020 programmes are especially visible for Latvia (increasing by 37% to EUR 502,000 per FTE) and Portugal (increasing by 80% to EUR 244,800 per FTE).

⁽³⁰⁾ Unit costs for outermost and northern sparsely populated regions (approx. EUR 53,000 in both periods). However, the sample is very low (only considering SE in 2014-2020 and FI and SE in 2021-2027) reducing its representativeness.

Figure 85 - Unit costs: Job creation among supported entities (2014-2020 compared to 2021-2027) – EUR per FTE



(*) Note: the axis was shortened to improve readability of the figure; Bulgarian unit costs in 2014-2020 were approx. EUR 2.3 m

Source: Project team, 2024

There are, however, several outlier programmes which saw exceedingly high unit costs in either or both periods. This includes Bulgarian 2014-2020 programmes, supporting job creation at approx. EUR 2.3 m per FTE in the past period and no measured contributions to job creation in the 2021-2027 period under the same indicator. Croatian 2021-2027 programmes expect a unit cost of EUR 1 m per FTE in 2021-2027, an increase from EUR 86,400 in the 2014-2020 programmes. Similar issues are apparent in Hungarian programmes: a created FTE costs EUR 940,000 in the 2021-2027 period, compared to EUR 95,000 in the 2014-2020.

RCR03 and RCR04 number of SMEs implementing innovation

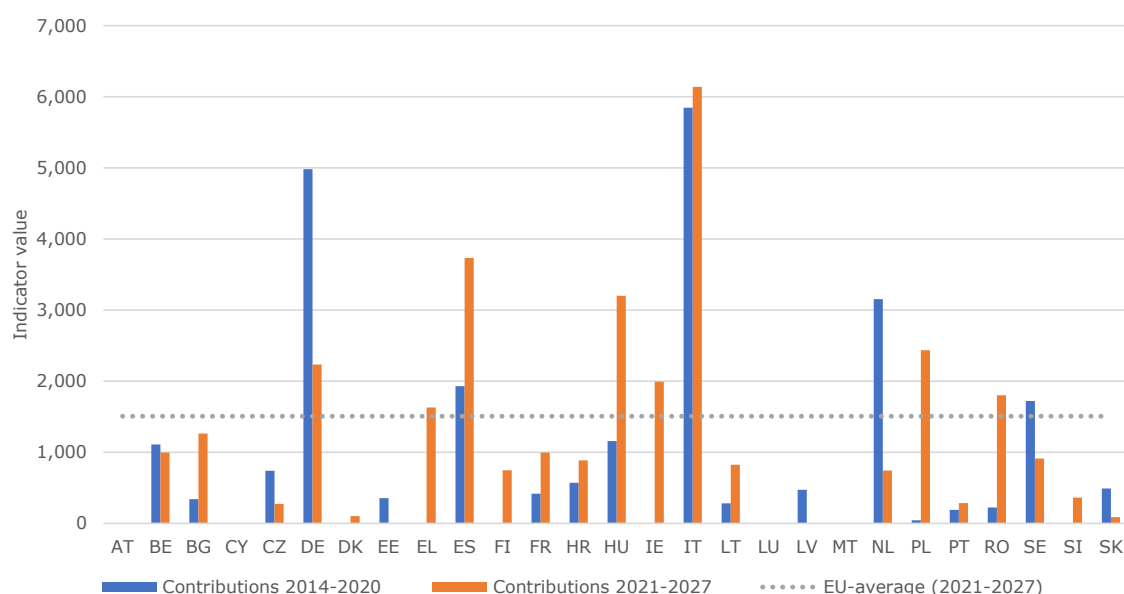
Innovation support among enterprises ⁽³¹⁾ in 2021-2027 under RSO 1.1 saw an average EUR 666,300 per supported enterprise for a total number of 31,600 enterprises throughout the EU. This represents an increase of 17% from EUR 569,600 per supported enterprise ⁽³²⁾ for a total number of around 24,100

⁽³¹⁾ Calculated as the aggregate of RCR03 SMEs introducing product or process innovation & RCR04 SMEs introducing marketing or organisational innovation

⁽³²⁾ Calculated as the sum of CO28 number of enterprises supported to introduce new to the market products & CO29 number of enterprises supported to introduce new to the firm products. Even though the indicators are identified by SWD(2021) 198 as comparable,

enterprises of the 2014-2020 programmes under TO1. Most contributions to these indicators in 2021-2027 (see Figure 86) were made in Italy (6,140 enterprises), Spain (3,730), and Hungary (3,200).

Figure 86 - RCR03 & RCR04 number of SMEs implementing innovation (2014-2020 compared to 2021-2027) – enterprises



Source: Project team, 2024

While unit costs of support delivered via programmes using FIs are significantly smaller (EUR 89,400 compared to EUR 138,900) than for conventional delivery, only a relatively small number of outputs were generated this way (approx. 1500 in 2021-2027 and 2400 in 2014-2020).

The following differences can be observed per category of region ⁽³³⁾:

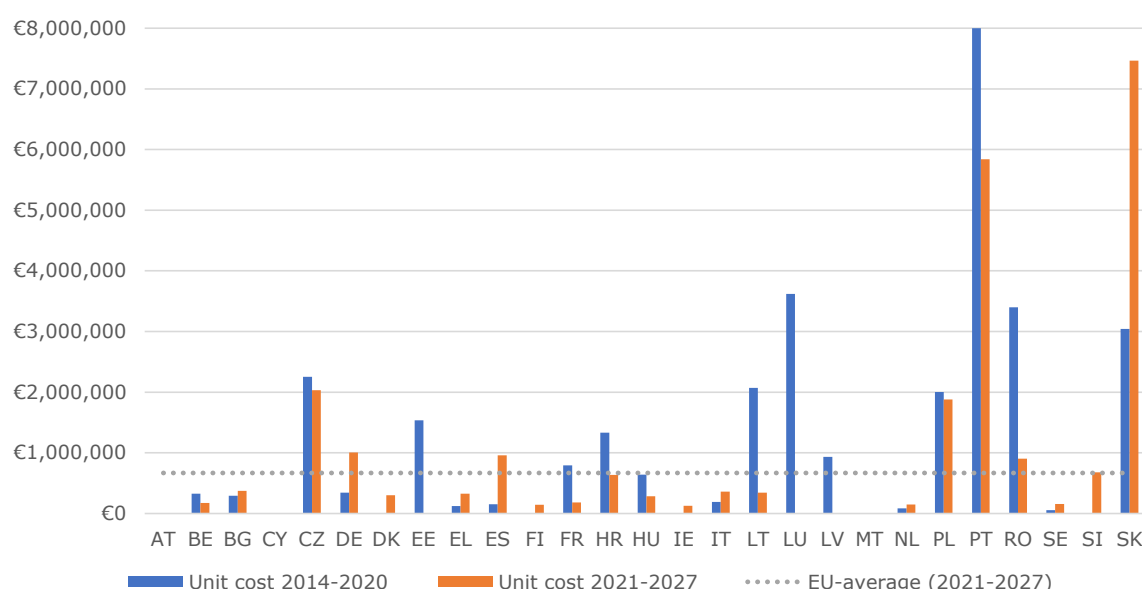
- Less developed regions: EUR 938,300 per enterprise for the 2021-2027 programmes compared to EUR 1.6 m per enterprise in the 2014-2020 programmes;
- Transition regions: EUR 630,400 per enterprise in 2021-2027 compared to EUR 592,600 in 2014-2020 programmes;

there are slight differences relevant for interpretation. RCR03 and RCR04 refer to the actual number of SMEs introducing innovations while CO28 and CO29 refer to enterprises supported to introduce innovation.

⁽³³⁾ Northern sparsely populated and outermost regions: Approximately EUR 150,900 per enterprise in for programmes in the 2021-2027 period (of only two MS) and without comparative no contributions in the 2014-2020 period.

- More developed regions: EUR 420,000 per enterprise compared to EUR 174,600 for 2014-2020 programmes.

Figure 87 - Unit costs: Eur per supported innovative enterprise (2014-2020 compared to 2021-2027) – EUR per enterprise



(*) Note: the axis was shortened to improve readability of the figure; unit costs of Portuguese programmes amount to EUR 12.6 m in 2014-2020

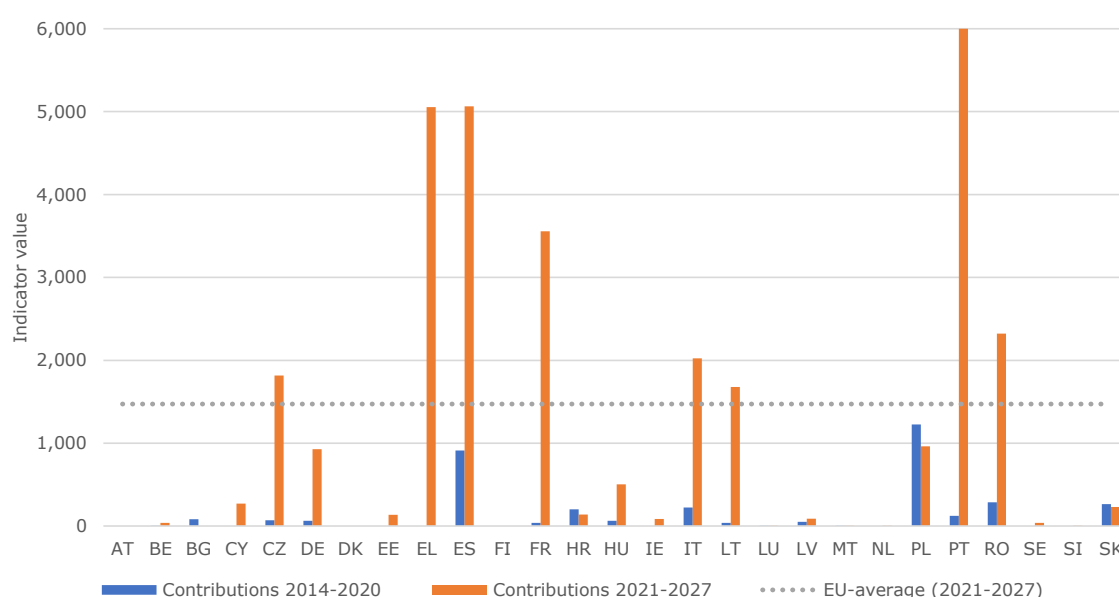
Source: Project team, 2024

While at EU level, unit costs increased by 17% on average, changes between the two periods at Member State and programme level patterns vary significantly. Unit costs of support increased for programmes in Germany (193%), Greece (166%), Spain (541%), Italy (90%), the Netherlands (78%), Sweden (195%) and Slovakia (146%) significantly between the two periods. The highest increase in unit costs was observed among Spanish programmes, with costs per supported enterprise increasing from EUR 149,500 to EUR 958,200. Enterprise innovation support in Portuguese and Slovakian programmes is tied to, on average, the highest unit costs among analysed programmes, respectively at EUR 5.38 m (representing a decrease of 54% compared to the 2014-2020 programmes) and EUR 7.47 m (increasing by 146%).

RCR26 annual primary energy consumption

In total, Cohesion policy investments under RSO 2.1 are expected to generate energy saving worth approximately 36.8 TWh ⁽³⁴⁾ in the 2021-2027 period at a unit cost of EUR 0.72 per saved kWh. This represents a decrease from EUR 2.42 per saved kWh under TO4 in 2014-2020 programmes and an increase in overall savings from 3.7 TWh. In the 2021-2027 period, most contributions are expected (see Figure 88) in Greece and Spain (around 5 TWh each), as well as France (around 3.6 TWh).

Figure 88 - RCR26 energy saving in MWh (2014-2020 compared to 2021-2027) – in MWh



(*) Note: the axis was shortened to improve readability of the figure; contributions of Portuguese 2021-2027 programmes amount to energy saving of approx. 11.8 GWh.

Source: Project team, 2024

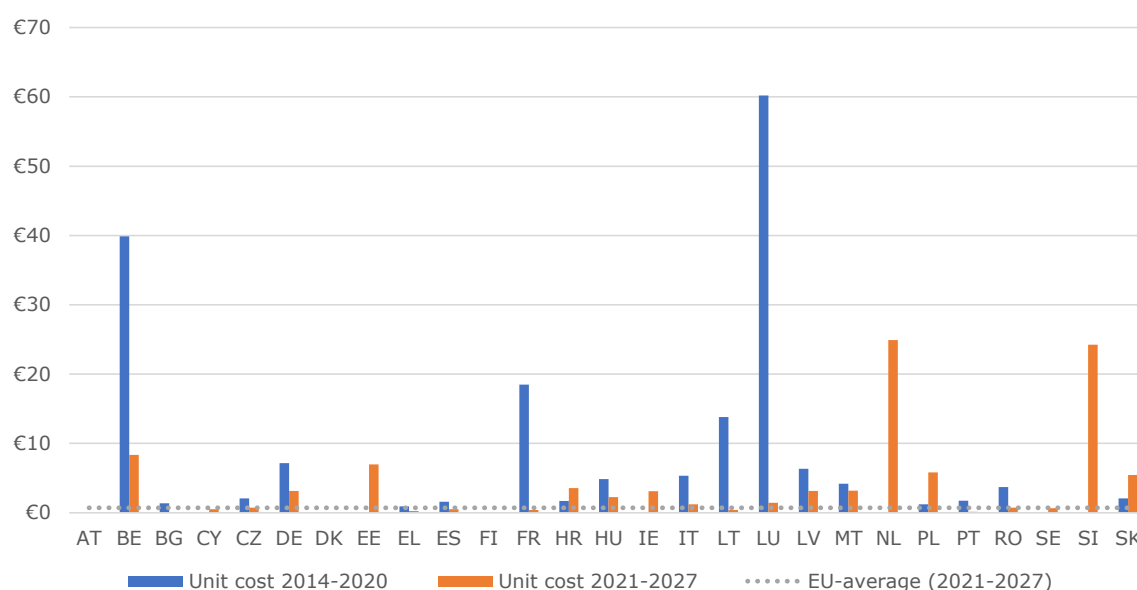
Planned amount per saved kWh varies at the level of Member States (see Figure 89), but have decreased for all but Italy, Sweden, and Finland between the two periods. The highest unit costs in 2021-2027 are found in Netherlands (EUR 24.91 per saved kWh) and Slovenia (EUR 24.25 per saved kWh). In contrast very low unit costs are in Polish (on average EUR 0.12) and Latvian (EUR 0.40) programmes.

The following differences can be observed per category of region:

⁽³⁴⁾ 1 TWh (Terawatt hour) = 1.000 GWh (Gigawatt hour) = 1.000.000 MWh (Megawatt hour) = 1.000.000.000 kWh (Kilowatt hour)

- Less developed regions: EUR 0.58 per saved kWh for 2021-2027 programmes compared to EUR 2.30 in the 2014-2020 programmes;
- Transition regions: EUR 0.89 per saved kWh in 2021-2027 compared to EUR 2.89 in 2014-2020 programmes;
- More developed regions: EUR 0.67 per saved kWh compared to EUR 2.48 for 2014-2020 programmes.

Figure 89 - Unit cost: RCR26 energy saving in kWh (2014-2020 compared to 2021-2027) – EUR per kWh

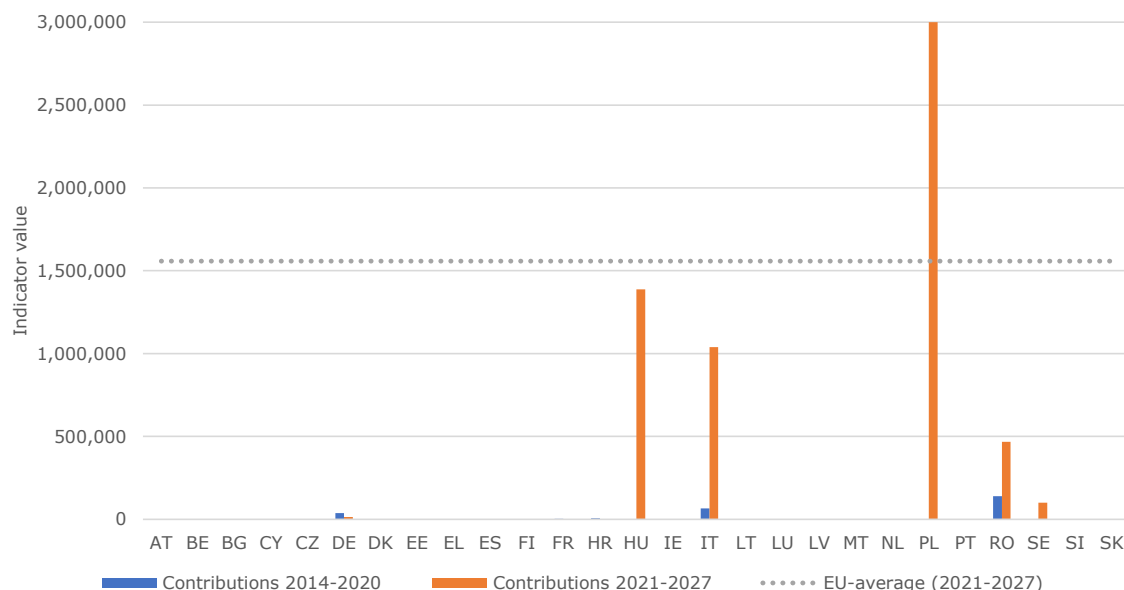


Source: Project team, 2024

RCR33 users connected to smart energy systems

On average, one user connected to smart energy systems (as measured by RCR33 under RSO 2.3) costs around EUR 290 for a total of 12.15 m users in the EU for programmes of the 2021-2027 period. However, uptake of support contributing to this indicator is relatively low, with contributions only made by French, German, Hungarian, Italian, Dutch, Polish, Romanian, and Swedish 2021-2027 programmes, and the majority thereof by Polish programmes (around 9.5 m users; see Figure 90).

Figure 90 - RCR33 number of users connected to smart energy systems (2014-2020 compared to 2021-2027) – in users



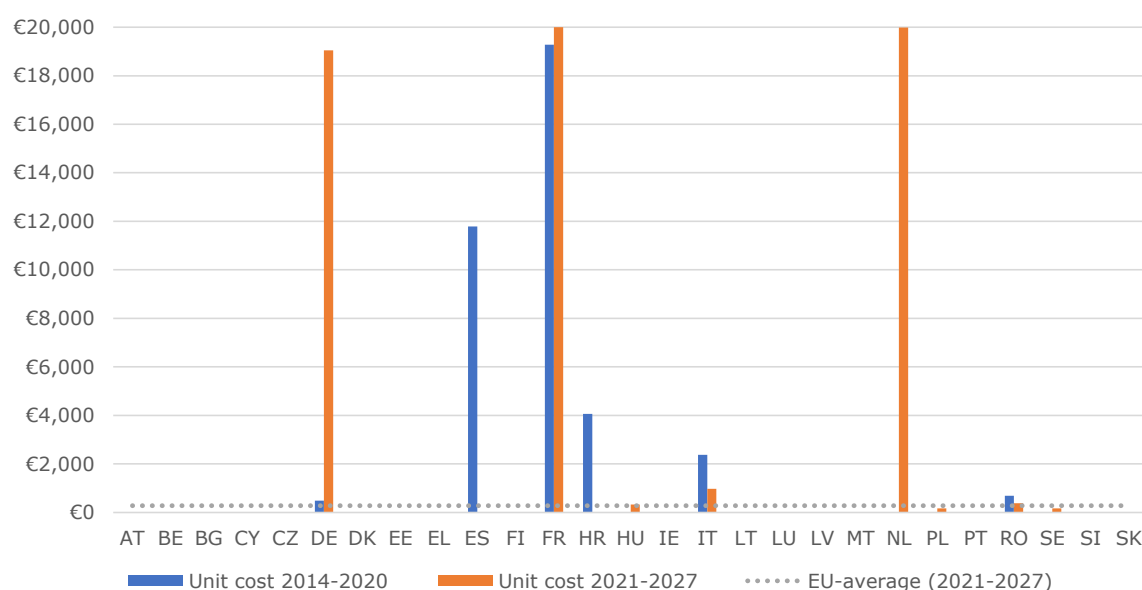
(*) Note: The axis was cut-off at 3 m users to improve readability; Polish contributions amount to around 9.5 m users, French to 100 users.

Source: Project team, 2024

In comparison to the 2014-2020 period ⁽³⁵⁾, unit costs have decreased by 80% from EUR 1,390 per connected user. However, only a limited number of programmes continued support in the 2021-2027 period, as can be observed below. This represents a considerable limitation for the analysis, as variation within programmes and MS implementing in the current period is significant.

⁽³⁵⁾ As captured by CO33 number of additional energy users connected to smart grids

Figure 91 - Unit costs: RCR33 users connected to smart energy systems (2014-2020 compared to 2021-2027) – EUR per user



(*) Note: The axis was cut-off at EUR 20,000 to improve readability; unit costs for 2021-2027 programmes in France are on average EUR 211,700 and in the Netherlands on average EUR 19,980.

Source: Project team, 2024

There is, however, significant variety of unit costs at programme and Member State level, potentially linked to the scope of supported operations. Programmes reaching only a small number of users in 2024 (especially French, but also German and Dutch programmes) are associated with very high unit costs: one additional user in French programmes comes at a unit cost of EUR 211,700 (for a total of 100 connected users), for German and Dutch programmes the unit cost is between EUR 19,000 and EUR 20,000. In all three Member States, programmes are only expected to reach 100, 13,900, and 1700 users respectively. In the remaining Member States, unit costs are significantly lower: ranging from approx. EUR 160 in Sweden and Poland to EUR 970 in Italy per connected user, largely due to the high number of connected users.

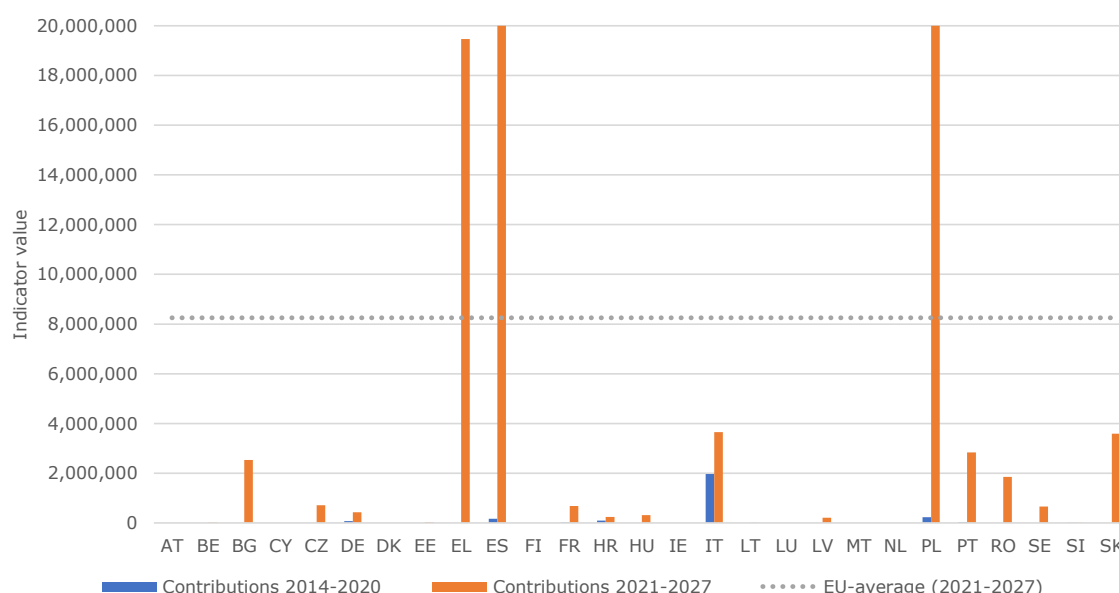
RCR35 and RCR36 population benefiting from natural hazard protection measures

The indicators RCR35 and RCR36 are analysed in combination, as even though indicators for the 2014-20 period also allow for a separation between different natural hazards (e.g. Floods, Wildfires etc.), the corresponding field of intervention for the 14-20 period only captures inputs for all natural hazards combined. Across the EU, extending natural hazard protection costs on average,

EUR 72 per person for a sum of 156 m people ⁽³⁶⁾ covered via these investments. This represents a decrease of 81% from EUR 380 per person covering a total of 3.4 m people ⁽³⁷⁾ for related investments under TO5 in the 2014-2020 period.

Comparable activities under the Cohesion Fund are expected to achieve a unit cost of EUR 439 for a total of 3 m people in the 2021-2027 period, compared to EUR 126 for a total of 18 m people in the 2014-2020 period. Notably, Slovakia in both periods shows the highest unit costs of EUR 31,500 (2014-2020) and 41,200 (2021-2027) under the Cohesion Fund. These values are significantly higher than for ERDF funding as well as significantly higher than any other MS.

Figure 92 - RCR35 & RCR36 population benefiting from natural hazard protection measures (2014-2020 compared to 2021-2027) – in users



(*) Note: The axis was cut-off at 20 m users to improve readability; Poland features contributions of approx. 51.9 m in 2021-2027 and Spain of 67.6 m persons.

Source: Project team, 2024

Unit costs per person covered by natural hazard protection vary by type of region.

- Less developed regions: EUR 88 per person for the 2021-2027 programmes compared to EUR 1.290 per person in the 2014-2020 programmes;

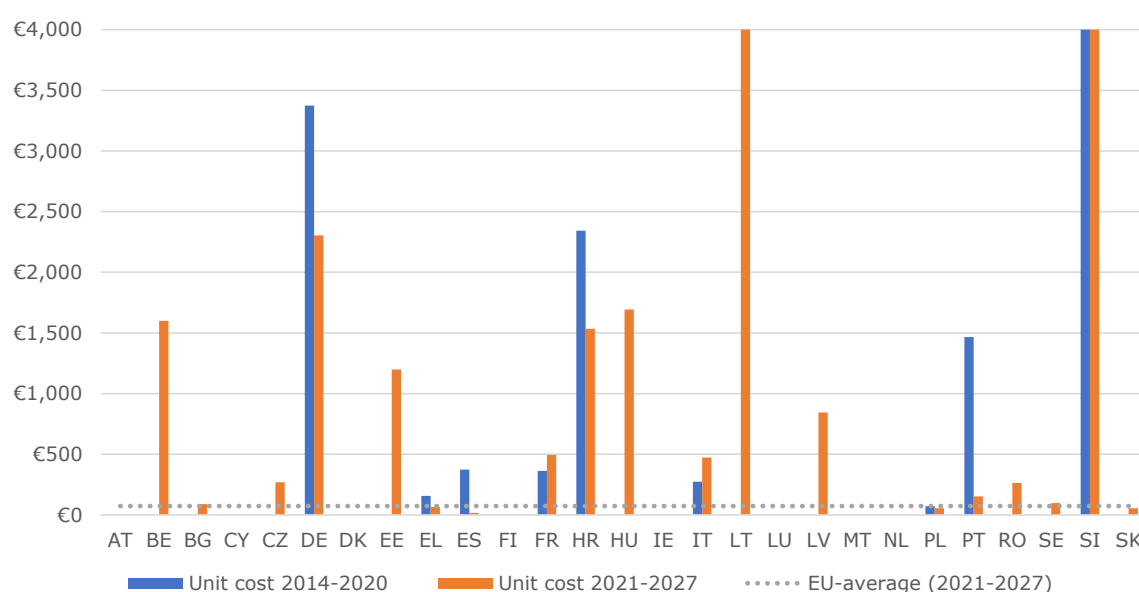
⁽³⁶⁾ As measured by the sum of RCR35 population benefiting from flood protection measures & RCR36 population benefiting from wildfire protection measures.

⁽³⁷⁾ Corresponding to the sum of CO20 population benefiting from flood protection measures & CO21 population benefiting from forest fire protection measures.

- Transition regions: EUR 60 per person in 2021-2027 compared to EUR 125 in 2014-2020 programmes;
- More developed regions: EUR 43 per person compared to EUR 332 for 2014-2020 programmes.

Unit costs per person covered by related investments are particularly high in Latvian and Slovenian programmes of the 2021-2027 period (see Figure 93). They reach, respectively, EUR 27,300 and EUR 23,800 per person. Unit costs are relatively low in Greece (EUR 66), Spain (EUR 17), Poland (EUR 55), Sweden (EUR 97), Slovakia (EUR 53) and Bulgaria (EUR 89). In most programmes supporting these investments in both periods, unit costs have fallen significantly: Germany saw a decrease by 32%, Greece by 58%, Spain by 95%, Poland by 22% and Portugal by 90% per person covered. In three Member States, unit costs have increased: France (36%), Italy (73%) and Slovenia (42%).

Figure 93 - Population benefiting from natural hazard protection measures (2014-2020 compared to 2021-2027) – EUR per person



(*) Note: Slovenian unit costs amount to EUR 16,800 (2014-2020) and EUR 23,800 (2021-2027), Lithuanian unit costs amount to EUR 27,800 (2021-2027)

Source: Project team, 2024

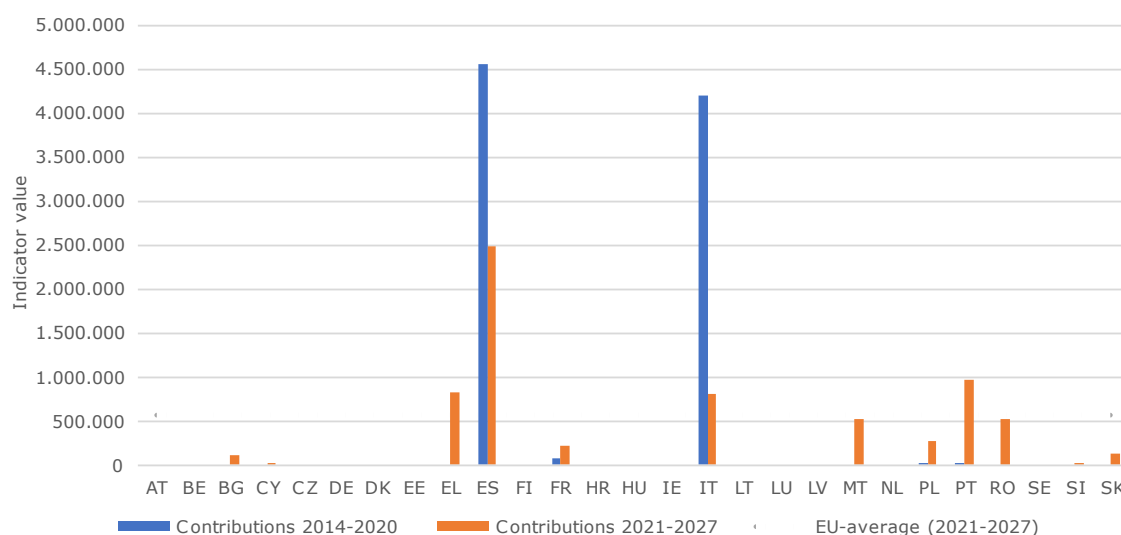
RCR42 population connected to least secondary public waste water treatment

On average, connecting one person to (at least) secondary public waste water treatment cost EUR 672 for programmes of the 2021-2027 period. Interventions amounted to EUR 4.64 bn in EU funding and covered approx. 6.9 m people in France, Bulgaria, Cyprus, Greece, Spain, Italy, Malta, Poland, Portugal,

Romania, Slovenia, and Slovakia (see Figure 94). This represents a considerable increase compared to programmes of the 2014-2020 period which expect a total output ⁽³⁸⁾ of 9.4 m population equivalent covered for an investment of EUR 2.38 bn. It has to be considered however that investments supported are usually long-term and do not yield immediate results thus limiting the comparability of values.

Simultaneously under the Cohesion Fund, unit costs of EUR 2,446 (2021-2027) for a total of 1.3m people covered also represent a considerable increase compared to EUR 826 (2014-2020) for a total of 5.8m population equivalent covered.

Figure 94 - RCR42 population connected to at least secondary public water treatment (2014-2020 compared to 2021-2027) – in persons



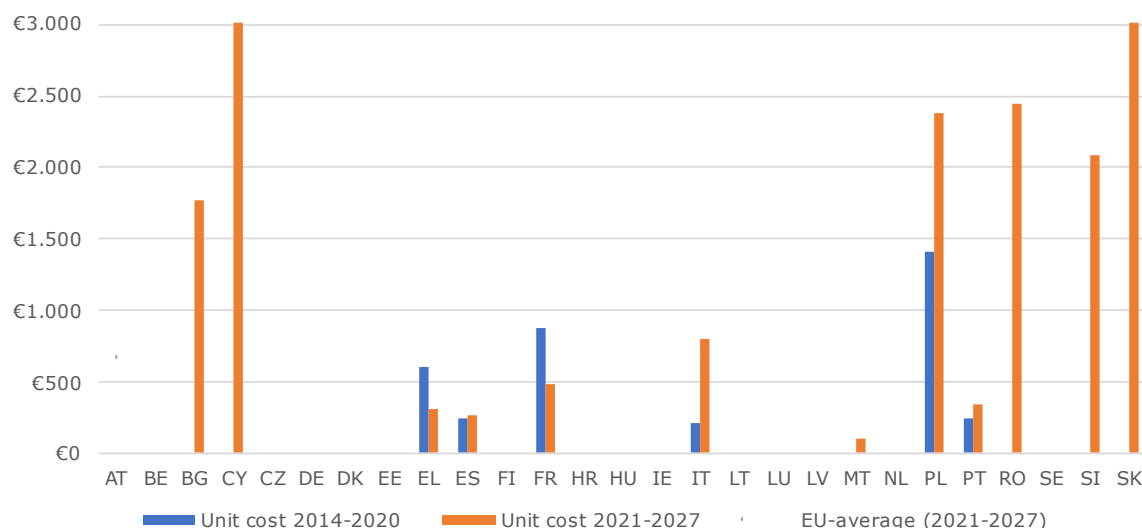
Source: Project team, 2024

Unit costs (of 2021-2027 programmes) per person connected to public waste water treatment facilities vary significantly by type of region, representing a significant change compared to the 2014-20 period with rather equal values across types of regions.

- Less developed regions: EUR 1,020 per person for the 2021-2027 programmes compared to EUR 279 in the 2014-2020 period;
- Transition regions: EUR 196 per person in 2021-2027 compared to EUR 248 in the 2014-2020 period;
- More developed regions: EUR 3,380 per person in 2021-2027 compared to EUR 206 in the 2014-2020 period.

⁽³⁸⁾ As per CO19 additional population served by improved wastewater treatment

Figure 95 - Unit costs: population connected to least secondary public waste water treatment – EUR per person (2021-2027) connected/population equivalent (2014-2020)



Source: Project team, 2024

In terms of costs at Member State and programme levels, in the current period the highest costs are found in Cyprus (EUR 3,920 per person), Slovakia (EUR 3,170) and Romania (EUR 2,440); the lowest unit costs are in Malta (EUR 107 per person), Spain (EUR 260) and Greece (EUR 313). In the 2014-2020 period past a smaller sample of MS implemented these measures, where highest costs were observed in Poland (EUR 1,412) and lowest costs in Italy (EUR 205).

RCR72 and RCR73 annual users of new or improved health care services and facilities

Cohesion policy support to improving health care facilities and services in the 2021-2027 period cost approx. EUR 307 per annual user ⁽³⁹⁾. This translates to around EUR 10.7 bn for a total of 34.9 m new annual users across the EU. Most contributions are expected from Spain (approx. 12.6 m), followed by Poland (5.1 m) and Hungary (6.4 m). Programmes of the 2014-2020 period for comparable indicators ⁽⁴⁰⁾ in comparison assumed a coverage of 38.8 m

⁽³⁹⁾ As calculated from the sum of RCR72 annual users of new or modernised e-health care services & RCR73 annual users of new or modernised health care facilities.

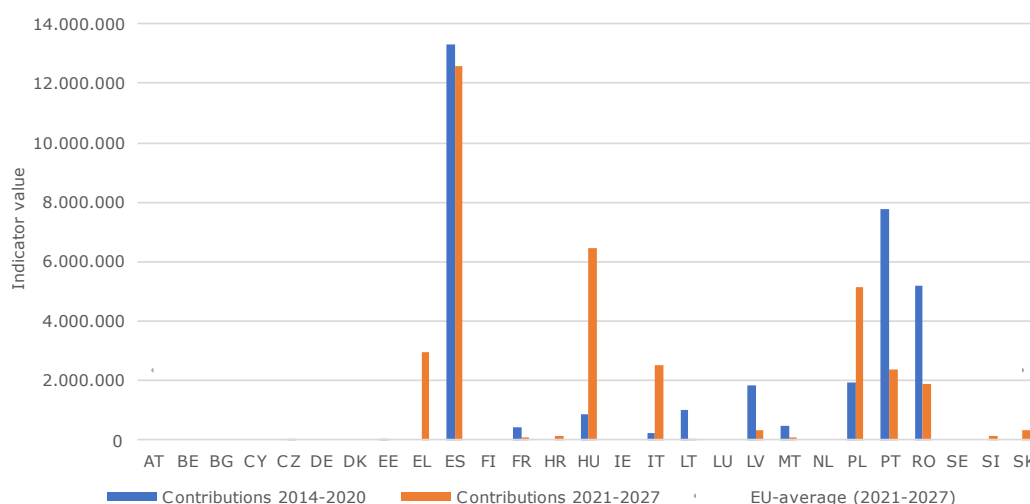
⁽⁴⁰⁾ As per CO36 population covered by improved health services

(population total) for an input of EUR 3.1 bn thus averaging EUR 81 per person covered.

Unit costs vary, to an extent, by type of region:

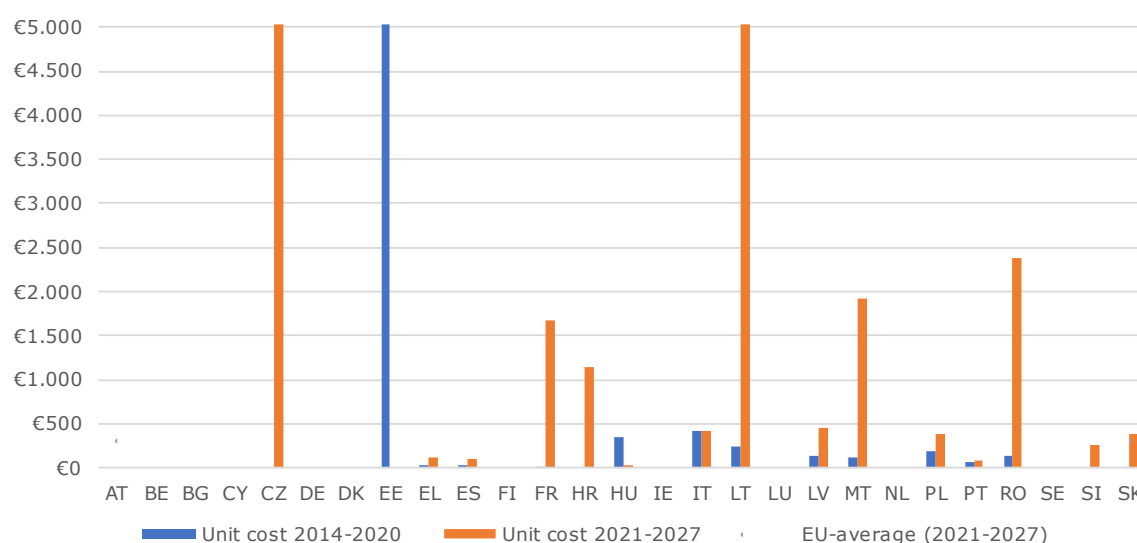
- Less developed regions: EUR 326 per person for the 2021-2027 programmes compared to EUR 131 for 2014-2020;
- Transition regions: EUR 312 per person in 2021-2027 compared to EUR 29 for 2014-2020;
- More developed regions: EUR 125 per person in 2021-2027 compared to EUR 56 in 2014-2020.

Figure 96 - RCR72 & RCR73 annual users of new or improved health care services and facilities (2021-2027) – in persons compared to population covered (2014-2020)



Source: Project team, 2024

Figure 97 - Unit costs: annual users of new or improved health care services and facilities (2021-2027) and population covered by improved health services (2014-2020)



(*) Capped at EUR 5,000 for readability. EE unit costs exceed EUR 2 m, CZ and LT exceed EUR 10,000

Source: Project team, 2024

At Member States and programme level, unit costs are largely in relation to the number of outputs, with programmes supporting infrastructure for a significant number of annual users having a correspondingly lower unit cost. The highest costs in the 2021-2027 period of investment support per new annual user are found in Czech (at EUR 13,307 for each of the approx. 35,500 m new users) and Lithuanian (EUR 15,300 per one of the around 20,800 users in total) programmes. Comparatively low unit costs are found in Hungarian programmes (EUR 24 for one of the 6.4 m new users), Spanish programmes (EUR 89 per one of the 12.5 m new users) and Portuguese programmes (EUR 79 for each of the 2.3 m new users). However, this relatively strong discrepancy in unit costs between individual programmes and Member States may also be due to differences in the contributing interventions: implementing e-health solutions (RCR73) is significantly cheaper per new user than modernising or constructing physical health infrastructure (RCR72).

Investments in the 2014-2020 period are likewise diverse with highest costs per person covered being observed in Estonia (EUR 2.1 m for 100 persons covered). The second highest costs can be identified in Italy (EUR 413 for 206,800 persons covered) while the lowest costs are represented by French programmes (EUR 8 for 398,772 persons covered).

3.10. Implementation

The following analysis is based on the database set up by the project team with data from the Cohesion Open Data Platform for the 2014-2020 period as well as data directly received by the EC for the 2021-2027 period which is not yet published on the Cohesion Open Data Platform. Financial data is up to 31/07/2024, referring to the programme status of 30/06/2024 and likewise outputs are up to 31/07/2024 data referring to the programme status of 30/06/2024.

The progress for both the financial side and output/result indicators indicates the pace of project selection and implementation. This task identifies financial and output progress across Member States and programmes. This allows us to narrow down programmes and Member States with progress at or over their milestones, as well as those which are currently lagging. An important caveat to consider however is the limitations of such monitoring systems as well as the inherent lag between actual activities and their visibility in the monitoring systems. Some activities - mainly linked to the management of the programmes before even selecting projects for support - are not tracked at all by the monitoring systems. These however constitute the basis for all further implementation progress. Furthermore, activities within projects are linked to an inherent lag before being reported, as reporting for activities generally is conducted ex-post and does not capture activities ongoing.

3.10.1. Methodological considerations

To assess output indicators, there are milestones for 2024 and targets for 2029, against which programmes are benchmarked. Milestone and targets are extracted from the Open Cohesion Data Platform and updated based on data transmitted by the European Commission, thus incorporating any reprogramming exercises conducted since start of the programme. Both implemented and planned values are assessed; however, the analysis has shown that presenting implemented values is only relevant in selected cases as a large number of indicators still have a value of zero. While programme and project activities are already ongoing, reporting on progress and results is (mostly) linked to completion of projects and therefore not all programme and project activities are accurately reflected by the monitoring systems at this stage. At this stage of implementation, progress towards the milestones ⁽⁴¹⁾ is more relevant than progress towards the targets for 2029 thus only the further are presented. Only a

⁽⁴¹⁾ Notably, only 5 output indicators do show a milestone of 0 for all programmes that applied them, all of which (RCO48, 51, 52, 109 and 123) relate to construction- and infrastructure related activities.

few indicators and programmes have overachieved the set milestones, outlined below.

The analysis of progress for outputs was conducted as follows:

- Define classes of progress in relation to the milestone as 0% (no implemented/decided value), >0 to 80% (implementation is ongoing), >80% (implementation is fully on track)
- Identify milestones, decided and implemented values for each programme and indicator;
- Calculate share of the milestone reached for decided and implemented values;
- Determine the class for each indicator;
- Identify per programme the number of indicators per class;
- Cluster programmes based on number of indicators per class into: no reported progress, ongoing and on track

Due to the lack of 2024 result indicator milestones and even more zero values, this analysis focuses on output indicators only at this stage. Progress towards 2029 result indicator targets will be assessed in the update of Task 2c.

For financial indicators, progress is assessed towards current programming period goals as well as compared with the 2014-2020 period at fund and PO levels. For all funds and POs, progress towards the plan for both decided and spent amounts is provided showing diverse progress between those categories. In addition, funds and POs are compared to the corresponding funds and thematic objectives, though this is only an approximation as even though overlaps exist, no thematic objective can be directly linked to a PO in the current period without uncertainties. The analyses below present results across periods comparing implementation data for 2024 with programme progress in 2016 and 2017. These years fall between the 3rd and 4th year of the programming period and allow for a fair judgement of progress. Nevertheless, the later adoption of regulations and thus later adoption of programmes is factored into the judgements made about progress at the end. Furthermore, as is evident from the data below, implementation picked up significantly from 2016 to 2017, which is also likely to materialise in this programming period as evidenced by the significant improvement between January and June 2024.

3.11. Overview of interim results

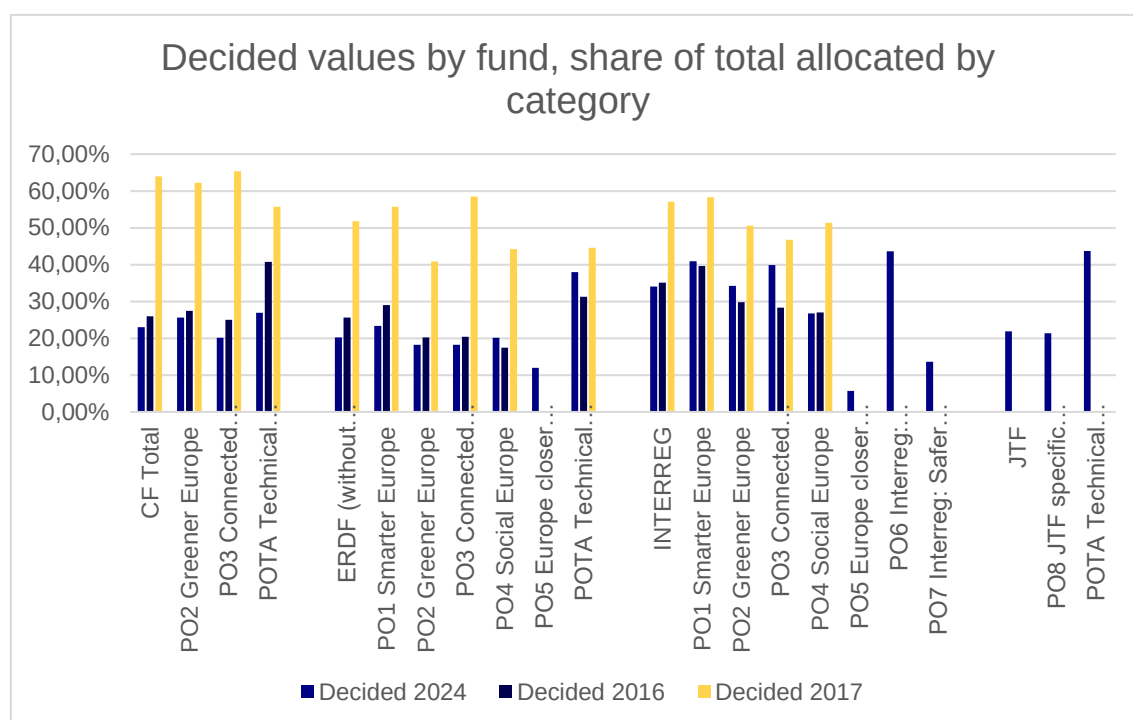
3.11.1. Financial inputs at EU level

As of 8 September 2024, the 'decided' resources for CF and ERDF ⁽⁴²⁾ make up 23% (EUR 11.2 billion) and 20% (EUR 62.7 billion) respectively of the budget. Interreg displays the largest percentage of allocated budget with 34% (EUR 4.7 billion). 'Decided' JTF funding has caught up to ERDF and CF reaching 21.89% (EUR 5.8 billion). Mid-2024 the progress in decided values has broadly reached similar values as in 2016 in the previous period, yet still considerably behind 2017 values trailing them between 20% and 40% in most PO. POs with the highest percentage of budget already allocated include POTA (Technical assistance, across all funds) and PO6 (Interreg: cooperation governance). POs with a notably lower progress include PO3 (Connected Europe, only in ERDF and CF), PO5 (Europe closer to citizens) and PO7 (Interreg: safer and more secure Europe). Across funds, highest progress can be seen under PO1 (ERDF and Interreg in particular) and PO2 (CF).

The following graphs and analyses include 2016 and 2017 values, as the cut-off date and analyses within projects were between these years.

⁽⁴²⁾ Due to the different structures and implementation mechanisms, analyses on implementation progress present Interreg separately. ERDF values here exclude Interreg.

Figure 98 - Allocated budget in 2024 compared to 2016 and 2017

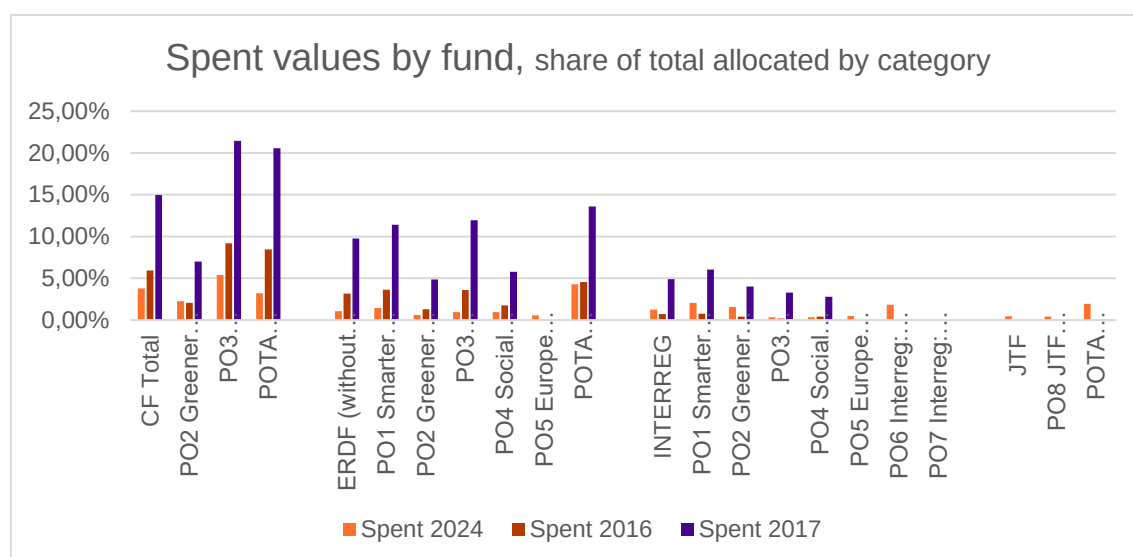


Source: Project team, 2024

The share of financial resources already spent is has increased over the course of 2024 and stands at 3.8% for Cohesion Fund, 1% for ERDF, 1.3% for Interreg and for JTF, 0.5%. This amounts to EUR 1.8 billion (CF), EUR. 3.3 billion (ERDF), EUR. 0.2 billion (Interreg) and EUR 0.1 billion (JTF). Contrary to decided resources, the money spent is still lower than in 2016. Within CF most money was spent for PO3 (Connected Europe), for ERDF the majority of the budget was spent on PO1 (Smarter Europe) and PO3, while for Interreg projects PO1 is most advanced.

There are considerably different patterns for progress. While JTF is least advanced for implemented financial values, it also differs structurally from the other funds. Interreg is most advanced in terms of decided values, however considerably less advanced with implemented values. CF in comparison is by far the most advanced for implemented values and relatively advanced for decided values.

Figure 99 - Spent budget in 2024 compared to 2016 and 2017



Source: Project team, 2024

3.11.2. Programme progress analysis

The monitoring system provides quantitative output and result indicator targets to be reached by 2029, as well as output indicator milestones (a certain share of the 2029 target) to be reached by 2024, against which the programmes can be benchmarked. The milestones and targets are provided in their preliminary form by the EC based on the data submitted by programmes end of June 2024 and include any reprogramming since the start of the programme. Both implemented and planned values are assessed, however the analysis has shown that implemented values are only relevant in exceptional cases, as most indicators have a value of zero. While programme and project activities are already underway, reporting on progress and results is (mostly) linked to completed projects and therefore not all programme and project activities are currently accurately reflected in monitoring systems. At this stage of implementation, progress towards milestones is more relevant than progress towards the 2029 targets. A few indicators and programmes have exceeded the milestones, as presented below.

The analysis of progress for outputs was conducted as follows:

- Define classes of progress in relation to the milestone as 0% (no implemented/decided value reported), >0 to 80% (implementation is ongoing), >80% (implementation is fully on track)
- Identify milestones, decided and implemented values for each programme and indicator;
- Calculate share of the milestone reached for decided and implemented values;

- Determine the class for each indicator;
- Identify per programme the number of indicators per class;
- Cluster programmes based on number of indicators per class into: no reported progress, ongoing and on track

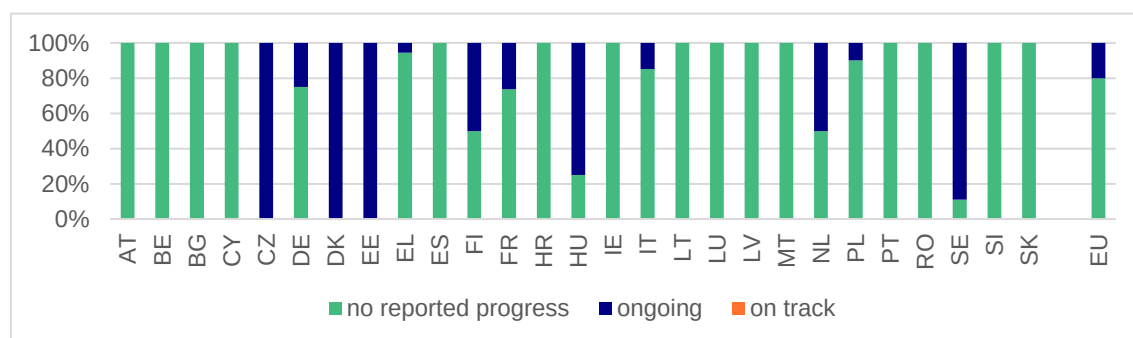
Due to the lack of 2024 result indicator milestones and many zero values, this analysis focuses on output indicators with a brief overview of result indicator status.

Across the EU, most indicators (63%) show no reported progress (neither in terms of implemented nor forecasted values) towards their milestones, indicating delays in implementing actions and objectives as set out by the programmes for their milestones. Additionally, 10% of indicators report values and thus started implementation but are not close to their milestones yet. A number of indicators however (27%) are on track, projected to reach at least 80% of the milestone.

In general, there has been considerably improved progress for the decided values since January 2024. Only two Member States (Spain and Latvia) remain which have not yet reported any progress. Little progress has been made in Cyprus, Croatia, Italy Malta, Portugal and Romania, where more than 75% of the programme indicators have reported no decided values. Implementation is more advanced in eastern and northern Member States. Finland and Sweden, more than 75% of indicators are on track. Sweden in particular shows the milestones (almost) reached also in terms of implemented values already for 30% of indicators Czechia, Finland, Estonia, Hungary and the Netherlands are likewise advancing showing more than 10% of indicators on track of reaching the milestone in terms of implemented values. In turn, across the EU, 90% of indicators show no implementation progress yet, and only 3% are on track for the 2024 milestone.

The analysis at programme level shows that progress varies between Member States, often in line with the progress described above. All Finish and Luxemburgish programmes, as well as most Polish, Estonian and French programmes show progress across the majority of their indicators. On the other hand, still multiple Member States (Spain, Croatia, Latvia and Malta) running a large number of programmes have not yet reported almost any progress. While 75% of programmes show at least some progress across the decided indicator values, only around 20% of the programmes examined have already reported implementation. As a result, none have reached their milestones beyond a few individual indicators.

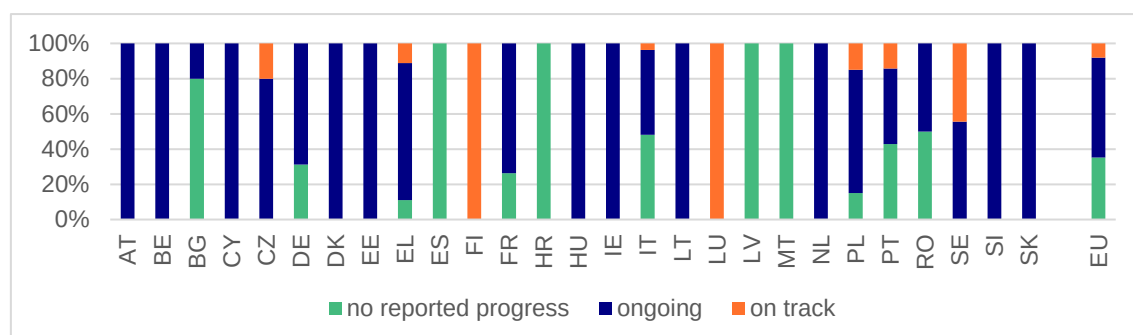
Figure 100 - Reported implementation progress in % based on indicator values



Source: Project team, 2024

Progress in the programmes is more heterogeneous. In general, programmes in northern and eastern Europe perform slightly better with Czechia, Denmark, Estonia and Sweden being the only countries with more than 90% of programmes reporting ongoing implemented indicator values.

Figure 101 - Reported decision progress in % based on indicator values



Source: Project team, 2024

POs show varying progress.

- The majority of Member States and programmes have reported significant progress under PO1, even exceeding the milestones foreseen for the end of 2024 (in particular support to firms e.g. RCO01 Enterprises supported and RCO04 Enterprises with non-financial support for the most used indicators). Most notably, RCO10 Enterprises cooperating with research organisations shows the highest progress for implemented values Overall, progress lags below the milestones in terms of reported implementation values.
- For PO2, reported values have increased considerable with implemented outputs under RCO57 Capacity of environmentally friendly rolling stock for collective public transport and RCO04 Enterprises with non-financial support (30% of the milestone reported implemented and 150% respectively 300% decided). For decided values, the milestone is exceeded or almost exceeded in all frequently used indicators.

- PO3 shows a high level of progress in terms of decided values in several key indicators, most notably RCO44 Length of new or upgraded roads - non-TENT, at 458%. However it reported implementation values lag or sit at 0 for the majority of indicators. The notable exception is RCO57 Capacity of environmentally friendly rolling stock for collective public transport already showing 73% of the milestone achieved.
- PO4 indicators are regularly applied in the programmes, however the majority of indicators have little implementation reported..Population covered by projects in the framework of strategies for integrated territorial development showing 112% of the milestone implemented.

Finally, PO5 indicators show diversified progress. Of the most frequently used, RCO74 Population covered by projects in the framework of strategies for integrated territorial development, RCO75 Strategies for integrated territorial development supported and RCO77 Number of cultural and tourism sites supported show progress between 56% and 75% for decided values and up to 14% for implemented values. RCO01 Enterprises supported (of which: micro, small, medium, large) on the other hand already records 164% for decided and 30% for implemented values. Notably, several indicators exceed the milestones considerably (up to 700%), however most are used by less than 10 programmes.

Indicator pairings considered

Indicator internal code	RSO	Intervention field	Indicator (2021-2027)	Indicator (2014-2020)	Intervention code
A01	RSO1.1	001, 002, 003, 005, 006, 007, 009, 011, 012	RCO01	CO01	001, 002, 056, 057, 059, 061
K04	RSO1.1	001, 002, 003, 004, 005, 006, 007, 008, 009, 011, 012	RCR03, RCR04	CO28, CO29	001, 002, 056, 057, 058, 059, 060, 061
A02	RSO1.1	004, 008, 012	RCO06	CO25	58, 60
A03a	RSO1.1	029, 030, 027, 028	RCO10	CO26	65, 62, 64
A06	RSO1.2	016, 017, 019	RCR11		
K01	RSO1.3	020, 021, 022, 024, 026, 027, 028, 031	RCR01	CO08	1, 62, 63, 64, 66, 67, 72
A59	RSO1.4	23	RCO101		
A12	RSO2.1	038, 039, 040	RCO01	CO01	68, 70
A13	RSO2.1	041, 042	RCO18	CO31	14
A14	RSO2.1	046, 054, 055, 056	RCO19	CO39	13
K05	RSO2.1	38, 39, 40, 41, 42, 43, 44, 45	RCR26	CO32	13, 14, 67, 68
A15	RSO2.2	047, 048, 049, 050, 051, 052	RCO22	CO30	9, 10, 11, 12
K07	RSO2.3	53	RCR33	CO33	5, 15
K08	RSO2.4	58, 59, 60	RCR35, RCR36	CO20, CO21	87
A25	RSO2.5	062, 063, 064	RCR41	CO18	20, 21
K09	RSO2.5	65, 66	RCR42	CO19	22
A26	RSO2.6	067, 068, 069, 070, 071, 072, 075, 076	RCO34	CO17	17, 18, 19, 69
A35	RSO2.8	081, 082, 084, 085, 086	RCO55, RCO56	CO15	43, 55
A37	RSO3.1	087, 088, 091	RCO43, RCO45	CO13, CO14	28, 29, 33
A38	RSO3.1	096, 097, 100, 101, 106, 107	RCO47, RCO49	CO11, CO12	24, 25, 27
A41	RSO3.2	089, 090, 093	RCO44, RCO46	CO13, CO14	30, 31, 32, 34
A42	RSO3.2	098, 099, 102, 103, 104	RCO48, RCO50	CO11, CO12	26
A45	RSO4.2	121	RCO66		
A46	RSO4.2	122, 123, 124	RCO67		
A48	RSO4.2	122, 123, 124	RCR71		
A51	RSO4.3	126	RCR67		
K10	RSO4.5	128, 129, 130, 131	RCR72, RCR73	CO36	53, 81
A58	RSO5.1	168, 169	RCO74	CO37	97, 114

MID-TERM EVALUATION

OF THE EUROPEAN REGIONAL DEVELOPMENT
FUND, THE COHESION FUND AND
THE JUST TRANSITION FUND

 **2021
2027**

ANNEX 6.4 STAKEHOLDER CONSULTATION SYNOPSIS REPORT

**No REGIO/2023/OP/0045 - Study
to support the mid-term
evaluation of cohesion policy
programmes 2021-2027 financed
by the ERDF, Cohesion Fund and
JTF (2023CE16BAT088)**

Annex 6.4:
Stakeholder Consultation
Synopsis Report

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Acronyms

CF	Cohesion Fund
CP	Cohesion Policy
CPR	Common Provisions Regulation 2021-2027
CSR	County-Specific Recommendations (European Semester)
DG REGIO, REGIO	Directorate-General for Regional and Urban Policy
DNSH	Do No Significant Harm (Principle)
EC	European Commission
ERDF	European Regional Development Fund
ESF+	European Social Fund+
ESPON	European Observation Network for Territorial Development and Cohesion
EU	European Union
IB	Intermediate Body
ITI	Integrated Territorial Investment
JTF	Just Transition Fund
MA	Managing Authority
MC	Monitoring Committee
MS	Member State
NGO	Non-Governmental Organisation
PA	Partnership Agreement
PO(s)	Policy Objective(s)
RRF	Recovery and Resilience Facility
RRP	Recovery and Resilience Plan

Introduction

The stakeholder consultation was based on a strategy that involved a public Call for Evidence (launched by the European Commission), conducting interviews, sending a targeted survey and a validation stakeholder seminar.

Below a short description of the targeted stakeholder per each activity and the number of participants is provided.

Table 1 - Overview of consultation strategy and methodology

Activity	Stakeholder targeted	Timing, stakeholder engagement
Call for evidence	Individual citizens, Academic and research institutions, NGOs, Consumer and social organisations, Individual economic operators and representatives, Public authorities	11 September 2023 - 09 October 2023, 44 responses
Targeted survey	Managing authorities, central coordination bodies, intermediate bodies, monitoring committee members, social and economic partners other interest groups	15 April 2024 – 13 May 2024, 618 responses
Interviews	Managing authorities, central coordination bodies, intermediate bodies, audit authorities, Cohesion Policy experts, experts in urban issues, JTF vulnerable groups	February 2024 – September 2024 45 interviews were conducted
Seminar	Managing authorities, central coordination bodies, intermediate bodies.	In June a stakeholder seminar took place in Brussels with 46 participants present and 106 participants online.

Source: Consortium, 2024

Below, the results of the consultation activities are presented in a summarised form.

1. Call for Evidence

1.1. Introduction

The 'Call for Evidence' ⁽¹⁾ supported the preparation of the European Regional Development Fund, Cohesion Fund and Just Transition Fund for 2021-2027 – mid-term evaluation. It was open for feedback from 11 September 2023 to 09 October 2023. The Commission received 44 responses –most of them on very specific aspects not directly linked to the evaluation criteria and questions. The low number of responses to this call for evidence confirms that the evaluation should mainly rely on the targeted surveys, interviews and the stakeholder seminar to gather meaningful information.

In general, responses give an interesting insight into some areas for improvement for the implementation of the ERDF, CF and JTF. The call for evidence presents some complementary feedback especially coming from (potential) beneficiaries and general interest groups, in addition to the view from public authorities who were targeted by the targeted survey conducted during this study.

1.2. Overview of respondents

A total of 44 responses was received. The largest number of contributions stems from France (14 responses), followed by Sweden (8) and Germany (4). Two replies come from Czechia, Italy and Spain and one from Estonia, Finland, Hungary, Netherlands. Eight answers were received from European-wide organisations or networks. Respondents from ten Member States provided responses.

The largest share of replies stems from the business sector represented by business associations and individual companies (14 replies). Public authorities provided the second-largest share of replies (13). Their scope is local (2 replies) and regional (11 replies) level. NGOs and environmental organisations provided eight replies, with six responses from national and European environmental NGOs, one from a Europe-wide network of municipalities and one from a European network of disabled people. Three replies come from EU citizens, while three responses stem from banks or financial sector organisations. Academic institutions and research institutes provided two replies, while one response stem from a welfare/social organisation.

(1) https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13883-European-Regional-Development-Fund-Cohesion-Fund-and-Just-Transition-Fund-for-2021-2027-mid-term-evaluation_en

1.3. Overview of feedback provided

Most of the responses submitted to the call for evidence came from the business sector (32%) with 9 replies coming from companies ⁽²⁾ and three from national ⁽³⁾ and two from European business associations ⁽⁴⁾. Most business-related replies from France and the one from Finland ask for a better alignment of European Cohesion Policy and namely the three funds with the Net Zero Industry Act and the Critical Materials Regulation (CRM Act) recently adopted by the Commission, i.e. making funds available to the entire nuclear cycle. They “encourage the European Commission to review all investment fund rules to include nuclear where it is currently excluded. All technologies aligned with the European taxonomy should be eligible in all EU’s investment funds such as the Modernization Fund, the Innovation Fund, the Just Transition Fund, the InvestEU Fund, the ERDF, the CF etc.” ⁽⁵⁾

Some sectoral business associations ask for a better consideration and uptake of specific industrial sectors and technologies in Cohesion Policy (e.g. urban and regional transport, nuclear, hydrogen, geothermal energy). Some replies from the business sector suggest that the ERDF, especially the JTF is flexibly opened to large companies due to their pivotal role in the just transition in the relevant areas.

25% of responses came from public authorities. Of the 13 replies, eight come from Sweden, three from France, one from Spain and one from the Netherlands. Most replies refer to the regional ⁽⁶⁾ and four to the local level ⁽⁷⁾. Several regional and local authorities from Sweden refer to the Kiruna declaration on the need of territorial adapted EU policies, adopted by the European Committee of the Regions, while specifically asking for better adjusted instruments and regulations for Europe’s northern sparsely populated areas. Some regions and the local level responses refer to the need for a stronger involvement of the local level in programming and decision-making to make programmes more place-based, to aspects such as negative consequences of SCOs with additional (and often unclear and disproportionate) requirements that put additional burden on intermediaries and

⁽²⁾ Századvég Konjunktúrakutató Zrt, Snam, Groupe SNCF, Transdev Group, Electricité de France – EDF, Westinghouse, GazelEnergie, Orano, Teollisuuden Voima

⁽³⁾ Confcommercio, Deutscher Braunkohlen Industrie Verein eV, GIFEN, the French nuclear industry.

⁽⁴⁾ NuclearEurope, European Geothermal Energy Council (EGEC)

⁽⁵⁾ GIFEN, the French nuclear industry

⁽⁶⁾ Region Västernorrland, Region Västerbotten, Region Norrbotten, Region of Jämtland Härjedalen, Region Västra Götaland, Region Stockholm, Conseil régional Ile de France, Région Nouvelle-Aquitaine, Région Auvergne Rhône Alpes

⁽⁷⁾ Gemeente Rotterdam, Kommunförbundet Jämtland Härjedalen, Norrbottens Kommuner, Diputación Barcelona.

beneficiaries, and the need for streamlining between different EU funding instruments.

Eight **NGO** (18% of all replies) provided feedback, with six responses from national and European environmental NGOs ⁽⁸⁾, one from a Europe-wide network of municipalities and regions ⁽⁹⁾, and one from a European network of disabled people ⁽¹⁰⁾. Several replies refer to the request to review and update the CPR according to the Net Zero Industry Act and to take into account possible changes to the taxonomy regulation for the implementation of the JTF. This issue is strongly reinforced by French and French-based organisations, repeatedly stating that “nuclear is a strategic technology for Europe for various reasons including the fact that it is a decarbonised source of energy.” ⁽¹¹⁾ A second topic mentioned by several NGOs is the need to improve, simplify and harmonise the DNSH principle implementation. Other replies from NGO refer to different specific aspects to be improved, e.g. the need to adjust the JTF to become more social, fair and just, selection criteria for projects to strengthen nature-based climate protection and local climate adaptation or strengthening the place-based approach of Cohesion Policy. The reply from ENIL refers to the use of Cohesion Policy funds to support long-stay residential institutions for disabled people and reminds that this is not in line with United Nations Convention on the Rights of Persons with Disabilities (CRPD).

Three replies came from **EU citizens** ⁽¹²⁾ and voiced criticism on topics outside the scope of the evaluation such as the need to better support strategic industries and reduce the cost of the creation of a company. Two refer to issues related to the programming at national or regional level, e.g. that there are wide differences between regional programmes and that some programmes do not take on board EU priorities.

Three responses stem from **banks or financial sector organisations**, on banking group from France ⁽¹³⁾, one sector association from Germany ⁽¹⁴⁾ and a Europe-wide association ⁽¹⁵⁾. Two replies propose additional simplification measures to facilitate the use of financial instruments and the mobilisation of private co-financiers in order to promote simplicity and regulatory stability for the post-2027 CPR.

⁽⁸⁾ Eesti Roheline Liikumine/Estonian Green Movement, RePlanet, Voices of Nuclear, Bund für Umwelt und Naturschutz Deutschland e.V., weCare, CEE Bankwatch Network

⁽⁹⁾ Council of European Municipalities and Regions (CEMR)

⁽¹⁰⁾ European Network on Independent Living (ENIL)

⁽¹¹⁾ weCare, Voices of Nuclear, NuclearEurope

⁽¹²⁾ From Spain, Czechia and France.

⁽¹³⁾ Bpifrance

⁽¹⁴⁾ Association of German Public Banks, VÖB

⁽¹⁵⁾ European Association of Guarantee Institutions (AECM)

Moreover, two replies propose a simplification and harmonisation of the DNSH principle.

Academic institutions and research institutes provided two replies. A French research institute ⁽¹⁶⁾ asks also for a better alignment of European Cohesion Policy and namely the three funds with the Net Zero Industry Act and the Critical Materials Regulation (CRM Act). A Czech University ⁽¹⁷⁾ asks for more synergies and better alignment of ERDF with other EU funding instruments already in the programming stage, e.g. using a common terminology (or dictionary with terminology and what it means in different programmes) and stable rules.

One response stem from a **welfare/social organisation** ⁽¹⁸⁾ criticising the national approach in Germany to address Objective 4 (a more social Europe) only within the ESF+ programmes and not under ERDF, as foreseen in the CPR. Taking into account that the ESF+ does not provide funding for investment measures in social infrastructure and considering that there is “considerable need for funding for investments in the energy efficiency of buildings”, ERDF funding opportunities should also be made available in Germany.

⁽¹⁶⁾ Commissariat à l'énergie atomique et aux énergies alternatives (CEA)

⁽¹⁷⁾ Masarykova Univerzita

⁽¹⁸⁾ Evangelische Kirche in Deutschland (EKD)

2. Survey

2.1. Introduction

A survey was conducted between April and May 2024. It targeted ERDF, CF, JTF, and Interreg managing authorities, central coordination bodies and intermediate bodies, as well as monitoring committee members and other involved organisations at national and sub-national level in all European Member States and also in associated countries. The survey addressed national coordination bodies in all 27 Member States (sometimes more than one) and representatives of 297 Cohesion Policy Programmes, i.e. managing authorities and implementation bodies, as well as representatives of the corresponding monitoring committee Members, altogether a target group of approx. 2 500 potential survey respondents.

2.2. Overview of respondents

A total of 618 replies was recorded. This shows the high interest of the addresses into a thorough analysis of the mid-term implementation status of the European Cohesion Policy. Out of this, 2 answers were from European organisations (not from a specific country), 2 answers were from Switzerland and 1 from Norway (referring to Interreg programmes). Thus, from Member States came 613 replies. Most answers were received from Poland (136), followed by Czechia (69) and Romania (45). Less replies came from Cyprus, Lithuania and Slovenia (3 each).

All target groups are well represented. Most answers came from monitoring committee members (272 or 44%) (they are also the highest number among the target groups), followed by managing authorities (152 or 25%). 68 Implementation Bodies (11%) answered the survey, as well as 42 Coordination bodies (7%), as well as 84 respondents, classified as 'Other' (13%).

By type of organisation, national (204 or 33%) and regional (182 or 29%) public authorities were the most represented groups. However, also many local public authorities (69, 11%) as well as other public organisations (69, 7%) participated in the survey, showing their interest and participation in EU Cohesion Policy. 71 respondents (12%) represented private, not for profit organisations. A minor share of respondents represented private for-profit interest groups (5 or 1%) or the business sector (11 or 2%). 31 respondents were from 'other' organisations than the afore mentioned (31 or 5%).

2.3. Overview of feedback provided

Overall, 15 questions were asked to the survey respondents. Most questions asked for a classification of opinions according to a Likert Scale from 1 (not at all helpful) to 5 (e.g. extremely helpful). Almost all questions offered also the opportunity to provide individual feedback on certain topics.

The results of the survey were analysed and systematically integrated into the analysis of the different Evaluation Questions. The detailed results are included in the Appendix to this Synopsis report.

Managing authorities, implementation bodies and coordination bodies were asked questions about efficiency, effectiveness, coherence, relevance and added value of ERDF, JTF and CF programmes.

Monitoring committee members were invited to answer questions about effectiveness, relevance and added value of EU cohesion policy in 2021-2027, in particular ERDF/CF/JTF.

The feedback can be summarised as follows:

- Delivery systems are considered as effective mechanisms to address territorial challenges. 46% of all survey respondents (61 of 134) graded the delivery systems for addressing specific territorial needs as somewhat effective, with 37% (49) rating them as very to extremely effective. 16% (22) rated them as not so effective and 1% (2) as not effective at all.
- Different implementation bottlenecks and challenges were identified for the 2014-2020 period. Of those bottlenecks, some could be addressed by simplifications or other solutions, while still many of them are insufficiently addressed. Thus, important implementation challenges still persist in 2021-2027. Managing authorities (n=183) have identified the following as the most relevant programme implementation challenges: the delays in the programme approvals (68% of the responses), the delays in the implementation activities (63%), rules and procedures application (52%), the set-up their management framework (39%). Least challenges are to be seen in reporting to the EC (5%), the financial data monitoring system (14%) and the coordination with intermediate bodies (16%).
- Respondents gave an insight into reasons for delays in programme implementation: these were mainly: the late adoption of the package of EU regulations and the late signature of Partnership agreements. COVID-19 outbreak combined with the parallel measures going under RRF which caused additional and unforeseen workload for managing authorities and implementation bodies resulted in further delays.

- The novelties introduced in the CPR as simplification measures for the 2021-2027 period are generally seen as helpful by the respondents.
- The enabling conditions introduced have been helpful in the programme design and implementation. 58% (122 of 209) of the respondents to this question have perceived them as very or extremely helpful. Open responses indicate that enabling conditions provide a link between strategic frameworks and foreseen interventions within programmes. Nevertheless, there is significant overlap between the programming process and the requirements of enabling conditions criteria.
- 56% of responses (98 of 175) found the multi-level governance and partnership principle are both very to extremely effective in the programme design. 53% (88 of 175) of responses find them very to extremely successful in the programme implementation.
- Programme interventions complement relevant national / regional policies, when looking at the overall picture. Research and innovation seems to be very to fully complementary with national / regional policies according to 74% of responses (125 out of 169), followed by energy, SME and digitalisation policies. Rural development policy seems to be the least complementary policy.
- Only about one third of responses says that cohesion policy programmes are addressing emergent challenges such as ageing or depopulation. Challenges that are less addressed in current programmes are, for example, migration, floodings, cybersecurity, shortage of skilled workers.
- The vast majority of Monitoring Committee members (278 out of 303, 92%) believes that the programme they are involved in is still relevant for the current needs in the territories of the programmes.
- 19% of respondents (39 out of 209) plan to make a modification in their programme as a consequence of the emerging challenges. Nevertheless, most of respondents, i.e. a 43% (89) is yet unsure. As regards the use of the forthcoming Strategic Technologies for Europe (STEP) legislation, a 29% (60 out of 210) of respondents plans to use them. Most of them, with a 45% (94) are uncertain.
- The majority of responses (85%, 484 out of 568) finds that programmes address regional disparities related to the access to public services (education, health, transport, and digital services and infrastructure). Only 54 of 568 (10%) does not feel that programmes address them at all, while 30 (5%) indicated that there are no specific regional disparities with regard to public services.
- 79% of the responses (457 out of 579 who answered this question) find that cohesion policy has a high or very high added value. Looking closer at the characteristics of this added value, respondents see the added value in

(multiple answers possible): additional financial resources to do more, as indicated by 75% of respondents (435 out of 578), focus on horizontal principles (e.g., sustainable development or gender equality) (53%), financial resources to tackle emerging challenges, (52%), financial resources to do things faster (47%), structured multiannual planning (43%), focus on local needs through a place-based approach (42%), application of the Partnership Principle as (32%), visibility of project outcomes (31%).

The majority of the respondents (66% out of 562), sees a high or extremely high added value of EU Cohesion Policy for the green transition. 60% see a high or very high added value of the EU Cohesion Policy for the digital transition

3. Interviews

3.1. Introduction

In the context of the mid-term evaluation study, 45 semi-structured were conducted with cohesion policy stakeholders in 23 Member States and at EU level. The interviews allowed to obtain qualitative feedback and detailed insights on several issues related to efficiency, effectiveness, relevance, coherence and added value.

3.2. Overview of respondents

In a first round of interviews (March-April 2024) 13 interviews were conducted with ERDF-CF-JTF and Interreg Managing Authorities. 25 representatives of Managing Authorities from 11 Member States (Austria, Greece, France, Croatia, Ireland, Italy, Latvia, Luxembourg, Sweden, Germany and Portugal) as well as one Interreg programme (Euro-MED) were interviewed. In a second round of interviews (May-June 2024) another 25 interviews were carried out with actors involved in the design and implementation of the ERDF, Interreg, CF and JTF programmes. The interviews covered 12 EU Member States, namely, Bulgaria, Czech Republic, Denmark, Estonia, Finland, Hungary, The Netherlands, Lithuania, Poland, Romania, Slovakia and Slovenia. Nine interviewees represented JTF stakeholders, six were national coordination bodies or managing authorities and ten were representatives of other organisations, participating as Monitoring Committee Members in the implementation of cohesion policy programmes. In a third round seven experts on EU Cohesion Policy and specific areas such as JTF, urban issues and vulnerable groups (Roma) were interviewed to fill information gaps.

3.3. Overview of feedback provided

Implementation bottlenecks and challenges faced during the 2014-2020 period have been addressed in the new funding period by significantly streamlining the 2021-2027 programmes. Efforts have been made to address past shortcomings such as insufficiently trained staff and fragmented administrative structures. In the current period, designated coordinators and streamlined administrative processes aim to enhance accountability and efficiency. Additionally, the various digital tools, such as e-signature, and improved information and monitoring systems seek to minimise critical issues encountered during previous periods. Nevertheless, challenges persist, such as the parallel implementation and planning of CP programmes 2014-2020, 2021-2027 and other instruments such as REACT-EU and RRF. In general, smaller countries report less implementation bottlenecks than

larger and federal countries with different levels of governance and a higher number of regional programmes.

Several solutions address these challenges and improve implementation. Investments in staff knowledge and experience have been prioritised, with programme staff in the current period being notably more experienced than previously. Efforts are also made to improve the audit process. Comprehensive measures address State aid issues. Beneficiaries are being informed and advised on State aid rules to navigate project selection effectively.

Several challenges entail **delays in programme implementation**. Designing calls for projects took an extended period. Regulatory changes, particularly the transition to new programmes, and State aid issues, especially for the JTF, further impede progress. For example, JTF state aid issues are delaying investments, as, for example, the steel industry implies large and complex investments and aids, which lead to state aid issues. Delays in the approval of the 2021-2027 CPR and other fund Regulations and the introduction of the RRF exacerbate the situation. Additionally, issues such as unresolved audit issues from the previous period and an increased competition to fund (national sources, CP and RRP), especially climate-related initiatives, pose further challenges to timely implementation.

The **novelties** introduced in the CPR for 2021-2027 are seen positively by interviewees, though further adjustments are still needed for smoother implementation. While SCOs are seen generally as helpful by all interviewees, their implementation and use are seen as complex and also depending on other decision-making levels in the MS. Some interviewees point out that simplification at one end causes new and unanticipated administrative burden somewhere else. Also, ambiguous alignment with other regulations and requirements was mentioned. State aid regulations and guidelines and public procurement complexities remain, especially for SMEs and small organisations.

Enabling conditions are perceived as helpful and necessary for compliance with EC directives and prioritising results, although their impact may vary depending on regional contexts and the programme focus. In general, the interviewees see them as essential for referencing and ensuring compliance with key public policies. At the same time certain aspects are deemed burdensome. Updates to national policies, such as National Energy and Climate Plans, can affect EU fund approvals, highlighting the interconnectedness of enabling conditions with broader policy.

Multi-level governance and the partnership principle are perceived as effective in programme design, facilitating collaboration, ensuring inclusivity and anchoring investments to local and regional needs. Despite some challenges, their contributions have been instrumental in the successful submission and implementation of programmes, highlighting their importance in cohesion policy. Partnerships foster trust and ensure that agreements are upheld, enhancing the effectiveness of investments. However, challenges exist, particularly in balancing

multilevel governance processes with tight time horizons, as seen in JTF. The combination of formal committees (of which the monitoring committee is the most prominent), working groups and informal networks foster coordination among instruments/funds linked to policies, facilitating seamless collaboration and resource allocation across sectors and regions. MAs mention examples of thematic working groups or multi-fund committees, in addition to the formal Monitoring Committees and partnerships, one MA mentions a *“National Code of Conduct regarding Partnership for the European Funds related to Cohesion Policy (which was elaborated based on the European Code of Conduct on Partnership)”*.

The design of programmes reflects a significant consideration of both national and regional policies. **Coherence** is ensured via the enabling conditions that facilitate synergies with national and regional policies, notably in island strategies and urban development plans. Coordination is evident in sectors such as education and health, where ministries incorporate regional needs into planning processes. Programme interventions are often closely intertwined with national programmes. However, new and ambitious requirements for JTF highlight the need for better coordination at both EU and national levels, for example, between departments in charge of EU funds, economic development, innovation, environmental development, energy and climate transition, social issues and employment.

Mechanisms ensure the **European Semester process** influences Cohesion Policy programmes by taking into account Country-Specific Recommendations (CSRs) and the challenges identified in National Reform Programmes (NRPs) during the programme design phase. In the 2021-2027 period, the process is more structured with Annex D of the European Semester report providing specific guidance for Cohesion fund investment. Several MAs mention that CSRs and challenges identified in NRPs are embedded into the Partnership Agreement and programmes.

Cohesion policy, particularly through ERDF and JTF largely adopts a **place-based approach** in most of the interviewed Member States. While PO 5 prioritises bottom-up approaches, other sectors integrate policies into regional contexts. ITIs aim to develop this approach further, albeit with challenges due to predefined typologies and indicators. The place-based approach in the EU-funded programmes provides significant added value compared to top-down or one-size-fits-all schemes. In Portugal, the approach is deemed essential, as it allows for tailored interventions that consider local and regional nuances, such as value chains and vocational education needs. In regions like Northern Sweden, with unique development needs due to sparse population, a place-based approach is seen as indispensable.

The JTF stakeholders think that **place-based approach** adds significant value by facilitating stakeholder involvement and creating tailored plans based on local realities. This customization ensures relevance and effectiveness, as seen in Estonia's specific targeting of Ida-Viru County and the Netherlands' alignment with local transition challenges. However, the rigid regional boundaries and lack of flexibility can pose challenges. For instance, Estonia struggled to adapt national strategies to the NUTS3 level.

The interviewees underline the **added value of EU cohesion policy** in supporting long-term investment planning and fostering cooperation among regions. Participants acknowledge that without cohesion policy, national and regional governments would face significant challenges in pursuing cohesion and sectoral policy objectives. Many express concerns that without the EU funding, investments would have been centralised in more developed areas, leaving less affluent regions behind. This sentiment is particularly strong for regions in Greece, Latvia, Portugal, Croatia, Northern Sweden, France and Italy where local resources are insufficient for development. Moreover, cohesion policy enables innovation and risk-taking, providing a framework for addressing crucial issues such as the digital and green transitions. In some countries, the added value of cohesion policy to achieve green and digital transition goals is extremely high (e.g. Greece, Portugal). The consensus is that while the digital and green transition would still be supported to some extent without cohesion policy, its speed and scope would be significantly compromised. In terms of the green transition, EU funding provides crucial support that might be difficult to secure solely through national budgets. The same applies, albeit to a lesser extent, for the digital transition.

Most coordination bodies are of the opinion that the EU funding through the ERDF, CF, and JTF significantly **supports the twin digital and green transition**. These funds are often the only resources available for such large-scale projects, stimulating municipal actions constrained by local budgets. Overall, while EU funds are invaluable, a more tailored approach and continuous long-term support are needed to address regional needs effectively.

The JTF stakeholders believe the territorial plans significantly **contribute to the EU's 2030 energy and climate targets and a climate-neutral economy by addressing local challenges** with targeted budgets. The plans incorporate the Do No Significant Harm (DNSH) principle, ensuring environmental preservation, and support green technology development. The JTF and associated territorial plans address key challenges. They align with national and regional strategies, effectively supporting industrial reconversion and preserving cultural identity. However, they fall short in covering critical human dimensions like housing, health, well-being, and urban mobility, essential for post-transition quality of life. These gaps are then filled by other funds

4. Seminar

4.1. Introduction

In addition, a seminar took place at Novotel Brussels City Centre on June 12, 2024. The objectives of the seminar were to share the preliminary findings of the study with participants and, during the World Café session with programme authorities and experts, discuss challenges and issues experienced in the initial phase of programme implementation, lessons learnt and solutions.

In the first session (in hybrid mode), the study team provided an overview of the study methodology and tasks, the progress of activities and preliminary findings from document analysis, investment analysis and interviews, focusing on all Policy Objectives and all analysed funds (ERDF, CF, JTF, and Interreg). The presentation was followed by a Q&A session, during which participants engaged with the study team and Commission representatives. The last part of the session focused on in-person participants as a set-up for the following activities, i.e. the World Café sessions. Participants, including representatives from the Commission Interservice Group, were divided into four groups each of around ten representatives from various programme authorities and experts.

4.2. Overview of respondents

There were 46 participants on site from 17 Member States, and additional 106 people joining online. The seminar was partially held in a hybrid format.

4.3. Overview of feedback provided

To facilitate a fruitful exchange, the discussions were organised using the World Café format and divided into three 1-hour rounds of discussion. Each round focused on themes (key areas) covered by the study, which the four groups discussed simultaneously:

Round 1: Cluster 1 'Policies and Strategic Integration'

Almost all the topics were addressed during the discussion. In the first key area, Coherence with other funds, and the EU Semester, the main difficulty was aligning programme implementation with the original plan, as implementing synergies between funds was more challenging than expected. Among the solutions to this challenge, participants pointed out that guidelines from DG REGIO on demarcation

could be useful and greater coordination between agencies could also have a positive impact.

For horizontal principles, a recurring issue was compliance with DNSH. To prevent this issue from becoming a significant time drain for programme authorities, it was suggested that topics/areas where DNSH is essential could be grouped and prioritised.

Participants remarked that a significant EU added value is the improvement of administrative capacity for officers working with EU funds, at regional and national level. Working with EU funds is perceived as a 'training ground' to improve expertise and skills, both administrative and content. This contributes to a more robust and efficient public administration in all Member States with a positive spillover for other work with regional and national funds.

Alignment of the EU regulatory framework on the twin transition emerged as a problem. A participant pointed out that DG REGIO and DG COMP approved different rules for State aid two years apart. This led to a delay in project implementation.

Round 2: Cluster 2 'Management and Administrative Capacity'

In the second cluster focused on 'Management and Administrative Capacity,' the first group highlighted that, for almost all key areas, a major challenge was administrative capacity. Solutions included increased education and training on new topics for programme authorities, as well as improved communication with beneficiaries. Even tools that should simplify, such as SCOs, are perceived as very time-consuming, which often overshadows their simplifying goal. Solutions were to develop different methodologies for the types of interventions related to SCOs and new networks between programme authorities to share and compare SCO practices and solutions. One group highlighted how often novelties have a complicated structure that contradicts the objective of simplification. This and related gold plating by both the EC and Member States in implementation mean simplification tools often do not appear as such to programme authorities. A number of challenges relate to strict audit procedures, which are even more complex for simplification measures.

Enabling conditions were discussed as an additional burden as they are not place based, thus even if not all conditions are equally relevant for all Member States and all programmes, they have to be met and documented regardless. This can negatively impact implementation.

Difficulties for early implementation were identified in the priority given to RRF. As similar authorities were tasked with implementing a multitude of funds, such prioritisation resulted in staff shortages. For smaller/local authorities this was particularly pronounced.

Together with the challenge of closing the previous programming period, a lack of administrative capacity and resources for authorities is apparent. The solutions refer to limiting staff turnover in small structures and greater support from the Commission regarding capacity exchange.

It was noted that RRF follows simpler rules for project implementation, and the regulatory framework is not as strict as for CPR funds. Some participants said that they are reprogramming their milestones. All agreed the CPR regulation should be approved much more in advance.

Concerning 'Administrative capacity', participants reiterated that outsourcing is not always the solution because consultants are aware of the new regulations but are not always able to fit them into the national or administrative context. Staff in programme authorities should be trained to develop skills and expertise, and it is pivotal to provide a platform to exchange expertise among EU programme authorities. The audit authority should be involved in such training and exchanges of experiences, so they are aware of the implementation difficulties, as well as potential solutions to face them.

Round 3: Cluster 3 'Territorial and Social Dimension'

Addressing territorial needs, depends highly on the capacity of local actors to implement specific territorial tools such as ITI. It worth noting that budgets allocated to Interreg – addressing cross-border needs – have decreased. A solution could be to promote a change in the calculation method to determine the financial contribution allowed to territories. Implementation of roadmaps to support local actors is also required. Beyond the demographic issues, a shortage of energy and raw materials is a growing challenge for some territories. The group pointed out the of State aid rules in traditional sectors (such as steel and coal) limit the scope of JTF.

There is a particular need for place-based policies that are more locally centred and constructed. Analyses of such regional potential is limited, and ambitious target setting is rare. One solution could be improved regional analyses, particularly Territorial Impact Assessment and other ESPON and EC analysis tools. Macrorregional strategies were mentioned as a potential 'tool' to monitor the long-term impact of Interreg, as such strategies can bring together multiple programmes working in the same area.

Under the 'Social and health dimension', participants highlighted flexibility measures introduced to address difficulties from the COVID-19 crisis and described them as positive, as well as the STEP regulation.

For the JTF, addressing lack of capacity in regions which cannot make full use of JTF opportunities was identified. Potential overlaps with existing national funding were discussed by the participants. One solution was to develop special technical

assistance for JTF regions focusing on synergies and demarcation between national and EU funding sources.

MID-TERM EVALUATION

OF THE EUROPEAN REGIONAL DEVELOPMENT
FUND, THE COHESION FUND AND
THE JUST TRANSITION FUND

 **2021
2027**

ANNEX 6.4 STAKEHOLDER CONSULTATION APPENDIX TO THE SYNOPSIS REPORT

**No REGIO/2023/OP/0045 - Study
to support the mid-term
evaluation of cohesion policy
programmes 2021-2027 financed
by the ERDF, Cohesion Fund and
JTF (2023CE16BAT088)**

Annex 6.4:
Stakeholder Consultation
Appendix to the Synopsis Report

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Acronyms

CEF	Connecting Europe Facility
CF	Cohesion Fund
CLLD	Community Led Local Development
CPR	Common Provisions Regulation
DG REGIO, REGIO	Directorate-General for Regional and Urban Policy
EGF	European Globalisation Fund
EMFAF	European Maritime, Fisheries and Aquaculture Fund
ERDF	European Regional Development Fund
ESF+	European Social Fund+
IB	Intermediate Body
IT, ICT	Information and communications technology
ITI	Integrated Territorial Investment
JTF	Just Transition Fund
MA	Managing Authority
MS	Member State
NRP	National Reform Programme
PA	Partnership Agreement
PO(s)	Policy Objective(s)
RRF	Recovery and Resilience Facility
RRP	Recovery and Resilience Plan
RSO	ERDF / CF Specific Objectives
SCO(s)	Simplified Cost Options
TA	Technical assistance
TSI	Technical Support Instrument

Introduction

This report is an appendix to the synopsis of stakeholder consultation activities of the ERDF/CF/JTF mid-term evaluation for 2021-2027 (Annex 6.4). This report includes more in-depth results of the stakeholder survey and interviews.

The stakeholder consultation was based on a strategy that involved a public Call for Evidence (launched by the European Commission), conducting interviews, sending a targeted survey and a validation stakeholder seminar.

Below a short description of the targeted stakeholder per each activity and the number of participants is provided.

Table 1- Overview of consultation strategy and methodology

Activity	Stakeholder targeted	Timing, stakeholder engagement
Call for evidence	Individual citizens, Academic and research institutions, NGOs, Consumer and social organisations, Individual economic operators and representatives, Public authorities	11 September 2023 - 09 October 2023, 44 responses
Targeted survey	Managing authorities, central coordination bodies, intermediate bodies, monitoring committee members, social and economic partners other interest groups	15 April 2024 – 13 May 2024, 618 responses
Interviews	Managing authorities, central coordination bodies, intermediate bodies, audit authorities, Cohesion Policy experts, experts in urban issues, JTF vulnerable groups	February 2024 – September 2024 45 interviews were conducted
Seminar	Managing authorities, central coordination bodies, intermediate bodies.	In June a stakeholder seminar took place in Brussels with 46 participants present and 106 participants online.

Source: Consortium, 2024

Below, the results of the consultation activities are presented in a summarised form.

1. Call for Evidence

1.1. Introduction

The 'Call for Evidence' ⁽¹⁾ supported the preparation of the European Regional Development Fund, Cohesion Fund and Just Transition Fund for 2021-2027 – mid-term evaluation. It was open for feedback from 11 September 2023 - 09 October 2023. The Commission received 44 responses –most of them on very specific aspects not directly linked to the evaluation criteria and questions. The low number of responses to this call for evidence confirms that the evaluation should mainly rely on the targeted surveys, interviews and the stakeholder seminar to gather meaningful information.

In general, responses give an interesting insight into some areas for improvement for the implementation of the ERDF, CF and JTF. The call for evidence presents some complementary feedback especially coming from (potential) beneficiaries and general interest groups, in addition to the view from public authorities who were targeted by the targeted survey conducted during this study.

1.2. Overview of respondents

A total of 44 responses was received. The largest number of contributions stems from France (14 responses), followed by Sweden (8) and Germany (4). Two replies come from Czechia, Italy and Spain and one from Estonia, Finland, Hungary, Netherlands. Eight answers were received from European-wide organisations or networks. Respondents from ten Member States provided responses.

The largest share of replies stems from the business sector represented by business associations and individual companies (14 replies). Public authorities provided the second-largest share of replies (13). Their scope is local (2 replies) and regional (11 replies) level. NGOs and environmental organisations provided eight replies, with six responses from national and European environmental NGOs, one from a Europe-wide network of municipalities and one from a European network of disabled people. Three replies come from EU citizens, while three responses stem from banks or financial sector organisations. Academic institutions and research institutes provided two replies, while one response stem from a welfare/social organisation.

⁽¹⁾ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13883-European-Regional-Development-Fund-Cohesion-Fund-and-Just-Transition-Fund-for-2021-2027-mid-term-evaluation_en

1.3. Overview of feedback provided

Most of the responses submitted to the call for evidence came from the business sector (32%) with 9 replies coming from companies⁽²⁾ and three from national⁽³⁾ and two from European business associations⁽⁴⁾. Most business-related replies from France and the one from Finland ask for a better alignment of European Cohesion Policy and namely the three funds with the Net Zero Industry Act and the Critical Materials Regulation (CRM Act) recently adopted by the Commission, i.e. making funds available to the entire nuclear cycle. They “encourage the European Commission to review all investment fund rules to include nuclear where it is currently excluded. All technologies aligned with the European taxonomy should be eligible in all EU’s investment funds such as the Modernization Fund, the Innovation Fund, the Just Transition Fund, the InvestEU Fund, the European Regional Development Fund (ERDF), Cohesion Fund (CF) etc.”⁽⁵⁾

Some sectoral business associations ask for a better consideration and uptake of specific industrial sectors and technologies in Cohesion Policy (e.g. urban and regional transport, nuclear, hydrogen, geothermal energy). Some replies from the business sector suggest that the ERDF, especially the JTF is flexibly opened to large companies due to their pivotal role in the just transition in the relevant areas.

25% of responses came from public authorities. Of the 13 replies, eight come from Sweden, three from France, one from Spain and one from the Netherlands. Most replies refer to the regional⁽⁶⁾ and four to the local level⁽⁷⁾. Several regional and local authorities from Sweden refer to the Kiruna declaration on the need of territorial adapted EU policies, adopted by the European Committee of the Regions, while specifically asking for better adjusted instruments and regulations for Europe’s northern sparsely populated areas. Some regions and the local level responses refer to the need for a stronger involvement of the local level in programming and decision-making to make programmes more place-based, to aspects such as negative consequences of SCOs with additional (and often unclear and disproportionate) requirements that put additional burden on intermediaries and beneficiaries, and the need for streamlining between different EU funding instruments.

⁽²⁾ Századvég Konjunktúrakutató Zrt, Snam, Groupe SNCF, Transdev Group, Electricité de France – EDF, Westinghouse, GazelEnergie, Orano, Teollisuuden Voima

⁽³⁾ Confcommercio, Deutscher Braunkohlen Industrie Verein eV, GIFEN, the French nuclear industry.

⁽⁴⁾ NuclearEurope, European Geothermal Energy Council (EGEC)

⁽⁵⁾ GIFEN, the French nuclear industry

⁽⁶⁾ Region Västernorrland, Region Västerbotten, Region Norrbotten, Region of Jämtland Härjedalen, Region Västra Götaland, Region Stockholm, Conseil régional Ile de France, Région Nouvelle-Aquitaine, Région Auvergne Rhône Alpes

⁽⁷⁾ Gemeente Rotterdam, Kommunförbundet Jämtland Härjedalen, Norrbottens Kommuner, Diputació Barcelona.

Eight NGO (18% of all replies) provided feedback, with six responses from national and European environmental NGOs ⁽⁸⁾, one from a Europe-wide network of municipalities and regions ⁽⁹⁾, and one from a European network of disabled people ⁽¹⁰⁾. Several replies refer to the request to review and update the CPR according to the Net Zero Industry Act and to take into account possible changes to the taxonomy regulation for the implementation of the JTF. This issue is strongly reinforced by French and French-based organisations, repeatedly stating that “nuclear is a strategic technology for Europe for various reasons including the fact that it is a decarbonised source of energy.” ⁽¹¹⁾ A second topic mentioned by several NGOs is the need to improve, simplify and harmonise the DNSH principle implementation. Other replies from NGO refer to different specific aspects to be improved, e.g. the need to adjust the JTF to become more social, fair and just, selection criteria for projects to strengthen nature-based climate protection and local climate adaptation or strengthening the place-based approach of Cohesion Policy. The reply from ENIL refers to the use of Cohesion Policy funds to support long-stay residential institutions for disabled people and reminds that this is not in line with United Nations Convention on the Rights of Persons with Disabilities (CRPD).

Three replies came from EU citizens ⁽¹²⁾ and voiced criticism on topics outside the scope of the evaluation such as the need to better support strategic industries and reduce the cost of the creation of a company. Two refer to issues related to the programming at national or regional level, e.g. that there are wide differences between regional programmes and that some programmes do not take on board EU priorities.

Three responses stem from banks or financial sector organisations, on banking group from France ⁽¹³⁾, one sector association from Germany ⁽¹⁴⁾ and a Europe-wide association ⁽¹⁵⁾. Two replies propose additional simplification measures to facilitate the use of financial instruments and the mobilisation of private co-financiers in order to promote simplicity and regulatory stability for the post-2027 CPR. Moreover, two replies propose a simplification and harmonisation of the DNSH principle.

⁽⁸⁾ Eesti Roheline Liikumine/Estonian Green Movement, RePlanet, Voices of Nuclear, Bund für Umwelt und Naturschutz Deutschland e.V., weCare, CEE Bankwatch Network

⁽⁹⁾ Council of European Municipalities and Regions (CEMR)

⁽¹⁰⁾ European Network on Independent Living (ENIL)

⁽¹¹⁾ weCare, Voices of Nuclear, NuclearEurope

⁽¹²⁾ From Spain, Czechia and France.

⁽¹³⁾ Bpifrance

⁽¹⁴⁾ Association of German Public Banks, VÖB

⁽¹⁵⁾ European Association of Guarantee Institutions (AECM)

Academic institutions and research institutes provided two replies. A French research institute ⁽¹⁶⁾ asks also for a better alignment of European Cohesion Policy and namely the three funds with the Net Zero Industry Act and the Critical Materials Regulation (CRM Act). A Czech University ⁽¹⁷⁾ asks for more synergies and better alignment of ERDF with other EU funding instruments already in the programming stage, e.g. using a common terminology (or dictionary with terminology and what it means in different programmes) and stable rules.

One response stem from a welfare/social organisation ⁽¹⁸⁾ criticising the national approach in Germany to address Objective 4 (a more social Europe) only within the ESF+ programmes and not under ERDF, as foreseen in the CPR. Taking into account that the ESF+ does not provide funding for investment measures in social infrastructure and considering that there is “considerable need for funding for investments in the energy efficiency of buildings”, ERDF funding opportunities should also be made available in Germany.

⁽¹⁶⁾ Commissariat à l'énergie atomique et aux énergies alternatives (CEA)

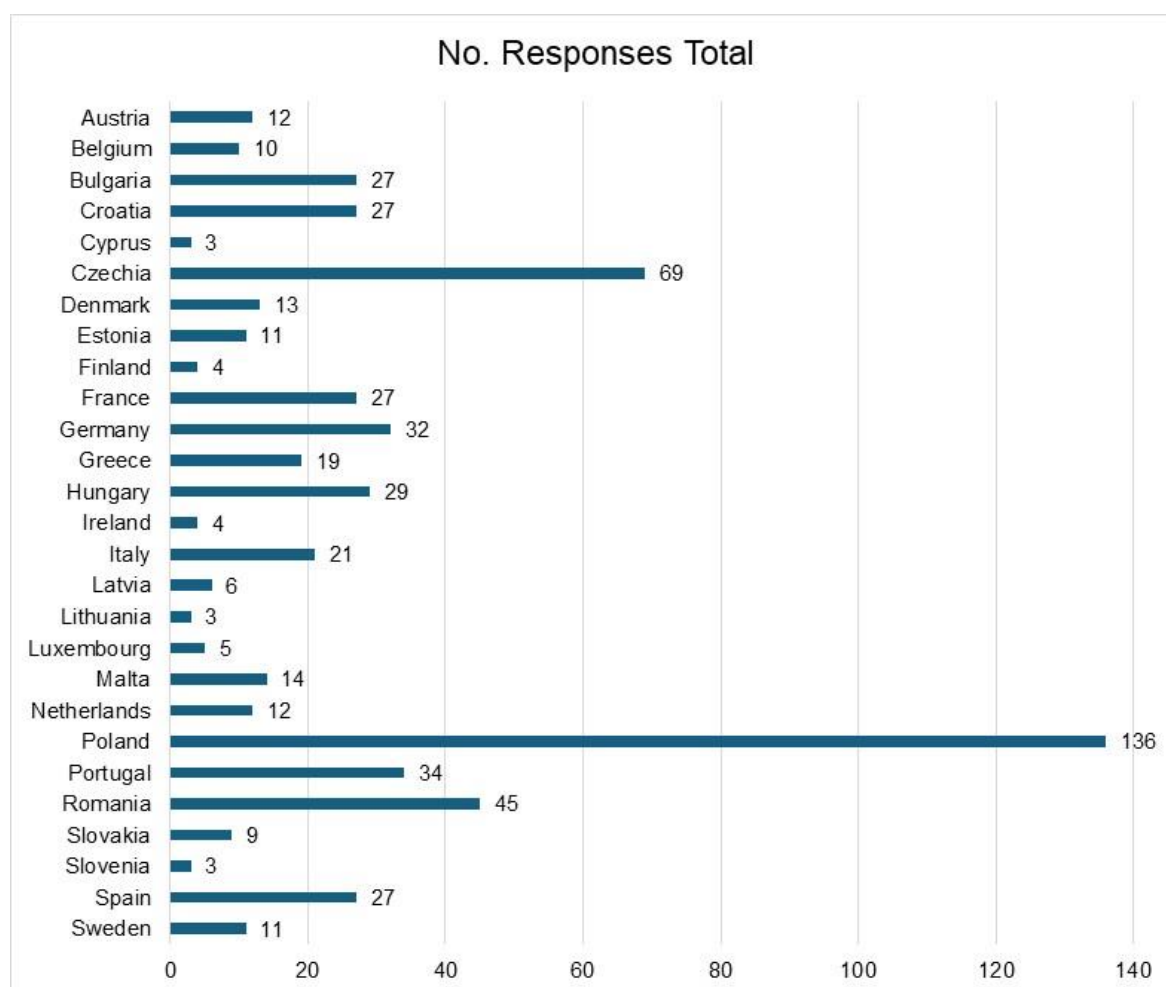
⁽¹⁷⁾ Masarykova Univerzita

⁽¹⁸⁾ Evangelische Kirche in Deutschland (EKD)

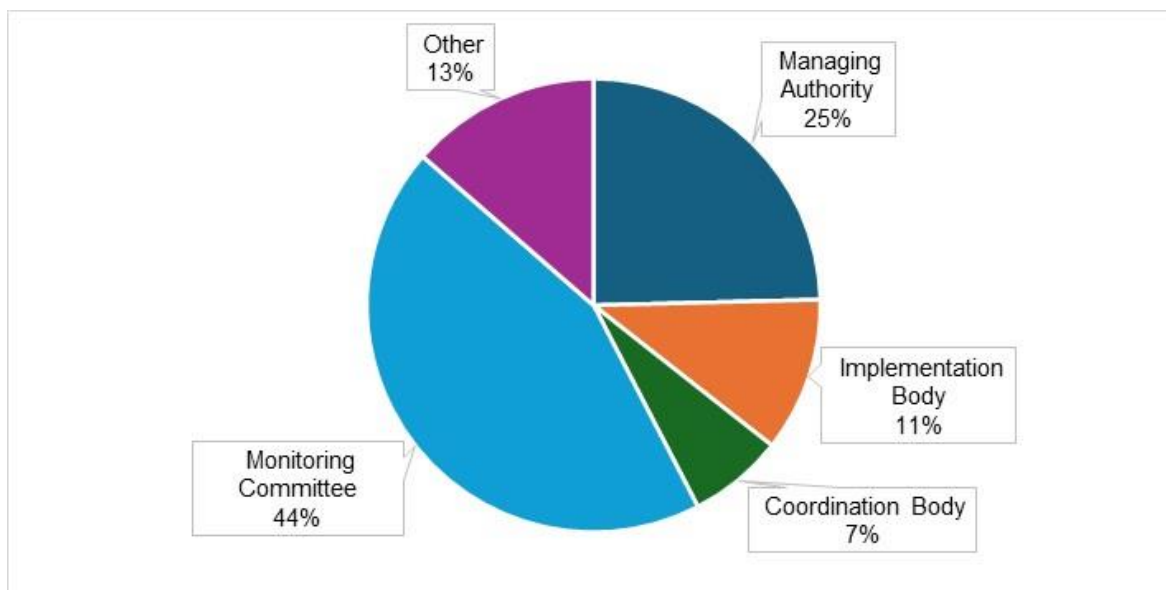
2. Survey

A survey was conducted between April and May 2024. It targeted ERDF, CF, JTF, and Interreg managing authorities, central coordination bodies and intermediate bodies, as well as monitoring committee members and other involved organisations at national and sub-national level in all European Member States and also in associated countries. The survey addressed national coordination bodies in all 27 Member States (sometimes more than one) and representatives of 297 Cohesion Policy Programmes, i.e. managing authorities and implementation bodies, as well as representatives of the corresponding monitoring committee Members, altogether a target group of approx. 2 500 potential survey respondents.

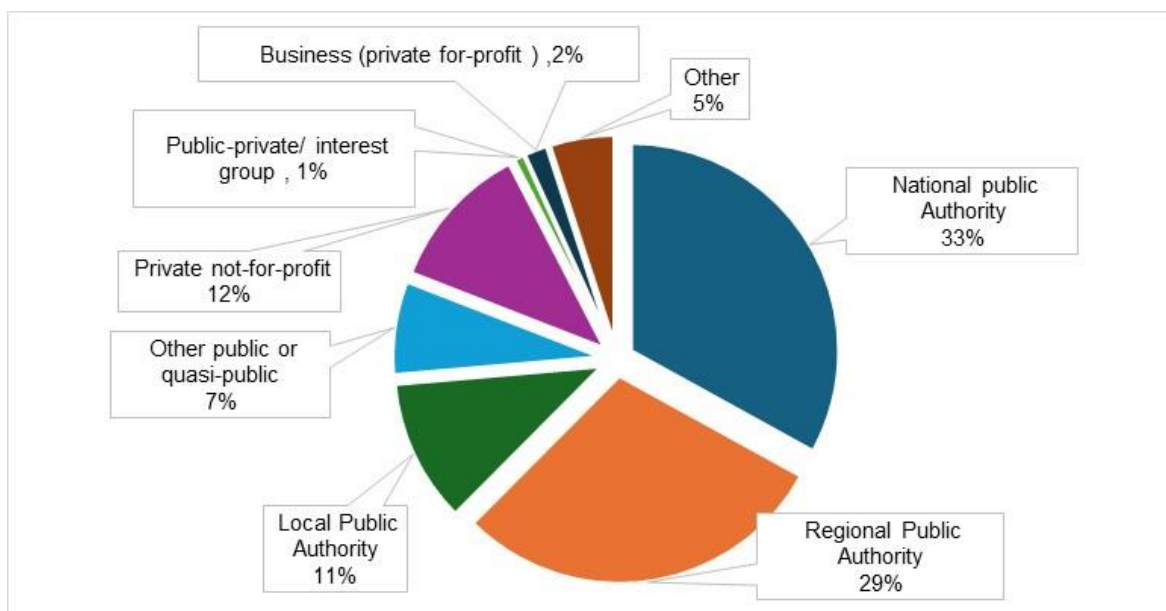
A total of 618 replies was recorded. Out of this, two answers were from European organisations (not from a specific country), two answers were from Switzerland and 1 from Norway (referring to Interreg programmes). Thus, from Member States came 613 replies. Most answers were received from Poland, followed by Czechia and Romania. The outcomes of the survey reflect a very good response. This shows the high interest of the addressees into a thorough analysis of the mid-term implementation status of the European Cohesion Policy.



All target groups are well represented. Most answers came from monitoring committee members (44%) (they are also the highest number among the target groups), followed by managing authorities (25%).



By type of organisation, regional and national public authorities were the most represented groups. However, also many local public authorities as well as other public and private organisations participated in the survey, showing its interest and participation in EU Cohesion Policy.

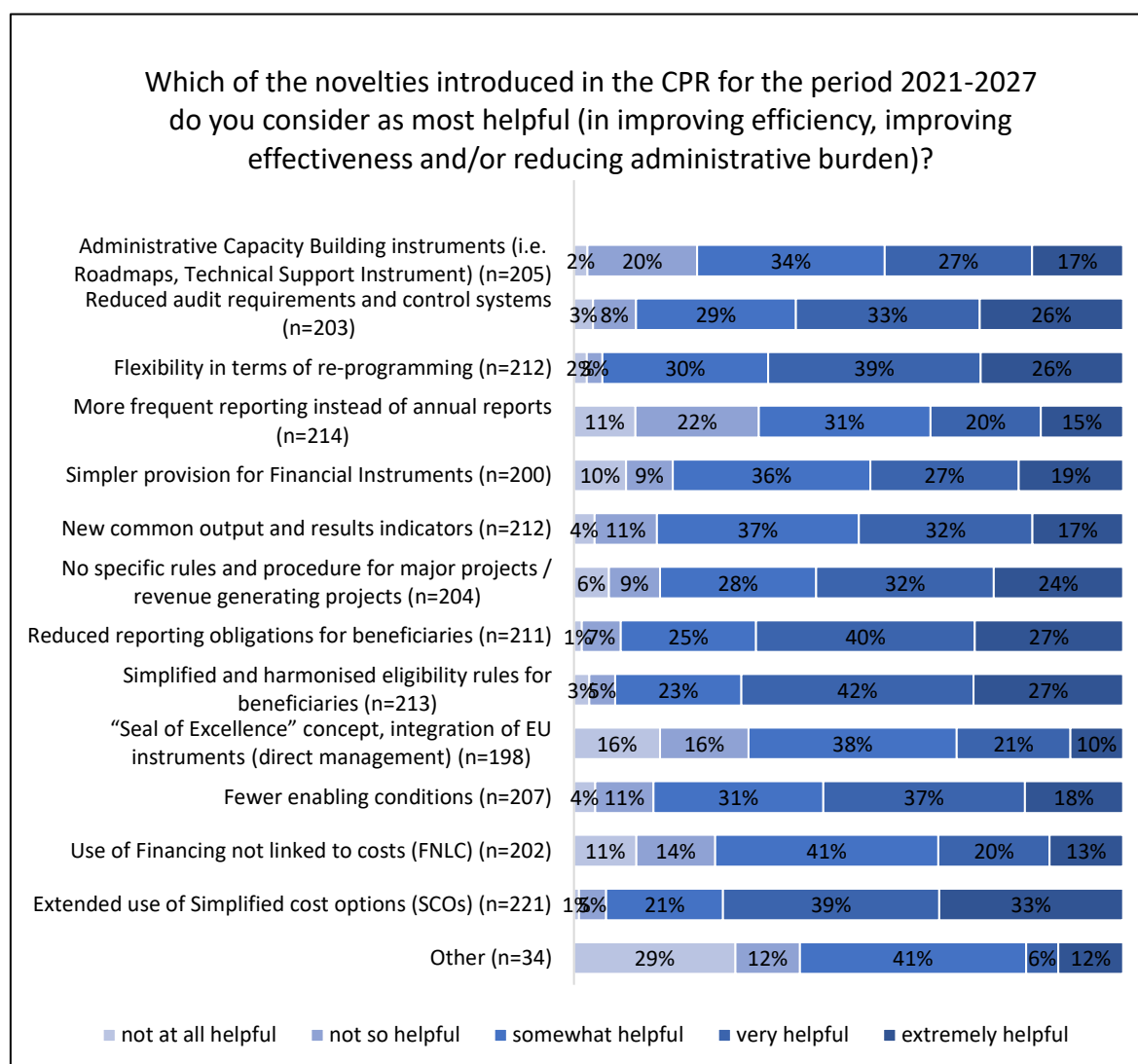


Q1. Which of the novelties introduced in the CPR for the period 2021-2027 do you consider as most helpful (in improving efficiency, improving effectiveness and/or reducing administrative burden)?

The novelties introduced for the 2021-2027 seem overall to be helpful for the respondents. The novelties perceived as most helpful are:

- Extended use of Simplified cost options (SCOs) (73% rate them as very or extremely helpful)
- Simplified and harmonised eligibility rules for beneficiaries (69%)
- Reduced reporting obligations for beneficiaries (67%)

Least helpful have been the more frequent reporting instead of the annual implementation reports (34%) and the seal of excellence concept (32%).



Open answers (selection):

- There are some issues that certainly imply a management simplification (such as the reduction of enabling conditions or the disappearance of major projects). but there are others that do not help in that sense (increasing reporting obligations or limiting to certain periods the moment to declare cost to EC).

- We found as most useful novelties in the programming 2021-27 the extensive use of SCOs and in particular the availability of several options off-the-shelf that are easily applicable by Programmes. Also, the different approach to audit and control and the introduction of Risk-based approach to controls are a huge simplification. The Seal of Excellence should be enhanced and improved in order to properly and fully work for our Programme.
- The use of simplified costs allows for a greater focus on results and a reduction in the administrative burden for both the beneficiary organisations and the Managing Authorities, resulting from the reduction in the number of documents required to validate expenditure.
- I think the simplified cost options and the introduction of extended application options for lump sums are best, but then the external auditors should not question the lump sums and these should be backed up with specific cost items.
- Simplified costs are very positive, but if the Controlling authority of the Programme (FLC) ignores the simplification of the rules and requires more information from the projects than the EU commission, it does not simplify the process. The Small project fund is also a great tool, but the complexity for the project has risen.
- In my view, several of the novelties introduced in the CPR for the period 2021-2027 hold great promise for improving efficiency, effectiveness, and reducing administrative burdens. Here are a few that stand out: - Extended use of Simplified Cost Options (SCOs) and Fewer Enabling Conditions: This simplifies cost calculation procedures and reduces the number of eligibility requirements for projects. This significantly reduced administrative work for both applicants and managing authorities. - Use of Financing not linked to Costs (FNLC): Separating financing decisions from cost calculations allows for a more flexible approach to project support. This improved the effectiveness of funding allocation and potentially reduce delays associated with rigid cost structures. - Simplified and Harmonised Eligibility Rules for Beneficiaries: Consistent eligibility criteria across the EU create a fairer and more accessible application process for beneficiaries. This reduces administrative burdens for applicants and simplifies management for authorities. - Reduced Reporting Obligations for Beneficiaries: Streamlining reporting requirements eases the administrative burden on project implementers. This allowed us to dedicate more time and resources to project execution.
- Requirements in general have become more specific and less flexible. Any major changes/ new requirements in general require additional changes in management system and slows down process in order to continue investments.
- Some items were rated 2 or 3 for the following reasons: - FNLC: interesting, but a very long process - and not enough hindsight at this stage on their

practical use and auditing. - label of excellence: not a novelty compared with 14/20 - very limited scope - and unilateral approach from the EC to the GA, which is not a stakeholder in the scheme. - simplified and harmonised rules: little practical effect in the end, as each fund has its own specific intervention and project characteristics between ERDF, ESF+ and EAFRD; what's more, EAFRD is excluded from the scheme. - reduced reporting obligations for beneficiaries: no practical effect in the end, as the audit will require all documents to be submitted. - common indicators: not very effective at GA level because they are not always adapted to the reality on the ground; some indicators have been imposed even though they are very difficult to collect and place a heavy burden on beneficiaries, which is inconsistent with the initial aim of simplifying the general implementation of European funds. - financial instruments: not enough hindsight to date to measure the real effect of simplification. - reprogramming: idem. - audit requirements and reduced control systems: no impact measured to date. - administrative capacity building: an interesting initiative, but difficult to really take up.

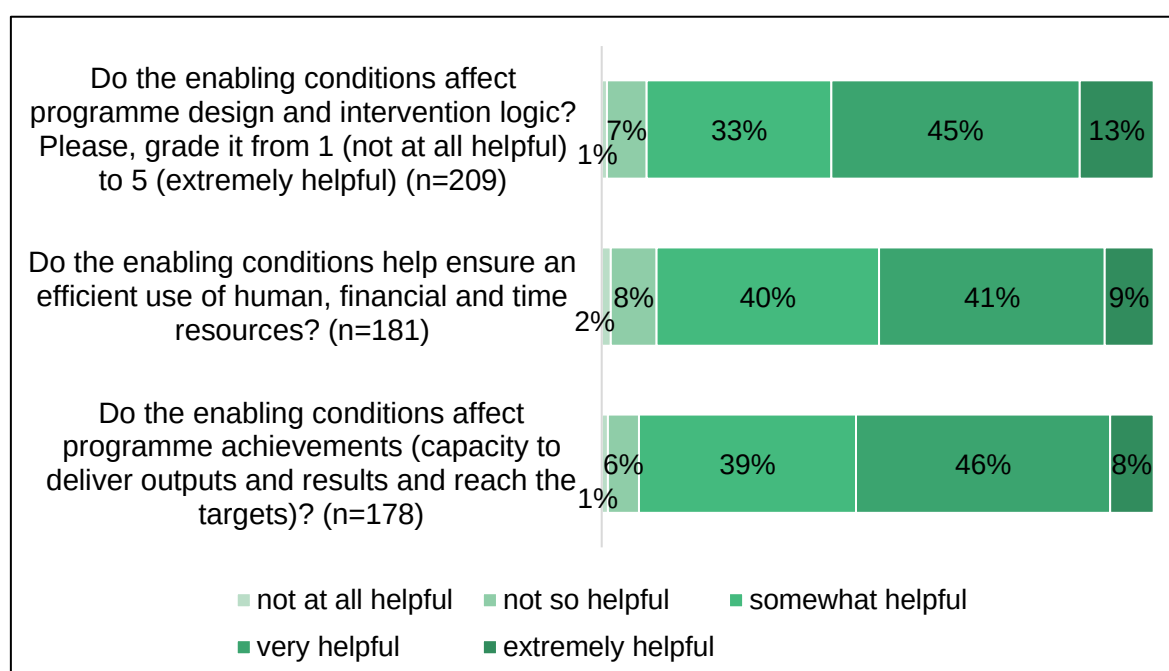
- Financing Not Linked to Costs or Simplified Costs Option (SCO) should be more applied in Cohesion policy with the view to reduce administrative burden. However, the current SCO approval process (together with the amendment to the programmes) is very time consuming and holding back the speed of investments. The approval process could be untied from the amendments to the programme and instead a special register could be proposed at the EU level. The proposed SCO by the COM could be improved to fully meet the specific needs of Member states. A more diverse range of SCO, categorized based on the development level of countries, could be suggested by the COM as well. Moreover, the approach “less is more” should be promoted – less fragmented Cohesion Policy funds dedicated to the same objectives, leaner regulatory framework and less limitations. Currently, newly established funds and instruments appear together with a wider administrative burden and additional bureaucracy. Even more, new funds and instruments increase the risk of overlaps with the Cohesion Policy interventions, potentially compromise the Cohesion Policy’s capacity to deliver its long-term objectives. Therefore, focus on increasing the efficiency of existing funds and not on creating new funds and instruments should be maintained. It must be ensured that other policies do no harm to Cohesion.
- At this time, most of the amendments are not working and there is a lack of support from the European Commission.
- In general, regulatory changes seek to simplify the administrative burden, although in the short term these changes may mean an additional effort that will be compensated at the end of the period, as in the case of simplified costs.
- Some of the items such as the common output and result indicators do not seem to be an improvement compared to the previous period.

- The changes introduced in PF21-27 are initially assessed as positive. However, the implementation of the programme is still at an early stage, so a final assessment of the impact of the changes on improving efficiency, effectiveness and reducing the administrative burden will be possible once the new rules have been applied in implementation practice.
- Unfortunately, the questions imply improvements/simplifications that do not exist or are tendentious. Example: Apart from the cancellation of the designation introduced in the 2014-2020 funding period, there are no reduced audit requirements and control systems. There are also no known relevant simplified and harmonised rules for eligibility and reduced reporting obligations for beneficiaries. Instead, there are more requirements in the 142-field list (e.g. information on beneficial owners).
- We did not succeed to use the Seal of Excellence concept. The main explanation is that we have to respect state aid rules.
- ETS Facilities: Although they are eligible in JTF regulation, its launching through competitive calls in Spain has been impossible due to reluctance from the COM.
- DNSH: The concept is demanding, with unclear guidelines. In my experience, there is a lot of ambiguity related to this. There is no common understanding of how to tackle this issue; each country, institution, MA, and IB understand the requirements differently. This prolongs the preparation of public calls and applications for direct approval of operations.
- We do not perceive the programme less burdensome as in the 14-20 period.
- Maybe there are fewer enabling conditions but it is still a lot of work because it is not clear exactly what is expected. Especially the DNSH.
- Reporting much more complicated than in FP 14-20.
- The risk of a larger number of ad hoc surveys, follow-ups and reporting as a means to replace the information that was provided in the annual report.
- Still many reporting and auditing requirements based on distrust and no proportionality.
- The complexity of Interreg has not been reduced overall for the project and the management of the programme.
- Looking from an Interreg programme view, having taken all simplifications into full use.

Q2. 2.a. Do the enabling conditions affect programme design and intervention logic?, 2.b. Do the enabling conditions help ensure an efficient use of human, financial and time resources?, 2.c. Do the enabling conditions affect programme achievements (capacity to deliver outputs and results and reach the targets)?

The enabling conditions introduced have been helpful in the programme design and implementation. 58% of the respondents to this question have perceived it as very or extremely helpful. Enabling conditions helped ensuring an efficient use of human, financial and time resources (50% of respondents to the question find them very to extremely helpful). Lastly, respondents indicated that the enabling conditions affect the programme achievements and the capacity to deliver (54% of respondents to the question find them very to extremely helpful). Only 8% of all respondents find them not (at all or not so) useful for improving the design of programmes and 7% find them not useful to improve the programme achievements.

Managing Authorities are the key target group for which the enabling conditions have been most helpful for the programme design and intervention, for resource efficiency and especially programme achievements. Coordination bodies did not find them so helpful for their work, as regards efficient use of resources and programme achievements.



Open answers (selection):

- Enabling conditions provide a link between strategic frameworks and foreseen interventions within programmes. This in itself provides a good basis for a strong intervention logic. Nevertheless, there is significant overlap between the programming process and the requirements of enabling conditions criteria. For instance, some criteria require a list of actions and financial mechanisms to be included in strategies, which strategies need to be adopted and published to be considered fulfilled. This, at times, conflicts with the programming timelines and may prejudice programming negotiations since actions and their financing streams are required in national frameworks, apart from the funding programmes. The overlaps, which are also prevalent in the identification of needs, create unnecessary administrative burden and

reduces flexibility to adapt funding programmes during the negotiation process on the funds.

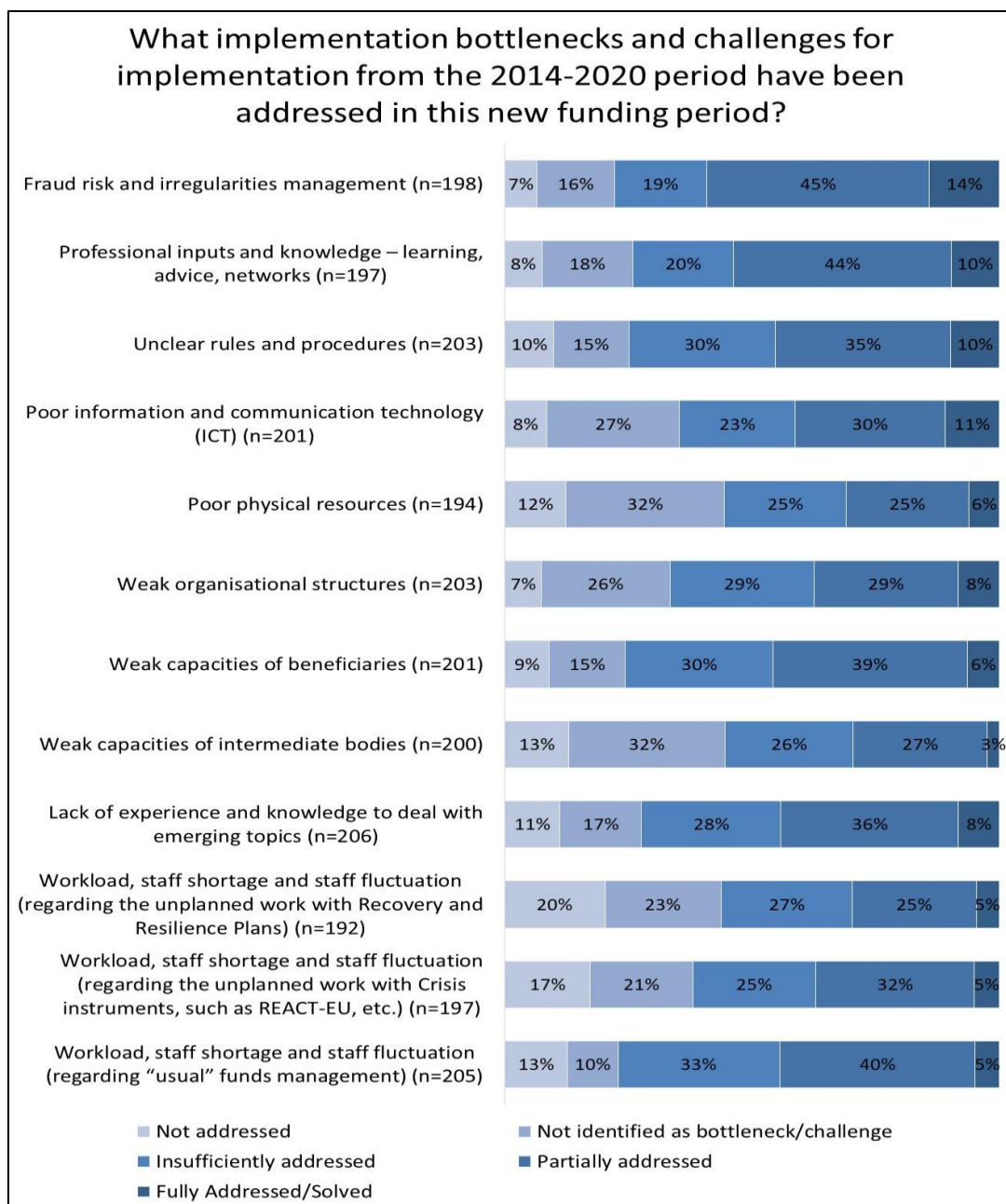
- Because it is not clear in the programme design what to expect exactly, it has a negative effect. Especially the DNSH.
- There are no specific enabling conditions for the EU JTF, the necessary ones are covering all the funds under the Partnership agreement (horizontal principles, state aid, public procurement). They had a positive effect to the extent that as they were included in the Programme from the outset, it forced all involved bodies to take them into account in the design of the Programme and also further down the chain is implementation plan and call documents for example.
- helps to improve the ex-ante quality of the programme before it starts, enabling each country/region to check that its priorities are properly aligned with Europe's priorities
- a better logic of intervention.
- First of all prioritization and clearer demarcation. Moreover, stronger result orientation, we see it from the S3 evaluation.
- Contribute to faster planning and implementation.
- The baseline conditions help to maintain a baseline for sensitive, problematic areas across all programmes so that their priorities are covered and a consistent approach is followed in implementation.
- In Denmark we fulfil enabling conditions, but they do not have a specific impact (negative or positive) on our programme design.
- Enabling conditions ensure that there is a strategy or an agenda linked to the policy implementation. This should be considered very positive. Nonetheless, other approaches should be considered, namely mission-oriented policies.
- Often the programs are designed even before all the enabling conditions are fulfilled. Enabling conditions have positive effect on prioritization and this should be even further stressed.
- No difference in practice.
- Additional effort without added value.
- Enabling conditions are rather an obstacle than very helpful to the programming design.
- The current setup of enabling conditions only marginally enhance strategic and legal framework and prepares the background for effective investment, moreover, it creates an excessive administrative burden. For this reason, an attempt should be made to improve the existing system of thematic and horizontal conditionalities. Conditionalities should be adapted to the specific problems and challenges of a given country. It is very important to leave room

for considering the specific development needs and potential of Member States and their regions in the pursuit of structural change and convergence.

- Preconditions, in particular horizontal ones, are formulated in general terms and often have no significant relation to the intervention planned in the programme. For this reason, demonstrating that these conditions are met is a bureaucratic and technical process. Deeming these conditions not to be met means in practice withholding payments to the Member State, which is difficult to explain to potential applicants - the link between arbitrarily declaring a horizontal condition not to be met and the consequences for specific projects is difficult for applicants and beneficiaries to understand.
- lots of conditions are hard to comprehend, therefore it is hard to implement it right.
- Nevertheless, when enabling conditions (EC) are to be met through national and regional instruments, the positive effect is not so clear, as the EC compliance depends on other authorities (national or regional) and regional priorities could not all be taken into account.
- In federal member states in particular, it is sometimes difficult due to the responsibilities at national or regional level. The basic thematic requirements are not always suitable for the variety of measures that can be funded. A positive example of a basic prerequisite is the existence of and requirement for a regional innovation strategy.
- These conditions are not positioned at the right level: almost all of them apply at national level, and much more broadly than the operational implementation of an ESIF programme. In practice, however, they have greatly delayed the adoption of programmes, and then block their proper implementation if they are not met. If these conditions were to be maintained, they would have to be examined as part of an approach disconnected from European funds, at the level of the Member State in its bilateral relationship with the European Commission. And without any direct impact on the programmes.

Q3. What implementation bottlenecks and challenges for implementation from the 2014-2020 period have been addressed in this new funding period? How?

Different bottlenecks and challenges have been identified from the 2014-2020 period.



Of those bottlenecks, a lot seem to be insufficiently addressed.

- The most important bottleneck is the high workload, staff shortage and staff fluctuation (regarding “usual” funds management) with 33% seeing this as an issue insufficiently addressed, and 40% only partially addressed.

- 30% of the respondents have indicated the weak beneficiaries' capacities as an unsolved bottleneck, while 39% see that this issue has been partially addressed.
- 30% indicated the unclear rules and procedures as an unsolved bottleneck with 35% estimating that this has been partially addressed.
- This is followed by weak organisational structures and issues related to the allocation of tasks, cooperation, coordination with 29% finding this insufficiently and 29% partially addressed.
- Less challenges arose from the high workload and staff shortage in relation to unplanned work for other instruments (25% see it insufficiently addressed), Recovery and Resilience Plans (27%).

The shares of fully solved bottlenecks remain low, between 3% (weak capacities if intermediate bodies) and 14% (fraud management and risks) of the respondents find that issues have been fully addressed. The bottleneck partially addressed according to 45% of the responses has been the fraud risk management, the professional inputs and knowledge advice (44%) and the usual workload challenges (40%).

Most respondents did not identify as bottleneck the weak capacities of intermediate bodies, the poor physical resources and the poor ICT available.

Bottlenecks have been indicated considerably higher as unsolved issues by Managing Authorities and Intermediate Bodies, compared to central coordination bodies.

Open answers (selection):

- Capacity of intermediate body has been increased through re-organization of resources – more staff regarding project selection process at the start of planning period, more efficient inner procedures. Though implementation of “Consult first” principle, process between intermediate body and final beneficiaries has been speeded up. Many improvements have been made in EU funds management information system regarding in-build procedures, and much more user-friendly interface for final beneficiaries.
- From the 2014-2020 experience, the following implementation bottlenecks/challenges have been identified in programme design: - project portfolio - need to be developed from early stage of programme design: partially addressed; - numerous priority axis/SO that caused a complicated design of the programme and difficulties in project implementation: fully addressed; - guidelines for applicants (2 guidelines - general and specific - for project application): need to simplify the guides and condition for support: partially addressed; - a specific payment mechanism that reduced the burden of the cash flow for some beneficiaries has been extended for 2021-2027

period: fully addressed; - extended use of territorial intervention for rural areas too: fully addressed.

- 'The Recovery and Resilience Plans tasks add to the responsibilities, which is a challenge as there are no additional staff to carry out these tasks. This means that the same staff are responsible for implementing the Cohesion Policy and RRF. There has been an accumulation of the number of projects implemented under the Cohesion Policy and the NIP. The implementation of public investments in unevenly distributed periods causes organisational difficulties and an increase in the price of construction services and materials. The introduction of new requirements, e.g. on the circular economy, DNSH, Charter of Fundamental Rights, is linked to the development of manuals, explanations, guidelines and training aimed at institutions in the implementation system and applicants/beneficiaries. At the same time, the documents developed are extensive and general. Applicants/beneficiaries signal a problem in applying the new requirements to specific investments, which may suggest that the new requirements have not been adequately addressed/ discussed/ prepared.'
- Too many reporting and audit requirements.
- GBER section 7 "Aid for environmental protection" is not easy to use or may not be used without proper clarification from EC (ex. art 38a, 41).
- Due to inflation and the shortages on the labour market, the budget for technical assistance is not sufficient enough to cover all the costs.
- Unproportional administrative (reporting and audit) burden for small Member State. A Member State with a small financial envelope still has to respect all the requirements.
- The EU JTF did not exist during the 2014-2020 period it is therefore difficult to assess how past difficulties have been addressed in this round of funding.
- Negotiations on Investment Programme were very long (it took more than 4 years) making the adoption of the Programme delayed. For this reason, the implementation process has started later than it should have. In order not to repeat the same mistakes, every effort should be made to commence the implementation of the 2028+ funding period from the very beginning of 2028. To achieve this, we have to continue looking for opportunities to simplify rules in order to speed up delivery and reduce administrative burden.
- Good quality governance and administrative capacity is one of the key prerequisites for effective implementation of reforms and investments, and these should be better recognized and financed in the future. The EU support is crucial for the consistent development of capacity building at all levels of the government and for partners.

Q4. Now in 2021-2027, in which phases can you identify the most relevant programme implementation challenges? Could you better describe the issue(s)? What solutions have you adopted? To what extent have these challenges led to significant delays in programme implementation?

Managing Authorities (n=183) have identified the following as the most relevant programme implementation challenges:

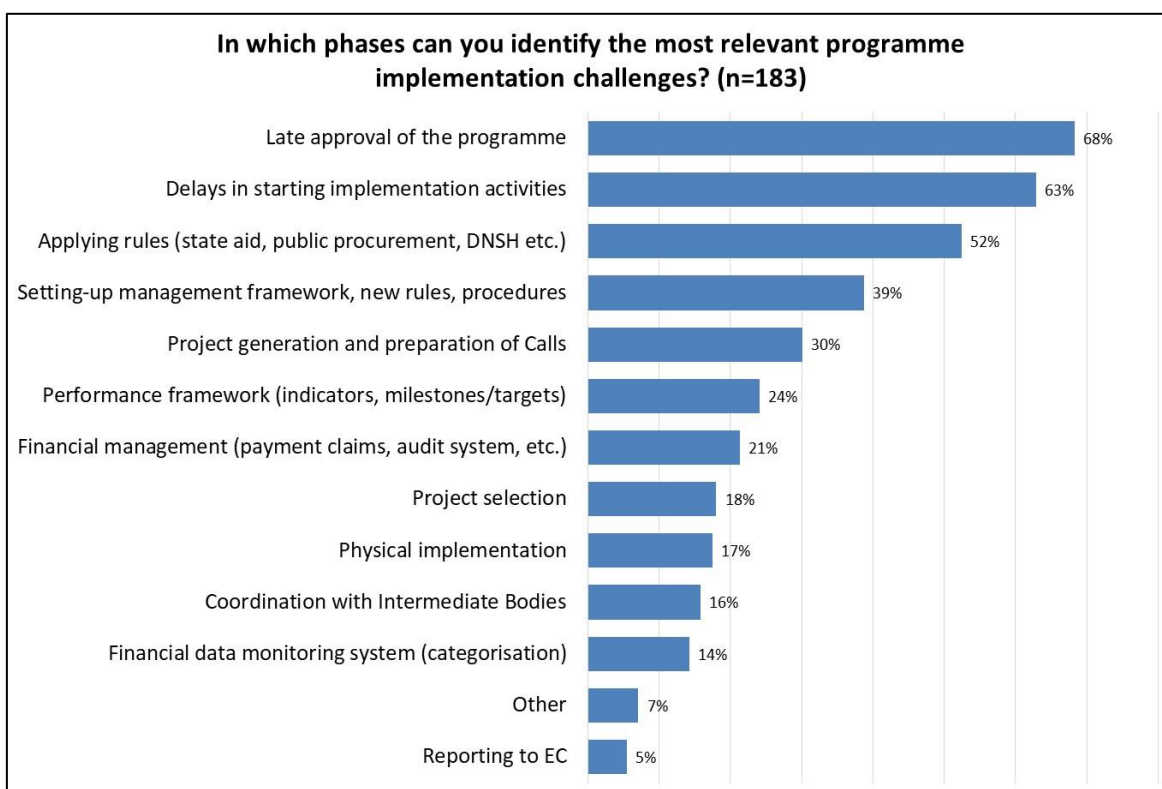
- the delays in the programme approvals (68% of the responses)
- the delays in the implementation activities (63%)
- rules and procedures application (52%)
- the set-up their management framework (39%).

Least challenges are to be seen in reporting to the EC (5%), the financial data monitoring system (14%) and the coordination with intermediate bodies (16%).

As regards the most relevant programme implementation challenges as identified by Interreg and JTF, the responses regard sole replies by these fund representatives, i.e. respondents that have selected only Interreg or only JTF as an answer.

In this case, for **Interreg**, the most relevant challenge in programme implementation in the current programming period is the set up of the management for the new rules and procedures, represented by 48% of the responses, 43% finds the delays in the starting of the implementation activities challenging. This is followed by 39% of the Interreg respondents that find the late approval of the programme and 39% that find the financial data monitoring system challenging. This is followed by the project generation and calls (30%), the financial management (26%) and the performance framework (26%). Least challenging appear the reporting to EC and the coordination with intermediate bodies.

As regards the **JTF** respondents, the delays in starting the implementation activities have been perceived as the most challenging (73%), followed by the late approval of the programme with 55% of responses. Applying rules and procedures and setting up the management framework follow with 55%. Least challenging is the financial management and the performance framework development with 18% of responses each.



These challenges have led to significant delays in the programme implementation, as seen by the majority of the respondents. A total of 52% of the responses consider those challenges to a great and large extent as reasons for programme delays. Only 4% does not consider them responsible for programme delays.

More specifically, 46% of the Interreg respondents and 70% of the JTF respondents find those challenges to a large and great extent responsible for programme delays.

Open answers – Specific challenges:

- ‘Uncertainties in dealing with the JTF, which as a new fund with new rules (e.g. TJTP) and requirements that are difficult to understand (only addressing the effects of the transition, not the transition itself; what problems exist only in the JTF regions, how are these differentiated from the ERDF and other instruments such as DARP ...) made programming very difficult. The negotiation process was very complicated.
- JTF is a new program for the management authority.. We could not rely on experience of a 2014-2020 program.
- Compliance with the many quotas is also very challenging.
- GBER introduced after the approval of the OP.
- Some state aid/GBER related questions prevail. Some rules (SCO, eligibility, VAT...) are interpreted by EC differently now than in the beginning of the

- programme, leading to insecurity for the managing authority. New rules - even simplifications - require explaining and time to settle.
- some of new GBER regulations (ex. section 7) are difficult to apply in practice. Very poor translation of GBER. Long waiting time for the EU EC response and answers
 - Entering the draft programme in SFC was very demanding due to the rigid character specifications, especially when an additional fund had to be integrated. This also meant that extensive explanations had to be sent to the COM, which were not part of the programme document, but were filed (so-called two-pagers).'
 - Jems
 - SFC
 - Implementation of e-cohesion
 - securing co-financing
 - implementation of PO5
 - Lack of responses to warnings
 - the preparation of public calls and implementation of the Cohesion Policy 2021-2027, in general, has become way more demanding than it was in the 2014-2020 period, despite some so-called "simplifications" !!!!
 - The creation of new national procedures for launching notices led to a period of adaptation of both the information system and human resources.
 - Late approval was followed by unfinished discussions on governance between programme partners. This caused delay and showed underestimation of 2021-2027 N+3 pressure. No, we are still battling that challenge, being uncertain until today if we can meet the requirement, or not.
 - The information system is not ready yet. It's a recurrent issue we use to experiment during the earlier phases of implementation of the programme.
 - As indicated above, the coexistence with MRR (PRTR) has made the definition of the ERDF types of action themselves, and thus the subsequent implementation, very difficult.
 - The most relevant Programme implementation challenges were linked to apply rules and procedures related to novelties such as the DNSH or State Aid rules. In addition, adapting to the new performance framework was not easy and beneficiaries did not fully understand indicators. Solutions adopted concern mainly the elaboration of additional guidelines for beneficiaries.
 - In total we summarized that informal consultations took too long and in the end Programme was adopted about 8 month later than initially planned. It was strongly advised not to officially submit Programme via SFC and continue

informal consultations with Commissions services. It was difficult to find compromise between national needs/ priorities and investment areas suggested in Country Report Annex D and fit all that within requirements set in Regulations (thematic concentrations, codes for Climate objectives etc.).

- Setting up targets/milestones for environmental related indicators can be difficult. Besides projects face difficulties in calculating their achievements.
- Coordination with the IBs is often burden and does not help to really outsource key activities.

Open answers – Solutions:

- Reducing the timeframe for selection of operations.
- Project selection and evaluation is key to have a sound project pipeline of quality proposals. However the MAs and IBs does not have capacity to evaluate more complex and innovative projects. Using external evaluators is the best option however more clear options in the tender regulations could be envisaged.

Open answers – Reasons for delays and other comments:

- The regional programme was adopted in 2022 for the following reasons: - the late adoption of the package of EU regulations (i.e. 2021); - the late signature of the Partnership Agreement (June 2022). - COVID-19 outbreak.
- Programme start overlaps with the end of the 2014-2020 funding period, resulting in a high workload and delays in the start of implementation measures; delays in the implementation of the digital funding procedure due to late publication of the umbrella regulation (2 years in advance would be necessary).
- The delays were also influenced by the EC's position on the provisions of Article 12 of Regulation 2021/1059.
- delay in the approval of the EU regulations.
- The main problem is related to the execution of the 2014-2020 programme (until the end of 2023) and the RRF Facility. This means that technical resources, workforce and economic resources are allocated to other programmes and funding opportunities instead of the 2021-2027 programme.
- Late approval of the program should be as well combined with the parallel measures going under RRF which resulted in further delays.
- Applying additional rules (especially the rules related to JTF besides the regulations for the Cohesion policy 2021-2027) and DNSH, Climate Proofing turned out to be very demanding (a lot of ambiguity understanding DNSH, technical guidance is not very helpful since each country, institution,

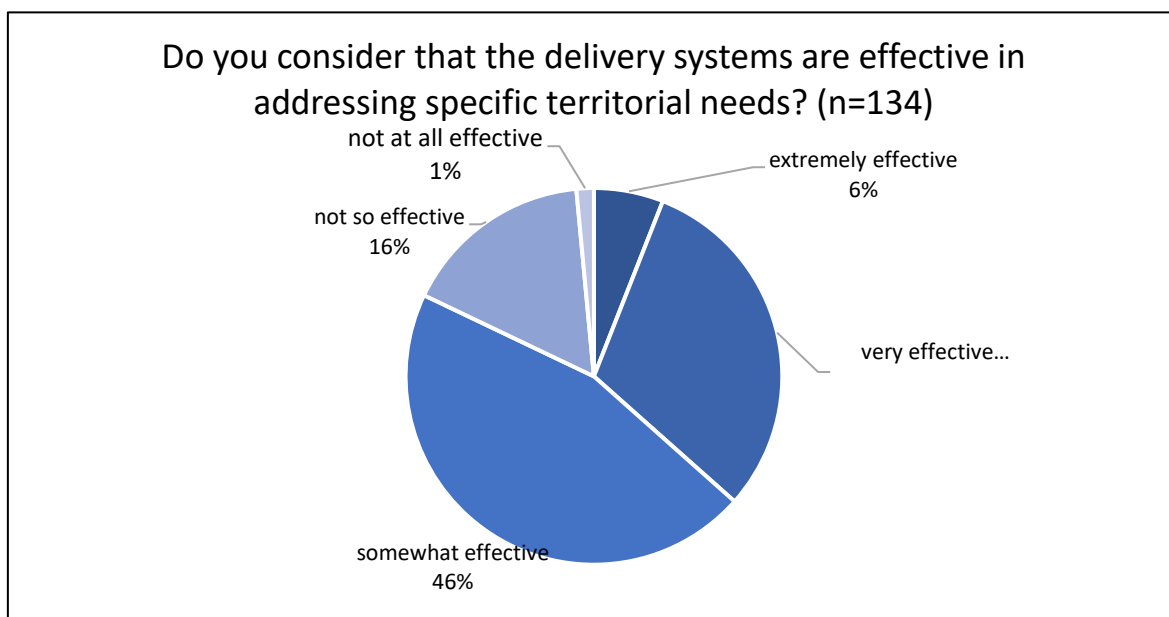
consultants understand this differently). All these posed an obstacle to faster preparation of public calls.

- Unified National Reporting System (Platform) on State-Aid schemes
- Changes, especially in the area of public aid rules, affect the launching and planning of calls, bringing changes that are new, without experience.

Q5. Do you consider that the delivery systems are effective in addressing specific territorial needs (marginal areas, maritime and mountains areas, islands, specific needs coming from certain areas / territories, etc)?

Overall, delivery systems are considered as effective mechanisms to address the territorial challenges.

46% of all survey respondents (all funds) graded the delivery systems for addressing specific territorial needs as somewhat effective, with 37% rating them as very to extremely effective. Only 16% rated them as not so effective.



Taking a closer look at the effectiveness of the delivery systems as perceived by the different funds, 38% of Interreg representatives who replied to this question find the delivery systems as somewhat effective and 47% as very or extremely effective. A 15% finds them not effective.

As regards the JTF representatives, astonishing 50% find them very or extremely effective, while 50% find them somewhat effective. No one thought they were not effective.

Open answers (selection):

- In principle, the regulations are well suited to meeting regional or specific territorial needs. However, the Commission sometimes has different ideas about regional needs (e.g. investment guidelines 2019/2020). The various instruments (Cohesion Fund, CAP, etc.) are not always easy to distinguish from one another, as there is a certain degree of thematic overlap.
- Often the real needs and possible associated actions for the improvement of the situation in these areas are not addressed as an overview, but as an aggregation of independent and sometimes predefined initiatives.
- too bureaucratic
- Too much workload for a programme of max 100 mil EUR.
- Program has to be executed on a 5 years span instead of 7
- more regional approach is required. Many countries have horizontal instead of territorial or thematic programs and this does not bear in mind specific regional characteristics.
- We consider available delivery mechanisms not flexible enough to address specific territorial needs. Necessary delivery mechanisms were custom made at national level. But we could not address fully territorial needs in order to fulfil requirements set in Regulations (thematic concentrations, codes for Climate objectives etc.).
- The decision to decentralize the design and implementation of regional programmes, to bring it more closer to the needs and decision of the development regions had a positive impact on the beneficiaries, on the local authorities' involvement and their accountability.
- We are introducing specific criteria to address specific challenges: mountain areas, river basin.
- ITI is an excellent instrument - together with CLLD - they are very good examples of place-based approach.
- In the 2021-2027 it has been improved the delivery mechanism for the implementation of the territorial strategies of the internal areas.
- Through the ITI and CLLD, the needs of the territorial dimension in the Czech Republic are effectively addressed.
- No, in the case of Slovenia, the Programme do not (especially the territorial approaches PO 5) do not correspond to the requirements of territories (regions).
- FESL makes extensive use of territorial instruments in the form of ZITs and support for OSI or rural areas covered by LAGs. At the same time, constraints arising from ring-fencing, and sectoral divisions of interventions mean that

support is not fully addressed to meet the specific needs of the territories concerned and is determined by the sectoral nature of the support. (Poland)

- The JTF focusses on specific territorial needs in coal phase-out regions. The other categories are not relevant for us here.
- The ERDF PO and SO structure incl common indicators is mostly created for ERDF and mainstream, not specifically Interreg with cross-border needs and challenges sometimes having a different character.
- In Poland, we have identified areas of strategic intervention, which include medium-sized cities losing their socio-economic functions and areas threatened with permanent marginalization. These areas are given priority in many interventions related to EU Funds – applicants from these areas receive additional points during the application evaluation. However, the fund implementation system does not account for comprehensive support for these areas, which would address their development needs in a holistic manner. FEnIKS is a national program, which makes it difficult to include all the needs and specificities of individual regions within its framework. The assessment of a regional approach, including the specific needs of the aforementioned territories, is more appropriate within regional programs or the FEPW program. Currently, regions located near the eastern border of the EU may require additional attention, as they are particularly severely affected by the negative impacts of the war in Ukraine. These regions require actions aimed at inducing structural changes and building resilience. Eastern regions are at risk of exclusion and economic divergence more than ever before, because the closure of borders and the limitation of trade with Russia and Belarus have led to a reduction in economic activity and a decline in incomes. As a result of decreased security levels, we are observing a drop in investment and a reduction in tourist traffic. At the same time, migration pressure has increased. The support system should be flexible enough to respond to such specific regional needs, even during the implementation of previously established programs.
- Cohesion Policy should take into consideration that some regions are more vulnerable than others. Ongoing full-scale Russian invasion in Ukraine and unstable geopolitical situation on the EU doorstep puts more pressure on Eastern border EU member states. For instance, member states on Eastern EU border have been experiencing decrease in GDP growth, imports and exports, tourism flows, freight transport and high inflation. Thus, the Member States and regions on Eastern external border will need special attention within the framework of Cohesion Policy and better connectivity and cooperation with the rest of the EU which will be an important focal point in the future. For this reason, abovementioned issues should be addressed in post2027 programming period.
- We point out that in the EU context, we need to think about strengthening and developing the EU's external A border. Since the geopolitical developments of the last 3 years, linked to the restriction of certain market

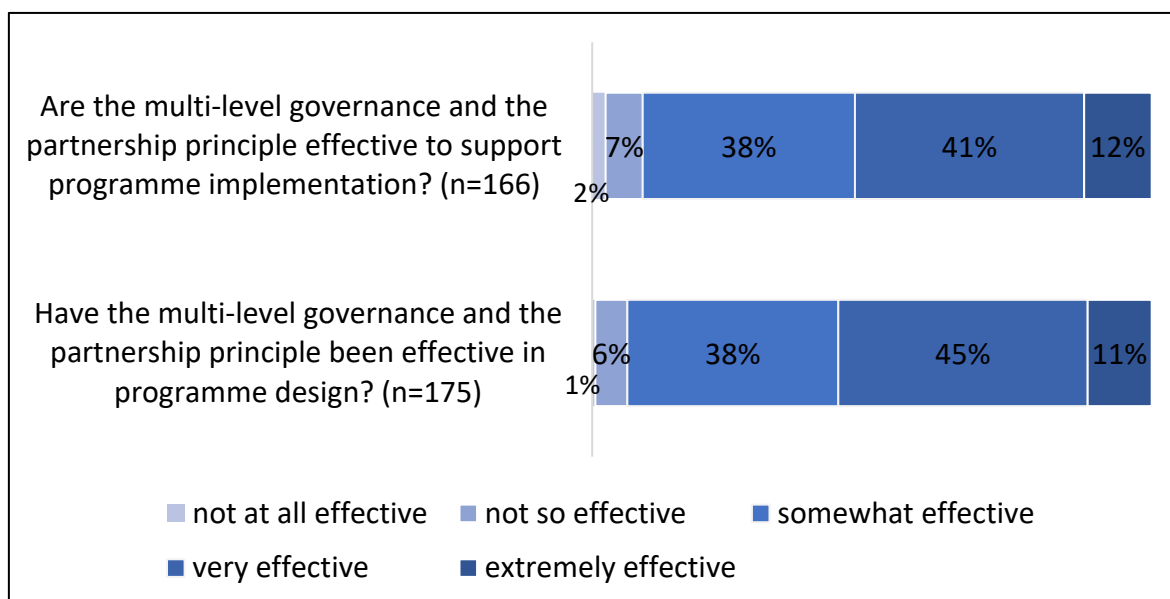
transactions, the EU market dynamics have changed significantly and, especially in the EU's eastern border area, the investment flows have changed, from being transit points, the A countries have become the EU's external border, whose development scenario depends not only on their specialisation, but also on their access to raw materials, EU hub channels and available support tools, not only for certain parts of their territories, but for the country as a whole. At EU level, the mapping of regional aid intensities within the A-boundary therefore needs to be substantially revised. (Latvia)

Q6. Have the multi-level governance and the partnership principle been effective in programme design? Why (not)? Are the multi-level governance and the partnership principle effective to support programme implementation? Why (not)? Do you consider your role well defined in the programme design/Implementation? Why (not)?

Survey respondents found the multi-level governance and partnership principle are both very to extremely effective in the programme design and implementation. More specifically,

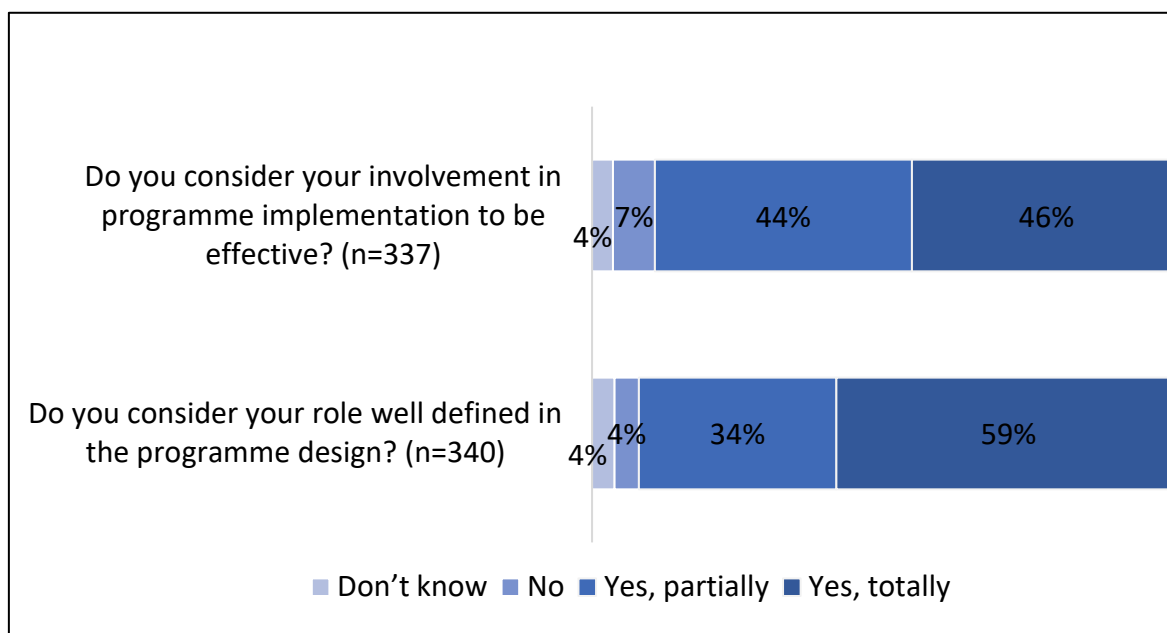
- 56% of responses find them very to extremely successful for the programme design
- 53% of responses find them very to extremely successful in the programme implementation

Managing Authorities have found the multi-level governance and partnership principle somewhat to very effective in the programme design (86% of responses) and in programme implementation (83% of responses).



90% of Coordination bodies found the multi-level governance and partnership principle somewhat to extremely effective both in the programme design and in programme implementation.

To the question on whether the role of MC members and other sectorial entities is well defined in the programme design, 92% of respondents answered yes partially / yes totally. To the question whether their involvement in the programme implementation is effective, 89% of the respondents replied yes partially / totally. 4% and 7% of the respondents respectively answered no. 4% and 7% of the respondents respectively answered no.



Open answers on partnership (selection):

Design:

- The involvement of the regional, national and supranational level is necessary and positive because it is effective in the long-term.
- The funding programme takes account of regional/local circumstances, challenges, etc. and thus provides appropriate incentives to address these in a targeted manner.
- The partnership principle and the involvement of different levels, for example within the framework of the monitoring committee, are fundamentally positive, albeit time-consuming and challenging.
- Scarce participation of local and regional partners (other than public authorities).
- The territorial partners representing the lowest territorial level as well as LAGS are members of the National Standing Conference. This body, defined in Partnership Agreement is fully responsible for multi-level governance and

the partnership principle incorporation into designing the programs and integrated instruments.

- It is not really possible to assess the effectiveness. In principle, the partnership principle works well. A structure has been created to support the partners that has worked well for several funding periods.
- The Monitoring Committee has a 50/50 representation of governmental and non-governmental actors, which has allowed for a more structured and focused representation of the views of civil society.
- Stakeholder involvement and multi-level governance participation throughout the programming process, in particular consultations are integral to programming. Stakeholder feedback was important so that the development of the programme is done in a collaborative manner.
- Partners and regional representatives were involved in Programme drafting through public consultation, more than 10 thematic discussions and also within official national procedures. Many of suggestions from the partners could not be addressed due to requirements set in Regulations (thematic concentrations, codes for Climate objectives etc.).
- For example: representation of all types of socio-economic partners in the work of the monitoring committees, an extensive public consultation procedure of the programme before its adoption by the Council of Ministers and submission to the EC, allowing partnerships in project implementation.
- Very different PoVs, when programme budget is considered small you cannot support every single need. Partners seem to forget that.
- Platforms for programme preparation, meetings with economic partners, etc. are effective in programme design.
- Understanding of the role of Lead Partner in a partnership is low and underestimated.
- In the field of education and public research, it is sometimes very difficult to identify regional problems, problems in these areas are often supra-regional and sometimes nationwide. It is important to focus on the intensity of the problem in the given area and look for the right solution. MA very positively evaluates cooperation with umbrella organizations that can ensure relevant data comments from and to the associated organizations.
- lack of power to change content of programme
- Consultation of the programming instance is done in a dematerialised way by email or platform; which results in putting a bottle in the sea.
- Although formal public consultation has taken place, it is often very formal. Consultations with civic society are often not timely.

- In creation of Common National Rules our Intermediate body level 1 had some suggestions that were mostly directed towards simplification and more flexible implementation of the Programme (ERDF), in order to reduce the administrative burden for the authorities and for the beneficiaries. Most of our suggestions were not accepted and there was no proper discussion on national level about it. We think that bodies that implement the programme should be included more in the process of creation of rules for the programme design and implementation. Also, in the programme design process (design of the content of the specific objective and the corresponding interventions) more consultation between bodies would be welcome, in order to harmonize the interventions in a better way.
- Multi-level governance adds more complexity to the design and management of a programme. Therefore from the start of the programme period clear guidelines and regulations are essential.
- Capability of the organisations representing local and regional level regarding participating in programme design and the quality of their respective strategies needs improving.
- Difficulties with accepting partnership principle. At first instance, every partner wanted to push forward own strategic agendas. But Interreg is about defining joint cross-border challenges, not just adding all individual policy objectives.

Implementation:

- The correct application of multilevel governance can make a very positive contribution to various improvements in management.
- Good involvement in designing specific measures; some measures based on territorial strategies
- The partners involved in the work of the MC bring limited influence to the implementation of the programmes. They are most often limited to reviewing proposals made by the public side.
- Participation in the governance system of the PoAT 2021 - 2027 requires human and time resources at partner level, which sometimes makes their involvement and contributions less than desirable and expected. Particularly in the context of the overlap of the 2014-2020 project closure period, which required specific measures to ensure their smooth completion and high absorption rate, with the preparation of the 2021-2027 calls for projects, the requests for contributions from partners were numerous and highly complex.
- This is mostly effective at project level, where projects are encouraged to involved partnership to enable that collectively better outcomes are able to be attained.
- Multi-level governance and the partnership principle are effective ways to support programme implementation. However, good quality governance and

administrative capacity is one of the key prerequisites for effective implementation of reforms and investments. For this reason, more attention should be paid to capacity building in the next programming period of Cohesion Policy.

- The exchange of information and communication with the National Managing Authority could be improved. On the other hand, the Intermediate Body could also improve interaction with other national authorities or administrations involved in ERDF management.
- The term "National Authority" has not been anchored in specific regulations so far. The NA are programme partners of managing authorities and their role is based on agreements with the MA (e.g. responsibility of the realisation of the programme in the neighbouring state).
- The participation of the members of the Monitoring Committee (MC) in the Programme's decisions is fundamental to the effective and efficient use of the financial resources available. Regular information is made available to the members of the MC. Interactions with the members of the MC have been strengthened.
- The European Commission and the Member State have developed a much closer cooperation in the period 2021-2027. There is more frequent coordination. The Commission is monitoring the implementation of priority projects more closely than in the previous period. The European Commission and the Member State have developed much closer cooperation in the period 2021-2027. More frequent coordination. The role of the Monitoring Committees has been strengthened, with increased decision-making powers and a stronger role for opinions and proposals. The Monitoring Committee has a 50-50% representation of governmental and non-governmental actors, which can influence decision-making.
- proximity to project holders, knowledge of project holders and regional specificities

Open answers on role within programme design and implementation (selection):

- Clear definition of tasks, clear goals and agenda.
- Very complicated
- Too many rules, procedures, complexity and unanticipated developments
- The geographical limitation of JFT does not reflect the wider impacts in other regions of restrictions on peat utilisation.
- Mainly for the dissemination of knowledge with member organisations
- We accompany and guide the beneficiaries during the execution phase.

- The principle of integration requires a lot of communication and commitment
- We do receive well-prepared information. But I was only appointed a year ago, so I haven't been very involved. Not yet.
- Our participation is important because, although the initial allocation at the start of the programme is not very high, in previous Operational Programmes we have absorbed as much as 200% of the initial allocation. Our organisation is agile and efficient in managing the funds.
- The Managing Authority sends information late, which makes the process of social consultations difficult for social partners (I represent an employers' organization)
- We are a non-voting member, while the monitoring committees have a very limited role in making significant decisions. What's more, on many occasions, the managing authority's proposals are passed on to the committee members for a very limited period until the final decision is taken.
- It is difficult to influence the Monitoring Committee, since most members come from state bodies and agencies that are unlikely to vote in favour of proposals that do not follow the directive set by the coordinating body.
- The Monitoring Committee offers a good opportunity to share my opinions, but the frequency of acceptance of my suggestions and proposals is very low
- Monitoring Committees in my opinion have not enough tools to monitor the projects. From the course of meetings it seems that the main role of the Committee is accepting competition criteria, while analyse of case studies is marginal.
- Rarely opportunities to influence decisions
- As a member of the Committee that monitors the ERDF and ESF+, our role is indeed defined, but involvement is less active than we would like. In fact, our role in the Committee is only to find out what has been done. What's more, when we propose any amendments or proposals, none of them are taken into account.
- The principle of consensus sometimes prevents free debate and decision-making. As a result, divergent opinions are not represented in the final decisions.
- The division of roles between the managing authority and the urban authority is complex and involves a lot of back-and-forth, especially when it comes to analysing files.
- As a member of non-for-profit organisation I do not have enough resources to realise own monitoring actions and the Committee does not provide me enough resources. We suppose to work for the committee as volunteers, because some of NGOs members of committees does not pursue their

mandate as paid workers of their organisations, while members of public or private organisation make it as a part of their job. We consider it unfair.

- It can be effective when the selection criteria are discussed within the framework of the CA, but there are cases where there are restrictions on participation, for example when certain projects, which are expected to be funded through a particular investment programme, have already been implemented or are in the process of being implemented - in such cases, there is great reluctance to include additional requirements in the selection criteria to improve projects, because this would create a situation where ongoing projects might not be eligible. This reverse sequence is problematic.
- ITU cities were involved in the programming indirectly, through the Association of Cities. I believe that, given the experience in the implementation of the ITU mechanism 2014-2020, they should have been directly involved in the programming.
- Sectoral authorities do not have a sufficiently strong (influential) role in the EU funds management and control system.
- The tasks set are well defined, but to be effective I have to carry out some additional activities. Some flexibility is needed to adapt to the local context.
- Under the ITI instrument, in the previous programming period, we were assigned the function of an Intermediate Body involved in the process of assessing projects submitted in calls for proposals under the ITI instrument. Currently, participation in the assessment is limited only to creating a list of projects for the Supra-Local Strategy. Therefore, the impact on the evaluation process is negligible. We focus on updating the list and not on substantive implementation of the program.
- As implementation of the projects for the new 2021-2027 programming period has not yet begun, we cannot make an exact assessment of the effectiveness of the programme's implementation. However, we would prefer that we would prefer IB1 to have a greater influence on the creation of the National Rules and to establish better communication between the implementing organisations.
- NGOs often find it difficult to make their voices heard, but if they were more involved, they could contribute to the implementation of more locally relevant and people-centred programmes.

Q7. What is your impression: to what extent do interventions financed by the programme complement relevant national/regional (corresponding to the level of the programme) policies, strategies and reforms?

Programme interventions complement relevant national / regional policies, when looking at the overall picture.

- Research and innovation seems to be very to fully complementary with national / regional policies according to 74% of responses (n=169).

- Energy policy action follows with 71% (n=169).
- SME policy follows with 67% (n=162).
- Digitalisation policy follows with. 62% (n=162).
- Biodiversity policy follows with 59% (n=158).

Rural development policy seems with 26% (n=169) to be the least complementary policy, probably because there are fewer regional/national rural development policies.

For Interreg responses, interventions on energy and climate policy are very to fully complementary with national ones, as stated by 61% of responses (n=23), followed by biodiversity actions (57%, n=21) and research innovation actions (52%, n=23), while education and training actions account for 48% (n=21). Actions on transport (n=22) and rural policy actions (n=20) are not at all or little complementary with national policies, accounting for 32% of responses each.

As regards JTF, 80% of responses state that energy and climate policy actions are fully or very complementary with national ones (n=10), 78% accounts for biodiversity actions (n=9, 73% for education and training (n=11). Actions on digitalisation (32%, n=9) and research and innovation (33%, n=10) are the least or not at all complementary.

Open answers (selection):

- It is not entirely clear what the answers are expected to be. Social infrastructures are supported in our Sustainable Urban Development program, so we have not ticked them separately. The programs often complement the national programs, but sometimes overlap.
- The distinction from the national funding spectrum is not so easy to illustrate, as the national funding landscape changes faster than the funding within the ERDF/JTF programs. The latter are designed for the entire funding period, while the national programs are subject to shorter legislative periods and are also more frequently adjusted as part of budget negotiations.
- The interventions financed by the programme complement the initiatives implemented in accordance with the relevant national strategies in a holistic way in order to maximise the use of EU funds, including the potential for synergies, while facilitating complementarity between initiatives under different funding streams.
- Complementarity of interventions at regional and national level has been ensured, inter alia, through the development of a Transport Plan, setting out the most important directions and a coherent vision for the development of transport in the region, and the functioning of a Steering Committee for the coordination of support in the health sector, which coordinates action plans

resulting from the Cohesion Policy covering national and regional programmes in the health sector.

- In the field of linear transport infrastructure, tasks are clearly divided - infrastructure under the responsibility of national authorities is financed at national level, while infrastructure for which the regional level and below is responsible is financed at regional level. At the same time, investments related to sustainable mobility, due to their high importance for the development of urban functional areas, are financed from each level while respecting the principle of prohibiting double financing. In the area of social, health and inclusion policies, it should also be recognised that support at regional level complements the national level well.
- The strategic planning reform was adopted in 2020 in Lithuania, which made the system more efficient. The new planning framework is characterised by a hierarchy of strategic documents separated in terms of time. The most distant document is the State Progress Strategy "Lithuania 2050", which defines the vision and development guidelines for the next 30 years. The strategic goals and objectives are set out in the National Progress Plan, drawn up for 10 years. In order to eliminate the problems of a particular sector, development programmes are drawn up in which specific measures are defined for the objectives determined in the national progress plan. During the planning of specific measures, analyses of alternatives and cost-benefit analyses are carried out. It is important to note that all possible sources of funding are involved in the above-mentioned documents. This strategic planning framework ensures the coherence and compatibility of documents and finances. This means that cohesion policy is one of the few sources of funding that is incorporated into Lithuania's entire strategic planning system. In this way, the investments in the investment programme complement the implementation of the main national planning documents.
- There are areas where support from EU funds profoundly affects the development of projects (such as R&D, ICT, calls for proposals for SMEs...), while other areas (such as transport, environment....) would not.
- The territorial approaches, especially the NTC and other territorial approaches chosen by the country, as well as the funds available and the thematic areas, do not correspond to the needs of the territories. They are very limited. At least in the case of Slovenia, this is the case. They tend to be sectoral approaches (of national relevance) rather than territorial (regional relevance).
- In France, the ERDF cannot support transport infrastructure, which can be an obstacle to implementation
- In general, the Xunta's strategic planning is aligned with European strategies and therefore the funded interventions respond to the Xunta's planning by complementing its own actions in the areas of the funded actions.

- The programme is closely linked to the national RIS3 strategy (enabling condition), which follows on from the national R&D policy.
- The Programme offers cross-border funding to projects in thematic areas that are priorities for the regions of the participating countries. The Programme mainly includes actions in the three areas identified above. Cross-border actions are not covered by national funding.
- The programme complements national policies and strategies in the areas most relevant to the mandate of the EU JTF. It is complementary in that it makes it possible to deepen/reach certain areas and/or explore/pilot certain projects that would not have been financed by national funds. It is also complementary because it focuses on a special area that needs more attention and concentration.

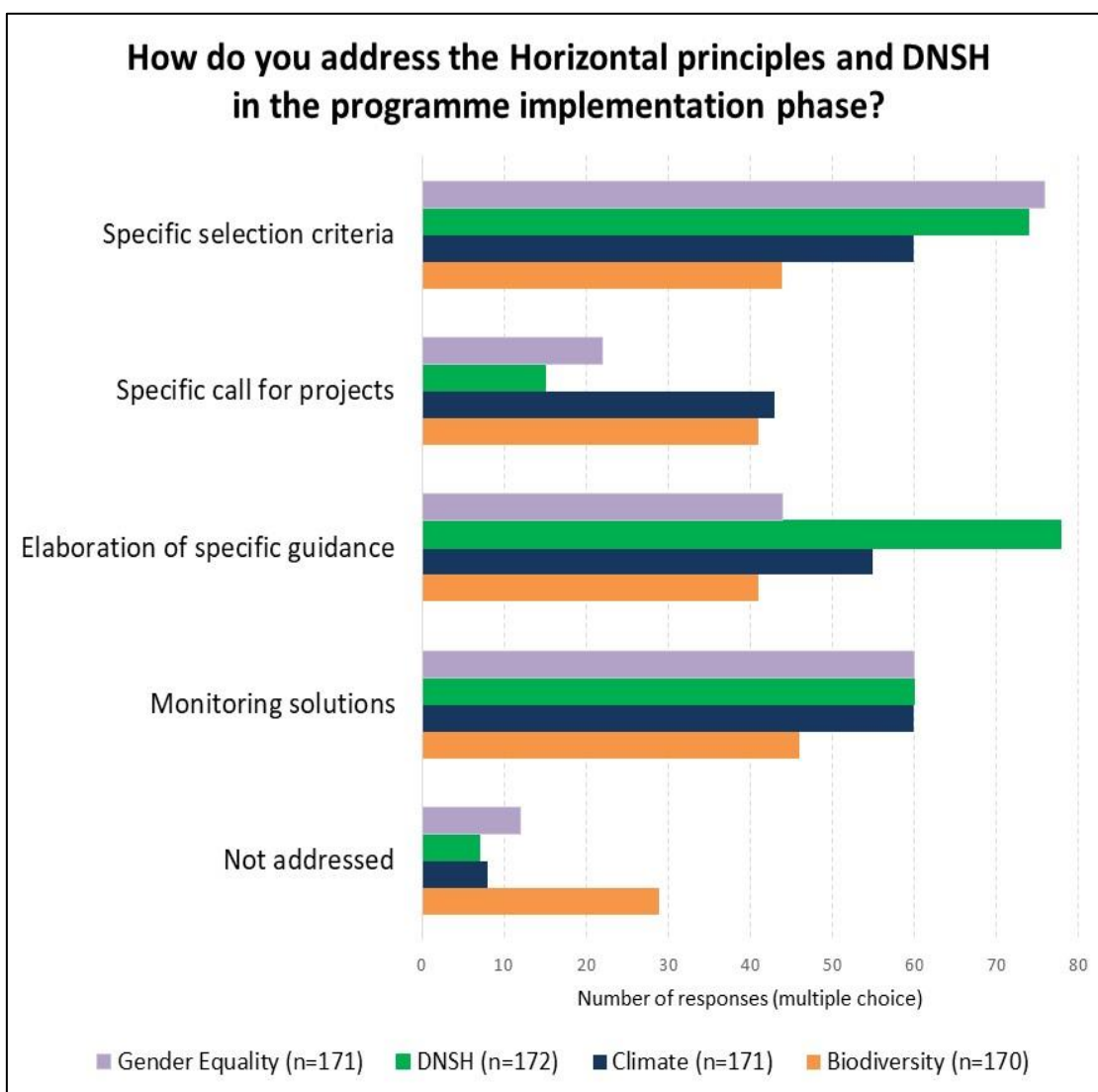
Q8. How have you addressed the Horizontal principles and DNSH in programming implementation phase?

45% of responses have employed the elaboration of specific guidance to address 'do no significant harm' to cohesion, while a 43% of responses have selected the usage of specific selection criteria to address the same horizontal principle.

Monitoring solutions have been widely used for all horizontal principles.

Specific calls for projects were the least used (9%).

Specific guidance is especially elaborated for the DNSH principle.



Q9. ONLY INTERREG: Please indicate with which of the following EU instruments and funds you establish synergies at the intervention / operation / project level. Please indicate with which of the following EU instruments and funds you establish the coordination at strategic level (among or between programmes).

As regards synergies established at intervention / operation / project level, the replies of the INTERREG stakeholders (n=65) are as follows:

- 83% of responses establish synergies with other Cohesion Policy Funds.
- Horizon Europe is another commonly used synergy, with 35% of responses.
- Common Agricultural Policy and the Just Transition Fund, each with 11% follow.

Less synergies are observed with AMIF, BMVI and ISF (3%). A 9% of responses indicates no synergies.

Managing Authorities (n=32) establish more synergies with other Cohesion Policy Funds (75% of responses), Horizon Europe (44% of responses) and the least with

JTM Pillars and RRF. Coordination bodies (n=33) establish more synergies with Horizon Europe (27%)

Coordination at strategic level is established by 71% of responses (n=63) with other Cohesion Funds, 19% of responses with other EU Funds (directly or indirectly managed), and Horizon Europe, with 17% of responses.

Both Managing Authorities (n=32) and coordination bodies (n=31) establish synergies at strategic level with other funds. For Managing Authorities this is mainly the case for 56% of responses with other Cohesion Policy Funds. Coordination bodies, also establish strategic synergies with other Cohesion Policy Funds, as stated by 87% of responses.

Synergies with:

- Erasmus+, LIFE
- European Urban Initiative
- INTERREG Transnation: Alpine Space, Central Europe, Danube Region & INTERREG AT-CZ, INTERREG BY-AT
- Interreg europe
- other Interreg programmes - especially transnational programmes and macro-regional strategies
- LIFE programme - synergy with projects from national programmes with similar objectives but different implementation modalities.
- Interreg programmes in the same region or nearby; general programmes in our countries.

Coordination with (and through):

- ETC programmes
- European Urban Initiative
- Other Interreg programmes
- Interreg Northern Periphery and Arctic in the framework of Interreg Arctic cooperation. (Joint Cluster call)
- Interreg programmes in the same region or nearby.
- As part of the National Standing Conference, there is a consultation and working group called the "DLBC Platform", which meets monthly, with members coming from all the MAs involved in the OPs, representatives of the NCAs, PAs and LAGs. They discuss all the phases of implementing CLLD strategies.

- The programme participated in a coordination mechanism with other Interreg programmes in the Mediterranean area (INTERREG Mediterranean multi-programme coordination mechanism, of which the Interreg Euro-MED, Next MED, Italy-Maritime France and Greece-Cyprus programmes are currently official members, together with the Italy-Croatia programme). The aim is to strengthen synergies between the Mediterranean programmes for the development of improved Interreg policy recommendations and joint monitoring and evaluation actions based on tested/transferred good practices and innovative solutions in the Mediterranean area.
- The Programme is one of those also testing the Index System and is part of the Interreg Med-Lab community coordinated by Interact.
- Harmonisation of rules and procedures, common eligibility rules at programme level, use of the INDEX database to share ideas and project results, regular meetings with management and peer exchange.

Q10. In your opinion, does your (ERDF, CF or JTF) Programme address also emerging and new challenges not addressed so far? Are you considering/planning a programme modification as a consequence of new / emerging challenges? Are you considering using the forthcoming STEP (Strategic Technologies for Europe) legislation for modifying programme(s)? From your point of view, is the programme still relevant for current needs in the territories of the programmes?

Programmes address emerging challenges to a little extent. Survey responses indicate that the topics well or fully addressed are ageing (31%, n=546) and depopulation (27%, n=544). At the same time, 65% sees that depopulation is not at all or not much addressed, 51% sees low fertility rates (n=526) and 44% other demographic challenges (n=329) are poorly addressed.

Managing Authorities think emerging challenges are addressed, in particular, ageing (27%, n=189) and depopulation (24%, n=183). Nevertheless, responses show that 72% believe low fertility rates (n=180) are not at all or poorly addressed, other demographic challenges account 69% as poorly or not at all addressed (n=113).

Most representatives of coordination bodies assessed depopulation (46%, n=37) and ageing (44%, n=36) as well or fully addressed. Low fertility rates are perceived by 53% of them (n=34), as poorly or not at all addressed.

MC members see that most emergent challenges are at least somehow addressed, especially ageing (66%, n=321) and depopulation (62%, n=324) as well as other demographic challenges (58%, n=197), while for most of them low fertility rates (62%, n=312) seem to be not much or not at all addressed.

Emerging challenges (selection):

- While ageing and depopulation may fall within the objectives of European cohesion policy and may be under-addressed, the low fertility rate does not seem to be a challenge to be addressed through the instruments of economic, social and territorial cohesion in Europe.
- The possibility of supporting security issues in a broader sense is not well explored, demographic challenges are supported in general, but mainly indirectly, through a series of broader incentives
- Immigration, multicultural education
- opening a health centre
- kindergarten places - they work, but with a small budget
- AI, energy transition, alternative resources, digital transition to improve connectivity
- cybersecurity

- another demographic challenge: brain drain and the inclusion of young people in the decision-making process
- another emerging challenge: tackling the biodiversity crisis
- Problems related to the environment are not sufficiently shared and supported, particularly in the agricultural field.
- Shortage of skilled workers
- internal migration from rural areas to large cities/capitals, increasing inequalities in income and access to essential services.
- outflow of the working-age population motivated by economic considerations
- Sparsely populated areas
- Residence transfers in depopulated areas, acquisition of young brains, sustainable mobility solutions in the rural context
- Lack of resources that affect the attractiveness of rural areas for better demographic dynamics.
- The JTF only tries to halt depopulation (major transformation projects), and other policies related to depopulation and other demographic challenges are not addressed.
- The ERDF does little to address the demographic challenges of fertility or depopulation.
- Overpopulation and high density should be given the same importance as sparsely populated regions.
- The challenges caused by geopolitical changes (in EU regions close to Russia) are not addressed at all.
- Floods
- Education against populism and fake news and support for critical thinking should be given greater support
- Migration is completely absent
- Ukraine war refugees, challenges of the eastern border (Russia)
- In the ERDF and JTF programmes (there is no cohesion in our region) no specific actions have been designed for the challenges mentioned in the question. However, some actions indirectly address these challenges, for example, actions to digitise public services address the demographic challenge represented in Galicia by the geographical dispersion of the population. Although they are designed to facilitate universal access for the entire Galician population, the existence of these services greatly favours the population living in dispersed areas, as it reduces the need to travel, speeds up administrative procedures, reduces waiting times and, in general,

contributes to more efficient public services. Interventions aimed at protecting natural spaces and conserving flora and fauna will be carried out in the region's rural areas, as well as in areas with a lower population concentration and density. Investment in educational infrastructure is linked to the demographic challenge, so that priority will be given to investment in dispersed population centres and rural areas with the greatest need for action based on the number of pupils and existing resources. Actions in health infrastructure will also take into account the territorial dispersion of the population, so that actions will generally focus on meeting the needs of dispersed population centres and rural areas to facilitate universal access to quality services. Actions to improve e-sanitation will facilitate and speed up access to health services, particularly for older people. FTJ addresses the challenge of a just transition in territories affected by the cutting of carbon plants

- Island states have specific needs and a one-size-fits-all model doesn't always apply. On the other hand, emerging needs, such as IT and AI, are well addressed by the programme.
- Firstly, the longevity challenge is not fully addressed. The main strategic priorities for cohesion post-2027 - a trio of (1) ecological, digital and demographic transitions, (2) competitiveness and innovation, and (3) social cohesion - must remain the most important, carefully considered through the differentiated needs and challenges of the regions. Investment in human resources is also a crucial factor, since the shortage of skilled workers and the decline in the working-age population are blocking the regions' growth potential. The Baltic region will be the most affected, as its population is expected to fall by 19 per cent by 2050. The society and economy of longevity must therefore be capitalised on. In addition, the current large-scale Russian invasion of Ukraine and the unstable geopolitical situation on the EU's doorstep put more pressure on EU member states with eastern borders. For example, member states located on the EU's eastern border have seen a decline in GDP growth, imports and exports, tourist flows, freight transport and high inflation. Therefore, the Member States and regions on the eastern external border will need special attention under cohesion policy and better connectivity and co-operation with the rest of the EU, which will be an important focal point in the future. For this reason, the above issues should be addressed in the post-2027 programming period. Finally, the unstable geopolitical situation poses not only economic but also security challenges. Lithuania, geographically situated between East and West, faces hybrid threats from the states on its eastern border. This fact encourages more attention to be paid to strengthening resilience in the next programming period. In addition, funding the defence sector can be a way to strengthen sustainable resilience and increase high value-added economic performance.

- There are two new challenges in the 21-27 programme that can help to realise the challenges defined in the previous points, such as a greater connection with citizens and better governance.

19% of respondents **plan to make a modification in their programme as a consequence of the emerging challenges**. Nevertheless, most of respondents, i.e. a 43% is yet unsure. 39% of respondents do not plan to make any modifications. Looking closer at the groups of respondents, Managing Authorities with a 39% of responses do not plan to make any modification in their programme due to the challenges that have emerged over the last years. On the contrary, a 20% plans to make changes. 41% is yet unsure. A similar picture is observed for coordination bodies, most of whom (48%) are yet unsure about doing a change in their programme and 39% do not plan to make any change. Only a 12% plans to make a programme change to adjust to new challenges.

As regards the replies given for the different funds, the majority of the responses from Interreg indicate that they do not plan to make any change in their programme, with a 65%. A 26% is yet unsure, while only 9% plan to modify their programme. The picture for JTF shows that the majority of 58% does not yet know whether there will be any programme modification, a 33% does not plan to do any and an 8% is planning to make a modification.

As regards the use of the **forthcoming Strategic Technologies for Europe (STEP) legislation**, a 29% of respondents plans to use them. Most of them, with a 45% are uncertain, while a 27% does not plan to make use of it. Looking at the replies from Managing Authorities and Coordination Bodies, the outcomes vary. As regards Managing Authorities, 30% plans to make use of the STEP legislation, while on the contrary a 25% does not. A 45% remains unsure. For Coordination Bodies 34% does not plan to use the upcoming STEP legislation, while 22% plan to use it. Nevertheless, still most respondents representing Coordination Bodies are still uncertain, with a 44% of responses. The picture remains ambiguous when looking at the replies from the different funds. More specifically, regarding Interreg, a 42% does not plan to make use of the new legislation, while only 12% plan to. Still a 45% does not yet know. As for JTF, most respondents (42%) plan to use the STEP legislation, while 25% do not. 33% of the respondents are still uncertain.

The majority of the Monitoring Committee members, with a 72% believe that the programme they are involved is **still very to extremely relevant for the current needs in the territories of the programmes**, while a 20% finds that it is somewhat relevant. On the contrary, an 8% find it not so relevant, or no relevant at all. Looking at the replies stemming from the different funds, the majority of the ESF+ responses indicate with a 60% that the programme is very or extremely relevant to the territorial needs, with a 15% finding it somewhat relevant. A 25% indicated that it is not so relevant for addressing territorial needs, while none finds it irrelevant. As regards Interreg, all responses highlight that the programme is somewhat to extremely relevant for addressing territorial needs of the programme territory, of which 53% find it extremely relevant. Last but not least, JTF replies, a 76% find that the

programme is very to extremely relevant for addressing territorial needs. A 12% find it somewhat relevant, and a 12% not so, or not at all relevant.

Programme still relevant (selection):

- The programme is relevant, but it should contribute much more to making final solutions and services cheaper and not more expensive for citizens.
- It is VERY relevant and has the potential to prepare EU cities to better respond to foreseen threats.
- It must be taken into account what happened in Ukraine and close border with Russia. More efforts needed in infrastructure and society cohesion
- The regional management authority is too large in surface area to respond to all local challenges; the territorialisation of funds is still too complex and not easily accessible to local non-experts.
- Accessibility of funding in remote areas still remains a challenge
- Decentralisation must be more widely embraced and allow territories more freedom in project implementation. At the same time, the role of local authorities is more important than ever.
- JFT Geographical limitations do not allow for negative impacts felt beyond the geographical area of ceasing peat production, in particular for professional horticulture.

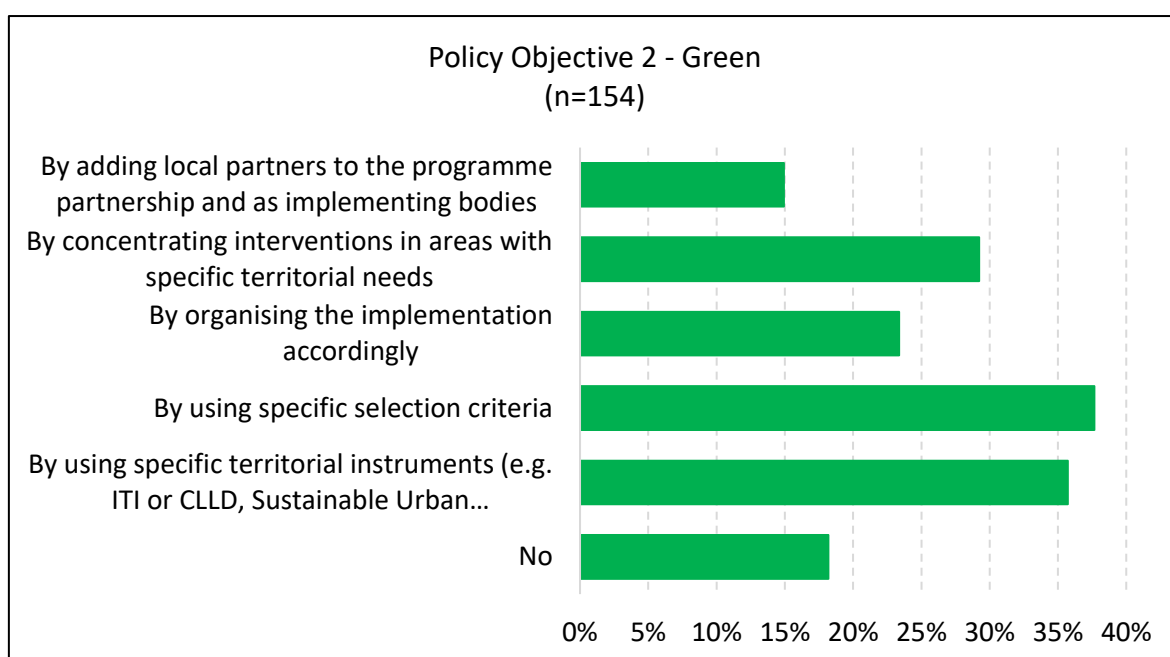
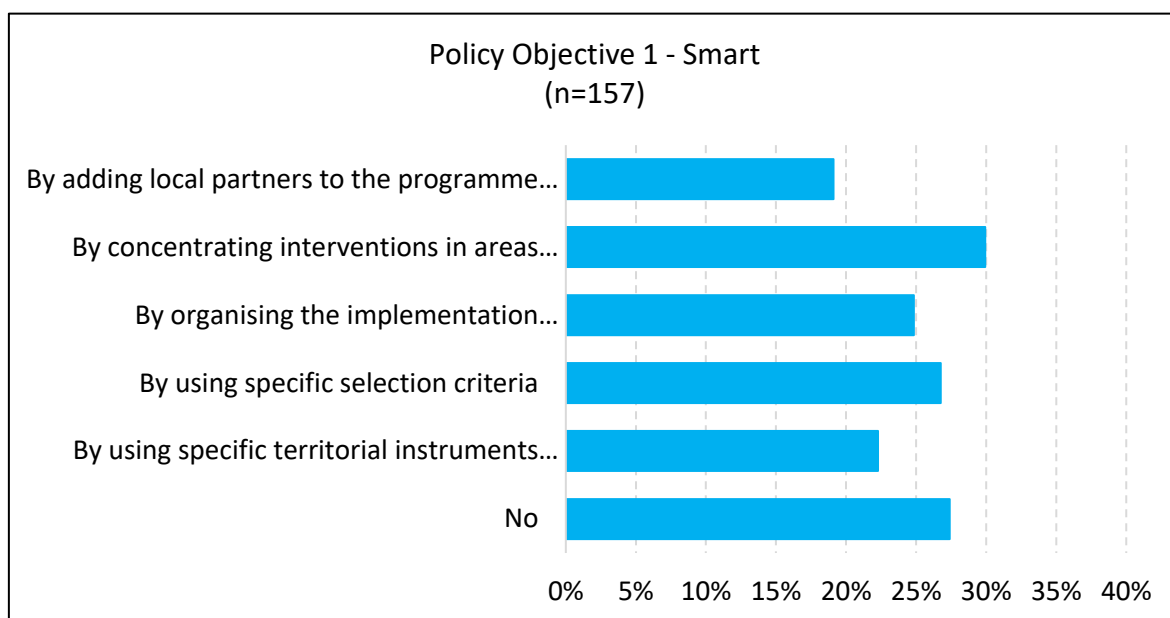
Q11. Does your programme apply a territorial perspective to Policy Objectives 1 (smart), 2 (green), 3 (connected) or 4 (social)? Does your programme(s) address regional disparities in the access to public services (education, health, transport and digital services and infrastructure)?

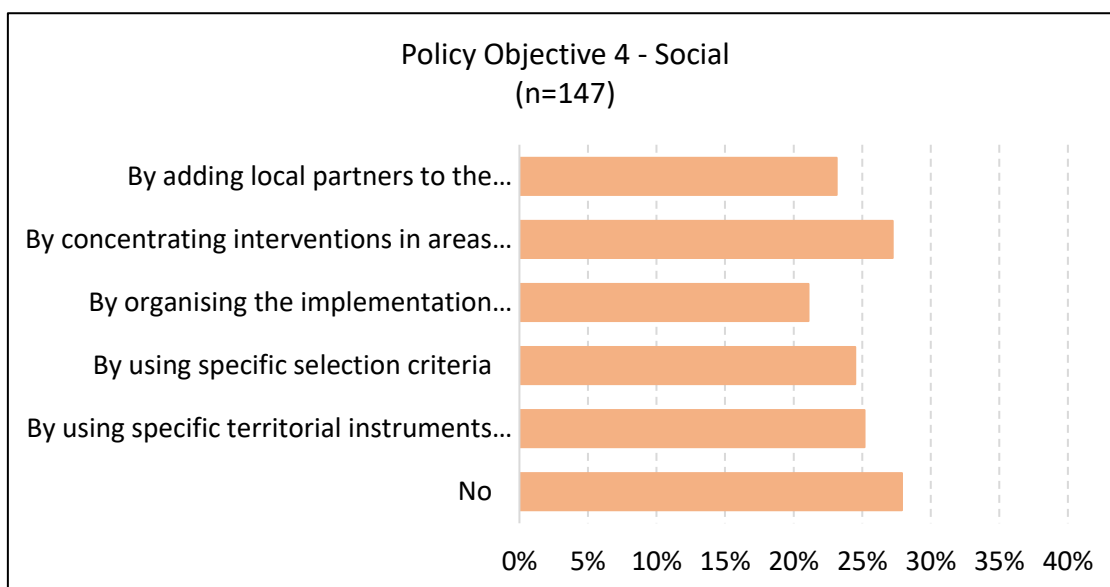
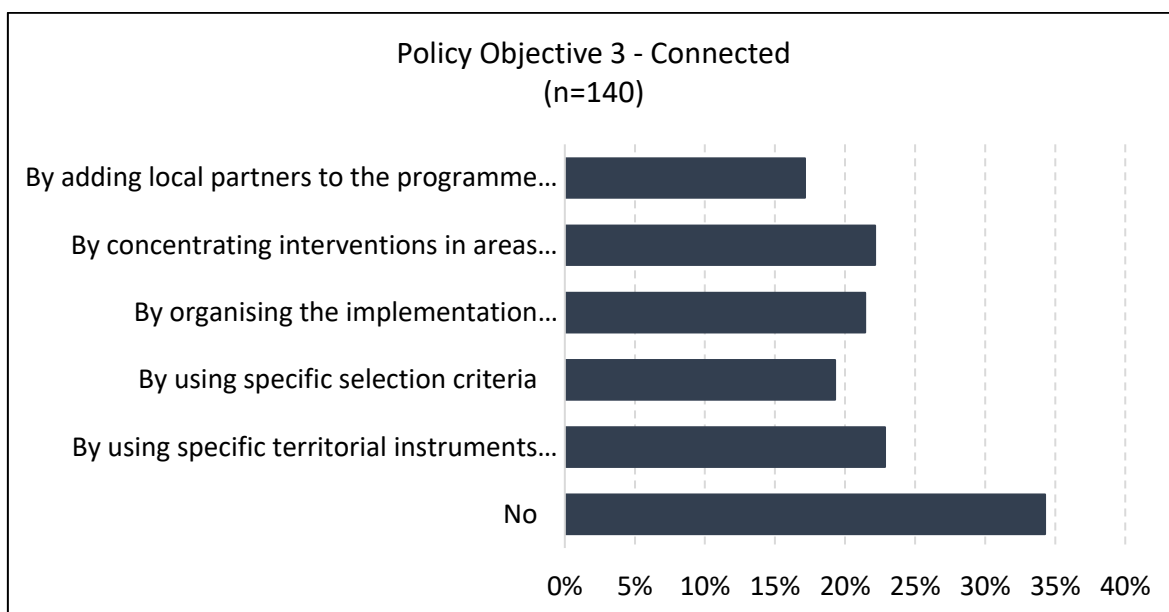
As regards the application of territorial perspectives to the policy objectives, according to Managing Authorities:

- The most common approach is concentrating interventions in areas with specific territorial needs, particularly for PO1 (30%), PO2 (29%), PO3 (22%), and PO4 (27%).
- using specific selection criteria, with high application rates for PO2 (38%), PO1 (27%), PO4 (24%), and PO3 (19%)
- Utilization of specific territorial instruments is notably applied for PO2 (36%), PO4 (25%), PO3 (23%), and PO1 (22%).
- Involving local partners is less common but still significant, especially for PO4 (23%), PO1 (19%), PO3 (17%), and PO2 (15%)

- Organising implementation accordingly is another approach, particularly used for PO1 (25%), PO2 (23%), PO3 (21%), and PO4 (21%).

Quite some responses indicate not applying a territorial perspective, namely, for PO3 (34%), PO4 (28%), PO1 (27%), less for PO2 (18%).





The majority of programmes address regional disparities access to public services (education, health, transport, and digital services and infrastructure) fully or partially. 46% of programmes fully address disparities and 39% partially. Only 10% does not address regional disparities at all, while a 5% indicated that there are no specific regional disparities.

More specifically, Managing Authorities address through their programmes regional disparities either fully (37%) or partially, 17% do not address them at all, 10% do not report any.

Coordination bodies mentioned that their programme addresses regional disparities either fully (57%) or partially (32%), with 8% not addressing them at and 3% indicating no specific ones.

MC members stated that their programme addresses regional disparities with 92% of responses indicating fully or partially addressing them.

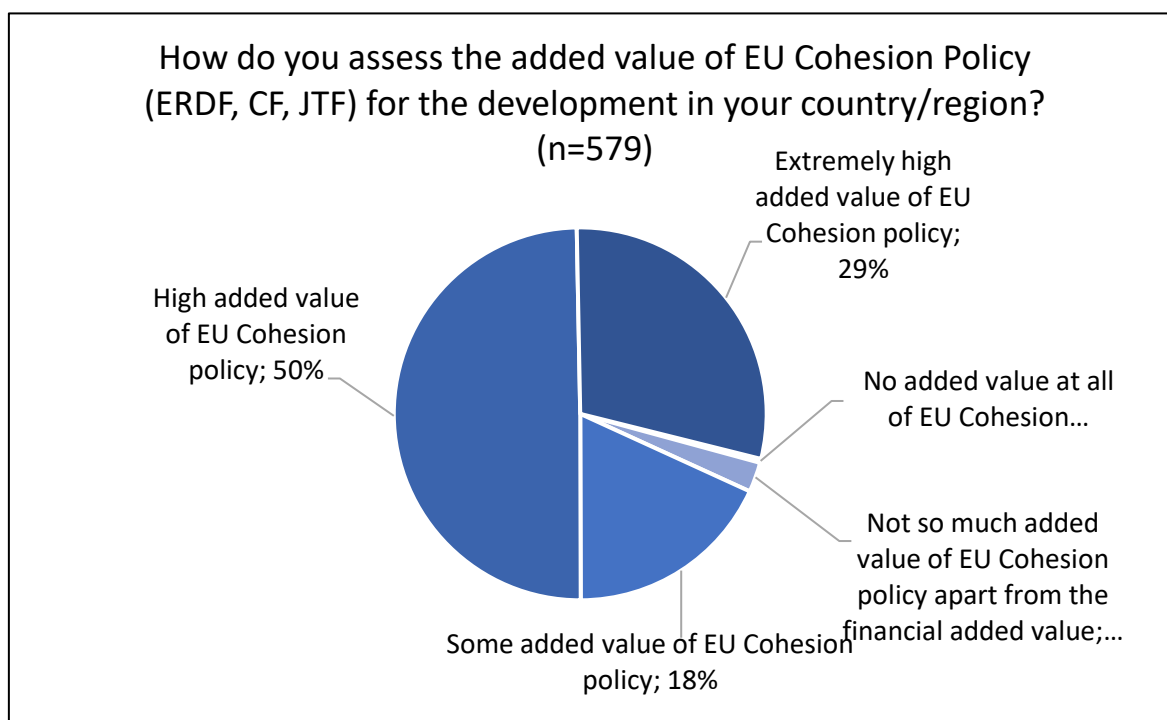
Open answers (access to public services, selection):

- Minority populations do not have access to digitalisation or to education, health or transport services
- Education, public transport, cross-border economic opportunities
- Education (vocational education, kindergarten care, continuing education); Transport (low-emission means of transport, multimodal transfer centres, bicycle paths).
- access to health services, digital access to municipal services
- Example: Health in some specific areas (rural area, small and medium cities, ...); digitalisation of the transport system.
- Funding is provided for transfers of patients among the islands and to and from the mainland (Spain), digital equipment for education and infrastructure for telecommunications. Outermost
- fire brigades and rescue services in the cross border areas (co-operation across borders)
- Education, health and environment.
- educational, health, transport, social services - in all types of regions
- All the programmes in the Czech Republic together address regional disparities in the access to public services (education, health, transport and digital services and infrastructure).
- education, health, transport, infrastructure
- the proportion of resources decided directly by the territory is still insufficient
- Sustainable urban development, health innovation, mobility
- Transport and infrastructure are in need of large investments and the funds within ERDF are too small to respond to the need in its entirety.
- Primary/Secondary Health Care services and infrastructure
- public health services in the region 'Bregenzerwald', crossborder transport services between Vorarlberg and Bavaria, etc.
- education, digital services, infrastructure
- The FTJ is not designed for areas such as healthcare, for example.
- Mostly health and transport

- digital services, health and wellbeing
- For some public services, such as crèches.
- Health, education, transport and access to digital networks and energy for rural areas and low-income populations.
- Healthcare; employment educational services; digital services.
- The following points can be used as examples:
 - Healthcare (here: Access to appropriate services - either prior consultations and the subsequent utilisation of healthcare services - currently still mainly for Poles in Germany),
 - Advice services/referral advice on all aspects of living, learning and working in a neighbouring country by establishing so-called border information points (depending on the topic, both for Poles in Germany and for Germans in Poland),
 - Closing gaps in cycle path networks and linking them sensibly across borders,
 - Closing gaps in reducing the language barrier and searching for cross-border solutions (e.g. by creating bilingual teaching programmes).

Q12. How do you assess the added value of EU Cohesion Policy (ERDF, CF, JTF) in your country/region? How would you describe the characteristics of the added value in your country/region?

Cohesion Policy has an extremely high to high added value in respondents' country / region, as highlighted by 79% of responses. None of the respondents indicated no added value, while 3% indicated no much other value than the financial support.



These findings on the added value are also shared by Managing Authorities, for which 82% stresses there is an extremely high / high added value, for coordination bodies, for which 94% stress there is an extremely high / high added value and for MC members for which a 75% reporting an extremely high / high added value.

Looking closer at the characteristics of this added value, respondents see the primary added value in (multiple answers possible):

- Additional Financial Resources to Do More, as indicated by 75% of respondents
- Improved Focus on Horizontal Principles (e.g., green, digital, and gender policies), as indicated by 53% of respondents
- Additional Financial Resources to Tackle Emerging Challenges, as indicated by 52% of respondents
- Additional Financial Resources to Do Things Faster, as indicated by 47% of respondents
- Better structured Multiannual Planning for Addressing Socio-Economic and Territorial Challenges, as mentioned by 43% of respondents

- Increased Focus on Local Needs through a Place-Based Approach as indicated by 42% of respondents
- Strengthened Application of the Partnership Principle as indicated by 32% of respondents
- Improved Visibility of Project Outcomes, as indicated by 31% of respondents

Managing Authorities indicate that additional financial resources to do more is of significant added value, with 82% of responses and tackling emerging needs with 56% of responses. Less emphasis is given on the visibility of project results, with 35% of responses.

Coordination bodies highlight the additional financial resources to do more as the key added value, with a 74% of responses, and tackling emerging challenges, with 59% of resources. A strong emphasis is also given on the improved focus of horizontal principles (59%) and local needs (56%).

MC members, the additional financial resources to do more have the highest added value according to 72% of responses, and an improved focus on horizontal principles according to 51% of responses.

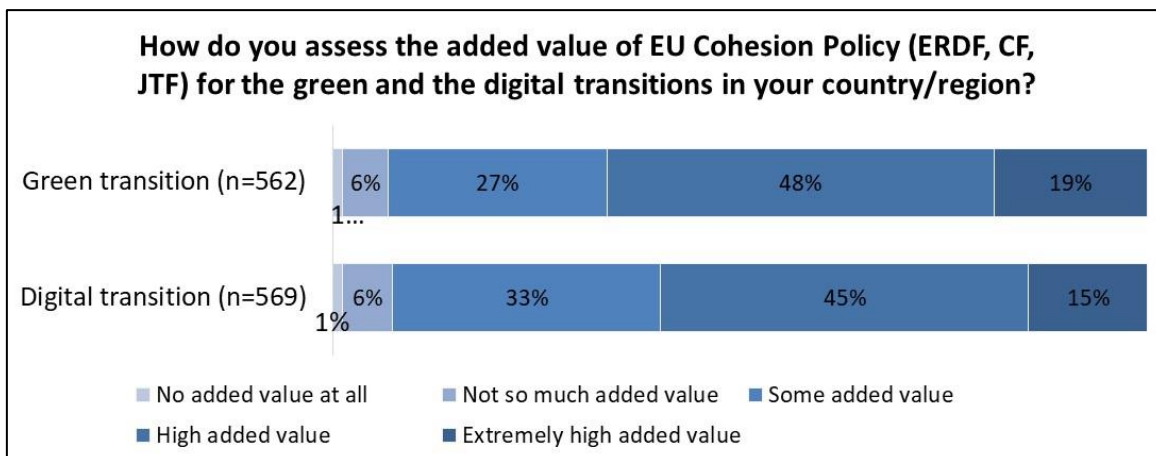
Characteristics of added value (selection):

- This is also enabled through the evaluation and monitoring work carried out, as it complements the learning processes as well as enhances accountability and transparency in a given policy area.
- Facilitating knowledge and exchange of best practice between EU cities
- The added value of the EU co-financing rate is supplemented by Member state funding for programmes under the P05 priority.
- development of common border regions through joint planning and implementation by Member States and bordering regions
- putting the region/country on path to be successful even internationally with the EU13 (as a widening country) - investments are needed to build the infrastructure on par with EU13.
- Additional financial support for environmental research institutes.
- Some things are doing well, and we have some added values, but mostly in hardware not in software (we have physical infrastructures and better working conditions e.g. in education, but we have less pupils/students, they don't have better results, and teachers are worse and worse). We are talking about region which is in the last 5% less developed regions in EU. There are some different criteria for success, therefore, many (especially young) people, are looking for their place in society elsewhere
- Channelling resources to particularly beneficiary actors.

- Strengthening of innovation and the innovation capacity of our region to tackle with societal challenges of the regions
- Introduction of management improvements, e.g. risk management and anti-fraud.
- Additional financial resources to address areas of relevance but not always a priority for beneficiaries
- Concentration on the border area and its specific challenges
- Increased awareness of the situation in other EU cities. Understanding of the current EU context
- a first added value would already be to avoid the use of the English language when addressing non-English-speaking Europeans.
- Financing that is focussed on and is possible in the greater region. It is a national policy.
- Financing that is focussed on and is possible in the greater region. It is a national policy.
- More financial resources for decarbonisation, which would otherwise not be allocated
- Without the added value there would still be no metro in Bulgaria.
- Improved mindset for being part of Europe
- Improved compliance with EU and national regulation.

Q13. How do you assess the added value of EU Cohesion Policy (ERDF, CF, JTF) for the green/digital transition in your country/region?

Overall, the survey shows a high added value of Cohesion Policy for the twin transitions.



More specifically:

The majority of the respondents, with a 67%, see a high or extremely high added value of EU Cohesion Policy for the green transition. Not so much added value is seen by 6% of responses.

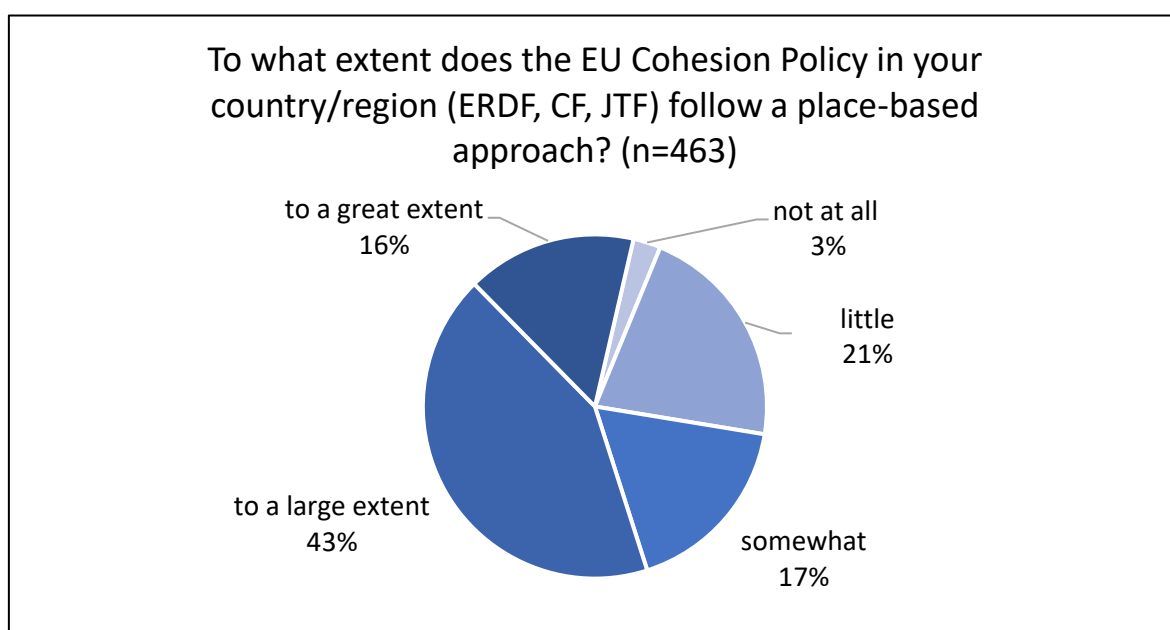
Looking at the different players, the majority of Managing Authorities replying to the survey perceive with 71% high or extremely high added value of EU Cohesion Policy for the green transition. Only a 3% sees little or no added value. Coordination bodies indicate with a 78% an extremely high / high added value of Cohesion Policy to the green transition, while none indicated no added value. Similarly, the majority of MC members (62%) see an extremely high / high added value of Cohesion Policy to the green transition, with a 2% seeing no added value.

As regards the digital transition, 60% of responses see a high / extremely high added value of EU Cohesion Policy for the digital transition. A 7% sees not so much / no added value.

Managing Authorities with 63% see a high or extremely high added value of EU Cohesion Policy for the digital transition, while 5% sees little to no added value. Coordination bodies, with 64% of responses, see a high or extremely high added value of EU Cohesion Policy for the digital transition, while a 5% sees little to no added value. MC members, with 57% of responses, see a high or extremely high added value of EU Cohesion Policy for the digital transition, with a 10% seeing little to no added value.

Q14. To what extent does the EU Cohesion Policy in your country/region (ERDF, CF, JTF) follow a place-based approach? From your point of view, what is the added value of the place-based approach for your country/region/territory, compared to other top-down, centralised or one-size fits-all programmes and schemes?

59% of the respondents say that EU Cohesion Policy in their country/region follows a place-based approach (to a large/great extent). This figure is almost the same for respondents from managing authorities, national coordination bodies or other involved organisations. It is considerably higher for respondents who are only related to Interreg or JTF, which can be explained by the specific place-based character of these programmes.



The open answers give a good overview on the multiple perception of the added value of the place-based approach.

Open answers (selection) (some from Q15, as they refer also to place-based):

- Regional growth takes place on a local and regional level. Therefore we need to be a part of both the design and management of the ERDF. The national level has a limited knowledge of what is needed on a regional level.
- Place-based approach is a prerequisite for an accurate and effective Cohesion Policy. The local and regional level has best knowledge of territorial needs and conditions.
- allow expressions of needs from local level and enable bespoke support from the programme to answer to those needs

- High involvement of all economic and social, local and regional levels, creating a unique ecosystem of partnership that allows to achieve the objectives of the FTJ Programme in a more effective way.
- possibility of eliminating white spots in access to support (health care)
- Neighbourhood management
- The face of our Europe in every European Region
- easier transfer to practical use
- a holistic view of problem solving, building social value
- Breaking down cultural barriers
- empowerment of local stakeholders/actors/communities
- Particularly labour mobility for people with low to middle attainment levels is limited in the Netherlands to the labour market region or those adjacent. Their composition, characteristics and surroundings (including labour demand and culture) differ per region. Targeted approaches to active inclusion or social inclusion must therefore be tailored to these characteristics.
- increasing public awareness of ecology and digital transformation, introduction of measures contributing to digital transformation, ecology (e.g. by increasing the number of cycle paths in the region), care for the disabled by enabling them to be employed.
- integrated territorial development strategies
- integrated strategies
- Little consideration is given to the problems of specific areas, e.g. water supply and sewerage in areas where such services simply do not exist.
- The obligation placed on the management authorities to involve the various sectoral and territorial actors, in the framework of a monitoring committee in particular, is a prerequisite for better adaptation of the provisions to local needs. The culture of partnership in the EU funds also gives visibility on the ground to European action and through reciprocity, it gives Europe a better understanding of the territories.
- 1) aid that meets real needs, 2) recognition of the EU among the region's inhabitants, 3) building a conscious and engaged society.
- The added value of territorial targeting is self-determination in the disposition of resources, which can be allocated according to the needs of the region as well as to the needs of the local community.
- The added value was studied by the Result Evaluation of the Benefits of European Funds at Regional Level:

- Due to the number of (small) municipalities in the Czech Republic, the LAGs made it possible to better target resources in rural areas and to support even those applicants who are not very competitive in national calls. Smaller municipalities are faced with insufficient infrastructure and services, the absence of public services and the outflow of residents. At the same time, there is a decline in community life, especially in those areas that suffer from population outflow or, on the contrary, a rapid increase in population (e.g. Sudetenland, sub-urbanised areas). Not only projects, but also other extension activities of LAGs addressed those goals.
- Stimulation of cooperation in the territory and the creation of partnerships: LAGs in the territory advocated connecting various stakeholders across the territory. Through informal activities, for example for mayors, teachers, school directors or entrepreneurs, it was possible to gain an overview of the needs in the area and stimulate the development of cooperation. At the same time, there was cross-border cooperation and sharing of good practice between LAG offices. The sharing of information and knowledge made it possible to implement projects, among others, in the field of education and bicycle transport. Programmes supporting the cooperation of various entities were created in the territory with the support of LAGs.
- Improving the ability to create, coordinate and implement projects: LAGs participated in improving the ability to prepare and implement projects of smaller applicants. Small municipalities face a lack of administrative capacity and experience in project preparation, so LAGs tried to activate these municipalities more and help them. As part of their services, some LAGs provide the so-called "service to local governments". At the same time, LAGs provided information on the possibilities of drawing and communicated with potential applicants. Last but not least, they played a role in planning the development of the territory and involving even the smallest municipalities in discussions.
- Synergies between projects: synergies between projects were only partially successful. Synergies were often seen in the implementation of cycle paths, where several municipalities cooperated, connecting territories and implementing subsequent projects. In addition, synergistic projects were implemented in the social area, where investment and soft projects were combined (e.g. in education, the Local Education Action Plans had synergistic effects (interconnection of local actors, implementation of joint projects) and in the case of one applicant, several subsequent projects were implemented.
- Development of the image of the territory and tourism: to support community life and the development of the image of the territory, LAGs implemented a number of informal activities, including festivals, tourist games, cultural and sports events, or social activities (planting trees,

cleaning in nature, etc.). Furthermore, support was directed towards associations and association activities, but also towards work with children and youth. Young people were supported through educational programmes and rural parliaments.

- Making the territory more attractive for citizens, developing the appearance of municipalities: one of the impacts of the projects is improving the appearance of municipalities and increasing their attractiveness for citizens, mainly thanks to the development of infrastructure, business, services and education. For rural areas, the provision of basic services that motivate citizens to stay in the area is a fundamental condition.
- The role of LAGs as an intermediary for negotiations: Due to the low negotiating position of small municipalities, LAGs served as an intermediary between them and the region, or between other stakeholders. In the period 2014-2020, the LAGs mediated the needs of the lowest level of the territory, in some cases also towards the ITI in the case of larger projects that would not be covered by the LAG allocation but could be supported within the Integrated Instruments. This was the case, for example within the ITI of the Prague agglomeration, which covers a large number of smaller municipalities as well.
- Support of other extension activities: one example of further involvement of LAGs is the support of municipal energy, among others in the context of the New Green Savings Light programme or within the Platform for Cooperation on Community Energy.
- In our Programme place based approach is mainly applied to PO5 and JTF investments. Collaboration with stakeholders at regional level is used within PO5 investments by involving regional planning governance bodies to pre selection of project ideas according to regional development strategies. Investments such as development of industrial zones where local government can prioritise areas of development, submit project applications and develop infrastructure in order to attract private funding and create new jobs, allow to apply place based approach and enables local governments to retain ownership on their territorial development.
- The place-based approach offers tailored solutions to local challenges, engaging communities and fostering ownership. By prioritising flexibility and community participation, it ensures efficient resource allocation and holistic development, distinct from top-down, centralised programmes.
- The ITI-FEDER allows a specific territorial approach focused on the political priority areas of the city and the fragile centres-villages of the metropolitan area of Aix-Marseille-Provence.
- Initiating and deepening co-operation at the level of urban functional areas. The added value is the possibility to solve problems that comprehensively

address the identified challenges of the areas in question, taking into account their specific characteristics and potential and a vision of development based on the resources available. A centralised approach, on the other hand, often results in resources being invested in specific sectors without taking into account local characteristics and a comprehensive diagnosis of the actual development needs of the area. An assessment of the regional approach is more appropriate within the framework of regional programmes or the FEPW programme.

- Targeting limited resources more accurately, taking into account different needs of different regions, better integration of different policy areas in a specific territory.
- S3 - Smart specialisation strategy is important to promote bottom-up identification of relevant investments in our region
- Bottom-up policy formulation, which involves involving local communities and actors in the decision-making process, has several significant advantages. First, by taking into account the specific challenges and needs of each region, a more accurate and effective response to the problems facing the region is achieved. This is because the people who live and work in the region have a better understanding of their context and can provide valuable information on the most appropriate solutions.
- Place-based policymaking is a bottom-up approach that deepens the understanding of place-specific constraints and is based on the collaboration of different policy stakeholders at regional level (Stakeholders include: governmental institutions, private industries, educational institutions, citizens and diverse non-governmental organisations and all levels of local government). In general, there is a tendency of MA and governments to copy each other. Rural, urban, populous, small regions tend to target an economic specialisation in sectors widely recognised as future oriented (ITC, logistics, bioeconomy). Many of them follow only partly the particularities of their places, their real needs, and the real inequalities they have compared to others.
- In view of MT's specificities, the national and regional needs are interlinked. Centralised policies are effective and efficient in a small place like Malta. The short distances and small administrations enable extensive consultations across sectors, thus enabling the identification of territorial needs in an effective manner.
- A place-based approach as adopted under the EU JTF Programme which focuses on the specific territory most impacted by the transition to a low-carbon economy enables the Programme to respond to locally identified needs and priorities and to have more of a "tailor-made" approach. It also enables to involve local communities more as they are more easily identifiable.

- The JTF provides specifically targeted support to areas affected by the green transition. This will help to better focus investment on the right areas and concentrate resources where they are needed. However, in some cases, a territorial concentration below NUTS 3 level may be necessary.
- the federal court on its head: these are the federal structures which themselves implement bottom-up projects and provide for federal development (e.g. Grenspark Groot Saeftinghe and Geopark). But via interreg we also get specific projects specifically for the border region, which we could not have had via centrally implemented European programmes. the project managers work closely with the stakeholders of the region and ensure that there are projects where the region has no interest.
- In an Interreg A programme, characteristics are examined at NUTS level 3 in France, which is relevant, whereas in the mainstream programme it is NUTS level 2, which leads to a levelling effect that does not take into account the specificities within the regions.
- A top-down approach hardly works in cross-border cooperation. The people on the ground know best what works and which problems need to be solved.
- For cross-border cooperation it is important to mix top-down (for identifying the goals) and bottom-up (for identifying the best solutions and way to the goal).
- In the Canary Islands, as an outermost region of the EU (Article 349 TFEU), made up of islands that are very different one from another and with different needs, the place-based approach is crucial, as it makes it possible to respond to the specific demands of each geographical location. Moreover, it certainly allows to address the needs of the different realities of the islands in this diverse and heterogeneous territory.
- because being an outermost and island region, the programme was designed based on local needs

From Q15:

- Czechia has a separate ERDF programme which aims at structurally weak NUTS2 regions, so place-based approach is applied to a great extent.
- Climate change has and will have heterogeneous effects, therefore is necessary to follow place based approach. Also, the grand challenges have different manifestations in different regions and all these need to be addressed in a specialized way.
- The Just Transition Fund enables a uniquely place-based approach which can be more targeted and more ambitious than national programming. But just transition takes a long time (and JTF took time to set up) We need a continuation of a specific Just Transition Fund to enable support to places

most disadvantaged in the pursuit of climate neutrality and a sustainable economy

- More support should be given to place-based approaches and integrated instruments.
- For inhabitants within the cross-border regions EU funds are necessary.
- the place-based approach must be combined with the strategic planning.
- The place-based approach is the way to go, but it requires better cooperation between the different layers of the decision-making pyramid.
- Regional programmes (not centralised) are far better for place-based approach
- Interreg sets a large budget for large innovative projects in our region and is working on small-scale actions with concrete outputs and on the ground. There must be an EN - EN change. Men and women over the grassland are working with small-scale initiatives, but the grassland is still in the grassland, and the actions of men and women in a grassland region have a 360° view of what it can do in their region - now we are going to have to do a lot more with 'hun rug aan de grens' and we know that we can do more than just that. This can only be done with small acts. The Interreg VI-NI programme itself has a large fund for small-scale projects, but it has the full potential to do so. This is in addition to the large-scale innovation projects that are even more important. The forthcoming European regulation makes it a real obligation to reserve an area for small-scale projects in any Interreg programme with sound administrative conditions.
- The focus on a place-based approach also has a flip side for Interreg. In an Interreg context, it can lead to projects that are too local, forgetting there needs to be a cross-border or transnational added-value.
- The Interreg programmes make a major contribution to the development of border regions, but only if the bureaucracy for the projects can be kept to a reasonable level. I have noticed that Interreg is increasingly no longer an option for people from business and civil society due to the amount of work involved. Unfortunately, this reduces the number of good project ideas.
- The funding provided by the EU-INTERREG programmes is often much too low in order to meet the actual demand for programme funds, which is why the requests to contractors are becoming more and more frequent. This creates unequal opportunities (volunteers and small (municipal) administrations have little or no chance of acquiring large-scale projects, for example, as was the case in previous INTERREG funding periods). This in turn affects the diversity of the ultimate beneficiaries.
- Spain is not taking advantage of the funds' potential for tackling rural areas problems. The investments in these areas are scarce and mostly they are not being used to do new investment, just the ordinary ones. When public

authorities open the calls where ERDF funds are used, calls are open for a few period of time, there are no help for small municipalities or enterprises. Calls are not being taking care of the problems and necessity of small areas first.

- Most of the funding is based on good ideas, but underdeveloped regions dont have capacities to use it as it is needed (like e.g. companies in IT sector, or some universities, experts etc.), dont have national politics to really support of development of less developed regions, development grid is growing, and this catching up effect doesnt exist.

Q15. Any other comment

This was in the Survey an open text field for any kind of comment:

- We see room to further reduce the administrative burden (monitoring/auditing) and change the system from 'distrust' to 'trust'.
- Every European Region Counts!
- It would be great to harmonise more cohesion and RRF.
- Vulnerable groups not targeted enough; should be an absolute priority in SCF and 2028+ IFF. Climate and biodiversity spending threshold must be increased to fill the spending gap. DNSH application must be improved in practice.
- EU should reflect on an adaptation of the instruments and tools to address cooperation with EU candidate states. An ambitious integration agenda should be accompanied by increased financial means and better equipped Interreg programmes (including more flexibility and diversity in delivery mechanisms) to sustain more strategic projects enabling European cooperation.
- Decentralisation/delegation of fund management closer to the territories is to be developed in terms of efficiency, facilitation in the support of carriers and for a stronger anchoring of Europe in the territories.
- The 'local' approach is interesting in principle but the regional framework is too restrictive and the territories have very little room for manoeuvre. Moreover, Europe seems impetuous to act on the problems of the ecological transition if one takes into account the evolution of climate change. It is time to move forward.
- Currently Poland is flooded with EU funding and many experts consider that we have too much funding, which is not well enough planned and guided to the needs. It is only partially the fault of EU - because the funding for 2021-2027 was prepared very very late! It is also the fault of the national government, because it was not making enough discussion about how the funding should look like. Especially in this funding period local content has

been neglected, because the government was not consulting the funding with local authorities well enough.

- Serious delays for years, excavated and unfinished railway sites / Sofia and Plovdiv stations, the railway line from Burgas to Sofia has been under construction since 2008. and it is not known when it will be finished.

3. Interviews

Until the submission of the draft final report, 45 semi-structured with cohesion policy stakeholders in 23 Member States and at EU level were conducted.

In a first round of interviews (March-April 2024) 13 interviews were conducted with ERDF-CF-JTF and Interreg Managing Authorities. 25 representatives of Managing Authorities from 11 Member States (Austria, Greece, France, Croatia, Ireland, Italy, Latvia, Luxembourg, Sweden, Germany and Portugal) as well as one Interreg programme (Euro-MED) were interviewed.

In a second round of interviews (May-June 2024) another 25 interviews were carried out with actors involved in the design and implementation of the ERDF, Interreg, CF and JTF programmes. The interviews covered 12 EU Member States, namely, Bulgaria, Czech Republic, Denmark, Estonia, Finland, Hungary, The Netherlands, Lithuania, Poland, Romania, Slovakia and Slovenia. 9 interviewees represented JTF stakeholders, 6 were national coordination bodies or managing authorities and 10 were representatives of other organisations, participating as Monitoring Committee Members in the implementation of cohesion policy programmes.

In a third round 7 experts on EU Cohesion Policy and specific areas such as JTF, urban issues and vulnerable groups (Roma) were interviewed to fill information gaps.

A full overview of these interviewees can be seen below.

Table 2 - Interviews conducted during the study

Member State/Programme/Topic	Institution
Latvia	Managing Authority, Ministry of Finance, Latvia
Luxembourg	Managing Authority, Ministry of Economy, Luxembourg
Ireland	Managing Authority JTF Ireland, Managing Authority Eastern and Midland Regional Assembly
Portugal	Managing Authority Region Norte, NORTE2030
Greece	Managing Authority, Programme management Environment and Climate Change programme
Sweden	Managing Authority Övre Norrland (ERDF) and Regionalfonden Övre Norrland (JTF)
Interreg EURO-MED	Interreg Managing Authority, Provence-Alpes-Côte-d'Azur (FR)
France	Managing Authority, Hauts de France
Croatia	Managing Authority, Ministry of regional development and EU funds (HR)
Italy	Managing Authority of Regione Marche (IT)
Austria	Managing Authority of JTF/ERDF programme
Germany	Managing Authority Niedersachsen region
Germany	Managing Authority Sachsen region
Estonia	Area of Economy and Innovation, Ministry of Economic Affairs and Communications (Monitoring Committee Member)
Estonia	Ministry of Finance, JTF Stakeholder
The Netherlands	ERDF coordination and JTF stakeholder

Member State/Programme/Topic	Institution
The Netherlands	Natuur en Milieu Limburg (Monitoring Committee Member)
Slovenia	Centre for Just Transition, JTF Stakeholder
Slovenia	Office for the Promotion of the Green Transition, Ministry of Environment, Climate and Energy, JTF Stakeholder
Slovenia	National Coordination Office ERDF
Romania	MA for Just Transition Programme, JTF Stakeholder
Bulgaria	National Association of Municipalities of the Republic of Bulgaria (Monitoring Committee Member)
Bulgaria	Entrepreneurship Center at the Bulgarian Industrial Association (Monitoring Committee Member)
Denmark	Danish Regions (Monitoring Committee Member)
Denmark	Danish Business Authority, JTF Stakeholder
Finland	Regional Development Director (Monitoring Committee Member)
Finland	Centre for Economic Development, Transport and the Environment, JTF Stakeholder
Czechia	Ministry of regional development, ERDF coordination/MA
Czechia	Member of JTF Regional permanent conference of Ústecký kraj, JTF Stakeholder
Slovakia	National Coordination of EU Funds
Slovakia	Association of Self-Governing Regions of Slovakia (Monitoring Committee Member)
Lithuania	Ministry of Finance, National Coordination
Lithuania	Ministry of Economy and Innovation, JTF Stakeholder
Lithuania	Association of Local Authorities in Lithuania (Monitoring Committee Member)
Hungary	EU Funds National Coordination
Hungary	Director WWF MB (Monitoring Committee Member)

Member State/Programme/Topic	Institution
Poland	Regional Development Agency in Konin, JTF Stakeholder
Poland	Ministry of Funds and Regional Policy, National Coordination
EU Cohesion Policy	Bertelsmann Stiftung, Berlin/Brussels
JTF	Valea Jiului Society (Valea Jiului Development Society Project)
JTF	JTP Technical Secretariat (Greenhouse)
JTF	Polish Green Network
EU Cohesion Policy	Member of the CoR (Rapporteur on the Mid Term ERDF evaluation)
Minorities, vulnerable groups	EURoma Network / Technical Secretariat Fundacion Secretariado Gitano
Urban issues	Eurocities

Below is a brief summary of the interview outcomes.

3.1. Interviews to Managing Authorities (first round)

The novelties introduced in the CPR for 2021-2027 are seen positively by interviewees, though further adjustments are still needed for smoother implementation.

Various MA confirm especially the value of the flexibility for reprogramming, SCOs, and the new indicators.

“SCO: very helpful, we are trying to find some solutions to avoid double accounting or duplication of funding. But we have no doubts from the outset that this option is quite interesting, both for the authorities involved and for the promoters. The flexibility in terms of re-programming was very important, considering the fast changes the country and the region suffered. – As the programme was designed based on certain statistics, that changed a during the same programming period. About new common outputs and result indicators: it seems to be an important advancement, for programme performance and for giving focus. The indicators also serve as reference when dialoguing with national authorities. And the indicators also give a good “point of view” when monitoring the operations.” (quote from an interview log)

“Every change leads to a period of confusion to start with. However, overall, the simplifications introduced are perceived as positive, especially, the harmonisation of regulations across funds, simplified reporting, lumpsum and SCO approaches, the flexibility for reprogramming.” (quote from an interview log)

“Efforts to standardise common result indicators and link them to operations were appreciated (easier evaluation). Simplified reporting (no AIR) positively welcomed, not as burdensome as before.” (quote from an interview log)

“Due to the elimination of the performance framework, the annual implementation reports no longer have to be submitted to the EC, but data on programme implementation must be provided on an ongoing basis. In practice, this does not necessarily mean a reduction in the workload, as information on the implementation status still has to be published. In the context of ongoing reporting, many queries from the EC regarding the data are to be expected. However, the use of SCOs (such as the overhead lump sum for overheads) and FNLC have the potential to make things easier, although this may not be recognisable until later. With SCOs in particular, it is not yet entirely clear what type of information and supporting documents the audit authority will look at during the audit. The FNLC approach has been continued and expanded, and it is hoped that this will reduce the administrative burden. However, considerable preparatory work needs to be done when drawing up the schemes. In general, it is not yet foreseeable at the current stage of programme implementation whether the changes to the umbrella regulation will

have the desired positive effect on efficiency and a reduction in the administrative burden. The ERDF regulations remain a complex system. Even if certain points are simplified, changes in other aspects (e.g. new definitions of beneficiaries) can increase complexity again. These changes also entail the need to adapt the programme and the underlying system.” (quote from an interview log)

While SCOs are seen generally as helpful by all interviewees, their implementation and use are seen as complex and also depending on other decision-making levels in the MS. Some interviewees point out that simplification at one end causes new and unanticipated administrative burden somewhere else.

They also admit that the delayed launch of most programmes due to the need to finalise previous period programmes. The most helpful aspects include flexibility in reprogramming, absence of specific rules for major projects, reduced audit requirements and control systems, as well as simplified reporting. Efforts to standardise common result indicators and link them to operations are also appreciated. Managing Authorities and beneficiaries underscore SCOs and particularly off-the-self solutions among the most valued novelties also for beneficiaries. More simplified and harmonised eligibility rules and no need to deduct revenues for revenue generating projects are very helpful for beneficiaries. Some modifications are perceived as cosmetic and not substantial. Challenges remain to introduce changes due to simplifications at national and regional level.

“I think that's quite a fundamental problem with cohesion funding. That responsibility is, like we see it with state aid, for example, in our country. It all filters down the cascade. There's nobody higher up the cascade really deals with it. Or gives advice or things like that. But when it comes to the reporting, it creates complexities down to the point where we're organising events with solicitors, advising beneficiaries before they apply about state aid.” (quote from an interview log)

“The CLLD in our region is based on a one-stop-shop approach so that beneficiaries are not faced with too many different sets of rules. Particularly at the beginning of the period, the approach creates additional administrative work on the part of the administration during preparation because the processes have to be adapted, especially as the two funds concerned are not governed by the same regulation.” (quote from an interview log)

Also, ambiguous alignment with other regulations and requirements was mentioned. State aid regulations and guidelines and public procurement complexities remain, especially for SMEs and small organisations.

“State aid, public procurement, reporting is still a struggle, especially, to those beneficiaries - SMEs and small organisations who have not used to EU funding. I don't see reduced reporting obligations for beneficiaries.” (quote from an interview log)

Enabling conditions are perceived as helpful and necessary for compliance with EC directives and prioritising results, although their impact may vary depending on regional contexts and the programme focus. In general, the interviewees see them as essential for referencing and ensuring compliance with key public policies. At the same time certain aspects are deemed burdensome, updating national guidelines. Implementation involves aligning projects with these conditions, sometimes unrelated to project objectives, which complicates processes. The strategic planning system and ministerial working groups play roles in assessing and fulfilling these conditions. Updates to national policies, such as National Energy and Climate Plans, can affect EU fund approvals, highlighting the interconnectedness of enabling conditions with broader policy.

Several bottlenecks and challenges faced during the 2014-2020 period have been addressed in the new funding period by significantly streamlining the 2021-2027 programmes. Efforts have been made to address past shortcomings such as insufficiently trained staff and fragmented administrative structures. In the current period, designated coordinators and streamlined administrative processes aim to enhance accountability and efficiency. Additionally, the various digital tools, such as e-signature, and improved information and monitoring systems seek to minimise critical issues encountered during previous periods. Nevertheless, challenges persist, such as the parallel implementation and planning of CP programmes 2014-2020, 2021-2027 and other instruments such as REACT-EU and RRF. Despite these hurdles, the focus remains on optimising processes, enhancing coordination and adapting to evolving circumstances to ensure successful implementation of the programmes.

When launching calls for projects, administrative capacity and specific knowledge and expertise are critical, particularly in preparing rules and procedures for project selection. When selecting operations, challenges such as a lack of personnel or capacity, new EU rules and compliance with national regulations were mentioned.

“The state aid is very often a bottleneck in our country in terms of selecting projects. We advise beneficiaries are also advising or teaching the people who are selecting the operations about the state aid rules.” (quote from an interview log)

“In 2014-2020 high duration of the evaluation and selection stage (exceeding 6 months) was a bottleneck, caused by the high number of requested documents and duplication of checks in different stages of this process, i.e. different checks and evaluations of the same documents in several stages of the evaluation and selection process and the reverification of some of them in the pre-contracting or contracting stage; another element that caused delays in evaluation and selection stage was the lack of personnel with expertise in certain specific domains of evaluation and therefore, using the outsourced evaluation for which the public procurement process took a long time. Therefore, now, the human resources are concentrated to finalized the project selection in order to have a smooth implementation, without any financial burdens or delays.” (quote from an interview log)

Delays in finalising the previous programming period exacerbate this challenge, consuming significant administrative resources and delaying the transition to the new funding period. Additionally, evolving regulations and institutional changes contribute to uncertainty and delays.

“The last programming highlighted some aspects that will need to be improved in the information system, in addition to the adaptations required by Reg. 2021/1060, as experience has shown that the more the processes are codified, the fewer the critical issues encountered in the various phases of implementation.” (quote from an interview log)

“The most relevant challenges in the implementation of the ERDF programme are the phases related to monitoring (quarterly sending of financial data and half-yearly of physical data) and management checks based on risk analysis. In particular, in these two phases in the 2021-27 programming, important innovations have been foreseen which must necessarily include changes in the processes.” (quote from an interview log)

The complex nature of climate tagging and compliance with EU regulations further complicates project selection, requiring coordination at both national and EU levels to ensure compliance.

“Challenge: A) climate tagging. So, here we have no doubts about the importance, we have no doubts, therefore, from the perspective of public policies, we have no doubts that this makes complete sense. The issue is the operationalisation mechanism, so the annex 1 regulation where these are referenced, well, in what conditions each of those intervention domains meets those application percentages, despite everything, leaves quite a considerable ambiguity. And so, at the national level, we have been insisting on this and now finally, at the national level, we are stabilising this. B) Another issue is the DNSH, the No Harm principle, which also, therefore, once again, we understand and subscribe to the logic, but now in practice, we know that there are several manuals from the European Commission with some, let's say, some examples of how this is done, but also now at the national level, we are developing some actions here to try to see afterwards in concrete terms, in the face of various typologies, how we will specifically confirm or assess compliance with these requirements.” (quote from an interview log)

In general, smaller countries report less implementation bottlenecks than larger and federal countries with different levels of governance and a higher number of regional programmes.

Several solutions address these challenges and improve implementation. Investments in staff knowledge and experience have been prioritised, with programme staff in the current period being notably more experienced than previously. Efforts are also made to improve the audit process. Comprehensive

measures address State aid issues. Beneficiaries are being informed and advised on State aid rules to navigate project selection effectively.

“The implementation of the 2014-2020 programme was a learning curve, both for the beneficiaries and for the Managing Authority. The institutional framework proposed for the 2021-2027 programming period is based on lessons learned, a decentralization of implementation and proximity to beneficiaries.” (quote from an interview log)

Several challenges entail **delays in programme implementation**. Designing calls for projects took an extended period. Regulatory changes, particularly the transition to new programmes, and State aid issues, especially for the JTF, further impede progress. For example, JTF state aid issues are delaying investments, as, for example, the steel industry implies large and complex investments and aids, which lead to state aid issues. Delays in the approval of the 2021-2027 CPR and other fund Regulations and the introduction of the RRF exacerbate the situation. Additionally, issues such as unresolved audit issues from the previous period and an increased competition to fund (national sources, CP and RRP), especially climate-related initiatives, pose further challenges to timely implementation. These delays underscore the need for proactive measures to address bottlenecks and ensure successful implementation of the 2021-2027 programmes. State aid regulations, i.e. also the related GBER rules, present challenges when being applied to concrete territories and cases.

“With regard to the staff capacity in all shared administrations (MA, AA, certifying body and in particular the Intermediate Body), the simultaneous imposition of completely new funding lines (REACT/CARE) in parallel with the preparation of the 2021-2027 programme and then the completion of the additional funds by REACT-EU at the last stage of the funding period parallel to the start of the new funding period were a particular challenge for the orphaning authority, but also for the other authorities involved (audit authority, certifying authority).” (quote from an interview log)

“Potential overburdening and delays due to the RRF (all is managed by the same ministry).” (quote from an interview log)

“The regional programme has only been approved in December 2022. Therefore, even though some of the calls have already been published, the majority of the calls will be released in 2024. And so this contracting process (ITI, NUTS 3) is now being concluded. We're expecting to sign these contracts in April 2024, so it's only after that that we'll be in a position to launch the notices. This concerns around 40% of the programme's allocation. Then we have another particularity, which is also a national particularity, that in addition to Community regulations, that a large part, not all, but a large part of the types of operations must be regulated via national regulation. This requires a lot of time”. quote from an interview log)

“JTF: State aid was a challenge as new rules and a new programme made it very difficult. It also led to considerable delays as currently one case is in the process with DG Competition for more than one year already. This is challenging. ERDF: The programme requires measures which appear not to be fully eligible according to the national and/or EU regulations, e.g. concerning planning costs or costs of environmental impact assessments. State aid in sparsely populated areas is a key challenge in the implementation as local preconditions concerning market conditions and regulations clash.” (quote from an interview log)

“Due to the prioritisation of the 2014-2020 funding period and the initial need to implement new regulations (climate impact assessment), funding applications could only be approved with a delay. However, we expect that we will be able to “catch up” with these delays over the course of the funding period as a whole.” (quote from an interview log)

Multi-level governance and the partnership principle are perceived as effective in programme design, facilitating collaboration, ensuring inclusivity and anchoring investments to local and regional needs. Despite some challenges, their contributions have been instrumental in the successful submission and implementation of programmes, highlighting their importance in cohesion policy. Partnerships foster trust and ensure that agreements are upheld, enhancing the effectiveness of investments. However, challenges exist, particularly in balancing multilevel governance processes with tight time horizons, as seen in JTF. Additionally, while multilevel governance is effective for mainstream programmes, it may pose challenges for transnational Interreg programmes due to the complexity of involving multiple countries and levels of governance. The combination of formal committees (of which the monitoring committee is the most prominent), working groups and informal networks foster coordination among instruments/funds linked to policies, facilitating seamless collaboration and resource allocation across sectors and regions. MAs mention examples of thematic working groups or multi-fund committees, in addition to the formal Monitoring Committees and partnerships, one MA mentions a *“National Code of Conduct regarding Partnership for the European Funds related to Cohesion Policy (which was elaborated based on the European Code of Conduct on Partnership)”*.

The design of programmes reflects a significant consideration of both national and regional policies. **Coherence** is ensured via the enabling conditions that facilitate synergies with national and regional policies, notably in island strategies and urban development plans. Coordination is evident in sectors such as education and health, where ministries incorporate regional needs into planning processes. Programme interventions are often closely intertwined with national programmes. There is room for improvement, especially with innovation and the economy, where regional interests may not be fully addressed. Climate-related national and regional policies are also fully integrated into the programmes. Strategies for environment, and the green transition are considered extensively, reflecting a comprehensive approach. However, new and ambitious requirements for JTF highlight the need for better

coordination at both EU and national levels, for example, between departments in charge of EU funds, economic development, innovation, environmental development, energy and climate transition, social issues and employment.

For the Interreg coordination with other mainstream ERDF programmes and other EU funding instruments is evident, e.g. with LIFE projects. Coordination with other Interreg programmes is key during implementation. Participating in pilot experiences, like the inter-programme mechanism for sustainable tourism with various Interreg programmes, ensures proactive engagement.

Despite challenges, the programmes are considered still very **relevant in addressing regional disparities and fostering economic development**. They address many emerging challenges, such as environmental sustainability and regional transformation and continue to be highly relevant to addressing current needs within territories. In some MSs efforts have been made to align with regional development guidelines, ensuring programming reflects policy direction. Moreover, there is a conscious effort to address past disparities, with a shift in focus towards previously neglected regions. JTF was specifically mentioned as addressing new challenges, emphasising not only a green but also a just transition. Some programmes apply a territorial perspective to POs 1 (smart) and 2 (green) primarily through mechanisms such as ITI and specific calls in Norte, Portugal. Territorial-based incentives are employed for small local investments under PO1, while environmental initiatives related to water, waste and energy efficiency are contracted with inter-municipal entities or allocated via regional quotas under PO2. Similarly, under PO4, initiatives promoting school success, social development and inclusion are contracted with municipal entities. Challenges remain, however, particularly regarding investments and state aid considerations in northern sparsely populated areas.

The interviewees underline the **added value of EU cohesion policy** in supporting long-term investment planning and fostering cooperation among regions. Participants acknowledge that without cohesion policy, national and regional governments would face significant challenges in pursuing cohesion and sectoral policy objectives. Many express concerns that without the EU funding, investments would have been centralised in more developed areas, leaving less affluent regions behind. This sentiment is particularly strong for regions in Greece, Latvia, Portugal, Croatia, Northern Sweden, France and Italy where local resources are insufficient for development. Moreover, cohesion policy enables innovation and risk-taking, providing a framework for addressing crucial issues such as the digital and green transitions. In some countries, the added value of cohesion policy to achieve green and digital transition goals is extremely high (e.g. Greece, Portugal). The consensus is that while the digital and green transition would still be supported to some extent without cohesion policy, its speed and scope would be significantly compromised. In terms of the green transition, EU funding provides crucial support that might be difficult to secure solely through national budgets. The same applies, albeit to a lesser extent, for the digital transition.

“As for the green there is definitely an added value because for the Minister of Finance it would have been very difficult to persuade about so much investment into Green Deal. For digital transition probably to a lesser extent because sooner or later businesses would have made the investments themselves. Maybe it has a greater value at the end of the general public as end users.” (quote from an interview log)

“The digital transition and even the green transition would not be supported with the same speed and even with the same dimension without cohesion policy.” (quote from an interview log)

“The transition would also have happened without EU funds, not at least because it was stipulated in Swedish policies already before the EU developed the focus on it. However, with the EU funds it goes much faster. Some investments in digital infrastructure in sparsely populated areas still depend on EU funding.” (quote from an interview log)

Cohesion policy, particularly through ERDF and JTF largely adopts a **place-based approach** in most of the interviewed Member States. While PO5.1 prioritises bottom-up approaches, other sectors integrate policies into regional contexts. ITIs aim to develop this approach further, albeit with challenges due to predefined typologies and indicators. The place-based approach in the EU-funded programmes provides significant added value compared to top-down or one-size-fits-all schemes. In Ireland, for example, it helps reinforce regional identities and fosters regional thinking, addressing issues like urban regeneration and local public services. Similarly, in Portugal, the approach is deemed essential, as it allows for tailored interventions that consider local and regional nuances, such as value chains and vocational education needs. The flexibility of this approach enables needs-oriented support and setting specific funding priorities based on regional specifics, which would be challenging with a centralised approach. In regions like Northern Sweden, with unique development needs due to sparse population, a place-based approach is seen as indispensable. Ultimately, the emphasis on local context and tailored solutions ensures more effective and sustainable development outcomes for territories across Europe.

3.2. Interviews to National coordination bodies and MA (second round)

National coordination bodies recognize that ERDF, Cohesion Fund, and JTF interventions significantly **complement national and regional priorities**, particularly in green and environmental projects like flood safety, wastewater management, green infrastructure, and biodiversity. These funds align with strategic priorities of national ministries and local governments, providing essential funding beyond national capabilities. In Slovakia, EU funds bolster public infrastructure investments, while in Lithuania, strategic management reforms enhance coherence

between EU funds and national objectives, supporting projects like green transformation and R&I initiatives. The Czech Republic's integrated planning process and Slovakia's introduction of ITIs further demonstrate the complementary nature of these funds, ensuring effective utilization of both EU and national resources for long-term development goals, driving regional transformation, and supporting sustainable development.

Mechanisms ensure the **European Semester process** influences Cohesion Policy programmes by taking into account Country-Specific Recommendations (CSRs) and the challenges identified in National Reform Programmes (NRPs) during the programme design phase. In the 2021-2027 period, the process is more structured with Annex D of the European Semester report providing specific guidance for Cohesion fund investment. Several MAs mention that CSRs and challenges identified in NRPs are embedded into the Partnership Agreement and programmes.

“Both in the preparation of the programme and in the modification of the programme, the recommendations are like a ‘guiding star’ for us, and it is easier to work then. It has really helped to focus the preparation of the programme itself and we take these recommendations very seriously, they are largely in line with the challenges that need to be addressed. However, there should be flexibility for negotiation with the Commission for countries to pose challenges and to address them.” (quote from an interview log)

The managing authorities' network helps improve proposals and align them with recommendations. The European Semester impacts implementation positively by aligning priorities with political cycles, aiding smooth planning, and focusing investments, thereby prioritizing projects. Some interviewees highlight that the common template of the European Semester report does not fully address specific regional challenges. Another challenge mentioned by one interviewee is that CSRs reflect necessary reforms and investments in a top-down approach, but do not consider capacity on the ground. So, it is sometimes difficult to consider them in bottom-up approaches in cohesion policy, without supportive action at another level (regional, national).

“The problem is also that country specific recommendations are not always met with absorption capacity. In such a case, it does not make sense to finance some components based on these recommendations when we know in advance that such a component will not be exhausted.” (quote from an interview log)

As acknowledged by the national coordination bodies, the programmes' objectives **remain relevant to addressing current regional disparities**. Territorial mechanisms are used that allow municipalities and regions to prioritize their funding needs, fostering a bottom-up development approach. Regional structures like Regional Development Agencies and Local Action Groups (LAGs) ensure effective implementation and evaluation of regional dimensions. However, regional disparities persist due to a lack of capable leadership. The place-based approach and territorial tools like ITI, CLLD, and sustainable urban planning add significant value by empowering regions to address specific needs, fostering cooperation and

strategic development. Despite challenges such as the need for stronger legislative support and better long-term project selection, the participatory process of these programmes ensures they address unique regional challenges, making them valuable tools for regional development across countries like Slovenia, Slovakia, Lithuania, and Poland.

Most coordination bodies are of the opinion that the EU funding through the ERDF, CF, and JTF significantly **supports the twin digital and green transition**. These funds are often the only resources available for such large-scale projects, stimulating municipal actions constrained by local budgets. The JTF, in particular, is crucial for regions transitioning from carbon-intensive industries, providing essential additional resources that ERDF and CF alone couldn't cover. However, there are concerns about the EU's pan-European directives not fully accounting for regional specifics, such as the need for nuclear energy in landlocked countries like the Czech Republic. Additionally, while these funds add value, the overlap of green and digital transition objectives presents challenges, especially in terms of energy sufficiency and the sustainability of the battery chain. Overall, while EU funds are invaluable, a more tailored approach and continuous long-term support are needed to address regional needs effectively.

3.3. Interviews to JTF stakeholders

The JTF stakeholders believe the territorial plans significantly **contribute to the EU's 2030 energy and climate targets and a climate-neutral economy by addressing local challenges** with targeted budgets. The plans incorporate the Do No Significant Harm (DNSH) principle, ensuring environmental preservation, and support green technology development, such as pyrolysis, Carbon Storage, and Power-to-X. Investments focus on industrial reconversion, hydrogen projects, and workforce reskilling. Despite their positive impact, additional financing and support are necessary for a comprehensive transition. The JTF and associated territorial plans address key challenges but have mixed success across various areas. They align with national and regional strategies, effectively supporting industrial reconversion and preserving cultural identity. However, they fall short in covering critical human dimensions like housing, health, well-being, and urban mobility, essential for post-transition quality of life. These gaps are then filled by other funds.

Implementation progress varies, with regions showing significant engagement, especially among SMEs. Governance includes local groups to ensure transparency and alignment with local needs. Regions like North and South Jutland in Denmark focus on training and technology development, such as carbon capture and power-to-X, while energy projects face subsidy limitations, as seen in North Ostrobothnia, Finland. The OP JTF employs strategic projects, thematic calls, and umbrella projects but needs foundational development before advanced interventions. Overall progress in implementing JTF measures is assessed as good, with most operations underway. Initial challenges, such as business measures affected by economic downturns and complex application processes, are being gradually

improved. However, some countries report persisting issues due to insufficient capacity of implementing agencies (Estonia) and complex state aid rules (the Netherlands). Despite these hurdles, the target regions have shown significant engagement, and project implementation is advancing, particularly in green technology development. While the JTF has limitations and requires adaptation, it effectively stimulates regional transformation, advancing energy efficiency and climate responsibility. Continuous efforts are needed to maintain momentum and achieve the desired outcomes.

One interviewee highlighted the need to put more efforts on dissemination and communication related to JTF:

“Research conducted in our County revealed that young people and entrepreneurs were almost entirely unaware of the need for transitioning to a low-emissions economy, the reasons behind the transition, and its consequences. This indicates a significant lack of information in the area. Moving forward, there should be an emphasis on communication and promotion of JTF interventions through local campaigns and information-dissemination. This effort should also leverage the programme's website by developing a user-friendly interface to enhance accessibility and understanding.” (quote from an interview log)

Indicators seem to be a challenge in some countries.

“The most critical challenge is related to indicators, specifically in defining the milestone objectives for 2025. The indicators are quite ambitious.” (quote from an interview log)

The JTF stakeholders think that **place-based approach** adds significant value by facilitating stakeholder involvement and creating tailored plans based on local realities. This customization ensures relevance and effectiveness, as seen in Estonia's specific targeting of Ida-Viru County and the Netherlands' alignment with local transition challenges. However, the rigid regional boundaries and lack of flexibility can pose challenges. For instance, Estonia struggled to adapt national strategies to the NUTS3 level. While the bottom-up planning and stakeholder engagement, as highlighted in North Jutland, Denmark and Slovenia, promote better alignment with regional needs, there are concerns about the adequacy of communication and promotion, as noted in Galati County, Romania. Overall, the JTF's flexibility and focus on local needs enhance its impact, making it a revolutionary step in regional development.

3.4. Interviews to Monitoring Committee members

In the view of the representatives of Monitoring Committee members for other organisations, ERDF, Cohesion Fund, and JTF interventions significantly **complement national and regional policy actions** by aligning with EU guidelines and national development documents. In Estonia, these funds are vital for implementing national plans, such as the RDI and Entrepreneurship Strategy,

supporting infrastructure projects, and worker retraining initiatives, despite concerns about resource allocation. These funds contribute to various sectors, including innovation, biodiversity, energy, and education, and are crucial for municipal infrastructure development. However, challenges such as the need for stronger place-based approaches and coordination with local levels persist. Nonetheless, these funds enable broader, more ambitious projects than national resources alone could support.

Some interviewees also see that programmes meet the **basic needs of EU citizens** by fostering development. For example, Slovenia's Ekosklad national programme supports energy-poor households in home renovations.

"In the energy sector, we have incentives through the Ekosklad (national eco fund). Energy-poor households, persons who are recipients of social assistance, can receive support for energy renovation of their homes to make them less energy-intensive. There are undoubtedly benefits, but it depends on the individual measure and the target groups as envisaged by the programme." (quote from an interview log)

Funded projects are mentioned that impact employment, poverty prevention, education and health promotion. Programmes address emerging challenges like economic, social, environmental, technological, and territorial issues. Though demographic challenges are not directly addressed, activities in less developed areas help indirectly. Despite some inertia, programmes effectively support regional resilience, competence development, and innovation.

Representatives of other authorities and organisations think that Cohesion Policy programmes effectively integrate territorial needs by prioritizing regions with significant disparities. While regional needs often drive programme design, some interventions are seen primarily as funding opportunities rather than solutions for specific regional challenges. The **place-based approach**, including ITIs and CLLD, helps reducing regional differences. However, success depends on coordinated national strategies and additional resources beyond EU funds. Overall, these programmes are relevant and beneficial for addressing current regional disparities, though continuous improvements and support are necessary.

One interview from Denmark indicates that simplification of the programme architecture has led to a very lean structure without regional partnerships, hampering the territorial value of the programme interventions.

"With the current programme period, there are no longer regional partnerships in place to implement the funds. Previously, regional strategies were in place, and the regional partnerships were responsible for distributing the funds to implement the strategies. Fewer stakeholders are involved in implementing the funds, which is problematic. The awareness of the funds to stakeholders and the public is reduced with the centralisation of the funds." (quote from an interview log)

3.5. Interviews to Experts

Towards the end of the study, six final interviews were conducted with EU cohesion policy experts and representatives of topics that needed further clarification and input. These interviews aimed to fill in specific information gaps, e.g. relating to the JTF, to the consideration and inclusion of vulnerable groups (Roma) within ERDF programmes, to urban issues, but also to discuss preliminary conclusions of the study with cohesion policy experts.

The interview results were fed into the elaboration of the final report.

Seminar

The seminar took place at Novotel Brussels City Centre on June 12, 2024, with nearly 46 in-person participants, from 17 Member States, and over 106 joining online.

Findings from the discussion tables

Objectives

The **objectives of the seminar** were to share the preliminary findings of the study with participants and, during the World Café session with programme authorities and experts, discuss challenges and issues experienced in the initial phase of programme implementation, lessons learnt and solutions.

Seminar running

The seminar was partially held in a hybrid format. In the **first morning session** (in hybrid mode), the study team provided an overview of the study methodology and tasks, the progress of activities and preliminary findings from document analysis, investment analysis and interviews, focusing on all Policy Objectives and all analysed funds (ERDF, CF, JTF, and Interreg). The presentation was followed by a Q&A session, during which participants engaged with the study team and Commission representatives.

The last part of the first session focused on in-person participants as a set-up for the following activities, i.e. the World Café sessions. Participants, including representatives from the Commission Interservice Group, were divided into four groups each of around ten representatives from various programme authorities and experts. To facilitate a fruitful exchange, the discussions were organised using the World Café format and divided into three 1-hour rounds of discussion. Each round focused on themes (key areas) covered by the study, which the four groups discussed simultaneously:

- Round 1: Cluster 1 'Policies and Strategic Integration'

Key areas:

- Coherence with other funds, and EU Semester.
- Horizontal priorities and principles
- EU added value
- Twin transition.

- Round 2: Cluster 2 'Management and Administrative Capacity'

Key areas:

- Novelties compared to the previous period
- Simplification measures
- Enabling conditions
- Early implementation
- Administrative capacity.

- Round 3: Cluster 3 'Territorial and Social Dimension'

Key areas:

- Territorial needs and tools
- Regional disparities
- Social and health dimensions
- Emerging challenges (inc. demography)
- JTF
- Interreg.

Programme authorities were asked to reflect on initial challenges in programme implementation and share practices/solutions to overcome them. Each group was moderated by two facilitators, which helped participants keep the discussion engaged and identify key points to write on pre-prepared flipcharts. Within each round, the discussions lasted around 45 minutes, after which each group presented the discussion results to all attendees.

Discussion in the three World Café rounds

Cluster 1 'Policies and Strategic Integration'

GROUP 1

Almost all the topics were addressed during the discussion. In the first key area, Coherence with other funds, and the EU Semester, the main difficulty was aligning programme implementation with the original plan, as implementing synergies between funds was more challenging than expected. Among the solutions to this challenge, members of group 1 pointed out that guidelines from DG REGIO on

demarcation could be useful and greater coordination between agencies could also have a positive impact. For horizontal principles, a recurring issue was compliance with DNSH. To prevent this issue from becoming a significant time drain for programme authorities, it was suggested that topics/areas where DNSH is essential could be grouped and prioritised.

Another topic extensively addressed by Group 1 was EU-added value, which highlighted a lack of administrative capacity for local actors, requiring training and development opportunities.

GROUP 2

One priority was the key area 'Coherence with other funds and the EU Semester'. One issue was overlapping or even partial contradiction between different funds and the difficulty of managing synergies, also leading to potential confusion among beneficiaries. The main solution was to make the demarcation between ESI and other funds more evident as well as clear and visible eligibility rules for all funds. Horizontal principles were reflected in relation to their relevance, in particular translation into selection criteria and a risk of simply fulfilling a formality. In relation to EU added value, potentially negative aspects related to crowding-out of national funding (e.g. for social policies). Furthermore a critical challenge of JTF highlighted that regions which already suffer from a lack of capacity are also less likely to be able to develop projects for capacity building.

Regarding the twin transition, the most challenging aspects were the very short time for JTF implementation, burdensome rules (in particular DNSH) and the lack of basic skills.

GROUP 3

The table focused on 'Coherence with other funds and the EU semester' and 'Horizontal priorities and principles'. For the first there is a recurrent lack of capacity at beneficiary level (e.g. local authorities) to deal with projects that different sources can potentially fund. One solution was to highlight the specificity of each fund/programme and increase communication on the focus of calls. In addition, only one website ('one-stop shop') with all the information on funding opportunities simplifies the information search for beneficiaries. Promoting harmonised project selection criteria across funds to reduce the burden on beneficiaries and reduces conflicts in choosing funding sources.

Regarding the Horizontal principles, as for other groups, a major difficulty was applying DNSH, which requires different expertise than normal for programme authorities.

GROUP 4

Group 4 focused on 'Coherence with other funds and the EU semester'. A major point, which also emerged later in other clusters, is the lack of alignment between the European Semester framework (e.g. CSRs and other European Semester documents) and the specific needs of regions with a lack of territorial dimension (there is no bottom-up approach to involve LRAs in the European Semester process for collecting needs and defining territorial priorities). A solution was greater coordination between managing authorities and the EC. Related to this divergence, the group pointed out that national rules often conflict with European ones and vice versa. It was also highlighted that different funds respond to different regulatory frameworks, and sometimes differ in terms of implementation. This includes State aid, where Cohesion policy funds have different rules than national legislation, which implies malfunctioning in applying State aid rules.

Alignment of the EU regulatory framework on the twin transition emerged as a problem. A participant pointed out that DG REGIO and DG COMP approved different rules for State aid two years apart. This led to a delay in project implementation.

For the 'horizontal priorities and principles', participants highlighted problems with enabling conditions which do not take into account territorial specificities.

Participants touched on 'EU added value' briefly. Participants remarked that a significant EU added value is the improvement of administrative capacity for officers working with EU funds, at regional and national level. Working with EU funds is perceived as a 'training ground' to improve expertise and skills, both administrative and content. This contributes to a more robust and efficient public administration in all Member States with a positive spillover for other work with regional and national funds.

Cluster 2 'Management and Administrative Capacity'

GROUP 1

In the second cluster focused on 'Management and Administrative Capacity,' the first group highlighted that, for almost all key areas, a major challenge was administrative capacity. Solutions included increased education and training on new topics for programme authorities, as well as improved communication with beneficiaries.

Even tools that should simplify, such as SCOs, are perceived as very time-consuming, which often overshadows their simplifying goal. Solutions were to develop different methodologies for the types of interventions related to SCOs and

new networks between programme authorities to share and compare SCO practices and solutions.

GROUP 2

Group 2 highlighted how often novelties have a complicated structure that contradicts the objective of simplification. This and related gold plating by both the EC and Member States in implementation mean simplification tools often do not appear as such to programme authorities. A number of challenges relate to strict audit procedures, which are even more complex for simplification measures, one solution was to involve other actors, such as auditors in the selection and implementation of programmes. This can ensure better integration in their development and new procedural aspects associated with them.

Enabling conditions were discussed as an additional burden as they are not place based, thus even if not all conditions are equally relevant for all Member States and all programmes, they have to be met and documented regardless. This can negatively impact implementation. Furthermore, difficulties for early implementation were identified in the priority given to RRF. As similar authorities were tasked with implementing a multitude of funds, such prioritisation resulted in staff shortages. For smaller/local authorities this was particularly pronounced.

Together with the challenge of closing the previous programming period, a lack of administrative capacity and resources for authorities is apparent. The solutions refer to limiting staff turnover in small structures and greater support from the Commission regarding capacity exchange.

GROUP 3

Among the novelties that require more interpretation, group three highlighted DNSH, which often has a questionable methodology, the Seal of Excellence, which has not proven easier to implement compared to the 2014-2020 period, and the New European Bauhaus. The need for greater flexibility in using these otherwise cumbersome tools was emphasised. Even with simplification tools, problems related to the approval of SCOs at EU level and by audit authorities with potential delays in their implementation.

For the enabling conditions, participants highlighted how these were often referred to as national legislation and priorities, which are difficult to apply at the level of programmes and operation selection.

For early implementation, delays were often due to a three-year overlap between closing 2014-2020 and starting 2021-2027 programmes, the COVID-19 pandemic and the war in Ukraine. These delay-related issues could be partially resolved

through the prioritisation of new programmes. Another aspect was the lack of administrative capacity.

GROUP 4

For 'Management and administrative capacity', under 'Novelties compared to the previous period', participants highlighted that it is difficult to understand the regulatory framework covering the new instruments, especially DNSH. For authorities, it is hard to adjust their work to new EU rules and regulations which are often interpretable and require more time than they have. Some solutions are: new and more precise guidelines from the EC to avoid national authorities misinterpreting the new rules, strengthening administrative capacity for programme authorities, avoid outsourcing tasks, and developing skills and capacity within the organisation, with more reactivity and responsiveness from the EC.

For 'Simplification measures' SCOs are often perceived not as a simplification tool, but as an administrative burden. These new instruments require expertise and skills that are not always found in programme authorities. They require time and training to develop the necessary skills. The regulatory framework is also complex. The ultimate risk is not obtaining the reimbursing grants and the repayable assistance.

Another point, under 'Early implementation' key area, is the concurrent crises (COVID-19, war in Ukraine, war in Gaza) that exacerbated programming delay, causing delays in implementation as well. It was noted that RRF follows simpler rules for project implementation, and the regulatory framework is not as strict as for CPR funds. Some participants said that they are reprogramming their milestones. All agreed the CPR regulation should be approved much more in advance.

Concerning 'Administrative capacity', participants reiterated that outsourcing is not always the solution because consultants are aware of the new regulations but are not always able to fit them into the national or administrative context. Staff in programme authorities should be trained to develop skills and expertise, and it is pivotal to provide a platform to exchange expertise among EU programme authorities. The audit authority should be involved in such training and exchanges of experiences, so they are aware of the implementation difficulties, as well as potential solutions to face them.

Cluster 3 'Territorial and Social Dimension'

GROUP 1

Addressing territorial needs, depends highly on the capacity of local actors to implement specific territorial tools such as ITI. It worth noting that budgets allocated to Interreg – addressing cross-border needs – have decreased. A solution could be

to promote a change in the calculation method to determine the financial contribution allowed to territories. Implementation of roadmaps to support local actors is also required. Beyond the demographic issues, a shortage of energy and raw materials is a growing challenge for some territories. The group pointed out that State aid rules in traditional sectors (such as steel and coal) limit the scope of JTF.

GROUP 2

The second group addressed all the main topics of Cluster 3, emphasising regional disparities, which remain pronounced, especially regional differences in human resources and varied capacity to exploit regional potential. There is a particular need for place-based policies that are more locally centred and constructed. Analyses of such regional potential is limited, and ambitious target setting is rare. One solution could be improved regional analyses, particularly Territorial Impact Assessment and other ESPON and EC analysis tools.

For emerging challenges, higher targets for digitalisation risks focusing priorities on digital solutions even in areas and territories where not all basic needs are yet fulfilled. The double challenge of underdeveloped regions seeing both slower economic development and out-migration at the same time is likely to further exacerbate differences between more and less developed regions. One solution is differentiated support even at sub-national level.

For the JTF, addressing lack of capacity in regions which cannot make full use of JTF opportunities was identified. Potential overlaps with existing national funding was discussed by the participants. One solution was to develop special technical assistance for JTF regions focusing on synergies and demarcation between national and EU funding sources.

GROUP 3

For Group 3, the most discussed area was 'Territorial needs and tools,' highlighting, although without finding potential solutions, how ITI can often be difficult to understand for municipalities, challenging to manage for smaller administrative bodies and seem complicated to create synergies among funds/ programmes. Another area was the shift in the indicator system in 2021-2027 for Interreg programmes, with current indicators being much broader and generic, making it difficult to capture actual outputs and results, as well as the territorial impact of such programmes. To mitigate this, the group suggested 'in-between' indicators developed by programmes. In addition, macroregional strategies were mentioned as a potential 'tool' to monitor the long-term impact of Interreg, as such strategies can bring together multiple programmes working in the same area.

GROUP 4

The debate about cluster 3 'territorial and social dimension' touched on different topics.

For territorial needs and tools, the geopolitical scenario strongly influences territorial needs and programme implementation, especially in Member States bordering Russia, Ukraine and Belarus. The territorial needs have changed and Interreg (formerly ENI) programmes with these countries have stopped. This also impacts improvement of economic and social conditions for people in those areas.

Under the 'Social and health dimension', participants highlighted flexibility measures introduced to address difficulties from the COVID-19 crisis and described them as positive, as well as the STEPS regulation.

The most quoted territorial instruments are ITIs, which can be useful to address difficulties and needs in multiple sectors at the same time, thanks to the use of different funds.

Participants highlighted that JTF is new, and as mentioned above, this requires new expertise and skills.

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