Briefing

How the EU budget is spent

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European Parliament

European Regional Development Fund

In a nutshell

The European Regional Development Fund (ERDF) is one of the European Structural and Investment (ESI) Funds. It has the largest budget – 43.2 % of the total allocation for the ESI Funds – and wide-ranging investment priorities. Its action focuses on the development and structural adjustment of regions whose development is lagging behind. About 95 % of ERDF resources is spent on investment for growth and jobs. The remaining 5 % supports European territorial cooperation programmes (formerly known as Interreg).

EU's Multiannual Financial Framework (MFF) heading and policy area

Heading 1b (Smart and Inclusive Growth) – Economic, Social and Territorial Cohesion

2014-20 financial envelope (in current prices and as % of total MFF)

Commitments: €196 343.5 million (18.06 %)

2015 budget (in current prices and as % of total EU budget)

Commitments: €34 159.1 million (21.05 %)
Payments: €27 371.7 million (19.37 %)

2016 budget (in current prices and as % of total EU budget)

Commitments: €26 861.4 million (17.34 %)
Payments: €28 953.4 million (20.04 %)

Methods of implementation

Shared management (European Commission and Member States).

In this briefing:

- EU role in the policy area: legal basis
- Objectives and investment priorities
- The ERDF financial allocation
- Assessment of the ERDF
- Other EU programmes and action in the same field
- The European Parliament's role

EPRS | European Parliamentary Research Service
Author: Magdalena Sapała
Members' Research Service
PE 589.825

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EU role in the policy area: legal basis

The European Regional Development Fund (ERDF) is the largest of five European Structural and Investment Funds, which are the European Union's financial support for economic, social and territorial cohesion (Figure 1). The ERDF's task, as specified in Article 176 of the Treaty on the Functioning of the EU, is to redress the main regional imbalances in the Union through investments in the development and structural adjustment of regions whose development is lagging behind. Moreover, the fund should support the conversion of declining industrial regions.

Figure 1 – The European Structural and Investment Funds

The goal of the ERDF has remained almost the same since the fund was created in 1975. Over its 40 years of operation, however, the management modes and the types of co-financed investment have changed to reflect cohesion policy reforms.[1] Recently, the fund has become one of the financial means to achieve the common EU goals defined in, first, the Lisbon strategy and then in the Europe 2020 strategy. As a result, the ERDF's priorities have shifted from 'hard' infrastructure to investment in innovation, the digital agenda, R&D, ICT, the low-carbon economy and the competitiveness of SMEs.

Implementation of the ERDF is based on three regulations, which were adopted in 2013 under the ordinary legislative procedure accompanying the negotiations on the Multiannual Financial Framework (MFF) for 2014-2020:

- Regulation (EU) No 1303/2013 laying down common provisions on the European Structural and Investment Funds (the Common Provisions Regulation, CPR),
- Regulation (EU) No 1301/2013 laying down the ERDF-specific rules (the ERDF regulation), and
- Regulation (EU) No 1299/2013 on specific provisions for ERDF support for the European territorial cooperation goal (the ETC regulation).

As illustrated in Table 2, each of the regulations sets out different aspects of the functioning of the ERDF. The Common Provisions Regulation has an overarching character and integrates the ERDF into the same legal framework with the other ESI Funds.[2] The ERDF-specific regulation defines the tasks of the fund, scope and type of co-financed investments as well as some other detailed aspects of the management of the fund. The ECT regulation applies to cooperation programmes co-financed by the ERDF, formerly known as the Interreg Programme. Therefore, the regulation on European groupings of territorial cooperation (EGTC) (Regulation (EU) No 1302/2013) can be also considered partly relevant to the implementation of the ERDF.

As is the case with the other ESI funds, ERDF implementation is based on the programming documents: the EU's Common Strategic Framework, the national Partnership Agreements and national, regional or interregional operational programmes.

Objectives and investment priorities

According to Article 89 of the CPR, the ERDF shall contribute to the achievement of two main goals: investment for growth and jobs (together with the ESF and the Cohesion Fund), and European territorial cooperation.

Table 2 – Legal framework of the ERDF in the 2014-2020 period

	Content of the CPR	Content of the ERDF regulation	Content of the ETC regulation
Definitions	●		
General principles	●		
Strategic approach, thematic concentration and scope of intervention	●	●	●
Programming	●		●
Financial instruments	●		
Ex ante conditionalities	●		
Performance review	●		
Link to sound economic governance	●		
Community-led local development and territorial development (including urban development)	●	●	●
Monitoring, evaluation and indicators	●	●	●
Rules of support (including co-financing, revenue generation, eligibility and simplified costs)	●		●
Technical assistance	●		●
Management and control	●		●
Financial management	●		●
Missions, geographical coverage and resources	●	●	●
Information and communication	●		
Implementing, transitional and final provisions	●	●	●

Data source: Own compilation based on European Structural and Investment Funds 2014-2020: official texts and commentaries, European Commission, 2015.

About 95 % of the ERDF allocation is spent under 'the investment for growth and jobs' goal. The assistance is addressed to three categories of region delimited on the basis of their GDP per capita (Article 90 of the CPR):[3]

- **Less-developed regions**, with GDP per capita of less than 75 % of the EU27 average (72 regions);
- **Transition regions**, with GDP per capita of between 75 and 90 % of the EU27 average (51 regions);
- **More developed regions**, with GDP per capita of more than 90 % of the EU27 average (151 regions).

Roughly 5 % (€9.24 billion) of the ERDF allocation is spent on the European territorial cooperation (ETC) goal. This supports cross-border, transnational and interregional co-operation programmes. Here the ERDF is often combined with programmes under the European Neighbourhood Instrument and the Instrument for Pre-Accession Assistance.[4]

Table 3 – Minimum thematic concentration of ERDF allocation at Member State level

Category of region / **Thematic Objectives**	**Less developed regions**	**Transition regions**	**More developed regions**
Allocation to at least two of the following TOs: TO 1: Strengthening research, technological development and innovation TO 2: Enhancing access to, and use and quality of, ICT TO 3: Enhancing the competitiveness of SMEs TO 4: Supporting the shift towards a low-carbon economy in all sectors	50 %	60 %	80 %
And allocation to: TO 4: Supporting the shift towards a low-carbon economy in all sectors	12 %	15 %	20 %

Data source: Own compilation based on Article 4 of the Regulation (EU) No 1301/2013.

Thematic concentration and investment priorities

The ERDF supports all 11 thematic objectives (TO) set out in Article 9 of the CPR. However, in order to provide ERDF investment with more focus, Article 4 of the ERDF Regulation requires minimum financial allocations be earmarked for four selected thematic objectives in different types of region. For each category of region a minimum share of national ERDF resources must be allocated to two or more of TOs 1 to 4 and a minimum share to TO 4 (see Table 3). Member States are free to choose the proportion of ERDF resources they allocate to the remaining seven thematic objectives.

In addition, to be eligible for the ERDF co-financing an investment must fall within **the scope of the activities** listed in Article 3 of the ERDF Regulation (see Box 4) and contribute to the dozens of **investment priorities** outlined in Article 5 of the ERDF Regulation.

Box 4 – Scope of activities supported by the ERDF (Article 3 of the ERDF Regulation)

'(a) productive investment which contributes to creating and safeguarding sustainable jobs, through direct aid for investment in SMEs;
(b) productive investment, irrespective of the size of the enterprise concerned, which contributes to the investment in research, technology, innovation and a shift towards low-carbon economy as well as where that investment involves cooperation between large enterprises and SMEs in the area of ICT;
(c) investment in infrastructure providing basic services to citizens in the areas of energy, environment, transport and ICT;
(d) investment in social, health, research, innovation, business and educational infrastructure;
(e) investment in the development of endogenous potential through fixed investment in equipment and small-scale infrastructure, including small-scale cultural and sustainable tourism infrastructure, services to enterprises, support to research and innovation bodies and investment in technology and applied research in enterprises;
(f) networking, cooperation and exchange of experience between competent regional, local, urban and other public authorities, economic and social partners and relevant bodies representing civil society, studies, preparatory actions and capacity-building.'

Under the European territorial cooperation goal the ERDF may also support the sharing of facilities and human resources, and all types of infrastructure across borders in all regions.

Moreover, the ERDF Regulation in Article 3(3) specifies activities that cannot be supported by the ERDF, including investment in nuclear power stations, the manufacturing, processing and marketing of tobacco, or airport infrastructure (unless related to environmental protection).

As seen from the above, ERDF action is specified in detail and aligned with the goals of the Europe 2020 strategy. At the same time, however, this specification offers a broad range of investment options for the regions eligible. The first studies of the operational programmes adopted show that in the majority of the Member States the ERDF has been spread over all 11 TOs. However, on account of the minimum thematic concentration rule, more than half of its resources will co-finance investment in research and innovation, competitiveness of SMEs and the low-carbon economy (Figure 5). At the same time, in comparison with the 2007-2013 period, the ERDF investment in the network infrastructure, even in the less developed regions, is decreasing.[5]

Figure 5 – ERDF allocation by thematic objective 1-4

Data source: European Commission, ESIF Open Data Portal, 2016.

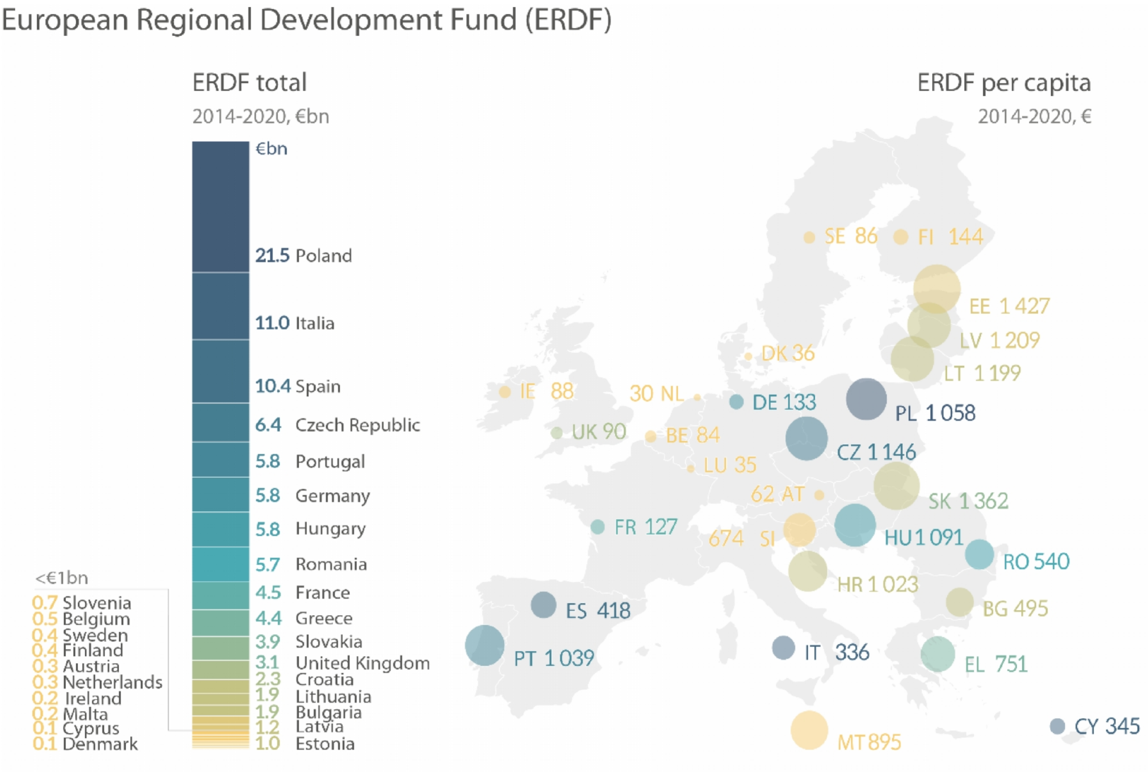
The ERDF financial allocation

The ERDF has the biggest budget of all the ESI funds. Since the cohesion policy reform in 1988, ERDF resources have increased steadily on account of the EU enlargements and a growing need for investment in the poorest regions. The ERDF budget for the 2014-2020 period amounts to €196 billion, this is 43.2 % of the total allocation for the ESI Funds and more than 18 % of the total MFF.

The ERDF is delivered mostly in form of non-refundable grants, but a growing share is implemented via financial instruments. In accordance with the additionality principle, the programmes' costs are not fully covered by the ERDF, but require a national contribution. Co-financing rates are determined by the type of eligible region and the GDP per capita of a given Member State (Article 120 of the CPR). Therefore, ERDF maximum support for action under the 'Investment for growth and jobs' goal may differ from 50 % to 85 %.[6] The co-financing rate under the 'European territorial cooperation' goal cannot be higher than 85 %. In some Member States suffering from budgetary difficulties these principal limitations were temporarily lifted by 10 % in accordance with Article 24 CPR.[7]

The ERDF Regulation pays particular attention to areas with specific features, such as island, mountainous or sparsely populated regions, and to the outermost regions. On account of the considerable challenges that these regions have to meet, the rules for minimum thematic concentration, the types of eligible investment and the co-financing rates are modulated and more flexible for them (Article 121 of the CPR and Articles 10 to 12 of the ERDF Regulation). For instance, in the outermost regions the ERDF can support productive investment in enterprises irrespective of their size.

Map 6 – The ERDF allocation per Member State and per capita (2014-2020)



Sources: European Commission EPRS | European Parliamentary Research Service

All in all, the ERDF allocation for each Member State is based on complex rules and many restrictions. Map 6 shows the distribution of ERDF in 2014-2020. The biggest ERDF

recipient is Poland, with an allocation twice as big as the second on the list, Italy. Estonia and Slovakia receive the highest ERDF support per capita, however.

Among the ERDF beneficiaries, cities and urban areas are growing in importance. The Member States are obliged to earmark 5 % of the ERDF allocation for sustainable urban development (Articles 7 and 8 of the ERDF Regulation). The deployment of the resources is decided and directed by urban authorities supported by the Urban Development Network (with national and regional authorities involved). In addition to this, €371 million of the ERDF allocation has been set aside for urban innovative actions managed by the European Commission.

Box 7 – Main characteristics of the ERDF

- The ERDF is the largest ESI Fund and is available for all Member States.
- Eligibility criteria are measured at the regional level.
- The fund co-finances projects in all types of region – less and more developed regions and transition regions – and also funds interregional cooperation.
- Operational programmes co-financed by the ERDF can be drawn up at regional, national or interregional level.
- Recently, the scope of ERDF interventions has shifted visibly from infrastructure to investment in research, ICT, SMEs and the low-carbon economy.
- Infrastructure is still an important spending area in less developed regions.
- Support for cities and urban development are important priorities for ERDF expenditure.

Assessment of the ERDF

The ERDF has been operating for more than 40 years. Multiple objectives, types of investment and beneficiaries in all EU Member States have been supported by the fund over this period. Its effects are spread throughout the EU territory, documented and analysed in numerous evaluations conducted at local, regional, national and EU levels. A sizeable collection of evaluations, covering the years from 1989 to 2013, is available on a dedicated European Commission website and a summary of ERDF achievements up to 2012 is included in the Sixth Cohesion Report.[8] Moreover, the European Court of Auditors has conducted several, dedicated audits of ERDF interventions, and the European Parliament has initiated several relevant studies.[9]

Nevertheless, as is the case for EU cohesion policy in general, when presenting assessments and evaluations of the ERDF, it is important not to overlook the challenges and limitations of the task. These have been discussed extensively in the literature and evaluation reports, and were addressed in part in the reform of the 2014-2020 programming period.[10] In the previous programming periods the monitoring and evaluation framework was less rigorous than it is now. Therefore, also the analysis of results covering the ERDF spending up to 2013 is fragmented and based on incomplete and incoherent data. Moreover, the long implementation period of the programmes under cohesion policy implies the delays of visible and countable results.

In addition to this, since 2007 the results of the fund's interventions in infrastructure have usually been presented jointly with the Cohesion Fund. What is more, data concerning investment is usually broken down by category of region supported or by policy objective and not by fund. It is therefore difficult or impossible to isolate the information concerning individual fund performance or compare interventions from different financial periods.

Given these limitations, as well as the multitude of sectors and areas in which the ERDF intervenes, only part of the overall picture can be presented here. The remainder of this briefing gives an overview of ERDF spending in the 2007-2013 programming period with a focus on support for SMEs and on financial instruments as a means of delivering the ERDF. For an overview of the results of ERDF investment in the transport, environment and energy sectors please refer to the EPRS briefing on the Cohesion Fund.[11]

Ex-post evaluation of the ERDF 2007-2013

Over the 2007-2013 period the total ERDF allocation of €200 billion was divided between convergence regions (80 %), competitiveness regions[12] (16 %) and European territorial cooperation programmes (4 %). Together, the ERDF and the Cohesion Fund contribution (€70 billion) accounted for a substantial proportion of public investment in the Member States, especially in the poorest regions of the EU. For instance, in Hungary the support provided from the two funds amounted to 57 % of government capital expenditure. In Poland this proportion amounted to 41 %. As a result, public investment in some Member States has become heavily dependent on co-financing from the ERDF (and the Cohesion Fund).[13]

The ERDF (and Cohesion Fund) contributed to projects covering 17 different sectors, including in transport infrastructure (31 % of resources), enterprise support, RTD, ICT and innovation (26 %), environmental infrastructure (16 %), culture and social infrastructure (9.3 %) and energy (4 %). The intensity of the support differed between the convergence and competitiveness regions, with more emphasis on infrastructure in former and on research and innovation in the latter.[14]

According to the Sixth Cohesion Report, between 2007 and 2012 ERDF investments resulted in creation of nearly 600 000 jobs, equivalent to almost 20 % of the estimated job losses caused in the same period by the financial crisis. Thanks to the investments broadband coverage was provided for 5 million people and 5.5 million people were connected to waste water treatment. Furthermore, recent evaluations show that the ERDF together with the Cohesion Fund has made a significant contribution to the completion of the trans-European transport network (TEN-T) as well as to the internal transport networks of individual Member States.[15]

Support for research and innovation in SMEs, research centres and universities

SMEs were major ERDF beneficiaries. While support for large firms is very limited in the current programming period, SMEs can be supported across all thematic objectives and by all the ESI Funds.[16] The ERDF co-finances projects whereby the SMEs develop their inherent potential and competitiveness, by means of productive investments, infrastructural investments, and also networking and technical assistance.

As far as the 2007-2013 period is concerned, it is estimated that about 16 % of total ERDF allocations flowed to 400 000 individual businesses all over the EU. The co-financed projects focused on technology transfer, support services for direct investment, RTD, new technology and assistance for start-ups. The most common form of support involved grants, i.e. non-repayable financial assistance, but financial instruments have gained in importance.[17]

As a result, it is estimated that ERDF support was responsible for at least 121 400 new businesses and at least 322 100 new full-time equivalent jobs in SMEs up until 2014. One of the most important outcomes of ERDF support was that it helped SMEs withstand the impact of the crisis, and increase turnover, profitability and exports. Moreover, in a

number of cases, ERDF support led to behavioural changes among owners and managers, leading for example to a greater tendency to install advanced equipment as well as to take risks and to innovate. Although they cannot be measured in immediate economic results, these changes may prove powerful in the long run.[18]

Alongside the positive effects of the ERDF interventions, the above-mentioned evaluations pointed at several aspects that needed to be improved. For example, it has been recommended that ERDF co-financed operational programmes should be more deeply embedded in theories of change and in the local context. Furthermore, in order to take advantage of the full potential offered by the ERDF, the managing authorities should take more risks and be more experimental and innovative in their choice of instruments, forms of intervention and actions.

About 6 % of ERDF resources supported innovation and RTD in research centres and universities, especially in the convergence regions. This funding can be seen as compensation for the 7th Framework Programme (FP7), which concentrated on the more developed Member States. While the convergence regions attracted only about 4 % of FP7 funding, they received a 78 % share of ERDF support for RTD and innovation. Therefore, the ERDF was a significant help in building research and innovation capacity in these regions.[19]

Financial Instruments as a form of support co-financed by the ERDF

The 2007-2013 financial period witnessed a significant increase in use of financial instruments (FI) as a form of support and as an approach to delivering the Structural Funds, especially for SMEs.[20] While in the 2000-2006 period the Member States committed only €1.3 billion to FI, by the end of 2014 the figure had risen to over €17 billion, and €14 billion through the ERDF. Loans were the most popular form of instrument.

Evaluations to date are rather critical of the implementation and results. Although the picture is mixed when analysing individual cases and Member States, overall, use of financial engineering instruments to implement the ERDF (and other EU funds) is still a very challenging task. Problems arise from insufficient reliable data, legal uncertainties, lack of guidance in regulations and a lack of capacity and experience among management authorities. The result is project delivery delays, poor performance and poor mobilisation of private resources in the implementation of the FI.[21]

Audits conducted by the European Court of Auditors (ECA) have also been critical with regard to the implementation and outcomes of ERDF investment in form of FI. In the report published in 2012 and covering the years 2000 to 2006 and the first part of 2007 to 2013, the Court concluded that ERDF spending on FI did not benefit SMEs as much as expected. The audit identified widespread delays in funds reaching recipients and ineffectiveness in leveraging in private investment. The significant weaknesses of the regulatory provisions were identified as the main reason for this assessment. According to the ECA the regulatory framework of the ERDF was in principle designed for grant spending and thus was not appropriate for the different types of FI.

In the audit published in 2016, the ECA identified a number of issues limiting the efficiency of FI, including that the instruments were oversized, the Member States had problems in disbursing their capital endowments and the management costs and fees were too high. The ECA concluded that as a result, FIs co-financed by the ERDF were not successful in attracting private capital and, so far, only a limited number of them had provided reusable

financial support effectively. The report includes a long list of recommendations addressed to the European Commission and Member States.

Other EU programmes and action in the same field

As the ERDF actions cover all 11 thematic objectives set out in the Common Provisions Regulation, many other EU programmes and funds target the same or similar fields and beneficiaries. To be more specific, ERDF investment in the transport, telecommunications, energy and environment sectors is complementary with projects co-financed by the Cohesion Fund and the Connecting Europe Facility (CEF). New instruments such as the community-led local development and integrated territorial investment approaches facilitate the coordinated use of different funds to achieve common, territorial goals. The Member States and the Commission should use the provisions of the CPR and fund-specific regulations to ensure that the funds' actions complement rather than duplicate each other.

The ERDF has a special link with EU programmes in the areas of research and innovation, especially Horizon 2020 and the programme for the Competitiveness of SMEs (COSME). The Commission strongly recommends bringing money from these sources together in combined, parallel or successive projects. The possibilities and options for this kind of joint financing are explained in a special guidance document 'Enabling synergies between European Structural and Investment Funds, Horizon 2020 and other research, innovation and competitiveness-related Union programmes'. In order to ensure a clear division of intervention as well possibilities for synergies between the programmes, the Member States develop 'smart specialisation' strategies.

Important complementarities also exist between the ERDF and the European Fund for Strategic Investment (EFSI). Both funds provide financing in very similar key sectors, such as transport, energy, digital economy, research and innovation. Therefore, the funds can be combined in many ways, at project or at financial instrument level. The contribution from the ERDF, however, cannot be transferred directly to the EFSI. The first combined projects of this kind are currently emerging in Europe.[22] Practical guidance and examples of joint actions are described in the Commission document 'European Structural and Investment Funds and European Fund for Strategic Investment. Complementarities'.

The European Parliament's role

The regulation on the ERDF is adopted according to the ordinary legislative procedure. Therefore, the EP has important role in shaping the legal framework of the ERDF. This was demonstrated during the recent negotiations on the provisions for the 2014-2020 period. Most of the Parliament's proposals were included in the regulation adopted. For instance, the Parliament's negotiating team was able to add 'cultural and sustainable tourism infrastructure' to the list of items included within the scope of ERDF intervention. It also argued successfully in favour of making assistance for large companies (in the ICT area) conditional upon their cooperation with SMEs. Similarly, thanks to the EP's involvement, the ERDF can support airport infrastructure projects only when related to environmental protection investments. Furthermore, the regulation adopted allows for more flexibility and derogations in thematic concentration (for certain regions, such as outermost, islands and transition regions) than was initially proposed by the Commission. Finally, one of the biggest achievements was the adoption of the Parliament's amendment on sustainable integrated urban development and the delegation of powers to urban authorities.[23]

As part of the ESI Funds and accounting for a significant share of the EU budget, the ERDF is a subject to the Parliament's scrutiny and evaluation. In this regard, the debate is currently focused on the follow up to the legal changes proposed under the mid-term review/revision of the 2014-2020 MFF and the adjustments of financial envelopes (as set out in Article 7 of the MFF Regulation).

Endnotes

1 For a historical overview of the political process leading to the creation of the ERDF see: R. B. Talbot, 'The European Community's Regional Fund. A Study in the Politics of Redistribution', *Progress in Planning*, Vol. 8, Pt. 3, 183-281, 1977. For an overview of ERDF development see: *The Coherence of EU Regional Policy. Contrasting Perspectives on the Structural Funds*, J. Bachtler, I. Turok (ed.), Jessica Kingsley Publishers, 1997; G. P. Manzella, C. Mendez, The turning points of EU Cohesion policy, Report Working Paper, European Policies Research Centre, University of Strathclyde, United Kingdom, January 2009.

2 M. Sapała, The European Investment and Structural Funds, briefing, EPRS, European Parliament, July 2015.

3 Eligibility is based on data for the years 2007-2009. A full list of more developed, less developed and transition regions is specified in the Commission Implementing Decision of 18 February 2014, 2014/99/EU. Maps illustrating past and present eligible regions are available at the Commission's website.

4 As ETC is a specific and complex area of ERDF intervention, it is beyond the scope of this briefing. For an overview of ETC please see: C. van Lierop, European territorial cooperation, Briefing, EPRS, European Parliament, September 2016.

5 Investment for jobs and growth. Sixth report on economic, social and territorial cohesion, European Commission, Brussels 2014, pp. 258-264; Strategic coherence of cohesion policy: Comparison of the 2007-13 and the 2014-20 programming periods, Study, European Parliament, 2015, p. 11; Research for REGI Committee – Review of partnership agreements adopted, Study, European Parliament, 2015, p. 106.

6 Thanks to the multi-funding approach based on Article 98 CPR, the ERDF contribution can be combined with the ESF in one operational programme. In principle, thus, the co-financing rates are calculated for each priority axis.

7 Greece, Cyprus, Ireland, Romania and Portugal were eligible for the 10% top-up under the 2014-2020 programming period. See: European Commission, COM(2016) 414 final.

8 Only for the period 2007-2013 at least 821 evaluations for ERDF and Cohesion Fund programmes were undertaken in the Member States. Investment for jobs and growth. Sixth report on economic, social and territorial cohesion, European Commission, Brussels 2014, p. 223.

9 For example: ERDF implementation in Germany, Spain and United Kingdom, Study, Directorate-General for Internal Policies, Policy Department Budgetary Affairs, European Parliament, 2009; Aspect of durability in the assessment of effectiveness of support for business under Structural and Cohesion Funds, Study, Directorate-General for Internal Policies, Policy Department Budgetary Affairs, European Parliament, 2013.

10 See for example: J. Hoerner and P. Stephenson, 'Theoretical perspectives on approaches to policy evaluation in the EU: the case of cohesion policy', *Public Administration*, Vol. 90, No. 3, 2012 (699-715); J. Bachtler, C. Wren, 'Evaluation of European Union Cohesion Policy: research Questions and Policy Challenges', *Regional Studies*, Vol. 40.2, pp. 143-153, April 2006; Investment for jobs and growth. Sixth report on economic, social and territorial cohesion, European Commission, Brussels 2014, pp. 221-224; European Commission, Regional Policy.

11 M. Sapała, How the EU budget is spent: Cohesion Fund, Briefing, EPRS, European Parliament, September 2016.

12 In the 2007-2013 programming period, 'convergence regions' were those with gross domestic product per head of less than 75% of the EU average. All remaining EU regions (and those not covered by transitional support) fell under the 'competitiveness regions' category (Articles 5 to 8 of Council Regulation (EU) 1083/2006).

13 Ex post evaluation of Cohesion Policy programmes 2007-2013, focusing on the ERDF and the Cohesion Fund, Work Package 1: Synthesis report, European Commission, August 2016, p. 68.

14 Ibid.

15 Ex post evaluation of Cohesion Policy programmes 2007-2013, focusing on the ERDF and the Cohesion Fund (CF). Work package 5, Transport, European Commission, May 2016.

16 The scope of support for large companies in the 2014-2020 MFF has been limited in comparison with the 2007-2013 MFF. The ERDF can co-finance them only if a project concerns research and innovation, the shift towards a low-carbon economy or ICT and involves cooperation with SMEs.

17 Ex post evaluation of Cohesion Policy programmes 2007-2013, focusing on the ERDF and the Cohesion Fund, Work Package 1: Synthesis report, European Commission, August 2016, p. 123.

18 Support to SMEs - Increasing research and Innovation in SMEs and SME Development. Final Report. Work Package 2, European Commission, 2016.

19 Ex post evaluation of Cohesion Policy programmes 2007-2013, focusing on the ERDF and the Cohesion Fund, Work Package 1: Synthesis report, European Commission, August 2016, p. 129.

[20] A. D'Alfonso, Innovative financial instruments for EU policies, Library briefing, European Parliament, 29 August 2013.

[21] Financial Instruments for enterprise support. Final Report. Ex-post evaluation of Cohesion Policy programmes 2007-2013, focusing on the ERDF and the Cohesion Fund, European Commission, September 2016, p. 10.

[22] First ESI Fund financial instruments combined with EFSI, www.fi-compass.eu.

[23] European Union Cohesion Policy 2014-2020. A comprehensive presentation of the legislative package and the role of the European Parliament, Secretariat of the Committee on Regional Development, PE532.425v01-00, Brussels: European Parliament 2014.

eprs@ep.europa.eu
http://www.eprs.ep.parl.union.eu (intranet)
http://www.europarl.europa.eu/thinktank (internet)
http://epthinktank.eu (blog)