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Regulations on the new Cohesion Instruments

This issue of EURADA-NEWS intends to draw your attention to the most important articles of regulatory proposals for:

- Common provisions on the Cohesion instruments
- European Development Fund (ERDF)
- European Social Fund (ESF)
- Territorial Cooperation (INTERREG)
- Rural Development component (EAFRD)
- European Globalisation Adjustment Fund (EGF)
- Programme for Social Change and Innovation

The full text of the Commission's proposals can be found either on the website of DG Regio, DG Agriculture and even on EURADA's website.

The amount of legislation is now:

- 147 articles and 5 annexes for the coordination rules
- 8 articles and 1 annex for the Cohesion Fund
- 13 articles and 1 annex for the ERDF
- 19 articles and 1 annex for the ESF
- 33 articles and 1 annex for Territorial Cooperation
- 96 articles and 5 annexes for Rural Development
- 29 articles on the Programme for Social Change and Innovation
- 26 articles for the European Globalisation Adjustment Fund



**THE ESSENTIAL OF THE REGULATION FOR
RDAs REGARDING THE COMMON STRATEGIC
FRAMEWORK FOR COHESION POLICY**

Introduction

In the following pages, we present in a mixed way a survey of what we believe are the most important issues for RDAs. For some topics, we only mention the title of the article of the regulation, for some others we reproduce the full text.

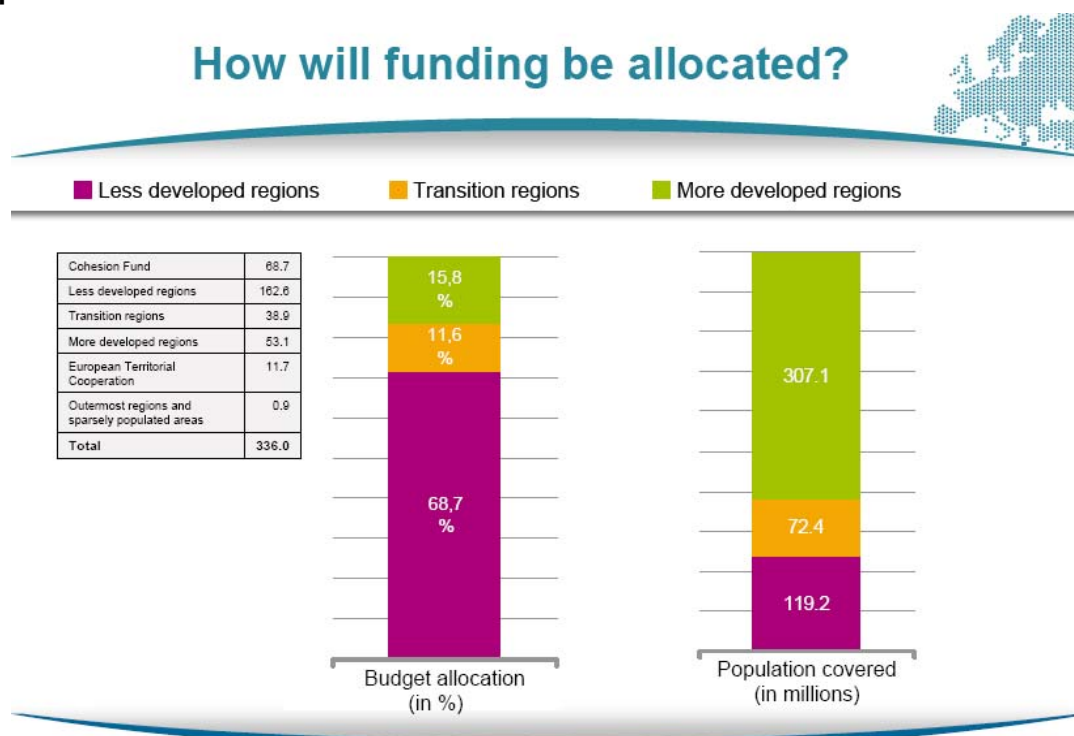
Table 1 Financial Framework

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

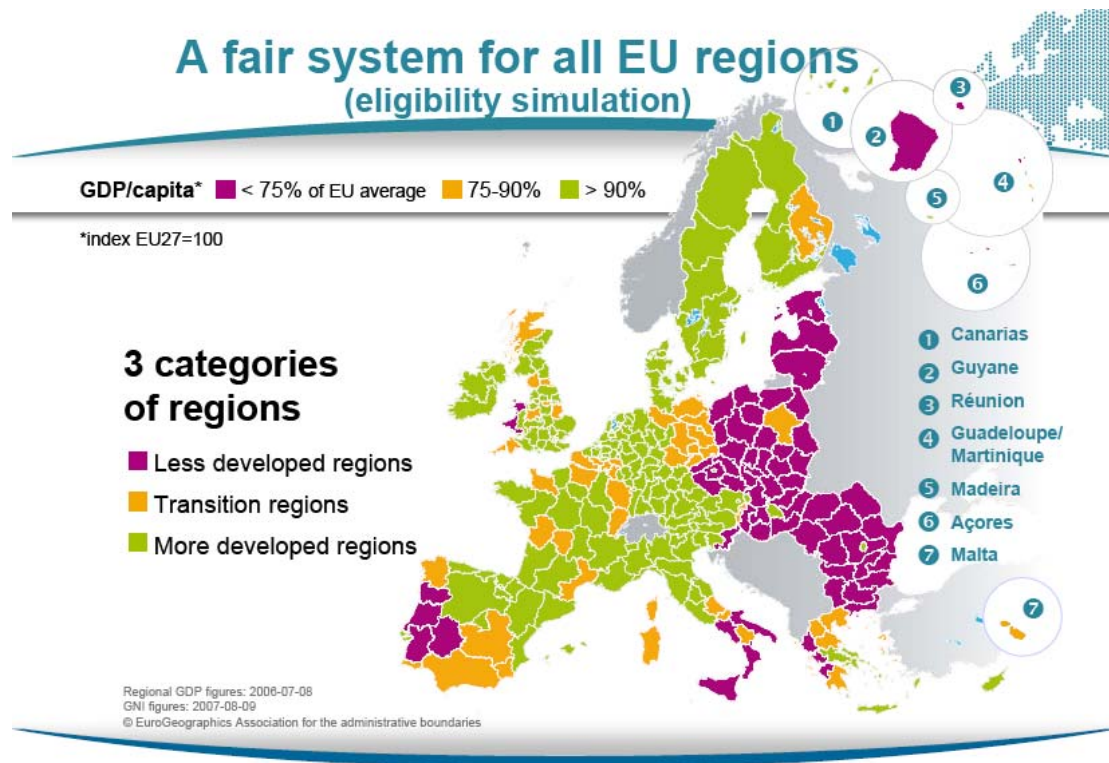
Proposed budget 2014-2020	EUR billion
Less developed regions	162,6
Transition regions	38,9
More developed regions	53,1
Territorial cooperation	11,7
Cohesion Fund	68,7
Extra allocation for outermost and sparsely populated regions	0,926
Connecting Europe Facility for transport, energy and ICT	40 (with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

**All figures in constant 2011 prices*

Graph 1 Coordination



Graph 2 Map of the ERDF



Common Provisions

PART I. SUBJECT - MATTER AND DEFINITION

PART II. COMMON PROVISIONS APPLICABLE TO CSF FUNDS

Art. 9 Thematic objectives

Each CSF Fund shall support the following thematic objectives in accordance with its mission in order to contribute to the Union strategy for smart, sustainable and inclusive growth:

- 1. strengthening research, technological development and innovation;*
- 2. enhancing access to, and use and quality of, information and communication technologies;*
- 3. enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF);*
- 4. supporting the shift towards a low-carbon economy in all sectors;*
- 5. promoting climate change adaptation, risk prevention and management;*
- 6. protecting the environment and promoting resource efficiency;*
- 7. promoting sustainable transport and removing bottlenecks in key network infrastructures;*
- 8. promoting employment and supporting labour mobility;*
- 9. promoting social inclusion and combating poverty;*
- 10. investing in education, skills and lifelong learning;*
- 11. enhancing institutional capacity and an efficient public administration.*

Thematic objectives shall be translated into priorities specific to each CSF Fund and set out in the Fund-specific rules.

Art. 11 Content of the Common Strategic Framework

The Common Strategic Framework shall establish:

- (a) for each thematic objective, the key actions to be supported by each CSF Fund;*
- (b) the key territorial challenges for urban, rural, coastal and fisheries areas, as well as for areas with particular territorial features referred to in Articles 174 and 349 of the Treaty, to be addressed by the CSF Funds;*
- (c) horizontal principles and policy objectives for the implementation of the CSF Funds;*
- (d) priority areas for cooperation activities for each of the CSF Funds, where appropriate, taking account of macro-regional and sea basin strategies;*
- (e) coordination mechanisms among the CSF Funds, and with other relevant Union policies and instruments, including external instruments for cooperation;*
- (f) mechanisms for ensuring the coherence and consistency of the programming of the CSF Funds with the country-specific recommendations under Article 121(2) of the Treaty and the relevant Council recommendations adopted under 148(4) of the Treaty.*

Art. 14 Content of the partnership contract

Art. 16 Thematic concentration

Art. 17 Ex ante conditionalities

Art. 23 Preparation of programmes

Art. 24 Content of the programmes

1. *Each programme shall set out a strategy for the programme's contribution to the Union strategy for smart, sustainable and inclusive growth consistent with the Common Strategic Framework and Partnership Contract. Each programme shall include the arrangements to ensure effective, efficient and coordinated implementation of the CSF Funds and actions to achieve a reduction of administrative burden for beneficiaries.*
2. *Each programme shall define priorities setting out specific objectives, financial appropriations of support from the CSF Funds and corresponding national cofinancing.*
3. *Each priority shall set out indicators to assess progress of programme implementation towards achievement of objectives as the basis for monitoring, evaluation and review of performance. These shall include:*
 - (a) financial indicators relating to expenditure allocated;*
 - (b) output indicators relating to the operations supported;*
 - (c) result indicators relating to the priority.*

For each CSF Fund, the Fund-specific rules shall set out common indicators and may provide for programme-specific indicators.

Art. 28 Community led local development**PART III FINANCIAL INSTRUMENTS****Art. 32 - 40 Financial instruments****Art. 54 Revenue-generating operations****Art. 56 Forms of support**

The CSF Funds shall be used to provide support in the form of grants, prizes, repayable assistance and financial instruments, or a combination thereof. In the case of repayable assistance, the support repaid to the body that provided it, or to another competent authority of the Member State, shall be kept in a separate account and reused for the same purpose or in accordance with the objectives of the programme.

Art. 57 Forms of grants

Grants may take any of the following forms:

- (a) reimbursement of eligible costs actually incurred and paid, together with,*
- (b) where applicable, in-kind contributions and depreciation;*
- (c) standard scales of unit costs;*
- (d) lump sums not exceeding EUR 100 000 of public contribution;*
- (e) flat-rate financing, determined by the application of a percentage to one or several defined categories of costs.*

Art.58 Flat rate financing for indirect costs for grants

Where the implementation of an operation gives rise to indirect costs, they may be calculated as a flat rate in one of the following ways:

- (a) a flat rate of up to 20 % of eligible direct costs, where the rate is calculated on the basis of a fair, equitable and verifiable calculation method or a method applied under schemes for grants funded entirely by the Member State for a similar type of operation and beneficiary;*

- (b) a flat rate of up to 15 % of eligible direct staff costs;
- (c) a flat rate applied to eligible direct costs based on existing methods and corresponding rates, applicable in Union policies for a similar type of operation and beneficiary.

The Commission shall be empowered to adopt delegated acts in accordance with Article 142 concerning the definition of the flat rate and the related methods referred to in point (c) above.

Art.59 Specific eligibility rules for grants

PART IV. OBJECTIVES AND THE FINANCIAL FRAMEWORK

Art. 82 Investment for growth and jobs

Resources for the Investment for growth and jobs goal shall be allocated among the following three categories of NUTS level 2 regions:

- (a) less developed regions, whose GDP per capita is less than 75 % of the average GDP of the EU-27;
- (b) transition regions, whose GDP per capita is between 75% and 90% of the average GDP of the EU27;
- (c) more developed regions, whose GDP per capita is above 90 % of the average GDP of the EU-27.

The three categories of regions are determined on the basis of how their GDP per capita, measured in purchasing power parities and calculated on the basis of Union figures for the period 2006 to 2008, relates to the average GDP of the EU-27 for the same reference period.

The Cohesion Fund shall support those Member States whose gross national income (GNI) per capita, measured in purchasing power parities and calculated on the basis of Union figures for the period 2007 to 2009, is less than 90 % of the average GNI per capita of the EU-27 for the same reference period. The Member States eligible for funding from the Cohesion Fund in 2013, but whose nominal GNI per capita exceeds 90% of the average GNI per capita of the EU-27 as calculated under the first sub-paragraph shall receive support from the Cohesion Fund on a transitional and specific basis.

Art. 84 Resources for investment for growth and jobs and for European territorial cooperation

1. Resources for the Investment for growth and jobs goal shall amount to 96,52 % of the global resources (i.e., a total of EUR 324 320 492 844) and shall be allocated as follows:
 - (a) 50,13 % (i.e., a total of EUR 162 589 839 384) for less developed regions;
 - (b) 12,01 % (i.e., a total of EUR 38 951 564 661) for transition regions;
 - (c) 16,39 % (i.e., a total of EUR 53 142 922 017) for more developed regions;
 - (d) 21,19 % (i.e., a total of EUR 68 710 486 782) for Member States
 - (e) supported by the Cohesion Fund;
 - (f) 0,29 % (i.e., a total of EUR 925 680 000) as additional funding for the outermost regions identified in Article 349 of the Treaty and the NUTS level 2 regions fulfilling the criteria laid down in Article 2 of Protocol No 6 to the Treaty of Accession of Austria, Finland and Sweden.

All regions whose GDP per capita for the 2007-2013 period was less than 75% of the average of the EU-25 for the reference period but whose GDP per capita is above 75% of the GDP average of the EU-27 shall receive an allocation under the Structural Funds equal to at least two thirds of their 2007-2013 allocation.

2. The following criteria shall be used for the breakdown by Member State:
 - (a) eligible population, regional prosperity, national prosperity and unemployment rate for less developed regions and transition regions;
 - (b) eligible population, regional prosperity, unemployment rate, employment rate, educational level and population density for more developed regions;

(c) population, national prosperity and surface area for the Cohesion Fund.

3. *At least 25 % of the Structural Funds resources for less developed regions, 40% for transition regions and 52% for more developed regions in each Member State shall be allocated to the ESF. For the purposes of this provision, the support to a Member State through the [Food for deprived people instrument] shall be considered as part of the share of Structural Funds allocated to the ESF.*

4. *The support from the Cohesion Fund for transport infrastructure under the Connecting Europe Facility shall be EUR 10.000.000.000.*

The Commission shall adopt a decision by implementing act setting out the amount to be transferred from each Member State's Cohesion Fund allocation for the whole period. The Cohesion Fund allocation of each Member State shall be reduced accordingly.

The annual appropriations corresponding to the support from the Cohesion Fund mentioned in the first subparagraph shall be entered in the relevant budget lines of the Connecting Europe Facility as from the 2014 budgetary exercise.

Support from the Cohesion Fund under the Connecting Europe Facility shall be implemented in accordance with Article [13] of Regulation (EU) [...] /2012 on establishing the Connecting Europe Facility³⁴ in respect of projects listed in Annex 1 to that Regulation, giving greatest possible priority to projects respecting the national allocations under the Cohesion Fund.

5. *The support from the Structural Funds for [food for deprived people] under the Investment for Growth and Jobs shall be EUR 2.500.000.000.*

The Commission shall adopt a decision by implementing act setting out the amount to be transferred from each Member State's Structural Funds allocation for the whole period in each Member State. The Structural Funds allocation of each Member State shall be reduced accordingly.

The annual appropriations corresponding to the support from the Structural Funds mentioned in the first subparagraph shall be entered in the relevant budget lines of the [food for deprived people instrument] with the 2014 budgetary exercise.

6. *5% of the resources for the Investment for growth and jobs goal shall constitute the performance reserve to be allocated in accordance with Article 19.*

7. *0,2% of the ERDF resources for the Investment for growth and jobs goal shall be allocated to innovative actions at the initiative of the Commission in the area of sustainable urban development.*

8. *Resources for the European territorial cooperation goal shall amount to 3,48 % of the global resources available for budgetary commitment from the Funds for the period 2014 to 2020 (i.e., a total of EUR 11 700 000 004).*

Art. 86 Additionality

Art. 87 Content and adoption of operational programmes under the investment for growth and jobs goal

Art. 90 Major projects

As part of an operational programme or operational programmes, the ERDF and the Cohesion Fund may support an operation comprising a series of works, activities or services intended in itself to accomplish an indivisible task of a precise economic or technical nature which has clearly identified

goals and whose total cost exceeds EUR 50 000 000 (a 'major project'). Financial instruments shall not be considered major projects.

Art. 93 Joint Actions

- 1. A joint action plan is an operation defined and managed in relation to the outputs and results which it will achieve. It comprises a group of projects, not consisting in the provision of infrastructure, carried out under the responsibility of the beneficiary, as part of an operational programme or programmes. The outputs and results of a joint action plan shall be agreed between the Member State and the Commission and shall contribute to specific objectives of the EN 97 EN operational programmes and form the basis of support from the Funds. Results shall refer to direct effects of the joint action plan. The beneficiary shall be a public law body. Joint action plans shall not be considered as major projects.*
- 2. The public support allocated to a joint action plan shall be a minimum of EUR 10 000 000 or 20 % of the public support of the operational programme or programmes, whichever is lower.*

Art. 99 Territorial Development

- 1. Where an urban development strategy or other territorial strategy or pact as defined in Article 12(1) of Regulation...[ESF] requires an integrated approach involving investments under more than one priority axis of one or more operational programmes, the action shall be carried out as an integrated territorial investment (an 'ITI').*
- 2. The relevant operational programmes shall identify the ITIs planned and shall set out the indicative financial allocation from each priority axis to each ITI.*
- 3. The Member State or the managing authority may designate one or more intermediate bodies, including local authorities, regional development bodies or non-governmental organisations, to carry out the management and implementation of an ITI.*
- 4. The Member State or the relevant managing authorities shall ensure that the monitoring system for the operational programme provides for the identification of operations and outputs of a priority axis contributing to an ITI.*

Art. 110 Determination of co-financing rates

- 1. The Commission decision adopting an operational programme shall fix the cofinancing rate and the maximum amount of support from Funds for each priority axis.*
- 2. For each priority axis, the Commission decision shall set out whether the cofinancing rate for the priority axis will be applied to:
(a) total eligible expenditure, including public and private expenditure; or
(b) public eligible expenditure.*
- 3. The co-financing rate at the level of each priority axis of operational programmes under the Investment for growth and jobs goal shall be no higher than:
(a) 85 % for the Cohesion Fund;
(b) 85 % for the less developed regions of Member States whose average GDP per capita for the period 2007 to 2009 was below 85 % of the EU-27 average during the same period and for the outermost regions;
(c) 80% for the less developed regions of Member States other than those referred to in point (b) eligible for the transitional regime of the Cohesion Fund on 1 January 2014;
(d) 75% for the less developed regions of Member States other than those referred to in points (b) and (c), and for all regions whose GDP per capita for the 2007-2013 period was less than 75% of the average of the EU-25 for the reference period but whose GDP per capita is above 75% of the GDP average of the EU-27;
(e) 60 % for the transition regions other than those referred to in point (d);
(f) 50 % for the more developed regions other than those referred to in point (d).*

The co-financing rate at the level of each priority axis of operational programmes under the European territorial cooperation goal shall be no higher than 75%.

- 4. The co-financing rate of the additional allocation in accordance with Article 84(1)(e) shall be no higher than 50%. The same co-financing rate shall apply to the additional allocation under Article 4(2) of Regulation (EU) No [...] /2012 [ETC Regulation].*
- 5. The maximum co-financing rate under paragraph 3 at the level of a priority axis shall be increased by ten percentage points, where the whole of a priority axis is delivered through financial instruments, or through community-led local development.*
- 6. The contribution from the Funds for each priority axis shall not be less than 20 % of the eligible public expenditure.*
- 7. A separate priority axis with a co-financing rate of up to 100% may be established within an operational programme to support operations implemented through financial instruments set up at Union level and managed directly or indirectly by the Commission. Where a separate priority is established for this purpose, the support under this axis may not be implemented by any other means.*

Art. 111 Modulation of the co-financing rates

Art. 127 Decommitment

- 1. The Commission shall decommit any part of the amount calculated in accordance with the second subparagraph in an operational programme that has not been used for payment of the initial and annual pre-financing, interim payments and annual balance by 31 December of the second financial year following the year of budget commitment under the operational programme or for which a payment application has not been sent in accordance with Article 126(1).*

For the purposes of the decommitment, the Commission shall calculate the amount by adding one sixth of the annual budget commitment related to the 2014 total annual contribution to each of the 2015 to 2020 budget commitments.

- 2. By way of derogation from the first subparagraph of paragraph 1, the deadlines for decommitment shall not apply to the annual budget commitment related to the 2014 total annual contribution.*
- 3. If the first annual budget commitment is related to the 2015 total annual contribution, by way of derogation from paragraph 1, the deadlines for decommitment shall not apply to the annual budget commitment related to the total annual contribution of 2015. In such cases, the Commission shall calculate the amount under the first sub-paragraph of paragraph 1 by adding one fifth of the annual budget commitment related to the 2015 total amount contribution to each of the 2016 to 2020 budget commitments.*
- 4. That part of commitments still open on 31 December 2022 shall be decommitted if any of the documents required under Article 107(1) has not been submitted to the Commission by 30 September 2023.*

Annex IV Ex ante conditionalities

Cohesion Fund

Art. 2 Scope of support from the Cohesion Fund

1. *The Cohesion Fund shall, while ensuring an appropriate balance and according to the investment and infrastructure needs specific to each Member State, support:*
 - (a) *investments in the environment, including areas related to sustainable development and energy which present environmental benefits;*
 - (b) *trans-European networks in the area of transport infrastructure, in compliance with the guidelines adopted by Decision No 661/2010/EU;*
 - (c) *technical assistance.*
2. *The Cohesion Fund shall not support:*
 - (a) *the decommissioning of nuclear power stations;*
 - (b) *the reduction of greenhouse gas emissions in installations falling under Directive 2003/87/EC;*
 - (c) *housing.*

Art. 3 Investment priorities

In accordance with Article 16 of Regulation (EU) No [...] /2012 [CPR], the Cohesion Fund shall support the following investment priorities within the thematic objectives set out in Article 9 of Regulation (EU) No [...] /2012 [CPR]:

- (a) *supporting the shift towards a low-carbon economy in all sectors by:*
 - i. *promoting the production and distribution of renewable energy sources;*
 - ii. *promoting energy efficiency and renewable energy use in small and medium-sized enterprises;*
 - iii. *supporting energy efficiency and renewable energy use in public infrastructures;*
 - iv. *developing smart distribution systems at low voltage levels ;*
 - v. *promoting low-carbon strategies for urban areas;*
- (b) *promoting climate change adaptation, risk prevention and management by:*
 - i. *supporting dedicated investment for adaptation to climate change;*
 - ii. *promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems;*
- (c) *protecting the environment and promoting resource efficiency by:*
 - i. *addressing the significant needs for investment in the waste sector to meet the requirements of the Union's environmental acquis;*
 - ii. *addressing the significant needs for investment in the water sector to meet the requirements of the Union's environmental acquis;*
 - iii. *protecting and restoring biodiversity, including through green infrastructures;*
 - iv. *improving the urban environment, including regeneration of brownfield sites and reduction of air pollution.*
- (d) *promoting sustainable transport and removing bottlenecks in key network infrastructures, by:*
 - i. *supporting a multi-modal Single European Transport Area by investing in the Trans-European Transport Network;*
 - ii. *developing environment-friendly and low-carbon transport systems including promoting sustainable urban mobility;*
 - iii. *developing comprehensive, high quality and interoperable railway systems;*
- (e) *enhancing institutional capacity and an efficient public administration by strengthening of institutional capacity and the efficiency of public administrations and public services related to implementation of the Cohesion Fund.*

ERDF European Regional Development Fund

Art. 3 Scope of support from ERDF

1. *The ERDF shall support:*

- (a) *productive investment, which contributes to creating and safeguarding*
- (b) *sustainable jobs, through direct aid to investment in small and medium-sized enterprises (SMEs);*
- (c) *investments in infrastructure providing basic services to citizens in the areas of energy, environment, transport, and information and communication technologies (ICT);*
- (d) *investments in social, health and educational infrastructure;*
- (e) *development of endogenous potential by supporting regional and local development and research and innovation. These measures shall include:*
 - i. *fixed investment in equipment and small-scale infrastructure;*
 - ii. *support for and services to enterprises, in particular SMEs;*
 - iii. *support to public research and innovation bodies and investment in technology and applied research in enterprises;*
 - iv. *networking, cooperation and exchange of experience between regions, towns, and relevant social, economic and environmental actors;*
 - v. *technical assistance.*

In more developed regions, the ERDF shall not support investments in infrastructure providing basic services to citizens in the areas of environment, transport, and ICT.

2. *The ERDF shall not support:*

- (a) *the decommissioning of nuclear power stations;*
- (b) *the reduction of greenhouse gas emissions in installations falling under Directive 2003/87/EC;*
- (c) *the manufacturing, processing and marketing of tobacco and tobacco products;*
- (d) *undertakings in difficulties as defined under Union State aid rules.*

Art. 4 Thematic concentration

The thematic objectives set out in Article 9 of Regulation (EU) No [...] /2012 [CPR] and corresponding investment priorities set out in Article 5 of this Regulation to which the ERDF may contribute shall be concentrated as follows:

(a) *in more developed regions and transition regions:*

- i. *at least 80% of the total ERDF resources at national level shall be allocated to the thematic objectives set out in points 1, 3 and 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR] ; and*
- ii. *at least 20% of the total ERDF resources at national level shall be allocated to the thematic objective set out in point 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR] ;*

(b) *in less developed regions:*

- i. *at least 50% of the total ERDF resources at national level shall be allocated to the thematic objectives set in out in point 1, 3 and 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR] .*
- ii. *at least 6% of the total ERDF resources at national level shall be allocated to the thematic objective set out in point 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR].*

By derogation from point (a) (i), in those regions whose GDP per capita for the 2007-13 period was less than 75% of the average GDP of the EU-25 for the reference period but which are eligible under the category of transition or more developed regions as defined in Article 82(2)(b) and (c) of Regulation (EU) No [] /2012 [CPR] in the 2014-2020 period, at least 60% of the total ERDF resources at national level shall be allocated to each of the thematic objectives set in out in points 1, 3 and 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR].

Art. 5 Investment priorities

The ERDF shall support the following investment priorities within the thematic objectives set out in Article 9 of Regulation (EU) No [...] /2012 [CPR]:

1. *strengthening research, technological development and innovation:*
 - (a) *enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest;*
 - (b) *promoting business R&I investment, product and service development, technology transfer, social innovation and public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation;*
 - (c) *supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production in Key Enabling Technologies and diffusion of general purpose technologies;*
2. *enhancing access to and use and quality of ICT:*
 - (a) *extending broadband deployment and the roll-out of high-speed networks;*
 - (b) *developing ICT products and services, e-commerce and enhancing demand for ICT;*
 - (c) *strengthening ICT applications for e-government, e-learning, e-inclusion and ehealth;*
3. *enhancing the competitiveness of SMEs:*
 - (a) *promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms;*
 - (b) *developing new business models for SMEs, in particular for internationalisation;*
4. *supporting the shift towards a low-carbon economy in all sectors:*
 - (a) *promoting the production and distribution of renewable energy sources;*
 - (b) *promoting energy efficiency and renewable energy use in SMEs;*
 - (c) *supporting energy efficiency and renewable energy use in public infrastructures and in the housing sector;*
 - (d) *developing smart distribution systems at low voltage levels;*
 - (e) *promoting low-carbon strategies for urban areas;*
5. *promoting climate change adaptation, risk prevention and management:*
 - (a) *supporting dedicated investment for adaptation to climate change;*
 - (b) *promoting investment to address specific risks, ensuring disaster resilience and*
 - (c) *developing disaster management systems;*
6. *protecting the environment and promoting resource efficiency:*
 - (a) *addressing the significant needs for investment in the waste sector to meet the requirements of the environmental acquis;*
 - (b) *addressing the significant needs for investment in the water sector to meet the requirements of the environmental acquis;*
 - (c) *protecting, promoting and developing cultural heritage;*
 - (d) *protecting biodiversity, soil protection and promoting ecosystem services including NATURA 200015 and green infrastructures;*
 - (e) *action to improve the urban environment, including regeneration of brownfield sites and reduction of air pollution;*
7. *promoting sustainable transport and removing bottlenecks in key network infrastructures:*
 - (a) *supporting a multimodal Single European Transport Area by investing in the Trans-European Transport Network (TEN-T) network;*
 - (b) *enhancing regional mobility through connecting secondary and tertiary nodes to TEN-T infrastructure;*
 - (c) *developing environment-friendly and low-carbon transport systems and promoting sustainable urban mobility;*
 - (d) *developing comprehensive, high quality and interoperable railway system;*

8. *promoting employment and supporting labour mobility:*
 - (a) *development of business incubators and investment support for selfemployment and business creation;*
 - (b) *local development initiatives and aid for structures providing neighbourhood services to create new jobs, where such actions are outside the scope of Regulation (EU) No [...] /2012 [ESF];*
 - (c) *investing in infrastructure for public employment services;*
9. *promoting social inclusion and combating poverty:*
 - (a) *investing in health and social infrastructure which contribute to national, regional and local development, reducing inequalities in terms of health status, and transition from institutional to community-based services;*
 - (b) *support for physical and economic regeneration of deprived urban and rural communities;*
 - (c) *support for social enterprises;*
10. *investing in education, skills and lifelong learning by developing education and training infrastructure;*
11. *enhancing institutional capacity and an efficient public administration by strengthening of institutional capacity and the efficiency of public administrations and public services related to implementation of the ERDF, and in support of actions in institutional capacity and in the efficiency of public administration supported by the ESF.*

Art. 7 Sustainable urban development

1. *The ERDF shall support, within operational programmes, sustainable urban development through strategies setting out integrated actions to tackle the economic, environmental, climate and social challenges affecting urban areas.*
2. *Each Member State shall establish in its Partnership Contract a list of cities where integrated actions for sustainable urban development are to be implemented and an indicative annual allocation for these actions at national level.*
At least 5% of the ERDF resources allocated at national level shall be allocated to integrated actions for sustainable urban development delegated to cities for management through Integrated Territorial Investments referred to in Article 99 of Regulation (EU) No [...] /2012 [CPR].

Art. 8 Urban development platform

Art. 9 Innovative actions in the field of Sustainable Urban Development

1. *At the initiative of the Commission, the ERDF may support innovative actions in the field of sustainable urban development, subject to a ceiling of 0,2% of the total annual ERDF allocation. They shall include studies and pilot projects to identify or test new solutions to issues relating to sustainable urban development which are of relevance at Union level.*
2. *By derogation to Article 4 above, innovative actions may support all activities necessary to achieve the thematic objectives set out in Article 9 of Regulation (EU) No [...] /2012 [CPR] and corresponding investment priorities.*
3. *The Commission shall adopt delegated acts in accordance with Article 13 concerning procedures for the selection and implementation of innovative actions.*

Art. 10 Areas with natural or demographic handicaps

Art. 11 Outermost regions

Annex Common indicators for ERDF support under the Investment for growth and jobs goal

	UNIT	NAME
Productive investment	<i>enterprises</i>	<i>Number of enterprises receiving grants</i>
	<i>enterprises</i>	<i>Number of enterprises receiving financial support other than grants</i>
	<i>enterprises</i>	<i>Number of enterprises receiving non-financial support</i>
	<i>enterprises</i>	<i>Number of new enterprises supported</i>
	<i>EUR</i>	<i>Private investment matching public support to SMEs (grants)</i>
	<i>EUR</i>	<i>Private investment matching public support to SMEs (non-grants)</i>
	<i>full time equivalents</i>	<i>Number of jobs created in assisted SMEs</i>
Tourism	<i>visits</i>	<i>Number of visits to supported attractions</i>
ICT Infrastructure	<i>persons</i>	<i>Population covered by broadband access of at least 30 Mbps</i>
Transport <i>Railway</i>	<i>km</i> <i>of which: TEN-T</i>	<i>Total length of new railway line</i>
	<i>km</i> <i>of which: TEN-T</i>	<i>Total length of reconstructed or upgraded railway line</i>
<i>Roads</i>	<i>km</i> <i>of which: TEN-T</i>	<i>Total length of newly built roads</i>
	<i>km</i> <i>of which: TEN-T</i>	<i>Total length of reconstructed or upgraded roads</i>
<i>Urban transport</i>	<i>passenger trips</i>	<i>Increase of passenger trips using supported urban transport service</i>
<i>Inland waterways</i>	<i>tonnes-km</i>	<i>Increase of cargo transported on improved inland waterways</i>
Environment		
<i>Solid waste</i>	<i>tonnes</i>	<i>Additional waste recycling capacity</i>
<i>Water supply</i>	<i>persons</i>	<i>Additional population served by improved water supply</i>
	<i>m3</i>	<i>Estimated reduction of leakage in water distribution network</i>
<i>Wastewater treatment</i>	<i>population equivalent</i>	<i>Additional population served by improved wastewater treatment</i>
<i>Risk prevention and management</i>	<i>persons</i>	<i>Population benefiting from flood protection measures</i>
	<i>persons</i>	<i>Population benefiting from forest fire protection and other protection measures</i>
<i>Land rehabilitation</i>	<i>hectares</i>	<i>Total surface area of rehabilitated land</i>
<i>Soil sealing</i>	<i>hectares</i>	<i>Change in land sealed due to development</i>
<i>Nature and biodiversity</i>	<i>hectares</i>	<i>Surface area of habitats in better conservation status</i>

	UNIT	NAME	
Research, Innovation	<i>persons</i>	<i>Number of R&D personnel/researchers working in newly built or equipped research infrastructures</i>	
	<i>enterprises</i>	<i>Number of enterprises cooperating with assisted research institutions</i>	
	<i>full time equivalents</i>	<i>Number of posts for R&D personnel/researchers created in assisted entities</i>	
	<i>EUR</i>	<i>Private investment matching public support in innovation or R&D projects</i>	
	<i>enterprises</i>	<i>Number of enterprises that introduced new or significantly improved products, new to the market as a result of supported innovation or R&D projects</i>	
	<i>enterprises</i>	<i>Number of enterprises that introduced new or significantly improved products, new to the firm as a result of supported innovation or R&D projects</i>	
Energy and climate change	<i>Renewables</i>	<i>MW</i>	<i>Additional capacity of renewable energy production</i>
	<i>Energy efficiency</i>	<i>households</i>	<i>Number of households with improved energy consumption classification</i>
		<i>kWh/year</i>	<i>Decrease of primary energy consumption of public buildings</i>
		<i>users</i>	<i>Number of additional energy users connected to smart grids</i>
	<i>GHG reduction</i>	<i>tonnes of CO2</i>	<i>Estimated decrease of GHG in CO2 equivalents</i>
Social infrastructure	<i>Childcare & education</i>	<i>persons</i>	<i>Service capacity of supported childcare or education infrastructure</i>
	<i>Health</i>	<i>persons</i>	<i>Capacity of supported health services</i>
	<i>Housing</i>	<i>households</i>	<i>Number of households benefiting from improved housing conditions</i>
	<i>Cultural heritage</i>	<i>visits</i>	<i>Number of visits at supported sites</i>
Urban development	<i>persons</i>		<i>Population living in areas with integrated urban development strategies</i>
	<i>square metres</i>		<i>New open space in urban areas</i>
	<i>square metres</i>		<i>New public or commercial buildings in urban areas</i>
	<i>square metres</i>		<i>New housing in urban areas</i>

ESF European Social Fund

Art. 3 Scope of support

1. *Under the thematic objectives listed below, and in accordance with Article 9 of Regulation (EU) No [...], the ESF shall support the following investment priorities:*
 - (a) *Promoting employment and supporting labour mobility through:*
 - i. *Access to employment for job-seekers and inactive people, including local employment initiatives and support for labour mobility;*
 - ii. *Sustainable integration of young people not in employment, education or training into the labour market;*
 - iii. *Self-employment, entrepreneurship and business creation;*
 - iv. *Equality between men and women and reconciliation between work and private life;*
 - v. *Adaptation of workers, enterprises and entrepreneurs to change;*
 - vi. *Active and healthy ageing;*
 - vii. *Modernisation and strengthening of labour market institutions, including actions to enhance transnational labour mobility;*
 - (b) *Investing in education, skills and life-long learning through:*
 - i. *Reducing early school-leaving and promoting equal access to good quality early-childhood, primary and secondary education;*
 - ii. *Improving the quality, efficiency and openness of tertiary and equivalent education with a view to increasing participation and attainment levels;*
 - iii. *Enhancing access to lifelong learning, upgrading the skills and competences of the workforce and increasing the labour market relevance of education and training systems;*
 - (c) *Promoting social inclusion and combating poverty through:*
 - i. *Active inclusion;*
 - ii. *Integration of marginalised communities such as the Roma;*
 - iii. *Combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation;*
 - iv. *Enhancing access to affordable, sustainable and high-quality services, including health care and social services of general interest;*
 - v. *Promoting the social economy and social enterprises;*
 - vi. *Community-led local development strategies;*
 - (d) *Enhancing institutional capacity and efficient public administration through:*
 - i. *Investment in institutional capacity and in the efficiency of public administrations and public services with a view to reforms, better regulation and good governance; This investment priority is only applicable throughout the territory of the Member States which have at least one NUTS level 2 region as defined in Article 82(2)(a) of Regulation (EU) No [...] or in Member States eligible for Cohesion Fund support.*
 - ii. *Capacity building for stakeholders delivering employment, education and social policies and sectoral and territorial pacts to mobilise for reform at national, regional and local level.*
2. *Through the investment priorities listed in paragraph 1, the ESF shall also contribute to the other thematic objectives listed in Article 9 of Regulation (EU) No [...], primarily by:*
 - (a) *Supporting the shift towards a low-carbon, climate-resilient, resource-efficient and environmentally sustainable economy, through reform of education and training systems, adaptation of skills and qualifications, up-skilling of the labour force, and the creation of new jobs in sectors related to the environment and energy;*
 - (b) *Enhancing the accessibility, use and quality of information and communication technologies, through the development of digital literacy, investment in e-inclusion, e-skills and related entrepreneurial skills; Strengthening research, technological development and innovation, through the development of post-graduate studies, the training of researchers, networking*

activities and partnerships between higher education institutions, research and technological centres and enterprises;

(c) Enhancing the competitiveness of small and medium-sized enterprises, through promoting the adaptability of enterprises and workers and increased investment in human capital.

Art. 4 Consistency and thematic concentration

- 1. Member States shall ensure that the strategy and actions set out in the Operational Programmes are consistent and focused on addressing the challenges identified in the National Reform Programmes and the relevant Council Recommendations made under Article 148(4) of the Treaty, in order to contribute to achieving the headline targets of the Europe 2020 strategy on employment, education and poverty reduction.*
- 2. At least 20 % of the total ESF resources in each Member State shall be allocated to the thematic objective "promoting social inclusion and combating poverty" set out in Article 9(9) of Regulation (EU) No [...].*
- 3. Member States shall pursue thematic concentration according to the following modalities:*
 - (a) For more developed regions, Member States shall concentrate 80 % of the allocation to each operational programme on up to four of the investment priorities set out in Article 3(1).*
 - (b) For transition regions, Member States shall concentrate 70 % of the allocation to each operational programme on up to four of the investment priorities set out in Article 3(1).*
 - (c) For less developed regions, Member States shall concentrate 60 % of the allocation to each operational programme on up to four of the investment priorities set out in Article 3(1).*

Art. 9 Social innovation

- 1. The ESF shall promote social innovation within all areas falling under the scope of the ESF, as defined in Article 3 of this Regulation, in particular with the aim of testing and scaling up innovative solutions to address social needs.*
- 2. Member States shall identify themes for social innovation, corresponding to their specific needs in their operational programmes.*
- 3. The Commission shall facilitate capacity building for social innovation, in particular through supporting mutual learning, establishing networks, and disseminating good practices and methodologies.*

Art. 10 Transnational cooperation

- 1. Member States shall support transnational cooperation with the aim of promoting mutual learning and thereby increasing the effectiveness of policies supported by the ESF. Transnational cooperation shall involve partners from at least two Member States.*
- 2. Member States may select themes for transnational co-operation from a list proposed by the Commission and endorsed by the ESF Committee.*
- 3. The Commission shall facilitate transnational cooperation on the themes referred to in paragraph 2 through mutual learning and coordinated or joint action. In particular, the Commission shall operate an EU-level platform to facilitate the exchange of experience, capacity building and networking, as well as dissemination of the relevant outcomes. In addition, the Commission shall develop a coordinated implementation framework, including common eligibility criteria, types and timing of actions, and common methodological approaches for monitoring and evaluation, with a view to facilitating transnational cooperation.*

ERDF & European Territorial Cooperation

Art. 2 Components of the European Territorial Cooperation goal

Under the European territorial cooperation goal, the ERDF shall support:

1. *cross-border cooperation between adjacent regions to promote integrated regional development between neighbouring land and maritime border regions from two or more Member States or between neighbouring border regions from at least one Member State and one third country on external borders of the Union other than those covered by programmes under the external financial instruments of the Union;*
2. *transnational cooperation over larger transnational territories, involving national, regional and local authorities and also covering maritime cross-border cooperation in cases not covered by cross-border cooperation, with a view to achieving a higher degree of territorial integration of those territories, thus contributing to territorial cohesion across the Union;*
3. *interregional cooperation to reinforce the effectiveness of cohesion policy by promoting:*
 - (a) *exchange of experience on thematic objectives among partners throughout the Union on the identification and dissemination of good practice with a view to its transfer to operational programmes under the Investment for growth and jobs goal;*
 - (b) *exchange of experience concerning the identification, transfer and dissemination of good practice on sustainable urban and rural development;*
 - (c) *exchange of experience concerning the identification, transfer and dissemination of good practice and innovative approaches in relation to actions concerning territorial cooperation and to the use of EGTCs;*
 - (d) *analysis of development trends in relation to the aims of territorial cohesion and harmonious development of the European territory through studies, data collection and other measures.*

Art. 3 Geographical coverage

Art. 4 Resources for European Territorial Cooperation

1. *Resources for the European territorial cooperation goal shall amount to 3,48 % of the global resources available for budgetary commitment from the Funds for the period 2014 to 2020 and set out in Article 83(1) of Regulation (EU) No[...]/2012 [CPR] (i.e., a total of EUR 11 700 000 004) and shall be allocated as follows:*
 - (a) *73,24 % (i.e., a total of EUR 8 569 000 003) for cross-border cooperation;*
 - (b) *20,78 % (i.e., a total of EUR 2 431 000 001) for transnational cooperation;*
 - (c) *5,98 % (i.e., a total of EUR 700 000 000) for interregional cooperation.*
2. *Cooperation programmes involving the outermost regions shall receive not less than 150% of the ERDF support they received in the 2007-2013 period. In addition, EUR 50 000 000 from the allocation for interregional cooperation shall be set aside for outermost regions' cooperation. Concerning thematic concentration, Article 5 (b) applies to this additional allocation.*

Art. 5 Thematic concentration

The thematic objectives referred to in Article 9 of Regulation (EU) No [...] /2012 [the CPR] shall be concentrated as follows:

- (a) *up to 4 thematic objectives shall be selected for each cross-border cooperation programme;*
- (b) *up to 4 thematic objectives shall be selected for each transnational cooperation programme;*
- (c) *all thematic objectives may be selected for interregional cooperation programmes pursuant to Article 2(3)(a).*

Art. 18 Staff costs

Staff costs of an operation may be calculated as a flat rate of up to 15 % of the direct costs other than the staff costs of that operation.

EAFRD – Rural Development

Art. 4 Objectives

Art. 5 Union priorities for rural development

The achievement of the objectives of rural development, which contribute to the Europe 2020 strategy for smart, sustainable and inclusive growth, shall be pursued through the following six Union priorities for rural development, which translate the relevant Thematic Objectives of the CSF:

1. *fostering knowledge transfer and innovation in agriculture, forestry, and rural areas with a focus on the following areas:*
 - (a) *fostering innovation and the knowledge base in rural areas;*
 - (b) *strengthening the links between agriculture and forestry and research and innovation;*
 - (c) *fostering lifelong learning and vocational training in the agricultural and forestry sectors.*
2. *enhancing competitiveness of all types of agriculture and enhancing farm viability, with a focus on the following areas:*
 - (a) *facilitating restructuring of farms facing major structural problems, notably farms with a low degree of market participation, market-oriented farms in particular sectors and farms in need of agricultural diversification;*
 - (b) *facilitating generational renewal in the agricultural sector.*
3. *promoting food chain organisation and risk management in agriculture, with a focus on the following areas:*
 - (a) *better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations;*
 - (b) *supporting farm risk management:*
4. *restoring, preserving and enhancing ecosystems dependent on agriculture and forestry, with a focus on the following areas:*
 - (a) *restoring and preserving biodiversity, including in Natura 2000 areas and high nature value farming, and the state of European landscapes;*
 - (b) *improving water management;*
 - (c) *improving soil management.*
5. *promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors, with a focus on the following areas:*
 - (a) *increasing efficiency in water use by agriculture;*
 - (b) *increasing efficiency in energy use in agriculture and food processing;*
 - (c) *facilitating the supply and use of renewable sources of energy, of byproducts, wastes, residues and other non food raw material for purposes of the bio-economy;*
 - (d) *reducing nitrous oxide and methane emissions from agriculture;*
 - (e) *fostering carbon sequestration in agriculture and forestry;*
6. *promoting social inclusion poverty reduction and economic development in rural areas, with a focus on the following areas:*
 - (a) *facilitating diversification, creation of new small enterprises and job creation;*
 - (b) *fostering local development in rural areas;*
 - (c) *enhancing accessibility to, use and quality of information and communication technologies (ICT) in rural areas.*

All of the priorities shall contribute to the cross-cutting objectives of innovation, environment and climate change mitigation and adaptation.

Art. 7 Rural development programmes

1. *The EAFRD shall act in the Member States through rural development programmes. These programmes shall implement a strategy to meet the Union priorities for rural development through a set of measures defined in Title III, for the achievement of which aid from the EAFRD will be sought.*
2. *A Member State may submit either a single programme for its entire territory or a set of regional programmes.*
3. *Member States with regional programmes may also submit for approval a national framework containing common elements for these programmes without a separate budgetary allocation.*

Art. 8 Thematic sub-programmes

1. *Member States may include within their rural development programmes thematic sub-programmes, contributing to the Union priorities for rural development, aimed to address specific needs identified, in particular in relation to:*
 - (a) *young farmers;*
 - (b) *small farms as referred to in the third subparagraph of Article 20(2);*
 - (c) *mountain areas as referred to in Article 33(2);*
 - (d) *short supply chains.*

An indicative list of measures and types of operations of particular relevance to each thematic sub-programme is set out in Annex III.

2. *Thematic sub-programmes may also address specific needs relating to the restructuring of agricultural sectors with a significant impact on the development of a specific rural area.*
3. *The support rates laid down in Annex I may be increased by 10 percentage points for operations supported in the framework of thematic sub-programmes concerning small farms and short supply chains. In the case of young farmers and mountain areas, the maximum support rates may be increased in accordance with Annex I. However, the maximum combined support rate shall not exceed 90%.*

Art. 20 Farm and business development

1. *Support under this measure shall cover:*
 - (a) *business start-up aid for:*
 - i. *young farmers;*
 - ii. *non-agricultural activities in rural areas;*
 - iii. *the development of small farms;*
 - (b) *investments in non-agricultural activities;*
 - (c) *annual payments for farmers participating in the small farmers scheme established by Title V of Regulation (EU) No DP/2012 (hereafter "the small farmers scheme") who permanently transfer their holding to another farmer.*

Art. 21 Basic services and village renewal in rural areas

1. *Support under this measure shall cover in particular:*
 - (a) *the drawing up and updating of plans for the development of municipalities in rural areas and their basic services and of protection and management plans relating to NATURA 2000 sites and other areas of high nature value;*
 - (b) *investments in the creation, improvement or expansion of all types of small scale infrastructure, including investments in renewable energy;*

- (c) broadband infrastructure, including its creation, improvement and expansion, passive broadband infrastructure and provision of access to broadband and public e-government solutions;*
 - (d) investments in the setting-up, improvement or expansion of local basic services for the rural population, including leisure and culture, and the related infrastructure;*
 - (e) investments by public bodies in recreational infrastructure, tourist information and sign-posting of touristic sites;*
 - (f) studies and investments associated with the maintenance, restoration and upgrading of the cultural and natural heritage of villages and rural landscapes, including related socio-economic aspects;*
 - (g) investments targeting the relocation of activities and conversion of buildings or other facilities located close to rural settlements, with a view to improving the quality of life or increasing the environmental performance of the settlement.*
2. *Support under this measure shall only concern small-scale infrastructure, as defined by each Member State in the programme. However, rural development programmes may provide for specific derogations from this rule for investments in broadband and renewable energy. In this case, clear criteria ensuring complementarity with support under other Union instruments shall be provided.*

Art. 33 Designation of areas facing natural and other specific constraints

1. *Member States shall, on the basis of paragraphs 2, 3 and 4, designate areas eligible for payments provided for in Article 32 under the following categories:*
- (a) mountain areas;*
 - (b) areas, other than mountain areas, facing significant natural constraints; and*
 - (c) other areas affected by specific constraints.*

Art. 36 Cooperation

1. *Support under this measure shall promote forms of co-operation involving at least two entities and in particular:*
- (a) co-operation approaches among different actors in the Union agriculture and food chain, forestry sector and among other actors that contribute to achieving the objectives and priorities of rural development policy, including inter-branch organisations;*
 - (b) the creation of clusters and networks;*
 - (c) the establishment and operation of operational groups of the EIP for agricultural productivity and sustainability as referred to in Article 62.*
2. *Co-operation under paragraph 1 shall relate in particular to the following:*
- (a) pilot projects;*
 - (b) the development of new products, practices, processes and technologies in the agriculture, food and forestry sectors co-operation among small operators in organising joint work processes, sharing facilities and resources;*
 - (c) horizontal and vertical co-operation among supply chain actors for the establishment of logistic platforms to promote short supply chains and local markets;*
 - (d) promotion activities in a local context relating to the development of short supply chains and local markets;*
 - (e) joint action undertaken with a view to mitigating or adapting to climate change;*
 - (f) collective approaches to environmental projects and ongoing environmental practices;*
 - (g) horizontal and vertical cooperation among supply chain actors in the sustainable production of biomass for use in food, energy production and industrial processes implementation, in particular by public-private partnerships other than those defined in Article 28(1)(b) of Regulation (EU) No [CSF/2012], of local development strategies addressing one or more of the Union priorities for rural development;*
 - (h) drawing up of forest management plans or equivalent instruments.*

Art. 42 - 45 LEADER local action groups

Art. 56 Prize for innovative, local cooperation in rural areas

The funds referred to in Article 51(2) shall be used for financing the award of a prize to cooperation projects involving at least two entities located in different Member States that realise an innovative, local concept.

European Globalisation Adjustment Fund

Art. 2 Scope

This Regulation shall apply to applications by the Member States for financial contributions to be provided to:

- (a) workers made redundant as a result of major structural changes in world trade patterns due to globalisation, demonstrated, in particular, by a substantial increase in imports into the Union, a rapid decline of the Union market share in a given sector or a delocalisation of activities to non-member countries, where these redundancies have a significant adverse impact on the local, regional or national economy;*
- (b) workers made redundant as a result of a serious disruption of the local, regional or national economy caused by an unexpected crisis, provided that a direct and demonstrable link can be established between the redundancies and that crisis;*
- (c) workers changing or adjusting their previous agricultural activities during a period starting upon initialling of the trade agreement by the Union containing trade liberalisation measures for the relevant agricultural sector and ending three years after the full implementation of these measures and provided that these trade measures lead to a substantial increase in Union imports of an agricultural product or products accompanied by a significant decrease in prices of such products at the Union or, where relevant, the national or regional level.*

Art. 4 Intervention criteria

- 1. A financial contribution from the EGF shall be provided where any of the conditions set out in points (a), (b) and (c) of Article 2 occur and result in:*
 - (a) at least 500 workers being made redundant over a period of four months in an enterprise in a Member State, including workers made redundant in its suppliers or downstream producers;*
 - (b) at least 500 workers being made redundant over a period of nine months, particularly in small or medium-sized enterprises, operating in one economic sector defined at NACE Revision 2 division level and located in one region or two contiguous regions defined at NUTS II level, or in more than two contiguous regions defined at NUTS II level provided that more than 500 workers are made redundant in two of the regions combined.*
- 2. In small labour markets or in exceptional circumstances, where duly substantiated by the applicant Member State, an application for a financial contribution under this Article may be considered admissible even if the criteria laid down in points (a) or (b) of paragraph 1 are not entirely met, when redundancies have a serious impact on employment and the local economy. The Member State shall specify which of the intervention criteria set out in points (a) and (b) of paragraph 1 is not entirely met.*
- 3. As regards farmers, when, after a trade agreement is initialled and on the basis of the information, data and analyses available to it, the Commission considers that the conditions for support in accordance with Article 2(c) are likely to be met for a significant number of farmers, it shall adopt delegated acts in accordance with Article 24 designating the eligible sectors or products, defining the affected geographical areas where appropriate, setting a maximum amount for potential support at Union level, setting reference periods and eligibility conditions for farmers and eligibility dates for expenditure as well as establishing the deadline by which applications must be submitted and, if necessary, the content of these applications in accordance with Article 8(2).*
- 4. Where owner-managers of micro, small and medium-sized enterprises and selfemployed workers change or, in the case of farmers, adjust their previous activities, such situations shall be considered as redundancies for the purposes of this Regulation.*

Art. 7 Eligible actions

1. *A financial contribution may be made for active labour market measures that form part of a coordinated package of personalised services, designed to facilitate the reintegration of the targeted redundant workers into employment or self-employment or, in the case of farmers, to change or adjust their previous activities. The coordinated package of personalised services may include in particular:*
 - (a) *job-search assistance, occupational guidance, advisory services, mentoring, outplacement assistance, entrepreneurship promotion, aid for self-employment and business start-up or for changing or adjusting activity (including investments in physical assets), co-operation activities, tailor-made training and re-training, including information and communication technology skills and*
 - (b) *certification of acquired experience;*
 - (c) *special time-limited measures, such as job-search allowances, employers' recruitment incentives, mobility allowances, subsistence or training allowances (including allowances for carers or farm relief services), all of which limited to the duration of the documented active job search or life-long learning or training activities;*
 - (d) *measures to stimulate in particular disadvantaged or older workers to remain in or return to the labour market.*

The costs of the measures under (b) may not exceed 50 % of the total costs of the coordinated package of personalised services listed in this paragraph. The cost of investments in physical assets for self-employment and business start-up or for changing or adjusting activity may not exceed EUR 35 000.
2. *The following measures shall not be eligible for a financial contribution from the EGF:*
 - (a) *special time-limited measures as listed in paragraph 1 (b) which are not conditional upon the active participation of the targeted workers in job-search or training activities;*
 - (b) *actions which are the responsibility of enterprises by virtue of national law or collective agreements.*
3. *At the initiative of the applicant Member State, a financial contribution may be made for the preparatory, management, information and publicity, control and reporting activities.*

European Programme for Social Change and Innovation

Art. 3 Structure of the Programme

1. *The Programme shall be made up of the following three complementarity axes:*
 - (a) *The Progress axis, which shall support the development, implementation, monitoring and evaluation of Union employment and social policy and legislation on working conditions and shall promote evidence-based policy-making and innovation, in partnership with the social partners, civil society organisations and other interested parties;*
 - (b) *The EURES axis, which shall support activities carried out by the EURES network, i.e. the specialist services designated by the EEA Member States and the Swiss Confederation, together with other interested parties, to develop information exchanges and dissemination and other forms of cooperation to promote workers' geographical mobility;*
 - (c) *The Microfinance and Social Entrepreneurship axis, which shall facilitate access to finance for entrepreneurs, especially those furthest from the labour market, and social enterprises.*
2. *The common provisions laid down in Articles 1 to 14 shall apply to all three axes set out in points (a), (b) and (c) of paragraph 1, to each of which specific provisions shall also apply.*

Art. 5 Budget

1. *The financial appropriations for implementing the Programme over the period from 1 January 2014 to 31 December 2020 shall amount to EUR 958.19 million.*
2. *The following indicative percentages shall be allocated to the axes set out in Article 3 (1) as follows:*
 - (a) *60% to the Progress axis, of which at least 17% shall be allocated to promoting social*
 - (b) *experimentation as a method for testing and evaluating innovative solutions with a view*
 - (c) *to scaling them up;*
 - (d) *15% to the EURES axis;*
 - (e) *20% to the Microfinance and Social Entrepreneurship axis.*

The remaining 5% shall be apportioned among the axes on an annual basis in line with policy priorities.

Art. 6 Types of actions

The following types of actions may be financed under the Programme:

1. *Analytical activities:*
 - (a) *Gathering of data and statistics, as well as development of common methodologies, classifications, indicators and benchmarks;*
 - (b) *Surveys, studies, analyses and reports, including through the funding of networks of experts;*
 - (c) *Evaluations and impact assessments;*
 - (d) *Monitoring and assessment of the transposition and application of Union law;*
 - (e) *Preparation and implementation of social experimentation as a method for testing and evaluating innovative solutions with a view to scaling them up;*
 - (f) *Dissemination of the results of these analytical activities.*
2. *Mutual learning, awareness and dissemination activities:*
 - (a) *Exchanges and dissemination of good practice, innovative approaches and experience, peer reviews, benchmarking and mutual learning at European level;*
 - (b) *Council Presidency events, conferences and seminars;*
 - (c) *Training of legal and policy practitioners, and EURES advisers;*
 - (d) *Drafting and publication of guides, reports and educational material;*
 - (e) *Information and communication activities;*

- (f) *Development and maintenance of information systems in order to exchange and disseminate information on Union policy and legislation as well as labour market information.*
3. *Support for main actors in regard to:*
- (a) *The operating costs of key Union-level networks whose activities relate and contribute to the objectives of the Progress axis;*
 - (b) *Capacity-building of national administrations and specialist services responsible for promoting geographical mobility designated by the Member States and microcredit providers,*
 - (c) *Organisation of working groups of national officials to monitor the implementation of Union law;*
 - (d) *Networking and cooperation among specialist bodies, national, regional and local authorities, and employment services at European level;*
 - (e) *Funding of European-level observatories;*
 - (f) *Exchange of personnel between national administrations.*
4. *Actions to promote mobility of individuals in the Union, in particular the development of a multilingual digital platform for the clearance of job vacancies and applications, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or to help specific groups of workers such as young people.*
5. *Support to microfinance and social enterprises in particular through the financial instruments provided for under Title VIII of Part one of Regulation XXX/2012 [New Financial Regulation] on the financial rules applicable to the annual budget of the Union, and grants.*

Art. 22 Specific objectives of the micro-finance and social entrepreneurship axis

In addition to the general objectives set out in Article 4, the specific objectives of the Microfinance and Social Entrepreneurship axis shall be to:

1. *Increase access to, and the availability of, microfinance for (a) persons who have lost or are at risk of losing their jobs, or who have difficulty in entering or re-entering the labour market, persons at risk of social exclusion and vulnerable persons who are in a disadvantaged position with regard to access to the conventional credit market and who wish to start up or develop their own microenterprises; micro-enterprises, especially those which employ persons as referred to in point (a);*
2. *Build up the institutional capacity of microcredit providers;*
3. *Support the development of social enterprises, in particular by facilitating access to finance.*