Agenda 2000: general regulation governing Structural Funds, revision for the period 2000-2006

1998/0090(AVC) - 31/10/2012 - Follow-up document

The Commission presented a report concerning the implementation of the Structural Funds 2000-2006 assistance during 2011.

The report shows that the **2011 budget was fully utilised**.

In addition to the implementation of 2000-2006 Structural Funds programmes and projects and preparation for their closure, the Commission was also involved in the implementation of **434 programmes** [317 under the European Regional Development Fund (ERDF) and, 117 under the European Social Fund (ESF)] that relate to the 2007-2013 programming period.

Sharing of experience was promoted, notably through interregional and urban networks and the conference 'Regions for Economic Change: Fostering Smart and Sustainable Growth in Cities and Regions' on 23-24 June 2011.

Analysis of implementation:

- ERDF: in 2011, budgetary execution was focused on closing the 2000-2006 programmes. The overall absorption rate reached 100% or **EUR 1 457 million** (incl. technical assistance) reimbursed to programmes.

In respect of the entire 2000-2006 period, EUR 124 308 million had been paid to Member States as of 31 December 2011. This represents an average absorption rate for all Member States of 96 % of the overall allocation of EUR 129 584 million. The remaining payments concern payments of balances for the closure of programmes.

- ESF: for the 2000-2006 period, there are 239 ESF operational programmes to be closed. Closure documents for all 239 programmes were submitted in due time and are admissible. Up to now, 212 WUDs and 214 final reports have been accepted. 84 closures files have been completed, representing a total amount of EUR 445 million. The payment-credits' consumption during 2011 reached **EUR 437 million**.

For the whole period, EUR 64 492 million had been paid to Member States as at the end of 2011. This represents an absorption rate for all Member States of 94.09 % of the overall allocation of EUR 68 600 million.

- EAGGF: the total amount paid in 2011 for EAGGF Guidance programmes was **EUR 499.68 million**, of which EUR 8.8 million was paid from assigned revenue. Finally, 90.2 % of the 2011 available appropriations were used for payments. Implementation of the 2000-2006 programmes was accomplished before 2011. The EAGGF-Guidance outstanding commitments (RAL) at the end of 2011 amounted to EUR 632.3 million, equivalent to 2.9 % of the whole 2000-2006 allocation.

- FIFG: the overall absorption rate for payments was 29.03 %, with **EUR 0.7 million** being disbursed to Member States. The total RAL for the FIFG at the end of 2011 reached EUR 295.7 million (compared with EUR 296.44 million in 2010). This represents 7.4% of total commitments for the 2000-2006 period.

For the whole period, as at the end of 2011, EUR 3 640 million had been paid to Member States. This represents an absorption rate for all Member States of 92.5 % of the overall allocation of EUR 3 935 million.

Consistency with other EU policies: previous reports have described relevant developments in relation to ensuring consistency between the cohesion policy and other EU policy priorities such as competition policy, internal market, environment, transport and gender-equality objectives. There were no specific changes in requirements or expectations on managing authorities as the 2000-2006 programmes entered the closure phase.

Evaluations: in 2011, the Commission continued to carry out evaluations to support decision-making on Structural Funds' matters. However, most of the evaluations concerning the period 2000-2006 were finished in 2010.

As far as the ERDF is concerned, **a study on evaluating innovation activities,** to determine the state of the art of innovation evaluation in Member States, analyse the advantages and limitations of available methodologies for assessing different kinds of innovation activities, conduct a series of case studies on good-quality evaluations, and draft guidance for managing authorities to support their evaluation activities.

Controls: the report shows that assurance with regard to the 2000-2006 ERDF programmes has been built up gradually over the years. In 2011, **OLAF** undertook 29 missions in the Member States relating to measures cofinanced by the Structural Funds. During these missions on-the-spot checks were carried out on 57 economic operators and 18 other types of missions were carried out to gather information or to assist either national administrations or judicial authorities. As was the case in previous years, typical problems identified by OLAF in the course of 2011 included false declarations, false invoicing and failure to abide by public-procurement rules, as well as specified instances of conflict of interest in certain tendering procedures.

In 2011, Member States reported to the Commission some 3 816 notifications of irregularities involving EUR 1.177 billion concerning co-financed measures of the 1994-99, 2000-2006 and 2007-2013 programming periods.