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“EUROPEAN STRUCTURAL AND INVESTMENT FUNDS” 2014 -2020 FOR THE EFFICIENCY OF PUBLIC ADMINISTRATION

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ABSTRACT: *Entitled “Europe 2020”, the new EU strategy is focused on smart, sustainable and inclusive growth to overcome the economic crisis in Europe. The “European Structural and Investment (ESI) Funds” are the main financial instruments of European Union for cohesion policy. For the current programming period, 2014 - 2020, ESI funds were reformed to optimize their management and to align the new European Strategy for 2020. The Common Provision Regulation (EU) 1303/2013 has introduced shared rules for all five ESI funds and a conversion of triple objectives of Europe 2020 strategy into eleven Thematic Objectives (TOs). These are European and national reference points for ESI funds, Partnership agreements and programmes. Under TO no 11 “Improving the efficiency of public administration”, the investments are devoted to institutional capacity building, structures, systems and tools. More than EUR 6 billion from ESI funds have been allocated for TO no 11, giving to all Member States and regions a real opportunity to enhance the public administration in the European Union*.

KEYWORDS: *ESI Funds 2014-20; EU Cohesion Policy; Thematic Objective no 11; Efficiency; Public administration. Europe2020 strategy.*
JEL CODE: *K00*

1. INTRODUCTION

The “Europe 2020 strategy” is the new EU plan focused on three priorities - smart, sustainable and inclusive growth - to overcome the economic crisis in Europe.

The European Commission in the official communication of 3 March 2010 entitled “Europe 2020 - A strategy for smart, sustainable and inclusive growth” (European Commission, 2010) introduces the reasons and priorities of this new EU plan as follow: *“Europe faces a moment of transformation. The crisis has wiped out years of economic and social progress and exposed structural weaknesses in Europe's economy. In the meantime, the world is moving fast and long-term challenges – globalisation, pressure on resources, ageing – intensify. The EU must now take charge of its future. Europe can succeed if it acts collectively, as a Union. We need a strategy to help us come out stronger from the crisis and turn the EU into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion. Europe 2020 sets out a vision of Europe's social market economy for the 21st century.”*

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To measure Europe 2020 goals, the following five target areas have been listed in the above mentioned official communication:

- *75% of the population aged 20 to 64 years to be employed.*
- *3% of GDP to be invested in the research and development (R&D) sector.*
- *Climate change and energy targets (Greenhouse gas emissions to be reduced by 20% compared to 1990; Share of renewable energy sources in final energy consumption to be increased to 20%; Energy efficiency to be improved by 20%).*
- *Share of early school leavers to be reduced under 10% and at least 40% of 30 to 34 years old to have completed tertiary or equivalent education.*
- *Poverty to be reduced by lifting at least 20 million people out of the risk of poverty or social exclusion.*

Each Member State has translated the european targets in national ones[1] according to the national possibilities. EU governments describes the level of achievements in their annual national reform programmes.

The new model of smart, sustainable and inclusive growth is supported by seven flagship initiatives that catalyse progress on each priority theme and serve to steer implementation by ensuring coordination between the European and national levels.

The seven flagships are listed below with reference to the three priorities (European Commission, 2010):

Smart growth

1. "Innovation Union - to improve framework conditions and access to finance for research and innovation so as to ensure that innovative ideas can be turned into products and services that create growth and jobs."

2. "Youth on the move - to enhance the performance of education systems and to facilitate the entry of young people to the labour market".

3. "A digital agenda for Europe - to speed up the roll-out of high-speed internet and reap the benefits of a digital single market for households and firms."

Sustainable growth

4. "Resource efficient Europe - to help decouple economic growth from the use of resources, support the shift towards a low carbon economy, increase the use of renewable energy sources, modernise our transport sector and promote energy efficiency".

5. "An industrial policy for the globalisation era - to improve the business environment, notably for SMEs, and to support the development of a strong and sustainable industrial base able to compete globally".

Inclusive growth

6. "An agenda for new skills and jobs - to modernise labour markets and empower people by developing their of skills throughout the lifecycle with a view to increase labour participation and better match labour supply and demand, including through labour mobility."

7. "European platform against poverty - to ensure social and territorial cohesion such that the benefits of growth and jobs are widely shared and people experiencing poverty and social exclusion are enabled to live in dignity and take an active part in society."

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[1] The national targets are available at http://ec.europa.eu/eurostat/ documents/4411192/4411431 /Europe_ 2020_Targets.pdf

The EU provides funding for the above initiatives and priorities as part of the multiannual financial framework 2014-2020. Almost 76% of the EU budget is indirectly managed with specific managing authorities, mainly through five funds - the ”European Structural and Investment (ESI) Funds”. The European Commission delegates the management of certain programmes to EU countries under shared management agreements. In collaboration with the European Commission, each country prepares an agreement, setting out how the funds will be used during a funding period, normally covered by a multiannual financial framework. The current framework runs from 2014 to 2020. EU countries assign the management of EU funding mainly to managing authorities such as ministries and other public bodies. These institutions are responsible for organising and launching calls for proposals or tender procedures.

Other funds are managed directly by the EU. The European Commission manages the budget when the projects are carried out by its departments, at its headquarters, in the EU delegations or through EU executive agencies.

”EUROPEAN structural AND investment (ESI) funds” 2014 - 2020

Art. 174 of the Treaty on the Functioning of the European Union (TFEU) provides that, ”*in order to strengthen its economic, social and territorial cohesion, the Union is to aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions or islands, and that particular attention is to be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps.*”

The “European Structural and Investment (ESI) Funds” are the main financial instruments of European Union for cohesion policy. For the current programming period, 2014 - 2020, ESI funds were reformed to optimize their management and to align the new European Strategy for 2020.

The Common Provision Regulation (EU) 1303/2013 (CPR)[2] has introduced common rules for all five ESI funds.

According to the art. 4 “general principles” of this Regulation, “*the ESI Funds shall provide support, through multi-annual programmes, which complements national, regional and local intervention, to deliver the Union strategy for smart, sustainable and inclusive growth, as well as the Fund-specific missions pursuant to their Treaty-based objectives, including economic, social and territorial cohesion taking account of the relevant Europe 2020 Integrated Guidelines and the relevant country - specific recommendations adopted in accordance with Article 121(2) TFEU, and of the relevant Council recommendations adopted in accordance with Art. 148(4) TFEU and where appropriate at national level, the National Reform Programme.*”

New common rules for all five ESI funds have been established in order to focus the european, national and regional resources on the same strategic objectives of Europe2020 vision. Moreover, all funds have to be complementary each other in order to avoid double

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[2] REGULATION (EU) No 1303/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006.

financing actions and to exploit as much as possible financial resources. In addition to the CPR, a specific Regulation has been adopted for each fund.

The five ESI Funds and their specific Regulations are:

1. “European Regional Development Fund (ERDF)” - Regulation No 1301/2013[3];
2. “European Social Fund (ESF)” - Regulation No 1304/2013[4];
3. “Cohesion Fund (CF)” - Regulation No 1300/2013[5];
4. “European Agricultural Fund for Rural Development (EAFRD)” - Regulation No 1305/2013[6];
5. “European Maritime and Fisheries Fund (EMFF)” - Regulation No 508/2014[7].

The “European Territorial Cooperation (ETC)” with the specific Regulation No 1299/2013[8] is co-financed by the ERDF.

The CPR represents a guide for the management of ESI funds, starting from the elaboration of common standard for programmes until the reporting activities. One of the first common steps for all Member States is the elaboration of the “partnership agreement” that is, according to the art. 2 of CPR, “*a document prepared by a Member State with the involvement of partners in line with the multi-level governance approach, which sets out that Member State's strategy, priorities and arrangements for using the ESI Funds in an effective and efficient way so as to pursue the Union strategy for smart, sustainable and inclusive growth, and which is approved by the Commission following assessment and dialogue with the Member State concerned”*.

Moreover, the art. 9 of CPR identifies eleven common thematic objectives for all ESI funds and not only. In the partnership agreement, all Member States introduce also other EU financial instruments by stimulating an high level of financial absorption.

The following eleven TOs are also related to the three priorities of Europe2020:

Smart growth

1. “Strengthening research, technological development and innovation”

2. “Enhancing access to, and use and quality of information and communication technologies (ICT)”

3. “Enhancing the competitiveness of small and medium-sized enterprises (SMEs)”

Sustainable growth

[3] REGULATION (EU) No 1301/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006

[4] REGULATION (EU) No 1304/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006

[5] REGULATION (EU) No 1300/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006

[6] REGULATION (EU) No 1305/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005

[7] REGULATION (EU) No 508/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 15 May 2014 on the European Maritime and Fisheries Fund and repealing Council Regulations (EC) No 2328/2003, (EC) No 861/2006, (EC) No 1198/2006 and (EC) No 791/2007 and Regulation (EU) No 1255/2011 of the European Parliament and of the Council

[8] REGULATION (EU) No 1299/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal

4. *"Supporting the shift towards a low-carbon economy in all sectors"*
5. *"Promoting climate change adaptation, risk prevention and management"*
6. *"Preserving and protecting the environment and promoting resource efficiency"*
7. *"Promoting sustainable transport and removing bottlenecks in key network infrastructures"*

Inclusive growth

8. *"Promoting sustainable and quality employment and supporting labour mobility"*
9. *"Promoting social inclusion, combating poverty and any discrimination"*
10. *"Investing in education, training and vocational training for skills and lifelong learning"*
11. *"Enhancing institutional capacity of public authorities and stakeholders and efficient public administration"*

To further facilitate the process of harmonization of ESI funds, a "Common Strategic Framework" has been detailed in the Annex I of CPR. In the art. 10 of CPR it has been declared that "*the Common Strategic Framework ('CSF') establishes strategic guiding principles to facilitate the programming process and the sectorial and territorial coordination of Union intervention under the ESI Funds and with other relevant Union policies and instruments, in line with the targets and objectives of the Union strategy for smart, sustainable and inclusive growth, taking into account the key territorial challenges of the various types of territories. The CSF shall facilitate the preparation of the Partnership Agreement and programmes in accordance with the principles of proportionality and subsidiarity and taking into account national and regional competences, in order for the specific and appropriate policy and coordination measures to be decided."*

In the paragraph 2 of CSF entitled "contribution of ESI funds to the Union Strategy for smart, sustainable and inclusive growth and coherence with the Union's economic governance" it has been stated that *"in line with the thematic objectives set out in the first paragraph of Article 9, Member States shall, in order to ensure critical mass necessary to deliver growth and jobs, concentrate support in accordance with Article 18 of this Regulation and with the Fund-specific rules on thematic concentration, and shall ensure the effectiveness of spending. Member States shall give particular attention to prioritising growth-friendly expenditure, including spending on education, research, innovation and energy efficiency and expenditure to facilitate the access of SMEs to finance, and to ensure environmental sustainability, and the management of natural resources and climate action as well as to modernise public administration. They shall also take account of maintaining or reinforcing the coverage and effectiveness of employment services and active labour market policies in order to combat unemployment, with a focus on youth and tackle the social consequences of the crisis, and promote social inclusion."*

The art. 18 introduces the new rule on "thematic concentration"[9] by defining the minimum level of intervention in specific geographical and thematic areas. The

[9] Art. 18 of CPR – Thematic concentration - Member States shall concentrate support, in accordance with the Fund-specific rules, on interventions that bring the greatest added value in relation to the Union strategy for smart, sustainable and inclusive growth taking into account the key territorial challenges of the various types of territories in line with the CSF, the challenges identified in the National Reform Programmes, where appropriate, and relevant country specific recommendations under Article 121(2) TFEU and the relevant Council

geographical area considered for ESI fund is region, level 2 NUTS (Nomenclature of Territorial Units for Statistics). Another classification is based on GDO of the region, in the art. 90 of CPR there are three categories:

- *"Less developed regions: those whose GDP per capita is less than 75% of the average GDP of the EU average";*
- *"Transition regions: those whose GDP per capita is between 75% and 90% of the average GDP of the EU average";*
- *"More developed regions: those whose GDP per capita is above 90 % of the average GDP of the EU".*

Resources allocated for growth and job is equal to 96,33% of the total amount (art. 92 of CRP) and they will be distributed according the above classification, as indicated in the art. 90 of CPR, i.e.:

- 52,45 % for less developed regions;
- 10,24 % for transition regions;
- 15,67 % for more developed regions;
- 21,19 % for Member States supported by the Cohesion Fund;
- 0,44 % as additional funding for the specific regions.

The "European Regional Development Fund (ERDF)" is the most important financial instruments of the EU's cohesion policy. According to the art. 2 of Regulation No 1301/2013, "*the ERDF shall contribute to the financing of support which aims to reinforce economic, social and territorial cohesion by redressing the main regional imbalances in the Union through the sustainable development and structural adjustment of regional economies, including the conversion of declining industrial regions and regions whose development is lagging behind.*"

With a total budget of EUR 200 billion, ERDF finances research, ICT, SMEs and the low carbon-economy, as well as at infrastructure in less developed regions. Nationally at least 80 % will be allocated in more developed regions, 60 % in transition regions and 50 % in less developed regions for two or more of the thematic objectives no TO1, TO2, TO3 and TO4. ERDF also supports sustainable urban development for at least 5% of the ERDF allocation for each Member State.

The "European Social Fund (ESF)" is Europe's main funding instrument to" *promote high levels of employment and job quality, improve access to the labour market, support the geographical and occupational mobility of workers and facilitate their adaptation to industrial change and to changes in production systems needed for sustainable developments, encourage a high level of education and training for all and support the transition between education and employment for young people, combat poverty, enhance social inclusion, and promote gender equality, non-discrimination and equal opportunities, thereby contributing to the priorities of the Union as regards strengthening economic, social and territorial cohesion*" (art. 2 of Regulation No 1304/2013).

All EU regions are covered by ESF. In the current programming period, the human capital investment will be more than 89 billion of euro, together with 3,2 billion for "Youth Employment Initiative" (art. 16 of Regulation No 1304/2013).

recommendations adopted under Article 148(4) TFEU. Provisions on thematic concentration under the Fund specific rules shall not apply to technical assistance.

ESF is focused on all Thematic Objective of Inclusive growth, namely TO8 *"Promoting sustainable and quality employment and supporting labour mobility", TO9 "Promoting social inclusion, combating poverty and any discrimination", TO10 "Investing in education, training and vocational training for skills and lifelong learning" and TO11 "Enhancing institutional capacity of public authorities and stakeholders and efficient public administration"*

Each Member States allocates at least 20% to TO9. Art. 4 of the Fund specific Regulation of ESF establishes for thematic concentration the following rule: "*For more developed regions, Member States shall concentrate at least 80 % of the ESF allocation to each operational programme on up to five of the investment priorities set out in Article 3(1). For transition regions, Member States shall concentrate at least 70 % of the ESF allocation to each operational programme on up to five of the investment priorities set out in Article 3(1). For less developed regions, Member States shall concentrate at least 60 % of the ESF allocation to each operational programme on up to five of the investment priorities set out in Article 3(1)."*

Member States with Gross National Income (GNI) less than 90 % of the EU average can be supported by the "Cohesion Fund". It is specifically devoted to the reduction of disparities and to the promotion of eco compatible development. A total of € 63.4 billion has been allocated from 2014 to 2020 for TO4, TO5, TO6, TO7 and TO11. The "European Maritime and Fisheries Fund (EMFF)" supports the "Common Fisheries Policy - CFP" of EU for the "*conservation of marine biological resources, for the management of fisheries and fleets exploiting those resources, for fresh water biological resources and aquaculture, as well as for the processing and marketing of fishery and aquaculture products, where such activities take place on the territory of Member States, by Union fishing vessels, or by nationals of Member States*" as declared in the Regulation No 508/2014.

Around EUR 6.4 billion will finance eligible activities listed in the art. 5 of Regulation No 508/2014: *(a) promoting competitive, environmentally sustainable, economically viable and socially responsible fisheries and aquaculture; (b) fostering the implementation of the CFP; (c) promoting a balanced and inclusive territorial development of fisheries and aquaculture areas; (d) fostering the development and implementation of the Union's Integrated Maritime Policy in a manner complementary to cohesion policy and to the CFP.*

The "European Agricultural Fund for Rural Development (EAFRD)", as stated in the art. 3 of Regulation No 1305/2013, *"shall contribute to the Europe 2020 Strategy by promoting sustainable rural development throughout the Union in a manner that complements the other instruments of the Common Agricultural Policy - CAP, the cohesion policy and the common fisheries policy. It shall contribute to the development of a Union agricultural sector that is more territorially and environmentally balanced, climate-friendly and resilient and competitive and innovative. It shall also contribute to the development of rural territories."*

In each Member State a specific "rural development programme" is defined according to at least four of the following priorities listed in the art. 5 of Regulation No 1305/2013: *"fostering knowledge transfer and innovation in agriculture, forestry and rural areas; enhancing the viability / competitiveness of all types of agriculture, and promoting innovative farm technologies and sustainable forest management; promoting food chain* *organisation, animal welfare and risk management in agriculture; restoring, preserving and enhancing ecosystems related to agriculture and forestry; promoting resource efficiency and supporting the shift toward a low-carbon and climate-resilient economy in the agriculture, food and forestry sectors; promoting social inclusion, poverty reduction and economic development in rural areas.”*

Almost EUR 96 billion is allocated for EAFRD from 2014 to 2020.

Thematic Objective no 11 “Improving the efficiency of public administration”

The efficiency of public administration is an important objective for EU Cohesion Policy. All Member States have to invest on capacity building of the administration taking into account the thematic objective no 11 in their partnership agreements.

European Commission declares in the official portal[10] that “*the objective is to create institutions which are stable and predictable, but also flexible enough to react to the many societal challenges, open for dialogue with the public, able to introduce new policy solutions and deliver better services. The investment in the structures, human capital and systems and tools of the public sector is oriented towards more efficient organisational processes, modern management, motivated and skilled civil servants.”*

The national contribution is strictly correlated to the Country Specific Recommendations and National Reform Programmes[11]. Thematic objective no 11 is mainly sustained by the “European Social Fund (ESF)”, but also through the “European Regional Development Fund (ERDF)” and “Cohesion Fund (CF)”. “European Agricultural Fund for Rural Development (EAFRD)” and “European Maritime and Fisheries Fund (EMFF)” don’t fund TO11.

Under the broad theme of “Efficient Public Administration” for 2014-20, the ESF and ERDF invest in a range of investment priorities by planning the total financing amount equal to €6.467.882.574, of which EU financing is €5.068.442.419 and national co-financing is €1.399.440.155. ESF covers 72,2% of total amount, the remaining sum is supported by ERDF[12].

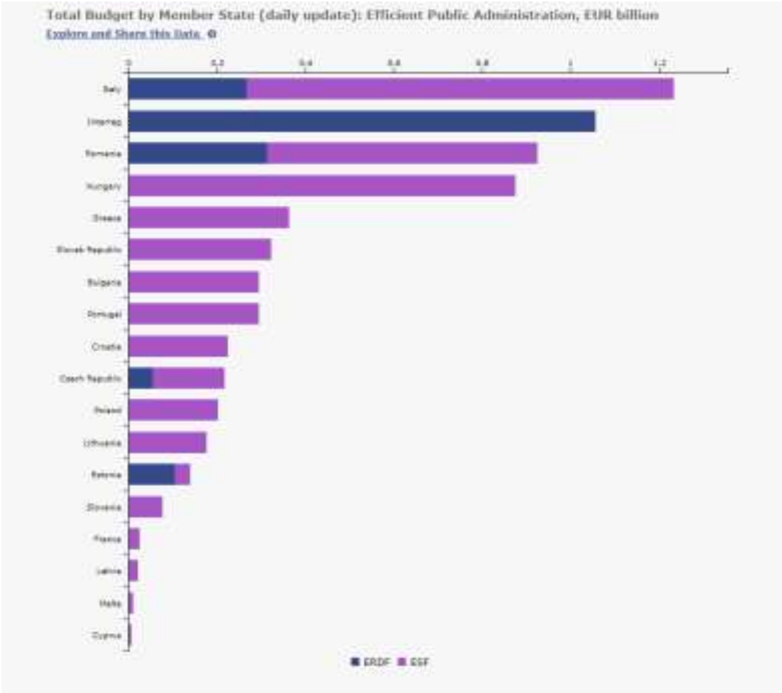
Each Member State has specific budget for thematic Objective no 11 from 2014 to 2020 showed in the following picture[13].

[10] http://ec.europa.eu/regional_policy/en/policy/themes/better-public-administration/

[11] Country Specific Recommendations and National Reform Programmes are available at the following link: https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction/european-semester_en

[12] Financial data source is available at https://cohesiondata.ec.europa.eu/themes/11#

[13] Source of the picture is European Commission, it is available at the following link https://ec.azure-westeurope-prod.socrata.com/dataset/Thematic-Objective-11-Efficient-public-administrat/yn7u-e49w



As outlined by the European Commission in the ”Guidance fiche for desk officers institutional capacity building (thematic objective 11)” (European Commission, 2014), the institutional capacity building is made by improving: “structures and processes”, “human resources”, “Service delivery”[14].

ESF fund supports thematic Objective no 11 mainly through reforms for better governance and administrative services and for human resources policy. Key action is also the good management of public funds, such as ESI funds. Capacity building for civil servants and for all actors of public administration, including stakeholders, is crucial. ESF invest in education and training on transparency, integrity and reporting of funds, as well as on ICT, communication, relationship, etc.

Moreover, ESF modernise administrative offices and public services together with ERDF (last one in terms of infrastructures and equipment).

In less developed regions the employment strategies are specifically supported by two ESF priorities “More effective institutions” and “Partnerships for progress”. The first one is devoted to enhance the initiatives for citizens, worker and job-seekers in their cities. The second priority is focused on helping public authorities and stakeholders to develop successful strategies for employment.

Some example of ESF projects are: e-government actions in order to enhance the availability of the information, the transparency, the communication etc. useful for

[14] http://ec.europa.eu/regional_policy/sources/docgener/informat/2014/guidance_fiche_thematic_objective_11_en.pdf

citizens, workers, and public authorities; training for civil servants to improve the back off and customer facing roles; IT initiatives; etc.

The transnational cooperation is also important for the efficiency of public administration: shared strategies and visions reinforce all partners to implement best programmes by contributing to the EU objectives. Cross-border co-operation in relation to environmental protection, judicial cooperation, access to justice, etc. are funded by ESF and ERDF (also by "European Territorial Cooperation") (European Commission Directorate-General Regional and Urban Policy, 2014).

Cohesion Fund covers TO 11 only for the implementation of the fund, it doesn't have any further objective.

In addition to the investments under Thematic Objective 11, "technical assistance" supports all partners to administratively manage ESI funds. Some EU initiatives have been launched such as "TAIEX REGIO PEER 2 PEER exchange system", trainings on antifraud and corruption related to the management of funds, networking, studies, etc.

The following table, published by European Commission, shows the contribution of ESF and ERDF funds on TO11, as well as TA contribution and other TOs on the efficiency of public administration (European Commission, 2014).

	ESF support under TO11	***ERDF support under TO11***		***Support to Administrative Capacity Building under other TOs***	***Technical assistance under ERDF and ESF***
		In support of ESF funded operations	***To support implementation of the ERDF***		
Objective	*Focus on reform* *Support structural, systemic, horizontal change – integrated approach Reforms, better regulation, good governance On national, regional and local level*	*Provide infrastructure – necessary for effective administration reform*	*Build capacity and institutional reforms of public bodies which are necessary for the absorption and achievement of results of the ERDF Reform linked to ERDF effectiveness in specific contexts, for example: issuing of permits, managing infrastructure, meeting legal obligations*	*Reforms and administrative capacity and better service provision in certain sectors of social and economic development, funded by ERDF (TO1-7) and ESF (TO8-10) ERDF and ESF could intervene if it is specific - not a general or horizontal activity (otherwise it is TO11) and it should not be directly linked with the implementation/management (otherwise it is TA)*	*Ensuring capacity for the management of ESI funds Operational support Removing "bottlenecks" Not reform oriented*

2. SHORT CONCLUSION

According to the official financial data published on European Commission platform[15], the achievements already funded by ESI funds under the theme "Efficient public administration" are multiple. The number of participants employed is 70 002, mainly 25-54 years of age and from Greece. The "number of projects targeting public administrations or public services at national, regional or local level" is 298, they are mostly implemented in Italy, Czech Republic and Poland. Out of 48 400 participants, 48 194 gained a qualification in Greece. These are just few examples. Considering all data, they show that some nations have achieved more results than others.

This is also confirmed by the general data. Until the end of 2017, the overall implementation progress of ESI funds[16] shows that: 12% has been spent[17] and 49% decided[18] for ESF; 10% and 53% respectively for ERDF; 15% and 65% for CF. The state of progress in spending on ESI funds is lagging behind the planned timing.

The quality of public administration plays an important role for a good absorption of European funds. This is stated in the last European Semester thematic factsheet (European Commission, 2016) on "quality of public administration" as follow "*weaknesses in the functioning of public administration can create significant obstacles for investment on regional and local level in Europe*". Moreover, relevant details have been listed in 2016 by the Committee of the Regions (Committee of the Regions, 2016) such as complex "*public procurement procedures*", "*lack of coordination at and between various levels*", "*insufficient administrative capacity to manage complex financial tools or to submit projects following demanding requirements and regulations regulating specific schemes and funds*".

Although the same considerations were made at the end of the previous programming period (2007-13) and substantial improvements have been imposed during the current period (2014-20), the data show that Europe needs further progresses. According to the above mentioned last European Semester thematic factsheet on "quality of public administration" (European Commission, 2016), "*Europe needs to enhance the efficiency of public expenditure, and find new, untapped sources of growth and employment. Modernising of public administrations is a way to relieve economic and budgetary pressures, to design and deliver needed structural reforms, to remove existing barriers in the Single Market, to foster innovation and create new job opportunities. In addition, better public administrations can increase trust and citizen engagement in order to renew legitimacy of public policy-making across Europe".* European citizens themselves confirm these necessities during the survey "Public opinion in the European Union" (European Commission, 2016).

The EU supports these efforts by making available several financial resources, consultants, systems and processes. The goal is to reform european public administration apart from ESI funds. For European Commission in the official document entitled "A Vision for Public Services" (European Commission, 2013), "*the vision is that in future,*

[15] https://cohesiondata.ec.europa.eu/themes/11#
[16] Source of data is available at https://cohesiondata.ec.europa.eu/funds
[17] Expenditure reported by the selected projects
[18] Financial resources allocated to selected projects

governments will be connected, networked and fully joined-up and will interact with each other and with private actors. The services will be more personalised, allowing users to design and create. This is likely to happen in an open and participative governance structure, where both administrations and third parties can collaborate and share responsibilities in producing and providing services according to the accepted principles of subsidiarity".

With more than 6 billion, ESI funds with TO11 represents a good opportunity to approach this vision.

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