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DIRECTORATE-GENERAL BUDGET

Analysis of the budgetary implementation of the Structural and Cohesion Funds in 2010

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Expenditure

Cohesion for Growth and Employment

NOTE: THE INFORMATION CONTAINED IN THIS COMMISSION STAFF WORKING PAPER (DG BUDGET) IS WITHOUT PREJUDICE TO THE CONTENT OF THE OFFICIAL COMMISSION REPORTS ON THE CLOSURE OF THE ACCOUNTS AND ON THE STRUCTURAL AND COHESION FUNDS. READERS SHOULD REFER IN PARTICULAR TO THE REVENUE AND EXPENDITURE ACCOUNT FOR THE OFFICIAL FIGURES ON THE 2010 BUDGET OUTTURN.

LIST OF ABBREVIATIONS

AB	Amending Budget
CA	Commitment appropriations
CB	Cross-border cooperation
CI	Community initiative
CF	Cohesion Fund
EAGGF-G	European Agricultural Guidance and Guarantee Fund, Guidance section
EERP	European Economic Recovery Package
ENPI	European Neighbourhood and Partnership Instrument
ETC	European Territorial Cooperation
EU-15	Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, United Kingdom
EU-10	Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia,
EU-12	EU-10 plus Bulgaria and Romania
ERDF	European Regional Development Fund
ESF	European Social Fund
FIFG	Financial Instrument for Fisheries Guidance
H1B	Heading 1b of the Multiannual Financial Framework
IIA	Inter Institutional Agreement
IM & TA	Innovation measures and technical assistance
IPA	Instrument for Pre-Accession
MCS	Management and Control System
MS	Member State
NSRF	National Strategic Reference Framework
OP	Operational programme
PA	Payment appropriations
RAL	"Reste à Liquider" – Outstanding Commitments
RCE	Regional Competitiveness and Employment

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EXECUTIVE SUMMARY

Overall implementation

- The year 2010 was marked by a level of commitments in line with the multiannual financial framework (€9.2 billion) and a substantial increase in payments by €3.3 billion to €5.0 billion.
- Payments for the 2007-2013 programming period (€2.8 billion) rose by almost 30% compared to 2009. At the same time, payments for the previous programming period (€2.2 billion) decreased by 65%.
- The total payment execution of €5.0 billion compares to an initially voted budget of €4.4 billion.
- The overall level of outstanding commitments (RAL) reached €24.3 billion at the end of 2010. This corresponds to a level of 2.5 years of commitments which reflects the n+2/n+3 de-commitment rules of the 2007-13 period (that were further relaxed by an amendment to the corresponding legal base in 2010).

Implementation of the 2007-2013 programming period

- Execution of payment appropriations was almost entirely for interim payments (€2.0 billion out of €2.8 billion).
- Due to acceleration of interim payment claims submission, it was necessary to reinforce the 2007-13 payment appropriations by €2.0 billion (mainly through the global transfer and internal transfers from the 2000-2006 period). Thus, overall execution for all Heading 1B 2007-13 Funds reached 106% of the initially voted 2010 budget.
- The overall cumulative payments have reached 22.1% of the 2007-2013 financial envelope and the corresponding outstanding commitments amount to €13.0 billion.
- Payment forecasts by Member States were overestimated by 19% in total but the forecast results vary widely from country to country.

Implementation of the 2000-2006 programming period

- As, prior to 2010, most individual programmes had already reached the 95% threshold for payments before closure, interim payment execution was rather limited. At the same time closure payments only really picked up towards the end of the year. Consequently, payment appropriations for the 2000-2006 period were reduced by €0.8 billion via transfers.
- 10% of the programmes, representing 7.6% of the total 2000-2006 financial envelope, have been closed by the end of 2010.
- Overall, by the end of 2010, the cumulative implementation for EU-15 at the global level reached 95.0% of their 2000-2006 envelope while the EU-10 rate stood at 94.9% of their 2004-2006 allocation.
- The outstanding commitments for the 2000-2006 period decreased by 25% from €14.9 billion to €1.2 billion. Due to their relatively low level (€2.2 billion) payments however account for a reduction of only 15% while the remaining 10% were the result of first preliminary closure de-commitments (€1.5 billion).

Clearance of pre-2000 outstanding commitments

- The RAL of the pre-2000 programming periods has been further reduced from €80 million to €26 million mainly due to de-commitments at closure.

1 BUDGET IMPLEMENTATION IN 2010

1.1 IMPLEMENTATION OF COMMITMENTS AND PAYMENTS IN 2010

As mentioned in the last 3 editions, the implementation report deals with all the funds of the 2007-2013 programming period assigned to Heading 1b "Cohesion policy" of the financial framework: ERDF and ESF and the Cohesion Fund. It will also continue to cover the EAGGF-G and the FIFG until the closure of the respective programmes, as they are Structural Funds of the period 2000-2006.

However, the report does not cover the European Agricultural Fund for Rural Development and the European Fisheries Fund of Heading 2 "Natural Resources" of the financial framework 2007-2013, which are no longer Structural Funds. As the Cohesion Fund was not subject to the Structural Funds regulatory framework in pre-2007 programming periods, this report, as in previous years, does not cover the pre-2007 Cohesion Fund, either.

As can be expected from the legal framework, the execution of commitments in 2010 for the Structural and Cohesion Funds was high, amounting to €49.2 billion. Save for technical assistance (where a marginal amount of commitment appropriations was not used and lapsed at the end of the year), all the available commitment appropriations for programmes were either committed or carried over to 2011 (€16.56 million).

Table 1: Outturn of Commitment Appropriations for the 2007-2013 period in 2010 by Fund (in million €)

FUND	VOTED BUDGET	TRANSFERS, AMENDING BUDGETS, ADDITIONAL APPROPRIATIONS	TOTAL COMMITMENT APPROPRIATIONS	OUTTURN	%
ERDF	28.206	33	28.239	28.213	99,9%
ESF	10.844	0	10.845	10.841	100,0%
CF	10.190	0	10.190	10.184	99,9%
TOTAL 2007-2013	49.241	33	49.274	49.238	99,9%

Payments totalled €35.0 billion, €3.3 billion more than the payments in 2009. The bulk of the payments, €32.8 billion, were made for 2007-2013 programmes, covering basically interim payments. Payments for 2000-2006 programmes (interim and final) still amounted to €2.2 billion while final payments for pre-2000 programmes totalled €7 million. The overall execution rate for payments was 96.2%.

Table 2: Outturn of Payment Appropriations in 2010 by Fund (in million €)

FUND	VOTED BUDGET	TRANSFERS, AMENDING BUDGETS, ADDITIONAL	TOTAL PAYMENT APPROPRIATIONS	OUTTURN	%
ERDF	0	0	0	0	100,0%
ESF	6	4	10	6	55,8%
EAGGF	0	7	7	0	0,0%
FIFG	0	1	1	1	100,0%
TOTAL PRE-2000	6	12	18	7	36,5%
ERDF	2.416	-723	1.693	1.693	100,0%
ESF	527	679	1.205	319	26,4%
EAGGF	562	-14	548	168	30,7%
FIFG	29	-19	10	10	100,0%
TOTAL 2000-2006	3.533	-76	3.457	2.190	63,4%
ERDF	18.804	1.576	20.380	20.371	100,0%
ESF	7.700	-861	6.839	6.755	98,8%
CF	4.355	1.288	5.643	5.639	99,9%
TOTAL 2007-2013	30.859	2.003	32.862	32.765	99,7%
	34.398	1.938	36.337	34.962	96,2%

As shown in Table 2, 2010 was an unusual year for payments. Supplementary advances of €0.775 billion were paid out in June and July for CF and ESF following an amendment of the legislation in the framework of the European Economic Recovery Package (EERP)¹. In the face of the increasing volume of interim payment requests in the second half of the year, the 2007-13 ERDF and CF were reinforced by more than €1.1 billion in the global transfer. Further adjustments between Funds and programming periods were done up to the end of the year by means of several internal transfers, mainly in order to further reinforce the 2007-13 ERDF and CF. Almost all of the available appropriations at year end were executed, save for €0.9 billion for the 2000-2006 ESF and €0.4 billion for the EAGGF (Heading 2). Most of the unused ESF appropriations, €0.7 billion, relate to amounts carried over from 2009 to 2010 with regard to payment claims for 2000-06 ESF programmes interrupted as a result of control activities. These amounts could however finally not be used because the interruptions were, in most cases, still ongoing at the end of the year.

As regards decreases of payment appropriations in favour of other headings, €13 million were needed to finance actions of the Solidarity Fund and €21 million for the European Globalisation Adjustment Fund (EGF) which were taken from ESF.

1.2 OUTSTANDING COMMITMENTS IN 2010

Given that the yearly level of commitments stays above the level of payments, outstanding commitments are expected to increase accordingly. However they are due to remain around an amount of two to three years of commitments because of the regulatory framework (especially the n+2/n+3 de-commitments provisions). The recent actual evolution of the outstanding commitments (also known as RAL from the French acronym “reste à liquider”) has been in line with these expectations. Thus, the n+3 de-commitment rule for 14 Member States (EU-12 plus Greece and Portugal), a transitory rule covering the 2007-2010 commitment tranches, has contributed to the increase of outstanding commitments. The amendment to the legal base adopted in June 2010 with regard to the application of the

¹ Regulation 539/2010 amending art 82 of Council Regulation 1083/2006

automatic de-commitment rule for 2007 commitments also allows for some postponement of payments hence further increasing the RAL.

Thus, at the end of 2010, the RAL stood at €124.3 billion (see [Table 3](#) below²) which corresponds to a ratio of outstanding commitments to yearly commitments of 2.5 (to be compared to a ratio of 2.3 at the end of 2009). In absolute terms the RAL increased by €12.7 billion in 2010, an increase of 11% compared to 2009.

Table 3: Outstanding commitments at the end of 2010* (in €million)

	<i>RAL pre-2000</i>	<i>RAL 2000-2006</i>	<i>RAL 2007-2013</i>
Outstanding commitments at the end of 2009	180	14.891	96.511
De-commitments in 2010** on RAL at the end of 2009	-49	-1.499	-3
Payments in 2010 on outstanding commitments at the end of 2009	-6	-2.190	-32.200
(1) TOTAL outstanding commitments from before 2010	126	11.202	64.309
New commitments made in 2010	1	1	49.159
Payments on 2010 commitments	-1	0	-497
(2) TOTAL outstanding commitments from 2010	0	1	48.662
(1)+(2) TOTAL outstanding commitments at the end of 2010	126	11.202	112.970

* only operational lines

** see Section 3.3 on de-commitments and Chapter 4 on the clearance of pre-2000 RAL

For the 2007-2013 programming period, the RAL corresponds to €13 billion in 2010 (compared to €96.5 billion end 2009). As a result of the reduction of the 2000-2006 RAL and the growing amount of commitments for 2010, the share of the 2007-2013 period in the overall RAL has increased from 86% to 91%.

For the 2000-2006 programming period, the RAL has been reduced by 25% to only 9% of the overall RAL at the end of 2010. The closure procedure has picked up and is expected to reach cruising speed in 2011. During 2010, final payments were made in respect of 10% of all programmes and the related outstanding commitments have been put to zero.

The RAL for the pre-2000 programmes, that had already represented a relatively insignificant amount (€80 million) compared to the overall RAL at the end of 2009, has been further reduced to €26 million. Thus, it now corresponds to barely 0.1% of the overall RAL.

[Chart 1](#) gives the evolution since 1993 of the RAL broken down by programming period. It clearly shows that the RAL of the pre-2000 period has become irrelevant and that the RAL for the 2000-2006 period continues to decrease significantly.

² As explained in point 1.1, these figures include the pre-2007 RAL for the EAGGF-Guidance and the FIFG but do not include the pre-2007 RAL for the Cohesion Fund.

Chart 1: Outstanding commitments by period of origin (in €million)

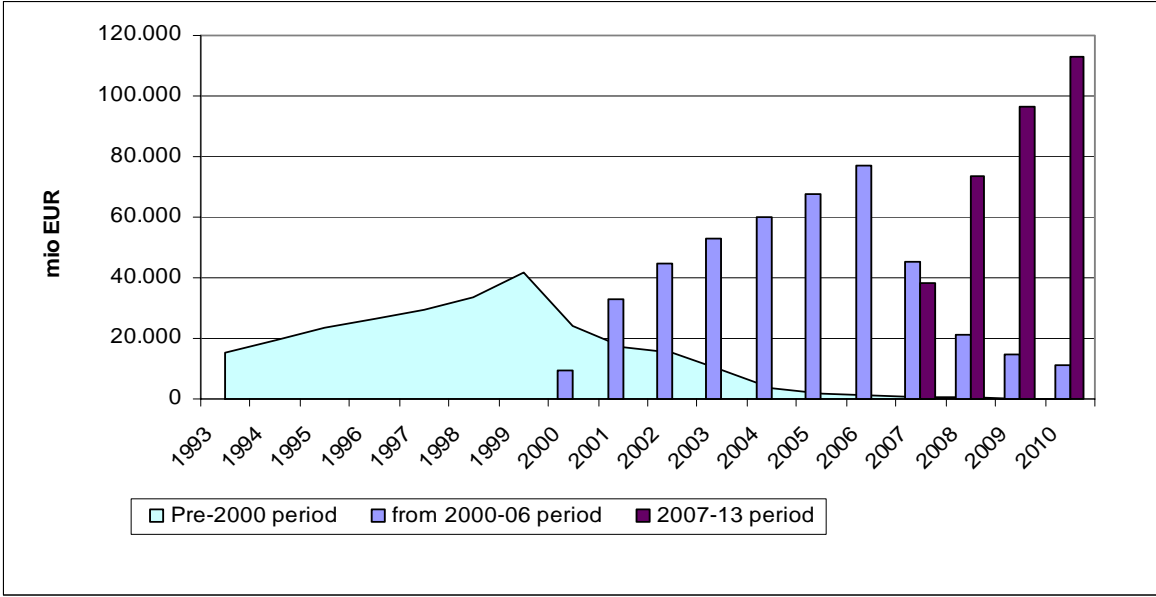
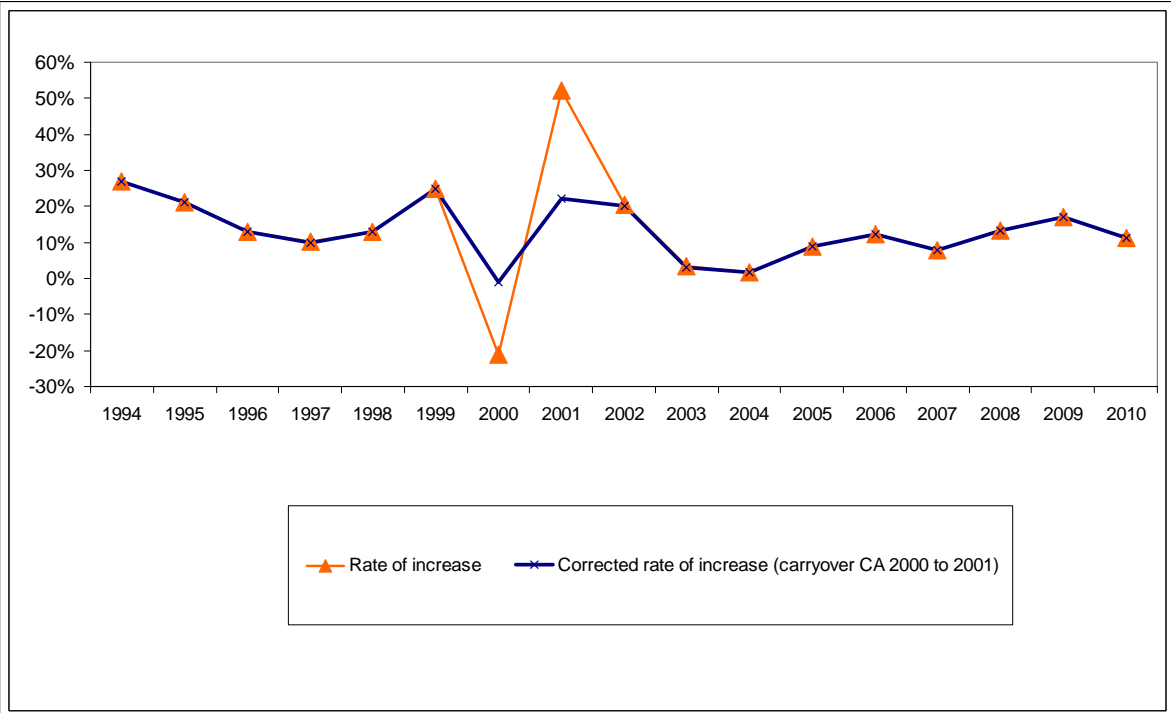


Chart 2 below shows the rate of increase of outstanding commitments over time. The upward trend observed over the two previous years has been reversed in 2010.

Chart 2: Rate of increase of outstanding commitments



1.3 TRANSFERS MADE IN 2010

The volume of the transfers of payment appropriations made during the year was relatively high. A large number of transfers were made by the Commission under its own prerogatives established in the Financial Regulation (a detailed list of these transfers is attached in [Annex 2](#)):

- Transfers of commitment appropriations were made in order to return non programmed appropriations (€16.56 million) from the ENPI and IPA lines to European Territorial Cooperation. The latter operation concerned the implementation of article 21§5 of the basic Regulation No 1083/2006. By the end of 2010, the amendments of the corresponding Territorial Cooperation operational programmes to which the appropriations had been reassigned had not yet been adopted so that the amount of €16.56 million had to be carried over to 2011.
- Several transfers of payment appropriations were required to adapt the budget to actual execution. For the 2007-13 period, to some extent because of supplementary advances (see point 2.2.1) which had not been foreseen when the budget was established, but also because of the high level of payment claims arriving for ERDF and especially CF, it became clear over the year that the adopted payment appropriations would not be sufficient. Therefore a reinforcement of €0.625 billion for ERDF and €0.5 billion for CF was arranged by the Global Transfer. At the same time some payment appropriations for 2000-2006 EAGGF lines were reduced. In addition to the amounts included in the Global Transfer, another €1.4 billion were transferred between funds and programming periods in December, mainly to reinforce ERDF and CF. Some lines of the pre-2000 and 2000-2006 period had also to be reinforced because of higher than foreseen final payment claims related to closures, which is shown in the reduction of the RAL.
- In addition, nine small transfers of payment appropriations from ESF to the European Globalisation Adjustment Fund (EGF), totalling €21 million, were submitted to the Budgetary Authority in 2010.

Regarding the redeployment by means of Amending Budgets (AB), the total reduction of the payment appropriations was limited to €13 million from ESF (AB 7) in order to finance actions of the Solidarity Fund.

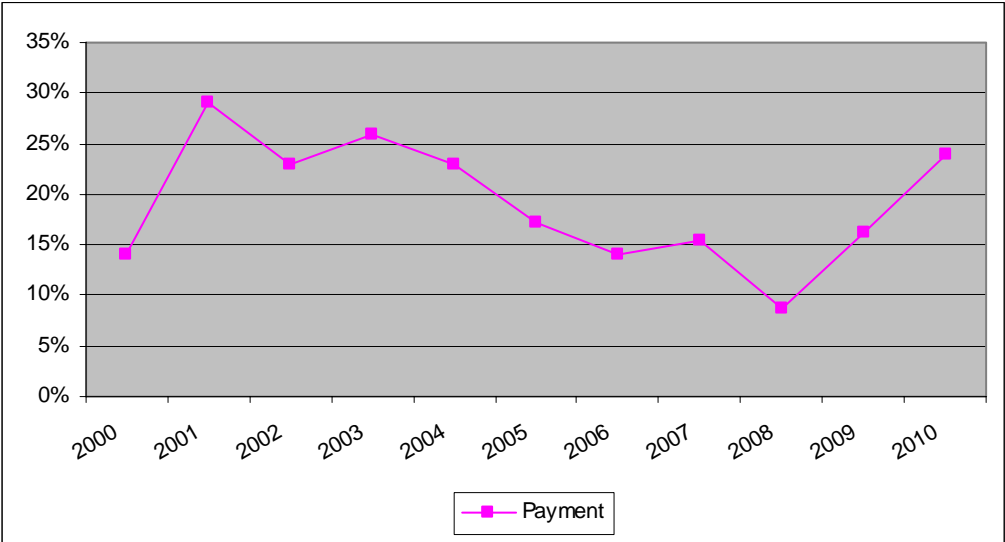
1.4 EVOLUTION OF THE END-OF-YEAR CONCENTRATION

As most of the commitments under the Structural Funds (and now also the 2007-2013 Cohesion Fund) are typically made at the beginning of the year in accordance with the legal base (except for the first year of the programming period), [Chart 3](#) focuses only on the end-of-year concentration for payments in December.

The evolution of the Graph shows clearly that the year-end concentration had been less pronounced for several years but has again been increasing since 2008. To some extent, this was the result of the de-commitment constraint for n+2 countries. As for 2009, this constraint was combined with rather late approval of many MCS without which it was not possible to honour interim payments. Regarding 2010, the end of year concentration was the consequence of the late submission of payment claims, mainly during November. They could either be honoured in December or postponed to the following year depending on available

appropriations. Several transfers were still organised during the last 2 weeks of December. (See below at point 2.2.1)

Chart 3: Concentration of payment appropriations in December (percentage executed in December) since 2000



2 IMPLEMENTATION OF THE 2007-2013 PERIOD

2.1 COMMITMENTS FOR THE 2007-2013 PERIOD

2.1.1 The 2007-13 allocation for cohesion policy

The envelope for cohesion policy (Heading 1b of the financial framework) for the 2007-2013 period was first decided at the European Council of December 2005, where it was fixed at €307 619 million in 2004 prices.

This envelope was then slightly adjusted in the first months of 2006 to arrive at a value of €308 041 million in 2004 prices as laid down in the Inter-institutional Agreement (IIA) of May 2006 (cf. OJ n° C 139 of 14/06/2006). In current prices, this initial envelope amounted to €347 410 million. 2004 prices were transformed into current prices with a fixed deflator of 2% per annum (as foreseen by point 16 of the IIA). Thus, the overall amount in current prices was reached by adding up the current prices for the different years.

The original annual breakdown was slightly revised in 2008 in order to transfer the commitment appropriations that could not be used in 2007 due to delays in programming to later years of the programming period, as foreseen in point 48 of the IIA.

99.75% of the total original envelope, i.e. €346 542 million, was made available for the financing of multi-annual operational programmes whereas the remaining 0.25%, i.e. €68 million, was reserved for technical assistance, which is decided annually.

In 2010, the implementation of point 17 of the IIA resulted in a total additional envelope for 2011-2013 of €1 007 million for Poland, the Czech Republic and Slovakia.³ Following this adjustment the total Heading 1B 2007-2013 envelope in current prices reached €348 417 million (including technical assistance).

This total envelope for cohesion policy is broken down into three objectives: Convergence, Regional Competitiveness and Employment and European Territorial Cooperation. Of the updated overall amount of €347.5 billion (i.e. excluding technical assistance), €283.8 billion (81.7%) is dedicated to Convergence, €55.0 billion (15.8%) to Regional Competitiveness and Employment and €8.7 billion (2.5%) to European Territorial Cooperation.

An updated annual breakdown of the 2007-2013 Heading 1B envelopes by Member State can be found in [Annex 5](#).

2.1.2 Implementation of commitments in 2010

The commitment appropriations available for the Structural and Cohesion Funds in 2010 totalled €49 274 million (including €16.23 million of appropriations carried over from 2009), i.e. 34% of the overall EU budget which means they are back again to their share of the 2008 budget after a slight increase in 2009 (36%). This amount corresponds to the evolution

³ The corresponding technical adjustment of the Multi-Annual Financial Framework was adopted by the Commission in April 2010, see COM(2010)160 of 16 April 2010.

foreseen by the Financial Framework. Its implementation reached €49 238 million (see [Table 4](#) below). The unused commitment appropriations concerned Technical Assistance activities and the carry-over to 2011 for the European Territorial Cooperation objective (see below).

The carry-over from 2009 based on Article 9 of the Financial Regulation amounted to €6.23 million for the European Territorial Cooperation objective (ETC). It corresponds to the annual contribution from the ERDF to cross-border programmes of the European Neighbourhood and Partnership Instrument (ENPI) and of the Instrument for Pre-Accession Assistance (IPA) for which no operational programmes had been submitted by 30 of June 2009. Due to the tight timeframe for the adoption of new and amendments to existing Operational Programmes of Territorial cooperation this amount had to be carried over to 2010.

In the second half of the year, European Territorial Cooperation, managed within the ERDF, benefited again from the same type of increase of its budget (€16.56 million): as in 2009, the annual contribution for 2010 from the ERDF to cross-border programmes of the European Neighbourhood and Partnership Instrument (ENPI) and of the Instrument for Pre-Accession Assistance (IPA) for which no operational programmes had been submitted by 30 of June 2010 was transferred back to the cross-border component of European Territorial Cooperation managed within the ERDF. Given the tight timeframe, the amendments to three existing programmes to include these additional appropriations for supplementary actions could not be adopted before the end of the year. The appropriations have therefore been carried-over to 2011. From 2011 onwards, the non-programmed amounts from ENPI and IPA for the period 2011-2013, for a total amount of €9.3 million, are to be added automatically to ETC managed within the ERDF. The timing did not allow for an amendment of the ENPI/IPA/ETC commitment amounts of the budget 2011, so another transfer will take place in 2011, while for 2012 and 2013, the adjusted amounts will be proposed in the DB.

Table 4 : Commitments: available appropriations and their implementation in 2010 (in €million)⁴

2007-2013							
Budget item	Title	Initial Budget	Carry-over	Other additional appropriations*	Transfers	Total available	Total execution
04 01 04 01	ESF - Non operational TA	16,50	0,09			16,59	15,32
04 02 17	ESF - Convergence	7.473,67				7.473,67	7.473,67
04 02 18	ESF - PEACE					0,00	0,00
04 02 19	ESF - Regional competitiveness and employment	3.343,83				3.343,83	3.343,83
04 02 20	ESF - Operational TA	10,47				10,47	8,49
	Total ESF	10.844,46	0,09	0,00	0,00	10.844,55	10.841,31
13 01 04 01	ERDF - Non operational TA	11,14				11,14	8,87
13 03 16	ERDF - Convergence	22.782,33				22.782,33	22.782,33
13 03 17	ERDF - PEACE	32,10				32,10	32,10
13 03 18	ERDF - Regional competitiveness and employment	4.261,01				4.261,01	4.261,01
13 03 19	ERDF - European territorial co-operation	1.069,58	16,23		16,56	1.102,37	1.085,81
13 03 20	ERDF - Operational TA	50,00				50,00	42,83
	Total ERDF	28.206,15	16,23	0,00	16,56	28.238,94	28.212,95
13 01 04 03	CF-Expenditure on adm management	4,95				4,95	3,78
13 04 02	Cohesion Fund 2007-2013	10.185,29				10.185,29	10.180,11
	Total CF	10.190,24	0,00	0,00	0,00	10.190,24	10.183,90
TOTAL		49.240,86	16,32	0,00	16,56	49.273,74	49.238,15

* Appropriations made available again and earmarked revenue

⁴ It should be noted that the total of €16.23 million for the "Transfers" column corresponds to transfers within Heading 1B (from the lines 13 05 03 01 and 19 08 02 02 (H1B contributions to IPA and ENPI) to line 13 03 19 ERDF- European Territorial Cooperation, as explained above).

2.2 PAYMENTS FOR THE 2007-2013 PERIOD

2.2.1 Implementation of payments in 2010

The year-end execution in 2010 was high and such a high level of execution could only be achieved via optimized shifts of available appropriations across programming periods and Funds.

The initial budget of payment appropriations for the 2007-2013 period amounted to €30.9 billion (see [Table 5](#) below). Due to accelerating implementation on the ground and with almost all (99%) Management and Control Systems (MCS) accepted by the end of the year an increasing number of interim payment requests had to be honoured. Thus, in the last quarter, in the face of the increasing volume of interim payment requests, the total available payment appropriations for the 2007-13 budget lines were increased by €2 billion (+6.4% of the initial budget). A major part of the reinforcement was done by means of the Global transfer (€1.1 billion), for ERDF and CF. Several other transfers to reinforce ERDF and CF, totalling €1.8 billion, were executed from the 2000-2006 period lines (-0.9 billion) and ESF 2007-2013 lines (-0.9 billion).

As a result, at the end of 2010, ERDF had executed 108% of its initial budget. The CF reached almost 130%, partly due to additional advances (€0.4 billion) but mainly as a result of the high level of payment claims submitted.

ESF reached only 88% of its adopted budget despite additional advances (€0.37 billion). At year-end, almost €2 billion payment claims were pending, either because they arrived too late in December to be honoured or because they were related to programmes for which payments had been interrupted / suspended earlier in the year. Moreover, out of the €2 billion, an amount of €0.6 billion could not be paid because the MCS for one programme had not been accepted yet. At the beginning of 2010, ESF also contributed with a small amount (€1 million) to several reinforcements of the European Globalisation Fund (EGF). Later in the year, subsequent transfers to EGF were carried out using other sources.

Table 5 : Payments: available appropriations and their implementation in 2010 for the 2007-13 period (in €million)

2007-2013

Budget item	Title	Initial Budget	Carry-over*	Amending Budgets	Other additional appropriations**	Transfers	Total available	Total execution	RAL 1/01/2010	Committed in 2010	Changes of RAL***	RAL 31/12/2010
04 01 04 01	ESF - Non operational TA	16,50	5,67		0,09		22,26	13,28	5,67	15,32	-2,59	5,13
04 02 17	ESF - Convergence	5.256,70				-866,06	4.390,64	4.340,40	14.042,94	7.473,67		17.176,21
04 02 18	ESF - PEACE	pm					0,00					0,00
04 02 19	ESF - Regional competitiveness and employment	2.416,70					2.416,70	2.394,45	6.948,73	3.343,83		7.898,11
04 02 20	ESF - Operational TA	10,50				-1,11	9,39	6,76	14,82	8,49	-2,39	14,16
	Total ESF	7.700,40	5,67	0,00	0,09	-867,17	6.838,98	6.754,89	21.012,17	10.841,31	-4,98	25.093,61
13 01 04 01	ERDF - Non operational TA	11,14	6,26				17,39	9,14	6,26	8,87	-1,69	4,30
13 03 16	ERDF - Convergence	14.884,20				1.109,15	15.993,35	15.993,35	45.887,80	22.782,33		52.676,78
13 03 17	ERDF - PEACE	15,60				11,57	27,17	27,17	71,64	32,10		76,56
13 03 18	ERDF - Regional competitiveness and employment	3.330,70				522,01	3.852,71	3.852,71	11.290,48	4.261,01		11.698,78
13 03 19	ERDF - European territorial co-operation	520,40				-67,64	452,76	452,76	2.408,29	1.085,81		3.041,34
13 03 20	ERDF - Operational TA	41,60				-5,39	36,21	36,05	30,50	42,83	-10,64	26,64
	Total ERDF	18.803,64	6,26	0,00	0,00	1.569,70	20.379,59	20.371,17	59.694,96	28.212,95	-12,33	67.524,41
13 01 04 03	CF-Expenditure on adm management	4,95	1,95				6,90	3,27	1,95	3,78	-0,44	2,02
13 04 02	Cohesion Fund 2007-2013	4.350,00				1.286,36	5.636,36	5.635,98	15.860,82	10.180,11	-2,51	20.402,44
	Total CF	4.354,95	1,95	0,00	0,00	1.286,36	5.643,26	5.639,25	15.862,77	10.183,90	-2,95	20.404,47
TOTAL		30.858,99	13,87	0,00	0,09	1.988,89	32.861,84	32.765,31	96.569,90	49.238,15	-20,26	113.022,49

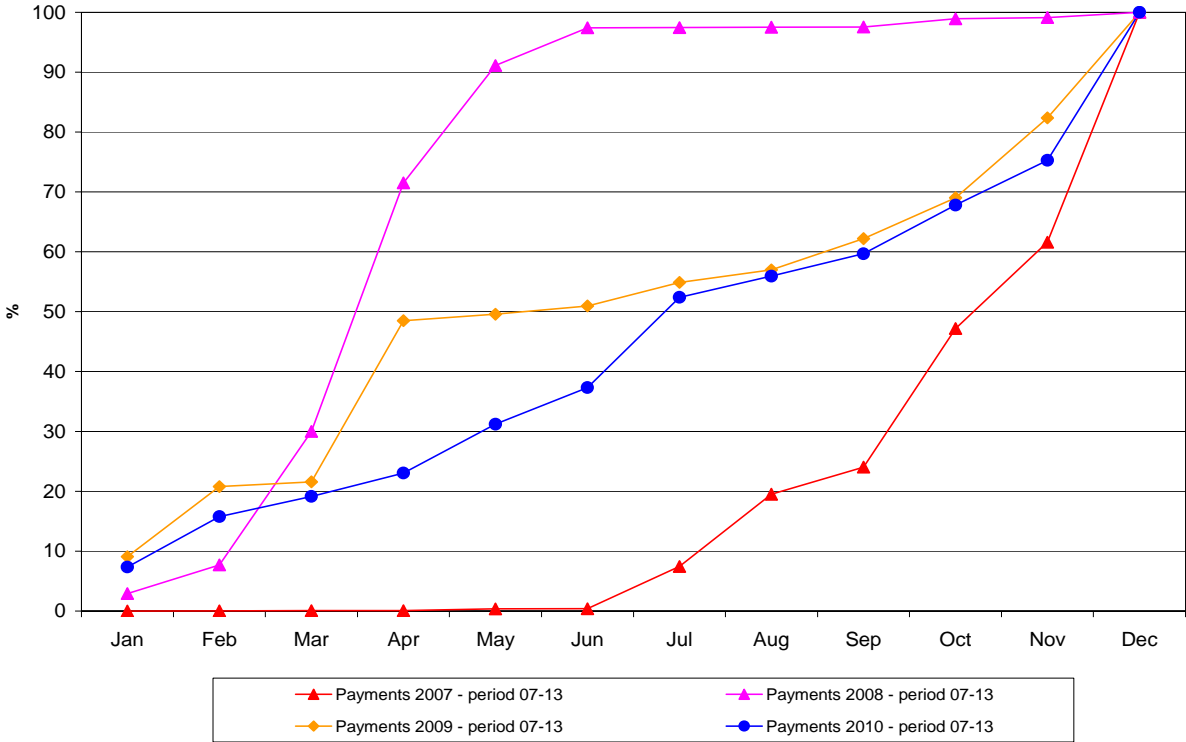
* For Non differentiated appropriations : automatic carry-over after corrections and adjustments

** Appropriations made available again and earmarked revenue

*** Recommitted & Decommited & Cancelled

Chart 4 shows how payments were spread more or less evenly over each month until December when a sharp increase towards the end of the year occurred. Of the many payment claims that had arrived in November and December, some could still be honoured after launching internal transfers during the last 2 weeks of December. A comparison of 2010 with 2009 shows that while the start of the year was different in 2009 due to the supplementary advance payments, from July onwards the execution rhythm of 2010 looked similar to 2009. Based on previous years and the previous period as shown in Chart 10, payments are usually expected to be spread evenly throughout the year and to reach around 50% of the year's execution towards the middle of the budgetary year.

Chart 4: Monthly implementation patterns of payments in 2007-2010 (%) for the 2007-13 period



2.2.2 Implementation of the 2007-2013 allocation

The cumulative execution of the 2007-13 allocation by Member State broken down by payment type shown in Chart 5 below reflects the acceleration of interim payment execution in most countries.

Thus, on average, three fifths of the overall execution of 22.1% of the total 2007-2013 allocation are now due to interim payments. Average interim payment execution across all MS reached 13.4% (i.e. almost an annual commitment tranche). For 6 Member States cumulative interim payment execution already went beyond 20%. At the opposite end of the scale, for 7 Member States and the cross-border programmes, interim payment execution stayed below 10% of the allocation. It did not even reach the level of advance payment execution for five out of them. The particularly high level of cumulative advance payments of about 10.6% to 11% for Estonia, Lithuania, Latvia, Hungary and Romania is the result of the additional advance payments these five countries received in 2010.

Chart 5: Cumulative execution of advance and interim payments at the end of 2010 by EU-27 Member States (compared to the initial national allocation available for the period 2007-13 including reserves)

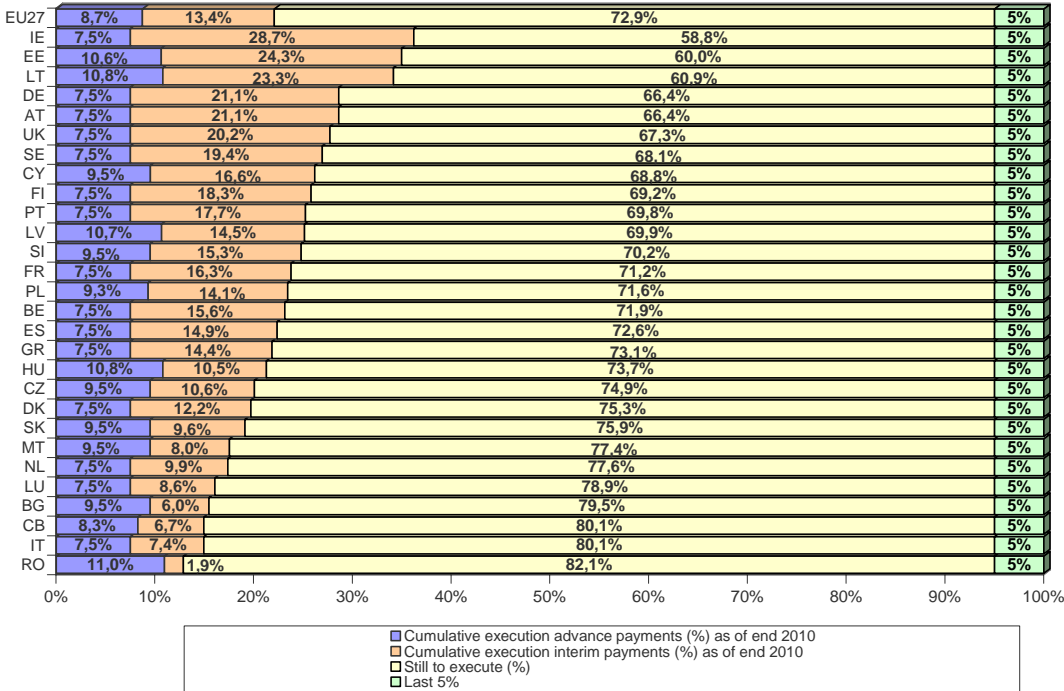
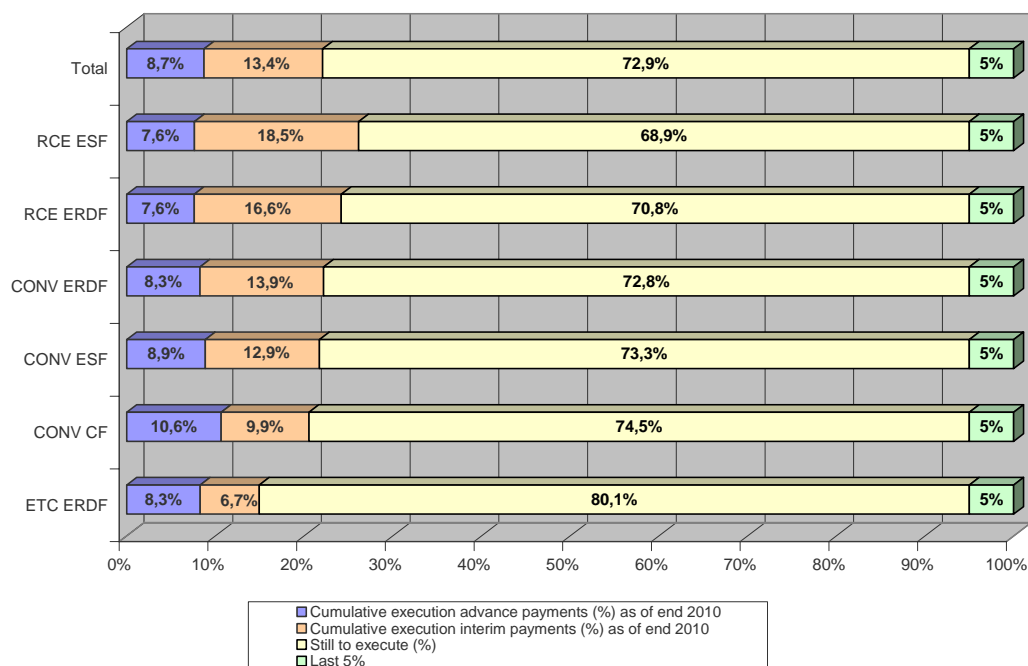


Chart 6 below also illustrates the acceleration of interim payment execution. Thus, at 18.5% and 16.6% respectively, interim payments for the ESF and the ERDF in Regional Competitiveness and Employment (RCE) regions have reached a level more than double that of advance payments.

While cumulative interim payment execution for the ERDF and ESF in Convergence regions is close to the average of 13.4%, it is still lagging behind for European Territorial Cooperation (ETC) and the Cohesion Fund. This may still largely be explained by the more complex programme setup for cross-border programmes and the infrastructure type of investment of Cohesion Fund projects.

Chart 6: Cumulative EU-27 execution of advance and interim payments at the end of 2010 by objective and fund, compared to the overall allocation available for the period 2007-13 (including reserves)



2.3 OUTSTANDING COMMITMENTS FROM THE PROGRAMMING PERIOD 2007-2013

The outstanding commitments for the 2007-2013 period have increased by €16.4 billion (17%) to about €13 billion in 2010 (compared to €6.5 billion in 2009). Thus, the increase of RAL slowed down as compared to 2009 when it reached €2.8 billion (30%). This is the result of an increasing acceleration of interim payments. The slowing increase of the RAL was despite pending payment claims of around €6 billion that could not be paid in 2010 and had to be carried over to 2011.

Table 6: Outstanding commitments 2007-2013 at the end of 2010* (in €million)

Outstanding commitments at the end of 2009	96 511
De-commitments in 2010 on RAL at the end of 2009	-3
Payments in 2010 on outstanding commitments at the end of 2009	- 32 200
(1) TOTAL outstanding commitments from before 2009	64 309
New commitments made in 2010	49 159
Payments on 2010 commitments	- 497
(2) TOTAL outstanding commitments from 2010	48 662
(1)+(2) TOTAL outstanding commitments at the end of 2010	112 970

* only operational lines

The share of the EU-12 countries in the 2007-2013 RAL amounts has increased from 44% to 47%, while the EU-15 countries' share is 51% compared to 53% in 2009. The modification of the N+2/N+3 rule (see chapter 2.4 N+2 de-commitments) had most likely an impact on the

increase of RAL. Overall, for most countries the share in the total RAL at the end of 2010 still differs only rather slightly from the relative weight of the country's initial allocation. This is to a large extent due to the still relatively high share of advances in the total cumulative payments. However, because of the gradually increasing share of interim payments for some MS discrepancies between the share in RAL and the share in the total allocation have increased thereby reflecting diverging speed of interim payment execution.

Chart 7 : Outstanding commitments by Member State at the end of 2010 (million €) for 2007-13 period

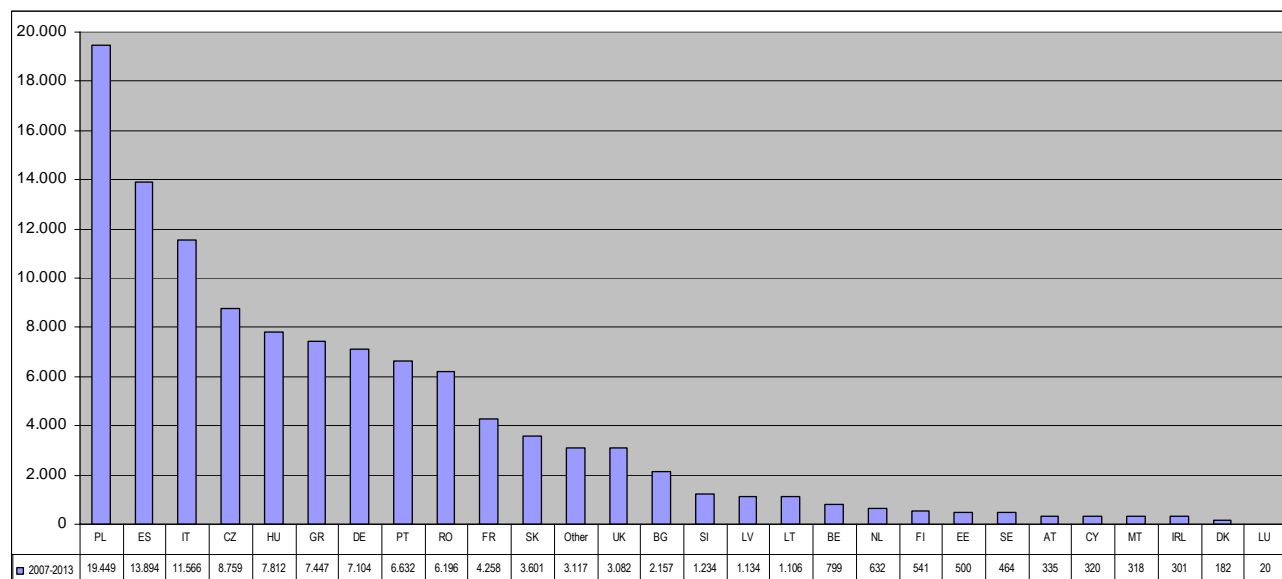
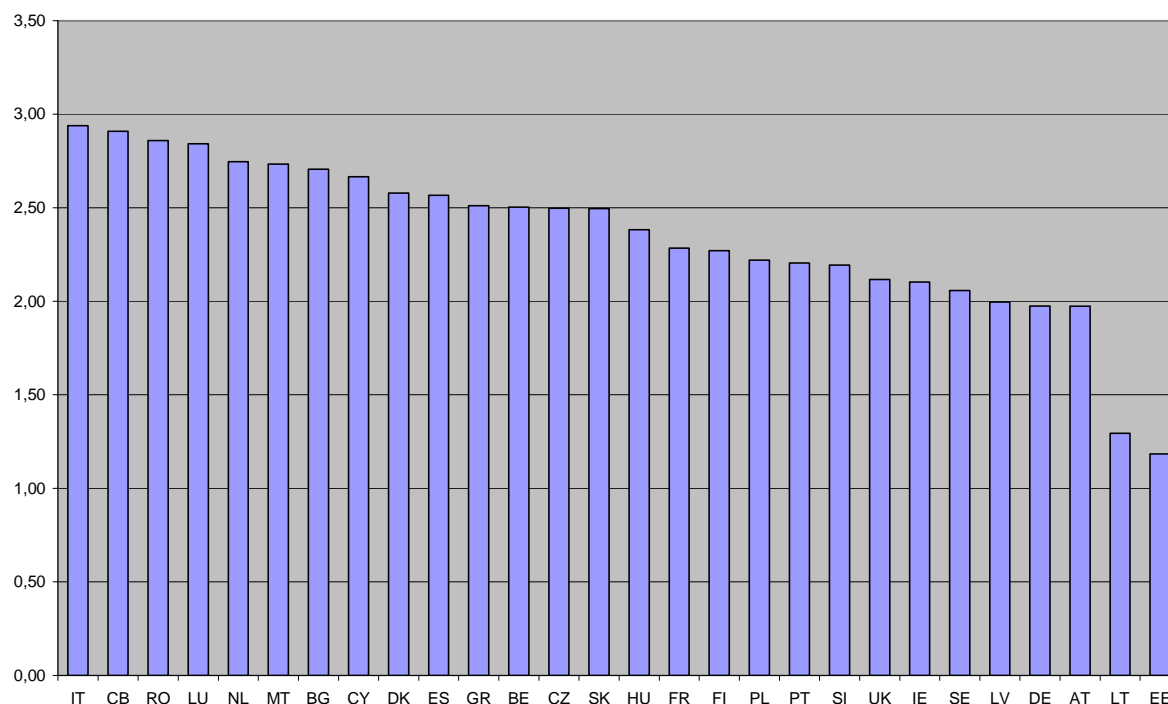


Chart 8: Ratio 2007-13 RAL at end 2010 / average yearly commitments 2007-2010



2.4 N+2 DECOMMITMENTS (for 2007-2013)

2.4.1 Legal Framework

For the programming period 2007-2013 N+2/N+3 de-commitments are regulated by article 93 of Council Regulation (EC) N° 1083/2006 (General Regulation).

According to the original version of article 93 the first de-commitments for the 2007-2013 programming period were to have been calculated as of the end of 2009. The provisions were however modified by the amending Regulation (EU) N° 539/2010 of the European Parliament and of the Council of 16 June 2010.

Indeed, as an additional measure for combating the crisis, in July 2009, the Commission proposed a set of amendments to the cohesion policy General Regulation containing a simplification package and a financial package for the ESF. The financial proposal was rejected by the Council and finally replaced, with unanimity in Council, by additional advances of €775 million limited to 5 MS and a change to the automatic de-commitment rule which spreads the 2007 commitment tranche equally over the years 2008 to 2013. For the commitments of year 2007 the automatic de-commitment rule does not apply as of end 2009 (n+2) / end 2010 (n+3) but rather 1/6 of this tranche is added to the calculation of de-commitments for each of the subsequent tranches. According to this modified rule the first de-commitments are therefore only calculated as of 31/12/2010 for the “n+2 countries” and 31/12/2011 for the “n+3 countries”. Any amounts, at risk calculated as of 31/12/2010, will be subject to contradictory procedures with the Member States concerned. Amounts confirmed during these procedures shall then be de-committed by 30 September 2011.

2.5 MEMBER STATES' PAYMENT FORECASTS FOR THE 2007-13 PERIOD

Every year, in accordance with the regulations on Structural Funds and Cohesion Fund, national authorities shall submit by 30 April their forecasts of requests for payments for the current and following year, per Programme and per Fund. For the programming period 2007-2013 this requirement is made under article 76(3) of Council Regulation 1083/2006.

The analysis of the Member States payment forecasts for 2010 has to be made in the context of the measures proposed by the Commission for accelerating the implementation of Structural Funds to combat the global economic and financial crisis that hit the EU.

Following a first round of additional advances, totalling €6.25 bln, made available in April 2009 additional pre-financing was approved in 2010 for those Member States worst hit by the crisis⁵. This measure was taken in order to allow for a regular cash flow and to facilitate payments to beneficiaries during the implementation of programmes.

Thus, additional advances of €775 million (4% ESF, 2%CF) for 5 Member States facing severe liquidity problems (EE, LV, LT, RO, HU) were made available in 2010. These

⁵ For Member States that were granted loans in 2009 by the balance of payments facility or with a decrease in GDP in 2009 of more than 10 % in real terms in comparison to 2008 (Art. 1(11) of Regulation 539/2010 of the European Parliament and of the Council of 16 June 2010)

additional advances are not included in the payments presented in Table 7 as the Member States were not aware of them when they estimated their payment forecasts.

Table 7 presents the 2010 forecasting errors by Member State for the 2007-2013 programmes for EU-27. Relative forecast errors are used, i.e. the forecasting error by a Member State measured in percentage of the payments made to that Member State.

The overall forecasting error was an overestimation of 19%, comparable with the 2009 error (12% overestimation), but the situation varies widely from country to country. The underestimation by some countries counterbalanced the overestimation by the other countries to a large extent.

Thus, in 2010, the 4th year of the programming period, although most programmes reached cruising speed the general trend of overestimation was confirmed.

Italy had a very high overestimation of 174%, which contributed significantly to increase the general forecast error as the payments relating to Italy represent 5% of the total payments.

Countries like Belgium, Luxembourg and Romania also overestimated their payments by more than 100%, but their payments represent only approximately 1% in the total level of payments.

Spain and Germany overestimated their payments by 44% and 39% respectively. As their payments represent 22% of the total payments, their forecast error had a significant influence on the overall average.

It should be noted that only 8 countries underestimated their payment forecasts (in the interval from -1% to -37%). Their estimations significantly counterbalanced the general trend of overestimation, as the payments of these countries represent 48.6% in the total payments.

The updated payment forecasts submitted by the Member States in September 2010 reduced the total forecast amount by €1.1 billion down to €6.8 billion. This reduction of the payment forecasts mainly came from Italy which decreased its forecast by €1.5 billion. Even taking into account this reduction, the final result for Italy still corresponded to an overestimation of 70%.

Table 7: Forecasting errors by EU-27 in 2010 for 2007-2013 programmes (mln euro)

2010	Forecast	Interim Payments	Difference	%
AT	208	118	90	76%
BG	573	397	176	44%
CY	69	67	2	3%
CZ	2.402	2.103	299	14%
BE	313	105	208	199%
DE	3.959	2.845	1.114	39%
DK	60	42	18	43%
EE	416	489	-74	-15%
ES	5.883	4.078	1.805	44%
FI	224	148	76	52%
FR	856	1.357	-501	-37%
GR	1.951	2.271	-320	-14%
HU	1.804	1.693	112	7%
IE	187	97	91	94%
IT	3.964	1.446	2.518	174%
LT	809	785	24	3%
LV	647	411	236	57%
LU	8	3	5	164%
MT	48	66	-17	-27%
NL	204	150	54	36%
PL	6.649	6.851	-202	-3%
PT	2.326	2.619	-293	-11%
RO	486	227	259	114%
SI	449	465	-17	-4%
SK	1.086	1.022	64	6%
SE	266	175	91	52%
UK	1.390	1.402	-12	-1%
Teritorial Cooperation	736	480	256	53%
TOTAL	37.973	31.911	6.063	19%

3 IMPLEMENTATION OF THE 2000-2006 PERIOD

The financial framework for the Structural Funds for the programming period 2000-2006 (Heading 2a) consisted of the 2000-2006 envelope for the EU-15 MS decided in 1999 and the 2004-2006 envelope for the EU-10 MS decided in 2002.

By the end of 2010, operational programmes with combined allocations equivalent to 7.6% of the global 2000-2006 allocation had already been closed.

3.1 PAYMENTS AND RECONSTITUTIONS FOR 2000-2006 PROGRAMMES IN 2010

The clearance of the 2000-2006 programmes continued to progress as shown in [Table 8](#). The initial payment appropriations exceeded somewhat the needs and had to be reduced by €0.77 billion. In 2010, the reallocation to other policies was limited to an amending budget (N°7) for the Solidarity Fund (€13 million). For ESF, payment appropriations had been carried over to 2010 (around €0.7 billion) as it was expected that several programmes for which payments had been interrupted as a result of control activities could be released. However, €0.6 billion remained unused and were cancelled at the end of 2010. The management of carried over appropriations is challenging as they can only be used after all the adopted appropriations have been consumed. The reduction of payment appropriations was substantial for ERDF (-30%) with transfers to the 2007-2013 period in order to counter the surplus of requested interim payments.

Table 8 : Payments: available appropriations and their implementation for 2000-2006 programmes and evolution of the RAL.

2000-2006									
Budget item	Title	Initial Budget	Other additional appropriations*	Transfers	Total available	Total execution	RAL 1/01/2010	Changes of RAL**	RAL 31/12/2010
04 02 01	ESF Objective 1	280,80	510,36	-13,02	778,14	39,44	2.644,83	-282,35	2.323,04
04 02 02	ESF - PEACE	1,00	0,00	0,00	1,00	0,00	9,68	0,00	9,68
04 02 04	ESF Objective 2	59,40	5,79	0,00	65,19	34,34	227,76	-146,47	46,95
04 02 06	ESF - Objective 3	160,10	175,07	0,00	335,17	228,67	1.636,93	-894,90	513,36
04 02 08	EQUAL	21,20	0,54	0,00	21,74	15,70	264,16	-137,92	110,54
04 02 10	ESF - Operational TA and IA	4,00	0,19	0,00	4,19	0,60	3,05	-2,44	0,01
	Total ESF	526,50	691,95	-13,02	1.205,43	318,75	4.786,42	-1.464,09	3.003,58
13 03 01	ERDF Objective 1	2.076,70	0,00	-728,85	1.347,85	1.347,85	6.427,36	0,76	5.080,26
13 03 02	ERDF - PEACE	18,40	0,00	-18,40	0,00	0,00	18,40	0,00	18,40
13 03 04	ERDF Objective 2	103,80	0,00	126,66	230,46	230,46	1.424,90	-0,97	1.193,48
13 03 06	URBAN	10,70	0,00	-0,64	10,06	10,06	65,65	-4,07	51,52
13 03 08	ERDF - TA & Innovative Measures	4,30	0,16	10,25	14,71	14,61	32,68	-10,78	7,30
13 03 13	Interreg III	202,30	0,00	-111,99	90,31	90,31	474,16	-15,73	368,13
	Total ERDF	2.416,20	0,16	-722,97	1.693,39	1.693,29	8.443,16	-30,78	6.719,09
	Total Heading 1B	2.942,70	692,12	-735,99	2.898,82	2.012,04	13.229,58	-1.494,87	9.722,67
05 04 02 01	EAGGF Objective 1	510,00	0,00	0,00	510,00	153,00	1.205,37	-0,43	1.051,94
05 04 02 02	EAGGF - PEACE	pm	0,00	0,00	0,00	0,00	2,19	0,00	2,19
05 04 02 06	Leader	52,00	0,06	-13,90	38,16	15,27	147,00	-2,54	129,18
05 04 02 09	EAGGF - Operational TA	pm	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Total EAGGF	562,00	0,06	-13,90	548,16	168,28	1.354,56	-2,98	1.183,31
11 06 01	FIFG Objective 1	25,70	0,00	-15,74	9,96	9,96	196,81	0,00	186,85
11 06 02	FISH - PEACE	pm	0,00	0,00	0,00	0,00	0,17	0,00	0,17
11 06 04	FIFG outside Obj 1	3,03	0,00	-3,03	0,00	0,00	109,42	0,00	109,42
11 06 07	FIFG - Operational TA and IA	pm	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Total FIFG	28,73	0,00	-18,77	9,96	9,96	306,41	0,00	296,44
	Total Heading 2	590,73	0,06	-32,67	558,13	178,24	1.660,97	-2,98	1.479,75
	Total	3.533,43	692,18	-768,66	3.456,95	2.190,28	14.890,55	-1.497,85	11.202,42

* Appropriations made available again and earmarked revenue

** Recommitted & Decommited & Cancelled

For the analysis of closures of programmes (OP), a programme is considered per CCI code and fund and not as one total per CCI code. It is also considered as closed in budgetary terms when the final payment was processed and the commitment has been brought to zero through final payment and/or de-commitment.

Following the above mentioned criteria, 10% (83 OPs) of the programmes have been closed in 2010. These 83 OPs represent €17.1 billion (7.6%) of the original total envelope. For these 83 programmes closed by the end of 2010, overall 6% of their initial envelope was de-committed.

Chart 9: Progress of closure of total envelope per fund for the 2000-2006 period in bln € as of end 2010

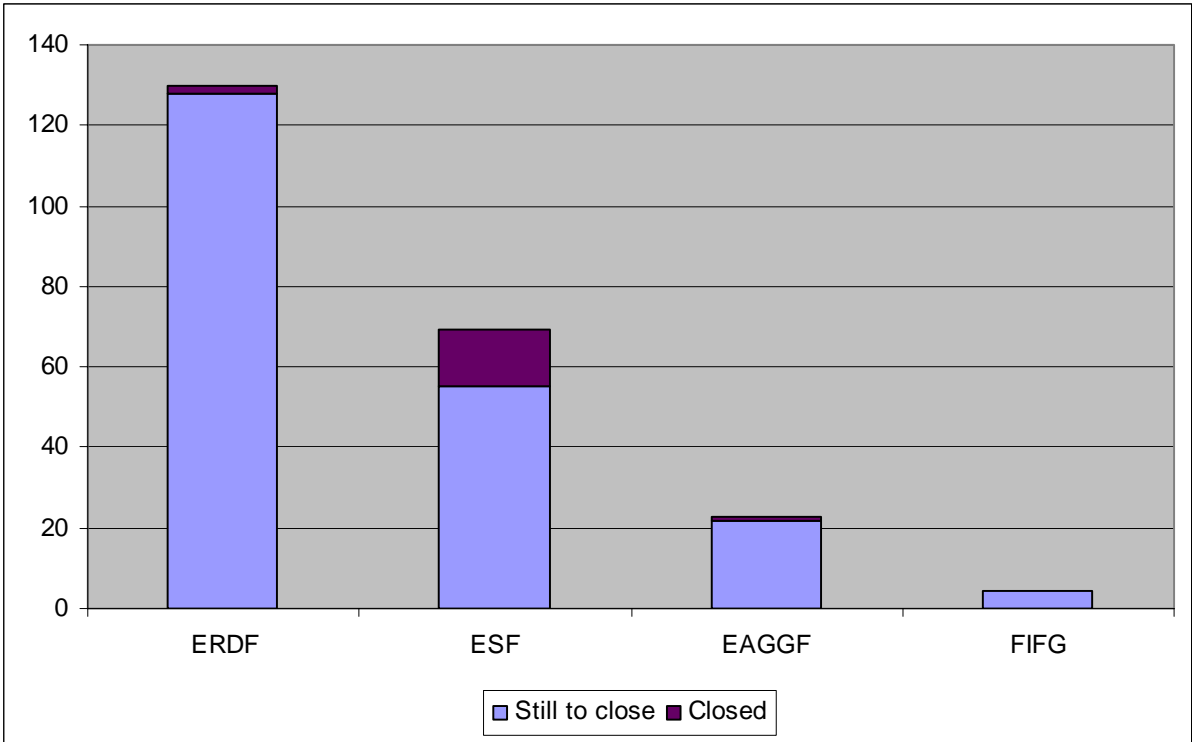
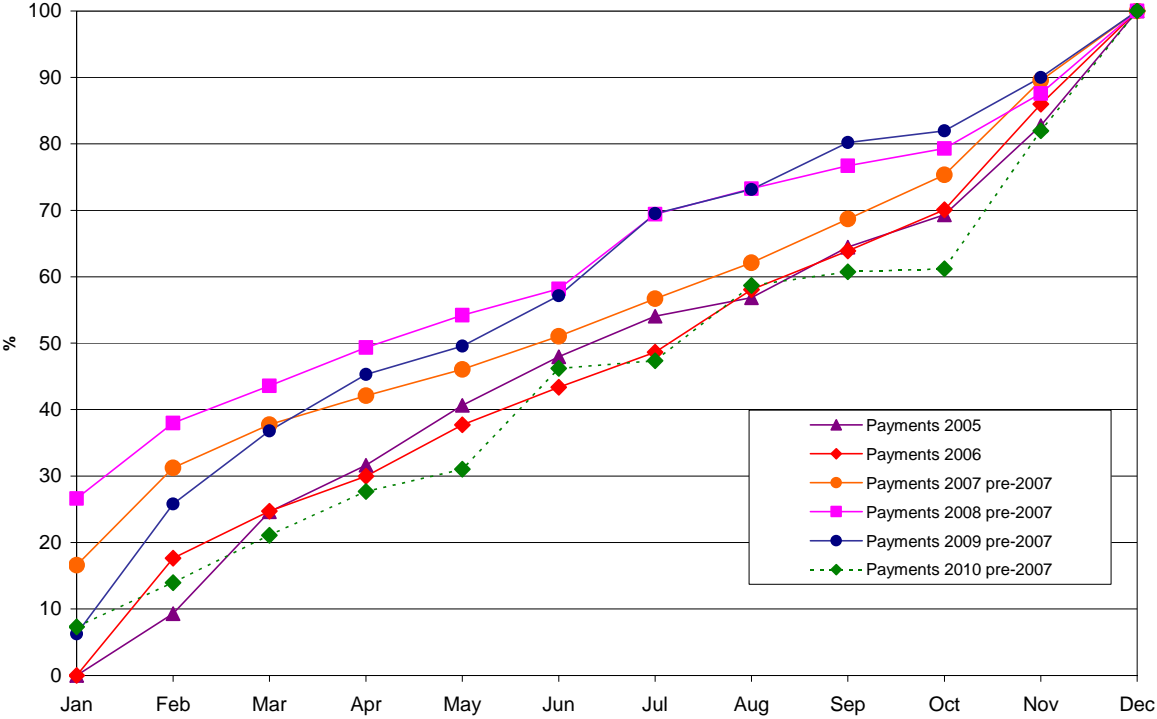


Chart 10 depicts the cumulative monthly payment execution since 2005. The graph shows that in 2010 until November the overall progress of payments was much slower than in 2009 and the rhythm of execution was quite irregular. Thus, unlike a "normal" year, 50% of total payments were not reached in the middle of the year (i.e. June or July) but only in August. Until the end of October hardly any additional payment was made and then payments picked up again with almost 40% of total execution concentrated in the last two months of the year. This unusual pattern may be explained by the fact that only very few interim payments were still to be done and almost all of the payments made in 2010 were linked to the first closures of programmes.

Chart 10: Monthly implementation patterns of payments in 2005-2010 (%) for the 2000-2006 period

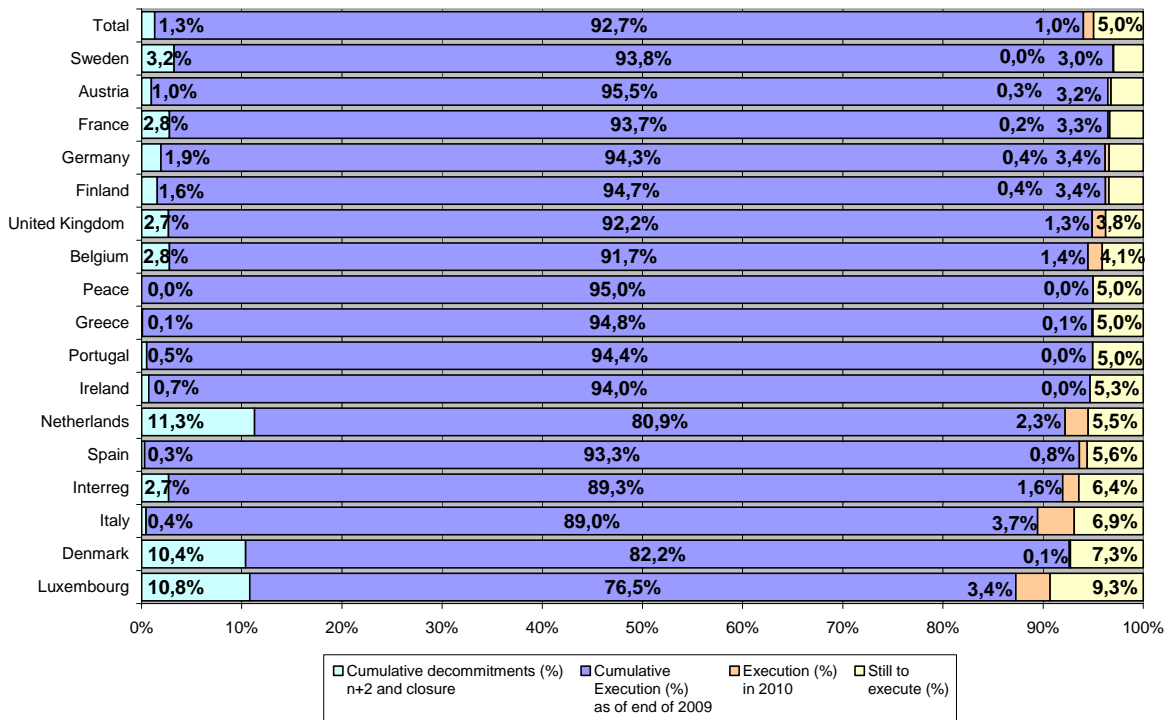


3.2 FINANCIAL FRAMEWORK FOR 2000-2006: CUMULATIVE IMPLEMENTATION BY THE END OF 2010

3.2.1 Implementation of the 2000-2006 allocation by the EU-15 Member States

Member States’ progress in finalising the implementation of the 2000-2006 allocation can be assessed by looking at total payments made so far as a share of the total envelope. Chart 11 below compares, for each EU-15 Member State, the cumulative payments at the end of 2009, plus the new payments made in 2010, with the respective allocations (including all reserves) for the full period 2000-2006. As for some Member States n+2 and first closure de-commitments have considerably reduced the envelope still to be executed, they have also been included in the chart below.

Chart 11: Cumulative execution at the end of 2010 (cumulative payments at the end of 2009 + new payments in 2010 + cumulative de-commitments) by EU-15 Member States (mainstream programmes and Community Initiatives) compared to the initial national allocation available for the period 2000-06 (including reserves)



The financial allocation and all payments for the INTERREG and Peace programmes have been singled out in [Chart 11](#) to allow for comparisons by country. Those payments are often allocated in the accounts to the country that manages the specific initiative independently of the ultimate beneficiary, which does not allow for a meaningful analysis of the execution of the amounts made available to each country.

At the end of 2010, only 5.0% of the overall 2000-2006 allocation is still to be executed. As most programmes had already reached the 95% threshold in 2009 and closure payments still concerned only relatively few programmes, global payment execution in 2010 was limited to 1.0% of the total allocation. Thus, the more than 96% of cumulative execution (payments plus de-commitments) reached by almost half of the EU-15 countries is more due to first closure de-commitments than to closure payments. Although Italy and Luxembourg had the highest annual 2010 execution (more than 3% of their overall envelopes), their cumulative payment execution, together with Denmark's, is still below 94%.

A similar comparison of overall execution with original allocations, this time broken down by objective, is shown in the following chart:

Chart 12: Cumulative EU-15 execution at the end of 2010 (cumulative payments at the end of 2009 plus new payments in 2010 plus cumulative de-commitments) by objective, compared to the overall allocation available for the period 2000-06 (including reserves)

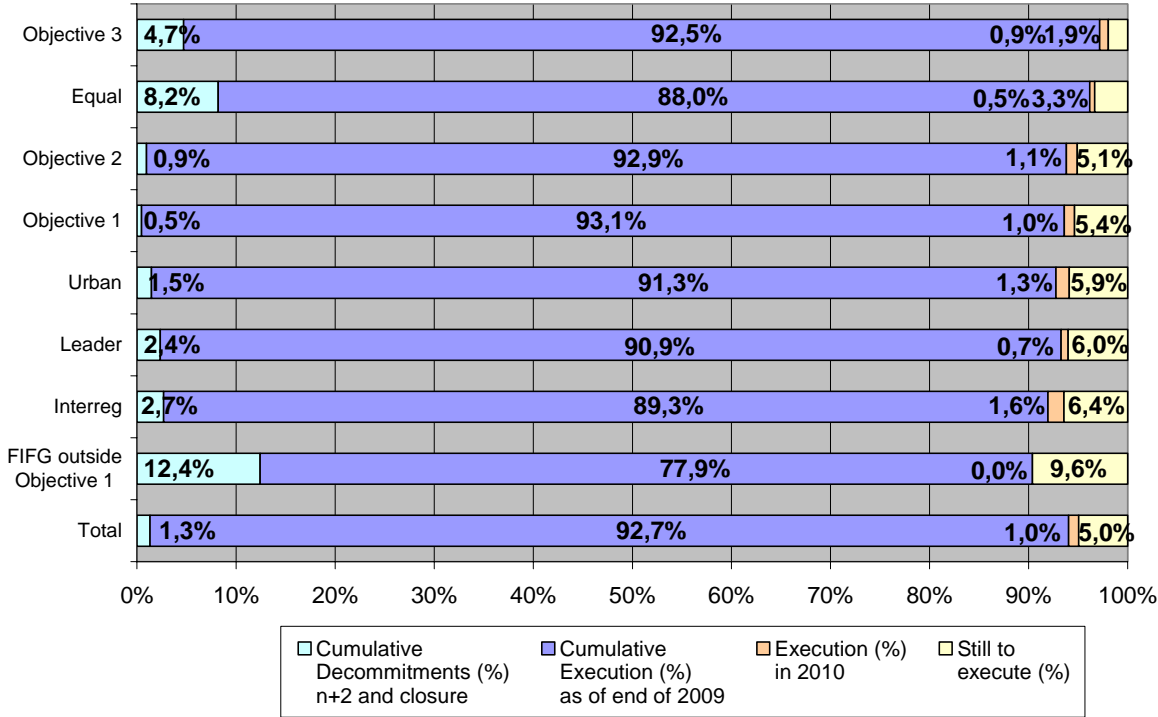
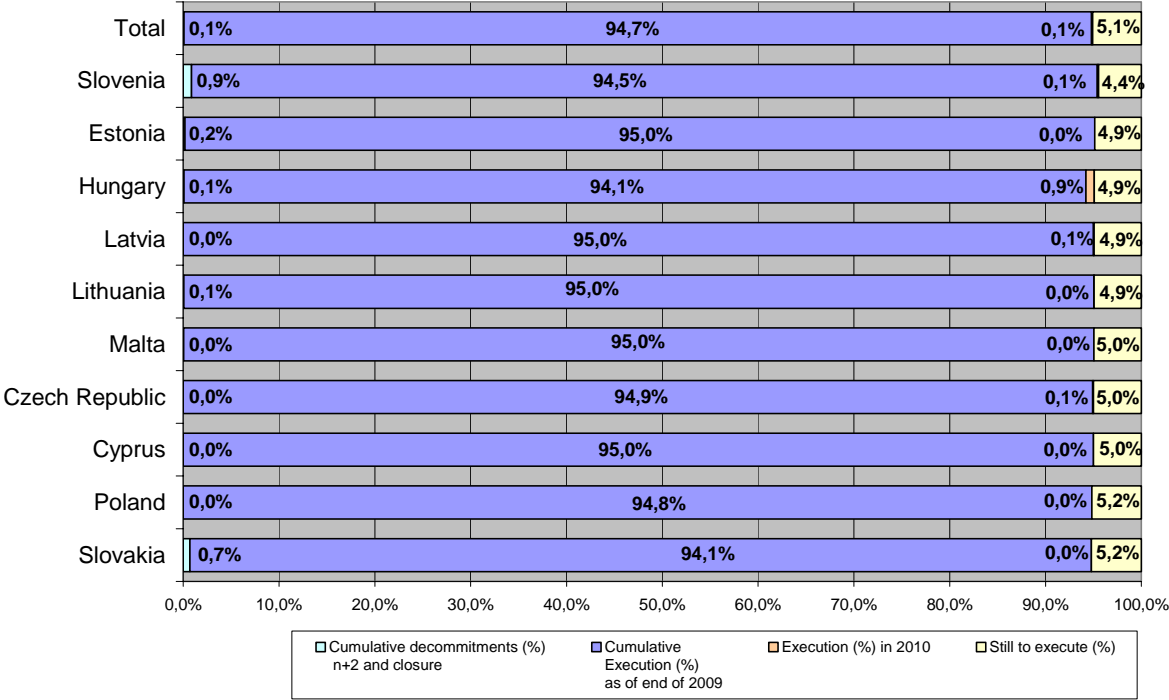


Chart 12 illustrates the following main points:

The cumulative execution for the main two objectives is very close to the average of 95.0% that is largely determined by their weight in the overall EU-15 allocation. As a result of the high preliminary closure de-commitments done in 2010 for the ESF, the percentage still to be executed is particularly low for Objective 3 and Equal. Execution is however lagging behind by about 1 percentage point for the Community Initiatives Urban, Leader and Interreg and by about 4 percentage points for the FIFG outside Objective 1.

Chart 13 below shows the breakdown of total execution by the EU-10 Member States of their 2004-2006 allocations.

Chart 13: Total execution at the end of 2010 (cumulative payments at the end of 2009 plus new payments in 2010 plus cumulative de-commitments) by EU-10 Member States (mainstream programmes and Community Initiative EQUAL) compared to the national allocation available for the period 2004-06



With most programmes having arrived at the 95% threshold already in 2009 and only very few closures, the annual execution for EU-10 Member States corresponded to only 0.1% of their 2004-2006 envelopes. Thus, the average cumulative execution rate only increased to 94.9% after 94.8% the year before. At Member State level, only Hungary reached a somehow more significant annual execution of 0.9%, while for 4 other MS it did not go beyond 0.1%. There were even no payments at all for the other half of the EU-10 Member States.

Chart 14 shows the implementation of the 2004-2006 envelope by EU-10 MS, this time broken down by Objective / Community Initiative:

Chart 14: Total EU-10 execution at the end of 2010 (cumulative payments at the end of 2009 plus new payments in 2010 plus cumulative de-commitments) by objective, compared to the overall allocation available for the period 2004-06

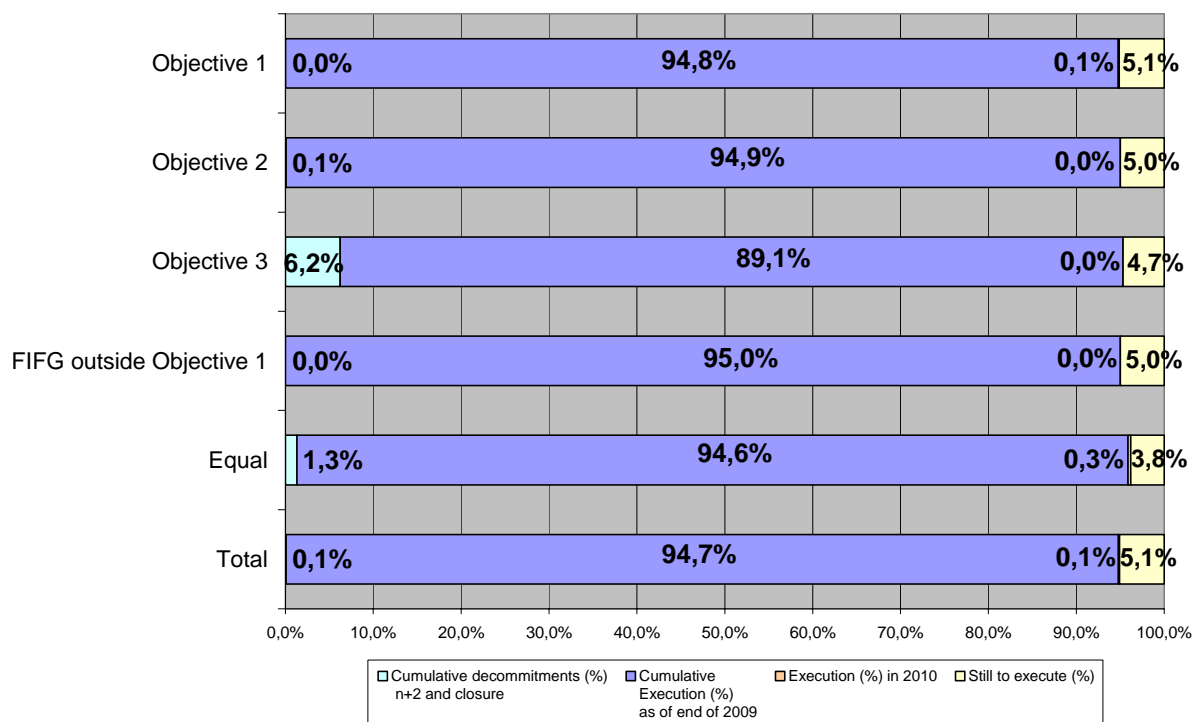


Chart 14 illustrates the following main points:

Due to the very low annual execution of 0.1% there has been little evolution at Objective level in 2010. Only Objective 1 and Equal did receive payments in 2010.

Unsurprisingly, the cumulative execution of 94.9% for Objective 1 corresponds to the overall average due to the dominant weight of Objective 1 in the overall EU-10 envelope. Apart from Objective 1 all other objectives have now reached the 95% threshold for payments before closure. As regards Equal, the 2010 decrease by 1.5% of the percentage still to execute is however mostly due to closure de-commitments (1.2%) and only to a lesser extent due to payments (0.3%).

It should be noted that the 4.7% still to be executed for Objective 3 are expressed as percentage of the original allocation. They correspond to 5% of the reduced net allocation after deduction of the significant de-commitments of 6.2% of the envelope. Thus, Objective 3 has exactly reached the 95% threshold of the reduced allocation but not yet received any closure payments.

3.3 Cumulative De-commitments at the end of 2010 (for 2000-2006)

This chapter presents the cumulative N+2 de-commitments together with the 2010 de-commitments related to closure.

For the programming period 2000-2006 N+2 de-commitments are regulated by article 31.2 of Council Regulation (EC) N° 1260/1999, known as the N+2 rule. The implementing rules are set in Commission Communication C(2002)1942, as amended by Commission Communication C(2003)2982.

The last N+2 de-commitment exercise was in respect of 2005 commitments, at the end of 2007. There was no N+2 de-commitment for 2006 commitments. The de-commitment cases for 2006 commitments are treated in the framework of the closure exercise.

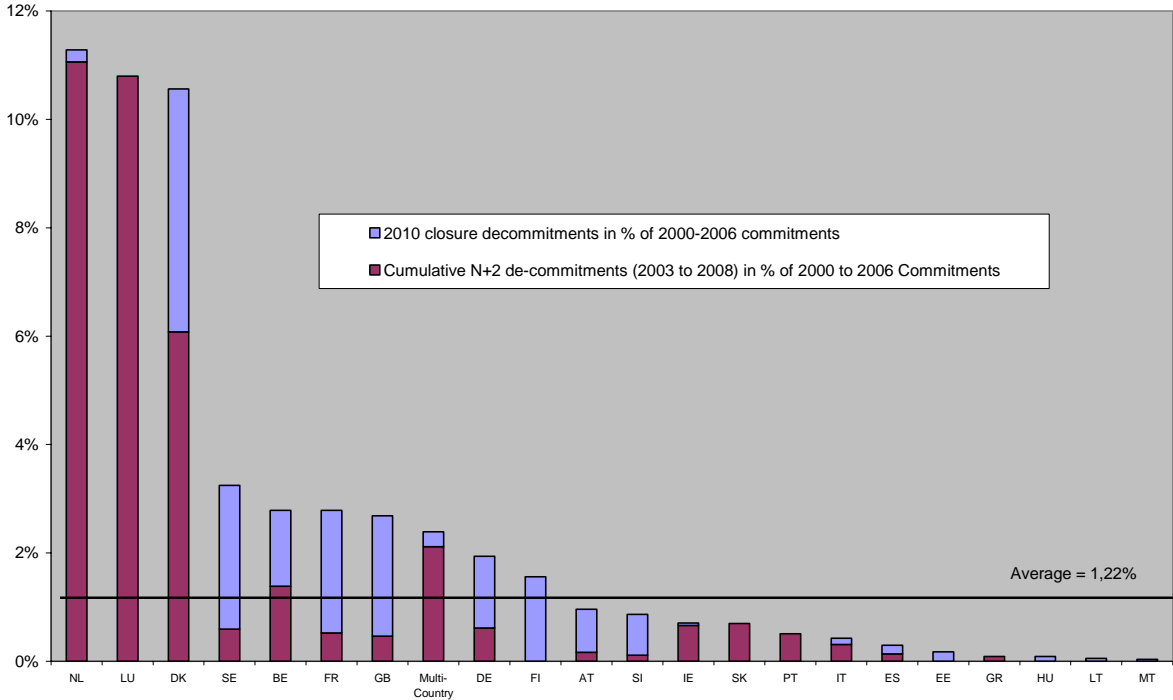
It should be noted that the 2010 closure de-commitments can be:

- a) final closure de-commitments when the final commitment is brought to zero, any balance due is paid and therefore the programmes closed from the budgetary point of view; the Commission has already analysed the certified expenditure (see also chapter 3.1 above) or
- b) preliminary closure de-commitments representing the difference between the outstanding commitments and the amount of the certified expenditure received together with the closure documents. The Commission is still in the process of analysing the certified expenditure; in the situation of a partial approval of the certified expenditure, the amount not approved will also be de-committed later.

In order to measure the effect of de-commitments, the performance indicator used is the share of total accumulated n+2 de-commitments (from 2003 to 2008) on top of which are added the 2010 closure de-commitments, in the value of total commitments (2000-2006).

Using this indicator, the following 3 charts give the (cumulative) situation by Member State, Fund and Objective, respectively.

Chart 15: Relative significance of the cumulative de-commitments up to the end of 2010, by Member State

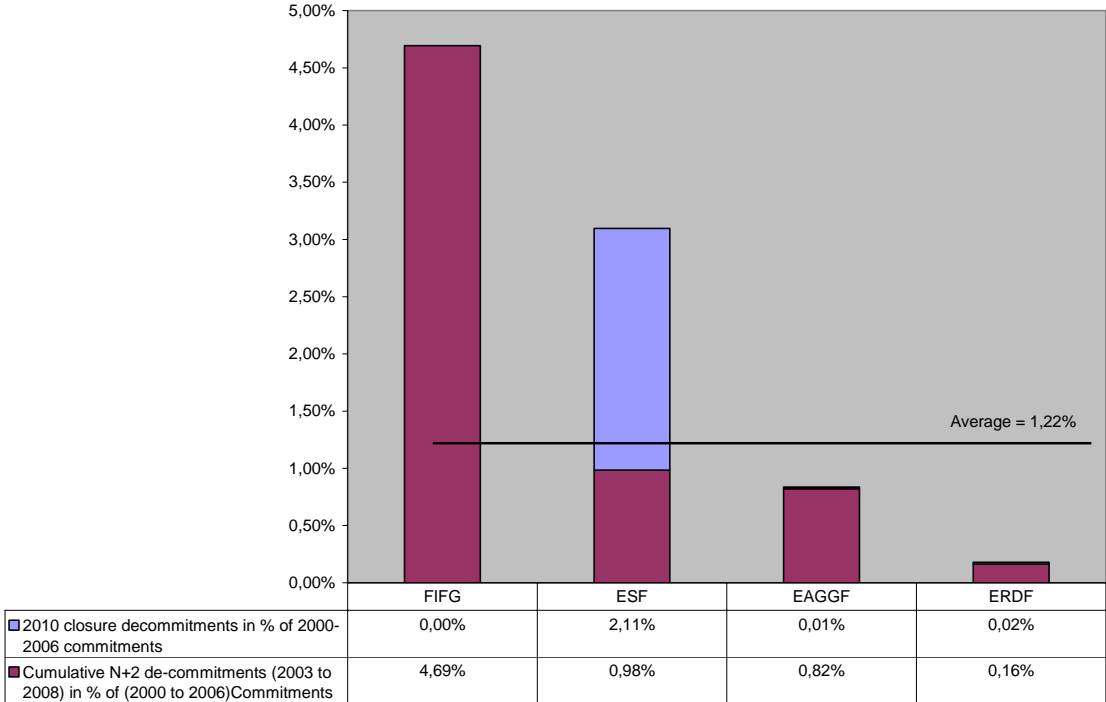


By Fund, as of the end of 2010, the ERDF and the EAGGF have de-commitments which are lower than the average (1.22% of 2000 to 2006 commitments). For these two Funds the closure process has however only just started. The FIFG is still indicated as having the highest cumulative de-commitments with 4.69% of 2000 to 2006 commitments. The FIFG de-

commitments are still only related to the application of the N+2 rule because the FIG closure exercise has not started yet.

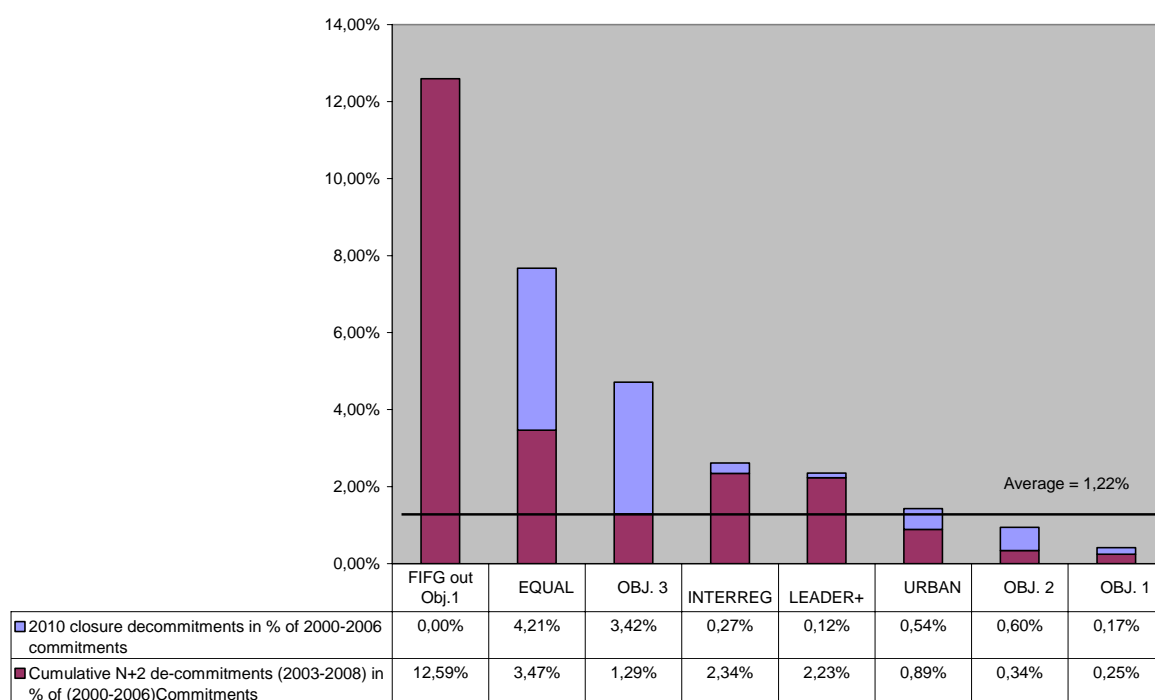
For the ESF, however, there is already a high rate of closure de-commitments of 2.11% of 2000-2006 commitments which correspond entirely to the second case of preliminary closure de-commitment described above (i.e. only the outstanding commitment not covered by the certified expenditure was already de-committed).

Chart 16: Relative significance of the cumulative de-commitments up to the end of 2010, by Fund



By objective, the de-commitments as of the end of 2010 are only below the average of 1.22% for Objective 1 and Objective 2 whereas for all of the other objectives/initiatives the de-commitments are above average.

Chart 17: Relative significance of the cumulative de-commitments up to the end of 2010 by objective



3.4 OUTSTANDING COMMITMENTS FROM THE PROGRAMMING PERIOD 2000-2006

3.4.1 Evolution of 2000-06 outstanding commitments in 2010

In 2010, the RAL from the 2000-2006 programming period decreased by 25%, from €14.9 billion to €11.2 billion (see [Table 9](#) below). This reduction was the consequence of the starting up of the closure procedure through the processing of both payments and de-commitments.

Table 9: Outstanding commitments from 2000-2006 at the end of 2010* (in €million)

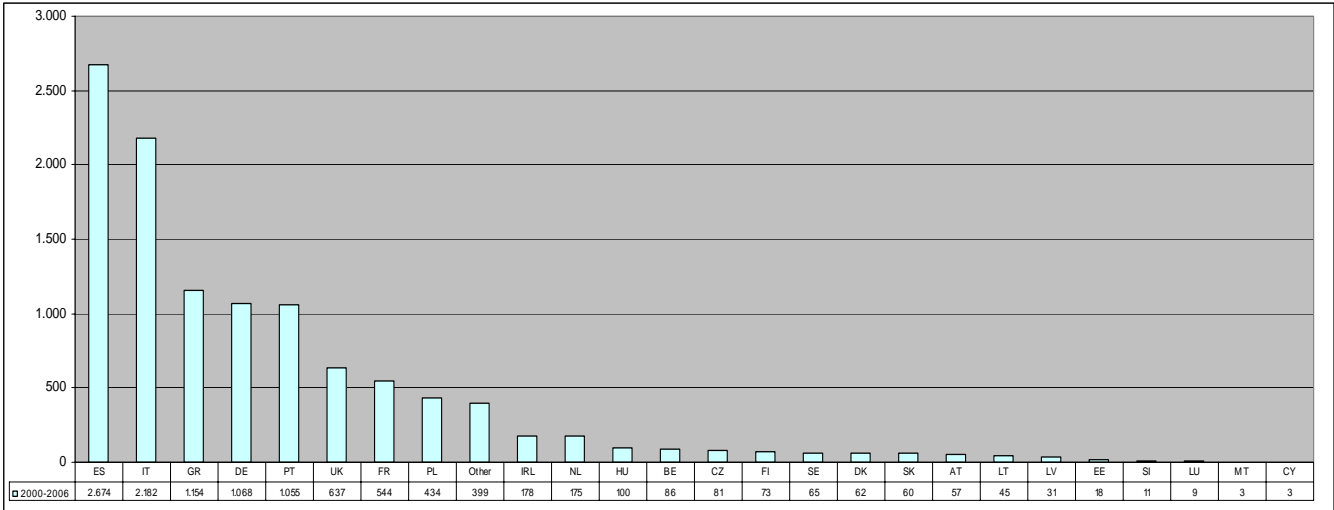
Outstanding commitments at the end of 2009	14.891
De-commitments in 2010 on RAL at the end of 2009	-1.499
Payments in 2010 on outstanding commitments at the end of 2009	-2.190
(1) TOTAL outstanding commitments from before 2009	11.202
New commitments made in 2010	1
Payments on 2010 commitments	0
(2) TOTAL outstanding commitments from 2010	1
(1)+(2) TOTAL outstanding commitments at the end of 2010	11 202

* only operational lines

3.4.2 Breakdown of 2000-06 outstanding commitments by Member State

Chart 18 presents total outstanding commitments at the end of 2010 by Member State. Spain and Italy were the Member States with by far the highest RAL, followed at quite some distance by Greece, Germany and Portugal. The EU-10 countries' overall execution is at the same level as for EU-15, so the EU-10 share in the 2000-2006 RAL of around 7% corresponds to their share in the 2000-2006 envelopes. Within the EU-15 countries the shares of Spain and Greece, however, have slightly increased from 21% and 8% in 2009 to 24% and 10%, respectively, while Italy reduced its part from 23% to 19%. The relatively poor performance of Spain is to some extent due to partial interruption of payments as a result of control activities.

Chart 18: Outstanding commitments by Member State at the end of 2010 (million €) (2000-2006 period)



4 PRE-2000 PROGRAMMES

4.1 Implementation in 2010 of pre-2000 programmes

In 2010, the RAL from the pre-2000 programming period decreased by 30%, from €180.2 million to €126.08 million. Thus it now represents only 0.1% of the total RAL for the Structural Funds. The reduction of the pre-2000 RAL results mainly from de-commitments (€48.61 million) often linked to financial corrections and a minor amount from payments (€6.54 million). The closure of the pre-2000 programmes is ongoing. The amounts still outstanding concern commitments whose payment is suspended due to ongoing legal proceedings. The final closure for the corresponding programmes is therefore progressing slowly and it is expected to result in more de-commitments and recoveries than payments. The monitoring of these programmes is going to be continued in 2011.

Table 10 shows the evolution of the RAL amount for the pre-2000 programmes in 2010.

Table 10 : Payments: available appropriations and their implementation for pre-2000 programmes and evolution of the RAL (in €million)

<i>Pre-2000</i>									
Budget item	Title	Initial Budget	Other additional appropriations*	Transfers	Total available	Total execution	RAL 1/01/2010	Changes of RAL**	RAL 31/12/2010
04 02 03	ESF	2,00		3,00	5,00	4,55	58,99	0,23	54,68
04 02 05	ESF - Old Obj2 and 5b	1,00			1,00	0,57	9,03	-0,05	8,42
04 02 07	ESF - Old Obj 3 and 4	2,00			2,00	0,46	37,36	-6,77	30,13
04 02 09	ESF 94_99	1,00		1,00	2,00	0,01	26,12	-1,59	24,53
04 02 11	ESF	pm			0,00				0,00
	Total ESF	6,00	0,00	4,00	10,00	5,58	131,51	-8,17	117,75
13 03 03	ERDF	pm			0,00		0,89	-0,53	0,36
13 03 05	ERDF Obj 2 and 5b	pm			0,00		0,00	0,00	0,00
13 03 07	ERDF 94_99	pm			0,00		1,86	-0,08	1,79
13 03 09	ERDF	pm		0,25	0,25	0,25	0,66	-0,41	0,00
	Total ERDF	0,00	0,00	0,25	0,25	0,25	3,41	-1,01	2,15
	Total Heading 1B	6,00	0,00	4,25	10,25	5,83	134,92	-9,18	119,91
05 04 02 03	EAGGF Old 1 & 6	pm	7,00		7,00		28,34	-27,08	1,27
05 04 02 04	EAGGF Old 5b	pm			0,00		0,01	-0,01	0,00
05 04 02 05	EAGGF old Obj 5a	pm			0,00		3,78	-3,57	0,21
05 04 02 07	EAGGF 94_99	pm			0,00		2,38	0,00	2,38
	Total EAGGF	0,00	7,00	0,00	7,00	0,00	34,52	-30,66	3,86
11 06 03	FIFG Old 1 & 6	pm			0,00		5,71	-4,57	1,14
11 06 05	FIFG old Obj 5a	pm			0,00		3,96	-2,78	1,17
11 06 06	FIFG 94_99	pm		0,72	0,72	0,72	1,12	-0,40	0,00
	Total FIFG	0,00	0,00	0,72	0,72	0,72	10,79	-7,75	2,31
	Total Heading 2	0,00	7,00	0,72	7,72	0,72	45,30	-38,41	6,17
	Total	6,00	7,00	4,97	17,97	6,55	180,22	-47,59	126,08

* Appropriations made available again and earmarked revenue

** Recommitted & Decommitted & Cancelled

4.2 Clearance of outstanding commitments from pre-2000 programmes

Chart 19 shows the breakdown of outstanding commitments for pre-2000 programmes by Member State. Compared to 2010, due to the closure efforts mentioned above, there are no longer any outstanding commitments for France and Luxemburg. For Spain, the pre-2000 RAL was reduced by 96%. Also for Germany and Portugal, major reductions were achieved. By contrast, no progress could be made in 2010 regarding the reduction of the remaining pre-2000 RAL for the Netherlands, Belgium and Ireland. Finally, although pre-2000 RAL for Italy was reduced by € million, this corresponds to a decrease of only 10%. As a result, in 2010, the share of Italy in the remaining pre-2000 RAL increased from 44% to 56%. The absorption rhythm of the pre-2000 RAL is dependent on the evolution of the ongoing legal proceedings.

Chart 19 : Reduction in 2010 and remaining outstanding commitments from pre-2000 programmes at the end of 2010 by Member State (in €million)

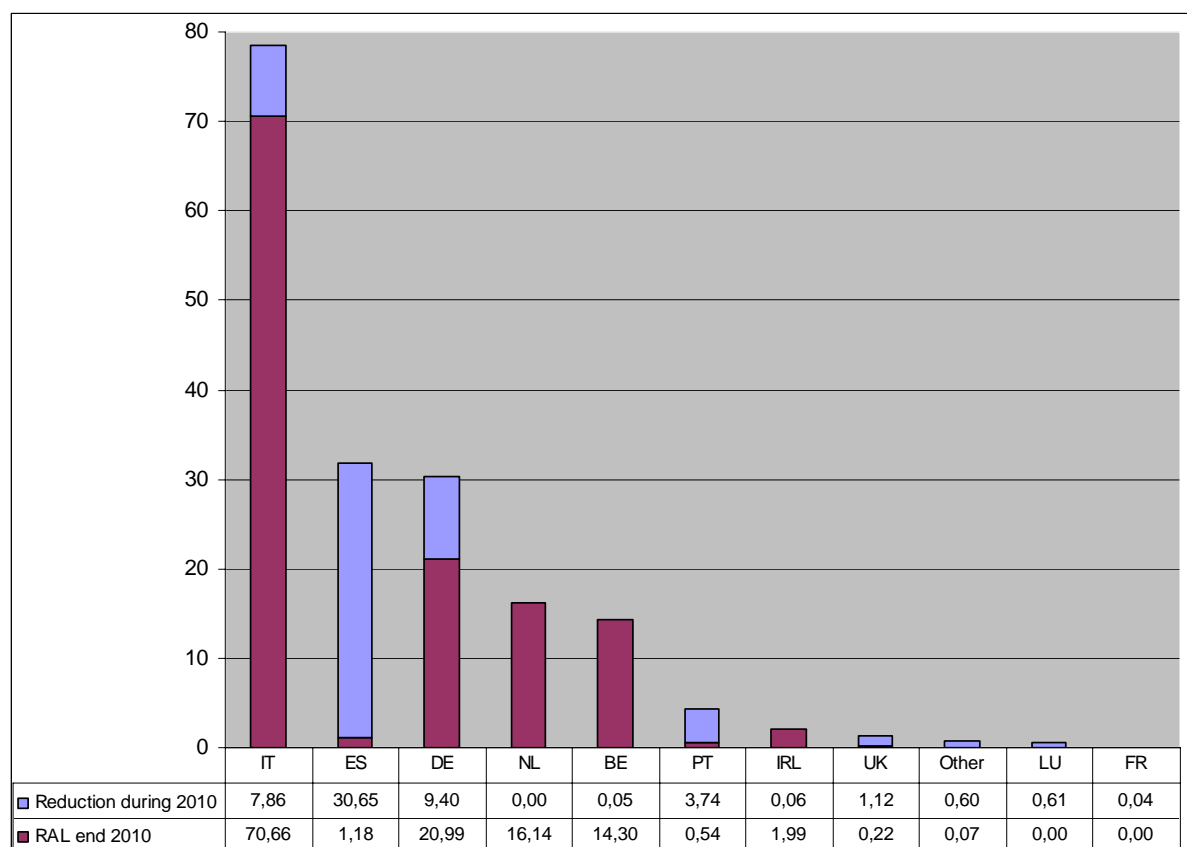
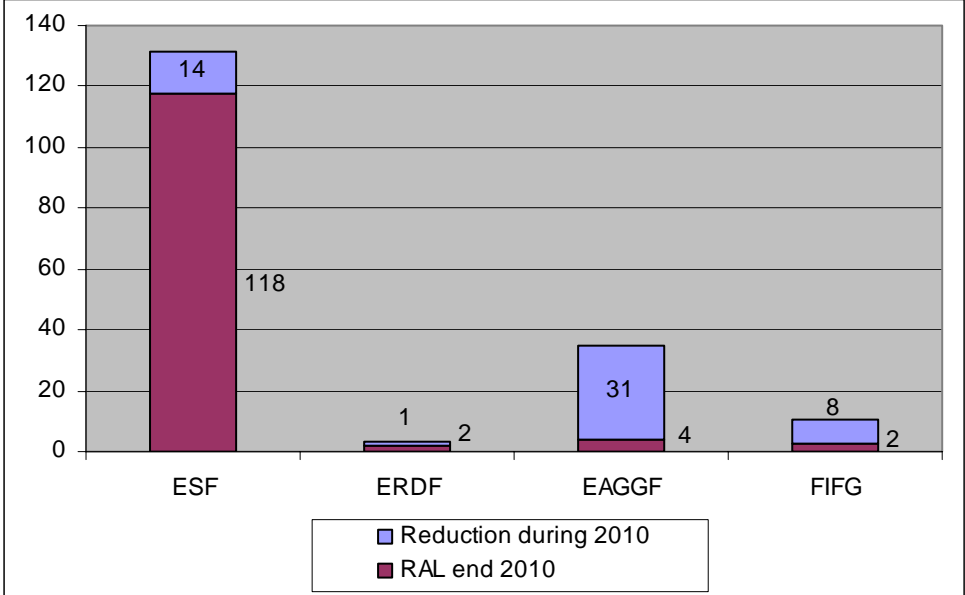


Chart 20 gives the breakdown of pre-2000 RAL by Fund. Almost all of the total outstanding commitments originate from ESF programmes (93%). Major efforts were made for EAGGF and FIFG programmes with a reduction of respectively 89% and 78%.

Chart 20: Reduction in 2010 and remaining outstanding commitments from pre-2000 programmes at the end of 2010 by Fund (in €million)



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ANNEX 1 : IMPLEMENTATION BY BUDGET LINES IN 2010 - STRUCTURAL FUNDS

Financial year 2010: Outturn of Commitment Appropriations on 31.12.2010 by budget item

Source C2 provisional outturn reports at date of 14/02/2011 in Euros

ITEM	HEADING	BUDGET					ADDITIONAL APPROPR.		TOTAL		
		VOTED BUDGET	TRANSFERS & AMENDING BUDGET	TOTAL	OUTTURN	%	CARRY OVER, INCOME, RECONSTITUTIONS	OUTTURN	TOTAL BUDGET	OUTTURN	%
		1	2	3 = 1+2	4	5 = 4/3	6	7	8 = 3+6	9 = 4+7	10 =9/8
PRE-2000	programming periods										
04 02 03	ESF Objective 1 (prior to 2000)			0			1.019.122	1.019.122	1.019.122	1.019.122	100,00%
05 04 02 03	EAGGF Objectives 1 & 6 (prior to 2000)			0			6.997.736	0	6.997.736	0	0,00%
TOTAL PRE-2000		0	0	0	0	0,00%	8.016.858	1.019.122	8.016.858	1.019.122	12,71%
2000-2006	Programming period										
04 02 10	ESF - Operational TA and IA			0			342.115		342.115	0	0,00%
05 04 02 06	Completion of Leader			0			60.975	0	60.975	0	0,00%
13 03 01	ERDF Objective 1			0			758.731	758.731	758.731	758.731	100,00%
13 03 08	ERDF - TA & Innovative Measures			0			224.370	0	224.370	0	0,00%
TOTAL 2000-2006		0	0	0	0		1.386.191	758.731	1.386.191	758.731	54,73%
2007-2013	Ongoing Programming period										
04 01 04 01	ESF - Non operational TA	16.500.000		16.500.000	15.323.366	92,87%	87.911		16.587.911	15.323.366	92,38%
04 02 17	ESF - Convergence	7.473.667.217		7.473.667.217	7.473.667.217	100,00%			7.473.667.217	7.473.667.217	100,00%
04 02 19	ESF - Regional competitiveness and employment	3.343.826.311		3.343.826.311	3.343.826.311	100,00%			3.343.826.311	3.343.826.311	100,00%
04 02 20	ESF - Operational TA	10.471.454		10.471.454	8.492.156	81,10%			10.471.454	8.492.156	81,10%
13 01 04 01	ERDF - Non operational TA	11.135.000		11.135.000	8.870.008	79,66%			11.135.000	8.870.008	79,66%
13 01 04 03	CF-Expenditure on adm management	4.950.000		4.950.000	3.783.986	76,44%			4.950.000	3.783.986	76,44%
13 03 16	ERDF - Convergence	22.782.329.782		22.782.329.782	22.782.329.782	100,00%			22.782.329.782	22.782.329.782	100,00%
13 03 17	ERDF - PEACE	32.095.629		32.095.629	32.095.629	100,00%			32.095.629	32.095.629	100,00%
13 03 18	ERDF - Regional competitiveness and employment	4.261.005.835		4.261.005.835	4.261.005.835	100,00%			4.261.005.835	4.261.005.835	100,00%
13 03 19	ERDF - European territorial co-operation	1.069.579.848	16.559.328	1.086.139.176	1.069.579.848	98,48%	16.234.634	16.234.634	1.102.373.810	1.085.814.482	98,50%
13 03 20	ERDF - Operational TA	50.000.000		50.000.000	42.830.127	85,66%			50.000.000	42.830.127	85,66%
13 04 02	Cohesion Fund 2007-2013	10.185.294.880		10.185.294.880	10.180.113.844	99,95%			10.185.294.880	10.180.113.844	99,95%
TOTAL 2007-2013		49.240.855.956	16.559.328	49.257.415.284	49.221.918.109	99,93%	16.322.545	16.234.634	49.273.737.829	49.238.152.743	99,93%
	Total	49.240.855.956	16.559.328	49.257.415.284	49.221.918.109	99,93%	25.725.593	18.012.487	49.283.140.877	49.239.930.596	99,91%

ANNEX 1 : IMPLEMENTATION BY BUDGET LINES IN 2010 - STRUCTURAL FUNDS

 Financial year 2010: Outturn of Payment Appropriations on 31.12.2010 by budget item

Source C2 provisional outturn reports at date of 14/02/2011 in Euros

ITEM	HEADING	BUDGET				ADDITIONAL APPROPR.			TOTAL		
		VOTED BUDGET	TRANSFERS & AMENDING BUDGET	TOTAL	OUTTURN	%	CARRY OVER, INCOME, RECONSTITUTIONS	OUTTURN	TOTAL BUDGET	OUTTURN	%
		1	2	3 = 1+2	4	5 = 4/3	6	7	8 = 3+6	9 = 4+7	10 = 9/8
Pre-2000	programming periods										
04 02 03	ESF Objective 1 (prior to 2000)	2.000.000	3.000.000	5.000.000	4.547.596	90,95%			5.000.000	4.547.596	90,95%
04 02 05	ESF - Old Obj2 and 5b	1.000.000		1.000.000	566.600	56,66%			1.000.000	566.600	56,66%
04 02 07	ESF - Old Obj 3 and 4	2.000.000		2.000.000	461.849	23,09%			2.000.000	461.849	23,09%
04 02 09	ESF 94_99	1.000.000	1.000.000	2.000.000	6.842	0,34%			2.000.000	6.842	0,34%
04 02 11	ESF - Operational TA and IA (prior to 2000)			0					0	0	
05 04 02 03	EAGGF Old 1 & 6 (prior to 2000)			0			6.997.736		6.997.736	0	0,00%
05 04 02 04	EAGGF Objective 5b (prior to 2000)			0					0	0	
05 04 02 05	EAGGF outside Obj 1 (prior to 2000)			0					0	0	
05 04 02 07	EAGGF 94_99			0					0	0	
11 06 03	FIFG Obj 1 & 6 (prior to 2000)			0					0	0	
11 06 06	FIFG (prior to 2000)		721.738	721.738	721.738	100,00%			721.738	721.738	100,00%
13 03 03	ERDF Obj. 1 (prior to 2000)			0					0	0	
13 03 05	ERDF Obj 2 (prior to 2000)			0					0	0	
13 03 07	ERDF 94_99			0					0	0	
13 03 09	ERDF - TA & Innovative Measures (prior to 2000)		249.815	249.815	249.815	100,00%			249.815	249.815	100,00%
TOTAL PRE-2000		6.000.000	4.971.553	10.971.553	6.554.441	59,74%	6.997.736	0	17.969.289	6.554.441	36,48%
2000-2006	Previous programming period										
04 02 01	ESF Objective 1	280.800.000	-13.022.500	267.777.500	39.436.351	14,73%	510.358.806		778.136.306	39.436.351	5,07%
04 02 02	ESF - PEACE	1.000.000		1.000.000		0,00%			1.000.000	0	0,00%
04 02 04	ESF Objective 2	59.400.000		59.400.000	34.336.632	57,81%	5.794.721		65.194.721	34.336.632	52,67%
04 02 06	ESF - Objectives 3	160.100.000		160.100.000	160.100.000	100,00%	175.069.638	68.574.787	335.169.638	228.674.787	68,23%
04 02 08	EQUAL	21.200.000		21.200.000	15.702.455	74,07%	538.627		21.738.627	15.702.455	72,23%
04 02 10	ESF - Operational TA and IA	4.000.000		4.000.000	477.807	11,95%	192.367	126.185	4.192.367	603.991	14,41%
05 04 02 01	EAGGF Objective 1	510.000.000		510.000.000	153.003.096	30,00%			510.000.000	153.003.096	30,00%
05 04 02 02	EAGGF - PEACE			0					0	0	
05 04 02 06	Leader	52.000.000	-13.900.000	38.100.000	15.273.597	40,09%	60.975		38.160.975	15.273.597	40,02%
05 04 02 09	EAGGF - Operational TA			0					0	0	
11 06 01	FIFG Objective 1	25.700.000	-15.735.391	9.964.609	9.964.609	100,00%			9.964.609	9.964.609	100,00%
11 06 02	FISH - PEACE			0					0	0	
11 06 04	FIFG outside Obj 1	3.030.000	-3.030.000	0					0	0	
11 06 07	FIFG - Operational TA and IA			0					0	0	
13 03 01	ERDF Objective 1	2.076.700.000	-728.845.249	1.347.854.751	1.347.854.751	100,00%			1.347.854.751	1.347.854.751	100,00%
13 03 02	ERDF - PEACE	18.400.000	-18.400.000	0					0	0	
13 03 04	ERDF Objective 2	103.800.000	126.656.462	230.456.462	230.456.462	100,00%			230.456.462	230.456.462	100,00%
13 03 06	URBAN	10.700.000	-637.475	10.062.525	10.062.525	100,00%			10.062.525	10.062.525	100,00%
13 03 08	ERDF - TA & Innovative Measures	4.300.000	10.248.466	14.548.466	14.548.466	100,00%	164.391	61.132	14.712.857	14.609.598	99,30%
13 03 10	Completion of regional measures			0					0	0	
13 03 13	Interreg III	202.300.000	-111.994.317	90.305.683	90.305.683	100,00%			90.305.683	90.305.683	100,00%
TOTAL PRE-2007		3.533.430.000	-768.660.003	2.764.769.997	2.121.522.434	76,73%	692.179.525	68.762.104	3.456.949.521	2.190.284.538	63,36%
2007-2013	Ongoing Programming period										
04 01 04 01	ESF - Non operational TA	16.500.000		16.500.000	8.931.468	54,13%	5.756.426	4.343.879	22.256.426	13.275.347	59,65%
04 02 17	ESF - Convergence	5.256.700.000	-866.061.784	4.390.638.216	4.340.398.868	98,86%			4.390.638.216	4.340.398.868	98,86%
04 02 19	ESF - Regional competitiveness and employment	2.416.700.000		2.416.700.000	2.394.451.864	99,08%			2.416.700.000	2.394.451.864	99,08%
04 02 20	ESF - Operational TA	10.500.000	-1.110.000	9.390.000	6.762.995	72,02%			9.390.000	6.762.995	72,02%
13 01 04 01	ERDF - Non operational TA	11.135.000		11.135.000	4.234.111	38,03%	6.255.156	4.902.459	17.390.156	9.136.570	52,54%
13 01 04 03	CF-Expenditure on adm management	4.950.000		4.950.000	1.647.998	33,29%	1.945.064	1.618.320	6.895.064	3.266.319	47,37%
13 03 16	ERDF - Convergence	14.884.200.000	1.109.151.064	15.993.351.064	15.993.351.064	100,00%			15.993.351.064	15.993.351.064	100,00%
13 03 17	ERDF - PEACE	15.600.000	11.572.506	27.172.506	27.172.506	100,00%			27.172.506	27.172.506	100,00%
13 03 18	ERDF - Regional competitiveness and employment	3.330.700.000	522.005.206	3.852.705.206	3.852.705.206	100,00%			3.852.705.206	3.852.705.206	100,00%
13 03 19	ERDF - European territorial co-operation	520.400.000	-67.639.420	452.760.580	452.760.580	100,00%			452.760.580	452.760.580	100,00%
13 03 20	ERDF - Operational TA	41.600.000	-5.385.799	36.214.201	36.045.425	99,53%			36.214.201	36.045.425	99,53%
13 04 02	Cohesion Fund 2007-2013	4.350.000.000	1.286.361.881	5.636.361.881	5.635.983.015	99,99%			5.636.361.881	5.635.983.015	99,99%
TOTAL 2007-2013		30.858.985.000	1.988.893.655	32.847.878.655	32.754.445.101	99,72%	13.956.646	10.864.658	32.861.835.301	32.765.309.760	99,71%
Total		34.398.415.000	1.225.205.204	35.623.620.204	34.882.521.976	97,92%	713.133.907	79.626.762	36.336.754.111	34.962.148.738	96,22%

ANNEX 2

LIST OF COMMISSION TRANSFERS EXECUTED BY THE SF TEAM OF DG BUDG/A2 IN 2010

Payments

Origin	Description of budget line	Amount Withdrawn	Destination	Description of budget line	Amount Reinforced	Request	SI2.code	Reason
13.0320	ERDF - Operational TA	-87.152	13.0309	ERDF -pre2000 ATA and IM	87.152	26/01/10	1104011	pm on destination line - reinforcement for closure
04.0217	ESF - Convergence	-4.000.000	04.0203	ESF - pre-2000	3.000.000	5/02/10	1106317	Payment appropriations not sufficient
			04.0209	ESF 94_99	1.000.000			
13.0301	ERDF Objective 1	-55.000.000	13.0304	ERDF Objective 2	50.000.000	10/03/10	1112416	Payment appropriations not sufficient
			13.0308	ERDF - TA & Innovative Measures	5.000.000			
11.0601	FIFG Objective 1	-721.738	11.0606	FIFG 94_99	721.738	26/07/10	1134713	No payment appropriations available in B2010 for 11.0606
13.0320	ERDF - Operational TA	-162.663	13.0309	ERDF -pre2000 ATA and IM	162.663	20/08/10	1139855	pm on destination line - reinforcement for closure
13.0320	ERDF - Operational TA	-856.103	13.0308	ERDF - TA & Innovative Measures	856.103	10/09/10	1143359	Payment appropriations not sufficient
13.0301	ERDF Objective 1	-565.000.000	13.0304	ERDF Objective 2	75.000.000	13/09/10	1144556	Payment appropriations not sufficient - request for vir in reply to global transfer letter
13.0302	ERDF - PEACE	-18.400.000	13.0312	International Fund for Ireland	15.000.000			
13.0313	Interreg III	-110.000.000	13.0316	ERDF - Convergence	200.000.000			
			13.0317	ERDF - Peace	3.400.000			
			13.0318	ERDF - RC & E	400.000.000			
13.0320	ERDF - Operational TA	-295.109	13.0308	ERDF - TA & Innovative Measures	295.109	22/09/10	1144611	Payment appropriations not sufficient
13.0320	ERDF - Operational TA	-129.559	13.0322	Pilot project - erasmus	129.559	5/10/10	1146835	Payment appropriations not sufficient
13.0320	ERDF - Operational TA	-2.000.000	13.0308	ERDF - TA & Innovative Measures	2.000.000	11/10/10	1147653	Payment appropriations not sufficient
13.0320	ERDF - Operational TA	-1.855.212	13.0308	ERDF - TA & Innovative Measures	1.855.212	21/10/10	1149925	Payment appropriations not sufficient
13.0319	ERDF - European territorial co-operation	-8.172.506	13.0317	ERDF - Peace	8.172.506	16/11/10	1155723	Payment appropriations not sufficient
13.0301	ERDF Objective 1	-546.002	13.0308	ERDF - TA & Innovative Measures	546.002	25/11/10	1156911	Payment appropriations not sufficient
13.0301	ERDF Objective 1	-883.902	13.0304	ERDF Objective 2	883.902	30/11/10	1157611	Payment appropriations not sufficient
13.0301	ERDF Objective 1	-437.180	13.0304	ERDF Objective 2	437.180	13/12/10	1159933	Payment appropriations not sufficient
13.0401	Cohesion Fund pre-2007	-286.361.881	13.0402	Cohesion Fund 2007-2013	286.361.881	13/12/10	1159935	Payment appropriations not sufficient
11.0601	FIFG Objective 1	-15.013.653	11.0613	EFF - outside Convergence	28.736.049	13/12/10	1159988	Payment appropriations not sufficient
11.0604	FIFG outside Obj 1	-3.030.000						
11.0612	EFF - Convergence	-10.692.396						
13.0316	ERDF - Convergence	-62.538.292	13.0318	ERDF - RC & E	122.005.206	17/12/10	1162343	Payment appropriations not sufficient
13.0319	ERDF - European territorial co-operation	-57.225.306						
13.0319	ERDF - European territorial co-operation	-2.241.609						
13.0301	ERDF Objective 1	-106.978.164	13.0401	CF pre-2007	106.978.164	17/12/10	1162340	Payment appropriations not sufficient
13.0313	Interreg III	-335.380	13.0304	ERDF Objective 2	335.380	17/12/10	1162361	Payment appropriations not sufficient
13.0306	URBAN	-66.211	13.0313	Interreg III	66.211	22/12/10	1163986	Payment appropriations not sufficient
04.0217	ESF - Convergence	-500.000.000	13.0402	Cohesion Fund 2007-2013	500.000.000	21/12/10	1163956	Payment appropriations not sufficient
04.0217	ESF - Convergence	-342.180.230	13.0316	ERDF - Convergence	342.180.230	27/12/10	1194341	Payment appropriations not sufficient
13.0306	URBAN	-571.264	13.0316	ERDF - Convergence	4.509.126	27/12/10	1194338	Payment appropriations not sufficient
13.0308	ERDF - TA & Innovative Measures	-303.961						
13.0313	Interreg III	-1.725.147						
13.0321	PP - Pan EU coordination of Roma integr methods	-481.580						
13.0323	PP - Enhancing regional and local cootation through the promotion of EU regional policy on a global scale	-427.173						
13.0324	PA - Promoting a more favourable environment for microcredit in Europe	-1.000.000						

Commitments

Origin	Description of budget line	Amount Withdrawn	Destination	Description of budget line	Amount Reinforced	Request	SI2.code	Reason
19.080202	Contr R1b to ENPI	-14.477.135	13.031900.14	Terr cooperation	14.477.135	16/8/10 & 9/9/10	SI2.1139892	Return of unused CE appropriations-art 21.5 of RT 1083/2006
13.050301	Contr R1b to IPA	-2.082.193	13.031900.14	Terr cooperation	2.082.193	14/10/10	SI2.1148807	Return of unused CE appropriations-art 21.5 of RT 1083/2006

ANNEX 3: HISTORICAL TREND IN COMMITMENTS AND PAYMENTS

Charts 1 and 2 illustrate the evolution of the budget and its execution from 1994 to 2010. As mentioned above, the EAGGF-G and the FIFG are included in the data, while from 2007 onwards their successors, the European Agricultural Fund for Rural Development and the European Fisheries Fund, are not. On the other hand, the data now include the Cohesion Fund programmes of the 2007-2013 period, as its regulatory framework and financial management have become the same as for the Structural Funds. As before, the pre-2007 projects funded by the Cohesion Fund are excluded. Comparisons between pre-2007 years and the years from 2007 onwards should therefore be treated with caution.

Since the accession of ten new Member States (EU-10) in 2004, followed by Bulgaria and Romania in 2007 (EU-2), the commitments budget for the Structural Funds has increased considerably. Although the medium-term trend for payments also points upwards, the short term evolution is more irregular due to variations in payment execution especially during the start-up phase of new programmes (see also Chart 2 years 2000 until 2003).

Chart 1: Commitment and payment appropriations entered in the budget from 1994 to 2010 (€million, including all transfers during the year but excluding amounts carried over.)

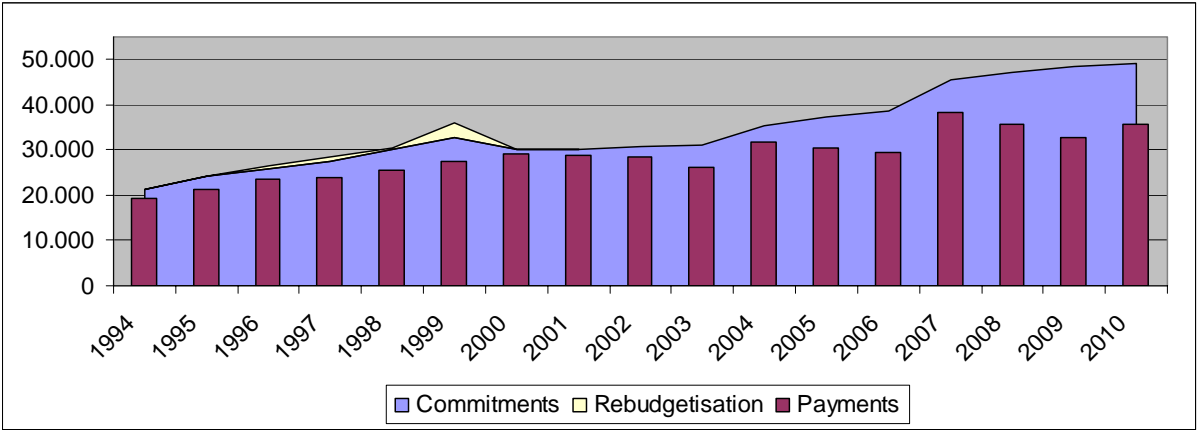


Chart 2: Execution of commitments and payments (outturn, including of appropriations carried forward) from 1994 to 2010 (€million)

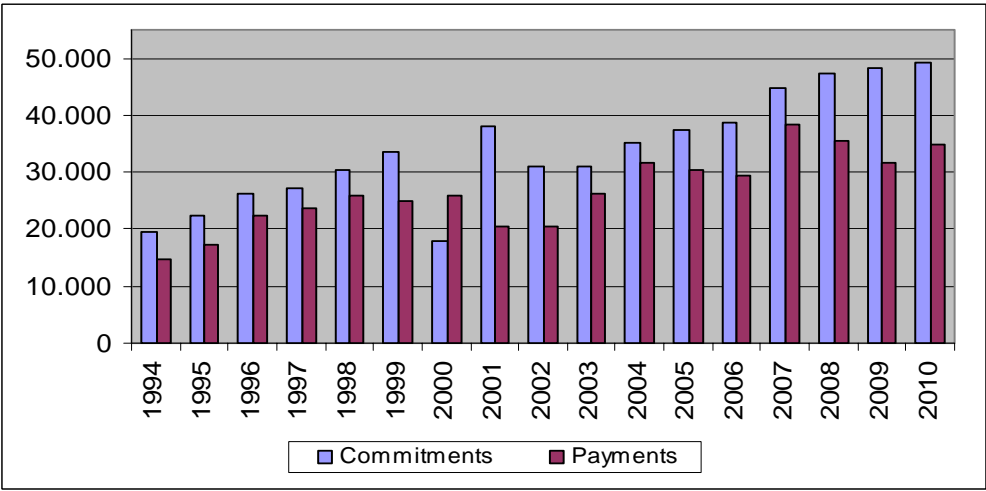
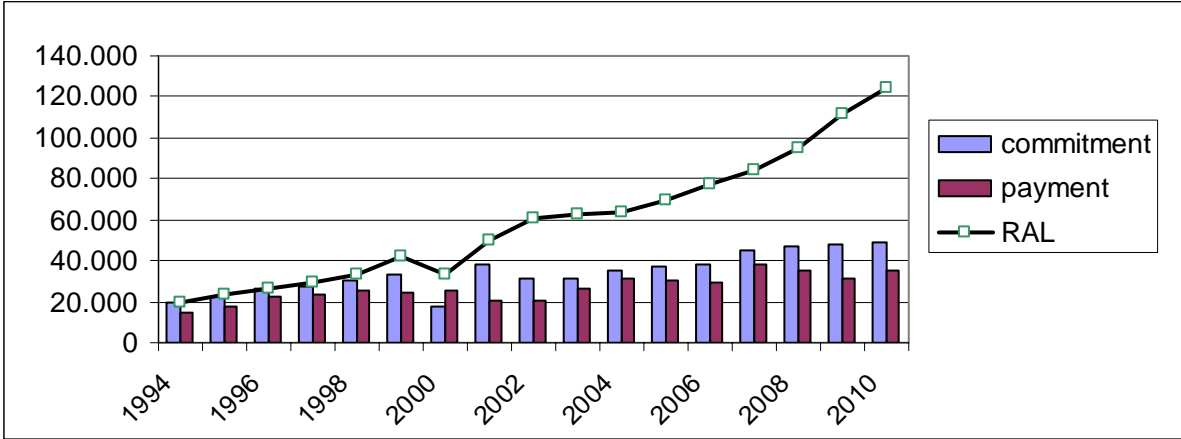


Chart 3 shows the evolution of the overall RAL for the Structural Funds (all periods combined) since 1994 resulting from the evolution of commitments and payments over the years.

Chart 3: Implementation of commitments and payments and outstanding commitments at the end of each year (€million)



ANNEX 4: HISTORIC ANALYSIS OF MEMBER STATES PAYMENT FORECASTS

Table 1 gives an overview of the aggregate results of the forecasting exercise since 2001 thus showing the evolution of the forecasting performance over time.

In 2010 the total relative forecast error (forecast error expressed as a percentage of execution) for the 2007-2013 programmes is 19%. This means that for every €100 of payments actually made in 2010, the Member States had forecasted they would claim €119 in payments. In absolute terms, the error was €6.1 billion

Table 1: Overall forecasting errors from 2001 to 2010

	Year	Forecast	Paid	Error	%
		€billion	€billion	€billion	
Structural Funds 2000-2006					
2000-2006 programmes EU15	2001	18,0	14,7	3,3	22%
	2002	27,8	19,0	8,8	46%
	2003	34,2	22,7	11,5	51%
	2004	33,1	26,3	6,8	26%
	2005	33,9	27,9	6,0	22%
	2006	34,5	26,0	8,5	33%
	2007	31,4	26,4	5,0	19%
	2008	22,9	20,2	2,7	13%
	2009	8,8	5,9	2,9	49%
2000-2006 programmes EU10	2004	1,3	1,5	-0,3	-19%
	2005	4,0	1,6	2,4	152%
	2006	4,2	3,0	1,2	39%
	2007	5,4	4,9	0,5	10%
	2008	4,6	3,6	1,0	28%
	2009	1,8	0,3	1,5	586%
Structural Funds and Cohesion Fund 2007-2013					
2007-2013 programmes	2008	14,5	11,4	3,0	27%
	2009	28,5	25,4	3,1	12%
	2010*	38,0	31,9	6,1	19%
All programmes**					
	2001	28,2	20,4	7,8	38%
	2002	34,8	20,1	14,7	73%
	2003	41,2	23,8	17,4	73%
	2004	34,4	27,9	6,5	23%
	2005	37,9	29,5	8,4	28%
	2006	38,7	29,0	9,6	33%
	2007	36,7	31,3	5,4	17%
	2008	42,0	35,2	6,8	19%
	2009	39,1	31,6	7,5	24%
	2010*	38,0	31,9	6,1	19%

* Pre-financing not included in the paid amount.

**The years 2001-2003 also include pre-2000 programmes.

ANNEX 5: Heading 1B allocation 2007-2013 by Member State*
Current prices (€)

MEMBER STATE	2007	2008	2009	2010	2011	2012	2013	Total
BE	364.782.423	355.082.490	338.863.166	324.002.185	308.411.217	291.967.309	274.742.281	2.257.851.071
BG	514.156.102	737.395.668	991.807.428	1.044.073.825	1.116.219.641	1.188.568.684	1.260.634.073	6.852.855.421
CZ	3.062.673.977	3.736.726.397	3.640.861.285	3.809.477.285	4.057.240.806	4.225.344.390	4.396.377.252	26.928.701.392
DK	82.161.566	83.852.733	85.627.577	87.489.747	89.392.151	91.283.768	93.215.294	613.022.836
DE	3.664.753.567	3.696.945.314	3.729.709.000	3.763.069.632	3.796.272.804	3.828.502.786	3.860.503.462	26.339.756.565
EE	375.773.750	409.974.515	446.440.649	486.201.728	530.407.148	578.211.678	628.833.031	3.455.842.499
IE	211.627.916	180.726.400	148.539.883	115.030.041	80.120.385	81.798.584	83.511.860	901.355.069
EL	3.081.795.081	3.030.352.207	2.965.710.146	2.900.527.687	2.831.871.687	2.814.512.973	2.795.007.243	20.419.777.024
ES	6.286.221.788	5.754.627.341	5.190.294.720	4.713.797.783	4.449.810.861	4.426.415.514	4.395.823.007	35.216.991.014
FR	1.903.733.647	1.979.629.804	2.002.022.276	2.043.766.980	2.086.874.054	2.129.783.741	2.173.081.869	14.318.892.371
IT	3.926.520.792	4.107.196.762	4.066.774.676	4.098.643.256	4.132.637.630	4.204.627.884	4.275.367.920	28.811.768.920
CY	167.249.650	139.394.063	109.772.622	79.106.741	47.184.756	48.141.963	49.104.156	639.953.951
LV	506.300.760	554.225.773	603.897.967	655.705.281	710.375.167	766.371.106	823.567.165	4.620.443.219
LT	765.428.028	833.413.967	902.450.439	975.204.912	1.053.325.430	1.136.152.559	1.219.008.746	6.884.984.081
LU	8.756.085	8.935.186	9.122.005	9.316.863	9.515.866	9.714.797	9.917.880	65.278.682
HU	3.034.075.077	3.229.332.901	3.437.663.559	3.625.536.814	3.785.205.955	3.991.504.202	4.204.078.399	25.307.396.907
MT	112.921.080	118.650.128	119.794.709	122.608.369	125.103.657	127.189.558	129.091.993	855.359.494
NL	254.143.957	262.353.171	266.388.003	272.165.145	278.066.817	283.939.844	289.936.565	1.906.993.502
AT	201.773.292	203.999.556	206.307.685	208.701.529	211.108.607	213.450.462	215.801.550	1.461.142.681
PL	8.115.637.219	8.664.528.631	9.213.686.770	9.441.366.926	10.241.130.196	10.822.800.565	11.417.491.612	67.916.641.919
PT	2.971.529.895	3.005.027.735	3.038.715.640	3.072.645.240	3.106.743.224	3.140.848.240	3.175.048.081	21.510.558.055
RO	1.328.853.181	1.915.639.995	2.576.314.547	3.092.046.613	3.333.557.963	3.583.355.862	3.837.878.891	19.667.647.052
SI	554.581.636	569.325.544	584.455.520	599.981.475	615.894.683	632.185.174	648.880.924	4.205.304.956
SK	1.299.120.357	1.407.175.683	1.526.146.266	1.662.255.913	1.831.363.943	1.953.063.707	2.046.490.160	11.725.616.029
FI	259.817.867	257.565.813	251.850.073	245.850.925	241.105.162	234.363.175	225.661.616	1.716.214.631
SE	253.179.976	259.066.457	264.410.131	269.946.722	275.963.376	281.647.637	287.084.668	1.891.298.967
UK	1.593.604.027	1.598.716.728	1.533.475.408	1.489.332.118	1.442.809.705	1.465.894.632	1.489.325.826	10.613.158.444
Technical Assistance	113.408.759	117.459.544	121.200.980	122.888.158	126.925.914	130.992.625	134.822.683	867.698.663
Interregional	46.390.403	49.483.076	54.889.060	62.743.816	70.890.806	76.995.260	83.315.535	444.707.956
Total	45.060.971.858	47.266.803.582	48.427.192.190	49.393.483.709	50.985.529.611	52.759.628.679	54.523.603.742	348.417.213.371

*Including the 2011-2013 allocations assigned to PL, CZ and SK according to point 17IIA

ANNEX 6: REFERENCES

More information about the Structural and Cohesion Funds in general as well as their recent implementation may be found on the EUROPA site at the following addresses:

GENERAL INFORMATION

- ERDF and CF:
Regional Policy DG – Inforegio:
http://ec.europa.eu/regional_policy/index_en.cfm
- ESF:
Employment and Social Affairs DG – ESF:
http://ec.europa.eu/employment_social/esf/index_en.htm
- Rural development 2000-2006:
Agriculture DG:
http://ec.europa.eu/agriculture/rur/index_en.htm
- FIFG 2000-2006:
Maritime Affairs and Fisheries DG:
http://ec.europa.eu/fisheries/cfp/eff/fifg/index_en.htm

LEGAL BASES

- Overview of Regulations for 2007-2013:
http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/newregl0713_en.htm
- Overview of Regulations for 2000-2006:
http://ec.europa.eu/regional_policy/sources/docoffic/official/reglem_en.htm
- Overview of Regulations for 1994-1999:
http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/regshome.htm

ANNUAL REPORTS

- The annual Reports on the Structural Funds and on the Cohesion Fund edited by the operational DGs are published at the following address:
http://ec.europa.eu/regional_policy/sources/docoffic/official/repor_en.htm