
5. Financial Tables

5.1 Introduction

559. The programme budget is €6,048,816,799 of which the ESF contribution is €3,089,886,379. This chapter contains tables showing the annual breakdown of the ESF funding, and the breakdown of the programme budget by priority axis, as required by Article 37.1.e of Council Regulation (EC) No 1083/2006 of 11 July 2006. It uses the format set out in Annex XVI of Commission Regulation (EC) No 1828/2006 of 8 December.

5.2 Financing plan of the Operational Programme giving the annual commitment of each Fund in the Operational Programme

560. This table sets out the annual breakdown of financial appropriations from the ESF. It divides the annual appropriations into the Regional Competitiveness and Employment Objective and Convergence Objective. Within the Regional Competitiveness and Employment Objective, it shows the appropriations for the 'phasing-in' areas of Merseyside and South Yorkshire which will receive transitional support.

561. As stated in Article 22 of Council Regulation (EC) No 1083/2006 'the total appropriations allocated by Member State under each of the objectives of the Funds and their components shall not be transferable between them'. Therefore the appropriations for the Convergence area of Cornwall and the Isles of Scilly will be spent exclusively for the benefit of this area and will not finance actions for the benefit of areas within the Regional Competitiveness and Employment Objective, and vice versa.

562. The annual breakdown of funds is determined by profiles established by the EU in its 2007-2013 Financial Perspective and by the annual allocations to programmes established in the UK National Strategic Reference Framework.

Operational Programme reference 2007UK05UPO001

Year by source for the programme, in EUR:

	Structural Funding (ESF) (1)	Cohesion Fund (2)	Total (3) = (1)+(2)
2007	337,289,217		337,289,217
RCE Objective: In Regions without transitional support (RCE)			
RCE Objective: In Regions with transitional support (RCE)	121,063,756		121,063,756
RCE Objective Total	458,352,973		458,352,973
Convergence	26,422,713		26,422,713
Total 2007	484,775,686		484,775,686
2008	344,035,002		344,035,002
RCE Objective: In Regions without transitional support			
RCE Objective: In Regions with transitional support	96,643,385		96,643,385
RCE Objective Total	440,678,387		440,678,387
Convergence	26,951,168		26,951,168
Total 2008	467,629,555		467,629,555
2009	350,915,702		350,915,702
RCE Objective: In Regions without transitional support			
RCE Objective: In Regions with transitional support	71,197,774		71,197,774
RCE Objective Total	422,113,476		422,113,476
Convergence	27,490,191		27,490,191
Total 2009	449,603,667		449,603,667
2010	357,934,016		357,934,016
RCE Objective: In Regions without transitional support			
RCE Objective: In Regions with transitional support	44,695,681		44,695,681
RCE Objective Total	402,629,697		402,629,697
Convergence	28,039,995		28,039,995
Total 2010	430,669,692		430,669,692

	Structural Funding (ESF) (1)	Cohesion Fund (2)	Total (3) = (1)+(2)
2011	365,092,697		365,092,697
RCE Objective: In Regions without transitional support			
RCE Objective: In Regions with transitional support	17,105,024		17,105,024
RCE Objective Total	382,197,721		382,197,721
Convergence	28,600,795		28,600,795
Total 2011	410,798,516		410,798,516
2012	372,394,551		372,394,551
RCE Objective: In Regions without transitional support			
RCE Objective: In Regions with transitional support	17,447,125		17,447,125
RCE Objective Total	389,841,676		389,841,676
Convergence	29,172,811		29,172,811
Total 2012	419,014,487		419,014,487
2013	379,842,441		379,842,441
In Regions without transitional support			
In Regions with transitional support	17,796,068		17,796,068
RCE Objective Total	397,638,509		397,638,509
Convergence	29,756,267		29,756,267
Total 2013	427,394,776		427,394,776
RCE Objective: Total in Regions without transitional support (2007-2013)	2,507,503,626		2,507,503,626
RCE Objective: Total in Regions with transitional support (2007-2013)	385,948,813		385,948,813
RCE Objective Total (2007-2013)	2,893,452,439		2,893,452,439
Convergence (2007-2013)	196,433,940		196,433,940
Grand Total 2007-2013	3,089,886,379		3,089,886,379

5.3 Financial plan of the Operational Programme giving, for the whole programming period, the amount of the total financial allocation of each Fund in the Operational Programme, the national counterpart and the rate of reimbursement by priority axis

563. This table sets out the breakdown of the programme's budget by priority axis for the 2007-13 programme period. Within this it shows the breakdown of the ESF and national financial contributions. The national financial contribution will be provided by public funding.

564. The table also shows the co-financing or intervention rate of the ESF. In the Regional Competitiveness and Employment Objective (including phasing-in funding), the ESF will contribute 50% of the public eligible expenditure in Priorities 1, 2 and 3. In the Convergence Objective, the ESF will contribute 75% of the public eligible expenditure in Priorities 4, 5 and 6.

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Priority axes by source of funding (in EUR)

	Community Funding	National counterpart	Indicative breakdown of the national counterpart		Total funding (e) = (a)+(b)	Co-financing rate (f) = (a)/(e)	For information	
	(a)	(b) (= (c) + (d))	National Public funding (c)	National private funding (d)			EIB contributions	Other funding
Priority Axis 1 ESF Public RCE Objective	1,793,940,512	1,793,940,512	1,793,940,512		3,587,881,024	50%		
Priority Axis 2 ESF Public RCE Objective	983,773,829	983,773,829	983,773,829		1,967,547,658	50%		
Priority Axis 3 ESF Public RCE Objective	115,738,098	115,738,098	115,738,098		231,476,196	50%		
RCE Objective Total	2,893,452,439	2,893,452,439	2,893,452,439		5,786,904,878	50%		
Priority Axis 4 ESF Public Convergence Objective	74,644,897	24,881,633	24,881,633		99,526,530	75%		
Priority Axis 5 ESF Public Convergence Objective	117,860,364	39,286,788	39,286,788		157,147,152	75%		
Priority Axis 6 ESF Public Convergence Objective	3,928,679	1,309,560	1,309,560		5,238,239	75%		
Convergence Objective Total	196,433,940	65,477,981	65,477,981		261,911,921	75%		
Grand Total	3,089,886,379	2,958,930,420	2,958,930,420		6,048,816,799			

565. In the Regional Competitiveness and Employment Objective, 62% of the funding is allocated to Priority 1 (Extending employment opportunities), 34% to Priority 2 (Developing a skilled and adaptable workforce) and 4% to Priority 3 (Technical assistance).
566. The larger proportion of resources for Priority 1 reflects the strong focus of the 2007-13 programme on improving the employment prospects and skills of unemployed and inactive people, especially those who are at a disadvantage in the labour market. It also reflects the fact that Priority 1 rather than Priority 2 contains activities to help young people prepare for working life, particularly those not in education, employment or training (NEET), or at risk of becoming NEET. Priority 2 will focus on developing the skills of the workforce.
567. The larger proportion of resources for Priority 1 does not mean there will be more funding for employment than skills in the Regional Competitiveness and Employment Objective. There will be a substantial amount of skills training for workless people in Priority 1 to help them prepare for employment, as well as the NEET activity. Chapter 1 identifies the strong relationship between worklessness and low skills. Priority 1 builds on the integrated approach to employment and skills provision developed in previous ESF programmes, and is consistent with the recommendations of the Leitch Review.
568. The priority breakdown does not therefore correlate directly to the methodology used in the National Strategic Reference Framework (NSRF) to allocate ESF funds among the UK nations and regions. The NSRF regional allocations methodology allocated 50% of the funds on the basis of the numbers of workless people in each nation or region, and 50% of the funds on the basis of the numbers of people with no or low qualifications. Clearly many of those with no or low qualifications will also be workless. These people will be helped to improve their skills primarily in Priority 1, while Priority 2 will focus on developing the skills of the workforce. Priority 1 therefore requires a greater share of the programme's resources to address the National Strategic Reference Framework, and to improve both the employability and skills of workless people.
569. In the Convergence Objective, 38% of the funding is allocated to Priority 4 (Tackling barriers to employment), 60% to Priority 5 (Improving the skills of the local workforce) and 2% to Priority 6 (Technical assistance). The larger proportion of resources for Priority 5 reflects the greater intensity of Convergence funding and the needs identified in economic development strategy for Cornwall and the Isles of Scilly. In particular, it reflects the fact that Priority 5 will support those higher level activities which are eligible only in the Convergence Objective.

5.4 Categorisation of expenditure and 'Lisbon earmarking'

570. Information on the indicative breakdown by category of the programmed use of the contribution of the ESF to the Operational Programme is at annex B.
571. All ESF expenditure within Priorities 1, 2, 4 and 5 will fall within priority theme categories that are 'earmarked' as Lisbon expenditure according to Annex IV of Council Regulation (EC) No. 1083/2006 of 11 July 2006. The programme will therefore make a very significant contribution towards the targets that, in the EU-15 Member States collectively, 60% of Convergence Objective expenditure and 75% of Regional Competitiveness and Employment Objective expenditure should contribute to the Lisbon agenda of promoting competitiveness and creating jobs.