

Kansen voor West 2014-2020 Operational Programme

24 November 2014

This Operational Programme and the accompanying Smart Specialisation Strategy Western Netherlands was adopted by the Municipal Executives of:

Amsterdam on 14-1-2014

Rotterdam on 21-1-2014

The Hague on 14-1-2014

Utrecht on 4-2-2014

and the Provincial Executives of:

Noord-Holland on 14-1-2014

Zuid-Holland on 21-1-2014

Utrecht on 28-1-2014

Flevoland on 28-1-2014

and was further elaborated on the basis of the comments provided by the European Commission on 12 June, 1 October and 10, 16 and 24 November 2014

SECTION 1: STRATEGY FOR THE OPERATIONAL PROGRAMME'S CONTRIBUTION TO THE UNION STRATEGY FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH AND THE ACHIEVEMENT OF ECONOMIC, SOCIAL AND TERRITORIAL COHESION

1.1 Strategy for the operational programme's contribution to the Union strategy for smart, sustainable and inclusive growth and to the achievement of economic, social and territorial cohesion

1.1.1 Description of the programme's strategy for contributing to the delivery of the Union strategy for smart, sustainable and inclusive growth and for achieving economic, social and territorial cohesion.

PARTNERSHIPS FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH

I INTRODUCTION

The theme of the 'Kansen voor West 2007-2013' ('Opportunities for West 2007-2013') Operational Programme was that of having 'the Western Netherlands return to the top'. The aim was to have the Western Netherlands¹ become one of the top five European larger urban regions. At first, this goal seemed to have been achieved, but recent comparisons show that the region is once again falling behind the top regions in Europe. Despite all its efforts, the Western Netherlands is lagging behind in terms of growth, GDP and employment (Randstad Monitor 2012, TNO Netherlands Organization for Applied Scientific Research, Delft, December 2012), private R&D investment and energy efficiency, and the application of renewable sources of energy supply (2013 country-specific recommendations and Eurostat regional details).

A second important characteristic of 'Kansen voor West' is the partnership established by the four provinces and the four big cities to implement the programme. This collaboration is all the more noteworthy in view of the various economic sub-regions that make up the Western Netherlands and the various competences possessed by these partners. During the past few years, this partnership has proven itself to be a solid foundation in meeting the challenge of implementing the ERDF programme.

The major difference between the two programming periods is the available budget. The financial resources made available for the 2014-2020 period are insufficient to realise the original ambitions and broad use of resources envisioned by the partners.

II KANSEN VOOR WEST II FOCUS

The challenge the Western Netherlands wants to meet is that of, in cooperation with our social, economic and public partners and in addition to existing national and regional initiatives, providing an additional boost, the European resources providing definite added value and contributing to the realisation of the Europe2020 objectives. The emphasis is on company investment into R&D, making use of renewable energy sources and investing in energy efficiency. The four big cities face specific challenges, as sections of these cities seem to 'miss their connection' to current economic developments, which appears to give rise to an economic and social divide. These major challenges

¹ The Western Netherlands is comprised of the territories of the provinces of Noord-Holland, Zuid-Holland, Utrecht and Flevoland.

dovetail with the 80% concentration on the thematic objectives of Innovation, Low-carbon economy and with the earmarking of at least 5% of ERDF resources allocated at the national level for integrated actions for sustainable urban development proposed by the European Commission.

III FOCUS ON INNOVATION

III.0 Introduction

Reports such as the Randstad Monitor 2012 clearly show that the Western Netherlands, when compared to other larger urban regions in Europe, is insufficiently concerned with innovation. R&D expenses as expressed as a percentage of the gross regional product (GRP) have dropped to 1.83%, whereas other European urban regions, such as Copenhagen, Munich, Stockholm, Berlin, Vienna and Paris, average almost 40% higher. The share of high-quality industry as a percentage of total employment in the Western Netherlands (4% in 2011) is low and lags far behind the European metropolitan average (10.5%). The share of knowledge-intensive services also lags behind the European metropolitan average (5.2% versus 6%) - and what's more, this share is actually falling.

On the other hand, the Western Netherlands does possess an excellent scientific R&D infrastructure. Various studies and reports² indicate that the Western Netherlands' innovation performance belongs to the European top in terms of the quality of fundamental research conducted (e.g. in medicine), public R&D investment, excellence of research, and revenue gained through patent licensing, in particular in the areas of IT and security.³

This view is endorsed in the Regional Innovation Scoreboard 2012, which classified the four provinces making up the Western Netherlands as belonging to the highest innovation performance categories. These high ratings are partly explained by the unusual density of knowledge institutions in the region, including seven universities, eighteen institutions for higher professional education and an even larger number of specialised knowledge institutions.

III.1 Smart Specialisation Strategy (RIS³)

This under-performance as concerns company investment in research & development has resulted in the Western Netherlands being slow to innovate and to commercialise knowledge in new products and services. The Netherlands established a national top sector policy so as to meet the objectives set out in the Europe 2020 strategy by concentrating its efforts on nine business sectors that offer a great many opportunities for innovation and international growth. In implementing this national policy, the various sub-regions and provinces of the Western Netherlands have each laid down their own regional visions⁴. These separate visions were combined in the Western Netherlands' smart specialisation strategy (RIS³) to become the basis for the selections made in this 'Kansen voor West II' programme.

² De Staat van Nederland Innovatieland 2012; KIA Photo 2012; Valorisation agenda; OECD area-based policy; Regional Innovation Scoreboard 2012; Netherlands Court of Audit's report on Innovation Policy; Bedrijvenbeleid in cijfers 2012; Financiering bij innovatie en groei in het MKB in de Randstad Noord- en Zuid; National Reform Programme; European Commission's position paper on the Netherlands.

³ Research en Innovation Performance in the Netherlands 2013; Country Profile; DG Research European Commission.

⁴ Refer to the South Wing Economic Agenda, Amsterdam Economic Board Agenda/PRES, Economic Vision 2020 Utrecht, and the economic agendas of the provinces of Noord-Holland and Flevoland.

Despite such regional specification, the top sector policy is still a national policy for which instruments have been made available at the national level and which instruments are deployed on a per-sector basis by national top teams. Even though the Western Netherlands feature a very high concentration of these nine top sectors, they make up only a small part (approx. 20%) of the regional economy⁵. The focus of the RIS³ is therefore on connecting the many excellent initiatives with the regional economy and knowledge institutions.

The challenge the Western Netherlands faces is that of boosting growth in those fields of expertise and those industry sectors in which the enterprises in the region can become (international) leaders. The foremost bottlenecks experienced by the Western Netherlands in achieving this ambitions are:

- Limited share of private R&D expenditure in the total amount of R&D investment.
- Lagging sustainability of the economy.
- Limited knowledge valorisation.⁶

The second major theme of the RIS³ is that of providing innovative solutions to societal challenges and needs. Needs that are of an increasingly composite nature, as is apparent in, for instance, the topic pairs of energy and residence, food and health, work and health, and transport and energy. This increasingly requires companies to look and work beyond the boundaries of their own sector. Solutions to these composite needs will increasingly have to be developed by connecting new technologies to the sectors. This view is corroborated by the recommendations provided by the top teams to the top sectors⁷, and also by international trends.⁸

The 'Kansen voor West II' ERDF Operational Programme allows us to increase our efforts by adding to the national top sector policy by way of encouraging cross-overs between the top sectors. Encouraging knowledge valorisation and leveraging possible cross-over opportunities are key to the strategy. This requires an open approach, allowing for the demand side-oriented development of 'Neue Kombinationen'.⁹

Radical cross-over innovation is possible by creatively applying technologies and approaches developed in one sector to another, and in so doing develop new processes and products or improve existing ones. The result can take any of a number of shapes: patents, specific knowledge, new technology or views, or even completely new business models. Innovation that massively contributes to tackling societal challenges and spurs

⁵ The 2010 top sector monitor (Statistics Netherlands, 2012) identifies 264,220 of the in total 1,124,405 enterprises as belonging to the top sectors (23.5%). Taken together, they provide jobs totalling 1.4 million FTE (of the 6.7 million FTE provided by all companies in total), or 20.9% of all jobs. The value added by the top sectors amounts to EUR 1.4 billion, or 26.4% of all sectors taken together. 96% of all private R&D investments are made in these sectors. Only limited data are available for the Western Netherlands and they include all companies, not just SMEs, which make up about 80% of the total number. Based on the top sector methodology and the amount of business sites in 2013 (statline.cbs.nl), the business site percentages of all top sector enterprises are approximately 25.2% for the Netherlands as a whole and 24.9% for the Western Netherlands. The SME figure is estimated to be around 20%. We believe this means that the other percentage figures for the Netherlands as a whole, too, approximate the actual figures for the Western Netherlands.

⁶ RIS3 Smart Specialisation Strategy for the Western Netherlands, 2014

⁷ "Creatieve industrie in Topvorm" (Annexe 3), 'Maintenance' within the Chemicals top sector, Agri-food (Annexe 1), Implementation Agenda Logistics

⁸ BOM multi-year plan (40 out of 60 innovation projects are cross-overs), Accenture Innovation Awards (trends 2011), Connected World (BCG/World Economic Forum, 2013),

⁹ Braun and De Groot, Nieuwe Kansen voor West, 2014

economic growth cannot be predicted in advance. In the valorisation stage, cooperation

Top Sector	Cross-overs	Sustainability and Knowledge Valorisation Themes
------------	-------------	--

between knowledge institutions and enterprises of various fields and sectors can lead to entirely new directions of solutions, such as the application of gaming in healthcare, or the use of satellite data for precision agriculture. However, the use of various technologies, including the humble tablet, may also give rise to radical innovation within a sector. In this Operational Programme, we focus on both types of innovation.

Figure 1 shows the possible niches and themes the Western Netherlands is able to gain the comparative edge in.

Figure 1: Cross-overs and niches

Topsector	Cross-overs	Thema's Duurzaam en Kennisvalorisatie
Agro&Food	Energie HTSM Logistiek Life Sciences & Health Water	Reststromen, One Health, Stads- en metropolitane landbouw, Efficiënt gebruik van natuurlijke hulpbronnen en ruimte (wwaronder bio-based economy), Precisielandbouw, Voedselveiligheid, Ketenbeheer
Chemie	Agro&Food Energie HTSM Logistiek Tuinbouw & Uitgangsmaterialen	Slimme materialen, Seed coatings, Groene Chemie
Creatieve Industrie	Cross-overs met alle overige 8 topsectoren	Open en/of Big data, ICT/Serious gaming, Digital learning, Diensteninnovatie
Energie	Agro&Food HTSM Logistiek Tuinbouw & Uitgangsmaterialen Water	Clean Tech, Resource efficiency en transitie, Decentrale energie opwekking, Energiebesparing in gebouwde omgeving, Biomassa als grondstof voor Energievoorziening, SMART City solutions
High Tech Systemen en Materialen	Cross-overs met alle overige 8 topsectoren	Open en/of Big data, Lucht- en ruimtevaart technieken en data, E-science, Bioinformatica, Robotisering, Materiaal- en sensortechnologie, Security
Life Sciences & Health	Agro&Food Creatieve Industrie HTSM Tuinbouw & Uitgangsmaterialen	Biofarmacie, Healthy ageing / Vitality, Oncologie, Imaging, Molecular technology, Regeneratieve geneeskunde, Infectieziekten, Neuroscience, Interventietechnologie, Specialised nutrition, One Health, Serious gaming
Logistiek	HTSM Life Sciences & Health Tuinbouw & Uitgangsmaterialen Water	Duurzame logistiek/mobiliteit, Ketenregie, Ketenoptimalisatie, Synchronodaal vervoer, Seamless connections
Tuinbouw & Uitgangsmaterialen	Energie HTSM Life Sciences & Health Logistiek Water	Efficiënt gebruik van natuurlijke hulpbronnen (o.a. bio-based economy), Voedselzekerheid, Voedselveiligheid, Gezondheid, Precisielandbouw,
Water	Energie HTSM Tuinbouw & Uitgangsmaterialen	Bouwen met de natuur, Slimme en schone schepen, Winnen op zee (offshore industrie), Duurzame Deltasteden, Waternotechnologie, Dijkmonitoring

Agri-food	Energy High Tech Logistics Life sciences and health Water	Residual waste flows, One Health, Urban agriculture, Efficient use of natural resources and space (including bio-based economy), Food safety, Chain management
Chemicals	Agri-food Energy High Tech Logistics Horticulture and propagation materials	Smart materials, Seed coatings, Green chemicals
Creative industry	Cross-overs will all 8 other top sectors	Open and/or Big Data, IT/Serious Gaming, Digital Learning, Services innovation
Energy	Agri-food High Tech Logistics Horticulture and propagation materials Water	Clean Tech, Resource efficiency and transition, Decentralised energy generation, Energy savings in built-up areas, Biomass as energy supply resource, SMART City Solutions
High Tech	Cross-overs will all 8 other top sectors	Open and/or Big Data, Aeronautical and astronautical technology and data, E-science, Bio-informatics, Robotisation, Material and sensor technology, Security
Life sciences and health	Agri-food Creative industry High Tech Horticulture and propagation materials	Biopharmaceuticals, Healthy ageing / Vitality, Oncology, Imaging, Molecular technology, Regenerative medicine, Infectious diseases, Neuroscience, Intervention technology, Specialised nutrition, One Health, Serious Gaming
Logistics	High Tech Life sciences and health Horticulture and propagation materials Water	Sustainable logistics/mobility, Chain management, Chain optimisation, Synchromodal transport, Seamless connections
Horticulture and propagation materials	Energy High Tech Life sciences and health Logistics Water	Efficient use of natural resources and space (including bio-based economy), Food security, Food safety, Health, Precision agriculture
Water	Energy	Construction with nature,

	High Tech Horticulture and propaga- tion materials	Smart and clean ships, Winning on the waves (off- shore industry), Sustainable Delta Cities, Water technol- ogy, Dike monitoring
--	--	--

Source: Smart Specialisation Strategy Western Netherlands

Such innovation requires a solid link to the excellent research infrastructure, but various reports have concluded that this infrastructure is insufficiently shared and suboptimally leveraged. Furthermore, enterprises, in particular SMEs, have insufficient access to it. The knowledge institutions lack the capacity to carry out projects in tandem with businesses, while insufficient stimuli exist to have R&D infrastructure owners/operators optimise the open access component thereof and to promote collaboration with the business sector and other knowledge institutions. The same applies to small-scale research infrastructure such as 3D scanners and non-technical infrastructure.

The 2009-2013 valorisation agenda identified a number of additional issues preventing SMEs from commercialising knowledge. Most relevant to the many innovative SMEs in the Western Netherlands are:

- Insufficient cooperation and networking between the stakeholders (in particular SMEs and knowledge institutions).
- Insufficient venture capital available for 'early stage' and 'proof of concept' projects.
- Insufficient promotion of entrepreneurship and setting up new commercial activities within knowledge institutions and insufficient support provided to and ambition shown by young start-up companies to develop and grow.

Since the valorisation agenda was drawn up, a number of grants (of approx. EUR 50 million in total) have been provided to encourage enterprise and knowledge institution partnerships. As a result, the percentage of technologically innovative enterprises partnering up with institutions for tertiary education went up from 8% in 2010 to 11% in 2012. Partnerships with public research institutions increased from 7% to 8%¹⁰. Furthermore, Central Government concluded agreements with the VSNU Association of universities in the Netherlands and the Netherlands Association of Universities of Applied Sciences to make sure valorisation as a theme is embedded in the strategies and activities of these knowledge institutions by 2015. To this effect, individual performance agreements will be concluded between the Minister of Education, Culture and Science and the individual universities and universities of applied science. In addition, a system to monitor progress in this connection is currently being developed. As from 2016, at least 2.5% of all public research funding is to be used to effect knowledge valorisation. The valorisation agendas of the various knowledge institutions - most of which were recently drafted - in addition to education and research prominently feature valorisation as a focus area. Most of these agendas extend to 2020 and thus run parallel to this Operational Programme.

¹⁰ Statistics Netherlands, ICT, Knowledge and the Economy, July 2014.

III.2 Focus on SMEs

Over the next few years, SMEs will have to become the motor for growth of value added and employment. Of the well over 1.2 million SMEs in the Netherlands, SMEs in the Western Netherlands generate 49% of the total value added by SMEs¹¹. Not only does the region feature a sizeable number of SMEs, but they are also highly diverse.

Yet, despite this diversity, SMEs in the Western Netherlands lag significantly behind their EU counterparts as concerns innovation. Only 70% realises in-house innovation, well below the European average of 87%. Only the leading 5% of SMEs innovates systematically and leverages available knowledge. The 40% of SMEs following in their trail are mainly in the business of further developing and applying new products and services, and this 40% has a high potential to innovate. However, cooperation with knowledge institutions at an adequate level, formalised networks and clear information structures are all lacking.

The share of small enterprises in total private R&D expenditure did rise significantly over the past ten years (from 19% in 2000 to 28% in 2009), and more and more SMEs make use of the provisions of the Dutch Promotion of Research and Development Act (R&D tax credit). These figures (provided by Syntens, 2012, and others) show that the SME sector is of increasing importance in effecting innovation.

Hence, the focus of the programme is on innovation by SMEs: enterprises that, through cooperation with other parties (large enterprises, knowledge institutions or other SMEs), work on developing new products and services. The programme's strong connection to the national top sector policy means that the focus is not on boosting SME activities in general, but on those innovative activities by SMEs that contribute to achieving the objectives of the smart specialisation strategy for the Western Netherlands. The programme's main ambition is therefore to deepen and broaden SME innovation. By focusing on SMEs as an important (but certainly not the only!) target group, the programme contributes to a stronger climate of innovation in the Western Netherlands.

III.3 Innovation Targets

Large-scale investment on all levels is required to eliminate these bottlenecks. The Western Netherlands has opted to focus on two specific targets contributing to boosting innovation in the region.

- a. Valorisation: increasing the share of - primarily internationally marketable - innovative products and services in overall enterprise turnover.
- b. Investment capacity: increased access to a larger pool of funding for innovation in SMEs in the RIS³ sectors.

III.3a Valorisation

Cooperation between enterprises of all sizes and knowledge institutions falls short of what it could be due to cultural differences, unfamiliarity and the existence of various hurdles. In addition, the current valorisation policy is mainly focused on creating knowledge institution spin-offs, and not on valorisation by existing SMEs. So as to make better use of SME innovation potential, make an 'innovation leap' and introduce new products to the market, additional policy instruments need to be in place. Key to the process are the development and testing of innovations in collaboration with the end user, creating various flexible networks and clusters and in particular enhancing the abilities of SMEs to organise their business in such a way as to improve the possibilities of cooperating with other enterprises and knowledge institutions.

¹¹ MKB regio top 40, Rabobank, 2012

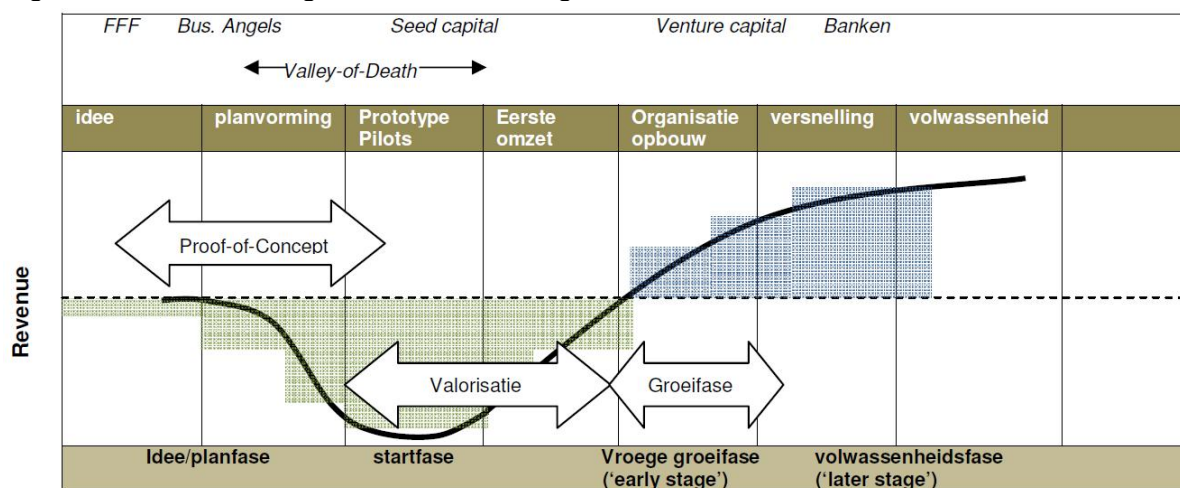
Promoting valorisation requires a surge in both demand and supply. The demand for knowledge needs to be given sharper focus through enterprise demand articulation and organisational capabilities (for instance, by way of the top sector policy). On the supply side, an important part is to be played by the knowledge institution spin-offs.¹²

III.3.b Increased access to a larger pool of funding for innovation in SMEs in the RIS³ sectors

The various reports and the consultations held with authorities, enterprises and knowledge institutions in preparation for the RIS³ strategy have identified the availability of financial resources to (growing) SMEs, and their access to such resources, to be one of the most important bottlenecks to innovation.

Investigations into the financing of innovation and growth by SMEs in the Western Netherlands¹³ have verified this. Despite the resources on offer by, for example, Central Government and the private sector, both start-up and existing companies experience a massive lack of access to funding, although the picture varies from sector to sector. Difficulties in obtaining funding are greatest during the so-called 'death valley curve': the proof-of-concept and innovation valorisation stages.

Figure 2: SME financing of innovation and growth



FFF	Bus. Angels	Seed capital		Venture capital	Banks		
← Valley of Death →							
Idea	Creation of plan	Prototype Pilots	First revenue	Building up the organisation	Speeding up	Maturity	
← Proof of Concept →							
		← Valorisation →		← Growth stage →			
Idea / plan stage		Start-up stage		Early stage		Later stage	

¹² As is already taking place on a limited scale by means of the focus on the valorisation target of 2.5% of all public research conducted at universities.

¹³ Syntens (2012), 'Financiering bij innovatie en groei in het MKB in Randstad Zuid' and 'Financiering bij innovatie en groei in het MKB in Randstad Noord'

An important stage in the innovation cycle is that of turning an idea into a specific product or service. This is also referred to as the proof-of-concept stage - the first stage in innovation. Market developments, including the financial crisis, have seen private investors pull back from this stage, while changes in the available governmental resources have also resulted in there being less public money available for promoting innovation at this early stage.

Both the offer of funding and the access to it are problem areas. As concerns access to funding, both a) transparency and information, and b) investment readiness (including business plan quality) are lacking. The financial crisis and the developments in the banking sector have a massive influence on the provision of capital to businesses. The financing bottleneck is most acutely experienced by SMEs, in particular by small enterprises and start-up, innovative and fast growing companies¹⁴. Despite the impressive SME innovation potential, SMEs, in contrast to large enterprises, experience far greater difficulty in acquiring funds to finance their innovation programmes. This is why the 'Kansen voor West II' Operational Programme focuses on increasing SME investment potential by making funding available. The government can play an important role in providing support in the early stages, before new products and services are introduced to the market, and government funding can help enterprises find private investment sources in later stages.

III.4 Link with EU2020, RIS³ and EC country-specific recommendations

The EU2020 strategy identifies the business sector, and in particular SMEs, as the most important target group for achieving the EU2020 objectives. The 'Industrial policy for the globalisation era' flagship initiative was established to improve the business environment, in particular for SMEs, and provide for a strong and sustainable industrial base. The promotion of clusters, improved access to funding and encouraging SMEs to look beyond national borders all help achieve this goal. The 'innovation union' flagship initiative is aimed at ensuring better preconditions are available to companies pursuing innovation: improve SME access to protection of intellectual property rights, ease of access to funding, and focus more extensively on the demand side, for instance through public procurement and smart legislation. The 'Kansen voor West II' Operational Programme objectives dovetail with the EU2020 objectives.

The RIS³ identifies valorisation as a horizontal theme that is important to all top sectors. The emphasis is on public-private collaboration, for instance by providing living labs that connect research, education, the business sector and societal partners, and to thereby better capitalise on and commercialise knowledge and creativity. Valorisation is to be encouraged by having entrepreneurs respond to societal needs that relate to the major societal challenges.

The European Commission's country-specific recommendations also identified the up-take of innovations by and the competitiveness of SMEs as a key issue. In the past few years, these country-specific recommendations have also stressed the stimulation of private R&D investments and improved collaboration between knowledge institutions and the business sector to increase the commercialisation of knowledge. This is even more urgent for the Western Netherlands than it is for the remainder of the country, as the region, such as the Northern Netherlands, lags behind the Eastern and especially

¹⁴ Expertgroep bedrijfsfinanciering (2011), Naar een gezonde basis: bedrijfsfinanciering na de crisis; PwC (2011), Monitor Financierbaarheid Nederland; EIM (2012), Financieringsmonitor.

the Southern Netherlands in closing the gap between scientific research and private R&D¹⁵. The regional focus on innovation supplements national and regional policy.

Current innovation policy¹⁶ is mainly focused on the promotion of - mostly locally relevant - clusters. The ERDF 'valorisation' focus allows the Western Netherlands' regional partners to supplement this by connecting local clusters to clusters in other regions, both within and outside of the Netherlands, through established cross-overs. In addition, the ERDF 'SME investment capacity' focus allows them to fill the current regional and national financing gaps preventing SMEs from innovating.

IV FOCUS ON THE LOW-CARBON ECONOMY

IV.0 Introduction

Fossil fuels are scarce, while their use results in CO₂ emissions. The economic, ecological and societal problems caused by our reliance on them demand that we turn to alternative energy sources. In view of the high population density and equally high concentration of economic activity in the region, the challenge of reducing CO₂ emissions in the coming years is of particular importance to the Western Netherlands¹⁷. Energy efficiency, the development of a bio-based economy and promoting reliance on renewable sources of energy play an important role in this connection.

The Netherlands is a world leader in clean and sustainable technology, innovation and the implementation of pilot projects in the use of renewable energy sources such as tidal energy, greenhouse heating, thermal energy storage, biomass, and geothermal energy. More or less the same applies to energy efficiency. The Western Netherlands contains a large number of highly specialised knowledge institutions possessing a wealth of knowledge in the field.

Our major challenge is therefore to work towards the smart capitalisation of the knowledge already gained. Our focus is therefore on connecting demand aggregation, funding, supply, implementation and operation into an integral whole, in such a way as to allow for repetition and upscaling, and to ensure the market is able to independently realise continued growth. Of the 27 EU Member States, the Netherlands in 2010 was ranked 24th in terms of the share of renewables in the total energy mix. While the overall European target is to have renewables make up 20% of the mix by 2020, this target was set at only 14% for the Netherlands, while the actual 2010 figure was less than 4%. The Dutch experience with energy efficiency is insufficiently made use of in existing buildings, the annual retrofitting target having been set at 3%. Central Government's Energy Agreement has in the meantime provided for the main share of the funding required for the necessary roll-out and, thereby, guaranteed the existence of possibilities to effect a wider roll-out.

IV.1 Focus on the smart roll-out

The smart roll-out means that a bridge is built between, on the one hand, small-scale end-user demands and needs and, on the other, large-scale investment and risks allowing for the market to grow on its own. The aim of our efforts is to supplement the top sector policy and Energy Agreement developments in effecting the necessary increase of implementation pace, such by creating local partnerships and upping the scale where local circumstances in the region are best suited for them.

¹⁵ Refer to the Eurostat regional science & technology database; enterprise R&D investment as a % of GDP rd_e_gerdreg.

¹⁶ RIS³ Western Netherlands

¹⁷ OECD, Territorial Review Randstad Holland, 2007.

As is the case in the Netherlands as a whole, the Western Netherlands makes only very limited use of renewable energy sources, and investments in energy efficiency lag behind. On the other hand, the high urbanisation level and concentration of economic activity means that the region is endowed with a lot of potential. The combination of high population density and strong concentration of economic activity is also a characteristic for parts of the Western Netherlands, one found nowhere else in the EU. In addition to the sectoral focus of the national Energy Agreement, these characteristics provide great opportunities to create synergy between sectors that are geographically close to each other (energy production, transport, horticulture and greenhouses, heavy industry, built-up area) as well as cross-overs between these sectors. In addition to the massive potential of leveraging residual heat in the Rotterdam and Amsterdam areas, among others,¹⁸ soil surveys have shown that the layer of sandstone between 1,500 and 2,000 metres below the surface contains hot water, reaching temperatures of between 55 and 90 degrees Celsius, which offers very cost-efficient geothermal heating options, especially in Zuid-Holland. For the remaining provinces, which will be less able to make use of residual and geothermal heat, a mixture of measures need to be implemented to realise the required sustainability of the energy and heat supply. Roll-out of the various measures and initiatives is hampered mainly by problems acquiring funding, due to working on too low a scale level and a lack of demand aggregation, which in turn are caused by the lack of collaboration between chains, both at the organisational and the financial level. Even though the amount of funding applied for is generally relatively small for projects of the scale in question, the conservative policies in force at financial institutions, a lack of resources and the aversion to risk prevalent among municipal authorities result in the required loans and guarantees not being provided. Other large parties that could become involved, such as power companies and housing associations, are often very unsure as to whether cost-effective business cases exist for the proposed projects. If these hurdles were to be removed, nothing would stand in the way of a smart roll-out.

The Netherlands hardly has any experience with demand aggregation. In contrast to other EU countries, projects have been mainly financed by Central Government by means of a plethora of funds. The Western Netherlands lacks such public sources to tackle its large-scale challenges. On the other hand, the conclusion of the Energy Agreement means that significant funding will become available.

IV.2 Carbon-low Economy Objectives

The four provinces comprising and the four big cities located in the Western Netherlands have laid down various, generally long-term, policy visions and implementation strategies aimed at realising the energy efficiency and renewable energy application objectives on the local or regional level. The provinces mainly direct their energy to the application of wind power, heat, biomass and solar power¹⁹, and to the integral inclusion of the themes of energy and sustainability in provincial policy. The cities, too, primarily focus on the integrated approach. In addition, they implement specific energy programmes tailored to specific themes such as retrofitting existing buildings, business activity and mobility.

¹⁸ refer to <http://www.pbl.nl/sites/default/files/cms/publicaties/PBL-2012-Duurzamere%20warmtevoorziening-500264002.pdf>)

¹⁹ Province of Zuid-Holland, Regional economy and Energy policy vision and implementation strategy, 30-5-2012; Province of Noord-Holland, 2012-2015 Sustainable Energy Course Paper, 2011-2015 coalition agreements of the Provinces of Utrecht and Flevoland, Amsterdam Strategic Plan 2025, and Rotterdam Climate Initiative, 2013-2014 Utrecht Energy Implementation Programme, REAP: Rotterdam Energy Approach and Amsterdam Sustainability Programme, The Hague Energy Vision 2040 and The Hague Climate Plan.

This has allowed us to identify the following specific targets requiring an extra boost to effect a smart roll-out:

- a. Sustainable generation and supply of energy.
- b. Energy savings and generation of sustainable energy in existing buildings.

IV.2a Sustainable generation and supply of energy.

One type of renewable energy sources are the natural sources: wind power, cold produced by a river's current, local energy generation including solar power and biomass. In addition, the region, and in particular the province of Zuid-Holland and the IJmond-Amsterdam area, possess industrial complexes that are, or could become, suppliers of residual heat. The urban zones and greenhouse areas in the Western Netherlands provide a significant potential for the expansion and sustainability of existing heating grids, as well as for building local new ones, based on the utilisation of residual heat and the extraction of geothermal heat, and on the storage of heat and/or cold in the subsoil. The other provinces are mainly reliant on a mix of solutions of solar and wind power generation and green gas and biomass CHP plants to effect a cost-effective switch to the sustainable supply of energy. Making this transition would result in a significant decrease in CO₂ emissions.

In addition to heavily investing in the generation and application of sustainable energy within the framework of the national Energy Agreement, the programme also aims at realising demand aggregation in partnerships formed to address topics such as the application of geothermal heat, wind turbines on land and those initiatives that cannot in whole or in part be financed by resources made available in the implementation of the Energy Agreement.

The topic of biomass will be provided with separate attention. As a centre for the bio-based economy, the Western Netherlands offers the facilities for the trade in, and storage, transshipment, processing and generation of biomass. The concentration of these sectors in the region, combined with the wealth of logistics and trade facilities available, means that the Western Netherlands is in an excellent position to make use of biomass.

Making use of biomass as a fuel and a source of energy would also offer more opportunities to biomass producers and buyers. This requires the application of new technology and, more importantly, the establishment of new cooperative ventures and the development of new revenue models. The required development of new technology and the testing and demonstration stages can be supported by funding made available by the programme for innovation.

IV.2b Energy savings and generation of sustainable energy in existing buildings.

The third objective requiring boosting is related to the high urban density of the Western Netherlands, the built-up area that is responsible for 40% of energy consumption in the region.

Realising energy savings in existing buildings would make an important contribution to achieving the EU2020 objectives, but this is difficult. This is in part due to the characteristics of the housing market and housing stock. In the Netherlands, over half of houses are the property of private owners; some 30% of the stock is owned by housing associations; and the remaining 10% is the property of commercial landlords. Further, privately owned houses can be divided into individually owned houses and houses forming part of a building complex where an owners' association is responsible for joint facilities such as the roof, the foundations, outer walls and windows, and parking spaces. This results in a

highly complex playing field, in turn making it difficult to effect demand aggregation for the starting up of projects of a sufficient scale.

The following bottlenecks can be identified²⁰:

- Too little demand aggregation to result in a cost-effective business case.
- A shortage of financial arrangements, resulting in parties such as housing associations being unable to make the required investment (split incentive).

The basic assumption of the national Energy Agreement is that individual citizens, spurred by tax incentives and making use of revolving funds, invest in making their houses more sustainable. The programme therefore does not have individual home owners as a target group, but adds to the means made available under the Energy Agreement by focusing on demand aggregation to realise cost-effective and repeatable business cases the Agreement itself did not make provisions for. In addition, opportunities will be offered to those groups unable to make use of the nationally provided measures, such as investing in property with a social function.

IV.3 Link with EU2020 and EC country-specific recommendations

The EU2020 strategy set down a challenging renewable energy target for the Netherlands: 14% of the total energy mix, while the 2011 actual figure stood at 4.3%. The Netherlands also lags behind in the field of energy efficiency, where the target is to achieve 1.5% reduction per year.

In its partnership agreement position paper, the European Commission emphasises the importance of providing instruments and funding for the following relevant themes:

- Increase of energy efficiency and use of renewable energy sources by SMEs.
- Increase in the production and distribution of energy derived from renewable sources.
- Integrated low-carbon strategies / sustainable action plans for urban areas.

These are precisely the themes the Western Netherlands is lagging behind in, requiring an extra impulse, and which the 'Kansen voor West II' programme focuses on by means of its smart roll-out strategy.

V. FOCUS ON INTEGRATED URBAN DEVELOPMENT

V.0 Introduction

Cities are a seedbed for science and technology, for culture and innovation, for individual and collective creativity, and for combating the effects of climate change. The implementation of the programme's strategies with respect to innovation and the low-carbon economy will, therefore, primarily take place in the urban areas of the Western Netherlands. However, those same cities are very often also plagued by problems such as unemployment, segregation and poverty. The growth of the knowledge economy is, paradoxically, threatening to widen the gap between the different groups making up our

²⁰ Energiebesparing in bestaande woningen, maak er werk van (NICIS, 2011)

society²¹. Too large an imbalance in the urban environment may lead to a negative spiral of contraction, businesses and residents moving out, and social unrest.

While various cities show such imbalance, the problem is even more clearly manifest in the G4 big cities of the Western Netherlands. Even though the main issues differ for each of the G4 cities, all of them are faced with a number of problems that are more intense here than in the other larger cities and are often strongly interconnected: unemployment is above the national average, labour force participation well below it, and school drop-out rate significantly above it. The economic developments of the past few years have only served to worsen the situation, as is manifested most clearly by the increase in unemployment, in particular youth unemployment.

Tackling these issues requires an integral, long-term approach on a city-wide level. This approach would tackle labour market mismatch and displacement, both on the demand side (businesses) and the supply side (job seekers and study programmes), while also focusing on improving the regional business climate by, for example, establishing high-quality business and work sites. The ERDF offers opportunities to support these city strategies by funding structure-enhancing measures on the demand side and the structural improvement of the business climate. So as to realise a coherent and substantial approach, a connection will be sought with the measures taken for the implementation of the ESF programme and bundled in an Integrated Territorial Investment (ITI) strategy for each of the big four cities.

V.1 Employment and Labour Supply

The CPB Netherlands Bureau for Economic Policy Analysis finds that labour market displacement has partly frustrated the city's social uplift function and that the solution to this problem is to be found in eliminating urban labour market mismatch and displacement. In addition, the slow disappearance of the middle class has resulted in a widening of the social gap. More and more enterprises have difficulty finding good personnel. The authorities in the past mainly focused their labour market policies on the supply side. Nowadays, the main emphasis is to start from the demand for labour by the business sector. New partnerships are established in cooperation with enterprises and educational institutions.

There are a significant number of job vacancies, but it seems that those positions cannot be filled by that part of the working-age population looking for work. Statistics Netherlands indicates that the rate of people finding work after having received benefits is lowest in the four largest cities and their surrounding areas. The percentage of people finding work after having received unemployment benefits is 35% in Amsterdam, Rotterdam and The Hague, and 41% in Utrecht - just one point higher than the national average. With respect to finding work after receiving social assistance benefits, these percentages drop to 10% in Utrecht, 12% in The Hague and 13% in both Amsterdam and Rotterdam, all below the national average²². Statistics Netherlands also finds that a mismatch exists between the supply of labour and the demand for labour by enterprises and public authorities in and near to the G4 cities.

²¹ Atlas voor gemeenten, de effectiviteit van grotestedenbeleid, 2010 finds that urban segregation has only increased. The 2013 edition finds that a sizeable group of people residing in the more attractive cities do not benefit from the opportunities offered by these cities.

²² Statistics Netherlands, Dutch society 2012, December 2012 pp. 109-111.

subdoelen	hoofdindicator	actuele waarde	historische reeks G4	bron
meer mensen aan het werk	netto arbeidsmarkt-participatie	Amsterdam 67% Den Haag 64% Rotterdam 59% Utrecht 70%		CBS
lagere werkloosheid	werkloosheids-percentage	Amsterdam 11% Den Haag 10% Rotterdam 15% Utrecht 9%		CBS
stijging opleidings-niveau	meer hoogopgeleide 30-34 jarigen	Amsterdam 56% Den Haag 41% Rotterdam 36% Utrecht 65%		CBS/ bewerkt door O+S
banengroei to.v. voorgaand jaar	meer banen	Amsterdam 1% Den Haag -2% Rotterdam -1% Utrecht 1%		O+S/ LISA

Sub-targets	Primary indicator	Actual value	G4 historical figures	Source
More people with a job	Net employment rate	Amsterdam 67% The Hague 64% Rotterdam 59% Utrecht 70%	Net employment rate (ages 15-64)	Statistics Netherlands
Less unemployment	Employment rate	Amsterdam 11% The Hague 10% Rotterdam 15% Utrecht 9%	Unemployment rate	Statistics Netherlands
Higher level of education	More people aged 30-34 having completed higher education	Amsterdam 56% The Hague 41% Rotterdam 36% Utrecht 65%	Highly educated (ages 30-34)	Statistics Netherlands / updated by R+S
Increase in number of jobs as against previous year	More jobs	Amsterdam 1% The Hague -2% Rotterdam -1% Utrecht 1%	Increase in job number	R+S / LISA



Targets	2012 figure and 2020 target	G4 2012 figure	Source
Increase employment rate	Net employment rate (ages 20-64)	Net employment rate (ages 15-64)	Eurostat / Statistics Netherlands
Reduce early school drop-out rate	Drop-outs (ages 18-25)	Drop-outs (secondary vocational education)	Eurostat / Drop-out explorer
More highly educated people aged 30-34	Highly educated (ages 30-34)	Highly educated (ages 30-34)	Eurostat / Statistics Netherlands

There were over 12,000 vacancies in Amsterdam in Q2 of 2013. This mismatch is most apparent in the healthcare and financial and commercial services sectors²³. It is expected that the regional labour market developments will only serve to increase this mismatch, due to, for instance, the contraction of the financial sector and the shift of trade and logistics to the Southern Netherlands. Opportunities are primarily to be found in the IT and hospitality sectors. The sustainability of the economy, and the increase of jobs in the related fields such as installation technology, will create new opportunities.

Unemployment in Rotterdam is at twice the national average, a figure that increases to 150% of the urban average in some neighbourhoods in Rotterdam Zuid. Of the 60,000 persons in Rotterdam eligible to receive benefits, 25,000 live in Zuid. At the same time, there are 7,000 job vacancies, 30% of which relate to jobs for low-skilled or even unskilled workers, mainly in the technical and healthcare sectors. Further opportunities are to be found in the food and logistics sectors present in the surrounding region²⁴. The

²³ Arbeidsmarktbrief Amsterdam, January 2014.

²⁴ Zuid Works: Quality Leap Zuid National programme, 2011. NPRZ, 2013 progress report.

development of the Clean Tech cluster in former port areas, too, creates new jobs, in particular for technically skilled personnel.

The labour market mismatch in The Hague is mainly due to the city being home to a relatively high number of low-skilled people and people at a distance from the labour market, while its economy is focused on knowledge, public administration and business services. The ongoing cutbacks in the public administration sector means that the city primarily aims to support the establishment of SMEs. Major opportunities are to be found in innovation and in sectors such as security, creative industry and the growing tourism sector, while IT/Telecom serves as an important driver.²⁵

Utrecht is mainly experiencing a qualitative mismatch, featuring both a large amount of low-skilled unemployed persons and relatively high displacement of precisely the low-skilled²⁶. The regional Human Capital Agenda strongly emphasises the availability of jobs in the healthcare, technical and IT sectors and the need for these sectors to collaborate in order to reduce the mismatch.²⁷

National schemes tend to be either too generic or too strongly focused on one specific target group. Central Government's Social Agreement has resulted in EUR 600 million in national funds and a similar amount provided by employers and the trade unions being made available for the implementation of sector plans focusing on retaining skilled workers threatened with becoming unemployed, creating work placement opportunities for young job seekers and, in general, improving the sustainable deployment of personnel. EUR 25 million is made available for regional schemes combating youth unemployment. However, the dire situation in the G4 cities urgently requires a bundling of initiatives by and with businesses in each urban area, and possibly over the whole region, and the establishment of partnerships of businesses, educational institutions and public authorities.

V.2 Business Climate

The business climate in the four larger cities has been under pressure for some years now, in particular where the office market is concerned. Companies concentrating their business activities in a smaller number of locations in the country, uncertain markets, the new way of working and the increase in the numbers of the self-employed: all these factors result in demand being shifted to smaller and more modern locations with many facilities. The price of older, almost obsolete, offices is dropping, but all the same it is increasingly unlikely that new lessees will be found, as these sites do not meet modern standards and requirements. Even though the percentage of newly built premises of total office building stock in the G4 has dropped from 10% in 2009 to 3% in 2014, the vacancy rate has, following a temporary decrease in 2013 and despite all efforts expended by, for instance, removing obsolete offices from the market or transforming them, further increased to 4.4 million m², or well over 60% of the total office vacancy rate in the Netherlands²⁸. As long as the economic trends identified in the above continue, this process will persist, meaning that additional efforts are needed to ensure office building stock is at a sufficient level of quality. This is even more important to the urban areas where pressure is high. For if no suitable business and working locations, featuring a sufficient level of facilities, are available, our efforts to improve the labour market will be limited.

²⁵ Haagse Banen, 2012 Employment Monitor

²⁶ Municipality of Utrecht, De werkgever centraal. Municipality of Utrecht employment offensive 2012-2014.

²⁷ EBU, Advies Human Capital Agenda Utrecht, 2014.

²⁸ Dynamis, Spreekende cijfers kantorenmarkten 2014

All four of the big cities to some extent have to deal with a high vacancy rate. A surplus of obsolete office and retail space, but also of obsolete industrial estates, are characteristic of all the urban areas under pressure. This results in neighbourhoods looking shabby and dilapidated, which does not contribute to the vitality of these areas. To combat this development, many office and retail spaces have been taken from the market and given another designated use in the past few years. So as to remedy the imbalance between the surplus of obsolete spaces and the potential demand for high-quality sites, further efforts by authorities and market parties are required.

The Amsterdam area is faced with an office vacancy rate of over 15%, while 30% (2,200 hectares) of industrial sites is obsolete. In addition to redeveloping the surplus sites, the city is also working towards creating differentiated and future-proof work locations.²⁹

Rotterdam is faced with a shortage of suitable industrial sites and a surplus of office space. The market is swamped with offerings of small-scale business locations while obsolete larger estates are structurally vacant. What's more, market demand shifts are expected to lead to an increase in unmarketable retail spaces. In addition, the development of the port and its expansion towards the sea result in the major challenge of transforming the now vacated and obsolete port areas. The city is therefore tasked with restructuring port and business sites, reducing the office space surplus, boosting the amount of urban facilities and ensuring neighbourhoods combine both residential and business use.³⁰

The Hague has only very limited space for business sites to expand to, so tackling structural vacancy of buildings is even more important to this city. Special attention is to be provided to the strongly contracting Central Government disposing of its surplus office space. In addition to ensuring business sites are maintained at a proper level of quality, their restructuring is also aimed at more intensive use. Finally, The Hague is working towards boosting the local economy by providing space to initiatives promoting the neighbourhood economy and local entrepreneurship.³¹

In Utrecht, too, a sizeable number of business sites have become obsolete or are swiftly becoming obsolete due to being vacant, resulting in deterioration of the surrounding neighbourhood. The city therefore focuses on redeveloping existing buildings, limiting the construction of new sites and modernising existing office spaces and industrial premises. In addition, Utrecht, too, focuses on the combined residential and business use of the neighbourhood, in part by facilitating small-scale business sites, including multi-tenant business complexes, and flexible work concepts, primarily for those businesses whose catchment area is the neighbourhood itself and for start-up companies³².

The economic downturn of the preceding years has limited the means available to effect these large-scale transformations and municipalities have become very dependent on market parties to realise the intended developments. Central Government, too, provides only limited funding. Promoting the transformation of old office complexes and providing them with new uses is primarily carried out by rendering advice and simplifying regulations. This requires the drafting of new schemes and the creation of new public-private partnerships. One example of such a partnership is the FRED Space and Economy

²⁹ Platform Bedrijven Kantoren Metropoolregio Amsterdam, *Shoeien om te kunnen bloeien. Samenvatting Uitvoeringsstrategie Plabeka 2010-2040*

³⁰ Municipality of Rotterdam, *Visie werklocaties 2030*, and *Navigator werklocaties Rotterdam 2013-2023*.

³¹ Municipality of The Hague, *De kracht van kwaliteit. Economische visie Den Haag*, 2011.

³² Municipality of Utrecht, *De economische agenda Utrecht 2012-2018*.

Fund established in The Hague through 'Kansen voor West 2007-2013' funding, which is gathering experience with creating business spaces for SMEs by making use of financing tools.

V.3 Link with EU2020 and EC country-specific recommendations

The ITI strategies correspond to the EC "Cities of Tomorrow" report (2011), which states that, should current trends continue, an increasing number of regions and cities, including the richer ones, will be confronted with social exclusion as a result of spatial segregation. The report indicates that the cities of tomorrow need to implement a holistic model of sustainable urban development by using an integrated, holistic approach to tackle their major challenges and by combining space-centred and human-centred approaches. In determining strategies, the diversity of cities - their individual development trajectories, their size, their demographic and social context and their cultural and economic qualities - should be exploited.

The country-specific recommendation does not separately address cities. The Commission's Position Paper on the development of partnership agreements and the 2014-2020 programmes, too, do not set specific requirements for sustainable urban development. The partnership agreement details the basis selected for the realisation of sustainable urban development by the G4 cities themselves. This policy is coherently in line with the sub-delegation of programmes to the G4 cities in the 2007-2013 period and, prior to that, the 2000-2006 Objective 2 programme for urban areas.

1.1.2 A justification for the choice of thematic objectives and corresponding investment priorities having regard to the partnership agreement, based on an identification of regional and, where appropriate, national needs including the need to address the challenges identified in relevant country-specific recommendations adopted in accordance with Article 121(2) TFEU and the relevant Council recommendations adopted in accordance with Article 148(4) TFEU, taking into account the ex-ante evaluation.

Table 1: Justification for the selection of thematic objectives and investment priorities

Selected thematic objective	Selected investment priority	Justification for selection
01 - Strengthening research, technological development and innovation	1b - Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production in particular in key enabling technologies and diffusion of general purpose technologies.	<ul style="list-style-type: none"> • <i>The NRP goal for the nation as a whole is for 2.5% of the GDP to be invested in education and research. In 2012, the actual figure stood at 2.16%</i> • <i>The EU2020 Innovation Union flagship initiative aims to realise more favourable conditions for innovative enterprises.</i> • <i>Private business investment in the Western Netherlands lags behind the NRP goal of 2.5% but for all provinces is over the national realisation figure (most recent Eurostat data available, 2011).</i> • <i>The European Commission's country-specific recommendation emphasises the necessity of focusing on promoting investment in R&D by businesses and SMEs capitalising on innovation.</i> • <i>The RIS³ of the Western Netherlands shows that both valorisation and the availability of capital require boosting.</i>
04 - Supporting the shift towards a low-carbon economy in all sectors	4a - Promoting the production and distribution of energy derived from renewable sources	<ul style="list-style-type: none"> • <i>The NRP goal for the nation as a whole is to have 14% of all energy generated stem from renewable sources. In 2012, the actual figure stood at 4.5%. The renewable energy share in the Western Netherlands is 3.8% (2012).</i> • <i>The European Commission demands that 20% of all ERDF funds are used to achieve the thematic objective of the low-carbon economy.</i>

Selected thematic objective	Selected investment priority	Justification for selection
		<ul style="list-style-type: none"> • <i>The Netherlands lags behind the EU2020 objectives in terms of making use of renewable energy sources.</i> • <i>The position paper on partnerships agreements identifies this investment priority as a relevant theme to the Netherlands.</i> • <i>The specific circumstances in the Western Netherlands offer solid opportunities to further intensify investment in renewable energy by way of a smart roll-out.</i>
04 - Supporting the shift towards a low-carbon economy in all sectors	4c - Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector	<ul style="list-style-type: none"> • <i>The NRP goal for the nation as a whole with respect to increasing energy efficiency does not apply.</i> • <i>The European Commission demands that 20% of all ERDF funds are used to achieve the thematic objective of the low-carbon economy.</i> • <i>The Netherlands lags behind in realising energy efficiency and making use of renewable energy sources in existing buildings.</i> • <i>The position paper on partnerships agreements identifies this investment priority as a relevant theme to the Netherlands.</i> • <i>A very densely built-up area, the Western Netherlands offers solid opportunities, in connection with the national Energy Agreement, to speed up realisation by means of a smart roll-out.</i>
08 - Promoting sustainable and quality employment and supporting labour mobility	8b - Supporting employment-friendly growth through the development of endogenous potential as part of a territorial strategy for specific areas, including the conversion of declining industrial regions and enhancement of accessibility to, and development of, specific natural and cultural resources	<ul style="list-style-type: none"> • <i>The NRP goal for the nation as a whole is for 80% of the entire population aged 20-64 to be employed. In 2012, the actual figure stood at 77.2%. The figures for the provinces making up the Western Netherlands are between 75.9% and 80.1%.</i> • <i>The NRP goal for the nation as a whole is to have a school drop-out rate of less than 8%. In 2012, the actual figure stood at 8.8%. The figures for the provinces making up the Western Netherlands are between 6.7% and 9.2%. For (parts of) the G4 cities, the rates climb to as much as 11-12%, well above the provincial averages.</i> • <i>The European Commission demands that, nationally, 5% of the ERDF funding is used to work towards sustainable urban development.</i> • <i>For the Netherlands, this task is taken up by the G4 cities, which will elaborate</i>

Selected thematic objective	Selected investment priority	Justification for selection
		<p><i>their plans in an ITI structure.</i></p> <ul style="list-style-type: none"> <i>The qualitative and quantitative labour market mismatch in the G4 cities requires an integrated approach.</i> <i>The 2013 National Reform Programme.</i>
9 - Promoting social inclusion, combating poverty and any discrimination	9b - Providing support for physical, economic and social regeneration of deprived communities in urban and rural areas	<ul style="list-style-type: none"> <i>The NRP goal for the nation as a whole is to have 100,000 fewer persons (aged 0-64, from low-work intensity households) living in poverty or on the poverty threshold. In 2012, a cumulative decrease of 22,000 persons had been realised. No specific figures were published for the Western Netherlands, but given the high concentration of low-income households and unemployment in the big cities, a lion's share of the national goal will have to be achieved in the G4.</i> <i>The European Commission demands that, nationally, 5% of the ERDF funding is used to work towards sustainable urban development.</i> <i>For the Netherlands, this task is taken up by the G4 cities, which will elaborate their plans in an ITI structure.</i> <i>The qualitative and quantitative labour market mismatch in the G4 cities requires an integrated approach..</i>
09 - Promoting social inclusion, combating poverty and any discrimination	9d - Undertaking investment in the context of community-led local development strategies	<ul style="list-style-type: none"> <i>The city of The Hague has, in view of the significant transition taking place in its Scheveningen district and its desire to have various parties be involved in this transition, opted for the CLLD format for the further elaboration and implementation.</i>

1.2 Justification for the financial allocation

The Western Netherlands embedded three main objectives in its strategy: Innovation, the Low-carbon economy, and Sustainable urban development. The allocation of the financial resources among these three main objectives is only partly justified by objective criteria. As regards the Innovation and Low-carbon economy objectives, alignment is sought with the Europe 2020 strategy targets. As regards Sustainable urban development, the only criterion in place is that of having no less than 5% of the national ERDF funding being used to work towards this target.

Considering the progress made towards achieving the EU 2020 targets, by far the fewest inroads have been made with respect to realising those for the Low-carbon economy: at least 75% of the overall target still has to be achieved. As concerns Innovation, the Western Netherlands is about 25% behind on schedule. This would suggest that the lion's share of the resources available would have to be used to realise the Low-carbon economy objectives. That said, significant funding will be made available for this theme as part of the Energy Agreement while many projects will, in turn generate sufficient revenue to provide other sources of funding. Far fewer such resources are available in

connection with the theme of Innovation, while the supported projects do not directly generate revenue to recoup the investment.

Finally, the amount of ERDF funds made available to the Western Netherlands is fairly low, requiring that the resources be used primarily in those fields where the largest gains can be made. In the case of the Western Netherlands, this means that the funds should be used to work on the Innovation objectives.

Where Sustainable urban development is concerned, much use is made of the experiences gained during the course of the 'Kansen voor West' 2007-2013 Operational Programme. As part of this Operational Programme, one third of all ERDF funds were, by means of sub-delegation, used to work towards achieving Sustainable urban development targets. Part of this was also used to bolster innovation. In this programme, the theme of Innovation is mainly categorised as a priority for the entire region. Those parts of the theme directly related to Sustainable urban development are earmarked within that thematic objective. The same applies to the Low-carbon economy objective. The focus on increasing employment and combating social segregation is delegated to the four major cities.

The above reasons have led us to opt for the following allocation of the resources available for investment (programme budget minus 4% for technical support) to the investment priorities.

Figure 3: Indicative allocation of the financial resources to the investment priorities (programme budget minus technical support)

Investment priority	Percentage of investment budget
1b) Promoting business investment in R&I	61.8%
4a) Promoting the production and distribution of energy derived from renewable sources	13.0%
4c) Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure	7.0%
8b) Supporting employment-friendly growth	6.4%
9b) Providing support for physical, economic and social regeneration of deprived communities in urban and rural areas	11.6%
9d) Undertaking investment in the context of community-led local development strategies	0.2%
Total	100.0%

An important role in this process is played by the ex-ante evaluator, who helped sharpen and realise our focus by adopting a friendly yet critical attitude. In this connection, a first evaluation of the Operational Programme, by then fully determined as concerns its substance, was held in June 2013. A second, interim, evaluation was held in September 2013, when the basic structure of the Operational Programme was complete. This evaluation led to a sharpening of our focus on cross-overs for the Innovation priority. With respect to the Low-carbon economy priority, the coherence of the efforts to be expended was improved and some alterations were made to the indicators. Furthermore, the vision and intervention logic of the ITI strategies were more clearly defined. For the vision on the demarcation of the scope, the target audience was limited (to secondary vocational education and higher) and the examples of the efforts to be made were brought more in line with the intervention logic. However, the evaluator mainly made recommendations for the indicators. Almost all of these recommendations were followed, leading to a different selection of indicators and improved substantiation. The

value assessments were generally considered to be realistic. The comments and recommendations of this evaluation were incorporated in the version of the programme adopted by the municipal and provincial executives of the G4 and P4 on 17 January. The final ex-ante evaluation attached to this programme relates to the programme as adopted by the municipal and provincial executives.

SECTION 2: DESCRIPTION OF THE PRIORITY AXES

2.A.1 Priority axis 1: Strengthening research, technological development and innovation

2.A.4 - Investment priority 1b: *Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production in particular in key enabling technologies and diffusion of general purpose technologies.*

2.A.5 Specific Objective 1: Valorisation: increasing the share of - primarily internationally marketable - innovative products and services in overall enterprise turnover.

The focus on valorisation leads to a higher proportion of internationally marketable or improved products and services.

The primary objective is to have the knowledge available in the Western Netherlands accrue economic value. This impulse is a necessity for maintaining the region's competitiveness. The desired end result is an increased number of marketable products and services. The result is to be achieved through the cooperation of SMEs with each other and with knowledge institutions. The development and use of test beds, living labs and demonstration sites creates a connection between demand (end user) and supply (enterprises and knowledge institutions).

On the basis of the RIS³, emphasis is primarily placed on SMEs within the nationally designated top sectors, which in the Western Netherlands make up about 20% of the total number of companies and economy of the region while providing a similar percentage of jobs. The focus within this investment priority is concentrated on cross-overs, both within the top sectors and of technology stemming from external niches and innovatively used within a top sector. Cross-overs are applications that may be discovered by creatively applying technologies and approaches developed in one sector to another, and in so doing develop new processes and products or improve existing ones. Special attention will in this connection be provided to innovations contributing to tackling the major societal challenges identified by the EC. Because of the complexity of the issues faced, the economic potential and the importance of knowledge, cross-overs between top sectors - new combinations of knowledge and technology from multiple sectors - are expected to provide the largest contribution to achieving this specific objective.

The scope of this target encompasses almost the entire innovation chain, from applied research aimed at valorisation at the very start to supporting market introduction at the end, and including process innovation. The main focus of intervention will be connecting knowledge institutions and enterprises to effect valorisation in the above-mentioned stages.

Table 3: Programme-specific result indicators pertaining to specific objective 1

ID	Indicator	Measurement unit	Category of region	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
1.1.1	Share of SMEs that innovate (increase the share of new and renewed products and services in their total turnover)	%	<i>More developed</i>	10%	2012	15%	<i>Statistics Netherlands</i>	<i>biannually</i>
1.1.3	Share of innovative products and services in the total new-to-the-market turnover	%	<i>More developed</i>	12%	2012	13%	<i>Statistics Netherlands</i>	<i>biannually</i>

2A.5 Specific Objective 2: Investment capacity, increased access to a larger pool of funding for innovation in SMEs in the RIS³ sectors.

By making financial resources available for innovation, enterprises will have the capacity to renew their products and services and, thereby, to increase the percentage of private R&D investment.

The focus of the investment capacity objective is on increasing the capacity of SMEs that according to the RIS³ belong to the top sectors to invest in innovation. This is because surveys indicate that there is a massive lack of capital available to SMEs to innovate. The result indicator is therefore the amount of capital invested by SMEs in innovation; i.e. the amount actually made available to projects and enterprises by a Fund or arrangement, and not just the total amount of funding available.

By focusing on increasing the capacity of SMEs to invest in innovation, more innovative products and services can ultimately be developed. This focus is on making direct capital, such as financial instruments (loans, participation) and grants, available to SMEs during the stage after enterprise start-up and prior to commercialisation. Funding the growth stage (investments to market the products) and improving access to this capital (improving transparency and readiness) are important in this connection as well. The main focus is on high-potential innovations that will make an important contribution to economic growth. This means that no limits are placed in advance as to the sphere of application (enabling cross-overs), although the innovations to be made must, of course, fall within the scope of the RIS³ of the Western Netherlands.

In addition, the expected lack of access to both loan and risk capital for the purposes of financing innovations, both for start-up and expanding enterprises, requires attention. The 'Kansen voor West II' Operational Programme therefore aims to make additional financial instruments available to help bridge the funding gaps. In addition to the existing investigations and surveys, a supplementary ex-ante evaluation is required to provide a better view of the advisability of such additional instruments.

Table 3: Programme-specific result indicators pertaining to specific objective 2

ID	Indicator	Measurement unit	Category of region	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
1.1.2	Availability of financial instruments available to SMEs in the RIS ³ sectors to innovate	EUR	More developed		2014		ex-ante evaluation*.	2015, 2018 and 2023

* during implementation of the Operational Programme

2.A.6 Action to be supported under the investment priority (by investment priority)

2.A.6.1 Measures implemented for Specific Objective 1 Valorisation: increasing the share of - primarily internationally marketable - innovative products and services in overall enterprise turnover.

To achieve this specific objective, the Western Netherlands will focus on the following courses of action:

- Cooperation between SMEs and knowledge institution with the aim of knowledge valorisation.
- Application of new knowledge in such a way as to have it connect to end-user needs.

a) Cooperation

Grants - and loans - will be made available for innovative ideas with true commercial potential, so as to promote cooperation between enterprises and knowledge institutions in the field of industrial research and experimental development. One primary condition is that enterprises are to be full partners in the endeavour and themselves invest in the project.

This course of action will primarily focus on cross-over innovation, i.e. collaboration between parties from various scientific fields and sectors or the creative application in one sector of technology or approaches developed in another, all with the aim of developing new products or services or improving existing ones. In addition, resources will be made available to innovation projects that have a high potential of providing solutions to a societal challenge and contributing to the growth of the economy, as detailed in the RIS³, but that do not constitute a cross-over. A maximum of 20% of the budget for the valorisation objective will be made available to such projects.

- Goal: Promoting collaborative ventures
- Target groups: SMEs and knowledge institutions, possible participation of large enterprises and public authorities. Public authorities to act as launching customer or to establish subsidy schemes.
- Type of instrument: project grants and loans for R&D projects, co-financing of launching customership; subsidy schemes.

Examples of actions

Project grants and loans are made available to support cooperation between knowledge institutions and enterprises to produce new products and services. Research in, for example, biomedics will form the basis for the development of new medicines, and experimental development of sustainable energy contributes to the smart roll-out of new technology.

Supporting the development of a test bed for combining various processes to produce a new approach. Following the proof-of-concept stage in the lab, the next step is to scale up the development to turn it into a commercially viable product or service.

A subsidy scheme for, for example, developing regional economic clusters, focusing on larger projects involving various enterprises and knowledge institutions.

The exchange of personnel and scientific staff between universities and SMEs operating within a certain niche or aimed at a specific goal such as developing a specific product or technology.

b) Application of new knowledge

So as to produce new solutions for societal challenges that hold great economic potential, (technological) applications are to be invented, developed, designed, tested and assessed in collaboration with the end user (open innovation model). Involving all stakeholders at an early stage is essential to the success of the model. This is best realised by establishing testing grounds. These can be both physical and digital environments. Examples include testing grounds for healthcare innovation, climate proofing, food safety and security, and mobility. A testing ground allows parties to share a common infrastructure and to combine ideas from various sectors so as to produce the best solutions. So as to be able to actually sell innovative ideas, it is often essential that potential national and international customers are shown the practical use of innovative ideas and thereby be persuaded to purchase them. This is possible in demonstration centres.

The Western Netherlands has some experience with testing grounds and demonstration centres. For the 2014-2020 period, funding will be made available to encourage the use of the existing infrastructure by the business sector (in particular by SMEs), which will result in an increase in private R&D expenditure. New testing grounds can be set up as long as enterprises are also willing to invest. Whenever possible, the 'Kansen voor West' partners are to contribute to the marketing of innovation by way of the public authorities acting as launching customers.

- Goal: Boosting the development and application of knowledge in new products and services aimed at tackling societal challenges.
- Target groups: SMEs and knowledge institutions, institutions for (higher) professional education, public authorities and other relevant partners.
- Type of instrument: subsidy schemes, project grants and loans, launching customership.

Examples of actions

Grants and loans to be made available to set up and make use of testing grounds within the wide scope of the nine top sectors. Examples include testing grounds - possibly combined with demonstration centres - for water and clean tech deltatotechnology, algaculture, or IT infrastructure for the purpose of serious gaming.

Improving and supporting SME use of the knowledge infrastructure to test new products and services.

Contribution to and financing of launching customership for new products and services.

2A.6.1 Measures implemented for specific objective 2: Investment capacity, increased access to a larger pool of funding for innovation in SMEs in the RIS³ sectors.

In keeping with the RIS³ for the Western Netherlands, the region will focus on the following courses of action for this specific objective:

- Access to capital.
- Funding for innovative technological developments.
- Proof-of-concept financing.
- Financing innovation.

The primary challenge is to create sufficient mass (attracting and clustering capital from other sources, in view of the limited amount of ERDF funding). The differences in the economic structures of the Randstad agglomeration's North and South Wings may require a diversified approach. The ex-ante evaluations to be performed will shed further light on this.

Access to capital

This course of action primarily involves attracting parties to provide funding to innovative companies. The support is preferably provided to initiatives creating custom solutions for a certain top sector, niche or group of SMEs. In the end, here, too, the number of enterprises actually enabled to implement a part or the whole of its innovation or growth path is key to measuring success. This course of action therefore is not just about *providing information*, but also about *supporting realisation* of innovation funding. Improving transparency and providing more information on the possibilities - and lack thereof - on the capital market would massively improve the efficiency and effectiveness of matching entrepreneurs, financiers and investors. Access consists of a) increasing transparency or informing and supporting, and b) improving investment readiness. This refers to improving a company's business strategy to such an extent that it is much more likely to receive funding³³. Key actions in this regard are:

- Develop solid business models.
- Draw up a marketing strategy, financial forecasts and financeable propositions.

³³ A frequently used method to determine the development stage of a particular innovation is the Technology Readiness Level (TRL). By combining this model with the financial and organisational development of an enterprise, a solid image of the increase in readiness level is obtained.

- Goal: Helping attract external sources of funding for innovative companies.
- Target groups: Innovative SMEs, partly through intermediary organisations, including public authorities.
- Type of instrument: project grants

Examples of actions

Transparency

- Strengthen the establishment of networks between existing public instruments and private sector.
- Large-scale information and activation programme for entrepreneurs in the SME sector, aimed at helping them find alternative sources of funding.
- Development of a cluster-specific (online) tool kit for finding regional and national sources of funding.

Readiness

- Business development for strengthening business cases.
- Assistance with drawing up business plans and/or new ways of financing (credit unions, crowd funding).

Funding for innovative technological developments.

To improve the financing of innovative technological developments, funding is made available for investments aimed at improvement by making use of new technologies, know-how and organisational developments. Many SMEs are faced with various hurdles preventing them from innovating: they lack the necessary network or knowledge/expertise and are not investment-ready. Projects to be supported may include a company scheme to encourage technological and environmental innovations in SMEs, preferably SMEs acting together, thereby also spreading the risk. Such a scheme might combine instruments such as grants, loans and guarantees. This would directly contribute to boosting private R&D expenditure. Activities may be aimed at improving the knowledge positions, internal process improvement, introducing innovative/new systems or technologies, and exchanging researchers/knowledge workers.

- Goal: Boosting SME investment in their internal company processes (R&D activities) resulting in new products, services and production methods.
- Target groups: Organisations (including public authorities) that may establish schemes and financial instruments for innovative SMEs.
- Type of instrument: Schemes, possibly in combination with financial instruments (loans, guarantees and participation).

Examples of actions

Supporting technological and environmental innovations, feasibility studies and providing grants for the introduction of new (technological) systems/materials/concepts in the own organisation. The main focus is on an approach aimed at a single niche or cluster, or at a group of (similar) SMEs.

Proof-of-concept financing

To help enterprises survive the proof-of-concept stage, funding is made available to improve the conversion of ideas into actual products or services. Proof-of-concept financing allows for funds to be used for improving access to available capital, conducting feasibility studies, and business case development support.

- Goal: Boosting the development of new products and services through financing innovative SME projects.
- Target groups: start-up and growing SMEs that innovate, public authorities making financial instruments available.
- Type of instrument: Financial instruments (including loans), grants for feasibility studies, process funding for helping enterprises obtain access to sources of funding, and supporting business cases.

Examples of actions

Financial instruments allow for the provision of funding to enterprises for the purpose of developing their ideas into working prototypes.

Financing innovation

So as to provide both start-up and existing companies with funding for the further commercialisation of production and sale, financial resources will be made available for the purpose of innovation funding. Funding is expressly only provided for investment into new product-market combinations. One important condition is that funding is only provided in the case of private co-financing.

Financial forecasts on the development of a company are always more reliable in times of growth than in times of innovation. Nevertheless, studies³⁴ have shown that there is a significant lack of funding in the Western Netherlands for this stage as well.

- Goal: Supplying SMEs with capital for the purpose of bringing innovative products to the market.
- Target groups: start-up and growing SMEs, public authorities making financial instruments available.
- Type of instrument: financial instruments.

Examples of actions

Financial instruments can help make participations and loans for bringing new product-market combinations to the market available.

2.A.6.2 Guiding principles for selection of operations

The 'Kansen voor West' project selection system will be revised and updated and be made consistent with the Operational Programmes for the other three Dutch regions, which will be updated at the same time. Improvements made include the adoption of a common policy regulation for the project evaluation framework and the inclusion in all Operational Programmes of a uniform quality assessment for independent experts. While 'Kansen for West II' will remain faithful to the 'First come, first serve' principle, the option of launching a tender procedure will, however, be expressly reserved, should it appear that aspects of the programme require additional activation. Project selection will rely on a system based on cut-off scores to be achieved for quality criteria laid down in advance. In this way, those projects will be selected that are certain to substantially contribute to achieving the programme objectives. Projects will in this connection be assessed on their compliance with the relevant policy frameworks and will be submitted for review to an independent expert committee, which in its assessment will make use of a

³⁴ 'Financiering bij innovatie en groei in het MKB in Randstad Zuid' and 'Financiering bij innovatie en groei in het MKB in Randstad Noord', Syntens, 2012

uniform national evaluation system. Basing itself on the recommendations of this independent committee, the MA will produce a formal decision on accepting or rejecting a project. Whenever support is given to a multinational company, the MA will ensure such support will not adversely affect employment in existing locations of this company within the European Union.

The assessment will, in global terms, accord with the uniform evaluation framework drawn up and published jointly by the four regional Operational Programmes in the Netherlands. Evaluation is divided into two stages:

1. Policy-based evaluation

First, the project application will be subject to a policy-based evaluation by the MA, in which the proposed project is assessed on its contributions to the relevant regional policy frameworks in force and the Operational Programme objectives. As part of this evaluation, the specific contribution of the project to meeting the programme objective and indicators and the scale effect/impact of the action on the Operational Programme will be assessed. In addition, the project constituting a cross-over or not is considered. This policy-based evaluation leads to either a positive or a negative decision. In the case of a negative decision, the applicant will receive a notification of rejection stating grounds. In the case of a positive decision, the proposal enters stage 2.

2. Independent expert committee

An independent expert committee will be established to perform an evaluation of the project on its merits and quality. The committee will produce a recommendation by giving the project a rating on the basis of criteria determined in advance. A profile that all committee members are to meet will be drawn up and all stakeholders may propose candidates. The committee members will be appointed by the Monitoring Committee. The criteria on which the evaluation committee assess the proposed projects are based on five basic premises and are further detailed in the evaluation framework. These basic premises are the following: The extent to which the proposed project falls within the focus areas of the Operational Programme (e.g. the RIS³ strategy's focus on cross-overs), the level of innovation, the quality of the business case/business plan, the quality of the project, and sustainability. Contributing to the sustainability agenda is therefore explicitly part of the project selection. The sustainability aspects a project will be assessed on include:

- Ecological sustainability. This includes the efficient use of resources, environmental measures, climate proofing and climate mitigation, disaster recovery potential, risk prevention and risk management.
- Social sustainability. This includes social participation, cultural enrichment, safety and security, health, and education.
- Contribution to tackling societal challenges as detailed in the Operational Programme and the RIS³.

The basic premise in assessing a proposal on the basis of these criteria is that the projects should have a high minimum level of quality. This means that a project should score at least 70 out of 100 points. The evaluation criteria will be further elaborated in cooperation with the evaluation committee. These criteria are the same for the entire country and will apply to all investment priorities, but their relative importance will differ for each priority axis.

Should a project be given at least the minimum score determined in advance, the committee will issue a positive recommendation on financing the project from the programme fund to the MA. In addition to the policy-based evaluation and the substantial evaluation by the expert committee, the MA will perform a financial-technical evaluation of the proposed project on aspects such as state assistance and equal opportunities.

2.A.6.3 Planned use of financial instruments

So as to correspond to the RIS³ of the Western Netherlands, the intention is to have part of the activities take the form of financial instruments (loans, guarantees, participations). The main objective in this connection is to provide capital to SMEs for the purpose of funding innovation, as was detailed above in the section on the specific objective of capital. The situation on the capital market in the Western Netherlands has been the subject of considerable research, which has provided a clear overview of the capital deficit bottlenecks. No ex-ante evaluation in conformity with the EU requirements has thus far been performed.

The intention is to complete the ex-ante evaluation in conformity with Article 37(2) of Regulation (EU) No 1303/2013 upon approval of the Operational Programme by the European Commission. The use of financial instruments will be more specifically framed on the basis of the findings of this evaluation.

2.A.6.4 Planned use of major projects

N/A

2.A.6.5 Output indicators

Table 5: Common and programme-specific output indicators

ID	Indicator	Measurement unit	Fund	Category of region	Target value (2023)	Source of data	Frequency of reporting
CO01	Productive investment: Number of enterprises receiving support	Enterprises	ERDF	More developed	370	Internal collection of data	Annually
CO02	Productive investment: Number of enterprises receiving grants	Enterprises	ERDF	More developed	203	Internal collection of data	Annually
CO03	Productive investment: Number of enterprises receiving financial support other than grants	Enterprises	ERDF	More developed	100	Internal collection of data	Annually
CO04	Productive investment: Number of enterprises receiving non-financial support	Enterprises	ERDF	More developed	67	Internal collection of data	Annually
CO06	Productive investment: Private investment matching public support to enterprises (grants)	EUR	ERDF	More developed	78,050,000	Internal collection of data	Annually
CO07	Productive investment: Private investment matching public support to enterprises (non-grants)	EUR	ERDF	More developed	19,900,000	Internal collection of data	Annually
CO26	Research, innovation: Number of enterprises cooperating with research institutions	Enterprises	ERDF	More developed	189	Internal collection of data	Annually
CO27	Research, innovation: Private investment matching public support in innovation or R&D projects	EUR	ERDF	More developed	97,950,000	Internal collection of data	Annually
CO28	Research, innovation: Number of enterprises supported to introduce new-to-the-market products	Enterprises	ERDF	More developed	100	Internal collection of data	Annually
CO29	Research, Innovation: Number of enterprises supported to introduce new-to-the-firm products	Enterprises	ERDF	More developed	370	Internal collection of data	Annually

2.A.8 Performance framework

Table 6: Performance framework of the priority axis

Indicator or key implementation step	Measurement unit	Fund	Category of region	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator
KIS1: Productive investment: Number of enterprises receiving support in projects actually started up.	Enterprises	ERDF	More developed	111	370	Internal collection of data	30%
CO01: Productive investment: Number of enterprises receiving support	Enterprises	ERDF	More developed	20	370	Internal collection of data	5%
F101: Certified total expenses incurred to boost research, technological development and innovation eligible for subsidy.	EUR	ERDF	More developed	82,815,721	306,724,893	Internal collection of data	27%

2.A.9 Categories of intervention

Table 7: Dimension 1: Intervention field

Code		Amount in EUR
056	Investment in infrastructure, capacities and equipment in SMEs directly linked to research and innovation activities	11,258,690
057	Investment in infrastructure, capacities and equipment in large companies directly linked to research and innovation activities	2,792,155
058	Research and innovation infrastructure (public)	2,792,155
060	Research and innovation activities in public research centres and centres of competence including networking	2,792,155
061	Research and innovation activities in private research centres including networking	2,882,225
062	Technology transfer and university-enterprise cooperation primarily benefiting SMEs	22,517,379
063	Cluster support and business networks primarily benefiting SMEs	9,006,952
064	Research and innovation processes in SMEs (including voucher schemes, process, design, service and social innovation)	22,517,379
067	SME business development, support to entrepreneurship and incubation (including support to spin-offs and spin-outs)	36,027,809

Table 8: Dimension 2: Form of finance

Code		Amount in EUR
01	Non-repayable grant	72,085,963
03	Support through financial instruments: venture and equity capital or equivalent	13,500,312
04	Support through financial instruments: loan or equivalent	27,000,624

The actions to be taken with respect to Codes 03 and 04: Financial instruments depend on the findings of the ex-ante evaluation still to be performed

Table 9: Dimension 3: Territory type

Code		Amount in EUR
01	Large Urban areas (densely populated >50,000 population)	112,586,899

Table 10: Dimension 4: Territorial delivery mechanisms

Code		Amount in EUR
01	Integrated Territorial Investment – Urban	5,285,342
07	Not Applicable	107,301,557

2.A. 1 Priority axis 2: Supporting the shift towards a low-carbon economy in all sectors

At least 20% of total funds made available in connection with the new programme is to be invested in realising the low-carbon economy. Within Europe, the Western Netherlands lags significantly behind in terms of renewable energy generation and distribution. The European Commission's country-specific recommendation therefore provides a clear focus for making use of the budget to promote the low-carbon economy.

2.A.4 Investment priority 4a: Promoting the production and distribution of energy derived from renewable sources

2.A.5 Specific Objective 3: Reducing the share of fossil fuels in the total energy consumption in the Western Netherlands.

By way of demand aggregation and making use of (cross-overs with respect to) renewable energy sources, headway is made in catching up to the rest of Europe as concerns renewable energy use.

The urban parts of the Western Netherlands, especially in Zuid-Holland, and many of the greenhouse zones, are well able to expand existing and construct new local heating grids, and to make them more sustainable, by making use of renewable energy in combination with residual heat (produced by the heavy industry sector and, locally, in greenhouses) and the extraction of deep and shallow geothermal energy. The unused potential of industrial residual heat and the recent experience with geothermal heating projects serve to highlight the region's potential in this respect. Making use of residual heat and geothermal energy to heat spaces means long-term savings in natural gas use. By creating smart grids featuring multiple, possibly exchangeable, sources of heat and multiple consumers of heat, long-term mutual dependency between a specific heat source and the consumer can be reduced.

In the remaining parts of the Western Netherlands, the greatest potential is to be found in sustainable electricity generation. As it is impossible to have one mode of energy generation supply the total demand for sustainable energy, the focus is on effecting energy source combinations, such as solar power, wind power, tidal power and combined heat and power plants fuelled by green gases or biomass.

Dovetailing with the national Energy Agreement, the potential of the Western Netherlands will be used to effect a smart roll-out of sustainable energy generation and consumption through demand aggregation and cross-overs between energy carriers. The main focus will be on leveraging heating and cooling technology and networks, smart energy distribution systems and other technologies allowing sustainable energy generation. Examples include geothermal heating, tidal, solar and wind power, and heat produced in greenhouses. By supporting the application of new products, services or approaches, more experience is gained, further boosting the smart roll-out.

Keeping in line with the coalition agreement and the Energy Agreement, as high a use of biomass as possible is aimed for. The activities supported to effect this mainly focus on the application of bio-based resources as a renewable energy source, with particular attention being given to the sustainability and economic value of biomass. This approach is based on the use of closed systems such as the digester, instead of on the burning of fuels. Should undesirable elements, in particular particulates, still be emitted, such emissions will remain well below the established ceilings, while efficient capture technology will be put in place.

Table 3: Programme-specific result indicators

ID	Indicator	Measurement unit	Category of region	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
4.1.1	Share of sustainable energy in the total energy consumption in the Western Netherlands	%	More developed	3.8%	2012	14%	klimaat-monitor.databank.nl	Annually

2.A.6 Action to be supported under the investment priority (by investment priority)

2.A.6.1 Measures implemented for specific objective 3: Reducing the share of fossil fuels in the total energy consumption in the Western Netherlands.

The course of action to be followed is that of facilitating initiatives directed towards scaling up the sustainable generation of energy and towards applying residual heat, such by supporting projects aimed at launching such initiatives. Capital is provided, as guarantees and loans, to help finance the unprofitable early stages of solid long-term business cases. Other actions eligible for support are process-oriented actions aimed at realising energy projects. Entrepreneurs could also start developing products and services related to the fields of energy savings, the application of sustainable energy, and the application of residual heat and renewable energy sources.

To encourage making optimum use of biomass, the primary focus is on supporting projects aimed at realising the roll-out of the use of biomass as a renewable source of energy. Such support may also take the form of making guarantees and loans available, and of issuing grants to finance the unprofitable early stages of solid long-term business cases. Other actions eligible for support may be aimed at supporting entrepreneurs whose core business revolves around the application of biomass as a renewable source of energy, among other applications.

- Goal: Having sustainable generation of energy and the application of residual heat take up a larger share of the energy mix, as well as the smart application of biomass.
- Target groups: Enterprises, housing associations, intermediary organisations, social organisations and public authorities in their capacity as facilitators, process coordinators and launching customers, as well as educational and knowledge institutions.
- Type of instruments: Grants, loans and guarantees.

Examples of actions

Joint roll-out of multiple sustainable sources of energy (solar power, wind power, geothermal energy) and the roll-out at, for example, industrial sites of best practices for the development of combined energy source concepts as well as their implementation in existing networks, including smart grids.

Subsidy scheme for feasibility studies into and testing of the technical application of renewable energy sources and into the initial (investment in and research into heating/cooling, electricity) and long-term (system operation and maintenance) costs.

By providing guarantees and issuing loans, and possibly by issuing grants, to finance the unprofitable early stages of solid long-term business cases on the roll-out and application of renewable energy sources.

Optimising the biomass chain to process the biomass generated in nature reserves.

Supporting market introduction of small-scale biomass energy generation, for example through mono-digesters.

2.A.6.2. Guiding principles for selection of operations

The 'Kansen voor West' project selection system will be revised and updated and be made consistent with the Operational Programmes for the other three Dutch regions, which will be updated at the same time. Improvements made include the adoption of a common policy regulation for the project evaluation framework and the inclusion in all Operational Programmes of a uniform quality assessment for independent experts. While 'Kansen for West II' will remain faithful to the 'First come, first serve' principle, the option of starting up a tender procedure will, however, be expressly reserved should it appear that aspects of the programme require additional activation. Project selection will rely on a system based on cut-off scores to be achieved for quality criteria established in advance. In this way, those projects will be selected that are certain to substantially contribute to achieving the programme objectives. Projects will in this connection be assessed on their compliance with the relevant policy frameworks and will be submitted for review to an independent expert committee, which in its assessment will make use of a uniform national evaluation system. Basing itself on the recommendations of this independent committee, the MA will produce a formal decision on accepting or rejecting a project. Whenever support is given to a multinational company, the MA will ensure such support will not adversely affect employment in existing locations of this company within the European Union.

The assessment will, in global terms, accord with the uniform evaluation framework drawn up and published jointly by the four regional Operational Programmes in the Netherlands. Evaluation is divided into two stages:

1. Policy-based evaluation

First, the project application will be subject to a policy-based evaluation by the MA, in which the proposed project is assessed on its contribution to the relevant regional policy frameworks in force and the Operational Programme objectives. As part of this evaluation, the specific contribution of the project towards meeting the programme objective and indicators and the scale effect/impact of the action on the Operational Programme will be assessed. In addition, the project constituting a cross-over or not will be considered. This policy-based evaluation leads to either a positive or a negative decision. In the case of a negative decision, the applicant will receive a notification of rejection stating grounds. In the case of a positive decision, the proposal enters stage 2.

2. Independent expert committee

An independent expert committee will be established to perform an evaluation of the project on its merits and quality. The committee will produce a recommendation by giving the project a rating on the basis of criteria determined in advance. A profile all committee members must meet will be drawn up and all stakeholders may propose candidates. The committee members will be appointed by the Monitoring Committee.

The criteria on which the evaluation committee assess the proposed projects are primarily based on three basic premises and are further detailed in the evaluation framework. These basic premises are the following: the quality of the business case/business plan, the quality of the project, and sustainability. Contributing to the sustainability agenda is therefore explicitly part of project selection and this criterion will be heavily weighted in terms of assessing a project on its contribution to achieving the low-carbon economy objective, the project receiving a high score if its contribution to effecting the application of renewable sources of energy is high. The sustainability aspects a project will be assessed on include:

- Ecological sustainability. This includes the efficient use of resources, environmental measures, climate proofing and climate mitigation, disaster recovery potential, risk prevention and risk management.
- Social sustainability. This includes social participation, cultural enrichment, safety and security, health, and education.

The basic premise in assessing a proposal on the basis of these criteria is that the project is to have a high minimum level of quality: it needs to at least score 70 out of 100 points. The evaluation criteria will be further elaborated in cooperation with the evaluation committee. These criteria are the same for the entire country and will apply to all investment priorities, but their relative importance will differ for each priority axis.

Should a project be given at least the minimum score determined in advance, the committee will issue a positive recommendation on financing the project from the programme fund to the MA. In addition to the policy-based evaluation and the substantial evaluation by the expert committee, the MA will perform a financial-technical evaluation of the proposed project on issues such as state assistance and equal opportunities.

2.A.6.3 Planned use of financial instruments

The intention is to have part of the activities take the form of financial instruments (loans, guarantees, participations). While many studies have been performed up until now, no ex-ante evaluation in conformity with Article 37(2) of Regulation (EU) 1303/2013 has taken place. The intention is to complete this ex-ante evaluation when the Operational Programme has been approved by the European Commission.

2.A.6.4 Planned use of major projects

While the launch of major projects in connection with this objective within the framework of the programme is not in itself out of the question, no such projects are currently planned. The amount of funding made available within the framework of the programme will never be very high, but the total costs of a roll-out project faced with a lack of funding might exceed the budget.

2.A.6.5 Output indicators

Table 5: Common and programme-specific output indicators

ID	Indicator	Measurement unit	Fund	Category of region	Target value (2023)	Source of data	Frequency of reporting
2.b	Additional residual heat capacity	MW	ERDF	More developed	45	Internal collection of data	Annually
2.c	Number of actions aimed at process support, demand aggregation and business case development with respect to renewable energy.	Actions	ERDF	More developed	120	Internal collection of data	Annually
2.d	Number of loans and guarantees aimed at removing financing hurdles with respect to renewable energy.	Loans and guarantees	ERDF	More developed	18	Internal collection of data	Annually
2.e	Number of incentive projects aimed at increasing investment in renewable energy	Incentive projects	ERDF	More developed	6	Internal collection of data	Annually
CO01	Productive investment: Number of enterprises receiving support	Enterprises	ERDF	More developed	144	Internal collection of data	Annually
CO02	Productive investment: Number of enterprises receiving grants	Enterprises	ERDF	More developed	126	Internal collection of data	Annually
CO03	Productive investment: Number of enterprises receiving financial support other than grants	Enterprises	ERDF	More developed	18	Internal collection of data	Annually
C006	Productive investment: Private investment matching public support to enterprises (grants)	EUR	ERDF	More developed	8,905,000	Internal collection of data	Annually
C007	Productive investment: Private investment matching public support to enterprises (non-grants)	EUR	ERDF	More developed	8,905,000	Internal collection of data	Annually
C030	Renewables: Additional capacity of renewable energy production	MW	ERDF	More developed	40	Internal collection of data	Annually

2.A.4 Investment priority 4c: Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector.

2.A.5 Specific objective 4: Reducing energy consumption in the built environment.

Demand aggregation is to lead to an increase in the scale and the smart roll-out of energy savings projects and sustainable energy generation in buildings.

In the Netherlands, the built environment is responsible for well over 40% of total energy consumption. Multiple experiments and studies have proven that, on average, energy savings of more than 30% can be realised in the built environment³⁵. Energy consumption in existing buildings, in particular, can be reduced.

By testing out new collaboration models focused on demand aggregation in practice, developing integrated energy savings packages and bringing them to the market, removing the burden from end users, and offering funding solutions tailored to the target group, a wider roll-out can be prepared, in turn facilitating the large-scale sustainability of the built environment, and in particular of existing buildings, including public property. The emphasis will be on renovation projects and transformations.

Table 3: Programme-specific result indicators

ID	Indicator	Measurement unit	Category of region	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
4.1.2	Share of households in the Western Netherlands being awarded the A++, A+ and A energy labels.	%	More developed	3%	2013	13%	NL Agency	Annually

2.A.6 Action to be supported under the investment priority (by investment priority)

2.A.6.1 Measures implemented for specific objective 4: Reducing energy consumption in the built environment.

The course of action to be followed aims at scaling up the smart roll-out of energy savings and sustainable energy generation in existing buildings. The main emphasis is on including the theme of sustainable energy in renovation and transition projects. In addition, resources ought to be made available to funding processes that facilitate demand aggregation and business case advisory services. ERDF support would enable the Operational Programme partners to play a part in these scale projects by providing process grants to business groupings willing to tackle the issue. An additional option is to establish or contribute to one or more funds aimed at limiting the investment risks to participants of such groupings.

- Goal: Effect an increase in scale to promote the smart roll-out of energy-saving measures and measures to encourage sustainable energy generation in existing buildings.

³⁵ Monitoring data for the 2008-2011 period indicate that an estimated 950,000 buildings increased their energy performance by 20-30% (Koepelconvenant Energiebesparing Gebouwd Omgeving of 28 June 2012). The Energy Agreement therefore includes a commitment to renovate and update 300,000 houses annually, corresponding to energy savings of at least 30%. Recent projects indicate that this is a realistic percentage.

- Target groups: Business case development stakeholders, power companies, authorities, housing associations and organisations effecting demand aggregation in the built environment, construction companies.
- Type of instrument: Grants, loans and guarantees.

Examples of actions

Process grants, guarantees and loans allow for boosting repeatable collaborative ventures between SMEs, owners and users of existing buildings (housing associations, etc.), public properties (including schools and sports facilities), power companies and commercial properties to continue implementing scalable, locally embedded approaches on the sustainable renovation of existing buildings.

Promote the broad application of energy-saving and energy-generating measures by way of developing instruments (mainly with a view to reducing process costs) and conducting experiments with new, possibly collective, forms of organisation, aimed at demand aggregation, funding, implementation and exploitation (e.g. Energy Service Companies).

Have various organisations and institutions develop and implement repeatable approaches aimed at promoting the smart roll-out of energy-saving and energy-generating measures in the Western Netherlands and sharing the repeatable knowledge thereby acquired.

2.A.6.2. Guiding principles for selection of operations

The 'Kansen voor West' project selection system will be revised and updated and be made consistent with the Operational Programmes for the other three Dutch regions, which will be updated at the same time. Improvements made include the adoption of a common policy regulation for the project evaluation framework and the inclusion in all Operational Programmes of a uniform quality assessment for independent experts. While 'Kansen for West II' will remain faithful to the 'First come, first serve' principle, the option of starting up a tender procedure will, however, be expressly reserved should it appear that aspects of the programme require additional activation. Project selection will rely on a system based on cut-off scores to be achieved for quality criteria laid down in advance. In this way, those projects will be selected that are certain to substantially contribute to achieving the programme objectives. Projects will in this connection be assessed on their compliance with the relevant policy frameworks and will be submitted for review to an independent expert committee, which in its assessment will make use of a uniform national evaluation system. Basing itself on the recommendations of this independent committee, the MA will produce a formal decision on accepting or rejecting a project. Whenever support is given to a multinational company, the MA will ensure such support will not adversely affect employment in existing locations of this company within the European Union.

The assessment will, in global terms, accord with the uniform evaluation framework drawn up and published jointly by the four regional Operational Programmes in the Netherlands. Evaluation is divided into two stages:

1. Policy-based evaluation

First, the project application will be subject to a policy-based evaluation by the MA, in which the proposed project is assessed on its contributions to the relevant regional policy frameworks in force and the Operational Programme objectives. As part of this evaluation, the specific contribution of the project to meeting the programme objective and indicators and the scale effect/impact of the action on the Operational Programme will be assessed. In addition, the project constituting a cross-over or not is considered.

This policy-based evaluation leads to either a positive or a negative decision. In the case of a negative decision, the applicant will receive a notification of rejection stating grounds. In the case of a positive decision, the proposal enters stage 2.

2. Independent expert committee

An independent expert committee will be established to perform an evaluation of the project on its merits and quality. The committee will produce a recommendation by giving the project a rating on the basis of criteria determined in advance. A profile all committee members are to meet will be drawn up and all stakeholders may propose candidates. The committee members will be appointed by the Monitoring Committee.

The criteria the evaluation committee is to assess the proposed projects on are primarily based on three basic premises and are further detailed in the evaluation framework. These basic premises are the following: the quality of the business case/business plan, the quality of the project, and sustainability. The sustainability aspects a project will be assessed on include:

- Ecological sustainability. This includes the efficient use of resources, environmental measures, climate proofing and climate mitigation, disaster recovery potential, risk prevention and risk management.
- Social sustainability. This includes social participation, cultural enrichment, safety and security, health, and education.

A project contributing to the sustainability agenda is therefore explicitly part of project selection and this criterion will be heavily weighted in terms of assessing a project on its contribution towards achieving the low-carbon economy objective, a project receiving a high score if its contribution to effecting the application of renewable sources of energy is high. The basic premise in assessing a proposal on the basis of these criteria is that the project is to have a high minimum level of quality: it needs to score at least 70 out of 100 points. The evaluation criteria will be further elaborated within the evaluation framework in cooperation with the evaluation committee. These criteria are the same for the entire country and will apply to all investment priorities, but their relative importance will differ for each priority axis.

Should a project be given at least the minimum score determined in advance, the committee will issue a positive recommendation on financing the project from the programme fund to the MA. In addition to the policy-based evaluation and the substantial evaluation by the expert committee, the MA will perform a financial-technical evaluation of the proposed project on issues such as state assistance and equal opportunities.

2.A.6.3 Planned use of financial instruments

The intention is to have part of the activities take the form of financial instruments (loans, guarantees, participations). While, thus far, many studies have been performed, no ex-ante evaluation in conformity with Article 37(2) of Regulation (EU) 1303/2013 has taken place. The intention is to complete this ex-ante evaluation upon the Operational Programme having been approved by the European Commission.

2.A.6.4 Planned use of major projects

While the launch of major projects in connection with this objective within the framework of the programme is not in itself out of the question, no such projects are currently planned. The amount of funding made available within the framework of the programme will never be very high, but the total costs of a roll-out project faced with a lack of funding might exceed the budget.

2.A.6.5 Output indicators

Table 5: Common and programme-specific output indicators

ID	Indicator	Measurement unit	Category of region	Baseline value	Baseline year	Target value (2023)	Source of data
CO01	Productive investment: Number of enterprises receiving support	Enterprises	ERDF	More developed	52	Internal collection of data	Annually
CO02	Productive investment: Number of enterprises receiving grants	Enterprises	ERDF	More developed	12	Internal collection of data	Annually
CO03	Productive investment: Number of enterprises receiving financial support other than grants	Enterprises	ERDF	More developed	40	Internal collection of data	Annually
C006	Productive investment: Private investment matching public support to enterprises (grants)	EUR	ERDF	More developed	4,795,000	Internal collection of data	Annually
C007	Productive investment: Private investment matching public support to enterprises (non-grants)	EUR	ERDF	More developed	4,795,000	Internal collection of data	Annually
C031	Energy efficiency: Number of households with improved energy consumption classification	Households	ERDF	More developed	1,000	Internal collection of data	Annually
2.f	Number of loans and guarantees aimed at removing financing hurdles with respect to renewable energy.	Loans and guarantees	ERDF	More developed	40	Internal collection of data	Annually
2.g	Number of incentive projects focused on energy efficiency	Incentive projects	ERDF	More developed	12	Internal collection of data	Annually

2.A.8. Performance framework

Table 6: Performance framework of the priority axis

Indicator or key implementation step	Measurement unit	Fund	Category of region	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator
KIS2: Number of actions aimed at process support, demand aggregation and business case development with respect to renewable energy in projects actually started up.	Actions	ERDF	More developed	48	120	Internal collection of data	15%
Output 2.c: Number of actions aimed at process support, demand aggregation and business case development with respect to renewable energy.	Actions	ERDF	More developed	6	120	Internal collection of data	5%
Output 2.g: Number of incentive projects focused on energy efficiency	Incentive projects	ERDF	More developed	4	12	Internal collection of data	33%
F102: Certified total expenses incurred to effect application of renewable energy and energy efficiency in existing buildings (4a+4c) eligible for subsidy.	EUR	ERDF	More developed	24,604,448	91,127,587	Internal collection of data	27%

2.A.9. Categories of intervention Table 7: Dimension 1: Intervention field

Code		Amount in EUR
009	Renewable energy: wind	564,404
010	Renewable energy: solar	2,004,321
011	Renewable energy: biomass	4,975,460
012	Other renewable energy (including hydroelectric, geothermal and marine energy) and renewable energy integration (including storage, power to gas and renewable hydrogen infrastructure)	4,988,422
013	Energy efficiency: renovation of public infrastructure, demonstration projects and supporting measures	3,120,256
014	Energy efficiency: renovation of existing housing stock, demonstration projects and supporting measures	9,652,206
015	Intelligent Energy Distribution Systems at medium and low voltage levels (including smart grids and ICT systems)	1,881,392
016	Energy efficiency and demonstration projects in SMEs and supporting measures	9,264,174

Table 8: Dimension 2: Form of finance

Code		Amount in EUR
01	Non-repayable grant	18,225,318
04	Support through financial instruments: loan or equivalent	18,225,317

The actions to be taken with respect to Code 04: Financial instruments depend on the findings of the ex-ante evaluation yet to be performed.

Table 9: Dimension 3: Territory type

Code		Amount in EUR
01	Large Urban areas (densely populated >50,000 population)	36,450,635

Table 10: Dimension 4: Territorial delivery mechanisms

Code		Amount in EUR
01	Integrated Territorial Investment – Urban	7,062,310
07	Not Applicable	29,388,325

2.A.1 Priority axis 3: Promoting employment and supporting labour mobility

In this Operational Programme, this thematic objective will only be included in the G4 cities' ITI strategies with respect to sustainable urban development.

So as to realise an integrated sustainable urban development approach in accordance with the ITI strategy, the focus will, in addition to the priority axes Innovation (1) and the Low-carbon economy (2), also be on Promoting employment (3). By opting to do so, the G4 cities are committed to both identifying the demand for potential staff and improving the available suitable supply thereof.

2.A.4 Investment priority 8b: Supporting employment- friendly growth through the development of endogenous potential as part of a territorial strategy for specific areas, including the conversion of declining industrial regions and enhancement of accessibility to, and development of, specific natural and cultural resources

2.A.5 Specific Objective 5: Labour supply, reducing labour market mismatch.

Improved collaboration between enterprises and knowledge institutions in the G4 cities is to reduce the labour market mismatch in those cities and improve labour market access.

The current labour market situation requires action, especially in the G4 cities. The focus of the four cities will be on both the demand and the supply side of the labour market and their aim is to reduce the existing labour market mismatch. An integrated approach allows for the combined use of ESF and ERDF funds.

The labour market mismatch is a massive obstruction to sustainable urban development, and that is why the Operational Programme, in addition to and in cooperation with the ESF programme, will focus on improving employment and supporting labour mobility. In this integrated approach, the ERDF programme is aimed at developing a future labour supply, while the ESF programme aims to better match unemployed job seekers to available jobs through training, education and developing suitable curricula.

By making use of the ERDF resources on the demand side - enterprises, intermediary organisations - and by creating collaborative ventures of these organisations with each other and with schools, better use can be made of the available labour supply. Gains can be made in particular with respect to vacancies that are difficult to fill and new jobs and positions arising from the innovation and low-carbon economy drives. Funding the development of the supply side - job seekers, in particular the unemployed - remains the province of the ESF.

As the specific labour market situation differs for each city and as each of the cities has developed its own urban approach, each of the cities has its own focus. Urban labour market analysis shows that the relevant sectors to Amsterdam are mainly IT, sustainability and the technical sectors of installation engineering and mobility. In Rotterdam, innovating the economy and making it more sustainable will result in many new jobs. In addition, opportunities are to be found in the technology, healthcare and food sectors. Promising sectors in The Hague are Security, IT/Telecom, Energy (e.g. construction and installation), creative industry, tourism & hospitality, technology and healthcare. Finally, opportunities in Utrecht revolve mainly around the technology, IT and healthcare sectors.

While job seekers' residences tend to be concentrated in certain sections of the city - mainly those neighbourhoods with a large offering of cheap accommodation - and the ESF focuses on this group, the focus of the ERDF programme will mainly be on those sections of the city where enterprises and educational institutions that may drive higher employment are located.

The ERDF programme is focused on the demand side of the issue, i.e. on the need for companies to find suitable workers to fill current and future job vacancies. This process can be facilitated by supporting collaborative ventures. In so doing, the emphasis is on creating the preconditions allowing SMEs to innovate and grow and on aligning the curricula of secondary and tertiary professional education³⁶ to the actual labour market. The cooperation of and mutual coordination between enterprises will allow for the creation of a sizeable number of jobs, apprenticeship positions, internship positions and start-ups at various companies and for investing in projects aimed at improving current and future labour supply.

Table 3: Programme-specific result indicators

ID	Indicator	Measurement unit	Category of region	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
8b	Youth unemployment in the G4 cities	%	More developed	19%	2013	15%	Statistics Netherlands	Annually

2.A.6 Action to be supported under the investment priority (by investment priority)

2.A.6.1 Measures implemented for specific objective 5: Labour supply, reducing labour market mismatch.

Both the demand for and supply of labour are crucial to the creation of collaborative ventures between enterprises, educational institutions and public authorities. Whenever necessary, structural adjustments will be made to the offer and content of study programmes, organisation and implementation. This is easily measured by the number of successful matches in those sectors most suffering from labour market mismatch. The demand side is key in this connection.

All actions are to be focused on the important economic and social clusters in the cities, with an emphasis on bringing these clusters into contact with those sections of the city where most of the people in search of a job are concentrated. The task is mainly a facilitating one: enterprises will be enabled to attract new staff and opportunities will be created for start-up companies and sole traders.

The main focus in this connection is on the growth markets, where new economic activity results in more jobs, and on the changes in the demand for qualified personnel. Consulting with the business sector, and making it aware of the suitability of personnel, will lead to innovative solutions for labour market issues such as displacement (higher-skilled workers pushing lower-skilled ones out of the labour market) and the position of other groups on the labour market possessing a lot of unused potential.

³⁶ This concerns NLQF levels 1 through 4 (refer to <http://nlqf.nl/nlqf-niveaus>)

- Goal: Reducing labour market mismatch by promoting effective partnerships between enterprises, educational institutions and public authorities.
- Target groups: Enterprises, in particular SMEs, and educational institutions (but not individual students)
- Type of instrument: Project grants and subsidy schemes.

Examples of actions

Innovative collaboration between enterprises and educational institutions leading to the joint tackling of labour market mismatch, identifying labour market demands and opportunities (including internships and work-learn programmes) so as to have professional education better attune to the actual labour market.

Business sector initiatives aimed at having study programmes better align to actual demand, especially in connection with new economic activity resulting in a demand for personnel with very specific skills, for instance in the energy, IT, medical and food sectors.

Encouraging businesses to participate in campus development and the educational components of living labs and/or testing grounds.

2.A.6.2. Guiding principles for selection of operations

The interventions aimed at effecting sustainable urban development to be carried out in Amsterdam, Rotterdam, The Hague and Utrecht will be elaborated in the implementation plans to be drawn up by and for each individual city. The resources available for the theme of sustainable urban development will be decided on by the Municipal Executives of the G4 cities, acting as urban programme authority, such on the basis of sub-delegation of the theme.

Each implementation plan is to detail both the economic (ERDF) and social (ESF) aspects. The economic and the social challenges are related to one another and strengthen one another, and the same applies to the programmes meant to tackle them. The actions to be taken differ from each city to the next, as they depend on the specific issues faced by the city, its economic structure and its policy choices, based on what each city feels to be the problem most urgently requiring a solution.

The evaluation and management of funding applications and projects is to take place within the set policy framework. Recognition will be made of the specifically economic (ERDF) and/or social (ESF) nature of applications. After a technical recommendation is drawn up with respect to a project application (both ERDF and ESF), an advisory committee, one of which is to be established in each of the four cities, will issue a substantiated recommendation on the allocation of resources to the project concerned. The ERDF and ESF (Agentschap SZW) managing authorities will be represented in the committee in an advisory capacity. In its evaluation of the quality of the proposed project, the advisory committee will assess the extent to which the project would contribute to meeting the specific objective of the OP, whether it is aimed at providing a solution to a problem, the technical feasibility, whether the proper parties are involved as stakeholders, whether the proposed activities are clearly described and ambitious, and the extent to which the proposal is realistic with respect to the problem it aims to tackle. In addition to a policy-based evaluation and a substantial evaluation, each proposal will also be subjected to a financial-technical evaluation, covering issues such as state support and the project offering equal opportunities.

The formal responsibility for the allocation and management of the ERDF grants on the basis of sub-delegation is vested in the Municipal Executive of each of the G4 cities. An

urban programme office will be established to support the ERDF grants application, assessment, implementation and accounting processes.

The formal responsibility for the allocation and management of the ESF grants is vested in Agentschap SZW. An urban ESF office will be established to support the ESF grants application, assessment, implementation and accounting processes.

2.A.6.3 Planned use of financial instruments

NA

2.A.6.4 Planned use of major projects

NA

2.A.6.5 Output indicators

Table 5: Common and programme-specific output indicators

ID	Indicator	Measurement unit	Fund	Category of region	Target value (2023)	Source of data	Frequency of reporting
3.a	The number of collaborative ventures between knowledge institutions and businesses and/or public authorities aimed at reducing labour market mismatch.	Collaborative ventures	ERDF	More developed	23	Internal collection of data	Annually
3.b	Number of participating enterprises	Enterprises	ERDF	More developed	35	Internal collection of data	Annually

2.A.8 Performance framework

Table 6: Performance framework of the priority axis

Indicator or key implementation step	Measurement unit	Fund	Category of region	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator
KIS3: The number of collaborative ventures between knowledge institutions and businesses and/or public authorities aimed at reducing labour market mismatch in projects actually started up.	Collaborative ventures	ERDF	More developed	7	23	Internal collection of data	30% of the final target
Output 3.a: The number of collaborative ventures between knowledge institu-	Collaborative ventures	ERDF	More developed	1	23	Internal collection of data	5% of the final target

tions and businesses and/or public authorities aimed at reducing labour market mismatch.							
F103: Certified total costs eligible for subsidy.	EUR	ERDF	More developed	6,296,209	23,319,294	Internal collection of data	27% of the final target

2.A.9 Categories of intervention

Table 7: Dimension 1: Intervention field

Code		Amount in EUR
063	Cluster support and business networks primarily benefiting SMEs	11,659,647

Table 8: Dimension 2: Form of finance

Code		Amount in EUR
01	Non-repayable grant	11,659,647

Table 9: Dimension 3: Territory type

Code		Amount in EUR
01	Large Urban areas (densely populated >50,000 population)	11,659,647

Table 10: Dimension 4: Territorial delivery mechanisms

Code		Amount in EUR
01	Integrated Territorial Investment – Urban	11,659,647

2.A.1 Priority axis 4: Promoting social inclusion and combating poverty

In this Operational Programme, this thematic objective will only be included in the G4 cities' ITI strategies with respect to sustainable urban development.

2.A.4 Investment priority 9b: Providing support for physical, economic and social regeneration of deprived communities in urban and rural areas.

2.A.5 Specific Objective 6: Business climate, increasing the amount of high-quality and accessible business and work sites.

By investing in high-quality and accessible business and work sites in the ITI areas, the opportunities for deprived groups in these areas to find work increase.

All four G4 cities are struggling with an excessively large socio-economic divide between the various sections of the city. In safeguarding the city's social conditions, it is imperative that this divide does not become too large. The urban structural visions therefore feature a wide approach including the improvement of housing, of public spaces and of the conditions for establishing a business. The ITI areas connect those neighbourhoods featuring high unemployment with those sections of the city offering job opportunities. The geographic areas concerned are the following:

- Amsterdam: Noord, West, Nieuw-West, Oost, Zuid-Oost and Zuid;
- Rotterdam: the areas included in the National Programme for Rotterdam-Zuid and Stadshavens;
- The Hague: Centrum, Escamp, Scheveningen, Haagse Hout, the areas around the major train stations, Laak, Binckhorst;
- Utrecht: Utrecht Noordwest (Zuilen and Ondiep), Overvecht, Kanaleneiland (including furniture shopping strip), Cartesiusweg area, Lage Weide, Merwedekanaal area, Amsterdamsestraatweg.

The use of ERDF funds will be mainly focused on the economic restructuring and redevelopment of the urban areas concerned.

In some cases, the business and work sites are located on the borders of the priority neighbourhoods or, as in the case of shopping streets, even within them. In others, the opportunities for boosting the economy are to be found in bordering areas. In Amsterdam, for instance, the so-called Ring Area (the area surrounding the city's economic heart) offers many opportunities for the establishment of companies, which would in turn provide employment opportunities for the area outside of this ring, where socio-economic problems are most prevalent. The Rotterdam Stadshavens area provides many opportunities for new business activity and, thereby, for new jobs for residents of the areas included in the National Programme for Rotterdam-Zuid. The Hague focuses on an integrated urban approach connecting the international 'top' economy with the local economy. Initiatives investing in innovative sectors ('drivers of the economy') go hand in hand with initiatives aimed at promoting the neighbourhood-level economy and local entrepreneurship. Economic opportunities in the neighbourhoods are primarily to be found in redevelopment and the creation of (small-scale) work sites. In Utrecht, the main business sites requiring attention are located in the ring of obsolete industrial sites surrounding the city centre. Adjacent neighbourhoods offer many opportunities for improving the business climate through redevelopment of existing sites, thereby creating new work sites.

So as to properly respond to the diversity of the urban society, interventions need to address both those sectors driving the economy (production) and the supporting service providers and knowledge institution spin-offs. This also requires that a supply is provided to meet the demand for space by, for instance, community care centres, commu-

nity support offices and business start-ups, or by specific urban (top) sectors, so as to take advantage of the opportunities available in those markets/niches expected to grow.

Table 3: Programme-specific result indicators

ID	Indicator	Measurement unit	Category of region	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
9b	Number of business sites within the limits of the ITI areas	Business sites	More developed	81,167	2013	89,284	Municipal statistics	Biannually

2.A.6 Action to be supported under the investment priority (by investment priority)

2.A.6.1 Measures implemented for specific objective 6: Business climate, increasing the amount of high-quality and accessible business and work sites.

The focus is on offering excellent business location factors. This can be achieved by promoting, attracting and retaining business activity and innovation, by responding to the changes in the demand for business and work sites (no shops), by implementing physical measures aimed at improving the attractiveness of existing business and work sites or by promoting the transformation of poorly functioning business and work sites and by making small but targeted alterations to such sites.

- Goal: Making better use of the existing physical and socio-economic potential in urban areas.
- Target groups: SMEs, knowledge institutions.
- Type of instrument: Project grants and financial instruments.

Examples of actions

Development and redevelopment of business and work sites with a view to creating SME or community activity (e.g. neighbourhood redevelopment which has local residents set about developing facilities themselves), expansions and/or research sites.

Support the creative and skilled trade economy and respond to the demand for work sites by these sources of new employment.

Repurposing vacant and obsolete retail premises as business sites, offices or workshops, as part of the wider transformation challenge.

2.A.6.2. Guiding principles for selection of operations

The interventions aimed at effecting sustainable urban development to be carried out in Amsterdam, Rotterdam, The Hague and Utrecht will be elaborated in the implementation plans to be drawn up by and for each individual city. The resources available for the theme of sustainable urban development will be decided on by the Municipal Executives of the G4 cities, acting as urban programme authority, such on the basis of sub-delegation of the theme.

Each implementation plan is to detail both the economic (ERDF) and social (ESF) aspects. The economic and the social challenges are related to one another and strengthen one another, and the same applies to the programmes meant to tackle them. The actions to be taken differ from each city to the next, as they depend on the specific

issues faced by the city, its economic structure and its policy choices, based on what each city feels to be the problem most urgently requiring a solution.

For this specific objective, the direct impact of the investments on increasing employment needs to be identified.

The evaluation and management of funding applications and projects is to take place within the set policy framework. Recognition will be made of the specific economic (ERDF) and/or social (ESF) nature of applications. After a technical recommendation is drawn up with respect to a project application (both ERDF and ESF), an advisory committee, one of which is to be established in each of the four cities, will issue a substantiated recommendation on the allocation of resources to the project concerned. The ERDF and ESF (Agentschap SZW) managing authorities will be represented in the committee in an advisory capacity. In its evaluation of the quality of the proposed project, the advisory committee will assess the extent to which the project would contribute to meeting the specific objective of the Operational Programme, whether it is aimed at providing a solution to a problem, the technical feasibility, whether the proper parties are involved as stakeholders, whether the proposed activities are clearly described and ambitious, and the extent to which the proposal is realistic with respect to the problem it aims to tackle. In addition to the policy-based evaluation and the substantial evaluation, a financial-technical evaluation of the proposed project on issues such as state assistance and equal opportunities will be performed.

The formal responsibility for the allocation and management of the ERDF grants on the basis of sub-delegation is vested in the Municipal Executive of each of the G4 cities. An urban programme office will be established to support the ERDF grants application, assessment, implementation and accounting processes.

The formal responsibility for the allocation and management of the ESF grants is vested in Agentschap SZW. An urban ESF office will be established to support the ESF grants application, assessment, implementation and accounting processes.

2.A.6.3 Planned use of financial instruments

The intention is to have part of the activities in one or more of the cities take place by means of financial instruments (loans, guarantees, participations). A lot of research has been conducted up to the present, in particular within the framework of the Jessica initiative. This is why the exact deployment of resources is yet under consideration. The intention is to complete the ex-ante evaluation in conformity with Article 37(2) of Regulation (EU) No 1303/2013 upon the Operational Programme having been approved by the European Commission.

2.A.6.4 Planned use of major projects

NA

2.A.6.5 Output indicators

Table 5: Common and programme-specific output indicators

ID	Indicator	Measurement unit	Fund	Category of region	Target value (2023)	Source of data	Frequency of reporting
CO01	Productive investment: Number of enterprises receiving support	Enterprises	ERDF	More developed	50	Internal collection of data	Annually
CO02	Productive investment: Number of enterprises receiving grants	Enterprises	ERDF	More developed	14	Internal collection of data	Annually
CO03	Productive investment: Number of enterprises receiving financial support other than grants	Enterprises	ERDF	More developed	36	Internal collection of data	Annually
CO06	Productive investment: Private investment matching public support to enterprises (grants)	EUR	ERDF	More developed	2,586,709	Internal collection of data	Annually
CO07	Productive investment: Private investment matching public support to enterprises (non-grants)	EUR	ERDF	More developed	1,724,490	Internal collection of data	Annually
CO08	Productive investment: Employment increase in supported enterprises	FTEs	ERDF	More developed	430	Internal collection of data	Annually
CO39	Urban development: Public or commercial buildings built or renovated in urban areas	Square metres	ERDF	More developed	54,000	Internal collection of data	Annually

2.A.4 Investment priority 9d: Undertaking investment in the context of community-led local development strategies

2.A.5 Specific Objective 7: Realising increased strategic involvement of local stakeholders in drawing up local strategies

In its Structural Vision, The Hague identified Scheveningen as a key strategic location, the further development of which being of paramount importance to the city as a whole. Scheveningen has the potential to be a driver for growth for the city as a whole in a large number of fields: economically, by increasing jobs and employment; in terms of sports, by turning The Hague into the country's premier water sports city; culturally, by offering new cultural facilities; in terms of urban design, by presenting new types of urban architecture; in terms of sustainability and the environment, by the implementation of new measures; etc. These developments allow Scheveningen to make a significant contribution towards meeting the objectives of the Operational Programme in general and those of The Hague ITI in particular.

So as to boost employment of, in particular, the bottom of the labour market, The Hague focuses on increasing the port and fisheries sector and, more prominently, on becoming more attractive to tourists. The Hague believes this to offer the most opportunities to the

target group, especially in the short term. As one of the city's two main tourist areas, Scheveningen plays an important part in the overall scheme. In the end, the economic success of Scheveningen is dependent on the efforts of entrepreneurs, and it is they who bear the risk, generate income and create the necessary jobs. To be successful, those entrepreneurs are heavily dependent on an accessible, attractive and well maintained public space. And they depend on each other, for only together will they be able to offer a strong product able to attract millions of visitors. Nor can they do without the local residents, who are entitled to a liveable neighbourhood not completely handed over to the tourists. Strengthening the position of Scheveningen therefore is only possible by means of collaboration.

However, few preconditions for such collaboration are present at this point in time. Scheveningen entrepreneurs are not very well organised and tend to go their own way. The residents of and entrepreneurs active in Scheveningen are very involved with their own immediate neighbourhood, but have a strained relation with the municipal authorities, also because of conflicts in the past: There is a healthy dose of mistrust of any plans by the municipality and of the perceived bureaucracy.

Because of the scope of the transition and the desire for involvement by the various stakeholders, The Hague has opted to have its ITI strategy with respect to Scheveningen be supported by a still to be developed community-led local development (CLLD) strategy. In view of the interest of the city, the development of Scheveningen, the economic opportunities to entrepreneurs and the creation of new jobs (especially lower-skilled jobs), it was decided that the CLLD strategy approach the opportunities available in and the threats to the area from a three-theme perspective: the region as a seaside resort, the port economy, and the quality of the living environment.

The aim is to improve the collaboration between all stakeholders and get rid of the notion that all plans are designed by 'desk-bound bureaucrats'. This means the ball is now partly in the court of the entrepreneurs, residents and other involved organisations, which will lead to an increase of trust and increased acceptance of initiatives made in City Hall.

Table 3: Programme-specific result indicators

ID	Indicator	Measurement unit	Category of region	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
9.1.2	Participation in CLLD strategies by private/public/social stakeholders.	CLLD	More developed	0	2014	10	Internal collection of data	Annually

2.A.6 Action to be supported under the investment priority (by investment priority)

2.A.6.1 Measures implemented for specific objective 7: Realising increased strategic involvement of local stakeholders in drawing up local strategies

At first, the focus will be on establishing the CLLD structure, including a shared strategy. Once it has been established, the Scheveningen CLLD organisation will invest in projects contributing to the CLLD strategy through the three currently envisioned courses of action.

The CLLD organisation's actions to be supported should contribute to an improved business climate and, thereby, increase the willingness to invest in Scheveningen and/or

help boost unemployment in Scheveningen, especially for low-skilled workers. The actions to be supported will therefore also contribute to achieving the objectives for the other investment priorities laid down in The Hague's ITI strategy.

The shared strategy will comprise the following:

- a) a definition of the area and the population the strategy relates to;
- b) an analysis of the developmental needs and opportunities in the area, including a SWOT analysis;
- c) a description of the strategy and its goals, a description of the strategy's 'integrated and innovative characteristics and a hierarchy' of objectives, detailing measurable output or result targets. Result targets may be expressed in quantitative or qualitative terms. The strategy is to connect to the related programmes of all ESI funds involved;
- d) a description of the process to be used to involve the community in developing the strategy;
- e) an action plan showing how specific actions are tailored to meet specific objectives;
- f) a description of the strategy's control and monitoring schemes proving that the local action group is able to implement the strategy, as well as a description of the specific evaluation schemes to be used;
- g) the strategy's financial plan, including the planned allocation of the moneys made available under each of the ESI funds involved.

2.A.6.2. Guiding principles for selection of operations

The CLLD strategy to be drawn up is to dovetail with the strategy for the sustainable urban development of The Hague. The CLLD strategy will therefore be evaluated by the urban advisory committee established to evaluate The Hague's ITI strategy. In its evaluation of the quality of the proposed project, the advisory committee will assess the extent to which the CLLD strategy would contribute to meeting the specific objective of the Operational Programme, whether it is aimed at providing a solution to a problem, the technical feasibility, whether the proper parties are involved as stakeholders, whether the proposed activities are clearly described and ambitious, the extent to which the proposal is realistic with respect to the problem it aims to tackle, and whether the guiding principles contribute to the proper selection of actions. The CLLD strategy will be finally adopted by the city's programme authority.

2.A.6.3 Planned use of financial instruments

NA

2.A.6.4 Planned use of major projects

NA

2.A.6.5 Output indicators

Table 5: Common and programme-specific output indicators

ID	Indicator	Measurement unit	Fund	Category of region	Target value (2023)	Source of data	Frequency of reporting
4.b	Projects implemented by the CLLD organisation	Projects	ERDF	More developed	27	Internal collection of data	Annually

2.A.8 Performance framework

Table 6: Performance framework of the priority axis

Indicator or key implementation step	Measurement unit	Fund	Category of region	Milestone for 2018	Final target (2023)	Source of data	Explanation of relevance of indicator
C039 Urban development: Public or commercial buildings built or renovated in urban areas	Square metres	ERDF	More developed	2,700	54,000	Internal collection of data	5% of the final target
KIS4 Productive investment: Number of enterprises receiving support in projects actually started up.	Enterprises	ERDF	More developed	20	50	Internal collection of data	40% of the final target
F103: Certified total costs eligible for subsidy.	EUR	ERDF	More developed	11,640,236	43,111,988	Internal collection of data	27% of the final target

2.A.9 Categories of intervention Table 7: Dimension 1: Intervention field

Code		Amount in EUR
072	Business infrastructure for SMEs (including industrial parks and sites)	15,951,436
073	Support to social enterprises (SMEs)	5,173,440
097	Community-led local development initiatives in urban and rural areas	431,118

Table 8: Dimension 2: Form of finance

Code		Amount in EUR
01	Non-repayable grant	17,355,994
03	Support through financial instruments: venture and equity capital or equivalent	1,200,000
04	Support through financial instruments: loan or equivalent	3,000,000

The actions to be taken with respect to Codes 03 and 04: Financial instruments depend on the findings of the ex-ante evaluation yet to be performed.

Table 9: Dimension 3: Territory type

Code		Amount in EUR
01	Large Urban areas (densely populated >50,000 population)	21,555,994

Table 10: Dimension 4: Territorial delivery mechanisms

Code		Amount in EUR
01	Integrated Territorial Investment – Urban	21,555,994

SECTION 2.B DESCRIPTION OF THE PRIORITY AXES FOR TECHNICAL ASSISTANCE

2.B.1 Priority axis 5: Technical Assistance

2.B.4 Specific Objective: Optimum and proper execution of 'Kansen voor West II'

The 'Kansen voor West II' Operational Programme, just like its 'Kansen voor West I' predecessor, is a programme featuring eight partners: the four provinces comprising the Western Netherlands and the four large cities situated in the region, collectively referred to as the G4P4. The knowledge and experience the region obtained in the previous period in connection with working together in this fashion will be used to the utmost in managing this 'Kansen voor West II' Operational Programme. A solid collaboration model is in place for the G4P4 partnership, the city of Rotterdam, as Managing Authority, taking up the leadership role. Some aspects need some further polishing, but as a whole, the partnership structure remains unchanged in this new period. The basic premise is having an efficiently organised structure that complies with the provisions of the CPR and that allows for the effective overall steering of the programme. The exact implementation organisation of the Operational Programme will at a later date, but prior to the start of the implementation period, be laid down by the Western Netherlands in detail in voluntary agreements and Article 62 descriptions. The most important change from the 2007-2013 period is that the four managing authorities of the four Dutch regional Operational Programmes have committed to close cooperation and harmonisation. This is to lead to a common evaluation framework, IT system and administrative organisation. The implementation procedures will be harmonised and be completely digital.

All parties to the Operational Programme are actively acquiring projects within the network of partners and associations of organisations and lobby groups. By asking targeted questions and providing tailored information on the applicable rules and regulations in exploratory interviews, the extent to which the various initiatives fit the objectives of the programme is explored at as early a stage as possible. In addition, the applicant will receive all the information they require to draw up a high-quality application.

Implementation of the ITI strategies will be sub-delegated to the G4 cities. The experience obtained during the course of the 'Kansen voor West' 2007-2013 Operational Programme will be leveraged to the utmost in this connection. The MA, the city of Rotterdam, will appoint the other G4 cities - Amsterdam, The Hague and Utrecht - as intermediary bodies, the Municipal Executives of these three cities thereby becoming local Programme Authorities with respect to the implementation of the ITI strategies. The Rotterdam ITI strategy will now be implemented directly by the MA. The intermediary bodies will themselves be responsible for the effectiveness and soundness of the implementation, as well as the management, supervision and monitoring of the progress thereof. To be able to perform its tasks, each intermediary body will have its own programme secretariat, responsible to the local programme authorities. The ultimate financial responsibility remains vested in the MA, i.e. the Rotterdam Municipal Executive. The MA monitors that proper use is made of the general funds and will follow the prescribed procedures in the case of irregularity.

The 'Kansen voor West II' Operational Programme focuses on three specific objectives with respect to the implementation:

1. Optimum and timely use of the available resources to support those projects making the largest contribution towards achieving the formulated objectives.
2. The optimum use of the available resources, producing a realisation result readily meeting the N+3 rule and 100% realisation by the end of the programme period.

3. Monitoring the sound expenditure of available funds.

2.B.6 Actions to be supported and their expected contribution to the specific objectives

2.B.6.1 Actions to be supported and their expected contribution to the specific objectives

The most important activities implemented with technical assistance are:

1. The development and application of a solid project selection system.
2. Adequate and timely audits of interim resource use accounting.
3. The proper processing of the final reports and account settlements of the projects and thereby rendering a final account of the grants provided.

The majority of staff will be involved in these three main processes of evaluating and monitoring application and accounting.

Other actions to be performed include the following:

1. General programme management, including programme control, communication, financial reporting, the Monitoring Committee secretariat and budgetary control.
2. Communication with, and information to be provided to, beneficiaries and the public at large, for instance by organising open days, information sessions and start-up days.
3. Meetings with the Certifying Authority and the Audit Authority and, possibly, drawing up defence statements.
4. Having meetings on effecting synergy in the programme contents and implementation, as well as liaising, with: the other ERDF MAs; Ministries; bodies implementing other European programmes and related national and regional programmes.
5. Evaluating programme effectiveness.
6. Training and education, in cooperation with the other Operational Programmes.

The following ambitions/improvements form the guiding principle in deploying the structural funds:

1. The agreement was made that the four MAs will use a uniform working method. In this connection, steps have been taken to draw up a joint Article 124 notification. Common procedures, a harmonised project selection system and a common IT system. This process of uniformisation and exchange of knowledge is aimed at improving quality.
2. A more independent project selection system is to be put in place.
3. Improved preventive procedures and standards are to be agreed on, so as to reduce the likelihood of errors being made with respect to irregular expenses. New processes have been established in this connection, while the CA has been given the additional preventive task of preventing inconsistency in applying the standard.

2.B.6.2 Output indicators expected to contribute to results

Table 13: Output indicators

ID	Indicator	Measurement unit	Category of region	Target value (2023) Total	Source	Frequency of reporting
5a	Common IT system with the other MAs	IT system	More developed	1	Internal collection of data	Annually
5.b	Common working instructions with the other MAs with respect to the beneficiaries	Working instructions	More developed	5	Internal collection of data	Annually
5.c	Technical Assistance employment creation	FTEs	More developed		Internal collection of data	Annually
5.d	Communication plan	Plan	More developed	1		
5.e	Evaluation plan	Plan	More developed	1		
5.f	Website	Website	More developed	1		
5.g	Annual reports	Reports	More developed	7		
5.h	Public events	Events	More developed	7		

2.B.8 Categories of intervention (by priority axis)

Table 14: Dimension 1: Intervention field

Code		Amount in EUR
	Administration	
121	Preparation, implementation, monitoring and inspection	6,834,494
122	Evaluation and studies	379,694
123	Information and communication	379,694

Table 15: Dimension 2: Form of finance

Code		Amount in EUR
01	Non-repayable grant	7,593,882

Table 16: Dimension 3: Territory type

Code		Amount in EUR
01	Large Urban areas (densely populated >50,000 population)	7,593,882

SECTION 3. OPERATIONAL PROGRAMME FINANCING PLAN

3.1 Financial appropriation from each fund and amounts for performance reserve

Table 17

Category of region	2014		2015		2016		2017	
	Main allocation	Performance reserve	Main allocation	Performance reserve	Main allocation	Performance reserve	Main allocation	Performance reserve
More developed	24,003,347.00	1,532,129.00	24,483,900.00	1,562,802.00	24,974,006.00	1,594,085.00	25,473,818.00	1,625,988.00
Total	24,003,347.00	1,532,129.00	24,483,900.00	1,562,802.00	24,974,006.00	1,594,085.00	25,473,818.00	1,625,988.00

Category of region	2018		2019		2020		Total	
	Main allocation	Performance reserve	Main allocation	Performance reserve	Main allocation	Performance reserve	Main allocation	Performance reserve
More developed	25,983,617.00	1,658,529.00	26,503,601.00	1,691,719.00	25,983,617.00	1,658,529.00	26,503,601.00	1,691,719.00
Total	25,983,617.00	1,658,529.00	26,503,601.00	1,691,719.00	25,983,617.00	1,658,529.00	26,503,601.00	1,691,719.00

3.2 Financial plan of the Operational Programme specifying the total financial appropriation by fund and national co-financing for the entire Operational Programme and for each priority axis for the entire programme period.

Table 18a: Operational programme financing plan

Priority axis	Fund	Category of region	Basis for calculation of Union support	Union support (a)	National counterpart (b)=(c)+(d)	Indicative breakdown of national counterpart		Total funding (e)=(a)+(b)	Co-financing rate (f) = (a)/(e)	EIB contributions	Main allocation		Performance reserve		Performance reserve amount as proportion of total Union support (l)=(j)/(a)
						National public funding (c)	National private funding (d)				Union support (h)=(a)-(j)	National counterpart (i)=(b)-(k)	Union support (j)	National counterpart (k)=(b)*((j)/(a))	
1	ERDF	More developed	Total	112,586,899	194,137,994	96,331,477	97,806,517	306,724,893	36.71%	PM	105,550,218	182,004,370	7,036,681	12,133,624	6.25%
2	ERDF	More developed	Total	36,450,635	54,676,952	27,338,476	27,338,476	91,127,587	40.00%	PM	34,172,470	51,259,642	2,278,165	3,417,310	6.25%
3	ERDF	More developed	Total	11,659,647	11,659,647	10,493,582	1,166,065	23,319,294	50.00%		10,930,919	10,930,919	728,728	728,728	6.25%
4	ERDF	More developed	Total	21,555,994	21,555,994	17,244,795	4,311,199	43,111,988	50.00%		20,208,745	20,208,745	1,347,249	1,347,249	6.25%
5	ERDF	More developed	Partial	7,593,882	7,593,882	7,593,882	0	15,187,764	50.00%		7,593,882	7,593,882	0	0	0.00%

		oped													
Total	ERDF	More developed		189,847,057	289,624,469	159,002,212	130,622,257	479,471,526	39.60%		178,456,234	271,997,558	11,390,823	17,626,911	6.00%
Grand total				189,847,057	289,624,469	159,002,212	130,622,257	479,471,526	39.60%		178,456,234	271,997,558	11,390,823	17,626,911	6.00%

Table 18c: Breakdown of the financial plan by priority axis, fund, category of region and thematic objective

Priority axis	Fund	Category of region	Thematic objective	Union support	National counterpart	Total funding
1	ERDF	More developed	Strengthening research, technological development and innovation	112,586,899	194,137,994	306,724,893
2	ERDF	More developed	Supporting the shift towards a low-carbon economy in all sectors	36,450,635	54,676,952	91,127,587
3	ERDF	More developed	Promoting sustainable and quality employment and supporting labour mobility	11,659,647	11,659,647	23,319,294
4	ERDF	More developed	Promoting social inclusion, combating poverty and any discrimination	21,555,994	21,555,994	43,111,988
Total				182,253,175	282,030,587	464,283,762

Table 19: Indicative amount of support to be used for climate change objectives

Priority axis	Indicative amount of support to be used for climate change objectives (EUR)	Proportion of the total allocation to the Operational Programme (%)

2	36,450,635.00	19.20 %
Total	36,450,635.00	19.20 %

SECTION 4. INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT

'Kansen voor West II' Sustainable Urban Development

The G4 cities are struggling with a number of physical, social and economic bottlenecks hampering sustainable growth. In addition, there is a sizeable socio-economic divide between the various sections of the cities. While cities offer a great many opportunities to innovate and to produce a more sustainable economy, efforts need to be expended to combat this looming dichotomy. The four cities all have produced long-term development visions³⁷ on the overall approach to be taken to tackle this divide. More detailed approaches have been drawn up for the individual topics (e.g. the economic agenda) or for specific areas (e.g. the National Programme for Rotterdam-Zuid).

Development potential

The G4's economic focus is on creating sustainable 'value added': more jobs, higher turnover rate, more innovative power and increased competitiveness. Market initiatives and investments are encouraged and facilitated. Priority is given to boosting economic focal points, to providing room for business activity, and to boost and facilitate high-potential entrepreneurship. Boosting both the sectors driving economic growth and those sectors facilitating it is key. The social emphasis is on improving the possibilities of job seekers to find work by way of demand-oriented talent development and improving the alignment of school curricula to the actual labour market situation.

Resources to be used to effect sustainable urban development

In view of the challenges, all resources available under priority axes 3 and 4 will be deployed to effect sustainable urban development in the Western Netherlands. Actual deployment of these resources is sub-delegated to the G4 cities and bundled in their ITI strategies. In view of the integrated nature of the urban programmes, investments made in connection with priority axes 1 and 2, too, will have areas of overlap with these urban programmes. When this is the case, the resources concerned, too, will be sub-delegated to the parties responsible for implementation of the ITIs. While the specific objectives of the priorities and the project selection by the evaluation committee established for the priority axis concerned will remain the guiding principles in such a case, formal allocation and management will be sub-delegated to the cities.

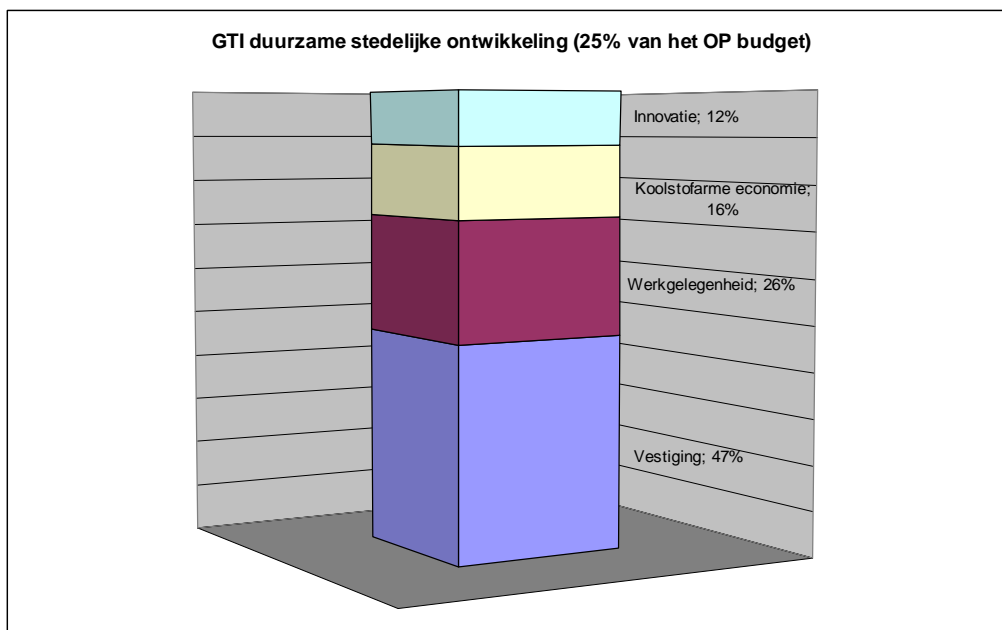
The expected contribution of resources to sustainable urban development under each priority axis is as follows:

- Priority axis 3 Promoting employment EUR 11,659,647 = 26%.
- Priority axis 4 Promoting social inclusion EUR 21,555,994 = 47%.
- Priority axis 1 Innovation EUR 5,285,342 = 12%.
- Priority axis 2 Low-carbon economy EUR 7,062,310 = 16%.

This means that some 25% of all 'Kansen voor West II' resources (10% of national ERDF resources) will be used to support sustainable urban development.

Synergy of fund use will be effected by simultaneously allocating 5% of the national ESF budget to Priority axis 4, promoting employment and supporting labour mobility. Local and national funding, and private party finances, will be used to co-finance the efforts. The G4 cities will create as wide a basis as possible guarantee the availability of co-financing sources.

³⁷ Refer to the Amsterdam Structural Vision 2040, Rotterdam Urban Vision. Spatial development strategy 2030, The Hague Structural Vision 2020 "Global city by the sea", and Utrecht Structural Vision 2015-2030. . These visions offer an integrated approach to the economic, social, ecological, climatological and demographic challenges faced by the cities in question.



Sustainable urban development ITI (25% of the OP budget)

Innovation; 12%

Low-carbon economy; 16%

Employment; 26%

Establishment; 47%

4.1 Community-led local development

No experience has thus far been gained with the use of a community-led local development (CLLD) strategy in the 'Kansen voor West' programme. However, CLLD strategies may, as part of the ITI strategy of one or more cities, be an interesting way to involve local partners in developing specifically local solutions. Hence, The Hague is currently conducting a pilot project with various parties with a socio-economic interest in its Scheveningen area, investigating the use of CLLD as a strategy in the implementation of ERDF support. Specific Objective 7 was included in this Operational Programme for this reason. During its further elaboration, the possibilities of effecting synergy with the other ESI funds will also be investigated.

4.2 Integrated actions for sustainable urban development

In the coming few years, the G4 will employ a territorial approach to social and economic investment. The cities aim to better leverage their economic potential to have all parts of the city be involved in their economic development. The core of this integrated approach is involving multiple parties, with various backgrounds and interests, to avert threats and jump at opportunities contributing to creating partnerships for smart, sustainable and inclusive growth.

Amsterdam, Rotterdam, The Hague and Utrecht will all draw up an individual implementation plan for integrated sustainable urban development, tailored to their specific situations.

The exact actions to be taken differ from city to city, as they depend on the specific issues, their economic structure and their policy choices, based on what each city feels to be the problem most urgently requiring a solution. However, the key focal points for the G4 cities have been defined already:

- Amsterdam focuses on its urban economic and innovation policy, on connecting educational institutions to the labour market, and on the residential and living environment. Entrepreneurship, new business activity, and attracting and retaining talent at all levels are of crucial importance. Investments will target areas both within and outside of the ring area dividing the city's centre from the outlying districts. The socio-economically deprived groups are increasingly to be found outside of the ring, while the people with better prospects tend to live inside it, the ring area itself forming a transitional zone. Transforming buildings and experiments with public spaces create opportunities for improving the role of community centres, the neighbourhood economy and other socio-economic developments. The ring area, as a transitional zone, may assume an important role as a premier location for businesses to establish themselves, thereby increasing employment opportunities for residents of the outer areas.
- Rotterdam will focus on linking up with the National Programme for Rotterdam-Zuid (NPRZ) and the Stadshavens area initiatives, which have the various partners collaborating on improving the city's economy, level of education and labour market participation. The focal area of the NPRZ is characterised by a cumulation of socio-economic problems. The old port sites in the Stadshavens area, on the other hand, provide many opportunities for new business activity and, thus, for the residents of Rotterdam-Zuid. Investments will therefore primarily target the NPRZ area and those sites where positive results will strongly affect this area.
- Unemployment in The Hague is spread rather evenly over the entire city. Still, those neighbourhoods surrounding the economic core areas feature the highest unemployment levels. The Hague therefore focuses on further improving the international nature of the city by better connecting the neighbourhoods concerned to the city's core economic areas.
- Utrecht focuses on boosting its urban (knowledge) economy and making it both more sustainable and more innovative, such by encouraging entrepreneurship and the creation of jobs, making use of talent and developing future-proof work sites related to the city's economic development priorities. The main investment focus is on:
 - Socio-economically weaker neighbourhoods;
 - Obsolete industrial zones surrounding the historic centre;
 - Neighbourhood-level energy transition.

Table 20: Integrated actions for sustainable urban development – indicative amounts of ERDF and ESF support

1. Fund	2. Indicative deployment of ERDF funds for sustainable urban actions in connection with Article 7(2) and the indicative deployment of ESF funds	3. Proportion of fund's total allocation to programme
Total ERDF	45,563,293	24.0%
TOTAL ERDF+ESF	45,563,293	24.0%

The indicative ERDF contribution is based on the Western Netherlands' Operational Programme. The indicative ESF contribution of EUR 24,350,730 is not included in this figure as these funds are not made available under the 'Kansen voor West II' Operational Programme, but under the ESF national programme.

4.4 The arrangements for interregional and transnational actions, within the Operational Programme, with beneficiaries located in at least one other Member State

No actions are expected to be performed under this Operational Programme that will feature beneficiaries established in another Member State. However, should potential actions contributing to achieving the programme's objective and meeting the selection criteria present themselves, such actions are not a priori excluded. Should this be the case, the maximum of 15% of the budget to be provided to beneficiaries outside of the programme's scope will be observed.

4.5 Contribution of the planned actions under the programme to macro-regional and sea basin strategies, subject to the needs of the programme area as identified by the Member State (where appropriate).

Not Applicable

SECTION 7. AUTHORITIES AND BODIES RESPONSIBLE FOR MANAGEMENT, CONTROL AND AUDIT AND THE ROLE OF RELEVANT PARTNERS

7.1. Relevant authorities and bodies (Article 87(5)(a) and (b) CPR)

Table 23: Identity and contact data of other relevant authorities and bodies

Authority/body	Name of authority/body and department or unit	Head of authority/body (position or post)
Managing authority	The Municipal Executive of Rotterdam	Represented by the alderman responsible for Employment and Economy
Certifying authority	Netherlands Enterprise Agency	Mr E.J. de Hilster (Certifying authority manager)
Audit authority	Ministry of Finance Central Government Audit Service	Mr P.J.J. Vlasveld (Head of the audit service)
Body to which Commission will make payments	Western Netherlands Managing Authority	Municipality of Rotterdam - Urban Development, head of the SIF department

7.2. Involvement of relevant partners

7.2.1 Actions taken to involve the relevant partners in the preparation of the operational programme, and the role of those partners in the implementation, monitoring and evaluation of the programme

Coordination of the preparation

'Kansen voor West II' is a joint operational programme (OP) of the four provinces in which the Randstad agglomeration is situated (P4: Noord-Holland, Zuid-Holland, Utrecht and Flevoland) and the four major cities of this agglomeration (G4: Amsterdam, Rotterdam, The Hague and Utrecht), in close cooperation with their regional and local partners (for an overview of the partners consulted, refer to Section 12.3). The programme is therefore a continuation of the 'Kansen voor West' 2007-2013 programme. The Management Authority (MA), the Municipality of Rotterdam, in cooperation with the remaining seven above-named parties, was responsible for coordinating the preparation of the new Operational Programme. This coordination took place in the joint 'Partners Kansen voor West' Administrative Coordination (AC). The AC was led by the MA. The drafting the Operational Programme took place in four working groups (innovation, low-carbon economy, sustainable urban development, and implementation structure), reporting to the 'Partners Kansen voor West' AC by way of a coordinating administrative consultation. The medium-sized cities of the Western Netherlands were closely involved with the working groups drafting the Operational Programme at the administrative level.

From the very start of the preparatory phase, the various social, economic and societal partners, too, were closely involved. Overall synchronisation was performed by the regular 'Kansen voor West' Monitoring Committee. The Monitoring Committee started up a sizeable number of initiatives to involve all relevant partners in the preparations. Involving entrepreneurs and knowledge institutions was particularly successful, in the first instance primarily in connection with drawing up the RIS3, but also in 'translating' the RIS3 and incorporating it in this Operational Programme. The relevant national, regional and local partners were also individually consulted in

connection with detailing the specific priority axes (refer to the notes for the three working groups, below).

Innovation working group

The themes of Knowledge, Innovation and Entrepreneurship formed the primary priority in the 'Kansen voor West' 2007-2013 Operational Programme. The preparations for the present Operational Programme cannot be considered in isolation from the drafting of the regional innovation strategy for smart specialisation (RIS3) for the Western Netherlands. The first RIS3 meetings at the P4 and G4 levels, in April 2011, in essence also formed the start of the preparatory phase of this new Operational Programme: the RIS3 preparations seamlessly turned into the Operational Programme preparations. Officially, though, the Operational Programme preparations started in early 2012.

The RIS3 is based on the regional visions and agendas drawn up in cooperation with the regional and local partners forming the quadruple helix. These partners were also invited to provide their input for the RIS3 and ERDF Operational Programme, so as to effect a consistent process and have the RIS3 closely link up to the economic visions and agendas already developed in cooperation with them. Within the framework of the RIS3 preparation, various rounds of consultation were held:

- Spring 2012: Specific consultation meetings per target group, and Operational Programme 2007-2013 beneficiary telephone survey.
- Autumn 2012: Talks with Ministries and top sector representatives.
- First quarter 2013: Wide Internet-based consultation featuring responses by all target groups.

On the basis of the RIS3 consultation meeting in March 2012, the universities established in the Western Netherlands drew up a joint document, providing input for the RIS3 and Operational Programme. This document in September 2012 led to a separate administrative consultation between P4 and G4 representatives and the universities to effect further elaboration.

On 25 April 2013, an expert consultation was held on the efforts to be expended on the theme of valorisation within the Innovation priority. On 6 May 2013, an expert consultation was held on the efforts to be expended on the theme of capital within the Innovation priority. Environmental and other relevant interest groups were also invited to these consultations, and they became active participants.

In the 16 May 2013 'Partners Kansen voor West' AC, the P4 and G4 adopted the Innovation investment priorities and specific objectives (refer to Section 2). The selections made were submitted for review to the relevant partners by means of an open Internet consultation on the 'Kansen voor West' website.

Low-carbon economy working group

In the 21 March 2012 ERDF AC, the partners of the four regional Operational Programmes also came to an agreement on the national level that each Operational Programme would commit to meeting the EU requirement of having no less than 20% of the ERDF budget being invested in the low-carbon economy. This led to the question what investments would be given priority in this connection, especially in the densely populated Western Netherlands. This question was presented to stakeholders from the energy sector, housing associations, banks and public authorities. A separate consultation meeting was held on the matter in April 2013. During the entire Operational Programme preparation process, the provinces and cities had regular contact with regional and local stakeholders, both on an individual basis and during the preparation of the national Energy Agreement. Environmental and other relevant interest groups were also invited to these consultations, and they became active participants.

Sustainable urban development working group

During the 21 March 2013 ERDF 2014-2020 AC, it was agreed that the Western Netherlands would incorporate the national requirement of having no less than 5% of the ERDF budget being invested in sustainable urban development in its Operational Programme. This decision allowed Amsterdam, Rotterdam, The Hague and Utrecht to continue their sub-delegated urban programmes in the new programme period as well. The G4's four urban programmes are implemented by making use of the instrument of Integrated Territorial Investment (ITI), drawn up in cooperation with local partners and adopted by the Municipal Executives.

These ITI strategies progress from the cities' visions (as presented in Section 4), which were drawn up in cooperation with a large number of stakeholders in various rounds of consultation. All relevant partners (knowledge and educational institutions, societal bodies, enterprises, etc.) were consulted and involved in the initial drafting of the specific ITIs.

Final draft of the Operational Programme

The results of all these activities and consultations led to the first complete version of the Operational Programme, which was discussed in the G4P4 Administrative Coordination on 1 September 2013. Upon the G4P4 endorsement of this draft version, the Operational Programme was submitted for review by the partners in a final on-line consultation, which took place in October and resulted in mostly positive reviews. Only a few partners consulted argued that more resources should be made available to a specific target group.

Partnership added value

In view of the strong emphasis on the Innovation priority, the objectives laid down in which connection are primarily to be realised by businesses and knowledge institutions, the contributions made by these partners are crucial to the success of the programme as a whole. In addition to the usual responses calling for more emphasis to be placed on the respondent's sector, many businesses and institutions have provided highly valuable input, allowing for the further elaboration of the focus of the priority axes. Very notable in this respect was the joint input by the universities, which, in connection with the RIS3 and the Operational Programme, had for the first time developed a joint agenda. Thus, important results have already been achieved before the programme has even started. Together with the partners relevant to realising sustainable urban development, the G4 cities have explored all possible investment priorities and actions in a bottom-up fashion. This did, however, result in a fairly broad range of priorities the partners were unable to make a selection from, meaning that, in the end, the insertion of a more top-down framework was still required. All relevant stakeholders are involved in the further conversion of the ITI strategies into urban implementation programmes.

So as to allow the partners to actually contribute to the framing and substantiation of the programme, they needed to become involved from an early stage. Not all requirements had fully taken shape by then. Though the MA did perform a fair amount of expectation management, many partners still were quite disappointed about the adoption of the current programme almost a year after they made their contributions and after the necessary changes were made based on the 'recommendations' of the European Union, without them being able to have any impact on the later stages.

Part to be played by the relevant partners in the implementation, monitoring and evaluation of the Operational Programme

Now that the stakeholders and partners have been extensively involved in preparing the 'Kansen voor West II' programme, these partners, by virtue of Article 5 of Regulation (EU) No1303/2013 and the Implementing Regulation (EU) No 215/2014, will also be involved in the further course and the implementation of the 'Kansen voor West II' Operational Programme. Such involvement will take place along the following lines.

Composition of the Monitoring Committee

The Monitoring Committee (MC) composition will be broad and balanced, its membership featuring many representatives from regional and local authorities, social partners and economic partners. The following parties provide members to the MC:

1. All G4 and P4 partners are represented and will, with the exception of Rotterdam, each hold the annually rotating presidency. Because of its position as Managing Authority, Rotterdam will not hold the presidency. This is in line with the European Commission's position paper on the development of the 2014-2020 partnership agreement and the programmes in the Netherlands.
2. One advisory European Commission member will represent the EC. The Dutch Central Government is represented by the Ministry of Economic Affairs, as it is the Member State authority responsible for the ERDF resources, and the Ministry of the Interior, as it is responsible for urban policy, in particular in view of the special position of the G4 cities.
3. The MA is an advisory member and secretary to the MC.
4. The AC members representing the stakeholders/partners include:
 - Two representatives of employers' organisations: the director of the VNO-West unit of the Confederation of Netherlands Industry and Employers and, in view of the heavy emphasis on SMEs in the programme, a representative of the Dutch SME Federation.
 - Two representatives of the educational and knowledge institutions: a representative of the Association of Universities in the Netherlands and a representative of the institutions for applied sciences and professional education.
 - The Dutch Trade Union Confederation, on behalf of the employee's organisations.
 - The Milieufederatie environmental interests body.
 - A representative of the G32 cities.
 - A representative of an Equal Rights/Gender organisation.

MC involvement

The MC will be involved in the 2017 and 2019 formal programme progress reports and all evaluations. In addition, the MC will receive regular reports of all relevant developments in a number of specific themes, in particular with respect to the horizontal themes of sustainable development, equal opportunities, and non-discrimination and gender equality. As is the case in the current period, the MC acting to kindle enthusiasm in their members' organisations and supporters will contribute to a solid project pipeline, especially in the early stages. By providing effective introductory training and refresher courses, and by issuing specific reports, the Managing Authority will ensure that all stakeholders will have sufficient knowledge and expertise to properly perform their functions.

Project selection

As was mentioned above, a new project selection method will be introduced. In this way, the implementing regulation, which states that stakeholders and involved parties cannot play a part in evaluating the project applications, will be complied with. For the sake of brevity, we refer to the sections on the priority axes for a description of the project selection system. The stakeholders and the MC do expressly play a part in determining the expert group composition.

All stakeholders, including non-MC members, may nominate candidates for inclusion on the long list. This means that candidates may be nominated by not only the G4P4, but also by stakeholders such as universities and universities for applied sciences, the Association of Regional Water Authorities, the Confederation of Netherlands Industry and Employers, etc. To facilitate this, the profile candidates will meet and the method of nominating a candidate will be made

widely known to all stakeholders. The MC will appoint a selection committee from its midst, which will assess all candidates and propose expert group members to the full MC.

The expert groups do not include representatives from umbrella, interest or lobby groups, or from any other party representing a wider interest. No replacement for such representatives will therefore be appointed. Every expert group member acts in a private capacity, being selected on the basis of their authority in the field and expertise on the subject.

The expert groups have a balanced composition of business sector and education/science/knowledge institutional members. The group's composition is balanced in terms of age and gender. Should an expert be directly or indirectly involved with a project proposed for evaluation, this member may not take part in the evaluation.

The MA will adopt effective and proportional anti-fraud measures and act in concordance with the other MAs in this connection. All related procedures will therefore be detailed in the Article 124 notification. Essential actions to be taken in this connection are the adoption of an anti-fraud policy (including risk mitigation measures), the appointment of an anti-fraud official, and performing a thorough risk analysis of future grant beneficiaries on the basis of the EC's Arachne system.

SECTION 8. COORDINATION BETWEEN THE FUNDS, THE EAFRD, THE EMFF AND OTHER UNION AND NATIONAL FUNDING INSTRUMENTS, AND WITH THE EIB

The Western Netherlands takes a pragmatic and project-based approach to effecting synergy, aiming to have the programme's themes link up directly to the Europe 2020 strategy.

I INNOVATION

The focus of the Western Netherlands with respect to the theme of innovation is based on the smart specialisation strategy (RIS³). One key premise to build on is that of linking and making optimum use of the various available (financial) instruments. First and foremost, these concern the instruments made available under the top sector policy, and in particular those for SMEs. In addition, the National Technology Pact plays an important part in having the labour market better connect to the technical skills demanded by the top sectors. In this connection, the ESF 2014-2020 Operational Programme provides opportunities to upgrade the knowledge and skills possessed by, in particular, people at a distance from the labour market. Finally, the programme aims to connect to the European knowledge programmes and their associated possibilities. The use of the ERDF funds is mainly aimed at supporting those initiatives for which no national resources are available and that will lead to the creation of added value.

1.1 Top sector policy

A new policy on trade and industry was introduced in 2011 to give innovativeness and entrepreneurship as much space as possible. The basic premise of this new policy is that the national government will no longer guide entrepreneurship through regulations and subsidisation, but will provide Dutch businesses with the room to do business, to invest, to innovate and to export. The key points of the new policy are: (i) less subsidy, but also lower taxes; (ii) fewer and less complex regulations; (iii) increased access to business financing sources; (iv) improved use made by the business sector of the knowledge infrastructure present; and (v) better alignment of taxation, education and diplomacy with business sector needs. In 2013, intensive coordination of the trade and industry policy and the ESI funds available in the Netherlands took place. Whenever possible, programmes seek to link up to investment in the top sectors, with a specific focus on SMEs. The Ministry of Economic Affairs cooperates with the partners in the Western Netherlands in exploring options of aligning regional and national financial schemes with the deployment of the ERDF funds. The RIS³ for the Western Netherlands contains a detailed description of the national top sector policy and the way this policy will be implemented in the Western Netherlands (refer to Annexe III).

1.2 National Technology Pact

In order to counter the expected shortage of qualified technicians in the future, and thereby to provide the business world, including the top sectors, with a sufficient volume of qualified workers, the National Technology Pact was launched. The Pact is not so much a completely new programme as it is a pooling of existing programmes, with the aim of accelerating their workings. The Pact centres around the following course of actions:

- Choose for technology; aimed at schools.
- Learn technology; so as to enable technicians to find work in the technology sector.
- Work in technology; aimed at maintaining and retraining technicians.

These courses of action in many ways overlap with the ERDF priority axis 3.

The Technology Pact is an agreement concluded by educational institutions, employers, employees, young people, top sectors, regions and the Central Government. Its emphasis is on having educational institutions, businesses and employees cooperate. The five Dutch regions as defined in the top sector policy will supervise the implementation of the pact. In the terms of the top sector policy, the North Wing comprises the provinces of Noord-Holland, Utrecht and Flevoland. The South-West Wing comprises, in addition to the province of Zuid-Holland (director for the region), Zeeland and western Noord-Brabant. These regional implementations link up closely to the RIS³.

1.3 European Social Fund 2014-2020

In view of the actual national situation, the most important ESF challenge for 2014-2020, as identified in the country-specific recommendations, is to increase the employment rate. The lion's share of all available resources (some 70%) will be used to effect 'active inclusion' by turning people at a distance from the labour market into active participants. In addition, approximately 20% of the resources will be made available for the topic of 'active and healthy ageing', increasing the number of jobs and supporting labour market mobility. By partly and additionally using this agenda to focus on inter-sectoral schooling and work-to-work action plans, the top sector human capital agenda can be provided with an additional impulse. As the responsibility for the implementation will partly be vested in the labour market regions, opportunities are available to create connecting schemes at the regional level.

1.4 European Agricultural Fund for Rural Development 2014-2020

The Dutch Rural Development 3 Programme offers multiple opportunities for synergy with the ERDF Operational Programme for the Western Netherlands, especially with respect to the Agri-food and Horticulture and propagation materials top sectors, which are strongly represented in the Western Netherlands. Both these programmes have identified these sectors as having a lot of potential and included a framework for the further exploration and tackling of the innovation challenge. The resulting opportunities can be exploited in projects by focusing on actions such as valorisation and roll-out involving not only agricultural enterprises but also knowledge institutions, the food processing industry and the remainder of the chain. As the provinces play an important role in both programmes, the pragmatic and regular liaising of the provincial programme coordinators allows for a drive towards well-substantiated synergy projects. The question of which fund to use to finance which project activity will depend on the exact substance of the project and on the opportunities available to both operational programmes.

1.5 Horizon 2020 and the KICs

In addition to overall synergy as detailed in the partnership agreement, the Horizon 2020 programme provides various harmonisation opportunities for the 'Kansen voor West' ERDF programme with respect to a number of themes. Where the Horizon 2020 programmes are aimed at the propagation of knowledge and at testing such knowledge by way of demonstration projects, the ERDF programme provides opportunities to improve valorisation of such knowledge by SMEs. The programme expressly aims to connect to the existing KICs in the Western Netherlands, in particular to the five new KICs to be established in the 2014-2020 period, which themselves closely connect to the knowledge available in the Western Netherlands.

It should be noted in this connection that the evaluation of Horizon 2020 applications and the establishment of the KIC partnerships takes place with reference to quality criteria and not on the basis of the regional ERDF assessment framework. That being said, the extensive degree of cooperation with the universities and universities for applied science in the Western Netherlands do allow for the a priori expending of efforts to effect synergy. In addition, the partners of the Operational Programme for the Western Netherlands and the Netherlands Enterprise Agency, which acts as the national Horizon 2020 contact centre, will seek to collaborate with respect to the following:

- General mutual exchange of knowledge (also by way of, for instance, work experience periods).
- Coordination of the opportunities made available by the Horizon 2020 projects with the ERDF programme and vice versa.
- Cooperation at the expert level, for instance by expert committees.

1.6 European Investment Fund

Whenever possible, the Western Netherlands' focus on innovation and its making available of credit is connected to the opportunities created by the use of EIF funds, which in the Netherlands take the shape of the 'ABN Amro Groei & Innovatielening' loan scheme, specifically targeted at rapidly growing and innovative SMEs.

II LOW-CARBON ECONOMY

The Western Netherlands' focus is on sustainable energy and energy efficiency. As regards both of these themes, the Netherlands lags significantly behind the Europe 2020 targets; nevertheless, there are also many opportunities to take a big step forward in the coming years. Whenever possible, the programme connects to the development of knowledge in the top sectors. As it was shown that it is mainly the actual implementation of measures that lags behind, the Operational Programme for the Western Netherlands mainly aims to effect a smart roll-out. There is a major opportunity to effect synergy with the National Energy Agreement in this connection. In addition, synergy opportunities exist with the National Technology Pact, detailed in the above, and the ESF, specifically as concerns the training of workers skilled in installing and maintaining those instruments that are new or applied on the large scale.

II.1 National Energy Agreement for Sustainable Growth

In late 2013, the relevant partners will conclude an agreement on sustainable growth drawn up by the Dutch Social and Economic Council. The objectives of this agreement are to realise a reduction in CO₂ emissions of 80-95% by 2050 as compared to the 1990 benchmark and to have renewable energy take up a share of 16% of total energy generation in 2023. Achieving these objectives will mean that the Netherlands easily meets the European targets and have a top 10 spot in the Clean Tech Ranking.

The basic assumption of the Energy Agreement is that civilians themselves invest in measures to effect energy savings in the built environment and in small-scale sustainable energy generation, e.g. through installing solar cells. Company-specific energy savings agreements will be concluded with businesses. The projects arising under the Energy Agreement are funded by the use of tax monies, a financial instrument for energy savings in the built environment, and by institutional investors.

The aims and methods of the Energy Agreement has been taken account of in drawing up this Operational Programme, in order to prevent the programmes overlapping. The ERDF funds will therefore be deployed to effect the demand aggregation necessary to make the Energy Agreement a success, which cannot be effected under the Agreement itself. In addition, ERDF funds will be invested in areas not covered by the Agreement. The project selection system will expressly consider synergy opportunities and prevention of overlap.

II.2 European Investment Bank

Building upon the experience gained with the implementation of the Jessica initiative, which resulted in the establishment of energy project funds in The Hague and Rotterdam, the opportunities for the use of financial instruments on a larger scale in the 2014-2020 period are explored in cooperation with the EIB. In addition to the exchange of knowledge, EIB participation is expressly possible, provided the funds made available are of a sufficient size.

III SUSTAINABLE URBAN DEVELOPMENT

The Western Netherlands' Operational Programmes focus on sustainable urban development in the cities of Amsterdam, Rotterdam, The Hague and Utrecht closely connects to the urban development strategies drawn up by the four cities themselves. The aim is to have the ERDF resources supplement the local and national funds to increase the effectiveness. Opportunities to effect synergy are mainly to be found in attuning to the ESF programmes and by linking up to the urban programmes with respect to innovation and the realisation of a low-carbon economy. In addition, opportunities to effect synergy with the EMFF are being explored.

III.1 European Social Fund 2014-2020

5% of the resources made available under the ESF Operational Programme is reserved for use in the G4 cities, being the second pillar of the Integrated Territorial Investment for sustainable urban development. These resources can be used to supplement the other two ESF priorities, meet a specific need of the G4 cities and provide the opportunity to create integrated programmes.

Whenever relevant, resources made available for the other two ESF priorities may also be used in the G4 cities, allowing for effecting additional synergy.

III.2 European Maritime and Fisheries Fund

The possibility of a drawing up CLLD programme for sustainable urban development by connecting to the EMFF is currently being explored. No decision has been made in this context in the implementation of the EMFF programme.

IV OTHER EU PROGRAMMES

IV.1 INTERREG

Due to the Western Netherlands having few external borders, as compared to the other three Dutch regions, the region only benefited to a very limited extent from Interreg A contributions over 2007-2013. However, the expansion of the Two Seas Programme results in the creation of substantial opportunities to effect synergy. The themes of innovation and the low-carbon economy are of particular interest in establishing cross-border links. A possible example includes cross-border collaboration on the theme of the bio-based economy in Zeeland and Flanders. The Interreg B programmes for the North Sea and North-West Europe are characterised by a strong focus on innovation, the low-carbon economy, and climate and sustainability. In this connection, too, opportunities for cross-border projects following from the Operational Programme for the Western Netherlands abound. Interreg C can be used for projects aimed at the international exchange of knowledge and building up networks. The Managing Authority will regularly liaise with the national representatives (of the partners in the Western Netherlands) for the Interreg programmes concerned on the opportunities presenting themselves.

IV.2 Innovative actions

A budget has been established within the ERDF to finance innovative actions for sustainable urban development. Whenever an action aligns with the focus of the Operational Programme for the Western Netherlands, projects will be prepared that build on the experience gained in implementing the programmes on the sustainable urban development of the G4 cities or that are aimed at developing new instruments and the exchange of the resulting knowledge and experience.

IV.3 COSME and LIFE

With respect to the Innovation and Low-carbon economy priorities, the European COSME and LIFE programmes, too, may connect to the Operational Programme. It is expected that this will hold true for only a limited number of projects. Should a proposed project be more likely to be eligible to receive funding under one of these programmes, the applicants will be informed correspondingly. The knowledge of the provincial and municipal grant coordinators will be used in this connection, so as to provide sufficient attention to the connections between the ERDF Operational Programme and the COSME and LIFE programmes.

SECTION 9. EX-ANTE CONDITIONALITIES

Table 24: Applicable ex-ante conditionalities and assessment of their fulfilment

Ex-ante conditionality	Priority axes to which conditionality applies	Ex-ante conditionality fulfilled
G.1 - The existence of administrative capacity for the implementation and application of Union anti-discrimination legislation and policy in the field of ESI Funds	1 - Strengthening research, technological development and innovation 2 - Supporting the shift towards a low-carbon economy in all sectors 3 - Promoting employment and	Yes

	supporting labour mobility 4 - Promoting social inclusion and combating poverty	
G.2 - The existence of administrative capacity for the implementation and application of Union gender equality law and policy in the field of ESI Funds.	1 - Strengthening research, technological development and innovation 2 - Supporting the shift towards a low-carbon economy in all sectors 3 - Promoting employment and supporting labour mobility 4 - Promoting social inclusion and combating poverty	Yes
G.3 - The existence of administrative capacity for the implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCRPD) in the field of ESI Funds in accordance with Council Decision 2010/48/EC.	1 - Strengthening research, technological development and innovation 2 - Supporting the shift towards a low-carbon economy in all sectors 3 - Promoting employment and supporting labour mobility 4 - Promoting social inclusion and combating poverty	Yes
G.4 - The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds.	1 - Strengthening research, technological development and innovation 2 - Supporting the shift towards a low-carbon economy in all sectors 3 - Promoting employment and supporting labour mobility 4 - Promoting social inclusion and combating poverty	Yes
G.5 - The existence of arrangements for the effective application of Union State aid rules in the field of the ESI Funds.	1 - Strengthening research, technological development and innovation 2 - Supporting the shift towards a low-carbon economy in all sectors 3 - Promoting employment and supporting labour mobility 4 - Promoting social inclusion and combating poverty	Yes
Ex-ante conditionality	Priority axes to which conditionality applies	Ex-ante conditionality fulfilled
G.6 - The existence of arrangements for the effective application of Union environmental legislation related to EIA and SEA.	1 - Strengthening research, technological development and innovation 2 - Supporting the shift towards a low-carbon economy in all sectors 3 - Promoting employment and supporting labour mobility 4 - Promoting social inclusion and combating poverty	Yes
G.7 - The existence of a statistical basis necessary to undertake evaluations in order to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired	1 - Strengthening research, technological development and innovation 2 - Supporting the shift towards a	In part

results, to monitor progress towards results and to undertake impact evaluation.	low-carbon economy in all sectors 3 - Promoting employment and supporting labour mobility 4 - Promoting social inclusion and combating poverty	
T.01.1 - Research and innovation: The existence of a national or regional smart specialisation strategy in line with the National Reform Programme, to leverage private research and innovation expenditure, which complies with the characteristics of properly performing national or regional R&I systems.	1 - Strengthening research, technological development and innovation	Yes
T.04.1 - Actions have been carried out to promote cost effective improvements of energy end use efficiency and cost effective investment in energy efficiency when constructing or renovating buildings.	2 - Supporting the shift towards a low-carbon economy in all sectors	In part
T.04.3 - Actions have been carried out to promote the production and distribution of renewable energy sources.	2 - Supporting the shift towards a low-carbon economy in all sectors	Yes
T.09.1 - The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.	4 - Promoting social inclusion and combating poverty	Yes

Table 24: Applicable ex-ante conditionalities and assessment of their fulfilment

This table is only available in Dutch.

SECTION 10. REDUCTION OF ADMINISTRATIVE BURDEN FOR BENEFICIARIES

The 'Kansen voor West' partners are strong proponents of reducing the administrative burden and implementation costs of the Cohesion Policy - as do the Netherlands as a whole, having accepted the European Commission's proposals in all related Regulations with open arms.

The State Secretary of Economic Affairs promised the Dutch Parliament to investigate the impact of the 2014-2020 European structural fund regulations on the administrative burden and implementation costs they would impose on the Netherlands. We refer to the Partnership Agreement for the results and contents of this investigation. The investigation results were presented to the Dutch Parliament in June 2012. The European Commission and the other Member States were informed about these results as well. The 'Kansen voor West' Managing Authority was a member of this investigative committee as the representative of all local and regional authorities and all ERDF implementation bodies. The MA was also a member of the European Commission's Simplification Task Force, which was responsible for much of the preparative work of the regulations. The 'Kansen voor West' partners in the 2007-2013 period paid much attention to administrative burden and every project was individually assessed on this topic.

Together with the national investigation, the results of the programme's efforts produce the following picture. Two factors account for the vast majority of the administrative burden for beneficiaries: rendering account for wage costs and public procurement legislation. The 'Kansen voor West' partners cannot influence the latter factor. New European guidelines are expected to be published in the short term. However, it is uncertain whether the Public Procurement Act newly adopted by the Dutch Parliament, which will enter into force on 1 April 2013, actually makes these regulations more burdensome.

Wage costs

During the evaluation process of the projects proposed in the 2007-2013 period, it appeared that by far the greatest reduction in the administrative burden for beneficiaries can be achieved by applying simplified costs options to wage costs, including overhead. Within the 2007-2013 programme framework, the Flat Rates and SUCs working group, which involved all funds, analysed which simplified costs options could be applied. The working group's conclusion was that significant reduction of administrative burden is possible by taking gross wage costs as the basis and assuming fixed employer's contributions and a flat 15% overhead rate. The working group also recommended that the ICS (Integral Cost-price System) customary in the Netherlands also be used to determine the SUCs for the structural funds. 'Kansen voor West' endorses these recommendations and is, in cooperation with the other Managing Authorities and the Ministry, working to have them included in the relevant ministerial regulation and the evaluation framework.

Beneficiaries may only choose from the flat rate and ICS methods; more complex methods are no longer acceptable. A massive improvement with respect to the wage costs issue is that the regulation also provides that rates approved for one European programme (e.g. Horizon 2020) may also be used for others (e.g. ERDF). This results in a massive reduction of burden that will also heavily contribute to improving Europe's image.

IT

Already in the 2007-2013 period, 'Kansen voor West' was working fully digitally, its IT system being designated a best practice on the e-cohesion level by the EC.

In connection with e-cohesion, it is important to note that the four (envisaged) Managing Authorities have agreed to work with a single IT system for the 2014-2020 period. The

'Kansen voor West' partners will ensure that this does not result in a reduction of the e-cohesion level for the Western Netherlands.

Uniform implementation

In addition to implementing a single IT system, the four Managing Authorities also concluded an agreement on their level of cooperation and the realisation of a uniform implementation method. The arrangements agreed upon include:

- Making optimum use of the opportunities to simplify affairs embedded in the regulations.
- Draw up uniform criteria and procedures for the implementation of the Operational Programmes and for project selection.
- No requirements and conditions in addition to those described by relevant legislation.
- Bring the application procedures, advance funding methods and amounts, and the interim and final accounting procedures in line for all regions.

We expect that this would also have a positive impact on the administrative burden for beneficiaries and the implementation costs incurred by the authorities involved.

For all affairs the MAs are responsible for, these measures will become effective from the start date of the programme. Over the course of the programme, the MA will actively endeavour to advocate the application of further simplification by the other authorities.

The MA will, from the start of the programme, comply with all conditions on e-governance and electronic exchange within the framework of e-cohesion; in the 2007-2013 programme, it already met the conditions to receive the highest e-cohesion level label, level 5. In addition, the MA of the Western Netherlands played a pioneering role in effecting simplification of legislation at the national level, as laid down in a joint ministerial regulation. Simplification of accounting will be effected by providing clear information and drafting clear formats.

SECTION 11. HORIZONTAL PRINCIPLES

The 'Kansen voor West II' Operational Programme will be implemented in conformity with the European principles on horizontal themes such as gender equality, non-discrimination, sustainable development, and accessibility to the disabled. This means that the actions to be financed, as well as the programme's management, are to be based on the principles of sustainability, gender equality, non-discrimination and accessibility to the disabled.

In order to supervise the commitment to the horizontal principles in the implementation of the programme, the Monitoring Committee will include a representative from a body established to promote social inclusion, gender equality and non-discrimination.

11.1 Sustainable development

Sustainable development of the living environment is expressly included as a theme in the Operational Programme, specifically in relation to Innovation (theme 1) and the transition to a Low-carbon economy (theme 4).

Theme 1: Innovation is key to smart and sustainable growth (Europe 2020 strategy). Due to the focus on cross-overs between top sectors, promoting innovation not only contributes to meeting the challenge of realising a business climate open to innovation, but also to improved eco-efficiency and, thereby, to increasing resource efficiency and productivity. Innovation within and with national and international top clusters in the Netherlands in the fields of High Tech systems and materials, Water, Chemicals, Agri-food, Horticulture, Energy and the Bio-based economy will also contribute to increased eco-efficiency and the increase in the share of renewable energy.

Theme 4: The focus on the transition to a low-carbon economy expressly also implies a focus on sustainable energy generation and energy efficiency. Introducing innovative technology and processes and bringing existing state-of-the-art technology to the market (smart roll-out) are necessary preconditions for achieving the energy and CO₂ targets set for the Netherlands. The measures to be taken in realising a low-carbon economy have considerable potential for the reduction of CO₂ emissions through the introduction of innovative technology and instruments effecting sustainable energy generation, storage, distribution and savings. The ERDF focus is on the built-up environment, which is responsible for about 40% of the total energy consumption in the Netherlands (Energy Top Sector, TKI EnerGO, 2013). This refers to the built-up environment in the broad sense of the term: both the buildings themselves and the connected energy system.

Project evaluation: So as to guarantee the effective and efficient use of the available ERDF resources, project applications will be objectively evaluated by an expert evaluation committee on the basis of an evaluation framework to be determined by the Monitoring Committee at the start of the programme. An assessment of a project's contribution to sustainable development expressly forms part of this evaluation. For this purpose, the project is assessed on the following five criteria:

1. Efficient use of resources.
2. Environmental measures.
3. Climate proofing and mitigation.
4. Disaster recovery capacity.
5. Risk prevention and control.

11.2 Equal opportunities

One of the country-specific recommendation concerns promoting participation in the labour market by, amongst others, the elderly, disabled persons, and migrants. Dutch legislation relevant to the principle of non-discrimination contributes to these groups' access to the labour market.

Generally speaking, equal opportunities and non-discrimination in preparing, developing and implementing the operational programmes are guaranteed by virtue of Section 1 of the Dutch Constitution and the Equal Treatment Act. The latter Act provides for equal treatment of all and for protection against discrimination on the grounds of religion, philosophy, political views, race, gender, nationality, sexual orientation or marital status. In addition, the Equal Treatment of Disabled and Chronically Ill People Act prohibits direct or indirect discrimination on the basis of a disability or chronic illness. The Equal Treatment in Employment (Age Discrimination) Act prohibits discrimination on the basis of age.

Every citizen is entitled to file a complaint with the Netherlands Institute for Human Rights should they feel discriminated against. The Institute will start up an investigation and issue a non-binding judgement. This procedure is free of charge. For more information, refer to: www.mensenrechten.nl. Discrimination proceedings may also be initiated in court. The court's judgement is binding, however. Some forms of discrimination are criminalised.

Like many other countries, the Netherlands on 30 March 2007 signed the UN Convention on the Rights of Persons with Disabilities, by which it guarantees that every enterprise offering services and goods, and every public building, should be accessible to disabled persons.

To bind the Kingdom to the provisions of the Convention, it will need to be ratified. The Dutch government stated as follows in its October 2012 governing agreement: "The Netherlands will ratify the UN Convention on the Rights of Persons with Disabilities on condition that it is in a position to fulfil the obligations that derive from it." The purpose of the Convention is to, inter alia, "promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, and to promote respect for their inherent dignity". The draft versions of the legislative proposals required to ratify the UN Convention on the Rights of Persons with Disabilities (hereinafter: the Convention) have recently been submitted. These include:

- Draft legislative proposal to endorse the Convention, and
- Draft legislative proposal to implement the Convention.

Following the public consultation, the Minister of Health, Welfare and Sport will present the draft proposals to the Cabinet for approval and will request the Council of State to submit its approval and recommendations, such with a view of presenting the proposals to the House of Representatives (by 1 January 2014 at the latest). The proposals will subsequently be debated in both Houses of Parliament and will most likely be adopted. The debate on the proposals by the Houses will take at least a year.

The programme, and the projects selected within its framework, will be implemented in conformity with the principles on these so-called horizontal issues adopted on the European level. This means that the actions to be financed under the programme, and the management of the programme, will commit no act of discrimination and will pay attention to the issues of accessibility to disabled persons, not limiting the access to the available resources to them in any way. Projects contrary to the principles of equal treatment and non-discrimination do not apply for co-financing. As was the case for 'Kansen voor West' 2007-2013, the aim is to have no barriers in place limiting access to the programme. This means that no beneficiary will be excluded on the basis of gender, age, origin, race, or - equally importantly - on size or form of organisation.

11.3 Equality between men and women

One of the country-specific recommendations relates to promoting participation in the labour market by, among other groups, women. Dutch legislation relevant to the principle of equality between men and women contributes to this group's access to the labour market.

Where the guaranteeing of gender equality is concerned, we refer to the same legislation and institutes as those ensuring equal opportunities and non-discrimination.

The programme, and the projects selected within its framework, will be implemented in conformity with the principles on these so-called horizontal issues adopted on the European level. This means that the actions to be financed under the programme, and the management of the programme, will commit to the principle that men and women are equal, not limiting the access to the available resources to either gender in any way. Projects contrary to the principle of equality of men and women do not apply for co-financing.

SECTION 12. SEPARATE ELEMENTS

12.2. Performance framework of Operational Programme

Table 28: Performance framework by fund and category of region

Priority axis	Fund	Category of region	Indicator or key implementation step	Measurement unit	Milestone for 2018	Final target (2023)
1 - Strengthening research, technological development and innovation	ERDF	More developed	Productive investment: Number of enterprises receiving support	Enterprises	20	370
1 - Strengthening research, technological development and innovation	ERDF	More developed	Certified total expenses incurred to boost research, technological development and innovation eligible for subsidy.	EUR	82,815,721	306,724,893
1 - Strengthening research, technological development and innovation	ERDF	More developed	Productive investment: Number of enterprises receiving support in projects actually started up.	Enterprises	111	370
2 - Supporting the shift towards a low-carbon economy in all sectors	ERDF	More developed	Certified total expenses incurred to effect application of renewable energy and energy efficiency in existing buildings (4a+4c) eligible for subsidy.	EUR	24,604,448	91,127,587
2 - Supporting the shift towards a low-carbon economy in all sectors	ERDF	More developed	Number of actions aimed at process support, demand aggregation and business case development with respect to renewable energy in projects actually started.	Actions	48	120
2 - Supporting the shift towards a low-carbon economy in all sectors	ERDF	More developed	Number of actions aimed at process support, demand aggregation and business case development with respect to renewable energy.	Actions	6	120
Priority axis	Fund	Category of region	Indicator or key implementation step	Measurement unit	Milestone for 2018	Final target (2023)

2 - Supporting the shift towards a low-carbon economy in all sectors	ERDF	More developed	Number of incentive projects focused on energy efficiency	Incentive projects	4	12
3 - Promoting employment and supporting labour mobility	ERDF	More developed	Certified total costs eligible for subsidy.	EUR	6,296,209	23,319,294
3 - Promoting employment and supporting labour mobility	ERDF	More developed	The number of collaborative ventures between knowledge institutions and businesses and/or public authorities aimed at reducing labour market mismatch in projects actually started up.	Collaborative ventures	7	23
3 - Promoting employment and supporting labour mobility	ERDF	More developed	The number of collaborative ventures between knowledge institutions and businesses and/or public authorities aimed at reducing labour market mismatch.	Collaborative ventures	1	23
4 - Promoting social inclusion and combating poverty	ERDF	More developed	Urban development: Public or commercial buildings built or renovated in urban areas	EUR	11,640,236	43,111,988
4 - Promoting social inclusion and combating poverty	ERDF	More developed	Certified total costs eligible for subsidy.	Enterprises	20	50
4 - Promoting social inclusion and combating poverty	ERDF	More developed	Productive investment: Number of enterprises receiving support in projects actually started up.	Square metres	2,700	54,000

12.3. Relevant partners involved in preparation of programme

In total, letters went out to well over 900 unique addresses to approach possible partners and request that they participate in the consultations held in the various 'Kansen voor West II' preparation stages. These parties include all organisations that were involved in the 2007-2013 'Kansen voor West' and parties relevant to the new priorities. In addition, various organisations applied, wishing to remain informed about the developments of and opportunities provided by the new programme. All these parties were once more approached by letter, requesting them to participate in the final consultation round. As the total amount of parties involved is too big to include here, the below list only contains the 356 unique organisations the respondents were part of. The list is divided into multiple categories for ease of reading. The organisations presented in bold face made active contributions in the various consultation process stages.

Public Authorities

Municipalities: Alblasterdam, Alkmaar, **Almere**, **Alphen aan den Rijn**, **Amersfoort**, **Amsterdam**, **Barendrecht**, **Boskoop**, Capelle aan den IJssel, **Delft**, **The Hague**, **Den Helder**, **Dordrecht**, Dronten, **Goeree-Overflakkee**, Haarlem, **Haarlemmermeer**, **Heerhugowaard**, **Hilversum**, **Leiden**, **Lelystad**, **Midden-Delfland**, Nieuwegein, **Noordoostpolder**, **Noordwijk**, Papendrecht, Pijnacker Nootdorp, Rijnwoude, **Rotterdam**, **Schiedam**, Stichtse Vecht, **Utrecht**, **Veenendaal**, Velsen, **Vlaardingen**, Voorschoten, **Westland**, Woerden, **Woudenberg**, **Zaanstad**, Zeist, **Zoetermeer**, Zuidplas

Region (collaboration, development corporations, etc.): **Amsterdam Economic Board**, **Amsterdam Innovation Motor**, **Economic Board Utrecht**, **Haaglanden**, **Holland Rijnland**, **De Stichtse Rijnlanden Water Board**, Delfland Water Board, Invest in Utrecht, NHN Development Agency, **Omala**, **OMFL**, **Alkmaar/NHN Region**, **ROM Drechtsteden**, **City Region of Amsterdam**, City Region of Rotterdam, Stadshavens Rotterdam, **Task Force Innovation Utrecht Region**, **The Hague Security Delta**, Zuiderzeeland Water Board

Provinces: **Flevoland**, **Noord-Holland**, **Utrecht**, **Zuid-Holland**

Central Government: **NL Agency**, **Ministry of the Interior and Kingdom Relations**, Government Service for Land and Water Management, **Ministry of Economic Affairs**, Ministry of Infrastructure and the Environment, Ministry of Justice – Netherlands Forensic Institute, **Ministry of Social Affairs**, Central Government Real Estate Agency, Rijkswaterstaat, **Syntens**, **top sector policy top teams**

Housing Associations and Property Management Agencies

Centrada, Ceres Projecten, **Eigenhaard**, Emmaus Utrecht, **Ons Doel**, PWS Rotterdam, Stadsgoed, Staedion, Stichting Utrechtse Woningbouwcorporaties, TU Delft Vastgoed BV, Vestia, Wijkontwikkelingsmaatschappij, Winkelpanden en Starterspanden, Woonbron, **Woonstad**, Woonzorg Flevoland

Knowledge and Educational Institutions

Knowledge Institutions: **ACCRES**, **AMC**, Bureau KNAW, **ECN**, **Erasmus University Rotterdam**, **Erasmus MC**, HCSS, **IHS**, KCBI, Kunstfactor, LUMC, Luris, **Maritime Campus**, **Neth-er**, **NOVU**, Kenniscentrum Plantenstoffen, Proeftuin Zwaagdijk, **Science Port Holland**, Seed Valley, Spinozacentrum KNAW, Strategem Group, The Hague Academy for Local Governance, The Hague Center for Strategic Studies, Tidal Testing, **TNO**, **Delft University of Technology**, **Leiden University**, **Utrecht University**, Utrecht Holdings, **Utrecht Sustainability Institute**, **Utrecht Valorisation Centre**, **University of Amsterdam**, **VU University Amsterdam**, Waag Society, **WUR**

Educational Institutions: **CAH Almere**, Clusius, Da Vinci, De Einder, **The Hague University of Applied Sciences**, **Utrecht School of the Arts**, **Amsterdam University of Applied Sciences**, **University of Applied Sciences Leiden**, **Rotterdam University of Applied Sciences**, **HU University of Applied Sciences Utrecht**, **VHL University of Applied Sciences**, **HZ University of Applied Sciences**, Le Canard, Lentiz, Coupeur Master Tailor Institute, MHC Advies, **ROC Flevoland**, **ROC Leiden**, ROC Midden Nederland, **ROC VA**, **Scheepvaart en Transport College**, Stichting Bouwloods, Stichting Studentensteden, Joost van Elten Onderwijsinnovatie

Umbrella Organisations

Aedes, **Agriboard Noord-Holland Noord**, Bouwend Nederland, **Business Port Scheveningen**, **Clean Tech Delta**, **Cropeye**, DPI Value Centre, **Federatie Nederlandse Rubber- en Kunststoffindustrie**, **FNV**, **Greenport Holland**, HME, **Holland Health**, **Holland Instrumentation**, **Holland Space Cluster**, **Immovator Crossmedia Network**, Industrievereniging Lage Weide, Instal Nova, IPO, **Chamber of Commerce**, **Kennisalliantie Zuid-Holland**, **Kring van Utrechtse Ondernemingen**, **LTO Noord Glaskracht**, **Medical Delta**, **MKB-Nederland (and regional and local chapters)**, **Milieufederatie**, Nederland Maritiem land, Nederlandse Orde van Uitvinders, **Plantum**, Rotterdam Climate Initiative, **Rotterdam Internet Valley**, **Stichting Marketing Scheveningen**, Association of Regional Water Authorities, **United Fish Auctions**, **Uneto-VNI**, VNG, **VNO-NCW West**, VNCI, **VNSU**, **Waternet**, **Bedrijfskring Lelystad**, Binnenstad Ondernemers Federatie

Nature Reserves and Cultural Heritage

Humanity House, Mauritshuis, Muscom, Museum Speelklok, Ons'Lieve Heer op Solder, Panorama Mesdag, Verzetsmuseum, Zaanse Schans Museum, Flevolandschap, Landschap Noord-Holland, Mainport en Groen, **Muzee**, Recreatie Noord-Holland, Roggebotstaete, Staatsbosbeheer, Natuur- en Recreatieschap Veluwe Randmeren, Stadstuin Emma's Hof, Stadsherstel, Stichting Jongerius, Westergasfabriek, Westerkerk, Mariël Bisschops, Ninette Koning

Financiers

1 and 2, **MKB & Technofonds Flevoland**, Qredits, **Rabobank**, **Stimuleringsfonds Volkshuisvesting Nederlandse gemeenten**

Enterprises

Aardwarmte Den Haag, Akzo Nobel, **Ampyx Power**, **Artis**, Auxilium BV, Biopartner Academisch Bedrijven Centrum, Bioprocess Pilot Facility, C.O.R. BV, Coers Kameelhoeve, Create Today, Creative City Lab, **Creative Factory**, De Overkant, Deltalinqs, Designer Café, **DSM**, Dura Vermeer, **Dutch Game Garden**, **Eneco**, **Energy Valey**, Es-sent, Eye Film, FeyeCon, Flora Holland, Friesland Campina, Gasunie, **Geomatics Business Park**, **Green Fox**, **Greenport Aalsmeer**, Grow Group, Het Nationale Ballet, Hofbogen, **Holland Biodiversity**, **HOM BV / Sedha Result BV**, Horti Hydro Cultures, **HVC Groep**, **InnoSportNL**, Inter NL, Kadans Vastgoed, Koppert, Legato, Leiden Bioscience Park Foundation, Marine Objects, Matrix IC, Mobiel Erfgoedcentrum, MOJO, New Energy Docks, NUON, OVO Plenum Holding BV, PDX Services, Picnic Network, Port of Amsterdam, **Port of Rotterdam**, Protospace, Rotterdam Media Commission, Skar Ateliers, **Sustainable Dance Club**, Technocentrum Flevoland, Tolpoort, Uitzendbureau Zuidgeest, **Utrecht Life Sciences**, **Utrecht Science Park**, Utrecht Valorisation Center, Warmtebedrijf Rotterdam, Wijngaarde BV, **Workspot**, WTC Almere Area, **ZON Energie groep**

Organisation, Subsidies and Additional Advice

Atlas Advies, **Baker Tilly Berk**, **bizzEUROPE consulting**, Bouwadvies Groot Holland, C&M, Carhol Beheer BV, Conquaestor, Direction, **DWA**, **Ecorys**, **Ecoshape**, Eimers & Otten subsidie advies bureau, Elias Consulting, **Envolve**, **Evers + Manders Subsidi-**

dieadviseurs, EPAC, ERA Contour, Fondsenbeheer, Force Finance, G.H. Lourens, Het Grote Oost, Hezelburcht, Hoenderdos, **ICS Advies**, IN management, Investeren in Ruimte, John Autar, **Lysias advies**, Mc2ventures, Meijdam Overmars, MKB Winstpunt, Moonfield, OAVD, **PNO Consultants**, PWC, Queester Architecten, **Royal Haskoning DHV**, Ruimte Advies, Sandra Broos Programma's Projecten Subsidies, Schuman associates, Seijgraaf Consultancy, Squarewise, S-tec BV, Subvice, **Technopolis Group**, Thijs|Expo, Twijnstra Gudde, Van Draeckenburgh, Van Zoggel Advies, Vrind Accountancy BV, Waifer, WEA Noord-Holland, Witteveen Bos

Other Organisations

Annie MG Schmidhuis, ATO, **Bewonersorganisatie Havenkwartier**, **Bewonersorganisatie Noordelijk Scheveningen**, Binnenvaart, Carnegie Stichting, De Groenzoom, Platform Geothermie, **Sailing Management International**, **Stichting ARQ**, Stichting Drugspastoraat Amsterdam, **Wijkoverleg Scheveningen Dorp**

ANNEXES (Only Annexe III has been translated)

- I Ex-ante evaluatie Operationele Programma's EFRO 2014-2020 Eindrapport
- II Beoordeling plan MER plicht
- III RIS³ Smart Specialisation Strategy Western Netherlands (translated into EN)
- IV Figuren uit het Operationeel Programma
- V Resultaatindicatoren
- VI Outputindicatoren
- VII Prestatiekader