

INFORMAL DIALOGUE MEETING 16/7/2013

PARTNERSHIP AGREEMENT PORTUGAL

Comments from services

Disclaimer

This is an informal summary of the comments that the Commission services would like to convey to the Portuguese national authorities following the Informal Dialogue meeting of 16 July 2013.

Given its content and style it should be strictly taken as an informal working document in support of the meeting of the 16th.

These comments cannot be taken as complete, nor as excluding comments made during the meeting itself nor future additional comments on the same topics regarding this first (incomplete) draft of the Partnership Agreement presented for discussion.

A. Synthesis | Main comments

General Comments

The document draft was extremely useful for the discussion notwithstanding the fact that it is still very incomplete, with key parts missing. The text still reflects to a large degree the preparatory phase as indicated in the *Pressupostos* document and not yet the results of the parallel work on the programme's themselves.

The document also does not take on board some key recommendations made by the Commission services (e.g. R&D and Innovation, negative priorities, gap analysis overview for financial instruments).

The clear strategic approach and concrete areas of intervention and objectives that are required do not therefore come through for most of the key priorities.

We recommend that a substantial review, including synthesizing parts of the existing text, is done to both complete and update the document once the parallel work on the programme's preparation progresses further and the document can then be adequately updated. It should indicate clear objectives within a long term vision, and setting targets and results to be achieved. We also recommend that when the diagnostic is presented, underlying causes are presented and matching ESIF supported initiatives are indicated.

Other key aspects need also to be included and developed: areas which are considered as priorities but are not developed (e.g. administrative modernisation) negative priorities, architecture/ boundaries between thematic and national OPs, governance, including multi-level coordination to ensure efforts towards 'Europe 2020' targets and the role to be played by (sub) regional bodies.

Specific comments by chapter

1 | A aplicação dos Fundos

- Some assertions would need quantitative data/statistics to support/illustrate what is said (e.g. technology based exports neutral in terms of balance, significant number of companies from Universities, etc.) and underlying causes identified (e.g. why is there an absence of links between the scientific and technology system and the real economy ?);
- Particular assessment of funding needs in relation to thematic objectives is still missing (section 1.1 and 1.3); there is no reference to the gap analysis that is needed, for instance as the basis to identify instruments and enterprise sectors to be supported;
- Need to identify main developments related to the priorities identified in the Atlantic Action Plan;
- The Commission would like to have updated information on the state of play of the application of the Strategic Environmental Assessment (SEA) to this exercise;
- **Negative priorities** should be explicit: e.g. roads, education infrastructure in general; in cases where a derogation is sought for education infrastructure, its much narrower scope needs to be identified (e.g. as opposed to saying 'in general schools which need re-qualification').

1.1 Constrangimentos e prioridades

- We have indicated before that the ESIF funds should only support R&D in enterprises or R&D cooperation projects, involving enterprises and to the clear & measurable benefit of enterprises, not isolated public R&D in institutes or Universities nor the strive for 'excellency' nor the stimulus to recruiting highly skilled scientists or engineers to national institutions. The text needs therefore to be profoundly re-oriented towards a competitiveness approach;
- Many areas only have very generic descriptions, such as **transport infrastructure**, administrative modernisation and to a large extent environment;
- There is a need to identify development needs and growth potentials of coastal areas as well as the analysis of the growth potential of the "blue economy" as well as specific emerging sectors (marine biotechnology or resources, minerals);
- It needs to develop references to tourism, which are too general and should be detailed and made region specific;
- Need to develop the issue of competitiveness and internationalisation relating to the agro-food sector ;
- More details should be given, in relation to the priority "blue economy", namely as regards the "emerging sectors" with more potential, challenges and constraints of traditional sectors; more information also in relation to 'Smart Specialization Strategies';
- In accordance with the CPP, the Commission expects the identification future actions to improve competitiveness in the fisheries sector, namely in relation to the impacts of the CFP reform (see our letter Ares(2013)1160130 - 16/05/2013) and further developments on aquaculture [link to the new national strategic plan for aquaculture in line with the Guidelines adopted by the Commission on 29 April (COM(2013)229 Final)];

- There is a lack of detail on how to facilitate the access to finance; Portugal must carry out a "gap analysis of SME financing needs in order to design appropriate support schemes";
- The analysis should provide elements on the territorial dimension of the different thematic challenges;
- The specific development needs and growth potentials of urban, rural and coastal as well as maritime areas should be identified;

Sustainability and efficient use of resources

- Too generic, with few concrete initiatives/objectives mentioned;
- In relation to the environment, there are some important gaps, as for example relating to the Prioritised Action Framework (PAF) for Natura 2000;
- It should be clear that neither the Cohesion Fund nor the ERDF will be financing irrigation investments;
- Funding of vehicles has to be explicitly restricted to clean urban public (collective) transport;
- The information relating to transport is too general and unspecified; it should also refer to the development of the logistic platforms and connectivity between transport systems (roads, rail, ports, airports);
- As ESIF cannot finance the participation in international programs in itself but only investments in the national territory (e.g. equipment) arising from such participation, we recommend that the text is revised accordingly;
- Prioritisation for water and solid waste supports needs to be explained done in light of the EU legislation obligations and current compliance situation;
- Running costs are not eligible and as such text should be revised to avoid misunderstandings such as fund the monitoring for diseases;
- The polluter-pays principle needs to be fully explained and its application indicated for relevant sectors; in any case for some sectors it should fully applied – case of the selection systems for the construction and demolition waste which should be part of the normal business ; therefore ESIF funding should be excluded for these sectors.
- Risk management: idem, specific needs assessment to be made, on the basis of what has already been financed in POVT and previous periods, in particular for fire fighting sector;

Human capital / Employment

- Even though the objectives identified for human capital are consistent with the evaluation made in the CPP but the listing of domains of intervention or priorities does not include a description of actions to be funded and how they link to existing strategies; certain issues need to be clarified: pre-school education, information and monitoring system under development in the framework of the Memorandum of Understanding for early school leaving, clarification of how the "*matricula eletrónica*" (e-registration) will be exploited, teacher training, lifelong learning, clarification of CQEPs functioning;

- Regarding the need to adapt professional training to the market needs only vague intentions like 'better articulation with local authorities' are put forward, no real requirements or conditionalities;
- The two priorities "fighting unemployment" and "promoting social inclusion" should be presented separately and in a more clear way;
- Attention should also be given to youth unemployment and to the Youth Employment Initiative (YEI). DG EMPL is available to cooperate with the Portuguese Authorities in discussing the best options to implement the YEI in Portugal.
- Some concrete actions should be put forward in relation to Active Labour Market Policies and investment in qualification;
- The lack of labour mobility in the fisheries sector should be addressed, to others of potential (e.g. marine biotechnology, maritime tourism, aquaculture) should be fostered; it is necessary to identify measures to ensure the access to lifelong learning, upgrading skills and competences of the workforce and contributing to its adaptability to the labour market; links between education/training institutions and economic clusters should also be encouraged;
- The paragraph on social inclusion and employment, does not address properly and sufficiently the "marginalized groups", and only on the basis of their employment conditions.

1.3 Objetivos temáticos e principais resultados a atingir

- Results to be obtained are missing (see above).

1.5 Os instrumentos de programação operacional (POs)

- Even though the document shows that there has been an involvement of the relevant stakeholders, the specific outcome and results/contributions from the process should be reported;

1.5.3 Desenvolvimento sustentável

- No concrete indication of the polluter-pays principle application;
- See comment above regarding the exclusion of some sectors if the polluter-pays principle is correctly applied.

1.5.4 Outros objetivos da política horizontais

- In general clear strategies should be outlined;
- Also how ESIF are going to be involved in the reform of the Public Administration in the areas of the institutional models and organisation (text has just a reference to the best practices associated with the SFs).
- Spatial organisation, institutional capacity need to be detailed; for modernisation of public administration only reference to e-government and training. There is a need to identify gaps, special domains, particular weaknesses.
- Population ageing is recognised but measures are missing.

1.6 Instrumentos de programação horizontal

As no programmes and governance mechanisms are indicated in the PA text is a reflection of future 'complete document' situation rather than the situation; it needs therefore to be checked and detailed against future programme preparation delivery and coordination mechanisms.

2 | Mecanismos de garantia de uma aplicação eficiente e eficaz dos Fundos

2.1 Mecanismos de coordenação

- More information is necessary on the new financial institution and its potential role in the management and implementation of the EU funds in 2014-2020;
- In section 2.1, it is expected that an analysis on the arrangement for coordination and complementarity of the ESI Funds with other funding instruments (EU level, national or regional), as well as for the EIB is provided;
- The PA should mention the connections between OP decision-making procedures or Monitoring Committees in order to fill gaps and avoid overlaps. An ESIF level coordinating or monitoring body (or both), or sufficient equivalent arrangements must be foreseen;
- The PA should contain an explicit reference to the national public authority/institution that has the political responsibility for fisheries sector (those responsible for planning those responsible for implementation of EMFF, who need to be involved into the PA preparation process).

2.3 Síntese da verificação do cumprimento das condicionalidades ex ante

2.4 Consistência de aplicação do quadro de desempenho

- What has been done already to ensure consistency of target setting and coverage of indicators?

2.5 O reforço da capacidade administrativa das entidades envolvidas na aplicação dos FEEI

- Needs to be updated later as description is mostly on the audit authority; the future single agency and its responsibilities are missing;
- EARDF and Fisheries Fund should also be considered for the reinforcement of administrative capacity, considering its higher error rate; special attention should be devoted in the next programming period;
- Portugal should feel encouraged to have at least a priority dedicated to Public Administration reform;
- There should also be a specific reference on the use of TA;

2.6 A redução dos encargos administrativos para os beneficiários dos FEEI

- The document should consider the implications of favouring repayable subsidies (in section 1.1); it should assess the consequences, in administration terms, of this option;

2.7 Os sistemas de informação e o intercâmbio eletrónico de dados [4.1]

- E-cohesion entry into service dates are missing – it cannot be just coinciding with the approval for the PA and OPs, as this date is too vague and not controlled by the national authorities;

- There should be a reference to art. 114(2)(d) requirement, to ensure the continued collection and storing of individual participant data (micro-data) for monitoring and evaluation needs;

3 | Abordagem integrada para o desenvolvimento territorial na aplicação dos FEEI

- As it is stated in the template of the PA, the description of the strategy for territorial development must be done taking into account the analysis under section 1; there are no concrete elements that can justify a strategy for territorial development, which is mostly missing;
- The description of the overall territorial approach is missing;
- As regards cross border cooperation PT-ES, no specific reference to maritime issues is made;

3.2 Os Investimentos Territoriais Integrados (ITI)

- The Commission's previous comments were not taken on board, in relation to the "assumptions document";
- The use of ITI cannot be decided on administrative basis and must be justified and respond to the implementation needs of a consistent territorial strategy (not the other way around);
- It is fundamental to respect the different steps and layers that constitute a territorial approach while defining it. Therefore, before identifying the territorial instrument it is necessary to define the main territorial challenges and the main elements of the territorial strategy, including the means to achieve an integrated approach at regional and sub-regional level;
- It is necessary to have a clearer vision and define the approach to sustainable urban development;
- The principles for identifying the urban areas concerned should be described in an exhaustive way and be consistent with the overall approach to sustainable urban development;

3.5 Abordagem integrada para lidar com as necessidades específicas das zonas geográficas mais afetadas pela pobreza ou dos grupos-alvo...

- There is still no clear definition of how implementation and coordination will be done; a global vision must also refer how the risk of overlapping and how it will be avoided;
- Neither geographical areas nor specific target groups are defined;
- As in section 1, marginalised groups are very scarcely mentioned;
- The PA must describe the approach to address the specific needs of geographical areas most affected by poverty or of target groups at highest risk of discrimination or social exclusion;

3.6 Abordagem integrada para regiões ultraperiféricas

- This chapter should be more detailed and precise, in line with the two documents we already received for Azores and Madeira on the regional diagnosis;
- The document should provide a brief summary on how the ESI Funds will be used to tackle the specific development needs of these regions, insofar as the approach is specific to these regions;

4 | Other issues

- Mention training in the agro sector as well as the European Innovation Partnership.

Annex II | Verification of ex ante conditionality

- The document does not provide much information on the general ex ante conditionality on statistical systems and indicators.
- Early school leaving:
 - Could PT indicate the main elements of the ESL data collection and analysis system and show how it provides sufficient evidence to develop targeted policies and monitor developments?
 - Could PT update if relevant the information provided in the self-assessment of ex ante conditionality? Could PT elaborate more in depth in the self-assessment on existing prevention, compensation and intervention measures? Could PT provide details on implementation in Madeira and Azores?
 - Could PT indicate how stakeholders are associated to the fight against early school leaving at all relevant territorial levels?
- Higher education
 - Could PT elaborate more in depth on the existing measures to:
 - increase participation and attainment for adult learners and underrepresented groups,
 - reduce drop out increase completion rates,
 - increase quality encouraging innovative content,
 - increase employability and entrepreneurship, developing transversal skills and reducing gender differences in terms of academic and vocational choices?

Additional comments

§1 | A aplicação dos Fundos

- Identification of development needs and growth potentials of coastal areas as well as the analysis of the growth potential of the "blue economy" in Portugal has not been addressed in detail, except for the need for investments in relation with the protection, secure and enhancement of the marine environment, that is, coastal and seas management, which are quite well covered by priority (d) on sustainability and efficiency in the use of resources.
- Therefore, specific reference to emerging sectors of the 'blue growth communication' with potential in Portugal like marine biotechnology or marine resources such as minerals has not been included in the above-mentioned analysis (section 1.1). Similarly, constraints and challenges for development of renewables (including marine) has been mentioned as a priority to contribute to the energy efficiency.
- Cross-cutting tools of the IMP such as MSP, maritime surveillance has not been mentioned either.
- Particular assessment of funding needs in relation to thematic objectives is still missing (section 1.1 and 1.3), as is also missing the identification of main developments based on the analysis of the priorities identified in the Atlantic Action Plan.
- In relation with the regional analysis presented at the end of section 1.1, there is barely any reference to the coastal and maritime dimension of the regions – all of them are coastal regions –, and the most important sea-related activities that contribute to their economies and potential for blue growth..
- There are still some important gaps, as for example that the Prioritised Action Framework (PAF) for Natura 2000 is not mentioned. Portugal is one of the Member States in delay and has not sent the PAF to the Commission yet. This is a "strategy document", pursuant to Article 8 of the Habitats Directive, that is still missing and that is clearly related to the EU funding and therefore to the PA. In effect, with the PAFs exercise, the Commission (DG ENV) is asking Member States to carry out a comprehensive analysis and diagnosis of the state of play of the Natura 2000 network, but also to set up priorities and actions plans to finance the needs, including the use of the different EU funds.

1.1 Constrangimentos e prioridades

Competitiveness and internationalisation: There is only a sentence on the objective of attaining self-sufficiency in value of the agro-food sector by 2020. Given the importance the agro-food sector plays and the growth it has experienced in the past couple of years more emphasis and reference would be expected on the chapter "competitiveness".

(a) Competitiveness

Although it is recognized that there is potential for exploring the development of emerging sectors of the blue economy, this has not been earmarked as a priority. Further details on investment needed and concrete actions should be provided.

- Which emerging sectors have more potential for the period 2014-2020?
- Which are the concrete development needs given the state of art of processes and technologies?
- Challenges and constraints of traditional sectors?

In general, as explained in the PA, there is a gap between knowledge creation, knowledge transfer and its translation into economic value through innovation. SMEs encounter additional difficulties to access to innovation. Cluster initiatives are highlighted.

- Are there any concrete actions foreseen to promote innovation in SMEs enterprises related to the blue economy such as creation of networks, clusters, etc? The development of maritime clusters as well as structural cooperation between cluster organisations and knowledge institutions in the maritime sector should be fostered.
- What about Regional Smart Specialization Strategies? Is there any region that foresees 'specialization' in any emerging maritime sector?

Following the CPP we would have expected future actions to improve competitiveness in the fisheries sector specially in relation with its future economic profitability and social sustainability, as the environmental sustainability has already been included in priority (d). Also potential for further developments on aquaculture is missing. The aquaculture production has stagnated in volume and in value. This situation will need to be addressed through a new national strategic plan for aquaculture in line with the Guidelines adopted by the Commission on 29 April (COM(2013)229 Final).

In order to reach good achievements, Portuguese authorities should take due account of the need to improve the integration between the different structural funds and need to align better EU and national funding with the objectives and challenges of the conservation policy for fisheries.

To support the competitiveness of the economy and a modal shift in transport, financing soft services, development of intermodality and connections to logistic platforms should also be a priority.

(b) Social inclusion and employment and (c) Human capital

Again the approach for these two priorities is rather general and there are no specific references to the challenges in different sectors, such as the maritime.

In maritime sectors, most important challenges are the lack of labour mobility which depends on the modernization of the sector and its employment capabilities. In the fisheries sector, the main challenge relates to the insufficient level of education and skills of fishermen and gaps in the

knowledge transfer. New emerging sectors need high skilled professionals in the fields of marine research, engineering and sciences.

In relation with priorities for funding we think that labour mobility across maritime activities in relative decline (e.g. fisheries, shipbuilding) to others of potential (e.g. marine biotechnology, maritime tourism, aquaculture) should be fostered. Efforts should be made in ensure the access to lifelong learning, upgrading skills and competences of the workforce and contributing to its adaptability to the labour market. Links between education/training institutions and economic clusters should also be courage. Upgrading the level of education and skills of managers in activities such aquaculture should also be fostered though vocational training and lifelong learning.

(d) Sustainability and efficiency of natural resources

Innovations linked to the conservation of marine resources, in particular leading to increased selectivity, and that introduce methods and techniques that reduce the impacts on the marine environment, including mitigating climate change and improving energy efficiency, should be supported. Special attention should be paid to investments in support of meeting the discard ban requirements.

In order to complete what is written about fisheries and Integrated Maritime Policy in page 26, considerations should be given on how the use of Maritime Spatial Planning (MSP) and Integrated Coastal Zone (ICZM) will support for growth and competitiveness as well as enhance sustainable use of marine waters and coastal zones through legal certainty.

Specific reference to the Marine Strategy Framework Directive and how to reach GES of marine waters is missing.

Given the broad extension of ocean belonging to Portugal, we would have liked a more detailed reference to specific actions foreseen on Marine Protected Areas and also to the research needs to improve the knowledge of marine ecosystems and seabed mapping.

The objectives identified for human capital are consistent with the Commission position paper evaluation but the listing of domains of intervention or priorities does not include a description of actions to be funded and how they link to existing strategies. The following should be clarified:

- What should be supported in relation to pre-school education? Training, development of new teaching competences, development of organisational model or other? Could the statistics used to select the priority areas identified be provided?
- Regarding early school leaving, how and when will be operationalized the information and monitoring system under development in the framework of the Memorandum of Understanding? How will it link to the strategy to fight early school leaving referred to under ex-ante conditionality? Is this system implemented in Madeira and Azores? Could PT clarify how it will exploit "matricula eletrónica" (e-registration) and how it will help monitoring of the different measures indicated? How do other proposed priorities link to the above mentioned strategy?

- What will be the main focus and thrust of the proposed teacher training? What needs is it expected to cater for?
- Regarding higher education, how do proposed measures link to the strategic policy framework referred to under ex ante conditionality? How will proposed priorities contribute to increase the quality of teaching and learning? Will there be specific actions to fight drop out? How is progress being monitored in terms of drop outs and attainment? Are there improvements to be expected regarding monitoring?
- Regarding lifelong learning, an overview of the strategy in place and the link to proposed funding priorities should be provided. The CQEPs functioning should be clarified.

There is a lack of detail on actions to facilitate the access to finance on the basis of a gap analysis. The document says that interventions would aim both to improve the external financing of businesses as well as reinforce their own capital (p.11 of document). Invite PT authorities to further explain what type of measures they have in mind, even if they are not ready to present concrete proposals at this stage. This is a very technical area and therefore any intervention must be duly justified. Indeed, the **position paper** asked PT to carry out a "gap analysis of SME financing needs in order to design appropriate support schemes".

- A part from the paragraph on territorial disparities and potential, the analysis has been made solely on sectoral basis. In order to give methodological and content coherence to the analysis it could be interesting to provide elements on the territorial dimension of the different thematic challenges.
- The analysis doesn't address the specific development needs and growth potentials of urban, rural and coastal as well as maritime areas. The absence of these important elements could not permit a correct understanding of the section 3 of the PA concerning the Territorial approach.
- Concerning the paragraph on social inclusion and employment, marginalized groups are very scarcely mentioned and exclusively on the basis of their employment conditions.
- In relation to the "growth potential of the *blue economy*", there are a number of issues in which the cooperative dimension as well as the possible synergies offered by the Atlantic Strategy is not taken into account; there is a list of recommendations (list of relevant issues in which a clear reference connection with the Atlantic strategy and furthermore with the Atlantic action plan can be established);

1.2 Conclusões das avaliações ex ante

1.3 Objetivos temáticos e principais resultados a atingir

There is no meaningful information about the results to be obtained.

1.5 Os instrumentos de programação operacional (POs)

The draft PA shows that there has been an involvement of the relevant stakeholders, including social partners, civil society and general public.

Partnership principle

According to the CPR it is foreseen the involvement of partners during the preparation of the Partnership Agreement. Annex 1 demonstrates that a lot of activities have been organized.

We would inquire further information on the following:

- Between 2010 and 2013, only around 3 or 4 'maritime' events were organised. There might be others more general where the sea/blue economy might have been discussed such as research and innovation, energy, transport, etc... In principle, given the broad dimension of ocean in Portugal, it seems that further efforts would have been needed in this area. If possible, could we have further information on the partners involved and the topics discussed?

§2 | Mecanismos de garantia de uma aplicação eficiente e eficaz dos Fundos

Needs to include information on the new financial institution and its role in the management and implementation of the EU funds in 2014-2020.

- Given the fact that investment in the marine economy must be financially supported through different funding channels and that the EIB has showed willingness to support the major categories of investment included in the Action Plan and in the Blue Growth Strategy, an analysis on the arrangement for coordination and complementarity of the ESI Funds with other funding instruments (EU level, national or regional), as well as for the EIB is expected in section 2.1.
- In addition, the assistance mechanism presented in the Atlantic Action Plan could be considered to help use the available funds for actions related to the blue economy.
- The PA should set out which of the European Structural Investment funds (EMFF, ERDF including European Territorial Cooperation, ESF) would be best suited to support the Atlantic Action Plan and blue economy at regional, Member State or cross-border level, considering also what role other EU instruments (Horizon 2020, LIFE, Connecting Europe Facility in particular) or financial instruments through the European Investment Bank (EIB) or other financial institutions can play.
- It should consider what complementary tools at national level would be maximising the effects of the intended investments. We can refer here, for instance, at smart specialisation strategies at territorial level, at maritime spatial planning or integrated coastal management.
- Cooperation relationships in the different domains mentioned in the Action Plan for a maritime Strategy in the Atlantic area will certainly contribute to "*dinâmicas de clusterização*" (Acordo de Parceria p.13), as well as to the global objective of the "*internacionalização das atividades (em particular, das exportações)*" (Acordo de Parceria p.11);

- The embracing, transnational and cross-cutting nature of the Atlantic Strategy is not incompatible with the specific needs and goals of different regional economies in Portugal ("*os diferentes perfis de especialização das várias regiões portuguesas*", Acordo de Parceria, p 29).
- To satisfy these demands, the cooperation perspective can be adapted to specific geographical contexts. In this sense, Cross-border Cooperation programmes (such as Spain Portugal) provide a homogeneous framework of cooperation, as well as allow cooperation initiatives to benefit from specific competitive advantages of the different regions involved. This is the case for "a região Norte diferencia-se pelo peso da indústria, sendo preponderantes as atividades de baixa e média-baixa intensidade tecnológica, apresentando também alguns segmentos de maior intensidade tecnológica (nomeadamente, ao nível da indústria de equipamentos e/ou de componentes de automóveis) com potencial de evolução para outras atividades (Acordo de Parceria p.29), whose close relationships with Galicia (ES) contribute to the development of both regions.

2.1 Mecanismos de coordenação

The PA should mention interconnections in between OP decision-making procedures or Monitoring Committees in order to fill gaps and avoid overlaps. An ESIF level coordinating or monitoring body (or both), or sufficient equivalent arrangements are foreseen.

The PA should contain also an explicit reference to the national public authority/institution that has the political responsibility for fisheries sector, to those responsible for planning in the maritime sector and to those responsible for implementation of EMFF that they were involved into the PA preparation process.

- What has been mentioned in section 1 could also be integrated in the design and functioning of the coordination structures foreseen in this point;
- In this sense, the foreseen "*Agência para o Desenvolvimento e Coesão será responsável pelo acompanhamento desta temática, em estreita articulação com as entidades nacionais que se assumem como pontos focais das iniciativas comunitárias*" (Acordo de Parceria, p.42) is recommended to be in close contact with the assistance mechanisms that might be developed for the governance of the Atlantic Strategy;
- These contacts, made on institutional basis, should not ignore all the aspects concerning raising of awareness, training and divulgation of activities that could be developed in an internationally integrated way, as it is also reminded in point 2.5;

2.4 Consistência de aplicação do quadro de desempenho

What has been done already to ensure consistency of target setting and coverage of indicators?

2.5 O reforço da capacidade administrativa das entidades envolvidas na aplicação dos FEEI

Only ERDF, ESF and cohesion fund are mentioned. We suggest also mentioning EARDF where error rate is higher and special attention should be devoted in the next programming period.

Particular references made in this chapter to gender equality and equal opportunities, use of simplified cost options (further developed in 2.6 Reduction in the administrative burden for beneficiaries), and active involvement of social, economic and institutional stakeholders, in line with the European Code of Conduct on Partnership, are very welcome.

2.6 A redução dos encargos administrativos para os beneficiários dos FEEI

The document refers to the intention of granting aid, whenever possible, in the form of repayable subsidies (section 1.1). Portuguese Authorities should be aware that this decision will dramatically increase the administrative burden with the follow-up of operations during several years.

2.7 Os sistemas de informação e o intercâmbio eletrónico de dados [4.1]

There should be a reference to art. 114(2)(d) requirement, to ensure the continued collection and storing of individual participant data (micro-data) for monitoring and evaluation needs.

§3 | Abordagem integrada para o desenvolvimento territorial na aplicação dos FEEI

Integrated approach

- On section 3.4 priority areas for cooperation have been identified. There is a specific mention to align the Atlantic Strategy and the promotion of the blue economy with the transnational programme for cooperation.
- As regards cross border cooperation PT-ES (when agreed with Spain), no specific reference to maritime issues has been made although it might be covered by general thematic objectives, such as, improvement of research and innovation capabilities, environmental protection, enhancement of networks and cooperation among SMEs (tourism as an example) and renewable energies.
- On the other side, as regards the transnational programme Madeira-Azores-Canarias, 'maritime' priorities on research and innovation, knowledge transfer, port infrastructure, renewable energies, marine bio resources and coastal zones have been explicitly mentioned. In addition, it is foreseen a thematic objective focused in the development of the blue economy, knowledge of deep seas, marine biodiversity and reinforcement of investments on research and innovation.
- In this section, there is also an extended reference to the Atlantic Strategy and its links to the Estratégia do Mar (Portuguese Sea Strategy) and the Plano Mar-Portugal (Portuguese Sea Programme). As funding for projects in the maritime fields is not only foreseen under European Territorial Cooperation goal but also under the Investment for Growth and Jobs goal, we consider that development needs and priorities for the development of the blue economy need to be analysed in previous sections of the Partnership Agreement and not in an isolated way in this section on priority areas for cooperation. Consistency of overall document should be ensured.

3.1 O Desenvolvimento Local de Base Comunitária (DLBC/ CLLD)

As for 3.2. on CLLD the document lacks a more strategic vision for CLLD within the overall strategic approach for territorial development; this strategy could be developed on the basis of the three CLLD domains of intervention mentioned in the PA.

The PA needs to include as well which types of territories CLLD will be applicable and with which Funds (see Common Guidance of the 4 ESIF-DGs on CLLD). As for CLLD under the EAFRD (LEADER), which is mandatory, it will have to be described how the 1st and the 3rd domain of intervention will be linked, which will be the role of the EAFRD and of ERDF and ESF, e.g. how the 3 Funds will complement each other. It will also have to be described how the coordination of CLLD will take place between Funds (possible use of intermediate body for CLLD etc.). Finally an explanation of how the intervention of EAFRD and EMFF for CLLD will be coordinated, especially when applied on the same territory, needs to be included as well.

3.2 Os Investimentos Territoriais Integrados (ITI)

- Our previous comments were not taken on board.
- The use of ITI cannot be decided on administrative basis and must be justified and respond to the implementation needs of a consistent territorial strategy (not the other way around).
- In general, it is not possible to evaluate the quality of the approach to the use of ITIs, including the delegation arrangements.
- It is fundamental to respect the different steps and layers that constitute a territorial approach while defining it. Therefore, before identifying the territorial instrument it is necessary to define the main territorial challenges and the main elements of the territorial strategy, including the means to achieve an integrated approach at regional and sub-regional level.

Regarding ITIs, it has been stated that in principle the approach will be territorial at level NUTS 3. Is there any idea to set up an ITI at higher territorial level?

3.3 As Ações Integradas de Desenvolvimento Urbano Sustentável (AIDUS)

- It is necessary to give a clearer vision and define the approach to sustainable urban development.
- The principles for identifying the urban areas concerned should be described in an exhaustive way and be consistent with the overall approach to sustainable urban development. The priority to the ARU must be justified and not only mentioned.

3.4 As principais áreas prioritárias de cooperação

- Although it is stated that the Atlantic Strategy will serve as source of inspiration of activities developed on a national scale, ("*.../... A Estratégia Marítima da UE para o Espaço Atlântico, e o respetivo Plano de Ação para o Crescimento Azul na Região do Atlântico, inspiraram a preparação da Estratégia Nacional para o Mar 2013-2020 (ENM 2013-2020), recentemente aprovada, e o*

respetivo Plano de Ação Mar-Portugal", p. 78), a more clear definition of priorities and mechanisms to guarantee the alignment of contents should be set out in the text of the PA;

- Contents should consider (as it is already mentioned in Action Plan for a maritime Strategy in the Atlantic area): promotion of entrepreneurship and innovation, protect, secure and develop the potential of the Atlantic marine and coastal environment, Improve accessibility and connectivity, create a socially inclusive and sustainable model of regional development.
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