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By email

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I refer to your letter of 25 January 2018 regarding the management of the European Structural Fund Programmes (ESIF). You raise two questions: the comparison of the level of decommitment with other member states in the current programmes and the quantification of any write off from invoices raised at the closure of the 2007-2013 programmes.

In terms of the decommitment from the current programme, the European Commission do not publish information across the EU.

As noted in my letter, the largest component of this decommitment is a direct result of our success in reducing youth unemployment in south-west Scotland. This meant that funding we had allocated was not needed, and EC rules mean we cannot reallocate this to other opportunities. Based on the latest labour market statistics for Oct-Dec 2017, Scotland is outperforming the UK on employment, unemployment and inactivity rates for young people aged 16-24. Scotland's youth unemployment rate (10.3%) is lower than the UK's rate (12.1%) and is the eighth lowest in the EU.

Regarding the invoices from the previous programme, to date £6.3m has already been repaid to Scottish Government. The remaining £6m continues to be pursued in line with standard SG financial practices. The cost of closure of the 2007-13 programmes has been recorded in the 2016/17 Scottish Government accounts and as a result, all amounts recovered from this process will represent additional resources and there is therefore no adverse impact on existing budgets.

I hope this is helpful.

**Keith Brown**