2020
The role of Regional Policy in the future of Europe
EDITORIAL

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It is available online in 21 languages at http://ec.europa.eu/regional_policy/information/panorama/index_en.cfm
The opinions expressed in this publication are those of the author and do not necessarily reflect the views of the European Commission.
This edition of Panorama examines the role of regional policy in helping Member States reach the EU’s 2020 strategy targets, delivering high levels of employment, productivity and social cohesion.

The 2020 strategy focuses on the three interlinked areas of smart, sustainable and inclusive growth. This integrated approach addresses the main challenges facing Europe, both currently and in the decade to come, such as an ageing population, insufficiently qualified workforces, the need for increased innovation, the relation between economic growth and environmental degradation, and energy security.

The European Regional Development Fund and the Cohesion Fund provide the necessary investment framework and delivery system to make Europe 2020 work.

This edition of Panorama takes a closer look at what regional policy is doing now to foster smart, sustainable and inclusive growth in the EU. With its long experience in working locally, and its emphasis on cooperation throughout the Union, regional policy ensures the direct involvement of citizens in the development of projects on the ground and the efficient use of resources.

We examine the strategy’s three strands, interview key people on the themes of smart, sustainable and inclusive growth in their own regions, and present projects from all over Europe which, day by day, further the aims of Europe 2020.

Through smart support for projects and programmes which directly benefit citizens in their regions, regional policy will build on its experience helping regions learn from each other and work together to make funding go further.

Going forward, achieving the Europe 2020 goals will require active involvement across all regions of the EU, and regional policy is by their side to accomplish these targets.

Happy reading!

Dirk Ahner
Director-General
Directorate-General for Regional Policy
European Commission
The Commissioner for regional policy, Johannes Hahn, gives Panorama an insight into the key issues facing the policy today.

Now that the Commission has presented its proposal for the next multi-financial framework (MFF) 2014-20, what is your view on the outcome for regional policy?

It has been a long haul, and sometimes quite a struggle, but I am happy to say that we have been successful. In these difficult times where we still feel the impact of the economic and financial crisis, the Commission has expressed its full trust in regional policy to contribute to the recovery of Europe’s economy.

It has proposed an ambitious budget for regional policy that I am confident is sufficient to allow us to do our job and do it well: €336 billion, or €376 billion when taking into account the new Connecting Europe Facility.

But the future budget is only one issue. The other element that makes me very proud is the support which our ideas on the reform of regional policy have received such as the alignment with the Europe 2020 objectives, the thematic concentration of resources on a limited menu of priorities, and a stronger focus on results and performance.

The Commission proposal foresees a new architecture for regional policy. Could you briefly explain the changes?

As everyone knows very well, my main priority was to secure an agreement for a regional policy that will serve ALL European regions, at the same time defending the focus and the priority position of the poorest regions.

We have achieved this by replacing the current architecture with a new one distinguishing three categories of regions: less developed regions with a GDP/head of less than 75% of the EU average, transition regions with a GDP/head between 75% and 90%, and more developed regions with a GDP/head of more than 90%.

On the basis of our proposal, more than 80% of the budget will be invested in the less developed regions and Member States, including transition regions. For each euro spent in the EU-15, more than €5 will be spent in the EU-12, an increase of more than 30% compared to the current period.

This shows that our proposal constitutes a clear and robust increase in our efforts for the poorest regions and Member States, particularly in the EU-12. But it also allows us to maintain a critical mass of investments in the more developed regions of the EU.
There is a lot of interest in the new category of transition regions: can you explain it a bit more?

The objective of a new transition system is to ensure a fair, balanced and politically acceptable cohesion budget. It allows for differentiating EU support in terms of the level of funding available, selecting priority areas for investment, and applying different EU co-financing rates. This will allow us to support the process of economic transition more smoothly and will be better adapted to the use of regional policy funds to contribute to Europe 2020 objectives.

Through the new transition system, the EU will support not only those regions which will move out of convergence and could experience an economic shock due to the sudden drop in EU funding, but also all those regions whose GDP/capita is currently higher than 75% of the EU average, but which still have not reached a fully accomplished economic transition.

This is particularly important in the current economic context where many transition regions have been hit hard by the economic and financial crisis while undergoing far-reaching reforms to improve their competitiveness.

What does the Commission proposal mean for your efforts to reinforce the urban dimension of regional policy?

The proposal of the Commission confirms the key role of sustainable urban development for regional policy. This shouldn’t come as a surprise given the importance of cities for the success of Europe 2020.

Cities are the centres of specialisation and innovation. But many of them struggle with the transition to the knowledge economy. Cities are at the forefront of climate change as they host the largest share of population and economic activities. Therefore, more needs to be done to foster less energy-intensive transport modes and to improve the energy efficiency of buildings.

Finally, cities host a disproportionate share of society problems and the poor. Especially in more developed Member States, unemployment, poverty and deprivation are concentrated in cities.

This is the reason our forthcoming legislative package will strengthen the urban dimension of regional policy and the application of its partnership principle.
What are the other elements in the new design of regional policy for 2014-20 which you consider to be important?

First of all, with a view to promote trans-European networks in the areas of transport, energy and information and communication technologies, a new Connecting Europe Facility has been set up under the heading of regional policy. The Connecting Europe Facility will be centrally managed and will be funded by a dedicated budget, but part of the Cohesion Fund allocation (€10 billion) will be ring-fenced to finance core transport networks under this new Facility.

Secondly, as the Union faces growing challenges of shortfalls in skills levels, under-performing active labour market policy and education systems, social exclusion and low labour mobility, we have decided to increase the share of the European Social Fund (ESF) which is part of the Structural Funds so that it will represent at least 25% of the cohesion envelope. To this end, we will establish minimum shares for the ESF for each category of region.

Finally, in order to support the transition to a resource-efficient economy, we intend to invest a significant share of our funds in energy efficiency and renewable energy, in particular in the more developed regions and transition regions.

What are the next steps?

In the proposal that has been agreed by the Commission, there are elements that will mean new ways of working and for which the implications still have to be fully explored. Most important, we need to keep in mind that the package will now be examined in the Council and Parliament. The first reactions, particularly from the European Parliament and the Committee of the Regions, are very positive, though it is clear that this is only the beginning of a long and intense discussion.

However, I am sure that we are very well positioned for the next round of debate on our legislative package which will start in autumn. I feel positive about the future of our policy and I am proud of the progress that we have managed to achieve.
The Commission has organised 4 annual RegioStars awards since 2008. These awards have been either for innovative projects in different thematic areas (including CityStar categories) or for the use of communication tools to promote EU co-funded programmes.

In that period, more than 270 projects have been nominated from across the EU-27 and from neighbouring countries involved in cross-border programmes. From those projects, 100 have been shortlisted as finalists by independent juries and we have seen 20 award winners.

This map presents the regions of origin of the applicants, whether individual regions or regions involved in specific cooperation projects (it does not include the projects proposed by national programmes or at national level). It clearly shows those regions that have been most enthusiastic to share their project examples with their European counterparts.

FIND OUT MORE
Further details of the finalists and the winners over these 4 years, including in 2011, are available here: http://ec.europa.eu/inforegio/goto.cfm?page=regiostars
In the wake of the financial crisis, public funding across the EU is feeling the squeeze. But investment in people, innovation and research is vital if we are to escape the crisis while still staying ahead of the game.

So what can be done in the face of calls for austerity measures and cuts in funding? Smart choices of what to support and the development of regional innovation strategies for smart specialisation will ensure Europe gets more value for money while creating the jobs and growth of the future.

Being ‘smart’, encouraging economic growth based on knowledge and innovation, is not only about research. It also means exploring other forms of innovation, such as social innovation, organisational innovation, improved marketing, new services and business plans. Maximizing the capacity for innovation in all regions is the key to supporting smart growth – in both the regions that are at the cutting edge of science and those that are lagging behind.

The role of territorial cooperation

In a European-wide context, this also implies more strategic cooperation across borders and territories to build the crucial links and bridges needed to enhance synergies and develop joint activities, for instance in developing world-class clusters. This is an area where territorial cooperation already plays an important role and where future programme objectives will be strengthened between regions.

**SMART GROWTH**

**SMART GROWTH – TARGETED SUPPORT**

**STRATEGIC COOPERATION**

Examples of strategic cooperation are the joint cluster activities in the Oresund region, the joint innovation strategy of Berlin and Brandenburg aligning their support for key clusters in a smart specialisation mode, as well as the enhanced cooperation in the CENTROPE region around Vienna, Brno, Bratislava and Gyor, and in the Eindhoven/Aachen/Leuven triangle.

**Development of miniature chips for the new generation of mobile phones, Aalborg, Nordjyllands amt, Denmark**

**COGERSA: waste disposal organisation. This site handles waste materials ranging from heavy marine lubricating oils to hospital waste, Corvera, Asturias, Spain**
General expenditure on R&D (GERD) measures the money invested by both the public and private sectors. The Europe 2020 strategy includes the goal of bringing GERD to 3% of GDP, but performance varies widely across European regions. In developed countries, GERD tends to be highest in capital regions and in the EU, namely in northern countries: Germany, UK, Sweden and Finland. Only 16 regions have reached their national 2020 targets and effort is required both in regions that have limited investment, such as those in Spain and Portugal, and in regions located in countries that perform well in this indicator.
Ms Mag. Irma Priedl is the Head of Area Technology and Innovation, and responsible for the Continuous Improvement Process of the Regional Innovation System for Lower Austria.

“In Lower Austria, we have a broad understanding of innovation and strive to support innovation activities of individual enterprises through state aid schemes and coaching. At the same time, our innovation policy is building on existing regional competencies and fostering future-oriented potential in location development, like cluster management or Technopoles, to gain a global competitive advantage.

The Continuous Improvement Process, now running for more than 14 years, has a long-term perspective with its own financial resources for implementation. These are the driving forces of smart growth in Lower Austria.

Monitoring regional innovation

The impact of smart growth is monitored at the regional level and the programme/service level in Lower Austria. Therefore, the Balanced Scorecard Methodology (BSC) is applied and interregional projects like IMPACTSCAN, or the INTERREG IVC Capitalisation project SCINNOPOLI, are contributing to further improvement of the monitoring system.

Promoting smart growth

Regional policy has to be the driver. Smart growth is not so much a matter of the current competitiveness of the region but more of political backing and of knowledge about regional competencies and potential. Without political backing or sufficient financial resources under regional responsibility, implementation of Smart Growth Strategies would almost be impossible.

Regional authorities can further promote smart growth by fostering a simplified step-by-step strategy implementation, by learning from other regions and by participating in the ‘smart specialisation platform’ or strategic collaborations with other European regions in the field of strategy implementation.”

FIND OUT MORE

http://www.scinnopoli.eu/
http://www.impactscan.net/default.aspx
To maximise the impact of structural funding for smart growth and innovation, it is necessary to ensure that regions make optimal use of their individual strengths and capacities in this field. The Smart Specialisation Platform will assist regions to make the most of their individual assets and work towards excellence.

The platform provides regional and national authorities with the tools to identify the areas and activities that offer the best chances to strengthen their competitive edge and to design tailor-made innovation strategies targeting these activities.

Concentrating efforts and resources on specific priorities with a focus on smart growth, these ‘Regional Innovation Strategies for Smart Specialisation’ will not only target science and technological development, but also foster complementary initiatives, for instance, to encourage technology transfer, entrepreneurship and innovation in services and the public sector.

The platform aims to develop this type of strategy for all EU regions, as both developing regions and innovation leaders stand to benefit from the initiative.

Mutually beneficial partnerships
Pooling expertise from universities, research centres, businesses and regional authorities, the platform creates multiple links between these different stakeholders.

It facilitates the exchange of experience, mutual learning and cooperation through IT tools, training, workshops, communication toolboxes and peer reviews. Resources such as methodologies, guidance or research results will be made available to policy-makers.

Launched by the Commission in June 2011, the platform is open to all EU regions. It is hosted by the Joint Research Centre’s Institute for Prospective Technological Studies in Seville, Spain.

FIND OUT MORE
The following four projects are examples of the breadth of initiatives being carried out across the European Union to embrace the opportunities available through the development of ‘smart growth’ projects. Along with ‘sustainable’ and ‘innovation growth’, ‘smart growth’ is one of the foundations of interventions and priorities being implemented in accordance with the overall strategic vision of Europe 2020, which suggests that both productivity and innovation will provide the most effective, long-term opportunities for Europe’s economic development during the coming decade.

Smart furniture for tomorrow’s living spaces

Smart housing is not just about sound-proofed, economy-saving and environmentally-proactive housing of the future, it is also about ‘living spaces’ and what goes into those spaces. The Multifunctional Furniture Project, a Slovenian project under the lead partner BREST POHIŠTVO d.o.o., is leading the way. BREST, with partners Svea and Kolpa, have developed technologically-advanced, innovative, high quality and environmentally-friendly ‘smart’ furniture, designed with flexibility and responsiveness to match the new interior design concepts of ‘smart houses’.

So far the partnership has created 17 new jobs and by 2014, Brest expects to generate €3m in revenues from the project, Svea €2m and Kolpa about €1m.

Innovation to help winegrowers

‘Enokit’, a cheap, easy-to-use and innovative technology tool has been developed by Enochip, enabling winegrowers to detect harmful micro-organisms during the wine production process. It’s quick too, taking less than 24 hours to get results.

The Enochip consortium of three partners – Biocant (project leader and leading biotechnology institute), the Cantanhede Wine Cooperative, and the Municipality of Cantanhede – from the Centro region of Portugal have indeed come to the aid of its local winegrowers.

Not only has Enochip helped enhance the quality of wine produced in the Centro region, but it has in turn strengthened the local and global market position of this wine growing region.

FACTS AND FIGURES

Project duration: April 2009 – May 2010
ERDF contribution: €2 500 084
Total budget: €7 145 900

FIND OUT MORE
http://www.brest.si/

FACTS AND FIGURES

ERDF contribution: €113 767
Total budget: €150 089

FIND OUT MORE
http://www.biocant.pt/default.aspx
Cluster support for transnational projects
Bringing together 14 partners representing nine European regions from France, Italy, Spain and Greece, and including some 55 clusters, the IC-Med project aims to develop and strengthen cooperation between clusters to work together on common projects, acting as an ‘inter-cluster transnational project incubator’.
It is led by the region of Provence-Alpes-Côte d’Azur (PACA region), with another regional partner Méditerranée Technologies involved in communication aspects as well as workshops dedicated to ‘Professional training for Cluster Managers’. Méditerranée Technologies also supports regional SMEs and Labs in their participation in European research and innovation programmes.

High Technology Incubator for start-ups
The Poznań Science and Technology Park (PPNT) in the Wielkopolska region of Poland, is a bridge between academia and business. It is home to 50 companies, mostly innovative start-ups, and has been involved in over 80 projects financed by European funds.
One such PPNT project is the High Technology Incubator, which covers the Materials, Biomaterials and Information and Communication Technologies sectors. The aim of the project is to fill the infrastructure gap for hi-tech start-ups and laboratory-based services for SMEs in these sectors. It is an ‘intelligent building’ which offers entrepreneurs a space to develop ideas and projects, minimising the risks associated with the implementation of innovations.

FACTS AND FIGURES
Project duration: June 2009 – May 2012
ERDF contribution: €1 425 000
Total budget: €1 900 000

FACTS AND FIGURES
Project duration: June 2008 – Aug. 2013
ERDF contribution: €8 410 000
Total budget: €14 200 000

FIND OUT MORE
http://www.ic-med.eu/

FIND OUT MORE
http://www.ppnt.poznan.pl/web1/page
http://www.zespol-inkubatorow.pl/
Preserving nature and its resources, saving energy, boosting the take-up of renewable energy sources and green technologies – strategic investment in eco-innovation will not only address the environmental challenges we are facing but also provide new employment markets and opportunities for growth.

The well-being of Europe’s citizens will correlate directly with the EU’s ability to harness the potential of the newly emerging eco-tech markets. Regional policy is a highly effective mechanism for making sure funding is targeted strategically to make the most of these opportunities. Between 2007 and 2013, regional policy is allocating €105 billion to sustainable growth, and it is essential that managing authorities make an additional effort to ‘invest more, invest better’.

A close link between regional innovation policies and investments in the areas of energy, environment and climate change will boost job creation, competitiveness and quality of life at local and regional level.

Resource-efficient Europe – a call to action

From energy-efficient buildings to clean urban transport, strengthening eco-innovation needs smart investment. But investment needs to be backed up by mainstreaming the principles of sustainable development throughout policy-making. Socio-economic partners, civil society, universities and SMEs all have their role to play to ensure regional innovation policies are effective.

WHY IT MATTERS

If current trends continue, by 2050, the global population is expected to have grown by 30% to around 9 billion, and developing economies will legitimately aspire to the welfare and consumption levels of developed countries. We have to change our patterns of both consumption and production, and lead the way in developing innovation-driven, green economies.
Dr Harma Albering is an Advisor on Sustainable Development at the Department of Environment & Sustainable Development, and is one of the managers of the Cradle to Cradle Network (C2CN) project.

“The Dutch Province of Limburg was one of the first European regions to embrace C2CN. New, more conscious ways of producing, building and planning are the core elements and offer economic prospects and improved quality of life while protecting the environment. This approach is consistent with regional policy, which aims to boost competitiveness and achieve a faster rate of economic development, sustainably.

Trans-regional benefits

We want to show that eco-effectiveness is beneficial to the EU because it is not very rich in natural resources, so this can help us become less dependent on third parties. We need to mobilise the creativity, innovative power, intelligence and investments of the entrepreneurs, designers, advisors and academic world in the EU as a whole. Fortunately, other European regions share our views and have joined us in C2CN. We also have the active support of Directorates-General of the European Commission (Regional Policy and Environment).

No doubts on the benefits of sustainability

Our stakeholders are also convinced that we have to make the transition from an eco-efficient towards an eco-effective society. Since they are in the lead, we believe that in the end they will benefit more than those that are lagging behind. Our motivation regarding sustainability has always been there, and it was in 2007 that European Commission representatives inspired us to look further, expand our horizons, and go truly European.

Transition towards a prosperous eco-effective society is our goal, C2C our inspiration and the Limburg principles our guidelines. The developments in ‘cradle to cradle (C2C) approaches’ have already been taken up by a lot of companies, in particular SMEs, as well as public authorities.”

FIND OUT MORE
http://www.c2cn.eu/
Environmental degradation, biodiversity loss, rapid economic development and the inefficient use of resources can all have catastrophic consequences on our environment. This is why sustainable growth is so important to Europe’s economic development, as it aims to develop a more environmentally friendly and competitive economy in which resources are used in an effective manner. The four projects below highlight the important part sustainable growth plays, as one of the three priorities of the EU 2020 strategy.

Environmental pressures become competitive advantages

**ENWORKS** is a partnership of organisations providing funded environmental support to more than 11 000 companies in North West England since 2001, helping save over €106 million and 450 000 tonnes of CO₂.

Its Resource Efficiency support helps companies boost profits and reduce emissions by using energy, water and materials more efficiently and embracing sustainable business models. And its bespoke **Online Resource Efficiency Toolkit** helps businesses prioritise, monitor and report on opportunities to make environmental and financial savings in real-time. Its most recent three-year programme delivered a net additional Gross Value Added to the UK economy of €202 million.

**FACTS AND FIGURES**

- **Project duration:** Oct. 2009 – March 2013
- **ERDF contribution:** €3 960 000
- **Total budget:** €10 570 000

FIND OUT MORE

http://www.enworks.com/

Promoting renewable energies

The **MORE4NRG** interregional project brings together 12 partners, 11 regions and the Assembly of European Regions (AER). One of the principal partners is the Italian region of Abruzzo, in the form of its Regional Energy Agency, ARAEN, which is a key player in promoting and implementing renewable energy sources (RES) and energy efficiency strategies.

The aim of the MORE4NRG project is to strengthen the delivery of regional strategies for renewable energy sources and energy efficiency by exchanging best practices, as well as jointly developing an integrated monitoring tool. The toolkit will be available for all regions to assess their potential for RES and energy efficiency, and to monitor progress in the achievement of their energy targets.

**FACTS AND FIGURES**

- **Project duration:** April 2011 – Aug. 2014
- **ERDF contribution:** €1 032 084
- **Total budget:** €1 326 559

FIND OUT MORE

http://www.more4nrg.eu/pages/home
Flood and drought prevention for Poland’s forests

Promoting environmentally friendly methods of water storage, enhancing water retention capacities and improving hydrological conditions across 178 Forest Districts in Poland – this is the aim of the Small Scale Water Retention Programme, under the responsibility of the Coordination Centre for Environmental Projects (CCEP/CKPS).

The project employs environmentally friendly methods, with the aim of biodiversity protection. It consists of constructing water storage facilities and rehabilitating existing systems, and restoring moor and wetland areas, which includes building sluices, dikes, stopbanks, floodbanks and small water retention reservoirs.

Shifting sands to preserve a coastal gem

Increasing pressure from demographic growth, tourism, traffic and disturbances to ecosystems has been affecting the Lido de Sète, a 12-km stretch of sand which separates the Thau lagoon from the Mediterranean Sea near the southern French city of Montpellier.

However, the Prefecture of the Languedoc-Roussillon Region, with ERDF support, is managing a project to control damaging erosion processes by re-establishing sand dune ridges, re-orientating the road system and developing pedestrian and cycle paths. Benefits for the local population and businesses will include positive and long-term impacts on tourism, better traffic flows and protection of the dunes and lagoon areas.

FACTS AND FIGURES
Cohesion Fund contribution: €34,500,000
Total budget: €45,800,000

FIND OUT MORE
http://ckps.pl/ccep/home.html

FACTS AND FIGURES
ERDF contribution: €8,098,800
Total budget: €23,139,500

FIND OUT MORE
http://www.languedoc-roussillon.developpement-durable.gouv.fr/lido-de-sete-a-marseillan-avis-a1851.html
Sustainable growth is made up of many strands, including mitigation and adaptation to climate change, energy efficiency and renewable energy. In this field, the EU Directive on renewable energy has set targets for all Member States, including that the EU should reach a 20% share of energy from renewable sources by 2020. In the transport sector, this share should reach 10%. This offers an opportunity for the development of new technologies and employment. In some EU countries a substantial share of consumption of energy comes from renewable sources: 43% in Sweden and 29% in Finland. In contrast, in Malta, Luxembourg and United Kingdom the share is only 0.1%, 0.9% and 1.5% respectively.
Europe’s population is ageing and our workforce is struggling to find employment following the financial and economic crisis, at the same time globalisation underlines our need to be more competitive. This means we just can’t afford to be held up by low skills, poverty and isolation. Inclusive growth aims at ensuring that everyone living in the EU reaches their full potential, contributing effectively to Europe’s growth.

Over 21% of Europe’s young people are unemployed and the EU has around 80 million people with low or basic skills. By 2020, 16 million more jobs will require high qualifications – acquiring and building on new skills is ever more important.

Four goals feed into inclusive growth in the EU:

- raising Europe’s employment rate – more and better jobs, especially for women, young people and older workers;
- helping people of all ages anticipate and manage change through investment in skills & training;
- modernising labour markets and welfare systems;
- ensuring the benefits of growth reach all parts of the EU.

Two key initiatives will boost inclusive growth in the EU:

**AGENDA FOR NEW SKILLS AND JOBS**

- Helping people to acquire new skills, adapt to new labour markets and make successful career shifts.
- Modernising labour markets to raise employment levels, raise productivity and ensure our social model is sustainable.

**EUROPEAN PLATFORM AGAINST POVERTY**

- Working for economic, social and territorial cohesion.
- Ensuring the basic rights of people living in poverty and exclusion are respected and helping them take an active part in society.
- Helping people integrate in the communities where they live, get training, find work and access social benefits.

Regional development works to support inclusive growth by reducing disparities between regions, making sure the benefits of growth reach all corners of the EU.
The Europe 2020 strategy aims to reduce the number of people at risk of poverty or exclusion in the EU by 20 million, by 2020. Getting there will be a challenge and regional policy’s support for projects that boost employment and infrastructure, providing people with access to opportunities, is a key part of the solution. North-South divides in Spain, Italy and Belgium and the juxtaposition of high GDP per head with high ‘at risk of poverty or exclusion’ rates underline the complexity of the issue.
Mr Cernin Martinez Yoldi is involved in the design and implementation of public policies for the economic development of the region of Navarra, Spain.

“The MODERNA Plan is the Economic Strategy of Navarra Towards 2030. It has been designed with the participation of more than 5,000 economic stakeholders and citizens, approved by the most important political parties, business associations, trade unions and universities, and passed by the Regional Parliament with 76% of the votes.

We believe that the Regional Economic Strategy cannot succeed without the involvement of the economic stakeholders who will carry out the plan, in a real public-private partnership.

Sharing ideas

We create a system in which the citizens and companies of the region can offer their ideas. After reaching consensus in small groups, among the stakeholders, these ideas and projects are incorporated in the economy and challenge the existing framework.

Our economy cannot develop without considering the best ideas of every citizen. Knowledge is in the people who have professional and personal experiences, and this knowledge must be shared and enriched with the views and experiences of others. This system provides trust for society and encourages participation. The sense of belonging and the small size of the region have also helped to achieve involvement, trust and social networks.

Equality of opportunity

Education is the most important economic policy in the long term, and the best way to improve social inclusion. So we have set objectives in terms of general education of the whole population, and not only of the most specialised workers.

We feel that Navarra Towards 2030 has an application beyond our borders – a society in which everyone participates is more productive, and inclusion is an aim throughout the EU. Regional policy support makes it possible for us to reach our goals through targeted funding.”
To highlight what the EU’s regional policy is doing to support inclusive growth, Panorama visits one programme and two projects. From renovating a rundown urban quarter to providing knowledge-sharing networks and youth employment opportunities, support is channelled to ensuring none of Europe’s capacity is unexploited and no talent falls by the wayside.

A rundown part of town gets a new lease of life

From adult training programmes to neighbourhood policing, regenerating the Józsefváros Magdolna quarter in Budapest is being tackled on many fronts. Its success is based on involving residents through cooperation and active participation.

Launched in 2005, the programme aims to improve and restore the physical environment of the district and boost the social integration of locals – an integrated approach to working through the district’s historic problems is the key to success. The programme knows that problems are often interdependent.

DIVERSE SOLUTIONS FOR REHABILITATION

Six separate components combine to breathe new life into the quarter:

- Renovation of municipal-owned social tenement houses with involvement and contribution of tenants;
- Renovation of apartment houses – seven condominiums will be restored as part of Phase II;
- Renewal of public spaces surrounding Mátyás Sq., the creation of non-traffic zones and green areas;
- Operation of the Kesztyűgyár Community Centre in a former glove factory offering programmes primarily to children and youth;
- Improvement of employment chances through education, training and employment programmes for adults, job-search clubs and job fairs; and
- Crime prevention through neighbourhood policing.

Many other programmes, such as educational school classes on addiction and crime, restorative programmes, special care for addicts, and the casual employment of the homeless are all indirect means aimed at improving public safety.

FIND OUT MORE
http://www.rev8.hu/

FACTS AND FIGURES

Project duration: 2007-13
EU contribution: €6 000 000
Total budget: €8 300 000

An inner city quarter with a population of 12 000, Józsefváros Magdolna faces serious social and security problems. Between 2002 and 2008 the district had a higher level of recorded crime than any other in Budapest. One third of the population receives no more than primary education, one in ten families is affected by unemployment and half of the population is Roma, five times as many as in the rest of the capital.
Full SPEED ahead

When it comes to finding tomorrow’s entrepreneurs and making sure that young people are able to exploit their career opportunities, SPEED’s support of recent graduates can give them the leg up they need.

Students on the cusp of becoming entrepreneurs are given the opportunity to start up in a sheltered environment, “Regional policy support allowed us to extend our reach,” says programme manager Steve Moore. He explains that the programme SPEED, based at the University of Wolverhampton in the UK, will have supported over 500 ventures when it finishes.

FACTS AND FIGURES
Project duration: March 2009 – June 2012
EU contribution: €2 800 000
Total budget: €5 700 000

FIND OUT MORE
http://www.wlv.ac.uk/default.aspx?page=10623

27th Region, re-designing the public sector

Giving citizens the chance to share ideas and visions of innovative approaches to reshaping their regions, the project experiments with new ways of co-producing public policies within French regional governments.

‘How can we rethink innovative administration?’; ‘What does the high school of the future look like?’ and ‘What mobility can we imagine for rural areas within 10 years?’ – just some of the questions they pose.

Fostering creativity, co-conception and social innovation in public institutions through community projects, prototyping and design thinking, 27th Region wants every French region to be equipped with its own innovation lab ensuring it can face current and future challenges.

FACTS AND FIGURES
Project duration: Spring 2011 – Spring 2012
EU contribution: €325 000
Total budget: €828 300

FIND OUT MORE
http://www.la27eregion.fr/
On 1 July 2013 Croatia will join the European Union, if all goes according to plan. It will be the first country to make use of the Instrument for Pre-Accession Assistance (IPA) in its current form.

The country’s experience is unique – it started working towards accession using the previous mechanism designed to help candidate countries, the Instrument for Structural Policies for Pre-Accession (ISPA) which was phased out in 2007. This was replaced by the IPA. Croatia has projects up and running under both programmes. It is also the first country to face a Structural Funds test carried out under the IPA.

What does the support cover?
The support which countries receive under the IPA covers five areas, and countries can apply for funding under all components, depending on their candidate status.

This is designed to prepare countries for accession, not only by helping them to address practical development problems but also by giving them experience in the management of EU funding. Candidate countries are learning how to apply principles of multi-annual programming, strategic planning, partnership, financial management rules, monitoring and evaluation.

There are five components funded by the IPA:

I. Transition assistance and institution building;
II. Cross-border cooperation;
III. Regional development, covering transport, environment and economic development;
IV. Human resources development, strengthening human capital and combating exclusion;
V. Rural development.

The components are aimed at the following countries:

- Components I and II – beneficiary countries in the Western Balkans, Iceland and Turkey;
- Components III, IV and V – the Republic of Croatia, the Republic of Turkey and the former Yugoslav Republic of Macedonia (which are all candidate countries).

FIND OUT MORE

From the southern part of the island a 300m-long arch bridge connects the island to the mainland
REGIONAL DEVELOPMENT IN CROATIA

BUILDING REGIONAL COMPETITIVENESS

Completion of the Faust Vrančić Memorial Centre

The completion of the memorial centre on the island of Prvić, dedicated to Croatian scholar Faust Vrančić, will give visitors the opportunity to find out more about his life and accomplishments. The centre will also host events such as concerts and theatre performances.

"The promotion of cultural tourism will extend the tourist season and is expected to create about 50 new jobs. Tourism policy and administration in the Vodice and Prvić areas will be strengthened through training."

Karlo Gjurašić, State Secretary at the Ministry of Regional Development, Forestry and Water Management

FACTS AND FIGURES

Project duration: 2008-11
EU contribution: €28 700 000
Total budget: €60 000 000

PROTECTING THE ENVIRONMENT

Karlovac water programmes

A new treatment plant and renovated water supply and waste water networks will provide the wider Karlovac area with an environmentally sustainable water management system.

"The project will help boost the overall development of the Karlovac area by improving the quality of the water. The construction of the plant will prevent the discharge of untreated waste water into rivers and the pollution of surface waters. It will reduce water loss and the risk of ground water contamination."

Damir Tomasović, Head of Section of the Central Office for Development Strategy and Coordination of EU Funds

FACTS AND FIGURES

Project duration: 2005-11
EU contribution: €22 500 000
Total budget: €36 000 000

IMPROVING TRANSPORT LINKS

Vinkovci to Tovarnik rail improvement

The project restores a 33.5 km section of double-track railway line between Vinkovci and Tovarnik which was damaged during the Balkan War.

"The main value of the project is safer and faster transportation of goods and passengers on an important Pan European Transport Corridor. Other benefits include better conditions thanks to new platforms and stations. These improvements will bring environmental benefits, and delays caused by the poor condition of tracks on that line will be a thing of the past."

Katarina Ćop Bajde, Director at the Ministry of the Sea, Transport and Infrastructure

FACTS AND FIGURES

Project duration: 2010-12
EU contribution: €96 000
Total budget: €1 300 000
Micro-credit has proved to be an efficient tool for helping people starting their own business or developing it when they do not have access to traditional banking services. In recent years, the Commission has set up several instruments which aim, in a variety of ways, to reduce the gaps in the provision of micro-credit in the EU Member States and regions. One of these instruments is JASMINE (Joint Action to Support Microfinance Institutions in Europe), a pilot project assisting non-bank micro-credit providers in the development of their potential and to become sustainable.

JASMINE makes technical assistance in the form of various services available to these intermediaries. They include an institutional assessment of the micro-credit provider which helps to identify the needs for tailor-made training, and also, upon request, the delivery of a financial rating.

JASMINE also provides services that are accessible to the entire micro-credit sector such as a helpdesk to respond to questions related to EU microfinance instruments and the organisation of specialised workshops dedicated to the dissemination of good practice in micro-credit lending.

In addition to the ‘European Code of Good Conduct for Micro-credit Provision’, released in October 2011, two other tools will soon complement the range of applications that are being developed in the framework of JASMINE: JASMINE online, a web-based application to help potential micro-entrepreneurs identify micro-credit providers in their regions as well as a quality label for micro-credit providers.

Background
Micro-credit has gathered speed in recent years in the European Union and is expected to continue to grow at a fair pace in the coming years. JASMINE was launched by the Commission and the European Investment Bank group in September 2008, following the Communication ‘A European Initiative for the development of micro-credit’ adopted in November 2007.

FIND OUT MORE
http://www.eif.org/what_we_do/microfinance/JASMINE/
Infrastructure projects facilitated, easier business transactions and common solutions to common problems – territorial cooperation makes it possible for regions to come together to ensure a better quality of life for EU residents.

Cooperation stories, descriptions of innovative projects and explanations of how cooperation has changed people’s lives across the EU, are all explored in a forthcoming book: European Territorial Cooperation, building bridges between people. The book is being published in English in October, with the French and German versions to follow soon after.

The European territorial cooperation objective, financed by the European Regional Development Fund (ERDF), currently supports 81 cross-border, transnational and interregional cooperation programmes, including programmes with (potential) candidate countries (IPA). The budget for this objective amounts to €8.7 billion for the period 2007-13.

FIND OUT MORE
ece.europa.eu/regional_policy/information/index_en.cfm

HEALTH CARE KNOWS NO BORDERS
The project Healthacross works to reduce barriers to health care, such as legal and customs related issues and the joint development of long-term structural plans for regional health care.

The city of Gmünd/Ceské Velenice lies in both Austria and the Czech Republic. On the Czech side, the closest hospital is 60 km away in Ceske Budejovice, while Landesklinikum Gmünd hospital, Austria, is only a few hundred metres across the border.

For dialysis patients in Gmünd, the modern Czech unit at Jindrichuv Hradec hospital is easily accessible, while another two comprehensive rehabilitation services also in the Czech Republic could be used by Lower Austrians.

Specific aims include:
- Simplifying patient transfers
- Ensuring the shortest response times in emergencies
- Promoting a sound legal basis

FACTS AND FIGURES
Project duration: June 2008 to Dec. 2010
ERDF contribution: € 615 232
Total budget: € 723 685

FIND OUT MORE
www.healthacross.eu
### Panorama welcomes your comments and questions. We would like to hear about your experience.

So if you would like to share interesting work going on, ask questions or express your views on any aspect of regional policy, get in touch by contacting:

**regio-panorama@ec.europa.eu**

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**DATES 2011** | **EVENT** | **PLACE**
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10-13 October | OPEN DAYS – 9th European Week of Regions and Cities | Brussels (BE)
24-25 October | Informal meeting of ministers on Effective Instruments for Territorial Development | Warsaw (PL)
24-26 October | European Commission’s 2nd Annual Forum on the EU Strategy for the Baltic Sea Region / 13th Baltic Development Forum Summit | Gdansk (PL)
24 November | Integrated Approach to Development – a Key to a Smart, Sustainable and Inclusive Europe | Poznań (PL)
25 November | Informal meeting of Ministers responsible for Regional Policy | Poznań (PL)
27-28 November | JEREMIE-JESSICA Conference | Warsaw (PL)

Additional information on these events can be found in the Agenda section of our Inforegio website:

http://ec.europa.eu/regional_policy/conferences/agenda/index_en.cfm