EU contribution strengthens UN global urban agenda
Welcome to the winter 2016 edition of Panorama. The main feature in this issue looks at the EU’s participation in the recent Habitat III conference in Quito, Ecuador, which enabled the sharing of experiences from around the world in the domain of sustainable urban development. We review this year’s successful European Week of Regions and Cities, reveal some of the key findings of the ex-post evaluation of the 2007-2013 funding period, and look forward to the future of the Baltic Region Strategy. Our in-depth look at one EU region features the newly created French region Grand Est, and includes interviews with the region’s president and Commissioners Creţu and Thyssen plus some recent successful projects. This issue’s In Your Own Words section features contributions from Poland, Italy, Romania and the Netherlands.

Our Projects section includes contributions from Greece and the Netherlands, and the project interview takes a closer look at a shipping project in the South Baltic region. You will also find a poster featuring the best Europe In My Region photo competition entries.

Ana-Paula Laissy
Head of Communication Unit, Directorate-General for Regional and Urban Policy, European Commission
This is the last issue of *Panorama* in 2016. And yes, I think it is the moment to press the ‘pause’ button, to look back at the past year and look ahead to 2017 through a regional policy prism.

Looking back at the last 12 months, a number of milestones are clearly visible, but I would like to highlight just three.

First is the honest, candid assessment of regional policy’s achievements over the 2007-2013 financial period. This was arguably the toughest period in the history of the European Union, be it for economic or political reasons. Yet, the evaluation unambiguously shows that regional policy was a lifeline for many Member States straddled by budgetary crises. Our policy helped 1 million people find a job despite the crisis, it supported thousands of European small and medium-sized businesses and improved the lives of millions of Europeans by investing in access to basic services such as clean water, for instance.

In the context of the most serious economic and financial crisis in over 80 years, Cohesion Policy provided a vital source of public investment.

Second, I am especially happy and proud of our proposal to waive co-financing from beneficiaries for the reconstruction of areas damaged by natural disasters. Here again, the EU’s added value is clear and visible.

Third, we worked hand in hand with Member States and regions to successfully conclude the investments of 2007-2013 and to launch, on solid ground, the new ones. More than EUR 120 billion have been allocated to specific projects, which will contribute to improving the life of citizens throughout the Union.

Yet, our biggest challenge for 2017 will not be about the efficiency of regional policy, but about convincing everyone that it is indeed efficient. Regional policy must make a difference, but equally important, regional policy must be perceived as making a difference!

Let’s be honest: in 2017, regional policy will be under pressure, it will be criticised and some may argue that it is time to move beyond it.

Yet, regional policy does work! Across the whole of Europe! And we know it.

However we are in the vortex of a societal and technological revolution which means that we must adapt to these changes. And this is also a communication issue: how to reach 500 million Europeans whose trust in institutions and traditional media is being eroded? What messages, what words and what tools do we need?

Throughout 2017, *Panorama* will keep you informed about these and other issues. As for now, you can read more about the 2007-2013 evaluation in this edition, whether in terms of job creation, support for businesses, transport and fighting climate change.

It is vital that this good news be properly communicated to EU citizens to enable them to understand in greater detail the extent to which Cohesion Policy makes real and lasting improvements in all our lives.

I wish you all the best possible year in 2017.

Corina Crețu

European Commissioner for Regional Policy
European cities lead the way

A new report reveals that Europe’s cities are playing a major role in moving towards a more innovative, inclusive and sustainable future.

European cities have several distinct demographic characteristics. Cities, and especially capital cities, tend to grow faster than their country as a whole. They attract more working-age population looking for a higher education or a better job. People born outside the EU tend to concentrate in cities, especially in the large cities in Western Europe.

European cities make a big economic contribution, generating more GDP and employment growth. For example, since 2000, cities have created 9 million more jobs, while other areas have not added a single one. Cities also have higher employment rates. They are more productive and innovative and their residents are better educated.

In almost all countries, the capital city performs best. In some countries, it seems as if it is over-performing while the other cities are underperforming. Some cities seem to be stuck in a middle-income trap where they fail to catch up with high-income ones and are confronted with increasing competition from low-income cities.

Socially, European cities offer a mixed picture. In eastern EU Member States, cities tend to have lower unemployment, poverty and exclusion rates. In some western EU Member States, they have higher unemployment rates, despite the concentration of jobs within them. This is due in part to a skills mismatch, although discrimination may also play role as city dwellers born outside the EU have much lower employment rates.

“Publication of the State of the European Cities Report gives urban practitioners at the European and national level an excellent overview of the situation in Europe’s cities and towns. Moreover, thanks of this report, European cities can compare themselves. Every mayor and president of the city should have this report!”

Jan Olbrycht, Member of the European Parliament and President of the URBAN Intergroup
Housing, however, is an area for concern. Housing in cities tends to be smaller and more expensive, which leads to more households living in crowded conditions. Many residents in high-income cities say it is difficult to find good housing at a reasonable price. Fortunately, cities across the EU score better in terms of education and training, which can help people to find a job which pays better. Building more (affordable) housing in cities with a high demand would help to reduce poverty.

Transport is a constant concern for cities with congestion and pollution often high on the political agenda. Nevertheless, they provide many mobility benefits. Due to the short distances to many different destinations, walking and cycling offer realistic alternatives to driving. The concentration of population and the clustering of destinations make it efficient to provide public transport.

However, cities do not automatically have a high share of low-carbon mobility. They need to make it convenient, efficient and safe to encourage more people to use these modes of transport. In addition, cities may want to introduce policies like congestion pricing or higher parking charges in the city centre to reduce traffic. This would also have the benefit of improving air quality, which remains a health threat in many cities and does not comply with the EU air quality directives.

Cities are more resource efficient than towns, suburbs or rural areas. On a per-capita basis, they use less land and require fewer local roads, which implies substantial cost savings in terms of investment and maintenance. Land-use per capita has increased in most cities, but more than half those with a growing population have reduced the amount of land used per resident.

Planning ahead

Cities are becoming increasingly focused on climate change. Many EU cities have signed the Covenant of Mayors, committing to a 20% reduction in greenhouse gas emissions by 2020. Increasingly, cities are using nature-based solutions which can contribute efficiently to multiple goals. For example, green roofs can help reduce the impact of heatwaves, catch run-off water and reduce the need for cooling.

In most countries, local governments, including cities, play a greater role in policy than regions. Due to population growth and better transport connections and communication, however, the impact of a city today extends far beyond its municipal border. This means that urban governance needs to shift to a metropolitan scale to match these bigger labour and housing markets, which is why many countries are experimenting with different metropolitan governance systems.

Cities need sufficient autonomy and resources, a clearly identified decision-making process, support from the residents and, possibly, a directly elected mayor. Although the autonomy of cities has grown over the past two decades, the economic crisis has led to less public investment and a reduction in the share of public investment managed by local governments.
The State of European Cities Report was launched in Brussels during the recent European Week of Regions and Cities on 12 October and presented at the UN-Habitat III conference in Quito.

It can be downloaded here: http://ec.europa.eu/cities-report.

**FIND OUT MORE:**
http://europa.eu/!MY73Dq

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**DEVELOPING A GLOBAL, PEOPLE-BASED DEFINITION OF CITIES AND SETTLEMENTS**

Cities want to learn from each other. As stated in the new Urban Agenda, a global definition would help. It is only with such a definition that we can answer even simple questions such as which city has a bigger population. In addition, many of the UN Urban Sustainable Development Goal indicators are very sensitive to where the city boundary is drawn. For example, both access to public transport and air pollution tend to be high in the city centre, but much lower levels in the suburbs. This means that if the boundary excludes the suburbs, the indicators will be much higher than if they are included. That is why, together with the Organisation for Economic Cooperation and Development (OECD) and the World Bank, the EU is committed to developing such a definition.

Fortunately, the work does not have start from scratch. Along with the OECD, the EU has developed the EU-OECD city definition. In addition, the EU has created a variant that also identifies smaller settlements, referred to as the degree of urbanisation. The World Bank has already tested the degree of urbanisation and discussed the results with multiple countries outside the EU and OECD.

In preparation for the Habitat III conference, the Joint Research Centre developed a new global population grid and applied the degree of urbanisation. These results for the years 1975, 1990, 2000 and 2015 can be seen and downloaded for free from http://ghsl.jrc.ec.europa.eu. The often-cited data from the UN World Urbanization Prospects, which is based on national definitions, may actually be quite distorted. For example, the combination of national definitions puts Africa at only 40% urban, while the harmonised definition indicates 80%.

The next steps for this commitment are to present and discuss these results with many different partners, and based on this feedback refine the method and propose to the United Nations a global, people-based definition of cities and settlement.

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This report was prepared to support both the Urban Agenda for the EU and the new global Urban Agenda adopted during the UN-Habitat III conference in Quito (see page 10). It was jointly produced by the Directorate-General for Regional and Urban Policy of the European Commission and UN-Habitat.

The indicators used in the report can be visualised and accessed on the new urban data platform produced by the EC’s Joint Research Centre. This platform makes it easier to find comparable indicators for European cities and helps cities to learn from each other.

It can be accessed here: http://urban.jrc.ec.europa.eu

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**“With this report, we want to change the perception of cities from being a source of problems to places with potential.”**

Corina Crețu, European Commissioner for Regional Policy
The ESI Funds and open data ... a new era

Welcome to the first in a regular series of Panorama articles dealing with various aspects of data. Through these articles we hope to shed light on the nature of the data available on ESI Fund programming and how it can be used to create structured information and lead to a better understanding of how the policy works. Below we profile the ESI Funds Open Data Platform.

Among the 2014-2020 programme reforms was an obligation to provide the Commission with structured financial and indicator data through the common IT interface ‘SFC2014’. The benefit of such painstaking work can now be seen through the ESI Funds Open Data Platform which exploits the detailed structured data available on the 533 programmes.

The Commission is progressively expanding the volume and scope of the data being made available. Priority is given to datasets that provided standard information across all five ESI Funds. Since its launch in December 2015, with datasets on planned financing and indicator targets for 2014-2020, two significant platform updates have already taken place:

- July 2016: update of planned financing to reflect all adopted programmes and the opening of specific pages visualising all 533 programmes (located via the country pages);
December 2016: first information on implementation of finances and progress towards common indicator targets.

The platform should be explored online to fully appreciate the richness of the data. Here are some tips for making good use of it:

- **On-screen visualisations** provide pre-defined presentations of the underlying datasets. The datasets provide richer details and allow alternative analyses and visualisations.

- **The catalogue on the landing page** provides a full list of the datasets and graphs that can be filtered and explored. The datasets driving the visualisations – ‘ESIF 2014-2020 Finance Details’ and ‘ESIF 2014-2020 Achievement Details’ – are available there along with other 2014-2020 and 2007-2013 datasets;

- The platform – hosted by SOCRATA (a company specialising in data visualisation and analysis tools for opening government data) – provides **software tools via the catalogue** to create custom visualisations, to download or embed data visualisations on your own website;

- A frequently asked questions page and introductory video are available on the homepage, under the ‘About’ button in the header and footer menus.

Member States have been informed that the data they notify will be made publicly available so they have an important role to assure quality and reliability. We expect the use of open data on programming and implementation will boost transparency and accountability and inform the debate on the overall performance of both the policy and specific programmes.

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FIND OUT MORE
ESI Funds Open Data Platform: https://cohesiondata.ec.europa.eu/
Catalogue of datasets, graphs, etc.: https://cohesiondata.ec.europa.eu/browse
The Habitat III Conference on sustainable urbanisation came to a successful conclusion with the adoption of the New Urban Agenda, the United Nations’ 20-year strategy for rethinking the way we build, manage and live in our cities.

On 20 October, nearly 170 countries unanimously adopted the New Urban Agenda, the United Nations’ 20-year strategy on sustainable urbanisation. Corina Crețu, Commissioner for Regional Policy, represented the European Union as the head of the Delegation at the event which was attended by 30 000 people from 167 countries, including 10 000 participants from across the globe. Organisers of Habitat III acknowledged that this constituted the highest participation ever recorded by local authorities, civil society and other stakeholders at a UN conference.

The New Urban Agenda draft document was adopted at the end of the Habitat III Conference held in Quito, Ecuador from 16-20 October. The third United Nations Conference on Housing and Sustainable Urban Development was the first implementing conference following the adoption of the 2030 Agenda on Sustainable Development. Although the adoption of the 2030 Agenda in September 2015 was seen as a landmark achievement, the most challenging task lies ahead: implementation will be the real test, and Habitat III represents an important milestone in moving from commitment to action.

According to the United Nations General Assembly (UNGA) Resolution 66/207 and in line with the bi-decennial cycle, in 2011, the UNGA decided to convene Habitat III in an effort to reinvigorate the global commitment to sustainable urbanisation.

Reality check

The aim of the conference was to secure renewed political commitment for sustainable urban development, assess accomplishments to date, address poverty and identify and address new and emerging challenges. Within the same resolution, it was decided that Habitat III should result in a concise, focused, forward-looking and action-oriented outcome document, and that a preparatory committee and a bureau be set up to prepare the event. Four EU Member States served in the bureau, namely France, Czech Republic, Germany and Slovakia.

The New Urban Agenda will guide urban development policies and financing for the next 20 years. It will be a cornerstone in the implementation and localisation of the 2030 Agenda for Sustainable Development and other 2015 milestone reform agendas, in particular the Paris Agreement.

It will also provide an important impetus in the implementation of the Sustainable Development Goal (SDG) 11 which calls for “cities and human settlements” to be “inclusive, safe, resilient and sustainable”, as well as other goals and targets across the 2030 Agenda. The New Urban Agenda will endeavour to create a mutually beneficial relationship between urbanisation and sustainable development.
The EU spirit

Since January 2015, the preparation of a common position for the EU and its Member States has been coordinated in the Council Working Party on Preparation for International Development Conferences. DG Regio has led and coordinated the process jointly with DG DEVCO and the European External Action Service (EEAS) working with the other DGs concerned.

This has been a great exercise in internal coordination among both the Commission services and the Member States which, then and subsequently, created several steps in the challenge and developed a strong team spirit corresponding to that of the EU. This enabled the EU to be one of the key players in the negotiation process and to ensure its position is strongly reflected in the New Urban Agenda.

The EU’s contribution to Habitat III and its outcome document the New Urban Agenda is based on the shared commitment to reaching the overarching goal of sustainable urban development while taking into account the principles of subsidiarity and proportionality. It is being shaped by the European Commission’s ten priorities and its joint work with the EU Member States on an Urban Agenda for the EU, as well as the knowledge accumulated in urban development. In this perspective, the Urban Agenda for the European Union will be a key EU delivery mechanism for the New Urban Agenda.

The EU’s vision of the future global New Urban Agenda is based on the understanding that an integrated and place-based approach to urban development, together with a long-term vision, is necessary to promote well-managed, socially inclusive and safe, resilient, resource-efficient cities that are environmentally sustainable as well as economically prosperous.

This approach takes into account the diversity of cities and their wider territorial context, and promotes urban-rural linkages in order to contribute to the Union’s objective of territorial cohesion. All efforts should be underpinned by the respect for and protection of human rights and gender equality, as well as the broad participation of marginalised and vulnerable groups, as a prerequisite for achieving inclusive sustainable development.

Furthermore, recognition of the central role played by culture, the preservation and promotion of cultural and natural heritage, alongside the availability of public space – which is a fundamental condition for participation and ownership of all in achieving these objectives – are part of this approach.

Good governance

The real added value the EU’s vision brought to the global discussion was the importance of good urban governance as a key aspect in achieving sustainable urban development and, in particular, the role of local authorities and stakeholders.

The EU and its Member States argued strongly that sustainable urban development requires institutions at both national and local level that are legitimate, effective, accountable and transparent. They must also follow inclusive, evidence-based and participatory decision-making processes in a well-managed multi-level and multi-actor system of governance.
In addition, effective local governance contributes significantly to reinforcing democracy and citizen empowerment. Of particular importance was the EU’s position regarding the role of local authorities and civil society, which were obviously not part of the inter-governmental negotiations. The EU defended the importance of involving and consulting local authorities at all stages in the policy cycle, from planning to implementation, arguing that their engagement and ownership is necessary at all levels for success.

Commissioner Crețu also delivered this message to global leaders at the Global Assembly of Local Authorities, acting as a bridging actor and a facilitator in the difficult and tense dialogue between national governments and local authorities in the global context.

As head of the EU Delegation, Commissioner Crețu spoke on behalf of the EU and its Member States during the official UN plenaries. The EU Delegation also included representatives from the European Parliament and the Social and Economic Committee. Besides the official role of representing the EU and its Member States in the formal UN plenaries, the Commissioner also participated in the high-level thematic round tables on implementing the New Urban Agenda, and had several bilateral meetings with strategic partners, UN agencies and countries, such as the World Bank, the OECD, the UNDP and South Korea.

From adoption to action

Now that the 2030 Agenda and the New Urban Agenda have been adopted, it is crucial that the EU implements the former through an overarching approach covering both internal and external actions and involving all relevant actors. This implementation requires a strategic, integrated and place-based approach that takes into account different territorial contexts. This is why Cohesion Policy is one of the main policies contributing to the SDGs, leveraging around EUR 500 billion across the EU during the 2014-2020 period and covering almost all the SDGs.

Cohesion Policy and its urban dimension are also strongly aligned with the approach of the 2030 Agenda, as sustainable development is embedded in Cohesion Policy as a binding horizontal principle. In this context, the New Urban Agenda will be a cornerstone in the implementation of the 2030 Agenda because it transforms its urban-related goals and targets into city-specific recommendations. The EU has already started work in this area with its recently adopted Urban Agenda, and is now committed to leading and bringing forward the implementation of the New Urban Agenda and the urban dimension of the 2030 Agenda. Similarly, the EU is committed to engaging with partners around the globe to jointly address the challenges of urban poverty and exclusion, to benefit sustainable development in its partner countries overall.

The New Urban Agenda is the outcome of the EU’s joint efforts to formulate a truly transformative agenda. It is a once-in-a-generation opportunity to shape our collective future in cities for the better. The New Urban Agenda includes all the elements needed to go beyond business as usual, and to localise the SDGs adopted in 2015.

Together, by bringing the New Urban Agenda to life and turning the global challenges of sustainable urbanisation into global opportunities for all, it is possible to ensure that no one is left behind. The EU’s common duty now is to deliver! ■

FIND OUT MORE

New Urban Agenda: https://habitat3.org/the-new-urban-agenda/

Urban Agenda for the EU: http://urbanagendaforthe.eu/

Habitat III Conference in Quito: https://habitat3.org/

Prague Declaration: http://www.europeanhabitat.com/?lang=en
THE QUITO IMPLEMENTATION PLAN

The Quito Implementation Plan refers to specific commitments by various partners intended to contribute to and reinforce the implementation of the outcomes of the Habitat III Conference and the New Urban Agenda.

In total, around 70 voluntary commitments were presented, including three by the European Commission. Details of these three were given by Commissioner Creţu:

1. DELIVERING THE NEW URBAN AGENDA THROUGH THE URBAN AGENDA FOR THE EU

The New Urban Agenda and the Urban Agenda for the EU share the same vision for balanced, sustainable and integrated urban development. The latter was designed to enable cities to have their say in policy-making. With its 12 priority themes, multi-level governance and focus on peer-learning, the Urban Agenda for the EU contributes to the implementation of the New Urban Agenda within the EU, and in partnership with urban stakeholders – not only cities, but also businesses, NGOs and representatives from the Member States and EU institutions.

Action plans for the 12 priority themes are being drafted. They will include policy recommendations, good practices and projects to be shared and scaled up across the EU.

2. DEVELOPING A GLOBAL, HARMONISED DEFINITION OF CITIES

A common definition of cities should be used across the globe in order to compare data, to benchmark and to achieve better monitoring. In partnership with the OECD and the World Bank, the EU will develop such a definition, relying on the EU-OECD definition of cities, based on population size and density and the degree of urbanisation in the EU.

An online database will be developed, as well as a global list of cities and their main features. A proposal for a global definition of cities will eventually be submitted to the United Nations.

3. FOSTERING COOPERATION BETWEEN CITIES IN THE FIELD OF SUSTAINABLE URBAN DEVELOPMENT

Drawing on the concrete approach of the EU-funded URBACT network and on the methodology in the EU’s International Urban Cooperation (IUC) Programme, cities across the world* will be encouraged to link up with one or more partner cities to develop and implement local action plans and projects based on common priorities – access to water, transport systems, health or housing. Business partners should be closely associated in the drafting and implementation of these action plans.

An online networking platform will provide guidance and enable cross-regional cooperation.

* The scope of the commitment covers cities in Argentina, Brazil, Chile, Colombia, Mexico, Peru, Canada, China, India, Japan, the United States and the European Union.

FIND OUT MORE
https://habitat3.org/quito-implementation-plan
Commissioner Creţu tells Panorama why the EU Delegation’s participation in the UN Quito conference was a success.

What was your key objective?

I was very pleased that I could take part in this historical conference, where the United Nations’ New Urban Agenda was adopted, and could hold discussions with people from around the world. I emphasised the strong contribution to this global work on sustainable urban development made by the European Commission and the EU. The key principles of this New Urban Agenda are about socially inclusive, safe, green, resilient, prosperous and innovative cities as well as good urban governance, which promote cooperation and knowledge. It keeps at its core the human-rights-based approach, and supports women’s empowerment, both of which are vital to achieving sustainable and inclusive development. These principles are also shared EU values, and are part of our president’s priorities.

The EU and its Member States are also committed to engaging with partners around the globe in order to jointly address the challenges of urban poverty and exclusion for the benefit of sustainable development in our partner countries overall. The challenge is now about the concrete implementation of this New Urban Agenda.

How does Cohesion Policy contribute to these goals?

Cohesion Policy provides a broad range of support to urban areas throughout the EU, not least financial support. Overall, EUR 100 billion will be invested in urban areas from 2014-2020. At least 5% of the national ERDF allocation must be programmed for sustainable urban development, representing EUR 15 billion directly managed by cities. In addition, 750 cities will be empowered to implement integrated strategies for sustainable urban development. Indeed, beyond financial support, the EU can also help cities through technical assistance, working together across the Union through networks or by cooperating on specific themes. This is the particular aim of the newly launched ‘partnerships’ within the Urban Agenda for the EU, which was agreed in Amsterdam last May. In fact, the New Urban Agenda reflects well the EU’s vision for sustainable urban development based on multi-level governance and an integrated and place-based approach that takes into account the diversity of cities and their wider territorial context while building on urban-rural linkages.
How will this affect the life of citizens?

In Europe, about three-quarter of the citizens live in urban areas. These areas are the engines of the economy and for developing a resilient society, but they are also places where problems, such as unemployment, segregation, poverty and pollution, are severe. The New Urban Agenda is an opportunity to shape our collective future. It includes all the elements required to go beyond business as usual, and to localise the Sustainable Development Goals, for which the Commission adopted a Communication in November on the ‘Next steps for a sustainable European future’. We are all citizens of the same world.

What has been achieved?

We have demonstrated the EU’s strong efforts and proactivity towards acting on sustainable urban development in Europe. In addition, we have presented three voluntary commitments: delivering the New Urban Agenda through the Urban Agenda for the EU; developing a global, harmonised definition of cities; and fostering cooperation between cities in the field of sustainable urban development. It is now up to all of us in Europe and beyond to make these achievements become realities on the ground.
NINE WAYS COHESION POLICY IS WORKING FOR EUROPE

An independent expert evaluation of 2007-2013 funding found that Cohesion Policy investments had positive, tangible results ranging from job creation, a positive impact on regional disparities and an increase in GDP.

Cohesion Policy 2007-2013 was implemented in challenging times, during which Europe was hit by the economic and financial crisis that limited public investment – making Cohesion Policy funds even more vital for growth and job creation.

Over the period, EUR 346.5 billion was invested to reduce disparities between regions and to promote balanced and sustainable development. Below are the nine main findings of an independent expert evaluation of the 2007-2013 funding programme.

1. BENEFITS ALL EU COUNTRIES

Every region and country in the EU benefits from Cohesion Policy, via the direct effects of investments and/or indirect effects such as increased trade. It is estimated that every EUR 1 of Cohesion Policy invested during the period will generate EUR 2.74 of additional GDP by 2023. That means the EUR 346.5 billion invested from 2007 to 2013 will yield a return of nearly EUR 1 trillion of additional GDP by 2023.

What’s more, Cohesion Policy led to the net job creation of one-third of the 1 million jobs created from 2007 to 2013.

2. SMES GET THE SUPPORT THEY NEED

Cohesion Policy is an essential pillar of the EU’s jobs and growth agenda. For example, EU funding helped start-ups and SMEs stay in business during the period. Some 121 400 start-ups were financially supported, as well as an estimated 400 000 SMEs.

3. FINANCING AVAILABLE FOR BUSINESSES

The evaluation found that EU funding for financial instruments played a crucial role in providing funding to SMEs during the economic crisis credit crunch – helping many firms stay in business. During the period, EU funding for financial instruments rose from EUR 1 billion in 2000-2006 to EUR 11.5 billion allocated in 2007-2013 through the European Regional Development Fund (ERDF).

4. EXTENDS AND IMPROVES TRANSPORT NETWORKS AND MOBILITY

EU funding has contributed to removing transport bottlenecks and reducing travel times. The investments led to the construction of 4 900 km of roads, mostly motorways, of which 2 400 km were classed as TEN-T networks. Identified by the EU as core network corridors, these transport networks interconnect countries and drive growth and job creation.

Cohesion Policy funding also led to the construction or upgrading of 1 500 km of TEN-T railway networks and supported the development of sustainable public transport.
5. PRESERVES THE ENVIRONMENT, SUPPORTS THE FIGHT AGAINST CLIMATE CHANGE

Cohesion Policy funding for the period supported better waste-management strategies leading to a substantial increase in recycled waste and the closure of landfill sites below EU standards. Energy efficiency measures in public buildings reduced the consumption of fossil fuels considerably, helping to cut energy costs and to fight global warming. Cohesion Policy investments in infrastructure connected 6 million people to new or improved supplies of clean drinking water and 7 million people to new or upgraded wastewater treatment facilities.

6. BOOSTS CULTURE AND TOURISM

EU investments helped rebuild cultural and touristic sites, resulting in higher numbers of visitors and boosting sustainable economic development and job creation in the regions concerned, the expert evaluation found. Thus the investments supported local regeneration and fostered economic diversification, innovation and increased competitiveness.

7. ENHANCES THE QUALITY OF LIFE IN CITIES

ERDF funding for urban development and social infrastructure in 2007-2013 amounted to EUR 29 billion, about 11% of the programme's budget. Around 4% was invested in urban development initiatives which included funding in deprived areas and support for economic growth, cultural heritage and strategy development. About 7% was allocated to social infrastructure and was invested in health and education. According to the evaluation, this led to better access to educational and lifelong-learning services in combination with labour services.

8. ENCOURAGES COUNTRIES TO ADDRESS COMMON CHALLENGES TOGETHER

EU funding for cross-border programmes in 2007-2013 resulted in over 6,800 projects, including actions to

- create and expand economic clusters
- develop centres of excellence, higher education and training centres, and cooperation networks between research centres
- establish cross-border advisory services for enterprises and business start-ups.

About 1,300 environmental projects focused on the joint management of natural resources such as sea and river basins. Funding also helped cross-border regions to combat natural risks, respond to climate change, preserve biodiversity and set up initiatives to develop renewable energy.

9. THE LESSONS LEARNED ARE BEING APPLIED

The funding programmes for 2014-2020 have been designed in a more result-oriented way, as the 2007-2013 programmes did not always focus sufficiently on results. The EU has made changes to Cohesion Policy funding in line with recommendations from the independent expert evaluation, including:

- Programmes must have more specific objectives and clear targets.
- Programmes must report results and outputs regularly;
- To ensure quality delivery by the programmes, a performance framework is linked to the release of a performance reserve;
- Investments concentrate on key themes;
- The broader use of financial instruments is more actively encouraged.

FIND OUT MORE
Country factsheets:
europa.eu/!pj83Bu
EWRC 2016 brings the regions closer together

The 14th edition of the European Week of Regions and Cities, which took place on 10-13 October 2016, in Brussels, Belgium, welcomed around 5,300 participants to workshops, debates, social events and project visits focusing on ‘Regions and cities for sustainable and inclusive growth’.

About 130 events were co-organised by the European Commission’s DG Regio and 13 other DGs, the European Committee of the Regions, and 22 selected regional partnerships comprising 187 regions and cities. This year, the institutional partners also included the European Parliament Research Service which contributed to both the Master Class and the Media programmes.

Despite the particular challenges Brussels has faced in 2016, the reputation and relevance of the EWRC as ‘the place to be’ for those involved in regional policy and its implementation remain high.

NUMBER CRUNCHING

- Over 4,000 participants (from a total of over 5,300) came from over 30 countries
- 600 high-level speakers represented EU, national, regional and local administrations
- 170 journalists took part in the Media programme
- 28 PhD students participated in the Master Class
- 23 finalists from 14 Member States attended the RegioStars Award ceremony (see page 20)
- More than half those attending the EWRC were newcomers (56%)
- 5 interactive sessions included a full day on ‘Policy labs for Managing Authorities’
CITY TOOLS AND AMBITIONS

At the political event on the Urban Agenda for the EU, which attracted 400 participants, Commissioners Crețu and Šefčovič launched the ‘One-Stop-Shop for cities’, a new instrument for managing urban energy-transition ambitions. During the parallel joint REGI-COTER meeting, the impact and results-orientation of Cohesion Policy were among issues discussed by the European Parliament, the Commission and CoR representatives.

INTERACTION IN THE CLASSROOM

The Master Class on EU Cohesion Policy welcomed 28 PhD students and young associate professors from 17 EU Member States. Interactive debate centred on promoting inclusive growth and social cohesion, including the territorial dimension and the integration of urban and rural development; the significance of the network economy; and improving the Cohesion Policy delivery system: performance, simplification and accountability.

COHESION POLICY TAKES CENTRE STAGE

Once again, the outreach of the EWRC confirmed its importance as an inter-institutional platform for political communication. The opening session – ‘Cohesion Policy investing in Europe’s regions and cities’ – was held in the EP Hemicycle and attended by Commissioner Crețu. It provided a valuable opportunity for the CoR political groups and participants in the event to express their opinions on and ask questions about Cohesion Policy.

READ ALL ABOUT IT!

The Media programme opened with a round table for the press attended by Commissioner Crețu and CoR President Markkula. Press briefings followed on how EU funds deliver in EU Member States, the latest Eurostat and OECD trends and figures on regional development, the ex-post evaluation of the 2007-2013 period, as well as the main options for Cohesion Policy after 2020. TV debates were broadcast by national TV stations; and 57 journalists joined the Molenbeek project visit. By the end of the first week, over 40 articles had been published in the press.

EWRC 2016 ON SOCIAL MEDIA

The #EUWRC hashtag was used nearly 12 000 times in just one week with a potential reach of over 72 million people able to view and share any post using the event hashtag. Between 10 and 14 October, the EWRC website received 26 657 visits by at least 22 253 unique visitors. A daily report summarising the main activities was published on the website each day, receiving a total of 6 900 unique page views. A Storify published on 18 October registered 650 views on the first day. A new mobile phone application was used for the first time this year and was downloaded by more than 2398 participants to view the programme and documents, exchange messages, business cards and photos and set up meetings.

OUT AND ABOUT

During the week, the urban strand attracted plenty of attention across 20 workshops, especially on topics related to urban innovative actions. Visits to EU co-funded projects were also a big success: Port Sud, promoting intangible heritage for sustainable quality of life; RECY-K, a recycling project; Greenbizz, a hub for sustainable development and environmental entrepreneurship; and Community land trust Brussels, an innovative initiative for housing.

FIND OUT MORE:
http://europa.eu/!tR89Fb
Regional stars shine at the European Week of Regions and Cities

Among the highlights at this year’s European Week of Regions and Cities was the prize-giving ceremony for the RegioStars Awards 2016. Five lucky winners, one from each project category, received their trophies from EU Commissioner Corina Crețu and the RegioStars Jury President, MEP Lambert van Nistelrooij.

This year, 104 applications were received for the five award categories:

SMART GROWTH: emerging opportunities in the global economy
SUSTAINABLE GROWTH: circular economy
INCLUSIVE GROWTH: integrated living – building inclusive and non-segregated communities
CITYSTAR: innovative solutions for sustainable urban development
EFFECTIVE MANAGEMENT OF THE FUNDS: making a difference by managing differently.

And the winners are ...

1. COPENHAGEN CLEANTECH CLUSTER: Capital Region of Denmark (ERDF) [http://cleancluster.dk/] - Smart Growth
2. CENTRO BIO: BIO-INDUSTRIES, BIOREFINERIES AND BIOPRODUCTS: Centro, Portugal (ERDF) [http://www.blc3.pt/] - Sustainable Growth
3. ACADEMY OF SOCIAL ECONOMY: Malopolske Region, Poland (ESF) [http://www.rops.krakow.pl/] - Inclusive Growth
5. TRANSPARENCY INITIATIVE JONVABALIAI (FIRE-FLIES): National project, Lithuania (ESF and TA) [http://www.esinvesticijos.lt/] - Effective Management
6. CIRCULAR OCEAN: (ERDF) chosen by the attendees at the event for the ‘Public Choice Award’.

“We are very proud of getting the support of the ERDF ... the Greater Copenhagen area really needed an effort like this. And we are also very proud that someone shared and believed in our vision of the green transformation of society.”

Carsten Orth Gaarn-Larsen, CEO Clean
“The main characteristic of the project, which guaranteed its sustainability, is that it really responded to the problems of the local regional population.”

Ana Abrunhosa, President of the Comissão de Coordenação e Desenvolvimento Regional do Centro, Portugal

“I am very proud and would like to thank my colleagues who are the best team in the world! I would also like to thank my citizens – they are very happy because Gdańsk has become a city of freedom and solidarity and is shaping solidarity all day, every day.”

Paweł Adamowicz, Mayor of Gdańsk

“Fireflies is a community of thousands of people who believe they can disclose more information and show people that transparency is easy – just like brushing your teeth…”

Sergej Muravjov – Executive Director, Transparency International Lithuania

“It is very important to thank our founders Interreg and the Northern Periphery & Arctic region for not only investing in the project but for investing in people, too. It is very important to get the right people and to collaborate across the regions – this is the way to be successful.”

Neil James, Circular Ocean, Project Manager

“We have proved that we can combine business and social activities. More important, thanks to our product a lot of excluded people have been employed. And most important, we have created a system that has inspired others across Poland.”

Jacek Krupa, Marshal, Malopolska Region

FIND OUT MORE
North-East Romania and the Northern Netherlands came together a year ago in a cooperation programme based on the principles of smart specialisation. The regions are creating innovation environments in which the knowledge and efforts of both countries are being channelled into finding solutions for social challenges.

However great the differences are between North-East Romania and the Northern Netherlands, our regions are facing the same question: how can we make better use of the knowledge from universities and the potential of businesses to develop meaningful innovations that improve the well-being of citizens?

This is the question that brought us – the Development Agency for North-east Romania (ADR) and the Northern Netherlands Provinces Alliance (SNN) – together. We were matched up with the help of the online database Eye@RIS3 which indicates which topics are being prioritised by regions in their smart specialisation strategy.

At the beginning of 2015, we set up a joint initiative with the generous support of the European Commission’s TAIEX REGIO PEER 2 PEER programme. We agreed quite quickly that we wanted to adopt a different approach from the one usually taken. We opted for a cooperation that focuses on the principles of smart specialisation, but that also links to the major social challenges facing our regions. After all, this is what we want to find solutions for.

We are following a programmatic approach. Together with knowledge institutions, companies and civil society organisations, we took a systematic look at the issues in a particular area, who could help find a solution, and how parties could jointly accomplish that solution. The core of our approach is that we carry out a range of interventions simultaneously in relation to a specific social challenge. This provides critical mass and sets in motion an actual transition process.

Over the past year, we have involved more than 700 parties in this process of entrepreneurial discovery. A wide range of stakeholders from both regions have come together and various sub-projects have been set up to find solutions to challenges.

We are now aiming to create living labs in a number of specific areas, structurally linking parties from both countries to enable them to enter into value chains. We are also building structures to enable innovation environments to start organising themselves, with a view to reducing the role of ADR and SNN as both facilitator and simulator.
In so doing, we have come to the crux of what RIS cooperation can achieve: jointly solving social issues based on a programmatic approach. We are convinced that this cooperation will help our regions to progress. We have also noted plenty of enthusiasm for our ideas across Europe and at the European Commission. There are numerous opportunities to expand the links we have established with other regions.

Our ambition is to create a large group of regions in which companies, knowledge institutions and civil society organisations can jointly develop meaningful innovations that speed up regional development and increase cohesion.

GABRIELA MACOVEIU
Director of Communication, Cooperation and Business Development, ADR North-East Romania

LUC HULSMAN
Programme Manager, Northern Netherlands Provinces Alliance

SMART MOVES IN TUSCANY

Tuscany has prioritised improving its performance in innovation and strengthening the region’s technology transfer system with the aim of achieving the Europe 2020 goals.

This approach, which began with the European Regional and Development Fund (ERDF) programme for 2007-2013, is currently targeting technology clusters and investments in research, development and innovation. The initial funding of EUR 640 million in innovation and R&D was maintained and strengthened under the Regional Smart Specialisation Strategy, through three technologies: ICT and photonics; smart factories; chemicals and nanotechnologies.

These are strategic technologies in ‘fast-growing’ sectors – for example, life sciences, robotics and mechatronics – but they also have major applications in more traditional sectors such as fashion, stone quarrying, marine and the railways. Thanks to this, and to representation from both large companies and SMEs equipped to team up and collaborate in the world of research, these technologies have been able to make the phrase ‘Made in Tuscany’ world-famous.

Tuscany’s 2014-2020 ERDF OP, approved in February 2015, with a financial contribution of EUR 792 million, is dedicating 35% of its resources, equivalent to EUR 275.1 million, to Priority Axis 1 – research, development and technology transfer. It has already financed 474 projects with grants of EUR 56.6 million and EUR 143 million of active investment (at 30 June 2016).

These projects include industrial research and experimental development, support for start-ups and specialist services, and strengthening the technology transfer system. They range from supporting infrastructure to collaboration with universities and research centres.

Within this context, the approach adopted by the Regional Council has been strategic. Following the launch of the 2014-2020 ERDF programme, it published its first three notices in July 2014 for R&D and innovation, and anticipating the financial resources relating to ESI Funds in order to give maximum continuity to investments which started in the previous programme. This decision exemplifies Tuscany’s course of action which is oriented towards innovation for growth and job creation.

ANGELITA LUCIANI
ERDF Managing Authority, Tuscany
The traditional view in academic circles is that a scientist should focus on research work, and work with students to pass on knowledge. Such preconceptions coupled with numerous challenges, including organisational and financial barriers, hinder the effective commercialisation of university research results.

Research institutions, local and national governments and business environment organisations strive to promote processes supporting commercial applications of scientific research. Effective schemes in this area not only benefit the research institutes, but also promote innovation in the economy. This whole field of academic entrepreneurship covers commercialisation of academic research, support for commercially promising research and, above all, the creation of spin-off and spin-out businesses (started by researchers and fostered by the parent university) and special purpose vehicles (SPVs).

The programme provides EUR 16 million for academic entrepreneurship development projects. The goal is to increase the number of spin-off and spin-out businesses, foster research and development in businesses, and improve the competitiveness of regional universities and increase their participation in implementing the regional smart specialisation programme.

In the last two years, Kujawsko-Pomorskie’s local government has signed agreements with universities and business environment organisations in the region, aimed at promoting academic business activity. Among the universities is the Nicolaus Copernicus University (UMK) which boasts an extensive system of academic entrepreneurship support schemes. This includes the Academic Innovation Platform, a portal to disseminate innovation development know-how and actions in the academic community.

Another crucial link is the Academic Business Incubator, which provides UMK students and staff with training and advice on starting a business. The most important unit currently supporting UMK academic entrepreneurship is Centrum Transferu Technologii UMK sp. z o.o. This SPV, which was created in 2014 with national support using EU funds (under the National Research and Development Centre’s SPIN TECH programme), is working to commercialise research results. Since 2015, it has effectively fostered the creation of spin-off businesses at the region’s largest university, with over 25 spin-offs as of mid-2016.

Under the same agreements, academic entrepreneurship is also blooming at other universities in the Kujawsko-Pomorskie region, including Casimir the Great University and the University of Technology and Life Sciences in Bydgoszcz.

### SCIENCE AND INNOVATION AGENDA

(Agenda Nauki i Innowacyjności) - Kujawsko-Pomorskie Voivodeship
Communication comes first in the regions

What is the best way to make communication about the value of the EU less complex, closer to home, and more appealing? One answer is to involve European citizens. The 'Europe in My Region' campaign is doing just that, encouraging citizens to discover EU-funded projects near them, to take pictures (to submit to the photo competition) and to write about them (and participate in the blogging contest).

A total of 837 photos depicting EU-funded projects were submitted to the fifth edition of the Europe in My Region photo competition. A jury of two photographers and one social media expert selected the three joint winners: Diellza Balaj from Kosovo, Carlo Deviti from Italy, and Saara Olkkonen from Finland.

“I spotted the photo competition on Facebook, then checked the European Commission website and the Italian web portal for EU funds to see which projects were financed where I live. I went out, took the photos and surprisingly won the competition,” explained Carlo Deviti.

Then, together with the other winners, he was invited to Brussels to participate in a photo workshop, and to participate in the award ceremony during the European Week of Regions and Cities. “It was an amazing experience, meeting people from all over Europe during this event,” said Carlo.

Finding the right words

Also among the participants were the winners of the Europe in My Region blogging competition. Bloggers from around Europe were invited to write about EU-funded projects. The blog posts were then translated and republished on the EurActiv website and shared on social media.

A jury of professional journalists picked the three winning blog posts: Polish eco-blogger Janusz Mizerny came first with “Biogas buses are the green solution for cities”. The other two winners were close behind: Clarissa Hirst (Sweden): “Playing with Russia in the Baltic Sea Sandpit: Challenges and Opportunities” and Andrea González González (Spain): The Cabárceno Natural Park, one of the first actions financed with European funds in Cantabria!

Clarissa shared her thoughts about the competition in a blog post: “Communications teams situated in Brussels can share statistics and information, but it is the people living, working, socialising, exercising, shopping and travelling in European regions that can more accurately convey what is going on there.”

Finally, to add a gamification element to the overall campaign, a treasure hunt was organised. Treasure hunters had to find a hidden poster when visiting the projects, decipher a cryptic sentence and then reply to a final question online. Among the nearly 500 participants, Elinne Mertens from Belgium was the first to give the right answer – just 1 minute 26 seconds after the question was published online! Elinne won a trip to Vienna to visit an EU co-funded project.

FIND OUT MORE

Grand Est, France: diversity in the heart of Europe

Based in Strasbourg, which is now Grand Est’s capital as well as a seat of the European Parliament, the regional managing authority continues to oversee Cohesion Policy funding for the whole region. Its task is to administer a budget of EUR 773 million from the European Regional and Development Fund (ERDF) and European Social Fund (ESF) for the period from 2014-2020, supported by additional national and regional co-funding.

Funding support

The managing authority’s remit includes continuing support for previously launched projects in Alsace, Champagne-Ardenne and Lorraine, as well as overseeing new initiatives aimed at promoting the ongoing development of the new larger Grand Est region. France’s recent territorial reform has reduced the total number of regions in the country from 27 to 18.

The merger of Alsace, Champagne-Ardenne and Lorraine combines areas with very different socio-economic profiles, generating both benefits and challenges in achieving regional development goals. While Alsace and Champagne-Ardenne ranked among the EU’s more developed regions and received ERDF funding of EUR 75 million and EUR 185 million respectively in the 2007-2013 programming period, Lorraine was considered a transition region and received ERDF support of EUR 329 million.

Now merged into Grand Est, the areas will continue to receive substantial EU funding in the coming years, taking into account not only the enlarged region’s diverse socio-economic make-up and ongoing industrial transition but in particular its international openness and strategic location for the cross-border exchange of goods, services and expertise.

Therefore, key ERDF and ESF funding priorities in Grand Est include supporting exporters, particularly SMEs which account for over 90% of the more than 330,000 businesses in the region; enhancing education and research and innovation through smart specialisation strategies to strengthen competitiveness; and transitioning to a low-carbon economy to improve energy efficiency and protect the region’s rich biodiversity.
Grand Est’s mix of machine, metallurgy and automotive industries, pharmaceutical and chemical firms and its large agribusiness sector make it the second-largest exporting region in France behind Île-de-France and the first in terms of volume of exports per capita.

With more than 80% of the new region’s 57,800 square kilometres dedicated to agriculture and forestry, it is a leader in agricultural production, known worldwide for products such as the sparkling wines of Champagne. It is also increasingly becoming a major supplier of renewable energy from biomass and biofuels, in addition to wind and hydropower.

A relatively young population, well-regarded educational institutions such as the universities of Strasbourg and Reims, and a growing research and innovation sector further contribute to Grand Est’s diversity, dynamism and potential.

ERDF-supported initiatives, such as the molecular research project FILODIM in Lorraine and the construction of a European Aseptic and Sterile Environment Training Centre in Alsace (see boxes) are promoting Grand Est’s transition to an innovation-focused economy and building on its existing leadership in key areas of science and technology.

Other EU-funded projects, such as the expansion of a business incubator in the town of Saint-Dizier in Champagne-Ardenne, are supporting entrepreneurs and the development of new business start-ups, providing new economic opportunities for local businesses and increasing the region’s attractiveness for foreign investment.

**Interreg: cross-border cooperation**

Reflecting its strategic location, Grand Est’s share of trade with other EU countries and Switzerland is higher than any other French mainland region, while local industries benefit from

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**EASE STRASBOURG: FULL-IMMERSION TRAINING**

When it opens in 2017, the European Aseptic and Sterile Environment (EASE) training centre based at Strasbourg University will provide new education and training opportunities for students and support Grand Est’s health, chemistry and agrifood industries.

Supported by the ERDF and France’s national Programme d’Investissements d’Avenir, the EASE centre is designed as a full-immersion training institution operating as a real factory, developed by and for manufacturers. Under real working conditions, students will acquire specific skills such as good manufacturing practices and an in-depth knowledge of processes, techniques and constraints related to clean-room work. Primarily focused on supporting training for health-related industries in the Grand Est region, it will also offer educational opportunities for the chemical and agrifood sectors.

Occupying 4,500 square metres, the EASE centre will offer both short and long-term courses to a wide variety of students, including around 1,000 people each year undergoing initial training, 2,500 on prolonged training programmes and 500 on retraining courses. The project includes the construction of a hall of residence for students following work experience programmes.

**TOTAL COST:**

**EUR 16.3 MILLION**

**EU CONTRIBUTION: EUR 3.3 MILLION**

https://www.unistra.fr/index.php?id=18114
159,000 cross-border workers from neighbouring countries. Grand Est accounted for 13.6% of all French exports in 2014, with EU trading partners accounting for 75% of total trade.

Grand Est participates in three ERDF-supported Interreg cross-border programmes helping regional and local public authorities to share ideas and experience on public administration in practice, building social and economic exchanges, and improving policy strategies for citizens and communities.

The Interreg Rhin Supérieur programme supports cross-border cooperation with German and Swiss regions with a budget of EUR 110 million, while the Grande Région programme brings Grand Est together with authorities in the Belgian region of Wallonia, Luxembourg and the German regions of Saarland and Rhineland-Palatinate with funding of EUR 140 million. Grande Est is also involved in the France-Wallonie-Vlaanderen Interreg partnership to enhance cooperation between five French and Belgian regions with a budget of EUR 170 million.

FILODIM: HEALTHY OUTLOOK FOR CUTTING-EDGE TECHNOLOGY

At the Centre hospitalier régional et universitaire de Nancy, academia and industry have been working together on the EU-funded FILODIM project to develop novel radioactive tracers to help to detect cancer. The initiative is a recent example of the cutting-edge work being carried out by the Nancyclotep research group, established in 2007 to explore innovative applications for positron emission tomography (PET) imaging technology.

Nancyclotep’s research has already produced significant results that are being applied by the European healthcare industry, helping to improve detection and diagnosis for a range of oncological, neurological and cardiovascular disorders. In FILODIM, the researchers have put into practice novel cancer-detection techniques, conducted pre-clinical trials and further developed PET technologies. The project has also contributed to the development of an e-learning platform for training PET specialists, disseminated across the European healthcare sector.

In this way, FILODIM and other Nancyclotep initiatives have played a significant role in promoting Nancy’s regional and university hospital as a centre of excellence in PET-related research, not just in the Grand Est region, but across France and indeed the whole of Europe.

SAINT-DIZIER: GROWING A BUSINESS INCUBATOR

The town of Saint-Dizier in Champagne-Ardenne opened its first business incubator in 2013, occupying part of a former school building in an area targeted for urban renewal. Its success was immediate and far beyond the expectations of local community authorities, with an occupancy rate of more than 90% and numerous entrepreneurs and students making good use of the building.

As a result, the Pépinière d’entreprises de Saint-Dizier is now being expanded, thanks to support from the ERDF. The entire building will be converted into an area adapted for use by the business incubator, offering more space for entrepreneurs and start-ups to work, improved shared logistics facilities and better access to institutional and financial support.

TOTAL COST: EUR 593,400
EU CONTRIBUTION: EUR 219,400
Population
5 552 388 (2012), representing 8.4% of the national total.

Labour market
In 2012, 67.9% of the population was in employment compared to the national average of 68.5% (EU 68.3%); unemployment stood at 9.4% (national 10.2%, EU 10.8%).

Economy
Grand Est has the sixth highest GDP per capita of France’s 18 regions at EUR 27 000 (2013), just below the national average of EUR 28 400 but above the EU-28 average of EUR 26 500. The main sectors are services, industry, construction and agriculture.

Smart specialisations
The new region has a growing research and innovation sector focused around five key regional priorities: natural resource management, material sciences, healthcare and pharmaceuticals, the bioeconomy, and future factory innovations. Although investment in R&D is below the national average, in 2011, researchers in Grand Est applied for 440 patents from the European Patent Office, the fourth highest number among all French metropolitan areas.

Other key sectors
Trade plays a significant role in Grand Est’s economy due to the region’s strategic location bordering Belgium, Germany, Luxembourg and Switzerland. It is second only to Île-de-France in terms of exports, and accounted for 13.6% of all French exports in 2014. Around 75% of exports go to other EU countries, with Germany accounting for 30%.

FIND OUT MORE
Greater confidence and flexibility with Brussels

Structuring the Economic Development of the Grand Est Region

Philippe Richert, President of the new Grand Est region, outlines the real benefits of the Cohesion Policy, particularly as regards avoiding a digital divide between rural areas and urban agglomerations. In this interview with Panorama, he calls for greater confidence and flexibility between the European Commission and regions as managing authorities.

How can Cohesion Policy help the Grand Est region to develop economically and what are the priority areas?

For the 2014-2020 period, the Grand Est region is receiving EUR 770 million through regional Operational Programmes in Alsace, Champagne-Ardennes and Lorraine, funded by the EU’s Structural Funds. In addition, EUR 420 million is allocated to the Interreg Upper Rhine, Grande Région and Belgium-France (France-Wallonie-Vlaanderen) cross-border programmes. Combined, this amounts to over EUR 1 billion in total. By adding the European Social Fund (ESF) share, Cohesion Policy represents a very substantial and structural resource for the territorial organisation and economic development of the Grand Est region.

Of this sum, 61% of ERDF funds are directed towards three priority areas: EUR 143.8 million for research and innovation, EUR 127.7 million to support competitiveness among SMEs, and EUR 77.8 million for the development of infrastructure and digital technology. Investments in energy transition will receive EUR 145.8 million in ERDF funding, while ESF support totalling almost EUR 160 million across the Grand Est region mainly finances education and training for young people and job-seekers.

For example, under the aegis of the region and its nine departments, we have initiated a tendering process for the installation of FTTH fibre-optic broadband across Grand Est. These projects are worth over EUR 2 billion. Rural territories are in a weaker position and high-speed broadband is one of the key ways of avoiding a digital divide.

What are the advantages and disadvantages of the new approach, which seeks to integrate funding and financial instruments?

The advantage of financing policies through the use of financial engineering instruments alongside subsidising mechanisms is that we can make available a greater number of resources. Through the Juncker plan, which is supported by the European Investment Bank (EIB), European funding will be used to support businesses rather than local authorities via the European Fund for Strategic Investments (EFSI). In terms of fibre-optic installation projects, EUR 500 million has been rolled out to Alsace, while seven other departments in the Grand Est region will receive EUR 1.3 billion. This will create jobs and help establish a training infrastructure, particularly for construction work. Nevertheless, it is essential to reach a balance between the two forms of funding and to evaluate the effectiveness of these financial instruments.
There is a global issue regarding the use of European funds focused on simplification. How can regions contribute to this?

Europe has very detailed requirements to ensure that its resources are properly allocated. These checks make the packages so onerous that people often prefer to renounce them rather than fill in hundreds of pages of forms. It is important to move away from this perspective of mistrust and adopt a more trusting approach. In view of the upcoming programming period, French regions are also proposing to waive certain regulatory obstacles, such as ceasing the application of state aid to Cohesion Policy and creating a single European fund.

During the 2014-2020 period, the regions can contribute to this simplification by mobilising certain tools, such as establishing a single window for project leaders or the use of simplified cost options.

In your opinion, is Cohesion Policy effective and how can it be improved?

Cohesion Policy helps limit the effects of the economic crisis. It holds back the reduction of public investment in Europe and drives forward public policies aimed at job-creating growth by adapting interventions in the actual requirements of each territory. In total, 977 projects and almost EUR 160 million have been scheduled for the Grand Est region since 2015; 766 of these projects were ERDF funded to the sum of EUR 86 million.

To make the policy more effective, it is crucial to move away from this scattered approach and shift towards projects with more structuring effects in the long-term. We must be more organised to ensure that public money (Interreg, ERDF) is used for more strategic purposes. This means having more flexibility within our relationship with Brussels because large structuring projects are not established in the space of six months. However, for the first few years of each programming period, there is a risk of automatic de-commitment if the funding usage rate is inadequate. In light of the pressing need to produce results, projects non-deserving of priority status are adopted instead.

What results do you hope to achieve by the end of the 2014-2020 period?

Targets to be reached by 2023 have been set for each of the strategic objectives. Thematic evaluations will be carried out during the programming process. The results will be measured and evaluated regularly, with a focus on 31 December 2018. This mid-term evaluation will, where necessary, help adapt the strategies behind these programmes.

What is the added value of the Interreg France programme, a unique system of its kind? What is your opinion of the classic Interreg programmes?

We need greater consistency that goes beyond administrative borders. The Vosges inter-regional axis in the Operational Programme for Lorraine and Vosges covers the former regions of Lorraine, Alsace and Franche-Comté, along with objectives focused on the economy, tourism, territorial planning and improving the environment. We are using the same approach through the Véhicule du Futur cluster in Strasbourg, which covers Alsace and Franche-Comté.

The ‘classic’ Interreg programmes have helped finance several projects involving the development of cross-border land, boosting training and employment, promoting research and innovation with projects at the University of the Greater Region and the Eucor European Campus. The latter is based on cooperation between the Universities of Strasbourg and Haute-Alsace in France, the Karlsruhe Institute of Technology in Germany, and the Universities of Freiburg and Basel in Switzerland, with the aim of building a large network of innovation and research along the Rhine.

What impact has the recent French territorial reform had on Operational Programmes and their management, which has remained within the regions as defined before the reform?

The merging of regions has not had an impact on the Operational Programmes approved by the European Commission. However, it has had a direct impact on cross-border relations. The creation of the Grand Est region has pushed neighbouring territories to organise themselves. In this regard, German states such as Saarland, Rhineland-Palatinate and Baden-Württemberg have made plans to coordinate themselves before entering into discussions with us.
Interview with Commissioner Thyssen

How can Europe help to address the challenge of unemployment, particularly among young people?

President Juncker mentioned this in his State of the Union address last September: employment is a major priority for the Commission.

Beyond the European Fund for Strategic Investments and Structural Funds, which support investment and thus employment, it is important to highlight two particular areas that offer diverse opportunities: the European Social Fund’s specific programmes for supporting the integration of young people into the labour market, and the Youth Employment Initiative. The Commission is pleased with the results obtained so far in relation to this initiative: in total, 1.4 million young people have already received help, and France has fully exploited this initiative, helping 220,000 youths in eligible regions, to date.

In addition to promoting training, particularly at the regional level, these funds have made it possible to strengthen support for young people seeking employment or qualifications through high-quality initiatives such as the Youth Guarantee. Nevertheless, there is still room for improvement as regards identifying those who are not in education, employment or training (NEETs) and for whom there is still a lack of new initiatives being financed.

As such, the Commission has proposed to add another EUR 1 billion to the Youth Employment Initiative, which beneficiary Member States will supplement with an equivalent amount from their European Social Fund allocation.

Management of the Structural Funds is a constant concern for potential beneficiaries. Are there any plans to make further simplifications?

Simplification is a cornerstone of our initiative for supporting a ‘results-based budget’ – it was initiated in 2015 to support employment and growth using the European budget as efficiently as possible.

France has already started using simplified cost options in implementing programmes co-financed by the European Regional Development Fund and the European Social Fund.

Furthermore, the first delegated act adopted by the Commission in this context concerned the French national Youth Employment Initiative. This act made it possible to support a results-based approach for implementing the Youth Guarantee initiative. Similar propositions in the field of training are being discussed with certain French regions. In this context, I would also invite coordinating authorities to play a greater role in preparing and coordinating regional proposals.

Finally, I would like to emphasise that in July 2015 the European Commission set up a High Level Group on Simplification for beneficiaries of the European Structural and Investment Funds (ESI Funds). This group, comprising 12 experts, advises the Commission on how to reduce the administrative burden on the beneficiaries of ESI Funds. It has particularly benefited from the involvement – for which I would like to thank them warmly – of the French authorities: the General Commission for Territorial Equality, the General Delegation for Employment and Vocational Training and the Regions of France.

On 26 October, Commissioners Corina Creţu and Marianne Thyssen participated in a working seminar on the Multiannual Financial Framework and the future of Cohesion Policy post 2020, organised by the Association of French Regions, chaired by Philippe Richert, President of the new Grand Est region. MEPs and regional representatives also participated in the seminar.
Interview with Commissioner Crețu

According to you, what role can the newly merged French regions play in the implementation of Cohesion Policy?

The French territorial reform, which came into force on 1 January 2016, transformed the territorial architecture of France by reducing the number of regions from 22 to 13. Also, new responsibilities were allocated to these new regions which are now exclusively in charge of supporting businesses, implementing policies on training and employment, and intervening in transport, including regional trains and buses, roads, airports and ports. They also manage secondary-level education, community planning and large infrastructures. In this sense, the new regions are our key interlocutors in the implementation of Cohesion Policy.

This allows for investments that can thus be mutually reinforcing and provide a more effective contribution to European objectives, adapting the course of action to specific regional and local contexts. In addition, this approach also increases ownership of actions at national, regional and local levels, with the strong involvement of partners in line with the partnership principle.

One of the main complaints regarding ERDF remains the implementation of state aid rules. Do you believe the same treatment can be applied to simplification as to other EU instruments such as H2020?

Our framework for 2014-2020 already includes a broad range of simplification elements, such as a common set of rules for all ESI Funds, more possibilities for simplified cost options and e-cohesion. Then, the mid-term review of the MFF includes legislative proposals for a simpler and more result-oriented approach. Furthermore, we have listened to a great number of stakeholders, through the High Level Group on Simplification for beneficiaries, as well as the Regulatory Fitness and Performance Programme (the REFIT platform).

However, we may have reached the limits of what we can do within the existing system. Without pre-empting a future Commission proposal on the post-2020 MFF, we may need a more fundamental review of the way Cohesion Policy operates.

First, differentiation: we need to recognise that institutional and administrative structures and capacities differ across Member States. And this should be reflected in the delivery system.

Second, we should be moving towards a single set of rules for funds under shared implementation. Of course, we have made some progress in harmonising the rules for the ESI Funds, but there are still fund-specific differences which create complexities. We therefore need to deploy all efforts to move towards a single set of rules in the next funding period, involving all investment funds under shared management.

And third, we need to trigger stronger synergies with other EU instruments, in particular the Investment Plan, to maximise the leverage of the EU budget.

In this context, state aid rules remain one of the key challenges for the coming years. State aid rules should not be an unnecessary obstacle for easy access to EU funding. However, this issue will require detailed examination in the post-2020 context and close collaboration among the services in charge of these themes.
The European Union Strategy for the Baltic Sea Region (EUSBSR) is the first macro-regional strategy to be created by the European Union. It aims to reinforce cooperation and promote balanced development in this large region which counts 80 million inhabitants – 16% of the EU population – and eight countries (Sweden, Denmark, Estonia, Finland, Germany, Latvia, Lithuania and Poland).

On 8-9 November 2016, the 7th Strategy Forum, entitled ‘One Region, One Future – Vision 2030 for the Baltic Sea Region’, took place in Stockholm, Sweden. The Forum was opened by Commissioner for Regional and Urban Policy Corina Crețu, the Prime Minister of Sweden, Stefan Löfven, and the Prime Minister of Finland, Juha Sipilä.

Around 1,200 stakeholders from national and regional governments, civil society, the private sector, academia and media participated in more than 40 thematic workshops and seminars to discuss a vision for 2030 and to consider how future trends and challenges can be met through macro-regional cooperation.

Commissioner Crețu pointed out: “For seven years now, the EU Baltic Sea Strategy, the first macro-regional strategy ever, has enabled cooperation on challenges which cannot be addressed at national level: clean and safe shipping, climate change adaptation and improved transport networks, to name a few, but more needs to be done. In particular, renewed and constant political commitment, efficient pooling of resources and communication efforts to show the value added of the Strategy.”

A foresight report (see link below) was presented – ‘Looking towards 2030: Preparing the Baltic Sea Region for the future’ – which provided input for discussion on how cooperation can help provide the best responses to future challenges.

The main trends identified for the region include:

- changing demographic pressures and migration flows
- renewing industries and innovation
- deepening environmental conversation and preparing for climate change
- changing democratic decision-making and increasing collaboration.

A key question for debate concerned which issues need to be solved at macro-regional level and which are better dealt with at either lower- or higher-governance levels.

The main areas identified for intensified macro-regional cooperation include:

- environmental and climate challenges, which can only be mastered jointly
joint civil protection, requiring multi-sector cooperation across countries

blue growth, which concerns the common resources of the Baltic Sea

increased oversight of shipping transport in view of increasing transport volumes

safeguarding long-term cooperation cultures, being a key to the success of the EUSBSR.

Performance and potential

Feeding into the discussion about future trends and opportunities for macro-regional cooperation, the report ‘Trends, challenges and potentials in the Baltic Sea Region’ was presented and discussed in a dedicated session. It includes the results from a Baltic Sea Region Territorial Monitoring System and the Baltic Sea Region Potential Index. Both tools show the Baltic Sea Region’s current performance and provided input for discussion on the potential for development within the macro region.

The updated Baltic Sea Region Territorial Monitoring System demonstrated the changing nature of existing disparities. At a national level, the east-west economic divide in the Baltic Sea Region is closing. At the same time, all countries are experiencing increased polarisation at sub-national level. The sharpest divide today can be found within social development. The financial crisis also appears to have hit rural areas harder than other types of regions. The result is an increasing concentration of production, jobs and people in the urban areas of the Baltic Sea region. Furthermore, the report points to major environmental challenges, such as air quality in the cities and eutrophication levels in the Baltic Sea.

The Baltic Sea Region Regional Potential Index ranks and analyses the performance of all 115 regions of the Baltic Sea Region. It provides policy-makers with insights on regional strengths and weaknesses and can be used for comparative learning between regions. The index is based on three categories: demographic potential, labour force potential and economic potential. At the top of the list, the region of Oslo takes the lead, followed by its neighbouring region of Akershus. The rest of the top 10 are the four respective capital regions of Sweden, Denmark, Germany and Finland, as well as three Norwegian regions (Rogaland, Hordaland and Sør-Trøndelag) and the region of Hamburg, Germany.

Another report presented in Stockholm, ‘The Top of Europe – Doing Well Today, Feeling Worried About Tomorrow’, provides an overview on economic trends in the Baltic Sea region, including outlooks on investments, growth and competitiveness. It confirms that the countries around the Baltic Sea still rank high in competitiveness and innovative capacity, and that prosperity continues to grow across the region. However, there are also economic worries about the continued erosion of the region’s position in global markets.

FIND OUT MORE
http://www.balticsea-region-strategy.eu/
Strengthening administrative capacity through employee self-assessment

The Directorate-General for Regional and Urban Policy is deploying a set of tools to improve the management and implementation of the European Regional Development Fund and the Cohesion Fund. It will also include a new self-assessment tool for employees involved in administering the funding programmes as part of efforts to support the development of human resources.

To a large extent, the performance of Member States and regions is influenced by the quality of the public administration’s administrative capacity. Three key factors that have an impact on performance are the structures of the administrations, the human resources, and the availability of appropriate systems and tools. Is there an ideal model for an organisation on how to manage the funds? No, there is no standard model ready and available, but it is certainly possible to identify a group of key competences which can improve the performance of an organisation responsible for managing the funds.

Consequently, to help Member State administrations, the Directorate-General for Regional and Urban Policy has developed a competency framework and a related self-assessment tool. The objective is to support the further professionalisation of the management of the funds and ultimately a stronger administrative capacity in the administrations managing the funds.

These tools should help Member States and regions to strengthen their administrations in an efficient way and identify gaps with regard to the required competencies and skills among their staff, thereby defining training and recruitment needs. The results of the self-assessment can also be used for the development of training modules at both national and European levels on management of the ERDF and the Cohesion Fund.

A pilot version of the self-assessment tool has already been tested internally by DG Regio. This exercise confirmed that the tasks and sub-tasks and the 180 competencies identified in the self-assessment tool are appropriate and effective, although some technical and operational changes were suggested prior to the widespread deployment of the system. Among other modifications, the tool will be adapted from its current Microsoft Excel-based format into a more user-friendly and adaptable web-based version, facilitating implementation and providing greater flexibility.

Fine-tuning

To further refine the self-assessment tool, additional testing will soon be carried out involving selected pilot administrations in seven Member States, supported by a team of consultants. The cooperation between the pilot administrations and the consultants is expected to take place over approximately six months in the first half of 2017.

The consultants will closely follow, support and analyse the pilot deployment of the competency framework and the self-assessment tool in the Member State administrations throughout the entire competency assessment process.

The consultants will:
- Adapt the self-assessment tool according to the needs of each pilot administration;
- Support supervisors and managers in the administrations in collecting data from the self-assessments carried out by employees using the tool, assist with the aggregation of data at the administration level, and help with the analysis of the collected and aggregated data;
- Identify actions and provide guidance on how the competencies in the pilot administrations that need upgrading or are missing can be strengthened or developed in an efficient way;
Based on an analysis of the aggregated data from each administration, provide tailored guidance on roadmaps and strategies for developing human resources.

The pilot study across seven public administrations responsible for managing the ERDF and CF programmes will help to identify necessary modifications to the self-assessment tool and enable changes to be made before the competency framework and the tool are made more widely available.

The study will also draw conclusions on what Member State administrations and the European Commission should consider in order to ensure the successful future implementation of the competency framework. This, in turn, will help further develop user guidelines and provide recommendations on how to best to promote wider use of the framework and self-assessment tool, particularly in those Member States that need to further develop their administrative capacity.

The results of the study will make it possible to widely promote the use of the competency framework and self-assessment tool in all Member State administrations responsible for managing the ERDF and Cohesion Fund from the middle of 2017.

PILOTING THE SELF-ASSESSMENT TOOL

The authorities responsible for the following programmes are proposed for the pilot testing of the competency framework and self-assessment tool:

- Austria: Operational Programme Investments in Growth and Employment Austria 2014-2020
- Bulgaria: Operational Programme Environment 2014-2020
- Estonia: Operational Programme Cohesion Policy Funding 2014-2020
- Greece: Regional Operational Programme Western Macedonia
- Hungary: Operational Programme Environmental and Energy Efficiency
- Poland: Regional Operational Programme for Dolnośląskie
- Romania/Bulgaria: Cross-Border Cooperation Programme

FIND OUT MORE
http://europa.eu/!Pv34Pm
Moving beyond GDP: the final EU Regional Social Progress Index

In October, the latest version of the EU Regional Social Progress Index (EU-SPI) published the results of measures implemented across 272 regions of the EU’s Member States. Social progress’ is defined as society’s capacity to meet its citizens’ basic human needs, to establish the building blocks that allow citizens and communities to enhance and sustain their quality of life, and to create the conditions to enable individuals to reach their full potential. The EU-SPI covers three broad dimensions of social progress: basic human needs; the foundations of well-being; and opportunity. Each of these is broken down into four underlying components described by 50 social and environmental indicators. The deliberate exclusion of economic indicators means that the Index measures social progress directly, rather than using economic proxies.

Measuring social progress can inform EU regions’ development strategies. This latest Index sets out to:

- Help regions to identify peers, at any level of economic development, from whom they can learn and, if applicable, prioritise issues they want to address with their Cohesion Policy programmes;
- Serve as a sounding board for the Commission to assess whether EU funds address the right issues in the right places;
- Enable DG Regional and Urban Policy to make a contribution to the ‘GDP and beyond’ debate.

The scores are in

The results show that social progress is highest in Nordic and Dutch regions and lowest in Romanian and Bulgarian regions. Social progress is also high in Austria, Germany, Luxembourg, Ireland and the UK. Belgium and France score well, too, although both demonstrate high internal variability. The highest level of within-country variability is observed in Italy where central regions score better than the rest of the country.

There is a strong link between the EU-SPI and gross domestic product (GDP) per head although the relationship indicates that at every level of economic performance there are opportunities for more social progress, but also risks for less. In poorer regions, every extra euro of GDP per capita makes a clear additional contribution to social progress, while for richer regions this is much less true. This is particularly evident in capital regions: for example, Bucharest, Bratislava, Prague, Brussels and London all have a relatively low SPI level relative to their GDP per head. However, other regions, such as the Nordic and most Dutch regions, outperform their economic level, scoring higher than their GDP per head might imply.

With the exception of some regions in Member States which joined the EU in 2004 or after, the EU-SPI reveals that basic human needs are being met across almost all EU regions. The foundations of well-being dimension shows greater variation with only the Nordic Member States, the Netherlands and Ireland scoring well across all their regions. Opportunity registers the largest discrepancies with low performers in many regions in the southern and eastern EU.

The EU Regional Social Progress Index is the result of a three-year cooperation between DG Regional and Urban Policy, the Social Progress Imperative and Orkestra – a Basque Institute of Competitiveness. It follows the overall framework of the Global Social Progress Index, customised for the EU using indicators drawn primarily from Eurostat data.

FIND OUT MORE
http://europa.eu/!Dg69Mv

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1 The EU Regional Social Progress Index has not been created for the purpose of funding allocation and does not bind the Commission in any way.
Coordinator Andrius Sutnikas from the Klaipeda Science and Technology Park in Lithuania talks to Panorama about the MarTech LNG project, and how it has helped turn the South Baltic region into a hub for liquid natural gas (LNG) supply on a global scale.

With new EU regulations driving the move to cleaner maritime fuels, the shipping industry in countries bordering the South Baltic Sea needed to adapt fast. The eight European partners in the MarTech LNG project, with EU support, saw an opportunity to exploit LNG industries as a catalyst for regional growth and development and transform the Southern Baltic into a model for clean shipping.

Panorama: How did the project get started?

Andrius Sutnikas: Lithuania and Poland decided to make significant investments in energy security and independence. Naturally, the universities and companies in our network wanted to know how they could benefit from the funding and a possible new energy source. So we initiated the project to establish a cross-border value chain in the South Baltic Sea region.

What challenges or opportunities did the project respond to?

Local companies and universities lack the LNG-related skills to establish new business models and technological solutions. Having investigated the opportunities, we realised that one of the main markets could be shipping, since new environmental regulations were coming into force. We transformed environmental challenges into business opportunities with additional investments from shipowners, triggering jobs and technological development for the region’s maritime industry. Now Polish and Lithuanian shipyards are leaders in LNG-powered ships. The South Baltic is becoming a model for clean shipping that could be exported to other regions.

How did you acquire and transfer the technological expertise needed?

KSTP was project leader and we had eight partners from five countries. MarTech LNG trained 200 experts, mapping the scientific profiles relating to LNG research in the region and setting up a competence-building platform on the business cooperation portal golng.eu: an open-access compendium of LNG research studies in fields such as liquefaction, machinery, onshore and small-scale LNG facilities, safety and environment, commercial trends and market dynamics. We also conducted 14 technology seminars, giving regional stakeholders access to cutting-edge technologies. Through 20 B2B meetings, MarTech LNG kick-started 10 business projects. And we carried out feasibility consultations on large-scale LNG-technology tenders: LNG bunkering for a short-sea vessel in Denmark; LNG terminal capacity in Klaipeda; and a new ferry line between Świnoujście and Klaipeda, connecting two major LNG hubs in the region.

What role did EU funding play?

EU funding helped to facilitate technological development and business partnerships that have brought some EUR 46 million into the project. This would not have happened without European investment.
Was it difficult to set up cross-border supply chains?

Building sustainable value chains and providing technological solutions for new LNG business models were the main challenges, because we dealt with cross-sectoral and cross-cultural issues. But we aimed to offer a competitive advantage to different sectors in the business partnership. This helped to promote an understanding that we are addressing challenges on a global scale and to be competitive we should adopt an international perspective, connecting production capacities in the east and technology in the north.

How has the region benefited from the project?

The major focus was the region’s energy and marine technology industries, but we have also provided a critical mass for LNG infrastructure development in ports and cities, and research data to support decision-making in public and private entities. The shipbuilding industries in the Southern Baltic are definitely benefiting and becoming world leaders in the field. We have built partnerships that will sustain an LNG-based business model in the region. If all the business opportunities triggered during the project are implemented, we would generate at least 400-500 jobs. We expect activities to increase by leaps and bound in the future.

How did you involve major multinational companies?

During the project we visited one of the major world LNG events to promote the regional LNG value chain. That attracted the attention of companies like GE, Shell, Emerson and Wärtsilä which were interested in providing the capacity for technological development and innovation in the region. The project network maintains close relations with these partners.

What further business innovation opportunities were unleashed?

One single port or city will never be competitive in this emerging industry. We need a value chain to develop products and services in demand world-wide. MarTech LNG encompasses both technological and organisational innovation. The project heralded a paradigm shift in bunker fuel practice with both environmental and economic impacts. Natural gas is the cleanest fossil fuel available. Moreover, price forecasts for marine gas oil indicate that LNG vessels might have the lowest exploitation costs, despite higher initial investments, compared to other available technologies such as exhaust gas purification.

The cross-border competence network now unites 200 experts with cutting-edge expertise in LNG engineering, safety and business analysis.

What lessons have been learnt for the future?

The MarTech LNG project has developed cross-border supply chains which maximise the regional economic potential of the emerging LNG industry, leveraging business investments worth EUR 46 million. The economic impact is expected to grow in future. MarTech LNG is widely recognised as the crucial spark that unleashed a range of investments in the shipbuilding and bunkering sectors.

Earlier debates on LNG in the South Baltic region were fragmented and primarily related to energy independence, particularly in Poland and Lithuania. Today, a smart cross-border cluster of interdependent ports, shipbuilders, shipowners, technology and bunkering providers in the South Baltic region is gaining momentum. The project has triggered a chain of technological and business innovation activities for smart specialisation in the South Baltic maritime industry, also building technological synergies between LNG and non-LNG port activities such as ammonia cooling. MarTech LNG is an example of how soft measures and cross-border cooperation can pioneer economic growth and job creation.

FIND OUT MORE:
Klaipeda Science and Technology Park: www.kmtp.lt
LNG value chain: www.golng.eu
The GreenDC project, being developed on the banks of the River Louros, is having a significant impact on ICT awareness and development in the Greek region of Epirus.

In recent years, rapid advances in the internet and information and communication technologies have led to an ever-greater demand for large data centres to host the huge computing resources that power our global digital economy. These purpose-built centres consume huge volumes of energy which in turn contribute to greenhouse gases and their damaging effect on our climate and environment.

Modern computers generate large volumes of heat during operation, a significant fraction of which is consumed by data centres for air-conditioning and cooling systems. The Green Data Center (GreenDC) project, which was co-funded by the European Regional Development Fund (ERDF) under the Operational Programme ‘Digital Convergence 2007-2013’, set out to reduce the power used by the computing services by employing reusable alternative and sustainable energy sources.

Thanks to the project’s ecological design, total power consumption will be cut by more than 50% compared to the power used by conventional data centres, which will have a positive impact on the environment.

The data centre is fully developed in six prefabricated containers which house the IT equipment, the power supply and UPS systems, a medium-voltage substation, the cooling system, a backup power generator and personnel office. The operation is fully unmanned, with all the monitoring and administration processes being carried remotely from GRNET, thanks to extensive automation and sensing systems and video imaging.

Currently hosting 200 state-of-the-art computing servers, the centre offers advanced services, such as cloud computing, to GRNET’s user base. It is also making significant inroads towards improving ICT awareness and the development of relevant technological know-how by stimulating interactions with the local community and academic institutions across the Epirus region.

Source material

GRNET, the Greek Research and Technology Network is using environmentally friendly solutions to develop its own data centres to meet the growing demand for computing resources which cost less to operate. Within this remit, it has developed the GreenDC project which relies on nature to provide the cold water required for the conventional chillers in the centre’s air-conditioning system.

Unlike most IT projects in Greece, GreenDC is housed away from the popular urban areas, on the banks of the River Louros next to a hydroelectric power plant operated by Public Power Company Renewables. Cold water is pumped from the river into the data centre’s air-conditioning system where heat exchangers use it to cool the internal water circuitry, rather than using power-demanding chillers.

FIND OUT MORE

http://www.grnet.gr
The Dutch video game industry has been boosted by the creation of the start-up incubator, the Dutch Game Garden, which provides an innovative networking space and services for established industry leaders and to nurture new talent.

The Netherlands has made a significant investment in the video games sector with the creation of the Dutch Game Garden (DGG), an innovative start-up incubator that aims to promote talent in the industry. Since its inception in 2008, DGG has grown into a vibrant community that has attracted an array of innovative companies and expertise. This start-up incubator and events hub dedicated to the video games industry has proved to be a unique and fertile concept both in the Netherlands and internationally, says DGG’s Communications Manager Eline Muijres. Before 2008, the industry suffered from a lack of visibility and was unable to coordinate and provide support for new start-up ventures, she says. DGG has enabled the Netherlands to create a network of industry professionals as well as attracting new talent.

Between 2008 and 2014, some 75 companies were located at DGG’s headquarters in Utrecht and in other hubs in Hilversum and Breda. This created more than 200 jobs and generated EUR 6 million in revenues. DGG has also supported over 500 companies, offering advice, consultation and matchmaking services.

DGG hosts a range of events, including its trademark network lunches for potential clients, students, teachers and investors. Its annual Indigo event provides top Dutch game creators with a high-profile showcase for their work. Other activities include master classes for up-and-coming talent, game ‘jams’ and workshops. To date, over 22,000 people have attended DGG events.

DGG houses a wide variety of game companies with international reach, developing applications that can be either entertainment-focused or applied games.

In fact, DGG has been a leading supporter of ‘serious games’ – a category that uses gaming techniques to train or educate users on specific topics, such as care of the elderly and patient safety. During a visit to DGG in 2015, European Commissioner for Regional Policy Corina Crețu was particularly impressed by its activities in this field.

DGG has also diversified to mentor companies in application development, online campaigns and interactive design, as well as supporting game development. It has used project funding to provide more support and a wider range of incubator services to a larger number of firms, and to relocate to more modern premises. There has also been a drive to encourage Dutch sector presence at international trade fairs and to enhance the industry’s visibility by collaborating on over 1,250 articles for digital, print and audio-visual media.

Total investment for the project ‘Dutch Game Garden’ is EUR 4,000,000, with the EU’s European Regional Development Fund (ERDF) contributing EUR 1,600,000 through the ‘West Netherlands Employment and Competitiveness Operational Programme’ for the 2007-2013 programming period.

"Dutch Game Garden has rapidly grown into a well-known concept both within and outside the Netherlands. It's a space full of game and technology companies, powered by a start-up support programme, numerous networking events, hundreds of publications and new locations popping up all over the country. This combination of mutually reinforcing activities makes us unique in the Netherlands and abroad," says DGG Managing Director Jan-Pieter van Seventer.
A shared vision for Cohesion Policy post-2020

Enrico Rossi, President of the Tuscany Region and Vice-president of the CPMR, speaks to Panorama about the importance of the event and the CPMR’s vision of Cohesion Policy after 2020.

What is your personal feedback from this year’s European Week of Regions and Cities (EWRC) event?

This year’s EWRC event gave regions across Europe the opportunity to showcase their capacity to create growth and jobs, to implement European Union Cohesion Policy, and to prove the importance of the local and regional level for good European governance.

For the CPMR, and the 160 peripheral maritime regions it represents across Europe, the EWRC provided the opportunity to organise this important event, offering a regional perspective on the future of Cohesion Policy. Using concrete examples presented by our member regions, the conference demonstrated the role of Cohesion Policy in delivering EU priorities, improving investment conditions and achieving territorial, economic and social cohesion.

We showed that European Structural and Investment Funds contribute to European priorities such as migration, climate change and the growth of SMEs.

We also demonstrated how Cohesion Policy helps create the right terms and conditions for sustainable and long-term investment.

What are the CPMR’s views on how the 2014-2020 funding period is going?

Investment is one, if not the main priority of the EU. It is a clear priority for the Juncker Commission for the 2014-2020 period, and the CPMR fully supports this vision. This is why we want to make sure that Cohesion Policy is recognised as the EU’s main investment policy.

Therefore, the CPMR is calling on President Juncker and the European Commission to recognise the true potential and strength of Europe’s regions. We are looking to the future and the EU strategy post-2020, when the next set of policies and funding programmes begins.

We welcome the efforts directed towards simplifying the implementation of programmes under shared management, the additional funding for the Youth Employment Initiative, the extension
of the SME initiative, and the creation of an investment priority on the integration of migrants. These are all very positive proposals from the European Commission, announced as part of the mid-term review of the EU budget.

What is the CPMR’s vision of the post-2020 period?

The EU project is at a critical juncture, and we now have an opportunity to modernise Cohesion Policy, so it is at the heart of a reformed EU. Our vision of the policy’s future is clear: Cohesion Policy is more than just funding; it is a policy anchored in the EU Treaty that delivers EU priorities across Europe’s territories.

It is our duty as regions to show that this policy delivers many other benefits. We were very happy that Commissioner Creţu shared that vision with us during the conference on the EU Budget Focused on Results.

How will the CPMR contribute to preparing for the post-2020 period?

We have several ideas on what needs to change to modernise Cohesion Policy. The peripheral and maritime regions we represent have adopted a position paper stressing that Cohesion Policy is vital to economic growth across all of Europe’s territories, and must be strengthened to meet the EU’s changing priorities. The policy must be modernised and shaped to be at the heart of a reformed European Union.

Cohesion Policy is not a mere funding pot; it bridges regional disparities and creates growth and jobs, making it more important than ever. We are urging the European Commission to develop a long-term European strategy for investment combining the joint strengths of Cohesion Policy and the European Fund for Strategic Investment.

We are also calling on the Commission for major changes to simplify the policy for beneficiaries and managing authorities and asking for a common set of rules for all five European Structural and Investment Funds.

FIND OUT MORE
http://www.crpm.org/
A new brochure has been published which aims to help managing authorities and public administrations effectively design and implement ICT investments. The guide collects successful projects from across the EU in areas such as e-government, e-health and e-learning as well as broadband infrastructure and network applications. The objective is to inspire managing authorities and public administrations to enhance the access, use and quality of ICT, as laid out in the two ICT ex-ante conditionalities set for the Thematic Objective 2.

**FIND OUT MORE**
http://europa.eu/Yb39tW

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**NEW GUARANTEE AGREEMENTS UNDER THE SME INITIATIVE IN BULGARIA**

New agreements have been signed between the European Investment Fund (EIF) and financial intermediaries in Bulgaria under its SME initiative programme. Six months after the launch of the programme, five agreements have been signed with United Bulgarian Bank, Raiffeisenbank Bulgaria, UniCredit Bulbank, ProCredit Bank and CIBANK. They are expected to unlock EUR 385 million of funding for SMEs in the country. “Bulgaria is in the leading group of Member States benefiting from this innovative Cohesion Policy programme, and these agreements concretely show that the SME initiative is delivering,” said Commissioner for Regional Policy Corina Creţu.

The SME Initiative is a financial instrument jointly developed by the Commission and the European Investment Bank (EIB) Group. It is part of a broader initiative to encourage Member States to double the amount of Cohesion Policy funds invested through financial instruments, in line with the objectives of the Investment Plan for Europe. “I hope that these new agreements will convince other Member States to join the initiative,” Commissioner Creţu added.

**FIND OUT MORE**

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**BALTIC FUNDING PORTAL PUBLISHED**

A new tool for searching funding for projects in the Baltic Sea Region has been developed by INTERACT and the Swedish Institute. The Baltic Funding Portal is an inventory of more than 300 funding instruments enabling cooperation in the Baltic Sea Region.

The Baltic Funding inventory includes more than 300 funding instruments. They cover public and private funding sources from all Baltic Sea countries (Germany, Poland, Denmark, Sweden, Finland, Estonia, Lithuania and Latvia), including non-EU countries such as Norway and Russia. In addition, EU-wide funding programmes are included.

The added value of this portal is that, for the first time, it presents many funding instruments in English. More detailed information is available in the original language and on the instruments’ original websites.

**FIND OUT MORE**
http://funding.balticsea-region.eu/
The 5th annual forum of the EU Strategy for the Danube Region (EUSDR) was held on the 3-5 November 2016 in Bratislava, entitled ‘Innovative Flows: Water, Knowledge and Innovation in the Danube Region’. During the opening session, two plenary sessions and six workshops, over 800 stakeholders from across the region discussed future challenges and opportunities. Discussions included making use of the possibility to combine different funds (including private funds) to finance projects; the crucial role of R&I, in particular smart specialisation; targeting young researchers (for example, fiscal incentives to counter brain drain); and efforts to develop a joint climate change adaptation strategy for the entire river basin.

To mark five years of the strategy, a new brochure has been produced to publicise its significant achievements, which are becoming evident.

**FIND OUT MORE**
http://europa.eu/!Yb39tW

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The INTERACT programme has published the first-ever publication to cover all four EU macro-regional strategies. ‘Macro-regional strategies in changing times – EUSBSR, EUSDR, EUSALP and EUSAIR headed towards the future together’ gives an overview of the issues concerning the four strategies and aims to familiarise stakeholders with strategies in other macro-regions. The aim is to help facilitate cooperation and peer-to-peer activities between strategies in the future.

**FIND OUT MORE**
http://europa.eu/!WD86hd

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This book brings together academics, members of European institutions, and regional and national level policy-makers to assess the performance and direction of EU Cohesion Policy against the background of the most significant reforms to the policy in a generation. Responding to past criticisms of the policy's effectiveness, the policy changes introduced in 2013 have aligned European Structural and Investment Funds with the Europe 2020 strategy and introduced measures to improve strategic coherence, performance and integrated development. The book has been published in Open Access, which means it is available for free download.

**FIND OUT MORE**
EU INVESTS IN POLISH TRANSPORT INFRASTRUCTURE

The European Commission has approved three ‘major projects’, for a total of EUR 350 million to be provided by the ERDF and the Cohesion Fund. The aim is to improve regional and international connectivity and to streamline nearby traffic or traffic along the Baltic-Adriatic corridor of the Trans-European Transport Network (TEN-T).

The first project, which will receive EUR 93.5 million from the Cohesion Fund, covers the construction of a bypass near the town of Radom, in the region of Mazowieckie, on the S7 express route. The objective is to reduce traffic congestion around the town while ensuring a rapid connection to international road networks. The second project, allocated EUR 154 million from the Cohesion Fund, is financing improvement works along the S8 express route, in the regions of Mazowieckie and Podlaskie, in order to facilitate access to the inter-regional links in the TEN-T road network. Finally, the last project, worth EUR 103.5 million, to be funded by the European Regional and Development Fund, involves the design and construction of two bypasses in the Kujawsko-Pomorskie region, near the towns of Inowrocław and Brodnica. These bypasses will ease traffic congestion in the town centres.

FIND OUT MORE
ESIF: http://europa.eu/!vP47kw

CORRIGENDUM
In Panorama 58, on page 41 in the article supplied by Marjorie Jouen and entitled ‘Ensuring future political cohesion post-2020’, an error slipped into the final paragraph. The text should have read: “It is necessary to promote territorial cooperation as a method of implementing regional investment programmes between urban and rural districts, coastal and mountainous areas and local authorities, in addition to constituting a specific objective”, instead of “It is necessary to promote territorial competition as a method of ...”. We deeply regret the error and apologise for any misunderstanding.
AGENDA

30-31 MARCH 2017
Brussels (BE)
Forum of the Outermost Regions

26-27 JUNE 2017
Brussels (BE)
Cohesion Forum

JUNE 2017
Venue to be confirmed
RIS3 Conference

9-12 OCTOBER 2017
Brussels (BE)
European Week of Regions and Cities

10 OCTOBER 2017
Brussels (BE)
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