

Eurostat regional yearbook 2012





Eurostat regional yearbook 2012



Europe Direct is a service to help you find answers to your questions about the European Union.

Freephone number (*):

00 800 6 7 8 9 10 11

(*) Certain mobile telephone operators do not allow access to 00 800 numbers or these calls may be billed.

More information on the European Union is available on the Internet (http://europa.eu).

Cataloguing data can be found at the end of this publication.

Luxembourg: Publications Office of the European Union, 2012

ISBN 978-92-79-24940-2 ISSN 1830-9674 doi:10.2785/29433 Cat. No: KS-HA-12-001-EN-C

Theme: General and regional statistics Collection: Statistical books

© European Union, 2012

Reproduction of content other than photos is authorised, provided the source is acknowledged.

Photo credits: cover photo and photos for the chapters 'Population', 'Health', 'Education', 'Labour market', 'Information society', 'Agriculture' and 'Transport': © Phovoir; photo for the chapter 'Introduction': © Åsa Önnerfors; photos for the chapters 'Economy', 'Structural business statistics', 'Science, technology and innovation' and 'Focus on coastal regions': © Digital Photo Library of the Directorate-General for Regional Policy of the European Commission; photo for the chapter 'Tourism': © Sylvie Villaume; photo for the chapter 'Focus on European cities': © Almyra Knevel Persson; photo for the chapter 'Focus on territorial typologies': © Dirk Westermann.

Reproduction of photos is allowed for non-commercial purposes and within the sole context of this publication.

Printed in Belgium

PRINTED ON ELEMENTAL CHLORINE-FREE BLEACHED PAPER (ECF)



Foreword

The European Union places considerable emphasis on cohesion policy, with the objective of bringing Europe's regions closer together in economic, social and environmental spheres.

The Eurostat regional yearbook provides an overview of key statistics available for each of the statistical domains that are covered by official European statistics. It is thus a helpful tool to understand the regional diversity that exists within Europe and also shows that considering national figures alone does not reveal the full picture of what is happening in the European Union. Indeed, there are often significant differences between regions of the same country when one looks at smaller geographical areas. Thus, the Eurostat regional yearbook is a valuable supplement to Europe in figures — Eurostat yearbook, which concentrates exclusively on national statistics for the European Union and its Member States.



Regional statistics in the European Union are based on a har-

monised convention in the definition of regions which is contained in the classification of territorial units for statistics, known by the acronym NUTS. This classification has implications beyond the direct field of statistics. It is used more and more in other areas, and thus contributes to shaping the perception of EU citizens as regards how they identify with a certain regional structure. In this way NUTS has the potential to contribute towards the gradual creation of a common EU notion of regions.

In the 2012 edition of the *Eurostat regional yearbook* emphasis has been given to a more harmonised approach in relation to the commentaries provided alongside tables, graphs and maps. Furthermore, the practice of previous editions to gradually increase the number of statistical maps has been continued; these have the advantage of revealing regional variations at a glance.

The content of this book is also available online in 'Statistics explained' on the Eurostat website. The latest data can also be downloaded from Eurostat's database, where more disaggregated data can also be found.

Eurostat is the statistical office of the European Union. Working together with national statistical authorities in the European Statistical System, we produce official statistics, which meet the highest possible standards of quality.

I wish you an enjoyable reading experience.

Walter Radermacher
Director-General, Eurostat
Chief Statistician of the European Union



Abstract

Statistical information is an important tool for understanding and quantifying the impact of political decisions in a specific territory or region. The *Eurostat regional yearbook 2012* gives a detailed picture relating to a broad range of statistical topics across the regions of the 27 Member States of the European Union (EU), as well as the regions of EFTA and candidate countries. Each chapter presents statistical information in maps, figures and tables, accompanied by a description of the main findings, data sources and policy context. These regional indicators are presented for the following 11 subjects: economy, population, health, education, the labour market, structural business statistics, tourism, the information society, agriculture, transport, and science, technology and innovation. In addition, three special focus chapters are included in this edition: these look at European cities and coastal regions, while the publication ends with a description of the methods used to identify rural and urban areas.

Editor-in-chief

Teodóra Brandmüller

Eurostat, Head of Section, Unit E.4, Regional statistics and geographical information

Editor

Åsa Önnerfors

Eurostat, Unit E.4, Regional statistics and geographical information

Production

Informa SARL, Giovanni Albertone, Simon Allen and Andrew Redpath

Map production

Abaco Srl, coordinated by César de Diego Diez, Åsa Önnerfors and Atanas Trifonov

Eurostat, Unit E.4, Regional statistics and geographical information

Dissemination

Isabelle Fiasse (print version) and Marc Debusschere, Lucie Peterkova and Dominique Verdon ('Statistics explained', online version)

Eurostat, Unit B.6, Dissemination

Contact details

Eurostat

Bâtiment Joseph Bech

5, rue Alphonse Weicker

2721 Luxembourg

LUXEMBOURG

E-mail: estat-user-support@ec.europa.eu

For more information please consult

Internet: http://ec.europa.eu/eurostat

Data extracted

Most data were extracted on 15 February 2012; some data relating to structural business statistics (Chapter 6) were extracted at the end of February 2012; some data relating to regional GDP were extracted in the middle of March 2012 and have been included in three different areas, namely, for the economy (Chapter 1), agriculture (Chapter 9) and science, technology and innovation (Chapter 11).



Acknowledgements

The editor-in-chief and the editor of the *Eurostat regional yearbook 2012* would like to thank all of their colleagues who contributed to this publication and, in particular, to those who were involved closely in the editorial work to establish the content for each specific chapter:

- Economy: Andreas Krüger (Eurostat, Unit C.2, National and regional accounts production)
- **Population**: Veronica Corsini, Giampaolo Lanzieri, Monica Marcu and Gabriela Senchea Badea (Eurostat, Unit F.2, Population)
- Health: Hartmut Buchow, Elodie Cayotte, Monica Pace and Jean-Marc Schaefer (Eurostat, Unit F.5, Education, health and social protection)
- **Education**: Sorin-Florin Gheorghiu, Dominique Groenez, Sylvain Jouhette, Lene Mejer and Paolo Turchetti (Eurostat, Unit F.5, Education, health and social protection)
- Labour market: Lourdes Prado and Daniela Scirankova (Eurostat, Unit E.4, Regional statistics and geographical information)
- Structural business statistics: Aleksandra Stawińska (Eurostat, Unit G.2, Competitiveness of European businesses)
- Tourism: Christophe Demunter and Sylvie Villaume (Eurostat, Unit G.3, Short-term statistics; tourism)
- · Information society: Albrecht Wirthmann and Anna Lööf (Eurostat, Unit G.6, Innovation and information society)
- Agriculture: Fausto Cardoso, Catherine Coyette, Ruben Garcia Nuevo, Annemiek Kremer, Pol Marquer, Iulia Paula Pop and Sorina Carmen Vâju (Eurostat, Unit E.1, Agriculture and fisheries)
- Transport: José Lange and Ruxandra Roman Enescu (Eurostat, Unit E.6, Transport)
- Science, technology and innovation: Ilcho Bechev, Daniela Silvia Crintea, Bernard Félix, Angeles Hermosa-Lopez, Veijo Ritola and Reni Petkova (Eurostat, Unit G.6, Innovation and information society)
- Focus on European cities: Teodora Brandmüller and Kristina Dourmaskin (Eurostat, Unit E.4, Regional statistics and geographical information)
- Focus on coastal regions: Isabelle Collet (Eurostat, Unit E.4, Regional statistics and geographical information)
- Focus on territorial typologies: Lewis Dijkstra and Hugo Poelman (Directorate-General for Regional Policy, Unit C.3, Economic and quantitative analysis; additionality) and Isabelle Collet (Eurostat, Unit E.4, Regional statistics and geographical information)

We are also grateful to:

- the **Directorate-General for Translation of the European Commission**, particularly the German and French translation units;
- the **Publications Office of the European Union**, and in particular Artur Lemos Rodrigues in Unit B.1, Crossmedia publishing.



Contents

Foreword	3
Acknowledgements	5
INTRODUCTION	
EU statistics on regions and cities	12
The NUTS classification	
The use of NUTS in this publication	
Coverage and timeliness	
More information about regional statistics	
More information about statistics on cities	
Eurostat online data codes	
Statistics explained	
EU policies	14
Europe 2020 strategy	
Regional policies	
Urban policies	
1 ECONOMY	
Main statistical findings	18
Regional GDP per inhabitant	
A more detailed regional analysis	
Major regional differences within countries	
Convergence	23
Overall increase in convergence within the EU	25
Private household income: 2008 results	25
Data sources and availability	26
Comparisons between where people work and where they live	28
Purchasing power parities	29
Dispersion of regional GDP per inhabitant	29
Further information	29
Context	29
2 POPULATION	
Main statistical findings	
Population size and density	
Population change	
Decline in the fertility rate	
Life expectancy gaps between men and women	
Demographic ageing	
Data sources and availability	
Further information	41
Context	41



3 HEALTH	45
Main statistical findings	46
Causes of death	46
Diseases of the circulatory system	46
Cancer (malignant neoplasms)	48
Diseases of the respiratory system	48
Hospital beds	51
Healthcare professionals	53
Data sources and availability	53
Causes of death	53
Healthcare	53
Further information	55
Context	55
4 EDUCATION	57
Main statistical findings	58
Participation of 4-year-olds in education	58
Students aged 17 in education	58
Early leavers from education and training	58
Students in tertiary education	61
Tertiary educational attainment	61
Data sources and availability	65
Further information	67
Context	67
Diversity of national education systems	67
Education and training 2020	67
5 LABOUR MARKET	69
Main statistical findings	70
Employment rates	
Employment rates for men and women	
Employment rates for older workers	
Unemployment rates	
Changes in unemployment rates	
Long-term unemployment	
Youth unemployment	
Data sources and availability	
Further information	
Context	
6 STRUCTURAL BUSINESS STATISTICS	85
Main statistical findings	
Industrial and services specialisation	
Detailed specialisation within the non-financial business economy	



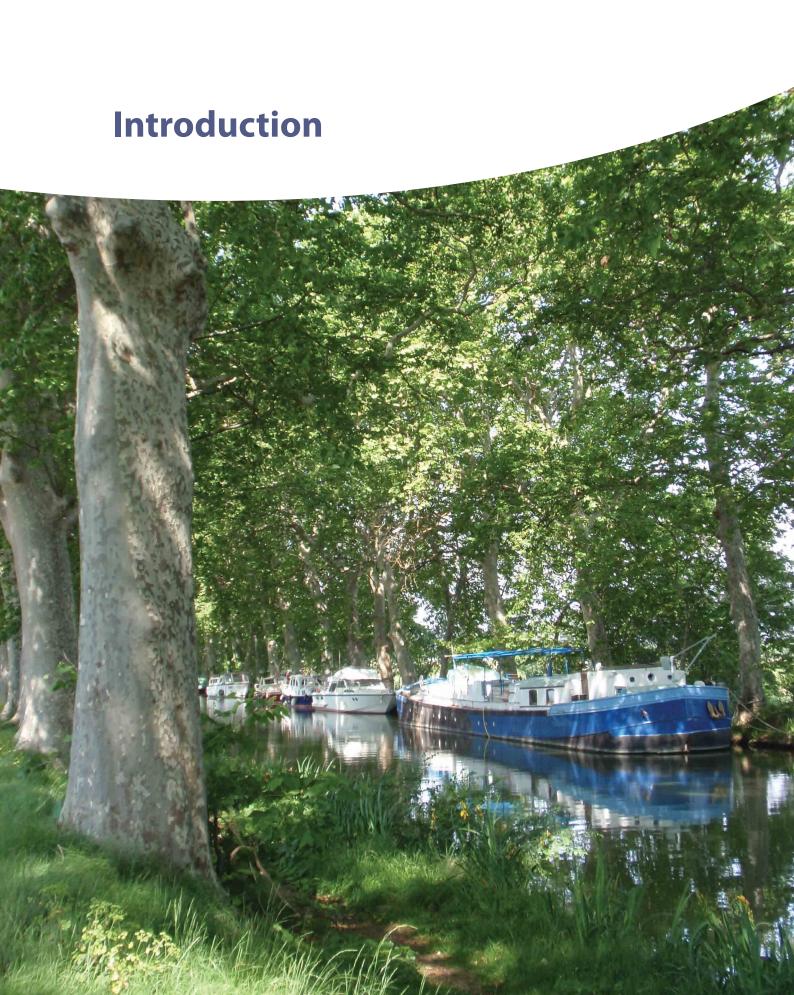
Range of specialisation	92
Business concentration	
Data sources and availability	
Further information	96
Context	
7 TOURISM	97
Main statistical findings	
Number of overnight stays	98
Recent trends in tourism	98
Camping	
Share of inbound tourism	
Top 20 tourist regions in the EU-27 visited by foreign tourists	
Most popular regions	
Tourism intensity	
Average length of stay	
Accommodation capacity	
Data sources and availability	
Further information	
Context	
Tourism policy	
8 INFORMATION SOCIETY	
Main statistical findings	116
Access to information and communication technologies	116
Regular use of the Internet	
E-commerce by individuals	
Data sources and availability	
Further information	
Context	123
9 AGRICULTURE	
Main statistical findings	126
Economic significance of agriculture	
Agricultural labour productivity	
Livestock density	
Cows and cows' milk production	
Cereals	
Potatoes	
Vineyards	
Data sources and availability	
Further information	
Context	



10 TRANSPORT	
Main statistical findings	
Motorway networks	
Stock of passenger cars, buses and coaches	
Stock of road freight vehicles	
Air transport	
Data sources and availability	
Further information	
Context	
11 SCIENCE, TECHNOLOGY AND INNOVATION	
Main statistical findings	
Research and development intensity	
Researchers	
Human resources in science and technology	
Employment in high-tech sectors	
Patents	
Data sources and availability	
Further information	
Context	
12 FOCUS ON EUROPEAN CITIES	
Main statistical findings	164
Cities and urban areas	
Old-age dependency	
Students in tertiary education	
The labour market: perception of job hunting	
The labour market: unemployment	
Perception of financial difficulties	
Air pollution — ozone	
Data sources and availability	173
Further information	
Context	176
Urban development — future cohesion policy	
13 FOCUS ON COASTAL REGIONS	
Main statistical findings	178
EU coastal regions and their maritime basins	
Maritime freight transport	
Maritime passenger transport	
Cruise passengers	
Tourism in coastal regions	



Data sources and availability	
Coastal regions	187
Maritime transport	187
Tourism	187
Context	187
Maritime and coastal policies	192
Maritime transport and ports	192
Coastal tourism	192
14 FOCUS ON TERRITORIAL TYPOLOGIES	
Typologies	194
Cluster types	194
Contiguous cells and filling gaps in the cluster typology	194
Degree of urbanisation typology for LAU level 2 areas — an area typology	194
Urban–rural typology for NUTS level 3 regions — a regional typology	198
Summary table: names and alternative names	198
Main statistical findings	198
Share of population by type of territory	198
Share of land area by type of territory	198
Data sources and availability	201
Further information	201
Context	201
ANNEX 1 — Classification of territorial units for statistics	203
European Union: NUTS level 2 regions	203
EFTA countries: statistical regions at level 2	206
Candidate countries: statistical regions at level 2	207
ANNEX 2 — Cities participating in the Urban Audit data collection	208
European Union: Urban Audit cities	208
EFTA countries: Urban Audit cities	212
Candidate countries: Urban Audit cities	213





EU statistics on regions and cities

Eurostat, the statistical office of the European Union (EU), is responsible for collecting and disseminating national and regional data, primarily for the 27 Member States of the EU, but also for the EFTA and candidate countries. The aim of this publication, the Eurostat regional yearbook 2012, is to give a flavour of the statistics that Eurostat collects on regions and cities and to present the most recent figures for each statistical subject.

The Member States within the EU are often compared with each other, but in reality it is very difficult to compare a small Member State like Malta, which has around 400 000 inhabitants, or Luxembourg, which has around 500 000 inhabitants, with Germany, the Member State which has the largest population in the EU at more than 80 million inhabitants. Comparing regional data that are as detailed as possible is often more meaningful and it also highlights the disparities — or similarities — within the Member States themselves.

The NUTS classification

At the heart of regional statistics is the NUTS classification (the classification of territorial units for statistics). This is a regional classification for the 27 Member States of the EU providing a harmonised hierarchy of regions on three geographical levels. The NUTS classification subdivides the national level of each Member State into regions at three different levels, NUTS levels 1, 2 and 3, from larger to smaller areas. If available, administrative structures are used for the different NUTS levels. In Member States where there is no administrative layer for a particular level, artificial regions are created by aggregating smaller administrative regions.

The NUTS regulation (Regulation (EC) No 1059/2003 of the European Parliament and of the Council) was adopted in May 2003 and entered into force in July 2003; it has since been amended twice and also supplemented twice with information pertaining to new Member States (10 extra Member States in 2004 and two extra Member States in 2008). The second regular amendment (EU No 31/2011) was adopted in January 2011 and entered into force from 1 January 2012 (note, however, that the data presented in this publication are not based on this amendment given that most of the information that is published refers to the reference years 2009 and 2010).

Below are the principles for determining the NUTS regions in the Member States.

Principle 1: the NUTS regulation defines the following minimum and maximum population thresholds for the size of the NUTS regions.

Level	Minimum population	Maximum population
NUTS level 1	3 million	7 million
NUTS level 2	800 000	3 million
NUTS level 3	150 000	800 000

Principle 2: NUTS favours administrative divisions (normative criterion). For practical reasons the NUTS classification is based on the administrative divisions applied in the Member States. That generally comprises two main regional levels; the additional third level is created by aggregating administrative units.

Principle 3: NUTS favours general geographical units. General geographical units are normally more suitable for any given indicator than geographical units specific to certain fields of activity.

Different regions have also been defined and agreed with the EFTA and candidate countries; these regions are called statistical regions and follow exactly the same rules as the NUTS regions in the EU, except that there is no legal base.

It should be noted that some Member States have a relatively small population and are therefore not divided into more than one NUTS level 2 region. Thus, for these Member States, data presented for NUTS level 2 regions are identical to national data. Following the revision of the NUTS classification in 2006, this applies to six Member States: Estonia, Cyprus, Latvia, Lithuania, Luxembourg and Malta. It also applies to the statistical regions at level 2 in the EFTA countries of Iceland and Liechtenstein and in the candidate countries of Montenegro and the former Yugoslav Republic of Macedonia (¹). In each of these cases, the whole country consists of one single level 2 NUTS region or statistical region.

For more information about regional data collection and the NUTS classification, please refer to: http://epp.euro-stat.ec.europa.eu/portal/page/portal/nuts_nomenclature/introduction.

The use of NUTS in this publication

Most statistics in this publication are based on NUTS level 2 regions, but some maps are based on NUTS level 3 regions (the most detailed NUTS level) and these are generally included when data at this level of detail are available. There are also a few maps where use is made of NUTS level 1 regions. Furthermore, there may be specific cases (on a map by map basis), where particular regions are presented using a different NUTS level — these changes are documented in the footnotes under each map and are generally made in order to improve the coverage of each map.

(¹) The name of the former Yugoslav Republic of Macedonia is shown in tables in this publication as FYR of Macedonia. This does not prejudge in any way the definitive nomenclature for this country, which is to be agreed following the conclusion of negotiations currently taking place on this subject at the United Nations.



One difficulty with regional statistics is that the volume of data inevitably gets very large (there are as many as 1 303 NUTS level 3 regions for the EU-27) and there has to be some kind of selection or sorting principle to make the data comprehensible. Statistical maps are an excellent means of presenting large amounts of statistical data in a user-friendly way. That is why this year's *Eurostat regional yearbook*, like previous editions, contains many thematic maps in which the data are categorised into different statistical classes represented by colour shades on a map (choropleth maps). Some chapters also make use of figures and tables to present the data, selected and sorted according to principles designed to make the results more accessible.

A folding map inside the back cover accompanies this publication. It shows all NUTS level 2 regions in the 27 Member States of the EU and the corresponding level 2 statistical regions in the EFTA and candidate countries; it also has a full list of codes and names of these regions. The map is intended to help readers to locate the name and NUTS code of a specific region on the other statistical maps in the publication. More information about the NUTS classification can be found at https://epp.eurostat.ec.europa.eu/portal/page/portal/nuts_nomenclature/introduction.

Coverage and timeliness

The Eurostat regional yearbook 2012 contains statistics on the 27 Member States of the EU and, where available, data are also shown for the EFTA countries (Iceland, Liechtenstein, Norway and Switzerland) and the candidate countries (Montenegro, Croatia, the former Yugoslav Republic of Macedonia

and Turkey); since 1 March 2012 Serbia has also been a candidate country (but was not at the time of compiling this edition of the publication). Since 27 July 2010, Iceland has been both an EFTA country and a candidate country and in this publication is grouped together with the other EFTA countries. The names (not the demarcated areas) of the level 2 statistical regions in Turkey were changed in early 2012; these names are included in the annex at the end of this publication and within the analyses presented.

Please note that the latest available reference year is not identical across the publication; each section aims to show the latest data available. In the light of the recent financial and economic crisis, which had severe implications for some of the subjects covered, it is important to keep in mind the reference year with respect to overall economic and social events. The following table gives an overview of the latest available reference year that is generally presented for each chapter.

Eurostat may have more recent data than the information that is shown in this publication. Data can be found directly on Eurostat's website: the online data codes below all maps, tables and figures in the publication help to locate each data source (see below for more information pertaining to Eurostat online data codes).

More information about regional statistics

Regional statistics are found on Eurostat's website under the heading 'Regions and cities' which is a subset of the domain for 'General and regional statistics'. Databases with more

Chapter number	Subject	Latest available reference year
1	Economy	2009 for GDP 2008 for income
2	Population	2010
3	Health	2008 for causes of death 2009 for healthcare
4	Education	2010
5	Labour market	2010
6	Structural business statistics	2009
7	Tourism	2010
8	Information society	2010
9	Agriculture	2007 and 2009 for economic accounts 2010 for livestock, arable farming and vineyards
10	Transport	2009
11	Science, technology and innovation	2009 for R & D 2010 for human resources 2008 for patents
12	Focus on European cities	2008 for the Urban Audit 2009 for perception surveys
13	Focus on coastal regions	2010
14	Focus on territorial typologies	Not relevant



dimensions and longer time series than those presented in this publication are available.

It is also possible to download a set of Excel files that contain the specific data used to produce the maps and other illustrations for each chapter in this publication. These are also available on Eurostat's website from the product page for the Eurostat regional yearbook.

More information about statistics on cities

Eurostat's statistics on cities, based on the Urban Audit data collection, provide a different focus to complement regional statistics. The main goal of the Urban Audit data collection is to provide information to assess the quality of life in European towns and cities. Eurostat collects and publishes data on several hundred indicators relating to the quality of urban life and living standards, including data on: demography, housing, health, crime, the labour market, economic activity, income disparity, local administration, civic involvement, educational qualifications, cultural infrastructure and tourism.

More information about Eurostat's statistics on cities is provided in Chapter 12, which is dedicated to this subject. For more information about the Urban Audit data collection in general, please refer to: http://epp.eurostat.ec.europa.eu/portal/page/portal/region_cities/city_urban.

Eurostat online data codes

Under each table, figure or map in all Eurostat publications you will find hyperlinks with Eurostat online data codes, allowing easy access to the most recent data on Eurostat's website. The online data code leads to either a two- or three-dimensional table in the TGM (table, graph, map) interface or to an open dataset which generally contains more dimensions and longer time series using the Data Explorer interface (2). In the Eurostat regional yearbook, these online data codes are given as part of the source below each table, figure and map.

In the PDF version of this publication, the reader is led directly to the freshest data when clicking on the hyperlinks for Eurostat online data codes. Readers of the printed version can access the freshest data by typing a standardised hyperlink into a web browser, for example:

http://ec.europa.eu/eurostat/product?code=<data_code>&mode=view, where <data_code> is to be replaced by the online data code in question.

(*) There are two types of online data codes: (1) tables (accessed using the TGM interface) with eight-character codes, which consist of three or five letters — the first of which is 't' — followed by five or three digits, for example tps00001 and tsdph220; and (2) databases (accessed using the Data Explorer interface) which have codes that use an underscore '_within the syntax of the code, for example nama_gdp_c.

Statistics explained

All the chapters in the *Eurostat regional yearbook* have, for the past couple of years, also been included as articles in 'Statistics explained', Eurostat's user-friendly guide to European statistics, which you will find on Eurostat's website. 'Statistics explained' is a wiki-based system, with an approach somewhat similar to Wikipedia, which presents statistical topics in an easy-to-understand way. Together, the articles make up an encyclopaedia of European statistics, which is completed by a statistical glossary clarifying the terms used. In addition, numerous links are provided to the latest data and metadata, as well as further information, making 'Statistics explained' a portal for regular and occasional users alike.

In March 2012, 'Statistics explained' contained more than 400 statistical articles and more than 1300 glossary items, and its content is regularly expanded, while ongoing efforts are being made to increase its user friendliness (for example, extending the portal to cover additional languages). Statistics explained' is used as a tool to publish new content for the Eurostat regional yearbook as each chapter is finalised. This means that the latest text on each topic will be available in 'Statistics explained' earlier than in the printed version and, in this way, the most recent results will be made available to users without the inevitable delays that are part and parcel of the process of producing printed publications. Since the 2011 edition, the German and French versions of the publication are only available in 'Statistics explained', rather than as printed publications. 'Statistics explained' can be accessed via a link on the right-hand side of Eurostat's website or directly at http://epp.eurostat.ec.europa.eu/statistics_explained.

EU policies

Europe 2020 strategy

The Europe 2020 strategy, designed as the successor to the Lisbon strategy, was adopted by the European Council on 17 June 2010. It is the EU's common agenda for the next decade — and places an emphasis on the need for a new growth pact that can lead to a smart, sustainable and inclusive economy, a path that can overcome the structural weaknesses in Europe's economy, improve its competitiveness and productivity and underpin a sustainable social market economy.

The key areas of the strategy are limited to five headline targets for the EU as a whole, which are being translated into national targets for each EU Member State, reflecting the specific situation of each economy. The aim is to reach a set of objectives on employment, innovation, education, social inclusion and climate/energy by the year 2020. Eurostat provides statistical support for measuring the progress being made towards these strategic objectives. The European



Commission adopted seven flagship initiatives in addition to the headline targets, in order to drive progress towards the Europe 2020 goals. The Europe 2020 targets and initiatives are mentioned explicitly in many of the chapters of this publication. More information about the strategy is available at http://ec.europa.eu/europe2020/index_en.htm.

Data for the Europe 2020 headline indicators are available on Eurostat's website at http://epp.eurostat.ec.europa.eu/portal/page/portal/europe_2020_indicators/headline_indicators.

Achieving the Europe 2020 goals will require active involvement across all regions of the EU: the Committee of the Regions has set up a monitoring platform to help mobilise and involve regional and local authorities. This aims to facilitate the exchange of information and good practices between local and regional policymakers, and to help the EU and its Member States address challenges and obstacles, mainly by means of monitoring exercises at the territorial levels.

Regional policies

EU regional policy is designed to further economic, social and territorial cohesion, by reducing the gap in development between regions and among Member States of the EU. Regional policy helps finance specific projects for regions and towns, supporting job creation, competitiveness, economic growth, improved quality of life and sustainable development; as such, it is in line with the priorities set by the Europe 2020 strategy (see above). During the current programming period which covers 2007 to 2013, economic and social cohesion policy across the regions will benefit from EUR 347 410 million. The three main objectives are:

- convergence, under which the poorest Member States and regions (gross domestic product (GDP) per inhabitant less than 75% of the EU average) are eligible, accounting for around 82% of the funds for 2007 to 2013;
- regional competitiveness and employment, accounting for around 16% of the funds; all regions which are not covered by the convergence objective or transitional assistance are eligible for funding;
- European territorial cooperation, accounting for around 2.5 % of the funds available.

Regional statistics are employed for a range of policy-related purposes, including the allocation of structural funds. NUTS is used as an objective base to demarcate regional boundaries and determine geographic eligibility for funds, including:

- the European Regional Development Fund (ERDF), which operates in all Member States and co-finances physical investments and, to a limited extent, training; the fund can intervene in the three objectives of regional policy;
- the European Social Fund (ESF), which aims to make the EU's workforce and companies better equipped to face

global challenges through the promotion of better skills and job prospects;

• the Cohesion Fund, which co-finances mainly transport and environmental projects.

The ERDF supports regions covered by all three objectives. In relation to convergence, it focuses intervention on modernising and diversifying economic structures, as well as safeguarding or creating sustainable jobs. As regards regional competitiveness and employment, its priorities relate to innovation and the knowledge-based economy, environment and risk prevention, and access to transport and telecommunications services of general economic interest. Finally, in terms of its contribution to European territorial cooperation, the ERDF aims to develop economic and social cross-border activities, the establishment and development of transnational cooperation, and to increase the efficiency of regional policy through interregional promotion and cooperation, as well as the networking and exchange of experiences between regional and local authorities.

The ESF aims to improve employment and job opportunities through interventions that are made within the framework of convergence and regional competitiveness and employment objectives. The ESF supports actions in six fields: improving human capital; improving access to employment and sustainability; increasing the adaptability of workers and enterprises (lifelong learning, designing and spreading innovative working organisations); reinforcing social inclusion by combating discrimination and facilitating access to labour markets among disadvantaged people; strengthening institutional capacity at national, regional and local levels; and promoting partnership for reform in the fields of employment and inclusion.

The Cohesion Fund supports actions within the framework of the convergence objective; it finances activities including trans-European transport network and environmental projects, as well as energy or transport projects, as long as these demonstrate environmental benefits (such as energy efficiency, the use of renewable energy, developing rail transport systems or improving public transport); this fund concerns Bulgaria, the Czech Republic, Estonia, Greece, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Portugal, Romania, Slovenia and Slovakia; while Spain is eligible for a phase-out fund.

Urban policies

One particular focus of economic and social cohesion policy has been urban development. Europe's cities are centres of economic activity, attracting innovation and employment. Upwards of 70% of the EU's population live in urban areas. In addition, a considerable proportion face problems such as crime, poverty, unemployment, housing, traffic or environmental pressures.

Introduction



The URBAN I and URBAN II Community initiatives ran from 1994 to 2006. As of 2007, the EU has reinforced the urban dimension of regional policy and fully integrated this into cohesion policy, with particular attention on promoting social cohesion and environmental sustainability. The EU contributes to the sustainable development of urban areas through a range of policies and initiatives which cover many areas of activity. The Community strategic guidelines on cohesion specify that programmes with a focus on urban areas can take different forms.

- There are actions to promote cities as motors of regional development: these aim to improve competitiveness, promote entrepreneurship, innovation and the development of services and boost the attractiveness of cities.
- Other actions aim to promote internal cohesion within urban areas: by improving the situation of deprived neighbourhoods, notably through rehabilitating the physical environment, redeveloping brownfield sites and preserving and developing their historical and cultural heritage.
- Other actions aim to promote a more balanced, polycentric development of the EU by developing urban networks at a national and Community level: to achieve this objective, these actions aim to put in place networks linking cities in both physical (infrastructure, information technologies, etc.) and human (promotion of cooperation, etc.) terms, while paying specific attention to urbanrural interfaces.