INTRODUCTION
Lisbon priorities are at the centre of Cohesion Policy investments in Austria for the programming period 2007–13. The negotiations helped to identify needs in areas such as Research, Development and Innovation (RD&I) and entrepreneurship support, resulting in one of the highest proportions of Fund allocations to the Lisbon categories compared to other Member States.

Austria will translate the broad priorities contained in the National Strategic Reference Framework (NSRF) into 10 regional Operational Programmes – 9 financed by the European Regional Development Fund (ERDF) and 1 by the European Social Fund (ESF) – in addition to 1 horizontal programme financed by the ESF covering all regions under the Regional Competitiveness and Employment Objective.

Additionally, Austria is taking part in 14 Operational Programmes under the European Territorial Cooperation Objective (7 cross-border co-operation programmes, 3 transnational co-operation programmes and 4 inter-regional co-operation programmes).

COHESION POLICY ADDRESSES TODAY’S PROBLEMS AND FUTURE CHALLENGES

Mitigating regional disparities
Enhancing the attractiveness of Austria’s regions by strengthening the competitiveness of regional economies is a key objective of the national strategy. This will be achieved by investments focused on areas that can bring comparative advantages to the regions. For example, Cohesion investments will enable disadvantaged mountain areas to develop their tourism potential. In addition, Regional Operational Programmes will explicitly promote networking and exchanges of experience between the regions, especially for innovative measures.

Cohesion Policy delivering the Lisbon Agenda
Austria is one of the leading countries in terms of devoting the majority of Funds to the Lisbon objectives. 91% of Funds under the Regional Competitiveness and Employment Objective, and 88% of Funds under the Convergence region...
The development of business potential and the promotion of entrepreneurship. SME networks and clusters, together accounts for some 16% of Austria’s total Community allocation (about €192 million). Financial engineering instruments will be used to leverage the Fund contributions. For example, the ERDF will invest in financial engineering instruments in three regional Operational Programmes accounting for an approximate total of €175 million.

Promoting entrepreneurship goes hand-in-hand with measures for the demand side of the equation, namely Fund support for ICT products and services (services and applications for businesses and citizens, information and communication technologies) in the region of €19 million.

### Adaptable workers and enterprises

Adaptable workers and enterprises constitutes one of the major priorities of the programmes, and includes a range of qualification features (advising firms, creating networks between firms, qualification measures for employed persons). Older people and those with low levels of skills are also part of the eligible target group. Some €151 million of Funds are being allocated for these purposes.

Investing in human capital is reflected in activities related to life-long learning (schools, adult education, science and research) as well as activities encouraging support structures, access to knowledge, knowledge transfer and regional and local labour market partnerships (Territorial Employment Pacts). The activities account for nearly €60 million of the ESF support. Areas to be covered include general education and further education activities (LLL), as well as better integration and coordination of employment activities at regional and local level. People located far away from labour markets will also receive appropriate support.

Austria has a well developed transport infrastructure system. Cohesion investments will therefore focus on aspects that can further improve the attractiveness of regions for businesses and citizens. Accordingly, financial means for promoting accessibility account for less than 1% of total Fund allocations (about €8 million) and will focus mainly on promoting modal transport systems and sustainable transport as well as improving regional and local roads.

### Demographic change, and more inclusive labour markets, societies and economies

ESF funding in these sectors amounts to some €301 million for both ESF programmes (Operational Programme Employment and Operational Programme ESF Burgenland). The target groups are young people, older workers, low–skilled people, long–term unemployed, disabled people, those far from the labour market and socially disadvantaged persons, including migrants. The objective is their permanent integration into the regular labour market. Advice, tailored individual support and better qualifications are to be provided. The target: 195 000 people supported.

Responding to the challenges of sustainable development, climate change and energy

Measures for protecting the environment account for some €99 million (approximately 8% of the total allocation) of Community funding. Within this area, activities directly linked to climate change mitigation account for about €44 million, while measures to promote use of renewable energies and energy efficiency amount to some €30 million. It is expected that through Cohesion investments, energy production from renewable sources will increase by 66 MW by the end of the programming period.
COHESION POLICY REINFORCES GOOD GOVERNANCE, OWNERSHIP AND INSTITUTIONAL CAPACITIES

Reinforcing multi–level governance and partnership

Austria has a well established system of regional management. While the Austrian Conference on Spatial Planning (Österreichische Raumordnungskonferenz, ÖROK) has overall responsibility for Cohesion Policy management, the role of regions and regional managers is crucial for identifying regional and local needs that can be addressed by projects supported by the Funds. Regional managers also ensure coherency and co–ordination among different financing instruments, making sure that relevant actors are involved in project selection and monitoring.

Mainstreaming successful policies, enhancing knowledge and spreading good practices

As the URBAN programmes were implemented successfully in Austria in the previous programming period, they look set to continue in the new programmes under the Regional Competitiveness and Employment Objective. For example, the programme for Vienna includes a specific urban priority axis, while the programmes for Styria and Upper Austria contain urban development actions.

The results of the Community Initiative EQUAL 2000–06 are integrated to a certain extent by harnessing the ideas and solutions found so far. EQUAL is reflected thematically in the priority focused on integrating people located far from the labour market (Priority 3b Operational Programme Employment).

COHESION POLICY CONTRIBUTION TO COMMUNITY PRIORITIES 2007–13*, ALLOCATIONS IN MILLIONS OF EURO

Responding to globalisation and structural change

Responding to the challenges of climate change

Demographic change, more inclusive labour markets, societies & economies

Responding to governance, ownership & institutional capacity

* The sum of the individual sections is higher than the total funds available under Cohesion Policy for Austria (€ 1 461 142 681) due to the relevance of various categories to different thematic priorities, e.g. RD&I contains large human capital investments which are also listed separately.
Further information about Cohesion Policy in Austria can be found at:

Consult the Infregio website for an overview of EU Regional Policy:
http://ec.europa.eu/regional_policy/

Consult the website of DG Employment, Social Affairs and Equal Opportunities for further information:
http://ec.europa.eu/social/