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Regional policy, an integrated approach

A 360° view

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EDITORIAL

'Integration', 'an integrated approach', 'integrated policy-making' – in this edition of Panorama we consider what lies behind the words. The interdependence of policies means that, for example, transport systems must not only cover passenger services but also take into account environmental factors such as energy efficiency, noise levels and air pollution.

The effects of the recent economic crisis on the EU make the push for effective policy even more urgent. Against this backdrop, the Commission published its Europe 2020 Strategy, which enshrines the following goals:

- Smart growth: developing an economy based on knowledge and innovation.
- Sustainable growth: promoting a more resource-efficient, greener and more competitive economy.
- Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

Achieving this will require approaches that pay full attention to how one policy area affects another.

The preparation of the next generation of programmes after 2013 will provide the opportunity to increase the effectiveness and the quality of delivery of cohesion policy. It is important to seize this opportunity to review the policy in order to increase its focus on impact and results.

As the debate on the future of European cohesion policy intensifies, one of the questions that will need to be addressed is how it can provide the appropriate framework for integrated solutions tailored to people's knowledge and preferences, yet avoid a one-size-fits-all approach.

This issue of Panorama looks at how the integrated approach is being applied in the current period with a special look at Bavaria as well as examples from France, Germany, Hungary, Poland and Portugal. How this applies to territorial cooperation is also under the microscope in the Eurometropolis, Lille-Kortrijk-Tournai.

The integrated approach has also worked particularly well in the urban context, and here the article 'Europe needs cities, cities need Europe' shows how European cohesion policy has helped to promote integrated urban development.

Europe's outermost regions also deserve our attention because they often face difficulties in overcoming their remoteness from the centres of Europe's economic growth. Here the territorial approach, which is inherent to European cohesion policy, can play a particularly important role.

Finally, two experts in the field, Professor Brian Robson from the University of Manchester (UK) and Professor Fabrizio Barca, author of the independent report 'An Agenda for a Reformed Cohesion Policy', discuss their own views on the integrated approach.

I hope you enjoy this edition of Panorama and that you are able to 'integrate' some of the ideas and concepts presented here into your own work.

Happy reading!

Dirk Ahner

Director General, European Commission
Directorate-General for Regional Policy

INTEGRATED APPROACH TO COHESION POLICY

In recent years, the debate about European cohesion policy has focused on its benefits as an 'integrated approach' towards policy-making. But what does it really mean? This issue of the Panorama magazine sets out to explain what the integrated approach is all about.

Where does the idea stem from?

The integrated approach dates back to the origins of European cohesion policy. In 1957, when the founding six countries signed the Treaty of Rome, their aim was "to strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing between the various regions and the backwardness of the less favoured regions". This aim was inspired by concern that some less developed regions would not be able to benefit from further market integration.

Successive enlargements have substantially increased regional disparities in the EU. In 1986, as Greece, Spain and Portugal joined the Union, the proportion of the population living in a region with GDP per head below 30% of the EU average, jumped from 12.5% to 20%. The last two enlargements dramatically increased regional differences in levels of development and further strengthened the need for a policy that promotes development in all regions.

The Lisbon Treaty explicitly recognises territorial cohesion as a fundamental objective of the Union, in addition to economic and social cohesion. This implies that territory matters and Community policies, including the objectives outlined in the Europe 2020 Strategy, should give more consideration to their territorial impact.

The integrated approach emphasises that promoting development requires close coordination of public policies. For example, both investments in infrastructure and investments in education and innovation can contribute to development. Such coordination, however, can only effectively happen at the regional level since factors of growth vary so much between regions. As a result, cohesion policy relies primarily on integrated regional development strategies.

The current context

In recent years, European cohesion policy has adopted a new model in regional economic development. It has evolved from a policy aimed at compensating regions for their disadvantages, to a policy designed to improve regional growth and competitiveness. This is where the integrated approach can be extremely valuable. Singling out one policy area, say for example transport, does not make sense without taking into account environmental, social and other economic policy areas.

Recent research has shown that economic growth does not simply depend on the availability of resources but on how to effectively manage interdependent factors of growth. A 2009 OECD report, for example, argued that improvements in infrastructure on their own do not automatically lead to higher growth. However, when combined with improvements in education and innovation, the impact of infrastructure investment on growth becomes significant.

Similarly, even if research and development is concentrated on one particular area or region, this does not necessarily imply that the benefits will be felt only within the region in question. The performance of one region in one particular sector can often be closely linked to the performance of another. In this respect, regional economic development strategies need to avoid being developed in isolation.

But how do all these aims fit together?

The overarching objective of European cohesion policy has always been to promote the harmonious development of the Union and its regions. In this respect, it makes an important contribution to the three strategic objectives of the Europe 2020 Strategy:

- Smart growth, by increasing competitiveness especially in less developed regions;
- Inclusive growth, by promoting employment and improving people's well-being;
- Green growth, by protecting and enhancing environmental quality.

A new visitor centre for the Roman theatre of Mérida, Extremadura, Spain

Integration and place-based policies

So how does the integrated approach fit in with a territorially-based policy such as European cohesion policy? The day-to-day implementation of European cohesion policy programmes underlines the need to work with multiple levels of government. By working closely together at European, national, regional and local level, European cohesion policy can increase the consistency and synergy between different policies. This can also contribute to the spread of good practices.

The territorial approach also highlights the need to work with a more flexible sense of geography which may be small, as in the case of islands or urban neighbourhoods, or large, as in the case of metropolitan regions or macro-regions such as the Baltic Sea. For example, some cohesion policy programmes may set out to improve access to broadband in parts of their region where the return on the necessary investment is not high enough to motivate companies to go it alone. Other programmes may want to have a multiregional dimension allowing them to create a shared strategy for a functional area. Geography continues to matter.

Integration presents its own challenges

Finally, an integrated approach also presents challenges for those working on the ground. Adopting an integrated approach towards regional economic development requires policy-makers to harness programme strategies that address real needs, without being diverted by the relative ease of spending resources on individual sectors.

This requires setting objectives and targets based on an analysis of the challenges faced by the region itself. For example, the role of a transport system in facilitating the achievement of wider economic, social and environmental objectives needs to be considered, possibly on a national basis.

Local strategies should not be formulated in isolation but need to consider strategies that are implemented in other areas, such as neighbouring regions, for example. Here, European cohesion policy has experience in supporting the development of trans-regional coordination schemes which are needed to help EU regions interact and exploit their synergies. Put simply, an integrated approach, with coordination of actions across policy areas, will achieve better results than individual initiatives.

> “...an integrated approach also presents challenges for those working on the ground”

The Estação do Oriente station, Lisbon, Portugal

FABRIZIO BARCA

Dr Fabrizio Barca is Director General of the Ministry of Economy and Finance in Italy.

Barca is now a special advisor to the EU Commission, a university lecturer in political sciences in Paris and has written extensively on corporate governance and Italian history.

In your report on the future of cohesion policy you described the policy as 'place-based'. As such, how does an integrated approach to policy-making feed into that? Is there a connection between those two ways of looking at policy-making?

A 'place-based' approach is a policy strategy aimed at promoting development from outside (the place) by means of interventions tailored to contexts. Integration among different sectoral interventions is a component of place-based policy-making, together with contracts, multi-level governance and partnership systems.

Integration requires a place-based approach, because you cannot integrate different sectoral interventions anywhere else but at ground level. You can have sectoral cooperation in the capitals of a federation, a nation or a region, but any integration will only be theoretical. It is only at project level that you take into account the specificity of a given place and realise that only a mix of 'four different things at once' can do the job.

In your paper 'The Union and Cohesion Policy – Thoughts for Tomorrow' you outline a series of challenges facing the EU, such as natural, economic and social challenges. Could you explain how you feel an integrated approach to these issues can help and why?

There are several reasons why, and three in particular. The first is that the challenges that we are talking about are place-based by nature. Both climate change and migration challenges, along with the need to innovate, for example, manifest themselves as problems we can only really see at ground level.

The second reason follows on from that: in order to tackle current challenges you need to combine routine and universal knowledge, not based on a particular context, with the knowledge that is held by the very agents which operate at local level. It is local expertise that is also needed and we need an approach that extracts it.

The third element is to do with the delivery. We have learned in both the US and in Europe that the way to be effective in policy is to never delude yourself into thinking that you have found a permanent solution. There are no permanent solutions. However effective a policy is, it will turn ineffective very soon, because people will learn how to find a way to work around it. So experimentalism is the key way to approach, solve and run policy – experimentalism being defined as a policy which allows people to experiment with solutions and to monitor, criticise and express consent and dissent. Once again, a place-based approach is the right policy space for experimentalism.

You talk of a need for a clear and explicit distinction between policy interventions aimed at increasing income and growth and those aimed at reducing inequalities. Doesn't that run contrary to an integrated approach?

The objectives of any development policy are both equity and efficiency: social inclusion, which refers to multi-dimensional aspects of human well-being, and full utilisation of capacity, which is the efficiency strand. The question then becomes: "Isn't it true that the very causes of failing to deliver social inclusion also explain the failure to deliver full utilisation of capacity?"

It is indeed true that a place where the institutions and the capacity are weak means the opportunity for innovators to come through is limited and the tendency is, instead, for the 'old guard' to remain in place, leading to institutional stagnation.

A place-based policy, properly utilised, will change the institutions and have an effect on innovation – but only over the long term. But, although the cause may be the same, it isn't the case that by improving inclusion you will necessarily boost capacity or vice versa. For too long we have been hiding the social agenda behind the efficiency agenda, we have been claiming we can do both at once. But this is not the case.

> **"Integration requires a place-based approach"**

Furthermore, and more importantly, it is not the case that the interventions which best address one issue are also best at addressing the other. A concrete example: imagine you have a region that is suffering under a bad education system and is investing regional funding to improve the quality of education it offers. You have the top twenty, potentially brilliant university students who need the courses they are offered to be radically improved. You also have a majority of school leavers who quit with no qualifications at 16.

Where do you channel the money? If you invest in the academically gifted and their opportunities and ideas you will ensure a positive impact on research and innovation within a short turnaround time. You will boost your region's competitiveness. If you invest in the under-qualified school leavers you will do nothing to address innovation in the region, but you will contribute amazingly to social inclusion because these guys will be better citizens in two or three years' time and do better for themselves and those around them.

Development includes both and cohesion policy should cover both, but they should be addressed by clearly defined, separate interventions which are declared to be either for one or the other.

There is one more reason to do that and it has to do with achieving results. If we claim we are doing both at once, public administrators at the local level will not say very clearly what they are aiming at. That way they escape monitoring and verification of their results. By clearly distinguishing the different targets we can see what is happening much more clearly.

Evaluation is currently under the spotlight – won't integrated policy-making be harder to evaluate?

The honest answer is 'yes' – the quantitative, rigorous, counterfactual impact evaluation is made harder by integration since, by definition, integrating different sectoral interventions means that interventions are multi-component. In order to improve the opportunities for children in a difficult area, you want to put together a package including the quality of teaching, the security of the kids at school and in the streets, their mobility and so on.
Assessing packages presents you with a problem: you never know which one of the components works, you come up with the answer that the package worked but you would still like to know why and how exactly. Couldn't one of the things have been done without the others?

So it is more challenging, but experimentalism – which is allowed under a place-based approach – is the answer, because it encourages open, honest discussion with those in the area. It is a real-time, collaborative laboratory which permits room for failure.

BRIAN ROBSON

Brian Robson is Professor Emeritus at Manchester University

Through the Centre for Urban Policy Studies (CUPS), which Robson established in 1983, he has conducted a wide range of research for government to evaluate urban and regional policy.

What is the added value of having an integrated approach in regional economic development?

Two aspects of integration can contribute to successful economic development. The first is to link the various 'domains' of the economy. Housing, transport, employment, environmental quality and a host of social elements all interact to affect economic development. Yet, for administrative reasons, governance arrangements are invariably partitioned into separate domains. Developing common priorities across these silos is never easy since each has its own targets, priorities and budgets. Nonetheless, regional economic development needs to identify how these institutionally separate elements impact on each other. The key links between labour markets and housing markets provide a fundamental architecture for the economy. This reinforces the need to get transport policies involved – something that not every Member State has been good at.

A second benefit is to put space centrally on the agenda. Economic development forces us all to become geographers and recognise the salience of place. Within the UK, English regional agencies currently face the task of integrating previously separate economic strategies, which were aspatial, and spatial strategies that include housing policy. This is not straightforward. It forces policy-makers to identify the most relevant geometry and to be more selective about investment priorities. Integrating economic and spatial strategy makes it difficult to dodge priorities. It also highlights the relevance of a city-region geometry in place of administrative geographies based on districts or formal regions. City-regions are more appropriate since they are defined functionally to recognise the footprint of the major cities which are the drivers of our post-industrial economies.

When we consider the relative development of Liverpool and Manchester, what role has an integrated approach played in urban competitiveness?

City competitiveness brings in a third aspect of integration: linking private, public and voluntary sectors into partnerships. Manchester has been outstandingly good at this. At the heart of its approach to re-inventing itself has been a series of strong public-private partnerships. Many of its major developments have been undertaken by delivery bodies designed to remain at arm's length from the council and to include public and private sector staff. Such structures give potential investors more confidence about the commercial logic and the speed of decision-making required. The most dramatic example was the body established to re-build the central area after it was bombed in 1996. It drew on secondees from the council and from private-sector developers and investors. The redesigned centre was completed in a remarkably short space of time and boosted the retail and office offer of central Manchester at a time when a major out-of-town shopping complex came on stream and could otherwise have undermined the commercial pull of the centre.

Liverpool's economic turnaround has come about only recently and much less securely. This has partly reflected the fractiousness of its more unstable political governance. Many of its politicians opposed working with the private sector, and partnership development was scanty. Hence, the large sums that flowed to the city from Objective 1 initially resulted merely in stasis as competing voices jostled for slices of the cake. This is now past history. Liverpool has begun to attract new investment and its economic prospects look less gloomy. Had it been ready to develop priorities through stronger integrative partnerships its recovery might have come earlier, rather than in the midst of recession. However, too much weight should not be placed on its erstwhile lack of integration. Like all 'cul-de-sac' towns, it suffers from its location: facing away from Europe, and with a restricted catchment area because its coastal location restricts its city-region footprint to 180 degrees.

In your opinion, should European regional policy focus simply on reducing inequalities, or should it also address growth and competitiveness?

Reducing inequality is the right focus, but one of the tricks in this is to link deprived areas to more prosperous competitive places. This may be a question of simple physical access to improve transport links to employment areas; it may be to tailor skills to the needs of local employers; it may entail attracting wealthier households to less prosperous places. So, one of the challenges for policy is to link poor areas to growth areas at a variety of spatial scales – local, sub-regional, regional. Too many towns and regions see themselves as islands – perhaps understandable for a politician with a 'patch' to defend – rather than as part of a wider functional area. A broader city-region perspective again helps. For example, in an English context the most plausible strategy for some impoverished ex-single-industry towns lies less in attempts to recreate an industrial base than in creating a housing stock and residential environment to attract households to commute to jobs in nearby large cities; thereby bringing a flow of potential income through local tax and patronage of local goods and services.

> **"Integrating economic and spatial strategy makes it difficult to dodge priorities"**

What examples of successful regeneration have you seen, resulting from an integrated approach?

East Manchester provides a splendid example. The loss of its heavy industry base left the area destitute. But a series of government-funded initiatives consciously targeted at the area over many years by the city enabled it to create a virtual single pot of resources, even though the streams of money were drawn from different departments. The area still faces challenges but has made impressive changes. The secret ingredients include: longevity – tackling problems consistently over decades; scale – an area of over 1 000 hectares which gives it heightened political salience; community participation – with an initial programme of genuine local consultation and involvement; commitment – with able, unchanging staff; and comprehensiveness – simultaneously tackling jobs, schooling, housing, health, crime.

Regenerating Salford Quays in Greater Manchester with regional funds

Panorama visits projects from Portugal, Hungary, France, Poland, Germany and a joint Franco-Belgian project to see different forms of integrated development in action.

Creative clusters – creativity as a driving force

Óbidos in Portugal is a popular tourist destination, well-known for its medieval architecture. This picturesque town and its surroundings are buzzing with creativity: a creative cluster is providing the region with fresh business ideas which in turn produce spill-overs for the traditional rural economy.

Óbidos's old Saint Michael's Convent has been refurbished to house the ABC Support System, an organisation offering help to creative entrepreneurs. Design, tourism, publishing or jewellery – diverse profiles are brought together under one roof.

"The work […] is based on a crucial idea: we must innovate and develop unique projects when we are faced with a territory that is small or depressed," says Telmo Faria, Mayor of Óbidos. The 'creative clusters' project is putting this idea into action. It stimulates creativity in small towns in order to boost cultural and economic activity, an approach traditionally used for big cities.

While the main objective is the promotion of entrepreneurship, the integrated approach creates important spin-offs, e.g. for the knowledge economy or the regeneration of neighbourhoods. The creation of galleries, thematic restaurants and specialised schools and the organisation of workshops or trade fairs go hand-in-hand with developments in sectors such as tourism, gastronomy, agriculture and furniture which have been part of the local economy for a long time.

The concept is being put into practice in 10 partner locations as part of a network led by Óbidos.

CREATIVE CLUSTERS – FUNDING

Total project budget: €709 337
ERDF contribution: €532 380

FIND OUT MORE:
http://urbact.eu/en/projects/innovation-creativity/creative-clusters/

Magdolna quarter, Budapest: putting the local community first

Helping people help themselves – this is the underlying principle of the Magdolna quarter project. It addresses social, economic and environmental issues while involving the residents at every step of the process.

With high unemployment and crime rates, low education levels and poor housing conditions, the Magdolna quarter (Józsefváros district) is one of Budapest's poorest areas. A project was launched in 2005 to turn this situation around. It started out from the assumption that an integrated approach taking into account the three basic elements of urban regeneration (society, economy and environment) was needed to improve living conditions.

And who better than the residents themselves to bring this about? By involving them in the design and implementation of the various measures, the risk of not hitting targets was minimised.

The Mátyás square restoration project, aimed at giving the square a community/building function, is one example of how this idea was put into practice. The plans were discussed in on-the-ground meetings with the residents, surveys were carried out during the design phase, and pupils from a local school created 'sitting mounds' for the square. The following phases included traffic reorganisation, construction of a public lavatory, the creation of a pedestrian area and the opening of a community centre in a former glove factory overlooking the square.

The programme is Hungary's first experiment in terms of rehabilitating a district, with the direct involvement of residents and integrating social, cultural and technical aspects.

MAGDOLNA QUARTER PROJECT – FUNDING

Total project budget: €8 180 047
ERDF contribution: €7 218 733

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

Île-de-France: building a greener future

The green building sector has emerged as a tailor-made solution for the Seine-Aval area. By giving a boost to this seminal industry, a set of interconnected issues affecting the region is being addressed.

Situated upstream on the river Seine northwest of Paris, the Seine-Aval area has suffered from de-industrialisation, generating job losses, as well as from a mismatch between skills and jobs. This has in turn resulted in high numbers of commuters.

The green building sector was found to match the area's needs and assets: favourable conditions are being created through plans to create 2 500 new homes yearly from 2010 as well as new guidelines on the energy efficiency of buildings. A large available workforce, high numbers of existing enterprises in the construction sector and the nearby river are additional assets. As a positive spin-off, the image of professions in the construction sector receives a boost through the link with new technologies.

Thanks to funding being made available within the framework of the In' Europe project for integrated urban development, an all-round offer including training facilities, advice for entrepreneurs and measures to stimulate demand was put in place. The 'Green Building Agency' opened its doors in June 2009. It houses the green building training institute (IFECO) which is the first of its kind in the region.

Efforts to stimulate demand in the green building sector have also been undertaken. They range from awareness campaigns to regulatory measures extending the use of wood as a construction material.

"The institute is creating a leverage effect," explains Jean-Marie Ripart, director in charge of economic development and employment at the *Communauté d'Agglomération Deux Rives de Seine* implementing the project. "It prepares the population for tomorrow's job market."

IN' EUROPE PROJECT IN SEINE-AVAL – FUNDING SOURCES (2007–13)

Regional funds:
ERDF: €12 million
ESF: €4 million
Other sources:
EAFRD: €1.07 million

FIND OUT MORE:
http://www.europeidf.fr

Innovation capital: channelling research from laboratory to market

The Capital Investment Fund managed by the Małopolska Regional Development Agency (MARR), Poland, is forging the link between local researchers and entrepreneurs.

Thanks to a number of higher education, business and science institutes, the R&D sector is among the region's key assets, as confirmed by indicators such as the number of patents registered. The Fund was set up to tap into this potential and reap the benefits of new ideas. This involves transferring new technologies from research units to the market.

The list of sectors benefiting from the financial assistance is long: projects in the fields of ICT, renewable energy, environment protection, health technologies, medical engineering and pharmacy can apply for funding.

The region benefits not only in economic terms; information society, environmental and health service issues are addressed while creating an outlet for research and education facilities. By integrating different concerns, a general improvement in living conditions is achieved.

"Through the fund, we are preparing the ground for regional development of knowledge and innovations," says Anna Wełmińska, pre-incubation specialist at MARR.

Funding is made available in two stages: the pre-incubation phase includes the selection of projects, technology audits and choosing a private investor. It is followed by the capital input phase.

The maximum value of shares is capped at €200 000. So far, 40 people including scientists, researchers and entrepreneurs have benefited from the fund.

CAPITAL INVESTMENT FUND – FUNDING (2009–13)

Overall budget: €6 943 911
ERDF contribution: 85%

FIND OUT MORE:
http://www.marr.pl/

EUROMÉTROPOLE
EUROMETROPOOL
LILLE ◦ KORTRIJK ◦ TOURNAI

Where different cultures meet: the Lille-Kortrijk-Tournai Eurometropolis

Making life easier for the inhabitants of the cross-border triangle formed by the cities of Lille, Kortrijk and Tournai was the basic idea behind the creation of the Eurometropolis.

The 'European grouping of territorial cooperation' (EGTC), set up in 2008, encompasses the conurbation of Lille (North of France) and the Belgian cities of Kortrijk (Flanders) and Tournai (Wallonia). Several dividing lines run through this agglomeration: it covers three regions in two countries where two different languages (French and Dutch) are spoken.

Integrating the different aspects of territorial development has proved to be a successful way of removing barriers in the area. "We are talking about a border region with a long tradition of cross-border exchanges at different levels," explains Céline Deléglise, Communication Manager at Eurometropolis. "However, there are still barriers to overcome. Our challenge: making these different cultures meet. […] We are working to promote economic, social as well as cultural exchanges."

The structure put in place to achieve this objective involves political representatives, civil society and experts from the different regions. Six thematic working groups have been set up to develop the Eurometropolis. They focus on economic development, mobility, territorial strategy, population services, tourism and culture.

The work carried out has already started to make a difference for people's daily lives. Cheaper train tickets between Lille and Kortrijk and the establishment of a direct line between Kortrijk and Tournai save commuters time and money. Through enhanced mobility, the cross-border job market receives a significant boost. The latter is also targeted through a yearly cross-border job fair where employers and job seekers from the three regions get a chance to meet. The 2010 fair will take place on 28 October in Kortrijk.

Visiting landmarks on the other side of the regional, national or linguistic borders is made easier through the publication of a cross-border tourist map. There are plans to publish a common cultural agenda.

Social concerns are also close to the heart of Eurometropolis decision-makers. Nursing homes are among the targets of their action: "We need to remove barriers in order to match supply and demand," says Deléglise. This involves not only the administrative aspects of cross-border admissions, but also the availability of language skills among nursing staff.

Linguistic issues are an overall concern, and targeted actions to overcome these are in the making. The Transfrontalia project, eligible for regional funding in the framework of the EU's INTERREG IV programme, will encourage the learning and the use of both languages in the three regions.

The Lille-Kortrijk-Tournai triangle is Europe's largest cross-border agglomeration – the heterogeneous area has two million inhabitants and stretches over 3 550 km^2. 145 municipalities and 14 public authorities on national, regional and local level are involved in the project.

WHAT IS AN EGTC?

The 'European grouping of territorial cooperation' (EGTC) is a European legal instrument directly applicable in all EU Member States since 1 August 2007. Designed to improve cross-border, transnational and interregional cooperation, it enables regional and local authorities to set up cooperation structures with a legal personality. The Lille-Kortrijk-Tournai Eurometropolis is the first of its kind.

FIND OUT MORE:
http://www.lillemetropole.fr/

Integrated urban development in Leipzig: a success story in the making

The eastern German city of Leipzig has undergone an impressive transformation during recent decades. Decreasing unemployment rates and a general increase in quality of life have been achieved, with growing population figures reflecting this trend. The implementation of the Leipzig Charter for integrated urban development provides the backdrop to this process.

Leipzig downtown

The Charter was adopted in 2007 at the informal ministerial meeting in Leipzig, as a framework for sustainable city development in Europe. The follow-up process started in 2008 with the development of a 'reference framework for the sustainable city'. LC-FACIL, an URBACT working group of six cities, was created to provide a 'local testing ground' for this work at European level.

As lead partner for the initiative, Leipzig has substantial expertise to offer: experience gained over the last decade through regeneration of deprived districts on integrated lines led the city to develop the city-wide 'Integrated Urban Development Concept' in 2009. The number of specific concepts covered by this framework gives an idea of the complexity of this type of development strategy – they include housing, the labour market, green spaces, education, culture and traffic, to name just a few. Significant improvements were achieved through defining interdisciplinary objectives and spatial priorities.

Today, the city attracts many young adults thanks to improved living conditions and a dynamised job market. But the integrated process needs to be taken further: continuity between strategy and action needs to be ensured on a day-to-day basis. Evaluation mechanisms and a monitoring system provide for mid to long-term sustainability.

LC-FACIL – FUNDING DEVELOPMENT AND IMPLEMENTATION PHASE (2009–11)

Total project budget: €299 240
ERDF contribution: €228 727
Public co-financing from other sources: €70 513

FIND OUT MORE:
http://urbact.eu/en/projects/disadvantaged-neighbourhoods/lcfacil/

BAVARIA: INTEGRATED ACTIONS HELP STRUCTURALLY WEAKER AREAS ACHIEVE THEIR FULL POTENTIAL

BAVARIA IS THE LARGEST OF THE GERMAN FEDERAL STATES. AS A REGION, IT RANKS SECOND IN TERMS OF POPULATION AND HAS A GDP WELL ABOVE THE EU AVERAGE.

"The particularity of regional funding in Bavaria is its focus on structurally weaker, predominantly rural districts in Eastern Bavaria: Upper Franconia, Upper Palatinate and Lower Bavaria receive 60% of ERDF funding," explains Martin Zeil, Bavarian Minister of Economic Affairs.

In these districts, integrated measures are instrumental in reducing structural weaknesses. Special attention is paid to the links between cities and adjacent rural areas in order to create a domino effect beyond urban centres. The interplay between factors such as natural and human resources, industry patterns, innovation, urban development and infrastructure is influenced in such a way as to bring benefits to all regional actors.

The structurally stronger Munich area, falling outside the scope of these measures, receives funding for integrated actions through international cooperation initiatives.

The following examples show how the integrated approach is put into practice throughout the region.

'HERITAGE AS OPPORTUNITY' FOR THE HISTORIC CITYSCAPE OF REGENSBURG

Striking a balance between all its different functions is key to the conservation of the Old Town.

Part of Unesco's World Heritage List, Regensburg's city centre contains unique architecture: the ancient buildings preserve the vestiges of the town's history as a Central European trading centre dating back to the High Middle Ages.
Today, the Old Town has to cater for a number of different needs: retail, housing and leisure facilities have to adapt to the requirements of mobility and tourism.

The 'Heritage as Opportunity' (HerO) project is helping to do just that. Its guiding principle is that historic urban landscapes need to be considered as living organisms which can only survive if all their functions are addressed in an integrated way.

In Regensburg, work is carried out to ensure that the demand for new infrastructure and improved public transport is satisfied without destroying the historic structures. The aim: keeping them attractive for residents and tourists while restoring profitability for local retailers. Good practice has been accumulated on how to deal with this challenge, such as 'Retail Concept 2020', launched to help Old Town retailers withstand competition from shopping centres.

The city is working towards the development of an integrated cultural heritage management plan.

MUNICH AND ITS HINTERLAND – LOOKING BEYOND THE CITY

The capital of Bavaria is the economic hub of the region, and its population has consistently been on the rise over past decades. An integrated approach should help to make this growth sustainable.

Munich is part of CityRegion.Net, a network helping its partners to improve regional cooperation, and to counteract urban sprawl in particular. Various measures are being implemented in Munich in order to improve the cooperation between city and hinterland.

As a first step, a summary of best practices in the field of PR activities was elaborated in order to stimulate the implementation of joint regional activities and to create a regional identity.

A local task force has been created, consisting of key actors: the Metropolitan Region Munich; municipalities from the region; the regional public transport company, MVV; universities; regional planning authorities; and the Bavarian State Ministry of Economy, Infrastructure, Transport and Technology.

It identifies problem areas and puts forward possible solutions. Areas where this close cooperation has proven effective include planning and maintenance of regional recreational spaces like public lakes and bicycle lanes, and transport issues such as the prevention of traffic jams.

BAYREUTH BIOENERGY PROJECT INTEGRATES AGRO-ENVIRONMENTAL AND ENERGY CONCERNS

Bayreuth has been selected as one of the country's 25 bioenergy model regions implementing innovative concepts to achieve a sustainable uptake in the use of bioenergy.

Why Bayreuth? "With 90% of the region covered with agricultural land and forests, Bayreuth provides optimal conditions for the use of bioenergy," says regional manager Alexander Popp. "Half the energy needs of private households could be covered through bioenergy, creating in turn new jobs and generating benefits of at least €50 million."

Through the integration of environmental concerns, agricultural production and energy needs, bioenergy offers a unique chance to make the relationship between the city of Bayreuth and the rural areas surrounding it mutually beneficial – the bioenergy generated regionally can be rapidly transferred to the city.

And how is the region trying to achieve a significant increase? Projects include research into bioenergy crops, the development of teaching materials, measures to improve the energy efficiency of bioenergy plants, and even plastic art: the 'energy-in-art' project, presented at the 2009 Open Days, is designed to get the general public involved.

INTEGRATION IN ACTION

With the focus on integrated policy-making and what regional policy can bring to the table, Common Ground examines the role of an integrated approach when it comes to maritime policy, climate change and innovation.

Innovation – building a vision for business in the regions

Innovation is key for European business to become and stay competitive. Important disparities between the regions persist in this regard. Almost 25% of cohesion policy funding for the 2007–13 period has therefore been earmarked for innovation and R&D.

But providing money is not enough: efficient and customised solutions are necessary to ensure that innovation translates into profits. This is even truer in times of crisis when businesses tend to question the amount spent on innovation if there are no instant results.

How can innovation support be provided most effectively? Taking into account the unique set of conditions present in one particular region is one aspect; building and using expertise is the other. This is why the innovation directorate of DG Enterprise and Industry and DG Regional Policy are working closely together to make innovation work for the regions.

In order to build a knowledge base, additional tools are being developed: the new 'Regional Innovation Monitor', a tool analysing regional innovation policies and strategies, will complement existing initiatives such as the 'European Innovation Scoreboard' and the 'Inno-Policy TrendChart'.

The 'European Cluster Observatory' provides a quantitative analysis of business clusters and a mapping of cluster organisations in Europe. Clusters are among the drivers of innovation in the regions. Commission efforts to make them a breeding ground for excellence are supported by regional funding for projects involving cluster creation and development. The improvement of cluster management quality is addressed by the European Cluster Excellence Initiative through new tools and training schemes made available to regions and cluster organisations.

The exchange of good practices between regions is encouraged through initiatives such as the now independent 'Innovating Regions in Europe' (IRE) network, launched within the framework of the Commission's innovation policy. Many other networking initiatives involving both regional and innovation policy aspects are in place. The RAPIDE network, one of the fast-track projects under the 'Regions for Economic Change' initiative, aims to provide the public sector with better tools for bringing innovation to the market.

While innovation policy helps to develop new concepts, regional policy is providing the bulk of the funding to make these concepts a reality throughout Europe. Service innovation and creative industries are two examples of such new important areas.

FIND OUT MORE:
http://ec.europa.eu/enterprise/policies/innovation/index_en.htm

We consider how the place-based nature of regional policy lends itself readily to integrated policy-making. The following three areas have been singled out as examples of the way in which regional policy dovetails with other priority areas of EU action, complementing thematic strategies through targeted action on the ground.

Maritime policy – the sea dimension of a place-based approach

Unlike innovation policy and its horizontal objectives, the EU's maritime policy is based on an integrated approach. The new integrated policy was launched in 2006 with a regional focus in order to address all the particularities of these regions in the most efficient way.

With 22 coastal member countries and a coastline that is seven times longer than that of the United States, maritime regions make up a large part of the EU's territory. They currently account for almost half of its population and GDP. Accordingly, the list of economic and recreational activities linked to the sea is a long one: extending beyond fisheries, maritime transport and shipbuilding, it includes power generation, research, tourism and aquaculture, to name but a few.

"Territorial cohesion has both a land and sea dimension," summarises Eddy Hartog, head of unit responsible for the Atlantic, outermost regions and the Arctic at the Directorate-General for maritime affairs and fisheries. He explains how the two policies naturally complement each other: the different objectives set out for maritime policy are furthered via targeted investments in coastal regions through regional funds.

The objectives set out in the 'Blue Book' for an integrated maritime policy, presented by the Commission in 2007, range from sustainable exploitation of the seas via improving the knowledge base to an improved quality of life in coastal regions and international EU leadership and visibility in maritime affairs.

With coastlines crossing many national borders, most regional investments related to maritime policy require cross-border and transnational funding such as that provided through the INTERREG programmes, addressing issues like maritime pollution and developing maritime cooperation.

Regional funding is also provided for maritime research, training for maritime workers and the protection of natural and cultural heritage.

The EU Strategy for the Baltic Sea Region is one example of a joint maritime and regional policy effort to achieve integrated action benefiting the whole macro-region in terms of prosperity, environment, accessibility and security.

FIND OUT MORE:
http://ec.europa.eu/maritimeaffairs/

Climate change – local action against global warming

At present, no regional development initiative can be taken without checking it against the requirements of climate sustainability. The Commission's brand new Directorate-General for climate action, created in February this year, was initiated to step up the fight against global warming and ensure that the ambitious target of a 20% reduction in carbon dioxide emissions by 2020 is reached. This move towards greater sustainability is matched by a bigger-than-ever share of regional funding allocated to environmentally friendly projects.

Many of the challenges involved in combating climate change can only be addressed locally. For instance, climate concerns need to be taken into account when investing regional funds in large-scale infrastructure such as roads and public transport networks. Also, the mitigation of climate change will take on different forms according to the specific situation of a region: it can result in funding for research into clean technologies, investments to prevent flooding and desertification, or incentives for businesses to curb pollution.

While measures to reduce greenhouse gas emissions benefit each of us, investments in the green economy also translate locally into benefits for the regions by creating jobs and improving the competitiveness of local businesses.

Through the diverse nature of these investments, action at regional level is contributing to DG Climate Action's self-imposed objective: 'climate proofing' the whole range of EU policies, from agriculture and rural development to health, water, industry and research.

FIND OUT MORE:
http://ec.europa.eu/climateaction/index_en.htm

URBAN DEVELOPMENT AND INTEGRATED POLICY

Integrated urban development – central to European cohesion policy and a goal which is supported throughout its programmes. Cities and regions across the Union use integrated policy-making to support sustainable, inclusive and innovative urban development. This common "Urban Acquis" is vital for the success of the current policy and is shaping up to be one of the key aims of the policy post-2013.

Why cities matter

Cities are the motor that drives regional growth and the key to increasing the EU's competitiveness worldwide. Towns and cities have to attract both residents and businesses and the need to keep urban spaces desirable to live and work in, is a challenge for authorities. Solutions to the problems they face need to be found in order to enable cities to make the most of opportunities which arise.

Urban development needs to be supported at all levels and although the EU has no direct involvement in the urban policies employed by member countries, it is recognised that its policies, particularly those relating to Cohesion, have a direct impact. This needs to be taken into account.

Look back: Regional policy's support for integrated urban development

The last two decades have seen a flurry of EU initiatives launched in support of urban development. These kicked off with the Urban Pilot Projects (1989–99), which focused on economic development, environmental action linked with economic goals, revitalisation of historic centres and exploitation of the technological assets of cities. In two phases, 59 projects were supported in 14 Member States.

The URBAN Community Initiative (1994–2006) built on the experience gained from the pilot projects in 200 cities across Europe. In the two programming periods, URBAN offered €1.6 billion in Community assistance. URBAN mainstreaming (2007–13) saw the main legacy of the URBAN Community Initiative included in the national and regional Operational Programmes (OPs) under the Convergence and Regional competiveness and employment objectives.

What are the goals?

All these activities at European level are aiming at the following main political objectives:

- Strengthening economic prosperity and employment in towns and cities;
- Promoting equality, social inclusion and regeneration in urban areas;
- Protecting and improving the urban environment in order to achieve local and global sustainability;
- Contributing to good governance and local empowerment.

This important step allowed the integration of different sectoral and thematic policies in cities throughout Europe. For the first time, all European cities became potential beneficiaries of the European Regional Development Fund (ERDF).

The urban development network programme URBACT (2002–13) has given additional support to the exchange of know-how and experience between cities and urban experts across Europe.

Since 2003, the Urban Audit provides a solid evidence base to assess the state of European cities and now offers comparative data for 321 cities across the EU. In 2010, this was complemented by the publication of the Urban Atlas, which offers detailed digital maps for more than 300 Urban Audit areas based on satellite imagery.

But is it all working?

The 'Leipzig Charter on Sustainable European Cities' (2007) recommended making greater use of integrated urban development policy approaches and paying special attention to deprived neighbourhoods. URBAN mainstreaming, as a vehicle to these ends, is having a positive impact.

Bearing in mind this shift in practice was undertaken in the middle of the EU's most significant enlargement, and considering many countries were new to such initiatives, this is no small achievement. Half of the OPs have a strong urban dimension and around €10 billion from the ERDF is earmarked for urban investments.

However, mainstreaming also has its limitations. In the coming years, it will be important to use the full potential of the cohesion policy programmes and to address the main options for further improvement:

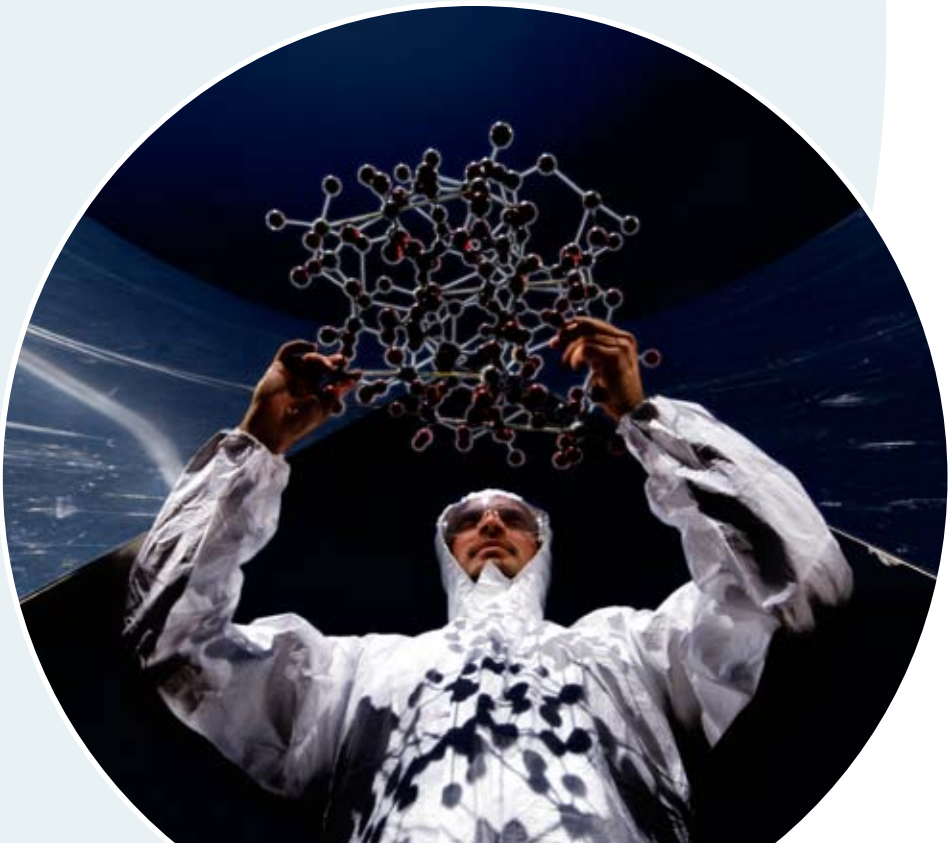
- Urban stakeholders should be involved more in the design and development of programmes, and authorities need to do more to get them on board;
- Although an integrated approach is demanding, in complex situations it often has better results. This needs to be taken into account;
- The focus needs to be on improving cities. This often means being innovative rather than conservative. There are many opportunities since the URBAN Community Initiative provides many examples of innovation;
- Knowledge exchange is a key factor for success. This can be done by promoting networking between more and less experienced cities.

Integration, a new dynamic

There is still work to be done to ensure that urban development policies work to integrate a variety of objectives and strands rather than focussing on one sector.

A promising initiative in this respect was launched in 2008 in Marseille, where the Member States agreed to establish a common European Reference Framework for Sustainable Cities to foster the implementation of the Leipzig Charter at local level. This framework is currently being developed on a broad participatory basis involving cities, the Member States, the European Commission, and urban experts. On a voluntary basis, it will offer cities a practical tool to help them to apply an integrated approach when developing strategies and projects and to balance different needs and interests.

A strong political commitment at all levels will be necessary in future to carry the implementation of the European 'Urban Acquis' still further, as an integral part of territorial cohesion. Indeed cities are vital for a healthy and wealthy Europe. They are places where many challenges, current and future, lie – and they are key locations for making Europe's economies stronger, greener and socially inclusive. This makes strengthening urban policies across the European Union one of the Commission's main political priorities.



COMMUNITY SUPPORT FOR URBAN DEVELOPMENT

With a new Commission in place, policy objectives are being re-launched. Equally, work is already advancing on strategies for the next programming period, beyond 2013. February was therefore the perfect time to host a conference on how best to build on existing Community support for urban development. Panorama takes a look at what was discussed.

Cities benefiting from cohesion policy

Cities: 70% of EU inhabitants are city-dwellers, yet there is no specific EU policy for urban development.

To examine the implications of European cohesion policy for our towns and cities, around 120 people from a wide range of organisations gathered to hear speakers and offer their own ideas from the floor at the seminar, 'Building on 20 years of Community support for urban development', in Brussels on 4 February.

The day was divided into three sessions examining the EU's contribution to urban development, reflecting on the future and rounding off the gathering with a high-level political panel celebrating 20 years of support for urban development.

The contribution so far

Since its inception in 1989, EU cohesion policy has addressed questions related to inner-city disparities and disadvantaged neighbourhoods. This is primarily because differences in wealth and growth within one city are sometimes bigger than the difference between the least developed and most developed regions in Europe. These inequalities were obstacles to growth and trying to reduce them was the entry point for the first Community-wide action. Speakers at the first session considered the contribution of the URBAN programmes to development.

> "Cities need to be full partners in the preparation of the 2014-20 period and we call upon the Member States to support a strong urban dimension in the next set of cohesion policy regulations."
>
> **Rudolf NIESSLER**
> *Director for Policy Coordination, Directorate-General for Regional Policy, European Commission*

Milestones – on the right path!

Despite its small budget (0.4% of the cohesion policy budget for 2000–06), the URBAN Community Initiative was hugely popular and well appreciated across the EU. The 180 individually designed programmes helped to test new approaches in urban development and made an important contribution to innovating cohesion policy.

In the 2007-13 programming period the urban development dimension has been expanded. The approach is no longer experimental but has been mainstreamed across cohesion policy programmes. Although it is too early to draw specific conclusions, it is clear that the increase in funding from 0.4% to 3% of the total allocation has helped boost urban development. Nevertheless, there have also been some drawbacks, most notably the loss of the innovative character of the urban dimension once mainstreaming takes place.

> "The integrated approach has achieved great consensus and is widely adopted in urban programmes across all the regions of Spain. It goes hand-in-hand with cohesion policy programming."
>
> **Beatriz CORREDOR SIERRA**
> *Spanish Minister of Housing*

What does the future hold?

There are challenges ahead, notably relating to economic and social polarisation. Demographic changes pose huge challenges, especially as some areas are characterised by inflows of people into increasingly crowded and congested areas, while other areas face economic decline and ageing populations as both young people and highly-skilled workers leave. Cities provide the perfect context for experimental 'grassroots' approaches that act as incubators for innovative solutions.

> "All levels are implicated – but we need good-quality local administrations, we need to invest in personnel. In the future, all levels of government will need to be mobilised."
>
> **Danuta HÜBNER**
> *MEP, Chair of the European Parliament's REGI Committee, former Commissioner for Regional Policy*

THE OUTERMOST REGIONS – AN INTEGRATED APPROACH

The outermost regions (ORs) have a unique place in the European Union – largely as a result of their geography and the impact this isolation has on their development and the way in which they function. This special status, recognised in official documents, has led the EU to implement a comprehensive and integrated strategy, specially tailored to their circumstances.

Geographically remote and facing their own peculiar economic situations, the nine ORs of the EU – the Canary Islands, the Azores, Madeira, Martinique, Guadeloupe, French Guiana and Réunion as well as Saint Martin and Saint Barthélemy – are separate yet fully fledged players in its policies.

Their outermost nature, a concept introduced by the Treaty of Amsterdam (1997) and included in the Treaty of Lisbon, implies several constraints including remoteness, insularity, a small surface area, harsh landscape and climate, as well as economic dependence on a handful of products. Community policies need therefore to be adapted to their specific realities.

In 2004, the EU launched a truly comprehensive and integrated European strategy for the ORs. The strategy's cross-cutting approach is aimed primarily at lessening their physical constraints, boosting their competitiveness and integrating them into the local region.

The EU is addressing these three priorities through the combined implementation of specific measures in diverse policies: cohesion, tax and agricultural policies, as well as fisheries, competition, transport, research and environmental policies. Factoring in the horizontal nature of the impact of European policies in the ORs has become a constant concern.

A special grant allocated under the European Regional Development Fund (ERDF) aims to help improve the accessibility of these regions, notably in the area of transport.

Greater competitiveness in the ORs stems, in part, from enhancing innovation and the information society and ensuring they participate fully in the Lisbon Strategy.

Strengthening their regional integration into the local environment is partly supported by the different 'territorial cooperation' programmes cofinanced by the ERDF.

In an effort to improve the coherence and coordination of actions, the European Commission has notably decided to set up a department to address these questions within its Directorate-General for regional policy. An interdepartmental OR group has also been put in place. A special partnership offers ORs and their Member States the opportunity to draw up memoranda to be sent to the Commission. The partnership also includes technical and policy working conferences.

The presence of the European Commissioner for regional policy at the annual meeting of the Conference of Presidents of the Outermost Regions, as well as the organisation of a large Forum for Outermost Europe every two years in Brussels, beginning in May 2010, provide clear evidence of this effort.

The integrated approach method seems to be the path to follow for the Commission as regards ORs. Without it, the relationship between territorial cohesion and competitiveness could well be jeopardized. This approach means territorial conditions can be imposed on sectoral policies. It tends to bring together the different actors and decision levels as much as the sectors of activity. Finally, it guarantees that the territoriality and unique local circumstances are taken into account at every stage of European action.

Cohesion policy: at the heart of the Europe 2020 Strategy

On 3 March, the European Commission launched the Europe 2020 Strategy to prepare the EU's economy for the next decade. Economic, social and territorial cohesion will remain at the heart of the Europe 2020 Strategy to ensure that all energies and capacities are mobilised and focused on the pursuit of the Strategy's priorities. The Europe 2020 Strategy highlights the role of cohesion policy as a key means of delivering smart, sustainable and inclusive growth in the Member States and regions.

The Strategy rests on three interlocking and mutually reinforcing priority areas: smart growth, developing an economy based on knowledge and innovation; sustainable growth, promoting a low-carbon, resource-efficient and competitive economy; and inclusive growth, fostering a high-employment economy delivering social and territorial cohesion.

Progress towards these objectives will be measured against five representative headline EU-level targets, which the Member States will be asked to translate into national targets reflecting starting points:

- 75% of the population aged 20 to 64 should be in employment;
- 3% of the EU's GDP should be invested in R&D;
- The '20/20/20' climate/energy targets should be met;
- The share of early school leavers should be under 10% and at least 40% of the younger generation should have a degree or diploma;
- 20 million fewer people should be at risk from poverty.

As one of the largest sources of EU funding for the Member States – and the largest devoted to investment and development – cohesion policy will make an important contribution to delivering the Europe 2020 Strategy. With its three funds – the European Regional Development Fund (ERDF), the European Social Fund (ESF), and the Cohesion Fund – cohesion policy is worth almost €350 billion. The bulk of these resources – around €230 billion – are already largely geared towards investments in the key areas of the Europe 2020 agenda to improve innovation performance and create a competitive, connected and greener economy.

Following the Strategy's adoption in March, the Commission published its first Strategic Report on Cohesion Policy, which takes stock of the implementation programmes at this, the half-way juncture of the 2007–13 funding period. Despite the global economic crisis, the report indicates a strong commitment to the implementation of the programmes. As an EU-wide average, 27% of projects worth € 93 billion have already been selected.

The report also gives a clear picture of the types of project being selected. Progress in key sectors, such as R&D and innovation, is generally positive. More than one third of the total budget has already been allocated to projects in areas such as promoting research and innovation in small and medium-sized enterprises, clean urban transport, education, and health infrastructure. However, the report also concludes that more should be done to accelerate project implementation in the rail sector, in energy and environment, and in the roll-out of high-speed internet and the digital economy.

The launch of the Europe 2020 Strategy provides a new series of challenges for cohesion policy. By drawing on the lessons of the Lisbon Strategy for growth and jobs, the policy can contribute to Europe 2020's success by working towards economic, social and territorial cohesion which is a stated aim of both the Europe 2020 Strategy and the Lisbon Treaty (now in force). It can also improve ownership by involving local and regional stakeholders and by offering tangible results close to European citizens on the ground.

FIND OUT MORE

Europe 2020: A strategy for smart, sustainable and inclusive growth
http://ec.europa.eu/eu2020/index_en.htm

Gender mainstreaming in Structural Funds

At its 10th meeting on 19 March, the High-Level Group on Gender Mainstreaming in Structural Funds showed continued commitment to working together between the different Structural Funds for better equality between women and men, in both policy and practice.

"Gender equality measures should not be fair-weather policies," insisted Daniela Bankier from the European Commission's Directorate-General for Employment and Social Affairs – especially relevant given the economic crisis. The newly installed European Commission and the Europe 2020 draft Strategy provide new opportunities for further work.

During the meeting, chair Mikel Landabaso, head of DG Regional Policy's unit for thematic coordination and innovation, called on the Member States to further promote gender mainstreaming when allocating outstanding regional funding for the current period 2007–13. Among other topics, like evaluation and the new European strategy on gender equality, the meeting also included the presentation of a number of good practice examples from the Member States, one of them a Swedish RegioStars 2010 finalist project providing microfinance for women entrepreneurs.

FIND OUT MORE:
RegioStars
http://ec.europa.eu/regional_policy/cooperation/interregional/ecochange/doc/regiostars2010_brochure.pdf

Solidarity in the face of disaster

February was a bleak month for many in the EU. Madeira was rocked by flash flooding and landslides which left 45 dead and 600 homeless – while in France, 52 people were killed as the full force of storm Xynthia struck its Atlantic coast, leaving a million homes without electricity.

The European Union Solidarity Fund (EUSF) was set up in 2002 to help out when major natural disasters strike EU countries. Commissioner for regional policy, Johannes Hahn, visited both regions in the immediate aftermath, to see how the fund could best respond to their needs.

The Portuguese authorities presented on 20 April an application for aid under the fund which is now being assessed by the Commission. Early May was also the deadline for the application from France. If the conditions set by the Solidarity Fund regulation are found to be met, the Commission will ask the European Parliament and EU Member States to make the necessary monies available for granting aid. Solidarity Fund grants come on top of the normal EU budget and so they represent a true act of solidarity by the Member States.

Grants may be used for financing the most urgent emergency operations carried out by the public authorities: repair of vital infrastructure, cost of the rescue operations or provision of temporary accommodation for the victims and clearing land and devastated villages, for example. While aid from the EUSF can be paid out only several months after a disaster, it may be used retroactively from the word go. In all cases, damage to private property or compensation for loss of income is not covered.

FIND OUT MORE
The European Union Solidarity Fund
http://ec.europa.eu/regional_policy/funds/solidar/solid_en.htm
http://europa.eu/legislation_summaries/regional_policy/provisions_and_instruments/g24217_en.htm

Closure of Structural Funds assistance 2000–06

The deadline for the submission of closure documents relating to 2000–06 assistance is fifteen months after the final date of eligibility.

The Member States should submit all necessary documents to the Commission by that time.

FIND OUT MORE:
http://ec.europa.eu/regional_policy/funds/2006/closure/index_en.htm

In each edition, Panorama finds out how two projects are unfolding from the perspective of the people managing them. We look into the highs and lows of managing ERDF-funded projects: identifying the problems and sharing solutions.

PROJECT 1

INSIDE THE POPAKADEMIE, MANNHEIM

Mannheim, home not only to the 2 000 m² Musikpark, but also to the only German university offering courses in modern music – the University of Popular Music and Music Business, or Popakademie. For this edition Panorama visits the Popakademie, sister project to the Musikpark, our normal destination.

This year's achievements meet everyone's expectations

At the Popakademie, last year's plans are bearing fruit with a new Masters Degree programme being rolled out in pop music and in music business expertise. The original building has had two more floors added, boasting new lecture facilities, rehearsal rooms and recording studios. Morale is high among staff and students, and there are now new opportunities to work with musicians from other countries.

Building the international reputation of the academy

A real highlight is the International Summer Camp which got underway last year. For a week at the beginning of August, 80 students came together to combine talent and culture in a rich mix of musical styles. Many came from other European music colleges, but some from much further afield including the USA and China.

This is a great complement to the international contacts the academy had already begun to develop. A new band has been created with musicians from Dublin and everyone is excited by the prospect of doing more.

Opportunities like this could take the academy to a new level, but here the Director, Udo Dahmen, is more guarded. "Greater coordination from the top, in Brussels, could allow other European and international events to flourish," he says. A European meeting in the form of the European Band & Business Camp in January was a really valuable chance for music professionals to get together and forge new contacts, but such occasions are few and far between.

Personal contact is key to running EU-funded projects

ERDF and other EU funding is well established and provides essential security for the project, but it could be pushed further. Udo Dahmen has plenty of ideas in store, but the application procedures for unlocking different types of funding are hard to fathom unless you work directly with officials who can guide you through the application maze.

When funding for the MuZone Europe network ended in 2007, the National Office for Lifelong Learning in Bonn (Bundesinstitut für Berufsbildung), under the Leonardo programme, was no longer responsible for project applications linked to the academy. So personal contact has been lost and now project managers have to deal direct with the Executive Agency for Lifelong Learning in Brussels.

Support for the academy at a regional and local level in Germany is strong, so it can sometimes be discouraging when not all projects are accepted. Laborious efforts to submit applications often result in projects being rejected, because they do not meet the precise requirements of EU programmes.

At a more mundane level, day-to-day management to comply with EU requirements is now well established and running smoothly.

Facts and figures

ERDF contribution: €2.6 million
National co-financing: €776 000

FIND OUT MORE:
http://www.popakademie.de/

PROJECT 2

INSIDE THE CENTRE FOR NANOHEALTH (CNH) AT SWANSEA UNIVERSITY

By bringing together the worlds of academia, the private sector and the National Health Service, the CNH works to apply nanotechnology to the detection of disease and the identification of appropriate treatments.

Forging ahead to build the business

Business at the Centre for NanoHealth is gathering momentum as equipment and staffing continue to grow in Swansea. Currently awaiting their own purpose-built premises at Swansea University, due for completion at the end of 2011, the team is continuing its work undaunted at temporary sites around the university.

Now in the second year of its five-year plan, the CNH is right on track with its business focus and range of projects. Having boosted equipment levels, CNH staff are busy engaging with many different companies and research centres, as they develop their client base. Several biomedical centres are now working with the CNH to develop and test new products and processes. Others are local companies, some of which have relocated to Swansea to take advantage of the services offered by CNH, and clients are now also seeking out the Centre through contact with International Business Wales.

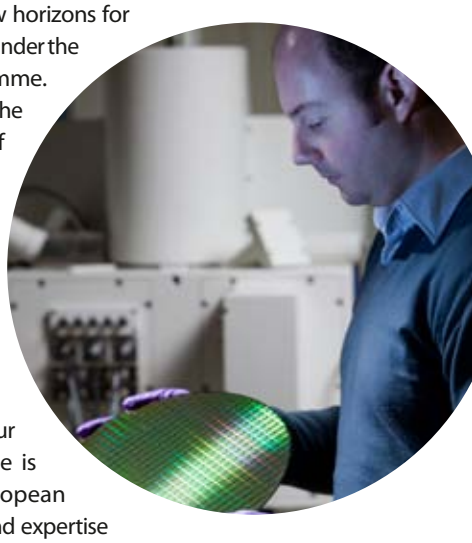
Making the EU funding process workable

ERDF funding has been key to the viability of the Centre and director Tim Claypole is quick to acknowledge that its future profitability and reputation will also reflect EU involvement. So, poor first impressions of European bureaucracy are best viewed as a necessary pain to wider gain. The day-to-day task of collecting business data from clients can be frustrating and slow; quite a burden for a scientific team keen to press on with new developments.

Clients must all supply a range of data before they can be officially recorded as a CNH project, including turnover, number of employees and, crucially, the level of state-aid funding they receive. Figures are rarely all available from the same person; companies vary in how they record the data and who is responsible for it. Then there is the apparent inconsistency between the data sought; if you establish that the client operates an equal opportunities policy, how can you then also require figures on the gender and ages of its employees!

New horizons through EU networks

Looking further ahead, however, future business data on new projects, turnover and profitability is all useful publicity for the Centre and will support its competitiveness in winning business. Also, quarterly project meetings with the Wales European Funding Office, which collates the data for the European Commission, keep reporting on track and ensure the regular flow of funds. "Once the reporting structure is in place, it's not an onerous task and it's reassuring to know that the WEFO is happy with the projects and procedures," says Claypole.



EU funding also opens up new horizons for collaborative research projects under the European Framework Programme. EU-organised conferences and the CORDIS network are all part of finding out who, what and where your opposite numbers are. No business is offered on a plate, but hard work today through networking with scientists in other Member States is the key to securing tomorrow's projects and ongoing, direct contact with your peers across Europe. Claypole is optimistic about their European prospects: "With equipment and expertise in place, we are actively on the lookout for potential research partners in other countries."

Facts and figures

Just over €21 million is to be invested in the Centre for NanoHealth under the Convergence objective. Funding began in 2009 and will run for five years.

FIND OUT MORE:
http://www.swan.ac.uk/nanohealth/

SHARED IDEAS, SHARED RESULTS

High-speed broadband in Auvergne, France

RegioStars winners revealed

The winners of the RegioStars Awards 2010 for Europe's most innovative regional projects have been revealed: the six winning projects come from Belgium, Sweden, Lithuania (two awards), Germany, and France. They were announced in the presence of Johannes Hahn, European Commissioner for regional policy, at an award ceremony in Brussels on 20 May 2010.

This year six awards were on offer: two 'CityStar' awards, three awards on ICT themes and one award for information and communication. The winning projects include the transformation of a former mining site into a centre for business innovation in Genk, Belgium; a micro-finance institute for migrant women in Sweden; a project improving computer literacy skills in Lithuania; developing a new tele-monitoring device for out-patient treatment in Brandenburg, Germany; extending high-speed broadband coverage in Auvergne, France; and the official website of EU structural assistance to Lithuania.

The winners received crystal trophies representing a star as well as a project video. Information on all 24 finalists, eligibility criteria, and members of the jury can be found at http://ec.europa.eu/regional_policy/cooperation/interregionalecochange/regiostars_en.cfm.

The 2011 awards categories were announced in January 2010 with a closing date for applications of 16 July 2010.

MORE INFORMATION:
Videos available here http://ec.europa.eu/regional_policy/sources/video/regiostars2010/genk_fr.wmv

C-Mine Centre, Genk, Belgium

New business model for ambulatory monitoring of patients, Brandenburg, Germany

Computer literacy basics for a Lithuanian e-citizen, Lithuania

Micro-Finance Institute, East-Mid-Sweden

URBACT ANNUAL CONFERENCE 30 NOVEMBER – 1 DECEMBER 2010 IN LIÈGE (BELGIUM)

The annual conference brings together the key actors from the 300 URBACT cities and partners: elected representatives, practitioners, members of civil society, experts, representatives of the Member States and of the EU Commission, and those who need interactive and concrete debates on crucial urban challenges.

This year, URBACT will present and discuss the results of its study 'Cities responses to the crisis'.

Workshops will focus on:

- The place of young people, migrants and seniors in the city of today and tomorrow, and the added value of sustainable and integrated urban policies to face these issues.

8th European Week of Regions and Cities
Brussels
4 - 7 October 2010

Europe 2020: Competitiveness, cooperation and cohesion for all regions

Organised annually since 2003, the 8th European Week of Regions and Cities – Open Days will take place this year from 4–7 October 2010. This key event, which is organised jointly by the European Commission's Directorate-General for regional policy (DG REGIO) and the Committee of the Regions (CoR), will feature more than 100 conferences and seminars in Brussels.

However, Open Days is not merely a Brussels-based event: partners will be organising 260 local events across Europe as well. In total, over 6 000 participants are expected to attend, including representatives from local, regional and national authorities as well as EU officials, academics and media.

Competitiveness, cooperation and cohesion

In line with the EU's new Europe 2020 Strategy and discussions on the future of EU cohesion policy post-2013, this year's Open Days will focus on three main themes: competitiveness, cooperation, and cohesion.

- Seminars on competitiveness will highlight the regional dimension of innovation, development and green economic growth.
- Workshops on cooperation will focus on territorial and cross-border cooperation, the European grouping of territorial cooperation (EGTC), and the potential of macro-regions as a future tool for regional collaboration.
- Finally, events grouped under the theme of cohesion will elaborate on the concepts of territorial and social cohesion. They will also consider how to better integrate different policies at the local level.

Networking opportunities

In addition to seminars and workshops, Open Days will also provide ample opportunity for a more informal exchange of views. For instance, the Meeting Place at the Committee of the Regions will provide space for informal meetings and networking opportunities. It will also host a range of exhibitions, enabling partners to showcase projects, demonstrate best practice, and present public-private partnerships along the themes of the regional green economy, sustainable green solutions and territorial cooperation.

Bringing together top-level scholars and researchers, the Open Days University will add the academic point of view on regional development and EU cohesion policy and further encourage debate. Finally, the traditional Open Days stage will once again be set up at the main entrance to the European Commission's main building, allowing regions to present their best practices through more creative means such as music, dance, and theatre performances.

Regional policy highlight

Since it was first held in 2003, the European Week of Regions and Cities – Open Days has quickly become an annual regional policy highlight attracting an increasing number of participants each year. This year alone, 245 regions and cities from 34 countries have registered as event partners – more than ever before. The enormous success of the event was also recently recognised during an award ceremony at the Brussels Meetings Week, a Europe-wide conference of specialists from the meeting industry.

Applauding the event for its innovation and the national and international prestige that it has given the city of Brussels, Open Days 2009 was deemed 'Best Event 2009' in the category of 'Associations and Institutional Meetings' – an added incentive to ensure that this year's Open Days becomes another highly successful event.

The final programme and online registration are available on the Open Days website at

http://ec.europa.eu/regional_policy/conferences/od2010/index.cfm?nmenu=1&sub=100

- The key elements of success for small and medium-sized towns and cities.
- Sustainability, energy efficiency and financial choices.
- Mid-term evaluation of URBACT. How to improve the local impact of transnational exchanges?

From September you can register at: www.urbact.eu

For further information: URBACT Communication Department – 00 33 (0)1 4917 4581

DIARY DATES – MAKE YOUR VOICE HEARD

DATES	EVENT	PLACE
23–24 September (tbc)	Roma Inclusion: From data collection and evaluation to evidence-based policy http://ec.europa.eu/regional_policy/	Brussels (BE)
23–24 September	11th Baltic Economic Forum – 'The EU Baltic Sea Strategy for a competitive region' http://www.conferences.lv/eng	Riga (LV)
4–7 October	Open Days – 8th European Week of Regions and Cities – 'Objective 2020: Competitiveness, cooperation and cohesion for all regions' http://www.opendays.europa.eu/	Brussels (BE)
13–14 October	Annual Forum of the EU Baltic Sea Strategy http://www.bsssc.com/news.asp?id=8657&pid=79&sid=79	Tallinn (EE)
October – November	Micro-finance instruments http://ec.europa.eu/regional_policy/funds/2007/jjj/	Brussels (BE)
18–19 November	JESSICA and JEREMIE Conference http://ec.europa.eu/regional_policy/funds/2007/jjj/	Brussels (BE)
30 November – 1 December	Urbact Annual Conference	Liège (BE)
31 January 2011 – 1 February 2011 (tbc)	5th Cohesion Forum	Brussels (BE)

Additional information on these events can be found in the Agenda section on our Inforegio website:
http://ec.europa.eu/regional_policy/conferences/agenda/

We intend to examine in one of the later editions of Panorama how the global economic crisis which began in 2008 has revealed inherent structural weaknesses in many countries and regions in Europe regardless of their level of economic and social development. It will analyse the different responses made available through European cohesion policy and Panorama very much welcomes contributions and examples of projects on this subject.

If you would like to share interesting work in the above areas, to ask questions or express your views on this or any other regional policy issue, get in touch by contacting:

regio-panorama@ec.europa.eu

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