



European
Commission

[SUMMER 2012 ▶ NO 42]

panorama

inforegio

▶ Partnership in cohesion policy

Reinforcing implementation
of this key principle

▶ Helping recovery from
the economic crisis

▶ RegioStars celebrates
innovative projects

▶ Promoting regional policy
successes on Europe Day

Regional
Policy

▶ EDITORIAL	3
Johannes Hahn	
▶ FEATURE	4-7
STRENGTHENING THE PARTNERSHIP AT THE HEART OF STRUCTURAL FUND IMPLEMENTATION	
▶ REGIONAL MANAGEMENT AT A LOCAL LEVEL: THE AUSTRIAN CASE	8-9
▶ THE PERFORMANCE OF COHESION POLICY 2007-2013	10-11
▶ STRUCTURAL FUNDS HELPING EU RECOVERY FROM THE ECONOMIC CRISIS	12-15
▶ INTRODUCING THE NEW DIRECTOR-GENERAL	15
▶ CELEBRATING INNOVATIVE PROJECTS AT THE REGIOSTARS AWARDS	16-17
▶ MAPS	18-19
▶ Planned investments of cohesion policy in capacity building	
▶ Employment in public administration	
▶ HOW BEST TO SELECT PROJECTS FOR CO-FUNDING	20-21
▶ PROJECTS	22-25
Examples of projects from Czech Republic, Finland, Malta, Slovakia	
▶ CELEBRATING EUROPE DAY ACROSS THE EU	26-29
▶ COMMUNICATING REGIONAL POLICY	30-31
▶ ENTERPRISE AND INNOVATION SUPPORT	32-33
▶ A COMPLEMENTARY EUROPEAN REGIONAL POLICY: SWISS, EEA AND NORWAY GRANTS	34-35
▶ AGENDA	36



▶4



▶8



▶16



▶22

Photographs (pages):
 Cover: © Ivelin IVANOV
 Pages 3, 4, 5, 12, 13, 15, 16, 17, 21: © European Commission
 Page 14: © Biocant, © Casala, © Corallia
 Page 8: © Walter Luttenberger (www.blende16.at)
 Page 22: © Mater Dei Hospital Oncology Centre
 Page 23: © ZLKL
 Page 24: © Varpu Heiskanen, UEF
 Page 25: © BioScience Slovakia
 Pages 26-29: Latvia: © Eiropas Savienības dārza svētki / Bulgaria-Romania: © Adina ENE / Slovenia: © Zavod Antona Martina Slomška / Portugal: © INALENTEJO / Greece: © Evi Panagiotakopoulou /
 Other pictures: © European Commission
 Pages 30-31: © National Development Agency (HU) /
 © Ministry of Regional Development (PL) / © Ministry of Economy and Employment (PT)

This magazine is printed in English, French and German on recycled paper. It is available online in 21 languages at http://ec.europa.eu/regional_policy/information/panorama/index_en.cfm

The opinions expressed in this publication are those of the authors and do not necessarily reflect the views of the European Commission.



▶ EDITORIAL

Johannes Hahn

Member of the European Commission
in charge of Regional Policy

At the heart of the successful use of the EU's Structural Funds lies a partnership with local players at various levels in the planning, implementation, and evaluation of the programmes. To generate maximum impact and ensure the most effective use of EU resources, the expertise of the different partners has to be effectively harnessed and integrated.

In the Commission's proposals for EU Cohesion Policy 2014-2020 this partnership process has been given high priority and is being considerably strengthened. The new provisions will require all Member States to establish a partnership contract with key players such as *inter alia* the regional and local public authorities, economic and social partners and bodies representing civil society. A European Code of Conduct on Partnership is also being developed to support this process.

Economic growth

The EU's Structural Funds represent a powerful investment vehicle of more than EUR 300 billion which are now tightly focused on the economic recovery strategy and efforts to reinvigorate the European economy, create jobs and boost economic activity at the local level. While staying firmly within existing budgets and programmes, growth-enhancing investments are being undertaken which are having a direct impact and long term economic benefits.

A quicker delivery of available funding is also now a priority and, for some Member States, a re-programming of funds has taken place to enable them to inject EU funding into sectors where a quick absorption of investments can take place. In some countries the rate of co-financing is being adjusted to accelerate uptake.

Spreading the word...

Information and communication activities are an integral part of regional policy programme management and implementation. It is important to tell the public about what is being achieved through EU Structural Funds and what funding opportunities exist.

Surveys we have undertaken show a growing awareness of the EU's funding activity and the positive impact it is having on regional development. These surveys highlight the importance of focusing our key messages on the issues of the day, in particular, the economic crisis, investment and job creation, and that we continue to highlight our success stories.

There are indeed also many excellent and innovative approaches which have been developed in different parts of Europe and sharing ideas and best practice is the goal of the Commission's RegioStars awards. This high profile event, which is now in its fifth year, is a showcase of the innovative use of EU funding. At this year's award ceremony on 14 June five projects were selected from the 24 high quality finalists to receive the coveted award in the various categories.

All the winning projects are multidimensional and demonstrate the ingenious ways in which efforts can be addressed by a wide range of local actors to deliver smart, sustainable and inclusive growth. These and the other 350 project nominated over the past five years represent a wealth of good ideas and good practice which can be an inspiration to the other regions of Europe.

A handwritten signature in black ink, appearing to read 'J. Hahn'.



▶STRENGTHENING THE PARTNERSHIP AT THE HEART OF STRUCTURAL FUND IMPLEMENTATION

In the Commission's legislative proposals for EU Cohesion Policy 2014–2020, the requirements relating to partnership and multi-level governance are being strengthened. These provisions will require all Member States to establish a partnership contract with key players such as *inter alia* the regional and local public authorities, economic and social partners and bodies representing civil society. A European Code of Conduct on Partnership is being developed to support this process.

▶FIND OUT MORE
http://ec.europa.eu/regional_policy/how/principles/index_en.cfm



The idea of ‘partnership’ is not new and was already present in the Treaty of Rome in 1957 in relation to the European Social Fund. It was later established as a common key principle for the Structural Funds through the 1988 reform.

The partnership approach ensures that the expertise the different partners possess in their own areas of activity are effectively harnessed and ensure the most effective use of EU resources which amount to one-third of the total EU budget.

The involvement of cohesion policy actors/partners at all levels in the planning, implementation, and evaluation of the programmes is needed to ensure that they feel ‘ownership’ of the EU’s interventions and share a common commitment to the objectives of the Europe 2020 Strategy ⁽¹⁾.

Partnership goes hand in hand with the multi-level governance approach. It is also a mechanism to ensure respect for the subsidiarity and proportionality principles. The multi-level approach reinforces the implementation of the partnership principle both vertically – between regional and local authorities (RLAs), national government and the European Union – and horizontally – between these different levels, economic and social partners and civil society organisations (CSOs).

Inconsistent implementation

While partnership is one of the elements that substantially promotes the effectiveness of cohesion policy, feedback from stakeholders indicates that the implementation of this principle varies greatly across Member States and regions.

As a result, some institutions and key stakeholders have asked for guidelines on partnership established at EU level. European Parliament resolutions have urged ⁽²⁾ the Commission to come up with an agreed definition of partnership as

well as a guide. The opinions of the European Economic and Social Committee have called ⁽³⁾ for a European code of good practice while the Committee of the Regions has recommended ⁽⁴⁾ that the partnership practice be reinforced.

In addition to this, position papers, studies and publications from numerous civil society organisations and regional and local authorities’ networks have also insisted on this necessity.

The new legislative proposals for EU Cohesion Policy 2014-2020 reflect these recommendations by strengthening the requirements in terms of partnership and multi-governance principle.

European Code of Conduct on Partnership

A European Commission staff working document has been issued to help Member States appropriately shape their partnership agreement during the preparatory work. The document also outlines the main requirements for a European Code of Conduct on Partnership (ECCP) which could form the basis for discussion among stakeholders.

An analysis undertaken within the DG Regional Policy pointed to the critical importance of the proper selection of partners. For example, more than sixty bodies – social partners, regions, and ministries – were involved in the consultation procedures for drafting Greece’s National Strategic Reference Framework (NSRF).

This selection aimed to represent all policy areas and social groups at national and regional level in accordance with the thematic and horizontal themes addressed in the NSRF. Through the broad participation of the same multi-level partners, as well as through transparency in the information flows, incoherencies between the NSRF and the Operational Programmes (OP) were prevented. ►►

(1) Europe 2020 Strategy, COM(2010) 2020 of 03.03.2010.

(2) See in particular the EP resolution on governance and partnership at national and regional levels and a basis for projects in the sphere of regional policy – P6_TA(2008)0492 (Beaupuy report) and the EP resolution on good governance with regard to the EU regional policy: procedures of assistance and control by the European Commission – P7_TA(2010)0468 (Manescu report).

(3) See in particular the exploratory Opinion of the EESC on How to foster efficient partnership in the management of cohesion policy programmes, based on good practices from 2007-2013 CESE 967/2010 (Olsson report).

(4) See in particular, Committee of the Regions, White paper on multi-level governance, CONST – IV – 020, CdR 89/2009.



ARTICLE 5 OF THE DRAFT COMMON PROVISIONS REGULATION (CPR)

(1) For the Partnership Contract and each programme respectively, a Member State shall organise a partnership with the following partners:

- (a) competent regional, local, urban and other public authorities;
- (b) economic and social partners; and
- (c) bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting equality and non-discrimination.

(2) In accordance with the multi-level governance approach, the partners shall be involved by Member States in

the preparation of Partnership Contracts and progress reports and in the preparation, implementation, monitoring and evaluation of programmes. The partners shall participate in the monitoring committees for programmes.

(3) The Commission shall be empowered to adopt delegated acts in accordance with Article 142 to provide for a European code of conduct that lays down objectives and criteria to support the implementation of partnership and to facilitate the sharing of information, experience, results and good practices among Member States.

(4) At least once a year, for each CSF Fund, the Commission shall consult the organisations which represent the partners at Union level on the implementation of support from the CSF Funds.

In addition, the CPR contains provisions which directly refer to partnership or are linked to this principle on monitoring, reporting and evaluation.



The involvement of civil society organisations is crucial in the development of the programmes and in most Member States, the CSOs are involved from the development stage of the strategic NSRF and OP documents through a variety of channels: questionnaires, working groups, public dialogues, seminars, or specific websites.

The involvement of partners in the programming process is also encouraged by the creation of various types of *cooperation platforms* which aim to raise awareness about participation. For example, Austria's traditional social partnership model is reflected in the European Social Fund (ESF) and the European Regional Development Fund (ERDF) programme implementation. The economic and social partners are traditionally involved in designing and monitoring the National Strategies Reference Framework within a permanent body – the Austrian Conference on Spatial Planning (ÖROK).

Involvement in evaluation

The involvement of partners in the evaluation process is the final phase of a virtuous circle. In Poland, for instance, to support the effectiveness of evaluation both at national and regional level, the Polish ESF Managing Authority has established an Evaluation Steering Group for Human Capital programme (HC OP). This is composed of institutions and entities

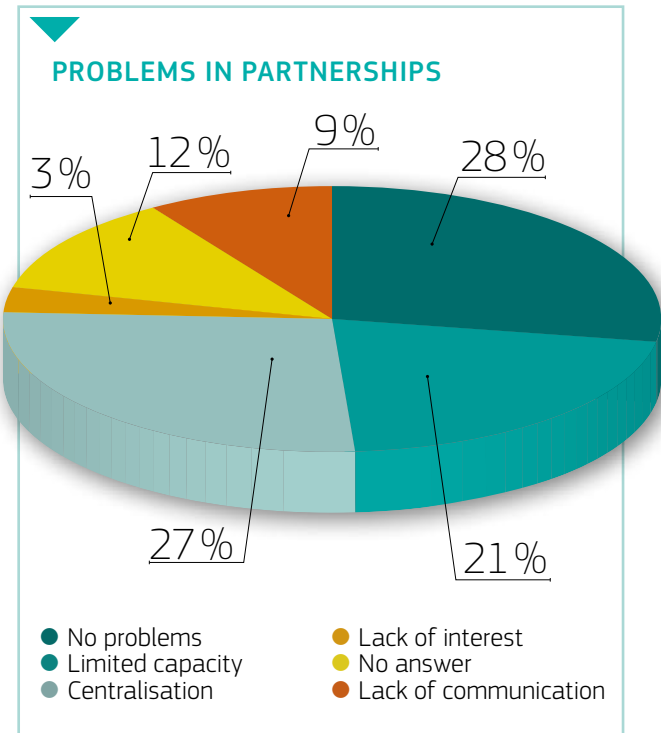
interested in participating in the evaluation process, such as representatives of the Managing Authority, intermediate bodies (both central and regional), social partners, the National Evaluation Unit and independent evaluation experts.

DG Regional Policy has conducted a survey concerning the obstacles faced during the programming process relating to the involvement of partners. The results of the survey are illustrated in the chart.

The *centralisation of the decision-making process* was mentioned, for example, as one of the main obstacles to the sound functioning of the partnership in Portugal, Hungary, Malta, Ireland, Slovakia, the Netherlands, Germany, France, and Spain.

In Romania, Hungary, Estonia and Latvia as well as in more experienced countries such as Germany, France or Italy, the authorities highlighted the *lack of capacity* of civil society organisations to engage with national and regional economic policy and a lack of resources preventing them becoming active participants.

In this respect, some Member States have given support to the administrative and financial capacity of organisations by including in their programmes specific technical assistance budget lines dedicated to the involvement of the partners.



In the United Kingdom, for example, the members of the monitoring committee, who are selected following an open competition, are remunerated in accordance with the rules specified by the Welsh Assembly Government. In Latvia, technical assistance is available for strengthening the professional capacity of the partners (training sessions) and fostering their participation.

Identification and inclusion of partners

In Member States such as Malta, Ireland, the Netherlands, or Sweden, the involvement of civil society has a long and valued tradition as it provides independent views on political, cultural, social and environmental issues, etc., even if pre-determined procedures or a legislative basis for the selection of partners as in Finland are rare.

Thus good practices in the identification and inclusion of partners need to be highlighted and adapted to standardise the implementation of cohesion policy in all Member States. The objectives of the European Code of Conduct on Partnership are the minimum requirements and a common standard.

Structured Dialogue

The so-called Structured Dialogue sets out to improve external communication, enhance the visibility of EU policy and the work of the Commission and achieve a multiplier effect in communicating cohesion policy and the Europe 2020 objectives. It also enhances the efficiency of civil society organisations in achieving common aims as well as improving ownership on the ground and reinforcing the partnership.

Besides the bilateral and other informal meetings and debates with the regional and local authorities or with civil society organisations, a social and structured dialogue relating to the current Article 11, and the future Article 5 is formally organised once a year between CSOs at large and the Commission.

STRUCTURED DIALOGUE

The overall objectives pursued by the Structured Dialogue are to bring cohesion policy closer to the citizen and to achieve a critical mass to support our policy. The Structured Dialogue is conceived as a confidence and mutual trust building mechanism, where the Commission shows its commitment to listening to these organisations and remains available and receptive to their input. Three round tables have been organised by DG Regional Policy in 2010 and 2011, and a fourth meeting is to be organised later in 2012.

The Structured Dialogue is an inclusive and participatory process, targeted particularly towards civil society umbrella organisations at European level (EU 'satellite' organisations). These organisations are able to develop a 'European public opinion' and can be key in conveying the importance of our policy at grassroots level. They can channel and focus the views of national and regional members (bottom-up) and pass the key messages from Brussels to the grassroots levels (top-down), acting as facilitators both for the Commission and their members.

▶ REGIONAL MANAGEMENT AT A LOCAL LEVEL: THE AUSTRIAN CASE



At the time of Austria's entry into the European Union in 1995, the Federal Chancellery, together with the federal provinces, helped to develop an innovative and inclusive local regional management structure to support the process of compliance with the EU Structural Funds, especially the European Regional Development Fund.

Once the EU Structural Fund implementation phase was over, the EU support system became embedded in every day business for local government and regional development at the local level. The structure is now a network of 32 Austrian regional management bodies (RMBs), coordinated at national level by the 'Regionalmanagement Österreich' bureau.

The RMBs have evolved into a well-functioning structure that helps to bring thousands of projects to the regions in a balanced way that reflects the real needs at the local level and provides a fair balance between the interests of the country's rural and urban areas.

Even before EU accession Austria was concerned about the balance of its development in terms of the urban centres and the rural and mountain areas with their small-scale industries and rich traditions, which risked becoming neglected. Under

its 'Family Austria' programme the country committed itself to promote the development of its regions.

The key to this has been a regional management structure that could be fully inclusive working from the ground up, yet meeting the macro-economic demands of central policy making.

Local organisation

Regional management in Austria consists of small organisations with the objective of enhancing local development, building networks, providing consulting and advocacy services, and implementing projects at the regional level. This structure sets out to create a direct connection with the local communities and actors, yet still remains within the framework of a centralised organisation.

The majority of RMBs (74%) are organised as private associations or as limited companies. The members of these associations range from municipalities, enterprises and individuals. The social partners – chambers of commerce, trades unions – chambers of agriculture, labour organisations (Arbeiterkammer) and local job centres – are involved either as members or in an advisory function.

‘An important part of our work is facilitating inter-municipal cooperation at the grassroots level.’

At present, regional managers are responsible not only for strategic planning but also for actual implementation of projects and are continuously in the process of making contacts and building networks. Communication skills and networking ability are key success factors.

While the regional management bodies differ in terms of their structure and their local objectives, they are bound together by a common entrepreneurial engagement to promote the local interests of their region.

Local interface

The network of RMBs has become an administrative-like structure that forms an interface between national and regional interests. The RMBs provide a highly effective ‘bridge’ between regional planning at national level and the needs and resources of the local communities, and are recognised as an important innovation in Austrian regional development and an essential component in ensuring effective ties to the local level.

The local bodies actively work to ensure the further development of their region, improving employment, agriculture and technology and bringing support to innovation in all areas.

The most important services, activities and projects of the individual RMBs are carrying out pilot projects, conception and follow-up, monitoring of projects, and supporting the implementation of EU programmes.

They can act across the boundaries of the local community, set up networks, bring in strategic input for development, elaborate on concrete project proposals, and facilitate, advise on, and monitor the realisation.

Regional management bodies in action

In 1982, Lower Austria (Niederösterreich) was one of the first regions to establish a regional management body centred on its forest regions.

Helene Mader of the RM Lower Austria explains: ‘We are an organisation that is responsible for coordinating regional interests with the state and with national and European strategies. An important part of our work is facilitating inter-municipal cooperation at the grassroots level. We also provide better coordination with surrounding territories which adjoin the municipalities.’

In Tyrol, there are eight regional management organisations, which operate both as local think-tanks for sustainable regional development, as well as assistance of the implementation of projects through professional support.

‘The Tyrolean regional management bodies are voluntary associations at the regional level and pursue a targeted cooperation between the regions, the state, the federal government and the EU. They provide a strategic focus to our regional development. They work across themes and involve a wide range of stakeholders and target groups,’ explains Andrea Fink of Tyrol’s RM.

‘Importantly they are closely involved in project initiation and project development, and participate in the implementation of EU regional support programs,’ she adds.

Josef Fanninger, Director of Regional Management, Lungau, says that ‘Regional management structures are there to offer technical assistance, advice and information facilities. They provide support structures for the EU program implementation and provide the link to regional activities, business networks and other regional management centres.’

▶ FIND OUT MORE
<http://www.rm-austria.at/>

▶ THE PERFORMANCE OF COHESION POLICY 2007-2013

A report⁽¹⁾ has been produced by a network of national experts engaged in monitoring the performance of programmes in the 27 Member States co-financed by the European Regional Development Fund (ERDF) and the Cohesion Fund 2007-2013. The experts assess a range of issues from the general economic backdrop, to progress in implementing programmes and results obtained. The report indicates that the pace of implementing cohesion policy was stepped up in 2010, though a real question has arisen in certain countries as to whether they have the capacity to absorb the funding available over the remainder of the programming period. Efforts are nevertheless being made in many countries to improve implementation by *inter alia* reallocating expenditure to areas where there is more demand for funding or where funding can be spent more quickly.

Economic constraints

Not surprisingly the constraints on national development expenditure have tightened in recent times. This has made it more difficult for Member States to find the funding needed to co-finance cohesion policy programmes. At the same time – in the context of national budget cutbacks – EU funding has become virtually the only source of finance for development expenditure for many of the new Member States (EU12).

The evidence suggests that measures taken to reduce budget deficits have tended to widen regional disparities. Indeed, reductions in government transfers have diminished the finance available for development expenditure both directly and through the effect on co-funding. Regions with more traditional industries such as textiles have continued to remain depressed through the current depression. Those reliant on manufacturing, though hard hit through lost exports, have in many cases proved able to recover as non-EU markets picked up.

Though the national funding available might have diminished, regional policy in most Member States has continued to be focused on tackling the underlying structural problems rather than being tailored and channelled to new activities.

Achievements since 2007

Over the first four years of the programming period a number of significant achievements have been identified.

In gross terms, almost 189 000 jobs (full-time equivalent) are estimated to have been created across the EU directly by the projects carried out.

Almost 24 000 business start-ups received support and more than 100 000 SMEs were assisted to invest and innovate.

Some 19 000 research and technical development infrastructure (RTDI) projects and 6 000 business research-cooperation projects were supported.

In terms of infrastructure, almost 920 000 people were connected to broadband internet. Some 1.5 million additional people were hooked up to clean drinking water supply and more than 3.3 million were connected to main drainage.

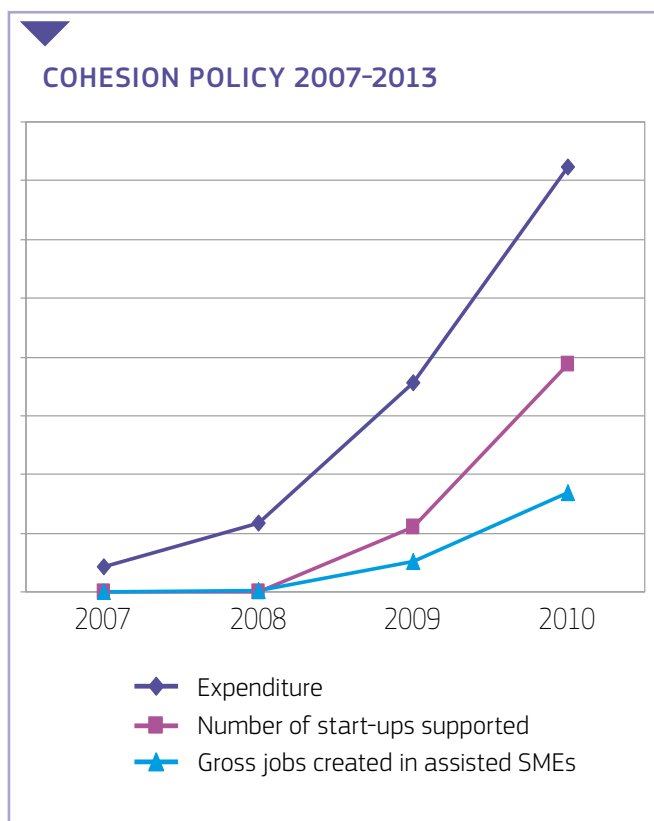
Some 280 km of motorways and 285 km of railway lines were added to the trans-European Transport Network and significant savings in journey times were made by the upgrading of roads and railway lines, especially in the new EU Member States (EU12), while 800 km² of derelict or contaminated land was cleaned up.

⁽¹⁾ Evaluation network delivering policy analysis of the performance of Cohesion policy 2007-2013.

Progress in 2010

The pace of implementing cohesion policy programmes was stepped up in 2010 though serious delays were apparent in certain countries, particularly Romania, Bulgaria and Italy. Indeed there is a real question-mark, the experts warn, over the capacity of certain countries to put the funding available over the remainder of the programming period to good use.

There is a risk that attention in some countries will become focused on the absorption of funds and that the quality of the projects supported and their effectiveness in achieving development objectives will suffer as a consequence. Given the difficult economic climate and the pressure on public budgets it is even more important that funding is spent in the most effective way.



Disbursements

The contribution of the support from the ERDF and Cohesion Fund to development spending is estimated to amount on average to about 40% of government capital spending per year over the remaining programming period in the new Member States (EU12), the figures ranging from 8% in Cyprus and 28% in Slovenia to around 75% in Hungary and Slovakia.

Across the EU as a whole some 55% of the budget available to programmes had been allocated to projects by the end of 2010, well over double the figure at the end of the previous year (23%). Allocations in Romania, Bulgaria and Italy, however, were much smaller, representing only one third of funding available.

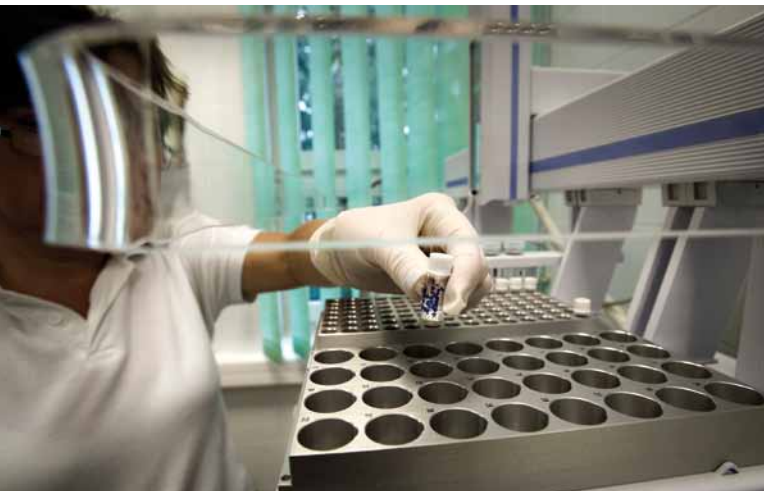
In these, and a few other countries, delays in implementation are evident across most policy areas which reflect a lack of institutional and planning capacity, as well as difficulties in finding co-financing because of the crisis and weak demand for funding from business due to the uncertain outlook.

By way of remedy, measures taken to reduce delays include reallocating expenditure to areas where funding could be spent more quickly such as from rail to road construction. The payment systems have been reorganised to increase their efficiency alongside a simplification of regulations. There has been increased training of staff and use of outside consultants as well as recourse to loans from the EIB and elsewhere to reduce problems of co-financing.

► FIND OUT MORE

http://ec.europa.eu/regional_policy/information/evaluations/index_en.cfm#1

▶ STRUCTURAL FUNDS HELPING EU RECOVERY FROM THE ECONOMIC CRISIS



Part of the strategy to reinvigorate the European economy, create jobs and revive economic growth now involves refocusing the EU's Structural Funds and using them as targeted investment vehicles. A quicker delivery of available investment is also now a priority and for some Member States a re-programming of the Funds has taken place to allow for the injection of resources into sectors where a quick absorption of investments is possible. All these actions have been taken to ensure that, within the existing budgets and operational programmes for Structural Funds, growth-enhancing investments are undertaken which have direct impact and long-term economic benefits.

Increased rate of co-financing for five countries

Particular attention has been given to the Member States which are currently receiving special economic assistance, the so-called 'programme countries' – Greece, Ireland, Latvia, Portugal and Romania.

A temporary facility was agreed by EU governments and the European Parliament in December 2011 that allows the EU share of co-financing to be temporarily topped-up by up to 10 percentage points for these special-assistance countries.

Thus, without raising the overall volume of EU funds available, it is now possible over the 2007-2013 financial planning period for four of these countries – Greece, Latvia, Portugal and Romania – to have projects co-financed up to a level of 95 percent.

The EU co-financing ceiling for Ireland is now 60 percent, up from the previous limit of 50 percent. Any increase of the co-financing rate will only take place at request of the Member States concerned and is only available while the country is a recipient of macro-economic assistance.

In the current tight economic situation, and with little room in national budgets for spending, this temporary boost of co-financing is a positive and welcome move to keep growth enhancing investments going.

Action underway since 2009

A series of significant measures came into force in April 2009 to increase the impact and flexibility of EU cohesion policy. Legislative changes and other recommendations to accelerate the funding procedures have focused on administrative simplification, greater flexibility for programme managers, the frontloading of actions, cash injections and an increased use of technical assistance.

In this context a set of 13 individual measures was proposed. For example, an additional advance payment of EUR 6.25 billion was accorded for the European Regional Development Fund (ERDF) and European Social Fund (ESF) programmes to boost the cash flow of national, regional and local authorities. The level of advances now totals EUR 11.25 billion.



These funds can help Member States create larger scale support schemes for young people in particular.

Greater flexibility is now possible in programme management by permitting a reprogramming of actions to help combat the economic crisis and accelerate spending in areas with better growth potential.

In Italy for example, an Action Plan for the Southern or Mezzogiorno regions is underway which focuses funding on education, employment, broadband investments and railway infrastructure. This support worth a total value of EUR 3.1 billion can be more rapidly invested through a change of programming. The European Commission is continuously assisting Member States wanting to focus funds on vital economic sectors with the best possible growth potential.

A number of regulatory changes have also been put in place to simplify procedures and provide more flexibility. These focus on areas such as state aid, major investment projects and the inclusion of energy efficiency and energy-saving programmes in the housing sector.

To ensure the maximum take-up of EU investment, technical support has been stepped up in relation to the preparation of major projects. Steps have been taken in cooperation with the European Investment Bank (EIB) to simplify the use of financial instruments such as guarantee schemes, in particular for setting up new small and medium-sized enterprises (SMEs).

Support for the young unemployed and disadvantaged

A key concern is the level of unemployment among young people in Europe. The Commission has called on Member States to use the available combined EU funding and national co-financing of EUR 22 billion of European Social Fund money that is still not allocated to projects.

These funds can help Member States create larger scale support schemes for young people in particular. Additional support is being given to Member States in the form of EUR 4.3 million of technical assistance delivered through the ESF to help Member States develop or expand apprenticeships schemes and programmes which support young entrepreneurs and social entrepreneurs.

Overall, Member States are now able to shift resources between instruments or introduce new instruments on the basis of their labour market conditions. New measures have been introduced, or a new emphasis given to existing ESF-supported measures in Belgium, the Czech Republic, France, Ireland, Italy, Lithuania, Latvia, Luxemburg, the Netherlands, Portugal, Slovenia, Greece and the UK.

These measures have mainly addressed those groups most affected by the crisis, implementing schemes designed to maintain jobs or encourage (re)integration, and with some actions specifically focused on sectors badly affected by the economic crisis (such as manufacturing, construction and textiles). ►►



Support in Portugal

The project 'Building Rehabilitation of Urbanização de Vila D'Este – Vilar de Andorinho – Phase I – Vila Nova de Gaia' deals with integrated urban regeneration, and aims to improve the energy efficiency of residential buildings. Investments have included thermal insulation, rehabilitation of entrance areas and stairway enclosures, installation and/or replacement of window frames, installation of ventilation and lighting systems. Total investment: EUR 5.2 million, EU contribution: EUR 4.2 million.

Biotech expansion: the 'Biocant II' project in Aveiro is the expansion of the Technological Park of Cantanhede and consists in the construction of a facility for biotechnology enterprises and some support infrastructure to their activity with main relevance for laboratorial services. Total investment: EUR 3.89 million, EU contribution: 50%.

Support in Ireland

CASALA: the Centre for Affective Solutions for Ambient Living Awareness (CASALA) is one of two Applied Research Centres on the Dundalk Institute of Technology campus. Its primary function is working with Irish industry to achieve product innovation, business competitiveness, and market leadership in the emerging ambient assisted living sector. With EU funding of EUR 1.41 million out of a total investment package of EUR 1.82 million, the Centre helps increase Dundalk IT's ability to compete in national and international funding initiatives, particularly in relation to the EU action plan on 'Ageing Well in the Information Society'.



Support in Greece

The **Corallia Clusters Initiative** (approx. EUR 37 million 2007-2013) in the Attica and Western Greece regions is a public-private partnership, aiming to boost competitiveness, entrepreneurship and innovation in knowledge-intensive, export-oriented technology segments through the establishment of innovation clusters. Through Corallia's activities in the area of micro-electronics and embedded systems, tangible results including a significant increase in annual turnover, exports, patent submissions and job creation have been achieved. A number of success stories have emerged through the novel 'bottom-up' policy-making approach that is used.

E-Prescription: this began as a pilot project to help reduce unnecessary spending in the Greek health sector and save EUR 1 billion per year. It is an e-Health project, with a relatively small budget (EUR 25 million) with estimated direct benefits for the Greek public budget of EUR 200 million over the first year of operation and another EUR 500 million as indirect benefits from reducing the over-prescription of medication and unnecessary treatment.



In Latvia, for instance, within the financial reallocation of EUR 135 million, additional funding was allocated to the promotion of employment (total EUR 63.5 million) to provide jobs for the most vulnerable persons in the framework of the emergency employment programme, to support the upgrading of workers' skills, to offer training opportunities for people working part-time in companies encountering difficulties, and to social inclusion.

Decentralised decision-makings on smaller projects

Since June 2010, European Commission approval is only a requirement for projects above a total value of EUR 50 million (EU and national funds combined). By raising the threshold from EUR 25 million, more projects can be started directly without affecting the overall control mechanisms on the use of EU funds.

SME credit support

Small and medium-sized enterprises are recognised as the largest provider of jobs in Europe, creating 80 percent of all new employment on average. Structural Funds can now be used as a guarantee to enable SMEs access to credit. This now applies to expansion finance and not just the start-up stage. Some EUR 500 million of EU funds have been reprogrammed for use as a guarantee scheme.

Priority projects in Greece

The Commission and the Greek authorities have drawn up a list of over 180 strategic growth-enhancing projects. Deadlines have been set to ensure that valid projects worth a total EUR 11.5 billion (EU and national funding combined) will be implemented by the end of 2013, creating between 90 000 and 108 000 new jobs.

The Taskforce for Greece, set up in mid-2011, is helping to strengthen the capacity of Greek authorities to accelerate implementation of Structural Funds investments on the ground.

▶ FIND OUT MORE

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



DR. WALTER DEFFAA
New Director-General
of DG Regional Policy

▶ INTRODUCING THE NEW DIRECTOR-GENERAL

The new Director-General of DG Regional Policy, Dr. Walter Deffaa, has an impressive professional trajectory in the financial and economic domains. He studied Economics at the Universities of Tübingen and at the Technical University in Berlin, holds a PhD in Economics from the University of Stuttgart-Hohenheim and is a Certified Internal Auditor. He was also a Lecturer at the College of Europe, Brugge from 1999-2009.

Since 1983 he has been working at the European Commission in Brussels where he is, since February 2012, Director General for Regional Policy. He has previously served as Director General for Taxation and Customs Union (2009-2012), as Director General of the Internal Audit Service (2004-2009), as Finance Director in the Regional Policy DG (2003-2004), as Director in the Secretariat General (2001-2003), as Director in DG BUDGET (1999-2001) and as chef de cabinet for Commissioner Wulf-Mathies (1997-1999). He is the author of several publications on European public finance and audit issues.

▶ CELEBRATING INNOVATIVE PROJECTS AT THE REGIOSTARS AWARDS

RegioStars 2012 put the spotlight on innovative projects at the award ceremony in Brussels on 14 June, with the five winners being presented with the coveted RegioStars Award by Commissioner for Regional Policy Johannes Hahn and President of the RegioStars jury, Luc Van den Brande. The jury highlighted the excellent and innovative work being done on the ground across the EU in the five categories. As such, all the 24 finalists were deemed winners, and an inspiration to others. RegioStars is an annual event to recognise and reward innovative projects supported by EU cohesion policy. With the awards having started in 2008, plans are already underway for the 6th edition to take place in February 2013.

The ceremony took place in the theatre of the 1930s Hotel Le Plaza in Brussels

SMART GROWTH

WINNER: ECO WORLD STYRIA



Gerd Gratzer, Deputy Head of Economy and Innovation for the Government of Styria, and Sabine Seiler, Eco World Styria Project Manager, received the award. The project aims to increase the concentration of successful clean technology (cleantech) companies in the Styria region (AT) and to help this

cluster become a top location worldwide for cleantech innovators. It also seeks to increase the global competitiveness of the region through innovation in the area of green technologies and to generate economic growth.

▶Find out more: www.eco.at

SUSTAINABLE GROWTH

WINNER: GRABS (Green and Blue Space Adaptation for Urban Areas and Eco-towns)

Diane Smith, lead partner for the GRaBs project, and Christophe di Pompeo, Member of the Nord-Pas de Calais Regional Council, collected the award on behalf of the 14 GRaBS partners, drawn from eight Member States (AT, EL, IT, LT, NL, SE, SK and UK). GRaBS provides the tools and knowledge to ensure that urban

development across Europe is suitably adapted to the impacts of climate change. The project enables public authorities, urban designers, architects and planners to create or remodel outdoor spaces and buildings to ensure that they are resilient to climate change and extreme weather.

▶Find out more: <http://www.grabs-eu.org/>



INCLUSIVE GROWTH

WINNER: O40 – Older people for older people



Kate Stephen, Centre for Rural Health, University of the Highlands and Islands (UK), and Jim Millard, Senior Policy Adviser, Scottish Government EU Office, received the award for the O40 project which helps rural communities provide services by mobilising older people to help other elderly people. The project



Johannes Hahn and Luc Van den Brande with all the RegioStars winners



Johannes Hahn, Commissioner for Regional Policy



The prestigious RegioStars Award



President of the RegioStars jury, Luc Van den Brande



Johannes Hahn and Luc Van den Brande with the RegioStars jury

partner regions across Europe's northern periphery – Finland, Greenland, Northern Ireland, Scotland and Sweden – worked with communities to research and develop alternative ways of providing support and services for their older citizens. In particular, they sought to fill the gaps in service provision to allow older people to remain living in their own homes and communities.

►Find out more: www.040s.eu

CITYSTAR

WINNER: SÖM – South East Malmö



Pontus Lindberg (left), Chairman of the Regional Structural Fund partnership of Skane-Blekinge and Anders Nilsson, Chair of the City District Council of Fosie, collected the award for the SÖM project which set out to create a socially, environmentally and financially sustainable environment in four disadvantaged districts of South East Malmö (SE). SÖM brought together citizens, private actors, property owners and the commercial and industrial world to

create a strategic partnership and to draw up a regeneration action plan for the future development of the city.

create a strategic partnership and to draw up a regeneration action plan for the future development of the city.

►Find out more: www.malmo.se

INFORMATION & COMMUNICATION

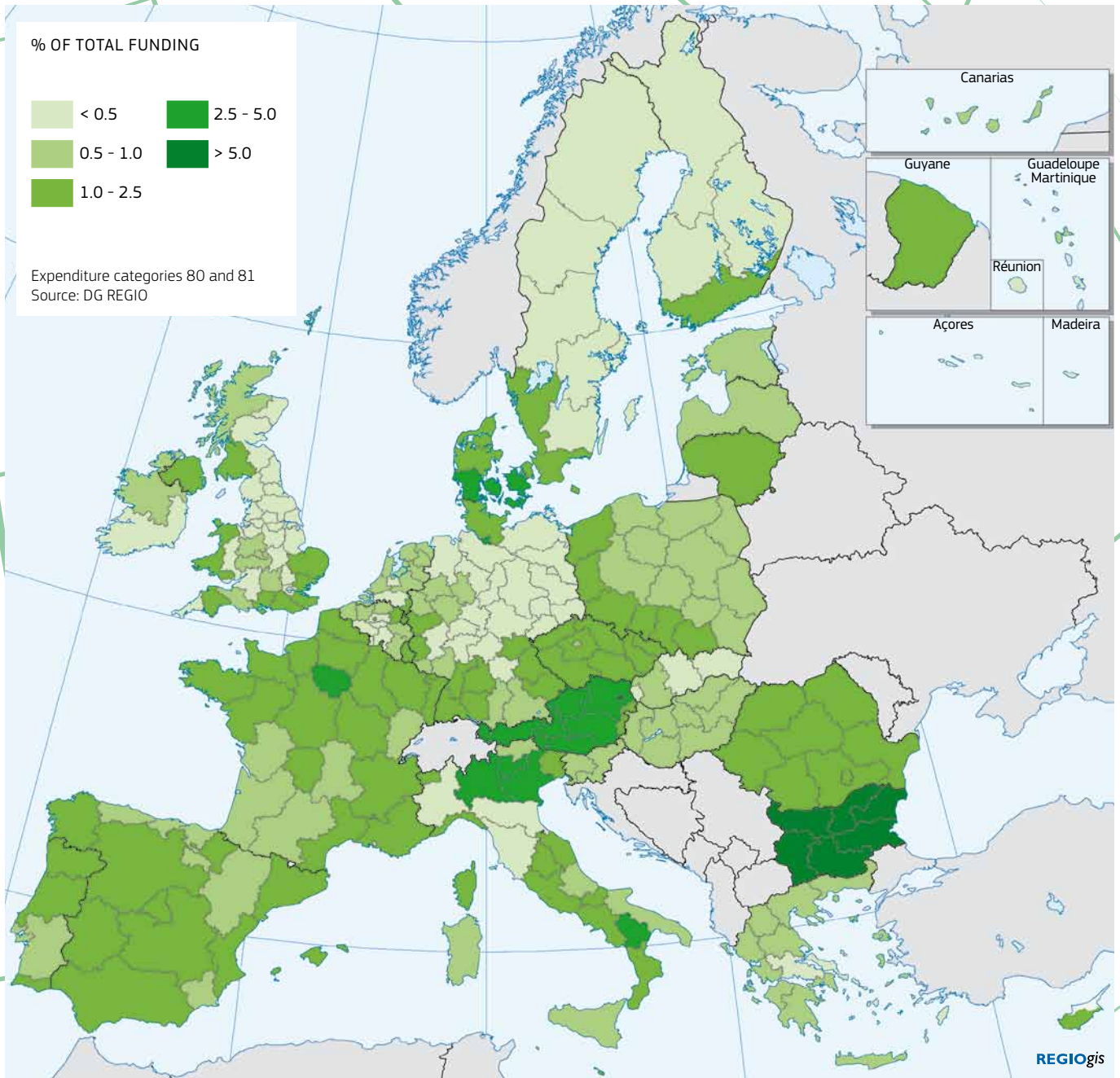
WINNER: PODLASKIE VOIVODESHIP

Jarosław Dworzański (right), Marshall of the Podlaskie Voivodeship (PL), and Zbigniew Nikitorowicz, Head of Cabinet, collected the award, presented for internet tools informing the public about projects benefiting from EU regional policy. The winning website presents comprehensive, detailed information, in both Polish and English, on co-financed investments and programme beneficiaries, with user-friendly tools to view the effects and implementation of projects. Moreover it presents examples of good practice that have significantly contributed to the growth of the province, helping to promote EU programmes and investment.

►Find out more: www.podlaskiedotacje.pl



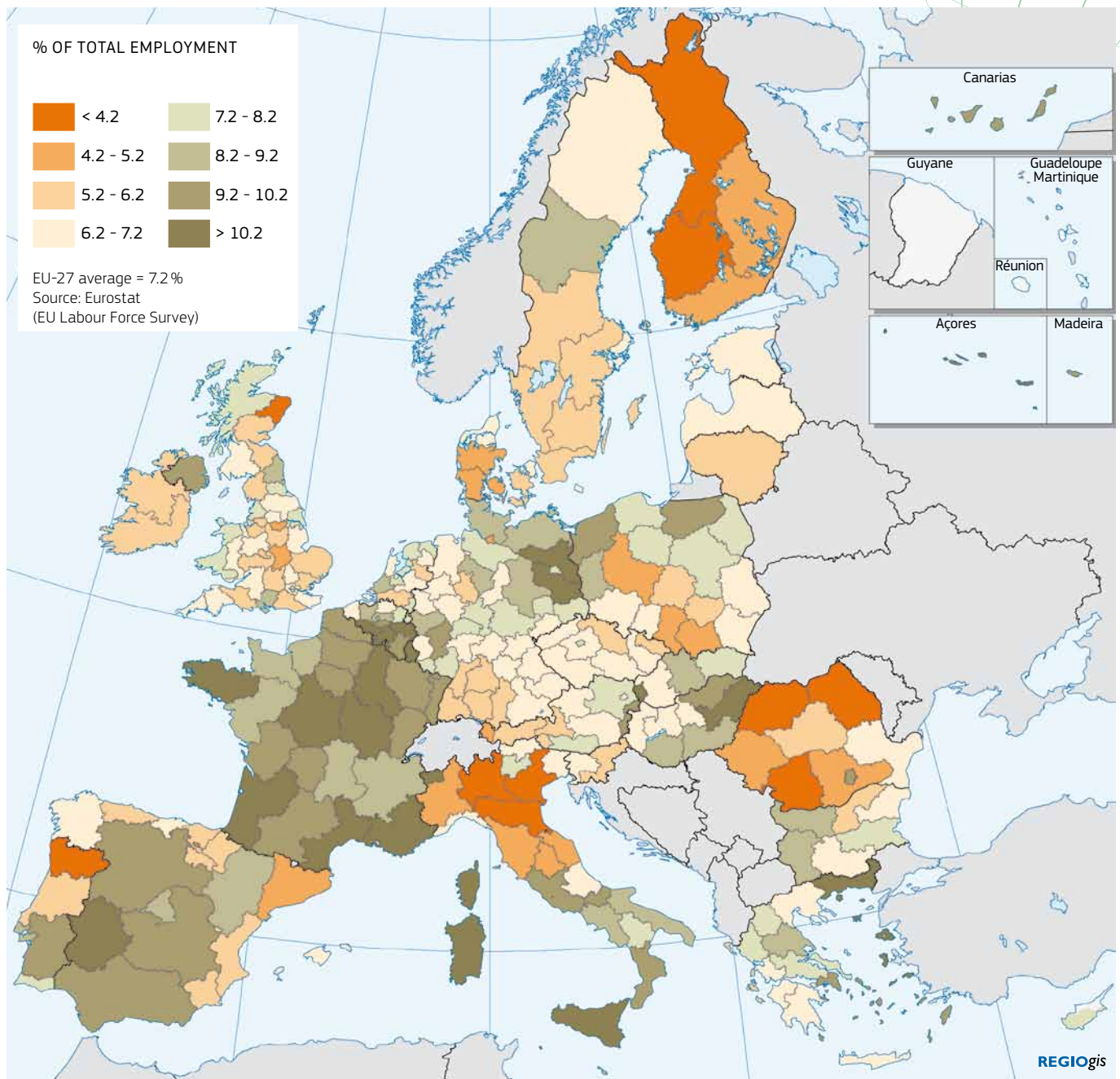
▶ PLANNED INVESTMENTS OF COHESION POLICY IN CAPACITY BUILDING, 2007-2013



This map shows the planned investments of cohesion policy in capacity building for the programming period 2007-2013 as a share of total funding. This covers activities to improve policy and programme design, monitoring and evaluation, as well as those promoting partnerships, pacts and initiatives through stakeholder networking. Cohesion policy has increasingly invested in institutions, governance and capacity-building at all levels, as a key factor for enhancing the effectiveness of its interventions in other domains – such as in infrastructure, innovation and entrepreneurship, or education.

The map shows that cohesion policy supports such activities in many different places. The highest shares are found in all regions of Bulgaria, but also in more developed regions such as Wien and Oberösterreich (AT) or Syddanmark (DK), where most capacity-building expenditure targets the improvement of programme design and implementation. In contrast, such investment is particularly low in some regions of Germany, as well as in most regions of the UK, Sweden and Finland.

► EMPLOYMENT IN PUBLIC ADMINISTRATION*, AVERAGE 2010-2011



This map shows the share of employment in public administration (including defence and social security) as a percentage of total employment. This indicator reflects the importance of the public sector in providing jobs. The share of public sector employment to a large extent reflects the type of region, being higher in urban than in rural ones. The share also gives an indication of the structure of the economy. In the short term, public sector employment creation may save and create jobs when economic activity declines. However, in the longer term, it may reflect weaknesses of the private sector in its capacity to create jobs.

The situation in EU regions varies strongly. In some regions, such as North Eastern Scotland (UK), Lombardia (IT) or Nord-Est (RO), it is particularly low, with shares in 2011 of 2.8%, 3.2% and 3.3% of total employment respectively. For other regions the public sector is a much more important provider of jobs, with the share of public employment reaching almost 30% in Ciudad Autónoma de Ceuta and Ciudad Autónoma de Melilla (ES), 20.5% in Voreio Aigaio (EL) and 13.1% in Corse (FR).

*NACE (Classification of Economic Activities in the European Community)
Section 0 = 'Public administration and defence; compulsory social security'

▶ HOW BEST TO SELECT PROJECTS FOR CO-FUNDING

RECOMMENDATIONS FOR ERDF IN THE 2014-2020 PERIOD

Selecting projects which best contribute to programme objectives and require minimum administrative resources and effort is crucial for the delivery of cohesion policy. In times of budgetary restraint, even more emphasis will be placed on the effectiveness and efficiency of the public investments. The new regulatory framework proposed by the Commission for the 2014-2020 programming period will also enhance the greater focus on performance. The range of activities co-financed from the European Regional Development Fund (ERDF) is extremely varied and there is no one-size-fits-all process for project selection. This process should always be adapted to the conditions and framework in the relevant Member State or region. Based on a recent study that analysed project selection processes in six Member States, several recommendations can be drawn for 2014-2020.

Preparation of calls for projects

Managing authorities typically receive applications from potential beneficiaries through a system of calls for projects. Basic decisions on the project selection setup are already made in the programming phase when the managing authority chooses between temporary or permanent calls for projects, decides whether to structure the calls in one or multiple stages and defines and adopts, together with the monitoring committee, the project selection criteria applicable for the call. In this context it is recommended that you:

- involve stakeholders, in particular from the private sector and those relevant to the region in the preparation of the calls for projects;
- tailor the call to the real needs in the sector, clearly communicating the specific targets, allocation, funding conditions, selection criteria and the procedure to the applicants and stakeholders;
- give priority in the selection process to those applications that contribute the most to the programme objectives and require the least resources;

- establish and apply unit cost limits/benchmarks to ensure sound financial management;
- set clear, simple and understandable selection criteria, which are limited in number and allow the expert evaluators to assess the idea behind the project application.

Guidance to applicants

Guidance provided by the managing authority (or more often, by the intermediate body) to applicants is an important variable which determines the overall effectiveness of the selection procedures. You should:

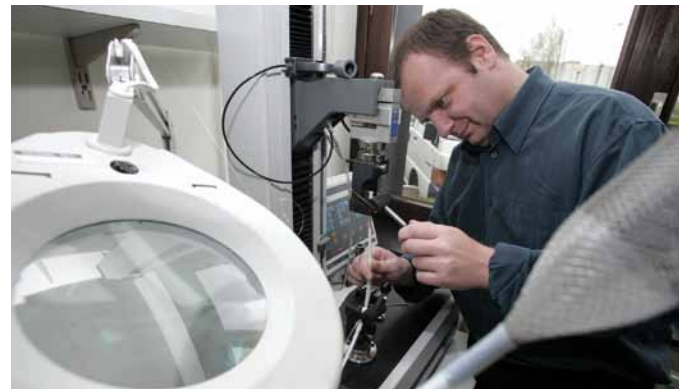
- strengthen the guidance for applicants by providing consultations and offering quick feedback on the opportunities to obtain funding;
- provide web-based tools to the applicants, such as self-assessment tools, providing clear and concise instructions and how-to-do forms.

Preparation and submission of applications

The applicants should prepare the applications in line with the requirements of the calls. The number and contents of required documents varies considerably depending on the project type, scope and particularities of the Member State/managing authority.

Depending on the established procedures and the level of eGovernment services in the Member State, the applicants will submit the application by post, electronically or in person.

Many applicants use external consultants for the preparation of their applications (almost 90% in some Member States). Though the use of specialists is justified if the appropriate expertise is not readily available in-house (e.g. engineers for drafting the design documents), the wide-spread outsourcing



of writing of grant applications underlines the need for clear and concise requirements in the call for projects as well as well-targeted and available guidance. You should:

- request from applicants only documents which are essential for the appraisal of the project application vis-à-vis the grant conditions and programme objectives;
- limit the involvement of external consultants at the applicant level by putting in place clear rules and financial limits for outsourcing;
- require the same document from the applicant only once ⁽¹⁾;
- promote eSolutions beyond the proposed regulatory eCohesion requirements, also for the applicants. Electronic submission of documents and data is particularly advisable as is providing applicants with real-time feedback on their application.
- reduce the administrative costs by limiting the number of evaluators to the minimum necessary and establish rules for the prevention of conflict of interest among the external evaluators;
- increase transparency through publication of the responsibilities of the selection bodies, the names of evaluators and members of the selection bodies, the evaluation reports and complete evaluation results, and by informing the unsuccessful applicants about the reasons for rejection;
- minimise the time between the submission of the project application and the decision on the funding e.g. by setting binding deadlines;
- put in place an accessible appeals procedure for the applicants.

► FIND OUT MORE

http://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/selection/selection_process.pdf

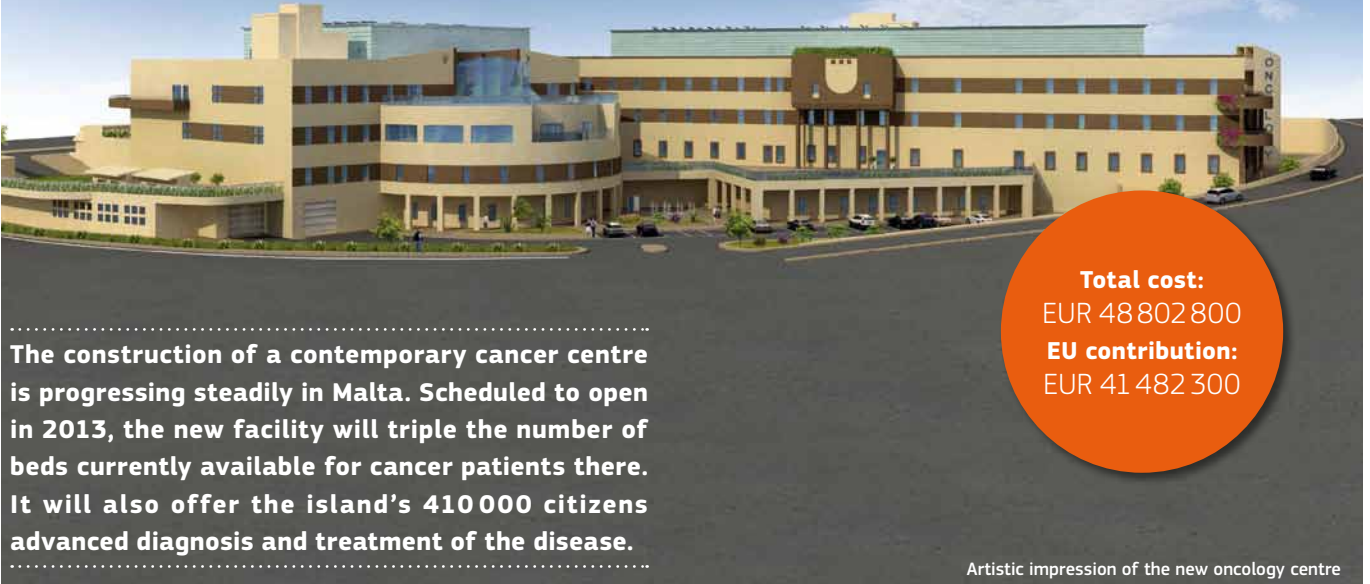
Evaluation of applications, project selection and conclusion of the funding agreement

Depending on whether the call for projects is permanent or temporary, the applications are evaluated continuously or after the expiration of deadline for submission of applications. The evaluation is typically carried out by the managing authority/intermediate body, sometimes assisted by one or more external evaluators. You should:

⁽¹⁾ The 'only once' encoding principle as referred to in the Small Business Act in Europe adopted on 25/06/2008, SEC (2008) 2101.

▶MALTA

▶MOVING CANCER CARE INTO THE 21ST CENTURY



The construction of a contemporary cancer centre is progressing steadily in Malta. Scheduled to open in 2013, the new facility will triple the number of beds currently available for cancer patients there. It will also offer the island's 410 000 citizens advanced diagnosis and treatment of the disease.

Total cost:
EUR 48 802 800
EU contribution:
EUR 41 482 300

Artistic impression of the new oncology centre

The Mater Dei Hospital Oncology Centre takes its name from a new acute general hospital in Msida, a town on the north-east coast. As an extension of the general hospital, the new facility will take over all oncology work done at nearby Sir Paul Boffa Hospital, which specialises in oncology and palliative care. It also dovetails with Malta's broader National Cancer Plan (2010-2015) objectives, such as shorter waiting times and better therapeutic practice.

The Oncology Centre will offer advanced cancer-treatment facilities in a comprehensive care setting. It will be physically and organisationally interconnected to Mater Dei Hospital and have a floor area of around 23 000 square metres.

Co-financed by the EU through the ERDF, the new building will accommodate 74 inpatient beds; 22 day-care beds; and 12 oncology outpatient clinics. The largest of the four functional spaces is the inpatient area, offering adult oncology (32 beds in total, five added by the project), palliative care (extra 16 beds), paediatric and adolescent oncology (increase from six to 10 beds), haematology wards (16 beds transferred from Mater Dei Hospital), and a radioisotope unit.

▶FIND OUT MORE
https://ehealth.gov.mt/HealthPortal/health_institutions/hospital_services/mater_dei_hospital

Extensive, modern facilities

In the outpatient area, the project adds eight oncology outpatient clinics to make up the total of 12. The diagnostic and treatment areas feature a radiotherapy department, day-care, and general anaesthesia procedure facilities. Lastly, the area for plant and hospital support services will provide everything from physiotherapy to social work and psychology.

After phase one's excavation work, phase two saw three bunker suites built to house major radiotherapy equipment in the form of linear accelerators. A fourth bunker suite will complement this space. These will provide Maltese cancer patients with 21st-century radiotherapy. Phase three covers construction of the rest of the centre.

'Our new healthcare asset will be dedicated to advancing oncology treatment, education and research,' says Brian St John, Chief Executive Officer of the Foundation for Medical Services and project leader for the Oncology Centre. He also believes the facility will encourage new and improved working practices among Maltese cancer-care professionals.

Annually around 1 400 Maltese residents develop cancer, with some 700 deaths attributed to the disease. The new centre aims to treat 60% of all Malta's cancer patients. It will also feature green infrastructure, such as rooftop solar panels and energy-recovery systems.

▶OLOMOUCKÝ KRAJ, CZECH REPUBLIC

▶ ENHANCING MOBILITY FOR WHEELCHAIR USERS

An innovative new vehicle designed to carry wheelchair users securely and quickly on public highways will soon go into serial production. Developed by the Czech machinery company ZLKL, based in Loštice in the Olomouc Region, the Elbee has also been supported by EU funds with a view to taking the prototype into production.

People using wheelchairs face a number of difficulties using a standard car, such as the need to change seats when entering or leaving the vehicle. Loading their wheelchair into the car can also be tricky.

An Elbee is an elegant solution to these challenges. It features unique hinged doors, which are remotely controlled. The lower door becomes a ramp, enabling a wheelchair user to easily roll into or out of the vehicle. After the doors close, the user can drive the vehicle whilst seated in the wheelchair.

The vehicle is officially categorised as a 'heavy all-terrain vehicle' and has a maximum speed of 80 km/h. Compact dimensions allow for parking parallel to the pavement, so a wheelchair user can comfortably exit the vehicle directly onto the pavement rather than the road. The vehicle can accommodate one passenger at the rear. Steering and design elements may be individually customised according to the needs and wishes of individual drivers.

Born in 2003 as a concept vehicle, the Elbee was picked up by ZLKL in 2004 and turned into a functional prototype four years later. The vehicle is notable for its unique construction and several innovative technical parts, and received further support in 2007 from the European Regional Development Fund.

On target for commercial rollout

The EU funds will move the vehicle towards production, including the purchase of technologies and the process of certification. Further work by ZLKL aims to substantially increase the vehicle's utility attributes and reliability.



Total cost:
EUR 1 448 800
EU contribution:
EUR 614 100

ZLKL's research highlighted the importance for wheelchair users of independent movement without assistance. 'Our efforts aim to provide mobility-impaired people with independence and freedom of movement, in order to further enhance their living standards,' says the project manager Ladislav Brázdil, Jr.

The company believes the Elbee will be warmly welcomed by this demographic and that there will be interest in it in the Czech Republic and all across Europe. It sees the vehicle as a very practical solution for everyday movement in cities and outside of them, while highlighting an appealing design.

The Elbee goes into serial production in early 2013. This will initially be only for the Czech market, with international distribution coming later.

▶ **FIND OUT MORE**
www.elbee.cz

▶ POHJOIS-KARJALA, FINLAND

▶ STRENGTH THROUGH UNITY

A cluster of science and technology centres with first-class expertise is raising the profile of North Karelia region, in Eastern Finland. Comprising four separate hubs – focused on materials, precision technology and diffractive optics, it is pushing the research and development envelope in all three fields while fostering new businesses across the region.

Most of the cluster is in Joensuu, the region’s main urban centre. Hub four is in Kuopio, 130 km to the west.

Formerly separate sites; the hubs today collaborate closely with the support of the University of Eastern Finland and under the administrative umbrella of SIB-labs, a spin-off from the cluster. ‘Consolidating the collaboration format supports regional competitiveness. It’s a great example of the focused teamwork and collaboration of the national and local EU funding bodies, research institutes and industrial partners,’ says Professor Mika Suvanto, Director of SIB-labs.

A university-led platform

The broad-based cluster benefits from the strong educational foundation of two universities. This include natural sciences (chemistry, physics, IT) at the University of Eastern Finland, plus technology at the North Karelia University of Applied Sciences.

The four hubs of high-tech research, development and innovation activity have emerged in North Karelia thanks to EU funds since 2000. They now form the EU ‘Project cluster of materials and precision technology and diffractive optics’.

The Ultra Precision Unit specialises in precision machining and collaborates mainly with businesses in the plastics and metal sectors to develop new products. The Research Laboratory for Diffractive Optics and Photonics has a unique research infrastructure, with a laboratory calling on scientific research at the university. It assists companies to develop products and tests novel ideas.



Research group from the UEF Chemistry Department working with Raman spectroscopy

Total cost:
EUR 20 000 000
EU contribution:
EUR 10 000 000

SMARC Innovations (SMARCi) is a research unit of the University of Eastern Finland’s Department of Chemistry. Its focus is high-level materials research and promoting technology transfer, plus enhancing the region’s competitiveness by offering an interface between scientific research and industry. Lastly, the InFotonics Centre Joensuu combines expertise in photonics and IT. A global leader in wave-optical engineering and spectral colour research, it has established a cooperation network with top laboratories and institutes in its field.

After the project concludes, the activities of SMARCi and InFotonics Centre Joensuu will continue as part of operations at SIB-labs. This research environment brings together the expertise of the University of Eastern Finland in biomaterials, materials, photonics and spectral colour research.

▶ FIND OUT MORE
<http://www.uef.fi/siblabs/>
<http://wartsila.pkamk.fi/upu/>
www.ifc.joensuu.fi

▶BRATISLAVSKÝ KRAJ, SLOVAKIA

▶ BETTER DETECTION OF HIDDEN INFECTIOUS PATHOGENS

Healthy individuals can carry viral infections for years without detection. But if their immune systems grow weaker, these hidden infections can become major health threats. One solution is better diagnostics of infectious pathogens, a path now being pursued by an EU research project in Slovakia.

Scientists recently highlighted how several different viral infections can go undetected in people, albeit without major problems. Yet any weakening of their immune systems – due for example to disease, an organ transplant or treatment side-effects – may result in these infections becoming more virulent. This can cause serious medical complications or even death in the infected person.

In June 2010, BioScience Slovakia, based in Bratislava, joined forces with the Institute of Virology of the Slovak Academy of Sciences (SAS) in the 'Industrial research in the clinical diagnosis of infectious pathogens' project, with co-funding from the European Regional Development Fund. Together they are working to significantly improve diagnostics of infectious pathogens, an area poorly covered at present, by calling on different methods and formats for each pathogen.

Comprehensive diagnostics

'To simplify, accelerate and increase the sensitivity of diagnostics, scientists need to consider adopting a comprehensive approach,' says Dr Peter Kilián, Managing Director of BioScience Slovakia and Chief of Laboratory. 'This could involve a unified format suitable for routine diagnostics, while using a cutting-edge knowledge of molecular biology.' The goal is to get this new format of assays into routine clinical use, whilst establishing a common research basis between academia and private industry.

The partners have already completed the bioinformatics analysis phase. Research is progressing into the preparation of negative and positive controls, with the aim of optimising and fine-tuning the conditions for pathogen detection.

In January 2012, the partners filed a US and international patent application, which stemmed directly from results to date. This patent describes compositions and methods for detecting lymphocytic choriomeningitis virus (LCMV) in people and/or discriminating between acute and chronic LCMV infections. 'This virus is an example of the neglected pathogens, and can have a dramatic impact on health for subjects with compromised immunity,' adds Dr Kilián.

The project is schedule to end in May 2013. But there is still much work to be done, says Dr Kilián: 'As there is no reliable data on LCMV virus prevalence in the general population, we'd like to complete the new data on this subject using the detection procedure developed in our project.'



Working with cell cultures in Class II biological safety cabinets

▶ **FIND OUT MORE**
www.bioscience.sk/projects.html

▶ CELEBRATING EUROPE DAY ACROSS THE EU

9 May is Europe Day – a special day for all European citizens as it celebrates the famous Schuman Declaration. On 9 May 1950, five years after the end of the Second World War, the French foreign minister Robert Schuman first put forward the ideas for the European Union by proposing the creation of a European Coal and Steel Community (ECSC).

On 29 June 1985, during the Milan European Council, heads of state and government agreed to establish 9 May as ‘Europe Day’. Celebrated every year since 1986, the Day provides an opportunity for activities and festivities designed to bring Europe closer to its citizens. Some of the events illustrated here highlight the benefits that the European Regional Development Fund (ERDF) brings to regions across the EU.

BELGIUM

Oost-Vlaanderen

Each year, Europe Day is organised in a different part of the province of East Flanders. This year, the fourth edition, took place on 6 May in Waasland, in the east of the province. The aim was twofold: to show what can be achieved thanks to EU funding by highlighting specific projects, and to provide information on the EU’s impact on citizens’ daily lives. Main activities included a street exhibition in Sint-Gillis-Waas of selected projects, seven ‘Open Door’ projects and a cross-border cycling tour.

▶ Find out more: www.europadag.be



CZECH REPUBLIC

Prague

On May 9, an online map of EU-funded projects was officially launched at a press conference in Prague. The map is a joint undertaking of the EC Representation in the Czech Republic and the Ministry of Regional Development. It is available to view online at www.mapaprojektu.cz



LATVIA

Riga

First held in 2009, the 2012 EU Garden Festival celebrated five years of Latvia's accession to the European Union. This year's celebrations were organised around 10 thematic tents representing different institutions, such as embassies and government bodies. The event attracted 400 representatives from 70 organisations and several thousand visitors. The Ministry of Finance disseminated information on the Euro and on EU Funds from a 'Prosperous Europe' tent. Also present were the Latvia-Lithuania Cross Border Cooperation Programme and one of Latvia's five Regional Structural Funds (Riga). ▶Find out more: <http://www.latlit.eu/>



BULGARIA-ROMANIA

Silistra/Calarasi

On 9 May, the Romania-Bulgaria Cross-Border Cooperation Programme welcomed pupils from 'Mihai Eminescu' Theoretical College, Calarasi, Romania and 'Nicola Vaptsarov' College, Silistra, Bulgaria. The event focused on raising awareness of the Programme, as well as on educating young people about the importance of engaging in active European citizenship. The pupils' interest and diverse questions testified to the event's success. As Romanian participant Georgiana confirmed: 'I had the opportunity to discover that the European Union is near us, literally and figuratively, and not just a flag. That it stands for cooperation, tolerance and communication – for "United in Diversity". I realised that the bonds between us and Bulgarians are stronger than I thought'.

▶Find out more:

<http://www.cbromaniabulgaria.eu/index.php>



NETHERLANDS

Dordrecht

Around 150 projects co-funded by the EU opened their doors to the public on 11 and 12 May to celebrate 'Europa Kijkdagen', or Europe Day. One of these was the 'Duurzaamheidfabriek' or 'Sustainability Factory'. This brand new building, standing for all that is innovative and sustainable, invites new businesses, 'green' investors and young technical talents to come together to test and develop creative and viable sustainable methods and products. ▶Find out more:

<http://www.europaomdehoek.nl/kijkdagen>



PORTUGAL

Madeira

On 9 May, the Institute for Regional Development organised a street exhibition in the city of Funchal (Travessa do Cabido, nº 16). The purpose of the event was to provide information to the public about different programmes co-financed by the European Union. Throughout the day, visitors were able to ask questions and engage in discussions about the projects, as well as receive relevant and memorable 'giveaways'.

▶Find out more: <http://www.idr.gov-madeira.pt/>



SLOVENIA

Maribor

As the Managing Authority for EU funds, the Slovenian Ministry of Economic Development and Technology took part in 'European Youth Week' (7-10 May) alongside the Representation of the European Commission. Within the European Village project, the event provided an opportunity to present examples from different areas of life in different EU Member States. Europe's cultural diversity was amply illustrated through a series of colourful market stalls and an engaging entertainment programme, together offering music, dance, singing, food, and other country-specific features. ▶Find out more:

<http://www.maribor2012.eu/en/nc/project/prikaz/114505/>



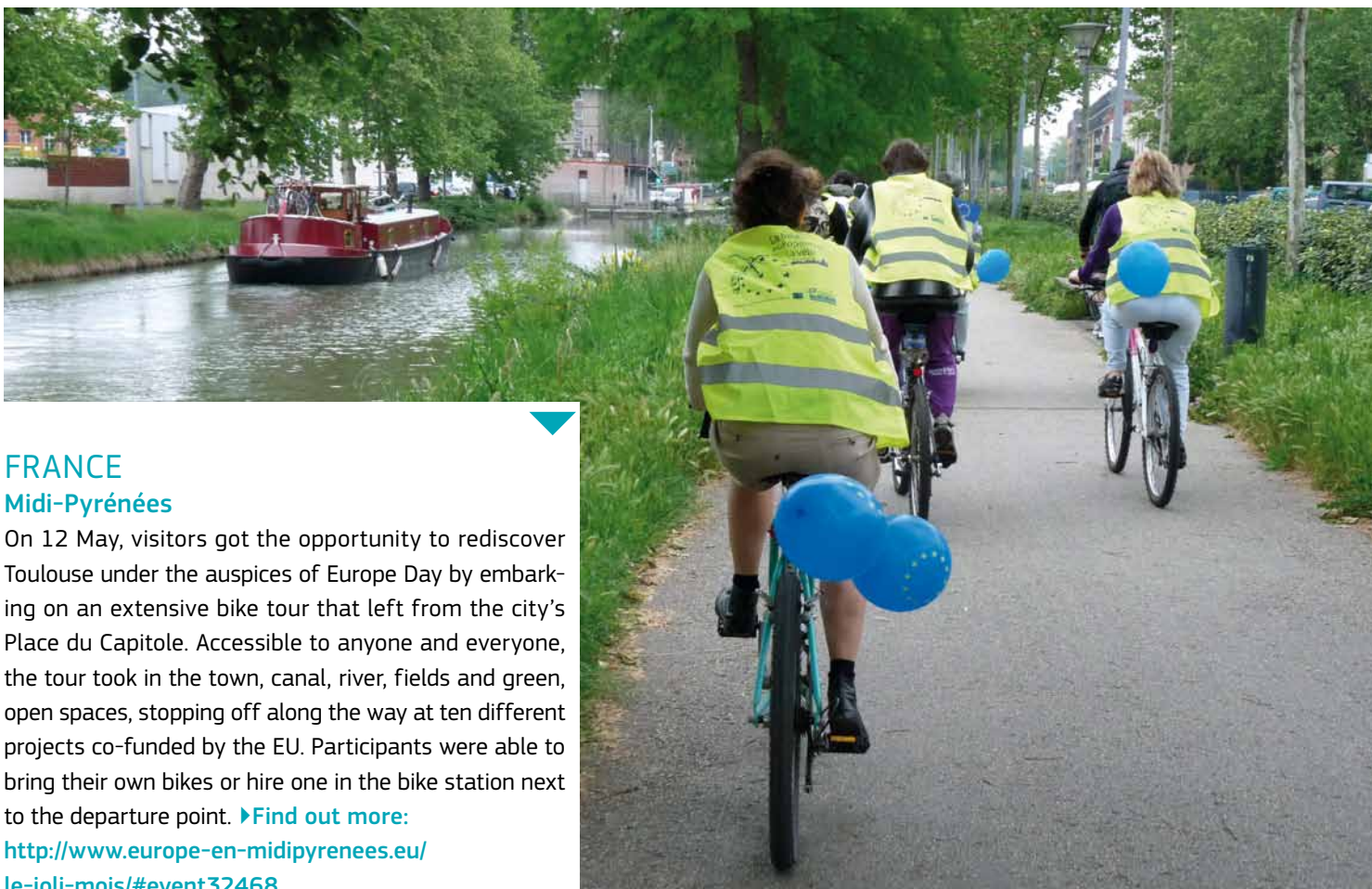
GREECE

Crete

Crete celebrated Europe Day with a series of events aimed at visitors of all ages and with different levels of interest. Held in one of the island's well-known, easily-accessible venues, stakeholders could participate in seminars, whilst the general public was treated to a range of interactive info- and entertainment activities, including an outdoors live music concert.

►Find out more:

<http://www.espa.gr/en/Pages/NewsFS.aspx?item=361>



FRANCE

Midi-Pyrénées

On 12 May, visitors got the opportunity to rediscover Toulouse under the auspices of Europe Day by embarking on an extensive bike tour that left from the city's Place du Capitole. Accessible to anyone and everyone, the tour took in the town, canal, river, fields and green, open spaces, stopping off along the way at ten different projects co-funded by the EU. Participants were able to bring their own bikes or hire one in the bike station next to the departure point. ►Find out more:

<http://www.europe-en-midipyrenees.eu/le-joli-mois/#event32468>

▶ COMMUNICATING REGIONAL POLICY

Information and communication activities are an integral part of programme management: telling the public about the achievements of, and funding opportunities for, regional policy is a key priority of programme implementation. The mid-term assessment of information and communication activities carried out last year served as a useful point to take stock of the achievements to date and the challenges that lie ahead. *Panorama* discusses the topic with representatives from Hungary, Poland and Portugal.

▶ How did you approach the mid-term assessment of information and communication activities in your programme(s)?

In Poland the assessment was based on data collected regularly for monitoring and the on-going evaluation of communication activities in the form of annual surveys. These have been conducted on a representative sample of the population since 2006, using the same scope and methodology, to generate comparable results.

'We also used the results from other opinion polls', explains Paulina Piotrowska from the Ministry of Regional Development, 'on the awareness and image of EU funds and operational programmes carried out amongst the population and particular target groups, as well as results of the Flash Eurobarometer survey in 2010. This multitude of sources has allowed us to develop the assessment internally.'

Similarly, in Portugal the assessment was conducted mainly internally through websites, newsletters, seminars and events, and surveys of beneficiaries and the public. 'In only two out of ten programmes was there an external assessment', notes Paulo Emerenciano from the Ministry of Economy & Employment, 'in order to receive more qualitative information on details such as brand recognition'.



A different approach was taken in Hungary where communication on the programmes is carried out centrally. 'We carried out an assessment with the help of an external market research company', explains Nándor Csepreghy from the National Development Agency. 'This examined how communication activities during 2007-2010 on EU funded developments and the implementation of the programmes contributed to achieving the goals in the communication plan, these being to familiarise the Hungarian people with the results of EU funds and the general role played by the EU in these developments.'

▶ What were the main findings of the assessment?

Across the three countries, the results unanimously showed a growing awareness of EU funds and their positive impact on national and regional development.

In Poland, Eurobarometer survey results showed one of the highest indicators of awareness of funds in the EU, whilst in Hungary, thanks to the communication activities during this period, 76% of the total population, 75% of potential applicants and almost 100% of beneficiaries have a general knowledge about projects funded by the EU or know about projects in their neighbourhood.



From left to right:

▶ **NÁNDOR CSEPREGHY**
Head of Communication Department,
National Development Agency (HU)

▶ **PAULINA PIOTROWSKA**
Senior specialist for evaluation of
information and promotion activities,
Ministry of Regional Development
(PL)

▶ **PAULO EMERENCIANO**
Communication and Documentation
Centre Coordinator, Ministry of
Economy and Employment (PT)

Results from Portugal highlighted some common findings, with the content of information particularly vital. 'The use of project photographs and videos with people show a human side, and project storytelling is essential to catch the attention of potential beneficiaries', says Paulo Emerenciano. 'Accurate and up-to-date information on websites is important, as is quick and easy access to official information such as the regulations and project lists. Geo-referenced information on projects makes them easier to find'.

Communication strategy is key, as is a communication network to aid coordination. Segmenting communication towards specific targets can create mutually beneficial relationships, and regular and continuous communication activities consolidate recognition and awareness. Information and communication technology is a principle means of communication, and websites should be used not only as information sources but also as service channels or even as one-stop-shops.

'The main sources of information for beneficiaries websites, publications and training events were successful, as were those for the general public – media campaigns and other media projects', notes Paulina Piotrowska, 'but it is crucial to customise key messages to the changing reality – for example, the EU budget or the economic crisis'.

▶ What lessons have you learnt from this exercise? Has your programme(s) modified its communication strategy as a result of the mid-term assessment?

In Poland, the assessment allows the communication strategy to be reviewed and updated more accurately. Communication target groups and monitoring indicators have been adapted, and internet tools further developed.

'Now we shall focus on adjusting our messages', says Paulina Piotrowska, 'for example, to address the benefits of EU funds relating to people's quality of life and to present the real effects of their implementation. We would like to expand the perception of funding beyond its support for road building, technical infrastructure or agriculture, and focus attention on areas like innovation and other benefits like social inclusion, opportunities for young people and people aged 50+'. We strongly recommend regular evaluation of communication effectiveness or its individual tools. Evaluation provides very important information, allowing for the modification of current communication activities in order to maximise their effectiveness.'

The increased awareness may point the way for an increase in future applications in Hungary. 'The target indicator for intended project applications has been exceeded for all three target groups – population, potential applicants, and beneficiaries', remarks Nándor Csepreghy.

In Portugal, the findings will inform the programmes' future activities, despite budget difficulties. As Paulo Emerenciano affirms, 'The current economic context emphasises concerns such as investment and job creation. As such, projects and, in particular, success stories are a main communication asset to use in these times.'

▶ ENTERPRISE AND INNOVATION SUPPORT

WHAT HAVE WE LEARNED FROM COUNTERFACTUAL METHODS?

Counterfactual impact evaluations (i.e. using control groups) are adding scientific credibility to the European Commission’s analyses of enterprise and innovation support. Impacts can now be rigorously demonstrated in terms of firm-level investment, innovation and job creation. Aid to SMEs is proving far more effective than that to large enterprises, and there are early indications that financial engineering is more effective than direct grants.

Since 2008, the European Commission’s Regional Policy Directorate-General has had a programme of impact evaluation using ‘counterfactual methods’ (see box). Although technically challenging, these evaluations add credibility and rigour to estimates of impact.

A clearer picture is gradually emerging of the impacts of different types of enterprise and innovation support. Though the picture is still far from complete, there are already implications for the coming round of programmes.

Strong investment and innovation impacts, moderate job creation

Support to enterprise often has the explicit goal of job creation. Previous evaluations have noted that most programmes monitor success in terms of jobs – only a minority actually seek to monitor investment, productivity or innovation at the enterprise level.

However, counterfactual impact evaluations suggest that investment and productivity changes are the primary effects of enterprise and innovation support. Job creation is a real, but secondary, impact.

For example an evaluation of enterprise support in Eastern Germany measured 27 000 jobs – a real and significant achievement, but far less than the programme monitoring data, which suggested 107 000 ‘new jobs’ plus 439 000

‘jobs safeguarded’. Conversely, the same scheme had significant impacts in terms of investment induced – for every euro of public money, an extra EUR 1.50 of investment was generated.

There is also clear evidence of impacts on innovation. Following the financial crisis in 2008, patent applications fell by only 14% in supported enterprises in the Czech Republic, but by 63% in the comparison group. A study of R&D support in Germany found clear impacts in both process and product innovation. Supported firms were more likely to finish innovation projects and to be working on new ones (see graph).

COUNTERFACTUAL IMPACT EVALUATION – WHY AND WHAT?

One of the problems in evaluating policy impact is the ‘missing counterfactual’ – how do we judge what would have happened without support? For example an enterprise might have carried out an investment (wholly or partially) even without public money.

Counterfactual evaluations borrow a tool from the scientific method – the control group. The supported enterprises are compared with a large group of similar enterprises (same size, region, sector, etc). This makes impact estimates more scientifically defensible, but requires considerable know-how in gathering data and selecting a valid comparison group.

DG Regional Policy has been building up experience in this area since 2008. For more information see Daniel Mouqué (2012) ‘What have we learned from counterfactuals?’, *Regional Focus* paper, as well as DG Regional Policy’s impact evaluation website:

▶ http://ec.europa.eu/regional_policy/impact/evaluation/index_en.cfm

Lessons for future cohesion policy – favour SMEs

A key and recurrent finding from counterfactual evaluations has been that support to small and medium-sized enterprises (SMEs) is more effective than that to large enterprises. For example, a study⁽¹⁾ covering the Czech Republic, Hungary, Poland and Slovakia – found that, ‘as a general rule the bigger the company the smaller the job creation impact of the support’.

Interestingly, an in-depth evaluation in Italy found that grants to different sizes of SME (micro, small or medium-sized) were equally effective – only grants to large firms had little or no impact.

Finally, there are early indications that loans are more effective than grants. An evaluation of SME support in Piemonte⁽²⁾ (in North-West Italy) found that various forms of financial engineering soft loans had a cost per job around half that of grants plus a surprisingly high impact on investment – EUR 5 per euro of gross grant equivalent.

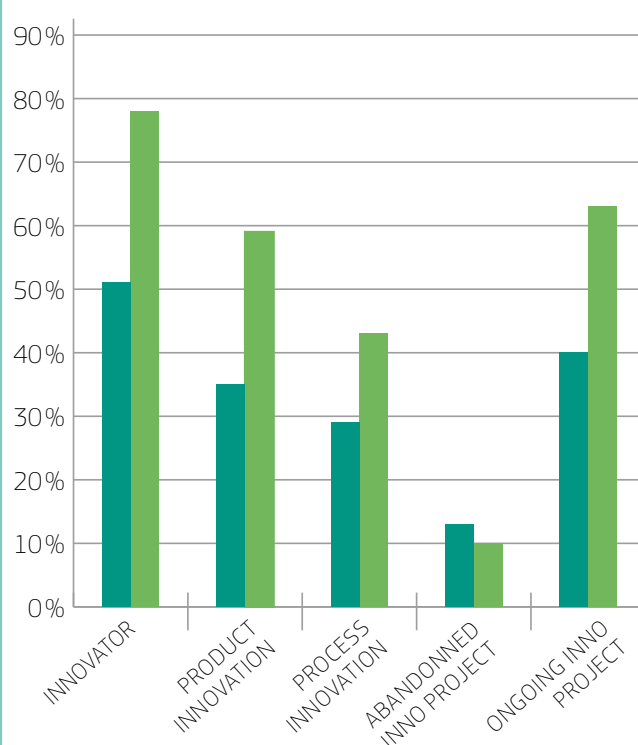
Future work in this field

Further work is necessary, firstly, to validate these findings for more schemes in a broader range of countries and secondly, to answer further questions (e.g. on financial engineering, mentoring and networking). DG Regional Policy is actively collaborating with Managing Authorities and Member States – for further information please see the impact evaluation website.

(1) TARKI (2010) ‘Impact of Cohesion Policy on employment level and quality in the Visegrád countries’.

(2) ASVAPP for DG Regional Policy (2012) ‘Counterfactual Impact Evaluation of Cohesion Policy: Impact, cost-effectiveness and additionality of investment subsidies in Italy’.

R&D SUPPORT IN GERMANY HAS A SIGNIFICANT IMPACT ON VARIOUS FORMS OF INNOVATION



● Non-subsidised firms
N = 21 226
● Subsidised firms
N = 623

N = number of firms

Source: KU Leuven for DG Regional Policy (2011), ‘Counterfactual impact evaluation of cohesion policy: Examples from Support to Innovation and Research’. The indicators for innovation are sourced from enterprise-level data in the Community Innovation Survey.

▶ A COMPLEMENTARY EUROPEAN REGIONAL POLICY: SWISS, EEA AND NORWAY GRANTS

SWISS ENLARGEMENT CONTRIBUTION

Despite their rapid growth, the level of prosperity in the twelve countries that have joined the EU since 2004 is relatively low, and these countries still lag behind their EU15 peers in many respects. Since 2008, Switzerland has been funding various projects designed to reduce these economic and social disparities within the enlarged European Union via the Swiss Enlargement Contribution.

To help the ten new Member States that joined the EU in 2004, Switzerland pledged a total of CHF 1 billion (approximately EUR 832 million), spread over a period of five years from 2007 to 2012. The 210 selected projects will be implemented between now and 2017. With Bulgaria and Romania joining the EU in 2007, Switzerland increased this support with a further CHF 257 million (EUR 214 million) over the period 2009-2014. The implementation phase for these two countries will last until 2019.

Thematic priorities

Funding is channelled towards the more underdeveloped regions and into projects in four thematic areas:

- Security and stability, and support for reforms;
- Environment and infrastructure;
- Promotion of the private sector;
- Human and social development.

A fifth 'Special Instruments' priority allocates funds in so-called block grants. These are schemes providing assistance to organisations or institutions – such as to non-governmental organisations and civil society – allowing for a cost-effective administration of programmes with many small projects.

PROJECT SELECTION

- Projects are submitted in response to a call for proposals, and in accordance with the bilateral Framework Agreement signed by Switzerland with each country.
- National Coordination Units in each country are in charge of examining project proposals, on the basis of established selection criteria.
- Depending on the theme of the project, the Swiss Agency for Development or State Secretariat for Economic Affairs approve funding, and coordinate and monitor their implementation.
- Scheme remains open in Bulgaria and Romania for project proposals until December 2014, but closed in June 2012 for other eligible countries.
- Grants are available for public bodies, international and non-governmental organisations, and enterprises with a public mandate.

Support is also provided for the preparation of projects (e.g. feasibility studies) and to cover certain management costs in the beneficiary countries.

Commitment and solidarity

Switzerland's commitment to EU enlargement is an expression of the country's solidarity with the EU, and its willingness to shoulder part of the burden in helping central and eastern Europe to grow. At the same time, Switzerland is laying the foundation for solid economic and political ties with the newest EU Member States. Its contribution will also improve business prospects for Swiss companies in these new growing markets.

▶ FIND OUT MORE

<http://www.erweiterungsbeitrag.admin.ch/en/Home>

EEA AND NORWAY GRANTS

Whilst the EU's Regional Funds often grab the headlines, less is known of another grant scheme that also seeks to promote a more 'cohesive' Europe. Through the EEA and Norway Grants, Iceland, Liechtenstein and Norway contribute to reducing economic and social disparities in Europe and to strengthening bilateral relations with 15 countries in central and southern Europe.

Although not members of the EU, European integration nonetheless shapes and colours everyday life in Iceland, Liechtenstein and Norway. Through the European Economic Area (EEA) Agreement, the three countries take part in the internal market and cooperate closely with the EU in areas such as trade and business, environmental protection, research and education, social policy, consumer protection, and culture.

Mutual responsibility

Deep-seated imbalances remain between and within countries in Europe. The EEA Agreement recognises the need to reduce economic and social disparities and through the Grants, Iceland, Liechtenstein and Norway contribute towards wider EU efforts to bridge these gaps. From 2004 to 2009, EUR 1.3 billion was allocated to the beneficiary countries⁽¹⁾ and almost EUR 1.8 billion has been set aside for 2009 to 2014. Approved programmes have until 2016 to finalise implementation. Norway contributes 97% of the funding. Key areas include environmental protection and climate change, civil society, research, health and education, social inclusion, cultural heritage, and justice and home affairs.

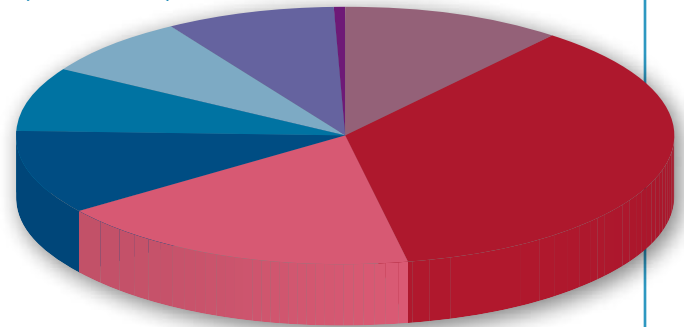
Complementary funding

These priorities dovetail in many respects with wider EU goals under its Europe 2020 growth strategy, which sets out ambitious targets on employment, innovation, education, social inclusion and climate/energy. The Grants also finance cooperation in areas where domestic or EU funding is scarce. For example, more than EUR 140 million has been set aside for developing civil society. This opens up opportunities for non-governmental organisations (NGOs), to strengthen their role in promoting human rights and providing key services, particularly to the most vulnerable.

(1) The 12 newest EU Member States (Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia), as well as Greece, Portugal and Spain, are eligible under the EEA Grants. The Norway Grants are only available to the 12 newest EU Member States.



DISTRIBUTION OF FUNDING
(2009-2014)



● Environment and climate change.....	€ 643 891 995
● Human and social development.....	€ 323 785 145
● Cultural heritage	€ 188 618 750
● Justice and home affairs.....	€ 142 149 500
● Research and scholarship	€ 136 744 561
● Civil society	€ 146 706 750
● Decent work and tripartite dialogue.....	€ 8 000 000
● Administration and bilateral	€ 198 603 299
Total.....	€ 1 788 500 000

Strengthening relations

Promoting bilateral relations is a central aim of the schemes. More than half of the programmes involve close cooperation between public entities in the donor and partner countries. Hundreds of projects are also expected to be carried out within partnerships. The grant schemes also draw on the valuable expertise of international organisations such as the Council of Europe. The Council is directly involved in a range of areas, from addressing the needs of vulnerable groups such as the Roma, to combating human trafficking and gender-based violence.

▶ FIND OUT MORE
www.eeagrants.org

AGENDA

21 SEPTEMBER 2012

European Cooperation Day
www.ecday.eu

8-11 OCTOBER 2012

_Brussels (BE)

OPEN DAYS European Week
of Regions and Cities

15-16 NOVEMBER 2012

_Metz (FR)

Rurban Conference

27-28 NOVEMBER 2012

_Regensburg (DE)

1st Annual Forum of the EU
Strategy for the Danube

3-4 DECEMBER 2012

_Paris (FR)

Joint INFORM & INIO
networks meeting

7 FEBRUARY 2013

_Brussels (BE)

RegioStars 2013 Awards
Ceremony

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

[http://ec.europa.eu/regional_policy/
conferences/agenda/index_en.cfm](http://ec.europa.eu/regional_policy/conferences/agenda/index_en.cfm)

MAKE YOUR VOICE HEARD

What are the achievements of
cohesion policy in your region? We would
like to hear your stories, highlighting
the results and tangible benefits for citizens.

You can also tell us about your preparations
for the next programming period.

Selected contributions will be featured
in the next edition of *Panorama* magazine.

Please send your submissions to:

regio-panorama@ec.europa.eu

ISSN 1608-389X

© European Union, 2012

Reproduction is authorised provided the source is acknowledged.

European Commission, Directorate-General for Regional Policy
Communication, Information and Relations with Third Countries
Raphaël Goulet

Avenue de Tervuren 41, B-1040 Brussels

E-mail: regio-panorama@ec.europa.eu

Internet: http://ec.europa.eu/regional_policy/index_en.htm



■ Publications Office