



European
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panorama

inforegio

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Task Force targets priorities for
investment and implementation

- ▶ fi-compass
- ▶ 40th Anniversary of the ERDF
- ▶ Promoting Regional Policy
cooperation with Latin America

*Regional and
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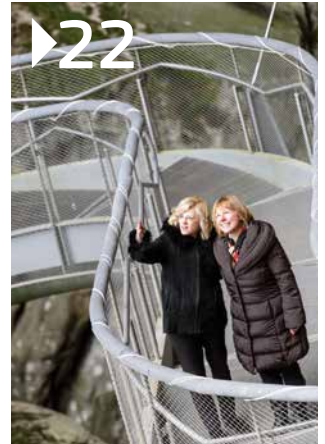
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▶ EDITORIAL

Corina Crețu
European Commissioner
for Regional Policy

It has been a hectic but exciting first few months for me as Commissioner for Regional Policy. A priority has been meeting stakeholders and partners across Europe to make sure our reformed policy is well directed and delivered so people themselves can feel its benefits. My travels have taken me to many regions, even as far as Guadeloupe, one of the EU's outermost regions, to understand first-hand the situation and issues, while establishing personal contacts with the key players.

Improving how funds are invested and managed

It is obvious that without robust and efficient local and national administrations when it comes to investing and managing EU investments, the real value of our cohesion policy funds will be threatened. That is why this has been a priority for me and my team since taking up office. We have successfully launched the Task Force for Better Implementation to help a number of countries use the available ESIF support more effectively. Tailor-made action teams have been established to make sure the remaining funds for 2007-2013 will be invested and directed at the right programmes and projects.

We have also focused on developing the administrative capacity in certain countries to implement programmes over the 2014-2020 period. This involves institution building, sharing skills, and technical assistance for which EUR 4.8 billion is available. Our aim is to promote models of good practice and lend a helping hand where we can: making sure we translate the plans we have agreed into concrete projects on the ground through strategic planning and sufficient capacity to manage the investments.

ESIF and *fi-compass*

A top priority of the new Juncker Commission is the plan to mobilise at least EUR 315 billion of additional investment funds for Europe. This investment offensive via the new

European Fund for Strategic Investments is perfectly complemented by our policy and the European Structural and Investment Funds.

A key part of this plan is to radically increase the use of financial instruments and move where possible from grants to loans. By doing so we can improve the level of investment and stimulate the real economy. I am very proud of our new support programme – *fi-compass* – launched in January to provide assistance and advisory services to managing authorities and other stakeholders on how to use financial instruments. *fi-compass* has been set up by the Commission in partnership with the European Investment Bank and will provide practical know-how and learning tools. These will include 'how-to' manuals, factsheets for quick reference, e-learning modules, face-to-face training seminars and networking events.

Operational Programmes

Considerable progress has been made in agreeing the individual Operational Programmes for Member States. So far more than 260 cohesion policy programmes, worth more than EUR 256 billion, have been approved for the 2014-2020 budgetary period. At the end of the process we will have nearly 390 programmes with a budget of more than EUR 351 billion, confirming EU cohesion policy funds as the major EU investment instrument.

These programmes are highly strategic and more than ever before, focused on results. They will tackle the most pressing problems of Europe and its citizens: poverty and unemployment, energy dependence and climate change, the need for innovation and greater competitiveness. Most importantly they will have tangible benefits on the daily lives of European citizens.

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

▶IMPLEMENTATION TASK FORCE AND IMPROVED INVESTMENT INITIATIVES MOVE INTO GEAR

Without robust and efficient public administrations, the success of cohesion policy programmes and projects in the Member States and regions cannot be guaranteed. For this reason the strengthening of administrative capacity and the issue of better investment and management are now of major importance for EU cohesion policy in 2014-2020. The European Commission has identified this as a priority for action as the new programmes are launched, but also as the projects and programmes from the previous 2007-2013 period are closed. As Corina Crețu points out in her editorial, the inability to spend these investments and to invest and manage them well will be a missed opportunity for citizens themselves to reap the benefits of EU cohesion policy.

When Commissioner Crețu took up office in November 2014, an initiative to help Member States and regions better use cohesion policy investments was one of her first actions. The launch of the Task Force for Better Implementation was conceived as a way to help a number of countries who desperately needed the investments to actually spend and to use the available money more effectively than they have been doing. In many cases that inability is directly linked to insufficient administrative capacity.

The wider initiative to improve the way cohesion policy funds are invested and managed essentially comprises a four-pronged approach.

- ▶ Via tailor-made action teams, the Task Force will focus firstly on the **spending of remaining investments for 2007-2013** and helping to ensure they are directed at the right programmes and projects.



- ▶ A focus on **building capacity for the 2014-2020 programmes**, both through the lessons learnt through the Task Force and a variety of measures such as institution building, training, sharing of experience, peer-to-peer exchanges and technical assistance for which EUR 4.8 billion is available in this programming period to Member States.
- ▶ As well as this, the Commission will undertake a series of actions focused on why **slow-growth regions** who have received substantial investments under cohesion policy are still lagging behind.
- ▶ It has also set up a group of experts to independently **assess the efforts being made by Member States to simplify the use of the EU funds** – recommendations on possible improvements will follow.

The Task Force for Better Implementation was set up to help certain countries concerned with their planning and investment capacities. One part of the challenge is to be able to

spend effectively on the projects for which money was already allocated in the 2007-2013 programming period, and make sure some of the money which is still available is being (re)directed at the right types of projects. But this also has important implications for the new 2014-2020 programmes.

Absorption of funds

The attention of the Task Force is being focused on a group of countries whose absorption rates are significantly below the EU average, i.e. under 60%, while the EU average is 72% at the time of setting the Task Force up. The situation could lead to 'decommitment', meaning the definitive loss of the funds that have been allocated to the Member States for 2007-2013.



▶ Corina Crețu launches TAIEX REGIO PEER 2 PEER in Brussels on 24 March. The platform will allow public authorities to exchange expertise and best practice around Europe, and will further improve how EU investments are spent and managed.

The eight countries concerned are Czech Republic, Slovakia, Croatia, Slovenia, Romania, Bulgaria, Italy and Hungary. The first action of the Task Force has been to do a stock-taking and country-by-country analysis of the situation. For some countries there are problems and delays in implementing major infrastructure projects, especially environmental and transport. Others suffer more from overall weaknesses in their administrative capacities, as well as more structural and governance issues. However, by their nature, measures to address the latter problems are targeted at the longer term and may not bring visible results in short term.

The Task Force is responsible for drawing up action plans for each Member State concerned – or reviewing existing plans if already in place. This process will ensure an exchange of experience and a spread of good practice among the participants. This is a vital element of the Commission's approach – not to name and shame, but to promote models of good practice and lend a helping hand. A handful of action plans have already been finalised and agreed by the Commissioner and by the end of April 2015 all are expected to be up and running.

Technical assistance

There are a variety of ways in which the Task Force's work will be facilitated by closely linked measures or initiatives. Further help could be brought through greater use of financial engineering instruments to provide some possible further flexibility.

Action in the field of administrative capacity building can also be stepped up, particularly with a view to improving implementation in the 2014-2020 period. Member States are encouraged to use their technical assistance budget in a more efficient and targeted way to strengthen their administrative capacity to manage programmes and projects better.

In addition, the Commission is using its own technical assistance for developing initiatives aimed at assisting Member States in their capacity building efforts. For example, the Directorate General for Regional and Urban Policy's Competence Centre for Administrative Capacity Building has organised a series of training events for Member State experts focusing on the new regulatory requirements for 2014-2020 and fraud prevention (*see Panorama #51*). Currently, they are working on another capacity building initiative – a kind of 'matchmaking' scheme called TAIEX-REGIO PEER 2 PEER, which will facilitate the exchange of experience among public officials involved in the management of funds in different Member States. 'Integrity Pacts' is yet another interesting project recently launched in

cooperation with Transparency International and aimed at facilitating the application of good governance practices in EU co-funded projects.

Tailor-made approaches

From ensuring transparent practices when it comes to public procurement, to facilitating exchanges of experts from different Member States, these different approaches are part of a coherent yet tailored approach by the European Commission aimed at giving the helping hand that is needed for investments to flourish and deliver for citizens.

In all the Member States concerned, there have already been significant efforts to tackle delays and obstacles to the smooth and effective investment of the EU funds. These have included, for example, initiatives in tandem with Commission services through the setting up national and regional action plans for closer monitoring and tackling delays. Their scope has been especially wide in the case of Romania and Italy, and has brought substantial results, in particular through boosting the financial execution rate and accelerating the physical implementation of projects on the ground. Careful reprogramming in virtually every Member State concerned has also allowed investments to be moved to where they can deliver most, and particularly in the priority areas of environment (waste and water) and transport (in particular rail).

The possibility for phasing was introduced in order to bridge the implementation between the two programming periods and this will be a further facilitating element which is going to be used widely in Member States facing implementation difficulties. Member States will be assisted on the modalities of how exactly to apply this practice through the Task Force's work.

These reprogramming efforts have saved some EUR 10 billion of funds at risk of decommitment in 2013 or 2014.

In the longer and medium term, ensuring that EU investments deliver for people will depend on countries committing themselves to measures to improve administrative capacity and modernising their public administration. The Commission will help both through the European Structural and Investment Funds and through practical support, but it will require political commitment not just to undertake structural reforms but in some cases a change of culture too.

▶FIND OUT MORE

http://ec.europa.eu/regional_policy/en/policy/how/improving-investment/



► The 'Structural Funds Gala' was organised by the European Commission Representation in Romania and the Structural Consulting Group.

► ROMANIA CELEBRATES STRUCTURAL FUND SUCCESS STORIES

Some 30 Romanian projects funded through the EU Structural Funds 2007-2013 have received awards at a Gala event in Bucharest.

Romania's 'Structural Funds Gala' was held in Bucharest in December 2014 to reward and recognise the efforts of those who have started and implemented successful projects financed through Structural Funds in the country.

Presenting the awards at the event were European Commission Vice President for jobs, economic growth, investment and competitiveness, **Jyrki Katainen**, and the European Commissioner for Regional Policy, **Corina Crețu**.

The Structural Funds Gala ended a series of seven regional conferences organised in 2014 under the motto 'Restart the engine with regional development through Structural Funds'. This conference series organised by the EU Representation in Romania set out to put the spotlight on building successful projects and experiences using Structural Funds, thus

promoting good practice in the use of European funds and publicising the good work being done.

The competition attracted more than one hundred entries and was divided into 10 categories: Education, social inclusion, user-friendly administration, successful private sector initiatives, tourism, innovating technologies, sustainable development, rural or urban infrastructure, agriculture and fishery, projects financed from 'alternative' sources.

With the new 2014-2020 financing period getting under way, the Gala was held at a good time when the high profile rewarding of successful projects can stimulate a chain reaction and result in a more qualitative absorption of European funds in the future. The model could also be used in other Member States to highlight good practice.

► FIND OUT MORE
www.fonduri-structurale.ro
www.proiecte-structurale.ro

▶ THE INVESTMENT PLAN FOR EUROPE AND THE ESI FUNDS

An Investment Plan for Europe was announced by the European Commission in late 2014 as a priority⁽¹⁾. The objective is to stimulate additional investment in the European economy to promote growth and job creation by mobilising at least EUR 315 billion additional investment and to change the way public money is spent structurally, opening up new investments.

The additional risk financing will be provided by the first pillar – the European Fund for Strategic Investments (EFSI). The second pillar is about making investment happen in the real economy with better technical assistance. This must be complemented by a series of measures to remove barriers to investment and to create a true Single Market – the third pillar.

It is intended that EFSI resources will be complementary to the European Structural and Investment Funds (ESIF). There is the possibility of combining the investment resources at the level of individual projects where a part could be financed by ESIF and another part supported by EFSI. Governance arrangements for the combination of funds will be put in place.

What is the role of ESIF in the Investment Plan for Europe?

Some EUR 450 billion of ESIF are available for Member States and their regions in the period 2014-2020. Cohesion, rural development and maritime policies combined are the biggest area of EU investment for smart, sustainable and inclusive growth.

ESIF programmes will make a significant contribution to the Investment Plan objectives, and the commitment by Member States to a more effective use of ESIF is a complementary element of the Plan. The intention is to structure ESIF to leverage more public, and above all private, investment through the reinforced use of financial instruments.

What are ESIF financial instruments?

Member States and regions are encouraged to use financial instruments as an efficient and sustainable way of providing support targeted at the priorities of a programme co-funded by ESIF. Financial instruments are suitable for financially viable projects, i.e. those which are expected to generate enough income or savings to pay back the support received.

Financial instruments have at least four major advantages as compared to traditional grants.

- ▶ With the **same budget much more investment can be triggered** (leverage effect).
- ▶ As financial instruments normally imply private actors (banks or companies) there is an **inbuilt incentive for the economic viability of the supported investment**.
- ▶ Through their revolving character financial instruments are **still available after the end of the programming period**.
- ▶ They are also flexible and can provide **support in the form best suited for the investment** (as outlined below).

Examples of Financial Instruments

▶ **LOANS** are advanced to a firm or individual and have to be repaid according to a pre-defined schedule. Subsidised loans are used where banks are unwilling to lend or to offer funding on better terms (e.g. a lower interest rate, a longer repayment period, or lower collateral requirements).

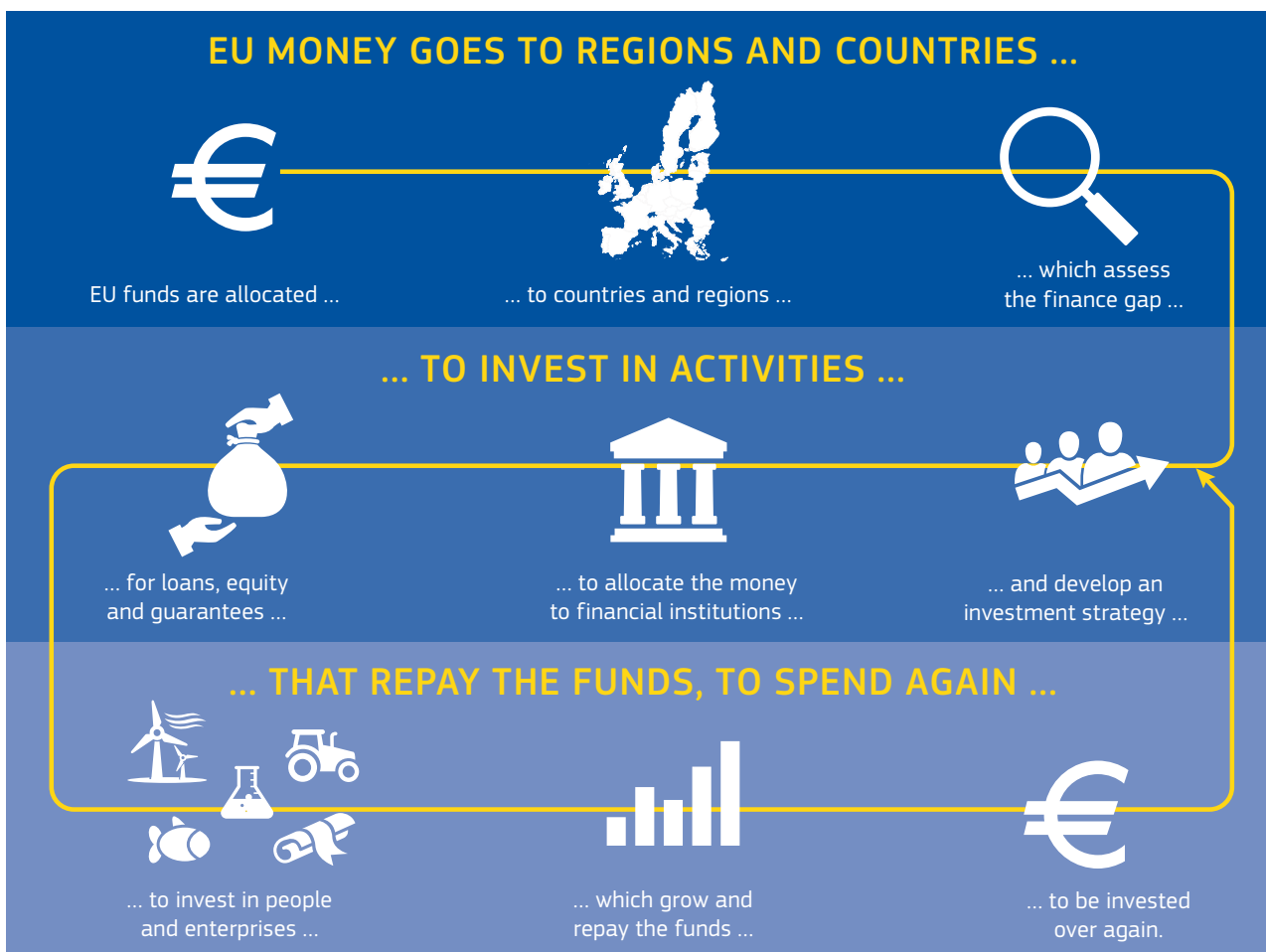
ESTONIA An ERDF-funded loan scheme has supported the renovation to modern standards of 619 apartment buildings, with over 22 000 individual apartments, achieving substantial energy savings and improved living environments for the inhabitants.

▶ **MICROCREDITS** are small loans made to people and very small businesses which are often excluded from access to financial services. They are typically provided over a short borrowing period and with no or low collateral required.

HUNGARY An ERDF-funded, combined microcredit and grant scheme has improved the situation of over 9 000 growing micro-enterprises by increasing their access to financial resources.

(1) *An Investment Plan for Europe* [COM(2014) 903 final].

HOW DO ESIF FINANCIAL INSTRUMENTS WORK?



► **GUARANTEES** provide assurance to a lender that their capital will be wholly or partially repaid if a borrower defaults on their loan.

ROMANIA An EAFRD-funded guarantee scheme has granted guarantees to over 694 beneficiaries (farmers and rural SMEs) to help improve their production methods and to protect and enhance the environment. This has so far helped to create or maintain 10200 jobs.

► **EQUITY INSTRUMENTS** involve investing capital in a firm in return for total or partial ownership of that firm; the equity investor may assume some management control of the firm and may share the firm's profits. The instruments include venture capital (sometimes called risk capital), seed capital and start-up capital. The return depends on the growth and profitability of the business.

GERMANY An ERDF-funded venture capital instrument has invested in 45 young companies in Saxony, helping them overcome the difficult start-up phase and supporting their growth, enabling them to exploit innovative ideas and technologies. This helped to create or maintain over 450 jobs.

How do ESIF financial instruments work?

Before allocating money to a financial instrument, managing authorities have to assess what is needed, why and by whom. For example, a region may have high technology firms that cannot access ordinary bank funding because their projects are too risky. Or, there may be very small firms and entrepreneurs that cannot obtain loans because they have no track record with the bank or no collateral to offer. Based on a thorough assessment of needs, one or more financial instruments may be set up.

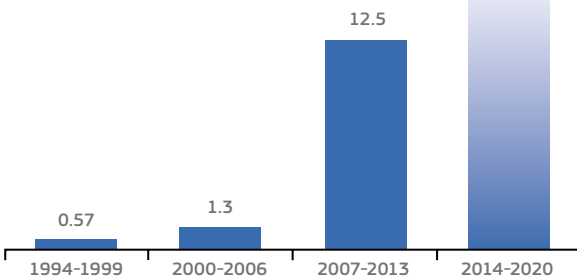
Financial instruments are usually managed by nationally or regionally operating financial institutions (such as banks) that are selected and entrusted with running financial instruments on behalf of the managing authority. The financial instruments using ESIF funds are therefore delivered regionally or locally, often by institutions that are already familiar to those who finally will receive the support.

Support to EU regions to use more and better ESIF financial instruments

Financial instruments under the ERDF and the ESF programmes have expanded significantly in recent years: geographically, financially and also in terms of sectors. In the context of the Investment Plan for Europe, the amounts are expected to increase even more in 2014-2020. The overall target is to more than double the use of financial instruments.

PROGRAMME CONTRIBUTIONS TO FINANCIAL INSTRUMENTS

(€ BILLION)



Solid and more specific legislative framework

The drive for more use of financial instruments is backed by a legislative framework which extends their use to all types of ESIF programmes (national, regional, transnational and cross-border) and to all eleven ESIF thematic objectives. There are also more implementation options for managing authorities, such as the so called ‘off-the-shelf’ financial instruments offering standard terms and conditions.

The much more solid and specific legal framework also addresses the shortcomings of the 2007-2013 legislation which was sometimes too vague and resulted in some negative developments, such as ‘parking’ money in holding funds to circumvent the eligibility period rules without reaching the real economy. New safeguard provisions are now in place: the compulsory *ex ante* assessment should ensure that financial instruments are created only where they are needed, phased payments will ensure that further liquidity is provided only if previous resources have been invested in the real economy, and the performance-oriented management fees will further incentivise the fund managers to make this happen as soon as possible.

FI-COMPASS SETS ITS COURSE

fi-compass was launched by the European Commission and the European Investment Bank on 19-20 January at a public conference in Brussels, which brought together more than 400 managing authorities, financial institutions and other stakeholders.

The partnership between the Commission and the EIB was underlined by **Jyrki Katainen**, Vice-President of the European Commission, and **Wilhelm Molterer**, Vice-President of the European Investment Bank, who expressed their shared commitment to seeing an increase in ESIF financial instruments, and placed fi-compass firmly within the context of the Investment Plan for Europe.

The main focus was to learn how financial instruments can complement the use of grants under the European Structural and Investment Funds.

A strong focus was given to learning from practice, with financial instrument ‘pioneers’ sharing know-how and success stories. Several national and local authorities offered case studies which highlighted examples of overcoming administrative obstacles, establishing good partnerships, and successful implementation from the 2007-2013 period.

FIND OUT MORE
www.fi-compass.eu





▶ Jyrki Katainen, Vice-President of the European Commission (right), and Wilhelm Molterer, Vice-President of the European Investment Bank (left) at the fi-compass launch.



Technical advice: fi-compass

Assistance and advisory services are available for managing authorities and other stakeholders through the new fi-compass initiative, to help them benefit from all the opportunities offered by ESIF financial instruments. fi-compass will also be an important element of the advisory hub of the Investment Plan for Europe.

fi-compass has been set up by the European Commission in partnership with the European Investment Bank. It is a unique service for all European Structural and Investment Funds and for all thematic objectives. It therefore replaces the successful technical assistance initiatives from the 2007-2013 programming period: JEREMIE for enterprises, JESSICA for urban development and JASMINE for microcredit.

fi-compass horizontal strand

fi-compass has a horizontal strand which will progressively develop and disseminate the know-how necessary for the implementation of ESIF-funded financial instruments and which will benefit all ESIF managing authorities. It is designed to meet their needs by providing practical knowledge and learning tools, such as 'how-to' manuals, fact-sheets for quick reference, e-learning modules, face-to-face training seminars and networking events.

fi-compass multi-region strand

fi-compass has a multi-region strand which will provide, on the basis of calls for proposals, EU funding to projects from at least two managing authorities covering at least two Member States to assess the possible use of ESIF financial instruments addressing an investment need which the regions share. This will typically include preparatory work such as market analysis and the possible design of financial instruments, in particular in specific thematic areas, such as Roma inclusion or in the context of Macro-Regional Strategies. The projects under the multi-region call will give a unique opportunity to managing authorities from different EU Member States to cooperate with each other, as well as with financial institutions, and benefit from mutual learning.

▶ FIND OUT MORE

More details of actions under the fi-compass horizontal strand can be found in the 2015 work programme, which is available, along with news on calls for proposals under the fi-compass multi-region strand, at: www.fi-compass.eu

▶ SLOVENIA FOCUSES ON LONG-TERM GROWTH AND DEVELOPMENT



Panorama speaks to Ms Alenka Smerkolj, Minister responsible for Development, Strategic projects and Cohesion, about the adoption of the Slovenian Partnership Agreement and Operational Programme, and the aim for the country's European Structural and Investment Funds support.

▶ **How did you organise the process for preparing your Partnership Agreement? What were the main strengths of the system?**

The last few months of 2014 have proven very dynamic for everyone participating in the implementation of EU cohesion policy in Slovenia. Under the multiannual financial framework 2014-2020 Slovenia is eligible for EUR 3.2 billion, or EUR 4.1 billion including the funds available under the agriculture and fisheries policies. I am pleased that Slovenia, in cooperation with line ministries and the European Commission, successfully closed the preparation process for both key documents, namely the Partnership Agreement, which was approved at the end of October, and the Operational Programme, approved in mid-December.

The Government Office for Development and European Cohesion Policy (GODC), which I head, coordinated the preparation process for the two documents which were developed by line ministries as well as other participating stakeholders, all the while taking into account the principle of transparency and compliance with the documents set out under the EU *acquis*. The sector-specific contributions pertaining to the implementation of individual development policies were prepared by line ministries, with active coordination and consultation being held with the councils of both cohesion regions, as well as with social partners, youth and representatives of the economic sector and

non-governmental organisations. We wished to steer clear of the method which had been applied thus far, namely the allocation of quotas to ministries as well as to lower territorial levels. Our aim was also to prevent fragmentation of investments and, in some cases, duplication of measures. I believe that we have been successful in efficiently concluding the programming process.

▶ **How far are the Partnership Agreement and Operational Programme the result of a partnership between the main actors involved (ministries, regions, cities, businesses, academics, NGOs, etc.)?**

Broad coordination is essential for designing high-quality strategic documents. We organised public debates, workshops, consultations and 24 visits to regions. These debates were attended by representatives of all key stakeholders and sometimes there were quite a few disagreements, but we managed to put our differences aside and focus on our common interest, namely to enable beneficiaries access to EU funds as soon as possible especially since EU funds are currently the only funds available for development. Therefore the documents reflect the broad consensus which was reached regarding the implementation of the 2014-2020 EU cohesion policy in Slovenia.

▶ **What do you expect from closely coordinating the development of five funds? How will you establish a coherent approach?**

I can say without a doubt that the adoption of the Partnership Agreement will further strengthen the managing authorities' cooperation and provide more opportunity for integration. Indeed, the resources available under the five Funds should be used to realise the selected thematic objectives. We set out the mechanisms on how to coordinate implementation and a lot of effort will have to be put into improving the day-to-day cooperation and the exchange of information and ideas at the operational level.



▶ **LJUBLJANA, SLOVENIA:** New facilities for the Faculty of Chemistry and Chemical Technology and the Faculty of Computer and Information Science have boosted capacity for natural sciences and technology research.

‘ The aim will no longer be to merely absorb all the available EU funds, but also to create long-term benefits and positive outcomes for Slovenia. ’

▶ **ALENKA SMERKOLJ – MINISTER RESPONSIBLE FOR DEVELOPMENT, STRATEGIC PROJECTS AND COHESION, SLOVENIA**

▶ **What are the main changes regarding the Operational Programme in comparison to the 2007-2013 period?**

The first task was to change our mindset, now we have to change our actions – we are moving away from investing in infrastructure and focusing more on projects with clearly defined strategies, concrete objectives and outcomes, which is the main difference if we compare the 2014-2020 and 2007-2013 programming periods. By 2023 we aim to co-finance projects which will enhance the competitiveness of Slovenia’s economy and provide high-quality and long-term jobs. In doing so, we plan to introduce a number of changes in terms of implementation, namely the introduction of competitive calls, e-calls, combining reimbursable and non-reimbursable funding resources, and we will also establish an e-point which will provide all the relevant information for potential beneficiaries. The aim will no longer be to merely absorb all the available EU funds, but also to create long-term benefits and positive outcomes for Slovenia.

▶ **What results do you expect at the end of the seven year period?**

Thus far Slovenia has been successful in EU funds absorption and we have every reason to believe that by the end of 2015 Slovenia will absorb the 2007-2013 funds to the

maximum degree possible. Every region and municipality in Slovenia has implemented at least one project which received EU support; indeed the number of such projects stands at over 5 000, which is reason enough for us to be optimistic. In terms of EU funds absorption I believe that we have a bright future ahead of us; we have the necessary knowledge and experience and it is our task to apply as well as further develop such knowledge and experience under the 2014-2020 programming period. The current task for everyone participating in EU cohesion policy implementation is to be realistic in our estimation of the kind of projects that are relevant for Slovenia’s development. We need to focus on preparing well-developed projects and to successfully implement them not only in terms of absorption but also in terms of realising the set objectives and planned results. It is only after we have achieved all of this that we will be able to evaluate our success. I believe in our success.

▶ **What lessons have you learned from this exercise and what would you do differently, knowing what you know today?**

As you know over the past three years Slovenia has witnessed several changes in government leadership and other organisational changes which – without a doubt – hindered the preparation of the documents. In view of the experiences gained we would approach the document preparation process more systematically and a more stable governmental structure would definitely contribute to following more straightforward guidelines; we would also invite external experts to take part in the document preparation process.

▶ **FIND OUT MORE**
www.svrk.gov.si/en/



REPUBLIC OF SLOVENIA
**GOVERNMENT OFFICE FOR DEVELOPMENT
 AND EUROPEAN COHESION POLICY**

▶ COHESION POLICY IN GERMANY

IMPLEMENTATION BENEFITS FROM ADVANCE PLANNING



Implementing funding programmes in Germany requires cooperation from many authorities at federal and regional levels. *Panorama* spoke with State Secretary of the Federal Ministry for Economic Affairs and Energy, Rainer Baake, on the importance of starting the discussions early and future challenges Germany will face.

▶ **What arrangements did you put in place for the drafting of the German Partnership Agreement (PA)? What were the strengths and weaknesses of the process?**

The Partnership Agreement was developed in close cooperation with the federal and regional authorities. This follows the federal structure in Germany: federal authorities are the first point of contact in EU-related matters and, in this case, the Federal Ministry for Economic Affairs and Energy is in charge of coordinating the European Structural and Investment Funds and is responsible for drafting the PA. Nevertheless, regional authorities are responsible for regional economic policy. They determine their own regional funding strategies and develop the Operational Programmes (OP) on the basis of these strategies.

We have a multi-level system of governance, and the federal and regional authorities have been working closely together from the start of the PA. As much as possible, the Partnership Agreement and the Operational Programmes were drafted in parallel.

We started work on the PA very early – already in mid-2012 – in parallel with the Commission's initial proposals on the legislative package. At that point, the Federal Ministry for Economic Affairs and Energy invited the other federal

ministries, regional governments and representatives of civil society to participate in the process. We discussed the orientation of the strategy in an initial 'workshop' and drew up a precise timetable. The discussions – dealing partly with the funds as a whole and partly with specific funds – developed in the course of the process. We also made sure that the European Commission was closely involved in the discussions right from the start.

Due to the joint work, we were able to submit an initial, informal draft to the European Commission as early as August 2013. This was followed by intensive negotiations with the Commission. The text was revised where it was deemed necessary. We were then able to submit the official version at the beginning of 2014, which the Commission approved in May 2014.

▶ **To what extent would you say the PA is the result of partnership between the most important stakeholders involved (ministries, regions, cities, companies, scientific institutions, non-governmental organisations, etc.)?**

Drafting the PA as an umbrella strategy for around 50 Operational Programmes would certainly not have been possible without the constructive cooperation of all participants. Alongside our intensive collaboration with the ministries and the regions, there was also intensive participation from economic and social partners, scientific institutions and representatives of cities and municipalities in preparation for the new funding period. This kind of cooperation is a long-standing and cherished tradition in Germany. It was extended further still in the current funding period: the Federal Ministry for Economic Affairs and Energy ensured that representatives of the German umbrella organisations were involved in the preparations for the PA right from the start. They were specifically involved in general information sessions and drafting the documents. They had regular opportunities to raise points that they considered important.



In addition to cooperation at the federal level, there was intensive cooperation at regional level: the regions also ensured that economic, social and other partners were intensively involved in the planning of their OPs from the start.

Our partners contributed extensively to the discussions on content and thus to the success of the process. This exchange of ideas was particularly important, because we were under greater pressure than before to set priorities as a result of the obligation of 'thematic concentration'. The need to concentrate resources has actually increased even more because of the cut in funding during the current period. We are glad that we managed to reach a broad consensus with our partners on this issue.

► **What do you think will be the results for Germany at the end of the 2014-2020 funding period?**

Even during the 2007-2013 period, the German programmes were oriented towards growth and jobs. The substantive focus was on funding research and innovation, education, SMEs, a resource-efficient and competitive economy, and decent infrastructure. In accordance with regional policy objectives, funding was prioritised for less-developed regions.

Studies show that this was the right approach. We therefore expect to put forward several successful measures in the current funding period. On the other hand, we are also facing new and growing challenges that we have to take into account in the future. These include demographic change, the looming skills shortage, climate change and energy transition. We also need to consider areas such as disparities in innovation among businesses and the risk of poverty among certain groups, as well as the development of areas with particularly weak infrastructure.

Many of these challenges are found in all regions. There can be no denying, however, that even in Germany there are considerable regional disparities. We want to reduce these disparities further by 2020 with the support of the ESI Funds by allocating the money in a targeted manner to promote growth and jobs.

► **What have you learned from the process and what would you do differently in hindsight?**

We are very pleased that we worked so closely, and in a spirit of trust, with all participants throughout the drafting and development of the PA. It was also a good decision to start work on the PA as early as we did. There was a certain amount of courage involved in this, because at that time it was unclear how exactly the legal framework would look in the end. We therefore needed a certain amount of flexibility and a constructive exchange of ideas from all participants during the informal talks.

At times, particularly when we were dealing with urban development, we would have preferred if the Commission had specified its requirements earlier and more clearly, and without altering them again – sometimes quite late – in the process. Overall, however, the dialogue with the Commission was very constructive. In particular, we were supported by the German desk and the director responsible in the Directorate-General for Regional Policy throughout the talks. Together we managed to find good compromises that should allow for the successful continuation of European Structural and Investment Funding in Germany up to 2020.

► **FIND OUT MORE**
www.die-strukturfonds.de



Federal Ministry
for Economic Affairs
and Energy

▶ NORD-PAS DE CALAIS, A REGION TRANSFORMED



The Nord-Pas de Calais region of France is undergoing a modernisation as a result of its regional operational programmes and support from EU funds. Daniel Percheron, President of the Regional Council, talks about the changes thus far and those to come when the region merges with neighbouring Picardy at the beginning of 2016.

▶ How did the negotiations go concerning the adoption of the operational programme (OP) for your region? What changes have taken place since the previous negotiations?

I would like to praise the quality of the discussions that took place during the negotiations with the representatives from the Directorate-General for Regional Policy, which meant that after two years of work we were able to successfully adopt the European Regional Development Fund/European Social Fund (ERDF/ESF) regional OP on 11 December last year.

From the point of view of the Nord-Pas de Calais region, we showed initiative in organising, together with the State, significant consultations at regional level, in the spirit of the 'European code of conduct on partnership in the framework of the European Structural and Investment Funds'. To carry out our task, we organised four working groups that included local and specialist stakeholders (Economic development, research, SMEs and ICT; Environment, adaptation to climate change and transport; Education, training and social inclusion; Urban, rural and coastal areas). Each group met at least three times, and an average of 150 people attended. The regional conferences and the steering committees, which brought together political and economic decision-makers from the region, brought a good deal

of energy to bear on the task. In addition, we collected no less than 800 written contributions that have enriched our operational programme.

The main change in this new period is that authority over the management of decentralised State services in the region has been transferred to the regional institutions, which will now be on the front line in terms of managing the funds. This was therefore the first time that the region headed the negotiations. Along with these new responsibilities, there was a transfer of staff from the State and a reorganisation within our services.

▶ How can cohesion policy contribute to the economic development of the Nord-Pas de Calais Region? Why does the OP involve a significant investment in environmental issues? Which areas would you like to prioritise in terms of smart specialisation?

Thanks to cohesion policy, the region has managed to preserve and often enhance its advantages as a result of the funds that have been mobilised: strengthening higher education and research capacity; implementing a regional innovation strategy based in particular on competitive clusters; recognition of activities in which we have demonstrated excellence, and the emergence of new areas of activity for the future; transforming the region's image and making it more attractive, as symbolised by the new Louvre Museum in Lens. In addition, the imperative to innovate and the need to reduce dependence on fossil fuels have led the stakeholders involved to embark on genuine economic reforms based on energy and ecological transition: the third industrial revolution, in collaboration with the economist **Jeremy Rifkin**.

As you probably know, the environment is a very important issue for a region such as ours, which is constantly undergoing industrial transformation. In our region, we have to deal with the scars of a very heavy industrial past, including for example numerous areas of wasteland.

The question of smart specialisation in the framework of our regional research and innovation strategy is also fundamental for the economic future of our region. We have chosen to orient it towards six strategic areas of activity (Transport and eco-mobility; Health and food; Ubiquitous computing and the Internet of Things; Chemistry, materials and recycling; Digital imaging and creative industries; Energy).

▶ **There is a general demand for the management of the European funds to be simplified. How can the region contribute to this specifically?**

It is very important to support project leaders as much as possible, and to make it easier for them to apply for European funding. One specific example is the development of an implementation document for all those receiving funding. The aim of this guidance document is to synthesise the relevant information into activity cards which explain the procedures and the principal eligibility rules.

▶ **How did the launch day of the ERDF/ESF OP on 19 February go? What will be the next steps?**

The amount of interest in the launch day surpassed our expectations and 1 300 people registered for it. This is real proof that Europe is important to us, and it is also proof of the importance that stakeholders from our region attach to this new European funding programme, which has the

significant benefit of providing us with financial transparency over the next seven years. This aspect is especially significant at a time when public finances are experiencing particular difficulties.

▶ **What will be the implications of the planned merger of the Nord-Pas de Calais and Picardy regions on 1 January 2016?**

Together with our counterparts in Picardy, we are embarking on a massive merger operation. France will go from having 22 metropolitan regions to 13. In terms of the European funds, we will continue to work with two quite distinct operational programmes up to 2020. This will not prevent us from working rapidly to implement synergies in other areas, such as providing access for project leaders to programmes such as Interreg or Horizon 2020.

The question of what happens after 2020 will be important for our new region: what position will it occupy in the famous NUTS nomenclature? What will be the status of our region with a merger of two regions in transition? We will follow very closely the European Commission's initial work on this topic, which will begin in 2015.

▶ **FIND OUT MORE**
www.nordpasdecalais.fr



**RÉGION
NORD-PAS DE CALAIS**

▶ **Louvre-Lens:** The regional branch of the Louvre Museum in Lens shows the impact cohesion policy funds can have on regional renewal and modernisation. The museum was built on the site of a former coal mine and has spurred urban renewal in the area since the mid-2000s.



▶ LOWER SILESIA PREPARES FOR IMPLEMENTATION



Panorama spoke to Marshal Cezary Przybylski about the impact of the ERDF and ESF on the Dolny Śląsk Voivodship (Lower Silesia Region) and how the region plans to streamline successful project funding and implementation.

▶ **How did the negotiations go for the adoption of the 2014-2020 operational programme (OP) in your region? What has been different this time, in comparison with previous negotiations?**

Negotiations on the Regional Operational Programme (ROP) for the Lower Silesian Voivodship ran from September to December 2014. During this period, there were many tripartite meetings with representatives of the regional authority responsible for implementation of the programme (ROP LS Managing Authority), the Ministry of Infrastructure and Development as the coordinator of negotiations on behalf of the Polish Government and, of course, representatives of the European Commission. In the negotiations on the previous ROP, region-specific aspects were important, but this time the focus was on applying common provisions to all regional programmes without exception.

The negotiations moved at a fast pace. Every sentence was important and often many hours were spent on a single key issue. The Programme has 11 priority axes and 34 investment priorities, so there were many important issues to discuss – such as the indicators chosen for implementation, the target values planned for achievement and the planning of an integrated territorial approach.

The topics related to low emissions, transport and scientific research funding, and soft investments such as social inclusion and education, occupied the most time. An important

point of the negotiations was the question of European Social Fund allocations (as the Commission required 66% of ESF support to be allocated to priorities implementing the Council Recommendation of 8 July 2014 on the Polish National Reform Programme 2014 – country-specific recommendations). This necessitated making significant shifts to allocations under four investment priorities funded by the ESF regarding, amongst others, job creation, active and healthy ageing, access to high-quality social services and healthcare, and adapting education and vocational training systems to the needs of the labour market.

▶ **How can cohesion policy contribute to the economic development of Lower Silesia?**

Thanks to cohesion policy, the region will become more attractive by increasing access to and provision of high-quality services. Investment in transport and R&D infrastructure will increase, and the synergy between environmental protection and economic development will strengthen. It is equally important to increase investment in human capital by providing better education and creating new jobs.

Not all investments begun under ROP LS 2007-2013 have been completed yet. There is still time, but the changes they have brought about in Lower Silesia's economic development can already be seen. There is, of course, still a lot to be done.

▶ **What are the pros and cons of the new approach of combining different funds and financial instruments? How do you ensure consistency and complementarity?**

An advantage of combining the funds is undoubtedly the easier supervision of the projects being implemented, which can ensure their greater consistency and complementarity. From now on, a single Managing Authority will oversee projects implemented using funds from the ERDF and the ESF. It will be possible to coordinate the call for project applications implementing the same objectives but from different funds – for example, education measures that develop key



▶TEHPARK: Construction of the Legnica technological park service centre, which supports innovation transfer and R&D performance for entrepreneurs, together with road infrastructure and other land use measures in Legnica, is helping to eliminate imbalances in economic development in Dolny Śląsk.

competences in the labour market and in students, and investment measures such as equipping schools with modern equipment and teaching materials. This will eliminate the danger of duplicating similar financial measures from different funds, and will enable the implementation of complete, well-structured projects.

The benefits of financial instruments include a better chance of seeing projects that are financially well thought out and minimise potential failure. On the other hand, a disadvantage may be fewer interested entities submitting applications. Currently, we are implementing an *ex ante* analysis of the possibility of using repayable and hybrid financial instruments in Lower Silesia during the 2014-2020 period. The main objectives are to assess the relevance, form and scope of using financial instruments, and to make recommendations for the model to adopt and the means for their implementation.

▶ **There is a general call for more simplified management of EU Funds: how can your region help with this objective in concrete terms?**

To simplify management, we have taken measures to facilitate the acquisition and settlement of projects by future beneficiaries. We have enabled the submission of applications for funding using an IT system, which will greatly contribute to simplifying the project submission process. A 'Guide for

Beneficiaries' will be drawn up, containing advice and guidance for anyone who wants, and is able, to implement projects. All other institutions involved in the OP implementation have set themselves the objective of simplifying procedures and assisting beneficiaries at every stage.

▶ **Now that the OP has been adopted, what are the next steps?**

After the OP was adopted, work began on preparing for implementation. The most important tasks currently being carried out by the Managing Authority include appointing a Monitoring Committee, and preparing institutional arrangements with, for example, Intermediate Bodies and Integrated Territorial Investment associations.

Detailed work is now underway, such as drawing up the detailed description of Priority Axes, project selection criteria, schedule for the call for applications, a system of functions and procedures, and drafting application documents, as well as preparing the IT system.

▶ **FIND OUT MORE**
www.dolnyslask.pl



▶ THE ERDF CELEBRATES 40 YEARS



▶ THE FRANÇOIS-XAVIER ORTOLI COMMISSION IN 1974

The initial strategy behind the embryonic regional policy was to correct imbalances resulting notably from agricultural predominance, industrial change and structural underemployment.

The European Regional Development Fund, which has grown to become the core resource for investment in the European Union's 'growth and jobs' strategy for the regions, began life relatively modestly some 40 years ago. Its overriding aim at the outset was to support the growth of its less prosperous areas and bring the European economies more closely together.

In December 1974, the European Commission announced that the then European Economic Community (EEC) of nine Member States was to have a European Regional Development Fund to 'finance the growth of its most backward areas'.

EUROPEAN COMMUNITY TO HAVE REGIONAL DEVELOPMENT FUND

The European Community will soon have a Regional Development Fund to help finance the economic growth of its most backward areas. This was one of the most important political decisions made by the nine EC heads of government at their 'Summit' meeting in Paris December 9-10, 1974.

A fund of 1.3 billion units of account⁽¹⁾ (the forerunner of the euro) was to be established for a trial period of three years starting in 1975.

(1) The European Unit of Account (EUA) was used in the European Communities from 1975 to 1979, when it was replaced at parity by the European Currency Unit (ECU), in turn replaced at parity in 1999 by the euro.

In allocating resources, priority will be given to the neediest member countries – Italy, Ireland and the United Kingdom.

In 1975 the poorest areas of the EEC were defined at sub-national level, as southern Italy, most of Ireland, western and south-western France, northern Holland, parts of West Germany along the (then) eastern border, and large parts of the United Kingdom, particularly Wales and Scotland.

The fund was targeted at the most disadvantaged Member States and the resources divided accordingly: Belgium, 1.5%; Denmark, 1.3%; France, 15%; Ireland, 6%; Italy, 40%; Luxembourg, 0.1%; the Netherlands, 1.7%; Germany, 6.4%; the United Kingdom 28%. In accordance with the Commission's decision, the biggest per capita allocations, in order, were given to Ireland, Italy and the UK.

Regional policy, according to the 1974 Summit communiqué, is meant to correct imbalances 'resulting notably from agricultural predominance, industrial change and structural underemployment.'

Origins in the founding Treaty

The founding Treaty of Rome of 1957 contained a clear political commitment to achieving more balanced regional development in order to promote integration, or 'cohesion', between the various regions of the European Economic Community.

The first comprehensive guidelines for a regional policy had been proposed by the Commission in 1973. Early moves towards establishing a Regional Development Fund were however delayed by international monetary turmoil and the oil crisis, and it was not until 1974 that agreement was reached.

Community regional policy, said the Commission, should: coordinate and complement, not replace, national regional policies; coordinate the Community's common policies and financial instruments and reduce congestion in crowded areas in addition to aiding underdeveloped regions.

Three types of actions were eligible under the new Regional Development Fund for up to 50% of the public expenditure support involved:

- ▶ 1. Investments in small enterprises creating at least 10 new jobs.
- ▶ 2. Investments in infrastructure related to point 1.
- ▶ 3. Infrastructure investments in mountainous areas, which had to be eligible for the agriculture guidance fund too.

Member States had to apply for ERDF support at project level. Decisions were then taken in a committee of Member States based on Commission proposals.

Regional Policy Commissioner **George Thomson** noted that the new fund would 'restore faith in the Community for millions of ordinary citizens who have waited a long time for the commitment to set up a regional fund to be fulfilled'.

The decision made in Paris proves that the solidarity among EC countries is a reality, even in a time of formidable pressure upon their economies. The effective launching of a regional policy is part of broader effort to bring European economies more closely together.

A BREAKTHROUGH FOR THE COMMUNITY

The Commissioner responsible for regional policy at the time was the UK's **George Thomson**.

He said that the decision to create the regional fund marked 'an important breakthrough for the whole Community... Although the fund is relatively modest in size, it will be able to bring practical benefits to Europe's most underprivileged regions as from 1975'.



In a phrase which echoes down the years to the present day, George Thomson, in a speech in 1974 announcing the new ERDF, famously said:

‘One is hardly being dictated to by a bunch of foreigners if one's own Government is among those foreigners.’

At a time when the UK was renegotiating its terms of membership, he pointed out that the UK would be entitled to 28% of the fund while its contribution to the fund was less than 17%. He also stressed that the new policy would concern the problems of ageing industries (typical of the UK at that time) as well as the Community's agricultural problems.

▶ FIND OUT MORE

http://ec.europa.eu/regional_policy/index.cfm/en/policy/what/history/

▶CREȚU GETS OUT AND ABOUT

The first few months in office for Commissioner for Regional Policy Corina Crețu have been hectic, visiting EU-funded projects, and meeting stakeholders, partners and dignitaries across Europe and beyond.

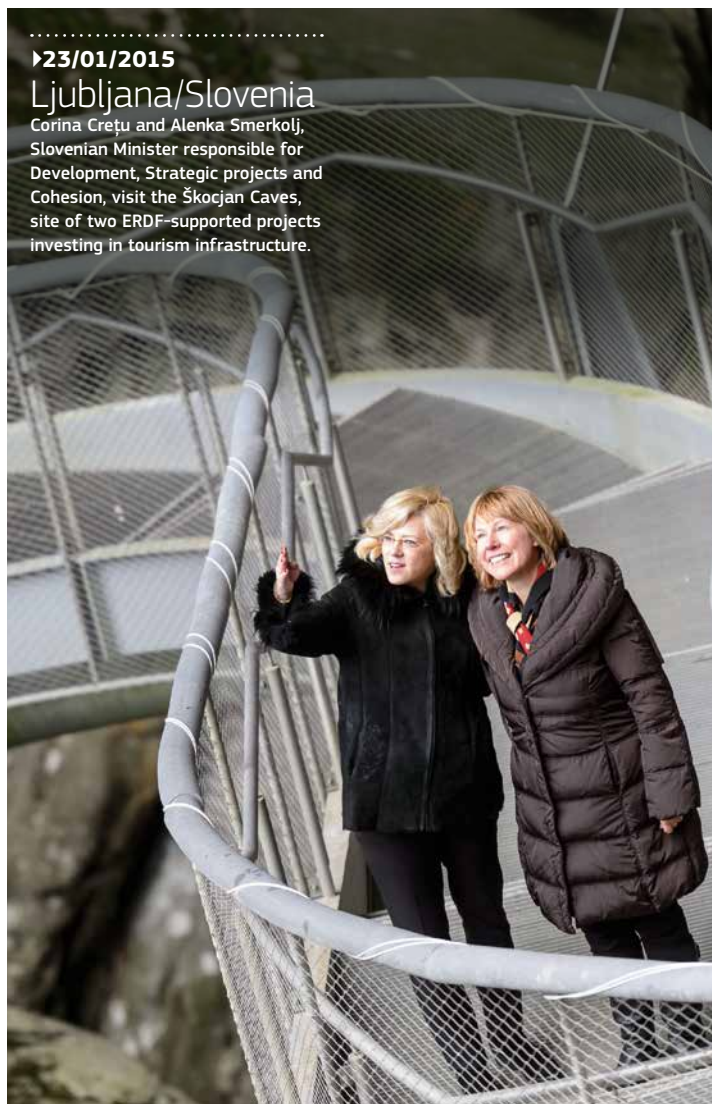
Her travels have taken her to many parts of the Union, even as far as Guadeloupe where she attended a conference of the Outermost Regions. The programme of visits helps provide the Commissioner with a firsthand understanding of the local situation and key issues, while establishing personal contacts with the key officials she will be dealing with during her term in office. Commissioner Crețu is keen to meet people, and to see and learn about projects for herself, so is looking forward to a number of forthcoming visits. To further promote good communications she is also writing a regular blog about her activities and has initiated a news feed on Twitter and Facebook.



▶30/01/2015
Zagreb/Croatia
Launching the Partnership Agreement, with Branko Grčić, Croatian Deputy Prime Minister and Minister for Regional Development and EU Funds.

▶FIND OUT MORE

- http://ec.europa.eu/commission/2014-2019/cretu/blog_en
- <https://twitter.com/CorinaCretuEU>
- <https://www.facebook.com/EUCorinaCretu>



▶23/01/2015
Ljubljana/Slovenia
Corina Crețu and Alenka Smerkolj, Slovenian Minister responsible for Development, Strategic projects and Cohesion, visit the Škocjan Caves, site of two ERDF-supported projects investing in tourism infrastructure.



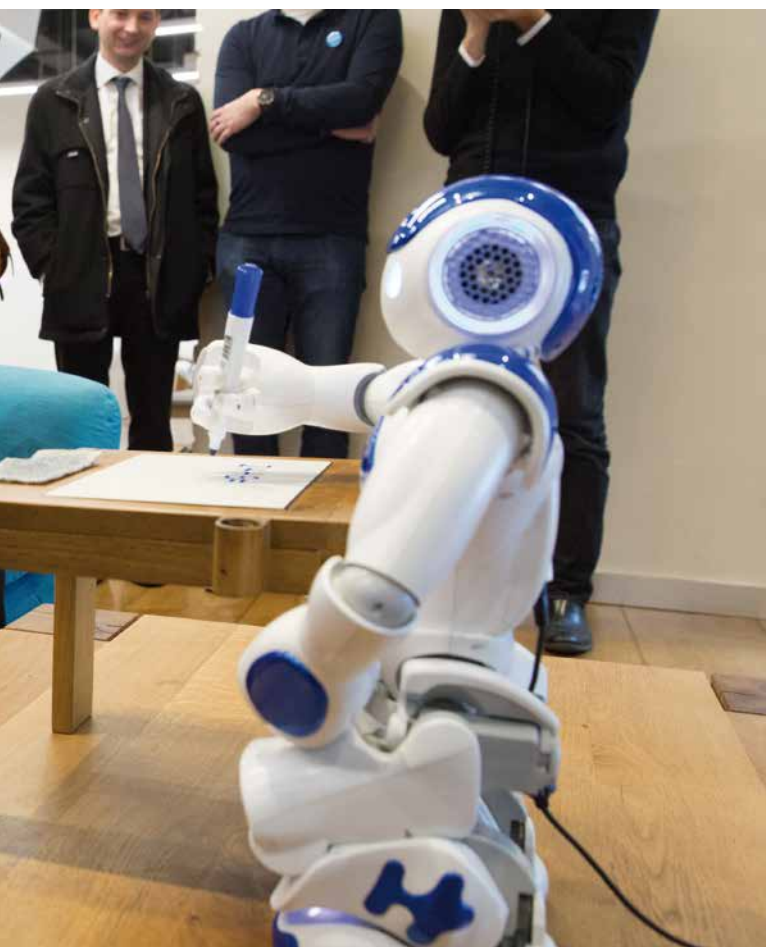
▶12/02/2015
Paris/France
Watching the Nao Robot at the EU-funded 'Juliette' project, a cluster of laboratories and SMEs specialised in robotics in Paris.



►30/03/2015
Prague/Czech Republic
Corina Crețu and Karla Slechtová, Czech Minister of Regional Development, discuss a presentation banner depicting Czech regions.



►08/01/2015
Riga/Latvia
Participating in a debate about the future of Europe at the 'Riga Latvian Society House' with European Commission Vice-Presidents Frans Timmermans (left) and Valdis Dombrovskis (centre).



►06/03/2015
Mérida/Spain
Visit to the company Gameroil, during a trip to Spain to meet stakeholders in charge of the implementation of EU funds.

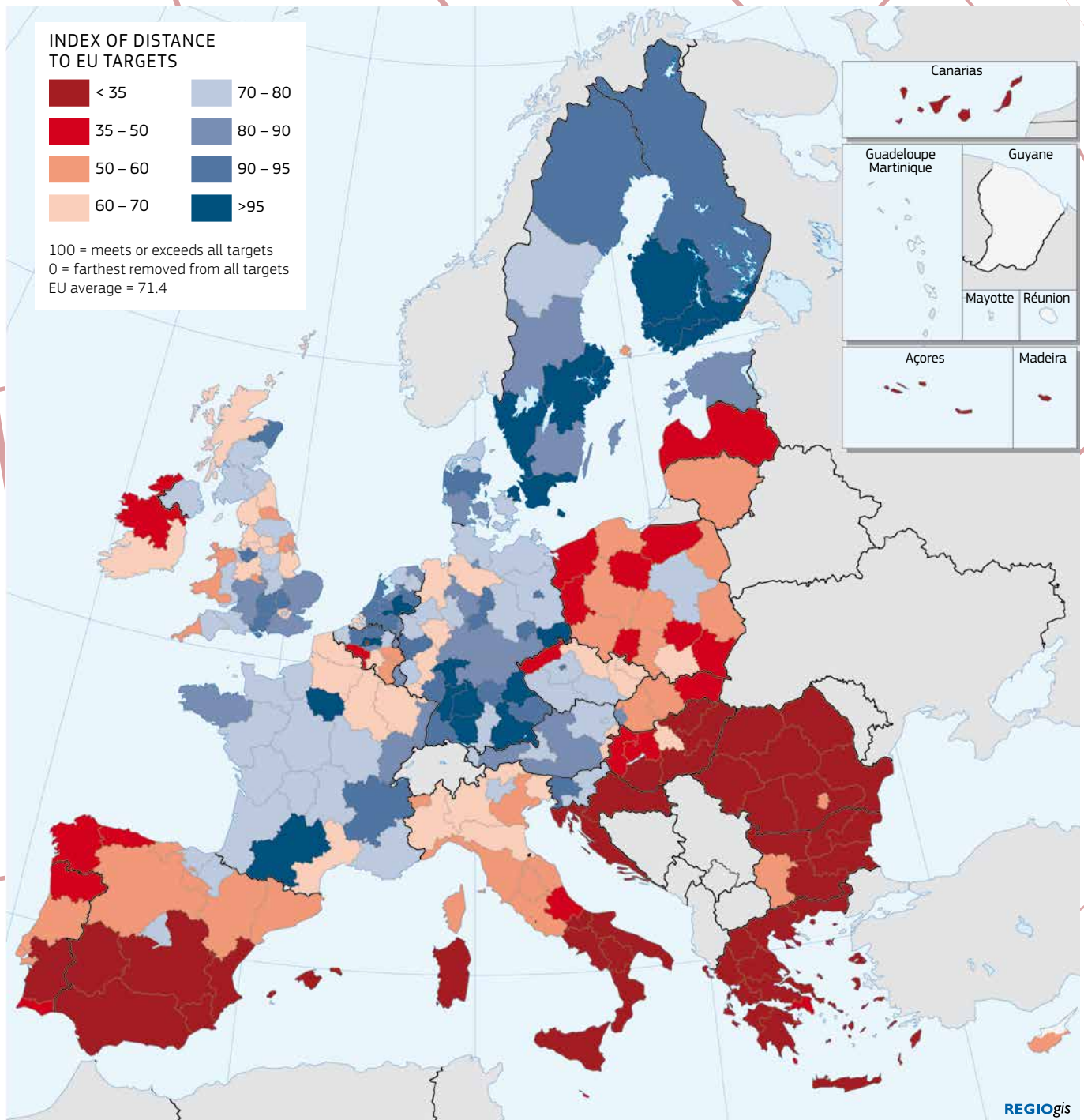


►12/03/2015
Rătești/Romania
Visiting a farm with Phil Hogan, European Commissioner for Agriculture and Rural Development (3rd left) and Daniel Constantin, Romanian Minister for Agriculture and Rural Development (4th left).



►19/03/2015
**Frankfurt-an-der-Oder/
Germany – Slubice/Poland**
With Elzbieta Polak, Marshal of Lubuskie Province, Poland, on a visit to the German-Polish border to talk about cross-border cooperation in the region.

▶ EUROPE 2020 INDEX, 2012

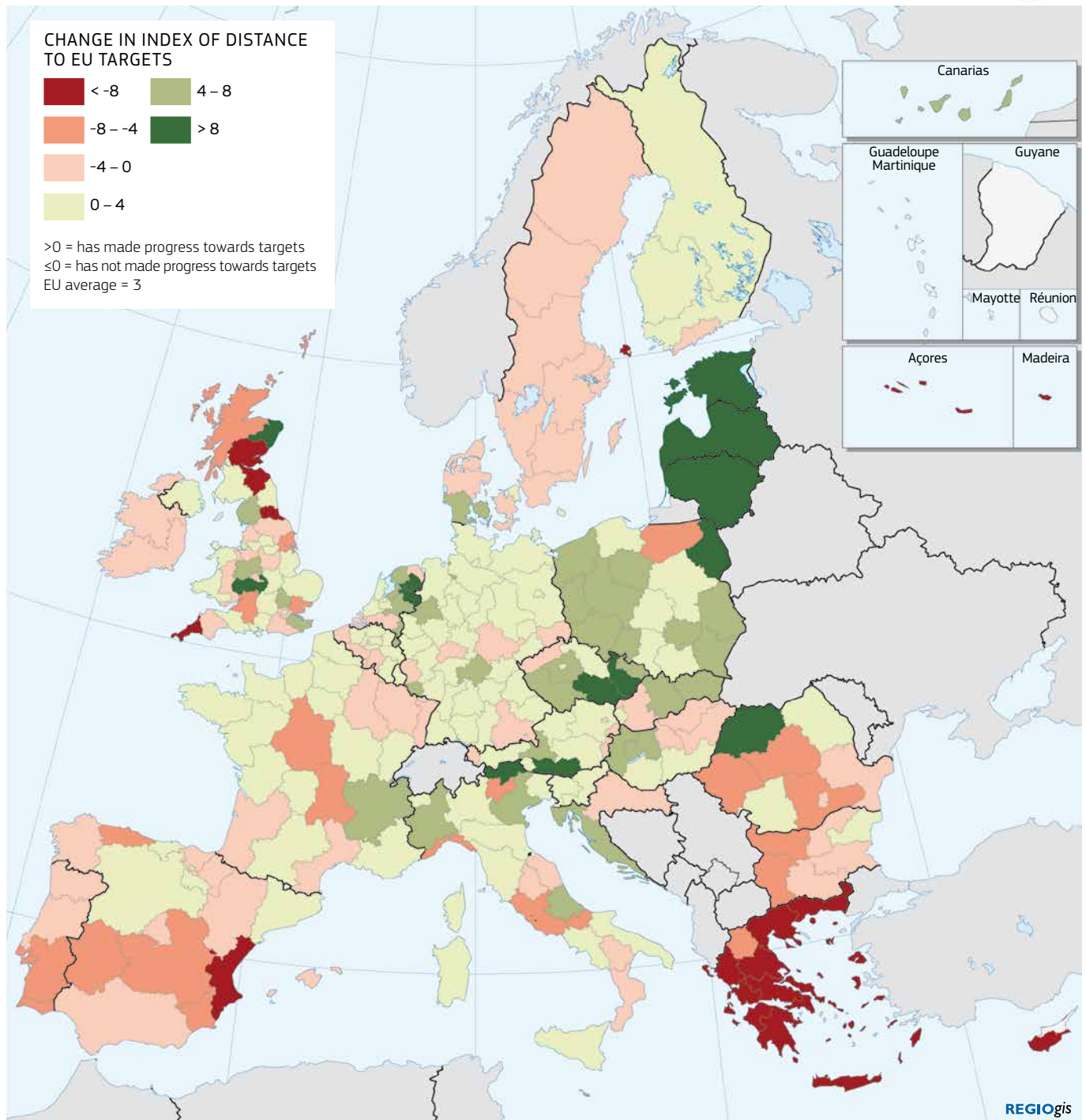


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The regional 2020 index measures how far regions are from reaching the four Europe 2020 headline targets for employment, education, poverty and innovation. If a region reaches a target, it gets 25 points. The regions furthest removed from the target get 0 points. Five regions, including the three Nordic capital regions, have met all these

targets in 2012 and score 100. Capital regions are almost always among the top performers within their country. Many of the regions in Germany, Austria, UK, France and the Benelux countries score high on this index, while the southern regions and those in the Member States that have joined the EU since 2004 tend to score low.

▶ CHANGE IN EUROPE 2020 INDEX, 2010-2012



The difference between more developed, transition and less developed regions is stark. Employment rates, tertiary education rates and R&D are far lower in less developed regions compared to the other regions. As a result, the 2020 index is twice as high in more developed regions than in less developed regions.

Between 2010 and 2012, eight regions increased their score by more than ten points: the Baltic States, two Dutch and two UK regions and one Romanian. However, the scores of twice as many regions dropped by ten points: ten Greek regions, two Spanish, two Portuguese, one UK region and Cyprus.

▶ EU SUPPORT TO ITS OUTERMOST REGIONS

HELPING TO MAKE USE OF THE REGIONS' ASSETS

In February, Regional Policy Commissioner Corina Crețu made her first visit to Guadeloupe to attend the 20th Conference of Presidents of the EU's outermost regions. It was an opportunity to discuss the economic growth strategies of the nine regions and ways of making maximum use of the EU funds available.

The nine outermost regions (ORs) comprise Guadeloupe, French Guiana, Martinique, Mayotte, Réunion, Saint-Martin, Azores, Madeira and the Canary Islands. They form an integral part of the EU and are subject to EU law and all rights and duties associated with EU membership.

The Conference of Presidents is organised annually by the rotating presidency of the group (currently Guadeloupe) and constitutes the main rendezvous at political level between the Commissioner responsible for EU policy coordination vis-à-vis the ORs and the Presidents of these regions. It serves to discuss EU strategy towards regions under different EU policies, such as agriculture, environment, cohesion and maritime policy, trade, etc.

Challenges

The ORs have a great potential but also face many challenges resulting from their specific geographical location and the fact that many of them are islands.

On the one hand, they face remoteness, insularity, small size, difficult topography and climate, and economic dependence on a few products. Their economies remain therefore relatively fragile. On the other hand, they have plenty of potential and are an asset for Europe. In particular, the ORs spread EU influence across their regions: the North-Eastern Atlantic, the Caribbean, Amazonia, and the Indian Ocean.

Resources

There is a great potential reserve of marine resources across the regions, which represent a unique deep-sea laboratory

for EU exploration in fields such as food security, climate action, energy and biotechnology. The territories host a unique diversity of species and ecosystems of crucial importance for biodiversity on a global scale. The conditions exist to develop renewable sources of energy from bio-fuels to wind, solar, geothermal or photovoltaic.

The ORs are an asset in terms of tourism based on their exceptional natural and cultural environment. Their locations also create major opportunities for the development of the EU's space, astrophysics and satellite activities.

In terms of human capital, the ORs have a better educated and skilled workforce, better public services, and more advanced know-how than their neighbours, giving them the possibility to sell services and expertise in high added-value sectors.

EU support

The EU supports these regions in the process of modernising their economies and overcoming the obstacles they face. It focuses on areas where EU support can make a real difference and have the greatest impact.

For 2014-2020, more than EUR 6.6 billion is available from the European Structural and Investment Funds (ESIF) to better equip the nine regions for overcoming economic and environmental difficulties and to turn disadvantages into advantages.

In its Communication from 2012, 'The outermost regions of the European Union: towards a partnership for smart, sustainable and inclusive growth', the Commission established five priority axes (accessibility, competitiveness, regional integration, reinforcement of the social dimension and addressing climate change) to bring the policy actions for the outermost regions in line with the Europe 2020 strategy.

During her visit, **Commissioner Crețu** highlighted the importance of further exploiting the potential of the operational programmes for the 2014-2020 period, and emphasised



SLAVERY MEMORIAL AND THE PORT OF POINTE-À-PITRE ▼

Commissioner Crețu visited a new memorial being built in remembrance of the abolition of slavery and the slave trade. The memorial, which has been co-financed by the ERDF, constitutes a striking complex of buildings that will become a place of remembrance for the millions of people affected by slavery and will promote understanding and reconciliation. It is also expected to serve as a tourist attraction and generate economic activity and jobs.

The memorial complex will be inaugurated in May 2015 by the President of France. The Commissioner also visited Guadeloupe's Port of Pointe-à-Pitre, a large sheltered port whose expansion is being supported by the ERDF. The port is of high importance for the economy of the archipelago and international trade (particularly considering the recent enlargement of the Panama Canal) but is located in a region vulnerable to natural disasters.

the regional policy support in providing the ORs with the right instruments to transform their assets into real growth opportunities.

Action Plans

The Commission invited the ORs in 2012 to draw up individual Action Plans to reflect their needs, opportunities and long term strategic priorities.

Each Action Plan sets out how the ORs intend to implement the Europe 2020 agenda, taking account of their individual situations. Their scope goes beyond the ESIF programmes and encompasses other issues such as, for example, access to EU horizontal programmes.



▶ Conference of Presidents of the EU's outermost regions, Guadeloupe.

Central to many of these actions are the fight against unemployment, further regional integration and the increased use of renewable energies to counter climate change.

At the 2013 Conference of Presidents that took place in La Réunion, the Commission suggested the creation of *ad hoc* working groups to help implement the Action Plans with concrete measures.

These working groups started in 2014 and six 'plenary' meetings have already taken place in Brussels, as well as parallel teleconference meetings to deal with more specific regional issues.

Employment support

At the request of the ORs, special focus has been given to measures to fight unemployment. This has led to the setting-up of the 'Outermost Regions Employment Network', officially formalised by the ORs' Presidents in September 2014.

The Commission's DGs for Regional and Urban Policy, and Employment, Social Affairs and Inclusion will act jointly to help the outermost regions come up with concrete actions and projects that have an impact on employment and, in particular, in the framework of the ORs Employment Network.

The dynamism triggered by the tripartite working groups has been highlighted and praised by Commissioner Crețu.

▶ FIND OUT MORE

http://ec.europa.eu/regional_policy/index.cfm/en/policy/themes/outermost-regions/

▶ EXTENDING EUROPE'S REGIONAL DEVELOPMENT EXPERIENCE TO LATIN AMERICA

Europe's experience over forty years in developing a specifically European model of regional development has recently been the subject of intensive cooperation with various countries in Latin America.

Gaining greater insight into the aims and methods of European regional policy has become particularly important in recent years for Latin American countries. It is enabling them to develop and implement policies to promote a more even pattern of economic development, thereby helping to boost national competitiveness and levels of employment, while improving cross-border cooperation. Such is the importance of this field on the South American continent that a *Red Latinoamericana de Políticas Públicas de Desarrollo Regional* (Latin American Network of Public Policies on Regional Development) has been established bringing together 17 countries to exchange experience and best practices. And in the context of the broader Europe-Latin America relationship, the June 2015 Summit of the EU and the Community of Latin America and Caribbean States (CELAC) is themed on 'Shaping our common future: working for prosperous, cohesive and sustainable societies for our citizens', which as the title suggests will have a strong territorial development dimension.

European model of regional development

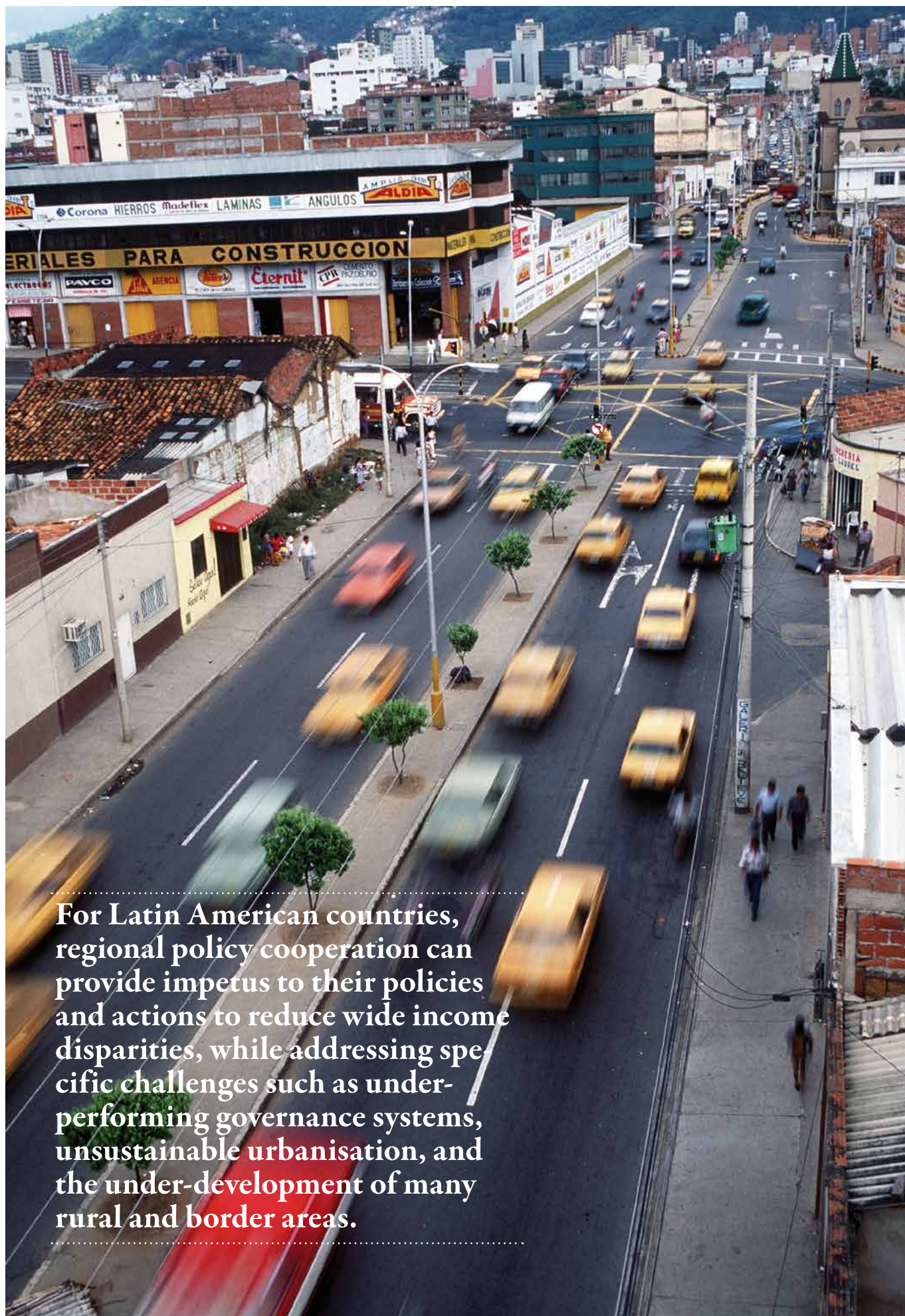
Since 2006, the Directorate General for Regional and Urban Policy, representing the European Union, has been implementing a cooperation programme with emerging countries, supported to a very significant degree since 2009 by the European Parliament. This work has offered more than 25 years of European experience, through dialogue and exchange of good practice, to countries across the globe. At the centre of this cooperation is the interest outside the

EU in the European model of regional development, a model which is market-based, with tight rules to preserve competition and promote open public procurement, and which respects key principles such as good governance, equal opportunities, sustainable development and a widely-drawn participation in the conception and implementation of development actions. Increasingly, the dialogues involve the cities and regions on both sides in a form of *decentralised cooperation*, involving the best in international expertise. In this way, the dialogues are a networking opportunity for regional actors, and create new business links and trading relations.

For Latin American countries, a major part of the appeal of such cooperation lies in the possibility, through regional policy, to provide a new impetus to their policies and actions to reduce their wide income disparities, while addressing specific challenges such as under-performing multi-level governance systems, unsustainable urbanisation, and the relative underdevelopment of many rural and border areas. There is particular interest in improved understanding of European ideas in the field of regional innovation systems, in the light of the need to promote new opportunities in value-added sectors, and in that way to reduce the traditional dependence on primary products and extractive industries.

Regional policy dialogue with Brazil

Much of the cooperation with Brazil has been centred on the government's policy initiative for a second generation National Policy for Regional Development. The preparatory work has been heavily influenced by the European regional policy model in terms of priority objectives and implementation systems. Since the formalisation of the dialogue in 2007 via a Memorandum of Understanding with the Minister of National Integration, the first such agreement involving a Latin American country, more than 40 individual cooperative



For Latin American countries, regional policy cooperation can provide impetus to their policies and actions to reduce wide income disparities, while addressing specific challenges such as underperforming governance systems, unsustainable urbanisation, and the under-development of many rural and border areas.

projects have been organised, including conferences, seminars, training programmes, study visits, an exchange programme for regional actors and representatives, and studies including various pilot projects in the cross-border region of French Guiana (the longest external border of the EU with a non-EU country) and, notably, a wide-ranging Territorial Review of Brazil undertaken in cooperation with the OECD.

Building regional innovation strategies in Chile

The ambition to promote new opportunities in value-added sectors, and to reduce dependence on the primary sector, is particularly strong in Chile. The 'RED' project (2011-2012), co-financed by the European Union, has enabled seven Chilean regions to construct regional innovation strategies (RIS) based on a European methodology of the same name. The project has had a positive impact and on the basis of the results, DG Regional and Urban Policy awarded complementary financial support for the implementation of the strategies in the regions concerned, including the establishment of monitoring systems.

These innovation strategies have promoted a new dynamic, based on consensus and cooperation in the Chilean regions, as well as in both business and academic sectors, and in public institutions. They have also strengthened professional knowledge in the regions due to intensive training and education programmes. In turn, European support has helped to strengthen regional governance and has been recognised as an important contribution to the regional decentralisation process, the latter being a major priority for the national government.

Regional policy and cross-border integration with Peru

Though only recent (2013), cooperation with Peru in the field of regional innovation strategies in the context of cross-border cooperation has already resulted in some notable achievements. A pilot study on regional innovation in the Cusco and Tacna regions using European methodology has brought together new partnerships between business (SMEs), universities, research centres, and regional authorities to identify and develop added-value activities to boost regional growth. Peru, with the support of the European Commission, also hosted an international seminar in December 2013 on the theme of 'Innovation for Territorial Development'. The event was attended by more than 200 representatives from Latin America and Europe.



▶ The Iguazú Falls on the Argentinian and Brazilian border.

An additional project involved a triangular cooperation, EU-Peru-Chile, on regional innovation and development in the regions of Tacna (Peru) and Arica (Chile), together with the capital regions of, respectively, Lima and Santiago. This has promoted a new cross-border partnership for development in sectors such as agro-industry, tourism and water supply.

In a similar manner, an EU-Peru-Brazil cross-border cooperation project is developing joint projects in the Peruvian and Brazilian Amazon basin, particularly in the aquaculture sector. As a result of this project, the necessary concrete steps are being defined that would allow more effective public policy in the Amazon basin for the sustainable and competitive development of the aquaculture sector.

Growing interest in EU collaboration in regional policy

Two new dialogues have recently been agreed, firstly, with Mexico (October 2014), where the new administration has given high political priority to the establishment of regional development policy at a federal level, and, secondly, in January 2015, with the supra-national organisation of 8 Central American countries, 'SICA' (the Central American Integration System). Working with SICA, which since 2013 has a wide-ranging Association Agreement with the European Union, the EU's goal is to exchange information on good practices in cross-border cooperation, through an initial study undertaken in three cross-border areas that present particular challenges to the integration process: the Gulf of Fonseca (El Salvador-Honduras-Nicaragua), the Trifinio Region (El Salvador-Guatemala-Honduras) and the Sixaola Basin (Costa Rica-Panama).



Cross-border cooperation projects in Latin America

In recent years DG Regional and Urban Policy, supported by the Association of European Border Regions (AEBR), has undertaken various studies, workshops, seminars and study visits on the theme of cross-border cooperation between Latin American countries and regions, including participants from Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, and Uruguay. Several areas of cooperation were identified in an initial project, for example, where they offered opportunities, and challenges, for cooperation, primarily in the Paraguay-Argentina and Uruguay-Brazil border regions.

The EU (DG Regional and Urban Policy) subsequently financed a study to support sustainable and comprehensive growth in the developmental areas of the Paraná River.

Within the framework of other projects on cross-border cooperation, Latin America experts and political representatives have embarked on a series of study visits to various European border regions, for seminars specifically related to this theme, involving both national and supranational authorities, the Southern Common Market (Mercosur), the Andean Community, SICA and the EU, as well as representatives from civil society and the academic and corporate sectors.

Cooperation in sustainable urban development

Since 2010, DG Regional and Urban Policy and the Inter-American Development Bank (IDB) have supported European, Latin American and Caribbean cities in pursuit of more integrated and sustainable urban development (URBELAC).

The objective is to support sustainable urban development on both sides of the Atlantic, by establishing networks to enable the various public players facing similar challenges to exchange experiences relating to best practice, as well as lessons learned in relation to sustainable and integrated urban policies and measures. Since its creation, 22 cities from both sides of the Atlantic have joined this network.

Collaboration with the Regional Programme for Social Cohesion (EUROSociAL)

This important long term programme of European and Latin American Cooperation prioritises support for public regional development policy in the interests of these countries and their regions. DG Regional and Urban Policy lends its support by organising and participating in workshops, seminars, and by welcoming visits from national and regional Latin American authorities. It also supports the work of the Latin American Network of Public Policies for Regional Development referred to above.

► FIND OUT MORE

http://ec.europa.eu/regional_policy/index.cfm/en/policy/cooperation/international/latin-america/

▶ SPEAKING OUT FOR REGIONAL POLICY



Shirin Wheeler, former Spokesperson for Regional Policy, looks back at her transition from journalist to spokesperson, September 2012 to November 2014.

A Czech radio journalist based in Brussels once said to me over a coffee before our daily midday briefing in the Berlaymont, that he thought if it wasn't for the EU interrupting our programmes from time to time, the national and local administrations would be in a far worse state. Rather than inspiring hostility, he and many others in the Brussels press corps were ready, it turned out, to see the EU's regional policy as a reforming and essentially benign influence. Of course there are plenty who have very different preconceptions, but these exchanges got me thinking about how differently journalists from different parts of Europe see the EU and our policy in particular. It also drove home the importance of understanding regional policy as much more than a pot of gold at the end of the EU membership rainbow.

As a BBC journalist reporting on Europe for an international and domestic audience for around 15 years, I hadn't really planned on working for the European Commission. But it was in some ways a logical step. I had started reporting on Europe as a correspondent in Brussels for BBC local radio and regional TV and I found the translation of EU policy into local relevance an important and interesting job – how does the working time directive work in a bakery in Namur? Can EU fisheries policy learn something from a cooperative project

in Friesland where fishermen share their fishing licenses? What does European identity mean to a flamenco dancer in Andalucía?

By the time I was finding my way to my new office in the Berlaymont, Europe was in the grip of a financial and economic crisis that had been keeping me and other colleagues in the press very busy. The importance of positioning regional policy as a response to that crisis was clear: while most were talking about austerity, regional policy was about investment and banking on people's potential. This resonates with people – especially when hope is in short supply – as our visit with the Greek unit from DG Regional and Urban Policy to the 13 regions of Greece later demonstrated.

I was taking on the job as spokesperson for Regional Policy at a fascinating time. At the European Parliament, the trialogues were in full swing as negotiations on the reform of the policy reached a final phase. I was relieved that these were changes – in spite of jargon-heavy terms like 'ex ante conditionalities' and 'smart specialisation' – that I could 'sell' with enthusiasm. I don't think political communicators are at all convincing if they don't believe in what they are doing. And I still needed to hold my head up among former colleagues in the press room!

But switching from reporting the EU to communicating on it is a big change – even if you do come from a public service broadcaster whose motto is 'mission to explain'. As a spokesperson for a political institution, you have a whole set of new loyalties. I had entered the world of 'messages' and 'lines to take'. At the same time though, it was clear the commitment to transparency, debate, and public participation runs reassuringly strong in the Commission. But having to steer that necessary course between caution and openness was a new experience.

One parting thought though for fellow communicators: while every policy has its sensitivities, in Regional Policy we do have a wealth of stories to tell about how the EU is making a positive difference to people's lives. If we play it too safe, we'll risk hiding the good news we have to spread. ■

► EVALUATION PLANS

SUPPORTING AN EVIDENCE BASED POLICY

Once operational programmes are adopted, Managing Authorities have to draw up evaluation plans for the monitoring committee's consideration within one year. These plans cover each programme and accompany its evaluation activities until the end of the programming period. They constitute an essential tool to support the strengthened focus on the results of cohesion policy.

The regulation for the 2014-2020 European Structural and Investment Funds emphasises, more than it ever did in the past, programme objectives, the intervention logic to achieve the expected results, and the role of evaluation. It makes the evaluation plans compulsory as well as impact evaluations to assess the Funds' contribution to the achievement of programme objectives. Member States and the European Commission have to regularly report on results and impacts: the former to the European Commission; the latter to the European Parliament, the Council, the Social Committee and the Committee of Regions. In 2022, Member States will summarise all evaluation findings, thus preparing the ground for the *ex post* evaluations of the policy by the European Commission. Evaluations will thus contribute to policy debates at the highest level.

Planning evaluations is not a simple task. First it requires that programmes have clearly spelt out what they want to change and that the relevant indicators are monitored. Then, according to the availability of existing evidence in the policy fields covered by the programmes, it requires decisions on where to concentrate the evaluation efforts in order to best fill knowledge gaps and meet regulatory requirements.

To this end, the plans should list the evaluations needed during the life of the programme and set aside sufficient resources for the necessary data collection and analyses. For each evaluation planned, they should specify the rationale, timing, main questions, methods and data requirements, duration and estimated budget. They should also set out how the evaluations will be managed, how their findings will be followed up and communicated to stakeholders and the public. Managing Authorities should regularly review and

▼ GUIDANCE DOCUMENT ON MONITORING AND EVALUATION

http://ec.europa.eu/regional_policy/sources/docoffic/2014/working/wd_2014_en.pdf



adapt them to any changes in the programme or its context entailing new knowledge needs.

Planning evaluations upstream will help improve their quality and their usefulness. It will help the Commission to collect and disseminate their findings amongst policy makers and programme managers. Ultimately it will contribute to the design and implementation of evidence based programmes and policies.

To support Managing Authorities in drafting evaluation plans, the European Commission has issued a guidance document that is available on the DG Regional and Urban Policy website. This also gives recommendations on how to draft terms of reference for impact evaluations and to manage external evaluations. The European Commission will cooperate with Managing Authorities to increase the quality of these evaluation plans, providing comments and sharing good practices.

► FIND OUT MORE

http://ec.europa.eu/regional_policy/index.cfm/en/policy/evaluations/guidance/#1

▶ NEWS

[IN BRIEF]



LAUNCHING THE NEW PROGRAMMING PERIOD IN POLAND

Commissioner Crețu has officially launched the Polish Operational Programmes for Cohesion Policy, together with Polish Minister for Infrastructure and Development, **Maria Wasiak**, at an event in Poland on 26 February, in the presence of Poland's Prime Minister **Ewa Kopacz**, European Commissioner **Elżbieta Bieńkowska** and the Marshalls of all 16 Polish regions.

Since the country's accession to the European Union, almost 11 years ago, the funds have played a key role to ensure growth in the country. During 2014-2020, Poland will remain the largest beneficiary of EU cohesion policy. More than EUR 77.3 billion will be allocated under the European Regional Development Fund, the Cohesion Fund and the European Social Fund.

Thanks to excellent cooperation between the Polish authorities and the European Commission, all 22 Operational Programmes were successfully adopted by mid-February. The new period poses challenges in terms of implementation, as more than 55% of the resources will now be managed by the regions. This offers many opportunities to the regions who know best their strengths and needs. However, it also means that regions will have a greater responsibility in ensuring that the money is wisely invested.

▶ FIND OUT MORE

http://ec.europa.eu/commission/2014-2019/cretu/blog/launching-new-programming-period-poland_en

▼ GUIDE TO COST-BENEFIT ANALYSIS UPDATED

The European Commission has recently published an updated Guide to Cost-Benefit Analysis – which is obligatory for all major projects submitted to ESIF 2014-2020. The CBA guide builds on vast experience gained in the preparation and appraisal of major projects in the 2007-2013 programming period, and aims to provide practical recommendations and sector-specific case studies for the authorities involved in major projects and for all consultants preparing project documentation. The guide presents the regulatory requirements for the project appraisal process and the related decisions on major projects, and outlines sector-specific guiding principles. The Guide was compiled by a team led by **Davide Sartori** of the Centre for Industrial Studies in Milan, with input from a scientific panel led by **Professor Massimo Florio** and experts from JASPERS (<http://www.jaspers-europa-info.org/>).



▶ FIND OUT MORE

<http://europa.eu/!wc37t>

GUIDANCE FOR BENEFICIARIES MAKES LINKAGES TO OTHER EU FUNDS

A new European Commission guide has been recently published in all official EU languages which explains how to effectively access and use the European Structural and Investment Funds and to exploit complementarities with funding instruments of other relevant EU policies. The links throughout the document allow potential beneficiaries to find their way through the maze of material available online, leading them to the most immediate and useful websites and documents. An online check-list is also available to help potential beneficiaries identify the most appropriate funding sources.



▶ **FIND OUT MORE**
Available in 22 languages.
<http://europa.eu/lcn47JG>

OPEN DAYS 2015 EUROPEAN WEEK OF REGIONS AND CITIES LAUNCHED

The 13th edition of OPEN DAYS will take place from 12 to 15 October in Brussels. The overall slogan this year is **'Europe's Regions and Cities: Partners for investment and growth'**. Registration for participation will open in July.



▶ **FIND OUT MORE**
http://ec.europa.eu/regional_policy/opendays/od2015/



▶ Energy Commissioner, Maroš Šefčovič, presenting the 'Energy Package' to the European Parliament on 25 February.

COHESION POLICY CONTRIBUTES TO THE ENERGY UNION STRATEGY

A framework strategy for a resilient Energy Union with a forward-looking climate change policy was adopted by the European Commission on 25 February 2015. The strategy aims to reduce energy dependency, promote the free flow of energy across borders, boost energy efficiency and support the transition to a low-carbon economy.

Cohesion policy will play a strong role in delivering the Energy Union on the ground, through projects that bring real benefits to citizens. EUR 38 billion of cohesion policy funding will be invested in the low-carbon economy during 2014-2020 (twice the amount spent in this area during the previous funding period). This will help Member States, regions, local government and cities to implement much needed investments in energy efficiency in buildings, renewable energy, smart grids or sustainable urban transport.

In line with some of the key objectives of the Energy Union, our investments will therefore help to decrease costly energy imports, diversify our energy sources, tackle energy poverty and cut emissions, as well as create jobs and support small and medium sized businesses.

▶ **FIND OUT MORE**
<http://ec.europa.eu/priorities/energy-union/>



ESTONIA

ESTONIA LEADS THE WAY WITH ADVANCED E-SERVICES FOR CITIZENS

Estonia is emerging as one of the most advanced e-societies in the world. Its latest innovation is an e-residency card for non-nationals. Much of Estonia's e-government infrastructure has benefitted from investments under the European Regional Development Fund.

Estonian e-services have already made a big splash with the international media. For *CNN* Estonia is 'A digital nation run on tablets and smart phones'. BBC reported on 'Paperless and online government services'. *Le Monde* labelled the country as the 'cybersentinelle de l'Occident'. *Wall Street Journal* and *The Times of India* wrote extensively on the subject: 'Electronic ID Would Allow a Digital Without a Physical Presence' and 'Digital residency clicks with Indian entrepreneurs'.

Over the past ten years Estonia has been one of the world's leaders in the use of Internet-based services for its citizens. As a result, Estonians now enjoy a comprehensive range of public and private e-services from healthcare to elections and income tax. And Estonian experts are called by governments world-wide to explain how the miracle happened.

This digital progress is the result of partnership between a forward-thinking government, a pro-active ICT sector, and a tech-savvy population, supported by funding from the European Regional Development Fund, which helped in developing IT infrastructure, networks, and applications for online services.

'E-stonia'

Underpinning today's E-stonia – as it has been dubbed – is the country-wide availability of Wi-Fi Internet, which can even be accessed in the forests. 71% of households have Internet capability and fast Wi-Fi connections are available in more than 1 100 public locations. All Estonian schools are connected to the Internet.

77% of the population aged 16-74 uses the Internet and citizens are routinely using e-services for e-elections, e-taxes, e-police, e-healthcare, e-banking, and e-school.

Digital access has become the norm and in 2012, more than 94% of income tax declarations were presented through the e-tax board. 98% of banking transactions in Estonia are conducted through the Internet.

Total cost:
EUR 163 000 000
EU contribution:
EUR 63 000 000



▶ The Estonian President Thomas Hendrik Ilves slipped one of the first Estonian e-IDs to the US President Barack Obama, during his recent visit to Tallinn.

'A citizen can do basically everything online, even divorce. Only for marriages you still need papers', jokes one of the digital affairs counsellors at the Estonian Permanent Representation to the EU.

Electronic ID card

Almost 90% of inhabitants (1.1 million people) have an Estonian e-ID card which serves as an identity document and, within the European Union, also as a travel document.

The card contains a chip with personal information and is digital proof of ID which provides authentication when utilising online services. In addition to the ID card, Estonians can also use a mobile phone to provide identity for online services.

Education and healthcare

In January 2010 Estonia began using a medical information system which allows citizens to view their own digital medical history simply by confirming their identity using an ID card. There is no need for paper prescriptions for buying

medicine from a pharmacy – doctors issue e-prescriptions which can be used for a purchase in any chemists using their ID card.

Parents of schoolchildren can access their kids' grades and homework online by using the e-school application. The education system has also been taken online with exam results centralised through the state portal. Applications for universities are submitted via the state's Internet-based system.

e-elections

Since 2005, everyone in Estonia has been able to vote electronically via the Internet, using an ID card or mobile ID, from home or even while travelling abroad. In the recent parliamentary elections held in March, 30.5% of voters used the e-voting system.

e-business

An entrepreneur can create a company in Estonia directly from his personal computer. The e-business portal's record for the set-up and registration of a company is 18 minutes. The system also recognises ID cards from Belgium, Portugal, Lithuania, and Finland, with more to come.

e-residency

Online services were extended in 2015 to non-residents thanks to Estonia's unique and cutting-edge e-residency project. In fact non-residents of the country can now also get a digital e-residency ID to allow them access to public and private e-services and to operate in Estonia. This does not entail any residential rights and cannot be used as a physical identification card or travel document. Some EUR 300 000 to EUR 500 000 will be invested yearly in the e-residency programme by 2020.

▶ **FIND OUT MORE**
<https://e-estonia.com/>



▶ SWEDEN

▶ EXTRACTING RENEWABLE ENERGY FROM THE SEA

Total cost:
EUR 485 000
EU contribution:
EUR 193 000

A research project along the coast of southern Sweden has demonstrated that marine nutrients from the bottom of the sea and industrial fish sludge can be turned into a valuable biofuel.

As part of the project 'Biogas – new substrate from the sea', scientists in Kalmar County, Sweden, have been investigating the environmental and economic potential of producing biogas from different products found on the seabed along their coastline. In particular they have been examining the methane gas potential of reeds, algae, mussels and fish sludge and what conditions are needed to produce renewable biogas.

The research found that the best results were produced by fish sludge from a local fish processing plant, and that the quality of biogas produced was similar to when using traditional materials like manure or sewage.

The four-year project completed in 2013 looked at the entire chain from the collection of substrates to the effects of extraction on nutrient flows and marine conservation. The scientists found that using marine nutrients not only created a valuable biofuel, the process also decreased the excess of nutrients in the sea. Indeed the Baltic Sea suffers from an excess of nutrients, which can lead to low oxygen levels in the sea, killing fish, crabs, oysters, and other aquatic animals. Using marine resources in biogas production removes much of these unnecessary nutrients.

Increasing the use of biogas in vehicles like cars and trucks would contribute to reducing greenhouse gas emissions and is key for Kalmar County to achieve its goal of

becoming a fossil fuel-free region by 2030. In Kalmar County, petrol and diesel account for two-thirds of fossil fuel carbon dioxide emissions. The combustion of biogas releases no fossil fuel carbon dioxide, which makes it an eco-friendly fuel. However all the domestic waste, manure and sewage sludge available in the county would only produce enough biogas for a tenth of the county's car population. Exploiting the area's marine resources therefore makes environmental and economic sense.

The local population could benefit from biogas uptake with new job opportunities arising if new products, goods and services are needed for harvesting and producing the gas. In fact, full-scale reprocessing of fish sludge is already being carried out whereby the waste material is transported by pipe straight from the fish processing plant to Lucerna, where the biogas is produced.

Further technical development is still needed before reeds, algae or mussels could be used economically for full scale biogas production. But new projects have followed, among them SEAFARM (algae) and AQUATECH (mussels).

'Using marine resources in biogas production would increase the production of renewable energy while reducing the impact on the climate. However, more technical advances are needed before such resources can be used for full-scale and economical biogas production,' said **Henrik Blomberg**, director of the 'Småland and the Islands' operational programme.

▶ FIND OUT MORE
www.rfkl.se/biogas-hav

▶ EUROPEAN TERRITORIAL COOPERATION

▶ DEVELOPMENT OF A CULTURAL ITINERARY BETWEEN HUNGARY AND SLOVENIA



Total cost:
EUR 1 435 000
EU contribution:
EUR 1 187 000

A new tourist route following the travels of Saint Martin of Tours through Slovenia and Hungary has been developed, creating a cross-border tourism destination, and establishing the first part of a pilgrimage route across Europe.

Saint Martin was Bishop of Tours in the 4th century and is today one of Europe's most celebrated Christian saints. He was born in what is now Szombathely, Hungary, though lived most of his adult life in France. He is considered a spiritual bridge across Europe.

The 'Project Via Savaria' has enabled the development of the first 400 km section of the Great European Cultural Route of Saint Martin across Slovenia and Hungary, en route to Tours in France.

This project was inspired by the 2005 declaration by the Council of Europe that the road from Szombathely, Hungary, to Tours, France, should be a European Cultural Itinerary and present the outstanding monuments to the life and work of Europe's most popular saint.

Saint Martin of Tours was born in 316 A.D. in the ancient town of Savaria, Pannonia. Today that city is known as Szombathely. The figure of Saint Martin of Tours symbolises the value of mutual sharing. His life will be celebrated across Europe in 2016.

The Via Savaria project was launched in 2009 in Szombathely to portray the pilgrim's path through three countries. The project gained the support of the Slovene and Hungarian governments who were keen to promote the tourism aspects. Municipalities and major stakeholders along the path joined the project resulting in cooperation among 15 partners – nine from Slovenia and six from Hungary.

The overall aim of the project has been to support sustainable economic and social development in the Hungarian-Slovene border region by means of a joint cultural tourism project, which would have positive effects on local economic development.

With the implementation of the Via Savaria project, the first 400 km section of the Saint Martin of Tours European Cultural Route has been established, namely from Szombathely, Hungary, to Zreče, Slovenia (the entire route from Szombathely to Tours in France is 2 500 km).

The project entailed scientific research about the work and life of Saint Martin of Tours and the natural and cultural heritage along the path. It has resulted in the development of 38 resting places complete with information boards, and tables and benches. This has been complemented with information points, and wine and culinary centres along the route, together with an exhibition centre and theme park.

▶ FIND OUT MORE
www.viasanctimartini.eu/en

AGENDA 2015

27-28 APRIL

_Brussels (BE)

GROW your REGION:
Delivering Smart
Specialisation and
Economic Transformation
through Clusters

2 JUNE

_Brussels (BE)

CITIES Forum

15-16 JUNE

_Jūrmala (LV)

**6th Annual Forum of
the EU Strategy for
the Baltic Sea Region**

12-15 OCTOBER

_Brussels (BE)

**OPEN DAYS: 13th European
Week of Regions and Cities**

13 OCTOBER

_Brussels (BE)

RegioStars Ceremony

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

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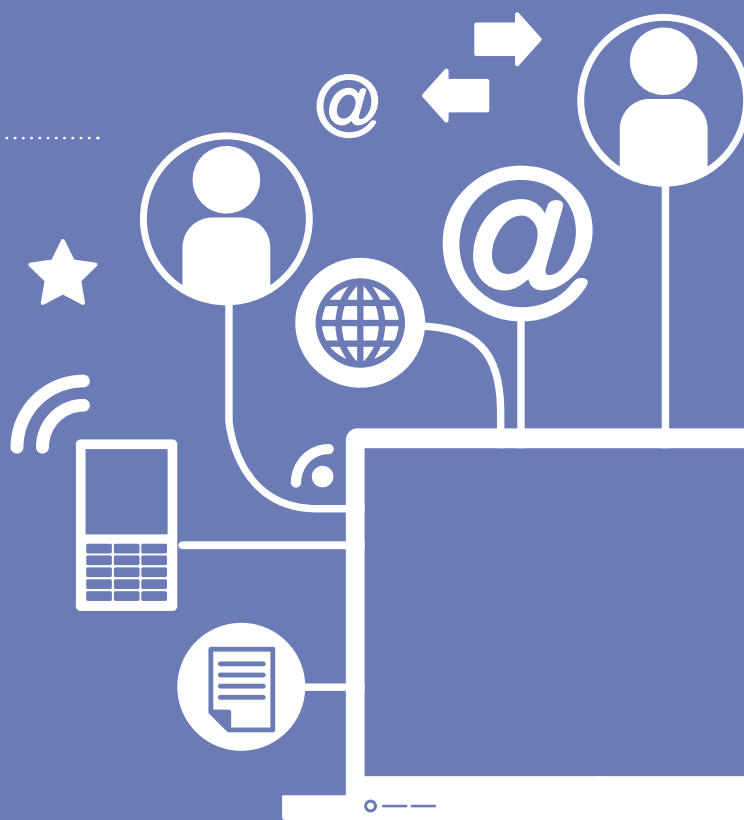
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