

ANNEX to the COMMISSION DECISION

on the adoption of the work programme for 2017 and on the financing of the implementation of the preparatory action "Macro-regional strategy 2014-2020: EU strategy for the Alpine Region"

1. INTRODUCTION

1.1. Budget line: 13 03 77 22

1.2. Legal Basis: Not applicable

1.3. Policy context

The Alpine Region¹ is one of the richest areas in the world and among the economically most dynamic, innovative and competitive areas in Europe with unique geographical and natural features. However, the Region also faces important challenges requiring a joint response:

- economic globalisation that requires the territory to distinguish itself as competitive and innovative;
- demographic trends, characterised particularly by the combined effects of ageing, brain drain, low population density in the mountain areas and new migration models;
- high vulnerability to climate change and its foreseeable effects on the environment, biodiversity and the living conditions of its inhabitants;
- the energy challenge in managing and meeting demand sustainably, securely and affordably;
- its specific geographical position in Europe, as a transit region;
- a high degree of seasonality, especially in some touristic areas.

Significant differences also remain among the areas in the Region (for example between mountainous areas and the alpine foreland).

The European Council of 19/20 December 2013 invited the European Commission, working together with Member States, to draw up an EU Strategy for the Alpine Region (EUSALP), building on the solid background of cooperation in the Region, in order to address these issues. The Strategy was adopted by the European Commission on the 28th of July 2015 and endorsed by the European Council on the 28th of June 2016.

Acknowledging the need for coordination between relevant EU policies as well as between EU, national and regional policies having an impact on territorial cohesion, the European Council invited the Commission, amongst other tasks:

- to keep playing a leading role in strategic coordination of the Strategy, where its involvement brings a clear added value, in partnership with the participating States, regional and local authorities, and in accordance with the subsidiarity and proportionality principles; to ensure that the Strategy is taken into account in relevant EU policy initiatives and programme planning;
- to support, in cooperation with the participating States, regional and local authorities, the aims of the Strategy and the implementation of the agreed actions by promoting

¹ The EU Strategy for the Alpine Region covers seven countries: Austria, France, Germany, Italy, Slovenia, Liechtenstein and Switzerland

the coordination of existing EU funds and instruments and by cooperating closely with the relevant financial institutions necessary for the realisation and funding of the Strategy;

- to promote active participation of all relevant partners and stakeholders, including relevant cooperation structures, non-governmental organisations and institutions, social and economic partners, the civil society and the private sector, in all steps of the Strategy's implementation.

1.4. General objectives of the preparatory action

The preparatory action aims at facilitating the implementation of the EU Strategy for the Alpine Region. In particular it intends to provide support for the implementation of the EUSALP.

For its part, and in order to promote the success of the EUSALP, the European Parliament has decided to introduce an allocation of EUR 2 million in the 2017 budget in the form of a preparatory action at the initiative of the Commission. The resources allocated to this preparatory action will be used to support the establishment of economic and social cooperation in the macro-region, contributing to further integration and reconciliation of the participating nations in a practical way.

This preparatory action intends to provide support for the implementation of the EUSALP. The main added value of the Strategy, which is based on experiences and outcomes of the former macro-regional strategies, will consist in a new relationship between metropolitan, peri-mountain, and mountain areas that will boost the economy and social prosperity of the area. The preparatory action aims to support the Strategy in the field of environment, transport and copes with the depopulation of the area.

The preparatory action has to:

- Identify, analyse and foster all best innovative practice and existing networks on green solutions in the Alpine Region and in the pre-alpine areas, thus facilitating knowledge transfer and exchange of innovation in circular economy, with particular focus on strategic sectors such as tourism and agriculture;
- Foster integration with a particular focus on demographic changes, by identifying solutions for job creation, such as a better integration between education, vocational training and business in key sectors such as tourism;
- Identify actions for the provision of e-services which could benefit the most vulnerable layers of the alpine population, such as youth and elderly;
- Identify pilot actions for sustainable transport at local level.

1.4.1. Circular economy

In December 2015, the European Commission adopted an ambitious new Circular Economy Package² to help European businesses and consumers to make the transition to a stronger and more circular economy where resources are used in a more sustainable way. The proposed actions will contribute to "closing the loop" of product lifecycles through greater recycling and re-use, and bring benefits for both the environment and the economy. The plans will extract the maximum value and use from all raw materials, products and waste, fostering energy savings and reducing Green House Gas emissions. The proposals cover the full lifecycle: from production and consumption to waste management and the market for secondary raw materials. This transition will be supported financially by ESIF funding, EUR 650 million from Horizon 2020 (the EU funding programme for research and

² COM/2015/0614 final

innovation), EUR 5.5 billion from structural funds for waste management, and investments in the circular economy at national level.

The package has broken down silos in the Commission and contributes to broad political priorities by tackling climate change and the environment while boosting job creation, economic growth, investment and social fairness.

The cross-cutting character of this priority calls for a joint and coordinated approach between different EUSALP Action Groups and Alpine Region operators (business companies, universities, research centres, technology centres, non-governmental organisations, regional and local authorities, etc.).

The preparatory action will aim at translating the concept of "circular economy" with particular focus on strategic sectors such as tourism and agriculture in the alpine macro-regional context, identifying the partners who must be gathered together in this respect, and building an action plan of concrete projects and pilot initiatives to be implemented in the two or three upcoming years.

For information purposes, specific or thematic seminars, studies and experts' works as well as innovative projects can be organised in order to reach this objective and will contribute to a better linkage between partners' activities. Some pilot actions can also be financed, but as a general rule, they should be supported by existing programmes and instruments.

1.4.2. Demographic changes: initiatives against depopulation in remote areas

Strong imbalances in terms of job opportunities and services supplied are to be found across the Alpine region, even within the same areas. This reflects mainly differences between remote areas (in particular where tourism has not developed) and cities. The constant decrease of population leads to closing down or of services at local level (schools, postal services, shops) while new technologies (e-infrastructures) do not emerge due to lack of economic profitability (market failure). This vicious circle aggravates the depopulation in remote areas.

The availability of good connectivity networks (in particular high-speed internet) is closely related to the survival of commercial activities in remote areas as well as to the supply of basic services such as education, health, postal and administrative services. Remote and mountainous areas are often lagging behind in terms of e-connection possibilities. At the same time, e-connectivity raises new opportunities for the provision of services (for example e-government, e-health, e-learning) as well as for the uptake of technologies.

This has social and environmental impacts which affect the Alpine regions overall: the Alpine region contains invaluable reservoirs of biodiversity, raw materials (wood, water), energy sources (renewable) but the low-density of population and decrease of settlements in remote areas makes investments in services scarcely profitable, to the detriment of the whole region. The abandonment of local settlements prevents maintenance of territory, with negative effects downstream (environmental risks, floods and rock-slides). At the same time, older generation in remote areas possess a specific knowledge and savoir-faire related to territory, which is lost if it is not passed on to younger generations.

The aim of the EUSALP is to ensure a balanced growth. One of the key reasons for launching EUSALP is to exploit potential synergies between the economy of cities and that of sparsely populated areas.

The preparatory action would facilitate the set-up of initiatives aimed at creating business opportunities in remote areas and investing in services. Specific focus needs to be on young generations, which generally move out of remote areas for higher education and do not come back to their villages of origin (brain drain). Developing innovative products and services in the tourism sector with the identification and implementation of concrete projects which make use of the available human resources in remote areas, innovating business development

models. E-services are key for the success of this action need special consideration (e.g. e-learning, e-training, e-health, e-jobs services). The action would aim at reinforcing skills (technological, linguistic, cultural knowledge of the territory), promoting new forms of tourism by valorising local culture, promoting innovative models on tourism off peak seasons and reinforce local Identity linked to the territory.

For information purposes, activities to be co-financed include identification of exemplary areas which are rich in nature and culture but have an undeveloped tourism potential and where brain-drain is diffused; Implementation of innovative projects; mapping of good practices with replication potential and exchange of experiences between pilot areas, creation of a network and a database.

1.4.3. Sustainable transport at local level

The preparatory action will address the question of the ‘last kilometre’, the access to the main links, and the connections to the spread-out communities. Within the core Alpine Region, local transport plays a major role in maintaining a balanced demographic development of the area. Local communities are keen, as it clearly appeared from the public consultation, that regional and local railways and public transport in general, are upgraded and modernised. Connections between valleys or across passes are often insufficiently coordinated to allow for a systematic use of public transport. In order to improve this situation, better coordination intervention at a sufficiently large scale is necessary. Given that remote areas in the Alps are often closer to the border than to the regional or national capitals, the transnational dimension is very important. Cross-border projects on sustainable mobility have proven to be positive for the diffusion of innovative solutions, including e-bikes where appropriate.

The preparatory action will facilitate the process aiming to organise and better integrate the different reflections, projects and actions in this field, in order to develop a consistent and efficient offer of sustainable transport services at local level, in particular in the less well served areas.

For information purposes, the action can cover running costs for organisation of meetings and conferences. It can also cover studies and/or expert costs for specific questions (in connection with a project, on feasibility questions, on specific topics, etc.).

2. ACTIONS/ TYPE OF FINANCIAL INTERVENTION

Under Article 190 (1) (f) of the Rules of Application grants may be awarded without a call for proposals for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals, duly substantiated in the award decision.

For all the actions, a direct grant will be awarded to the Land of Salzburg, as it is appointed by the Executive Board of the EUSALP which represents all the countries involved in the macro-regional Strategy. The Land of Salzburg, as the managing authority of the Alpine Space transnational programme, has a long experience and the administrative capacity to deal with the kind of projects that this preparatory action intends to cover.

The Land of Salzburg is mandated to steer all the administrative arrangements such as organisation for the collection and assessment of a limited number of projects in each priority, selection of projects, follow-up of project results, follow-up and control of expenditures. Therefore, amongst other expenditure contribution to third parties will be foreseen in the grant agreement (grants in cascade).

The award criteria for the evaluation of the proposal for this grant will be a) cost-effectiveness and b) consistency of the proposal with the objectives of the preparatory action.

The ERDF co-financing rate would be up to 90% of eligible costs.

3. TOTAL BUDGET

EUR 2 000 000

4. INDICATIVE CALENDAR FOR PROCEDURES

Procedures will be launched after the adoption of the financing decision. No grant agreement will be signed before. Indicative timetable for signature of the grant agreement is Q3 of 2017.