



European
Commission

PANORAMA

SUMMER 2018 / No. 65

MAKING EUROPE
SMARTER
AND GREENER
POST-2020



GOOD
GOVERNANCE
FOR COHESION
POLICY



Cohesion Policy: powering ahead to a smarter future

Regional and
Urban Policy

PANORAMA

In this issue ...

The summer issue of *Panorama* magazine, looks to the future and considers the European Commission’s proposed budget for the 2021-2027 funding period. As well as an introductory article presenting the proposals and how they hope to reform Cohesion Policy, we have an exclusive interview with Commissioner Crețu outlining the main developments and their reasoning, and we feature initial reactions from a variety of stakeholders across Europe.

Our focus this time is on Ireland, which is currently celebrating 45 years of EU membership. In an interview with Minister for Public Expenditure Paschal Donohoe, and through a selection of projects, we show how ERDF funding has helped Ireland become more innovative and competitive.

We reveal the 21 finalists for this year’s RegioStars awards, and preview the themes and details of the next European Week of Regions and Cities, taking place in Brussels in early

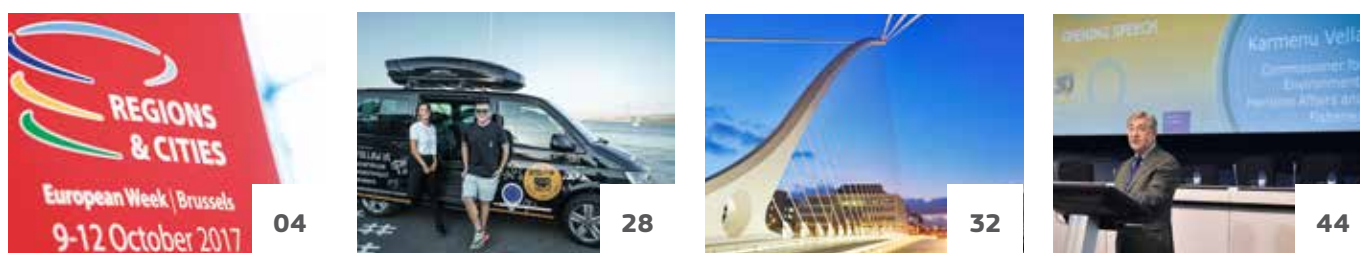
October. We also explore a variety of cultural heritage projects supported by the ERDF, to celebrate the European Year of Cultural Heritage, and our Captured on Camera section highlights innovation in Poland. We report on the recent good governance conference, look at the variety of initiatives helping administrative capacity-building across the EU, and follow the continuing adventures of our young European social media stars crossing the continent as part of the EU Road Trip project. The projects section visits Italy, France and Bulgaria.



AGNÈS MONFRET

Head of Communication Unit, Directorate-General for Regional and Urban Policy, European Commission

Cover picture: Professor Valeria Nicolosi © Trinity College Dublin



EDITORIAL.....	3	A HISTORY OF REGIONAL INVESTMENT.....	42
LOOKING AHEAD TO EWRC 2018	4	SPOTLIGHT ON GOOD GOVERNANCE.....	44
REGIOSTARS FINALISTS ON PARADE.....	5	CAPTURED ON CAMERA IN POLAND.....	50
COMMISSIONER’S INTERVIEW	10	CULTURAL HERITAGE.....	52
REFLECTIONS ON COHESION POLICY POST-2020.....	12	COHESIFY: THE RESULTS ARE IN.....	56
EU YOUTH HIT THE ROAD.....	28	PROJECTS FROM BULGARIA, ITALY AND FRANCE.....	60
IRISH INROADS INTO INNOVATION.....	32	AGENDA.....	63

EDITORIAL

With the presentation of its proposals on 29 May, the Commission laid the foundations of a new Cohesion Policy. With a budget of EUR 373 billion over seven years, Cohesion Policy remains Europe's strongest investment policy, despite the budgetary gap left by Brexit and the emergence of new challenges.

I am glad to say that Cohesion Policy investments will flow to all EU regions. It will empower them to deliver our common EU priorities, bringing EU solidarity to each and every corner of Europe and allowing every region, every town, every border region to seize the opportunities raised by the largest internal market in the world.

Tomorrow's Cohesion Policy will focus on a smarter, stronger and more caring Europe: modern investments that prioritise a smart industrial transition to meet the challenges of our global economy, as well as green growth and the transition to a low-carbon economy. In parallel, we remain faithful to our commitment to a more social and more connected Europe that is closer to citizens.

The new Cohesion Policy's priorities are those areas where our investments are most needed: those regions still struggling with low income or high unemployment, especially among young people, and those confronted with the migration issue.

Finally, on opportunities, we will go one step further to overcome borders within the Union by promoting interregional innovative investments, focusing more on institutional cooperation, and investing in joint services of public interest. At the same time,



cities will stay at the heart of Cohesion Policy, with a new European Urban Initiative and a minimum earmarking of 6% of European Regional Development Fund resources for urban areas.

Our proposals strike a delicate balance between continuity and the need for reform. We have kept what has been working, while making it simpler and more operational. In fact, with simpler programming and territorial tools, no more designation procedure, a single audit principle and no specific procedure for major projects we will be able to start delivering much earlier. It is about trusting authorities' experience, and cutting red tape, not responsibilities. In brief, it is about increasing results and ownership.

Nevertheless, Cohesion Policy, with its millions of projects across our continent, with its concrete results in terms of jobs, faster internet or safer drinking water, is also the best way to ensure that our citizens feel part of the European project. In the face of new challenges and with the economic recovery gaining momentum, we must invest in our common future, for the benefit of our regions and our children. ■

CORINA CREȚU

European Commissioner for Regional Policy



European Week of Regions and Cities 2018

This year, the 16th European Week of Regions and Cities will take place from 8 to 11 October in Brussels, Belgium and is expected to attract some 6000 participants, plus speakers and journalists. In addition to the Brussels-based workshops, 150 working sessions, exhibitions and networking activities, the EWRC features local events taking place from September to December 2018 across Europe.

The European Week of Regions and Cities is the key annual event for regional and local authorities. Organised by the European Committee of the Regions (CoR) and the European Commission's Directorate-General for Regional and Urban Policy (DG REGIO), it has become a unique stakeholders' communication and networking platform for regional policy, attracting regions and cities from all over Europe and beyond.

The event aims to bring together political representatives, decision-makers, experts and practitioners of regional policy, as well as stakeholders and the media, to discuss common challenges for European regions and cities and to identify possible solutions.



Figuring out the future

In 2018, Cohesion Policy will celebrate its 30th anniversary against the backdrop of intense discussion on the EU's future priorities – and its next multiannual budget, covering the period 2021-2027. By providing a platform for capacity-building, cooperation, exchange of experience and good practice for those implementing EU Cohesion Policy and managing its financial instruments, the EWRC will consider the policy's future in a wider context, including recent research and views from third countries and international organisations.

This year, discussions during the Week will focus on key political issues in the EU: the proposal for the next Multiannual Financial Framework (MFF) and the underlying legislative instruments, which the Commission put forward in May 2018, and the European Parliament elections.

The European Committee of the Regions will adopt its opinion on the Future of Europe and its President will deliver a State of the Union address during the same week.

Under the main theme '**For a strong EU Cohesion Policy beyond 2020**', the EWRC will provide a platform for the regions and cities to share their views on both the EU's multi-annual budget and the subsequent legislative proposals – namely, Cohesion Policy and rural development, and the future of Europe in a regional and local perspective.

This annual event is the opportunity to clearly demonstrate that Cohesion Policy has delivered real and tangible improvements for Europeans, and to reiterate that a strong Cohesion Policy is needed.

Investing in Cohesion Policy post-2020

Discussions during the week-long event will examine the need for a strong Cohesion Policy beyond 2020 to overcome structural barriers, boost human capital and improve the quality of life. Growth and regional development, understanding and managing the territorial impacts of globalisation and digital transformation, the regional dimension of climate change and energy transition, and integrated territorial development will be considered together with effective regional and local strategies on youth, integration of migrants and social exclusion. In view of the EU reform debate, the governance challenges for Cohesion Policy should also be taken into account. ■

Registration for the European Week of Regions and Cities opens on 9 July 2018. Visit the event website for more information, and to see details of the agenda and related local events: www.regions-and-cities.europa.eu

REGIOSTARS

2 0 1 8



RegioStars Awards 2018: rewarding regional success stories

This year, the expert panel judging the RegioStars Awards has selected 21 finalists from five categories demonstrating Europe's most outstanding regional projects. The winners will receive their Awards on 9 October during the European Week of Regions and Cities 2018.

REGIOSTARS 2018

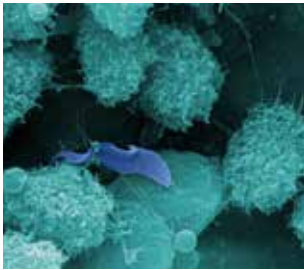
The Award Categories for 2018 are:

- SUPPORTING SMART INDUSTRIAL TRANSITION
- ACHIEVING SUSTAINABILITY THROUGH LOW-CARBON EMISSIONS
- CREATING BETTER ACCESS TO PUBLIC SERVICES
- TACKLING MIGRATION CHALLENGES
- TOPIC OF THE YEAR 2018: INVESTING IN CULTURAL HERITAGE



THE FINALISTS

SUPPORTING SMART INDUSTRIAL TRANSITION



The Center for Microscopy and Molecular Imaging: Wallonia, Belgium (ERDF)

The CMMI is an integrated preclinical imaging facility providing services for academia and companies to help grow Wallonia's life-sciences sector. In its role as a research centre, technology platform partnering with industry and training provider, it is boosting the region's economic growth and its image.

<http://www.biopark.be>

Instalação do i3S (i3S Installation): Norte, Portugal (ERDF)

Three reputed Portuguese centres have joined forces to create the largest national public health research facility in health sciences and medical technologies. The i3S hub is clustering expertise in basic, translational and clinical research into complex health issues with advanced training and greater interaction with companies, hospitals, etc. to improve citizens' health and lives.

<https://www.i3s.up.pt/>



RE-CEREAL: Italy and Austria (ERDF)

The goal of the Re-Vitalizing Minor and Pseudo-Cereals project is to reintroduce highly nutritious, resilient and input-saving buckwheat, millet and oats in the Alpine regions in an effort to promote a healthy, sustainable diet based on these crops.

<https://www.re-cereal.com/en/>

Advanced Sustainable Manufacturing Technologies: West Wales and the Valleys, UK (ERDF)

ASTUTE – an alliance between all Welsh universities – was set up to stimulate economic growth and environmental sustainability through industry and the application of advanced sustainable manufacturing technologies. Over 300 companies have been involved in more than 150 collaborative industry-academia projects, enabling their expansion and widespread socio-economic impact.

www.astutewales.com



Business and Shared Services Centre (CNSP): Centro, Portugal (ERDF)

Driving local innovation and investment, the CNSP has attracted 14 information and communication technologies for education companies and created 500 highly qualified jobs in a rural city. Investing in R&D, pioneering professional retraining and digital skills, it has generated 68 start-ups and supported over 200 privately funded projects.

www.cm-fundao.pt

ACHIEVING SUSTAINABILITY THROUGH LOW CARBON EMISSIONS

Interreg Sudoe ClimACT: SUDOE region, Portugal, Spain, France and Gibraltar (ERDF)

ClimACT is promoting a low-carbon economy in schools by incorporating complementary approaches such as energy efficiency, sustainable transportation, green procurement, resources conservation and behavioural change. To achieve this it has developed decision-support and educational tools, new business models, and a thematic network.

<https://tecnico.ulisboa.pt/en/>



SAVEMYBIKE: Tuscany, Italy (ERDF)

This project is using a “social rewarding game” to encourage sustainable mobility habits and reduce the theft of privately owned or shared bicycles. It is based on an open source platform web portal and app. called GOOD_GO and a Mobility as a Service (MaaS) system.

www.tages.it

Demonstration platform for textile fibre recycling: Helsinki-Uusimaa, Finland: (ERDF)

Aiming to revolutionise the textile industry by “making waste yards into sustainable cotton fields”, the platform is demonstrating new ways to recycle poor-quality, post-consumer cotton textile waste into good-quality fibres. It will strengthen the region’s science and innovation hub by creating a commercialisation ecosystem with global impact.

www.vttresearch.com



Batteries for the future: Thuringia, Germany (ERDF and ESF)

The EU’s energy policy goal of achieving a reliable supply of secure, affordable and green energy for all citizens will require a greater share of renewables in the future energy mix. The project is aiming to overcome the fluctuations in power generation caused by the volatile nature of renewables by developing battery technologies based on abundant polymeric materials.

www.ceec.uni-jena.de

CREATING BETTER ACCESS TO PUBLIC SERVICES



Health is the most important thing: Warmia and Mazury Region, Poland and Kaliningrad Region, Russia (ERDF)

By promoting cooperation between these two regions, the aim is to improve the health of residents, encourage healthy nutrition and enhance their access to medical services in rural areas and small towns. Actions include a prevention campaign, medical examinations, and renovating or purchasing new equipment for medical centres and school medical facilities.

www.gminaketrzyn.pl

Social housing in the city of Ostrava: Moravia-Silesian Region, Czech Republic (ESF)

Ostrava is focusing on key inclusive activities and social housing in a project which is the basis for a new social housing system as a prerequisite for providing a stable life for families facing difficult socio-economic situations.

http://www.ostrava.cz/en?set_language=en



KASTELO: Norte, Portugal (ERDF)

The first paediatric continued and palliative care unit on the Iberian Peninsula, KASTELO reduces the time spent in hospital and gives the child and his or her family access to various resources during the different stages of illness. The support guarantees the continuity of special care and the optimisation of resources.

<http://www.nomeiodonada.pt/>

ReproUnion: Öresund Region, Denmark and Sweden (ERDF)

According to the World Health Organization, 15-20% of all couples experience infertility, which is a huge medical and social problem. The unique research and innovation triple-helix project consortium is aiming to become a world leader in overcoming infertility by providing new strategies for prevention and more efficient treatments.

www.repronunion.eu



The Youth Guarantee: Latvia (ESF)

Young job-seekers are often hindered by a lack of experience and a low level of education which prevents them from earning more than the minimum wage. This project is trying to tackle these issues by providing the vocational education they need to find good jobs and to be successful.

www.viaa.gov.lv

TACKLING MIGRATION CHALLENGES



Integrated health and social centres: Brussels, Belgium (ERDF)

Two new health and social services centres are providing integrated services for social support, mental health and primary health care, with a focus on vulnerable groups, including migrants. And a mobile team is using a medibus for outreach and social consultations in some primary care services, supporting migrants' rights to health care.

www.erdf.brussels

Labour integration and social inclusion of refugees: Murcia, Spain (ESF)

This project is offering a close, coordinated and egalitarian response to enable the social integration of refugees in the region who are experiencing special and extreme difficulties. Medium- and long-term measures are part of a strategy which includes coordination, profiling, support and awareness of local community institutions, NGOs and the economic sector.

www.sefcarm.es



TOPIC OF THE YEAR 2018: INVESTING IN CULTURAL HERITAGE



Raised bogs – a unique European area: Nowosądecki and Żilinsky kraj, Poland (ERDF)

Peatland museums housed in two cultural heritage facilities are providing visitors with a multi-media map, experiments and simulators as part of a journey of discovery into the natural and cultural aspects of Poland's borderland bogs.

<http://www.muzeumplsk.eu>

Vista Alegre Heritage Museum: Centro, Portugal (ERDF)

The project is aiming to revive two centuries of world porcelain history by re-industrialising the industry and attracting tourism to the Vista Alegre Museum and its surrounding attractions, which include a theatre, factory, chapel and a hotel.

www.cm-ilhavo.pt



Iron-Age-Danube: Austria, Croatia, Hungary, Slovakia and Slovenia (ERDF)

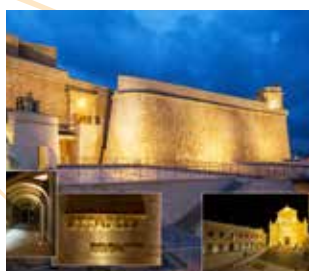
With partners from five Member States, the project is focusing on raising awareness among future generations of the archaeological heritage of the early Iron Age in the River Danube basin.

<https://www.museum-joanneum.at>

Nant Gwrtheyrn: West Wales and the Valleys, UK (ERDF)

The Welsh language and cultural heritage centre is located in an abandoned quarry which has been transformed into an attraction currently welcoming over 40000 visitors a year. The project has improved access to the village and provided accommodation, a café, shop, function suite and a heritage centre.

<http://www.gov.wales/eu-funding>



Rehabilitation and restoration of Cittadella Gozo: Gozo, Malta (ERDF)

The project has created a tourist attraction by enhancing Gozo's cultural identity and boosting the fort's history and symbolic significance. The resulting immersive experience links the citadel to historical milestones across the Mediterranean and Europe.

<https://www.visitgozo.com/>



Taking up the challenge: to make Europe smarter and greener

Corina Crețu, European Commissioner for Regional Policy, tells *Panorama* how the proposed changes to create a new, more flexible Cohesion Policy will deliver faster and better results and greater ownership.

Can you tell us about the new Cohesion Policy? What changes?

Well, first of all, we are modernising the policy. Our world is changing and the policy must change with it. All regions today face the challenge of the digital economy, of increasing global competition and economic transformation. This is why we created the new policy objective 'A smarter Europe – innovative and smart economic transformation' which brings together innovation, research and

SME support. Everything that is needed for regions to thrive and survive in our digital age!

We must not forget either that, in addition to economic transformation, regions must be ready for the transition to the low-carbon economy and circular economy. We brought these two environmental objectives together in the policy objective 'A greener, low-carbon Europe'.

We are investing the lion's share of the ERDF in these two key objectives. Between 65% (in the least-developed regions) and 85% (in the most-developed regions) will go to making Europe smarter and greener.

In fact, a key feature of the reform is policy focus. Together with the other three objectives – infrastructure, social and

local development – we have a set of five policy objectives which are tighter but more flexible than the 11 they replace.

What about urban areas?

Urban areas become more prominent in our proposals. Urban and local development appears for the first time as a specific policy objective. Moreover, we have ring-fenced 6% of the money for investment in urban areas, delivered through local development partnerships. This could be via policy objective 5 or any of the other objectives, as appropriate. The strategic basis is a key precondition for programming to enhance the effectiveness of the planned actions. This new cross-cutting policy objective will help deal with technical difficulties experienced in programming in 2014-2020 (indicators, enabling conditions, multiple applicable thematic objectives, etc.).

“ *A key feature of the reform is policy focus. Together with the other three objectives – infrastructure, social and local development – we have a set of five policy objectives.* ”

The European Urban Initiative brings a new coherent approach to cities as all urban tools are combined in a single programme under the indirect management of the Commission, similar to the current arrangements for the Urban Innovative Actions. The programme covers capacity building, innovative actions, knowledge and policy development and communication.

What happens to Interreg?

This is another key change in our proposals. Interreg is being revamped considerably: cross-border programmes will become more strategic, there is a new interregional innovation instrument and a new cross-border legal tool.

There will also be the possibility to allow Interreg programme authorities to cooperate across borders with countries outside the EU, using resources from the Instrument for Pre-accession Assistance and the European Neighbourhood Instrument. In addition, there is a real incentive in mainstream programmes to support cooperation through actions undertaken under any specific objectives.

The greatest request from stakeholders is always simplification. Have you done anything to reduce the administrative burden of the policy?

The new legislative package strikes a delicate balance between continuity and the need for reform. We have kept what was working while making it simpler and more operational. The rulebook has been reduced to almost half of what it was.

Simpler programming and territorial tools, fewer enabling conditions and assessment criteria, the elimination of designation procedures, the single audit principle, and no specific procedure for major projects will all result in a quicker start for programmes and a faster delivery of results. We also show that we trust our partners while maintaining safeguards to protect taxpayers' money. It is about cutting the red tape but not the responsibilities. It is about building on the experience of authorities and trusting them, rather than regulating for worst-case scenarios. It is also about increasing results and ownership.

The proposal will answer concerns of beneficiaries and authorities: more possibilities to use simplified cost options, payments not linked to costs, no complexity for revenue-generating projects, simplified rules for financial instruments and their alignment with grants whenever possible, and no more lengthy reporting. The new Cohesion Policy is less about collecting bills and procedures and more about delivering better and faster results.

We are taking flexibility and performance-orientation one step further by proposing a mid-term review of all programmes in 2025. This will allow us to programme allocations for 2026 and 2027 based on their performance, but also on the challenges identified within the European Semester process and the socio-economic situation. This will bring us the necessary flexibility over the next 10 years, while still allowing for a stable investment framework.

What about the money? Can you explain why fund allocation methods have been modified to include new criteria?

The method used to allocate Cohesion Policy resources has been calibrated to provide a balanced and fair distribution of the funds. The relative per-capita gross domestic product will remain the predominant criterion for allocating funds while other factors, such as unemployment, climate change and immigration, will also be taken into account. The allocation method works bottom up not top down – and is based on objective indicators reflecting development levels, needs and challenges, with amounts calculated region by region then added together to provide national allocations.

Most Central and Eastern European Member States have seen significant growth over the last seven years which feeds into the results of the calculations. The richer you become, the less funding that flows from Cohesion Policy. That's how the system should – and does – work. The natural consequence of getting richer is a gradual decline in Cohesion Policy support – which, in fact, is a good thing! ■

Proposals for a modernised and reformed Cohesion Policy post-2020

Although the EU economy is bouncing back, additional investment efforts are clearly needed to tackle persistent economic and social gaps between and within Member States. On 2 May, the European Commission proposed to allocate EUR 373 billion to the Cohesion Policy between 2021 and 2027 – just under 30 % of the global EU budget. On 29 May, the Commission unveiled its proposals for the revised regulations of the policy for the same period.

Five investment policies

From 11 thematic objectives in the 2014-2020 period, the new Cohesion Policy should focus its resources on 5 policy objectives, where the EU is best placed to deliver:



A **smarter Europe**, through innovation, digitisation, economic transformation and support to small and medium-sized businesses;



A **greener, low-carbon Europe**, implementing the Paris Agreement and investing in energy transition, renewables and the fight against climate change;



A **more connected Europe**, with strategic transport and digital networks;



A **more social Europe**, delivering on the European Pillar of Social Rights and supporting quality employment, education, skills, social inclusion and equal access to health care;



A **Europe closer to citizens**, by supporting locally led development strategies and sustainable urban development across the EU.



According to the Commission's proposal, the majority of European Regional Development Fund (ERDF) and Cohesion Fund (CF) investments will be geared towards the first two priorities. Depending on their gross national income (GNI) per capita, Member States should invest between 65% and 85% of their allocations under the two funds to these priorities.

For countries with:	minimum % on 'smarter Europe'	minimum % on 'greener, low-carbon Europe'
GNI below 75%	35%	30%
GNI 75-100%	45%	30%
GNI above 100%	60%	PO1 + PO2 min. 85%

TARGETED SUPPORT FOR THE EU'S OUTERMOST REGIONS

In line with the October 2017 **Strategy for the Outermost regions**, these regions would be given the means to develop their assets, such as blue growth, space sciences and renewables. They would continue to receive additional EU funding of over **EUR 1.6 billion** from the ERDF and would receive special support under the new Interreg programmes to deepen their integration into their regional space and intensify cooperation either among themselves or with neighbouring countries.



FACILITATE INTERREGIONAL AND CROSS-BORDER COOPERATION

In the 2021-2027 period, the Interreg programmes will continue to help Member States and regions work together across borders to tackle common challenges, with EUR 9.5 billion from the ERDF.

Furthermore, the Commission is proposing the European Cross Border Mechanism, which is a new instrument enabling, on a voluntary basis, the rules of one Member State to apply in a neighbouring Member State for a specific time-limited project or action. For instance, this could help create more cross-border transport infrastructure or health-care facilities.

The new Cohesion Policy rules also propose creating Interregional Innovation Investments whereby regions with matching 'smart specialisation' assets would be given more support to work together in priority sectors, such as big data, bioeconomy, resource efficiency or connected mobility.



A STRONGER FOCUS ON CITIES

Cities are engines of growth and innovation – but they are also faced with pressing challenges, such as air pollution, unemployment, social exclusion, to name just a few.

Thus, the urban dimension of Cohesion Policy should be strengthened, **with 6% of the ERDF being dedicated to sustainable urban development.**

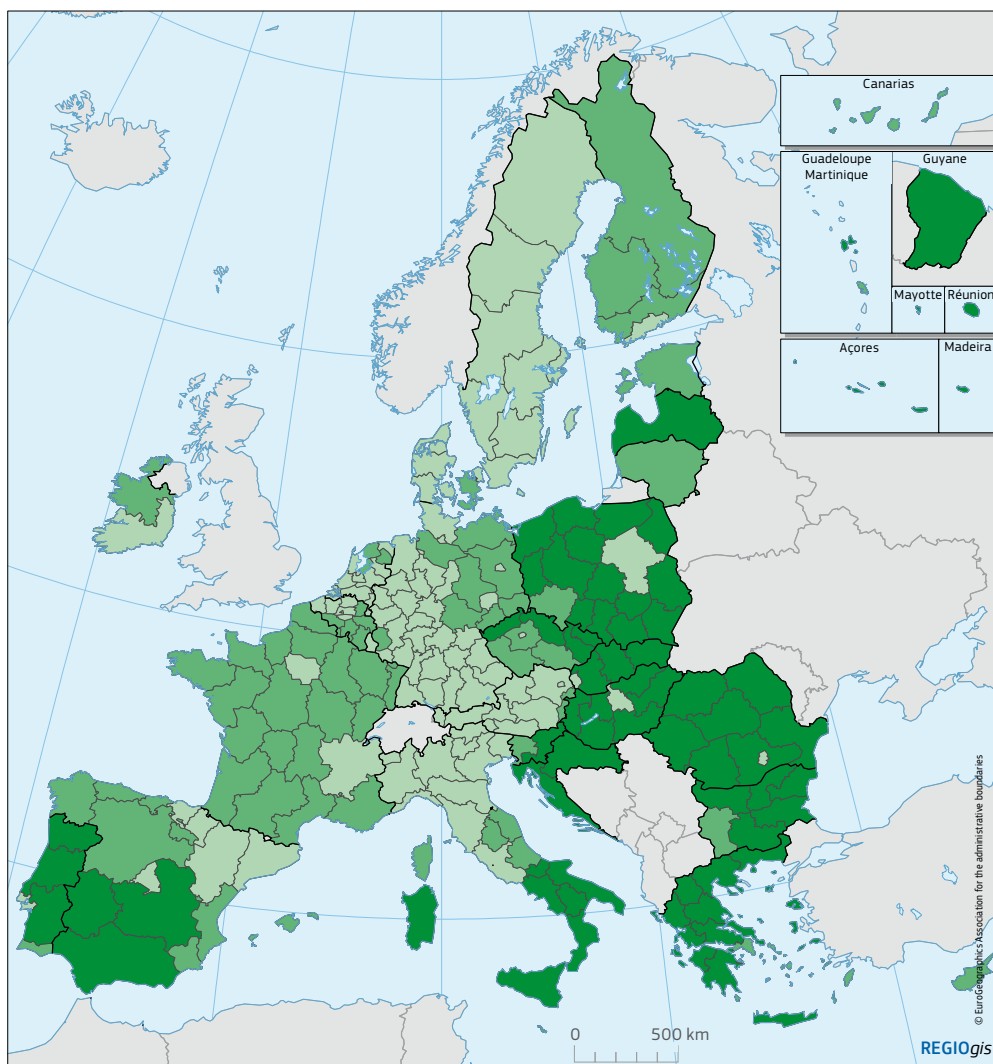
In addition, the 2021-2027 framework would also create the **European Urban Initiative**, a new tool for city-to-city cooperation, innovation and capacity-building across all the EU's Urban Agenda priorities: integrating migrants, housing, air quality, urban poverty and energy transition, among others.



All regions within the EU

According to the EC proposal, during the 2021-2027 period, Cohesion Policy should continue to invest in all EU regions, based on the previous three categories:

- **LESS-DEVELOPED REGIONS:**
with a GDP per head for the period 2014-2016 < 75% of the EU average
- **TRANSITION REGIONS:**
with GDP per head for the period 2014-2016 between 75% and 100% of the EU average
- **MORE-DEVELOPED REGIONS:**
with GDP per head for the period 2014-2016 > 100% of the EU average.



The Outermost Region of Saint-Martin is included in the NUTS2 Guadeloupe region

Focus to remain on less-developed regions

In the Commission's proposal, 75% of the ERDF and CF funding will continue to concentrate on less-developed regions:

	2021-2027
COHESION FUND (CF) – GNI/HEAD < 90% OF EU27 AVERAGE	13%
ERDF FUNDING IN LESS-DEVELOPED REGIONS	62%
ERDF FUNDING IN TRANSITION REGIONS	14%
ERDF FUNDING IN DEVELOPED REGIONS	11%
Total	100%
Share of ERDF and CF for less-developed regions	75%

And the ceiling for the EU co-financing of programmes will be lowered for each category of region:

LESS-DEVELOPED REGIONS, OUTERMOST REGIONS, COHESION FUND, INTERREG	70%
TRANSITION REGIONS	55%
MORE-DEVELOPED REGIONS	40%

Allocation per Member state



Concerning the allocation method for the fund, the EC proposal is still largely based on GDP per capita (**81%** of the weight).

However, new criteria have been added:



Labour market: youth unemployment, low education level, demographics (**15%**)



Climate change: greenhouse gas emissions in the non-ETS sectors (**1%**)



Migrants: net immigration of non-EU citizens (**3%**)

Moreover, the Commission has included limits in its calculation to avoid changes which are too abrupt in Member-State allocations:

- > **24%** lower limit – the ‘safety net’
- > **8%** ‘reverse safety net’
- > **0%** limit on increases in Member States with >120% GNI

Member State	2021-27 allocation (EUR billion, 2018 prices)	Change from 2014-2020 period (%)	Aid intensity (EUR/head)	Change from 2014-2020 period (%)
BG	8.9	8	178	15
RO	27.2	8	196	17
HR	8.8	-6	298	0
LV	4.3	-13	308	0
HU	17.9	-24	260	-22
EL	19.2	8	254	12
PL	64.4	-23	239	-24
LT	5.6	-24	278	-12
EE	2.9	-24	317	-22
PT	21.2	-7	292	-5
SK	11.8	-22	310	-22
CY	0.9	2	147	-5
SI	3.1	-9	213	-11
CZ	17.8	-24	242	-25
ES	34.0	5	105	3
MT	0.6	-24	197	-28
IT	38.6	6	91	5
FR	16.0	-5	34	-9
FI	1.6	5	42	2
BE	2.4	0	31	-5
SE	2.1	0	31	-6
DE	15.7	-21	27	-20
DK	0.6	0	14	-3
AT	1.3	0	21	-4
NL	1.4	0	12	-3
IE	1.1	-13	33	-17
LU	0.1	0	16	-14



Simplified provisions in one single rulebook

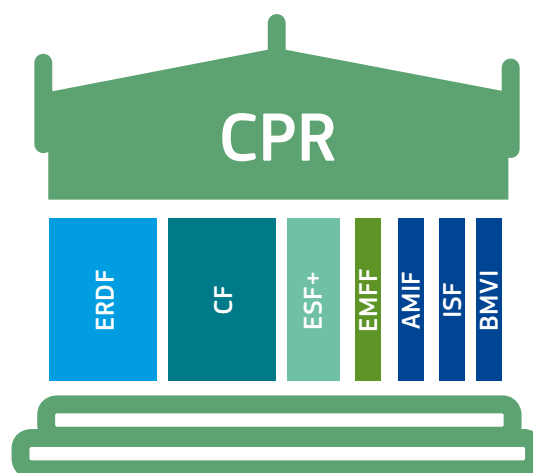
Fragmentation of the rules governing the different EU funds has sometimes made the life of the authorities managing programmes complicated and discouraged businesses and entrepreneurs from applying for different sources of EU funding.

The Commission is now proposing common provisions regulation (CPR) in **one single rulebook** for seven EU funds:

- European Regional Development Fund (ERDF)
- Cohesion Fund (CF)
- European Social Fund+ (ESF+)
- European Maritime and Fisheries Fund (EMFF)
- Asylum, Migration and Integration Fund (AMIF)
- Internal Security Fund (ISF)
- Border Management and Visa Instrument (BMVI)

Specific regulations will add certain provisions necessary to respond to the particularities of individual funds in order to take into account their different rationale, target groups and implementation methods.

This single rulebook should simplify procedures for both programme managers and beneficiaries.



It should also facilitate **synergies**, for example between the ERDF and the ESF+ in the context of integrated city development plans, for the regeneration of deprived urban areas.

The AMIF, together with Cohesion Policy funds, could finance local integration strategies for migrants and asylum seekers: the former would focus on short-term needs upon arrival (reception and health-care, for example), while the CF could support long-term social and professional integration.

In addition, new proposed provisions also enable simpler synergies with other instruments from the EU budget toolbox, such as the **common agricultural policy**, the innovation programme **Horizon Europe**, the EU instrument for learning mobility **Erasmus+**, and **LIFE**, the programme for environmental and climate action.

More flexible programming

According to the Commission's proposal, the 2021-2027 Cohesion Policy programming will be made more flexible in three ways:

- ✔ When the programmes for the 2021-2027 period are adopted, only the allocations for the years 2021-2024 will be assigned to priorities. Allocations for the remaining two years – 2026 and 2027 – will be allocated following an **in-depth mid-term review**. This will take into account changes in the socio-economic situation, new challenges identified in the context of the European Semester, and the programmes' performance to date.



- ✔ Within certain limits, resources can be transferred from one investment priority to another within a programme without the need for formal Commission approval.
- ✔ A special provision in the new rulebook makes it easier in the event of a natural disaster to mobilise EU funding from day one.

Link with the European Semester

EU investments cannot operate in isolation from the wider macroeconomic context. The Commission is proposing to strengthen the link between Cohesion Policy interventions and the European Semester of economic policy coordination, to create a **growth and business-friendly environment in Europe**.

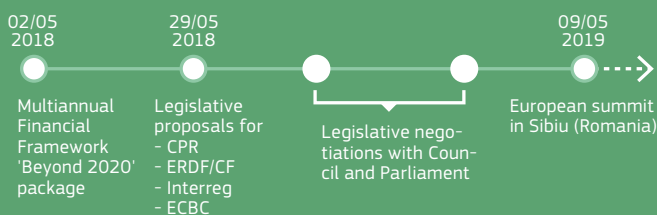
The European Semester's country-specific recommendations will be taken into account twice throughout the 2021-2027 period:

- ✓ First, as a roadmap for programming the funds and the design of Cohesion Policy programmes, at the beginning of 2021-2027;
- ✓ Then, the most recent country-specific recommendations will also guide a mid-term review of the programmes in 2024, to adjust to new or persistent challenges.

Macroeconomic conditionality is maintained to ensure EU investments operate in a sound fiscal environment. When a Member State fails to take effective or corrective action in the context of key EU economic governance mechanisms (excessive deficit procedure, excessive imbalance procedure) or fails to implement the measures required by a stability support programme, the Commission will make a proposal to the Council to suspend all or part of the commitments or payments for one or more programmes of a Member State. However, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned, recommend that the Council cancels the suspension.

NEXT STEPS

The proposal for the EU 2021-2027 budget on 2 May and the legislative proposal on 29 May are the first steps in the long negotiations process with the European Parliament and the Member States which should lead to the adoption of the regulation.



Enabling conditions

The proposed 'enabling conditions' continue the approach of the *ex-ante* conditionalities introduced for the 2014-2020 funding period. Some 20 conditions have been proposed, which correspond to roughly half the number of conditionalities in the current period.

They cover similar thematic areas to those in 2014-2020, such as energy efficiency, and also include **smart specialisation strategies** to guide investments in research and innovation.

There are also four horizontal enabling conditions in the area of **public procurement, state aid** and in relation to the application of the **European Union Charter of Fundamental Rights and the United Nations Convention on the Rights of Persons with Disabilities**.

The procedures linked to the enabling conditions are similar but have been **made simpler**; for example, there is no obligatory action plan to be submitted in case of non-fulfilment. However, Member States will not be able to send payment claims to the Commission for EU-funded projects related to unfulfilled preconditions. Their fulfilment must be respected throughout the period.

Less red tape for businesses

The proposed regulation allows the use of simplified cost options so that businesses can be reimbursed without having to present every single invoice or pay slip – they can use fixed costs and estimates for staff, insurance or rent expenses. They can also be reimbursed on the basis of results achieved. All this means a drastic reduction in administrative costs and, of course, less paperwork.

More proportionate audit and controls: for those EU funding programmes less at risk, the Commission proposes a lighter system of control based on well-functioning national procedures. The "single-audit" principle is extended, which means fewer controls for small businesses. ■

FIND OUT MORE

<http://europa.eu/!tV86kd>

Cohesion Policy: funding future EU aspirations and ambitions

Panorama asked a selection of regional actors to contribute their thoughts on the future of Cohesion Policy post-2020 and their reactions to how the latest proposals could help to strengthen it in the upcoming funding period.

Support for cities as mediators and innovative hubs

As the Mayor of Stockholm, I see that EU-funded projects are often the most visible link between citizens and the EU. ESF and ERDF funds have also brought decisions on investments closer to citizens, helping cities and regions all over Europe to tackle pressing challenges and seize untapped opportunities on the ground. This is just one reason why I regret the proposed reduction in Cohesion Policy funds in relation to the overall budget.



Karin Wanngård,
Mayor of Stockholm

However, I am hopeful that the new ESF+ can provide a more flexible approach to social cohesion and make it easier for cities to address unexpected needs and challenges. Creating cohesive and prosperous societies requires a combination of actions on labour market inclusion and social

inclusion, and I find it encouraging that the Commission's proposals reflect this reality.

I also welcome the continued and increased funding for research and innovation, both through Horizon Europe and ERDF. As the mayor of one of Europe's most innovative cities, I know how much added value EU funding for research and innovation can bring to cities like Stockholm. Investments in cities also tend to have significant positive spillover effects on surrounding regions and other parts of Europe.

Cities are mediators and hubs where academia, private companies, public administration, and civil society come together, creating test beds for innovative methods, products and services. To utilise the full potential of cities as drivers of innovation, we need funding programmes focusing on societal challenges with a clear urban dimension. I look forward to a continued dialogue about the cities' role in implementing the EU budget.



<https://www.visitstockholm.com/>

A reformed and modernised Cohesion Policy post-2020



Iskra Mihaiylova,
Chair of the EP Regional Development
Committee

The added value of Cohesion Policy stems primarily from its ability to take into account national development needs along with the needs and specificities of different regions and territories, and to bring the Union closer to its citizens. Cohesion Policy is the European strategic investment policy which contributes to the implementation and complements the main EU policies, such as education, employment, energy, the environment, the single market, research and innovation, etc.

I would like to point out that, above all, the Commission's proposal for a modernised, reformed Cohesion Policy, presented on 29 May, has the ambition to improve the policy's focus and concentration through five thematic objectives. These reflect the major EU policy priorities of achieving a smart Europe, green and circular economy,

digital technologies, better connectivity, as well as support for social Europe and investments closer to citizens.

The introduction of new criteria, besides gross domestic product, when defining the category of regions, contributes to taking a better account of local specificities of a particular region, such as youth unemployment, a low level of education, climate change, and the reception and integration of migrants.

The proposed “single rulebook” creates the conditions for more effective links with other Community funds, as well as with the InvestEU Fund and financial instruments. This is in line with the European Parliament’s adopted resolutions on building blocks for a post-2020 EU Cohesion Policy and the 7th Cohesion Report.

The inclusion of a cross-border mechanism regulation is also in line with the EP’s resolution on European Territorial Cooperation (Interreg), which called on the Commission to establish a legal tool to address the legal obstacles faced by border regions.

The reinforced link between Cohesion Funding and EU values and economic governance will improve the investment environment for the effective implementation of EU funds.

In its resolution on the next MFF, adopted in May 2018, the European Parliament reaffirmed its position to have adequate funding for key EU policies to enable them to effectively carry out their tasks and objectives, including preserving Cohesion Policy funding to at least the level of the 2014-2020 budget.



European Parliament

<http://www.europarl.europa.eu/portal/en>

Relaunching the European project and agenda

As president of the European Economic and Social Committee (EESC), I am paying much attention to the debate triggered by the Commission’s proposals on the next multiannual financial framework (MFF) package and the sectoral legislative proposals for spending programmes.

The reason is simple: I am utterly convinced that the European project and agenda have to be relaunched. Despite some hiccups, the first 60 years of the European Union have been an unprecedented success, bringing peace, prosperity and solidarity.

That said, if we want – and this is what the EESC is committed to – to ensure that the EU can address the challenges of the 21st century, we must make sure the financial means are able to match its ambitions.

On 2 May, I declared that the Commission was right to boost funding in “new” policies such as migration, defence and climate change, and also to increase financial resources for research, investment and culture.

We are all aware that the Commission has to face the departure of the UK, which is currently a net contributor. This is why, like other institutions, I called for an increase of the current ceiling on EU spending from 1 % to 1.3 % of gross national income, rather than 1.13 % as proposed by the Commission.

However, I would have expected and welcomed more ambition in the MFF and a much stronger reference to the 2030 Agenda and the Sustainable Development Goals.



Luc Jahier,
President of the European Economic
and Social Committee

I also maintain my reservations regarding the cuts the Commission is proposing to the Cohesion Policy (as well as to the common agricultural policy).

In times of crisis, the Cohesion Policy has proved to be efficient in helping the most vulnerable European citizens. Furthermore, in many cases, it is the face of Europe in the Member States. In the same vein, and especially after the Proclamation of the European Pillar of Social Rights in November 2017, we want to be sure that proper resources aimed at social cohesion are really there.

The EESC – while keeping an eye on how the Member States and the European Parliament will further address this crucial file – will adopt its opinion on the MFF in September as well as a number of opinions relating to the sectoral legislative proposals.



European Economic and Social Committee

<https://www.eesc.europa.eu/en>



Finding a new and dynamic narrative for a strong Cohesion Policy

As President of the European Committee of the Regions, I am often asked whether I view the European Commission's recent proposals on the future of Cohesion Policy as a glass half full or half empty.

The glass maybe viewed half full if we consider the Commission's credible attempt to simplify rules, provide more flexibility and strengthen local solutions. Indeed, it is a positive that the focus of Cohesion Policy will continue to remain at the regional level for all regions in Europe. Furthermore, it is positive that it will remain the EU's main investment policy despite opposing voices from the Commission last year.

Nevertheless, I must also agree with those who take a less optimistic view, pointing towards overall cuts in Cohesion Policy of 10% as well as the reduced focus on partnerships, even though the Commission reinstated the principle of multi-level governance in the regulation at the very last minute. Also, the proposed cut for the European Territorial Cooperation objective of more than 12% and scrapping Interreg Europe are clearly proposals I cannot accept. Interreg is a trademark of EU regional policy and a European success story which cannot be destroyed.

My biggest concern is the fall in cohesion between the different Structural Funds. The rural development instrument is no longer part of the Common Provision Regulation, and the European Social Fund seems set for a future more aligned with the European Semester. Cohesion Policy has lost some of its soul



Karl-Heinz Lambertz,
President of the European
Committee of the Regions

at a time when more togetherness and solidarity are being demanded by the thousands of citizens we have consulted over the past 12 months. Finding a new and dynamic narrative for a strong Cohesion Policy for the future of Europe is therefore of critical importance in the months and years to come.

That is why the #CohesionAlliance – which the European Committee of the Regions launched together with the main European associations of regions and cities – will continue to push for a strong Cohesion Policy as part of a strong European Union. Throughout EU budget negotiations, it will continue to make the case that Cohesion Policy is the most powerful weapon to fight populism, to promote European integration and create a Europe that is heard and felt in the lives of all citizens.



**European Committee
of the Regions**

<https://cor.europa.eu/en/Pages/default.aspx>

Creating synergies and better addressing societal challenges

The Assembly of European Regions (AER) welcomes the Commission's proposal of a Cohesion Policy for all. It includes well-needed simplifications and a more flexible framework. However, the EU cohesion budget is less ambitious than we had hoped.

The proposed cuts to Cohesion Policy show a lack of commitment to scale up a budget that works towards economic, social and territorial cohesion across the EU. It is a policy that has delivered development in all of Europe's regions. Moves to centralise Cohesion Policy and use it for structural reforms without involvement of the regions is worrying. The success of the policy lies in its closeness to the local and regional level and Europe's citizens.



Magnus Berntsson,
President of the Assembly
of European Regions

Furthermore, proposing of European Social Fund as a standalone fund concerns us as it indicates a distinction between the regional and social fund. Such decisions are likely to undermine the Union's ability to achieve sustainable, inclusive and smart growth outcomes in the future.

In my home region, Region Västra Götaland (Sweden), we have coordinated calls to pool the regional fund and social fund to create synergies and efficiently address societal challenges. I hope the new legislation will take these successful methods into account. Regions must remain as central actors in the management and implementation of the fund.

As a member of the Cohesion Alliance, AER will work resolutely to make sure that Cohesion Policy remains a true regional policy that builds on the principles of multi-level governance and subsidiarity. The policy is one of our most powerful tools to improve the quality of life for Europe's citizens while also creating European added value. AER believes a strong renewed Cohesion Policy for all regions is essential for the future of Europe.



<https://aer.eu/>

A stronger partnership for Europe and its citizens

As we scrutinise the Commission's new proposals to understand what Cohesion Policy might look like post-2020, let's keep the overall picture in mind: a Europe that badly needs to deliver results that matter to people. The Commission proposes an explicit focus in the next funding period on a Europe closer to its citizens. While this is positive, the question is how to make it work in practice?

75 % of the EU's population live in urban areas, where European challenges related to sustainable, inclusive and smart developments come together. The success of the next round of Structural Funds will depend on how it is geared to tackle these challenges in cities. To deliver effective results, it will be crucial to ensure that cities are at the table when programme priorities are negotiated, and policy instruments facilitate joined-up approaches locally.

The partnership principle is strong in the new proposals. However, we want to make sure that it moves from principle to practice. When the level of government closest to the citizens – the city – is fully involved in setting priorities, it is clear that programmes stand a better chance of matching the local realities they are designed to support.

In cities, challenges do not come in policy sectors – they are complex and often linked to places. We are very concerned about the new proposals isolating funding for social inclusion, employment and skills. This undermines cities' ability to deliver joined-up solutions locally. Cohesion Policy post-2020



Anna Lisa Boni,
secretary general of EUROCITIES

must strengthen the means for urban strategies to combine support from both the ERDF and ESF+, not weaken them.

Cohesion Policy is a strong symbol of European solidarity and unity. It is the glue that can hold Europe together, with unique possibilities to make a difference to citizens. If we get the conditions right to bring cities fully on-board and provide the policy tool that works locally, we can set Europe off on the path to a stronger future.



http://www.eurocities.eu/eurocities/about_us/staff



Contributing to the sustainable developments of the territories

The European Commission's proposal is a step in the right direction, although it does not provide a truly integrated approach of all relevant funds.



Stefano Bonacini,
President of the Emilia-Romagna
Region and the Council of European
Municipalities and Regions

The Emilia-Romagna Region welcomes the European Commission's proposal for the new regional development and Cohesion Policy beyond 2020, recognising that a number of key issues, expressed in our position paper, were taken into consideration. However, some elements remain for discussion with the European Parliament and the central governments in the coming months of negotiations.

We appreciate that all regions will remain eligible to receive funding – less-developed, transition and more-developed regions – and that within its five policy objectives the Commission includes one on “a Europe closer to its citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives”. Nevertheless, CEMR believes that all policy objectives must contribute to sustainable development of the territories, taking into account their specificities and particular needs.

The CEMR also welcomes the wider focus of urban sustainable development, which now foresee 6% for community-led local development and integrated territorial investments and also covers small and medium-sized cities and towns.

On the other hand, we regret there is no substantive reference to the Sustainable Development Goals, either in the General Provision Regulation or in the ERDF. CEMR has been promoting the SDGs as an overarching strategy for the future Cohesion Policy. We also deplore that there will be no single rule-book for all funds – this only amounts to harmonised guidance, which in practice will not have the same effect as integrated common rules for the ERDF, ESF and EAFRD.

We acknowledge that the European Commission had a difficult time preparing this proposal against competing demands when Cohesion Policy and its budget were put in serious doubt. We will ensure that the new 2021-2027 proposals work for the local and regional levels.



<http://www.ccre.org/en>

Protecting the core principles of Cohesion Policy

The European Commission's proposal for the post-2020 EU budget contains some positive steps but does not fully realise the long-term ambition required to shape Europe's future.

The proposal to introduce new own resources is a welcome move, and the proposed budget is at roughly the same level as the current one, despite the financial gap that Brexit will leave.

But the budget does not reflect the greater number of priorities that need to be tackled at the European level. Instead, funding has been redistributed away from traditional policies, such as Cohesion Policy, to new priorities, like migration and security.



Eleni Marianou,
secretary general of the Conference
of Peripheral Maritime Regions

If the budget is to work for its citizens then shared management programmes, such as those falling under Cohesion Policy, must be at the heart of reforms.

In terms of the Cohesion Policy proposal on 29 May, the Commission's DG REGIO has produced a balanced package covering all European regions, confirming that Cohesion policy remains

the only European policy to address the EU's growing regional inequalities.

However, there are concerns about cutting Cohesion policy by 10% in real terms; using Cohesion Policy to serve the European Semester more directly, particularly the European Social Fund (ESF); cutting the Interreg budget by 12% and eliminating cross-border maritime programmes; and undermining the shared management approach by introducing possibilities to transfer funds.

The onus is now on the European Parliament and the Council to protect and strengthen Cohesion Policy's core principles. The CPMR will ensure that it contributes to the building blocks for a policy that is able to reinforce economic, social and territorial cohesion in all regions.



**CPMR
CRPM**

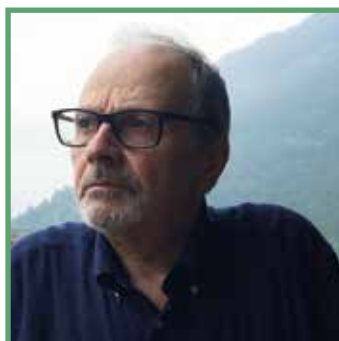
<https://cpmr.org/>

Protecting those at risk of poverty or our defence and security industries?

In recent weeks, we have seen a host of proposals from the Commission for the next MFF. We should never forget that setting the EU budget is an inherently political process, with long-lasting implications for the 118 million Europeans living at risk of poverty.



Leo Williams, director,
European Anti-Poverty Network



Vito Telesca, executive committee
member, European Anti-Poverty Network

The Commission has proposed “a budget that protects and empowers”. But who, or what, does it protect and empower? We argue that a 7% cut in Cohesion Funds, coupled with a 22-fold increase in the defence budget and large increases for border management, funding 10000 border guards, means that this is a budget which protects and empowers our security, borders and defence industries, rather than the almost 25% of Europeans living at risk of poverty.

This is not the political message we should be sending to our citizens, to people experiencing poverty. Poverty eradication and social inclusion are public goods, and the MFF must recognise this. Adequate funding for social policies, social protection and public services is vital to the implementation of the Pillar of Social Rights and the SDGs, to fight inequality, poverty and social exclusion – and this means that 30% of the proposed ‘ESF+’ fund must be dedicated to this fight.

Cutting the Cohesion Funds is unacceptable – we must resist the ‘TINA’ (There Is No Alternative) narrative with alternative political options. Social investment should never be considered as excess spending – it is good for all Europeans and a prerequisite for tackling poverty and social exclusion.

Early investments in this fight mean less money is needed to counteract the outcomes of poverty and social exclusion. The Council and Parliament must rise to the challenge and ensure a budget which prioritises people over defence – not a cent less for social, not a cent less for Cohesion Policy.



EUROPEAN ANTI POVERTY NETWORK

<https://www.eapn.eu/>



Pushing for a more socially sustainable Europe

For the Social Platform, the next multiannual financial framework (MFF) is an opportunity to shift the balance of the EU budget towards people-centred policies. Investing in social cohesion and inclusive policies is a prerequisite to more resilient economies, safer societies and upward convergence across the Union.



Jana Hainsworth,
President of Social Platform

As the EU's main investment instrument, a Cohesion Policy that strongly promotes social objectives is key to this endeavour. In this respect, we enthusiastically note that the Commission's sectoral budget proposals make a valuable contribution to a more social Europe.

The future European Social Fund (ESF+) is of particular relevance in this context. The proposal sets clear investment objectives to support the implementation of the European Pillar of Social Rights with its key principles to promote quality employment, education and social inclusion. This is supported by an enabling regulatory framework which strongly promotes sustainable development through local initiatives – an encouraging push towards a more socially, environmentally and economically sustainable Europe.

Delivering on these objectives together with the European Pillar of Social Rights will require strong and equitable partnerships between public authorities, social partners and civil society. Together with our members, representing 49 civil society umbrella organisations working in the social sector across the EU, we will closely monitor the MFF interinstitutional negotiations and advocate for an ambitious Cohesion Policy which can deliver social progress for all.

socialplatform

<http://www.socialplatform.org/>

European funds for all – investing in people

There is no doubt that Cohesion Policy is essential to create a Europe for everybody. Over the years, the Cohesion Policy and funds have made an important contribution to the inclusion of people with disabilities, even in Europe's most remote regions.

However, the post-2020 proposal concerns me. The proposed budget cut will affect Europe's most disadvantaged, especially in regions where they are most vulnerable. At a time when anti-European sentiment is growing, this reduced budget risks stoking those flames. Furthermore, it risks creating two Europes – those who are prospering and the socially excluded who will be driven further away from the European project.



Yannis Vardakastanis,
president of the European
Disability Forum

That said, we acknowledge the Commission's efforts to simplify the funds. We hope that this simplification will ensure more people with disabilities can access funding and see a real, positive difference in their daily lives. To make this a reality, it is essential that regulations guarantee civil society organisations are meaningfully involved from the very beginning of the process. The provision for partnership must be kept and

defended during negotiations. This is the surest way – the only way – to ensure funds reach the most disadvantaged.

I am also pleased to see that the Commission has kept *ex-ante* conditionalities and references to the Pillar of Social Rights, the European Social Charter and, of course, the UN Convention on the Rights of Persons with Disabilities (CRPD).

This year, we finally have universal ratification of the CRPD by the EU and its Member States. Yet, 10 years of austerity have led to a lack of investment in inclusion and poverty reduction. It is estimated that more than 1 million Europeans are living in institutions. We must turn this around.

It is also very worrying that references to accessibility, which were in the last regulations, are absent. Years of effort and progress from the Commission and the disability movement risk being lost. Accessibility is essential for our participation in society. I trust European policymakers will listen to our call and add accessibility in the horizontal principle promoting equality and non-discrimination, and throughout the regulation.

I want a Europe that includes me. We need a strong Cohesion Policy to make it happen.



<http://www.edf-feph.org/>

Focus on long-term growth and competitiveness



Markus J. Beyrer,
Director General of Business Europe

Businesses believe that the EU's budget post-2020 should reflect its future priorities and concentrate efforts on enhancing our competitiveness, particularly in areas where the EU can deliver concrete benefits and help to prepare industry for megatrends, such as digitalisation or energy transition.

We would like to see a reform-oriented budget which supports the involvement of social partners in delivering labour market reforms, notably through an improved European Social Fund. Furthermore, the EU should boost the success of Cohesion Policy by turning it into an integral part of a European investment strategy, with an adequate financial framework to support a cohesive Europe.

We welcome the fact that the Commission's proposal clearly reflects new priorities in the areas of migration, security and defence, where action at EU level can lead to more efficient spending and better results. Whilst we acknowledge its greater focus on future-oriented investment in its recent MFF proposal, more ambition is needed to foster long-term growth and competitiveness in the EU. We urge all political decision-makers to

prioritise and build on the Commission's increased emphasis on EU competitiveness, especially research and innovation, in the forthcoming negotiations.

It is essential that all parties work towards reaching a swift agreement on the MFF post-2020 before the European Parliament elections in May 2019. We cannot afford delays in powerful investment incentives at a time when the USA is moving on with a major tax reform and China is implementing the Belt and Road Initiative.



<https://www.business europe.eu/>



Post-2020 Cohesion Policy: something for everyone but at what cost?

The Commission's recent MFF proposals intimated reduced funding of approximately 7% for the post-2020 Cohesion Policy. As negotiations commence, this cut could deepen. This has not prevented an acceleration in the Policy's ambition – stronger links to the European Semester and conditionalities, more focus on delivering structural reforms and boosting EMU resilience. At the same time, the request for more simplification and greater flexibility in implementation has been acknowledged. A balancing act has been carefully crafted to offer something for everyone, but at a price:

- ✔ A renewed focus on lagging, rural and cross-border regions while continuing the territorially-blind approach to facilitating agglomeration effects; and
- ✔ Commitment to economic convergence while conditioning funds with adherence to the rule of law.

Will these trade-offs diminish the Policy's ethos? Stronger political leadership could significantly improve the tone of the debate – at EU, Member State and local levels – in the months to come. This will also require all partners across the Cohesion Policy community to acknowledge what is feasible within the bigger picture of a more constrained MFF budget with more priorities to serve.

local resilience) will play second fiddle to this political agenda. This would be an own goal for all partners.

There is still much to deliver for the EU's cohesion agenda (socially, economically and territorially). The Policy's added value will be better evidenced when trade-offs are acknowledged.



<http://www.epc.eu/>



Alison Hunter, EPC Senior Adviser on Regional Policy, Regional Innovation and Industrial Growth



Robin Huguenot-Noël, EPC Policy Analyst on the Sustainable Prosperity for Europe Programme

- ✔ A hands-off and proportionate management approach while proposing stronger centralisation (e.g. of social policy);
- ✔ The continued quest for improved economic and innovation performance but no underpinning of the EU growth strategy;
- ✔ More spending flexibility but tighter surveillance under the European Semester;

Member States should look beyond pronouncing a budgetary victory on their home ground. At the same time, regions should combine renewed scope to carve out tailored solutions, with greater ownership of the Policy's performance. In the coming months, there is a strong chance that Cohesion Policy's role (in both promoting the value of the EU project and targeting support for greater regional/

Bolder response needed to combat climate change

For nearly three decades, Cohesion Policy has been an expression of economic, social and territorial solidarity across the different regions of the EU. It has also proven to be a catalyst in the fight against climate change and the transition to a low-carbon energy system, by providing public investments in sectors like transport, energy and construction, which are major sources of greenhouse gas emissions in Europe.

On 29 May, the Commission unveiled its proposal regarding the future Cohesion Policy after 2020, revealing renewed ambition with a smaller number of policy objectives, higher earmarking of funds to combat climate change, and reinforced links with the EU's 2030 energy and climate targets.

But the next EU budget and its subsequent regulations come at a time when the climate imperative has never been more pressing. At this point, the aforementioned improvements around policy objectives fall short of the bold action needed to avoid catastrophic climate change.

While drastic action is needed to steer the energy transformation, some simple steps can be taken: an even higher earmarking, backed by an improved climate-tracking methodology is needed, as advised by the European Court of Auditors.

At the same time, elements within Cohesion Policy that support the involvement of local actors like the Partnership Principle and the Community-Led Local Development approach are still too dependent on the discretion of Member States. Clarification around these elements, as well as new, specific



Raphael Hanoteaux,
EU policy officer, CEE Bankwatch
Network

ex-ante conditionalities regarding public participation are crucial to ensure that Cohesion Policy properly supports a bottom-up energy transformation.

The Commission's proposal on Cohesion Policy is a welcomed first step. The ball is now in the court of Member States and the European Parliament, which must demonstrate a commitment to fight climate change by unlocking the full potential of the EU's most successful policies in this area.



<https://bankwatch.org/>



Yldau and Fabian at the start of the Atlantic Route in Lisbon

On the road with Europe's youth

The Road Trip Project, launched this spring by the European Commission's Directorate-General for Regional and Urban Policy, is first and foremost a human adventure. Young people from different backgrounds embark on a journey throughout Europe to explore a variety of projects and initiatives funded and enabled by the European Union.

The aim is to provide young Europeans with a fresh opportunity to experience first-hand what the EU stands for and what it does on the ground.

Four teams of two young people set off on a month-long European road trip along pre-defined routes. On the way, locals join the travellers on the road for a while and introduce them to their local life and scenery. The journeys stretch across the continent, from the Mediterranean coast to the Baltic Sea, and along the Atlantic Ocean and the River Danube.

Regular brief updates including short videos are posted on Instagram and Facebook, as well as longer videos at the end of each week.

Of the four routes, two (the Mediterranean and Atlantic) have already been completed; below you can read the participants' thoughts on what they learnt from their road trip experience.

“When I thought about the European Commission before, I did not know a thing about what they were doing, and I assumed that what they were doing would be very boring. This month I learned a lot. I got the chance to visit projects funded by the EU and I must say that really surprised me in a good way. It was not boring at all and all the projects we visited are very important for us to get a better future. For example, our water: in the Netherlands, our drinking water is very good, so I just use it and I don't think about any problems regarding that. In Spain, they told me that in a few years drinking water can become a big problem in the world. That's why they designed a way to recycle the water we use in the shower to flush the toilet, because it is really wasteful to use clean drinking water for that.



I think it is very important to have initiatives like this. And next to having these initiatives, I think it is important that people know about them. The Road Trip Project gives young Europeans an insight and I am really happy about that. I hope, just like me, they will have a better idea of what is happening now.”

YLDAU (24, Netherlands, Atlantic route)

“I have been living in Europe for almost five years. In some ways, I felt part of Europe but during the Road Trip Project I had the chance to become more involved in European culture, meeting different people every day and each one of them unique in their own way. I see Europe as one big country thanks to the European Union principle of avoiding borders and being united. Apart from all the experiences and places we visited during this month on the road, what I value the most is the people with whom I spent every single day (Yldau, Ynke, Frank and Sidney). Now they are my friends and friendship is priceless for me.”



FABIAN (25, Ecuadorian living in Vilnius, Lithuania, Atlantic route)

“When I ask myself where do I come from, Europe feels like the right answer. In 2016, I went on an Erasmus exchange and met people from all over the continent. Since then I was 100% sure that my values and my view on the world are not German but European.

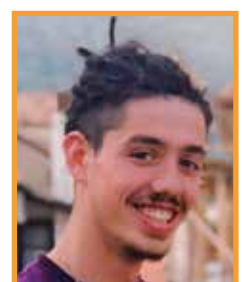


While being on the road with my four new friends, I did not only learn about Belgium and its slightly different culture (compared to my country) but also recognised how similar we all felt about our European adventures. No matter how far we travelled, the people we met laughed about the same jokes and worried about the same things as we do. They made us feel and understand the meaning of the European Union. It connects us, the European people, for the sake of a supportive and peaceful community.

I also realised that the EU is not only taking place in Brussels – it is also people who recognise problems in their regions and who get active to make a change, and it is them who really make the EU alive. And although I didn't only hear positive things about the EU, I think nowadays it is more crucial than ever to connect countries and to focus on similarities instead of differences.”

LOUISA (26, Germany, Mediterranean route)

“I've now been back in my home country for a while and I still have not fully processed the road trip. This is because it's left such an impression on me – all those different countries, people and cultures; it has completely changed my idea of what Europe is like! And I am immensely grateful for the project! But it is not just my impression of the EU countries that has changed, but also my impression of the EU itself. I have seen how some of the projects provide support and help growth and this gave me a warm feeling. It is perhaps a little stereotypical, but when I thought about the EU I thought of men in tailored suits, sitting around a large round table and making decisions about the world. This is the case, but they also work very closely with small local projects that are doing their best to create a good future for both people and nature. Basically, after the road trip, I had a much broader idea of what it is all about and I am extremely proud to be a part of this and to be able to call myself European.”



LOUIS (21, Belgium, Mediterranean route)





The unique solar-powered 'green boat' took the travellers to a secret island between Greece and Albania

FIND OUT MORE



<https://roadtripproject.eu/>



<https://www.facebook.com/EUinmyregion/>



<https://www.instagram.com/euinmyregion/>



<https://www.youtube.com/user/RegioNetwork>



NEWS [IN BRIEF]

EUROACCESS MACRO-REGIONS INFO POINT AND FUNDING SEARCH TOOL LAUNCHED

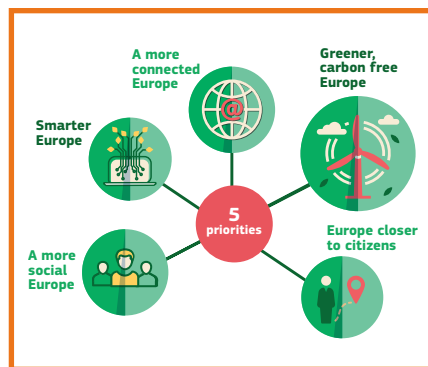
Since 2016 EuroAccess has been a central online information point on EU funding opportunities in the Danube region. It has proven so successful that the site has now been extended to cover all four macro-regional strategies: the EU Strategy for the Adriatic and Ionian Region, the EU Strategy for the Alpine Region, the EU Strategy for the Baltic Sea Region and the EU Strategy for the Danube Region.

EuroAccess, acting as a gateway to EU funding, provides the key data of more than 200 EU funding programmes, including (but not limited to) all Interreg programmes that operate within the geographical scope of the EU macro-regional strategies. Potential applicants can look for open calls for project proposals and filter results based on their type of organisation, their country of origin, and the thematic focus of their project idea, amongst others. ■

FIND OUT MORE

www.euro-access.eu

'STAIRWAY TO EXCELLENCE' HELPS REGIONS BECOME MORE INNOVATIVE



The Commission is renewing the initiative 'Stairway to Excellence', to continue to provide tailored support and expertise to regions lagging behind in terms of innovation. Re-launching this summer, the initiative, coordinated by the Joint Research Centre, will help regions develop, update and refine their smart specialisation strategies ahead of the start of the 2021-2027 budgetary period. It will also help them identify adequate EU resources to finance innovative projects, and pair up with other regions with similar assets to create innovation clusters. ■

FIND OUT MORE

<http://europa.eu/!wJ78cQ>

#EUINMYREGION CAMPAIGN PROMOTES A SUMMER OF DISCOVERY



The annual EU-wide campaign to show citizens the EU-funded projects in their own regions. This is achieved through involving citizens to explore thousands of EU projects with their own eyes, and by encouraging people to share images and experiences via social media and contests. Photography and blogging contests are proving as popular as ever, and the campaign website now also features videos and testimonials from professionals who paid a visit to a project in Charleroi in Belgium, as well as an interactive map making it easy to find participating projects across the continent. ■

FIND OUT MORE

<http://europa.eu/!BD89TH>



Samuel Beckett bridge, Dublin

Irish inroads into innovation

Cohesion Policy was long known for paving Ireland's motorways but is now increasingly fuelling its economic growth engine with support for innovation and SMEs. New competitiveness is especially important as the country braces for potential fallout from Brexit.

Situated in the North Atlantic to the west of the United Kingdom, Ireland spans some 70 000 km² and has a population of 4.76 million, a third of whom are aged under 25. It joined the European Economic Community in 1973 and has been part of the euro area since 1999.

Following a period of rapid economic growth from the mid-1990s to the late 2000s that earned it the 'Celtic Tiger' moniker, Ireland was hit hard by the global financial crisis beginning in 2008 that ultimately required an EU and International Monetary Fund-led bailout followed by years of fiscal austerity.

Fast forward to 2018. Ireland's strong economic performance gives little hint of the past crisis and is among the best in Europe. Its GDP expanded by 7.8% last year, making it the EU's fastest-growing economy in 2017. And its unemployment rate, at 5.9% in April 2018, is well below the EU average.

With the low-tax environment attracting a large number of multinationals, the industrial sector dominates Ireland's economy, totalling 38.9% in 2016. Wholesale and retail trade,

transport, accommodation and food-service activities are also important contributors. For example, Ireland's agri-food exports exceeded EUR 1 billion per month for the first time in 2017, according to the Irish Food Board, with the UK being its most valuable market.

Overall, intra-EU trade accounts for 51% of Ireland's exports, with the UK and Belgium tied as top partners at 13% each. As for imports, 68% come from within the EU, with the UK ranked first at 29%.

Given the volume of trade between the two countries and their geographical proximity, Ireland is among those EU nations most affected by the UK's decision to leave the European Union – and is therefore overshadowed by uncertainties regarding the ramifications of Brexit.

Investing in innovation and competitiveness

Cohesion funding continues to play an important role in the development of Ireland's economy. For the 2014-2020 period, the country will receive up to EUR 3.4 billion in support from European Structural and Investment (ESI) Funds and an estimated EUR 2.6 billion – or 79% of the total – had already been allocated to projects by the end of last year.

These ESI Funds, in particular the European Regional Development Fund (ERDF), are helping Ireland address key challenges to inclusive growth and convergence. This includes prioritising

“Cohesion funding continues to play an important role in the development of Ireland’s economy. For the 2014-2020 period, the country will see up to EUR 3.4 billion in support from European Structural and Investment Funds (ESIF) and an estimated EUR 2.6 billion – or 79 % of the total – had been allocated to projects by the end of last year.”

public and private investment in innovation – especially in small and medium-sized enterprises (SMEs) seen as lagging behind Ireland-based multinationals – as well as fostering the development of new products and services by supporting cooperation between Irish companies and research institutes. This is particularly pertinent amid Brexit ambiguity and risks since boosting the competitiveness of businesses could lead to new, alternative markets for Irish products.

Against this backdrop, 35 % – the largest allocation – of ERDF co-investment for Ireland is going towards research, technological development and innovation (RTDI).

This focus has already paid off on multiple fronts. Results include the creation of 3 400 new jobs in ERDF-supported businesses and financial co-investment support for 35 000 businesses. Seventy new start-ups and spin-offs were founded following the active involvement of 900 businesses with co-funding strategic research centres. Meanwhile, some 860 new researchers are working towards innovations that have led to 250 new business licences. Furthermore, the Northern and Western region covered by the ERDF’s BMW programme was chosen as a European Entrepreneurial Region for 2018.

The Commission’s 2018 Country Specific Recommendations for Ireland suggested action be taken to foster the productivity growth of Irish firms, in particular that of SMEs, by “stimulating research and innovation with targeted policies, more direct forms of funding and more strategic cooperation with foreign multinationals, public research centres and universities”. These actions would expand on the previous year’s recommendations. The ERDF investments for the 2021-27 funding period would be closely linked to the European Semester and Country-Specific Recommendations.

The Commission proposal for the 2021-2027 period allows more developed member states like Ireland to invest 85% -100% of their ERDF allocation to innovation. This would enable a member state who will decide to do so to have a big leap to the future competitiveness. >



The roll-out of superfast broadband is also an area seeing ERDF co-investment. Once fully in place, the National Broadband Plan will help overcome connectivity challenges both for SMEs and private citizens by spreading internet access at European Gigabit Society-targeted speeds across some 90% of the country, which is especially important for the more isolated rural regions.

Irish businesses are awaiting access to such a state-of-the-art network since swift and reliable internet is a lifeline and key to growth and international sales via e-Commerce.

Cohesion funding is also helping Ireland's transition to a low-carbon economy, with over EUR 120 million in ERDF support. Projects aimed at energy efficiency and cutting greenhouse gases have already progressed well.

Furthermore, support is focusing on boosting the Irish working population's digital skills so as to make them more marketable, a shortfall singled out in the 2018 Country Report for Ireland and in a scoreboard linked to the European Pillar of Social Rights.

Cooperating through Cohesion Policy

Looking ahead, Ireland sees Cohesion Policy as an important cornerstone for growth – both for itself and the EU as a whole. Cohesion Policy has the potential to play a key part in strengthening and reinforcing the Union's capacity to deal with the challenges that lie ahead. ■

KEY ACHIEVEMENTS OF ERDF 2014-2020 CO-INVESTMENT TO DATE:

- enterprise training for 50 000 participants
 - financial co-investment support for 35 000 businesses
 - enterprise training activities for 30 000 students
 - management, marketing and export training for 30 000 businesses
 - 3 400 new jobs in ERDF-supported businesses
 - 900 enterprises engaged with strategic research centres leading to the creation of over 70 new start-ups and spin-out companies
 - 860 new researchers working towards innovations
 - 270 new industrial partners working with research centres
 - the granting of 250 licences as a result of research
-

Ireland

Population

UN projections estimate Ireland's population at around 4.8 million. Located in the North Atlantic, Ireland is the third largest island in Europe covering an area of 84 421 square kilometres. Ireland covers 5/6th of the island and Northern Ireland (part of the United Kingdom) covers the rest. Dublin is the capital and largest city in Ireland with an urban population of 1.11 million.

Economy

According to new European Commission estimates, Ireland's economy grew by 7.8% in 2017, three times faster than the wider euro area. Its economic prospects remain bright, although risks have heightened: real GDP rose by 7.4% year on year and is expected to further increase by 4.4% in 2018 and 3.1% in 2019. In its latest quarterly outlook, the business and employers' group (IBEC) predicts growth of 4.2% in 2018, considered strong enough to withstand any negative effects from Brexit-related uncertainty.

Labour market

Hitting 5.9% in April 2018, Ireland's unemployment rate is well below the EU average. In January 2018, the government announced reforms to link funding of higher education institutions to delivering key national priorities, including better alignment to skills needs in the economy, higher levels of performance and innovation, expansion of research; particularly with enterprise partners, better access for students at a disadvantage, and improving lifelong and flexible learning opportunities. These measures will further back ERDF and ESF 2014-2020 policies and targets in the country.



Key sectors

The export sector, led by machinery and equipment, computers, chemicals, medical devices, pharmaceuticals, foodstuffs and animal products, is dominated by foreign multinationals which are an important component of the economy. Ireland's agri-food sector is very dependent on the UK market, with over 43% of Irish agri-food products going to the UK in 2015. Ireland's agri-food exports exceeded EUR 1 billion per month for the first time in 2017. When non-edible products such as forestry are included, total agri-food exports hit EUR 13.5bn in 2017. The dairy sector was the strongest performer with a 19% surge bringing dairy exports to over EUR 4bn. The beef sector also performed well with export sales up by 5% to almost EUR 2.5bn.

Smart specialisation, research and innovation

Ireland is a strong innovator with smart specialisation priorities in: manufacturing and industry; information and communication technologies; energy production and distribution; human health and social work; and key enabling technologies.

Further public expenditure in RTDI is still needed to make indigenous Irish-owned firms more dynamic and innovative and thus more competitive in the global market place. Furthermore, they must identify alternative new markets to compensate for the Brexit fallout. The ERDF OPs are currently co-investing 35% in RTDI, its largest share of allocation from its total 2014-2020 co-investment in Ireland. >

LAUNCHPAD FOR FUTURE START-UPS

The **PorterShed** is an initiative to support tech start-ups with global ambitions. Located in the heart of Galway City Centre, the project is the first phase in creating an innovation hub to support high-potential start-ups and SMEs in the West of Ireland. Built on community, collaboration and connectivity, PorterShed provides a co-working space for entrepreneurs along with other assistance such as access to investors and financial advice.

The companies using the facilities span a variety of IT fields including software, film development, customer service, language education, contactless payment, fashion and training. PorterShed, which is acknowledged as a showcase for Galway's technology start-up scene, houses over 30 innovative companies and more than 90 members, plus hot desks for casual members and an open space for events and workshops.

<https://portershed.com/>



AN INSIGHTFUL APPROACH TO DATA ANALYTICS

The **Insight** Centre for Data Analytics is a joint initiative between researchers at Dublin City University, NUI Galway, University College Cork, University College Dublin and other partner institutions. Insight brings together more than 400+ researchers, EUR 100m+ funding, and with over 80+ industry partners, to position Ireland at the heart of global data analytics research.



By enabling better decision-making, data analytics has the potential to improve our approach to everything from hospital waiting lists to energy use and advertising. At the interface of academia and industry, it is currently carrying out research projects which are expected to benefit fields such as chronic disease management and rehabilitation, novel personal sensing, connecting health and life sciences, and the analytical society. These are all modern fields offering future high-skilled jobs and growth potential for the Irish regions. The Insight cooperation has also created several spin-out and start-up companies.

<https://www.insight-centre.org/>

LOCAL SUPPORT TO BOOST SME COMPETITIVENESS

The **Local Enterprise Offices** (LEO), under the umbrella of Enterprise Ireland, are important one-stop-shop contact points for local firms and businesses across Ireland. Staff provide advice, information and support for starting up or growing a business. Across Ireland's local authority network, 31 dedicated teams offer a wide range of experience, skills and services. For example, in 2017, the LEO in Galway was active in 321 training interventions; six-month mentoring programmes; assistance to innovative and creative designers; early-stage start-up training, etc.



Examples of two small firms which received management training/assistance from this LEO are: **Kinvara**: a natural skin-care business which is now export ready. Its founder, Dr Joanne Reilly, a former scientist, became a businesswoman in 2011, and created new branding and a website in 2017 when the firm finally got access to superfast broadband and saw its internet sales grow almost 100% in just a few weeks!

Skylark Attic Stairs: in 2015, 95% of its production went to the UK; in 2016, its sales dropped by 80%. This persuaded the owner to take the Lean Strategy Course organised by LEO which helped as, in 2017, the company received a US patent and order for its product and is planning to expand. 75% of its product is locally sourced, thereby creating local jobs. It markets via Google AdWords and plans to boost sales to 5000 units per year.

<https://www.localenterprise.ie/About-Us/Case-Studies/>

Alongside the LEOs, Enterprise Ireland's Commercialisation Fund and its projects, also ERDF co-financed, play a crucial role in supporting the creation of technology-based start-up companies and the transfer of innovations developed in higher education institutes and research performing organisations to industry throughout the country.

DELIVERING JUST WHAT THE DOCTOR ORDERED

Aerogen is the leading global medical device company specialising in the design, manufacture and commercialisation of high-performance aerosol drug-delivery systems which are transforming medicine in hospitals worldwide. Its patented vibrating mesh technology turns liquid medication into a fine particle mist which gently and effectively delivers drugs into the lungs of critically ill patients of all ages.

To date, this breakthrough palladium technology has over 100 patents, is sold in more than 75 countries and has been used to treat over 6 million patients. Compared to a standard small volume nebuliser, there is a 32% reduction in effective dose rates; 37 minute reduction in effective dose median length of stay and 75% lower drug use. Thanks to ERDF co-investment at the start, Aerogen is already a significant international player in its field.

<https://www.aerogen.com/>





BREAKING NEW GROUND IN INNOVATIVE DIGITAL CONTENT

ADAPT is Ireland's global centre of excellence for digital content. Recently awarded EUR 50 million in additional funding, it is a world-leading multi-institutional research centre. It combines the expertise of researchers with that of industry partners to produce ground-breaking innovation in digital content that is revolutionising the way people interact with content, systems and each other.

The centre combines the world-class expertise of researchers at four universities in Dublin – Trinity College, City University, University College and the Institute of Technology – with that of its industry partners to produce ground-breaking digital content innovations. With ERDF co-investment of EUR 6 million, it is developing transformative tools which enable the user to explore video, text, speech and image data naturally across languages and devices to help companies unlock opportunities in digital content to re-imagine how to connect people, process and data to create new economic value.

<https://www.adaptcentre.ie/>

EXPERTISE IN A CONNECTED WORLD

CONNECT – Science Foundation Ireland's (SFI) Research Centre for Future Networks and Communications works with more than 35 companies including large multinationals, SMEs and start-ups. It brings together world-class expertise from 10 Irish academic institutes to create a one-stop shop for telecommunications research, development and innovation (Internet of Things).

The aim of this ERDF co-financed programme is to develop a set of world-leading, large-scale research centres aligned with the 14 priority research areas identified in the Research Prioritisation Exercise that will provide a major economic impact for Ireland.

CONNECT links scientists and engineers in partnerships across academia and industry to address crucial research questions; foster the development of new and existing Irish-based technology companies; attract industry which could make an important contribution to Ireland and its economy; attract international research talent and capital; attract, anchor and spin out related companies in Ireland; and increase the numbers of SFI-trained researchers employed in industry. ■

<https://connectcentre.ie/>





Building on the past to prepare for challenges in the future

Paschal Donohoe, Irish Minister for Finance and Public Expenditure and Reform, tells *Panorama* how Ireland has benefited from its EU membership and is ready to make further commitments to show EU citizens how the Union is bringing added value and working for them.

In 2018, Ireland celebrates 45 years of EU membership. How has the country evolved over this time, and what role have the ERDF and ESF played in that development?

Ireland is an extremely proud and very committed member of the European Union. When we joined the EU on 1 January 1973, our GDP was just 67% of the EU average. It is now almost 180% and we have moved from being a net beneficiary to a net contributor to the EU budget.

At the time of joining the EU, Ireland's trade and industry policy had, for decades, been predicated on protectionism

and self-sufficiency. These inward-looking policies resulted in poor economic growth, high unemployment and mass emigration.

Ireland is now very outward looking. The UK is still one of our most important trading partners, accounting for over 13% of goods exported with 52% of exports going to the other EU Member States and nearly 27% of our exports going to the USA. Ireland is the fourth largest exporter of financial services in the EU, 15 of the top 20 global banks are based in Ireland, and Irish-based aviation lessors manage the equivalent of 26% of the world's global air fleet here.

While we have certainly experienced challenges in the past decade, with the banking crisis and associated recession, the Irish economy is now in a strong position. We have the highest GDP growth in Europe at 7.8% for 2017, and our unemployment rate is now 5.9% (April 2018).

Of course, all of this is not solely due to EU membership. However, membership, including Cohesion Policy's important contribution over the years, has brought many opportunities to Ireland and has been a major contributory factor to our economic and social progress.



This economic metamorphosis has translated into better lives for our citizens. They enjoy a higher standard of living, our workers are protected by robust employment laws, food safety regulation protects our families, and we are improving and protecting the environment for future generations.

The latest Eurobarometer figures (May 2018) show that 81 % of Irish people believe Ireland's membership of the EU is a good thing, compared to the 60% EU average. And 74% of people in Ireland are satisfied with how democracy works in the EU, while 62% believe things in the EU are going in the right direction (32 % EU average).

Structural Funds have played an important role in Ireland, as they now do in our newer Member States. For example, EU funding has been crucial for upgrading critical physical infrastructure, and has also underpinned investment in education and training and research, development and innovation, which we have always prioritised.

The EU has played a very significant political role in the Peace Process in Northern Ireland. Since 1995, successive PEACE Programmes have collectively contributed EUR 2.26 billion to the economies of Northern Ireland and the Border Counties of Ireland (Cavan, Donegal Leitrim, Louth, Monaghan and Sligo). This programme supports projects which help to reconcile communities and build a shared future. Since 1991, successive Interreg programmes have collectively contributed EUR 1.13 billion to the economies of Northern Ireland, the Border Region of Ireland and, since 2007, Western Scotland. Both of these programmes are important drivers of regional development in a cross-border context. Structural Funds support for the two programmes is not only an important source of funding but is also

a key element of the EU's continuing commitment to building peace and reconciliation.

In what ways has Ireland's use of EU funds changed in response to changes in your economy and society?

In the past, Ireland benefited significantly from the Structural Funds but these have been steadily declining as our economy has grown: for example, from EUR 5.4 billion for the 1994-1999 programming period to EUR 1.2 billion in the 2014-2020 round. Previously, this investment was heavily weighted towards physical infrastructure and helped fund major projects such as five major inter-urban motorways, the Dublin Port Tunnel, completion of the M50 orbital route, and support for several large-scale public transport projects, including Dublin's suburban rail and tram systems. However, alongside this spending on physical capital, substantial investment was also directed towards developing human capital through education and training, upskilling workers and promoting research capabilities.

Reflecting the changing nature of both the Irish and the global economy, Ireland's ERDF co-investment spending for 2014-2020 is now focused on projects primarily in the area of research and innovation, ICT, the digital economy, support for SME competitiveness, and the transition to a low-carbon economy, while the ESF is continuing to invest in people through education and training. These investments will help create sustainable jobs, stimulate global exports and underpin economic growth.

Additional funding opportunities will continue to arise under the Horizon 2020 and its successor programme, Erasmus, Connecting Europe, COSME EU-level programmes and a number of other smaller programmes.

Ireland is perceived to have benefited greatly from EU funding in the past and, in recent years, from ERDF co-investment in research and innovation and SME competitiveness. Are the results from such investments in line with your expectations? Does this need still exist? What are the main opportunities for Ireland?

Over the years, Ireland has benefited substantially from EU support, and has used the funds efficiently and effectively.

In terms of areas of spending, the focus has moved away from support for physical, infrastructural investments to supporting research, innovation and the development of SMEs, reflecting greater global competitiveness and the rapid rate of change. Ireland's current research target is to raise gross (public and private) investment in research and innovation (R&I) to 2.5 % of GNP by 2020. Notwithstanding increases in both public and private spending in recent years, including support from EU co-investments, we have yet to reach this target. This is partly due to the strength of our economic performance and subsequent increases in GNP growth rates year-on-year in recent years. Both the IMF and the EU have highlighted the level of public investment in R&I as part of their Country Specific Recommendations which means that ongoing and increased support remains a key priority post-2020.

Scientific and technological progress is accelerating, and we are competing in an ever-changing and intensely competitive global environment. Keeping pace with the relentless nature of change will necessitate greater R&I funding and support to ensure that Irish businesses are at the cutting edge. Our higher education institutes must produce graduates with the skills sets required to be

“*The focus has moved to supporting research, innovation and the development of SMEs, reflecting greater global competitiveness and the rapid rate of change.*”

global players, anticipating and leading the next-generation technologies and scientific breakthroughs.

For Ireland, there are real opportunities. In terms of our performance in pharmaceuticals, ICT, or financial services we are building on a solid foundation. We are focusing on capability building for the next generation of disruptive change, leveraging artificial intelligence, assisting firms to identify and target new market opportunities, and keeping our research and technology centres at the leading edge of change. In this area, ERDF support will remain an important funding component going forward. EU Member States are not competing with each other now, but rather are all operating in an intensely competitive and mobile global market place.

What are your hopes for the next ESIF funding period 2021-2027, and what do you see as the main challenges for Ireland?

There can be no doubt that the next round of Cohesion Policy is being formulated during a period of significant challenges for Ireland and Europe as a whole, including matters such as Brexit, migration, security and terrorism.

Ireland believes that the level of expenditure at EU level will need to be proportionate and appropriate to the overall levels of available funding and that the post-2020 MFF priorities and objectives need to be framed in this context. As I said earlier, Ireland recognises and greatly values our EU membership. As a net contributor, Ireland is open to paying more into the EU budget. However, I believe that while we

must be prepared to adapt to the EU's evolving priorities and challenges, we must not lose sight of the value and contribution of traditional policies, including agriculture and cohesion.

With regard to the challenges facing Ireland, Brexit is a significant issue, as acknowledged by our colleagues in Europe. We are very grateful for their support in the negotiations, a tangible demonstration of the ongoing strength and unity of the EU-27. Apart from the very important issues of trade, and the physical challenges, we also have unique and sensitive historical ties with our nearest neighbour. This is reflected in the complexity of the negotiations on the border between Ireland and Northern Ireland.

Therefore, it is very important that there is a continuation of investment programmes such as ERDF, but also PEACE and INTERREG post-Brexit. I believe that no Member State should be disproportionately disadvantaged by the impact of the decision taken by the UK to leave the EU. It is important that the EU uses all the tools available, including Cohesion Policy, to demonstrate practical solidarity and support for all regions that are especially affected by externally imposed challenges, including Brexit.

As a small, open economy. Ireland is somewhat vulnerable to external economic shocks. But the threats and opportunities are perhaps two sides of the same coin. By anticipating and responding to the next generation of innovations, meeting sophisticated and diverse consumer needs, continuing to penetrate new, emerging markets

and remaining competitive, we can better weather a downturn in one of our trading areas.

For the next period of ESIF funding, I sincerely hope that everything practical is done to ensure that the delivery of the policy on the ground is made as simple and as easy as possible. In so doing, we will help to deliver greater efficiencies for EU taxpayers and generate more positive outcomes on the ground. This demonstrates real European added value in a very visible way, and shows EU citizens that the Union is working for them.

Recognising the value of our EU membership, Ireland is open to paying more into the EU budget – as long as this brings additional European value. I look forward to working closely with colleagues in other Member States and in the European Commission and Parliament to improve policies and ensure adequate resource allocations in the coming years. This is a collective effort in which Ireland, mindful of our history of successful membership of the EU, stands ready and eager to fully play our part. ■

DATA POINT: A HISTORY OF REGIONAL POLICY INVESTMENTS BY REGION 1988-2016

As announced in *Panorama 64*, 2018 marks the 30th anniversary of delivering regional policy according to a programming approach based on shared management. The 1998 reform saw an important shift from project-based financing to the programming approach, with a stronger role for national and regional authorities. Since 1988, there have been important advances in the construction of the European Union. Under the four multiannual EU budget cycles (programming periods), the scope and scale of EU funding dedicated to addressing economic, social and territorial disparities has also evolved.

In April 2018, the Commission published the most comprehensive historical record of the EU budget payments from the European Regional Development Fund and Cohesion Fund to the Member States and NUTS-2 regions.

What questions does the information answer and how can it be used?

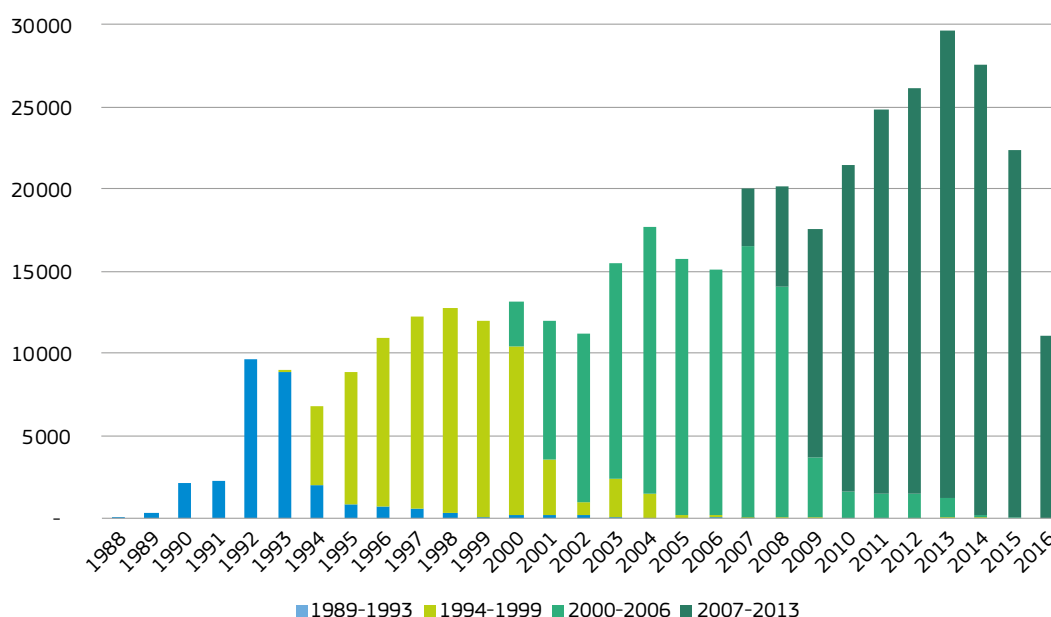
First and foremost, the data provides the answer to that deceptively simple question: “How much has my region/country received under regional policy?” The answer is now available thanks to the harmonised presentation of annualised EU payments made by NUTS-2 regions since 1988.

TOP 20 BENEFICIARIES OF ERDF INVESTMENTS 1988-2016

EU payments	EUR million
1. Andalucía, ES	22 000
2. Campania, IT	13 177
3. Norte, PT	13 075
4. Sicilia, IT	11 691
5. Attiki, EL	9 325
6. Centro, PT	9 104
7. Puglia, IT	8 838
8. Galicia, ES	8 336
9. Comunidad Valenciana, ES	7 448
10. Castilla y León, ES	6 782
11. Sachsen-Anhalt, DE	5 975
12. Calabria, ES	5 957
13. Mazowieckie, PL	5 777
14. Lisboa, PT	5 642
15. Kentriki Makedonia, EL	5 393
16. Castilla-La Mancha, ES	5 350
17. Extremadura, ES	5 235
18. Anatoliki Makedonia, Thraki, EL	5 188
19. Thüringen, DE	5 090
20. Brandenburg, DE	5 046

An annual analysis of the data also demonstrates the overlap between programme periods: as one programme closes another one begins.

ANNUAL ERDF PAYMENTS BY PROGRAMME PERIOD (EUR MILLION)



Which EU funding programmes are covered in the dataset?

The dataset not only covers the ERDF and the Cohesion Fund but also the European Social Fund and the European Agricultural Fund for Rural Development, as shown below:

EUR million	1989-1993	1994-1999	2000-2006	2007-2013
ERDF	28640	77736	122012	180547
ESF	N/A	N/A	66003	71000
CF	-	18078	30619	66186
EAGGF/EAFRD	923	17905	22200	86107
Grand total	29564	113719	240834	403841

Who will be interested in the dataset?

While the dataset may not be of direct interest to most citizens, a wide range of Cohesion Policy stakeholders will find it useful. By the end of May 2018, more than 900 users had viewed the dataset and 100 researchers and students had downloaded it.

These data facilitate economic analysis of the effects of the EU funds, enable economic theories to be tested and improved, and can enhance our understanding of the mechanisms behind regional development.

How was the data compiled?

There were three steps:

- ☑ The annual EU payment history by programme was extracted from the Commission's accounting system.
- ☑ The payments by programme were then regionalised by a consultant using the best information available from the programmes and estimating the regional distribution where detailed allocations were not available.
- ☑ The annual regionalised EU payments were further treated, using modelling techniques, to develop a best estimate of when the real expenditure took place that led to the EU payments.

Details of the methodologies used for the regionalisation and modelling of real expenditure are provided in reports linked to the dataset. ■

Explore the data on the ESIF Open Data platform
<http://europa.eu/!wM48Cv>

What issues would you like us to cover in future Data Points?
 Is there a dataset you would like us to put on the ESIF Open Data Platform?
 If so, please e-mail: REGIO-EVAL@ec.europa.eu



Good governance for Cohesion Policy

How important is good governance for Cohesion Policy investments? What are the main challenges Member States and regions are facing in this area and how can they tackle them better?

These were the main questions asked of politicians, decision-makers, researchers and practitioners during the conference 'Good governance for Cohesion Policy', organised by the Commission's Directorate-General for Regional and Urban Policy in Brussels on 24 May 2018. All the speakers agreed that good governance, strong and well-performing administrations and a positive business environment are essential ingredients for every successful public policy. This is also evidenced by recent studies and reports, ranging from the Commission's 7th Cohesion Report to the latest World Bank and OECD studies.

Good administration and sound management are also key to the success of Cohesion Policy as the EU's main investment policy. In her keynote speech, the OECD's Deputy Secretary General Mari Kiviniemi said: "Getting this investment right, at a time of reduced public investment in the European Union, is particularly critical".

Speaking on behalf of the Bulgarian Presidency of the Council of the EU, Deputy Prime Minister Tomislav Donchev highlighted the transfer of knowledge between the EU and the national administrations, as well as among the administrations themselves. "Cohesion Policy changes everyone for the better. It is not only an investment process; it is a learning process for administrations at all levels, as the management of the EU funds brings about a new mentality, culture and habits."

The Commission plays an important role as a promoter and facilitator. At the start of the conference, Commissioner for Environment, Maritime Affairs and Fisheries Karmenu Vella mentioned the initiatives already under way to improve governance and accountability in EU funds.

All other speakers, including Slovakia's Deputy Prime Minister Richard Raši, Portugal's Minister of Planning and Infrastructure Pedro Marques, Poland's Minister for Investment and Development Jerzy Kwieciński, President of the Committee of the Regions Karl-Heinz Lambertz and European Parliament Member Constanze Krehl agreed that for Cohesion Policy to be effective, it should rely even more on transparency and citizen engagement, highly skilled professionals, led by strong and forward-looking leadership and working in a stable institutional and regulatory environment. A further priority is to include and empower all actors involved: social partners, education and research institutions, public companies and civil society organisations.

In his closing remarks, Director-General of DG REGIO Marc Lemaître set out the Commission's vision for the central role of good governance and sound administrative capacity, and anticipated some of the important new initiatives in the newly proposed framework aimed at incentivising Member States and regions to step up their efforts. These include simplified and targeted use of technical assistance, strategic

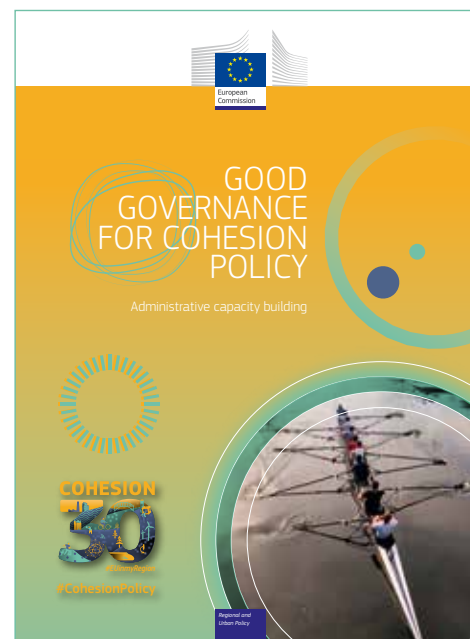


and comprehensive roadmaps with financial incentives linked to the results achieved, and lighter controls for those programmes where management and control works well.

To test and develop solutions for the post-2020 framework, the Commission has also selected five Cohesion Policy programmes to take part in a new pilot action on administrative capacity. The Transport Infrastructure, environment and sustainable development programme in Greece, the Lubelskie regional programme in Poland, the Extremadura regional programme in Spain, the Competitiveness and cohesion

programme in Croatia, and the Regions in Growth programme in Bulgaria will receive tailored support from the Commission and the OECD to improve the management of EU-funded programmes in the new budget framework.

Below we have selected three other initiatives with examples showing how TAIEX-REGIO PEER 2 PEER, Integrity Pacts and the EU Competency Framework are contributing towards better governance and effective investments on the ground. ➤



A brochure presenting the main achievements so far in terms of administrative capacity building and specific support to Member States and regions is now available at <http://europa.eu/!Xh73cf>

LEARNING TO SHARE KNOWLEDGE AND GOOD PRACTICE

The **TAIEX-REGIO PEER 2 PEER** expert exchange system provides a platform for administrations in EU Member States to exchange experiences on Cohesion Policy. It helps public officials responsible for European Regional Development Fund (ERDF) and Cohesion Fund (CF) investments to share knowledge and good practice with their Member State counterparts during expert missions, study visits and workshops.

National or regional administrations can request support on any topic directly related to ERDF/CF. Areas covered in previous exchanges range from urban development, waste management, and energy efficiency to topics such as innovation and fraud prevention.

TAIEX-REGIO PEER 2 PEER is open to public administrations managing ERDF and CF funding, including managing authorities, intermediate bodies, audit, certifying and coordinating authorities and joint secretariats for European territorial cooperation programmes.

Ainsa in the foothills of the Spanish Pyrenees in Aragon



Insight into rural revival

In May 2017, delegates from the Spanish regions of Aragon, Castile and Leon, and Castilla-La Mancha, Evrytania in Greece and the Croatian County of Lika-Senj visited the Highlands and Islands Enterprise (HIE) in Scotland in the United Kingdom.

The aim was to look at solutions found by the Scottish government development agency to reverse depopulation and create sustainable local economic growth in the remote Highlands and Islands region. All the regions participating in the exchange face similar challenges: located in some of the most sparsely populated areas in the EU, and dealing with an ageing population, depopulation and economic stagnation.

Overall, the visit gave participants a wealth of experience and tools they can use to improve their economies and quality of life in regions affected by depopulation trends. They are now exploring opportunities for future partnerships and have drafted a report 'Successfully Combatting Rural Depopulation through a New Model of Rural Development: The Highlands and Islands Enterprise Experience', to spark debate across the EU.



“Through TAIEX-REGIO PEER 2 PEER, we received exhaustive information about the

daily work of a public organisation responsible for the social and economic development of the Highlands and Islands region which has previously faced the challenges related to depopulation and stagnation. It has, without doubt, made possible a wide range of future joint initiatives between regions with similar demographic challenges.”

Joaquín Palacín Eltoro, Director General of Territorial Planning, Government of Aragon



Gastroenterologist Bojana Gostej in her surgery in Trbovlje Hospital during a check on energy-efficiency improvements

INTEGRITY PACTS

Corruption has important economic and social costs. Public procurement is often perceived as a corruption hot spot. To improve transparency and efficiency in public contracting for EU-funded projects and increase the effectiveness of EU investment on the ground, the Commission and Transparency International (TI) are promoting Integrity Pacts. The initiative, launched in 2015, helps to better protect EU taxpayers' money and enhance accountability and trust in public authorities.

The 'Integrity Pacts – Civil Control Mechanism for Safeguarding EU Funds' pilot project brings together public authorities, the private sector and civil society.

An IP is a legally binding agreement between a contracting authority, bidders and an independent civil society monitor who oversees its implementation and ensures all parties

respect their commitments. It aims to strengthen transparency and accountability, reinforce trust and reputation, save money and intensify competition through better procurement. Beyond the obvious benefits, IPs can also trigger institutional changes, such as greater digitalisation, simplification of burdensome administrative procedures, a better regulatory environment and improved governance and administrative services.

In total, 17 projects co-financed by the EU were selected to pilot Integrity Pacts in 11 EU Member States. They cover a wide range of sectors from research and innovation to environment and culture, from transport and territorial development to institutional building and healthcare. In addition, TI and the partner civil society organisations are providing training on anti-corruption, transparency and capacity building to those involved in the IPs. ➤

Keeping hospital renovation on track

Corruption in public procurement is a serious issue. Slovenia has previously come under scrutiny, particularly in areas such as infrastructure and healthcare, with hospitals that have been poorly built and furnished with equipment costing more than it should.

One of the first IPs signed is tackling these issues head on, providing an overview of the introduction of energy-efficiency measures at Trbovlje General Hospital, near Slovenia's capital Ljubljana.



“Our Integrity Pact seeks to increase transparency of the procurement process and involve affected communities in the monitoring activities. If we manage to achieve both, we are certain to improve the levels of public trust in Slovenia which are among the lowest in the EU. This can have a positive effect on the participatory and democratic processes and on institutions in general. Not knowing enough about public procurement additionally fuels the distrust – but we are aiming to overcome this by using the Integrity Pact.”

Sebastijan Peterka, project coordinator and researcher,
Transparency International Slovenia

Slovenia’s Ministry of Health is partnering with TI Slovenia to ensure that all parties involved in tendering focus on their social responsibilities to provide a safe, good-quality hospital for staff and patients. TI Slovenia is raising public awareness about the IP and developing procedures to ensure safe reporting for whistle-blowers, whilst contractors are expected to buy into the IP ethos by demonstrating honest business practices.

The IP is a continuous learning process: the contracting authority is improving its capacity to run complex procedures while TI Slovenia is increasing its capacity to monitor public procurement and its ability to identify risks and irregularities.

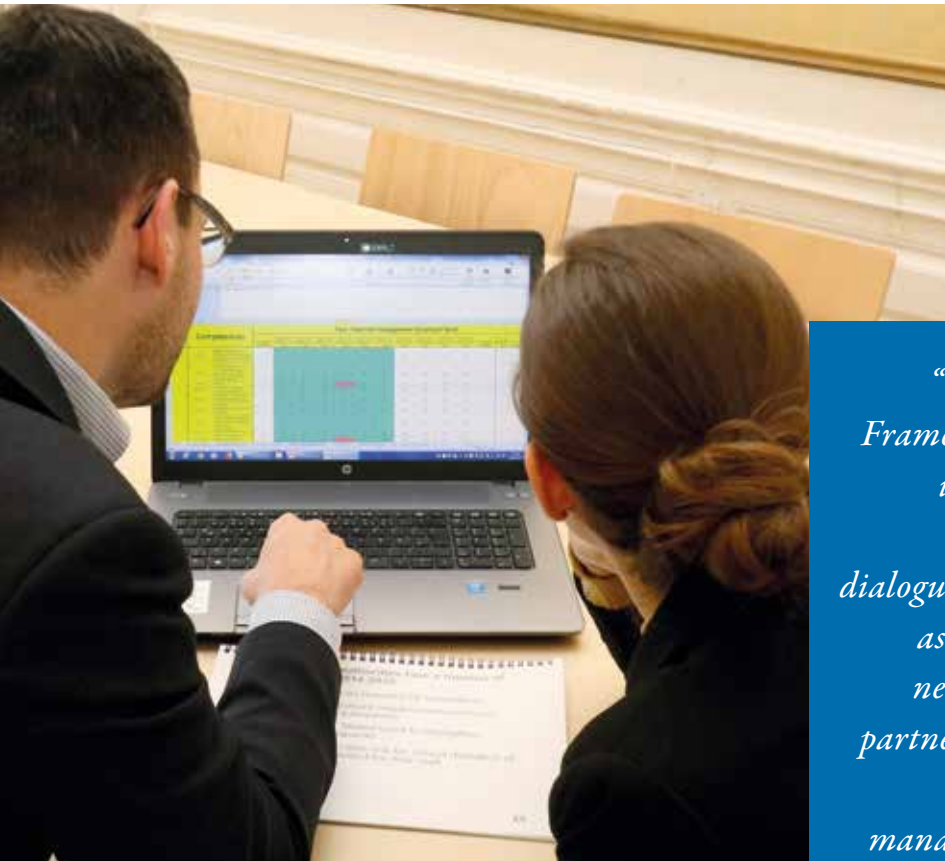
FRAMEWORK FOR BETTER PERFORMANCE

Bodies involved in administering the European Regional Development Fund and Cohesion Fund can now call on a free-to-use resource to help them boost staff performance.

The EU Competency Framework can be used to identify the skills and knowledge employees need to successfully manage EU funds. It is available for national coordinating bodies, managing, certifying and audit authorities, joint secretariats and intermediate bodies. A complementary web-based self-assessment tool allows employees to rate their own levels of proficiency and compare them with their supervisor’s assessment and development goals laid down in the Framework. Administrations can also compile the self-assessments to measure their overall performance and identify areas for improvement.

Results from the self-assessments are used to inform a learning and development plan to help employees and the institution fill gaps in their competences. Plans could include classroom-based and on-the-job training, seminars and presentations of good practice for staff, and the recruitment of new talent or outsourcing for greater efficiency.

Use of the EU Competency Framework is voluntary and the Commission does not see data or benchmark results. Its website is now available with information in English, and other languages to follow. Administrations can contact DG REGIO to access the tool.



“The Competency Framework has helped us to determine an appropriate level of knowledge through a structured dialogue between managers and employees, as well as identifying specific training needs. As always, in an exchange with partners from other Member States, there was an opportunity to learn about management practices in other countries, to compare them with our own, and to draw experience from them.”

Markus Seidl, managing director,
ÖROK-Secretariat, Austria

Driving change in Austrian managing authority

The Secretariat of the Austrian Conference on Spatial Planning (ÖROK) is the managing authority for the ‘Operational Programme: Investments in Growth and Employment Austria 2014-2020’. It used the EU Competency Framework in a pilot project involving managing authorities from Bulgaria, Estonia, Greece, Hungary, Poland and Romania.

The Framework helped ÖROK to assess the skills already in place, identify future training needs, and raise awareness of the importance of undertaking a structured analysis of qualification requirements.

ÖROK found the output from the self-assessment tool particularly useful in creating individual staff profiles. In-depth discussions on skills between employees and supervisors led to a common understanding of each employee’s qualifications for their roles. Jointly identifying training gaps enables learning options to be adapted more closely to individual

needs and responsibilities. A final report presented training courses for staff and details about networks promoting know-how on the implementation of EU funds.

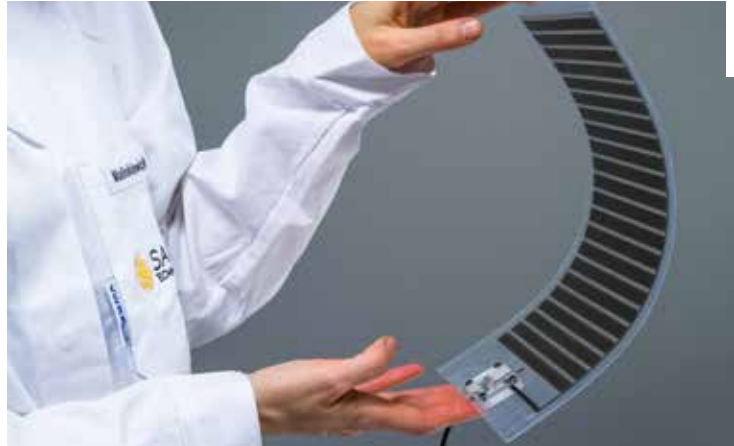
The networking information has confirmed the managing authority’s strategy to improve its corporate knowledge of EU funding – it has since joined IQ-Net which brings together regional European partners to improve the management of Structural Funds programmes. ■

FIND OUT MORE

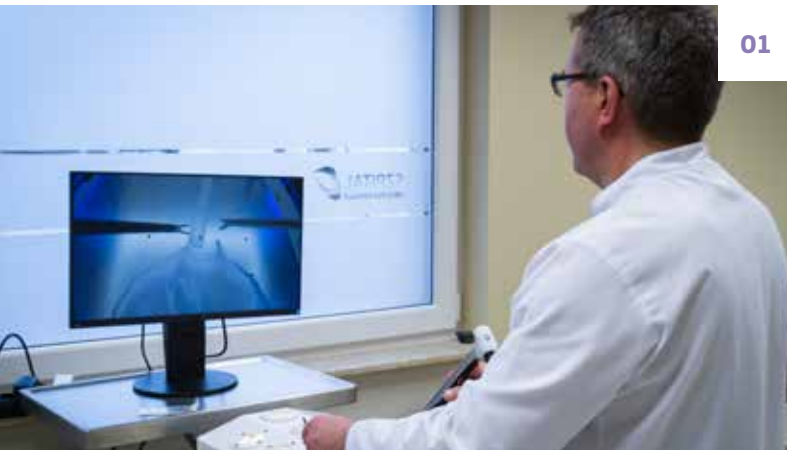
<http://europa.eu/!xX67bV>

CAPTURED ON CAMERA IN POLAND

Poland is currently investing a large part of its EU funding for 2014-2020 in promoting innovation through projects which are benefiting from the country's ambitious entrepreneurs, creative scientists and advanced R&D facilities. The projects pictured here are from the album 'Poland's innovations: stepping into the future' and were selected to provide inspiration for new innovative ideas across the EU.



04



01



05



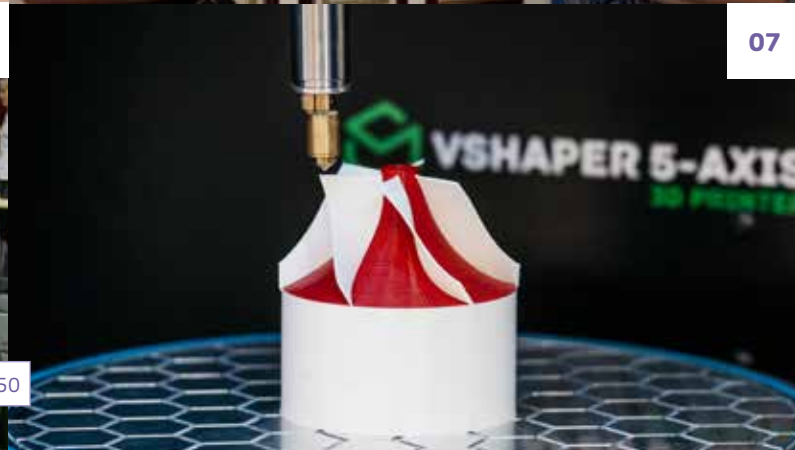
02



06

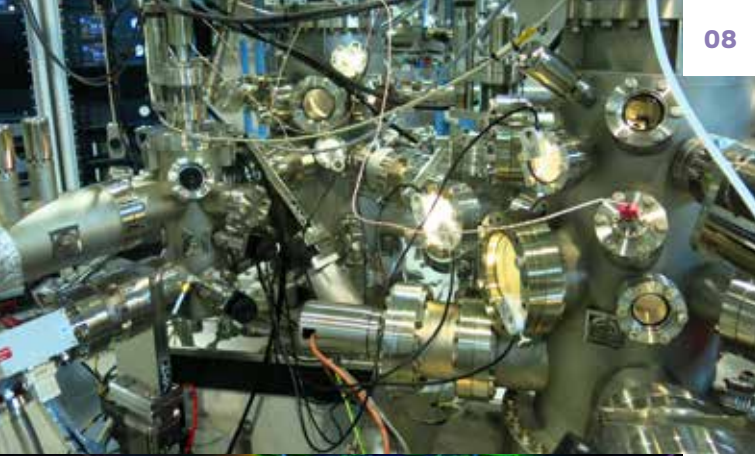


03



07

08



01 Physicians and researchers from Kazimierz Wielki University, Bydgoszcz, are refining manufactured artificial organs.

02 An innovative hand prosthesis developed by a Wrocław-based firm, is cheaper and easier to repair than conventional models.

03 In a project lead by Poznań University of Life Sciences, an age simulator is helping to design safe and comfortable furniture for older people.

04 Perovskite solar cells, printed on an elasticated substrate, are lighter, cheaper to produce and can be used in a multitude of applications

05 Sensors are being used by Airly in Kraków to precisely measure and forecast air quality and gather data to be published online.

06 Smart paint coatings, produced by an Opole-based company, deter fungi and mould in buildings, food storage, and wastewater treatment plants, among many other applications.

07 A manufacturer in Rokietnica has designed this unique 5D printer capable of developing technologically complex components.

08 Baltic TRAM provides short-term services to companies across the Baltic Sea region to help them improve existing products and advance new ones.

09 Laser performance-dedicated systems made by a Wielkopolska-based firm provide lights, water fountains and fire in artistic settings for festivals or events

10 The robust hydraulic valve delivers high-precision hydraulic flow control to enhance safety in aircraft control systems.

11 Developed in Warsaw, Triggo combines the best features of a motorbike and car in a light, agile and economical electric two-seater city micro vehicle.

12 Engineers in Kraków are using data from sensors and wireless communication to develop active safety and driver assistance systems and automated driving.

09



10



11



12



FIND OUT MORE

<https://bit.ly/2lvEHHH>

CULTURAL HERITAGE

Bringing past values back to the future

Culture, rooted at the core of Europe's rich heritage and history, plays a key role in driving and enabling innovation, entrepreneurship, tourism and social inclusion across Europe. As the EU celebrates the European Year of Cultural Heritage 2018, *Panorama* has selected a number of projects from different Member States to illustrate how EU investment is revitalising the past for the future.

SCHWABENKINDER CONNECTING UP AUSTRIAN, GERMAN AND SWISS MUSEUMS

■ Total Investment: EUR 1 679 430

■ EU Investment: EUR 1 007 658



A territorial cooperation project is revitalising cross-border history by tracing the lives of migrant child workers in the 17th to 19th centuries. A website, database and an educational programme are the researchers' main outputs, while the new exhibitions and accompanying hiking guide are also becoming tourist magnets.

<http://europa.eu/!Wr33Kp>

DIGGING DEEP INTO BELGIAN HISTORY AT BOIS DU CAZIER

This former coal-mining site witnessed one of the most tragic events in Belgium's industrial history, when several hundred miners lost their lives in a devastating fire. In remembrance of those who perished, the Walloon Region has restored the colliery and developed the surroundings to create a museum, 'live' workshops, an aerial footbridge and a landscape observatory in what has become an attractive tourist venue.

<http://europa.eu/!Pj78Jd>



■ Total Investment: EUR 15 798 800

■ EU Investment: EUR 7 899 400

REVEALING THE SECRETS OF BULGARIA'S PERISTERA FORTRESS

- Total Investment: EUR 1 524 003
- EU Investment: EUR 179 295



Excavations by archaeologists have enabled them to piece together the inner workings of this ancient military fortification and Christian temple to create an historic site of interest to both locals and tourists. Besides providing access to ancient archaeological sites along the West Rhodope Mountain road, the project has renovated the fortress into a cultural park and open-air museum displaying the excavated artefacts.

<http://europa.eu/!uH99yP>

COMPLEX RENOVATION WINS EUROPEAN CULTURAL HERITAGE AWARD

In 2017, the Kuks-Pomegranate project won the EU prize for cultural heritage, the Europa Nostra Awards, for its work on renovating the Baroque complex and gardens in the Hradec Kralove region. Built in the early 18th century, the site of a residence, hospital and pharmacy with a remarkable history is now an educational centre focusing on its fascinating historical, cultural and artistic aspects.

<http://www.europeanheritageawards.eu/winners/baroque-complex-gardens-kuks/>



- Total Investment: EUR 18 000 000
- EU Investment: EUR 14 200 000

TIMELY REPAIRS FOR THE HOROLOGION OF ANDRONIKOS IN ATHENS

- Total Investment: EUR 772 481
- EU Investment: EUR 772 481



Also known as the 'Tower of the Winds', the marble monument is situated on the northern slope of the Acropolis, and dates back to around the end of the 2nd century BC. From 2014-2015, extensive conservation work was carried out based on a comprehensive investigation using the latest studies and research methods. The monument and its artworks were reinforced, cleaned and restored and ramps and a walkway were installed around the archaeological site to improve access for disabled visitors. ➤

<https://www.culture.gr/el/Information/SitePages/view.aspx?nID=1664>

CRAFTING THE CULTURE OF THE MID-BALTIC REGION

The Mid-Baltic Crafts project set out to preserve the rich art and craft traditions along the Latvia-Lithuania border, support entrepreneurship and attract tourists. A network of 10 craft centres, each with a different specialisation, gave the craftsmen places to work, teach, learn, share experiences and organise workshops and exhibitions. Visitors to the venues can watch the craftsmen at work, try out some of the crafts themselves, and buy the products.

<http://europa.eu/!yf67tn>



KEEPING A KEEN EYE ON DUTCH FILM CULTURE



Opened in 2012, the EYE Film Institute, situated on Amsterdam's waterfront, now boasts 1 300m² of exhibition space, four modern film auditoriums, a digital playground, workshop space, a museum shop, refreshment facilities and workspaces. The state-of-the-art building attracts 700 000 visitors a year to the modern viewing and exhibition and event spaces.

<http://europa.eu/!Yh97Mn>

PORTUGAL BOASTS AN AWARD-WINNING URBAN REGENERATION PROGRAMME

An innovative and integrated urban regeneration programme has reversed the architectural, cultural and social decline in the Portuguese city of Vila do Conde. One major focus was on enhancing cultural heritage by integrating and restoring important buildings in the historic centre – the 'Identity Anchor Poles' – and their use in activities primarily related to culture and creativity involving key regional and local actors.

<http://europa.eu/!Vw67wR>



GROWING TOGETHER THROUGH RURAL TRADITIONS ON THE CZECH-SLOVAK BORDER



Preserving folk traditions, rural festivities and cultural events has encouraged greater movement and partnerships among the Czech-Slovak communities. With a focus on traditional farming methods and preparing and sampling local produce, the project helped to connect the local communities with the region's traditional ways of life. Furthermore, by promoting the area's cultural richness, the initiative has attracted more tourists and boosted the local economy.

<http://europa.eu/!Vq99NW>

RESTORING THE SPIRITUAL HERITAGE OF ROMANIA'S DRAGOMIRNA MONASTERY



- Total Investment: EUR 4 631 449
- EU Investment: EUR 4 004 569

Although the Dragomirna Monastery in North-East Romania was renovated several times, the paintings and frescoes remained untouched. Between 2010 and 2012, this situation changed when this project artistically restored the artwork using highly sophisticated techniques and traditional materials. The buildings were also modernised by enhancing their energy efficiency and upgrading the electrics, water supply infrastructure and lighting installations and repairing the roof and woodwork.

<http://europa.eu/!kf49bp>

RECIPE FOR SUCCESS IN ITALIAN AND SLOVENIAN SCHOOLS

Local products served in traditional recipes topped the menu for the pupils at nine primary schools along the Italian-Slovenian border. P.E.S.C.A., the healthy eating project, used educational activities to promote local and traditional food in the school canteens. By exchanging best practice and raising awareness of local produce and dishes, the successful project will now be continued by a network of 12 local bodies in the cross-border region.

<http://europa.eu/!Ry96CB>



- Total Investment: EUR 903 028
- EU Investment: EUR 767 574

A NEW LEASE OF LIFE FOR RURAL AND CULTURAL TOURISM IN CYPRUS

- Total Investment: EUR 5 403 691
- EU Investment: EUR 2 701 845



Revitalisation of Kalopanayiotis, which dominates the Marathassa Valley in the Cypriot Troodos Mountains, has given the rural community and its ageing residents both a social and economic boost. Repair of the village's traditional structures, old stone paths and ancient facades, alongside the conversion of the Lavrentios Residence into a cultural and events centre, has promoted rural tourism in the area for the benefit of both visitors and the local population alike.

http://ec.europa.eu/regional_policy/en/projects/cyprus/old-stones-and-new-life-in-kalopanayiotis

COHESIFY: giving voice to the regions

Does Cohesion Policy have an impact on how citizens perceive and identify with the EU? And how effectively is the policy being communicated to the general public? These and related questions formed the basis of the two-year research project COHESIFY, the final results of which were presented to policymakers, other Cohesion Policy stakeholders and academics on 26 April 2018.

The past decade has seen a steep decline – and only a slow recovery – in the number of people who have a positive image of the European Union and trust its institutions. Populist and anti-EU parties are on the rise and the UK has voted to leave the EU altogether. The question is what difference do EU policies make, particularly Cohesion Policy which currently accounts for one third of the EU budget and is implemented at both the local and regional levels. Do people think that European Structural and Investment Funds have a major impact on their everyday lives?

This question was a starting point for the COHESIFY project which examined how Cohesion Policy is perceived by citizens in general. The project brought together a multi-disciplinary research team – led by the European Policies Research Centre (University of Strathclyde, Glasgow) – which included eight universities and two SMEs. The team applied an innovative methodological approach by combining case studies in 17 pilot regions across 12 Member States, stakeholder interviews and surveys, a large-scale telephone survey of 8 500 citizens, a cross-national media-framing analysis of over 8 000 news articles and more than 110 000 social media posts, as well as 47 focus groups including 240 citizens.

According to COHESIFY project director, Professor John Bachtler, of the University of Strathclyde, the main conclusion is that: “Cohesion Policy spending and communication make a real difference to how citizens perceive the EU and European integration and the degree to which they identify with the EU. If EU policymakers want to promote regional and local identification with the EU, Cohesion Policy is clearly an effective instrument – but only if it is properly communicated.”





What do EU citizens think?

The project found clear evidence that Cohesion Policy does have an impact on citizens' perceptions of the EU and European identity. "The discussions in the focus groups showed that the citizens of the EU have an implicit and cursory knowledge of Cohesion Policy. Citizens recognise the importance of the Policy for addressing regional disparities and improving the quality of life, but feel they are inadequately informed. They want to have more say on how funds are allocated or governed in their area," explained Dr Andreja Pegan from Trinity College Dublin during the final event at the European Committee of the Regions in Brussels.

While Cohesion Policy often does not have a direct impact on the European identity of EU citizens, many supported the principles of the policy (especially to reduce the differences in economic development). There is also considerable evidence of positive perceptions of the impact of Cohesion Policy on the development of a citizen's region or city.

The results of the survey of 8500 citizens confirms these findings, according to COHESIFY project manager, Dr Carlos Mendez from the University of Strathclyde. "Citizens are aware of the projects funded by the European Regional Development

Fund and Cohesion Fund, and the perceived benefits for citizens' daily lives and for their region's development contribute significantly to how they identify with the EU."

The project also found that perceptions of the EU and specifically Cohesion Policy are influenced by the scale of funding as well as its performance and good management.

Communicating Cohesion Policy

The COHESIFY results show the importance of EU spending being regionally and locally differentiated – and seen by citizens to be addressing the needs and development challenges that really matter to them. At present, citizens feel that they are not sufficiently informed about Cohesion Policy, and policy stakeholders acknowledge that communication has not been adequately prioritised. Communication strategies should give a higher priority to informing citizens about Cohesion Policy projects so that they appreciate the EU's contribution to their region's development.

Surprisingly, the researchers found that traditional media (in particular TV) and billboards are among the most-effective communication tools. Social media play a less important role than expected. ➤



How is Cohesion Policy presented in the media?

Another part of the study dealt with the way Cohesion Policy is framed in the media. More than 110 000 media articles as well as posts and comments on social media were analysed. Dr Vasiliki Triga from the Cyprus University of Technology explained: “Indeed, Cohesion Policy frames overall are positive since the two dominant frames describe the positive economic effects of Cohesion Policy for Member States as well as the dominant impact on the citizens’ quality of life.”

The analysis also found territorial differences. Regional media frame Cohesion Policy more positively in terms of economic consequences in particular, while the national media tend to focus more on negative frames that are critical of the way Cohesion Policy is implemented.

COHESIFY

Duration: February 2016 to May 2018

Lead partner: University of Strathclyde, European Policies Research Centre

Partners: Central European University (HU); Cyprus University of Technology; Delft University of Technology (NL); Old-Continent (BE); Polytechnic University of Milan (IT); Regio+ (ES); Trinity College Dublin (IE); University of Mannheim (DE); University of Warsaw (PL)

Programme: Horizon2020 Research and Innovation Programme

Funding: EUR 2.4 million

Cohesion Policy post-2020

The key recommendations and results of the COHESIFY project were transmitted to EU policymakers to be considered for the debate on the 2021-27 Multiannual Financial Framework and legislative package for Cohesion Policy. The research shows that Cohesion Policy is effective in promoting positive perceptions and identification with the EU, but there is a need to emphasise decentralisation rather than centralisation in the governance of EU spending.

A key COHESIFY proposal is to introduce a more participatory, citizen-focused approach to the programming and communication of EU funds, which would radically transform citizen engagement and appreciation of both the Cohesion Policy and the EU. ■

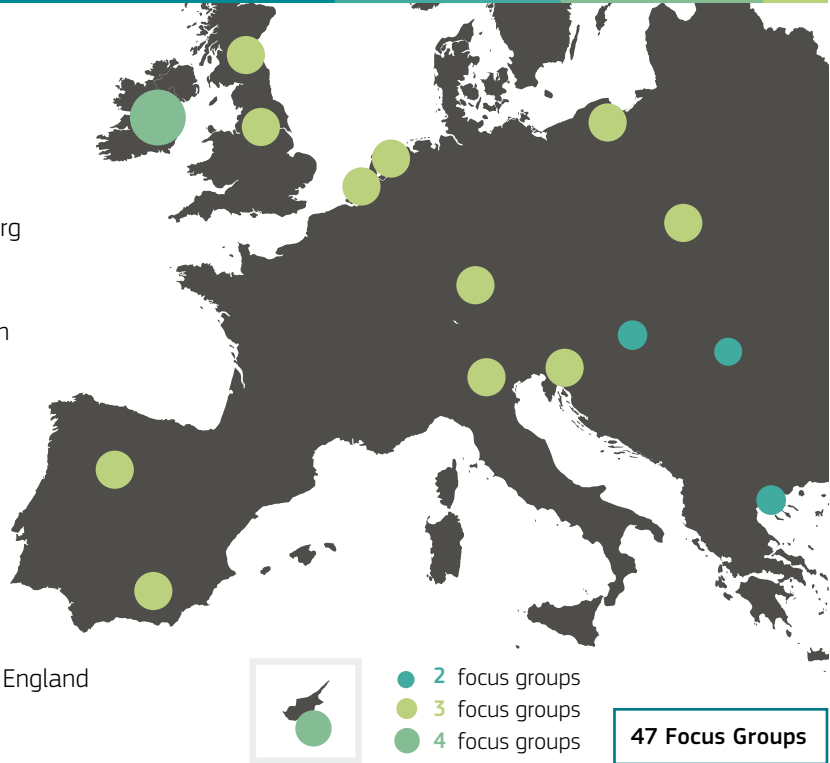
FIND OUT MORE

www.cohesify.eu

QUESTIONS ABOUT CITIZENS' KNOWLEDGE OF COHESION POLICY, ITS IMPACT AND CONTRIBUTION TO EUROPEAN IDENTITY

WHERE DID WE INTERVIEW?

- Cyprus** – Cyprus
- Germany** – Baden-Württemberg
- Greece** – Central Macedonia
- Hungary** – Nyugat-Dunantu
- Ireland** – Southern and Eastern
- Italy** – Lombardy
- Poland** – Podkarpackie
- Poland** – Pomorskie
- Romania** – West
- Slovenia** – West
- Spain** – Andalucia
- Spain** – Castilla y León
- Netherlands** – Flevoland
- Netherlands** – Limburg
- United Kingdom** – North East England
- United Kingdom** – Scotland



WHO DID WE INTERVIEW?

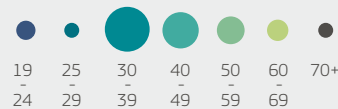
240 PARTICIPANTS



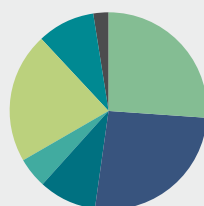
110 WOMEN



AGE



HOW DID WE RECRUIT?



- Snowball
- COHESIFY citizens' survey
- Social media
- External recruiter
- On location
- Research team's social network
- Adds on bulletin boards or newspapers



PROJECTS

NEW FLOOD DEFENCES KEEP VICENZA SAFE

**TOTAL INVESTMENT
EUR 41 000 000**

**EU CONTRIBUTION
EUR 4 470 762**

A major flood defence scheme in the Veneto region of north-eastern Italy has been completed with the help of funding from the European Regional Development Fund. The works, which were instigated after disastrous floods hit the region in 2010, will protect the city of Vicenza and surrounding areas.

The project focused on the construction of an expansion basin capable of holding 3 800 000 m³ of water adjacent to the River Timonchio in Caldogno. In the past, when the local river system hit peak flow it exposed Vicenza, nearby Padua and inhabitants of the river valley to the risk of serious flooding.

The basin temporarily holds the excess water until river capacity returns to normal. Once the peak level has passed, a discharge system enables the reservoir to be emptied by returning the flood water to the Timonchio. Approximately 85% of the overall flood volume can be emptied in 12 hours and 100% in 24 hours.

The water-retaining basin on the Timonchio is the centre-piece of a series of interventions protecting the region and which alone will reduce the frequency of flood events in Vicenza by 75%.

Going with the flow

The expansion basin was constructed by dividing flood flows into two areas, which allowed the height of the riverside banks to be limited. The overall length of the banks bordering the basin and dividing the two collection areas is 5.2 km, while the entire basin covers around 110 hectares.

The works included the construction of sluice-gates and conduits to link the two reservoirs and carry the water from the Timonchio towards the upstream basin. Two emergency spillways were installed, one to connect the upstream basin overflow to send water downstream and the other from the downstream basin to the river. Furthermore, various earthworks were built to level the basin flow and reinforce the river bed and its banks.

Based on the results of a study carried out by Italy's University of Padua, work on the reservoir bottom also involved construction of a 200-metre-wide, non-permeable band behind the south and east reservoir banks to limit the seepage of flood water into the water table. Moreover, as one of the project's aims was to enable parts of the basin to be cultivated when there is no flooding, the bottom of the reservoir has been reclaimed by restoring a 50-cm layer of topsoil.

As well as the Torrente Timonchio basin, work on the main local river course and its tributaries included the construction of two flood-containment systems at the town of Malo. This flood-defence project was completed in 2016 and forms part of a wider set of flood-mitigation measures across the Veneto region, including the construction of 10 other expansion basins. ■

FIND OUT MORE

<http://www.regione.veneto.it/>

PROJECTS

BETTER FRENCH CONNECTIONS WITH THE DIGITAL REVOLUTION

**TOTAL INVESTMENT
EUR 30 MILLION**

**EU CONTRIBUTION
EUR 8.3 MILLION**

In 2013, in France, the launch of the OISE THD programme moved the region to the next level in high-speed telecommunications by paving the way for the provision of ultra-high-speed coverage to homes via fibre-optic cables.

As part of the Juncker Plan for growth and jobs, the EU's Digital Agenda acknowledges that Europe needs widely available and competitively priced fast and ultra-fast internet access. France has committed to covering its entire territory with high-speed broadband by 2023, focusing on FTTH technology. The goal of 'fibre to the home technology' is to enhance digital services for the consumer by installing next-generation fibre-optic networks.

The French region of Oise, situated north of Paris in the Hauts-de-France, was one of the first French departments to offer a universal service via the TelOise Broadband Programme (2004-2012). However, the explosion of social networks, ultra-high-definition TV, video on demand, network games, e-commerce and data exchange in business underlined the pressing need for even faster speeds and efficient network connections.

Six years ahead of schedule

Fibre optics provide for a single connection, without limitation, able to fully support today's needs and services as well as those predicted for the future. The FTTH network is based on a new local loop built entirely from fibre optics, and replacing the copper telephone wire loop.

Initially, the Oise Ultra-High-Speed, which is part of the territorial strategy for digital development, was scheduled to end by 2023. However, following four successive periods of accelerated activity, the fibre-optic deployment will be completed by 2019.

Relying on the existing telecommunications infrastructure, an additional 10 000 kilometres of fibre-optic cables will be installed both overhead and underground. Ultimately, this will involve implementing 300 000 connections – to individuals, communities or business – at an estimated cost of EUR 30 million.

Unlike other options, the fibre-optic technology guarantees an identical speed to all subscribers, regardless of their geographical location. It offers very high speeds of 100 Mbps (megabits per second) or more, which is 200 times more efficient than ADSL and 4G technology. With issues remaining over coverage and tariffs, 4G still has a long way to go in rural areas in France.

Since 2014, 176 324 phone jacks (connectors) have been deployed in Oise. All but three of the region's 631 municipalities have joined the Oise Ultra-High-Speed Joint Association, which relies on the country's existing infrastructure, including France Télécom, ERDF and TelOise.

It is hoped that by opting for ultra-high-speed fibre optics as the digital standard of the future, the department of Oise will be better equipped to face the challenges of competitiveness and attractiveness and will be able to fully benefit from its proactive response to the digital revolution. ■

FIND OUT MORE

<https://oise-thd.fr/le-programme-thd/le-projet/>



PROJECTS

WELCOME HOME FOR DISABLED YOUNGSTERS IN BULGARIA

**TOTAL INVESTMENT
EUR 1 289 800**

**EU CONTRIBUTION
EUR 1 039 000**

A state-of-the-art residential complex in the municipality of Vratsa has provided a secure living environment for mentally and physically disabled children and teenagers. The innovative facilities have been designed to meet their everyday needs and to closely resemble a family environment.

The aim of the Innovative Residential Alternatives Complex (CSIAR) project was to promote the better social integration of young people suffering from mental or physical disabilities. As part of Bulgaria's overall strategic childhood framework and Vratsa's municipal social services strategy, the project was closely aligned to the fundamental objectives of the United Nations Convention on the Rights of the Child.

Thanks to a significant investment from the European Regional Development Fund, CSIAR built three family-type accommodation centres and a safe house in the north-western region of Bulgaria. The centres can house up to 50 residents, providing them with shelter and care in a family environment designed to help combat the stigmatisation these youngsters often have to face.

Located in the most densely populated parts of Vratsa, the designers took great care to ensure that all aspects of the accommodation, including the design of the buildings, the landscaping and the facilities, were well adapted to encourage the residents' social inclusion and participation in community life.

Care and attention

The resulting homely and harmonious environment also helped to facilitate the young residents' access to education, health and social services, all of which are specialised and can be adapted to their individual needs.

According to Rozalina Georgieva, the project leader: "The family-type accommodation centres and the safe house mark a radical change in the social services aimed at children and teenagers with mental or physical disabilities. Both of these residential services are an expression of empathy and respect for the dignity of the individual regardless of ethnic origin, gender, disability, age or social status."

CSIAR also addressed the Europe 2020 targets for employment. The project created 39 permanent new jobs in one of Europe's most underdeveloped regions which, in turn, helped to boost development in the area. In future, it is hoped that financial support for the residential complex will be guaranteed either by the Bulgarian state or from municipal funding. ■

AGENDA

8-11 OCTOBER

Brussels (BE)

European Week of Regions and Cities

18-19 OCTOBER

Sofia (BG)

7th Annual EUSDR Forum

20-21 NOVEMBER

Innsbruck (AT)

2nd Annual EUSALP Forum

More information on these events can be found in the Agenda section of the Inforegio website: http://ec.europa.eu/regional_policy/en/newsroom/events/

LEGAL NOTICE

Neither the European Commission nor any person acting on behalf of the European Commission is responsible for the use that might be made of the following information.

Luxembourg: Publications Office of the European Union, 2018

Print: ISSN 1608-389X

PDF: ISSN 1725-8308

© European Union, 2018

Reuse is authorised provided the source is acknowledged.

The reuse policy of European Commission documents is regulated by Decision 2011/833/EU (OJ L 330, 14.12.2011, p. 39).

For any use or reproduction of photos or other material that is not under the EU copyright, permission must be sought directly from the copyright holders.

Printed in Belgium

This magazine is printed in English, French, German, Bulgarian, Greek, Spanish, Italian, Polish and Romanian on recycled paper. It is available online in 22 languages at:

http://ec.europa.eu/regional_policy/en/information/publications/panorama-magazine/

The content of this issue was finalised July 2018.

PHOTOGRAPHS (PAGES):

Cover: Professor Valeria Nicolosi © Trinity College Dublin
 Pages 3 and 4: © European Union
 Page 6: © CMMI; © i3S Installation; © RE-CEREAL; © ASTUTE; © CNSP
 Page 7: © CLIMACT; © SAVE MY BIKE; © VTT; © CEEC-Jena;
 Page 8: © Warmia and Mazury Region; © Moravia-Silesia Region;
 © Kastelo; © ReproUnion; © State Education Development Agency; © Région de Bruxelles-Capitale; © Sefcarm;
 Page 9: © Gmina Czarny Dunajec; © Vista Alegre Heritage Museum; © Iron Age Danube;
 © Nant Gwrtheyrn; © Gozo Region
 Page 10: © European Union
 Page 18: Karin Wanngård © Peter Knutson; Iskra Mihaiylova © European Parliament;
 Page 19: Luc Jahier © European Union; Karl-Heinz Lambertz © European Union;
 Page 20: Karl-Heinz Lambertz © European Union; Magnus Bertsson © AER
 Page 21: © Eurocities
 Page 22: Stefano Bonacini © CCRE CEMR; Eleni Marianou © CPMR CRMP;
 Page 23: Leo Williams and Vito Telesca © EAPN

Page 24: Jana Hainsworth © Eurochild; Y.Vadakastanis © European Disability Forum
 Page 25: © BusinessEurope
 Page 26: A. Hunter and R. Huguenot-Noël © EPC
 Page 27: © CEE Bankwatch Network
 Pages 28, 29 and 30: © European Union
 Page 32: © Thinkstock/mady70;
 Page 33: © Thinkstock/eyjafjallajokull
 Page 36: © Portershed © iStock/SolStock; Insight © Aidan Crawley
 Page 37: © Local enterprise © iStock/nd3000; aerogen © iStock/Steve Debenport;
 Page 38: © Adapt Centre; Connect Centre © iStock/metamorworks
 Page 39: © Government of Ireland
 Pages 44 and 45: © European Union
 Page 46: © Manu Fernandez/AP Images
 Pages 47 and 48: © Associated press
 Page 49: © Ronald Zak/AP Images
 Pages 50 and 51: 1, 5: Janusz Tatariewicz © Ministry of Investment and Economic Development, Poland; 2, 4, 9, 12: Photographs provided by courtesy of the respective beneficiaries;
 3: Łukasz Matwiej © Ministry of Investment and Economic

Development, Poland; 6: Arkadiusz Ławrywianiec © Ministry of Investment and Economic Development, Poland; 7, 10: Maciej Rałowski © Ministry of Investment and Economic Development, Poland; 8: Mateusz Wojtaszek © Ministry of Investment and Economic Development, Poland; 11: Franciszek Mazur © Ministry of Investment and Economic Development, Poland;
 Page 52: © Bois du Cazier © Luc Viatour (<https://Lucnix.be/>) / CC-BY-SA-3.0/CC-BY-SA-2.5
 Page 53: © Peristera Fortress © iStock/sjhaytov; Baroque Complex and Gardens in Kuks © Gabriela Čapková; Horolion © Ministry of Culture and Sport, Greece
 Page 54: © Rūme © Kaspars Sēlis; EYE Film Institute © Jvhertum /CC-BY-SA-3.0; Vila do Conde © iStock/THEGIFT777; Mijava Hillside Farms © Ministry of Agriculture and Rural Development, Slovak Republic
 Page 55: Dragormina Monastery © Geboiu Dumitru Mihai / CC-BY-SA-3.0-R0; PESCA © iStock/DragonImages; Kalopanayiotis © Municipality of Nicosia
 Pages 56 and 58: © Cohesify
 Page 60: © Municipality of Vicenza, Italy
 Page 61: © Oise Très Haut Débit (SMOETHD)
 Page 62: © Deyan Dimitrov

STAY CONNECTED



ec.europa.eu/regional_policy
cohesiondata.ec.europa.eu



@EU_Regional
 #CohesionPolicy | #ESIFunds



EUinmyRegion



[flickr.com/euregional](https://www.flickr.com/euregional)



RegioNetwork



[ec.europa.eu/commission/2014-2019/
 cretu_en](http://ec.europa.eu/commission/2014-2019/cretu_en)
 @CorinaCretuEU



■ Publications Office

European Commission
 Directorate-General for Regional and Urban Policy
 Communication – Agnès Monfret
 Avenue de Beaulieu/Beaulieulaan 1 – B-1160 Bruxelles/Brussel
 E-mail: regio-panorama@ec.europa.eu