

ICLRD Conference Preparing for Economic Recovery: Planning Ireland, North and South, Out of Recession

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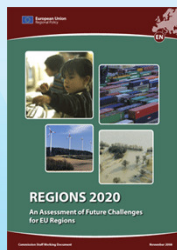
Planning for Recovery – The EU Dimension

- Regions 2020
- EU Budget Review
- The Barca Report
- EU 2020 strategy
- Future Cohesion Policy
- INTERREG IVA



“Regions 2020” Report

- “Regions 2020” report – an analysis of the biggest challenges facing Europe
- Report findings will feed into the future of European Cohesion Policy
- Contextualised within a full budget review of all aspects of current EU funding
- Report will help shape future EU spending priorities
- Key Challenges for European Regions:
 - Globalisation
 - Demographic Change
 - Climate Change
 - Energy Supply



Current EU Budget – Euro 130 billion (1.03% of EU GNI)



EU Budget Review

- Consultation 2007/8: Member State submissions.
- White Paper expected early 2010 (new Commission).
- Budget proposals for 2014-2021 in 2011.
- ‘Leaked’ draft November 2009 – standing of contents debated.
- The ‘leaked’ draft – five principles:
 - Producing EU Added Value
 - Concentrating on key priorities
 - Greater flexibility and responsiveness
 - Simplification and efficiency in delivery
 - Fairness and added value in financing the budget
- The ‘leaked draft’ – three priority axes:
 - Sustainable growth and jobs
 - Climate and Energy
 - A global Europe

EU Budget Review Proposals

Switch of resources could mean:

- Member States taking more responsibility for aid to farmers
- Less regional funding for wealthy member states
- Correction mechanisms like UK Budget rebate could end
- Allocation of new funding for climate change and globalisation

“Barca Report” – Agenda for a Reformed EU Cohesion Policy

- “Barca Report” - sets out proposals for a reformed EU Cohesion Policy post-2013
- Supports allocation of a large share of the EU budget to a **‘place-based development strategy’**
- Strategy will focus on **economic** and **social** goals
- Objective: to reduce inefficiencies and persistent social exclusion
- The reform will require a renewed policy concept; a concentration of priorities; and a change in governance



Report Author: Dr. Fabrizio Barca (Director General, Ministry of Economy & Finance, Italy)

“Barca Report” – Agenda for a Reformed EU Cohesion Policy

- Current economic and political events have increased the urgency for change
- Some changes will occur within the current programming period
- A new high-level political compromise is needed
- The negotiation process must be adjusted



EU 2020 Proposals

‘A smarter, greener social market’

1. Creating value by basing growth on knowledge
2. Empowering people in inclusive societies
3. Creating a competitive, connected and greener economy



The Commission's consultation paper on the future EU 2020 strategy

EU 2020 Proposals

Creating value by basing growth on knowledge

- Strengthening education, especially universities.
- Develop joint research infrastructures across EU.
- Support for innovative and knowledge-based firms.
- An ambitious European Digital Agenda.

to achieve a genuine European Knowledge Area.

EU 2020 Proposals

Empowering people in inclusive societies

- Flexibility in the labour market.
- Skills to meet future needs.
- Modern social security to stop poverty and exclusion.
- Encourage entrepreneurial culture.

for more, better, fairer jobs and opportunities.



EU 2020 Proposals

Creating a competitive, connected and greener economy

- Targeted regulation to shift economies.
- Development of smart, upgraded infrastructures.
- Integrated industrial policy focused on sustainability.

To meet objectives on climate change and energy and respond to needs of the future.



EU 2020

Next Steps...

- Consultation ended 15 January 2010.
- First Proposals to Spring 2010 European Council.
- Agreement June 2010 European Council.

Future Cohesion Policy Economic – Social - Territorial

Mission (Treaty)

- Needed to ensure all EU citizens benefit from integration and to mitigate side effects.
- Seeks harmonious development & reduction of disparities in development of regions.
- Member States' economic policies to help attain these objectives.



Future Cohesion Policy Economic – Social - Territorial

High Level Group convened by DG Regional Policy

- Paper Presented Outgoing Commissioner 3 December 2009
- Debate informed by:
 - Regions 2020 paper
 - Territorial Cohesion consultation
 - Commissioner Hubner's reflection paper
 - Independent report by Fabrizio Barca
 - Discussions at conferences, Open Days etc

Future Cohesion Policy Economic – Social - Territorial

High Level Group Issues

- EU needs territorial development policy - Cohesion Policy
- Scope of cohesion policy
- Cohesion policy EU-wide, with a focus on poorer regions
- More attention to urban/rural areas, within a single approach
- Cohesion policy can support effective delivery institutions
- Improve co-ordination and complementarity with sectoral policies
- Strengthen strategic dimension
- Balance flexibility and focus
- Consider development of European Territorial Cooperation
- Fairer, smoother transitional mechanisms
- Further discussion of management and control issues

Future Cohesion Policy Economic – Social - Territorial

First Conclusions from High Level Group:

- Context viewed as emerging from recession / financial crisis – perhaps smaller overall budget (10%)
- Increased priority on environment / climate change (Change and /or budget pressure for existing policies) / Need for reform of existing policies recognised
- Globalisation and Competitiveness as a common theme
- Cohesion Policy considered necessary for all regions
- Added value of cross border cooperation recognised
- Key decisions next 12-15 months

INTERREG IVA PROGRAMME

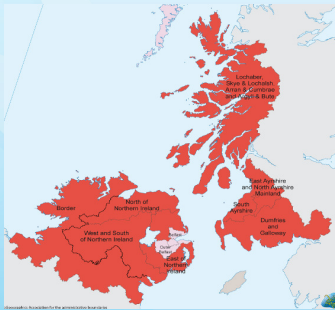


A €256 million cross-border programme which aims to:

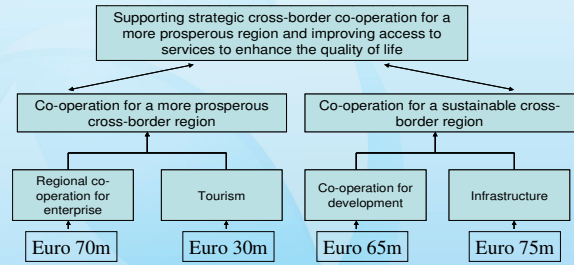
- Strengthen and deepen cross-border cooperation by supporting strategic plans and projects which maximise the impact of the funds
- Support strategic cross-border cooperation for a more prosperous region
- Improve access to services to enhance the quality of life for those living in the eligible area

INTERREG IVA - Eligible Area

- Northern Ireland
- Border Region of Ireland
- Western Scotland



INTERREG IVA - Programme Structure



Project Examples - KITE

- **KITE:** Knowledge and Innovation Transfer in Engineering
- Give local business access to cutting-edge robotics/automation technology
- Increase skills, capacity, knowledge and technology adoption of local manufacturing industries
- Joint initiative: Institute of Technology (Sligo); Northern Regional College (Ballymena); Ayr College, Scotland
- Ensure long-term sustainability of manufacturing and engineering industries across the region
- Value: €3.2m



Project partner - Alan McAfee at Ballymena NRC

Project Examples - Kelvin

- **Kelvin:** New telecommunications cable linking NI and the Border Region of Ireland directly with Canada, North America and mainland Europe
- Enhance local business access to new and improved IT infrastructure
- Open up access to direct international communication services to SME's
- Potentially help attract increased direct foreign direct investment within the region
- Value: €30m



Minister Aislinne Foster (DETI) and Bjarni Thordarson CEO Hibernia Atlantic

Project Examples - BioMara

- **BioMara:** Innovative research project spearheaded by the Scottish Association for Marine Science (SAMS)
- Investigating the potential of sea algae as a source of renewable bio-fuel
- Huge implications for the renewable energy market
- Collaborative approach with project partners including the UU, QUB, Dundalk Institute of Technology, Sligo Institute of Technology and the University of Strathclyde
- Value: €6m



Project Examples – Small Ferries Project

- **Small Ferries Project:** Research and procure a fleet of small ferries
- Improve cross-border transport links
- Operate eight new routes to serve remote communities
- Create cost savings and open up potential new tourism opportunities
- Value: €0.26m



INTERREG IVB and IVC

- SEUPB facilitates North/South participation in all:
 - Interregional Programmes
 - Transnational Programmes
 - North West Europe Programme
 - Atlantic Area Programme
 - Northern Periphery Programme
- Programme results to date:
 - 23 approved transnational and interregional projects (€3.2m)
 - 9 projects have Northern Ireland / Border Region of Ireland / Scotland partners

Challenges and Opportunities

- Enhanced cooperation between Ireland / Northern Ireland and Scotland – 'The Arc of Opportunity'
- Enhanced cooperation within the wider region
- From territorial cooperation to territorial cohesion – the future of cohesion policy
- The 'macro region' concept – the Baltic Sea example
- New programme preparation period approaching
- Major policy themes throughout Europe – competitiveness; energy; climate change; demographic change
- Economic, Social and Territorial Cohesion.



Special EU Programmes Body
Fores Um Chláir Speisialta An AE
Boord O Owre Dcht UE Projects

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