Renewed Cohesion policy speeds up innovation and information society

Andrea MAIRATE

Head of Evaluation Unit

DG REGIO

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Cohesion policy in a nutshell

- € 307.6 billion – for 2007-2013

Three funds

- Cohesion Fund

- European Regional Development Fund

- European Social Fund

Three objectives

- Convergence

- Regional competitiveness and employment

- Territorial Co-operation

Cohesion policy in a nutshell

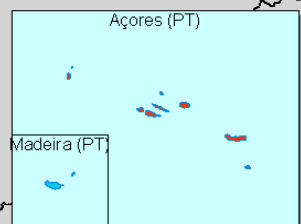## Principles

- Conception
- Decentralised management
- Programming
- Additionality
- Partnership

Legend:
- Convergence Regions
- Phasing-out Regions
- Phasing-in Regions
- Competitiveness and Employment Regions

Canarias (ES)

Guadeloupe (FR) Martinique (FR) Réunion (FR)

Guyane (FR)

Açores (PT)

Madeira (PT)

4

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0   500 km
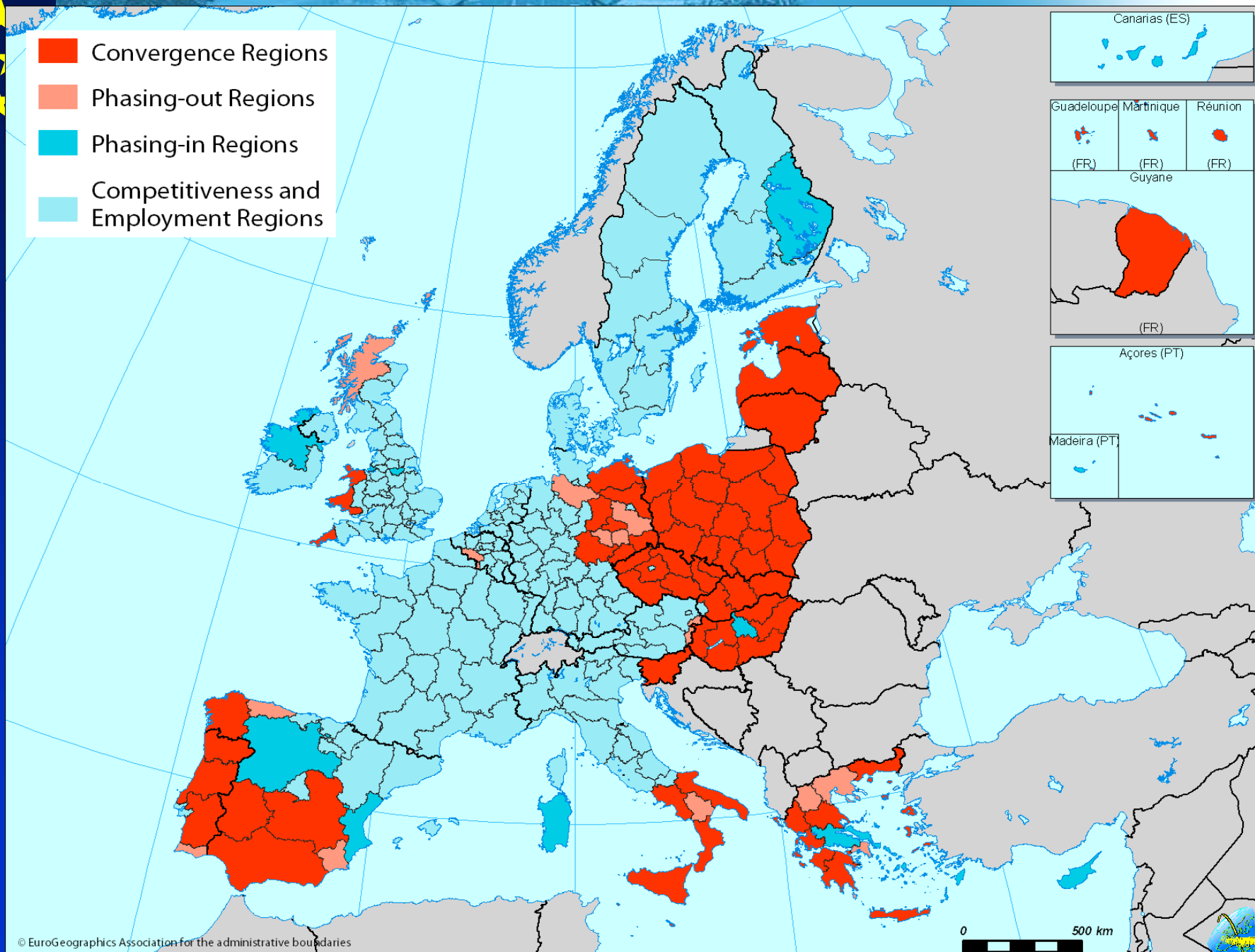
Cohesion policy and Lisbon already now an issue

Investments in 2000-2006

- ERDF: € 10.5 billion in RTDI

- ERDF: € 23 billion to SMEs

- ERDF: € 7 billion ICT

- of which:
  - infrastructure + technology 45%
  - services for citizens (e-health, e-government, education)   35%
  - services for enterprises (e-commerce, training and networking)   20%

Cohesion policy and Lisbon even more in the future

Increased focus on Lisbon priorities

Growth and Jobs Agenda :

- – Make Europe more attractive place to invest and work

- – Knowledge and innovation the beating heart of European growth

- – Policies to allow businesses to create more and better jobs

ICT investment and Lisbon Agenda

- The dissemination of ICT across the Union's economy: a major lever for improving both productivity levels and the competitiveness of regions

- The dissemination of ICT encourages the re-organisation of production methods and the emergence of new business

i2010 and Cohesion policy

i2010 priorities

- Space policy

- Strengthening Innovation and investment in ICT research to promote growth and better jobs

- Inclusive European Information society

Regional and cohesion responses

- Support to GMES

- Priority to innovation and investment on R&D

- Improving accessibility for disabled and elderly people, ageing of population, territorial cohesion, etc.

Cohesion policy and ICT

Community Strategic Guidelines

- Ensure uptake of ICTs by firms and households and promote development through the balanced support to the supply and demand of ICT products in public and private services

- Increase investment in human capital

- Promote an open and competitive digital economy and an inclusive society (for example, improving accessibility for disabled and elderly people).

- Ensure availability of ICT infrastructure **where the market fails to provide it** at an affordable cost and to an adequate level to support the required services, especially in remote and rural areas and in new Member States.

ICT in the new legislative package

Objective Convergence

- **Development of electronic communication infrastructure**,

- content, services and applications

- improvement of secure access to and development of on-line public services;

- aid and services to SMEs to adopt and effectively use information and communication technologies (ICTs) or to exploit new ideas

  - ERDF Regulation (N° 1080/2006) of 5 July

ICT in the new legislative package

Objective Regional Competitiveness and employment

- promoting the access to, take up, and efficient use of ICTs by SMEs

- the establishment of public internet access points, equipment, and the development of services and applications,

- development of action plans for very small and craft enterprises

  - ERDF Regulation (N° 1080/2006) of 5 July

ICT in the new legislative package

Objective European territorial cooperation

- access to telecommunications services where these have a clear transnational dimension,

- the promotion of advanced information and communication technologies'

- ERDF Regulation (N° 1080/2006) of 5 July

Major challenges in ICT policy

- Bridging the Broadband Gap

- Implementing successful policies

- Supporting the up take of ICT and broadband by users and businesses

- Developing more standardised markets at EU level

Bridging the Broadband gap

- Operational savings based on rationalisation and use of modern technology with the expected growing use of wireless communications and access platforms (e.g. 3G, WIFI, WIMAX and satellite), deployment of fibre in LAN….

- Managing radio spectrum with greater flexibility and the principles of 'service neutrality' and 'technological neutrality'

- Unlicensed spectrum' model adequate to the openness of the market to the small and micro entrepreneurs

Bridging the Broadband gap

- Where there are genuine market failures, the EU Structural Funds play a vital role in stimulating investments in broadband infrastructure and services, boosting competitiveness and innovation and enabling all regions of Europe to participate fully in the knowledge economy"

  Commissioner Danuta Hübner, Commissioner responsible for Regional Policy – March 2006

Implementing successful policies

Successful regional and national policies in promoting broadband penetration are those that

- Promote the development of a network infrastructure

- Promote services to consumers and businesses

- Support IT education, training and use of broadband applications

- Promote a competitive regulatory environment

ICT investment for regional development

- Investment on ICT, including access, security, interoperability, risk-prevention, research, innovation, e-content, etc.

- Services and applications for the citizens

- Services and applications for SMEs

- Measures improving access to and efficient use of ICT by SMEs

Supporting the up take of ICT and broadband by users and businesses

- Structural Funds support the development of e-government, e-health applications, etc.

- Depending on managing authorities initiative, all types of e-government services might be financed including e-procurement applications.

- Regional policy supports the exchange of good practices among different regions and countries and supports networks

A FEW EXAMPLES

E-GOVREGIO

Greek, Italian, Spanish and Polish regions

Raising awareness on public and regional stakeholders on the benefits of e-government in order to get better public services

Establish pilot e-government platforms to provide innovative services to citizens, businesses and public administration

ERDF budget € 846 million + regions investment

CYBERSTRATEGY

Spanish , German, Greek, Irish, Italian and Czech regions

Conversion of telecentres into 'Centres of excellence'

Creation of new management models for telecentres

Drafting a guide for self-assessment

Creation of a European telecentre network

ERDF budget € 633 million + regions investment

E-TEAMS

Regions in Poland, Sweden, Portugal, Lithuania, Greece, Germany, UK, Spain and Finland

Establishment of Multi-Actor partnerships of local and regional policy makers, universities and business support organisations.

Entrepreneurial teams that include SMEs of different sectors to test ideas for SME support

ERDF budget € 794 million + regions investment

Stimulating competition in Andalusia

The regional authorities in Andalusia (Spain)

- Set up centers which grouped demand and coordinated the activities of different groups of users. 2 operators who use varied technologies (DSL, wireless and satellite) are extending coverage to all localities in Andalusia till the end of 2006

- Innovative Actions

Sicily digitises its image: new products

- Digital imaging applications to improve the quality and stability of digital pictures as well as their encoding for transmission by mobile phones, video cameras, printers, etc.

Cryptography in Hungary: new applications

- The KRIPTO research company that was launched by the University of Debrecen is developing two software prototypes to increase the security of e-government and e-commerce, on-line banking, electronic signatures and user id systems

Building sustainable prosperity in Northern Ireland

Providing broadband telecommunication services to

- support the provision of broadband access

- educate the user about the benefits of broadband services

- support to e-business

- increase competition in the market

- technology neutrality and comprehensive accessibility

Conclusions: economic opportunities for the Regions through ICT

- More efficient location of investments taking into account differences in terms of access to makers and costs

- Greater economic dynamism through valorisation of existing activities/attraction of higher added value activities

- Reduction of distance, especially for remote and rural areas → contribution to a more balanced development

But also <u>adverse effects</u> if ICT based activities tend to locate in most developed areas and contribute to a growing polarisation of activities

Some critical factors

- Future programmes should recognise the fact that success of regional development lies in the capacity of innovate the promotion of a spirit of entrepreneurship, development of human capital to better export ICT opportunities

- Most ICT strategies will have to be driven by content and demand, therefore more emphasis on education, awareness raising and digital literacy to overcome obstacles to the development of the IS

- IS will not develop in regions without the participation of citizens and the creation of capabilities to ensure equal access

THANK YOU FOR YOUR ATTENTION