European Community Strategic Guidelines for cohesion, growth and jobs

Guideline I : Making Europe a more attractive place to invest and work:
Actions:
Expanding and improving infrastructures, includes: priority to projects of European interest located in poorer Member States and regions (Convergence objective), investment in secondary connections, support for rail infrastructure with focus on greater accessibility, connecting of landlocked areas to the Trans-European network (TEN-T), promoting environmentally sustainable transport in and between urban areas, and developing the “motorways of the sea”;
Improving the environmental contribution to growth and jobs, includes: addressing the needs for investment in infrastructure in the Convergence regions to comply with environmental legislation (water, waste, air), ensuring attractive overall environment for business and highly-qualified staff, promoting investments in line with the Kyoto protocol, undertaking risk prevention measures;
Addressing Europe’s intensive use of traditional energy sources, includes: supporting projects improving energy efficiency, supporting the development of renewable and alternative technologies, concentrating investment in traditional energy sources to develop networks;

Guideline II : Knowledge and innovation for growth
Actions:
Increasing and improving investment in RTD, includes: strengthening cooperation between businesses as well as between businesses and public research institutions, supporting RTD for SMEs, support for regional cross-border and transnational initiatives aimed at strengthening research collaboration, strengthen R&D capacity building;
Facilitating innovation and promote entrepreneurship, includes: making regional innovation and education supply more accessible to firms, ensuring business support service, favouring EU RTD in eco-innovations, promoting entrepreneurship;
Developing an information society for all, includes: supporting ICT (take-up, development of product and services, infrastructure);
Facilitating access to finance, includes: supporting the use of non-grant instruments and guarantee mechanism, as well as particular support for specific groups (young, female, ethnic minorities)

Guideline III : More and better jobs
Actions:
Attracting and retaining more people in employment and modernising social protection systems, includes: implement policies aimed at achieving full employment, promoting a life-cycle approach to work, ensuring inclusive labour markets, enhance work attractiveness, and make work pay for job-seekers, including disadvantaged people, and the inactive and improving matching of labour market needs;
Improving adaptability of workers and enterprises and the flexibility of the labour market, includes: promoting flexibility combined with security, ensuring employment friendly wages;
Increasing investment in human capital through better education and skills, includes: expanding and improving investment in human capital, adapting education and training systems.

Background
The EU Treaty states that, in order to strengthen its economic and social cohesion, the Community shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions or islands, including rural areas. The recently published Third Interim Report on Cohesion confirmed that the enlargement presents an unprecedented challenge for the competitiveness and internal cohesion of the Union. At the same time the report noted that some of the poorest parts of the new Member States have some of the highest growth rates in the Union. With a view to meeting the objectives of the Treaty, and in particular that of fostering real convergence, the Commission put forward proposals to reform the Cohesion policy for the next programming period 2007 – 2013. They were presented in the Third Cohesion Report (February 2004 ) then in budgetary and legislative form in mid July 2004.

To re-launch the Lisbon Strategy, the Spring Council 2005 concluded that all appropriate national and Community resources, including Cohesion policy, should be mobilised in order to “renew the basis of Europe’s competitiveness, increase its growth potential and its productivity and strengthen social cohesion, placing the main emphasis on knowledge, innovation and the optimisation of human capital”. The Strategic Guidelines reflect those priorities. Presented at the Informal Ministerial Meeting on Regional Policy and Territorial Cohesion in Luxemburg (19-21 May 2005), the Guidelines received a broad support from the Member States.

Over the period 2000 to 2006, transfers from Structural Funds and instruments to the Union’s poorest regions amount to about EUR 265 billion or one third of the EU budget. Most of the funding is spent through multi-annual development programmes, managed jointly by the European Commission, the Member States and regional authorities. Independent evaluations show that between 50 and 70% of the allocations are spent within the objectives which are in the scope of the Lisbon strategy.

For the 2007-2013 period, the Commission proposal for a reformed cohesion policy amounts to EUR 336.1 billion. 79% of this amount (i.e. EUR 264 billion) is foreseen for the poorest regions and Member States under the new convergence objective, 17% (i.e. EUR 57.9 billion) for Community support under the new regional competitiveness and employment objective, and 4% (i.e. EUR 13.2 billion) for territorial cooperation.