



ICT and Digital Agenda: The contribution of the EU Cohesion Policy

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COHESION POLICY AND ICT 2007-2013

- **Total ERDF financing of around € 15 billions** (4.4% of total Cohesion policy budget) to information society and digital agenda priorities.
- € 12,7 billions for **innovative ICT**, covering ICT applications and services for citizens and SMEs (e-government, e-health, e-learning etc).
- € 2,3 billions for **ensuring access**: broadband infrastructures



RESULTS IN ICTs and DIGITAL AGENDA from COHESION POLICY SUPPORT

- **Gap in take up** of broadband between sparsely and densely populated regions **fell** between 2004-2008.
- **Gap in broadband coverage between rural and urban regions reduced** between 2004 and 2007.
- Policy supports **exchange of good practice between regions on innovation**: Three projects in Information Society received REGIO Stars prize in 2010.



IMPLEMENTATION DIFFICULTIES

- **Implementation delays** exist in field of ICT, most notably **for broadband investments**.
- **Greater leverage of private investment in ICT needed** to offset budget public constraints.
- **Lack of planning capacity** in some regions.
- Commission to publish shortly a **Guide on Broadband Investment models for Public Authorities** aimed at improving absorption rates.



RESULTS in digital investment from Cohesion Policy support in GREECE

- During the programming period 2000-2006, 1,68 billion € have been invested in Greece in ICTs and Broadband and received an EU support of 1,24 billion €.
- **Gap** in broadband coverage and broadband penetration between Greece and EU-27 regions **fell** between 2000-2009.
- **Modernization of the Greek Public Administration through the use of ICTs has been boosted significantly (Taxisnet, ELTA, Land registry, Property registry, eHealth,).**
- **Services for the citizen and improvement of the quality of life and development and employment in the digital economy** (Education in the digital era, Enhancement of the synergies between Culture and Tourism, development of local broadband networks, e-commerce made significant paces forward).



RESULTS in digital investment from Cohesion Policy support in GREECE

- During the programming period 2007-2013, 1,578 billion €, through the OP Digital Convergence, are available to be invested in Greece in ICTs and Broadband (EU support is calculated as the 85% of the eligible expenditure; soon can reach the 95%). The breakdown of the available resources only for the 8 Convergence Regions has as follows:

No P.A.	PRIORITY AXES	Total Budget M€	Activated Budget(05/2011)
1	Productivity enhancement by capitalizing on ICT	502.500.000,00	382.014.795,35
2	ICT and quality of life improvement	552.500.000,00	562.423.835,44
3	Application Technical Support	20.000.000,00	17.366.845,60
Total		1.075.000.000,00	961.805.476,40



RESULTS in digital investment from Cohesion Policy support in GREECE

- **Absorption of the available 1,578 billion € is one of the lowest in EU-27 (in Novembre 2011: 16%)**
- **Some very important ICT/ Broadband operations are foreseen to be implemented in Greece during 2007-2013 period :**
 - **E-Procurement;**
 - **E-Health;**
 - **E-prescription;**
 - **Digital School (190 M€);**
 - **Hellenic Post (80M€)**
Cadastre - Ktimatologio (120M€*)
 - **Extension of the Metropolitan Area Network to private operators**
MAN~75M€/FTTH;
 - **Rural Broadband ~200M€ (140 M€ O.P. DG),**



Available tools to enhance the digital investment from Cohesion Policy support in GREECE

- **The Greek Authorities together with the EU Commission services should focus on the utilisation of the remaining resources. Possible future allocation of resources on**
 - **Broadband (~35% of the budget)**
 - **State Aid Funding Projects(~30% of the budget)**
 - **Services/Public Structures (~35% of the budget)**



Available tools to enhance the digital investment from Cohesion Policy support in GREECE

- **Additionally to the direct state aid, the grants and the fiscal incentives, there are available some Financial Engineering Instruments, like the following which can be used with aim the enhancement of ICT investment in Greece:**
- **JEREMIE** (EIF): public expenditure (PE) foreseen €250 million; managed by the EIF; expected additional resources (from participating Banks) 50 to 30 % of PE; already some specific ICT products have been designed and published within JEREMIE
Funded Risk Sharing Financial Instrument (~90M€)
 - 4 Financial Institutions submitted proposals
 - Evaluation was expected to be completed by the middle of June
 - Product was expected to be available to the market during summer

ICT Venture Capital Fund

- Open tender was to be announced by May 2011
- A roadshow took place in major VC in the US
- Due Diligent was to be completed by EIF by September
- Product was expected to be available to the market in October



Available tools to enhance the digital investment from Cohesion Policy support in GREECE

Other Financial Engineering Instruments, which can be used with aim the enhancement of ICT investment in Greece:

- **Entrepreneurship Fund (ETEAN)**: public expenditure (PE) foreseen €460 million; managed by the ETEAN; expected additional resources (from participating Banks): ~ 800 M€;
- **JESSICA** (urban renewal) (EIB); public expenditure (PE) foreseen €258 million; managed by the EIB; expected additional resources (from participating Banks): ~ 30% minimum;



OBJECTIVES OF COHESION POLICY POST 2013

- Legislative proposals adopted by Commission October 6th.
- **Deliver the Europe 2020 strategy objectives** of smart, sustainable and inclusive growth.
- Focus on **results**.
- **Maximise the impact** of EU funding.



REINFORCING EFFECTIVENESS AND PERFORMANCE

- **Ex-ante conditionality:** ensuring conditions for effective investment are in place.
- **Performance framework** for all programmes: clear and measurable milestones and targets with results-orientated indicators.
- **Macro-economic conditionality:** support aligned with economic governance.
- **Concentration of resources** to maximise impact.



MENU OF THEMATIC OBJECTIVES

- **Research and innovation**
- **Information and communication technologies**
- **Competitiveness of SME's**
- Shift to low carbon economy
- Climate change adaptation and risk prevention
- Environmental protection and resource efficiency
- Sustainable transport
- **Employment and supporting labour mobility**
- Social inclusion and combating poverty
- **Education, skills and life-long learning**
- **Institutional capacity building** and efficient public administrations



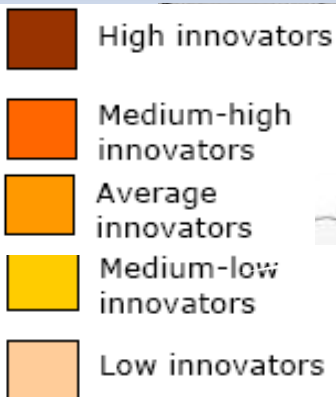
CATEGORIES OF REGIONS

- **Less developed regions:** those with GDP per capita below 75% of EU average
- **Transition regions:** new category comprising those with GDP per capita between 75% and 90% of EU average.
- **More developed regions,** with GDP per capita above 90% of average.
- Degree of thematic concentration depends on development level

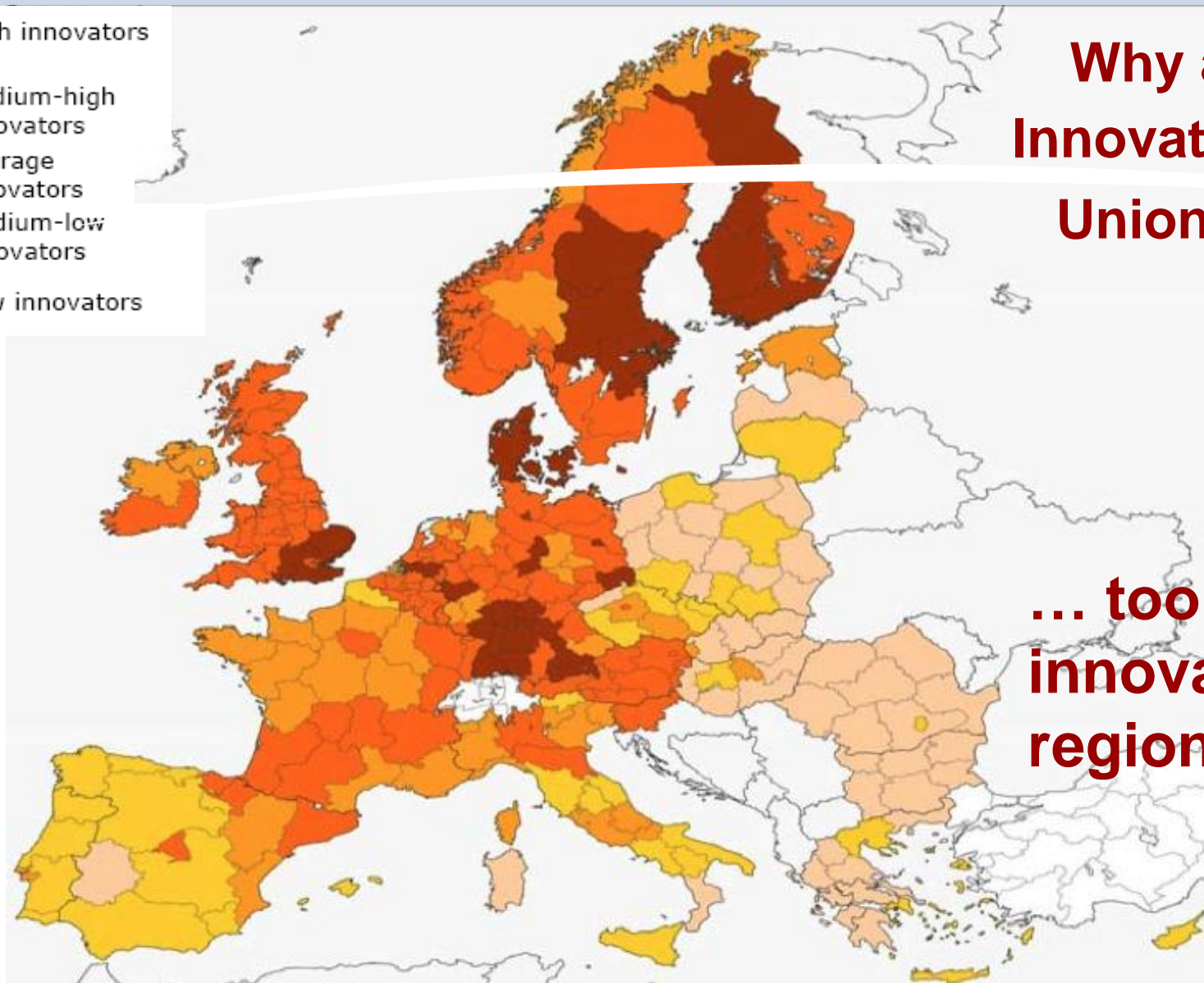


ENHANCING ACCESS TO AND USE AND QUALITY OF ICT

- **Large disparities remaining between regions and countries for adoption of information and communication services and technologies**
- **ICT will therefore remain a priority post 2013 for less developed and transition regions, such as:**
 - extending broadband deployment and roll-out of high-speed networks
 - developing ICT products and services
 - strengthening ICT applications



**Why a
Innovation
Union?**



**... too few
innovative
regions!**



SOME WEAKNESSES OF EUROPEAN INNOVATION

- **Under investment** in European knowledge base: Japan and U.S. are out-investing us
- **Too much fragmentation and costly duplication:** we must spend our resources more efficiently and achieve a critical mass
- Unsatisfactory framework conditions, e.g. **poor access to finance**
- **Insufficient private investment** in R & D



SMART SPECIALISATION

“Smart Specialisation is a dynamic strategic process where regions and Member States identify their **long-term competitive advantages based on local strengths** and define those actions that can lead them to maintain and/or create their competitive position” (Innovation Union Competitiveness Report 2011).



SMART SPECIALISATION STRATEGIES

- National or regional research and innovation **strategy for smart specialisation** needs to be in place as a **pre-condition for post 2013 support**.
- Means **all regions will need to engage in strategic exercise** as part of future programming so that resources are focussed on a region's greatest assets and opportunities.
- **ICT and the Digital Agenda being key enablers for innovation and growth will be key components of these strategies.**



COMPONENTS OF A SUCCESSFUL STRATEGY

- **Aim to build successful integrated regional innovation systems:**
 - innovation support services
 - stimulation of entrepreneurship
 - access to finance for SME's
 - upgrading education, skills and training
- **Developed in partnership** with main regional innovation actors, with shared commitment on limited number of key priorities



THE FOUR C's

- **Choices**
- **Competitive advantage**
- **Critical mass**
- **Corporate leadership**



SMART SPECIALISATION PLATFORM

- The Platform was officially launched in June 2011, will be **operational in 2012**.
- Will be managed by Joint Research Centre (IPTS Seville) in close cooperation with DG Regional Policy.
- **Commission will publish a Guide before the end of 2011** on practicalities for developing smart specialisation strategies.



PHILOSOPHY of PLATFORM

- Will act as a **facilitator** in bringing together the relevant policy support activities in research, regional, enterprise, innovation information society and education policies
- Aims at **creating the strategic intelligence** in each region to produce a smart specialisation strategy
- Philosophy of **peer review** and **partnership**



CONCLUDING COMMENTS

- MAKE THE OPTIMAL USE OF THE REMAINING RESOURCES IN NSRF 07-13
- START TO GET PREPARED FOR THE NEXT PERIOD AND ITS PREREQUISITE THE SMART SPECIALISATION STRATEGY
- LOOK OUT FOR THE SMART SPECIALISATION PLATFORM. YOU ARE ENCOURAGED TO PARTICIPATE!
- **THANK YOU FOR YOUR ATTENTION!**