

EU News Bulletin

The latest news, funding and events from the EU for local and regional government

Number 30 – September 2006

Produced by the Irish Regions Office (IRO), Brussels
in association with the Institute of Public Administration (IPA)



Irish Regions Office



INSTITUTE OF PUBLIC
ADMINISTRATION

FUNDING 1

Integrating third country nationals

Excellence in rural tourism

Active aging and mobility

Young active citizens award

NEWS & POLICY 2

€2.3 billion for rural dev. in Ireland

Modulation could benefit LEADER axis

New draft rules on “de minimis” aid

New guidelines on state aid for SMEs

New fast-track initiative for regions

New action plan on energy efficiency

Drogheda signs EU road safety charter

Consultation on LIFE+ prog in Ireland

New EU association of local politicians

Parliament’s consulted on EU policy

New EU instrument for pre-accession

EVENTS 4

AIR annual conference; Regional

research & innovation; World

eGovernment forum; Structural Funds

management; World sustainable

energy days; EU sustainable energy

week.

NETWORKS 4

EU association of rural communities

PUBLICATIONS 4

A guide to SME policy

FUNDING

Integrating Third Country Nationals

The 2006 call for proposals for the programme on Integration of Third Country Nationals (INTI) was published on 28 August. This call has three specific objectives: to support the setting up of transnational co-operation networks or pilot projects designed to identify, exchange and evaluate good practice; to increase the knowledge base for the development of EU integration policies; and to support transnational dialogue and awareness on integration issues and the impact on society. The total budget is approximately €5 million, with co-financing of up to 70%. Grants of €100,000 to €500,000 are foreseen. Projects must involve partners from at least five Member States. Deadline for proposals: 20 October 2006. *Further details at:* http://europa.eu.int/comm/justice_home/funding/inti/funding_inti_en.htm

Excellence in Rural Tourism

The European Commission has published a call for proposals on the implementation of a pilot project to select the “Best Emerging Rural Tourism Destinations.” As part of the “European Destinations of Excellence” initiative, the Commission has selected rural tourism as the theme for 2007. The objective of this call, therefore, is to support national administrations in charge of tourism, or other public bodies, in selecting one destination of excellence per Member State. Applicants are requested to propose a scheme to facilitate this selection. The overall budget is €900,000. The EU contribution by project will not exceed €45,000. Deadline for applications: 6 October 2006. *Further details at:* http://ec.europa.eu/enterprise/funding/grants/themes_2006/index.htm#III

Active Ageing and Mobility

The European Commission has published a call for proposals for preparatory actions under the Active Ageing & Mobility for Elderly People (ENEA) programme. The purpose of the call is to fund a limited number of projects that promote both active ageing, including access to the labour market, and cross-border mobility of older people. Possible activities include: exchange programmes, conferences, seminars, study visits and missions/assignments in other Member States. The total budget is €1.5 million, with EU co-financing of up to 80%. The Commission expects to award 3 to 5 grants. Deadline for applications: 11 October 2006. *Further details at:* http://ec.europa.eu/employment_social/emplweb/tenders/tenders_en.cfm?id=925

Young Active Citizens Award 2006-2007

The Council of Europe recently launched the 5th “Young Active Citizens” Award for 2006-2007. The aim of the Award is to promote active participation of young people in society by rewarding outstanding/innovative projects/actions under the theme, “Diversity, Human Rights and Participation.” In particular, the Award seeks to encourage enhanced linkages between young people and public authorities at local, regional and national levels. The deadline for proposals is 15 July 2007. Five projects will receive awards of €1000 at the Award ceremony in Strasbourg in September 2007. A winner of the 2005 Awards was the “WIMPS project (Where Is My Public Servant? - www.wimps.org.uk) from N. Ireland, which helps to foster communication between young people and local authorities. *Further details at:* http://www.coe.int/t/e/cultural_cooperation/youth/2_priorities/award.asp#P24_826

NEWS & POLICY

€2.3 billion for Rural Development in Ireland

On September 12, the European Commission decided on the annual Rural Development budget for the 25 Member States for the period 2007-2013. The total EU budget for rural development for this period will be €77.662 billion, including additional funding under the compulsory modulation (5%) of direct aid under the CAP. The total EU contribution to Ireland's rural development budget for 2007-2013 will be €2,3 billion. With mandatory national co-financing, this will amount to a total budget in excess of €4.0 billion. The annual breakdown of the EU contribution to Ireland is as follows:

<u>Year</u>	<u>(Million €)</u>
2007	374
2008	355
2009	329
2010	333
2011	325
2012	317
2013	307

Table. 1 Annual EU allocation

This money will be divided between four Axes: a minimum of 10% for Axis 1 - improving competitiveness of farming and forestry; a minimum of 25% for Axis 2 - agri-environment measures; and a minimum of 10% must be spent on Axis 3 - Improving quality of life and diversification of the rural economy. Each programme must also have a LEADER component, for the implementation of bottom-up local development strategies by local action groups. A minimum of 5% of the EU contribution (€117 million in Ireland) is reserved for this LEADER Axis. *Further details from the Irish Regions Office.*

Modulation Could Benefit LEADER Axis

In May 2006, the European Commission adopted a proposal on rules applicable to the optional modulation of direct payments under the CAP. If adopted the proposals could mean additional funding for LEADER type activities. Optional modulation was agreed at the European Summit in December 2005 and gives Member States the option of transferring up to 20% of direct CAP payments to rural development. This is in addition to

the existing compulsory modulation of 5%. In its proposals, the Commission proposes that Member States that apply the optional modulation system would receive the corresponding amounts as a second source of Community funding for their rural development programmes and that this would be subject to all the existing rules pertaining to these programmes. This includes Article 17 of the general rural development regulation on the minimum spending rates per Axis (see previous article). Meeting in Brussels on 18 July, EU Agriculture Ministers criticised this requirement as contrary to the agreement reached at the European Summit in December 2005. The Commission insisted that its intention is to stick as closely as possible to the same principles as those set out in the general regulation. EU Agriculture Commissioner, Mariann Fischer Boel said, however, that she would be prepared to review the system during the revision of the EU budget in 2008-2009 and to look at a new obligatory modulation rate at the same time. The next step is for the European Parliament to give its opinion on the Commission's proposals before a final decision by the Council later in 2006. *Further details at: http://ec.europa.eu/prelex/detail_dossier_real.cfm?CL=en&Dossier=194258*

New Draft Rules on “De Minimis” aid

On September 20, the European Commission presented a revised version of new draft ‘de minimis’ rules on state aid in which it proposes that subsidies of €200,000 or less will not constitute state aid. The new version of the Commission's proposals takes account of comments made during a public consultation on an initial proposal presented in March 2006. In March 2006, the Commission proposed a ceiling of €150,000, up from €100,000 under the current rules. The latest proposal also extends the scope of the de minimis exemption to the marketing and processing of agricultural products and to the transport sector, with the exception of the road transport sector (except for incentives for the purchase of cleaner and more environmentally friendly vehicles). The de minimis rule will be limited to transparent types of aid, where it is possible to determine the precise amount of aid in advance. As compared to the earlier draft proposal, more precise guidance is given as regards the status of loans, capital injections, risk capital and guarantees. The proposal complements the Guidelines on Risk Capital (see below).

Member States and other stakeholders now have a second opportunity to comment on the proposal before it is definitively adopted by the Commission later this year, and enters into force in January 2007. *Further details at: http://ec.europa.eu/comm/competition/state_aid/overview/sar.html*

New Guidelines on State Aid for Risk Capital for SMEs

The European Commission has adopted new Guidelines on when state aid to support risk capital investment in SMEs is compatible with EU state aid rules. The new Guidelines replace the 2001 Communication on state aid and risk capital. Key changes include a new threshold of €1.5 million investment per SME over 12 months (up 50% on the previous guidelines), a light assessment procedure for clear cut cases fulfilling certain conditions, and assessment criteria which ensure that state funding will leverage private investment, target market failures and be proportionate. The new rules could, for example, allow for government/private sector funding to be split on a 70:30 ratio in regions such as the BMW (currently in Ireland the ratio is 50:50). The new Guidelines specifically cover risk capital measures for investment in SMEs in their early stages (seed, start-up and expansion), where funding is provided jointly by the State and private investors. The Guidelines complement other state aid instruments targeting SMEs, including the new Regional Aid Guidelines (2007-2013), which include ‘enterprise aid’ for start-up and early-stage small enterprises in assisted areas. *Further details at: http://ec.europa.eu/comm/competition/state_aid/overview/sar.html*

New Fast-Track Initiative for Regions

At a conference on EU Regional Policy and Innovation in June 2006, Graham Meadows, Director General of the European Commission's Regional Policy Directorate announced that for the period 2007-2013 the European Commission would be looking for 20-25 regions to participate in a new Fast-Track Initiative (FTI). The idea, which has already been agreed in principle by Member States, is that regions could, on a voluntary basis, participate in the FTI within the framework of the Structural Funds programmes for 2007-2013. Although little information is currently available, it is likely that the FTI will take the form of networks/clusters of regions

selected on the basis of their strength or weakness in a particular area, with strong and weak paired up. Action plans would then be prepared for the 'weak' regions, which would then be implemented under the Region's Operational Programmes. Any region wishing to participate in the FTI will have to include the priority 'Regions for Economic Change' in their Operational Programme. The Commission will announce network themes in the autumn 2006. The following themes are currently being considered: Improving regional capacity for research and innovation; Improving qualifications for innovation; Low carbon economy; Better connections; and eGovernment. *Further details from the Irish Regions Office.*

New Action Plan on Energy Efficiency

The European Commission is expected to publish a new six-year action plan for energy efficiency on September 27. The new action plan will feature over 100 different measures to boost energy savings in all sectors of the economy - public, private and households. It will complement national energy efficiency action plans, which, under the terms of the Energy Services Directive, Member States are required to submit to the European Commission by June 2007. The EU action plan will cover the period 2007-2012 and will consist of four pillars: behavioral change; targeting the general public; legal instruments, promoting full implementation of existing EU laws, and a possible revision of targets; financial instruments, including tax incentives and financing, including from the Structural Funds; and global aspects including international agreements and treaties on cleaner technologies. The new action plan will have important implications for local and regional authorities, particularly in areas such as the energy performance of buildings, and public sector obligations to take energy efficiency into account in public procurements relating to the purchase of vehicles, buildings and equipment. *Further details at: http://ec.europa.eu/energy/efficiency/index_en.htm*

Drogheda First to Sign EU Road Safety Charter

Drogheda Borough Council has become the first local authority in Ireland to sign up to the European Road Safety Charter (http://ec.europa.eu/transport/roadsafety/charter_en.htm). The Charter is a European wide commitment to half road

deaths by the year 2010 and provides a forum for the signatories to exchange experiences and new ideas on improving road safety in Europe. Each signatory to the Charter must identify one priority action, which they will engage over a three-year period. Drogheda is focusing in particular on promoting road safety in schools and plans to set up a forum for interested parties on this subject. Mr. Michael O'Dowd, Mayor of Drogheda formally signed the Charter in Drogheda on 11 September 2006. Mr O'Dowd suggested that this initiative could, potentially, be rolled out in every local authority in Ireland and he invited staff and members of other local authorities to learn from the Drogheda experience. *Contact: Rosemary Howell, Mayor's Office, Drogheda Borough Council. Tel: 041-9876100, ext 154, e-mail: rosemary.howell@droghedaboro.ie*

Consultation on LIFE+ Programme in Ireland

The Department of the Environment Heritage and Local Government is organising a stakeholders meeting on 27 September to discuss a national multi-annual work programme for the new EU LIFE+ programme. For the period 2007-2013, for the first time, LIFE+ will be largely decentralized, with around 80% of the budget allocated to the Member States for financing projects and measures through national programmes. Ireland's share of the budget will be around €3 - €3.5 million per annum. Public and private entities will be able to apply for LIFE+ funding for projects in areas such as climate change, nature and biodiversity, health and quality of life, and natural resources and waste management (see EU News Bulletin no. 29). *Further details from Mr James Blake, Department of the Environment, Heritage & Local Government. Tel: +353 (0)1 8882304, e-mail: James.Blake@environ.ie*

New European Confederation of Locally Elected Reps.

A meeting is being held in the European Parliament in Brussels on 19 October to present and discuss new proposals for the establishment of a European Confederation of Locally Elected Representatives. The idea is being put forward by Councillor Peter Mole of Gateshead Council in the UK. Mr Mole proposes that the new confederation would facilitate the coming together of locally elected representatives on a regular basis to develop, discuss and

advance issues of shared interest, at both national and European level. It would also facilitate networking and exchange between members and provide accredited training and education on matters of interest to locally elected representatives. A key aim of the new confederation would be to support the activities of national associations of locally elected representatives and to generally enhance the status and operation of local government in Europe. *Further details from the Irish Regions Office.*

National Parliaments Now Consulted on EU Policy

On September 11, the European Commission commenced the direct transmission of its documents to national parliaments, fulfilling a commitment announced on 10 May, and subsequently endorsed by the June European Council, to transmit its new proposals and consultation papers directly to the national parliaments for consultation. The documents will be transmitted to the national parliaments by e-mail. A special internal procedure has been put in place for the handling of parliaments' opinions, under the authority of the Commission's Vice-President Margot Wallström, who is responsible for relations with the national parliaments. *Further details from the Irish Regions Office*

New EU Instrument for Pre-accession Assistance

€11.47 billion in EU funding will be available to candidate and potential candidate countries in the period 2007-2013, following agreement on July 17 on a new Instrument for Pre-accession Assistance (IPA). The new IPA, which will assist countries in preparing for EU membership, will replace the five existing instruments (PHARE, ISPA, SAPARD, Turkey pre-accession instrument and CARDS). It will consist of five components: 1. Transition Assistance and Institution Building (inc. support for exchanges with local and regional authorities); 2. Regional and Cross-Border Cooperation, 3. Regional Development; 4. Human Resource Development; and 5. Rural Development. Countries eligible under the new IPA include: Croatia, Turkey, the former Yugoslav Republic of Macedonia, Albania, Bosnia and Herzegovina, Montenegro, and Serbia, including Kosovo. *Further details at: http://ec.europa.eu/enlargement/financial_assistance/ipa/index_en.htm*

EVENTS

6 October 2006, Sligo (Ireland)

This year's Association of Irish Regions (AIR) annual conference will focus on the theme of, "Sustainable Energy: The Untapped Resource of our Regions." Speakers include leading experts in the areas of renewable energy policy and practice. Registration is now open. *Contact: Mr Jim Stone, Association of Irish Regions, Tel: +353 57 93 52996, e-mail: jstone@midlands.ie*

11 October 2006, Brussels

As an official partner in Open Days 2006: European Week of Regions & Cities, the Irish Regions Office is organising a conference on "Developing Regional Research & Innovation Potential." The conference will explore research and innovation activities in regions in France, the Czech Republic, Spain, Slovakia and the UK. Dr Brian Callanan from Shannon Development will also highlight some recent developments in the Mid-West Region in Ireland. *Further details from the Irish Regions Office.*

18-20 Oct 2006, Paris (France)

The first World e-Gov Forum will provide a single meeting place for e-government interests to consider the following topics: needs and expectations of citizens; new markets, employment and new business opportunities; new forms of partnership, cooperation and exchange; and tools of follow-up and evaluation being used as a barometer of change. *Further details at: http://www.worldegovforum.com/article.php?id_article=71*

15-17 Nov 2006, Graz (Austria)

The 4th Conference on Best Practices in the Management of the Structural Funds aims to promote an exchange of experience and dissemination of best practice between authorities involved in the implementation of

Structural Funds programmes. The conference will include three workshops on the following themes: developing innovative projects; financial engineering; and regional approaches to promoting the information society. *Further details at: <http://www.best-practice-graz.at/>*

28 Feb - 2 March 2007, Wels (Austria)

The World Sustainable Energy Days 2007 is one of the biggest annual events in the field of sustainable energy use in Europe. The 2007 event will include: a European Energy Efficiency Conference; a conference on "Energy Future 2030"; and a seminar on "Rural Development and Sustainable Energy". The organisers have also launched a Call for Papers, with a deadline of 18 October 2006. *Further details at: <http://www.wsed.at/>*

29 Jan - 4 Feb 2007, Brussels

The 6th ManagEnergy Annual Conference will focus on Local Energy Action and will take place as part of the first EU Sustainable Energy Week (EUSEW) - entitled "Take a Week to Change Tomorrow!" EUSEW is being jointly organised by the EU institutions, with public and private partners, and aims to become the key annual reference point for sustainable energy issues in Europe. The EUSEW will feature major EU and international events covering most of the key topics related to sustainable energy. *Further details from October 1 at: <http://www.eusew.eu>*

12-15 June 2007, Munich (Germany)

Velo-city 2007 will bring together professionals in the field of bicycle use in European towns and cities (elected representatives, local civil servants, experts, private sector...) and will focus on presentations of best practices in areas such as cyclists safety, information campaigns and bicycle tourism. *Further details at: <http://www.velo-city2007.com/>*

NETWORKS

New EU Association of Rural Communities

At a conference in the Committee of the Regions (CoR) on September 14, delegates agreed in principle on the establishment of a new European association of rural communities. Speaking at the conference on "The Role of the Rural Communities in the Development of the EU," Mr Olivier Bertrand, a French member of the CoR, suggested that the basic idea would be to give rural communities a stronger voice at EU level. The European Commission (DG Agriculture) has welcomed the initiative. The CoR is now preparing a report on the subject, which is scheduled to be debated at the CoR plenary session on October 12. *Further details at: http://www.cor.europa.eu/en/press/press_06_09104.html*

PUBLICATIONS

A Guide to SME Policy

The European Commission has launched a new website dedicated to SMEs and EU SME policy. The website provides information on: access to finance; the regulatory framework; intellectual property rights; and taking advantage of business opportunities abroad. The site also offers more general information on SMEs, including a section on facts and figures. *Further details at: http://ec.europa.eu/enterprise/smes/index_en.htm*

Irish Regions Office
6 Rond-Point Schuman,
B-1040 Brussels
Fax: +32 2 2828475
Website: www.iro.ie

Robert Collins
E: robert.collins@iro.ie
Tel: +32 2 282 8474

Eamon O'Hara
E: eamon.ohara@iro.ie
Tel: +32 2 282 8477