DIRECTORATE-GENERAL FOR INTERNAL POLICIES
POLICY DEPARTMENT B
STRUCTURAL AND COHESION POLICIES

ECONOMIC, SOCIAL AND TERRITORIAL SITUATION OF CORSICA AND SARDINIA

NOTE

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DIRECTORATE GENERAL FOR INTERNAL POLICIES
POLICY DEPARTMENT B: STRUCTURAL AND COHESION POLICIES
REGIONAL DEVELOPMENT

ECONOMIC, SOCIAL AND TERRITORIAL SITUATION OF THE ISLANDS OF CORSICA AND SARDINIA

NOTE
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NOTE

Abstract
This note provides an overview of general situation of France and Italy, their political, economic and administrative systems, together with a description of European Union support to France and Italy, and their Operational Programmes contained in the National Strategic Reference Frameworks for the period 2007-2013.

Special attention is given to the islands of Corsica and Sardinia, their specific social, economic and territorial characteristic, as well as their cooperation.

The note has been prepared in the context of the Committee on Regional Development's delegation to Corsica and Sardinia, 15-17 July 2013.
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LIST OF ABBREVIATIONS

**DATAR** French national agency for regional development (*Délégation interministérielle à l’aménagement du territoire et à l’attractivité régionale*)

**DG REGIO** Directorate-General for Regional Policy, European Commission

**DOM** Overseas Departments (*Départements d’outre-mer*)

**EGTC** European Grouping for Territorial Cooperation

**ENPI** European Neighbourhood and Partnership Instrument

**EPCI** Inter-communal co-operations (*Etablissement public de coopération intercommunale*)

**ERDF** European Regional Development Fund

**ESF** European Social Fund

**EU** European Union

**EUR** Euro

**GDP** Gross Domestic Product

**INSEE** French National Institute of Statistics and Economic Studies

**IPA** Instrument for Pre- Accession Assistance

**ISTAT** Italian National Institute of Statistics

**ITER** International Thermonuclear Experimental Reactor

**LAU** Local Administrative Units

**MOT** *Mission Opérationnelle Transfrontalière*

**NATO** North Atlantic Treaty Organization

**NSRF** National Strategic Reference Framework

**NUTS** Nomenclature of Territorial Units for Statistics

**OCT** Overseas Country and Territory

**OECD** Organisation for Economic Co-operation and Development

**OP** Operational Programme

**PPS** Purchasing Power Standards

**RMI** Social Integration Minimum Income (*Revenu minimum d’insertion*)

**ROM** Overseas Region (*Région d’outre-mer*)

**TOM** Overseas Territory (*Territoires d’outre-mer*)

**WTO** World Trade Organization
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1. KEY FACTS AND FIGURES

Figure 1: Map of France

Source: Eurostat

France is located in the Western Europe. To the south-west, France has border with Spain and Andorra and to the east with Belgium, Luxembourg, Germany, Switzerland and Italy. Due to its colonial past, outside the metropolitan France (the European part of the Republic) it incorporates several overseas areas in various kinds of relationship with it.

The surface area of the country is 632 834 km², 543 965 for the metropolitan France and 88 969 for the overseas departments, which makes it the largest country in the European Union.

With a population of 65 million citizens, France is the second biggest country in the European Union after Germany.
Italy is located in Southern Europe. On the north-west it has border with France, on the north with Switzerland and Austria, and on the north-east it has border with Slovenia. The country is located at the Italian Peninsula, the two biggest islands on the Mediterranean Sea - Sardinia and Sicilia, and many other smaller islands.

Within the territory of the Italian Republic two independent countries are located: San Marino and Vatican. With the surface area of 301,336 km², Italy is the seventh largest country in the European Union.

With a population of 59 million citizens, Italy is the fourth biggest country in the European Union after Germany, France and United Kingdom.
Table 1: Key Data

<table>
<thead>
<tr>
<th></th>
<th>France</th>
<th>Italy</th>
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</thead>
<tbody>
<tr>
<td>Area</td>
<td>632 834 km²</td>
<td>301 336 km²</td>
</tr>
<tr>
<td>Population</td>
<td>65 633 194</td>
<td>59 394 207</td>
</tr>
<tr>
<td>Population density (per km²)</td>
<td>103</td>
<td>201.5</td>
</tr>
<tr>
<td>Official language</td>
<td>French</td>
<td>Italian</td>
</tr>
<tr>
<td>Currency</td>
<td>EUR</td>
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</tr>
<tr>
<td>GDP per capita (PPS)</td>
<td>108</td>
<td>98</td>
</tr>
<tr>
<td>Growth rate</td>
<td>0.0%</td>
<td>-2.4%</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>10.2%</td>
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<tr>
<td>Inflation rate</td>
<td>2.2%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Public deficit</td>
<td>4.8%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Public debt</td>
<td>80.2% of GDP</td>
<td>127.0% of GDP</td>
</tr>
</tbody>
</table>

Source: Eurostat for 2012

1.1. Political and governmental structures of France

The French Republic is a unitary state with a semi-presidential system. The constitution from 1958 (since modified on several occasions) has introduced strong executive power, represented by the President of the Republic and the government, with the Prime Minister appointed by the president. The president is directly elected every 5 years. The current President is François Hollande (since 2012). The Prime Minister is Jean-Marc Ayrault from the same party as the President - the Socialist Party.

The French Parliament is composed of two chambers: a National Assembly (Assemblée Nationale) and a Senate. 577 Members of the National Assembly are elected by direct universal suffrage for a five-year renewable term. The National Assembly can be dissolved prematurely by the President (but not during the first year after the general elections). Since 1958, it has happened five times: in 1962, 1968, 1981, 1988 and 1997. The polling method used in general elections is the two-round, first-past-the-post poll (scrutin majoritaire à deux tours). The last elections took place in 2012.

331 Members of Senate are chosen by an electoral college (i.e. deputies, members of general councils, regional councils and municipal councils, etc.) for 6-year terms. Every 3 years, one half of its Members are subject to re-election. The last elections were held in 2011.

The current French political scene is dominated by its two biggest political parties:

- Socialist Party (Parti socialiste) - member of the S&D;
- Union for a Popular Movement (Union pour un mouvement populaire) - member of the PPE.

Other important political parties are:

- Democratic Movement (Mouvement démocrate) - member of the ALDE;
- National Front (Front national) - not-attached;
French Communist Party (*Parti communiste français*) - member of the GUE/NGL.

- Europe Ecology – The Greens (*Europe Écologie Les Verts*) - member of the Verts/ALE

- Radical Party of the Left (*Parti radical de gauche*) - not represented in the EP.

Currently, Socialist Party has a majority in the National Assembly. That gives the political elite the luxury of a smooth collaboration between government, president and parliamentary majority. In the past often the parliamentary majority was in opposition to the President of the Republic (in the 1980s and in 1997–2002). Such a situation is called *cohabitation*.

Until 2011, the Senate of the Fifth Republic (that means since 1958), has been under the control of the right or centre-right parties. After the last elections in September 2011, for the first time, the left parties gained the majority and can control the Senate.

France is one of the important players on the international scene. It is one of the five permanent members of the UN Security Council, as well as a member of the G8, G20, NATO, OECD, WTO and of course the European Union.

### 1.2. Political and governmental structures of Italy

The Italian Republic is a *parliamentary democracy*. Its current political system started in 1946 after the fall of the fascist dictatorship of Benito Mussolini, the abolition of monarchy and the adoption of the Constitution in 1947. Since then, Italy has been known for the instability of its political scene. Since 1946, there have been over 60 different executive formations, with successive administrations lasting sometimes only few months or weeks. Only the second government of Silvio Berlusconi in 2001-2006 managed to survive a full term in office.

Italy has a bicameral parliament that consists of the Chamber of Deputies (*Camera dei deputati*) and the Senate (*Senato della Repubblica*). Both chambers are equal and have the same powers. Their term lasts 5 years. There are 27 districts for the elections to the Chamber of Deputies (630 members). The elections to the Senate are organised in the regions (315 members plus a flexible but limited number of lifetime senators, e.g. former Presidents of the Republic). To prevent excessive fragmentation of the parliament, electoral thresholds were established. To introduce its candidates to the Chamber of Deputies, individual parties need to gain at least 4% of the votes (8% in the case of elections to the Senate). In a coalition, parties need a minimum of 2% of votes (3% for the Senate), but the coalition has to gain together at least 10% of votes (20% for Senate). Since the reform of 2005, the proportional electoral system has a mechanism supporting the creation of durable majorities. The winning coalition receives at least 340 places in the Chamber of Deputies (minimum 54% of places). In the case of elections to the Senate, in each region the winning coalition receives a minimum 55% of seats from that region. Thus it is possible that in the Chamber of Deputies other coalition than in the Senate will dominate.

Characteristic for Italy is high age required for the active participation in the political life. Deputies must be at least 25 year old and are elected by all Italian citizens over 18. Senators have to be at least 40 year old and are elected by all Italian citizens over 25.

The head of state, President (*Presidente della Repubblica*), is elected for 7 year term, by the parliament in a joint session of both chambers. The current President is Giorgio

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Napolitano. Despite his age (he was born in 1925), he was elected for a second term in April 2013. Thus he became the first President re-elected for a second term.

The President calls parliamentary elections, enacts laws, is commander of the armed forces, presides over the supreme defence council, has the power to declare war, presides over the supreme council of magistrates and has the power to commute sentences or grant pardons. The President appoints the Prime Minister and his cabinet and decides about the dismissing the ministers or dissolution of the parliament.

The Prime Minister (Presidente del Consiglio dei Ministri) is designed by the President and approved (has to receive the vote of confidence) by the Parliament. Currently (since the elections in February 2013) the government is led by Enrico Letta from the centre-left Democratic Party.

The current Italian political scene is dominated by four coalitions and movements:

- Centre-left coalition: "Italy. Common Good", with a leading role of:
  - Democratic Party (PD) - member of the S&D;
  - Left Ecology Freedom (SEL) - not represented in the EP;
  - Democratic Centre (CD) - not represented in the EP;
  - South Tyrolean People's Party (SVP) - not represented in the EP.
- Centre-Right coalition of Silvio Berlusconi, with a strong role of:
  - The People of Freedom (PdL) - member of the PPE;
  - Lega Nord (LN) - member of EFD
- Five Star Movement of Beppe Grillo;
- Coalition "With Monti for Italy", with a strong role of:
  - Civic Choice (SC) - not represented in the EP;
  - Union of Christian and Centre Democrats (UDC) - member of the PPE.

The last elections to the Chamber of Deputies were won by the coalition "Italy. Common Good", lead by Pier Luigi Bersani. It received 29.5% of votes and won ahead of the coalition of Silvio Berlusconi by 0.4%. Due to the prime for the winner it has the majority in this Chamber. However it has not received the majority in the Senate. This situation is a serious weakness of the new government.

Italy is one of the important players on the international scene. It is a member of the G8, G20, NATO, OECD, WTO and of course the European Union.

### 1.3. The economy of France

France is the fifth biggest economy in the world (after the United States, China, Japan and Germany) and the second biggest in the European Union. In 2012, French GDP per capita (in PPS) reached 108% of the EU27 average and is almost equal to the average of the EURO zone. France is one of the eleven first members of the EURO zone and one of the most active players in the current activities for stabilising the EURO zone and the recovery of the Greece debt crisis.

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France was relatively less affected than other EU Member States by the economic and financial crisis, with a decline of 3.1% in GDP in 2009, partly due to sizeable economic stabilisers and a relatively low degree of openness of its economy, which reduced the impact to some extent on France of the collapse in world trade. The banking sector also proved to be resilient. In 2010, the economy recovered and, overall, GDP growth came out at 1.7% (the some growth was reached in 2011). However, the economic crisis has substantially impacted France's public finances. Due to the discretionary fiscal stimulus, the general government deficit rose from 3.3% of GDP in 2008 to 7.5% in 2009. In 2012 France managed to reduce the general government deficit to 4.8%, but it is still far beyond the limit of 3%. Similarly, the crisis has exacerbated the under utilisation of labour and the structural weaknesses of the French labour market, where there was a relatively high level of unemployment of 10.2% in 2012\(^4\).

France has a very strong and successful telecommunication, aerospace, car and arms industry. It also has a very dynamic service sector. The state plays a very important role in the economy. Despite large privatisation activities in the eighties and nineties, government spending exceeds 50% of GDP and is among the highest in the OECD\(^5\).

As France has very limited own energy resources, the country has developed a strong nuclear power sector. Today about 80% of the electricity production is based on the nuclear plants. The ITER project (International Thermonuclear Experimental Reactor) is located in Cadarache, in France. This is the second biggest international research project (after the International Space Station) focused on demonstrating that it is possible to produce commercial energy from safe nuclear fusion.

France is the first tourist destination in the world. In 2011, France was visited by almost 80 million foreign tourists\(^6\). In 2011, tourism was responsible for 3.7% of the French GDP and the total contribution, including wider effects (e.g. investments or supply chain effects) reached 9.3% of the GDP\(^7\).

France is the fifth biggest exporter in the world\(^8\). Its main exports are: machinery and transportation equipment, aircraft, plastics, chemicals, pharmaceutical products, iron and steel, and beverages. France is also the second-largest agricultural and wine exporter in the world. In 2010, over 61% of French exports were directed to EU Member States (primarily Germany, Italy, Spain and Belgium). Other big trade partners are the United States and China.

France is also the fifth biggest importer in the world, with similar trading partners as with exports. The most important partners are: Germany, China, Belgium, Italy, Spain and the United States.

Since 2003, France has systematically had a deficit in its international trade balance. French international trade deficit in 2011 reached EUR 69.6 billion\(^9\).

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\(^4\) Source: Eurostat.
\(^6\) Source: http://www.economie.gouv.fr
\(^7\) Source: Italy Country Report, World Travel and Tourism Council 2012
\(^8\) Source: http://lekiosque.finances.gouv.fr/
\(^9\) Source: Le Commerce extérieur de la France en 2011, Douanes et Droits Indirects, Département des statistiques et des études économiques, February 2012.
1.4. The economy of Italy

Italy is the seventh biggest economy in the world (after the United States, China, Japan, Germany, France and United Kingdom) and the fourth biggest in the European Union\textsuperscript{10}. In 2012, Italian GDP per capita (in PPS) reached 98% of the EU27 average. Italy is one of the eleven first members of the EURO zone.

Italy was severely hit by the economic crisis. Since 2008, the economy has registered strong recessions and the forecast for 2013 is still pessimistic.

**Table 2: Real GDP growth rate in Italy, France and EU (%)**

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<tbody>
<tr>
<td>Italy</td>
<td>0.0</td>
<td>1.7</td>
<td>0.9</td>
<td>2.2</td>
<td>1.7</td>
<td>-1.2</td>
<td>-5.5</td>
<td>1.7</td>
<td>0.4</td>
<td>-2.4</td>
<td>-1.3\textsuperscript{f}</td>
</tr>
<tr>
<td>France</td>
<td>0.9</td>
<td>2.5</td>
<td>1.8</td>
<td>2.5</td>
<td>2.3</td>
<td>-0.1</td>
<td>-3.1</td>
<td>1.7</td>
<td>2.0</td>
<td>0.0</td>
<td>-0.1\textsuperscript{f}</td>
</tr>
<tr>
<td>EU 27</td>
<td>1.5</td>
<td>2.5</td>
<td>2.1</td>
<td>3.3</td>
<td>3.2</td>
<td>0.3</td>
<td>-4.3</td>
<td>2.1</td>
<td>1.6</td>
<td>-0.3</td>
<td>-0.1\textsuperscript{f}</td>
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\textsuperscript{f} - forecast for 2013

Source: Eurostat.

The recession has a very negative impact on the situation of the State budget. Italy has a very high public debt reaching 127% of GDP, more than double permitted in the Maastricht Treaty.

**Table 3: General government gross debt in Italy, France and EU (% of GDP)**

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<td>104.1</td>
<td>103.7</td>
<td>105.7</td>
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<td>116.4</td>
<td>119.3</td>
<td>120.8</td>
<td>127.0</td>
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<td>82.4</td>
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<tr>
<td>EU 27</td>
<td>60.5</td>
<td>62.0</td>
<td>62.4</td>
<td>62.8</td>
<td>61.6</td>
<td>59.0</td>
<td>62.3</td>
<td>74.6</td>
<td>80.0</td>
<td>82.5</td>
<td>85.3</td>
</tr>
</tbody>
</table>

Source: Eurostat.

Costs of financing of the government debt are very high and during the recession, created fears in the financial markets about the ability of the State to finance its needs. After the collapse of the third government of Silvio Berlusconi in 2011, the technocratic government led by Mario Monti implemented a series of structural reforms and restored political, economic and financial calm. It also managed to cut the budget deficit. However, the modest liberalisation reforms have not solved the problem of a stagnating economy.

**Table 4: General government deficit in Italy, France and EU (% of GDP)**

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<tr>
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<tr>
<td>EU 27</td>
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<td>-3.2</td>
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<td>-1.5</td>
<td>-0.9</td>
<td>-2.4</td>
<td>-6.9</td>
<td>-6.5</td>
<td>-4.4</td>
<td>-4.0</td>
</tr>
</tbody>
</table>

Source: Eurostat.

The economic crisis has also had a very negative impact on the labour market. Traditionally the unemployment rate was slightly lower in Italy than the EU average, but since the beginning of the crisis it has been growing dynamically.

\textsuperscript{10} Source: Report for Selected Country Groups and Subjects, International Monetary Fund, 2010, \url{http://www.imf.org}. 

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The situation of the young people on the labour market is particularly difficult. In some regions, the unemployment rate reaches the level of 50%.

The Italian economy is strongly oriented towards high value added industry. The main sectors are machinery and cars, textiles, clothing, leather goods and furniture. Agricultural products, in particular wine production are also important. Italy is the biggest producer of wine in the European Union and the World\textsuperscript{11}.

Italy has almost constant foreign trade deficit. In 2011, Italian exports reached EUR 376 billion (EUR 337 billion in 2010) and imports reached the level of EUR 400 billion (EUR 367 billion in 2010)\textsuperscript{12}. The main export products are mechanical machinery and equipment (17.8%), metal products and transport equipment (11.7%) as well as clothing (including leather and fur) and footwear (6.6%)\textsuperscript{13}. The last position has dropped from over 10% in the beginning of the nineties, due to the growing competition with China.

In 2011, Italian biggest export partners were Germany (13.1%), France (8.4%), the United States (6.1%), Switzerland (5.5%) and Spain (5.3%). The most important import partners were Germany (15.6%), France (11.4%), China (7.3%), Netherlands (5.2%) and Russia (4.5%)\textsuperscript{14}.

Italy is the fifth tourist destination in the world, after France, the United States, China and Spain. In 2011, Italy was visited by over 46 million foreign tourists\textsuperscript{15}. In 2011, tourism was responsible for 3.3% of the Italian GDP and the total contribution, including wider effects (e.g. investments or supply chain effects) reached 8.6% of the GDP\textsuperscript{16}.

\begin{table}[h]
\centering
\begin{tabular}{|l|c|c|c|c|c|c|c|c|c|c|}
\hline
\hline
Italy & 8.4 & 8.0 & 7.7 & 6.8 & 6.1 & 6.7 & 7.8 & 8.4 & 8.4 & 10.7 \\
France & 8.9 & 9.3 & 9.3 & 9.2 & 8.4 & 7.8 & 9.5 & 9.7 & 9.6 & 10.2 \\
EU 27 & 9.1 & 9.3 & 9.0 & 8.3 & 7.2 & 7.1 & 9.0 & 9.7 & 9.7 & 10.5 \\
\hline
\end{tabular}
\caption{Unemployment in Italy, France and EU (%)}
\end{table}

\begin{table}[h]
\centering
\begin{tabular}{|l|c|c|c|c|c|c|c|c|c|c|}
\hline
\hline
Italy & 23.6 & 23.5 & 24.0 & 21.6 & 20.3 & 21.3 & 25.4 & 27.8 & 29.1 & 35.3 \\
France & 19.1 & 20.8 & 21.3 & 22.4 & 19.8 & 19.3 & 24.0 & 23.6 & 22.8 & 24.3 \\
EU 27 & 18.5 & 19.0 & 18.8 & 17.5 & 15.7 & 15.8 & 20.1 & 21.1 & 21.4 & 22.8 \\
\hline
\end{tabular}
\caption{Unemployment in Italy, France and EU for young below 25 years.}
\end{table}

\begin{footnotesize}
\textsuperscript{11} Source: EU-27 production total et vinification - Campagne 2012-2013, European Commission, 2013.
\textsuperscript{12} Provisional data from: Italy in figures 2012, Italian National Institute of Statistics, 2012.
\textsuperscript{14} Source: Italy in figures 2012, Italian National Institute of Statistics, 2012.
\textsuperscript{16} Source: Italy Country Report, World Travel and Tourism Council 2012.
\end{footnotesize}
2. TERRITORIAL ADMINISTRATION IN FRANCE AND ITALY

2.1. Administrative division of France

France is a unitary state with long traditions of centralisation. Only the reforms from 1982-83 created the self-governing regions. During the last 30 years, a number of modern decentralisation reforms were implemented, with a large consensus of the major political parties. Since 2003, decentralisation has become one of the constitutional principles.

Today, France is divided into 27 self-governing regions with 22 regions in Metropolitan France (including 1 on Corsica), and 5 overseas regions. These regions are further subdivided into 101 departments (including 5 overseas departments), which traditionally are numbered (mainly in alphabetical order). The newest department was created in March 2011 (Mayotte). Finally the fundament of the French territorial administration are 36 767 communes. France has the biggest number of communes in the European Union (almost 40% of all communes in EU).

These 3 levels of the territorial administration have political, legal and financial autonomy. This autonomy is guaranteed by the Constitution and assured by:

- directly elected councils;
- a president (maire in the commune) elected between the members of the council;
- its own budget, decided by the council and based (at least partially) on own resources.

There is no hierarchic superiority between the territorial collectivities. Communes are independent from the departments and these are independent from the regions. Also the State cannot change the decisions of the territorial collectivities. In case of doubts, the representative of the State called prefect (préfet) can inform the council about his opinion and if the decision is not modified he/she can go to court.

As most of the French communes are small they are allowed to create together many different inter-communal entities that can exercise part of communal responsibilities for its more efficient execution. The most important are inter-communal co-operations (établissement public de coopération intercommunale EPCI) that have their own councils and resources. 2 456 inter-communal entities of this kind exist today, grouping 36 049 communes (98% of all the communes and 92.9% of the population). Three big communes, Paris, Lyon and Marseille are also subdivided into 45 municipal districts (arrondissements).

Among the 101 French departments, five (French Guiana, Guadeloupe, Martinique, Mayotte, and Réunion) are simultaneously overseas departments (DOMs) and overseas regions (ROMs). They are an integral part of France (and the European Union), have their representatives in the French Parliament and use the EURO as their currency.

In addition to the 27 regions and 101 departments, France has also 5 overseas collectivities (collectivités d’outre-mer): French Polynesia, Wallis and Futuna, Saint-Pierre and Miquelon.

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18 Ibidem.
Saint-Barthélemy, Saint-Martin, 1 special collectivity (collectivité sui generis): New Caledonia and 1 overseas territory (territoire d’outre-mer) - the French Southern and Antarctic Lands. These collectivities form part of the French Republic, but not the European Union or EURO zone.

The DOM-ROMs are classified as Outermost Regions of the European Union and the other French overseas territories are not (the new DOM – Mayotte, that currently enjoys the status of an overseas country and territory - OCT, can become a new Outermost Region of EU in 2014.). However, those territories also benefit from access to certain European Union funding (e.g. European development funding) and in principle also from European citizenship, although the acquis communautaire is not directly applied there. Moreover, all these territories are subject to many differences with regard to the direct applicability of French national laws.

Regions and departments host the French central administration. The French State has its representative on these levels called prefect (préfet).

The role of each administration level in France is defined by the law from 1982/83, 2004 and 2010. The State has the monopoly on the creation of law (with respect for the Constitution), taxes, maintaining public order in the country, foreign affairs, national defence, and prioritising national policies (e.g. health, social security, environment, etc.).

Regions make up the youngest organisational structures of the territorial administration in France. They were created in 1972 and became self-governing in 1982. Their competences have slowly increased since this time. Today they are responsible for regional development (regional plans for economic development), spatial planning (regional plans for territorial management, regional plans for transport, etc.), education (high schools and some universities), vocational training, culture and health, regional trains and some ports and airports.

Although departments were created in 1791, it was only in 1982 that they got all the attributes of the self-governing territorial administration. Departments are responsible for social aid: support for handicapped and elderly people, and social integration minimum income (revenu minimum d’insertion - RMI). They are also very active in the area of culture, sport and education: protection of cultural heritage (not owned by the State), conservation of rural heritage, management of libraries and archives, construction and maintenance of junior high schools (collèges). Departments are responsible for department roads. In many cases these activities are close to the responsibilities of communes.

Communes, created in 1798, are the most emblematic level of the local self-government. They are responsible for the most traditional activities like primary education, social actions (e.g. organisation of social housing, creches, sheltered housing, etc.) or protection of public order (local police). Communes are obliged to guarantee the basic services like water disposal, trash collection and treatment, creation and management of cemeteries, etc. They are also responsible for urban plans and regulations, municipal roads and tourist offices. As the "state agent", the commune organises the elections and maintains the registration of births, marriages, etc.

In 2010, the French Parliament has approved a new reform of the territorial self-governments. This reform has increased the competences of regions and departments. It also reinforced the inter-communal structures with the direct elections for their councils and creation of new types of metropolis. The merger of communes is now facilitated. From 2014 the function of the territorial representative (le conseiller territorial) common to both
departments and regions, will be created. The new representative will be the member of both councils: departmental and regional.

### 2.2. Administrative division of Italy

Italy is a unitary state that is divided into NUTS2 regions (regioni), NUTS3 provinces (province), and LAU2 municipalities (comuni) and metropolitan cities (citta metropolitane). The Italian Constitution "recognises and promotes local autonomies, and implements the fullest measure of administrative decentralisation in those services which depend on the State". It states that the national legislation has to be adapted to the requirements of autonomy and decentralisation.

There are fifteen regions with ordinary status and five regions with special autonomous status that takes into account their specific geographic and cultural situation. These regions are: Friuli-Venezia Giulia, Sardinia, Sicily, Trentino-South Tyrol, and the Aosta Valley. The main difference between the ordinary status and the special one is that the ordinary statute is adopted and modified by regional law and the special statute is adopted by constitutional law.

The regional statute determines the form of government and the fundamental principles of the organisation and the functioning of the region.

Each region has an elected Regional Council (Consiglio Regionale). In Sicily it is called Regional Assembly (Assemblea Regionale). The regional elections are organised every 5 years. Similarly to the elections on the national level, the winning coalition receives the absolute majority in the Regional Council.

The regional executive, called Giunta Regionale, is headed by its President. The President is directly elected by the citizens of the region. Only in Aosta Valley and Trentino-Alto Adige/Südtirol (regions with special status), the President is designed by the Regional Council.

The main competencies devolved to the regions relate to spatial planning, the health-care system, the environment, transport, civil defence and the labour market. In 2006, a major constitutional reform broadening the powers of the regions was rejected in a referendum.

Regions with special autonomous status exercise larger competences in relation to legislation, administration and finance. They are responsible for financing the health-care system, the school system and most public infrastructures by themselves. To do so they can keep between 60% (Friuli-Venezia Giulia) and 100% (Sicily) of all levied taxes.

Each region (except for the Aosta Valley) is divided into provinces. In case of the Aosta Valley the provincial competences are exercised by the region. Until the end of 2012 there were 110 provinces, but as a result of the reform prepared by the government of Mario Monti, this number is slowly decreasing.

Provinces are headed by a President supported by the provincial executive called Giunta Provinciale. The President is elected by the residents of the province together with the members of the Provincial Council (Consiglio Provinciale). The coalition supporting the winning candidate for the post of president has a guaranteed majority of three fifths of the places in the council. The provincial executive is chaired by the president who appoints others members, called assessori.
The main functions of Italian provinces are: spatial planning, civil protection, fire security, local roads and environmental protection. In addition, most Italian provinces are equipped with their own provincial police. Each province also hosts a representative of the State called prefetto.

In July 2012, the reform of the provinces was adopted by the government of Mario Monti. In the future the provinces will have to respond to a minimum of criteria of territory of not less than 2,500 km$^2$ and population not inferior to 350 thousand inhabitants. Provinces that cover the regional capital city and provinces which are going to be transformed into metropolitan areas are excluded from these rules.

The reform also plans to reduce to ten the maximum number of members of the provincial council. It also abolished their direct elections. In the future the members of the provincial councils will be elected by the municipal councils of the province. They will have the possibility to choose the President among them. The provincial executive will be abolished. An important part of the provincial competences will be transferred to the municipalities and regions. This reform should enter into force on 1 January 2014.

The autonomous regions have large autonomy in the implementation of reform of its provinces. However, they should respect its guiding principles. After the regional referendum in Sardinia in 2012, it was decided to abolish some of its provinces. This reform should enter into force on 1 July 2013.

Two Italian provinces: Trento and Bolzano have special status of autonomous provinces. They have received it due to their historical and geographical specificity. For a very long time, these territories were under the rule of Bavaria and Austria. Today the population of these mountainous provinces speaks German. Trento and Bolzano have the same legislative powers of regions and are not subordinated to the region they are part of, namely the region of Trentino-Alto Adige/Südtirol. They will be exempted from the minimal requirements of the Monti reform.

Municipalities play a central role in the Italian territorial administration. They are headed by a mayor (sindaco) supported by the local executive called Giunta Communale. Municipalities also have their councils (Consiglio Communale). Depending on its size, each municipality has between 15 and 80 members. The mayor is elected in direct elections. The coalition of the winning mayor receives the majority of seats in the council.

Around 8,100 municipalities have a general competence for local affairs and may have competences delegated by the State or the regions. The main functions devolved to the municipalities are civil registration and local public services, including roads. Municipalities are able to run their own local police forces and provide local healthcare services$^{19}$.

Italian self-governments have financial autonomy regarding their revenues and expenses. The revenues are based on participation in taxes, grants and other sources. The municipalities’ revenues are composed of 34.2% of autonomous taxation, 10.1% of shared tax, 33.7% of grants and 22% of others. The provinces’ revenues are composed of about 36.5% of autonomous taxation, 3.5% of shared tax, 49.7% of grants and 10.3% of others. The regional revenues are composed of about 34.3% of autonomous taxation, 10.5% of shared tax, 53.1% of grants and 2.1% of others$^{20}$.

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$^{19}$ After: Republic of Italy. Public Administration Country Profile, United Nations, 2006
$^{20}$ After the webpage of the Committee of Regions
3. EU COHESION POLICY IN FRANCE 2007-2013

3.1. Overview of Cohesion Funds in France

For 2007–2013, France has been allocated a total of EUR 14.3 billion\(^{21}\) of EU structural funds:

- **EUR 3.2 billion under the Convergence Objective;**
- **EUR 10.3 billion under the Regional Competitiveness and Employment Objective;**
- **EUR 872 million under the European Territorial Co-operation Objective.**

To complement the EU investment under the National Strategic Reference Framework (NSRF), the national French contribution is expected to reach the amount of EUR 13.9 billion of public funding and EUR 5.6 billion of private funding. That brings the total amount available for Cohesion Policy activities to some EUR 33.9 billion.

Table 7: Funds for France in EUR billion 2007-2013

<table>
<thead>
<tr>
<th>Objective</th>
<th>Fund</th>
<th>EU</th>
<th>National Public</th>
<th>National Private</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convergence</td>
<td>ERDF</td>
<td>2.3</td>
<td>1.9</td>
<td>0.6</td>
<td>4.8</td>
</tr>
<tr>
<td></td>
<td>ESF</td>
<td>0.9</td>
<td>0.3</td>
<td>0.05</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Total Convergence</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>3.2</strong></td>
</tr>
<tr>
<td>Regional Competitiveness and Employment</td>
<td>ERDF</td>
<td>5.8</td>
<td>8.4</td>
<td>3.7</td>
<td>17.9</td>
</tr>
<tr>
<td></td>
<td>ESF</td>
<td>4.5</td>
<td>3.3</td>
<td>1.2</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total Regional Competitiveness and Employment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>10.3</strong></td>
</tr>
<tr>
<td>Total European Territorial Cooperation(^{22})</td>
<td>ERDF</td>
<td>0.9</td>
<td>-</td>
<td>-</td>
<td>0.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>14.4</td>
<td>13.9</td>
<td>5.6</td>
<td><strong>33.9</strong></td>
</tr>
</tbody>
</table>

Source: European Commission

All the French metropolitan regions (including Corsica) are eligible under the Regional Competitiveness and Employment Objective and all the French overseas regions/departments are eligible under the Convergence Objective.

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\(^{21}\) Unless otherwise indicated, all figures in this section are from the website of DG REGIO.

\(^{22}\) Each Territorial Cooperation Programme includes a minimum of 15% co-financing from each participating Member State.
3.2. NSRF and Operational Programmes in France

The French National Strategic Reference Framework for the period 2007-2013 fixed the following objectives:

- Innovation and the knowledge economy (notably to support small and medium-sized enterprises);
- Training, employment for priority groups, human resource management and social inclusion;
- Development of information and communication technologies;
- The environment, risk avoidance and energy policy;
- Sustainable development throughout the territories.

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23 This section is based on the DG REGIO webpage.
In addition, overseas regions benefit from improvements in accessibility and compensation for constraints specific to these regions. A special allocation of EUR 0.5 billion provides compensation for the surcharges these regions incur due to their geographical locations.

In order to meet its objectives, the NSRF has defined a number of priorities with which the ERDF and ESF programmes must comply. National authorities expect the regional partners to select projects based notably on knowledge policies, but also on the promotion of sustainable development.

To comply with the objective of 3% of GDP spent on research (set in the Lisbon Strategy), the NSRF was designed to increase the share of private research expenditures (1.25% of GDP in 2006) and to move towards Community standards in matters of technology and nontechnology innovation.

Furthermore, France seeks to reduce end energy intensity by 2% a year through 2015 and to reduce greenhouse gas emissions by an average of 3.

It should also be pointed out that the operational programmes financed by ERDF, are based on the concept of carbon neutrality so that France can meet its commitments to the Kyoto protocol. The "carbon neutral" principle advanced by France consists in ensuring that investments in regional programmes do not result in an increase in greenhouse gas emissions.

Through its NSRF, France aims also to foster conditions for growth and employment creation by its commitment to an overall expenditure level for structural funds linked directly to the Lisbon Strategy of 75% (of which at least 60% is for the ERDF) for Regional Competitiveness and Employment and 60% for Convergence.

The NSRF sets priorities for 36 Operational Programmes (OP) in France, of which 31 are funded by the ERDF and 5 by the ESF:

- **ERDF - programmes:**
  - 26 regional programmes – (22 in metropolitan France + 4 in the DOM except Mayotte);
  - 4 multi-region programmes – (two mountain range programmes - Massif Central and Alps, and two river basin programmes – Rhone and Loire);
  - 1 multi-objective national – technical assistance programme which also includes the European Territorial Cooperation objective).

- **ESF – 5 programmes:**
  - 1 national ESF programme for – metropolitan France (EUR 4.5 billion);
  - 4 regional programmes for overseas departments except Mayotte (all together EUR 0.9 billion).

### 3.3. European Territorial Cooperation in France

The ERDF will also contribute to the European Territorial Cooperation objective consisting of three strands: cross-border, trans-national and interregional. For the 2007–2013 programming period, France has EUR 872 million under the European Territorial Cooperation Objective and it is the biggest beneficiary of this objective. It participates in many programmes, as follows:
➢ 7 cross-border cooperation programmes: France-United Kingdom (Manche/English Channel), France-United Kingdom-Belgium-Netherlands (Deux Mers), France-Belgium, France-Germany-Belgium-Luxemburg (Grande Région), France-Germany-Switzerland, France-Italy (Alps), France-Italy (Maritime) and France-Spain;

➢ 8 transnational cooperation programmes: five transnational cooperation programmes within mainland France: the 'Northwest Europe', 'Atlantic', 'Southwest Europe', 'Alpine' and 'Mediterranean', as well as three programmes involving overseas departments: 'Caribbean', 'Indian Ocean' and 'Amazonia'.

➢ all 4 interregional cooperation programmes: INTERACT II, URBACT II, ESPON/ORATE and INTERREG IVC.

The NSRF does not cover the European Territorial Cooperation objective independently of the national technical assistance programme.

Two cross-border cooperation programmes are covering the territory of France and Italy: "Italy - France (Alps - ALCOTRA)" and "Italy – Maritime France". Also two transnational cooperation programmes involve the partners from France and Italy: "Alpine" and "Mediterranean".
4. EU COHESION POLICY IN ITALY 2007-2013

4.1. Overview of Cohesion Funds in Italy

Italy is the third biggest beneficiary of the EU Cohesion policy after Poland and Spain. For 2007-2013, it has been allocated a total of **EUR 28.5 billion**\(^{24}\) of structural funds:

- **EUR 21.5 billion** under the Convergence Objective;
- **EUR 6.3 billion** under the Regional Competitiveness and Employment Objective;
- **EUR 846 million** under the European Territorial Co-operation Objective.

To complement the EU investment under the National Strategic Reference Framework (NSRF), the national Italian contribution is expected to reach the amount of EUR 31.3 billion of public funding.

**Table 8: Funds for Italy in EUR billion 2007-2013**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Fund</th>
<th>EU</th>
<th>National Public</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convergence</td>
<td>ERDF</td>
<td>17.8</td>
<td>18</td>
<td>35.8</td>
</tr>
<tr>
<td></td>
<td>ESF</td>
<td>3.7</td>
<td>3.9</td>
<td>7.6</td>
</tr>
<tr>
<td>Total Convergence</td>
<td></td>
<td></td>
<td></td>
<td>21.5</td>
</tr>
<tr>
<td>Regional Competitiveness and Employment</td>
<td>ERDF</td>
<td>3.1</td>
<td>5</td>
<td>8.1</td>
</tr>
<tr>
<td></td>
<td>ESF</td>
<td>3.2</td>
<td>4.4</td>
<td>7.6</td>
</tr>
<tr>
<td>Total Regional Competitiveness and Employment</td>
<td></td>
<td></td>
<td></td>
<td>6.3</td>
</tr>
<tr>
<td>Total European Territorial Cooperation(^{25})</td>
<td>ERDF</td>
<td>0.8</td>
<td>-</td>
<td>0.8</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>28.6</td>
<td>31.3</td>
<td>59.9</td>
</tr>
</tbody>
</table>

Source: European Commission

The main beneficiaries of the Cohesion policy are the Convergence regions: Campania, Puglia, Calabria and Sicily as well as the phasing-out region Basilicata. In the programming period 2007-2013, Sardinia is a phasing-in region.

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\(^{24}\) Unless otherwise indicated, all figures in this section are from the website of DG REGIO.

\(^{25}\) Each Territorial Cooperation Programme includes a minimum of 15% co-financing from each participating Member State.
4.2. NSRF and Operational Programmes in Italy

The main objective of the EU Cohesion policy in Italy is to support the southern regions in catching up with the European average in term of GDP per capita. The Italian National Strategic Reference Framework for the period 2007-2013 fixed the following four macro-objectives:

- developing knowledge circuits;
- improving living standards, security and social inclusion;
- fostering clusters, services and competition;
- internationalising and modernising the economy.

In order to meet these macro-objectives, the NSRF has also defined ten cohesion objectives:

- human resources improvement and enhancement;
- research and innovation promotion for competitiveness;
- sustainable and efficient use of environmental resources for development;

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26 This section is based on the DG REGIO webpage.
social inclusion, services for quality of life and territorial attractiveness;
promotion of natural and cultural resources to enhance attractiveness and development, mainly in relation to diversifying tourism and extending the tourist season;
transport networks and links, with particular emphasis on Trans-European Network corridors;
competitiveness of production systems and employment, notably to provide financial engineering schemes supporting small and medium-sized enterprises;
competitiveness and attractiveness of cities and urban areas;internationalisation and investments, consumption and resource attractiveness;
governance, institutional capacity and effective markets and competition.

The organisation of structural funds in Italy is quite complicated. The NSRF sets, in total, 66 Operational Programmes (OP):

- 19 OPs under the Convergence objective (10 regionally managed OPs; 7 nationally managed OPs; 2 National Interregional Operational Programmes), including the Phasing-out region Basilicata;
- 33 OPs under the Regional Competitiveness and Employment objective (32 regionally managed OPs and one nationally managed OP), including the Phasing-in region Sardinia;
- 14 OPs under the European Territorial Cooperation objective.

4.3. European Territorial Cooperation in Italy

The ERDF will also contribute to the European Territorial Cooperation objective consisting of three strands: cross-border, trans-national and interregional. For the 2007–2013 programming period, Italy has around EUR 846 million under the European Territorial Cooperation Objective (including transfer to ENPI and IPA). It participates in many programmes, as follows:

- 7 cross-border cooperation programmes: Italy-France Alps ALCOTRA; Italy-France (Maritime); Italy-Switzerland; Italy-Austria; Italy-Slovenia; Italy-Greece and Italy-Malta;
- 4 transnational cooperation programmes: ‘South-East Europe’, ‘Central Europe’, ‘Alpine Space’ (France-Germany-Italy-Austria-Slovenia, Switzerland and Liechtenstein), ‘Mediterranean’ (France-Spain-Portugal-Italy-Slovenia-Greece-Malta-Cyprus-United Kingdom (Gibraltar));
- all 4 interregional cooperation programmes: INTERACT II, URBACT II, ESPON/ORATE and INTERREG IVC.
5. FOCUS ON CORSICA AND SARDINIA

5.1. Key data and figures - Corsica

Figure 5: Corsica in France

Corsica is an island in the Mediterranean Sea around 160 km south of the French coast and 90 km west of the Italian coast. It has an area of 8 680 km² and a population of 316 thousand inhabitants. That means that the population density is only 36.5 inhabitants per km², much lower than the EU (117) or French (103) average. The population density in Corsica is not only the lowest in metropolitan France but is higher only than the population density in French Guiana in South America. In addition, the population is concentrated in two biggest towns: Ajaccio and Bastia.

The population of Corsica has been constantly growing for the last decade. It is mainly the result of the influx of workers aged between 30 and 40 and retired persons over the age of 60. In the period 1999-2009, average annual demographic growth reached 1.6% and was fully based on the influx of new inhabitants. Natural population growth was practically at the level of 0%. The aging of the population is an important challenge for social policy in Corsica. Over 25% of the population is over the age of 60.


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27 Source: DG REGIO.
28 Source: INSEE.
Table 9: Population in Corsica and Sardinia

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Corsica</td>
<td>279027</td>
<td>283972</td>
<td>289092</td>
<td>294118</td>
<td>302966</td>
<td>309674</td>
<td>30693</td>
<td>313092</td>
<td>316578</td>
<td></td>
</tr>
<tr>
<td>Sardinia</td>
<td>1637639</td>
<td>1643096</td>
<td>1650052</td>
<td>1655677</td>
<td>1659443</td>
<td>1665617</td>
<td>1671001</td>
<td>1672404</td>
<td>1675411</td>
<td>1674932</td>
</tr>
</tbody>
</table>

Source: Eurostat

Corsica is a mountainous island with the average altitude of 568 m over the sea level. The highest peak, Monte Cinto is 2710 m over the sea level. Nine other mountains exceed the level of 2000 m. Around 3 500 km², 40% of the surface of the island, is protected as a natural park. Having over 1000 km of coast line, Corsica is well known for its touristic potential. The climate of the island represents partially the influences of the Mediterranean and mountainous climate.

For a very long time Corsica was one of the French metropolitan regions with the lowest GDP per capita. However, during the first decade of XXI century, the GDP per capita in Corsica grew by 33%, much faster then the French average, and the economy was growing also after the beginning of the global economic crisis. Thus since 2007, it is not any more the poorest French metropolitan region. In 2010 the GDP per capita in PPS reached the level of 90% of the EU27 average.

Table 10: Real growth rate of regional gross value added at basic prices - percentage change on previous year

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
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<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corsica</td>
<td>4.0</td>
<td>0.0</td>
<td>1.2</td>
<td>4.0</td>
<td>3.9</td>
<td>4.5</td>
<td>2.6</td>
<td>2.4</td>
<td>3.4</td>
<td>2.4</td>
</tr>
<tr>
<td>France</td>
<td>1.7</td>
<td>0.9</td>
<td>0.7</td>
<td>2.7</td>
<td>1.7</td>
<td>2.5</td>
<td>2.4</td>
<td>0.1</td>
<td>-3.0</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Source: Eurostat

Corsica doesn't have strong industry or agriculture. Its economy is based on the tertiary sector, mainly on the services (responsible for 83% of GDP), closely linked with tourism. Construction sector represents 11% of the added value of the regional economy. Industry, mainly food industry, is responsible for only 6% of the island's added value. This structure helped the regional economy to resist the economic crisis and to avoid recession. The growth of unemployment after 2008 was visible but not as much as in the other French regions.

Insularity is one of the major problems for the daily life of the inhabitants of the island. To counter it, Corsica has four international airports and seven harbours. Corsica also has 232 km of railway. This network connects Bastia, Ajaccio and Calvi. Owing to the beautiful landscapes, it is not only an important support for the local population but also a tourist attraction. The network is held by the Region and is not operated by the French national railways (SNCF).

Corsica is a French region divided into two departments: Haute-Corse and Corse-du-Sud. The capital of the region is Ajaccio, the biggest city in Corsica and also the capital of the department Corse-du-Sud. The second biggest city is Bastia - the capital of the department Haute-Corse.

Due to its history and specific local traditions, since 1982 Corsica had a special status of "territorial collectivity" (collectivité territoriale à statut particulier). In particular the...

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29 Gross domestic product (GDP) per capita at current market prices has increased from EUR 18500 in 2001 to EUR 24700 in 2010. Source: Eurostat.
30 Source: Prefecture of the Corsica's Region
regional self-government has additional competences in the domains of culture, education, environment, spatial planning, tourism, transport, vocational training and energy. In addition the Corsican language is recognised as the regional language.

Corsican self-government has its unique structure. Unlike other regions in metropolitan France, in Corsica, a directly elected council (Assemblée de Corse) is separated from its executive (Conseil exécutif de Corse). The president of the executive exercises competences which in other regions are assigned to the president of the regional council.

In the current programming period Corsica is supported by the EU Cohesion Policy under the Competitiveness and Employment objective. In the next programming period, Corsica will be considered to be a transition region. During the programming period 2007-2013 Corsica participates in three programmes financed under the European Territorial Cooperation objective:
- Italy - Maritime France (cross-border cooperation programme);
- Mediterranean (transnational cooperation programme);
- Interreg IVC (interregional cooperation programme).

5.2. Operational Programme "Corsica"

Operational Programme "Corsica" is an OP under the Regional Competitiveness and Employment objective. It has a total budget of around EUR 425 million. Community funding through the ERDF amounts to some EUR 150 million. This programme covers all the area of the Corsica Region.

Figure 6: Operational Programme "Corsica"

Source: European Commission

31 This section is based on the DG REGIO webpage.
The main objectives of the OP Corsica are:

- to develop and organise the island's **innovation capacity** and to make progress in the knowledge economy, both for its inhabitants and for the more competitive enterprises in their economic sector;
- to develop and organise a **sustainable environment** while preserving the quality of the island's natural assets with a view to environment-friendly energy and economic development;
- to promote the region's **accessibility and interconnection** by developing transport and the information technologies of the ecological networks.

The main priorities of this OP are:

- Priority 1: to develop and organise **innovation** on the island;
- Priority 2: to preserve and enhance a **sustainable environment**;
- Priority 3: to promote the region's **accessibility and interconnection**;
- Priority 4: Technical Assistance.

### Table 11: Budget of the OP "Corsica"

<table>
<thead>
<tr>
<th>Priority axis</th>
<th>ERDF Contribution</th>
<th>National Public Contribution</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 To develop and organise the island's innovation capacity</td>
<td>71 850 000</td>
<td>164 764 000</td>
<td>236 614 000</td>
</tr>
<tr>
<td>2 To preserve and enhance a sustainable environment</td>
<td>38 200 000</td>
<td>59 465 000</td>
<td>97 665 000</td>
</tr>
<tr>
<td>3 To promote the region's accessibility and interconnection</td>
<td>35 300 000</td>
<td>45 262 000</td>
<td>80 562 000</td>
</tr>
<tr>
<td>4 Technical assistance</td>
<td>5 115 376</td>
<td>5 115 376</td>
<td>10 230 752</td>
</tr>
<tr>
<td>Total</td>
<td>150 465 376</td>
<td>274 606 376</td>
<td>425 071 752</td>
</tr>
</tbody>
</table>

*Source: European Commission*
5.3. Key data and figures - Sardinia

Sardinia (Sardegna) is the second biggest island in the Mediterranean Sea (after Sicily). Together with surrounding smaller islands it is an administrative region in Italy. Big part of the island is a mountainous area. The highest peak of Sardinia is Punta La Marmora, 1834 m above sea level. The island has a Mediterranean climate.

Figure 7. Italy, Sardinia and Corsica

Sardinia is situated 230 km to the west from the coast of Italian Peninsula and only 12 km to the south from Corsica. It has a surface of 24 090 km² and the population of 1 675 thousand inhabitants. With a population density of almost 70 inhabitants per km², Sardinia is one of the less populated regions in Italy (average of 201 inhabitants per km²).
The GDP per capita in Sardinia is much lower than the Italian average. In 2010 the GDP per capita in Sardinia was EUR 19,700 and reached 78% of the EU average, when the average for Italy was EUR 25,700 (101% of the EU27 average). The evolution of the GDP change during the last 10 years was similar to the average for Italy which means that the economic growth is slower than the average in the European Union. However, Sardinia has higher GDP per capita than the Italian southern regions.

**Table 12: Real growth rate of regional gross value added at basic prices - percentage change on previous year**

<table>
<thead>
<tr>
<th>GEO/TIME</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sardinia</td>
<td>1.4</td>
<td>-0.8</td>
<td>1.4</td>
<td>1.5</td>
<td>0.6</td>
<td>1.2</td>
<td>1.7</td>
<td>0.3</td>
<td>-4.2</td>
<td>0.7</td>
</tr>
<tr>
<td>Italy</td>
<td>1.9</td>
<td>0.5</td>
<td>-0.2</td>
<td>1.8</td>
<td>1.0</td>
<td>2.2</td>
<td>1.8</td>
<td>-1.1</td>
<td>-5.6</td>
<td>1.7</td>
</tr>
</tbody>
</table>

*Source: Eurostat*

**Table 13: Regional GDP in PPS per capita at current market prices**

<table>
<thead>
<tr>
<th>GEO/TIME</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sardinia</td>
<td>87</td>
<td>82</td>
<td>82</td>
<td>80</td>
<td>78</td>
<td>78</td>
<td>78</td>
<td>79</td>
<td>80</td>
<td>78</td>
</tr>
<tr>
<td>Italy</td>
<td>118</td>
<td>112</td>
<td>111</td>
<td>107</td>
<td>105</td>
<td>104</td>
<td>104</td>
<td>104</td>
<td>101</td>
<td>101</td>
</tr>
</tbody>
</table>

*Source: Eurostat*
Historically, Sardinia has had an important industrial sector. Mining is based on the exploitation of coal, zinc, iron, silver, lead and bauxite. There is also extraction of granite. For a very long time, natural resources supported the development of the iron and steel industry, shipbuilding industry, metallurgical industry as well as chemical and petrochemical industries.

However, the economic crisis has had a very strong negative impact on the Sardinia's industry. To prevent economic decline, the region has identified some "centres of crisis" where the public actions, also supported from ERDF, are concentrated.

Historically, the unemployment rate in Sardinia was higher than the average in Italy. However, since the end of nineties it was dynamically decreasing. In 2007 it was below 10%, higher than the average of Italy or EU but much lower than 10 years earlier. Unfortunately, since 2008, due to the economic crisis, unemployment has been rising and in 2012 the unemployment rate reached 15.5%. The perspectives for the future are also pessimistic.

<table>
<thead>
<tr>
<th>Year</th>
<th>Sardinia</th>
<th>Italy</th>
<th>EU 27</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>17.3</td>
<td>8.9</td>
<td>9.1</td>
</tr>
<tr>
<td>2004</td>
<td>13.6</td>
<td>7.9</td>
<td>9.2</td>
</tr>
<tr>
<td>2005</td>
<td>12.9</td>
<td>7.7</td>
<td>8.9</td>
</tr>
<tr>
<td>2006</td>
<td>10.8</td>
<td>6.8</td>
<td>8.2</td>
</tr>
<tr>
<td>2007</td>
<td>9.9</td>
<td>6.1</td>
<td>7.2</td>
</tr>
<tr>
<td>2008</td>
<td>12.2</td>
<td>6.7</td>
<td>7.0</td>
</tr>
<tr>
<td>2009</td>
<td>13.3</td>
<td>7.8</td>
<td>9.0</td>
</tr>
<tr>
<td>2010</td>
<td>14.1</td>
<td>8.4</td>
<td>9.6</td>
</tr>
<tr>
<td>2011</td>
<td>13.5</td>
<td>8.4</td>
<td>9.6</td>
</tr>
<tr>
<td>2012</td>
<td>15.5</td>
<td>10.7</td>
<td>10.4</td>
</tr>
</tbody>
</table>

Source: Eurostat

In particular, the unemployment of young people below 25 years is an appealing problem of the island. In 2012 it reached 47.3%.

<table>
<thead>
<tr>
<th>Year</th>
<th>Sardinia</th>
<th>Italy</th>
<th>EU 27</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>43.5</td>
<td>26.8</td>
<td>18.2</td>
</tr>
<tr>
<td>2004</td>
<td>37.0</td>
<td>24.6</td>
<td>18.7</td>
</tr>
<tr>
<td>2005</td>
<td>32.6</td>
<td>24.0</td>
<td>18.6</td>
</tr>
<tr>
<td>2006</td>
<td>31.0</td>
<td>21.6</td>
<td>17.4</td>
</tr>
<tr>
<td>2007</td>
<td>32.5</td>
<td>20.3</td>
<td>15.5</td>
</tr>
<tr>
<td>2008</td>
<td>36.8</td>
<td>21.3</td>
<td>15.6</td>
</tr>
<tr>
<td>2009</td>
<td>44.7</td>
<td>25.4</td>
<td>19.9</td>
</tr>
<tr>
<td>2010</td>
<td>38.8</td>
<td>27.8</td>
<td>20.9</td>
</tr>
<tr>
<td>2011</td>
<td>42.4</td>
<td>29.1</td>
<td>21.4</td>
</tr>
<tr>
<td>2012</td>
<td>47.3</td>
<td>35.3</td>
<td>22.9</td>
</tr>
</tbody>
</table>

Source: Eurostat

Insularity is one of the major problems of daily life for the inhabitants of the island. To counter it, Sardinia has 3 international airports as well as many seaports. Sardinia also has a network of railways. Owing to the train ferries, the Sardinian railway network is connected with the network on the Italian Peninsula.

Sardinia is one of the five Italian autonomous regions. Its statute is a constitutional law and gives the region the right to create its own laws in a wide number of domains (e.g. tourism, environment and agriculture) as well as to carry out regional administrative functions. This large autonomy was necessary due to the specific situation of the island. In addition, the population of the island has a very strong regional identity, including its own language.

The local government is based on the regional assembly (Consiglio Regionale) and the regional executive (Giunta Regionale). The regional executive is headed by the president who is elected in direct elections. Thus the president and the executive do not have to be approved by the regional council.
Since 2005, Sardinia has been divided into 8 provinces. However in 2012, Sardinia's citizens decided in a referendum on large reform of its administrative system. This reform should enter into force on 1 July 2013.

Sardinia is a phasing-in region supported under the Competitiveness and employment objective of the Cohesion Policy. It is covered by Operational Programme "Sardinia" that originally had a total budget of around EUR 1.7 billion with the community funding through the ERDF of around EUR 681 million. However, due to problems in the implementation of this OP, the budget was reduced by about EUR 340 million to EUR 1.34 billion. It is thus important to improve the governance of the Structural Funds in Sardinia. In the next programming period, Sardinia will be considered to be a transition region.

During the programming period 2007-2013 Sardinia participates in the following programmes financed under the European Territorial Cooperation objective:
- Italy - Maritime France (cross-border cooperation programme),
- Mediterranean (transnational cooperation programme);
- Interreg IVC (interregional cooperation programme).

5.4. Operational Programme "Sardinia"

Operational Programme "Sardinia" is a regionally managed OP under the Regional Competitiveness and Employment objective. It had a total budget of around EUR 1.7 billion. Community funding through the ERDF amounted to some EUR 681 million. However, due to the problems in the implementation of this OP, the total budget was reduced by about EUR 340 million. This OP addresses the lack of suitable infrastructure and services in terms of water, waste, health, broadband, business and tourism.

Figure 9. Operational Programme "Sardinia"

Source: European Commission

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33 This section is based on the DG REGIO webpage.
The main priorities of this OP are:

**Priority 1: Information Society** - aiming to improve the quality and accessibility of Information Society services. This includes interventions in support of e-government and e-citizenship services, as well as the setup of broadband in areas affected by the digital divide;

**Priority 2: Inclusion, Social Services, Education and Lawfulness** - promoting services and infrastructure aimed at reducing the risk of social exclusion and improving integration and non-discrimination among the local population;

**Priority 3: Energy** - aiming to promote sustainable development by bringing about energy efficiency and the use of renewable energy sources;

**Priority 4: Environment, Attractiveness of Natural and Cultural Resources, Tourism** - promoting efficient and sustainable use of environmental resources and development of natural and cultural resources. That should support sustainable tourism;

**Priority 5: Urban Development** - promoting the attractiveness and competitiveness of Sardinia by tackling internal development disparities and improving living standards and the quality of life in urban and disadvantaged areas;

**Priority 6: Competitiveness** - aiming to support research and innovation among enterprises and to promote cooperation between universities, research centres and businesses;

**Priority 7: Technical Assistance**

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**Table 16: Budget of the OP "Sardinia"**

<table>
<thead>
<tr>
<th>Priority axis</th>
<th>ERDF Contribution</th>
<th>National Public Contribution</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Information Society</td>
<td>68 067 176</td>
<td>102 100 765</td>
<td>170 167 941</td>
</tr>
<tr>
<td>2 Inclusion, Social Services, Education and Lawfulness</td>
<td>64 663 818</td>
<td>96 995 726</td>
<td>161 659 544</td>
</tr>
<tr>
<td>3 Energy</td>
<td>74 873 894</td>
<td>112 310 841</td>
<td>187 184 735</td>
</tr>
<tr>
<td>4 Environment, Attractiveness of Natural and Cultural Resources, Tourism</td>
<td>153 151 147</td>
<td>229 726 721</td>
<td>382 877 868</td>
</tr>
<tr>
<td>5 Urban Development</td>
<td>122 520 918</td>
<td>183 781 377</td>
<td>306 302 295</td>
</tr>
<tr>
<td>6 Competitiveness</td>
<td>183 781 377</td>
<td>275 672 065</td>
<td>459 453 442</td>
</tr>
<tr>
<td>7 Technical Assistance</td>
<td>13 613 435</td>
<td>20 420 153</td>
<td>34 033 588</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>680 671 765</strong></td>
<td><strong>1 021 007 648</strong></td>
<td><strong>1 701 679 413</strong></td>
</tr>
</tbody>
</table>

**Source**: European Commission
5.5. Cross-border cooperation of the French and Italian local and regional collectivities

France and Italy have a 488 km long common border. This border goes through the Alps and the Mediterranean coast. In addition, Corsica and Sardinia are only 12 km apart. Very intensive cross-border traffic can be observed in this area.

**Figure 10. Border flows of workers in France**

![Map of border flows of workers in France](image)

**Source:** Atlas de la coopération transfrontalière, MOT, 2007

Economic and cultural exchange of the population on both sides of the border as well as specific needs of the inhabitants of the two islands make the necessity of institutionalised cross-border cooperation. Currently, France and Italy participate together in four Operational Programmes under the Territorial Cooperation Objective of the Cohesion Policy:

- Operational Programme "Italy - Maritime France" under the cross-border cooperation;
- Operational Programme "Mediterranean" under transnational cooperation programme;
- Operational Programme "Italy – France (Alps – ALCOTRA)" under cross-border cooperation;
- Operational Programme "Alpine Space" under transnational cooperation;
Sardinia and Corsica participate in two of these programmes: "Italy - Maritime France" and "Mediterranean". The former is of particular importance for their cooperation, as it is a cross-border cooperation program established particularly for the increase of Corsica relations with its Italian neighbours.
Since 2006, European territorial collectivities have been utilising a new tool called **European Groupings of the Territorial Cooperation (EGTC)**. It was created by the European Union as part of the reform of regional policy for the 2007-2013 period. Its main objective is to facilitate and promote cross-border, transnational and interregional cooperation between EU members. The EGTCs have a legal personality and are used for implementation of territorial cooperation projects co-financed by the EU or for undertaking territorial cooperation measures at the initiatives of the Member States. Currently, there are 35 EGTCs in Europe including 11 with French partners and 5 with Italian partners. One EGTC involves French and Italian partners: Amphictyony (France, Greece, Cyprus and Italy). In addition, new grouping created between Sardinia and Corsica is in the final stage of organisation. It is "Parc Marin International des Bouches de Bonifacio PMIBB".

**5.6. Operational Programme "Italy - Maritime France"**

Operational Programme "Italy-Maritime France" is a **cross-border cooperation** programme within European Territorial Cooperation Objective, in Italy and France. It has a total budget of around EUR 162 million. Community funding through the ERDF amounts to some EUR 122 million\(^{35}\).

This OP covers Italian provinces of Sassari, Nuoro, Cagliari, Oristano, Olbia-Tempio, Ogliastra, Medio Campidano, Carbonia-Iglesias, Imperia, Savona, Genoa, La Spezia, Massa-Carrara, Lucca, Livorno and Grosseto and French departments of Southern Corsica and Upper Corsica. It is the area of 49 269 km\(^2\) of which the majority (40 588 km\(^2\)) is in Italy and 8 681 km\(^2\) is in France (Corsica). This OP covers the territory with the population of 4.7 million inhabitants in Italy and 317 thousand inhabitants in France.

**Figure 13: Operational Programme "Italy - Maritime France"**

Source: European Commission

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\(^{34}\) Source: EGTC register of the Committee of the Regions. Data for 15 April 2013.  
\(^{35}\) This section is based on the DG REGIO webpage.
The main priorities of this OP are:

**Priority 1: Accessibility** - aiming to improve access to physical and non-physical networks and transport services, so as to foster closer integration of these networks and make them competitive, particularly with a view to developing trans-European transport networks and "motorways of the sea";

**Priority 2: Innovation and competitiveness** - aiming to encourage the joint development of innovation and entrepreneurship. The goal is to increase the competitiveness of small and medium-sized enterprises, industry, agriculture, crafts, tourism and cross-border trade;

**Priority 3: Natural and cultural resources** - aiming to promote the protection, management and best joint use of natural and cultural resources and the protection against natural and technological risks;

**Priority 4: Integrating resources and services** - aiming to develop cooperation and encourage the creation of networks, so as to improve access to "rare" public services, particularly in the sectors of health, culture, tourism, quality of life and education. This priority will also support links between urban and rural areas.

**Priority 5: Technical assistance.**

The managing authority for the Operational Programme "Italy-Maritime France" is Servizio Attività Internazionali Regione Toscana.

### Table 17: Budget of the OP "Italy - Maritime France"

<table>
<thead>
<tr>
<th>Priority axis</th>
<th>ERDF Contribution</th>
<th>National Public Contribution</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Accessibility and communication networks</td>
<td>36 444 680</td>
<td>12 148 227</td>
<td>48 592 907</td>
</tr>
<tr>
<td>2 Innovation and competitiveness</td>
<td>24 296 453</td>
<td>8 098 818</td>
<td>32 395 271</td>
</tr>
<tr>
<td>3 Natural and cultural resources</td>
<td>36 444 680</td>
<td>12 148 227</td>
<td>48 592 907</td>
</tr>
<tr>
<td>4 Integrating resources and services</td>
<td>17 007 516</td>
<td>5 669 172</td>
<td>22 676 688</td>
</tr>
<tr>
<td>5 Technical Assistance</td>
<td>7 288 936</td>
<td>2 429 645</td>
<td>9 718 581</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>121 482 265</strong></td>
<td><strong>40 494 089</strong></td>
<td><strong>161 976 354</strong></td>
</tr>
</tbody>
</table>

Source: European Commission

### 5.7. Operational Programme "Mediterranean"

Operational Programme "Mediterranean" is a transnational cooperation programme within European Territorial Cooperation Objective, between Cyprus, France, Greece, Italy, Malta, Portugal, Slovenia, Spain and the United Kingdom. Croatia, Albania, Bosnia and Herzegovina, and Montenegro can also participate in this OP. It has a total budget of around EUR 256 million. Community funding through the ERDF amounts to some EUR 193 million. Additional budget of EUR 6.4 million is assigned for the participation of Western Balkan countries and EUR 5.4 million for countries benefitting from Instrument for Pre-accession Assistance.36

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36 This section is based on the DG REGIO webpage.
The main priorities of this OP are:

**Priority 1: Strengthening innovation capacities** - aiming to encourage the transfer of technology and know-how to strengthen synergies and generate critical mass between Mediterranean economic operators. Support is being provided to diversify economic activity in the region’s poorer areas;

**Priority 2: Protection of the environment and promotion of a sustainable territorial development** - supporting measures to protect the environment and promote sustainable development practices. Organisations in charge of regional development, planning and related sectors cooperate in order to ensure that the Mediterranean’s natural resources and heritage are responsibly managed, preserved and developed;

**Priority 3: Improving mobility and territorial accessibility** - aiming to bring about improvements to transport links to boost mobility and territorial linkages. ICT also need to be harnessed more effectively to help link remote areas to the rest of society. Getting the most out of new technologies will also improve the economic, financial and administrative performance of the entire region;

**Priority 4: Promotion of a polycentric and integrated MED space** - aiming to strengthen links between urban and rural areas and seeking to improve governance on a range of relevant development issues. Such activities will help to boost competitiveness and ensure that territorial disparities do not grow wider. This priority will also promote initiatives that aim to enhance Mediterranean identity and culture in the face of challenges from economic globalisation and international competition;

**Priority 5: Technical assistance.**
The managing authority for the Operational Programme "Mediterranean" is Conseil Régional Provence-Alpes Côte d'Azur.

Table 18: Budget of the OP "Mediterranean"

<table>
<thead>
<tr>
<th>Priority axis</th>
<th>ERDF Contribution</th>
<th>National Public Contribution</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Strengthening of innovation capacities</td>
<td>57 957 399</td>
<td>19 009 318</td>
<td>76 966 717</td>
</tr>
<tr>
<td>2 Environmental protection and promotion of sustainable territorial development</td>
<td>65 685 053</td>
<td>21 543 894</td>
<td>87 228 946</td>
</tr>
<tr>
<td>3 Improving mobility and territorial accessibility</td>
<td>38 638 266</td>
<td>12 672 879</td>
<td>51 311 145</td>
</tr>
<tr>
<td>4 Promotion of a polycentric and integrated Med space</td>
<td>19 319 133</td>
<td>6 336 439</td>
<td>25 655 572</td>
</tr>
<tr>
<td>5 Technical assistance</td>
<td>11 591 480</td>
<td>3 863 827</td>
<td>15 455 306</td>
</tr>
<tr>
<td>Total</td>
<td>193 191 331</td>
<td>63 426 357</td>
<td>256 617 686</td>
</tr>
</tbody>
</table>

Source: European Commission

5.8. Operational Programme "Italy – France (Alps – ALCOTRA)"

Operational Programme "Italy – France (Alps – ALCOTRA)" is a cross-border cooperation programme within European Territorial Cooperation Objective, in Italy and the France. It has a total budget of around EUR 200 million. Community funding through the ERDF amounts to some EUR 150 million\(^{37}\). This OP covers the border Alpine area between France and Italy as well as the Principality of Monaco. It does not cover Corsica and Sardinia.

\(^{37}\) This section is based on the DG REGIO webpage.
The main priorities of this OP are:

**Priority 1: development and innovation** - aiming to encourage the competitiveness and the sustainable development of production systems through the sustainable growth of those systems, enhancing the value of local products and establishing sustainable tourist facilities;

**Priority 2: environment and risk-prevention** - aiming to develop joint strategies for: protecting and managing the biodiversity, the natural resources and the landscapes of the cross-border area;

**Priority 3: quality of life** - aiming to increase the attractiveness of the area covered by the programme by improving services and strengthening the cross-border communities' identity with a special focus on health, social services, mobility and communication, culture, education, training and employment;

**Priority 4: technical assistance.**

The managing authority for the Operational Programme "Italy - France" is Region Piemonte.
Table 19: Budget of the OP "Italy - France"

<table>
<thead>
<tr>
<th>Priority axis</th>
<th>ERDF Contribution</th>
<th>National Public Contribution</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Development and innovation</td>
<td>45 654 640</td>
<td>16 040 820</td>
<td>61 695 460</td>
</tr>
<tr>
<td>2 Environment and risk-prevention</td>
<td>45 654 640</td>
<td>16 040 820</td>
<td>61 695 460</td>
</tr>
<tr>
<td>3 Quality of life</td>
<td>49 396 824</td>
<td>17 355 641</td>
<td>66 752 465</td>
</tr>
<tr>
<td>4 Technical assistance</td>
<td>8 981 241</td>
<td>458 501</td>
<td>9 439 742</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>149 687 345</strong></td>
<td><strong>49 895 782</strong></td>
<td><strong>199 583 127</strong></td>
</tr>
</tbody>
</table>

Source: European Commission

5.9. Operational Programme "Alpine Space"

Operational Programme "Alpine Space" is a transnational cooperation programme within European Territorial Cooperation Objective, between Germany, France, Italy, Austria and Slovenia. Liechtenstein and Switzerland can also participate in the programme. It does not cover Corsica and Sardinia. It has a total budget of around EUR 130 million. Community funding through the ERDF amounts to some EUR 98 million.

Figure 16: Operational Programme "Alpine Space"

Source: European Commission

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38 This section is based on the DG REGIO webpage.
The main priorities of this OP are:

**Priority 1: Competitiveness and Attractiveness of the Alpine Space** - focusing on the strengthening the innovation capabilities of SMEs, promoting their development and fostering cooperation between R&TD centres and SMEs; enhancing development options based on traditional sectors and cultural heritage; and strengthening the role of urban areas as drivers of sustainable development and the development of peripheral areas;

**Priority 2: Accessibility and Connectivity** - focusing on securing fair access to public services, transport, information and communication; enhancing connectivity to lay the foundations for a knowledge-driven information society; promoting sustainable and innovative mobility models focused on environmental, human health and equality related issues; and mitigating the negative impacts of traffic flows crossing the Alps;

**Priority 3: Environment and Risk Prevention** - focusing on enhancing cooperation on environmental protection issues; stimulating integrated approaches to conservation, planning and management of natural resources and cultural landscape; stimulating the development of resource efficiency with respect to water, energy, land use, raw materials and other natural resources; coping with the effects of climate change; and forecasting, predicting, mitigating and managing the impacts of natural and technological hazards;

**Priority 4: Technical Assistance.**

The managing authority for the Operational Programme "Alpine Space" is Government Office of the Land Salzburg.

**Table 20: Budget of the OP "Alpine Space"

<table>
<thead>
<tr>
<th>Priority axis</th>
<th>ERDF Contribution</th>
<th>National Public Contribution</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Competitiveness and Attractiveness of the Alpine Space</td>
<td>32 173 670</td>
<td>10 160 106</td>
<td>42 333 776</td>
</tr>
<tr>
<td>2 Accessibility and Connectivity</td>
<td>27 577 433</td>
<td>8 708 663</td>
<td>36 286 096</td>
</tr>
<tr>
<td>3 Environment and Risk Prevention</td>
<td>32 173 670</td>
<td>10 160 106</td>
<td>42 333 776</td>
</tr>
<tr>
<td>4 Technical Assistance</td>
<td>5 867 538</td>
<td>3 159 444</td>
<td>9 026 982</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>97 792 311</strong></td>
<td><strong>32 188 319</strong></td>
<td><strong>129 980 630</strong></td>
</tr>
</tbody>
</table>

**Source:** European Commission
CONCLUSIONS

France and Italy are democratic republics with bicameral parliaments. France has a semi-presidential system with the President, elected in direct elections, having a very strong influence on the policy of the government. In Italy, the President is elected by the parliament and the government is much more independent from the President. The Italian political system is known for having greater instability compared to the French political system.

Italy and France have three levels of territorial self-government: municipalities, departments/provinces and regions. Five of the Italian regions (and two provinces) have special autonomous status. France traditionally has had a very unified administrative system. However today, France has five overseas regions/departments, which due to their specific geographical situation have specific status. Also Corsica, the island in the Mediterranean Sea which is closer to the Italian coast than the French, has a special status of 'territorial collectivity'. This status takes into account the insularity of the island, as well as its specific cultural and linguistic situation.

Sardinia and Corsica are the second and the fourth largest islands in the Mediterranean Sea. Corsica is part of the French Republic and Sardinia part of the Italian Republic. These islands are separated by only 12 km of sea. Thus, it is much easier for its populations and businesses to cooperate with partners from the neighbouring island than from the continent.

Both islands have lower revenue per capita than the average of their countries. However, Corsica has a dynamically growing economy and managed to resist the crisis. At the same time, the economy of Sardinia has a much more difficult situation. Its industry was not resistant to the crisis. Sardinia's GDP per capita has dropped and the unemployment rate has been growing since 2008. In particular, the unemployment of young people below 25 years has reached a very disadvantageous level of 47.3%. It is much higher than the average in Italy or in the European Union. The situation of the Italian state finances is also much more difficult than in France. The country has to face very high public debt at a level of 127% of GDP and a high cost of financing the public deficit. Thus, the State has limited possibilities to support Sardinia.

Corsica and Sardinia have many similarities related to their geographical location and insularity: energy production issues, transport and communication limitations, water supply, fires during summer, importance of tourism for the local economies, as well as their linguistic uniqueness. Both islands have their own languages which are different to French and Italian. These similarities as well as the geographical proximity of both islands, make the cooperation between them very important. They support the development of cross-border transport projects as well as cooperation in the area of tourism and environmental protection. This cooperation is supported by the EU Structural Funds. Sardinia and Corsica participate in the Operational Programme "Italy-Maritime France", which is a cross-border cooperation programme within the European Territorial Cooperation Objective. Cooperation in the fields of accessibility, innovation and competitiveness, natural and cultural resources, as well as integration of public services, is supported under this programme.
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POLICY DEPARTMENT B
STRUCTURAL AND COHESION POLICIES

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- Agriculture and Rural Development
- Culture and Education
- Fisheries
- Regional Development
- Transport and Tourism

Documents