SUCCESS STORIES: GROWTH AND JOBS CREATED THROUGH THE EU BUDGET

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Any errors remain the sole responsibility of the author.

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**ABOUT THE EDITOR**

Policy Departments provide in-house and external expertise to support EP committees and other parliamentary bodies in shaping legislation and exercising democratic scrutiny over EU internal policies.

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SUMMARY

This note summarises the results achieved in terms of growth and jobs from EU budget resources. It also describes the budgetary role played by the EP, both in terms of resources made available and in shaping the way such resources are spent.

1. **AIMS OF THE COHESION POLICY**

The principal objective of the cohesions policy is to **strengthen economic, social and territorial cohesion** between regions and EU Member States. Programmes under this policy support long-term growth and investment in physical and human capital, infrastructure and R&D.

The cohesion policy is designed to help achieve the targets of Europe 2020 strategy in the area of employability, social exclusion, poverty reduction, R&D and education.

**The EU budget’s aim is to bring positive net benefits to the EU economy which exceed the costs of spending.** Every euro spent from the Community budget is aimed at delivering some kind of return on investment. This concept is known as European Added Value (EAV).

According to a [2011 Commission Staff Working Paper](#) “European added value is the value resulting from an EU intervention which is additional to the value that would have been otherwise created by Member State action alone”. The EAV can be perceived as the result of an EU policy measure or EU spending programme and expressed in greater effectiveness, coordination gains, complementarities etc.

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2. EU BUDGET RESOURCES FOR COHESION POLICY

2.1. MAIN BUDGETARY DATA

The European Cohesion Policy is designed to enforce economic and social cohesion, and reduce gaps between development levels among EU regions.

The table below presents programme allocations, actual commitments and payments for the cohesion policy contained in the 2013 Commission’s Report on Budgetary and Financial Management. The technical assistance (MFF 1.2.14) is not included.

Table 1: ERDF, ESF and CF - allocations, actual commitments and payments

<table>
<thead>
<tr>
<th>Year</th>
<th>Programme allocation</th>
<th>Actual commitments</th>
<th>Actual payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>44 965</td>
<td>44 823</td>
<td>6 787</td>
</tr>
<tr>
<td>2008</td>
<td>47 169</td>
<td>47 270</td>
<td>11 441</td>
</tr>
<tr>
<td>2009</td>
<td>48 329</td>
<td>48 319</td>
<td>25 446</td>
</tr>
<tr>
<td>2010</td>
<td>49 296</td>
<td>49 284</td>
<td>32 766</td>
</tr>
<tr>
<td>2011</td>
<td>50 886</td>
<td>50 890</td>
<td>39 460</td>
</tr>
<tr>
<td>2012</td>
<td>52 647</td>
<td>98 390</td>
<td>45 237</td>
</tr>
<tr>
<td>2013</td>
<td>55 005</td>
<td>42 357</td>
<td>42 544</td>
</tr>
<tr>
<td>Total</td>
<td>348 297</td>
<td>381 333</td>
<td>203 681</td>
</tr>
</tbody>
</table>

Source: European Commission, Report on budgetary and financial management, financial year 2013

The so-called MacDougall report (1977)3, which still serves as a reference analysis of public finance in the context of greater European integration, points out that the Community budget is small (1 % of gross product) and its redistributive power is weak. It states that due to its dimension, the EU budget cannot substantially affect overall growth in the Union. However, the annual EU budget provides, in today’s prices, more funding than the whole Marshall plan in its time4. It can leverage funding from private and public sector, adding to a positive effect on the EU economy5.

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3 European Commission (1977), MacDougall D. et al. Report on the role of public finance in European integration,
5 Mayhew A. (2012), Reforming the EU budget to support economic growth, University of Sussex, SEI Working Paper No. 128
2.2. WHERE THE EUROPEAN PARLIAMENT MADE A DIFFERENCE

European Economic Recovery Plan

In 2008 the European Commission launched a European Economic Recovery Plan. This initiative was a reaction to the serious economic downturn and aimed at stimulating the economy and competitiveness of the EU. The EP agreed and as a result the ceilings of the MFF were revised for the first time. This action reflected the support of the Parliament for budget’s flexibility and the need to adjust the funding to the current situation.

As a result of the crisis 11% of the total funds of cohesion policy were reprogrammed by the end of 2012\(^6\). This reallocation was aimed at adjusting to current needs and to speeding up their absorption. There was a shift towards employment measures, such as interventions for the unemployed, from categories such as social inclusion and human capital\(^7\).

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\(^7\) European Commission (2013), Cohesion policy: Strategic Report 2013, Factsheet: Labour market
SURE resolution
In the light of the economic crisis, the European Parliament voiced concerns about political priorities for the 2014-20 financial framework. In 2010 it had therefore established a Special Committee on Policy Challenges and Budgetary Resources for a Sustainable European Union (SURE Committee). Work of the SURE Committee was the basis for the EP resolution “Investing in the future”\(^8\).

Issued in the middle of the 2007-13 period, this resolution points out the key challenges for the EU and presents observations of the EP on the economic situation and the role of the Union. At the same time, the EP also demonstrates its awareness of current economic challenges (see annex II).

The Parliament’s resolution, “Investing in the future”, brings up the idea of an investment budget which encourages private and public investors (annex III). In the Guidelines for the 2013 budget\(^9\) the EP underlines that the leverage effect, which occurs due to the EU funding, is crucial for stimulating private investment (annex III).

BUDG 2010 resolution
In the Annex 2 of the Resolution on draft budget for 2010\(^10\), the European Parliament calls for faster, simplified and more efficient implementation procedures and a more targeted use of Structural Funds in the context of the economic crisis. It also points out that funds should play a role in the fight against economic breakdown.

Pilot projects and preparatory actions
The EP proposed most of the 107 pilot projects and 79 preparatory actions (the Council and the Commission also have full rights to propose them\(^11\)) which were included in the budget since 2009. Since then 6 new pilot projects and 10 new preparatory actions were funded under the heading 1b. One of the successful pilot projects is presented in the chapter 3 of this note.

European Added Value
In the resolution “Investing in the future” the EP emphasises the importance of the European Added Value (EAV), which is the main purpose of EU budgetary spending\(^12\). In this document the EP also notes a need for reform of the cohesion policy (see annex I).

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\(^11\) European Parliament (2013), Committee on Budgets Working document on pilot projects and preparatory actions in budget 2014, 1.3.2013

\(^12\) European Parliament (2011), SURE Committee Activities and Documents, Vol. 1, Presentation and general outcome, p.12
3. RESULTS ACHIEVED - SUCCESS STORIES

Measuring the economic and social benefits resulting from the EU financing is not straightforward. It is not easy to attribute positive changes in growth and unemployment rates to a particular public spending category. It is difficult to isolate the effects of one action from other factors that can equally impact these outcomes. Furthermore, poorer regions that are going through the catch-up phase might note a faster growth independently from the receipt of transfers."13.

The Commission, in one of its evaluations, notes that assessing the outcome of programmes supported by the EU budget is made difficult also by the deficiency of the information published in Annual Implementation Reports. The quantitative indicators often bear little relationship to the aims of the intervention concerned and are not consistent across programmes. The same applies to the qualitative information which, in most cases, does not enable the quantitative outcome to be meaningfully interpreted in relation to policy objectives. These deficiencies mean that the achievements of cohesion policy are often hard to identify and, in consequence, tend to be insufficiently recognised.14.

The Commission experts admit that it is difficult to measure the exact impact of cohesion policy on growth and jobs as well as on the wealth gap between the Member States. For instance, in cases of regions where strong catching-up has been noted in terms of per capita incomes, it is not evident to what extent this can be attributed to the Structural Funds interventions.15. However, some analysts make an attempt to measure the policy's impact on the European economy.

A study by the Polish Ministry of Regional Development shows that in 2012 in Poland, with the GDP growing by 1.9 %, it is estimated that the EU funds allowed the GDP to grow higher by about 0.8-1.1 pp. According to economic models, in 2004-15 the GDP growth in this country will be higher by about 0.7 pp. than in the scenario without the inflow in EU funds. In 2007-11 the gap between Poland and the EU-27 average level of GDP decreased by 12 pp. The estimated impact of the EU funds on bridging the gap is at least 15-20%.16.

Data for Lithuania show a 1.57 % GDP increase achieved though the EU cohesion policy. It is estimated that every euro invested in the 2004-2015 period shall result in 1.97 euro of nominal GDP increase. 58 % of surveyed Lithuanian residents have noted benefits of the EU funds in the field of transportation. 33 % have personally experienced the funding in education area.17.

According to the Commission's studies, every euro spent from the Framework Programme generates an increase in added value of between 7 and 14 euro. It is estimated that the EU funding has increased economic growth in EU27.18.

The following sections present examples of achievements of the cohesion policy, where the EU budget contributed to development of economic and social infrastructure. The results (up to the end of 2011) have been presented in an expert evaluation drawn up for the European Commission.19.

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13 Becker S.O. (2012), EU structural funds: do they generate more growth?, The CAGE-Chatham House Series, No. 3
16 Polish Ministry of Regional Development (2013) Impact of cohesion policy on Polish economy, 19/06/2013 (presentation by Pawel Orlowski, Undersecretary of State in Polish Ministry of Regional Development)
17 Lietuvos Respublikos Seimas, Experience of implementation of the EU Cohesion Policy in Lithuania, 22/1/2014
The projects co-funded by the EU have contributed to **countless individual success stories** across the EU. The effectiveness is also measured along with durability and sustainability of projects after the EU funding ends.

Projects presented below made an impact on the local or global environment. They constitute **examples of best practices how the EU budget helps to stimulate smart, sustainable and inclusive growth.**

### 3.1. GROWTH IN EU

The European Parliament has ensured sufficient financing in areas generating growth. In its resolutions, the EP has addressed the economic crisis, called for effective use of the budget and more adequate distribution of resources (see annex IV). The parliamentary **Committee on Budgets (BUDG) is in charge of drafting the EP position on the EU's annual budget**, which serves as a basis for the EP resolution\(^{20}\).

The Parliament puts emphasis on the issues of **environment and energy**. It supports funding and actions aimed at improving those areas. In its resolution of 15 January 2013 on urban re-development, it states that it "is convinced that environmental problems like the management of waste represents a major problem that transcends merely technical aspects and has an impact on social issues; urges, further, that measures to ensure quality water supply and purification services in towns be continued, since this benefits the public and the environment at the same time"\(^{21}\).

In the field of **environment and energy**:  

- **around 2.2 million people** had been provided with an **improved supply of drinking water**
- **an additional 4.7 million people** were **connected to improved wastewater treatment**
- **over 1,400 solid waste projects** (i.a. waste prevention, recycling of communal or industrial waste, increasing landfill capacity) had been carried out
- **around 1.5 million people benefitting from flood prevention measures** in France, 1.2 million in Portugal, 187,000 in Poland, 69,000 in Italy and 53,000 in Germany
- **over 2,900 megawatts(MW) have been added to generating capacity across the EU** through over 22,000 projects were carried out to increase the capacity to generate electricity from renewables.

**Table 2: Core indicators - Energy and environment, outcomes up to the end of 2011**

<table>
<thead>
<tr>
<th>NO. OF PEOPLE PROVIDED WITH AN IMPROVED SUPPLY OF DRINKING WATER</th>
<th>NO. OF PEOPLE CONNECTED TO IMPROVED WASTEWATER TREATMENT</th>
<th>NO. OF PEOPLE BENEFITTING FROM FLOOD PREVENTION MEASURES</th>
<th>ADDITIONAL GENERATING CAPACITY OF ENERGY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.2 million</td>
<td>4.7 million</td>
<td>1.5 million</td>
<td>2,900 MW</td>
</tr>
</tbody>
</table>


\(^{21}\) European Parliament (2013) resolution of 15 January 2013 on urban re-development as contribution to economic growth in the framework of the EU Cohesion Policy (2011/2311(INI))
In the field of territorial development, the available data show that:

- around 870 square km of polluted land was cleaned up
- 426 health centres were built or renovated in Spain and 32 healthcare facilities were completed in Portugal. In Slovakia, the projects undertaken led to an increase of 1,369 in the number of hospital beds and resulted in 36,628 patients being treated in modernised facilities and diagnostic equipment in hospitals being upgraded
- the projects carried out added an extra 12,437 square metres of floor-space for nursing and care services in Estonia. In Romania, 9 health care centres were modernised and equipped, providing care services to over 260,000 people.
- installation of ICT equipment and laboratories in schools covered 73% of all schools in Southern Italy. In Portugal, the projects co-financed resulted in over 10% of existing primary and secondary schools being renovated benefitting around 77,000 pupils while in Malta, the facilities upgraded or modernised covered 23% of the student population.

Due to the strong support for financing areas with potential for sustainable growth (such as R&D, training and personal coaching, communication etc.) the following projects have been co-financed from the EU budget and have produced measurable, long-term results.

<table>
<thead>
<tr>
<th>SUCCESS STORY 1: R&amp;D</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project name</strong></td>
</tr>
<tr>
<td>Light Environment Control SL</td>
</tr>
</tbody>
</table>

**Description:** Barbate has one of the highest unemployment rates in Spain (40% in 2012). With the support of EU funds a local company, Light Environment Control SL (LEC), has created an LED R&D and innovation centre including the whole production chain. This development reduces energy consumption, LED lights are 100% recyclable and do not contain any pollutants. They also generate less heat, so less energy is used by air conditioning equipment. LEC SL is now one of the largest LED manufacturers in Spain and was the first one in Europe to light an entire city with LED technology.

**Outcome:** 82 direct jobs were created, the majority of them for highly specialised engineers who did not have to search to develop their careers elsewhere, which also helped retain local talents. Additionally, 150 indirect jobs were created. This development contributed to more efficient and ecological usage of lights.22

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SUCCESS STORY 2: Training and assistance for unemployed from the 45+ group

<table>
<thead>
<tr>
<th>Project name</th>
<th>Region/town</th>
<th>EU funding</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Employment Paths (winner of the RegioStars 23 2013)</td>
<td>Elbląg (PL)</td>
<td>EUR 393,700</td>
<td>ESF</td>
</tr>
</tbody>
</table>

**Description:** The project offered assistance to people over 45 years of age, who have been out of work for some time, have disabilities or health problems. Those not able to start working due to health or disability issues were offered rehabilitation to enable their reintegration into the labour market. The participants were provided with the expert assistance needed to overcome the psychological barriers that people who have been out of the labour market for a long time might have. Job coaches and psychologists focused on individual psychological, social or health related problems. They not only helped people to find fulfilling occupations but also to keep the jobs for longer by improving communication between the employer and the employee. The project has been expanded to other regions of Poland.

**Outcome:** 80% of participants have found fixed employment and 90% of them were still in work 15 months later. Project managers cooperated with local employers and 60% of employers involved in the project said they had changed their attitude towards employing older people 24.

SUCCESS STORY 3: Renewable energy city

<table>
<thead>
<tr>
<th>Project name</th>
<th>Region/town</th>
<th>EU funding</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy City Frederikshavn</td>
<td>Frederikshavn (DK)</td>
<td>EUR 333,365</td>
<td>ERDF</td>
</tr>
</tbody>
</table>

**Description:** In 2006, the Northern Danish city of Frederikshavn decided to become the first European city relying solely on renewable energy sources by 2015. In terms of green growth the project is expected to enhance the city’s economic attractiveness and development. Once in full operation, the ‘Frederikshavn approach’ could serve as a blueprint for other small and medium-sized cities striving for new energy supply models and green, low-carbon growth. The project has the potential to be transferred to other cities and locations.

The ERDF funding helped to kick-start the wider Energy City initiative in 2007/8. As part of the initiative, a new digital modelling and visualisation tool has been developed to handle the complexity of such a 100% renewable energy system.

**Outcome:** The project promoter is confident that the 2015 target of a 100% reliance on renewables can be achieved despite the set-back during the economic and financial crisis 25.

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23 The European Commission through its annual RegioStars Awards identifies good practices in regional development and innovative projects which could be inspiring to other regions. The candidate projects are judged on the basis on four key criteria: innovation, impact, sustainability and partnership (European Commission, Regional Policy, Inforegio)

24 European Commission (2013), RegioStars Awards 2013, Presentation of the finalists

26 The European Fisheries Funf (EFF) falls under the Heading 2 of the budget, Preservation and management of natural resources. However, this project illustrates how the EU funding supports local entreprenurships and shows its contribution to positive changes in the labour market.

<table>
<thead>
<tr>
<th>SUCCESS STORY 4: Preserving local jobs with the help of available technology</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project name</strong></td>
</tr>
<tr>
<td>Fish from the cutter</td>
</tr>
</tbody>
</table>

**Description:** The project was set up by a group of local fishermen and implemented around the Bay of Kiel on the Baltic Sea. Due to the environmental and economic situation, the commercial future of fishing companies in the area was uncertain. The co-financed project aimed at linking the demand for fresh fish and the local fish supply using an online sales system. At the same time it would increase direct sales opportunities. While at sea, fishermen use their mobile phones to send the details of their catch and the estimated arrival time to the coast. Customers can check the information on the website or smart phone application, see the available stock and the time when they can buy it directly from the boat in the port. The project has been running since January 2011 and has been coordinated on a voluntary basis. The website registers around 21,000 visitors monthly 27.

**Outcome:** Sustainable occupation and income for local fishermen, who could significantly increase the prices due to direct sales and self-marketing. Benefits for the environment, as less CO₂ previously caused by road transport to the auction house, is emitted. The local community is able to purchase fresh and local products at competitive prices. Revival of the fishermen’s profession. The project is transferable to other coastal regions. Its technical implementation is straightforward.

<table>
<thead>
<tr>
<th>SUCCESS STORY 5: Revitalisation of local traditional products and professions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project name</strong></td>
</tr>
<tr>
<td>MED-Laine</td>
</tr>
</tbody>
</table>

**Description:** The project's objective was the revitalisation of the business of wool production in the area and finding new commercial outlets. Until recently it was no longer profitable for local farmers to shear the sheep for the wool. A partnership that grouped regional authorities, research bodies and chamber of commerce enabled the integration of scientific and technological expertise. The common efforts brought development of new methodologies in wool production and management, new application of wool and certification of two new sheep breeds. The innovative approach, renewed design and combination of science, knowledge and experience resulted in turning the wool into a valuable resource.

**Outcome:** Increase in the price of raw wool fleeces. For instance, in Sardinia a network of 700 sheep farmers has been organised; they can sell their raw wool for 300% more than in the past. Support of traditional products and creating new jobs which sustainably use local resources.

26 The European Fisheries Funf (EFF) falls under the Heading 2 of the budget, Preservation and management of natural resources. However, this project illustrates how the EU funding supports local entreprenurships and shows its contribution to positive changes in the labour market.

27 European Commission - Fish from the Cutter, Project Case Study #024-DE13-EN
The European Parliament is in favour of supporting small and medium-sized enterprises (SMEs) and encourages their financing from the EU budget. In the EP resolution of 16 February 2011 on instruments to support SME finance, the SMEs are described as making “fundamental contribution to economic growth, social cohesion and job creation, are a major source of innovation and play a vital role in sustaining and increasing employment” 29. The EP also points out the difficulties encountered by entrepreneurs, supports current funding instruments, calls for an increase in funding as well as the simplification of complex regulations and guidelines which might discourage potential beneficiaries.

In the EP resolution of 8 June 2011 (“Investing in the future”) it again strongly supported funding for SMEs and considers them “key drivers of economic growth”. In the process of drafting the budget, the Parliament also underlines the importance of SMEs for the European economy (see annex V).

According to the available data from Annual Implementation Reports, an estimated 383,000 full-time equivalent (FTE) jobs across the EU in gross terms were created by ERDF and Cohesion Fund up to the end of 2011. In most regions, the cohesion policy seems to have a positive, counter-cyclical effect on employment. It remains to be verified whether the effect is short-term, largely involving jobs directly created by carrying out the projects themselves, or whether it will remain in the longer-term30.

Table 3: Estimates of gross, full-time equivalent jobs created by ERDF and Cohesion Fund up to end-2011

<table>
<thead>
<tr>
<th>CONVERGENCE</th>
<th>COMPETITIVENESS</th>
<th>ALL PROGRAMMES</th>
</tr>
</thead>
<tbody>
<tr>
<td>187,096</td>
<td>196,127</td>
<td>383,223</td>
</tr>
</tbody>
</table>


Based on a comparison across the Member States in 2010, it was noted that the GDP growth was roughly proportional to the EU financing received. The largest recipients showed the greatest increases in GDP, which can be explained by higher consumption and tax revenues in the receiving Member States. This causes a fall in government debt and leads to lower labour taxes, resulting in

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28 European Commission (2013), RegioStars Awards 2013, Presentation of the finalists
29 European Parliament (2011) resolution of 16 February 2011 on practical aspects regarding the revision of EU instruments to support SME finance in the next programming period P7_TA(2011)0057
30 The indicator on jobs created will be examined in detail in the first half of 2013 by the Expert Evaluation Network.
positive employment effects. In donor countries, higher contributions to the EU budget lead, in turn, to an increase in government indebtedness31.

Due to the macro-economic situation in recent years, the EU targets for growth in competitiveness and job creation can hardly be met. However, in 2012 innovation performance has shown an overall improvement resulting from EU support, particularly that for SMEs32. The SME Guarantee Facility secured 190,000 loans in the period 2007-1133.

According to the latest available data, aggregated figures for the main outputs provided by Member States and related to the EU financing are following14,35:

- **77,800 start-ups were supported and 53,000 research projects carried out**, over **148,000 direct investment aid projects to SMEs**. Nearly **179,000 gross jobs were created** in SMEs as a direct result of the supported projects
- co-financing of **14,700 projects to support cooperation between universities and business, 46,000 RTD projects** were carried out leading to the creation of additional research jobs, amounting to an **increase of 0.06 % in R&D employment**
- nearly **15,000 gross jobs**, in FTE terms, were created in R&D activities as a result of the projects supported (for example, in Slovenia 549 innovations were co-financed, many of which were patented; in Romania co-financed patents constituted 8% of the total number registered in 2010)
- **7,206 SMEs in Portugal and 2,903 in Lithuania received support** from FEI36 co-financed by the ERDF up to the end of 2011; however, the evidence on the number of firms which received this kind of support is still limited
- the projects supported resulted in an additional **1.8 million people having access to the Internet** through broadband.

Table 4: Core indicators - Enterprise support and RTD, outcomes up to end-2011

<table>
<thead>
<tr>
<th>RESEARCH JOBS CREATED</th>
<th>NUMBER OF START-UPS SUPPORTED</th>
<th>GROSS JOBS CREATED IN SMES</th>
<th>ADDITIONAL POPULATION WITH BROADBAND ACCESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>14,891</td>
<td>52,957</td>
<td>178,608</td>
<td>1,811,400</td>
</tr>
</tbody>
</table>


It is estimated that in the 2007-13 period around 1.7 million people benefited from the ESF funded projects every year. This fund supports difficult target groups: two thirds are unemployed or inactive, 10% are long-term unemployed, and more than 50% are women37.

35 European Commission (2014) Structural and cohesion funds and the European Semester process, Presentation by Walter Deffaa, Director General for Regional and Urban policy
36 Financial Engineering Instruments
SUCCESS STORY 7: Soft business support

<table>
<thead>
<tr>
<th>Project name</th>
<th>Region/town</th>
<th>EU funding</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mingo - Move in and grow</td>
<td>Vienna (AT)</td>
<td>EUR 1,603,775</td>
<td>ERDF</td>
</tr>
</tbody>
</table>

**Description:** The project created an incubator for start-ups, microenterprises, migrants and local markets. It offers integrated support for company founders, coaching and workshops for existing small businesses, office spaces, networking events, business awards and multilingual services for ethnic firms. Started in 2007 as an office space provider for start-ups, it grew into a network of activities. Between 2008 and 2010, Mingo has organised over 1 300 face-to-face coaching sessions, with 500 start-ups getting expert help. One-third of the start-ups had an ethnic minority background, and half of all participants were female.

**Outcome:** 71% of all coached persons have indeed started a business, and 90% of these firms were still up and running after two years."}

SUCCESS STORY 8: Bringing academic knowledge and business together

<table>
<thead>
<tr>
<th>Project name</th>
<th>Region/town</th>
<th>EU funding</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology Park of the University of Porto, UPTEC (RegioStar winner 2013)</td>
<td>Norte Region (PT)</td>
<td>EUR 15,400,000</td>
<td>ERDF</td>
</tr>
</tbody>
</table>

**Description:** The UPTEC, Technology Park of the University of Porto, aims at using its capacities to promote business-oriented projects based on technology. It supports start-up companies and creative entrepreneurs to develop their ideas and businesses. It connects the skills between academia and business. Namely, it helps traditional industries from the region to become more globally competitive and to develop new activities. UPTEC has available the Incubator (where ideas are turned into businesses with potential for rapid growth), and the Centre for Business Innovation (for existing businesses that can operate their projects and activities from there). It also enables university graduates to work in their field beyond the university. It aims at attracting foreign investors and innovation centres from big national and international companies. The centre offers office and laboratory space at a reduced cost. UPTEC is designed to drive long-term structural change in the Norte Region’s innovation system.

**Outcome:** Support for some 110 firms, including 95 start-ups, creation about 800 new jobs, 95% of which are of graduate level or above.

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38 European Commission (2013) Urban development in the EU: 50 projects supported by the ERDF during the 2007-13 period
3.3. TRANSPORT AND TOURISM

The Parliament considers transport and tourism as fundamental for European growth. In its resolutions it has put forward issues concerning this area (see annex VI).

The main achievements of the EU budget in the field of tourism and transport are:

- around 250 km of motorway added to the trans-European Transport Network (TEN-T); half in Spain and the rest in Hungary, Slovenia, Slovakia, the UK, Portugal and Greece
- over 350 km of new railway lines added to the network, concentrated in Germany and Portugal. In the EU12 countries, new lines were constructed in Bulgaria and Slovakia and existing lines were improved in the Czech Republic, Hungary, Slovakia and Slovenia
- 25,800 km of roads constructed or improved, mostly the latter, across the EU. Over 1,200 km of other new roads were constructed mainly in Spain, Germany and Portugal in the EU15 and Poland, the Czech Republic and Hungary in the EU12
- improvements in urban transport systems co-financed in Bulgaria (metro in Sofia) and in the Czech Republic (extension of tramway lines)
- around 5,700 jobs were created in tourism.

Table 5: Core indicators - Transport networks and tourism, outcomes up to end-2011

<table>
<thead>
<tr>
<th>NEW MOTORWAYS CONSTRUCTED (IN KM)</th>
<th>NEW OR RECONSTRUCTED RAILWAY LINES (IN KM)</th>
<th>NEW OR RECONSTRUCTED ROADS (IN KM)</th>
<th>NO. OF JOBS CREATED IN TOURISM</th>
</tr>
</thead>
<tbody>
<tr>
<td>250</td>
<td>2,700</td>
<td>25,800</td>
<td>5,700</td>
</tr>
</tbody>
</table>


Investment in infrastructure not only contributes to development of the transport network in the EU. It is estimated that for every USD billion invested in the sector, 18,000 direct, indirect and induced jobs are created\(^\text{41}\).

SUCCESS STORY 9: Urban development aimed at low CO\textsubscript{2} emissions

<table>
<thead>
<tr>
<th>Project name</th>
<th>Region/town</th>
<th>EU funding</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticket to Kyoto (RegioStars 2014 candidate)</td>
<td>Brussels (BE), Bielefeld (DE), Manchester (UK), Paris (FR) and Rotterdam (NL)</td>
<td>EUR 6,006,000</td>
<td>ERDF INTERREG</td>
</tr>
</tbody>
</table>

**Description:** This project is a transnational initiative of five major European public transport companies. They have joined forces to reduce CO\textsubscript{2} emissions through more environmentally friendly behaviour and changes in infrastructure. Their goal is to set low CO\textsubscript{2} emissions as the new standard for public transport providers. Investments in new technologies and renewable energies will help the partners reach this goal. For example, it is predicted that Brussels' new cogeneration system will save up to 165 tons of CO\textsubscript{2} each year. The coordination of 5 major public transport operators is unprecedented and has reduced the costs of planning by enlarging the number of possible suppliers, organising eventual joint tenders and identifying the conditions for optimal implementation.

**Outcome:** Contribution to the European objectives of the Kyoto Protocol in 2020. The project shows that it is commercially attractive to contribute to reducing the climate impact of urban transport, and the scheme serves as an effective showcase to other public transport operators\textsuperscript{42}.

SUCCESS STORY 10: Investing in the tourism sector

<table>
<thead>
<tr>
<th>Project name</th>
<th>Region/town</th>
<th>EU funding</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digi-lodge</td>
<td>Greece</td>
<td>EUR 36 000 000</td>
<td>ERDF</td>
</tr>
</tbody>
</table>

**Description:** The project's objective was to attract a higher number of tourists to the country and spread the use of IT tools in hotels and other tourist facilities. The market analysis showed that only 74% of hotels and 37% of small guest houses in Greece had internet access and 63% of hotels and 30% of small lodges had websites, but most of them lacked online details of room availability and prices. The hotels depended heavily on tour operators and information on facilities was not available for individual travellers. The project participants were offered advice and 60% co-financing. They also received personal support to overcome their anxiety and fears of the new computer reservation systems.

**Outcome:** Nearly 1500 hotels and lodges offer online transactions and e-services.

\textsuperscript{42} European Commission (2013) - RegioStars Awards 2014 Presentation of the finalists
3.4. PROJECT BOND INITIATIVE (PBI)

The role of the EU budget as a leveraging instrument is enhanced by introducing financial instruments. They stimulate private investments and enable the use of the same funds several times. Moreover, this revolving assistance has a potential to unblock private financing and spread the risk with other investors\(^44\).

The Parliament has given its support to the Project Bonds Initiative, the pilot phase of which was conducted in 2012-13 (see annex VII). Its aim is to encourage financing of projects in the areas of transport, energy and digital networks, lower the risk profile and generate a leverage effect. This project, implemented in cooperation with the EIB and private stakeholders, is expected to attract investment of 15-20 times the EU contribution, underlining the role of EU budget as an investment budget\(^45\).

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**SUCCESS STORY 11: Safer and greener roads**

<table>
<thead>
<tr>
<th>Project name</th>
<th>Region/town</th>
<th>EU funding</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Busy road junction gets major overhaul</td>
<td>Estonia</td>
<td>EUR 67 930 270</td>
<td>CF</td>
</tr>
</tbody>
</table>

**Description:** Replacement of traffic lights by new roads, two tunnels and viaducts at one of Tallinn’s most important and complex transport hubs. The Ülemiste Junction connects the eastern and western districts of the capital, serves as a bypass between the city centre and Lake Ülemiste and carries traffic to the airport. 7.5 km of new roads are to be constructed.

**Outcome:** This large scale reconstruction is expected to considerably smooth traffic flow, bringing benefits to drivers and pedestrians, while reducing the environmental impact (less fuel will be burnt in traffic jams).\(^43\)

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**SUCCESS STORY 12: Project bonds**

<table>
<thead>
<tr>
<th>Project name</th>
<th>Region/town</th>
<th>EU funding</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Bond Credit Enhancement</td>
<td>Spain</td>
<td>EUR 500 million</td>
<td>Project bonds</td>
</tr>
</tbody>
</table>

**Description:** In July 2013 the first transaction in the pilot phase of the project took place. It supported the Castor underground gas storage project, which is to provide storage for almost one third of the country’s gas consumption. Castor issued 1.4 billion worth of bonds, which was supported by the first EIB supported project bond: credit enhancement facility (EUR 200 million) and a purchase of bonds (EUR 300 million)\(^46\).

**Outcome:** First project bond has been issued. It can be perceived as a sign of increasing interest for long-term investment. Project bonds have a potential to unlock private investment in infrastructure and, as a consequence, stimulate economic growth\(^47\).

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\(^{45}\) Danish EU Presidency 2012 website, “Adoption of a pilot project of European project bonds” 22/05/2012: http://eu2012.dk/en/NewsList/Maj/Uge-21/project


Up to November 2013, eight energy and transport projects have been approved and two project bonds with credit enhancement have been issued. By improving the rating of projects this tool helps raise funds from investors. Investment in infrastructure can have a significant counter-cyclical effect, improve productivity and help create new jobs. So far, the PBI is considered successful in terms of providing financial assistance to projects.\footnote{European Commission (2013) Interim Report on the Pilot Phase of the Europe 2020 Project Bond Initiative, COM(2013)929 final}

More examples of successful projects co-financed by the EU funds can be found on:

BIBLIOGRAPHY


Official documents


**Web sites**


ANNEX

I. EUROPEAN ADDED VALUE

Resolution of 8 June 2011 "Investing in the future":

- Point 15: "(...) the main purpose of EU budgetary spending is to create European added value (EAV) by pooling resources, acting as a catalyst and offering economies of scale, positive transboundary and spill-over effects thus contributing to the achievement of agreed common policy targets more effectively or faster and reducing national expenditure; recalls that, as a principle, any duplication of spending and overlapping of allocated funds in various budget lines must be avoided and that EU spending must always aim at creating greater value than the aggregated individual spending of Member States; considers that the multi-annual financial framework, rightly used, constitutes a very important instrument for long-term planning of the European project by taking into account the European perspective and added value of the Union;"

- Point 64: "Stresses the EAV of cohesion policy, as this policy constitutes a well-established mechanism of delivering growth and jobs, a major tool for convergence, sustainable development and solidarity and one of the Union's most significant, visible, and successful policies for decades; points out, however, that a modern cohesion policy must undertake a number of structural reforms, in particular in the field of simplification, respond to the main challenges facing the Union, and promote synergies with other policies and instruments on the ground; is convinced that EU cohesion policy should remain an EU wide policy giving access to resources, experiences and assistance to all EU regions".49

II. ECONOMIC CRISIS AND NEW CHALLENGES

Resolution of 8 June 2011 "Investing in the future":

- Point 2: "(...) the current crisis and severe constraints in public spending have made it more difficult for Member States to progress further in terms of growth, greater competitiveness, the pursuit of economic and social convergence and to participate fully in the internal market; strongly believes that the solution to the crisis is more and not less Europe"

- Point 7: "(...) one of the great challenges facing the European Union is that of maintaining its competitiveness, increasing growth, combating high unemployment, focusing on properly functioning labour markets and on social conditions to improve employment performance, promoting decent work, guarantee workers' rights throughout Europe as well as working conditions and reducing poverty".

- Point 27: "Notes the historical difficulties of finding private investors for large scale EU projects; recognises that the financial crisis has made private investors even more reluctant to finance EU projects and has revealed the need to rebuild sufficient confidence to allow major investment projects to attract the support they need; stresses that the support of the EU budget will be needed, in short as well as longer term, to attract and mobilise private funds towards projects of EU interest, especially for those projects with European added value that are economically viable but are not considered commercially viable";

- Point 68: "Believes that Member States and regions should concentrate EU and national resources on a small number of priorities and projects that are of genuine European relevance, such as R&D

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and innovation, responding to the specific challenges that they face; requests, in this context, that the Commission draws up concrete proposals to ensure a stronger thematic concentration of cohesion funding on the Europe 2020 priorities and considers that a more result-oriented system than the current ‘earmarking’ should be put in place (...).”

Resolution on the draft general budget for 2010, Annex 2:

- “The European Parliament recalls the joint declarations of the three institutions on the implementation of the Cohesion policy of November 2008 and April 2009 and underlines the necessity to continue the efforts for accelerating the implementation of structural and cohesion funds. It considers that the progress made in the simplification of assessment, approval and management procedures has been insufficient, which is demonstrated in the low approval rate of Management and Control Systems (MCSs) and Major Projects (MPs). It urges the Commission to continue its efforts to simplify implementing procedures in close cooperation with Member States and in particular, to speed up the approval of MCSs and MPs, and thus accelerate payments while respecting the N+2 rule.”

- “The EP believes that all opportunities provided by the use of Structural Funds (...) could be mobilised for more targeted actions that facilitate overcoming the effects of the economic crisis, particularly those which support growth and competitiveness and limit job losses, and invites Member States to use this possibility. Calls on the Commission to encourage and enable by means of efficient and fast procedures the use of all measures foreseen by the Structural Funds regulations aimed at supporting growth and employment. Moreover EP recalls the importance of full and efficient use of the available appropriations.”

III. LEVERAGE EFFECT

Resolution of 8 June 2011 "Investing in the future":

- Point 23: "Reminds that the EU budget is primarily an investment budget, which can generate more investment from public or private sources; considers that attracting additional capital will be crucial to reach the significant amounts of investment needed to meet the Europe 2020 policy objectives; emphasises, in particular, the need to maximise the impact of EU funding by mobilising, pooling and leveraging public and private financial resources for infrastructures and large projects of European interest, without distorting competition".

Resolution on the general guidelines for the preparation of the 2014 budget:

- Point 17: "Recalls the particular nature of the EU budget, which amounts to only 1 % of the EU GDP and is an investment budget with a strong leverage effect; underlines that 94 % of it goes back to the Member States and European citizens through its policies and programmes, and therefore should not be seen as an additional burden but as a tool to boost investment, growth and jobs in Europe; emphasises that, for the regions and Member States, public investment would be minimised or impossible without the contribution of the EU budget; believes that any decrease in the EU budget would inevitably increase imbalances and hamper the growth and competitive strength of the entire Union economy, as well as its cohesiveness, and would undermine the principle of solidarity as a core EU value; is of the opinion that the demand for ‘more Europe’ is meaningless when it is accompanied by proposals for the drastic reduction of EU funds.”

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IV. GROWTH IN THE EU

Draft general budget. Examples where the EP showed its support to cohesion policy

Resolution on draft general budget for 2010 (as modified by the Council)\textsuperscript{51}:

- Point 6: "Deplores the fact that the Council was not willing to increase financing so as to further support the EU's needs in facing the current crisis, under existing programmes under "Competitiveness for growth and employment" in sub-heading 1a; considers that this heading should be examined in depth and, if needed, be revised to ensure that it fulfils its objectives in future years;

- Point 19: "Deplores Council's additional cuts on lines supporting the Lisbon strategy, which is based on a European Council decision; points out that this is contrary to what should have been done in order to address the current economic crisis; intends, on the contrary, to support these lines, even if in a limited way;

- Point 20: "\textit{Calls for full use of the appropriations available to activities and policies under sub-heading 1a which foster sustainable growth and job creation}, including new green jobs, and which deliver solutions to European citizens namely by providing greater energy security, increasing support for research and innovation, particularly on clean and renewable energy technologies, promoting small and medium-sized enterprises and reinforcing life-long learning (...);

- Point 21: "Regrets and is surprised by the budgetary cuts introduced by the Council in a period when structural and cohesion funds could be stimulating sustainable economic growth and recovery; recalls that it has increased payments on the main lines to boost implementation of structural policy in the Member States, so as to enhance economic recovery, for the benefit of all European citizens."

Resolution on draft general budget for 2011 (as modified by the Council)\textsuperscript{52}:

- Point 11: "Reiterates its firm conviction that, in a context of scarce funds and global economic slowdown, the financing of EU policies should be closely monitored in order to avoid any expenditure which is not driven by a clear and identifiable objective, bearing in mind the European added value of the EU budget, since it is an expression of solidarity and efficiency by pooling together financial resources otherwise dispersed at national, regional and local level; emphasises as well that an overwhelming part of EU budget expenditures supports long-term investments necessary to stimulate EU economic growth;

- Point 20: "Considers, in particular, that youth employment mobility is a key instrument to ensure the development of a competitive and dynamic job market in Europe and, as such, needs to be boosted; \textit{is therefore in favour of increasing appropriations for the European Employment Service and strongly supports to this end the launch of the Preparatory action 'Your first EURES Job'}, which aims to help young people enter the job market or access specialised jobs in another Member State, as a first step towards a specific non-academic youth mobility programme."


Resolution on the draft general budget for 2012 (as modified by the Council):

- **Point 1:** "Recalls that the promotion of a smart, sustainable and inclusive economy, which creates jobs and high-quality employment by delivering on the Europe 2020 strategy's seven flagship initiatives is a jointly endorsed goal of the 27 Member States and the EU institutions; recalls that the implementation of this strategy will require a huge amount of future-oriented investment up to 2020, estimated at no less than EUR 1 800 billion by the Commission in its communication of 19 October 2010 entitled ‘The EU Budget Review’ (COM(2010)0700); underlines, therefore, that necessary investments - at both EU and Member State level - must be made now and delayed no longer;"

- **Point 19:** "Regrets that the Commission and the Council do not generally propose to boost – beyond what was originally planned – the support for investments urgently needed to implement the seven flagship initiatives, and notes that they are regrettably inclined to postpone the necessary big leap in terms of common financial effort to the post-2013 MFF; is convinced that this attitude will seriously endanger the achievement of the headline goals by 2020; is proposing some targeted increases over the DB of the Commission in some key areas, namely competitiveness and entrepreneurship, research and innovation, education and lifelong learning;"

- **Point 28:** "Recalls the important role regional and cohesion policies play towards the achievement of the goals of the Europe 2020 strategy and economic recovery of European regions; deplores Council’s restrictive approach on payments, which were cut by some EUR 1,3 billion as compared to Commission’s forecasts of payment needs for 2012; notes that only the convergence objective and the technical assistance lines remained untouched by the cuts of Council; reminds that these cuts apply to budget allocations that were already far below Member States' own estimates (EUR 61 billion for 2012 or some 50% above DB) and widely considered as being the bare minimum for honouring upcoming payment claims and be consistent with the speeding up of implementation at the end of the programming period; is convinced that this attitude of the Council is all the more unacceptable since the Commission has recently made some concrete proposals to boost payments of structural and cohesion funds in those countries most affected by the current financial and economic crisis; requests an assessment of the implementation of regional and cohesion policy, with concrete proposals on how to reduce RALs."

Resolution on the draft general budget 2013 (on the Council position):

- **Point 9:** "Notes that Council's cuts are spread over all the headings, but that **Headings 1a and 1b are particularly affected as regards payments** (-EUR 1,9 billion and -EUR 1,6 billion respectively as compared to the DB), i.e. the headings under which most of the programmes and initiatives responsible for delivery of the objectives of the Europe 2020 strategy are concentrated; warns that such an approach puts at risk the fulfilment of commitments previously undertaken and consequently the delivery of jointly decided EU priorities;"

- **Point 10:** "Underlines that these cuts are fully at odds with the conclusions of the June 2012 European Council, which identified the EU budget as ‘a catalyst for growth and jobs across Europe’ and decided to concentrate resources, including EUR 55 billion coming from the Structural Funds, on growth-enhancing measures; considers that that decision, taken at the European Parliament (2011) resolution of 26 October 2011 on the draft general budget of the European Union for the financial year 2012 as modified by the Council - all sections (13110/2011 - C7-0247/2011 - 2011/2020(BUD)) and letters of amendments P7_TA(2011)0461

highest political level of the EU, needs to be translated into a sufficient level of payments for 2013 in favour of programmes and actions underpinning this priority;

- Point 11: "Rejects the Council's argument that these cuts correspond to under-implemented or low-performing programmes, since they also affect programmes showing excellent implementation rates (e.g. the Lifelong Learning Programme and the Competitiveness and Innovation Framework Programme (CIP) under Heading 1a and the Competitiveness and Employment objective under Heading 1b), whilst they do not touch areas experiencing under-implementation; points out that such criteria completely disregard the multiannual character of the EU's policies, and of cohesion policy in particular, characterised by a rising profile of payments towards the end of the MFF;

- Point 20: "Deplores that, although this is the key heading for the delivery of the Europe 2020 objectives, Heading 1a bears practically the totality of the Council's cuts in commitments (-2.9 % compared to DB) in Heading 1 and is the most affected as regards decreases in payments (-EUR 1.9 billion or -14 % compared to DB); decides to undo almost all cuts by Council and to reinforce above DB in commitment and payment appropriations only a selected number of lines directly linked to the objectives of the Europe 2020 Strategy and characterised by high levels of implementation and strong absorption capacity;

- Point 21: "Strongly regrets that, instead of increasing appropriations for the Seventh Framework Programme (FP7) and the Competitiveness and Innovation Framework Programme (CIP) programmes, the Council decided to cut the Commission's proposal on corresponding budget lines, which is in clear contradiction with the recent European Council's decision to create a ‘Compact for growth and jobs’ supporting, among others, research and development, innovation and employment; underlines the very good performances of these programmes, for which Commission reports accelerated implementation in 2012 compared to last year;

- (Annex) "Taking into account the ongoing fiscal consolidation efforts in Member States, the European Parliament and the Council, taking note of the level of payments proposed by the Commission for 2013, agree on a reduction of the level of payment appropriations for 2013 as compared to the Commission's Draft Budget. They ask the Commission to initiate any necessary action according to the Treaty and, in particular, to request additional payment appropriations in an amending budget if the appropriations entered in the 2013 budget prove insufficient to cover expenditure under sub-heading 1a (Competitiveness for growth and employment), sub-heading 1b (Cohesion for growth and employment), heading 2 (Preservation and management of natural resources), heading 3 (Citizenship, freedom, security and justice) and heading 4 (EU as a global player)".

V. SMALL AND MEDIUM ENTERPRISES

Resolution of 8 June 2011 ("Investing in the future"):

- Point 57: "Stresses that a strong and diversified industrial base is key to achieving the objective of creating a competitive, sustainable and inclusive European economy; recalls that SMEs are key drivers of economic growth, competitiveness, innovation and employment and recognises their important role in ensuring recovery and boosting of a sustainable EU economy; (...) stresses the need to enhance SME-relevant actions (...);

• Point 58: "Calls for SMEs and entrepreneurs to be placed at the heart of the Europe 2020 strategy; demands, accordingly, enhanced support in the next MFF for all programmes and instruments aimed at fostering SMEs (...) as well as through the use of the Structural Funds; proposes a better bundling of Community instruments and funds for SMEs in the EU budget; stresses, further, the need for greater accessibility to and adaptation of financing instruments to the needs of SMEs, (...)"

Resolution on the draft general budget 2011\textsuperscript{56}:

• Point 21: "Acknowledges the added value represented by EU-financed research which creates a momentum among separate national efforts and investments in the field of research, (...) and the central role played by SMEs in European growth and employment rate; reiterates accordingly its support to the Competitiveness and Innovation Framework programme and especially the Entrepreneurship & Innovation and Intelligent Energy programmes, by increasing commitment and payment appropriations on a selected number of lines (...)"

Resolution on the draft general budget 2012\textsuperscript{57}:

• Point 22: "Decides to further increase the level of commitment appropriations for selective lines of the FP7 (Capacities - Research for the benefit of SMEs, Cooperation - Energy, Ideas, People, Research related to energy); considers that those lines are instrumental in ensuring growth and investments in key areas that are at the heart of the Europe 2020 strategy (...);

• Point 23: "Further increases the overall level of commitment appropriations for the Competitiveness and Innovation Framework programme (CIP - Intelligent energy and CIP - Entrepreneurship and Innovation) compared to what was initially foreseen (...); hopes that this increase will contribute to improving the access of SMEs to this programme and to developing specific programmes and innovative financial mechanisms; recalls, in this context, the key role played by SMEs in boosting the EU economy and supports, in particular, the CIP-EIP programme as an indispensable tool of recovery from the crisis."

Resolution on the draft general budget 2013\textsuperscript{58}:

• Point 1: "Recalls that its priorities for the 2013 budget (...) consist in support for sustainable growth, competitiveness and employment, particularly for SMEs and youth (...)"

• Point 22: "Considers the CIP programme as one of the main deliverers of Europe 2020 and an essential tool to facilitate access to finance, in particular for innovative SMEs; decides, therefore, to increase commitment and payment appropriations in favour of the CIP Entrepreneurship and Innovation Programme and CIP Intelligent Energy Europe as well as, in line with the increasing demands by SMEs, to increase both CA and PA for the financial instruments under this programme."

\textsuperscript{56} European Parliament (2010) resolution of 20 October 2010 on Council’s position on draft budget of the European Union for the financial year 2011 -all sections (12699/2010 - C7-0202/2010 - 2010/001(BUD))


\textsuperscript{58} European Parliament (2012) resolution of 23 October 2012 on the Council position on the draft general budget of the European Union for the financial year 2013 -all sections (12749/2012 - C7--233/2012 - 2012/2092(BUD))
Resolution on SMEs[^59]:

- **Point 72:** "Stresses that it is necessary to implement and apply extensive simplification measures, including simplified reimbursement methods, to help SMEs take part in EU-funded programmes;"

- **Point 81:** "Stresses that easier access to micro-credit through the European Microfinance Facility, and the further development of this instrument – in the context of the Programme for Social Change and Innovation for the period 2014-20 and the future of the European Social Fund (ESF) – should be encouraged, so that the founders of microenterprises from socially disadvantaged sections of the population in particular can gain access to appropriate financial instruments; (...)"

- **Point 108:** "Calls on the European Council to preserve the cohesion policy budget for the next programming period, as the Structural and Cohesion Funds are among the EU’s most effective instruments for creating growth and jobs, increasing competitiveness of the European economy and supporting SMEs;"

- **Point 109:** "Calls on the Member States to encourage the development and the competitiveness of the different types of SMEs, and to address their particular needs through tailor-made measures; underlines the contribution of the European Regional Development Fund (ERDF) and the Cohesion Fund to the development and improvement of transport, energy, environmental and broadband infrastructure, and thus to the creation of a favourable businesses environment that encourages investments and strengthens competitiveness; highlights the need to promote entrepreneurship and increase the support given to SMEs, recognising the key role they play in fostering economic competitiveness."

### VI. TRANSPORT AND TOURISM

**Resolution on the draft general budget for 2011[^60]:**

- **Point 22:** "Is extremely concerned by the insufficiency of resources available for the financing of policies at the core of competitiveness for growth and employment and by the worsening of this situation due to the upcoming financing of the Europe 2020 strategy; recalls that investment in policies such as education, research, innovation, transport (in particular TEN-Ts) and tourism has a crucial role to play in driving forward growth and employment.""

**Resolution on the draft general budget 2013[^61]:**

- **Point 25:** "Deplores the cut in payments (-EUR 23 million as compared to DB) by the Council affecting the financial support for projects of common interest in the Trans-European transport network; highlights that this programme, through investment in high European added-value infrastructures, is essential in order to increase the competitiveness of the EU as a whole and directly contributes to growth and employment; underlines that the programme performs well in terms of implementation and that the year 2013 will be crucial as it is meant to prepare for the entry into force of the Connecting Europe Facility; therefore decides to maintain the level of commitments and payments proposed in the DB”.


Resolution "Investing in the future"\textsuperscript{62}:

- **Point 99**: "Recalls that tourism is a new EU competence under the Lisbon Treaty, which should, therefore, also be reflected in the next MFF; stresses the important contribution of tourism to the European economy and believes that the European strategy for tourism should aim at raising the competitiveness of the sector and be supported with adequate funding for the next period".

VII. PROJECT BOND INITIATIVE (PBI)

Resolution on the 2009 Annual Report of the EIB\textsuperscript{63}:

- **Point 35**: "Welcomes the idea of ‘project bonds’ aimed at enhancing the credit rating of bonds issued by companies themselves within the framework of the Europe 2020 Strategy and used to finance European transport, energy and IT infrastructures and the greening of the economy; believes that such project bond issuance would impact positively on the availability of capital for growth- and job-enhancing sustainable investments complementing national and Cohesion Fund investment; considers that this instrument should enhance the credit rating of selected projects and attract private financing to complement national and Cohesion Fund investment;"

- **Point 36**: "Asks the Commission and the EIB therefore to present concrete proposals to create ‘project bonds’; stresses that Parliament must be fully involved in establishing such instruments and asks for thought to be given to the use of the EU budget in the next Multiannual Financial Framework as first loss-capped risk buffer, with the EIB as subordinate financer."

Resolution on energy infrastructure priorities for 2020 and beyond\textsuperscript{64}:

- **Point 111**: "Supports the idea of issuing common European project bonds to finance Europe’s significant infrastructure needs and structural projects in the framework of the EU 2020 agenda, including the new Strategy on Energy Infrastructure Development; believes that EU project bonds would secure the investment required and create sufficient confidence to enable major investment projects to attract the support they need, and would thus become an important mechanism for maximum leverage of public support; points out that, if Europe is to be put on a sustainable footing, these projects must also contribute to the ecological transformation of our economies;"

- **Point 112**: "Considers, in particular, that EU project bonds can become a key financial instrument for the requisite energy infrastructure investments in Europe, helping private project companies to attract capital market funding from investors; calls on the Commission swiftly to produce a legislative proposal on EU project bonds."

Resolution on European Broadband\textsuperscript{65}:

- **Point 49**: "Welcomes the Commission’s proposal to explore new financing sources and innovative financing instruments; to that end supports the creation of an EU project bonds system which, in collaboration with the EIB and guaranteed by the EU budget, will respond to the current financing gap resulting from reluctance on the part of private investors and the serious constraints on national budgets; urges the Commission, therefore, to move forward as soon as


\textsuperscript{64} European Parliament (2011) resolution of 5 July 2011 on energy infrastructure priorities for 2020 and beyond (2011/2034(INI)) P7_TA(2011)0318

possible with concrete legislative proposals for the implementation of this alternative source of financing for major infrastructure projects carrying European added value."

Resolution on the Green Paper: From challenges to opportunities:

- Point 50: "Calls for new and innovative methods of financing to be tested, such as EU project bonds and vouchers for EU innovation, which would allow businesses to spend those resources directly at accredited research centres; (…)"

Resolution on the Roadmap to a Single European Transport Area:

- Point 11: "Welcomes and supports the Commission’s proposal on the ‘Connecting Europe Facility’ and the Project Bonds Initiative, and calls on the Member States to implement the core network, since the TEN-T concept should provide for a limited number of sustainable projects with European added value and with greater and realistic funding."

Resolution on the EIB:

- Point 65: "(...) believes that the Commission should introduce EU Project Bonds that should become operational as soon as possible, preferably before the 2014-2020 budget period; calls on the EIB to play an active part in the realisation of such initiatives; considers that the implementation of the Commission proposal on EU 2020 Project Bonds could contribute to the development of sustainable industries and infrastructure in the Member States as well as at EU level; (...)"

Decision on discharge (for 2010):

- Point 206: "Welcomes the ‘Project bonds’ initiative, and calls on the Commission to monitor the effectiveness and multiplier effects of this new instrument; wholly endorses the proposal to earmark EUR 10 000 000 000 from the Cohesion Fund for transport infrastructure via the Connecting Europe Facility, with a view to making the structural and cohesion policies more effective and enhancing their added value; calls for the systems used to manage and control the use of Cohesion Fund appropriations to be improved, with a view to ensuring proper and effective take-up of the funding."

Resolution on financing EU SMEs’ trade and investment:

- Point 34: "Calls on the EU to develop an ambitious common industrial policy based on fostering research and innovation that benefits from innovative financing arrangements, such as project bonds, and supports the development of SMEs, via access to public procurement, in order to maintain its competitiveness vis-à-vis major players in industry and research."

Resolution on innovative financial instruments:

- Point 45: "Welcomes the prompt agreement reached between Parliament and the Council on the implementation of a pilot phase (2012-2013) for project bonds in the areas of transport, energy and information technologies; expresses its willingness, on the basis of the full-scale independent evaluation of this pilot phase, to assess what future steps are to be taken in order to enhance the efficiency of Union spending as well as to increase investment volumes towards priority projects;"
• Point 46: "Requests as a matter of urgency, therefore, that the project bonds initiative be implemented and that an accurate evaluation be carried out of the appropriateness of a new, separate initiative for the issuing of European bonds for infrastructure, with the direct participation of EU capital in infrastructure projects in the common interest, with strong European added value, through the public issuing of project bonds on the part of the Union."

Resolution on the 2011 Annual Report of the EIB72:

• Point 17: "Welcomes the EU 2020 project bond initiative, and calls for a more rapid improvement of the pilot phase and a prompt evaluation of its achievements, with a view to starting with the second phase of the project bonds; believes that this initiative should contribute to a balanced development of industries and infrastructures in all the Member States and not end up magnifying the differences between more and less advanced PPP/Project Finance markets in the EU."

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