

SUMMARY FOR CITIZENS OF THE EUROPEAN REGIONAL DEVELOPMENT FUND PROGRAMME (ERDF) 2014-2020

The contribution of the Operational Programme of the European Regional Development Fund to the European Union Strategy for smart, sustainable and inclusive growth in the light of territorial characteristics, outlines the guidelines of the actions that the Region of Umbria intends to take through the Operational Programme.

The ERDF Operational Programme of the Region of Umbria has been developed in line with the regulatory and normative framework, acknowledging and embracing the principles of the 2014-2020 Cohesion Policy. The concentration of resources on a limited number of thematic objectives, the focus on results and the adoption of an integrated approach in the use of available resources (EU, national, regional) represent the fundamentals underlying regional programming for the next seven years.

Through the ERDF Operational Programme 2014-2020, the Region of Umbria intends to support - in light of the requirements identified, the needs revealed by economic and social partnerships, the recommendations of the Council as expressed in the Partnership Agreement and National Reform Programme - the taking of effective actions (in effect "driving impact") designed to foster smart, sustainable and inclusive growth in the region in both the wider national, and European context.

In this context, and in an effort to begin a process of growth and development that can be characterised as "smart, sustainable and inclusive", the Operational Programme of Umbria has taken on such urgent challenges as the specialisation and innovation of the regional system, competitiveness of the production system, protection and enhancement of local resources and sustainable development.

The ERDF OP 2014-2020, on the basis of a previous decision by the Regional Strategic Framework 2014-2020, has a total budget of EUR 356,293,204 of which EUR 178,146,602 is to be funded by the European Regional Development Fund, EUR 124,702,622 by the State - under Law 183/87 - and EUR 53,443,980 by the Region.

In line with the challenges mentioned above and in accordance with the regulatory constraints related to thematic concentration, the ERDF Operational Programme has adopted a strategy that focuses on 5 of the 11 thematic objectives in art. 9 of Regulation (EU) 1303/2013, with a **concentration of 84.5% of the resources on the first 4 thematic objectives** and, specifically:

- 1. Strengthening research, technological development and innovation;**
- 2. Enhancing access to, and use and quality of ICT;**
- 3. Enhancing the competitiveness of SMEs;**
- 4. Supporting the shift towards a low-carbon economy in all sectors;**
- 6. Preserving and protecting the environment and promoting resource efficiency**

Corresponding to each of the thematic objectives set out above, the region of Umbria has indicated a line of priority interventions, to which has been added an area dedicated to sustainable urban development in fulfilment of the allocation of resources to the urban look as provided for by Community rules.

The ERDF Operational Programme has, therefore, been articulated into 6 Priority Axes, as defined in the investment priorities laid out in Regulation (EU) 1301/2013. These priority areas have been set out as follows:

- I) **Research and Innovation;**
- II) **Digital growth;**
- III) **Competitiveness of SMEs;**
- IV) **Sustainable Energy;**
- V) **Environment and culture;**
- VI) **Sustainable urban development.**

To these Axes, a seventh has been added and dedicated to Technical Assistance actions (Axis VII Technical Assistance).

The Urban Axis, which has its own resource endowment, has been built and implemented through the activated thematic objectives and investment priorities.

In summary, the strategy outlined within the scope of the ERDF Operational Programme aims to:

- strengthen research, technological development and innovation (thematic objective 1): research and innovation, in the broadest sense, represent an important opportunity to launch the regional economic system onto a global scene, promoting qualified employment and the activation of intensive knowledge initiatives that are in keeping with defined regional smart specialisation strategies;
- enhance access to, and use and quality of ICT (thematic objective 2): the computerisation of processes and the boosting of access to ICT are essential elements for the implementation of the Regional Strategy for smart, sustainable and inclusive growth. This thematic objective is a transversal line of action for all selected thematic objectives;
- enhance the competitiveness of SMEs (thematic objective 3): the structural fragility of the Umbrian enterprise system and the difficulties posed by the crisis require adequate recovery measures and the capitalising on the best of regional aspects and potential of the production system to build organised and structured networks, agreements and collaboration among companies;
- support the shift towards a low-carbon economy in all sectors (thematic objective 4): the importance attributed to a green economy in the regional context is combined with the objectives of sustainable growth promoted by the Programme, particularly for the promotion of energy efficiency, the use of renewable energy sources and smart and sustainable transport systems.
- to preserve and protect the environment and promote resource efficiency (thematic objective 6): support for the implementation of integrated measures for the enhancement of environmental and cultural resources and the relative supply chain pursued by the ERDF ROP aims to favour access to regional assets by promoting innovative forms of public-private relationships.

The strategy that underlies the organisation of the current Operational Programme is fully consistent with the need to outline a coherent and incisive development trajectory for the region focused on the three engines of growth identified by the Europe 2020 Strategy to boost the economy of the European Union (smart, sustainable and inclusive growth).

In the specific, in relation to the selected thematic objectives and relative financial allocations, it should be noted that:

- **thematic objective 1 (Strengthening research, technological development and innovation)** will make use of available resources equal to approximately $\frac{1}{3}$ of the total cost of the OP (28.6%). This allocation was set in order to close the distance between Umbria and the Europe 2020 *target*,

and that of the NRP *target* as regards the regional reference framework: though not a leader in innovation, Umbria *does* exhibit certain qualities that – as part of a strategy for smart growth – require support in order to innovate and project itself into a broader context. This choice appears to be in line with the importance that the Region has attributed to the strengthening of the regional system of research and innovation, and is closely related to the policies for competitiveness and thematic objective 3.

- **thematic objective 2 (Enhancing access to, and use and quality of ICT)** has 10.4% of available OP resources. This objective is a key and transverse component of the Programme's strategy, underlying all thematic objectives assumed by the OP. The Region, through the adoption of the Telematic Plan of Umbria, will support the completion of the area's infrastructure, as well as take steps to ensure the spread of e-government, e-procurement and e-commerce, with the objective of "putting the Umbrian system online" (which is threatened by excessive fragmentation) and providing citizens with more efficient and accessible business and PA services.

- **thematic objective 3 (Enhancing the competitiveness of SMEs)** has about ¼ of OP resources (24%). The weight given to thematic objective 3 is consistent with the strategy adopted as the basis for the formulation of the Programme. In view of the structural characteristics of the regional production system and the needs associated with the contingent economic and financial situation, the need to promote and stimulate the competitiveness of the economy and production system in Umbria is evident. In this sense, the OP has set out to stimulate a greater willingness to invest in the production system and the consolidation and diversification of local production systems through increased access to credit, or by promoting operations which predominantly enable existing Umbrian enterprises to "survive" the challenges that the current climate has posed, and at the same time "evolve", "become competitive" and "open up" in international markets.

- **thematic objective 4 (Supporting the shift towards a low-carbon economy in all sectors)** has been allocated 21.5% of the OP resources. In order to contribute to the achieving of the targets for the indicators of Europe 2020 in the field of sustainable energy (energy savings and increase of renewable sources), the ERDF Operational Programme, consistent with the Preliminary Document of the Regional Environmental Energy Strategy 2014-2020 (Committee Resolution no. 1493 of 16.12.2013), aims to foster: *i*) a reduction in overall gross consumption of energy by taking measured actions to increase energy efficiency in the end use and the reduction of waste in residential sectors, public buildings, the industrial and service sectors as well as the integration of renewable energy sources; *ii*) a reduction in energy consumption and emissions by businesses and the integration of renewable sources; *iii*) an increase of the share of energy needs covered by distributed generation through developing and implementing smart distribution systems; *iv*) an increase in sustainable mobility in urban areas.

- **thematic objective 6 (Preserving and protecting the environment and promoting resource efficiency)** is destined to receive resources equal to 11.5% of the total OP. In light of Umbria's remarkable environmental and cultural heritage, and for the purposes of integrated enhancement of resources and territorial jurisdiction, the Programme's strategy is to improve the conditions and standards of supply and use of cultural and natural heritage resources.

- **Technical Assistance receives resources equal to 4% of the total budget of the OP.**

It should be noted that the urban Axis that refers to the targets described above, will be implemented with resources that come from the different objectives.

In support of the objectives described above, the territorial dimension is to be developed in the context of the ERDF, and articulated in relation to the following aspects:

1. Sustainable urban development: 5 integrated interventions are to be completed in selected cities, and will be carried out according to a key area dedicated to urban development strategy (as mentioned above), whose budget respects the limits imposed by ERDF Regulation 1301/2013;
2. Strategy for the inland areas. Three geographical areas have been identified in which to implement strategies for inland areas.

The thematic objectives have been identified are the result of outlined based on a number of careful assessments and, specifically:

- the need to **concentrate** available resources on a limited number of priorities that are able to ensure results of considerable importance on the regional socio-economic context in the medium-long term;
- the need to provide **concrete answers** in relation to the challenges laid out by the Region of Umbria in the strategy document "Towards the Regional Strategic Framework 2014-2020" in reference to its mission "to specialise and innovate the Umbrian production system" and the mission "to actively protect natural resources";
- **the existing link between the themes of research - innovation - competitiveness**, in a context in which the dimensional fragility of the production sector - and its consequences in terms of modest propensity for innovation and internationalisation - makes it advantageous for the carrying out of actions of support for the regional production system through multi-sector and integrated strategies based on regional specialisations, and on the enhancement of skills capable of fostering cooperation between research and business systems;
- **the link between protective actions and the enhancement of natural and cultural assets, in a broader and more pervasive take on the concepts of "nature" and "culture"**;
- the need to **shift towards the digital as a competitive and attractive factor** to support the entire regional context.

Tables illustrating the AXES of ERDF ROP 2014-2020 follow.