

European Priorities 2011-12



Winning in Europe



**Northern Ireland
Executive**

www.northernireland.gov.uk

FOREWORD

25 June 2011

When the President of the European Commission, José Manuel Barroso, announced his special Task Force to help underpin change in our region in May 2007, he made it clear that he viewed this work as a long-term engagement with Europe—a marathon rather than a sprint.

The people have now entrusted us with a new four-year term of office. The economy continues to be the single greatest challenge facing Europe and governments across the globe. Growing a sustainable economy and investing in the future is the Executive's most important priority. Despite the difficult economic circumstances in which we now find ourselves, we will continue to build on our political, economic and social progress, addressing poverty and disadvantage in pursuit of a shared and better future for all.

Our proactive and forward-looking engagement in European policies, funding programmes and knowledge networks will help us meet the challenges in the Executive's Programme for Government – and the delivery of the European Union's 2020 Strategy for smart, sustainable and inclusive growth.

'Winning in Europe' marks a step-change in the Executive's European engagement, broadening and deepening our interaction with the European Union institutions. It seeks to generate momentum in the early years of economic recovery by targeting growth enhancing European initiatives across a range of policy areas. It sets out our direction of travel in Europe and facilitates speaking with a unified voice on the issues that matter most to our citizens and businesses. We will participate in ways that further enhance the Executive's positive profile in Europe, sharing our knowledge and experience.

We commend our European priorities to you.



A handwritten signature in black ink, appearing to read 'Peter D. Robinson'.

**Rt Hon Peter D Robinson MLA
First Minister**



A handwritten signature in black ink, appearing to read 'Martin McGuinness'.

**Martin McGuinness MP MLA
deputy First Minister**

OVERVIEW

Growing a dynamic, innovative economy that supports a peaceful, fair and healthy society is our top priority.

This is made much more challenging with ever increasing global competition and the international economic and financial crisis. More than ever it is imperative that we create conditions where enterprise can flourish and our private sector can grow. To achieve this we need to pursue an innovative and productive economy that supports a fair society, promoting social inclusion and sustainable communities.

We need to increase innovation, improve productivity and increase workforce skills to deliver employment, productivity and social cohesion and reduce inequality and fight poverty. We must do this in ways that protect and enhance the physical and natural environment, using resources as efficiently as possible.

Key aims

We will use EU policies, networks and programmes to realise our goals. We will work to strengthen our European engagement, to fully realise the opportunities which the European Union presents, influencing and shaping future policy and building our positive profile. We will also look for opportunities to share our own experience with others and learn from working with other regions and Member States.

Key European policies and programmes

The European Commission's Legislative and Work Programme 2011 and the Europe 2020 Strategy provide a strategic framework to help shape and focus our work. The Europe 2020 Strategy is about more and better jobs and better lives. We need to deliver smart, sustainable and inclusive growth.

Smart growth means strengthening knowledge and innovation as drivers of our economy and future growth.

Sustainable growth means building a resource efficient, sustainable and competitive economy, exploiting new processes, technologies and EU networks.

Inclusive growth means empowering people through high levels of employment, investing in skills, fighting poverty and modernising labour markets, training and social protection systems so as to help people anticipate and manage change and build a cohesive society.

We must continue to be involved in the debate around the Multi-Annual Financial Framework 2014-20, which outlines the EU budget. We are committed to increasing our uptake of European funding by twenty percent over the period 2011-2015. With a significantly decreased level of Structural Funds anticipated, it is essential that we build networks and increase our capacity to access competitive European funding programmes in order to maximise the drawdown of funds. We will work with key stakeholders to achieve this.

The President of the European Commission, José Manuel Barroso, has personally demonstrated his commitment to assist us by renewing a unique Commission Task Force to help us make the most of EU policies, programmes and networks. Such a facility is unique across the European Union and is one that we should take full advantage of to maximise the benefit for the region.

Our European policy priorities

There is a need to focus on fewer priorities to concentrate limited resources and maximise impact. The priority policy areas we will focus on reflect the Commission's Work Programme for 2011 and more generally the European Union's Europe 2020 Strategy. Our four European thematic priorities are:

- Competitiveness and Employment;
- Innovation and Technology;
- Climate Change and Energy; and
- Social Cohesion.

COMPETITIVENESS AND EMPLOYMENT

Our economy has historically suffered from under-investment and high levels of unemployment. Although we have achieved economic growth in recent years, the global and economic crisis has increased the challenges for our small business economy and the unemployed, particularly young people.

Our goal is to create wealth and opportunity for the benefit of the whole community by strengthening the economy and helping it grow. We can do this by supporting business development, helping to increase exports, attracting high quality inward investment and stimulating a culture of entrepreneurship and innovation. By creating wealth and a strong community we will fight poverty and inequality in our society.

We need to decrease the productivity and skills gap between ourselves and other regions. Our prosperity is dependent on the skills of our workforce and our ability to meet the needs of the local economy, to support a strong export-oriented market and to secure the wealth-creating opportunities of the future.

We need to challenge growing unemployment by creating new sustainable and innovative job opportunities. There is a need to focus on young people to equip them with skills and ambition, which will in turn drive the economy.

Key aims

We will work to:

- Encourage lifelong learning and the acquisition of new technology skills
- Support our SMEs to grow and prosper
- Attract and encourage investment
- Increase sustainable employment in high value-added sectors
- Raise labour productivity
- Create a more inclusive labour market
- Contribute to reducing poverty amongst the most vulnerable in society
- Promote tourism

Key EU policies and programmes

Employment

- European Employment Strategy
- European Social Fund
- PROGRESS
- Public Service Employment Network
- EURES(European Employment Services)
- EURES-T(Cross Border Partnership)
- EU Employment networks
- ESF transnational networks
- Employment policy peer reviews
- European Learning Network on Empowerment and Inclusion
- Europe 2020 Flagship: 'An agenda for new skills and jobs' which will facilitate labour mobility, skills development and better matching of labour supply and demand.

Vocational Education and Training

- Bruges Communiqué on enhanced European Co-operation in Vocational Education and Training
- 'A new Impetus for European Co-operation in Vocational Education and Training to support the Europe2020 Strategy'
- Leonardo da Vinci programme for vocational education and training
- Gruntvig programme for adult education
- Mobility and Lifelong Learning Programmes
- Education and Training 2010 Work Programme – Peer Learning Clusters
- European Qualifications Framework
- European Quality Assurance Framework for VET (EQAVET)
- European Credit System for Vocational Training (ECVET)
- Europe 2020 Flagship: 'An agenda for new skills and jobs' which will facilitate labour mobility, skills development and better matching of labour supply and demand'.

Higher Education

- Higher Education Policy priority reform areas
- Reform of universities in the framework of the EU2020 Strategy and the Education and Training 2020 initiatives
- Bologna Process – Towards the European Higher Education Area
- ERASMUS – The EU's Flagship education and training programme enabling students to study and work abroad
- Europe 2020 Flagship: 'An agenda for new skills and jobs' which will facilitate labour mobility, skills development and better matching of labour supply and demand'

Education and Youth

- Review of the EU education and youth programmes
- Europe 2020 Flagship: 'Youth on the Move' which will raise the quality at all levels of education and training and promote mobility for students and trainees

Inclusion

- Green Paper 'Towards adequate, sustainable and safe European pension systems'
- Europe 2020 Flagship: 'European Platform against Poverty' which aims to ensure economic, social and territorial cohesion, building on the current European year for combating poverty and social exclusion

Enterprise and Economic Development

- Single Market Act (and proposals for a common Consolidated Corporate Tax Base)
- State Aid
- Legislative measures to improve Work Life Balance (2011 LWP)
- Working Time Directive
- European Regional Development Fund
- Europe 2020 Flagship: 'An industrial policy for the globalisation era' which will improve the business environment, especially for small and medium

sized enterprises (SMEs), and support the development of a globally competitive and sustainable industrial base

Key Objectives for 2011-12

Equip young people with the skills and ambition needed to contribute to the economy.

Create new sustainable and innovative job opportunities.

Reduce poverty and inequality with programmes to increase skills and employment.

Identify and reduce the barriers to work for the long-term unemployed, lone parents, and people with disabilities and health conditions.

Optimise European programmes and policies for employment, learning and social inclusion.

Optimise European programmes and policies for economic development.

Improve the business environment, especially for SMEs, to promote enterprise.

Longer Term Objectives

Prepare for and influence the 2014-2020 Structural Funds Programmes.

Encourage greater participation in the INTERREG programme for interregional cooperation.

Increase regional involvement in the Public Service Employment Network and EURES (EUROpean Employment Services).

Explore the possibility of seconding a National Expert to the European Commission.

Engage in Europe on skills.

Facilitate access to finance for SMEs.

Share best practice in economic development.

Use the Small Business Act to promote SME's growth.

INNOVATION AND TECHNOLOGY

A strong science base is vital to delivering an innovative economy which will create new opportunities for higher value-added employment. This is essential if we are to retain our young people and highly skilled employees and attract the people and investment required to drive an increasingly knowledge-based economy.

While research and development and investment in new technologies are important to the future of our economy, long-term strategy is often undervalued in difficult financial times, especially by the small businesses which our regional economy depends on.

We spend approximately 1.2% of GDP on research and development, which is well below the EU target of 3%. The volume and quality of research, innovation, and levels of commercialisation are crucial components in determining regional competitiveness and promoting sustainable economic and social development. More needs to be done to support our SMEs and to ensure that key sectors continue to invest in innovation and technology to create economic growth.

The Executive's draft Economic Strategy includes a strategic priority of stimulating innovation, R&D and creativity. It also aims to capture the impact that the creative industries make towards stimulating innovation. A 2010 EU Green Paper identified the creative industries as important drivers of economic and social innovation and as having considerable 'spill over' impacts on wider society which *"offer a path towards a more imaginative, more cohesive, greener and more prosperous future"*.

We will increasingly target our support to encourage the development of high value-added industry sectors and cross-sectoral collaborations that will introduce new technologies, processes and skills into our workplace thereby helping to expand the export base, grow and strengthen the local supply chain and secure the long-term future of our economy. A strong science base is promoted by STEM expertise and by initiatives that fuel the emergence of a creative, innovative and entrepreneurial workforce.

We are emerging as a major player within the connected health sector in Europe. With strong links between academic, business and clinical partners throughout the United Kingdom, Europe and the United States, we are an ideal hub to explore international best practice in health care delivery. Investments made in R&D, together with the depth of capabilities present in academia, the information and communication technology (ICT) and engineering sectors, will continue to serve the economy as we shift towards research-intensive activities. The sector has real opportunities for growth and aligns particularly well to both the EU's Digital Agenda and the Active and Healthy Ageing challenge.

Key aims

We will work to:

- Promote greater private sector R&D investment
- Encourage entrepreneurship, creativity and innovation

- Promote science, technology, engineering and mathematics (STEM) and educational and creative industries that encourage young people to study STEM subjects
- Promote translational research, knowledge transfer/exchange and STEM between firms and between the research base and firms
- Promote cross-sectoral collaborations between the creative and cultural industries and with other business and research sectors to stimulate innovation, job creation and expert-focused growth
- Nurture the development and exploitation of new technologies, ideas and ways of working in our companies, universities, the research base and elsewhere in the public sector
- Make fuller use of information and communication technologies
- Promote deployment and use of modern accessible online services
- Leverage our significant public investment in the health sector, including in skilled employees and clinical trials infrastructure, to realise economic outcomes

Key EU policies and programmes

Research and Innovation

- 7th Framework Programme for Research and Development (FP7)
- Competitiveness and Innovation Framework Programme (CIP), which includes the Enterprise Europe Network
- Europe 2020 Flagship: 'Innovation Union,' which will improve access to finance for research and innovation and boost levels of investment throughout the Union
- Proposal for a multi-financial framework, currently referred to FP8, which combines CIP and FP7
- Competition Policy
- Europe 2020 Flagship: 'A Digital Agenda for Europe', which will speed up the roll-out of high-speed internet and promote the value of a digital single market for households and firms

Creative Industries

- EU Green Paper 2010 - Unlocking the potential of cultural and creative industries

Agriculture

- The Commission Communication on the Common Agricultural Programme (CAP) towards 2020: Meeting the food, natural resources and territorial challenges of the future

Key Objectives for 2011-12

Facilitate access to European funding (structural funds, rural development funds and R&D framework programmes) to support innovation.

Encourage greater participation of SMEs in the Framework Programme.

Encourage universities, the Agri Food and Biosciences Institute (AFBI) and the public and private Health and Life Sciences sectors to increase their applications to the Framework Programme.

Encourage universities and AFBI to increase the involvement of our SMEs in Framework applications.

Increase the number of assessors from our region on Framework 'calls.'

Strengthen our targeted research performance and research base to create a stronger push towards knowledge transfer/exchange.

Raise the profile of our capacity for clinical trials through participation in emerging EU infrastructure networks.

Stimulate growth of the creative industries by nurturing creative talent and creative enterprises and by encouraging innovative cross-sectoral collaborations.

Promote STEM subjects to young people through creative and inspirational initiatives which can involve industry, academia and government.

Establish a smart specialisation platform.

Longer Term Objectives

Contribute to and prepare for the development of the Multi Financial Framework (Framework 8 Programme for Research and Development).

Increase business expenditure on research and development.

Facilitate peer learning in relation to Framework Programme participation.

Develop a mentoring programme for Framework Programme applicants.

Develop a more effective process to support the widespread adoption of research findings in the publicly-funded health sector.

Harness the potential of the creative and cultural industries to support export-focused economic growth, job-creation and positive spill-over impacts into areas such as health, education and social cohesion.

Enhance STEM initiatives to fuel the emergence of creative people and innovative businesses.

CLIMATE CHANGE AND ENERGY

We are committed to protecting and enhancing our environment and natural resources. In so doing, we need to reduce greenhouse gas emissions and mitigate the impacts of climate change. Key energy goals will be to build competitive markets, enhance sustainability, ensure security of supply and enhance our energy infrastructure.

We need to pursue these goals and increase diversity in our energy supply while at the same time reducing carbon emissions. We are committed to reducing greenhouse gas emissions by 25% by 2025 (from 1990 levels). Our main sources of emissions are transport; agriculture, forestry and land use; power; and homes and communities.

Diversifying energy sources is a priority. We have low levels of electricity generated from renewable sources and a dependence on gas, coal and oil for 90% of our power generation leaves us vulnerable to fluctuations in both supply and pricing. We have set ambitious targets of 40% renewable electricity and 10% renewable heat by 2020.

We currently have very high levels of fuel poverty and need to ensure that increasing renewable energy and reducing carbon emissions is not cost prohibitive. We also need to reduce our overall energy demand. Improving resource efficiency will help limit emissions while boosting economic growth. While pursuing a resource efficient and low carbon economy we must, however, remain competitive in international markets. We will look to prevent waste and to promote recycling, as well as increasing resource recovery and energy from waste.

Europe's current focus is on energy infrastructure and efficiency, which offers immediate environmental, economic and energy security benefits; and potential for job creation. Europe 2020 provides a resource efficiency framework which will position sectoral policies on energy, transport and management of natural resources (such as agriculture and fisheries) within a long-term sustainable framework.

We will work to strengthen our agri-economy and its international competitiveness. Agriculture is much more important here than in other regions. CAP support is critically important to our rural areas. Single Farm Payments account for approximately 54% of our farmers' income while the Rural Development Programme provides some £500m to support rural areas. The addition of climate change to CAP priorities for 2014-2020 will encourage the agriculture sector to further reduce carbon intensity for the future.

Transport is critical to our efforts to build a cohesive and competitive economy, but it is one of our largest users of energy and sources of greenhouse gas emissions. We are committed to a more sustainable and integrated transport infrastructure, however, future transport policies at local and EU level must not reduce our internal or external connectivity or disproportionately impact upon our competitiveness. The promotion of more efficient and sustainable transport

solutions and choices, in-line with Europe 2020, will require investment in new technologies and smart transport infrastructure.

Aims

We will work to:

- Promote resource efficiency and a low-carbon economy
- Increase our use of renewable energy sources
- Exploit new technology, including developing smart transport and energy infrastructures, to reduce congestion and overall emissions
- Promote smarter and more sustainable transport choices
- Use environmentally sensitive material and methods in transportation schemes
- Promote the use of alternative and renewable fuels and offer advice on vehicle choice
- Influence the Common Agricultural Policy and Common Fisheries Policy
- Take advantage of opportunities under the Common Agricultural Policy and Common Fisheries Policy
- Comply with industrial and agricultural regulations

Key EU policies and programmes

Energy

- The European Energy Efficiency Plan (until 2020)
- The Renewable Energy Directive
- Smart Grid

Resource Efficiency

- Low-carbon Economy 2050 Road Map
- Europe2020 Flagship: 'Resource Efficient Europe' which will support the move to a low-carbon economy, increased use of renewables, modernising of our transport sector and increased energy efficiency

Transport

- White Paper on the Future of Transport

Agriculture and Rural Development

- Common Agricultural Policy and the Rural Development Programme
- Common Fisheries Policy

Innovation

- Europe2020 Flagship: 'Innovation Union' which will improve access to finance for research and innovation, ensuring innovative ideas lead to products and services which create growth and jobs

Key Objectives for 2011-12

Maximise drawdown and source match funding for delivery of the 2010 Strategic Energy Framework actions, specifically targeting key infrastructure projects to facilitate an increasing amount of energy and heat from renewable sources by 2020.

Contribute to the UK Energy Efficiency Action Plan across all sectors.

Seek to communicate more effectively with the public on sustainable energy and climate change issues through increased engagement.

Exploit any available opportunities to engage with domestic retrofit programmes, where there is added value.

Support the water industry's uptake of EU funding to improve resource efficiency, energy efficiency, increased use of renewable energy and sustainability.

Source funding for key rail projects designed to reduce congestion and emissions.

Obtain support for a feasibility study for the Belfast/Dublin rail upgrade.

Seek Trans-European Transport Network(TEN-T) and INTERREG for interregional cooperation funding to enhance the road network and share best practice.

Longer Term Objectives

Ensure that climate change mitigation and adaptation measures are soundly based on scientific research to avoid unintended consequences.

Reduce congestion and emissions by encouraging better use of public transport.

Optimise European funding for waste programmes.

Optimise European funding opportunities in relation to science and research and development of measures relevant to climate change mitigation and adaptation.

Seek EU support to reduce carbon intensity at product level in the agriculture primary production sector, better nutrient, land and livestock management coupled with better sequestration and adoption of land-based renewable energy.

Optimise European funding for smart grid development.

SOCIAL COHESION

In a European context, Cohesion Policy is the second largest budget line for community funding and the largest source of EU investment in the real economy, helping to drive growth, jobs and solidarity. We benefit greatly from Structural and Cohesion funds and the Executive supports the continuation of cohesion funding for the region. We want to share our experience with these funding programmes, especially PEACE, with others.

Developing a cohesive, shared and integrated society is an imperative for the Executive. We aspire to an inclusive society where persistent inequalities in health, education and labour market outcomes for disadvantaged groups are reduced through sharing opportunities.

We also use European policies and funding programmes to promote social cohesion within the region. However, we recognise the challenge we face when these policies are translated into a culturally different context.

Advancing social transformation and the inclusion of all our people is essential if we are to deliver the peaceful, prosperous, fair and healthy society we all want. Real progress has been made in recent years and our society is being transformed. But significant challenges remain to be addressed if everyone is to be given the opportunity to contribute to, and benefit from, a shared and better future.

To promote social cohesion we need to build on the platform of public services developed to grow our economy, create employment, build a shared community and protect the vulnerable in our society.

The public services include regional and local government, the European institutions and the wider voluntary and community sector. By working together, we will continue to build a society where everyone shares in and enjoys the benefits of peace, exploiting the opportunities offered by peace and tackling continued division. This means tackling poverty and social exclusion as well as promoting integration and reconciliation.

We understand that social cohesion is strengthened through the generation of social capital. This is progressive. It begins with *bonding*, developing strong relationships within communities. This provides the basis for *bridging*, developing strong relationships between communities. This in turn enables *linking*, developing strong relationships with the public services that support communities and in linking communities to economic opportunities elsewhere.

Key aims

We will work to:

- Use structural funds to facilitate social cohesion
- Reduce poverty
- Address inequality and disadvantage
- Promote equality and human rights
- Address the needs of groups at risk and protect the interests of children, older people and other socially excluded groups
- Maximise EU funding for the region (PEACE IV)

- Promote cohesion, sharing and integration

Key EU policies and programmes

Cohesion, Sharing and Integration

- PEACE funding
- North-West Europe – Atlantic Strategies (Interreg IVB & IVC)
- European Social Fund

Youth

- Europe 2020 Flagship: ‘Youth on the Move,’ which will enable our young people to gain the knowledge, skills and experience needed to make their first job a reality and encourage transnational mobility

Poverty

- Europe 2020 Flagship: ‘European platform against poverty,’ which aims to ensure social and territorial cohesion such that the benefits of growth and jobs are widely shared and people experiencing poverty and social exclusion are enabled to live in dignity and take an active part in society

Key Objectives for 2011-12

Establish linkages with other thematic strategies (eg Competitiveness & Climate Change).

Engage in communities (the ‘other’ perspective).

Build on and share our experience of conflict resolution (peace-keeping, peace-building and peace-making) with other regions.

Explore best practice for tackling disadvantage in other regions.

Source economic support for tackling poverty and disadvantage.

Align with the Europe2020 Flagship initiative ‘Youth on the Move.’

Align with the Europe2020 Flagship initiative ‘The Platform Against Poverty.’

Build on exemplar strategies and delivery mechanisms (ie the Child Poverty Strategy).

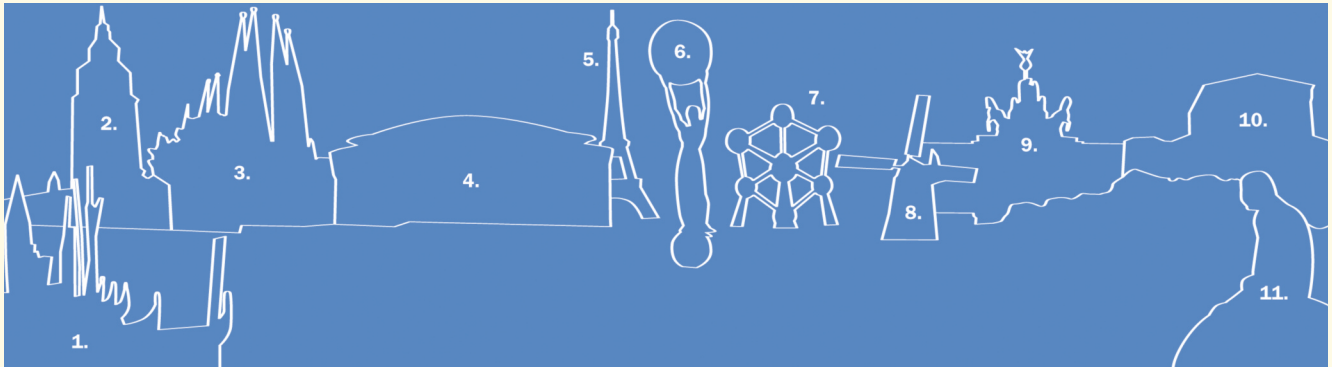
Longer Term Objectives

Embrace an integrated, cross-departmental approach to seeking and managing European funding.

Facilitate an inter-departmental approach to European engagement in relation to social cohesion.

Focus on prevention and early intervention.

Develop sustainably active communities and individuals.



Cover Key:

1. Gondolas, Venice; 2. Town Hall, Krakow; 3. Sagrada Famillia, Barcelona; 4. Waterfront Hall, Belfast; 5. Eiffel Tower, Paris; 6. Circle of Thanksgiving, Belfast; 7. Atomium, Heysel, Brussels; 8. Windmill, Netherlands; 9. Brandenburg Gate, Berlin; 10. The Parthenon, Athens; 11. The Little Mermaid, Copenhagen.

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