European Cohesion Policy and Insular Entrepreneurship





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1. European Cohesion Policy and Insular Entrepreneurship

Irene Mikelis INSULEUR Expert



SMEs: The backbone of **European Economy**





Cohesion Policy is the largest source of EU support for SMEs







Cohesion Policy is the largest source of EU support for SMEs but.. The report points out the need for a new development paradigm for less developed regions and peripheral regions. However, it does not address in a comprehensive manner the situation of territories beset by permanent geographical handicaps mentioned in article 174 TFEU.

WHY IS THIS OF OUTERMOST IMPORTANCE FOR INSULAR SMEs ?

Because most, if not all, insular regions score way under the EU average and their respective national average competitiveness indexes









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WHY IS THIS OF OUTERMOST IMPORTANCE FOR INSULAR SMEs ?

Because most, if not all, insular regions score way under the EU average and their respective national average competitiveness indexes

> Because disparities between islands and mainland are further and constantly deepened by emerging trends (climate change, technological transformations, demographic changes..) and the effects of the pandemic.



Because SMEs are fundamental to insular territories' economies, for competitivity, growth and jobs especially amongst young people.



The CAUSES of the COMPETITIVE DISADVANTAGE

Small size

Parameters that create territorial, economic and social handicaps, as recognised in Article 174 TFEU, which hinder among other the fair integration of islands in the single market

- Local market that is limited, fragmented and remote with low demand;
- High transport costs for logistics, freight and insurance, on account of distance as well as instances of imperfect competition (oligopolies or even monopolies);
- High energy costs which plays a crucial role in competitiveness and entrepreneurship;
- Inability to achieve economies of scale due to the small size of the market, which results in high unit costs for both businesses and public services;
- Poorly developed inter-industrial relations due to a strong tendency to specialise in exploiting one resource, to produce one type of good or to provide one type of service;
- Lack of qualified workers; or a tendency for qualified workers to leave islands in order to find adequate employment elsewhere;
- markets;
- Lack of infrastructure and services for businesses at a comparable level to mainland regions, e.g. in the field of connectivity / telecommunications, training or risk capital;
- Islands economy can have considerable damage from external factors.



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SMEs on islands face constraints and extra costs resulting from the characteristics of insularity.

Distance / Remoteness Vulnerability

Lack of entrepreneurial expertise, as entrepreneurs tend to leave islands to invest in more profitable









The CAUSES of the COMPETITIVE DISADVANTAGE

Small size

SMEs

- mobility, and sustainable tourism etc.



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SMEs on islands face constraints and extra costs resulting from the characteristics of insularity.

Distance / Remoteness

Vulnerability

Islands: lands of opportunity and laboratories for innovation and technologies, upheld by their

Test-beds for the deployment of innovative technologies addressing real-life challenges Excellent laboratories for technological innovation particularly in the fields of energy (RES, EE), transport,

Export of niche products guaranteeing the islands' place in markets with high added value Inclusion of specific actions for islands in the latest version of the 2021-2027 Interreg Euro-MED programme and the acknowledgment that "Islands are a prominent example of how circular economy models can be successful in achieving green transition, by responding to their specific territorial challenges" while it is also reminded that "the management of natural resources, the economic and social ecosystems and local constraints and opportunities linked to the insular dimension make islands the prime location to test and implement new circular approaches; therefore, they naturally are one of the most important target territories of the tools and practices developed by projects".









COHESION means INCLUSION



The gap can't be breached without measures and a specific strategy targeted to islands.

Add Islands to Tercet

"Do not harm to cohesion policy" principle









Focus on Interreg MED – Best Practices / Lessons learned





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2. Focus on Interreg MED – Best Practices / Lessons learned

Irene Mikelis – Marina Maniati, PhD INSULEUR Experts











Entrepreneurship & Cohesion Policy in Islands through the lens of the BlueCrowdfunding Project

BLUE CROWDFUNDING WORKSHOP "COHESION POLICY AS A TOOL TO BOOST AND SUPPORT ENTREPRENEURSHIP IN ISLANDS" – 23/05/2022, EESC - Brussels

Project co-financed by the European **Regional Development Fund**

Author: INSULEUR– P1 **Irene** Mikelis













2. How is this relevant ?

TARGET GROUP

SMEs

TARGET SECTOR

Blue Economy

- Sector with vital • challenges for islands (climate change, ecosystems, tourism)
- Sector with huge potential / opportunities for islands economies (energy, tourism)









TARGET AREA

MED

- Close to 200/362* • EU inhabited islands (GR, IT, FR, ES, CY, MT, HR)
- Total population close to 12M/20M







Thanks!

Irene Mikelis P1 – INSULEUR Insuleur.network@gmail.com





🚧 BLUE



@BlueCFInterreg

https://www.linkedin.com/company/blu e-crowdfunding-interreg-med-project

@BLUEcrowdfunding



in

https://blue-crowdfunding.interreg-med.eu/

UNIVERSITY OF RIJEKA F AND BUSINESS



European Cohesion Policy and Insular Entrepreneurship: Lessons learned from Med Projects





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The case of COMPOSE PLUS Project

Marina Maniati, PhD INSULEUR Expert





PROJECT NTRODUCTION









PROJECT BUDGET

0,5 mio €



16 months 03.01.2021-06.30.22



EU GREEN DEAL

Increase the share of RES in the

energy mix of rural & insular areas

GDP per capita in PPS Expressed in

relation to the European Union average set to equal 100.





PARTNERSHIP

7 MED Countries with Disparities **12** highly motivated Partners











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EVALUATION OF THE INSTITUTIONAL/ ADMINISTRATIVE NEEDS

Fine tuned methodology Socioeconomic, cultural micro location characteristics



General Project Communication Visibility Actions *Extending the project impact* Improving sustainability Justifying the EU added value



PROJECT ACTIVITIES



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TRAINING AND CAPACITY BUILDING

For Experts For Decision Makers Train the trainers

Updating & Finetuning COMPOSE TOOL for Green Deal era

Enrich the toolbox content (by © RESEL TUC) Promoting the toolbox added value to stakeholders https://reselplan-toolbox.eu

· reated by ReSEL TUC Project co-financed by the European Regional Development Fund



Lessons LEARNED



Why an EU Cohesion

Policy

in COMPOSE PLUS

Project?



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How COMPOSE PLUS delivers results to **Europe 2020?**

Which are the Thematic **Priorities that connects COMPOSE PLUS with Cohesion Policy?**

acting as a CATALYST sets an example INSULEU on system level on how SMEs can benefit from COMPOSE approach in terms of using RES and EE

How COMPOSE PLUS has supported SMEs?

How COMPOSE PLUS has improved SMEs skills?

How COMPOSE PLUS has contributed to access to finance issues?







THE ANSWERS...(1/2)

COMPOSE PLUS Toolbox supporting policymakers and **SMEs** to **mature** projects towards the clean **energy** transition

Disparities

Through COMPOSE PLUS project **disparities** between partners are **reduced**, while economic, social & territorial **development** with respect to energy transition is **balanced** for both Public & **SMEs**

Why an EU Cohesion Policy in COMPOSE PLUS **Project?**

Project co-financed by the European Regional Development Fund

Smart, Sustainable Growth

How COMPOSE PLUS delivers results to **Europe 2020?**

Which are the Thematic **Priorities that connects COMPOSE PLUS with Cohesion Policy?**

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Concentration on 4 thematic priorities

> **Research** and Innovation. **Information &** Communication Technology **Competitiveness** of **SMEs Transition** to a low CO₂ emissions economy



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THE ANSWERS...(2/2)

Helpful frame

COMPOSE TOOL for Green Transition available to **SMEs** (mainly depending on expensive fossil fuel for their energy supply). **Links** with research centres



How COMPOSE PLUS has supported SMEs?

Upon **SMEs needs** & funding opportunities, thus empowering them for maturing projects and for absorption of EU and cohesion funds in energy sector



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Key challenges

Through COMPOSE PLUS SUR challenges were highlighted: Lack of information on financing

opportunities being the most important of all topics

Improvements should simplify the territorial financing tools for

island regions and better link them to islands specificities

How COMPOSE PLUS has improved SMEs skills?

How COMPOSE PLUS has contributed to access to finance issues?

Capacity building







INSULEUR AS A CATALYST



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TUC



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ENERGY EFFICIENCY IN **TOURISM SECTOR**

Προγραμμάτων, Εργαστήριο Ανανεώσιμων και Βιώσιμων Ενεργειακών Συστημάτων, Πολυτεχνείου Κρήτης παρουσίασε την πρότυπη ολιστική μεθοδολογική προσέγγιση COMPOSE, εστιάζοντας στον βιώσιμο ενεργειακό σχεδιασμό των ξενοδοχειακών και γενικότερα τουριστικών φορέων, επισημαίνοντας ότι έχει δοκιμαστεί σε πάνω από 42 έργα βιώσιμης ενέργειας, διαφορετικής τυπολογίας, σε 11 Μεσογειακές χώρες. Η μεθοδολογία



εστιάζει στην αξιοποίηση του τοπικού δυναμικού, στο συμμετοχικό σχεδιασμό και τις συμπράξεις

τοπικών φορέων, και λαμβάνει υπόψη όχι μόνο τεχνικές, αλλά και τις κοινωνικές, οικονομικές και περιβαλλοντικές παραμέτρους ενός έργου. Τέλος παρουσίασε τη διαδικτυακή εργαλειοθήκη Βιώσιμου Ενεργειακού Σχεδιασμού (Sustainable Energy Planning Toolbox, www.reselplan-toolbox.eu) που αναπτύχθηκε από το Εργαστήριο, προκειμένου να υποστηρίξει τους φορείς χάραξης πολιτικής, και τις τοπικές αρχές τοπικών αρχών στον αποτελεσματικότερο σχεδιασμό, υλοποίηση παρακολούθηση και αξιολόγηση έργων βιώσιμης ενέργειας και στην μετάβαση προς μια οικονομία χαμηλού άνθρακα.

Επιμελητηρίου Μαγνησίας και μέλους Δ.Σ. του Επιμελητηριακού Ομίλου Ανάπτυξης Ελληνικών Νησιών (ΕΟΑΕΝ), κ. Αθανάσιου



Κρήτης, κ. Αριστείδη Φραγκάκη, και του Μέλους του

TOU



Τα θέματα που συζητήθηκαν αφορούσαν τη βιώσιμη ενέργεια, ανάπτυξη και ανταγωνιστικότητα του τουριστικού προϊόντος

SAVE THE DATE! 08.04.2022 Βιώσιμος Ενεργειακός Σχεδιασμός: Προκλήσεις, ευκαιρίες και







ENERGY EFFICIENCY INSULEUR MEMBER COMMUNITIES Malta, 05.27.2022





WHAT'S NEXT? **COHESION POLICY** 2021-2027





Approach towards islands seems to be consistent with the previous programming periods.

Cohesion Policy pays particular attention to European regions that face severe and permanent geographical or demographic challenges such as mountains, islands and sparsely populated areas.











projects?





Source: Evaluation of the institutional/administrative needs in COMPOSE PLUS receiving territories, Activity 3.3-Internal Report. Authors: Renewable and Sustsainable Systems Lab-Technical University of Crete, INSULEUR

Project co-financed by the European Regional Development Fund

WHAT'S NEXT on Sustainable energy



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The case of COMPOSE PLUS Project





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Thank you!



TECHNICAL UNIVERSITY OF CRETE SCHOOL OF CHEMICAL AND ENVIRONMENTAL ENGINEERING RENEWABLE AND SUSTAINABLE ENERGY SYSTEMS LABORATORY











Consorzio Oltrepò Mantovano

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