



## Section 1: Common regional and European themes

### The European Commission's strategic objectives

The South East's own agenda links closely with the four objectives of the Commission for 2000-2005, as set out in February 2000\*. These are summarised in bold type below:

**Promoting new forms of governance to give people a greater say in the way that Europe is run and building partnerships between different levels of governance.**

This offers a clear invitation to the region's representatives to join the policy making process and to influence debate in the light of the experience and aspirations of the South East. The region's networks and representatives will take on this challenge. (Annex 4 contains details of key institutional considerations affecting how the region ensures a strong voice in European issues.)

**To develop and maintain a stable Europe with a stronger voice in the world, making a success of enlargement of the EU through co-operation with new neighbours, developing closer co-operation between EU institutions and amongst member states, and enabling Europe to take a lead in building the new global economy.**

This embraces the opportunity for businesses of the region to open up trade with pre-accession countries, and reinforces the need for the region to build strategic partnerships and develop policies while being aware of the European, national, regional and local context. The Treaty of Nice (2000) started the process of re-defining the institutional requirements necessary for enlargement. The next Intergovernmental Conference in 2004 will aim to define clearer areas of competence between the EU and Member States and simplify the European Treaties. It will also clarify the role of national Parliaments in the European decision-making exercise, whilst recognising the need to bring it closer to the citizen. The region must itself make necessary provision for enlargement of the European Union by building appropriate partnerships and links, and in preparing for the expected reduction in European Structural Funds allocated to the region after 2006.

**A new economic and social agenda reflecting the digital age, to promote employment and sustainable development, whilst simultaneously building a fair and caring society.**

This priority of the European Commission is replicated in the region's own objective to develop its economy in a sustainable way. The South East seeks to develop its competitiveness within a European and global economy, creating an adaptable workforce with a knowledge base of innovation, research, development and technology transfer at its core. But this aim is set in the context of sustainable development, which integrates economic ambitions with policies to protect environmental quality at the same time as developing an inclusive approach to all society.

**A better quality of life for all by recognising the rich and diverse cultural heritage of Europe's citizens and contributing to improved quality of life through tackling issues of crime, safety, freedom, security and justice, food safety, consumer rights as well as producing an integrated and accessible European transport area.**

The aspirations of the South East in developing an inclusive society reflect this fourth broad objective of the European Commission. The region will look to maximise support from the EU to develop initiatives, including access to transport, which tackle rural and urban exclusion, discrimination, crime and safety initiatives. It will also seek to work with other regions of Europe to exchange experience based on the conclusions of the Tampere Summit, which focused on freedom, security and justice within the European Union. The South East will also look to form alliances to focus on protecting the environment and the region's cultural heritage.

The European Commission stresses the need for strong institutions, a collective vision and a driving force to manage European governance. For the South East region to manage its role in Europe, it needs to mirror these criteria.

\* COM (2000) 154 Final 'Strategic Objectives 2000-2005; Shaping the New Europe' by the European Commission



## The South East region within Europe

The global vision of the South East region as a prosperous European and global region is reflected in the RES. Geography has much to do with the region's potential - the South East is the nation's principal international gateway. Together, Heathrow (which falls just outside the region's boundary but clearly impacts directly on the region's economic activity) and Gatwick account for over 60% of the UK's total passenger volume and both have grown substantially over the last decade. The region boasts several other airports; liberalisation of the airways under European legislation has also allowed for expansion of the range and number of flights to and from mainland Europe.

The South East region, as part of an island, can be described as an outer region of North West Europe. As such, it can potentially become isolated from its continental counterparts, and the region has to use its geographical proximity to the Continent to its full advantage by maintaining and developing its outward-looking approach. It also needs to use its strong potential to exploit its dual advantages of geographic proximity to its continental neighbours and a rich tradition of cultural and commercial links to help attract overseas investment.

The region boasts two major seaports as well as several smaller ports. Dover has the largest passenger flow of all ports in the UK and Southampton is second only to Felixstowe for freight flow. The region also hosts the direct train line service from Central London through the South East region to the Continent. Development of the Channel Tunnel route has had a dramatic impact on tourism and economic development from and to mainland Europe and extensions of the route (as planned) will look set to continue this trend. Associated road traffic is also expected to continue to increase.

At the channel's narrowest point, at Dover in Kent, the continent is less than 27 miles (approximately 40 km) from British shores, making France considerably nearer than other parts of its own county. The region's inter-dependence with Europe is also shown by the fact that air quality levels in Kent and Sussex are significantly affected by emissions from mainland Europe.

The region's proximity to the international centre, London, is highly significant both in terms of the source of economic activity (providing jobs) and the impact on transport and infrastructure throughout the region, which is placed under

considerable strain because of its closeness to the capital. Furthermore, there is the impact of London on labour markets of the South East, in which London can act as a 'drain' on income generating opportunities as residents consider most of the region as within the 'London Travel-to-Work area'. This in turn has an effect on the quality of the environment in which the citizens of the South East live.

Within the region, the M4 corridor has developed an international reputation as the home of ICT businesses, and clusters have formed along its path. The theoretical easy access to motorways and airports encourages many international companies to establish their international HQs on this route - the Thames Valley region alone hosts 22 UK Headquarters of international companies, 15 European HQs and 4 global HQs. This is supported by inward investment statistics which show that in the period 1996/97, 18% of all UK inward investment successes were in the South East, the highest in the UK.\*

The South East is the tenth largest EU region in terms of population with more inhabitants than Finland and just less than Austria. In GDP terms, it is currently ranked as 22nd region out of 77 regions of Europe with a GDP per capita index for 1997 of 109. European regions with a broadly similar urban-rural mix are Baden Wurttemberg (index of 123) and Nordrhein-Westfalen (index of 108). It has the largest regional economy after London accounting for 16% of UK GDP.\*

Within the South East, the counties of Surrey, Sussex, and the Thames Valley are all individually ranked within the top 25 regions of Europe for supporting the highest percentage of service sector employment.\*\* An independent survey revealed that over 400,000 jobs in the South East were dependent to some extent on our membership of the EU \*\*\*

Hidden pockets of deprivation are a feature of the region's economic profile in a generally highly prosperous region. Using 1998 figures, the six most deprived districts in the South East are all coastal areas (or an island in the case of the Isle of Wight). These feature poor infrastructure and declining seasonal trade. There are also pockets of deprivation nestled in the heart of the vibrant M4 corridor (wards in Slough and Reading rank 100 and 112 most deprived of UK wards respectively). This emphasises the need to tackle development at a local as well as a regional level to meet the differing needs.

\* Eurostat (1997)

\*\* European Commission booklet, *The South East*, (1999)

\*\*\* Foreign and Commonwealth Office Web site (not original source)



### How should the region lobby effectively?

The region should aim to:

- ◆ Co-ordinate views at the early stages of policy development, and develop early warning systems with a clear line of follow-up action, to maximise opportunities to influence debate
- ◆ Work with the region's representatives: European Parliament (11), Committee of the Regions (5) and the Economic Social Committee to promote our position in Europe; South East England House to act as a conduit for information; formalise mechanisms for feeding views to them and clarify the interplay between the institutions
- ◆ Develop flexible and adaptable lobbying techniques to operate at national and European level as appropriate
- ◆ Build partnerships both within the region and across other compatible regions of Europe to ensure that our views are heard, respected and carry weight in Europe
- ◆ Ensure a robust communication system is in place amongst the partners in the South East involved in European activities to ensure that the range of expertise from the region can be built on and used

### Factors affecting the way the region ensures its voice is heard in Europe include:-

- ◆ the introduction of proportional representation in the UK for election to the European Parliament (11 MEPs cover the South East Region)
- ◆ an extension of the power of the European Parliament in the decision making process of EU
- ◆ the overhaul of the modus operandi of the European Commission
- ◆ the consultative remit of the Committee of the Regions (CoR) which ensures that the region's voice is expressed within the European Institutions has expanded under the Amsterdam Treaty, 1999
- ◆ decentralisation from the Commission to member states of key funding programmes
- ◆ the increasing emphasis on the enlargement of the EU towards Central & Eastern Europe
- ◆ the anticipated increase in the use of Qualified Majority Voting (QMV) in the Council of Ministers to lobby effectively.



## Section 2: European dimension to the region's Strategy

The following section considers how involvement in European activities in the region can contribute towards the following measures of success:

- A. To create and maintain high and stable levels of economic growth and employment throughout the region
- B. To protect the environment and use its natural resources prudently
- C. To create a society which recognises the needs of everyone

Underpinning all of these measures is the need to provide appropriate co-ordinated support, information, lobbying and representation for the region's interests in Europe. A range of options to develop effective communication throughout the region (including the development of an Intranet for South East European activities) should be analysed.

### A. Create and maintain high and stable levels of economic growth and employment throughout the region

Economic prosperity must be based on strong adaptable competitive businesses, led by world class managers employing a well skilled workforce. Entrepreneurs must be encouraged and start up businesses given the support needed to secure a foothold in the market. New forms of income generation need to be tried and tested in rural and agricultural areas, many of which are undergoing substantial restructuring. Transfer of technology, research and development and skills through collaboration with other regions of Europe ensure that the region's businesses keep up to date with competitors' products. Businesses in the region need to be well supported with accurate current information, advice and guidance to maximise the trade and funding opportunities offered by Europe.

European policy, funding and legislative initiatives impinge significantly on these points. These are discussed under the following broad headings listed below:

1. European policy initiatives relating to economic growth and employment
2. The role of Structural Funds in enhancing economic growth
3. Business Support from Europe

### 1. European policy initiatives relating to economic growth and employment

Activities here are discussed under two sub-headings:

- a) Maximise the opportunities generated by the e-Europe initiative to promote e-commerce in the region  
  
and
  - b) Influence the shape of future EU policies on research and relating to small and medium sized enterprises
- a) **Maximise the opportunities generated by the e-Europe initiative to promote e-commerce in the region**

E-commerce is already worth €17 billion in the EU and is expected to rise to €340 billion (circa £207bn) by 2003. However, the comparably sized economy of the USA has e-commerce trade running at three times the EU rate.

The growth of e-commerce allows small and medium sized enterprises (SMEs) to consider the whole of Europe as their market, which reinforces and extends the concept of the Single Market. Currently, 80% of all e-commerce is 'business to business' trade.

The challenges posed by the Internet should put the South East in an advantageous position according to a recent study which showed that 24% of all homes in the South East have access to the Internet\*. This is the highest level in the country outside London (at 25%). The region's businesses and citizens can build on this advantage by ensuring it is well equipped to meet the demands of the digital age.

The European Commission has set out its intentions towards the development of e-commerce in an initiative entitled 'e-Europe' (8 December, 1999). It has three objectives: -

To bring every citizen, home, school and organisation on-line

To create a digitally literate Europe, supported by an entrepreneurial culture

To ensure the process is socially inclusive and builds consumer trust

\* Office of National Statistics, July 2000 first survey of Internet access by region across the UK.



The Lisbon Summit (March 2000) followed up by the Feira Summit (June 2000) demonstrated great support for this initiative across member states. The South East must embrace this initiative, pressing the UK Government to maximise match funding support and by integrating the concept of a 'network of centres of



*Hiway Communications of Newbury explain to over 100 delegates from small businesses in West Berkshire the benefits of e-commerce. The 'Network 2000' conference, which was organised by local partners including Thames Valley Enterprise and West Berkshire Business Club and was supported by the European Social Fund (ESF), also considered how to 'kick-start' a business.*

expertise' into the development of Enterprise Hubs in the region. This can be complemented by various funding streams available from Europe to promote the use of e-commerce in SMEs.

The key Action Points of the e-Europe Initiative, by the end of 2000, were to:-

Ensure that all remaining e-commerce related directives are in place - this is a high priority for the UK Government and the European Commission

Propose changes to EU public procurement processes to allow for these to be undertaken electronically

Encourage on-line dispute, settlement and redress procedures

Launch a campaign to help SMEs 'go digital' by facilitating the transfer of technical know-how through traineeships and a network of centres of expertise

Support the creation of a new top-level domain to encourage cross-border electronic commerce within the EU and to assist those companies wishing to establish an EU-wide Internet presence.

**a) Influence the shape of future EU policies on research and relating to small and medium sized enterprises**

Small and medium sized enterprises (SMEs) (defined, in part, as those employing less than 250 persons)\* form the backbone of the European economy. It is said that, if each of the 18 million European SMEs were to employ one extra person, unemployment in Europe would be obliterated overnight. SMEs play an ever-increasing role in net job creation; for this reason, it is now the European Commission's procedure to assess policies for 'enterprise friendliness'. IT developments allow for extensive creation of 'niche' markets in which SMEs can compete favourably, having the advantage of flexibility and size.

It is therefore vital to ensure that the effects of EU policies on the region's SMEs are fully considered. SMEs need to grasp the opportunities to voice their views on policies, based on their experiences in international trade and partnerships. Given the above, the region's European networks engaged in business support need to:-

- ◆ Assess the impact of key EU initiatives on small and micro businesses (eg competition, social and environmental policies); use these assessments to influence the shape of future EU policies
- ◆ Make full use of the experience of the higher education sector, researchers and partners in previous research projects to influence the shape of the Sixth Framework Programme for Research & Development
- ◆ Develop dialogue with a view to collaboration between research organisations, universities and businesses within the region and their European counterparts (including pre-accession countries)
- ◆ Ensure that the region's expertise in research and innovation leads to exploitation of technology transfer opportunities through pan-European networks, use of funding programmes and benchmarking; and promote good practice from South East expertise (to be examined fully in SEEDA's forthcoming International Strategy)
- ◆ Disseminate experience throughout the region and to the European Commission and use these findings to feed in to future SME policy developments of the EU
- ◆ Feed into the debate on the European research area, developing co-operative

\* See Annex 1, Chapter 1 for full definition of SME



*The M4 Innovation network leads a consortium to develop exchange of experience and best practice with partners in Spain, Italy and Portugal, supported by the EU Innovation Programme. Here John Duckett (left) represents the M4 Innovation network at the inaugural meeting of Taguslink, Lisbon.*

research across the region, encouraging networking and links between industry and research to foster innovation; contribute to the dynamic vision of European research by reinforcing the role the South East can play in this initiative.

- ◆ Engage in dialogue with the Small Business Service and the region's Business Links to ensure that information on European opportunities is promoted to SMEs.

## 2. The role of Structural Funds in enhancing economic growth and employment

Activities here are discussed under two sub-headings:-

- a) Maximise receipts of Structural Funds for regeneration and restructuring in the region
  - b) Maximise receipts from the European Social Fund targeted towards the needs of the region's existing and potential workforce
- a) **Maximise receipts of Structural Funds for regeneration and restructuring in the region**

Between 1994-1999, nearly 14% of all European Structural Funds (€22 billion) went towards the support of European small businesses. It is vital for the South East to target its Structural Funds receipts to support the competitiveness of the regions

businesses, the restructuring of the economy and the sustainability of communities in the following ways: -

- ◆ Continue to target a proportion of Objective 2 funds in eligible wards of the South East to encourage the establishment of high tech, high value companies, particularly SMEs
- ◆ Press for an equitable share of the funds from the Leader Plus Community Initiative and from the Rural Development Plan in the region towards revitalisation and income diversification of the region's rural communities currently undergoing restructuring
- ◆ Support applications to the URBAN Community Initiative for funds to generate enterprise and urban renaissance in eligible applicant towns and cities in the region
- ◆ Use the Community Initiative Interreg III in part to encourage business start ups and business networks; examine the effectiveness of previous Interreg programmes on business development



*Partners of the Industrial Renovation Project in Margate's Victorian properties conservation area examine the floor plans of the newly converted industrial units behind them. The creation of a seed-bed industrial site in Margate is a prime example of the regeneration activities which Thanet has undertaken with the combined support of EU funds (Objective 2) and UK funds (Single Regeneration Budget).*

- ◆ Target European Social Fund (ESF) to support personnel development in SMEs to provide an adaptable and flexible workforce able to meet the anticipated needs of employers; develop entrepreneurial and managerial skills through use of ESF; (see point (b) below for details)



- ◆ Develop proposals for funds from EQUAL Community Initiative to examine new ways of tackling all forms of discrimination and inequality relating to the labour market. This would: increase the supply of labour available to the region as well as promoting social inclusion; establish partnerships (both geographical and sectoral) in co-operation both with EU member states and with the pre-accession countries; and possibly strengthen the social economy (third sector enterprises) which provide services of benefit to the community
- ◆ Develop a strategic approach towards the next round of Structural Funds review in recognition of future enlargement of the European Union and anticipated reduction of funds for the UK and the South East.

**b) Maximise receipts from the European Social Fund targeted towards the needs**

**of the region's existing and potential workforce**

The European Social Fund is the most significant human resource tool available from Europe to support the development of the region's workforce. The South East's allocation of ESF runs at circa £30 million per annum, and looks set to continue at this level during the next funding period.

ESF will support vocational training and guidance projects aimed at the following priorities:-

- ◆ Active labour market policies
- ◆ Equal opportunities
- ◆ Lifelong learning
- ◆ Adaptability and entrepreneurship
- ◆ Participation of women in the labour market.

The box below shows the potential power of ESF to the South East.

<p>Properly targeted use of ESF in the region can help to:-</p> <ul style="list-style-type: none"> <li>◆ Change, reverse or stabilise trends in the labour market within a sub-region</li> <li>◆ Direct training to meet precisely the market needs (in content, form and length)</li> <li>◆ Develop efficient and innovative learning tools tailored to market need</li> <li>◆ Provide training in general life skills, key skills and transferable skills to enable people to adapt to new skills requirements more readily</li> <li>◆ Take trainees through a continuous learning path towards securing employment, and beyond</li> <li>◆ Build capacity of the voluntary sector to provide expertise to its client groups and develop project management skills</li> <li>◆ Provide a financial incentive to employers to undertake staff training and development programmes (eg management training, IT, basic and key skills training)</li> <li>◆ Prepare the region's workforce to adapt to new and flexible ways of working through increased use of IT and e-commerce</li> </ul>	<ul style="list-style-type: none"> <li>◆ Support the development of Territorial Employment Pacts which establish public/private partnerships to tackle unemployment and to create sustainable jobs in local areas of need</li> <li>◆ Engage people in on-going lifelong learning</li> <li>◆ Tackle and aim to overcome disadvantages felt by groups often faced with discrimination or exclusion from the market place (eg older workers, refugees, low achievers, early school leavers)</li> <li>◆ Tackle localised pockets of need and deprivation (eg along South East coastal strip) where long term unemployment is characteristic</li> <li>◆ Raise achievement levels across the South East - to increase the proportion of employees in the region qualified to the equivalent of NVQ levels 2 and 3 (nearer to the average levels in Germany, Singapore and the USA)</li> <li>◆ Help to develop a competitive workforce within the region, by improving productivity of individual employees, and thus be able to meet the changing needs of businesses.</li> </ul>
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ESF funding allocations in the South East differ from the national percentages, with more emphasis on Lifelong Learning and Adaptability to reflect the need for upskilling and reskilling the workforce.

The region therefore needs to:-

- ◆ Build on existing networks and create fully flexible cross sector partnerships that tackle identified local and regional needs in the labour market, and which are able to attract funds from a variety of sources (European, national and regional); and develop a regional as well as local approach to job market needs through liaison and cross sectoral partnerships (including with the new Learning and Skills Councils once in place in 2001)
- ◆ Inform and support relevant organisations and potential applicants to these Structural Funds of the opportunities offered by these programmes; and encourage strong project management skills for successful partnerships (through use of Technical Assistance funds, exchange of experience, and best practice information exchange)
- ◆ Ensure that ESF in the region is targeted towards those needs as identified by recent local and regional assessments which identify pockets of deprivation, skills gaps, skills shortages and supply constraints
- ◆ Continue to press the case with the UK Government and the European Commission for the preferred breakdown of the share of the total annual budget allocated to each of the five priorities which reflect the region's needs; press for regular review of these allocations and for the option to vire between strands as appropriate; continue to influence the methodology used by UK Government in establishing the funding allocation to suit the region's workforce profile.
- ◆ Ensure that co-financing arrangements in the South East lead to positive outcomes for beneficiaries and improve the effective and strategic use of ESF funds across the region.

### 3. Business support from Europe to promote and sustain economic growth and employment

Activities here are discussed under two sub headings:-

- a) Develop support mechanisms for the region's businesses

- b) Use, promote and disseminate the benefits of Venture Capital schemes offered by the European Union

#### a) *Develop support mechanisms for the region's businesses*

For businesses to become world class enterprises, it is necessary to assess the level of resources needed to offer well signposted advice, guidance, information and follow-up support on business related EU funding programmes and policy initiatives. Networks and agencies involved in providing this support include the region's European Information Centres, the Small Business Service and other business agencies. With adequate resources they are then able to:-

- ◆ Co-ordinate support and guidance on trading within the Euro-zone and/or in Euros to businesses throughout the region
- ◆ Provide an effective signposting service for the region's information sources, publications, research findings, relevant conferences, seminars, funding, tender and award opportunities generated by the EU



*David Steed from the Government Office for the South East outlines the key features of the new European Social Fund programme to a range of delegates representing business, public, voluntary, training and education sectors in the South East. The voluntary sector network, SAVAGE, hosted the launch of the new programme, which is to operate from 2000-2006.*

- ◆ Encourage participation in the EU Fifth Framework Programme (including actions to support SMEs) through appropriate information, guidance, partnership and technology transfer opportunities, follow up and support to companies and research organisations applying for funds; and disseminate results and best practice widely throughout the region

- ◆ Encourage targeted inward investment based on identified and emerging sector strengths of the region (eg media and the creative industries, pharmaceuticals, bio-technology and healthcare, motor sports, aerospace and defence, marine industries and IT) and geographical strengths (eg easy access to major airports, sea ports, Channel Tunnel and motorway network); this focus will be a major component under examination in the developing International Strategy of SEEDA
- ◆ Raise awareness and maximise opportunities through a range of support mechanisms offered by the EU to the region's businesses wishing to develop new international trading links through the Joint European Venture (JEV programme)
- ◆ Encourage the take up of grants and loans from European Investment Bank's 'special window' for SMEs aimed at protecting and developing the entrepreneurial culture of the South East



*Dr Elizabeth Goodman, University of Surrey (centre) leads the partners in the RADICAL (Research Agendas Developed in Creative Arts Laboratories) project, funded by the Fifth Framework Programme for R&D. The project aims to develop a digital seedbed for creative arts practice leading to new software prototypes and to publication of good practice guides.*

- ◆ Make links and develop partnerships with other European regions that mirror or complement the region's own economy, identifying opportunities for mutual investment, benchmarking, technology transfer, exchange of best practice and business know-how; link with SEEDA's International Strategy.
- b) Use, promote and disseminate the benefits of Venture Capital schemes offered by the European Union**

With the resources mentioned in (a) in place, the networks and organisations in the region offering European business support can help to:-

- ◆ Research and disseminate the effects of the European LIFT model (Linking Innovation Finance and Technology) currently piloted at Kent Technology Transfer Centre to provide seed funding for businesses.

## B. Protect the environment and use its natural resources prudently

The EU is increasingly committed to treating environmental issues as an integral part of socio-economic development. In June 1999, the Commission issued a report on the 'Mainstreaming of Environmental Policy'. This integrated approach has subsequently been reflected in most of the recent Commission policies and papers. The European Commission, in late 2000, is expected to introduce the Sixth Environmental Framework Programme, which is likely to focus on setting a realistic framework for sustainable development and establishing methods to assess the effect on the environment of all Commission policies. Its importance as a document is that it will set the framework for further policy, funding and legislative initiatives during the next five-year period.

Currently, 85% of UK environmental legislation originates from the EU. Given this, it is clear that for the region to develop its environmental objectives, it needs to anticipate, monitor, research, lobby for and integrate the legislation and policies that emanate from Europe. The Commission states that 'environmental legislation needs improving, amplifying and implementing fully'. Forthcoming environmental legislative proposals are detailed in Annex 1. These affect aspects of everyday life from water, air and land quality through to the environmental impact assessments of land use plans and the disposal of waste, white goods and end of life vehicles.

The need to reform the system of income support given to the agricultural sector through the Common Agricultural Policy (CAP) in the light of enlargement of the EU and increasing world market liberalisation in agricultural produce, has been one of the driving forces of the Structural Fund review of Agenda 2000 (see Annex 4). These reforms build on the changes already begun in 1992 and were further underpinned by the Cork Declaration of 1997. They are set to affect substantially over time the way the region preserves its rural and agricultural environment.

The European Spatial Development Perspective (ESDP, 1999) is a non-binding EU framework, which sets out a shared vision for the future pattern of sustainable physical land use planning across the EU. It encourages co-operation and integration of strategies (particularly in transport) rather than competition across neighbouring regions and cities, through the effective use of regional public and private partnerships. Consideration of the principles of the ESDP will be a fundamental requirement of all applications for Structural Funds programmes.

Within the South East, the State of the Environment Report (June 2000) analyses how the region fares under key environmental indicators. Europe recognises the significant contribution that environmental technology can make to sustainable development through engaging in better use of natural resources.



Photo: Mike Read

*The Red Kite, which is protected under the E.U. Wild Birds Directive, has been successfully reintroduced into the Chilterns Area of Outstanding Beauty by the R.S.P.B. and English Nature.*

In line with the EU's mainstreaming approach to environmental issues, SEEDA is arranging for an independent sustainability appraisal of the Regional Economic Strategy to be undertaken. This will influence the implementation of the RES and SEEDA's own project appraisal methodology. The Regional Sustainable Development Framework provides a common reference point for sustainable development and will help guide the work of organisations, particularly those operating at a regional level, and ensure that sustainable development is at the heart of regional policy. The document has been produced by a partnership of the main regional bodies, including GOSE and SEEDA, led by the Regional Assembly. The consultation period is now completed and the framework will be available from June 2001 on the Assembly website: [www.southeast-ra.gov.uk](http://www.southeast-ra.gov.uk)

The South East's environment is one of its key assets, with almost one third of the region designated Areas of Outstanding Natural Beauty (AONB) and 709 Sites of Special Scientific Interest (SSSI) cover nearly 6% of the land. This is higher than for any other UK region, and emphasises the importance of dealing strategically with the European impact of policies, funding programmes and legislation on the South East's environment.

These issues are discussed under the following broad headings:-

1. European policy and legislative initiatives relating to environmental protection of the region
2. European environment and transport policies
3. EU Initiatives for the rural economy and the environment
4. EU support for cultural heritage and the environment
5. EU land use planning and the built environment

#### **1. European policy and legislative initiatives relating to environmental protection of the region**

The region's organisations, networks and representations on environmental issues should seek to:-

- ◆ Engage in and influence debate around the content of the Sixth Environmental Action Programme currently being developed. This can be influenced by informed comments from the

South East's environmental experts. The Sixth Environmental Action Programme will also be influenced by the 'Global Assessments' of the success of the previous programme and will embody the environmental commitments shouldered by the EU resulting from the Kyoto Summit (1997)

- ◆ Move towards a 'polluter pays' approach to controlling and preventing polluting activities in line with the EU forthcoming legislation on integrated pollution
- ◆ Ensure a consistent and integrated approach to environmental targets (eg air quality, waste to landfill and renewable energy for electricity production) at European, national and regional levels
- ◆ Promote the benefits of the LIFE Environment funding programme through exchange of best practice and marketing of initiatives undertaken. This fund supports projects which put the concepts of environmental responsibility and sustainable development into practice. Successful projects within the region include activities to support coastal protection, biodiversity and urban environmental monitoring



*The ROMANSE project (Road Management System for Europe) created a traffic control centre in Southampton. It aims to inform and influence people's travel behaviour. A partnership of public and private sectors led by Hampshire County Council, ROMANSE is supported by EU and DETR funds.*



*Travelling by bus is made more reliable by the use of 'real time' bus information displayed at bus stops throughout Winchester. Intelligent Transport Systems (ITS), supported by the EU Drive Programme, link Traffic and Travel Centres across Hampshire.*

- ◆ Maximise future take up of LIFE Nature funding by developing initiatives around the Special Areas of Conservation (SACs) and the Special Protection Areas (SPAs) in the South East, particularly in those which will be listed under Natura 2000\*
- ◆ Implement the framework for sustainable development outlined in the European Spatial Development Perspective (ESDP) and applied in the RES and the Regional Planning Guidance; seek funding support from programmes such as Interreg III for trans-national innovative planning-related initiatives
- ◆ Use the Business Environment Forums (BEFs), co-ordinated by SEEDA and GOSE, to offer training on environmental good practice (and consider seeking support from European Social Fund); use BEFs to act as a focal point in the region to disseminate best practice and exchange experience with other regions of Europe (eg from projects under the EU's Energy Efficiency programme, SAVE, examples of Green Commuter Plans, Environmental Management Audit Systems initiatives etc)
- ◆ Inform and develop common lobbying positions on environmental policy and legislation (eg climate change and its impact on landscape, water management and coastal erosion, biodiversity, reduction of energy consumption, renewable energy and alternative technologies).

\* Natura 2000 is the European Network of sites designated under the Wild Birds & Habitats Directives whose wildlife flora & fauna give priority for consideration under the LIFE programme.

## 2. European environment and transport policies

A Regional Transport Strategy is currently being developed by the Regional Assembly with regional partners through the Transport Advisory Group. It will set out a policy framework with priorities for investment and will be available for consultation towards the end of 2001. The Strategy will be written in the context of the Sustainable Development Framework and will follow the principles laid out in the Regional Planning Guidance. It will address opportunities for funding under the Trans European Networks and have reference to other European policies on transport.

- ◆ Lobby effectively at a national and European level for recognition of the region's needs for modern, integrated transport; highlight the restrictions to growth and the negative impact on the environment that congestion causes
- ◆ Give full regard to the environmental impact of the South East as a 'gateway region' of the UK (defined as such because of its direct connections and proximity to the continent) in offering access to international markets operating through London to Europe and the negative impact on access points
- ◆ Develop a common lobbying position on the European Commission's revisions to the guidelines of Trans European Networks which offers the prospect of emphasising the importance of ports and of 'access points' along the designated priority routes. This is an opportunity for the South East to increase the benefits derived from the Channel Tunnel Rail Route and improve the rail infrastructure; consider developing a European freight strategy
- ◆ Join actively in the international effort to reduce CO<sub>2</sub> so as to meet the EU targets set down by the Kyoto Summit (of an 8% reduction of the CO<sub>2</sub> emission level existing in 1990 by 2012); encourage the use of renewable energy for electricity generation within the context of the Sustainable Development Framework; seek European financial support and exchange best practice with other regions.

## 3. EU initiatives for the rural economy and the environment

- ◆ Maximise the benefits arising from the CAP reform to preserve and enhance the region's environment through the use of safe production methods, by generating a more competitive agricultural sector and by developing a 'stewardship' approach to the countryside, to ensure a fair standard of living throughout the farming community in the long term
- ◆ Press for implementation of simpler policies giving clarity over those decisions taken at EU level and those taken at member state



*An innovative element of the TWIG project (Transnational Woodlands Industries Group) is the use of locally grown timber by creating innovative designs for furniture. The Chilterns was famous for its furniture making in the 19th century produced from locally grown beech and birch wood. Buckinghamshire County Council leads the Chilterns partners; transnational partners include Germany and Greece.*

level (subsidiarity); streamline information, advice, guidance and funding processes for agricultural support to maximise take up and effectiveness of funds within the region

- ◆ Continue to press for EU funding under the Rural Development Regulation for the widely agreed strategic aims of the South East's Chapter of the Rural Development Plan. The plan reflects the region's priorities for the rural and agricultural communities as detailed in the RES with a view to protecting the environment and natural resources in the region and to improve the competitiveness of rural areas. The plan includes obligatory agri-environmental measures and several other non-compulsory measures

- ◆ Press for the European Union's Community Initiative Leader Plus to support innovative activities in eligible small rural communities, which help to generate other forms of income for farmers (eg retail, tourism, artisan products)
- ◆ Use ESF in rural communities to provide training and development on themes which include environmental stewardship, hospitality and tourism, skill development, IT networks and e-commerce.

**4. EU support for cultural heritage and the environment**

- ◆ Build on interest in the region's cultural heritage and its natural resources by forming alliances, networks and partnerships, to be supported by the EU, in order to preserve the historical identity of the region (eg RENDOC network of European Naval dockyards); where appropriate, develop tourism initiatives related to these alliances



*Improvements made to Ramsgate Royal Harbour to boost tourist and mooring facilities were part-funded by the EU Interreg IIA programme.*

- ◆ Make full use of IT to maximise cost effective and sustainable expansion of trade opportunities to promote the region's products and heritage
- ◆ Maximise funding support for projects which promote the cultural heritage in the region under European programmes including Interreg, Leader Plus, Urban, Objective 2 (in Hastings and Thanet) and through the new Rural Development Regulation

- ◆ Develop expertise in appropriate core skills of the region (eg hospitality and tourism) through targeted use of ESF; build on previous experience of related training in the region
- ◆ Make full use of the Culture 2000 funding programme for a wide range of cultural activities in the South East which seek to preserve and promote the region's natural resources and cultural heritage in an innovative manner with partner regions from Europe.

**5. EU land use planning and the built environment**

- ◆ Demonstrate the region's leading position in research and development by examining options for innovative methods of land reclamation and of brownfield site development; look to EU for partnerships, exchange of experience and for funding opportunities under the Fifth Framework programme for Research and Development, Interreg III and others to develop innovative technologies around energy efficient and sustainable building design (eg commercial to residential conversions in urban areas, multipurpose dwellings etc)



*SHINE Project (Solar Housing through Innovation for Natural Environment) refurbishes forty-five Victorian terraced houses in Reading with energy efficient and renewable energy technologies. Here, a solar panel is installed in the roof of a house. Average annual heating and hot water bills are expected to be substantially reduced. The project is partly funded by the EU Thermie programme and similar activities are replicated in five other towns in Europe.*

- ◆ Form links with neighbouring regions of UK and Europe to collaborate on planning initiatives in line with the framework for sustainable development as outlined in the European Spatial Development Perspective.

### C. Create a society which recognises the needs of everyone

Social Exclusion, and methods to combat its worst features, is now high on the European Agenda. The Amsterdam Treaty (1999) provides the EU with the legislative competence to tackle both discrimination, which so regularly leads to exclusion, based on ethnic origin, race, gender, disability or sexual orientation (Article 13) and the contributing factors to social exclusion (Article 127). Funding opportunities have already begun to flow from this expanded legislative base.



*Milton Keynes Women and Work Group obtained ESF funding to encourage Asian women in 'non traditional' occupations. The Asian Women's Project has won three top national British Diversity Awards for boosting employment potential and raising equality awareness.*

The voluntary sector network across Europe, particularly in the field of disability, is extremely well developed and is an increasing force in influencing policy within the European institutions. The European Commission's recent support for a draft Directive to combat discrimination specifically against those with

disabilities is evidence of this force. Many voluntary networks have European representation based in Brussels to ensure that their voice is heard in European policy formation. There are opportunities to be seized to increase the involvement of the South East's voluntary sector thematic networks on the European stage for the benefit of the region's citizens.

The European Social Fund works as a key financial tool to support the annual National Action Plan for Employment to overcome social exclusion in the labour market, allowing for activities to be targeted specifically at those groups most at risk of exclusion.

The reform of the Common Agricultural Policy and the creation of the Rural Development Regulation also provide a significant opportunity to meet the needs of those in rural and isolated communities facing a greater risk of exclusion from the job market.

The European Commission has increasingly taken on board the impact on society of other actions within the Community and has defined the need to develop an inclusive society as one of the four key strategic objectives of the EU (as outlined in Section 1). This is exemplified in the Commission's approach to Sustainable Urban Development, in which it recognises the interrelationship between the environmental and transport features, the job opportunities, the educational facilities and the capacity of communities to determine the extent to which individuals are included in their own society.

It is clear that that there is a strong European dimension to the aims of the region - to create an urban renaissance and develop world-class sustainable rural communities. These activities are discussed under the following sub-headings:-

1. European policy initiatives relating to social inclusion
2. European funds and social inclusion
3. CAP reform and social inclusion
4. Voluntary sector based partnerships
5. Exchange of experience
6. Education and social inclusion

## 1. European policy initiatives relating to social inclusion

- ◆ Ensure the region is actively involved in shaping debate at the EU and national level about all aspects of social exclusion, from its definition, through to the causes, the effects, the factors that alleviate social exclusion, and the assessment of the value of collaborative action to tackle it. This is particularly critical at present as the EU develops and subsequently revises its first Social Inclusion Programme



*In Oxford, ESF supported Building Skills for Women course.*

- ◆ Lobby to ensure that EU initiatives adopt approaches and target groups (eg children in poverty) which are complementary to national and regional initiatives so as to tackle social exclusion at the local level in a way that provides added value and a broader range of experience
- ◆ Ensure the region's various specialist networks are engaged in debate on European social policy initiatives, which improve the quality of life for those at risk from social exclusion. These include the EU's new Public Health Programme, the Justice and Home Affairs initiatives, the conclusions of the Tampere Summit on support for refugees and asylum seekers, the Anti-Drugs Strategy to 2005, 'anti-ageing' initiatives, pilot actions to support community enterprises and the European policies aimed at tackling domestic violence.

## 2. European funds and social inclusion

- ◆ Maximise use of the European Social Fund targeted to promote social inclusion and to combat discrimination related to entering or remaining in the workplace; where

appropriate, target ESF and EQUAL to promote equal opportunities and improve the position of women in the labour market

- ◆ Target use of ESF for those with multiple disadvantages who are most in need of tailored support, advice, guidance and training to develop their employability
- ◆ Target use of Structural Funds to promote social inclusion in areas of deprivation where long-term unemployment is prevalent, as part of the entire package towards sustainable development and improved quality of life in these areas
- ◆ Exchange best practice on EU funded research into social exclusion and other areas of social policy; lobby for the continuation of such funding under 6th Framework Programme



*Surrey County Council led a transnational project called Equal Opportunities in Social Care (EOS), which focused on methods of overcoming segregation and discrimination in the labour market, using exchange of best practice and research amongst partners. The project was funded under the INTEGRA Community Initiative and involved partners from Italy, France, Spain, Belgium and the UK.*

- ◆ Maximise opportunities offered by the EU since ratification of the Amsterdam Treaty to gain European support for initiatives and exchange of experience targeted to combat discrimination. Again this is particularly critical at present as the EU develops its first specific Anti-Discrimination Programme
- ◆ Encourage, in co-operation with EU member states and the pre-accession countries, the

development of new and creative ideas under the new EQUAL programme to consider the policy issues around discrimination relating to the labour market and examine best methods of tackling it.

### 3. CAP reform and social inclusion

- ◆ Maximise the opportunities generated by the reform of the Common Agricultural Policy to tackle social exclusion in traditional rural, farming and agricultural communities, through the broad range of support mechanisms offered by Europe to develop a sustainable agricultural sector and create vibrant rural communities which generate employment
- ◆ Continue to lobby for funds through the Leader Plus Programme to support eligible rural communities in the region who are at risk of isolation and are looking to diversify their income sources and for whom access to services is often limited. In particular, consider innovative uses of IT to combat isolation; exchange best practice with other compatible regions of Europe; look to ESF to support IT training provision in rural communities.

### 4. Voluntary sector based partnerships

- ◆ Build capacity amongst public, private and voluntary organisations and community groups, to ensure that they function flexibly and are well positioned to bid for a wide range of funds (including those from Europe)

and to join in the debate at European level on issues relating to their target group

- ◆ Promote in Europe the activities of the region's voluntary sector networks and community groups in working towards a society in which the quality of life is improved for its citizens; use this involvement to engage in social exclusion issues through trans-European partnerships and networks, where appropriate
- ◆ Examine experiences learnt from Europe through the Daphne programme, aimed at combating domestic violence against women and young persons
- ◆ Examine the role of Europe's support for the third sector economy (Credit Unions, Co-operatives and Community businesses) in dealing with social exclusion. Look to EU funding (eg through Leader Plus in rural areas, local Social Capital projects and, in the future, EQUAL) for examples of best practice across the EU on these initiatives.

### 5. Exchange of experience

- ◆ Learn from experience of successful projects under Urban Pilot Projects undertaken in the previous Structural Fund period to combat social exclusion in urban areas (eg Quartiers en Crise, Eurocite)
- ◆ Exchange experience and collaborate with other regions of Europe on successful



Local community group Same Sky leads various URBAN funded projects with the common aim of increasing community participation in cultural projects in East Brighton. 'Burning the Clocks', a celebratory event for the local community, marks the shortest day of the year

methods of tackling social exclusion; give due consideration to the different factors involved in tackling rural isolation, hidden pockets of deprivation and in creating an urban renaissance

- ◆ Engage in selected pan-European networks to add the region's experience to the debate at EU level on social policy; forge links, search for partners and exchange experience and best practice with a wide range of European organisations through a variety of efficient methods (e-mail, bulletin boards, meetings etc)
- ◆ Raise the profile of successful activities undertaken by the region's partners in combating social exclusion; promote project successes more effectively (through South East England House in Brussels, amongst others).

## 6. Education and social inclusion

- ◆ Assess the opportunities for developing 'Second Chance schools' in the region with EU support and linking them with national initiatives such as lifelong learning and University for Industry, as appropriate. Such schools are of interest to the EU, the UK having piloted these with success; examine funding opportunities to support such

initiatives through the Education 2000 Programme (under relevant strands of Leonardo and Socrates)

- ◆ Make full use of the new opportunities offered under ESF funding through partnerships to support disaffected youngsters aged 13 - 17 years as well as those who may have completely opted out of the educational system or who are most at risk of social exclusion; build effective partnerships between schools, colleges, parents, and employers to promote employability in youngsters and relay findings to a wide audience (including the European institutions)
- ◆ Fully utilise opportunities to promote learning in children through the Socrates Comenius Programme on European subjects (eg language learning, cultural exchange with partner schools) as another tool to promote social inclusion in today's global society
- ◆ Support and encourage schools to include the global dimension in the revised National Curriculum. which can develop young people to become confident international citizens and prepare them with the necessary skills to take advantage of international professional development opportunities.

