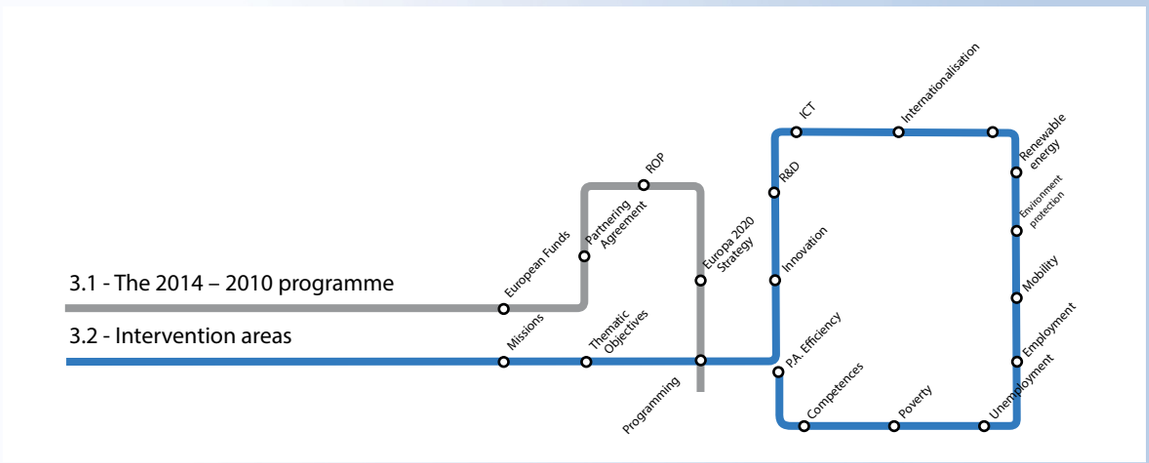
The crisis has radically changed the global economic panorama. It is in such a scenario that the new cycle of European Funding programmes for 2014-2020 are to be set, and are fundamental in the challenges Italy has to face to boost its own path towards sustainable growth and competitiveness, reduction of territorial inequality and promotion of employment. A more efficient and effective use of the next cycle of funds will contribute to overcoming the crisis and the problems of territorial cohesion.

Starting from the common challenges set by the targets of Europe 2020 and by an attentive analysis to the type of regional development policy the country needs in the short and long term, more than ever today calls for a strong concentration of European resources that integrate the anti-recessive orientation to sustain socio-economic development with structural types of strategic objectives: internationalization, digitalization, innovation, upholding of cultural and environmental assets, support for rural development and the SE, promotion of jobs, quality education and human capital, and tackle poverty.



The EU's 2014-2020 Objectives to boost growth

3. The European Union's 2014-2020 objectives to boost growth

3.1 The programmes for 2014-2020

The crisis over the last years has radically changed the global economic panorama. And in this scenario Italy's main challenge is to boost its own path towards sustainable growth and overall competitiveness, reducing regional inequality and promoting employment.

Compared to the past, the partnering policy for 2014-2020 provides for a much closer coordination in the programming of structural funds1 connected to the 2014-2020 Common Strategic Framework, in a sole strategic document and close compliance to the objectives set by the Europe 2020 Strategy for the smart, inclusive and sustainable growth of the European Union.

The use of the Funds for the 2014-2020 programmes will be based on the "Partnering Agreement" to be stipulated between the European Union and each Member State, and national operating Programmes to be negotiated with the European Commission. This orientation document defines the development needs, thematic Programmes, expected results and actions to implement through the use of the funds, that is, by partners at national and regional levels, thus ensuring the coordination of the policies and integration of the Structural Funds and European Investments (SIE).

In Italy the process of preparing the strategic document began in December 2012 with the presentation of the document, "Methods and objectives for an effective use of community funds 2014-2020", by the Minister for territorial cohesion, Fabrizio Barca, in accordance with the Ministers of Labour and Agriculture, Forestry and Food Policies, which initiated the public consultation to prepare the Partnering Agreement and defined the methodological system of the new cycle, identifying seven innovations aimed at reinforcing efficacy and the quality of fund spending.

These innovations can be summarised in seven keywords: a) expected results, shown in accountable quantitative indicators b) actions, to be indicated in specific operational time frames, c) monitoring of time frames associated to the managers in charge of meeting deadlines, d) mobilized partnering, the need to refer to a common plan of fundamental principles to reinforce the efficacy of partnering practice e) openness/transparency of information and decision-making processes that will make some innovations more effective, f) assessment of the effects produced by the interventions and the way such effects will take place, g) reinforcing national supervision on the situation, through a systematic monitoring of co-financed programmes and on-site verifications to check the state of the structured interventions, and the assistance and support of the competent national centres to the authorities in charge of implementation in the more critical situations.

It is clear that the Operating Programmes of various structural Funds are set at the start of the complex Programme Framework, and which at regional levels, starting from an analysis of regional needs, have to define the investment priorities, expected results and actions which take into account the single territorial contexts, and can contribute more to a smart, sustainable and inclusive growth at local levels.

On 13 May 2014, the Veneto Region approved the DGR 657/2014 "Report on the synthesis of the Unitary Regional Strategy 2014/2020", which gives a complex presentation of the guidelines based on which the 2014/2020 regional community programmes will be developed for the funds provided by the Common Strategic Framework (FESR, FSE, United Fund, FEAMP and FEASR), and is a general summary of the contents, agreed to by the partners in view of the programming of regional interventions co-financed by the European Union.

The path towards the Europe 2020 objectives

Considering the connection of the new programme to the "Europe 2020" strategy, it would seem logical to give a brief picture of Veneto and Italy in light of the objectives they have set.

[1] European Regional Development Fund (ERDF), European Social Fund (ESF), European Agricultural Fund for Rural Development (EAFRD) European Maritime and Fisheries Fund (EMFF)). These will integrate the resources of the Structural and Cohesion Fund (SCF)..

The new strategy defined by the European Commission aims at guiding Europe out of the economic crisis and especially giving new objectives to successfully face the challenges of the next decade.

Three key priorities that will boost the economy and promote "smart, sustainable and cohesive" growth, based on a greater coordination of national and European strategies are:

- smart growth: to develop an economy based on know-how and innovation;
- sustainable growth: to promote a more efficient economy in terms of resources that are greener and more competitive;
- inclusive growth: to promote an economy with a high employment rate that enhances social and territorial unity.

This strategy at European levels is the natural implementation of what was agreed in Lisbon in March 2000, where the strategic objective for the European Union was "to become an economy based on the world's most competitive and dynamic know-how, able to realize a sustainable economic growth with new and better jobs and greater social cohesion". In the "Europe 2020" Strategy, progress towards the fulfilment of the new objectives is assessed on the basis of indicators which the Member States presented in National objectives defined according to the respective situations at starting point, and which are the most attainable.

The Table below shows that these targets are linked to one another. Higher levels of education favour employment possibilities and progress achieved in increasing employment rates contribute to reducing poverty. Further research, development and innovation in the economic sectors associated to more efficient use of resources will enhance competitiveness and boost the creation of new jobs. Lastly, to invest in greener technologies will not only protect the environment but contribute to combating climate change and will also create new roads for the enterprises and hence, new jobs.

From smart growth …

Going into detail, the main objectives proposed for the realisation of a smart growth concern the promotion of knowledge and innovation via the reaching of an amount of investments in research and development (R&D) equal to 3% of the GDP and a rate of early school leaving lower than 10% in addition to the attainment of a rate of 40% for young people possessing a degree.

R&D spending in Italy which proposes a more realistic target equivalent to half of the international target, registered in 2011 a rate of 1.25%, while for the Veneto Region it was 1.03%.

Though starting from lower R&D spending, due to the type of non-codified research which is implemented in local enterprises, Veneto Region has more than doubled the indicator value showing a strong increase in investments especially on the part of the enterprises.

Less students leave school but there are still few university graduates

The Veneto Region is also doing well with regard to early school leaving, where there are much less students who leave school too early, 10.3% in 2013 against 18.1% in 2004. Instead the rate of students graduating at ages 30-34 is still low and which according to the target fixed at EU levels, should grow at least up to 40% by 2020. For 2013 it was estimated that more than half of the EU countries would have reached the set target, while in Italy, though the performance is clearly improving in recent years, the rate of graduates aged 30 and 34 was at 22.4%, the lowest in the EU28, which is at 36.6%. And the Veneto Region situation is not much better, registered at 19.1%. It must be said, however, that since the Italian regions start from lower levels, our government has set a more realistic target of 26-27% for Italy, to be reached by 2020. As to sustainable growth, for years Europe has been in the frontline in the battle against climate change, and in 2008 the European commission approved a package of interventions to reduce pollution, and enhance environmental protection. The objectives to be reached by 2020 consist in the reduction of greenhouse gas emissions by 20% compared to the values registered in 1990, the increate use of renewable energy sources that will have to cover 20% of final consumptions, and improving energy efficiency, reducing consumption by 20%.

…..to sustainable growth…

TOWARDS THE EUROPA 2020 OBJECTIVES

The Europa 2020 Objectives: values and targets. Veneto Region,Italy and EU28

	Year	Veneto Region	Italy	EU28	European Target	Italian Target
Smart growth						
% R&D spending over GDP%	2011	1,03	1,25	2,04	3%	1,53%
% of youth who dropped their studies prematurely	2013	10,3	17,1 (provisory)	12,0 (provisory)	<10%	<15-16%
% 30-34 yrs. olds with degrees o higher schooling diplomas	2013	19,1	22,4	36,6 (provisory)	>=40%	>=26-27%
Sustainable growth						
% of renewable energy compared to final energy consumption	2012	7,1 (2010)	13,5	14,1	20%	17% (14,3% purified of the area of transports (b)
Energy efficiency (final Energy consumption)	2012	-	119,0	1.103,4	1.086 Millions tep	126 Millions tep (c)
(primary energy consumption)	2012	-	155,2	1.583,5	1.483 Millions tep	158 Millions tep (c)
Reduced green house gas emissions compared to 1990	2011	-	-4,7	-16,97 (a)	-20%	-13% (d)
Inclusive growth						
Employment rates of 20-64 year-old youth (%)	2013	67,8	59,8	68,4 (2012)	75%	67-69%
Persons at risk of poverty or social isolation (in thousands)	2012 (provi-sory)	770 equal to 15.8% of the population (e)	18.194 equal to 29.9% of the population	124.477 equal to 24.89% of the population (e)	reduced by at least 20 million poor people	reduced by at least 2.2 million poor people

(a) EU27 data
(b) the regional objective covers only the sectors of electricity and heating/condition sectors and is equivalent to 10.3% for 2020; the transportation sector instead is managed at national levels.
(c) the values indicated as 2020 targets for Italy (defined at national levels and calculated with the Enea methodology) are not directly comparable to the values calculated by Eurostat (placed in the table according to indicator) since there are different definitions of primary and final consumptions between Enea (that publishes the National Energy Balance Statement9 and Eurostat itself.
(d) National objective that is binding only for the non ETS - Emission Trading Scheme sectors - compared to 2005
(e) Estimate

Source: Estimates of the Veneto Region - Section of Regional Statistical System on data given by Istat, Eurostat and Industrial Engineering Department of the Padua University

The only data available for Veneto Region refers to the percentage of renewables which in 2010 was at 7.1%, not far from the objective of 10.3% to be reached in 2020.

The indicator related to greenhouse gas emissions compared to 1990 is still far from the target for Italy, though much has been done. In fact the estimate is that such emissions at a mean period of 2008-2012 showed a reduction of 7.1%/7.3% compared to 1990 figures, against the target of 6.5% set for the same period. Lastly, inclusive growth has two objectives:

...to inclusive growth

75% of the people aged 20 to 64 years should be employed and

20 million people should be at less risk of poverty or social isolation.

The Veneto Region was a leader for employment even during the crisis, among the other regions

In autumn of 2008, the crisis struck also in our Country, and within the scopes of labour policies, erased many of the results achieved, even if in those difficult years the region of Veneto Region confirmed its role as a leader among the regions and in 2012 registered the fourth highest employment rates (69.3%), reaching the target set at national level for 2020 (67%-69%) and raising hopes for the European setting. Unfortunately in 2013, employment continued to diminish bringing the rate to 67.8%, the sixth highest in the regional classifications. As to the theme of poverty, Italy committed itself to reduce by at least 2.2 million, the number of people at risk of poverty or social isolation within the next ten years.

In 2012 almost 30% of the people residing in Italy were at risk of poverty or social isolation, according to the definition adopted in the scope of the Europe 2020 strategy. The indicator derives from the match of risk of poverty, serious material deprivation and low job opportunities, and is defined as the quota of the population that experiences at least one of these distressing situations. In the European context, the Italian situation appears worrisome: the indicators are a substantial five points above the European average (24.8%), worse than the major part of the more developed countries and lower only than Greece and some of the Eastern European countries.

Alarming situation of poverty in the south

At national levels there is an evident situation of territorial inequality, with decisively alarming level indicators in the southern regions, while in Veneto Region there is a lower percentage of 15.8% of the population bearing the distress.

3.2 The intervention areas

On the basis of the aforementioned methodological process, the partnering consultation started and aimed at the drafting of the "Partnering Agreement" which, through the information in technical tables and the organisation of Thematic Consultations involved both the institutions, social and economic forces as well as representatives of civil society. The works of the technical tables were organized by grouping 11 great thematic areas of possible intervention of the funds (called Thematic objectives in the new regulation) into four missions which are:

– "Employment, competitiveness of productive and innovation systems;"

– "Valorisation, management, and environmental protection;

– "Quality of life and social inclusion;"

– "Education, training and competencies

The 11 thematic objectives enlisted according to priority investments specific to each Fund, will be pursued, as mentioned in the first sub-chapter, regarding the implementation of the Europe 2020 Strategy.

To follow is an in-depth review of the 11 intervention areas, one for each paragraph, which give a picture of the corresponding current situation of the Veneto Region also in comparison with other territorial situations. This is a background analysis based on the quantitative indicators available.

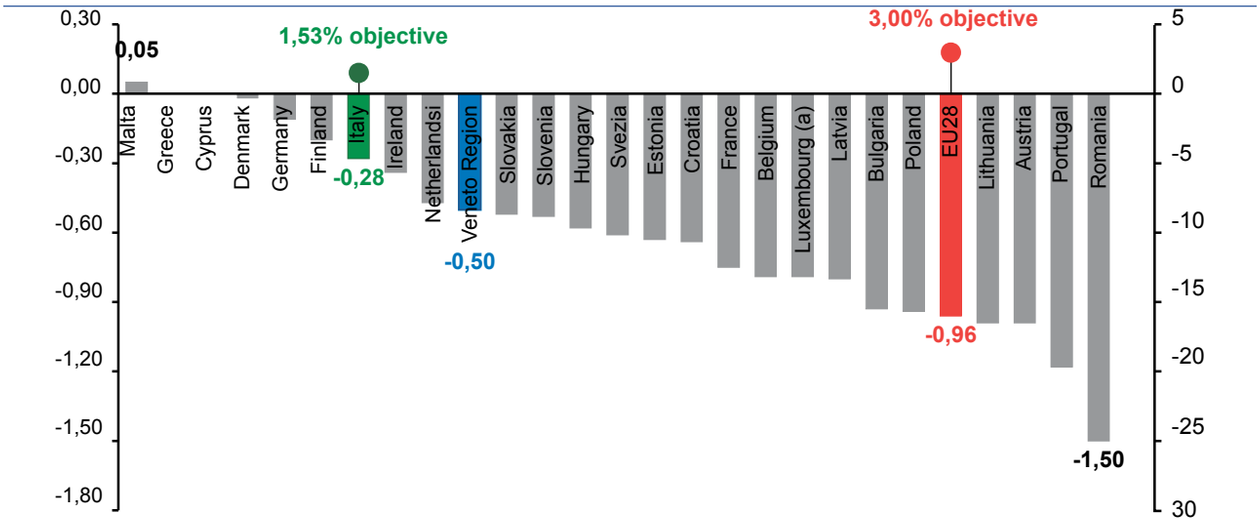
Empowering research, technical development and innovation

As mentioned earlier, the Europe 2020 Strategy promotes know-how and innovation as the means for future growth and requires the monitoring of parameters inherent to R&D spending in relation to the GDP to compare the performance of the different countries in scientific research.

The EU is moving towards the fulfilment of this objective which is to invest 3% of the GDP in R&D, with almost 260 billion euro of expenses incurred in 2011 by enterprises, public institutions, non-profit institutions and universities.

[2] Source: Foundation for sustainable development – Dossier Kyoto 2013

Fig 3.2.1 R&D spending over GDP: percentage gaps from the national objective set for 2020 (*) for some countries – Year 2011



(a) Data as of 2010
(*)Europa 2020 Objectives as established by the Member States in the National reform programmes of April 2011
Source: Veneto Region data processing - Section of Regional Statistical System based on Istat data

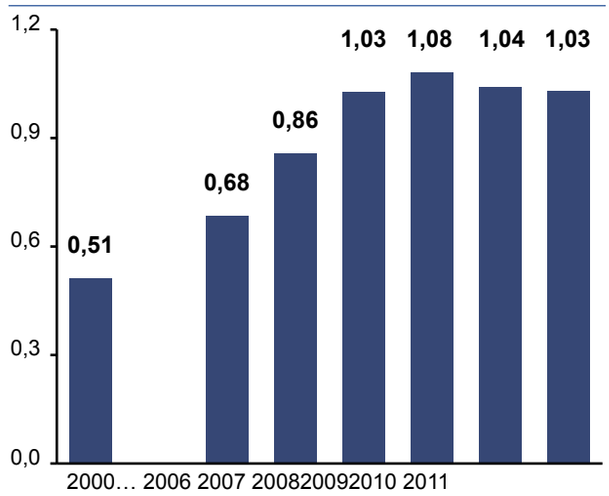
In 2011 their spending on research in relation to the Gross Domestic Product, even if few countries have already reached their respective National objectives, set moreover below the European threshold[3].

In Japan and the United States, the incidence on the GDP of the expenses for research and development is higher than the European data by 62% and 30%, respectively. The gap between the targets continues to reduce for Italy, which with 1.25% spent by the R&D on the GDP in 2011 reached 0.28 percentage points below the national threshold set. Among the main countries also Finland, Germany and Denmark maintained a reduced gap from the related objective, while Malta, Greece and Cyprus have already reached their targets. In Italy, in terms of percentage points, the driver role of the enterprises is evidenced, and that covers 54.6% of the expenses, followed by universities at 28.6%, and public and non-profit institutions at 13.4% and 3.4%, respectively.

Europe is struggling to reach its R&D objectives

The expense in research and development in Veneto in 2011 was equal to 1.03% of the GDP which can mainly be attributed to the private sector, 67.2% (68.4% considering the non-profit sector), perfectly in line with the EU objective of a private fund for two thirds of the R&D.

Fig. 3.2.2 – Incidence of R&D spending on GDP (percentage). Veneto Region – Years 2000:2011

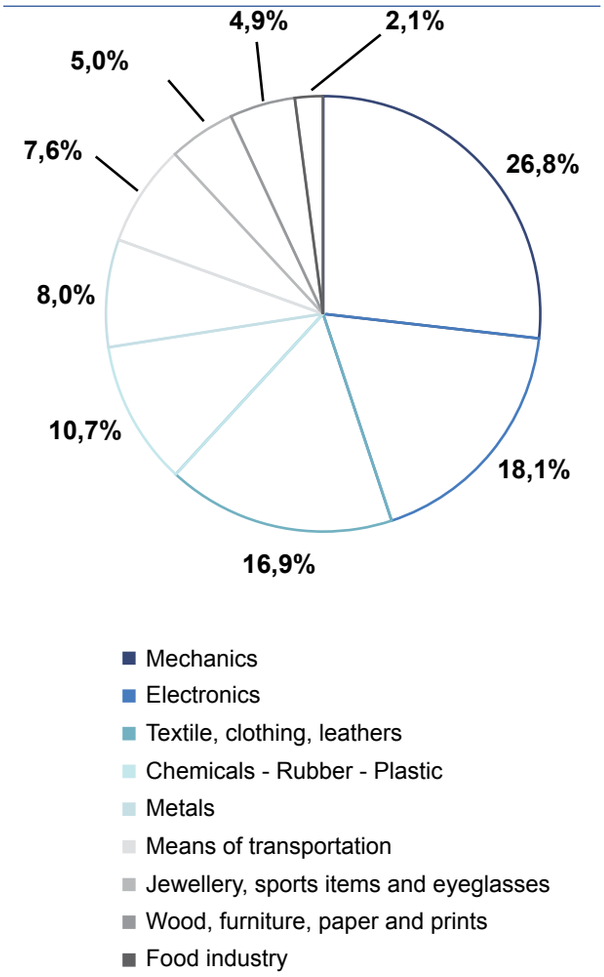


Source: Veneto Region data processing Section of Regional Statistical System on Istat data

Those investing in Veneto Region are mostly in the manufacturing sector, enterprises that cover 72% of the expenses on regional territory, and the professional, scientific and technical activities are responsible for almost 13% of the expenses.

[3] Gli obiettivi nazionali considerati seguono quanto stabilito dagli Stati membri nei Programmi nazionali di riforma dell'aprile 2011.

Fig. 3.2.3 - % distribution of the expense in R&D in the manufacturing sector by economic category. Veneto – Year 2011



Source: Veneto Region data processing - Section of Regional Statistical System on Istat data

Business activities and the ICT follow those that invest quotes higher than 6%. Within the manufacturing sector more than a quarter of the expenses is traceable to the expenses of the mechanics sector (26.8%) contributions of the electronics sector (18%), fashion (17%), chemistry (11%) and metals (8%).

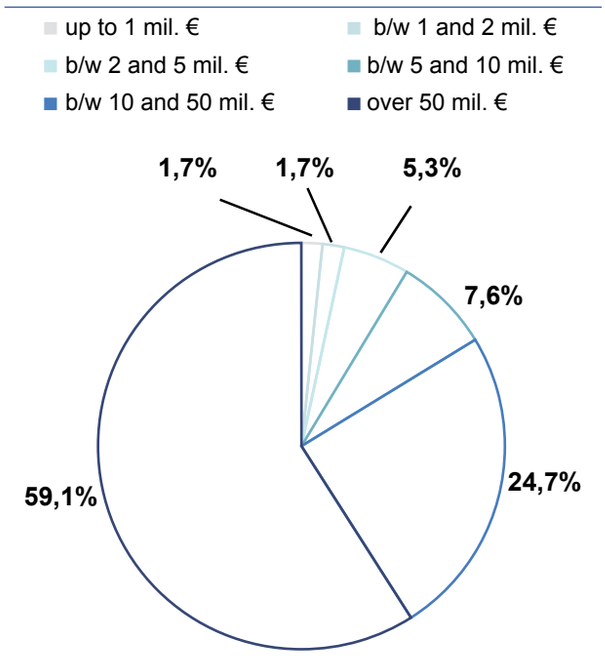
The Veneto Region enterprises involved in research

There are over 1,000 Venetian enterprises involved in research, for an average spending of over 9,000 euro per company. As one can well imagine, the volume of investments is proportional to the dimension of the company and the turnover category: those who invest more in volume in R&D activities are the bigger and more structured companies, on the basis of both distribution of costs per class of enterprise turnover, as well as comparison to the SME and the big enterprises. Almost 60% of the R&D investments come from enterprises with an annual turnover higher than 50 million euro and another 25% from enterprises with a turnover between 10 and 50 million euro.

Over 80% of the Veneto Region enterprises with R&D activities are SME

The SME contribute in terms of expenses for 37.4%, but cover over 80% of the Veneto Region enterprises that do R&D activities. The SME are hit in a particular way by the difficult credit line conditions and are thus hindered from amplifying their investments. The SME in fact, find difficulty in obtaining financings due to a potential that is not formally proven in the financial accounts, but possess an immense added value lying in intellectual property, with a business model that depends on a solid clientele or other activities that are not shown in the balance sheets. There are many cases therefore, in which the financial availability of the SME is limited, and precisely due to this, the initiative to propose public funding to incentivize research could move relevant investment volumes.

Fig.3.2.4 Distribution % of R&D spending of Veneto Region enterprises per enterprise turnover classification Year 2011



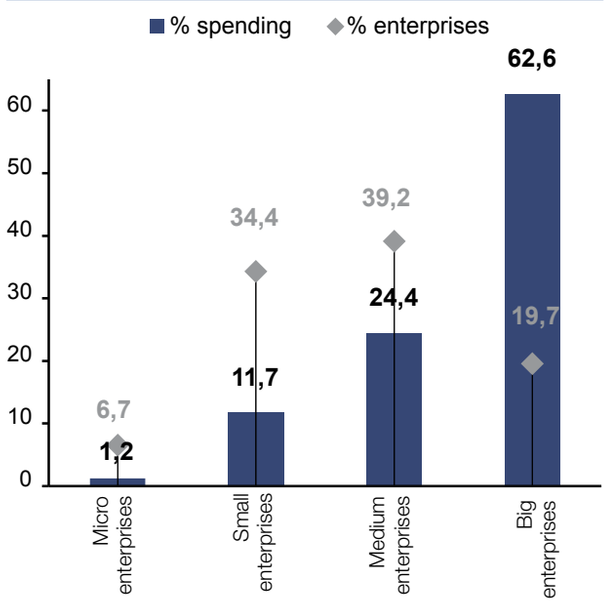
Source: Veneto Region data processing - Section of Regional Statistical System on Istat data

Support for the scientific research of the small and medium enterprises complied with the initiatives completed within the cycle of previous programmes that promoted the support of SME through funding of the mixed type for companies operating in the regional territory. We shall return later to discuss the promotion of SME competitiveness

It would be interesting to monitor research in the more innovative fields and those with high technological content: In 2011 the Veneto Region enterprises invested more than 70 million euro in the energy sector, for over 7% of the total R&D expenses, over 3 million euro in biotech and almost 6 million euro in nanotech.

Encourage the development of industrial technologies in sectors with development prospects

Fig. 3.2.5 Distribution – Distribution of R&D spending of Veneto Region SME and big enterprises – Year 2011



Source: Veneto Region data processing - Section of Regional Statistical System on Istat data

The innovation component cannot be considered since it does not fall strictly under research and development. In the industry and services Survey the Veneto Region micro-enterprises that innovate form 37.6%, against an average lower than about five percentage points. Veneto Region enterprises with more than 10 workers that introduced product and/or process innovations in 2010 are 36.4% of the Veneto Region enterprises, while at national level that rate stops at 31.5%.

The enterprises' commitment to innovation is growing

Improving access to information and communication technologies as well as usage and quality

The intensification of the focus on development of digital economy is seen in the European as well as national context, through precise policy guidelines.

At European levels, the 2010-2020 Digital Agenda is the reference document for what concerns the development of information society, in line with the broader Europe 2020 strategy. These indications target to promote and support the development of digital technologies, focusing on some specific areas of action: fast and superfast internet, research and innovation, digital markets, trust and security of ICT (Information and Communication Technology), literacy and informatics competences.

At national levels the commitment to the promotion of digital technologies comes through the acquisition of European guidelines with the approval of the Italian Digital Agenda (Decree 179/2012), with special attention paid to reducing the digital divides between territories in terms of services, contents and digital infrastructure. Particularly with regard to the latter, the focus is on the diffusion of the broad and ultra-broad band. For digital services the objective is to develop e-Government and open data, e-Commerce and Smart Communities.

For what concerns interventions from a more sectarian angle, the Italian commitment revolves around digital healthcare (electronic clinical reports, doctors' prescriptions and clinical records and surveillance systems in the healthcare sector) to innovation in educational systems, the field of law, and transportation systems.

In line with the European and national guidelines, the Veneto Region has declared its own commitment together with the diffusions of digital Technologies through various programme documents, in particular

via "Guidelines for the digital agenda of the Veneto 2013-2015"[4].

The document in particular sets the following strategic objectives: to improve the quality of the lives of people and their families; support competitiveness of the enterprises in the territory; and accomplish growth in levels of efficiency and effectiveness of the local Public Administration. Besides pursuing growth objectives, as a consequence of improvements in the productivity of enterprises and efficiency of the public administration, it also aims for inclusive growth, in terms of greater opportunities to participate in the benefits of knowledge society.

Use of technology within families …

In an European comparison, Italy is placed in a position of delay, for example in adopting the regular internet broad band in the development of e-Commerce practices.

La banda larga raggiunge in Veneto Region 3 famiglie su 4

But the Veneto Region, however, is better positioned compared to the other regions for the adoption and use rates of the new technologies among citizens, enterprises and local institutions. Seventy-five percent of the Veneto Region families declare to have broad band connections in line with the European mean, with an very consistent increase of 42% from 2011.

The target set by the European Digital Agenda for 2020 is a 100% coverage, still not reached by any EU countries.

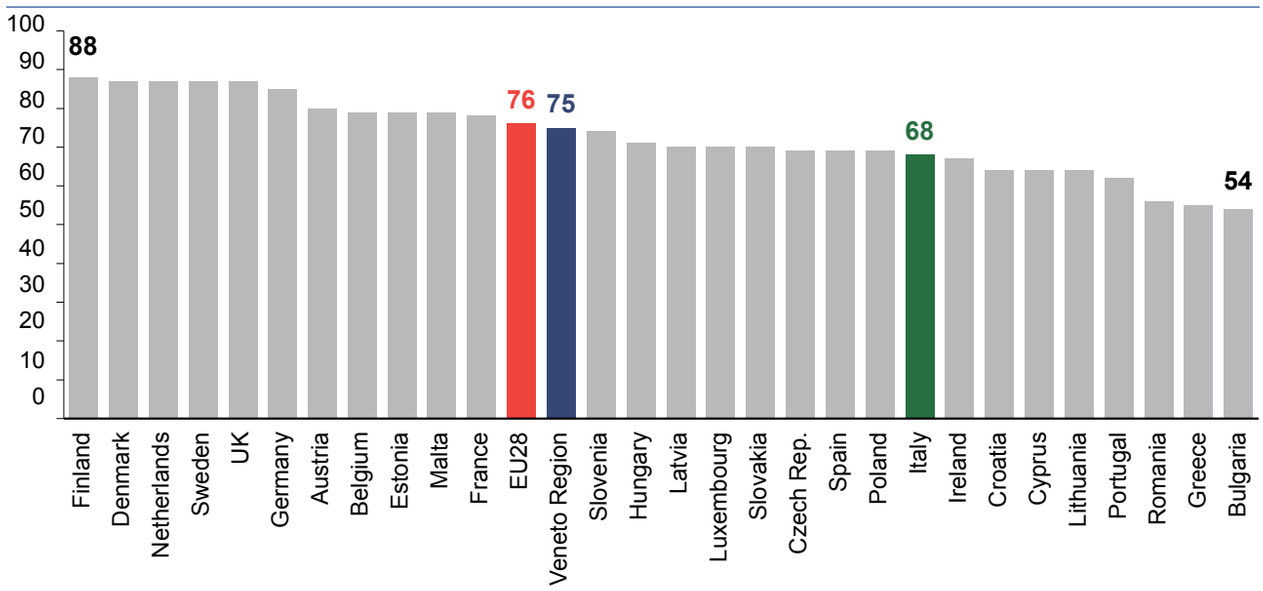
The interventions foreseen by the Digital Agenda are oriented also toward an ever greater confidence of the citizens with the new technologies, not only for exclusively private uses, but also within a perspective of greater integration with e-Government services (interaction between citizens and perspective of

Table 3.2.1 Diffusion of the digital technologies in families: Various indicators – Year 2013

	Degree of internet diffusion in families (a)		Degree of internet usage in families (b)	
	Year 2013	Var. % 2013/09	Year 2013	Var. % 2013/09
Veneto Region	66,6	32,9	57,6	31,2
Emilia Rom.	64,6	27,3	57,9	24,8
Lombardy	64,7	27,8	58,1	20,9
Piedmont	58,2	26,1	53,1	20,7
Tuscany	62,3	27,6	56,3	24,4
Italy	60,7	28,3	52,8	25,2

(a)Families that declare to possess internet access out of the total no. of families)
(b)Persons from 6 yrs. onwards who declare that they used internet over the last three months (percentage)
Source: Veneto Region data processing - Section of Regional Statistical System on Istat data

Fig. 3.2.6 Families with broad band connections (value %). EU28 Countries - Year 2013 (*)



(*) For Sweden the data was taken in 2012
Source: Veneto Region data processing - Section of Regional Statistical System on Eurostat data

[4] Veneto Region Reguib, "Guidelines for the Venice Digital Agenda", approved with DGR n. 554 dated 3 May 2013.

greater integration with central and local administrations and of e-Commerce towards the diffusion of digital acquisitions.

Furthermore, actions of digital literacy are the indispensable preconditions to reach the preset targets, promotion of social inclusion processes and diffusion of a model of "smart cities and communities". Availability of the broad band and online services is of strategic importance in improving the quality of life also of the populations that are isolated physically as in the rural areas, because it can compensate for this kind of obstacle.

Two out of three Veneto Region families use internet connections, at 61% in Italy, with a consistent growth over the last years compared to national rates.

Still not all in the family make use of it: 58% declared to use it over the last three months. The phenomenon seems destined to grow given the positive trend of the last five years and will be enhanced also by a progressively greater generational shift and therefore by a greater confidence with the new technologies.

In companies, however, not all is done using the internet: only a third of the employees use internet connections on the computer, the value of which, though increasing over the last five years, is still lower than the national average.

Also increasing over the last period is the number of enterprises that avail of web sites, reaching a quota of 71% above the National average. According to the "Digital Agenda Guidelines in Venice", the good performance of Veneto Region within the National sphere can be explained in light of the normative planning interventions with which the Region has been promoting for some time now, with the use of information and communication technologies.

The growing diffusion of digital technologies in the production sector is essential also to facilitate the small and medium enterprises (especially agricultural, artisanal and touristic ones) in broader markets compared to the exclusively local ones.

Table 3.2.2 Diffusion of digital technologies in companies with more than ten employees of the industry and services sector: various indicators– year 2013

	Indicator for internet use in companies (a)		Indicator for broad band diffusion in companies (b)		Indicator for diffusion of websites in companies (c)	
	Year 2013	Var. % 2013/09	Year 2013	Var. % 2013/09	Year 2013	Var. % 2013/09
Veneto Region	33,8	8,9	96,2	18,6	71,2	12,2
Emilia Rom.	36,8	14,5	95,8	13,2	72,3	13,4
Lombardy	40,0	24,6	96,5	12,5	75,4	14,2
Piedmont	41,4	17,5	94,2	9,0	64,6	6,7
Tuscany	38,2	29,8	96,0	16,7	70,1	28,2
Italy	37,5	18,7	94,8	14,4	67,2	13,9

a) Workers of companies who use internet connections on the pc (percentage)
(b) Companies that have broad band connections (percentage)
(c) Companies that have websites (percentage)
Source: Veneto Region data processing - Section of Regional Statistical System on Istat data

… and in the companies

Almost all Veneto Region companies with more than 10 employees operating in the industry and service sectors have personal computers (99%) and depend on the broad band diffusion (96.2%).Among the values, these are growing in the last years in line with the indications of the Digital Agenda which asks the enterprises to make a consistent investment in ICT.

Broad band for 96% of Veneto Region enterprises

The diffusion of the new technologies in Veneto Region

The situation of the Veneto Region therefore, from the standpoint of Information Society instruments has improved at quite a steady rhythm over the last years, and places the region in a good position compared to the others.

Just the same, a broader comparison with Europe highlights the need to proceed towards greater diffusion of the new technologies in order to reach a performance in line with the European standards.

In the perspective of ensuring the evolution of services through the development of new technologies, firstly, the diffusion of the broad and ultra broad band, serves to accelerate the implementation of strategies and measures to reduce the digital divide between the territories and with respect to competing countries.

This orientation of investment is aimed at improving the quality of life of citizens and satisfying their needs, together with those of enterprises and institutions.

On the theme of digitalization of administrative processes and the diffusion of digital services of the PA placed at the disposition of citizens and enterprises, the Veneto Region has undertaken interventions to conform to the national and European guidelines. The actual efforts are concentrated in several fields.

In the theme of health and healthcare, the orientation is towards e-health, that is, experimentation of the Regional Electronic Health Card, Personal Regional Card of Patients and Family Doctors and free choice of Pediatric doctors, activation of some LHU companies with teleassistance and telemonitoring services and distance telemonitoring of patients and teleconsultancy between health practitioners.

As to the diffusion of digital technologies in the other sectors of the Public Administration such as the local Agencies, consult the last paragraph of this sub-chapter.

Promoting competitiveness of the small and medium enterprises, and agricultural, fisheries, and aquaculture sectors

Economic policies focused on enterprises

"In an environment so full of challenges, the organisations are able to excel on the condition that they are able to find the adequate resources and express greater determination in reaching daring objectives". This is how Michael Porter5 summarised the possibility of building a competitive advantage on the part of a nation, region, or enterprise. In the actual context, the challenges are not missing, and the actions to be undertaken are fundamental in favouring corporate competitiveness to reach the results the European Commission expects. The Veneto Region felt the impact of the recession characterized by a strong and persistent drop in internal demand and an acceleration in 2013, of the demand from foreign markets.

In the Veneto Region the enterprises that are more oriented toward exports were able to exploit the more dynamic international demand, in a cyclic condition characterised however by remarkable difficulties in the European countries, the main markets to which by Italian merchandise is exported. The Veneto Region with its 442,278 enterprises active in 2013, and would be 371,104 if the agriculture sector is excluded, is the fourth region in Italy for the number of enterprises, after Lombardy, Campania and Lazio. The indicators for the concentration of enterprises are all much higher compared to the national mean: the density of local productive units is 26 per sq. km (15 is the Italian mean), the employees are 40 for every 100 inhabitants (26 in Italy). These are on the average small enterprises with 4.1 employees each (3.7 in Italy) and 11.2 if considering the enterprises in the industry in the strict sense (9.5 in Italy); these companies are mainly individual entrepreneurs (58.4%), partnerships(20,8%) and corporations (19,1%).

As in all modern economies also in the Veneto Region, most of the enterprises belong to the tertiary sector, and are particularly business enterprises representing 23.4% of the total, and in services to the enterprises, 14.5% of the total. Among the services, also the hotel and restaurant sectors stand out, connected to tourism which registers a rate of 6.5% of enterprises and 7.4% of the workforce.

The rate of constructions is very high at 15.6%, which in the years of the crisis saw a progressive decline the real estate market (out of over six thousand enterprises in the last five years).

The manufacturing industry remains the Landmark of Veneto Region specialisations and is composed by 12.3% of Veneto Region enterprises, but in terms of workforce its importance is even greater: a third of the workforce in Veneto Region are employed in this sector. Furthermore, this sector, through the value of goods exported for over 52 billion euro, contributes a third of the regional GDP.

The manufacturing industry remains the Landmark

The manufacturing sector together with construction works, was strongly hit by the crisis: from 66,900 enterprises in 2008, in 2013 counted 54,414 enterprises; from 642,118 workers in 2001 passed to 533,364 in 2011.

[5] Michael E. Porter (born in 1947) is a Professor at the William Lawrence University, a university based in the Harvard Business School where he directs the Institute for Strategy and Competitiveness

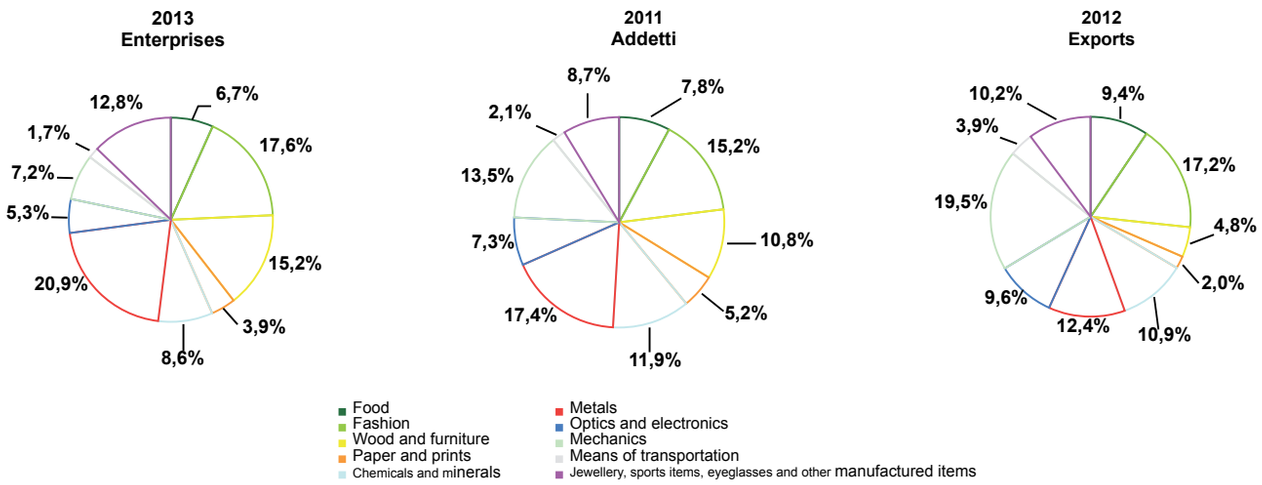
The downsizing of the sector had already started before the difficulties of the international cycle began. Due to the selection process of the production base caused by the difficulties of the smaller enterprises in maintaining their competitiveness.

They had managed to stabilize from 2007-2008 but later yielded to the crisis.

driving force of the Veneto Region economy, which is 99,8% of the total number of Veneto Region enterprises.

To complete this descriptive picture, we highlight a series of indicators on the current state of those strategies indicated by the European Commission that would favour competitiveness. We would need for example to focus on the upswing of investments, and at the same time on the offer and fundamental component of the demand, which currently is worth 5,014 euro per operator as of 2011 in Veneto Region, a value below the national mean. The other forces for growth are linked to innovation: if the Veneto Region has a patent intensity 115 European patents per million inhabitants and a percentage of enterprises that have introduced innovation for 36.4%, that is, higher values than the European average, it would still be scarce compared with the more developed European regions.

Fig. 3.2.7 Manufacturing industry: composition % of enterprises, workers and exports per sector - Veneto Region



Source: Veneto Region data processing - Section of Regional Statistical System on Eurostat data

Among the industrial sectors in terms of the number of companies, metallurgy businesses prevail (21% of the total manufacturing sector), wood-furnishing (19.1%), textile-clothes (17.6%). Furthermore, if we considered the quantity of workers employed, the significant data is also in the chemical and pharmaceutical (12% of the manufacturing workforce) and the mechanical (13.5%) sectors. In terms of merchandise value exported the more important sectors are mechanical, textile-clothing-shoes, metallurgy, chemistry and agri-food sectors. In this context the PMI, which are the backbone and real

Tab. 3.2.3. – Companies according to class of workers turnover. Veneto Region – Year 2011

	Up to 2 million euro	from 2 to10 million euro	from10 to 50 million euro	More than 50 million euro	Total
Up to 10 workers	373.505	3.940	280	27	377.752
From 10 to 50 workers	12.665	8.221	1.276	84	22.246
from 50 to 250 workers	244	739	1.352	283	2.618
More than 250 worker	11	34	65	250	360
Total	386.425	12.934	2.973	644	402.976

(a) Micro-enterprise: less than 10 employees and annual turnover not more than 2 million euro — *micro (a)*
(b) Small enterprise: less than 50 employees and annual turnover not more than 10 million euro — *small (b)*
(c) Medium enterprise: less than 250 employees and annual turnover not more than 50 million euro — *medium (c)*
Source: Source: Veneto Region data processing - Section of Regional Statistical System on Istat data — *large*

Tab. 3.2.4 – Characteristics, performance and strategies of enterprises. Veneto Region and Italy			
	Veneto	Italy	Year
Structural characteristics			
Number of enterprises (excluding the agricultural sector)	371.104	4.409.546	2013
Number of workers	1.642.359	16.424.086	2011
Number of local units	440.623	4.806.014	2011
Number of workers in the local	1.667.825	16.424.086	2011
Added value of manufacturing sector (%)	38,2	28,9	2011
Vertical integration (added value/turnover) (%)	24,3	24,0	2011
Economic results			
Added value per worker (euro)	44.192	44.299	2011
Manufacturing sector: Added value per worker (euro)	52.165	52.912	2011
Average turnover per enterprise (euro)	665.186	688.807	2011
Cost of work per employee (euro)	34.953	34.654	2011
Strategies			
Investments per worker (euro)	5.014	6.278	2011
Number of enterprise that have introduced innovations of products and/or processes over the total enterprises (%)	36,4	31,5	2010
Average regional spending for innovation per worker out of the total population of enterprises (a) (thousands of euro currently)	4,0	4,0	2010
Extent of patents (number of patents registered at the European Patent Office (EPO) per million inhabitants)	115,0	72,3	2009
Enterprises (with more than ten workers) in the industry and services sectors who have a website (percentage)	71,2	67,2	2013
Enterprises that have done online sales/purchases in the previous year (%)	45,9	44,4	2011
Active enterprises with 3 or more workers and with at least one relationship with other enterprises (%)	17,4	15,0	2011
Internationalisation			
Export enterprises (%)	29.780	207.920	2012
Exports over turnover (%) of the manufacturing sector	41,8	39,1	2011
Extra EU reference market for enterprises with more than 3 workers (%)	17,8	14,1	2011
Export capacities (value of exports of merchandise on the GDP (%)	34,9	24,9	2012
Net direct investments of the region to the foreign market in percentage GDP (percentage)	2,0	2,4	2011
Direct net investments from abroad in Italy as a percentage of the GDP (percent)	2,1	1,6	2011
Active enterprises with more than 3 workers with delocalisation and direct foreign investments	558	4.076	2011
Imprese attive con 3 e più addetti con delocalizzazione e accordi e contratti	2.587	21.025	2011

(a) Imprese con almeno 10 addetti
Source: Veneto Region data processing - Section of Regional Statistical System on Istat data

The Veneto Region enterprises are competitive if we considered the degree of internationalisation: the value of exportations over the GDP is at 35% against the national 25%. About 20% of the Venetian enterprises have their markets beyond the border, but the number of operators working with foreign trades could increase if also the micro companies could be helped to enter the foreign markets.

Worthy of note is the importance of the intense relations with other enterprises or institutions, or the existence of specific territorial networks that have the potentials to generate widespread strengthening of the territorial systems or the production chain, to the benefit of the existing SME or in the logic of attracting investments in the area. In Veneto Region this phenomenon is particularly felt also due to the presence of productive districts and which confirm the need to relate with other enterprises, from the Census 2011 data: 17.4% of the enterprises maintain relations with others, against the 15% at national levels. The Report on the competitiveness of the production sectors drawn up in 2014 by Istat brings to light the strategies adopted in the three-year 2010-2013 by the better performing industrial so-called "winning" enterprises, and by the "losing" enterprises, that is, those that had suffered most from the crisis.

The importance of creating relationships

The main results are retained to be very useful also if taken at national levels since they can be extended to the productive structure of the Veneto Region.

Between 2010 and 2013, the industrial enterprises that had increased their overall turnover were prevalently those who worked with foreign markets. The drop in internal demand concerned all the sectors, especially durable and instrumental consumption goods; for the intermediate and non-durable goods the drop in internal turnover was more than compensated for by increases realized in foreign markets. To the generalized increase of the propensity to export, measured as the percentage of turnover exported over the total, there was the addition of variations in positive total turnover and prevalently "aggressive" strategies, oriented towards broadening the range of products and services offered. In addition to the decrease of propensity to exports there also was the rise in National turnover and reduced total turnover headed by strong drops of revenues from the foreign markets.According to an empirical analysis of the relation between strategies and performance, the "losing" enterprises tend to downsize their own activities and defend the market share;

It is increasingly important to invest in innovative activities and in human capital

the "winning" ones have in common, investments in human capital, innovative activities and intense production relations with other companies.

On the sector plane, in a context of high miscellaneous traits of the strategies adopted, what emerged are the innovative activities for many traditional sectors of the Italian manufacturing system and the relations between enterprises in the metal and machinery sectors.

Among the enterprises that survived the recession, the defence of productive potential was not limited solely to physical resources, but also involved human capital, defined as the set of qualified human resources. The employment downtrend should have concerned above all, the less qualified workforce. To counter the recession, the manufacturing companies above all turned to "internal" strategies related to the increase of quality and range of products and cost containment. Among the "external" strategies, less used than the "internal" ones, strengthening business policies (in Italy and abroad) prevailed. Very much less used was recourse to in sourcing strategies, participation in the global chains of enterprises. The activating of new productive relations (joint ventures, consortiums, networks etc.) were less used by the enterprise belonging to sectors with high intensity capital or characterised by most various levels of vertical integration.

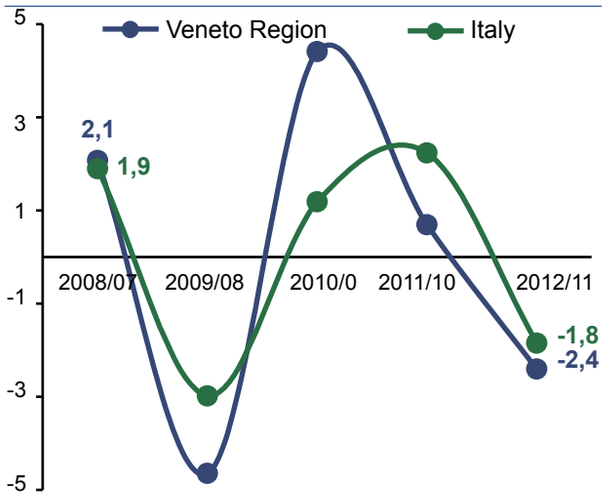
The agri-food sector and competitiveness of its business group

The programming of new agricultural development policies in our Region, based on the guidelines of Europa 2020, was done in a phase of recession which struck also the anti-cyclic sector par excellence, the agri-food sector. Also in this sector the difficulty in accessing the resources of the financial system and the stagnation of internal demand led to a drop in employment (-12.6%, the drop of employment in agriculture, and -2.8% in the food industry) and the food industry (from 2009 to 2013 lost 1.5% of its active enterprises).

Less food consumption of families and …

Also food consumption of families in a general recession framework dropped for the first time after the black year 2009 (-2.4% from 2011 to 2012) with values higher than the Italian average (-1.8%).

Fig. 3.2.8 – Food consumption of families: variation % compared to previous year. Veneto Region and Italy Years 2007:2012



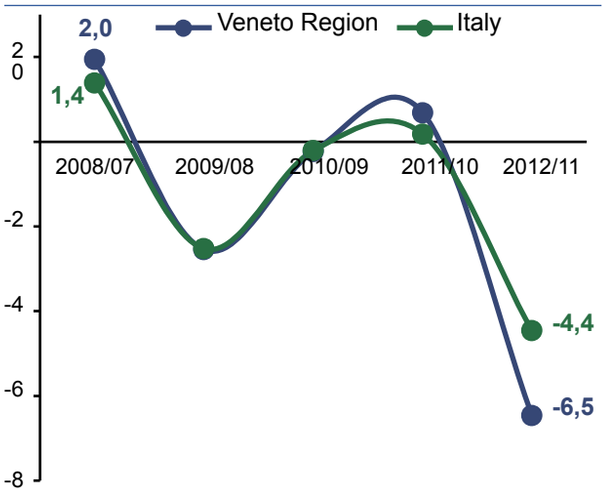
Source: Veneto Region data processing - Section of Regional Statistical System on Eurostat dataRegionale su dati Istat

The added value of the agriculture sector, forestry hunting and fishing is in decline considering the

...cala il valore aggiunto

correlated values from 2011 to 2012 lost 6.5 percentage points (-4.4% at national level) and in the previous years, practically it was from 2008 that no growth was registered for at least 2 percentage points In Italy as well as in Veneto Region, even though agricultural production's current prices in both areas have been rising since 2009.

Fig. 3.2.9 - Variation % compared to previous year of Added value in agricolture, forestry, hunting and fisheries Veneto Region and Italy -Years 2007:2012



Source: Veneto Region data processing - Section of Regional Statistical System on Eurostat data

As to the farming enterprises, in a historical situation of the restructuring of Veneto Region and Italian, Agriculture, in the last Census on agriculture taken in 2010, these results are declining and in a more drastic manner compared to the previous decade.

The Veneto Region farming enterprises denounce a still scarce tendency towards innovation and multi-functionality: only 5.4% of the Veneto Region farming enterprises is digitized, 4.6% perform extra-farming income activities, 5,9% use renewable energy in the farm, mean age of farm heads is 61 years, 75% are males and only 7.2% are below 40 years of age.

Albeit the profitability of the Veneto Region farming enterprises surpasses the national mean with a mean value per farm of 46,000 euro against the 30,500 in Italy, the income for every SAU hectare is one of the

Tab. 3.2.5 – No. of SAU enterprises and work days and var. % compared to 2000 Veneto Region and Italy – Year 2010

	Italia	Veneto
Farming enterprises	1.620.884	119.384
var. % 2010/00 Companies	-32,4	-32,4
Agricultural surface Used (SAU)	12.856.048	811.440
var. % SAU	-2,5	-4,6
SAU mean	7,9	6,8
Work days	250.806.040	19.509.883
var. % work days	-23,4	-25,9

Source: Veneto Region data processing - Section of Regional Statistical System on Istat data

highest in Europe at 27 and equals to almost 7,000 euro against the 1,800 euro of Europe and 3,800 of Italy, especially due to the specialization profitability of our region such as the poultry and pig livestock and vine cultivation.

In this panorama our hopes for agriculture lie in the

Hopes for agriculture lie in the youth

youth who with their dynamism and propensity for innovation, will be able to realize an average farm income of almost 2.5 times higher than the regional income (109,000 against the 46,000 thousand).

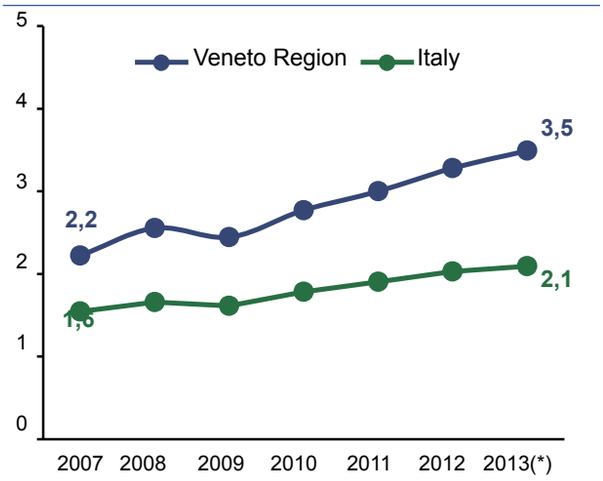
In this context, productivity of agricultural work calculated in added value on labouring units of the sector, between 2006 and 2011 earned a 1,000 euro for the Veneto Region, reaching 23,800 euro, way above the Italian mean, while at national levels, it grew by 2,300 euro and reached 22,900 euro.

On the contrary, in the food industry sector, the loss of productivity for the Veneto Region is quite evident: from 2006 to 2011 a substantial 5,000 euro was lost per labour unit and for a value of 48,700 euro, which brings our region way below the national mean of 55,300 euro.

Instead, it was full steam ahead for the Veneto Region agri-food exportations, driven by the success of wine, for a value which in 2013 surpassed 5 billion euro: from 2013 to 2012 it increased by 6.1%, reaching a constantly rising quota over the last years, well above the national quotas.

[6] The company profitability is measured via the Standard Output, the monetary value of the production which includes the sales, reuses, self-consumption and the changes in the stock of the products at the farm gate price (the general rule of considering the prices without the transport and marketing costs does not apply to the products for which sale is impossible without packaging : in this case the price considered is that of the packaged.

Fig. 3.2.10 – Incidence of agri-food sector exports . Value of agri-food exports on GDP (%). Veneto Region and Italy–Years 2007:2013 (*)



(*) Data estimated in 2013
Source: Veneto Region data processing - Section of Regional Statistical System on Eurostat data

The strategy of support for structural and organisational evolution of farming, agri-food, forestry, fishing and aquaculture enterprises will have to necessarily focus on some priorities such as structural reinforcement, (innovation, access to credit and to the market), internationalization, the generational shift, and safeguard of corporate profitability.

The CAP reform

The new programme within the field of agriculture finds its natural fulfilment in the CAP reform (Common Agricultural Policy) for the seven years 2014-2020.

At community levels, the main aspects of the new CAP are by now definite, even if some details will have to be clarified in the issuance phase of the application regulations: the many decisions which Member States will have to make by 1 August 2014.

In the multi-year financial framework the funds allocated to the new CAP will occupy respectively 29% of the total pillar 1 (organisation of markets and direct payments) and 10% for pillar II (rural development)): for Italy, a mean annual quota of 7.4 billion euro is foreseen.

The Europe 2020 Strategy indicated the general mission of the new CAP, which sets three strategic objectives:

1. sustainable food production, through the increased competitiveness of the agricultural sector and the profitability of productions
2. sustainable management of resources to guarantee the production of public assets and counter the effects of climate change
3. a balanced territorial development, to valorise the differentiation of agriculture and the rural areas.

In explaining its proposals, the Commission affirmed that the various reforms implemented over the previous years had the merit of achieving important results:

- further orienting agricultural activities towards the market;
- supporting the income of producers
- incorporating the environmental aspects more;
- reinforcing support for rural development

However, the reform process arose from two needs: on one hand, a better repartitioning of support between the Member States internally, and on the other, creation of targeted measures to face the environmental challenges and an increased volatility of the market. According to the Commission's forecasts, the pressure on agricultural incomes will continue: farmers will be called to face ever greater risks, in a scenario of decline of productivity and margin reductions, due to the rise in prices of the means of production.

Support for income will thus have to be maintained and we need to reinforce the instruments that allow a better management of risks and a capacity to react more suitably to emergency situations.

The rural development programme set for Veneto Region will lie on four pillars: reinforcement of the competitiveness of agricultural and agri-food enterprises, a drive towards innovation in enterprises and service workers, sustainability of the programme, and accurate, focused and strategic governance. To reach the aims in the seven-year programme, a total of 1.184 million euro will be used, 6.4% of the resources allocated to Italy divided into 510 million from the EU, 471 million from the State and 202 million from the Region.

Sustain the transition toward an economy with low carbon emissions in all sectors

With regard to the objectives set at community level and incorporated into the "Europe 2020" Strategy, these will essentially pass through energy policies. In light of the divide of the competitiveness of the Italian system compared to the direct competitors attributable to the high costs of energy, the national strategy sets the objective of energy efficiency, renewable energy and development of renewable energy that is more ambitious compared to those set by Europe 2020, also through greater balance among the various sources, giving precedence to those with a greater impact on the economic chain.

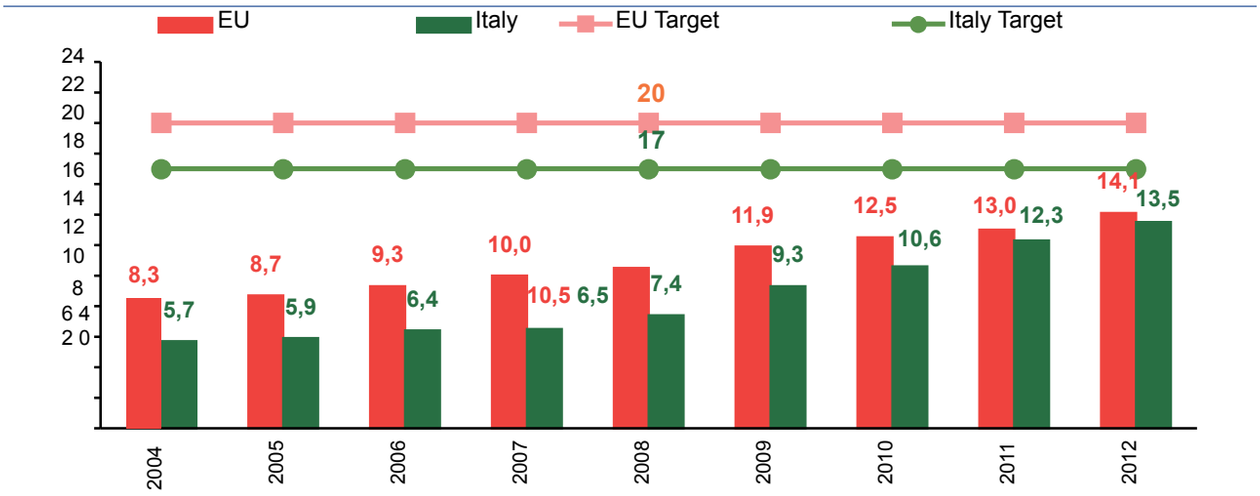
regarding the use of renewable sources the European Parliament through Directive 2009/28/EC, assigned a specific objective to all the European countries that the set target on the part of each should be the assurance to reach the European target of 20%: in the specific case of Italy, this objective was set at 17%.

The use of renewable energy is increasing

The monitoring reports of this indicator underlines a situation that is improving.

From 2004 to 2012 we passed from 8.3% and 5,7% to 14.1% and 13.5% for the UE28 and Italy, respectively.

Fig. 3.2.11 – Share of final gross consumption of energy covered by renewable sources (values %). EU27 and Italy - Years 2004:2012



Source: Veneto Region data processing - Section of Regional Statistical System on Eurostat data

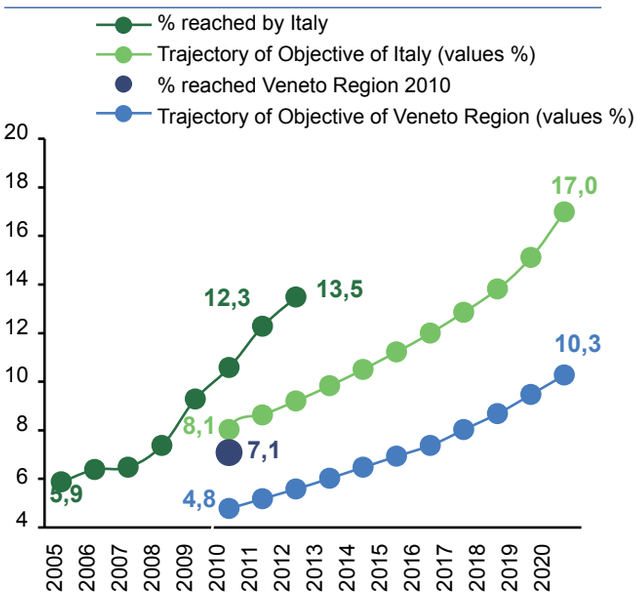
The actions undertaken toward this direction aim at improving energy efficiency and promoting smart Energy, improving the sustainable exploitation of the biomasses in the rural areas, and the quality of energy in urban facilities and increase electric mobility, consolidate the production chain of eco-sustainable technologies and increase the quota of energy needs covered by sources. The European objectives called 20-20-20, move towards this goal, focusing on the increase of energy efficiency, that is, reduced consumption, decreasing greenhouse gas emissions and enhancing the use of renewables that will have to cover at least 20% of the final consumptions. The current situation of the single Member States of the EU is demonstrating slow improvements, and especially

Said Directive was relayed in Italy through law 96/2010 which was followed by L. Decree 28/2011 and Decree of the Ministry of Economic Development dated 15/3/2012, also known as "Burden Sharing Decree", that Set the objectives for each region, assigning to the Veneto Region the target of 10.3%. This target, unlike the national one, is calculated by taking into consideration the sole renewable sources of the electricity sector heating/air conditioning since transportation falls exclusively under the competence of the State Monitoring procedures which are quite complex and the data available are rather fragmented.

The aim of the Veneto Region is to reach the target of 10.3% in 2020 foresaw a starting theoretical base of 4.8% in 2010 with a programmed rise through

the following years. Instead the effect estimation for 2010 reported the rate of final gross consumption of energy from renewable sources of 7.1%, a value that exceeds by 4.8 the initial forecast and gives hope for future developments. The other side of the coin lies in the fact that the effects of the economic crisis already in 2010 began to show its effects, with reduced final consumptions, and contributed of course to raising the indicator. This leads us to consider a dual path to take and may be thus summarized containment of consumption through greater efficiency in the use of energy.

Fig. 3.2.12 - Share of final gross consumption of energy covered by renewable sources (percentage values reached and trend of the objectives). Italy and Veneto Region - Years 2005:2011 (*)



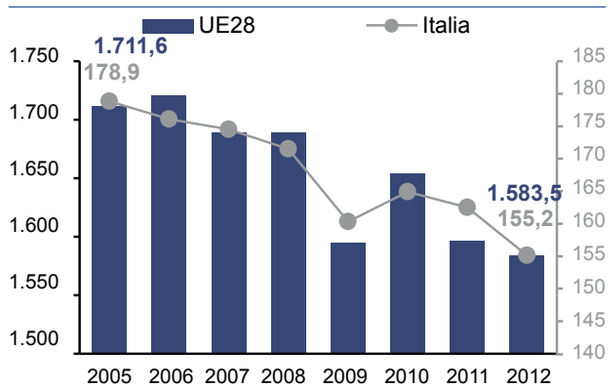
(*) Trend of indicator registered from 2005 to 2012 and path of objectives establish from 2010 up to 2020
Source: Veneto Region data processing - Section of Regional Statistical System on Eurostat data, GSE E and Industrial Engineering Dept. of Padua University

We had mentioned energy efficiency, which is the other pillar of the challenge for the sustainable use of energy. The European objective to reduce energy consumption foresaw a savings of 20% by 2020 compared to 2005. To measure this savings, we compared the effective consumptions to the theoretical assumptions estimated according to the trends of the last years, assuming a stable economic scenario, and the absence of interventions to reduce them. The 2020 objective consists in reaching a differential between effective and assumed consumption equivalent to 20%.

The same measurement is done considering consumption of primary energy as well as final energy. The baseline year is 2005 for which the indicator is set at zero. It was calculated that at European levels, to reach a primary energy saving of 20% in 2020, it should drop to 1,483 million toe against the 1,711.6 of 2005 in absolute terms, that is, 87%. The most recent data is of 2012 and shows consumptions at 1,583.5 million toe, which is 92.5% of the consumption of 2005 and, above all, is concretized in energy savings of 10.5% according to the methodology adopted.

Likewise, the measurement is done also with regard to final energy consumption. In this case of 1,189.3 million toe of 2005 the objective foresees a reduction of up to 1,086 million toe, that is 91% and which should guarantee a savings of 20% compared to the standard scenario. The 2012 data in this case indicates an effective consumption of 1,103.4 million toe, which is 92.8% of the consumption for 2005 whereas the savings obtained was at 12.1%. At National levels the data available do not only regard the “indirect” indicator, that is, referring to overall consumption of primary and final resources in absolute terms and index numbers always taking 2005 as the reference year. On the basis of Eurostat data, primary consumption has passed from 178.9 million toe in 2005 to 155.2, that is 86.7%, whereas final energy consumption has reduced from 134.5 to 119 which is 88.5%.

Fig. 3.2.13 – Trend of primary energy consumption in Europe (*) and Italy (values in million of toe) (**) - Years 2005:2012

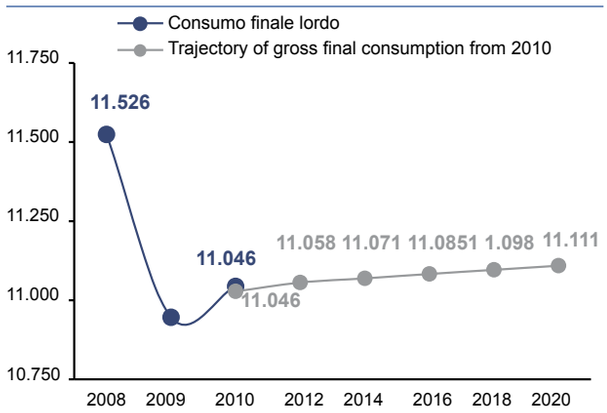


(*) UE28
(**)Toe: Tons of oil equivalent
Source: Veneto Region Data Processing – Regional Statistical System based on data from Eurostat

On a regional scale the consumption data still present critical issues with regard to their timely and systematic survey. Data is available only from 2008 to 2010 and calculation of the ideal trajectory from 2010 to 2020 is consistent with the National Action Plan aimed at achieving the objective of reducing energy consumption itself.

The data shows a very marked decline from 2008 to 2009, strongly affected by the first phase of the economic crisis, followed by a recovery in 2010, the year in which the gross final consumption amounted to the equivalent of about 11 million tonnes of oil equivalent (toe). From 2010, we can observe the trend as simulated in a scenario of waste containment and see a steady "controlled" rise of about 13,000 toe/year.

Fig. 3.2.14 – The gross final consumption of energy in the Veneto Region in 2008-2010 and their trajectory from 2010 to 2020 (thousand toe)



(*) Toe: Tons of oil equivalent
Source: Calculations by the Veneto Region -Regional Statistics System Section based on DII-UNIPD, Mi.S.E and P.A.N. data

Promote adaptation to Climate change, Prevention and Risk Management

The reduction of greenhouse gas emissions

A major challenge is the reduction of greenhouse gas emissions in various productive sectors. Much is being done in all areas and European regulations are setting the standards regarding limits that are becoming more severe.

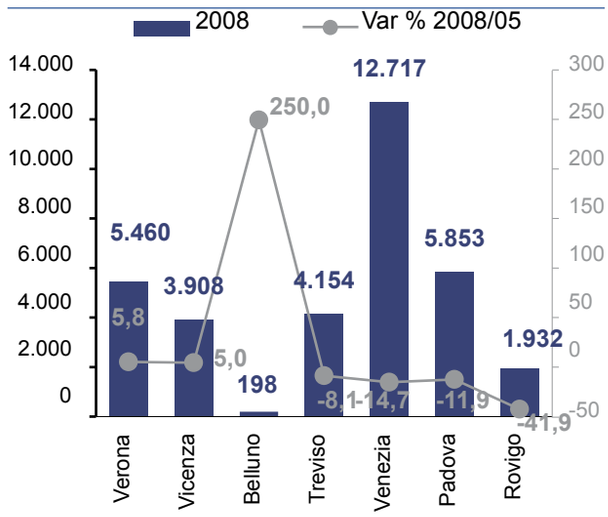
In the transport sector, for example, vehicles will have to meet progressively more restrictive CO2 emission standards. For 2020 the EU has imposed a ceiling limit of 95 g/km and from here on, are pushing carmakers to invest in this direction. Some results are beginning to be visible, in fact there are encouraging signs from the CO2 emissions aspect, which on the average, has been decreasing in recent years. The data shows that in Veneto Region, there is a decrease in actual emissions: from 38,147,000 tonnes in 2005 to 34,223,198 tonnes in 2007/2008, or 10% less. In particular, there was a reduction of emissions from energy production (-27%, about 3,300,000 tonnes less) and from non-industrial combustion (-13%, about 1,100,000 tonnes less). There continue to be critical issues related to road transport which is in contrast with an increase of 6% (about 600,000 tonnes more).

As we can observe, the situation of the provinces is very different, due to the large variety of conditions

Differences in the provinces of Veneto Region

encountered in the Veneto Region cities, according to the geographical location and their resulting characteristics formed and achieved through the centuries: from the central part of the Veneto Region with Verona, Vicenza, and Padua which have a high rate of industrialization, to the Venetian reality characterized by large petrochemical plants and

Fig. 3.2.15 – Carbon dioxide emissions (tonnes/year CO2 and % variation) in the provinces of Veneto Region - 2005 and 2008



Source: Veneto Region data processing - Section of Regional Statistical System on INEMAR/Arpav data

shipyards, through agricultural areas of the hills of Rovigo and Treviso and the mountains of Belluno.

The data shows that the province of Veneto Region was the one with the highest CO2 emissions in 2008, although there has been a large reduction of almost 15% compared to 2005. Padua and Verona are the other two provinces with the high levels of carbon dioxide emission, however, while in the latter, there was an increase of 6% over the period, in the city of Padua there was a reduction of 12%. To note, is Rovigo's level of emission that amounted to 1,932 tonnes/ year in 2008, a decline of almost 42% compared to 2005. Finally Belluno is a reality completely on its own, surrounded by mountains and with much lower emission levels. Nevertheless, the situation is worsening, going from a negative balance of emissions in 2005 to 198 tonnes in 2008.

Protect the Environment and Promote the Efficient Use of Resources

The efficient use of energy, the reduction of polluting emissions be it from the atmosphere, acoustic or from light is an important commitment to deal with and cannot be put off any longer.

The reduction of air pollution should be a joint effort of all sectors, from construction works and industries, to the domestic sector and transportation. At European levels, the construction industry is responsible for 40% of total energy consumption and it is investing a lot in order to increase energy efficiency. Modern buildings are designed to reduce their environmental impact and reduce energy consumption while maintaining and increasing the level of well-being of the persons who live in them. Italian energy policies in recent years have been focusing on improving the shell of the building to reduce energy consumption mainly during the cold season. The existing building lots remain a problem with a quite low average level of efficiency. However, it is witnessing an increasingly significant phenomenon, which is the redevelopment of old buildings, bringing their level of energy consumption to more efficient levels.

On the level of Public administration, the tools for environmental protection and improvement of energy efficiency are manifold. Among these initiatives is the Plan of Action for Sustainable Energy (SEAP) provided by the Mayors' Agreement[7], which was signed by 2,722 Italian municipalities. Next to policies that have to be implemented and those that are being implemented, increased sensitivity to environmental issues is pushing for technological research in those sectors traditionally associated with fossil fuels, such as transport.

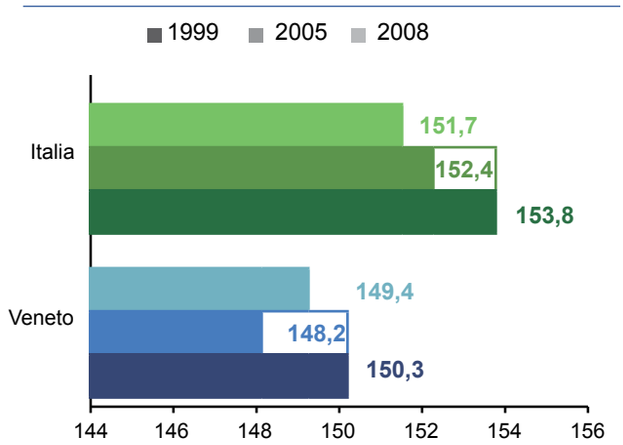
Staying within the topic of efficient use of resources, we present some data regarding water resources and the disposal and reuse of waste.

The Efficient Use of Water

In Italy, the extraction of water for potable use amounted to 9.1 cubic meters in 2008, showing an upward trend over time compared to 1999 and 2005. The same trend is notable also in Veneto, where it goes from 678 million cubic meters in 1999 to 730 million cubic meters in 2008. However, everything changes when analyzing the extraction per capita. Here we observe a declining trend in national levels, while the data shows the fluctuating trends in Veneto: from 150.3 cubic meters pro capita in 1999, dropping to 148.2 in 2005 to settle at 149.4 in 2008. In all cases, the regional pro capita values remain below the Italian average. But what impact does Veneto have on the national budget? With reference to 2008, the region of Veneto ranks fourth among the regions with the greatest significance in terms of water extraction for potable use, with an incidence of 8%, only lower than Campania,

The Veneto Region is among the regions with the greatest impact in terms of water extraction for potable use

Fig. 3.2.16 – The extraction of water for potable (m3 pro capita). Veneto Region and Italy - 1999, 2005, 2008



Source: Veneto Region data processing - Section of Regional Statistical System on Eurostat data

[7] The Mayors' Agreement is the leading European movement that involves local and regional authorities who have pledged to increase energy efficiency and use renewable energy resources in their territories. Through their commitment to the Agreement, the signatories intend to meet and exceed the EU target of 20% reduction in CO2 emissions by 2020.

Lazio and Lombardy at 9.6%, 12.5% and 15.9%, respectively. A part of the water extracted is made potable before it enters the distribution networks and in part is introduced directly. Finally, the water is introduced into the network and is delivered to the end user. However, only a part of all water introduced into the network can be effectively distributed due to physiological losses in the distribution networks as well as other endogenous factors such as water intended for public use and therefore not recorded, losses due to reservoir overflow when at certain times of the year the water available exceeds the reservoir's capacity, theft and/or unauthorized withdrawal from the distribution networks. In order to see a more efficient use of resources it is important to monitor how much of the water resources is wasted and a useful indicator is actually the percentage of total water supplied to that introduced into the network: the higher the percentage, the higher the efficiency of the water system. In 2008, the Veneto Region was the seventh region in terms of efficiency with a 70% indicator.

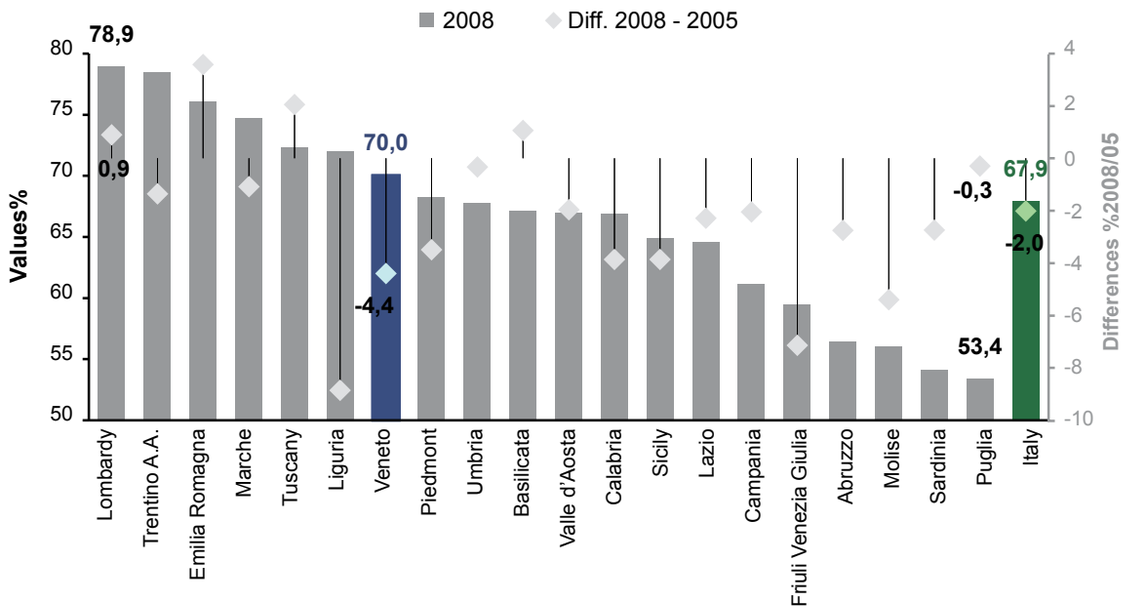
In the Veneto Region, 70% of the water introduced into the the distribution networks reaches the end user

Efficient Waste Management in Veneto Region

The last point of reflection related to the efficient use of resources is inherent to waste, in particular to the development of waste collection and disposal systems and most importantly, the recycling of waste.

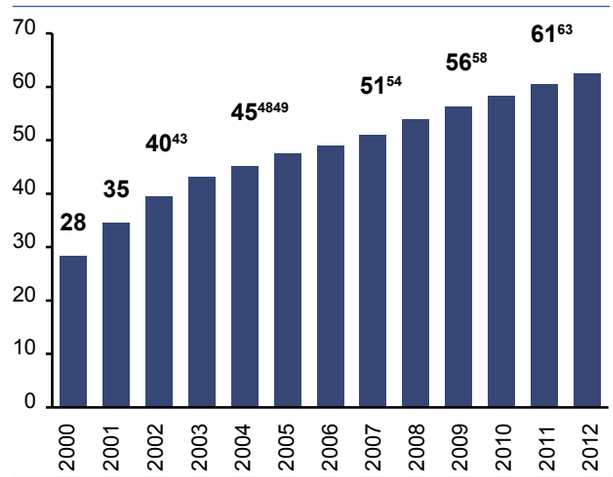
As is the case for many years now, in Veneto Region waste management is at the forefront, with a very high rate of recycling and in 2012 it reached 62.5%.

Fig. 3.2.17 – Efficiency distribution networks (percentage of water actually delivered to the end user compared to the total of that fed into the network) by region – Years 2005 and 2008



Source: Elaboration by Region of Veneto Region - Statistics System Section based on Istat data

Fig. 3.2.18 – Percentage of separate waste collection (% of total urban waste). Veneto Region - Years 2000:2012



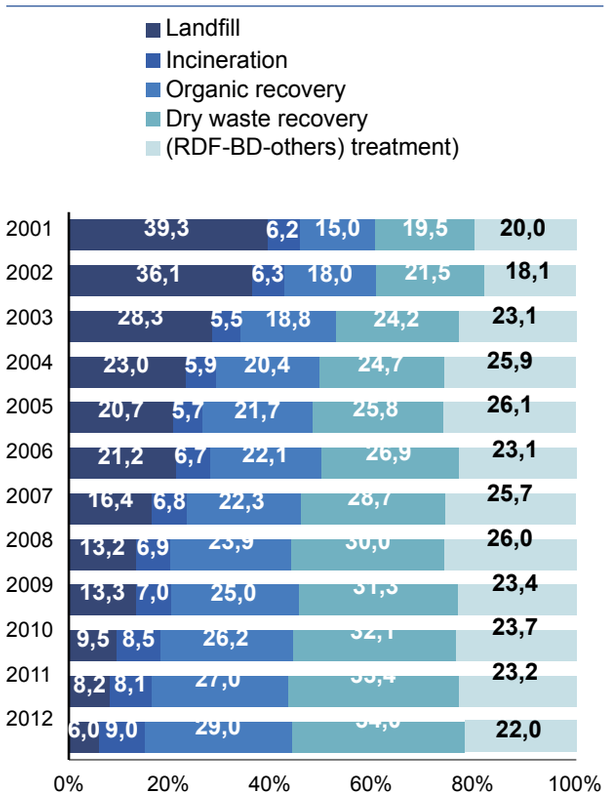
Source: Elaboration Region of Veneto Region – Regional Statistical System Section based on Arpav data

However, the percentage of separate waste collection represents only a part of the waste chain, and also as important, are the systems for its disposal and recovery, up to the actual reuse, either in the form of energy source or in the regeneration of materials.

In this aspect, the Veneto Region has made great efforts over the years, achieving results of sure relief for the entire national panorama.

It can be noted that the evolution of the management system of waste has led, from 2001 to 2012, to the demolition of landfills by 39.3% and even up to 6% in favour of both the organic portion as well as for the dry portion.

Fig. 3.2.19 – Quantity (in percentage) of urban waste according to the manner of disposal Veneto Region - Years 2001:2012



Source: Elaboration Veneto Region – Statistical Systen Section based on Arpav data

As already mentioned, the recovery of materials has increasingly important statistics. In 2012 The Veneto region has recycled 621,000 tonnes of dry waste (paper, glass, metal and plastic packaging) sent to appropriate recycling facilities where they are converted to "recycled" raw materials.

Aside from these materials, other 110,000 tonnes of waste from electrical and electronic apparatus (RAEE), textile waste, wood and scrap metal were also treated as well as reused. Aside from dry waste, there are also non-recyclable wastes and for these, a mechanical-biological treatment system was developed aimed at the production of refuse-derived fuel (RDF). Finally, the recyclable organic wastes which amounted to 646,000 tonnes in 2012, produced 200,000 tonnes of compost which was used predominantly for agriculture and garden nursery crops. These important statistics help give an idea of the enormous effort being implemented to protect the environment and to use of resources efficiently

Promoting Sustainable Transport and Removing Bottlenecks in Key Network Infrastructures

The Mobility of Citizens

Cities are at the heart of European life, the place in which more than 70% of the European population reside and where 85% of the GDP of the continent is produced. The growing demand for mobility and the number of private vehicles in circulation, in addition to generating the well-known negative externalities (congestion and urban liveability, modal imbalance, insecurity, noise and air pollution), hinders in an alarming manner, the achievement of EU objectives for an efficient and competitive transport system. What do the citizens think? This is the theme of "Attitudes of Europeans towards Urban Mobility", the latest Eurobarometer report, a tool with which the European Commission aims to periodically probe its citizens' opinion on topics of primary importance. According to the report published last December and which contains data collected between May and June 2013, 50% of European citizens use a car everyday, a number greater than the sum of those who use a bicycle daily (12%) or public transport (16%). About 4 out of 10 have difficulties in commuting (38%).

50% of European citizens use a car everyday and….

50% of European citizens use cars each day, a greater percentage than the total of those who use bikes (12%) or public transport (16%) on a daily basis. Around 4 Europeans out of 10 experience difficulty in urban journeys.

The majority of those interviewed consider definitely "serious" problems such as air pollution (81%),

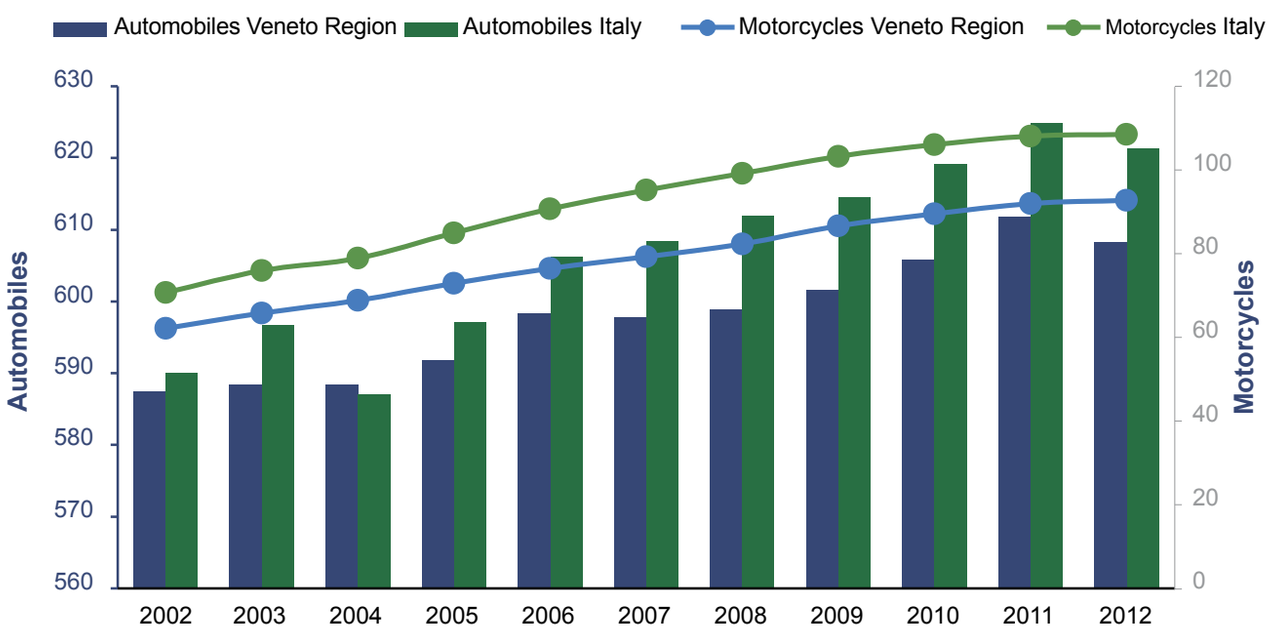
...a fourth of Europeans consider mobility a serious problem

congestion (76%), costs of transport (74%), accidents (73%), acoustic pollution (72%). Among the possible solutions to adopt, the most popular, regards the need to focus on improving public transportation, which should be accessible at reduced prices, and the promotion of non-motorized mobility. Only 24% of European citizens think that problems related to traffic will be resolved in the future, 35% believe the situation will remain the same while the majority, 37%, expect further deterioration.

The car for the Italians continues to be a coveted durable good. Although between 2011 and 2013 the number of cars in circulation has effectively decreased by 150 thousand units, the motorisation rate is still high, especially in some areas of the country. The average value of this rate in Italy in 2013 is equal to 616 cars for every 1,000 residents (provisional data), one of the highest in the world and second in Ue27.

At the regional level, the latest available year in 2012 and the region of Veneto Region has a record of 608 cars for every 1,000 inhabitants (621 is the data for Italy). The provinces which have a major decline in motorisation rates are, Florence, Rome and Milan, and not surprisingly; metropolitan cities offer local collective mobility (public transport, but also alternative mobility systems like car-sharing and bike-sharing), and efficient territorial accessibility (high-speed trains and airplanes) which may discourage car ownership.

Fig. 3.2.20 – Automobiles (*) and motorcycles circulating per 1,000 inhabitants. Veneto Region and Italy - Years 2002:2012



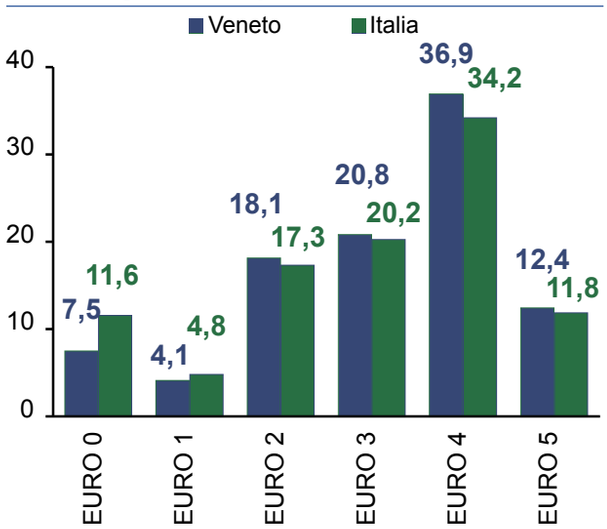
(*) In 2004, there was a review of the archives of the Public Vehicle Register (Pra), which led to the cancellation of several cars, which did not comply, with motor vehicle taxes for at least three years. Source: Elaboration by the Veneto Region –regional Statistical System Section based on ACI data

One can note that the analysis of the fleet of cars according to standard emissivity allows the evaluation of how much pressure is exerted by a portion of the traffic on the quality of the air, cars with the standard Euro 3, Euro 4 and Euro 5 in the Veneto Region in 2012 together accounted for 70% (63% data for Italy) of the total of circulating cars, and Euro 0 cars for only 7.5% of the total (11.6% data for Italy).

That Italians prefer to own a car is demonstrated by the fact that the majority of the means of transportation used to get to and return from work and school, are with their own cars.

[8] Number of automobiles for every 1.000 inhabitants.

Fig. 3.2.21 – Automobile (%) for emission standards Veneto Region and Italy. Year 2012



Source: Elaboration by the Region of Veneto Region- Regional Statistic System based on ACI data

The daily commutes in 2013 involved more than 32.5 million people, 11 million 300 thousand between

Over 32 and a half million people commute everyday

preschool or kindergarten children and students, and over 21 million

workers. Most people, 70.6% of students and 88% of employees, use a means of transport, especially the automobile (39.5% of students and 74.3% of employees). The public or collective means of transport is mostly used by students (33%), and much less by the employed (12%). Data from the region of Veneto Region is slightly different, especially in some items where 74.3% of students and 91% of employees use a means of transport preferably a car (as much as 77% for workers). In addition, students and workers from the Veneto Region, distinguish themselves by a widespread use of transport other than just the car (motorcycles, scooters, mopeds and bicycles): 9.1% for the motorcycle and 14.5% for the scooter (respectively 5% and 9.7% data for Italy). Only 7% of Venetian workers use the public or collective means of transport, a symptom of their historical and cultural heritage, which hinders them from abandoning their vehicle, but also because public or collective transportation is not adequate.

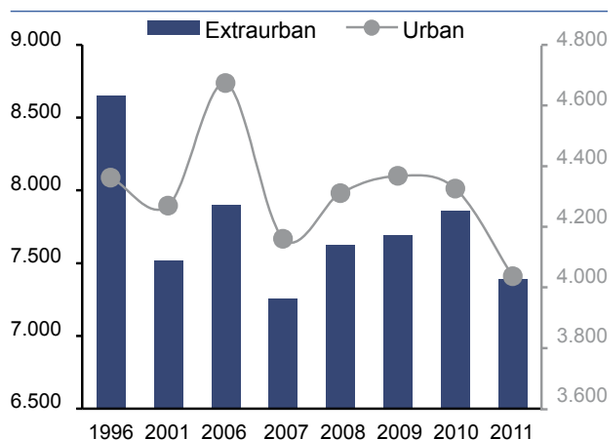
It should be noted that car sharing is becoming more and more widespread, but there is a long way to go before its real benefit can be reaped.

Sustainable mobility is actually determined by the journeys made on foot, by bicycle or by public transport. The use of local public transport is therefore, one of the principle indicators of sustainable mobility.

The Offer of Public Service Needs Improvements

From the supply aspect of local public transport service, with reference to the seats/km indicator, which expresses the actual transport supply, we note that the supply of out-of-town transport, while decreasing in the 10-year period of 1996-2007, subsequently initiated a steady growth, which was abruptly interrupted in 2011. With regard to the provision of urban services, after having increased in the period 1996-2006, declined in 2007 and recorded a new increase in the two following years of 2010 and 2011, it registered a new double decrease, worrisome when considering the massive competitive pressure from the use of private transport that seems to best suit the needs for individual mobility, particularly by city users (commuters, workers and non-residents, tourists, etc.) who do not live in the city but benefit from its resources, adding more pressure on urban services.

Fig. 3.2.22 – Local Public Transport - Urban and extra urban Services: Seats-km offers (*). Veneto Region – Years 1996, 2001 and 2006:2011



(*) Derived from the sum of the capacities of each medium of transport (homologated seating and standing) for the annual mileage conducted by the same medium of transport.
Source: Elaboration by the Veneto Region – Regional statistical System based on data from the Ministry of Transport and Infrastructure

Negative, after the previous rising trend, even the decreased offer in the suburban area, given the so-called "urban sprawl" that characterizes the Veneto Region, leads to an increased demand for medium and long distance trips, especially from the periphery to the major centres, where most of the places of production of services and consumption are concentrated.

Land Transport of Merchandise

Even in freight merchandise transport, the "tyre" approach is the preferred means and continues to be favoured with respect to rail and marine transport. The objective is to find efficient alternatives to encourage the use of combined road-rail or the transfer of freight from road to rail and sea transport. In 2012, land9 transport of merchandise on vehicles registered in Italy, developed a traffic of about 124 billion tonnes /km (down 13.2% from the previous year).

In 2012 Germany was confirmed as the first EU country in land freight transport with 307 billion tonnes/km; Italy is fifth with 124 billion tonnes/km (down 26% in the period 2009-2012).

The year 2011 is the latest year for regional level data: in Italy the total amount of transport originating in Italy is estimated at about 135.1 billion t-km, for over four-fifths with origins from the central north region. More than half (54.6%) of the merchandise transported from Italy is concentrated in four regions: Lombardy, Emilia-Romagna, Veneto and Piedmont. Compared to last year, merchandise transport of internal origin decreased by 16.8%. As for Veneto Region, in 2011, 16.4 billion tonnes/km were transported (down 21.1% compared to 2010), an amount equal to 12% of the national total, and received as a destination 15.3 million tonnes/km (down 24% compared to 2010).

Port Traffic Infrastructure

The development of maritime transport is also an objective of European policies, so that it assumes an important role for sustainable growth considered the main objective for moving goods over long distances.

As of 2011, Italy persists as the fifth European country for volume of container traffic by sea (8.1 million of TEU's10, equal to 9.4% of the EU total); but is first in passenger transport in the European level (absorbs 21.2% of the European total).

The first Italian port for overall movement of goods is Genoa, which in 2012, handled 50.2 million tonnes equal to 11% of Italy's total port traffic); the first port for containerized cargo volume, however, is Gioa Tauro ((2,721,104 TEU's, equal to 28.3% of Italy's total volume). The port of Venice is sixth for the overall movement of goods (5.5% of the Italian total) and seventh for container traffic (4.5% of the Italian total).

Promoting Employment and Sustaining Labour Mobility

Among the priorities of Europe 2020 strategy is inclusive growth, attainable through the promotion of an economy with high employment rates that favours social and territorial cohesion. Thus employment plays a key role not only for economic development, but also for the individual's and social well being.

The previous Lisbon Strategy launched in 2000, a fixed target of 70% employment rate for the 15-64 age group to be achieved by the year 2010. The "Europe 2020" strategy, as already mentioned in the first subsection, fixes it at 75% employment rate for the 20-64 age group by 2020. From 2000 to 2008, the Veneto region had found the right push to meet the European objectives, but the economic crisis slowed down economic growth, making the target look more unlikely. Surely our region has suffered less than others, but the signs of continuous economic difficulties are felt and visible. Amidst the most disadvantaged are young people, women, foreign workers and the over fifty: these workers must be guaranteed full support to increase their chances of finding new employment and their relocation in an increasingly flexible and uncertain market.

Favouring youth employment …[11]

Surely the young people were the most affected by the crisis, which is why 2014 will be the start of "Youth Guarantee", a European programme that favours their employability and access to the labour market. It is a path that includes a series of measures at the national and local level that will facilitate the employment of the youth between 15 and 25 years of age to give them the opportunity to be mentored, trained and integrated in the work force. The Objectives of "Youth Guarantee" is to respond to young people who each year enter the work force after graduation.

[9] The phenomenon is measured in tonnes/kilometres (t/km), unit of measure of traffic that indicates the transport of one tonne of goods for each kilometre it travels; the t/km relative to a transport operation is calculated as the product of the amount transported expressed in tonnes, and kilometres .

[10] TEU=Twenty-foot Equivalent Unit. 1 TEU corresponds to a 20-foot container

[11] More information on this can be found in chapter 9, subsection 3 and section 2 in subchapter

Given the specific Italian context, this initiative includes measures targeted for the discouraged and unemployed youth who need adequate attention from organizations that are responsible for active policies for jobs.

In Veneto Region starting from 2008, the youth unemployment rate calculated for the classic age group of 15-24 years of age increased by almost 17 percentage points, reaching 25.3% share in 2013. It is interesting to extend the analysis by also including young people up to 29 years of age when university studies are usually concluded. It shows that in Veneto Region, in 2013 less than 38 out of 100 active young people work, while 17 out of 100 active young people are unemployed, an increase of about two percentage points over the previous year. A phenomenon that is spreading rapidly is that of schooling and job inactivity: the Neets, namely young people who do not study or take training courses and do no work, account for 18% of all 15-29 year olds, which in 2007 did not exceed 10%. Part of this group are young people who had jobs but lost them and are presently looking for a job; others have just finished their studies and are looking for their first jobs and still others, after a period of inactivity, are again looking actively for work.

Youth unemployment and the Neets have increased significantly in a few years

However, the largest part consists of those young people who do not have jobs and at the same time are not looking for one, and in other words are idle: in the Veneto region they are part of the 11% of young people aged 15-29 years and 60% of the Neets. From the above description, it is evident that the problem of the Neets is associated more with inactivity than with unemployment: it becomes a priority to develop active and preventive measures in the labour market to combat the discouragement that the economic crisis seems to have brought into our region, by strengthening measures that encourage employment of young people and promote self-employment.

There are few business people under 30 years old

In this regard, in the Veneto region out of 100 soleproprietors, only five are less than 30 years old, which is slightly lower than the Italian average. Surely this is an important aspect in which investing is fundamental in order to boost the economy of our region that since end of the war, has focused on entrepreneurship.

… and the participation of women in the work force

To guarantee employment development, the increased participation of women in the work force plays an important role: in 2013 about 53 Venetian women out of 100, a slight decrease from the previous year.

It should be emphasized that women have been affected less by the crisis than men: the female employee rate from 2007 to 2012 increased by about one percentage point, while that of the men decreased by 2.4 percentage points. Steps have been taken concerning this issue although gender disparities still remain high: the employment rate for men exceeds that of women by almost 20 percentage points, despite the fact the trend has been decreasing since the early 1990s. The employment gap is also evident in the level of income: in Veneto Region men earn on average €140 more than women, €130 for the rest of Italy. These differences in income have been calculated considering only full time workers: to consider all women workers would make the difference even higher, given the greater propensity of women to work part-time to be able to reconcile family with work.

…Gender inequality in the workplace is pronounced

Even female entrepreneurship is significantly lower than that of men: out of 100 sole proprietors, only 23 are women. To capitalize on women's employment it is, therefore, of primary importance to invest equally on care services in order to relieve women of some family burdens, thereby increasing their participation in the labour market.

[12] In this regard, see sub-chapter 4 of chapter 9, "From Women's Opportunities to Women as an Opportunity for growth"

Strengthen the Integration of Foreign workers in the Work Force

Foreign workers give an important contribution to the economic and social well being of our country. The decline of Italy's birth rate, sustained extension of the average life span, progressive aging of the population and resulting decrease in the working age proportion of the population are transformations that have helped make our country and region a highly attractive place for many immigrants, a land of opportunity where they can find work and better living conditions compared to their country of origin.

However, foreign workers have been hit hard by the crisis, increasing a deep sense of social unease in the workplace: if in 2007 the employment rate in the Veneto region stood at 69.7%, in 2012 it was down more than 10 points reaching the quota of 59.4%, to increase slightly in 2013. In the same period, the Italian employment rate decreased to a lesser extent, registering in 2013 a decline of 2.3 percentage points compared to 2008. The difference between the employment rate of the foreign workers and that of the Italian workers before the economic crisis has always been in favour of the former: foreign workers maintained higher levels of employment, since their arrival in Italy was motivated primarily by the need to work. In 2006 and 2007, immigrants in Veneto Region had an employment rate higher than that of the Italians of about four percentage points, but the crisis has profoundly altered this balance; the advantage of the foreign worker decreased more and more until it touched the same levels of the Italians in 2009. Then the trend was reversed: in 2012 the employment rate of the foreign worker was down 6 points compared to the rest of the population. This occupational disadvantage is also reflected on the wages, as a foreign worker in the Veneto Region earns an average of €100 less than an Italian worker, except that in the national level, the difference exceeds €200. It is crucial therefore, that there be cooperation at the national and regional levels, between the various levels of government so as to facilitate the integration of immigrants into the society, thus preventing all forms of marginalization and irregularities which are more diffused as a result of the difficult economic situation.

Foreigners are more hit by the crisis with respect to Italians

Promote Active Ageing

Another objective of the new cycle of programmes is that of increasing employment of workers over 50 years of age thus favouring active ageing, by promoting more favourable working conditions and solidarity between generations. The gradual raising of the retirement age has brought a significant rate of increase of employment for those aged over 50: in 2000 in the Veneto Region, 25 out of 100, aged 55-64 were employed, and the figure increased steadily to reach 42.8%. In 2013 in the Veneto Region, this percentage has remained constant, although at the national level it has increased further; since the mid-1990s, it should be noted that it is only for this age group that the employment rate was below the national average, except for 2012.

Fighting Unemployment and Black Market Labour

In general, the crisis has put many jobs at risk, encouraging long-term unemployment and the spread of irregular forms of employment. It is therefore, necessary to reduce the number of longstanding unemployment by activating measures that will facilitate reintegration and strengthen the institutions' battle against black market labour.

The rate of long-term unemployment, which considers the unemployed worker looking for a new job for at least 12 months, with the economic crisis has tripled. By 2013, the rate increased by 3.8%, up 1.3 percentage points compared to only the previous year. At the national level, the situation is even more alarming, with almost 7 unemployed workers for every 100 workers belonging to the labour force.

However, as regards black market labour, though our region has a better situation than the national average, with low levels of undeclared work and high levels of employment, the size of the black market labour should not be underestimated: in 2012 in Veneto Region, for every 100 regular positions there were 8 undeclared positions, while on the national level the number of black market labour exceeded the quota of 12 out of 100.

This often involves jobs that do not comply with the tax-contributory norms carried out occasionally by students, housewives or retirees, non-residents or non-regular foreign workers; and finally those with multiple job positions that have not been declared.

Tab. 3.2.6 – Indicators of the job market. Veneto Region and Italy – Years 2012 and 2013				
	Veneto		Italy	
	2012	2013	2012	2013
Increase youth employment				
Rate of youth employment (15-29 years)	42.0	37.7	32.5	29.4
Rate of youth unemployment (15-29 years)	15.4	17.4	25.2	29.6
% of Neet 15-29 years	17.0	18.1	23.9	26.0
Of which: unemployed	6.7	7.2	9.6	11.0
inactive	10.3	10.9	14.3	15.0
% Young owners of sole proprietorship businesses (<30 years) out of the total owners of sole proprietorships	5.3	5.2	6.6	6.5
Increase female employment				
Rate of female employment 15-64 years	55.0	53.4	47.1	46.5
Difference between male and female rate of employment	19.9 %	19.6 %	19.4 %	18.3 %
Male and female pay gap	+ 140 euro	+ 140 euro	+ 130 euro	+ 130 euro
% of female owners of sole proprietorship businesses out of the total owners of sole proprietorships	23.0	23.3	25.7	25.8
Foreign integration				
Rate of employment of foreigners 15-64 years	59.4	60.1	60.6	58.1
Difference between foreigners and italians rate of employment	-6.4 %	-3.7 %	+4.2 %	+2.7 %
Foreigners and Italians pay gap	- 170 euro	- 100 euro	- 200 euro	- 230 euro
Increase the rate of employment of elderly workers				
Rate of employment 55-64 years	42.8	42.6	40.4	42.7
Reduce the unemployment and illegal work				
Rate of long standing unemployment	2.5	3.8	5.6	6.9
Rate of illegal work	8.0		12.1	

Rate of employment = (Employed/Reference population) x 100
Rate of unemployment = (Persons job hunting/Work force) x 100
Neet = People who are not studying, working or training
Rate of long-standing unemployment = (People job hunting for 12 months or more/work forces) x 100
Rate of illegal work = (Illegal work units / total work units) x 100
Source: Processing by Regione Veneto – Regional Statistical System Section on Istat and Infocamere data

Promoting Social Integration and battling against poverty

In promoting competitiveness and economic growth, it must be remembered that real progress means being comprehensive and fair, and not favouring some and ignoring the rest. The continuing crisis makes the necessary commitments even more urgent in order to combat poverty and promote social integration, intended as a process "capable of providing all the opportunities and resources to be able to participate fully in the economic, social and cultural development and ensure a standard of living and wealth considered normal in our society" (European Commission, 2004).

The definition of social integration therefore, refers to a broad and multidimensional concept of the quality of life that interests many areas of wellness: the satisfaction of physical and socio-cultural needs; not only the basic needs, also something more which, although not necessary for survival, are considered important and almost indispensable for everyday living, according to thestandard recognized as normal, which may well be different depending on the society in which we live and in the living standards that have been achieved so far.

The European objective is to reduce by 20 million the number of people living in poverty or social exclusion by the year 2020, which will be monitored by a combination of three indicators: people at risk of poverty, people living in situations of severe deprivation or living in households where the working intensity is very low13. More precisely, "risk of poverty or exclusion" is defined as persons who are experiencing at least one of these difficult situations.

After a slight improvement in 2009, poverty and social exclusion began to make a comeback in Europe, undermining the predetermined objective. In 2012 there were almost 123 million people living in poverty or social exclusion, a fourth of the population, and in the last two years it was estimated as 6 million more.

Worsening of the condition affects the majority of Member States: in general, entails a decrease by 1-2 percentage points.

Precisely in Italy and in Greece the situation is considerably more critical: for Italy the risk was equal to 24.5% in 2010, now it is almost 30%, higher than the European average, especially when confronted with the UE15 data (23.1%).

Reduce poverty and social exclusion: an objective drifting away

All Italian indicators register this risk of poverty as higher than the European average: the risk of poverty is the most important dimension of exclusion (19.4% vs. 16.9% UE27), but the rate of serious material deprivation recorded in the last two years had a worrisome plunge (from 6.9% in 2010 to 145% in 2012), a direct consequence of the crisis.

The number of families that find it impossible to bear the cost of the home (13,5%), unable to always eat adequately (16,8%), to dispose of assets in common use, to cope with unexpected expenses (42,5%) or to afford even only a week's holiday away from home (50,8%) is growing.

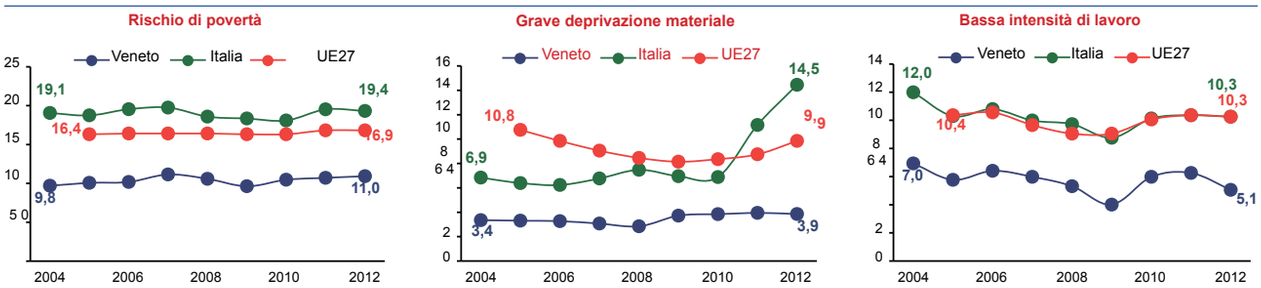
Stable and on average with the EU figure of low-intensity work (10,3%).

The situation in Veneto is relatively less worrisome compared to the Italian and European context. However if the comparison is positive, the phenomenon should not be neglected in terms of the citizens involved: the risk of poverty affects 11% of the residents of Veneto, those with severe material deprivation at 3,9% and with low work intensity at 5,1%, for a total of about 770 thousand persons living in poverty or social exclusion at (15,8%), or in dire straits and can not live according to the standards of our present soceity and in more severe cases, not able to provide the fundamental needs of life.

An alarm for the minors

The future of the country depends on its capacity to safeguard the young generation, by trying to hinder the transference of these disadvantages from one generation to the next. Unfortunately, it is precisely the younger generation that is at risk of being exposed to poverty or social exclusion, except in the case of very few virtuous EU countries (Sweden, Finland, Germany, Slovenia and Estonia). The weakness of family policies, or its absence or scarcity of adequate support, in terms of income and service availability, all play an important part in worsening the situation of families with children.

Fig. 3.2.23 – Poverty or social exclusion: percentage of persons living according to the conditions of extreme need. Veneto Region, Italy and UE27 - years 2004:2012



Source: elaboration by the region of Veneto Region – Regional Statistical System Service based on Eurostat and Istat data

[13] One is at risk of poverty if the family income is equivalent or inferior to the poverty threshold equal to 60% of the median national income after social taxes.
In serious material deprivation if one is constrained to put up with at least four deprivations among nine goods or services the majority part of the population have among which: able to pay the rent, mortgage or utility bills, heat the home adequately, deal with un foreseen expenses, eat meat or protein regularly, go on a one week holiday a year, can afford a TV, washing machine, a car, and a telephone.
Low working intensity relates to people less than 60 years old that in the last year have worked 20% less of their potential.

Living in conditions of social exclusion at an early age is an uphill struggle, with repercussions in the long run, if not for life, training, may hinder the minors' achievement of their potential, making them more exposed to the risk of living in poverty as adults or excluded from society.

The risk of poverty or social exclusion among children (0-17 years of age) in Europe rose to 27.9% (24.7% for the entire population) and once again Italy is characterized by a negative aspect, that of reaching 33.8%. The disadvantage becomes more pronounced as the number of children in the family increases specially if there are three or more dependents. Children living in single-parent-families and children of immigrants are particularly at risk.

In the Veneto Region, unlike in the rest of Italy, children do not seem to be more at risk of exclusion than adults or the elderly; but the disadvantage and vulnerability of families with many children (34% if the family has 3 or more dependent children against 9% in case of an only child or 13% if the children are 2) remains. In the European comparison, these disadvantages affect mainly large families.

Tab. 3.2.7 - Percentage of persons at the risk of po¬verty or social exclusion, for several characteristics. Veneto Region, Italy, UE15 and UE27 - year 2012 (*))

	Veneto Region	Italy	EU15	EU27
Total	15,9	29,9	23,1	24,7
Age (%)				
0-17	16,2	33,8	26,0	27,9
18-64	15,9	30,4	24,0	25,3
65 o più	16,0	25,2	17,2	19,2
Family type (%)				
Families	15,4	27,7	22,0	23,3
famiglies with dependent children	16,5	32,3	24,4	26,2
2 adults wtith 1 depedent child	9,1	24,8	18,1	19,3
2 adults with 2 dependent children	12,9	30,0	18,3	19,5
2 adults with 3 or more dependent children	34,0	42,1	27,4	30,7

(*) Data 2011
Source: Veneto Region data processing - Section of Regional Statistical System on Istat data

Housing Marginalization

As part of the process of social inclusion, further studies are needed to understand the more or less serious conditions of homelessness in its various forms: those who own a house but are unsuitable for living a healthy and safe life, those who risk losing accommodation, and those without homes who live in the streets or makeshift accommodations.

With the crisis, the housing problem is becoming more urgent for an increasing number of families who are unable to find a satisfactory solution at an affordable price, and over the years, this housing problem is getting bigger and bigger.

Even at European levels, this problem affirms and recognizes the importance of housing policies in the fight against social exclusion. The European Commission states in its communication of 16 December 2010, "The European Platform against Poverty and Social Exclusion: A European Framework for Social and Territorial Cohesion" that: "The current lack of housing and homelessness are perhaps the most extreme examples of poverty and social exclusion in society. Although access to affordable housing is a need and a fundamental right, guaranteeing this right is still a challenge for some Member States.

The search for appropriate and integrated answers for solving or preventing the problem of lack of housing, should remain an important element of the EU strategies for social inclusion".

328 thousand people in Veneto Region live in a precarious housing state

The social condition of severe housing deprivation, is a matter of concern of the Veneto Region with regard to 6.7% of the population, equal to 328 thousand people living in overcrowded and inadequate housing because of structural, humidity or luminosity problems.

The situation in the Veneto Region, which is getting worse over time (5.9% in 2008), is better than the national average (8.9%), but worst with respect to the UE (5.5%), especially considering that the Union is composed of 15 countries (3.4%).

In Italy and in the Veneto Region, almost all houses have indoor toilets and a bathtub or shower, which is not always the case in all the European countries that have major problems of humidity and some structural problems but also insufficient space.

Young adults, couples with dependent children, single-parent families, people with low educational qualifications and people who live in rented or dated homes suffer the most from precarious housing problems. Among those at risk of poverty, the percentage rises to 14.3% for the Veneto Region and 16.1% for Italy, and among those who are in material deprivation it is 19% for Veneto Region and 19.5% for Italy.

Among the most severe forms of precarious housing,

Home Evictions for rent arrears have grown

is the risk of being evicted from the house and not being able to find new accommodations.

The threat of eviction is a situation of extreme vulnerability, as it has serious implications for the way of life and future plans of a person and the family. It involves changes that may not always be welcome, especially when there is no adequate support and guidance.

In recent years, rents have grown considerably, especially in large urban areas and if that is summed up with the difficulties brought about by the crisis, it is evident that the rent affects more and more the family budget and so it is easy to predict an increase in evictions for rental arrears.

In the Veneto Region the situations of families that rent a home is not the most optimistic: in 2012 there were 4,531 eviction orders, one out of 452 resident families, in 96% of the cases because of rental arrears.The phenomenon is on the increase: about 1,700 cases with respect to 2007 (+60%) and up the previous year by +6%.

Tackling the homeless problem is also a priority: not to have a roof over one's head is a condition of maximum poverty, social exclusion, extreme marginality, and an unacceptable violation of human dignity, also because the right to housing is fundamental in enjoying many other rights including those political and social.

According to the research "Give a Name to the Invisible" promoted by the Ministry of Labour and Social Policy, and the Italian Federation of the Homeless (fio.PSD), Caritas Italy and Istat, the homeless in the months of November and December 2011, have eaten at least once in a soup kitchen or slept in night shelters in the 158 Italian municipalities which surveyed 47,648 homeless, 20% live in the northeast, and in the Veneto Region there must be about 3,700 homeless persons.[14]

Tab. 3.2.8 – Indicators of poor housing. Veneto Region, Italy and EU27 – Years 20007 e 2012

	Veneto Region		Italy		UE27	
	2007	2012	2007	2012	2007	2012
% of persons living in one house with problems of : (a)						
Lack of internal toilet	0,3	0,1	0,2	0,4	4,1	3,1
Lack of bath tub or shower	0,2	0,1	0,3	0,5	3,6	2,8
Poor lighting	6,0	5,4	8,3	8,8	8,2	6,8
Damaged roofs, ceilings, doors or humidity	28,6	23,0	21,1	23,2	18,0	15,5
overcrowding	14,9	17,8	24,4	25,0	18,8	17,0
% seriously homeless persons (a))	5,6	6,7	7,3	8,9	7,2	5,5
Number of provisions issued for eviction	2.833	4.531	43.869	67.790	-	-
% Number of provisions issued for eviction for arrearage	83,7	95,5	77,4	88,9	-	-
Average number of families issued with eviction provisions	676	452	545	375	-	-
Number of homeless persons (b)	-	3.700	-	47.648	-	-

(a) Last year 2011
(b) The survey was conducted in 2011. For Veneto Region, the estimate is based on the weight of the population of the Veneto Region in North-East regions.
Source: Veneto Region - Regional Statistics System Section on Istat data, Ministry of Interior, Ministry of Labour and Social Policies, FIO.psd,

[14] The estimate is based on the weight of the population of the Veneto Region in North-East regions.

Over 40% live in the streets for over a year and 15% for more than four years; 63.9% owned a house where he lived with his family.

Becoming homeless is often the final state of a process of social exclusion which events may trigger: first the loss of a job, often with the separation from a spouse and poor health. In this, the crisis has certainly contributed in enlarging it all the more: 62% of the homeless have lost their stable jobs as a result of a layoff or the closure of a company, for the failure of their own company or for health reasons.

Even in the absence of a structured system of policies against exclusion, there is still a part of the country that tries to create opportunities for the homeless: according to the same study, there are 263 service centres in the Veneto Region; facilities to support basic needs which are used by 76% of the homeless population of the Veneto Region while measures to help them overcome their emergency status and social reintegration (9%) are still lacking.

Investing in competence, in the education and permanent training

To sustain economic growth and reinforce social cohesion the growth of human capital is essential. Investing in the improvement of the quality of the system of education and training is a strategic objective for the development of a country and is the key to major benefits and possibilities, not only for young people, but with a view to improving the quality of employment and social inclusion; less qualified personnel will find themselves in disadvantageous conditions throughout their lifetime with regard to employment opportunities and are at a higher risk of remaining marginalized.

Moreover, while analyzing the rates of employment and unemployment, the level of education possessed significantly affects the probability of being employed and in controlling the risk of loss of employment.

In this sense, among the priorities to be undertaken even in the new programme cycle are the following: reduce the number of school dropouts and early training failures, improve the key skills of the students, raise the level of instruction of the adult population, improve school environments and the quality of the facilities and education by using new technologies and qualifying technical and vocational training, improve the skills of the workforce and facilitate mobility and employment and reinsertion in the workforce.

Academic Success

Improving academic results is consistent with both the European objective and intelligence growth, because they are aimed at the advancement of the levels of competence, and increases integration into the workforce. For the two targets in the field of education, combating early school dropouts should be reduced to 10% by 2020 and the number of graduates aged 30-34 should be increased to at least 40% in these 10 years to reflect this aim.[15].

Although Italy remains one of the countries with the most number of school dropouts and the lowest rate of graduates aged 30-34, in the last 10 years progress is being made by registering a steady growth in the field of education. In fact fewer and fewer students abandon their studies too early, from 23% of 2004 to 17.1% of 2013, and there are more graduates, 15.6% in 2004 and 22.4% is the estimate for 2013.

In Veneto Region, the number of students that leave school prematurely is even lower and comes close to the European target of 10.3% in 2013 against 18.1% in 2004, but there is still much work to be done regarding raising the percentage of university graduates aged 30-34 which is barely 19.1%.

Reduce early training failure: Veneto Region is very close to the European target but…

… much has still to be done in raising the number of graduates

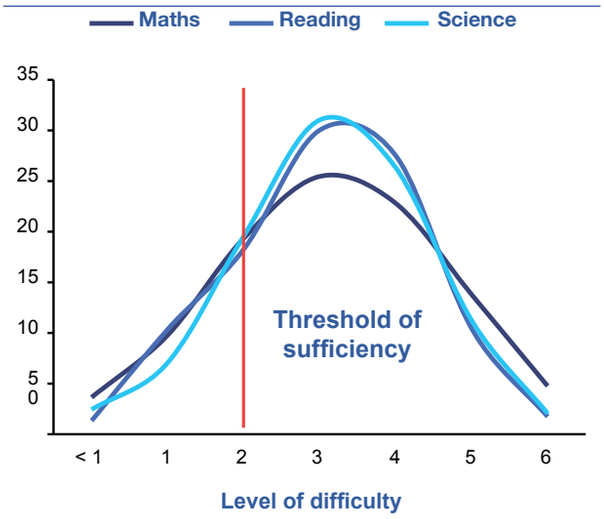
It must be said, however, that since the Italian regions have low percentage of performance, the government has set a more realistic target to be achieved by 2020 approximately 26-27% for graduates and 15-16% for dropouts.

More Competent Young People: the Foundation of the Country

With regards to improving the students' skills as mentioned in the European strategic objectives, improving basic skills in reading, mathematics and science which are structural components of "learning to learn" allows the person to acquire key skills useful for learning autonomously and for better opportunities in the working field. To this end, the European target has been set for the number of students having insufficient results in i reading, mathematics and science to fall below 15% by 2020.

[15] An allusion to these two targets can also be found in the first subchapter.

Fig 3.2.24 – Percentage distribution of Veneto students aged fifteen by level of difficulty reached per subject-Year 2012



Source: Processing by Veneto Region – Regional Statistical System Section on OCSE PISA 2012 data

According to the international survey initiated by PISA16 and promoted and conducted by the OCSE, which allows to verify in what measure the fifteen-year-old students have acquired these essential skills so as to play an informed and active role in the society, in 2012, the students of Veneto Region had one of the most brilliant results in all three subjects (literature, mathematics and science).

In 2012, the majority of students from the Veneto Region far exceeded the "passing" score in all three subjects assessed and with respect to the Italian average, there were lesser students with grades below the passing score in all three subjects and many more students with a high level of preparation

In addition, Veneto Region had already reached the European target in all three key competencies: only 13.5% did not get a passing grade in mathematics, 11.8% in literature and 9.6% in science. However, Italy was far behind the objectives set and rates registered were from 19 % and 25% [17].

Good academic preparation for the students of Veneto Region

The more People are Educated, the more in Step with Society's development

Learning throughout life, learning from experiences of life, and continuous growth are essential not only for competitiveness, employment and economic prosperity, but also for social inclusion, to be active citizens and for the fulfilment of oneself. These same adults who hone their skills will be more motivated in their jobs and this will benefit them and the community.

Among the useful indicators to measure this phenomenon is the European objective strategy on the updating and improvement of adults' skills: to provide permanent training for at least 15% of adults in the 25-64-age bracket by 2020.

At the European level, we are still far from achieving the target set: in 2013 the UE28 registered a value equal to 10.4% of adults in the 25-64 age bracket, who participated in education and training activities. The Nordic countries, first and foremost Denmark, did better with 31.4%; the quota registered in the Eastern countries, except for Czechoslovakia, was low. Even in Italy the values were not very promising: it has remained around 6%. In line with the national average, the situation in the Veneto Region in 2012 is 6.2% of the total adults to be trained. The situation has been better in the autonomous province of Trento that excels with a value equal to 10.1%.

A Safer and More Attractive School for major Academic Success

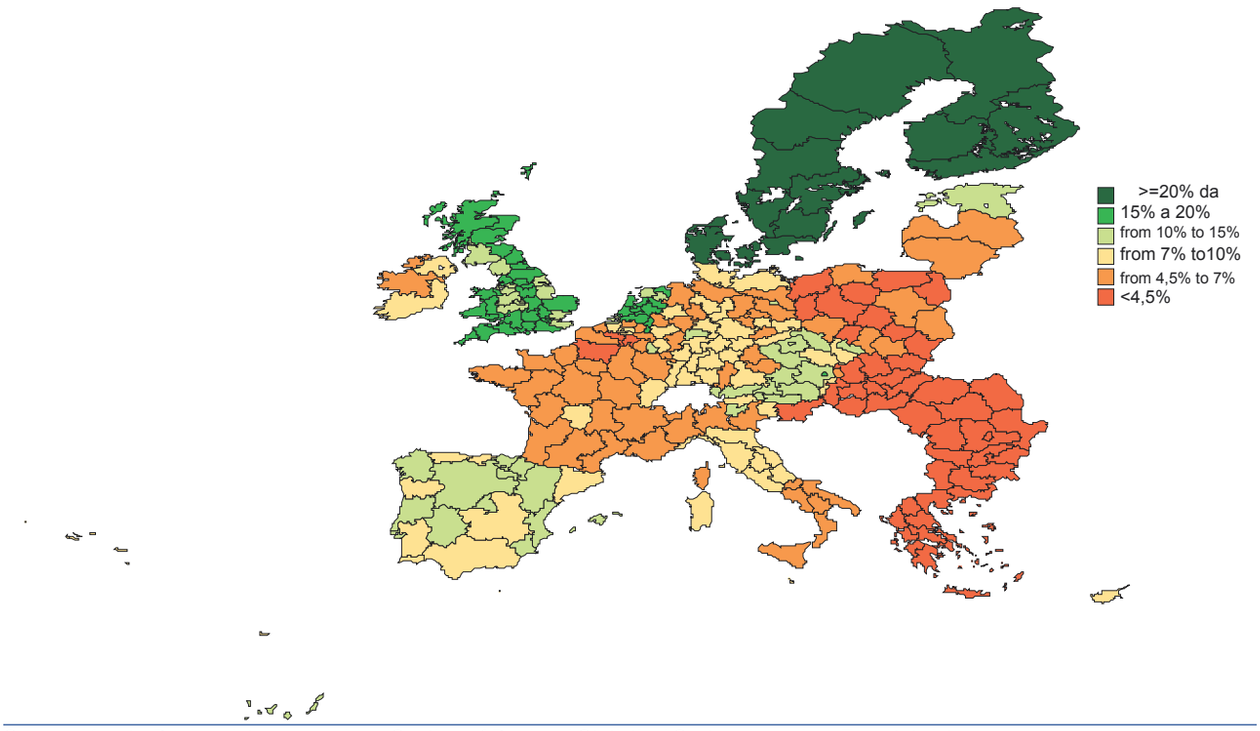
Particular importance is given to improvement of the security and the enticing aspect of the school environment aimed at increasing the propensity of the students to remain in school. Security, accessibility, creation of an environment suitable for welcoming the new teaching methods for multimedia and laboratory education, are fundamental elements that affect positive school life experiences.

According to the 2nd Tuttoscuola Report data on the quality of education, on the basis of the MIUR (Ministry of Instruction of Universities and Research), in 2010 in Italy, 29% of school buildings were in good order regarding fire safety standards certificate, 35% conformed to hygiene standard and 44% conformed to static standards: in Veneto Region the quotas are higher and amount respectively to 33%, 40% and 51.5%. Friuli Venezia Giulia is the region with the highest percentage of school buildings conforming to fire safety standards, while Emilia Romagna excels in the other two areas.

[16] The survey OCSE PISA (Programme for International Student Assessment) for 15-year-old students of 66 countries, of which 33 from the OCSE area many who have chosen to join as partners.

[17] More information on this can be found in chapter 9 under the heading, "The Good Skills of our Young People".

Fig. 3.2.25 – Percentage of population in the 25-64 age bracket that frequented a course of study or vocational training



Source: Veneto Region data processing - Section of Regional Statistical System based on Eurostat data

With regards to fire regulations, it is appropriate to clarify that the condition necessary to obtain this certificate is to comply with the requisites and the lack of compliance to even only one of the requisites will result in the failure to obtain the certificate. It must therefore be said that, according to the latest updates of the School Building Registry of the MIUR, in the absence of this fire prevention certificate, in the Veneto Region over two thirds of the schools own a fire-fighter water system, a declaration of conformity of the electrical system and are equipped with an alarm system, more than half of the schools have external fire escapes and almost all are in possession of portable fire extinguishers and safety signs.

For many years now, much work has been done to integrate students with disabilities in school.

There are still many schools with accessibility barriers for the disabled

Once again the Southern part of Italy holds the record for the most number of schools with great difficulties, but throughout Italy many barriers for good accessibility for these students still remain. In the Veneto Region in the 2012/2013 school year, 34% of primary schools had internal and external accessible paths (between 33% and 36% in the middle schools) against 28-30% of Italy's middle schools (27-29%). Eighty percent of elementary schools in the Venice Region have staircases according to the law and 83% have adequate sanitation – 88% and 84% for middle schools, respectively – all values higher than the Italian average.

Technology facilitates academic inclusion but it is not used often enough

Technology plays a key role in the integration process at school for disabled students as computer workstations have adapted to these pupils so as to facilitate teaching.

Unfortunately there are still more than a quarter of primary schools, and not far behind the middle schools, that do not have computer workstations adapted for disabled students. Veneto has the lowest percentage among the Italian regions: 64% of elementary schools against 83% of Emilia Romagna (first in the list) and 72% of the middle schools against 83% of Liguria, Marche and again Emilia Romagna.

More generally, considering all the multimedia facilities in schools used for education, in the school year 2013/14, 78% of the laboratories in Italy are linked to a network and more than 56% are equipped with a projector or interactive whiteboard: 77% and 49% for Veneto, respectively. The ratio of students/computer and in the last year, for one PC there were 5 students in the upper secondary school and 9/10 per computer in the middle school.

Strengthen the Institution's Capacity and Promote an Efficient Public Administration

Among the aspects that determine the institutional and administrative capacity of the public administration, as well as the quality of human resources, the characteristics of the organization and the soundness of the performance of management systems is the digitalization of local agencies, which plays an important role. The Code of the Digital Administration (CAD), ap¬proved with the Legislative Decree no. 235/2010, starts right from the assumption that the digitization of the public administration can be an instrument of efficiency and savings. In particular, it is established that citizens and businesses have the right to request and obtain the use of information and communication technologies in communicating with public agencies and with managers of public services: the ability to submit and sign documents and to seek clarification or information via the internet thus becoming a right for the citizen and businesses and at the same time a duty for the PA.

According to the Istat survey, "Information and Communication Technologies in Local Public Administration" the tools of ICT (Information and Communication Technology) seem sufficiently widespread among the local agencies of the Veneto region. Although few agencies have a specific office, a third of the public administration has organized courses to update their own employees on the latest information technologies, which were attended by nearly 12% of workers. Compared to 2009, in 2012 less employees from local agencies participated in these courses, demonstrating perhaps less need for training that has already been met in the past.

In our region, public operators have at their disposal a good base of information technology: 90% of these have access to the internet and there are more than 104 PC desktops, 11 portable PCs and 5 mobile devices for 100 employees like tablets, smart phones and notebooks. In three years this availability has surely grown: in general in 2009 there were less than 109 devices for 100 employees, eleven less with respect to 2012.

Notable progress has also been made as regards to the technologies that can reduce the costs of the public administration. Almost all the agencies are equipped with certified electronic mail that allows you to give legal value to sending and delivery of electronic documents. The Voip technology has instead grown by about 11 percentage points in only three years, going from 18% diffusion among local agencies to almost 30% in 2012. This type of device allows you to convert the voice signal in a digital signal using the internet to make and receive calls rather than the telephone network, with substantial reduction in the cost of phone calls anywhere in the world.

More and more Local Institutions make use of e-Procurement

With e-Procurement, it is possible to buy goods and services via computer: local agencies are using this set of technologies with increasing frequency (from 29% to 43%), reducing time and costs of the transaction.

A third of the Local Institutions allow users to complete entire bureaucratic procedures on line

Other benefits for pubic administration are derived from open source solutions and technologies for e-learning: the former grew by almost 10 points, while the latter remains almost stable. From the point of view of the services offered to the public, all local public administrations of the Venice Region are equipped with their own web sites even if they differ in levels of accessibility. Almost all the web sites allow you to view and acquire information and download forms but only half are predisposed to forwarding the said forms. In addition, a little less than a third of local agencies permit its clients to initiate and conclude via internet the entire procedure for the service requested.

Tab. 3.2.9 – Indicators relative to the instruments and services ICT (Information and Communication Technology) of the local Public Administrations, Veneto Region – Years 2009 and 2012

	2012	2009
ICT IN THE ORGANISATION		
Agencies With offices independent internal informatics	18,3	24,2
Agencies that have organised an ICT training course	33,2	24,3
Employees who have attended ICT training courses	11,9	14,0
ADOPTION OF BASIC TECHNOLOGIES		
Employees with internet access	90,1	85,9
PC desktops per 100 employees (in 2009 PCs per employees)	104,2	108,8 (a)
PC laptops per 100 employees	10,7	
Other mobile devices per 100employees (tablet, smartphone…)	4,6	
THE ICTs THAT CAN REDUCE PAL COSTS		
Agencies with electronic mail with PEC	99,8	78,5
Agencies with Internet that use VoIP	29,4	17,7
Agencies that have purchase using e-Procurement modes	43,5	29,0
Agencies that use solutions like Open source	75,7	65,8
Agencies that use e-learning	13,3	10,0
SERVICES OFFERED BY PAL		
Agencies with websites like:	100,0	100,0
View and/or acquisition of information	96,9	92,2
Acquisition (download) of forms	91,4	82,6
Online sending of forms	50,5	20,0
Starting or concluding services requested via telematics;	29,8	10,2
Agencies with websites that allow online payment	22,8	19,0

(a) This amount refers to the total number of PCs per 100 employees
Source: Processing by Regione Veneto – Regional Statistical System Section on Istat data

This has increased in a significant manner in the last three years, passing from 10% to 30% of agencies that permit you to close an entire transaction via the Internet. To this we add a further 23% of local administrations that allow you to pay taxes and other duties online.

The comparison between the performance of 2009 and that of 2012 shows that the public Administrations are counting on the new information technologies to increase their institutional capacities and improve procedures efficiently. However, the growth margins are notable although there are difficulties and obstacles.

According to the local agencies the most difficult barrier to overcome for the diffusion of ICT technology are the high costs and the lack of qualified personnel. These are not always considered useful for the improvement of administrative procedures: just over 40% of administrations have found an effective reduction in the duration of the proceedings, while less than a third experienced greater integration between other sectors of the same agency, an increase of employee skills and the improvement of the actual procedure.

At what point is the Veneto Region, with respect to the goals of Europe 2020 Strategy?

As for indicators related to smart growth, the Veneto Region has more than doubled its spending on R&D, showing a strong growth in investment especially by businesses; there have been improvements in the academic success because fewer and fewer students drop out of school but there is still much work to do to raise the level of college education.

Regarding sustainable growth, the only data available for the Veneto Region refers to the quota of renewable energy which in 2010 was equal to 7.1%, not far from the objective to be achieved by 2020 which is 10.3%, a value above the 4.8% originally planned and gives hope for future developments even if it should be stressed that the intensification of the crisis has decreased the final consumption thus contributing also to the increase of the indicator.

Finally, as for inclusive growth, higher levels of employment contribute to the reduction of poverty. In the Veneto region, although employment has decreased, it has remained among the leaders with a rate of employment among the highest in Italy (for years, the Veneto Region has already reached the national target of 67%-69%) and has the number of people with the risk of poverty or social exclusion among the lowest.

What are the possible main themes of the new programming cycle?

The new programming cycle of European funds 2014:2020 is a fundamental challenge for Italy to launch its own course in terms of sustainable growth and competitiveness. Therefore an intense concentration of European resources is necessary to integrate its anti-recessionary orientation to support socio-economic development with objective strategies. In particular, funds should be used more efficiently and effectively in promoting jobs, quality of education, training and human resources, consolidation and rural development support to SMEs, innovation, internationalization, quality and environmental protection, digitalization, sustainable mobility, and fighting against poverty.

Higher levels of education favours employment and social inclusion

In the Veneto Region the levels of carbon dioxide emissions dropped by 10%

Minors and large families are more at risk for poverty and social exclusion.

ICT, positive steps forward: Broadband reaches 3 out of 4 families in the Veneto Region, 30% of PA offer services entirely online.