



Priority 1: Learning region and economic competitiveness

The objective of Priority 1

- **Build an innovation- and knowledge-based CB-economy, based on cultural heritage and social inclusion**

The strategy of the priority 1 is focusing on the development of an internationally orientated, innovation and knowledge-based regional economy, which stimulates learning, cooperation and innovation as the most effective factors to respond to the process of globalisation. Overcoming the barriers to intensification of cooperation in the field of research, development and innovations raised by the existence of national innovation systems will enable in long-run to create a cohesive learning region with its own innovation system and its own identity. The flexible and at the same time sustainable cooperation networks should contribute to the achievement of synergy effects. The creation of integrated cross-border labour markets, in which the supply match with the demand of the regional labour market determined by new skills and competences will need an enhancement of the adaptability and the qualifications of labour force in the region. Promotion of the knowledge based economy brings new requirements toward human resources/human capital therefore a special attention is paid to early identification of the changing needs of the labour market. Since educated and competent population is able to better exploit the advantages of knowledge-based society, the access to quality education must be provided to all age and social groups of the society to allow them equally participate in the economic and social life.

The border region provides good opportunities to utilise the concentration with the critical mass of the research and development facilities, universities, education centres, technological and commercial expertise and innovation oriented/innovative SMEs and turn it into its comparative advantage.

The **strategic profile** of the main interventions in **priority 1** can be summarized as follows:

- Strengthen the innovative capacity of SMEs in all economic sectors
- Support the expansion of RTD-infrastructures and activities (inside and outside of universities), and the increase of the regions' innovative capacity
- Effectively link the various elements of the CB-regional innovation-system and provide for knowledge transfer
- Promotion of information society, effective use of information and communication technologies
- Develop strategies and instruments for the integration of cross-border labour markets
- Focus on the human resource development on innovation strategies with respect to knowledge resources from both sides of the region
- Increase female participation in economy and social/political life
- Strengthen CB-cooperation in cultural and social projects
- Intensify the cooperation in cross-border tourist development and marketing
- Establish and strengthen existing CB-cooperation networks and structures

The quantified targets of the priority are presented in the chapter 7.



The indicative list and description of actions to support development in the AT-SK border region (as included in fig.3, above) under the priority 1 – Learning region and economic competitiveness can be described as below:

A1.1 Cross-border SME cooperation, cooperation in RTD

The aim is a creation of favourable environment for business activities of SMEs and support to effective cooperation as important preconditions to establishment of well functioning regional structures of SMEs. Improvement of the production, dissemination and use of new knowledge by small and medium enterprises is instrumental to increasing their competitiveness in the national and global markets.

The services offered to SMEs located in the border region will respect the characteristics of the regional economy, individual sectors on one hand and the specific needs of companies in the wider international context on other. The identification, establishment of working relations and development cooperation of complementary companies will be promoted. The ultimate objective is to support development and strengthening of existing networks, structures and clusters of small and medium enterprises contributing to enhancement of regional innovation system. The access to higher quality information, counselling and advisory services specifically related to active involvement in the innovative processes taking place in the region and uptake of innovations provided to small and medium enterprises will also improve their competitiveness of SMEs.

The capacity of private and public organisations to successfully engage in the learning process is considered as one of the most crucial components to enhancement of the economic performance in the knowledge based economy. Therefore, activities bringing together the relevant actors (private sector, universities, research institutions, innovations centres, technology transfer centres, science and technology parks and local/regional authorities) oriented on integrated problem solving and organisational learning will be supported.

The aim of the activities concerning RTD-cooperation and business innovation is to promote cooperation in the various fields connected with knowledge and innovation, as there were: R&D, technology, education, culture, design, etc.

Cross-border activities and international economic activities should be supported and facilitated in order to respond more effectively to the technological changes. Strengthening these activities will increase the international scope of small and medium-sized enterprises and improve their competitiveness in the global economy.

In order to be able to operate with the fast-growing operational fields within the new Europe the knowledge base and innovative capacity of enterprises, research and educational institutions has to be strengthened through a closer interaction (with a special focus on the requirements of micro, small and medium-sized enterprises). Networks and clusters represent efficient instruments to increase the competitiveness of SMEs and provide a relatively high flexibility in terms of actual form and composition.

They shall strengthen and support co-operation in growth markets by the initiation of co-operation, establishing networks of existing expertise and support on the development of projects by information, marketing and co-operation services. Additionally the strength of clusters lies in bringing together enterprises of divers, potentially symbiotic fields and sectors. Both, networks as well as



clusters in order to function properly, must bring together not only all relevant partners, but also ensure favourable quality of relations and interactions.

A1.2 Cultural cooperation and cooperation in tourism

Culture has become an increasingly relevant factor with respect to the development of employment, urban restructuring and as impulse for various sectors of production and services. Activities in this field are meant to support the role of the cultural field as part of a democratic development of the EU, enabling the creation of common cultural initiatives but also critical public forums. This involves a proactive approach to (cultural) diversity, tolerance and conflict prevention and actively dealing with issues of social change, knowledge society, education, migration and globalisation. The area of culture also provides a wide range of opportunities for increasing the cooperation in the border region and is closely related and complementary to interventions in other fields, e.g. education, human resources development, and tourism.

The aim is to bring the communities from both sides of the border closer through discovering other's culture and cultural values. It is expected to foster the mutual tolerance, principles of multiculturalism and acceptance of minorities as important components of knowledge-based and open-minded society dealing with cultural diversity. The emphasis will be put on the intensifying the cooperation and links between the organisations actively working in the field of culture addressing the wide range of target groups of the border region. Specific attention deserves the creation of sustainable cultural networks and platforms including public, semi-public and private institutions able to provide high quality products and services in the long-term perspective.

The exchange of information, experiences and transfer of know-how (in the field of management, competences and innovative approaches, etc.) between the cultural organisations and operators has an important role in the development of capacities in this sector. The existing needs of the organisations can be also addressed through complex information and advisory services offered to the organisations and institutions active in the field of culture. The emerging integrated (cohesive) Austrian-Slovak border region evokes the need for formulation of common strategies and policies to effectively respond to the challenges of the global economy also in culture. The main criterion should be the sustainability of the operations based on the well defined concept.

Referring to the importance of tourism within the region and the broad range of existing tourist and leisure facilities, **cooperation in tourism** is seen as a basis for developing cross-border activities. However, the border region still provides opportunities for better exploitation of the tourism potential, which represent an important challenge from perspective of the cross-border activities.

The vertical and horizontal extension (widening and deepening) of the cooperation will bring new opportunities to offer new and higher quality products meeting the changing needs and requirements of the clients. The close cooperation and networking will be central to development of common strategies for promoting the border region and its locations as attractive destinations. The common destination marketing will be oriented to potential clients outside of the border regions as well as inhabitants of the region.

The complementary activities will focus on the further development of tourist and leisure facilities in the region (e.g. interregional cycle routes, boating activities). Additionally, the promotion of cultural heritage including the sites renovation will be supported, however the activities will have a pilot character and should demonstrate its compliance with the respective development strategy.



A1.3 Education and qualification, integration of labour markets

The building of a CB-learning region as a key element on the way to integrating cross-border labour markets and economic relations should be promoted with special emphasis on

- the establishment of intensive exchange linkages, as well as
- preparatory strategies for the suspension of the transitional provisions for the new Member States in Austria.

The innovation and quality-oriented economic development strategy also requires a significant increase in the operative qualification of the labour force. Additionally the development of the knowledge potential of both genders has to be taken into account, meaning the regional implementation and consistent application of the principle of equality between women and men as a resource for economic development.

The situation on the regional labour markets, with an expiring of the transition provision for the new EU member states (2009 or 2011), is marked by a high overall sensitivity. Related issues, like a joint labour market policy (including social insurance), require an intensive cooperation in preparing common labour market policies. The attempted smooth integration of labour markets without unfavourable major imbalances on supply and demand side of the border labour market calls also for close cooperation in the field of education and qualification. The following factors need to be taken into account:

- high concentration of the economic activities in the capitals surrounded by less economically active areas (agricultural/rural areas),
- remaining high wage differences (gaps),
- mobility of the labour force, close distance and good accessibility.

The gradual integration of the labour markets will require a functional system of monitoring and assessment of the labour market needs (current and future) and impact assessment on the removal of barriers.

Human capital is an important component of the learning region/knowledge-based region. Only permanently learning population will be able to effectively respond to the requirements of innovation oriented companies that operate in highly competitive environment. Therefore, it is necessary to strengthen the cooperation in field of education and qualification. It should result in identification of barriers to closer cooperation in this field and strategies to removal of barriers as well as development of appropriate forms of cooperation in the relevant fields (e.g. content-curricula, strategies and methods, competence profiles, desired skills, etc.) contributing to promotion of knowledge-based border region. Within the supported activities, the priority should be given to cooperation between tertiary education institutions and between these institutions and relevant partners (business associations, trade unions, other education and qualification providers), however including also secondary schools. In turn, it is expected that access to a quality education, mainly on tertiary level, will have a positive effects on the economic performance and growth, but also on promotion of entrepreneurship.

A1.4 Social dimension of integration (social and health services)

The field of **social cooperation** is assumed to be of increasing importance, especially in terms of the development of health care cooperation, but also referring to the cooperation of institutions for



childcare, schools and universities. Economic and social integration of the border region puts emphasis on intensive social co-operation in a wider context, also including cross-border activities for and by ethnic minorities. The objective is to support co-operation and exchange of information and best practices between the relevant partners.

To encourage cross-border cooperation it is necessary to establish structures, know-how and organisations facilitating the activities of enterprises, local governments, NGOs and other non-profit organisations who want to be active with respect to both parts of the border region.

The co-operation and organisational structures serve as a backbone to the initiation, development and maintenance of cross-border co-operations and initiatives. The purpose is to establish demand-driven organisational structures which support the strengthening and further development of already existing and well functioning institutional structures into a cross-border dimension.

Priority 2: Accessibility and sustainable development

The objective of Priority 2

- **Develop the region's natural attractiveness, its accessibility and infrastructure based on the principle of environmental sustainability**

The phenomenon of globalisation increases pressures on the locational qualities of regions. Integrated development strategies focus on the need for cooperation of key stakeholders of the regions and on critical factors for regional competitiveness (attractiveness) such as transport infrastructure, protection of environment and landscape, risk prevention, etc.

The improved (internal and external) accessibility of the AT-SK-CB-region through planning and project development in transport infrastructure is an important precondition for its further economic integration and development. To achieve this objective, increased capacities and effective management of the transportation infrastructure will be vital. In a mid-range perspective, the improvement of regional accessibility also will provide the basis for substantial re-orientation for infrastructures in the future.

There are strong links and interconnections between the quality of environment and the economic development, therefore the emphasis within the second priority will be given to achieving synergies. There is evidence that sustainable development – balanced economic, social and environmental development – is a common feature of those regions which are most effectively utilising knowledge and (technological) innovations.

The strategy of priority 2 therefore is focused on the development of competitive locational qualities in the newly forming European CB-region. The strategic profile of the activities in priority 2 can be summarized as follows:

- Contribute to the creation of attractive living conditions and a high quality environment
- Improve CB-accessibility, transport organisation, sustainable logistics
- Implement the polycentric model of urban-rural-development as guiding principle
- Create attractive, compact business locations with excellent transport access
- Increase energy efficiency and renewable energy production



- Protect important elements of a joint natural and cultural heritage, co-operation in the management and use of natural resources
- Improve regional cooperation processes and structures and CB-regional governance

The quantified targets of the priority are presented in the chapter 7.

The suggested activities in priority 2 – Accessibility and sustainable development are supposed to bring about the strategic development of the AT-SK border region (as included in fig.3, above) can be described as follows:

A2.1 Transport and regional accessibility (planning, transport organisation, logistics)

These activities contain the organisation and harmonisation of the planning of transport infrastructure and logistics in order

- to promote the improvement of environmental qualities and
- to provide improved traffic links within the region and with other Member States.

The common activities should improve the overall management and organisation of the transportation within the concerned region.

The improved accessibility of the cross-border region will facilitate:

- intensification of economic relations
- better connection and access to results of R&D activities
- involvement of additional partners in the networks, clusters and development structures
- reach out of the “spread out” effect of knowledge-based economy
- transfer of innovations and know-how
- increased mobility of the labour force.

The common approaches in the field of logistics aim at the more efficient use of existing capacities and the exploitation of new opportunities in the border region.

The supported activities in the field of transport concern the planning and design of roads and bridges, railway and water transport infrastructures in joint, CB-procedure. Ultimately, if financial resources are available, the support of pilot projects and important construction activities may be included.

In addition to the cooperation in the field of planning and organisation of transport infrastructure, particular attention with regard to the overall programme objective will be given to the use of information and communication technologies (ICT), since the appropriate use of ICTs are a powerful lever to improving productivity levels and competitiveness of regions. The building of a learning cross-border region provides new opportunities for the better use of ICT and for common development of activities (even strategies) in the transformation process.



A2.2 Sustainable spatial development and sound regional governance

In accordance with the model of polycentric development, which is supported by the European Spatial Development Plan (ESDP), the development of attractive business locations, research and technology facilities etc. will be a contribution to the compensation or adjustment of existing regional economic disparities.

This aim should be reached by a common cross-border perspective of spatial planning, to enable the integration of cities and regions across the border as well as better connection of the urban centres with peripheral areas. The intensified links between the centres of economic activities and surrounding rural areas in many cases still with significant importance of agriculture is also an instrument to a more effective spreading and distribution of gains (benefits) of the knowledge-based economy. Such an approach can have a preventive function in terms of deepening the social disparities between the urban and rural areas and contributes to increase of quality of life of all inhabitants of the knowledge-based region.

This requires a close cooperation of the representatives of cities and regions as well as professionals in order to formulate a common development perspective of the region. The side effect of the supported activities is the development and promotion of identity of the (learning) border region. The cities play a vital part in the overall development of the regions, therefore cooperation will be supported.

It is envisaged to come to a commitment to a policy of integrated and sustainable spatial planning through the close linking of regulatory policy approaches (spatial planning) and innovation and process-oriented instruments of regional development. To enable a fruitful and proactive further regional development it is seen as essential to develop and implement modern governance strategies in a cross-border/international context.

A2.3 Cooperation and joint management of protected areas

To enable a simultaneous protection and utilization of natural resources, the preservation and utilization of cultural landscape values it is necessary to develop or to provide management concepts and steering measures concerning cross-border/international planning and harmonization.

The trans-national character of the environment (not respecting the state borders) and cross-border impacts of economic activities call for cooperation between relevant partners on both sides of the border in order to develop a sound system for management of natural resources.

The supported activities should in general focus on the strengthening the cooperation and creation of sustainable networks responsible for protection of the protected areas within the border region. However, the existing international treaties and specifically EU legislation in the field of environment serves as basic regulatory framework for both countries, there are still significant differences in the applied approaches, instruments and methods. The challenge of building cohesive border region with its own development strategy calls also for more tight cooperation in this field in order to ensure the common standards in management of the protected areas. Therefore, the cooperation should be organized around:

- exchange of relevant information and data, comparative studies
- exchange of good practices and approaches proven to be effective,



- support in implementation of the new standards and instruments into the practice,
- assessment of cross-border impacts on environment, specifically protected areas and development of common approaches to minimize the negative impacts,
- identification of further opportunities for coordinated actions and their exploitation,
- common management, monitoring, reporting, marketing of protected areas,
- environmental infrastructure of the protected areas,
- increasing the public awareness.

The specific attention need to be paid to the network of NATURA 2000 areas including the Special Protection Areas and Special Areas of Conservation as the environmentally the most precious areas.

A2.4 Energy efficiency and renewable energy sources, environmental protection, risk management

The economy of the border region is, however with substantial differences between individual parts of the region, still highly dependent on the traditional energy sources. The intensive use of the energy and dependency on it can be significantly reduced by the improvement of energy efficiency and by the development of renewable energy sources.

The supported activities will therefore focus on the improvement of the energy efficiency of the cross-border region, facilitation of cooperation between specialised organisations promoting and facilitating the diffusion of low energy intensity development models. Increasing the use of the renewable energy sources and its share on the overall energy consumption will contribute to the reduction of dependency on traditional sources of energy. There cooperation in these field is about to bring a significant added value in terms of positive effects on sustainable development of the regions. The aim is to increase international contribution towards the efficiency of resources and energy, such as the promotion of knowledge transfer and cooperation in the areas of research and business.

The protection of environment plays an important role in the process of transformation the border regions into competitive region based on the knowledge, information and learning. The bad situation of the environment reduces attractiveness of the region, negatively influences the quality of life of its inhabitants and in the end can prevent the region from the further economic development. Therefore, activities in favour of cooperation and common approaches in the field of environment with visible cross-border dimension and added value should be supported.

The improved protection of settlement structures and business areas from natural hazards is regarded an important general objective of the CB-programme. It should be reached through both, anticipatory planning and measures for risk prevention and risk reduction. The focus is on existing settlement areas and on harmonizing methods and measures of risk prevention in a cross-border context.