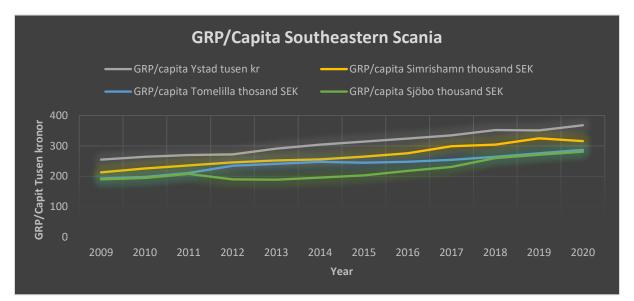
## What does EU do for me?

An analysis of the impact of EU funded projects in Southeast Scania

An analysis based on a descriptive statistical compilation of collected data has identified significant trends and progress for Southeast Scania. The article outlines the thematic focus of different projects from 2016-2024 and their impact on macro factors.

## Local trends and progress

The descriptive statistical compilation of EU-funded projects in Southeast Scania outlines a distinct shift in focus areas before and after 2020, there has been concerned efforts in recent years towards strengthening local development in rural areas and supporting small and medium-sized enterprises (SME). To quantify the impact in municipalities, differences and similarities are compared on various macro factors such as gross regional product (GRP) per capita, unemployment and employment rate. Regional growth in the form of an increase in GRP per capita and a decrease in unemployment has further strengthened the economic growth of Southeast Scania encompassing the areas Tomelilla, Ystad, Simrishamn, Sjöbo. Local trends showing a constant population level leads to the conclusion that the increase in GRP/capita is not linked to a change in the population levels. The figure below illustrates the change in GRP/capita in Southeast Scania between 2009-2020.



The Erasmus+ project stands as the EU's flagship program for education, youth, and sport. The analysis shows that the program has had a considerable impact on post-secondary education levels, particularly noteworthy in Ystad, where nearly 15% possesses such advanced educational qualifications. In Southeast Scania, Ystad has been the chief beneficiary of Erasmus+ funding, securing the biggest share of a total project grant of around 10 million SEK. An increase in the number of residents with post-secondary education provides municipalities with a higher level of educated workforce, enriched with specialized skills that fuels growth. The correlation between an elevated level of education among residents and increased Erasmus+ projects and funding are evident. Erasmus+ achieves this by giving students and staff working in the education sector the opportunity to participate in international cooperation and knowledge exchange.

## **Future actions**

So, what does the EU do for me? Quite a bit more than we might realize. The EU plays a pivotal role in fostering growth in our local communities in the form of funding that translates to increased GRP per person, creates jobs through monetary support for SMEs of two million, which has resulted in a contribution in a nearly 5% average reduction in unemployment from 2010 to 2021. Skills development, infrastructure development exemplified by the construction of fibre amounting to just over SEK 120 million in Southeast Scania. EU funding for projects in the fishing industry of around SEK 3 million, which has contributed to the creation jobs and promotion of more sustainable fishing practices. The funding highlighted is merely just the tip of the iceberg of what the EU is doing to ensure that municipalities, businesses and residents in member states thrive and are competitive. Despite commendable efforts from the EU, increased awareness among municipalities and the EU of local and regional funding needs, an annual update of collected data and increased accessibility to minimize the risk of decision-making based on outdated or incomplete information.

Below are suggestions for how funding should be allocated based on the analysis data. An increased investment in skills supply is a great need for the municipalities as the employment rate is around 80% on average in the municipalities where there has been a downward trend for a number of years. Surprisingly there have only been nine projects between 2020-2024 that focused on improving the employment rate, which is a relatively low level compared to other prominent project teams, such as rural development, where there have been more than twice as many projects. The repercussions of a low employment rate are significant, leading to a workforce not fully engaged, resulting in lower GDP as many goods and services remain unproduced in the municipality. This, in turn, diminishes the attractiveness of municipalities, leading to reduced investment.

Embracing technological innovation in Southeast Scania is crucial continued positive development, as economic growth theory states that technological development yields a scalable increase in GRP. In other words, if technological development becomes twice as good, GRP increase twofold. With larger investments of EU-funded projects in these two areas, the municipalities in South-eastern Scania can ensure heightened competitiveness and constant growth.

For those inclined to delve deeper into the article's content, the complete report written in Swedish "Value for Money" can be found here: <u>Rapport\_EU finansierade projekts påverkan i Sydöstra Skåne</u> 20240110

## Text

Richard Sabelberg, Europa Direkt Sydskåne