



EU PROJECTS FROM PERSPECTIVE OF SOCIAL INSTITUTIONS

PROJEKTY EÚ Z POHLADU SOCIÁLNYCH INŠTITÚCIÍ

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ABSTRAKT

Viac ako 99 % podnikov v Európe tvoria malé a stredné podniky (MSP), ktoré sa považujú za základ hospodárstva kontinentu. Zvýšenie konkurencieschopnosti podnikov je jedným z hlavných cieľov grantov a dotácií. Podniky však dostávajú pomoc aj v iných oblastiach. Patria sem informačné a komunikačné technológie, nízkouhlíkové hospodárstvo a výskum a inovácie. V tomto článku sa porovnávajú a využívajú osvedčené postupy na preskúmanie alternatív EÚ, ktoré sú k dispozícii žiadateľom z rôznych podnikov počas rôznych programových období.

Kľúčové slová

MSP, riadenie fondov EÚ, financovanie EÚ, NextGeneratioEU

ABSTRACT

More than 99% of businesses in Europe are small and medium-sized enterprises (SMEs), which are regarded as the backbone of the continent's economy. Increasing the competitiveness of enterprises is one of the main goals of grants and subsidies. But firms also get assistance in other areas. These include information and communication technologies, the low-carbon economy, and research and innovation. This article compares and uses best practices to examine the EU alternatives available to applicants from a range of enterprises during the various programming seasons.

Keywords

SME, management of EU funds, EU Financing, Next Generation Europe,

Introduction

The EU's ultimate goal is a Europe with strong economic growth, a competitive economy and improving environmental quality. In the period 2021-2027, in particular, new objectives - a common foreign and security policy and cooperation in the fields of justice and home affairs.

Many of its objectives have already been realised - monetary union and the introduction of citizenship of the Union. The single market is the main economic engine that allows the free movement of goods, services, capital and people. One of the key objectives is to further exploit the potential of integration to benefit all Europeans, including through financial resources.

The main role of the EU funds (European Investment and Structural Funds - EISF) is to overcome regional disparities between EU countries. This mainly means raising the economic and social level of the less developed Member States so that they catch up with the more powerful countries as quickly as possible. In this process, companies have a unique opportunity and a chance.

1. Literature Review

Regional differences in innovation have increased, and the economies of middle-class and less developed regions in the south and south-west of the EU tend to stagnate. In addition, the population of Europe is beginning to age quickly. 34% of Europeans were residents of a location whose population was decreasing in 2020.

This is predicted to account for nearly half of the European Union by 2040. The €800 billion NextGenerationEU package includes the Recovery and Resilience Facility, which provides funding for the Recovery Plan. Its launch by the end of May 2020 is meant to be the Union's reaction to the recent coronavirus pandemic-related severe drop in member states' GDP. Its primary goal is to lessen the effects of the economic and social growth (European Commission, 2023).

The foundation for the emergence of the EU regional policy is linked to several aspects such as economic, social, political and ecological, which are part of the EU regional policy in the later period (Dobřík - Rýsová, 2014).

However, what was the main objective of the establishment of the EU regional policy was to achieve an increase in economic and social cohesion, resulting in the blurring of the differences between the regions of the member countries. In other words, regional policy

support means public support for companies and business sector who decide to locate their production, enterprise in the selected area. This stimulates economic activity on the one hand and, on the other hand, reduces unemployment and social expenditure (Kapošváryová - Kreuzberger, 2000).

An invaluable factor or reason is the actual convergence of the economies of the individual EU members, which results in the necessity of a functioning monetary economy (Marek - Kantor, 2009).

In addition to the ones mentioned so far, some authors give their own divisions of regional policy instruments. For example, Vanhove and Klaasen (1987) include among the regional policy instruments:

- (a) infrastructure support,
- (b) financial incentives,
- (c) regulatory instruments,
- (d) decentralization of state authorities,
- (e) regional allocation of public investment and state contracts,
- (f) regional development agencies,
- (g) macropolicy instruments.

A comprehensive classification of regional policy instruments, combining several of the above aspects, is also offered by Maier and Tötling (1997), who take into account not only the nature of the instrument itself but also its target group, firm-oriented. Information and advice Financial incentives Infrastructure Administrative measures are one of the main motivators of Companies. Mobility Location information, regional marketing Localisation support.

Construction of economic infrastructure, supply and waste disposal, transport, telecommunications, education, research facilities, science parks, technology and business centres:

- localisation orders and prohibitions
- investment --- Investment incentives Investment regulation
- new jobs Premiums with jobs
- technology and innovation
- technology and innovation advice
- support for new technologies and R&D innovation
- regulation of new technologies
- start-ups Business advice
- venture capital

- start-up assistance
- regulation of start-ups
- co-operation Co-operation counselling Co-operation motivation
- own elaboration:based on EU Regional Economic Policy page 48.

Table 1 Regional Policy Development Aspects by SME

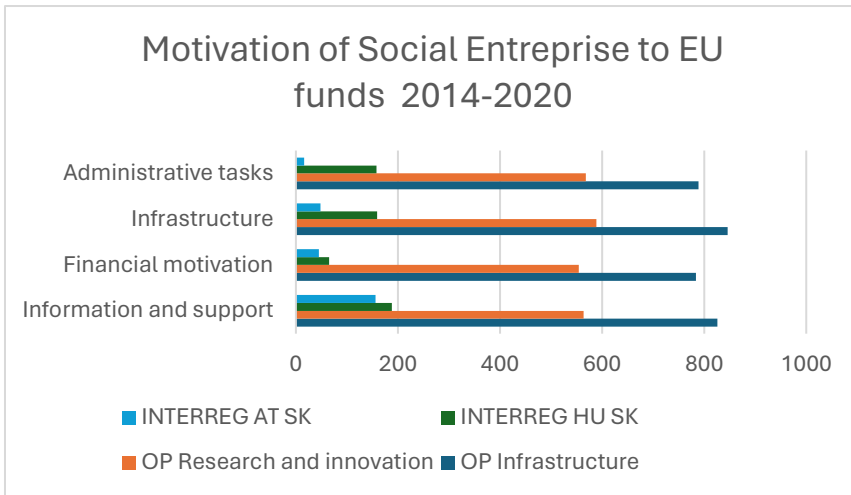
Direction-	Impact			
	Information and support	Financial motivation	Infrastructure	Administrative tasks
Small and Medium Entreprises				
Mobility	Location information, regional marketing	Localisation support	Construction of economic infrastructure, supply and waste disposal, transport, telecommunications, education, research facilities, science parks, technology and business centres	Localisation orders and prohibitions
Investments	--- Investment incentives	Investment Motivations		Regulation of investments
New workplaces	Investment regulation	Premiums with jobs		---
Technology and innovation	Technology and innovation advice	Support for new technologies and R&D innovation		Regulation of new technologies
Start-ups Business	Venture capital Start-up	Risk Capital and helps		Regulation of new business setup
Co-operation	Co-operation counselling	Co-operation motivation		---

Source: own preparation based on Pawera 2015

2. Methods and Research

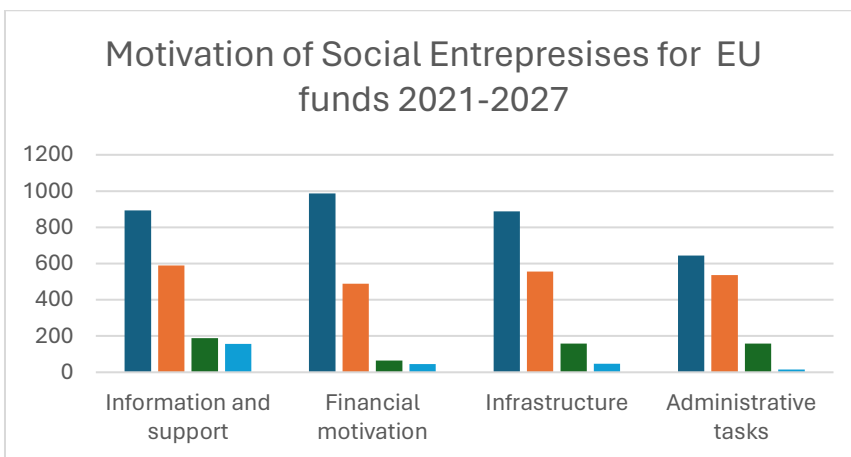
The analysing methods used are comparative methods and analytical induction of amount used for SMEs by regional development motivation. It is suggested that there is a comparison table between two programme periods and between several types of motivational issues.

Graph 1. Regional Policy Development Aspects by Motivation of Companies based on Calls and Priorities of NGEU in selected Calls for proposals



Graph 1 analyses the should also be numbered; numbers should be indicated below graphs or figures (Figure 1).

Graph 2. Graph of comparison between Social business and business support



The Operational Programme Integrated Infrastructure (OPII) has used more than EUR 3 billion from the European Union resources in the programming period 2014-2020 as of 30 June this year. This represents over 50% of their total allocation of over EUR 6 billion. Since the end of last year, the absorption of European funds in this programme has increased by almost EUR 309 million, or roughly 11.5%, and the rate by 5 percentage points. It results from the information on the implementation of European Structural and Investment Funds on the portal of the Ministry of Investment, Regional Development and Informatisation of the Slovak Republic (MIRRI).

At the end of June, after taking into account the new European legislation, the absorption of European funds in OPII amounted to approximately EUR 3.38 billion and a level of over 56%. According to this comparison, since the end of last year, the use of EU funds has increased

by almost EUR 680 million or by 25% and the share by over 11 percentage points. Co-financing of projects from the state budget amounted to almost EUR 530 million, i.e. over 51.5% of more than EUR 1 billion. The contracted EU funds in the OPII amounted to almost EUR 6 billion in the middle of the year, which is almost 99.5% of the allocation; the valid calls for projects from EU sources amounted to approximately EUR 9.56 billion, or less than 160% of the allocation. European money from the 2014-2020 period can be drawn down until the end of 2023.

As for case study of new and relevant sources we selected some of the most actual and wanted calls for proposals. A good source of business subsidies is a recovery plan. It can provide SMEs with funding to improve energy efficiency, research and development or digitalise processes and production. An important theme is linking the private and public sectors.

The digitisation of companies and the innovation of services or products is a very hot topic at the moment. From 2023, companies can apply for a digital voucher or an innovation voucher worth up to €15,000. from the Recovery Plan. At the turn of these years, SIEA plans to announce the "Green for Business" scheme, which will support the installation of renewable energy sources in companies. A subsidy of up to €50,000 in the form of a voucher will be available to small and medium-sized enterprises as well as sole traders. (Grantexpert, 2023)

An interesting option for the agro-sector in Slovakia is subsidies for farmers. Farmers and food producers can receive support for the purchase of machinery, business innovation and other areas. In the current programming period, significant assistance from grants will be channelled through subsidies for small and young farmers. Support and investment in primary agricultural production also applies to self-employed farmers (Agricultural Payments Agency,2023).

Subsidies for entrepreneurs can also include support for the cultural and creative sector. Of interest for this area are the Fund for the Promotion of the Arts, the Creative Europe programme, the Audiovisual Fund, but also various community grants from private foundations. Regularly announced vouchers are a proven opportunity, e.g.

3. Discussion

If we look at the number of implemented projects in individual operational programmes, we find that the largest number of projects was supported and financed in the Operational Programme Competitiveness and Economic Growth with a total of 2255 implemented projects. The second place belongs to Regional Development with 2110 projects implemented. The third place in terms of projects implemented was in the Operational Programme Employment and Social Inclusion with 1546. If we look at the Education Operational Programme, we find that 1 086 projects were implemented, which is fourth place. Next came the Operational Programmes Environment, Research and Development, Transport, Informatisation of Society, and the last Operational Programme in the number of projects implemented is the Health Operational Programme with 82 projects. (Kováčik, 2023)

We are still at the beginning of the programming period, during which more than €13 billion from the ESIF is coming to Slovakia. This money could also be called the new EU funds. Nevertheless, we still have several billion euros from the old programming period to spend by the end of 2023. More than 6 billion more is earmarked for Slovakia from the Recovery Plan (Trend, 2023).

What is the difference between the package of money from the EU funds and the package of money from the recovery plan? Which companies will be able to use these funds and what areas will the grants be targeted at? "The Eurofunds, properly called the European Structural and Investment Funds (ESIF), are one of the key instruments of the European Union. They are primarily aimed at levelling out disparities between regions within the Community. The Eurofunds also serve to deepen cooperation between EU Member States in tackling common problems and taking a common approach to development challenges. They operate on the principle of a multiannual financial framework and are financed directly from the EU budget." (Recovery and Resilience Plan for the Slovak Republic, 2023)

The money from the EU funds is allocated to each Member State according to where it is lagging behind in order to catch up faster with the EU average. From the total budget of the funds, each country is allocated a specific package of money based on economic indicators. These are then channelled through calls and projects, mainly (but not exclusively) to poorer and less developed regions, regions with high youth unemployment, excessive em.

Conclusion

The Recovery and Resilience Plan is the EU's joint response to the severe economic downturn caused by the pandemic. It is a package of reforms and investments to be implemented by 2026, with the key aim of improving the living standards of the Slovak population and strengthening the economy. Among other things, the plan includes measures to address the challenges of green and digital transformation (European Commission, 2023). According to the latest Cohesion Report, published by the European Commission in early February 2023, more or less the lessons of the previous period are being drawn upon. (European Commission, 2023)

However, there are still many areas that remain unresolved, as well as SMEs. Small and medium-sized enterprises (SMEs) account for more than 99% of businesses in the European Union and are considered to be the driving force of the European economy. One of the main objectives of grants and subsidies for entrepreneurs is to increase their competitiveness. However, businesses can also receive support in other areas, in particular research and innovation, the low-carbon economy or information and communication technologies, as Digital Europe is one of the main priorities of the programming period. In this article we will look at the EU's comprehensive options from the spectrum of companies as applicants by comparing the two programming periods and using examples of best practice.

There are many good examples of why SME interest in EU funds persists, and these motives can vary despite the high funding and administrative burden.

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