

Joint Interregional Analysis

Employment and green and blue jobs in outermost regions

GROW RUP

Entrepreneurship development and capacity building policies for
business creation and growth in outermost regions



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Foreword

This report aims at illustrating the potential value of green and blue economy in outermost regions presenting several best practices, initiatives and measures supporting the creation of employment in the regions involved in the GROW RUP project (Canary Islands, La Réunion, Madeira, Azores, Martinique) which could be replicated to increase green and blue jobs in those areas.

In this analysis, we will present how green and blue economy could be particularly interesting for outermost regions - and in general for islands - as living lab of innovation and sustainable development, with the idea of connecting regional and national authorities in Europe that are following the same pathway.

The goal is to provide evidences at European level about the opportunities of supporting green and blue activities and implementing circular economy principles in islands, which are territory particularly keen to become mentors of the 'closing the loop' philosophy. The other main objective is to investigate measures, policies and good practices in the field of employment creation and support which have been put in place in the partner regions and which could be applied to specific cases of green and blue economy and to the GROW RUP target group of long-term unemployed aged 30-45 years old.

We believe indeed in Europe and in the European Union as a framework that renders possible to harmonize the relations between individuals, institutions (public or private), organizations (profit or non-profit) and to foster innovation and collaboration in order to reach a well-balanced growth. In this sense, we intend to ally and innovate jointly to foster development both at local and European scale. If these seeds are nurtured in a fertile ground, the results will be undoubtedly more fruitful. This report aims at preparing the ground to activate synergies between GROW RUP project regions and possibly with other actors at EU level such as other outermost regions and other regions facing similar pathways.

Executive summary

The present report is the first output of the GROW RUP project. It provides an overview of the concepts of green and blue economy and an analysis of the state of the art of green and blue economy in outermost regions.

The report also provides a detailed description of measures, policies and programmes supporting entrepreneurship and green and blue jobs in the GROW RUP partner regions, which are Canary Islands, Azores, La Réunion, Madeira and Martinique.

Finally, the analysis includes a number of best practices selected by the partner regions that can be applied to specific cases of green and blue economy and to the project target group of long-term unemployed aged 30-45 years old. These practices will be presented and discussed with stakeholders during the interregional site visits organised in the first phase of the project to help partners draft an Action Plan tailored to their needs and interests for the improvement of their ERDF operational programmes.

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1 Introduction

The accelerating environmental and climatic changes transform our lives with radical speed. This change is becoming more and more apparent as it starts to affect the daily life of individuals, households and companies. **To adapt to these novel situations and circumstances, societies need to undertake transition processes in different levels and areas of life.** Furthermore, these transitions need to be coherent between each other and form a complex system to slow down the environmental impact and its manifold consequences.

Since 1972 and the report *The Limits to Growth* (D. Meadows et al., 1972), there has been a growing concern that an exclusively profit-driven economic growth without consequences and side effects is not viable. As an answer to this reflection, the concept of sustainable development emerged. The most common definition of **sustainable development** was formulated in the 1987 Brundtland Report (Brundtland Commission, 1987) as a ‘development that meets the needs of the present without compromising the ability of future generations to meet their own needs.’

According to this and the complex and imbricated system of environmental, societal and economic spheres, needs and limitations must be in balance. To reach balance, **the replacement of linear economy with circular one is gaining strength.** Circular economy focuses on industries, business strategies and models to design waste out from the system and the biosphere, in line with value reappraisal and creation. **The main aim of circular economy is to close the loops** (*Figure 1*). In some ways, the transition process is already in place, accompanying with new principles such as the waste hierarchy, the corporate social responsibility (CSR) or the extended producer responsibility (EPR).

OUTLINE OF A CIRCULAR ECONOMY

PRINCIPLE

1

Preserve and enhance natural capital by controlling finite stocks and balancing renewable resource flows
ReSOLVE levers: regenerate, virtualise, exchange



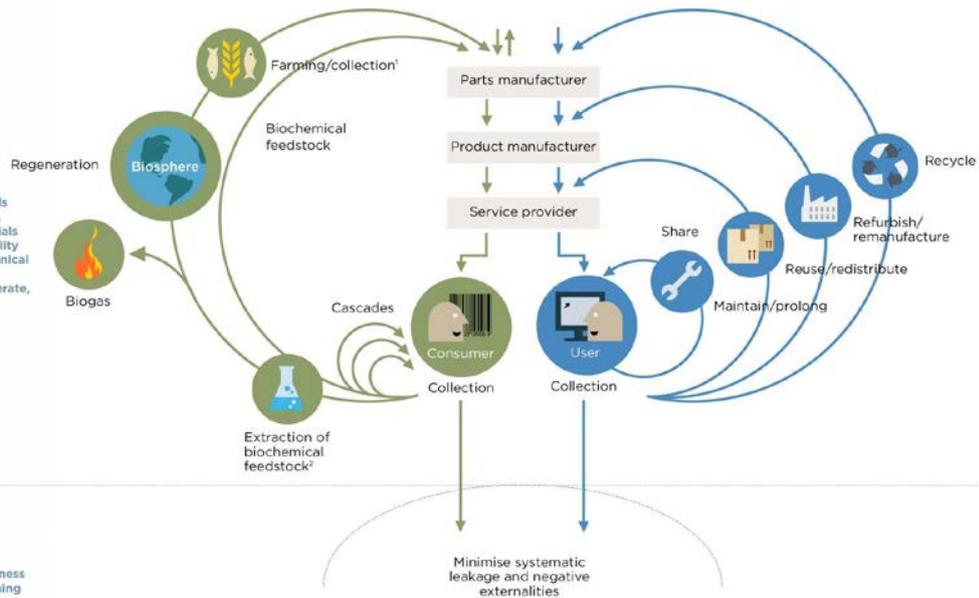
Renewables flow management

Stock management

PRINCIPLE

2

Optimise resource yields by circulating products, components and materials in use at the highest utility at all times in both technical and biological cycles
ReSOLVE levers: regenerate, share, optimise, loop



PRINCIPLE

3

Foster system effectiveness by revealing and designing out negative externalities
All ReSOLVE levers

1. Hunting and Fishing
2. Can take both post-harvest and post-consumer waste as an input
Source: Ellen MacArthur Foundation, SUN, and McKinsey Center for Business and Environment; Drawing from Braungart & McDonough, Cradle to Cradle (C2C).

Figure 1: System diagram of circular economy (source: Ellen MacArthur Foundation)

At an institutional level, the European Union has launched the “Circular Economy Package”¹ with the objective of supporting the transition towards circular economy. Circular Economy has become one of the priorities in the European agenda; the member states should promote measures to “close de circle” of life cycle of the goods through recycling and reutilization. In this package of measures, the transition to the circular economy is presented as an opportunity to increase European competitiveness, supporting economic development and job creation. The European Union action plan for Circular Economy is composed by a series of Directives (Directive 2008/98/EC² and the Communication that modifies it on Waste; Directive 2013/2/EU³

¹ http://ec.europa.eu/environment/circular-economy/index_en.htm

² <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32008L0098>

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32013L0002>

on packaging and packaging waste; Directive 2011/65/EU⁴ on the restriction of the use of certain hazardous substances in electrical and electronic equipment). The European institution have also launched a series of strategies: the European strategy on plastics, the EU strategy against food waste, a communication on Blue Energy. Other Directives to be considered refer to sustainable energy measures (Directive 2012/27/EU⁵ on energy efficiency and Directive 2009/28/EC on the promotion of the use of energy from renewable sources).

The **closed systems that are the islands** echo the Boulding (1966) analogy of spaceship earth: The Earth is a spaceship, a closed space that only depends on its own resources and in which humans should find sustainable ways to develop their activities. Islands are a small model of the Earth where solutions that can be useful on a larger scale can be experienced; they are perfect 'laboratories' on a real scale to apply the principles of sustainable development and, in particular, the circular economy. The outermost regions are characterized by a series of barriers (isolation, reduced size...) that hinder not only their economic and social development, but also represent a challenge for a true change towards a circular model. Thus, **circular economy can be a solution to the limits and limiting factors that affect islands and, in general ORs**. The most relevant challenges found on islands are waste management and the pressure on the environment (for instances from activities such as tourism, fishery, farming...). But the transition to circular economy can also be a source of employment as new sectors of activity could be fostered.

Green economy is complementary to circular economy, and it includes aspects such as **ecosystem services** and it puts more focus on **social dimensions of development**. This makes the concept extremely multi-disciplinary and interlinked; a multidisciplinary approach is therefore required. Green economy is based on metabolisms, direct and indirect relationships between the environmental, social and economic dimensions⁶. In its simplest form, **Green Economy** coexist with the current economic model by promoting **low carbon emissions, efficient use of resources and being socially inclusive**. Already in 1989, Pearce et al. proposed that governments could design taxation systems to reduce pollution; this early example illustrates the role that decision-making has in the design of policies for sustainability.

The **Blue Economy is a concept integrated in the green economy**, as both terms address the balance of the improvement of human living standards and wellbeing with

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32011L0065>

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1399375464230&uri=CELEX%3A32012L0027>

⁶ <http://satogames.es/2017/02/04/circular-economy-and-green-economy/> and <https://www.unenvironment.org/explore-topics/green-economy>

the imperative to sustain ecosystem health. Blue Economy is focused on the economic development of the oceans, seas and coastal areas, incorporating the sustainable development in the management of the economic activity of marine resources, thus recognizing the importance of the seas and oceans as engines of the economy for its great potential for innovation and growth.

Greening the economic systems **not only leads to an increase in wealth, especially in ecological commons or natural capital, but also produces a higher GDP growth rate** (UNEP - *Towards a green economy - Guide for sustainable development and poverty eradication*)⁷. The UNEP also states that poverty eradication is linked to the maintenance and conservation of common ecological goods, since the flows of benefits of natural capital directly reach the most disadvantaged. In this sense, green and blue jobs have become the emblem of a more sustainable economy and society, able to conserve the environment for present and future generations. These jobs are linked to the reduction of the environmental impact of companies and economic sectors and being the opportunity for companies and institutions to achieve sustainable goals. They help reduce energy, raw materials and water consumption through highly efficient strategies, decarbonise the economy and reduce greenhouse gas emissions, reduce or completely avoid all types of waste and pollution, and protect and restore ecosystems and biodiversity.

There are **many green and blue sectors that offer remarkable opportunities for investment and development in terms of wealth and jobs**. Green and blue producers may, or may not, be specialized in the production of environmental goods and services and may produce them as main or secondary activities or even for their own use. It should be emphasized, however, that favourable conditions must be present to promote the transition to the green and blue economies. Such conditions include the implementation of appropriate fiscal measures and policy reforms at the national level, international collaboration in the field of trade, assistance and trade infrastructure, and support for capacity building. In this sense, active leadership is required in both the public and private sectors, where actors should cooperate actively, sharing information, knowledge, best practices, lessons learnt and ideas to steer towards a sustainable direction in the management of our common natural heritage.

⁷ <https://www.millenniumassessment.org/en/index.html>

In Europe, environmental economy companies have given employment to more than 4.2 million people and invoice more than EUR 700 billion in 2013⁸ (2.1% of EU GDP). These favourable figures have been possible due to the firm commitment of the EU to boost sustainable jobs as the basis for economic growth. This commitment has resulted in the implementation of a series of policies and initiatives. The **European Commission (EC)** is a good example of this active leadership. In 2014, the EC launched a ‘Green Initiative for Employment’, focusing on a series of actions to foster green jobs such as the forecast and overcome of green skills gaps in consultation with stakeholders; the exchange of good practices; the anticipation of change by ensuring transitions to greener jobs and promoting mobility (including skills-based matching through the ‘European Skills, Qualifications and Occupations’ initiative and the ‘European Job Mobility Portal’); the support for job creation through efficient use of EU funding instruments; the promotion of administrative capacity and promotion of public contracting and entrepreneurship; and the improvement of data quality through the regular collection of harmonized data and statistics.

Regarding **Blue Economy**, in 2017, it **represented 5.4 million jobs and a gross added value of almost EUR 500 billion per year in Europe⁹.** In this sense, the EC has developed a blue development strategy to reinforce the efforts of member states and regions and provide common building blocks for a successful blue economy. In the years 2014-2016, a total of EUR 800 million were allocated to marine and maritime research and innovation projects (more than EUR 260 million a year) thanks to the 2014-2020 EU research programme (Horizon 2020). Investment in the maritime economy has been provided by EU structural funds, in particular the European Regional Development Fund and the European Maritime and Fisheries Fund (EMFF). Approximately EUR 275 million from the EMFF were set aside to be managed by the Commission for maritime policy projects¹⁰.

Other actions focus on education and training such as the ‘Erasmus for all programme’, which offers instruments for facilitating the mutual recognition of skills and qualifications, and better anticipations of skills and labour market needs. The strategy identifies five value chains which could deliver sustainability and jobs in the blue economy: tourism, shipbuilding and repair, transport, offshore oil and gas extraction, biotechnology, aquaculture and ocean energy.

⁸ https://ec.europa.eu/environment/efe/themes/economics-strategy-and-information/green-jobs-success-story-europe_en

⁹ https://ec.europa.eu/maritimeaffairs/policy/blue_growth_en

¹⁰ https://ec.europa.eu/maritimeaffairs/sites/maritimeaffairs/files/swd-2017-128_en.pdf

In addition, the 'Blue Careers' is an EC pilot call for the creation of cooperation platforms between companies and the education sector at local/regional or transnational level. The project works towards the enhancement of career opportunities in the maritime economy. Besides, the 'blue labs' calls are projects focusing on young researchers to help them bring research results to the market. These initiatives have enabled the development of numerous projects that have enhanced blue employment. These projects have been funded within several blue fields such as biotechnology; advanced skills in safety, environment and security at sea; blue education for sustainable management of aquatic resources; sustainable entrepreneurship for stronger skills and new employment; or cooperation in education and training for blue careers.

Nevertheless, despite the increasing high-level adoption of blue and green aspects in the economic development of countries, problems and challenges remain. The lack of qualified personnel due to a mismatch between the competences demand of companies and the educational system offer, the lack of communication and cooperation between the education sector and industry, the lack of knowledge about employment opportunities in the green and blue economy and the issue of gender balance are challenges that have yet to be tackled.

2 State of play in outermost regions

2.1 Policy framework

The current EU Strategy for ORs, outlined in a Commission Communication published in 2017 (COM(2017) 623 final¹¹), consists of a range of elements that support a transition to a greener economy. The Strategy, built in line with the Article 349 of the TFEU, explicitly recognises **natural capital, including biodiversity, as one of the core assets for the ORs' future development** as several economic sector, including tourism, fisheries, forestry and agriculture, depend directly on it. Furthermore, Blue Economy is recognised as one of the main ways to help socio-economic development. To sum up, traditional marine and maritime sectors, such as fisheries, shipping, coastal and cruise tourism, that provide jobs for the local population must become more sustainable. While new sectors such as marine renewable energy, aquaculture and blue biotechnology are still insufficiently developed, and they face the inherent challenges of developing sectors.

As far as climate change is concerned, the need to take appropriate action for adaptation and mitigation measures for climate change (e.g. coastal protection) is recognised as the outermost regions are particularly vulnerable to a range of specific climate change impacts, in particular to the rise of the sea level and extreme weather events such as hurricanes. Opportunities in the ORs to shift towards renewable, low-carbon energy solutions (e.g. wind, solar and geothermal energy) are recognised as well, as these regions often benefit from better renewable energy resources than mainland Europe. But these are not being used to their full potential due to technical, economic and legislative barriers. Furthermore, being unconnected to continental energy grids, the majority of the outermost regions are still dependent on costly imported oil for their electricity production as well as for transports (internal and external).

The operational programmes of outermost regions, adopted in the context of the EU Strategy and the EU's 2014-2020 programming period, include a range of needs and opportunities in line with green and blue economy. **The ORs identify environmental risks and ecological scarcities, especially those linked to climate change, that are prerequisites for their future development.** Similarly, all ORs explicitly highlight in their plans the need to increase energy security and/or move towards renewable energy sources. Aware of their rich natural capital, numerous ORs have identified

¹¹ http://ec.europa.eu/regional_policy/sources/policy/themes/outermost-regions/pdf/rup_2017/com_rup_partner_en.pdf

development and innovation as a focal area for key future development paths. In particular, **exploring opportunities for further growth in the tourism sector** (e.g. nature-based tourism) and increasing the added value of natural resource-based sectors. Finally, outermost regions pay explicit attention to increasing social inclusiveness and human capital in their territories.

The European Social Fund plus (FSE+) has, for the first time, made explicit the case of the Outermost Regions. In what concerns young workers' employment, the Regulation of the European Parliament and the Council recognizes that 40% of young people in the ORs are unemployed and, in 2017, the proportion of young people NEET (Not in Education, Employment, or Training) was high: 13.4%. Therefore, the concerned ORs should employ at least 15% of the concerned FSE+ funding in actions and structural modifications to support young populations groups. The budget line dedicated for the goal "Investment for employment and growth" is of EUR 376 928 934 (in 2018-year base price) additional funding.

2.2 Conditioning factors

Finding the means to support sustainable economic development is considered by many ORs as one way to improve the wellbeing of their citizens, including supporting employment, combating poverty and increasing social inclusion. However, a number of barriers to greening the economy and promoting the sustainability of relevant sectors has been identified by ten Brink et al. (2017), as described in the paragraphs below.

Remoteness and reduced scale

Their remoteness to mainland Europe, associate with their small scale, poses challenges to their ability to develop new sustainable economic sectors and/or undertake the required transitions in their current sectors of activity. This is mostly explained by the difficulty to benefit from economies of scale.

Insufficient Data

Accurate data to undertake robust predictions is very often missing. This data would be very relevant as sound decision making concerning targeted sectors (existing or new) requires of varied and accurate data.

Skills and awareness

Because the population living in the ORs is reduced the available human capital is also reduced. This supposes a burden when undertaking innovative actions that require of

technical and scientific know-how; as well this reduces the range of activities implying added-value outcomes.

Investment and supporting regulatory framework

The funds available to undertake the transition in ORs are dominated by public sources as private funding is reduced. Moreover, the regulatory framework that will have to steer the transition must be defined and adapted to ORs characteristics.

Environment and trade-offs

Environmental quality in ORs is sometimes compromised in ORs due to power water and soil quality and deficient waste management. The transition to sustainable models will suppose to deal with trade-offs and conflicts of interest (for instance the growth of tourism sector might impact into the local environment - transport related pollution and pressure on the environment).

2.3 Alternative presented by green and blue economy

As presented by ten Brink et al. (2017) green and blue economy present a series of opportunities for ORs, these are now presented. With the adequate support of innovation schemes, long-term sustainability of natural resources-based sectors can be achieved through product specialisation and added-value products. Innovative initiatives positive for employment creation can be associated to biodiversity and low-carbon related innovations, nature tourism and research linked to nature. This sets the ground for the development of innovative solutions for agriculture products, crops and fish farming. As well this can suppose the development on new markets.

Tourism, if developed within a frame that differentiates the ORs from mass tourism destinations and models, as a great potential positive impact. Sustainable tourism models will reduce the environmental impact of the activity and they will also be an opportunity for the valorisation of the local biodiversity and ecosystems. Although this transition will be challenging, with the adequate funding support, training and awareness campaigns tourism sector can become a strong ally for the sustainable development of ORs.

All the points presented previously will be sustained with adequate research, education and innovation linked to nature that will be the opportunity to provide transversal solutions to the development of economic sectors respectful of the local environment.

2.4 Priorities for the ORs

A number of key measures need to be in place to enable concrete uptake and sustainable mainstreaming of the above opportunities at OR level. These include investment and financing, a sound legislative basis and systems for defining and monitoring the sustainability limits and ‘carrying capacities’ of different sectors and ongoing research. As pointed-out by ten Brink et al. (2017) there are two main types of need: policy and funding needs.

Policy needs

Policies must be designed to support the transition in the long-term, without this sustained commitment in the long-term policies will not be successful. In that respect, policy makers and relevant stakeholders must be trained and aware of the challenges ahead. It is of most importance that the vision on green and blue economies must be shared and agreed, otherwise the projects that will be developed might not be congruent with the objectives underpinning sustainable development. The Smart specialisation strategies of each OR can play a key role as they might help channel knowhow and funding and they can play a pivotal role in this transition. Dedicated multidisciplinary platforms and networks of institutions, businesses and organizations can be of great interest in the transitions of green and blue economy as they can help define the shared visions and priorities. As ten Brink et al. point-out the Thematic Working Groups that are involved in the Portuguese Green Growth Coalition (GGC) can be good practices to be replicated.

Funding needs

Funding to support the transition to green and blue economy is key, especially in ORs as they must already face challenges that handicap their development. The Regional Operational Programmes are important sources of funding that can support activities, projects and innovative actions aiming at circular economy and green and blue economy. Some of the funding priorities and targets of ORs are: blue economy development, low carbon economy, biodiversity conservation, natural risk management, renewable energy, reduction of carbon emissions, recycling and/or tourism.

In practice this means that **public funding, both from the EU and regional budgets, has been made available, but more efforts still need to be made to better support employment in green and blue economic sectors from a financial point of view.** This is in fact the goal of the GROW RUP project which focuses especially on the support for one target group, that is long-term unemployed people aged 30-45 who have more difficulties in re-entering the labour market.

3 The Plan Choc of the Outermost Regions Employment Network

3.1 Justification for a plan for the creation and consolidation of green and blue jobs in outermost regions

In the renewed Strategy for the ORs (2012), the EU proposes to make a special effort in areas where it is possible to establish specific measures for job creation.

The **ORs' labour markets remain fragile and vulnerable** (see Figure 2), in particular because of their size and fragmentation in some cases and, above all, their **remoteness** from the European continent. The fragility of local labour markets is also characterized by a low attractiveness for the location of companies in the outermost regions and by the fact that **SMEs are the largest part of the entrepreneurial fabric in all the ORs**. This profile is hampered by difficulties in distribution and export, as well as access to finance.

The public policies that have been put in place are still far from mitigating the effects of the constraints of great distance and isolation. In fact, social inequalities persist while economic development is losing momentum. The most visible effect of the impact of the economic and financial crisis on the territories of the outermost regions was the **increase in unemployment levels**. The outermost regions are among the EU's regions with the highest unemployment rate, in particular among young people.

The structural problem of unemployment, which essentially reflects the negative confluence of the main characteristics of the ORs, requires specific and cross-cutting measures to solve it.

In this sense, the Presidents of the ORs when meeting for Annual Conferences - and in a Final Declaration produced in Saint-Denis de La Réunion – recognised the **need to tackle their economic and social situation** which was threatening economic cohesion, social and territorial development of their regions and they called for the establishment of **tailored measures and strategies to support development and employment**, especially in those economic sectors that have the potential for growth and innovation, such as the ones related to green and blue economy.

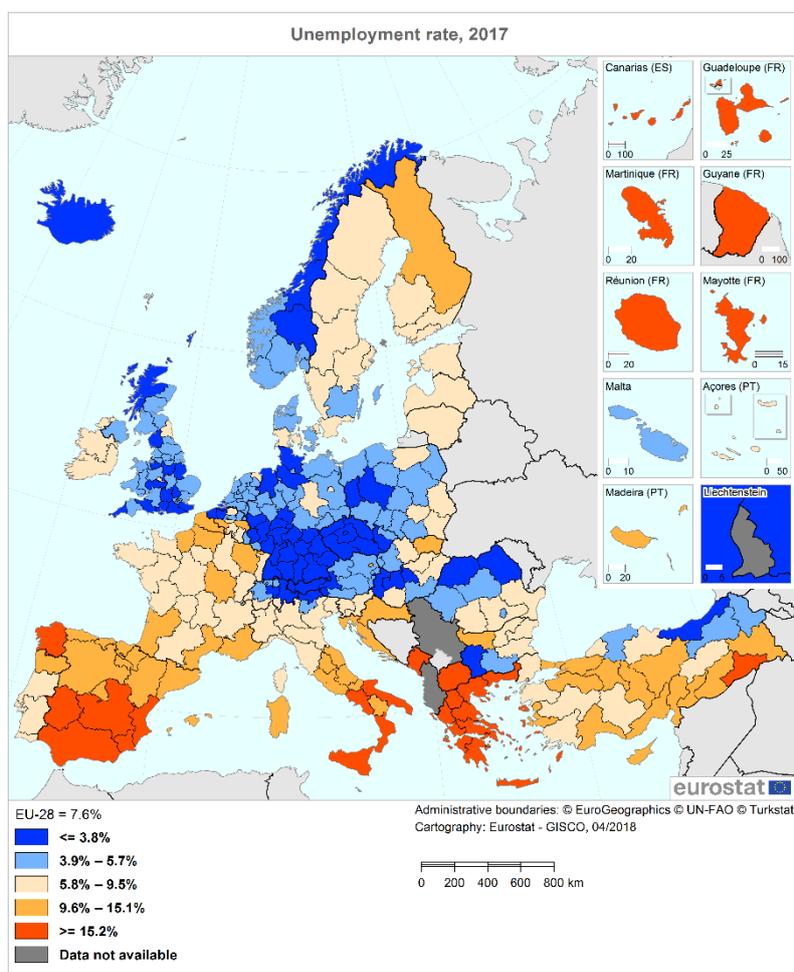


Figure 2: Unemployment rate in the European regions (Eurostat, 2017)

On the basis of this recognition, it was decided to set up a network of the outermost regions focused on employment - the Outermost Regions Employment Network - by signing a protocol in Brussels on 30 September 2014 together with the European Commission and the three Member States (France, Portugal and Spain). The protocol was signed by the presidents of the three Outermost Regions. The Outermost Regions Employment Network was presented to the commission and the three Member States during the 2nd Forum of the Outermost Regions. The creation of this network was aimed at strengthening the social dimension of the outermost regions by implementing joint actions at OR level.

The Outermost Regions Employment Network drafted a **'Plan Choc' for the creation and consolidation of green and blue jobs in ORs** (the 'Plan Choc' was presented in November 2015). Green and blue economies have emerged as two highly potential innovative economic sectors, able to support business and job creation and to contribute to overcoming unemployment in the regions. This Plan encompasses a

range of specific measures to uptake to promote employment and training in the ORs, with a view to green and blue economic sectors.

3.2 Measures foreseen by the Plan Choc

3.2.1. Employment Training Programmes

- Adapt the offer of Vocational Training for employment to the needs of the economies of the ORs and to the new sectors of green and blue economy and other related sector areas. This takes into account the National System of Qualifications and Vocational Training of the concerned Member States.
- Promote educational offers both online and offline.
- Train the trainers of the field of training for employment.
- Integrate European dimension in training for employment by encouraging participation in training projects and work exchanges in other European countries.
- Promote the transfer of knowledge through the development of a mobility support system.
- Analyse and make a diagnosis of the current needs of the productive system of skilled and unskilled labour in order to develop more tailored training plans.
- Strengthen vocational training by highlighting the practical part of training, adapting training to the requirements of productive systems and encouraging entrepreneurship from the most basic levels.
- Conduct a continuous assessment of current needs and emerging market needs for training. This should involve opening up a permanent communication channel with companies and collaborating entities, and implementing training plans and programmes, both in the short and medium term, anticipating the requirements of the productive system.
- Integrate the resources of universities and higher education centres in the ORs into the field of training for employment.
- Encourage the access of untrained workers to regulated training so that they can subsequently gain access to vocational training which will improve their employability.

3.2.2. Employment Opportunity programmes

- Establish incentives for recruitment in emerging sectors and with strong prospects for job creation. This should be accompanied by information and advice on the characteristics of these sectors and the professional skills they require. This must be especially taken into account in the sectors related to

renewable energies, sustainable tourism, new technologies, eco-industries and rehabilitation of buildings.

- Support economically the recruitment of unemployed people, especially long-term unemployed ones. This economic support should come from public sector.
- Establish incentives to encourage the recruitment of young people, through programmes that combine training and employment.
- Conduct an analysis of the opportunities offered by new employment sectors, especially activities related to the blue and green economy.

3.2.3. Enterprise Programmes

- Develop common protocols of action in coordination with relevant stakeholders such as entrepreneurs of the sectors of the blue and green economy of the nine outermost regions.

4 GROW RUP Approach

As highlighted in the sections before, the outermost regions (ORs) have to deal with a number of difficulties related to their geographical characteristics, such as remoteness, insularity, small size, climate, which have usually acted as a constraint on their development. In addition to these structural features, the economic crisis from which Europe has suffered in the last years has further jeopardised their economic development.

GROW RUP fits in this framework in two ways:

- By boosting SMEs competitiveness and entrepreneurship and targeting long-term unemployed people in the ORs;
- By supporting green and blue development with a view to deliver more resource efficient and sustainable economy activities in those territories.

The project will allow partner organisations to exchange experiences, practices and ideas among them, as well as with relevant stakeholders, and thereby find solutions to improve their regional approaches.

Joint interregional analysis

The present report is the first output of the GROW RUP project, with the aim of giving an overview of the concepts of green and blue economy and an analysis of the state of the art of green and blue economy in outermost regions.

The report also provides a detailed description of ERDF measures and/or other regional/national measures supporting entrepreneurship – and green and blue jobs - in the GROW RUP partner regions (Canary Islands, Azores, La Réunion, Madeira and Martinique).

Moreover, partners have included in the analysis a number of best practices from their regions which can be applied to specific cases of green and blue economy and to the project target group of long-term unemployed aged 30-45 years old.

Interregional learning process

A key element of the project are interregional site visits, where project partners share strategies and experiences on specific themes and brainstorm with policy-makers and stakeholders to select a number of best practices. Following interregional site visits, partner regions organise workshops for organisation staff and local stakeholders to present to the results of the site visits, validate the selected best practices and develop guidelines for the drafting of the action plans.

GROW RUP learning process is conducted during 2017-2019, after which the findings are collected, analysed and compiled into **regional action plans to improve partner regions' ERDF operational programmes** and into the GROW RUP compendium and guidelines.

Action Plans for regions' ERDF operational programmes

In 2019-2021 GROW RUP will move from learning to implementation. Regional actions plans will be put into practice and their progress will be closely monitored. Project recommendations and results will be widely disseminated to the other ORs not involved as partners in the project, as well as other EU regions to provide them with the chance to take and replicate the lessons learnt.

Inform future ERDF operational programmes for ORs

One of the objectives of the project is to explore the ERDF operational programmes and to propose collective and ideas to adapt these programmes to ORs characteristics.

5 Regional analysis: Canary Islands

5.1 State of play

The business structure of the Canary Islands is characterised mainly by SMEs, which are usually family-owned and excessively dependent on the local market and have proven to be unable to cope with the economic crisis, leading to a sharp decrease in the number of enterprises in the region. In fact, entrepreneurial rate in the islands is 5.70% lower than the national average.

In this context, it is **necessary to promote policy measures able to increase the competitiveness, differentiation and productivity of SMEs and to enable the renewal of industry and the uptake of innovations**. On the other side, unemployment rate in Canary Islands (20,6% in 2018) is much higher than the rate of EU28 (7% in 2018)¹². Measure 3a aims already at boosting entrepreneurship and supporting the creation of new companies (especially technology-based, innovative and internationally oriented ones) and ensure their financial viability and effective growth. Still, the measure does not target directly unemployed people, and as such does not ensure a direct impact on employment thus limiting its potential. At the same time, even if Canary Islands RIS3 has settled down as specific priorities the support for green and blue development, there are no dedicated measures for entrepreneurship in those sectors.

Through the improvement of Canary Islands' ERDF operation programme the Lead Partner of the GROW RUP Project – the Employment Service of the Government of Canary Islands – expects to ensure a stronger connection between the Smart Specialization Strategy and the ERDF operation. Green and blue economic activities represent in fact crucial innovation intensive economic fields that have the potential to promote not only the economic growth of the islands but also a more sustainable and efficient use of resources.

Key figures on employment and green and blue economy in Canary Islands

Budget allocated to the inversion priority 3a of your operational programme (Private investment combined with public subsidies) ¹³	EUR 12.828.158,85
Budget allocated to the inversion priority 3a of your operational programme (Private investment combined with public help other than subsidies)	EUR 22.430.000,00
Enterprise birth rate	9,1%

¹²July 2017 < http://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment_statistics>

¹³http://www.gobiernodecanarias.org/cmsgobcan/export/sites/hacienda/dgplani/fondos_europeos/galeria/PO-Canarias-v-2-1.pdf , Page 97

Enterprise death rate	10%
Average size of 3-5 year old enterprises / Employment in 3-5 year old enterprises	95,83% of Canary Islands' enterprises are microenterprises with up to 9 employees, of which 54,93% are companies without employees
Unemployment rate 2017 (first trimester) ¹⁴	25,6% (279.770 unemployed people in the region)
Unemployment rate 2018 (First trimester) ¹⁵	20,62% (228.410 unemployed people in the region)
Unemployed rate for people aged 30-45 2018 (First trimester) ¹⁶	19,2% (166.300 unemployed people in the region)

5.2 Competences and activities of the GROW RUP lead partner

The Employment Service of Canary Islands (SCE) is an autonomous administrative body, attached to the Ministry of Employment, Social Policies and Housing of the Canary Islands Government with the responsibility of supporting active labour insertion in the archipelago.

Its mission is indeed to promote and strengthen employment and training of the population (employed and unemployed people) in the region. Its work is focused on labour market analysis and intermediation, employment promotion, information, guidance and training. The body also carries out actions to support and promote social economy.

SCE provide citizens with support through different channels, face-to-face appointments, by phone and via telematic tools.

¹⁴http://www.gobiernodecanarias.org/istac/temas_estadisticos/empleo/empleo/actividadeconomica/E30308A.html

¹⁵http://www.gobiernodecanarias.org/istac/temas_estadisticos/empleo/empleo/actividadeconomica/E30308A.html

¹⁶http://www.gobiernodecanarias.org/istac/temas_estadisticos/empleo/empleo/actividadeconomica/E30308A.html

5.3 Other regional bodies working in the field of employment and entrepreneurship support

Canary Islands' foundation for the promotion of employment

The Foundation is a non-profit organization created by the Government of the Canary Islands. Its main goal is the promotion of employment by cooperating with the regional Government in order to generate employment in the Canary Islands and propose solutions to the high rates of unemployment that affect the region.

Unit for Educational Cooperation and Promotion of Employment of Las Palmas University

This is a unit created with the objective of coordinating and channelling the collaboration between the University and public and private companies and entities in the field of educational cooperation and labour insertion.

Its work is mainly aimed at promoting the employment of undergraduate and graduate students providing the following services:

- internships in companies
- professional development courses
- job centre
- promotion and promotion of entrepreneurship

General Foundation of University of La Laguna

The Foundation was created with the objective of connecting students and the socioeconomic environment of the island. Among other services it implements two projects for the support of employment:

- ITINERA programme supported by the Employment Service of Canary Islands, whose objective is to accompany and advise students in the labour insertion process
- MOBILITY programme providing scholarships for internships in companies located in other EU countries

Local Employment and Development Agencies

These are services dependent linked to local administrations, boosting local economies and supporting local employment. Their main fields of action are:

- training, in close collaboration with the Government of Canary Islands;
- creation of employment promoting business projects, the hiring of disadvantaged groups and self-employment;
- technical assistance, offering information on calls for grants and aid for the creation or modernization of companies, legal advice and conducting feasibility studies.

Trade Unions

Unions of workers, such as STEC-IC, SEPCA, ANPE, CSI-F, etc located in the region whose aim is to protect and advance the interests of their members in the workplace.

5.4 Regional policies/measures/programmes supporting employment

Within the Plan Choc, the Canary Islands have identified a number of specific measures to support employment and training in particular in the green and blue sectors. Concerning training and professional qualification, the region committed to:

1. Implement a certified and intensive training programme combining the fields of renewable energies and maritime studies and which is complemented by the study of languages spoken in the ORs: Portuguese and French, plus English. This programme should include the possibility of doing an internship in one of the ORs. The composition of the training programme should be composed as it follows: 75% vocational training and 25% language training.
2. Provide training to unemployed people from sectors with weak growth prospects. For example, new job skills related to energy efficiency, the rehabilitation of buildings or the maintenance of renewable energy equipment should be provided to the unemployed who come from the construction sector.
3. Create and disseminate a qualification matching system that is efficient, dynamic and functional. This system could comprise a digital infrastructure to facilitate and make its use easier.

Concerning employment support, the measures adopted by the region are the following:

1. Generalized reduction of social security contribution rates and subsidies to contracts in emerging sectors that recruit unemployed people from sectors in crisis situations.
2. Organisation of dissemination campaigns on recruitment aids and incentives and subsidies to companies.

5.5 Best practices identified in the region

Best practice #1

Title: PFAE - Programa de Formación en Alternancia con el Empleo: Training programme in alternation with the employment

The PFAE (*Programa de Formación en Alternancia con el Empleo* - Training programme in alternation with the employment) is a public employment-training programme for unemployed people without specific training in a profession. The aim is to facilitate access to work through apprenticeship and professional experience in an occupation to disadvantaged groups of people, as young jobseekers, disabled, long term unemployed, older than 45 jobseekers, etc. Public organizations and NGOs located in Canary Islands can apply for the programme. The development of the project is responsibility of the rewarded organization, and the follow up, assessment and external guidance are responsibility of the Regional Public Employment Service of Canary Islands, *Servicio Canario de Empleo*. The current and updated regulation of PFAE can be found at: <http://www.gobiernodecanarias.org/boc/2018/174/005.html>.

The following examples of PFAE trainings show how the programme is used in Canary Islands in activities related with green, blue & circular economy with the goal of including disadvantaged groups of jobseekers in jobs related with these growing sectors of the Regional economy. During these PFAE projects, participants have the dedication time divided between theoretical and comprehensive education, and actual working time experience (under a labour contract). The projects last for eleven months in which participants receive training oriented to get the adequate certificates of professionalism, as well as additional training is carried out during effective work in a real environment that enables them to acquire professional experience aimed at the acquisition of vocational skills which will facilitate their insertion into the labour market.

Here are presented some examples of PFAE initiatives:

PFAE - Servicio de conservación y mejora del monte para la protección de la población rural

In this practice, the promoting organisation is an association for rural development in the island of La Palma (*Asociación para el desarrollo rural de la isla de La Palma – ADER La Palma*). The training programme started on 30/12/16 and it last until 12/01/18.

The objective of the project was to provide beneficiaries with the necessary training so that they can work on maintenance and conservation of the forests in La Palma island and to exploit other employment possibilities in the forestry sector.

The target group of this training programme were people aged 30-50 years old with no education background or with only primary school who received a final certificate and who received a salary during the training period. The beneficiaries involved in the training were 15.

This training programme was innovative for the island, since it was the first time that this subject was taught. Students received a Certificate of Professionalism in Auxiliary Activities for the Maintenance of Forests. In addition, they received complementary training for the use of forest resources and composting, as well as training on beekeeping, honey extraction and cultivation of almond trees. The project also responded to the need of the island to avoid hydrological risks and the uncontrolled action of fire. Moreover, undertaking maintenance services for improvement and conservation of the mountains of the island is fundamental to protect local populations and the environment. For all these reasons, it is necessary to have qualified human resources able to take care of the mountains and forests of La Palma.

PFAE - Proyecto BREZO

The PFAE BREZO project involved 15 unemployed people with disabilities who were receiving a training course to obtain the Certificate of Professionalism for installation and maintenance of gardens and green areas. The training programme started on 19/12/2016 and it last until the end of 2017 (19/12/2017).

The training was 564 hours long, including a period of work in companies of the sector to reinforce the knowledge acquired during theoretical training. Moreover, the training was complemented by another two modules, one on garden centres and the other on prevention and management of agroecosystems' health. The training aimed to promote environmental sensitization of participants, as well as workshops in groups to prepare beneficiaries to enter the labour market. Follow-up and employment support was foreseen, depending on the needs of both participants and companies.

PFAE - GJ. Aqua. Socorrismo en instalaciones acuáticas

The project aimed to form 15 unemployed young people of the municipality of Santa María de Guía enrolled in the Youth Guarantee Program. The programme started in 2016 and it will last until 2018.

Beneficiaries received a training program combined with a period of work in the tourism sector. The aim is was for them to acquire knowledge to ensure the safety of users of swimming pools in the municipality of Santa María de Guía, preventing potentially dangerous situations and effectively intervening in case of an accident or emergency situation in these facilities.

PFAE - GJ. Arucas y la seguridad de sus espacios acuáticos

The project aimed to form 15 unemployed young people of the municipality of Arucas enrolled in the Youth Guarantee Program. The organisation engaged in the implementation of the programme is the Municipality of Arucas. The programme started in 2016 and it last until 2018.

This training aimed to teach beneficiaries prevention of aquatic emergencies for users of the beaches and bathing areas of the municipality and of the Gran Canaria Island in general. As for the other project, 15 young people received a training in conjunction with a period of work in the municipality. At the end of the project all the participants were hired by companies dedicated to beach and sea safety services.

Best practice #2

Title: PLOCAN

PLOCAN (The Oceanic Platform of the Canary Islands) is a Research Infrastructure co-funded by the Economy and Competitiveness Ministry of the Spanish government and the Canary Islands government and by the European Regional Development Fund (ERDF) under the Operational Programme of the Canary Islands (INTERREG MAC 2014-2020 Programme).

This multipurpose infrastructure provides support for research, technological development and innovation in the marine and maritime sectors. PLOCAN offers services to public and private institutions, the platform proposes onshore and offshore experimental facilities and laboratories. Due to its experience and proficiency, PLOCAN is one of the regional leaders in large national and EU marine/maritime projects. The recent more relevant projects (among others), are: Atlantic Ocean Research Alliance Support Action (AORA), Optimizing and Enhancing the Integrated Atlantic Ocean Observing System (Atlantos), Consolidating the European Research Area on biodiversity and ecosystem services (Biodiversa), Communication and Dissemination of Activities in the Marine-Maritime Sector (CODIMAR).

PLOCAN is an example of a successful initiative built on the identification of local opportunities and international collaboration in the blue sector. The Platform is an important employer in the region and it fosters the international recognition of research quality in the Region. Although directly the employment created by PLOCAN is qualified but has the potential to support activities that would potentially foster the employment of technical profiles.

PLOCAN is partner in projects financed by the Operational Programme of the Canary Islands, INTERREG MAC 2014-2020 Programme:

ESTRAMAR: Estrategia Marino-Marítima de I+D+i en la Macaronesia:
<http://www.plocan.eu/index.php/en/info-destacada/mac-project/209-project/closed-projects/1189-estramar-en>.

The objective of the ESTRAMAR project is to promote marine and maritime R&D of the European and African Macaronesian regions so that their approaches and results are addressed to contribute to the best articulation of the scientific - technical - company system, in fields such as security and sustainability in transport, maritime tourism and ports, increasing the protection of coastal areas, resources and marine biodiversity and the forecasting and management of natural risks. This is a way to contribute to promote the socio-economic development of these regions, in keeping with international goals.

This objective is a specific contribution to improve the insufficient R&D system, in a specific area, i.e. the marine and maritime sectors, where the Macaronesian regions have conditions and own potentialities that if exploited will provide significant value to its development. The previous experience and the agreements between the partners and other agents of the sector will guarantee a further strengthening of a solid foundation of cooperation and financial sustainability.

MacSIMAR:
<http://www.plocan.eu/index.php/en/info-destacada/mac-project/209-project/closed-projects/1198-macsimar-en>

The objective of the MacSIMAR project is to enhance R+D+i capacities in the fields of climatology, meteorology and operational oceanography, through the components of modelling, monitoring and dissemination of information in a timely manner and in a scale that is appropriate to the sectors on which they depend on. The project supposes a network integration that participates (from the privileged position of PLOCAN in the Atlantic) to the aims of the EU of creating the European Observation and Information Network (EMODNet). This will be achieved through the consolidation and development

of devices and existing capabilities. The project proposes incorporating innovation, supported by the business sector, in the development of devices (models, platforms and sensors), contributing to promote the European Strategy for Marine and Maritime Research, in accordance with the Galway and Aberdeen priorities. The results and products will be available in real and delayed time, providing a better organization between the scientific-enterprise system, in specific fields such as security, maritime and port management, transport, fisheries, tourism, resource protection and coastal areas management.

Best practice #3

Title: Build in Green Project (Proyecto Construye en Verde) - Cluster Canario de Construcción Sostenible

The *Build in Green* project (financed by the ESF - <http://www.innovalia.org/cev/index.php?lang=en-GB>) pursues to increase companies and workers competences in the sector of building and retrofitting regarding sustainability. The general objective is to promote a change towards a more sustainable activity in the building and retrofitting sector, in order to reduce environmental impacts of their activity. With this purpose several actions were carried out in the localities of Santa Cruz de Tenerife (in Canary Islands) and Málaga (Andalucía, mainland Spain):

Developing resources:

- * Elaboration of Guide-Books: Methodological guide of sustainable building and retrofitting; guide for business restructuring and new sustainable business models; and guide of good practices in sustainable building and retrofitting.

Training:

- * Two training courses were accomplished regarding sustainable building and retrofitting; a classroom-based training and another complementary course in the modality of tele-learning. These training actions were designed for architects, engineers and other professionals of the sector.

- * Personal consulting was proposed to whom was going the create a new company or wanted to change their business model for a more sustainable one.

The *Cluster Canario de Construcción Sostenible* (Canarian Sustainable Building Cluster), partner of the project, was created in 2009. This professional and business organization is a non-profit and independent organization which aim is to modify the mindset of the sector in the Region to make it more sustainable. The cluster is composed of companies and independent professionals ranging the whole sector: architecture,

energy, water, materials, engineering, demotic, Research and Development and city planning. The cluster is an example of how the stakeholders in a sector are willing to modify their practices with the objective of increasing the sustainability of their activity.

Best practice #4

Title: *EWASTE*

EWASTE is a business project supported by the Department of economic promotion of the Canarian Government within the framework of support subsidies granted in 2016 and part-financed with ERDF European SMEs. The current regulation of the programme can be found here (in Spanish): <http://www.gobiernodecanarias.org/promocioneconomica/PYME/>. It is a project of industrial development from by-products recycling process, whose cost amounted to EUR 8.390, of which 46% was funded by the Department of Economic Promotion.

EWASTE has become a world leader in the sector of recycling of waste of electrical and electronic and refrigerant gases. EWASTE is an example of a successful company that is internationally renowned for its good practices in waste management; the company operates one of the most advanced electronic and electrical equipment waste treatment plant in Europe. The company has reached outstanding levels of greenhouse gases decontamination (99,8% of these gases are treated), the plant can treat more than 100 different types of devices. The objectives of this company are: 1) Environmental protection; 2) To recover raw materials with a high degree of purity in compliance with the latest very strict European standards; 3) To recycle waste in accordance with the principles of proximity and self-sufficiency; 4) To foster diversification of the economy and the creation of high qualification green-sector jobs; and 5) To drive endogenous potential for development and consolidation of an industrial fabric related to recycling based on criteria of quality, innovation, efficiency and respect for the environment. The company has also a strong social commitment as over 40% of our workforce has disabilities or belongs to groups at risk of social exclusion.

These characteristics place the company as a clear example of how it is possible to successfully combine economy, social and environmental goals.

Best practice #8

Title: *Ecoareas “Mardetodos”*

The Canary Islands are renowned for their climate and natural beauty, which is why every year they receive the visit of millions of tourists. To maintain this, their natural spaces must be preserved and managed appropriately. *Ecoáreas - Mardetodos* (Eco-areas - Oneseaforall) is an innovative Blue Economy initiative that seeks to transform the use and management of coastal areas into a model that rewards and promotes sustainable and responsible practices. The project is financed by the Tourism, Culture and Sport Board of the regional government of the Canary Islands and supported by ERDF Funds of the Avanza Plan of the European Union (Operational Programme for Canary Islands 2014-2020: http://www.gobiernodecanarias.org/turismo/dir_gral_ordenacion_promocion/feder/index.html).

The aim of the Eco-areas project is to become a channel for all the challenges faced and proposals made by both individuals and entities that are committed to improve the sustainability of Canarias' coastline; the final objective being to the preservation of the natural values and to foster the sustainable use of the sea: <http://ecoareas.org/wp/red-ecoareas/>. To achieve this aim, eco-areas project creates dynamic coastal areas using a participatory approach in a bottom-up model, where those that benefit from them have a voice. The Eco-areas are drivers to develop numerous activities in an orderly and sustainable manner, while at the same time encouraging the creation of synergies among them. Good examples of activities with ecotourism potential are: swimming, scuba-diving, snorkelling, the different types of surfing, kayaking, gastronomic tourism, recreational fishing and, of course, professional fishing.

6 Regional analysis: La Réunion

6.1 State of play

La Réunion presents a dynamic but fragile economic sector due to the region's structural features as referred to in Art. 349 TFEU and due to the challenges posed by the current economic situation. As it happens in other ORs, its territory is characterised by one of the highest unemployment rates at EU level.

In addition, Réunion's economic sector is mainly composed of microenterprises and, although in the last decades the region has experienced a certain vitality in terms of entrepreneurship, it has decreased considerably due to the effects of the economic crisis. In this context, the support for business creation and growth, especially in the strategic sectors defined in the region's RIS3 (which specifically refers to green and blue economy), represents a key priority for Réunion's public authorities, conscious of the fact that this line will contribute to achieve smart, inclusive and sustainable growth at regional level and will help to exploit its untapped potential.

Currently no dedicated measures are foreseen in line with RIS3 priorities and there is an unaddressed gap between unemployment and entrepreneurial opportunities. If measures are indeed foreseen under ESF for training and support to employment, the opportunities for unemployed people linked to the development of the green and blue economy remains unexploited. By improving ERDF measures for SMEs creation and competitiveness, the project aims at filling this gap in La Réunion.

Key figures on employment and green and blue economy in La Réunion

Amount of money allocated to the inversion priority 3a of your operational programme	EUR 25,4M (ERDF)
Enterprise birth rate	11,8%
Enterprise death rate	1,1%
Survival rate of 3-5 years old enterprises	64%
Share of 3-5 years old enterprises	19,9%
Average size of 3-5 years old enterprises	1,2
Employment in 3-5 years old enterprises	12 058 (10,4% of the total employment)
Unemployment rate	22,4%
% of unemployed people aged 30-45 out of the overall amount of unemployed people	57,7%
% of long-term unemployed people receiving ERDF support	ESF support

% of enterprises working in green/blue economy sectors 15,4%
out of the total of enterprises receiving funding/subsidies

Estimated amount of people working in blue economy sectors 1 470

Estimated amount of people working in green economy sectors 37 800

6.2 Competences and activities of the GROW RUP partner organisation

The Regional Council is a public local authority created in 1982 following the decentralisation process organizing administrative powers between the French State and local authorities.

New responsibilities under the actual legal framework (August 7th, 2015 act):

- Responsible for the economic development of the Region
- Territorial Planning
- Regional planning of waste management and prevention
- Management of non-urban transport services and network

Preserved competences:

- Management of regional passenger transport service
- Implementation of actions concerning vocational training and apprenticeship
- Construction, maintenance and operation of high schools and educational institutions specialised in agricultural training

The Regional Council of La Réunion Island also acts as the Managing Authority for European Regional Development Fund for the programming period of 2014-2020, including funds dedicated to European Territorial Cooperation goal specified by the Operational Programme INTERREG V « Indian Ocean »

6.3 Other regional bodies working in the field of employment and entrepreneurship support

- Employment office (Pôle Emploi): Public service, assisting job-seekers in their job search and meeting the recruitment needs of companies
- Chamber of commerce
- Chamber of trades and crafts
- Association for the Right to Economic Initiative (ADIE)
- Foundation “Initiative Réunion”
- Foundation “Réunion Active”
- PEPITE, a student entrepreneurship programme.

6.4 Regional policies/measures/programmes supporting employment

Measure #1

Financial instruments for SME creation and development

According to a survey, realized in 2011, access to finance remains the most critical obstacle to enterprise creation and development: 55% of project runners were to bring more than 80% of the capital necessary to start their activity. This credit-crunch particularly affects small and innovative companies, whose risk profile deter traditional investors and banks, focused on established sectors and firms. Moreover, the latest capture the major part of public subsidies, which require liquid assets.

As a consequence, the emergence of new comers and fields of activity is constrained; inhibiting the necessary regeneration and transformation of the economy. To counteract these effects, influence investors and sustain the creation of new growth paths, the Regional Council has decided to develop new financial instruments. Following an ex-ante analysis on local financial solutions, the Regional council is currently implementing a EUR 112.000.000 fund of funds, whose capital will come from ERDF dotation, the European Investment Bank, the French Investment Public Bank, as well as the Council own resources.

This fund will propose three types of instruments:

- Medium and long-term soft loans (50% of market rate), EUR 66.000.000
- Equity tools, including support for innovative firms, representing EUR 44.000.000
- Guarantees: EUR 2.000.000

Measure #2

Regional programme for economic insertion (ex-NACRE)

In 2017, the newly created French Agency for Entrepreneurship launched a call for interest dedicated to the stimulation of entrepreneurship in fragile territories (affected by sluggish economic growth and/or mass unemployment), with a special attention to marginalized public. This support will replace the previous NACRE dispositive, which had been financing micro-credit and economic insertion structures for years.

This call for interest presented a critical importance for La Réunion, where unemployment affects 23% of the active population and up to 40% for people under 29. 55% of unemployed people have been inactive for at least a year. Besides a demographic issue, job opportunity appears particularly limited by the nature of the productive sector: 72.6% of the active firms employing nobody, and 96% less than 10 people.

In that context, the Regional Council has proposed to implement a territorial network to support the economic insertion and self-employment of social public through enterprise creation and takeover. This network will be designed to clarify and simplify the services delivered by support structures (through cooperation), increase the number of beneficiaries (only 22.5% of entrepreneurs being accompanied today), limit the obstacles to entrepreneurship and sustain the growth of firms.

To setup this network, a regional call for interest will soon be organized to select the competent organizations, whose intervention will be compensated through public subsidies. The programme will offer a clear, easily accessible and exhaustive support to potential entrepreneurs, through:

1) Information

Before creation, project leaders will benefit from a personalized meeting and diagnosis, to qualify their needs and resources and identify the most relevant financial and human support resources available.

2) Project setup

The selected support structures will then accompany project leaders to make their ideas concrete through:

- Feasibility validation (technical, financial, human, and legal aspects)
- Economic potential evaluation (market evaluation; business model and business plan)

- The structuration of presentation and administrative documents
- The connexion to financing organizations, both private and public.

3) Training and advice to start the activity

Training sessions and meetings will aim at reinforcing the capabilities of project leaders to assume autonomously the administrative, financial, fiscal and commercial dimensions of their activity. To increase the viability of newly created enterprises, scoreboards and business intelligence tools will be deployed.

4) Post-creation follow-up

According to the latest survey, more 58% of firms put an end to their activity in the five first years. A special attention will thus be dedicated to a life-long support, through “à la carte” advices and training session, to address strategic as well as daily issue.

This regional programme can count on EUR 1.000.000 (EUR 500.000 from the Regional Council; EUR 500.000 from FEA) and the organisations in charge of its implementation are: Regional Council, France entrepreneur Agency, Caisse des dépôts et de consignation and DIECCTE.

Measure #3

Regional employment grant

The Regional Employment Allowance is granted by the Region to Small and Medium Enterprises which create one or more productive jobs in La Réunion. The aim is to promote job creation and the recruitment of people in difficulty. Main target groups are small and medium enterprises, operating in specific economic sectors such as craft, industry, tourism, ICT, etc.

This programme counts on EUR 1.000.000 of funds. Subsidy ceilings range from EUR 15.000 per job created up to EUR 500.000 per project. The Regional Council is the organization engaged in the implementation of the measure.

The intervention covers:

- 40% of the gross remuneration subject to social security contributions paid during 2 years for recruitments on permanent contracts
- 40% of the gross remuneration subject to social security contributions paid during a maximum of 1 year for recruitment of "disadvantaged" people
- 40% of the gross remuneration subject to social security contributions paid for a maximum of 2 years for recruitment of "highly disadvantaged" people

An additional bonus of 10 points is awarded to firms exploring new market opportunities or engaged in an innovation process. Another bonus of 20 points is granted for hiring handicapped works. These two bonuses can be cumulated, if the job created fulfils both conditions.

6.5 Best practices identified in the region

Best practice #1

*Title: Simplifying access to business support schemes:
the SAV (support, accompany, enhance)*

Following the August 7th 2015 law, the Regional Council holds the responsibility to setup support and financial services dedicated to the creation and takeover of businesses. To that end, the Permanent Commission of the Regional Council validated on July 5th 2016, a new dispositive: the SAV.

The aim is to simplify the identification of potential support services and financing solutions (subsidies and financial instruments). This measure will last five years (term of office in 2021) and the responsible organisations are the following: the Regional Council, the Employment office, Consular chambers - Chamber of commerce and industry/chamber of crafts and the High Council of Chartered Accountants.

The SAV's function is to inform, guide and accompany project leaders to apply for funding, through:

- a first level reception
- the transmission of information on public support for entrepreneurs and businesses
- the orientation toward the right interlocutor, among the regional business support network

It is based on:

- A mobile application and a platform (www.entreprises-reunion.re) which enable stakeholders to identify potential subsidies and financial instruments according to the nature of their activity, the size of the businesses and the expenses.
- Physical information desks (entry points) deployed in multiple geographical sectors to ensure a high level of proximity
- A partnership with the actors of business creation

The mobile application and extranet will cost around EUR 190.000. Salaries of advisors mobilized on the system are covered by the Regional Council.

The goal to be reached by 2017 is to have 2.500 users per year, while by 2020 40% of the newly registered enterprises on the island.

Best practice #2

Title: Service-design approach to tailor support services to the specific needs of entrepreneurs (SRDEII)

On August 7 of 2015, a national law pushed one step ahead the decentralization movement, transferring to Regional Councils the responsibility of economic development policies. To that end, each region must elaborate a “Regional Economic, Innovation and Internationalization Scheme” (SRDEII), that defines orientations and priorities for the 5 coming years.

The SRDEII was adopted by the Regional Council on December 19th 2016 and approved by the State’s representative on march 3rd 2017.

This measure will last five years (term of office in 2021) and the involved organisations are the following: the Regional Council, the Regional Development and Innovation Agency - Nexa, local authorities, Consular chambers, socio-professional organizations, clusters and business-support structures

Through this scheme, the Regional Council aims at increasing the quantity and quality of entrepreneurial projects developed on the island, to reveal – through a trial and error approach – local competitive advantages and activities that may generate prosperity and jobs.

To that end, the scheme determines the type of policies and instruments to be implemented by public actors and support structures such as:

- the development of entrepreneurial capabilities, through educative programs (notably in high schools and university), life-long learning, events, and the promotion of inspiring, local success stories, with a specific attention to the variety of publics, according to age, gender and social criteria.
- the stimulation of business ideas emergence, through creativity and design programs and the reinforcement of the valorisation of research activities
- the simplification of business creation, through a clearer access to information on available financing and support tools (cf. best practice n°1, the “SAV”), the creation of a common network pooling together the multiple business-support

structures operating on the island, and the development of cooperative instruments (such as co-working places, incubators, etc.)

- the larger access to financial instruments, human and technical resources necessary to sustain businesses' growth.
- the prospection of international markets
- the promotion of business' collaboration, through the creation of exchange platforms (barter), mutualisation and clustering experiences

The singularity of the SRDEII lies in the determination to adapt public services and interventions to the specific needs of users.

To that end, its elaboration required a large concertation, mobilizing more than 100 representative structures, during six months. Through participatory workshops, based on a "problem-tree" method, actors were committed to identify the challenges and issues that affects business creation and development. In a second phase, world café sessions were organized to refine and select the tools that suit best.

The deployment of the SRDEII relies on design thinking tools, i.e. a user-centered methodology to identify issues, invent and test pragmatic solutions. In other words, each service proposed will be co-constructed through several steps:

- identifying users' concrete issues, needs and expectations, through participatory methods, quantitative and qualitative analysis
- defining users' profiles or categories (persona)
- building prototypes adapted to the specific needs of users
- trying services with users to adjust their contents and delivery modes.

In 2017, this method will be used to adjust support-services for innovative projects. Six types of users have been identified (students, researchers creating spin-off, inventors and individual firms, start-ups, established enterprises). Each will go through a service-design experiment to conceive a complete offer, mobilizing training, financial, technical instruments, delivered in a simple way.

The SRDEII mobilize European, national and local resources dedicated to economic development. Around EUR 100.000 will be used for workshops and tests.

The measure targets any potential business creator/runner. The service design process will benefit to all users; yet the construction project will imply voluntary users. Long-term unemployed people could be beneficiaries, as enterprise creators.

Title: Creation of a Maritime Pole

Since 2016, the Regional Council holds the responsibility for economic development and research and innovation policies. It is also leading the Smart Specialization Strategy (RIS3), which sets tropical bio-economy as a priority field of activity.

The Regional Council is currently running a feasibility study for the creation of a center of skills entitled “Pôle Mer de La Réunion” (PMR) – Maritime pole. This potential structure or network would bring together local stakeholders implicated in marine sciences, economy and policies to reach a critical mass and establish an enabling environment for knowledge transfers, experimentation and economic activities related to the sustainable management of marine ecosystems.

The study is currently mapping the resources and expectations of stakeholders and evaluating the potential of the maritime basin. Based on these objectives, it will, by the end of 2017, propose an economic and legal prefiguration of the pole. Then, the pole should be created by 2021.

The organisations involved in this process are the following: Research centers (IRD, IFREMER, University of La Réunion), Technical center (Hydrô Réunion), Economic clusters (Qualitropic, Maritime, Temergie), Professional organizations (CRPM) and other public bodies such as Marine Reserve.

Best practice #4

Title: OCEAN METISS project (Université de La Réunion)

The blue economy is an axis of natural development for an island economy like La Réunion. Beyond the potentials and specificities to the territory, this theme is also part of the regional European and French blue growth strategies, where the sea and the coastline become engines of the economy. Like other European basins, it is necessary to plan the sustainable use of maritime space and its resources in the context of the Indian Ocean basin.

OCEAN METISS, with the financial support of the European Union, La Réunion Region and the French State, aims at defining a blue strategy for La Réunion in association with the Western Indian Ocean Basin. This innovative project contributes to the expected development of Integrated Maritime Spatial Planning in the South-West Basin of the Indian Ocean Zone.

For this purpose, the project has several missions:

- Implement an innovative methodology for marine spatial planning
- To develop the sharing of international expertise on the theme of the blue economy
- Pooling scientific and technical human resources
- Develop skills and training for sea-related trades
- Ensure sustainability of structural support for blue growth.

The Ocean Metiss Project is implementing a participatory marine spatial planning process involving stakeholders. This approach aims at creating a transparent decision-making framework, geared towards sustainability and based on local knowledge. To this end, the project adopts a multi-scale approach from La Réunion coast to offshore taking into account dynamics throughout the Indian Ocean basin.

The main achievements and expected impacts of the project are:

- An ecosystem, social and economic state of the coast and the sea
- An assessment of the potential of an extended maritime area to revive economic development while preserving biodiversity.
- A new maritime spatial planning tool to guide and coordinate public policies for managing the sea and resources

Strategic maritime plan (spatialized) developed with stakeholders

7 Regional analysis: Azores

7.1 State of play

The economic sector of Azores is predominantly made up of small companies and entrepreneurship needs to be better supported, in particular in some emerging sector areas with great untapped potential such as the economic activities linked to green and blue economy, tourism and renewable energy.

In this sense, it is necessary to boost entrepreneurship and promote the creation of new companies in those fields, also with a view to tackle the challenges posed by the current economic situation and high unemployment rates representing a relatively new concern for Azores.

Nowadays the unemployment rate stands at 15%, while still in 2007 it was around 4.3% and in previous years even lower, affecting in particular two vulnerable groups: young people, whose unemployment rate exceeds 38%, and people aged 30-40 years who lost their jobs and have greater difficulties to re-enter the market labour.

Key figures on employment in Azores

Amount of money allocated to the inversion priority 3a of your operational programme	EUR 270.578.500
Enterprise birth rate	2016 year 382
Enterprise death rate	2016 year 349
Share of 3-5 years old enterprises	510 enterprises
Average size of 3-5 years old enterprises	5 workers
Employment in 3-5 years old enterprises	2,082
Unemployment rate	- First quarter 2017 Unemployed people aged 35 - 44: 2,369 % Unemployed people aged 35 - 44 out of the overall amount of unemployed

people: 20,7 %
% Unemployed people aged 35 - 44 out
of the overall amount of Active
population: 7 %

% of unemployed people aged 30-45 out of 5,4%
the overall amount of unemployed people

7.2 Competences and activities of the GROW RUP partner organisation

The mission of the Regional Directorate of Employment and Professional Qualification is to develop strategies for employability of people associated with the promotion and enhancement of quality of professionalism, as key drivers of productivity of organizations and economic growth of the Azores. Encourage employability levels of companies and other employers.

The main objectives of the institution are:

- Promote employment and competitiveness
- Promote employability of people of working age by increasing their qualifications
- Adapt the management mechanisms of the measures to promote employment and skills needs of the market;
- Promote reconciliation and mediation in the context of individual labor disputes

The departments of the Regional Directorate of Employment and Professional Qualification are:

- The Office of Legal Projects and Support (GPAJ);
- The Division of Validation and Certification of people of working age (DVCA);
- The Department of Administrative and Financial Services (DSAF);
- The Center for Information Technology and Telecommunications (NIT);
- The Director of Services of the European Social Fund and Quality (DSFSEQ);
- The Department of Employment Services (DSE);
- The Department of Labor Services (DST);
- The Employment and Vocational Training Observatory (OEFP);
- The Agency for Qualification, Job Center of Angra do Heroísmo (AQETAH);

- The Agency for Qualification, Job Center of Horta (AQETH).

On the dependence of the Regional Directorate of Employment and Professional Qualification are the Regional Employment Fund (FRE) and the Regional Service Conciliation and Arbitration of Labor (SERCAT).

7.3 Other regional bodies working in the field of employment and entrepreneurship support

SDEA – SOCIEDADE PARA O DESENVOLVIMENTO EMPRESARIAL DOS AÇORES

The Azores Business Development Society is a public corporation. It aims to contribute to a friendly environment for private business initiatives, a key variable in the structural progress of the regional economy, through the promotion of innovation, technological development and training, and qualifying human resources.

SDEA plays an active role in the development of the Azores and in the resulting improvement of the quality of life of all Azoreans. The organization designs and implements business development incentive measures aimed at reinforcing Azorean companies' competitiveness and productivity, and promotes innovation and entrepreneurship.

SDEA is in charge of overseeing and evaluating the results of all of the measures established in the Azorean Agenda for the Creation of Employment and Business Competitiveness.

NONAGON

The Nonagon - Science Park technology at São Miguel island offers excellent conditions for the establishment, installation and development of technology-based companies. It offers different solutions for various needs, offering versatile space dimension, scalable consoling growth of the company, with or without storage space.

The Nonagon aims to be an international reference in the development of human resources, technological, business and social, focused on skills and entrepreneurial dynamic and sustained on knowledge, technology and innovation.

Its mission is to:

- promote interaction between companies, R & D institutions and universities;
- develop a global competitive position;

- contribute to the emergence of new paradigms of business leadership;
- promote the development of technical and scientific staff;
- be a catalyst for innovation and creativity;
- strengthen cooperation and interaction between companies, organizations and public entities;
- support the revitalization and the establishment of regional, national and international partnerships;
- contribute to the attraction and retention of new talent.

7.4 Regional policies/measures/programmes supporting employment

Measure #1

ESTAGIAR programme

The aim of this programme is to:

- enable young people with upper or intermediate level qualification a professional traineeship in the real context of work, promoting their insertion in active life;
- improve the socio-professional skills of young people;
- facilitate the recruitment and integration of staff in companies;
- promote the transition of the academic course of the university students to the active life;
- support the recruitment of young people on smaller demographic islands.

ESTAGIAR-L and ESTAGIAR-T traineeships start on 1st October (for applications submitted in August) and 1st January (for applications submitted in November).

Traineeship duration

In São Miguel Island, ESTAGIAR L traineeships have an initial duration of nine months and can be extended for another nine months, including a one-month rest period to be taken between the 12th and the 15th month.

In Santa Maria, Terceira, Pico, Faial, São Jorge, Graciosa, Flores and Corvo Islands, ESTAGIAR L traineeships have an initial duration of eleven months and can be extended for another twelve months, including a one-month rest period to be taken between the 12th and the 15th month.

ESTAGIAR T traineeships have an initial duration of nine months and can be extended for nine months, including a one-month rest period to be taken between the 12th and the 15th month.

Trainees compensation

ESTAGIAR L trainees are granted a monthly grant of EUR 720, while ESTAGIAR T ones receive a minimum wage of EUR 584.

Financing of pecuniary compensation

ESTAGIAR L traineeships takes place in São Miguel Island, whereas ESTAGIAR T in the entire Region: compensations are totally funded by the Regional Employment Fund during the first nine months of training. For the remaining nine months, including the one-month rest period, companies pay 25% of these compensations.

ESTAGIAR L traineeships take place in Santa Maria, Terceira, Pico, Faial, São Jorge, Graciosa, Flores and Corvo Islands: the compensations are totally funded by the Regional Employment Fund during the first eleven months of training. In the remaining twelve months, including the one-month rest period, companies pay 25% of the compensations.

Additional costs for companies

Companies must also provide meal allowance (approximately EUR 5 per workday) and work accident insurance.

Target groups

ESTAGIAR L is intended for young in higher education or postgraduate (no older than 30 at the application date) who, after finishing their education, have never worked in their area of education, under a contract of employment.

ESTAGIAR T is intended for young higher education graduates (no older than 30 at the application date), who do not hold a bachelor degree, but have completed a technological or professional course conferring a level IV professional qualification certificate and 12th grade of secondary school equivalency, who have never worked in their field of studies under a contract of employment.

The budget earmarked for Estagiar T is EUR 7.033.025,95, while Estagiar L EUR 7.417.365,00. The Regional Directorate of Employment and Professional Qualification and Regional Employment Fund is the organisation responsible for the implementation of this measure.

Measure #2

INTEGRA YOUTH programme

The INTEGRA YOUTH programme aims to promote the creation of new jobs by providing financial support to employers in order to hire:

1. unemployed young individuals who are neither working nor studying or attending any training (NEET), aged less than 29 years, registered at the PES (Public Employment Services) in the Azores for more than 90 consecutive days as at the date the job was offered by the employer;
2. unemployed who have successfully completed “AGIR AGRICULTURA” or “AGIR INDÚSTRIA” traineeship programs, if the entity, which held the traineeship, hires them within one month after the traineeship period.

Employers providing full-time employment contracts under the INTEGRA program receive a monthly grant for each job created, up to a maximum of 12 months, in the following terms:

- EUR 350 monthly, if the job is filled by an employee who has been unemployed for less than 1 year;
- EUR 450 monthly, if the job is filled by an employee who has been unemployed for more than 1 year;
- Whenever companies hire unemployed individuals older than 50 years, the above-mentioned grants are increased by 20%.

Employers providing full-time employment contracts under the INTEGRA YOUTH programme receive a monthly grant for each job created, up to a maximum of 12 months, in the following terms:

- EUR 420 monthly, if the job is filled by an employee qualified with level 1 and 2 of the National Qualifications Framework (NQF);
- EUR 450 monthly, if the job is filled by an employee qualified with level 3,4 and 5 of the NQF;
- EUR 550 monthly, if the job is filled by an employee qualified with level 6,7 and 8 of the NQF;
- Whenever companies hire young unemployed individuals registered at the Agencies for Qualification and Employment in the Azores for more than one year, the above-mentioned grants are increased by 10%.

Whenever companies hire individuals from Occupational Programs the above-mentioned grants are increased by 10%, in both categories. If they did not have any employment contract between the end of the Occupational Program and the start of

the contract under this program. The minimum monthly gross salary assigned to employees supported by INTEGRA YOUTH, with qualifications higher than QNQ level 6, is EUR 700.

The budget earmarked for INTEGRA programme is EUR 6.514.002,00. The Regional Directorate of Employment and Professional Qualification and Regional Employment Fund is the organisation responsible for the programme.

7.5 Best practices identified in the region

Best practice #1

Title: Rede Valorizar

In 2011, the economic crisis that the country was experiencing began to have a strong impact on the unemployment rate in the Azores, just as it was happening in the Portuguese mainland. Civil construction, along with other economic sectors characterized by the employment of low-skilled labour, were the most affected. In a short space of time, the Agencies for Qualification and Employment (Employment Centers) registered more than 2 thousand people who didn't have of the 4th year of schooling. Rede Valorizar was asked about what could be done to increase the qualifications of this public and, by this way, their chances of employability. At that time, Rede Valorizar did not have a clear answer to this problem.

Created in May 2009, Rede Valorizar is the service of the Regional Government responsible for the processes of recognition, validation and certification of competencies (RVCC), like the New Opportunities Centres (CNOs) and the Qualification and Vocational Education Centers (CQEPs). Adults without the 1st cycle of schooling, many of them unable to read or write, was a challenge that we had never encountered, but we decided that we would have to do it.

The first step was to build, with the support of the Education Department of the University of the Azores, a diagnostic model that would allow us to carry out a survey of the competences that target audience had. After applying them, it became clear to us that, although there was a shortage of key competences, especially in the field of literacy, many other skills, acquired over decades of work, were revealed. In other words, subjecting these adults to attending courses such as the EFA (Adult Education and Training) would not only treat them as adults without skills but, in practice, it would be an impossibility: there were not 2,000 places available in EFA courses in the Azores.

The second step was to design a response that would overcome this impasse. This is how the Basic Skills Acquisition Courses, better known as ABC Courses, were created, where we associate training with an RVCC process. The 300-hour training focuses on the areas of Language and Communication, Mathematics for Life, Citizenship and Employability and Information Technology.

The number of hours reserved for each area varies according to the characteristics of the class, but all have in common the obligation to contribute to the Reflective Learning Portfolio (PRA) of each trainee, which should be completed at the end of the action. PRA which not only respects the guidelines of ANPQEP (National Agency for Qualification and Vocational Education), but it is always built, in computer support, since Rede Valorizar does not accept portfolios in paper. We thus combine life experiences (non-formal and informal learning) with a personal training system (formal learning) of our users.

With this certification strategy in mind, we put the third part of the project into practice: between September and December 2011 we hired 10 primary teachers (all of them equally unemployed), we provide training in adult education - again with the collaboration of the University of Azores - and we built, as a team, a training manual adapted to our public, that is, adults with low literacy.

The first courses started in January 2012 and continue to this day. In 2013, we expanded the methodology for B2 level certifications (2nd cycle) and, in 2014, for B3 level (3rd cycle), all with original manuals for the different areas. In 2015, the ABC Courses will also be developed at night for employees, and in 2016, all RVCC processes of Rede Valorizar, at a non-Secondary level, will be carried out through the ABC Courses. In 2016, 190 actions on 7 of the 9 islands composing the archipelago were performed.

As Rede Valorizar has only three training rooms, the actions take place in professional schools, regular schools, libraries, parish councils, houses of the people, parish centres, cultural associations and any other local community that wants to collaborate with us. Between January 2012 and August 2016 ABC Courses certified 1378 adults with level B1, 3079 with B2 and 1418 with B3. The consequences of these certifications are numerous, but, for example, we can mention the fact that, in August 2012, the percentage of unemployed Azoreans without the primary school was 6.11% of the total unemployed, while National average was 5.01%. In August 2016, the same percentage in the Azores was 4.37%, the lowest in the country, while the national average was 6.05%. Source: Statistics, IIEFP (Institute of Employment and Training).

Throughout the year a set of good practices were added to the project, such as the social projects that the groups develop - blood donation, clothing collection, volunteer work at Banco Contra a Fome, and in Praia da Vitória, two years ago, A pedagogic garden that still continues today - or the reading of books that develops for the creation of books, designed to the learners' children.

Rede Valorizar started in 2011 and for now its end has not been planned yet. The budget earmarked for this initiative is EUR 3.370.000,00 (2017). Its target group of encompasses unemployed people without basic schooling and it is worth mentioning that so far about 50% were long-term unemployed people.

Best practice #2

Title: Berço de Emprego

The programme named Berço de Emprego (meaning 'Cradle of Employment' in English) supports the temporary replacement of female employees who hold a contract and are taking maternity or adoption leave by female receiving unemployment benefits.

Replacements are temporary and limited to the duration of the maternity or adoption leave plus two months, but can never be less than one month. Although employers are responsible for paying employment insurance, applicable allowances and legally due retribution, subsidies and retribution are reimbursed (except Social Security contributions).

Regularly constituted companies and non-profit entities:

- Services and bodies dependent on regional public administration;
- Services and bodies, located in the RAA, dependent on the central public administration
- Services and bodies dependent on local administration;
- Private institutions of social solidarity or similar;
- Non-profit associations and cooperatives.

The earmarked budget is EUR 500.000 and the Regional Directorate of Employment and Professional Qualification and Regional Employment Fund is the responsible organisation for this programme.

8 Regional analysis: Madeira

8.1 State of play

Madeira presents an economic sector with high potential for growth and development but that has suffered from the challenges posed by the current economic situation. The region is characterised by a high unemployment rate, in particular among young people, a lack of skills among the adult population and low levels of social inclusion. In addition to this, the economic sector is mainly composed of micro and small enterprises that have been negatively affected by the economic crisis.

In this context, the support for business creation and growth, especially in the strategic sectors defined in the region's RIS3, such as blue growth and economy, marine renewable resources and aquaculture, represents key priorities for Madeira's public authorities, conscious of the fact that this line will contribute to achieve smart, inclusive and sustainable growth at regional level and will help to exploit its untapped potential.

Key figures on employment in Madeira (Sept. 2018)

Unemployment rate	8,3% (11.200 people)
% of unemployed people aged 30-45 out of the overall amount of unemployed people	29,3% (3.281 people)
% of long-term unemployed people receiving ERDF support	4,9% (549 people)

8.2 Competences and activities of the GROW RUP partner organisation

The IEM IP - RAM performs its activity under the guidance of the Regional Secretary for Social Affairs. Its activities revolve around the promotion of employment policies of the Autonomous Region of Madeira. In particular, the organisation draws up, implements, monitors and evaluates active employment measures suitable for the implementation of employment policies.

IP-RAM manages the European Social Fund funds allocated to the Region for the areas of employment and social cohesion. It also promotes the adjustment between supply and demand for employment, taking into account the needs of the labour market and the qualifications and professional experience of the registered unemployed, and it provides information and professional guidance.

Another functions of the institute include:

- Receiving requirements for the award of unemployment benefits and examine their compliance, in particular as regards the unintended nature of the unemployment situation;
- Exercising the powers conferred on it by the entry and residence of foreign nationals from countries outside the Community;
- Treating and systematizing information and data on unemployment in the Region, carrying out the studies, analyses and projections necessary to better monitor the situation and the constant search for the most adequate solutions;
- Promoting and supporting access to occupational mobility, particularly in the European area.

8.3 Other regional bodies working in the field of employment and entrepreneurship support

Employment area offices

The main functions of the employment offices located in the region are the following:

- Support the insertion or reintegration of unemployed young people and adults in the labour market, in close cooperation and coordination with the IEM, IP-RAM.
- Professional information for unemployed youth and adults;
- Support for active job search;
- Personalized follow-up of the unemployed in the phase of insertion or professional reintegration;
- Capturing job offers from employers;
- Disclosure of job offers and placement activities;
- Referral for professional qualification offers;
- Dissemination and referral to measures to support employment, qualification and entrepreneurship;
- Support and motivation in participation in temporary occupations or volunteer activities that facilitate the insertion in the labour market;
- Dissemination of Community programs promoting mobility in employment and vocational training in the European area;

8.4 Regional policies/measures/programmes supporting employment

Measure #1

Hiring Incentives – PIC Programme

The Incentives to Contracting Programme – PIC – aims to stimulate the creation of jobs associated to the establishment of regular jobs, addressed to private entities with or without profit.

This measure is addressed to:

1. Unemployed people enrolled for at least 6 months;
2. young people up to and including age 30, enrolled in the IEM, IP-RAM for at least 90 consecutive days;
3. Long-term and very long-term unemployed;
4. Unemployed persons aged 45 or over, enrolled in the IEM, IP-RAM, for at least 90 consecutive days;
5. Beneficiaries enrolled in the Social Security Measures enrolled in the IEM, IP-RAM, for at least 90 consecutive days;

Beneficiaries to be funded shall meet all of the following conditions:

- They are regularly constituted, licensed for the exercise of the activity and, if legally required, registered at the date of approval of the application;
- They have their headquarters, delegation or branch in the Autonomous Region of Madeira;
- They have the tax situation regularized before the Tax Administration and Social Security;
- They are not in default as regards Community, national or regional aid, irrespective of their nature and objectives, in particular those granted by the EMI, IP-RAM and the European Social Fund (ESF);
- They have to fulfil the legal requirements required to carry out the activity or provide proof of having initiated the applicable process;
- They must not have been convicted in criminal or administrative proceedings for violating, grossly negligent or grossly negligent, labour legislation on discrimination in work and employment in the last two years;
- They have to comply with environmental conditions and health and safety at work;

The budget earmarked for this initiative for the period 2014-2020 is EUR 8.856.000,00.

Measure #2

Reactivate Madeira

Reactivate Madeira aims to promote the professional reintegration of long-term and very long-term unemployed persons. Moreover, the measure seeks to establish contacts with the labour market, in the context of training, through the acquisition of skills framed by an internship plan, aiming at effective re-entry into the labour market.

Individual or collective entities, whether or not with profit, can apply. Beneficiaries must be either long-term unemployed or unemployed persons who have not been covered by a training course financed by the IEM, IP-RAM, in the 12 months preceding the start of the measure. Unemployed people should have a minimum age of 31 years old - qualifying from level 2 to 8 of the National Qualifications Framework – up to the age of 45 with qualification level 1.

The budget earmarked for this measure for the period 2014-2020 is EUR 400.000.

Under the employment promotion policy of the Regional Government, one of the priorities is the combat against Long-term unemployment, coupled with youth unemployment, the challenge it represents in relation to its characteristics, since the further away from the work, the greater the difficulty of labour reintegration.

In this sense, this new measure - REACTIVATE Madeira - aims at vocational training and reintegration of long-term unemployed and very long term, for individuals with more than 30 years, through the professional internships, for periods of 12 months, thus providing a market contact with the working environment in a training context, promoting this updating and acquisition of new skills.

Reintegration of these trainees into the internal market even because the measure foresees the implementation of restart of employability.

Considering also that it is a pressing objective to reduction of the volume of long-term unemployment, progressively but consistently, combining this measured with others already implemented, with the objective of to strengthen the qualifications of inactive human resources which labour market needs.

8.5 Best practices identified in the region

Best practice #1

Title: PEED – Stimulus Programme for the Entrepreneurship of the Unemployed

The objective of this programme is to encourage and support the creation of self-employment by entrepreneurial unemployed persons who have a technically, economically and financially viable business concept. The goal is to stimulate the creative and entrepreneurial capacity of the unemployed by providing them with the support needed to build and develop their entrepreneurial project. The PEED (Portaria nº 32/2013, of 13 of May, published in the Official Gazette of the Autonomous Region of Madeira, I Series, nº 56) encourages and supports the creation of jobs by unemployed entrepreneurs who have a commercial project technically, economically and financially viable. The programme has already proof that it can be of great support in several regional entrepreneurship successful ventures in diverse areas, for instance: Confectionery (pastry / bakery), A Venda das Viagens (travel agency), Tapas y Copas (catering / restaurant).

The program applies in the following situations: 1) Unintentional unemployment; 2) Being registered in the IEM for more than 12 months, also known as DLD - long term unemployed; 3) the beneficiary must have never exercised professional activity for his/her own account, and; 4) the beneficiary was already self-employed workers whose average monthly income, measured in relation to the months that had activity in the last year of the same, is lower than the monthly minimum wage guaranteed in the Autonomous Region of Madeira

The financial support per job created is higher in the case where jobs are filled by young people up to the age of 30, long-term unemployed, or over 45 years and beneficiaries of the RSI (Social Integration Income).

The main challenge encountered has been the lack of training of promoters in the area of management and entrepreneurship, the difficulty in finding qualified workforce. But overall PEED is a success and it shows that a public-private collaboration is possible with the purpose of developing entrepreneurship in our local activity.

9 Regional analysis: Martinique

9.1 State of play

The economic sector of the region remains fragile and is hardly able to generate employment, being mainly composed by micro enterprises of which more than 77% have no employees. Like the other French outermost regions, the employment situation is worse than that prevailing in the hexagon with an unemployment rate standing at 22,8%. Besides, it must be underlined that the business creation rate (11.3% in 2011) and the enterprise survival rate (53.3%) remain lower than those of France (respectively 15.6% and 62.3 %).

In addition to this, Martinique's economy faces other challenges related to weak industry structuring, lack of access to back financing, ageing population and additional costs caused by remoteness. In this context, the support for business creation and growth, especially in the strategic sectors defined in the region's RIS3 (which specifically refers to green and blue economy), represents a key priority for Martinique's public authorities, conscious of the fact that this line will contribute to achieve smart, inclusive and sustainable growth at regional level and will help to exploit its untapped potential.

Key figures on employment and blue economy in Martinique

Amount of money allocated to the inversion priority 3a of your operational programme	EUR 200.600.000
Enterprise birth rate	8,20 %
Enterprise death rate	4,13 %
Unemployment rate	18 %
% of unemployed people aged 30-45 out of the overall amount of unemployed people	19 % (aged 25-49 years old)
Estimated amount of people working in blue economy sectors	12.000 blue economy jobs (2013)

9.2 Competences and activities of the GROW RUP partner organisation

The Territorial Collectivity of Martinique has the following competences:

- economic development
- spatial planning and transport
- cultural, scientific and sports development

- education and training
- health and social development
- regional cooperation.

In terms of economic development, the strategy adopted by the Community through its aid policy consists in:

- specific support for Very Small Enterprises,
- sustained employment support,
- reinforced support for activities defined as priorities,
- post-grant monitoring for efficient and effective use of aid,
- support for groupings of companies and collective actions
- innovation and solidarity development.

9.3 Other regional bodies working in the field of employment and entrepreneurship support

Martinique développement

The Agence de développement économique is an umbrella organisation of the Territorial Collectivity of Martinique. It is based on a local partnership with professionals, communities, government departments of the Caribbean and of Europe. Its mission relates to the creation and development of activities and training and employment support.

Initiative Martinique Active

The Association has the objective of supporting and linking local competences in the field of economic development. It relies on a network of volunteers, including business leaders, to provide support to entrepreneurs. This assistance takes the form of advice, interest-free loans and sponsorships.

Consular Chambers

Consular chambers are public administrative establishments of the State and they are headed by an elected assembly from the voluntary representatives of the enterprises in their constituencies. The main task of these organisations, which are responsible for promoting the interests of companies, are the representation of socio-professional categories with public authorities, the execution of public service missions and support for business development.

9.4 Regional policies/measures/programmes supporting employment

Measure #1

Dotation Jeunes Agriculteurs

Aide au démarrage d'entreprises pour les jeunes agriculteurs

This measure is devoted to support the costs of a first-time installation by young farmers who take over an existing farm or create a new structure. This measure is intended to ensure the renewal of the generations.

The main target group of this initiative are people under the age of 40 years who possess sufficient knowledge and professional competence to set up a farm.

The organisation responsible for this measure is the Territorial Collectivity of Martinique and the funds available for its implementation are around EUR 5.000.000.

Measure #2

Soutien spécifique aux très petites entreprises

The aim of this measure is to create wealth and jobs in the region, while encouraging economic initiative and entrepreneurial spirit. Moreover, through this initiative CTM intends to contribute to the support of small projects that are part of an economic and social integration process.

Any person that has a project idea to be implemented in order to create a “Very Small Business” (Très Petite Entreprise) regardless of the legal form, can be beneficiary.

The organisation responsible for this measure is the Territorial Collectivity of Martinique and the funds available for its implementation are around EUR 400.000.

9.5 Best practices identified in the region

Best practice #1

Title: AIDE A L'EMPLOI

Due to the fact that Martinique has an endemic unemployment rate and young graduates face difficulties in entering the labour market, CTM has created a measure called “AIDE A L'EMPLOI”.

AIDE A L'EMPLOI is a grant covering, during the first 2 years of the contract on a permanent contract, part of the gross remuneration according to a percentage varying according to the difficulty of insertion and the geographical location of the company.

This measure comprises 3 parts:

- Young tree nursery
(hiring of persons whose level of education is greater than or equal to BAC + 2)
- Senior employment
(hiring of all persons over 45 years old)
- Other categories of workers
(hiring of other categories of workers).

This initiative has permitted to hire 1,489 people and the total amount of the grants awarded in 2015 was around EUR 5.000.000. Beneficiaries can be SMEs in a sound financial situation and in good standing with regard to tax and social obligations.

Best practice #2

Title: *Schéma Territorial de Développement Economique, d'Innovation et d'Internationalisation (STDEII)*

The STDEII is Martinique's Territorial Authority economic development scheme. It is a global policy which defines the development priorities of the territory and the type of support for implementation of these measures (financing, training, subsidy....). The STDEII was adopted by the Assembly of Martinique on the 18th of May 2017.

The scheme identifies three major development priorities for the island. Namely:

- Green Economy
- Blue Economy
- Sustainable tourism

Concerning blue economy, the Martinican marine area traditionally exploited for its natural resources offers opportunities in plural activities such as fish processing, green energy, logistics and service activities, shipbuilding/shipbreaking.

One major aim of the policy is to structure the blue economy sectors. Initiatives to create an inter-profession will be encouraged by funding collective actions and helping the sector's associations.

Four new strategic priorities and innovations has been identified in order for Martinique to embrace the full potential of Blue Economy:

- Environmental innovations to deal more effectively with issues related to the preservation of marine ecosystems and sustainable fishing;
- Organizational innovations in order to strengthen economic structuring, ensure a good link between traditional sectors and emerging industries;
- Territorial innovations to rationalize port areas management and transform them into value adding zones;
- Social innovations in order to make the blue economy jobs much more attractive;

Sample of the Martinique Authority Blue economy action plan:

- The Maritime Cluster of Martinique will be accompanied in order to coordinate and accelerate the development of individual or collaborative projects;
- The modernization of the fishing fleet will be accompanied;
- Concerning the structuration of Aquaculture, The Martinique Territorial Authority aims at creating The Martinique Territorial Aquaculture Technical Application Centre. This centre would be a structuring tool for the development of the sector whose objectives would be the construction of pilot breeding units, monitoring and improvement of breeding techniques, experimentation and transfer of technology. The centre would include an incubator for aquaculture companies;
- A study on the feasibility of the creation of a consular chamber dedicated to fisheries and aquaculture will be conducted;
- Assistance will be given to help in the modernization of educational structures in order to support the transition to new blue economy jobs;
- The local firms don't necessarily find the qualified resources (sailors, specialized workers) to conduct their activities. It is therefore necessary to encourage the immersion of qualified personnel in the companies;

Key performance indicators will be put in place in order to monitor the implementation of the measures. In its organization, the Martinique Territorial Authority has a department dedicated to the evaluation of its policies.

10 Conclusions

Although there is an important body of knowledge on the threats associated to unsustainable development and growth, there are difficulties to foster sustainable solutions and to undertake the transition path to more sustainable socio-economic models. Due to their iconic potential, small islands have the potential to become examples of sustainability and, most importantly, local populations can benefit from these transitions to more sustainable models. This is especially true for ORs that can take advantage of the support from their mainland and from the European institutions that take in account the specific challenges they must face due to their ultraperipheral situation. In the Article 349 of the TFEU (2012), and more recently the Commission Communication published in 2017 (COM(2017) on a stronger and renewed strategic partnership with the EU's outermost regions the EU officially acknowledges their situation and allocates dedicated funding.

The situation of ORs and the opportunities involved in green and blue economy have driven to the design of a '**Plan Choc**' for the creation and consolidation of green and blue jobs in ORs which foresees several key measures: employment and training programmes, employment opportunities programmes and enterprise support programmes.

The transition to more sustainable models can be of great benefit for ORs communities as, if well thought, they can be opportunities for job creation (unemployment is one of the main challenges in ORs), increased levels of self-sufficiency (energetic and alimentary that can be an opportunity to reinforce local productive structures), increased resilience to climate change impacts. This transition can be a potential lever to gather additional funds to the ORs.

The present analysis has been the opportunity to assess the current situation of the partner regions of the project (Azores, Canarias, Madeira, Martinique and La Réunion Islands) their main challenges (threats associated to their remoteness, high unemployment rates, lack of skills and awareness...) and to understand what kind of measures and best practices are being implemented. These analyses are positive *per se* as they constitute the opportunity for the partners to explore their own achievements and to identify potential flaws. But, most importantly, it has been the opportunity to share with the other regions information on successful practices that can be replicated, with the required adaptations, in other regions. The initiatives supported by the regions, in the form of measures and best practices can be classified into four main groups:

- **Direct SMEs competitiveness and entrepreneurship support:** La Réunion: Financial instruments for SME creation and development, Regional programme for economic insertion, Simplifying access to business support schemes: the SAV (support, accompany, enhance), Service-design approach to tailor support services to the specific needs of entrepreneurs (SRDEII); Martinique: *Dotation Jeunes Agriculteurs, Soutien spécifique aux très petites entreprises*.
- **Direct support for hiring:** La Réunion: Regional Employment grant; Madeira: PIC Programme (Hiring Incentives); Azores: *ESTAGIAR* programme and *Berço de Emprego*; Martinique: *AIDE A L'EMPLOI*.
- **Training and job creation for unemployed people:** Canary Islands: PFAE; Azores: INTEGRA YOUTH programme, *Rede Valorizar*; Madeira: Reactivate Madeira, PEED – Programme to stimulate the entrepreneurship of the unemployed.
- **Support to key areas or structural sectors of activity:** Canary Islands: Build in Green Project; La Réunion: Creation of a Maritime Pole; Martinique: *Schéma Territorial de Développement Economique, d'Innovation et d'Internationalisation* (STDEII).
- **Outstanding projects in green and blue economies**, or that can have a significant impact on them, supported by the Regions: Canary Islands: EWASTE, PLOCAN, *Ecoareas "Mardetodos"*; La Réunion: OCEAN METISS project (*Université de la Réunion*).

Although these initiatives can appear to be independent from each other, they all serve, in definitive, the same purpose: increase regional actors' competitiveness. This is done by creating the conditions for companies to find better trained and skilled human capital, adapted to their needs while supporting activities that are congruent with sustainability goals. This represents a relevant step in the transition to green, blue and circular economy. In the present framework ORs have currently a true possibility to inform to structural changes that can ensure their socio-economic and environmental sustainability. This will be materialized in the form of Action Plans developed by each region with the purpose of improving regional policy instruments.

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