

Professor Danuta Hübner
Commissioner for Regional Policy
Regions for Economic Change: Sharing Excellence
Opening speech
Brussels, 25 February 2008

President Van Den Brande, Professor Koschatzky, Director General, Ministers and Presidents, experts from the regions, Ladies and Gentlemen,

I am delighted that so many of you have come to Brussels and I would like to welcome such a large audience of regions and municipalities to our conference 'Regions for Economic Change: Sharing Excellence'. As you know, this annual spring conference is a key event of the Regions for Economic Change initiative. It demonstrates the contribution of our regions and cities to economic modernisation, to the achievement of the Lisbon objectives and to addressing the challenges facing Europe. Your presence today in such numbers confirms the strong interest of our regions in fully participating in this work.

Before I share with you my views and concerns, I would like to say that I am also happy that for the organisation of our conference we have also enjoyed the support of one of our major partners in Regional Policy: the Committee of the Regions. I would like to thank the Committee of the Regions for the visions and plans for the future. This is very important for us because of the expertise and contribution that your institution brings to the wider partnership needed to deliver the aims of Regional Policy, and to share excellence. On this occasion let me extend a special

welcome to President Van Den Brande and congratulate him on his appointment as President of the Committee of the Regions.

Last year when we published the Fourth Cohesion Report we have outlined the challenges which Europe is facing today: such as increasing pressure from global competitors, demographic shifts, rising energy prices and climate change. What they have in common is that they do not stop at national borders and they impact directly on regions, cities and local communities.

Cohesion policy helps to face these global challenges. We should be prepared to face them efficiently tomorrow. They also require integrated responses. In the global world, European, national, regional and local actors have to co-operate closely in order to enable us to cope successfully with new challenges and exploit fully the opportunities that they represent.

For European regional policy this translates into a task of mobilising local and regional growth resources against the background of the global economy. Looking at challenges and opportunities our regions face only within the EU does not make much sense any more. We have to reinforce the capacity existing in Europe's regions to improve their competitiveness, to create growth and jobs in an environment characterized by unfavourable demographic shifts, by the need to identify alternative energy sources and improve energy efficiency, and by the necessity to address climate change.

Three elements are essential in this process:

- It may sound like a slogan but firstly, stakeholders, policy makers and delivery agencies need to work more intensively together, share experiences – both good and bad – and learn from them;
- Secondly, it is essential that what is learned is transformed into action, into reality; and
- Thirdly, it is essential that all the relevant actors mobilise to help in delivering all these actions.

I would like to say a little more about each of these three elements.

Firstly, I contend that it is essential that we work together, share our experiences – both good and bad – and learn from them. European regions are numerous, different and all trying to raise their level of development to make themselves more attractive to investors and to raise the quality of life of their citizens. They all have both the duty and right to do this. Because they are numerous and because they are different, there is a huge stock available of practices, expertise and experiences. Because they are all trying to change life at the same time they need each other. They can therefore benefit from networking and cooperation. What we see today when we look at Europe: are hundreds of networks of small businesses that compete with each other but at the same time benefit from networking and from the value added of cooperation. This is also the way ahead for the regions.

While building their competitive position in the global contest, they can enormously benefit from networking and cooperation.

It is essential for the regions to share knowledge in order to save time, to find the best solution at the first attempt and thereby to make the best use of taxpayers' money. Even the least advanced regions have

something to contribute; even the most advanced ones have something to learn.

However, we should be aware that when we learn from each other our actions are not just aimed at replicating ideas because there are no solutions that suit at any moment of time all regions – there is no one-fits-all policy. Implemented solutions should correspond with particular regional needs and should be adjusted to regional, often very various conditions. In other words, our regions need tailor-made strategies. That is why we promote flexibility and support each region in implementing its own successful path.

And as C. William Pollard, American management writer and successful businessman said "Learning and innovation go hand in hand. The arrogance of success is to think that what you did yesterday will be sufficient for tomorrow".

Secondly, it is of crucial importance that we transform what we have learned into action. Finding out about good practice and the pitfalls to avoid remains only theory if this knowledge, which should be shared, is not then applied. For example, if a network has put together a set of good practices in venture capital provision, these lessons should then be applied to the provision of venture capital in our regions. This excellence should be shared. So let us, indeed, share excellence.

Thirdly, it is equally essential to mobilise all relevant actors to help to deliver these actions. Everyone agrees that one of the great strengths of European regional policy is its multi-level governance system, which

allows high-level priorities to be reconciled with local circumstances and which involves all levels – European, national and sub-national – in delivering development policies.

The reform of European cohesion policy has already provided for greater decentralisation of responsibilities to local and regional partners, thus improving responsibility and ownership on the ground. In this way it has also increased its efficiency as the only way to fully mobilise the endogenous growth potential - a key feature of any fully fledged development policy - is to involve local social and economic actors and to mobilize the best of local knowledge for the sake of change in Europe.

The importance of participation of sub-national levels has been also recognised in the Treaty of Lisbon which extended the definition of subsidiarity beyond European and national level to regional and local authorities.

The Regions for Economic Change initiative was specifically designed to help deliver on these three essential steps: sharing excellence, transforming it into action and mobilising all actors who can contribute. So how can this invitation help in practice?

Firstly, on working together, sharing our experiences and learning from them. Regions for Economic Change was introduced to reinforce the work of the networking programmes INTERREG IVC and URBACT II adopted last Autumn. It introduced a new emphasis on dissemination and communication. The programmes have responded positively to this initiative. The new INTERREG IVC and URBACT II networking programmes, which will finance the thematic networks, have

incorporated the principles into their programme strategy. The two programmes place an increased emphasis on communication, dissemination and capitalisation of results by leading more quickly to action on the ground.

I am happy to say that the initial responses to the first calls for proposals under both programmes are encouraging. The INTERREG IVC first call closed in mid January with a record number of applications registered – more than 500 network proposals were submitted from all around Europe. Competition is strong. Under the URBACT II programme the first call only closed on 15 February and apparently has also had a good response.

The Commission has also an important role to work for better communication and dissemination of results. One example is the organisation of the conferences, like today's, which offer regions a forum to meet and discuss issues of joint concern. A second example is the organisation of the RegioStars Awards, designed to encourage European regions to nominate original and innovative projects in regional development which could be inspiring to other regions. As you know, the first awards will be presented this evening. And a final example is the Regions for Economic Change website where the Commission can assist you and where we have posted information on good practices and Commission policies.

Secondly, Regions for Economic Change can help in transforming what we have learned into action. The overarching aim of Regions for Economic Change is to achieve "partnership in action" around 30 priority themes for economic modernisation. This means that our regions need

to address together some of the core issues which Europe is facing and transfer thus acquired knowledge – with the help of the Commission, if necessary – into mainstream Operational Programmes. The first step in achieving this has been to ensure that the mainstream programmes contain the necessary scope for taking on board all those lessons and good practices developed under the networking programmes. I am pleased to say that 130 operational programmes recently decided to include a specific clause providing that programme implementation will take account of the work of the Regions for Economic Change networks.

The building of the 'two-way bridge' between Regions for Economic Change and Operational programme has not stopped there. The networking programmes also made clear that managing authorities of the 'mainstream' programmes should be involved in the activities of the networks from the outset, in particular with regard to 'fast track' ones. In this way they can ensure that the lessons learned are taken on board.

The participation of the managing authorities is of course also a part of the **third** essential element of our initiative: the mobilisation of all relevant actors. This is something important for us. But certainly there is more to be done. The network partners and managing authorities should also be joined by appropriate experts, by officials from the relevant national ministries, or others who can contribute to optimising the outputs of network and mainstream programme alike.

Furthermore, the Commission will also offer its expertise to a number of networks working on these priority themes I mentioned, known as 'fast track' networks. The different Directorates General will come together to see whether and where they can add value to a network. The aim is to

complement, not replace, the work of network members and thematic experts, and to offer expertise where the Commission can add value.

Within both the INTERREG IVC and URBACT II programmes I am glad to say that potential fast track projects have been proposed by groups of regions. We are looking forward to examining those proposals. I understand the Secretariats and Monitoring Committees still have to finalise their timetables and we therefore await the proposals to the Monitoring Committees for the approval of the first new networks. But I hope – indeed I strongly encourage you - that decisions can be reached as early as possible to let the networks start work despite the workload generated by the impressive response from Europe's regions and cities.

Ladies and gentlemen,

Let me conclude by saying few words about the relevance of the conference programme for the next 2 days. You have come together today to participate in the second annual spring Regions for Economic Change conference. We have put together this event with the aim of demonstrating how the three essential elements: sharing excellence, transforming it into action and mobilising all who can contribute, can be achieved in practice and with the aim of providing you with a forum to discuss these issues, present your experiences and debate with other colleagues.

Firstly, in all the workshops, we seek to demonstrate the benefits of working together, sharing the good and the bad experiences, and learning from these experiences. This will be demonstrated across a wide range of types of networks and networking platforms by a wide

range of actors supported also by a wide range of Community instruments - INTERREG, URBACT, other EU programmes, the Lisbon Monitoring Platform, to name but a few.

Secondly, we also seek in all workshops to demonstrate how this networking can be translated into action. This will be shown in a number of ways. In some cases, a direct link has been forged with a programme supported through regional policy or other policy instruments and the good practice developed by the network has been applied by a member in the same city or region. In other cases, the work of the network has influenced policy development in the relevant theme – it has driven a change of policy reflecting the lessons learned. There are many ways showing how the networks can be put into practice.

Finally, we will be seeking to demonstrate the importance of bringing all relevant actors on board. In the workshops on clusters and urban development, you can find out in particular about how the managing authorities of the mainstream programmes became informed of and involved in the work of the network. This is essential for the future.

I would like to conclude by wishing you a successful conference and urging your full and active participation: your active partnership. The officials from the Commission and the Committee of the Regions, Members of the European Parliament, the speakers at this conference, have not just come to tell you about our views and our experiences but have also come to learn from you. We hope to hear your views on the

various themes and issues covered and want to learn from your experiences in this regard. I urge you to share the excellence coming from your regions with us!

We are all involved in building Europe's capacity to change.

"Without change there is no innovation, creativity, or incentive for improvement. Those who initiate change will have a better opportunity to manage the change that is inevitable."

(C. William Pollard, American management writer and successful business man)

Thank you very much. I hope to see you again at the closing session.