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**Regions for Economic Change: Sharing Excellence
Closing Speech**

Brussels, 26 February 2008

Minister Turk, Vice-Chair of the REGI Committee of the European Parliament Olbrycht, dear Friends and Colleagues,

The title and objective of our conference that now comes to an end was "Sharing Excellence". I have heard many innovative, creative and inspiring ideas during these two days and I hope that you share my impression.

I hope that the range of subjects covered in these two days designed to give the opportunity to discuss and exchange networking experiences on some of the hottest topics on the EU policy agenda such as health care, demographic challenges, adapting traditional industries, urban transport and sustainable energy, allowed you to find something useful you can take home. As far as my team and I could observe, you used intensively these networking opportunities during the conference. Launching networking - this was one of the main purposes of the annual Regions for Economic Change conferences.

I thank you for your active participation in the conference. It showed once more what a wealth of experience has been accumulated in the regions

and cities in Europe. This was very frequently facilitated by the cohesion policy, as we could hear in the presentations last evening of the first RegioStars awards. Good news is also that valuable experience is also found in regional or national frameworks or in Community programmes present individually on the ground.

My great hope is that in the aftermath of this conference, you have succeeded in picking up some new ideas to take home and you will take the opportunity to implement some of these ideas. I know that the daily pressure of work often makes it difficult to bring about changes and try new approaches and that sources of good practices seem also to multiply through all web-sites to which you reach out, guide books and conferences which flood you with examples. That is why our objective with Regions for Economic Change is to provide an integrated and streamlined set of tools, tailored to the context of EU cohesion policy on challenges that are important to our regions and municipalities.

I also know that the real difficulty is to evaluate these good practices and translate them into action. This calls for even more innovation and risk-taking not only among entrepreneurs and researchers, but also among public bodies and also among policy-makers. I would like to repeat which is like mantra that only in partnership with relevant actors at all levels that this can work. Many good experiences highlighted in the workshops showed how public and private actors – for instance in cluster initiatives - developed and implemented successfully new, effective policy approaches.

Again, let us take partnership seriously.

What are the next steps as we leave the Conference?

The mainstream and networking operational programmes have been finalised, the negotiations are finished and – I am glad to say – the aim to reorient the programming towards the Lisbon objectives of growth, jobs and competitiveness across Member States and regions has been achieved. Not only have the 60% and 75% earmarking objectives for the Lisbon activities been met, but also the planned EU investment specifically for innovation in 2007-2013 increased during the adoption process. We started with lower commitment and we ended with higher. The allocations to innovation related activities - RTDI, entrepreneurship, ICT and human capital – now reach 99 billion Euro which corresponds to 30% of all resources of Cohesion Policy for the 27 Member States.

The launch and implementation of the new generation of programmes is in full swing. But there is still plenty of room to improve projects that will be selected on the basis of the experience from the last programming round. We should not be satisfied to settle for the lowest common denominator. As it was said this morning lowest common denominator approach is not for regions. We have to go above it. What lies ahead for us now is to further strengthen the synergy between the various Community, national and regional policies that contribute to growth and jobs in the implementation phase. Your job is to ensure that relevant experiences and good practices from whatever source are shared through interregional cooperation can make a major contribution to this objective.

As I have repeatedly emphasised the Regions for Economic Change initiative offers a platform for this. As a next step the next generation of networks under the INTERREG IVC and URBACT II programmes will be selected during 2008 under their new programme strategies – including under the "fast-track" option. This means, concretely, that the

Commission will work in partnership with all interested networks with the objective of providing a rapid testing ground for new ideas. We believe that such networks could comprise around 10 regions or cities and focus on the priority European themes.

These INTERREG and URBACT networks will become platforms for building two-way bridges with the mainstream programmes, which is so essential as you know. We hope that they will increasingly allow to feed the ideas and good practices identified in the networking into the implementation of the regions' and Member States' regional development activities.

I agree that well-functioning systems are essential and ICT as a communication channel is irreplaceable; but still I believe people matter.

In my view the best way of passing on good ideas is through personal contacts, be it at conferences, but even more in networks or in one-to-one twinning activities. However, one cannot be all the time everywhere. Therefore alongside this, we, the European Commission, will continue our analytical efforts to draw conclusions from the 2000-2006 period and evaluate the impact already achieved and the mechanisms and keys to success that were behind it. We make the good practices identified in this way available in a structured form over the InfoRegio web-site. This includes also the publication of the case studies on the finalists of this year's RegioStars award, which will be put on-line in the next days.

Last but not least, let me tell you where we are on the reflection on the future of European cohesion policy after 2013.

❖ Few words on the calendar:

- the open consultation which we have launched in September last year are coming to a close. I am happy to say that until now we received around 100 contributions from Member States, regions, local authorities and associations, civil society and other stakeholders, including individual stakeholders. I will report on the results of this consultation in the 5th progress report on cohesion which the Commission will adopt in June this year.
- But of course this is only the beginning of the discussion on the shape of the future Cohesion Policy. We want this discussion to be as inclusive and broad as possible. Other events will mark this process. Let me mention here most essential events to come:
- under Slovenian Presidency: International Conference on "Territorial Dialogue" on 4 March 2008, together with the Committee of the Regions and a high-level meeting: Conference on the future of cohesion policy on 7-8 April 2008;
- French Presidency already ahead its formal take over from the Slovenian Presidency: the Convention for the Europeans on cohesion, human and territorial solidarity (25 April 2008), organized by the French government. This event will gather national, local politicians and citizens to debate on the aim of the regional policy in an enlarged European Union;

- Under French Presidency: the Green Paper on territorial cohesion in September 2008, followed by broad public consultations by the end of the year and an informal meeting of Ministers for regional policy (November 2008);
 - and under Czech Presidency the sixth progress Cohesion report (Spring 2009).
- ❖ What is more important is the substance: let me start by saying that we should see the future of the cohesion policy against the background of global changes with which our regions are and will be confronted increasingly in the future. These are related to the acceleration in economic restructuring as a result of the rapidly changing division of labour at international level; to changes in the structure of the population which is ageing and decreasing; to pressure on territories related to climate change; and to rising energy prices which impact on the structure of our economies.

[European regions cannot anymore position themselves and measure their competitiveness only against the European economy. Taking account of the global context in anything we do is a "must" today.]

- ❖ This background will not cease to exist in the years to come; on the contrary, we might expect that the importance of global context and the pace of the change will only intensify. Therefore, in the future European cohesion policy should act as first and foremost a development policy whose objective is to foster the endogenous development of all European regions. This is why the recent policy reform has further oriented towards investments providing the highest returns in terms of growth, jobs and competitiveness. This

change must be seen in the context of the new, global economic environment which puts on the same track competitiveness and cohesion objectives.

- ❖ We have also to continue building on our achievements, partnership and multilevel governance being in my view the most important of them. Globalisation changes the meaning of subsidiarity, calling for more involvement of local and regional levels which increasingly tend to be best placed to meet and benefit from global changes. Perhaps the moment is ripe to reflect from this point of view on our system of multi-governance – taking also into account the new EU Treaty, which introduced the notion of the territorial cohesion and also provided for a new definition of European subsidiarity, emphasizing the role of the regional and local actors.
- ❖ Finally, I believe we also have to work on the policy with the objective of making it simpler, more user friendly and also more performance oriented. Let me emphasize this last point. With the recent reform we moved towards European cohesion policy acting as a predominantly allocative policy, delivering public goods and also mobilising local growth resources against the background of the global economy that I mentioned. The continuation of this evolution in the future calls for more emphasis on the role of the Commission as a policy advisor, favouring place-based strategies for European territories.
- ❖ The content of the contributions to our public consultations shows that our constituencies, Member States, regional and local governments support this direction of evolution of cohesion policy

in the future. I also have the feeling that during our conference we heard about many examples showing that this is a right approach.

- ❖ But there is one more thing which I would like to stress. It is the importance of your enthusiasm, your creativity, your wealth of ideas which you have shown to us during last two days. Those who complain about Europe which is aging, which has no solutions, which is only trying to preserve status quo, should come here and listen to you. Today I can say that I feel really proud to be European Commissioner responsible for regional policy.

Finally, I come to the very next step: the lunch, which waits for you outside this room. After the lunch the "networking corners" will be available for you to continue the discussions from the workshops this morning. I look forward to seeing you again at next year's Regions for Economic Change conference. Please remember that "innovation is the ability to see change as an opportunity – not a threat" and as Prof. Porter said "innovation is the central issue in economic prosperity".

And please remember that:

"It is not always what we know or analyzed before we make a decision that makes it a great decision. It is what we do after we make the decision to implement and execute it that makes it a good decision."

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

I hope we can continue to work. I thank you one more time and I hope to see you soon.