

**Professor Danuta Hübner, Commissioner for Regional Policy**  
**"Technology Parks in the Landscape of the European Innovation and Regional Policies"**

**Inauguration of Dolnosląskie Technology Park**  
**Szczawno-Zdrój, 8 May 2009**

Ladies and Gentlemen,

It is a great pleasure for me to attend the inauguration of Dolnosląskie Technology Park in this very special week – the First European SME Week. I'm particularly pleased to be here because I'm well aware that centres of this type don't just provide the key to surviving the economic crisis - they also promote the development of an innovative economy which is stronger and more competitive.

There are 23 SMEs registered in Europe, including 3.6 million in Poland. They actually account for more than 99.8% of all companies. SMEs provide 2/3 of the workforce with jobs and generate one half of Poland's GDP.

If you compare them with their counterparts elsewhere in Europe, you notice that, relatively speaking, there are more of them because they are smaller. In Poland, 96% of SMEs are micro-enterprises employing up to ten people, whereas the average figure for the European Union is 90%. Although Polish companies are dynamic and open, with a strong export orientation, the smallest ones in particular do suffer from a lack of innovation. This is borne out by the statistics. Poland invests only 0.6% of its GDP in R&D – three times less than the EU average, and one of the lowest levels in the European Union. A lack of cooperation between scientific circles and the business community has also been a major problem for many years. This is true of all the Polish regions, including Lower Silesia, despite the fact that in Wrocław alone there are 130 000 students, and around 10 000 in Wałbrzych, and 22 institutes of higher education. One computer programmer in six studied in Lower Silesia. So, if we are to develop a strong knowledge-based economy in Poland, we

must create and consolidate institutions which promote innovation in SMEs: business and technology incubators, clusters or, like here in Szczawno-Zdrój, technology parks.

In the European Commission we know that innovation isn't just for the rich. In fact, I'd say the precise opposite is true – the poorer the region, the more innovative it needs to be. We've moved away from the traditional approach to innovation based on strong research centres which started with a laboratory and research, followed by various successive stages culminating in marketing the results. Over time we've come to understand that innovation is a more complex process. That innovation is the product of interaction between various policies and partners. That bodies at different levels – international, national, regional and local - play an important role in stimulating it. And we've come to the conclusion that, to be effective, action to stimulate innovation must be adapted to the situation in the region concerned, and innovation must take root in it. If we're going to close the innovation gap between Europe and the United States or Japan and – within Europe – between, say, Poland and Sweden, it's vital for local authorities, local businesses, regional R&D centres and the local community itself to be involved in the innovation-creating process in each EU region, and that we draw on their knowledge.

In European regional policy we have an excellent instrument for encouraging innovation. First, encouraging innovation is one of our priorities. Second, the policy is being – and will continue to be – implemented in all regions of the European Union. Third, for years our efforts have focused on multi-layered management, on synergy between the various levels of government – EU, national, regional and local – and on partnership with various players, such as businesses, universities and NGOs which enable this cooperation to be used to create the broad links between knowledge-generating and innovative institutions which are now so crucial to the innovation process. Fourth and lastly, regional policy is an instrument which enables us to coordinate various policies and produce integrated solutions.

In the 2007-13 programming period we plan to invest €86 billion in innovation in the EU. That's one quarter of our total resources, and of that sum €17.5 billion will be earmarked for innovation and technology for SMEs. We want to focus more than in the last programming period on establishing ecosystems which facilitate the creation and development of

innovative companies and clusters. It goes without saying that technology parks will continue to play a key role in the EU innovation policy landscape.

We in Europe have quite a long tradition of developing technology parks. Some of them are world class. I should like to dwell for a moment on some of the factors which determined their success.

It's true that Europe doesn't yet have a Silicon Valley, which transformed California's profile and status in the world economy, attracted some of the most talented and creative people in the world and facilitated the development of household names like Hewlett-Packard, Intel, Apple, Sun, Cisco, Yahoo and Google.

But we do have a large number of world-class parks, such as Sophia Antipolis in France, the Cambridge Science Park in England, the technology parks in Piedmont, the Science Park in Barcelona, Adlershof Park in Berlin, or Lahti Science and Business Park in Finland. Many of these have received aid within the Cohesion Policy framework.

So which factors determined their success? That's actually a very good question because - although technology parks are all different - they owe their success to certain features which they all share.

First, the technology parks which achieve the best results are conceived as a long-term public/private partnership and are run by professionals with innovation expertise. Strategic operations are agreed through joint decisions involving not just the main three stakeholders, i.e. regional authorities, businesses and research institutions, but often, and in a wide variety of ways, the local community too. For example, parks are increasingly working with local colleges to get youngsters interested in science, new technology and innovation. In this way a vibrant ecosystem is created which facilitates innovation.

Second, the park's management must convince all the entities on which its development depends, like the regional authorities, colleges and SMEs, that they stand to benefit from it. Parks can considerably increase their powers of attraction by offering a broad range of activities, like

technology transfer, patent support, tutoring of start-ups and spin-offs, project management and financial support.

For example, one of the best parks in the EU, at Canavese, Northern Italy, managed to persuade large companies to invest in it by offering access to the only research centre in the area, high-quality laboratory facilities and attractively priced infrastructure. The park also provided these companies with rapid access to innovative projects which they could invest in and benefit from in the course of their activities. The regional authorities, for their part, were interested in restructuring the economy, shifting its focus to innovation and attracting highly qualified specialists to the region. They contributed the know-how necessary in order to secure external co-financing from the European funds and incorporated a long-term foresight-based strategic vision into the park's management.

I should like to mention another important factor which could play a particularly vital role in Poland. If it is to be successful, a park needs to convince colleges not just that it won't be competing with them, but that disseminating in-house research beyond their walls and opening up to companies may help them to achieve results faster and bring them benefits.

Third, it is important to strike the right balance between the two aspects of the park's activities. On the one hand, a technology park should be geared to getting tangible results, and the presence of companies within it should be contingent on their achieving clearly-defined objectives at a given point in time. On the other hand, however, there should also be scope for risk-taking and experimentation, because without that innovation isn't possible.

Fourth, the best of these parks have a clearly-defined specialisation. Silicon Valley has a cluster of IT firms, Canavese attracts biotechnological firms and the Science Park in Barcelona focuses on life science companies. So one of the factors which determine a park's success is that, right from the start, it offers services which reflect the needs of the sector in question.

Fifth, it can be assumed that establishing a park and stimulating innovation isn't a linear process. The bodies running these parks, which first built a research centre, then tried to attract companies and finally created an incubator now take the view that they should have launched

the technology transfer stage much earlier. Had that happened, critical mass enabling research findings to be implemented could have been achieved at an earlier stage, even though the incubation process is unusually time-consuming.

Sixth, to be successful, technology parks have to evolve, develop new functions, services and trends and produce new models for business services that enable emerging activities and sectors to flourish. Technology parks typically have a “life cycle”. They must conduct an ongoing self-assessment process and look for opportunities in the challenges facing Europe - globalisation, demographic and climate change and energy security.

Seventh, the role of managers of technology parks and regional authorities is of paramount importance. The management structure of a park shouldn't be over-developed or excessively hierarchical. It should promote an active approach to locating investors and facilitating contacts between companies and academic circles, favour openness and enable the rapid reaction necessary in business negotiations and flexibility in adapting the park's services to investors' needs. What works best here is small teams of highly paid, committed professionals.

Eighth and lastly, the best parks are increasingly geared to cooperation with other similar entities, not just within the same country or the European Union, but outside it as well. Cooperation doesn't just make it possible to tap into other people's experience and avoid repeating their mistakes, it also facilitates overall growth. So I would encourage you to cultivate contacts in other countries with a longer tradition of technology parks with a view to discussing the factors that hampered their development and those that favoured it. Contacts of this type are very important to the companies which operate in technology parks, and parks can facilitate them.

2009 is also the European Year of Innovation and Creativity. The aim of this Commission initiative is to raise awareness of creativity and innovation as the main drivers of personal, social and economic growth. It has acquired a new meaning in the context of the current economic slowdown – major public works and large-scale infrastructure investment won't be enough to bring this crisis to an end. If we want to emerge stronger from the crisis, we must invest in innovation, indeed, we must

encourage it as never before. That's why we need technology parks in Europe, including Poland, especially now on the eve of the third industrial revolution based on green technologies, energy efficiency and information technology.

Thank you for your attention.