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## **Strengths and challenges of the new Competitiveness and Employment programme for North East England**

*Check Against Delivery  
Seul le texte prononcé fait foi  
Es gilt das gesprochene Wort*

Launch of North East Competitiveness and Employment Programme

**Newcastle Upon Tyne, 14 February 2008**

Ladies and Gentlemen,

I am sorry I cannot join you for your event today, but at least I can share a few thoughts with you thanks to this new technology.

The North East Competitiveness and Employment programme you are launching today offers the region a real opportunity to go on creating jobs, delivering growth and strengthening its economy. You will be investing a total of € 750 million, to which the European Union is contributing € 375 million, and this will, by the year 2013, create a lasting legacy for the North East.

In your programme, you have recognised your region's strengths, as well as the challenges that lie ahead. I believe that this European Regional Development Fund programme can make a real difference by supporting innovative businesses, and helping enterprises to exploit the strengths of your research institutes. I know you have some excellent facilities, such as the New and Renewable Energy Centre (NaREC), in Northumberland, and the Newcastle Science City, with its focus on life sciences, energy and molecular engineering.

The European Commission congratulates you on the programme's strong commitment to stimulate an entrepreneurial culture that will surely help to boost productivity and growth, particularly in the most disadvantaged parts of the region. We also believe that your idea of facilitating access to finance for prospective entrepreneurs is particularly interesting and also useful, should you care to share your good practices with other regions in Europe.

The Innovation Connectors' network in the region, supporting Universities and Centres of Excellence, should help facilitate the application of science- and innovation-related activities, particularly in fields relevant to priority sectors. Innovation Connectors should combine cutting-edge facilities, joint business/university Research & Development programmes, education and access to employment programmes. All of this should stimulate the use of technologically-advanced solutions for small and medium sized enterprises based in your region.

So how does the North East fit into the big picture in European regional policy? This policy is the European Union's key instrument for promoting growth and jobs. It has direct impacts on the lives of people living in the Union, and accounts for over a third of the EU's budget.

The new generation of programmes, which runs until 2013, will boost investment in up-to-date technologies and improve skills. This will help regions to move up the value chain, producing high-quality goods and services that can compete in the global marketplace. That is the aim of the EU's strategy for growth and jobs, the Lisbon Agenda, and Regional Policy is supporting investment to make it a reality.

Member States have agreed to " earmark " a proportion of their cohesion policy resources to the growth and jobs agenda - 75% of their resources in competitiveness regions like the North East of England. I am particularly impressed with the North East's pledge to dedicate more, at least 83% of its resources, in this way.

For the period running from 2007 to 2013, about € 226 billion, plus national co-financing and leveraged private capital, will be invested in activities to deliver the Lisbon agenda throughout the EU. We stressed the need to focus on innovation and R&D during negotiations on the programmes. We now estimate that around €85 billion of European investment will be allocated to these, three times more than in the previous period.

In addition, I see you have taken bold steps to manage the carbon footprint of development in your region for 2007-2013, and I congratulate you on this commitment to stimulating low-carbon growth. Your programme aims to strengthen potential synergies between environmental protection, risk prevention and growth, as well as improving energy efficiency in business. This is without a doubt the way to go.

Concluding your negotiations so successfully is quite an achievement for your regional partnership. The role of the partnership will also be vital in bringing together resources, experience, knowledge and capacity to implement the programme successfully.

I am pleased to see the way in which your partnership has decided to concentrate ERDF investment in ways that will generate added value, complement domestic resources and deliver a distinctive European contribution. Effective and efficient governance structures are a must if you are to achieve the programme's objectives, and I am confident that the Regional Development Authority and its partners are fully equipped to meet that challenge.

I find the commitments your region has made extremely encouraging, and would like to congratulate you on a very ambitious Competitiveness and Employment programme. Now it is time for the region to work in close partnership to achieve results and meet the high expectations of all who live and work in the North East. I wish you the best of luck and look forward to the next chapter of an inspiring story.

Thank you.