

**Speech of Commissioner Danuta Hübner on  
"The European Programme launch for South East England –  
focusing our efforts on Innovation "**

**Ebbsfleet 29 January 2008**

Ladies and Gentlemen,

I am delighted to be here in Ebbsfleet today for the launch of the new European Regional Development Fund programme for the South East region for 2007-2013. I am also pleased to be returning to the region where I studied in the mid 1970s at the University of Sussex, where I also been awarded an honorary doctorate recently.

The South East programme was adopted by the Commission on 3rd December of last year and I would like to take this opportunity to congratulate the South East of England Development Agency (SEEDA) and the Government Office for the South East (GOSE) and all the regional stakeholders involved in the production of the programme. The excellent co-operation which has been developed with the Commission in the last year has made possible the earliest possible adoption of a high quality, forward looking programme.

Today I have had the possibility to visit some of the regeneration activity which has been supported by the European Union. I have visited the historic Dockyard site in Chatham which is home to two universities: Greenwich and Canterbury Christ Church who have used European funding to support a centre of excellence in pharmaceuticals and training for a number of different groups to enable them to improve their skills or find employment. Later I will be travelling by the Kent Fasttrack – supported by the European Regional Development Fund – to the new

station here. These are indeed examples of your efforts to fully exploit all opportunities the EU support brings to your region.

### **New challenges for regional policy**

Looking forward, the challenge that our regions face are increasingly defined by external global changes, such as the increased competition from rapidly emerging markets, especially in Asia, climate change and rising energy prices.

Moreover, there are other modern pressures such as demography – ageing population and migration flows - or the struggle to promote growth while at the same time improving the living environment. The increasing economic competition and the impact of climate change already pose serious problems to quality of life in EU regions. South East England is obviously vulnerable to the effects of climate change, especially in this part of the region alongside the Thames Estuary.

This has an impact on European regional policy. In the past the external challenges were dealt with by national governments and Regional Policy concentrated on internal changes. As the regions cannot develop without tackling issues arising from the global environment in which they operate, Regional Policy has adapted to the new needs.

These modern challenges call for innovative approaches. I am therefore extremely pleased that the objective of the programme is to tackle precisely one of these issues. The Programme recognises the importance of decoupling further economic growth from resource consumption, pollution generation and a loss of biodiversity as important considerations in order to enable the Region to fulfil its vision of achieving sustainable prosperity by 2016.

As a result, the objective of the programme is to "Promote competitiveness in South East England whilst contributing to reducing the region's ecological footprint". I commend you on this objective, particularly since the programme will do so by raising levels of knowledge and innovation across business sectors in order to promote more resource efficient business practices. This approach will boost profitability and long-term competitiveness. It will also aim to stimulate innovation and job creation in new and emerging ecologically-driven market sectors

All these activities are, of course, Lisbon related. So, not only do you have a forward looking programme which aims in supporting innovative ways to deal with these new challenges but they are also in line with the Lisbon objectives.

### **The Lisbon agenda for Growth and Jobs across the EU**

One of the ways we can look at the Lisbon agenda for growth and jobs in relation to the cohesion policy is to see how much of the policy supports the Lisbon agenda. Indeed, as you know, the member states across the Union have agreed to " earmark" a certain proportion of their cohesion policy resources to the renewed growth and jobs agenda. 60% of cohesion funding in the convergence regions and 75% in the competitiveness regions should be concentrated on investments in the key drivers of the Lisbon agenda. These two targets at a European level have been reached. The average proportion of the resources earmarked for key Lisbon investments is 65% under the "Convergence" objective and 82% under the "Regional Competitiveness and Employment" objective. In financial terms, some 226 billion euros plus national co-

financing and leveraged private capital will be spent overall on the Lisbon activities in the 2007-2013 period.

In this context, I am pleased to say that South east is contributing its share to the Lisbon targets. The competitiveness programme has 92% of its resources earmarked!

- **The focus on innovation and R&D in the EU**

If I go back to the focus on innovation and R&D that we have insisted strongly on when negotiating the programmes, we estimate that around EUR 85 billion will be allocated to these types of investments across the EU.

Compared to the previous period this represents a tripling in the financial amounts. For the New Member States, the increase of investments in this area compared to the previous period is in the order of 400%.

In short, I think I can safely say that the new programming period will see a major shift in cohesion policy investments towards research and innovation and this is good news for us all. We also have increased the coordination with the 7<sup>th</sup> FP which, I believe, will also bear fruit in this period.

- **Facing the future**

This shift is why the 4th Cohesion Report has been important in framing the discussions on the future of the policy. It provides an update on the progress made towards achieving economic, social and territorial cohesion, and on the manner in which Member States' and Community's policies have contributed to it. But the report also looks at the new challenges which will add up to the context for regional development in

the next 20-30 years - such as demography, climate change, social exclusion or energy - and submits for a debate a series of questions on their combined impact on the policy. The programme that your regional partnership has produced already recognises these challenges – and I do hope that it will provide best practice for use across Europe in the future. When speaking of regional partnerships on a more general level, it is increasingly evident that the successful development of the Union's territories requires the mobilisation of a wide range of actors at different levels and the development of systems of multi-level governance, including European, national and sub-national levels. It is perhaps worth reminding ourselves here that the new Treaty also introduces a new definition of subsidiarity, which clearly refers to local and regional powers.

In any case, I have launched a reflection process on the future of Europe's policy to promote greater economic, social and territorial cohesion and to foster regional development and competitiveness. I sincerely look forward to receiving your contributions – though you need to send them to us before this Thursday if you have not already done so!

Regional Policy is here to help European regions in the global environment and the South East programme is a prime example of this. Our challenge is to get stronger globally!

I look forward to hearing about the innovations that the partnership will surely endeavour to deliver in the coming period.

Thank you and good luck with your new programme.