

Brussels Launch of the South West of England's Regional Economic Strategy, 10 October 2006

Closing Address by Danuta Hübner, Member of the European Commission responsible for Regional Policy

Following the adoption by the Council of the Strategic Guidelines for Cohesion Policy for the period 2007-2013, guidelines which will help to ensure that this policy contributes most effectively to the creation of sustainable growth and jobs, the time has come for Member States to submit their national strategies and their operational programmes. This will be a period of intense and exciting work, for which the South West of England is well prepared. This event shows well the multi-level governance which is an inherent part of regional policy – an economic strategy developed on the basis of local expertise and knowledge, being launched in Brussels in the context of the growth and jobs agenda. The South West has also developed valuable experience which would benefit many other regions, and is encouraged to participate actively in the initiative 'Regions for Economic Change' which the Commission will launch at the end of this month with the precise aim of allowing regions to network and learn from one another.

Ladies and Gentlemen,

It is always an honour to give the closing address at an event such as this. At the same time I always regret that I miss the interesting discussions that take place before I arrive, and I apologise to you today that I could not come earlier. I do of course have some consolation in the fact that I spent two very informative days in the South West of England in May of this year, and that has given me some good insight into the region and what you have achieved with European regional policy.

In the time that is left to us this evening, I want to focus on two messages. The first concerns the state of preparations for the new

programming period, and your regional economic strategy. The second concerns the follow-up to my visit to the South West.

Last Friday, 6 October, the Council adopted the Strategic Guidelines for Cohesion Policy which is the trigger for Member States to submit formally their national strategies for regional policy to the Commission, and, in some cases in parallel, the first of their operational programmes. We are moving into the final stages of our preparations for the new programming period, and those of you who have been able to attend one of the many events of the Open Days, will know that there is an enormous amount of activity going on. On this point I want to express my hope that the UK authorities can accelerate their preparations. Last Friday we received a new draft of the National Strategic Reference Programme, but at present it still seems that the UK will be one of the last, if not the last Member State, to have its programmes adopted. Key decisions still have to be finalised on the financial allocations to the competitiveness and employment regions. And essential decisions have to be taken on delivery mechanisms, an issue where we are convinced that the UK should build on the very positive experience it has had to date. My services in DG Regional Policy continue to work very constructively with the UK authorities to take these issues forward.

On a more positive note, I know that in the South West you are well advanced in your preparations of the Competitiveness and Employment programme for the region and of the Convergence programme for Cornwall and the Isles of Scilly. And this progress is based on the extensive consultations you carried out in drawing up the South West Cohesion Framework, and the hard work you have put into the South West Regional Economic Strategy and the "Strategy and Action"

document for Cornwall and the Isles of Scilly. The South West economic strategy has of course been designed locally by all concerned local actors – this is where the expertise exists, where problems are most easily identified and solutions found. But through this launch in Brussels, you underline the role of the European level also in offering an overall policy framework through regional policy and the growth and jobs agenda. This is an approach which I hope other regions will follow.

Turning to my visit to the South West, you will not be surprised that I was greatly impressed by the projects I saw: the Eden Project which is contributing to the regeneration of the local economy; the Royal William Yard in Plymouth; and the Biomedical Exploitation Facility part of the Peninsula Medical School. And of course the Combined Universities of Cornwall project. Universities which are firmly rooted in a local business environment are essential elements of sustainable and successful regional development. The combined universities is not just bringing benefits today, it is a long-term investment in your collective future which will have a very high return. It responds to the demand for a higher educational institution that will not only stem the brain drain, but will attract talent and knowledge into the region and keep it there. And indeed on this point I want to draw your attention to the strategy for innovation which was adopted by the Commission in September. This strategy emphasises the fact that the main competence of fostering innovation lies at the regional level. It is at the level of the region that businesses, especially SMEs interact with one another and with universities and research centres. Proximity is a key factor in the innovation process, and the effectiveness of that process is greatly increased if it is tailored to local and regional needs.

But my intention this evening is to encourage you to share actively this experience with other regions and member states, where similar initiatives are being developed or where they would be valuable. Since I visited you in May I have visited several regions where similar initiatives are underway - in Scotland where I visited the Highlands and Islands Millennium Institute, in the North of Sweden and in Galicia. I am convinced that sharing the experience gained through these initiatives, making them work together, will offer great added value to many of the Union's regions. This of course has been one of the main goals of INTERREG where you have participated actively in the past, and I trust this will remain the case for the new European Territorial Co-operation objective which replaces it. This is an area where the UK has not suffered a reduction in budget for regional policy and will have significantly more funds to invest than in the past. Today, however, I want to encourage you in particular to participate in a new initiative in the area of European Territorial Co-operation which we have called "Regions for Economic Change". As part of this initiative, we in the Commission will identify themes related closely to the economic modernisation and the growth and jobs agenda. We will encourage Member States, regions and cities to form networks on these themes, and technical assistance will be available to do so. These networks will allow ideas to be tested and rapidly disseminated and mainstreamed into other regional policy programmes. We will focus on issues such as improving the capacity of regions for research and innovation, how to bring innovative ideas to the market more quickly, and how to help regions that have been heavily dependent on traditional areas to restructure. In each of these areas you in the South West clearly have significant experience to contribute. The Commission will adopt this initiative towards the end of October, and I encourage you to follow it closely and to become fully involved.

Ladies and gentlemen, I consider this a particularly exciting moment in the process of preparing for regional policy for the period 2007-2013. Many of the elements are now in place – the regulations, the strategic guidelines, draft national strategies – and we are now at the point of linking this up with the identification of activities on the ground. I am greatly looking forward to the many operational programmes which will be submitted over the coming months. The time schedule is tight, and we must do what we can to finalise negotiations as early as possible. And the decisions we make now are of great importance, as they will determine the quality of what comes next. I understand that many of you will be involved in working sessions on your programmes tomorrow, and I wish you every success in making progress. In the UK you have a good record of adopting innovative approaches to regional policy and this is very much appreciated. I encourage you to continue with this, and to share your success with other regions.