

BUILDING RESEARCH AND INNOVATION INTO THE EUROPEAN UNION'S TERRITORIAL AGENDA

ERRIN Response to the Consultation on the European Commission's Green paper for Territorial Cohesion COM (2008) 616 final

1. Key points

1. Territorial cohesion involves a proactive regional policy promoting sustainable balanced economic, environmental, social and scientific development. Territorial cohesion is not a one-size fits all approach. Regions should be free to determine their own potential and the strategies required to achieve their objectives.
2. The future success of Europe will be based on competitive regions developing their knowledge economies. All regions must aim to develop their regional potential by investing in research, innovation, skills and entrepreneurship – thus developing a European capacity to engage fully in the global knowledge economy.
3. Territorial cohesion must integrate the European Research Area and its vision 2020 which includes the modernisation of research, education and innovation systems.
4. European funding should be increased to support research, innovation, entrepreneurship and skills development so that all regions can maximize their endogenous capacities and build partnerships with other regions in order to build a stronger European knowledge economy.
5. More European resources should be devoted to a more flexible interregional cooperation with more emphasis on thematic cooperation to share best practice between regions and to support innovative projects with a high European added value.

The ERRIN Network

ERRIN¹ is a unique network of 70 dynamic EU regions and their Brussels representation offices. ERRIN's membership represents 'triple helix' actors, namely regional and local public authorities and development agencies, chambers of commerce and universities. Most ERRIN members have longstanding Brussels' offices.

ERRIN has a dual role of actively promoting the European Research Area, firstly by strengthening EU research and innovation through the promotion of knowledge exchange and project development across regions, and secondly by helping regions engage in policy debates enabling them to influence future EU research and innovation policies.

¹ Disclaimer: This ERRIN position may not necessarily reflect the views of all ERRIN members.

2. ERRIN's response to the consultation questions

1. Definition of territorial cohesion

What is the most appropriate definition of territorial cohesion?

Territorial Cohesion is essentially about a proactive regional policy to ensure the most efficient allocation of resources (human, land, knowledge and capital) within the EU while taking into account principles of solidarity, equity and access. Territorial Cohesion should promote sustainable balanced economic, environmental and social development across the Union to ensure that the benefits of the single market are spread across all regions. All regions should have access to services and resources considered vital for engagement in the knowledge economy. Regions should neither be left to lag behind significantly nor grow excessively creating an imbalance of resource usage with some regions having underused infrastructure while others suffer from problems of overheating and congestion.

Territorial Cohesion is not about a one size fits all approach. Each region should be free to determine its own potential and its strategies for realising this potential taking into account historical, political, economic and social contexts which provide Europe with its diverse regional assets.

What additional elements would it bring to the current approach to economic and social cohesion as practiced by the European Union?

The future economic geography of Europe will be based on the knowledge economy. This knowledge economy will be driven by the research and development and innovation agenda. It is therefore vital to integrate territorial cohesion with the recently agreed vision of the European Research Area which notes that by 2020, the mobility of knowledge - 'the fifth freedom' will create strong added value by fostering a healthy Europe-wide scientific competition whilst ensuring the appropriate level of cooperation and coordination contributing to the sustainable development and competitiveness of Europe.

2. The scale and scope of territorial action

It is quite clear that globalisation will mean more sharing of research strategies, agendas, infrastructures and researchers. The 'fifth freedom' – the mobility of knowledge means that knowledge and research spreads across national boundaries. ERRIN supports clear research and innovation strategies at European, national and regional levels that are coherent and established following wide discussions with a range of stakeholders and increased citizen participation.

Big science needs big decisions. Not all regions can have powerful telescopes, Large Hadron Colliders and key European research clusters. However, as noted above, ERRIN warns against an 'excellence at all costs' approach and argues that all regions have potential and should and can develop competences in sectors of R&D.

Regions are often the delivery bodies of European policies and programmes and should therefore be more engaged in the design of overarching strategies and policies at the

European level. These strategies and policies should allow a degree of flexibility for regions to adapt them to their regional objectives and strategies.

3. Better cooperation

ERRIN considers that the European Commission should concentrate on developing the synergies between European funding programmes. There needs to be more funding for territorial cooperation to provide a seamless area of freedom and opportunity for dialogue, exchange and interaction. This would contribute to achievement of the European Research Area.

To date the majority of European Territorial Cooperation funding has been directed at Cross-border programmes and responding to a need to develop peripheral regions as well as to remove the negative effects of the existing land or maritime borders between the EU regions. However in the current economic climate it is more important than ever that regions are able to develop strategically significant partnerships not hemmed in by artificial regional groupings, and that identifying some geographic characteristics as being more worthy of funding than others will not necessarily assist in meeting the global challenges we face.

Regions should be free to choose the regions they wish to work with wherever they are in the EU as long as there is a coherent territorial development rationale for working together. Therefore, more funding should be devoted to interregional cooperation (INTERREG C) and while accepting the need for effective and efficient projects some of this funding should be open to 'riskier' innovative ideas unconstrained by thematic frameworks and by rigid programme rules that prevent truly innovative projects being financed. It is now also time to be able to capitalise on the learning and sharing of best practice which has occurred and be able to develop investment-type actions (for example as is currently the case in URBACT).

To make this possible and enable cooperation unhindered by overtly complicated rules, Territorial Cooperation should be guided by a separate regulation. One of the main lessons learnt from the previous programming periods with INTERREG, is that cooperation projects have sometimes failed to provide sufficient evidence of concrete and sustainable results achieved, as well as clear impacts for the cooperation areas concerned. This was mainly due to a general lack of emphasis on quality by cooperation programmes, the complex administrative and regulatory framework and, limited and not focused funding. Additionally the link to mainstream programmes and to other funding opportunities, as well as tools and procedures for measuring and capturing cooperation activities and results at EU level were not required. A new regulation for Territorial Cooperation should prioritise quality of content and innovation instead of focusing on financial and legal requirements only.

4. Better coordination

There needs to be better evidence of the territorial impact of sectoral policies using the resources of ESPON and the OECD to provide spatial intelligence, for example, on the distribution of European research funding within Europe both in terms of projects and research infrastructures.

Single Integrated Regional Strategies, such as currently being developed in many European regions, will have a direct relevance to territorial cohesion. These strategies with a 15-20 year

timeframe need to take into account EU policy development e.g. the Lisbon and Gothenburg Strategies, the European Research Area, the European Higher Education Area and increasingly climate change strategies.

ERRIN considers that more research should take place regarding the role of integrated regional strategies linked to single funding allocations to regions, which would mean more synergies between EU budget lines. More attention needs to be paid in 'lagging regions' to provide a satisfactory level of research infrastructure and research capacity in both hard and soft terms (infrastructures and researchers)

There needs to be more joined-up policies at the European, national and regional levels and stronger integrated strategies that integrate science and technology from the outset are required. National Reform Programmes (Lisbon Strategy) and National Strategic Reference Frameworks (Regional Policy) should be combined and integrate a research dimension. For example, joint programming of research aimed at solving Community-wide problems can help develop mutual trust between the society and the scientific community.

5. New territorial partnerships

ERRIN considers that higher education, research institutes and researchers should become much more actively engaged in helping develop policies that will contribute to territorial cohesion. The key stakeholders in the knowledge economy are often found in major cities in universities, public and private research centres, hospitals and public administrations. These are key sectors that must engage in policy making.

ERRIN also argues that more effort should be made to engage SMEs – especially those research driven SMEs that can help develop the next wave of innovations in Europe.

Regions should be responsible for involving local participants but the EU might consider developing more publicity and possible funding to help develop wider participation especially from NGO groups where small amounts of funding e.g. travel and subsistence could help groups participate in day sessions.

6. Improving understanding of territorial cohesion

GDP should still be the major indicator for comparison between regions but it is also important to note that GDP is a rough indicator and there are issues in intra-regional diversity that are not always picked up. Pure averages can hide wide disparities in income, wealth and social and environmental well-being in regions.

ERRIN also argues for more focus on data that can measure the knowledge economy such as higher education and research infrastructures, innovation levels, and softer factors such as place attractiveness (for example see some measures in the Urban Audit). More research should be carried out to identify relevant data at the relevant regional and sub-regional levels.

More research should also be carried out on 'wellbeing' indicators that include 'regional capacity' measures e.g. health, education (see, for example, the EU benchmarks on reading literacy, completion of upper secondary schooling, lifelong learning, etc.), crime, social cohesion – which link to quality of life indices.