

SOUTH EAST ENGLAND DEVELOPMENT AGENCY

BOARD MEETING ON 28 JANUARY 2009

ITEM 5

Europe Progress Report and Action Plan

Recommendation

The Board is invited to:

- a) **AGREE** the actions contained in paragraphs 6-8 of this report, arising from the Board level meetings in Brussels in December 2008.

Introduction

1. The Board considered at their meeting in December 2008 a framework and principles for a Europe Action Plan, a regional document setting out strategic actions for SEEDA and its partner organisations to position the South East to advantage at European level in pursuit of the Regional Economic Strategy 2006-2016 (RES).
2. Derived from the RES the draft Europe Action Plan sets out three high level objectives:
 - Shaping EU legislation to promote the interests of the South East
 - Maximising benefits from EU funding and programmes
 - Improving our global competitiveness
3. The Board also discussed a medium term strategy for SEEDA on Europe, focused on three key areas:
 - Achieving a step change in the effectiveness of SEEDA's relations with the European Union, member states and European regions.
 - Establishing permanency in SEEDA's relations with its partner regions as a matter of strategic policy based on common interests and shared excellence that would be pursued together, at both political as well as official levels.
 - Refining the structure of the South East Brussels Office to support the agency's strategic priorities and become a fully integrated part of the agency.
4. These objectives are supported by an initial work programme for the period from October 2008 to March 2009 as outlined in the December Board paper and comprise:
 - An audit of SEEDA's current European priorities and objectives;
 - An evaluation of the current Brussels Office arrangements, leading to recommendations on SEEDA's future needs;

- Establishing a programme of activity involving local authorities, businesses, universities, environmental, social and cultural partners.
5. The SEEDA Board level meetings in Brussels (9-10 December 2008) were an element of this work programme and, at its December meeting, the Board requested a more focused report on follow-up activities arising from these meetings. These activities should be seen as an integral part of the emerging Europe Action Plan; hence this paper follows the structure described in paragraph 2 above.¹

Activities Arising from Meetings in Brussels 9-10 December 2008

6. Shaping EU legislation to promote the interests of the South East:

- i. **Investigating funding channels/mechanisms for the future:** the European Investment Bank (EIB) and the European Commission recently established the European PPP Expertise Centre (EPEC) in Luxembourg (co-located with the EIB HQ)². The collaborative initiative aims to enable public authorities in EU and Candidate countries to become more effective participants in PPP transactions. SEEDA was invited to put forward the Regional Infrastructure Fund (RIF) model as best practice, an opportunity to embed our ideas on funding infrastructure of regional economic importance in future thinking at European level and to explore emerging funding channels.
- ii. SEEDA will explore how the South East could link up with **existing networks**, such as the self-styled 'Four Motors of Europe', the highly industrialised regions of Baden-Württemberg, Lombardy, Catalonia and Rhône-Alpes. This work will also include liaising with partners to explore opportunities offered by aligning current networks in which the South East participates.³ SEEDA was invited by the European Commissioner for Regional Development to take an active role in the 'Regions for Economic Change' conference on 16-17 February 2009 focusing on creativity and innovation, sustainable development and (urban) adaptation to climate change which will provide an opportunity to establish relationships with the Commission and likeminded European regions to influence collectively the future proposals for EU policies and funding.

¹ The activities outlined in this paper are only a sub-set of the draft Europe Action Plan which is currently being developed. These activities are complemented by ongoing and planned work across SEEDA and its partner organisations. Partners across the region will be invited to contribute to the further development of the full Europe Action Plan.

² This initiative was launched in Paris on Tuesday 16 September 2008 and the UK is represented in this centre by HM Treasury.

³ An initial mapping exercise of networks in which SEEDA is engaged was carried out in summer 2008. The Southern England Local Partners (SELP) also provided a list of networks they are participating in.

- iii. **Visits of EU Commissioners and officials to the South East:** Michael Ralph, Cabinet Member for Commissioner Spidla (Employment, Social Affairs and Equal Opportunities) indicated that his Commissioner would be interested in visiting the South East, potentially with a focus on Learning Pools and Hastings. SEEDA will work through the Hastings and Bexhill Task Force to put forward a visit proposal. During the meeting with Simon Mordue, Cabinet Member for Commissioner Verheugen (Enterprise and Industry) interest was expressed in inviting Françoise Le Bail, Deputy Director General and Commission's SME Envoy at DG Enterprise, to a key women's enterprise event within the region. In turn SEEDA was invited to attend the Network Conference for Women Entrepreneurs later in 2009 in Brussels with a view to presenting a case study on the South East experience.
- iv. **Consultation on the Green Paper on the Trans-European Networks for Transport (TEN-T):** SEEDA was invited to provide a regional response to this consultation (expected to be issued in February 2009). This is an opportunity to highlight the importance of inter-regional connectivity within and beyond nation states' boundaries. Connecting the South East's businesses to European and global markets is a fundamental requirement for the continuing competitiveness of our region. Lobbying for the inclusion of all key strategic economic corridors of the (Greater) South East in the European (multimodal) TEN-T corridors will help to maintain investment in the infrastructure required.

7. Maximising benefits from EU funding and programmes:

- i. **EU Economic Recovery Plan:** DG Energy and Transport has some 500m EUR available from the EU's economic recovery plan⁴. SEEDA and its partner organisations have been invited to look into infrastructure projects which could be delivered quickly with a view to putting these forward for funding.
- ii. **Europe INNOVA:** a new programme, set up by DG Enterprise and Industry, to take the European Innovation Platforms to the next level. Europe INNOVA is oriented towards the development and testing of new practical innovation support services for SMEs, notably start-ups. The overall objective is to accelerate innovation processes and thus to facilitate the commercialisation of innovative products and services. The main themes are eco-innovation, clusters and platforms for knowledge intense services SEEDA is exploring this opportunity - the deadline for submission of proposals is 12 February 2009.
- iii. **Environmental technologies and innovation:** As part of the Climate Change package agreed in December 2008 funding will be made available for Carbon Capture and Storage (CCS) demonstration projects. SEEDA with its partners will explore the opportunity of accessing some funding for South East based projects.

⁴ The Economic Recovery Plan is totalling some 200 billion EUR or 1.5% of the EU's GDP.

- iv. **Enterprise Education for Graduate Women and ERASMUS for Young Entrepreneurs:** The meeting with DG Enterprise identified impending calls for proposals in these areas – SEEDA will keep monitoring for developments.

8. Improving our global competitiveness:

- i. **Global Regions network:** Danuta Hübner, Commissioner for Regional Policy, invited SEEDA to the conference “Regional governance in a global context” on 11-12 May 2009 to establish links with the Global Regions network. The Commissioner is particularly keen to promote a region-to-region approach at global scale.
- ii. **Pilot projects matching Chinese and EU regions:** following a visit of Commissioner Hübner to China in November 2008 DG Regio is promoting increased dialogue and collaboration between China and the EU, particularly in the area of regional policy. The South East was recognised as a potential candidate and the Institute for Sustainability⁵ and existing relationships with other global regions were regarded as a real asset. SEEDA will explore the opportunity to build on this offer and link it to current and planned activities in this area.
- iii. **Partnerships with Eastern European countries:** the European Commission allocated 75m Euros to develop policy focused partnerships between Eastern European countries – the accession states of tomorrow – and current EU member states. Commissioner Hübner would be very keen for this initiative to be pursued at regional level and encouraged the South East to explore whether the region would wish to become involved. SEEDA and its partner organisation will assess the potential for such an engagement in relation to medium/longer term benefits arising from Eastern European markets that could be opened up through this policy focused partnership.

▪ **Communications Issues:**

Press notices to be issued on major successes, and stories to be sold into regional business publications to show how SEEDA is securing support for the South East in Europe.

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⁵ The Institute for Sustainability is an initiative that brings together partners from the South East (Thames Gateway), Dongtan in China and Uganda.