

EUROPEAN PARLIAMENT

2004



2009

Committee on Regional Development

PROVISIONAL
2006/2104(INI)

22.12.2006

DRAFT REPORT

on the contribution of the future regional policy to the innovative capacity of
the European Union
(2006/2194(INI))

Committee on Regional Development

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the contribution of the future regional policy to the innovative capacity of the European Union (2006/2104(INI))

The European Parliament,

- having regard to Articles 2, 3, 158, 159 and 160 of the Treaty establishing the European Community,
- having regard to Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund¹ and to the corrigendum thereto²,
- having regard to Council Regulation No 1084/2006 of 11 July 2006 establishing a Cohesion Fund³,
- having regard to Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund⁴,
- having regard to Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund⁵,
- having regard to Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC)⁶,
- having regard to Council Decision 2006/702/EC of 6 October 2006 on Community strategic guidelines on cohesion⁷,
- having regard to Common Position (EC) No 27/2006 of 25 September 2006 adopted by the Council⁸ and to Parliament's position at second reading on the Council common position for adopting a Decision of the European Parliament and of the Council concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007 - 2013)⁹ (2005/0043(COD)),
- having regard to its resolution of 10 March 2005 on science and technology - Guidelines for future European Union policy to support research¹⁰,

¹ OJ L 210, 31.7.2005, p. 25.

² OJ L 239, 1.9.2006, p. 248.

³ OJ L 210, 31.7.2006, p. 79.

⁴ OJ L 210, 31.7.2006, p. 1.

⁵ OJ L 210, 31.7.2006, p. 12.

⁶ OJ L 210, 31.7.2006, p. 19.

⁷ OJ L 291, 21.10.2006, p. 11.

⁸ OJ C 301E, 12.12.2006, p. 1.

⁹ P6_TA(2006)0513.

¹⁰ P6_TA(2005)0077.

- having regard to the Commission communication entitled 'Cohesion Policy in Support of Growth and Jobs: Community Strategic Guidelines, 2007-2013' (COM(2005)0299),
 - having regard to the communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions entitled 'Putting knowledge into practice: A broad-based innovation strategy for the EU' (COM(2006)0502),
 - having regard to the communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions entitled 'More Research and Innovation - Investing for Growth and Employment: A Common Approach' (COM(2005)0488),
 - having regard to the communication from the Commission to the Council and Parliament entitled 'Cohesion Policy and cities: the urban contribution to growth and jobs in the regions' (COM(2006)0385),
 - having regard to the Commission communication entitled 'Third progress report on cohesion: Towards a new partnership for growth, jobs and cohesion' (COM(2005)0192),
 - having regard to the conclusions of the Lisbon European Council of 23 and 24 March 2000,
 - having regard to the communication from the Commission to the spring European Council entitled 'Time to move up a gear. The new partnership for growth and jobs' (COM(2006)0030),
 - having regard to the communication from the Commission to the European Council at the informal meeting in Lahti on 20 October 2006, entitled 'An innovation-friendly, modern Europe' (COM(2006)0589),
 - having regard to the communication from the Commission to the European Council entitled 'The European Institute of Technology: further steps towards its creation' (COM(2006)0276),
 - having regard to the Commission communication entitled 'Regions for Economic Change' (COM(2006)0675),
 - having regard to the European Innovation Progress Report 2006 (TrendChart),
 - having regard to the positions and opinions of the Committee of the Regions,
 - having regard to Rule 45 of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Development (A6-0000/2006),
- A. whereas, in addition to covering the approval of projects and the management of structural funds, regional policy plays a part in EU innovation capacity building, which involves a range of complementary scientific and technological, legal and financial, economic and commercial, organisational and administrative, energy and environmental,

educational and social, and health and cultural measures aimed at securing genuine cohesion within the Community,

- B. whereas investment does not, of itself, guarantee development but can, when appropriate policies are pursued, become a vital development tool,
- C. whereas innovation capacity building should serve to reduce disparities between regions, thereby putting into practice the principle of social solidarity and harmonious development,
- D. whereas people should be the focus of all innovation action; whereas their full and harmonious development is the key to successful implementation of all policies, and whereas the basis for all action by the EU should be the wellbeing of its inhabitants (broadly defined in terms of quality of life and long life), as members of local and regional communities and, at the same time, citizens of the Member States,
- E. whereas equal access to education and training at all levels is a fundamental citizens' right and whereas continuous training should be stepped up and workers should be given retraining opportunities,
- F. whereas innovation within the European Union should be understood as a dynamic and interactive process involving various stakeholders including, in accordance with the subsidiarity principle, regional and local stakeholders,
- G. whereas innovation can also mean a return to good, tried and tested practices that have been in use for generations, and whereas in some cases innovation measures may be aimed only at specific regions,
- H. whereas some measures require major expenditure, while others call only for new ideas and/or the introduction of good, clear legislation that will be observed,
- I. whereas the goal of the Lisbon Strategy is to make the EU the world's most competitive economy by 2010, including by increasing research and development expenditure to 3% of GDP; whereas regional and local centres should be more actively involved in the practical implementation of the Lisbon Strategy,
- J. whereas 60 to 70% of EU directives are implemented at regional and local level,
- K. whereas structural funds should be used in a flexible way so as to enable due account to be taken of the specific features of individual regions,
- L. whereas various financing instruments have been introduced, including the new Jaspers, Jeremie and Jessica initiatives, and whereas EIB action serves as a useful lever for development by rationalising expenditure,
- M. whereas small and medium-sized enterprises (SMEs) play a vital role in innovation capacity building within the EU, owing, among other things, to their flexibility and speed of reaction to new technology and new operating methods,
- N. whereas economic activity, as broadly understood, also includes farming,

- O. whereas the service sector generates a significant portion (some 70%) of EU states' income,
- P. whereas appropriate conditions need to be created in connection with transport, telecommunications and information network infrastructure,
- Q. whereas the other players in the global economic and political 'game' are not sitting on their hands and are also looking for new solutions, and whereas innovation can be an asset by making the European economy more attractive and more competitive and forging bonds between Community regions,
- R. whereas innovation is one of the three European Union priorities included in the Strategic Guidelines,

Policy on human capital, education, science and research

1. Calls on Member States and the Commission to ensure that equal access to education at all levels is provided in all regions, which will free up people's ability to think in an innovative, creative way and ensure balanced personal development (both intellectual and physical), including as regards the development of ethical social behaviour patterns;
2. Welcomes the results achieved to date and calls on Member States and the Commission to foster the development of regional academic and scientific-research centres and closer cooperation among such centres, to include more researcher and student exchanges;
3. Draws the Council's and the Commission's attention to the fact that, in view of the threat of collapse and labour shortages posed by the current demographic situation in the EU, the family policies pursued by Member States and regional and local authorities are in need of a radical overhaul; believes that particular notice should be taken of the fact that European society is ageing and considers that elderly persons should be more closely involved in innovation measures, thus putting their knowledge and experience to good use;
4. Suggests to the Commission, Member States, the Committee of the Regions and regional authorities that, with a view to fostering a stronger spirit of innovation, regional and local communities should be galvanised by means of a multi-directional campaign to step up dialogue with society, based on the 'bottom-up' principle;
5. Takes the view that an essential precondition for innovation capacity building in the EU is unhindered and free – or extremely cheap – broadband access to
 - (a) administrative information (at all levels of the administration), making it possible for most administrative formalities, including business-related formalities, to be dealt with on the Internet, and
 - (b) scientific, economic, legal and cultural information, subject to proper respect for intellectual property principles (wider availability of e-libraries),and calls on the Commission, Member States and regional and local authorities to ensure

universal access to such information and maximise access to information and communication technology (ICT) based working – something which is particularly important for people whose personal or professional circumstances require them to work remotely, including young, educated mothers and disabled persons;

6. Considers that, with a view to boosting innovation throughout the Community, it is essential for broad support to be given to invention-, patent- and licence-related activities and calls on the Council, Commission and Member States to step up efforts to give effect to the European patent and ensure respect for copyright (intellectual property rights strategy), leading to the adoption of global solutions in this area, based predominantly on European models;
7. Takes the view that innovation clusters, centres of excellence, etc. have, to date, produced good results in terms of formulating and swiftly and efficiently implementing innovative concepts and solutions, and calls on the Commission and Member States to foster the development of clusters as a means of establishing links between scientific research centres, education centres, business and local communities;
8. Urges Member States to foster cooperation by setting up European technological platforms providing an opportunity to concentrate innovation activities by forging cross-border and cross-regional links between industry and scientific-research and financial circles;
9. Stresses that the current level of spending on research and development is dangerously low and that the Community budget appropriations earmarked for this purpose are far from satisfactory, and calls on Member States to considerably increase such spending's share of GDP at both national and regional levels as soon as possible;
10. Sees the European Institute of Technology (EIT) as a new opportunity that would prevent the 'brain drain' and give talented European researchers a never-to-be-repeated chance to perform scientific research at the highest level and as a source of potential support for regional scientific research institutes; calls therefore on the Council, the Commission and Member States to speed up work on establishing the EIT and thus boost the Community's competitiveness and potential in the 'knowledge triangle' formed by innovation, research and education;

Economic and energy policy and financial and administrative tools

11. Calls on the Commission, Member States and regional and local authorities for comprehensive support (including measures to streamline administrative procedures and the tax system) to be given to SMEs, since they are the most creative and dynamic vehicles for technological and organisational innovation, thus potentially enhancing Europe's economic competitiveness and improving the situation on the labour market;
12. Calls on regional and local authorities to foster and support regional cooperation between scientific research centres and businesses of all sizes - both small and medium-sized and large;
13. Urges Member States, with a view to effective implementation of pro-innovation policy

in the regions, to make good use of the complementarity of the European Regional Development Fund, the European Social Fund, the Cohesion Fund and funding available under the Seventh Framework Programme;

14. Takes the view that, in line with the strong social pressure for this, bureaucracy – which is not to be confused with efficient administration – should be radically reduced, and calls on the Commission and Member States to review EU, national and local law from that angle and to make extensive simplifications and, wherever possible, standardise administrative procedures, particularly those connected with starting up and conducting an economic activity (single points of contact);
15. Takes the view that institutional assistance should be provided to local and regional authorities in their pro-innovation work, and suggests that Member States might consider giving them, in accordance with the subsidiarity principle, the broadest possible duties and powers together with appropriate means of self-funding, subsidies or grants, which should facilitate efforts to come up with the best possible solutions for local inhabitants;
16. Calls on Member States and regional authorities, when looking for ways to implement pro-innovation investments and projects, to make greater use of solutions involving public-private partnerships and at the same time to employ good practices developed in other countries and regions;
17. Considers that, with a view to implementing pro-innovation policies at national and regional levels, the task of raising capital needs to be made easier, and calls on the Council, the Commission and Member States to set up financing mechanisms that meet real needs, together with a system for managing the risks involved in innovative projects; acknowledges, in this connection, the importance in innovation terms of the new financing initiatives introduced jointly by the EIB and the EIF (Jaspers, Jeremie and Jessica) and considers that information on practical and effective implementation of these initiatives should be disseminated as widely as possible at regional level;
18. Acknowledges the link between innovation and the swift and safe movement of persons and goods, which requires the involvement of regional communities in transport infrastructure provision, and calls on the Commission, Member States and regional authorities to be technically and organisationally innovative within the transport field, particularly for public transport at both local and regional levels;
19. Welcomes the fact that the European Parliament, the Council and the Commission have taken up Europe's energy problems and, realising that energy policy falls, in principle, within the national sphere and has a significant influence on innovation within the economy, urges Member States to consider the regional aspects of that policy, including energy education, which should result in greater efforts to rationalise energy use and produce 'clean' energy by making use of geological features and local energy sources and promoting energy-intelligent buildings;

Urban and rural areas and the environment

20. Calls on Member States and the Commission, with a view to countering the depopulation of certain areas brought about by economic deprivation, to conduct inter-regional

compensation policy in a more effective manner by making optimum use of local conditions and assets to make progress towards genuine territorial cohesion, which will enhance the Community's innovation capacity;

21. Draws the attention of the Commission, Member States and regional authorities to the fact that, for an innovation-friendly environment to be possible, people must have good living conditions, which means guaranteeing an appropriate level of security, health care and environmental protection, decent housing, access to services and so on;
22. Calls on Member States and regional authorities, in view of the prominent role played by urban areas as the places where most EU citizens live and also as local and regional innovation centres, to support long-term spatial planning which will create conditions conducive to rational and harmonious use of urban space and sustainable urban development taking due account of economic, housing and recreational needs while protecting the environment;
23. Calls on the Commission and Member States to support innovative environment-friendly action (eco-innovation) contributing to sustainable regional development;
24. Calls on the Commission, Member States and regional authorities, in view of the fact that rural areas in which some 20% of the Community population lives are of decisive importance to EU food security, to bring agri-food production and processing issues and the living conditions of inhabitants of rural areas within the sphere of innovation policy action;

Good practice and the consolidation of innovation policy

25. Welcomes the Commission's work to date in assessing innovation policy at Member State level (e.g. the European Innovation Progress Report) and calls on it systematically to analyse individual regions, using the most objective innovation indicators available; suggests that relevant analyses and assessments be put forward in the fourth periodical report on cohesion currently being drawn up;
26. Calls on the Commission to take steps to consolidate National Strategic Reference Frameworks (NSRFs), which should include Regional Innovation Strategies (RISs) in order to bring innovation to the fore, and to bring them together in a common, coherent system for the whole EU;
27. Welcomes the results achieved to date in connection with the exchange of experience and best practice between regions and local communities through cooperation networks, and calls on the Commission for continued support to be provided for the development of such networks and innovation transfer through the deployment of leading-edge information and communication technologies, which significantly facilitate the transfer and exchange of information, particularly in view of the need to involve communities in remote areas; welcomes, in this connection, the fact that through the Regions for Economic Change initiative the Commission is encouraging regions and towns to cooperate, but awaits concrete proposals for the implementation of that initiative;
28. Calls on the Commission to conduct, in conjunction with Member States, a mid-term

review of the Community Strategic Guidelines in order to assess the progress made with EU innovation policy in the regions;

29. Instructs its President to forward this resolution to the Council and Commission, the Governments of the Member States and the Committee of the Regions.