

# **The Future of Regional Policy post 2006**

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## **Emerging from the “Cohesion Group”: a Perspective from the Lisbon Region**

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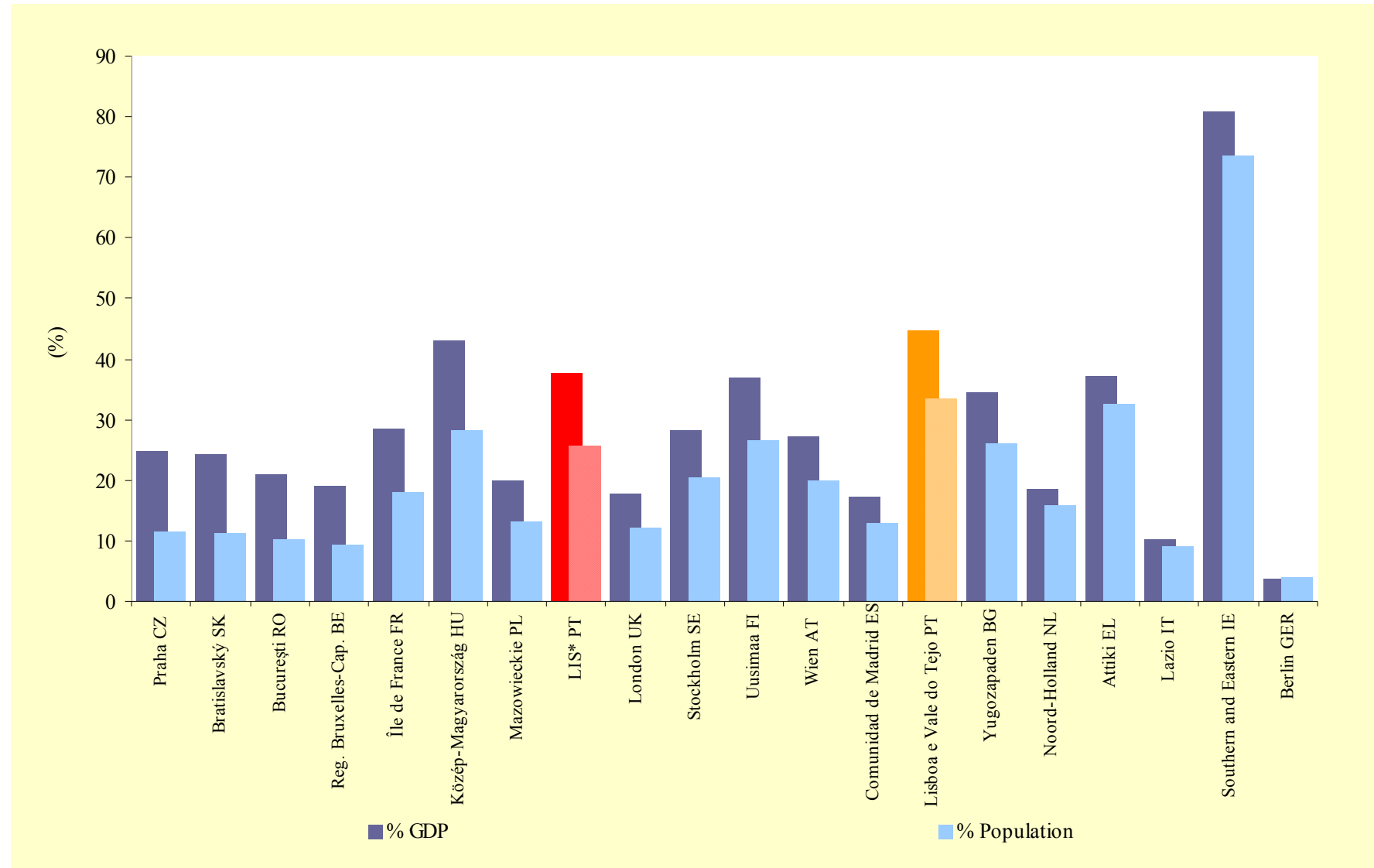
5th Annual Conference

Navan, 27-28 October 2004

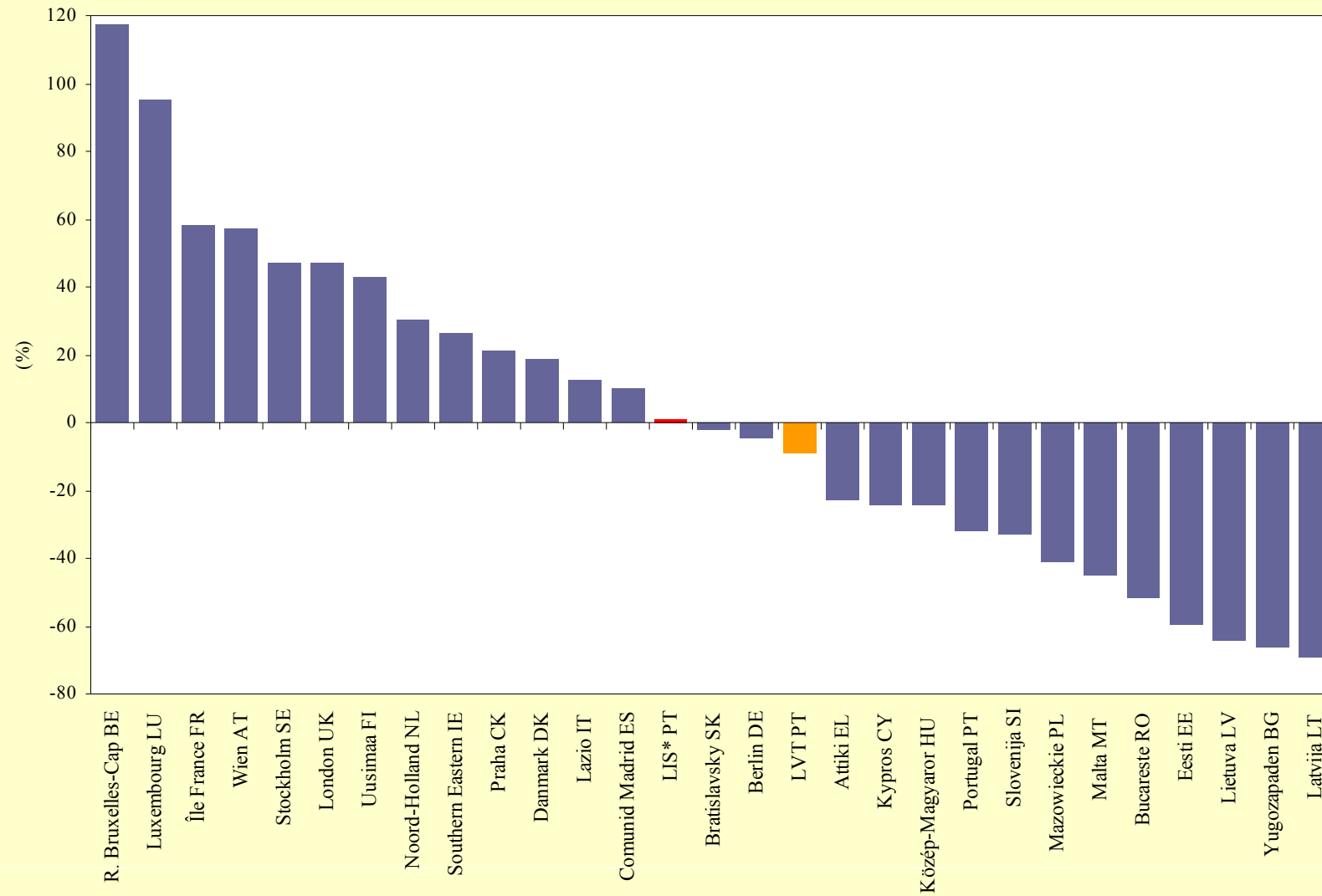
# **The Evolution of Central Regions in the “Cohesion” Countries**

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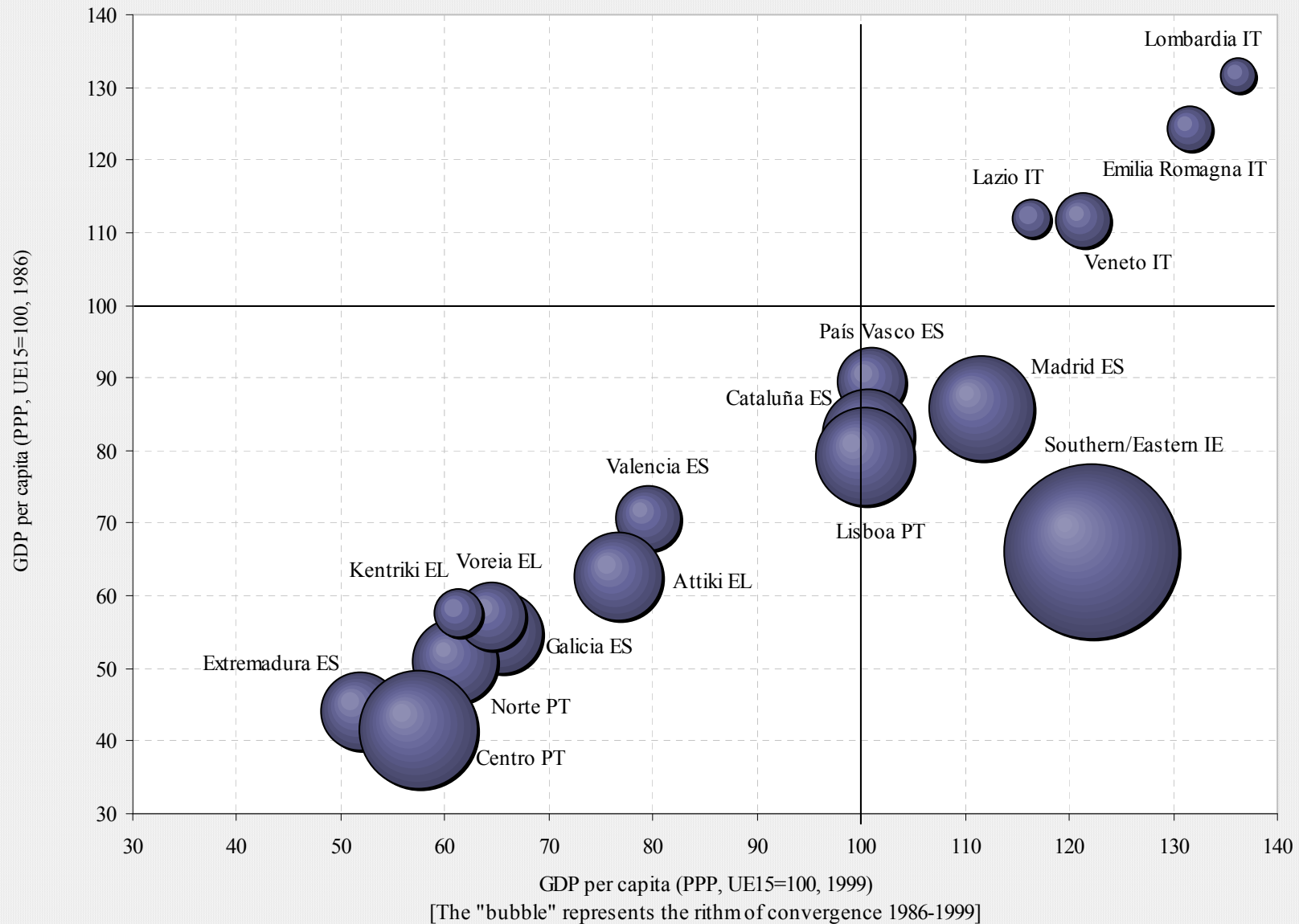
# The National dimension of Central Regions



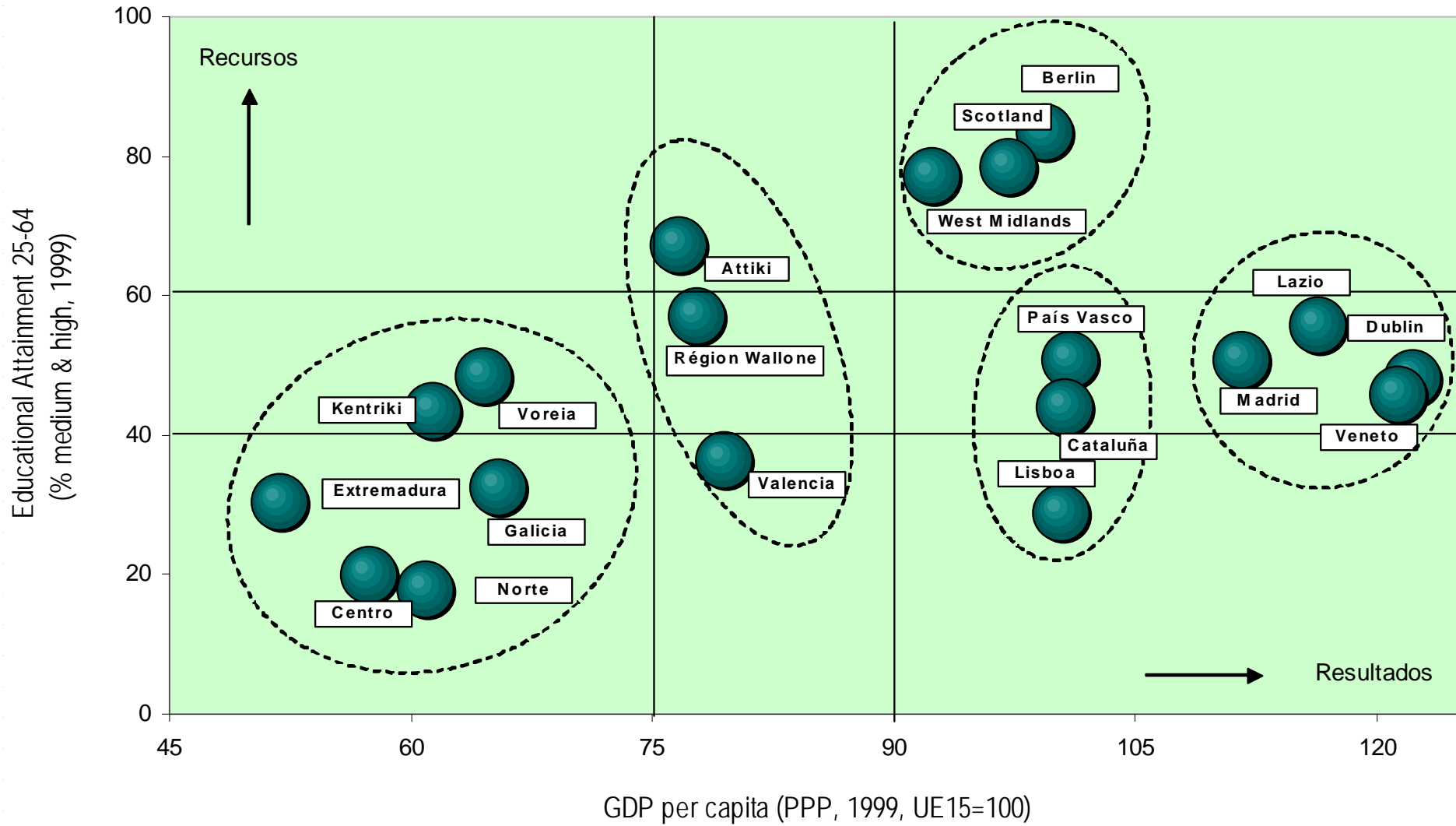
# Position of Central Regions (dif GDP EU15)



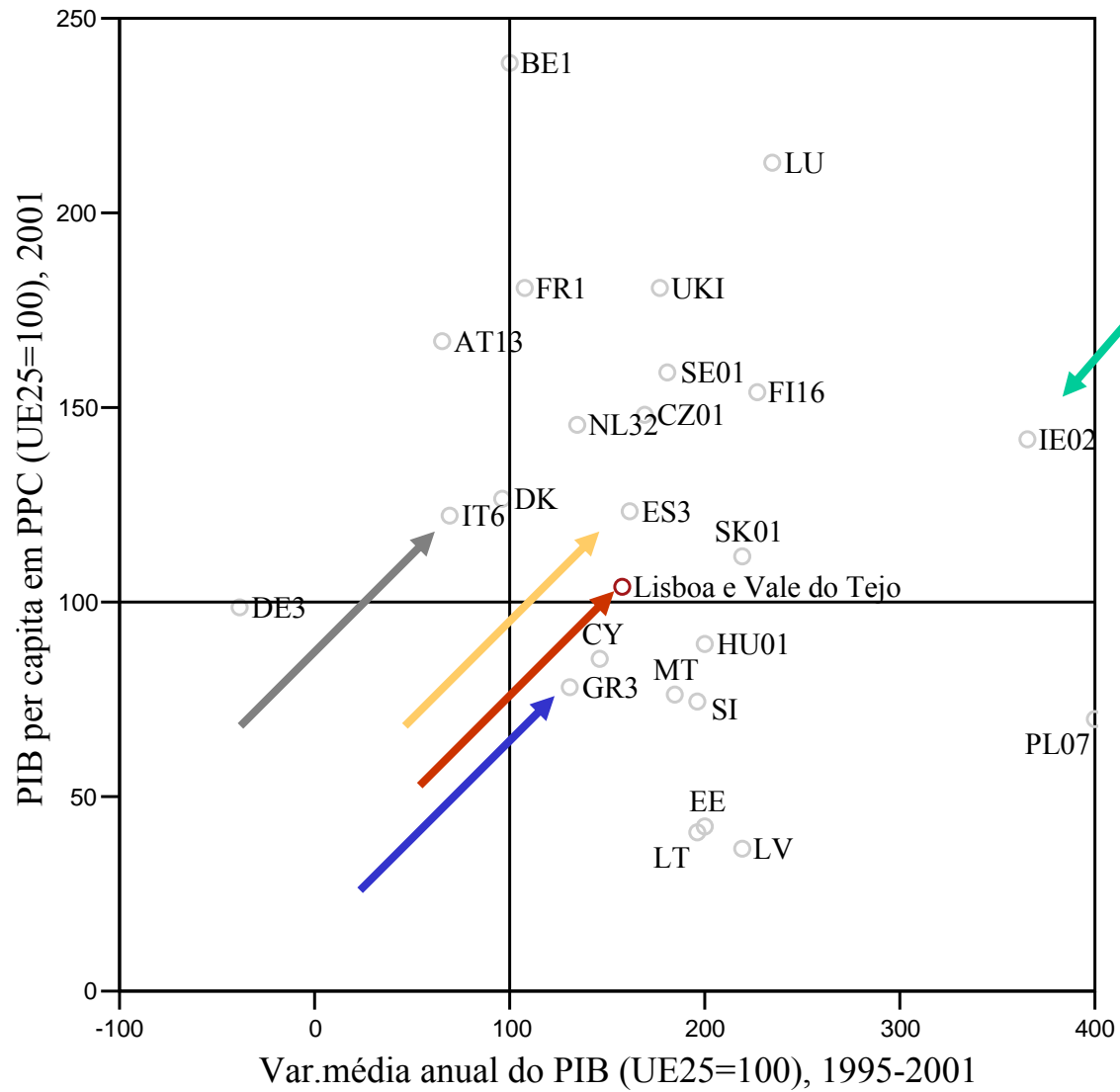
# Paths of Convergence (CSF I & II)



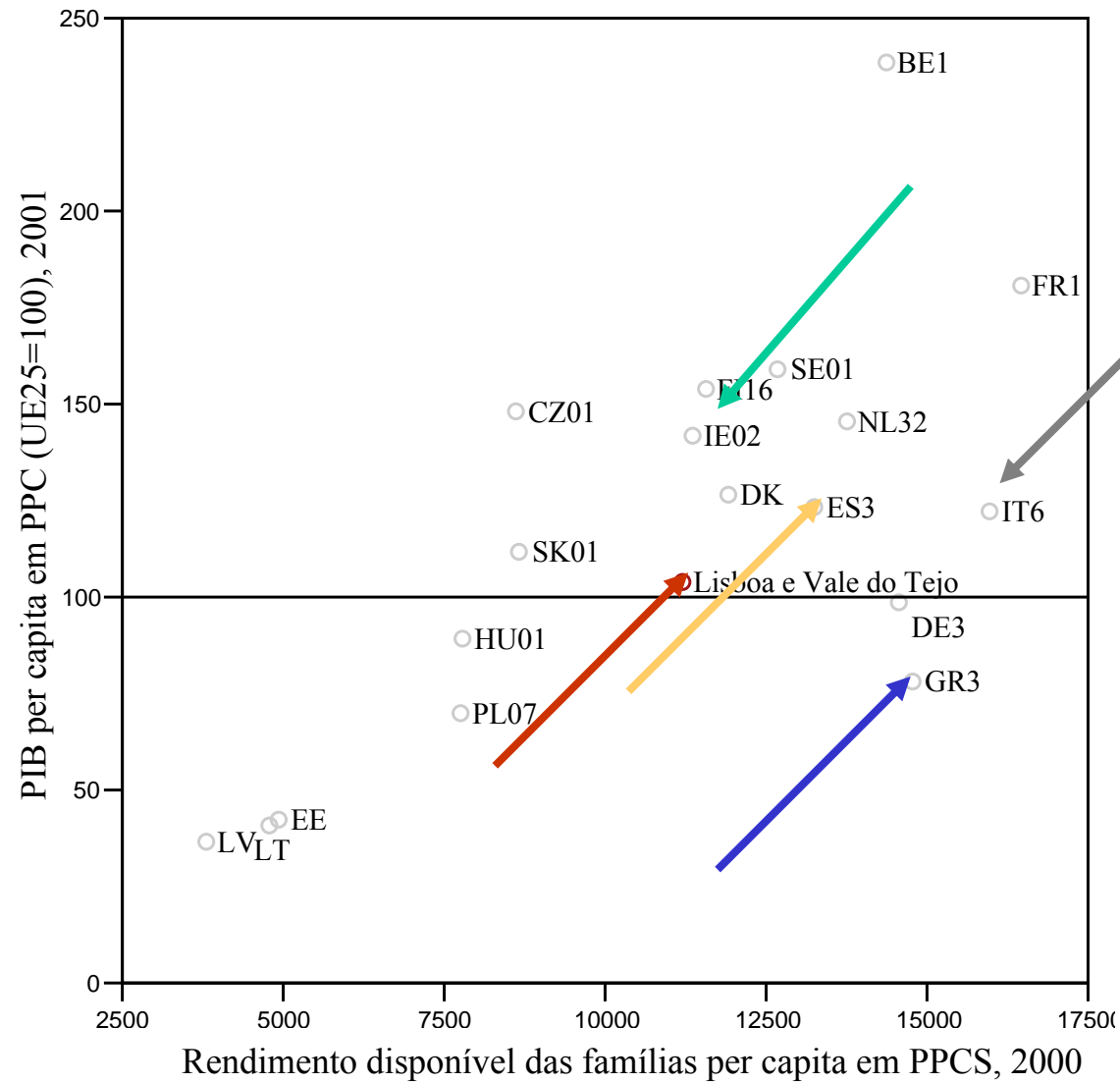
# Resources vs. Results



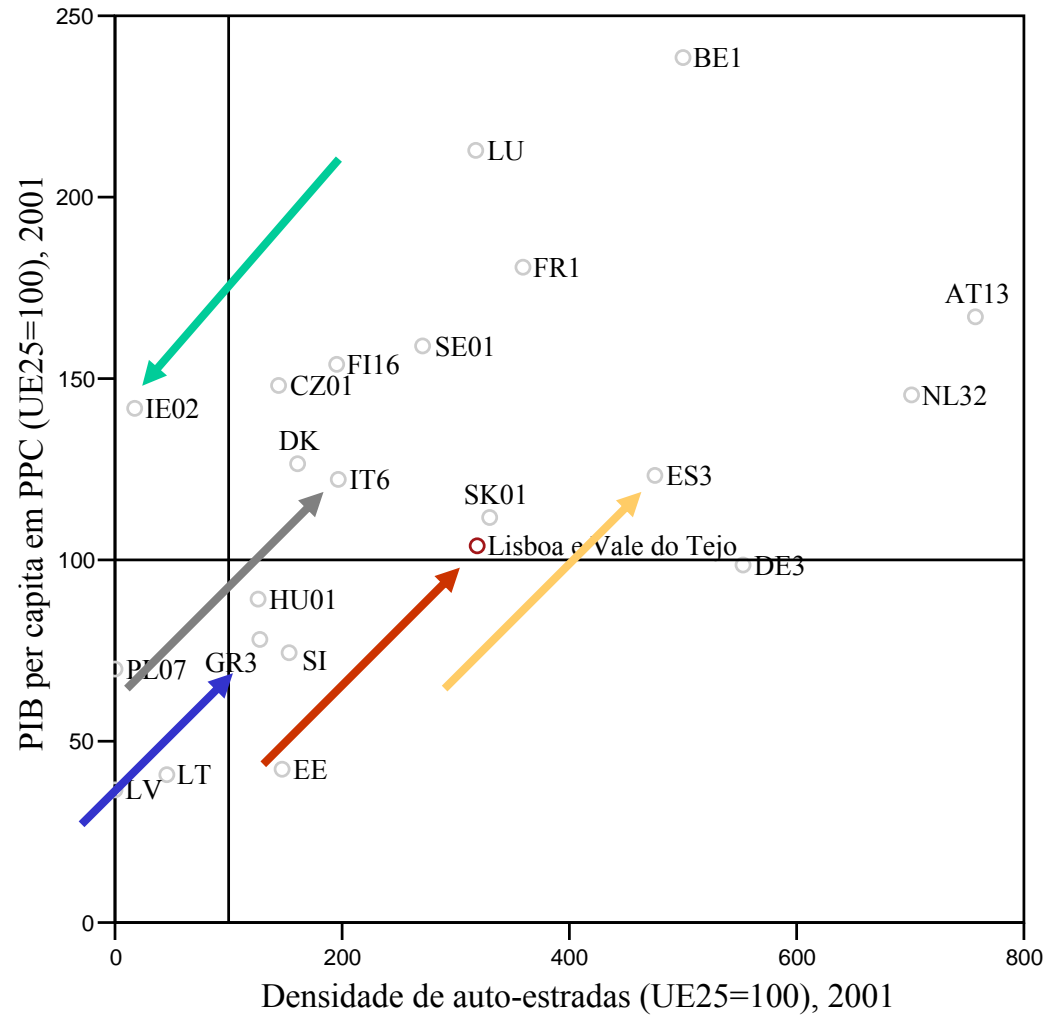
# “Wealth of Regions” and Convergence (GDP)



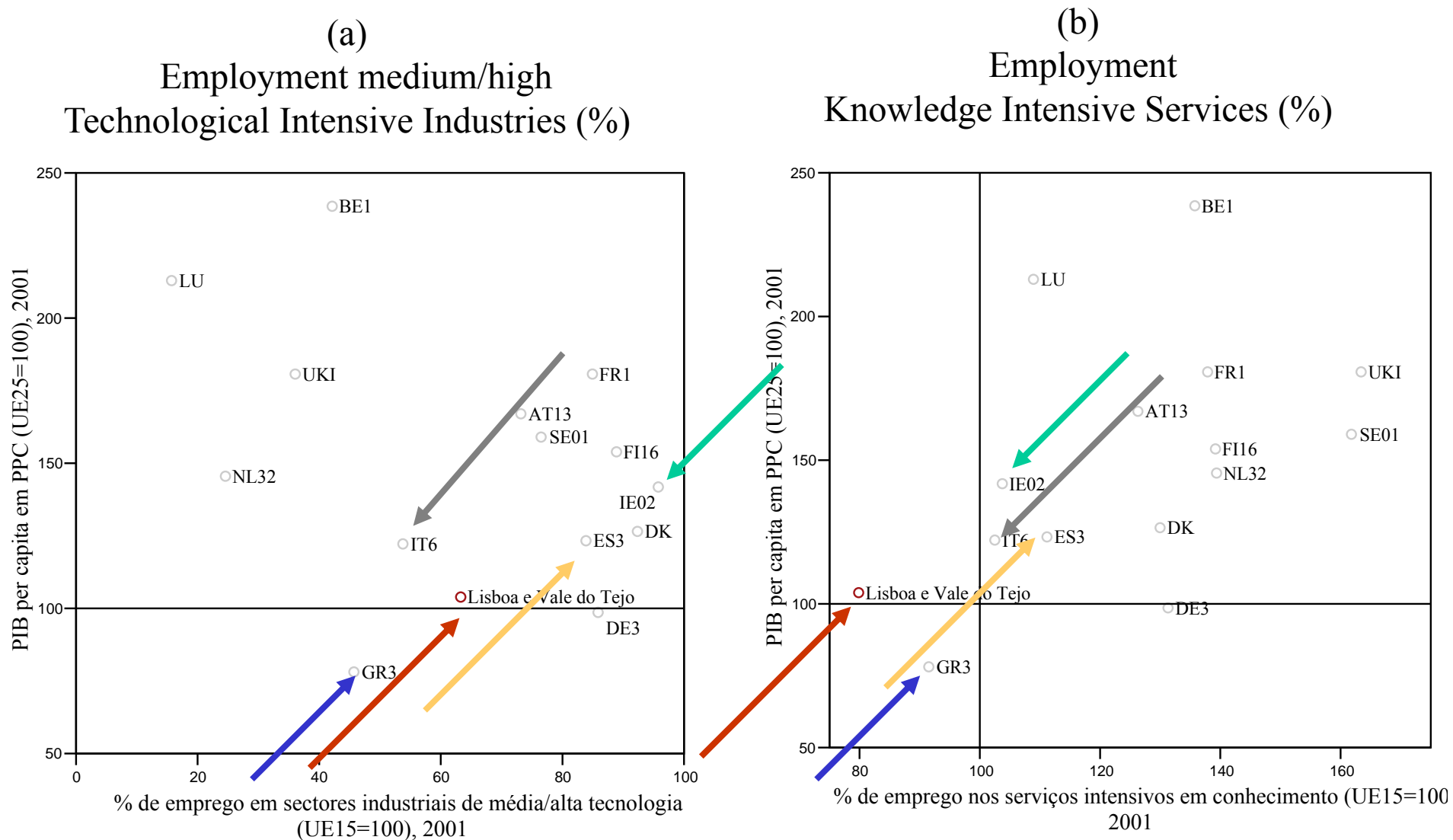
# “Wealth of Regions” and Convergence (Disposable Income)



# “Wealth of Regions” and Convergence (“Hard” Infrastructures)

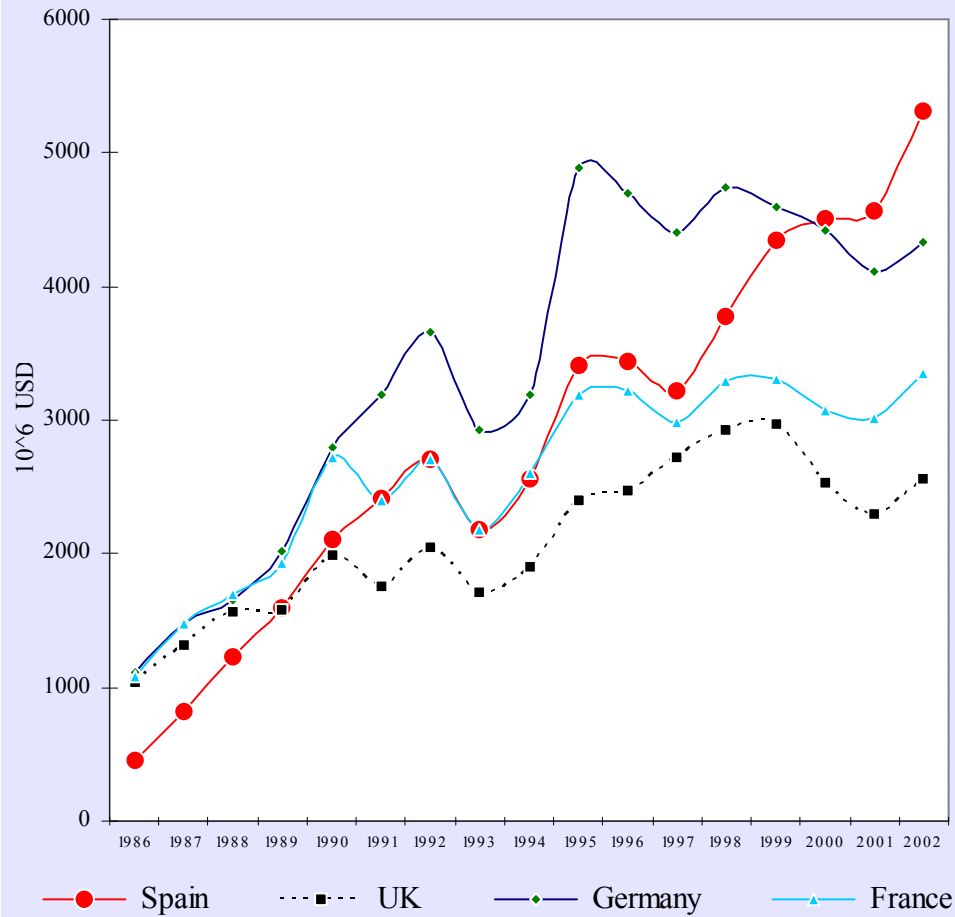


# “Wealth of Regions” and Convergence (“Technology and Knowledge”)

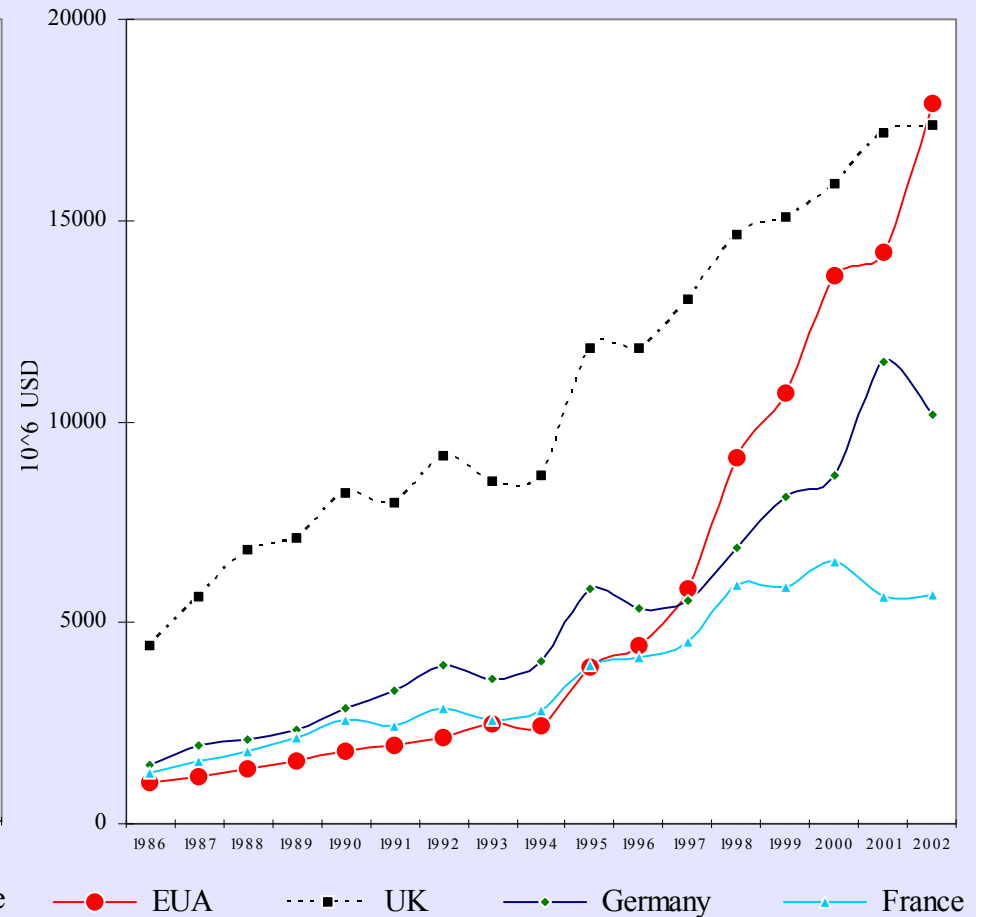


# Strategic Vulnerabilities on Export Markets

## Export Markets: Portugal



## Export Markets: Ireland



# **The Challenges and the Agenda for Policies in an enlarged EU**

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# EU Challenges

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## **Diversity**

(specialisation, competitive models, levels of life, models of consumption, wages, qualifications and productivity, taxes, ...)

## **Complexity**

(long lasting integration processes with several “speeds”, new needs for public policies: selection, coordination, integration, ...)

## **Cohesion**

(economic, social and territorial disparities demand harder efforts on efficiency and redistribution)

# EU Challenges

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## **Convergence**

(EU15 experience shows unbalanced results at national level (better) and regional level (worse), nominal and real convergence are not easy in an enlarged Europe, where “catching-up” can not be seen as more or less simple and automatic)

## **Economic Growth**

(in the absence of a stronger and more sustained cycle of economic growth, the present EU enlargement as a very difficult path to meet the motivations and expectations that feed and justified it)

# EU Challenges

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## **Governance**

(enlarged EU demands new forms and models of governance to answer the double challenges of centralisation and coordination, at European level, and of decentralisation and autonomy, at national and regional level, to meet broader diversity and increased participation)

## **Sustainability**

(building and operating a strategic vision (based on profound structural reforms in economic models and public policies) is unavoidable to cope with ageing and environment issues. Promoting economic and social development with “built-in” long-term capabilities (information, prices, regulations, ...) is crucial)

# **A New Agenda for European Policies: The Main Questions**

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## **Policy Coordination**

(Economic Growth and structural convergence demand better coordination of public policies: balancing objectives vs. financial resources, ex-ante and on-going efforts (not ex-post), macroeconomic stability vs. competitiveness, competitiveness vs. cohesion, “top-down” vs. “bottom-up” in national and regional policies, integrating sector and region strategies ...)

## **Redefinition and revalorization of Cohesion Policy**

(Enlarged Europe contains increased disparities and diversity. Structural policies need new approaches, new indicators and more complex and demanding goals for convergence and economic, social and territorial cohesion)

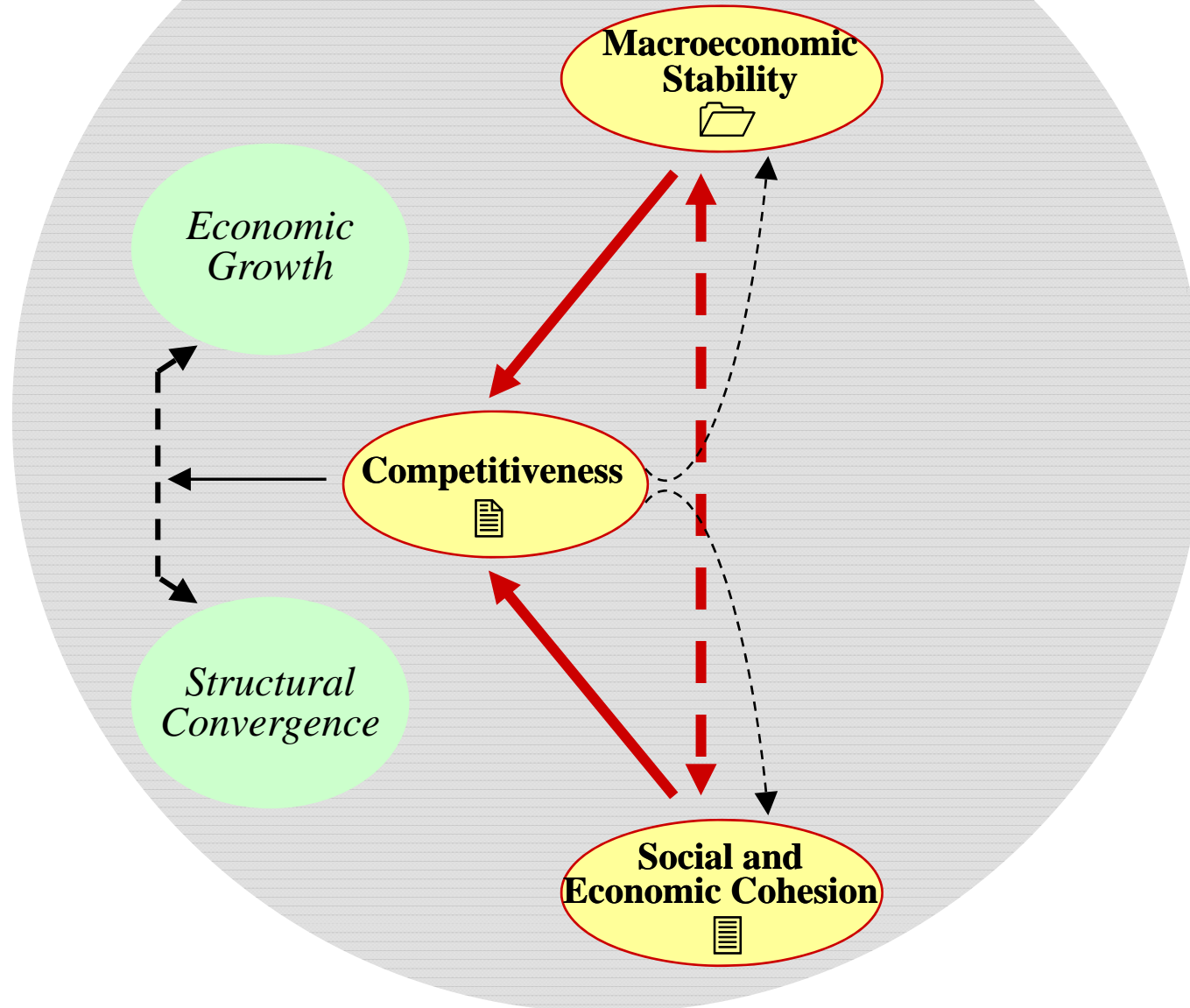
# **A New Agenda for European Policies: The Main Questions**

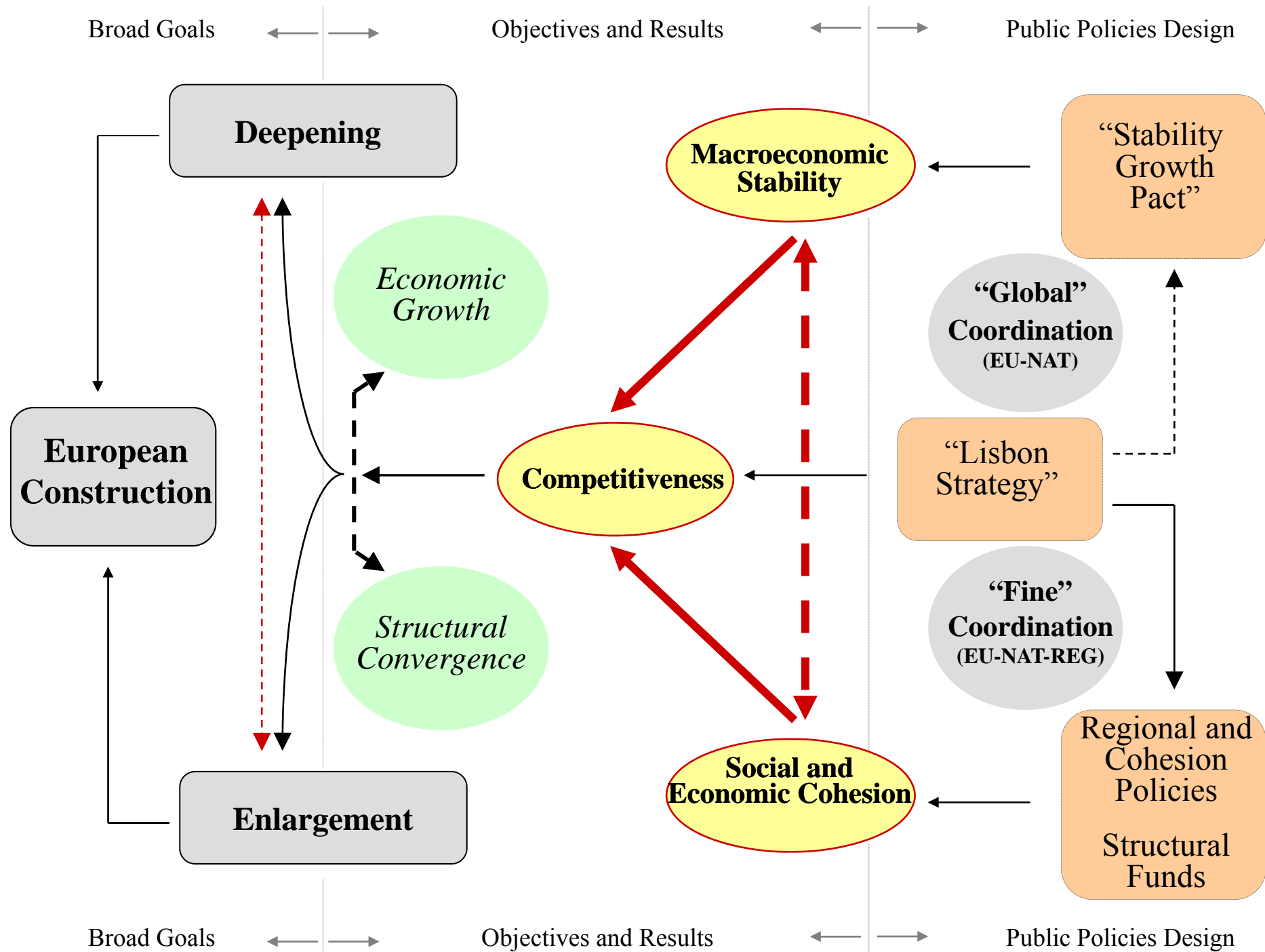
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## **A Strategic and Global Vision for Sustainability**

(Controlling and managing long-term effects and impacts of economic and social models on nature, climate and people require learning and intelligent institutions and organisations and a better use of science and technology through knowledge acquisition and diffusion)

# Sustainability





# **A New Agenda for Countries and Regions**

## **Emerging from Objective 1:**

### **Portugal and Lisbon - The Main Questions**

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**Budgetary consolidation** is a necessary condition for macroeconomic stability, as **territorial specialisation**, the “mounting” of diversified dynamics of regional decentralisation and “clusterisation”, is a necessary condition to achieve improved and advanced economic and social cohesion and as **sustained productivity gains**, based on knowledge intensity, are a necessary condition to benefit from deeper integration in an enlarged Europe and in a globalised world economy.

# A New Agenda for Countries and Regions

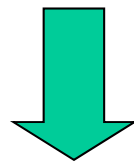
## Emerging from Objective 1:

### Portugal and Lisbon - The Main Questions

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Decrease in resources available from structural funds **must** be compensated with better national policies and more public-private partnerships.

Project selection will be crucial



Critical mass  
Long Lasting Impacts and Effects  
Collective Efficiency

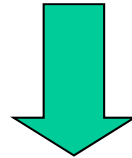
# **A New Agenda for Countries and Regions**

## **Emerging from Objective 1:**

### **Portugal and Lisbon - The Main Challenges**

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Emerging from “cohesion” concerns sets a specific combination of **internal** and **external challenges** for Portugal and the Lisbon Region



**“Internal strategy”**: **competitive model renewal and requalification**  
(improving patterns of specialisation by innovation)

**“External strategy”**: **sustainable differentiation**  
(improving the competitive position in both enlarged Europe and globalised world economy by internationalization – investment, trade, services, information, R&D, Knowledge, ...)



