



Congress of Local and Regional Authorities of Europe
Chamber of Regions

Congrès des pouvoirs locaux et régionaux de l'Europe
Chambre des régions

Strasbourg, 3 June 1996
s:\delai.slp\sessio96\rappgene.eng



CPR (3) 4
Part II

THIRD SESSION

(Strasbourg, 2 - 4 July 1996)

REPORT

on

the First East/West Economic Forum of the Regions of Europe
(Geneva, 18-20 January 1996)

Rapporteur: Mr Claude HAEGI (Switzerland)

I. Introduction

In the light of past experiences of local and regional authorities, particularly towns, with town twinning and partnership programmes, and of Recommendation 4 (1994) of the CLRAE on "Partnerships between towns and municipalities - an efficient instrument for cooperation in the larger Europe", the Bureau of the CLRAE decided to grant the request from the Chamber of Regions to establish a working group on "Political and Economic East/West Co-operation".

The Working Group's terms of reference, which define its action in this field, were to make proposals to reinforce political and economic relations between the Regions in Eastern Europe and those in Western Europe, with the aim of exchanging know-how and of developing political and economic co-operation projects, in particular via the organisation of a conference on these subjects, bringing together political and economic regional actors.

It has in fact become more and more obvious that local and regional authorities from Central and Eastern European countries have an enormous amount of work to do, given that representatives of local and regional authorities of these countries have great expectations, ie for technical, administrative, judicial and even financial assistance.

Today we are obliged to note a certain degree of disappointment on the part of the people of these countries, who had imagined that they would quickly experience an economic and social prosperity equal to that of the people of Western Europe.

In order to meet these requirements and to complete the programmes of technical assistance launched at a European or national level via interregional partnerships projects, the Chamber of Regions launched the organisation of the First East/West Economic Forum of the Regions of Europe, with a view to offering a platform for contacts and dialogue for regional representatives.

II. Underlying considerations

The countries of Central and Eastern Europe are going through a period of profound change with the reform of both their political systems and economic structures, and are at present having considerable difficulty introducing free-market structures and joining the competitive global economy.

Since 1989 there have been a large number of bilateral and multilateral co-operation and technical support projects to transfer the necessary know-how and to help set up appropriate new operational institutions.

International governmental and non-governmental organisations have rallied round to help these countries become States which are founded on the rule of law, with democratic institutions and structures guaranteeing respect for human rights, and a market economy which is based on free enterprise and subject to market mechanisms.

The initial phase of co-operation and support was mainly concerned with establishing appropriate national institutions, to provide the legal and political framework essential for a pluralist democracy. Operational local structures were also set up during this initial phase.

The next step is to define and establish regional institutions, which is a huge task for most Central and Eastern European countries. The institutions closest to the electorate, such as Regions, allow inhabitants to take on responsibilities and therefore have genuine advantages.

The economic structures of these countries need to be adapted not only at national level but also at the regional level, to which more attention should be paid.

Steps should therefore be taken to reinforce this regional dimension and promote contact and co-operation between the Regions of Western Europe and those of Central and Eastern Europe in transition.

In view of the still fragile nature of the economic situation in Central and Eastern Europe and the continuing difficulties experienced in the transition and adaptation of these countries, inter-regional co-operation based on solidarity and mutual comprehension could provide an additional impetus in reducing the extent of existing economic problems.

Mobilising the Regions throughout Europe could create a new momentum and release energies and resources to reinforce co-operation between Regions in a field which deserves to be more closely explored.

Intensified co-operation between Regions, plus stronger and deeper levels of contact and a growing sense of solidarity in preparing for a common future, have paved the way for a new approach in East/West co-operation, ie inter-regional economic co-operation.

This co-operation could involve all aspects of regional development, be based on the pooling of experience and information on the different ways in which regional (and local) authorities could develop economic initiatives themselves, and lay the foundations for a European system of partnership and mutual support.

III. Objectives

The "First East/West Economic Forum of the Regions of Europe" had the following objectives:

- developing a feeling of European identity and solidarity between all regional authorities, to enable them to play a more active role in European co-operation and integration,
- providing a pan-European platform for contact, discussion and pooling of ideas on developing and intensifying economic co-operation between regional authorities;
- organising dialogue between officials responsible for regional government/regional development questions in the governments of Central, Eastern and Western European countries,
- providing a forum for presenting the economic potential of the Regions of Central and Eastern Europe and facilitating contact with their Western European partners,
- pooling information and experience with a view to developing new initiatives for a policy of regional economic development,

- providing a suitable framework for facilitating contact and establishing partnerships for setting up joint projects in different areas of regional economic development,
- encouraging the Regions of Western Europe to become more involved in projects and programmes for providing technical, administrative and scientific support to the Regions of Central and Eastern Europe,
- jointly defining new strategies for economic co-operation between Regions,
- organising a fair or exhibition to enable different Regions to exhibit and promote their economic potential and facilitate direct contact between those responsible for regional economic development.

IV. Implementing the project

An extensive information campaign was launched by the Chamber of Regions to motivate Regions throughout Europe to play an active part in this event.

Besides motivating all economic actors at regional level, co-operation had been ensured with the NGOs which have some experience in this field (AER, CEMR, Chambers of Commerce, etc.).

Co-operation with the EU's Committee of the Regions and the participation of organisations specialised in East/West economic development, such as the EIB, EBRD and the European Union (with its different programmes such as "Ouverture", etc.) was ensured.

V. Participation and Programme

The First East/West Economic Forum of the Regions of Europe was held, at the invitation of the "République et Canton de Genève", from 18 to 20 January 1996, in Geneva.

More than 500 people, from 34 countries, took part in this event. Five intergovernmental organisations and institutions were represented, two non governmental Organisations, as well as various bodies of the Council of Europe (Committee of Ministers, Parliamentary Assembly) and the Social Development Fund of the Council of Europe.

It should be mentioned that the Russian Federation, Poland and Romania were represented by important delegations.

The programme was drawn up with a view to respond to a new development in Europe: partnerships and Regions - a new factor in European economic co-operation.

Under the general theme "The Regions of Eastern and Western Europe faced with the problems of co-operation and economic development", four main subjects were discussed:

- Political and economic analysis of inter-regional pan-European co-operation
- How to encourage Western investors to participate in Central and Eastern European countries

- Search for solutions for the improvement of pan-European interregional economic relations
- Prospects for a new economic inter-regional partnership.

In order to allow debates to be held within working groups, a series of **workshops** were organised, dealing more specifically with technical questions.

Thus, on the first day, five workshops were held, dealing with:

- touristic planning and economic development
- industrial reconstruction and the development of small- and medium-sized firms
- transfrontier co-operation
- co-operation in the field of food and farming
- commercial training.

On the second day, **six workshops** were held, dealing with:

- banking institutions and Chambers of Commerce and Industry
- legal protection and judicial security
- cultural co-operation and training
- inter-regional co-operation between various partners
- training and modernisation of local and regional administrations
- inter-regional scientific and technological co-operation

as well as two workshops more specifically devoted to:

- the Foundation for the Economic Development of the Regions
- inter-regional co-operation within the field of communications.

Moreover, a Plenary Session particularly devoted to co-operation for the reconstruction of the Regions affected by the conflict in Former Yugoslavia was held, under the presidency of Mr TCHERNOFF, President of the CLRAE.

Among the Rapporteurs and the personalities invited to intervene during this Forum, we could mention in particular:

- Mr Martin BANGEMANN, European Commissioner,
- Mr Manfred STOLPE, Minister-President of the Land of Brandenburg,
- Mr Yves BERTHELOT, Executive Secretary of the United Nations Economic Commission for Europe
- Mr Daud ILYAS, European Bank for Reconstruction and Development (EBRD),

as well as MM Terry DAVIS and Francesco PARISI, Presidents of the two relevant Committees of the Parliamentary Assembly of the Council of Europe.

During this Forum, special areas were put at the disposal of the Regions for exhibitions and presentations of the Regions and for economic organisations.

In order to facilitate personal contacts, other areas were set aside for discussions with a view to setting up co-operation projects and partnerships.

VI. The results of the event

a. The Economic Forum of the Regions of Europe

Mr SAMTLEBE, Mayor of Dortmund, launched, within the framework of his statement to this Forum, an invitation to organise the next Economic Forum of the Regions of Europe on 24-26 June 1996, in his town.

This second Forum will be more particularly devoted to the experiences and perspectives of industrial restructuration. Various working groups are foreseen, to deal with the following themes:

- economic restructuring of the Regions from a business's point of view: switching from industrial mass production to innovative technology
- various approaches to the privatisation of state-owned companies and to industrial restructuring in connection with the creation and promotion of SMEs and SMIs - Case studies
- new opportunities in the industries of the future: the international division of labour and new kinds of co-operation via multimedia applications
- public private partnership: from a state-run municipally-based economy to new forms of energy supply and waste management in the towns and Regions
- the implications of economic restructuring for the regional labour markets: the role of the service sector in the modernisation of regional economies
- environmental problems: dealing with pollution of the past ("toxic tips"), employing new techniques and methods
- financial co-operation with the Regions in transition: the significance of the banking sector for economic and industrial restructuring
- economic restructuring with social responsibility: strengthening the power of regional economies within a context of social dialogue.

The Regions will again have an opportunity to make on a special presentation to the conference participants. Moreover, co-operation with the economic partners of the Region of North-Rhine/Westphalia is foreseen. Exhibitions stands have already been reserved for them.

Persons interested in this event can write to:

Economic Forum of the Regions of Europe
Conference Office
c/o City of Dortmund
Friedenplatz, 3
D - 44135 DORTMUND
Phone (49) 231/502 6750
Fax (49) 231/502 6598

b. The Foundation for the Economy and the Sustainable Development of the Regions of Europe

At the end of the Geneva Forum, conclusions, together with a Final Declaration, were presented to the participants. The Final Declaration summarises the final findings of the participants. It is appended to the draft Recommendation submitted to the CLRAE.

The two main projects resulting from this Forum of Geneva are:

- the creation of the Foundation for the Economy and the Sustainable Development of the Regions of Europe
- the launching of the interactive communications INTERNET Network of the Regions.

As far as the Foundation for the Economy and the Sustainable Development of the Regions of Europe is concerned, its aims are as follows:

- to support the economy and the sustainable development of the Regions of Eastern, Central and Western Europe as a whole;
- to reinforce the regional dimension of the political and economic activities in Europe;
- to stimulate co-operation between the Regions of Europe, in particular East/West co-operation and to support endogenous development at local and regional level;
- to favour, in addition, dialogue in the Mediterranean Basin, in accordance with the Final Declaration of the 4th Conference of Mediterranean Regions of the Council of Europe.

To achieve its aims, the Foundation will develop, in particular, the following activities:

- the Foundation plays an important role in the follow-up action to the annual Forum. It is active in preparing the future projects, ie the one scheduled in Dortmund on 24-26 June 1996 and the other events which will follow;
- the Governing Board of the Foundation convenes, once a year, a meeting of its members, and thus provides a Forum in which members may participate actively in building a dynamic approach to economic regional development;
- the Foundation supports the efforts of a variety of economic actors in the Regions to establish bilateral direct contacts with their counterparts in other Regions, and will support co-operation via workshops, study tours, etc.; it will also provide assistance to the regional authorities in locating experts and funding for the development of projects; it also wishes to play a part in the implementation of a network with similar Foundations working within the same fields;
- the Foundation seeks to ensure communication between Regions, the exchange of information and documentation between them, and will support their access to the INTERNET Networks of the Regions.

Political and economic regional representatives, Chambers of Commerce, economic associations, businesses wishing to become members of the Foundation or to receive detailed documentation on its activities can write to:

Mr Brian DUKE
Executive Secretary
Foundation for the Economy and the Sustainable Development of the Regions of Europe
c/o Service des Affaires régionales et européennes
Etat de Genève
2, Rue de l'Hôtel de Ville
Case Postale 3918
CH - 1211 GENEVE 3
Phone (41) 22 319 35 30
Fax (41) 22 319 29 97.

c. The INTERNET computer communications network

Via a pooling of competencies and resources, the Foundation seeks to ensure the free circulation of information and documentation between Regions. The final aim is to give all Regions their own access to the computer network, World Wide Web and INTERNET.

The Secretariat of the Foundation has already received various requests from Regions interested in this initiative.

For the Regions who are not yet in a position to be connected to this system, the Secretariat is setting up a documentation centre responsible for collecting information relating to economic co-operation between Regions. For this purpose, it hopes to receive, from the regional bodies, as much information as possible about Regions and their leading economic sectors.

The success met by the first East/West Economic Forum of the Regions of Europe shows that the subject chosen corresponded to a genuine need and represented a political topic of great interest.

Thus, far from being the conclusion of a project, the Geneva Forum was the beginning of a long process of promotion and reinforcement of solidarity and economic co-operation between the Regions of Central, Eastern and Western Europe.