

# **Innovative Rural Regions: The Role of Human Capital and Technology**

*An International Conference*

*Convened by:*

*The Regional Government of Extremadura  
OECD*

**March 21-23 2007**

**San Francisco Cultural Complex  
Cáceres, Extremadura (Spain)**

**Conference Program**

**FIRST DAY: MARCH 21, 2007**

**INAUGURAL EVENT AND WELCOME COCKTAIL**

*19:30*

**Welcoming remarks:**

**H.R.H. Felipe de Borbón y Grecia,**  
*Prince of Asturias*

**Elena Espinosa Mangana,**  
*Minister of Agriculture, Fisheries and Food,  
Spain*

**Juan Carlos Rodríguez Ibarra,**  
*President of the Region of Extremadura, Spain*

**Ángel Gurría,**  
*Secretary General of the OECD*

**Jose María Saponi,**  
*Mayor of the City of Cáceres, Spain*

## SECOND DAY: MARCH 22, 2007

9:00 to 10:00 Registration

### **OPENING SESSION: INNOVATIVE RURAL REGIONS: AN EXCEPTION OR A MUST?**

10:00 to 11:30

*Innovation is increasingly regarded as a key element of regional competitiveness. The work of the OECD Working Party on Territorial Development on Rural Areas and the previous OECD Rural Conferences have highlighted a number of case studies in which rural regions have innovated by doing “old things in new ways” or by undertaking entirely new activities. These innovations have taken place in various sectors and come indistinctly from private, public and non-profit sectors actors. Some common elements identified in rural innovations are the interaction of human capital, the availability of new technologies, particularly ICTs and multiple sources of financing, often distinct from traditional banking. This session is intended to set the scene for the conference and discuss some of the following key questions: What opportunities are there for rural areas to innovate? What drives innovation in rural regions? What is the role for private and public actors? Should rural regions invest in the production of innovation or in the assimilation of innovation produced elsewhere?*

**Keynote Speaker:**

**Ángel Gurría,**  
*Secretary General of the OECD*

**Chair:**

**Fernando Ballester,**  
*Spanish Ambassador to the OECD,*

**Roundtable:**

**Elena Espinosa Mangana,**  
*Minister of Agriculture, Fisheries and Food,  
Spain*  
**Antonio Ruiz,**  
*Under Secretary for Rural Development, Ministry  
of Agriculture, Mexico*  
**Guido Tampieri,**  
*Vice-Minister of Agriculture, Italy*  
**Sylvie Esparre,**  
*Director General of DIACT, France*  
**José Antonio García Cantera,**  
*CEO of the Spanish Bank of Credit, Banesto*

11:30 to 12:00 Coffee Break

## SESSION II:

## DEVELOPMENT AND ATTRACTION OF HUMAN CAPITAL IN RURAL AREAS

12:00 to 13:30

*Human capital is a critical input to innovation. Rural areas, however, are often in a disadvantaged position with respect to cities in terms of education infrastructure and their capacity to attract talent and entrepreneurship. This session will discuss two distinct set of issues. The first regards the development of existing human resources. The second regards the attraction of human capital. Key questions for this session include: What is the contribution of the “neo-rurals” (i.e. people with urban roots that migrate to rural areas or that come back to rural areas)? What is the role and impact of the new “creative class” in promoting rural innovation? What solutions are there to develop and attract human capital in peri-urban and in remote rural regions? What is the relationship between human and social capital?*

### **Chair:**

**Mario Pezzini,**  
*Deputy Director, Public Governance and  
Territorial Development Directorate, OECD*

### **Introduction:**

**Jesús González Regidor,**  
*Professor, Universidad Autónoma de Madrid,  
Spain*

### **Discussant panel:**

- 1. Rashpal Malhotra,**  
*Director-General, Centre for Research in rural  
and Industrial Development, India*
- 2. Masahiko Tanoi,**  
*Director of the Rural Policy Coordination Office,  
Rural Development Bureau, Ministry of  
Agriculture, Forestry and Fisheries, Japan*
- 3. Richard Yelland,**  
*Division Head of Education Management and  
Infrastructure, Directorate of Education, OECD*

14:00 to 15:30 Lunch provided by the Extremadura Regional Government

## **SESSION III:**

## **FINANCING RURAL INNOVATION**

*15:30 to 17:00*

*Availability of financial resources is often the critical point that determines whether innovations can emerge or be turned into marketable products. Often times the “financial gap” is coupled by a “knowledge gap”. This session will discuss the role of financial institutions in filling these gaps and in particular the role of traditional banks, of venture capitalists and of micro-credit institutions in fostering innovation in rural regions.*

### **Chair:**

**Ángel Torres Torres,**  
*Secretary General for Economic Policy, Ministry  
of Economy and Finance, Spain*

### **Introduction:**

**Alan Barkema,**  
*Senior Vice-President, Federal Reserve Bank of  
Kansas City, US*

### **Discussant panel:**

- 1. Enrique de la Madrid Cordero,**  
*Director General, Financiera Rural, Mexico*
- 2. Didier Krumm,**  
*Director, Planet Finance, Morocco*
- 3. Francisco Moraleda García de los Huertos,**  
*Deputy Director, Spanish Confederation of  
Savings Banks, Spain*
- 4. Maninder Gill,**  
*Sector Manager, Social Development Team,  
World Bank*

*17:00 to 17:30*

*Coffee Break*

**SESSION IV: ENHANCING RURAL BUSINESS COMPETITIVENESS THROUGH TECHNOLOGY: BEST PRACTICES**

*17:30 to 19:00*

*Technological advances such as broadband contribute to reduce the geographic barriers that once characterized rural areas, enabling them to compete with other regions. This session will provide examples of how technology can foster and sustain competitive rural businesses and how communities benefit from the externalities generated by these businesses. This session will include both the perspective of the public sector as a provider of framework conditions for business innovation and of private actors themselves and the use they make of technology to increase the productivity and competitiveness of their businesses.*

**Chair:** **Diana Brittan,**  
*Chair, The Carnegie Commission for Rural  
Community Development, UK*

**Introduction:** **Tom Johnson,**  
*Director of Community Policy Analysis Center  
University of Missouri-Columbia, US*

**Discussant panel:**

- 1. Luis Millán Vázquez de Miguel,**  
*Regional Minister, Information and  
Technological Development, Extremadura, Spain*
- 2. Kwang-Wook An,**  
*Director, Information Planning Division  
Ministry of Agriculture and Forestry, Republic of  
Korea*
- 3. Graham Russell,**  
*Director, Business in the Community (BITC), UK*
- 4. Roque Lage,**  
*Regional Director, IBM in Andalusia, Canarias  
and Extremadura, Spain*

*19:45 Guided tour through the City of Cáceres*  
*20:00 Dinner provided by Extremadura Regional Government*

**THIRD DAY: MARCH 23, 2007**

9:30 to 10:00 *Welcome back and coffee*

**SESSION V: INSTITUTIONAL AND TECHNOLOGICAL INNOVATION:  
EVIDENCE FROM THE PUBLIC SECTOR**

10:00 to 11:30

*This session will address key, distinct dimensions of innovation in the public sector. On one hand the discussion will focus on institutional innovation in terms of new ways in which governments can organise themselves and interact with other actors. On the other hand, case studies will address innovation in the public sector in terms of use of technology and in particular ICT to increase the efficiency and effectiveness of public service delivery in rural areas.*

**Chair:** **G rard Viatte,**  
*Former Director of Agriculture, Forestry and  
Fisheries, OECD*

**Introduction:** **Nicola Crosta,**  
*Administrator, Rural Policy, Regional  
Competitiveness and Governance Division,  
OECD*

**Discussant panel:**

- 1. Timo Halonen,**  
*Mayor of the Region of Kuusamo, Finland*
- 2. John Mills,**  
*Director of Rural Affairs, Department of  
Environment, Food and Rural Affairs, UK*
- 3. Atty Bruins,**  
*Manager of Rural Affairs, Ministry of Agriculture,  
Netherlands*
- 4. Robert Sauv **  
*Associate Deputy Minister for Rural and Regional  
Development, Ministry of Qu bec, Qu bec,  
Canada*

11:30 to 12:00 *Coffee Break*

**SESSION VI: INNOVATIVE RURAL REGIONS: LESSONS LEARNED**

*12:00 to 13:30*

*What lessons can be brought home? This session is reserved to highlighting the key issues which arise during the conference. Speakers will wrap up on the previous sessions and discuss the factors driving innovation in rural areas and what could be the role of public and private actors in helping rural regions thrive in a more and more knowledge-based, globalised economy.*

**Chair:** **Margaret Clark,**  
*Deputy Chief Executive, Commission for Rural Communities, UK*

**Roundtable:** **Santiago Menéndez de Luarda,**  
*Vice-Minister of Agriculture Fisheries and Alimentation, Spain*  
**Richard Wakeford,**  
*Head of Environment and Rural Affairs, Scottish Executive, UK*  
**Theo Agustin,**  
*Manager of Rural Development, Federal Ministry of Food, Agriculture and Consumer Protection, Germany*  
**Mario Pezzini**  
*Deputy Director, Public Governance and Territorial Development Directorate, OECD*

***Conference Closing Remarks***

**Juan Andrés Tovar,**  
*President of the Provincial Council of Cáceres, Spain*

**Francisco Javier López Inieta,**  
*Regional Minister for Rural Development, Extremadura, Spain*

*14:00 Closing Lunch and Reception provided by Extremadura Regional Government*  
*15:00 Post Conference activities planned for the weekend (please refer to info. pack)*