The Provisional Annotated Agenda is submitted to Delegates of the TDPC for APPROVAL.

The first day of the TDPC meeting has been structured as a special session, in symposium format on "Diagnosing the Capacity of Regions to be Competitive". Results from the discussions at this special session will help guide the continuing work of the Committee in this area.

The meeting will be held at the OECD Headquarters, Paris, in Room 1.

For further information, please contact Suzanne Leprince, TDPC Secretary, tel. + 33 1 45 24 81 72, e-mail: suzanne-nicola.leprince@oecd.org
WEDNESDAY 22 JUNE 2005

Special Session of the Territorial Development Policy Committee on

**DIAGNOSING THE CAPACITY OF REGIONS TO BE COMPETITIVE**

**Morning Session: 10:00 – 13:00**

10:00 – 10:15 **Opening Statement**

10:15 – 10:30 **Introduction:** Key Indicators for Policy-Making: Main Lessons from the OECD World Forum

10:30 – 11:15 **Session I:** Detecting Trends in Regional Competitiveness

11:15 – 11:45 **Coffee break**

11:45 – 13:00 **Session I (cont’d):** Detecting Trends in Regional Competitiveness

**Afternoon Sessions: 14:30 – 18:00**

14:30 – 15:30 **Session II:** Building up the Strategy

15:30 – 16:00 **Session III:** Measuring Objectives and Targets

16:00 – 16:30 **Coffee break**

16:30 – 17:30 **Session III (cont’d):** Measuring Objectives and Targets

17:30 – 18:00 **Conclusions:** Perspectives for TDPC activities
NOTES

SPECIAL SESSION OF THE TERRITORIAL DEVELOPMENT POLICY COMMITTEE:

DIAGNOSING THE CAPACITY OF REGIONS TO BE COMPETITIVE

Further to a proposal by the United States, the 12th TDPC Session decided that the topic of the annual Symposium in June 2005 would be “Diagnosing the Capacity of Regions to be Competitive”. The Symposium will draw on the results of the OECD World Forum on Statistics, Knowledge and Policy and of a meeting of international experts (held in April 2005) that identified key issues and provided contributions to the background documents for the Symposium.

The Symposium will be divided into three sessions, each treating a specific theme. One or two keynote speakers will introduce the main issues of each session, nominated country representatives will provide feedback from their national perspective and other countries will be invited to participate in the debate.

Chair: Mr. Fabrizio Barca, Head, Department for Development and Cohesion Policies, Ministry of Economy and Finance, Italy; and Chair of the Territorial Development Policy Committee (TDPC)

Introduction: Key Indicators for Policy-Making: Main Lessons from the OECD World Forum

Introductory Remarks: Mr. Enrico Giovannini, Chief Statistician, OECD.

Mr. Giovannini will make a brief presentation on the main lessons from the OECD World Forum on Statistics, Knowledge and Policy, held in Palermo, Italy, on 10-13 November 2004 (http://www.oecd.org/oecdworldforum) and will link the general results of the Forum to the three specific topics to be discussed in Sessions I, II and II.

Session I: Detecting Trends in Regional Competitiveness

Keynote speaker: Mr. Geoffrey J.D. Hewings, Director, REAL, University of Illinois, US.

This session will look at how a region can evaluate its competitiveness and assess the need for change.

Mr. Hewing will examine the analytical challenges to measuring regional competitiveness. He will argue that enhancing a region’s competitiveness has become more complicated as a result of globalisation forces that have challenged several received theories about the way regions grow and develop.

Issues for discussion: regional competitiveness, specialisation, interdependency, globalisation.
Session II: Building up the Strategy

Key-note speaker: Mr. Jean-Philippe Hanff, Director Midi-Pyrénées Expansion, Toulouse.

This session will look at the process of identifying strategies and selecting regional policies, the interaction among all the relevant actors and the importance of delivering information for the public debate.

Mr. Hanff will discuss the process through which the French strategy of “competitiveness poles” has been identified and selected, the advantages and possible disadvantages of this strategy and how the relevant actors – institutional, public and private – have been involved in this process.

Issues for discussion: multilevel governance, public-private partnership, information sharing, public debate.

Session III: Measuring Objectives and Targets

Keynote speakers: - Mr. Charles Tarvin, Central Economic Advice, Office of the Deputy Prime Minister, United Kingdom
- Ms. Monica Brezzi, Ministry of Economy and Finance, Italy.

This session will look at different national systems for monitoring the implementation of regional policy and creating incentives for information sharing among the relevant actors.

Mr. Tarvin will discuss the strategy chosen in the UK to monitor regional development targets and to create incentives for all relevant actors to implement their development targets.

Based on the Italian experience, Ms. Brezzi will discuss two main problems related to the process of setting and measuring objectives for regional policies: translating the policy objectives into quantitative and verifiable measures; and establishing a causality link between policy actions and the objectives.

Issues for discussion: setting measurable targets, monitoring results, assessing policy impact, information-sharing.

Conclusions: Perspectives for TDPC Activities, Fabrizio Barca, TDPC Chair

Lessons to be drawn for Committee work.
23 June – Morning Session: 09:30 – 13:00

1. Approval of the Agenda  
   09:30 – 10:00

2. Approval of the Summary Record of the 12th Session  
   10:00 – 10:30

3. Renewal of the Bureau  
   10:00 – 10:30

4. Reports by Territorial Development Policy Committee (TDPC) and Working Party Chairs  
   10:30 – 10:40

5. Complementary Remarks by the Director of the Public Governance and Territorial Development Directorate (GOV)  
   10:40 – 11:00

6. Proposal of a Research Programme on Regional Competitiveness and Multi-Level Governance in Siena  
   11:20 – 13:00

Lunch break: 13:00 – 15:00

Afternoon Session: 15:00 – 17:00

8. Metropolitan, Competitiveness and Governance:  
   The Case of Seoul  
   15:00 – 16:00

9. Update on ongoing TDPC activities  
   Sustainable Use of Building Stock  
   Enhancing the Impact of Spatial Planning  
   16:00 – 16:30

10. Other business  
   16:30 – 17:00

A coffee break has been arranged for approximately 11:00
Other documents for information:

- Forthcoming Conference in Montreal in October 2005 concerning the Sustainable Competitiveness of Cities, which will focus on the social dimension of city competitiveness. [GOV/TDPC/URB/RD(2005)4]
- Outcome of the International Conference on City Competitiveness, hosted by the Regional Government of the Canary Islands in the City of Santa Cruz de Tenerife, Spain, 3-4 March 2005 [GOV/TDPC/URB/RD(2005)1]
- Outcome of the International Conference on Designing and Implementing Rural Policies 7-8 April, Oaxaca, Mexico [GOV/TDPC/RD(2005)8]
- TDPC Calendar of Events 2005 [GOV/TDPC/RD(2005)9]
TERRITORIAL DEVELOPMENT POLICY COMMITTEE (TDPC)
13TH SESSION, 22-23 JUNE 2005, SALLE 1

ANNOTATIONS

Morning Session: 09:30 – 13:00

Item 3: Renewal of the Bureau

1. Members of the Bureau are as follows:

   Chair: Mr. Fabrizio Barca (Italy)

   Vice-Chairs: Mr. Wolf-Dietrich Huber (Austria)
               Ms. Marilyn Kapitany (Canada)
               Mr. Bernard Morel (France)
               Mr. Takayuki Hara (Japan)
               Mr. Roberto Villarreal Gonda (Mexico)
               Mr. David Bearden (United States)

   ➢ Action required: the Committee is requested to renew the Bureau for one year

Item 4: Reports on recent activities by TDPC and Working Party Chairs

2. Fabrizio Barca, Chair, will make introductory remarks on the day's agenda


   ➢ Action required: for information

4. The Chairs of TDPC Working Parties will brief delegates on recent and ongoing activities of their respective groups:

   – Mr. Takayuki Hara, Chair of the Working Party on Territorial Policy in Urban Areas (WPURB), will describe the outcome of the 7th Session of the Working Party on Territorial Policy in Urban Areas, held on 1 June 2005, as well as on an International Symposium on Enhancing Cities’ Attractiveness for the Future, which took place in Nagoya, Japan, 2/3 June 2005. He will also report on the outcome of the International Conference on City Competitiveness, held in Santa Cruz de Tenerife, Spain, 3-4 March 2005 and announce a forthcoming Conference in Montreal in October 2005 concerning the Sustainable Competitiveness of Cities, which will focus on the social dimension of city competitiveness.

   – Mrs. Margaret Clark, Chair of the Working Party on Territorial Policy in Rural Areas (WPRUR), will report on the outcome of the Working Party’s 7th Session held in December 2004 and on the conclusions of the conference on Designing and Implementation of Rural Policy held on 7-8 April in Oaxaca, Mexico. She will also inform delegates of possible follow-up rural policy conferences under discussion with several member countries. Finally, Mrs. Clark will inform the working party of the upcoming AGR-GOV Workshop on: Coherence of Agricultural and Rural Development Policies, 24-26 October 2005, Bratislava, Slovak Republic.
Mr. Ray Bollman, Chair of the Working Party on Territorial Indicators (WPTI), will brief the Committee on the group’s future contribution to the follow-up work resulting from The Symposium on Diagnosing the Capacity of Regions to be Competitive.

➢ Action required: for information

Item 5: Complementary Remarks by the Director of the Public Governance and Territorial Development (GOV)

5. Odile Sallard, Director of GOV, will present the latest developments in the OECD and in the GOV Directorate. She will explain the results of the 2004 Programme Implementation Reporting (PIR) and the OECD In-depth Evaluation Process currently under way and discuss the implications for the TDPC and its Working Parties. She will also refer to developments concerning the communication of the Committee's work, ongoing activities with non-member countries, including the Outreach Steering Group, and the TDPC's contribution to the Network on Fiscal Relations across Levels of Government and its forthcoming meeting on 8-9 September 2005, to which all delegates are invited.

➢ Action required: for information

Item 6: Proposal of a Research Programme on Regional Competitiveness and Multi-Level Governance in Siena

6. The Director will introduce the proposal to create a Research Programme on Regional Competitiveness and Multi-Level Governance in Siena, Italy [GOV/TDPC/RD(2005)10]. The Research Programme would aim to strengthen the policy analysis of TDPC and promote closer collaboration between OECD and academic and research institutions.

7. The Committee is invited to discuss and approve the proposal, on the basis of which a Memorandum of Understanding will be elaborated between the OECD and the partners in Siena. The specific activities of the Research Programme within the TDPC PWB will be discussed at the next TDPC meeting in December.

➢ Action required: for discussion and approval

Item 7: National Territorial Review of Finland

8. The Delegation of Finland will be led by Mr. Jorma Julin, Ambassador of the Permanent Delegation of Finland to the OECD, who will introduce Mr. Antti Mykkänen, State Secretary to the Minister of Regional and Municipal Affairs in Finland and Mr. Veijo Kavonius, Deputy Director General of the Department for Regional Development of the Ministry of the Interior. They will comment on the National Territorial Review of Finland before a presentation by the Secretariat. Mr. Philip Tyler, Executive Director, Office of Regional Affairs, Department of Trade and Economic Development, Government of South Australia and Mr. Jan Edøy, Counsellor for Regional Policy, Ministry of Foreign Affairs, Mission of Norway to the EU in Brussels, will introduce the discussion as country reviewers, and representatives from the Ministry of the Interior will comment on the review and its A & R. The Review shows the evolution of Finnish regional policy from a traditional subsidy type approach towards the use of new policy tools to foster regional competitiveness through emphasis on soft infrastructure (human capital, networking) and improvement of the business environment and entrepreneurship. It addresses three main policy areas. The first is innovation in the broad sense, aiming to boost regions’ and firms’ performance by introducing new technologies and new organisational modes. The second area concerns balanced urban development by support of a network of small and medium sized cities and recent measures to increase the competitiveness of bigger cities, for the regional and national economies, thus bringing together regional and urban development concerns. The third policy domain covered by the Review relates to the delivery of public services in areas of declining population, with specific challenges stemming from very low densities, a
shrinking tax base and increasing costs due in particular to ageing. Finland has designed innovative policies to meet these challenges while proceeding with a step-by-step approach. The Review suggests a certain number of measures in the context of EU enlargement to increase their impact and efficiency, particularly in the area of governance.

- **Action required:** for discussion and approval

**A coffee break has been arranged for approximately 11:00**

**Lunch 13:00 – 15:00**

**Afternoon Session: 15:00 – 17:00**

**Item 8: Metropolitan Competitiveness and Governance: The Case of Seoul**

9. This study analyses how Seoul is striving to upgrade its positioning from a national mega-capital towards a 'world city' and a business hub in Northeast Asia. In order to best exploit agglomeration economies while addressing congestion costs, Seoul needs to build an innovation-driven economy based on complementary knowledge-intensive activities, to upgrade the quality of its urban assets and to design a territorial branding strategy. Considering that the national agenda framework gives priority to balanced development across the country (including the project to relocate administrative functions outside Seoul), the national government's challenge is to maintain an internationally competitive capital region, while promoting regional competitiveness and overall national growth in a globalised economy. The report and its assessment and recommendations will be introduced by Mr. O-Kyu Kwon, Ambassador of the Permanent Delegation of Korea to the OECD and representatives of the Seoul Metropolitan City Government, followed by a presentation by the Secretariat.

- **Action required:** for discussion and approval

**Item 9: Update on ongoing TDPC activities**

10. The Secretariat will make a short presentation of ongoing activities, emphasizing those for which specific action or participation by delegates would be welcome. The specific projects are:

- **Towards the Sustainable Use of Building Stock.** The report focuses on policies promoting the use of existing buildings and lengthening their real service lives [GOV/TDPC/URB(2005)1&2].

- **Enhancing the Impact of Spatial Planning as a Tool for a Rural-Urban Integration** [GOV/TDPC/RD(2005)6]. This document presents the second phase of the work, which focuses specifically on spatial planning instruments and how they can be used to achieve rural-urban integration objectives.

- **Action required:** for discussion and expressions of interest