20th Session of the Territorial Development Policy Committee

Provisional Agenda

3-4 December 2008, Day 1, 10:00-18:30; Day 2, 09:30-16:00,
OECD Conference Centre, Room CC 4
2, rue André Pascal, 75116 Paris

The Provisional Agenda of the 20th Session of the Territorial Development Policy Committee is submitted to Delegates for APPROVAL.

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PROVISIONAL AGENDA

DAY 1: 10:00 – 13:30 Morning session

10:00-10:10 Introductory remarks, Mr. Aart de Geus, Deputy Secretary-General of the OECD

10:10-10:20 1. Adoption of the Agenda

10:20-10:30 2. Designation of the Bureau

10:30-11:30 3. Approval of the summary record of the 19th Session

11:30-11:50 Coffee break

TDPC MEETING AT MINISTERIAL LEVEL


12:30-13:10 Background report

13:30 – 15:00 Lunch break

15:00-16:30 7. Policy report (main issues paper for the Ministerial): Roundtable discussion

16:30 – 17:00 Coffee break

REGIONAL PERFORMANCE AND COMPETITIVENESS

17:00-17:30 7. OECD eXplorer: interactive maps to explore regional data

17:30-18:30 8. Innovation and Regions:

18:30 – 20:00 Cocktail reception – OECD Conference Centre, Espace l’Atrium
DAY 2: 09:30 – 13:00 Morning Session

REGIONAL PERFORMANCE AND COMPETITIVENESS, continued.

09:30 - 11:00
- OECD Reviews of Regional Innovation: Mexico (GOV/TDPC(2008)12)
- OECD Reviews of Regional Innovation: Piedmont (Italy) (GOV/TDPC(2008)14)

11:00 – 11:20 Coffee break

GLOBAL RELATIONS, OECD ENLARGEMENT AND ENHANCED ENGAGEMENT

11:20 - 11:45
9. TDPC evaluation and recommendations for Observers:
   - Chile: request for observership renewal (GOV/TDPC(2008)16/REV1)
   - Technical opinion on inviting South Africa to become a regular observer in the TDPC (GOV/TDPC(2008)17/REV1)

11:45 - 13:00
National Territorial Review of Chile (GOV/TDPC(2008)18)

13:00 – 14:30 Lunch break

14:30 – 16:00 Afternoon Session

STRATEGIES FOR URBAN COMPETITIVENESS AND GOVERNANCE

14:30 - 15:45
10. The case of Copenhagen (Denmark) (GOV/TDPC(2008)20)
15:45
16:00

Documents for information

- TDPC Programme of Work and Budget 2009-10 [GOV/TDPC(2008)1/FINAL]
- The sources of economic growth in OECD regions [GOV/TDPC/TI/(2008)7]
20th SESSION OF THE TERRITORIAL DEVELOPMENT POLICY COMMITTEE

ANNOTATIONS

Introductory remarks

Mr. Aart de Geus, Deputy Secretary-General of the OECD

Item 1: Adoption of the Agenda

- **Action required**: Approve the Agenda of the 20th Session

Item 2: Designation of the Bureau

1. The TDPC Bureau composition is as follows:

   Chair: Mr. Mark Drabenstott (United States)
   Vice-Chairs: Mr. Wolf-Dietrich Huber (Austria)
               Mr. Paul Leblanc (Canada)
               Mrs. Sylvie Esparre (France)
               Mr. Prodromos-Ioannis (John) Prodromidis (Greece)
               Mrs. Flavia Terrible (Italy)
               Mr. Takeshi Abe (Japan)
               Mrs. Sara Topelson (Mexico)
               Mr. Benjamin Erulkar (United States)

2. The Secretariat has been recently informed of the resignation of Mrs. Sylvie Esparre (France).

   - **Action required**: Following the withdrawal of Mrs. Sylvie Esparre, one candidate proposal was received. It concerns Mrs. Odile Bovar (France). The Working Party is requested to elect the Bureau for one year.

Item 3: Approval of the Summary Record of the 19th Session

- **Action required**: for approval

Item 4: Statement by the Director: overview of key developments

3. Mrs. Odile Sallard, Director, Public Governance and Territorial Development Directorate (GOV), will provide an update on the latest developments within GOV and the OECD overall. She will inform delegates of the “In-depth Evaluation of the TDPC” that will be undertaken during the 2009-10 Biennium (time frame to be confirmed, see document [C(2008)9], page 5, para.12]). Mr. Kevin Williams, Evaluation Co-ordinator, OECD Secretariat, will provide a brief overview of the overarching goal, use and aims of in-depth evaluation of level 1 committees (documents of reference: [C/ESG(2005)]1; and [CEV(2008)]1).

   - **Action required**: for information
Item 5: Presentation by Chairs of the TDPC and its Working Parties

4. Mr. Mark Drabenstott, Chair, will introduce the Agenda of the Committee’s 20th Session and report on the latest developments since its 19th Session. In particular, he will mention the ongoing preparations and implications for the Committee of the TDPC Meeting at Ministerial Level on 30-31 March 2009, OECD Conference Centre, Paris, which will be discussed under item 6 of the agenda. Also, the Chair will remind delegates of the 5th Annual meeting of the OECD Network on Fiscal Relations across Levels of Government, 4-5 December 2008 [COM/CTPA/ECO/GOV/A(2008)2], to which delegates are invited to attend. The Secretariat will provide a brief overview of ongoing work of the TDPC in this joint activity between GOV, CTPA and ECO activity.

- **Action required**: for information

5. The Working Party Chairs will provide a brief overview of the groups’ outputs, ongoing and future activities and recent working party meetings.

6. Mr. Richard Wakeford (United Kingdom), WPRUR Chair, will briefly present the main issues discussed by the Rural Policy Reviews carried out during 2008 (China, Italy, and Spain). He will announce Rural Policy reviews to be carried out during 2009 (Canada and England, UK), and mention that an agreement is under discussion between the OECD and the Government of South Africa for a rural policy review. Finally, he will introduce the upcoming conference to be held in Quebec (Canada), September 2009.

- **Action required**: the Rural Policy Reviews of China, Italy and Spain, previously discussed at the 10th Session of the WPRUR [GOV/TDPC/RUR(2008)1, 2, 3, 4, 5 & 6] are submitted to the TDPC for approval

7. The WPURB Chair, Mr. Adam Ostry (Canada), will report on recent and forthcoming work. This includes the Territorial Review of Copenhagen (Denmark), submitted to delegates for discussion and approval under Item 9 of the Agenda, and territorial reviews that will be finalized in June 2009 (Toronto, Canada in June), and December 2009 (Venice, Italy, and Guangdong, China). The study on ‘territorial review on trans border urban linkages in pan yellow sea region’ will be finalized in June 2009. Mr. Ostry will also report on activities related to cities and climate change including the recent OECD Conference on “Competitive Cities and Climate Change, Milan, Italy, 9-10 October 2008”, and the next Working Party on Urban Areas that will take place in Las Palmas de Gran Canaria, Spain, on June 11-12 (dates to be confirmed), back to back with a Workshop on Sustainable Cities and Climate Change.

- **Action required**: for information

8. Mr. Dev Virdee, WPTI Chair will provide a brief overview of ongoing work of the Working Party on Territorial Indicators (WPTI). He will report on the outcome of the discussion at the WPTI’s 17th Session regarding the reports: “OECD Regions at a Glance: 2009 Edition” and “The source of economic growth in OECD regions” which are presented to the TDPC for approval.

- **Action required**: these reports, previously discussed at the 17th Session of WPTI are submitted to the TDPC for approval:
  - The source of economic growth in OECD regions [GOV/TDPC/TI/(2008)7]
Item 6: TDPC Meeting at Ministerial level

- Draft Agenda

9. The Secretariat will present a Draft Agenda for the meeting of the Territorial Development Policy Committee (TDPC) at Ministerial Level”, 30-31 March, 2009.

  ➢ Action required: for discussion and approval

- Background report

10. The Background report provides a first assessment of the economic arguments that underpin regional development policy. It looks at the dynamics of regional growth and presents evidence based on quantitative analysis, on three paramount aspects: concentration, inequality and growth. It then addresses the policy implications of these findings with particular emphasis on policy implementation and fiscal issues. It will be further developed through the workshop to be held in Washington in January.

- Policy report (main issues paper for the Ministerial): Roundtable discussion

11. This document summarises recent regional policy experiences and remaining challenges in OECD member countries. It is intended to provide a basis for discussion at the TDPC Ministerial meeting due to be held on 30-31 March 2009. The Ministerial meeting will draw key messages from the knowledge built up since the last such meeting in 2003 and discuss future orientations for public investment in regions to respond to current challenges.

  ➢ Action required: for discussion. The background report and the policy report will be object of further discussion by academics at a Workshop on 15 January 2009 in Washington D.C. Then, the Committee will discuss and approve a final version of the report at an Enlarged Bureau on 6 February 2009, OECD Conference Centre, Paris. The final policy and background reports, incorporating comments from all three meetings, will be presented to ministers at the TDPC meeting at Ministerial level on 30-31 March 2009.

Regional Performance and Competitiveness

Item 7: OECD eXplorer: interactive maps to explore the regional database

12. Mr. Lars Thygesen (STD Directorate, OECD) will present the Internet platform OECD eXplorer for visualizing and analyzing the OECD regional statistics. The web tool, now available on the OECD website, combines maps and other graphics via the Internet and it is the result of a fruitful cooperation between OECD and the National Centre for Visual Analytics (NCVA - Linköping University, Sweden). The presentation will describe the current features and possible uses and briefly illustrate the extended version expected to be released together with the publication “Regions at a glance: 2009 edition”.

  ➢ Action required: for information

Item 8: Regional innovation policies

- Measuring regional innovation outcomes: draft report

13. Measuring regional innovation outcomes: The Secretariat will present a draft report on “Measuring regional innovation outcomes” which provides some preliminary results from analysis using the newly developed OECD regional innovation indicators dataset and the OECD RegPat regional patent database.
• Governance of innovation: issues paper

14. Claire Nauwelaers, Senior research director at MERIT, will present key issues and examples of good practice in managing innovation policy at the regional level. This presentation will be based on outcomes from a workshop organised by OECD with the US Council on Competitiveness in July 2008 and supported by KIPF (Korea).

15. These two outputs will form part of a synthesis report on Innovation and Regions, which will also draw on the findings from the first regional innovation reviews.

➢ Action required: for discussion

OECD Reviews of Regional Innovation: Mexico

16. The Secretariat and members of the review team, representatives of the Ministry of Economy, at the OECD delegation in Paris, will present the main findings of the review. A representative from the Mexican Association of State Economic Development Secretaries (AMSDE) will speak on behalf of the states. Peer Reviewers, Robert McKinley, Associate Vice-President for Economic Development, The University of Texas at San Antonio (United States), and Juan Jose Mangas, COTEC—Foundation for technological innovation (Spain), will provide comments to TDPC delegates from respective countries.

17. The OECD Reviews of Regional Innovation: 15 Mexican States is part of the new series launched this year with the North of England, UK and the Piedmont Region, Italy. Given the large number of participating states, the focus is on national and state policy trends supporting regional innovation and clusters. An analysis of the national and regional level data indicates low productivity growth, low levels of innovation inputs and outputs, and among the widest disparities in productivity across regions. The review explores whether national policy framework in different policy areas (regional, S&T, enterprise policy, higher education) supports regional innovation systems and clusters as a way to address these challenges. It then examines policy trends at the state level in these policy areas. Finally, it discusses the governance mechanisms that can support the policy recommendations to national and state governments.

➢ Action required: for discussion and approval

OECD Reviews of Regional Innovation: Piedmont (Italy)

18. The Secretariat and members of the review team will present the main findings of this review, which addressed the evolving innovation strategy of the region of Piedmont. The region faces a number of challenges because of the transformation of its main industries. At the same time, ongoing devolution of powers to the regions in Italy has given local actors an opportunity to develop a locally-driven and resourced innovation policy. This review looks at how this autonomy is being used to strengthen the innovation system of the region and promote change in the culture of innovation in the region.

➢ Action required: for discussion and approval

Item 9: Global relations, OECD Enlargement and Enhanced engagement

TDPC evaluation and recommendations for Observers:

Renewal of the Observership of Chile to the Territorial Development Policy Committee and its Subsidiary Bodies

19. In view of Chile’s clearly demonstrated interest in observership, the intensity of its participation and the value of its contributions to the work of TDPC, the Committee is invited to endorse the
recommendations concerning the renewal of Chile to participate in the Territorial Development Policy Committee as an observer, as set out in the evaluation template for non-member regular observers (Annex 1); and recommend to the OECD Council to renewal of the observership of Chile for a period of two years – 2009 and 2010.

➢ Action required: for discussion and approval

Technical opinion on inviting the Republic of South Africa to become a regular observer in the TDPC

20. In a letter dated 29 May 2008 to the OECD Secretary-General, Angel Gurriá, Mr. Frank Chikane, Director-General, The Office of the Presidency, Republic of South Africa, formally requested that South Africa be invited to participate as a regular observer in the Territorial Development Policy Committee. The Committee is invited to assess the interest of inviting South Africa as a regular observer according to the criteria set out in the template in annex and its own policy orientations; decide on its recommendation to the Council concerning South Africa’s eventual observership in TDPC; and, depending on the Committee’s decision, recommend to the OECD Council that the Republic of South Africa becomes a regular observer of the TDPC for a two year period during 2009-10.

➢ Action required: for discussion and approval

National Territorial Review of Chile

21. The OECD Secretariat will introduce the National Territorial Review of Chile, followed by a presentation made by Ms. Claudia Serrano Madrid, Undersecretary of Regional Development of Chile. Peer reviewers from Canada, Mr. Paul Le Blanc, Executive Vice-President of the Atlantic Canada Opportunities Agency, and the United Kingdom, Mr. Graham Garbutt - Chief Executive Commission for Rural Communities, United Kingdom will share their views, before opening the discussion to other member countries.

22. The territorial review of Chile offers a practical illustration of how a centralised country which has achieved strong macroeconomic and political stability is moving towards a territorial approach to development in order to better adapt public management to the different opportunities and needs of the country’s diverse territories. Although Chile has achieved strong economic growth during the last 20 years, the economy is very dependent on a few resource-based sectors located in a small number of regions. Within this context, Chile is moving towards a territorial development perspective as a way to adapt public policies to the characteristics and assets of the different regions and to “unleash” their potential. In parallel, the government intends to promote greater decentralisation and to build up the capacities of regional and local actors so that the regions can play a stronger role in developing and implementing regional development strategies. However, the regional economic agenda is still largely decided from the centre. In addition, the administrative and financial limitations on subnational governments undermine their ability to carry out some of their devolved competences efficiently and thus to take advantage of specific regional and local opportunities. Therefore, to move towards place-based policies will require changes in the governance system in order to strengthen the regional institutional framework. This will involve increasing the capacities of and the support to regional governments to help them become active players in the discussion, planning and co-ordination of regional development policies. Multi-level governance and co-ordination arrangements, mechanisms to promote capacity building and institutions for participation and accountability would help to strengthen the legitimacy, coherence and effectiveness of the reform process.

➢ Action required: for discussion and approval
Item 10: Strategies for Urban Competitiveness and Governance

The case of Copenhagen (Denmark)

23. The OECD Secretariat will introduce the Metropolitan Review of Copenhagen, followed by a presentation made by the CEO of the City of Copenhagen, Mr. Claus Juhl, and the Group Managing Director of The Capital Region of Denmark, Jens Christian Sørensen. Peer Reviewers from the United State, Mr. Benjamin Erulkar; Canada, Mr. Adam Ostry; United Kingdom, Mr. Keith Thorpe; and Germany (name to be specified), will share their views, before opening the discussion to other member countries.

24. Copenhagen scores well on several economic indicators, but faces labour shortages that are projected to become more severe. These are hampering growth in many sectors. Copenhagen’s priority should be to make better use of potential labour forces currently present and to attract more foreign highly skilled people. Increasing attractiveness will require action in many fields, ranging from higher education, innovation, entrepreneurship, affordable housing, urban amenities and environmental sustainability. National framework conditions in this respect are not always favourable and do not differentiate between a large metropolitan area such as Copenhagen and the rest of the country. Even though Denmark is a very decentralized country, Copenhagen does in many cases not have the room to implement policies that might be necessary. The local government reform implemented in 2007 appears to have weakened metropolitan coordination in Copenhagen.

➢ Action required: for discussion and approval