



*Rappresentanza Permanente d'Italia
presso l'Organizzazione per la Cooperazione
e lo Sviluppo Economici*

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Territorial Development Policy Committee at Ministerial Level

Investing for Growth: Building Innovative Regions

OECD, Conference Centre, Paris, 31 March 2009

Speech by Honourable Claudio SCAJOLA

Minister of Economic Development

ITALY

Courtesy Translation

Dear Secretary General,

Dear Colleagues,

Ladies and Gentlemen,

The economic and financial crisis we are experiencing has a global nature and an unprecedented extent.

Governments have been taking immediate and co-ordinated actions, by adopting policies aimed at supporting consumption, protecting employment, boosting investments, in order to restore households', enterprises' and markets' confidence.

We need to combine conjunctural policies aimed at supporting demand, with structural measures that would boost our territorial competitiveness and growth: in this context, the role of regional policy is crucial.

The Italian Government action in areas with competitiveness and growth concerns has evolved over time.

In the past, territorial development policies would offset regional gaps with public subsidies. Now, territorial policies adopt an approach of transversal objectives and policy instruments adjusted to different territorial circumstances.

With the introduction of mechanisms designed to improve the supply of public services as well as quality of investment, the 2007-2013 Regional Policy Agenda of Berlusconi's Government strengthens coherence among resources, objectives and visible outcomes for citizens.

We devoted much attention to the development of structural factors, such as infrastructure facilities, services to citizens and enterprises, institutional efficiency, research and innovation.

Enterprises competitiveness is linked with territorial competitiveness, through an optimal mix of environmental, infrastructural, social and institutional conditions.

The issue of quantity and quality of research and innovation investments is at the core of the Government Agenda.

Until now, investments showed the tendency to reflect the Italian output structure (characterized by the predominance of small enterprises) as well as the regulatory framework that does not foster virtuous innovative paths.

Today, on the contrary, the Italian regional policy is raising significant funds for research and innovation, i.e. more than 20 billions EUR by 2013 (1/3 of the budget).

We need to ensure an effective use of these funds, by assessing its impact on short and medium-long term growth.

A dialogue between Central and Regional Governments made it possible to identify criteria and methods for setting investment priorities, evaluating the impact of policies, ensuring the quality of options.

Moreover, a review of 8 Southern Regions is in progress with the objective to review the medium-term outlook of the technological and productive areas that have the best perspectives.

Moreover, in the framework of the Italian Government actions, I wish to stress a significant example of synergy among industrial, innovation and regional policy.

Through the new Programme of Industrial Innovation, the Italian Government identified a strategy towards which the development and the competitiveness of the output system should be directed, by using a concept of industry extended to new branches, encompassing manufacture, advanced services and new technologies.

The implementation of the Programme of Industrial Innovation significantly focuses on co-operation between Central Government and Regional Administrations to create technological facilities for industrial research, innovation dissemination, regulation streamlining.

To this purpose, our Government promoted along with the Regions, the setting of Technical Multi-Regional Round Tables aimed at identifying geographical areas and thematic areas enabling us to build specific investment initiatives dedicated to local territories.

In this respect, the more advanced thematic areas are those of sustainable building, car industry, sea technologies, agro-food sector, solar technological pole and energy clusters.

Within the framework of Central Government and Regions co-operation initiatives, I also wish to highlight the experience of the Italian High Technology Clusters created in order to strengthen the integration of the objectives and resources of national policy for innovation with those of the regional policy.

During the last five years, 34 Technological Clusters have been launched in various contexts and sectors such as biotechnologies, nanotechnologies, mecatronics, etc.

Ladies and Gentlemen,

The current economic crisis calls for rigorous analysis and courageous choices, especially when identifying possible policies for financial resources that are becoming more and more limited.

We must address the new global challenges with an innovative approach, promote co-operation between Central Government and Regions when setting the investment priorities and building supra-regional policy agenda.

Research and Innovation are crucial leverages for the expansion of the cultural, economic and production global system.

These challenges are fundamental for the Italian economic policy and they are at the core of the Regional policy 2007-2013. I am sure that the comparison between the Italian and OECD Countries experiences in this framework will bring about useful inputs and valuable suggestions to support and strengthen the modernisation path of our Country.

Thank you!