

How to promote mobility for students and researchers in the Baltic Sea Region? Strategic and innovative mobility

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Co-operation between the countries in the Baltic Sea Region holds the key to our common destiny

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Minister, Ladies and Gentlemen,

It is a great pleasure for BDF to be among the organisers of this conference, and to work together with the Ministry of Science, Technology and Development during the Danish Presidency of the Nordic Council of Ministers.

Baltic Development Forum and the Nordic Council of Ministers have been close partners over the years, and we have greatly appreciated the Nordic co-operation's outreach to the Baltic Sea Region, which has been part of its external policy. Without the involvement and engagement of the Nordic Council of Ministers, we would not have come so far in the regional integration of the Baltic Sea Region as we have today.

The Baltic Sea Region has become an international centrepiece of regional development in the EU. The new concept of macro-regions builds on the experience from our region. Our ability to cooperate is setting benchmarks for other regions that are demanding the same type of EU strategy as the one adopted for the Baltic Sea Region last year. The contribution of Nordic Council of Ministers in this achievement cannot be underestimated.

Baltic Development Forum also appreciates the support of Nordic Council of Ministers in publishing the *State of the Region Reports*.

This report sets out the framework for the discussions that we are having at the yearly Summits. It benchmarks the region's international competitiveness and economic performance by comparing the region with other regions in the world.

In many ways it benchmarks our globalisation readiness, and it highlights aspects such as – innovation, entrepreneurship, research, education, and clusters – and many other aspects that are part of the competitiveness of knowledge-intensive economies. We believe that the State of the Region Report goes well together with the globalisation agenda, which has been a top priority of the Nordic Council of Ministers over the last two-three years.

The State of the Region report has documented that the economies are highly integrated in terms of trade and foreign direct investments as well as economic interaction, which has

developed through cross-border company structures. It also states that many more positive neighbour effects on our economies could be developed and achieved if efforts were made to pull together our shared advantages and competences. Positive neighbourhood effects do not come easily. They need to be earned. We have to remember this simple but important statement.

It should call for us planning initiatives that can improve our competitiveness on a global scale. One flagship example of such joint planning is the European Spallation Source centre that will open in Lund, Sweden in 2013. It is expected to have a major impact on the whole Oresund region, but also beyond, through the establishment of specific science-links to other countries in the region. I will not go into detail of this project, but just highlight that it is a promising cross-border project, which will attract foreign researchers and improve the excellence in science and research in our part of Europe.

If this project is going to be a success, I believe that the topic of today's conference is of utmost importance. The flexibility and mobility of students and researchers will be crucial also if we want to see spin-offs in terms of innovation and ultimately products that can be placed on the market. We need to create optimal framework conditions for students, researchers and knowledge workers as a means of improving our competitiveness.

Last year, Baltic Development Forum published a report on today's topic: *Northern European Knowledge Market: Creating a Single Market for Knowledge in the Baltic Sea Region*. Our conference moderator – Mikael Lindholm was the author of the report, which was based on in-depth interviews with 20 business representatives from knowledge-intensive industries. The objective was to identify the main barriers for researchers, knowledge workers and technology to move more freely from country to country in the region, and to come up with policy recommendations that would help establish a *Northern European Knowledge Market*.

I hope that the recommendations from this report will be part of the conference today [the report can be found among the conference material.

Our conference is also part of the implementation of the EU Strategy for the Baltic Sea Region, since it is an objective to promote the so-called 5th Freedom of the EU – the free movement of knowledge and ideas. We will need to report back to the Commission and the other partners, and the outcome of our discussion today. Basically, the other partners involved in the strategy will be interested to know whether this issue is worth pursuing further.

Next year, the EU strategy will go through its first midterm review during the Polish EU Presidency of the EU. One key question will be placed: have we sufficiently well defined the main drivers for this region's economic development and competitiveness? And should mobility of students and researchers and university cooperation be part of the process ahead?

Today, more than 80 flagship projects are under implementation, and the strategy includes many different objectives. Is this one of them we need to explore further? We would argue yes!

To our mind there is a need to introduce more *focus* in the EU strategy and to narrow down the number of priority areas and to place innovation and competitiveness high on the agenda. We also need to listen closely to the voice of the private sector in this process. Cluster organisations such as ScanBalt have a valuable experience that we need to draw on. Unfortunately, the private sector has not been sufficiently engaged in the EU strategy. It might be related to the fact that focus on competitiveness is not adequate.

Baltic Development Forum believes that mobility and cross border cooperation on innovation, research and talents need to be at the centre of the EU strategy. We need to place smart and green growth right on the top and thereby make a strong relationship between the Europe 2020 strategy and the EU strategy for the region.

This year we asked the consultancy company Copenhagen Economic to make policy recommendations on how the EU strategy for the Baltic Sea Region could be closer linked to the Europe 2020 strategy. What should be the issues to concentrate on, given the fact that we should not expect more money from the EU and that national budgets are also restrained. How could we promote the private sector's competitiveness?

They came up with some recommendations that were presented to the Prime Ministers of the Baltic Sea Region and to President Barroso of the European Commission at our Summit in June this year.

One of the recommendations touches clearly on today's conference: Innovation policy priorities

I hope that the outcome of our conference will be of certain recommendations and that we can produce a small report on the issue. Otherwise, I fear that this part of the EU strategy will not survive a midterm review.

We should avoid such a process because we need to help President Barroso to see to that his Europe 2020 strategy gets off the ground. The Smart and Green Growth agenda is the agenda of the Nordic countries and hopefully the entire Baltic Sea Region.

We also need to help President Barroso and President von Rompoy since they have many other things on their plates. Since the adoption of the Europe 2020 in June, other topics have dominated the attention of the Heads of Government, illustrating that the economic situation in Europe is very heterogeneous at the moment.

Ireland, Greece, Spain and Portugal are struggling very hard with the economic recession, their debt burden and the crisis of the financial sector. The situation is so dramatic that Von Rompoy said last week – ahead of a meeting of finance ministers from countries that use the euro – that “We're in a survival crisis”.

When it comes to the micro economic conditions, we are also very different within the EU. The knowledge-intensive economies demand high innovation skills and certain policy

requirements. Innovation and innovation policies are simply not the same in Bulgaria and Rumania as they are in Northern Europe.

To bridge the growing differences, we need macro-regions in the EU. We should welcome this new policy concept that can help transform general EU policies into special programmes and projects. In this way, the EU can design different layouts of the same general policy guidelines.

It goes without saying that the macro-regions need to work in full compliance with the *acquis communautaire* and the rules of the internal market – as it is the case with the EU strategy for Baltic Sea Region.

To my mind we have to help the EU in developing macro-regions in Europe, because it is in our own interest and because it will ensure that the coherence of the EU is maintained. At the same time it will allow us to define precisely how we see mobility of student and researchers and innovation policies.

Quite a lot is at stake – not only the economic future but even our common destiny.

Thank you for your attention.