

INNOVATION CIRCLE NETWORK

IV Annual meeting

9th December 2011



To whom it may concern

The Innovation Circle Network meeting in Jurmala, Latvia on 9 December 2011 notes with concern the situation facing citizens across Europe today. The network is representing regional and local authorities, NGO's and entrepreneurs within 10 North European states.

We are facing the most severe challenge for a generation: it threatens to do lasting damage to our towns and rural regions.

In particular we note the threats from:

- *high and long-term youth unemployment,*
- *the drain of talented people into capital cities and large urban centers,*
- *widening regional disparities,*
- *continuing handicaps from poor accessibility and gaps in infrastructure,*
- *Peripherality and external borders that are barriers to commerce.*

The members of the Innovation Circle Network commit to continue to work together as a leading and growing international network for small towns and rural regions in the North of Europe, to share ideas, work together and support each other in the spirit of solidarity, and as a practical way of implementing the EU aim of territorial cohesion.

Through their actions, the IC members will:

- Pursue a place-based approach to development, which builds on the unique territorial capital and potential of each place. The aim will be to improve policy coordination between different sectors and levels;
- Maintain and strengthen cooperation across EU Eastern Border Area and within the Baltic Sea Region.
- Encourage internationalization of private sector enterprises (small and medium enterprises) to compensate for declining local demand.
- Continue their efforts to make their towns attractive places, with special attention to the need to create places where young people want to work, play and live, and where businesses are supported and a culture of entrepreneurialism is valued.
- Make special efforts to find innovative ways to maintain incomes and retain people through embedding an economic development approach across all sectors of local and regional government, and seeking to sustain essential services accessible to all residents.

- Foster high quality local leadership to build a sense of identity and shared vision amongst local and regional stakeholders, and to ensure transparency and sound management of public finances that is responsive to needs.

Such initiatives within the network will be more effective if they are reflected and supported in the development strategies of national governments, embedded in the Strategic Frameworks under the Cohesion Funds 2014-2020, in macro-regional strategies for the North Sea Region, the Baltic Sea Region and the Barents Region and in sectorial policies of the EU Commission, the North Sea Commission, the Council of the Baltic Sea States and the Barents Euro-Arctic Council. In particular, we call on these agencies to invest in infrastructure to improve the accessibility – by road, rail and through information technology – to better integrate and link peripheral rural regions across the Northern Europe.

We also recognize the potential of fiscal policies to provide a stimulus to business in such regions and incentives to assist in the restructuring and rebalancing of regional economies.

Finally, we reaffirm our belief in the necessity and diverse forms of innovation as a force that can drive beneficial change in all regions across North Europe.

Rita Merca
President

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