



Ponta Delgada Declaration

Regions master Globalisation

While globalisation is by no means a new development, its consequences remain most controversial. Over the past few decades, global competition and movement of goods, services and capital have intensified, as new forms of electronic communication have had a considerable impact on the character, speed and amount of information exchanged around the globe and on the form of governance on a national and international level.

Globalisation has significantly enlarged markets and opened up entirely new business opportunities, leading to increased wealth and cultural exchange. This is precisely why globalisation so deeply affects regions and their economic growth: some regions in Europe have drawn enormous benefits and created prosperity for their citizens from it, while others were excluded from this process and are now finding themselves increasingly marginalised. Nevertheless, all must preserve solidarity in order to protect populations and find adjustment strategies on a regional level in order to adapt economies to what is now a global environment.

And this integration is indeed crucial, since globalisation also generates increased inequality, produces new environmental and climate challenges and contributes to an over-exploitation of natural resources that cannot be sustainable. From the social point of view, globalisation affects employment conditions, education patterns and increases social inequalities in regional territories. Regions thus have to develop strategies of inclusive growth and social and cultural innovation in order to implement new policies, practices and services that address these societal challenges to tackle an increasing global pressure and limited resources.

The volatility of the financial markets is another consequence of globalisation. In fact this destabilisation weakened the world economy and led to a severe financial crisis in Europe threatening the Euro and more.

Europe and its regions cannot turn back the clock or delay global trends. Rather, we must deal with increasing globalisation by both harnessing its benefits and rebalancing its consequences so that globalisation may deliver not simply economic but also social goals.

We, the member regions of the Assembly of European Regions, affirm that globalisation represents both a challenge and an opportunity to Europe's regions. We therefore:

1. Are convinced that European integration helps to balance the negative effects and positive possibilities of globalisation and that a strong Europe will be able to influence the rules of the game on the global stage and promote its values in an international environment.
2. Assert that financial transfers and national austerity programmes alone will not lead Europe out of the current financial crisis. Economic development, research and innovation need to be boosted in the concerned countries. This will only be possible with strengthened powers for regional government in economic development. We thus call upon the European and national leaders to better involve regional governments in decisions regarding the EU rescue package and its execution.
3. Underline that regions already support small and medium sized companies with their internationalisation strategies and believe that they can act as door openers to foreign markets and attract foreign direct investment or skilled labour to their territories.
4. Recall that regions are key actors in tackling the social challenges that accompany globalisation by strengthening inclusion and equal opportunity policies, including the development of social and cultural innovation in order to share the benefits of globalisation more widely and inclusively.
5. Confirm that globalisation directly affects employment and education by demanding new skills in an increasingly complex and dynamic labour market, and stress in particular the need to empower employees and job seekers, in particular women, young people, older workers and migrants to cope with the changes brought about by a globalised world. The importance of developing mobility programmes is significant in the context of the internationalisation of the labour market.
6. Believe that only integrated economic, social, energy and climate policies at the regional level, which strive for favourable, stable and predictable framework conditions, allow enterprises to develop and grow, both in their home market and internationally. In this context, underline that greening the global economy is necessary and demand greater emphasis on innovation, development and use of key technologies, international networking and building clean tech competence. Bridging the gap and better cooperation between industries, regional governments and knowledge institutions are needed.

7. Recognise the damage and positive impact of globalisation may cause to the environment and its effects on health, and welcome the opportunities that European regions now have to engage in decentralised cooperation to help regions on other continents in their adaptation and mitigation efforts. In this context AER is especially engaging with European neighbouring countries and more widely in concrete projects fighting climate change through the activities of “R20 – Regions of Climate Action”.
8. Stress that Europe can only successfully respond to the challenges of globalisation if it effectively involves, in a spirit of subsidiarity, all levels of government in this task. To this end, regions and regional stakeholders have a crucial role to play as an essential link in a genuine partnership between regional, national, EU and international actors.
9. Request the European Institutions to proactively solicit the contributions of regions and to actively involve them in the formulation and implementation of European policy and programmes addressing globalisation, both inward and outward-looking, through efforts such as the Europe 2020 flagship initiatives, especially “An Industrial Policy for the Globalisation Era” and “Innovation Union” or the European Neighbourhood Policy.
10. Highlight, with reference to the “St. Pölten Manifesto¹”, that Cohesion Policy is a proven driver for territorial, smart, sustainable and inclusive development in all European regions and call on the European Council and all Member States to agree that the future EU Cohesion policy should receive appropriate funding, take a fully integrated and comprehensive approach to territorial development, adopt simplified and better coordinated rules and procedures, implement conditionality with caution and ensure a decision-making process that complies with the partnership principle.
11. Recall in this context that decentralisation has proven its efficiency and effectiveness by giving regions the means to contribute to increased democracy, civic participation, innovation, economic and sustainable development. Strong regional democracy thus constitutes a major pillar for the development of regions in all countries.

¹ St. Pölten Manifesto on EU Cohesion Policy 2014+,
<http://www.aer.eu/events/regionaldevelopment/2011/meetingofpresidents.html>

12. Are ready to take up the challenges of globalisation in order to shape a Europe that in 2050 will still be a centre of important innovation and key decisions, and an actor on the world stage promoting clear values, ideas and interests.

*Adopted by the AER General Assembly
in Ponta Delgada (PT) on 25 November 2011*