

October 9, 2008

Distinguished guests, dear colleagues.

First of all, infoDev would like to take the opportunity to thank the government of the Tambov oblast for hosting this international conference. We would like to thank Olga Lapteva and her team from the Tambov Innovation Incubator for their outstanding dedication and hard to for organizing this event.

infoDev would like to thank the partners of the event for their support and excellent co-operation. We thank Ms. Nadeshda Karisalova from VTB24 Bank Russia, we thank Mr. Andriy Vladimirovich Sharov and the Ministry for Economic Development of Russia, we thank the Institute for the Development of Small and Medium Sized Business of the Russian Federation, we thank ProSME in Armenia and many others who have contributed to the organization of this conference.

Most of all, we thank you, dear guests, for coming to Tambov to join us and to work with us, and we thank the ECAbit incubators network for bringing us all together today.

The development of innovation in small and medium sized towns and rural areas is of increasing importance today, and not only in Eastern Europe and Central Asia. The challenges of today, and global food crisis, financial crisis, and climate challenge are just a few keywords, give a new relevance to the economic development and stability of small and medium sized towns and rural areas. The situation in the transition economies of Eastern Europe and Central Asia is nevertheless unique in the way, that we have seen a strong urban and economic polarization in the region since the 1990s.

This polarisation today does not only mean higher social standards of large urban areas, or as we call them today, the megapolises, but also advantages for the economy, as for example better access to information, to investments, and to knowledge. On the other hand, rural areas and regional towns have strong advantages on their side as well, as for example

- Cost advantages
- Strong local networks enabling efficient decision-making
- and very often an abundance in natural resources

Yet, it is important for the enterprises outside the megapolises to take advantage of these opportunities, and to become competitive not only on local but on national and even on international levels.

The Science City of Michurinsk here in the Tambov oblast is an excellent example of how a region can shape a strong positioning and competitiveness, here in the agricultural sector. This is achieved by a focused economic development policy and strong links between the business sector, the government, and the science and education sector. This is also achieved by fostering local investments, and by keeping investments flows within the region.

We will have the unique opportunity today and tomorrow to learn more about this and to share our experiences with experts and practioneers in innovation development coming from a wide range of European and Central Asian.

Thank you very much again for coming together today. InfoDev and I wish you all the best for this conference.

Thank you very much.

Stefan Schandera