

## Summary International Advisory Board Conference 2011

The seventh edition of the International Advisory Board Conference took place in Rotterdam on the 18th, 19th and 20th of May 2011. Twelve experts from various different countries around the world, led by Chairman Mr Alexander Rinnooy Kan, spent three intensive days debating the future necessary choices Rotterdam has to make in order to be able to guarantee sustainable economic growth for the coming decades.

During 2010 and 2011 the IAB's local counterpart, the Economic Development Board Rotterdam, ran a project called 'Rethinking Rotterdam', which consisted of a comprehensive scenario study where the economic and social future of Rotterdam over the next 20 to 25 years was investigated. This resulted in four possible scenario's for Rotterdam, both positive and negative. The four scenario's form the background against which future policy choices need to be made. The members of the IAB were asked to consider what Rotterdam's future focus should be given the different scenario's.

As the IAB has stated before, the world's biggest and most interconnected cities help set global agenda's and serve as hubs of global integration. They are engines of growth for their countries and gateways to the resources of their regions. The cities that host the biggest capital markets, best universities, most diverse and well-educated populations, wealthiest multinationals and most powerful international organisations have the best global connections which feed social and economic growth and innovation.

Whatever happens in the world, Rotterdam has the abiding advantage of its geographical location in a natural delta with a well established deep water port. However, despite this advantage, developments in the world do have their effects on our city, be it positive or negative. For that reason it is important, when we make choices about the future development of our city, to take global developments into account and base our choices on taking the most advantage of positive global developments while preparing ourselves against the negative effects of some global developments.

The IAB focussed on what is needed to be able to achieve chosen goals and to make sure that Rotterdam remains a strategically strong, economic and innovative hub in an ever changing vast arena in which cities and their roles become more and more important.

Below you find a Management Summary of the IAB recommendations of 2011. The full report may be [downloaded here](#)

## Summary of Main Recommendations IAB 2011

Against the background of the four scenario's created in the Rethinking Rotterdam project by the EDBR, the members of the IAB chose the following four policy fields as being of utmost importance:

### 1. Attractive City

Rotterdam is a vibrant city with many advantages working in its favour. From looking at the possible future for Rotterdam it is clear that in all possible scenarios, it is imperative that Rotterdam focuses on creating an attractive city with a strong underlying economy that is fully prepared to benefit from the advantages of digitalisation. The central aim for the city should be to focus on strengthening the urban community. This is the absolute number one strategic commitment and is the precondition for all other strategic priorities to be successful and for the city to reach her full potential. It is indispensable to have full private sector involvement to increase knowledge. Focus on a small number of projects, dare to make choices and ensure the commitment of the private sector. There is at this moment no mechanism in place to actively and effectively involve the private sector and there are too many agencies that work separately from each other.

### 2. Executive Action

The IAB wants to stress the importance of an adequate implementation of the strategies brought forward. Rotterdam is faced with an execution challenge and therefore needs to solve current barriers to swift implementation. For this the city needs to show proactive leadership in the city's management and needs to create a new collaborative structure for the public and private sector to work together.

It is clear that there is an urgency of the realisation of executive power and leadership, but there is also the readiness by the IAB and EDBR to help the Municipal Executive reach this. In particular the areas where a lack of executive action has been observed: inward investment, innovation, city marketing, focus area developments, linkages between port and city.

The current bureaucratic structure is too complicated to handle such important tasks. There is insufficient single responsibility and single accountability. That is why the proposal to create a government-owned private company, very much comparable to the 'Rotterdam Port Authority' which will be responsible for the above mentioned tasks, deserves serious consideration.

The Municipal Executive needs to appoint people from the city administration to work with the EDBR to devise a detailed plan for such a company within a time frame of two months. As all the important stakeholders in the city agree on this course of action and are ready and willing to help, the Municipal Executive must take this signal seriously.

In regard to reforms within the city's structure and management, the Executive should generate specific work programmes within four months to transform the following areas:

- Adapt the organisational structure to facilitate change.
- Make necessary changes to the regulatory framework (with emphasis on incentives for wealth creation).

- Focus on the development of management processes to attain greater efficiencies.
- Design protocols for public-private collaboration in development plans.
- Design protocols for public engagement in support of development plans.
- Look at various funding mechanisms beyond direct taxation (for instance consider the use of “tax incremental funding” for projects).

The IAB feels that Rotterdam has excellent ideas and skilful people, but not enough knowledge of innovative governance structures, processes and financing mechanisms.

### 3. Regional Cooperation

Given the global developments in the world economy the best way forward for Rotterdam to strengthen its economy and safeguard future economic development is to seek further regional cooperation, based on economic synergies.

There is a right level of aggregation for all relevant functionalities, and these should be more exhaustively analysed to determine what the right level of aggregation is. As such, the promising relationship with The Hague reflects just one of the many options that exist.

This is where the subsidiarity principle comes into effect. One of the main considerations here is not to simply add another layer of government but to seek strategic alliances there where this makes most economic sense, and to simplify existing government structures as far as possible. This relates to strategic spatial planning, transport, major infrastructure, environmental (waste, energy, water), housing, higher education and research, economic development and cluster policy.

It is already clear that certain long term economic interests of the city go beyond conventional regional boundaries and cross many national ones. Especially the relationship with Antwerp requires a serious follow-up.

### 4. Sustainability

Rotterdam needs to accelerate her ambitions to become a sustainable city. The IAB applauds the efforts being made by the city so far, but feel more is needed.

The port has a clear vision and direction to become the world’s greenest port. The city needs such a clear vision too, and these two visions need to be integrated and need to support and strengthen each other. The city needs to work towards eco-efficiency and needs to strongly involve its citizens in achieving total sustainability.

The RCI is a good initiative, but the RCI alone is not enough. Role models for the true creation of a sustainable city are Copenhagen, Stockholm, Portland (Oregon) and Oslo.

The development of a bio-based economy creates huge opportunities for Rotterdam as the port for which huge quantities of bio-mass material can be distributed. In particular it creates an important option to add value through the development of high tech bio based industry. This is one of the many examples where the cooperation between the regional universities and the city can add value to both. The Alderman for sustainability did just launch a new comprehensive plan for a sustainable

Rotterdam at the start of the IAB conference. The efforts described in this plan are not included in these IAB considerations, but will be taken into account at the next conference.