



Smart Specialisation Strategies – methodology and the role of SMEs

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- ❑ Smart specialisation and RIS3
- ❑ The S3 Platform
- ❑ The RIS3 Guide
- ❑ RIS3 review and assessment tools

What is Smart Specialisation ?

- = evidence-based: all assets
- = no top-down decision, but dynamic/entrepreneurial discovery process inv. key stakeholders
- = global perspective on potential competitive advantage & potential for cooperation
- = source-in knowledge, & technologies etc. rather than re-inventing the wheel
- = promote synergies, alignment of funds
- = priority setting in times of scarce resources
- = getting better / excel with something specific
- = focus investments on regional comparative advantage and potential for excellence
- = accumulation of critical mass
- = not necessarily focus on a single sector, but cross-fertilisations

What is RIS3?

Research and Innovation Strategies for Smart Specialisation

- Integrated, place-based economic transformation agendas

- Focus policy support and investments on key priorities, with a broad view of innovation
- Aims to align efforts from multitude of actors and governance levels (not only regional)
- RIS3 is not the same as the operational programme
- Build on each region's strengths and potential for excellence;
- Evidence-based and include sound monitoring and evaluation systems for updating and learning.
- Not a fixed operational programme, but an open process acknowledging the idiosyncrasy of regions





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The S3 Platform



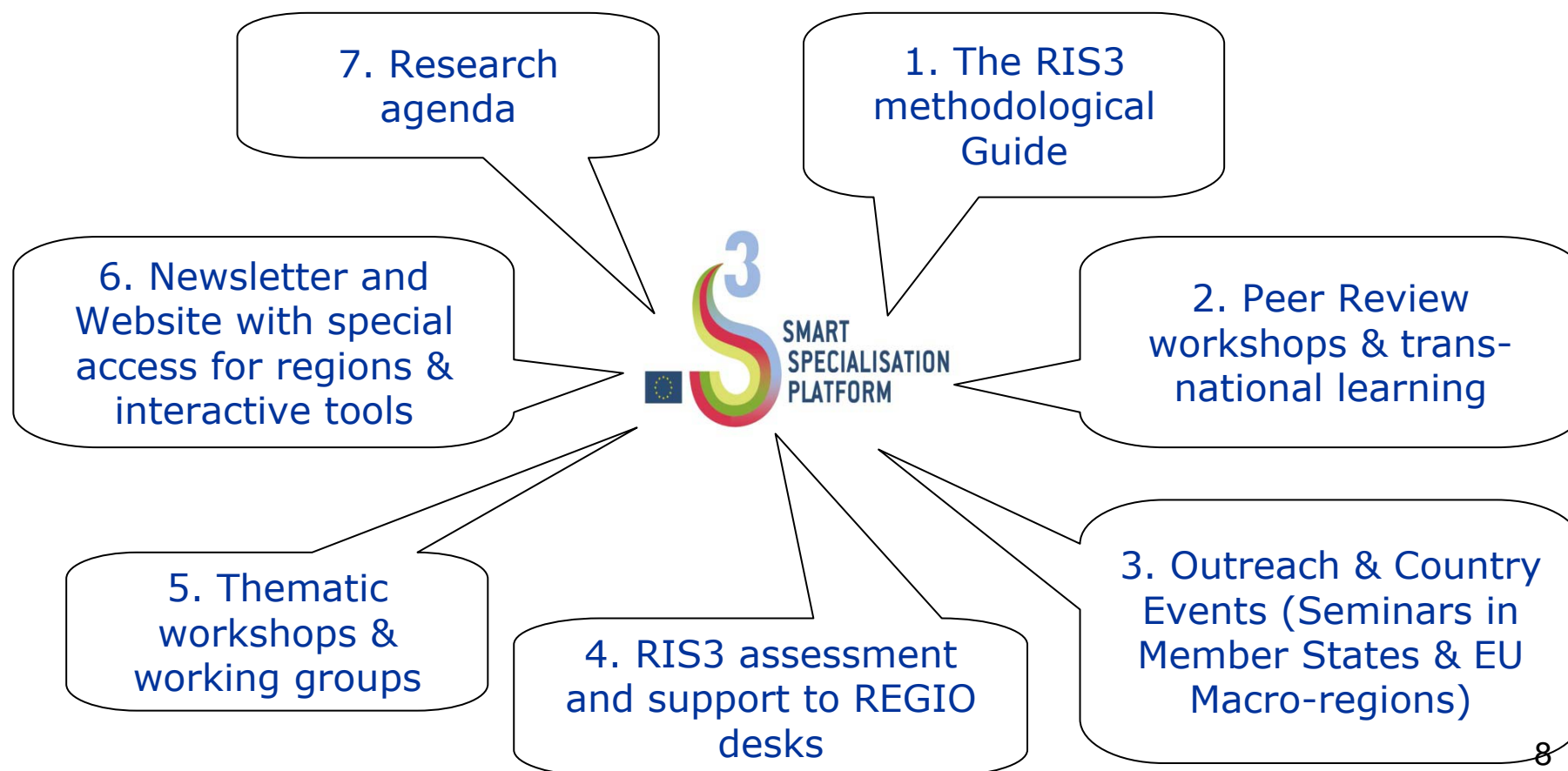
<http://s3platform.jrc.ec.europa.eu>

- Designed to assist regions and Member States in developing RIS3 strategies
- Launched in June 2011
- Managed by a team established at JRC-IPTS in Seville
- Monitored by a Steering Team incl. DG REGIO, RTD, ENTR, EAC, INFSO, SANCO, AGRI, CLIMA
- Input from a Mirror Group of European high-level experts and network representatives



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Main activities of S3 Platform in support of the countries/regions preparing RIS3





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The RIS3 guide

the « trunk & branches » structure

Policy
Delivery
Instruments



Methodological support
Policy
Rationale

Smart Specialisation GUIDE

CP Regulations 2013-20

(COM) "The contribution of Regional Policy to smart Growth"

(COM) "The contribution of Regional Policy to sustainable Growth"

Innovation Union Flagship

Innovation Union self-assessment tool
Regional Innovation Monitor
OECD 2011 "Regions and Innovation Policy"
IRE-RIS Guide
Directory "No-Nonsense" to build S³
Diagnostic Systèmes d'Innovation (Prague)

Economic
Rationale

"Knowledge for Growth"

FWP Evaluation
Endogenous Growth

Innovation Systems
"Innovative milieux"

Evolutionary Economics
Economic Geography

Policy Experimentation
RIS-RITTs 1994-2004

Competitive Advantage – M-Porter
Industrial districts



RIS3 guide - Key steps for developing a RIS3

Step 1 – Analysis of regional context/potential

Step 2 – Governance

Step 3 – Vision for the future

Step 4 – Selection of priorities

Step 5 – Policy mix

Step 6 – Monitoring and evaluation



Step 1 – Analysis of regional context and potential for innovation (I)

- A broader definition of innovation, not just RTD-oriented
- Assess existing regional assets
- Identify regional competitive advantage
- Detect emerging niches for smart specialisation
- Combine methods (e.g. regional profiling, quantitative studies of STI potential, case studies, SWOT approach; surveys, foresight)



Step 1 – Analysis of regional context – looking out – and potential for innovation (II)

Outward-looking Analysis:

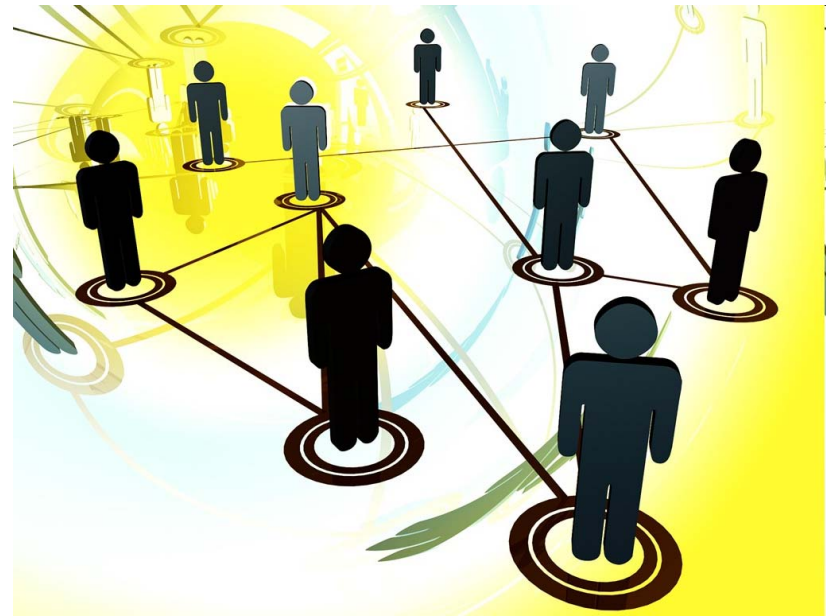
- Assess region's positioning within the EU
- Beware of global companies and value chains
- Flows of knowledge and skills in and out of region
- Avoid 'blind' duplication, discover possibilities for collaboration
- Combine methods (e.g. studies; interviews; interregional work groups)



Step 2 – Governance: Ensuring participation and ownership

Wider engagement of stakeholders:

- Include the demand-side perspective → *Quadruple Helix*
- Collaborative leadership
- Boundary spanning individuals and organisations
- Dedicated Steering Group/ Knowledge Leadership Group, Management Team, Working groups





Step 2 – Governance: Ensuring participation and ownership

- Involve SMEs or representatives?
- Depending on time and resources
- Different parts of the process, overall programmes and projects.
- Regional champions
- Not only “incumbents”, but secure innovative companies and economic areas.
- Areas of interest:
 - Pilots – to show activity - not talk shop and try out new measures
 - Market co-creation, important in societal challenges-based markets, but also in other new emerging markets with long “valley of death” periods.
 - Formulating agendas for skills development and research and innovation agendas
- Be aware of project fatigue and overly bureaucratic procedures can kill interest in participation.

Step 3 – Developing an overall vision of the region's future

Shared vision of the region's potential and main directions for its international positioning:

- Formulate different scenarios based on analyses and debate where your region wants to go
- Produce a positive tension towards the future
- Guarantee long-term engagement of stakeholders – co-creating the future
- Mobilising power



Step 4 – Identification of priorities

Decision-making step where top-down meets bottom-up:

- Focus on a limited number of areas with potential for smart specialisation as emerged from entrepreneurial discovery
- Areas where the region hopes to excel
- Pay attention to horizontal priorities (Key Enabling Technologies, social innovation, etc.)
- Avoid capture by interest groups, imitation or spreading thin!



Step 5 – Implementation, definition of a coherent policy mix, roadmaps and action plan

- Roadmap, action plan and pilot projects: organising and detailing rules, tools and roles
- Which of your existing tools are BOTH successful and contribute to reach your goals?
- Which tools do you need to overcome identified challenges in order to reach your goals?
- Do you need to design your own tools?



Step 6 – Integration of monitoring and evaluation mechanisms

Entrepreneurial discovery process and the focus on smart specialisation requires a reintroduction of experimentalism and governance innovation into the Structural Funds.

- Need to be adaptive and be able to change plans
- Need to learn and update
- For this there need to be a good monitoring system in place to learn from experimentation and to be aware of the development and when to change.

Monitoring & Evaluation



Step 6 – Integration of monitoring and evaluation mechanisms

Mechanisms *integrated* in the strategy:

- Monitoring → to verify the correct and efficient implementation of activities
- Evaluation → to verify whether and how strategic goals are met

Importance of ex-ante setting of measurable targets and output/outcome indicators

Monitoring & Evaluation

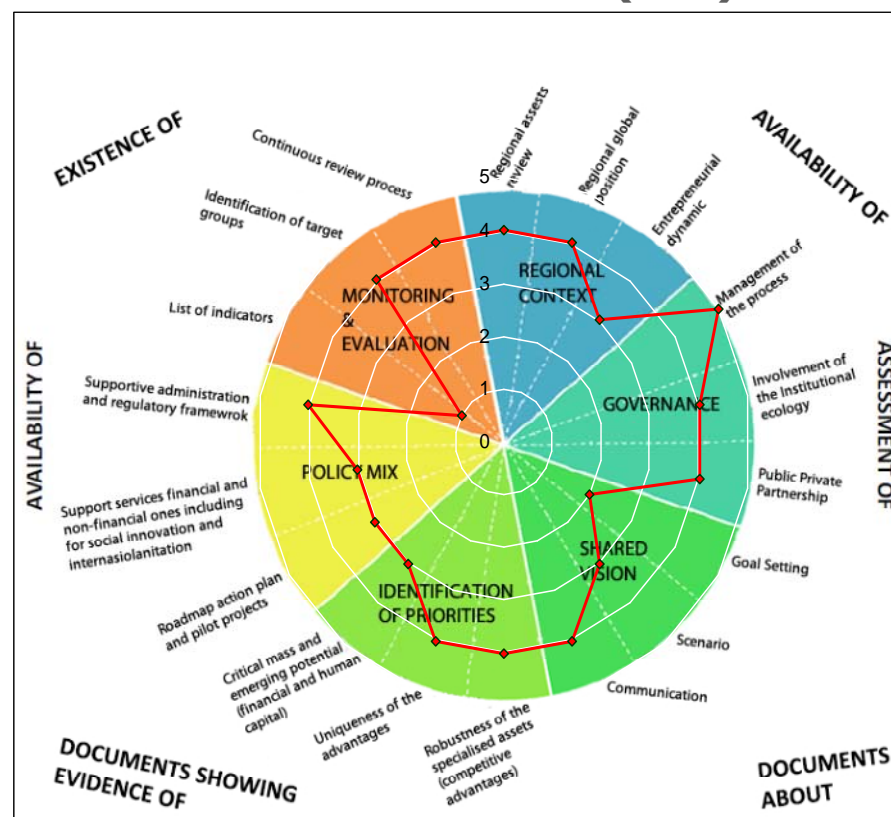


S3 Platform support: streamlined “easy-to-use” assessment tools which ensure consistency with methodological approach

RIS3 Guide



Assessment Report (AR) with the Assessment Wheel (AW)





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Thematic guides

- ❑ Incubators
- ❑ Universities & regional development
- ❑ Broadband
- ❑ Cultural and creative industries
- ❑ Service Innovation
- ❑ Energy efficient innovation through procurement

Soon available:

- ▶ Clusters ▶ Social Innovation
- ▶ Green growth ▶ Entrepreneurial spirit
- ▶



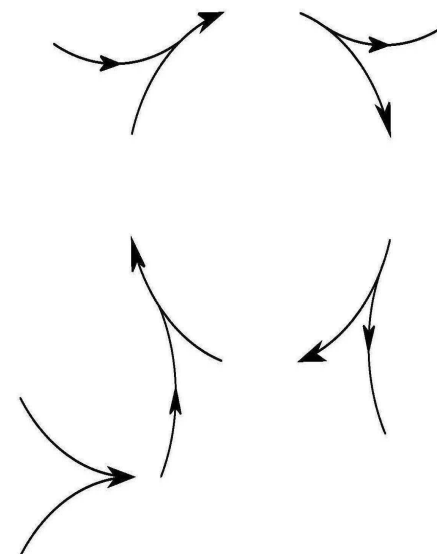


RIS3 review and assessment tools

(Peer) Review and update of RIS3

Formulating and implementing a RIS3 is a continuous process:

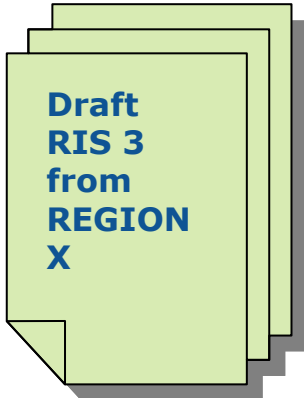
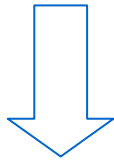
- Always a need to adapt and update the strategy
- Peer reviews where regions can learn from each other
 - **Switching roles** (a region can be peer-reviewed as well as it can act as a peer-reviewer within the scope of same workshop);
 - **Integrating expertise**/knowledge from a variety of sources: collaborative contribution from peers, experts from academia and Commission services.
- Peer-review exercise:
 - 1° Workshop in Sevilla (Jan 2012)
 - 2° Workshop in Sevilla (May 2012)
 - 3° Workshop in Ponta Delgada (June 2012)
 - 4° Workshop in Pisa (Sept 2012)
 - 5° Workshop in Strasbourg (Dec 2012)**
 - 6° Workshop in Palma de Mallorca (Feb 2013)**
 - 7° Workshop in Brno (Mar 2013)**





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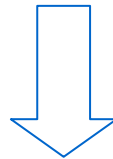
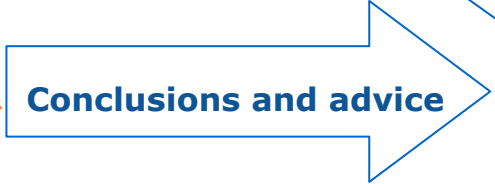
Informal RIS3 assessment



See expert questions in annex III of RIS 3 guide



Appointed Expert(s)



Future – what to follow up?

- **Thematic workshops with specific cases and good practices for SME involvement**
- **Peer Review session with particular focus on SME involvement**
- **Projects developing further methodologies for e.g. analysis, participatory governance, etc.**
- **Other?**

Thank you!



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Thematic ex-ante conditionalities

... state-of-play regarding RIS3 conditionality...

| Thematic objectives | <u>Ex ante</u> conditionality | Criteria for fulfilment |
|---|---|--|
| <p>1. Strengthening research, technological development and innovation (R&D target) (referred to in Article 9(1))</p> | <p>1.1. Research and innovation:</p> <p>The existence of a national or regional research and innovation (strategy) (<i>strategic policy framework(s)</i>) for smart specialisation in line with the National Reform Programme, to leverage private research and innovation expenditure, <i>[which complies with the features of well-performing national or regional research and innovation systems.]</i></p> <p>For research infrastructures only:</p> <p>1.2 The existence of a multi-annual plan for budgeting and prioritization of investments.</p> | <ul style="list-style-type: none"> – is based on a SWOT analysis to concentrate resources on a limited set of research and innovation priorities; – outlines measures to stimulate private RTD investment; – contains a monitoring [and review] system. <p>A framework outlining available budgetary resources for research and innovation;</p> <p>A [indicative] multi-annual plan for budgeting and prioritization of investments linked to EU priorities [and, where appropriate, the] European Strategy Forum on Research Infrastructures -ESFRI).</p> |



Thematic ex-ante conditionalities

... to what else does the RIS3 apply?

| Thematic objectives | <u>Ex ante</u> conditionality | Criteria for fulfilment |
|--|--|--|
| <p>2. Enhancing access to and use and quality of ICT</p> <p>(Broadband target) (referred to in Article 9(2)) (R&D target) (referred to in Article 9(1))</p> | <p>2.1. Digital growth:</p> <p>[The existence within the national or regional innovation strategy for smart specialisation of an explicit chapter for] A strategic policy framework for digital growth to stimulate demand for affordable, good quality and interoperable ICT-enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross-border initiatives.</p> | <p>[A strategic policy framework for digital growth, for instance, within the national or regional innovation strategic policy framework for smart specialisation is in place that contains]:</p> <ul style="list-style-type: none"> - budgeting and prioritisation of actions through a SWOT analysis [carried out in Alignment] consistent with the Scoreboard of the Digital Agenda for Europe; – an analyses of balancing support for demand and supply of information and communication technologies (ICT) should have been conducted; – indicators to measure progress [measurable targets for outcomes] of interventions in the field of digital literacy, skills, e-inclusion, e-accessibility, and e-health [within the limits of Article 168 TFEU] which are aligned with existing relevant sectoral national or regional strategies. – assessment of needs to reinforce ICT capacity-building. |