Multi-level governance for Smart Specialisation

Bilbao, 12 April 2018
Carlos Peña – Basque Government
Nora Sarasola- Bilbao City Council
Basque Country_Economic Structure

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GVA - Gross value added (2017, %)

- Agriculture, Forestry and Fishing: 0.8% (Basque Country), 2.9% (Spain), 1.6% (UE-28)
- Industry and Energy: 24.2% (Basque Country), 18.1% (Spain), 19.6% (UE-28)
- Construction: 5.9% (Basque Country), 5.8% (Spain), 5.4% (UE-28)
- Commerce, Hospitality Industry and Transport: 20.9% (Basque Country), 23.6% (Spain), 19.2% (UE-28)
- Public Administration, Education, Health Care and Social Services: 16.8% (Basque Country), 18.3% (Spain), 18.6% (UE-28)
- Other Services: 31.4% (Basque Country), 31.4% (Spain), 35.7% (UE-28)
Basque RIS3_priorities

Science & Technology capacities

Business capacities

BIO-SCIENCES HEALTH

ADVANCED MANUFACTURING
- Aeronautics
- Automotive
- Shipping and Railway Ind.
- Capital Goods
- Metallurgy
- Machine tool

ENERGY
- Electricity
- Oil
- Gas
- Renew. Sources

Opportunity niches
- Food
- Ecosystems
- Urban habitat
- Creative and Cultural Industries

Market
A governance system is established for STI with a multilevel approach that incorporates the main public and private players.
RIS3 Governance_Steering Groups

The main function of steering groups is to coordinate and drive forward the deployment of the RIS3 strategy and the setting up of spaces for entrepreneurial discovery.

Multi-level governance
Distribution of powers and functions

Basque government: core competences in industrial policy and science, technology and innovation

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No formal and ex-ante design but emergent governance following experimental process

*Bilbao
Donostia/San Sebastián
Provincial Council Bilbao
Bizkaia
Orekan

Bilbao Bizkaia Bizkaia Bizkaia

Vitoria/Gasteiz

PROVINCIAL COUNCIL BIZKAIA Bizkaia Orekan
PROVINCIAL COUNCIL GIPUZKOA Etorkizuna Eraikiz
PROVINCIAL COUNCIL ARABA RIS3 Infrastructures

RIS3 Infrastructures

BASQUE GOVERNMENT
RIS3 Basque Country (umbrella strategy)

Industry 4.0 in all SMEs with between 20 and 100 employees

Support for smart specialisation infrastructures

iBilbao 2020 (RIS3 in Creative and cultural industries, KIBS and Digital Economy)

Support for the competitiveness of SMEs
Analysis of sectorial specialisation by zones

 DONOSTIA/SAN SEBASTIÁN RIS3 in KIBS

Including European programmes such as: Interreg (Competitiv’eko and Manumix), Urbact (InFocus), Urban Innovative Actions (AsFabrik) or H2020 (ex. funding for projects emerging from EDPs)

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Changes and innovations introduced in the governance structure regarding the multi-level dimension

Centrifugal strategies: the BG opens the ecosystem to other actors

Centripetal strategies: other strategies in the ecosystem approaches the umbrella strategy to connect and align
Main lesson learnt

The main **success** (which will be later discussed as also being one of the main challenges) is that **WE** are starting to **BREAK MENTAL BARRIERS for multi-level governance**, understanding multi-level governance as an instrument for achieving common goals.
Question 1: **How to overcome barriers (mental, administrative, linked to regulation) to experimenting with multilevel governance?**

- **Why:** It is important because experimentation is the road towards being able to offer a better service to the final beneficiary of policies.

- **What has been done:** (experimental governance has been constructed intentionally or otherwise in the following:)
  - Projects that, while not directed towards the construction of multilevel governance, have helped to build it
  - Specific projects for the construction of multilevel governance
  - Inter-institutional committee and participation by sub-regional governments in steering groups
  - Integration of governance as an element of strategic plans
  - Organisations that play a significant role in the sphere of governance
  - Sometimes the continuity of certain people in specific posts has allowed for stable connections
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- **What worked:**
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  - Promote interdepartmentally and inter-institutional processes in order to share information
  - Ensure that experimental projects are supported at the highest level

- **What has not worked:**
  - **Meeting points** with potential but which have yet to be fully exploited
  - Integration of actors in multilevel governance who due to historical reasons, resources, competences etc. are “weaker”
  - **Operational level** of inter-institutional cooperation
  - Tools to measure not only how governance works, but whether it is resulting in improvements in **ultimate objectives**
Question 2: **How to articulate multilevel governance that makes it possible to integrate SMEs into RIS3?**

- **Why**: It is important because the diversification process that RIS3 strategies aim to promote is not reaching SMEs in every sector; they are being excluded from this transformation process sought by smart specialisation.

- **What has been done**:
  - Compilation of needs of SMEs via cluster associations (in those clusters where there are indeed SMEs among their associates-health, TICs, etc.), which has contributed towards the definition by steering groups of technologies and lines of research
  - Pilot projects to communicate RIS3 to SMEs, involving county agencies and IVET centres and coordinating with Provincial Councils
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    - Bizkaia-Bizkaia Orekan: analysis of current sectoral specialization and identification of opportunities that would contribute to regional RIS3 and support for the competitiveness of SMEs
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  - A **stable framework and spaces in order to exercise multilevel governance** that **includes cities**: consider the potential for integrating cities to be able to **address**, with greater proximity, **social challenges and the integration of society and SMEs**
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