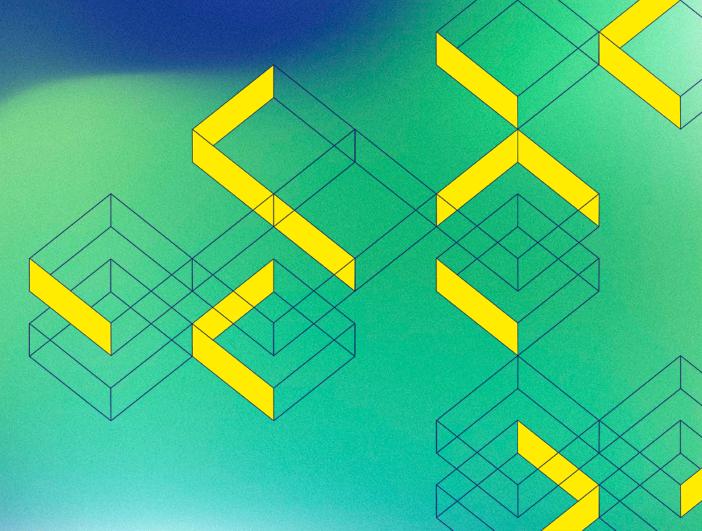
Place-based innovation and transformation: policy learning between theory and practice

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Presentation for panel discussion 1: the Scientific Frame for the Partnerships for Regional Innovation High-level event, March 28th 2023, Brussels









- An era of strategic competition between political and economic systems
- An era of unprecedented need for cooperation between geographies and actors
- The transformation imperative: transform or be transformed
- ⇒ all require a strong, agile and attractive Europe
- Cascading and interacting crises Regions/cities most immediately, tangibly, clearly affected
- ⇒ Regions/cities as engines of Europe's transformation towards competitive sustainability (top down policy requires bottom-up energy)



- Partnerships for Regional Innovation (PRI) as new strategic framework:
 - in need of "science for policy" advice; and
 - policy feedback improving the PRI "policy toolkit": the PRI playbook.
- The **scientific frame**:
 - multidisciplinary scientific advice from public policy, regional development, STI studies, sustainability, digital transformation, etc.
 - focusing on how PRI creates optimal conditions for place-based innovation for sustainability.
- Scientific Committee: Katalin Erdős, Dominique Foray, Luke Georghiou, Darja Gołębiowska-Tataj, Paula Kivimaa, Phoebe Koundouri, Philip McCann, Kevin Morgan, Slavo Radosevic, Andrea Renda, Andrés Rodríguez-Pose, Michaela Trippl with as co-chairs: Luc Soete and myself.



A central question today:

- will it be possible for European (and national) policymaking to get the deep, radical local transformations under way to create the regional development that is essential for Europe's long-term path towards competitive sustainability?
- PRI should formalize the links and create synergies:
 - ▶ between the European Green Deal (including the NextGeneration Europe and European Green Industrial plan), Horizon Europe and national research and innovation policies and regional smart specialisation and cohesion policies.
- How to implement these synergies within the framework of the PRI?
 - "Transformative innovation requires a clear direction at political level, place-based strategies, well-designed tools, entrepreneurial actors with the right skills, institutional capacity and a culture open to policy experimentation and risk-taking." (Foreword Mariya Gabriel)

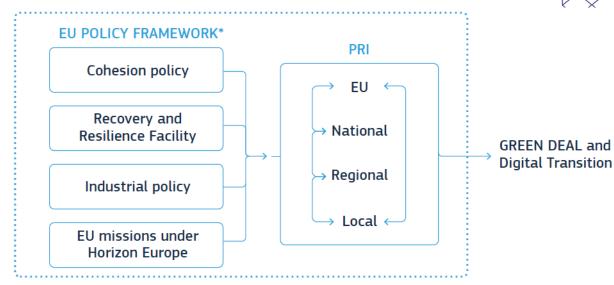
The Square as our methaphor

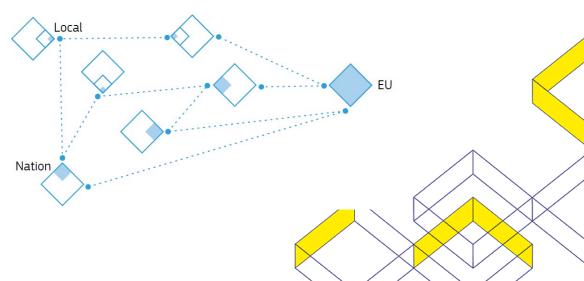
- The Square as metaphor for:
 - "the place where the confrontation with the various constraints of climate change, biodiversity or clean energy transformation will be felt most clearly" and
 - "a sanctuary of trust and caring, broadening participation in regional and local policy".
- The purpose of this first publication of the Scientific Committee is:
 - "to stimulate new conceptual thinking and to learn from the past to discover new opportunities for the future. How can we redesign or refine established concepts of transformation, strategy, governance, actors and delivery mechanisms to tackle the urgent economic and societal challenges of today?"
- Recognizes the imperative of: "mobilising territories to make the European Green Deal happen".

PRI and Smart Specialisation Strategies (S3)

PRI goes beyond S3 in the context of both the green and digital transition:

- S3 is limited to ERDF innovation funds
- PRI considers other essential policies for transformation (e.g. energy, transport, environmental, demand side policies, skills, regulation)
- Partnerships are broader (beyond STI actors)
- Transformative Innovation Policies are designed as policy mixes or portfolios of instruments.





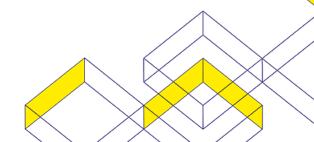
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Place-based transformation for sustainability: topics addressed

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- Delivery of the European Green Deal crucially depends on bottom-up engagement and mobilisation.
- Focus on developing trust-building partnerships locally, regionally, nationally, at EU level and across territories
- Local communities and civil service organizations need to become key
 agents in ensuring the long-term success and social acceptance of the
 deep transition to sustainability.
- Place-based Transformative Innovation Policies require realignment of policies, coordination and governance (horizontal, vertical, multi-level)
- The key role of businesses/industry in systemic transformation: requires policies to accompany firms in their sustainability transitions, while inducing them to play a more proactive and societal role locally.

In a nutshell: place-based transformation for sustainability...

- Requires revisiting, rethinking and revising established principles, objectives, approaches and instruments for regional policy, innovation, governance and collaboration – it is not just a matter of tweaking!
- Requires learning by doing, experimentation and risk-taking under conditions of great urgency within an environment dominated by uncertainties, system competition and crises.
- But could well become **Europe's secret to success**: achieving the deep transformations we need for the society, economy and sustainability we want

"...regionalization will soon replace globalization as the reigning economic order. Place has always mattered but it will matter even more in the future ... Globalization will inevitably morph into regionalization and localization." Rana Foroohar (Financial Times)