

21st

European Week of
Regions and Cities

Thriving Regions, Stronger Europe



Smart Specialisation: Progress and Challenges. Georgia

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Smart Specialization (S3) in Georgia

Since 2019 S3 is the part of EU-Georgia **Association Agenda and AA implementation Sub-committee (Cluster 5)**

- ❑ Acknowledging S3 platform as a key instrument for effective territorial development planning, **MRDI** agreed with **JRC** on launching official cooperation (2019)
- ❑ **S3 National Team (NSST)** established under MRDI coordination (2019)
- ❑ **Imereti** identified as the first, **Pilot Region** for S3 strategy elaboration (2019)
- ❑ **S3 Imereti Regional Team (S3IRT)** established (2019)
- ❑ Initial **Quantitative Report – “Mapping of Imereti Region’s Economic and Innovation potential”** prepared with the JRC support, in cooperation with GEOSTAT, MRDI and NSST (August 2020)
- ❑ **Patent and Scientific Publication Analysis - Georgia & Imereti Region** (December 2020)
- ❑ **Targeted workshops** for S3 stakeholders effectively held (November/December 2020)
- ❑ **Stakeholders’ discussions** for identifying S3 strategy future development and implementation mechanisms held (2020).

Smart Specialization in Georgia

- ❑ **Preliminary Priority Domains (5+3)** for S3I Strategy identified and agreed based on initial mapping study (2021)
- ❑ **In-depth Qualitative Analysis** (including additional research and in-depth interviews) on preliminary priority domains completed (October-December 2021)
 - ✓ In total: 85 structured interviews (60 respondents from business; 25 from academia, NGO and relevant authorities)
- ❑ **Final QA Report** included findings and recommendations on **4 priority domains** that were consequently reviewed and endorsed by the special panel, for further validation by the EDP (February/March 2022)

- ❑ **EDP Process accomplished** – in total, **16** extended working sessions conducted – with **145-150** engaged participants from businesses, business associations, universities/academia, CBOs, local authorities and national agencies)
 - ✓ Resulted in effective validation of the 4 priority domains and elaboration of the **primary Policy Mix** and **project ideas** for supporting these domains; The final report prepared (May-December, 2022)
- ❑ **Drafting of Imereti S3 Strategy** – based on the EDP report - the first draft was prepared in July 2023
 - ✓ The draft was disseminated to stakeholders for their further feedback; received during this September and currently being reflected.
 - ✓ The strategic document to be primarily endorsed by the **Imereti Region Consultative Council (RCC)** by the end of the year.
- ❑ **Scaling up of the S3 approach** – respective scenarios under intense internal discussions (to be communicated shortly to the JRC).

About Imereti

- Administrative Center – Kutaisi (Self-governing City)
- Area – 6,414.7 sq. km (9.2%)
- Population – 463.1 (12.4%)
- Number of Municipalities – 12
- Distance to Sea ports (102 km & 130 km)
- Distance to airport (23 km)
- GDP Per Capita – 3,556.9 (USD)
- Economy – Agriculture, Mining, Tourism, Textile, Transport, Energy
- Active Business Actors – 29,060
- Universities – KIU, ATSU, UNIK



Priority Domains

Final Priority Domains (4)

1. *Mining and Production of Basic Metal products*
2. *Manufacture of Wood, Wood Products and Furniture*
3. *Food Industry (including: Agribusiness, Meat Processing and HORECA sector)*
4. *Textile, Shoes and Leather Production*

Experience gained and challenges

1. Linkage with the EU NUTS approximation processes

- ✓ Cooperation with the GEOSTAT and implementation of the NUTS Harmonization Plan

2. Difficulties during the Quantitative analysis process

- ✓ Lack of applicable statistical data on regional and municipal level

3. Main Challenges (region-specific)

- ✓ **Lack of technological upgrade**; although all domains recognize such need, local businesses lack financial resources and expertise to invest in innovations
- ✓ Slowly developing local R&D sector and weak **Business-Academia cooperation** in Imereti
- ✓ Very **few patents in domains**; few registered or used patents for technology, innovation, product or service
- ✓ More efforts and **specific skills needed** at related local institutions
- ✓ Negotiations with key implementing agencies/stakeholders; to convince **adjusting existing support programmes** to the specific domains and regional needs;
- ✓ **Lack of financial resources** to initiate new support programmes and finance proposed project ideas.

Thank you

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