



**ROMANIA**

# Assessment of Smart Specialisation Strategies implementation and its impact Webinar 1: Impact of Smart Specialisation Strategies implementation on governance

Online working meeting  
9.11.2020

# Impact of S3 implementation on policy governance

New or Improved institutional arrangements and impact	Factors / policy instruments triggering changes	Indicators
<p>It was initiated the process of designing and testing a new model of governance, better linking the national and the regional levels, and working together to offer better solutions for interrelated problems, for market and societal developments. The governance system is still further to be developed, both at national and regional level:</p> <p><b>National Committee for the Coordination o Smart specialization strategy</b>                      - coordination of smart specialization areas, directions of action and national and regional smart specialization strategic priorities.                      - Establishing the mechanism for implementing, monitoring and evaluating the National Smart Specialization Strategy</p> <p><b>Regional Council for Innovation</b>                      approving/assessing the regional framework document as a basis for RIS 3, RIS 3, monitoring RIS 3, etc.</p>	<ul style="list-style-type: none"> <li>• PO1 enabling condition - Good governance of the national or regional smart specialization strategy "and ensures the elaboration / implementation / monitoring of the strategy, functioning of the Entrepreneurial Discovery Mechanism, etc.</li> <li>• In order to implement a priority axis dedicated to technological transfer from ROP, MA had to prepare an optimal framework, starting with the ensuring of existence of proper, updated RIS 3 and a functioning innovation eco-system at regional level. Administrative capacity was built at the level of all relevant stakeholders in the regional eco-systems, in order not only to set up EDP mechanisms, but to make them functional.</li> <li>• Also, ROP contributed to the creation of the institutional system for validation of RIS3 and prioritise the list of projects.</li> </ul>	<p>Setting –up a functional bodies that will ensure a good governance of the national (NCCS) and regional (RCI) smart specialization strategies</p> 

# Impact of S3 implementation on policy governance

New or Enhanced Stakeholders and impact	Factors/ policy instruments triggering changes	Indicators
<p>Creation of new partnerships by placing participants from the 4 categories of the quadruple helix to the same table.</p> <p>Particular attention was paid to:</p> <ul style="list-style-type: none"> <li>• create broad awareness and better skills and competences in managing RIS3</li> <li>• build leadership, manage resistance to change,</li> <li>• enhance the sustainability of the regional institutional innovation system</li> </ul>	<p>PA 1 ROP <u>mechanism of implementation - an innovative mechanism on its turn - based on participation and the 'bottom-up' approach to ensure alignment with the requirements of the regional business environment.</u></p> <p>ROP played an essential role in the creation and coagulation of the quadruple partnership structures and in the management of entrepreneurial discovery processes.</p> <p>ROP contributed to the change of vision by a much more active involvement of the main stakeholders in the programming process at the regional level.</p>	<p>Establishing an efficient bottom-up partnership approach involving all relevant stakeholders at regional level (functional 4H)</p>

# Impact of S3 implementation on policy governance

<b>Improved administrative capacity and impact</b>	<b>Factors/ policy instruments triggering changes</b>	<b>Indicators</b>
<p>Entrepreneurial discovery workshops triggered and facilitated a more systematic organisational learning process</p> <p>Support to regional innovation eco-systems – that were in incipient forms - was provided throughout the whole policy cycle in order to determine their evolution, to make them work and be in correlation with a national innovation system governed centrally.</p>	<p>The contribution of ROP and of the implementation coordination system consisted in both the qualified methodology support and the financial support under the technical assistance axis,</p> <p><i>Project Targeted Support to Smart Specialisation in Romania" (2016-2020) managed by JRC in collaboration with DG REGIO - dedicated both national authorities and regional authorities and potential beneficiaries from regional innovation ecosystems.</i></p>	<p>Creating the minimum administrative capacity needed for ensuring a functional EDP process at regional level</p>

# Other

MA ROP had to initiate and prepare a **unique process of entrepreneurial discovery**, at regional level, to **create the optimal premises necessary** to ensure a qualitative project portfolio, mature and assumed, to be subsequently funded, both through AP1 and through the future policy objective 1 of the 2021-2027 programming period.

Besides **creating and strengthening institutional capacity**, through ROP it was also initiated a **culture of dialogue, collaboration and partnership** among innovation stakeholders that was almost lacking before, as a new way of thinking **together** about how to identify and how to develop the best projects for the community. People who had not met before rallied to outline a project idea that they thought was of common interest and feasible.

Therefore, ROP contributed to the change of vision by a much more active involvement of the main stakeholders in the programming process at the regional level. It may be concluded that it helped potential beneficiaries of funding: to work in a more structured way for the generation and structuring of the project ideas.

# What are the links you identify between the changes and factors listed above and the ultimate goal of S3, which is territorial economic transformation?

PA 1 ROP refers to investment priorities in exclusively novelty areas for the research and entrepreneurial environment in Romania.

Moreover, in order to implement it, support to regional innovation eco-systems – that were in incipient forms - was provided throughout the whole policy cycle in order to determine their evolution, to make them work and be in correlation with a national innovation system governed centrally.

It was also initiated the process of designing and testing a new model of governance, better linking the national and the regional levels, and working together to offer better solutions for interrelated problems, for market and societal developments.

Growing and consolidating the above listed achievements will increase the chances to achieve / get closer to the ultimate goal of territorial economic transformation

# Conclusion, Key findings:

- The steps outlined were mandatory in order to prepare an optimal framework for ROP implementation. Even if all these created delays in implementation, since each one of them required a period of time that had been added to the original timetable, PA 1 ROP played an essential role in the creation and coagulation of the quadruple partnership structures and in the management of entrepreneurial discovery processes.

For the programming period 2021 – 2027, with smart specialization being placed at the core of the cohesion policy, a lot of aspects are raised in order to consolidate the innovation status as a new driver of growth to economy:

- create broad awareness and better skills and competences in managing RIS3
- build strong leadership, manage resistance to change,
- enhance the sustainability of the regional institutional innovation system

All the work and progress that has been done is only the beginning of a longer -term process that needs and will continue in the coming years.

There is plenty of room for improvement and the need to strengthen the administrative capacity still exists at the level of all components of the eco-system newly created.



# Assessment of Smart Specialisation Strategies implementation and its impact

## Webinar 2/ Towards economic transformation: Impact of adopting Smart Specialisation Strategies on innovation ecosystems

Online working meeting  
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# Towards economic transformation: Impact of adopting Smart Specialisation Strategies on innovation ecosystems

Impact of introducing/ improving innovation ecosystems (industrial transition, environmentally driven innovation, knowledge networks, outward looking dimension, clusters, etc.)

Types of changes	Key impact
Development of the technology transfer entities , including The creation and development of STP, but also specific services	commercialization of research results and their translation into products,
Supporting the cooperation between research, education, innovation and business environment,	strengthening capacities to promote R & D & I excellence and technological change key tool to boost the business environment
Supporting collaboration between SMEs and Technology Transfer Entities	increasing business productivity, access to new markets, higher added value, and finally to create sustainable jobs in a context of strong global competition.

# Towards economic transformation: Impact of adopting Smart Specialisation Strategies on innovation ecosystems

## Factors triggering changes

- The main factor for triggering change is PA 1 in ROP 2014-2020, which is the main financing instrument for exclusively novelty areas for the research and entrepreneurial environment in Romania, by supporting technology transfer in order to increase the share of innovative SMEs collaborating with others.
- The novelty of the investment priorities is supplemented by the mechanism of implementation - an innovative mechanism on its turn - based on participation and the 'bottom-up' approach to ensure alignment with the requirements of the regional business environment
- Getting results with demonstration effect and involvement becomes essential to raise awareness, increase knowledge, level out the understanding of the correct approaches and, last but not least, to stir emulation in the market and achieve the necessary 'momentum' for an accelerated, effective and efficient implementation.

# Towards economic transformation: Impact of adopting Smart Specialisation Strategies on innovation ecosystems

## Indicators

Result indicator: Innovative SMEs collaborating with others

Output indicators:
Productive investment: Number of enterprises receiving non-financial support
Technology transfer entities supported
Number of benefitting enterprises

# Other

Other impacts foreseen by the changes introduced by the RIS 3 and PA 1 ROP approach are:

- strengthen the research capacity of universities and research institutes, to generate research results that would then find their way to the market through effective technology transfer activities,
- diffuse the innovation spirit into the education system
- ensure that education and training activities rely on the most updated research and innovation activities.
- change of place of RI based on traditional industrial sectors, high labour intensity characterize, outdated technologies and weak demand for knowledge, ensuring that knowledge and technology flows have an impact in those sectors of the economy with the greatest potential for growth and the mobilisation of innovative SMEs, which have the motivation and capacity to enter into regional added value chains.

# What are the links you identify between the changes and factors listed above and the ultimate goal of S3, which is territorial economic transformation?

There is a need for an approach over a multiple programming cycle upon the correlation between the changes and factors presented and the current state of the innovation sector in Romania. Consequently, these investment priorities and this type of approach must find their maximum continuity and peak load in the implementation under the 2021-2027 programming cycle in order to:

- enhance the competitiveness of Romania in the EU and trigger a better integration of national economies in the EU
- generate mutual benefits to people and businesses while generating multiple value creation,
- take into account of the long-term economic, societal and environmental costs and benefits.

# Conclusion, Key findings:

Aspects taken on board:

- EDP should stimulate all forms of innovation ranging from incremental to breakthrough and disruptive innovation, targeting especially the creation of new markets and new opportunities for the economic players.
- New agendas should aim at strengthening regional and national innovation ecosystems that tackle global challenges, by fostering the integration of innovation, research, higher education and entrepreneurship. In all these shared agendas, responsible research and innovation is the main driver for generating new jobs and business opportunities.
- Once the leverage points for the transition are identified, the major techno-economic shifts can provide openings in global value chains and opportunities for businesses in lagging regions that would have been impossible to create otherwise.



# Assessment of Smart Specialisation Strategies implementation and its impact

## Webinar 3/ : Impact of adopting Smart Specialisation Strategies in terms of growth and jobs

Online working meeting  
19.11.2020

# Impact of adopting Smart Specialisation Strategies in terms of growth and jobs

Impact of S3 in macro-economic terms	Factors / policy instruments triggering changes	Indicators
<p>Main impact envisaged in RIS 3 strategies - Ro regions to become/remain competitive through innovation, in particular:</p> <p><i>Increasing economic competitiveness by strengthening the ability to drive innovation in products, services, business and social processes and models.</i></p>	<p>Main financing instrument is PA 1 in ROP 2014-2020, which supports technology transfer in order to increase the share of innovative SMEs collaborating with others by:</p> <ul style="list-style-type: none"> <li>• development of the technology transfer offices - as a bridge between research and business, in order to create and improve the capacity for the swift economic exploitation of new ideas stemming from research and innovation, commercialization of research results and their translation into products, processes and services from firms.</li> <li>• Creating viable partnership between research infrastructures, TTOs and SMEs, promotion of business consultancy in the field of transfer of technology, including in the area of services, as well as creating greater demand for innovative products and processes.</li> <li>• Supporting firms in order to produce available products and services with greater added value.</li> </ul>	<p>Innovative SMEs collaborating with others</p>

# Impact of adopting Smart Specialisation Strategies in terms of growth and jobs

Sectoral Impact of S3	Factors / policy instruments triggering changes	Indicators
<p>Main impact envisaged in RIS 3 strategies refers to:</p> <ul style="list-style-type: none"> <li>determine major changes concerning the place of RI based on traditional industrial sectors, characterized by high labor intensity, outdated technologies and weak demand for knowledge</li> <li>strengthening capacities to promote R &amp; D &amp; I excellence and technological change in those sectors of the economy with the greatest potential for growth</li> <li>mobilisation of innovative SMEs which have the motivation and capacity to enter into regional added value chains.</li> </ul>	<p>Main financing instrument is PA 1 in ROP 2014-2020, which supports a limited number of investments, ensuring that knowledge and technology flows are dedicated to innovation and technology transfer entities in areas of smart specialization:</p> <ul style="list-style-type: none"> <li>National smart specialization fields: bio economy, information and communication technology, space and security, energy, environment and climate change, and advanced materials, eco-nano-technologies, health</li> <li>regional smart specialization fields identified in RIS3, through EDPs.</li> </ul> <p>ROP provides financing for innovative solutions and technology transfer infrastructures and equipment:</p> <p>Technologic Transfer Centres            Technological and Business Incubators            Technological Information Centre            Offices for the Liaison with Industry            Science and Tech Parks (STP)</p>	<p>cooperation between firms and institutions of CD</p> <p>number of innovative SMEs participating in knowledge transfer activities</p> <p>rate of technology transfer</p> <p>percentage of companies which have innovated and marketed in the EU (international Innobarometer)</p>

# Impact of adopting Smart Specialisation Strategies in terms of growth and jobs

S3 impact in terms of jobs and growth	Factors / policy instruments triggering changes	Indicators
<p>Main impact envisaged refers to:</p> <ul style="list-style-type: none"> <li>increase the competitiveness of regional economies and job creation, in line with the principles of smart specialization, by translating the results of research into the market, into products and services with greater added value.</li> </ul>	<p>Main financing source is PA 1 in ROP 2014-2020, which supports:</p> <ul style="list-style-type: none"> <li>increasing the number of TTOs and developing their capacity to ensure a critical mass of innovative SMEs, given the number of innovative SMEs, in Romania is very low compared to EU average.</li> <li>increasing business productivity, access to new markets, higher added value of products and services,</li> </ul>	<p>1S 2 Technology transfer entities supported</p> <p>CO2 Number of benefitting enterprises</p> <p>Increasing the average number of jobs created in advanced technologies</p>

# Other

- Smart specialization implementation in Romania is in an initial phase. In order to start implementing it in Romania, a set of necessary premises had to be built up.
- Since for 2014-2020 programming period the main financing source for regional smart specialization was PA1 ROP, in order to launch its implementation, MA had to prepare an optimal framework, starting with the ensuring of existence of proper, updated RIS 3 and a functioning innovation eco-system at regional level.
- These steps were mandatory in order to have the basic premises for implementation smart specialization in Romania and the preparatory process (which is still ongoing) required a period of time that had been added to the original timetable resulting in delays in implementation.
- Newly created smart specialization eco-systems face a double challenge: to build capacity and competencies and to produce results

# Conclusion, Key findings:

- ✓ Although AMPOR also had the option to quickly and superficially prepare a portfolio of projects, it took the difficult decision to initiate and prepare a unique process of entrepreneurial discovery, at regional level, to create the optimal premises necessary to ensure a qualitative project portfolio, mature and assumed, to be subsequently funded, both through AP1 and through the future policy objective 1 of the 2021-2027 programming period.
- ✓ The mechanisms of the entrepreneurial discovery process that have been established at regional level to identify areas of smart specialization have a **high added value**, both in terms of implementation in the current programming period and in terms of implementation of policy objective 1, proposed for the programming period 2021-2027.
- ✓ Indeed, **setting up a real and functional mechanisms of the entrepreneurial discovery process**, given the **lack of previous experience** on working in the quadruple helix (research - business environment - local authorities - community) in Romania, was a difficult, challenging, time consuming exercise, but equally necessary to create an appropriate micro-climate at regional level to enable major future developments through smart specialization, in line with the new proposals for regulations on cohesion policy. And this would be main impact of smart specialization in Romania so far.
- ✓ Economic transformation through innovation/technological transfer is a long run process, requiring updated competencies and sustainable business models. Permanent adaptation to market and/or emerging global trends is required.