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
Sub-group 1
9-11-2020

Joint Research Centre

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
Wallonia - Several evaluation processes, but lack of an efficient collective intelligence system dedicated to S3. Focus on inputs and results for beneficiaries. No specific economic impact evaluation of S3 because it's complex. Lack of investment in administrative capacity	Improve efficiency, more collaboration between stakeholders, more focus on exploitation and commercialization, new instruments on pilot and demonstrators	GDP Growth, new companies, jobs, etc. No specific indicators (using existing ones)
Slovenia – Impact assessment was made based on a mix of quantitative (conventional) indicators. Several dimensions were evaluated: cluster policy, marketing, internationalization, etc. Also added value produced by sectors related with S3 priorities	Development of public digital services. Cooperation of stakeholders resulted in joint platforms and projects. The discontinuity of policies and the heterogeneity of stakeholders were some of the problems.	Standard indicators (patents, etc.). Some indicators for sectors related with S3 priorities (employment, added value) + pre-commercial procurement, innovative procurement.
Romania – Main focus was on moving from fundamental research to closer to market activities (by technological transfer, improving TRL, research valorization, demonstration projects, etc.), by *strengthening the ability to drive innovation in products, services, business and social processes and models.*	TTOs to boost tech transfer, partnerships/cooperation between research,TTOs and SMEs, promotion of business consultancy in the field of the transfer of technology, creating greater demand for innovative products.	Traditional indicators are used to measure results and impact, such as Innovative SMEs collaborating with others
Portugal – An intermediary S3 evaluation report was made by ANI. Most indicators came from OP execution. Some specific indicators were developed to measure S3 related dynamics (since it's still rather soon to measure impact)	There was an effort to measure the evolution of the eco-system behavior (to evaluate if it was in line with S3 objectives)	Standard indicators + specific ones (for example, measuring the "complexity" of consortia, to check for more complete and diversified/inter-sectorial arrangements).

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

Sectoral Impact of S3	Factors / policy instruments triggering changes	Indicators
Wallonia - reinforce strong sectors (health) + cross sectorial developments (health + engineering)	Cluster policy (cross cluster collaboration towards value chains), clusters as policy tools (digitalization, circular economy). Thematic approach with clusters (multi-instrument approach)	Value-chain indicators (share upstream and downstream links)
Romania – Transfer knowledge into economy in order to: • determine **major changes concerning the place** of Research and Innovation, which are based on traditional industrial sectors, characterized by high labour intensity, outdated technologies and weak demand for knowledge. • Strengthen the capacities to promote R & D & I excellence and technological change in the **economic sectors with the greatest potential for growth** (traditional and new, emergent ones) • mobilization of innovative SMEs, which have the motivation and capacity to enter into regional added value chains.	TTOs centres, Technological and Business incubators, science and tech parks, Technological Information Centre, Offices for the Liaison with Industry + collaboration with companies. National sectors of Smart Specialisation: The bio-economy, information and communication technology, space and security, energy, environment and climate change, and advanced materials, eco-nanotechnologies, health The 8 Romanian regions have identified their S3 priority domains, based on the national priority sector as well as their own economic specificities and potential.	Cooperation between firms and institutions of CD Number of innovative SMEs participating in knowledge transfer activities Rate of technology transfer Percentage of companies which have innovated and marketed in the EU (international Innobarometer)
Portugal – Modernize traditional sectors + develop emerging ones (namely health; sea; engineering services)	Promote cross fertilization + more complete/complex value chains + attract FDI	More complete consortia (multi-sector)
Slovenia – promote international platforms: tooling + tourism, food production, automotive (niches), construction (higher specialization level)	Upstream and downstream cluster collaboration (infrastructures, cross fertilization)	

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
Slovenia- Main focus was the competence of employees (competence centers, career development). All clusters take HR as a priority	Career development platform for sectors	
Wallonia – one of the limitations felt was the shortage of HR for some sectors		
Romania – Main investment was the creation/development of TTOs and partnerships/collaboration with research and business in order to translate the research results into market, into products and services with greater added value.	• 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 the EU average. • increasing business productivity, access to new markets, higher added value of products and services • Creating innovative culture/behavior in economic/business environment	Technology transfer entities supported Number of benefitting enterprises Increasing the average number of jobs created in advanced technologies
Portugal - Most of the policies and instruments had a strong attention to jobs. There were also specific measures to support lob creation, particularly high qualified jobs (including PhDs)	Lowering the high unemployment rate, particularly young people. Increase the number of high qualified employment in companies.	

Other

- Bottlenecks regarding S3 evaluation: it’s a strategy not a set of instruments (traditional approach)
- Need to develop better (more complete) data for proper S3 evaluation => adequate information systems capable of integrating information from different sources
- Need to reinforce administrative capacity to monitor S3 (including partnerships) => long term evaluation (for example, diffusion of KET’s among sectors)
- JRC can help by providing relevant data/information and knowledge, and promote and support best practices exchange (learning)
- Current set of indicators is not appropriate to S3 evaluation (complementarities with, for example, the Clusters Observatory)
- Newly created smart specialization eco-systems face a double challenge in parallel: to build capacity and competencies and to produce results

Conclusion, Key findings:

- Most regions had a significant focus on cluster policy
- Main elements of evaluation are based on existing/conventional indicators (not dedicated/specific ones) and cluster policy/dynamics
- High level of evaluation heterogeneity when comparing different clusters
- S3 is shifting focus towards economic transformation. Need to balance quantitative and qualitative analysis. Need also for new tools (data mining / IA)
- 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.
- To evaluate S3, need to build platforms capable of integrating and consolidating data from different sources and mid/long term periods.
- Stable governance and policy mix is important!

Participants:

- Moderator: Florence Hennart, Wallonia - Belgium
- Rapporteur: José Carlos Caldeira, Portugal
- Other participants
    - Marko Hren, Slovenia
    - Madalina Istrate, Romania
    - Anabela Marques Santos, JRC