



# Assessment of Smart Specialisation Strategies implementation and its impact

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

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
<p>NL: ability to capitalise on S3 was the main change in the region;</p> <p>RO: development of administrative capacities, everything was new, new investment types (previously no funding for joint research-business projects), new model of organization. But too early to speak about the impact. Types of changes envisaged: Development of the technology transfer entities and their collaboration with SMEs, supporting the cooperation between research, education, innovation and business environment,</p>	<p>NL: increase in number of collaborating SMEs; increase in infrastructure; common vision helped to facilitate changes; more companies started to have social orientation as societal challenges was one of the S3 priorities, more participant ecosystem, less individual behaviour;</p> <p>RO: main steering factor for collaboration and common projects identification, new funding schemes. Main result indicator is collaborating innovative SMEs. Funding schemes showed direction of country's market potential; foreseen impact refers to commercialization of research results and their translation into products, strengthening capacities to promote R &amp; D &amp; I excellence and technological change as a key tool to boost the business environment, increasing business productivity, access to new markets, higher added value.</p>

# 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
<p>PT: 1) the main incentive for transformation was the crisis, companies that were working for internal market ran out of business and had to look for international markets. Cuts for the public funding made dependant institutions (like universities) to look for international funding; 2) programmes to reinforce intermediary organizations – translate knowledge into language of business needs, collaborative laboratories were created. Clusters were given a new strength; 3) thematic programmes like “space”, specific “digital education”, I4.0. Instruments cover the full cycle, but with some gaps. 50% increase in new companies as users of the instruments. Cross sectorial knowledge transfer efforts. Integration of previous research into new projects.</p> <p>LT: better alignment to work with the selected priorities, better inclusion of stakeholders</p>	<p>PT: higher no of companies and investments, increased participation in EU projects (particularly SMEs);            FI: systematic development of modern clusters, new ideas and innovations;            LT: economic growth in selected S3 priority sectors; trust among stakeholders; better international participation</p>

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## Factors triggering changes

PT: thematic focus on funding of projects and programmes; increased importance of the clusters – as implementers of the strategy;

NL: favorable starting position, aim for collaboration, societal element of the strategy as an urgency factor;

RO: importance of operational programme with ex-ante conditionality, strengthening of research institutions, change in position of R&I sector (compared to traditional industries).

The main factor for triggering change is PA 1 in ROP 2014-2020, the main financing instrument for exclusively novelty areas for the S3 in Romania. The novelty of the investment priorities is supplemented by the mechanism of implementation - an innovative mechanism - based on participation and the 'bottom-up' approach to ensure alignment with the requirements of the regional business environment.

FI: increased demand for interregional and international collaboration, instrument for the development of activities, improvement of HR attraction conditions, joint approach to solve regional challenges;

LT: mutual agreement on how R&I priorities are developed and implemented

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## Indicators

FI: joint initiatives of NUTS3 regions; number of joint projects; joint initiatives of the clusters

NL: focusing on constant improvement of monitoring system, focusing on behavior of SMEs;

Indicators: collaboration among SMEs; created infrastructures and networks; SMEs engaged into R&I; share of SMEs investing into disruptive technologies (...and many more indicators). Next period: innovation monitoring will be one of the blocks among other block for monitoring;

PT: complexity of the project's consortium – complete coverage of necessary functions; added value per worker;

RO: indicators from ROP; innovative SMEs collaborating with others; Output indicators:

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

LT: constant improvement of monitoring system, indicators: share of economy with attribution to S3, value added, number of firms, employees.

NB. Panel agreed, that monitoring is still a difficult part of S3 and is seen as to be enhanced for the next period

# Other

It's difficult to define the suitable indicators. Hard to understand what is happening at the SME level. A different ways to monitor are needed. To understand what's happening – one should go beyond indicators, it's good to know them, but it doesn't tell the story.

Responsible actors couldn't know from the beginning what kind of evaluation will be necessary, what impacts to be expected.

Impact on the stakeholder's mentality as a change factor. Further trust and capacities should be developed.

Hard to understand the change due to time lag of impact from R&I projects. For example: the aim of S3 is larger and more complex value chains, what is hard to measure after 3 years of implementation. Possible to look at the project proposals to see the composition of consortiums. Transformations takes 10-15 years.

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

PT: development of ecosystem gives direct impact (first to the region, then the whole country)

NL: shifting horizon to longer perspective; changing mindset and behaviour will have the impact on the longer run

RO: most important (negative) factor was resistance to change and lack of trust. However, a lot has been built and 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.

FI: sustainable development of businesses and education/training has been strengthened

LT: increasing trust among actors in horizontal and vertical dimensions

# Conclusion, Key findings:

1. Hard to attribute changes directly to Smart specialization, but also hard to deny that it did have positive effects;
2. Constant improvement of monitoring systems is needed to adapt to the general understanding of S3 concept and to meet the expectations, especially if the quantitative indicators cannot display the full picture;
3. 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.
4. 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, as drivers for growth and jobs.

# Participants:

- Names: José Caldeira (Portugal), Luc Hulsman (Northern Netherlands), Madalina Istrate (Romania), Dimitrios Kyriakou JRC
- Moderator: Päivi Ekdahl (Lapland, Finland)
- Rapporteur: Ramojus Reimeris (Lithuania)