

# Reframing innovation policy for the SDGs

Smart Specialisation Strategies for Sustainable Development Goals:  
an EU perspective, #RIS3forSDGs Workshop

30 June 2019

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**New context  
and new challenges  
for innovation policy**



# SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD

1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS

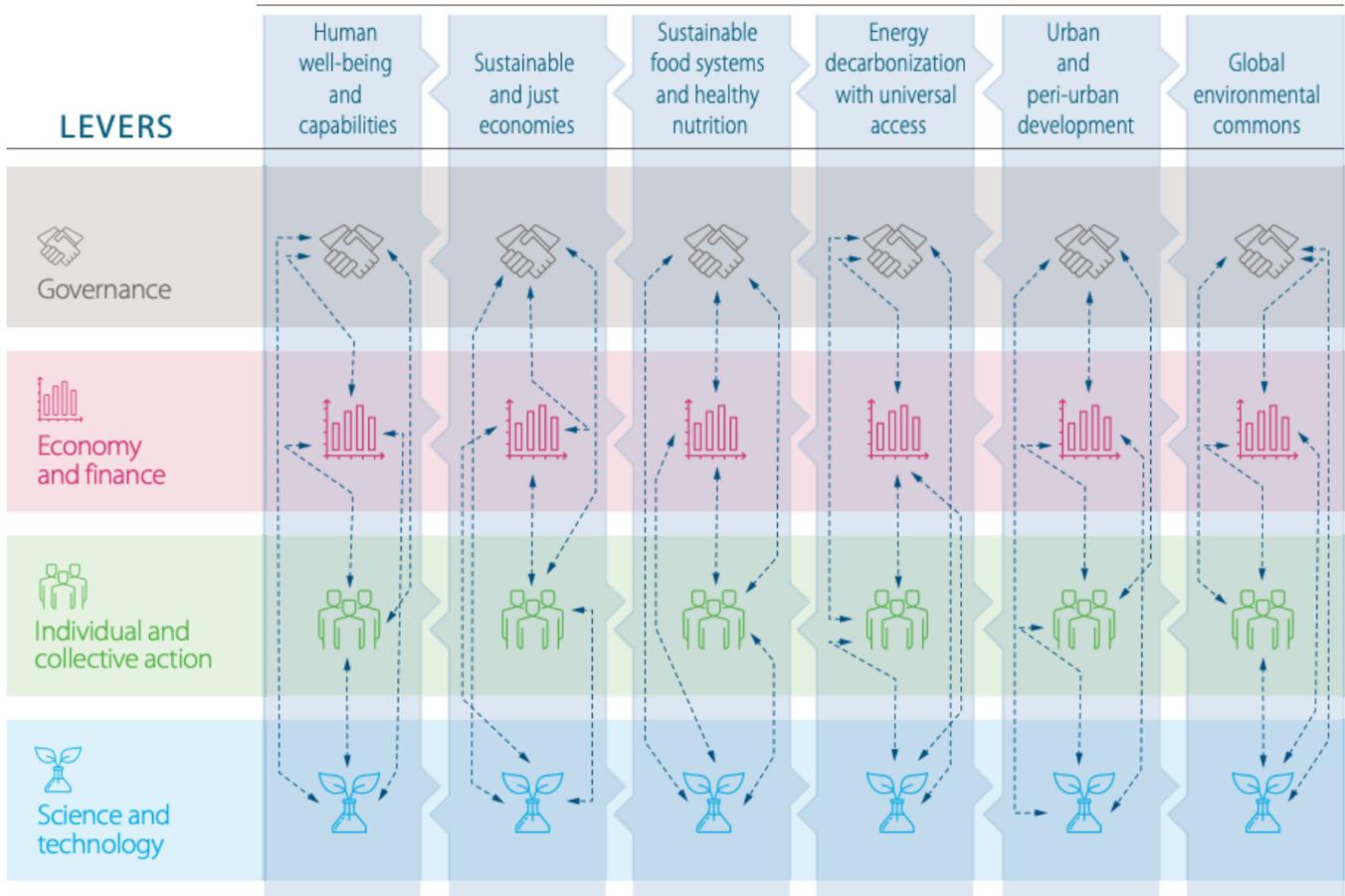


17 PARTNERSHIPS FOR THE GOALS



SUSTAINABLE DEVELOPMENT GOALS

## ENTRY POINTS FOR TRANSFORMATION





Source: EUROSTAT (2020) Sustainable development in the European Union Monitoring report on progress towards the SDGs in an EU context 2020 edition



**Transforming the EU's economy for a sustainable future**

Mobilising research and fostering innovation

Increasing the EU's Climate ambition for 2030 and 2050

A zero pollution ambition for a toxic-free environment

Supplying clean, affordable and secure energy

Preserving and restoring ecosystems and biodiversity

Mobilising industry for a clean and circular economy

From 'Farm to Fork': a fair, healthy and environmentally friendly food system

Building and renovating in an energy and resource efficient way

Accelerating the shift to sustainable and smart mobility

Financing the transition

Leave no one behind (Just Transition)



**The EU as a global leader**

**A European Climate Pact**



EUROPEAN  
COMMISSION



27 May 2020

*"The recovery plan turns the immense challenge we face into an opportunity, not only by supporting the recovery but also by investing in our future: the European Green Deal and digitalisation will boost jobs and growth, the resilience of our societies and the health of our environment. This is Europe's moment. Our willingness to act must live up to the challenges we are all facing. With Next Generation EU we are providing an ambitious answer"*

President Ursula von der Leyen

## Investing in a green, digital and resilient Europe

### Supporting Member States to recover



- Recovery and Resilience Facility
- Recovery Assistance for Cohesion and the Territories of Europe - REACT-EU
- Reinforced rural development programmes
- Reinforced Just Transition Mechanism

#### Within European Semester framework

- Supporting investments and reforms
- Supporting a just transition

### Kick-starting the economy and helping private investment



- Solvency Support Instrument
- Strategic Investment Facility
- Strengthened InvestEU programme

- Supporting key sectors and technologies
- Investing in key value chains
- Solvency support for viable companies

### Learning the lessons from the crisis



- New Health programme
- Reinforced rescEU
- Reinforced programmes for research, innovation and external action

- Supporting key programmes for future crises
- Supporting global partners

# Reframing innovation policy and governance



**MISSIONS**

Mission-Oriented  
Research & Innovation  
in the European Union

A problem-solving approach to fuel innovation-led growth

by Mariana MAZZUCATO



Research and  
Innovation

**IIPP** UCL Institute for  
Innovation and  
Public Purpose

Political agenda setting  
and civic engagement

Clear targeted  
missions

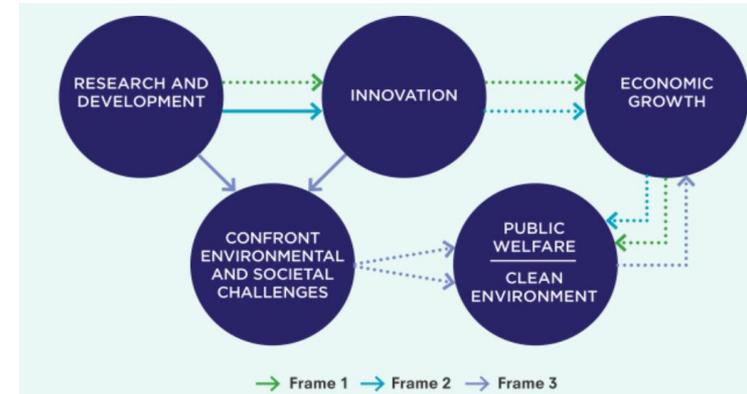
Cross-sectoral  
innovation

Portfolio of projects  
and bottom-up  
experimentation

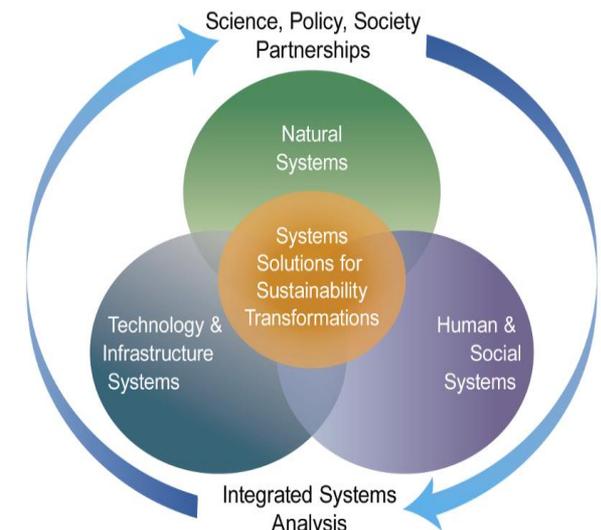


# How to make sure that innovation policy responds to societal challenges?

- Key challenges for innovation policy
  - **Direction:** Embrace sustainability challenges and goals at its core
  - **Ambition:** Enable and foster transition of socio-economic and socio-technical systems towards sustainable alternatives
  - **Resilience:** Anticipate and adapt to unexpected challenges and changing context
- To respond to these challenges policy makers need to revisit **strategic goals, instrument mix as well as governance of innovation policy.**



Source: TIPC; <http://www.tipconsortium.net/about/>



Source: IIASA; <https://iiasa.ac.at/>

# Strategic goals and instruments

## What makes policy goals and instruments aligned with the SDGs?

- **Strategic orientation** – shared direction of travel expressed in binding goals and science-based targets aligned with the SDGs
- **System innovation** – policy instruments and missions aimed at transforming socio-technical and socio-economic systems
- **Consistency and coherence** – horizontal and vertical consistency and coherence of policy mix
- **Variety of innovation pathways** – support for variety of innovations and change pathways towards sustainability (e.g. experimentation; new solutions and phasing out)
- **Transformative impact** – effectiveness of policy instruments measured as a contribution to sustainability transitions.

# Governance and policy process

## Governance challenges

- Multi-level governance and subsidiarity: action to be taken on the level adequate to addressing root causes and impacts of challenges
- Bottom-up and top down mechanisms and actions at all levels
- Need for new modes of governance, institutions and partnerships as well as new institutional designs, capacities and skills.

## What are key areas of governance and policy processes for transitions?

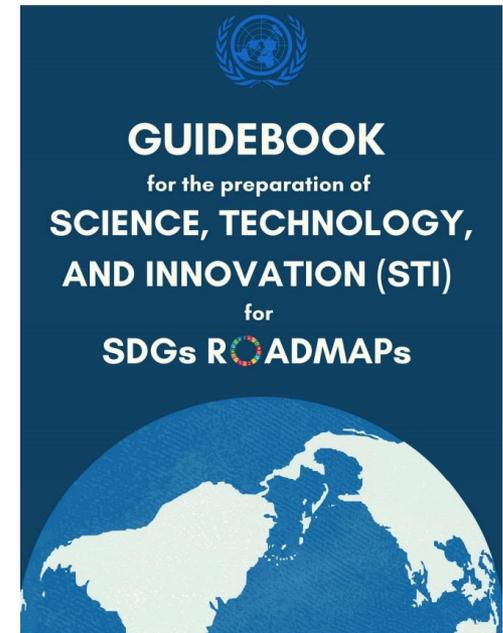
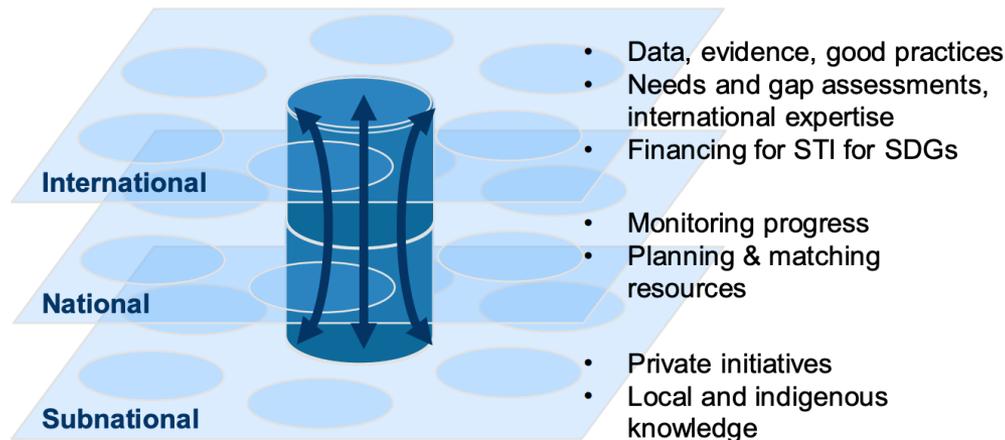
- **Alignment** – brokerage and formation of innovation partnerships
- **Social legitimisation** – inclusiveness and avoiding capture
- **Coordination** – mechanisms and processes of vertical and horizontal coordination (multi-level governance)
- **Policy learning** – experimentation, evaluation and reflexivity
- **Resilience** – adaptive capacity and political resilience.

# **S3 and the SDGs: Towards a synergy?**

# UN Guidebook for STI for SDGs Roadmaps

## What is a STI for SDGs roadmap?

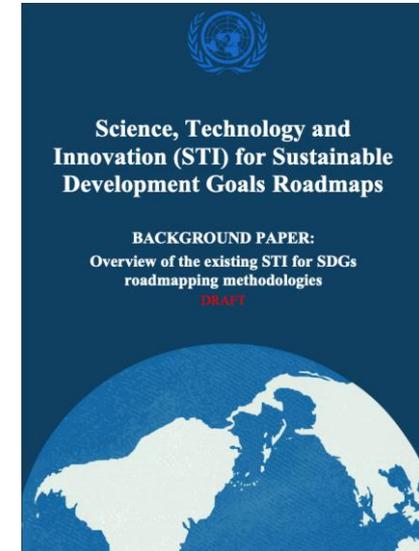
STI for SDGs roadmap is a forward-looking policy framework, action plan and/or strategy, to continuously guide effective actions to utilise STI to achieve the SDGs with a country-wide scope at national and subnational level, and with implications for the international level.



# What are similarities between S3 and STI for SDGs roadmaps?

## Key similarities

- Policy relevant strategic processes focused on STI
- Multi-stakeholder processes
- A degree of methodological resemblance



## Examples of opportunities for alignment and synergy

### STI for SDGs roadmaps → S3:

- Develop a more robust roadmapping approach in S3, including scenarios and alternative innovation pathways
- Integrate SDGs and SDG targets in the design and the M&E system of S3
- Consider adding aspirational goals to the entrepreneurial discovery process (e.g. mission-oriented approach)

### S3 → STI for SDGs roadmaps:

- Localise roadmaps and tap into the regional innovation potential for SDGs
- Cross-sectoral approach to identifying and scoping specialisation areas
- Lessons from the prioritisation and entrepreneurial discovery processes in S3 for formulating action plans

# What are differences between S3 and STI for SDGs roadmaps?

## Major differences

- Political rationale and context
- Governance, implementation and incentive regimes
- Monitoring and evaluation systems

## ...and several potentially contentious areas

- Regional economic competitiveness versus addressing global sustainability and global public goods
- Strategic prioritisation versus indivisibility of Agenda 2030
- Giving direction to bottom-up “entrepreneurial discovery” process
- Strategic prioritisation versus the ‘leave no one behind’ principle

# How to strengthen the role of SDGs in S3?

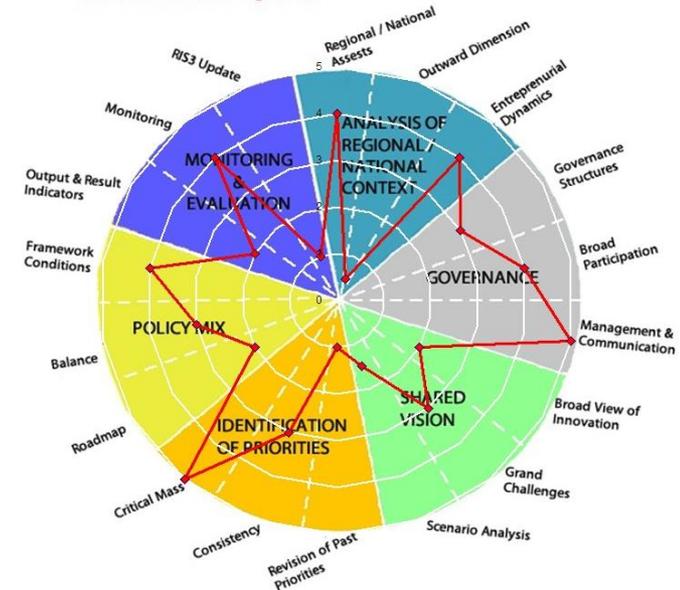
**Awareness raising:** Raise awareness and share good practices about the SDGs among stakeholders involved in S3

**Analytical tools and data:** Consistency mapping frameworks and diagnostic tools to understand how S3 objectives and specialisation areas contribute to SDGs (e.g. concordance mapping; system modelling; self-assessment tools or voluntary reviews)

**Policy learning:** Strengthen policy learning and guidance on how to address SDGs in S3 (e.g. thematic networks; targeted peer reviews; twinning, possibly open to partners from non-EU countries, including in the Global South)



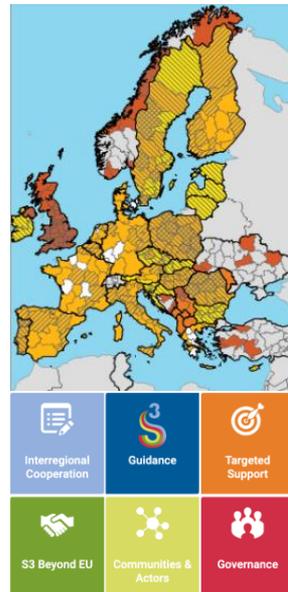
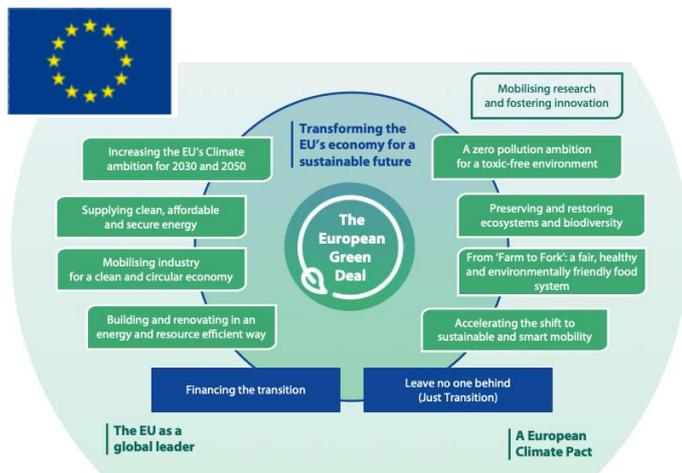
Driving economic change through smart specialisation/RIS3  
 → Informal assessment - region XXX



# How to strengthen the role of SDGs in S3 (2)?

**Integration:** Reframe S3 strategies as innovation strategies for the SDGs and sustainability transitions in which sustainability goals and transition pathways are an integral part of the framework

- Voluntary or formal (binding) integration
- Incentive regimes: How to design and introduce positive and negative incentives for including the SDGs in S3 strategies on all governance levels (e.g. prizes, funding, conditionality)?



Thank you for your attention!

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