



ILLES BALEARS

TOWARDS A RIS3 STRATEGY



Peer Review Seminar

Palma de Mallorca

2013 February 7th and 8th



Peer-Review Workshop

Expectations...



Objectives

- To learn about other European experiences related the RIS3 elaboration process
- To acquire knowledge about diverse approaches aimed at identifying an prioritizing regional domains of excellence related technology and economic activities
- To check methodologies to assess and evaluate the RIS3 impact
- Create a network of regions interested in strengthening the globalization potential of their domains of excellence



Illes Balears Profile

A quick review

The Illes Balears are settled in the Mediterranean sea. The Region is shaped by 5 islands:

- Mallorca (the biggest island and the capital of the region)
- Menorca
- Ibiza
- Formentera
- Cabrera (It is an Earth-Maritime National Park and it is uninhabited)

Key figures

Indicator	Value	% of the Spain	Spanish average
Population	1.113.114	2,3	46.815.900
GDP	26.859.091	3	
GDP per capita	24.585	132	18.595
Employment rate (%)	67,15		60,04
Unemployment rate (%)	21,96		25,02
Nº of tourist (2012)	10.442.838	18,1	57.700.714
Spending on R&D over GDP (%)	0,8		1,33

Sources: INE, TurEspaña



R&D+I policies in the Balearic Islands

The genesis...



The Balearic regional innovation system began to have an institutional framework and specific public policy ...

In the late 80s: first thoughts on how to deal with a crisis affecting the tourism sector supported by the R&D in the framework of the Regional Development Strategy, where the first idea of the Balearic Islands Innovation Technology (BIT) emerged.

1997 -> The Science Act of the Government of the Balearic Islands 7/1997.

1998 -> DG XIII of the European Commission approved the Balearic Islands, the Regional Innovation and Technology Transfer Strategies (RITTTS). This project was a milestone that set out the basic policy of R&D+I in the Balearic Islands, directing it towards supporting innovation in tourism-related activities.

In 1999 the General Head Office for R&D+I was created in the Government of the Balearic Islands as responsible for defining and implementing the policies of R&D in the region.

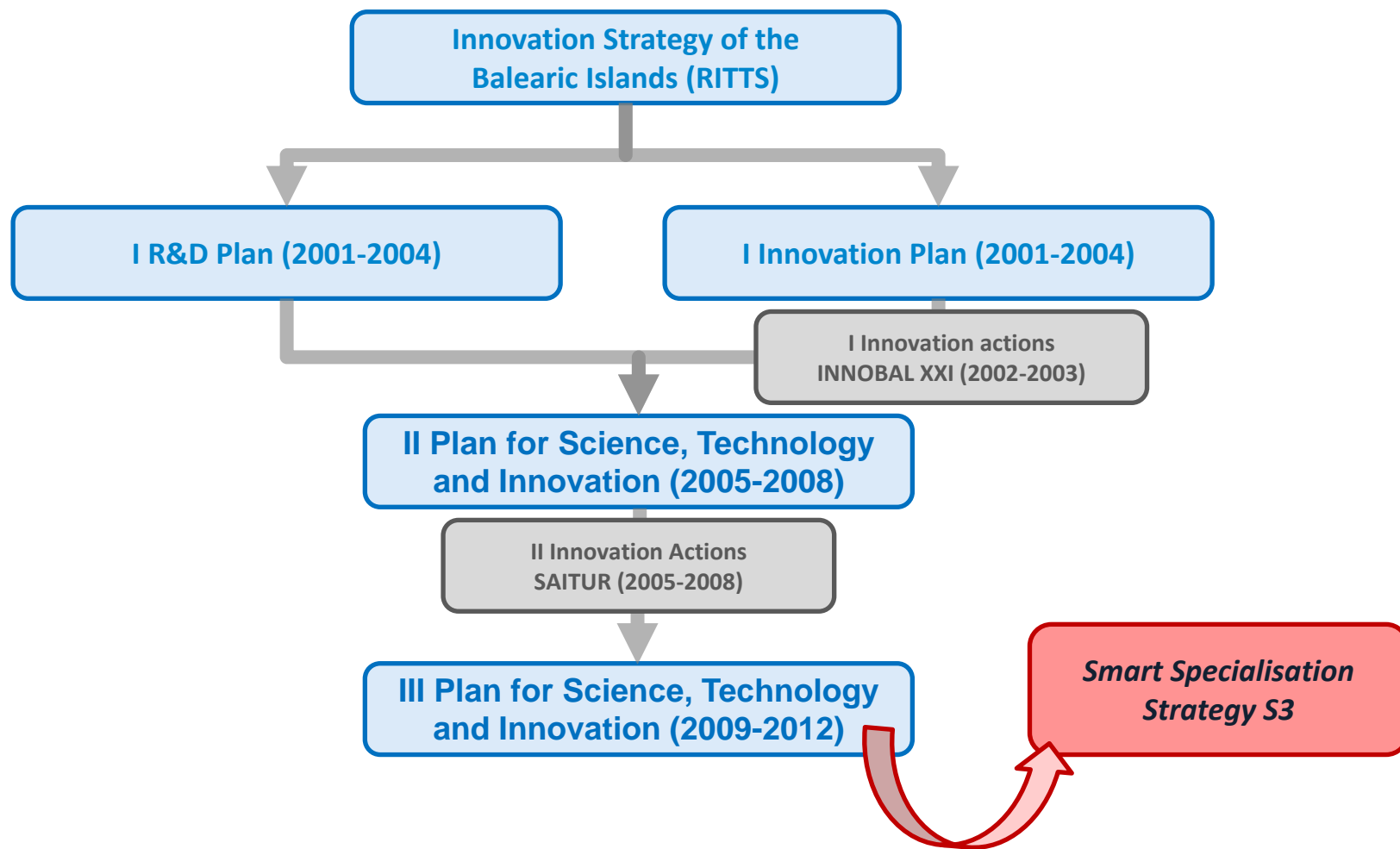


R&D+I policies in the Balearic Islands



The route...

The RITTTS has been the basis upon which successive regional strategies and plans have been defined ...





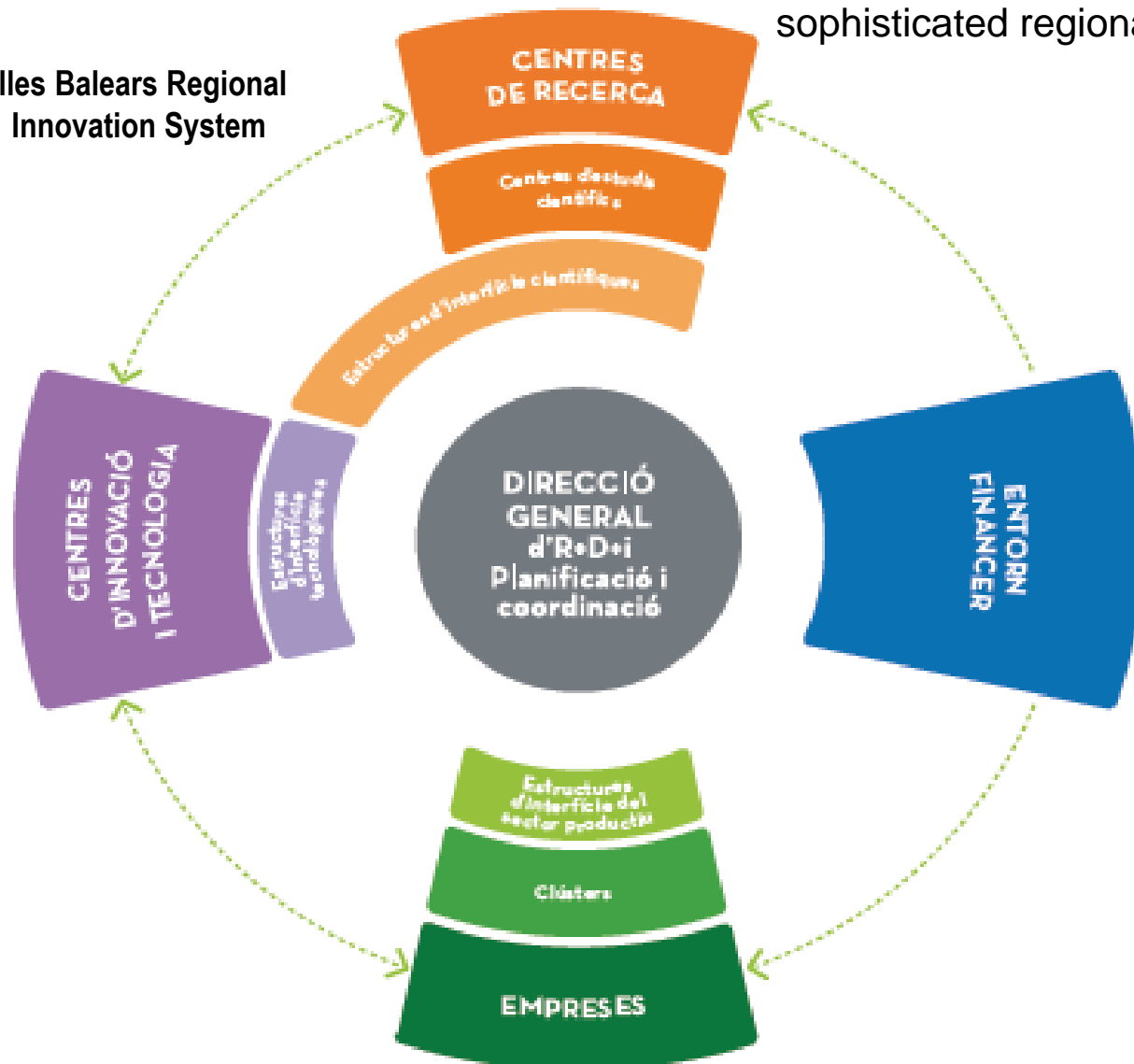
R&D+I policies in the Balearic Islands

Successive generations of regional policies for R&D+I ...

Results...

... have created in the Balearic Islands a specialized, connected and sophisticated regional innovation system

Illes Balears Regional
Innovation System





RESEARCH CENTERS

- UIB
- IMEDEA
- IFISC
- IEO
- IGME
- SOCIB
- CIDTUR
- IUNICS
- Fundació d'investigació Sanitària de les Illes Balears
- Centre Caubert-Cimera
- Fundació Kovacs
- Fundació Banc de Sang i Teixis de les Illes Balears
- LIMIA
- IRFAP

INNOVATION AND TECHNOLOGY CENTERS

- Fundació IBIT
- Centre d'investigació i Foment de la Qualitat de PIME Menorca
- ITEB
- INESCOP
- CETEBAL
- AEMET
- Microsoft Innovation Center
- TurisLab

FINANCIAL ENTITIES

- Regional Administration
- Spanish administration
- European administration
- Credit organizations

COMPANIES

- Service Sector
- Industrial Sector

SCIENTIFIC STUDIES CENTERS

- OAM
- Museu de mallorca
- Museu de Menorca
- Museo Arqueologic d'Eivissa i Formentera
- Fundació jardí Botànic de Soller
- Museu Balear de Ciències Naturals

SCIENTIFIC INTERFACE STRUCTURES

- OSR
- FUEIB
- FMO
- IME
- IEB
- Fundació Estudis x Eivissa

TECHNOLOGY INTERFACE STRUCTURES

- Fundació IBIT
- IDI

CLUSTERS

- Balears.t
- Turistec
- CLAB
- Bioibal
- Ibiza Music cluster
- IDIMAR

PRODUCTIVE SECTOR INTERFACE STRUCTURE

- ParcBIT
- CBE
- Federacions empresarials
- Cambres de comerç

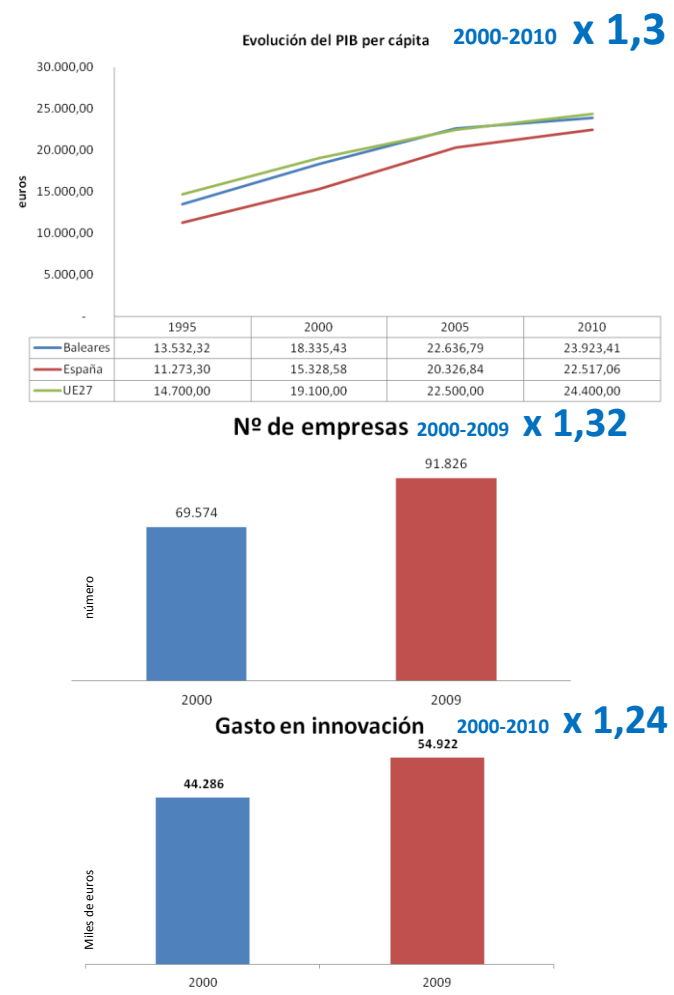
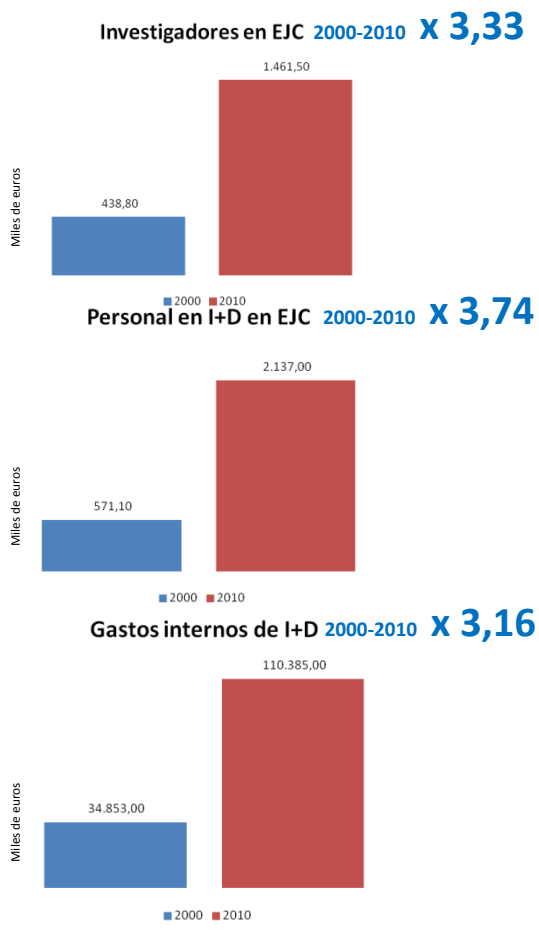


R&D+I policies in the Balearic Islands

Results...



... It has **strengthened the regional innovation system** and contributed to economic and social development.



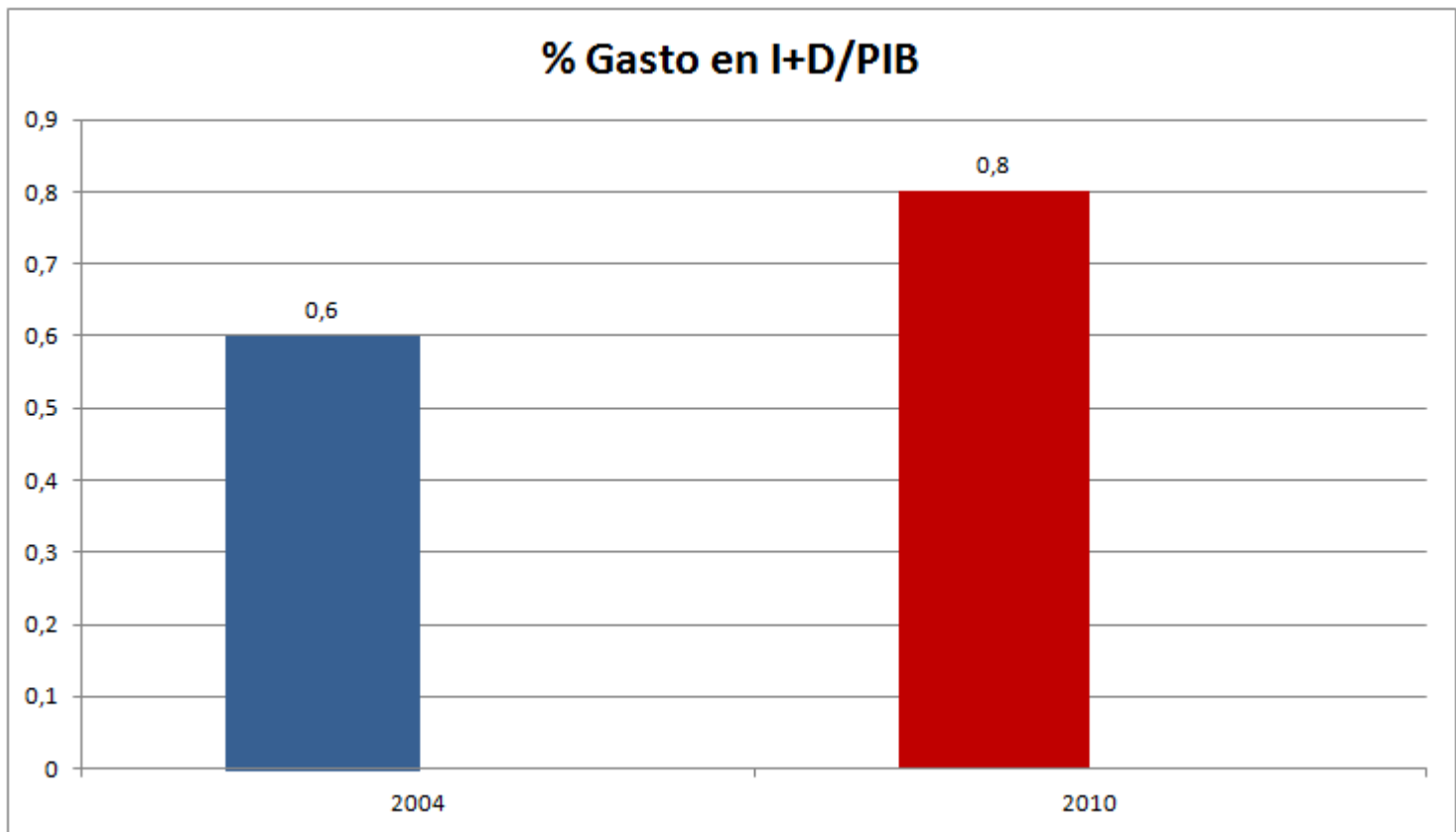
Source : Own elaboration. Data compiled from INE and Eurostat.

R&D+I policies in the Balearic Islands

Results...

... It also has **strengthened the regional investments in R&D in relation to the Gross Domestic Product (GDP)**, and contributed to the research activities development.

2004-2010 **x 1,33**





Recent experience in R&D+I policies...

Illes Balears currently has a Regional Plan of Science, Technology and Innovation

El “*Plan de Ciencia, Tecnología e Innovación 2009-2012*”.

Objectives:

- To win competitiveness in local and international strategic areas
- To improve the research of excellence productivity, for the profit of the Society
- To increase the skills, commitment and confidence of the Regional Innovation System agents
- To obtain local and global return of the science and innovation efforts and results



New Plan of Science, Technology and Innovation 2013-2017 (in elaboration process)

•Objectives:

- To consolidate the regional science and technology base
- To promote the generation of knowledge in strategic areas
- To boost the links among science and technology sector and the companies
- To foster the knowledge based intelligent growth of the regional productive sector
- To encourage the creation and consolidation of new innovative companies
- To spread the science culture and the social interest for the science





Why the tourism sector....

- it is a critical activity of the Balearic economy,
- it is an activity inclusive of technologies,
- it allows the development of specialized activities based on knowledge,
- it requires a kind of innovation policy that supports the ability to generate knowledge in an industry that does not create technology but use it.

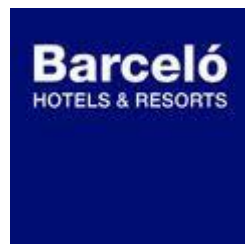


Smart Specialization in Balearic Islands

Regional specialization pattern...



Main companies in the Balearic Tourism sector





Smart Specialization in Balearic Islands

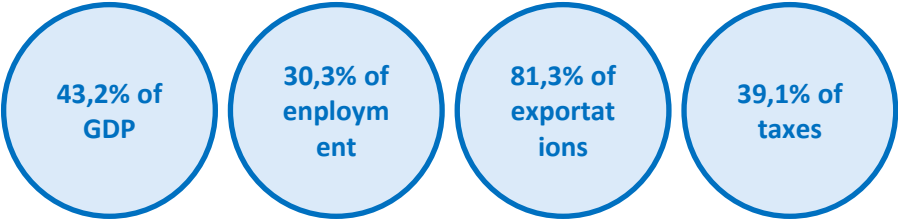


Regional specialization pattern...

Tourism as an engine for the regional development of the Balearic Islands

Regional development policies based on the R&D+I have contributed to enhance the impact of the tourism sector.

Data of the Balearic tourism sector



Impact of tourism in the Balearic economy and Spain. Data Balearic Islands (2009) and Data Spain (2007).

Indicators	Balearic Islands	Spain
% GDP	43,2%	10,7%
Million of €	11.032	111.984,2
% Employment	30,3%	12,4%
persons	148.767	2.533.080
% Exportations	81,3%	19,5%
Million of €	9.703	45.587,8
% Public expenditure	11,2%	
Million of €	644	—
% taxes	39,1%	10,4%
Million of €	2.052	9.911

Source: Compiled from information available EXCELTUR.



Smart Specialization in Balearic Islands



Regional specialization pattern...

The Cluster of Technological Innovation in Tourism of the Balearic Islands...

... important also at a regional and European level.

Clústeres de turismo y hostelería en la UE

Clústeres	Trabajadores	Tamaño	Especialización	Foco	Estrellas
Canarias (Tenerife)	82.099	2,24%	5,11	10,19%	***
Akdeniz (Antalya)	57.924	1,58%	4,50	8,96%	***
Illes Balears (Mallorca)	47.180	1,29%	5,15	10,27%	***
Ege (Izmir)	45.571	1,24%	2,41	4,81%	***
Tirol (Innsbruck)	29.486	0,80%	5,36	10,68%	***
Andalucía (Sevilla)	86.366	2,44%	1,64	3,27%	**

Note: Compiled from information and analysis of the European Monitoring Clusters and included in the Science, Technology and Innovation of the Balearic Islands 2009-2012. Government of the Balearic Islands. Note that these data are from the cluster and sector, with sources other than impact studies.

- 1. Size: whether in terms of number of employees is 10% higher than all European clusters in the same category, they receive a star.
- 2. Specialization: a region with a strong specialization in a particular category of cluster can attract economic activity from other regions and encourage more exchanges. If the ratio of the category in the region is greater than 2 is assigned a star
- 3. Focus: measures employed in the cluster relative to total employment in the region. If this ratio is more than 10% is assigned a star.

Unlike other European regions ...

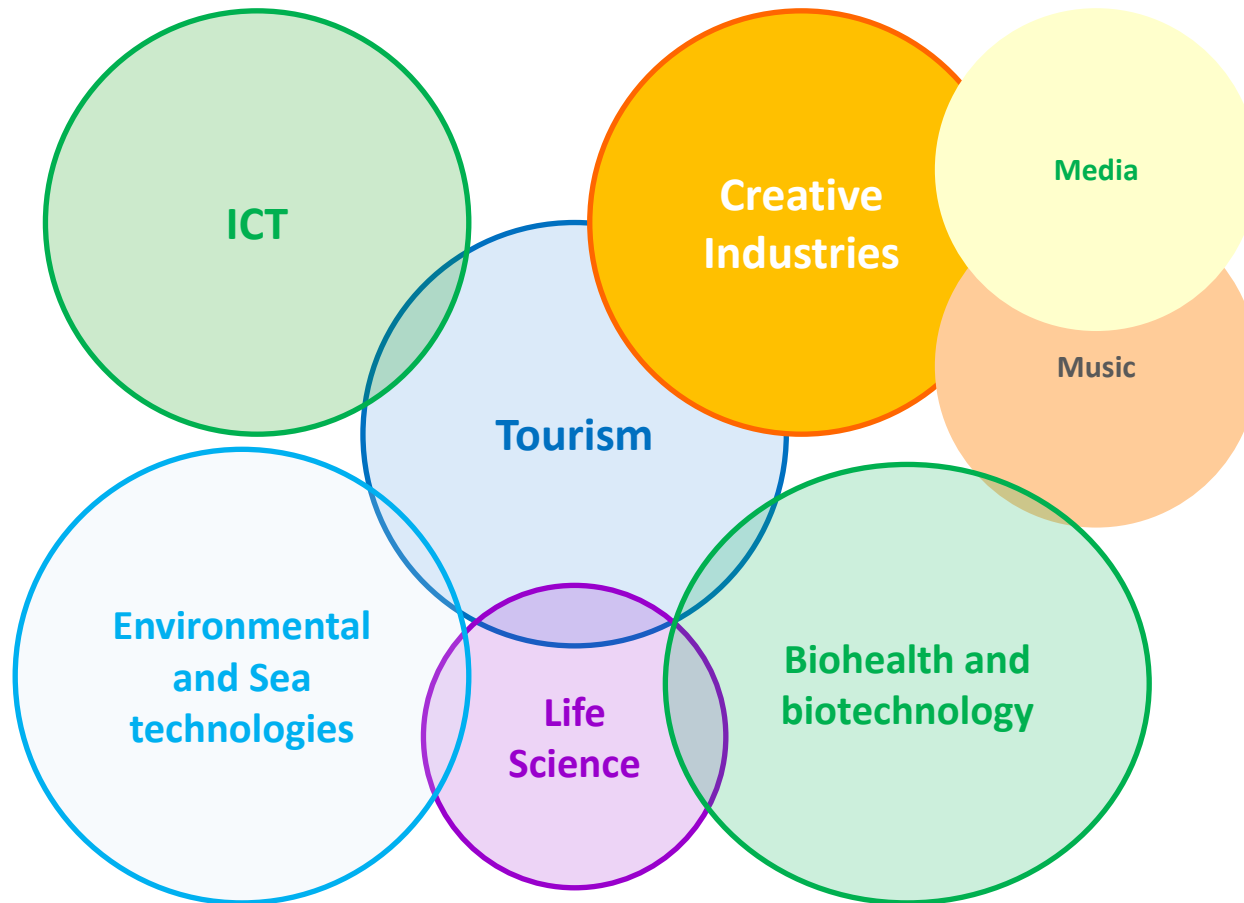
... It's a cluster that enhances tourism activities in different technology domains (related variety).



Smart Specialization in Balearic Islands

Regional innovation pattern...

... Regional development policies based on the R&D+I have contributed to enhance technology domains on tourism ...



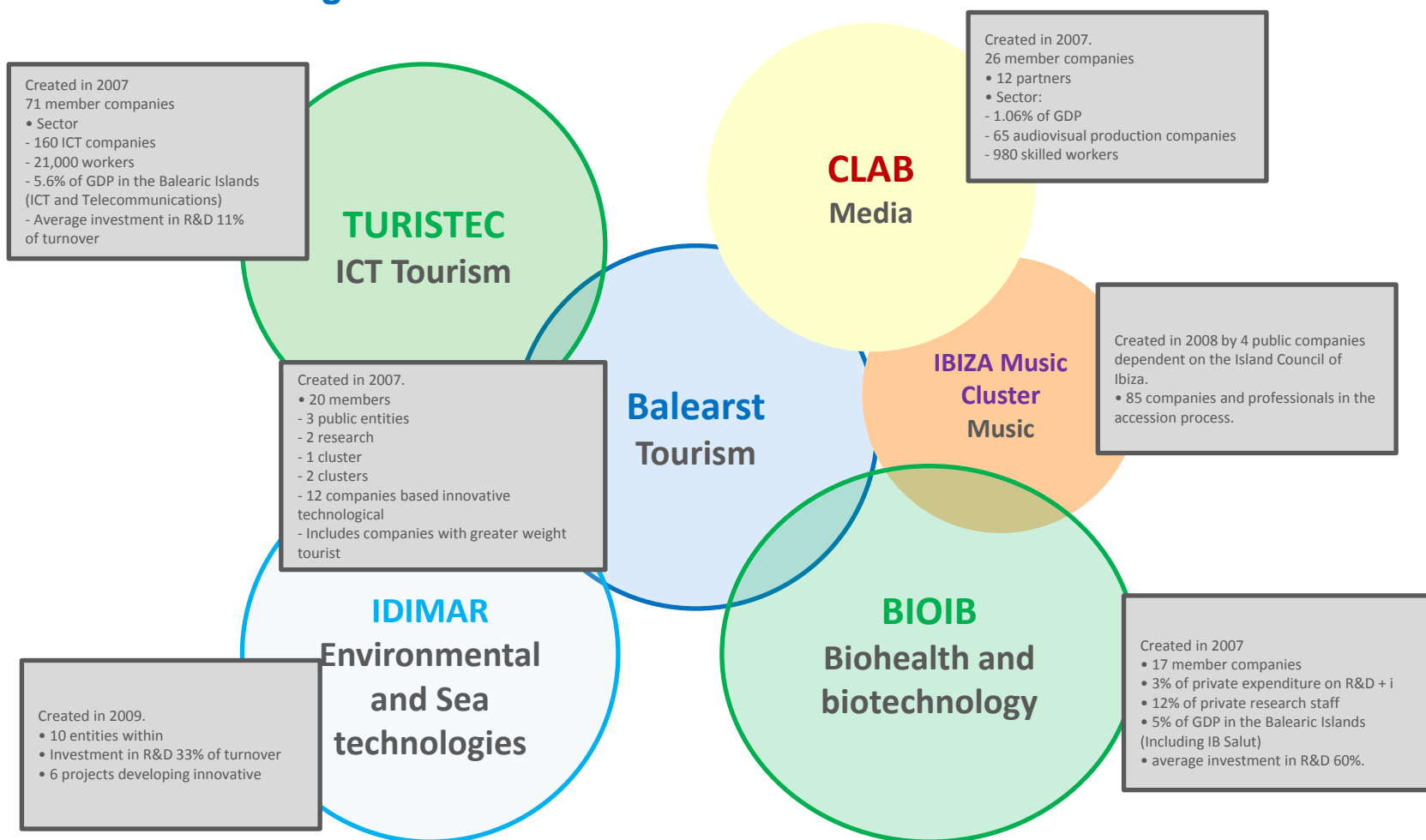


Smart Specialization in Balearic Islands

Regional innovation pattern...



... That have been materialized in CLUSTERS of companies that develop technologies related to tourism ...

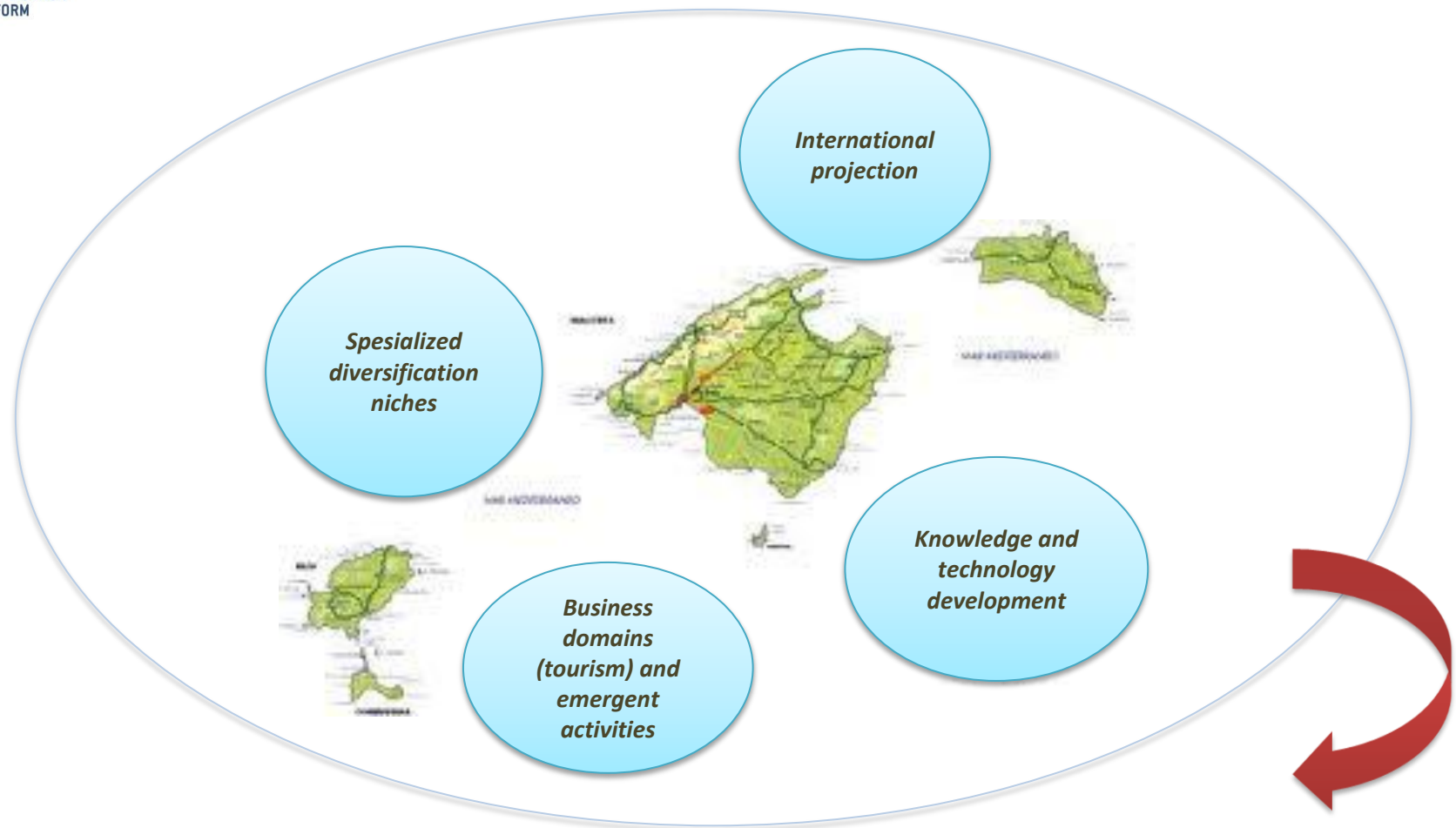




Introduction of Illes Balears work on RIS3



Strategic vision for the future of Illes Balears



The Mediterranean Sea as it will be in the future



What we want to get with a Smart Specialization Strategy

1. Search for the specialized diversification niches with a higher international dimension
2. Generating wealth and employment in the medium and long term
3. Using knowledge and key enable technologies combining the ones from the regional main activities joint to the emerging, knowledge-intensive and with higher added-value technologies arising from the smart specialization process of Balears during the last 20 years.



Illes Balears main competitiveness advantages

- Region with experience working in innovation policies since several years ago
- Relevant integration of the regional strategic sectors of economic activity
- Existence of a natural cluster of companies working on the tourism sector and the related activities
- Potential capacity to stimulate the inter-sectorial hybridization (Tourism, ICTs, health sector, marine technologies,...)
- Existence of an important number of big companies competitive at global level in their sectors

Illes Balears key challenges and opportunities

- Consolidate the innovation policies implemented in the last decade
- To link the regional subsectors in the context of the tourism sector growth



Place-based dimension of the RIS3



Steps of the analysis carried out

- Assessment of the previous Innovation Strategies
- Sectorial tables
- Statistics analysis
- Personal interviews to the regional involved agents
- Elaboration of diagnosis and SWOT analysis
- Consensus building process
- Elaboration of the bases for the establishment of the RIS3

Potential use of the innovation to address the challenges

- Disruptive innovation for the tourism sector (product and market)
- Development of the ICT sector, and other key technology based entrepreneurial activities
- Stimulation of the public-private co-operation in the field of research and technology transfer
- Hybridation and alliance strategies for the tourism related sectors

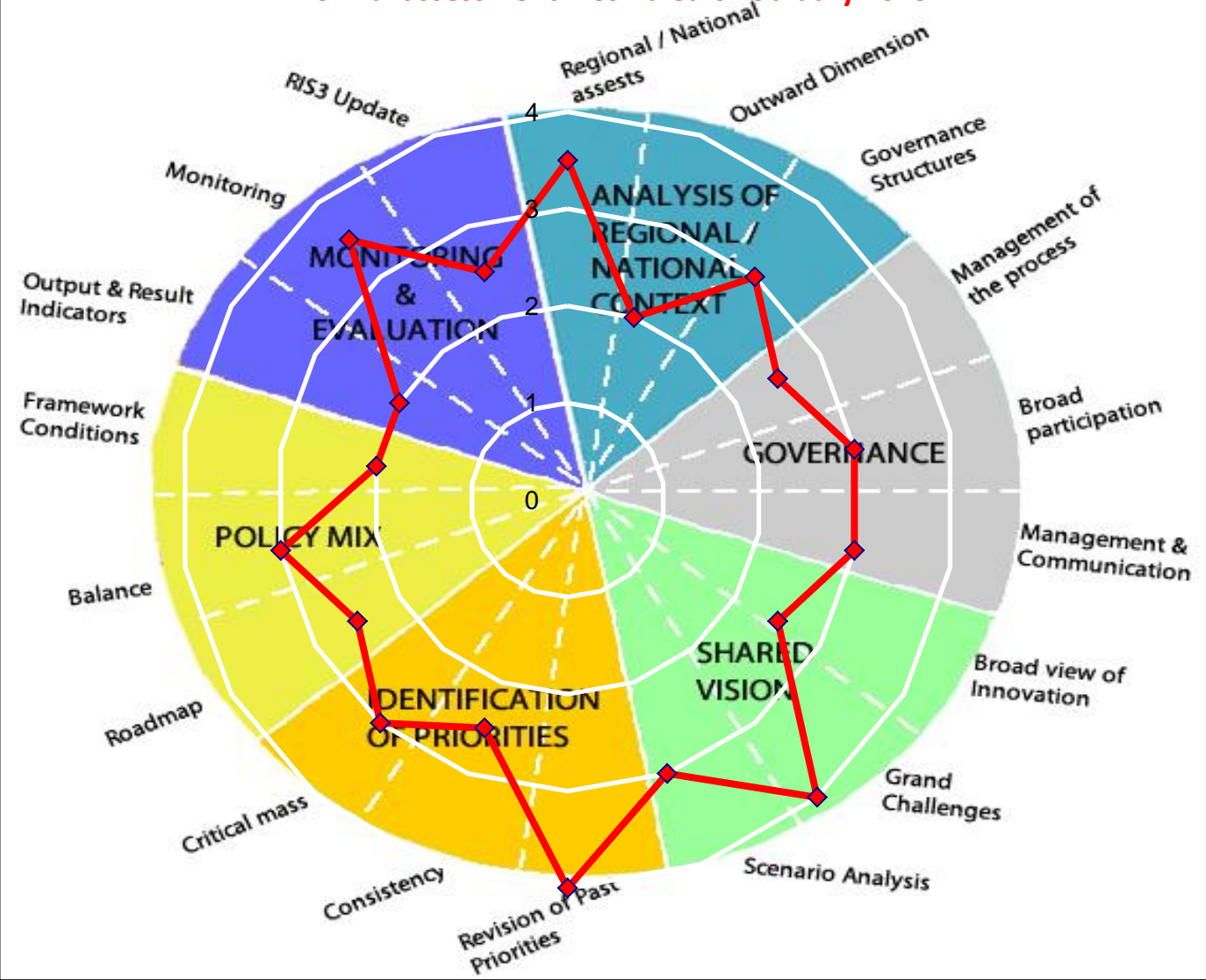


Self - Assessment



Driving economic change through smart specialization/RIS3

Informal assessment Illes Balears February 2013





Entrepreneurial dynamics



“Entrepreneurial process of discovery”:

Identification of new disruptive innovative technologies and activities experimented by tractor companies and entrepreneurs, in which the Illes Balears could become excellent and competitive in the global context in the future



Assessment of Illes Balears entrepreneurial dynamics

•How the “Entrepreneurial discovery potential” is linked to priority settings. Assessment (*in progress*) of to what extend the domains with “Entrepreneurial discovery potential” in the region are suitable to:

- The “**key enable technologies**” prioritized by the European Commission
- The niches of emergent innovative activity at international level, based on the international available information about **patents**
- The internationally best positioned territories for the enable technologies to be located
- The potential transversality of the technologies, and their flexibility to generate **hybridation** with other technologies



Entrepreneurial dynamics



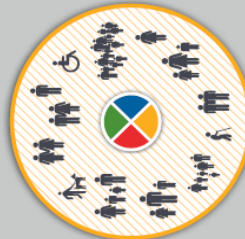
Touristic demand generated by temporary or volunteer groups

COMMUNITIES



FAMILIES

Family
Touristic
supply



ACTIVES

Tangible and intangible resources that could be put in touristic value

ACTORS

Key components or generators for the existing touristic products

TOURISTIC PRODUCTS

Demand or acceptance from the touristic market

MARKETS

Sources of displacement:

- Individual
- Families
- Companies
- Communities

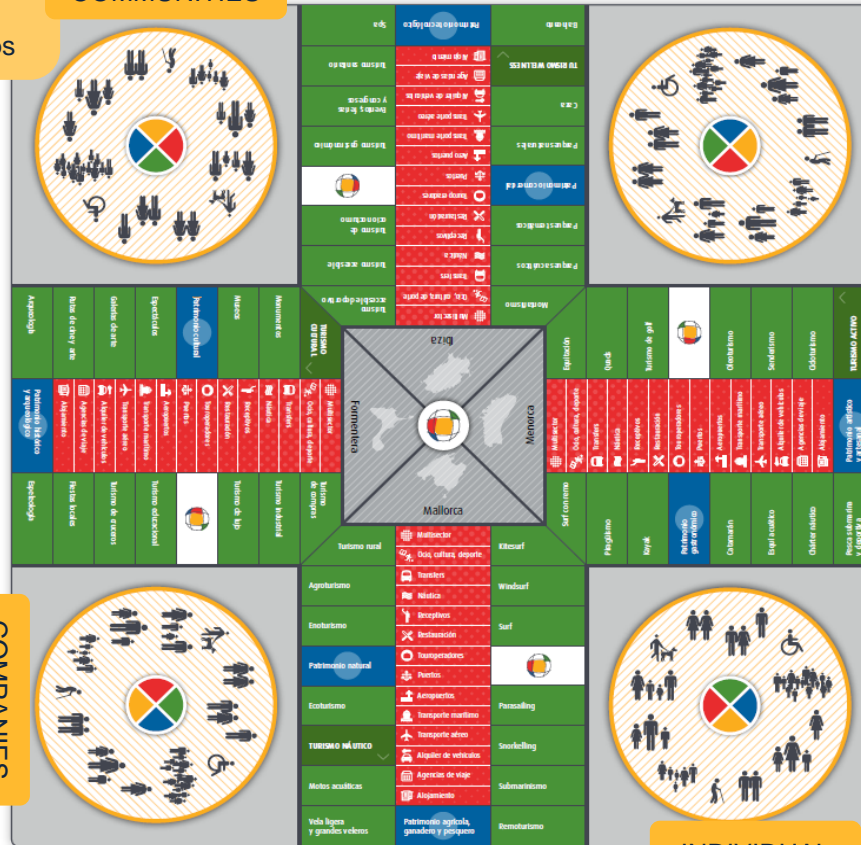
Touristic supply generated by structured entities

COMPANIES



INDIVIDUAL

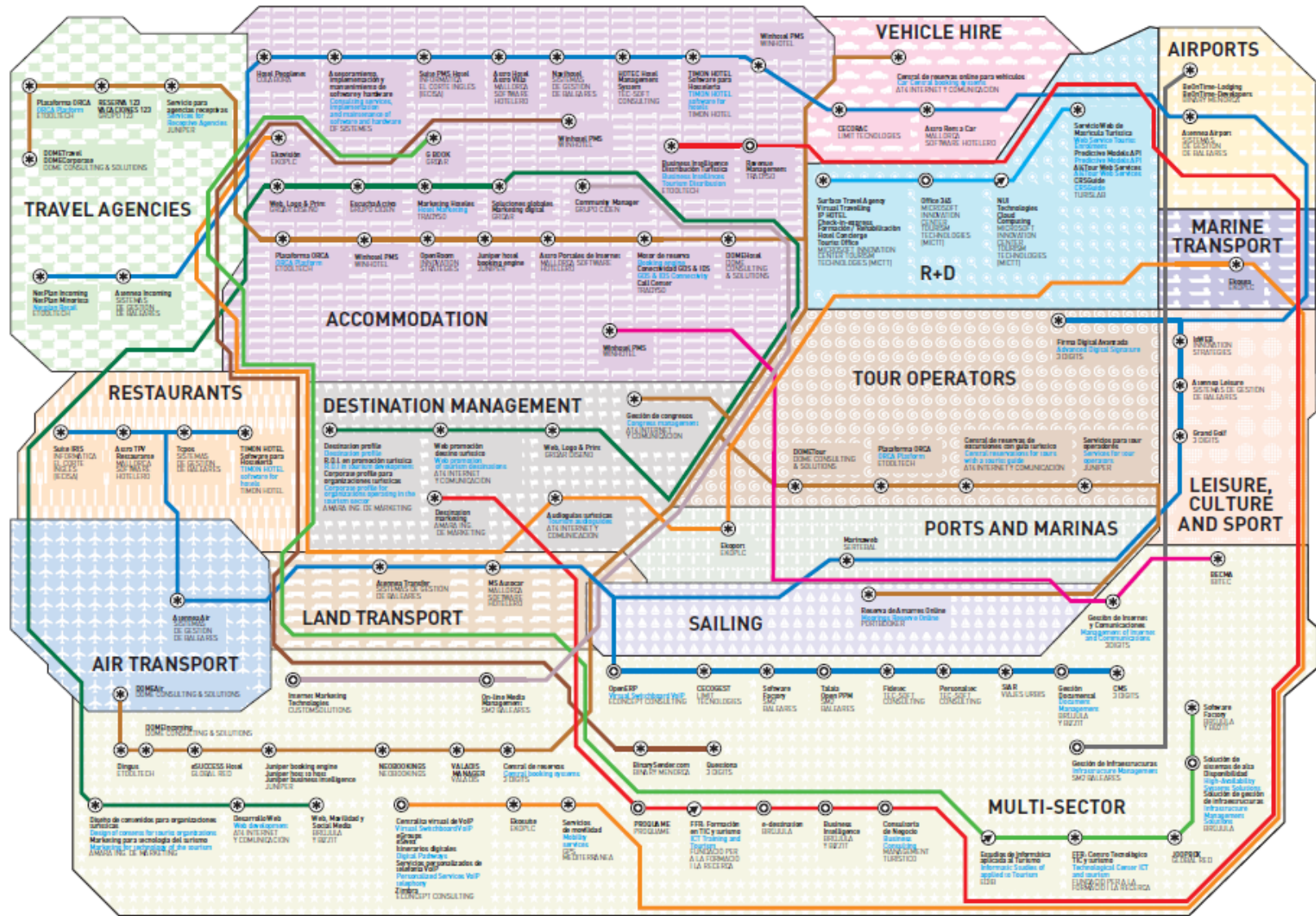
Individual
Touristic
supply





Govern de les Illes Balears

Entrepreneurial dynamics

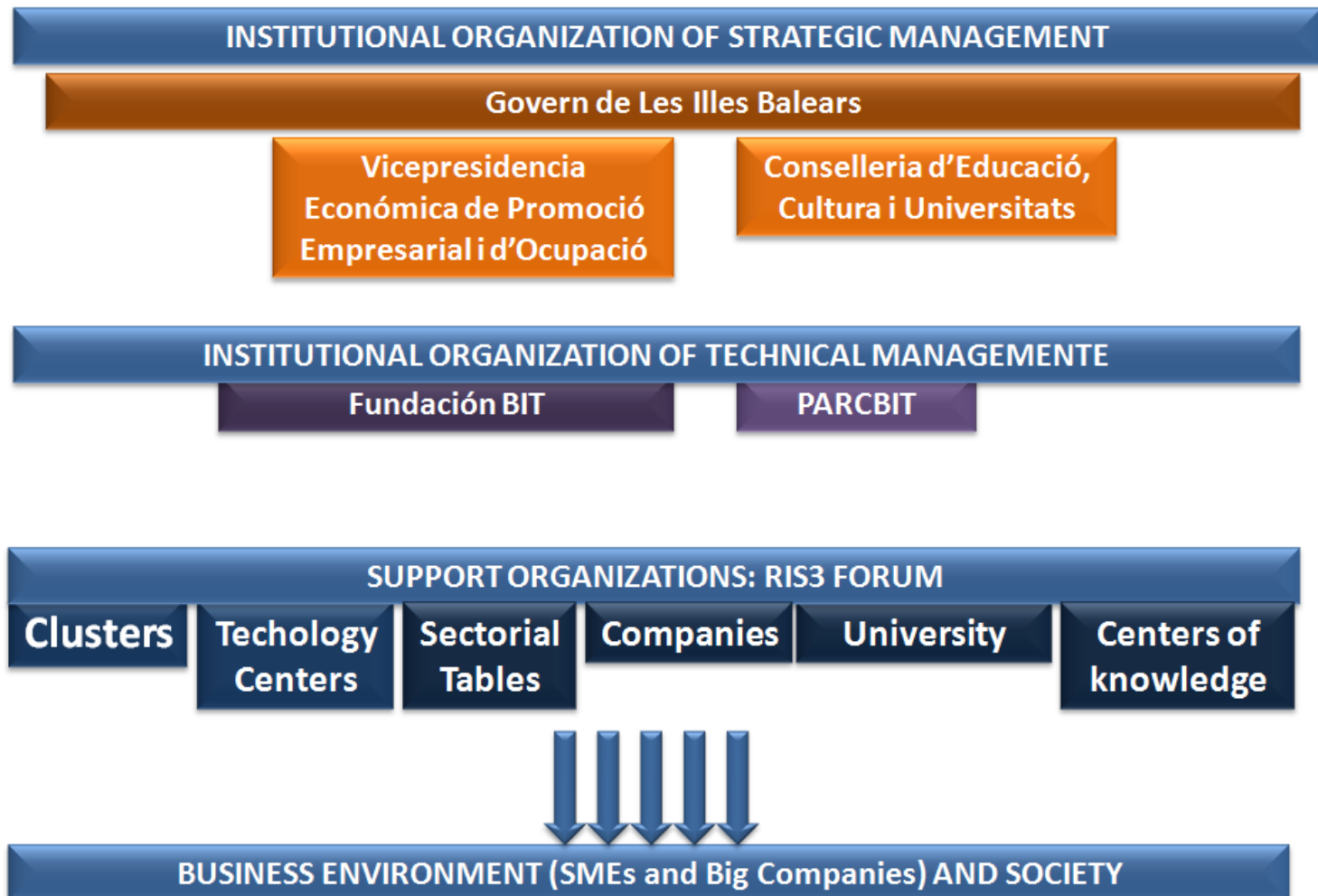


Source: Map of technological solutions. TURISTEC.



Governance

Existing governance mechanisms to facilitate an entrepreneurial process. How are RIS3 priorities identified and decisions taken





Next Steps



What has been done

- Analysis of the regional context and potential for innovation
- Governance: ensuring participation and ownership
- Elaboration of an overall vision for the future of the region
- Identification of priorities

What is going to be done

- Governance: Reinforcing participation and ownership actions
- Definition of coherent policy mix, roadmaps and action plan
- Integration of monitoring and evaluation mechanisms

Issues of interest to discuss

- Methodologies to identify the “excellent technology domains” and the “key enabling technologies”.
- Methodologies to prioritize the potential domains of excellence for the region, in which the RIS3 will have to be focused
- Methodologies of evaluation of the RIS3, in coherence with the regional ERDF Operational Programmes
- How to take advantage of the RIS3 to make tourism an added-value and knowledge-intensive activity in order to achieve wealth and employment and to become a high innovative and advance profile region.
- How the RIS3 can transform progressively the patron of specialization through the appearance of different but related activities that contribute to reduce the gap