

“[E]very journey is played out between standstill and flight.”

Claudio Magris,
Danube: A sentimental Journey from the Source to the Black Sea



Austrian Federal Ministry of Science and Research

Towards a new place-based approach & a smartly specialised, innovative **Danube Region**

Armin Mahr, Budapest, June 2013

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Useful documents

The European Commission's **S3 platform** at the Joint Research Centre, Sevilla, Spain:

<http://s3platform.jrc.ec.europa.eu>



Download your **RIS3 KEY** from the Austrian ERA portal:

www.era.gv.at

and get started with Smart Specialisation.



Coming soon...

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Smart specialisation & the Danube Region

In my view ...

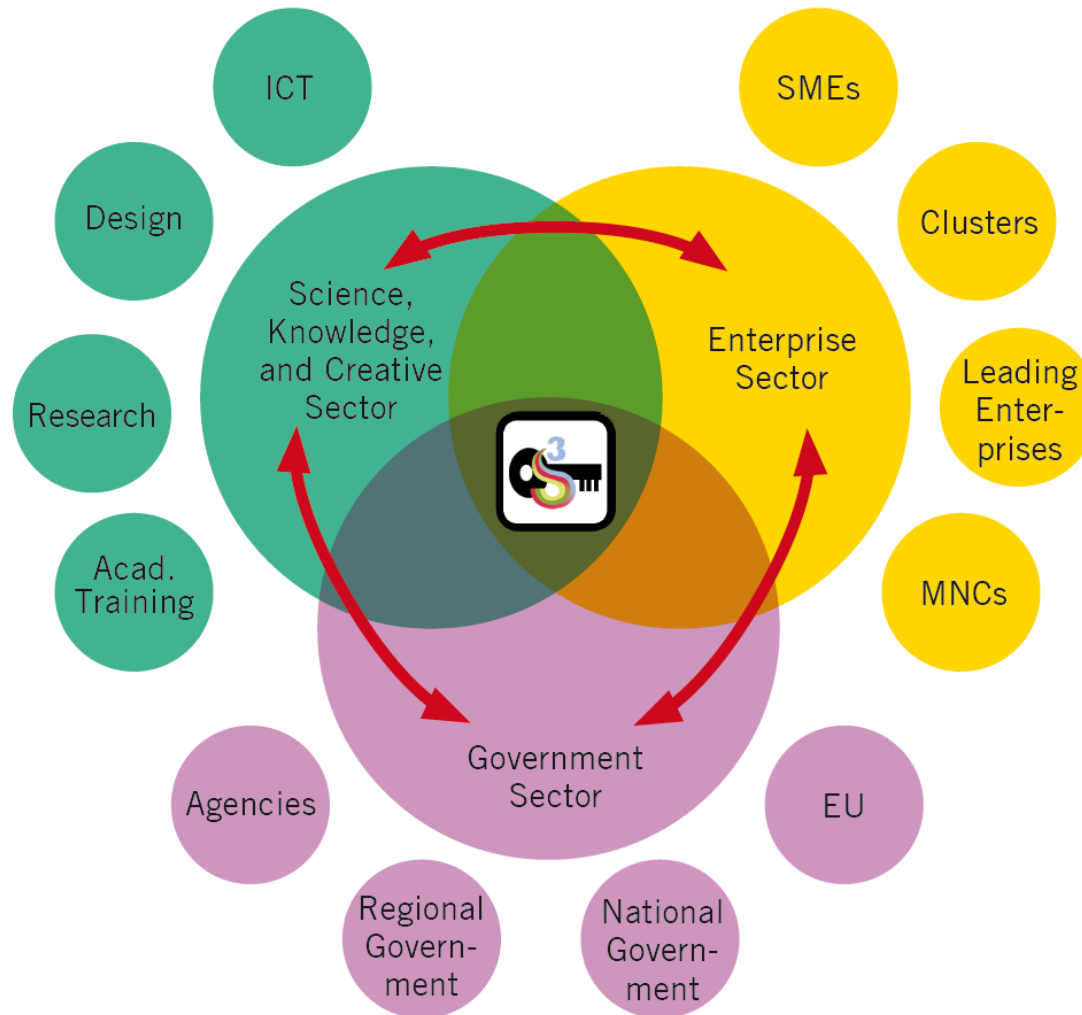
Smart specialisation is a predominantly political concept, offering a timely policy frame to mobilise regions and places towards knowledge- and innovation-driven structural change.

- ▶ EU concept with Danubian dimension and international recognition
- ▶ Concept needs due time for absorption, particularly in a Danubian and neighbourhood context.

Renaissance of place-based policy

- ▶ Prioritisation of public investments in R&D and innovation is more intense at regional than at national level (OECD 2013).
- ▶ National or regional RIS3? The focus should always be place-driven, holistic, and creating synergies between policies.
- ▶ Beyond traditional market failure arguments, highlighting role of 1) regional governments, 2) knowledge-based institutions and 3) entrepreneurs in shaping specialisation and competitiveness in a **holistic, place-based approach**.
- ▶ Horizontal aspect: Creating synergies with other policy areas is key (eg New Industrial Policy agenda).
- ▶ Vertical involvement of all levels of government
- ▶ Governance spillover: Compulsory involvement of stakeholders /experts / entrepreneurs
- ▶ Challenges are global. Still: Proximity counts worldwide
- ▶ Politics in search of new logics for policy interventions (multi-level governance, a globalised environment still needs places and spaces of reference)

The RIS3 KEY Triple-Helix Model of Smart Specialisation



What is in for politics? What is in for you? (1)

- ▶ As a policy-driven concept, policy-makers should see smart specialisation as a communication instrument with stakeholders of a process for structural change. The mobilising and empowering elements are key.
- ▶ Regions cannot be frontrunners in every industry/STI field: evidence-base and originality count / limited resources need to find the right investment place: more effective allocation of resources, reduction of fragmentation/duplication
- ▶ Smart specialisation is a policy process where tough choices become more transparent: Choices are risky but: joint *policy* risk-sharing
- ▶ Creation of synergies between public support mechanisms for R&D and innovation, industrial promotion and human capital and training in order to leverage private investments, boosting business opportunities and attracting foreign investment: joint *financial* risk-sharing

What is in for politics? What is in for you? (2)

- ▶ Smart specialisation is not about any specialisation in a set of industries or STI fields, it considers where existing strengths in one sector suggest potential in the other: industry and academia need to become empowered policy entrepreneurs
- ▶ Smart specialisation is not about innovations everywhere or lottery bets; no golden way. Innovation is multi-dimensional, for every place there are several games: an educated guess is based on a history, monitoring and evaluation
- ▶ Smart Specialisations are not made for eternity: It is part of the strategy process to assess whether at any time my system is able to generate, discover, detect and realise opportunities in a global value-chain context. Are politics/industry/academia fit to specialise? Is it the right time for that specialisation? Time matters.

RIS3 opportunities for place-based interventions (entrepreneurial discovery / open governance)

- ▶ Green Growth: only sustainable is smart – Eco-innovation & Energy efficiency
- ▶ Digital agenda: enabling knowledge flows within and across regions – connected regions
- ▶ Clusters for regional growth: business ecologies that drive innovation
- ▶ Innovation-friendly business environments for SMEs: good jobs in internationally competitive firms
- ▶ Social innovation: new organisational forms to tackle societal challenges
- ▶ Stronger focus on financial engineering: new funding models, not only grants
- ▶ Lifelong Learning in research and innovation: support knowledge triangle (edu/research/inno) and university-enterprise cooperation
- ▶ Key Enabling Technologies: systemic potential to induce structural change
- ▶ Research infrastructure/centres of competence: support to wide diffusion of leading edge R&D results
- ▶ Creativity and cultural industries: innovation beyond technology and outside manufacturing
- ▶ Public procurement for market pull: pre-competitive PP to open new innovation friendly market niches

EUSDR: A region defined by the need for smart, sustainable and inclusive change

- ▶ Economic crisis, stagnation in innovation performance, increasing growth disparities, East-West divide in the Danube Region
- ▶ Bringing the EU 2020 strategy into all parts of the region: Investments in the knowledge triangle are key.
- ▶ Consider all three growth dimensions when investing in one! Smart growth investments need sustainability and inclusiveness
 - Investment in people and careers
 - Investment in the higher education system and business2academia colab
 - Removal of mobility obstacles
 - Investment into employment conditions
 - Cross-border funding, simple and coherent rules
 - Scientific evidence base of policy-making

EUSDR: Danubian framework for RIS3

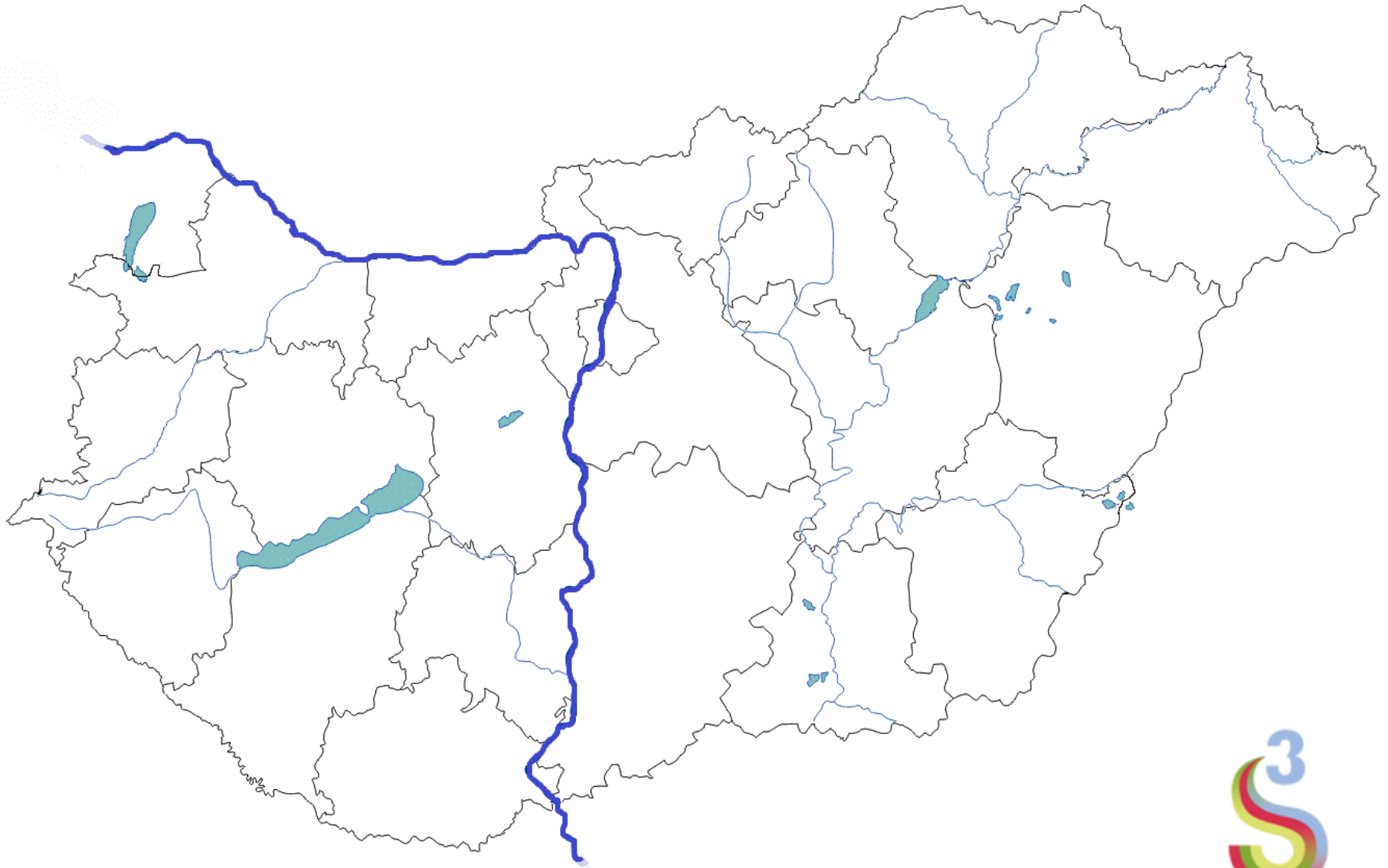
A Danubian strategic frame around regional specialisations needs to balance the regions' scores along all three growth dimensions:

- ▶ Smart growth
- ▶ Sustainable growth
- ▶ Inclusive growth

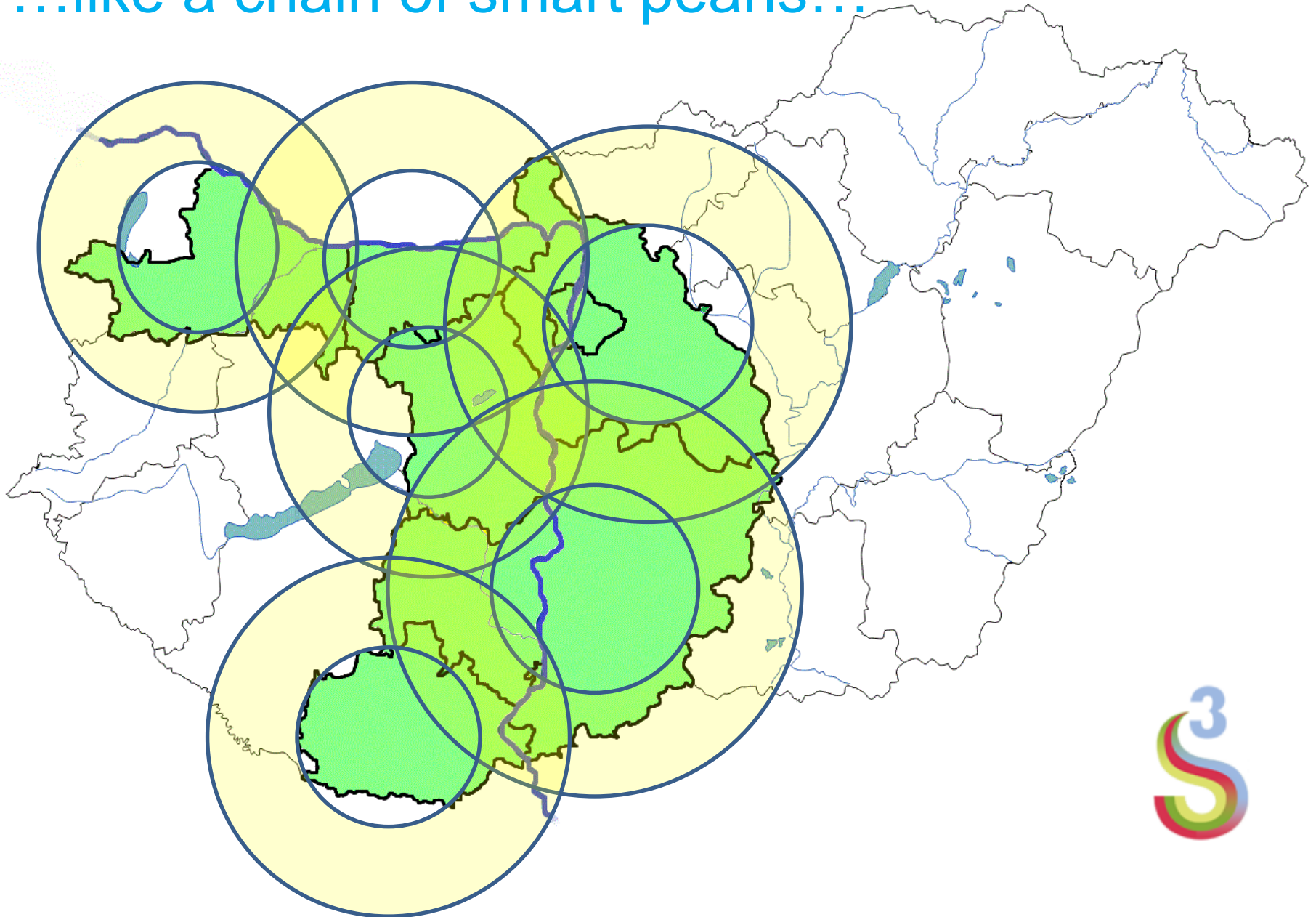
EUSDR: First steps underway

- ▶ Priority Area 7 focus on Danube Region Research and Innovation Fund DRRIF
- ▶ Connecting activities with EU instruments (Danube INCO-Net etc)
- ▶ EU Structural and Investment Funds: programme region of the European Territorial Cooperation
- ▶ DREAM (Danube River Research And Management) as model flagship project
- ▶ JRC initiative: scientific support to EUSDR and for Danubian RIS3 spill-overs

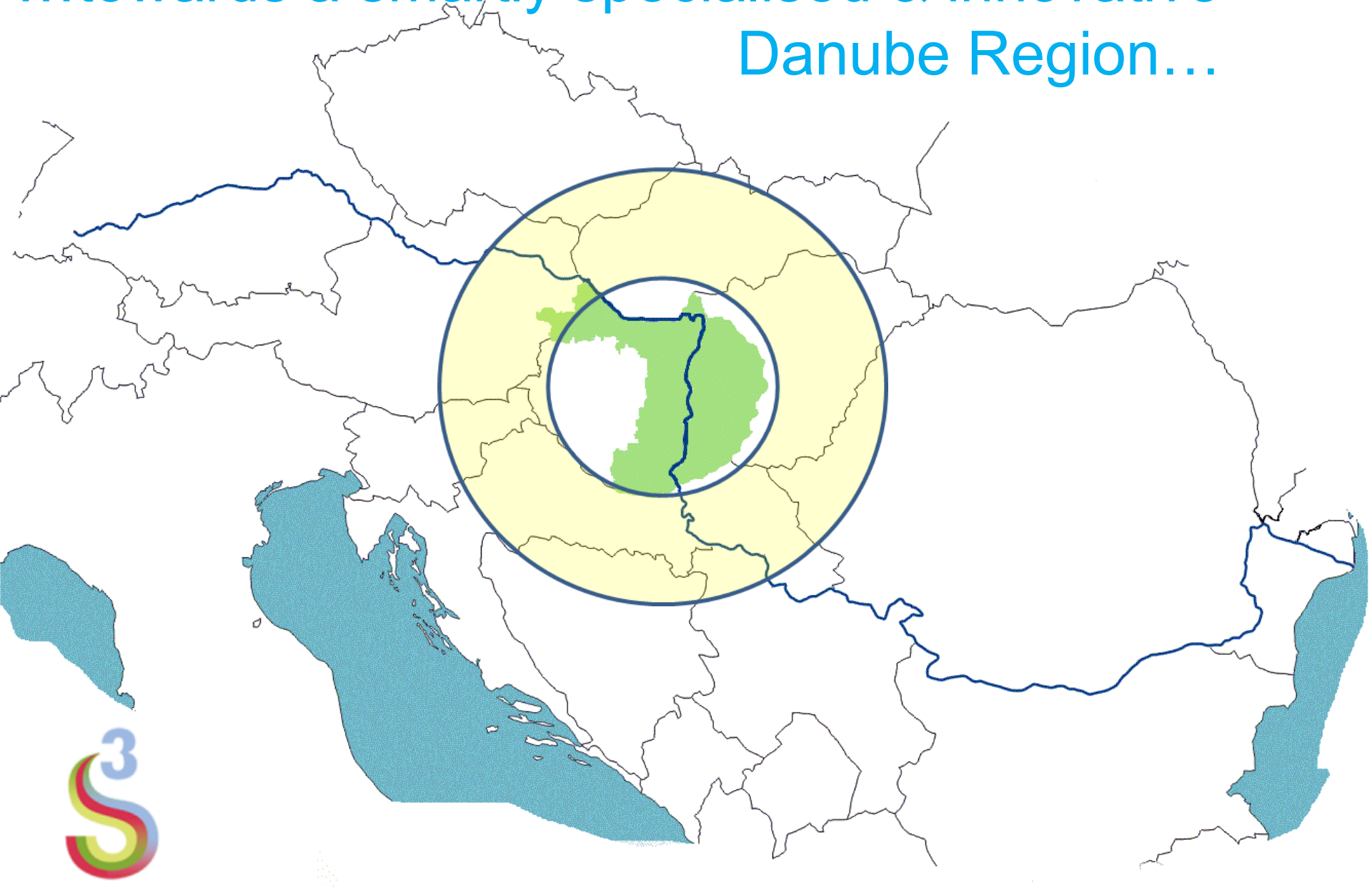
A river, connecting regions...



...like a chain of smart pearls...



...towards a smartly specialised & innovative
Danube Region...





Austrian Federal Ministry of Science and Research

Köszönöm szépen.
Thank you for your interest.

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