

# CENTRE Region - France Towards a RIS3 strategy



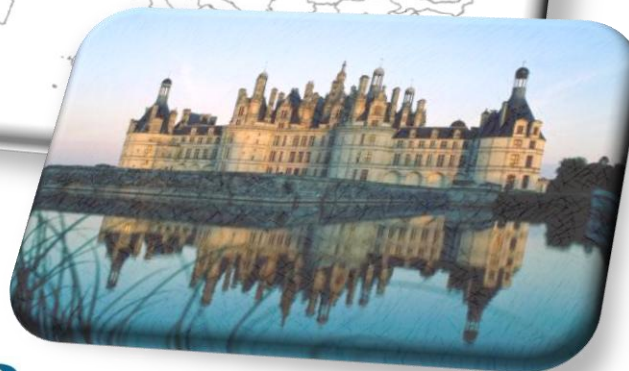
**Pisa, September, 28, 2012**

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*Also known as  
“Region of the Loire  
valley Castles”*



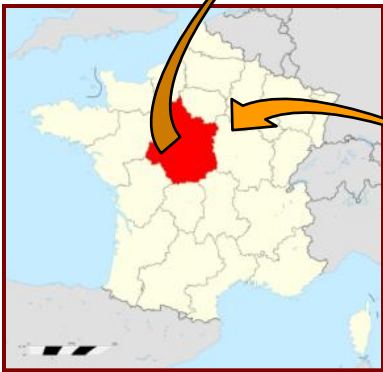
Stratégie Régionale de l'Innovation



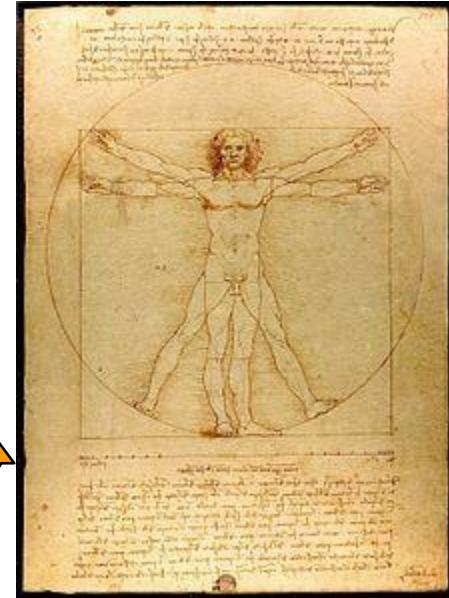
# As we are in Tuscany

Let me say that, in region Centre, we have really loved our guest region for a long, long time.....

Do you know this one ?



One more clue ?



Where else could you  
we be more inspired  
about innovation ?



**Of course !**  
Vinci (Toscana) : 1452  
Amboise : 1519

# Introduction



- Regional profile :
  - 2.53 Millions of inhabitants, with a low density
  - A population growing slightly, and becoming more ageing
  - GDP : €65.2 billion, with a growth rate of +0.4%
  - Economy driven by agriculture and industry
    - 1st French and European cereal region
    - 2nd for cosmetics/pharma and rubber's production;
    - 3rd for graphic arts, computer & electronics, and mechanic;
    - plus automotive industry and weapons & defense equipment;
  - RIS ranking: 85th European region (8th out of 26 French regions)
  - 4th French rank in R&D private expenditures (smes);
  - 56 000 students



# Our expectations from the Peer-Review Workshop



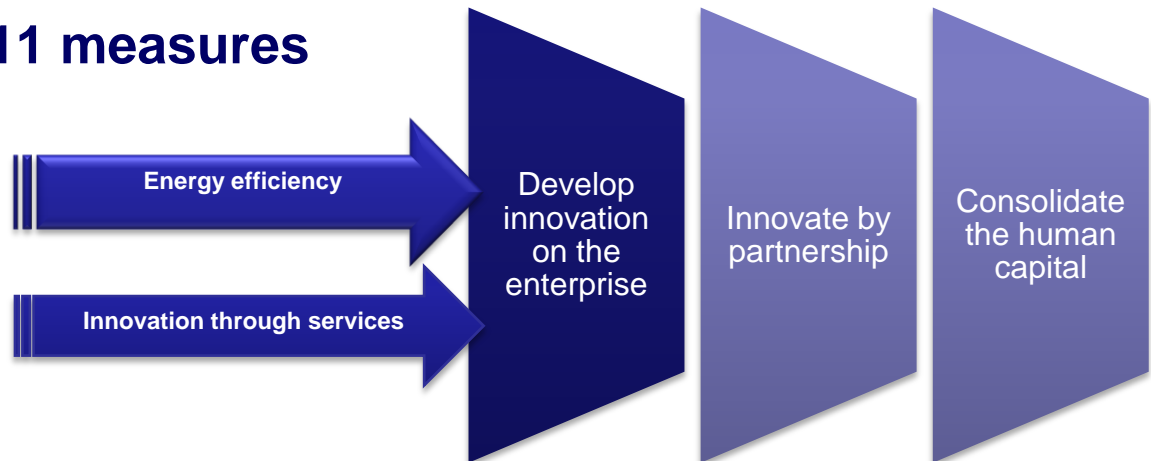
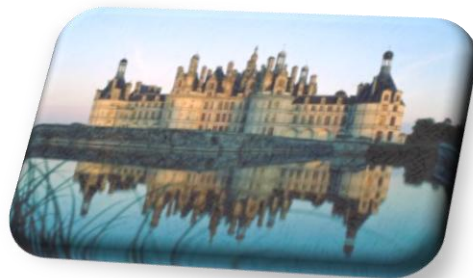
- As region Centre-France has been selected as one of the test region by EC, we would like to learn from our counterparts what is their opinion about our process to select specialization areas
- As nobody knows where and who Region Centre is, we need help to build up cooperation and find partners
- How can we stimulate Universities and public research to contribute *more* to regional growth ?
- How can we facilitate acceptance from regional actors because all of them think they are essential ?

# Our region works on RIS



- Since mid-2009 (and after a 2 year process), our Regional Innovation Strategy is implemented with three themes .....
  - promoting innovation by encouraging entrepreneurship;
  - developing partnerships in innovation;
  - reinforcing the human capital and the qualification of the workforce.
- ... and two main cross-sectoral areas :
  - Power-efficiency
  - Innovation by service systems

## ➤ Implementation plan : 11 measures

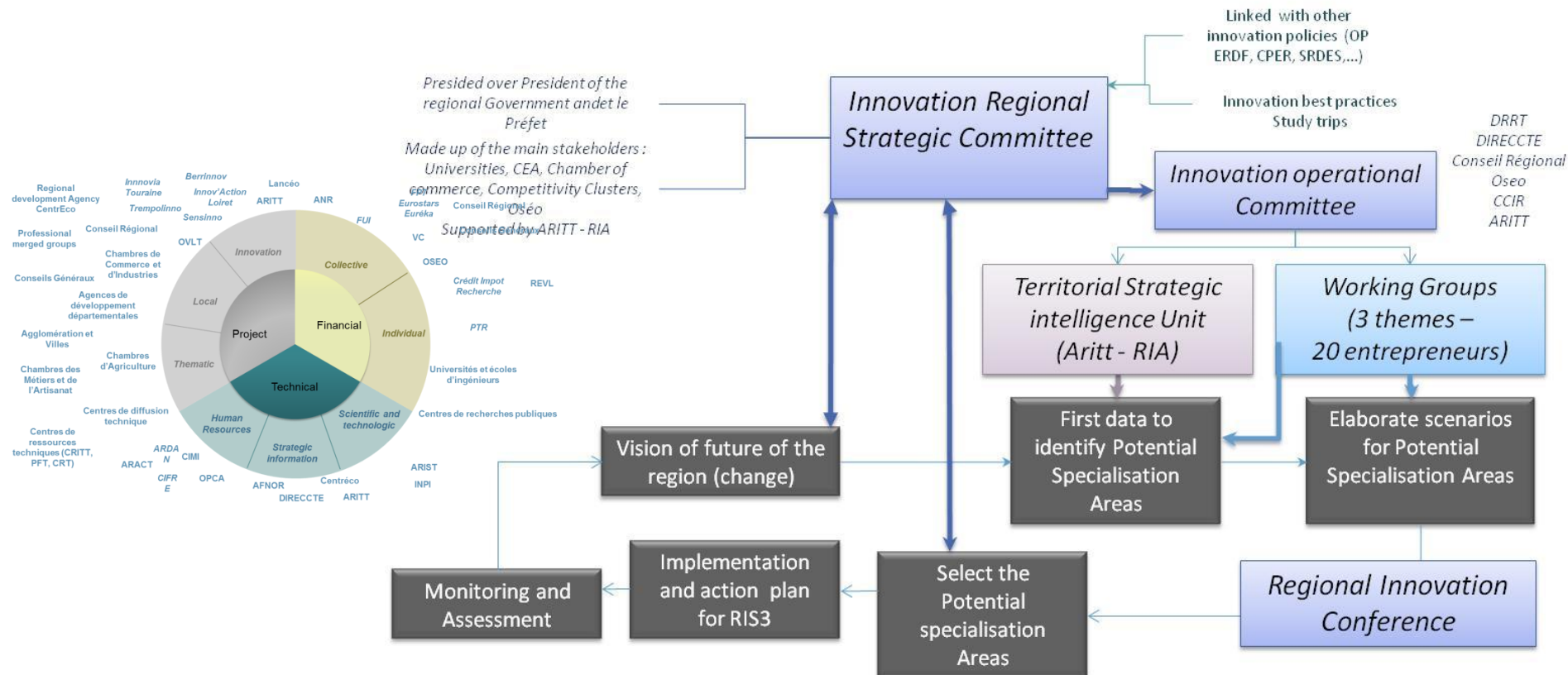




# From RIS to RIS3 process



**Regional governance structure includes since the beginning of the process public stakeholders, universities, companies and civic society in order to “promote growth and jobs through our assets, especially in power efficiency and innovation by service systems”**



# From RIS to RIS3 process



**Beyond the governance, we use the RIS results on 3 aspects :**

- Innovation comes from enterprises and entrepreneurs, first !
- It is essential to strengthen more and more the regional innovation ecosystem. It was the main goal of the 2009 RIS
- We selected two cross-sectoral areas (energy efficiency and innovation through services) and they are going to be used as “first stones” to select

We need to pay attention to the process in order to avoid the **lobbying** of some actors and focus on an evidence based process.

Perpetuate an **intense dialog** to explain the criteria which will be used to grade the priorities

Institutional validation not only at the end of the process. Legitimacy is a key element for acceptance

# Place-based dimension of the RIS3



## - Main competitive advantages

- 2 universities and many public research centers (french dual system)
- Real strong cooperation between french State administration & regional Government
- Good ranking in private R&D especially in smes (4 out of 22 in France)
- More industry than in the rest of France... *Tradition to apply KET to mention*
- Very close to the Capital region (Paris),
- 13 clusters sustaining cooperation process among companies

## - Key challenges

- Diversified economy without strong leaderships ... so no specialisation in high tech fields (*Ex : pharma – HQ out from region ; lots of sub contractors*)
- Cooperation between public research centres and companies is still weak
- Many subcontractors in regional industry essentially in med-tech or low-tech
- Maybe too many clusters...

## - Main opportunities for future regional development

Great potential to innovate in tourism and agriculture (linked with ICT, water management, Heritage, agro industry...)

Willingness to support projects related to innovation

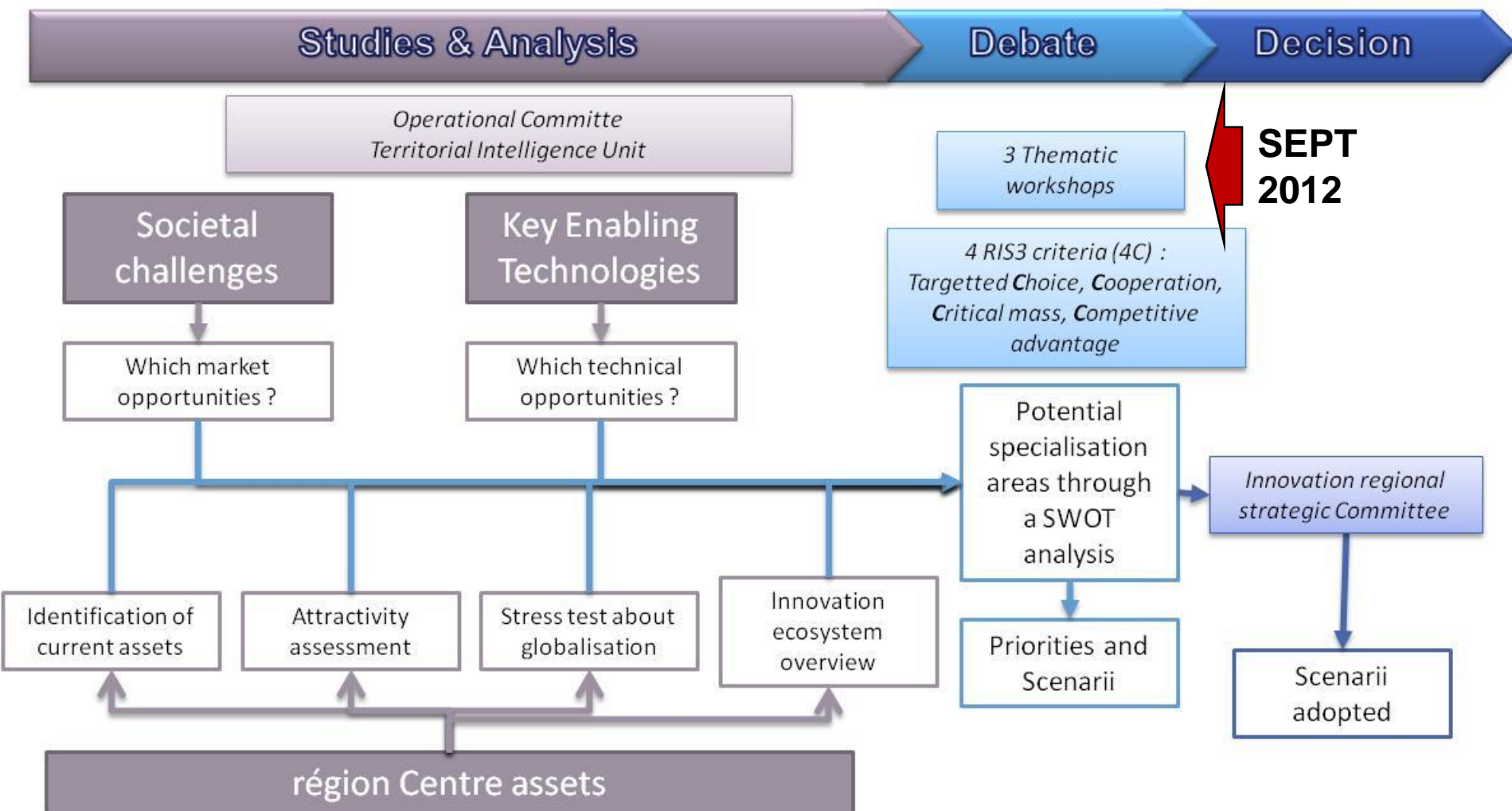


# Place-based dimension of the RIS3



- After a 2 years process, including the whole stakeholder through surveys, workshops, conferences, study trips, we defined our RIS. Now, we need to **move to RIS3** selecting the areas of specialisation because the first cross-sectoral activities were too wide. (see next slide)
- How can your region use innovation to address the challenges?
  - Innovation is understood in a wide sense and defined as the first priority for economic development.
  - An example : Innovation through services: at the heart of the challenges and strategies of the Centre region
    - The objective is to enable industrial companies to move upmarket, grow and diversify, by assisting them with their strategy and service innovation process.
    - Our ambition is based on the desire to industrialize initiatives relating to innovation through services undertaken by industrial companies in the Region, with the support of all local stakeholders, in particular Nekoé (the first cluster in Europe dedicated to innovation through services).
    - Examples with subcontractor smes or cosmetic industry

# Place-based dimension of the RIS3 : E.D.P.



# Looking beyond our Region's boundaries



- Does your RIS3 take into account the external context, national/international? How?
  - A major problem for region Centre due to her lack of identity. Furthermore, few companies know where to find the relevant cooperation
  - Have you assessed the positioning of your region's economic and innovation system within the EU?
  - Based on Regional innovation scoreboard, and RIS manual design by the French state government in 2007, we have compared region Centre profile with other region.
  - External knowledge is considered as essential to have an efficient management of our priorities. We can't afford to reinvest in all fields and recreate the whole value chain on our territory

# Looking beyond our Region's boundaries



- Have you assessed your region's strategy vis-à-vis other regions ?
  - The RIA as an internal competitive intelligence department working for State administration and regional government, both. The RIA has shown to the regional innovation Committee a short list (5) of regional innovation systems which had been studied (in France and abroad)
  - One region (Vlaanderen !) has been selected for 2 study trips with the main stakeholders (including the President of the regional Council) in order them to have the same level of knowledge
  - Statistical comparisons have been made based on data provided by the French government + 1<sup>st</sup> region to be involved in the working group "Innovation" managed by DATAR (French governmental organization)
  - The regional strategy of innovation of Centre Region has been assessed by an expert designed by European Commission in April 2012.
- We have to take this into account to make smart choices of our specialisation areas
- But what does "assessment" mean, really ? Data are not the only way
- How could we see the truth between marketing and reality of a regional economy ?

# Entrepreneurial dynamics



- Assessing entrepreneurial dynamics in your Region:
  - ‘*entrepreneurial process of discovery*’ ? **Entrepreneurs only know where to invest.** It is a matter of instinct
  - All the regional committee’s members suggested names (not only from well known companies but people themselves ?  
Three workshops have been made : power efficiency ; service systems ; “what else ?” in order to focus and propose where the specialisation potential areas might be.
  - We had to show them and tell them **again and again** that there is no easy way out and no alternative. We have started to talk about smart specialisation on November 2010
  - We need to focus on results and have to take into account reality of available budget
- These messages were told by the highest authorities in the region and repeated by the whole economic development public managers



# Entrepreneurial dynamics

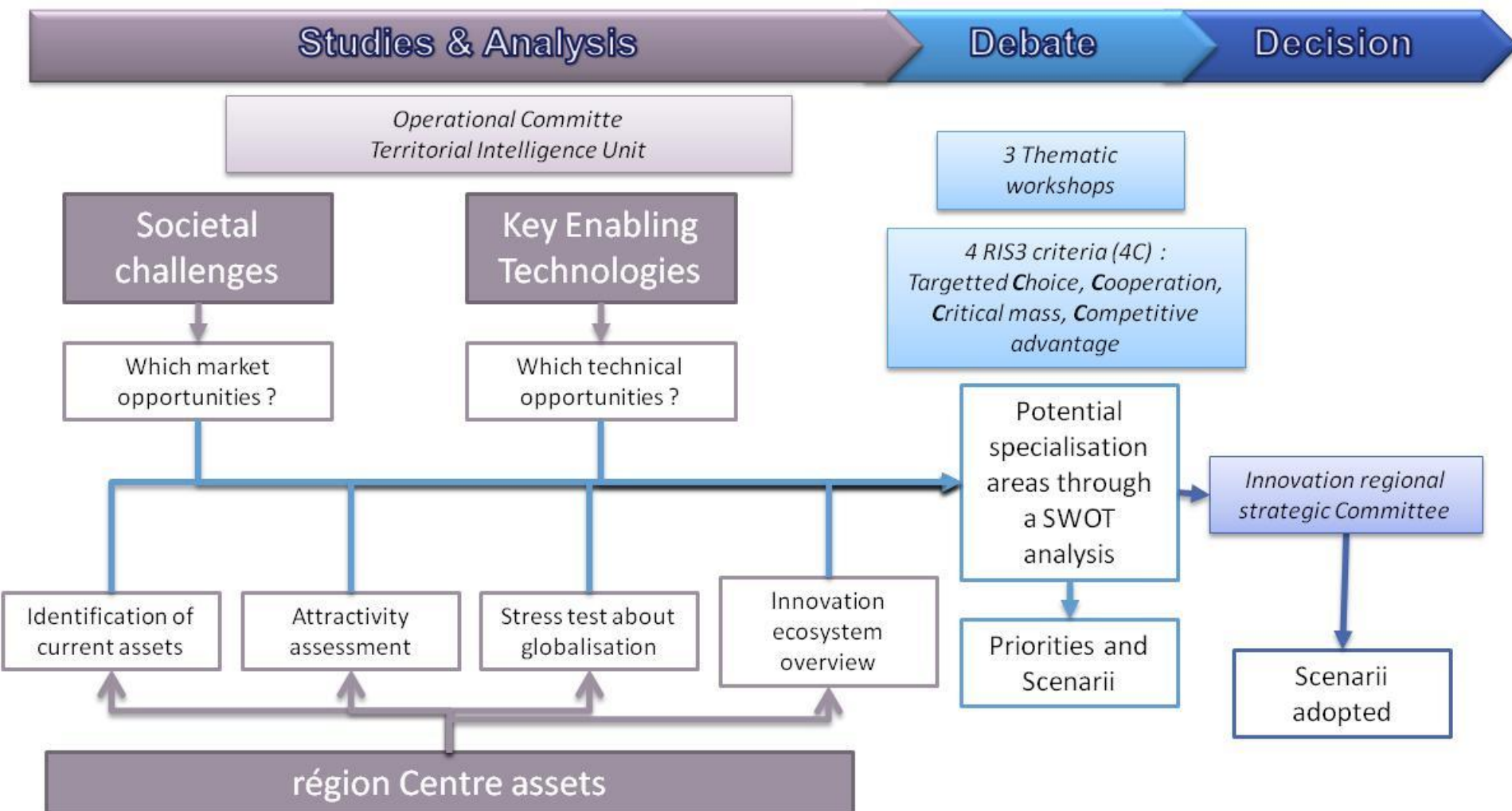


- Involvement of entrepreneurial actors in your Region:
  - The business community is totally involved in RIS3 process, since the beginning and with a constant dialogue. But organizations like clusters are often scared for their life.
  - Most of research and academic institutes have a strong dilemma : how to be a part of the strategy without taking engagement on results ?
- What are the most relevant bottlenecks to participation and collaboration?
  - “I won’t get ERDF anymore and I’m going to die”
  - “Why my project is not a priority ?”
  - Lobbying again and again
  - “I don’t care about public strategy”
  - What if .... If market fails ??
  - “I’am not a top leader region so S3 is not for me”

# Governance

- State administration and regional government are really working together supported by the regional innovation Agency who is their common daughter.
- As we started early (5 years ago), we have built a real consensus
- They are aware that they will have to make choices and sometimes hard choices
- Even if specialisation areas are going to be suggested by the business community, the final choice is theirs
- Decision will be based on potential results for the region to provide growth and jobs... But still need some flexibility. It will lie on Innovation ecosystem professionalization (who was the main part of our first RIS)

# Priorities : our roadmap



# Priorities



- RIS3 priorities are going to be based on thematic workshops results (20 entrepreneurs selected in each workshop). Regional Innovation Conference audience is fully informed and listened.
- Governance is going to validate ultimate choices because it is a public policy.
- criteria : “4C” and focus on impact for the region and ecosystem acceptance
- SWOT at all stages
- The third workshop is to investigate other potential specialisation area(s) and flexibility mechanisms lay in ecosystem support and ongoing assessment to be able to reallocate investments.

# Implementation and Budget



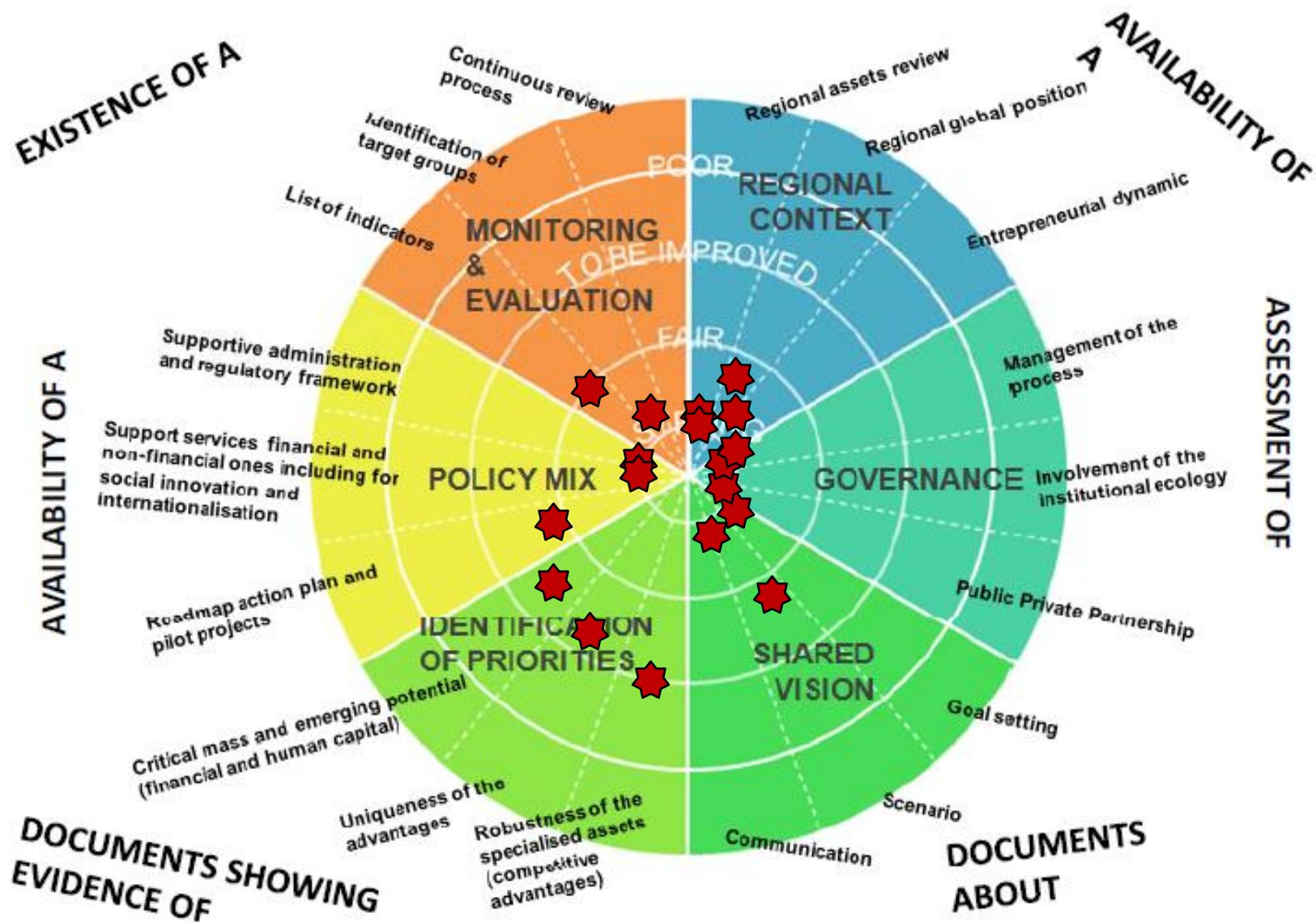
- Concrete action plans and roadmaps had been designed for our first RIS with a limited number of actions (11) – We will follow the same way for each selected potential specialisation areas and for efficiency of non financial supports services
- Strong coordination between ERDF, CPER (State & regional Government Plan Agreement), to allow budgets for 2014-2020. Policy Mix fully integrated and reinforced by the close governance.
- Our RIS3 is supposed to stimulate private R&D+I investments, first (note that private RDI is an assets of the region Centre)



# Measuring the progress



- RIA is in charge to follow the indicators of the actions plans
- Outcome indicators : number of companies involved ; business impacts ; jobs created,...
- Evaluation each year to adapt the RIS3 – validation by Innovation Regional Strategic Committee and Regional Innovation Conference



# Summary and next steps

- Even if experts could argue about the results of our self assessment, the profile will be the same !
- We have to finalise the process (mid-november) to identify the potential specialisation areas among our cross-sectoral activities.
  - RIS3 challenges : academic research lobbying & the “clusters”
- We need a real support to identify and settle cooperation beyond our frontiers.
- Total awareness due to long term process to explain how S3 is essential.



Thanks for listening  
Thanks to the S3 Team for her support  
Grazzie mille a la regione Toscana

More about region Centre-France's RIS3 on  
[www.arittcentre.fr/sri](http://www.arittcentre.fr/sri)

