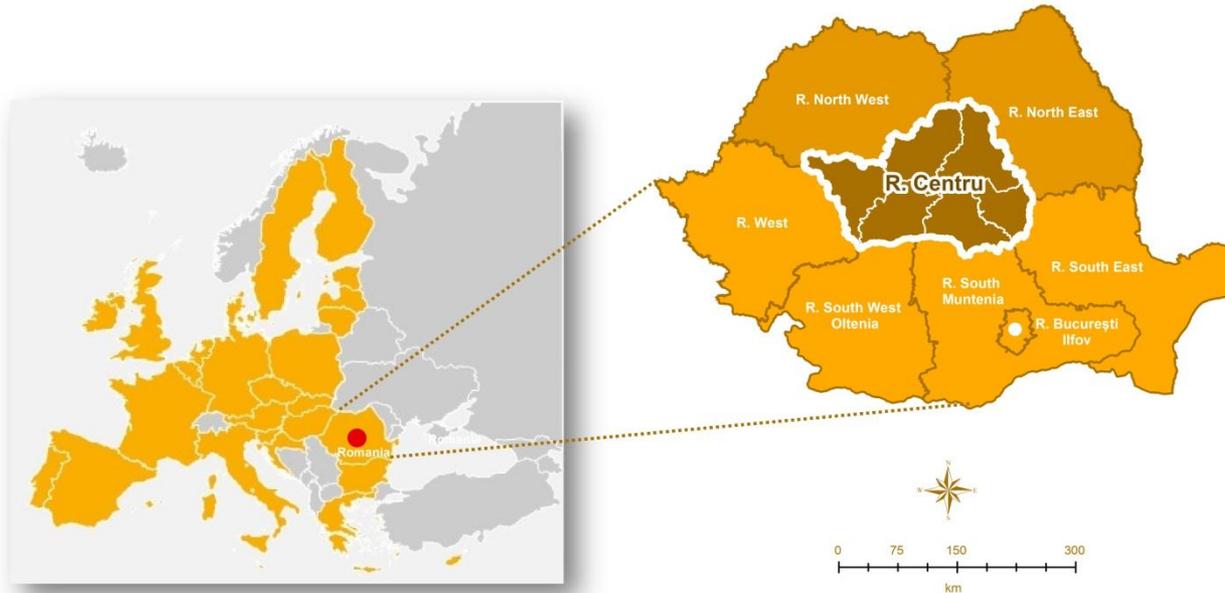


Centru Region:

Governance of the RIS3

from design to implementation

Location of Centru Region



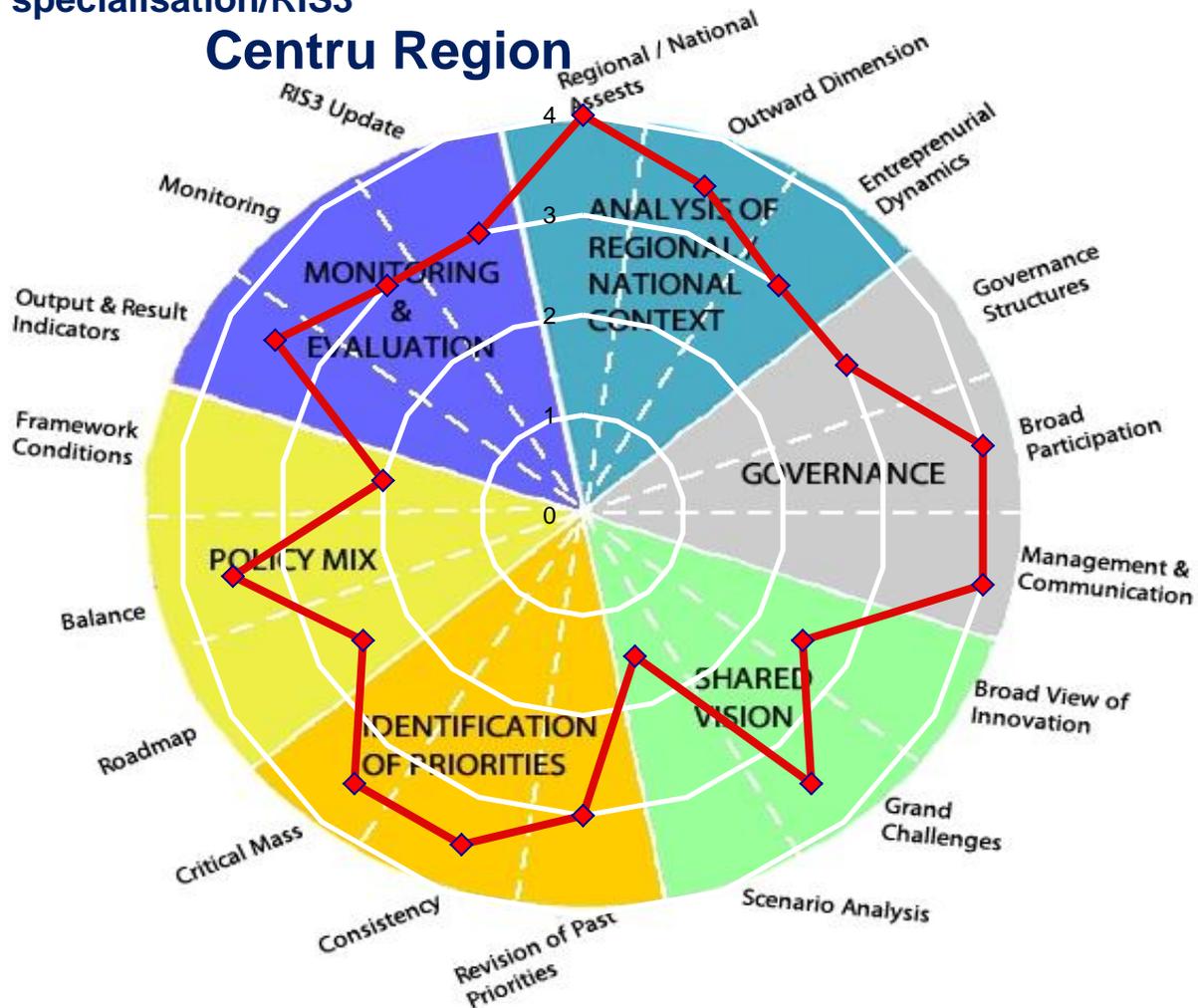
Sibiu, Romania
27-28 May 2015

Marius Duca

Self-assessment

Driving economic change through smart specialisation/RIS3

Centru Region



Status of our RIS3

Main achievements so far :

- Setting up the regional committee for RIS3
- Drafting the RIS3 comprising: 1 regional diagnosis, 1 SWOT analysis, 1 analysis of the RDI sector, 9 sectoral analyses, the strategy itself (strategic vision, strategic directions, priorities, measures), 1 monitoring mechanism (incl. a system of indicators)
- Endorsement of the Strategy by the Regional Board

Main bottlenecks:

- Delays in adopting the national strategies for RDI sector and for economic competitiveness
- Lack of powerful regional institutions

Questions we would like peers to discuss

1. How can we enhance the regional governance system of the Smart Specialisation Strategy ?
2. How can we intensify the entrepreneurial discovery process in Centru Region?
3. How can we stimulate the business actors to support the RIS3 implementation?
4. Which additional funding sources will be available during the 2014-2020 financial period?

Introduction to our region's work on ris3

- **The status of our work on RIS3**
 - Active participation at various expert panels at national level during the drafting of the National Strategy for RDI
 - Sound experience in planning exercises at regional level as coordinator body of the Regional Development Plans for the periods 2004-2006, 2007-2013 and 2014-2020
- **Regional RIS3 vs. national RIS3. How is the coordination of RIS3 between national and regional level working?**
 - We will have both national and regional RIS3, but still not in all 8 Romanian regions. The RDAs will coordinate the implementation of the RIS3 at regional level, whilst the Ministry of Education and Research will coordinate the implementation of National Strategy for RDI

Decision making mechanism

- **Coordination of the RIS3 design in our region was performed by the Centru Regional Development Agency**
- **Functional partnership and working groups**
 - Regional Committee for Planning (40 members representing public administration at various levels, universities, clusters, chambers of commerce, unions, professional associations, NGOs)
 - Thematic working groups
- **Decision-making mechanism for RIS3**
 - RDA Centru is in charge with drafting the RIS3
 - The RIS3 priorities are settled by RDA Centru together with Regional Committee for Planning based on the draft prepared by RDA Centru.
 - Finally, the Regional Board of Centru Region has to endorse the Strategy in integrum

Establishing strategic directions and priorities

- RIS3 priorities have been established as a result of our **intense consultation process** (workshops, surveys, online consultation)
- Existence of **critical mass and positive dynamics** over the past years were the main criteria for selecting the regional areas of excellence (no. of companies, no. of employees, exports, research activities, tertiary education institutions)
- In general, priorities are based on the **analysis** of the region's strengths and weaknesses

Looking at entrepreneurial dynamics

- Active participation of the business community and of research and academic institutes to the workshops and seminars dedicated to our RIS3
- **The common goals** shared by regional companies, academic institutions and public administration was the **leitmotif** in our regional meetings. As a consequence, filling the gaps between RESEARCH and ECONOMY and quadruple helix cooperation are the leading ideas we followed in our Smart Specialisation Strategy

Looking beyond your region's boundaries

- **External context and Centru RIS3 *vis-à-vis* other regions' strategies**
 - Several comparisons with other European regions have been made but further and more in depth comparative analyses are needed
 - International cooperation, including circulation of ideas and mobility of researchers, is one of our strategic directions
 - We have consulted the RIS3 of other two Romanian regions (North-East and West) and from other European regions (Centre and Burgundy -France)

How did the process work?

Working groups, desk research →, 1 regional diagnosis, 1 diagnosis of the regional RDI sector, 9 thematic analyses → list of strengths and weaknesses, 9 areas of excellence

Consultation process at regional level throughout the development of the Strategy: 3 expert panels, meetings with the relevant regional stakeholders, thematic surveys conducted, on line platform → list of objectives → strategic directions

Correlation with the priorities at national level, concordance with the EU priorities

RIS3 draft is endorsed by the Regional Committee for Planning

RIS3 is approved by the Regional Board of Centru Region

Building the evidence base for RIS3

Strengths and main competitive advantages

13 universities and other several research institutes and units

Higher contribution of high added value economic sectors to the regional GDP

Significant foreign direct investment (our region ranks 2nd after Bucharest-Ilfov Region)

Regional exports increased very fast over the last 10 years (fourfold higher)

Emerging clusters in the following fields: wood processing, biomass, mechanical&electrical engineering, food industry, IT

High touristic attractiveness, diversified and widespread tourism potential, higher touristic inflow

Significant potential for agriculture and for organic agriculture

Building the evidence base for RIS3

Weaknesses and main current challenges

Territorial constraints to the economic development imposed by mountainous relief

Increased outward migration over the past 10 years, low employment rates, significant intra-regional disparities in terms of employment

Rundown facilities for education and health in small towns and rural areas

Deep polarization of the regional economy

Poor diversity of services provided by the business support infrastructure

Weak link between Research and Economy

Unevenly spread tourism infrastructure

Numerous small unprofitable agricultural holdings, ageing agricultural workforce

Building the evidence base for RIS3

Opportunities for future regional development

Better use of renewable energy potential (biomass, micro-hydro, solar)

Steady increase of the educational level of workforce, more people employed in the high added value sectors

Better transport infrastructure (inside the region and interregional connections)

Accelerated transfer of the research outputs and commercialisation

More extended and diversified business infrastructure and specific services

More available funds for investments in the RDI sector

Higher competitiveness of the agricultural sector and development of agriculture related activities

Building the evidence base for RIS3

Threats for the region's development

Climatic changes and unsustainable use of natural resources

Outward migration, particularly in the case of young and highly qualified workforce

Poorest social groups, particularly Roma population, face social and economic challenges

Mismatch between the educational offer and the needs of labour market

More overstrained road infrastructure

Tougher international competition

Low absorption rate of the EU funds

Low competitiveness of the agricultural sector

STRATEGIC VISION

*With an innovative approach, Centru Region aims to build a regional economy based on **knowledge, environment preservation and active participation** of people by observing the principles of **cooperation and partnership** and fructifying its **best assets and specific features**.*

Building an economic culture of innovation

Providing the support for innovation and modernization of enterprises

Supporting innovative enterprises to use EU funding instruments

Supporting the research-based companies

Supporting the activities of innovative clusters and other economic cooperation organisations

Support for "smart cities" (urban transport, energy, etc.)

Regional research as support for regional businesses

Modern research infrastructure for public and private organizations

Fulfill the regional research potential by supporting the work of researchers

Sustainable partnerships between research bodies, business sector and public authorities

Development of technology transfer networks

Areas of excellence for a regional smart development

Setting up the poles of excellence and networks of excellence centers for the regional priority sectors

Supporting the innovative companies active in the regional excellence areas

Supporting the RDI in the regional areas of excellence

Enhancing the regional brands

Better professional skills for a knowledge-based economy

Modernization of education and training infrastructure in the regional excellence areas

Improving the training process in the regional excellence areas

Improving the entrepreneurial skills in regional excellence areas

Improving the ICT skills in the regional excellence areas

Interregional Cooperation at European level

Support for the innovative companies to join the European networks for economic cooperation

Active participation of the research bodies from Centru Region to international research networks

9 regional areas of excellence

- ✓ Agri-food sector
- ✓ Forestry, Wood Processing and Furniture Industry
- ✓ Automotive industry and mechatronics
- ✓ Medical & Pharmaceutical Sector
- ✓ Textile and Clothing industry
- ✓ IT and creative industries
- ✓ Renewable energy and energy efficient buildings
- ✓ Aerospace industry
- ✓ Health Tourism & Eco-tourism

Implementation and budget

- The low involvement of the private companies in the R&D+I sector is a significant weakness identified in our analyses → special emphasis was put on stimulating the private investments in the RDI sector
- The main responsibility for the implementation of the Strategy is assumed by the RDA Centru
- We intend to select and create a regional database of projects related to the RIS3 objectives and their implementation later on

Implementation and budget

- We heavily rely on the **European funding programmes** (Horizon, COSME, Erasmus, ERDF, ESF, INTERREG etc) + State contribution
- We have to integrate and exploit the **synergies** between different policies and funding sources
- The strong **commitment of relevant stakeholders and partners** in the implementation stage is a sine qua non condition for the success of our strategy → we try to involve them as much as possible

Connecting expected results to priorities (some examples)

- Building an economic culture of innovation ↔ increased number of innovative companies
- Regional research as support for regional businesses ↔ increasing investment in RDI
- Areas of excellence for a regional smart development ↔ increased competitiveness in the regional areas of excellence
- Better professional skills for a knowledge-based economy ↔ better correlation between supply and demand sides
- Interregional Cooperation at European level ↔ higher number of experts involved in international exchanges of researchers

Challenges for us

- Implementation of RIS3 in our region
 - Setting up an effective framework for RIS3 implementation
 - Better correlation with the national level
 - Improving the outward dimension
- Raising the awareness about RIS3 among key stakeholders and general public
 - Shaping a communication mechanism for RIS3
- Intensifying the participation of the regional stakeholders in the implementation stage of RIS3
 - Stronger involvement of business community

Question 1: How can we enhance the regional governance system of the Smart Specialisation Strategy?

- Given the current situation of Romania : the 8 NUTS 2 level regions are not yet administrative entities how can we create an effective mechanism of RIS3 implementation? We are considering the setting up of a Steering Committee and a Monitoring Committee for RIS3. How to make them become effective?
- How to avoid the overlapping of our activities and the national level activities?



Question 2: How can we intensify the entrepreneurial discovery process in Centru Region?



We are interested in using specific instruments for EDP and afterwards to use the results of EDP in order to boost our competitiveness.

Are there any models for EDP?



Question 3: How can we stimulate the business actors to support the RIS3 implementation?



Most SMEs in Romania are focused on short term results. Many entrepreneurs lack the innovation culture and they hardly consider investments in research projects or in risky projects. How can we change this situation?

Question 4: Which additional funding sources will be available during the 2014-2020 financial period?

There are 3 main sources of funding the projects of SMEs and research entities in Romania: the banking sector (loans), the state budget and the European Structural Funds and other European funds (non reimbursable money). Are there any other funding sources besides the 3 mentioned above sources?



Thank you for your attention !