South Moravian Region: Towards a RIS3(4) strategy

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Questions:

• Q1: How to not lose the momentum after drafting the RIS, esp. in terms of relations with the key stakeholders?
• Q2: How to design right instruments for peripheral (micro) regions which are very institutionally thin?
• Q3: What is a specialisation? Sectors? Knowledge bases? Related expertise?
• Q4: How to set up a relation with other Czech region in terms of their specialisation?
South Moravian Region - basic facts

- 1.2 million inhabitants
- GDP p.c. about 74% of EU 27 average
- 80,000+ students, 550 PhD graduates/year
- 6,000+ researches (FTE)
- 2,200 IF publications/year
- 400+ companies with in-house R&D function

**REGIONAL POWERS and FUNDS:**

- no powers over research, only implicit powers over innovation (!)
- **limited budget (10M€ p.a)**, most of interventions must be financed by Structural Funds managed on national level
Place-based dimension of the RIS – evidence...
Place-based dimension of the RIS - sources of regional competitive advantage

– Knowledge base potentially spurring unique combinations of technologies

– Relatively lower labour costs + the largest unified market

– Deep-rooted tradition of a sophisticated industrial production

– Critical mass of graduates, engineers, researchers
Place-based dimension of the RIS - key challenges

– Entrepreneurship and innovation demand (/low/ ambitions, /weak/ motivations…)

– Research (re)orientation of public research institutions

– Education system and critical mass of talent
Place-based dimension of the RIS - main opportunities

Utilize the potential of related variety (e.g. IT/electric engineering + biotech) by coping with selected global megatrends
Entrepreneurial dynamics - involvement of entrepreneurial actors

- B2S ties underdeveloped (but intense informal connections)
- Research is global vs. minimum local companies capable of shifting technology frontiers in their businesses
- Lack of mutual trust compared with traditional market economies (above average in post-communist Europe)
Entrepreneurial dynamics

– FDI driven economy,…
  …but low labour costs factor is not the only one attractor (e.g. FEI, Honeywell, ABB…)

– Relatively weak endogenous business sector, but several exceptions (e.g. mechatronics; power engineering; precise instruments; cyber security)
National coordination

- since November 2012 National S3 coordinator
- S3 regional managers are being hired
- S3 facilitator is being tendered

- an informal network of regional innovation centers/ RIS implementation bodies
Regional coordination

- Sharing experiences
- Realizing common projects
Maturing RIS strategic focus

- **2001 - 2004**: RIS1 - Business incubation
- **2005 - 2008**: RIS2 - Cluster development
- **2009 - 2013**: RIS3 - Human resources in S&T
- **2014 - 2020**: RIS4 - Building up new R&D infrastructure
Strategic framework for RIS4

MISSION

Achieve long-term development and prosperity in South Moravia through international competitiveness

VISION 2020

To develop South Moravia's innovation potential to the level of the most innovative regions in the EU (% GDP of business R&D, # ERC grants; % international students).

INNOVATIVE GOVERNANCE

• Ambition
• Discipline
• Trust

EXCELLENCE IN SCIENCE

• Leadership
• Ethics
• Openness

INNOVATIVE COMPANIES

• Entrepreneurship
• Support
• Cooperation

EDUCATION

• 

ATTRACTION/COMMUNICATION

• 

VALUES


Governance - partners

- Government
- Intermediaries
- Research Institutions
- Companies
Governance

Steering Committee

Coordinating Committee

RIS manager (JIC)

- Governance
- Education
- Research
- Innovative companies
- Attractivity / Communication
  - IT/ e-security
  - Mechanical engineering
  - Electrotechnics / scientific instruments
  - Life sciences
Methodological approach of RIS formulation

Priorities / Objectives / Actions

Company field research

R&D field research

Round tables generic/sectoral

Two year Action Plan managed by SMR
Two year Action Plan – managed by others
Two year Action Plan City of Brno

Regional Government of SMR

Assembly of the City of Brno
Measuring the progress

• Monitoring
  – Monitoring reports are regularly prepared for Steering Committee

• Evaluation system (to date)
  – **Interim evaluation** of individual measures/tools of current RIS in progress
    • realised in house by secretariat of RIS management
    • will be an input for RIS4
  – **Ex – post evaluation** of the strategy
    • will be outsourced in 2014-15 in order to measure impacts since they evident with delay
Self-assessment of RIS JMK

- Driving economic change through smart specialisation/RIS3
- Informal assessment South Moravian RIS

Source: Eurada
Next steps…

– increase engagement of „mature“ companies
– ensure alignment of RIS with universities strategies
– expand interventions out of the Brno agglomeration („low road RIS“)
– design good measures in the area of secondary education
– ensure that the relevant operational programmes on the national level will be well designed in order to have a possibility to efficiently stream sources to the region