

Wales: Towards a RIS3 strategy



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Welsh Government,
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Wales Expectations from the Peer-Review Workshop



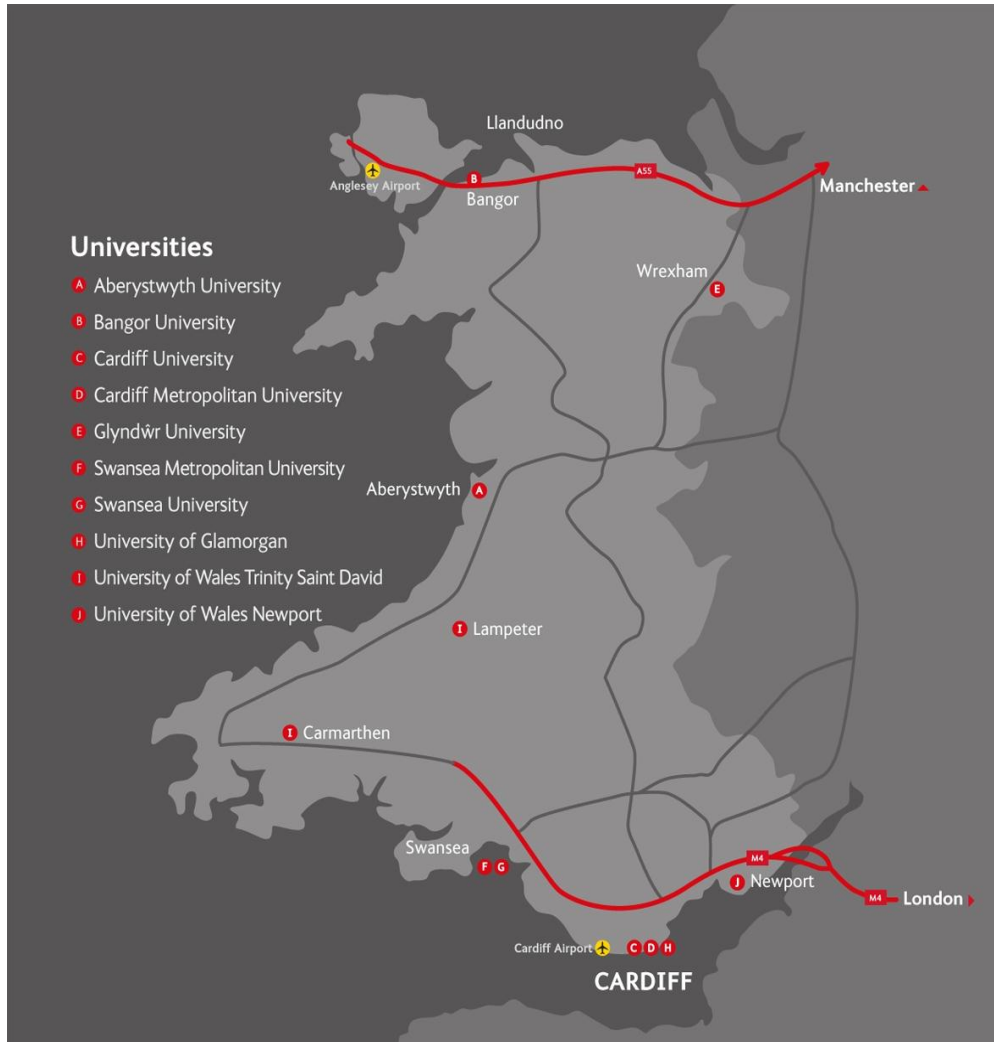
- To determine how detailed the extent of specialisation should be
- To learn which are the most effective governance and M&E models for Wales to consider
- To understand how can we better engage our business base with RD&I
- To explore possibilities to use Structural Funds to develop an innovation system

Wales - Physical



- Wales is a part of the United Kingdom and the island of Great Britain,
- Bordered by England to the east and the Atlantic Ocean and Irish Sea to the west.
- Population of just over 3 million, 5% of the UK total.
- Land area of 20,779 km² with over 1,200 km of coastline, and is largely mountainous.

Wales - Physical



- Two 'regions' East Wales and West Wales and the Valleys
- Three major cities Cardiff, Swansea, Newport
- 10 Universities
- Main economic centres in east
- Mid Wales predominantly rural.

Wales: Key Facts



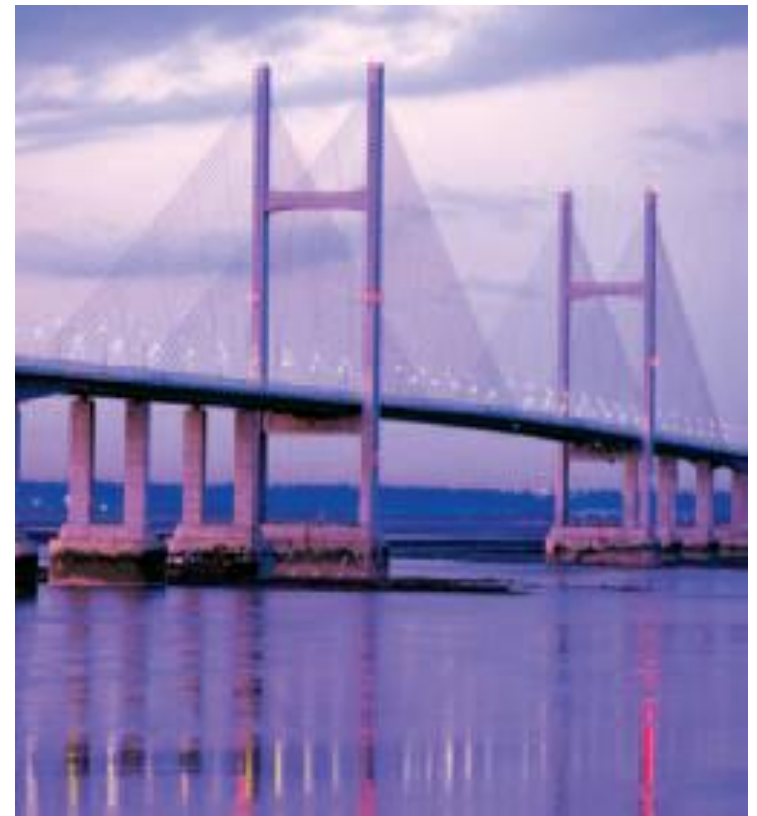
- Economy changing from heavy industrial to service led
- GVA per head in Wales is 75.2 % of the UK average, (lowest of all regions of UK). East 92.5%, West 65%



Wales: Key Facts



- Manufacturing comparatively more important in Wales than rest of UK
- Many large companies have a presence in Wales, e.g. Tata, EADS, General Dynamics, GE Healthcare
- But business R&D low
- Few HQ's (Admiral Insurance, Iceland Food)
- Lack of critical mass



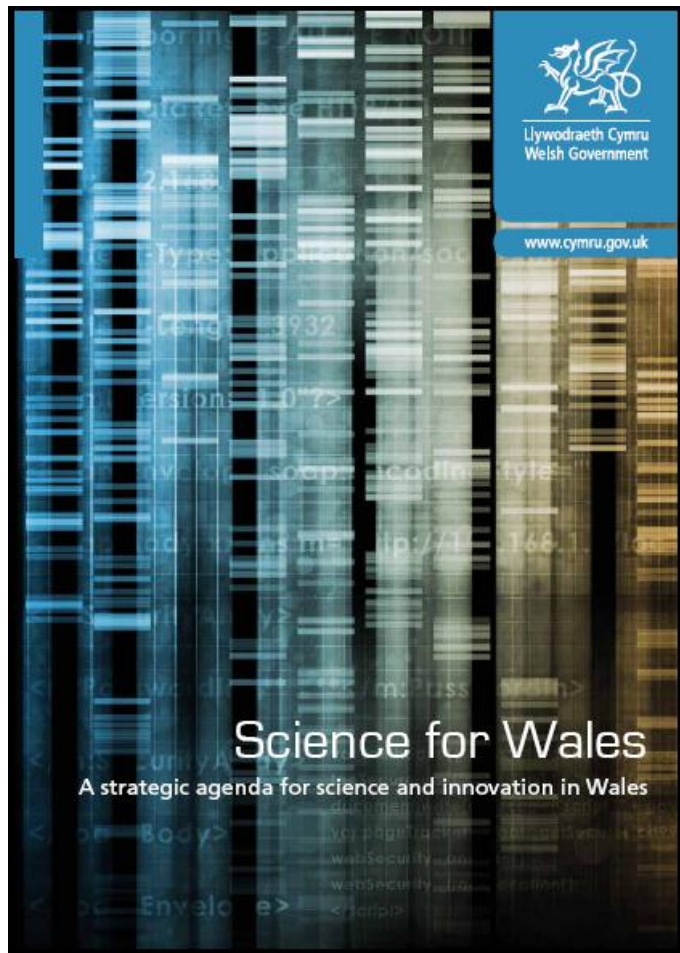
Wales and Innovation



- Wales was one of the 1st regions in Europe to produce a ***Regional Technology Plan*** in 1996
- This was superseded by ***Wales for Innovation*** in 2003
- Prioritised Structural Funds spending 2000-06 and 2007-13



Science for Wales



- Science for Wales 2012
- Identified 'grand challenge' areas in science where Wales has strengths
 - Life Sciences and Health
 - Low carbon energy and the environment
 - Advanced engineering and materials
 - ICT/Digital (cross cutting)
- These 'grand challenges' used to set RIS3 priorities

Wales' Strengths



- **Life Sciences and Health**
 - Patient data records
 - Wound healing
 - e-health



- **Low carbon energy and environment**
 - Smart living
 - eco innovation
 - low carbon energy

Wales' Strengths



- **Advanced engineering and materials**
 - Photonics
 - MRO (aerospace)



- **ICT/Digital**
 - High performance computing
 - Broadband infrastructure
 - 'Trust and Security'

Development of Wales' RIS3 Strategy

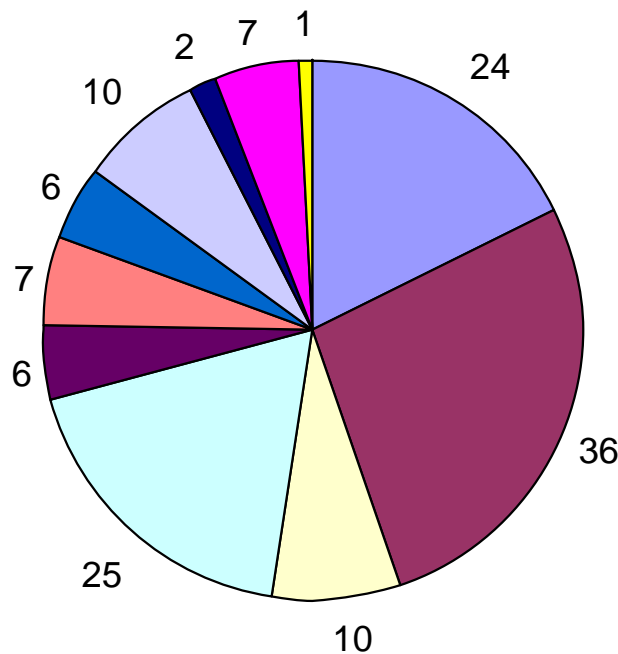


- Call for Evidence, over 150 responses ranging from individuals to representative membership bodies.
- Series of facilitated events across the region
- External 'Task and Finish Group' with representatives from universities, business organisations, public sector etc.
- Internal management group, Welsh Government departments, business support sector teams

Development of Wales' RIS3 Strategy



Response by type of organisation



- University
- SME
- Large company
- Sector specific business organisation
- Other business association
- Welsh Government
- Other business adviser
- Local Authority
- Funding or investment body
- Individual/other
- FE

Development of Wales' RIS3 Strategy



- Responses to Call for Evidence analysed
- Interim document published detailing emerging themes
- Followed by further consultation events to establish common vision

A Welsh Government Response to
the Call for Evidence on an
Innovation Strategy for Wales



Wales: Principle and Themes



Overriding principle;

- Innovation is vital across all parts of economy **but** major investments must be based on evidence of existing strengths and market opportunity

Five key themes

- Collaborate inside and outside Wales
- Promote a culture of innovation
- Innovation in government
- Flexible support
- Prioritisation and critical mass

Looking outside Wales

- Wales benchmarked via regional and international innovation and R&D surveys.
- Societal challenges within Innovation Union have been used to determine opportunities for Wales
- Aim to exploit synergies between SF and H2020
- Closest EU regions are rest of UK and Ireland
- Economic supply chains strongly linked to rest of UK e.g. automotive (Toyota, Ford)

Looking outside Wales



- UK very successful in terms of e.g. FP7
- Strong UK HE system. Wales system almost identical to England, Scotland slightly different.
- Technology Strategy Board ‘technology inspired innovation’
- Research Councils – academic research (plus impact)
- Need to collaborate and cooperate with rest of UK wide system.

Looking outside Wales



- Marie Curie- Sklodowska programme
- Internationalise KTP Programme with major MNE businesses in Wales
- ‘Ser Cymru’ – £50 million programme to attract international research ‘Stars’ to Wales
- National Research Networks (NRN) under high profile director in each of Science for Wales grand challenge areas
- Will ‘pool’ research strengths in Wales to create critical mass and speak with common voice

Entrepreneurial dynamics



- There are reasonable dynamics within Wales with good existing networks and relationships between the main actors e.g.
 - EADS Foundation Wales – a not for profit research foundation with Welsh Government, EADS and several Welsh universities as major stakeholders
 - Welsh Government has set up nine sectorally organised business support teams, advised by private sector led panels.

Implementation

- Collaboration outside Wales
- Knowledge exchange HE/ B2B
- A broad view of innovation creative/design etc.
- Education/ Culture
- Flexible funding and support 'Hubs'
- Innovative government

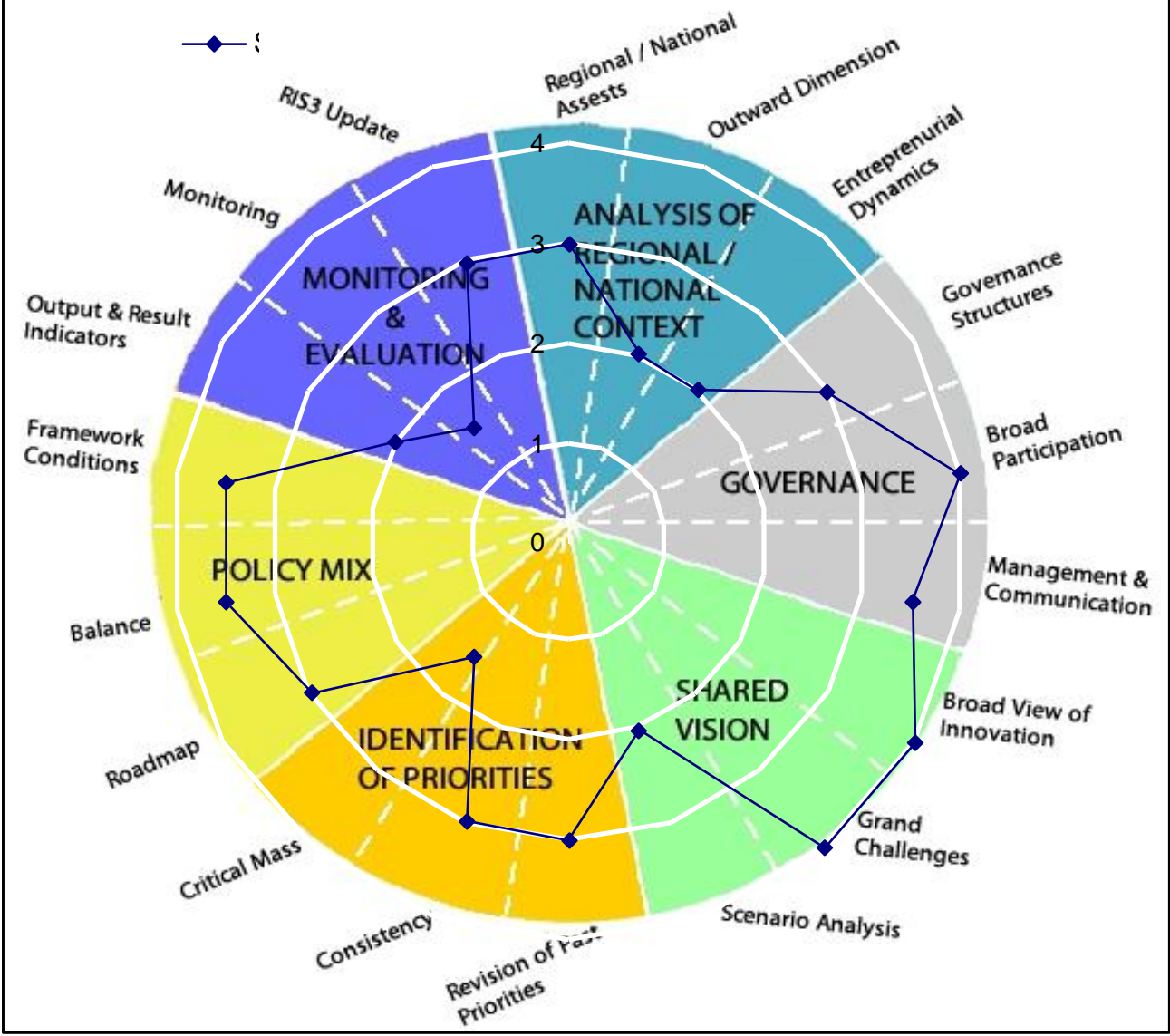


Implementation and Budget



- Action plans are being developed following the production of the RIS3
- Welsh Government core funding used but look to leverage in further investment via structural funds and 'out of Wales' RD&I funding
- Welsh Government will only initiate actions when it is the organisation in the best position to do so

Driving economic change through smart specialisation/RIS3 Wales Self Assessment



Wales Questions



- **How detailed should the extent of specialisation be?**
 - How can we gather reliable evidence? How do we encourage suitable projects to come forward?
- **What are the most effective governance and M&E models for Wales to consider?**
 - What sort of governance body works well? Who should be on it? Role advisory or scrutiny? How to choose metrics directly linked to innovation and what timescale to collect data
- **How can we better engage our business base with RD&I?**
 - What sort of interventions work well? Have other regions got good examples about making the most of Multi National Enterprises within a region?
- **How can Structural Funds be better used to support innovation?**
 - Synergies between SF and H2020, skills development, RD&I capability?