Implementing Smart Specialisation in Europe: Lessons for Rwanda?

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STI roadmaps for SDGs: Smart Specialisation for territorial and industrial development in Rwanda

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The research problem: Background to presentation (paper & research questions)

Approaches to S3

Main implementation challenges
  - EDP continuation?
  - Project selection, funding & synergies
  - Administrative capacity building activities

Evidence of impacts so far

Conclusions and lessons for Rwanda
Context: ‘Smart’ growth and specialisation in the EU in 2014-20

Based on paper written for a network of programme authorities across the EU (IQ-Net)

Why is Smart Specialisation so crucial in the EU?

• Alignment of CP with Europe 2020 strategy → focus on
  – smart growth (K&I)
  – innovation as driver
  – smart specialisation (S3) as a new strategic approach

• Innovation paradox (persists)
‘Smart’ growth and specialisation in 2014-20 (cont.)

• But implementing S3 is not easy! Implementation challenges highlighted by IQ-Net partners in 2016 (paper and focus group):
  – Complexity
  – Sector-picking
  – Economic transformation
  – EDP continuation beyond design
  – Administrative capacities
  – Lack of synergistic use of CP/H2020
  – Also, really more specialisation/concentration?
Different degrees of commitment and approaches

• Different choices
  – Sometimes pre-existing strategies
  – Different national/regional coordination

• Revisions and evaluations in some cases \(\rightarrow\) changes so far
  – New themes
  – New support schemes
  – Clarification technical aspects
  – Changes to governance of the strategy
Some challenges: … but also strengths:

1. implementation largely on track

Issues include

- Delays with approval (new logic, EDP etc.) – e.g. identify priority areas after programme and monitoring system set
- Lack of interest by actors, low ownership
- Organisational instability, leadership or inadequate governance (e.g. new structures needed)
- Vertical and horizontal coordination (rooted silo mentality)
- Weak capacity (administration and/or stakeholders: expertise, HRs, experience)
- Monitoring
- Wider context (e.g. slow ESIF implementation)
- Critical mass
2. Entrepreneurial discovery often continuing

Both formal & informal

- Innovation platforms (CZ, GR, PT)
- Seminars / workshops (HR, W-M)
- WGs / SGs / partnerships (Sl, Pomorskie)
- Project selection juries (NRW)

Shift to more targeted

Not always easy but positive experiences

- > collab. w/ private sector, universities, multi-level, e.g. FI, SE, País Vasco

Largely same types of actors as for S3 design
3. S3s embedded in project selection one way or another (but allocations not always earmarked)

- S3 successfully embedded (in different ways)
  - Clusters
  - Innovation hubs
  - Working groups
  - Thematic networks
  - Dedicated partnership
  - Calls for projects
  - Pre-selection
  - Action plans or roadmaps

- Mix of EU and domestic funds, not always earmarked
4. An important role of the HK development (European Social Fund)

<table>
<thead>
<tr>
<th>Advisory service (Pomorskie)</th>
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<tr>
<td>Smart skills / training (HR, W-M, PT)</td>
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<td>Education on themes (DK)</td>
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<td>Horizontal educational measures (SI)</td>
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<td>Attraction/Integration foreigners (FI)</td>
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<td>Young entrepreneurs (Paris region)</td>
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<td>International mobility of researchers (SI)</td>
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<td>Career platforms (SI)</td>
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5. And various capacity-building initiatives underway

- Capacity-building necessary
- Needs vary
- **S3 Platform used by some partners and mostly deemed useful**
- Mixed views on success

It has been necessary to invest in skills & capacity-building

- Strongly Agree: 11.1%
- Agree: 33.3%
- Neither Agree nor Disagree: 55.6%
- Disagree
- Strongly Disagree
6. Too soon for impacts... but on the whole S3 is considered valuable and w/ softer impacts

On the whole valuable although impact on
- economic transformation
- results-orientation
- cross-sectoral unclear

However, evidence of softer outcomes
- New capacities & capacities spillovers (Pomorskie)
- Ownership on vision, territorial branding (South Moravia)
Yet ... Disappointing synergies with H2020

• **Limited uptake**
  – Weaknesses in Less Developed Regions
  – Preference for national funds
  – Difference in focus/goals and rules
  – Unpredictability of timetable
  – Limited coordination domestically
  – Seal of excellence seldom used

• **Nevertheless**
  – ESIF can also raise expertise towards H2020
  – Synergies pursued by some (e.g. WAL, HR, SI)
Conclusions (1)

• Implementation of S3 fully underway, after lengthy preparations. Progress by and large ‘on track’
• Different approaches to implementation and funding
• S3s considered embedded in project selection
• Commitment (also shown by capacity building initiatives) but constant efforts needed
• Transformation and specialisation impacts not yet evident, but softer impacts showing → positive spillovers on funding absorptions too
• Outstanding shortcomings need to be addressed:
  – Persisting innovation paradox → more effort on lagging regions?
  – Triple (not quadruple) helix → more effort towards mobilising new actors?
  – Financial commitment not always clear → difficult to estimate impacts
  – More joined up policymaking as a process but improved cross-sectoralism and specialisation uncertain
Conclusions 2 - Lessons for Rwanda?

• Be clear on funding to be mobilised and related timeframe and results
• Capacity building, political commitment and stability needed
• Focus on an extensive interpretation of innovation, not just technological
• Mobilise all relevant actors – not only triple helix – from the start: Smart Specialisation is about whole society
• Monitor economic transformation and specialisation but don’t forget also softer and societal impacts → they are important too
• Develop a fully fledged institutional and administrative capacity building plan to map-out and address bottlenecks that might prevent cross-sectoral and specialisation

…. And also …

Commit, work on it, don’t give up!
It will take time, it won’t be easy, it won’t be perfect … but it can get done!
Many thanks for your attention!

Full paper
Laura Polverari and Viktoriya Dozhdeva
“From Smart Growth to Smarter Europe: Learning from Smart Specialisation Delivery
(IQ-Net Thematic Paper 43(2), 2019)

available here: http://www.eprc-strath.eu/iqnet/knowledge-exchange/research-papers.html

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Debate on post-2020 Cohesion policy: S3 set to remain key

IQ-Net partners views

- **S3 mostly positive** but more details needed
- **Conditionality** supported by some but > flexible / less punitive approach – does it have sufficient bite?
- **Thematic concentration** but with more flexibility
- **Partnership and synergies** across funding sources need strengthened
- **S3 interregional cooperation** adequate tools needed