

Capital City of Prague: Towards a RIS3 strategy



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Expectations from the Peer Review Workshop



- Confront experience from similar type of regions (city regions or regions with capital city)
- Get answers or tips to our four questions
- Learn about motivation of other regions to support R&D&I from the regional level
- Initiate inter-regional co-operation with similar regions

Questions to discuss



- How to use potential for inter-disciplinary co-operation in R&D&I and what are suitable support measures?
- What support measures are suitable for services sector, especially creative industries?
- Can you provide examples of innovation demand of regional public sector?
- How to approach large companies to involve them in development of innovation environment?

Introduction of region's work on research and innovation (1)



BRIS 2004 (FP5 project, Prague as (not leading) partner)

- First R&D&I support exercise, not binding city strategy
=> not implemented systematically
- But served as basis for EU SF support in 2007-2013

RIS 2013

- Work begun in 2011 but need to alter based on S3 concept to use for SF 2014-2020 (ex-ante conditionality for OP Prague – Growth Pole of the Czech Republic)

Introduction of region's work on research and innovation (2)



Vision (draft): *Prague is a centre of research, education and innovation of the Czech Republic. High level of public-private sector co-operation in research, innovation and education is a source of increasing standard of living and attracts businessmen, innovators, investors and companies from all over the world.*

Governance



Steering committee

- Until 2012: Mayor's informal expert advisory group
- From 2014: Board at City Development Authority Prague

City level coordination

- Prague City Hall (monitoring and interface to Prague City Council)

RIS elaboration and management

- City Development Authority Prague, including S3 manager

Executive body

- New organization is planned for RIS projects implementation (possibly in partnership with academic bodies)

Building the evidence base for RIS3 (1)



Strengths

- High concentration of research and innovation actors
- Specific structure of economy with high share of services
- Above average qualification of human resources
- Prague as trend-setter and opinion maker
- Influence of Prague administration on primary and secondary education

Weaknesses

- Fragmented innovation system (missing dialogue within triple helix)
- Insufficient capacities of intermediary innovation support structure
- Insufficient intervention of regional administration (no specialized capacities) to support R&D&I
- Unused potential for inter-disciplinary co-operation
- Increasing labour force costs compared to other Czech regions

Building the evidence base for RIS3 (2)



Process since 2011:

- SWOT: data analysis (2011+), workshops (2012), working groups (2013)
- Objectives and measures: workshops (2012)
- Specialization domains: data analysis (2013), workshops (2013)
- Selection of tools: preparation of OP Prague 2014+, workshop (in preparation), online survey (in preparation)

Looking beyond your region's boundaries



- Does your analysis take into account the external context, national/international? How?
 - Position within Czech Republic was analysed
 - International context not yet addressed properly
 - Benchmarking with selected EU regions
 - National co-ordination through National S3 strategy
- Have you assessed your region's work on Research and Innovation *vis-à-vis* other regions?
 - Not yet addressed properly on international level
 - Monitoring of best practices home and abroad

Looking at entrepreneurial dynamics



Involvement of entrepreneurial actors in your region:

- Both academic institutions and business community (incl. large companies) are interested, but city does not have sufficient communication capacity
- Bottlenecks: no clear contact point, no specific workplace for R&D&I in Prague administration
- Solution: establishment and promotion of a dedicated workplace

Assessing entrepreneurial dynamics in your region:

- The solution mentioned above will allow for substantial working with the '*entrepreneurial process of discovery*' concept.
- Present situation: participation of individual business representatives at workshops / working groups
- Need to get better picture of diverse business sphere in Prague
- Need to present ideas of future development that business sphere can relate to

Main objectives of RIS3



- Develop comprehensive set of support measures for innovative entrepreneurship
- Use research capacities for application needs
- Develop and use human resources
- Find a reasonable role of regional administration in R&D&I support (to reflect city needs)

Objectives are chosen based on SWOT analysis and bottom-up synthesis of measures suggested by workshop participants

Purely research-oriented priorities are left out to the Ministry of Education, Youth and Sports

Our priorities (1)



Priorities from first workshops (before S3)

- Portfolio of specific services for innovation
- Support of innovation in services sector
- Specific financial tools for innovation support
- Support infrastructure for innovative entrepreneurship
- Knowledge transfer friendly-environment
- Use research infrastructure for application needs
- System for identification of talented persons
- Talent development in educational process
- Retention of human capital and support of mobility
- Qualified personnel for innovation support
- Co-operation within triple helix and promotion of Prague as a R&D&I location

Our priorities (2)



Specialization domains (draft):

- **Life Sciences**

(Diagnostics, Pharmaceutical and clinical research, Biomaterials, Molecular biology)

- **New media and Prague as a shop window**

(Digital media, Mobile applications, Internet services, Visualization and design, Production and distribution of media products, Tourism)

- **Emerging technologies** (Aerospace, Smart energy)

- **Prague – centre of services with high added value**

(IT-based services, Business consultancy, Research consultancy, Technology services, Qualified human resources, Creative services)

- Further discussion ahead; to allow for flexibility, horizontal support measures are expected to be set up

Our priorities (3)



Priorities from OP Prague (before full S3 integration)

- Innovation demand of public sector (Pre-commercial public procurement)
- Projects of co-operation between research and application sphere (e.g. innovation vouchers)
- Science parks and business incubators
- Capacities for provision of high added value services for companies
- Support to SMEs in their early stages
- Finalization of R&D outputs for commercialization
- Financial tool for companies incubated in future ESA BIC

Why these priorities?



- Concentration of R&D in Prague
- Concentration of educational facilities (all levels)
- Dynamic SME sphere, innovative large companies
- Innovation demand potential of regional administration to stimulate R&D&I activities
- Need to stimulate co-operation (vs. present fragmentation)
- Need to improve environment suitable for business and innovation

Implementation and budget



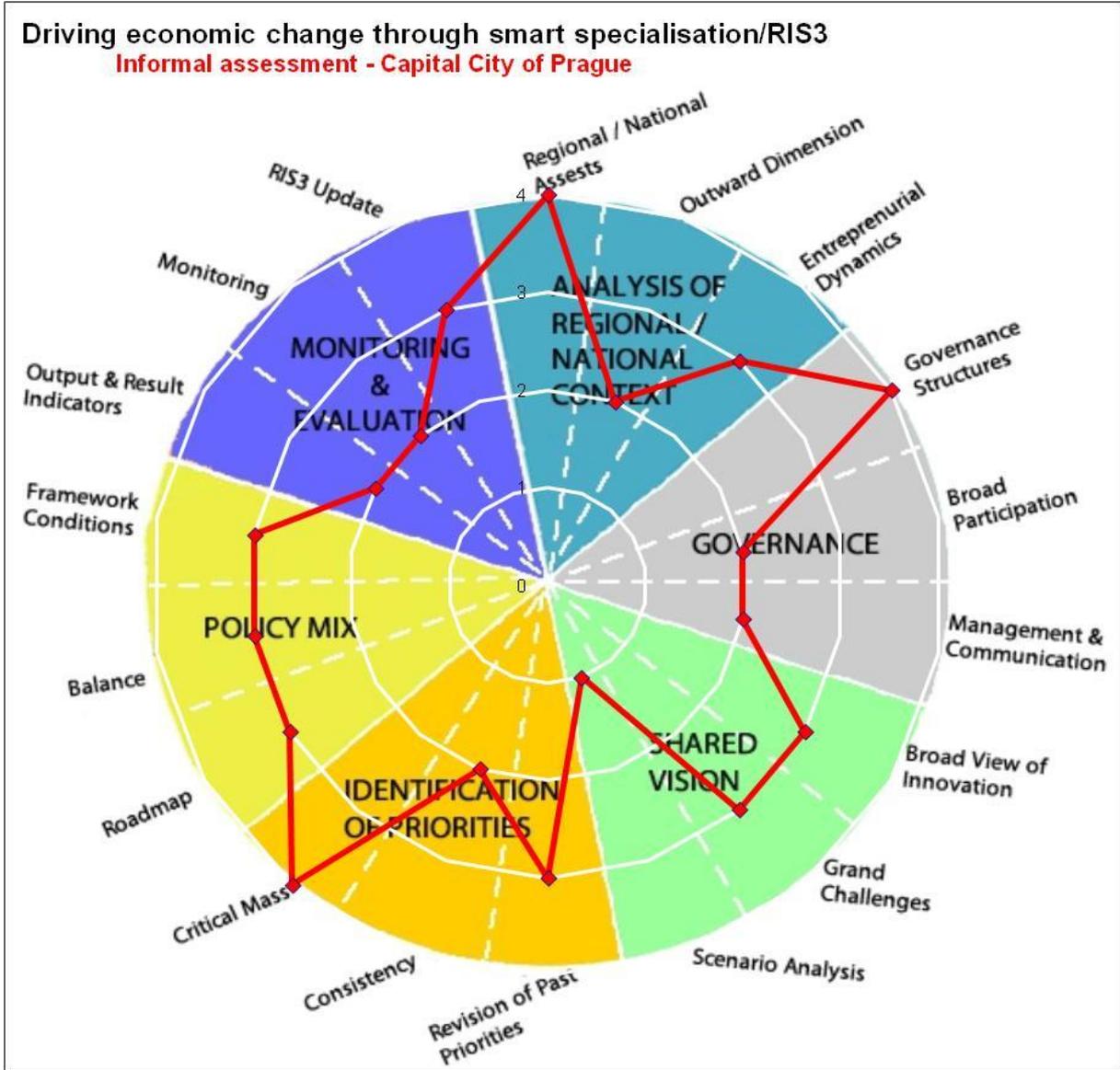
- What tools and budgets will your region use to implement its RIS3 strategy?
 - Main and exclusive tool: own regional operational programme
 - Selected support from sectoral OPs in Prague
 - Other national and EU resources available
 - Active intervention of regional administration planned
- New implementation structure in regional administration in preparation
- Action plan in preparation

Measuring progress



- What mechanisms are planned for monitoring and evaluation of the strategy's implementation?
Regular monitoring, indicators, evaluation exercises
- What outcome indicators do you use/plan to use to measure the success?
Co-ordination with OPs, where relevant, use of identical indicators
- Do you foresee a review of the strategy based on your evaluation outcomes to weed out non-performing investments?
 - Yes, e.g. in relation to effective investment from OP Prague

Our self-assessment



Source: S3 Platform/EURADA

Summary and next steps

- Establish permanent communication channels with triple helix partners and continually discuss needs/priorities/tools/domains
- Set up regional implementation structure
- Build trust of triple helix partners that long-term co-operation will yield mutually beneficial results

Questions you would like peers to discuss



- How to use potential for inter-disciplinary co-operation in R&D&I and what are suitable support measures?
- What support measures are suitable for services sector, especially creative industries?
- Can you provide examples of innovation demand of regional public sector?
- How to approach large companies to involve them in development of innovation environment?

Question 1: How to use potential for inter-disciplinary co-operation in R&D&I and what are suitable support measures?



- **Why:** Prague offers R&D&I and educational capacities in many different branches. Though we understand why specialization should be sought, we feel need to setup measures to stimulate inter-disciplinary co-operation which can produce new unexpected combinations of branches.
- Analysis suggests that variety of branches should be worked with to use it for the benefit of other regions which may lack R&D expertise but have manufacturing capacities.
- What measures and tools can help to use this opportunity? How to support inter-regional and cross-border R&D&I supply/demand?

Question 2: What support measures are suitable for services sector, especially creative industries?



- **Why:** Given the large share of services sector on Prague employment and GDP, emphasis needs to be placed on its support requiring specific measures and tools.
- As services sector is often represented by large number of small companies or even self-employed individuals, what measures and tools can affect significant share of them to produce measurable effect?
- The answer should focus mainly on creative industries (one of our S3 domains - digital media, mobile applications, design, internet services, media products).

Question 3: Can you provide examples of innovation demand of regional public sector?



- **Why:** Regarding the situation in R&D&I sphere in the Czech Republic, regional public sector innovation demand (for new non-existent solutions) can represent a suitable form of active participation of regional administration to stimulate R&D&I activities and investment.
- It is planned to use this tool in larger scale with support from EU structural funds since 2014.
- Can you share positive examples of innovation demand (pre-commercial public procurement) at regional level?

Question 4: How to approach large companies to involve them in development of innovation environment?



- **Why:** While there is a thriving SMEs sector in Prague, communication with large companies is being neglected. Yet, these represent significant share on private R&D expenditure, help position regional economy in international value chains and offer highly qualified job opportunities.
- What measures, tools, projects and ways of co-operation are relevant for large companies? Many commonly used are below their resolution as they often target SMEs.
- Can we have examples how to support and interact with large companies and involve them in development of R&D&I environment (share their visions, develop ties to local economy, assist and stimulate SMEs)? We expect non-financial tools to be important examples.