Smart Specialisation for lagging regions

Innovation as the engine for growth in EU regions

Smart specialisation is an innovative approach that aims to boost economic growth and employment through the identification and development of competitive advantages specific to each EU region. The European Commission offers targeted support to the development and implementation of such Research and Innovation Strategies for Smart Specialisation (RIS3).

Since 2011, the JRC in partnership with the Commission's Directorate-General for Regional and Urban Policy have been developing and managing the Smart Specialisation Platform (S3P), which assists regional and national authorities in developing, implementing and reviewing their RIS3. The aim is to help regions to identify competitive advantages together with regional stakeholders and to make better use of EU funds to support growth and jobs through the identification of priority areas for policy support.
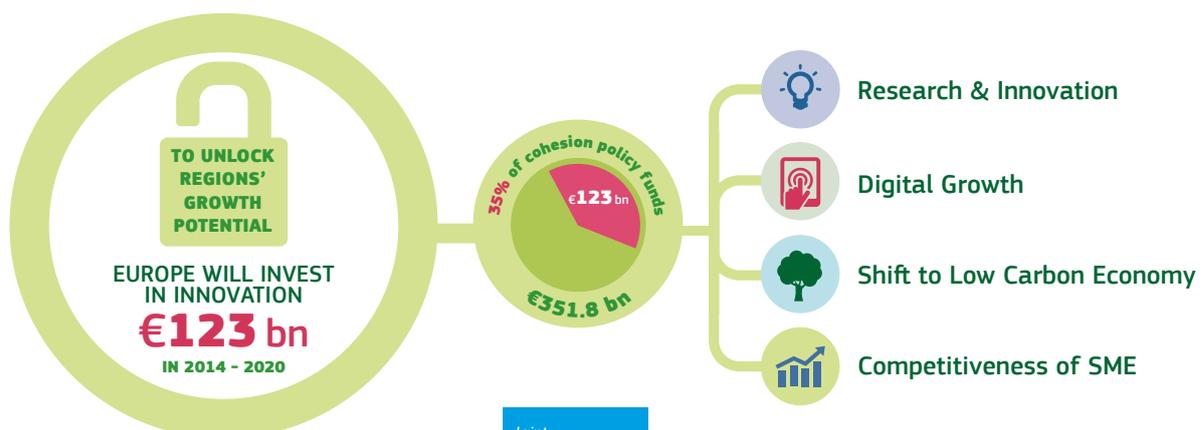
This is currently of particular importance, as the preparation of a RIS3 is an ex-ante conditionality for the attribution of EU Structural and Investment Funds (ESIF) under the current programming period (2014–2020) of the European Regional Development Fund (ERDF).

RIS3 builds on stakeholder collaboration and interaction to define the competitive strengths of each region taking into account the broader international arena and the pursuit of synergies with European and global partners.

Identifying potential in EU regions through the entrepreneurial discovery process (EDP)

The "entrepreneurial discovery process" (EDP), is a key element for designing and refining the regions' RIS3. EDP not only helps to identify competitive advantages, but also to select key investment priorities for research and innovation.

The EDP is a bottom-up process, through which participants from policy, business, academia, and also civil society, share their knowledge and know-how to identify opportunities, while policy-makers assess outcomes and ways to facilitate the realisation of this potential. The EDP involves a broad analysis of different factors such as markets, technologies, knowledge transfer or business models to name just a few. The EDP is intended as a continuous process, in which stakeholders are involved throughout the policy cycle to ensure that for the identified key areas of investment, adequate and appropriate policy instruments are provided.

TO UNLOCK REGIONS' GROWTH POTENTIAL

EUROPE WILL INVEST IN INNOVATION **€123** bn IN 2014 – 2020

35% of cohesion policy funds

€123 bn

€351.8 bn

Research & Innovation

Digital Growth

Shift to Low Carbon Economy

Competitiveness of SME

Joint Research Centre

The management of the process itself is critical to its sustained impact. It is very much a shared learning process, through which the fostering of trust and commitment to collaboration amongst stakeholders are essential.

The JRC has developed a methodology for the entrepreneurial discovery process and will adapt and apply it to numerous regions across Europe during 2016 and 2017.

Closing the gap by supporting the lagging regions

The European Parliament and the European Commission are working together to support selected regions in their RIS3 implementation. Two types of regions are targeted by this activity:

• low-growth regions: regions of Member States that have a GDP per capita in purchasing power standards (PPS) below the EU average in 2012. They also did not converge with the EU average between 2002 and 2012, i.e. regions in Greece, Italy, Spain and Portugal;

• underdeveloped regions: regions with a GDP per capita in PPS below 50% of the EU average in 2011, i.e. regions in Bulgaria, Hungary, Poland and Romania. The latter will receive particular attention within the project.

In this project, the JRC employs a hands-on approach to foster collaboration among all relevant stakeholders, focused on the local knowledge communities in business, academia, research organisations and civil society. This collaboration addresses broader structural problems (e.g. in governance, transnational cooperation, research development and innovation, education, and the business environment) that hinder the RIS3 process. The project will also aim at developing and enhancing the linkages between RIS3 at regional and national levels.

This project is managed by the JRC and framed within the wider "Lagging Regions" initiative led by the Directorate-General for Regional and Urban Policy.

Eastern Macedonia and Thrace: an example of good practice

The "Lagging-Regions" project builds on the successful implementation of RIS3 in the Greek region of Eastern Macedonia and Thrace (REMTh).

In this project, the JRC through the Smart Specialisation Platform supported the region's entrepreneurs and authorities in identifying areas that should be prioritised and further specialised in order to strengthen their competitive advantage. These areas included wine, dairy and meat, tourism and marble. The project also led to informal networks in the targeted sectors and improved access to international counterparts in support of governance and R&D performance for all stakeholders, strengthening in particular the capacities of the region's managing authority. Finally, it helped understand technical and administrative aspects of public funding be it from the national bodies or from the European Commission.

The outcomes of the work and lessons emerged also serve as a launch pad for further work targeting regions that are catching up, both in Greece and in the rest of Europe. Already other Greek regions are adapting the approaches used to refine and implement their RIS3s, taking inspiration from the REMTh experience.

To find out more about smart specialisation:

🌐 **s3platform.jrc.ec.europa.eu**
🐦 **@S3Platform**

REGIONS HAVE TO BE Sx3

How to focus R+I investments on few strategic priorities?

How to deliver more targeted innovation funds?

How to harness the real growth potential of a specific EU region?

SMART
Identify the region's own strength, potential and competitive advantages.

SPECIALISED
Boost existing and emerging regional strengths through research and innovation efforts.

STRATEGIC
Define smart specialisation strategy together with entrepreneurs and partners, prioritising R+I investments in key domains.