OUTLINE

1. Smart specialisation: the concept and challenges

2. Steps towards a successful Smart Specialisation Strategy

3. The S3 Platform: background and activities
What does "smart specialisation" really mean?

What is Smart Specialisation?

= evidence-based

= no top-down decision, but dynamic/entrepreneurial discovery process involving key stakeholders

= global perspective on potential competitive advantage & potential for cooperation

= priority setting in times of scarce resources

= getting better / excel with something specific

= focus investments on regional comparative advantage

= not necessarily focus on a single sector, but cross-fertilisations
What does "smart specialisation" really mean?

- It means avoiding duplication and fragmentation of effort with scarce public resources within the Union.

- It means being selective and support the R&I activities that are relevant in view of existing conditions and assets.

- It is not « café para todos » (« coffee for all »): it implies policy choices and breaking away from established lobbies and rent-seekers.
National vs regional strategies: Which level?

- Functional regions in terms of Science, Technology and Innovation (STI) policy may not match administrative/political boundaries of regions.

- There is a number of formal criteria to make explicit which are the roles of national and regional governments in terms of STI policy: Constitution, S&T laws, other laws and regulations, etc. …

- …but there may be de facto asymmetric decentralisation due to differences in regional capacity, financial or otherwise, even within the same country.
National vs regional strategies: Which level?

- There has been a trend towards an increased regional share over total country STI spending. Recent economic crisis does not seem to have modified substantially this pattern.

- Certain STI policy instruments are reported to be more commonly used at one level relative to another (OECD)…

- ...but country structure (federal, administrative regions, unity elected regions, etc.) does not seem to be determinant by clarifying this issue.
National vs regional strategies: Which level?

- Horizontal coordination (across governments at the same level) is becoming a powerful strategy to generate positive synergies and efficient results.

- Mechanisms for regular dialogue are generally considered among the most important tools in many country. They can build useful relationships and promote information sharing as well.
What a region can be good at producing? In economics, this question cannot be empirically answered...BUT....

...entrepreneurship becomes a key issue to determine competitive advantages and capturing niches of innovation

But uncertainty and other problems: entrepreneurship and innovation are not determined in standard competitive markets, information asymmetries, lack of prices, private incentives damaging social welfare (i.e., through lobbies and rent-seeking), etc.
In a nutshell, how can policy-markers be oriented by the entrepreneurs? One challenge and one risk (at least):

- The challenge: why entrepreneurs are willing to share their plans, new ideas, new processes or methods, etc.?
- The risk: maybe some of them are looking for rents? Political and financial support?
- Heterogenous experiences
Entrepreneurial process of discovery


- Idea: To follow-up the entrepreneurs that make less mistakes by predicting key economic variables.

- Incentives by policy-makers and entrepreneurs are (more) aligned: the latter, making real (and committed) choices on demands for factors and others, reveal how good they are when make expectations → they can be used by the policy-makers as a guide
Key steps for developing a RIS3

Step 1 – Analysis of regional context/potential
Step 2 – Governance
Step 3 – Vision for the future
Step 4 – Selection of priorities
Step 5 – Policy mix
Step 6 – Monitoring and evaluation
Step 1 – Analysis of regional context and potential for innovation (I)

- Assess existing regional assets
- Identify regional competitive advantage
- Combine methods
Step 1 – Analysis of regional context – looking out – and potential for innovation (II)

- Outward-looking Analysis

- Flows of:
  - knowledge
  - skills
Step 1 – Analysis of regional context and potential for innovation (III)

- Entrepreneurial dynamics
- Future opportunities
- Involvement of different types of actors
Step 2 – Governance

- Ensuring participation and ownership
- Collaborative leadership
- Governing bodies
Step 3 – Shared vision

- Developing an overall vision of the region’s future
- Produce a positive tension towards the future
Step 4 – Identification of priorities

- Where top-down meets bottom-up
- **Limited** number of areas
- Avoid capture by interest groups!
Step 5 – Policy mix

- Implementation, definition of:
  - a coherent policy mix
  - roadmaps
  - action plan
Step 6 – Monitoring and evaluation

- Integration of mechanisms for:
  - Monitoring →
  - Evaluation →

- Measurable targets and indicators (profiling, result/outcome indicators (not output)
The S3 Platform

http://s3platform.jrc.ec.europa.eu

- Launched in June 2011
- Team of JRC-IPTS, European Commission
- Steering Team incl. different DGs: REGIO, RTD, ENTR, EAC, INFSO, SANCO, AGRI, CLIMA
Main activities of S3 Platform in support of the countries/regions preparing RIS3

1. The RIS3 methodological Guide
2. Peer Review workshops & trans-national learning
3. Outreach & Country Events (Seminars in Member States & EU Macro-regions)
4. RIS3 assessment and support to DG REGIO
5. Thematic workshops & working groups
6. Newsletter and Website with special access for regions & interactive tools
7. Research agenda
Over 115 registered regions + 6 countries
The RIS3 Guide

Edited by JRC IPTS in association with DG REGIO and with contributions from:

- D. Foray, P. McCann, J. Goddard, K. Morgan, C. Nauwelaers, R. Ortega
- Commission officials from various DGs
- S3 Platform research team

Target group: policy-makers, academics, innovation support providers

Available on the S3 Platform webpage http://s3platform.jrc.ec.europa.eu
Peer Review Exercises

1° Workshop in Sevilla (Jan 2012)

2° Workshop in Sevilla (May 2012)

3° Workshop in Ponta Delgada (June 2012)

4° Workshop in Pisa (Sept 2012)

5° Workshop in Strasbourg (Dec 2012)

6° Workshop in Palma de Mallorca (Feb 2013)

7° Workshop in Brno (Mar 2013)

8° Workshop in Vaasa (May 2013)

9° Workshop in Germany?/Hungary?
RIS3 Peer Review Methodology

Features:

- Structured and focused presentations
- switching roles
- concentrating peer-learning in space & time
- integrating expertise/knowledge from a variety of sources
Informal RIS3 assessment
How it works in practice

Informal exercise on volunteer basis, based on the RIS3 guide and its Annex III (expert assessment questionnaire)

Procedure:

• Regions submit their RIS3 to DG REGIO
• Expert assessment by an expert appointed by DG REGIO
• Complementary assessment by S3 Platform focusing on the main « novelties » of the RIS3 approach + assessment wheel
• Feedback to the regions facilitating their path towards a full RIS3
S3 Platform support: streamlined “easy-to-use” assessment tools which ensure consistency with methodological approach
Thank you for your attention!

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