

Regional and local Strategies to Promote Smart and Sustainable Growth

Opportunities and challenges of the smart specialisation in less developed regions

Miquel Barceló, April 30 2013



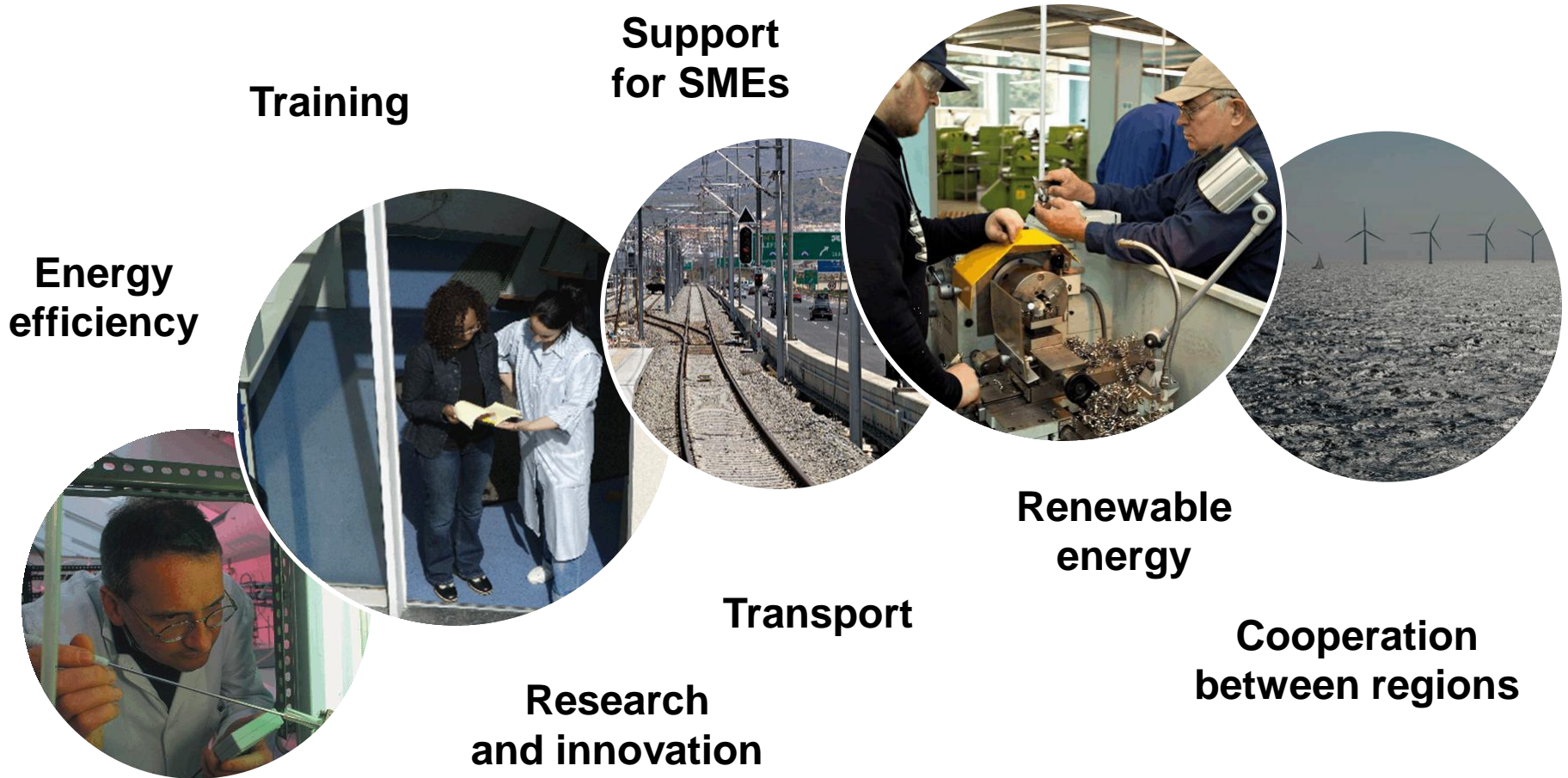
SUMMARY

1. New EU Regional Policy 2014-2020
2. What is RIS3 and RIS3 implementation
3. Horizontal approaches
4. Possible initiatives in less developed regions
5. *One example: Bulgaria, some ideas*

European Union Horizon 2020

- **smart growth**, based on knowledge and innovation;
- **sustainable growth**, promoting a more resource efficient, greener and competitive economy;
- **inclusive growth**, fostering a high employment economy delivering economic, social and territorial cohesion.

EU Cohesion Policy invests in ...



The Cohesion Policy

On 6 October 2011, the European Commission adopted a draft legislative package that will frame **EU cohesion policy for the period 2014-2020**.

The Commission proposed **changes to the way cohesion policy is designed and implemented**:

- Deliver the **Europe 2020 Strategy's priorities of smart, sustainable and inclusive growth**;
- **Maximise the impact of EU funding**, "do more with less";
- **Focus on results** , not spending;
- **(also) Invest on people, innovation and companies**
- **Territorial cohesion**;
- **Integrated programming**;

*Regional
Funding
Instruments*

ERDF European Regional Development Fund	ESF European Social Fund	Cohesion Fund	EAFRD European Agricultural Fund for Rural Develop.	EMFF European Maritime & Fisheries Fund
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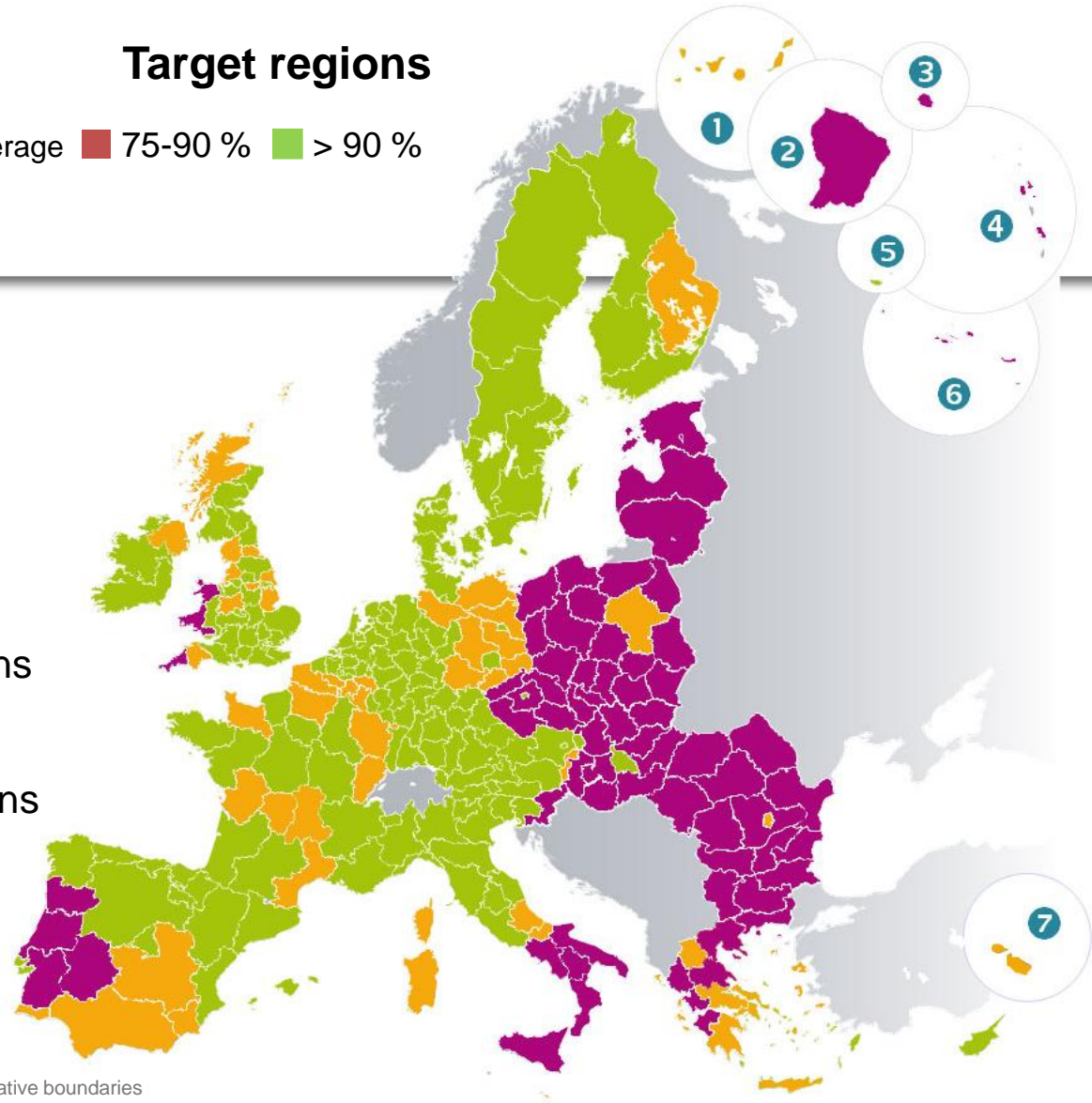
Target regions

GDP/capita* ■ < 75 % of EU average ■ 75-90 % ■ > 90 %

*index EU27=100

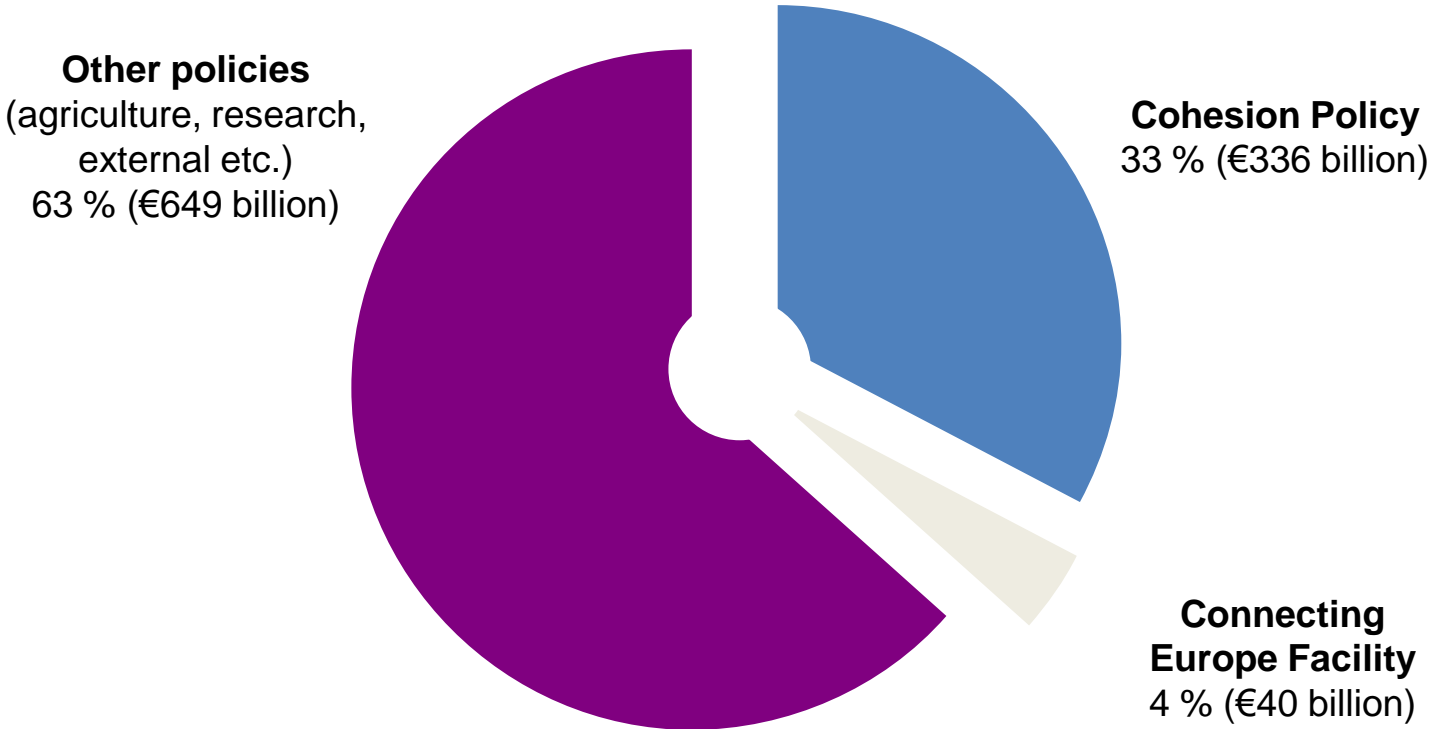
3 categories of regions

- Less developed regions
- Transition regions
- More developed regions



Regional GDP figures: 2006-07-08
© EuroGeographics Association for the administrative boundaries

Cohesion policy within total EU budget 2014-2020



*What is RIS3 -
Research and Innovation Strategies
for Smart Specialisation*

(and why?)

What is **Smart Specialisation** ?

- **Evidence-based** considering all assets and problems in a region, incl. External perspective / internal / global market (critical mass? Opportunities? excellence? cooperation? Value chains?)
 - No top-down decision, but **dynamic /entrepreneurial discovery process** uniting key stakeholders around shared vision
 - Mobilisation of investments and synergies **across different departments and governance levels** (EU-national-regional)
 - **All forms of innovation** – no only technology driven
- = **Differentiation**: SWOT analysis (all types of assets), **competitive advantages**, potential for excellence, opportunities
 - = **Concentration** of resources on priorities, problems and core needs (no sprinkler principle, no picking the winners, yes to catalytic investments)
 - = **Place-based economic transformation**: rejuvenating traditional sectors through higher value-added activities, cross-sectoral links, new market niches by sourcing-in and disseminating new technologies rather than re-inventing the wheel; exploiting new forms of innovation

A (unique and shared) regional agenda

Integrated **agenda for regional economic transformation**, strengthening RTD, innovation and increasing access to ICT and its use

- Based on **SWOT analysis** (including ICT)
- Concentrate resources on a **limited set of priorities**
- Encourages **private investment** in innovation
- **Monitoring** and review system
- If thematic objective 2: Chapter on **digital growth**: balance of support to the demand and supply of ICT technologies; objectives "e-"

+ derived from the NRPs: national level multi-annual plan for budgeting and prioritisation of investments linked to EU priorities.

The 4Cs of RIS3

Competitive advantage: match R&I potential with business needs and capacities & develop cross-cutting links between sectors ; adoption of technologies (cutting-edge / tested) to for specialised diversification of sectors

Choices (tough ones): select few priorities on basis of specialisation & integration in international value chains.

Critical mass of resources & talent: cooperation between regions by avoiding duplication and fragmentation

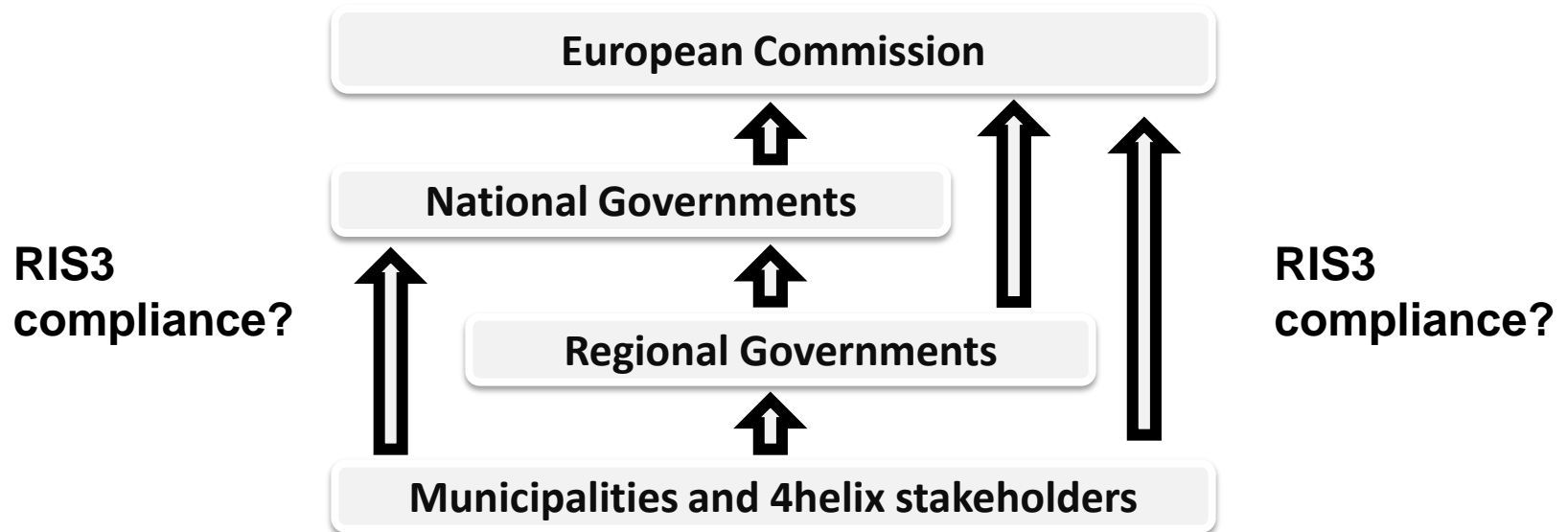
Collaborative Leadership: involve key stakeholders from academia, businesses, public administrations and civil society ("quadruple helix") for efficient innovation systems & synergies between funding instruments (EU, national, regional)

RIS3 compliance check-list

1. **Appropriate stakeholder involvement?** How does it support the entrepreneurial discovery process of testing possible new areas?
2. **Evidence-based?** How have areas of strength and future activity been identified?
3. **Innovation and knowledge-based development priorities?** How have potential areas of future activity been identified? How does it support the upgrading of existing activities?
4. **Appropriate actions identified?** How good is the policy mix?
5. **Is strategy outward looking?** How does it promote **critical mass/** potential?
6. **Synergies between different policies and funding sources?** How does it align/leverage EU/national/regional policies to support upgrading in the identified areas of current and potential future strength?
7. **Achievable goals set to measure progress?** How does it support a process of policy learning and adaptation?
8. **Conform with ex-ante conditionality?** Which advice can be given to improve the strategy?
9. **Includes ICT (infrastructure, development, usage)?**

Why RIS3?

RIS3 is the prioritization, selection and evaluation criteria for any local, regional, national or transnational project funded by a Regional Fund



Proposed horizontal approaches

- **Clusters**
- **SMEs**
- **Research Infrastructures**
- **Universities-enterprise cooperation**
- **Digital agenda**
- **Key Enabling Technologies**
- **Cultural and Creative Industries**
- **Internationalisation**
- **Financial engineering instruments**
- **Innovative Public Procurement**
- **Green growth**
- **Social innovation**

Possible initiatives

1. The case of a University
2. The case of a city or a territory
3. The case of a tech transfer and entrepreneurship system

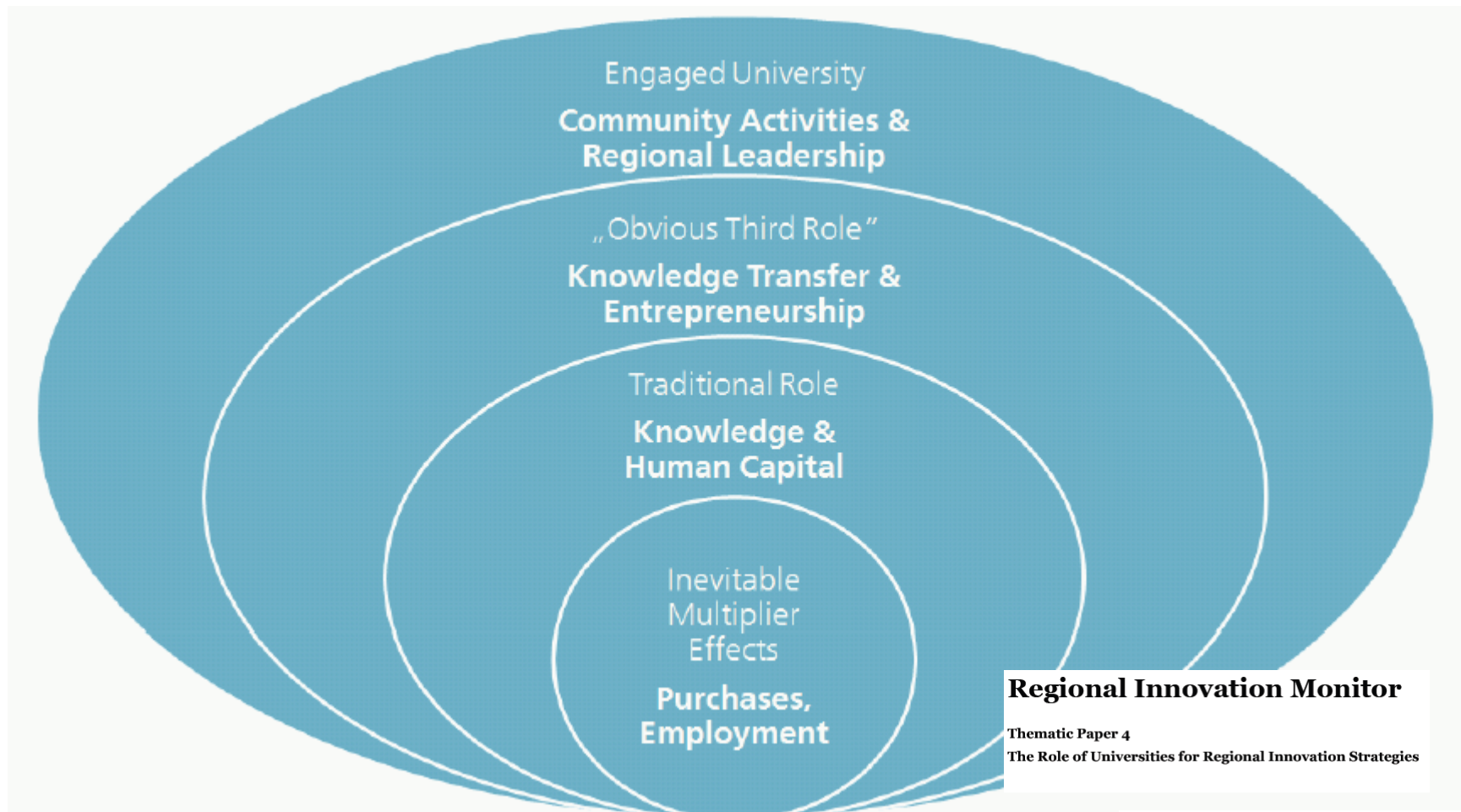
Why should universities be part of smart specialisation?

Universities have a crucial role to play in creating knowledge and translating it into innovative products and services, in cooperation with research centres and businesses. **Successful mobilisation of the resources of universities can have a strong positive effect on the achievement of comprehensive regional strategies.**

Challenge to diminish barriers

- They can be internal to the university and involve the capacity to 'reach out' to the wider region (i.e. supply side).
- can also be linked to the capacity and willingness of the public and private sector actors in the region to 'reach in' to the university to seek expertise and knowledge (i.e. demand side).

4a (!) Missió



Goldstein/Mayer/Luger, 1995, Uyarra, 2010

technopolis    151

Other possible initiatives for less developed regions

Innovative Urban Areas (IUA) and Innovative Ecosystems

In old districts that can be renewed and revitalized, or in new areas available for bold development, cities have the opportunity of creating innovative urban areas that concentrate scientific and business talent in an attractive and lively urban environment. A constant dialogue between residential, cultural, economic and S&T activities is at the core of the IUA model. A fruitful and coherent dialogue between the physical aspects (urban planning, infrastructure, architecture), the content (companies, R&D centers, universities, incubators, etc) and the relationship networks is crucial during the design, construction and steady-state phases of the project.



The old Poble Nou industrial district was suffering a long process of de-industrialization and urban decay since the 1960s. After the Olympic Games and the recuperation of the sea front, an important group of businessmen, engineers and intellectuals proposed an alternative vision for the Poble Nou, based on the knowledge economy, which would attract business with low-impact, in accordance with XXIst century industry. Miquel Barceló, President of Innopro Consulting, was part of this group, participated in the discussions with the Mayor and became President of the 22@, leading all aspects of the urban, S&T and business developments.

22@ served as the model and offered the large-scale hands-on experience Innopro has now capitalized. The dense, complex, diverse, green, innovative, high-tech city designed and built in 22@ has impregnated all subsequent Innopro projects. The clustering strategy, bringing together business, public administration, university and R&D and the civil society around the sectors of Media, ICT, Medical Devices and Pharma has guided the attraction and development of all knowledge and business development of 22@ since 1999.

Technical details

Client: 22 @ BCN, S.A.U. (City Council)
Place: Barcelona
Year: 2004-2007
Team: Miquel Barceló (President 22 @ 2004-2007)

Results of the collaboration

- **Urban Renewal:** 1.323.000 m² new floor (70% business, 18% housing and 12% public facilities) and 114.000 m² of green areas.
- **Economic Renewal:** Aggregate revenue 6.000M€, 1.502 companies, 40.000 new employees, 25.000 university students.
- **Social Renewal:** 1.500 Public Housing Units, 12 R&D centers, workforce with 77% graduates.





CENTRO DE INNOVACIÓN Y TECNOLOGÍA

UNIVERSITAT POLITÈCNICA DE CATALUNYA BARCELONATECH



Innovation and Technology Centre – Universitat Politècnica de Catalunya

Innovation and Technology Centre of the Technical University of Catalonia Barcelona Tech (CIT-UPC) is a Foundation, a non-profit entity with private legal personality, depending on the UPC, created to improve and increase Technology Transfer activities of 19 Advanced Research and University Centers. CIT-UPC is an innovative University response to achieve better results and to give a wider managerial support to UPC Centres, to respond to their needs, having in mind principles such as service, economics of scale, flexibility and efficiency, closer to private companies managements.

CIT-UPC is dedicated to creating and strengthening mutually beneficial relationship between UPC and corporations worldwide. With continued acceleration of advances in technology and knowledge discovery, and a more demanding corporate funding environment, CIT-UPC is committed to creating productive interactions with industry. CIT-UPC continually evolves to meet the interests, needs, and aspirations of UPC University and corporate partners.

Technical details

Client: Universitat Politècnica de Catalunya
Place: Barcelona
Year: 2009-ongoing

Results of the collaboration

- Design of the new institution
- Success in the presentation to the 19 laboratory leaders
- Actual creation of the Centre
- Access to funding
- 5 year roll-out of the institutional plans
- Growth and development of the institution, 6 staff and increasing



Strategy and Management for Growth and Sustainability in R&D institutions and universities

A successful R&D institution must have well-defined strategic goals and an integral road-map to achieve these goals. Adequate governance, leadership and monitoring procedures will also play a crucial role in the institutional sustainable growth. A well managed R&D institution has to offer all necessary services to its scientists, so that researchers can focus on their research activities. At the same time, administrative and accounting procedures must provide real-time analytical insights to facilitate decision-making and optimal allocation of resources. Economies of scale must be attained, and redundant procedures eliminated. Other areas that can typically be improved in R&D institutions are the human resources selection, management and training.



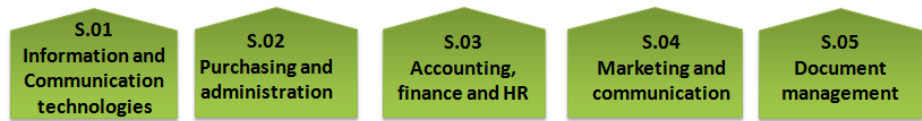
STRATEGIC PROCESSES



FUNDAMENTAL PROCESSES



SUPPORT PROCESSES



Thanks for your attention !!

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