


Joint Research Centre - JRC

The European Commission's science and knowledge service

"S3 Implementation from the EU Perspective – Expectations and Challenges"

EmplInno Final Conference
Berlin, 6-7 March 2019

 #S3platform

Dr. Ales Gnamus – S3 Platform, JRC Seville

JRC B.3 Territorial Development
<https://s3platform.jrc.ec.europa.eu/>



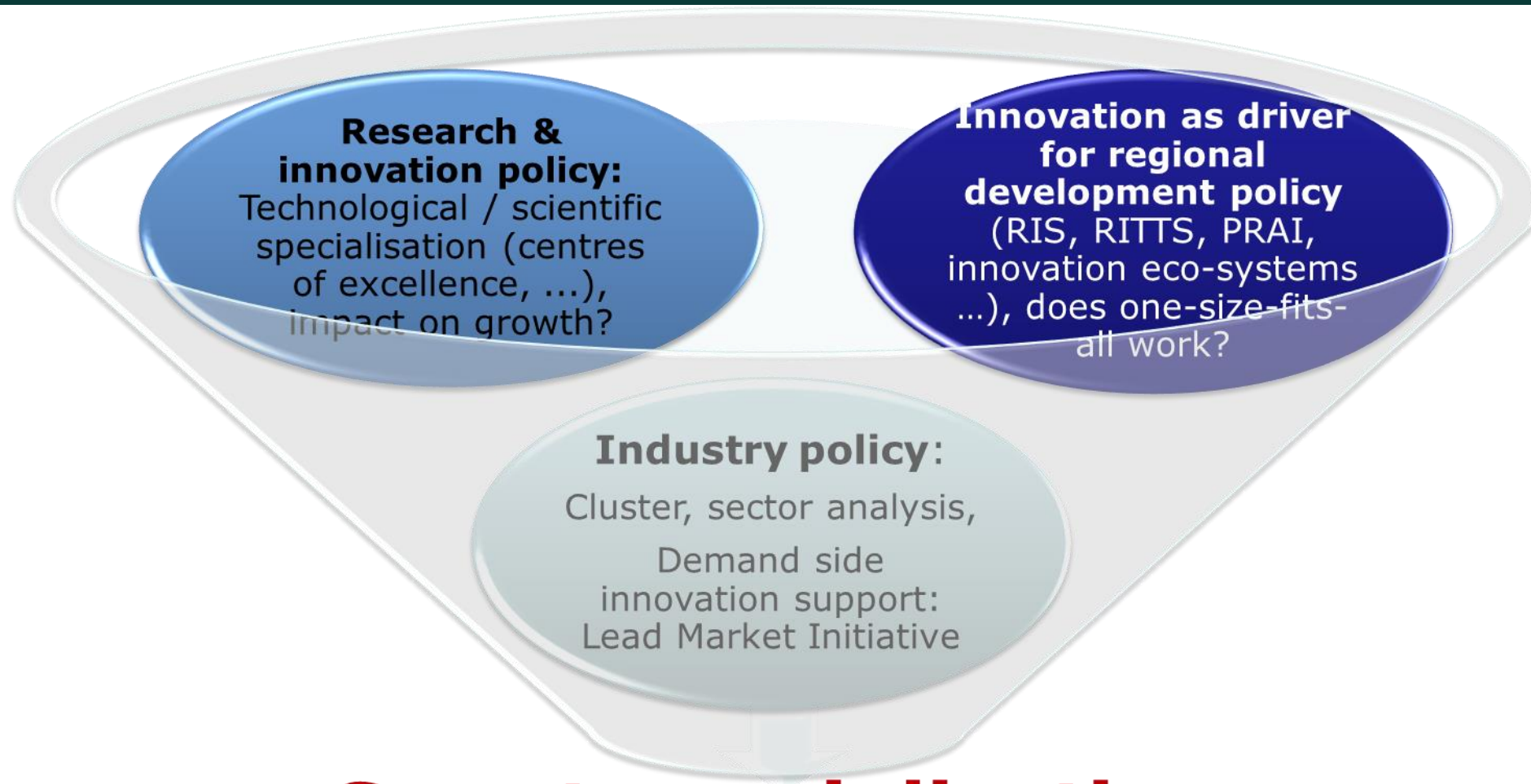
Presentation outline

- S3 & the S3 Platform
- Thematic S3 Partnerships and TSSPs
- S3 Implementation in the EU - Online Survey 3/2018
 - main results with focus on Governance
 - main results with focus on Monitoring & Evaluation

S3 as the Enabler of fully functioning Innovation Ecosystems → Boosting Capacity Building for Innovation...

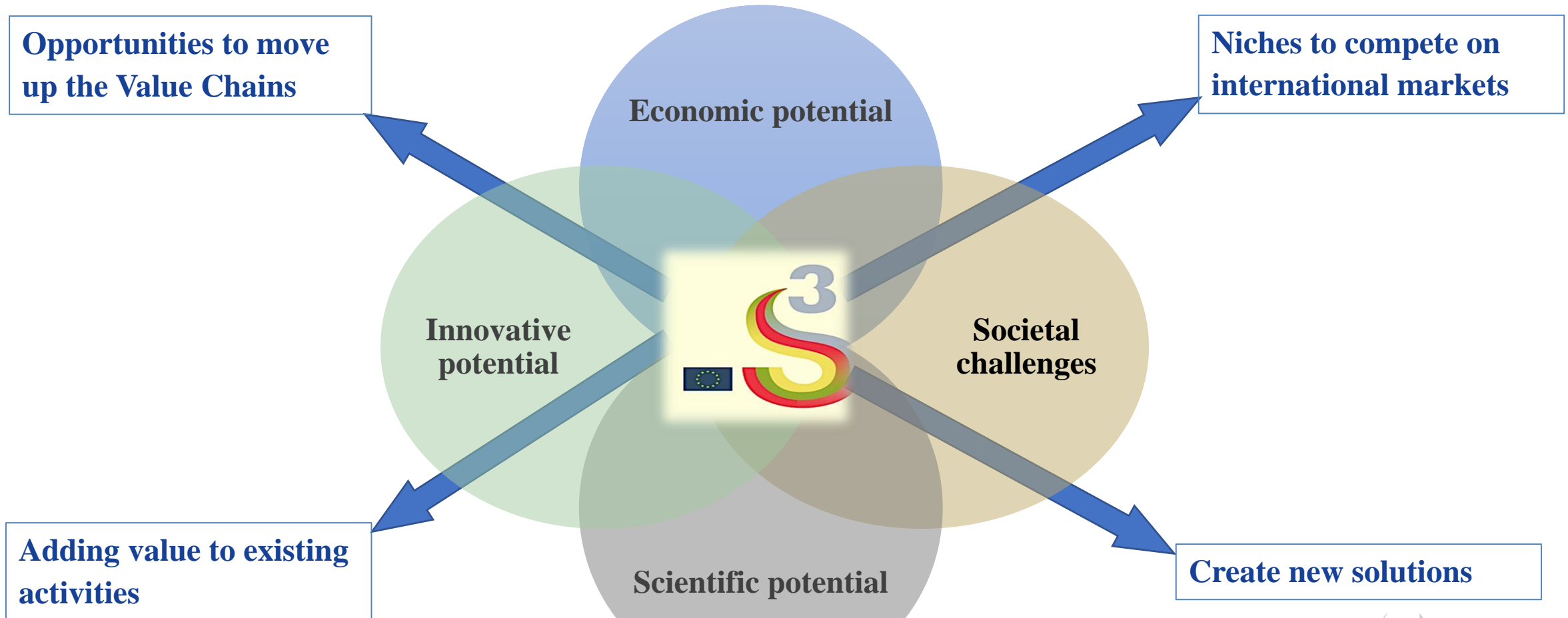


Origins of Smart Specialisation



Smart specialisation

Concept of Smart Specialisation



Smart Specialisation: A place-based policy approach



Key concept of EC Cohesion Policy for **place-based reg. innovation**

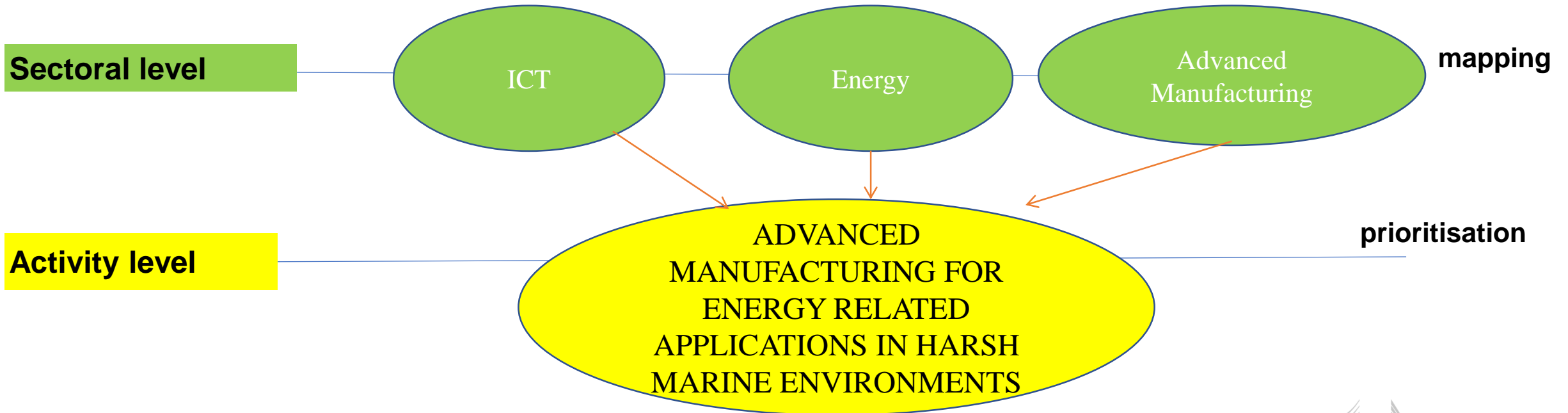
- National or regional **research and innovation** strategies
- Setting priorities to build competitive advantage through Entrepreneurial Discovery Process (bottom-up)
- Better match of R&I strengths to business needs
- Address emerging market opportunities, market niches
- More effective use of EU Structural Funds

EU Regulation 1301/2013 of the European Parliament and of the Council of 17/12/2013

S3: The Notion of Specialisation

S3 is about developing new specialities based on regional concentration of knowledge, competence and market potentials (dynamic)

S3 is NOT to be understood as a sector specialised or relative to other regions (passive)



S3 Framework in the EU and Beyond

IMPLEMENTING of the S3 STRATEGY



DESIGNING of the S3 STRATEGY

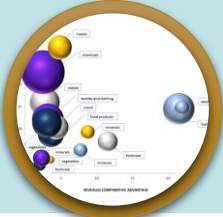


INSTITUTIONAL CAPACITY FOR IMPLEMENTATION



ENTREPRENEURIAL DISCOVERY PROCESS

INSTITUTIONAL CAPACITY BUILDING

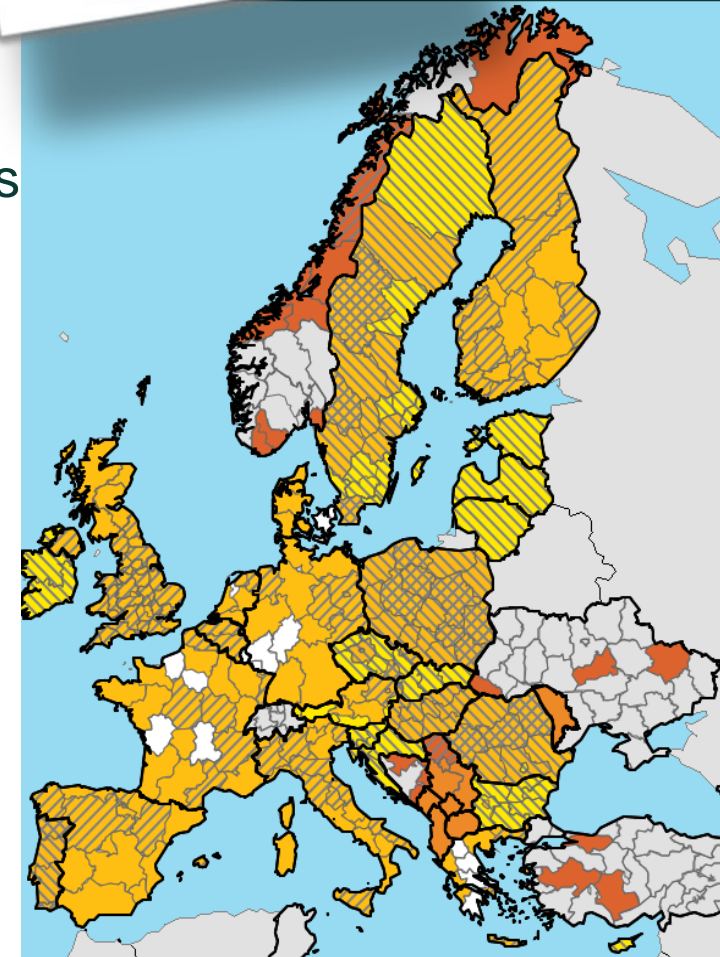


MAPPING EXERCISE

S3 Platform - Achievements



- Created in 2011 to provide science-based advice to EU national and regional policy-makers for the establishment and implementation of RIS3.
- Promotes transnational learning, interregional collaboration & partnerships via:
 - Supporting tools: S3 priorities (Eye@RIS3), ESIF Viewer, Regional Benchmarking, ESIF-Digital, ESIF Energy tool, DIHs...
 - Guidance: RIS3 Guide, Implementation Handbook, Digital Agenda Toolbox, Good Practice Examples, FAQs...
 - Analysis: Conceptual and empirical developments, Policy Briefs, Peer Reviews, Working Papers, Technical Reports...
- Over 120 regional/national smart specialisation strategies analysed!
- Wide membership: 195 regions (incl. 16 Non-EU)
24 countries (incl. 6 Non-EU)
- Thematic concentration through partnerships ► **Thematic Platforms**
 - Agri-food, Energy, Industrial Modernisation + Digital Growth (DIHs)
- 2017 JRC Award for Excellence & 2017 EPSA Best Practice recognition



S3 Platform membership Feb.2019

Main activities of the S3 Platform

Support to lagging regions & Synergies ESIF-H2020
"Stairway to excellence"

S3 Website & Newsletters

S3 Interactive web tools:
Eye@RIS3, etc.

RIS3 assessment and support to REGIO desks

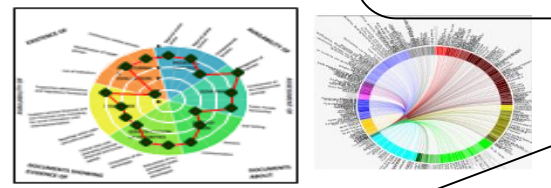
Support to the EU Macro-Regional Strategies & Alignment of innovation roadmaps

S3 Knowledge Base: Guidance and Analysis, RIS3 Guide, DA Toolbox, S3 publications, S3 Seminar Series on Territorial Development

Trans-national Peer Reviews (in total 90 regions/countries)

Peer eXchange & Learning - thematic focus on actors, process, common features and priorities

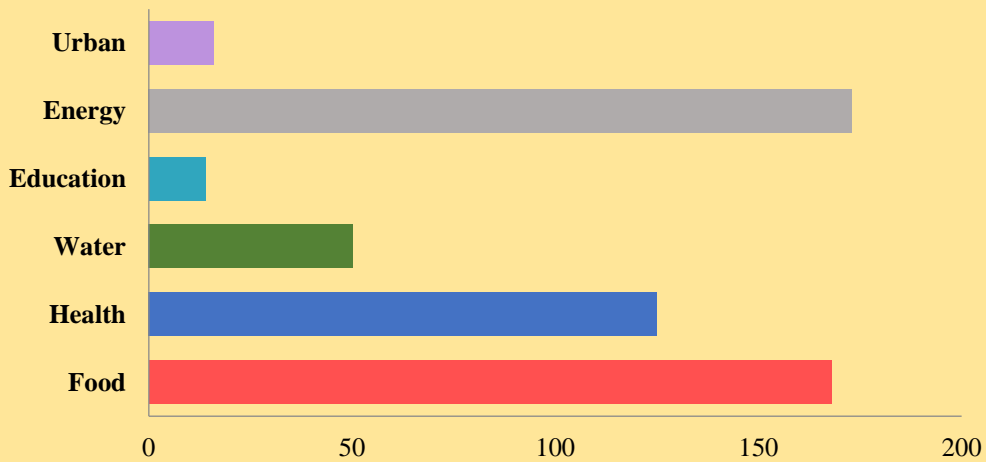
Focused approach on Value Chains - Thematic S3 Platforms (TSSP): Energy, Ind. Modernisation, Agri-Food + additional to come...



Thematic Smart Specialisation Platforms - a key vehicle for the Transregional collaboration in implementation of Smart Specialisation

Three Thematic Platforms

Smart Specialisation priorities in the EU

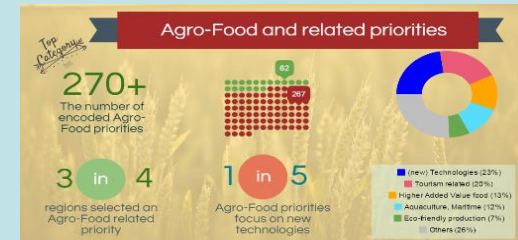


Source: DG JRC

← Agro-food →

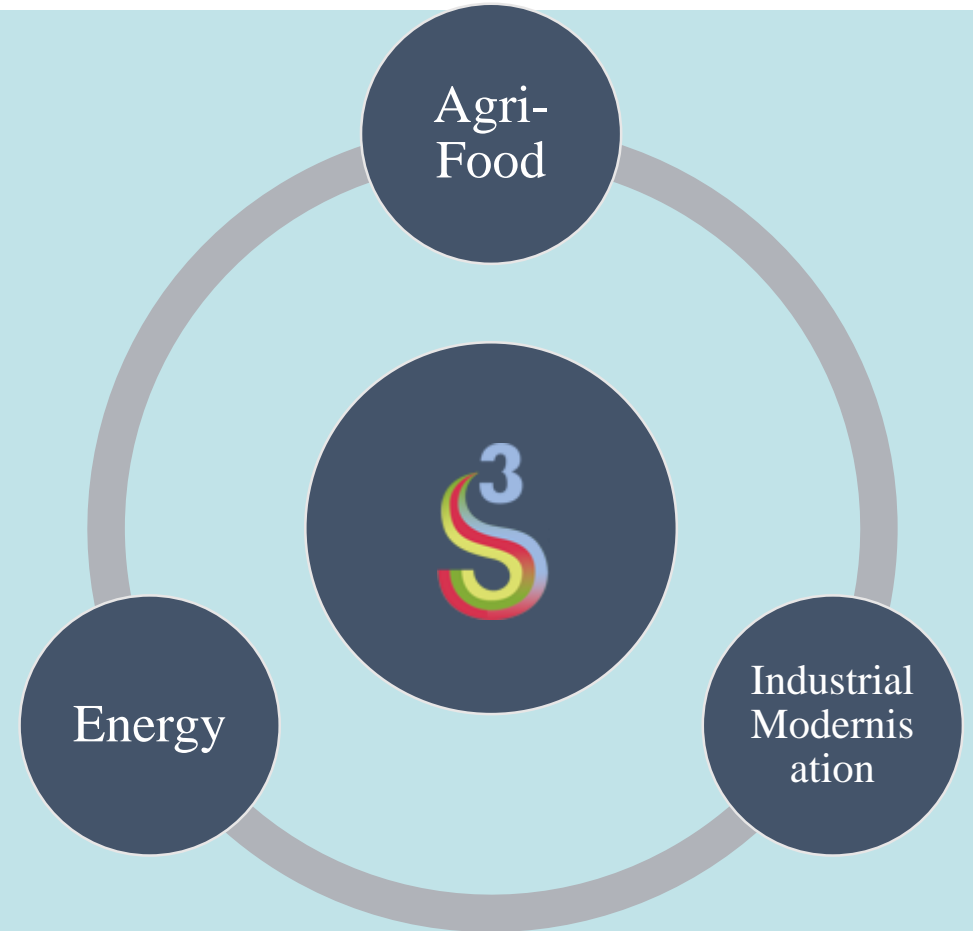
← Energy →

← Industry →



S3 Thematic Platforms

- To support interregional cooperation in new growth areas, aiming to build an investment pipeline of bankable projects
- To provide tailored advice and help regions establish links with the business and research communities
- To help regions develop shared infrastructure such as testing facilities, pilot plants, etc.



S3 Thematic Platforms - Agri-food

Agri-food

- 5 qualified partnerships
- 50 regional and national authorities participating
- 7 leading/co-leading regions
- Many participating regions come from: Italy (8), Spain (8), France (5), Hungary (4) and The Netherlands (4)
- 2 partnerships were now selected for DG REGIO's Interregional Pilot Actions
- EC DGs involved: AGRI, REGIO, RTD, JRC



Smart Specialisation Platform for Industrial Modernisation (S3P-Industry)

Aims at supporting EU regions committed to generate a pipeline of industrial investment projects following a bottom-up approach - implemented through interregional cooperation, cluster participation and industry involvement.



IM Partnerships



Advanced manufacturing



Non-food Biomass



Efficient and Sustainable Manufacturing



3D-Printing



New Nano-Enabled Products



Textile Innovation



Medical technology



Photonics



SMEs to the Industry 4.0



Sport



Digitalisation and Safety for Tourism



Cybersecurity



Social Economy



Artificial Intelligence & Human Machine Interface



Personalised medicine



Chemicals



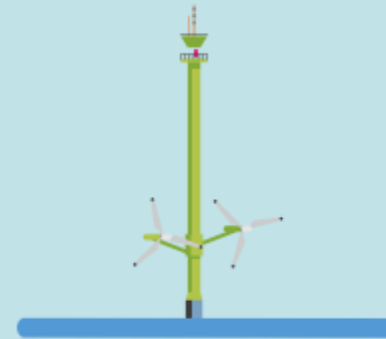
SP3Energy Partnerships



BIO-ECONOMY



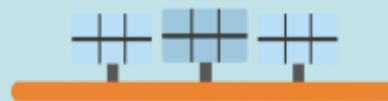
BIOENERGY



MARINE RENEWABLE ENERGY



**SMART
GRIDS**



**SOLAR
ENERGY**



**SUSTAINABLE
BUILDINGS**

S3 Thematic Platforms

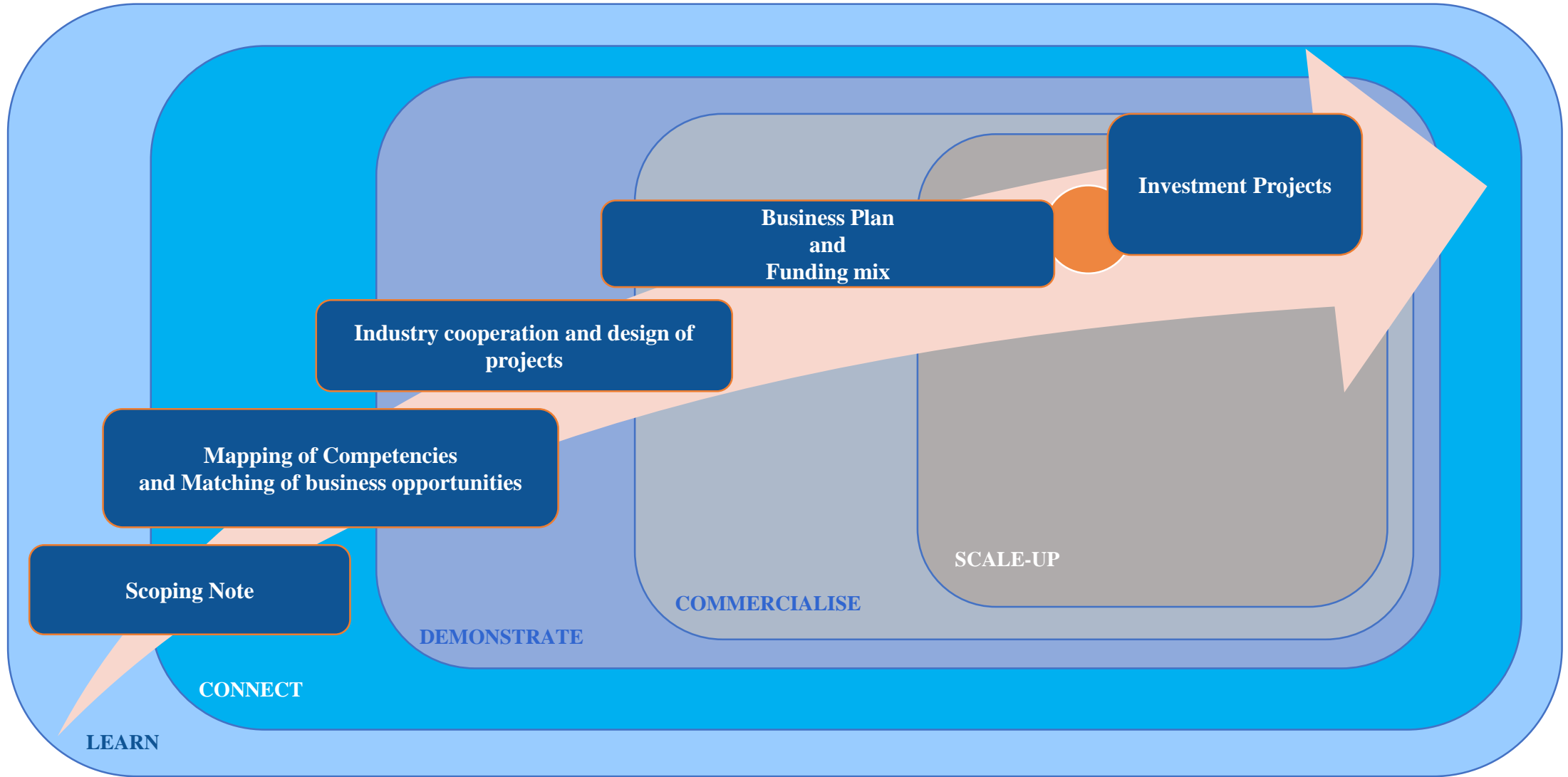
Partnerships:

1. **Outward** perspective for RIS3: **positioning** of priorities & **upscaling** regional innovation efforts
2. Exploit **complementarities** between RIS3 investments in co-creating **EU value-chains** in S3 partnerships
3. Coalitions of **committed** partners: **politically** committed lead-regions + **active** partners (leading-by-example)
4. Organising shared spaces for **joint demonstration** of solutions
5. Mobilising **bottom-up** cluster actors for forging new business opportunities

S3 Thematic Platforms

The role for interregional cooperation:

- Joint execution of projects within the partnerships
- Mutual trans-national learning activities:
 - Identification of common problematic areas across regions and development of thematic advice
 - Match-making amongst regions with specific interests
 - Organisation of discussions and exchanges
 - Sharing of good practices



**Areas of
Shared
Interest**

**Co-funded
Joint
Calls**

**Demonstration
Projects (TRL6/7)
Joint
Pilots**

**Access to new
funding and
New
Markets**

**New Products
and Services
Value Chains**

S3 Linking Public Admin.& Businesses at the EU level

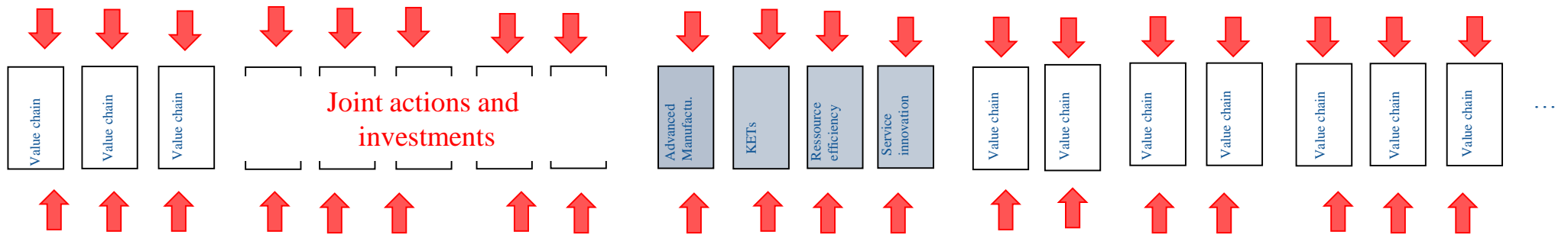
S3 Strategic Developments - EU

REGIO, JRC & Lead policy
DGs

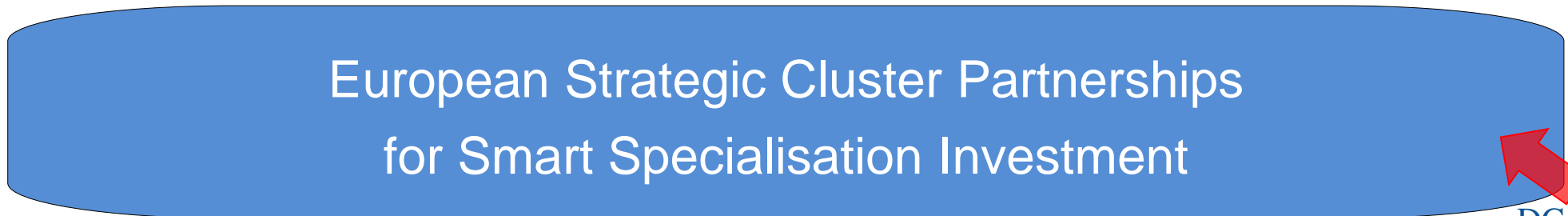
Regional authorities



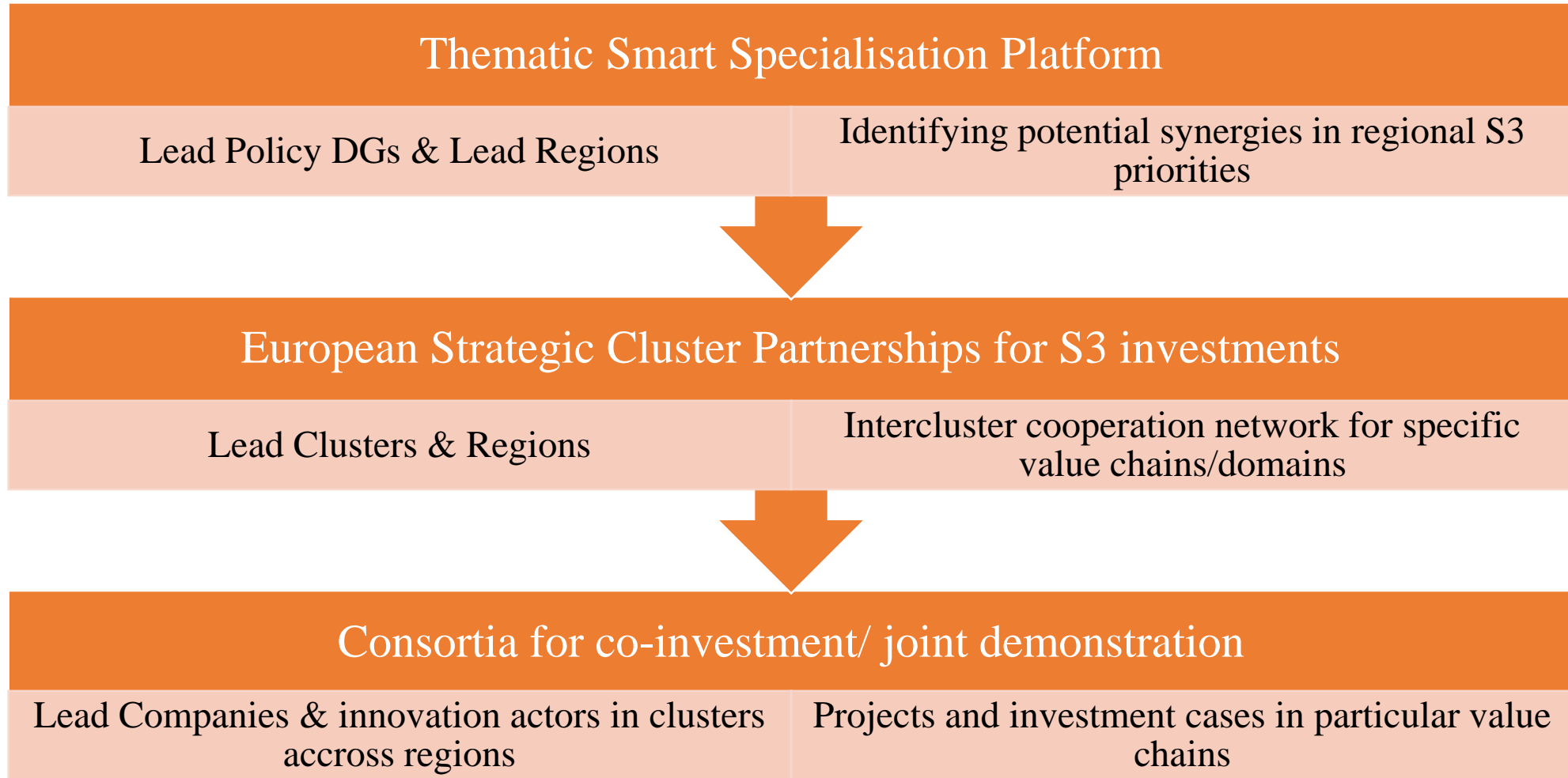
Business



Cluster organisations



Three steps of the 'Entrepreneurial Discovery Process' at the EU-level

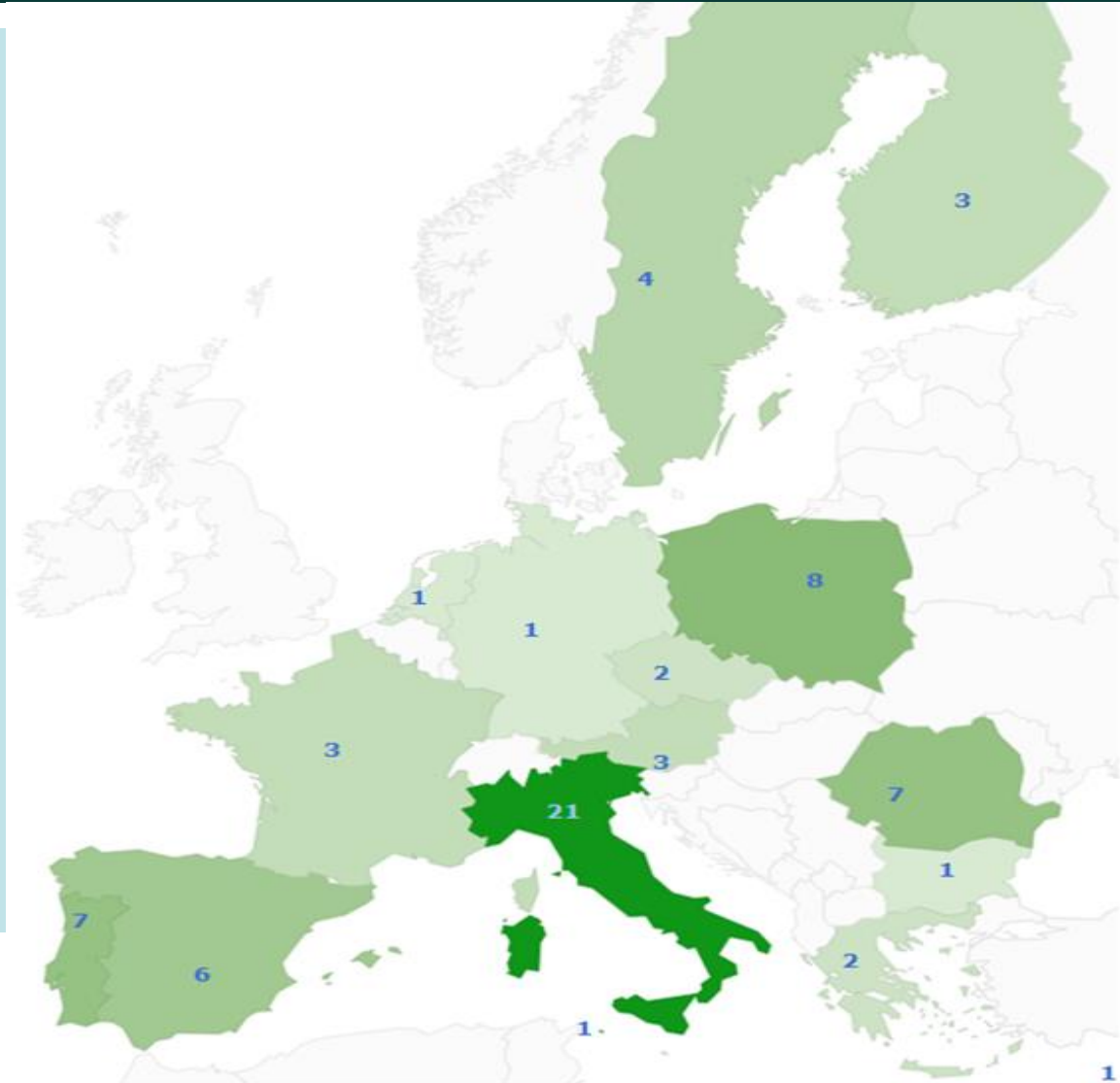
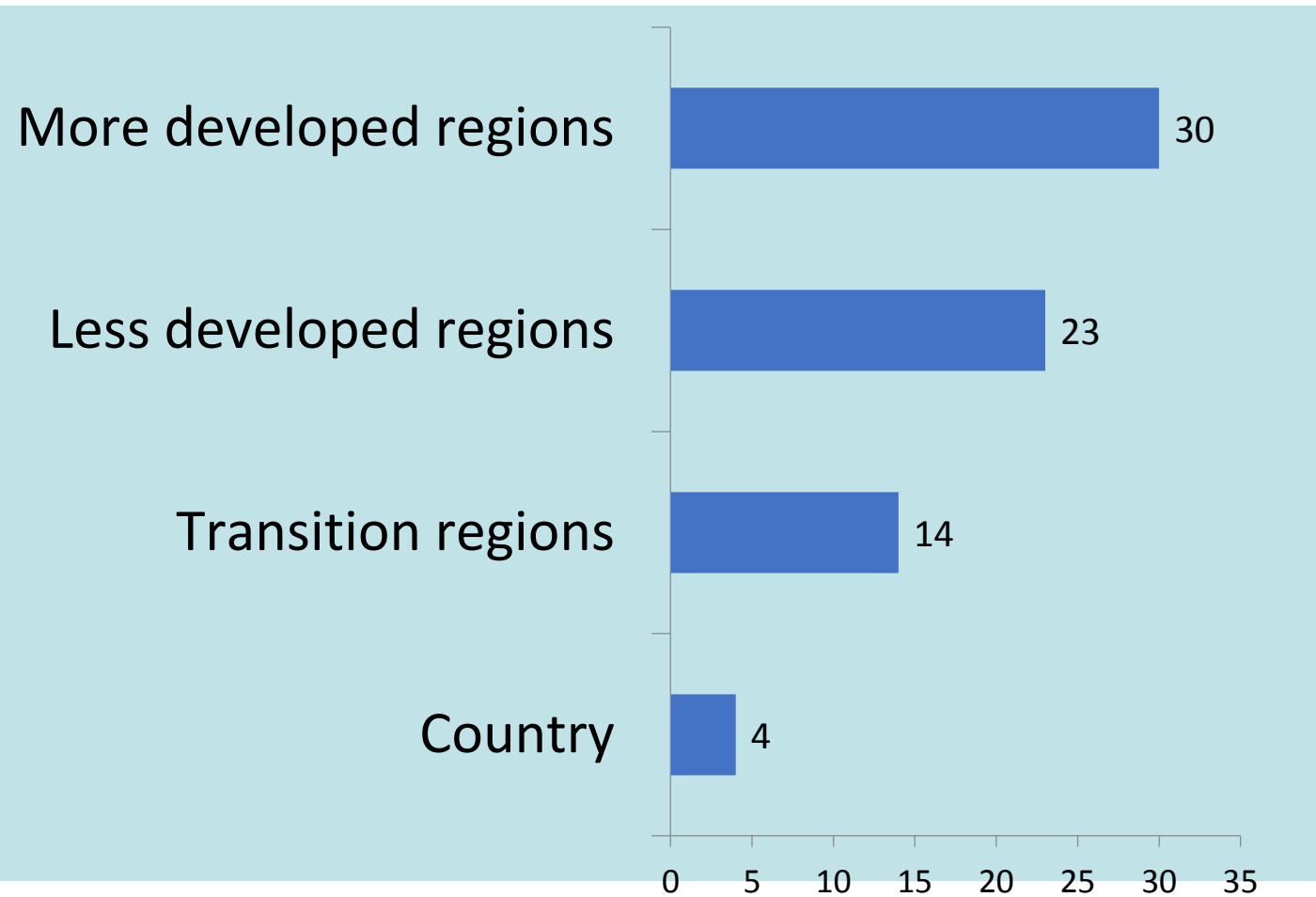


S3 Implementation Survey (2018) - Objectives

- (i) identify areas of major **improvements**, **critical issues** and main **challenges** in relation to the Smart Specialisation policy experience
- (ii) draw some **lessons** and **recommendations** to feed the debate on the post-2020 Cohesion policy.

71 valid responses

Mostly S3 management teams

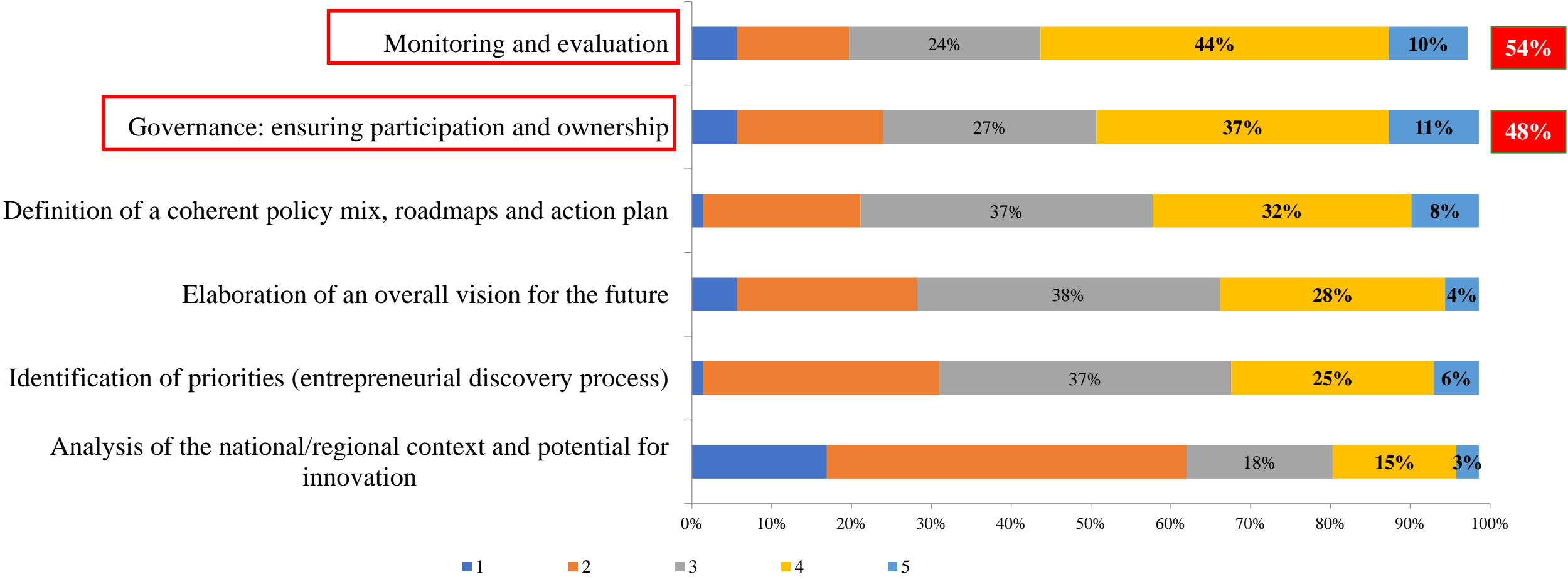


The S3 experience: a challenging but satisfactory exercise

S3 is a **demanding policy** in terms of **policy intelligence, skills** and **capabilities** for public authorities and stakeholders (**89%** of respondents agreed or strongly agreed)

Smart Specialisation experience is **positively valued** (66% of survey respondents are very or extremely satisfied; 77% more developed regions)

The most challenging aspects of the S3 Design process



Level of difficulty encountered with respect to the six steps of the S3 design process (1. very easy - 5. very difficult)

Improvements promoted by the S3 process

Radical/Substantial improvements

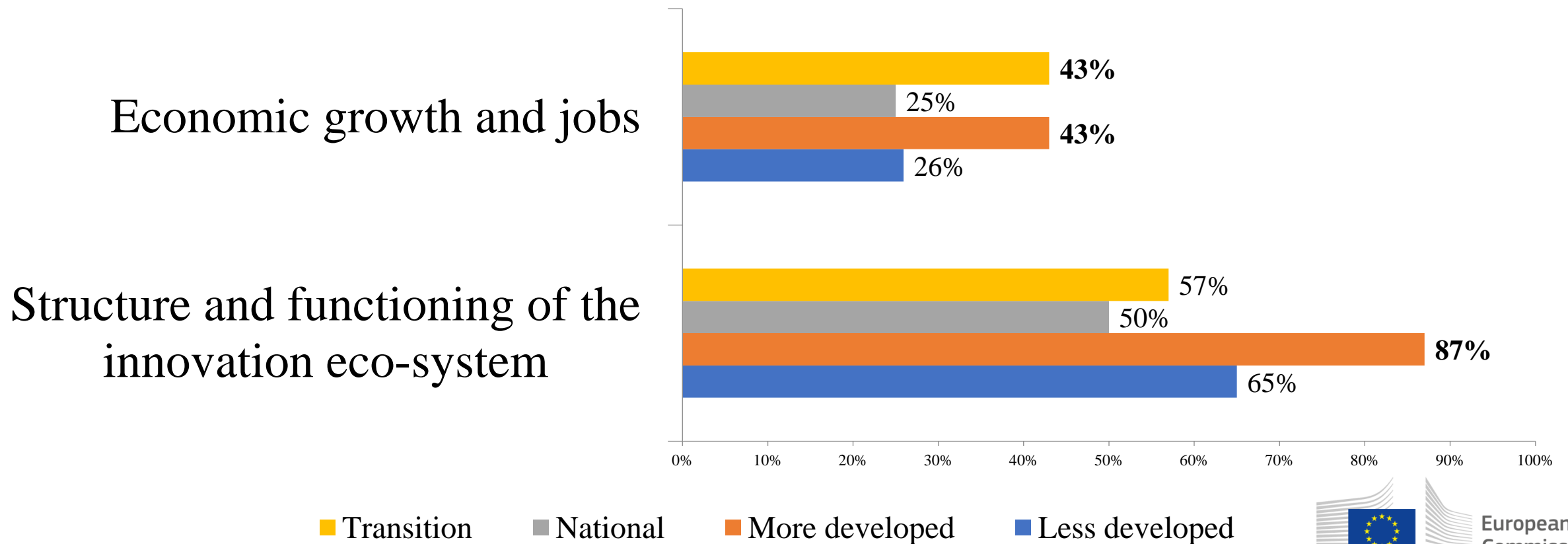
- Stakeholder engagement (58%)
- R&I Prioritisation process (56%)
- Concentration of funding (54%)
- Level of trust (51%)
- Emergence of the innovation potential (51%)

More efforts needed....

- Quality and effectiveness of monitoring activities
- Strategies' outward-looking perspective
- Progress toward economic transformation

Perceived impact in the medium-long term

Strengthening of the regional innovation ecosystem but **not much progress in terms of economic growth and jobs** expected in the future



For the EU Cohesion Policy post-2020, you would recommend.....

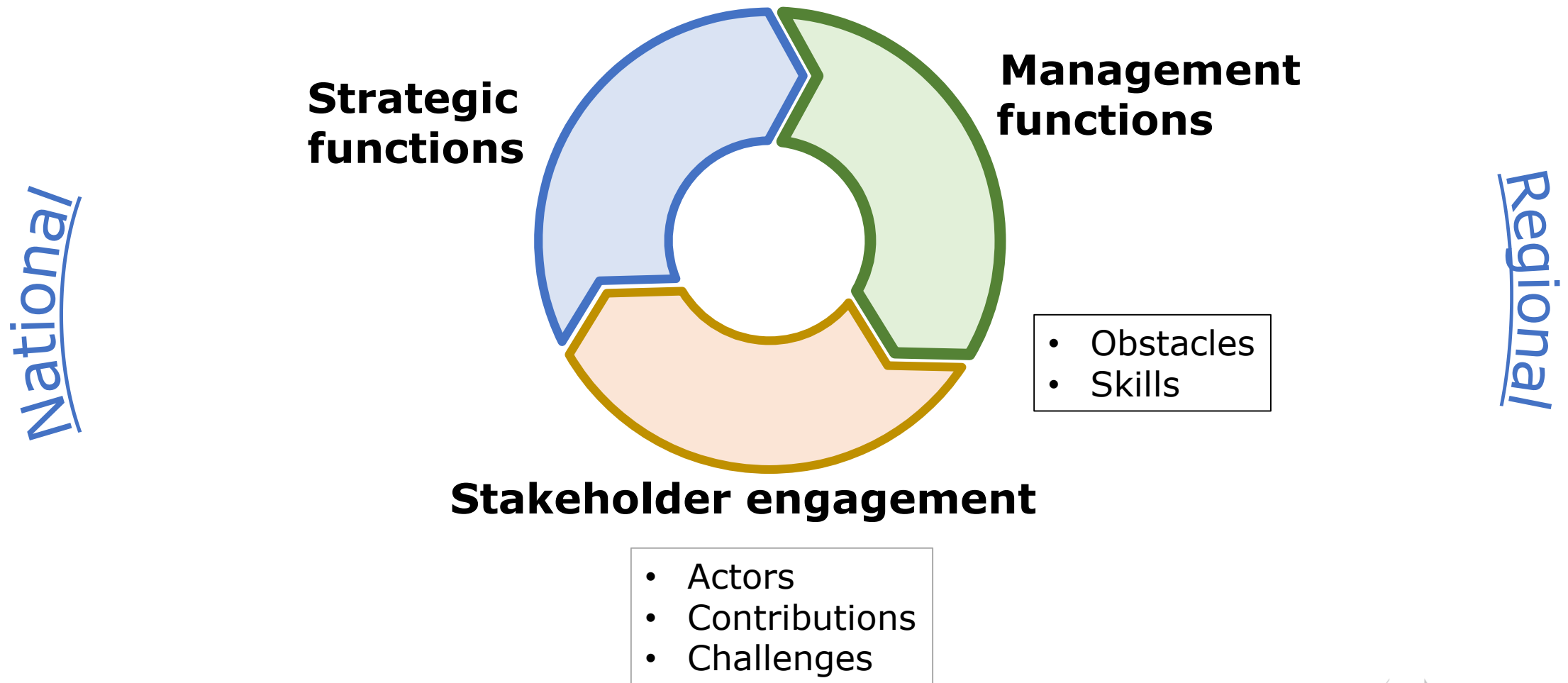
Maintain the same policy framework but **introduce new elements** to improve the effectiveness and responsiveness of the policy to specific territorial needs

"transforming the RIS3 in a voluntary exercise?" option selected only by few respondents

Required changes:

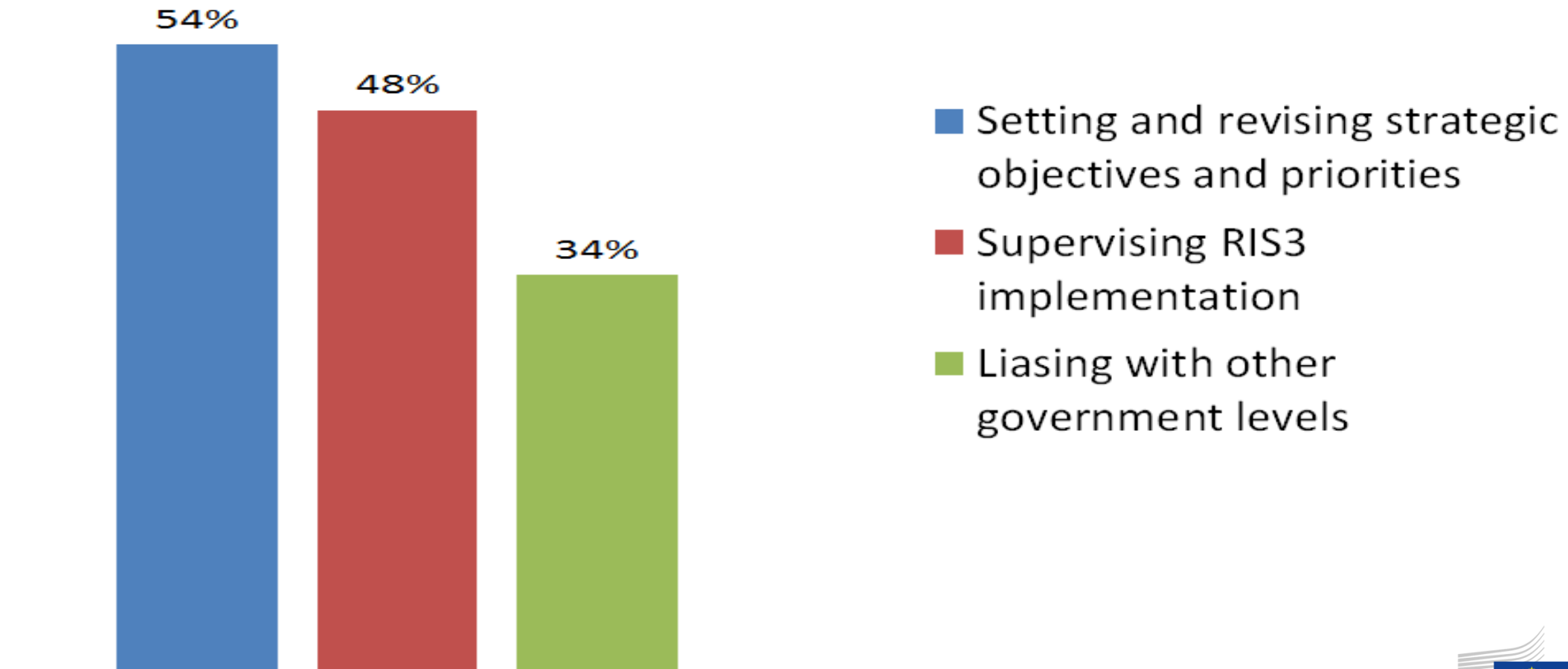
- (i) harmonisation of rules governing different EU funding sources relevant to RIS3*
- (ii) introduction of new provisions/mechanisms to support interregional cooperation*
- (iii) rewarding mechanisms*

S3 Governance



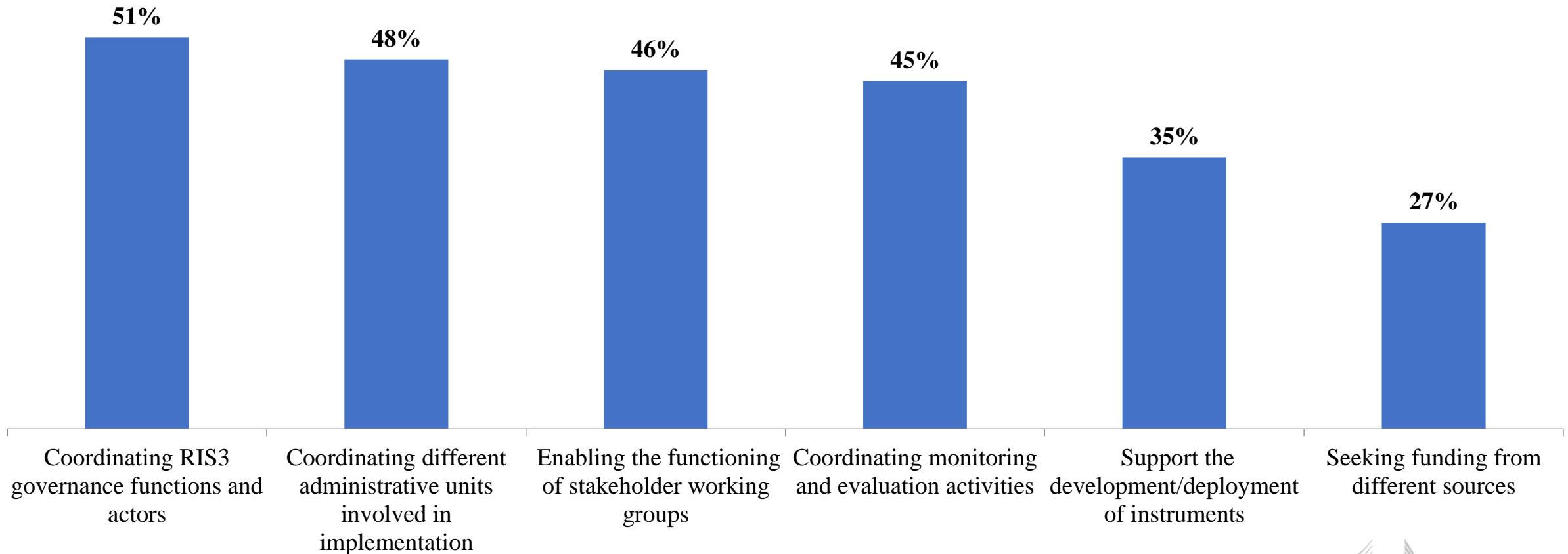
Strategic functions

Regions with an operating and effective body

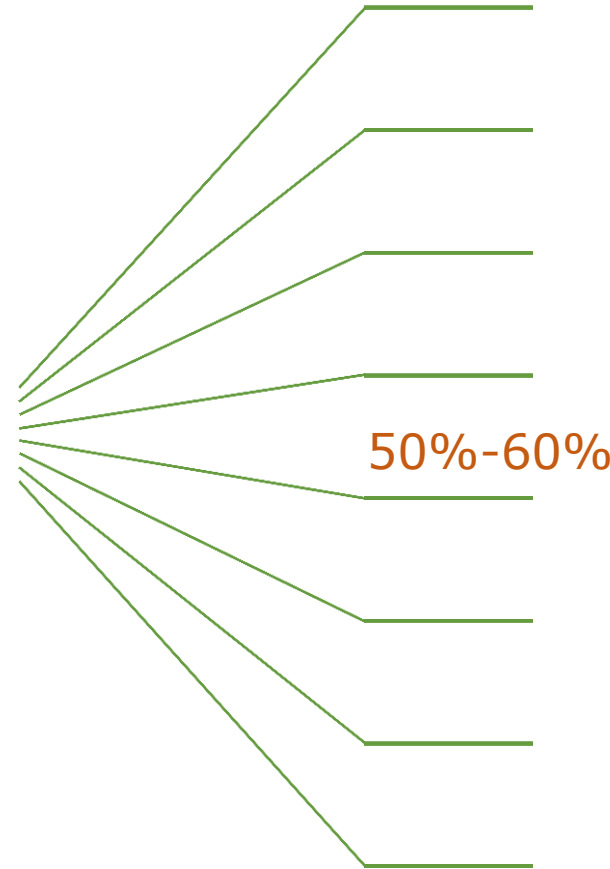


Management functions

Regions with an operating and effective body



Management: Obstacles



Internal bureaucratic obstacles 60%-70%

Lack of funding for staff recruitment and training

Insufficient coordination and flow of information within government departments

Unavailability of skills at the local level

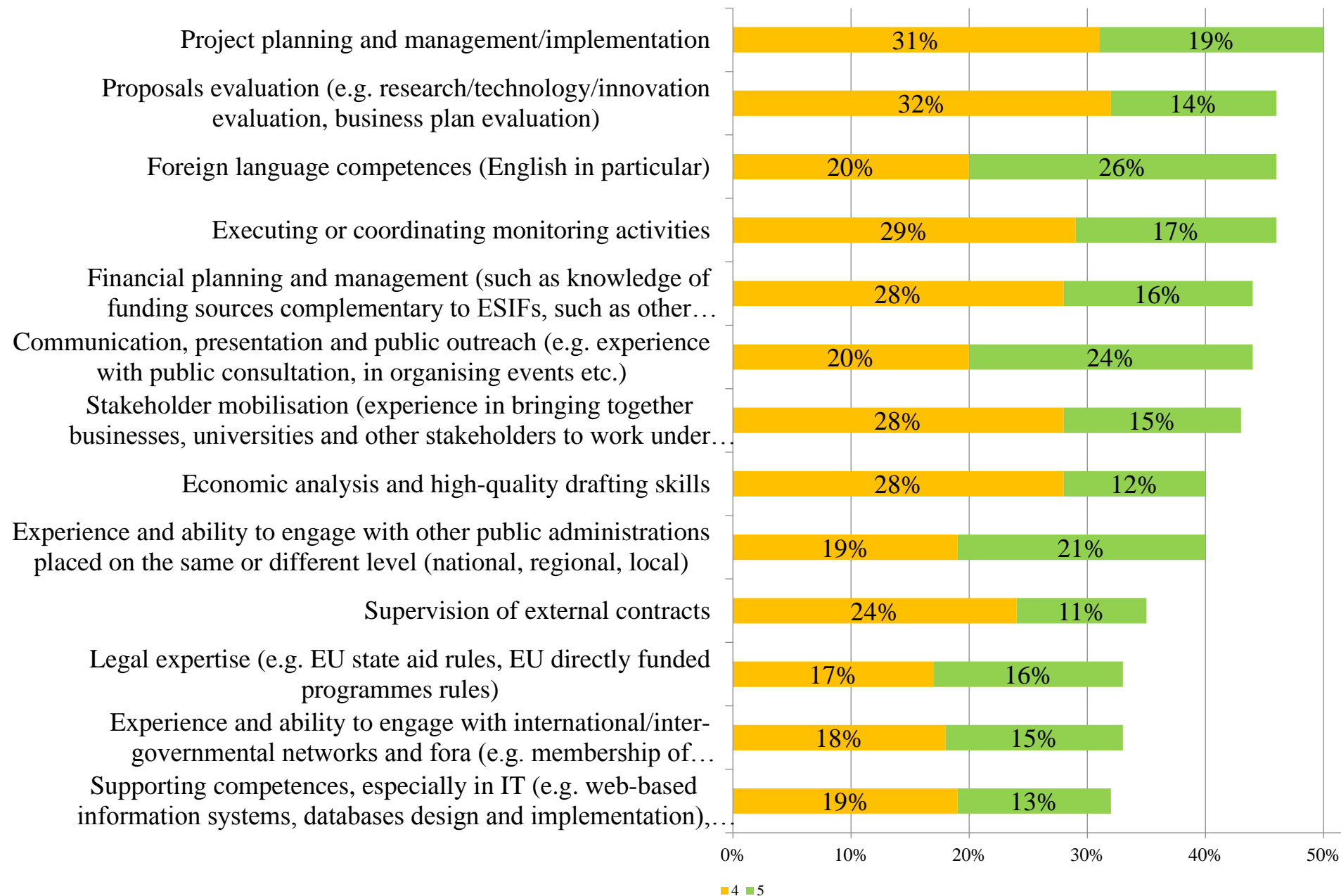
Lack of interest/engagement by stakeholders

Insufficient political commitment

High staff turnover 30%-35%

Legal obstacles

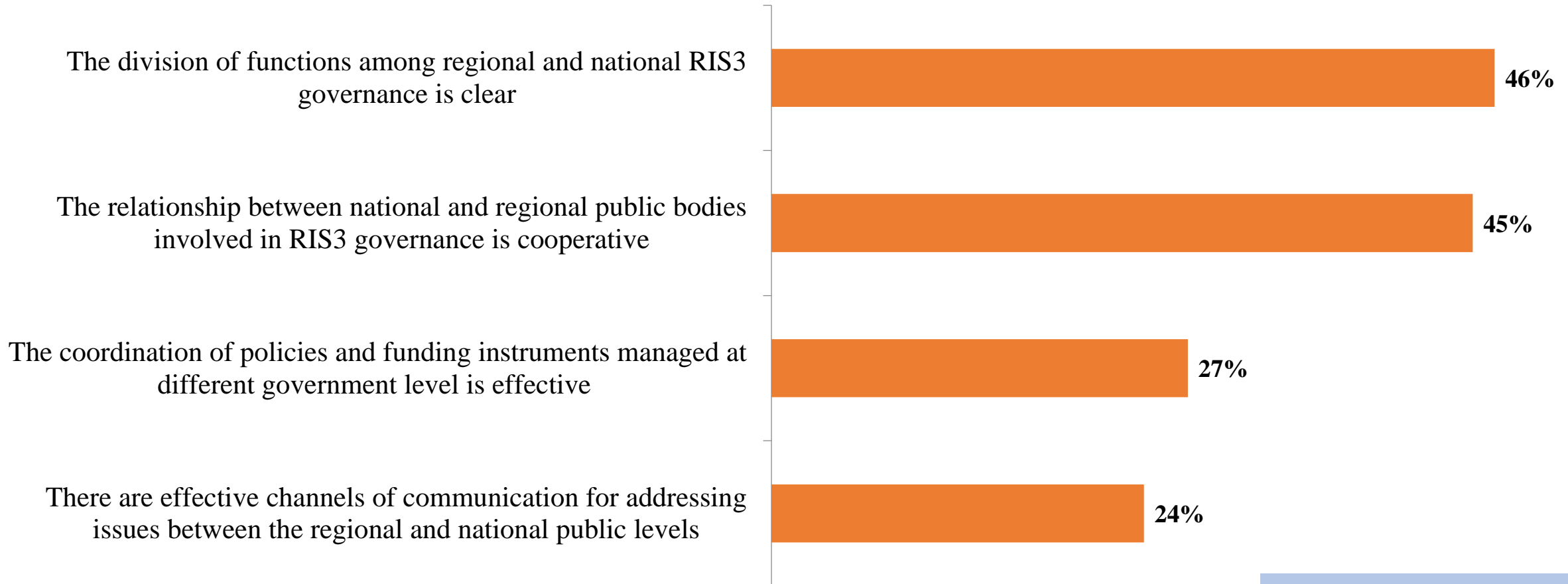
Skill Needs in S3 Management Teams (replies "needs substantially met" and "needs fully met")



In all cases <50% of respondents think their needs are substantially or fully met

National-Regional coordination in S3 Governance

(% of respondents that agree or strongly agree with the following statements...)



Not so good!

Evidence from the PXL on Multi-Level Governance (Bilbao, 2018)

Problems/challenges

- Ineffective coordination mechanisms
- Lack of trust among authorities and actors placed at different territorial scales
- Difficulties in developing common visions (combining the different needs, agendas and expectations)
- Lack of clear political commitment for a more active engagement of sub-regional governments and actors
- Difficulties in implementing effective integrated strategies

Lessons

- Multi-level Governance requires clear and transparent coordination arrangements and mechanisms.
- Coordination needs to be carefully addressed since the design phase of the strategies to avoid the emergence of coordination failures in the implementation stage and poor delivery of public action.

Stakeholder engagement

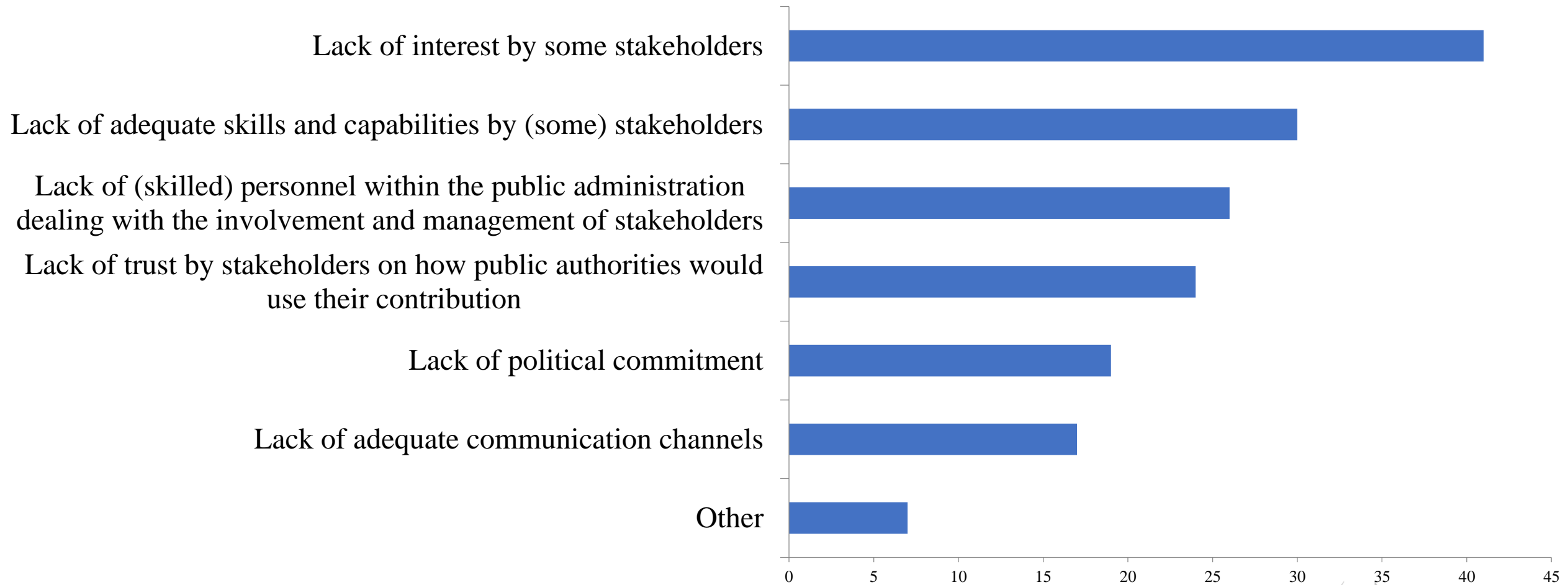
Increased stakeholder involvement compared to previous experiences in research and innovation policy
(7 out of 10 respondents)

.... but **some types of stakeholders are less represented than others:**

+ Universities, public research organisations, cluster and district organisations

- Civil society groups, trade unions, local branches of MNEs and start-ups

Stakeholder engagement: Main obstacles



S3 Monitoring - Main challenge in the S3 Implementation !

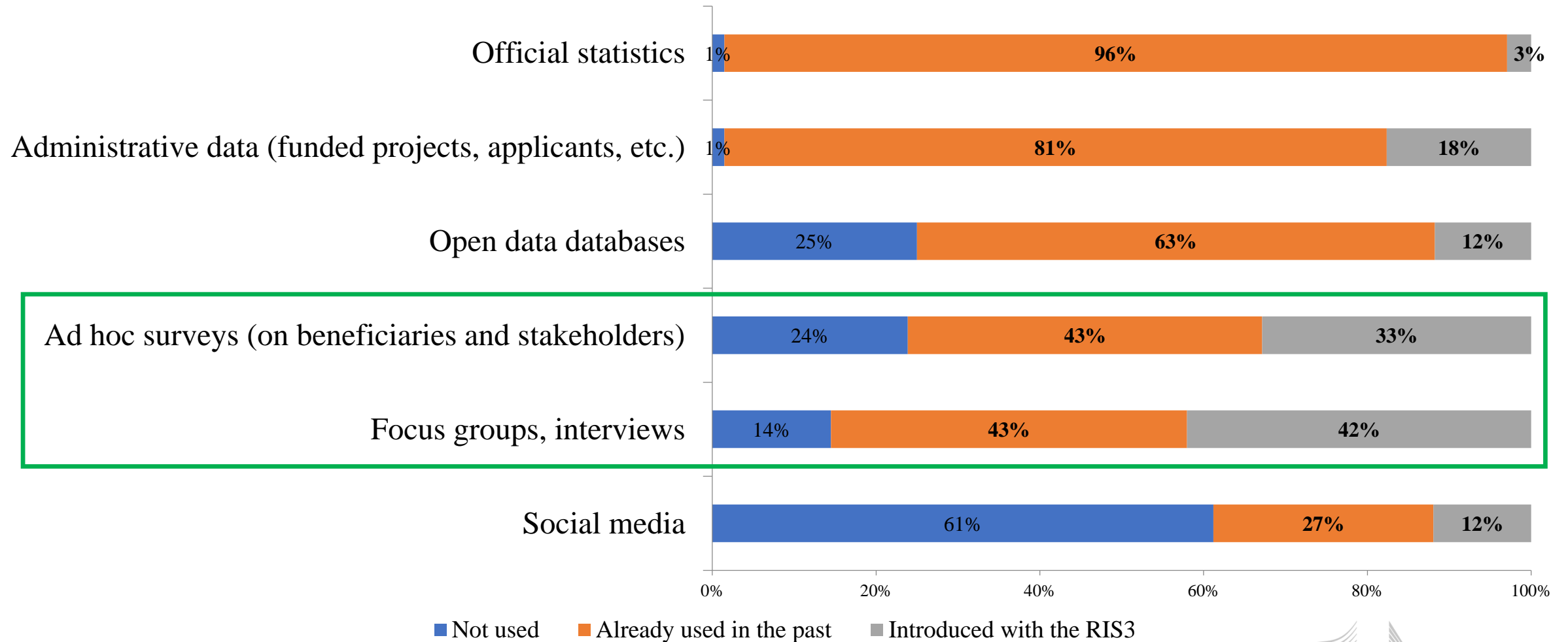
Analysis of the context and potential for innovation	<ol style="list-style-type: none">1. Lack of data and/or data availability when needed2. Lack of evaluation studies and monitoring information on past policies
Monitoring activities	<ol style="list-style-type: none">1. Lack of data and/or data availability when needed2. Lack of evaluation studies and monitoring information on past policies3. Lack of skills and capabilities within the (regional/national) administration
Policy-mix and policy instruments	<ol style="list-style-type: none">1. Obstacles associated with the different rules governing diverse funding sources2. Synergies among policies and funding managed by different institutions placed on different level (EU, national, regional)3. Difficulties in managing/financing interregional collaborative projects4. Lack of skills and capabilities within the regional/national administration5. Difficulties in getting enterprises involved
Priority selection	<ol style="list-style-type: none">1. Difficulties in getting enterprises involved2. Lack of skills and capabilities in some groups of stakeholders3. Difficulties in getting civil society groups involved

More resources devoted to monitoring

National and regional authorities are devoting **more resources to monitoring**: 2/3 of respondents declared that a specific team is currently assigned to S3 monitoring. In several cases (32%), **new teams** for S3 monitoring were created.

Monitoring goes well beyond the mere audit requirements!

Increased use of new data sources for Monitoring



Monitoring: Data collection methods - Pros & Cons

Sources	Pros	Cons
Official statistics	Reliable Cheap Comparable	Time lag Not necessarily priority-specific Distant for policy intervention
Surveys	Timely Flexible	Expensive Representability Response rate
Other data collection methods (interviews, focus groups, etc.)	Address specific issues Detailed explanations Focus on process	Expensive and time consuming Hard to replicate Interpretation bias

Main obstacles to the use of Monitoring & Evaluation information to improve strategy performance and policy making

Many measures require long periods of time before they can be expected to yield the major outcomes sought

Some of the data may not be broken out in sufficient detail to be useful

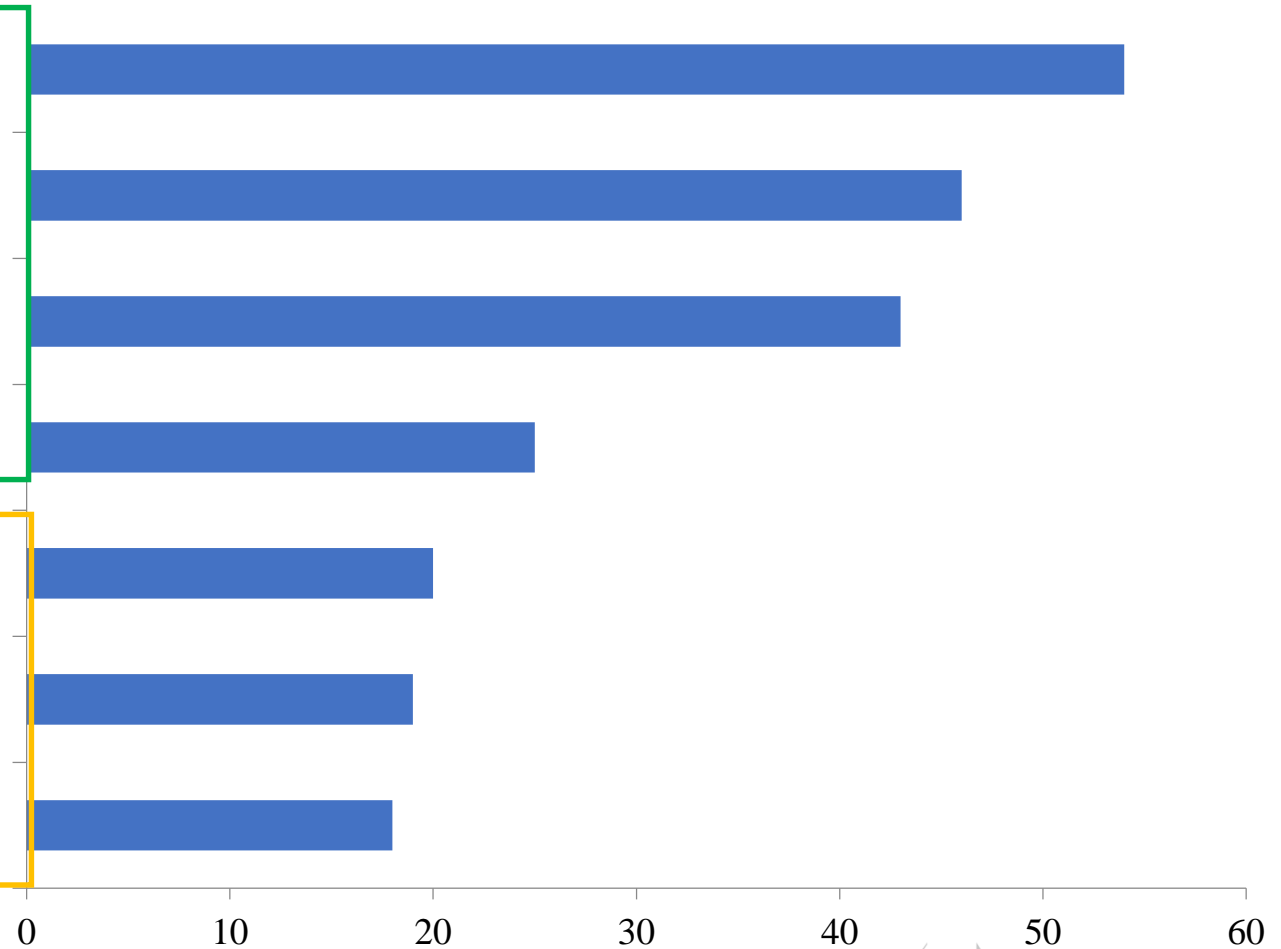
Availability of monitoring information when needed

Availability of evaluation findings when needed

Lack of authority and interest to make changes

Lack of stakeholder engagement

Disconnection with the management



Obstacles

- **Outcome data problems** (time lag, not broken out, measures requiring long period of time before they can be expected to yield the expected results)

.....but even with good data.....

- **Lack of authority and interest to make changes**
- **Fear of being perceived as running ineffective policy actions**

S3 Survey Results in the Upcoming JRC Technical Report

Policy Insights for the post-2020 Cohesion Policy:

- Despite considered challenging in terms of policy intelligence, skills and capabilities for public authorities and other stakeholders, S3 experience positively valued by the vast majority of respondents
- Substantial improvements detected with respect to: stakeholder engagement, priority setting, concentration of funding, level of trust and emergence of innovation potential.
- More efforts needed in relation to the quality of Governance, effectiveness of Monitoring activities and strategies' outward-looking perspective.



Thank you!



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