



European Commission's Vision of the RIS3

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A modern economy and fair transition for EU regions

*Europe is experiencing a period of profound changes brought by **globalisation**, new emerging and digital **technologies**, **automation** and **decarbonisation**. The benefits of globalisation are unequally spread. It is indispensable to help Europeans **adapt** to these profound changes and to help the EU economy to **become more resilient**.*

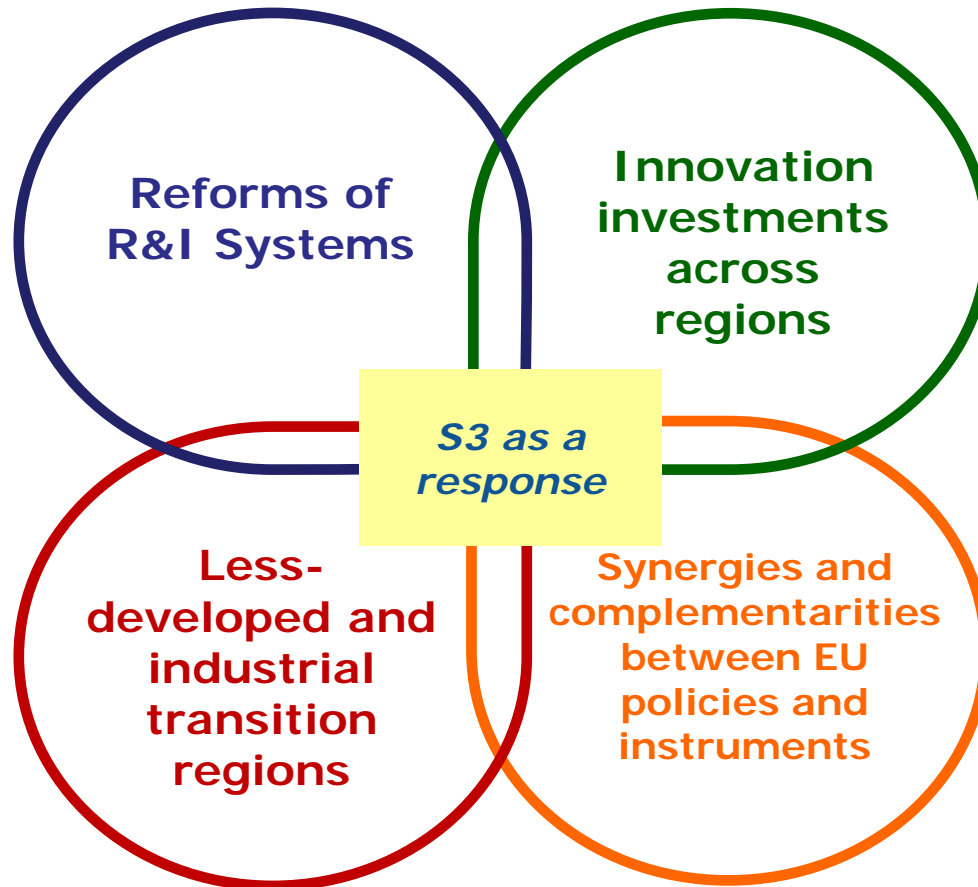
Reflection Paper on Harnessing Globalisation

Therefore the EU will need to:

- **activate** the **innovation potential** of MS and regions
- **adapt** its industry to new models
- boost **competitiveness** and access to **new markets**
- **reduce the gap** among regions
- create new **jobs**

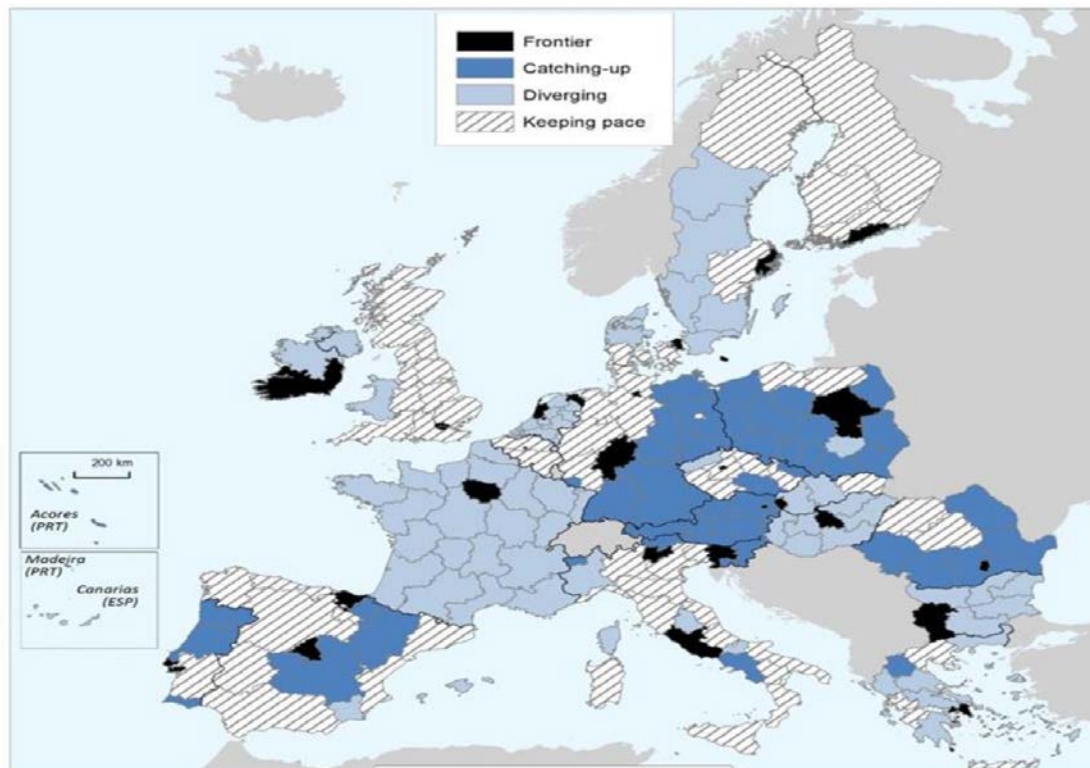


*The Communication identifies **four challenges** for boosting innovation-led growth*



Most regional economies are far from the technological frontier

Classification of TL2 regions, 2000-14



Note: Catching-up/diverging regions grew by at least 5 percentage points in 14 years more/less than their national frontier over the 2000-14 period. The frontier is defined as the aggregation of regions with the highest GDP per worker and representing 10% of national employment.

Source: Calculations based on OECD Regional Statistics [Database].

Innovation investment across regions

Stronger **strategic inter-regional cooperation** and sustainable linkages **between regional ecosystems** along smart specialisation priority areas can increase competitiveness and resilience.

Already existing models of cooperation:

Thematic Smart Specialisation Platforms: joint EC's initiative set up in December 2015. They focus on industrial modernisation, energy and agri-food. More than 80 regions around 20 partnerships.
<http://s3platform.jrc.ec.europa.eu/industrial-modernisation>

Vanguard Initiative: a network of 30 EU regions with strong political commitment to use their RIS3 to boost new growth. It seeks to help regional clusters and ecosystems to focus on priority areas for transforming and emerging industries.

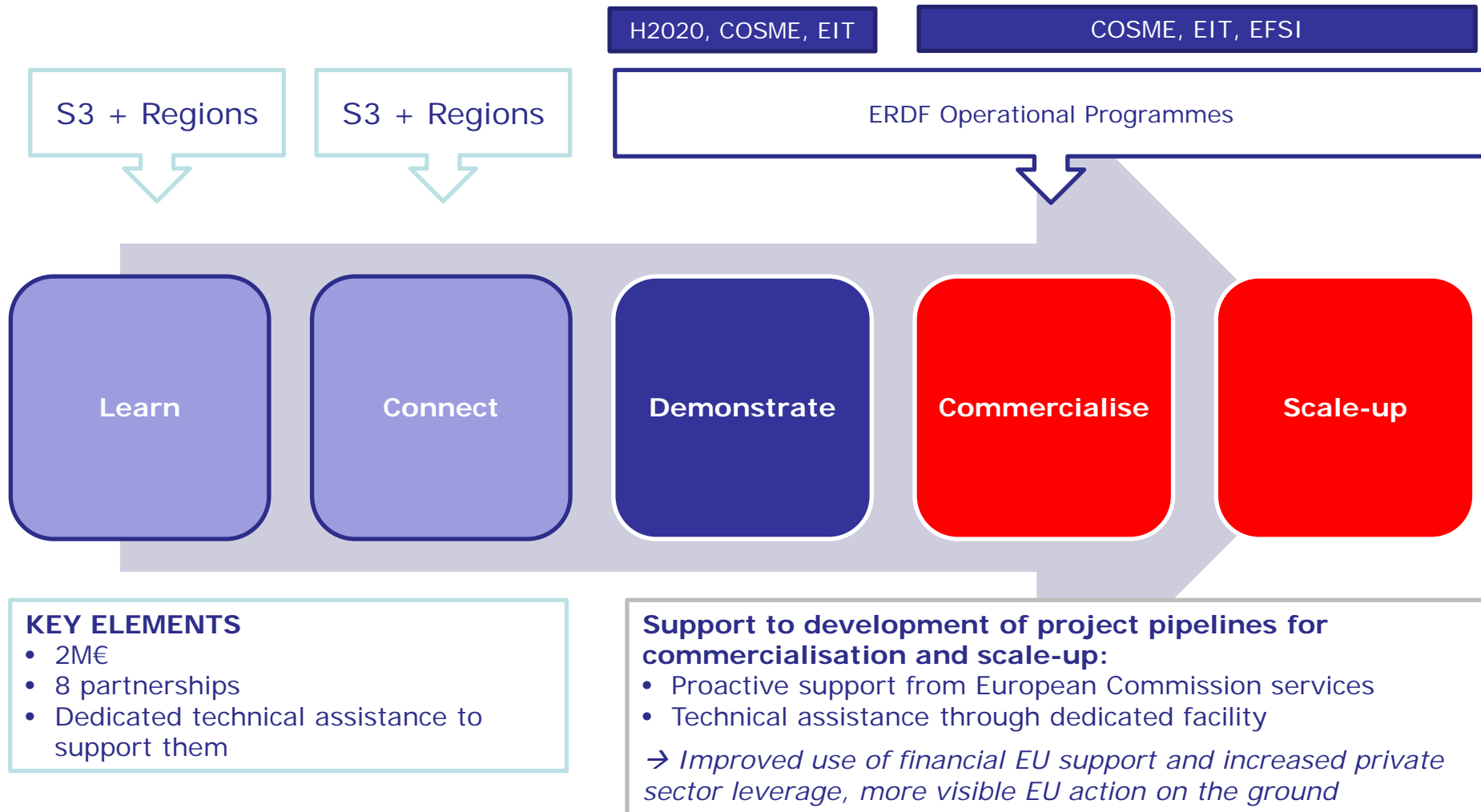
<http://www.s3vanguardinitiative.eu/>

Challenges ahead:





Further efforts are necessary to:

- *integrate other large European initiatives with these platforms and their regional partnerships*
- *facilitate the commercialisation and scale-up of inter-regional innovation projects*
- *incentivise joint business investment*





Pilot Project: Strategic interregional investment projects



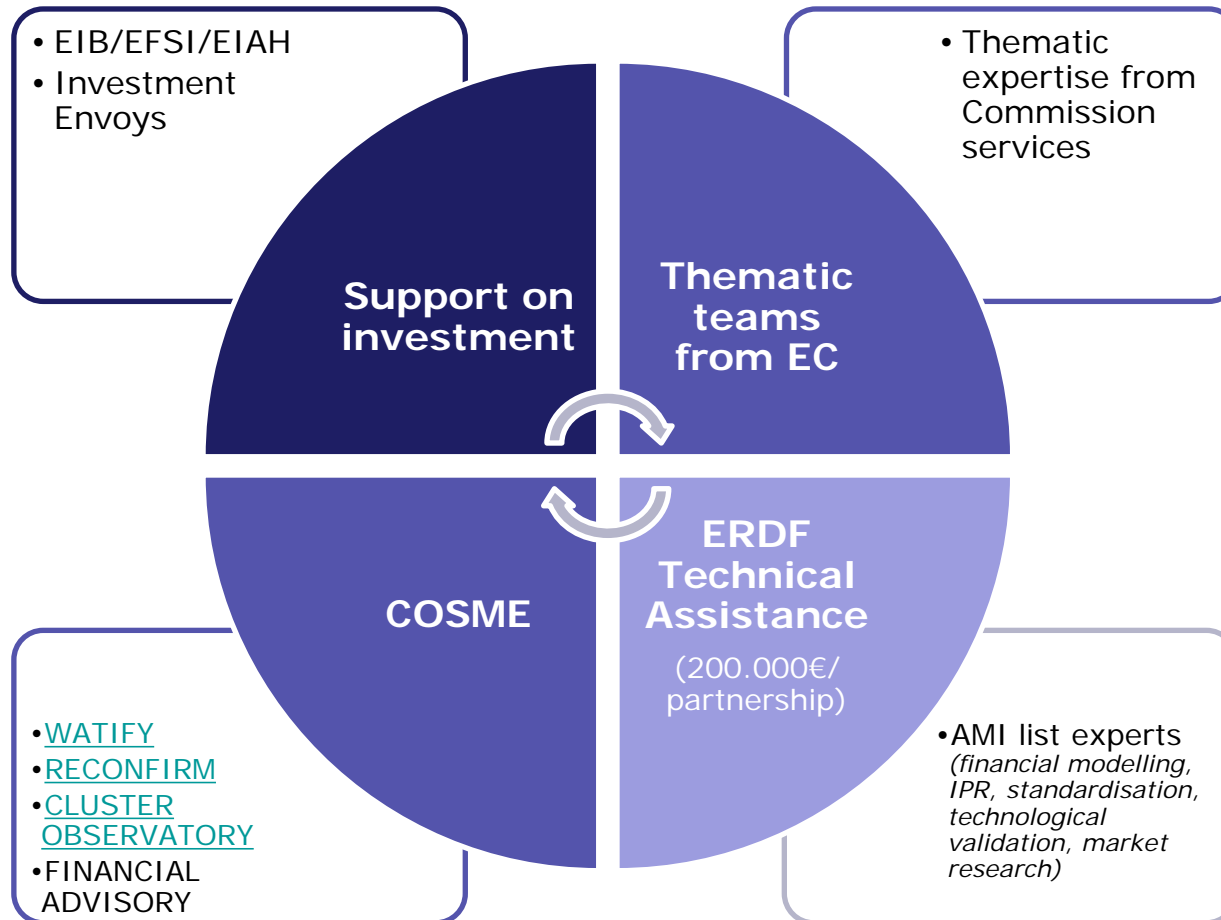
Selected partnerships

THEMATIC AREA	COORDINATED BY	LEAD REGIONS	PARTICIPATING REGIONS
 <p>3Dprinting</p>	<p>Thematic Smart Specialisation Platform for Industrial modernisation</p>	<p>Flanders (BE), Noord-Brabant (NL), Norte (PT)</p>	<p>Emilia-Romagna (IT), Wallonia (BE), Lombardy (IT), Aragon (ES), Saxony (DE)</p>
 <p>Bio-economy</p>	<p>Thematic Smart Specialisation Platform for Industrial modernisation</p>	<p>Flanders (BE)</p>	<p>Wallonia (BE), Lower-Austria (AT), North Rhine-Westphalia (DE), Emilia-Romagna (IT), Navarra (ES), Noord-Brabant (NL), Helsinki-Uusimaa (FI), Łódzkie (PL)</p>
 <p>Cybersecurity</p>	<p>New thematic area</p>	<p>Brittany (FR)</p>	<p>Estonia, North Rhine Westphalia (DE), Central Finland (FI), Castilla y Leon (ES)</p>
 <p>De- & re-manufacturing for circular economy</p>	<p>Thematic Smart Specialisation Platform for Industrial modernisation</p>	<p>Lombardy (IT)</p>	<p>Tampere (FI), Norte (PT), Scotland (UK), Saxony (DE), Basque Country (ES), Flanders (BE), Emilia Romagna (IT)</p>

Selected partnerships

THEMATIC AREA	COORDINATED BY	LEAD REGIONS	PARTICIPATING REGIONS
 <p>High-tech farming</p>	<p>Thematic Smart Specialisation Platform for Agri-food</p>	<p>Tuscany (IT)</p>	<p>Estonia, Flanders (BE), Weser-Ems (DE), Central Macedonia (EL), West Macedonia (EL), Galicia (ES), Extremadura (ES), South Ostrobothnia (FI), Pays De la Loire (FR), Marche (IT), Veneto (IT), Emilia-Romagna (IT), North East Romania (RO), East Central Sweden (SE), Northern Netherlands (NL), Gelderland (NL), Noord Holland (NL), Zuid Holland (NL), North-Brabant (NL), Limburg (BE), Northern Ireland (UK), Centro (PT)</p>
 <p>Marine renewable energy</p>	<p>Thematic Smart Specialisation Platform for Energy</p>	<p>Basque Country (ES) & Scotland (UK)</p>	<p>Asturias (ES), Andalucia (ES), Navarra (ES), Norte (PT), Flanders (BE), Emilia Romagna (IT), Lombardy (IT), South Denmark (DK), Skåne (SE), Dalarna (SE), Ostrobothnia (FI), Brittany (FR), Cornwall (UK), Sogn og Fjordane (N)</p>
 <p>Sustainable buildings</p>	<p>Thematic Smart Specialisation Platform for Energy</p>	<p>Andalucía (ES)</p>	<p>Friuli Venezia Giulia Region (IT), Central Slovenia (SI), South Karelia (FI), Provence-Alpes-Côte-d'Azur (FR), Algarve (PT)</p>
 <p>Traceability and big data in agri-food</p>	<p>Thematic Smart Specialisation Platform for Agri-food</p>	<p>Andalucía (ES), Emilia-Romagna (IT)</p>	<p>Pays de la Loire (FR), Friuli Venezia Giulia (IT), Aragon (ES), Extremadura (ES), Pazardzhik (BG), South Ostrobothnia Region (FI), South Savo (FI)</p>

Support for partnerships



Less-developed & industrial transition regions

Current obstacles:

Less-developed regions:

- R&I infrastructure still very fragmented and not sustainable
- difficulties in building institutional legal environment open to innovation
- lack of appropriate human capital and skill development
- lack of connection with innovation communities and global value chains

Industrial transition regions:






- lack of appropriate skill-base
- high unit labour costs
- de-industrialisation
- unable to attract extra-regional investments
- weakness in the capacity of exploiting funding opportunities (notably, Horizon 2020, COSME)
- less funding than less-developed regions under cohesion policy

EU support so far: TAIEX Peer 2 Peer, S3 Platform, ESF, Horizon 2020 Teaming, Twinning, ERA-Chair, COST actions, Stairway to Excellence and Lagging Regions project, EIT-RIS, Digital Innovation Hubs, etc..



Need for more targeted support

Selected regions (first call)

	Region	Country
 Région Hauts-de-France	Hauts-de-France	France
	North-Middle Sweden	Sweden
 REGIONE PIEMONTE	Piedmont	Italy
 Freistaat SACHSEN	Saxony	Germany
 Wallonie	Wallonia	Belgium

Support mechanisms

- *Regional support teams of Commission services led by DG REGIO on the use of various EU instruments for industrial transition. This work will cover in particular:*
 - Reskilling and preparing for industrial and societal change;
 - Addressing investment barriers and improving access to finance;
 - Improving access to EU research, innovation and industrial competitiveness programmes;
 - Digitising the economy;
 - Energy transition.
- *AMI list expert support for the development of a comprehensive strategy*
- *OECD led peer review/foresight exercise on challenges of industrial transition*
 - Preparing for the jobs of the future
 - Broadening innovation and innovation diffusion
 - Low-carbon energy transition
 - Promoting entrepreneurship
 - Encouraging inclusive growth
- *Customised advisory support services from the European Observatory for Clusters and Industrial Change*
 - a summary report of the region's current position and potential role of cluster policy
 - a regional survey and European Cluster Excellence Scoreboard benchmarking report;
 - organising a one-day peer review meeting with external experts in the region;
 - providing a final policy briefing with concrete recommendations.
- *Possible grant of €300.000 for implementation of strategy in 2019*

Synergies and complementarities

A **substantial number** of regional, national and European policy programmes and instruments exist. To increase their impact in delivering key European priorities it will be **necessary to improve synergies and complementarities**. Smart specialisation provides a strategic framework to develop them.

Actions already taken by the EU:

- Combination of EU funds in a single project (cohesion policy, EFSI, Horizon 2020)
- Alignment of rules for simplified cost options (cohesion policy and Horizon 2020)
- Guidelines for combining cohesion policy funds and EFSI
- Initiatives: Stairway to Excellence, Seal of Excellence
- Commission investment envoys
- Changes in art.70 (Omnibus Regulation): increased possibility to spend cohesion policy funding outside programme areas



Conclusions

Smart Specialisation is an ongoing process of entrepreneurial discovery to capture the dynamics of market change and technological progress

Smart Specialisation is about developing areas where you can have a competitive advantage

Deepening and broadening of smart specialisation areas should be a natural outcome of well established entrepreneurial discovery process