



MANUMIX
Interreg Europe



European Union
European Regional
Development Fund

Comparative baseline study: Preliminary results

Orkestra
Basque Institute of Competitiveness

18 May, 2017 | Learning Journey, Basque Country

Overview

1. Introduction
2. AM strategy
3. Governance mechanisms and practices
4. Innovation policy mix and its governance
5. Evaluation practices and management
6. Baseline dimensions and learning pillars

I.

INTRODUCTION

Introduction

The aim of this presentation is to provide with an overview of the main findings of the baseline studies conducted for each region, taking into account that the findings:

1. are preliminary
2. constitute a base for discussion
3. constitute an input for the learning journeys and peer-reviews
4. give a comparative overview of regional commonalities and differences

This is the beginning of a journey....

II.

STRATEGY

RIS3 Strategy

Smart Specialisation Strategies focus on territorial capabilities

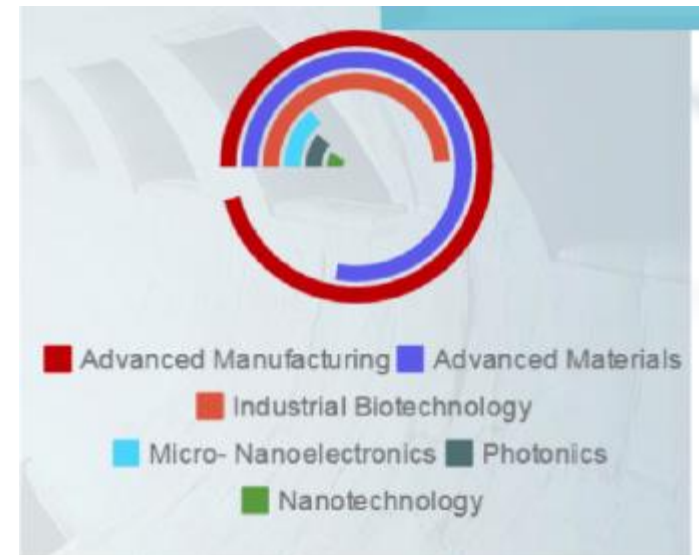
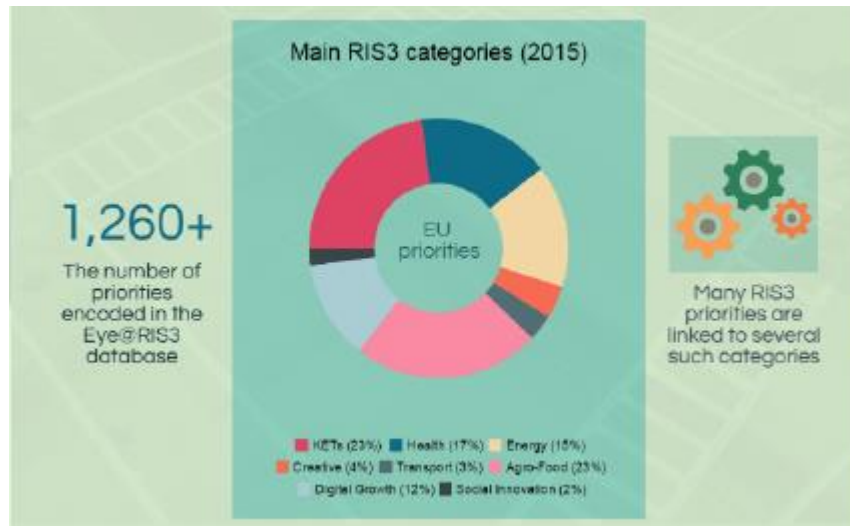
Increasing importance of innovation policy and strategy, especially in regions through the concept of Smart Specialization Strategies.

In a nutshell, smart specialisation is about placing greater emphasis on innovation and having an innovation-driven development strategy in place that focuses on each region's strength and competitive advantage. It is about specialising in a smart way, i.e. based on evidence and strategic intelligence about a region's assets and the capability to learn what specialisations can be developed in relation to those of other regions.

DG Regional Policy, European Commission (2011)

RIS3 Strategy: Scope of Advanced Manufacturing in EU regions.

Advanced Manufacturing has different understandings

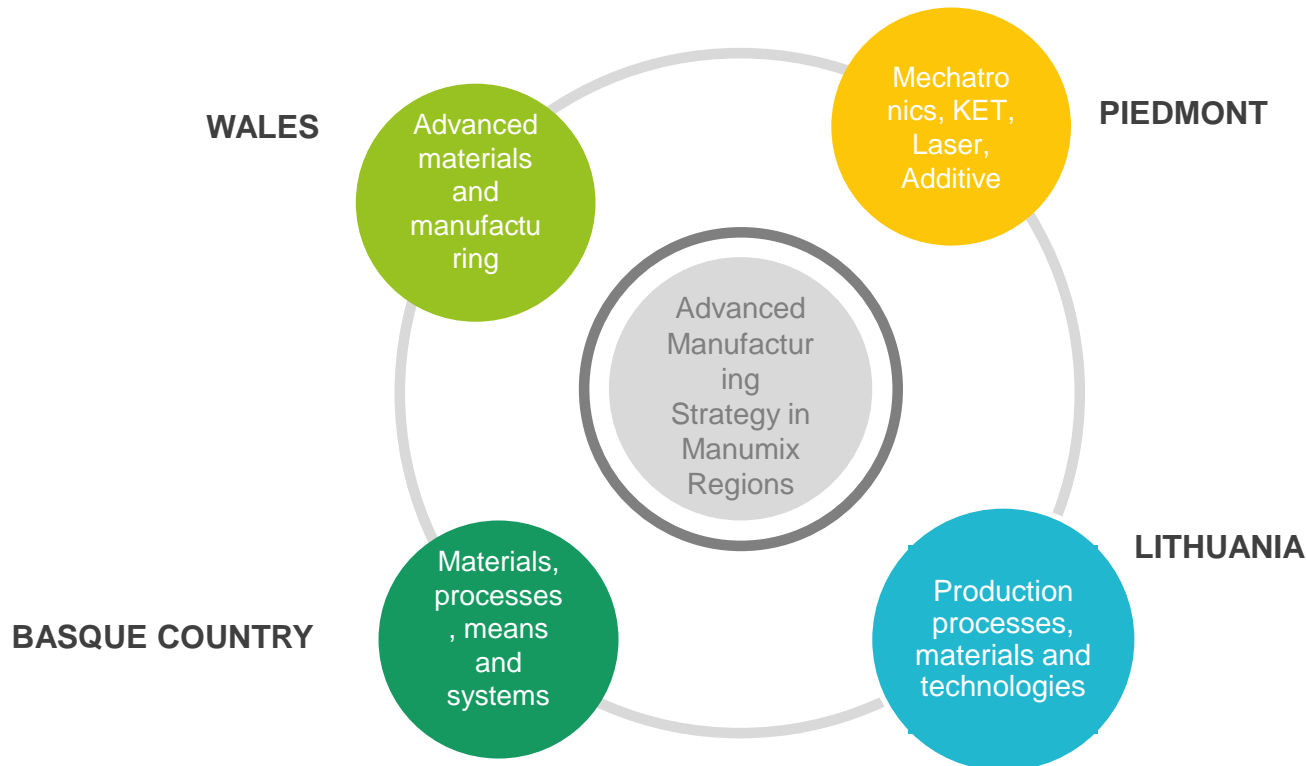


2 out of 3 European regions have chosen a R&D priority related to industrial modernisation.

Advanced Manufacturing is a broad concept that includes different technologies and domains

RIS3 Strategy: Scope of Advanced Manufacturing in EU regions.

Different understanding of Advanced Manufacturing in the Manumix regions make flourish different challenges and different policy-mix approaches, which leads to different evaluation challenges as well.



III.

GOVERNANCE

Governance in the RIS3 context.

Needs to link existing governance structures to the governance of the innovation policy mix and its evaluation

“How the whole process of designing and implementing S3 is governed, including who is involved, the structures that are put in place and how decision are taken”

(Implementing Smart Specialization Strategies: A handbook)

Governance dimensions in RIS3 and implications for the policy mix

	Governance structures	Governance processes
Hard governance (government)	Intra-government coordination bodies	Intra-government dialogue and coordination through which decisions about RIS3 are taken (including those related to innovation policy mix)
Soft governance (government – stakeholders)	Government – stakeholders coordination bodies	Entrepreneurial discovery process (specificities in regards to AM)

Manumix regions: Governance of RIS3 and AM strategy

Most regions do not have AM exclusive governance mechanisms

- General context feature: Full competency on innovation policy
- All regions have embedded the RIS3 governance within the existing governance structures but have also created specific RIS3 exclusive coordination mechanisms

	Governance structures and processes	
	RIS3 Strategy	Advanced Manufacturing
Hard governance (government)	<ul style="list-style-type: none"> • Basque Country: S&T&i Governance structure • Piedmont: S3 Team + Control Comitte • Wales: Welsh government+ WEFO 	
Soft governance (government – stakeholders)	<ul style="list-style-type: none"> • Lithuania – Smart Coordination Group • Basque Country: S3 Working Groups • Piedmont: Steering Committee • Wales: Innovation Advisory Council 	<ul style="list-style-type: none"> • Basque Country: AM pilot group • Piedmont: +extensive dialogue when drafting ERDF ROP and S3 +S3 Working group • Wales: Industry Wales

Manumix regions

Governance of RIS3 and AM strategy

Strong government leadership role in RIS3 and AM strategy. There are Strategic bodies (intra-government/stakeholders) that establish the strategic direction.

Complex and inclusive governance mechanisms that involve ministries, implementing agencies, advisory councils and stakeholders

Stakeholder involvement:

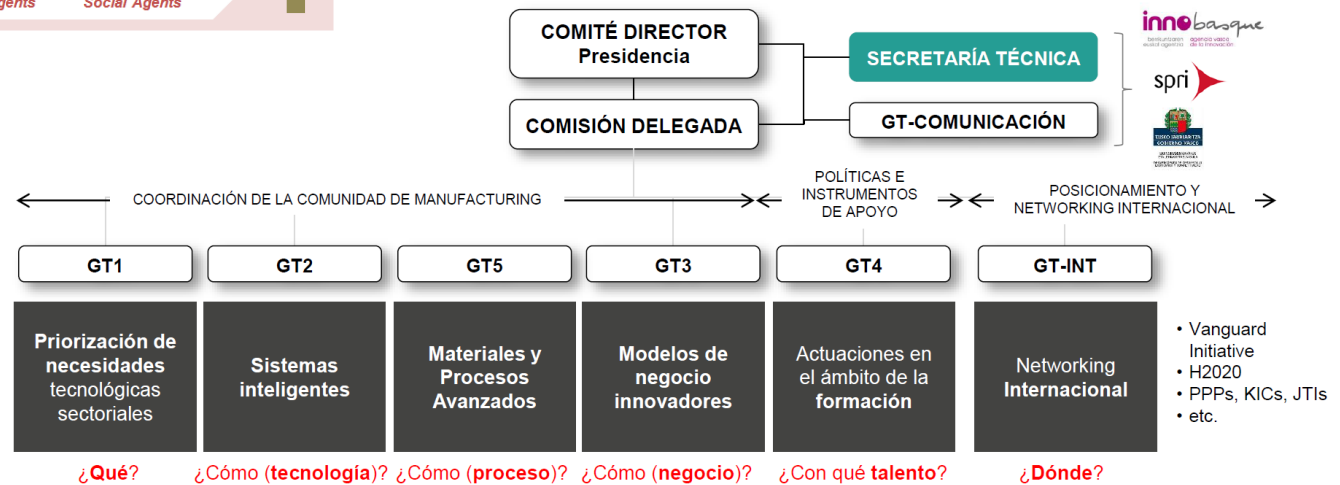
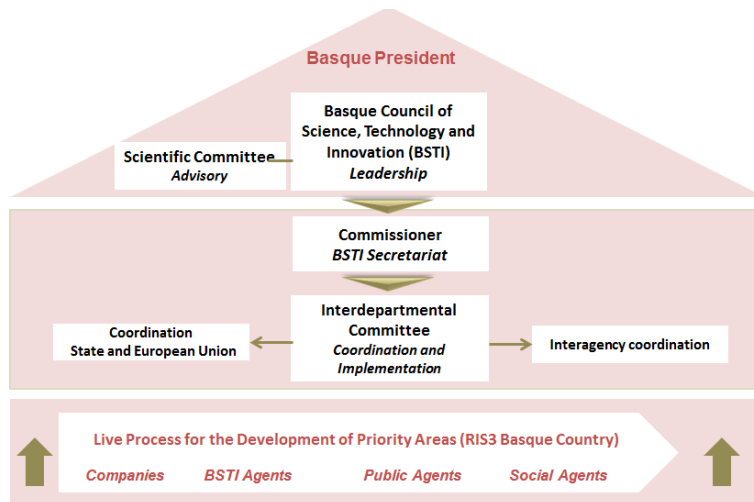
- In EDP process and working groups (e.g. Basque Country)
- At steering level (e.g.: Steering Committee Piedmont)
- At strategic level (e.g.: Strategic R&I Council Lithuania)



A closer look at some regional practices

Keeping EDP alive beyond the selection of priorities

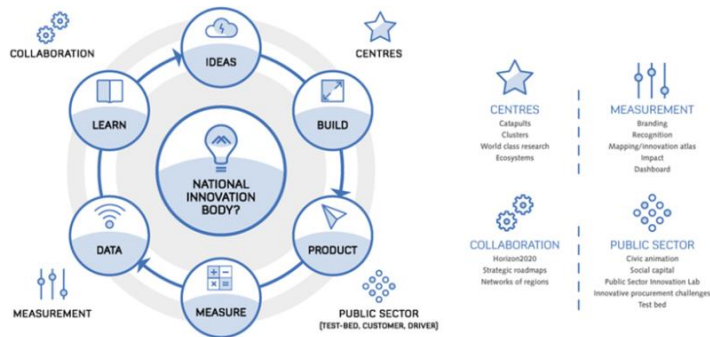
Basque Country: AM Steering Group and Working Groups



Stakeholder involvement

Wales: Innovation Advisory Council for Innovation

BUILDING A WELSH INNOVATION SYSTEM



The Innovation Advisory Council for Wales advises us about innovation to help improve our economy and the wellbeing of the people of Wales.

The council is jointly chaired by Adam Price, senior programme manager for the innovation charity Nesta and Ian Menzies, Operations and Deputy Managing Director of Northrop Grumman UK. It consists of representatives from government, higher education and business to reflect the public and private sector perspectives.

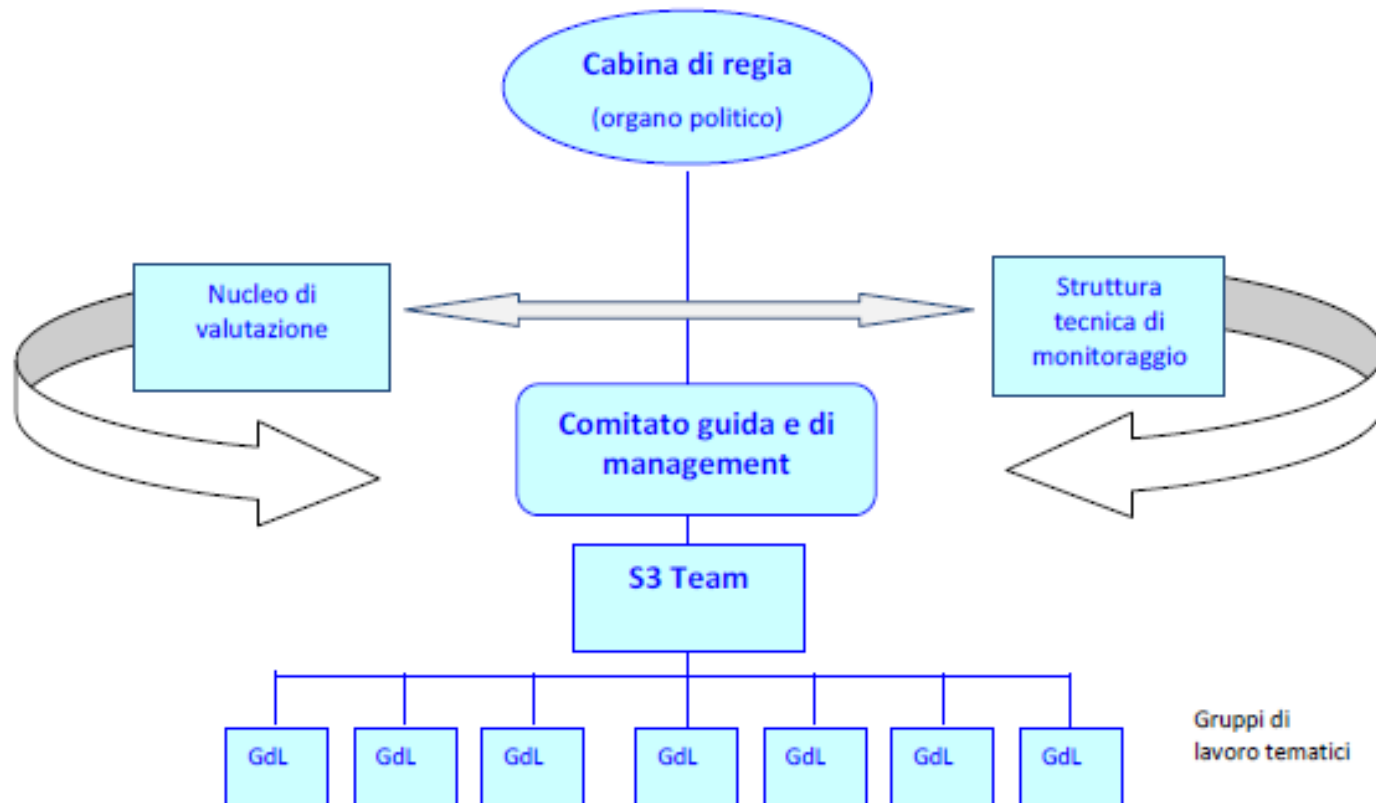
What the council does

The council monitors progress on delivering the objectives of Innovation Wales. It advises us on emerging trends and developments, and identifies areas of existing strength and future opportunity using the 'smart specialisation' approach identified by the European Commission.

The council meets several times a year. Together with the Wales European Funding Office (WEFO) it has created a working group to provide advice on potential EU projects. This advice has already helped shape proposed projects to increase their impact.

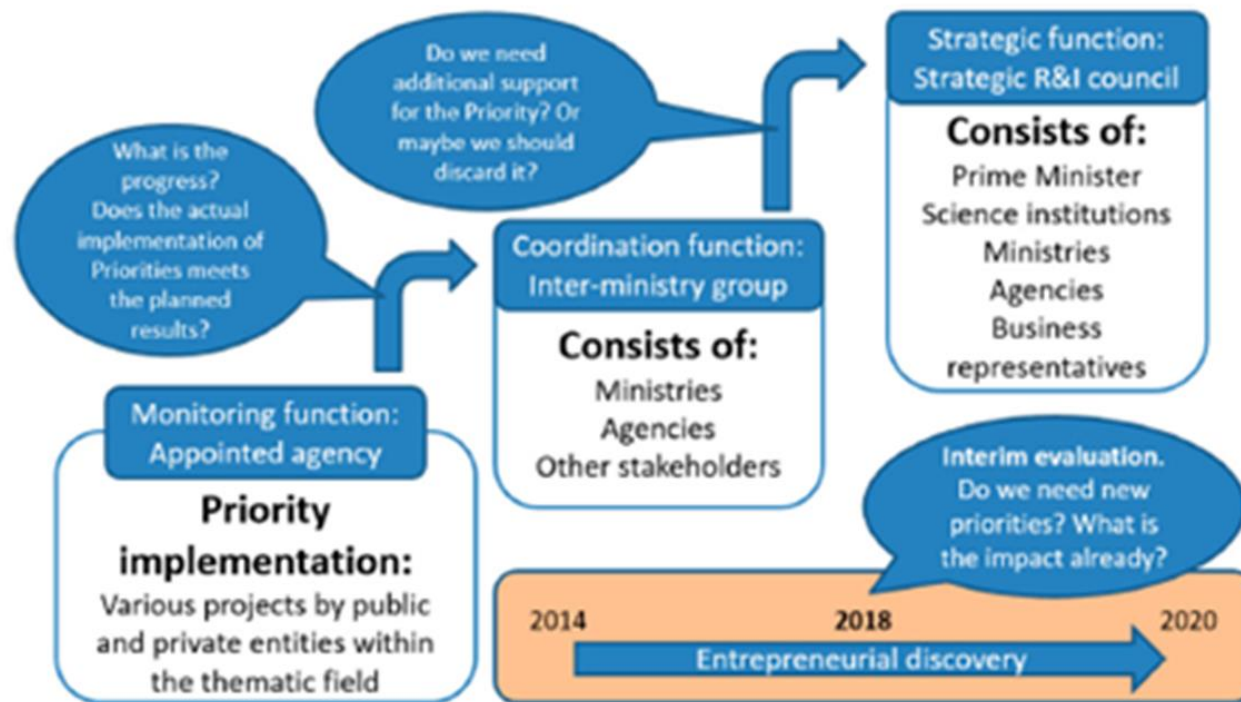
Inter-departmental coordination

Piedmont: S3 governance structure



Improving Innovation System linkages through RIS3 governance

Lithuania: the case of the Coordination Group



INNOVATION POLICY-MIX

Innovation policy-mix

Policy-mix is much more than a portfolio of instruments

“The combination of policy instruments, which interact to influence the quantity and quality of R&D investments in public and private sectors”

Nauwealers (2009)

Types of combination



ECONOMIC



REGULATORY



SOFT

Types of interaction



PRECONDITION



FACILITATION



SYNERGY



POTENTIAL
CONTRADICTION



CONTRADICTION

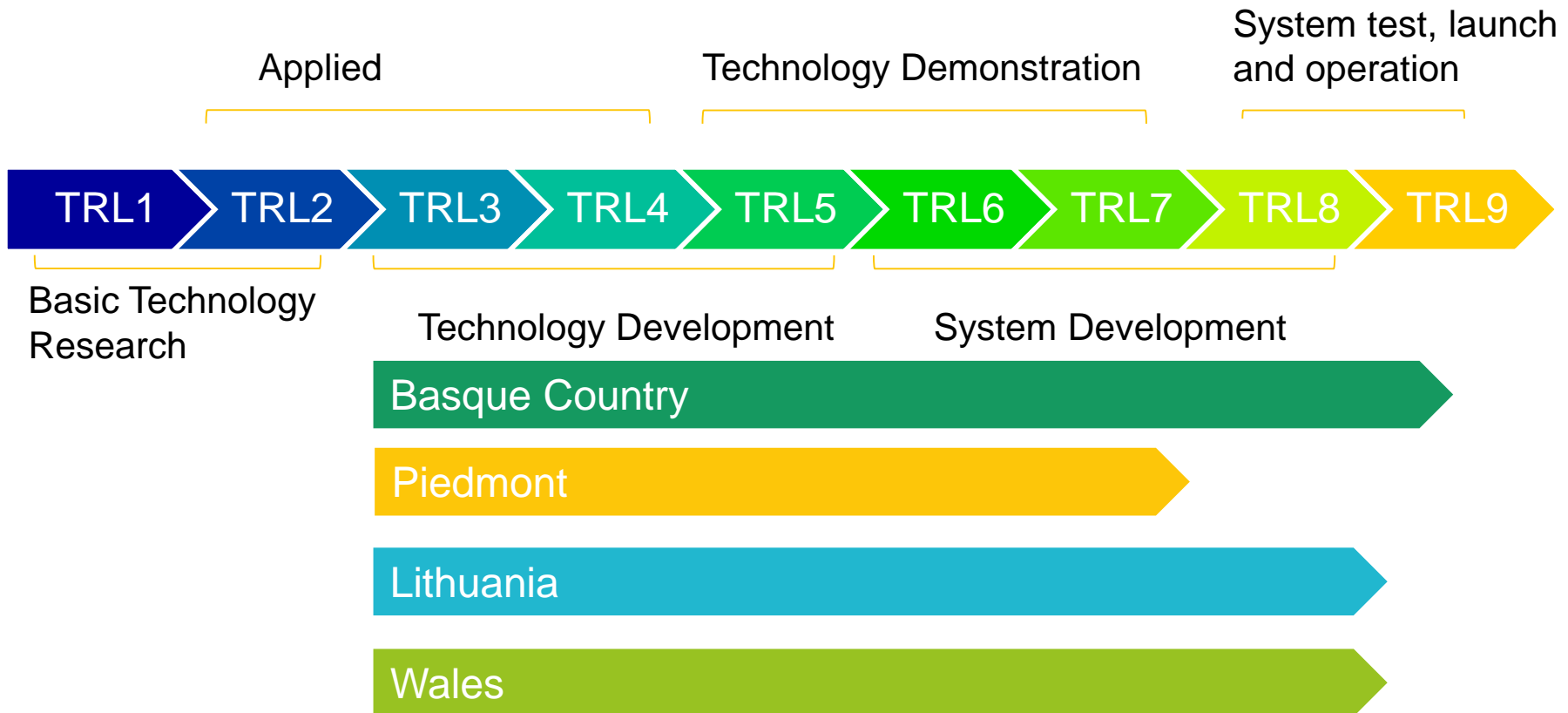
Innovation policy-mix

- Policy mix for advanced manufacturing in the Manumix regions is composed of a wide range of instruments, with a special focus on economic instruments.
- Almost all regions have specific instruments for AM and multi-level governance of certain instruments is a common issue.

Type of instrument					Multi-level governance
Region	Economic	Regulatory	Soft	Specific instruments for AM?	
Basque Country	✓	✓	✓	✓	✓
Lithuania	✓	✓	x	x	x
Piedmont	✓	✓	✓	✓	✓
Wales	✓	✓	✓	✓	✓

Innovation policy-mix

Policy-mixes chosen for this project (mini-mixes) cover high TRLs, aiming to address AM challenges



Innovation policy-mix

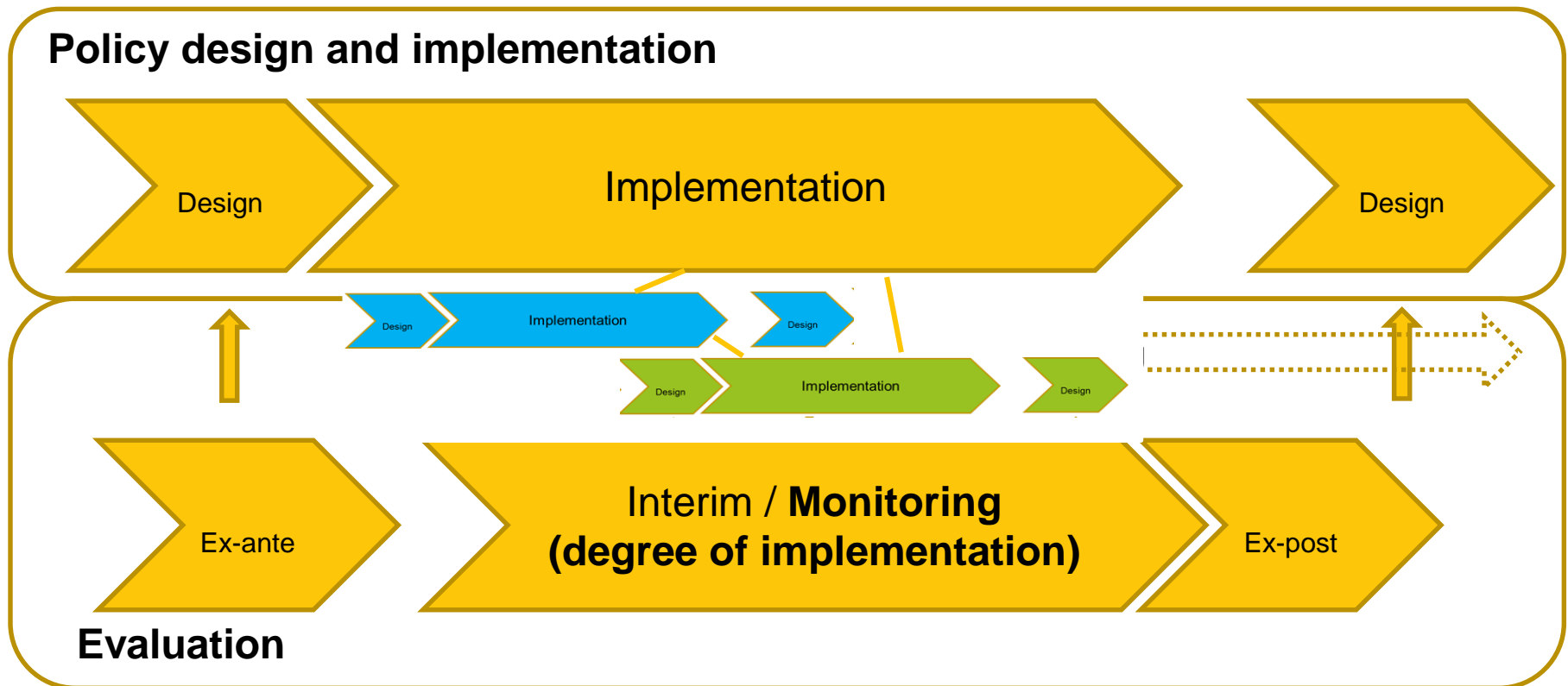
Mini-mixes look for intentional effects among different instruments, with a predominance of facilitation interactions

Policy-mix interactions					
Region	Intentional	Unintentional	Facilitation	Synergies	Other effects
Basque Country	✓	✓	✓	?	?
Lithuania	✓	✗	✓	?	?
Piedmont	✓	✗	✓	✓	?
Wales	✓	✓	✓	✓	?


EVALUATION PRACTICES AND MANAGEMENT

What is evaluation?

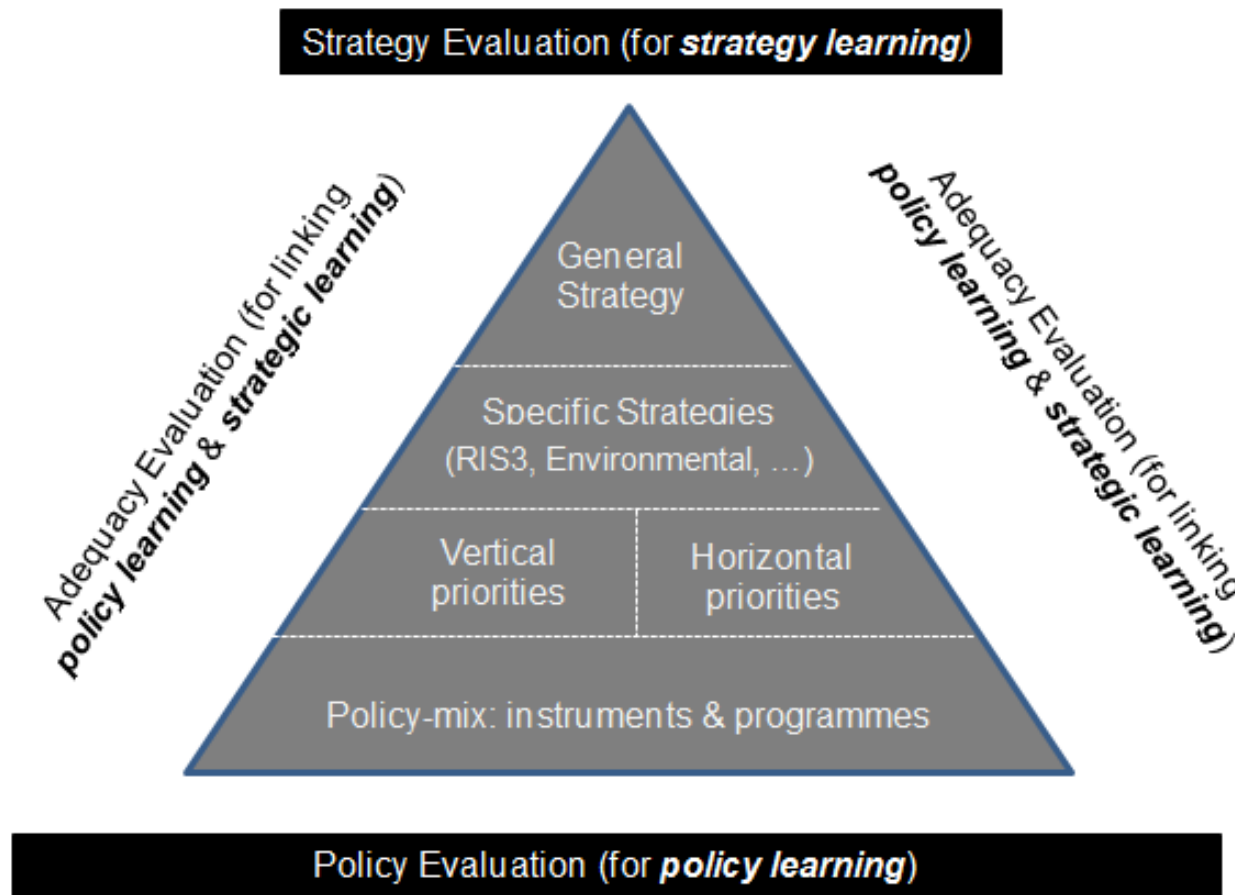
Evaluation refers to a process that seeks to determine as systematically and objectively as possible the relevance, efficiency and effect of an activity in terms of its objectives, including the analysis of the implementation and administrative management of such activities (Papaconstantinou and Polt, 1997).



What do we evaluate for?

- 
1. **Accountability** : Measuring policy effectiveness
 2. **Improving planning**: Looking at the efficiency of policy resources
 3. **Improving implementation**: Looking at the implementation mechanisms
 4. **Learning and knowledge purposes**: Analysing the causes of the impacts and measures and looking at the whole policy process
 5. **Institutional strengthening and empowerment**: Emphasis on capacity building of participants and beneficiaries.

Evaluation in RIS3 context



Source: Magro & Wilson, 2015

Manumix regions

Scope









Scope of the evaluation				
Region	RIS3	AM Strategy	Policy mix (interaction)	Individual instruments
Basque Country	✓	✓	✗	✓
Lithuania	✓	✓	✗	✓
Piedmont	✓	✓	✗	✓
Wales	✓	✓	✓	✓

- All regions have evaluation mechanisms at strategy level and at individual instrument level
- Challenge: how to evaluate the interactions of the policy mix?

Manumix regions

Types of evaluation and methods

Most regions do ex-ante, interim and ex-post evaluation for RIS3 strategy.

Type of indicator	Function	Strategy level				Instrument level			
									
Output	Measuring the type and level of direct output produced by funded projects.	X	X	X	X	X	X	X	X
Result	Measuring the degree of achievement of the socio-economic objectives (of the strategy for each of the S3 areas)	X	X	X	X	X	X	X	X
Implementation	Measuring the actual state of implementation of the policies and related actions undertaken in the territory.	X	X	X	X	X	X	X	X
Structural change and specialization	Measuring the absolute and relative changes taking place in the production systems comprised in each of the S3 areas according to the trajectories and transitions foreseen in the strategy for each S3 priority and for the whole economy and society.					ALL			
Context	Providing a picture of the competitiveness of the regional economy, with particular reference to issues of research and innovation and the evolution of production systems at large.					ALL			

Source of the table: Handbook of RIS3 implementation

- **Mainly quantitative methods in instrument evaluation, but also qualitative methods (e.g. focus groups, interviews, in-depth analysis of selected beneficiaries and projects, and stakeholder involvement). Challenge in measuring impact**

At Strategy level

- Internal and external evaluation (consultants/ specific evaluation bodies) in all regions
- Stakeholder involvement in evaluation:
 - Through institutionalized bodies: e.g. Piedmont (Monitoring Committee)
 - Through consultation: e.g. Lithuania (panel discussions)
 - Basque Country: Different initiatives (in the steering groups, survey to evaluate the system)
 - Wales: Through Innovation Advisory Council
 - Through RIS3 governance mechanisms: all
- All regions have mechanisms to include results of evaluation exercises to decision making. Special relevance to dissemination and reporting to society in some regions (Basque Country, Piedmont, Lithuania).

At instrument level

- Internal and external evaluation (consultants/ specific evaluation bodies) in all regions
- No stakeholder involvement apart from data gathering
- Importance of funding body (responding to accountability) (i.e. WEFO in Wales)
- Reporting of evaluation results of instruments in some regions (e.g. Lithuania).



A closer look at some regional practices

Individual instrument monitoring

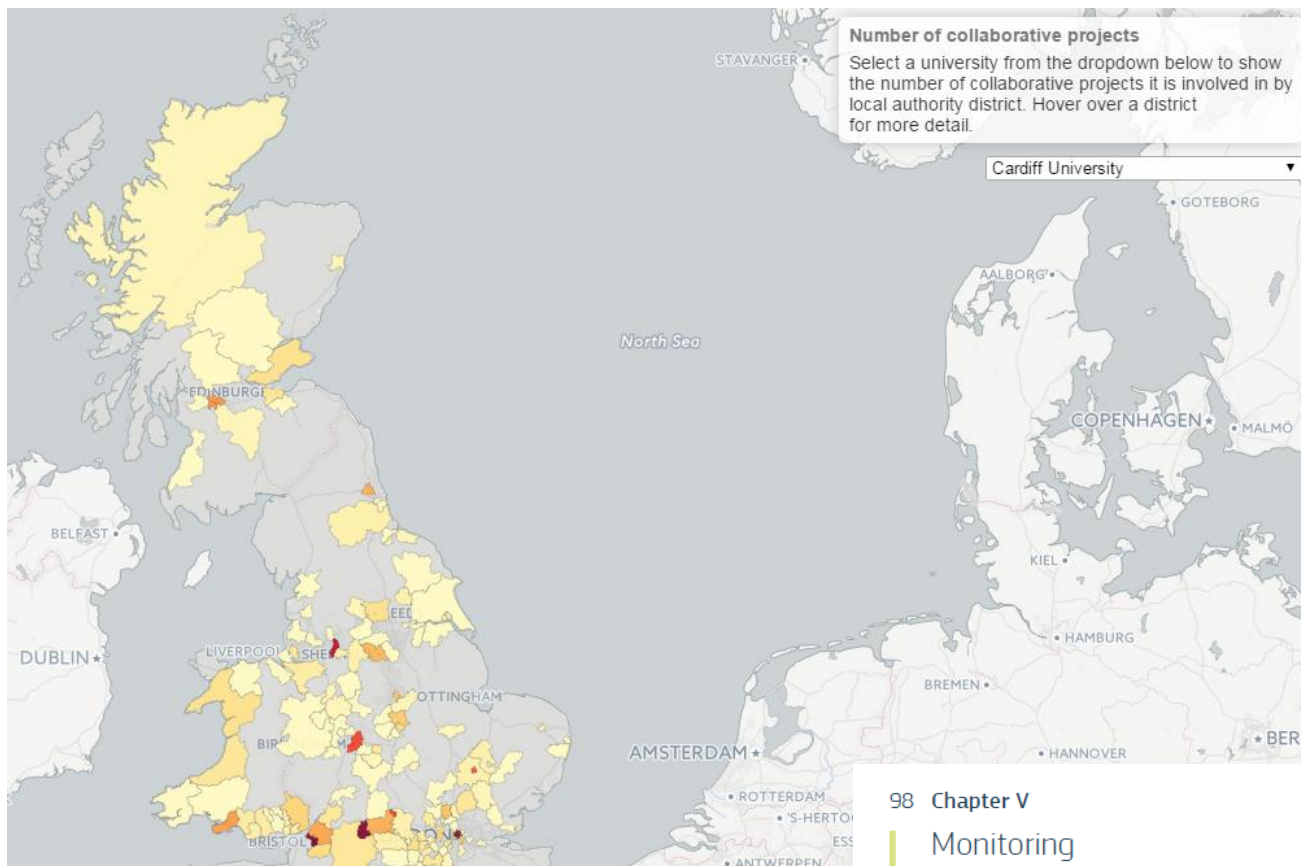
Basque Country: SIME

Type of indicators	RESOURCES (mobilised resources)	RESULTS (achieved by the end of the projects)	IMPACT (achieved when results are put to use)
Programmes supporting the RVCTI	<ul style="list-style-type: none"> • Subsidy granted • Mobilised R&D expenditure • No. of supported projects • No. of researchers 	<ul style="list-style-type: none"> • New knowledge • Patents • Publications • Employment in R&D • Etc. 	<ul style="list-style-type: none"> • Knowledge transfer to companies
Programmes supporting companies	<ul style="list-style-type: none"> • No. of supported companies • Establishing partnerships • Etc. 	<ul style="list-style-type: none"> • Scientific-technological results (new or improved products/processes) • Improvements to the R&D capacity 	<ul style="list-style-type: none"> • Employment • Turnover • Internationalisation

PROGRAMME MONITORING SYSTEM INDICATORS

Collection of information

Wales: Arsiealour



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Monitoring

Learning from practice examples:

- Emilia-Romagna (IT) — Measuring the transition and evolution of the regional economy
- Wales (UK) — Arloesiadur: a new data platform for the Welsh innovation system
- Galicia (ES) — Monitoring as a way to manage strategy objectives
- Aquitaine (FR) — Relevant, flexible, fine-grained indicators for S3

Governance of evaluation

Piedmont: Technical Monitoring Committee



Participants	Roles	Relations
TECHNICAL MONITORING COMMITTEE		
<ul style="list-style-type: none"> Monitoring Evaluation and Controls of the Competitiveness Management of the Regional System Unit and its counterparts in other Regional Departments NUVAL - Evaluation and Auditing Center for Public Investments 	<ul style="list-style-type: none"> Monitor, evaluate, and control the progress of the Strategy Performs periodic revision of the Strategy Provides analysis of the regional scenario It collects data and information to measure the results obtained 	<ul style="list-style-type: none"> Provides analysis and information to the Steering Committee for Periodic Evaluation of any possible remodeling of the Strategy Provides data to the Evaluation Team Employs the support of external technical experts
EVALUATION TEAM		
Well-known international experts	<ul style="list-style-type: none"> Performs the preliminary and ongoing assessment and evaluation of the results achieved by the implementation of the Strategy It presents an annual report on the results achieved 	<ul style="list-style-type: none"> Provides guidance on the evaluation of the Strategy to the C.C Provides indications and methodological and content suggestions Provides guidelines on the implementation of the Strategy Connects with the NUVAL as a regional technical support unit

Reporting and dissemination

Lithuania: progress reports

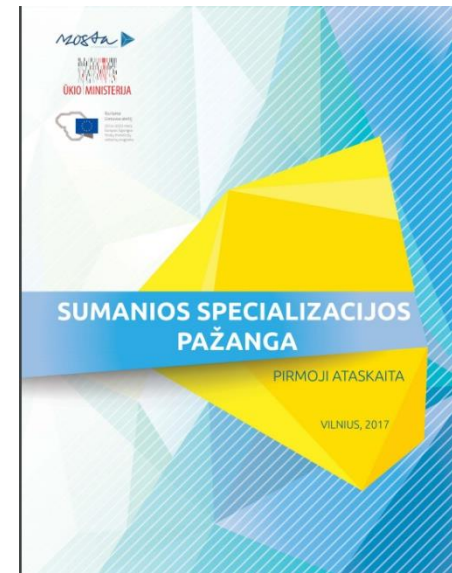


Smart specialization The first progress report

Science and Higher Education Monitoring and Analysis Center provides the first Smart specialization of monitoring the progress report. The publication is dedicated to science, technology and innovation policy makers and implementers, research and education institutions for researchers and administrators, business representatives, and other persons who are relevant to the priority of research, development and innovation in development.

MORE

<http://sumani2020.lt/apie-sumania-speciaizacija/tyrimai-ir-ataskaitos>



Challenges

Challenges:

- **Evaluation of instrument combinations and synergies (interactions)**
- **Measuring long term impacts (timing)**
- **Selection of methods**
- **Policy learning and how to incorporate evaluation results in decision-making**
- **Stakeholder involvement**

VI.

LEARNING PILLARS AND BASELINE DIMMENSIONS

The relevance of different dimensions for the learning pillars

	Baseline dimensions			
Learning pillars	AM strategy	Governance	Innovation policy mix	Evaluation practices
Innovation policy mix for AM	High	Low	High	Low
Monitoring and indicators	High	Low	Low	High
Action oriented evaluation	Low	High	Low	High
Evaluation of innovation policy mixes	Low	Low	High	High
Evaluation management (means, resources, efficiency)	Low	High	Low	High

... And the will also constitute a relevant input for the peer reviews!

VII.

NEXT STEPS

Next steps with regards the baseline

01 Writing individual baselines and sending to partners in the first week of June. Receiving feedback during June

02 Writing the comparative baseline during the month of June according to the feedback received



Thank you!

Questions welcome



Project smedia