

# Madeira

## Regional Smart Specialization Strategy (S3)

EREI 2021-2027

Innova-FI Conference  
Financial Instruments for Innovation

Funchal, June 28, 2022

# Outline

- Introduction
- Regional Innovation System
- Smart Specialisation Priority Domains
- Governance, Monitorization and Evaluation



# Introduction

- The “revised” S3 - **Research and Innovation Smart Specialisation Strategy** - of the Autonomous Region of Madeira (**EREI RAM 2021-2027**) is the outcome of an assessment of the Thematic Priorities defined for the previous programmatic program (RIS3 RAM 2014-2020) and a detailed analysis of the economic context of the Region and its Regional Innovation System;
- The consulting team performed an intensive work to **evaluate and quantify** the **results** from the previous strategy, namely those concerning the **Thematic Priorities**;

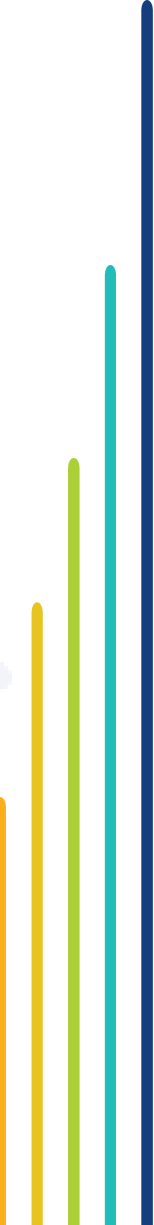
# Introduction

- The **Governance Model** was revised and adapted to ensure the involvement and participation of the various **regional stakeholders**, based on the **quadruple helix** model, promoting the **Entrepreneurial Discovery Process (EDP)**;
- The outcome of this work is a new Strategy with new (revised) **Priority Domains** and an updated **Governance Model**;
- The **S3** of the Autonomous Region of Madeira (**EREI RAM 2021-2027**) is published in the resolution of the **Regional Government Council** n° 1-B/2022 published in JORAM I series n° 5 of **January 13, 2022**.

# Regional Innovation System

- **Economic Context** (characterization)

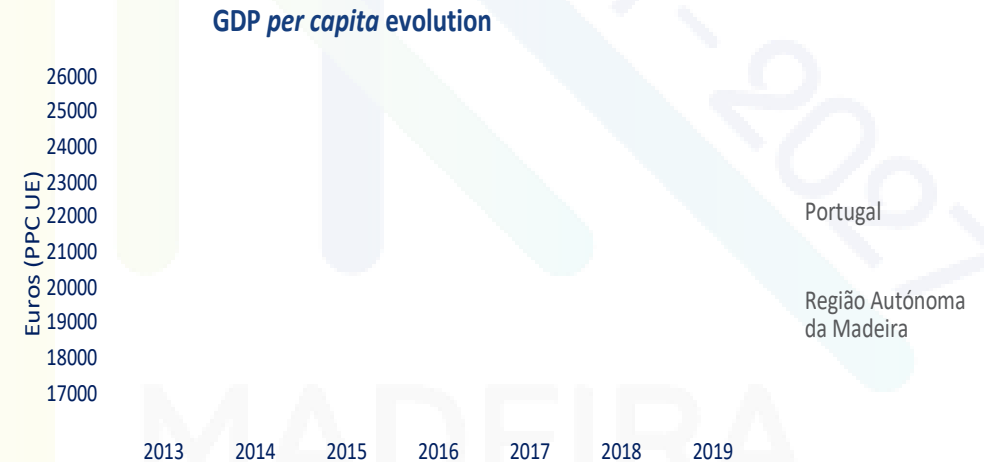
- **Medium-low level of development** in the European context;
- **High costs** associated with the **insular and ultraperipheral** nature of the Region;
- **Small size** of the **domestic market**;
- Dominance of the **Tourism sector**.



# Regional Innovation System

- **Economic Context**

- **GDP *per capita*** in PPP (EU) in Madeira reached €24,266 in 2019, which compares with €25,222 verified in Portugal;
- Madeira is on the **border of the convergence regions**, with a GDP per capita close to 75% of the EU average.



# Regional Innovation System

- **Regional Innovation System**

- Taking the weight (percentage) of **Total Expenditure on R&D** as a usual indicator of technological effort, Madeira presented a value of **0.44% of the GDP** in 2019;
- **0.44%** is one of the **lowest values** of the 7 Portuguese Regions, standing next to **Algarve (0.41%)** and **Azores (0.30%)** but much below the value verified for Portugal (1.40%) or the regions with more consolidated innovation systems (**North: 1.53%; Centre: 1.36%; AML: 1.69%**).

# Regional Innovation System

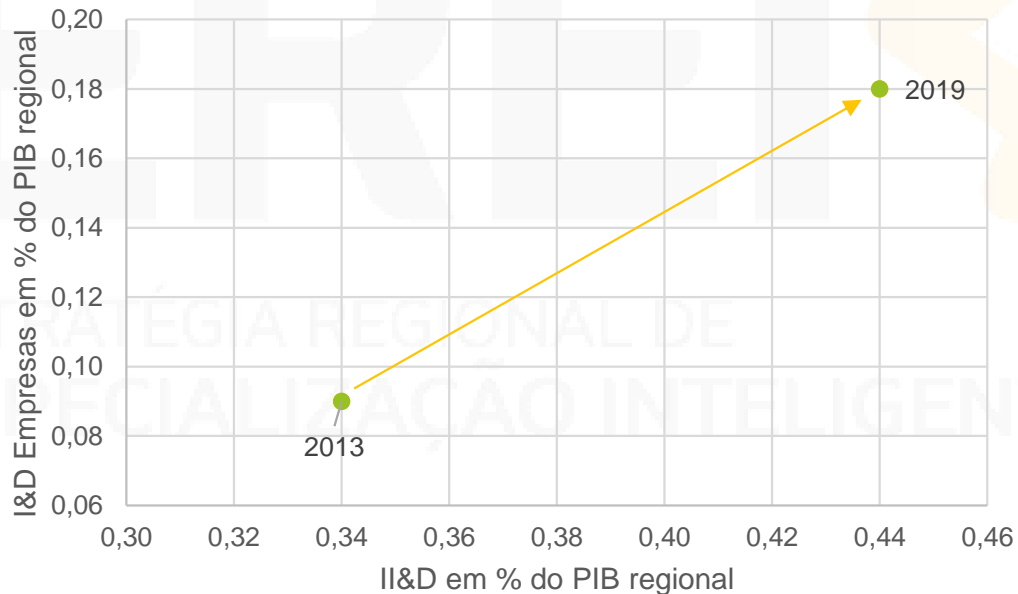
- Regional Innovation Scoreboard

	Região Autónoma da Madeira	Portugal
Despesa em I&D / PIB (%), 2019	0,44	1,40
Regional Innovation Scoreboard 2021 (dados de 2020 ou anteriores)	Emerging Innovator + RII = 53,6 Rank EU = 204	Moderate Innovator RII = 80,2

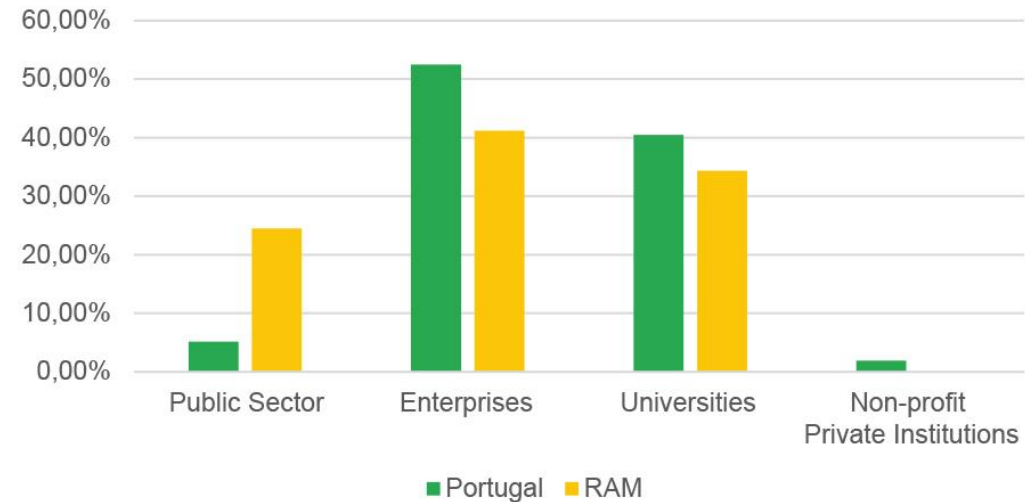


# Regional Innovation System

- Regional Innovation System



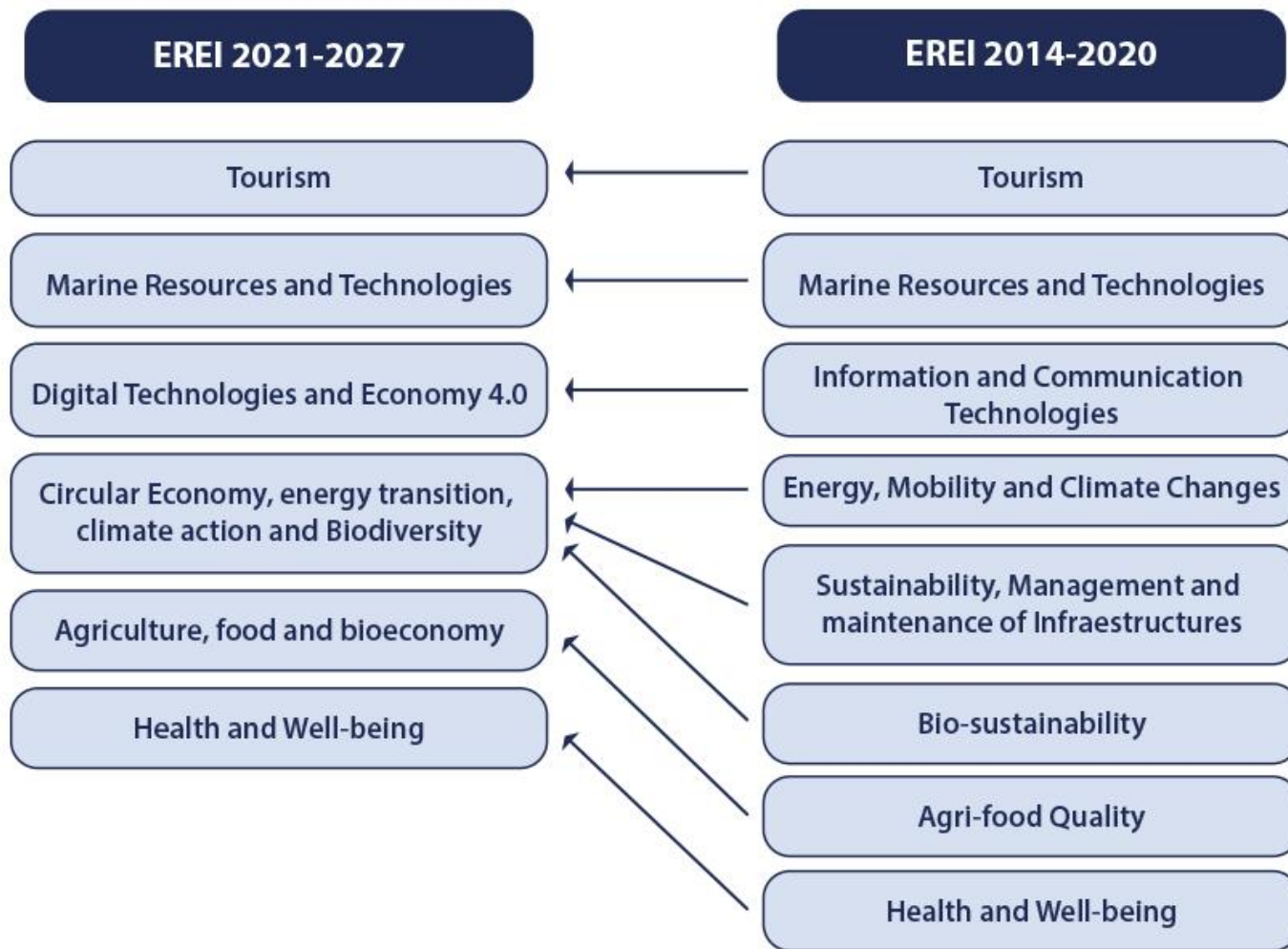
R&D expenditure by sector



# Smart Specialisation Priority Domains

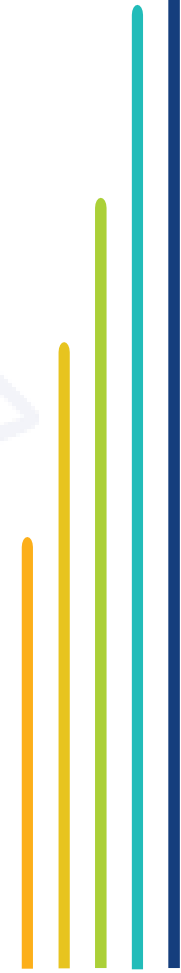
- The definition of the **S3 2021-2027** is centrally based on the **diagnosis carried out for the Regional Innovation System** and the **capitalization of past experience**, namely concerning the **evaluation of the Priority Domains of the S3 2014-2020**;
- The methodology for **defining the Priority Domains** followed a rational in which, in the logic of intelligent specialization, a set of 1st level criteria aggregated into three dimensions was considered: **“Assets”, “Business Conditions”, and “Demand’s Dynamics”**.

# Smart Specialisation Priority Domains



EF  
ESTRATÉGIA DE  
ESPECIALIZAÇÃO

2021-2027  
RA



# Smart Specialisation Priority Domains

- Consolidate the **strategic positioning of "Destino Madeira"**, primarily capturing international demand in the post-pandemic period, establishing its image as a **safe and quality destination**;
- Stimulate and increase the **tourist spending** and increase the **sector's profitability** along its value chain;

Tourism

# Smart Specialisation Priority Domains

- Promote innovation, qualification of human resources and sustainability (economic, social and environmental);
- Contribute to preserving and enhancing the natural, historical and cultural heritage.

Tourism

# Smart Specialisation Priority Domains

- Contribute to **preserving marine biodiversity** and increase the **added value of fishing** (sustainable exploitation);
- **Diversify the economic base** by increasing the scale of fish production in **aquaculture**, with zero environmental impact, using innovation in the processing and conservation sector;

Marine Resources and Technologies

# Smart Specialisation Priority Domains

- **Modernize sea ports** in a "**smart ports**" perspective and requalify the **naval industry**;
- Make Madeira a **reference observatory** for the **environmental status of the Atlantic Ocean** and the **deep sea**, and for the **mapping and characterization** of the **sea minerals**.

Marine Resources and Technologies

# Smart Specialisation Priority Domains

- The domain has a **transversal strategy of intervention** to all the remaining Domains, aiming to retain in Madeira one significant part of the **economic and social impacts of the ongoing digital transformation process**, namely through the creation of more **qualified employment**, more **research and innovation capacities** and more **technology-based companies**;

Digital Technologies and Economy 4.0



# Smart Specialisation Priority Domains

- The **acceleration of digital transformation** in **companies**, making them more competitive and closer to their suppliers and customers;
- The **capacity building** for the creation and development of a **strong sector of digital technologies**.

Digital Technologies and Economy 4.0

# Smart Specialisation Priority Domains

- This domain refers to the **sustainability and the efficient use of resources**, including sub-dimensions such as **circular economy, renewable energy and efficient use of energy, sustainable mobility, climate action and biodiversity**.

Circular Economy, energy transition, climate action and Biodiversity

# Smart Specialisation Priority Domains

- Assume a proactive approach aiming the **energy transition, climate change and sustainability**, demanding a set of changes in the **model of productive specialization** that potentiates sufficient conditions for circularity, with incidence in: **the efficient management of natural resources; the productive efficiency; the sustainability of materials and territory; and the energy efficiency and security.**

Circular Economy, energy transition, climate action and Biodiversity

# Smart Specialisation Priority Domains

- Adapt **agriculture and the agri-food industries** to **climate change** and the transformations resulting from an **increasingly demand** for products and an **environmentally conscious demand**;
- Increase **R&D capacity** in these areas;

Agriculture, food and bioeconomy

# Smart Specialisation Priority Domains

- Attract new **entrepreneurs**;
- Increase the **qualification human resources**;
- Improve the conditions of **access to markets**;
- Guarantee consumers the highest levels of **food protection and safety**.

Agriculture, food and bioeconomy

# Smart Specialisation Priority Domains

- Increase the **effectiveness** and **efficiency** of services provided by the public health care system (SESARAM);
- Strengthen the connection between the **public health care system** and the **scientific potential** of the **University of Madeira (UMa)**, giving rise to the creation of companies that function as **specialized suppliers of health and wellness care providers**;

Health and Well-being

# Smart Specialisation Priority Domains

- Stimulate the production and **supply of goods and services** (private and public) related to health;
- Take advantage of the very **high specialization in tourism** to invest strongly in niches of health tourism, namely in the component of well-being.

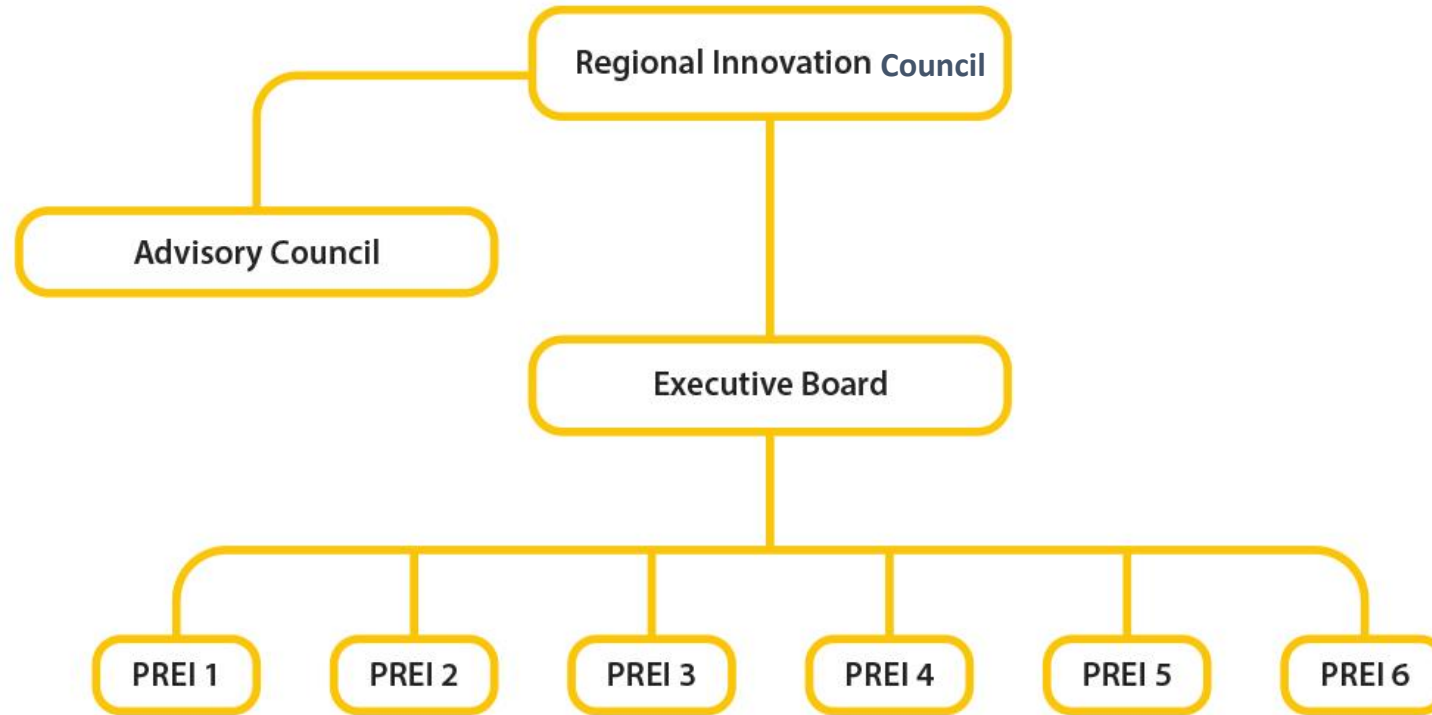
Health and Well-being

# Governance, Monitorization and Evaluation

- The implementation of the strategy must be supported by a **governance structure** that:
  - Ensures the involvement and participation of the **various stakeholders** in the region, based on the **quadruple helix model**, driving the **Entrepreneurial Discovery Process (EDP)**;
  - Ensures a **collaborative leadership**, implying a flexible decision-making process that allows each actor involved to play a proactive role;
  - **Avoids the multiplication of bodies**, which tends to increase the costs of transaction of policies, reducing their effectiveness and efficiency.



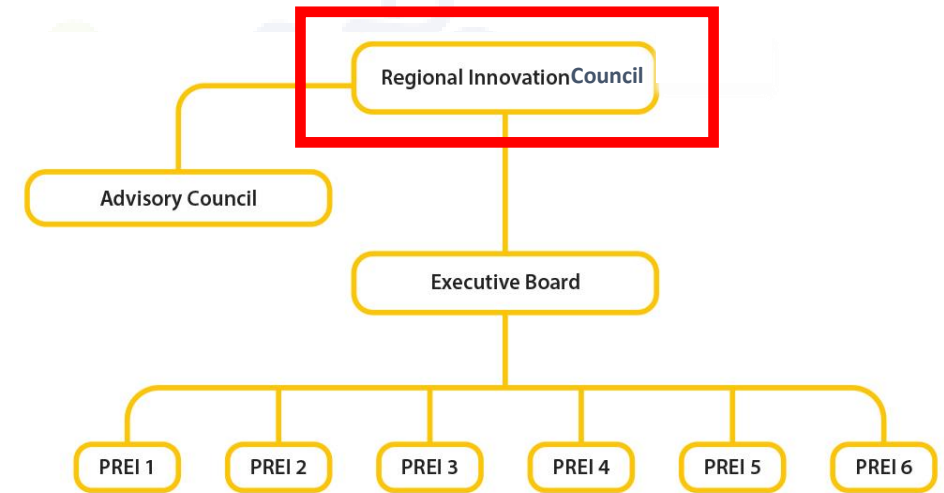
# Governance, Monitorization and Evaluation



PREI - Smart Specialization Regional Platforms

# Governance, Monitorization and Evaluation

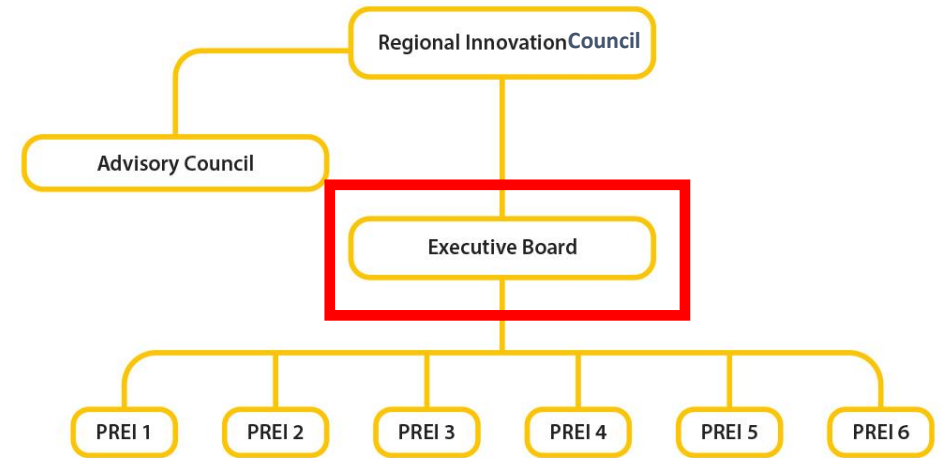
- The **Regional Innovation Council** is the entity that coordinates the Strategy. It is chaired by the **Regional Government (Regional Secretary for Education, Science and Technology)**.
  - Discuss and propose the main lines of implementation of the Strategy;
  - Oversee the implementation;
  - Appreciate and approve recommendations and proposed lines of action coming from the regional platforms.



PREI - Smart Specialization Regional Platforms

# Governance, Monitorization and Evaluation

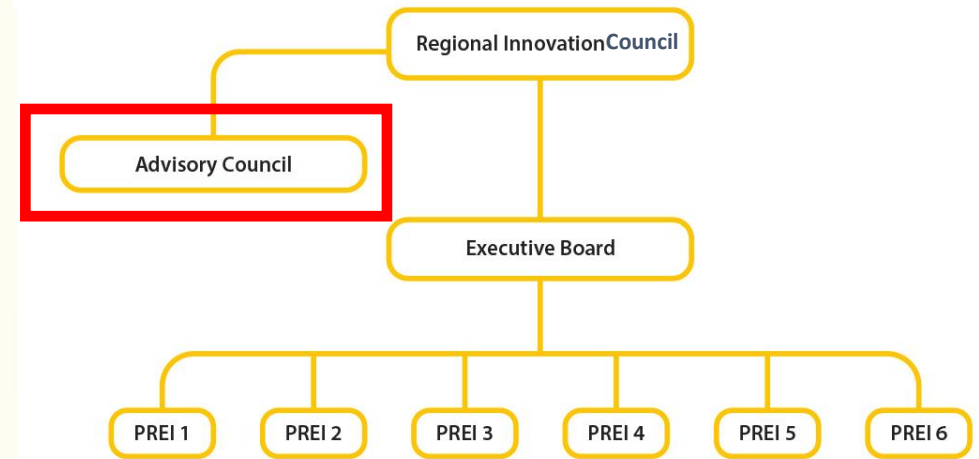
- To ensure an effective day-to-day management, the presidency of the Regional Innovation Council has a permanent team assigned, with the nature of an **Executive Board**, which will be responsible for the day-to-day management and monitoring of the implementation of the Strategy and the coordination of the **Smart Specialization Regional Platforms**.



PREI - Smart Specialization Regional Platforms

# Governance, Monitorization and Evaluation

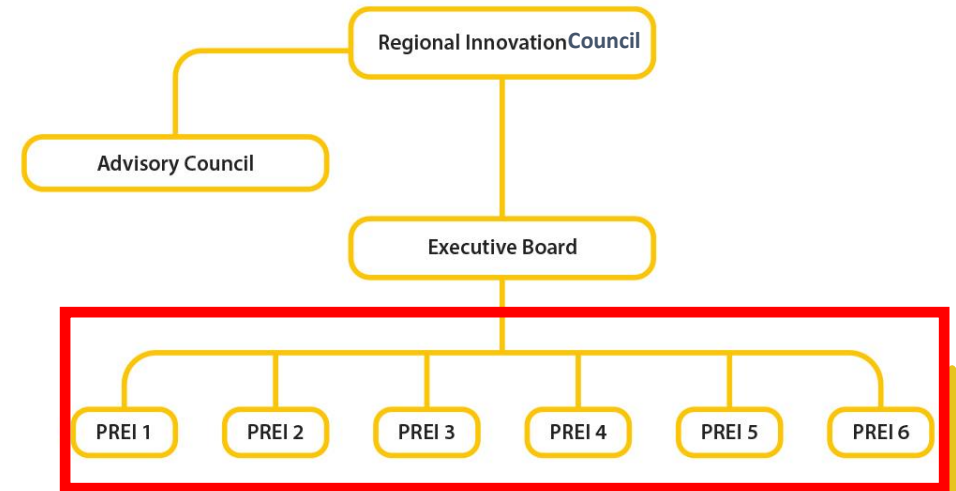
- The **Advisory Council** is an advisory body that gives **feedback on the implementation of the Strategy** as a whole or in particular aspects whenever called upon by the Regional Innovation Council.



PREI - Smart Specialization Regional Platforms

# Governance, Monitorization and Evaluation

- The most crucial component of the Governance Model is the **Smart Specialization Regional Platforms**, one per priority domain.
- The Platforms are **open to all regional stakeholders of the domain** (quadruple helix approach). They are responsible for permanently **monitoring the implementation of the strategy**, interacting with the Executive Board in terms of **suggestions and recommendations**, and, above all, permanently **dynamizing the Entrepreneurial Discovery Process (EDP)**.



PREI - Smart Specialization Regional Platforms

# Obrigado

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