Note to the European Commission, DG REGIO G5 - GREECE & CYPRUS

Review of the on-going RIS3 processes in the North Aegean Region

Author: Alasdair Reid, expert appointed by DG REGIO to monitor the Greek smart specialisation process

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This short note summarises the principal observations and conclusions to be drawn from the Technical meeting, held in Athens on 17 July, between the Greek national and regional authorities and the Commission with a view to the preparation of the partnership agreement 2014-2020, and specifically the research innovation strategy for smart specialisation in the North Aegean region.

i) RIS3 processes adopted by the region. Weaknesses and structures to be modified

Following the organisation of the regional conference and the RIS3 workshop for the new programming period on 18 and 19 April, the DG REGIO expert concluded that there was a need to put in place a bottom up approach concerning RIS3, define the priorities for investment, set up a Regional Innovation Council and elaborating an adequate and realistic timetable. The expert also noted the need to achieve a significantly greater mobilisation of stakeholder is achieved in the coming months and specifically a greater private sector involvement. Finally, it was suggested to create working groups that contribute to identify the technological and non-technological needs in the main productive grid: agriculture, farming, fisheries, upgrade of local products, culture, tourism - hospitality.

The note submitted by the regional authorities in advance of the 17 July meeting summarised the steps taken to further elaborate the regional strategy, including the organisation of a workshop in each of the main islands (Chios - 18/04, Limnos 20/05, Samos 06/05 and Lesbos 13/06) by the IMA and the S3 consultants from the Aegean University. The region also organised a meeting with the GSRT. The points arising from the consultations included:

- A focus on companies that produce quality local produce and provide high value added and diversified services
- attention should be paid to the differentiated products to highlight the local characteristics of each island;
- Continuous consultation, information and support entrepreneurs on export promotion, networking and entrepreneurship
- innovation needs are mainly in marketing innovation and diversification of the products and service;
- Research activities should be focused on the needs of the market and business and should a) exploit and incorporate existing results b) support R&D oriented to local products and comparative advantages

Participants also pointed to the need for a body that will coordinate animates and promotes new ideas and which will pro-actively identify the needs of businesses that are involved in the RIS3 implementation. Following the consultation a survey has been carried out on each island (two questionnaires: one for business and one for other bodies). The questionnaires were based on the questions that were sent by the European Commission for the entrepreneurial process of discovery and cover four themes: specialization and co-operation research and technology potential, innovation policy, digital economy and ICT, views and recommendations for the future strategy. The results of the survey were due for the end of July and will feed into the strategy definition. In addition, an online consultation has been opened on the regional website (www.pepba.gr).

ii) Promoting RIS3 in opposition to sectoral approach defended by some important stakeholders

According to the note submitted by the region the strategic objective for smart specialization in the 2014-2020 ROP will be the "Utilisation of local resources and comparative advantages to create a diversified outward looking production base". A specific effort will be made to highlight the peculiarities of each island (local products, natural and built environment, culture) and to foster cooperation of all productive forces involved in agriculture, livestock, fisheries, aquaculture and tourism. This specialisation focus is in line with previous strategies (regional innovative actions programme in 2000-2006 period) and is coherent and credible. However, there is also a need to investigate how specific technologies can reduce the costs and disadvantages of the insular nature of the region (e.g. energy, transport, digital technologies, etc.).

iii) RIS3 and the GSRT role and synergies

In the case of the North Aegean, as in other island regions, there is a need for the GSRT (or any other future management structures for national OPs in research and innovation field) to adopt a much more small business tailored approach. The various island regions face common challenges and the national authorities should ensure that national level measures are tailored to complementing locally embedded strategies. For instance, expertise in energy systems, bio-economy, food technologies or aquaculture are not necessarily located in the region but need to be made available. At the regional level, a business and innovation advisory search (e.g. an advisory service with access possibly to vouchers to hire in expertise for companies) should seek to identify opportunities or problems and prepare a pipeline of projects for funding. A collaborative approach to specific technological issues should be encouraged – involvement in national cluster programmes, regionally based 'competence centres', etc.

iv) Conclusions of the seminar

The North Aegean region has a reasonable strong partnership and past experience in innovative actions that should allow the development of a coherent RIS3 strategy. The themes, opportunities and challenges faced by the islands are, however, similar to those faced by other island regions South Aegean, Ionian Island and to some extent Crete and even the Peloponnesus). These common challenges include optimising the potential of aquaculture (and blue biotech), maintaining biodiversity, upgrading tourism services and cost reducing technologies in the islands (transport, energy, resource efficiency, etc.)

As noted in the region's input to the July seminar, there is also need to consider the management structure that will support the RIS3 implementation. The region is proposing a three level structure:

- strategy and decision-making will take the form of an innovation committee responsible for the formulation, approval, monitoring and updating of the Strategy,
- support-animation through a contractor with business innovation know-how and a manager responsible for the RIS3 and its implementation by thematic groups, and
- a technical support level of entrepreneurs that identifies market needs and problems that should be addressed.

However, the region noted that the exact legal form this structure will take has not been clarified yet, nor the way to ensure the long term viability of this structure.

v) Milestones and deliverables

In the short term, three deliverables (D) and two milestones (M) should be used to guide the work of RIS3:
(**D1**) Analysis of the regional innovation system, innovation gaps, SWOT, and balance scorecard based objectives to be prepared by the consultant, by end September 2013 **(M1).**
(**D2**) Setting-up the Regional Innovation Council with a small number of key stakeholders and distinguished entrepreneurs, by end September 2013 **(M1).**
(**D3**) A first discussion about RIS3 in the Elected Regional Council, delivery mechanisms, and innovation support, and draft strategic orientations of REMT, by end 2013 **(M2).**