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

Review of the on-going RIS3 processes in the Region of East Macedonia and Thrace

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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 Region of East Macedonia and Thrace.

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 17 and 18 April, the Region of East Macedonia and Thrace (REMT) continued working on the smart specialization strategy, undertaking actions such as (1) the promotion of the regional dialogue on the future cohesion policy of the period 2014-2020, (2) company visits and meetings with companies located in the industrial area of Komotini, (3) technical meetings with technology-led organizations such as the CERN, Technopolis Thessaloniki, and CERTH for collaboration in technology transfer and start-up support, (4) setting-up the Regional Council for Innovation and Entrepreneurship and selection of the chairman from the private sector, (5) call for an external consultant to support the Operational Programme 2014-2020 and the RIS3 to be concluded by 31 July, (6) collaboration with stakeholders from business and academia on RIS3 objectives and pilot actions, and (7) mapping SME needs, the potential for cluster development, and work on the sectoral focus of the specialization strategy.

The Region' report on RIS3 progress during the last months indicate that many steps were made in the elaboration of the regional strategy, in terms of analytical data collection and initial outline of strategic objectives and priorities, but the collaboration between regional and national authorities is very limited.

The Commission should recommend:

(1) The competent Greek authorities to define ASAP the global architecture of the programming period 2014-2020, the sectoral and regional programmes and policies, and interfaces between the regional and national Operational Programmes, and inform accordingly the 13 Regions.
(2) The Region of EMT to accelerate the selection and work of the external consultant, compiling and analyzing data of regional performance, company needs analysis, quantitative and qualitative gaps in competitiveness and innovation.
(3) The Region of EMT should speed-up the formulation of RIS3 policy framework and discussion in the Elected Regional Council about the initial assumptions and ideas how to improve the regional innovation capabilities, the involvement of the private sector, and leverage of private funds for research and innovation through public policies.

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

Initial selection of sectors for specialisation include manufacturing related to primary sector, electronics, polymers, food and beverages, tourism for the valorisation of cultural heritage, logistics, energy and geothermy. This selection corrsponds partly to existing production specialisation and critical mass of activities in manufacruting growing of crops, fisheries.

The next step is to define drivers of competitiveness related to sectors selected, such as technologies, future trends, emerging markets, skills and needs, and target the strategy on making those drivers available to regional companies and organisations.

We recommend the Commission to provide guidelines for making a turn from a sectoral view of specialisation to innovation drivers and technologies that can offer competitive advantages to sectors selected.

	Industry	Rank in Europe	Specialisation	Employment
1	Cutting, shaping and finishing of ornamental and building stone	1	6.83	1 758
2	Manufacture of accumulators, primary cells and primary batteries	2	16.03	656
3	Manufacture of tobacco products	3	19.28	1 155
4	Retail sale of automotive fuel	4	2.71	1 715
5	Adult and other education	4	3.04	4 822
6	Farming of animals	5	8.10	9 428
7	Provision of services to the community as a whole	5	4.96	14 785
8	Growing of crops; market gardening; horticulture	7	11.36	41 861
9	Extraction of crude petroleum and natural gas	9	5.43	518
10	Quarrying of stone	10	5.47	771
11	Bars	11	2.70	6 343
12	Fishing, fish farming and related services	12	7.46	1 403
13	Growing of crops combined with farming of animals (mixed farming)	15	1.65	5 842
14	Site preparation	19	2.60	1 777
15	Sea and coastal water transport	28	3.27	791
16	Repair of personal and household goods	30	1.83	554
17	Retail sale not in stores	31	1.66	1 587
18	Other recreational activities	37	1.74	1 055
19	Manufacture of basic chemicals	39	1.65	1 136
20	Manufacture of beverages	40	1.76	1 115

iii) RIS3 and the GSRT role and synergies

For the REMT, the centralized management of resources for research and innovation in the period 2007-2013 is raising substantial shortfall in the elaboration of the regional smart specialization strategy. Evaluating the implementation of the current Operational Programmes (2007 - 2013), the Region suggest that interventions for the new programming period should be implemented, if possible, through 13 regional operational programmes only, with management of operations, selection, funding, and monitoring by regional authorities exclusively.

The Commission should recommend that the REMT and GSRT intensify the efforts for collaboration and synergy between the regional strategy for smart specialization and GSRT, by defining sectors and industries to be prioritized at the regional level and deploying policies supporting those sectors with R&D, technologies, and human capabilities. The GSRT is already working towards this direction and has further elaborated the Greek National Roadmap for Research Infrastructures. Among the objectives of the roadmap are to promote innovation at national and regional levels, and provide access to researchers, industry and the broad public domain in the country and internationally (p. 5). Research infrastructures working under open door policy can offer a bridge between regional smart specialization and national R&D.

iv) Conclusions of the seminar

The meeting revealed diverting orientations among the authorities involved. The Region of East Macedonia and Thrace focused on stakeholders' collaboration and setting the Regional Innovation Council, as well as on prioritizing activities mentioned in agriculture, food, electronics, and polymer manufacturing, tourism, waste management, and logistics. The Ministry of Economy and external consultants (KEPE, IOVE, and McKinsey) are prioritizing horizontal growth pillars, such as exports and import substitution, investments attraction, financing, innovation and technology-led competitiveness, together with investments in energy and tourism. The Association of Greek Industries (SEV) is in favour of sectoral ecosystems and value chains in food and bio-products, energy production and conservation, environmental industries, textile and apparel, construction and building materials, ICTs, and health services. **The Commission should ask for a coordination mechanism that would** bring these diverting orientations into a coherent national – regional perspective.

v) Milestones and deliverables by the Region of East Macedonia and Thrace

In short term, three deliverables (D) at two milestones (M) would accelerate 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 10 September 2013 **(M1).**
(**D2**) Setting-up the Regional Innovation Council with a small number of key stakeholders and distinguished entrepreneurs, by 10 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 30 September **(M2).**