

# **The European Commission's science and knowledge service Joint Research Centre**



# The governance of Smart Specialisation – Empirical challenges

*Elisabetta Marinelli et al.*

SmarTer Conference 2018, Seville

# *Governance of S3 – Why?*

*True love is like ghosts, which everyone talks about and few have seen.*

*Francois de La Rochefoucauld*



# Governance of S3 – Why?

True *S3 governance* ~~love~~ is like ghosts, which everyone talks about and few have seen.

~~Francois de La Rochefoucauld~~  
*Elisabetta Marinelli*



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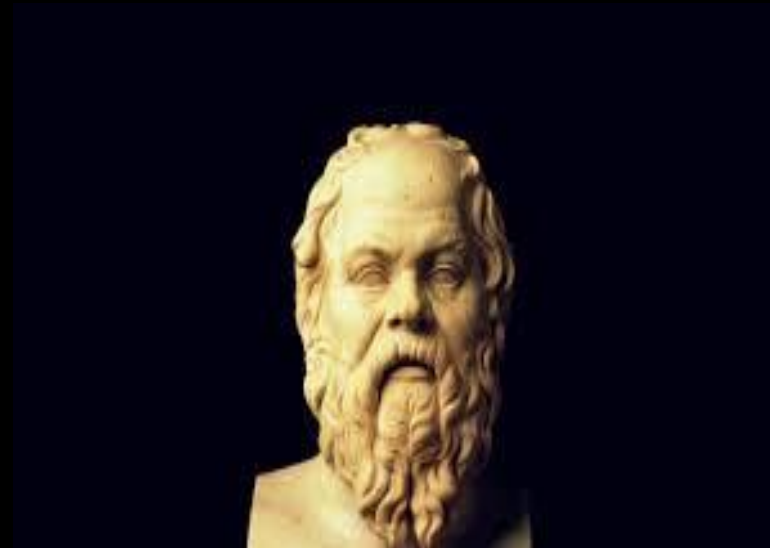
# *S3 governance – Yes but...*



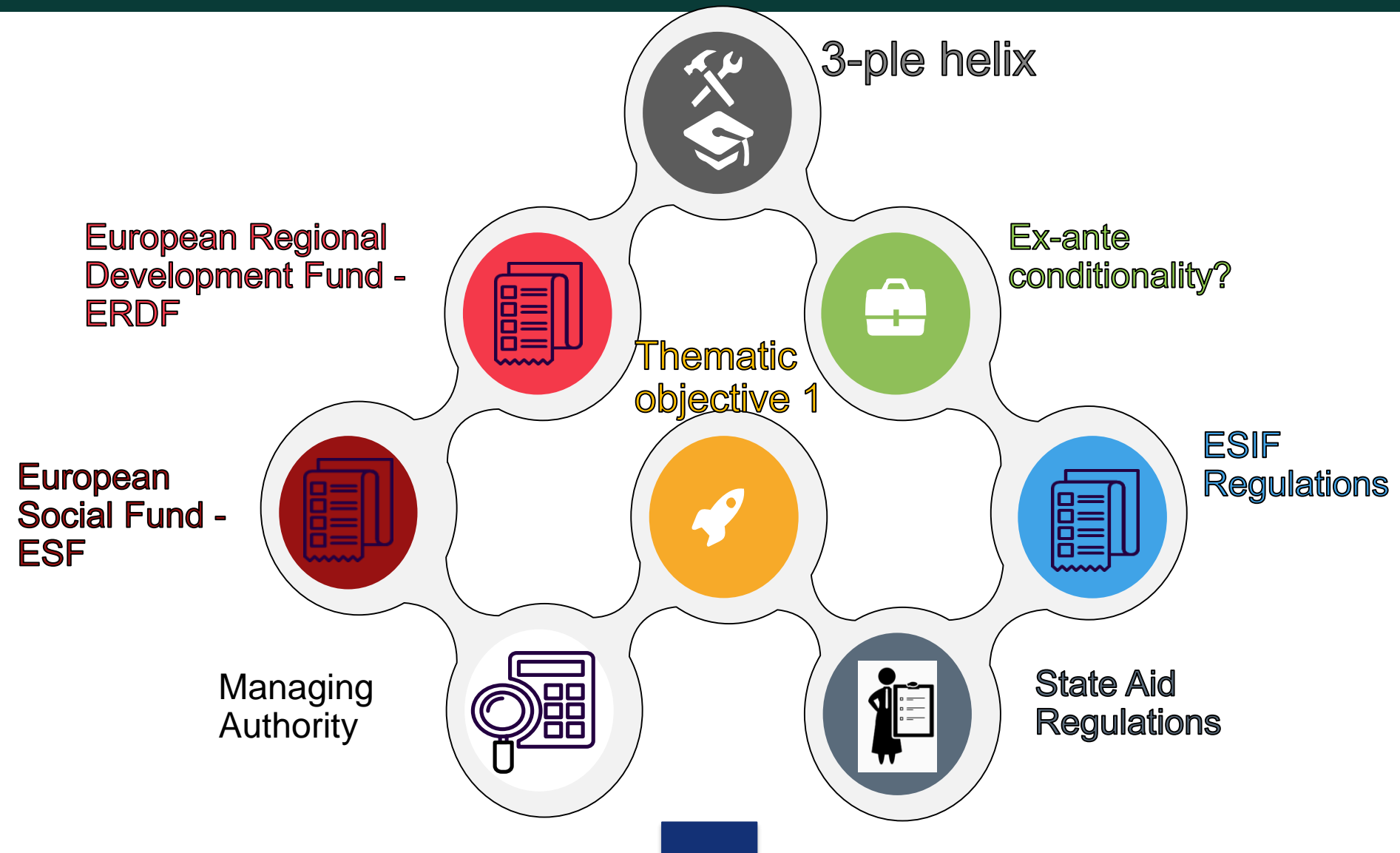
# *Governance of S3 and Socrates*

*The only true wisdom is in knowing you know nothing*  
*(...including S3 governance)*

*Socrates*  
*(Elisabetta Marinelli)*



# Audience poll





# *The road to today...*



Two role-  
playing games

- Elisabetta  
Marinelli

Case studies

- Federica  
Bertamino
- Elisa Gerussi
- Hugo Pinto

# **Squaring the circle**

lessons from the role-playing  
exercises on S3 regional and  
multi-level governance

***Elisabetta Marinelli, PhD***

SmarTer Conference 2018, Seville

# *Role playing for policy learning*

Origins: Military training

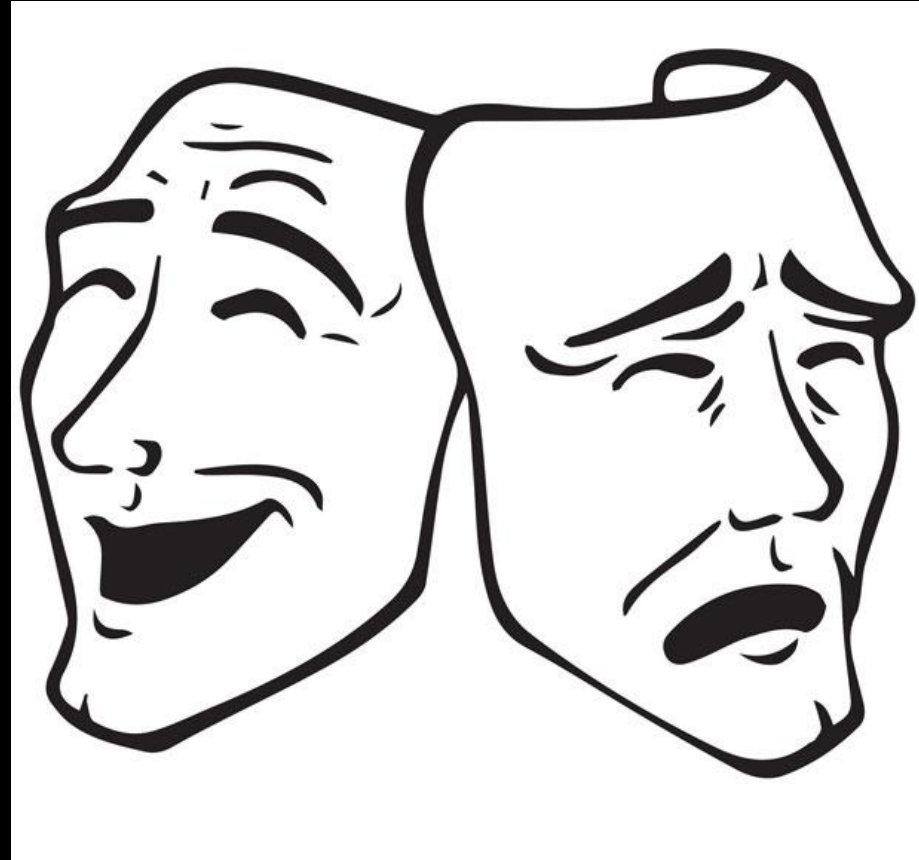
Modelling vs Gaming: Prediction vs learning

## Advantages

- Real life situation without real-life pressures
- Non-reversible decisions
- Communication among conflicting stakeholders

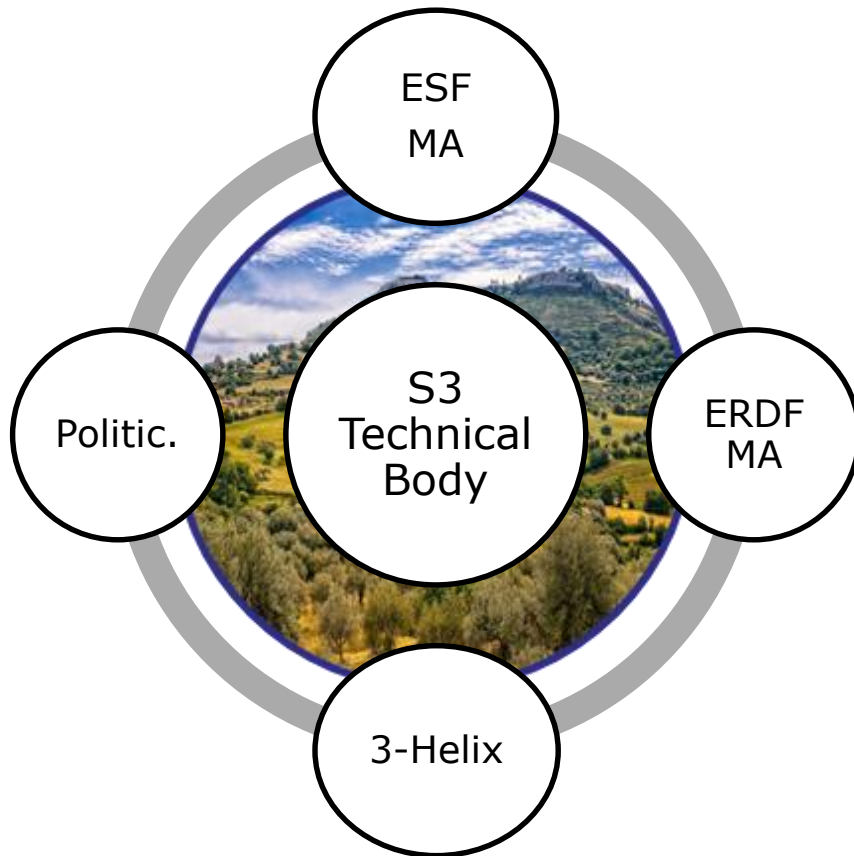
## Key elements

- real system
- real stakeholders
- roles
- rules
- scenario

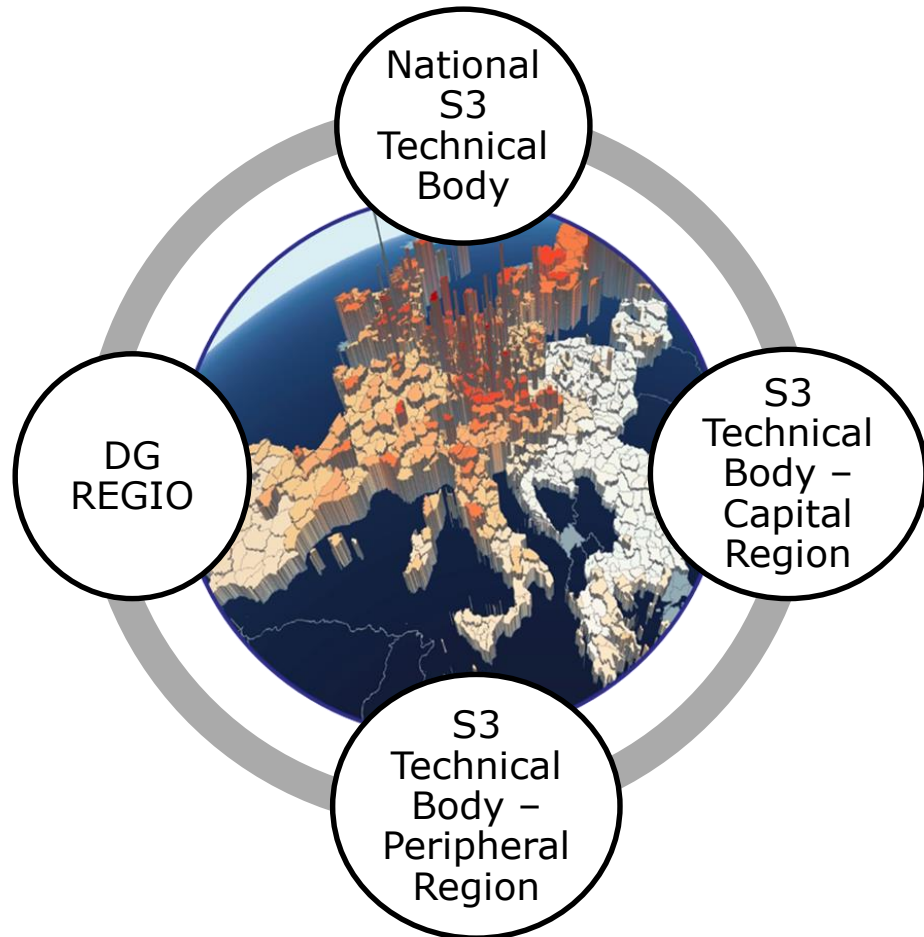


# *Two role-playing games*

## **Intra-Regional Governance**



## **Multi-level Governance**



# *Intra-regional governance scenario:*

## **Background**

- Less developed, rural region – **large agricultural sector**
- Incipient innovation system (1 Univ. 1 PRO)
- Young researchers more active in TT
- Large presence of SMEs;
- Strong potential in dairy and oil.

## **Key weaknesses**

- lack of demand/skills for innovation
- lack of a strategic research-plan to valorise leading products
- limited RTDI collaboration

## **Preliminary proposal**

- To invest in vocational/professional training
- To invest in Industrial PhDs, especially in leading products
- To invest in vouchers for innovation services
- To invest in collaborative research grants
- Instruments currently used but not all under the S3 umbrella.



# *Intra-regional governance scenario – Rules of interaction*

## Objective

- Renegotiate S3 policy mix for Agrifood and start discussing for 2021-2027

## Roles

- MAs: focus on administrative and legal constraints (take-up of funds; coming mid-term evaluation; State Aid, etc).
- Regional politicians: Next electoral cycle
- Stakeholders: support is insufficient and fragmented

## Rules

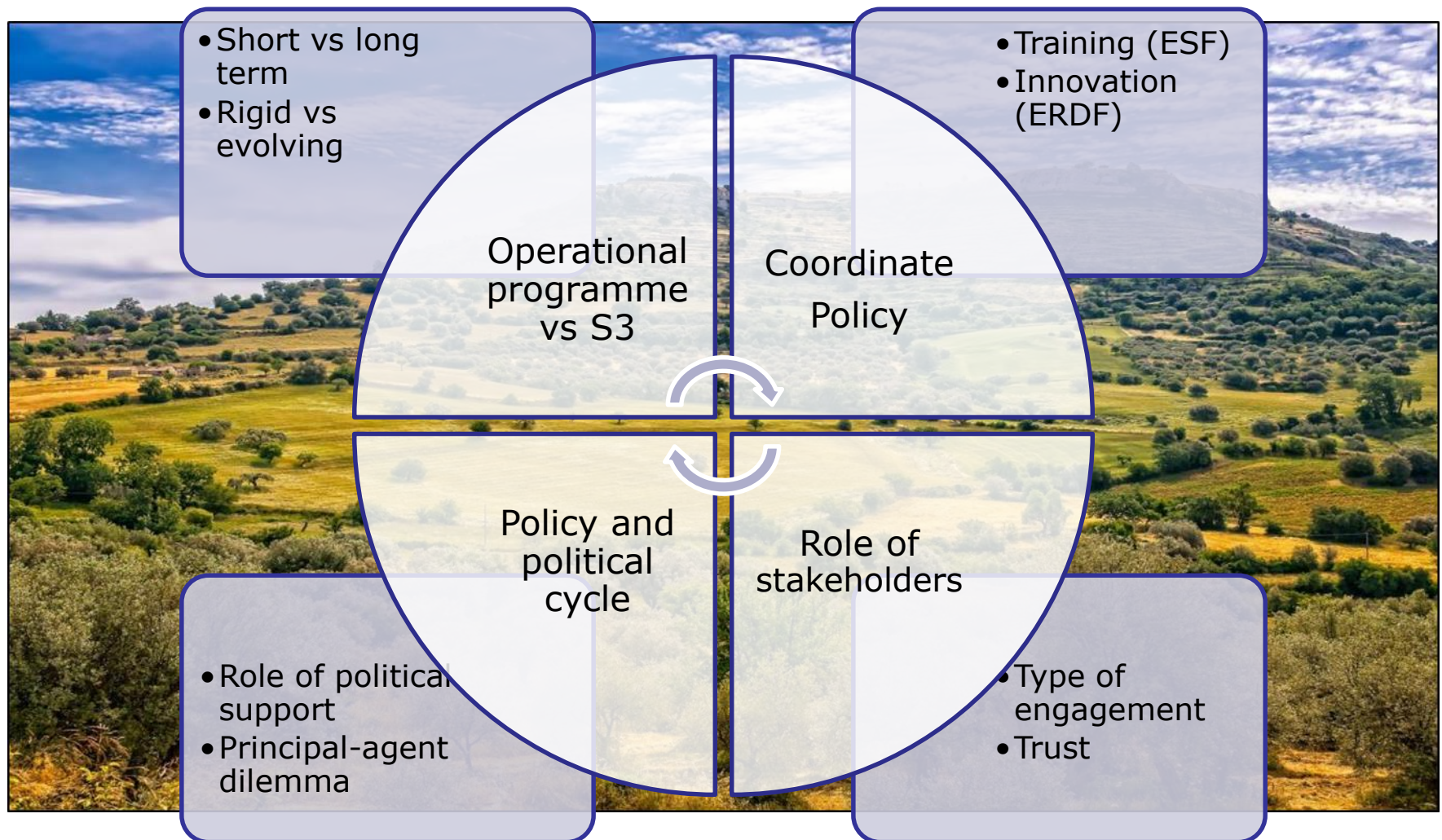
- S3 Technical body to negotiate with MAs and Stakeholders
- S3 to draft proposal to politicians

## Process

- Each group has detailed instructions + information (i.e. monitoring, regulations, etc.)
- In-built asymmetric information and trade-offs
- Moderator + Rapporteur



# *Intra-regional governance scenario: key issues*



# *Intra-regional governance: results*

## OP vs S3

- MAs evaluate new instruments in terms of:
  - Spending speed
  - State Aid
  - Programme objectives (ESF ≠ S3)
- No to narrowing priority
- Openness to pilot initiatives

## Policy Coordination:

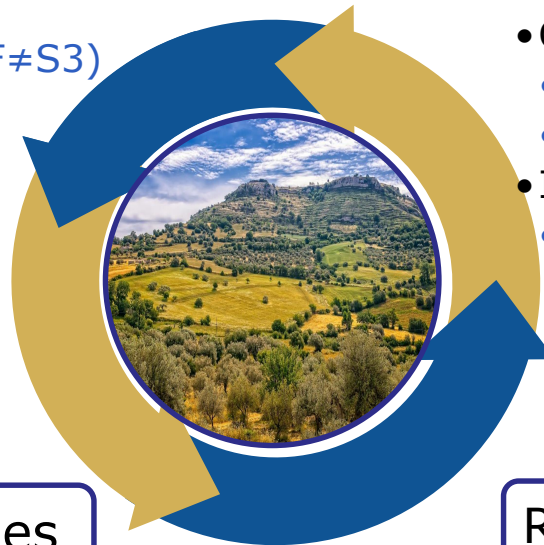
- Rules and objectives: ESF ≠ ERDF
  - Human capital for S3 – Regulation gap
- Common incentives and objectives
  - Burden of proof on S3 T.B.
  - Understand skills demand.
- Interesting misunderstanding
  - ESF MA open to work with ERDF, but technical body did not realise it!

## Policy and political cycles

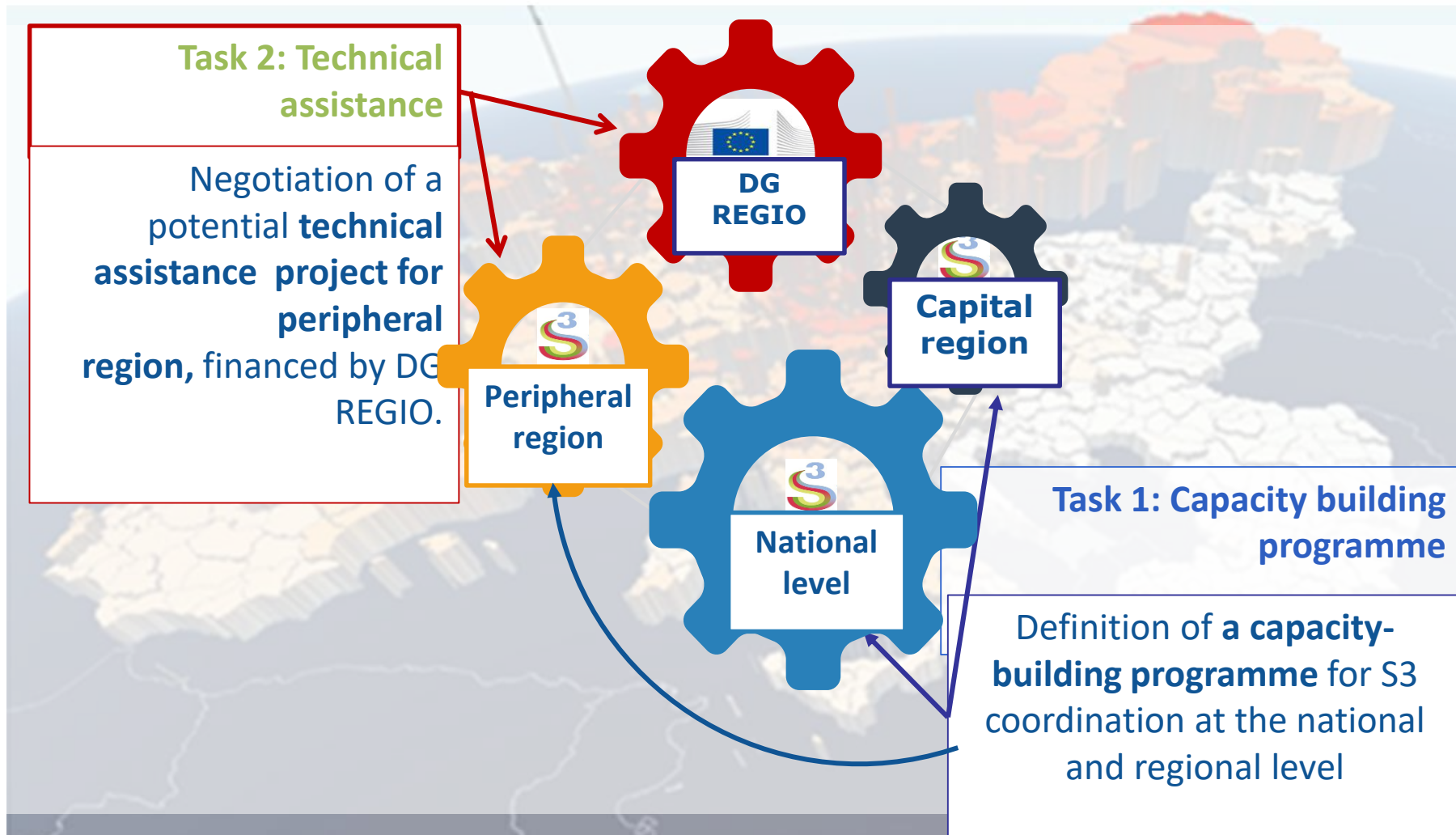
- Align results with re-election in 2021
- Link S3 to electoral promises
  - Export and employment growth
  - Stir towards environmentally friendly Agrofood products

## Role of stakeholders:

- Stakeholders are insightful
- Need policy to connect
- Monitoring as a tool for engagement
- Several proposals -> none-accepted (OP agnostics!)



# *Multi-level governance scenario: background 1*





# *Multi-level governance scenario: background 2*

## **Economic & Administrative situation**

1 country  
2 less developed regions

Activities concentrated in capital city

Regional STI competences  
National formal checks

## **S3 and ERDF**

1 National OP & S3 + 2 Regional OP & S3

Inefficiency and delays in issuing calls

Limited take-up of funds, especially from companies

## **Objectives of National Capacity Building Programmes:**

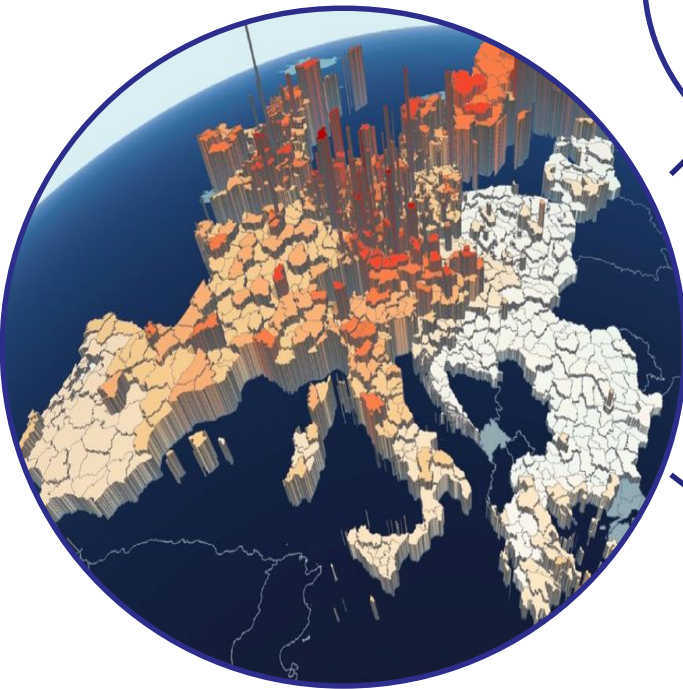
Coordination of:  
calls  
state aid  
S3 revision

Design governance structure

## **Objectives of DG REGIO technical assistance to peripheral region**

Complement, if needed, national programme

# *Multi-level governance scenario: key issues*



Co-ordination  
of S3  
functions at  
the national  
and regional  
levels.

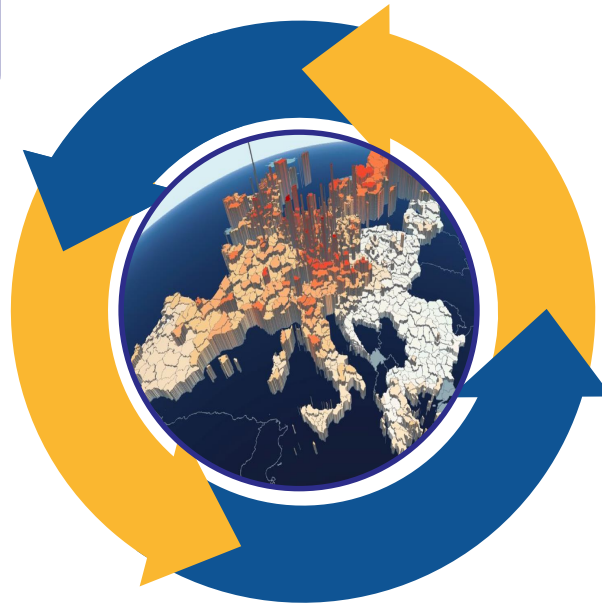
Developing a  
shared  
understanding  
of S3, across  
levels.

Characteristics  
of a  
functioning  
multi-level  
governance  
structure

# *Multi-level governance: results*

## National-regional coordination:

- Collaboration necessary and possible when capabilities unequally distributed
- Coordinating calls: essential but virtually impossible



## Developing a common understanding of S3

- DG REGIO = OP not S3
- No technical assistance
- Unexploited potential in DG Regio
- Un-targeted support opportunities (TAIEX, online tools) of limited value

## Governance as capacity building

- Need to empower S3 Technical bodies – at least formal consultation
- National-regional coordination as learning opportunity



# Conclusions



## Policy conclusions

- Current ESIF framework not suited to S3
- Set realistic expectations against administrative complexity
- EC Regulations 2021-2027
  - Skills for S3, entrepreneurship and industrial transitions -> good!
  - Governance body in ex ante conditionality: need to clarify links to OP MA



## Methodological conclusions

- Role playing good for learning and exchange
- Very cumbersome to prepare
- Strike the balance between interesting and difficult

Thanks

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