



# Smart Specialisation in Greece: experience and future opportunities

Session 9: Manufacturing, innovation, and smart  
specialisation: improving competitiveness

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*European Semester - Greece 2020, 2 July 2020*

# S3: a framework for strategic innovation policy

Introduced as part of *ex-ante conditionality* for European Structural and Investment Funds (2014-2020)

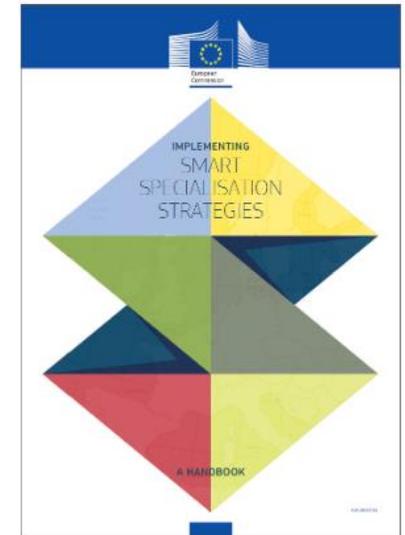
A place-based approach to innovation-led economic development

## Features of S3

- Stakeholder participation
- Long-term planning
- Focus on economic strengths

## S3 process (from JRC Handbook\*)

- Good governance
- The Entrepreneurial Discovery Process
- Priorities, calls and projects
- Transnational cooperation
- Monitoring



\* Giannelle et al. (2016) "Implementing Smart Specialisation Strategies: A Handbook".  
<https://s3platform.jrc.ec.europa.eu/s3-implementation-handbook>

# what S3 means for Greece

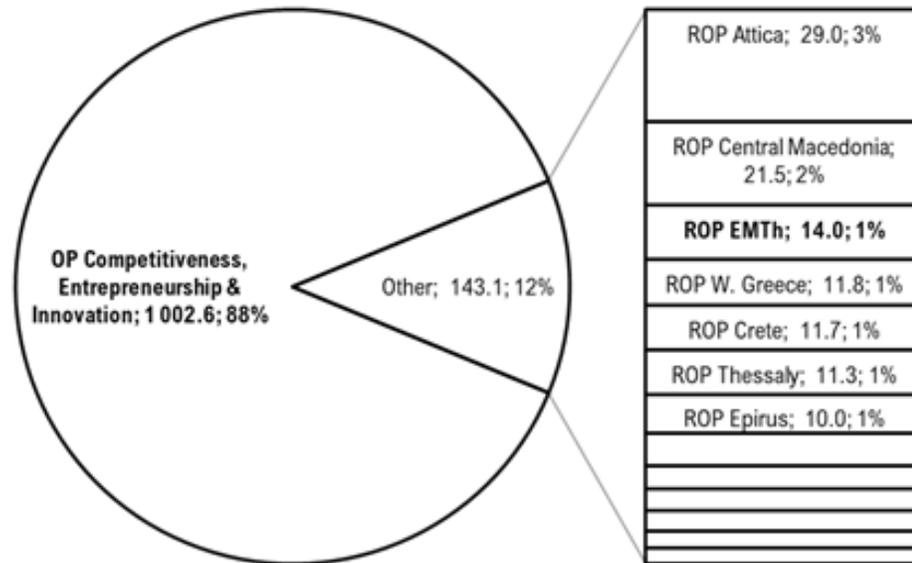
## **An opportunity:**

- To channel more funds to research and innovation
- To lengthen planning horizons and facilitate policy coherence
- To work more closely with stakeholders (esp. businesses)
- For Greek regions to develop territorially-appropriate innovation strategies

...and strengthen innovation-driven growth

# the experience with S3 so far in Greece

- Greece adopted a national S3 and 13 regional S3s
- S3 allocation ~1bn EUR (OP CEI)+ + 143m EUR (RoPs) 2014-2020



Source: Innovatia Systems for JRC

## 8 priorities in national S3:

1. Agri-Food
2. Health & Biosciences
3. ICT
4. Energy
5. Environment & Sustainable Development
6. Transport & Logistics
7. Materials & Construction
8. Tourism, Culture & Creative Industries.

# JRC support to Greece: The Lagging Regions Project

**JRC support under mandate from the European Parliament, in close collaboration with DG REGIO.**

- Support to Region of Eastern Macedonia and Thrace (2015-2017)
- Support to RIS3 implementation by way of policy intelligence gathering and interregional learning workshops. In partnership with Ministry of Development (EYΣΣA), General Secretariat of Research and Technology (GSRT), National Documentation Centre (EKT) and regions of C. Macedonia and W. Greece.
  - *Surveys of RIS3 implementation in Greece; 2018 and 2019 editions*
  - *Workshops in Chania (2/2018), Thessaloniki (2/2019), Chios (11/2019)*
- Support to the preparation of Greek national and regional authorities for the next programming period:
  - *Monitoring pilot study*
  - *Governance study*
  - *Review of Industrial Transition of Greece*

More information: <https://s3platform.jrc.ec.europa.eu/greece>

# the experience with S3 so far in Greece

## What went well

- + Innovation policy capabilities and learning in regions (incl. RIS3 network)
- + Positive experience with stakeholder involvement (at least initially)
- + Progress in territorially-appropriate innovation support
- + Progress with governance framework (though important gaps remain)

## What could have gone better

- S3 did not bring coherence between funds; need for horizontal support
- Teething administrative and IT problems delayed flow of funds to beneficiaries
- S3s proved major planning challenge for most Greek regions; multi-level coord.
- Sustaining momentum and internationalisation important challenges

### Relevant JRC reports

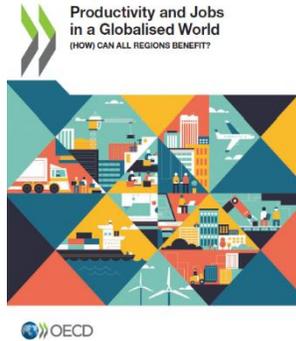
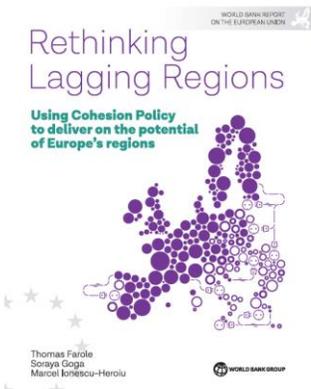
Metaxas, M. (2020), "RIS3 Monitoring System in Greece – Pilot Study", <https://s3platform.jrc.ec.europa.eu/-/ris3-monitoring-system-in-greece-pilot-study?inheritRedirect=true&redirect=%2Fgreece>

Metaxas, M. (2019), "Summary Report on RIS3 implementation status in Greece. 2019 Edition", [https://s3platform.jrc.ec.europa.eu/en\\_GB/-/summary-report-on-ris3-implementation-status-in-greece?inheritRedirect=true](https://s3platform.jrc.ec.europa.eu/en_GB/-/summary-report-on-ris3-implementation-status-in-greece?inheritRedirect=true)

Metaxas, M. (2018), "Summary Report on RIS3 implementation status in Greece. 2018 Edition", <https://s3platform.jrc.ec.europa.eu/-/summary-report-on-ris3-implementation-status-in-greece-november-2017-?inheritRedirect=true&redirect=%2Fgreece>

# looking to the future

## The 3 Frames of Innovation

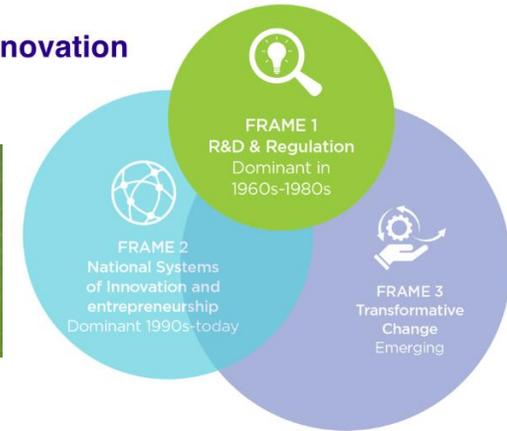


## A European Green Deal

Striving to be the first climate-neutral continent

## Global trends

- *Deep productive transformations*, esp. in energy and transport systems, and digitalisation
- Resurgence of interest in *industrial policy* – no longer a taboo
- Emergence of new framework of thinking: *transformative innovation policy*
- *European Green Deal and EU Recovery Fund (>1 tn EUR for Green and Digital Transitions)*



## Challenges of lagging regions

- Industrial decline and mass emigration
- Structural change: low-productivity agriculture/tourism
- Weak tradable sectors; Investment barriers
- Lacking scale-efficient production and business innovation
- Societal and environmental challenges
- Large infrastructure gaps

**Pressing need to develop knowledge-intensive production capabilities**

→ *Problem*: no framework available for full-blown industrial policy!

# need to re-discover planning capabilities

## Saturn V: world's most powerful rocket

- Dependent on massive network (est. 400,000 people\*)
- Network disbanded since early 1970s
- Humanity has **since lost** heavy-launch capability
- No point using old 'blueprint' – world moved on

## Industrial transitions

- Lost capability for long-term, large-scale social action
- Climate emergency: Non-negotiable deadlines, Massive coordination task
- No point reviving 20<sup>th</sup> cent. industrial policies - world moved on

[\\*https://www.theguardian.com/science/2009/jul/02/apollo-11-back-up-team](https://www.theguardian.com/science/2009/jul/02/apollo-11-back-up-team)



# JRC Working Group on Understanding and Managing Industrial Transitions

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- Mircea PETREA, *ElfNet*

### MEMBER STATES

#### Regional authorities

- Andalucía (Spain)
- Western Macedonia (Greece)
- All regions (Romania)
- Catalonia [own resources] (Spain)

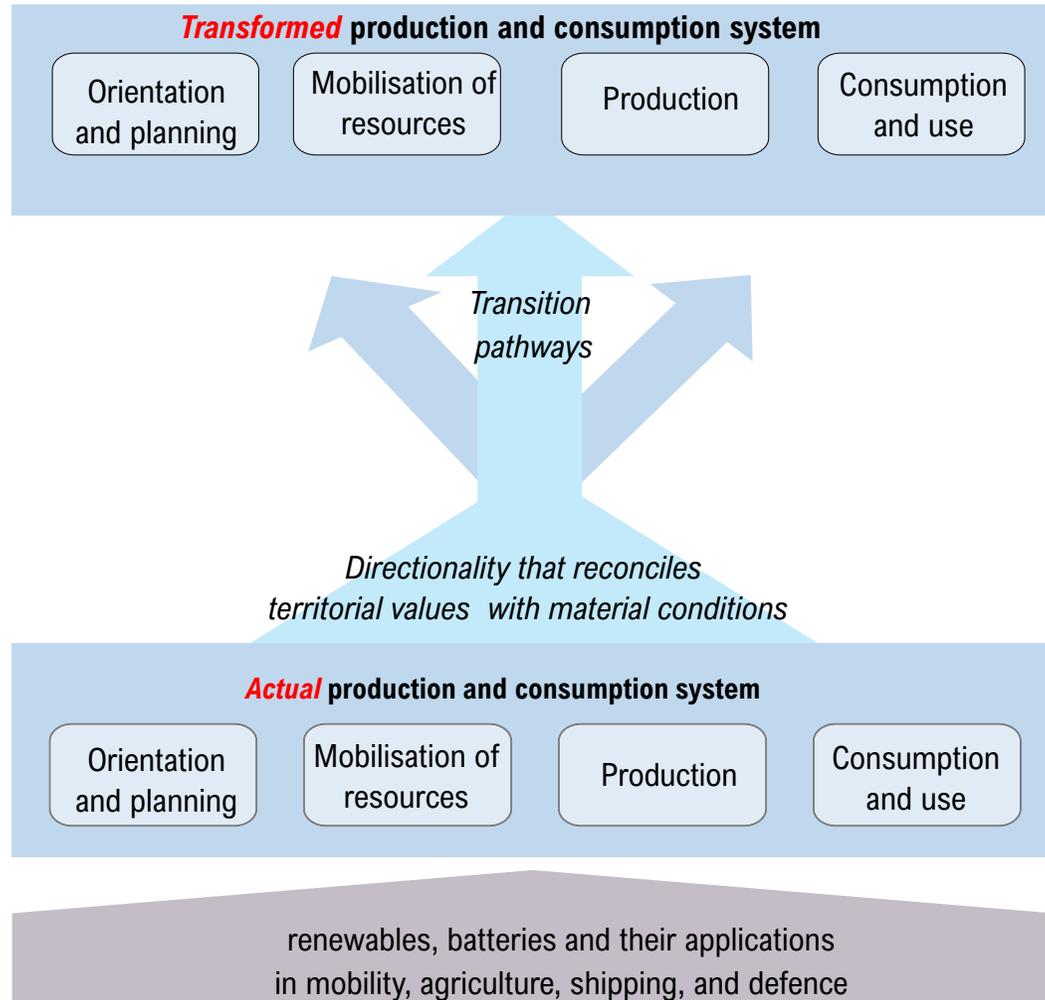
#### National authorities

- Ministry of Development (Greece)
- Council of Ministers (Bulgaria)
- Ministry of Economy, Energy and Business Environment. and other ministries with inputs in S3 (Romania )

### ADVISORY BOARD OF DISTINGUISHED EXPERTS

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# a unique window of opportunity: the sustainability transition

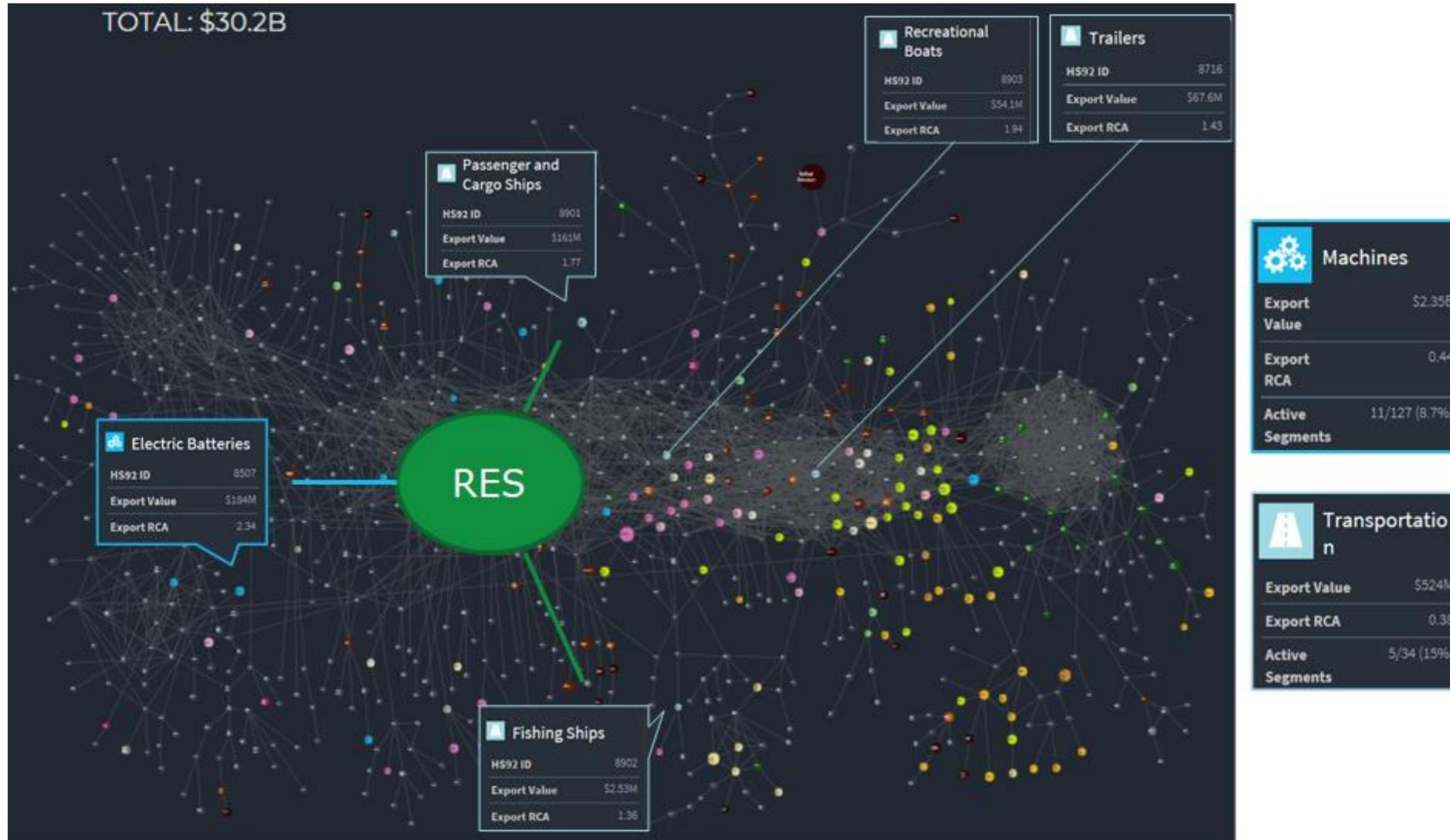


## JRC Review of Industrial Transition of Greece

- **Review partner:** Ministry of Development (GR)
- **Experts:** Matthijs Janssen (Utrecht University, NL) and Yannis Tolia (Innovatia Systems, GR)
- **Opportunities:** industrial development (tradables) and employment creation
- **Agreed theme:** renewables, batteries and their applications in mobility, agriculture, shipping, & defence
- **Based on:** wide stakeholder consultation, expert analysis following JRC methodology\*

\* Methodology report forthcoming here in July:  
<https://s3platform.jrc.ec.europa.eu/industrial-transition>

# Greek export space: renewables, batteries and their applications in mobility, agriculture, shipping, and/or defence



# transition pathways

Headline targets: 35 RES use, 20% RES in transport, economic resilience

Niches / Diffusion opportunities

Public procurement of clean transport

Local RES-EV experiments

Electric ferries

PVs/microgrids for apartment blocks

Consumption (application areas)

Public transport

Private EV adoption

Clean ports and shipping

Environmental remediation

Distribution infrastructure

Gas pipelines

EV charging infrastructure

Grid for decentralized energy production

Pumped hydro

Recollection of batteries and turbines

Production capabilities

Biomass producers (in mining areas?)

Suppliers of EV components

Local RES supply: firms, communities

Battery producers (mainly Sunlight)

Waste management (incl. recycling)

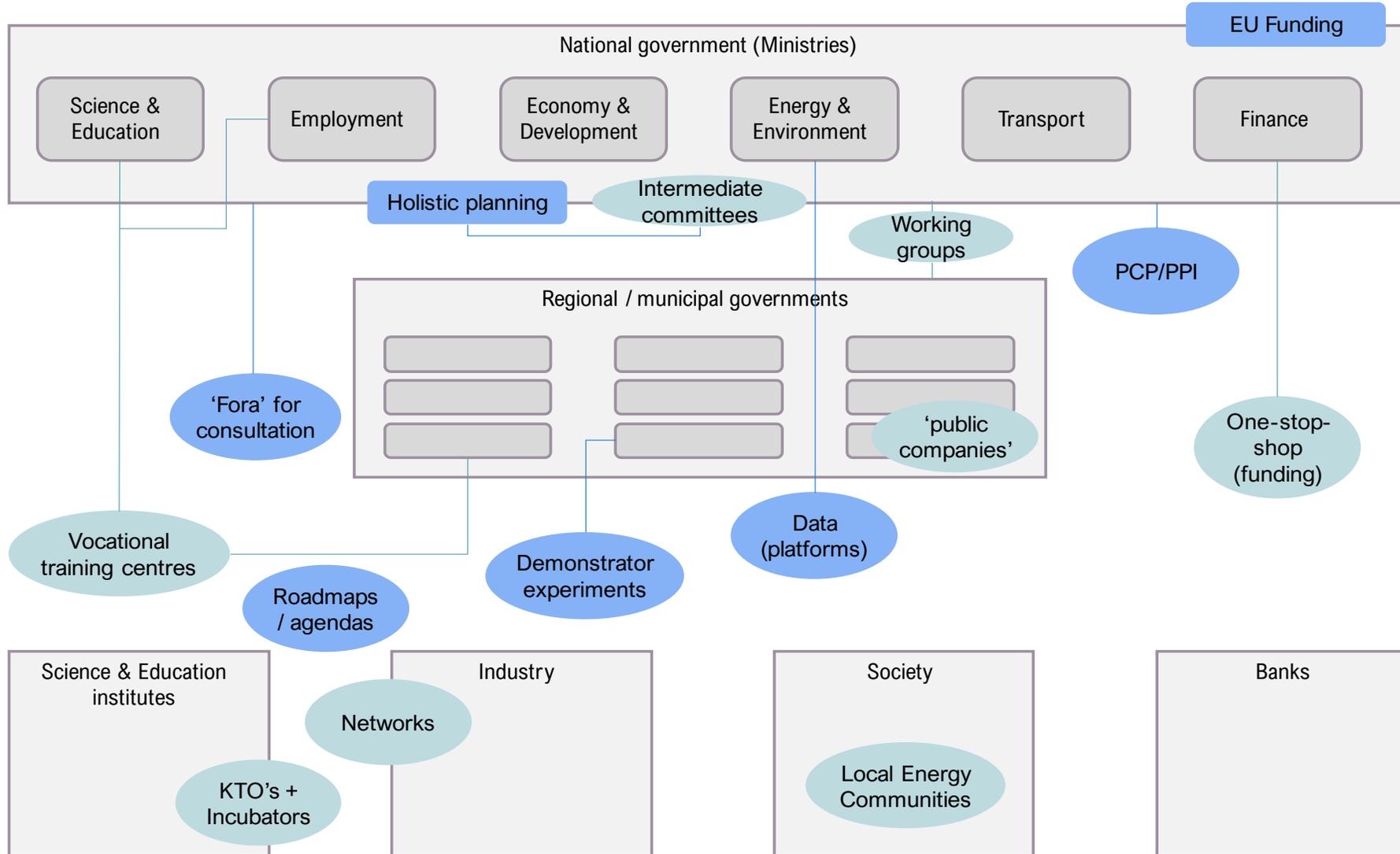
Knowledge development

Mainly PRO's: → startups?

Planning & Resource mobilization

Coordination for substantial and long-term financial commitment for coherent investments, e.g. Greek Green Pact

# what's missing: gaps in the system (green) and areas to intensify effort (blue)



# catalysing the transition

**Key dates:**

Review findings and recommendations  
15 July

Final report due September

- **Coordination process:**

- Greek “Green Pact”; +Inspiration from Dutch “Top Sectors”; +Catalan “Shared Agendas”

- **Public policy interventions:**

- Legislation (e.g. microgrids, sandboxes); policy stability; enforcement of environmental regulation;

- **Enabling actions:**

- Infrastructure (network and charging points; Skills (think ahead, (re)train, with/in businesses); demand management (smart meters, city-level standards, EV facilities, etc.); acceptance of RES (energy communities match with territorial values)

- **R&D and innovation actions:**

- Knowledge transfer, PPPs, Public Procurement for Innovation (requires mostly capabilities, not money)

# Digitalisation of SMEs - a key enabler of innovation

Commission

European Commission / Smart Specialisation Platform / Tools / Digital Innovation Hubs

Home S3 Platform Sections Tools News Events Knowledge Repository Search

## Digital Innovation Hubs

Search

Enter any search term

Countries 1 selected

Evolutionary Stages 1 selected

Technical Competences None selected

Services Provided None selected

Focus on TRL None selected

Market sectors None selected

DIHs in H2020 projects

SEARCH

Contact us in the following email: JRC-B3-DIH@ec.europa.eu

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Fully Operational In preparation Potential DIHs from H2020

Click on the following link if you want to propose new HUB.

**Digital Innovation Hubs (DIHs):** Provide technological expertise and experimentation facilities to enable the digital transformation of the industry and the public sector

The new **Digital Europe Programme (DEP)** will co-invest in a network of pan European DIHs specialised in AI, HPC, Cybersecurity and digital skills in all EU countries and with close proximity to every region

**More information:** <https://ec.europa.eu/digital-single-market/en/european-digital-innovation-hubs-digital-europe-programme-0>

# conclusions

## **1. Panoply of actions under a coherent industrial development logic**

Skills and R&I important: But only part of the story

## **2. Coordination process essential**

Multi-level; multi-portfolio; multi-stakeholder. Inspiration from Dutch “Top Sectors” and Catalan “Shared Agendas”.

## **3. Evidence-based support: JRC reviews as a tool to help.**

JRC reviews only a beginning. Necessary to create much more extensive national evidence-base and systematic policy intelligence

"No wind is favourable to the one who does not know to which port to sail."

Lucius Annaeus Seneca (c. 4 BC – AD 65)



# Thank you!

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<https://s3platform.jrc.ec.europa.eu/industrial-transition>

<https://s3platform.jrc.ec.europa.eu/greece>

