



JOINT RESEARCH CENTRE



Smart Specialisation Strategy for REMTTh: setting priorities

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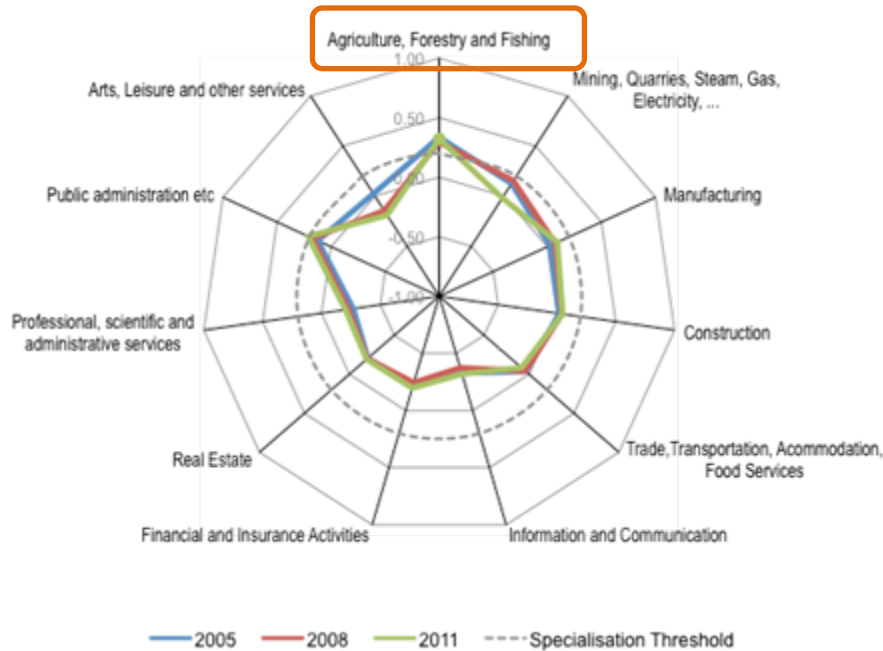
What is Smart Specialisation?

- = **fact-based**: all assets + capabilities + bottlenecks in a region, incl. external perspective, cooperation potential, global value chains
- = no top-down decision but **dynamic entrepreneurial discovery process** uniting key stakeholders around shared vision
- = **all forms of innovation**, not only technology-driven, existing / new knowledge
- = **ecosystem** approach: creating environment for change, efficiency of institutions
- = **differentiation**: focus on competitive advantages, potential for excellence, emerging opportunities, market niches
- = **concentration** of resources on priorities, problems and core needs, for critical mass/critical potential
- = **synergies** across different departments and governance levels (EU-national-regional); cross-sector/technology links
- = **place-based economic transformation**: rejuvenate traditional sectors through higher-value activities

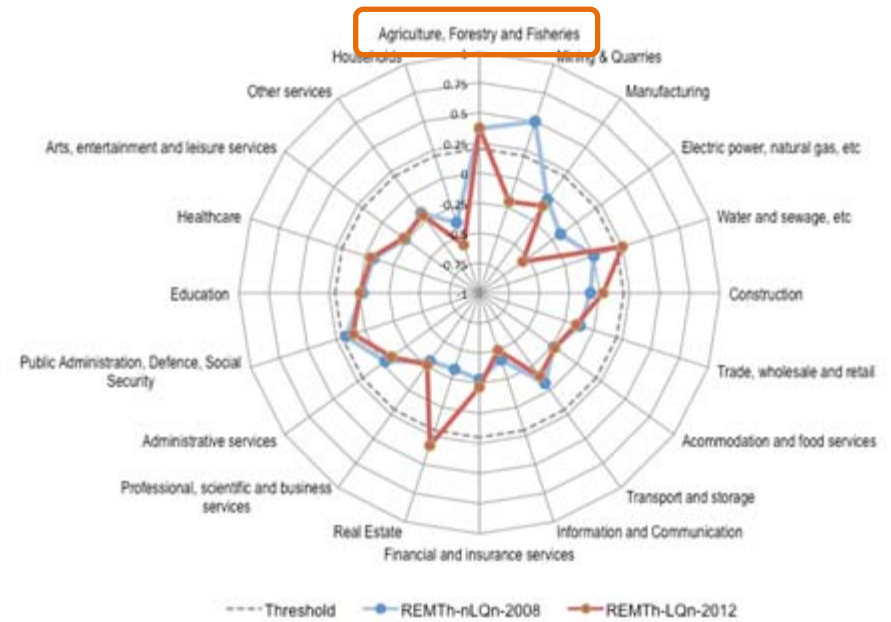
Source: R&I Strategies for Smart Specialisation, Katja Reppel

Specialisation Patterns (REMTh vs Greece)

Gross Value Added



Employment



Figures show the normalised location quotients of REMTh vs Greece

The primary sector – overview

4,000 km² (28% of total area) are used for agriculture – 58% is irrigated

Main sub-sectors in terms of GVA are:

- Farming (34%)

- Grain (22%)

- Industrial plants (18%)

- Vegetables and potatoes (17%)

- Fruits (6%)

Main exports

- Table grapes

- Asparagus

- Olive oil

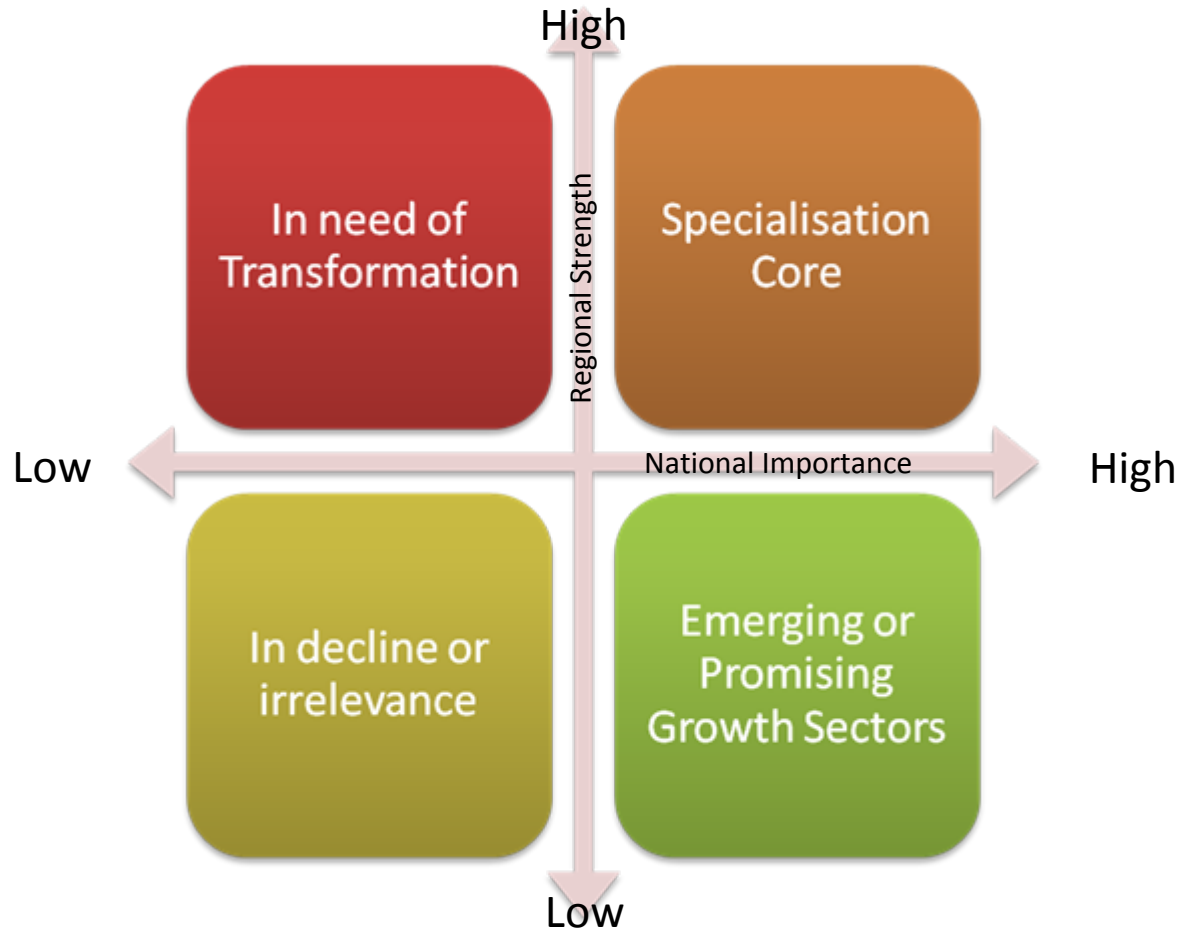
- Wine

- Tobacco

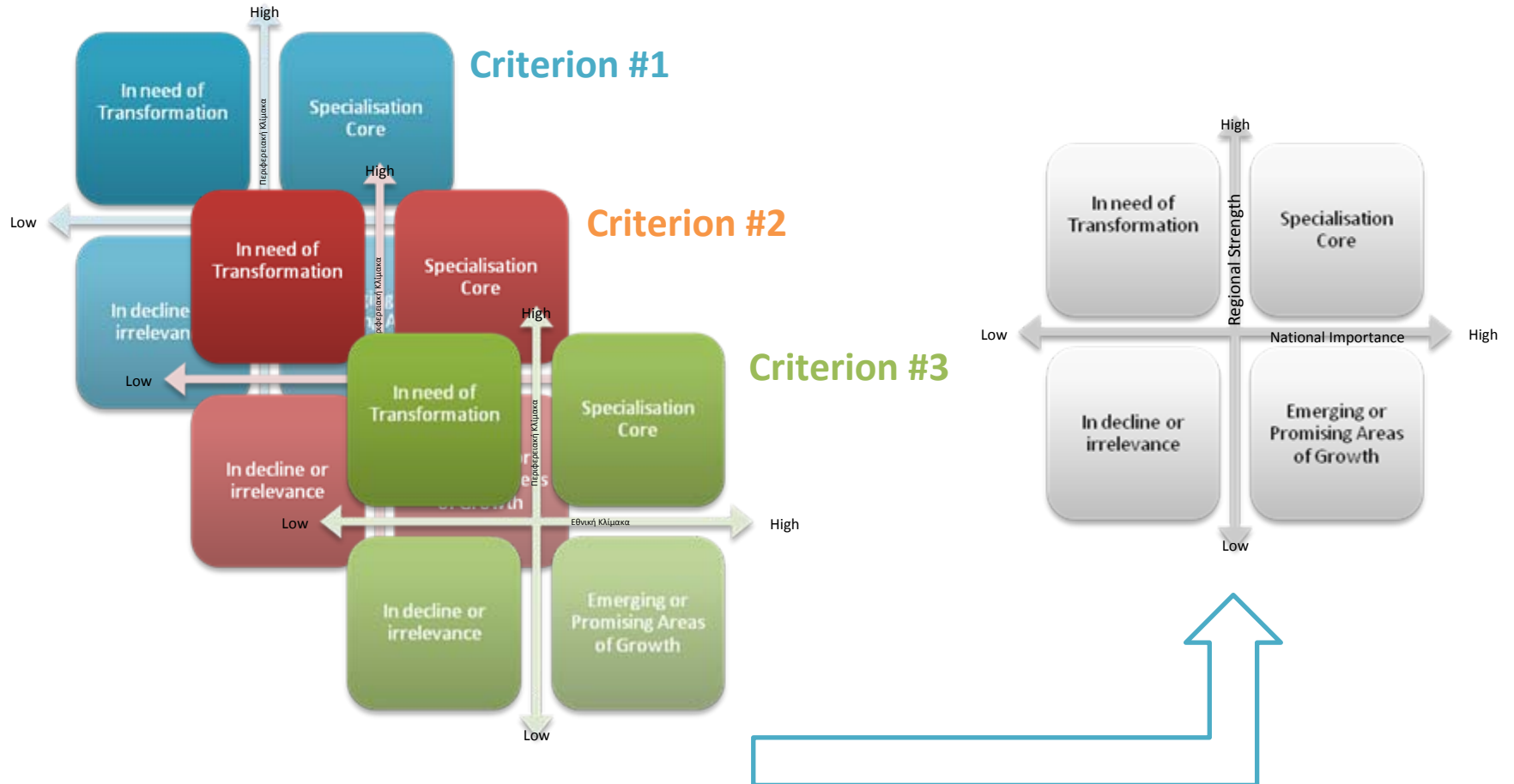
The Primary Sector – Main issues

- Low productivity
 - GDP/head: 69% of the national average
 - Land productivity: 76% of the national average
 - Overall productivity: 77% of the national average
- Small size of agricultural holdings
- Low integration of technological and non-technological solutions
- Aging profile of farmers
- Lack of modern training structures

Prioritisation of sectors



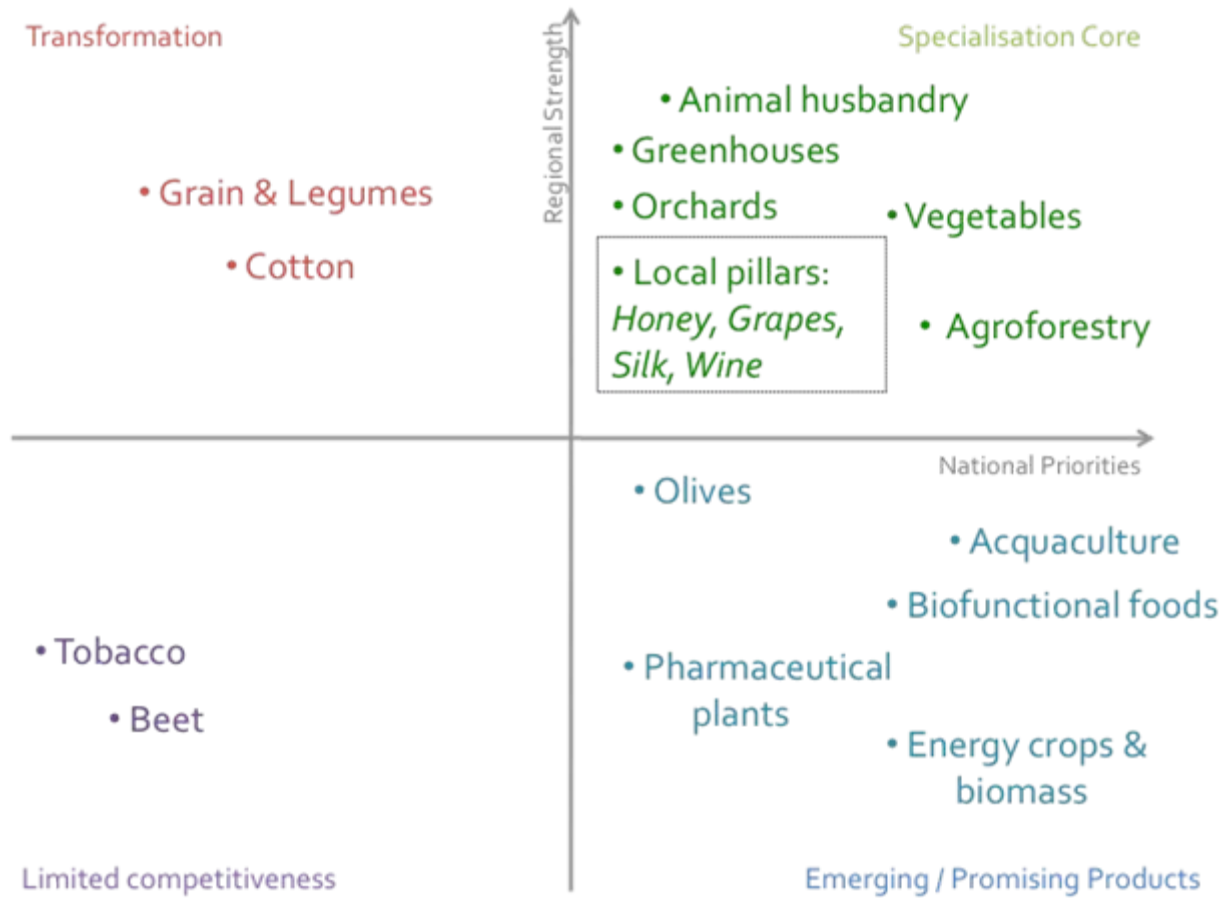
Methodology



Criteria applied for primary sector

- Contribution to sectorial economy – critical mass
 - Production value and GVA
 - Employment intensity
- Degree of interconnection to other sectors of regional economy – multiplication of employment, production and income for regional economy
- Technology and innovation competencies, absorptive capacity for technological and non-technological innovations
- Prospects-expectations
 - Forecasted demand > forecasted supply?
 - Niche markets? Global development?

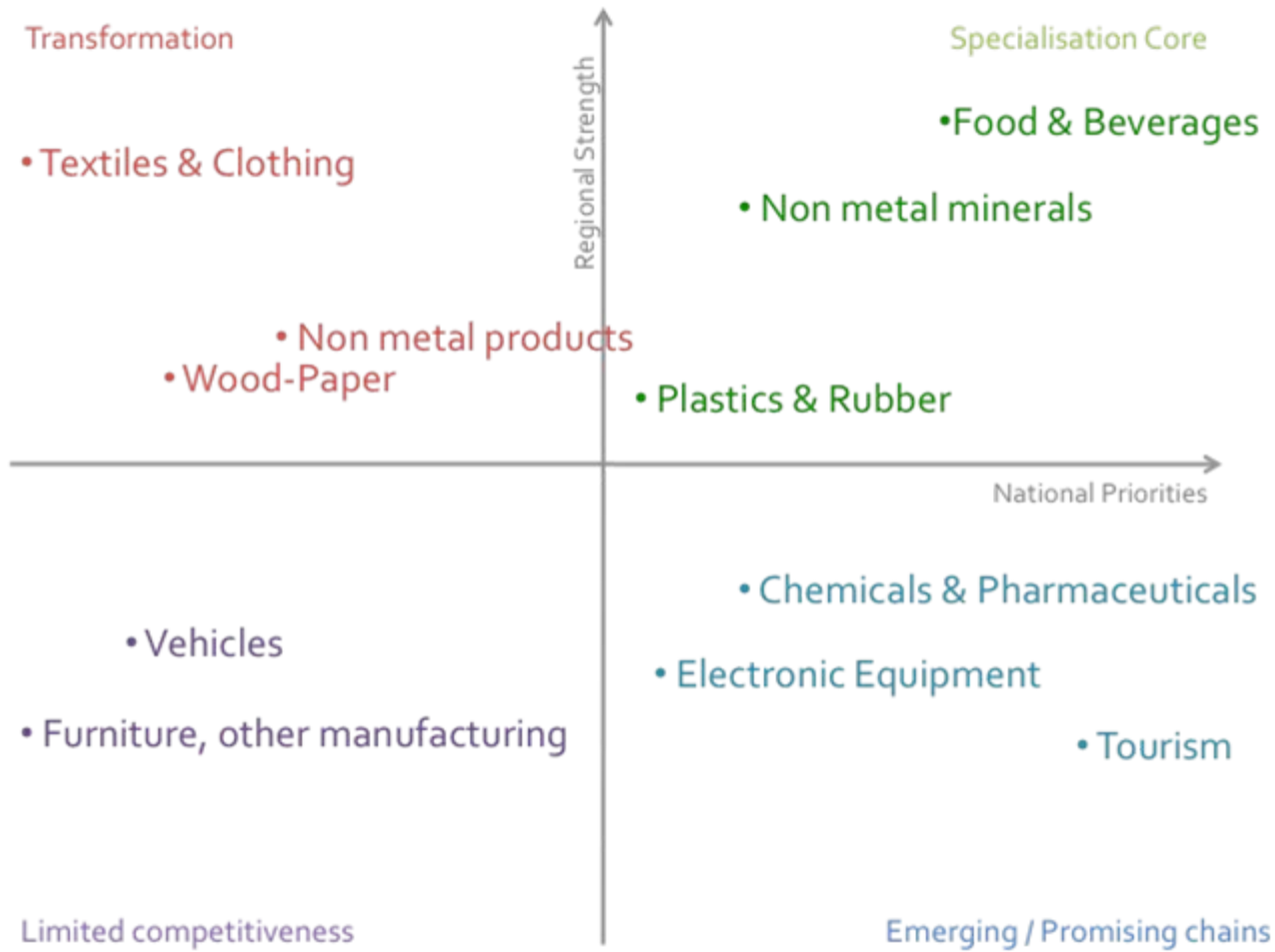
Priorities Matrix for the primary sector



Criteria applied for sectors except agriculture

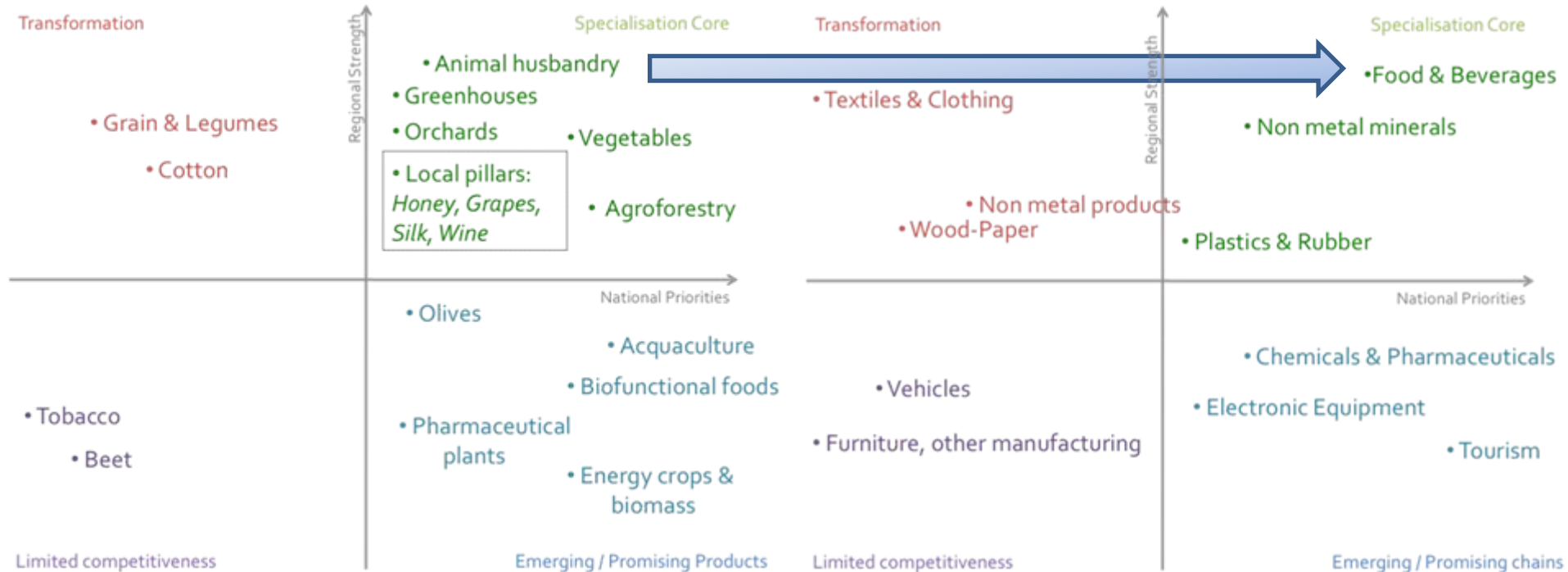
- Critical mass
- Evolution of key financial figures
 - GVA
 - Employment
 - Exports
- Technological readiness
 - R&D expenses
 - Generic strategy based on innovation and specialisation
 - Level of technology exploitation

Priorities Matrix for other sectors

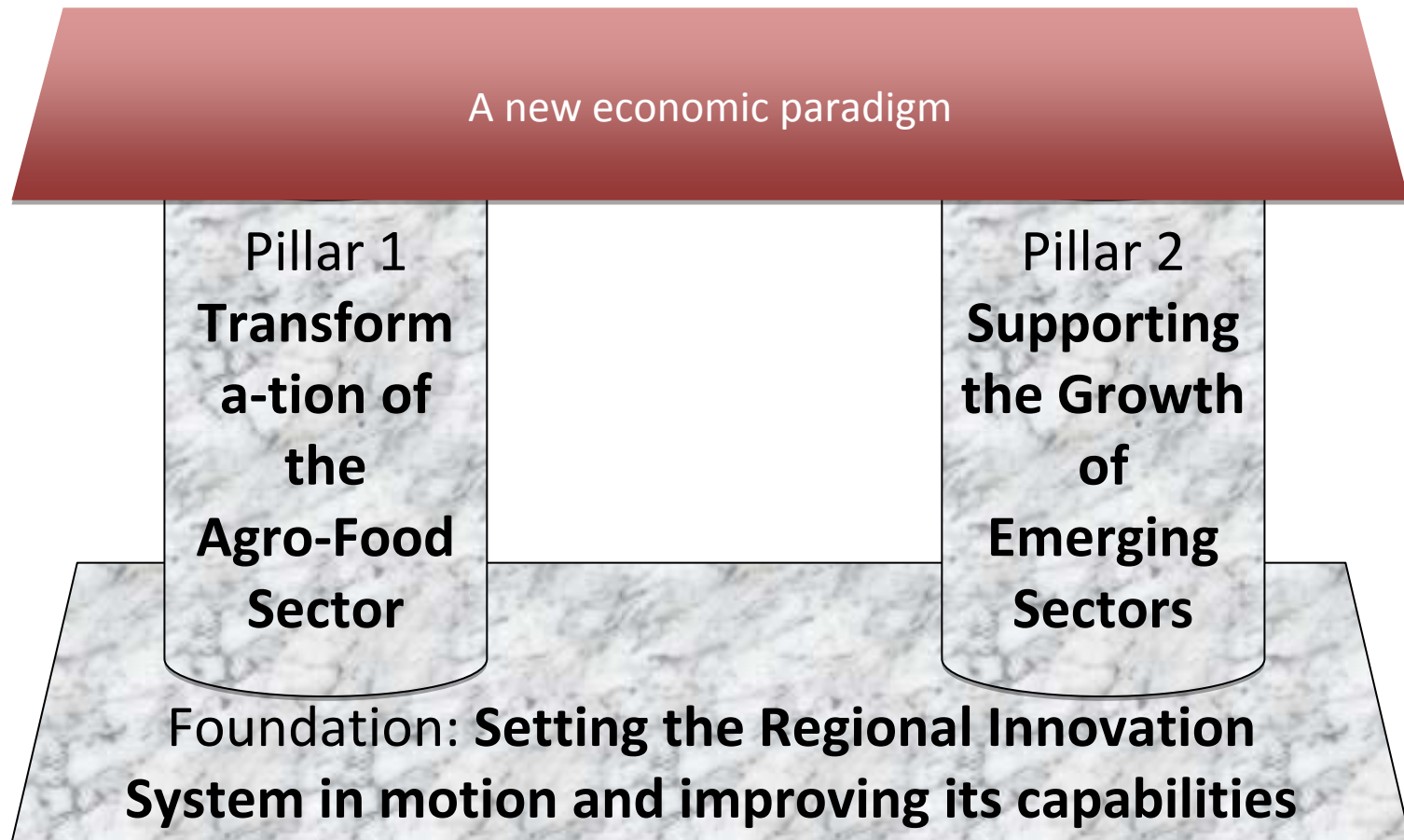


Sectoral Priorities

Agrofood Value chains



The foundation and the two pillars of REMTh's RIS3



Pillar 1: Strategic objectives

1. Modernisation of agro-food complex
 - Development of new competitive products of the primary sector and of the linked industries of the manufacturing sectors respectively
 - Reduction of inputs within the production process – exploitation of key technologies
 - Improvement of environmental footprint
2. Growth in regional GVA by adapting innovative solutions
 - Administrative interventions (eg spatial planning)
 - Management of natural resources
 - Restructuring of farming and other productive sub sectors of the primary sector
 - Enhancement of value chain by implementing organisational innovation

Priority setting: self- assessment

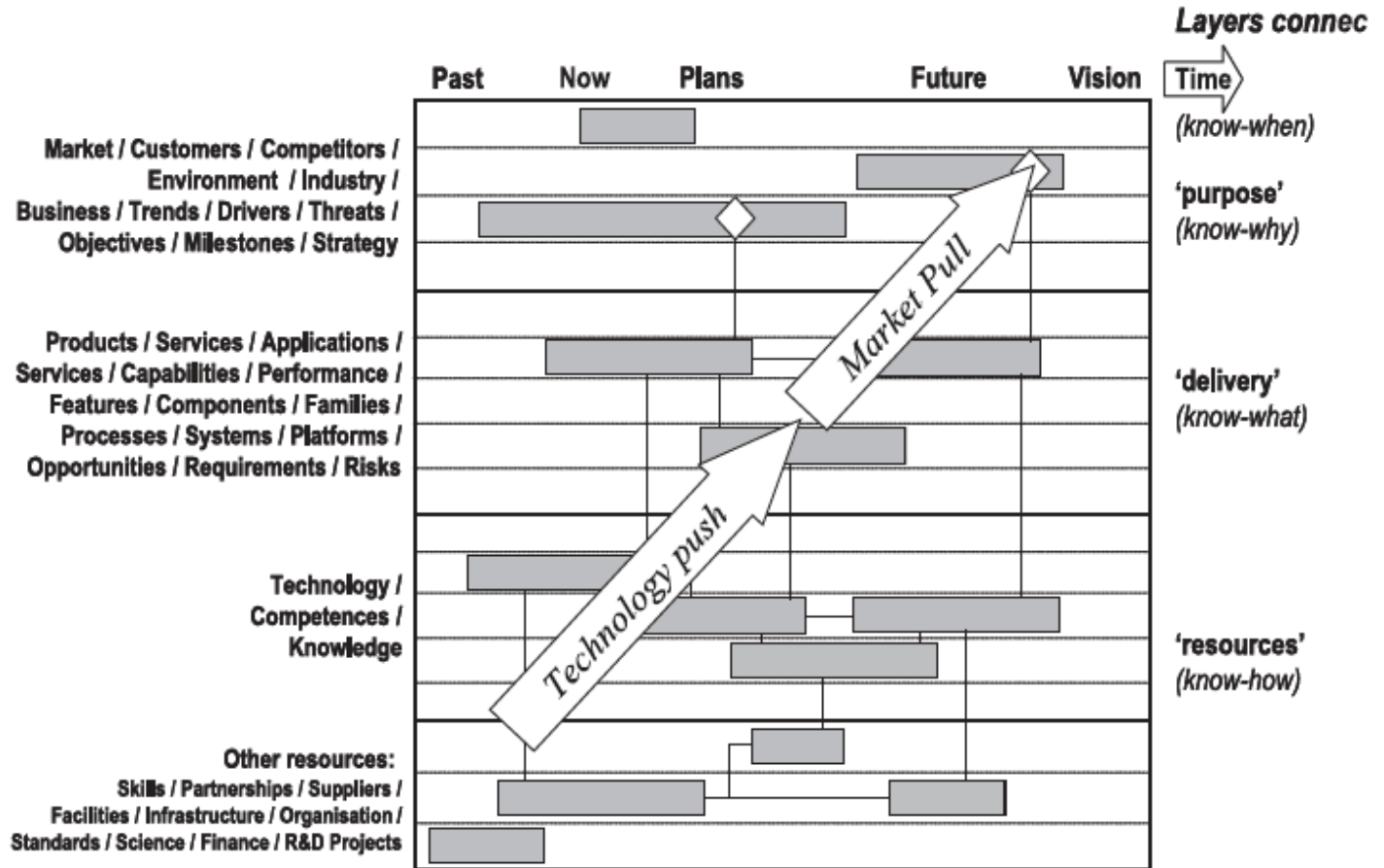
Strengths

- A good balance of **horizontal** and **thematic** priorities that reflect the regional economic structure, competences and skills
- The diffusion of **relevant** innovations is a central theme of the horizontal priorities

Weaknesses

- **Thematic priorities lack specificity due to the limited extend of the EDP**
- Limited competences in the Region on KETs

What's missing?



Source: Phaal et al, 2004

EDP-driven specialisation of the action plan

How to make things work?

Employment of all actors in an innovation system: "knowledge triangle" & "triple / quadruple helix"

- Enterprises including key innovators
- Research centres, universities
- Cluster initiatives, business networks ...
- Regional development agencies, innovation support providers, investors, incubators ...
- National authorities and /or regional Managing Authorities ...
- NGOs, consumers / users ...

Thank you for
your attention!

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