



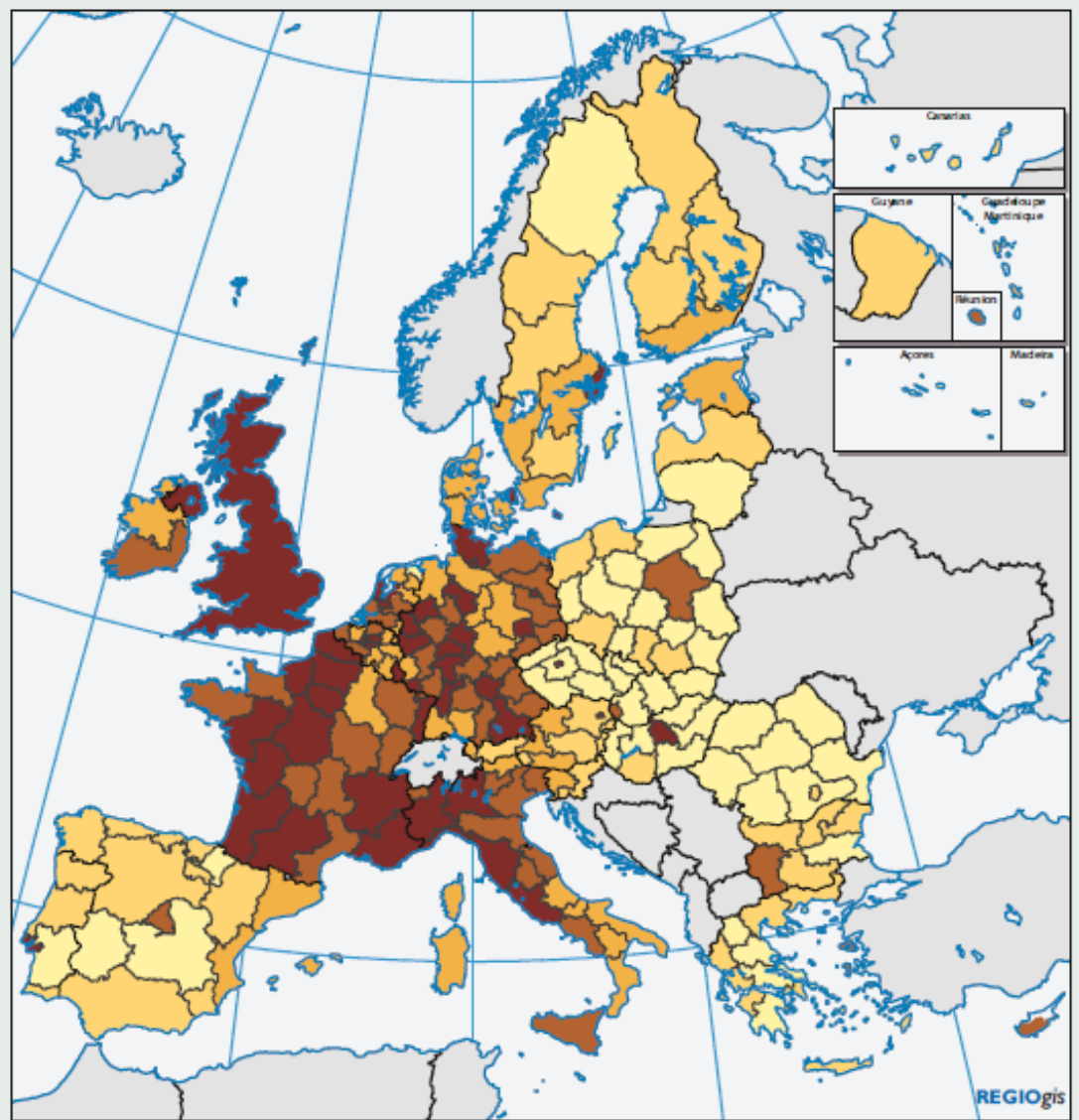
Regional Development in Europe: Challenges and Priorities

Nicos Komninos, URENIO Research

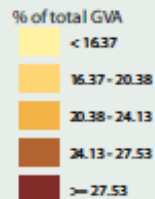
BlasNet Conference, Thessaloniki 11 February 2012

Regional Development in Europe: A Variable Geometry

FINANCIAL SERVICES DIVIDE: CENTRE - PERIPHERY

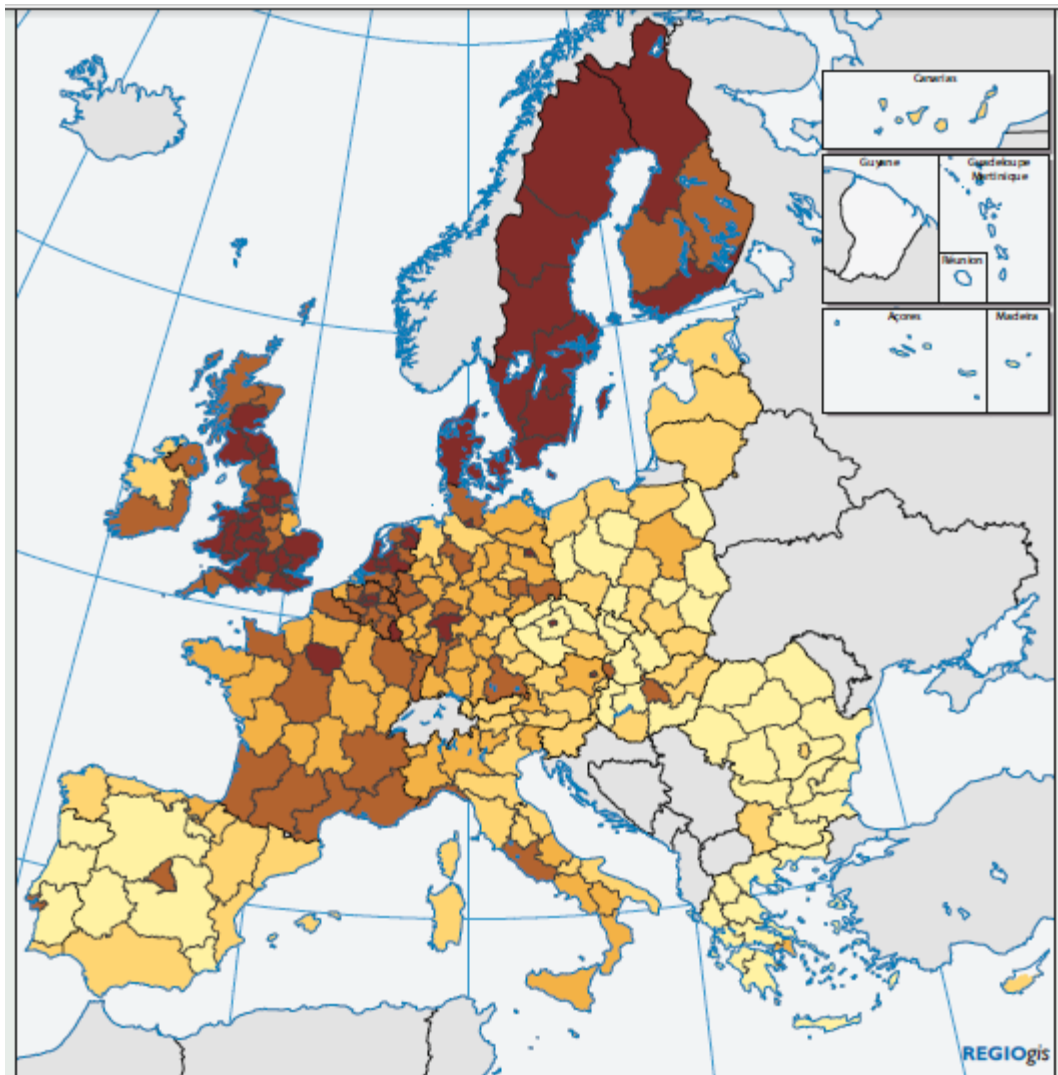


Share of GVA in financial intermediation and business services, 2005



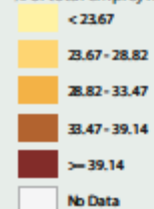
EU-27 = 27.7
NACE J and K
UK: national level
Source: Eurostat

KNOWLEDGE-INTENSIVE SERVICES DIVIDE: NORTH - SOUTH



Share of employment in knowledge-intensive services, 2005-2006

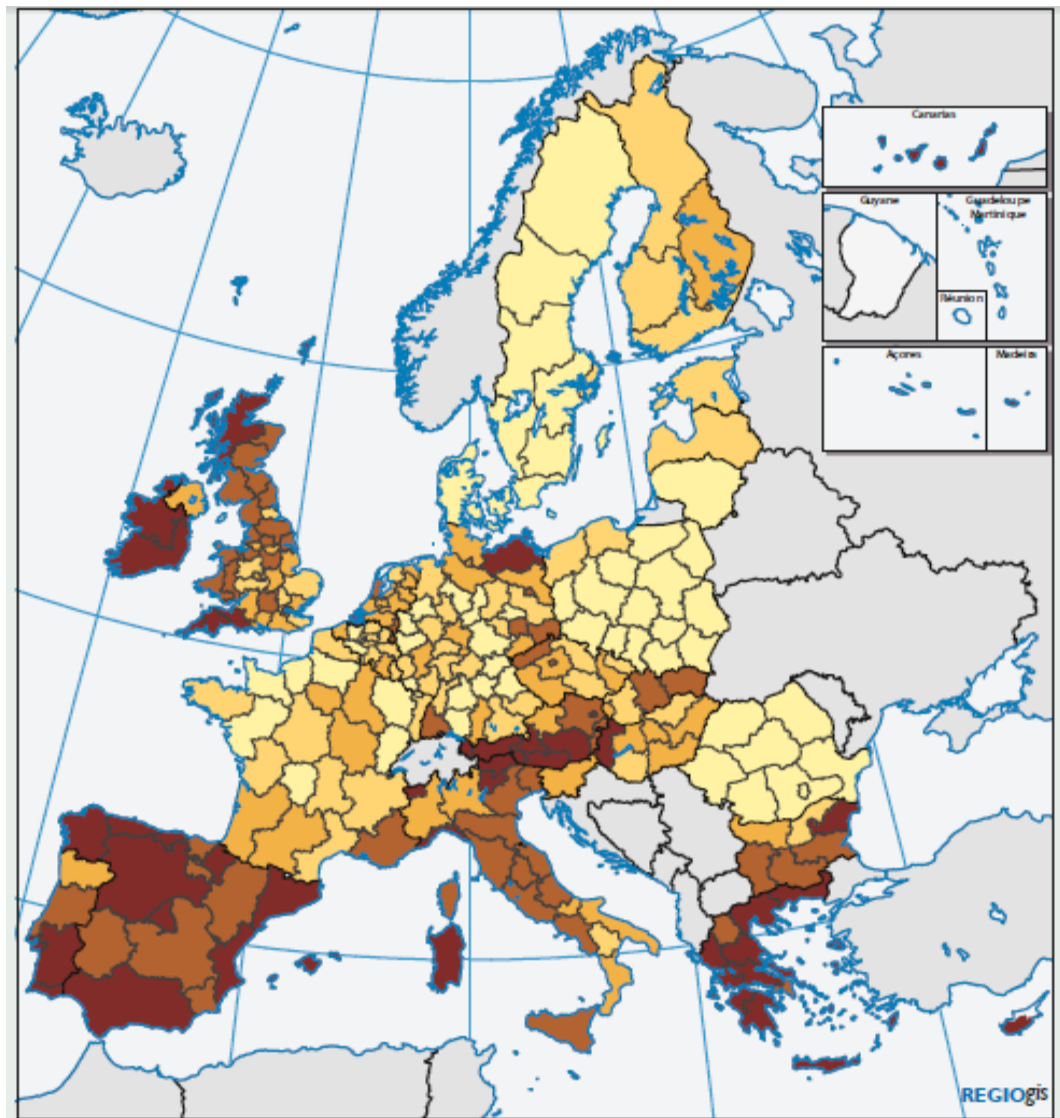
% of total employment



EU-27 = 32.6
Source: Eurostat

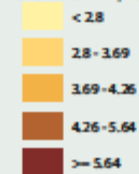
0 500 Km

HOSPITALITY SERVICES DIVIDE: SOUTH - NORTH



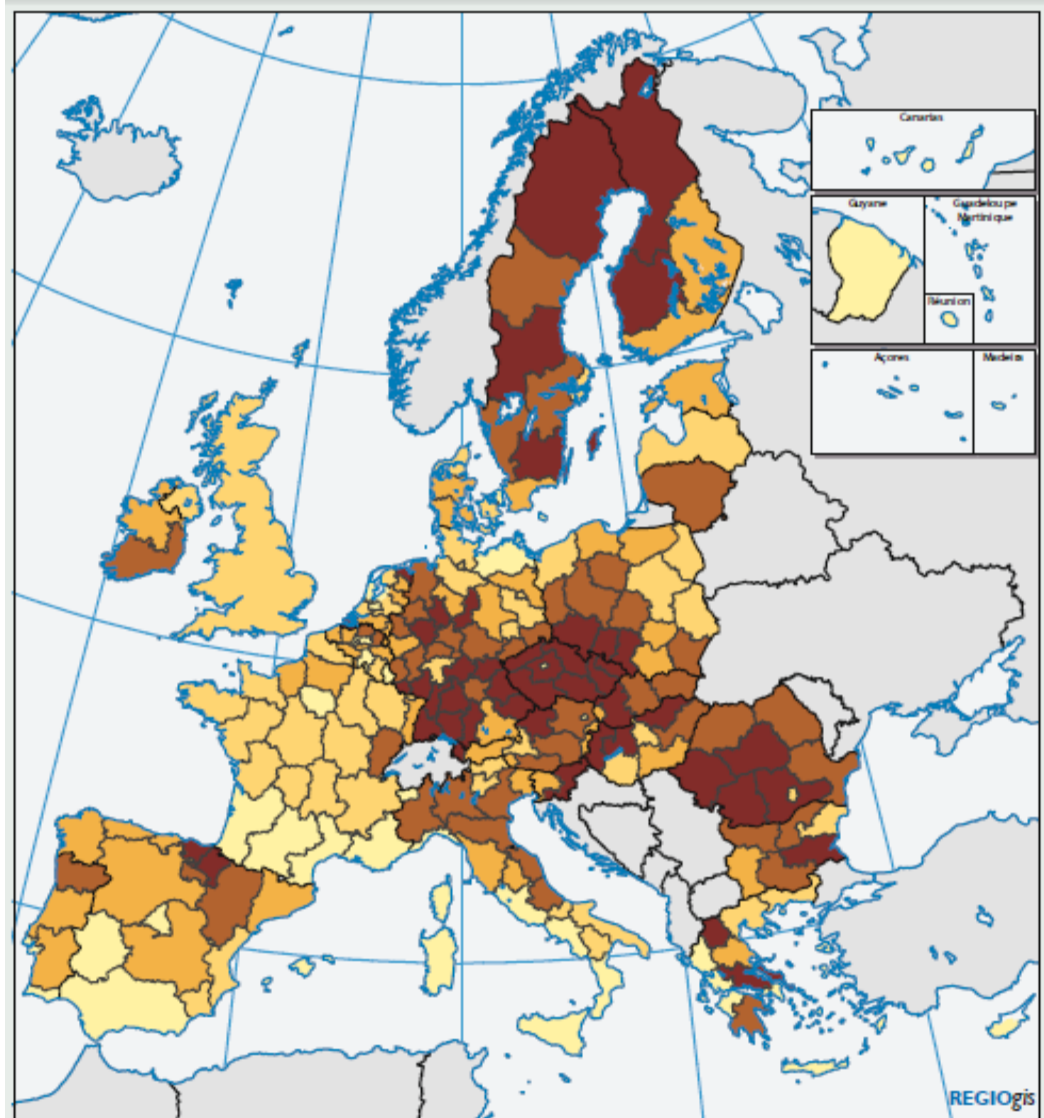
Share of employment in hotels and restaurants, 2005-2006

% of total employment

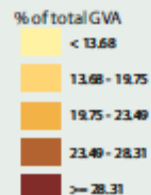


EU-27 - 4.1
NACE H
Source: Eurostat

MANUFACTURING DIVIDE: EAST – WEST EUROPE

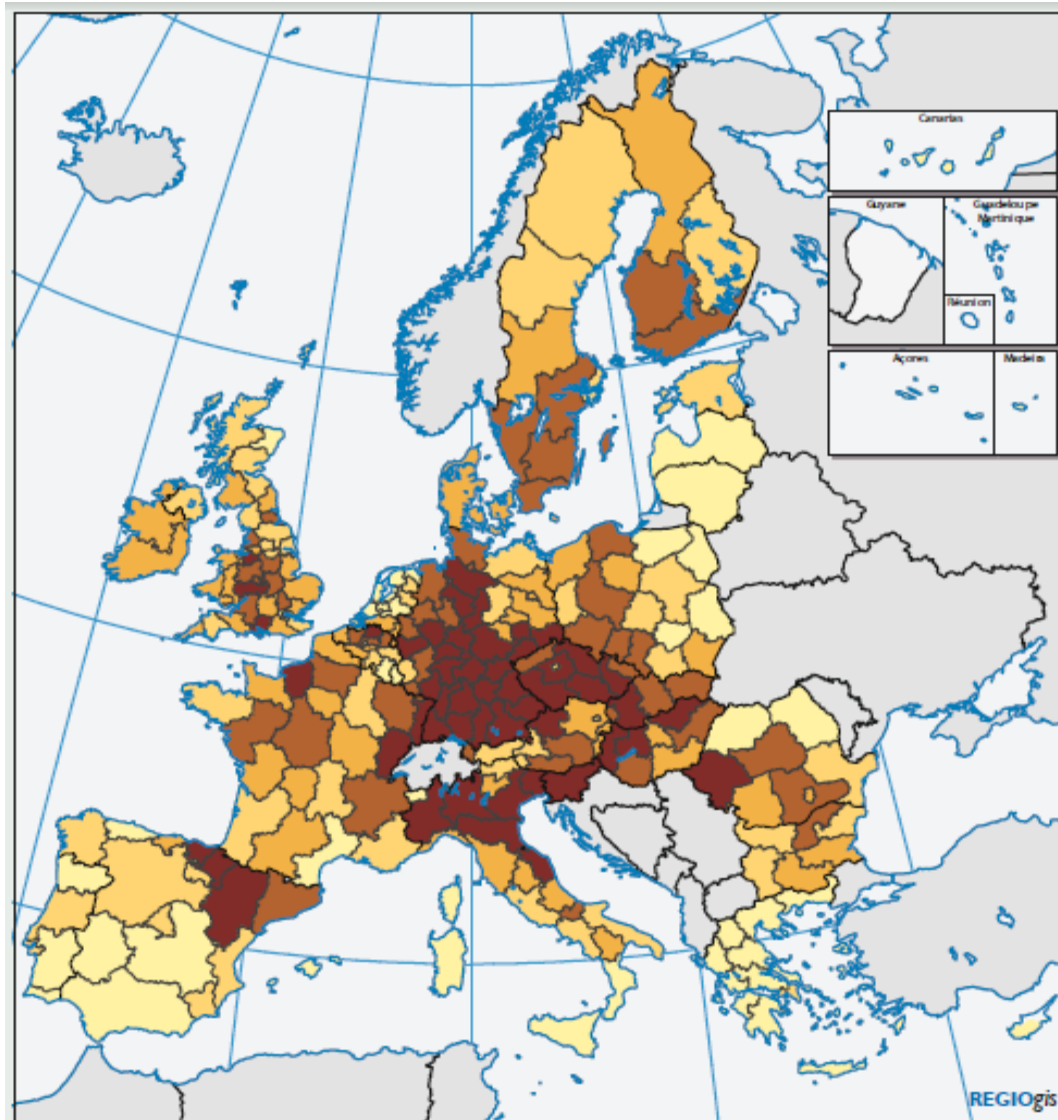


Share of GVA in industry, 2005



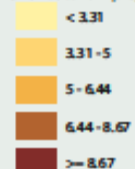
EU-27 = 20.2
NACE C, D and E
UK: national level
Source: Eurostat

HIGH TECH MANUFACTURING DIVIDE: CENTRE - PERIPHERY



Share of employment in high and medium high-tech manufacturing, 2005-2006

% of total employment



EU-27 = 6.6
Source: Eurostat

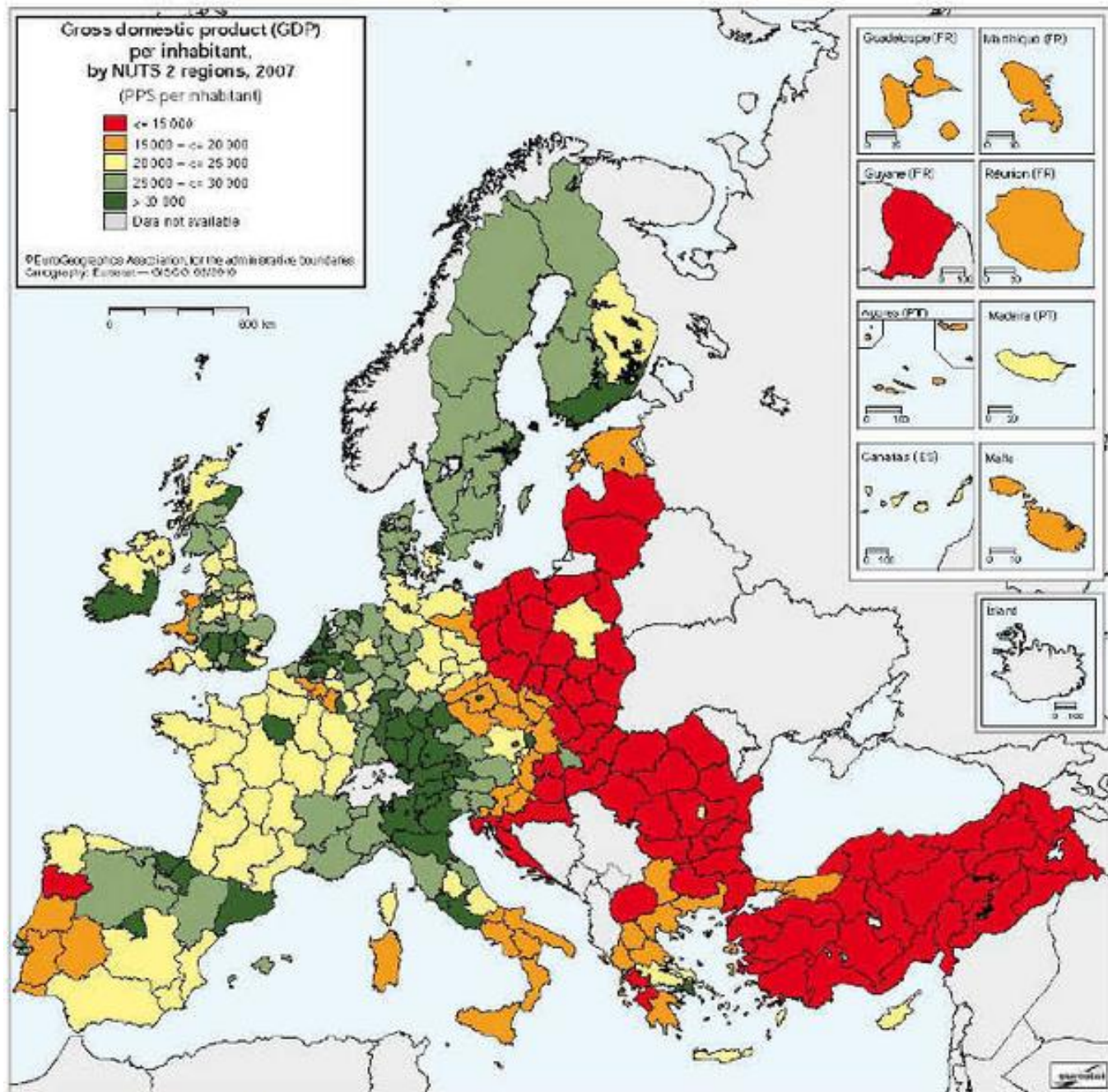
PRODUCTIVITY VARIATION PER SECTOR AND TYPE OF REGION

TABLE 3: PRODUCTIVITY BY SECTOR IN 2005 BY TYPE OF REGION

2005 GVA PER PERSON EMPLOYED EU27=100	CONV	TRANSITION	RCE	EU27
Agriculture, hunting and fishing	15	54	65	30
Total Industry, including energy	46	106	150	112
Construction	49	77	105	84
Trade, transport & communication	47	83	101	85
Financial and business services	111	183	217	192
Other services	48	78	91	79
Total	48	94	125	100

Note: Due to the lack of regional data in the UK, national data was used and all of UK was considered as RCE. Source: Eurostat and DG REGIO calculations.

GDP DIVIDE: TIME ZONES



A new EU regional policy:
Smart growth - Smart specialization

Cohesion Policy Objectives

2014-2020

Investing in growth and jobs

1

Competitiveness is at the heart of cohesion policy. In particular, research, innovation and upgrading skills to promote the knowledge economy, development of human capital through education and training, adaptability, support for business activities (especially, small and medium enterprises), strengthening of institutional capacity and development of an entrepreneurship culture.

2

Active labour market policies are also at the heart of the actions proposed to boost employment, strengthen social cohesion and reduce the risk of poverty.

3

The third cross cutting theme is sustainable development. In particular, the policy could contribute to reducing greenhouse gases emissions through mitigation policies aimed at improving energy efficiency and promoting the development of renewable energies.

A common strategy: Europe 2020

Three mutually reinforcing priorities:

- Smart growth: developing an economy based on knowledge and innovation.
- Sustainable growth: promoting a more resource efficient, greener economy.
- Inclusive growth: fostering employment, delivering social and territorial cohesion.
- **7 Flagship Initiatives** incl. Youth-on-the move. Resource-efficient-Europe. Agenda-for-skills-and-jobs. European-platform-against-poverty.

"Innovation Union"

- Complete the European Research Area.
- Improve framework conditions for business to innovate.
- Strengthen EU instruments to support innovation .
- Promote knowledge partnerships between academia and companies

"Digital Agenda"

- High speed internet infrastructure and services.
- True single market for online content and services
- Increase support for ICTs.
- Promote internet access and take-up by all European citizens.
- Support for the digitisation of Europe's rich cultural heritage.

"An industrial policy for the globalisation era"

- Strong industrial base.
- Better business environment, less transaction costs, clusters, access to finance.
- Technologies that reduce natural resource use.
- Internationalisation of SMEs.
- Competitiveness of the tourism sector.

Diversified regional strategies: Smart Specialization

What is Smart Specialisation?

- Not a simple industrial specialisation of Region X in tourism or fisheries
- But it suggests for region X to specialise in R&D and innovation in the sector of tourism or fisheries
- Smart specialisation provides strategies and roles for any regional economy : *there is not only one game in town*
- Most advanced regions invest in the invention of **general purpose technologies**, others invest in **the co-invention** of applications of the generic technology in one or several important domains of the regional economy

- A learning process to discover the research and innovation domains in which a region can hope to excel.
- In this learning process, entrepreneurial actors are likely to play leading roles in discovering promising areas of future specialization.

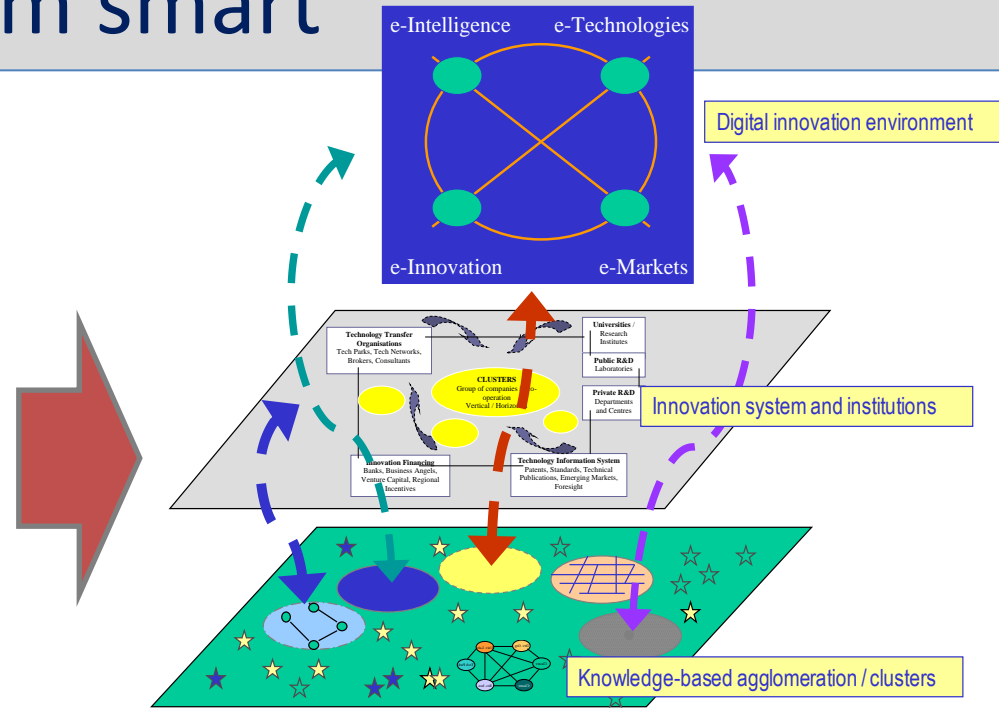
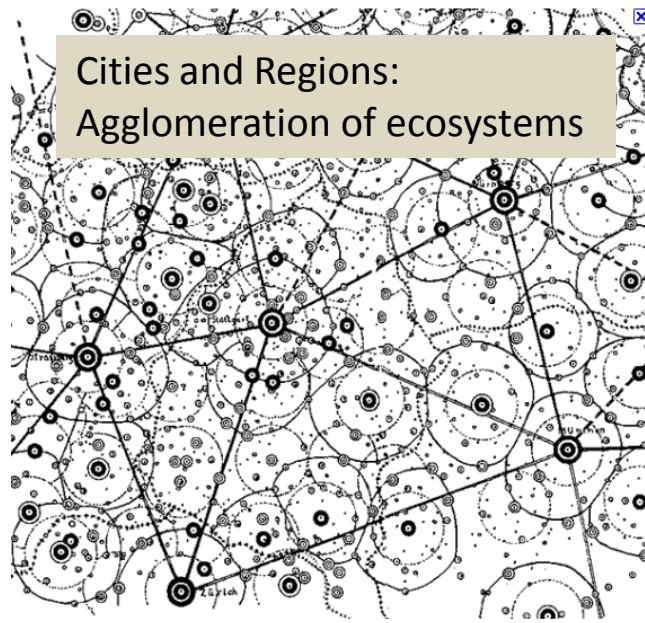
SMART SPECIALIZATION

Smart specialization strategy is built on regional strengths and comparative advantages as well as on possible cooperation among territories. Leading regions with a critical mass can invest in advancing a generic "basic" technology (at the frontier of knowledge). Other regions can invest in the application of this knowledge to a particular sector or related sectors.

Not about «**what to do**» but «**how to encourage entrepreneurs and firms and universities to discover what to do**»

URENIO Research
on urban and regional development

Turning urban and regional innovation ecosystem smart



Source: *Intelligent Cities and Globalisation of Innovation Networks*

Intelligent / smart ecosystems: Three-layer ecosystems:

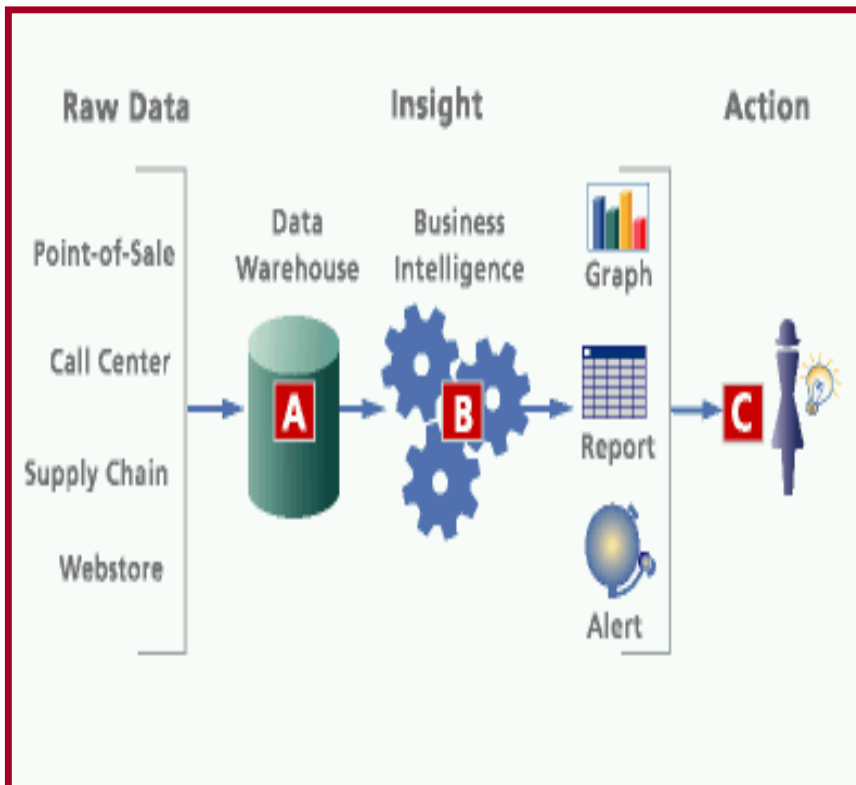
L3-Digital space. Communication and knowledge management tools: Portals, Collaborative platforms, Web 2.0 / Web 3.0, Sensors and networks

L2-Institutional space. Innovation mechanisms - policy instruments: Information update, Technology transfer, New product development, Innovation funding

L1- Physical space. Agglomeration: People, Clusters / Industry sectors, Tech districts / LLs, Incubators, Regional / sub regional systems

Developing ecosystems capability for Strategic Intelligence

Have a strategic view on markets and technologies. A field of innovation which has enormously profited from collaborative digital spaces is strategic intelligence.



The screenshot shows the Textile Intelligence website interface. Key elements include:

- Navigation Bar:** MyTI, Market Intelligence, Business Floor, Products & Services, Trade Resources, Corporate.
- Subscription/Industry Reports:** 25th Mar 2005-07:54:04
- MEMBER LOGIN:** Fields for User Name and Password, with a Login button and a Register Now link.
- Membership Benefits:** Mkt. Intelligence Home, Latest MIR, Archive MIR.
- MAKE POSTING:** Spun Yarn, Staple Fiber, Filament Yarn.
- BUSINESS FLOOR:** Business Home, View Sell Offer, View Buy Enquiry, Make Sell Offer, Make Buy Enquiry, Make Sample Request, Manage My Business.
- NEWS CATEGORIES:** (Section header visible).
- Latest 5 Articles:**
 - FLAME RETARDANTS IN TEXTILES:** Even after many decades of research and studies, the production of flame retardant textiles is still a challenging subject. There was an early promise and progress in flame retardant studies during 1960s and 1970s followed by a period of slow progress. by Textile Intelligence. Monday, 18th October 2004. Price Euro (€) 100. Free for Paid Members, Paid Subscribers.
 - Russian Textile: Redemption post Redemption post disintegration:** AFTER the disintegration of USSR, Russia as an independent state had to undergo serious economic rigours some of which were high rate of inflation and unemployment. However, the opening of the economy and the democratic set up has helped Russia t by Textile Intelligence. Wednesday, 29th September 2004.
 - NanoTechnology : A closer look and its uses in textiles:** Nanotechnology has been a hot topic on the scientific circuit formany years, but the buzz of nano is finding its way into themainstream press, and the possibilities are washing unchecked over a wider audience. by Textile Intelligence. Thursday, 23rd September 2004.
- PUBLICATION:** See all issues.
- MARKET DISCOVERY:** Details.

Digital space for cluster intelligence

Developing ecosystems capability for Technology Acquisition

InterValue
Inter-regional cooperation for valorisation of R&D



SOUTH EAST EUROPE
Transnational Cooperation Programme



Platform Home

R&D Repository

Valorisation Plans

IP Agreements



InterValue Platform

Collaboration for the Valorisation of R&D

The INTERVALUE Platform supports the process of valorisation of R&D results, not only a meta-repository of R&D results, but also a collaborative service facilitating interaction between researchers, companies and experts, improving the collaboration and knowledge sharing, and supporting a culture of innovation among them. [Learn more »](#)

Technologies are stored into databases and online marketplaces, coupled with online services: consulting services assessing a portfolio of intellectual property; evaluation; legal assistance through the deal-making process.

R&D Repository



Providers from universities and research and technological institutions submit their research outcomes that lead to the development of new products, new production processes and new services.

[Visit the repository ▶](#)

Valorisation Plans



A network of experts help researchers to create valorisation plans for their R&D results covering technical feasibility, IP protection, market potential and funding potential.

[View the valorisation plans ▶](#)

IP Agreements

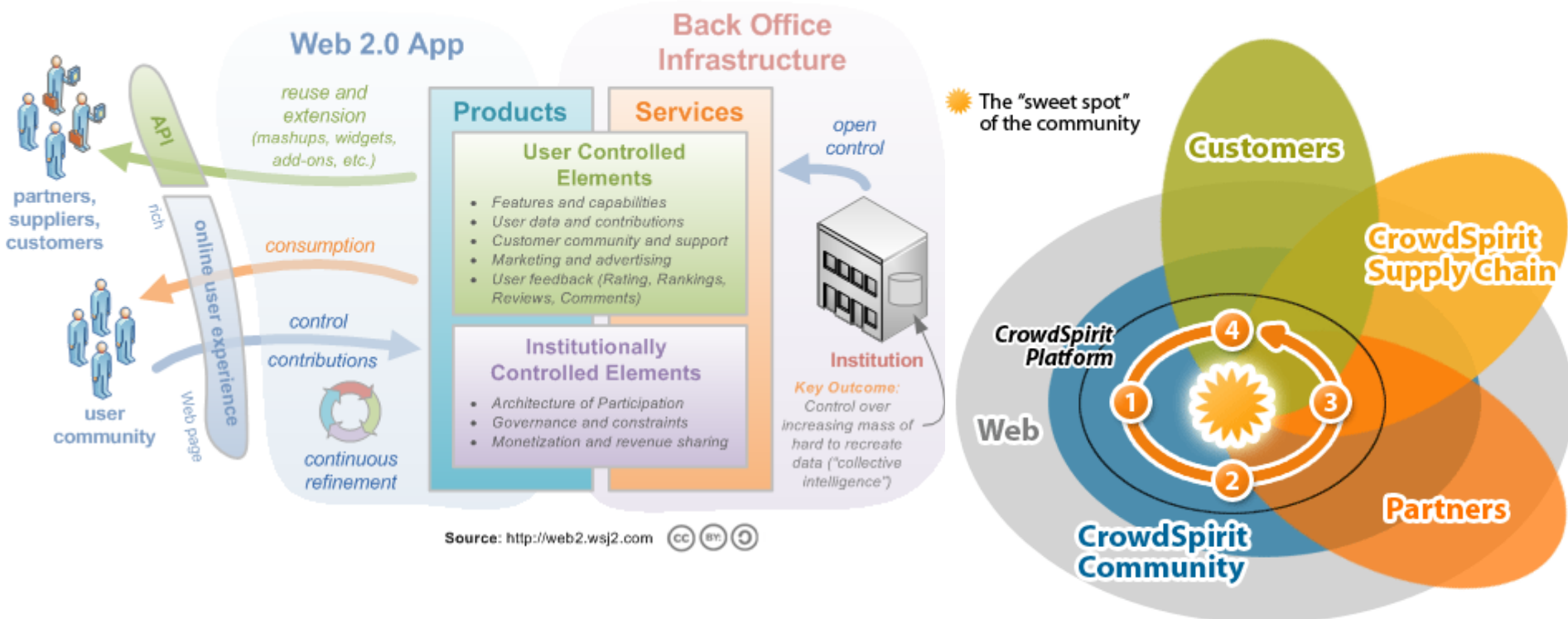


License agreements and new products developments are facilitated through on-line learning roadmaps, inter-regional brokerage events, newsletters and pilot applications funding.

[Learn more ▶](#)

Developing ecosystems capability for Collaborative Product Development

Product Development 2.0: Using the Web to Put Users in Control and Co-Create Better, Richer Products Faster



Collaborative innovation environments based on community spaces are expert systems that may lead to problem resolution step-by-step, for instance through the stages of new product development

Developing ecosystems capability for Global Marketing and Promotion

VIRTUAL MARKETPLACES

Promotion of clusters, products and services are mainstream functions of digital marketplaces.

Digital promotion take multiple forms: direct marketing, attraction of people and investments, procurement and purchasing, auctions, community and e-government services.

The image shows a screenshot of the website www.inparma.it, which features a virtual tour of a clothing store. The website header includes the URL, the slogan "The whole city in a click!", and a "Virtual TOUR" logo. A navigation menu contains links for HOME, ABOUT US, ADVERTISING, HELP, JOIN US, and ITALIANO. A sidebar on the left lists various categories under "TURISMO", "VIVERE A PARMA", "SERVIZI", and "INPARMA". The main content area displays a virtual tour of a clothing store with various brand logos overlaid, including "afra adorni", "No.Lita", "MASON'S WOMAN RITES", "CIVIDINI CASHMERE", "Belstaff", "MONCLER GRENELLE", and "MICHIKO KOSHINO". The signature "Cristiano Fissore" is visible at the bottom right of the virtual tour. An orange banner at the bottom of the page provides the address "Via XXII Luglio, 2/B Parma" and the phone number "Tel. 0521237982".

