

The RegStrat Project

Strategic Policy Intelligence Tools for Better S&T Investment Strategies in Europe's Regions

RegStrat is a Co-ordination Action co-financed by the *Knowledge Regions 2*-Programme of the European Commission's DG Research and the public bodies of the participating territories. It started in January 2006 and has a duration of two years. The project consortium includes **SEZ**, Steinbeis-Europa-Zentrum, for **Baden-Württemberg**, as co-ordinator and the following partners:

- **IRER**, the Regional Institute for Research of Lombardy, for **Lombardy**, Italy;
- **Forfás**, the National Policy Advisory Board for Enterprise, Trade, Science, Technology and Innovation, for **Ireland**;
- **Fundecyt**, the Foundation for the Development of **Extremadura**, Spain;
- **WUT**, Wrocław University of Technology, for **Lower Silesia**, Poland; and
- **IBS**, the Institute of Baltic Studies, for **Tartu Region**, Estonia.

The 2-year project adopts an ambitious cross-cutting and integrating approach to harness synergies from past and present developments, and knowledge stocks regarding Strategic Policy Intelligence (SPI)¹ tools. The approach takes account of the different governance levels, different policy and policy research fields, and the different actor communities of Europe's (trans-) regional, national and sectoral innovation systems.

In spite of an increasing policy focus on innovation, Europe has a competitiveness problem vis-à-vis its main competitors and with, in some aspects, weak innovation efforts and successes. Given the number of public and private actors in innovation related policy domains and thus the increasing complexity of the innovation process itself, policy actions and relevant actors should be interrelated. Innovation policy needs to become a systemic, cross-cutting activity. At the same time, to ensure more effectiveness, efficiency and, ultimately, more success, priority-setting and decision-taking in the policy making process should be organised in a more non-centralised way.

In this context, regional actors can make a significant contribution to supporting innovation and, with regard to the "Lisbon competitiveness goals" and the "Barcelona 3% benchmark", to increasing RTDI investments in Europe's territories. Regional actors, however, often lack a comprehensive knowledge base and the structured stakeholder input needed to take informed RTDI related decisions. They also face particular challenges when prioritizing parts of their budgets to design and support regional S&T investment decisions.

¹ Strategic Policy Intelligence (SPI): the set of activities to search, process, diffuse and protect information in order to make it available to the right persons at the right time in order to take the right decisions – including such policy instruments as evaluation, foresight, technology assessment and roadmapping, benchmarking, etc.

What has been shown, e.g. through EU- or self-supported regional initiatives or the Irish experience, is that some territories in Europe and also in other continents made considerable progress through the application of appropriately conceived SPI tools. As regional progress in this respect is also convincing to policy makers and program managers at other governance levels, these territories tend to attract additional resources from national, EU (Regional Development, Agriculture, Infrastructure etc.) and foreign direct investment budgets more successfully.

RegStrat aims, therefore, at supporting regional actors in the acquisition of such expertise. As strategic knowledge is both expensive to generate and difficult to translate into day-to-day decision-making, it is also important to facilitate networking and knowledge-exchange between regions and with EU level organizations, taking advantage of the different regional structures, preconditions and processes. Exchanging strategic knowledge across a broader range of policy fields, policy actors and governance levels also meets the growing demand for greater transparency and participation in public decisions.

Given the current political agenda in the EU, where the planning for the implementation of the post-2006 Structural Funds is in a decisive phase, a better and more systematic use of SPI in Europe's territories is considered an important factor. The Structural Funds, as a key policy instrument of the EU, are directed at the convergence of Europe's regions, at strengthening regional competitiveness and employment, and at enhancing co-operation of Europe's territories. The implementation of Structural Funds projects is a complex process involving EU, national and regional bodies, and one of the tools to start and guide the process are the Community Strategic Guidelines adopted by the EU Commission in July 2005².

These Guidelines specifically mention SPI tools to strengthen the strategic dimension of policies, to ensure a better integration of community priorities in national and regional development programs, and to secure a more decentralised sharing of responsibilities. The overall aim is to improve knowledge and innovation for growth, and also to increase and improve RTDI investments by the regional actors in both, the public and the private sector. Obviously, there is a great need for support to strategic knowledge generation and capacity building in this respect. Therefore, this will be an important focus of the RegStrat project.

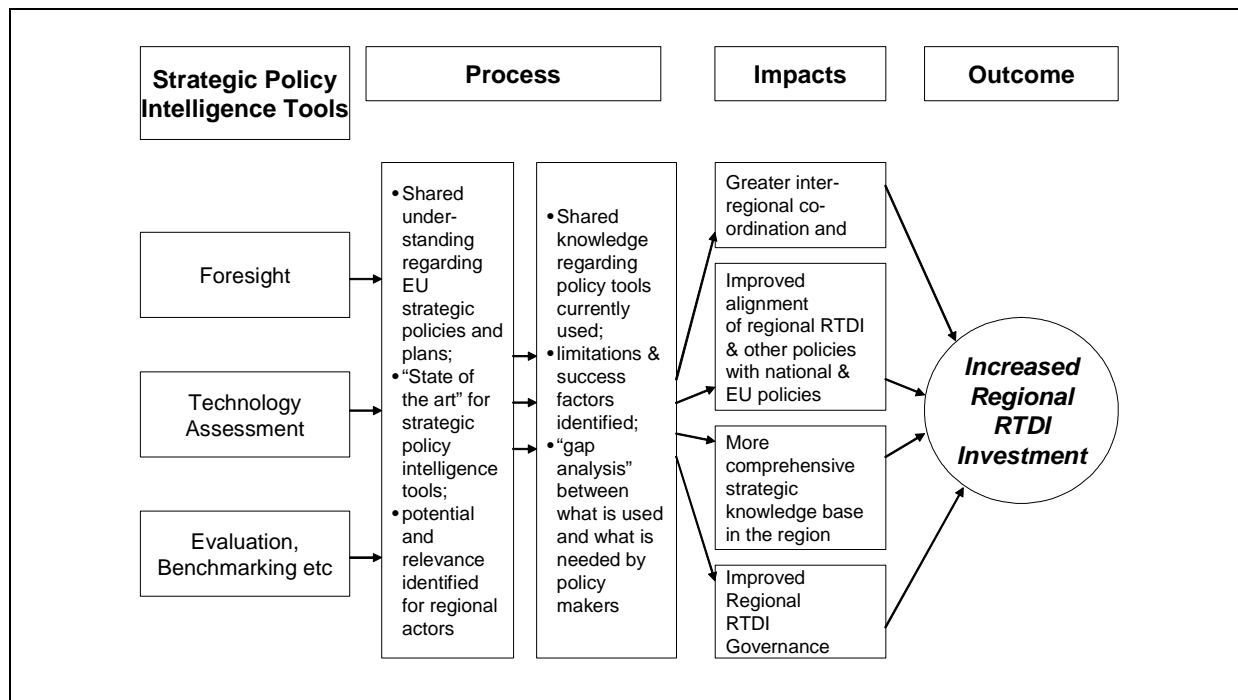
The RegStrat project will also highlight how the growing demand for greater transparency and participation in public RTDI decisions can be met through the systematic and structured use of strategic policy intelligence tools, and thus foster the emergence of new patterns of decision-making. SPI tools and methodologies can provide independence, flexibility and a 'variable geometry' of stakeholders thus avoiding the potential 'lock-in' of existing structures and decision patterns. It will focus on optimising synergies with other policy fields, other regions, and other governance-levels, and will continuously maintain an 'end-user' perspective.

RegStrat seeks to generate positive impacts on regional RTDI investments both:

- by enabling regional actors to identify the optimum strategic intelligence infrastructure to improve regional RTDI policies and governance structures affecting regional RTDI decisions (supporting the Barcelona goal), and
- by stimulating coherent and mutually reinforcing innovation activities between the different regional actors (co-ordination and co-operation at all levels) leading to an improvement in the overall level of knowledge, productivity and competitiveness (reinforcing the Lisbon strategy).

² COM (2005) 0299: Cohesion Policy in Support of Growth and Jobs

Outline of the RegStrat project rationale:



This project rationale is translated to the following **project structure**:

1. 'SPI Offer' as synthesized from policy research and practice

The main objectives in this first phase are

- to share knowledge between the different research and professional communities regarding the 'state of the art' of SPI tools and their application.
- to increase understanding by regional innovation actors of the relevance of these tools.

For the start, we develop a background paper to inform project participants and their networks on key features and application areas of SPI tools. Then we bring together, in the first **conference** high-level policy researchers, SPI practitioners and policy-makers **on 30 March 2006 in Stuttgart** to discuss with a broad range of participants which SPI tools and activities are on offer and how these can be structured, combined and applied. The background paper and conference outcomes will serve as the first input to develop a strategic decision support instrument, the Compendium, for the regional level.

2. 'SPI demand' as articulated by regional actors, and gap analysis

Based on the material above, a second paper and questionnaires are developed to brief regional decision makers and get their views concerning the overall project objectives. Those actors will then, **during a stakeholder workshop on 12 May 2006 in Lombardy**, define and characterize the potential demand for SPI in a set of smaller working groups. From this analysis of offer and demand we will come to a conclusion regarding important gaps between existing tools and the needs of regional policy-makers. With this, the following objectives are to be achieved:

- to share knowledge between regional policy-makers and program managers regarding policy preparation and support mechanisms currently in use, and explicit or implicit use of SPI tools therein;

- to identify limitations and success factors for strategic policy decision-making approaches currently being used;
- to identify potential contributions of SPI tools to the efficiency, effectiveness and coherence of regional policies, programs, and investment decisions in the regions.

3. Developing the Compendium for a SPI tool set

Taking into consideration offer, demand, and gap analysis, the Compendium document will be elaborated. It includes a comprehensive overview of existing SPI tools and activities, their modes of operation, objectives and targets. In addition, a complementary Guidelines document will be developed providing practical suggestions on how to design and implement a relevant SPI exercise in a particular regional context. To ensure broad applicability, the Compendium and Guidelines documents go through various validation phases before finalisation.

4. Validating the Compendium through activities in the partner regions, especially in the 'convergence' regions with a view to ongoing Structural Funds planning

In this phase, pilot applications will be developed for SPI tool sets tailored to the concrete regional situations. These pilot applications include one or more workshops or seminars with regional actors to test the usability, appropriateness and robustness of the Compendium and Guidelines, especially in relationship to planning and implementation processes of the EU and related National Structural Funds allocated to the pilot regions. This can include regional gap analyses and recommendations on how to implement the findings in the specific regional policy and investment environments.

5. Final dissemination of project results

The final release of the project results, including the Compendium and the Guidelines, will take place at a dissemination event in Brussels. Policy recommendations will be given and discussed with representatives from different Commission Services, the Committee of the Regions, the European Parliament, and, depending on the availability of additional sponsorship, with a larger number of national and regional stakeholders.

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