

# Transition with Resilience for Evolutionary Development

Kick Off Meeting in Reggio Calabria 24 – 25 June 2019

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*H2020 MSCA RISE 2018 Grant Agreement n. 823952*



## Idea behind TREND project

- **Stimulating regional diversification** to be seen more as a **co-creation of solutions** and concepts on development problems...
  - ...enhancing the resilient capacity of regions
  - ...applying transitional approach to tailored placed-based innovation policies

## Why this idea....

- Since the 80s, the main aim of the Cohesion Policy has been to strengthen the economic and social cohesion in order to reduce disparities among more and less developed regions.

**The main question is: why do lagging behind regions in Europe remain at same development stage despite long-term structural funds in research, innovation and technological development?**

- after almost 6 years since Smart Specialisation Strategies (S3) were introduced in the new agenda for Cohesion policy the disparities are still evident.

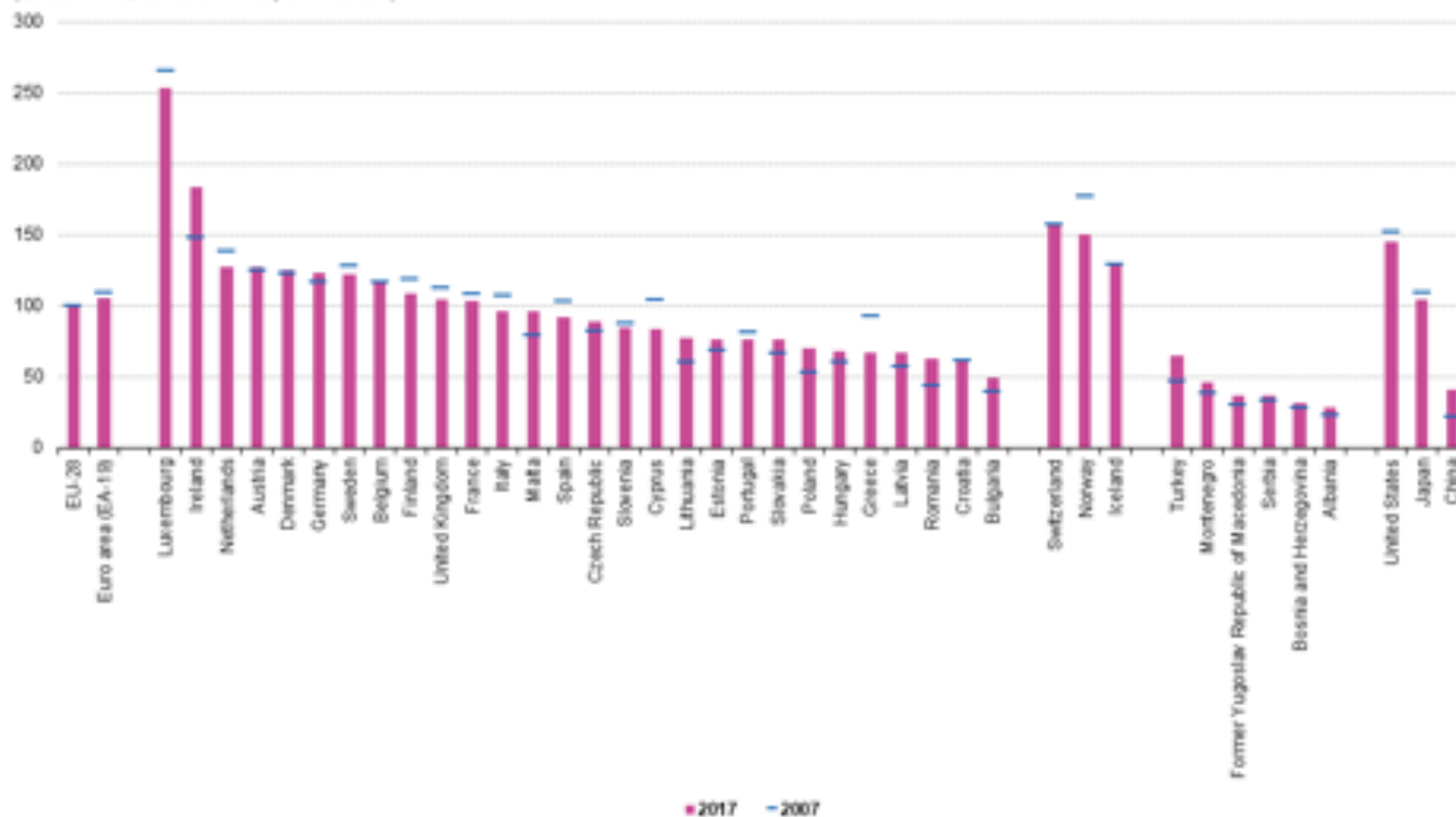
## The Context

- **The economic and social cohesion is the main objective of development for the European Union.**
- Its translation into Community policy is through the adoption of financial instruments aimed at the socio-economic balance, **giving to the cohesion the character of economic integration.**

**Europe still presents deep differences: regions more competitive and able to compete in the globalised market and regions with unsolved structural weaknesses, highlighting an “innovation gap”.**

## The Context

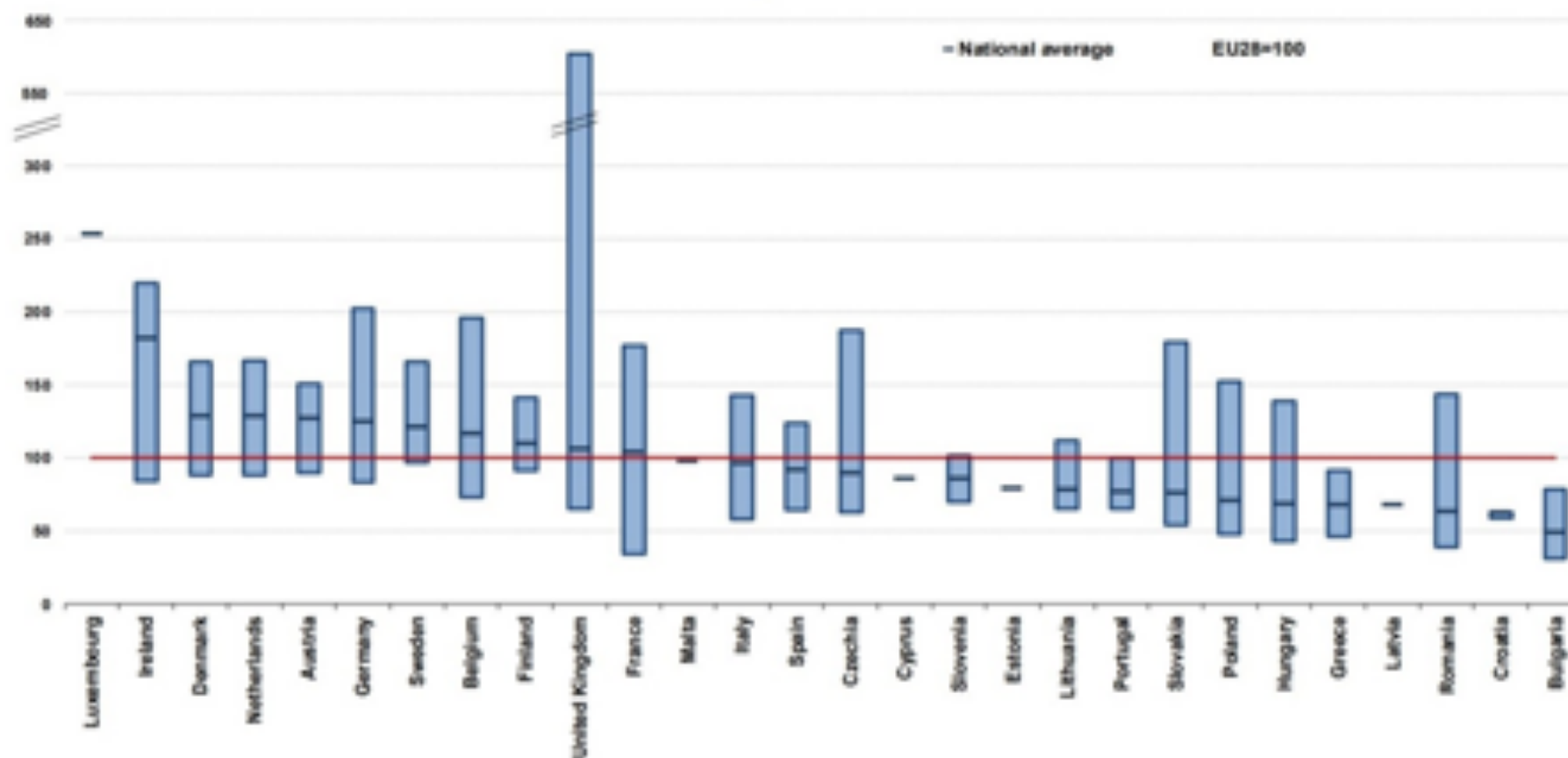
**GDP per capita at current market prices, 2007 and 2017**  
(EU-28 = 100; based on PPS per inhabitant)



Source: Eurostat (online data codes: prc\_ppp\_ind), OECD and World Bank

## The Context

Variation of regional GDP per capita within EU Member States in 2017 (in PPS, EU28 = 100). Source: Eurostat (2017).



The bar shows for each Member State the range from the region with the lowest value to that with the highest value.

## The post 2020 Cohesion Policy



18/03/2019



### Regional Development and Cohesion Policy beyond 2020: The New Framework at a glance

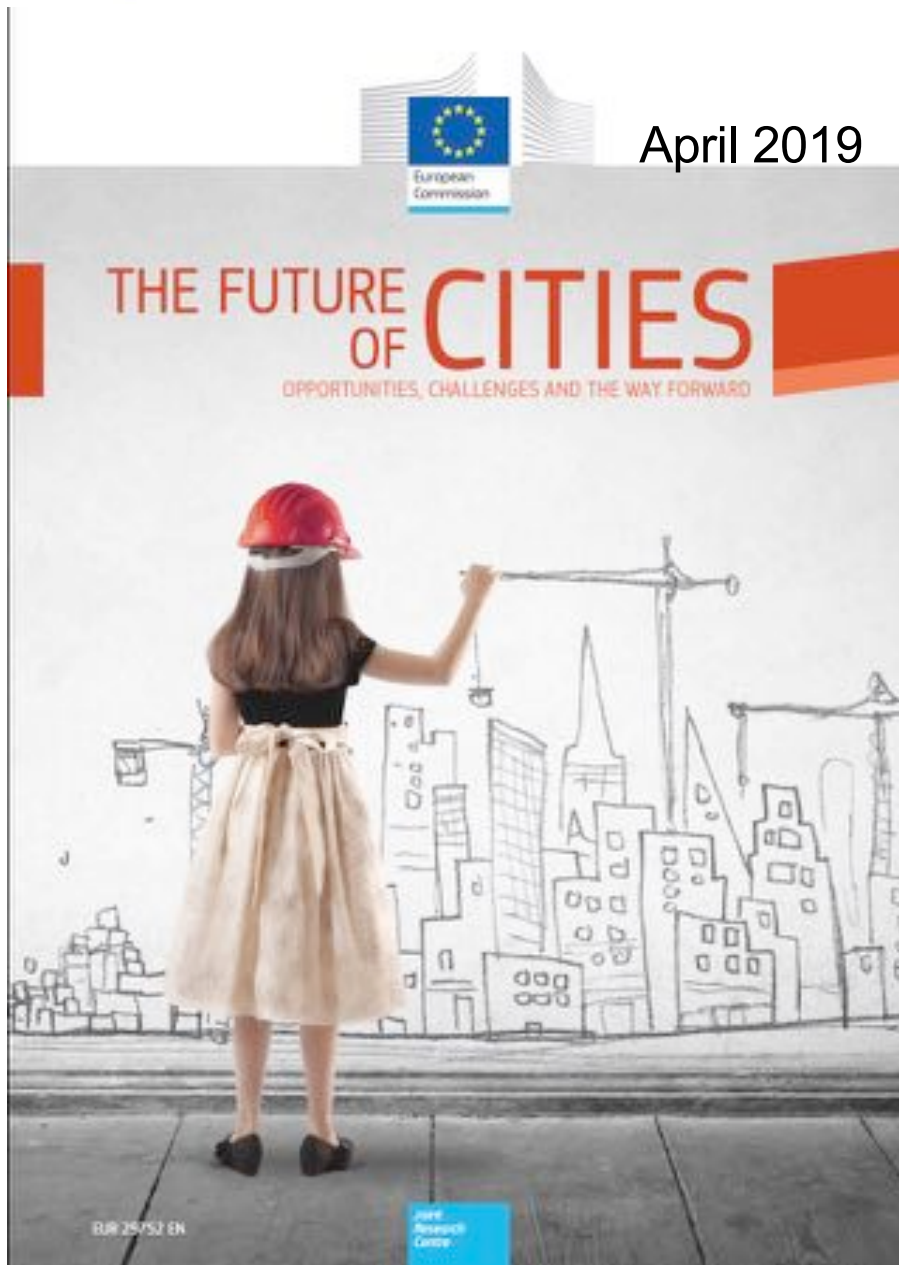
..... **A more tailored approach to regional development**

Cohesion Policy further **supports locally-led development strategies** and **empowers local authorities in the management** of the funds. The urban dimension of Cohesion Policy is strengthened, with **6% of the ERDF dedicated to sustainable urban development**, and a new networking and capacity-building programme for urban authorities, the **European Urban Initiative**.





April 2019



**Possible drawback delivered in 2014-2020 programming period:**

**It seems that innovation is conceived, designed at the regional level .....**

**but is activated at the urban level**

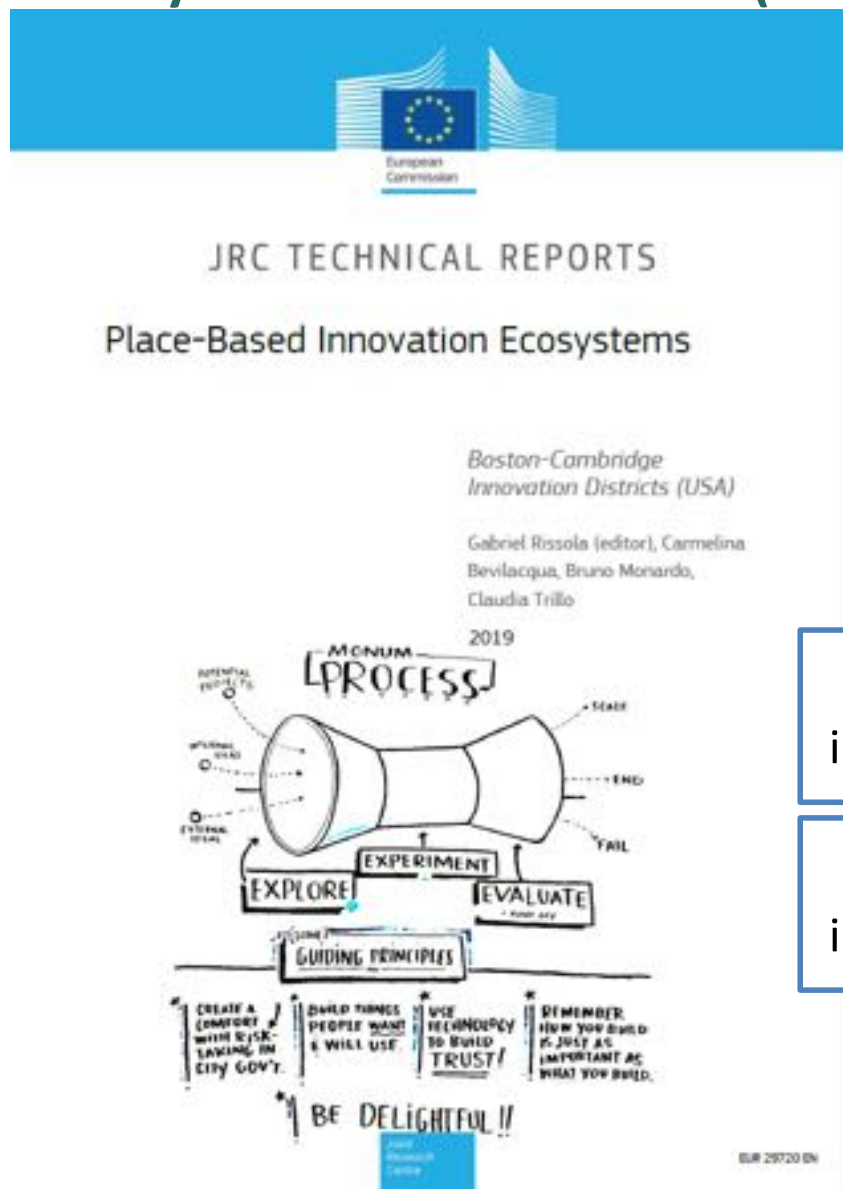
**The missing link from urban/local level to regional level (?)**



## Issues

- *“Structural change across the EU requires a different policy and institutional focus on ‘ecosystems’ of open, interconnected networks of stakeholders, cooperating through strategic partnerships able to respond rapidly and flexibly to **technological, market and social changes**”;*
- *“The support of environment for such ecosystems will unavoidably need to be **tailored to specific national, regional or even local contexts**. Policy packages need to be integrated and coordinated, delivered at a national, regional and local levels, while being adapted to the needs of different territories”;*
- *“The **adaptation to the specific shocks** on regional economies generated by globalisation and market integration require differentiated (or place-based) strategies.” (Bachtler, Martins, Wostner and Zuber, 2017)”*

## Key facts from MAPS-LED (2015-2019)



The key elements that distinguish the smart specialisation approach from earlier, more traditional approaches to regional development or industrial policies are in its design, it is based on a so-called “entrepreneurial discovery process” EDP

Two sources for “operationalizing” EDP:

- City – urban regeneration mechanism (enhancing PPP, startup growth- innovation ecosystem)
- Cluster Life Cycle – considering “evidences” of EDP policy from different stages of Cluster Development.

Output  
indicators

Result  
indicators

# The MAPS-LED vision

US

Regional Innovation  
Strategies Program (RIS) .

## CLUSTER based analysis

- provide a conceptual framework to describe and analyse important aspects of modern economy
- potential elements of a regional innovation ecosystem
- the cluster approach facilitates analysis of innovation needs to improve innovation policy and can serve as a useful framework for co-ordinating policies.

Place-based approach  
Innovation ecosystem

EU

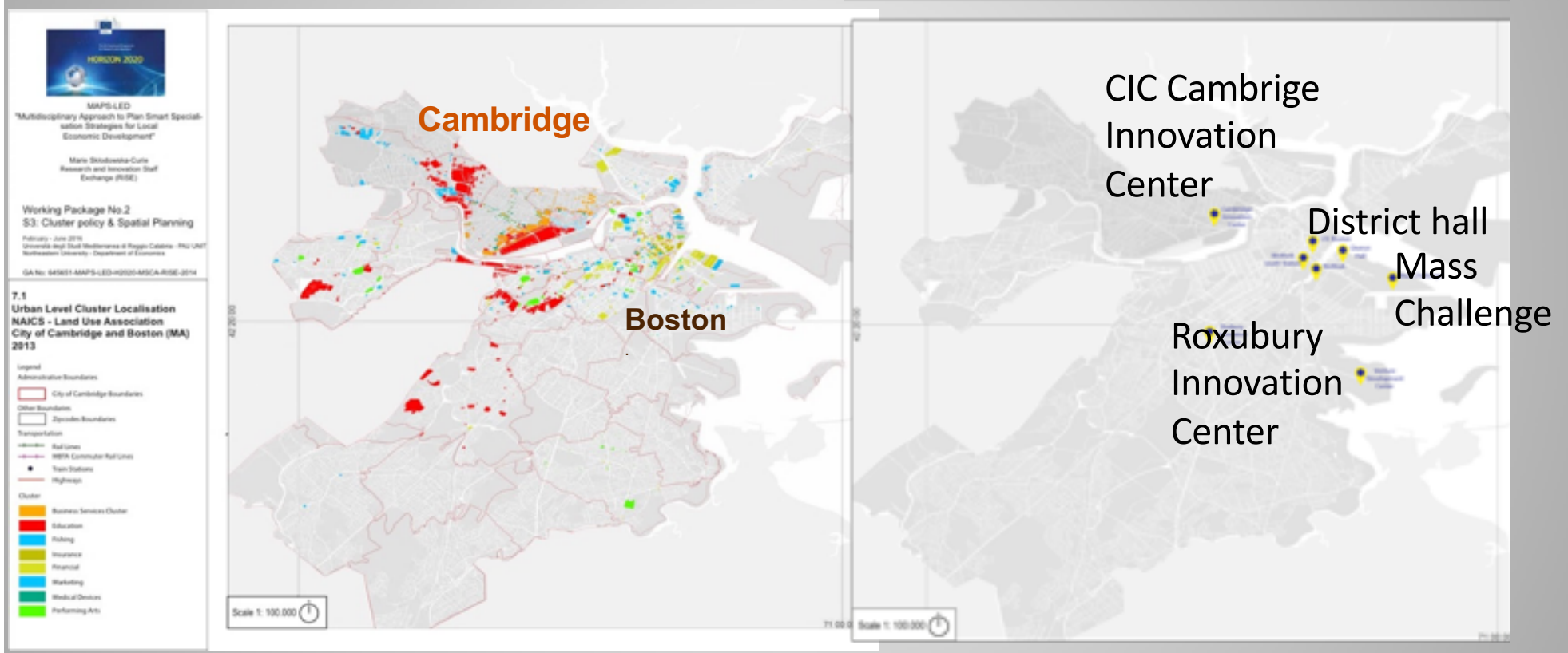
Research Innovation  
Smart Specialization  
Strategies RIS3.

## Entrepreneurial discovery

- allows to generate new specialties through the discovery of new domains of opportunity and the local concentration and agglomeration of resources and competences in these domains'.

# The MAPS-LED vision

Cluster spatialization at city level and innovation spaces



# The MAPS-LED vision

Demand for innovation and city transformation

The emerging places in which innovation is concentrated, from clusters' spatialisation, are urban areas subjected to urban regeneration initiatives, some of them explicitly finalized to innovation districts.

Urban Planning tools  
(city transformation)

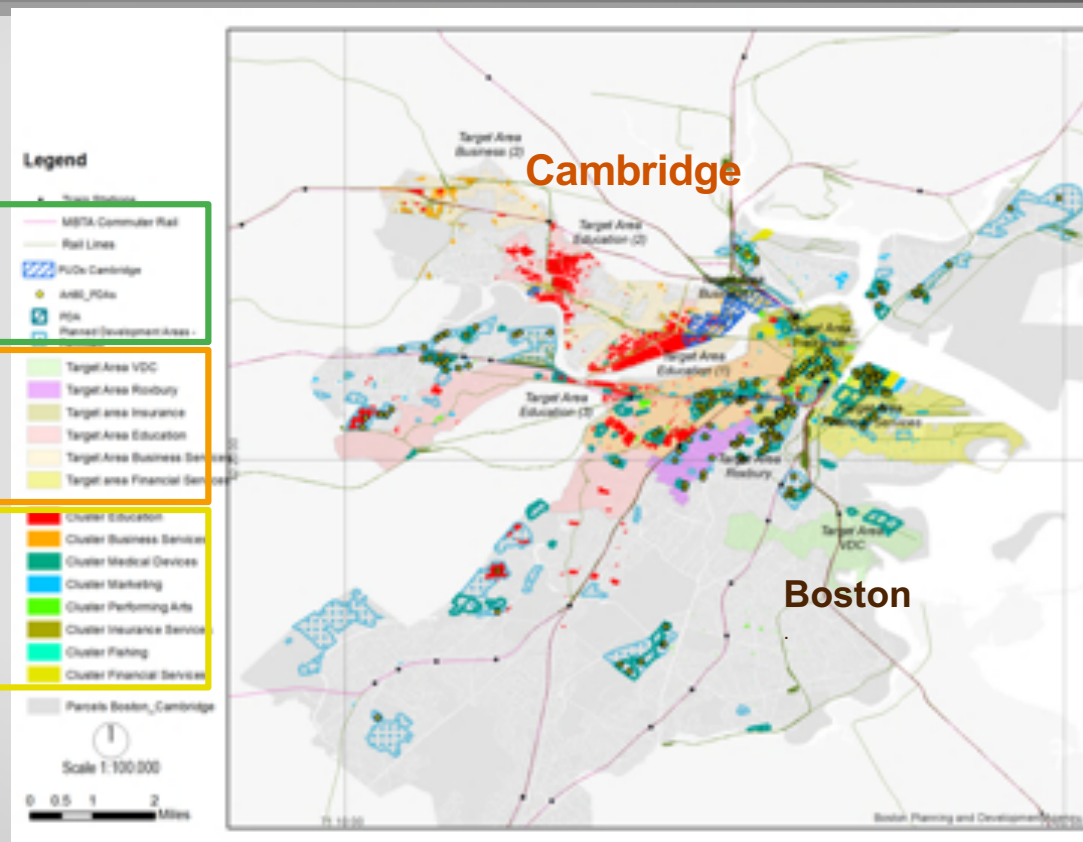
**PLACE**

Target Areas  
(knowledge convergence)

**KNOWLEDGE**

Cluster spatialisation  
at urban level

**INNOVATION**



Boston and Cambridge are cities where cluster innovation policy and urban planning act in a complementary way to support the regeneration of the local economy,” “Our initial findings from these places have allowed us to identify a link between the city and S3 and show that the introduction of an innovation-driven urban policy is important to the entrepreneurial discovery process.

## The MAPS-LED vision

Insights from cluster stages

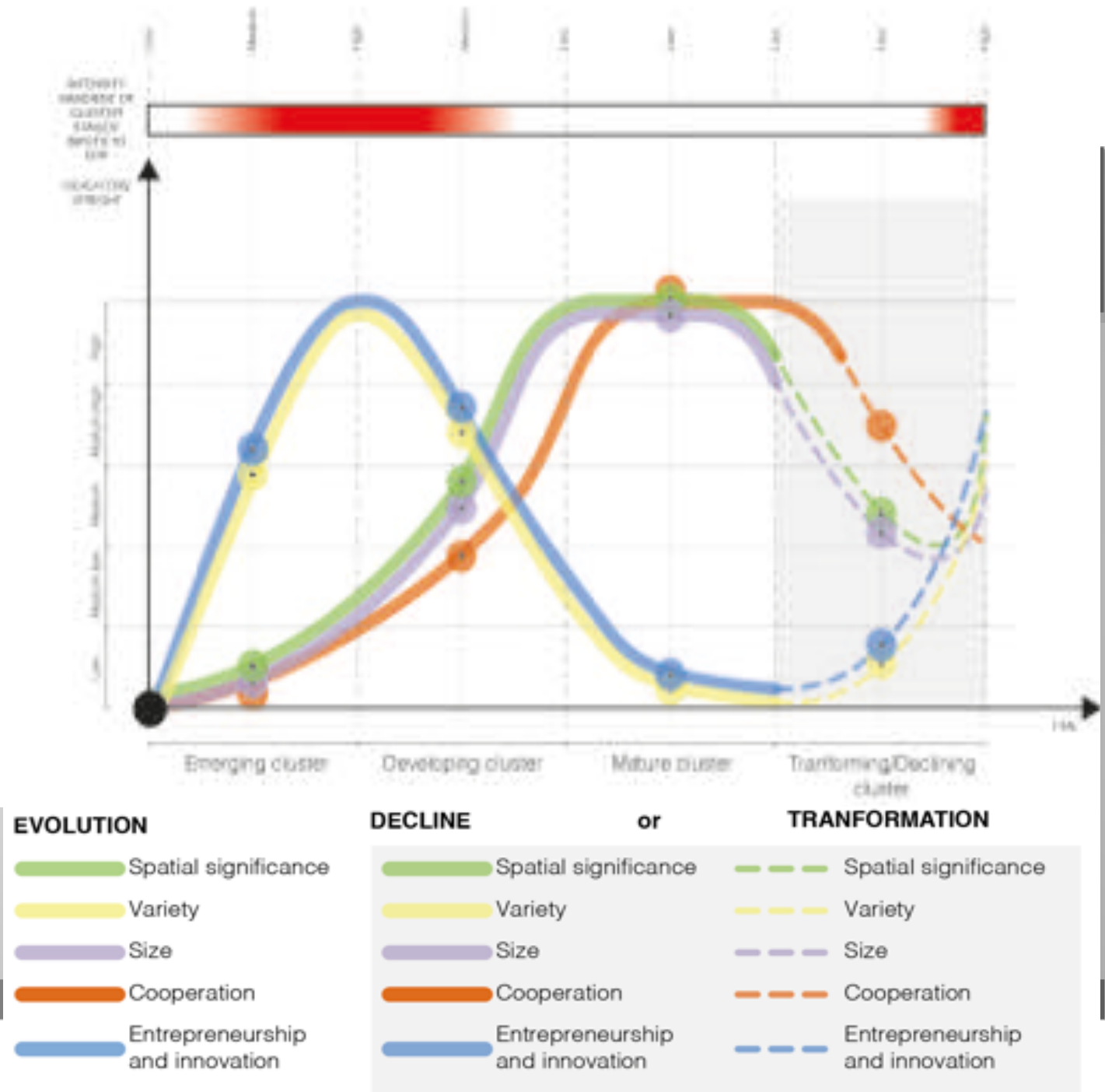




# The MAPS- LED vision

## CLUSTER LIFE CYCLE EDP

- integrated conceptual model based on an evolutionary perspective in recognizing that the dynamic process, thanks to innovation and knowledge, defines different equilibrium paths that may be rather explained by the territorial response.

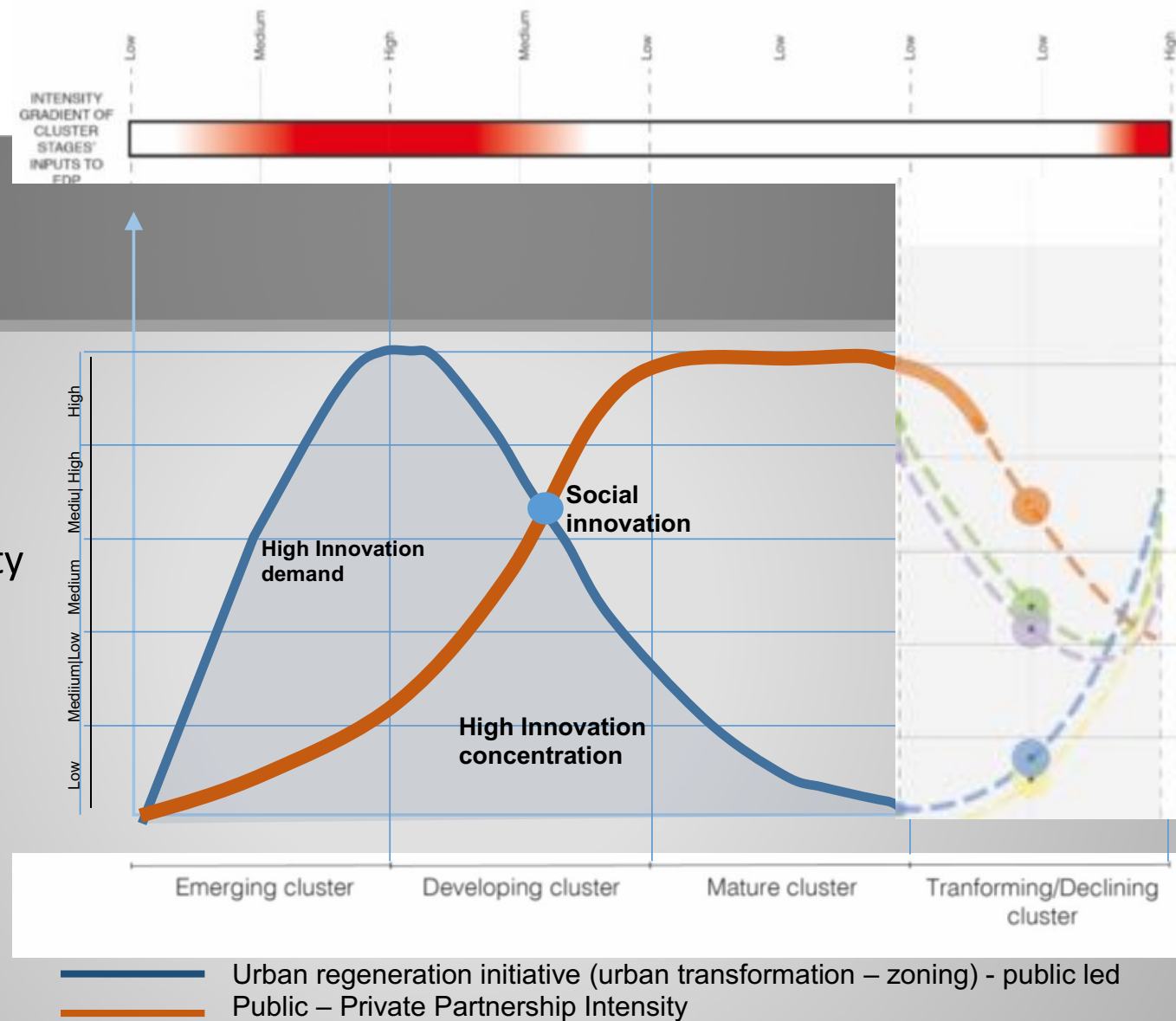




# The MAPS-LED vision

CLUSTER LIFE CYCLE  
EDP

- From urban/local level to regional level – the intensity of EDP policy driven by CLC



MAPS-LED pointed out the territorial dimension of innovation in Smart Specialization Strategy (S3) steering process and how S3 can be translated into spatially-oriented local development policies.

....highlighted how S3 implementation process needed an evolutionary approach to face continuous changes, crisis and shocks.

## TRENd - The Challenge

- 1) to adjust the exiting evolutionary perspective for a more integrated spatial planning able to coordinate the regional and the local level for making and delivering tailored development policies with a place-based approach;
- 2) to introduce an evolutionary perspective to the post-2020 EU Cohesion Policy by constructing an improved approach to the design of regional innovation policies that incorporates transition management (planning) and resilience building (governance)

## PROBLEM STATEMENT: change vs. transition

**Assumption 1:** diversification leverages regional resilience to absorb shocks

**Assumption 2:** resilience is conceived as *"an ongoing process rather than a recovery to a (pre-existing or new) stable equilibrium state"*;

**Assumption 3:** evolutionary theory is based on *"continuing and progressive change"*. Evolutionary economy became embedded into both Transition Management and Resilience concepts.

The project drafts from the **need to diversify** regional economic portfolio: the most advanced regions tend to minimize their own extent of being "path dependent" and so preventing the hazardous risk to fall into the "lock-in" phenomena. At the same time, the lagging regions seek to adopt the S3 towards filling the gap with their wealthier counterparts.

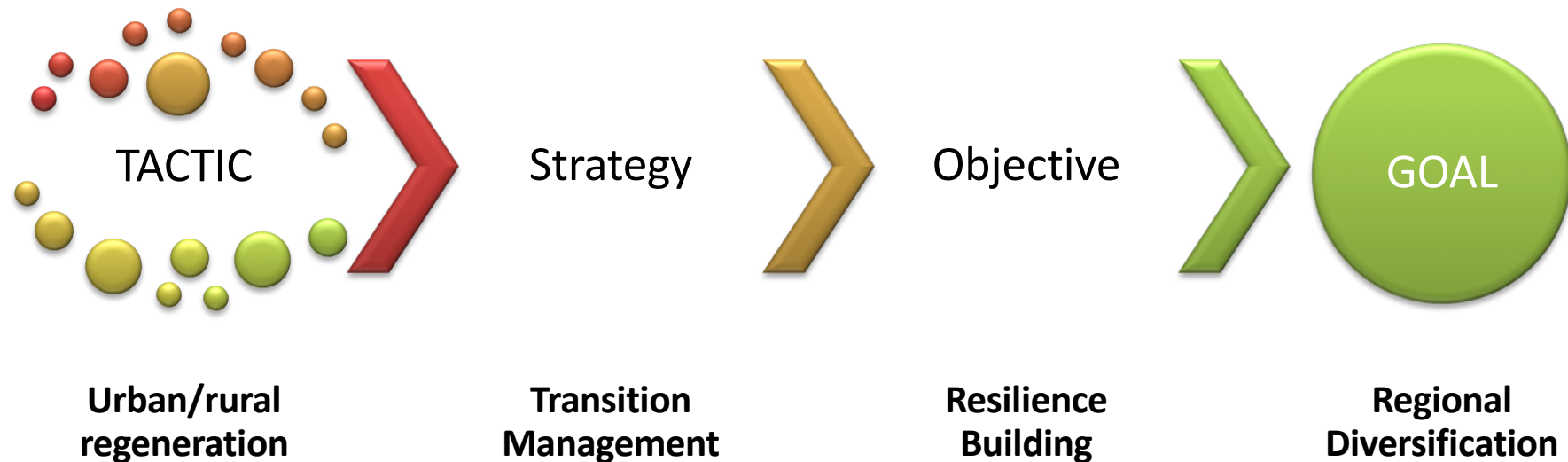
### HOW TO MANAGE THE CONTINUING AND PROGRESSIVE CHANGE?

**We introduce transition as a way to design innovation-led development policy towards the expected changes**

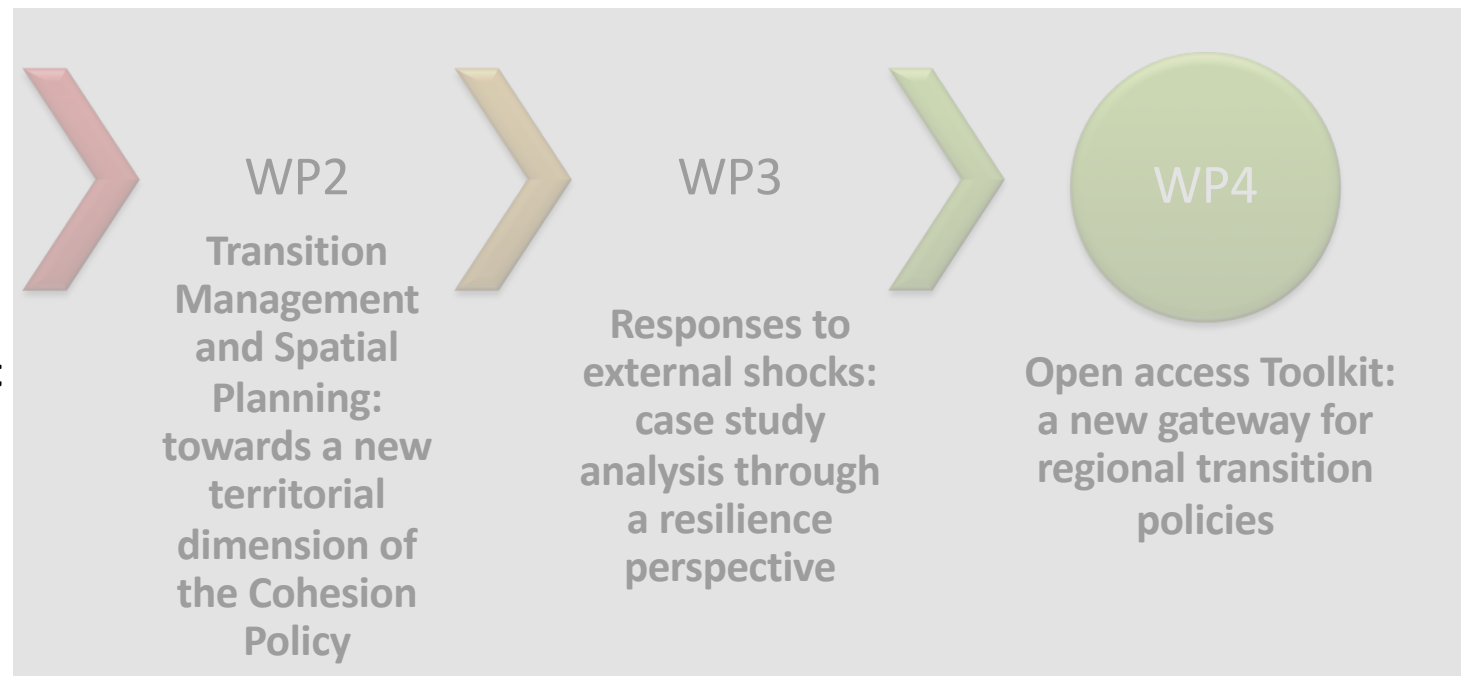
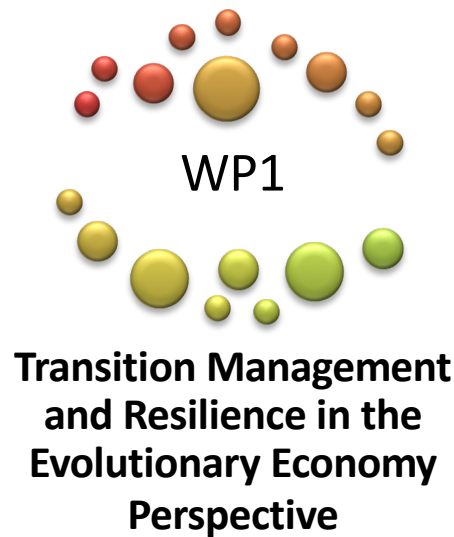
## Conceptual framework

The TRENd project's rationale is to provide critical mass to manage the continuing and progressive change by building a logical framework featuring metrics of Resilience and Transition Management.

In this view, the project is expected to move forward the current state of the art by building an “innovative bridge” among the nature of **diversification**, the extent of “**resilience** and **transition management** processes implemented.

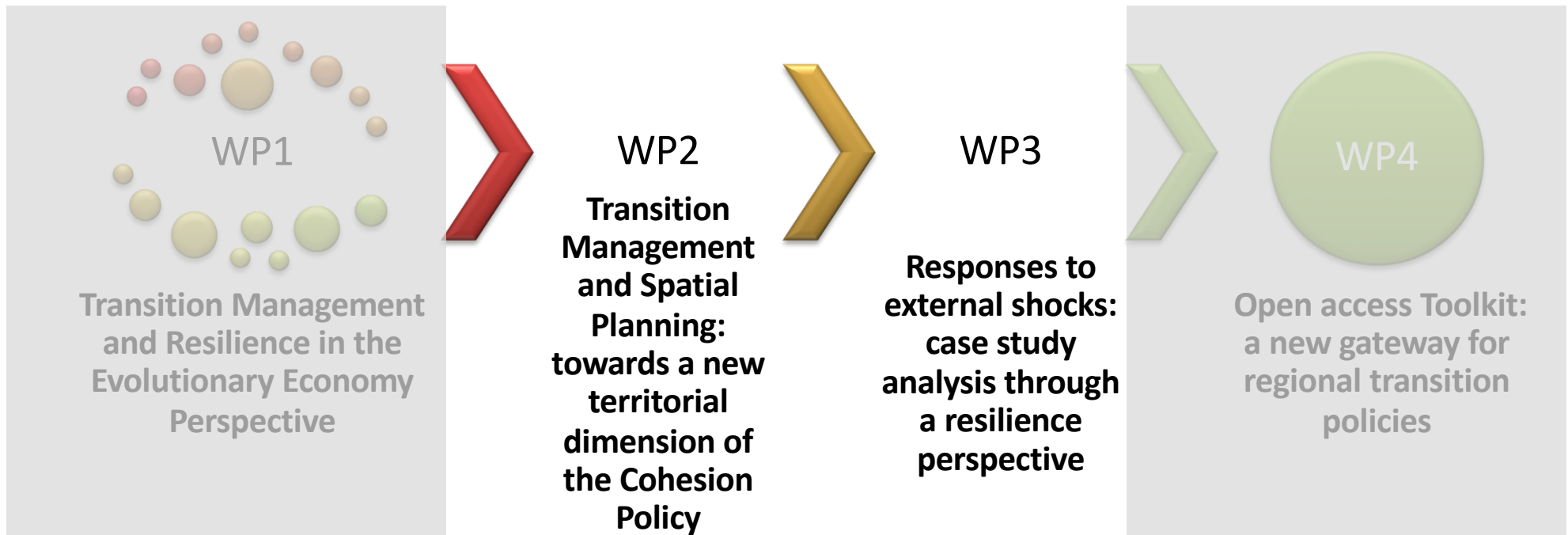


## The Work Packages



**WP1** sets the stage and provides the frame of reference from which to develop the conceptual framework and assessment methodology to integrate Transition and Resilience building policies.

## The Work Packages



**WP2** and **WP3** are performed in sequence and from the core of cyclic approach, since they are mainly finalized to **the case studies analysis** for the potential of the implementation of the transition management in a tailored-based approach on the local contexts. At the start of each research cycle, the results and conclusions of the previous cycles are incorporated into the following working package. This leads to a continuous refinement of the conceptual framework and Assessment methodology to resilience building and Evolutionary economy into a Transition management tailored-planning.

## WP1 Transition Management and Resilience in the Evolutionary Economy Perspective the first year

Work package number <sup>9</sup>	WP1	Lead beneficiary <sup>10</sup>	2 - UU
Work package title	Transition Management and Resilience in the Evolutionary Economy Perspective		
Start month	1	End month	12

### Objectives

- O.1.1 \_To build an assessment methodology suitable to disclose which are the drivers and hindrances mostly affecting Transitions and Resilience-building processes;
- O.1.2 \_To build a panel of data on past development trajectories and transitions occurred, gathered through official open sources both in the US and in the EU, thus, keen to support a comparative analysis of the US and EU case studies through a shared set of indicators;
- O.1.3 \_To allow the knowledge transfer among partners on economic diversification, regional economic resilience and transition management particularly during the kick-off and the 1st mid-term meeting and through the construction of the Web-Platform;
- O.1.4 \_To train Early Stage Researchers on economic diversification, regional economic resilience and transition management by attending lectures at the NEU;
- O.1.5 \_To disseminate the research goals throughout the larger stakeholders' community through the open day, allowing to capture their specific needs and past experiences.

Case Studies  
selection



## TREND Consortium

University of Reggio Calabria – CLUDs lab & RETMES Lab

•PAU UNIT

*Università degli Studi di Palermo Department of Economics,  
Business and Statistics Palermo, IT*

•UNIPA Unit

*Universiteit Utrecht Department of Economic Geography  
Utrecht, NL*

•UU Unit

*Aristotelio Panepistimio Thessalonikis School of Spatial Planning  
and Development Thessaloniki, GR*

•AUTH Unit

*Northeastern University Department of Economics Boston, MA,  
USA*

•NEU Unit

*Lousiana Tech University Ruston, LA, USA*

•LU Unit










IRISS CNR as Entity with a  
capital/legal link

## The RISE Programme

*Source: Guide for Application (2017)*

*TRENd project involves EU Beneficiaries  
academic organizations (MS/AC) and US  
Partner academic organizations in the Third  
Country (TC)*

**IMPORTANT: US universities must have  
Participant Identification Code (PIC) with the  
appointment of a Leader**

		<b>"HOSTING"</b> (Receiving seconded staff members)		
		Academic organisation in MS/AC (1)	Non-academic organisation in MS/AC (2)	Organisation in TC
<b>"SENDING"</b> (seconding staff members <u>from</u> organisation)	Academic organisation in MS/AC (1)			
	Non-academic organisation in MS/AC (2)			
	Organisation in TC*			

# The RISE Programme (Funding Scheme Under Horizon 2020 Research Framework Programme in Europe)

*Source: Guide for Application (2017)*

**Table 2 – Comparison of roles and responsibilities of RISE Beneficiaries and TC Partner organisations**

Roles and responsibilities	Beneficiaries (established in MS/ACT)	Partner organisations (established in TC)
Are the legal entities that sign the Grant Agreement and have the responsibility for the proper implementation of the action.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Provide a separate up-to-date <b>Letter of Commitment (LoC)</b> Part 6 of the proposal, to demonstrate their real and active participation in the proposed consortium (see template <a href="#">Annex 2.1</a> ).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>IMPORTANT!</b> During the evaluation the experts will be instructed to disregard the contribution of any TC Partner organisations if appropriate LoC is not submitted.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Contribute directly to the implementation of the R&D activities, transfer of knowledge and training for hosting and/or seconding staff members.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Offer appropriate supervision to the hosted/seconded staff members and provide the necessary infrastructure and equipment for the scope of the secondments.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Are required to conclude a <b>Consortium Agreement</b> , in principle prior to the signature of the Grant Agreement.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Directly claim costs from the R&A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>IMPORTANT!</b> It is recommended that financial matters between TC Partner organisations and Beneficiaries are agreed within a <b>Partnership Agreement</b> . This can be a separate document or part of the above mentioned Consortium Agreement (see <a href="#">20-TC-1.3.2</a> ).	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Beneficiaries: EU Universities (IT, NL, GR). Beneficiaries are the legal entities that sign the Grant Agreement and have the responsibility for the proper implementation of the action. They contribute directly to the implementation of the research, transfer of knowledge and training activities by supervising, hosting, training and/or seconding staff members. The legal entity must be established in a European Union Member State (MS) or Horizon 2020 Associated Country (AC).

Partner organisations (as applicable in RISE): USA Universities (for the TRENd project)  
contribute directly to the implementation of the research, transfer of knowledge and training activities by hosting, supervising, training and/or seconding staff members but do not sign the Grant Agreement. The legal entity must be established in a Non-Associated Third Country (TC).

# Thank you and welcome to the project!

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<https://www.sep.benfranklin.org/philly-in-top-10-list-of-emerging-tech-hubs/>