

Cross-Border Smart Specialisation Strategy of the Galicia – Northern Portugal Euroregion

**RIS3T
2021-2027**

INDEX

INTRODUCTION

4

METHODOLOGY

6

**SWOT ANALYSIS OF THE
EUROREGION INNOVATION SYSTEM**

8

**SHARED VISION
& STRATEGIC OBJECTIVES**

10

**PRIORITY AREAS OF COOPERATION IN
THE FIELD OF SMART SPECIALISATION**

12

**IMPLEMENTATION ACTIONS
AND INSTRUMENTS**

14

GOVERNANCE MODEL

16

**MONITORING AND
EVALUATION SYSTEM**

18

INTRODUCTION

The introduction of Smart Specialisation (S3) as a key element in the 2014 reform of the EU Cohesion Policy represented an important strategic turning point in the way the EU addresses regional development. The Cross-Border Smart Specialisation Strategy (RIS3T) was adopted as a mechanism to foster cooperation and joint initiatives in areas of common interest and is now recognised as good practice. The joint strategic process began in 2014 with the creation of the Cross-Border Working Group, including representatives of GAIN and CCDR NORTE. This strategy resulted in the definition of a shared vision for the future, including the alignment of Research, Development and Innovation (R+D+I) objectives and the proposition of joint priorities, support actions, as well as an evaluation system with indicators to monitor implementation. In the context of the Galicia –

Northern Portugal Euroregion, the pioneering approach to the creation of the Cross-Border Smart Specialisation Strategy for the Galicia – Northern Portugal Euroregion has defined a framework for strategic cooperation in order to provide a coordinated response to the shared challenges that, within the framework of innovation policies, can be treated more effectively and efficiently together, mobilising new initiatives and projects and increasing the uptake of community funding at European level. The update of the Cross-Border Smart Specialisation Strategy for the Galicia – Northern Portugal Euroregion aims to continue in this direction, promoting greater effectiveness and impact of public innovation policies in *the Euroregion*, ensuring the response to the needs of triple transition (green, digital and fair) and other external constraints that require resilience strengthening.

However, despite the dynamics produced by the S3 approach at European level and the knowledge accumulated around it, significant challenges remain, especially with regard to the operationalisation and governance mechanisms, especially due to the context of innovation policy where practice precedes theory, as illustrated by S3. Therefore, the ability to align the results and objectives of the strategies with the specific conditions in each region remains an important point of reflection, where it is crucial to build continuous revisiting processes with stakeholders. This demonstrates the importance of updating the "Cross-border Smart Specialisation Strategy Galicia - Northern Portugal Euroregion for the period 2021-2027", with the objective of promoting a coordinated approach in the context of smart specialisation strategies that allow greater effectiveness and impact of public innovation policies in the Euroregion.

The main specific objectives of this strategy are:

- 1** Align policies to support innovation by increasing the Euroregion's scientific, technological and business critical mass in priority areas of cooperation.
- 2** Strengthen the impact of innovation policies by promoting synergies and complementary relationships between different sources of funding at regional, national and European level.
- 3** To promote greater funding for centralised management at European level in R+D and innovation, such as is the case with Horizon Europe.

METHODOLOGY

STARTING POINT

The base document in the process of developing this strategy is RIS3T 2014-2020, in addition to the regional RIS3: Galicia RIS3 and North Portugal RIS3.

PRELIMINARY STAGE

Diagnosis, mapping and stakeholder consultation.



RIS3T 2014-2020

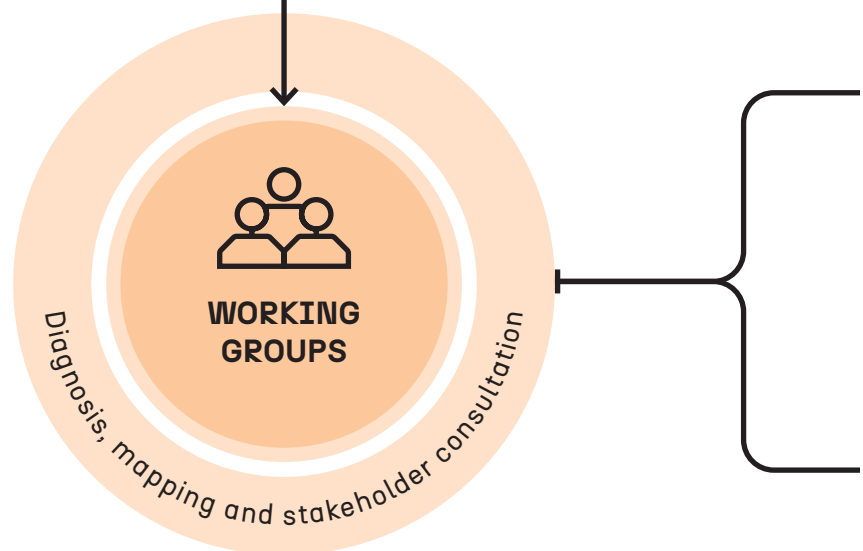
Galicia RIS3 2021-2027

North Portugal RIS3 2021-2027

+200

PARTICIPATORY ACTION PROCESS

The working groups created are made up of more than 200 public and private agents from the Euroregion.



SWOT

The process of co-creating the SWOT analysis (strengths, weaknesses, opportunities and threats) of the Euroregion innovation system, covers the shared vision and strategic objectives for the development of the cross-border strategy of intelligent specialisation.

STRATEGIC OBJECTIVES

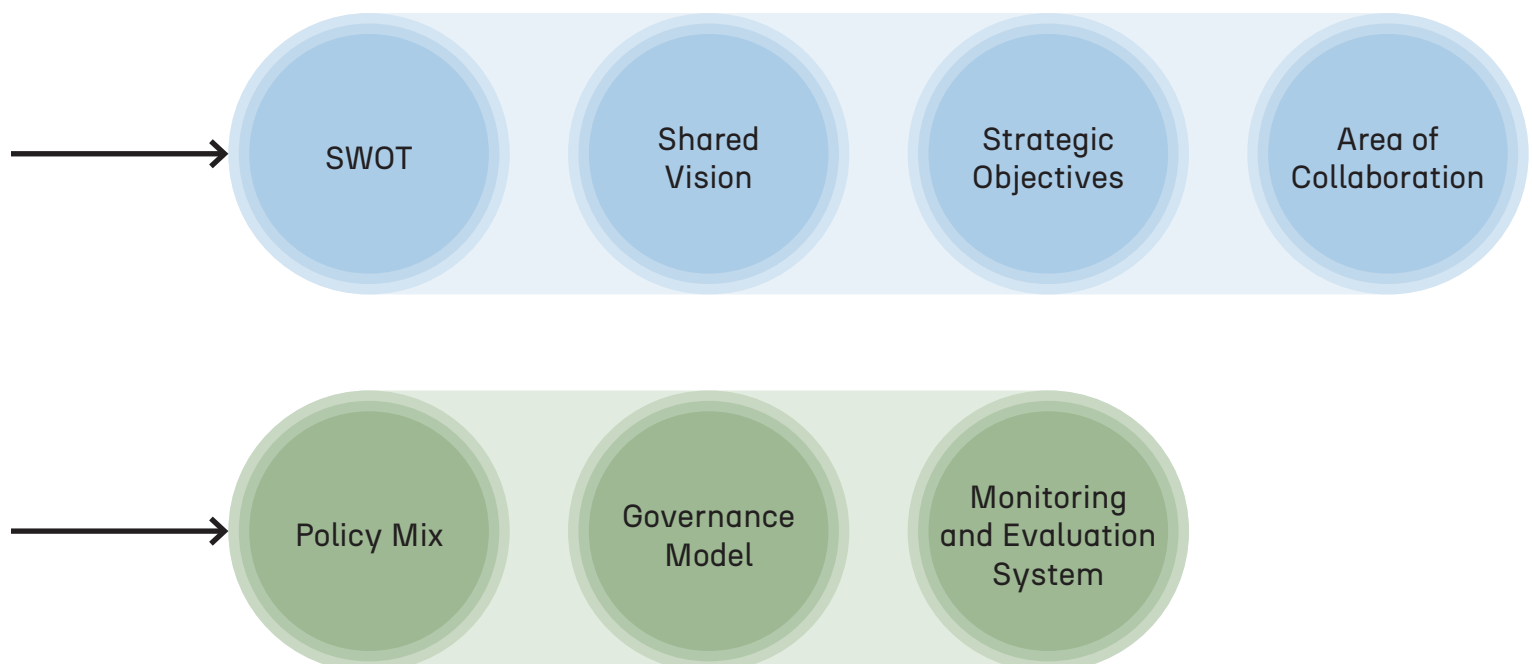
Then, the undertaking of the strategic convergence analysis results in the identification of priority areas of cooperation in the field of intelligent specialisation, starting from the approved RIS3 regional ones.

AREA OF COLLABORATION

This gives rise to the identification of actions and instruments to guide the implementation of the cross-border strategy in each of the previously identified areas of collaboration.

TRANSVERSAL PROPOSALS

Subsequently, transversal proposals are established to support the decision for the review of the model and governance and the monitoring and evaluation system.



SWOT ANALYSIS OF THE EUROREGION INNOVATION SYSTEM

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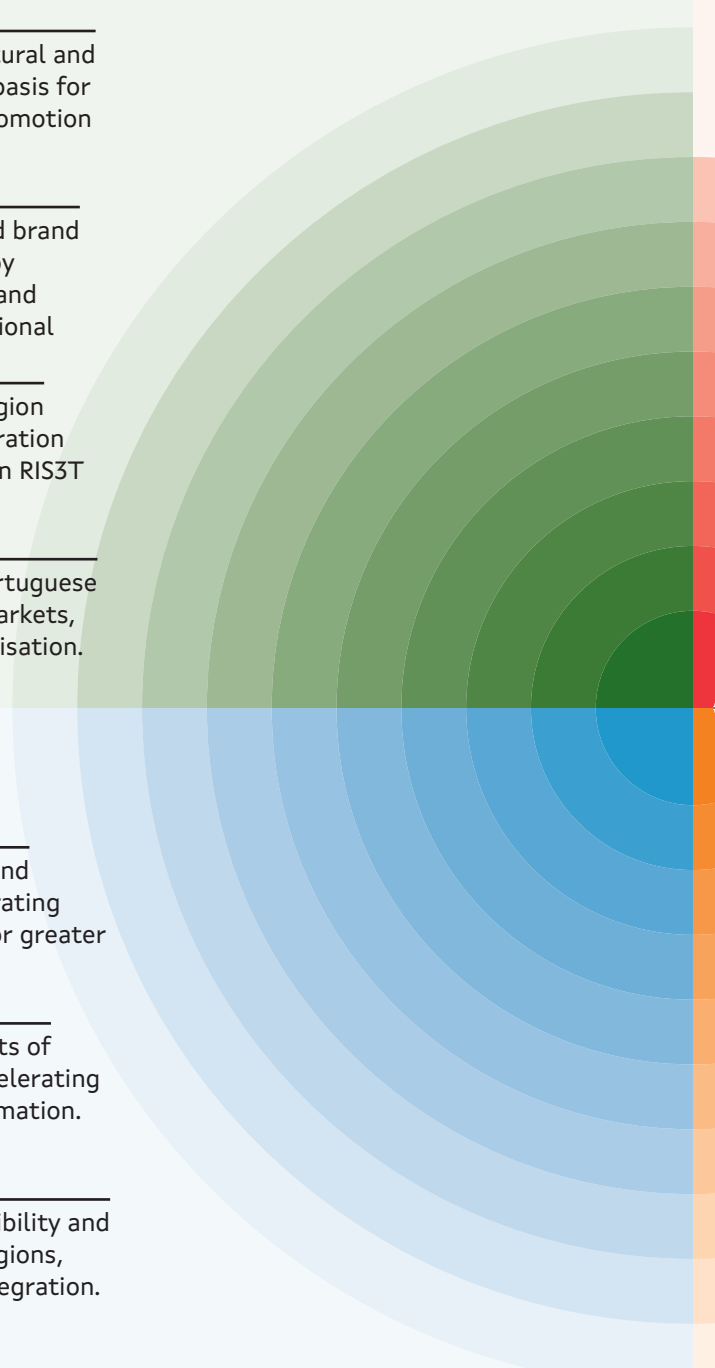
STRENGTHS

1. Robust R+D+I ecosystem with strong orientation toward innovation and technological development.
2. Excellence in research and technological development, with a solid industrial base and export guidance.
3. Significant progress in integrating research and development with the market and effective international cooperation.
4. Strong alignment with strategic R+D agendas at European level.
5. International recognition in various business sectors, especially industries such as textiles and automobiles.
6. Diversified industrial capacity and complementarity of strategic sectors.
7. Strong use of unique natural and heritage resources as a basis for the development and promotion of tourism.
8. Strategic positioning and brand recognition, supported by advanced qualifications and expertise in the international market.
9. Well-established Euroregion cooperation and collaboration on joint projects between RIS3T 14-20.
10. Cultural proximity to Portuguese and Spanish-speaking markets, facilitating internationalisation.

1. Multiplication of value through the dual digital and sustainable transition, integrating new technologies into value chains.
2. Several funding opportunities available to foster innovation and industrialisation, driven by national and European policies.
3. Public-private and international collaboration, creating an environment conducive to strategic partnerships.
4. Adaptation to post-pandemic changes, offering new market opportunities and innovation.
5. Development of collaborative governance models and exploitation of territorial resources.
6. Co-promotion projects and creation of clusters operating across various sectors for greater competitiveness.
7. Awareness of the benefits of digital technologies, accelerating regional digital transformation.
8. Modernisation of accessibility and connectivity between regions, facilitating economic integration.
9. Re-industrialisation of Europe as a strategy to strengthen the regional industrial and technological foundations.
10. Incentives for mobility and talent retention, especially in technological areas.

O

OPPORTUNITIES



WEAKNESSES

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1. Limited business investment capabilities in R+D, especially in small and medium-sized enterprises.
2. Need for improvement in digital infrastructure and agile administrative processes to support innovation, with appropriate policy-mix.
3. Disconnect between research and development and practical applicability in the market.
4. Complexity and bureaucracy that complicate administrative and business efficiency.
5. A still-incipient culture of innovation and resistance to change in the business fabric.
6. Insufficient training and capability building of the management team, especially in small companies.
7. Institutional fragmentation and lack of articulation between different levels of governance.
8. Chronic problems linking academia and industry, affecting technology transfer.

THREATS

T

1. Demographic challenges, including population decline in rural areas and aging of the population.
2. Challenges in investment and business innovation due to the difficulty of access to credit and funds.
3. Globalisation and international competition, requiring greater integration in R+D+I value chains.
4. Lasting impacts of the COVID-19 pandemic on the economy and dynamics of the labour market.
5. Climate change that threatens the sustainability of economic and social activities.
6. Geopolitical uncertainty that can affect economic stability and international cooperation.
7. Retention of skilled labour, with talent draining to more competitive regions.
8. Social and political polarisation that can hinder the implementation of innovative policies.
9. European economic decline, negatively affecting investment capacity and regional growth.
10. Unequal competence against countries outside the EU, impacting business competitiveness.

SHARED VISION & STRATEGIC OBJECTIVES

STRATEGIC OBJECTIVE RIS3T



CONSOLIDATED



DEEPEN R+D+I COLLABORATION IN THE EUROREGION

Both strategies reflect the importance of strengthening an integrated and technologically advanced R+D+I ecosystem, facilitating collaboration and technology transfer to streamline the business and industrial framework of both regions. And to achieve a sustainable balance between excellence in research and the development of innovative products and services that meet the applied needs of the global market.

PROMOTE THE ATTRACTION AND RETENTION OF TALENT

The Galician RIS3 highlights support for the development of people's abilities to seize the opportunities of a smart specialisation model and make the region attractive for attracting and retaining talent. Similarly, the Northern Portugal RIS3 includes the increase of qualifications of all segments of the population as a transversal objective. Both recognise the importance of human capital in the process of innovation and regional development. The orientation towards investing in the continuous training of the population is consolidated, raising the educational and technical level to attract and retain talent in both regions, with particular attention to gender equity and inclusion.

“Consolidate a robust innovation system that strengthens cross-border collaboration in R+D excellence and in the development of products, processes and services that meet the needs of Euregion production and consumption, with scalability for the global market, attracting and retaining talent and leveraging external investment to promote sustainable development and improve quality of life.”

IMPROVE GLOBAL POSITIONING OF VALUE CHAINS

Galicia's strategy aims to boost the Galicia brand as an asset for R+D+I, seeking to position the region on the global stage and attract foreign investment. In addition, one of Northern Portugal's strategic objectives is to improve competitive positioning on a global scale. This goal is shared by both regions, focusing on enhancing their visibility and attraction in the international context. The aim is to strengthen the regions' brand on the global stage, using innovation and an effective governance model to attract investment and improve quality of life, promoting the region as a place of excellence in which to live, work and invest. In addition, it aims to reduce the peripherality of the Euroregion in the European context and increase its attractiveness as an investment destination.

PROMOTE REGIONAL COHESION AND EXPLOIT ENDOGENOUS RESOURCES

This strategic objective focuses on promoting territorial cohesion, with emphasis on border regions, seeking to mitigate regional disparities and strengthen the identity of the Euroregion, through the exploitation of endogenous resources, as cultural, natural and heritage elements as a driver of regional competitiveness. This objective aims to promote social and economic inclusion through innovation, resource preservation and institutional cooperation.

STRENGTHEN THE INSTITUTIONAL CAPACITY AND EFFICIENCY OF THE PUBLIC ADMINISTRATION IN CROSS-BORDER COOPERATION FOR COMMON SOCIETAL CHALLENGES

This remaining objective of RIS3T 2014-2020 aims to facilitate the sharing of best practices, resources and knowledge among governmental and institutional entities in both regions, promoting a more integrated and effective approach to regional governance and the administration of R+D+I funds and projects.

PRIORITY AREAS OF COOPERATION IN THE FIELD OF SMART SPECIALISATION

RIST3
2021-2027



AGRI-FOOD

Development of sustainable management solutions for natural resources (e.g.: water) and development of sustainable and digital technology solutions for agriculture and food production, focusing on regional cooperation aiming at excellence in production and sustainability, facing the challenges of climate change and resource scarcity, while promoting sustainable and digital transformation of agricultural practices. Encourage cooperation between SMEs and the formation of efficient networks to maximise existing initiatives, with an emphasis on attracting and retaining young talent to revitalise the agri-food sector.



INDUSTRY, MOBILITY AND ENERGY

Development of sustainable and decarbonised industrial value chains, supported by advanced technologies (e.g. nanotechnologies and artificial intelligence), embracing the green and digital transition as a central element in the transformation of industrial processes. Increase international competitiveness by ensuring responsible and sustainable industrial production. Promote productivity and innovation to combat depopulation and aging, contributing significantly to GDP and creating qualified jobs. Accordingly, the Euroregion seeks to attract and retain talent, promote technological and productive sovereignty, and establish advanced technological infrastructures and a sustainable mobility network, positioning itself as a brand of excellence.



MARINE RESOURCES AND ECONOMY

Promotion of knowledge and sustainable exploitation of marine resources, integrating blue biotechnology and other applied engineering, with the aim of preserving marine ecosystems and promoting an innovative and sustainable marine economy. The approach includes (bio)remediation of polluted areas, development of sustainable aquaculture and use of offshore renewable energies. The aim is to maximise the value of fishing by-products and marine biotechnology, promoting a circular economy and strengthening digital transformation and offshore technology. Focusing on human resource training and collaboration between academia and industry, it is intended to create an ecosystem that values marine biodiversity and optimises the use of available resources.



HEALTH AND WELLNESS

Promotion of research and development in the area of health, as well as cooperation between academia and industry to create innovative solutions that improve the well-being of people and respond to challenges such as population aging and prevention of chronic diseases. Focusing on the development of digital technologies for health, as well as preventative, regenerative and precision medicine, the region intends to create a robust ecosystem in the health sector. The use of artificial intelligence and other advanced technologies is central to transforming healthcare and ensuring an integral and personalised approach to the patient, promoting equal access and quality of services in all regions.



TOURISM AND CREATIVE INDUSTRIES

Promotion of new tourism products based on the protection and exploitation of cultural and natural resources, and promotion of sustainable tourist practices. Improving the management and promotion of cultural and natural resources through digital technologies and integration of tourism in local communities, improving quality of life and creating economic opportunities. Digital transformation, internationalisation and mobility, supported by common strategies, are crucial to boost the sector and increase regional competitiveness, ensuring a differentiated and sustainable tourism offer.

IMPLEMENTATION ACTIONS AND INSTRUMENTS

The aggregate views of the results in each thematic area reveal recurring patterns, in both actions and instruments. The actions proposed below have been consolidated in order to be transversally applicable to various areas of collaboration, facilitating an integrated and strategic approach. The implementation of these actions should consider the particularities of each sector, making adjusting as necessary to maximise the impact and collective efficiency of the initiatives implemented:

1 Promotion of Online
Collaboration

4 Infrastructure
Development

2 Training and Qualification
of Human Resources

5 Promotion of
Collective Efficiency

3 Support for Innovation
and Technological
Modernisation

6 Optimisation of
Administrative Process

The first clear evidence is the participants' appreciation of instruments that go beyond the funding dimension. The transversal emphasis of all the groups on boosting spaces to promote collaboration between the ecosystem, B2B events, developing and modernising infrastructures, improving literacy, empowering actors to leverage competitive applications and qualifying human resources in the thematic area, highlights the importance attributed to soft instruments. This is also demonstrated in regulatory instruments, which aim to create a favourable environment for sustainable and innovative development. In addition, the funding instruments available to support these actions have been identified. To these we add the relevance of SO 1.4. when dedicated to activities related to the development of the ecosystem's capacity. All thematic areas value the close collaboration of the Euroregion in the creation of calls, applications and joint instruments with the participation of stakeholders as a decisive factor for the success of mapped activities. The co-creation and active involvement of all stakeholders ensures that the developed instruments are truly aligned with regional needs and priorities. This participatory approach promotes a sense of co-ownership and commitment among stakeholders, strengthening collaboration networks and facilitating the implementation and

scalability of initiatives. The significant weight that stakeholders are afforded in this process is, therefore, a central element for building a robust and sustainable smart specialisation strategy that really responds to the challenges and opportunities identified, fully aligned with the consolidated literature and reinforced by the emerging literature. In this context, the Interregional Innovation Investments (I3) Instrument can enable the fulfilment of this stakeholder engagement. Finally, there is the emerging literature on the importance of S3 in the expansion of synergies between different instruments, with the aim of making funding more effective and complying with good governance. Synergies between funds such as ERDF, Horizon Europe, Next Generation and national, regional and local funds have the opportunity to be capitalised by S3 thematic platforms established for capacity building and evidence-based decision-making. In this sense, its alignment with S3 objectives can facilitate a more effective use of synergies among instruments. However, this is only possible with strategic thinking and the establishment of concertation and common direction among all actors. Furthermore, stakeholders need to be empowered for different ways of combining instruments. On this last point, the Capacity Building Strand 2b of I3 is of particular importance.

GOVERNANCE MODEL

POLITICAL AND STRATEGIC SCOPE

Cross-border Innovation Council of Northern Portugal and Galicia

OPERATIONAL SCOPE

Cross-border Inter-departmental Commission on Funds and Aid

- Collegial body for efficient collective planning and coordination of funds and aid.
- Approve procedural rules.
- Deliberate on recommendations for synergies between financing instruments and the interoperability of monitoring and evaluation systems.
- Facilitate coordination of call schedules and the creation of joint instruments.

TERRITORIAL SCOPE

R+D+I Observatory

- Monitors and evaluates the dynamics of cross-border innovation,
- Provides open data and analysis to support strategic decision-making.
- Facilitates the dissemination of evidence-based information and good practices.

Expert 1

Expert 2

Collaborative Platform 1

Collaborative Platform 2

- Acts as an advisory body.
- Offers opinions on cross-border innovation policy.
- Acts on the continuous process of updating/reviewing RIS3T.
- Approves action plans and proposals for innovation projects.
- Facilitates dialogue between stakeholders in both regions.

Cross-border Technical Commission

- Puts the entire RIS3T policy cycle into operation.
- Draws up the Annual Activity Plan.
- Offers opinions on updating/revising RIS3T.
- approves its operating rules.
- Prepares meetings and materials for the Cross-border Innovation Council.
- Ensures the hiring of experts for the collaborative platforms.
- Coordinates joint applications to boost the R+D+I Observatory.

Collaborative Platforms

- Promote thematic collaboration through frequent and planned discovery processes.
- Produce decision support documents on cross-border innovation policy and action plans.
- Boost the continuous dialogue between stakeholders.
- Facilitate awareness raising and training actions.

Expert
n

Collaborative
Platform
n

Research
Projects

Cooperation and
Innovation Projects

Mobility
Projects

MONITORING AND EVALUATION SYSTEM

OPERATIONAL SCOPE OF MONITORING

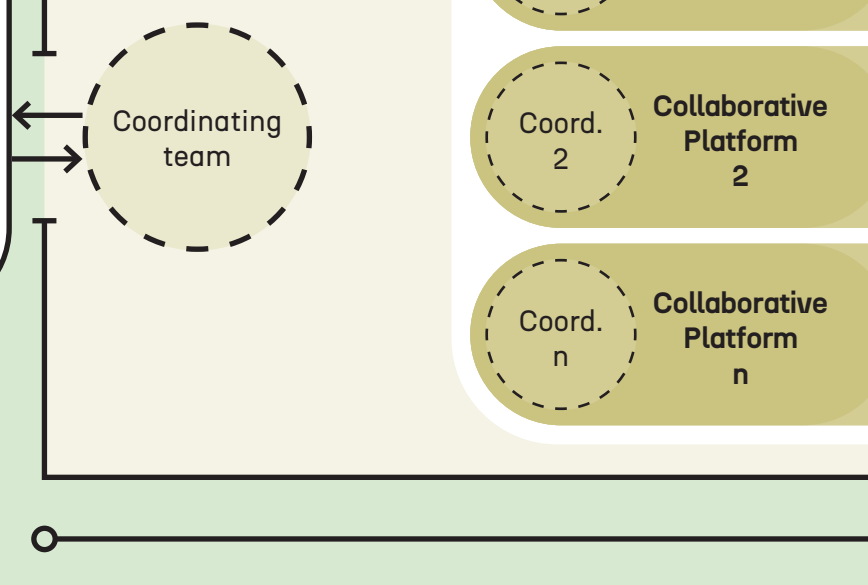
The proposal for a monitoring and evaluation system for RIS3T Galicia and Northern Portugal 2021-2027 includes four main bodies, each with specific functions.



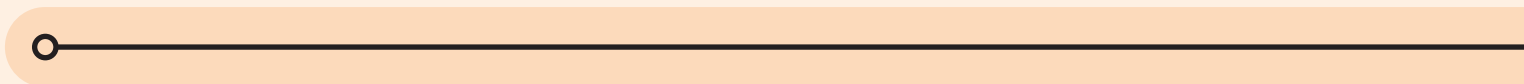
R+D+I Observatory

2. RIS3T Forum

The RIS3T Forum is an evolution of the original model, bringing together agents in the Euroregion to promote good governance, innovation and the development of strategic missions.



EVALUATION SCOPE



3. Open Platform

The Open Platform acts as a transparent information system, facilitating access to documents and studies produced in the context of collaborative platforms and forums, and supporting strategy monitoring with automated and interoperable tools.



1. Collaborative Platforms

The Collaborative Platforms are responsible for the territorial dynamization of the strategy, using practices and methodologies to codify tacit knowledge and communicate information through an established information system. These platforms facilitate the creation of value through strategic work sessions and the integration of international stakeholders, using the Theory of Change and formative assessment to track and adjust their interventions.

Input → Action → Output → Outcome → Impact

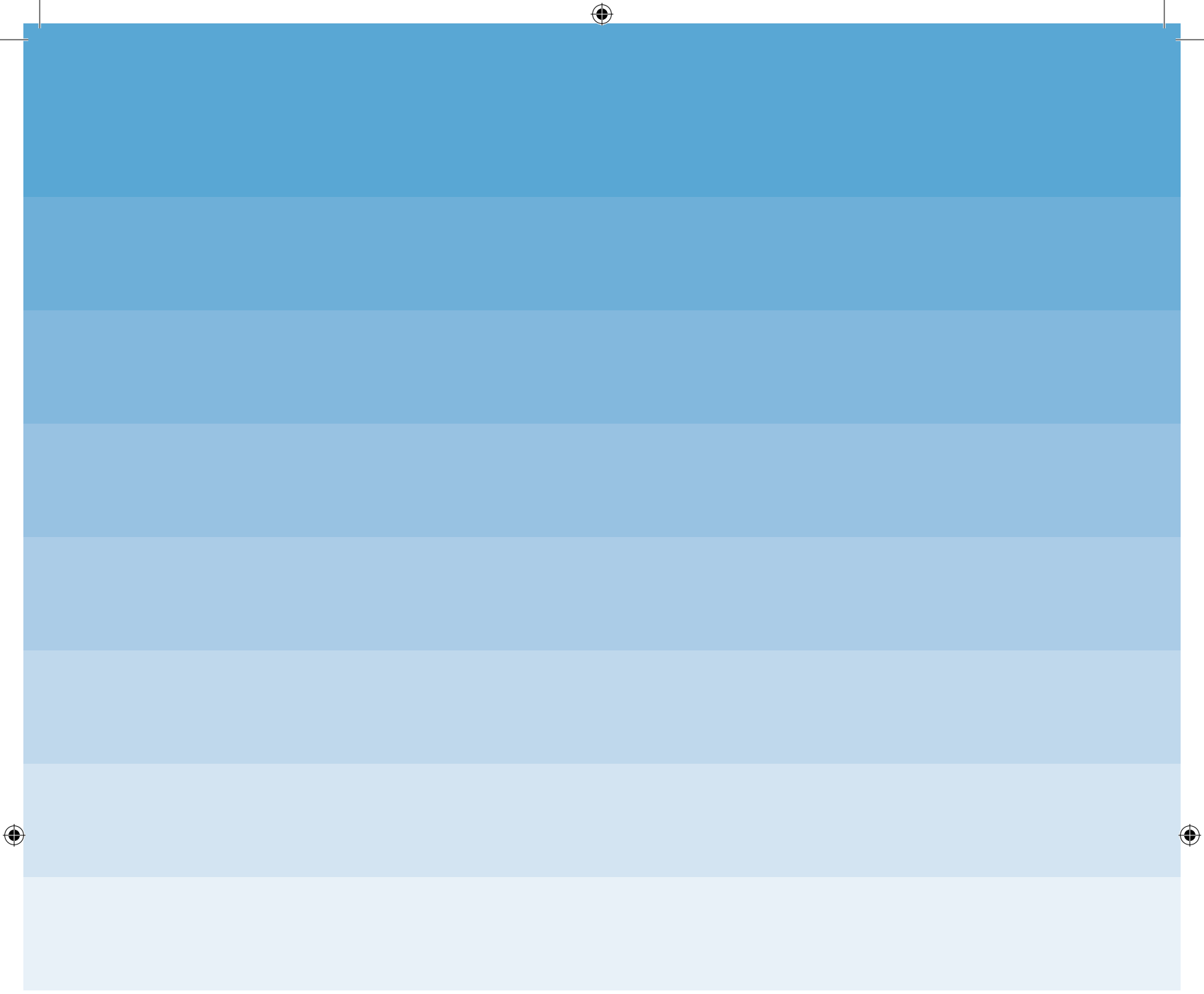
Input → Action → Output → Outcome → Impact

Input → Action → Output → Outcome → Impact



→ Formative Evaluation ←

→ Intermediate Evaluation ← → Evaluation Ex Post



Interreg



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