



European Union | European Regional Development Fund

Project Methodologies and RIS3 Tools - Good Practices from Interreg Europe on Monitoring, Evaluating, and Designing RIS3

Monitoring RIS3 (MONITORIS3)

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1. Institutional Context



- The **Norte Region Development and Coordination Commission (CCDR-N)** is the Portuguese government agency in charge of coordinating economic development, territorial planning and environmental policies in Norte region of Portugal.
- Between other responsibilities, CCDR-N is in charge of the **regional innovation strategy for smart specialization (NORTE RIS3)**, approved in 2014, and the President of CCDR-N is also the President of the Managing Authority of the **Regional Operational Programme for the period 2014-2020 (NORTE 2020)**.
- The NORTE RIS3 constitutes an ex ante conditionality of the NORTE 2020, as a basis for **prioritising research and innovation investments under cohesion policy in 2014-2020**. The first phase of implementation was focused in the **development and application of admissibility condition and selection criteria for the policy instruments of NORTE 2020** linked to the smart specialisation strategy (more than 5.000 approved applications). Another relevant area of implementation has been the development of **national and international networking activities to explore other European funding sources (such as the MONITORIS3 project financed by Interreg Europe)**.
- The **current phase of implementation is focused on monitoring and evaluation of NORTE RIS3. The monitoring and evaluation of NORTE RIS3 is substantially linked to the monitoring and evaluation of NORTE 2020**, meaning that the input, output and outcome (results) indicators and their targets are key monitoring instruments for the smart specialisation strategy.

2. MONITORIS3 Project

- **Objective:** Exchange of experiences in monitoring mechanisms, indicators and methodologies addressed to improvement in the delivery of policies and instruments in the framework of Regional RIS3 across Regions.
- **Partnership:** MONITORIS3 gathers 6 partners from **6 EU Regions** from Spain, Portugal, Norway, Italy, Romania and Croatia, and **1 advisory partner** with competences on implementing and monitoring S3.
- **Phase 1 (2017-2019):** Interregional mapping of S3 Monitoring Strategies, Interregional policy learning process, best practices selection and peer-to-peer process and action plans elaboration.
- **Phase 2 (2020-2021):** Action plans and pilot action implementation.
- **Good Practice:** Norte Region Smart Specialisation Strategy (NORTE RIS3). A Monitoring System Methodological Approach for MONITORIS3 Project.





3. NORTE RIS3

Vision and Objectives

VISION

By 2020, Norte Region will be a reference of industrial competitiveness founded on continuous innovation and on dynamic capabilities and drawing a new trajectory of fast growth and job creation

STRATEGIC OBJECTIVES

Technological intensification of the productive base

Economic valorization of territorial intensive assets and resources

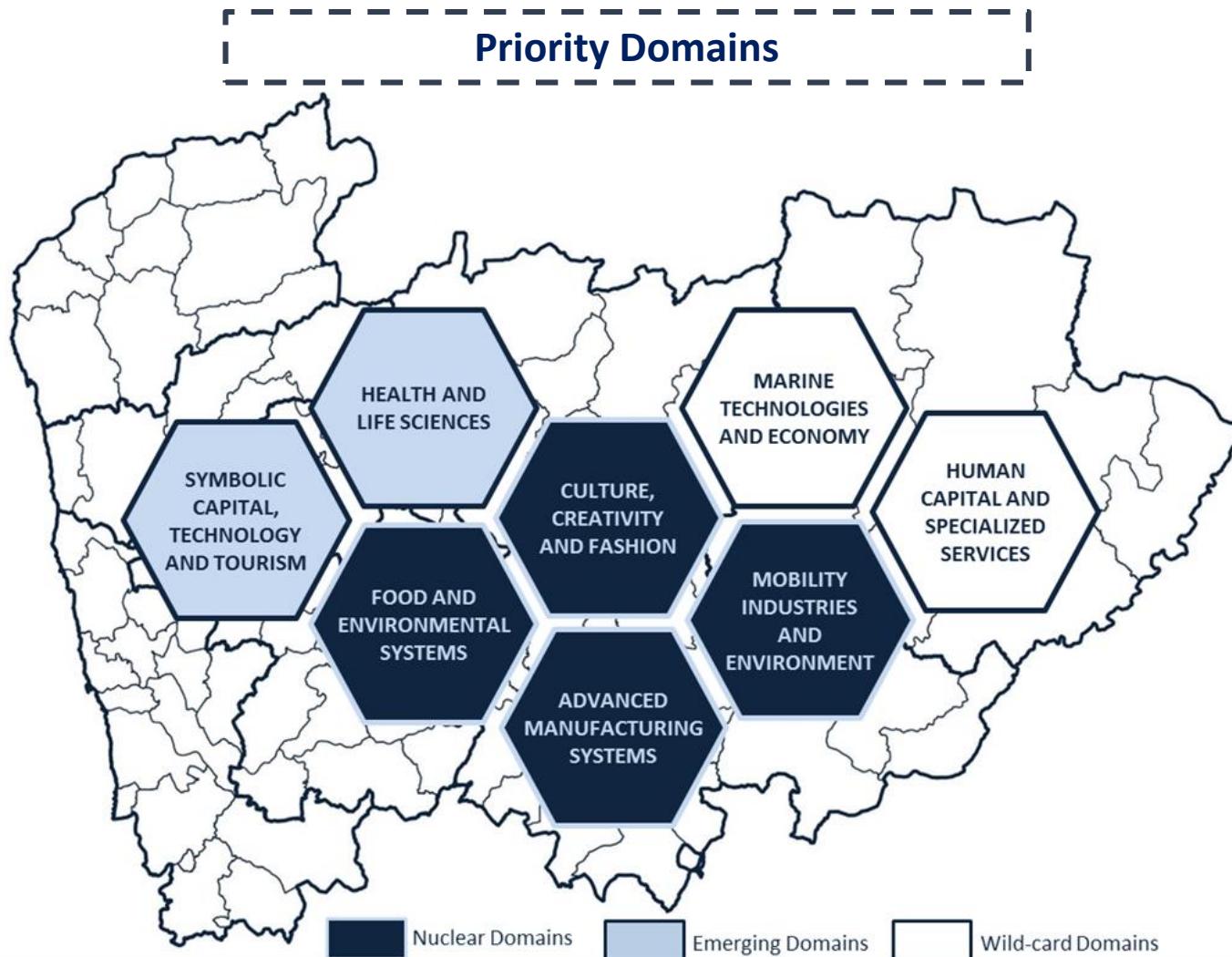
Improvement of the competitive position on a global scale

TRANSVERSAL OBJECTIVES

Increase of qualifications of all the segments of the population

Improvement the effectiveness and efficiency of the governance model

3. NORTE RIS3



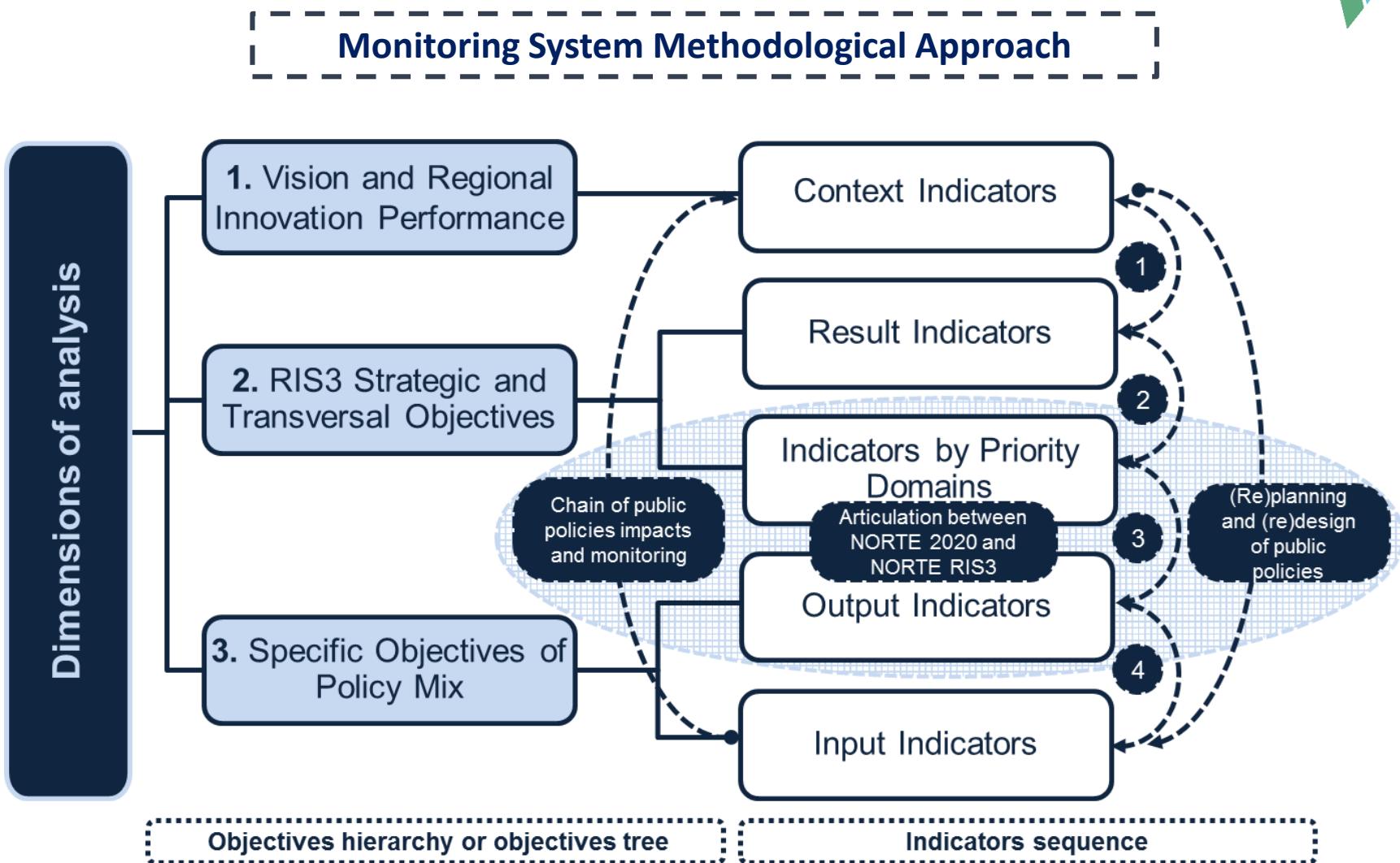
3. NORTE RIS3



Main Policy Instruments from NORTE 2020 Regional Programme

THEMATIC OBJECTIVE	INVESTMENT PRIORITY
1. Strengthening research, technological development and innovation (ERDF)	1.1 Enhancing research and innovation (R&I) infrastructure and capacities to develop R&I excellence, and promoting centres of competence, in particular those of European interest 1.2 Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector
3. Enhancing the competitiveness of small and medium-sized enterprises (ERDF)	3.1. Promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators 3.2. Developing and implementing new business models for SMEs, in particular with regard to internationalisation 3.3. Supporting the creation and the extension of advanced capacities for product and Service development
8. Promoting sustainable and quality employment and supporting labour mobility (ESF)	8.5. Adaptation of workers, enterprises and entrepreneurs to change
10. Investing in education, training and vocational training for skills and lifelong learning (ESF)	10.2. Improving the quality and efficiency of, and access to, tertiary and equivalent education with a view to increasing participation and attainment levels, especially for disadvantaged groups 10.4. Improving the labour market relevance of education and training systems 10.5. Investing in education, training and vocational training for skills and lifelong learning by developing education and training infrastructure

4. RIS3 Monitoring System



5. RIS3 Monitoring Indicators



Context Indicators

Context indicators ensure the monitoring of the main variables associated with the **regional innovation performance** and allow a comparative performance analysis with other national and European regions. Within the framework of NORTE RIS3 monitoring system, the indicators of the **Regional Innovation Scoreboard** will be used as context indicators. The data sources are official statistics.

Example of indicators:

- Percentage of population aged 30-34 having completed tertiary education (framework conditions)
- International scientific co-publications per million population (framework conditions)
- R&D expenditure in the business sector as percentage of GDP (Investments)
- Innovative SMEs collaborating with others as percentage of SMEs (Innovation activities)
- PCT patent applications per billion GDP (innovation activities)
- Employment in knowledge-intensive activities (manufacturing and services) as percentage of total employment (impacts)

Example of indicators:

- Proportion of persons employed at full-time equivalent in R&D in active population (ERDF)
- Proportion of enterprises with technological innovation activities and cooperation for innovation (ERDF)
- Proportion of births of enterprises in high and medium-high technology sectors (ERDF)
- Proportion of turnover abroad in the turnover of companies with less than 250 persons employed (ERDF)
- Workers who consider themselves more enabled for innovation and management after training (ESF)
- Proportion of PhD that remain in the company after 6 months of the end of the support (ESF)

Result Indicators

System of indicators that measure results in order to reveal **how the financial resources are translated into results that achieve the policy objectives (targets)**. Will be a **subset of the result indicators of the NORTE 2020 investment priorities** that include conditions for the selection of projects associated to the alignment with the regional smart specialization strategy. The data sources are official statistics and surveys.

5. RIS3 Monitoring Indicators



Indicators by RIS3 Priority Domain

Corresponds to the **output and input indicators presented by priority domain of NORTE RIS3** in a disaggregated way, in order to see **how each domain is contributing to the strategic and transversal objectives of the RIS3** and, therefore, to the evolution of the regional innovation system. They also assume the characteristics of result indicators, as they are the result from public policy options. The data sources are the information systems from the NORTE 2020 Programme and other relevant National Programmes.

Example of indicators:

- Number of R&D projects supported, by RIS3 priority domain (output)
- Number of enterprises cooperating with research institutions, by RIS3 priority domain (output)
- Employment increase in supported enterprises, by RIS3 priority domain (output)
- Number of new enterprises supported, by RIS3 priority domain (output)
- Workers supported by training activities in a business context, by RIS3 priority domain (output)
- PhD scholarship holders supported, by RIS3 priority domain (output)
- Number of projects approved by type of instrument, by RIS3 priority domain (input)
- Total investment in projects approved by type of instrument, by RIS3 priority domain (input)
- Incentive in projects approved by type of instrument, by RIS3 priority domain (input)
- Fund execution by type of instrument, by RIS3 priority domain (input)
- Number of projects approved by sector of activity, by RIS3 priority domain (input)
- Number of projects approved by NUTS III, by RIS3 priority domain (input)

5. RIS3 Monitoring Indicators



Output Indicators

The output indicators describe the **physical product of spending resources through policy interventions**. They correspond to the **output indicators set out in the NORTE 2020** investment priorities that include conditions for the selection of projects associated to the alignment with the smart specialization strategy. **It aims to monitoring whether the specific objectives of the policy mix are being achieved** through the "output" indicators and their **targets**. The data sources are the information systems from the NORTE 2020 Programme.

Example of indicators:

- Number of R&D projects supported (ERDF)
- Number of researchers working in improved research infrastructure facilities (ERDF)
- Number of enterprises cooperating with research institutions (ERDF)
- Employment increase in supported enterprises (ERDF)
- Number of new enterprises supported (ERDF)
- Workers supported by training activities in a business context (ESF)
- Highly qualified human resources hired by supported companies (ESF)
- PhD scholarship holders supported (ESF)

Input Indicators

Input indicators refer to the budget allocated to each level of the assistance drawn from the regional, national and European programmes, that allow a complete understanding of the implementation of the smart specialization strategy. **It aims to monitoring whether the specific objectives of the policy mix are being achieved** through the "input" indicators. The data sources are the information systems from the NORTE 2020 Programme and other relevant National and European Programmes.

Example of indicators:

- Total investment in projects approved by type of instrument
- Incentive in projects approved by type of instrument
- Fund execution by type of instrument
- Number of beneficiary companies
- Number of projects approved by type of instrument
- Number of projects approved by entity type and dimensional ranking
- Number of projects approved by sector of activity
- Number of projects approved by scientific and technological area
- Number of projects approved by NUTS III



6. Recommendations

1. **The RIS3 monitoring system must reflect the strategic nature and therefore be comprehensive.** It is not a matter of monitoring a specific public policy objective and its financial instrument. It is a matter of consistently monitoring different public policy objectives.
2. **The RIS3 are a distinct strategy** by the fact that the focus in the priority domains allow, with the same mix of public policies, to achieve better results, expressed in the respective indicators, and to accelerate the process of structural change in the regional economy. The **indicators associated to the priority domains are the nodal point of the monitoring model.**
3. **RIS3 monitoring system approach must include bottom-up and top-down logical approaches.** The aim is to monitor whether resources are allocated in the planned way, whether the achievements are the ones planned and are focused on the most relevant priority domains, giving rise to the expected results and to the structural change of the economy at the desired pace.
4. **Each indicator must correspond to a certain level of the hierarchy of objectives.** The dimension 'Vision and Regional Innovation Performance' corresponds to the 'Context Indicators', such as the Regional Innovation Scoreboard; the 'RIS3 Strategic and Transversal Objectives' corresponds to the 'Result Indicators' and 'Indicators by Priority Domains'; the 'Specific Objectives of Policy Mix' corresponds to the 'Input Indicators' and 'Output Indicators'.
5. **Resources needed for an effective monitoring system:** regional public administration staff must have adequate skills and capabilities in RIS3 monitoring and data must be available and appropriately identified and selected.