

Urban Challenges and Sustainable Technological Revolution



Special Session Proposal

Partnerships for innovation: building transformative innovation policies with local ownership

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Abstract

Global transitions in fundamental human support systems in energy, transport, food, water and waste are giving rise to local tensions. EU commitments to climate goals imply major industrial transitions away from fossil-fuel dependency but also deep transformation of extant production and consumption systems. As witnessed during the earlier stages of the pandemic and more recently with the energy and cost of living crises, these new challenges require time-critical responses. By the time the negative consequences of the transitions begin to be felt it is often late to lessen their impact or to grasp the new opportunities.

The necessary transformations do not seem likely with regional development policy as usual. Preparing adequate responses to these challenges requires a new kind of place-based strategic policy thinking, based on an improved understanding of the dynamic relationships between affected systems and their connections with public policy. There is a need for a strategic policy framework that enables the identification of new opportunities, for all regions and especially those with economies heavily dependent on fossil fuels. Historical insights on the management of transitions (Caldecot et al., 2019), argue in favour of much more extensive coordination with decision makers beyond administrative boundaries than is now usually the case, and crucially, with the local communities who stand to gain or lose the most. Above all however, adequate responses require a change in directionality, away from economic policies focused solely on economic growth, and towards the objective of *sustainability*, understood in a broad sense as long-term social well-being that combines economic prosperity, with social cohesion and a healthy environment. Striving for truly sustainable development, requires a shift in ambition of public policy, from dealing with incremental change, to dealing with transformational change.

In this new context, public policy makers are increasingly expected to assume new roles to anticipate, orient and coordinate responses among various stakeholders (Borras and Edler, 2020). They are called to reconcile precarious public finances and attendant pressure on public services with growing demands for government intervention in managing the many facets of the sustainability transition. There is a large mismatch between the magnitude and systemic extent of mounting local challenges and the capabilities of regional and local administrations to provide comprehensive responses. Among others, the mismatch brings to the fore the need for greater coordination between levels of governance and across administrative silos. Innovation being predominantly local, there are no formal instruments to channel a continuous flow of information and knowledge between the EU policy level and dynamics at the local levels (McCann and Soete, 2020). With processes of discovery and connectedness, becoming the key aspect of transformative innovation policies, new innovation policies must address at least two important prerequisites: First, local and regional stakeholders including citizens, enterprises, knowledge institutions, and local authorities must be meaningfully involved into policy design and delivery. Second, in addition to that, (innovation) policy must strive for transformative, system level, innovation in enabling and accelerating the necessary transformations (Pontikakis et al, 2022). A new generation of innovation partnerships and attendant policy strategies (e.g. smart specialisation strategies for sustainability) offer a possible way forward.

The aim of this session is to bring together researchers from various fields of study and geographical contexts to explore the implications of the sustainability transition for regional development policy in Europe and beyond. Contributions from the perspectives, and especially at the intersection of innovation policy, industrial policy and regional and urban development are especially welcome. We envisage a session that combines conceptual, methodological and empirical contributions.

Topics of interest include but are not limited to the following:

- new or improved approaches to the establishment of public-private partnerships and other forms of coordination
- *ex ante* or *ex post* evaluations of regional development strategies with explicit sustainability aims, including new generations of smart specialisation strategies (S3).
- the identification of the requisite capabilities in regional and local administrations and of approaches for their development
- studies that examine possible solutions to the intensifying challenge of multi-level governance
- methodologies for anticipation and new kinds of policy intelligence suitable for systemic assessment
- indicators of sustainability, that cover the economic, social and environmental dimensions
- heuristics for the identification of development paths that lead to co-benefits for the economy, society and environment
- the adaptation of existing funding frameworks and instruments to the challenge of transformation
- the design and adjustment of suitable policy mixes that combine public support to businesses, with skills development , regulation and public infrastructures

References

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