

# SEE 2020 Strategy

## Workshop Smart Growth

31/01 - 01/02/2013

Regional Cooperation Council, Sarajevo

**– Protocol –**

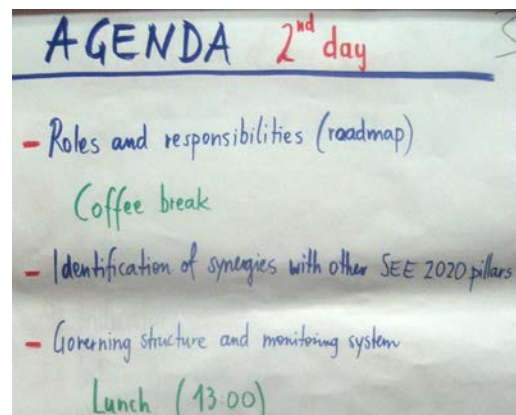
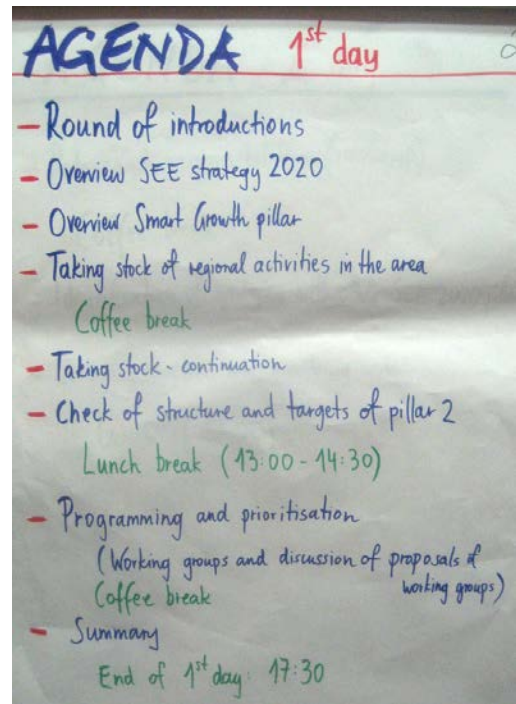


## Table of contents

0. Background .....	4
1. Welcome and introduction .....	4
2. Overview of SEE strategy 2020 .....	4
3. Overview of Pillar 2 "Smart Growth" .....	5
4. Stock-taking of regional activities .....	6
5. Check of structure and targets of Pillar 2 .....	10
5.1. Structure .....	10
5.2. Targets.....	11
6. Programming and prioritization .....	13
6.1. Structure of measures .....	13
6.2. Programming of dimension "Education" .....	14
6.3. Programming of dimension "Research and Innovation" .....	15
6.4. Programming of dimension "Digital Society, Culture and Creative Industries" .....	16
7. Roles and responsibilities.....	17
7.1. Roadmap .....	17
7.2. Next steps.....	20
8. Identification of synergies with other pillars of SEE 2020.....	20
9. Governing structure and monitoring system.....	22
10. Resumé of participants.....	23
11. Annexes .....	23
11.1. Presentation Arifagić.....	23
11.2. Presentation Dragašević.....	23
11.3. Presentation OECD monitoring .....	23

## Agenda and list of participants

- 1) Mr. Sanjin Arifagić (RCC)
- 2) Ms. Ute Dannenmann (GIZ)
- 3) Ms. Elke Dall (WBC-INCO.NET)
- 4) Mr. Mladen Dragašević (RCC)
- 5) Ms. Dragana Đurica (RCC/SEEIC)
- 6) Ms. Aspasija Hadzisce (ERI SEE)
- 7) Ms. Alma Hasanovic (BiH Ministry of Civil Affairs)
- 8) Ms. Efka Heder (SEECEL)
- 9) Ms. Alexandra Hilbig (GIZ)
- 10) Ms. Emina Kadrić (IFI Coordination Office)
- 11) Mr. Milan Konopek (OECD)
- 12) Ms. Snezana Maric (Refresh Production)
- 13) Martino Rubal Maseda
- 14) Ms. Jelica Minić (RCC)
- 15) Mr. Ladislav Novak (University of Novi Sad)
- 16) Mr. Alan Paic (OECD)
- 17) Ms. Sandra Roncevic (SEECEL)
- 18) Mr. Nenad Sebek (CDR SEE)
- 19) Mr. Nand Shani (RCC Secretariat)
- 20) Ms. Diana Simic (eSEE)
- 21) Mr. Borislav Surdic (RCC Task Force on Culture and Society)
- 22) ???



### Facilitation

Mr. Herwig Langthaler and Mr. Harald Payer (ÖAR Regionalberatung GmbH)

## 0. Background

Following the adoption of the SEE 2020 Vision and the endorsement of high-level regional headline targets for growth by the SEE region's Ministers of Economy, the Regional Cooperation Council (RCC) and its partners initiate the development of a regional SEE 2020 strategy, as the main regional framework for growth. The strategy is based on five pillars:

- (i) integrated growth,
- (ii) smart growth,
- (iii) sustainable growth,
- (v) inclusive growth, and
- (vi) good governance for growth.

The process of associating various stakeholders with the pillars of SEE 2020 and the strategy implementation requires a de-centralized approach in strategy development. Bringing together the relevant contributors within each of the pillars is the first step envisioned in the strategy development process. The day and a half workshop on smart growth, organized by the RCC, is focused to raise awareness on the SEE 2020, to prioritize action, and to commit participants to the process and governance structures within this pillar of the strategy.

## 1. Welcome and introduction

Jelica Minić (RCC) is welcoming the participants and explaining the main objective of the workshop: namely to jointly start considerations on the strategy of the 2<sup>nd</sup> pillar (Smart Growth) of the SEE 2020 strategy, in particular to discuss content as well as the roadmap till finalization of the strategy.

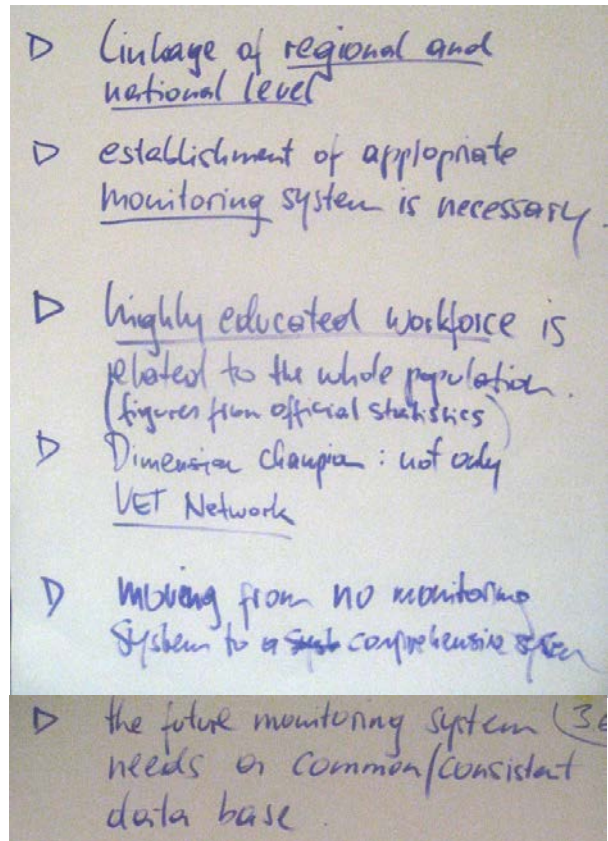
## 2. Overview of SEE strategy 2020

Sanjin Arifagić explains the overall purpose of the South East Europe 2020 strategy, in particular to develop a coherent regional strategy framework which shall strengthen the economic development of South East Europe as well as complement the Europe 2020 strategy in order to channel EU assistance in the coming years. Furthermore he explains the

structure of the strategy with its 5 pillars and the planned process leading to an approved strategy paper by the end of 2013 (PPT see annex).

Throughout the discussion and the clarification of comprehension questions, the following issues are raised:

- National strategies: the success of the regional strategy will highly depend on the linkage with national strategies. Only if national strategies will support the regional objectives the ambitious objectives might be met.
- Monitoring system: successful implementation of the strategy as from 2014 will require an appropriate monitoring system. Within the development of this system the specific regional aspects have to be taken into consideration. It will be a challenge to develop such a system with a consistent data base since there are no adequate regional experiences hitherto, to which one can built on.
- Higher education: figures are taken from official statistics and are in relation to the whole population.
- Coordination of dimensions: the so-called dimension champions (dimension coordinators) within the dimension "Skills" are not only related to the VET network but to a broader basis.

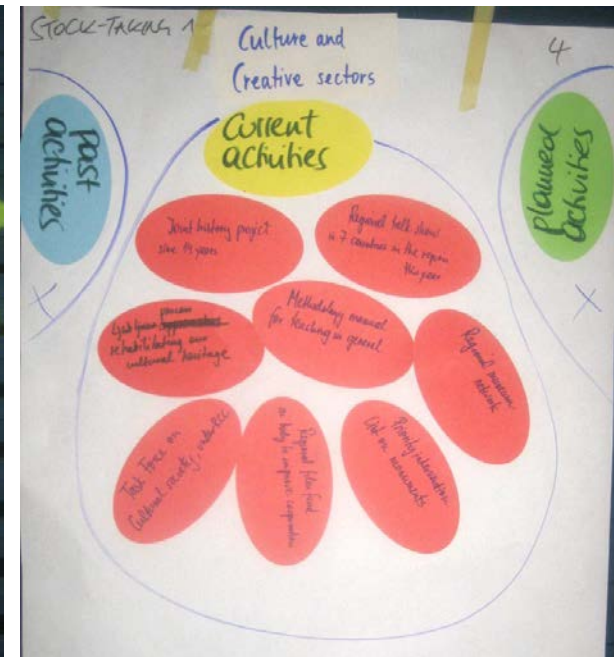


### 3. Overview of Pillar 2 "Smart Growth"

Mladen Dragašević presents structure and contents of pillar 2. He explains the three dimensions "Skills", "R&D and innovation" and "Culture and creative sectors", whose structure and wording will be discussed later in this workshop (PPT see annex).

#### 4. Stock-taking of regional activities

For each of the three dimensions of the 2<sup>nd</sup> pillar current, past and planned activities are gathered as a first brain storming in order to gain an overview about the range of relevant activities. The identified activities can in a later phase of the strategy process facilitate the elaboration of measures in each of the dimensions. The workshop participants agree to rename the dimension "Skills" into "Skills/Competences" as competences is a broader term and also more compliant with EU nomenclature. "R&D and innovation" is renamed into "Research and Innovation".



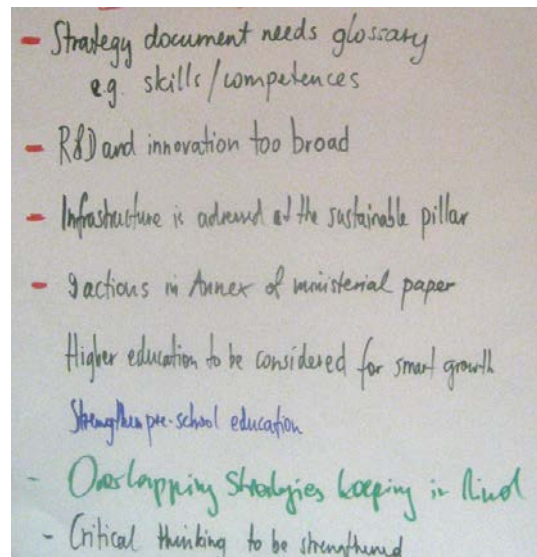
Skills/Competences	Research and Innovation	Culture and creative sectors
<b>Past activities</b>		
SEECEL: Learning outcomes defined for entrepreneurship a key competence (ISCED 2, ISCED 5+6)	Project on sector specific competitiveness (OECD)	
Strategic pilot network established (SEECEL)	SME Policy Index	
2004-2010: Regional secretariat with 4 pillars in education (ERI SEE)		
2010-2012: 3rd MoU > interim secretariat as NGO		
Regional project on vocational orientation		
<b>Current activities</b>		
Project "Frame" on framing skills needs > foresight... (ETF)	RCI project (OECD)	Joint history project
SEE chapter for entrepreneurial learning (SEECEL)	Industry concentration (CEFTA)	Regional talk show in 7 countries
Software activities	Project on industrial policy	Methodology manual for teaching
Reform of TVET and linkages to regional labour market (GIZ)	Steering platform for Western Balkans	Regional museum network
Project "Matching" (ETF)	WBC-inco.net	Ljubljana process for rehabilitation of cultural heritage
Torino process on vocational training > evidence based policy making (ETF)	Regional dialogue in innovation (SEEIC)	RCC Task Force on Cultural Society
WB education platform	WB strategy for research and innovation	Priority interventions (list of monuments)
e-government training		Regional Film Fund
e-SEE agenda and e-SEE agenda +		
Building capacity for structural reform in higher education (university Novi Sad)		

Skills/competences	R&D and innovation	Culture and creative sectors
<b>Current activities</b>		
Activities on entrepreneurial learning and qualification frameworks in the region		
Institutional capacity and e-government (e-SEE)		
Centre for e-governance development		
Digitalization of libraries (e-SEE)		
Developing programme for e-government		
e-business network		
Train the trainer network, non-formal entrepreneurial training (GIZ)		
Adult education > only in BiH (GIZ)		
Cluster on vocational training, national qualification framework, evidence based policy-making		
<b>Planned activities</b>		
Regional doctoral studies	Next generation project	
Feasibility study 2025 (approved by EU COM)	EDIF: Enterprise and innovation (high growth enterprises)	
Continuation with clusters (recognize priorities)	Technology transfer, Research excellence, Innovation and Centres of excellence facility	
TNA on trade facilitation (GIZ)	Regional research platform	



The discussion related to the stock taking mainly touched the following issues:

- Glossary: it is proposed that a glossary could be elaborated for the SEE 2020 strategy paper.
- Research and innovation is seen as an area too broad for one of the dimensions of the strategy. It might be split in three sub-dimensions.
- In which part of the strategy should hard infrastructure be placed? Perhaps in the pillar sustainable growth?
- For the future work on pillar 2 it should be considered that in the annex of the paper from the Ministerial Conference of the SEEIC in November 2011 in Tirana already 9 actions are defined. Within the Kick-off workshop of pillar 1 such input from the same paper was also subject of discussion. The 9 actions for pillar 2 are:
  - i) Promoting triple helix linkages...
  - ii) Promoting free flow of talent in the region (recognition of diplomas)...
  - iii) Encouraging "brain gain" through targeted networking with the diaspora...
  - iv) Supporting private and public sector investment in R&D via regionally coordinated policies...
  - v) Facilitating the participation of enterprises and scientific institutions in EU programmes...
  - vi) Raising the level of knowledge absorption via policies that support existing clusters, networks and centres of excellence...
  - vii) Promoting natural science, maths and engineering studies...
  - viii) Using available resources and private sector expertise to increase the level of combined public-private sector investment in R&D
  - ix) Considering measures to support business investment in R&D
- The topic of higher education is to be considered in the smart growth pillar.
- Pre-school education is to be strengthened as basis for smart growth as well as the ability of critical thinking in general.
- Generally the overlaps with other parts of the strategy have always to be kept in mind throughout the strategy development process.

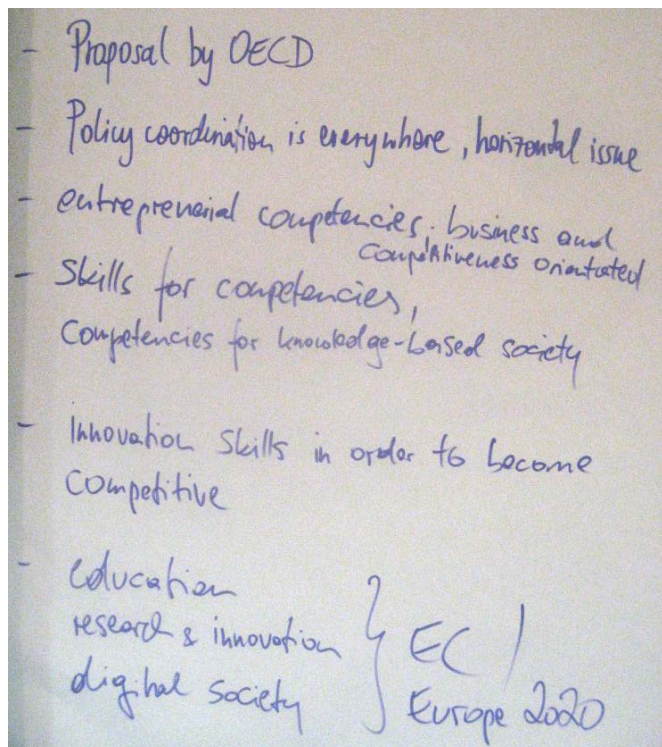


## 5. Check of structure and targets of Pillar 2

### 5.1. Structure

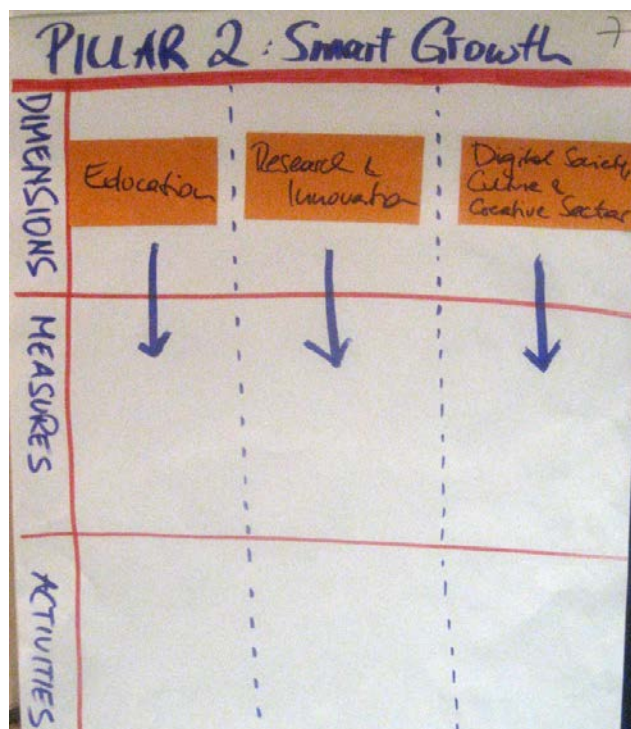
Before starting the detailed discussion on the content of each of the three dimensions the workshop participants are checking the coherence of the structure of pillar 2. The main discussion points are:

- Concrete proposal by OECD on a new structure for the pillar. OECD is presenting slides explaining the 5 proposed dimensions - culture and the creative sectors could be a 6th dimension (see PPT in annex).
- Policy coordination is seen as horizontal issue and has to be considered in all parts of the strategy.
- Proposals for alternative dimensions under pillar 2: "Skills for competences", "Competences for knowledge based society", "Entrepreneurial competences, business and competitiveness oriented"
- The wording shall be in line with the nomenclature of the EU Commission and the Europe 2020 strategy, therefore the three dimensions might be:
  1. Education
  2. Research and Innovation
  3. Digital Society



After discussing various possibilities the workshop participants agree on the following structure of dimensions under pillar 2 "Smart Growth". Each of the dimensions will later on comprise several measures, and the measures will consist of relevant activities:

1. "Education"
2. "Research and Innovation"
3. "Digital Society, Culture and Creative sectors"



## 5.2. Targets

There are 2 targets of pillar 2 already approved by the Ministerial Conference in Tirana:

- a) Increase of GDP per person employed by 33% till 2020
- b) Add 300.00 highly educated people to the regions workforce

Each target has been developed through addition of quantified national objectives.

Check of targets: GDP per person employed, €

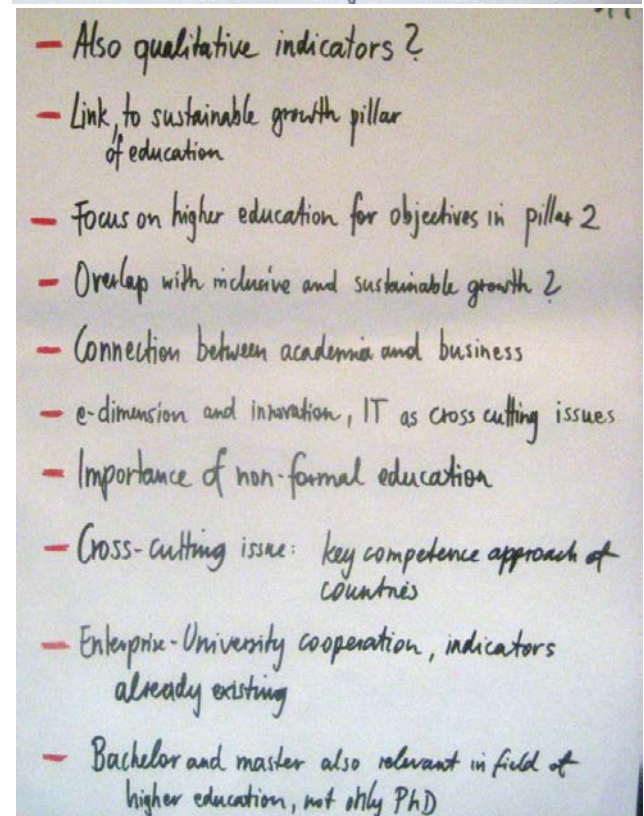
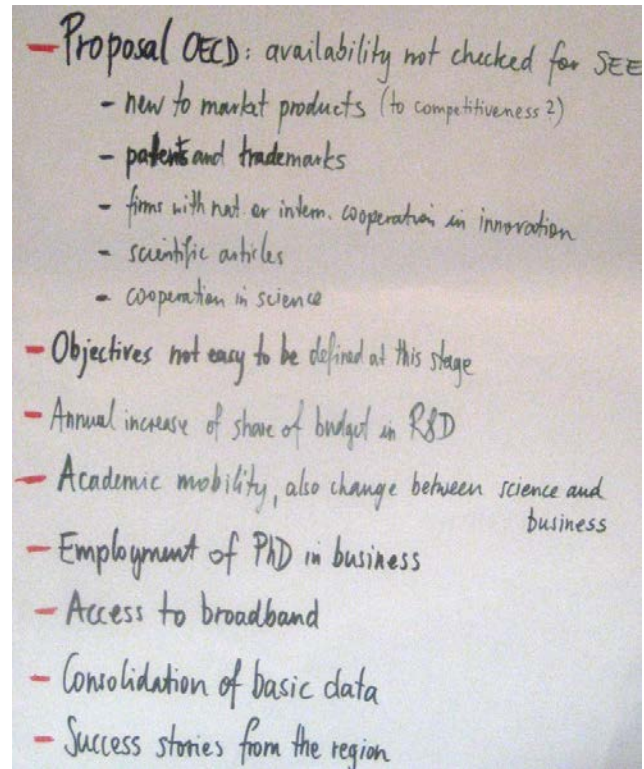
	2010	2020
ALB	9.767	13.986 (+43%)
BIH	14.911	20.875 (+40%)
CRO	29.117	37.852 (+30%)
KOS	n/a	n/a
MKD	16.708	21.700 (+30%)
MNE	14.823	n/a
SER	12.311	16.113 (+31%)
Σ		

Check of targets: Tertiary Educated Workforce, no. of persons with tertiary education

	2010	2020
ALB	216.558	+ 43.442 (260.000)
BIH	213.000	+ 42.000 (255.000)
CRO	504.800	+ 100.200 (605.000)
KOS	n/a	n/a
MKD	169.791	+ 34.209 (204.000)
MNE	56.600	+ 11.400 (68.000)
SER	546.291	+ 108.709 (655.000)
Σ		+ 359.960

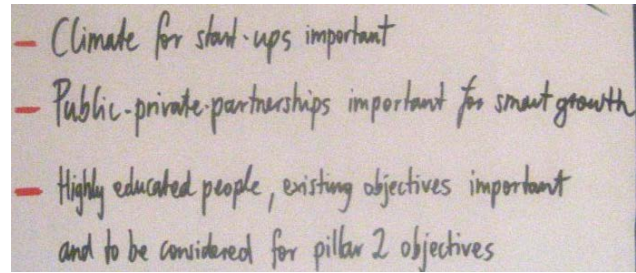
The discussion under this agenda point indicates additional aspects related to targets and indicators which might later support the formulation of additional targets. There is no decision been taken at this stage of strategy development on a change of the targets listed above.

- Additional indicators could be considered such as new to market products, number of annual start-ups, number of annual patents and trademarks, number of firms with cooperation in innovation, scientific articles or cooperation in science.
- Other proposals for indicators include the annual increase of share of R&D expenditures to GDP, academic mobility, exchanges between science and business (e.g. start-ups coming from science), employment rate of PhDs (masters and bachelors) in business, or access to broadband.
- In any case all indicators will need consolidated regional data.
- Qualitative indicators might also be developed.
- Links with other pillars shall be considered, in particular of education with the sustainable growth pillar and general overlaps with the inclusive growth pillar.
- The objectives of pillar 2 should reflect clearly higher education and the connection between academia and business.
- e-dimension (e.g. e-learning), innovation and the key competence



approach might be cross-cutting issues.

- Furthermore non-formal education, the climate for start-ups, PPPs have been mentioned as relevant issues.

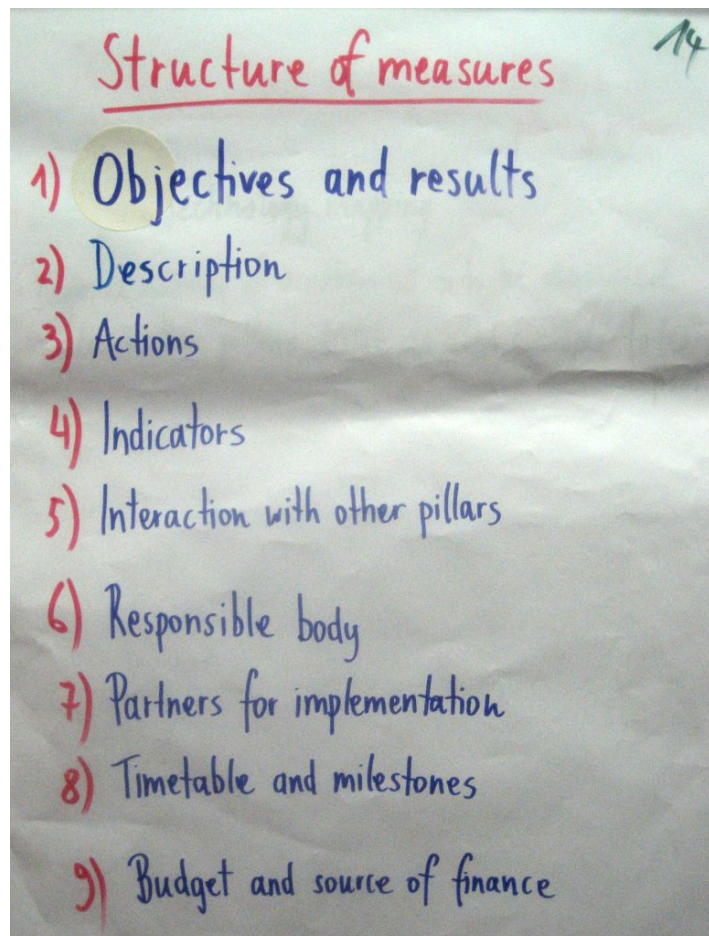


## 6. Programming and prioritization

The programming of pillar 2 is being started in three groups, each proposing possible measures for each of the three dimensions. These proposals will be the basis for detailed programming in the coming weeks and months in each of the three dimensions. Before that the general structure of measures, as developed and agreed in the previous strategy process is presented.

### 6.1. Structure of measures

In order to secure the overall coherence of the SEE 2020 strategy each measure in each of the dimensions along all 5 pillars shall have the same structure.



## 6.2. Programming of dimension "Education"

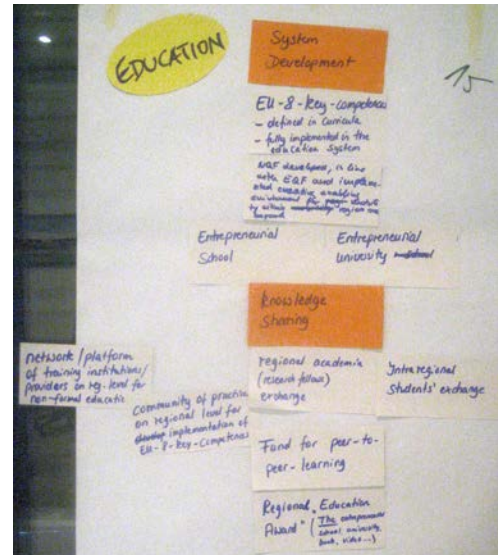
The proposal of the working group on the education dimension comprises 2 areas "system development" and "knowledge sharing". Each of these areas consists of several measures:

### a) System development

- EU-8 key competences (defined in curricula and implemented in the education system, NQF developed, in line with EQF)
- Entrepreneurial school
- Entrepreneurial university

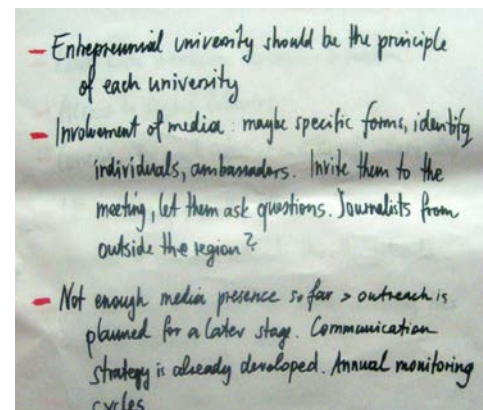
### b) Knowledge sharing

- Regional academia exchange (research fellows)
- Intra-regional students exchange
- Network/platform of training institutions/providers on regional level for non-formal education
- Community of practice on regional level on implementation of EU-8 key competences
- Fund for peer-to-peer learning
- Regional "Education Award" (The entrepreneurial school , university, bank, video...)



Feedback in the plenary discussion to this proposal included the issues indicated below:

- The entrepreneurial university should ideally be the principle of each university
- Media should be directly involved in the implementation of this dimension. This might happen e.g. through identification of individual journalists or the nomination of ambassadors. The group is in favour of inviting journalists to meetings of the strategy process. It is planned by RCC in any case to reach a high media presence in a later stage of the strategy process. A communication strategy is already developed.



### 6.3. Programming of dimension "Research and Innovation"

The working group on "Research and Innovation" proposes measures in two fields, namely

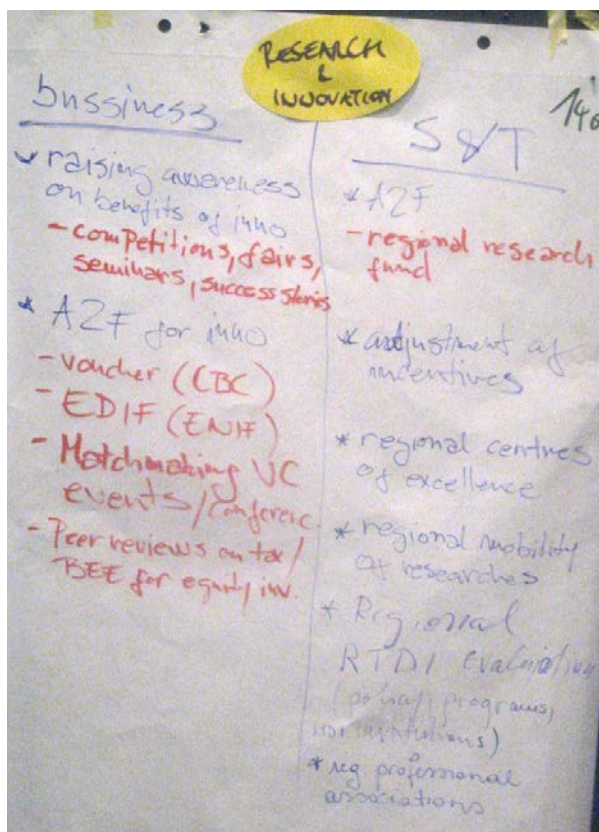
a) business and b) Science & Technology (S&T):

#### a) Business

- Raising awareness on benefits of innovation, through competitions, fairs, seminars and success stories
- A2F (access to finance) for innovation, through CBC voucher, EDIF (ENIF), Matchmaking VC events, peer reviews on tax, BEE for equity investments

#### b) Science & Technology

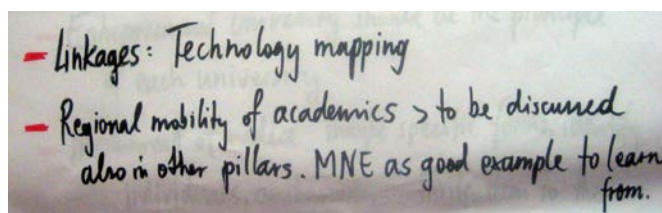
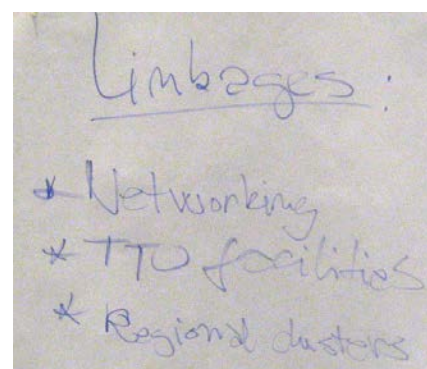
- A2F by regional research fund
- Adjustment of incentives
- Regional centres of excellence
- Regional mobility of researchers
- Regional RTDI evaluation (policy, programs, RTDI institutions)
- Regional professional associations



Linkages of this dimension are seen with networking activities, technology transfer facilities and regional clusters.

Feedback of the other workshop participants is mainly

addressing possible links to technology mapping, and that regional mobility of academics should be discussed in other pillars as well. Hereby Montenegro might serve as good example to learn from.



#### 6.4. Programming of dimension "Digital Society, Culture and Creative Industries"

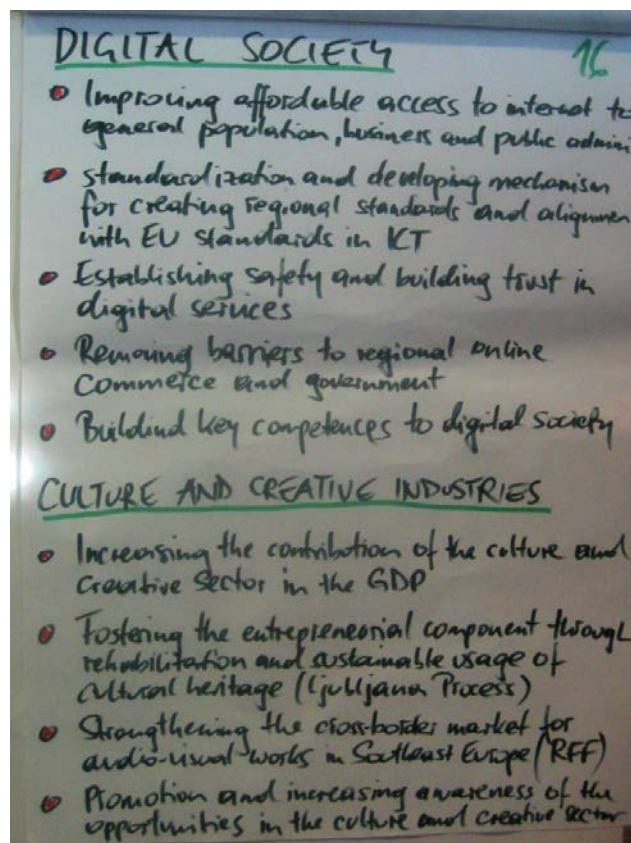
The respective working group further refines the title of this dimension which is now "Digital Society, Culture and Creative Industries" (industries instead of sectors). Under this dimension of pillar 2 the following measures are proposed, they are allocated to two areas, a) digital society and b) culture and creative industries:

##### a) Digital Society

- Improving affordable access to the internet to general population, business and public administration
- Standardization and developing mechanisms for creating regional standards and alignment with EU standards in ICT
- Establishing safety and building trust in digital services
- Removing barriers to regional online commerce and government
- Building key competences to digital society
- Digitalization of cultural heritage and creation of digital content

##### b) Culture and Creative Industries

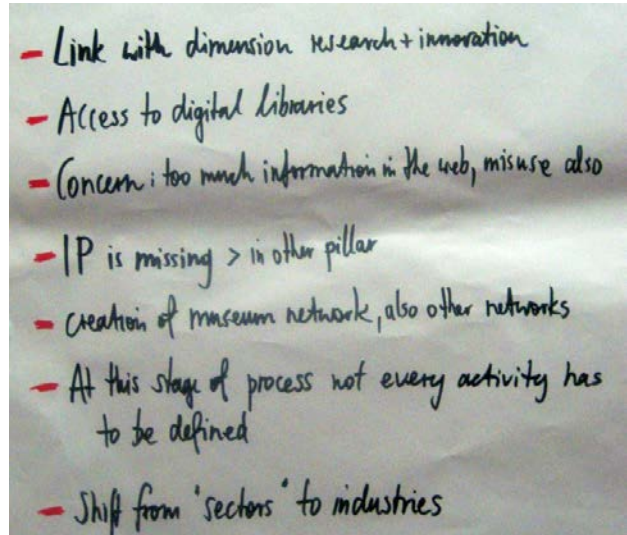
- Increasing the contribution of the culture and creative sector in the GDP
- Fostering the entrepreneurial component through rehabilitation and sustainable usage of cultural heritage (Ljubljana process)
- Strengthening the cross-border market for audio-visual works in Southeast Europe (Regional Film Fund)
- Promotion and increasing awareness of the opportunities in the culture and creative sector





Within the discussion of this proposal workshop participants complement this dimension through the following thoughts:

- Consideration of link to the dimension "Research and Innovation" within the smart growth pillar.
- Consideration of access to digital libraries (attention to misuse of internet)
- Intellectual property rights are missing but shall be addressed in another pillar.
- The creation of a museum network and other networks shall also be considered.



## 7. Roles and responsibilities

### 7.1. Roadmap

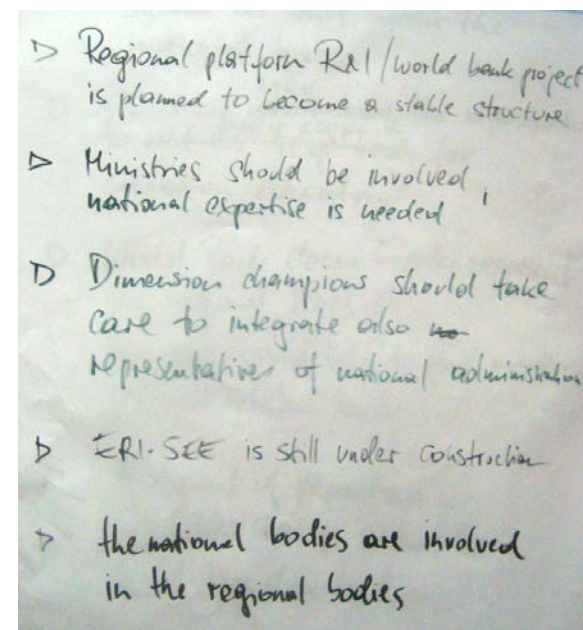
Based on the consensus on the structure of pillar 2 as well as on the deadlines given from the overall strategy process the workshop participants elaborate a roadmap of main milestones. This roadmap defines in particular the responsibilities for further coordination of the three dimensions and the necessary time schedule.



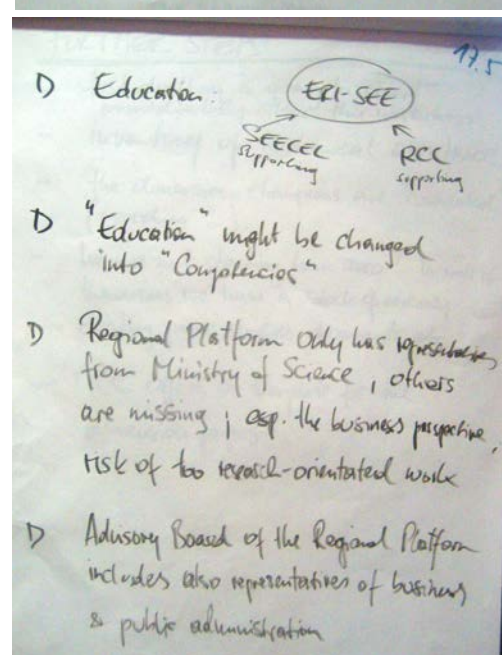
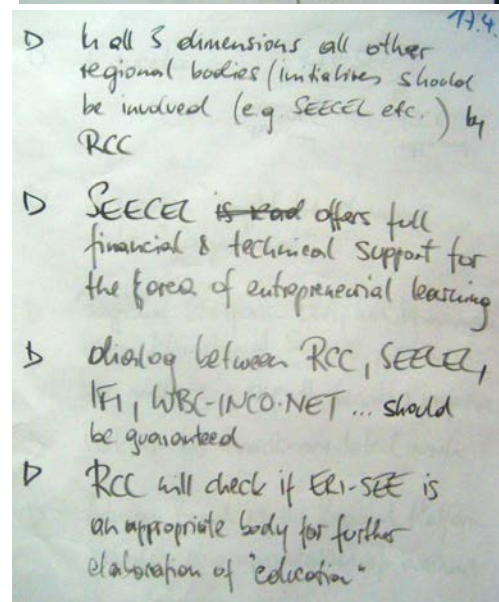
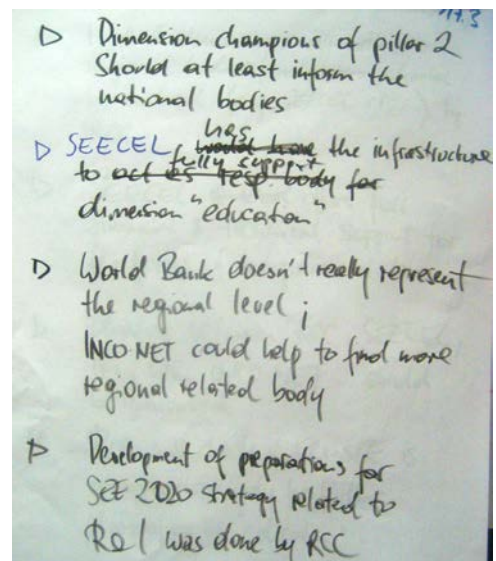
Dimension	Responsibility	01/2013	02/2013	03/2013	04/2013	05/2013	06/2013	07/2013	08/2013	09/2013	10/2013	11/2013	12/2013
Education	ERI-SEE (together with RCC and SEECCL)		Drafting	1 <sup>st</sup> meeting	2 <sup>nd</sup> meeting	First draft							
Research and Innovation	Project structure of regional platform project		Drafting	1 <sup>st</sup> meeting	2 <sup>nd</sup> meeting	First draft							
Digital Society, Culture and Creative Industries	e-SEE (together with RCC Task Force on Culture and Society)		Drafting	1 <sup>st</sup> meeting	2 <sup>nd</sup> meeting	First draft							
SEE Strategy 2020							First draft				Strategy finalized	Strategy adoption	

The discussion of the roadmap covers in particular the following issues:

- The steering structure of the regional platform project is expected to be a stable structure and capable of coordinating one of the dimensions (Research and Innovation).
- In the foreground stands the strategy development on regional level. However it should be guaranteed that also the national expertise in all three dimensions is involved into the process in an appropriate manner, in particular by integrating representatives from national ministries.
- ERI-SEE is still under construction but trusted to be capable to take over the coordination of one of the dimensions (Education). In this task ERI-SEE will be supported by RCC and SEECCL.

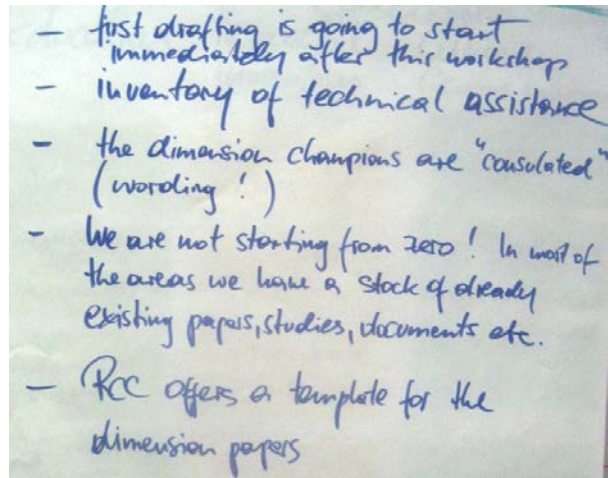


- SEECEL has the infrastructure to fully support the coordinator of the dimension "Education" and furthermore offers full financial and technical support for the area of entrepreneurial learning.
- WBC INCO-NET could support as a regional body (because the World Bank is definitely not a regional body)
- RCC is going to check that all above mentioned responsible bodies are capable to fulfil their tasks.
- RCC takes care of appropriate involvement of all relevant regional bodies (e.g. RCC itself, SEECEL, IFI, e-SEE, WBC-INCO.NET etc.) into the working process of each dimension.
- The drafting processes are coordinated by the responsible regional bodies, which also have to take care for on-going support and feedback by other relevant experts.
- The drafting process should not to be delegated to one single person, but rather to a drafting team.
- The dimension coordinators (formerly dimension champions) for the further development of the dimension strategies of the smart growth pillar are:
  - 1) ERI-SEE for "Education" supported by RCC and SEECEL,
  - 2) Regional Research Platform for "Research & Innovation",
  - 3) e-SEE for "Digital Society, Culture and Creative Industries" supported by the RCC Task Force on Culture and Society.



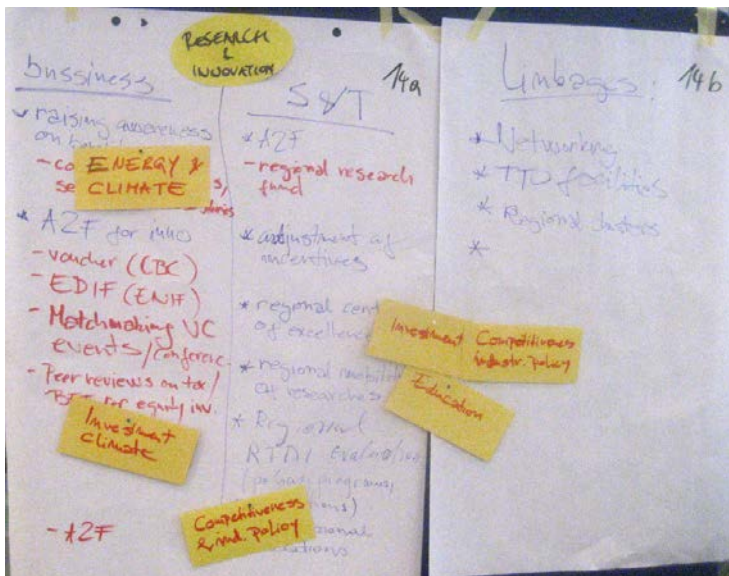
### 7.2. Next steps

- The responsible bodies are going to start with the drafting process immediately after the workshop.
- Dimension coordinators are consulted regarding the wording (champions > coordinator)
- RCC will provide a template for the drafts of dimensions within the SEE 2020 Strategy.



### 8. Identification of synergies with other pillars of SEE 2020

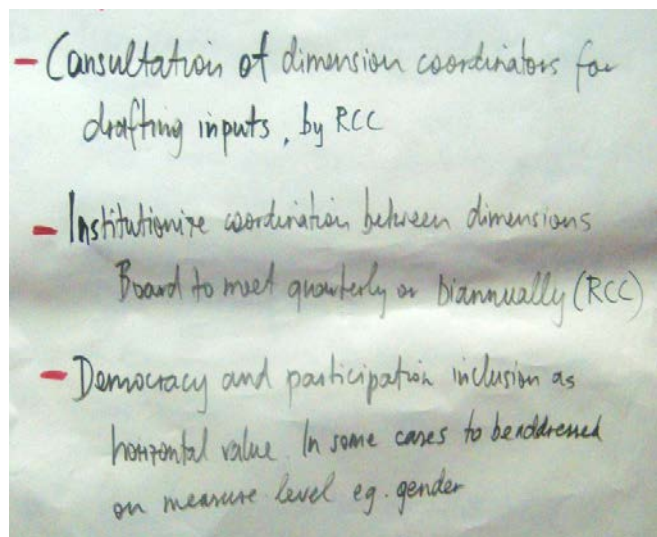
The same working groups which have in the last steps proposed possible measures for each of the three dimensions continue their work and specify the most important synergies and links of the respective dimension (and its measures) with other pillars of the strategy.



Dimensions of pillar 2 "Smart Growth"		
Education	Research & Innovation	Digital Society, Culture and Creative Industries
Link to sustainable growth	Link to energy and climate	Barriers to creative industries, intra-regional trade, e-customs > link to trade liberalization
Intra-regional trade > link to integrated growth	Link to investment climate	ICT sector, creative industries, increase trade, FDI inflow > link to investments
Link to investment climate	Link to competitiveness and industrial policy	Culture, e-business, enterprise creation > link to competitiveness and industrial policy,
Link to inclusive growth	Link to investment	ICT in education, entrepreneurial skills > link to education ???
Public administration, fighting corruption > link to governance for growth	Link to education	Link to public administration reform, ICT's barriers ???
		Missing dimension: democracy, participation, inclusion

Discussion about links and synergies:

- The RCC consults the dimension coordinators (formerly dimension champions) throughout the next working steps (drafting).
- The coordination and exchange between the dimensions will mainly take place within quarterly or bi-annually meetings organised by the RCC; these meetings shall guarantee the coherence between the 15 dimensions of all pillars.
- The linkages between the different parts of the strategy is mainly to be carried out at the level of dimensions; not at the level of measures nor on pillar level.
- There are some horizontal values, which should be integrated in most of the dimensions, e.g. democracy and participation, gender etc.



## 9. Governing structure and monitoring system

- For the success of the strategy the translation from the regional level to national strategies is important. Countries should be seriously integrated into the process. RCC confirms that national administration representatives will be involved in the next steps of the strategy development as well as in the feedback loops.
- RCC has the mandate to coordinate the development process of the strategy. RCC is even directly mandated by the national governments - also for coordinating other regional bodies.
- Monitoring: a set of measurable regional indicators has to be defined (with support of OECD) and is already under development. Main part of the monitoring will be the regular and already existing country reports.
- The smart growth pillar needs representatives from both business and science for its steering structure.
- The European Commission supports the SEE 2020 process - existing regional activities related to all 5 pillars are EU funded. SEE 2020 is the relevant platform for targeting EU funds to the region. Also the national development strategies and plans are important for the EC.

↳ Responsibility for M. System is on the Countries' level (country reports)

↳ Elaboration of a regional monitoring system, supported by OECD, is in process.

▷ Translation from regional to national level

▷ RCC have got the mandate to elaborate out the strategy;  
 ▷ Currently a higher political support is still missing;  
 SEE 2020 needs a stronger mandate for steering the process

▷ Monitoring: a set of measurable indicators has to be defined, with the support of OECD

▷ Smart Growth Pillar needs both Business representatives & science representatives in its steering structure

▷ How can we guarantee the coherence between 15 dimensions?

▷ aggregation of dimensions under each pillar

▷ EC supports the SEE 2020 Strategy process! SEE 2020 is the relevant platform/base for targeting the funds

▷ The countries should be integrated into the process seriously.

▷ The countries' national development strategies & plans are also very!

Important for EC, translation from regional to national strategies is necessary.

▷ the national administration representatives are definitely planned to be involved again within the next steps of strategy development process.

▷ All 5 pillars are EU-funded!!

▷ RCC is directly mandated by the national governments! And, RCC is co-operates with regional bodies, constituted by the national governments.

▷ Do the process have efficient enough feedback-loops to the national level?

## 10. Resumé of participants

- A good first step
- Rich discussion, less conclusion
- Now we have a better mutual understanding, and a lot of things have to be done
- Thanks to RCC
- Workshop was useful for streamlining the process
- Structured approach is very helpful, thanks to the facilitators
- It's a good process
- The workshop raised a broad picture of the things to be done
- It's a first step into the right direction
- Involvement of other relevant stakeholders is important
- I'm looking forward to continue
- Constructive atmosphere

## 11. Annexes

### 11.1. Presentation Arifagić

### 11.2. Presentation Dragašević

### 11.3. Presentation OECD monitoring