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Collective Vision for Insular Regions Knowledge-based Development

Project Deliverable n.5.1

*(accompanying document of the “Policy Intent Declaration for
Inter-regional cooperation among insular regions to accelerate the
development of the Knowledge-based economy in the European
Research Area”)*

In the framework of the IN.TRACK Project

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Foreword

The Industrial Revolution of the XIX century and the Scientific Revolution of the XX century have settled the conditions for the emergence of the knowledge-based economy in the world.

Economic activities associated with the production and utilization of information and knowledge have become the engine of economic growth in developed countries, increasingly transforming all the other dimensions of development and the entire *modus vivendi* and *modus operandi* of our societies.

The development of the knowledge-based economy in all EU countries is a major goal set by the European Union at the Lisbon European Council in March 2000, where Europe's Heads of State and Governments set the objective of turning Europe into "*the most competitive and dynamic knowledge society in the world, capable of sustainable economic development, accompanied by a quantitative and qualitative improvement in the level of employment, and greater social cohesion*".

The knowledge-based economy is a much complex and broader phenomenon than the collection of Information and Communication Technologies (ICT) and is made up of different dimensions and aspects. There are three major trends that underpin the contemporary knowledge-based economy and that, in combination, make the case for using this terminology:

- the rise of the "service economy" and intangible investments;
- the emergence of new Information and Communication Technologies and the Information Society;
- new requirements for, and approaches to, knowledge, in "learning organisations".

There are other features of current developments that also bear on the knowledge-based economy, such as globalisation, which increases the need for change and performance by the firms or the nations, and innovation, which triggers growth and wealth for a society.

In qualitative terms, the knowledge-based economy has caused a fundamental change in the society as a whole, reflected in the ways and means by which social and economic agents acquire, generate, distribute and utilize knowledge and information; organize the production, work processes and trade; interact with each other; participate in political processes etc.

The pace of development of the knowledge-based economy has been, however, very uneven, not only among European countries, but also throughout European regions. Since the beginning of the 1990s, differences in the level of development of the knowledge-based economy have appeared growing among and within countries.

A recent paper¹ pointed out that the 'knowledge economy', as defined officially by OECD and by the European Union, is an urban, metropolitan phenomenon. Places where the knowledge-based economy has developed most tend to contain, or be composed of, capital cities that are also leading national or international media and financial centres or major automotive or ICT engineering/manufacturing cities or regions. By contrast, the lesser 'knowledge economy' regions are remote, insular, rural, agricultural and above all, beautiful and touristic. Such low 'knowledge economy' regions are engaged in sectors with lower productivity, innovation and GDP.

¹ Source: De Laurentis, C. Cooke, P. Glyn, (April 2003): "Barriers to the Knowledge Economy. New media cluster in the periphery", working paper presented at the Regional Studies Association International Conference.

The challenges facing most of the insular regions are therefore formidable but the same time, the gaps are reversible. Regardless of its size and the initial level of development of the major components of the knowledge-based economy, any region can achieve a desired level by effectively implementing regional strategies that foresee strategic interventions in the areas that are most critical for the creation of a knowledge-based economy, such as: institutions; education; information and innovation systems; development of key strategic sectors; technology development; legal framework and human resources development.

In this way, every insular region of the European Union plays an important role in bringing Europe faster into the knowledge-based economy and strengthening the European Research Area.

IN.TRACK project and its role in accelerating the knowledge-based economy in 4 European insular regions

IN.TRACK (INsular Regions Knowledge TRACKEr²) is one of the 14 projects financed by the European Commission within the framework of the “Regions of Knowledge” KnowREG Pilot Action, initiated by the European Parliament in 2003 and fully developed and deployed by the European Commission. The main aim of the action is to demonstrate the central role of knowledge in driving regional development and how regional actors can effectively participate in formulating their regions' future.

In particular, IN.TRACK's main objective is to promote the implementation of the knowledge-based economy and society in 4 European regions characterised by insularity -the Canary Islands, Madeira, Crete and Sicily- through the application of the European Awareness Scenario Workshop (EASW), a participatory consensus-based methodology and a systematic approach that can be shared and eventually transferred to other regions (insular and non) in Europe.

IN.TRACK project partners are:

-Instituto Tecnológico de Canarias (ITC), Spain- project coordinator

The Canary Islands Technological Institute (ITC) is a public enterprise, created by the Government of the Canaries whose main objective is promoting and supporting the technological and innovation development within the Archipelago.

² <http://www.intrack.org>

–Consorzio Catania Ricerche (CCR), Italy

Consorzio Catania Ricerche is a non-profit Institute created to be an effective link among academic research and local industries; its main aims are know-how transfer, technological innovation spreading, applied research, advanced training, services for companies and territorial development in Sicily.

– Science and Technology Park of Crete (STEP-C), Greece

The Science and Technology Park of Crete (STEP-C) was founded by the Foundation of Research & Technology – Hellas (FORTH) one of the largest research centers in Greece in 1993. Its main goals are: exploitation of academic research; incubation of high-tech startups; training and enhancement of entrepreneurship and regional development.

–Centro de Empresas e Inovacao da Madeira (CEIM), Portugal

The Madeira Business and Innovation Centre (CEIM /BIC Madeira) is an enterprise with public and private shareholders, mostly owned by the Regional Government of Madeira through its Vice Presidency, whose main objective is promoting and supporting innovation in regional SMEs and in Madeira Region.

One of IN.TRACK main outcomes has been the preparation of Regional Knowledge Building Action Plans, one for each region, which provide in the first place, a detailed snapshot of the region's potential, its unique opportunities and challenges and, in a second step, a series of approaches and solutions -shared by the local stakeholders- that are expected to help regional policy-makers to take strategic decisions with regards to the challenges to be faced in the development of institutions, information and innovation systems, education and human resources

and other areas crucial for the development of a knowledge-based economy.

These Action Plans are the result of the EASW events held in each region during the period December 2004-March 2005, which counted with the participation of over 100 stakeholders (policy-makers, businessmen, university professors, researchers, environmental associations, citizen associations, SMEs representatives). The efforts of the key stakeholders in the four regions produced a total of 19 proposals of innovative actions to be implemented in order to accelerate the development of the knowledge-based economy in these territories.

Rationale behind the inter-regional policy intent declaration

IN.TRACK project was expected to define a set of joint actions agreed among the partners to stimulate the exchange of regional experiences, to identify successful practices and to promote region-wide cooperation of the insular regions of Europe, which are expected to accelerate the development of a knowledge-based economy in these regions.

Two key concepts, developed within IN.TRACK, are shared among the project partners:

- a collective vision for insular regions knowledge-based development;
- a methodology which stresses the importance of both upstream and downstream activities. The former is related to networking and cooperation among the insular regions whereas the latter refers to cooperation among stakeholders within the region, through the application of participatory consensus-based methodologies.

Collective Vision for insular regions knowledge-based development

The collective vision proposed by the IN.TRACK Consortium is based on the results derived from the EASW exercises³, previous studies of each region⁴ and discussions between the partners. Four main points, which are considered to be central for the vision of an insular region, have aroused: (i) the diversification of the economic activities in new areas and especially towards the direction of the information society; (ii) the diffusion of the innovation culture to the whole of the society; (iii) the development of the social capital of the regions; and (iv) the focus on the high quality of life that the regions may offer.

Based on these points, IN.TRACK partners formulated the following collective vision statement for their insular regions:

“The regions Canary Islands, Crete, Sicily and Madeira strive to accomplish the goals of a diversified economy based on Information Society and the converging technologies, while strengthening an innovation culture based on private-public partnerships aimed at enhancing the societal orientation towards education, research and continuous training. Additionally, they share the vision that a cohesive society will be developed by the growth of the social capital of the four regions, sustaining high quality of life standards, desirable by any European citizen”.

Networking, co-operation and participatory approaches in regional policy formulation

One important condition for the development of the knowledge-based economy in any particular country or region, and this is especially true for insular regions, is the promotion of international cooperation and networking. International cooperation and networking are concepts

³ See deliverable 3.2. ‘Regional Knowledge Building Action Plan’

⁴ See deliverable 2.1. ‘Regional Evaluation Report’.

widely discussed but their popularity tend to be accompanied by a general vagueness about what the idea exactly entails. Essentially, IN.TRACK understands international cooperation and networking as a set of mechanisms for mutual support, exchange of experience, ideas and sharing of good practice in order to boost the development of the knowledge-based economy on the grounds that experience shows that regions learn better and faster by being part of a collaborative learning environment.

Through inter-regional cooperation and networking the 4 regions are able to achieve intellectual and policy formulation synergies in dealing with common problems, whilst retaining the advantages of individual specialization and freedom of action. Inter-regional networking also offers participants a more global perspective on the knowledge-based economy development.

Learning from each other plays an important part in developing competence and in securing achievements. Inter-regional cooperation and networking among insular regions and participatory consensus-based approaches in policy formulation in the framework of the IN.TRACK project are new concepts for the regions involved to organize themselves with the aim of achieving a greater good, but also a new form of working among individuals from different regions.

The new concepts of work proposed by IN.TRACK will be mostly performed in a virtual environment, where location and distance are of no importance and where networking and participatory consensus-building methods will also challenge the structures and hierarchies inside the regions.

IN.TRACK partners have expressed their willingness to devote time and effort, resources, trust and goodwill in a learning environment in order to transform this initiative into a successful and long-standing

experience based on networking their skills, competencies and experiences.

Although the initiative is currently circumscribed to the 4 participating regions, it is expected that other insular regions in Europe will join over the next years.

Common actions to be undertaken by the regions

The set of actions proposed in the current document and listed here below are to be considered the first phase of the network operations and will be structured as a pilot action to be implemented by the 4 insular regions during a trial period of 18 months (from January 2006 until June 2007). IN.TRACK partners have expressed their intent to formalise a permanent and self-sustainable organisational structure based on a longer-term agreement, after the trial period. The network initial stage operations will be based on the following 4 actions:

Action 1: Creation of a Consultation Committee

A Consultation Committee involving the insular regions and their regional research and innovation organisations will be created. The aim of the Consultation Committee will be two-fold:

- to supervise the further implementation of the IN.TRACK project, whose distinguishing focus and lines of action will be centred around the themes articulated in the collective vision and on the diffusion of participatory approaches for regional policy making;
- to discuss and define new ways to support in the policy formulation process to accelerate the development of the knowledge-based economy in insular regions.

The Consultation Committee will be initially formed by the 4 IN.TRACK insular regions representatives. Membership will be open to other regional representatives from insular regions.

The Consultation Committee will appoint a chairperson/spoke-person who will be in charge of general supervision and of regularly informing the interested institutions on the latest activities and developments.

The Consultation Committee will also appoint an organisation that will act as a “Secretariat” to support the Consultation Committee and the chairperson. The Secretariat will also assist the regions in the development of common projects and will ensure the fluent exchange of data and information. The appointed organisation shall have specific competencies and long expertise in the fields of research and innovation, regional development, technology transfer and application of participatory methodologies in regional policy formulation.

Action 2: Take-up of five (5) joint actions or new collaborative projects in the strategic areas of IN.TRACK core mission.

The common actions to be undertaken will be circumscribed to the following:

- areas of interest explicitly mentioned in the collective vision, shared by all regions;
- projects/initiatives that allow for the application and dissemination of participatory consensus-based approaches in regional policy making;
- collective RTD projects that support the implementation of actions proposed in the Regional Knowledge-building Action Plans.

Action 3: Exchange of data and information on innovation

In order to exchange information about innovation and the latest regional developments in this field, a six-monthly newsletter will be created and distributed to the partners, European institutions and other interested organisations. The newsletter will also inform about the implementation of the current common actions.

Action 4: Workshop Organisation

The option to organise an annual workshop to present and exchange the latest regional policies and take-up measures on innovation that are being implemented in each region will be evaluated at the end of the 18-month trial period.