

NORTH LANARKSHIRE COUNCIL

REPORT

TO: ECONOMIC DEVELOPMENT COMMITTEE		Subject: REGIONAL TECHNOLOGY PLAN FOR STRATHCLYDE
From: DIRECTOR OF PLANNING AND DEVELOPMENT		
Date: 20 November 1995	Ref: SCC/LB/E15/27(AM)	

The European Commission is attempting to bring about greater cohesion between policies for technology development and regional development. Regions which are currently in receipt of EC support for economic development are increasingly being encouraged to develop projects which focus on technology development, technology transfer and innovative activity within the region. With this aim in mind, the Commission has launched a pilot action to assist in the development of Regional Technology Plans (RTPs) in Objective 1 and 2 Regions.

Eight pilot regions have been funded to date, Wales being the sole UK representative. Strathclyde European Partnership and the Scottish Office Industry Department have participated in the RTP Network as observers for the last year along with Merseyside, Nord-Pas de Calais and Flevoland.

The Commission intends to expand the Regional Technology Plan Initiative during 1995 and are inviting Objective 1 and 2 regions to submit proposals for the development of RTPs by 15 December 1995.

It has been indicated that the UK is likely to gain approval for two further RTPs. Given that Strathclyde and Merseyside have participated as observers it would seem logical that they will be chosen. This would also give a reasonable geographical spread - Wales, Merseyside and Strathclyde - and would include Objective 1 and Objective 2 areas.

The main objectives of an RTP are given in the annex to this report. This also gives details of the purpose of the RTP, the methodology and structure.

The cost of the Plan is likely to be in the order of £400,000, half of which will be financed by the European Commission. The remaining £200,000 will require to be financed by the partners on the Steering Group.

Strathclyde European Partnership has taken a lead on the RTP. A seminar was held on 11 October 1995. They have commissioned John Stevens of John Stevens Associates to prepare the formal bid. He has met with many of the main "players" in the economic development field who are likely to form the steering group and to provide the balance of finance for the plan.

To date, the LEC network has provisionally agreed to fund the RTP as have the Further and Higher Education sectors. The local authorities will be required to fund around £30,000, assuming the bid is successful, over two years. As the Plan will not be commenced until mid 1996 at the earliest the funding will fall to the new Unitary Councils. No decision has been made on whether the contributions should be split evenly among the 12 authorities or whether some other method of calculation, eg. population based, should be used.

The Steering Group is likely to comprise around 10 members and would include representatives of the LECs, LA, Universities, Further Education Colleges, possibly Scottish Enterprise, Scottish Office and hopefully the Chamber of Commerce and Industry.

Based on a total Local Authority contribution of £30,000, North Lanarkshire Council might be expected to contribute between £2,500 and £4,500, over 2 years, depending on the calculation method chosen. There would be no guarantee of a place on the steering group for individual Councils. Representation would be on a personal basis, with no substitution.

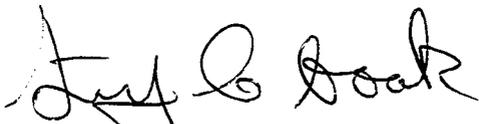
The Chairperson of the group may be someone from industry, education or a retired person. This is not fixed. Someone with good connections would be ideal. Suggestions would be welcomed.

At this stage it is important for the Council to indicate whether it would be prepared, in principle to support the Plan financially.

As the proposals to bid for a RTP must be submitted to the Commission by 15 December 1995, this Committee may wish to take executive powers to indicate its support, in principle, to support the plan financially.

RECOMMENDATIONS: IT IS RECOMMENDED THAT THE COMMITTEE AGREES

- (i) THAT A BID FOR A REGIONAL TECHNOLOGY PLAN FOR STRATHCLYDE SHOULD BE MADE TO THE EUROPEAN COMMISSION;
- (ii) THE COUNCIL SHOULD AGREE IN PRINCIPLE, TO SUPPORT THE PLAN FINANCIALLY



STANLEY C COOK
DIRECTOR OF PLANNING AND DEVELOPMENT



REGIONAL TECHNOLOGY PLAN
(EXTRACT FROM RTP GUIDEBOOK)

1. **The main objectives of setting up this RTP pilot action are two fold**
 - to encourage regions to develop regional innovation strategies and to improve the capacity of regional actors to make policies which take into account the real needs of the productive sector and the strengths and capabilities of the regional R&TD Community. These Plans could be based on a comprehensive review of the capabilities to meet the regional firms R&TD requirements at the regional, national and international levels if necessary and of the regional socio-economic actors to meet these requirements.
 - to provide a framework for both the regions and the European Community for optimising policy decisions regarding future investments in R&TD initiatives at the regional level. They must complement the existing existing national and Community R&TD strategies, particularly with regards to the EC R&D Framework Programme. They should also be coherent with socio-economic development strategies agreed under the new generation of Community Support Framework for the areas concerned.

2. **Regional Technology Plans Should Reflect**
 - **a bottom-up approach:** they should be demand-driven, with an emphasis on SMEs.
 - **a regional approach:** they should have a specific territorial dimension which takes full account of the national and international context. And perhaps more importantly, RTPs should aim to build a consensus at a regional level on priorities for action between the principal actors involved.
 - **a strategic approach:** they should apply a strategic planning approach to regional development in the field of technological development and innovation. They should plan for short and medium term actions that fit in with the long-term objectives and priorities defined by the region.
 - **an integrated approach:** they should try to link efforts from the public sector (local, regional, national and European) and the private sector towards the common goal of increasing regional productivity and competitiveness. They should try to maximise the economic impact of regional, national and Structural Fund actions.
 - **an international approach:** they should keep an international perspective in terms of the analysis of global economic trends as well as the need to co-operate nationally and internationally to be more effective in the field of R & TD and innovation.

3. RTP Methodology

Although the nature of the methodology used for an RTP exercise remain the prerogative of the region, six major themes should be covered.

Theme 1. Strengths and weaknesses of regional firms: Assessment of the regional R & TD and innovation demand.

This analysis put the emphasis on R & D and technology transfer mechanisms as well as on the regional firms' capacity to work with technological partners and integrate new technologies. The Commission's experience, confirmed by many technology transfer and innovation support experts, shows the necessity to conduct in-depth surveys to understand regional firms' real needs as far as R & TD is concerned.

Theme 2. Analysis of the main industrial and technological trends.

An RTP should take into account the fact that part of the regional firm's demand will be directly linked to technological and industrial evaluations, which are mainly outside the scope of regional decision-makers. It is then important to develop a prospective vision of markets, industrial organisations and technology trends.

Theme 3. Analysis and assessment of regional technology supply.

The objective of this step is to get a complete picture of the different elements of the regional technology supply (research centres, university laboratories, technology transfer and innovation support infrastructure, research and technology organisations (RTO's), contract research organisations (CROs)...).

Theme 4. Modes of intervention and orientations of institutional Actors.

One of the key success factors of an RTP will be the degree of consensus that the various institutional actors will achieve in respect to

- the diagnosis of the current situation in the region;
- the strategic issues for the regional RTP; and
- their mobilisation around emerging priorities.

Theme 5. Identification of strategic orientations by the Steering Committee

The main mission of an RTP is clearly the identification by the Steering Committee of opportunities and strategic areas of technological development for the region for the coming period.

Theme 6. Setting up a system for continuous monitoring and evaluation.

4. **Calendar and critical steps of an RTP**

The organisation responsible for each pilot action will establish the appropriate structure to steer the project. This will imply setting up a Steering Committee in which the public authorities, universities and other R & TD actors in the region and the regional business community will be represented. The organisation responsible might be assisted by a small secretariat. This Steering Committee will present a detailed work programme three months after approval by the European Commission of the request for technical assistance.

After the detailed work programme has been agreed upon by the Commission, it will be presented to the Single Programme Document Monitoring Committee responsible for Structural Funds interventions in the region concerned, whose comments, if any, may be included in the work programme. The Steering Committee will submit an intermediate report at the latest 12 months after the start of the contract. The final report on the Regional Technology Plan will be submitted to the Commission not later than 18 months after signature of the contract.

Stage 1: Preparation of the RTP Work Programme (3-4 months)

- 1) Presentation of RTP proposal to join the Pilot action and invitation to participate;
- 2) Selection of members to the Steering Committee and creation of a management unit;
- 3) Formulation of RTP work programme for EU approval. The Steering Committee should present a detailed work programme three months after the start of the project.

Stage 2: Information Gathering and Assessment (8-9 months)

- 4) SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of the regional economy: assessment of sectoral economic strengths and weaknesses, especially firms. For instance,
 - Identifications of regional competitive factors (market share, manufacturing performance, level of exports, profitability, training level of employees training...): regional industrial/sectoral profiles;
 - Identification of the regional R &TD and innovation demand: taxonomy of firms in relation to their innovative capacity;
 - Identification of regional clusters, centres of excellence and new technology based firms (possibilities for growth).
- 5) Analysis of the regional technology supply.
This would include an analysis of the global performance of the technological infrastructure, with a special reference to its indigenous innovative potential as well as a description of present networks of R & TD co-operation at the national and international levels;
 - Analysis of the regional R & TD supply: for instance

- identification of R & TD resources and partners (their degree of excellence);
 - evaluation of the co-ordination mechanisms between them; and
 - the evaluation of the relation between R & TD supply and regional demand.
- Identification of gaps and opportunities for technology transfer in and between the regions: assessment of the degree and quality of co-operation between firms, public-private institutions and between R & TD community and regional firms.
- 6) Detailed analysis of the global industry and technology trends and its implications for the regional economy, in view of the results of the two previous analysis.

At the end of stage 2, a draft Intermediate Report on the RTP must be prepared for the EU Monitoring Committee.

This report should be structured in the following manner:

- a 30 page summary of the results of the analysis phase of the RTP. Most of the text should focus on the strengths and weaknesses of the regional economy, in the light of the analysis of industry and technology trends and the analysis of the regional technology audit.
- Appendices which look at each of the first four themes presented in the previous section of the brochure (20-30 pages per theme).

The report must be signed by the Steering Committee; and must be submitted to the Commission no later than 12 months after the start of the project.

Stage 3: Establishment of regional priorities (5-6 months)

- 7) Identification of opportunities and screening by steering committee. Selection of priority sectors and technological fields for intervention, including the identification of regional, national and international potential technology partners and sources. This may also include an assessment of technology transfer experiences and innovation promotion programmes in other European regions which might be relevant for the regional economy.
- 8) Assessment of R & TD gaps and needs in the regional economy in terms of infrastructure, training and know-how, expressed if possible through quantified targets. Moreover, it is important to identify gaps and deficiencies in innovation promotion policies: re-designing and proposals for new instruments.
- 9) Proposals of a system for continuous monitoring and evaluation.

5. The Proposed Management Structure

The proposed structure is set up at three levels:

- the Steering Committee which oversees the whole operation;
- the management unit which is in charge of the day to day activities of the RTP;

- and the outside actors who assist in various tasks that need to be fulfilled by the management unit

The Steering Committee

- The objective of the Steering Committee is to oversee the whole RTP initiative and guarantee its success.
- Hence, the Steering Committee should be composed of a wide regional forum (businessmen, sectoral Association Unions Chamber of Commerce, Development Agencies,...)
One possible structure would include:
 - * 3/5 Representatives from the private sector (leading industrialists in the region);
 - * Representatives from the public sector - Industrial / Technology Policy;
 - * Representatives from the public sector - Economics and Planning;
 - * Representatives from universities / technology centres;
 - * EC Commission / National or Regional innovation promotion agency;
 - * others
- The tasks of the Steering Committee include:
 - * Selection of personnel in the Management Unit;
 - * Supervision of the Management Unit Work Programme;
 - * Political / Institutional support to the RTP;
 - * Establishment of sectoral support groups to RTP;
 - * Approval of RTP and associated documents / reports;
 - * Liaison with EC Commission and other national and international institutions.

The Management Unit

- The management unit is in charge of the day-to-day work for the RTP and therefore is responsible for producing all the necessary documents on time.
- It would be useful if the management unit could be integrated into some existing regional public / private institution, preferably an organism which deals with regional development and / or R & TD issues
- The management unit should be a multi-disciplinary team of no more than 5-6 people.

The Outside Actors

The Commission expects that the tasks listed above be done mainly by the management unit of the RTP. Nevertheless, the management unit can call on the assistance of outside bodies, such as:

- Regional Consultants and Collaborating Regional Institutions.
- International Consultants.
- EC Commission and Networks.

6. The RTP Network

The objectives of the network are three-fold:

- To collect and ensure the dissemination of information about the RTP exercise and of 'best practices' in the European Union in general and, in particular, towards those regions which are likely to be interested in participating in the scheme in the future.
- To reinforce the efficiency of the RTP exercise by providing a structure which will facilitate the exchange of experience and mutual learning between regions during the course of the Regional Technology Plan; as well as inform and assist in the integration of new regions into the exercise.
- To initiate and support interregional projects