Regions matter for innovation policy

Innovation is the main and increasing source of growth in OECD countries. In the definition of new growth models centred on social and environmental sustainability, regions are key actors in shaping virtuous innovation trajectories and in mobilising untapped potential for national growth.

OECD work on regional innovation helps policy makers in national and regional governments in several policy fields (regional development, science and innovation, and economy):

- Improve the evidence base for policy design, monitoring and evaluation;
- Better use resources in different regional contexts;
- Develop an effective policy mix adapted to regional challenges;
- Promote coherence between innovation and other policy objectives; and
- Support policy dialogue across regions and countries.

Did you know?

- About 10% of regions account for over half of R&D in the OECD area.
- On average for OECD regions, a co-patent is more likely to involve a co-inventor from the same region than in another domestic region, or a foreign region.
- In OECD regions, innovation policy portfolios include traditional supply side, demand side and networking instruments, as well as experimental measures.

Regional Database

The OECD Regional Database, available on OECD.stat, provides a rich dataset at sub-national level. The database covers economic, demographic, social and innovation indicators. [http://dotstat.oecd.org/wbos/Index.aspx](http://dotstat.oecd.org/wbos/Index.aspx)

The OECD eXplorer is an interactive graphical tool to analyze OECD regional statistics, including innovation indicators. [www.oecd.org/gov/regional/statisticsindicators/explorer](http://www.oecd.org/gov/regional/statisticsindicators/explorer)

Peer Review Process

The Peer Review process for i) reviews of regions and ii) reviews of national policies to support regional innovation systems involve OECD staff, a local team from the country, and OECD peer reviewers. The budget for such a review is available upon request.

Areas of OECD work

Thematic reports

Thematic publications and working papers offer data and good practices on different aspects of innovation-related policies that have a regional dimension or are commonly supported by regions. Themes addressed in prior and future work include:

- Regional innovation strategies;
- Emerging innovation policy tools in regions;
- Multi-level governance of innovation policy;
- Knowledge networks and markets for innovation generation/diffusion; and
- Cross-border innovation support.

Policy dialogue with groups of regions is another opportunity for regions to participate in OECD thematic work.

Peer reviews of regions

At the request of governments, the OECD conducts reviews of innovation challenges in particular regions. The reviews start by assessing the region’s innovation system. The region’s strategies and policies are then analysed to determine where the policy mix should be adjusted to better meet regional needs. Given that innovation systems involve local, regional, national and global actors, the reviews address how to best position the region’s policies in this multi-level governance framework, drawing on OECD good practices from other regions.

Peer reviews of national policies

The OECD conducts reviews of national policies that support regional innovation systems. Strong systems are important for regional development as well as national innovation and competitiveness goals. This kind of review assesses the extent to which policies from different policy streams (e.g., regional development, science and technology, enterprise policy and higher education policy) are effective in supporting robust regional innovation systems for the range of region types in the country. Selected regions serve as case studies. OECD good practice examples and benchmarks are integral to the review.

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Recent publications

OECD (2012) OECD Reviews of Regional Innovation: Central and Southern Denmark (forthcoming)
Wallonia, Belgium (forthcoming)

OECD (2010) Reviews of Regional Innovation: Catalonia, Spain
Catalonia is seeking to transition to a productivity-driven growth model. The region has had successes in its strategy of strengthening its research base and is now mobilising actors across the innovation system in Barcelona and other regional centres to increase both technological and non-technological forms of innovation.

OECD (2010) Reviews of Regional Innovation: Basque Country, Spain
The Basque Country is world renowned for a successful industrial transformation, the urban regeneration of Bilbao, cultural distinctiveness, and unique governance arrangements. Over the last 30 years, the region has implemented its STI policy driven by a need to boost industrial competitiveness, and going forward will need to adapt those efforts for new forms of innovation.

OECD (2009) OECD Reviews of Regional Innovation: Piedmont, Italy
Piedmont, birthplace of Fiat, has long been a central part of Italy’s industrial core. Like many regions, Piedmont is seeking to use innovation policy to drive the modernisation of its economic base and to help it meet the challenge of developing new strengths while also building on existing assets.

OECD (2009) OECD Reviews of Regional Innovation: 15 Mexican States
Mexico’s long-term competitiveness requires greater action to spur innovation and economic growth in regions throughout the country. National policies can boost clusters and regional innovation systems while states can make innovation a more integral part of their competitiveness strategies.

This report analyses the objectives, targeting approaches, instruments and inter-governmental role sharing used by 26 cluster programmes in 14 OECD countries.

OECD (2007), Higher Education in Regions: Globally Competitive, Locally Engaged
Drawing from 14 regions in 12 countries, this report explores a range of policy measures and institutional reforms that help higher education institutions achieve the goals of being globally competitive and locally engaged, including for stronger regional innovation systems.

OECD (2007), Globalisation and Regional Economies: Can OECD Regions Compete in Global Industries?
This report looks at how regions are responding to globalisation challenges and the new geography of production through strategies to transform competitive advantages.

For further information
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About the OECD
The Organisation for Economic Co-operation and Development is a unique forum where the governments of 34 market democracies work together to address the economic, social and governance challenges of globalisation as well as to exploit its opportunities. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and co-ordinate domestic and international policies.

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