Managing Industrial Transition

*Key OECD findings from the Pilot Action on Regions in Industrial Transition*

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Presentation Overview

- Regions in industrial transition: characteristics
- Regions in industrial transition: insights
- Regions in industrial transition: policy approaches
- Additional insights to conclude
Regions in industrial transition tend to have lower than average per capita GDP as a percentage of national average.

GDP per capita in Piemonte as % in national and EU-28 average:

- 6% above national average
- 1% above national average

They also tend to have average annual GDP growth of 1% or less, since 2001.
And tend to have lower than national (or EU) average percentage of population with tertiary education.
Regions in industrial transition: characteristics

Tend to have increasing unemployment rates since 2007, sometimes significant

Unemployment rates since from 2000-2017, %

Tend to have lower than national average life expectancy (or lower than EU average)

Average life expectancy (age) in 2000 and 2016

Regions in industrial transition: **characteristics**

**Tend** to perform in the middle to bottom half of OECD Regional Well-being indicators.

**Ranking of regions in OECD regional well-being indicators (1-402)**

- Top region
- Bottom region
- Piedmont
- Regions

- **Top 20%**
  - Aosta Valley
  - Bolzano-Bozen
  - Liguria
  - Bolzano-Bozen

- **Middle 60%**
  - Basilicata
  - Lombardy
  - Calabria
  - Aosta Valley

- **Bottom**
  - Sicily
  - Calabria
  - Molise
  - Lombardy

Regions in industrial transition: **insights**

- Significant skills gaps
- High numbers of SMEs
- Limited innovation capacity
- Limited entrepreneurship
- Difficulty ensuring actor financing
- Need to improve competitiveness/productivity
Regions in industrial transition: policy approaches

**Skills and Jobs**
- Support labour force supply and stimulate labour force demand
- Strengthen active labour market policies
- Promote an integrated policy approach to regional development (skills, SMEs, innovation, employment…)

**Broaden Innovation**
- Broaden the innovation dialogue: definitions, actors, locations
- Ensure an even distribution of innovation across territories and firm type (large/small)

**Balancing Climate Neutral Trade-offs**
- Support existing low carbon initiatives and encourage new ones
- Ensure a smooth and just transition: support those most at risk/stand most to lose

**Make the most of entrepreneurs**
- Build an enabling environment
- Support skill building
- Help make financing easy

**Growth + Equity**
- Address territorial and labour market disparities
- “Mainstream” inclusiveness into policy sectors
Some good practices in Piemonte

Jobs of the future
Apprenticeships for higher education and research

Making the Most of Entrepreneurship
Supporting start-ups and spin-offs with origins in public research

Low Carbon Transition
Supporting energy efficiency in Piemonte’s small public administrations

Growth+ Equity
Promoting social cohesion and inclusion in a cross-sector approach
Additional insights

Strong regional & place-based dimension

- Ample role for regional level intervention
- Capitalising on agglomeration economies
- Ensuring attractive place to live and work

Remembering the “intangibles”

- Cultural attitudes
- Speed and time

Multi-level governance challenges

- Leadership
- Critical mass
- Balancing the short and long term
- Coordination: integrated, cross-sector, multi-stakeholder approach

- Stakeholder engagement and contribution (“co-design/production/delivery”)
- Building and sustaining an enabling environment
- Balancing what regional governments can and cannot influence
- Performance measurement – monitoring, evaluation and indicator systems
Thank you