

# Increasing competitiveness through an innovation-driven local agenda

#### PARTNERSHIP



# **Background**

**IDOM**, a consulting, engineering and architecture firm, in Spain, is working together with the *Departamento de Desarrollo Territorial del Gobierno Provincial de Cienfuegos* (Department of Territorial Development of the Provincial Government of Cienfuegos), in Cuba, in the design and implementation of the 'Province of Cienfuegos Local Development Plan,' as part of a project within the framework of the European Union's Latin American Investment Fund (LAIF).

The plan has two main objectives in terms of increasing the province's competitiveness: the restructuring of primary production sectors and diversification in response to its dependence on the tourism sector (the historic district of the city of Cienfuegos is a World Heritage Site). In the face of these challenges, a local development model has been devised that is centred on local innovation, with the main milestone being the implementation of the 'Agenda for local innovation in Cienfuegos' and its 'Knowledge and Innovation Centre'.

At the same time, IDOM is working with the Instituto *Municipal de Planeación de Mérida* (Municipal Planning Institute of Mérida - IMPLAN), In Mexico, in the design and implementation of its 'Local Development Plan,' within the framework of the European Union's International Urban and Regional Cooperation (IURC). It is worth highlighting the experience of Mérida and its successful commitment to local innovation. In particular, IDOM has led the 'Innovation Labs' initiative, which has had a positive impact on the implementation of the plan and on local development.

Because of its particular knowledge of Mérida's experience, IDOM has identified IMPLAN as a highly relevant and complementary partner to jointly tackle the challenges faced by the Provincial Government of Cienfuegos, thus generating a highly valuable partnership for all parties involved.

It is important to bear in mind that IDOM's point of reference for these processes is its significant involvement in the urban transformation of the city of Bilbao (metropolitan Bilbao), which has become a global benchmark, as well as its experience in the design and implementation of 'innovation agendas' and their corresponding centres and laboratories in different countries in Europe and Latin America, including the 'Laboratorio de Innovación - Ruta N de Medellín,' the 'Observatorio Mexicano de Innovación' and the 'Centro de Innovación de Quito,' among others.

It is worth noting that the Partnership entities also contribute through their relational capital and networks with strategic actors in their respective regions. In the case of IMPLAN, the *Centro de Investigación y de Estudios Avanzados del Instituto Politécnico Nacional* (Centre for Research and Advanced Studies of the National Polytechnic Institute - CINVESTAV) is a strategic actor, and in the case of IDOM, Bilbao Ría 2000 is the leading public company working in urban transformation in the metropolitan Bilbao area. In turn, in the Province of Cienfuegos, all key actors in the province have been involved in the implementation of the 'Agenda for Local Innovation,' including the Provincial Offices of the key ministries, the Provincial Government of Cienfuegos, the eight municipal governments of the province, the *Universidad de Cienfuegos Carlos Rafael Rodríguez*, groups of businesspeople and others.

#### **Entities and roles**

BENEFICIARY ENTITIES



Departamento de Desarrollo Territorial del Gobierno Provincial de Cienfuegos

Cuba

#### FIRST PROVIDER ENTITIES



Instituto Municipal de Planeación de Mérida

Mexico

#### SECOND PROVIDER ENTITIES



IDOM Consulting, Engineering, Architecture

Spain

## **Development challenges**

Thanks to this Triangular Cooperation Initiative, the Departamento de Desarrollo Territorial del Gobierno Provincial de Cienfuegos was able to harness all of the knowledge, experience and relational capital in innovation-based and local urban planning of the Instituto Municipal de Planeación de Mérida and IDOM, as a contribution to its **g**oal of increasing the province's competitiveness: restructuring the primary production sectors and diversification in response to dependence on the tourism sector.

Harnessing this knowledge in Cienfuegos provided a significant benefit to the province on two levels. On the one hand, by directly benefiting from the set of possibilities offered by an 'Agenda for local innovation' in terms of modifying the local economic structure, and on the other hand, by generating a model of reference, which from the outset was designed to be replicated and applied in other provinces of the country.

In turn, the experience in Cienfuegos and its application at the national level was a great asset for all the entities participating in the process, as they had a powerful source of insights from the very start. This led to improvements in the current 'Innovation Laboratories' in Mérida and contributed to improving the IDOM model, making it more versatile and adaptable to new environments.

IDOM's participation in a number of urban projects and programmes, financed by the European Union and various international organisations, provides the opportunity to share and apply the insights from this Initiative in the countries involved and beyond.

#### INITIATIVE

This Triangular Cooperation Initiative strengthened the capacities of the Partnership member entities for **local innovation-based planning**, as a particularly suitable development modality to address the challenge of establishing local actors as leaders in sustainable development (localisation of the 2030 Agenda), thus creating a model that can be applied in other contexts.

## **Triangular approach**

There is a strong consensus that innovation is essential, not only in terms of SDG 9 (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation), but all SDGs related to economic growth and prosperity: SDG 7 (Ensure access to affordable, reliable, sustainable and modern energy for all), SDG 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all), SDG 10 (Reduce inequality within and among countries), SDG 11 (Make cities and human settlements inclusive, safe, resilient and sustainable), and SDG 12 (Ensure sustainable consumption and production patterns). Innovation-based development models are therefore strategically important for the comprehensive implementation of the 2030 Agenda for Sustainable Development.

At the same time, the SDGs must be understood in the context of each of the areas, for which 'localisation' is the key to the successful implementation of the 2030 Agenda; placing local innovation at the forefront on the road to sustainability. Also key to its success is the commitment from sub-national governments and their capacity for dialogue with all local actors.

In particular, the experience of the Partnership entities highlights the importance of establishing 'Innovation Agendas' at the local level, as well as units or centres that are especially dedicated to promoting local innovation, as catalysts of the processes and facilitators of the actors involved.

This Triangular Cooperation Initiative aimed to maximise the knowledge, experience, networks and proven models of European and Latin American public and private entities, to be put to use by the Departamento de Desarrollo Territorial del Gobierno Provincial de Cienfuegos for the design and implementation of its 'Local Development Plan', as well as its 'Agenda for Local Innovation' as a cornerstone of the plan.

The entire exercise helped strengthen the participating entities, reinforcing and consolidating the model, which is set to become a national and regional benchmark.

# Sectoral approach - Contribution to the 2030 Agenda



**Goal 9.3** Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets

**Goal 9.5** Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending

#### SECONDARY SDG



**Goal 8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

#### ADELANTE SDG



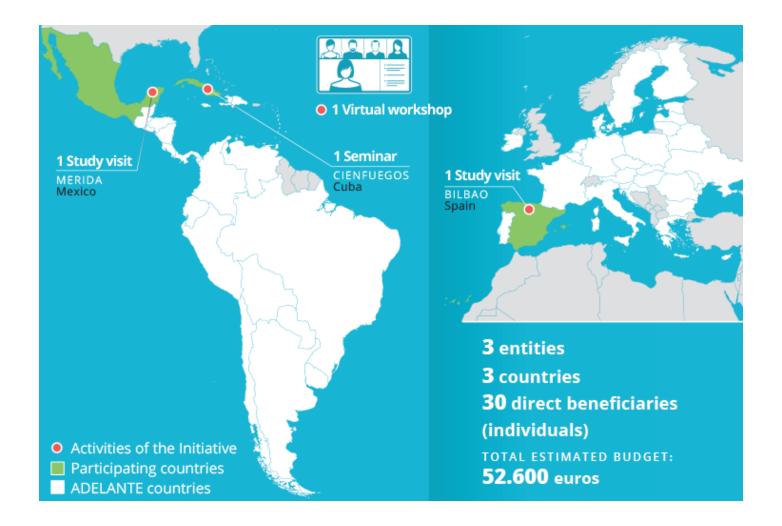
**Goal 10.2** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status



**Goal 17.3** Mobilize additional financial resources for developing countries from multiple sources

**Goal 17.6** Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism

## **Territorial approach**



## **Intervention methodology**

This Triangular Cooperation Initiative was based on close cooperation between the professionals of the Partnership entities, in order to better understand the challenges faced by the Province of Cienfuegos, and at the same time, learn about the opportunities that the experiences of Mérida and Bilbao can provide, along with the many other experiences in which IDOM has participated in Europe and Latin America and the Caribbean.

The first activity of the Initiative was a face-to-face **seminar** in Cienfuegos, producing as a result the 'Assessment of the challenges, capacities and opportunities in Cienfuegos for the development of a Local Innovation Agenda'. This exercise was coordinated by the Departamento de Desarrollo Territorial del Gobierno Provincial de Cienfuegos, fostering dialogue with all the key actors in the province with expertise and interest in the matter, both from the public sphere and from the academic, business and social sectors. They were joined by professionals from the other Partnership entities, who not only presented their experiences but also shared the lessons learned, good practices and success stories regarding the complete process of defining and implementing an innovation-driven local agenda, and in particular, Knowledge and Innovation Centres or similar initiatives.

Based on the assessment, two **study visits** were planned.

**A study visit to Mérida** focused on learning first-hand about the city's experience in its journey towards innovation and establishing itself as an 'innovation hub.' It included visits to the main initiatives launched in

recent years, such as the Parque Científico-Tecnológico de Yucatán (Science and Technology Park) and the Centro de Convenciones y Exposiciones Yucatán Siglo XXI (Convention and Exhibition Centre), in addition to meeting with the key public, private and academic actors involved. Special emphasis was placed on the relevant public policies and planning instruments that foster local innovation, as well as innovation-driven financial instruments and business models. This remains a particularly relevant topic, in light of the challenge presented by the current process of transformation of the Cuban economy and the opportunities arising from the new legislation on SMEs.

A study visit to Bilbao allowed participants to learn about the experience of urban renewal in metropolitan Bilbao, as an iconic example of the transformation of an industrial area into a creative economic district through innovation. This process, which began at the end of the 20th century, has garnered considerable expertise and insights that can be used by other regions seeking to establish a similar transition, such as Cienfuegos and Mérida, which also benefitted significantly from this visit. Similar successful experiences in Spain were also discussed and special attention was paid to the integration of rural and local economies and sustainability.

The Initiative ended with a **virtual workshop** that synthesised the rigorous knowledge management process carried out in the previous months. With regard to the follow-up of the workshop in Cienfuegos, in addition to the internal work sessions among the Partnership entities, there were also open sessions with broad participation in order to include all the key actors in the area, which is critical to the success of these types of processes. A roadmap for the implementation of the 'Agenda for local innovation in Cienfuegos' was the main outcome of the workshop, and was particularly useful for the implementation of the 'Knowledge and Innovation Centre'.

This roadmap will be developed and modified over time as a 'model' for other provinces across the country. The presence and participation of the Provincial Offices of the key ministries in the seminar and workshop will be one of the highlights of this exercise.

## **Direct beneficiaries (individuals)**

According to Rule 9 of the Guidelines for Applicants: all persons participating in the activities of the Initiative.

The Initiative had **28 direct beneficiaries**, all of whom are professionals from the Partnership entities involved in the planned activities. Approximately 25 were civil servants and public officials from the Provincial Government of Cienfuegos / Department of Territorial Development and the City Council of Mérida / Municipal Planning Institute, along with 3 professionals from the Cities Department of IDOM.

The study visits also included the participation of professionals from the key entities in each region, including the Centro de Investigación y de Estudios Avanzados del Instituto Politécnico (CINVESTAV), the Parque Científico-Tecnológico de Yucatán and the Centro de Convenciones y Exposiciones Yucatán Siglo XXI , along with the Bilbao City Council and Bilbao Ría 2000. In turn, the seminar and workshop in Cienfuegos also involved key local actors in the strategic local innovation initiative: the Provincial Offices of the relevant ministries, the eight municipal governments in the province, Universidad de Cienfuegos Carlos Rafael Rodríguez, the business sector and others.

## **Budget**

EU contribution: 43,653.79 €

Co-financing - Triangular Cooperation Partnership: 14,850.00 €

Total budget: 58,503.79 €

#### IMPACT

The information gathered in this IMPACT section is the result of the first 'joint ex post analysis exercise' of the Initiative which, as foreseen in the policy framework of the ADELANTE Window, took place one year after the end of the implementation period.

For more information on these exercises, please consult the <u>ADELANTE Window 2021 Impact Report</u>.

## **Continuity of the Partnership**

STARTING POINT: Existing North-South and South-South relationship that was strengthened by the combination of both modalities (the Beneficiary entity being the unifying partner).

The Partnership, as such, has not been consolidated and has not been maintained over time.

However, some of the Partnership member entities continue to work bilaterally in the core areas of the Initiative.

# **Application of generated knowledge**

The knowledge generated has been applied by the Beneficiary entity.

This has enabled it to lead the development process designed during implementation, as well as to lead an important initiative in its scope of intervention.

Establishment of a company as an incubator for the Cienfuegos Science and Technology Park.

ស្រៅត្រដ្ឋាទ្ធប្រក្សា description of Sancti Spíritus, a member of another ADELANTE Window 2021 partnership, to join the board of directors of the company.

During its implementation, the Initiative involved final beneficiary groups (entrepreneurs).

The Beneficiary entity has continued to work closely with these groups, who have benefited and have applied the knowledge generated during the Initiative.

### **Impact**

Applying this knowledge has enabled the Beneficiary entity to successfully tackle the development challenge that gave rise to the Initiative with the necessary quality and guarantees.

#### FACTORS THAT HAVE ENABLED THE IMPACT:

The methodology used during implementation, which enabled a high level of ownership of the knowledge by the Beneficiary entity.

Synergy with national and regional policy priorities.

## **Future perspectives**

Maintain bilateral relations between the different Partnership member entities and add new entities with which to establish Triangular Cooperation models.

Continue to make progress in applying knowledge by the Beneficiary entity.

Continue to make progress in the transfer of knowledge to the beneficiary groups, monitoring and evaluating the impact in their respective areas of intervention.

Continue to seek national public and international funding to complete the development process designed during implementation of the Initiative, which remains relevant.

#### NEW EX POST EXERCISE:

Yes (2024)