

2025 RSA Annual Conference

Can Europe bridge the Innovation gap while ensuring territorial equity?

Two policy experiences from Portugal

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Two Public Policies in Portugal and Territorial considerations

1. European Strategic Dependencies: Country-level specificities

- From EU27 to Member-State perspective

2. Regionalise Goals: challenges in decentralizing competences and regional contributions

- From National goals to Regional/NUTS II goals

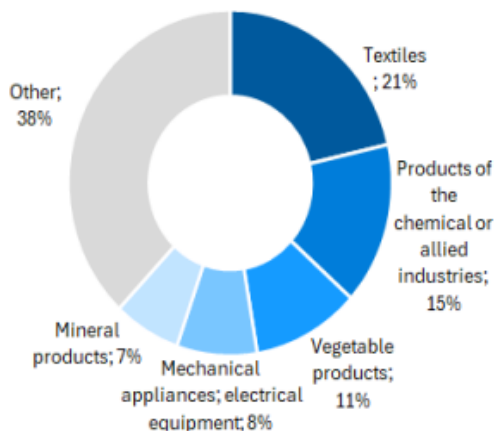
1. European Strategic Dependencies: Member-State (MS) perspective

- **Strategic Dependences as a mirror for Strategic Autonomy** (Nogueira *et al.* 2022, 2025)
 - Global **competition**, geopolitical **instability**, increased need for critical **raw materials**
 - Commission's analysis, based on **trade data**, to map **foreign dependencies**
 - Analytical approach to identify **products** (HS, 6-digit level)
- **Territorial dimension: uncovering differences at MS level compared to EU27**
 - Apply the DG GROW approach to **Portugal** and uncover country level specificities
 - Account for economic size, specialization pattern, resources' profile
 - In 2019: **137** strategic dependencies @EU27 vs. **224** @ Portugal
 - Aside from identification, **monitoring** strategic dependencies is also key
 - Account for **firms'** adaptation, changes in **consumer** preferences and **contextual** changes
 - Acknowledging the **heterogeneity** among EU's MS **over time** is key to build resilience from within
- **Opportunities for Portugal**
 - Assessed through **internal production capacity** for those 137 EU strategic dependencies
 - 8 products with **trade surplus** (> 100k€) in 2019-22 and 5 products in 2019-2024 (jan-oct)
 - 3 of these commercialized by **top exporters** (Eli Lilly, Pfizer and Navigator)

1. European Strategic Dependencies: Member-State (MS) perspective Portugal

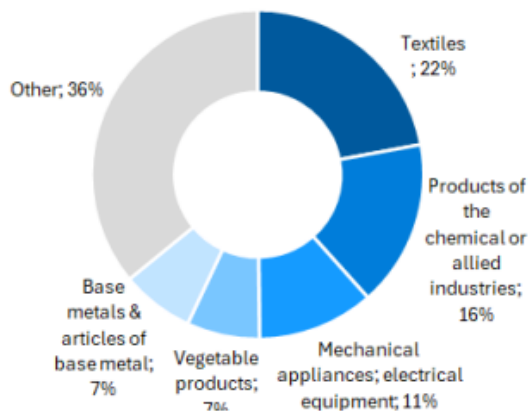
a) 2019

224 HS6 Products



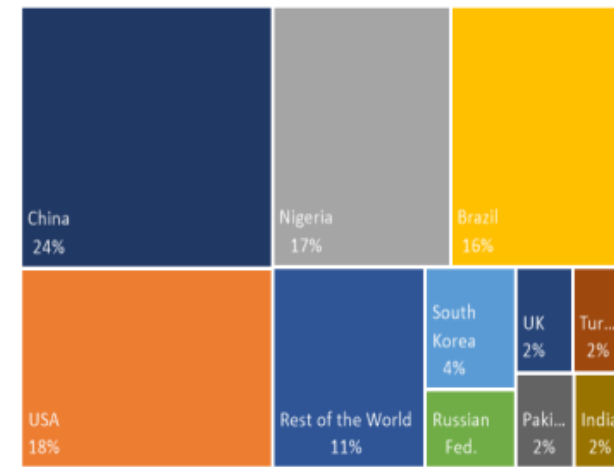
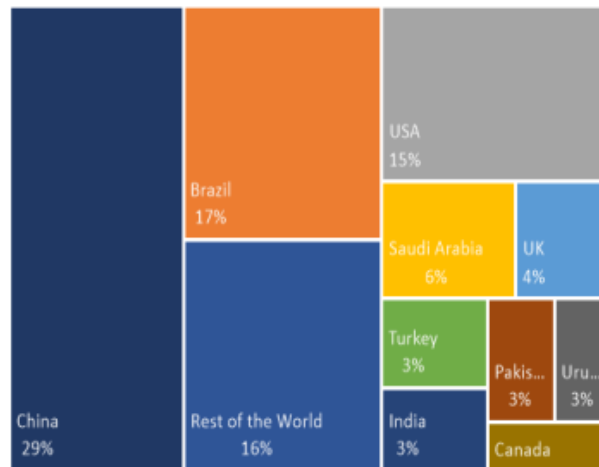
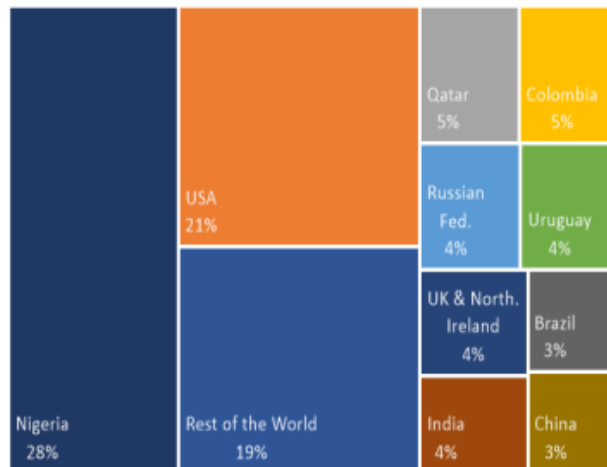
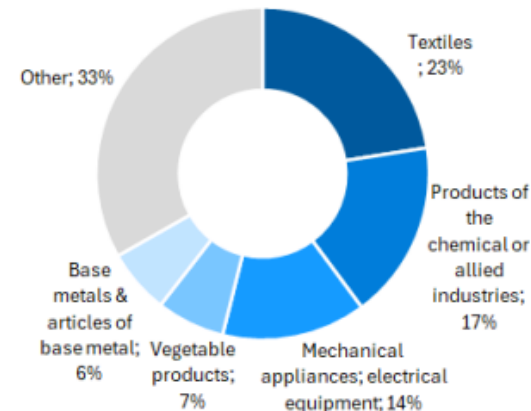
b) 2022

281 HS6 Products



c) 2024 (jan-oct)

271 HS6 Products



2. Regionalise Goals: challenges in implementing National goals at Regional level

- **Policy Context: Decentralise Competences from Central to Regional Administration**
 - **Framework contracts** with the 5 Regional Coordination and Development Commissions (CCDR)
 - **Multi-level** contracts identifying the **Regions' contribution** (NUTS II) to the national public policy goals at three main levels (coordination by the Ministry of Territorial Cohesion):
 - Macro
 - Relational
 - Transactional
- **Example in the Economic area** (other areas include Health, Education, Environment)

Level	Macro	Relational	Transactional
Policy anchors	Portugal 2030 Strategy, <i>Grandes Opções</i> 2022-26, Regional Strategies		SIR Regime
Goal type	Qualitative	Quantitative	
Indicators	<ul style="list-style-type: none"> • GDP per capita (EU, 100) • Innovation Scoreboard: Regional level 	<ul style="list-style-type: none"> • R&D expenditure (% GDP) • High-tech exports (% exports) 	<ul style="list-style-type: none"> • Deadline for decision about SIR licencing (<i>Sistema de Indústria Responsável</i>)

Source: GEE systematisation, based on Ministry of Territorial Cohesion.

2. Regionalise Goals: challenges in implementing National goals at Regional level

Macro Indicators

Innovation Scoreboard: Regional level

- Indicator **reference is EU27** : national value does not correspond to the sum of regional/NUTS II values and hence it is not possible to regionalize the goal; Emphasis on **territorial catching up**
- Additional complexity**: 4 types of activities – framework conditions, investments, innovation activities and impacts – 12 dimensions and 32 indicators
- No national and regional *quantitative* goals identified on the National and Regional Smart Specialisation Strategies (ENEI and EREI).
- Alternative exercise**: Regional/NUTS II catching up scenarios in 2030 at different paces, *ceteris paribus*, based on the past performance of regional indices

NUTS	Pontuação no European Innovation Scoreboard / Regional Innovation Scoreboard (UE27 2016=100) (Índice)									Média 2016-2023	NUTS II	Performance 2016-2023	Convergence 2023-2030 (UE27 = 108.47)
	2016	2017	2018	2019	2020	2021	2022	2023					
Portugal	85,2	85,0	83,9	93,8	97,0	87,5	89,9	92,9	89,4				
Norte	86,9	86,8	86,6	96,0	100,4	89,8	91,9	93,1	91,4				
Centro	87,6	89,9	89,0	97,2	98,8	87,8	91,0	91,7	91,6				
Lisboa	93,9	92,9	90,6	103,4	107,1	98,6	101,6	108,2	99,5				
Alentejo	68,6	70,6	69,1	79,0	80,4	73,7	75,3	76,0	74,1				
Algarve	60,0	55,5	54,1	72,3	75,5	62,4	65,7	73,3	64,9				
Região Autónoma dos Açores	53,0	50,7	50,4	55,9	57,8	51,6	54,3	60,3	54,2				
Região Autónoma da Madeira	55,0	58,0	58,9	63,2	67,0	56,7	59,1	66,8	60,6				

Partial (to 100)		
NUTS II	Performance 2016-2023	Convergence 2023-2030 (UE27 = 108.47)
Norte	6.2 points	6.9 points
Centro	4.2 points	8.3 points
Alentejo	7.5 points	24.0 points
Algarve	13.3 points	26.7 points

2. Regionalise Goals: challenges in implementing National goals at Regional level

Relational Indicators

- **Approach**
 - **National goal:** when identified in a public policy document, **Regional goals** calculated considering:
 - The expected value for the national goal growth (difference between goal and baseline/current)
 - Apply the growth rate to the current regional value

R&D expenditure (% GDP)

- **National goal:** 3% of GDP and **baseline** (2021) is 1.74%, which implies a **78.6% growth rate**
- **Regional baseline:** (2021): ratio - Regional R&D expenditures/ Regional GDP

NUTS	Baseline (2021)	National/Regional goal (2030)	Δ 2030-2021
Portugal	1.74%	3%	1.26 p.p.
Norte	1.97%	3.52%	1.55 p.p.
Centro	1.54%	2.75%	1.54 p.p.
AML	1.96%	3.5%	1.54 p.p.
Alentejo	0.91%	1.63%	0.72 p.p.
Algarve	0.48%	0.86%	0.38 p.p.

2. Regionalise Goals: challenges in implementing National goals at Regional level

Relational Indicators

High-tech exports (% exports)

- **National goal:** 9% of exports and **baseline** (2022) is **4.5%**, which implies a **73.7% growth rate**
- **Regional baseline:** (2022) - ratio Regional high-tech exports/ Regional exports

NUTS	Baseline (2022)	National/Regional goal (2030)	Δ 2030-2021
Portugal	4.5%	9%	4.5 p.p.
Norte	4.4%	7.6%	3.2 p.p.
Centro	3.5%	6.2%	2.7 p.p.
AML	6.0%	10.4%	4.4 p.p.
Alentejo	1.7%	2.9%	1.2 p.p.
Algarve	5.0%	8.7%	3.7 p.p.

Source: GEE calculations, based in Statistics Portugal, International trade of goods

Thank you! Obrigada!

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Nogueira, G., Inácio, P. and Almodovar, J. (2025). **“European Framework for Strategic Dependencies: insights from Portugal between 2019 and 2024”**, GEE Paper no. 189, February 2025

Nogueira, G., Inácio, P. and Almodovar, J. (2022). **“European Industrial Strategy in the recent context: Industrial Ecosystems and Strategic Dependencies’ insights from Portugal”**, Tema Económico no. 111, December 2022

