

Moravian-Silesian Region

# 1. Fact sheet



## Regional data

NUTS code	CZ080	GDP/inhabitant (year)	16 087 EUR/inhabitant
Population	1 201221	GDP growth rate (year)	<b>+6,2%</b>
Area km <sup>2</sup>	5430 km <sup>2</sup>	Unemployment rate (year)	<b>4,44%</b>
Cohesion Policy category (if applicable)	More developed region <input type="checkbox"/> Transition region <input checked="" type="checkbox"/>		Less developed region <input type="checkbox"/>

(2019)

In December 2019, a new “Regional Development Strategy - RDS” was approved for the period 2019-2027 with the main motto “Changing life in the region with new energy”. One of the priority objectives defined in the RDS is the development of entrepreneurship, the promotion of innovation on the labor market, the introduction of smart technologies and sustainable energy management.

The new RDS aims to interconnect business more effectively with science and research, thereby increasing the prosperousness of Moravian-Silesian companies that are supposed to become leaders in innovation and be part of global value chain. Measures and activities are planned within RDS aimed at creating friendly conditions for business development, both for start-ups and for mature companies. The RDS also emphasizes education and improving the employment of the population on the labor market.

Development of the region will be unfolded in a manner which ensures that it will become a leader in the Czech Republic in the use of the Smart Region concept for citizens. This will strengthen the image of the region and thus beat the image of the region as a place with polluted air and brain-drain. All activities are aimed to ensure that young, active and talented people have sufficient reasons to stay in the region, that they feel they are an integral part of it and co-create its new identity. An attractive environment will be an integral part of the region.

The measurable goal of the RDS is to elevate the Moravian-Silesian Region (MSR) into being among the 3 best regions in the Czech Republic (outside the capital city of Prague) in economic performance and entrepreneurship.

## 2. Political vision

Due to the concentration of heavy industry, the Moravian-Silesian Region was an important industrial heart of the Czech Republic. Since the end of hard coal mining in the 1990s, the business structure has been steadily changing, and the heavy industry is gradually being replaced by various branches from manufacturing and services. This is also reflected in the new Development Strategy of the Moravian-Silesian Region 2019-2027 with the motto: "Changing life in the region with new energy." The strategy itself aims to change the image of the coal region by **transforming it into a region of new technologies and clean energy**.

The following SWOT analysis presents the strengths upon which the Moravian-Silesian Region builds and which it continues to develop. To meet the challenges resulting from the section on the weaknesses, threats, and opportunities, working groups have been set up to prepare strategic projects and action plans to overcome them.

### • STRENGTHS (S)

- The automotive industry and IT technologies are replacing heavy industry (the transition from the coal region to a clean energy region).
- The neighborhood of the Technology park with the university and hospital provides a great opportunity to further develop a unique environment for demonstrating and testing new technologies in real-world conditions.
- The above-average share of university-educated inhabitants (Specific support for the development of technical education and construction of modern specialized centers for technical education).
- The development of the IT4Innovations National Supercomputing Center - research in the era of digital knowledge, and the creation and development of the Digital Innovation Hub Ostrava
- The strong concentration of foreign direct investment (FDI), even in sectors with higher added value.
- The dominant position of the region in the development of cluster initiatives (e.g the Moravian-Silesian Automotive Cluster).
- Establishment of the MSIC (Moravian-Silesian Innovation Center) - it has supported more than 300 companies in the region over a period of 2.5 years, it created a new implementation structure for the Moravian-Silesian Regional Innovation Strategy and prepared strategic projects based on in-depth discussion with many companies and academics - (for example PodReg - business support system and entrepreneurship development in the region)
- Involvement in international programs focused on a circular economy - CECI (Citizen involvement in circular economy implementation)
- The largest of the regional cities (Ostrava) was ranked among the best in the European Green Capital competition in the categories of climate change and adaptation to climate change.
- Involvement in the Start-up City Europe initiative - Ostrava as a hub for start-ups specializing in air and water purification technologies.

- **WEAKNESSES (W)**

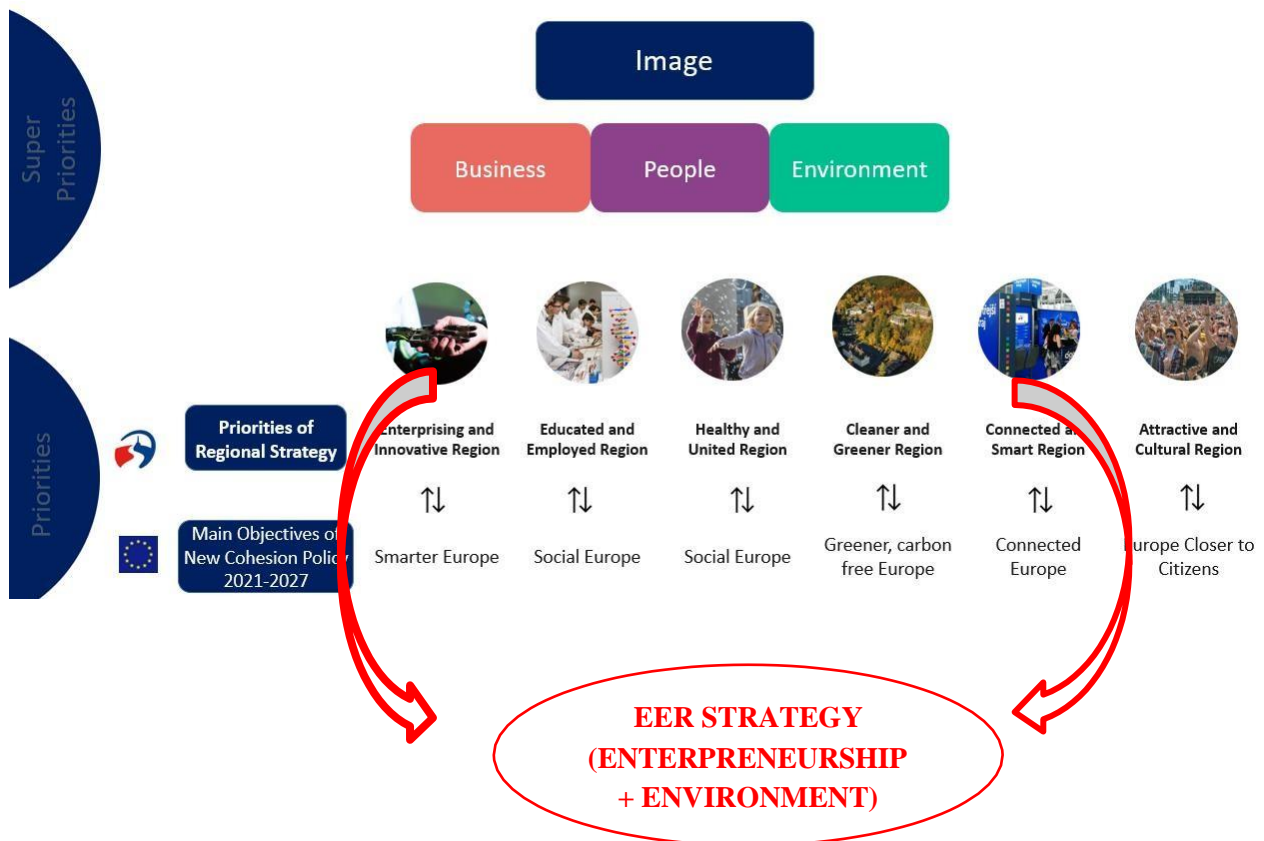
- Mindset of inhabitants (attitude and approach of inhabitants to our region e.g. an unwillingness to start their own business).
- Continued outflow of skilled people.
- High share of long-term unemployment. The share of long-term unemployed (more than 1 year) in the total number of unemployed, although long-term unemployment in the region is decreasing, with a 43% share it occupies the worst position among all regions (the average in the Czech Republic is 34%).
- Persistent fragmentation of the regional innovation ecosystem, parallelism and duplication of R&D and innovation activities.
- Lower R&D expenditure as a share of GDP.
- Low share of natural persons-entrepreneurs per 1,000 inhabitants compared to other regions in the Czech Republic.
- Poor regional image due to an unfavorable environment and permanent environmental burdens - inadequately publicized. Despite significant improvement, the region suffers from air pollution.

- **OPPORTUNITIES (O)**

- Classification of the region among the TOP10 regions in the Central and Eastern Europe region according to the dynamics of the growth of the knowledge intensity of the economy.
- Growth of exports of large companies from the region in the period 2020–2027 by 10% - higher than the growth of exports from the whole Czech Republic in the same period.
- Continuous support for research, development, and innovation activities by political representatives.
- Growth in foreign direct investment in R&D and innovation activities.
- Wider use of 4MEDI Biotechnology Park for stem cell research and the IT4Innovation National Supercomputing Center in Ostrava.
- Creating “Open living labs” for the demonstration and pilot testing of prototypes (e.g. new energy products).
- Increasing the share of sustainable forms of transport in the region's transport services.
- Introduction of business literacy at all levels of education.
- Development of Expat center services for foreigners working and studying in the MSR.

- **THREATS (T)**

- One of the main problems of the region is the significant brain drain, especially young university students, who cite the lack of quality jobs as the main reason for leaving the region
- The lack of workers in some fields (e.g. in manufacturing) hampering the development of local firms and the long-term threat of foreign / local companies remaining in the region.
- An aging population, the main cause of which is the declining birth rates and longer life expectancy. According to the forecast of the Czech Statistical Office, the share of persons over 65 years of age will increase to 24.7% in the region by 2030, compared to 19.2% in 2017.
- Insufficient use of the potential of applied research at research centers in the region.



The MSR strategy works with three pillars, ENTERPRENEURSHIP, ENVIRONMENT and PEOPLE. Under the three 'super-priorities', there are other priority areas that define each super-priority. This will make our region more entrepreneurial, innovative, connected, and smarter. People will have the opportunity to be more educated, healthier, more cohesive, and more culturally based. The region will be assisted by a cleaner, greener, and more attractive environment.

The strategy for the EER year combines business support and environmental activities. MSIC (Moravian – Silesian Innovation Centre) takes a leading role in the development of entrepreneurship, the entrepreneurial spirit and innovation in the Moravian-Silesian Region - it is a leading innovation center in the Czech Republic, which is a model for other regions seeking to develop their own innovative ecosystem and business and innovation support services. The MSIC vision works with the idea that the position of the MSR will be among the TOP 3 regions in the Czech Republic (excluding the capital city of Prague) in the following criteria: innovation.

1. average wage growth (arithmetic average)
2. growth in the number of entrepreneurs per 1,000 economically active inhabitants
3. growth in the number of employees in business research and development per 1,000 economically active inhabitants

The entire MSR strategy, including the EER, will make companies in the region one of the leaders in innovation and become part of the global business and higher levels of global value chains. Quality of life will grow the fastest in the Czech Republic and the region will offer top and unique European quality services. Much emphasis in the MSR strategy is placed on a healthy environment with clean air - in line with the main theme of the EER 2021 - Entrepreneurship for a green and sustainable future.

MSR is aware of a great importance of the environment. It was therefore decided to be more active in this area already before EER year. MSR is already involved in international projects dealing with the environment. One of them is CECI (Citizen Involvement in Circular Economy Implementation), the other one CLAIRO (Clear Air and Climate Adaptation in Ostrava and Other Cities). The aim of the CECI project is to raise awareness of the circular economy and to emphasize the importance of involving citizens in the circular economy. The project will make new sustainable services visible, such as a shared economy, extending product life cycle through reuse, repair, refurbishment and renovation. The CLAIRO project is a pilot research project whose main objective is to systematically reduce air pollution through comprehensive planning and greenery planning with a positive impact on air quality.

A major integrated IP LIFE for Coal Mining Landscape Adaptation (COALA) project on adaptation to climate change in cities and agriculture was submitted for evaluation under the LIFE program in March 2020, covering the two pillars of the MSR Strategy, namely entrepreneurship and the environment. In the area of business support, it includes e.g. activities to support audits in the area of the circular economy and energy intensity in companies, or a pilot international acceleration program focused on start-ups that have technologies aimed at improving the quality of the environment.

In the light of the mining past of the region, which also affected the character of the landscape, MSR is struggling with the so-called Post-mining landscape. Its reclamation is under way, namely by way of the POHO2030 (Post-mining landscape 2030) project. This involves a territorial unit influenced by coal mining for centuries, and today it is still a place with enormous potential to continue to serve people - with peace and a new face. More about the project -> <http://www.poho2030.cz/>

The creation of an environment in which entrepreneurs and family businesses will be able to thrive (**SBA 1**) is mainly supported by the MSIC, whose main shareholders are the Moravian-Silesian Region (45%) and the City of Ostrava (45%). The other 3 shareholders are 3 regional universities (10%) - VŠB Technical University of Ostrava, University of Ostrava, and Silesian University. In line with the regional development objectives, all these entities work on the principles of the SBA and have entrusted the MSIC with the management and coordination of projects to achieve these objectives.

With the authorization of its shareholders, MSIC is building an ecosystem with cutting-edge services and higher dynamics for the creation of new companies full of intensive innovation. Strategic projects of the region, which are also strategic projects of RIS MSK, such as the Entrepreneurial Region (abbreviated to PODREG), whose aim is to increase the number of entrepreneurs in the Moravian-Silesian Region, were created for this. PODREG motivates all residents across the region to do business, supports interesting projects and strives to find technological and innovative leaders. To maximize the reach of help within MSR, MSIC works with other business support organizations. The Start Up Community has been created to help start-ups, budding entrepreneurs, and SMEs streamline their business beginnings and grow their business.

With the new strategy comes the need to change the image of the region. As part of the strategic project "Talent Attraction Management" activities to attract talent and competent workers to the region are being worked on. It thus aims to become the most important technical and technological field of growth in the Czech Republic and with it bring new inhabitants of the region to whom it will offer attractive and well-paid jobs. Examples of such activities include the establishment of the Expat Center or a grant program "InnoBooster" to finance the employment of experienced workers.

All the above-mentioned strategic projects have been actively worked on for over two years, thanks to EER, MSR/ MSIC will be able to cooperate with other regions in the framework of international cooperation, it will be able to share good practice and be an example for other regions in the Czech Republic. The main financial resources for the implementation of the strategic measures and projects described in this Development Strategy will certainly include European funds (e.g. ESIF or Just Transition Fund).

The Moravian-Silesian Region has been awarded several awards confirming the region's long-term commitment to increasing entrepreneurship, improving the environment, and using new technologies in both the private and public spheres:

- a) **Business Property of the Year (Twenty Years), Business Property of the Year (2006)** - Record number of new jobs + new jobs in related fields - Piano Technology Park building managed by MSIC
- b) **Smart Cities for the Future** - 1st year; Smart Region 2017, Concept and Vision Smarter Region - Smart Region Development Strategy MSR 2017-2023 entitled "Smarter Region". The concept is based on the intention to save the financial resources and time of citizens on the territory and increase the quality of their lives thanks to a comprehensive system of modern information technologies and innovations.
- c) **Smart Cities for the Future** - 2nd year; Smart City for the Public Sector 2018
- d) **Smart Cities for the Future** - 3rd year; Smart Region 2019 - A project facilitating communication between the region and the public called "Robotic Automation of Processes at the Regional Authority", which has a major impact on the Authority's rapid response and on providing feedback for processing requests and comments from citizens and local governments.
- e) In the field of the environment - **EMAS AWARDS 2015** - Activities in the area of support of alternative modes of transport in MSR, whose aim is to create the basis of the model region of low-emission transport and its gradual fulfillment by creating suitable conditions for the development of alternative transport modes.
- f) Ostrava, as one of the cities of the MSR region, was a candidate for the **European Green Capital 2020**. For more information visit this website: <https://egc.ostrava.cz/> - Ostrava ECO web

### 3. Governance and partnership

The functioning of the innovation ecosystem is mainly set up for interconnection between groups that have the knowledge and professional competence to deal with the issue concerned. The Managing Authority of the Regional Innovation Strategy is the Innovation Council, which approves strategic projects. The **Innovation Board** is the governing body of the RIS3 MSR and is responsible for coordinating and supervising the activities of the innovation system of the Moravian-Silesian Region. There are currently 9 permanent members on the Innovation Board, who, according to the European Commission S3 Guide, represent business, research organizations, public authorities and R&D&I intermediate institutions. In addition to these permanent members, experts in the field are invited to discuss specific issues.

The MSR Innovation Board will also oversee the entire EER year implementation so that all working groups meet the set goals, oversee the implementation of strategic projects, and come up with ideas for addressing the challenges arising from the SWOT analysis.

There are 5 working groups within RIS MSR (see Figure 1). Each working group has one umbrella RIS MSR strategic project.

1. **Start-Up community working group:** This includes, for example, projects aimed at increasing the number of entrepreneurs in the MSR ([linked to the SBA principles - 1, 3, 7](#))
2. **Talent Attraction Management working group:** The aim is to stop the outflow of talented and skilled people, including changes in the field of education, so that graduates are better prepared for the labor market needs of the region ([SBA 1,8](#))
3. **MSR Digital working group:** The aim is to increase the level of digitization of small and medium-sized enterprises (SMEs) in the MSR, for example through cooperation with digitization experts or with relevant research and development infrastructures ([SBA 8,9](#))
4. **ENVI working group: SBA (9)** - The aim is to support activities aimed at promoting the principles of circular economy and sustainable energy, especially for SMEs
5. **T – PARK working group:** Development and efficient operation of the technology park. This is an environment that supports start - ups and helps them with their first facilities. Other buildings are under construction and the vision is to connect the technology park with the local faculty and the university hospital to create Smart districts and shared laboratories for industrial research and development ([SBA 3](#))

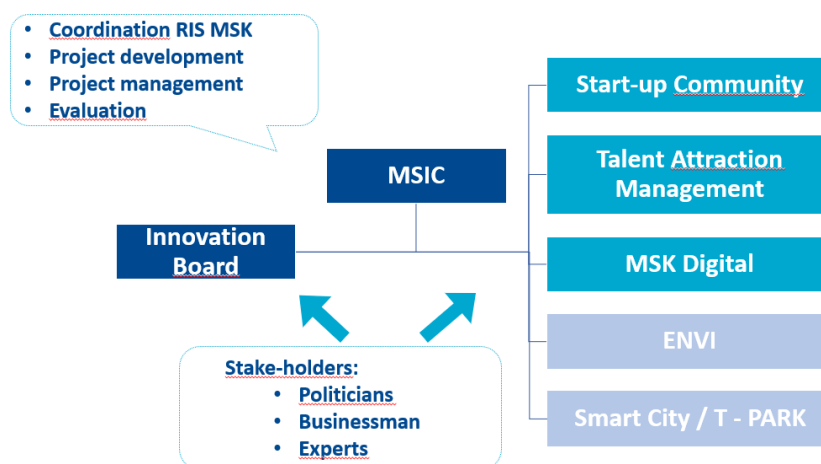


Figure 1: Graph describing the implementation structure of RIS MSR and 5 working groups





Figure 2: Graph describing umbrella strategic projects and their sub-programs

The whole new Development Strategy was carried out under the brand #hrajemsKrajem. The Region tried to involve as many people as possible from the professional and lay public in the process of its creation. The following have taken place since January 2019:

- 50+ expert working groups, discussions with experts, management and representatives of the region and projects
- 77 discussions at 30 secondary schools
- 6 meetings with local partners in the territory (Bruntál, Frýdek-Místek, Karviná, Nový Jičín, Opava, Třinec)
- 5 “Fora minute” public meetings with the region (Frýdek-Místek, Karviná, Nový Jičín, Opava, Třinec)
- 20+ cultural events with the stand #hrajemsKrajem across the region

Thanks to a wide range of people with different experiences and opinions, it was possible to incorporate the specific demands of different population groups into the plan and thus avoid potential problems due to immediate feedback. Participation has greatly enhanced the transparency of the process and the coherence of the population with the place where they live. Participation planning is an important element for the regional representation in community development. Politicians and experts across the territory and disciplines were involved in drawing up the plan. Public and non-profit companies, universities, companies, and active associations were addressed.

The effective implementation of the steps in the context of the EER year will be coordinated by the **Innovation Board** using individual working groups involving important actors from the private and public spheres across the region. Local action groups, micro-regions, voluntary associations of municipalities, euro regions, etc. will also be used to implement the EER year: The implementation of the Development Strategy can also be synergistically supported by the presence of clusters of municipalities and other entities at the local level, which in most cases have their own local development strategies, with a basic implementation structure and a common territorial identity at the local level involving local communities

#hrajemsKrajem