



Visions from the City Representatives

Ricardo Valente, Councillor for Economy, Tourism and Commerce at Porto City Hall (PT)

Making choices on priority areas as well as multi-level governance are key aspects of the smart specialisation approach. So, getting strong backing from elected representatives and other top policy decision-makers specially matters when boosting the local economic agenda through the lens of this policy concept. This is a series of short interviews conducted by TASO principal Miguel Rivas to Mayors, City Councillors and top executives in the context of the URBACT network InFocus-Smart Specialisation at City Level.

MR.- Porto is the second largest city in Portugal, with a population of 1.7 million in the metropolitan area. It is acknowledged for many as an outward looking, very dynamic city. How is Porto´s economic profile evolving? What specialisation pattern are you promoting from the Câmara Municipal?

Allow me to start by saying it is a great pleasure to share my views on these themes with InFocus, a project we are strongly committed to and which will definitely contribute to keeping the good results we have achieved so far.

As you mentioned Porto is the center of a large metropolitan area and the main city of Northern Portugal, making it essential to have a strong and integrated strategy with the whole Northern Region. Whether in the mobility field, the health sector or the

business side, Porto has a holistic approach designed to promote wellbeing and sustainability of the whole Metropolitan area.

In the last years not only Porto, but the whole country, faced serious economic challenges which inspired the Municipality to develop strategies focused on knowledge, innovation and talent as a differentiator and an efficient way to overcome issues. Thus, after a period of relative stagnation and decline, Porto´s urban economy is now on the rise, developing incredible dynamics that keeps expanding year after year. Fast growing startups, vibrant industrial and innovation ecosystem, heightened attractiveness to investment and talent, are all elements of paramount importance in the economic recovery of the city. With a strong relation amongst academia, industry, and public administration, Porto´s

innovation ecosystem comprises more than 70,000 students, around 70 R&D centers and 20 incubators, being the main contributor to the Northern Region's innovation ecosystem.

Porto is also undergoing a huge touristic and investment boom. The city was awarded the title of European Best Destination in 2012, 2014 and 2017 and the inflow of tourists has been growing tremendously. Moreover, Porto was considered the 3rd Best City to Invest in Southern Europe and 8th best medium-sized European city in FDI strategy by fDi Intelligence in 2014/2015 and 2018/2019 respectively, and from 2013 to 2016 the number of jobs created by foreign investors in Porto and Northern Portugal grew by more than 300%. The growth in tourism and inward investments has also boosted urban regeneration in Porto, with the number of building rehabilitation projects skyrocketing in recent years.

Beyond tourism, one of the fastest drivers of growth in the city, the Municipality commits to complement and improve other areas of the RIS3 Strategy towards a more sustainable urban and economic development. We are doing so, by promoting a more effective governance, based on a multidisciplinary approach, by using our digital infrastructure and implementing specific projects and teams to support business development as well as talent and investment attraction. The work carried out by InvestPorto, together with the Innovation Unit since their creation, namely with projects such as ScaleUp Porto, has had a significant and positive impact on the implementation of activities strongly aligned with the RIS3 strategic plan. Porto was considered as Best Start-up Friendly City of Europe by World Excellence Award 2018 as a recognition of the city's effort in fostering innovation and entrepreneurship.

Based on the analysis of Northern Region's RIS3 strategy, the City of Porto has defined the following priority clusters for investment: Advanced Engineering, Technologies and Materials; Creative Industries; Health and Life

Sciences; Mobility Industries; Nearshore Services. These clusters have been growing rapidly in Porto, attracting both national and international investments.

MR- The Integrated Action Plan you are currently drafting in the frame of the InFocus project will pay special attention to the provision of new urban workplaces, more adapted to the needs from the new economy. What can you tell us about this?

Porto is witnessing the transformation and emergence of new urban economies/clusters (e.g. software and advanced engineering, mobility industries, creative industries, nearshore services). New types of working spaces are required to cater to such trend. The changes in working culture and the preference of the millennials have led to an increasing demand for multi-functional spaces (e.g. mix between work and leisure, collaborative working spaces, spaces for learning, innovation and experimentation, cross-industry and industry-research collaboration, community engagement) as well as flexible spaces (e.g. serviced offices, managed offices, co-working, accelerators and incubators).

Our Integrated Action Plan focuses on the provision of Porto's new knowledge and working spaces, including incubators, research labs and advanced business-industrial premises within the University Campuses, as well as new redeveloped industrial-office buildings and precincts in other city areas. Two main actions prioritized by the City are the "Porto Innovation District" and the Matadouro and Campanhã area. With different challenges to address these two projects have very specific characteristics: Porto Innovation District is a University Campus driven endeavour while Campanhã, once deprived, former industrial sites and a mobility hub, will emerge as an entrepreneurial hub in multiple sectors able to attract millennial talent and regenerate an important city space.

MR- In order to co-produce the action plan above mentioned, you have mobilized a high number of key entities in the city connected to research, innovation, entrepreneurship and business growth, as members of the so-called URBACT Local Group. How has it gone this way of policy making?

Indeed, we have involved a large number of public and private entities contributing to the development of this plan. To be able to address all the challenges outlined above, we gathered our URBACT Local Group and associated partners according to the defined topics. These included Municipal departments (e.g. Innovation, Environment, Mobility, Urbanism, Tourism, Finance and Asset Management...), Municipal Companies (e.g. Águas do Porto), Academia (e.g. University of Porto, Polytechnic of Porto and Universidade Católica of Porto), National and Regional entities (e.g. Agência Nacional de Inovação and CCDRN), R&D centers (e.g. CEiiA and I3S), Incubators (e.g. UPTEC), and private entities or companies (e.g. Veniam, Porto Tech Hub).

As I mentioned before, one of the main goals of the Smart Specialisation strategy for the city of Porto is consolidating and expanding the Local Innovation Ecosystem as a tool for a better city governance.

Porto understands that policy making has to be based on tangible, accurate and reliable knowledge of the city. Involving the right stakeholders enables a more effective engagement for further action implementation. Data plays also a very important role, and Porto invested massively in a digital infrastructure able to support a data driven decision making.

The participatory approach the Municipality has developed in the last years makes it essential to involve the local players for policy development but also for policy validation. All the projects to be developed are based on an iterative methodology and innovation process which requires a strong and continued commitment of all our partners.

I trust this participatory governance model we instilled at all levels of the Municipality is an investment for the future and will make our city's development more sustainable and citizen friendly.

MR.- The Porto CityHall established InvestPorto in 2015 as a team devoted to inward investment attraction. This unit is in fact running the InFocus project locally. What's the strategy to branding and marketing Porto as business location?

InvestPorto acts a one-stop shop for investors at all phases of the investment process, offering services such as personalized and tailor-made assistance which optimises internal cooperation in order to enhance investment processes; support to inter-institutional coordination and cooperation with regional and national entities; information and intelligence; assistance in identifying suitable business partners and premises; and aftercare service.

In order to attract inward investment, InvestPorto implements a set of different initiatives which include for example:

- Organisation/hosting of outward/inward international missions
- Organisation of /participation in events (e.g. fairs, conferences) and other networking initiatives
- Establishment of partnerships and agreements (e.g. business associations, clusters, universities, research institutes, chambers of commerce, other relevant public and private entities)
- Participation in international networks (e.g. EU-funded projects and consortia, among others)

We have actively participated in international bids for investment projects with value proposition focused on the main competitive advantages of Porto - highly qualified talent, world-class innovation, state-of-the-art infrastructure and accessibility, strategic

location, excellent quality of life, and cost competitiveness.

The website of InvestPorto was launched to enhance the city's branding and marketing as a business location. The Facebook and LinkedIn pages of InvestPorto are also regularly updated to create interest in the city through social networks.

Another central part of our strategy is focused on talent management. This includes identifying and forecasting labour market needs and collaborating with universities and other training institutes to train professionals to meet those needs. We plan to have a Talent Officer and Talent Observatory for

talent acquisition and requalification in the region. We have also launched a website dedicated specifically to promoting talent in the city, giving more visibility to the highly qualified workforce existing in the region and attracting more people to work in the city. We would like to reinforce the international visibility of Porto as a "technology and future oriented city, focused on the development of careers and ideas".

In addition to these initiatives, we are adding aftercare and talent attraction to the range of services that InvestPorto offers to better serve the investors established in the region.