



Innovative strategies and actions

Results from 15 Years of Regional
Experimentation

Preface



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Regional policy is not starting from scratch. It has financed many innovative programmes and projects in all areas of activity: economic, social, cultural, technological. In particular it has supported pilot projects which aimed to shed light on regional development policies and which have been replicated on a larger scale when found to be successful. It has thus encouraged new partners and methods of work involving all actors in innovation – above all enterprises, universities and research bodies, and public authorities.

I asked my services to analyse the results of regional experimentation supported by the Union over the last 15 years and to highlight methodologies and tools which can be used by regions as they develop or refine their innovation strategies. As regions and Member States draw up their National Strategic Reference Frameworks and Operational Programmes for the 2007-2013 programming period and as they start to implement these programmes in 2007, I hope the practical guidance contained in this document and the good practices described will be of use.

Much remains to be done. The soon to be 12 new Member States did not benefit from this experimentation, but all 27 Member States will have this opportunity in the future through their regional policy programmes. Innovation does not wait. By nature it evolves and its results are uncertain, but this is part of the dynamic process of developing innovative policies which can deliver more growth and jobs across the Union.

Danuta Hübner
Member of the European Commission
responsible for Regional Policy

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EUROPEAN COMMISSION

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Thematic development, impact, evaluation and innovative actions

Innovative Actions

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INTRODUCTION

The European Commission wishes to provide assistance to regions and Member States in the design and implementation of the new Regional Policy programmes, 2007-2013, by sharing with them the results of previous experiences and by supporting experimental actions in the area of innovation. The Commission is therefore developing case studies which demonstrate the critical success factors of these innovative actions, which may inspire new ideas and improve the quality of public interventions. These case studies will be found shortly on the website of the Directorate General for regional policy¹. In addition, this guide synthesises the principal lessons of the regional innovation strategies and actions which have been implemented with some success by many regions of Europe. References to networks of regions and internet sites dealing with regional innovation supplement this information.

The Commission hopes that the methods presented in this document will contribute to the stimulation of Regional Policy actions in the area of innovation. These methods can help to mobilise the public and private stakeholders concerned in the development of strategies and actions which can facilitate regional innovation and which it may be possible to generalise once they are tested in the framework of the operational programmes supported by the European Regional Development Fund (ERDF).

Regional Policy operational programmes will co-finance innovation strategies and, in implementing these strategies, two types of actions:

- Tried and tested actions, for example, research infrastructures, seed capital funds, venture capital, traditional training activities: these actions are not concerned by this guide; and
- Experimental actions which may be considered risky and which need to be tested before possible generalisation or even a reorientation of the strategy.

Experimental actions will not have a separate Structural Funds budget line during the 2007-2013 period, but the Commission recommends the financing of such experimentation with its support within the framework of Regional Policy. Therefore, launching and monitoring of such experimentation needs to find a distinct place within the mainstream operational programmes in order to identify success factors and to ensure that innovation policies benefit throughout the programming period.

This document is for guidance only. It is aimed at regional and national decision makers responsible for public policies in the area of regional development, but it creates no obligations on Member States or regions. It digests the results of 15 years of experience of experimentation with support of Regional Policy or other European policies and it suggests how these experiences may be built upon in the 2007-2013 period. The Commission hopes that regions will find this document and the good practice examples on our website useful as they develop or adapt their innovation strategies. The ultimate objective is that Regional Policy programmes support an ongoing and iterative process of innovation in the regions, which will help them contribute to the achievement of the objectives set by the European Union in its strategy for growth and jobs.

¹ http://europa.eu.int/comm/regional_policy/index_en.htm

1. INNOVATION: A REGIONAL NECESSITY

The regions of Europe confront new challenges for their development. The opening up of European economies has as a corollary increased competition from our industrial partners, but also, and increasingly, from south-east Asian countries. The increasing globalisation of trade alters comparative advantages and causes the redistribution of activities: increasing externalisation of services and relocation of certain low value added but high labour force intensive activities (e.g., textiles), of certain service activities (e.g., call centres), and even of certain research activities. The spread of information and communication technologies accentuates this phenomenon, by reducing the constraints of proximity to markets in choosing where to establish enterprises.

Regions are not spared this new competition and they approach it differently according to their capacity to generate innovation. In an open economy, factors of competitiveness no longer reside in costs or natural or geographical advantages, but in the capacity of enterprises to create new value added goods and services responding to market needs. They must be able to make changes not only in the development of these goods and services but also in their market research and the organisation of production and distribution, marketing and training. In addition, enterprises need to source quality services nearby because innovation depends to a significant extent on the quality of cooperation of a large number of different organisations with complementary competences.

Competitive sectors are not alone in being concerned with innovation. The improvement of the quality and effectiveness of less exposed sectors (e.g., education, health, personal services, administration) is often as a result of experimentation of approaches based on a strong partnership. More fundamentally, at a time when fear of the future causes resistance to change and when the regulatory capacities of public authorities are questioned, public authorities may be able to restore confidence and to mobilise citizens around a common vision by inspiring a common dynamic which demonstrates how to adapt pro-actively to globalisation.

More developed regions and large metropolises can adapt to globalisation. Their strong demand for quality goods and services stimulates the activities of a wide range of enterprises and specialised bodies which pool information, knowledge and expertise through their continuous interactions, thus allowing them to seize new innovation opportunities.

Less developed regions can use their comparative advantage in labour costs to attract productive investment. This contributes in the short term to increased growth, but needs to be complemented with the establishment of policies in the stronger sectors of their economy, which will facilitate interactions between innovation actors. In the long term, it is their dynamism, their competitiveness and their international attractiveness which is at stake.

1.1. Innovation in the regions: new approaches

The understanding of innovation has developed much over the last fifteen years. First viewed in a linear fashion (innovation comes from research laboratories and is exploited by an enterprise or a community), the vision has become systemic. Innovation comes above all from the quality of interactions between producers, users and mediators of knowledge in the regions: local authorities, companies, centres of production or of transfer of knowledge, local coordination institutions, bodies providing financing for SMEs or research, collective foresight systems, etc. (henceforth referred to as the “actors” in this document).

The regional level is particularly appropriate for such interactions. Sharing a territory, culture, values and common references facilitates exchanges and joint projects and allows the development of clusters². Regions are best placed to appreciate needs and to develop policies by encouraging relevant actors to focus on shared interests. Depending on the degree of institutional and social development and organisation of the region, but also its political competences, history and culture, this mobilisation requires more or less intervention on the part of public authorities.

The regions of the Union are in very different situations with regard to innovation. These divergences have been accentuated with enlargement³. The competences, infrastructure and capital necessary for innovation are found in the most advanced regions, which also have the greatest variety of actors and strongest interactions. Organising such an innovation system, which is both transparent and reactive, is difficult due to the institutional complexity of European democracies. However, by coping with this complexity regions can better shape their economies and develop in them a high capacity for adaptation to a constantly changing environment.

The most advanced regions have the analytical capacities to identify priority sectors on which to focus attention, in general those which are most dynamic and have strongest potential, without, however, neglecting support for general scientific and technological training, which is necessary to prepare for the future. These regions develop and aim to constantly update detailed knowledge on the operation of their national and local systems of innovation, which can strengthen them and therefore serve their innovation strategies effectively.

In contrast, as is demonstrated by the innovative actions implemented through Regional Policy in the EU15⁴ over the last 15 years, the mobilisation of actors is much more difficult to organise in less developed regions, due to a lack of experience and expertise, as well as a lack of understanding of the mechanisms of innovation. The new Member States did not benefit from these regional programmes of innovative actions. However, approximately 40 of their regions developed innovation strategies within the framework of RIS-NAC projects supported by the

² Michael Porter *The Competitive Advantage of Nations* (1990).

³ See the site "TrendChart: innovation policy in Europe":
<http://trendchart.cordis.lu/scoreboards/scoreboard2005/index.cfm> .

⁴ Building on the experience of various pilot projects between 1990 and 1993, the RIS (Regional Innovation Strategies) and RISI (Regional Information Society Initiatives) were launched in 1994-1999, followed by Regional Programmes of Innovative Actions (PRAI) 2000-2006

European Union⁵. These regions need now to implement these strategies to test their operational validity. This can be done with support from Regional Policy.

The organisation of innovation systems is a long-term effort which is supported by successive experimentations. Successful regions commit to long-term policies which put in place the elements which make up these systems and encourage a common vision of innovation as a factor for regional development across all activities: economic, social and cultural. General ownership of this vision is particularly important for strategies covering all sectors, such as the information society: these strategies are often accompanied by training and awareness-raising activities aimed at developing in the region technological and social expertise, entrepreneurship, the capacity to exploit new technologies and also a taste for innovation.

What is a regional innovation system?

A regional innovation system involves a range of actors and resources interacting effectively with a view to stimulating innovation in the region. Such a system should facilitate:

- identification of the infrastructures available and the regional sources of knowledge and expertise;
- access to services in relation to finance, exchange of experience, exploitation of knowledge (development agencies, chambers of commerce, foresight bodies, risk capital funds, etc.);
- effective transfers of competences and co-operation between the different regional development actors.

To function, such a system must rest on a critical mass of infrastructure and expertise that Regional Policy can contribute to establish.

1.2 What role for regional experimentation?

Innovation is a long term process, which by virtue of its systemic nature, alters methods of work and challenges the perceptions that each person has of his or her role and interests. In many cultural and institutional contexts, it can be difficult to find the appropriate route to innovation, to change perceptions and behaviours and to find the linkages and cooperation necessary for its development and dissemination.

Experimenting with new approaches enables public decision-makers to test a new role, that of catalyst rather than prescribing policies and programmes. Such experimentation can convince enterprises that a collective approach is not a threat but an asset for their competitiveness; it can convince research centres that blending academic excellence with and opening up to the economy will ensure a pole position and guarantee financing for research; but equally, it can convince certain elements of public opinion that well negotiated partnerships between the public and private sectors present more advantages than risks.

In fact, for a public authority, the only means to stimulate other regional actors to become involved in the process of innovation and, gradually, to adopt its mechanisms, is to build on the successful experience of groups of persons and bodies who have developed good

⁵ RIS-NAC (*Regional Innovation Strategies in Newly Associated Countries*) first generation: 2001/2-2005 and second generation 2005-2008, managed by the Directorate General for Enterprise of the European Commission

complementarities and constructive interactions. This is why experimentation, with relatively limited resources, can play at the same time the role of example and of catalyst, building on regional assets and needs, linked together by relevant actors and framed within a long-term regional strategy.

Fifteen years of experimentation

Pilot experiences undertaken with the support of Regional Policy since the beginning of the 1990s have demonstrated the relevance of the approaches developed within the framework of the Regional Strategies for Innovation (RIS). Those which could mobilise a broad partnership have in general had a significant impact in the following areas⁶:

- Better perception of what should be done to promote innovation (policies to adopt, participation in partnership actions)
- Better cooperation among actors and better circulation and sharing of knowledge
- Comparison of the innovation policies followed in the region with those of other regions
- Development of strategies which lead to an action plan of concrete measures to be carried out on specific issues
- Development of an iterative process: identification of the priority sectors and the actions to be implemented, testing of the identified actions, evaluation of their effects, generalisation of the best
- Increase in public budgets for the promotion of innovation
- Development of a culture of innovation based on the ownership of the new approaches by the actors involved and less reticence to change which is now perceived as an opportunity to seize in an open economy.

1.3. Experimentation in Regional Policy programmes

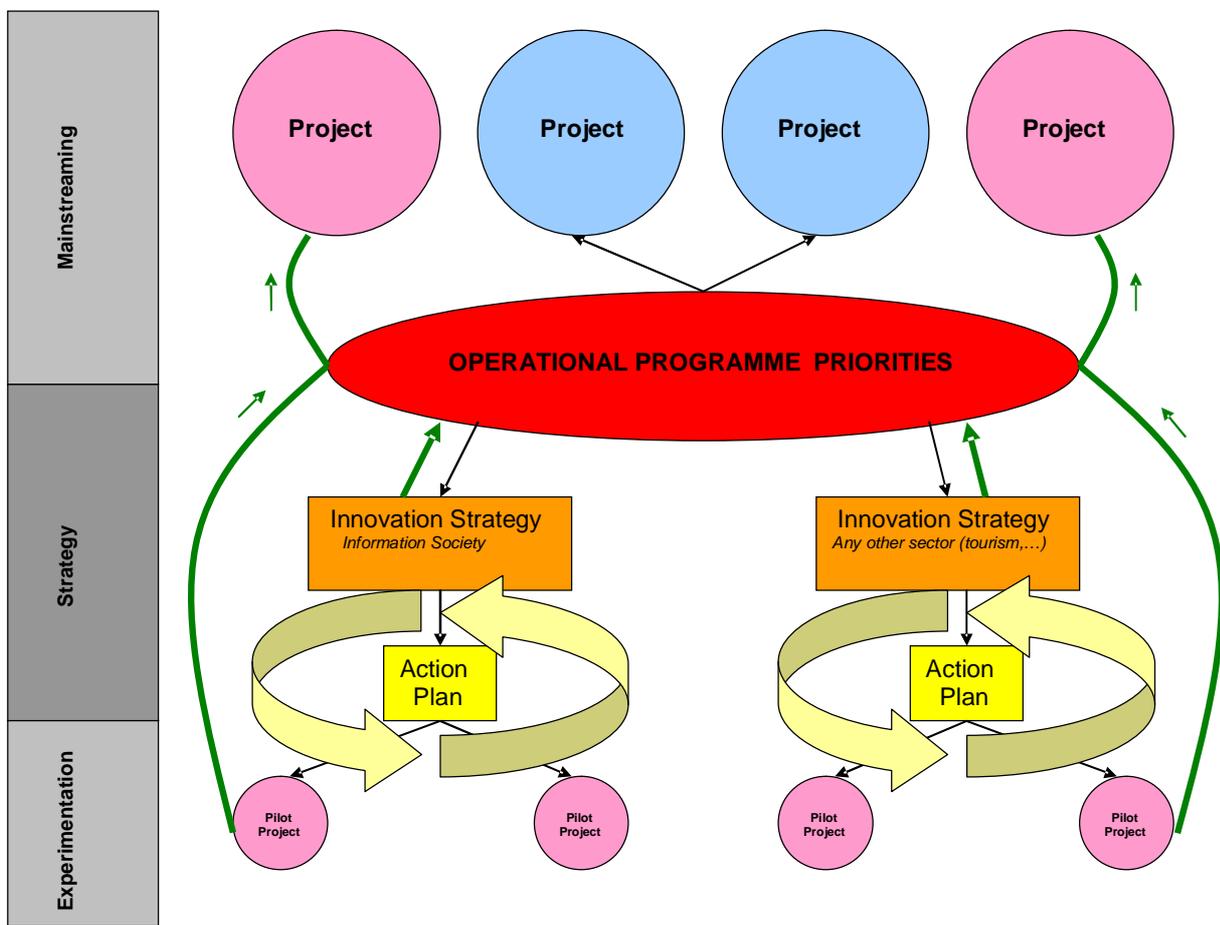
In the new programming period for Regional Policy from 2007-2013 no specific budget is allocated to experimentation. However, innovation is a process in perpetual evolution. It is important for regions and Member States to continue to test new ideas and approaches in order to identify those which, once generalised, can contribute to innovation and regional competitiveness. This is why the Commission recommends that operational programmes should include a section describing the approach adopted for experimentation, indicating management arrangements (ideally a distinct team but with close links to the monitoring committee) and the implementation method (which may be different from that for other operations of the operational programme: e.g., specific calls for proposals, shorter duration of projects, close analysis of the results, etc.)

Drawing on the experiences gained over 15 years of experimentation, Part Two below of this guidance document describes approaches to developing regional strategies for innovation, identifying the important elements in the process to build such a strategy. Part Three presents guidance for Member States or regions on how to organise a process of experimentation, which tests actions stemming from the strategies discussed in Part Two. Finally, Part Four discusses the issues involved in moving from experimentation to generalisation in particular within the Regional Policy operational programmes for 2007-2013. The examples presented are mostly derived from

⁶ See the ex post evaluation of the RIS, RTT and RISI – innovative actions for the period 1994-1999 (January 2005) on: http://europa.eu.int/comm/regional_policy/sources/docgener/evaluation/rado_fr.htm

the Regional Programmes of Innovative Actions which operated in the EU15 in the 2000-2006 period.

Regional innovation: from experimentation to dissemination



➔ = Feedback

2. REGIONAL STRATEGIES: A COHERENT FRAMEWORK FOR INNOVATION

The majority of regions have established economic development policies or programmes which are reflected in their operational programmes. In the context of these policies, regions put in place one or several innovation strategies aimed at domains or sectors of activity and particular issues: for example, a strategy for the information society, an innovation strategy for tourism or one for personal services. In this document, the term “strategy” refers to innovation strategies.

In defining innovation strategies, some regions have mobilised public and private actors around common interests and have defined sectors of opportunity where they wish to concentrate financial and human resources. Others have chosen to organise very broad partnerships bringing together a range actors confronted with problems and following different logics. This latter approach can make it difficult to put in place operational strategies in each field, and can lead to a distribution of resources based on decisions between priorities, the importance of which is perceived differently according to the interests of those involved.

A study by the French Agency for the Dissemination of Technological Information (ADIT)⁷ reveals that the most advanced economic areas, such as Gothenburg, Munich, Cambridge or Stuttgart, programme actions in a limited number of sectors considered priority for their international competitiveness (from 4 to 10 depending on the area), as well as actions concerning all sectors to strengthen the base of scientific or technological knowledge in order to allow their region to face the future in a strong position.

This sectoral approach also makes it possible to strengthen the clusters of strategic activities concentrating on the essence of the value added produced by the region, working in potentially very competitive sectors, or developing key technologies for the regional economy (Stuttgart). In certain regions, it addresses gaps in the market in important sectors (for example, financing of basic research, putting in place foresight mechanisms for SMEs).

Strategies for the information society, because of their transversal nature, present the challenge of involving actors from very different fields: information and communication technology specialists, local authorities, associations, public services, training organisations, social partners, etc.. The definition of strategic guidelines and choices on priorities are consequently complex and must be negotiated, requiring strong involvement of regional decision-makers to reach a consensus. But this process in itself contributes greatly to awareness-raising among the various actors on issues related to the generalisation of information and communication technology. It helps to modify perceptions gradually and to initiate changes in behaviour.

⁷“The strategic management of regions in Europe”, 2005, France

What is an innovation strategy?

An innovation strategy aims to mobilise the actors involved in a particular area of activity, whether an economic or social sector, in order to:

- review the situation in the domain or sector of activity in the region and compare it to that in competing regions;
- establish objectives and sectoral priorities, justifying these choices;
- identify and allocate financing available for each sector or area of activity;
- define public interventions under a multi-annual action plan to ensure continuity of action. The effectiveness of a strategy is strengthened by its duration which allows shared learning and ownership of the new approaches to develop and creates greater internal and external visibility.

Successful regions form their innovation strategies within the framework of their operational programmes and pre-existing national or regional plans. This strengthens the credibility of the actions and gives them more force than could be achieved by a strategy implemented in isolation. In return, the implementation of coherent strategies enables these regions to negotiate with national partners from a better position and even to influence national policies.

Brittany in search of a new image

The Regional Programme of Innovative Actions (2003-2006) of the Brittany region in France is clearly linked to the objectives of the National Programme on Nutrition and Health (2001-2005), while focusing on the specificity and particular individual dynamics of Breton actions. In tackling a still uncertain market but which has great potential - agricultural products with value added - it aims to modify the image of Brittany, which is the main French agricultural region apart from the Ile de France, but where the agricultural system is based on mass production of traditional products with low value added. The Regional Programme of Innovative Actions supported nine technical centres to finance exploratory actions for nine products (seaweed, fish, meat, milk, fruit and vegetables, etc..) as well as horizontal actions (studies and marketing research, audit of companies, training of "innovation correspondents" within companies, guides on the nutrient iodine and the role of Omega 3 in the prevention of the cardiovascular diseases....). The Programme in this way supported the development of a "nutrition-health" pole (or cluster) in Brittany.

Well managed strategies have real catalytic effects for regional innovation. They put in place partnerships based on shared objectives and include evaluation of the actions which makes it possible to adapt policies during programming. This flexible approach can easily be incorporated in the operational programmes for the 2007-2013 period. The Commission recommends the inclusion of pilot actions that public authorities would consider risky to be financed immediately on a large scale (see part 3 of this document). While correct management of community financing is a basic requirement and financial risk is to be avoided, Regional Policy should remain open to "policy risk" through designing, testing, evaluating and implementing new approaches on an ongoing basis.

The key elements for defining and implementing a regional innovation strategy are described below. These are the design of a strategy based on foresight evaluation, partnership in defining and leading the strategy, communication and continuous evaluation.

2.1. A strategy based on foresight evaluation

In order to target public action effectively, testing new approaches aimed at improving local innovation systems should be based on an analysis of regional needs, and also of the socio-economic and competitive situation of the region.

Regions organise themselves differently to carry out such evaluation. Some use external consultancy; others use existing studies which they supplement by putting in place internal working groups involving key regional actors. Still others create mixed teams made up of consultants, who contribute their expertise and objectivity, and regional officials, who contribute their sustained commitment and on the ground knowledge.

Whatever the approach, the evaluation of the regional situation in a given area of activity will benefit from the involvement of the key actors of the region: they are best placed to define needs and to identify actions already undertaken with good results, new actions to be tested, unexploited regional resources and missing links. It would be particularly useful to involve financial actors, in order to evaluate the regional capacity to finance innovation. The definition of objectives in partnership and extensive communication of the results of evaluation will contribute to ownership of the strategy by all the relevant actors.

Bavaria cultivates ideas

The Bavarian Regional Programme of Innovative Actions in Germany aimed to stimulate innovation in rural regions characterised by micro and small and medium sized enterprises. It was conceived by the local government, the chambers of commerce, the Deggendorf technical school and Passau University. A series of theme-based workshops were organised to define the measures and ensure the involvement of companies. The workshops gathered together "regional experts" from the student to the entrepreneur, from the producer of hops to the maker of skateboards. Based on trust in the capacity for innovation on the ground, this approach has helped to create a real dynamism in the region; 70 projects were underway after just nine months, absorbing a third of the resources available and 10 new communes want to join the programme.

Evaluation should combine a series of analyses concerning the regional situation covering:

- the identification of regional strengths, weaknesses, opportunities and threats, including comparative analyses (benchmarking with comparable regions or the national situation) and future-oriented studies;
- indicators measuring demand (needs, expectations, level of awareness) and supply (equipment, expertise and services available, sources of financing ...).

The evaluation process should make it possible to determine the potentially strongest sectors for the economy and regional expertise as well as the market prospects. Comparison with other regions is useful in setting objectives, and can help to save time in implementation and to evaluate performance over the duration.

For each sector of activity covered by the strategy, the evaluation should analyse the needs of enterprises and their capacity for innovation (equipment, training and financing needs), as well as the effectiveness of the innovation system where they are located: availability of the necessary linkages, analysis of the relations between companies, research centres, universities, government departments, and quality of the support services for innovation - financing organisations, incubators, commercial or technological survey services, etc.⁸

Beyond the innovation system *per se*, the evaluation should consider the regional environment for innovation: current regional or national strategies and the possible synergies, but also the factors contributing to innovation such as the entrepreneurship, training, attractiveness of the territory for companies and the resources (availability of modern infrastructure, quality of cultural and social services and of the way of life, etc.).

2.2. A strategy carried out in partnership

On the basis of the assessment of the regional needs, threats and opportunities, the regional authority establishes a strategy to give a coherent framework to actions for innovation. Partnership is important both in defining and leading the strategy.

2.2.1 Definition of the strategy

When defining the strategy, it is important to ensure close links between those responsible for the evaluation and those responsible for the strategy. Public decision-makers need a clear vision of the issues in order to decide on the priorities for the strategy. Without such a vision, there is a chance that the regional strategy will be too broad, responding more to a concern to satisfy a majority of actors than to commit the region to decisive action for its future.

Participation in the definition of the strategy and the possibility of influencing it help to ensure ownership by the partners. This ownership will contribute to the success of the implementation of the strategy, the communication of its results in their sectors of activity, and the achievement to a greater extent of the new approaches tested.

A strategic partnership in Scotland

An important development partnership has been created for the Regional Programme of Innovative Actions in Scotland which fully involves all the key players in the innovation support system. The programme's Steering Group and Development Groups comprise representatives from all the main economic development agencies, other Programme Executives in the region, higher education sector at senior strategic level and the private sector. This partnership structure ensures that all valuable outcomes, learning and good practice emerging from projects can be embedded within the policies of the major economic development agencies and policy making bodies at all strategic levels in Scotland.

⁸According to the study referred to above undertaken by ADIT, many regions have only limited knowledge of their innovation systems and their strategic studies cover more general descriptions and statistical indicators than the relations between the various actors and the effects of the envisaged public actions.

Ownership can be facilitated through the organisation of conferences and workshops throughout the process of the development of the strategy. This approach makes it possible to associate the private sector from the beginning and avoids being in the situation, after theoretical work has been completed in isolation, to have to convince partners to follow processes conceived without them. If on the contrary the companies have been associated with the process, their concerns will be more likely to be taken into account. The implementation of the strategy will be all the more attractive to a large number of companies which will see an opportunity to extend their markets or to explore new ones (for example suppliers of information technologies or telecommunications operators within the framework of strategies for the information society) or more generally a means to gain in competitiveness. The implementation of such strategies can thus manage to raise more private funds than foreseen initially.

Rioja: a programme voted on by SMEs

The Regional Programme of Innovative Actions (2002-2004) of the Rioja region in Spain generated strong participation from private partners who invested €4.6 million instead of the €0.6 million initially foreseen. Its success results from the dynamism of the management of the programme by the regional agency of economic development and its daily contacts with companies. This programme, devoted to the promotion of innovation and technology transfer, enabled companies to collaborate in the development of new products with regional, national and international technological and research centres, with which the region signed agreements.

2.2.2 Leading the strategy

Depending on the institutional and economic organisation of the region, the strategy can be co-led by an influential actor in the region, for example Philips in Eindhoven; it can be delegated to a body responsible for economic action, as in Stuttgart⁹, or to a development agency as in Scotland or in Cambridge¹⁰. The strategy can also be directly implemented by the regional authority, in particular when the regional innovation system is less developed. In this document the responsible body or group for leading the strategy is referred to as the "strategic committee".

This strategic committee should be conceived as a place of debate and meeting of new partners. To contribute fully to the strategy, these partners should accept the risks inherent in innovation, and approach them in a constructive way (a failure is not a loss of credibility but is an occasion for learning about the mechanisms and the constraints of regional innovation). The committee should bring together active personalities, interested in innovation and with a sufficient standing to influence its development and to act as an advocate. It should also bring together the representatives of public authorities who can contribute their political support for the implementation of the strategy and who can take its results into account in guiding the operational programmes.

⁹Wirtschaftsförderung Region Stuttgart.

¹⁰Scottish Executive and EEDA.

The committee should not exceed a reasonable size (experience suggests a maximum of twenty people); otherwise it will be in danger of not being able to agree on an operational strategy. Certain regions, once the first analyses have been completed, establish working parties on precise topics or at a local level involving a wider partnership. These groups need a clear mandate, which will have the benefit of convincing influential actors to take part in the work. Being closer to the ground, these groups will be able to more easily evaluate the potential impact of actions in a given sector of activity.

Strong involvement is crucial when it is necessary to modify the implementation of the strategy or even to change priorities. The success of innovation policies (and this can also create their difficulties) results from the capacity to take decisions on complex subjects in an uncertain environment which will commit the future of the region. Strong involvement of the partners and regular information on results, as well as the capacity of political decision-makers to share their convictions, facilitate comprehension of the issues and support of the partners for the proposed modifications.

Establishing a Regional Innovation System in Niederösterreich: an iterative process, based on partnership and implemented with support from Regional Policy

Since 1997, the Niederösterreich region has developed its regional innovation system in partnership with its "Office of Technology and Innovation" (TIP) and the regional chamber of commerce. It has proceeded through four stages:

- 1) In the framework of a RIS pilot project (1997-1999), it facilitated the working together of all the actors concerned in co-operation with SMEs on an innovation strategy. This group continues to function in 2006.
- 2) On the basis of this strategy, the region put in place supports for innovative SMEs, clusters and international networks, with financial support from the Objective 2 Single Programming Document and an INTERREG III A programme.
- 3) The approval of a first Regional Programme for Innovative Actions in 2001-2004 allowed the region to intensify co-operation between enterprises, research centres and administrations through networks, technopoles and pilot projects.
- 4) From 2004-2006, the region aims, through a second Regional Programme for Innovative Actions, to update its strategy in the light of experimentations undertaken and the rigorous evaluation methods developed as part of various European-wide projects. From this point forward it is working together with the Vienna region with which it shared in 2002 an award of excellence from the European Commission, in the framework of PAXIS (Pilot Action of Excellence on Innovative Start-ups), for supporting the creation of innovative start-ups in Europe.

2.3. Communication: an essential element of the strategy

As with evaluation, communication is often the poor relation of regional strategies. It should contribute to strengthen the strategy in a number of ways. It should:

- make citizens aware of the issues;
- identify and mobilise relevant actors, for example informing them about calls for project proposals launched within the framework of the strategy;
- associate them with the results of the strategy; and
- promote the region with a view to attracting capital and talent.

The messages and the means need to be targeted to the internal or external objectives of the communication. For example, good communication on a cluster of activity should be conceived by specialists in the sector concerned. Whatever the aim in view, the communication effort should have the effect of transforming the image of the region, making it credible for foreign investors and regional actors.

Internal communication, using the written press or audiovisual media, internet, mailing or posters, should aim for example to demonstrate the value of regional success stories and the image of the region. Good targeting and the choice of the best adapted media require the intervention of communication professionals.

International marketing has become an essential tool in a competitive environment. It is still insufficiently professionalised in most regions, which are satisfied with classic communication approaches without regard to their real impact. Certain advanced areas such as Amsterdam, Scotland or Copenhagen have fully incorporated modern marketing techniques into their regional promotion: Copenhagen gave this task to international consultants who were expert in industrial location¹¹.

2.4. Continuous evaluation: the key to success

Ongoing evaluation of strategies is often confused with technical and financial monitoring and can be perceived by those responsible for the actions as a tool for control of sound management of the funds. It plays a different role, however, since it should make it possible to modify actions underway or even to redirect the strategy in order to maximise its regional impact.

The quality of evaluation depends on the choice of indicators, which should facilitate the measurement of achievements compared to objectives, as well as on the establishment of a monitoring system which provides data and analysis. Evaluation should not lose sight of the fact that the success of a strategy is not measured only in terms of immediate results (job creation, etc.) but also in terms of processes: achieving the expected results, identification of the side effects for the region, and (if possible) evaluation of the cost for the region of not having this experience (the counter-factual).

The use of external evaluators in the region can prove useful to draw all the lessons from the experimentation. This independent viewpoint could be given by an evaluator from another country, in particular if he or she has already evaluated similar actions in several Member States. The region thus benefits from a valuable resource to identify causes of success or difficulty which can be difficult to discern if they are anchored in the national administrative, economic or social culture. The region can also thus experiment with new practices which have functioned well in other regions.

¹¹See the ADIT study referred to above.

Peer Reviews in Barcelona

Under a PAXIS¹² project, the Barcelona metropolitan area invited experts on innovation from Munich, Stuttgart, Helsinki and Stockholm for a one-week peer review study visit in order to improve its innovation policies. Based on the results of interviews with enterprises, chambers of commerce, public authorities and other innovation actors, the experts drew their conclusions which were discussed during a seminar involving 250 people, including regional and municipal authorities: the region has the right instruments in place but lacks co-ordination between the different elements of its innovation system. Following this "external audit", a working group was established, comprising the mayor of Barcelona, the presidents of the chambers of commerce, a rector representing the universities and the president of the region's largest bank. It meets regularly to examine how to stimulate the cultural and structural changes required for the development of regional innovation.

¹² Pilot Action of Excellence on Innovative Start-Ups, financed by the Directorate General for Enterprise.

3. THE EXPERIMENTAL ACTIONS OF REGIONAL STRATEGIES: TESTING NEW APPROACHES

Experimental actions can clarify for the authorities and actors responsible for the strategy the interest in investing in new approaches or even in reformulating the strategy. These actions should demonstrate the leverage effect they can provide for regional innovation and the constraints to be taken into account. This should facilitate the generalisation of innovative projects within the operational programmes. According to evidence from regions involved in Regional Programmes of Innovative Actions, launching new actions on an experimental basis was possible because of the legitimacy given by European co-financing, the sharing of risk accepted by the Commission, and it also created an opportunity to open up an "activity niche" outside traditional procedures and programmes. The concrete results of these experiments have enabled regional authorities to take on board these new approaches and make their policies more effective. For the 2007-2013 period, the opportunity presents itself to incorporate such approaches into mainstream Regional Policy programmes.

3.1. Monitoring experimental actions: committees and resources

As noted above, it is recommended to entrust the definition and the monitoring of the strategy to a broad-based committee bringing together a variety of profiles and sectors for the area of activity concerned; however, this mechanism does not guarantee effective management of the actions. The strategic and operational competences are not the same.

The management solution adopted should be in line with the needs, organisation and experience of each Member State or region. One approach is to create, within the strategic committee, a smaller group (3 to 5 people) who deal with implementation and evaluation of the experimental actions. This group needs to maintain permanent contact with the strategic committee and the monitoring committee of the operational programme if it is separate. Good communication is necessary to maintain political support and to nourish the strategy with the results of the experiments. Certain regions may choose to sub-contract the steering of the actions to a regional development organisation (development agency, chamber of commerce). This approach has the merit of strengthening the actions and the credibility of these actors, but it must take into account the need for a good return of experience for political decision-makers.

The committee or team responsible for the management of the actions should be made up of persons recognised by their peers, having good knowledge of the sector and innovation issues. This credibility will help them to make a synthesis between various regional interests and also between actors who may not be accustomed to working together. Certain committees establish a procedures guide for project sponsors which provides a clear framework for partners and projects and helps to structure the relations between them.

This committee or team is responsible to the regional authorities for the implementation of operations, monitoring their development regularly in order to maintain them within the objectives of the strategy and for their promotion. It should ensure that the regional executive is involved in the process, while maintaining the distance necessary to propose, if necessary, recommendations for modifications to the strategy.

A partnership implemented by the private sector in Northern Sweden

The North Sweden Regional Programme of Innovative Actions devoted a theme to testing new approaches to develop innovation within the SMEs, in particular in the health sector and information technology. On the basis of the principle that only the SMEs could decide on these methods in collaboration with their university partners, the programme established a steering committee chaired by a business person and composed of 5 representatives from the private sector, 2 representatives of the academic sector and 2 representatives of the monitoring committee for the Objective 1 Programme. The presence of the monitoring committee representatives in the steering committee facilitated a transfer of experience from the Innovative Actions Programme to the regional growth Programme (2004-2007) and the mainstream Operational Programme.

3.1.1 Building Regional Capacity

Many regions engage consultants to help them to design and co-ordinate the experimental actions of the strategy. This approach has advantages and disadvantages. An external viewpoint facilitates the contribution of new ideas and methods, the questioning of approaches considered immutable and can contribute to overcoming prejudices and traditional rivalry. To be successful, the consultants must follow the strategy throughout its duration and the regional decision-makers as well as the partners must be sufficiently open to criticism and suggestions from the outside. In contrast, the recruitment of a consultant to compensate for a lack of programme monitoring competence could prove counter-productive if the region does not use the opportunity to develop its own competences. The consultant should in such a case be charged clearly with a training mission and have a contract of a sufficient duration to ensure its completion.

At a more administrative level, the regional administration should guarantee sufficient recognition and stability to the responsible team. If regions do not have sufficient resources for permanent management of these actions, some tasks are sometimes entrusted to temporary staff with a precarious status. Apart from the impact that this can have on the motivation of these persons, their departure can constitute, for the region, a loss of on the ground knowledge and competence.

Covering up such a situation can also harm the credibility of the strategy. By enhancing the organisational capacities in innovation, the regional authorities give a clear signal of their intent to invest in innovation in the long term¹³.

3.2. Implementation of the actions: selection of experimental projects

The project selection method is important. It is good practice to launch calls for project proposals when testing new approaches in sectors of activity considered strategic, in order to generate ideas and reach new partners. To be really open, such calls should be supported by communication

¹³See the recommendations of the study on “the regulatory aspects for infrastructure and tariffing in electronic communication services and broad band connections in the most remote regions”, part 3.3 “public policies and the governance of the electronic communications” (IDATE, August 2005).

initiatives, which also form part of more general awareness-raising activities. When launched at intervals during a programme, these calls can gain in effectiveness (better targeting and improved selection criteria for projects or procedures help in the development of proposals).

Less structured methods can leave room for a certain lack of clarity which is at the same time prejudicial to the effective implementation of the strategy and opens the door to local pressures. For example, certain regions identify the projects to implement at the time of the development of the strategy and within the framework of the consultation and debate. This is a tempting solution due to its simplicity, but it runs the risk of limiting the experimentation to the usual "clients" of the region and could even create mistrust among actors who may consider themselves in competition through their legitimate activities or in their market. This risk could be limited by the use of external expertise during selection, ensuring an objective view, free of all regional interests.

Appropriate selection criteria are essential. In particular, it should be possible to assess the viability of projects at this stage. Many interesting experiences have had to stop in the absence of ongoing financing following regional support or in the absence of sufficient anticipation of the legal structures which could carry on the project, creating disappointment and damaging the image of the strategy.

The strategy takes shape as the projects are analysed and selected. Through these projects, regions can stimulate ideas from the ground while supplementing them, if they consider it necessary for the delivery of the strategy, with a new more targeted call or other partnership approaches. Thus, the Regional Programme for Innovative Actions of the Southern Finland region (2002-2004) organised a call for project proposals in two stages in order to generate ideas initially and subsequently to encourage the potential project promoters to group together to deliver larger projects.

Nord Pas-de-Calais develops its value chains

Under its Regional Programme of Innovative Actions (2003-2005), the Nord Pas-de-Calais region chose to launch a call for project proposals, giving priority to projects likely to structure economic supply chains in the environmental sector. The preliminary work of a technological group, made up of about thirty people from universities, companies and intermediate bodies (agencies responsible for water, environment and energy, a network of eco-companies, etc.) which met throughout 2002, prepared and targeted the call. The group selected 5 fields of intervention (including sediments, hydrogen and metrology) and proposed to follow a supply chain logic for the analysis of the results of the call. It established selection criteria to this end and, to strengthen this logic, recommended recourse to a single co-ordination organisation (the association for the creation and development of eco-enterprises) in order to organise seminars for project sponsors in each field selected. Projects were selected at the beginning of 2004 by the funding bodies: DATAR, the State, the Region.

SMEs and laboratories of the hydrogen and sediments sectors, which did not communicate much, submitted 9 projects. They were compared and they decided to group together in 4 collective projects. Activity poles or clusters drawing together laboratories, enterprises, a public works federation for the re-use of the sediments and the communities of communes ready to experiment with new transport systems using hydrogen were thus created. The leverage effect on private financing was strong; its contribution was 50% higher than initially anticipated.

Broadband in rural regions: a complex question, multiple solutions

Many regions, including rural areas, experiment with several approaches to encourage telecommunications operators to deliver broadband at a reasonable cost in isolated territories.

Certain French regions (e.g., PACA or Aquitaine) tried out different techniques and configurations (satellite, combination with WiFi to serve private individuals and communities) and compared the supply of different operators. These experiments, made difficult by the rapid development of technologies, had an immediate commercial effect by accelerating the broadband coverage of these territories by France Telecom, enabling them to advance several years ahead of scheduled plans.

The Andalusia region in Spain tackled this issue by demonstrating to the telecommunications operators the existence of a sufficiently profitable potential market: it set up centres under its Regional Programme of Innovative Actions which grouped demand and coordinated the activities of different groups of users. This approach stimulated competition in the region: in the 26 villages concerned with the experiment, 15 are now served by 2 operators who use varied technologies (ADSL and XDSL, LMDS, satellite...). This coverage was rapidly extended to 366 villages by the end of 2005 and will extend to all the local authorities of Andalusia by the end of 2006.

3.3. Evaluation of the actions: learning all the lessons of experimentation

A good evaluation makes it possible to build on the lessons learned from experimentation with a view to generalising them or to transferring them to other sectors of activity or to other regions: it makes the success factors of an action transparent and makes it possible to demonstrate the contextual aspects. The results should therefore be communicated regularly to the authorities responsible for the operational programmes.

A productive evaluation in Flanders: transfer of experiences to strategic recommendations

The Flanders region in Belgium asked a consultancy company not only to evaluate its Regional Programme of Innovative Actions ex post, but also to participate in the dissemination of the results of the 14 projects financed, which all concerned the theme, "sustainable management of industrial sites". Of 14 projects, 5 were studies and 9 involved physical outputs. These projects ranged from a study on the development of a legal structure which could facilitate co-operation between enterprises to the putting in place of homogenous signage in industrial sites to the recovery of used water. The consultants visited the projects, carried out interviews and organised workshops for the presentation of results and the exchange of experience. This innovative approach to evaluation was very well received by the different actors involved (enterprises, local authorities, universities) and promoted collective learning at the regional level. The second part of the evaluation concerned regional policy in the area of sustainable management of industrial sites. It came up with a series of recommendations and therefore helped to improve the leverage effect of the programme, through first the stimulation of an exchange of experience between the actors, but also in formulating proposals for a reorientation of the regional strategy in this field.

4. HOW TO MOVE FROM EXPERIMENTATION TO GENERALISATION

In the past, the link between the Regional Programmes of Innovative Actions co-financed by the ERDF and the mainstream operational programmes was not always easy for institutional and political reasons (lack of awareness among managers of the operational programmes, a concern about dividing financing between various interests, political changes in the regions), but also because of timing: the innovative action programmes were not launched at the same time as the operational programmes. However, some regions drew on the experience gained under the innovative actions programme. Thus, the logic of networking innovation actors for the transfer of technology developed by the Tuscany region in the framework of its programme of innovative actions was used from 2004 as a reference point for the several measures in the 2000-2006 Single Programming Document and will probably form the basis for future interventions in the area of innovation.

"Vouchers" for technology transfer

Under its Regional Programme of Innovative Actions (2003-2005), the Lombardy region in Italy set up a system allowing those who wished to create start-ups or enterprises planning to modernise their methods of production to access advice of selected organisations: universities, public or private research centres. During the project, 42 organisations were pre-selected and, on the basis of a call for proposals, 196 vouchers were allocated in 2003 for €1.4 million. Following the success of the project, the region extended the mechanism to the entire territory at the end of 2004, using its own funds: 366 new vouchers were financed.

Certain regions chose to allocate the management of their innovative actions programmes to the managing authority of the operational programme, which facilitated the generalisation of a large number of pilot actions. Other regions of Europe on the contrary "localised" the management of a financial envelope from the operational programme after having tested actions which proved successful.

The Provence-Alpes-Cote d'Azur region: a conclusive test in more ways than one!

The Objective 2 Single Programming Document of the Provence-Alpes Côte d'Azur region in France contained no measure for Information and Communication Technologies (ICT). At the time of its revision in March 2003, and on the basis of the experimental actions carried out under the Regional Programme of Innovative Actions which were targeted entirely on the development of the information society, an ICT measure was introduced into the SPD. Since January 2004, the Region manages an ICT global grant, according to management procedures developed under its Regional Programme of Innovative Actions.

4.1. Generalising good practices into the operational programmes (2007-2013)

The new programming of Regional Policy makes it possible to carry out exploratory actions during the implementation of the operational programme. Contrary to the previous period, it places them under the same responsibility. This synchronisation should facilitate dissemination of results obtained and encourage their transfer towards other sectors of activity covered by the programme. The link with the operational programme should also give a signal of the region's commitment to innovative policies as well as a long-term assurance of resources.

This advantage is accompanied by a risk. Without specific management, the experimental approaches could lose visibility and effectiveness. This is why the Commission recommends calls for proposals, selection, specific monitoring and evaluation of these experimental actions while maintaining a close link with the authorities responsible for the operational programmes, whether it is during the initial evaluation, experimentation or at the time of the final demonstration of results.

The challenge for the new operational programmes is to build on regional strategies, which already exist or are planned, and to try out new approaches with the aim of strengthening them. The results of these experiments will be able to contribute to modifying the nature of the Regional Policy interventions, ensuring innovative approaches across all activities, including more traditional interventions of infrastructure projects, SME support and human resource development measures. Experience demonstrates that:

- Small investments can have considerable leverage effect on regional innovation;
- A rigorous evaluation of these new approaches demonstrating their added value and impact is necessary to convince at political level and to mobilise the regional actors;
- This requires a participative process, associating all the actors concerned, and transparency from both public authorities and their partners, and consequently a strong sense of commitment and responsibility; and
- Through this process, new arbitrations on priorities within the operational programmes could be envisaged, remaining always within the regional consensus.

4.2. Transferring good practices to other sectors of activity

Transferring good practices from one sector to another is a good means of increasing the leverage effect of the operations financed. To this end, the different services from the sectors concerned must communicate and agree to work together. The presence of an organisation having authority (or at least knowledge and power of influence) on several sectors will facilitate this transfer. Such a body could be a regional authority or a development agency, for example. Networks for

exchange of experience bringing together different innovation actors can also contribute to the transfer of a practice of a sector to the other.

"Innovation Assistant" to "Export Assistants": an Austrian example

Under its Regional Programme of Innovative Actions (2002-2004), the region of Niederösterreich set up a project which provides part financing for 15 months for the recruitment by SMEs of a young graduate. This graduate is assigned to a precise innovative project to be completed in 18 months (with external expertise if necessary, the costs of which are borne by the region). The experience shows that the SMEs benefit from this additional knowledge (for example, for the development of new products) and that the head of company, released from the technical management of his company, can concentrate on sales and the strategy.

The region found this project a success and decided to transfer it to the export sector through a scheme of "export assistants". From now on, the region also finances the recruitment of a young university graduate by the SMEs to help them to develop their export markets.

Bolzano: a methodical programme to create clusters

The Regional Programme of Innovative Actions of the autonomous Province of Bolzano is entirely devoted to the creation of clusters: it developed a general methodology and has associated enterprises closely in the choice of the sectors of activity and the creation of the clusters. It launched three calls for project proposals and supported the companies selected and the co-ordinators of the clusters with studies, exchanges, seminars and training. It established a support structure for these clusters, the CAN(Cluster Alpine Network)-South-Tyrol, financed by the autonomous Province and by the enterprises. This completely new experiment as regards clusters led the autonomous Province in Bolzano to create a Council for Innovation, Research and the Development which uses the concept of clusters as an instrument of economic and regional development policy. Such a structured approach common to several sectors could easily be used in other sectors of activity and indeed in other regions with the same characteristics (a large number of not very innovative SMEs and strong political will to develop regional innovation).

4.3. Transferring good practices to other regions

Several mechanisms facilitate the transfer of good practices between regions: networking, twinning of regions, study visits.

4.3.1 Networks

Participating regions in a network benefit through opening up to international experience (to know what occurs elsewhere), through information on European policies and programmes and maybe to influence them, through the availability of European partners and comparison of the strategies and practices of regions with the same profile or problems (benchmarking).

Shared Strategic Reflection in Island Regions

The IN.TRACK project (2004-2006), financed by the European Union's pilot action "Regions of Knowledge"¹⁴ gave four European island regions – the Canaries, Madeira, Crete and Sicily - the opportunity over 26 months to develop a shared vision of the knowledge society in their regions, taking account of their specificities and their economic and social structural handicaps. Technological audits, foresight exercises and strategic analyses helped them to build this shared vision, while locally and in parallel four workshops involved the key socio economic actors in the debate, including the universities and research centres and public authorities and political decision makers. The regions, all of which are Objective 1, were able to pool their resources, tools, experiences and methodologies and thereby enrich their regional innovation policies. At the end of the project, other European island regions have joined the network.

Inter-regional co-operation on concrete projects contributes a real added value to networking activities:

- Each partner can compare methods, practices and results to those of others facing similar problems but in different institutional and cultural contexts;
- Each can therefore (more easily than with a direct exchange of experience) identify the specific aspects of the approaches, possibilities to improve current practices and new ideas stimulated by methods which have had good results in other regions, even if it means adapting them to local contexts.

The challenge for Europe today is to intensify co-operation between regions with a view to accelerating processes for innovation in a large number of organisations.

Combining regional co-operation and experimentation

From 2000 to 2002, in the framework of a RECITE co-operation project financed by the Structural Funds, six regions¹⁵ co-operated to develop "innovation management techniques" (IMT) adapted to the needs and specificities of regional SMEs. After sharing the costs of studies recording the different methods existing in Europe, describing regional situations and analysing needs in the management of innovation, the partners – helped by 7 international examples - selected the IMTs best suited to their regions and used the available tools (audit questionnaires, benchmarking methods, etc.). The SMEs selected in these regions benefited from these audits and 142 received support in the implementation of the IMTs. Training seminars were organised and reached nearly 3,000 SMEs or intermediary bodies.

¹⁴ "Regions of Knowledge" is a pilot action managed by the Directorate General for Research of the European Commission

¹⁵ INNOREGIO project, involving Wales, North Portugal, Central Macedonia, Crete, Thessaly and the Basque Country.

Co-Operating Beyond Borders on Technological Innovation

Through a cross-border co-operation project co-financed by the European Union since June 2005¹⁶, the Walloon, Luxembourg and Lorraine regions decided to create a platform for the exchange of information on a new process for welding by friction – called FSW (Friction Stir Welding) – applied to aluminium alloys and used principally in the construction of transport systems (aeronautical, road, rail). This platform, for SMEs in the three regions, should make it possible to gather the competencies in the development of this innovative process. To understand the phenomena involved and the potential industrial applications, an action programme in four phases is required: the identification of and awareness-raising among interested enterprises; awareness raising of FSW among the actors in the three regions; analysis and study of the conditions for implementation of the new process with existing equipment in research centres in the three regions and a practical guide for the using the process, adapted to the needs of cross-border industries; and a feasibility study on establishing a network of cross-border technological competencies.

Other networks have as a principal objective the sharing of experience and they organise seminars facilitated by experts, training, study visits, and workshops in which regions participate according to their interests. The development of such networks takes time. Relationships need to be created built on trust, mutual comprehension of objectives and concepts, common work practices, while maintaining the partners' motivation, in spite of different cultures and languages. A network therefore requires frequent physical meetings, the definition of a work programme and very good communication. Networks seldom discuss operational issues but are more interested in strategic and policy approaches.

Experience shows that certain conditions need to be satisfied for effective networks:

- The representative of the region in the network must have a level and a function which permits him/her to influence regional policy and must have a general knowledge of the policies pursued in the region, innovations having implications across many spheres of activity.
- He or she must be motivated by the issues of innovation and be able to devote time to travel, to the preparation of meetings and the development of documents useful for all the members: interventions during seminars, contributions to discussion forums, drafting of project profiles, information on the regional socio-economic situation, etc. To be useful, this commitment should endure over several years, the continuity of persons being important for the consolidation of the network.
- He or she should be able to communicate in other languages.

¹⁶ Programme INTERREG III A

Some examples of networks of regional innovation

The ERISA network was started in 1998 by 28 regions participating in the IRISI and RISI projects¹⁷. The network's aim was to accelerate the development of the Information Society in the regions. Over the years it expanded and now comprises 45 participating regions. ERISA coordinates the IANIS network¹⁸ set up in 2001, bringing 40 regions together to facilitate the exchange of good practice between regional Innovative Action Programmes under the Information Society theme.

The network Innovating Regions in Europe (IRE)¹⁹ permits regions to exchange their experience on the development and implementation of regional innovation strategies. Its aim is to give its members the possibility to share new tools and learning opportunities in order to improve their capacity to support regional innovation and to support the competitiveness of local businesses. Although originally set up to help regions put regional innovation strategies in place with the help of the European Union, the network is now open to all European regions that are developing their own regional innovation system. It now brings more than 230 regions together. The exchange of good practice between the regional Innovative Actions Programmes in the area of Innovation Technology takes place through the ERIK network²⁰ (about 40 regions).

The network CoorInna²¹ was originally set up to establish an informal link between the Italian Innovative Actions Programmes. Since 2003 it officially brings the Italian regions together with a view to improving the coordination between the national and regional policies for research and innovation, to exchange experiences and to define a common approach in the framework of programming for the 2007-2013 period.

4.3.2 Twinning of regions

Twinning of regions, within the framework of the RIS-NAC initiative supported by the EU, has facilitated about forty regions in the new Member States to initiate the approaches developed within the regional innovation strategies. Each region was twinned with at least one region already having benefited from a RIS project²², and the methodology used was based on the following three elements:

- creation of a consensus among key actors,
- analysis of the regional innovation system, and
- development on this basis of innovation policies and strategies.

¹⁷ Inter-Regional Information Society Initiative (IRISI) and Regional Information Society Initiative (RISI) (North-West England, Sachsen, Nord Pas-de-Calais, Valencia, Central Macedonia and Piemonte)

¹⁸ <http://www.ianis.net/>

¹⁹ <http://www.innovating-regions.org/>

²⁰ <http://www.eriknetwork.net/>

²¹ <http://www.cooriinna.net/>

²² Regional Innovation strategies: projects financed by the ERDF between 1994 and 1999.

The Experience of Shannon and Umbria at the Service of Slovenia

The Shannon region in Ireland and Umbria in Italy shared their experiences in the area of innovation strategies with Slovenia under a RIS-NAC action led by the town of Ljubljana in 2001-2004. These regions advised Slovenia on the design of their management structure, work programme and implementation. They participated in three national conferences on innovation. Study visits to the two regions gave the Slovenes the opportunity to study both good and less good practices in the support of innovation in Ireland and Italy. Shannon and Umbria also shared their experiences in the management of Structural Funds, which helped Slovenia to synchronise the implementation of its innovation strategy with that of Regional Policy.

4.3.3 Study visits

Study visits are organised bilaterally between two regions wishing to understand very clearly the on-the-ground conditions for success for experimentation. These visits and the exchanges that they encourage contribute new ideas to regions but also make it possible to become aware of the differences in context. An innovative approach will be successful in one region given the institutional, cultural and social environment, while it might not find the same favourable context in another region. This is particularly true in fields where social and cultural factors are important, such as education, for example.

To facilitate the transfer of innovation, visitors must be influential within their regional administrations and to be able to analyse good practices and bring them back to the political decision-makers. Regions may choose to send delegations comprising officials close to the policy (directors, for example) and those closer to the ground (from technical services): the first will be able to enrich regional policy with the results of the study visit, while second will be better able to analyse the real conditions for the success of the action. It is important that a report of the visit is prepared, highlighting the learning obtained.

England and European exchanges of visits

The South East of England's Innovative Actions Programme developed an international partnership in order to exchange good practices from several projects. In this way, the Hungarians, with whom the university of Brighton (CENTRIM) worked on the development of a regional innovation strategy learnt about a method for innovation audit developed in the Innovative Actions programme by this university and used it on returning home. CENTRIM also organised for the region to visit the Fraunhofer Institute for Factory Operation and Automation in Magdeburg in Germany for an exchange on techniques for the management of information in SMEs, the topic of a project supported through Innovative Actions.

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ANNEX 1

Reference sites on Experimental Strategies and Actions

Site of the Directorate General for Regional Policy

http://ec.europa.eu/comm/regional_policy/index_en.htm

Regions for Economic Change, including RegioStars Awards for Regional Innovative Projects:

http://ec.europa.eu/regional_policy/cooperation/interregional/ecochange/index_en.cfm

Network of Regions for Information Society: IANIS

<http://www.ianis.net/>

Network of Regions for Innovation based on Knowledge: ERIK

<http://www.eriknetwork.net/>

Network of Innovative Regions in Europe: IRE

<http://www.innovating-regions.org/>

INNO Policy Trendchart: Innovation Policy in Europe

<http://www.proinno-europe.eu/index.cfm?fuseaction=page.display&topicID=52&parentID=52>

INNO Metrics: Measuring innovation performance

<http://www.proinno-europe.eu/index.cfm?fuseaction=page.display&topicID=5&parentID=51>

European Cluster Observatory: mapping innovative clusters in Europe

<http://www.clusterobservatory.eu>

PAXIS: Pilot Action of Excellence for Innovative Start-Ups

<http://cordis.europa.eu/paxis/src/home.htm>

Guide on the Evaluation of Socio-Economic Development

<http://www.evaled.com>

European Portal on Innovation

http://ec.europa.eu/enterprise/innovation/index_en.htm

Community information service on research and development

<http://www.cordis.lu/en/home.html>

Regional dimension of the European Research Area

<http://cordis.europa.eu/era/regions.htm>

PRO INNO Europe: Initiative for better innovation policies in Europe

<http://www.proinno-europe.eu/>

Europe INNOVA: Initiative for innovation professionals from enterprises and public bodies

<http://www.europe-innova.org>

ANNEX 2

Innovation-related funding opportunities available to regions from other DGs and services

7th Research Framework Programme (FP7)

FP7 bundles all research-related EU initiatives, grouped into four categories: Cooperation, Ideas, People and Capacities. The Capacities programme helps to develop research infrastructure, regional research potential (in convergence regions) and regional "research-driven clusters" and to connect them to those of other regions (Regions of Knowledge), as well as to exchange good practice among research policy-makers for a coherent development of research policies (OMC-Nets).

Ø **Information and calls:** http://cordis.europa.eu/fp7/info-programmes_en.html

Ø **Capacities programme** (managed by DG Research):
http://cordis.europa.eu/fp7/capacities/home_en.html

Competitiveness and Innovation Programme (CIP)

CIP funds projects and networks for the improvement of policy-making through analysis (see [INNO Metrics](#) and [INNO Policy Trend Chart](#) and the [European Cluster Observatory](#)), evaluation (see [INNO Appraisal](#)) development, testing (see [INNO Nets](#), [INNO Actions](#) and [Europe INNOVA](#)) and exchange of good practices (see [INNO Views](#) and [INNO Learning Platform](#)) for policy actors and support services ([IPR Helpdesk](#), [Innovation Relay Centres](#)). CIP gives no direct funding to enterprises, apart from the financial instruments.

Ø **General information:** http://ec.europa.eu/cip/index_en.htm

Ø **CIP Executive Agency:** http://europa.eu/agencies/executive_agencies/eaci/index_en.htm

Ø **Grants and calls for proposals:**

- **Enterprise and Innovation** sub-programme managed by DG Enterprise and Industry and the CIP Agency:
http://ec.europa.eu/enterprise/funding/files/themes_2007/calls_prop.htm
- **Energy & Transport** (Intelligent Energy Europe sub-programme, managed by DG Transport and Energy and the CIP Agency):
http://ec.europa.eu/dgs/energy_transport/grants/index_en.htm
- **ICT Policy Support sub-programme** for the wider uptake and best use of ICT by citizens, governments and businesses managed by DG Information Society and Media: http://ec.europa.eu/information_society/activities/ict_psp/index_en.htm
All DG Information Society and Media funding opportunities:
http://ec.europa.eu/information_society/newsroom/cf/news.cfm?redirection=1&item_type=fo
- **Eco-innovation** (transversal CIP theme managed by DG Environment and the CIP Agency): http://ec.europa.eu/environment/etap/funding_en.htm

All DG Environment funding opportunities:
http://ec.europa.eu/environment/funding/intro_en.htm

- **Funding opportunities for SMEs** (CIP financial instruments & thematic):
http://ec.europa.eu/enterprise/sme/fund_tools/fund_tools_theme_en.htm

European Social Fund (ESF)

ESF funding is available through the Member States and regions. The ESF does not fund projects directly from Brussels.

- Ø **Information:** http://ec.europa.eu/employment_social/esf/ (including links to the ESF managing bodies in the Member States)

European Agricultural Fund for Rural Development (EAFRD)

The Rural Development policy focuses on three areas: improving competitiveness for farming and forestry; environment and countryside; improving quality of life and diversification of the rural economy. A fourth axis called "Leader plus" gives possibilities for locally based bottom-up approaches to rural development. The funding is based on the National strategy plans and funding decisions are taken by the Managing Authorities of the Member States.

- Ø **Information:** <http://ec.europa.eu/agriculture/rur/leaderplus/>

European Fisheries Fund

The Fisheries Fund both supports the industry as it adapts its fleet to make it more competitive and promotes measures to protect and enhance the environment. It also helps fisheries communities most affected by the resulting changes to diversify their economic base. The Member States decide how they allocate funds between the different priorities set.

- Ø **Information:**
http://ec.europa.eu/fisheries/cfp/structural_measures/arrangements_2007_2013_en.htm

- Ø **List of Member State authorities** managing EFF support:
http://ec.europa.eu/fisheries/cfp/structural_measures/addresses_en.pdf

Funding Programmes in Education and Training

The Lifelong Learning Programme has four sub-programmes for pre-school and school education, higher education, vocational education and training and for adult education. Grants and subsidies are awarded to enhance the trans-national mobility of individuals, promote bilateral and multilateral partnerships, or improve quality in education and training systems through multilateral projects encouraging innovation. Also transversal issues are covered, e.g. policy cooperation and innovation in lifelong learning; promotion of language learning; development of innovative ICT-based content, services, pedagogies and practice for lifelong learning;

- Ø **Information and calls:** http://ec.europa.eu/education/programmes/programmes_en.html

- Ø **Audiovisual, Education and Culture Executive Agency:**
<http://eacea.ec.europa.eu/index.htm>

eContentplus programme

Community programme to make digital content in Europe more accessible, usable and exploitable (2005–08). The programme is managed by DG Information Society and Media.

Ø **Information:** http://ec.europa.eu/information_society/activities/econtentplus/index_en.htm

IDABC programme

Community programme (2005-2009) for Interoperable Delivery of European eGovernment Services to public Administrations, Business and Citizens, managed by the European Commission's DG for Informatics.

Ø **Information:** <http://ec.europa.eu/idabc/en/home>

LIFE+ for environmental and nature conservation

Programme supporting environmental and nature conservation projects throughout the EU, as well as in some candidate, acceding and neighbouring countries. Main themes: Land-use development and planning ; Water management ; Minimising the impact of economic activities ; Waste management ; Integrated Product Policy. LIFE+ is managed by DG Environment.

Ø **Information:** <http://ec.europa.eu/environment/life/index.htm>