



**Horizontal flagship support activity:**  
**SUPPORT TO RESEARCH AND INNOVATION STRATEGIES**  
**FOR SMART SPECIALISATION IN THE DANUBE REGION**

## **1. RATIONALE**

As part of the Europe 2020 Strategy, the 'Innovation Union' flagship initiative sets out a comprehensive innovation strategy to enhance Europe's capacity to deliver smart, sustainable and inclusive growth. It highlights the concept of Smart Specialisation as a way to achieve these goals.

Smart Specialisation is a strategic approach to economic development through targeted support to Research and Innovation, which implies concentrating resources on key priorities in a region based on the region's economic potential rather than spreading efforts and investments too thinly. Smart Specialisation involves a process of developing a vision, identifying competitive advantages through an entrepreneurial process of discovery, setting strategic priorities and making use of smart policies to maximise the knowledge-based development potential of any region, strong or weak, high-tech or low-tech.

It is proposed to make Smart Specialisation the basis for Structural Funds investments in the field of research and innovation as part of the future EU Cohesion Policy. The Commission proposal on the Cohesion Policy Package for the financial programming period 2014-2020 includes an ex-ante conditionality on the allocation of funds which requires EU Member States or regions have to have well-developed national or regional research and innovation strategies for Smart Specialisation (RIS3) in place before they can receive EU financial support through the Structural Funds.

In June 2011, the European Commission has launched a 'Smart Specialisation Platform' (S3 Platform) in order to assisting regions and Member States to develop, implement and review research and innovation strategies for Smart Specialisation (RIS3). The JRC operates the Platform in its Institute for Prospective Technological Studies (IPTS) based in Seville. Amongst the activities that are already being developed by the S3 Platform are the preparation and update of a guide for policy makers and implementing bodies, the organisation of peer review and training seminars for regions, the development of economic analysis on the concept of Smart Specialisation and regional economies, as well as the development and maintenance of a website.

Besides the support to regions and Member States in their development of the RIS3, the Platform also focuses on sharing information and experiences in relation to thematic objectives related to specialisation, for example in the fields of SMEs in general, indicators, universities and knowledge centers, science parks, ICT and digital growth, rural innovation, advanced manufacturing, and key enabling technologies in agro food in RIS3 planning and implantation.

Participation in the activities of the S3 Platform is on a voluntary basis. Over 150 EU regions and 15 Member States have already joined the Platform. This includes several regions of the Danube area: Upper Austria and Lower Austria (AT), Moravia – Silesia, South Moravia and Capital City of Prague (CZ), Bratislava (SK), all Hungarian regions, four Romanian regions (Nord-Vest, Vest, Centru and Nord-Est), as well as 7 EU Member States registered at national level (Czech Republic, Slovakia, Slovenia, Croatia, Romania, Hungary and Bulgaria).

On 24 May 2012, the S3 Platform organised, together with the Directorate-General for Regional Policy of the European Commission and three Danube regions (Upper Austria, South Moravia and Baden-Württemberg), an outreach event with the aim to: (i) raise awareness on Smart Specialisation concept and methodology, (ii) facilitate the process of drafting RIS3, and (iii) launch the discussion on comparative advantages and macro-regional strengths for potential future growth areas. The event gathered about 100 participants from all over the Danube region. One of the key messages was that real "smart" specialisation strategies should consider opportunities beyond regional borders. In a networked and global world, RIS3 means not just considering one's own strengths, but also building networks across borders. The EU Strategy for the Danube Region (EUSDR), while not being limited to cooperation on research and innovation, can facilitate this process.

On 26 April 2013, the Joint Research Centre has organized an S3 SEMINAR on Research and Innovation Strategies for Smart Specialisation (RIS3) and transnational cooperation for an innovative Danube Region. The objective of the event was to (i) discuss the main characteristics of the RIS3 concept and, in particular, the importance of the transnational dimension and the need for a Reference data infrastructure, (ii) present the draft national RIS3 in a number of Danube countries and potential transnational projects, (iii) draw conclusions on concrete cooperation opportunities and work to be done with regard to stimulating transnational cooperation on areas of smart specialisation in the framework of the EUSDR, and (iv) discuss ways JRC can further support.

Several regions of the Danube countries were at that time already actively engaged with the S3 Platform. Vest (RO), Bratislava, South Moravia (CZ) had already been peer reviewed and the Hungarian national strategy was to be peer reviewed in June 2013. Both, Upper and Lower Austria (AT) as well as Vest (RO) and South Moravia (CZ) had participated to outreach events organised over the EU illustrating their strategy and experience.

The Commission proposal on the Cohesion Policy Package for 2014-2020 includes a legal basis enabling an Operational Programme to plan interventions for contributing towards macro-regional strategies and sea basin strategies [see Article 87(2)(c)(vi)]. This is a new feature of the EU legislation that is likely to facilitate the implementation of macro-regional RIS3 priorities.

#### **Related priorities of the JRC Scientific Support to the Danube Strategy initiative:**

Support to research and innovation strategies for Smart Specialisation in the Danube Region is a horizontal priority of the Scientific Support to the Danube Strategy in itself.

#### **Related priority areas of the EUSDR:**

This horizontal support activity will indirectly contribute to all Priority Areas of the EUSDR. In a more direct manner, it will support the objectives of Priority Area 7 ('Knowledge Society') in the field of research and innovation.

### **Policy context and related legislation:**

#### ***EU reference documents:***

[Innovation Union flagship initiative \(COM\(2010\) 546\)](#)

[Communication on Regional Policy contributing to smart growth in Europe 2020 \(COM\(2010\) 553\) encourages the design of national/regional 'Smart Specialisation strategies' to deliver more targeted Structural Funds support](#)

[European Commission legislative proposals on the Cohesion Policy Package 2014-2020](#)

### **International partner organisations:**

OECD

World Bank

## **2. FLAGSHIP ACTIVITY DESCRIPTION**

Smart Specialisation is a concept that can make a valuable contribution to the integrated approach which macro-regional strategies such as the EU Strategy for the Danube Region rely on, in the sense that it can stimulate the constructive use of regional diversity by avoiding uniformity and duplication in regional investment goals as well as help develop critical mass to tackle major common challenges.

In this context, the flagship activity proposed by the JRC uses the Danube Region as a pilot area to study and foster the integration and coordination of regional or national research and innovation strategies for Smart Specialisation at macro-regional level.

The Danube Region is a unique and particularly interesting area in this respect because it encompasses both some EU and non-EU countries (some of which are part of the EU Enlargement policy and others of the EU Neighbourhood Policy) and some high- and low-performing countries in the fields of research and innovation.

Moreover, the specificity of the Danube Region also lies in the institutional structure of several countries of the region. Indeed, in several countries of the Region competence related to Smart Specialisation policies (notably those related to both research and innovation) lies mostly in the hands of the national Governments, which makes it crucial to involve directly not only the regional but also the national levels of administration in the design of research and innovation strategies for Smart Specialisation (RIS3).

While all EU regions will continue to benefit from the standard activities of the S3 Platform, the Platform will also provide more targeted support to the development and implementation of research and innovation strategies for Smart Specialisation (RIS3) to the countries and regions of the Danube area, taking into account the specificities of this macro-region and the trans-national dimension of these strategies. In this context, the Platform intends to be involved in a number of events related to the Danube Region.

### **Proposed action plan on Smart Specialisation for the Danube Region:**

A three-fold approach going beyond the general activities of the JRC's S3 Platform is proposed to support the Danube Region. Firstly, the flagship activity will 1) identify and discuss important elements of the transnational dimension of research and innovation strategies for smart specialisation in view of the wider macro-regional context of the Danube region. 2) Secondly, in the Danube Region, it will develop new actions targeted at national policy-makers, namely the Ministries responsible for drafting and

implementing national RIS3 and the Ministries in charge of Structural Funds management and co-ordination. 3) Finally, it will further strengthen the support already provided to the regional authorities of the Danube countries.

#### ◆ **Identify and discuss elements of the transnational dimension of RIS3 in the Danube context**

In addition to its traditional support activities, the S3 Platform will map areas of smart specialisation across the Danube region and, in consultation with relevant stakeholders across the Danube Region, stimulate a discussion on how to best stimulate transnational cooperation to strengthen smart specialisation in areas of joint potential and stimulate synergies.

The Seminar of 26 April 2013 addressed this activity with high level representatives from 14 Danube countries, representatives of the Baltic Sea region, the European Commission and other related organizations.

The event was aimed at representatives of national administrations and major stakeholders.

The outcome of the seminar helped further define the activities which will be undertaken to support the development of RIS3 in the Danube Region and to tailor the approach adopted to the needs of EUSDR macro-regional strategy, notably, in the areas of financial engineering of trans-national projects, reform of Universities, addressing social innovation, as well as further peer learning and development of institutional capacity. The seminar contributed to the preparation of the session 'Towards a smartly specialised and innovative Danube Region' of 16 May 2013 high-level event to be organised in Bratislava (SK).

#### ◆ **Actions targeted at national policy makers**

##### *Peer-review of RIS3 of Danube countries*

Along its peer review activity, the S3 Platform has been organising a series of mutual learning workshops at both regional and national level. The Danube countries have been actively involved since 2013. For instance, the first peer review workshop ever held at national level by the S3 Platform hosted Hungary as one of the four EU Member States, which submitted their national strategy to peer review.

The Czech Republic's national strategy was peer reviewed in February 2014; the Slovenian and Croatian national strategies were peer reviewed in May 2014. The next national peer review workshop, scheduled early July 2014, will host three Danube countries (Slovakia, Romania and Bulgaria) with their national strategies to be peer reviewed.

In these peer-reviews, particular attention is given to (i) the governance of RIS3, (ii) their trans-national dimension, including barriers to trans-national collaboration to address common challenges and instruments to facilitate it, (iii) the translation of RIS3 into operational programmes, (iv) the identification of good practices in these areas, and (v) coordination of related EU policies.

The RIS3 Guide and information sessions on the Smart Specialisation concept are important but not sufficient on their own to accelerate the development and implementation of RIS3. Policy makers, as is the case for industry, learn better from their peers.<sup>1</sup>

#### ◆ **Continued follow-up and mutual learning on the implementation of RIS3**

The S3 Platform proposes to have from 2014 onwards a mutual learning seminar per year on one or two particular dimensions of RIS3 implementation which pose particular challenges to all or some of the

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<sup>1</sup> Further information may be found on the methodology of peer reviews here: <http://s3platform.jrc.ec.europa.eu/documents/10157/10296/S3P%20Peer%20review%20Methodology%20for%20web%2018FEbr2013.pdf>

Danube countries. These thematic dimensions may refer either to the RIS3 process as described in the RIS3 Guide (and focus on one specific step or actor, such as Universities or SMEs) or to priorities for future specialisation. The seminars would bring together key actors across the region, including the SF Managing Authorities. Moreover, regions from Danube countries will be invited to express their interest to host or participate to further peer-review workshops in the framework of the S3 Platform mainstream activity.

### **3. OUTPUTS AND BENEFICIARIES**

#### **Products:**

- Confidential peer review feedback reports
- Seminar reports

#### **Potentially interested actors and/or beneficiaries of the research results:**

EU institutions and bodies

National and regional governments of the Danube Region

Other stakeholders of the Danube Region (e.g. universities, research organisation, industry, etc.)

#### **JRC CONTACT:**

*Xabier GOENAGA,*

*Head of the Knowledge for Growth Unit,*

*Institute for Prospective Technological Studies (IPTS),*

*Joint Research Centre*

*(Alternative contact: Alessandro RAINOLDI, S3P Action Leader)*

## Annex: S3P-DANUBE Project Activity Fiche

**The S3P Danube project** represents part of the work of the **Smart Specialisation Platform (S3 Platform - S3P)** of the Joint Research Centre devoted to the Danube macro-region.

The S3 Platform has been launched by the European Commission in June 2011 in order to assist the EU regions and Member States to develop, implement and review Research and Innovation strategies for Smart Specialisation (RIS3). **Smart Specialisation** is a strategic approach to economic development through targeted support to Research and Innovation, which implies concentrating resources on key priorities in a region based on the region's economic potential rather than spreading efforts and investments too thinly. The Commission proposal on the Cohesion Policy Package for the financial programming period 2014-2020 includes an ex-ante conditionality on the allocation of funds which requires EU Member States or regions have to have well-developed national or regional research and innovation strategies for Smart Specialisation (RIS3) in place before they can receive EU financial support through the Structural Funds.

Amongst the important S3 Platform activities were the preparation and update of a RIS3 Guide for policy makers and implementing bodies, the organisation of peer review and training seminars for regions and assisting the development of regional and national economies in the EU based on the sound economic analysis and the concept of smart specialisation. The S3P has until May 2014 executed **15 peer reviews with over 800 participants** (excluding EC staff), which follow the methodology developed by the Platform itself and available at <http://ftp.jrc.es/EURdoc/JRC85133.pdf> . The workshops bring together regions and countries for mutual learning and exploration of ways in which RIS3 Strategies can be developed. All together 48 regions and 8 EU Member States have been peer reviewed so far. 5 more EU countries will submit their national strategy to peer review early July 2014.

While all the EU regions continue to benefit from the standard activities of the S3 Platform, the Platform is also providing a **targeted support to the development and implementation of RIS3 to the countries and regions of the Danube area**, taking into account the specificities of this macro-region and the transnational dimension of these strategies.

After organisation of couple of events devoted to the Danube macro-region in 2013 the S3P has organised a S3 Danube workshop on **Mobilising EU instruments for the financial design of transnational projects in the Danube region**. In fact, as pointed out during the first seminar organised in April 2013 on RIS3 and transnational cooperation for an innovative Danube Region, the financial design and continuous financing of trans-national flagship projects remains one of the most important challenges for the Danube region.

This important event took place **on 3 April 2014 in Brussels**. Following the outcome of the 2013 seminar, the S3P has intended to offer to the ESI Funds Managing Authorities from the EU Member States of the Danube Region, as well as to the IPA and ENPI Authorities in the non-EU countries along the Danube, an **opportunity to discuss the possibility to use existing and new EU funded instruments for a more effective cross-border and transnational cooperation**. The workshop has also explored how to best integrate and plan this in the EU funded cohesion policy programmes for 2014-2020, and how to build synergies between existing funding sources.

Two main operational issues were mainly discussed:

- How to implement appropriate governance mechanisms and funding arrangements within the R&I trans-national projects in the Danube macro-region in the framework of the EU regional and cohesion policy?
- Which kind of financing tools and synergies (e.g. between Horizon 2020 and the ESIF) would allow to go beyond national borders and to support trans-national projects?

First, some governance mechanisms of transnational cooperation in the Danube region were presented and some ongoing initiatives of trans-national financing were show-cased. In a second stage, a number of existing and potential EU funding mechanisms were discussed, with a view to understand how to make them operate side-by-side and how to mitigate the need for stable and continuous financing of trans-national flagship projects.

The workshop's conclusions, in the form of a draft policy brief, are going to contribute to the discussions foreseen in the JRC workshop and high-level event on **scientific support to the Danube region on 25 June 2014 in Vienna (AT)**.

The Platform also participates in the ***Danube-INCO.NET*** project, which has started on January 1, 2014 and foresees numerous concrete tasks related to the core topics of the implementation of the Innovation Union, and the ERA framework, in particular through a research and innovation policy dialogue with and between the countries and regions of the Danube macro-region. One of the aims of the consortium is to launch concrete actions to promote smart specialisation, technology exchange and launch of innovative projects, promoting innovative and inclusive Danube Societies, which is a task led by the Platform. The objectives of the work package led by the S3P are to support the innovation policy in the region through support to the smart specialisation strategies and peer reviews to support the development of targeted projects using different funding sources which shall fit into the EUSDR objectives, complement the on-going activities and avoid duplication. Based on the sound expertise of the JRC-IPTS and its S3 Platform, one of the important tasks will be to organise peer review discussions on the implementation of national/regional smart specialisation strategies. Also, an important part of the work will be to elaborate specifically the aspects of trans-regional/national cooperation on the areas of common interest for the regions and countries in the Danube macro-region. This will be done through specific workshops that will include also the neighbouring non-EU countries which have originally not been covered by the S3P mandate.

The tasks foreseen go beyond merely supporting the initial phases of information exchange and endorse building cooperation processes in different areas of common interest including matchmaking and support to a capacity building process for a sustainable research and innovation oriented policy making in the Danube macro-region that is linked to the mainstream activities of the S3 Platform (including registration facilities and requirements). As a result of these Danube macro-regional peer-reviews peer review reports drafted by the invited experts and the S3P team and mutually reinforced by the actively involved regions will be drafted and will be made available at the [S3 Platform website](#) and the Danube INCO.Net website ([www.danube-inco.net](http://www.danube-inco.net)). Furthermore, a conference is organised that discusses the approaches to characteristics of research and innovation strategies for smart specialization (RIS3). Also, it discusses the scientific methodologies used during the development, implementation and evaluation of smart specialisation strategies in order to increase their quality ("Science for S3") which focuses on the use of quantitative and qualitative indicators, social scientific methods, foresight methodologies, methods for evaluation, impact assessment, etc. Policy makers are invited to the events to share their views on the convergence of policy processes in the neighbouring non-EU countries towards the well-established

cohesion policy making in the EU. The first event organised by the S3P in the framework of the Danube INCO.NET project has been a ***Peer Review workshop*** held on **10-11 April 2014 in Novi Sad (Serbia)** that focussed on the cross-border cooperation and transnational elements of RIS3 in the Danube region. The workshop has been executed as a regular S3 Peer review workshop gathering around 50 policy makers at regional and national level from the Danube macro-region and beyond.