Smart Specialisation Working Group

Interregional collaboration instruments to boost innovation: taking stock & next steps

9 November | 10:15-12:00







Agenda

10:15	Welcome and introduction
	Francesca D'Angelo, Tuscany, ERRIN S3 WG Leader
10:20	Thomatic Smoot Succialization Doutnoyshins
10:20	Thematic Smart Specialisation Partnerships
	Overview and insights from:
	Zoé Buyle-Bodin, Normandy Brussels Office, European Hydrogen Valleys S3 Partnership
10:35	Interregional Innovation Investments (I3) Instrument
	Overview and insights from:
	Ingrid Meijer, East Netherlands Development Agency
10:50	Partnerships for Regional Innovation (PRI)
	Overview and insights from:
	Simon Fredholm, Region Värmland European Office
11:05	Regional Innovation Valleys (RIVs)
	Overview and insights from:
	Luis Goñi, Navarra Regional Development Agency SODENA
11:20	Reflections from Wolfgang Münch, Deputy Head of Unit Smart and Sustainable Growth,
	DG REGIO, European Commission
11.00	
11:30	Discussion
11:55	Wrap-up
12:00	End of meeting

THEMATIC SMART SPECIALISATION PARTNERSHIPS (S3 PARTNERSHIPS)

Collaborative networks aiming to establish European ecosystems for transnational and interregional collaboration in regions and countries with similar or complementary S3 priorities

Aims / added value:

- Helping regions to improve their regional knowledge base
- Offering space to analyse and tackle obstacles related to the implementation of smart specialisation strategies
- Leading to new paths of development
- Improving position in global value chains
- Facilitating transnational joint strategies of innovation

Main target group: Regions















S3 PARTNERSHIPS – TAKING STOCK

- 37 partnerships currently active under three Thematic S3 Platforms:
 - 26 under Industrial Modernisation (S3P-Industry)
 - Personalised Medicine and Medical Technology merged
 - Virtual and Smart Cultural Tourism was created
 - 5 under Energy (S3PEnergy)
 - Geothermal Energy terminated activities
 - 6 under Agri-food (S3P-Agri-Food)
- New Thematic S3 Platform for Sustainable Blue Economy since 29 March 2022



S3 PARTNERSHIPS – NEXT STEPS & RECOMMENDATIONS

Next steps / opportunities:

- <u>S3 CoP call for expressions of interest for new S3 Partnerships</u> open continuously (two cut-off dates per year)
- S3 CoP services for existing S3 Partnerships (since November 2023, provided so far to 25 S3 Partnerships):
 - Training and capacity building on interregional collaboration
 - Governance
 - (Re-)scoping
 - Mapping
 - Smart partnering
 - Funding, finance and investment assistance
 - Demonstration
 - Scale-up and commercialisation

Recommendations / avenues for reflection:

- Need to clarify the objective and expectations from S3 Partnerships perceptions of the European Commission and regions seem to differ
- What should the S3 Partnerships focus on? How could they best support regions to enhance their interregional collaboration related to innovation?





H2 Valleys S3 Partnership

Overview and insights

ERRIN S3 WG 9 November 2023

The European Hydrogen Valleys S3 Partnership



Launched in June 2019 with the support of the European Commission

Coordinated by 4 pioneer regions in the field of H2 (mainly at the level of Brusselsbased offices):

- Auvergne Rhône Alpes
- Normandie
- Northern Netherlands
- Aragon

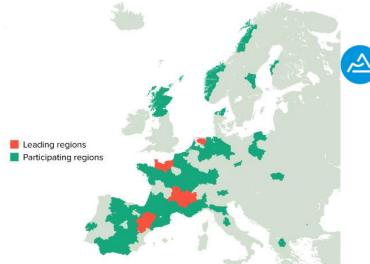




63 member regions in 13 countries

2 main goals:

- 1) Increase the visibility at EU level of regional support to the H2 value chain
- 2) Facilitate the set-up of joint European investment projects







More information: Hydrogen valleys – S3 CoP website (europa.eu)

The European Hydrogen Valleys S3 Partnership



EUROPEAN HYDROGEN VALLEYS PARTNERSHIP

Our activities:

Project set-up

e.g.: Hy2Market project/New Energy Coalition + 10 partners (more info here)

Information sharing and exchange of good practices (2-3 plenary meetings/year)

Bring the regional/hydrogen valleys perspective in EU-led initiatives (position papers, advisory groups)

Close links with the European H2 stakeholders:

Clean Hydrogen JU/member of the Clean Hydrogen JU Stakeholders Group

Hydrogen Europe Regional Pillar ERRIN Climate & Energy WG

European Clean Hydrogen Alliance

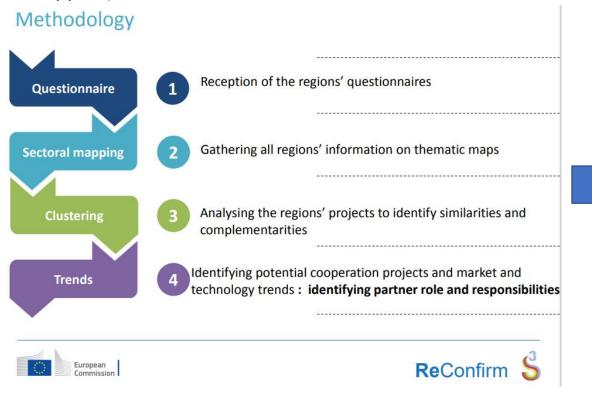
Vanguard Initiative/H2 Pilot Line

What specific engagement model is needed/works?





Our starting point: the ReConfirm model (external expertise and support)





WG	Coordination
Production/Transportation /Storage/Conversion	CIDAUT - Transport and Energy Research and Development Foundation (Spain) + Aragon Hydrogen Foundation (Spain)
Trucks	Baden-Wurttemberg (Germany)
Buses	Castilla la Mancha (Spain) + Centro Nacional del Hidrógeno (Spain)
Long-distance coaches	Sud region (France) + Medio Tejo (Portugal)
Trains	Piemonte region (Italy)
Boats/ports	Brittany region (France)
H2 airports	Auvergne Rhône Alpes (France) + Groningen province (NL)
Refueling stations	Castilla la Mancha (Spain) + Centro Nacional del Hidrógeno (Spain)
Bikes	Medio Tejo (Portugal)
Safety	CARA/European cluster for mobility solutions (France) + Demokritos research centre (Greece)
Industrial use/Heating & cooling	Groningen province (NL)
Valleys/Islands	Sandviken region (Sweden) + 4 coordinators of the partnership
Skills	Auvergne Rhône Alpes (France)

⇒ <u>Stimulating BUT time/resource consuming + need clear objectives + based on strong local governance</u>

What specific engagement model is needed/works?



- > ReConfirm stopped after a few months (support mainly for the mapping and scoping phases)
- Now: top-down by default
 - Steered by the coordinators (= Brussels-based offices of the coordinating regions)
 - Members are encouraged to launch activities/thematic WGs based on shared interests (calls, shared challenges)
 - ⇒ WGs are coordinated by the members directly/Follow-up by the partnership's coordinators
 - 2-3 plenary meetings/year (hybrid format)
 - ⇒ Presentations by members; members are encouraged to bring up ideas/comments
 - Feedback from the members for all activities
 - ⇒ For some activities: only regional/local authorities (e.g.: Clean Hydrogen JU Stakeholders Group)
 - ⇒ For other activities: feedback from all members, including regional stakeholders
- Request to benefit from 3 services (Mapping/Rescoping/Governance) from S3 CoP to boost regions' and stakeholders' engagement

Services offered by the S3 CoP Secretariat







How do we persuade stakeholders to engage?



What's in it for me/for us?

- ➤ **Visibility** at EU level (partnership's events or external events, e.g.: Clean Hydrogen JU)
- Possibility to influence EU initiatives (position papers, presentations)
- ➤ **« H2 One-stop-shop » for regional stakeholders** : links with Clean Hydrogen JU; Clean Hydrogen Alliance; Hydrogen Europe; ERRIN; Vanguard H2 Pilot
- ⇒ Bringing forward the regional/ecosystem perspective
- > Facilitate exchange of good practices and expertise
- Facilitate **project set-up** (e.g.: Hy2Market); letters of support



Location: Scotland Europa, Rdpt Schuman 6, Brussels

Draft Agenda

9.00 - 9.30:	Welcoming coffee	
9.30 - 9.40:	Welcoming speech/Update on past and current initiatives – H2 Valle S3 leaders	
9.40 - 10.00:	Presentation of H2 strategy/projects in Scotland – Scotland rep. (tbc)	
10.00 - 10.30 :	Presentation of projects from Ostrobothnia (Finland) - Kaisa Penttilä, Innovation Valley project manager, Regional Council of Ostrobothnia Slovenia - Bernard Höschele Modic, EU Affairs Advisor, Slovenian Business & Research Association (SBRA)	
10.30 - 10.40:	Update from HE Regional Pillar WG – Katarina Muse, Hydrogen Europe	
10.40 - 11.10:	Session on H2 Valleys + synergies: project presentation + lessons learnt by Clean Hydrogen Partnership + results of the synergies initiative — Antonio Aguila Rullan, Clean Hydrogen Partnership + Laurence Minne, Auvergne Rhöne Alpes Region	
11.10 - 11.20:	Break	

3 European Hydrogen Valleys Partnership

https://ec.europa.eu/regional_policy/policy/communities-and-networks/s2-community-o practice/partnership industrial mod hydrogen vallers en

How do we measure success?



Key take aways

- > H2 Valleys S3P keeps growing
- ➤ Identified as a good practice in terms of interregional cooperation by European regions Regular invitations to present the partnership to non-member regions
- Identified as « H2 regions one-stop-shop » by EU institutions/stakeholders (e.g.: Clean Hydrogen JU Stakeholders Group)
- Good feedback rate for internal consultations on position papers

- Dynamic coordination team with strong ties with their respective regional ecosystems/stakeholders is crucial
- Need of stronger methodological/technical/financial support for S3 partnerships to facilitate stakeholders'engagement, esp.:
- Exchange tools
- Communication
- HR capacities
- Governance is key to ensure participation of all members
- Coordination with other networks/initiatives to avoid overlap
- Clarification of the objectives and scope of S3 partnerships/regional stakeholders should understand easily « what's in it for me »



Thank you for your attention!

Any questions?



<u>leaderss3h2@gmail.com</u>



H2 Valleys S3P webpage

INTERREGIONAL INNOVATION INVESTMENTS (13) INSTRUMENT

Advisory and financial support to innovation projects in joint smart specialisation areas on the road to commercialisation and scale-up

Aims / added value:

- Facilitating stronger interregional cooperation in investments
- Making sustainable connections by linking regional ecosystems in shared smart specialisation areas vital to accelerate market uptake of research results and stimulate innovation
- Supporting interregional innovation projects in their commercialisation and scale-up phases
- Offering tools to overcome regulatory and other barriers and bring projects to investment level

Main target group: Innovation actors from quadruple helix ecosystem (e.g. SMEs, regional agencies)







Smart manufacturing

13 INSTRUMENT – TAKING STOCK

- First rounds of funding calls:
 - Strand 1a Financial and advisory support for investments in interregional innovation projects: 30 proposals in 2022; 27 in 2023 (RIV)
 - Strand 2a Financial and advisory support to the development of value chains in less developed regions: 25 proposals in 2022; 22 in 2023 (RIV)
 - Strand 2b Capacity building in less developed regions: 44 proposals in 2023



13 INSTRUMENT – NEXT STEPS & RECOMMENDATIONS

Next steps / opportunities:

- 13 Instrument Call Strand 2b Capacity Building in Less Developed Regions
 - Call launch on 15 November 2023 (two cut offs: 5 February 2024 and 14 November 2024)
 - Online info session on 23 November
- 13 Support Facility to support regional and national innovation stakeholders in interregional innovation ecosystem building, dedicated to activities in and for the benefit of less developed regions, EU outermost regions, or regions with specific challenges
 - <u>Call for tender</u> expected to be launched shortly

Recommendations / avenues for reflection:

- The capacity building call seems to be very popular. Should more emphasis be placed on supporting capacity of the regional innovational ecosystems (this is not only for less developed regions)?
- Lack of involvement of regional authorities in I3 projects what link to S3 and what consequences for RIVs applications?
- Need to simplify communication on available tools with regional authorities as targets (objectives, benefits, complementarity), including direct communication between DG REGIO (in particular geographic desks) and managing authorities on the tools





Current I3 projects in East Netherlands

- ☐ 4 I3 projects in which partners from the East Netherlands participate:
 - Hy2market is one of the projects and aims, among other things, to strengthen existing hydrogen cooperation between the eastern and northern Netherlands. In doing so, the project focuses on green hydrogen production and hydrogen infrastructure.
 - RegioGreenTex, an initiative that identifies and reduces the current pitfalls of a circular economy model within the textile industry across the EU.
 - ☐ HealthChain is a demand-driven programme focused on digital solutions for healthcare.
 - □ 3DoP is a project that will focus on optimising manufacturing processes in 3D printing technology.







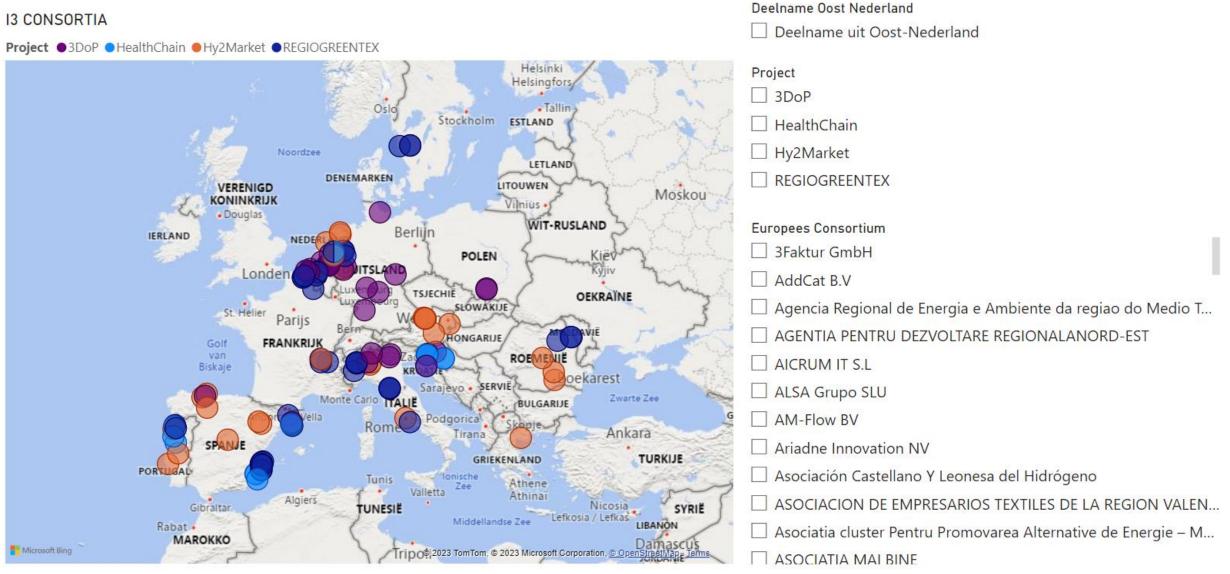




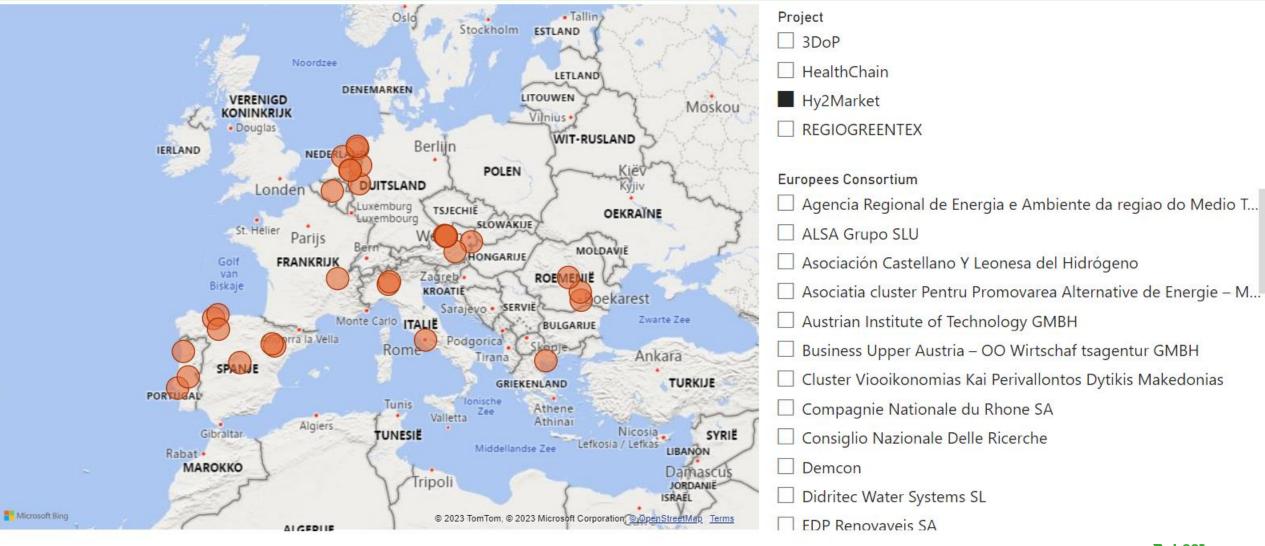
13-Dashboard Oost-Nederland



Dashboard van de 4 goedgekeurde projecten van het Interregional Innovation Investment (I3) instrument, waar Oost-Nederlandse partijen bij betrokken zijn



Hy2Market





13 - Opportunities and added value

- Region-focused instrument: Approach to establish interregional innovation investment ecosystems, based on the strengths of the region (Smart Specialization Strategy) and to build links with complementary regional ecosystems
 - The focus on companies and regions makes this program very interesting for RDA's.
- Because it is a new program there is also a relative freedom and flexibility to come up with creative ideas in the proposal phase.
- SME-focused instrument
 - FSTP component allows for cascade funding within the project, this eases the later participation of SME's in the project
 - I3 instrument is mainly focused on companies (SME's) but allows larger companies to join, in order to grant the SME's access to advanced technologies and value chains.
 - 70% funding, for companies this is larger than Interreg fi.



13 - Challenges

13 Proposal stage

- New instrument that includes that not aspects of the instrument are fully practiced yet. This
 includes the administration, reporting. Rules or criteria are sometimes not clear defined or
 net yet known because it is a new program. Especially, the budget rules.
- A minimum of 5 regions is required which also means that you need to have a lot of consortium partners. This makes also the interregional component a challenge.

13 Project execution stage

- New instrument that includes that not aspects of the instrument are fully practiced yet. This
 includes the administration, reporting, etc.
- In the first round of I3, the FSTP was only reimbursed for 70%, the remaining had to be reimbursed by the consortium.
- Previously, regional development agencies were classified as 'for profit' organization and could therefore not be leadpartner.

Thank you for your attention

More information: www.thinkeast.nl



PARTNERSHIPS FOR REGIONAL INNOVATION (PRI)

New approach to place-based innovation policy building on positive experiences with smart specialisation strategies

Aims / added value:

- Tackling the transformation needs at regional level, broadening the scope of S3 beyond economic development
- Expanding the collaborative (ecosystem) approach at local level
- Testing tools to enhance the coordination and directionality of regional, national and EU innovation policies
- Implementing Europe's green and digital transitions
- Addressing the innovation divide in the EU
- Possibility to use as support for applying to funded calls (e.g. RIVs)

Main target group: Regions







PRI – TAKING STOCK

- <u>74 territories</u> participated in one-year PRI Pilot from May 2022 until May 2023, including <u>48 ERRIN members</u>
- PRI Playbook published in May 2022 as a support document for the pilot phase, offering a selection of practical policy tools



PRI – NEXT STEPS & RECOMMENDATIONS

Next steps / opportunities:

- New Pilot expected in January 2024 as a European Parliament Preparatory Action
- New, more operational and interactive Playbook to be published in 2024

Recommendations / avenues for reflection:

- Need to make PRI more focused and practical expectations of hands-on support from regions
- Possibility to use PRI as a way to foster mission-oriented approach (inspiring interregional collaboration, involving industry stakeholders) technology-driven S3 → challenge-driven S3



Partnerships for Regional Innovation (PRI)



- What is Partnerships for Regional Innovation (PRI)?
- PRI Mid Sweden 2022 2023 and looking forward
- Predictions about the EU based on PRI?



Background to PRI (short)



2014 –2020 Smart specialisation (S3) becomes a precondition for ERDF. Most regions in the EU develops a strategy for smart specialisation (RIS or S3).

2021 – 2027 Enabeling conditions based on S3 is introduced in the new programming period and additional preconditions for S3 for "good governance".

2019 – 2022 The next generation of smart specialisation is developed in which sustainability is highlighed. The UN and the EU experiments with S3 together with Agenda 2030 in some countries.

Mars 2022 The Committe of Regions and the JRC launches the new method Partnerships for Regional Innvoation (PRI). European regions are invited to become pilots for the new concept.

Maj 2022 – PRI-piloting starts. Northern Middle Sweden, Eastern Middle Sweden, the Swedish Agency for Regional and Economic Growth (Tillväxtverket) and the Swedish Agency for Innovation (Vinnova) participates in the PRI-pilot consortium "Mid-Sweden".





What is Partnerships for Regional Innovation?

A strategic method for regional development driven by innovation

- Multilevel governance and cooperation from the EU-level down to the local level.
- Multi-actor partnerships that facilitates a sustainable transition.
- Challenge and mission oriented innovation
- Synergies between policy, funds and programmes.





Launch of the PRI-pilot, May 2022

(PRI is a political project)



Mid Sweden political representative, Birgitta Sacrédeus, with EU-commissioner Elisa Ferreira och Mariya Gabriel.



sweden 2023.eu

Agenda

Partnerships for Regional Innovation: From Pilot to Practice





30 – 31 May 2023, Tällberg





Results at national level

Samverka med regioner i EU

Stänger 22 september 2023



Sveriges 21 regioner kan nu söka finansiering för att stärka samarbeten med andra regioner i EU. Samarbetet ska ta avstamp i era prioriteringar inom smart specialisering och förbereda er för att ansöka till EU-kommissionens program för att stärka europeisk innovationskraft och grön omställning.

- Increased cooperation with Tillväxtverket and Vinnova.
- Call from Tillväxtverket: preparing applications for interregional innovation projects RIV and I3.
- Contributed to discussions about connecting RDS and RIS.
- PRI a priority in the national S3-network.
- Increased dialogue about S3 and PRI with responsible ministries.

Results at the EU-level

- High-level meeting about PRI in Dalarna increased local awareness at the national and regional level for PRI.
- Laid the groundwork for an application to become a Regional Innovation Valley (RIV)
- Increased dialogue and closer cooperation with the EU:s institutions.
- Preparedness for the future cohesion policy.





Going forward with PRI



PRI Mid Sweden – remains as a forum for dialogue and cooperation.



A project in Eastern Middle Sweden using the PRI methodology based on PRI with focus on increasing cooperation at the European level and increase the use of EU-funds.



Current project development in Northern Middle Sweden to embed PRI, make use of RIV and increase use of EU-funds.



Application to become a RIV NMS 2023. Application from EMS in 2024 (TBC).



Continued strategic lobbying at national level for ERDF financing to the RIV and to better connect Horizon Europe and Cohesion funds.





Looking forward

- Smart specialisation continues to be important.
- Ambitions to further connect regional and innovation policy.
 - Focus on partnerships, common challenges, and missions.
- The future cohesion policy?



Challenges moving forward with PRI

- Getting all relevant actors onboard.
 - Q-helix PRI will be guiding regional development and financing.
 - Civil servants competence to apply PRI to their area of expertise.
 - Keep up the interest among politicians and head of departments.
- Ensure multilevel governance
 - In Sweden, both Regional Development Strategies (national) and Regional Innovation Strategies (EU).
 - How do we cooperate more efficiently? Forums? RIV?
- Actually testing the method to develop a RIS.





REGIONAL INNOVATION VALLEYS (RIVs)

One of key initiatives under New European Innovation Agenda Flagship 3

- identifying up to 100 RIVs - total budget: EUR 170 mln

Aims / added value:

- Enhancing coordination and directionality of regional R&I investment and policies
- Strengthening regional innovation ecosystems by engaging whole quadruple helix
- Connecting regions with different innovation performance levels, building on Smart Specialisation Strategies and PRI where relevant
- Facilitating interregional innovation projects including in deep-tech innovation, linked to key EU priorities

Main target group: Regional authorities as facilitators of innovation projects across regional innovation ecosystems (EIE), Innovation ecosystem actors (I3)







RIVs – TAKING STOCK

- Call for expressions of interest until 18 September 2023:
 - 164 eligible applicants from 23 countries matchmaking map
- First round of funding calls until 17 October 2023:
 - 8 proposals for <u>HORIZON-EIE-2023-CONNECT-03-01</u> (EIE part of HE) EUR 60 mln
 - 27 proposals for <u>I3-2023-INV1</u> and 22 proposals for <u>I3-2023-INV2a</u> (I3 Instrument of ERDF) EUR 62 mln



RIVs – NEXT STEPS & RECOMMENDATIONS

Next steps / opportunities:

- Announcement of selected RIVs in March 2024
- Expected signing of grant agreements in June/July 2024 and projects' kick-off in Q4 2024
- New HE calls of EUR 40 million expected under EIE and WIDERA (instrument to be decided, e.g. Hop-On Facility or Excellence Hubs) in 2024 (TBC)

Recommendations / avenues for reflection:

- Co-fund requirement as the main challenge: Need for enabling practical implementation of synergies between Horizon Europe and ERDF funding — critical role of creating a dialogue between EU, national and regional governments, as well as between Commission Directorates
- Need for co-designing new instruments with regions and clearly defining their added value







Regional Innovation Valleys: Navarra Experience

ERRIN Network Luis Goñi Navarro Igoni@sodena.com

Paradox of Smart Specialisation



- **S3** seeks regional development focusing on **few innovation priorities**, **based on local knowledge and capacities**, through participatory processes and bottom-up exploration (EDP).
- **BUT 1... Lack of Critical mass** prevent regions from working on really innovative topics and choose instead generic strategies or too broad priorities.
- Interregional collaboration is said to be the solution to European fragmented innovation ecosystem, broadening the base of innovation actors and chances of finding "the missing piece"
- BUT 2: High coordination costs make some interregional projects generic as well:
 - Low stakeholders' involvement
 - Priorities broaden to "fit" other regions'
 - Cooperation more institutional than real
 - Again risk of generic-too broad strategies/projects

Innovation Valleys as the Promised Land



- Regional innovation valleys EIE call can help solving this 2 "buts" by:
 - 1. Funding a Joint Action Plan to connect regional ecosystems around a challenging topic
 - 2. Funding later a cascade funding process for interregional innovation consortia (13 like / 50% cof.).
- European Circular Innovation Valley (ECIV proposal lead by Navarra)
 - Deals with coordination costs by progressively adding "layers" of relationship:
 - 1) Institutional level. Governments. Regional Strategies and policies
 - Ecosystem level. 4H. Connecting Platforms/Hubs/Clusters on circularity
 - Thematic level. Working Groups on sub-topics. Regional + Interregional coord.
 - 4) Consortia level. Innovation actors looking for solutions to a challenge
 - Stress on capacity building at administrative and ecosystem level in misión-oriented and transformative innovation policies (PRI approach) to update current strategies and coordinate policiy tools
 - Bringing companies to the Valley through challenge-solving methodologies to go deep into specific needs and solutions for the market,
- The BUT is yet to come...

ECIV Proposal Learnings/Challenges:



The proposal:

- First: the need of a clear common rationale and methodology fitting the partners' approach
- How to correctly integrate regional activities / programs already in place into a Joint Action Plan, balancing coordination and authonomy
- Combining top-down strategies (administrations and umbrela organisations) with the obligation of reaching the market level (companies and technology centres) promoting bottom-up projects

.

• The consortium – partners search:

- Balance between a manageable consortium and critical mass for interregional innovation projects
- The commitment to cofund during 4-5 years considering posible polítical changes ahead
- Some regions / provinces don't manage the R&I calls (depend on the national level to cofund)
- Embarking less innovative regions in a very complex topic, new circular value chains, at the forefront of innovation and technology
- Different lenguajes: mixing innovation policy makers with circular economy / environmental
 agents... Not easy to find the right person to discuss the proposal (9 regions, 1 network, 20 partners
 in total...)



www.s4navarra.es www.s4nafarroa.es www.s4navarra.es/en/ **Smart Specialisation Working Group**

Interregional collaboration instruments to boost innovation: taking stock & next steps

Wolfgang Münch, Deputy Head of Unit Smart and Sustainable Growth, DG REGIO, European Commission





Smart Specialisation Working Group

Interregional collaboration instruments to boost innovation: taking stock & next steps

Discussion





WRAP-UP & UPCOMING MEETINGS

- 28-29 November S3 Forum (in person in Barcelona with online streaming of plenary sessions) register by 13 November
- 7 December ERRIN end of year cocktail (in person) save the date

