Partnerships for Regional Innovation

From playbook to implementation:

Announcement of the "Call for Expression of interest to become regional innovation valleys across the EU"

Markku Markkula, European Committee of the Regions Vice President

Brussels, 28 March 2023

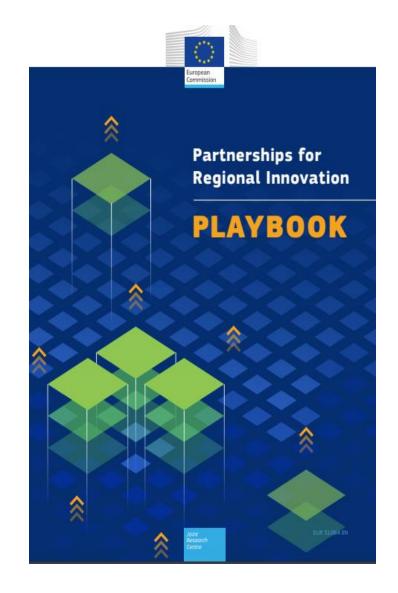






PRI Pilot to use and improve the Playbook

- 1. Support strategic frameworks for innovation-driven territorial transformation, linking the European Green Deal to place-based opportunities and challenges.
- 2. Draw linkages across multiple policy domains and funding instruments, exploit synergies and address tensions to generate co-benefits for the economy, society and environment
- 3. Co-créate challenge-oriented innovation: define local missions to deliver effective solutions to pressing societal challenges within defined timeframes
- 4. Use tools and governance mechanisms co-created with the regions in a pilot with the CoR: the PRI Playbook



Launching the PRI on 17 May 2022

Commissioner Mariya Gabriel:

- "Stronger, cleaner economies, and fairer societies can be built only by having innovation at the core of the EU policy agenda."
- We wish to see innovation flourishing in every European territory, and we can reach this goal only by working from the bottom-up."

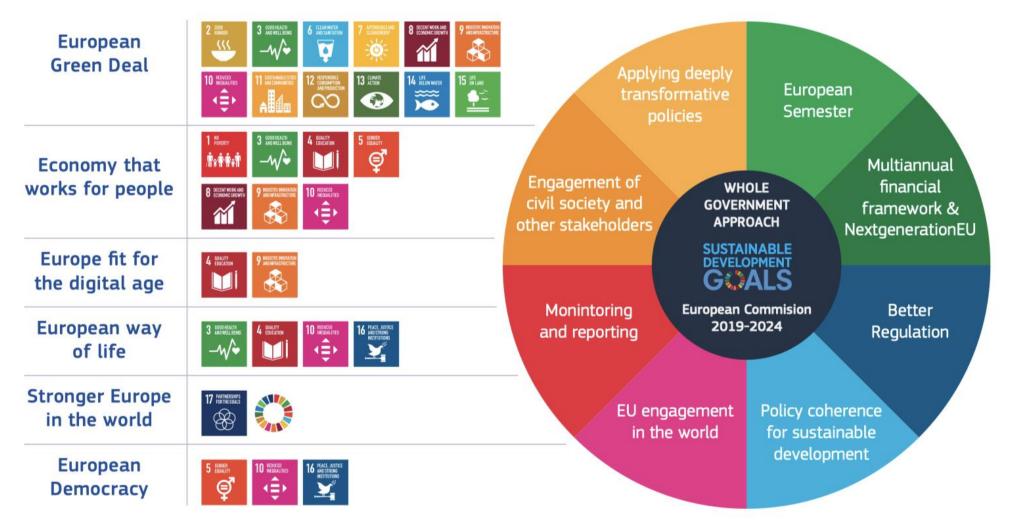
Commissioner Elisa Ferreira:

- "Cooperation and innovation are essential ingredients for the sustainable and resilient development of EU's regions."
- She pointed out the importance of smart specialisation, developing the methodology and need to avoid fragmentation. She stated that regions need to develop their strategic approach to the use of cohesion funds.

CoR President Apostolos Tzitzikostas:

"We count on Commissioners Ferreira and Gabriel to work together on the PRI as a key tool to coordinate all available funds to spread innovation on the ground."

PRI Playbook is based on SDGs mapped on EC policy priorities

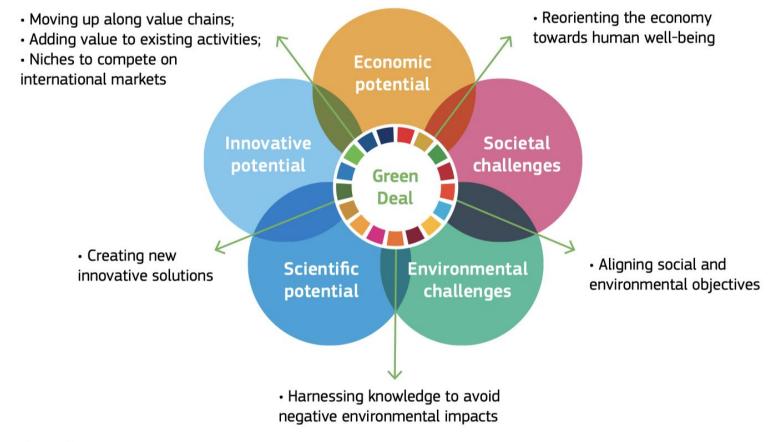


Source: https://ec.europa.eu/info/strategy/international-strategies/sustainable-development-goals/eu-holistic-approach-sustainable-development_en

2 - S3 for SDGs: A methodological approach

Purpose: To the strengthen sustainability dimension and integrate SDGs in S3/S4 Use: To embed sustainability and the SDGs in Smart Specialisation

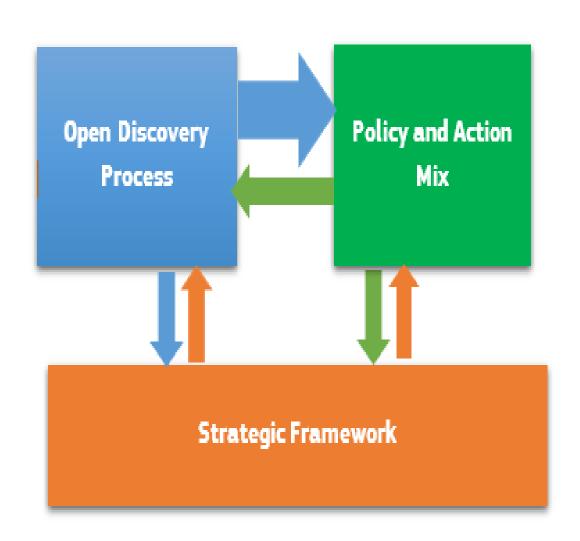
New dimensions of Smart specialisation for SDGs call for broader and more systematic considerations of synergies, trade-offs and relevant stakeholders.



Source: Nakicenovic. et al.

PRI Building Blocks

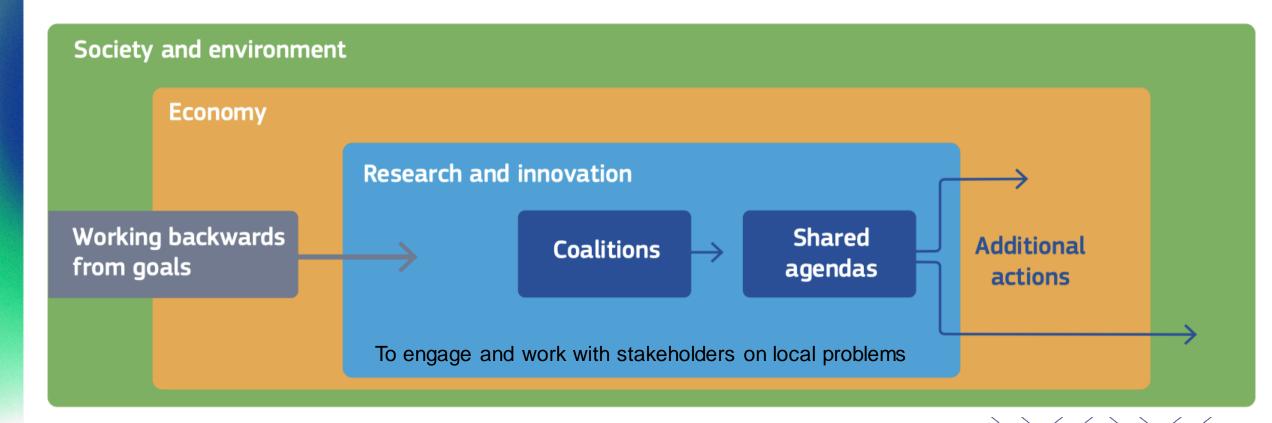
- (I) A Strategic Policy Framework that lays the foundation for action in the following two 'building blocks' and allows broader and dynamic planning.
- (II) An Open Discovery Process (ODP) that allows for engagement and path cocreation with variable sets of stakeholders also by working backwards from desired societal outcomes.
- (III) A Policies and Actions Mix that includes the possibility to mobilise additional instruments to publicly-funded projects, as necessary for the desired outcomes, including private sector co-investments.



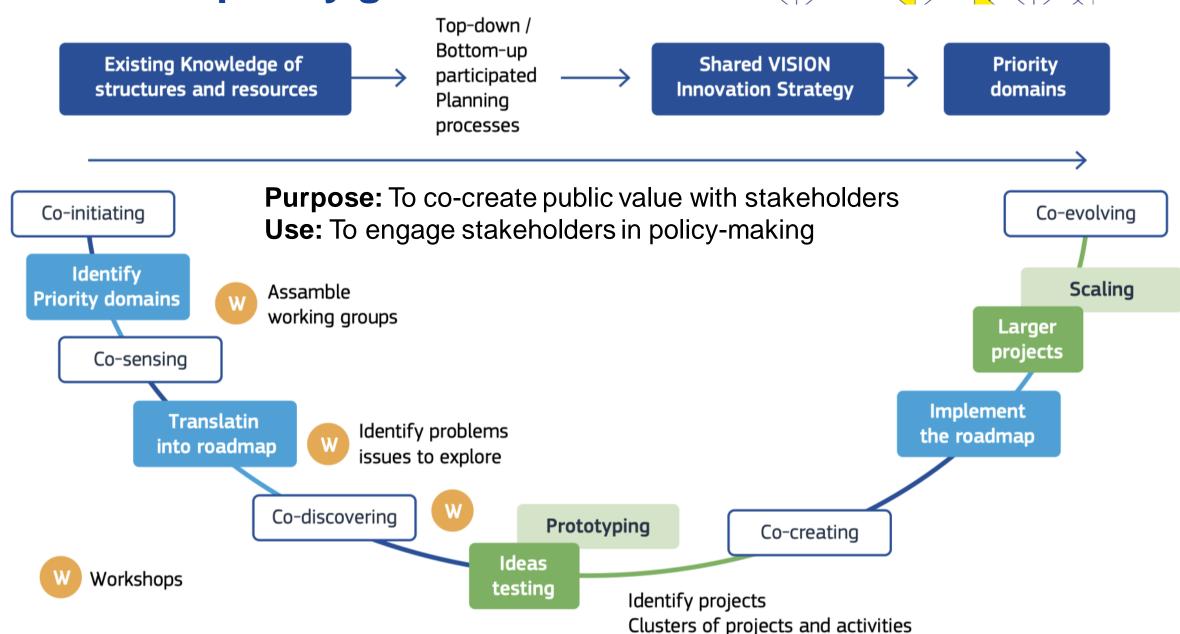
28 - Open discovery process (ODP)

Upgrading the EU innovation:

- 1) Innovation is a multidimensional process with a networking mentality,
- 2) Innovation requires empowering all the actors through systems thinking
- 3) Increasing innovativeness requires a commitment to drive change through ongoing passionate learning
- 4) Innovation means openness and sharing knowledge in tackling defined challenges,
- 5) All these four dimensions must be implemented on all governance and levels throughout the innovation value chains and value networks.



27 - Participatory governance and EDP



Orchestrating Partnerships for Co-creating Societal Innovations **LEVEL UP YOUR REGION PARTNERSHIPS**

Partnerships for



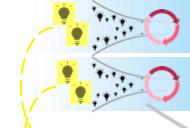




Spin-offs

Spin-offs

Spin-offs



REGION 1 City / Region developments on a value stream



City / Region developments on a value stream

REGION 2





European Mission focused Innovation ecosystem creates the frame for joint processes of 5 or more regions.

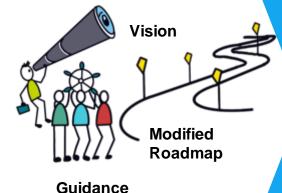
Spin-in

Bench Learning

Collaborative Innovation Camps



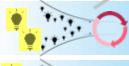
Joint development projects



Joint targets



Supporting the EU **Missions**



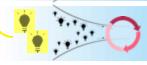
IDEA FUNNEL

City / Region developments on a value stream

REGION 3



Bench Learning



City / Region developments on a value stream

REGION 4

Additional Spin-ins

Needed Spin-ins **Additional** Spin-ins

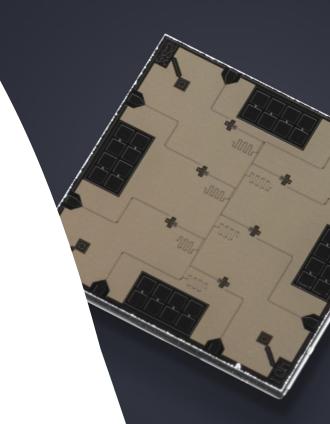




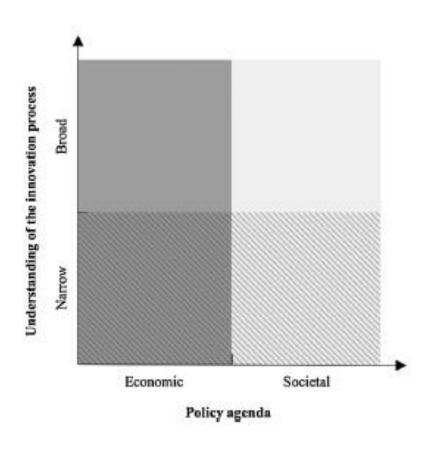


Deep Tech for sustainable growth

- 1. Wireless networks (5G/6G) radically improved communication and autonomy in society and across industries
- 2. **Artificial intelligence** a critical enabling technology in areas such as industry, healthcare and transportation
- 3. Quantum technology and microelectronics to enable revolutionary technological leaps in computing power and computer simulation
- 4. **Biotechnology and new materials** urgently needed to replace fossil-based or animal-based raw materials for sustainable growth
- 5. **Electrification of society** Green transition and sector-integration solutions Electrification: transport, revolution in industry and heating solutions Hydrogen: transmission and storage of large amounts of energy



PRI Positioning framework: Transformative innovation policy



Source: Diercks et al. 2019

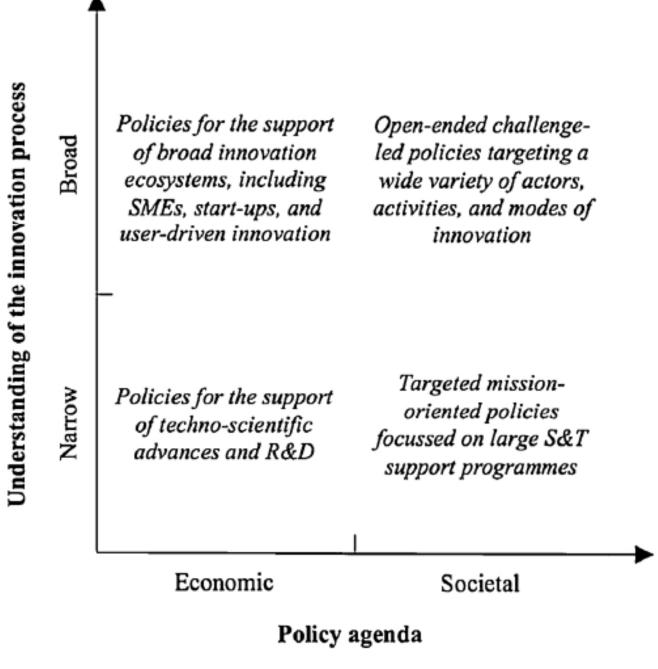


Fig. 2. A framework to compare and contrast discourses on innovation.

PRI Mapping results: Positioning

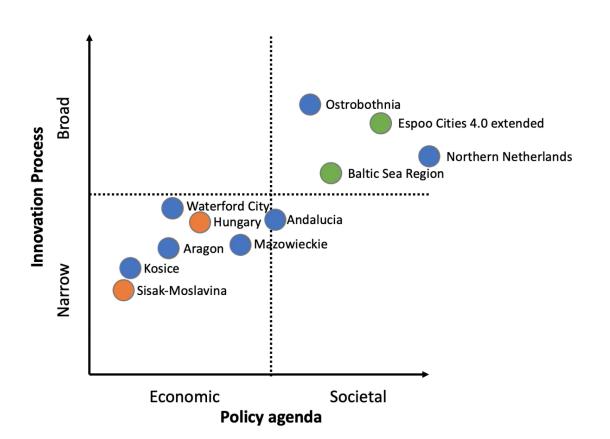


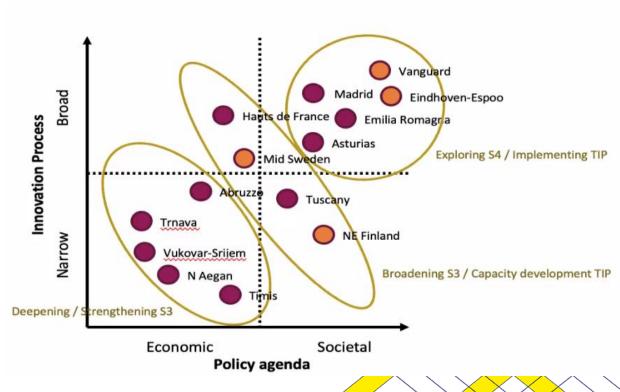
Partnerships for Regional Innovation





Regions are moving from focusing narrowly on science & technology policy to broad scale interdisciplinary societal innovation systems policy





PRI – An example Cities 4.0 extended



Partnerships for Regional Innovation

Background for Partnerships

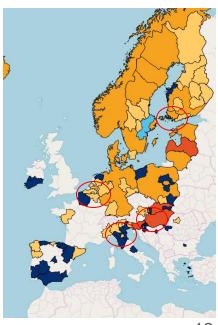
- o 100 Climate City Mission Cities, separate Horizon project on Innovation ecosystem
- Different geographical scope, similar interest with European priorities, directionality, objectives, governance, funding sources
- Critical analysis and test of the PRI Playbook: improve tools & document good practices
- From 'innovation ecosystem' mapping to 'socio-ecological system mapping'
- Peer-to-peer learning through interregional collaboration
- Acceleration and exchange forum
- Ambassadors

How to make it happen ?

- PRI Pilot: Mobilize, Scale, Accelerate
- PRI as a lever for transition projects & governance
- PRI to activate innovation ecosystem and climate transition
- Stakeholder model make it operational
- Interregional collaboration joint funding Deep tech Valleys
- Stakeholders' collaboration in the relevant European calls

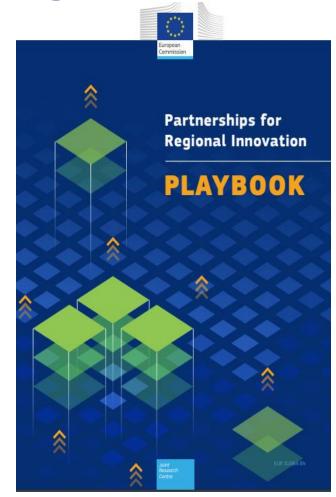
Learnings and next steps

- Eindhoven (NL)
- Espoo (FI)
- Leuven (BE)
- Turku (FI)
- Bologna (IT)
- Cluj-Napoca (RO)



PRI – An example Cities 4.0: extended learnings

- Grand societal challenges: Europe is not any more the same as it was a few years ago.
- Systematic approach & bottom-up will have an increasing role in all global activities: new structures, processes and methods.
- New EU practical instruments are needed to accelerate Green &
 Digital twinning for transformation to sustainable growth: EU Missions
 & New European Bauhaus & Innovation Agenda.
- Societal innovations & entrepreneurship & creativity are essential.
- Human capital & Intelligent assets are critical success factors: individual & team skills and competencies + bench-learning.
- Place-based innovation ecosystems & European partnerships are the cornerstones.
- Avoiding Fragmentation: The only way, that Europe will become the global leader in science, the industrial base, vibrant start-up ecosystems, favourable conditions for innovation, and the talent base.
- The practical operational work continues along the strategic lines defined, deepening local understanding and commitment and integrating more people locally. Increase synergic use of financing.



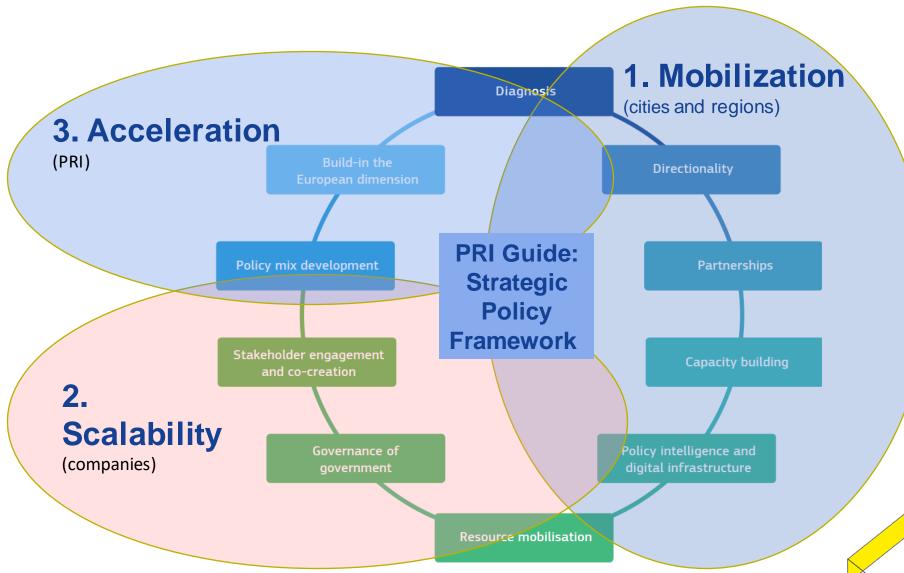
PRI – An example Cities 4.0 extended: Mobilize, Scale, Accelerate



Partnerships for Regional Innovation







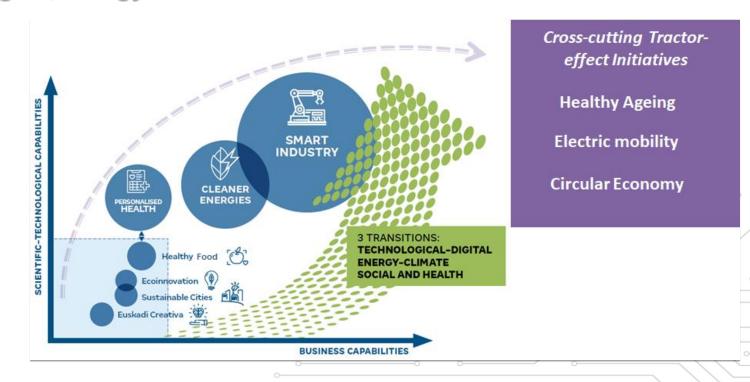


Overview of the Basque S3 governance & discovery

Basque Country (S3)

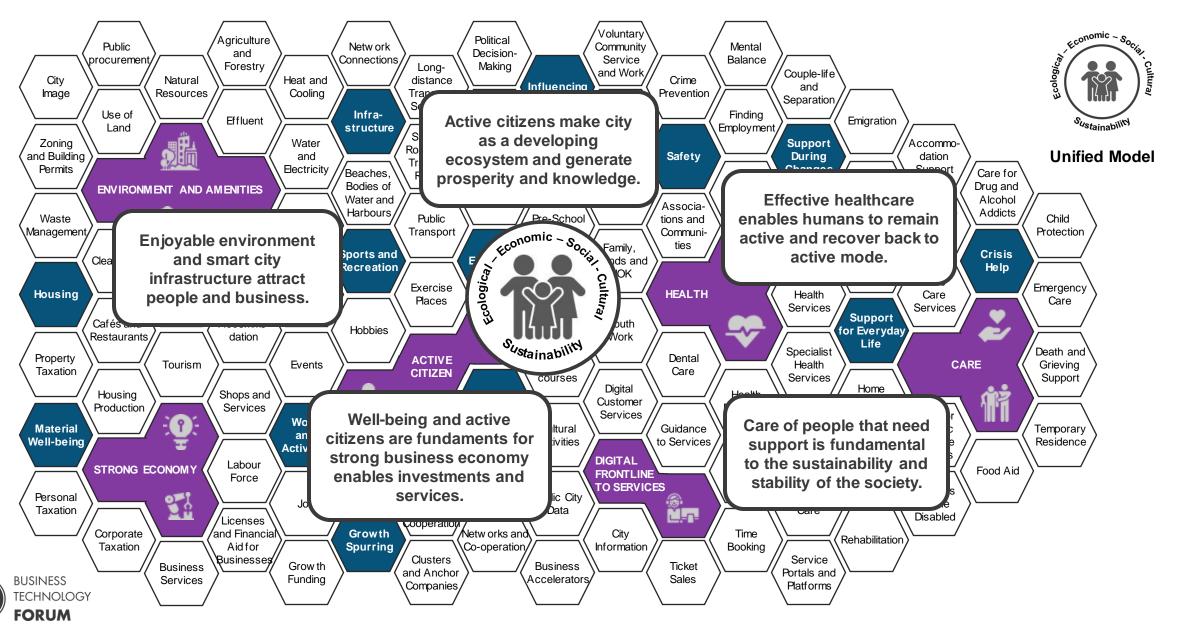
Evolution from previous strategy and influenced by global trends and the three global transitions: technological-digital, energy-climate and social-health

- Three priority areas and four opportunity niches
- Transitions as driving vector
- Cross-cutting initiatives to identify new collaborative driving projects in specific strategic areas related to the three transitions





Active citizen is in the core of the dynamics





PRI supporting the EU Missions: **Arguments for Bench-learning and**

- **Actions** The awareness and commitment argumen
 - The solution argument
 - The systemic change argument
 - The competitiveness argument
 - The empowering argumentThe funding argument





WITH INNOVATION **PARTNERSHIPS**







ADAPTATION TO CLIMATE CHANGE

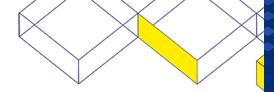
PRI Interterritorial Working Group on Transformative Innovation for Climate Resilience (> 300 signatories)

An example of the PRI outcomes: JRC analytical work in support of Transformative Innovation towards Climate Resilience, risk assessment

Surgean Committee of the Region

- Design & develop self-assessment tools for profiling the territories vis-à-vis
 CR and test-bed the TI approach to fill the gaps in CR activities, in particular to:
- A. identify how can directional Transformative Innovation help achieving systemic Climate Resilience;
- B. rank the importance of various Climate Risks, Hazards & Vulnerabilities of territories to enable identifying common/innovative ways to jointly address them;
- C. assess the existing Climate Resilience Measures & share practical solutions among territories to facilitate reaching EU objectives for Climate Resilience;
- **D.** co-develop assessments through complementary methodologies by JRC and EIT Climate KIC by using co-creation principles with the volunteering territories.

Summary of the PRI experiences Territories are encouraged to:



LEVEL UP YOUR REGION WITH INNOVATION PARTNERSHIPS







- Align their innovation policies to the New European Innovation Agenda using renewed partnerships across all concerned stakeholders and governance levels to co-create transformation pathways towards competitiveness and sustainability
- Explore ways to deepen and expand existing interregional cooperation mechanisms
 and to establish new ones, including those in smart specialisation priorities, to create
 interconnected regional innovation valleys to address shared transformational
 challenges while leaving no place behind
- Foster broad stakeholder engagement, reinforcing the capacity of regional and local innovation ecosystems and supporting the networking of stakeholders to strengthen European sustainable value chains, net-zero tech and deep tech sectors



Thank you

Markku Markkula
CoR Vice-President
markku.markkula@aalto.fi

