Cooperation in the Danube macro-region in aligning instruments for smart specialisation

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Background and rationale

Observation

Coordination and **alignment** of funding in the Danube Region are high on the political agenda

Assumption

Smart specialisation strategies (S3) can contribute to a **better integration** of the DR – implementing the EU Strategy for the Danube Region (EUSDR)

Impetus

Explore collaboration in S3 in the DR towards aligning financial instruments; exploit **synergies**

Task

A targeted **analysis of good practice** examples for coordination of funding mechanisms – linked to S3 (concept and priorities)

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State of play

Four most frequent common R&I priorities in the Danube region:

- Key enabling technologies,
- Sustainable innovation,
- Digital transformation, and
- Public health & security.

S3 policy objective „eco innovation" in the Danube region

Great **interest in enlargement countries** (Western Balkans) in S3: to gain experience in designing effective policies to finance R&D, innovation, infrastructure and environmental projects.

Joint priority-setting is a key component for undertaking joint research actions; coherence of developing S3 with **running initiatives**, on the basis of which common topics have been identified

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R&I priorities in the Danube region:
relevance vis-à-vis importance

Rank	R&I priority (total 72)	Frequency (entries)	Countries (13) + regions (2)*
1	Key enabling technologies	58	13
2	Sustainable innovation	49	14
3	Digital transformation	43	13
4	Public health & security	40	13

Rank	ESIF ** Thematic objectives	M EUR ***
1	TO7: transport and network infrastructure	20,712
2	MULTI: Multi-thematic objective	17,731
3	TO6: Environment and resource efficiency	12,894
4	**TO1: RTDI**	**9,092**
5	TO9: Social inclusion, combating poverty	7,173
	...	
7	TO4: low-carbon economy	6,858
	...	
11	TO2: ICT	2,854

* 8 EU-MS, 5 non-EU (BA, MD, ME, RS, UA),
  DE-regions Bayern, Baden-Württemberg

** 9 MS: AT, BG, CZ, DE-Bayern, DE-Baden-Württemberg, HR, HU, RO, SI, SK

** Total (planned)103,372 M EUR

Source: JRC eye@RIS; ESIF Viewer

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Existing MRS initiatives – state of play

Country	Type	Networks (participation)	Networks (coordination)	Organisations (participation)	Calls	Projects
Austria	EU	173	16	32	292	327
Bosnia and Herze-govina	Associate	6	0	7	11	10
Bulgaria	EU	36	0	20	40	13
Croatia	EU	25	0	14	32	11
Czech Republic	EU	63	0	32	80	178
Germany*	EU	237	63	81	386	1.328
Hungary	EU	77	0	39	98	62
Moldova	Associate	10	0	5	7	1
Montenegro	Associate	3	0	3	3	1
Romania	EU	107	1	29	183	141
Serbia	Associate	9	0	5	11	5
Slovakia	EU	48	0	19	95	58
Slovenia	EU	91	0	20	122	134
Ukraine	Associate	6	0	7	2	5
EU15[22]		410	79	113	678	1.655
EU13[23]		465	1	173	650	597
Associate coun-tries[24]		34	0	27	34	22

* DE = the whole country

Source: ERA-LEARN database

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Examples for macro-regional coordination initiatives in support of R&I collaboration

- Danube Funding Coordination Network (DFCN)

- EUREKA Danube calls 2015 and 2017

- German BMBF Danube calls 2013 and 2015

- Austrian multilateral scientific and technological cooperation in the Danube Region (BMWFW)

- SEE ERA.NET and SEE-ERA:NET (PLUS), and

- JPI Urban Europe/EXPAND.

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Danube R&I priorities vis-à-vis calls launched

Rank	R&I priority (total 72)	Frequency (entries)	Countries (13) + regions (2)*	Targeted calls	Generic EUSDR calls
1	Key enabling technologies	58	13	BMBF	EUREKA
2	Sustainable innovation	49	14	BMBF, SEE-ERA.Net (plus)	EUREKA
3	Digital transformation	43	13	BMBF, SEE-ERA.NET (Plus)	-
4	Public health & security	40	13	BMBF	EUREKA

*8 EU-MS,
 5 non-EU (BiH, MD, ME, RS, UA),
 DE-regions Bayern, Baden-Württemberg

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Preliminary aggregate conclusions:
What works? What doesn't?

1. **Variable geometry works**, but: two key barriers to keep up momentum for alignment and joint funding: **availability of R&I funding**; varied **administration systems**/ governance cultures

2. Alignment of funding works best when regarded **strategically** (long-term, vision-based, mission-oriented) vs. **occasional / ad-hoc cooperation**

3. Using **proven management mechanisms** (EUREKA; lead-agency principle) is a success factor

4. **low-key horizontal initiatives** (capacity-building, mobility, networking…) keep cooperation channels open and flexible; however, for advanced joint S3 initiatives, **thematically targeted initiatives** are yet to be increased

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Preliminary recommendations: alignment and synergies between instruments

1. Better **match S3 priorities with funding**! (relevance with importance)

2. Better **match supply** (funding) **with demand** (research capabilities)

3. Advance **from capacity-building** towards a continuous, strategic, mission-oriented **R&I funding** system, managed based on proven models:

    - Advance **from variable geometry at stakeholder level** to variable geometry at **project level** (research-performing activities)

    - Open-up public-public negotiations on aligned funding opportunities towards an **EDP** for RIS3 in the Danube Region: closer cooperation and partnership between **academia and industry** is needed → business innovation to **leverage public funds** (3% goal)

4. Actively promote the development of **DR flagship projects** in common S3 domains

5. At the same time: continue funding **horizontal R&I cooperation** (lower access threshold, leverage for commitment) next to joint actions in common S3 priorities

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Preliminary recommendations: role of S3 hubs

1. **S3 hub as a (macro-)regional arena** to aid entrepreneurial discovery processes (EDP)

2. **S3 hub as a facilitator:** promote an **incremental approach, building capacity of** the partners to be **integrated step-by-step in joint funding**, e.g. from bilateral to ERA-Net-type to Eurostars-like joint funding schemes (→ **institutional commitment and ownership**; MoU's etc.)

3. **S3 hub as an information broker:** e.g. on ESIF and IPA rules to be implemented more transnationally (GPR Art. 70)

4. **S3 hub as an intelligence provider:** e.g. translating S3 platform information into DR-specific intelligence (matching of S3 (sub!)priorities…)

5. **S3 hub as an institutionalised entity** (e.g. secretariat) with **clear role and mandate**, owned by (all) DR countries

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Thanks for listening!

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