Strengthening Innovation in Europe's Regions

Interregional collaboration

G1 - Smart & Sustainable Growth
DG Regional and Urban Policy
European Commission

Regional
Policy

A modern economy and fair transition for EU regions

*Europe is experiencing a period of profound changes brought by **globalisation**, new emerging and digital **technologies**, **automation** and **decarbonisation**.*

The benefits of globalisation are unequally spread.

*It is indispensable to help Europeans **adapt** to these profound changes and to help the EU economy to **become more resilient**.*

Reflection Paper on Harnessing Globalisation

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Smart specialisation in reformed cohesion policy

The **smart specialisation** approach was integrated into the reformed cohesion policy (2014-2020) to maximise the positive impact on growth and jobs.
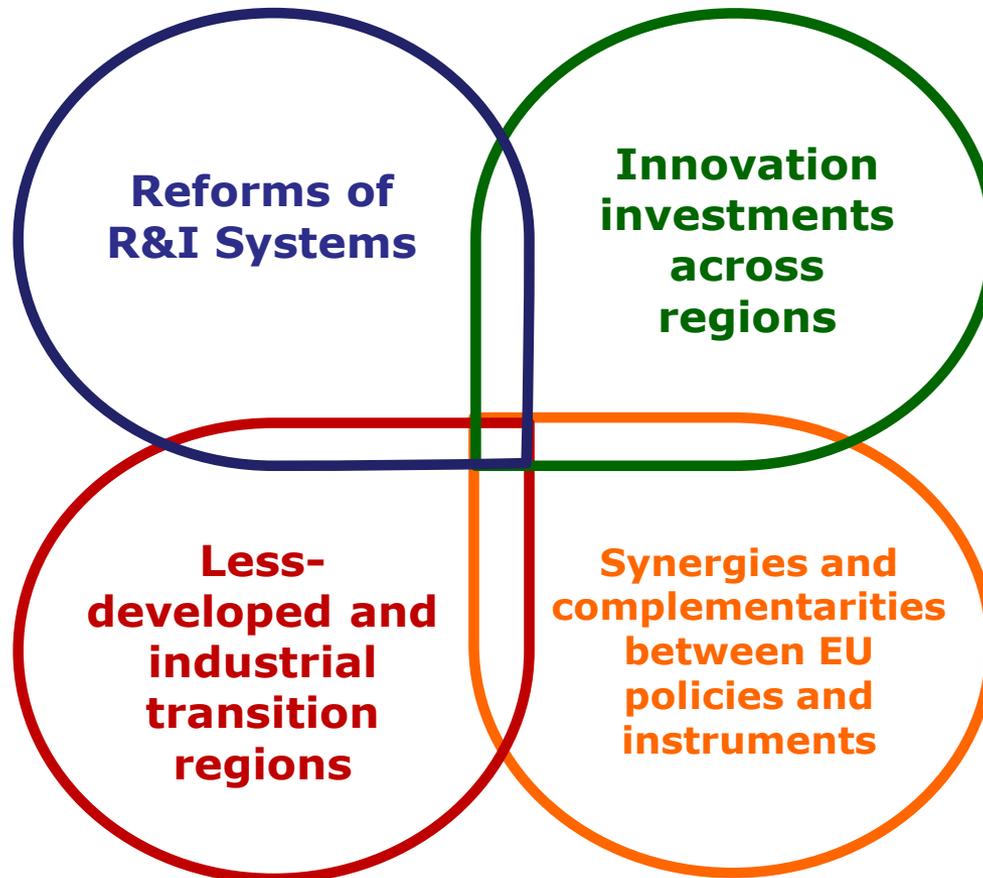
It also helped regions and MS in:

• developing a **strategic approach** to innovation (*ex-ante Conditionality*)

• **prioritising** public R&I **investments**

• building on **competitive advantages**

• facilitating new **market opportunities** and the access to **new value chains**

KEY FIGURE over the period 2014-2020:

➤ *EUR 40 billion from ERDF* to finance R&I projects (EUR 65 billion including co-financing) + *EUR 1.8 billion from ESF*

➤ over *120 smart specialisation strategies* whose implementation is supported by the *S3-Platform*

➤ more than *15 000 enterprises* will be able to introduce new products into the market

➤ *140 000 start-ups* will be offered financial support

➤ *350 000 new jobs* will be created

The Communication identifies four challenges for boosting innovation-led growth

Reforms of R&I Systems

Innovation investments across regions

Less-developed and industrial transition regions

Synergies and complementarities between EU policies and instruments

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Innovation investment across regions (1)

Stronger strategic **inter-regional** cooperation and **sustainable** linkages between regional ecosystems along smart specialisation priority areas can increase **competitiveness** and **resilience**.

Already existing model of cooperation:

Thematic Smart Specialisation Platforms: joint EC's initiative set up in December 2015. They focus on industrial modernisation, energy and agri-food. More than 80 regions around 17 partnerships.

Vanguard Initiative: a network of 30 EU regions with strong political commitment to use their RIS3 to boost new growth. It seeks to help regional clusters and eco-systems to focus on priority areas for transforming and emerging industries.
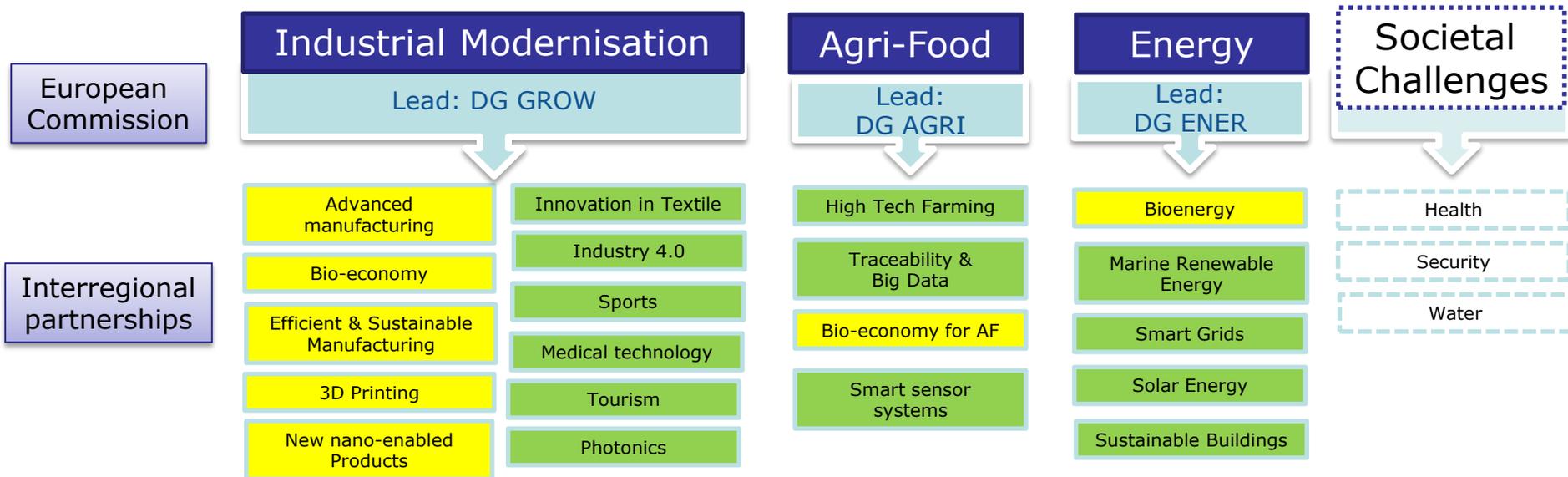
Challenges ahead:

Further efforts are necessary to:

▪***integrate other large European initiatives with these platforms** and their regional partnerships*

▪*facilitate the **commercialisation and scale-up** of inter-regional innovation projects*

▪*build on clusters to incentivise **joint business investment***

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Thematic Smart Specialisation Platforms
Accelerating investment across borders

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Interregional partnerships

Industrial Modernisation
Lead: DG GROW

- Advanced manufacturing
- Bio-economy
- Efficient & Sustainable Manufacturing
- 3D Printing
- New nano-enabled Products
- Innovation in Textile
- Industry 4.0
- Sports
- Medical technology
- Tourism
- Photonics

Agri-Food
Lead: DG AGRI

- High Tech Farming
- Traceability & Big Data
- Bio-economy for AF
- Smart sensor systems

Energy
Lead: DG ENER

- Bioenergy
- Marine Renewable Energy
- Smart Grids
- Solar Energy
- Sustainable Buildings

Societal Challenges

- Health
- Security
- Water

VANGUARD INITIATIVE
NEW GROWTH THROUGH SMART SPECIALISATION

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Innovation investment across regions (2)

In response to this challenge the Commission
launched a **pilot action** (5-10 partnerships) supported by ERDF

This action aims at:
➢**testing approaches** to commercialise and scale-up interregional investment projects
➢developing **bankable** projects for support from financial instruments
➢attracting **private investments** by backing projects that may need **risk-coverage**
➢developing **new value chains**

This work will build on the close working relationship developed between the Commission services and the **partnerships developed in the context of the Thematic Smart Specialisation Platforms** and on **relevant EU innovation initiatives**.

See: http://europa.eu/rapid/attachment/IP-17-1995/en/SmartSpecialisation_PilotActions.pdf

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Less-developed & industrial transition regions

Targeted policy measures can help to address the specific needs of these regions and to **successfully implement** their smart specialisation strategies, with a particular focus on **mutual learning** and **sharing of good practices** in innovation policy implementation, governance and monitoring.

EU support so far: TAIEX Peer 2 Peer, S3 Platform, ESF, Horizon 2020 Teaming, Twinning, ERA-Chair, COST actions, Stairway to Excellence and Lagging Regions project, EIT-RIS, Digital Innovation Hubs, etc..

For **less-developed regions** the Commission will support Member States in better addressing their needs for broad-based and open innovation, new **collaborative governance**, new **interregional partnerships**, increasing capacities for **absorbing new technologies** and **widening participation** in global innovation networks.

For **industrial transition regions** the Commission launched a **pilot action** covering a limited number of "*test regions*" expressing their interest to work on common RIS3. Support will be provided by ERDF with targeted advisory support from the European Observatory for Clusters and Industrial Change.

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