



## VI Interregional Funding Mechanism

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# Vanguard Initiative In a Nutshell

(<https://www.s3vanguardinitiative.eu>)

- A Place-based European Network, Leading by Example, to Boost Regional Innovation Ecosystems
- **39 REGIONS**
- **8 PILOT PROJECTS**
  - 3DP
  - Efficient and Sustainable Manufacturing
  - Energy
  - Bio-Economy
  - Nano Enabled Products
  - Smart Health
  - AI
  - Hydrogen

# Main Problems Identified Needs

1. A strategy without the necessary implementation tools is only words!
2. VI activities and projects (particularly Pilots) call for a variety of funding instruments
3. Instruments exist in the different VI Regions to support several VI activities and projects (not all and not in all regions)
4. Interregional funding is limited in scope and still faces several obstacles (different timings, regulations, evaluations, decision processes)
5. Centrally managed instruments are limited in scope, budget and depend on central decision
6. There are already some inspiring examples and new rules to facilitate synergies

# Guiding Principles

1. The work conducted occurs regardless of ‘centrally-managed EU instruments’  
*Synergies with EU funding are not a pre-requisite, even if desirable when possible and appropriate, namely with I3, Structural funds in the regions are not the focus of the exercise, even if they are not excluded*
2. The mechanism(s) will be compliant with EU and national / regional regulations + no financial transfer between regions (‘juste-retour’ principle).  
*To the extent possible, no ‘ex-ante’ commitment to fund/devote a specific amount (‘earmarked funding’) will be requested.*
3. Funding Instrument should be ambitious (beyond “interregional vouchers”) & We aim at a pilot funding mechanism (one or more instruments) being implemented in 2024!

# Characterisation of VI funding needs

		3DP	ADMA	AI	Bio	Nano	S. Health
Activities and Costs	Investment in equip./infra.						
	Demo activities						
	Running costs						
	Industrial uptake						
	Education and training						
Consortia	FCs-FCs						
	FCs-SMEs						
	FCs-SMEs-Interm.						
Range of costs (€)	100k-500k						
	1M-3M						
	3M+						
Targeted funding instrument	Grant (100%)						
	Grant (60%-80%)						
	Grant (50%)						
	Equity						
	Loans						

VI Pilots **typically** generates projects in which SMEs (end-users or technology providers) and Facility Centres (universities, technology centres, etc.) implement TRL 6-8 demonstration activities (testing, certification, upscale etc.), for a total project cost of several hundred thousand euros or more. Grants (with funding rates from 50% to 80%, generally) = main targeted instrument.

Additional relevant activities/costs: 'Investment in equip.', 'industrial uptake', 'education and training', projects of 1M € and more...

Two specific funding needs: 1) "SME-led Demonstration projects" versus 2) "Co-Investment in equipment" requiring different mechanisms  
Focus will be on 1st type of (SME-led...) = most pressing needs

# Interregional Mechanisms, a few illustrative examples

## Examples of regional Instruments open to actors not located in the region

<u>ZIM International (Germany); ICON (Flanders); Comp. Clusters Projects (Wallonia)</u>	<u>Wind op zee (NL)</u>	<u>Innovationsprämie (Saxony)</u>
<i>Non-regional organisations considered as partners (not funded!) and/or can act as subcontractors</i>	<i>Non-national partners were funded (with funding)</i>	<i>Non-regional partner can act as service provider (50% funding)</i>

## Examples of non-EU managed/funded initiatives 'combining' regional funds

	Innovation Express 2021 (ARDIA-NET/Alps Connect)	CORNET	IRA-SME	Clipper – 'Resolution'
<b>Regions/Countries (EU)</b>	Baden-Württemberg (DE), Brandenburg (DE), Canton of Fribourg (CH) and Salzburg (AT)	Wallonia, Flanders, Netherlands, Germany, Austria	Austria, Czech Republic, Flanders (Belgium), Germany, Luxembourg, Wallonia (Belgium).	Asturias and Pays de la Loire
<b>Source of funding (coordination)</b>	Grants (ERDF), ERDF, EU funds, and using their own resources	Initially, Era-NET but self-sustained since 2011.	Initially, ERA-Net but now self-sustained.	In the context of the CLIPPER project (Interreg)
<b>Source of funding (projects)</b>	Each participant in a SME project receives funding from his national or regional programme	'ERA-NET principle' - Each participant in a CORNET project receives funding from his national or regional programme	'ERA-NET principle' - Each participant in a SME project receives funding from his national or regional programme	Funding for projects from regional funding (40k PdL, 20k Asturias).
<b>Type of projects</b>	SME's led joint R&D projects	Pre-competitive research project funded	SME's led R&D projects	The applicant is a legal entity representing an SME network, cluster initiative or other specialised research and innovation environment
<b>Scope of projects</b>	"Artificial Intelligence in Healthcare Applications" and "Digital solutions in sustainable industry".	Bottom-up approach (topics are not pre-defined and can be decided by applicants themselves)	Bottom-up approach (topics are not pre-defined and can be decided by applicants themselves)	"Maritime industries – Offshore", Challenges-Solutions Open Call
<b>Submission process</b>	Each applicant must send its application separately according to the funding scheme applicable in the geographical area of the applicant	Submission on national and Cornet level. Alignment of Calls (local funding organisations join or not a specific Call)	Submission on national and IRA-SME level. Alignment of Calls (local funding organisations join or not a specific Call)	Joint call, coordinated by the two regions. With legal framework established.

# The ‘interregionalisation’ of funding instruments – 4 main options

## ‘VI Connects’

Connector and  
info point

**Connecting aligned instruments** - Creation of a centralised information point and matchmaking activities towards facilitated access to and combination of selected existing regional instruments.

(aligned)  
instruments/schemes

Building upon **existing and unmodified** instruments (selected based on agreed criteria, eventually alignment on some aspects like timing, etc.).

Fully decentralised  
submission process

**Separate** application, evaluation, and funding to/by the funding scheme applicable in the geographical area of the applicant.

## ‘VI Integrates’

Generic Call, Coordination  
Office as ‘integrator’

**Integration and coordination of aligned instruments.** A VI coordination office ensures proper alignment of selected instruments (timing, ‘mutual recognition’ (i.e., actors not located in a region recognised as full (non-funded, eventually) partner, etc.), issues a generic “call” (which facilitates combination of various instruments), receives and treats proposals, in parallel/combination with the process implemented at regional/national level.

Aligned instruments/schemes

Building upon **existing and aligned instruments**, no transfer of fund across regions. Applicants funded by their respective instruments at regional/national level.

‘Hybrid’ submission  
process

**Separate** application (and evaluation) to (by) the funding scheme applicable in the geographical area of the applicant **AND centralised** evaluation and evaluation of a project conditioned by positive evaluations of all regional/national proposals.

## ‘VI Joint Calls’

New specific Call,  
‘Mandate’ for  
coordination office

**Proper VI Calls through pooling of regional instruments.** Coordination office has a more central role in the entire process and is given a ‘mandate’ to evaluate proposals. Compared to ‘VI Integrates’, this option also opens the possibility for the issuing of more ‘specific’ calls based on mutually aligned instruments (timing, mutual recognition, but also scope of the call, etc.).

Strongly aligned  
instruments/schemes (incl.  
top down)

Building upon existing and **aligned instrument/schemes**, no transfer of fund across regions. Applicants funded by their respective instruments at regional/national level but through a centralised process (see below). Ex-ante, definition of indicative min. budget allocated/made available per region.

Centralised process,  
validated at reg.  
level

**‘Mandated and centralised’** evaluation process according to national/regional criteria. Positive evaluation of a project conditioned by positive evaluations at ‘coordination’ office level. Final validation for funding made by regional offices.

## ‘VI Joint Fund’

New scheme

**A new funding scheme.** Relying upon regional/national ‘pooled’ budget ‘lines’, a proper joint fund is established and is ‘centrally’ managed, with established rules in terms of funding regional/national actors (e.g., 1) ‘contributions’ by regions redirected to regional actors or 2) more flexible use of funding or 3) an hybrid scheme, i.e. a combination of the two previous options).

Regional budget lines

Building upon available **regional ‘budget’ lines**, no transfer redistribution of fund across regions or possibility to create a pool of interregional funding (model of contributions to be designed) to be activated ‘regardless’ of the location.

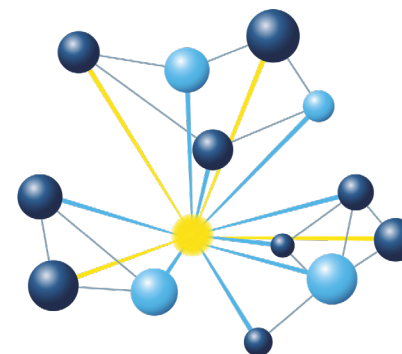
Centralised process

**‘Mandated and centralised’** evaluation process according to the funding scheme.

# Timeline

1. November 2022 → Questionnaire
2. December 2022 → ‘finalisation and validation’ interview = bilateral interview with each of the 9 core regions
3. January 2023 → Workshop with 9 core regions. Two key objectives:
  - To further *specify* the frames of the selected mechanisms based on ambitions / constraints / limitations expressed by regions and
  - To *detail* as much as possible the commonly agreed characteristics of such mechanisms
4. First ½ 2023 → implementation in the core-regions + scaling up to other VI regions (‘second layers’, others)
5. 2024 → first launch interregional mechanism within (sub-set of) Vanguard regions

# THANK YOU



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IDEA 

CONSULT **thinking ahead**

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