

Fostering connected regional innovation valleys across the EU

DG R&I and REGIO 14 December 2022

New European Innovation Agenda: five flagships





Accelerate and strengthen innovation in Innovation Ecosystems across the EU & address the innovation divide

Challenges

- regional disparities in R&I performance remain deep across the EU and innovation divide has increased
- Diffusion of innovations and the uptake of breakthrough technologies including through inter-regional linkages remain sub-optimal
- Leading to unexploited potential in regional innovation ecosystems
- Despite existing structures and services there is a complex and fragmented European innovation ecosystem, hindering the ability of innovators to leverage the support and opportunities

Actions

- 1. accelerate the development and deployment of innovations and establish [100] regional deep tech innovation valleys by
 - interconnecting place-based innovation strategies and aligning them towards EU priorities
 - bridging top-down (HE) and bottom-up (MS, regional, Cohesion) instruments and funding
- 2. Commission notice on synergies between Horizon Europe and European Regional Development Fund programme
- 3. actively support MS collaboration through Important Projects of Common European Interest under State Aid
- 4. Double the number of Hydrogen Valleys
- 5. Establish Innospace one stop shop for innovation ecosystems' players
- 6. Launch Scaleup 100

Connected regional innovation valleys

• Timing

- Launch of initiative by the end of 2023
- Deliverable
 - 100 regions committed to enhance coordination and directionality of their R&I investment & policies
- Criteria
 - build on Smart Specialisation Strategies and, where applicable, on the participation in the PRI initiative
 - involve regions with aligned areas of specialisation and complementary capabilities
 - include partners from (at least two) less innovative regions and (at least one) more innovative regions
 - prioritise **3-4 interregional innovation projects linked to <u>key EU priorities</u>**
- Funding
 - 100 million from Horizon Europe
 - 70 million from I3
 - 'tap into the support available through national and regional ERDF programmes' supporting S3 (estimated at 10 billion for R&I)



HORIZON-EIE-2024-CONNECT-01-01

- Timing: 11/1/2024 25/4/2024
- Total indicative budget for the topic: EUR 55.00 million (then EUR 50 million in 2025)
- Expected EU Contribution per project: between EUR 8.00 and 12.00 Million (3 to 5 years)
- Type of action: Programme Co-fund Action
- Scope: Primarily focused on the regional aspects of innovation and targeted at <u>national and/or regional</u> <u>innovation authorities</u>. Other relevant entities can participate in the consortia as associated partners (such as research institutions, public authorities, universities, companies, clusters, innovation intermediaries, etc.)
- Funding mechanism: cascade funding (partly) and 50% co-funding rate

consortium must provide a letter of intent at the moment of submission of the proposal indicating the source of the required 50% of complementary funding (e.g. national and/or regional funding, European funding, or private investments)

(*) The use of ERDF funding (coming, just as the Horizon Europe, from the EU budget, even if implemented in a different management mode) should be justified to maximise the impact of overall EU support.



HORIZON-EIE-2024-CONNECT-01-01

- Proposals to include a **joint innovation programme of activities**, with set of **collaborative activities** e.g.:
 - Networking and coordination structures and tools to facilitate innovation development and access to and sharing of best practices, resources, talents, markets, expertise, services and knowledge, including open and collaborative knowledge bases and common knowledge assets (methods, data, processes)
 - Support to interconnections between innovation hubs/local pockets of excellence; market analysis, development and activities towards better access to new markets and finance for innovative SMEs and startups
 - Training and skills development; interconnection of open innovation infrastructures; supportive activities towards scale up, exploitation and dissemination of innovative solutions
 - Joint public procurement initiatives
- And provisions and modalities for the competitive selection and funding of at least three to four (3-4) interregional innovation projects in the selected thematic/technological area, including deep tech, linked to key EU priorities

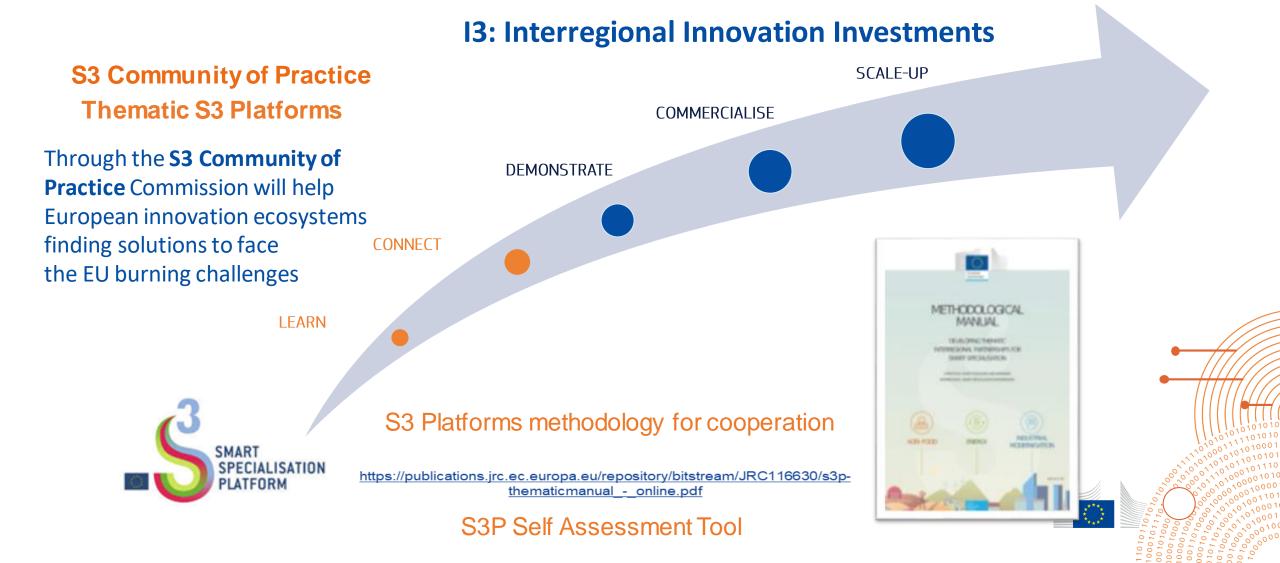


Horizon programming

- Budget is available in 2024 and 2025
 - 1st EIE call in Q1-Q2 2024 (budget 2024): CONFUND action, 55 million -> approx. 5 projects signed in Q4 2024
 - 2nd EIE call in [Q1-Q2] 2025 (budget 2025): COFUND action, 25 million -> 2 to 3 projects signed in Q4 2025
 - Widening call in 2025 (budget 2025): 25 million, instrument to be decided (e.g. hop-on or 'Excellence Hubs')
- EIE action
 - to be further documented through additional guidance (on the participation portal) in light of analysis of S3 and PRIs and selection of challenges/innovation areas (mid 2023)
 - A common narrative and coordinated approach with the I3 calls is in preparation



13: moving from interregional cooperation to co-investment



Approach to implementation

- Depending on the **specific interest and focus of networks of regions**, EC support could range from:
 - Option 1: A combination of (i) horizontal activities, and (ii) up to 4 interregional innovation projects. In this case, the main beneficiaries will be public authorities (at national or regional level) in charge of innovation policy & funding, and the co-funding will be public.
 - Option 2: A single interregional innovation project. In this case, the main beneficiaries will be the private entities conducting the innovation project and the co-funding will be either public or private.
- EC support in 2024 will come from Horizon Europe (EIE) and from ERDF (I3) and will be closely coordinated.
 - Implementation through separate but coordinated calls, with common objectives and expected impact, timeline and evaluation criteria
- EC support in 2025 will also come from **Horizon Europe (Widening)** and will be used to strengthen the participation of less innovative regions, either through dedicated 'excellence hubs' or the possibility to 'hop-on' existing networks of regions (TBC).



Next steps by end 2024

Now	Towards coordinated calls in 2023-24 and beyond
Q4 2022	Adopting EIE and I3 work programmes
Q2 2023	• Development of common narrative and additional guidance (on e.g. thematic/technological areas to be targeted) and publication on the participation portal
Q2 2023	 "Operational launch" of new S3 Community of Practice (CoP) as OSS for S3 regions and opening of I3 open call
2022 - 2023	• Continuous dialogue with the European Committee of the Regions, in particular in the context of the PRI pilot action (and CoP), to raise awareness of regions, and analyse and discuss possible convergences in S3 priorities and complementarity in capabilities, to address existing or emerging EU value chains in key thematic/technological areas
Q1 2024	Publication of first EIE call
Q4 2024	Identification/selection of connected valleys