



S3 Platform

Peer review workshop

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European Commission**

Cohesion Policy: aligning with Europe 2020

- **SMART** growth: *developing an economy based on knowledge and innovation*
- **SUSTAINABLE** growth: *promoting a more resource efficient, greener and more competitive economy*
- **INCLUSIVE** growth: *fostering a high-employment economy delivering social and territorial cohesion*

Rationale

Key to ensure that all conditions for effective investment are in place. This requires a combination of:

- *Appropriate regulatory work*
- *Effective policies with clear policy objectives*
- *Sufficient administrative/institutional capacity*

To be fulfilled at the administrative level where the relevant responsibility lies.

Legislative framework

- *Article 177 TFEU on the effectiveness of the Structural funds: the ex-ante conditionalities have been selected on the basis of their specific relevance to the effectiveness of the contribution of the Funds to the general objectives of the Cohesion Policy.*
- *Article 17 of the proposal of Regulation on Common Provisions - CPR (Com (2011)615) and its annex IV.*

Ex-ante conditionality in the regulatory proposals

- *Aim at contributing to increase effectiveness*
- *Preventive action to avoid bottlenecks and inefficiencies*
- *Ex-ante conditionality and criteria for fulfilment laid down in Annex IV of the Regulation on Common Provisions*
- *2 types: thematic and general*
- *Relate to factors determining effectiveness in the context of strategic, regulatory and institutional frameworks*
- *Relate to clearly established existing commitment at EU level that Member States have signed up to in the form of a directive or a Council conclusion*

Assessment

- *Ex-ante conditionalities only need to be fulfilled if a Member state invests in a given area*
- *Need to be fulfilled at the administrative level where responsibility for its implementation lies (national or regional)*
- *Should be in place before start of the programming period*
- *If not, they must be fulfilled within two years of the approval of the partnership Contract or by end 2016*
- *Non-fulfilment of conditionalities at the time of the adoption of the programmes/by two years of the approval constitutes a basis for suspension of payments*

ERDF Investment priorities 2014-20 (Art. 5)

1. Strengthening research, technological development and innovation;
2. Enhancing accessibility to and use and quality of ICT;
3. *Enhancing the competitiveness of SMEs.*

Smart specialisation is proposed by EC as ex-ante conditionality for these two key thematic objectives

In more developed and transition regions, at least 80% of ERDF resources at national level should be allocated to energy efficiency and renewables, innovation and SME support. This amount is foreseen at 50% in less developed regions.

Fulfilment criteria for **R&I target**

A national or regional research and innovation strategy for smart specialisation is in place that:

- *Is based on a SWOT analysis to **concentrate** resources on a **limited set of** research and innovation **priorities***
- *Outlines measures to **stimulate private R&D investment***
- *Contains a **monitoring and review** system*
- *A MS has adopted a framework outlining the **available national budgetary resources** for research and innovation*

Fulfilment criteria for **ICT target**

A chapter for digital growth within the national or regional innovation strategy for smart specialisation is in place that contains:

- **Budgeting and prioritisation** of actions through a **SWOT** analysis carried out in alignment with the **Scoreboard** of the Digital Agenda for Europe
- An analysis concerning the **balancing of support for the demand and supply** of information and communication technologies (ICT)
- **Measurable targets for the outcomes** of action on digital literacy, skills, e-inclusion, e-accessibility and e-health which are **aligned with existing national or regional strategies** in those fields
- An assessment of the **needs for reinforced ICT capacity-building**

Policy rationale


- *Making innovation a priority for all regions*
- *Focusing investment and create synergies*
- *Improving the innovation process*
- *Improving governance and to get stakeholders more closely involved*

Economic rationale

- *Developing and implement strategies for economic transformation*
- *Responding to economic and social challenges*
- *Making regions more visible to international investors*
- *Improving a region's internal and external connections*
- *Avoiding overlaps and duplication but also fragmentation in development strategies-ERA*
- *accumulating a 'critical mass' of resources - clusters*
- *Promoting knowledge spillovers and technological diversification*

The place-based dimension of S3

- *A smart specialisation approach to regional policy should be about promoting the generation, exploitation and dissemination of **local ideas and knowledge**, maximising both intra- and inter-regional **knowledge spillovers** in the relevant domains*
- *It is not a planning doctrine that would require a region to specialise in a particular set of industries but an approach to regional policy that considers whether those **activities already strong or showing promise** for a region can benefit from R&D and innovation*

 **Specialised technological diversification** = selection and prioritization of fields/areas where a cluster of higher value added activities should be developed = adoption of policies tailored to the local context, focusing on areas of real potential and strength = concentration

 imitation



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SOME PRACTICAL ISSUES

1) Technical assistance

The 2007-2013 technical assistance money may be used for the general preparation for the use of European Structural and Investment Funds in the next programming period, including S3.

2) Commission's assessment

The EC will assess whether S3 strategies comply with the ex-ante conditionalities (annex IV of CPR) in the framework and timing of assessment of the Partnership Agreement and OPs (on the basis of the MS self-assessment).

3) Timing

- *The strategy should be in place and a document explaining the strategic framework for smart specialisation should be available for the EC at the same time of the submission of the Partnership Agreement/ the relevant OP.*
- *The use of the strategy should be however continued and be used for the dialogue between the EC and the MS during the entire programming period. S3 is a process.*

4) Geographical coverage

A S3 should be seen as a pre-requisite for supporting research, innovation and ICT in 2014-2020 OPs: cover the national and regional features and opportunities taking into account the national legal and administrative framework.

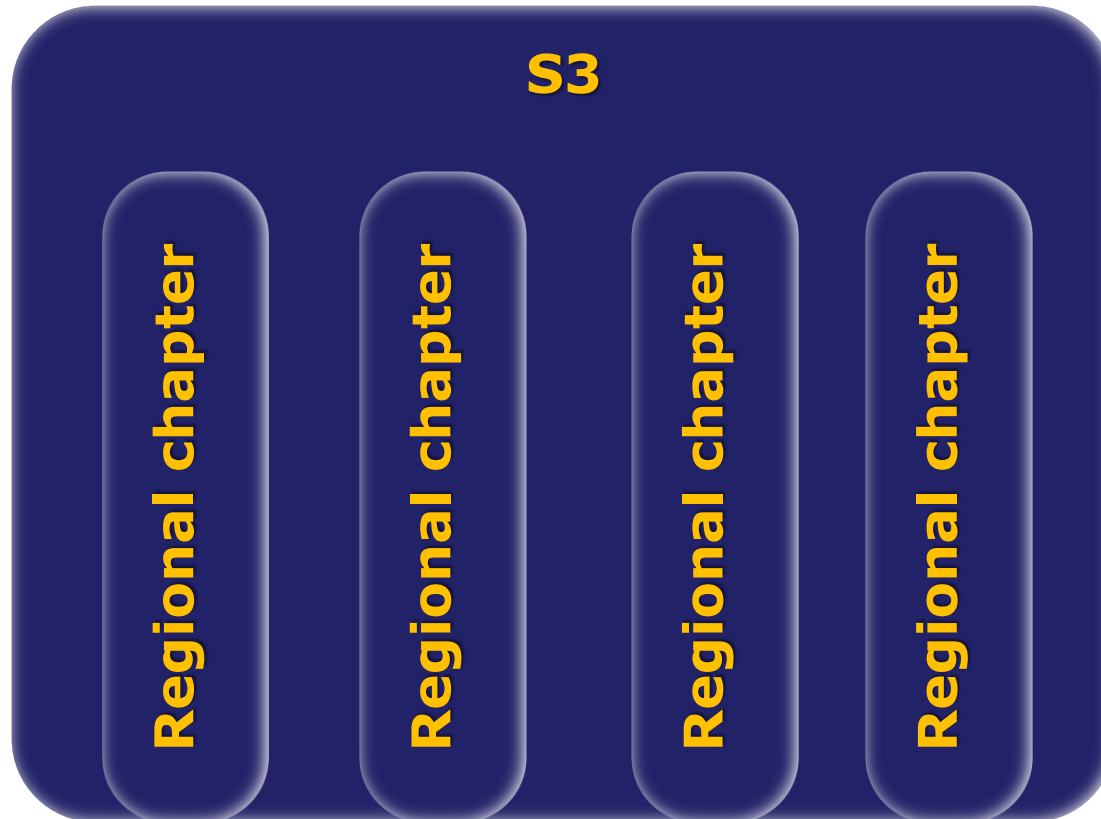
- a) National S3 (+regional chapters)*
- b) National S3 + regional S3*
- c) Regional S3 (synergy at national level ensured)*

How many S3 per country?

Hypothetical
example 1:
single S3 for
entire MS

Hypothetical
example 1.a:
single S3 for
entire MS

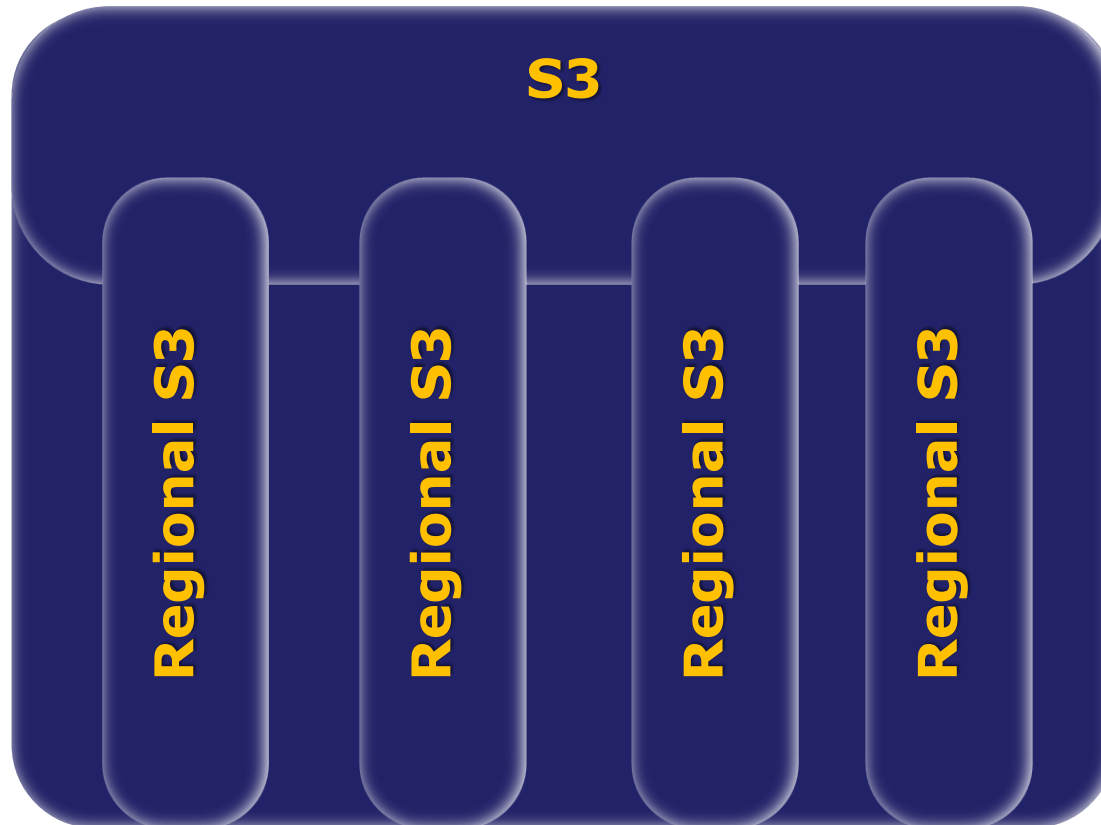
+ regional
sub-sections



How many S3 per country?

Hypothetical
example 2:
combination
of national
level S3

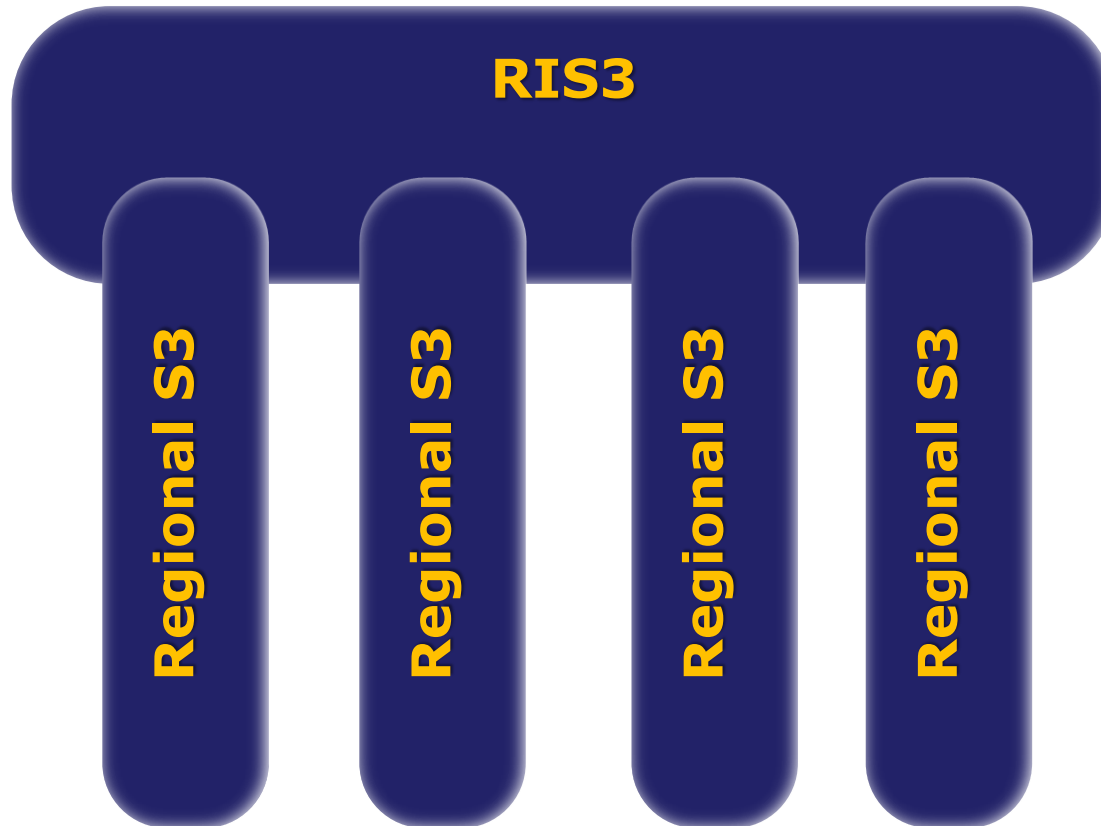
With
separate
regional S3



How many S3 per country?

Hypothetical
example 3:

Only regional
S3s



5) Relation between S3 and OPs

- *They have to be coherent, i.e. the R&I related OPs will only fund measures that are part of a relevant S3. Separate OPs can implement specific elements of a S3.*
- *The S3 could/should also be funded from other sources or contain measures that do not require funding (e.g. legislative or governance measures)*

6) Links S3/Horizon 2020/KETs

Horizon 2020 and KETs should be taken into consideration in so far as they are relevant for the choice of areas of specialisation emerged from the SWOT and the entrepreneur discovery process, having a real growth potential for the region and/or member state.

7) Links to thematic objectives

A S3 must be linked to the innovative potential of a region and/or MS. The outcome of a S3 can be of relevance also for other thematic objectives than 1 and 2.

*E.g. TO 3 regarding SMEs and entrepreneurship
TO 4 regarding eco-innovations, etc.*



**Thank you for your kind
attention!**

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For more information

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