

## **RIS3 In practice: Implementation examples**

### **From priorities to projects: selection criteria and process**

#### **How to implement S3 priorities effectively?**

Sweden, Flanders (BE) and Satakunta (FI) - Launching strategic initiatives at the core of S3

Romania - Boosting start-ups and new business ideas via calls

Poland - Defining selection criteria that follow S3 principles

#### **How to re-align existing agendas with the new S3?**

Provence-Alpes-Côte d'Azur (FR) - Re-aligning existing programmes with S3 priorities

Limburg (NL) - Changing existing players' agendas towards S3

## **How to implement S3 priorities effectively?**

### **Sweden, Flanders (BE) and Satakunta (FI) –**

#### **Launching strategic initiatives at the core of S3**

##### **Challenge**

The S3 requires implementing concrete policy measures and project selection in the priority areas. There are different ways to accomplish it that should reflect the administrative level involved (national, regional).

##### **Response**

In Sweden, the programme called “VINNVÄXT – Regional Growth through Dynamic Innovation Systems” funds large and comprehensive initiatives in the regions throughout the country. Projects are selected through a competition process (calls for proposals) where the best proposals get a 10-year period funding. Through this programme, a limited number of “growth initiatives” focusing on regional strengths receive up to 1 million euros per year to which is added a minimum of 50% regional co-funding. These Triple Helix initiatives gather businesses, researchers and public sector organisations, and aim at transforming the regional productive fabric within a long-term framework.

The implementation of the smart specialisation approach in the region of Flanders (BE) takes place mainly through the support of “spearhead clusters”. They are officially recognized by the Flemish government according to their capacity to organise an emerging cluster or transform an existing one with societal and economic value-added for the region. Under its New Industrial Policy (NIP), Flanders set up a comprehensive instrument, the Transformation and Innovation Acceleration Fund (TINA). The instrument’s purpose is to reinforce and accelerate the marketing of innovation with strategic potential. It provides capital investment to projects proposed by groups of firms and it finances grand projects within the spearhead areas. In addition, the NIP employs a wide range of existing policies and programmes with a strategic focus on their transformative potential. Pilot exercises are also implemented to determine “policy mixes” for specific spearhead clusters: a policy learning exercise was launched in November 2013 - April 2014 to experiment with three specific transformation trajectories: 3D-printing, recycling of critical metals in vehicles, renewable chemicals based on algae. The aim of the exercise was learning what kind of “whole-of-government” policies are needed and what type of governmental organisation will be required to partner in the implementation of these new value chains.

The Regional Council of Satakunta (FI) was in charge of the preparation of the regional smart specialisation strategy. To that end, strategic regional platforms were established around selected priorities. These platforms set reference criteria for actions and project development within smart specialisation areas. Local regional developers are called to pick up one of the chosen themes and then build an articulated project. For instance, Prizztech Ltd, a not-for-profit business development company owned by municipalities in Satakunta region, under the theme “bio-economy” developed the initiative “Gas economy” focusing on building (a) bio-power plants for waste water treatment plant, (b) biogas production plants in rural areas, (c) biogas filling stations for road traffic. When a new action is planned, the following set of requirements must be addressed by the developers/initiators:

- Is a new idea linked to the S3?
- Is it possible to find linkages between this domain and the one of the regional smart specialisation platforms?
- Is there already program-level activity linked to this idea/domain?
- Are there other projects which this idea can benefit from?

### **More information**

See the VINNVÄXT webpage (in English):

<http://www.vinnova.se/en/Publications-and-events/Publications/Products/VINNVAXT/>

See the Flanders' webpage (in English):

<http://www.flanders.be/en>

The Stakunta's Prizztech Ltd webpage (in English):

<http://www.prizz.fi/en>

### **Keywords**

Project selection, priorities, public sector role

## How to implement S3 priorities effectively?

### Romania - Boosting start-ups and new business ideas via calls

#### Challenge

Promoting new entrepreneurial ideas based on research (e.g. start-ups and spin offs) and aimed at product innovation must support and reward alignment with S3 priorities during the evaluation phase. Alignment with S3 priority areas may be regarded as a preferential condition for project selection, allowing for bonus punctuation.

#### Response

In Romania, the S3 process pinpointed a potential for future entrepreneurial activities in the areas of smart specialisation. It highlighted the need to support the creation of new companies with the support of ESIF. The S3 policy mix includes an instrument called "Innovative start-ups and spin-offs" which has the objective to finance the realisation of new or significantly improved products based on research results (industrial research / experimental development). This policy instrument targets start-ups and spin-offs which possess research result or own use rights (patents, IPRs, etc.).

The instrument is meant for entrepreneurs with business ideas but short of capital. As the expected projects scope is rather narrow, the de minimis aid rule was implemented. The grant value covers up to 90% of the project eligible costs, the rest should be supplemented by private contribution.

In the project selection procedure, the administration first reviews the applicants and projects' eligibility, including completeness of documents and administrative conformity of the request for financing file. This verification is based on a Yes/No questionnaire. In the second step, individual assessments are done by specialist evaluators based on criteria grouped in an evaluation fiche. In the third step, panel evaluation is done based on a panel fiche.

The proposals should meet the following selection criteria:

- Relevance: product innovativeness; economic and technical viability; project contribution to the development of research activities in the enterprise; product coverage of a real need or an opportunity identified in a certain economic sector; new jobs creation potential.
- Quality and maturity: consistency between the activities described and the objectives; project budget - reasonableness, completeness, etc.; methodology and risk assessment; implementing capacity - how the skills and qualifications needed are acquired; quality of the business plan.
- Sustainability and operating capacity: financial sustainability; contribution to sustainable development and equality of chances - gender, anti-discrimination, disability; level of cooperation - international, regional, with enterprises or research organisations, etc.; financial correlations - sensitivity analysis of the project financial data based on at least three variables.

Importantly, the eligible smart specialisation proposals are awarded additional bonus points if the project is in line with smart specialisation areas.

### **More information**

See the Romanian Operational Programme for research and innovation document (in Romanian):  
<http://www.fonduri-ue.ro/files/programe/COMPETITIVITATE/POC/ghid-unic-a-b-c-d-e-f-g-1-1.pdf>

### **Keywords**

Project selection, priorities, public sector role

## How to implement S3 priorities effectively?

### Poland - Defining selection criteria that follow S3 principles

#### Challenge

Defining the selection criteria to be applied to the selection of projects aimed to fund innovative businesses is a difficult task. Alignment with S3 priority areas may be framed as a key eligibility condition and, in addition, projects which demonstrate the potential to develop niches within smart specialisation areas may be rewarded with higher evaluation marks.

#### Response

The S3 approach requires regions to develop projects that will (a) contribute to build a competitive advantage, (b) help to develop a leadership position in the selected priority areas, (c) improve their SMEs position within value chains linked to smart specialisation area. The selection criteria should favour projects which are close to the market, with a certain level of novelty with regard to RDI results. The project proposals must respond to market demand or social needs and should include financial as well as comparative performance analyses. Finally, when needed, business advisory services for SMEs should be provided.

Polish regions have followed those requirements in the following way (combined experience):

- The alignment of proposal with smart specialisation priorities is required. However, in some cases, additional marks can be given to the projects which develop niches within the given specialisation areas.
- The project novelty is assessed with reference to the innovativeness of results at various levels: company, regional, national, European and international. The evaluation includes various methods: yes/no, new/unknown, or order of preference.
- The socio-economic impact of the projects is assessed taking into account regional enterprises' competitiveness, cooperation with business-supporting or research institutions, job creation and the way in which regional strengths and weaknesses are tackled.
- Projects additional effects are also considered, e.g. working conditions improvement, development and implementation of ICT solutions, marketing and organizational innovations, supporting export expansion, complementarity with other projects.
- Favouring private investment through higher scores for projects with high private sector financial contribution.
- Diffusion of innovation from large to small enterprises.
- Preference for projects using local R&D infrastructure.

#### More information

Polish European Funding web portal (in Polish):

<https://www.funduszeuropejskie.gov.pl/>

#### Keywords

Project selection, priorities, concentration of funding, public sector role

## How to re-align existing agendas with the new S3?

### Provence-Alpes-Côte d'Azur (FR) - Re-aligning existing programmes with S3 priorities

#### Challenge

There are different approaches to the implementation of funding schemes. They all need to have a clear focus on the S3 priority areas and offer guarantee of concentration of policy interventions consistent with strategic objectives.

#### Response

After the S3 adoption, the French Region Provence-Alpes-Côte d'Azur (PACA) launched several research projects' calls for proposals falling under the five "strategic activity domains" (each including detailed smart specialisation axes) or the three "key general technologies" defined in the S3. One of the calls is targeted to research projects with the aim to reinforce existing strengths in research teams and gather individual scientists into more coherent research groups. Research carried out in this framework should be multidisciplinary, have a clear regional scope and be in line with the industrial needs; moreover, submitted proposals are eligible only if they match the S3 priorities. Another call is a joint national-regional tender aimed to provide funding for enterprises' innovation initiatives in the form of subsidies for feasibility projects or reimbursable loans for R&D and innovation projects. The funding schemes implemented in previous programming periods used to support research and innovation activities in a wide variety of domains in the public and private sectors: thanks to the adoption of the S3, their scope has been narrowed down to smart specialisation domains.

#### More information

Call from PACA region, Appel à Propositions PO FEDER-FSE /PI1a, 2015 (in French):

[http://programmes-europeens-2014-](http://programmes-europeens-2014-2020.regionpaca.fr/fileadmin/user_upload/documents/Appel_PI1a_2015.pdf)

[2020.regionpaca.fr/fileadmin/user\\_upload/documents/Appel\\_PI1a\\_2015.pdf](http://programmes-europeens-2014-2020.regionpaca.fr/fileadmin/user_upload/documents/Appel_PI1a_2015.pdf)

Call from PACA region and Commissariat Général à l'Investissement, Appel à Projets

Investissements d'avenir. Action: "Partenariat Régional d'innovation en Provence-Alpes-Côte d'Azur"

- Soutien aux projets d'avenir des PME, 2015 (in French):

[http://www.gouvernement.fr/sites/default/files/contenu/piece-jointe/2015/06/aap\\_pri\\_paca.pdf](http://www.gouvernement.fr/sites/default/files/contenu/piece-jointe/2015/06/aap_pri_paca.pdf)

#### Keywords

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## How to re-align existing agendas with the new S3?

### Limburg (NL) - Changing existing players' agendas towards S3

#### Challenge

There are different approaches to the implementation of funding schemes. They all need to have a clear focus on the S3 priority areas and guarantee concentration of policy interventions consistent with strategic objectives.

#### Response

With the S3, a new role is given to universities in the Dutch region of Limburg; previously, universities were not strongly involved in the regional policy-making process. While the resources concentration is not new to the region, S3 has brought about a more fine-grained definition of top clusters. The strategy provides greater support to university campuses through the “Brightlands” programme. This scheme facilitates the creation of science and industry clusters, e.g. by financing R&D infrastructure and equipment, and promoting HEIs' activities (education programmes, new research departments). Two Limburg campuses specialise in bio-based, biomedical and health activities. The respective universities signed a ten-year-contract with the region. During the S3 process, regional knowledge-production institutions presented their joint plan “Knowledge Axis Limburg” with the aim of creating synergies between the various Brightlands campuses. Brightlands also fosters the establishment of links with neighbouring knowledge-production institutions and firms from Germany and Belgium. Moreover, the campuses articulate strategies and funding sources from various levels: (i) regional (Province), (ii) supra-regional (South-East Netherlands (Brainport strategy) and South Netherlands (the territory for ERDF and S3)), (iii) national, (iv) as well as transnational (TTR-Elat, cross-border INTERREG project).

#### More information

Research and Innovation Strategy for Smart Specialisation for Zuid-Nederland, the region comprising Noord-Brabant, Limburg and Zeeland (the South Netherlands), 2013 (in English):

<http://s3platform.jrc.ec.europa.eu/documents/20182/91499/Ris+Southern+NL.pdf/eb5a7447-17f1-417a-8538-9b93cbba9fd4>

#### Keywords

Project selection, priorities, concentration, universities