

S3P – Industry: 2nd Steering Committee meeting

The 2nd Steering Committee of the Smart Specialisation Platform for Industrial Modernisation took place alongside the **GROW your REGION conference** held on 8-9 November 2017 in Valencia, Spain.



The meeting was attended by representatives of the leading regions of qualified partnerships, various European Commission services, EIB, Interreg and invited experts. Discussions focused on the progress of each partnership, while exploring possible solutions to new challenges faced on the path towards co-investments. In addition, the meeting also offered an opportunity to learn from related EU projects as well as studies launched under various EU programmes. The meeting was moderated by Director **Slawomir Tokarsi, DG GROW**.



The meeting was opened by Mr. **Rafael Climent**, the **Minister of Industry and Economy of Valencia Region**, followed by a short intervention from the European Commission services supporting the S3 Platform for Industrial Modernisation.

Nikos Pantalos, DG GROW offered an overview of the state of play of the S3P – Industry, presenting the status of the partnerships and the type of support each partnership has received to date.

The next steps defined are the following:

- Continue working with new thematic partnerships, involve more regions to the existing ones
- Finalise all Scoping Notes and ensure an efficient transition of the support services
- Finalise the mapping analysis (KETs, Cluster Observatory, RTD/JRC mappings etc.)
- Ensure the involvement of industrial players (Reconfirm, Cluster Calls, Watify)
- Integrate the new REGIO pilot actions (where applicable)
- Launch the Technical Assistance project (by the end of the year)
- Continue to work with the EIB and the Advisory Hub (especially for the 5 Vanguard pilots)
- Work on possible cooperation between existing partnerships
- Work with INTERREG and Macro-regions

- Work on the next MMF

The **newly established partnerships** – i.e. partnerships that have qualified since the 1st Steering Committee meeting – presented their objectives, state of play and support needs. In more detail:

Digitalisation and Safety for Tourism

Vision: Tourism is the leading innovative industry in EU

Mission: To increase the investments in the area of tourism industry through interregional and cross-sectoral collaboration: Digitalisation and safety - global megatrends & boost innovations, productivity and increase product quality

Six project areas were defined:

- Access to data, open data
- Risk/crisis management of companies and stakeholders
- Accessibility in urban/rural/mountain/ coastal areas (safe and flexible journey)
- Green mobility & connectivity in urban/rural/mountain/ coastal areas
- Business safety when facing new phenomena
- Investing in climate change mitigation

Status and next steps:

- Official launching: 27th September 2017
- Kick-off meeting: 28th September 2017
- Mapping phase by the end of 2017, supported by ReConfirm
- Collaborative lab: 29th November 2017
- Expression of Interest for Thematic Partnerships to Pilot Interregional Innovation Partnerships: submitted 31st October 2017
- Focus on two themes in early 2018, supported by ReConfirm

Please see the partnership web page here: <http://s3platform.jrc.ec.europa.eu/tourism>

Sport

Vision

'The Sport Partnership aims to support EU regions committed to generate a pipeline of business investment projects in the sport sector'



Rationale of the partnership: Following a bottom-up approach - implemented through interregional cooperation, cluster participation and business involvement as well as aligning specialisation profiles of the partner regions. The Consortium: the objective of the consortium of 8 regions is to strengthen the sport industries at EU level, following a bottom-up approach, implemented through interregional cooperation, cluster participation and business involvement, as well as aligning specialisation profiles of the partner regions.

Please see the partnership web page here: <http://s3platform.jrc.ec.europa.eu/sport>

Medical technologies



Mission and vision:

The partnership aims to develop more structured innovation ecosystems and interconnect them, create links and synergies between RDI facilities according to a cross-sectorial approach, which is compulsory in the medtech sector, develop sustainable business model of RDI facilities to increase innovation knowledge between science and industry through co-investments.

Next steps:

- 28th of November 2017: a workshop is planned with the support from ReConfirm to finalise and share the mapping work (learn & connect phase) and to identify specific areas for cooperation.
- The aim is to explore synergies between existing technology platforms and new investments projects to finance non-competitor products and analyse the legal/regulatory conditions as well as the business model of interregional demonstrators.

Please see the partnership web page here: <http://s3platform.jrc.ec.europa.eu/medical-technology>

Photonics

Vision of the partnership:

The alliance will address the challenges facing European photonics companies as they leave the validated prototyping phase and ramp up to volume manufacture. We need to amplify existing (fragmented) endeavours and kick-start new ones needed for volume manufacture. Strategic sharing of European Intellectual Property and production facilities.

Challenges:

- Society's exponential demand for bandwidth will soon outpace Europe's ability to deliver smaller, faster, cheaper, greener technological solutions.
- New 5G mobile network 1000 times faster than 4G, reaching 7 billion people while using 90% less energy. 7 trillion IoT devices to be connected securely.
- End of Moore's law for electronics. We can still scale further but the cost per function is no longer going down. The benefit has become so small that we must switch to the instantaneous photonics technologies
- Europe cannot just become China's R&D Lab. Volume manufacturing needed for global competitive Industry 4.0 strategy. (Integrated) photonics key.

Please see the partnership web page here: <http://s3platform.jrc.ec.europa.eu/photonics>

From the support services, **Laurent de Mercey** from **DG REGIO** has presented on the new pilot actions:

- **Industrial Transition Regions:** this pilot action will support 5 "test regions" (more developed or transition regions) expressing their commitment to work on the basis on their S3. Support will be provided by ERDF, up to €500000 per region split between technical support to develop a comprehensive strategy for economic transformation and, where sufficient progress has been made, a grant for early implementation of strategy in 2019.

- **Strategic interregional investment projects:** this pilot action will build on the work already undertaken under the TSSPs on learning, connecting and demonstration. It will focus on commercialisation and scale-up activities, for concrete interregional investment projects bankable for support from financial instruments. Total support for 5-10 pilot partnerships: 1M€ dedicated ERDF technical assistance completed by other EU programmes and initiatives including TSSPs (JRC), COSME, European Observatory for Clusters.

Ulla Engelmann from **DG GROW** presented European Strategic Cluster Partnerships for smart specialisation investments & other cluster initiatives.



The objectives are *to boost strategic cross-regional cluster cooperation* in thematic areas related to regional smart specialisation strategies in the context of the Smart Specialisation Platform for Industrial Modernisation and *create value chain linkages* as well as *mobilise joint business cooperation projects and investments*, especially of SMEs & linkages with technology centres. The budget of 2.8 million euro will support 8 selected cluster partnerships while other partnerships will receive ESCP-S3 label. The programme will target cluster organisations, business network organisations, technology centres and science parks. All ESCP-S3 labelled cluster partnerships will receive additional advisory support services from the European Observatory for Clusters and Industrial Change and at least one organisation from a less developed or transition region. There is a specific award criterion (relevance) to emphasise link to Smart Specialisation Platform for Industrial Modernisation and alignment with smart specialisation strategies.

Advisory support services to test regions on modern cluster policy for 7 test regions of the European Observatory for Clusters and Industrial Change (call for expression of interest planned for early November 2017). This support is separate from the DG REGIO pilot calls.

Next steps: Launch of **European Cluster Policy Forum** at the next **EU Industry Day** on 22/23 February 2018 in Brussels and setting up of **High-Level Expert Group on Clusters** in 2018.

From the **KETs observatory, Par Westrom** provided an overview of the value chain analysis performed for the S3P – Industry partnerships. The objective was to provide stakeholders with an *analytical base* helping to strengthen cross-regional cooperation mechanisms to boost the deployment of KETs in Europe. Themes have been defined based on expressed interest of partnerships.

Analyses were performed in the following fields:

1. Smart textiles for sports (*Textile innovation*)
2. Bio-based aromatics (*Bioeconomy*)
3. Perovskite solar cells (*New nano-enabled products*)
4. Refurbishment of medical equipment (*ESM*)
5. Indium Phosphide- (InP) based Photonic Integrated Circuits (PICs) for data centre applications (*Photonics*)
6. 3D-printed medical devices (*3DP*)
7. Cyber-Physical Production Systems for less developed European regions (*PPMS*)
8. Sensing & monitoring systems for offshore wind turbines in harsh environments (*ADMA Energy*)

9. Need to **stimulate SME engagement** in development and commercialisation activities (SME support centres);

General conclusions, there is a need for:

- **fully operational pilot lines** (to demonstrate the feasibility of every step of the production process);
- ensuring **continuous investments in research** (both basic research and research targeted at the highest TRL levels);
- measures ensuring **long-term protection of Europe's investment** in cutting edge innovations (e.g. protection from IP looting);
- **state-of-the-art education and training** (dual learning, solving real-world problems in the classroom, lifelong learning);
- **accelerated development of relevant standards.**

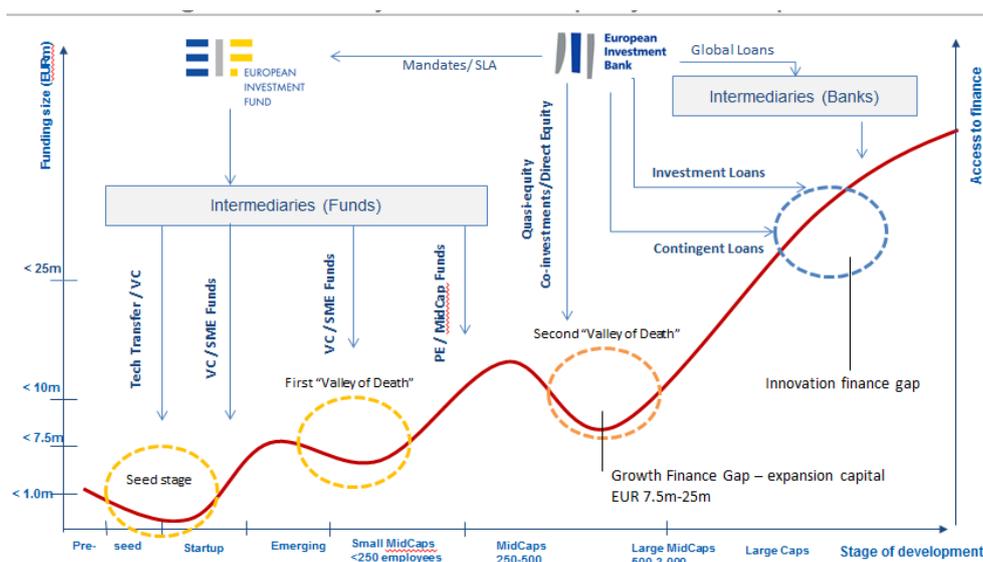
Anais Le Corvec presented from the **Council of European BioRegions:**

- Long term aim: For regions in Europe to achieve higher economic and scientific development through integration of Key Enabling Technologies into their regional development
- Project aims:
 - To bring KETs into regional development through cluster managers across sectors
 - To work with policy makers, cluster managers and stakeholders to validate effective and efficient methods for enabling KETs uptake
 - To create long term partnerships across clusters for KETs transfer and uptake

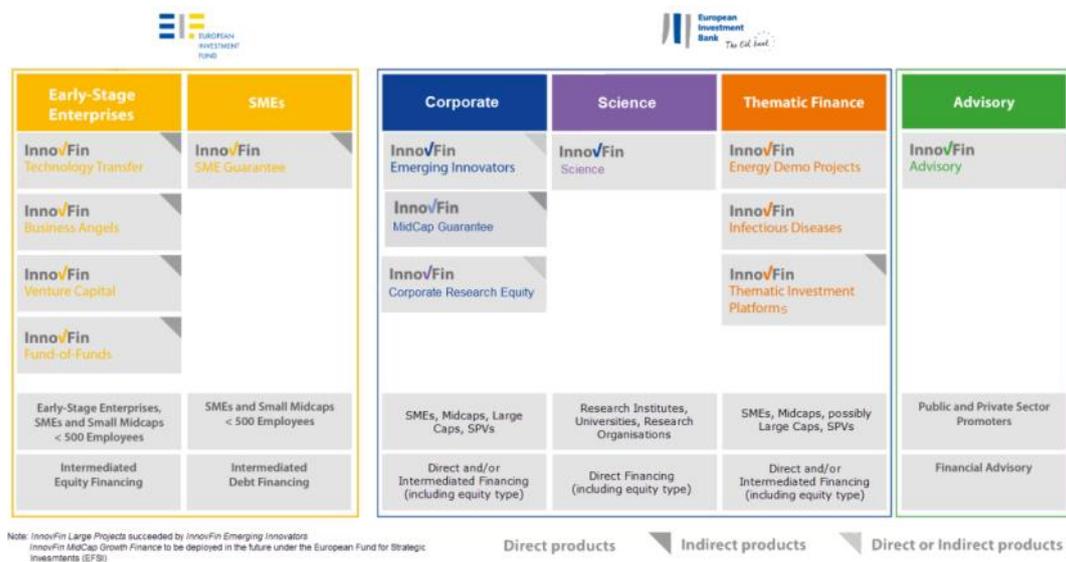
In case you wish to get involved: www.clusternanoroad.eu

Bjorn-Soren Giger from **EIB** presented EIB activities and financing opportunities *for enabling access-to-finance for KETs companies.*

How EIB products are covering the entire cycle of a company's development:



And the InnovFin product overview:



Conclusions of their market studies show the following:

- Access-to-finance: the market is favorable but only for relatively established KET companies
- Conservative financing eco-system not in favor of most dynamic innovators
- Knowledge of KET is key for financing decisions – and in short supply with many banks
- Big is beautiful – smaller KET companies face more difficulties
- Public support well suited to compensate for specific shortcomings
- Boosting growth will require smart, well targeted actions

Follow up – reflecting the questions raised at the meeting

- *More time shall be allocated for all partnerships in the next meeting to share their views and progress achieved.*
- *Overlaps between partnerships' pilot projects shall be further discovered and partnerships shall seek to exploit these synergies.*
- Partnerships have expressed their needs for *further expert support*. On the one hand, a further support of *generalist experts with expertise in innovation* and in more advanced stages *experts in specialised domains*. Despite they have experts in their regions, it would be very useful to have experts from outside providing a different view, validating and assessing demo cases.
- There is a need to *continue the value chain analysis* to perform a detailed mapping and to identify gaps to invest in these areas.
- On the scope of EIB/InnovFin products, there are interesting instruments that would be extended to cover more industry-related projects. The InnovFin "Demo Energy" instrument is a clear case;
- When *assessing more pilot projects of partnerships*, the information asymmetry shall be closed and assessments shall contain market readiness levels besides disclosing TRL levels, so to incorporate financial data with market potential.
- The Commission has invited all partnerships to think about if they would be interested to host the next Steering Committee meeting. The representative of the government of Lapland has

offered to organise the next Steering Committee meeting in Lapland in April 2018. A decision will be taken by the Commission in about 10 days.

- All presentations are available on the S3 Platform website: <http://s3platform.jrc.ec.europa.eu/meeting-08-november>

Many thanks to the Valencian government for all their efforts and the excellent organisation!



Thanks to all of you for your participation and valuable contribution.

S3 Platform team

