

## ReConfirm - Collaboration Lab

### Industrial Modernisation Thematic Partnership on Social Economy

<http://s3platform.irc.ec.europa.eu/social-economy>

Draft agenda, Collaboration Lab, 14/02/2019, Pamplona, Spain, Venue (TBC)

Time	Content of sessions
9.00 - 9.30	Registration/Coffee
9.30 - 9.45	Welcome – Introduction by the Government of Navarra Objective and organisation of the day-ReConfirm, Andrea Di Anselmo
9.45 - 10.00	Introduction to the 2 <sup>nd</sup> phase of Reconfirm initiative and TAF service, Anita Tregner-Mlinaric
10.00 - 11.00	<b>Presentation of the Mapping Paper-Reconfirm initiative, Douglas Thompson</b> Presentation of the Mapping Paper and collecting of feedback among the Partners. Agreement on the time-table for finalisation of the Mapping Paper.
11.00 - 12.00	<b>Interactive working session for identification of investment ideas-ReConfirm initiative, Andrea Di Anselmo</b> Partners divided in 3 groups with an objective to start shaping the pre-identified investment ideas from the EOI (and/or present the new ones). Presentation of the investment ideas and reaching of the agreement on the ideas Partnership wants to proceed with, including identification of investment idea leaders (ILL's).
12.00 - 14.00	Visit to a cooperative industrial factory (to be discussed, we may lack of time) and lunch
14.30 - 15.00	<b>Engagement of industry: How to mobilise them?</b> Identification of the industry stakeholders. Actions and steps to undertake to proceed forward.
15.00 - 15.30	<b>Organisational set up and governance</b> Discussing internal organisation and information exchange set up. Governance of the Partnership.
15.30 - 16.00	<b>Planning next steps</b> Joint discussion on activities to be performed until June 2019.
15.30 - 16.00	<b>Conclusions and Closing remarks (Navarra)</b> Concluding on priorities for the S3P-Industry Social Economy Partnership.

## Collaboration Lab on Social economy

### Main features

One day format organised around interactive sessions to:

- Launch operational collaboration among partners and among partners and ReConfirm;
- Introduce novelties in the scope of prolongation of ReConfirm and provide insights on the Technical Assistance Facility for Industrial Modernisation and Investment (TAF);
- Present the “Mapping Paper” drafted by ReConfirm, collect comments;
- Start framing the 3 potential investment project ideas proposed by the partnership within the scope of the common area of interest and its international dimension;
- Facilitate engagement of partners (cross-border activities and clustering) and start discussing governance.

### Expected results

- Input collected and timetable agreed for finalisation of the Mapping Paper;
- Mutual understanding of results to be achieved by ReConfirm service and of the objective of the TAF service;
- Project profiles agreed, as first step toward investment propositions;
- Ground for partnership governance introduced with specific attention to communication to be used for further interaction among partners and external promotion of the partnership;
- Action plan for the following 6 months drafted.

### Participant profile

- Regional representatives: The ones who are actively involved and committed to the process, in the position to express the position of the region they represent and potentially interested regions;
- Regional Stakeholders: Opinion Leaders (Cluster managers, leaders from relevant business associations and organisations, managers of leading companies operating at international level);
- ReConfirm experts and facilitators including EURADA and EBN representatives.

## Background note on how to prepare for the Workshop

### Social economy - investment ideas/projects as from the EoI

- Interregional Social Economy financing mechanisms that allow for sharing risks and facilitating access to financing under favourable conditions for Social Economy projects and companies, especially for the creation of new companies and small and medium-sized enterprises in the sector;
- Social Economy companies following the business cluster operational model to promote inter-cooperation among Social Economy companies and actors belonging to the innovation ecosystem. Cooperation projects: for the development of new products, for their marketing, for the diversification of business activity, for the creation of business platforms in cross-cutting issues (shared management, shared services, purchases, innovation, etc.);
- Shared Use of Machinery and infrastructures.

### Background elements for the investment ideas

When discussing possible collaborations/idea, the issue of sustainability and return on investment will be key, hence it is important to address:

- International / cross-regional dimension;
- Attractivity/competitive advantage;
- Private sector back-up;
- Institutional backing (RIS3, OPs);
- Time to market.

### Roadmap

After the workshops the partners will receive a draft roadmap describing how to move forward towards the identification of joint international investments. The draft roadmaps will be structured as follows:

- Cooperation themes;
- Responsible organisation;
- Key activities;
- Actors involved (name, typology, role, region, country);
- ReConfirm Support to be provided;
- Dates: starting date, ending date;
- Milestones;
- Outputs.

## Annex I – Support information

Supporting European industrial modernisation requires important investment efforts. This investment can be done at the European/ Member State level and could be funded through public and private funding. This section provides with some examples and of potential investment projects with a review of the characteristics which make a project an investment project that is relevant to the S3P-Industry.

Moreover, you can find here information on what is an “investment proposition” and an “investment protocol”. Indeed, in their specific form they might differ between partnerships. Overall, they should however follow the same logic and structure.

### Examples of possible investment projects

Type of projects	Example
Shared technology centre	Joint international centre for technological development.
Shared service facility	Joint international centre for provision of services
Financial Instrument	Cross border financial instrument (equity/debt) to finance SMEs to incorporate new technologies and or start-ups to bring new solutions to the market
Trans-regional support tools	<ul style="list-style-type: none"> <li>▪ Voucher scheme for SMEs to purchase services abroad;</li> <li>▪ Fellowships for young graduates or employees of SMEs to attend stages abroad (in SMEs or RTD centres).</li> </ul>
Cross border platform	SMEs small projects bundled together (cluster- value chain with international dimension).
Large-scale project	Project by a single company but involving international value chains (incorporation of new technologies within suppliers’ value chain)
Large scale infrastructure	Large scale infrastructure incorporating advanced technologies across at least 3 different countries.

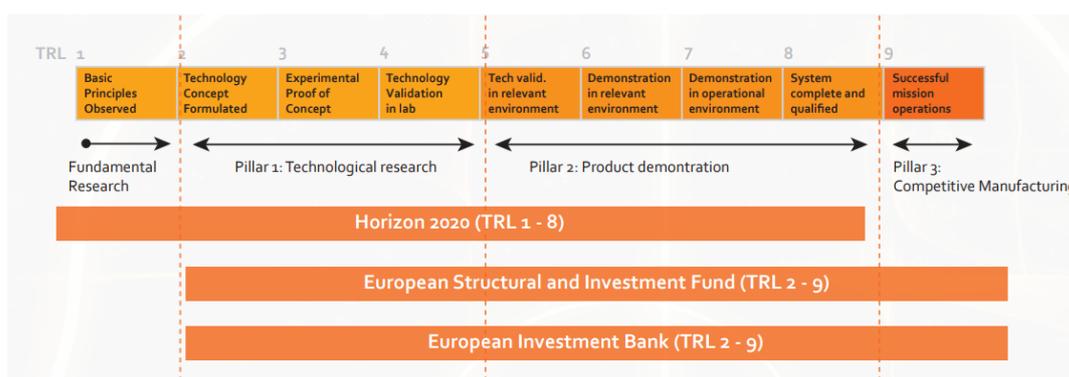
### Investment projects – some features

An investment project for European Industrial modernisation should correspond to the following criteria:

- **Foster Inter-regional Cooperation:** The regional dimension should be considered “systematically in the design of all EU policies, especially those concerning growth and investment”. Inter-regional dimension enables regions to find missing competences, create critical mass achieve sustainability and relevance and allows industries to develop joint investment projects.
- **Promote replicability / scale-up Opportunity:** To catalyse industrial modernisation there needs to be proactive actions and policies to support the generation and scale-up of ideas and projects within regional ecosystems. This indicates a need for suitable ‘matching’ mechanisms between those projects and funding opportunities. Capacity and capability that already exist within large scale initiatives can be emulated/ replicated with smaller, agile, regional actors that should be supported to be able to contribute with innovative ideas developed from the bottom up.
- **Leverage on Technological Market Readiness:** As highlighted in the EC report on Boosting the potential of Key Enabling Technologies Addressing Skills Needs in Europe, the EC considers that a rebalanced approach on supporting for close-to-market activities (such as pilot projects, prototypes and demonstrators), with a bigger focus on impact (and manufacturing) is/ should be priority. Figure 1 shows how varied sources of investment are strategically aligned to encourage closer-to-market KETs-related activities. Vanguard Initiative investment projects should all have a TRL level of five or above.

- **Support for SMEs:** The EC has highlighted the importance of investing in SMEs that will grow and take up large companies' current positions in some value chain segments. While large companies face critical challenges, leverage could better be achieved by the partner regions at the level of SMEs. This does not mean that larger companies or Research and Technology Organisations (RTOs) are excluded by the partnership activities, but that SMEs remain an integral target.
- **Involve Multi-actor:** The EC has recognised the role of smart specialisation in driving effective innovation policy and pushing inter-regional cooperation in new cross-border value chains. In order to be able to better exploit the complementarity that comes with such cooperation, various innovation actors can be further linked with industrial stakeholders in their own region as well as in partner regions with similar development ambitions and objectives.
- **Focus on Key Enabling Technologies (KETs) and Digitalisation.** Their importance makes them a key element of European industrial policy. The European Strategy for KETs aims to increase the exploitation of KETs and to reverse the decline in manufacturing (and other sectors) as this will stimulate growth and jobs.

Figure 1: Multiple European instruments to support closer-to-market activities



Source: EC

### Investment proposition

ReConfirm intends to support the development of new investment propositions to S3P-Industry, which are the base for the development of an investment protocol. For existing partnerships without specific investment propositions, these can be developed in dedicated Collaboration LABs. The outcomes of the Collaboration LABs should be framed into an investment propositions, which **must involve actors from at least three different regions**. Table below provides an indicative template for the investment proposition.

### (Investment) protocol

The (investment) protocol (which is the final target of ReConfirm support) will consist of a clear commitment by all participants to take ownership on concrete actions contributing to the implementation of an investment for a specific multiregional industrial modernisation project that started with an EoI to the S3P-Industry.

In the protocol the involved parties will agree on a list of initiatives and commit themselves to:

- prepare individual business plans for the foreseen investments;
- find resources to co-finance the investments envisaged in the protocol.

The protocol should include all the relevant stakeholders, from ESIF Managing Authorities, to intermediary organisations and private sector actors/companies.

Although we suggest that a common (investment) protocol template will be proposed during the process we recognise that partnerships may wish to tailor the documents to meet their own needs. We assume that the document will be drafted in English. The protocol should clearly indicate:

- **Regional partnerships involved** (both public and private actors);

- **Industrial initiatives to be considered** (the investment projects) (such as: joint large-scale demonstrators, shared technology centres, other cross-regional projects, small projects bundled together in 'investment platforms', single cross-regional large-scale projects, or large-scale individual projects to be developed across European industrial value chains);
- **Support services/incentives** that will be made available by public actors and intermediary organisations (services by R&D centres testing platforms, incentives from ESIF, etc.);
- **Actions envisaged** and the responsibility for each organisation involved (at regional and inter-regional / cross border level), milestones;
- **Resources/budget already secured/committed (public as well as private);**
- **Governance rules and monitoring process.**

The protocol should be signed by the members of the partnership and the stakeholders that are in the position to deliver the envisaged investment initiatives.

Once the protocol is signed it will be the responsibility of signatories to prepare the detailed business plans of the industrial modernisation initiatives and to negotiate funding with banks, institutional investors, private investors merchant banks, VCs and informal investors (Business angels, etc.) and the public funding sources/agencies.

### Policy trends

The Commission Communication Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth<sup>1</sup> "highlights that "Stronger strategic interregional cooperation and sustainable linkages between regional ecosystems along smart specialisation priority areas can increase competitiveness. The creation of inter-regional investment opportunities will facilitate scaling up regional and local innovations". It introduces interregional innovation investments through the commercialisation and scaling up of interregional innovation projects having the potential to encourage the development of European value. Project-based cooperation throughout the Union should be integrated into the new component 5 on interregional innovation investments chains and closely linked to the implementation of the Communication from the Commission 'Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth', in particular to support thematic smart specialisation platforms on fields such as energy, industrial modernisation or agri-food. It is proposed that component 5 is funded for 11.5% of the programme i.e., EUR 970 000 000.

### Service trends

DG Grow has awarded the Technical Assistance Service Services to investment projects developed within the Smart Specialisation Platform for Industrial Modernisation to the Consortium of Ecorys, META and BDO in late December of 2018. The service itself will be accessible as of March 2019 (tentative date). Services will help project promoters improving the **bankability of investment projects** before they are submitted by industrial partners to financial institutions and thus to contribute to fostering public and private investments in the EU in industrial modernisation.

Services that will be provided:

- Assist project promoters in preparation and improvement of business plans based on an initial business plan,
- Provide advice on specific issues raised by project promoters related to the concept, planning and execution of the projects (e.g. legal advice on IPRs etc.),
- Advise on financial structuring, propose the right blending of financial instruments in view to enhance the projects' bankability so that they reach investment readiness to apply for financing by public or private financial institutions,
- Advice on financial structuring and the blending of funding sources for portfolio of investment projects, developed within thematic partnerships under Smart Specialisation Platform for Industrial Modernisation, taking into account potential options for creating regional or inter-regional investment platforms.

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<sup>1</sup> COM(2018) 374 final 2018/0199(COD): Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments.





### Investment project summary table

Thematic area/project: \_\_\_\_\_

Proposed Investment project	Challenge	International dimension	Opportunity for collaboration	Region Region – Country	Organisation and role	Added value (what it is offered to the partnership)	Next steps (*)
				Region 1:			
				Region 2:			
				Region 3:			
				Region 4:			
				Region 5:			
				Region 6:			
				Region 7:			

(\*) Highlight activities to be carried out at regional and international level. Note that regional activities are linked to measures envisaged in the current 2014-2020 programming period (OPs measures).