



BSR Stars conference

Get smarter together in the Baltic Sea Region – taking innovation and smart specialisation across borders

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What is in the future ESIF for innovation in the Baltic Sea Region?

- *Focus on innovation thanks to thematic concentration*
- *Improved policy-design & effectiveness through smart specialisation*
- *More opportunities for trans-national cooperation*

Future Cohesion Policy 2014-2020

Focus on Europe2020 results, not spending

- **Thematic concentration** to maximise the impact of investments
- **Conditionalities** and strengthened partnership to ensure effective implementation
- **Common Strategic Framework**: coherence across funds (ERDF, ESF, CF, EAFRD, EMFF): clarification with Horizon 2020 etc. (see modification of Regulation of 11 Sept 2013)
lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32013R1131:EN:NOT
- **Novelties** – compared to current regulations

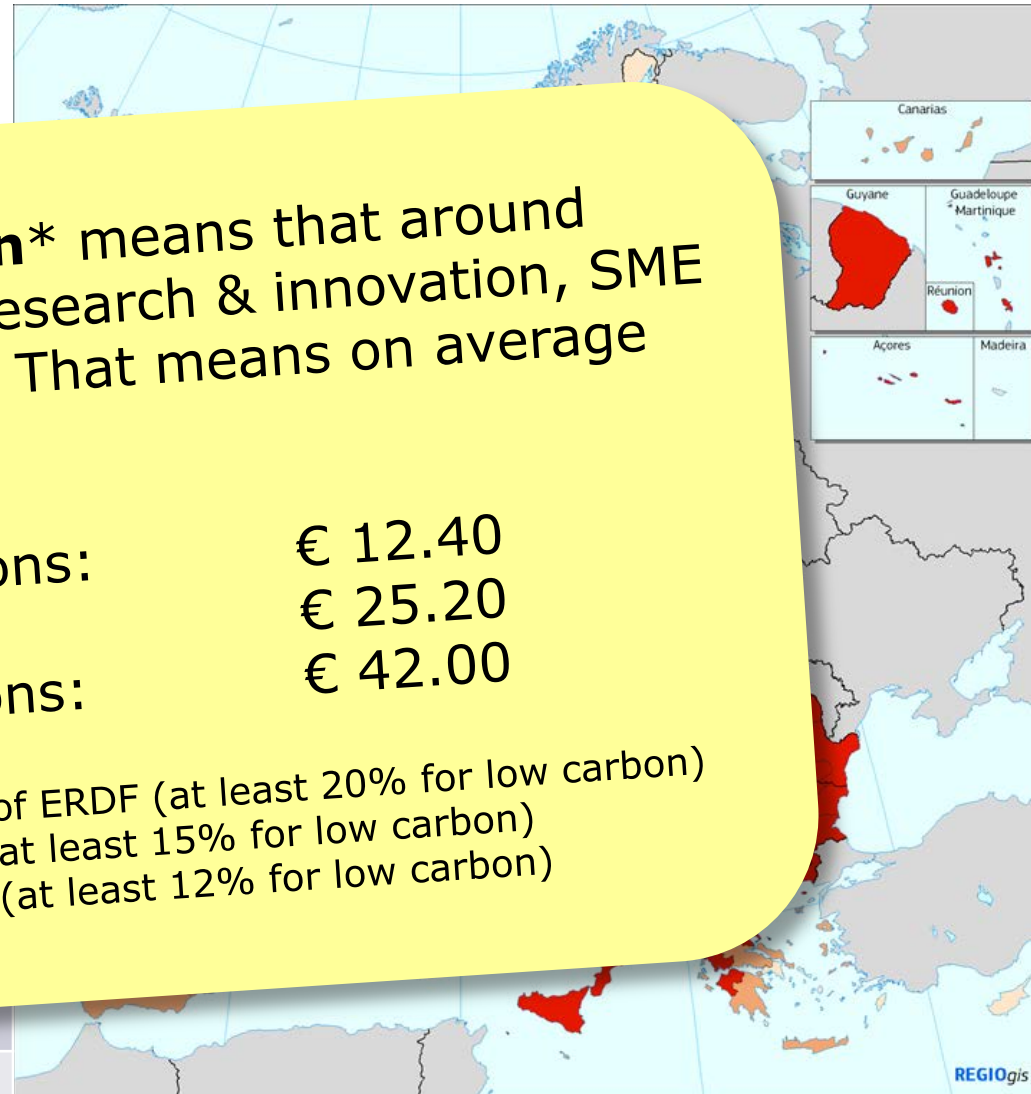
In the future:
"European Structural and Investment Funds"

Thematic objectives & concentration

1. Research and innovation
2. Information and Communication Technologies
3. Competitiveness of Small and Medium-Sized Enterprises (SME)
4. Shift to a low-carbon economy
5. Climate change adaptation and risk management and prevention
6. Environmental protection and resource efficiency
7. Sustainable transport and disposal of congestion on major network infrastructure
8. Employment and support for labour mobility
9. Social inclusion and poverty reduction
10. Education, skills and lifelong learning
11. Increased institutional capacity and effectiveness of public administration

Eligibility map 2014-20

- Less developed region (GDP/head: less than 75%)
- Transition regions (GDP/head between 75% and 90%)
- More developed region (GDP/head more than 90%)



Thematic concentration* means that around **€90 billion** will go into research & innovation, SME competitiveness and ICT. That means on average per person per year:

More developed regions:	€ 12.40
Transition regions:	€ 25.20
Less developed regions:	€ 42.00

*) more developed regions: 80% of ERDF (at least 20% for low carbon)
 Transition regions: 60% of ERDF (at least 15% for low carbon)
 more dev. Regions: 50% of ERDF (at least 12% for low carbon)

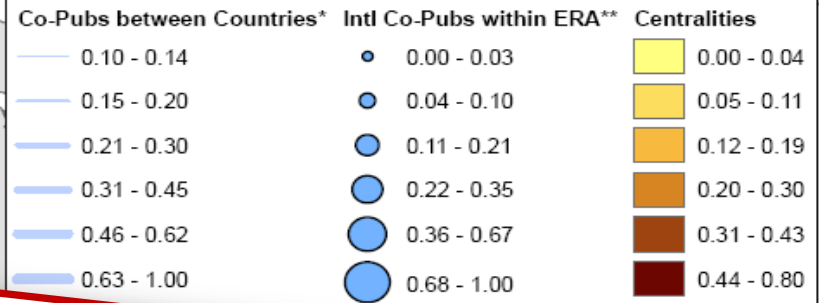
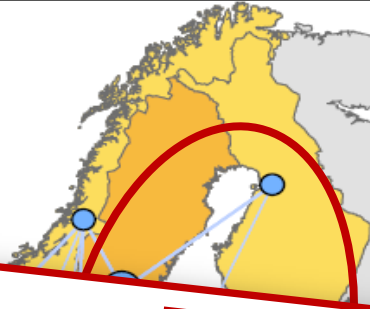
TOTAL

325.1

Improved policy-design & effectiveness through smart specialisation:

Why & How?

Innovation benefits from international cooperation



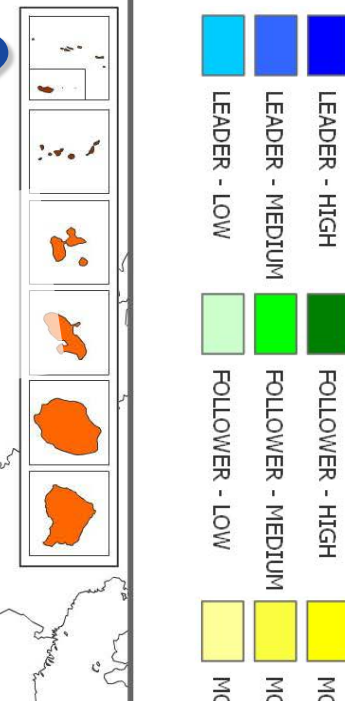
Europe 2020
Innovation Union flagship initiative:
"Involving all actors and all regions in the innovation cycle:
 not only major companies but also SMEs in all sectors, including the
 public sector, the social economy and citizens themselves ('social
 innovation'); **not only a few high-tech areas, but all regions in**
Europe and every Member State, each focusing on its own
 strengths ("smart specialisation") with Europe, Member States and
 regions acting in partnership."
Are we there ???





Why Smart Specialisation ?

"One-size-fits-all" innovation policy is impossible!

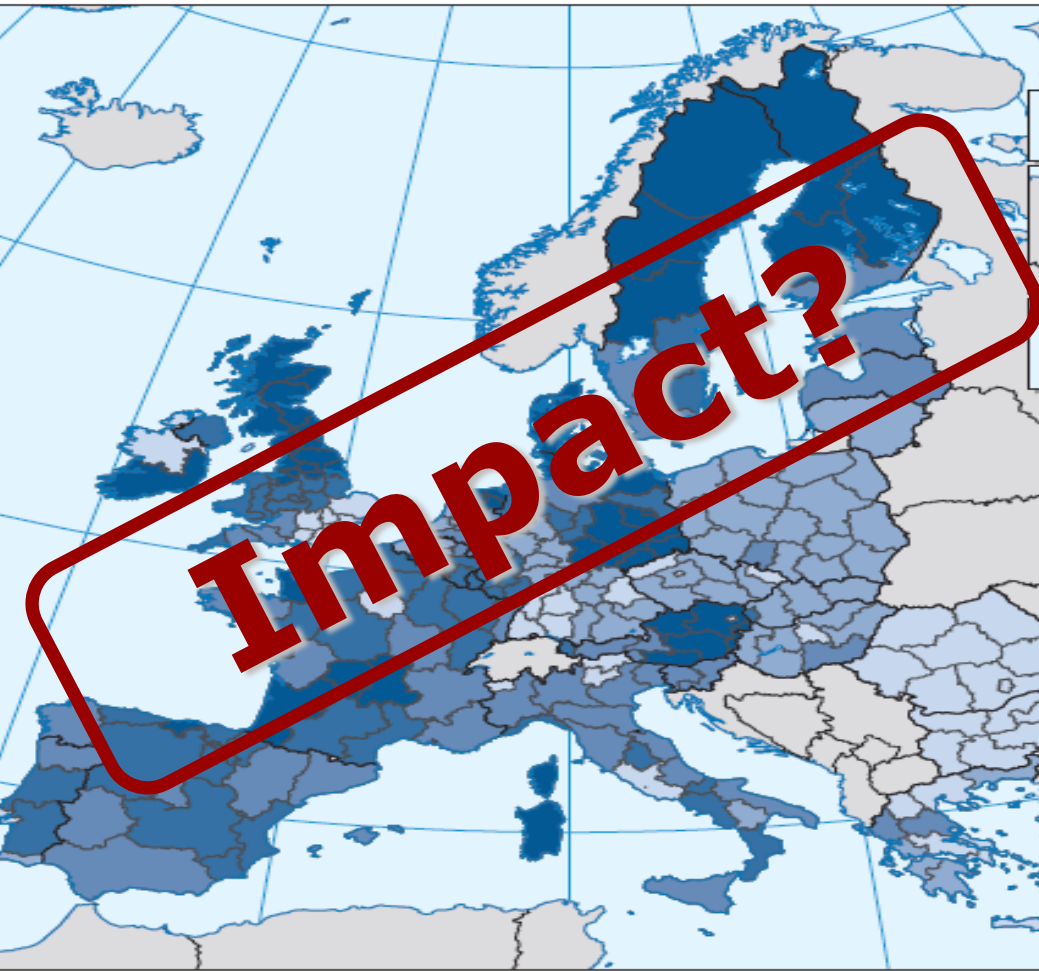


Regional Innovation Scoreboard 2012
http://ec.europa.eu/enterprise/policies/innovation/policy/regional-innovation/index_en.htm

- ❑ 35 of the 266 regions in the EU accounted for 45% of all R&D expenditure in the EU
- ❑ 10 of the most R&D intensive regions in 2009 were located in the Nordic member States, totalising 9,3% of total R&D expenditure in the EU

(source EUROSTAT regional yearbook 2012)

Lessons learnt



Planned investments of Cohesion Policy in RTD, innovation, enterprise
2007-2013

% of total funding

EU27 = 23.0

Funding for RTD, Innovation and enterprise amounts

R&I support in general:

- ▶ **Lack of interaction** between levels of governance and departments
- ▶ Strategies without **external perspective** – duplication
- ▶ Lack of or indifference to **critical mass**
- ▶ Measures only for R&I and capacity building, but not for **demand stimulation** / market access – **new forms of innov.**
- ▶ Focus on fashionable themes / **prestige projects**
- ▶ Focus on industries and not on **emerging sectors and services**

See: Regional Innovation Monitor

www.rim.europa.eu

What is Smart Specialisation ?

- = **fact-based**: all assets
- = no top-down but dynamic **/entrepreneurial discovery process** for shared vision among innovation stakeholders, in particular business
- = **All forms of innovation** – not only technology and research driven
- = **eco-systems**: creating environments for change, not accumulation of disconnected projects
- = Mobilisation of investments and synergies **across different departments and governance levels** (EU-national-regional)
- = **source-in** knowledge, & technologies

- = **Be different!**
- = **competitive advantages**, potential for excellence, opportunities
- = **global perspective** on potential competitive advantage + potential for cooperation, global value chains
- = **Concentration** of resources on priorities, problems and core needs + accumulation of **critical mass** also across borders
- = no focus on single sector / tech., but **cross-fertilisations**, rejuvenating sectors through higher value-added activities + **emerging** sectors / areas for **place-based economic transformation!**

6 Steps for RIS³ development



- **ANALYSIS:** discovery of the socio-economic and research-innovation engines of regional growth, competitive advantages & weaknesses ***Profiling the region!!***
- **PROCESS:** governance, stakeholder involvement, institutional setting. ***Structuring the process. Who is going to make it happen?!!***
- **VISION:** common goals for the future. ***What?***
- **PRIORITIES:** search and selection of activities & projects & actions & technological areas to focus on. ***How?***
- **POLICY MIX:** policy mechanisms and instruments - social, industrial, innovation, labour, research, development. ***By means of?***
- **MONITORING:** selection indicators and evaluation process. ***Are we doing ok? Have we made it?***

See RIS³ Guide:

<http://s3platform.jrc.ec.europa.eu/s3pguide>

- 
- ✓ 139 EU regions + 13 countries registered
 - ✓ 41 regions + 4 MS peer-reviewed
 - ✓ Over 110 other regions attended workshops
 - ✓ trainings, thematic seminars
 - ✓ RIS3 guide
 - ✓ Web-site, Newsletter
 - ✓ Over 100 conference participations

Commission support for RIS3:

S3Platform:

- 139 EU regions + 13 countries (SK, LT, MT, SI, HU, CY, HR, CZ, LV, PT, PL, IE, RO)
- 41 regions + 4 MS peer-reviewed
- analysis & data
- training
- communication



**To get involved
in a peer-review
workshop, contact:**
JRC-IPTS-S3PLATFORM@ec.europa.eu

So far 90 REGIO contracts for informal RIS3 assessment: 14 national and 74 regional strategies in a total of 18 MS

40 reports have been finalised, covering 9 national level strategies (ES, IT, CR, GR, PL, CY, BG, BE, MT) and 49 regional level RIS3.

2nd round of contracts has started ...

Commission support for RIS3:

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★ RIS3 policy events:

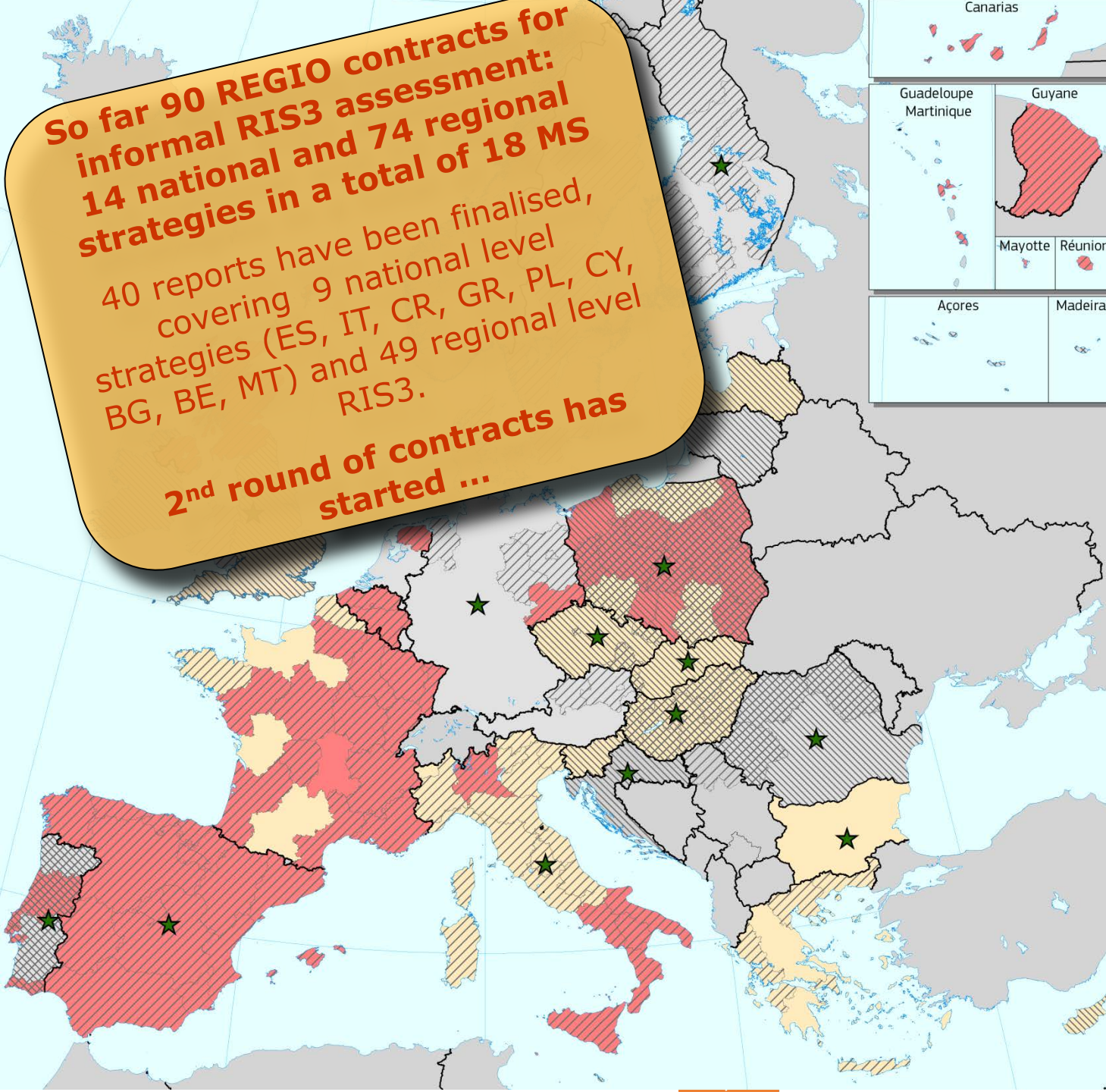
- 15 national
- 4 trans-national

Expert analysis and support

14 national

74 regional

- thematic
- process



Future Cohesion policy: Promoting cooperation with other EU countries

- Art. 60(2)b Common Provisions Regulation (CPR): up to **15%** of the total amount under an OP can be **spent on operations** (but within the EU), provided ...
- Art.87(3) CPR
 - (d) **interregional** with benefit for the **State**
 - (e) where Member States **strategies** and the planned intervention ...
- Art.3(3) ERDF: INTERREG may also support the **sharing of human resources and facilities** and all types of infrastructure across borders in all regions.

EUSBR can help to seize these opportunities for more & better innovation!

2. What other opportunities through EU funding programmes?

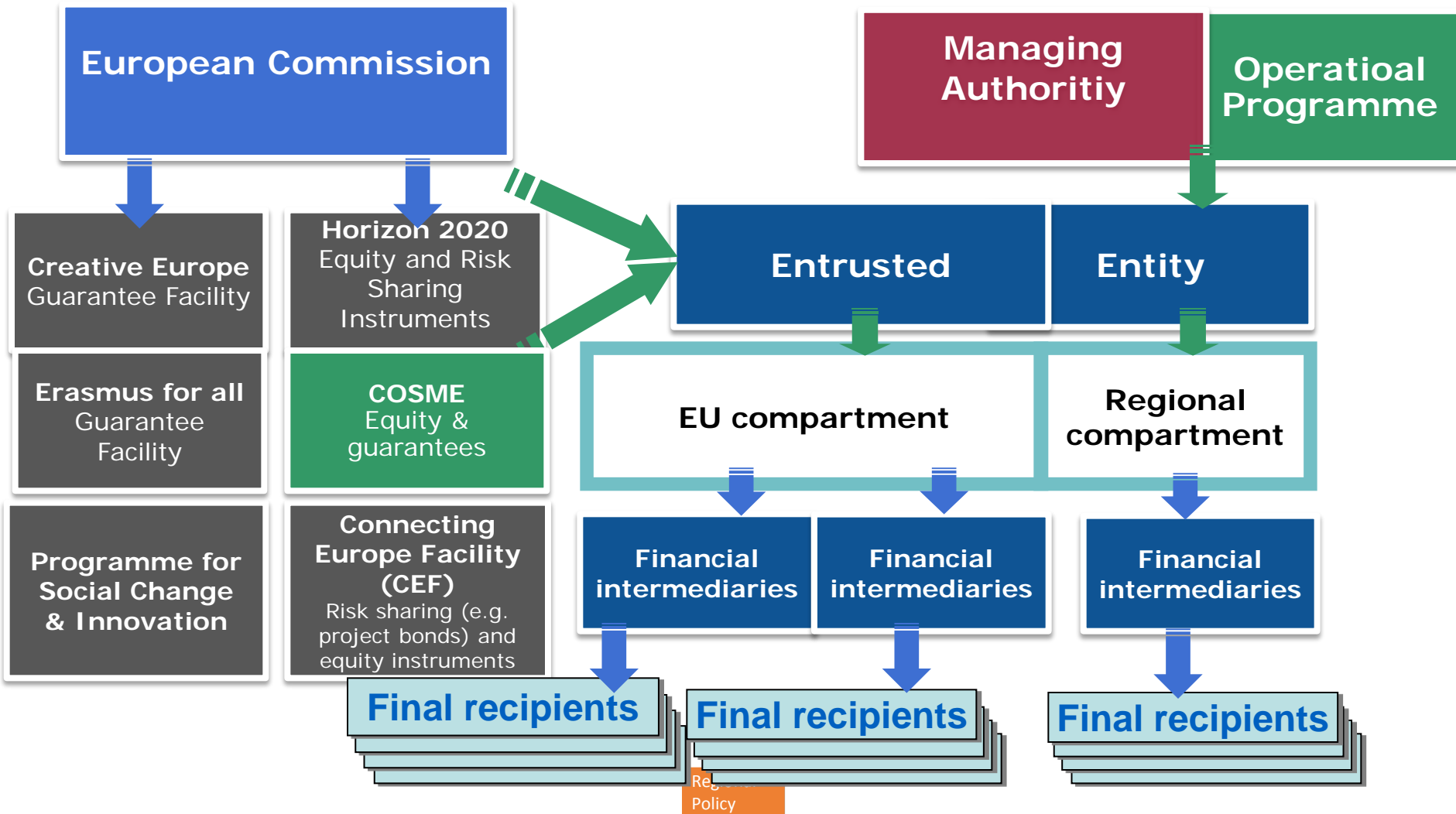
- **Horizon2020** for mostly transnational research and innovation projects, incl. non-EU: €70.2 billion
- **COSME** for SME competitiveness, financial instruments, business support services, etc.: € 2 bn
- **Erasmus+** for students, teachers, pupils: € 14.5 bn
- **Creative Europe** for culture and creative industries: €1.5 billion

Also:

- **LIFE** programme for environment and climate, incl. financial instruments: € 3,4 billion

Financial instruments:

MA contributing OP allocation to EU level instrument



Horizon2020: What's different from FP7?

- ***More for fundamental research:*** European Research Council, Future Emerging Technologies
- ***More for innovation:*** Challenge-oriented, bottom-up: fast track to innovation, financial instruments, SME instrument, EIT-KICs, PPI & PCP, ...
- ***More structured leverage on national and regional R&I programmes and private funds:*** ERA-Nets, JTI, Public-Public-Partnerships, Joint Programming Initiatives, ...
- ***Widening participation & spreading excellence:*** ERA Chairs, Teaming and Twinning for excellence and innovation

Horizon2020:

Widening participation & spreading excellence

- **ERA Chairs:** bring in outstanding researchers to research institutions with potential for research excellence. These institutions should mobilise support from different funding sources (incl. ESIF) to invest in facilities and infrastructures and committed to excellence and broader innovation support.
- **Teaming:** create Centres of Excellence & link strengths of leading participants. Best practice between researchers. Plan for setting up the Centre of Excellence
- **Twinning:** staff exchanges, expert visits, short-term on-site or virtual trainings, workshops; organisation of joint summer school type activities; outreach activities.

**Should be strongly
linked with relevant
local / national Smart
Specialisation
Strategy**

For twinning & teaming: At least 2 internationally-leading institutions in a defined field and at least one other participant

Horizon2020:

More for innovation & SMEs

- **SME instrument:** first 50.000 lump sum for technical feasibility, then R&D grant
- **Fast-track to innovation:** innovation actions in any technology field; continuously open call (1st cut-off date in 2015) ; No more than 5 legal entities ; grant of not more than €3 million
- **Knowledge and Innovation Communities (KICs)** are the European Institute of Technology (EIT)'s operational units combining universities-research –enterprises working in cross-disciplinary areas (existing: Energy, ICT, Climate Change; new KICs 2014: - "Healthy living and active ageing", "Raw materials"; 2016: "Food4Future", "Added value manufacturing"; 2018: "Urban mobility")
- **Public procurement for innovation:** buyers groups team up either buy R&D services, or innovative solutions

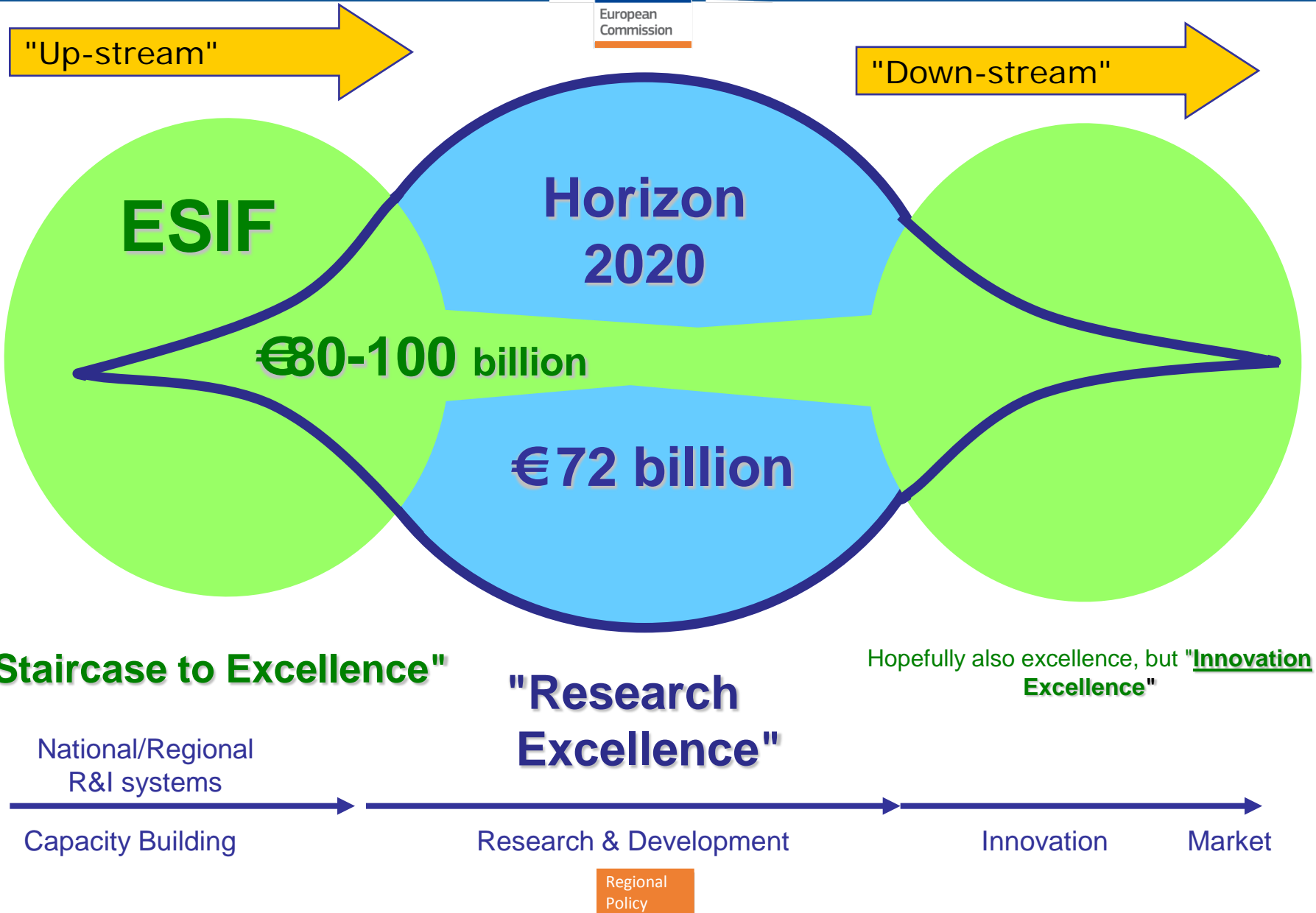


Horizon2020:

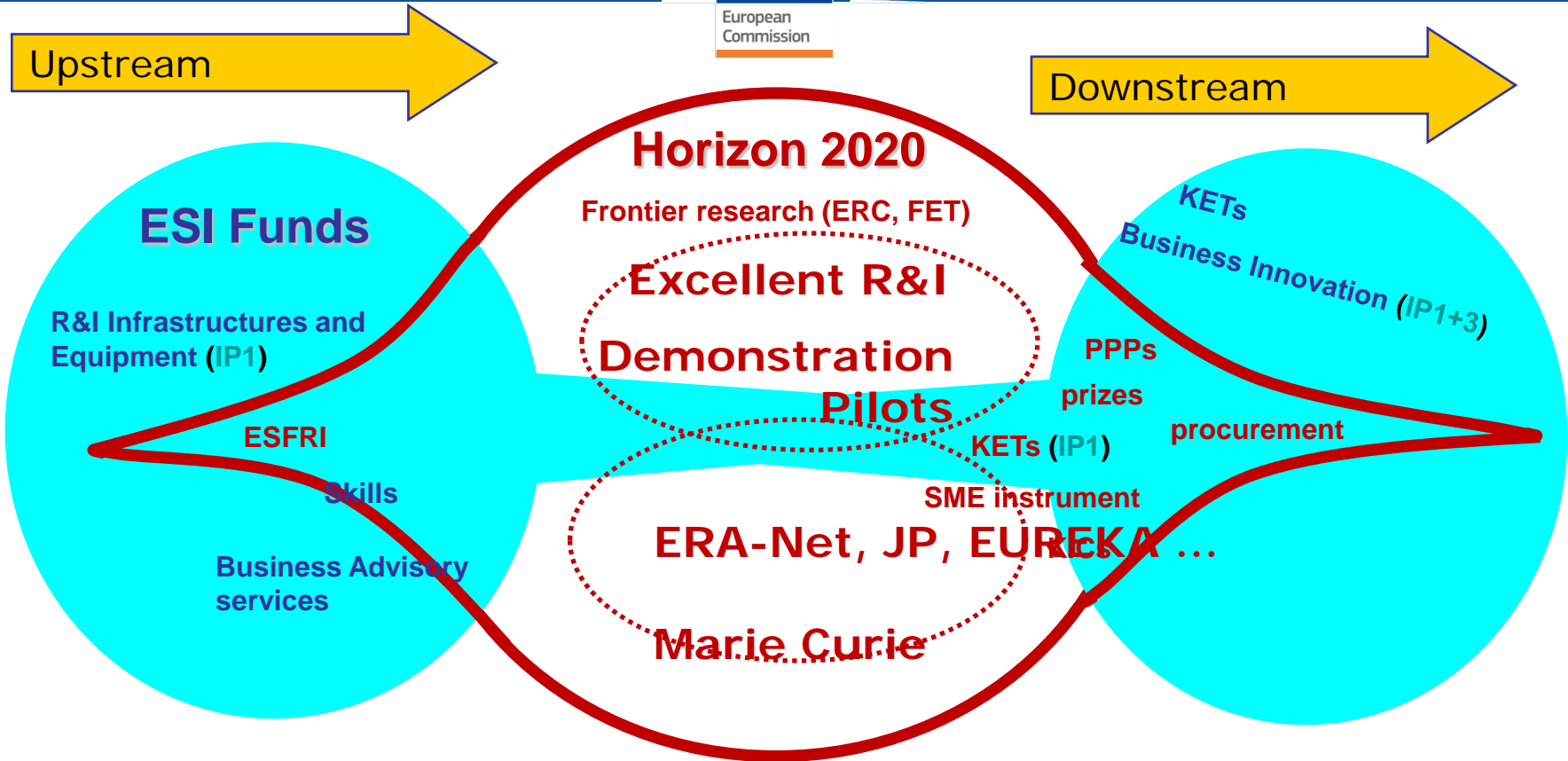
Leverage on national and regional R&I programmes and private funds

- ***Joint Technology Initiatives:*** private R&D actors team up in a Joint Undertaking; Horizon pays up to 50% for joint calls
 - ***Public-Public-Partnerships:*** national & regional R&D programmes & organisations team up ; Horizon pays up to 50% for joint calls
 - ***EUREKA-Eurostars:*** EUREKA member states team up for SME research cooperation
 - ***ERA-Nets:*** national & regional R&D programmes launch a joint call for proposals, Horizon pays up to 33% for joint call
- European Innovation Partnerships:*** bring together enterprises, researchers, civil society to chart out R&D roadmaps

How about synergies with Horizon2020?



How about synergies with Horizon2020?



"Stairway to Excellence"

National/Regional
R&I systems

**"Research
Excellence"**

Hopefully also excellence, but
"Innovation Excellence"



Capacity Building R&D Innovation Market

IP: Investment Priorities under the R&I thematic objective of the ERDF Regulation



Therefore:

- **Article 55(8):** combination of funding from different EU funding instruments encouraged
- **Multiannual Financial Framework Fiche no. 28** (March 2012)
- **Common Strategic Framework for the ESI Funds – annex 1 to CPR:** 4.3 Horizon 2020 and other centrally managed EU programmes in the areas of research and innovation

But:

- **European Parliament** and many regions & MS request further guidance for MA and Horizon managers beyond the strategic approach!

Capacity Building

R&D

Innovation

Market

IP: Investment Priorities under the R&I thematic objective of the ERDF Regulation

Regional
Policy

Synergies Horizon2020 - ESIF?

- **Synergies are NOT about substituting national / regional or private co-funding to Horizon2020 projects by ESIF money**
- Synergies are about **obtaining more impacts on competitiveness, jobs and growth** by combining ESIF and Horizon2020
- Synergies can be about bringing together Horizon2020 and **ESIF money in a same project**
- but accounting-, auditing- and organisation-wise it is easier to aim for **synergies by successive projects that build on each other or parallel projects** (amplifying / carrying further Horizon2020 project)

3. How can EUSBR help achieve the objectives of ESIF and Horizon2020?

EUSBR can facilitate synergies among programmes and MS at all stages

- **RIS³ development:** jointly look into SWOT and entrepreneurial discovery process results and identify fields for teaming up across borders (... and prepare for Horizon2020 projects, ERA-Nets, ERA-Chairs, EIT-KICs, etc.)
- **OP development:** explore opportunities for transnational activities, and INTERREG programmes
- **OP implementation & project development:** exploit potential for cooperation through platforms for potential beneficiaries, etc.

S3Platform can help spot emerging fields of Smart Specialisation

Select region

Main: All ☐ of the following fields

Capabilities 1 Target Market 1 EU Priority 1

Capabilities 2 Target Market 2 EU Priority 2

Region Name Desc [+ Add Priorities Region](#)

Most frequently cited fields of RIS³ are related to:

- Energy
- Life science
- ICT
- Environment
- Agro-food
- Tourism
- New materials

Capabilities	Target Markets
Agriculture, forestry and fishing and aquaculture	1. Agriculture, forestry and fishing 2. Fishing and aquaculture
Water supply, sewerage, waste management and mediation activities Water collection, treatment and supply	1. Manufacturing and industry 2. Food, beverage and tobacco products
Agriculture, forestry and fishing Crop and animal production, hunting and related service activities	1. Tourism restaurants and recreation
Dytiki Ellada	No Description
Dytiki Ellada	No Description

Search results among the first 70 MS and regions: **Active Healthy Ageing EIP-related**

30 regions envisage smart specialisations in AHA related areas:

Alsace , Aragón, Auvergne, Basilicata, Basse-Normandie, Canarias, Castilla-La Mancha, Comunidad Foral de Navarra, Comunidad Valenciana, Cornwall and Isles of Scilly, Emilia-Romagna, Észak-Alföld, Franche-Comté, Guyane, Haute-Normandie, Île de France, Limousin, Lorraine, Lubelskie, Marche, Martinique, Nord - Pas-de-Calais, Northern Ireland, Northern Netherlands, País Vasco, Pomorskie, Provence-Alpes-Côte d'Azur, Región de Murcia, Région Wallonne, Toscana

... and probably many more that are not yet in the database ...



A word cloud on a dark brown background. The word 'Health' is the largest and most central, in a light purple color. Other words are arranged around it in various sizes and colors (green, orange, yellow, white). The words include: technologies, Telemedicine, Pharmaceuticals, life, specially, services, tele, society, capabilities, Domotics, quality, care, Digital, eHealth, Aging, well, Home, innovative, biotechnology, hospital, social, well-being, sustainable, being, services, homes, smart, and wellness.

Search results among the currently 70 MS and regions: **Agricultural Productivity and Sustainability**

56 regions envisage smart specialisations in APS EIP related areas:

Alsace Aragón Auvergne Basilicata Canarias
Castilla y León Castilla-La Mancha Centre
Champagne-Ardenne Comunidad Foral de
Navarra Cornwall and Isles of Scilly Dytiki
Ellada Emilia-Romagna Észak-Alföld Észak-
Magyarország Extremadura Franche-Comté
Friesland (NL) Guadeloupe Guyane Illes
Balears Ipeiros Kriti Kýpros Languedoc-
Roussillon Lietuva Limousin Lorraine Lubelskie
Marche Martinique Midi-Pyrénées Nord - Pas-
de-Calais Northern Ireland Northern
Netherlands Opolskie País Vasco Pays de la
Loire Picardie Podkarpackie Poitou- Charentes
Pomorskie Principado de Asturias Provence-
Alpes-Côte d'Azur Puglia Região Autónoma
dos Açores Región de Murcia Région Wallonne
Réunion Sachsen Satakunta Scotland Skåne
län Umbria Voreio Aigaio Weser-Ems

... and probably many more that are not yet in
the database ...

Search results among the first 70 MS and regions: Raw materials EIP-related

40 regions envisage smart specialisations in Raw Materials EIP related areas:

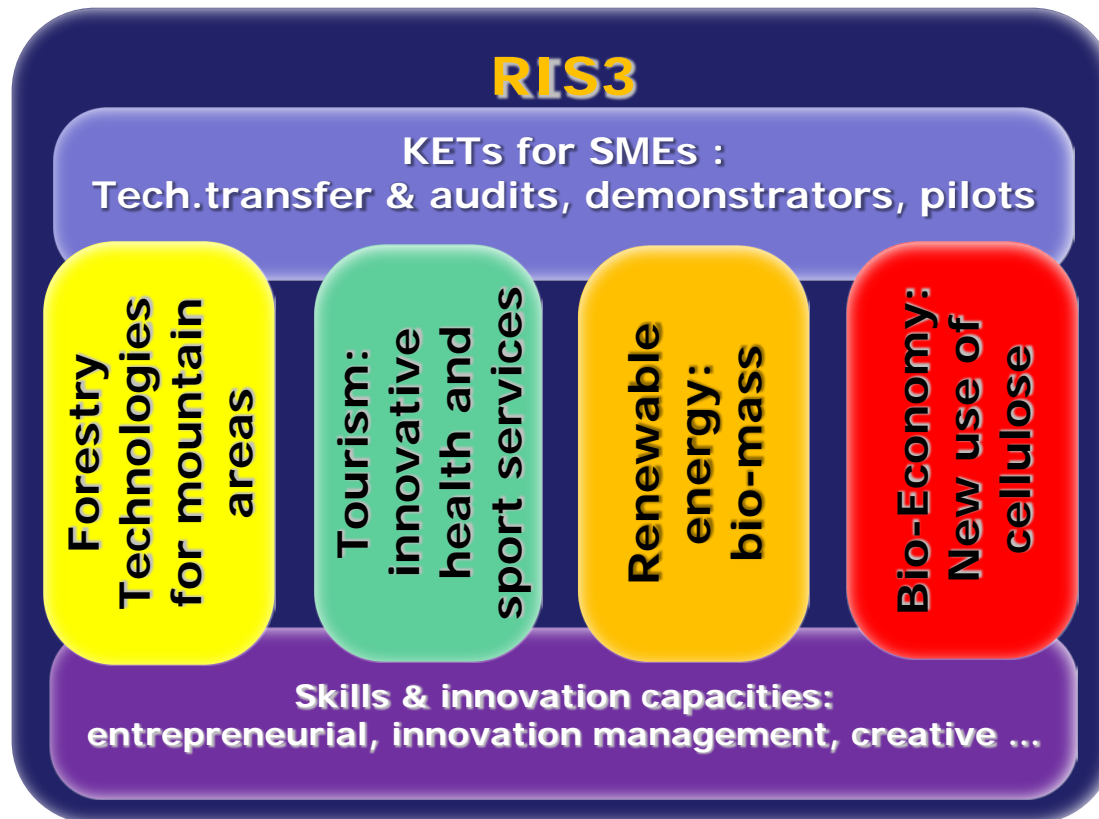
Attiki Basse-Normandie Bratislavský
kraj Canarias Castilla y León
Champagne-Ardenne Comunidad Foral
de Navarra Comunidad Valenciana
Dytiki Ellada Emilia-Romagna Franche-
Comté Guadeloupe Haute-Normandie
Epiros Kentriki Makedonia Kýpros Lappi
Lietuva Limousin Lorraine Marche
Martinique Midi-Pyrénées Northern
Ireland Opolskie País Vasco Pays de la
Loire Picardie Poitou-Charentes
Pomorskie Principado de Asturias Puglia
Região Autónoma dos Açores Région
Wallonne Rhône-Alpes Sachsen Strední
Morava Swietokrzyskie Toscana Wales

... and probably many more that are not yet in the database ...



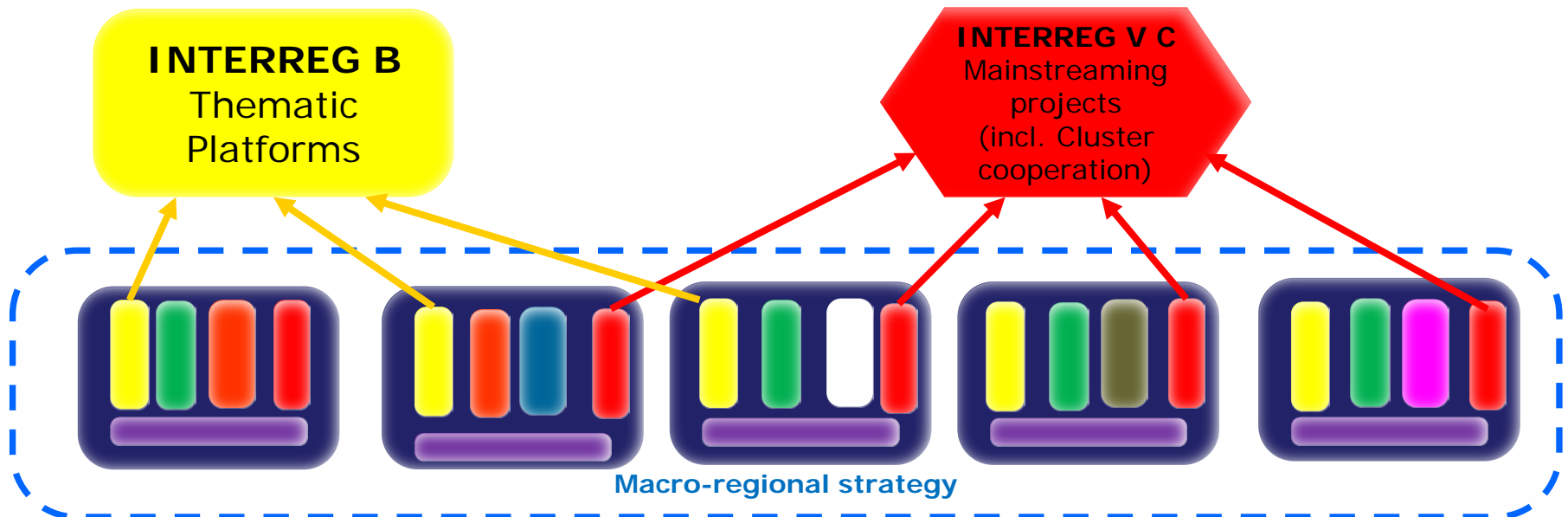
How about synergies between different RIS3s?

Hypothetical
example
For a RIS3
strategy with
specialisation
fields and
horizontal
priorities



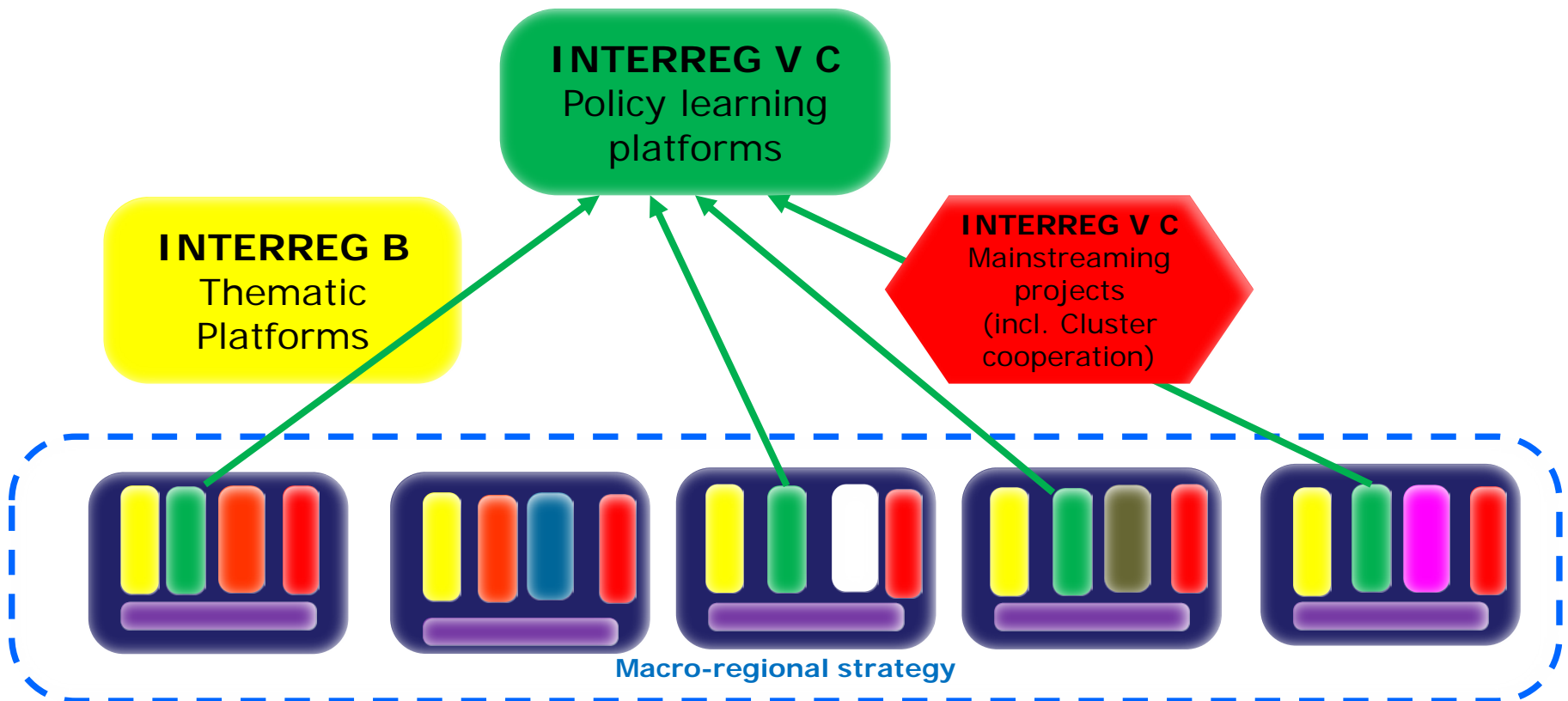
How about synergies between different RIS³s?

- Different MS and regions can team up around shared specialisation fields and generate critical mass and complement each other's strengths and weaknesses e.g. seizing INTERREG opportunities for cooperation



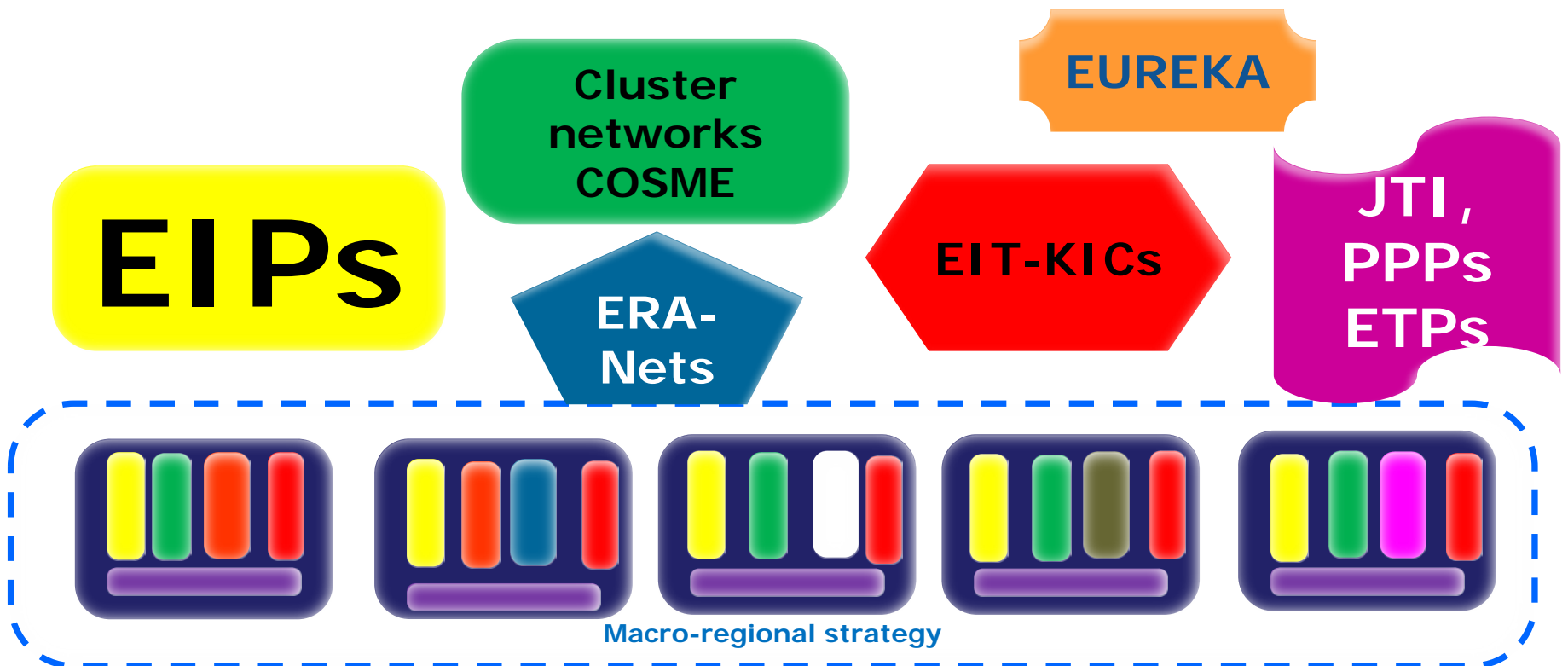
How about synergies between different RIS³s?

- ... and can deepen policy-learning on specific issues through INTERREG



How about synergies between different RIS³s?

- ... or team up to seize Horizon2020, COSME and other opportunities for cooperation



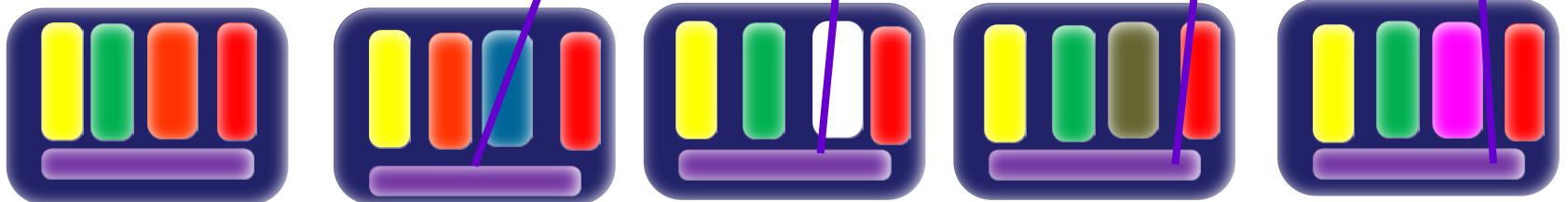
How about synergies between different RIS³s?

Also the S3Platform can help

- "hub" for partner finding for INTERREG and other purposes beyond EUSDR: ERA-Nets, Joint Programming, EIPs, KICs, etc.
- Analysis & good practices

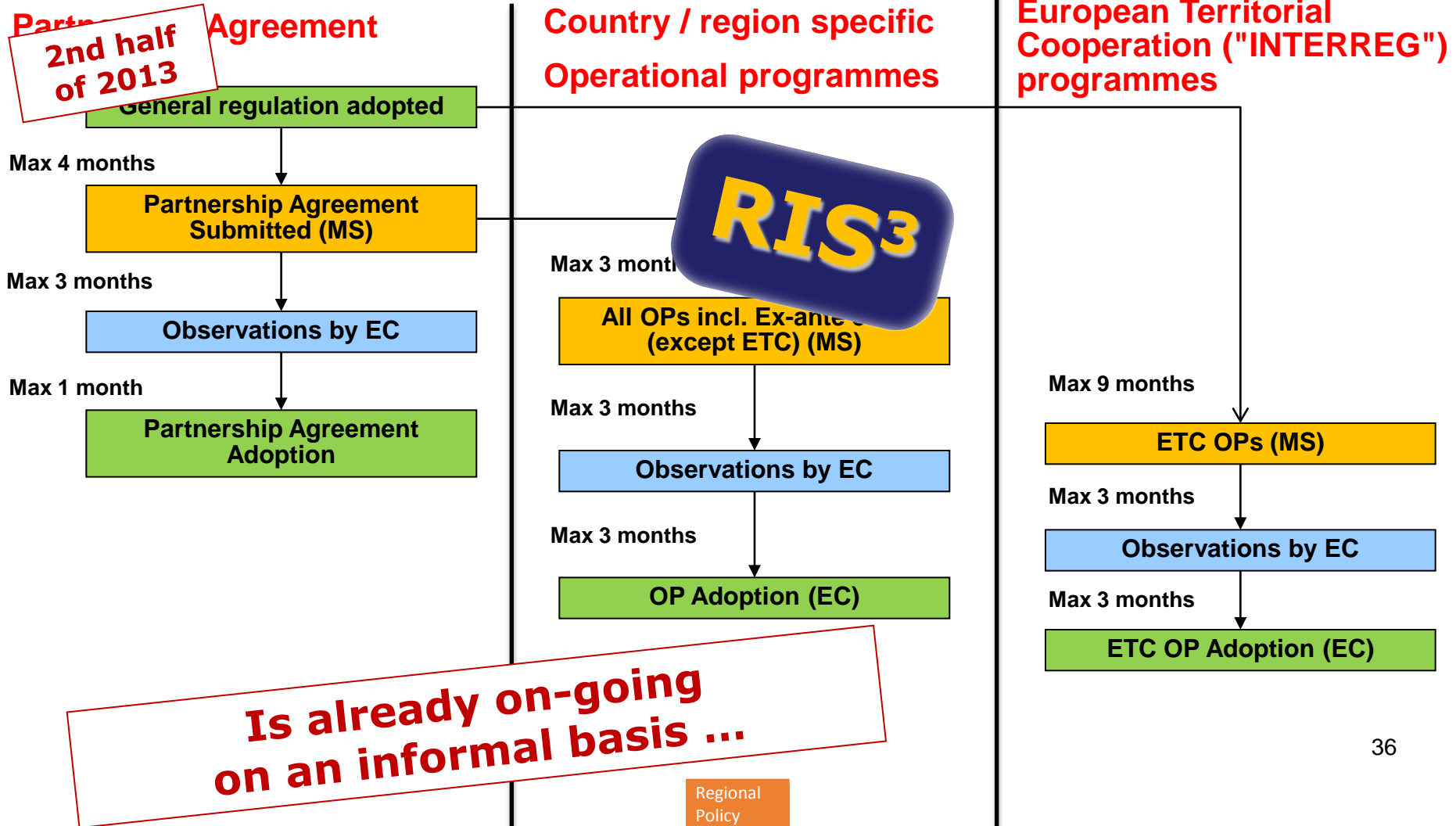


Platform for transversal issues
(governance, monitoring, intervention tools ..)



Macro-regional strategy

Calendar for partnership agreements & OPs





Links and documents

- Common Provisions Regulation for the European Structural and Investment funds:
http://ec.europa.eu/regional_policy/what/future/proposals_2014_2020_en.cfm
- Horizon 2020 proposed regulations rules for participation, PPP & P2Ps:
http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=h2020-documents
- COSME regulation: <http://ec.europa.eu/cip/cosme/>
- Erasmus plus regulation: http://ec.europa.eu/education/news/20130719-erasmus-plus-preparation_en.htm
- For end beneficiaries in 2007-13 period: Practical guide to EU funding opportunities for research and innovation:
http://ec.europa.eu/research/regions/documents/publications/new_practical_guide.pdf

Questions and Answers

