

New directions for macro-regions: unlocking innovation capacity and performance

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Report

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The meeting 'New directions for macro-regions: unlocking innovation capacity and performance' was organised by Interact programme in close cooperation with macro-regional thematic coordinators dealing with innovation, smart specialisation, research and development (R&D).

Primarily the aim of the meeting was to kick-off a discussion across all four EU macro-regional strategies (MRS) on current experiences and practices in implementing selected thematic priorities. We were investigating potential for closer cooperation and coordination across the MRS – unlocking innovation capacity and performance – with a view to supporting longer-term partnership working across the MRS.

Research and innovation in the EU macro-regional strategies

In cooperation with MRS coordinators, the event organisers predefined four topics of interest for further exchanges across the MRS. To offer a background for the discussion, each MRS presented a brief overview of their macro-region's research and innovation (R&I) agenda. This provided an insight into the 'state-of-play' of how macro-regions are working with R&I, including strengths and challenges.

A significant focus was placed on group working and interactive exchanges during the meeting. As such, 4 sessions were organised over the 1.5 days to allow for participants to work in groups with a mix of macro-regional representatives. Each group was supported by a 'session leader' who facilitated discussions with the aim of developing actions for personal development, macro regional R&I efforts and cross-macro-regional working.

Group working sessions were underpinned by 4 R&I themes. These themes were requested by participants during event planning and were intended to support discussions by sharing practices and learning more about how these topics were being delivered at the macro-regional level. The 4 R&I themes were:

- Universities serving the innovation ambitions of macro-regions;
- Technology infrastructures-access to industry, from across the macro-region;
- Improved action planning for innovation performance;
- Role of platforms and networks to build innovation capacity in the macro-regions.

In addition, the event was designed around inputs from invited speakers to provide policy updates and discussion stimulus in understanding how macro-regions can optimise engagement with the EU's R&I agenda both in the current and post-2020 programming periods. The meeting benefited significantly from a wide range of perspectives which were delivered by 5 different European Commission services, each focusing on their specific contributions to the EU's R&I agenda.

Mr. Peter Berkowitz, Head of Unit for Smart and Sustainable Growth, Directorate-General Regional and Urban Policy, European Commission, delivered the keynote speech. The speech focused on what role MRS can play and undertake in delivering EU policies on innovation, smart specialisation and R&D. In the context of the Multi-Annual Financial Framework for post-2020, it was underlined that the new financial perspective foresees strategic interregional cooperation in S3 areas as a focus for generating innovation investment. Macro-regions form a key sub-set of the different types of inter-regional groupings which could benefit from this type of collaboration. Interregional innovation investments (currently known as 'Component 5' (referred in the [draft regulatory proposal on European Territorial Cooperation goal](#)) will facilitate innovation collaboration to support a stronger value chain orientation of smart specialisation priorities, with the aim of generating greater innovation investment leverage. The role of all innovation actors was emphasised, especially the engagement of businesses in directing a market-focused approach to innovation across the macro-regions.

In opening introductions to the meeting and following discussion, the participants shared several important insights, highlighting that:

- MRS operate in very heterogeneous geographies, adding sensitivity to the MRS work (regions derive from 'innovation leaders' to 'catching up innovators'; from the regions of very different geographic, demographic, social, economic and employment conditions). Therefore, the need to consider tailored responses to macro-regional innovation capacity building is crucial;
- MRS can leverage significant cooperation efforts across their R&I stakeholders through relevant platforms and networks, which exist at regional, national, macro-regional and EU levels. There is scope for better targeting and uptake of relevant mechanisms to better connect innovation actors and generate greater momentum (both in scope and quality) for macro-regional R&I efforts;

- it is often challenging for MRS to generate a shared R&I agenda with effective involvement of businesses and society in the process. It was suggested to utilize existing smart specialisation strategies (S3) to focus, guide and direct these efforts across the macro-regional environment;
- access and availability of comparative data from the regions of the MRS is crucial yet is often difficult to achieve. This is an area which requires greater consideration in supporting macro-regions to optimise R&I efforts;
- funding availability for the MRS delivery is crucial to support on-going delivery of R&I objectives. It was acknowledged that approaches to sustainable funding could be better shared across the macro-regions. In addition, it was acknowledged that access to more mainstream programme funding could significantly boost efforts for sustainable R&I investment;
- strong innovation knowledge was stressed as a competitive strength of the macro-regions. However, knowledge and understanding of MRS is lacking, making it challenging to align R&I objectives with effective governance and delivery routes. In turn, this also affects how innovation knowledge is diffused across the macro-regions;
- MRS ownership in the countries and representation of the countries in the MRS groups (steering groups/action groups) were mentioned as challenging. This impacts on how R&I objectives can be delivered.

MRS are seen as providing an opportunity for activating regions to improve their innovation capacity and performance. Regions are well placed to address challenges that are macro-regionally relevant. Both the current programming period and the post-2020 draft regulatory framework foresee opportunities for real investments. However, this requires that MRS are clear on their ambitions and vision.

The current programming period: macro-regions, smart specialisation strategies (S3), innovation, R&D

Aiming to enhance MRS knowledge and provide updates on existing tools for smart specialisation, innovation and R&D, the event organisers invited experienced guest speakers to reflect on the tools available in the current programming period. More specifically, the aim of the session was to reflect on how macro-regions are delivering on innovation objectives and ambitions, where there are good practices and tools to be utilised; what are remaining gaps and challenges in delivery.

During the panel, the following tools were presented:

Open Innovation TestBeds (OITB) were presented by *Mr. Jorge Costa Dantas Faria*, policy and project officer of Directorate-General for Research and Innovation, European Commission.

The OITB aim to overcome challenges of upscaling for advanced materials and nanotechnologies by offering access to physical facilities and services across different countries through a single-entry point. The first OITB are starting in 2019, investing in upscaling and regulatory services related to lightweight materials, medical technologies and materials characterisation. Many OITB are addressing sectors relevant to the MRS and therefore MRS coordinators are encouraged to closely follow and engage with the developments underpinning how OITB will evolve across the EU. The MRS coordinators are invited to contact OITB coordinators for further collaboration, information and promotion of this new initiative. The OITB are feeding into the future initiative on an EU approach to Technology Infrastructures seeking to better coordinate and harmonise access to complementary services provided by different initiatives at regional, national and EU levels. MRS coordinators can share best practices involving cross-border and cross-regional collaboration, particularly in instances where regulations/standards and access conditions or availability of certain facilities differ.

The engagement with OITB could benefit MRS by tapping into:

- a) expertise and best practices of engaging with different regions/Member States on finding shared goals and initiatives;
- b) opportunities offered through scaling-up exercises, by pooling resources that may allow for reduced risk in investing in new technologies and reduced cost for users wanting to access the testbeds;
- c) the OITB would allow for networks to be sought based on complementarities and synergies, and, consequently, can accelerate the diffusion of new technologies across value chains as well as across regions.

Mr. Thorsten Kohlisch, Project Manager-Team Coordinator of Interreg Europe programme presented [Interreg Europe Policy Learning Platform](#) (PLP).

The PLP is a new, complementary tool of interregional cooperation. It aims to capitalise on the results of the Interreg Europe projects and provides ad-hoc services for interregional learning to all relevant policymakers and stakeholders in Europe (including the macro-regional level). It provides access to tools such as knowledge hubs, good practice databases, events, targeted meetings and peer reviews. The PLP supports thematic exchanges – “wealth of knowledge” on local and regional policies. Currently, the PLP includes 51 running interregional cooperation projects on R&I challenges and provides cross-border and transnational innovation solutions in the good practice database. It addresses the latest R&I trends and supports solutions to respond to these through the internationalisation of regional innovation systems, interregional cluster cooperation and value chains, as well as supporting joint roadmaps to address key societal challenges.

The PLP can support macro-regional innovation policies by:

- a) being an ‘entry door’ to thematic exchanges on innovation challenges;
- b) providing an active involvement of users/target groups in the design of learning activities;

- c) providing local/regional solutions as inspiration for macro-regional approaches;
- d) serving as a link with ESIF managing authorities at regional/ national levels;
- e) 'opening up' international/ interregional /regional/ national innovation programmes as a subject for future exchanges.

Ms. Lina Stanionyte, expert of Smart Specialisation Platform (S3 Platform) and *Prof. Dr. Miroslav Veskovíc*, scientific expert of Joint Research Centre (JRC), European Commission presented opportunities provided through the European Commission's [Smart Specialisation Platform \(S3P\)](#) and [Joint Research Centre \(JRC\)](#).

The JRC and S3P provide scientific support to MRS as a horizontal capacity building. Understanding and tackling cross-sectoral challenges through policy measures and policy dialogue requires appropriate data and knowledge, which can be provided by different expert groups, scientific research organisations, and their networks. A key strand of the JRC S3P's work focuses on MRS supporting S3 dialogues and facilitating trans-regional co-operation opportunities through strategic structures in MRS. The experiences in the Baltic Sea Region show that there is a natural need for more collaborative S3 initiatives capitalising on the knowledge and results of individual projects and creating umbrella frameworks and platforms for increased benefits and impacts. The need for alignment and complementarity of R&I ecosystems remains underexploited. Outward looking innovation policy and collaboration with others was stressed as especially important for less-developed territories to combine complementary strengths by exploiting their competences in R&I, building necessary research capacities, overcoming lack of critical mass and fragmentation and gaining better access to global value chains by finding the right partners. This is where the S3 Platform tools like [Thematic Smart Specialisation Platforms \(TSSP\)](#) can be used. The TSSP are instruments to support bottom-up collaboration between businesses and researchers along value chains across the EU. They encourage alignment and complementarity of regional funding for innovation in specific smart specialisation areas. They target key political priorities for S3 in order to facilitate the emergence of transnational projects to modernise EU industry, to support the objectives of the Energy Union, the Circular Economy Package, the Digital Single Market, and to deliver solutions for transformational challenges.

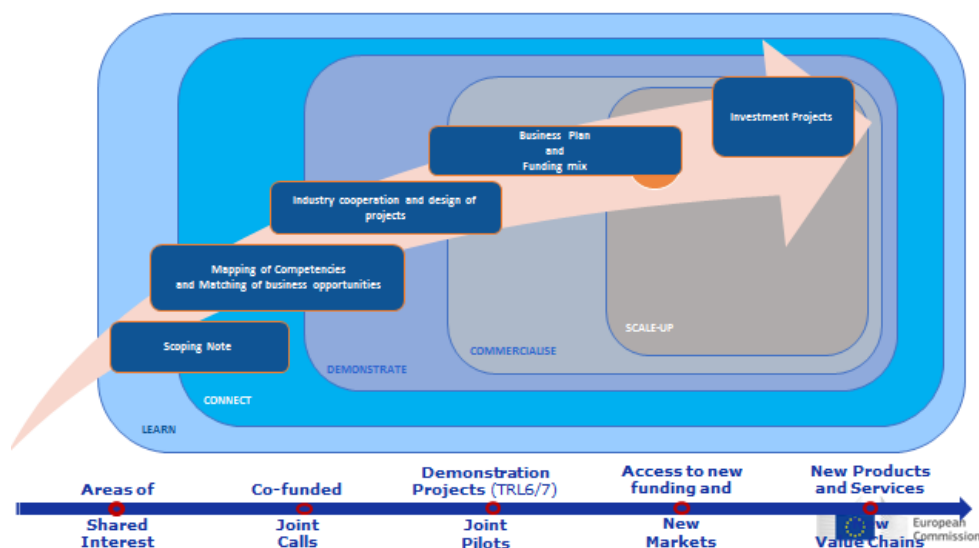
Future programming period: macro-regions, S3, innovation and R&D

The second panel discussion focussed on the upcoming programming period (post-2020), and especially on opportunities for innovation, smart specialisation and R&D. There are strong links between the draft proposals for the EU's post-2020 R&I agenda and the MRS. Important shared objectives are:

- facilitating stronger international cooperation;
- integrating MRS in mainstream programming;

- foreseeing more opportunities for institutional (administrative) capacity building and skills development;
- offering funding mechanisms (tools) to boost innovation and smart specialisation.

In his intervention, *Dr. Ales Gnamus*, expert from the JRC's S3P provided insights into how macro-regions can prepare for the EU's innovation agenda for the post-2020 programming period and referred to EU policy directions. He stressed that the post-2020 proposals support more strategic collaboration for innovation investment, as evidenced by the model underpinning how the new thematic Smart Specialisation Platforms (TSSP) operate. TSSPs have been set-up in the areas of Industrial Modernisation, Agro-Food and Energy and include partnerships which were originally set-up through the Vanguard Initiative pilots. The TSSPs involve partnerships on different thematic topics and engage partners from interested regions and Member States. Pre-conditions for TSSP partnerships include evidence of domestic S3 approaches with relevant priorities as well as regional/national political commitments. Partnerships follow a cooperation framework which sees them moving from different stages of early partnership forming through to focused interregional innovation investment.



Input on [European Cluster Policy](#) was provided by *PhD. Anna Sobczak*, policy expert of Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs.

Ms. Sobczak underlined that clusters contribute to regional competitiveness, bringing together firms, higher education and research institutions, and other public and private entities to facilitate collaboration on complementary economic activities. The main rationale for cluster policies is to enhance regional competitive advantage helping firms and entrepreneurs move up the value chain, through market-focused direction. It is especially relevant in the context of unlocking innovation in macro-regions. The importance of clusters for macro-regions is reflected under 3 pillars of the Cluster Policy:

- clusters as accelerators for innovation and industrial change;
- cross-regional and international cooperation through clusters;
- clusters excellence (mobility, capacity building and skills development)

Details on EU Cluster Policy (including recent initiatives and upcoming events) are available in the presentation and links attached to this Report.

Ms. Andrea Halmos, policy officer in Directorate-General for Communications Networks, Content and Technology focused on the role of [Digital Innovation Hubs](#) (DIH) in the post-2020 programming period and how these can support macro-regions with their R&I ambitions.

Ms. Halmos provided insights into how macro-regions can prepare for the EU's innovation agenda for the post-2020 programming period, listing concrete actions for MRS:

- a) consider the role of DIH in preparation for the next ERDF period / new smart specialisation strategies for regional competitiveness;
- b) experiment with digital technologies in a cross-border context and thus support the digital transformation of SMEs in the macro-region;
- c) engage in collaboration opportunities between DIH;
- d) attend the Digitising European Industry Stakeholder Forum, November 2019.

Furthermore, it was stressed that, as sometimes a local DIH does not have the necessary competences / equipment, it would benefit from collaboration with other DIH in the geographical proximity (export / import of expertise). Therefore, in preparation for the post-2020 period, macro-regions could work on, e.g.:

- a) mapping complementary competences;
- b) sharing good practice between DIH;
- c) explore what resources could be combined and / or where to invest in common tools;
- d) foster companies' internationalisation / access to new markets;
- e) start working on connecting ecosystems for creating inter-regional / EU value chains.

Several tools are available to generate and incentivise more strategic collaboration for innovation investment, e.g. Horizon 2020 and the new Horizon Europe; proposed Digital Europe Programme. More information is available following the links below (see at the end of this Report).

General reference on the MRS was provided by *Mr. Roland Mayer-Frei*, programme officer at Directorate-General Regional and Urban Policy, European Commission.

Mr. Mayer-Frei stressed the importance of funding alignment, especially of directly and indirectly managed programmes. He also highlighted, that MRS frameworks:

- provide a chance to fully exhaust the innovation potential through cooperation beyond borders;
- create solid and sustainable multilevel governance schemes;
- have a cross-sectoral approach; allowing for exploration of an R&I a topic from different angles and contexts;
- are interlinked with S3, providing an area-based/regional approach and expertise.

Strong engagement and exchange among EC services and MRS was highlighted as a continued requirement if macro-regions are to optimise their R&I efforts by linking to EU policies and developments. This is a 2-way process since EC services can also be better aligned to MRS in order to identify opportunities for improved EU engagement.

The following three main orientations were common in all inputs from the speakers:

- industrial transformation – how the EU is developing responses to support industry to address this significant challenge;
- value chain orientation – how to support innovation actors to respond to the challenges and opportunities which are presented by globalisation;
- open innovation – how to encourage different territories within a macro-region to engage with the opportunities which are available across the whole macro region, for example, in accessing innovation services and facilities across ‘borders’ within the macro-regional territory.

Cross-MRS collaboration: from identifying cooperation potential to committing to priority collaboration actions

As said above, the meeting not only aimed to share and gather knowledge, experiences and lessons learnt, but moreover to identify and elaborate further cooperation potential across the MRS. This is why, after identifying points MRS coordinators would like ‘to share’ and ‘to learn’ across the MRS, they identified cross-MRS topics, events and activities that encourage a cross-MRS approach. Key actions and ambitions included:

- building closer working relationships between policy makers and innovator actors (from science / research / academia, social innovation community and industry) – to strengthen efforts in addressing the lack of political commitment to the MRS. This would also support strengthening the territorial dimension in policy making;
- integrating young people in the MRS delivery. Talent management entrepreneurship was proposed as an activity to be elaborated across the MRS. Thematic MRS coordinators further elaborated on concrete activities for youth involvement, like Innovation Camps (action - EUSBSR) or stimulating the entrepreneurial discovery process (EDP, as part of the S3 principles) and entrepreneurial thinking (action -

EUSDR). Coordinators agreed to explore further possibilities for addressing youth in the [Baltic Sea Youth Camp](#), 8-11 June 2019, Gdansk, Poland or during the 8th Annual Forum of the EUSDR, 27-28 June 2019, Bucharest, Romania;

- promoting inter-MRS/cross-pillar (objective) collaboration and identifying common actions to be implemented by various thematic areas;
- elaborating a multilingual web-platform for SME and service providers (to be done in the EUSALP);
- exploring further and disseminating results of Interreg Danube Transnational programme project [MOVECO](#). Overall, dissemination of project results was highlighted as a very important activity that needs to be improved and continued;
- embedding a facilitation process to promote networking between DIH; learn about the instrument and its application; use DIH to connect to industries and organise capacity building projects;
- addressing more efficient communication towards different target audiences;
- considering and clarifying roles of different stakeholders in delivering on the thematic area, e.g. role of university associations.

In addition, coordinators considered suggestions related to MRS governance and delivery:

- establishing discussion forum across MRS on challenges faced and best practices identified;
- inviting thematic coordinators from other MRS to relevant events (cross-MRS participation); organising follow-up events to continue networking on innovation related topics;
- organising capacity building workshop(s) for all MRS (like those provided in the EUSBSR);
- inviting EC services to the MRS events;
- continuing coordination of efforts and networking: identifying common thematic areas for further exchanges (e.g. on revision of the MRS Action Plans). Organise events jointly.

The MRS coordinators also identified several governance related topics they would like to address in cross-MRS discussion:

- funding alignment;
- networking and stakeholder engagement; maintaining networks;
- scaling-up MRS activities;

- bridging gap between the regional and national policies and industry needs – identifying where is the role of MRS;
- better action planning for the MRS;
- stimulating processes towards new projects and initiatives;
- how to address stakeholder needs and expectations.

MRS coordinators made concrete commitments for further cross-MRS collaboration. Information and inputs provided during the event. Furthermore, direct contacts with relevant colleagues was identified as an immediate and obvious benefit from this event.

The meeting confirmed the need for cross-MRS exchanges not only arranged one-to-one (MRS-MRS) but also for all four MRS. Annual meetings of MRS dealing with innovation, smart specialisation, R&D topics were suggested.

Overall, the enthusiasm and commitment of MRS coordinators was further reinforced through this opportunity to meet and work together on joint interests and commitments across the R&I priorities and ambitions of the MRS. It was recognised that there is significant added value to be generated (at macro-regional, cross-macro-regional and EU levels) through this type of collaboration, both in sharing ideas and also experiences. Through this new 'network' of MRS R&I coordinators, a great deal more can be achieved than through more isolated efforts.

Annex:

Combined event presentation is available [here](#).

For more information:

- [EUSBSR](#);
- [EUSDR PA 7](#) and [PA 8](#);
- [EUSAIR](#) (innovation is addressed as horizontal priority in the Strategy);
- [EUSALP](#);
- [Presentation on S3 Thematic Platforms, November 2018](#);
- [Smart Specialisation Platforms](#);
- [HESS](#) project focusing on how higher education and HEI can contribute to the successful implementation of smart specialisation;
- [A Handbook on Higher Education for Smart Specialisation and case studies on HE for S3](#) in Navarra, Spain and North East Romania;
- Presentation by Dr Anna Sobczak 'European Cluster Policy – using clusters to support innovation in SMEs across European Macro-Regions'. Presentations provides links to the relevant information sources ([Attachment 1 to this Report](#));
- [H2020 Cluster facilitated projects for new industrial value chains INNOSUP-1](#);
- [Background note with policy guidelines](#) 'Guidance for applicants on the systemic approach and strategic focus to be envisaged for "Cluster facilitated projects for new industrial value chains"';
- [COSME European Strategic Cluster Partnerships for smart specialisation investments](#);
- [COSME European Strategic Cluster Partnerships for Going International \(ESCP-4i\)](#);
- [COSME European Strategic Cluster Partnerships for Excellence ESCP-4x](#);
- European Cluster collaboration platform:
<https://ec.europa.eu/growth/industry/policy/cluster> and
<http://www.clustercollaboration.eu/>;
- European Cluster Policy Forum Dialogue among all EU Member States, European Commission & experts about modern cluster policies, watch here:
<https://youtu.be/hoAtGU1casQ>;
- European Cluster Conference: 'Connecting Ecosystems: Bridge. Inspire. Change', Bucharest, Romania 14-16 May 2019: <https://www.eucluster2019.eu/>;
- #EUClusterWeeks - Call for application for organisations wishing to host national/regional cluster events (November 2018 - April 2019):
<https://www.clustercollaboration.eu/open-calls/call-organise-events-part-eu-cluster-weeks-2018-2019>;
- All the events on <https://www.clustercollaboration.eu/event-calendar/eu-cluster-weeks>;
- [Digital Innovation Hubs](#) and here;
- Latest JRC report on [Digital Innovation Hubs in Smart Specialisation Strategies](#);
- [Brochure on Digitising European Industry March 2018](#);
- [Catalogue of Digital Innovation Hubs](#);
- [Digital Europe Programme](#);
- [Digital Innovation Hubs in Digital Europe Programme \(draft\)](#) ;
- [Digital Innovation Hubs, Annual event presentations](#);
- [Link to the Interreg Europe Policy Learning Platform](#);
- [Link to the Good Practice Database of the platform](#);
- [Contact details of Interreg Europe Policy Learning Platform thematic experts](#);
- Links to good practices and policy solutions discussed on the spot:

- Cluster example “Kantola” from Northern Finland (rural innovation):
<https://www.interregeurope.eu/policylearning/good-practices/item/136/kantola-industrial-estate-and-woodpolis-centre-of-competence/>;
- The good practice was featured at our recent thematic workshop on entrepreneurship and business creation:
<https://www.interregeurope.eu/policylearningsofia/conclusions/>;
- Transnational innovation voucher (CENTROPE region):
<https://www.interregeurope.eu/policylearning/good-practices/item/11/centrope-innovation-voucher/>;
- Cross-border incubation programme “EMR START-UP” by Interreg Euregio Meuse-Rhine: <https://www.interregemr.eu/projects/emr-start-up-en>;
- “Entrepreneurial kids” initiative from Lublin:
<https://www.interregeurope.eu/policylearningsofia/conclusions/>;
- Presentation on EUSALP ‘Re-Search Alps’ project ([Attachment 2 to this Report](#)).
- Proposal ‘SDG Integration - How EU macroregional strategies could contribute to implementation of the Sustainable Development Goals of the UN 2030 Agenda’, Nordic Sustainability ([Attachment 3 to this Report](#)).