



**Interreg
Europe**

European Union | European Regional Development Fund



Policy Learning Platform on research and innovation

Event brief

**POLICY LEARNING EVENT ON RESEARCH & INNOVATION AND
SME COMPETITIVENESS - DAY 1 POLICY INSTRUMENTS
EXPLAINED - HOW TO FIND COMMON OBJECTIVES AND REMOVE
OBSTACLES TO FACILITATE USE OF R&D RESULTS**



MILAN, 19 OCTOBER 2017



Table of contents

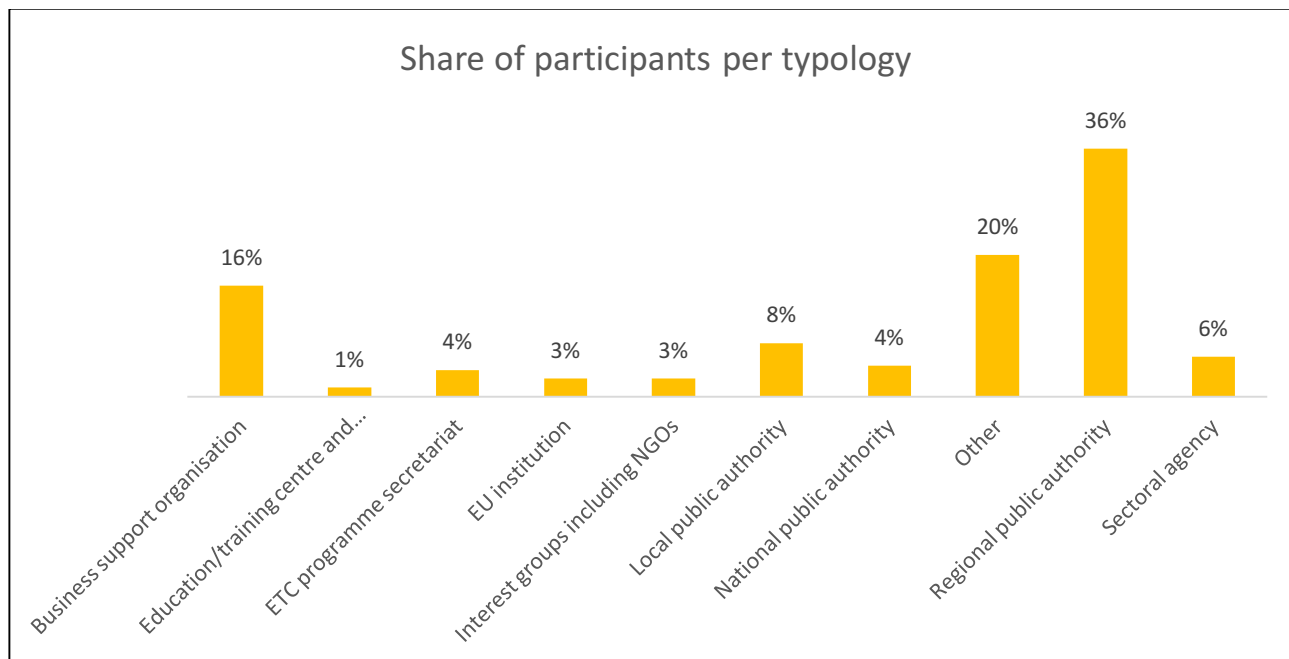
1. Participation	3
2. Summary	4
3. Plenary session, breakout sessions and key ingredients for the policy instruments.....	6
The plenary.....	6
The breakout sessions	6
Key ingredients for support policy instruments on research and innovation	7
4. Evaluation.....	7
5. Communication	8
6. Overall conclusions.....	10
7. Further reading and other relevant information	10
Suggested readings from the knowledge hub of the Policy Learning Platform	10
Relevant links	10
8. Appendix A – Minutes from the break-out sessions	11
Break-out session -TEAM A: how to use R&D and synergies between the Horizon 2020 and the ERDF	11
Break-out session – TEAM B: in search for money.....	12
Break-out session -TEAM C: the “More the Merrier”: open innovation clusters and large companies	13
9. Appendix B – Poll results	15
10. Appendix C - Conclusions by Christian Saublens – Former EURADA Director	17



1. Participation

Close to 1500 invitations have been sent out, targeting approved project partners (492), managing authorities of structural funds programmes and regional Brussels offices (1069).

149 people registered online. Final attendance was of 130 day 1 and 116 day 2. Therefore, the percentage of no-shows was 12% and 22% respectively.



The attending public included participants from Austria (only day 2), Belgium, Bulgaria, Croatia, Cyprus, Czech, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Lithuania, Latvia, Netherlands, Norway, Poland, Romania, Slovenia, Spain, Sweden and the UK.

The category “other” includes regional development agencies, foundations, networks and the partner organisations of the platform consortium.



2. Summary

The joint event on research & innovation and SME competitiveness was a two days event to discuss how the uptake of R&D results contributes in creating more growth and jobs and showcase the relevance and usefulness of the PLP in facilitating policy making and by:

- Fostering interaction and exchange of experience;
- Discussing common challenges and initiating collaborations and synergies between managing authorities, between projects, between projects and managing authorities;
- Accessing latest trends and insights on current/next generation policy instruments.

During the two days, participants learnt about the latest developments on the use of research results and open innovation (19 October), discovered how to contribute to the competitiveness of SMEs and regional growth (20 October) and engaged with each other while learning and testing the Policy Learning Platform services.





Research & innovation was the topic of the first day. The participants, 130 attending, actively discussed in breakout sessions three aspects that are at the core of the PLP Community:

- Use of R&D results and synergies – Team A);
- Funding of innovative solutions – Team B);
- Open innovation and clusters approaches – Team C).



The day allowed a dynamic discussion and sharing of experiences on common objectives, obstacles to facilitate use of R&D results and selected practices in terms of policy instruments.

Conclusions drawn the attention on:

- The need of a demand driven approach, avoiding “technology pull”, with solutions looking for problems;
- The importance of reaching out a critical mass and positioning any initiative in the international dimension;



- The need of a strategic framework to avoid the “jumping from one project to another” syndrome;
- The Quadruple T approach: talent, transnational, tolerance and technology.

3. Plenary session, breakout sessions and key ingredients for the policy instruments

The plenary

The discussion was ignited by a plenary session that offered the participants a helicopter view from the European perspective:

- Annamaria Zonno, (DG RTD), highlighted how managing authorities shall be in position to conceive synergies with an international dimension incorporated and how Horizon 2020 can contribute to this. She also pointed out how a more relevant impact can be achieved if rules are aligned and procedures simplified;
- Nicholas Harrap, (JRC, S3 Platform) illustrated the importance of showcasing successful examples and how synergies should be achieved in a strategic manner with use of the national or regional RIS3 as basis. He pointed out how thematic platforms go further towards actual investment opportunities and how Interreg Europe can be used for the “Mapping of competences and matching of business opportunities”. He introduced the two pilot actions¹ by the Commission on "Interregional innovation projects" and "Industrial transition regions" promoting broad-based innovation to address the challenges of the industrial transition and to facilitate commercialisation and scale-up of interregional innovation projects and business investments.
- Arnaud Senn, (DG CONNECT), who also has experience of interregional cooperation programmes, emphasised the urgency for scaling up and creating a critical mass. He also drew the attention on the need of flexibility when designing any support that shall be of a benefit for citizens;
- Alison Hunter, (Economic and Public Policy Consultancy), highlighted Vanguard initiative as a good example of support on engaging industry, which is what Interreg Europe is lacking. She also pointed out how this needs to change to achieve impact together with a different level of commitment to build R&I regional eco-systems without borders.

The breakout sessions

The three breakout sessions further elaborated on how policy improvements can contribute to R&D results implementation at regional level. The during the last plenary session the panel discussion highlighted as general standpoint that:

- improvements shall be made with regards to the cooperation within Interreg “clusters” of projects, governance, and building trust in between SMEs and target stakeholders;
- the lack of critical mass in regions and coordination are among the principal barriers preventing an effective and efficient use of R&D results.

More in particular the following conclusions have been presented:

How to use R&D and synergies between the Horizon 2020 and the European Regional Development fund (ERDF)

- There are five challenges to be addressed by policy instruments: 1) reaching out critical mass both for positioning and sustainability, 2) ensuring continuity of support/resources, 3) dealing with competition and the cross-border/international dimension, 4) having a strategic vision (long-term perspective versus short-terms needs), 5) need of down-stream focus for policy instrument (more of proof of concept schemes).

¹ Deadline: 31 October 2017, 23:00h Brussels time.



In search of the money - how to effectively engage with private sector to funding early stages of the use of R&D results

- There is a good understanding of access to finance and its instruments as well as what works and what not; off the shelf instruments are rarely known or explored, hence there is the need to share and learn more on how do they work; the biggest challenges and obstacles discussed are related to culture, mind-set, bureaucracy, lack of SMEs involvement.

The more the merrier - how clusters and large companies can benefit open innovation

- When dealing with open innovation stakeholders are facing the following challenges: need to better define areas of focus to bring stakeholders together; tackling of societal challenges, establishing of trust (the latter is very much related to the IPR ownership); endorsement of mechanisms aimed at securing sustainability of projects/initiatives; engaging SMEs willing to cooperate in cluster initiatives.

Key ingredients for support policy instruments on research and innovation

A poll among participants on key aspects connected to research and innovation related policies highlighted the most and least important elements for a set of four aspects.

<p>Critical challenge to speed up uptake of innovation</p> <ul style="list-style-type: none"> Most: engaging with private investors (28%) Least: testing prototypes and finding entrepreneurs willing to cooperate (both with 10%) 	<p>Efficient role for a regional authority to boost use of R&D results</p> <ul style="list-style-type: none"> Most: promoting innovative public procurement (30%) Least: providing benchmark data (2%)
<p>Important actor in the research and innovation ecosystem</p> <ul style="list-style-type: none"> Most: clusters (44%) Least: higher education institutions (2%) 	<p>Critical issue to mainstream a practice into a better policy instrument</p> <ul style="list-style-type: none"> Most: approval from policy bodies (32%) Least: access to ready to use formats (2%)

More details on the poll available in Appendix B – Poll results.

4. Evaluation

Evaluation forms were distributed to all participants on site during the event. Forms were collected and the table below reports the most relevant elements reported:

	Excellent	Good	Adequate	Poor	Very poor
Registration (form, practical info)	18	9	4	3	
Structure of agenda	10	18	6		
Length of the event	11	15	6	2	
Venue	17	13	4		
Catering	18	11	4	1	
Eco-friendliness	12	12	7		1



5. Communication

Tailored communication activities have been carried out before, during and after the event to raise the interest of the target audience.

Before the event: the invitation to the event was disseminated on social media (Facebook and Twitter). Close to 1500 invitations have been sent out, targeting approved project partners (492), managing authorities of Structural Funds programmes and regional Brussels offices (1069). The invitation was also forwarded to other relevant networks that disseminated the information to their members (EURADA, ERRIN, EBN, AER, INSME) thus multiplying the reach quite significantly.

During the event: the event activities organised during the two days were tailored around three objectives: (a) facilitation the networking opportunities for the participants, (b) increasing the visibility of the platform towards the outside and (c) providing concise and appealing information about the platform services.

a) Facilitation the networking opportunities for the participants

For the networking, the actions carried out were:

- long coffee and lunch breaks to give time for the networking;
- evening reception for networking;
- activities for the coffee break to encourage people to talk to each other (human bingo and icebreaker questions).



b) Increasing the visibility of the platform towards the outside

For the visibility of the platform, the actions carried out were:

- live twitter wall to encourage participants to share their experience on Twitter and Facebook;
- sharing quotes from the speakers on social media;
- sharing tweets, pictures and other information from the participants;
- photobooth with #PolicyLearning sign to encourage participants to share.



c) Providing concise and appealing information about the platform services

On the 19th of October, to close the day, a special “speed dating” session was organised “back to back” with TO3 to present, in small groups, the four platform services: Knowledge hub, Good practices, Expert support and Community.





6. Overall conclusions

The day allowed for a dynamic exchange of views. It pointed out the importance of sharing and learning processes when it comes to the take up innovation into a policy mix. When it goes to the design and adoption of novel policy instruments, challenges highlighted concern:

- a) The provision of long term funding for a project or to finance the running costs of a “infrastructure” for a period of 10 to 15 years;
- b) State aid rules for supporting innovative start-ups (companies with less than five years for instance) and first-time innovators;
- c) Alignment of administrative rules of different funding policies and how to retain the most competitive/innovative strategies or the projects with high value for money.

According to the participants, in the second year of activities, the Policy Learning Platform shall:

- Facilitate peer-to-peer learning;
- Promote and track effective engagement of managing authorities via events, webinars, thematic workshops;
- Continue with collecting and promoting transferable good practices;
- Focus on down-stream policy instruments (synergies, reach out to market instruments);
- Support projects towards enabling financing of stage two.

7. Further reading and other relevant information

Suggested readings from the knowledge hub of the Policy Learning Platform

Team A) Synergies and use of R&D results

[Enabling synergies through coordination between H2020 and ESIF](#)

[Cooperation, complementarities and alignment of different funding sources for a more efficient use of resources](#)

[Tapping into the potential of the Horizon 2020 Seal of Excellence](#)

[The triple helix challenge: Bridging the gap between science and policy making](#)

[Creating impact from knowledge](#)

Team B) In search for money

[Engagement of private investments to bring research and development results to the market](#)

[Access to finance for innovative SMEs](#)

[Alternative finance and its potential to support research and innovation](#)

Team C) Clusters and companies

[The role of Clusters in supporting the Smart Specialisation Thematic Platforms](#)

[Role of regional networks and clusters as an instrument for internationalisation of SMEs](#)

[Preparing Clusters4.0 Strategy for Europe](#)

Relevant links

[Synergies & Seal of Excellence](#)

[Innovation Union](#)

[European Innovation Partnerships](#)

[EASME – Support for SMES](#)

[Regional dimension of innovation](#)

[Support to scaling up of innovations in Active and Healthy Ageing](#)

[Pilot twinning support scheme of the eip on Active and Healthy Ageing](#)

[Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth](#)



8. Appendix A – Minutes from the break-out sessions

Break-out session -TEAM A: how to use R&D and synergies between the Horizon 2020 and the ERDF

TOPIC 1: Bridging R&D results to market

- 85% of the participants defined this as a painful/serious challenge;
- Just 1 (5%) reported it as solved.

The discussion highlighted the following:

- Misconception of R&D. Research is the phase where resources (money) are invested into knowledge. Innovation is the phase where knowledge is turned into impact and growth, (money);
- Absence of long-term vision and strategy to secure sustainability of projects' results;
- Lack of critical mass for creating a spill over effect (for which international outreach and positioning is key);
- Shortage/absence of policy instruments/financial tools such as proof of concept, crowdfunding etc. to validate novel solutions;
- Consideration of competition as an obstacle not as the base for excellence.

TOPIC 2: Synergies between European Structural and Investment Funds (ESIF) and central managed programmes

- 95% of the participants defined this as a painful/serious challenge;
- Just one (5%) reported it as solved.

The discussion pointed out the following:

- Interaction with managing authorities is challenging, together with dealing with State Aid rules;
- Seal of Excellence (SoE) is an example of building up on synergies. The idea to extend the SoE to collaborative projects was discussed.

Experience within the Interreg Europe community

BRIDGES, Ninetta Chaniotou, Finland

When it comes to the basic approach towards R&I synergies, the following was found relevant: industry selection, state of the art of the research theme identification, optimal research application. Preparation and ground (research) work was very important for the project, including involving managing authorities in the process.

Key message: action plans need to be transformed into investments.

OSIRIS IR-E PROJECT, Umberto Pernice, Italy

The challenge for OSIRIS was involving five managing authorities in the process and getting them acquitted with the open governance system and how to transfer ideas to participatory services.

Key message: the social infrastructure is a missing element in the framework aimed at creation of growth and jobs.

ISLAND OF INNOVATION, Simon Tijmsma, Netherlands

Importance of "test-beds" for validating/promoting use of results: islands as experimental "probing and learning" environment, which can keep and attract young, innovative and entrepreneurial people and "businesses". Showcase a project that is already proven and achieving results to engage managing authorities.



Key message: It is all about investing into talents, technology, transnational approach and tolerance.

SMART PILOTS, Brecht Vanlerberghe, Belgium

It is an example of building on synergies: infrastructure funded by ERDF, supporting services by private funding and further financing is to be secured by INNOSUP. It showed how, with the actual policy instruments, it is possible to pave the way towards sustainability. This is possible but it requires coordination when making choices, alignment of administrative procedures and a market oriented approach to involve the key target groups (the innovators).

Key message: Research is the phase where money is turned into knowledge. Innovation is the phase where knowledge is turned into money.

HoCare, Eleftherios Loizou, Cyprus

How to involve managing authorities and convince them to finance a project idea based on identified needs.

Key message: use study visits to attract interest of managing authorities and facilitate understanding and adaptation processes.

Afternoon session: Learning from the latest trends and practices

Annamaria Zonno, DG RTD Unit B5, presented the Seal of Excellence (SoE) and illustrated the role it can play to create synergies with ERDF. The SoE is a quality label, awarded to project proposals submitted for funding under Horizon 2020, which passed stringent selection and award criteria but could not be funded due to budget constraints. It allows regional actors to use Horizon 2020 first-class evaluation system, making possible to keep the process simple and allowing different support (grants/loans/guarantee) and to benefit from the experience of peers in the SoE community of practice.

Andrea DI Anselmo, Thematic Manager on research and innovation, Policy Learning Platform, presented the Common Exploitation Booster (CEB), a pilot initiative by DG RTD J5. The European Commission is a pioneer in support services to bridge the gap between research results and their use. The "Common Exploitation Booster" (CEB) aims at identifying, nurturing, maturing and commercializing key scientific results from the 7th Framework Programme (FP7) and Horizon 2020 projects all over Europe. From 2016 to 2018, more than 230 projects will receive the support of the CEB services ranging from software for the music industry to exoskeletons for physically impaired patients.

Break-out session – TEAM B: in search for money

During the session it was discussed the growing importance on financial (revolving) instruments vis a vis grants. About 20 people attended the session and a very broad range of interests and cases were presented, ranging from financial instruments for rural development to proof of concept equity funds for high growth companies. It appeared that quite a number of participants were not necessarily interested just the application of such instruments in R&D related topics but also in the use of innovative financial instruments in traditional SMEs and sectors.

Afternoon session: Learning from the latest trends and practices

Peter Lalvani – Eureka – Belgium presented E-Innovest and EUREKA. E-Innovest is a Eureka programme to prepare SMEs to be investor ready and the equity Financial Instrument being the key to foster high growth, knowledge (i.e. intangible assets) based companies; the off the shelf European Commission regulation was introduced. The session was animated and many questions arose especially of people willing to know more about why equity is needed instead of loans and guarantees and how equity really works, clearly showing



how little known and potentially important this type of financial instrument is. The session ended with the participants describing each what unresolved challenges they still have in their region, which challenges are they facing now and finally which challenges they managed to solve. The outcome of the sessions and the list of challenges unresolved, on the way to be solved and solved have been discussed in the plenary session.

Participants concluded that while there is a general interest in the topic, capacity building activities on financial instruments still need to be implemented to fully deploy their potential in European regions.

Break-out session -TEAM C: the “More the Merrier”: open innovation clusters and large companies

Participants agreed that open innovation tools and facilitator actors such as clusters can play an important role in supporting RDI exploitation with a business focus.

The discussion highlighted the following challenges/barriers:

- Engaging with SMEs remains problematic, grants and programmes not sufficiently market oriented and SMEs lack skills to exploit research results;
- More efforts needed to help SMEs access local/regional RDI results, what is right exchange framework or arena/hub for such exchanges to work effectively;
- Cluster critical mass often lacking in rural areas ... specific challenges for businesses in rural areas;
- Open innovation approach and intellectual property issues can often create tensions;
- Do not neglect social innovation as a means to tackle SME challenges, tools developed in social enterprises are suitable for open innovation facilitation.

Experience within the Interreg Europe community

P-IRIS, Lars Hustveit, Norway

The “Tech Yard” case on open innovation, housed in a former shipyard facility, is a co-working space for technology companies where they have access to expensive equipment for testing and demonstration.

Key message highlighted: The activities in Tech Yard are built on equal cooperation between those with practical skills and those from a more academic background.

CLIPPER, Ariane Lecerf, France

Emphasised how focusing on stakeholder groups may be a successful way to develop open innovation. From her region’s experience, individuals working with SMEs were not working with clusters, hence there was a broken link.

Key message highlighted: As a managing authority, the regional council is in a position to improve conditions, and working towards stakeholder groups the council had the opportunity to rethink what a policy instrument could or should be.

ESSPO, Elżbieta Ksiazek, Poland

Suggested that policy instruments that focused on processes and not just “bricks and mortar” were important. In the case of ESSPO efforts have concentrated on technology and knowledge transfer mechanisms as part of a regional development science park platform.

Key message highlighted: Need to bring forward project opportunities in line with ROP funding cycles.

CLUSTERIX 2.0, Rolanda Predescu, Romania



To stimulate regional innovation ecosystems in Romania, a cluster financing instrument has been implemented based on Clusterix 2.0 good practices. Three clusters from each of eight Romanian regions will receive funding of approximately 75 000 Euro/cluster to develop their strategic R&D agenda along with an implementation plan and strategies for domestic and international expansion.

Key message highlighted: New policy instruments can help stimulate synergies with local actors.

Afternoon session: Learning from the latest trends and practices

Alison Hunter, Economic and Public Policy Consultancy (EPPC), illustrated how, to create an ecosystem without borders, partners must benefit equally. For partners to come together and spend money together, they must build trust and “make a leap of faith”.

A current critical weakness in clusters is that they are often removed from understanding European structural investment tools. Proper funding vehicles (either public-private, public-public or other constellations) and venture capital involvement are also key aspects of funding. Article 70(2) of the Common Provisions Regulations allows for regions to investment in other regions for their own benefit, but so far there has been resistance among regions to do this.

Angelo Gatto, Finlombardia, presented the open innovation platform by the Lombardy Region. The platform is built around the Quadruple Helix Innovation model and contains tools and methodologies to support the creation of innovation ecosystems. Currently there are 7 000 users from government, industry, clusters, academia and civil society registered on the platform. The underlying software solution is made available as an open source application to other organisations in need of a tool for communication, sharing and project management.

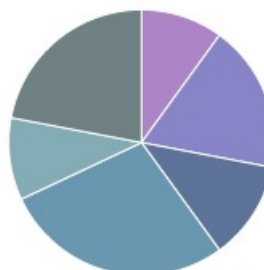


9. Appendix B – Poll results

What participants said about research and innovation

What is the most crucial challenge to speed up the take up of innovation?

Testing prototypes	10%
Finding business models	18%
Accessing first clients	12%
Engaging with private investors	28%
Finding entrepreneurs willing to cooperate	10%
Internationalisation	22%



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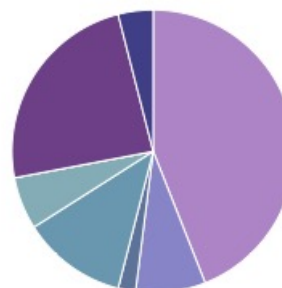
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In the research and innovation ecosystem, who is the most important actor?

Clusters	44%
Research centres	8%
HEI	2%
Technology transfer organisation	12%
Venture capital	6%
Incubators / accelerators	24%
Student associations	4%



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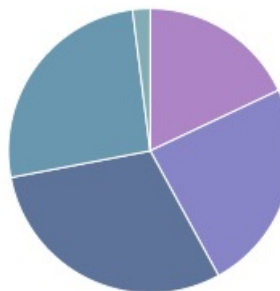
19 October 2017, Milan, Italy





Where is a regional authority the most efficient in boosting use of R&D results?

Providing proof of concepts funds	18%
Linking with research centres	24%
Promoting innovative public procurement outside the region	30%
Access to skills and competences	26%
Providing benchmarking data	2%



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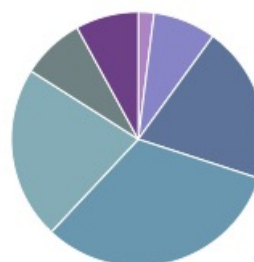
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19 October 2017, Milan, Italy



What are the most critical issues to mainstream a practice into a better policy instrument?

Access to ready to use formats	2%
Lack of funds	8%
Need to change current set-ups	20%
Approval from policy bodies	32%
Convincing existing stakeholders	22%
Lack of competencies	8%
Data on impact	8%



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#ResearchInnovation

19 October 2017, Milan, Italy





10. Appendix C - Conclusions by Christian Saublens – Former EURADA Director²

Sharing and learning processes can help overcome the JIMA syndrome (Just In My Administration) and the conservative mind set when it comes to take up innovation into a policy mix (too often made of basic services: grants, clusters, incubators, etc. with little space for the capitalisation of R&D projects).

In addition to capitalising on what it is already available within the Interreg Europe community, which is crucial to mobilise an impact, four suggestions have been indicated by Christian Saublens to further build on Interreg outcomes and on synergies among policies:

- 1) Promote some EU practices, such as the Seal of Excellence Initiative the Common Exploitation Booster and off the shelf instruments at regional level. Coaching would be given to the more than 225 regions not having yet put a similar scheme in place. Coaching could be provided either by the Interreg Policy Learning Platform or by the JRC as a follow-up of the Stairway to Excellence Project.
- 2) Design, as a sort of “off-the-shelf instrument” a transregional voucher scheme so that any researchers or enterprises could access ERDF funded infrastructures. The voucher scheme would be financed through ERDF funding and the centres accredited by DG Research.
- 3) Merging Seal of Excellence and Peer Learning between Innovation Agencies into one Interreg capitalisation action. The Interreg Secretariat or the Policy Learning Platform or the unit of the JRC having dealt with the Stairway to Excellence should give a seal to new and most interesting ideas developed by the Interreg projects, with the Interreg secretariat managing a scheme offering a lump sum to the interested recipient of the transfer. The sole administrative requirement to get the lump sum can be an action plan describing how to take-up and implement the new tool in the beneficiary region.
- 4) Launch a campaign on innovative “low cost and synergic” support services targeting managing authorities from EU13 and from other interested countries so that they could share experience and learn how to innovate without taking too much risk.

² The following conclusions report the point of view of the moderator and should be appreciated as such.