

2019

# Action plan for the Centre-Val de Loire region

**Beyond EDP**  
Interreg Europe



Beyond EDP aims at improving the effectiveness of the regional innovation smart specialisation strategies (RIS3) through the management of the entrepreneurial discovery process (EDP).

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An interregional cooperation project for improving innovation delivery policies

Dev'up Centre-Val de Loire

13/03/2019

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## Part I – General information

**Project:** PGI00048 **Beyond EDP: Improve the RIS3 effectiveness through the management of the entrepreneurial discovery process (EDP)**

**Partner:** Dev'up Centre-Val de Loire

**Territory concerned:** Centre-Val de Loire

**Country:** FRANCE

**NUTS2 region:** Centre-Val de Loire

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## Part II – Policy context

The Action Plan aims to impact:

- Investment for Growth and Jobs programme
- European Territorial Cooperation programme
- Other regional development policy instrument

### Name of the policy instrument(s) addressed:

The policy instrument addressed is the Centre Val de Loire Regional Innovation Strategy for Smart Specialisation -RIS3.

It is directly linked with the CVL ERDF OP: Axis 1 Knowledge Society (TO1 directly linked with RIS3, investment priorities 1a and 1b).

Axis 1 of the ERDF OP addresses both SME competitiveness and the capacities of the region in RDI. It is also closely linked to the S3 objectives (which are also considered under ERDF OP's TO3), and to the Regional Economic Development Strategy for innovation & internationalization (SRDEII).

ERDF-ESF OPERATIONAL PROGRAMME CENTRE-VAL DE LOIRE 2014-2020 IMPLEMENTATION DOCUMENT (DOMO).

Axis 1 « Knowledge society ».

Specific Objective 1.A.1: Increase investment and skills in the areas of specialization

- ACTION 1 - Research investment in the areas of specialisation potentials (DPS)
- ACTION 2 - research programs and projects in potential areas of specialization (DPS)
- Specific Objective 1.B.1: Increase by 50 % the number of innovative enterprises in Centre-Val de Loire region
- ACTION 3 - Actions aimed at providing an environment favourable to companies in their innovation approaches

The regional economy is characterized by an important and diversified industrial fabric.

While being a major factor of economic development, this represents a major challenge since it is extremely vulnerable to the impacts of globalization, vulnerability reinforced by the proximity of the Ile de France (competition, risks of increased relocations, brain drain). In addition, the level of training for young people over the age of 17 remains low, making it difficult to recruit managers and technicians. Between 2012 and 2016, the industry lost 10,000 jobs and the regional economic development, innovation and internationalisation scheme (SRDEII) adopted by the Regional Council in December 2016 makes support for the industry a major priority.

The main industrial challenges in the Centre-Val de Loire region are in line with the challenges of regions in industrial transition cited by the Commission in its June 2017 communication. It's about helping:

- modernising the economy and keeping businesses competitive

- the adaptation of skills, in particular with a strong need for skilled workers in sectors already under tension (in particular cosmetics and pharmaceuticals)
- integration of new ecological and digital processes
- business transformation: reorientation towards other markets, search for new outlets, with a positioning to be rethought in value chains, evolution of business models, diversification via innovation...
- access to appropriate and diversified financing, insufficiently mobilised and known in the Centre-Val de Loire relative to other European regions: in particular FESI, H2020, COSME, Erasmus+ financing, financial engineering tools.

The Region has made support for industry adaptation a major priority in its regional economic development, innovation and internationalisation scheme (SRDEII) adopted in 2016. It fully integrates the RIS3.

- the Region has launched initiatives such as the call for regional "Innovation" projects
- In line with the "New Industrial France" programme, the Region is supporting companies to anticipate the future and change their model by launching a call for "factories of the future" projects.
- The definition of the 5 priorities of the SRI-SI was based on the major challenges faced by the regional industrial fabric. In addition, the Region is heavily involved in the methodology and governance of the RIS3. Indeed, the RIS3 domains in particular are concerned by the impacts of digital and environmental revolutions, with the following issues:
  - Management of the environmental data value chain to make activities that consume large quantities of natural resources more economical
  - Moving from chemical synthesis manufacturing of tomorrow's drugs to bio-production
  - Integrating the circular economy into the life cycle of energy storage systems and in particular batteries (from design to recycling)
  - Develop the user experience when visiting tourist sites
  - Developing energy efficiency in industrial buildings

Furthermore, the mid-term evaluation of the RIS3 carried out in 2018 showed that, even if the innovation support ecosystem is well structured in Centre-Val de Loire region, and if it allowed a relevant use of the public funding (regional and ERDF funds) toward the innovation projects within the five RIS3 priorities, the leverage effect remains slightly disappointing due to lack of coordination within each RIS3.

It highlighted the need to work at the granularity level of RIS3 priorities, in addition to the regional and strategic level (agenda setting and policy design) and the operational level (coordination of the network of economic developers in the Centre Cal de Loire RDECVL region).

Beyond the observation done during the mid-term evaluation, the policy makers intent also to capitalise on the pilot action carried out by the European Commission on Industrial transition to take the opportunity of the Beyond EDP action plan to make evolve the coordination and the governance of the RIS3 in order to encourage industrial transitions within each of the priorities of the RIS3.

## Part III – Details of the actions envisaged

### ACTION 1: 1. New governance and mode of coordination of each RIS3 priority based on the Entrepreneurial Discovery Process (EDP)

#### Beyond EDP lessons learnt applied in the action

The reflections we had during the design of the framework document on Entrepreneurial Discovery Process (step1 of the project), as well as the debates with our Beyond EDP counterparts and with the experts of the JRC and Dominique Foray rose our awareness of the cyclical nature of the EDP. Indeed, we became aware that the EDP should not only be carried out at the strategic level during the identification of the RIS3 priorities and the definition of the policy mix, as we did in Centre-Val de Loire. It is also a matter of EDP management at the meso-level of innovation environment (such as RIS3 priority level) or micro-level of innovation environment (such as the cluster level), especially during the implementation phase of the RIS3.

**But in any way, from our point of view, the most important issue of the EDP management during the RIS3 implementation is to always maintain a feedback from the meso and micro innovation level to the macro level in order to provide a decision aid towards the policymakers.**

In our “quest” to improve the coordination of the RIS3 priorities, we found the inspiration from our Beyond EDP counterparts. A lot of them set up a dedicated coordination of their ecosystem at the RIS3 priority level and showed us that it works and create a strong dynamic to sustain innovation.

First of all, the governance of EDP with the instrument East Sweden Business Region (ESBR) and the involvement of the municipalities was our first and main source of inspiration. It was presented to the Beyond EDP partners during the Östergötland peer-review in June 2017. The ESBR is a collaboration in which all of Östergötland’s actors within the area of growth come together to create attractive, competitive industry with high growth potential. It involves the county’s 13 municipalities, Region Östergötland, Linköping University, the region’s science parks, Nyföretagarcentrum, Almi Företagspartner and industry through the Chamber of Commerce, Företagarna and Industrikompetens. Clusters such as Hälsans nya verktyg, Vreta Kluster and Cleantech Östergötland participate, as do a number of other actors. The Swedish Agency for Economic and Regional Growth supports the ESBR.”

There is a similar organisational structure for the five specialisation areas. Each ESBR partner designates a responsible contact person in each field of action to ensure accurate and efficient communication. The ESBR model thus establishes permanent focus groups with five to ten members each, composed of the Region Östergötland S3 coordinator, the field coordinator, S3 brokers, thematic experts (e.g., Linköping University professors), representatives from industry and intermediaries. They meet twice a year and they suggest how public actors can best support long-term target images for the areas, and they support the process management. The outputs of the focus group are proposals for policy instruments that sustain the policy-makers in the design of the strategy and the action plan.

The regionally and locally-based development efforts (through the involvements of the municipalities) with a strong regional leadership (shared between the regional council and the economic development



agency) have been considered as a good practice that should guide us in the new model of governance for our RIS3 priorities. Furthermore, the activities of the focus group which looking for innovations and new business models and support new developments of innovation retained our attention. **Particularly, we get the inspiration from the composition of the groups as well their management in the coordination model we envisage for our RIS3 priorities.**

We also found inspiration from Extremadura. Indeed, during the peer-review of Extremadura, and as we were the “peer-reviewer” of the EDP management in this region, we discovered we shared one of the main strengths of the regional innovation ecosystem, that is a strong coordination of the ecosystem (SECTI for Extremadura, the actual governance and the Economic Developer network for the Centre-Val de Loire). Nevertheless, Extremadura had strengthened the coordination and cooperation between regional agents, especially in the strategic specialisation areas. In Extremadura, five working groups have been created as part of the RIS3 governance model, as an instrument of dynamization, participation and empowerment of the key players of the region in each area of specialisation. This coordination of the innovation ecosystem, at the RIS3 priority, hasn't be implemented in our region.

After discussion with our counterparts of FUNDECYT-PCTEX we get inspiration from the way to select the members of the taskforces. In Extremadura, the participants have been selected by the General Secretariat of Science, Technology and Innovation in order to represent the quadruple helix of the Extremadura System of Science, Technology and Innovation, considering the contribution of value they can make to it in terms of knowledge and technology, entrepreneurial leadership, innovative dynamism or responsibility in the RIS3 implementation. They received an email with the invitation from the General Secretary to participate in the group. It wasn't mandatory, but those who accepted the invitation committed to participate in two meetings per year.

Furthermore, we were also particularly interested by the rationale behind the working group activities: Indeed, the working groups meet regularly (more or less every six months) with the aim of:

- Provide qualitative and early information on the performance and impact of the measures developed.
- Guide those responsible for formulating the lines and strategic programs of the RIS3 Extremadura in improving the efficiency and relevance of the measures and instruments.
- Carry out a prospective to identify medium and long-term trends, under the concept of collaborative leadership.

**We intend to propose a set of activity for our own coordination committee for our each RIS3 priority similar from the ones carry out by Extremadura working groups.**

**As our Spanish counterparts, we expect that the exchange of information during the meetings of the working groups would set the ground for a deep analysis of the situation of the specialisation areas, considering actions carried out within RIS3 implementation, results achieved, and regional potentialities regarding RDI and new market niches.**

Finally, addressing the same issue of coordinating the EDP at the RIS3 priority level, another project Partner, the Umbria Region has set up five thematic Working Groups, one for each RIS3 priority

identified. They presented this good practice toward the consortium during the Umbria peer-review held in November 2018 in Perugia.

Even then, the rationale behind the activities of the Thematic Work Groups retained our attention and inspired us for determining the “letter of mission” of our coordination committees:

- a. to verify the specific research trajectories identified with reference to RIS3 priorities and to intercept new ones
- b. to evaluate and reviewing RIS3 priorities
- c. to collect feedback about Calls in order to remove barriers and to promote the access
- d. to actively involve main actors in regional economic development
- e. to support networking among companies and between companies and the research/academic sector

Furthermore, the Umbria way to select entrepreneurs for their Thematic Work Groups was also inspirational. Indeed, the involvement of local entrepreneurs was made according to their belonging to National and Regional Technology Clusters referring to the specific RIS3 priority areas identified.

Likewise, our counterparts of Saxony-Anhalt emphasized the role played by the clusters particularly within the Lead Market Groups (similar to thematic of working groups in the previous regions) during their peer-review held in March 2018 in Magdeburg. In this respect the clusters activities are focused on:

- Technical support of the Lead Market oriented work within the RIS3 by market and strategy competence
- Clusters facilitate efficient effects in the RIS implementation process
- Interface between enterprise level and the Lead Market work groups (monitoring of subjects and needs for action, bringing it in the work of Lead Market’s processes)
- Initiation and monitoring of projects in the core topics of Lead Market work (often use of regional, national and EU –programs)
- Care and development of contacts with other actors of the linked-up innovation scenery in Saxony-Anhalt and with national and international partners (transfer)

Thus, according to the 2 former testimonies given by Umbria and Saxony-Anhalt in favor of the direct and strong involvement of the clusters in the RIS3 working groups, **we decided to take the opportunity of the state-led reform of the competitiveness clusters (conducted in 2018 by the State in relation with the Regions) to involve them more in the coordination of our RIS3 priorities. Alongside the State and Regional referents and the coordinators from Dev’up, the cluster team will act as project managers within each RIS3 priority coordination committee.**



## Impact of the proposed policy improvement on the CVL RIS3

The involvement of the actors of the Q3 or Q4 helix in each RIS3 priority embedded in the already existing RIS3 governance model, including different levels of coordination (strategic and management levels) will improve the efficiency of the policy mix of the RIS3

- by allowing the adjustment to the company needs,
- by reinforcing the capacity building of the Q3 members. The actors involved also act a gate-keeper in their chain, disseminating information to other local entrepreneurs and by pulling them into the implementation of RIS3.

During the next two years, we will experiment this new mode of coordination of the RIS3 priority ecosystems by using the entrepreneurial discovery process. This will allow us to pave the way of your RIS3 for the next programming period.

But in the meantime, we expect to improve our actual RIS3:

- By strengthening the ecosystem in each RIS3 priority
- By fostering and securing the innovation project pipeline
- By better adjusting the scope and the policy mix of our RIS3 to the entrepreneur's needs and the stakes of our region
- By better consider and address the challenges of industrial transition in our RIS3 priorities
- And finally, by fostering the capacity of the regional actors to catch the development opportunities and transform them into innovations and in fine into socio-economic impacts.

## Nature of the action

From the main conclusions we drawn from the RIS3 mid-term evaluation and from the benchmarking we made as part of the Beyond EDP project, we decided to design our action plan into two components that are strongly interconnected.

The principle of the Beyond EDP has been validated as well as the new perimeters of the RIS3 priorities by the Regional Steering Committee of Innovation which steers the RIS3 on 18 December 2018. Hence now, the new RIS3 priorities of the Centre-Val de Loire region for the 2019-2020 period are:

- Environmental engineering and metrology for highly-resources consuming activities
- Biotechnologies et services applied to health
- Biotechnologies et services applied to cosmetic
- Components and subsystems for optimizing energy management and storage
- ICTs and services for heritage tourism

We intend to work on the governance and the coordination of each RIS3 priority by defining a committee of coordination involving the main strategic stakeholders (8-10 members).

Quite simultaneously, we will work with the members of these committees to define the actions needed to manage effectively the RIS3 priorities and to implement them.

We intend to implement new activities and foster existing ones to develop each RIS3 priority through the ecosystem strengthening, the exploration and exploitation of business opportunities, and decision-aids in each domain:

- Designing the development strategy for the RIS3 priority
- Leading the entrepreneurial discovery process
- Conducting an ongoing monitoring process
- Monitoring and reporting progress and results to Regional Innovation Steering Committee
- Promoting the know-how inherent to players in the field and contributing to the attractiveness of the CVL region

## Steps for the implementation

More concretely we plan to implement the following activities in order to achieve the development of the Action Plan:

1. New governance and mode of coordination of each RIS3 priority
  - a. Selection of the actors involved in the coordination of each RIS3 priorities
  - b. Setting up animation modes
2. Implementation and monitoring of the activities to develop each RIS3 priority:
  - a. Designing the development strategy for the RIS3 priority
  - b. Leading the entrepreneurial Discovery process
  - c. Conducting an ongoing monitoring process keeping EDP alive and strategic intelligence activities
  - d. Monitoring and reporting progress and results to Regional Innovation Steering Committee
  - e. Promoting the know-how inherent to players in the field and contributing to the attractiveness of the CVL region
3. Evaluation of the system

We intend to develop a close link between the regional level of management of the RIS3 through the Regional Steering Committee of Innovation and the RIS3 priority level by the involvement of 2 referents coming from the Managing Authorities, and thank to a coordinator of the Coordination committee coming from Dev'up and belonging to the RIS3 Operational Committee.

The rationale of the new governance and coordination mode of the RIS3 priorities, as well as the commitment expected by the different actors in the Coordination committees has been adopted unanimously by the Regional Steering Committee of Innovation which steers the RIS3 held on 18 December 2018. As this RIS3 Steering Committee is co-presided by the Prefet (Higher representant of the State in the region, and the President of the Regional Council which is also the President of DEV'UP, it can be considered that the political endorsement is full.

## Stakeholders involved

We aim to involve the following actors in the coordination of the RIS3 priorities, that are:

- DEV'UP Centre-Val de Loire, in charge of Regional economic development agency: in charge of the overall communication, monitoring and evaluation of the RIS3, of the management of the Innovation steering committee and as well as of the regional economic development network (REDCVL). The Unit "Territorial Animation" coordinates the ecosystem providing innovation and economic development services to the regional companies. The Unit "European Policies" is animating the steering committee, responsible for the RIS3 monitoring and evaluation and participating to the assessment of the ROP. Furthermore, through Enterprise Europe Network, it provides free-of-charge internationalisation services to SME. It will be involved in the improvement of the economic development policy as the project manager. DEV'UP will designate one coordinator for each RIS3 priorities who will be the responsible of the coordination committee activities and a general coordinator who will report to the operational committee.
  
- The Region Centre-Val de Loire, which is the managing authorities of the economic development public policies: ERDF OP (European Level) as well as the CPER (national level) and SREDEII (regional level). It will be involved in the improvement of the economic development policy as the project owner, in collaboration with the French State services. The Region Centre-Val de Loire will designate two referents for each RIS3 priority. These referents will make the connection between the regional policies (in particular in terms of innovation projects supported), the management of the ERDF OP and the activities of the RIS3 coordination committee.
  
- The French State services which participate to the co-building of the economic development public policies: ERDF OP (European Level) and SREDEII (regional level) and it is the co-managing authority the CPER (national level). The French State services will designate a referent for each RIS3 priority. This referent will make the connection between the regional policies (in particular in terms of innovation projects supported) and the activities of the RIS3 coordination committee.
  
- The clusters in relation with the RIS3 priorities will also be involved:
  - Cosmetic Valley (the competitiveness cluster dedicated to perfumery and cosmetics, skin knowledge and plant molecules) will be involved in the "Biotechnologies et services applied to cosmetic" RIS3 priority. The cluster will designate a project manager who will be carried out the main operational activities in relation with the DEV'UP coordinator.
  - DREAM (the competitiveness cluster dedicated to the Sustainability of Water Resources Associated with Environments) will be involved in the "Environmental engineering and metrology for highly-resources consuming activities" RIS3 priority. The cluster will designate a project manager who will be carried out the main operational activities in relation with the DEV'UP coordinator.
  - S2E2 (the competitiveness cluster dedicated to the power electronics, components) will be involved in the "Components and subsystems for optimizing energy

management and storage” RIS3 priority. The cluster will designate a project manager who will be carried out the main operational activities in relation with the DEV’UP coordinator.

- Polepharma (the cluster dedicated to pharmaceutical production) will be involved in the “Biotechnologies et services applied to health” RIS3 priority. The cluster will designate a project manager who will be carried out the main operational activities in relation with the DEV’UP coordinator.

They will be associated to the policy improvement approach and they will be involved in economic development policy as a main operator.

- The pilot from the entrepreneurial world and the co-pilot from academic research who embody the ecosystem of the RIS 3 priority. They were already involved in the first phase of the SRI-SI (2014-20148).
- The three main higher education institutions,
  - the University of Orléans,
  - the University of Tours and
  - INSA-Centre Val de Loire,
- as well as the other regional research Institutions
  - BRGM (Geology and Mining Research Institute) dedicated to Water resources, Natural risks, Impacts of Climate change, Geothermal.
  - CEA Le Ripault (National Atomic Energy and Alternative Energies Commission) dedicated to Research, Development and Materials manufacturing, Non-nuclear Systems for nuclear weapons and global security, alternative energies: research into fuel cells, energy storage.
  - CNRS (National Science Research Centre) with 11 laboratories among others in Aerothermal Fuel and Environment, molecular Biophysics, Materials, Superheated High Pression Steam and Fusion research and Earth Sciences.
  - INRA (National Agronomical Research Institute) dedicated to dynamic modelling of Soils, Environmental and land management, Integrative plant Tree Biology, Integrative Animal Biology and Sustainable Management of Animal Productions, Animal Health and Public Health
  - INSERM (National Health and Medical Research Institute) dedicated to developmental Disorders, especially Autism
  - IRSTEA (National Science & Technology Research for Environment and Agriculture Institute) dedicated to ecological Earth Systems; dynamics, vulnerability and engineering.

These organizations work closely with university research. They will be involved in the RIS3 Coordination committees as expert providers. They are also involved in economic development policy as main operator, particularly in terms of R&D and training (for the universities and INSA)

Of course, in a lesser degree, the other intermediaries will be involved in the company needs analysis and the coordination of the support:

- The Regional Chamber of commerce and industry of Centre-Val de Loire, which represents the 6 territorial CCIs. CCI Centre-Val de Loire represents and defends the interests of trade, industry and services companies with the public authorities. It works to facilitate relations between businesses and administrations, and to ensure that their interests are considered in the development of public policies. It coordinates the daily support of companies, from their creation to their transfer, to help them in their reflection and in the concretization of their decisions in legal, fiscal, social, commercial, strategic matters, etc. It informs them in the economic and legal fields as a resource centre and economic documentation at the service of companies. It will be involved in the improvement of the economic development policy as a main operator. It belongs to the RIS3 Operational committee.
- BpiFrance, the French public investment bank, a financing and business development organisation, and more and more accompanying in a non- financial way the development of the companies. They will be associated to the policy improvement approach and they will be involved in economic development policy as a main operator. It belongs to the RIS3 Operational committee.
- Tech transfer units
- Incubators, Accelerators, ...

## Timeframe

During the next two years, we will experiment this new mode of coordination of the RIS3 priority ecosystems by using the entrepreneurial discovery process according to the following timetable:

Overall timeframe of our action plan		
Activity number	Activity description	Timing
1	<b>New governance and mode of coordination of each RIS3 priority</b>	<b>Q42018- Q4 2020</b>
1a	Selection of the actors involved in the coordination of each RIS3 priorities	Q1-Q2 2019
1b	Setting up animation modes	Q1-Q2 2019
2	<b>Implementation and monitoring of the activities to develop each RIS3 priority:</b> <ul style="list-style-type: none"> <li>• Designing the development strategy for the RIS3 priority</li> <li>• Leading the entrepreneurial Discovery process</li> <li>• Conducting an ongoing monitoring process</li> <li>• Monitoring and reporting progress and results to Regional Innovation Steering Committee</li> <li>• Promoting the know-how inherent to players in the field and contributing to the attractiveness of the CVL region</li> </ul>	<b>Q3 2019-Q4 2020</b>

## Costs

According to the current status, the design and the implementation of a new coordination mode of RIS3 priority will not incur additional costs. The activities of the coordination committees will be carried out by the respective promoters, under the existing of new financial conventions contracted with the Centre-Val de Loire Region and the State.

## Funding sources

If it is necessary, the ERDF OP has been designed to funded the coordination of the RIS3 as part as the ACTION 3 - Actions aimed at providing an environment favourable to companies in their innovation approaches. The Managing Authority has the opportunity to use this modality of funding, if necessary.

## Monitoring and evaluation

In order to monitor, the activities implemented as part of this action plan, we intend to follow the indicators:

- **Performance indicators**
  - Number of coordination meetings (coordination meetings) per RIS3 priority
- **Outcomes indicators**
  - Number of projects per RIS3 priority
  - Proposed policy mix evolution or recommendations per the RIS3 priority



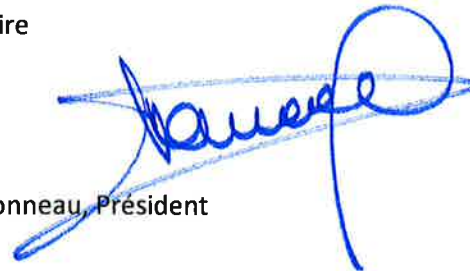
## Commitment

This Action plan has been developed by DEV'UP, who commit themselves implement the actions envisioned within their respective capabilities.

A letter of commitment from the Region Centre-Val de Loire will be accompany this action plan.

Date: 21/03/2019

Name of the organisation(s): DEV'UP Centre-Val de Loire



Signatures of the relevant organisation(s): François Bonneau, President