



S3Chem
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ACTION PLAN SAXONY-ANHALT



SACHSEN-ANHALT

Ministerium für Wirtschaft,
Wissenschaft und Digitalisierung

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S3Chem – Action plan for the promotion of smart specialisation strategies in the chemistry and bioeconomy sector in Saxony-Anhalt

General Information:

Project: S3Chem – Smart Chemistry Specialisation Strategies

Partner Organisation: Ministry of Economy, Science and Digitalisation
Saxony-Anhalt

Other organisations involved: isw Institute for Structural Policy and
Development

Country: Germany

NUTS2 region: Saxony-Anhalt

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1. Introduction

From 2016 onwards the chemical regions Saxony-Anhalt, Limburg, Catalonia, Asturias, Lombardy, Wallonia and Masovia have cooperated in the Interreg Europe Project S3Chem to strengthen smart specialisation strategies in the chemical and bioeconomy sector. All regions have given special priority to this sector in their Regional Innovation Strategies (RIS) due to the economic importance of the chemical industry.

The RIS provides the basis for the regional innovation funding in the framework of the ERDF. In this context, the S3Chem project has looked at different dimensions for the improvement of these policy instruments: better involvement of regional stakeholders and governance, project generation, funding instruments and evaluation and monitoring. Based on good practices identified in several regions an interregional learning process has been initiated. After three years of intensive exchange of experience, the partners have developed an Action Plan, which describes further concrete actions to improve their policy instruments for the promotion of innovation in the chemical and bioeconomy sector. The Action Plan will ensure the impact and sustainability of project results for the implementation of measures in the ongoing structural funds period 2014-2020.

Saxony-Anhalt has focused its work on the improvement of the Regional Innovation Strategy with a focus on the Lead Market Chemistry and Bioeconomy. In the course of the project, it has updated the main ERDF funding programme “Research and Development” by improving funding conditions based on experiences from other partner regions. Furthermore, Saxony-Anhalt has created a new format to bring together regional stakeholders from industry, science and politics in a larger conference to discuss innovation topics and provide a platform for communication and networking. Further conferences with the same approach will be organised in the future. Finally, Saxony-Anhalt plans to develop a more transparent presentation of ERDF funded innovation projects and their results in order to have a better knowledge about the chemical innovation landscape as a basis for further cooperation at regional and European level.

The implementation of the Action Plan will be coordinated by the Ministry of Economy, Science and Digitalisation Saxony-Anhalt, which is the owner of the Policy Instrument. Clusters, Networks and Research Institutes are intensively involved and support the activities.

2. Description of the Regional Action Plan

Policy Context:

The Action Plan Aims to impact: **Investment for Growth and Jobs programme**

Name of Policy Instrument addressed: **Regional Innovation Strategy Saxony-Anhalt 2014-2020 with focus on the Lead Market Chemistry and Bioeconomy**

2.1. Action 1: Improvement of funding conditions of the directive “Research and Development” in the framework of the RIS

2.1.1. Relevance to the project

The improvement of funding conditions for the directive “Research and Development” has taken several inspirations from the interregional exchange of experience with the focus on the improvement of funding instruments, which took mainly place in the 4th semester. An in-depth analysis of the implementation of the “R&D” Directive for the Lead Market Chemistry and Bioeconomy has been completed in Saxony-Anhalt. Interviews with several beneficiaries and the programme secretariat have been organised to understand strengths, weaknesses, and needs for actions. A major shortcoming has been identified in the red tape burden caused by complicated financial reporting requirements, especially related to the administration costs. Furthermore, the limited funding with the ceiling of 400.000 Euro per beneficiary has been criticised, as it is not allowing the implementation of larger projects possibly also with pilot character.

In the course of the interregional learning process, Saxony-Anhalt was especially interested in the experiences of other regions for the application of a flat-rate for administration costs. Several regions such as Lombardy and Catalonia already apply flat-rates. Furthermore, also higher funding amounts are available in these regions. Lombardy region especially also finances pilot projects with up to 5 Mio. Euro. These experiences have been taken into account in the revision of the funding directive in Saxony-Anhalt.

2.1.2. Nature of Action

In the course of the year 2017, the Ministry of Economy, Science and Digitalisation Saxony-Anhalt has revised the funding directive “Research and Development” under integration of experiences from the interregional learning in the framework of the S3Chem Project. The R&D Directive is an ERDF funded directive, which is the main tool to implement innovation promotion in the framework of the Lead Markets for the Regional Innovation Strategy. 140 Mio Euro of ERDF are available for the funding period 2014-2020. Until Mid- 2017 43 projects have been funded with an amount of 23 Mio Euro in the Lead Market Chemistry and Bioeconomy, which represents the 2nd largest lead market with a share of 25% of all projects funded.

The revised funding directive has been published on 29.12.2017. The following changes and improvements have been introduced:

- Introduction of a flat-rate for administration costs which is 15% of the eligible staff costs (previously also administration costs had to be reported on a real cost basis)
- Increasing maximum funding per beneficiary from 400.000 Euro to 500.000 Euro
- Introduction of the possibility to fund pilot projects with maximum funding of 3 Mio. Euro
- Introduction of new eligible themes to fund process and organisation innovation with a funding rate of 50% for SME and 15% for larger companies
- Larger companies are now generally eligible for funding with reduced funding rates

Activities in Phase 2, Monitoring and Indicators:

In the course of phase 2, the Ministry of Economy, Science and Digitalisation Saxony-Anhalt will monitor the implementation of the R&D directive and assess the impact of the improved funding conditions in comparison with the results of funding in the period with the old conditions. A special focus will be given on the innovation projects in the Lead Market Chemistry and Bioeconomy. The following aspects and indicators will be measured:

- Number of project applications, projects approved for the Lead Market Chemistry & Bioeconomy, number of new companies applying for funding
- Average amount of funding per beneficiary, number of projects with funding of more than 400.000 Euro per beneficiary.
- Number of projects with pilot investments, amount of funding allocated to pilots
- Number of large companies which apply and receive funding
- Number of projects with a focus on process and organisational innovation

- Satisfaction of beneficiaries in relation to administrative and financial reporting. With the help of a short questionnaire, the beneficiaries should assess the impact of the introduction of flat-rate for their required work-load

The data will be collected and analysed in a half-year interval. A short report with results will be discussed between the Ministry of Economy, Science and Digitalisation Saxony-Anhalt and Development Bank Saxony-Anhalt to understand the progress of implementation and possible measures to further promote the application of the directive. Furthermore, the meetings of the working group of the Lead Market Chemistry and Bioeconomy will be used to discuss results with stakeholders and get more qualitative feedback. Main results will also be communicated to S3Chem project partners.

2.1.3. Players involved

Organisation	Role
Ministry of Economy, Science and Digitalisation Saxony-Anhalt	The ministry is the owner of the “R&D” Directive and has coordinated the work for the revision of the directive, taking into account the experiences from other S3Chem partners. In the course of the implementation of future innovation funding, it is responsible for the selection of projects. In the working group meetings of the Lead Market Chemistry and Bioeconomy, it is bringing together relevant stakeholders from industry and science to promote participation in innovation funding.
Ministry of Finance, Saxony-Anhalt	The Ministry of Finance has supported the revision of the funding directive as responsible Managing Authority for the ERDF Operational programme.
Development Bank Saxony-Anhalt	The Development Bank Saxony-Anhalt (DB) is responsible for the administrative implementation of the “R&D” Directive. All information is available on their website. The DB offers personal consultations for interested applicants. Furthermore, the DB is promoting the use of the directive with presentations on events and meetings. It collects all applications and prepares decisions for selection by the ministry. All financial and thematic reporting is done between the DB and the beneficiaries.

2.1.4. Timeframe

The “R&D” directive has been revised in the course of the year 2017. The updated directive has been published on 29th of December 2017. Companies and Research Institutes can apply for funding until 2021. Projects can last with the n+3 rule until 2023.

2.1.5. Costs

The costs for the revision of the directive is estimated to be 6 full man-months of employees working in the Ministry of Economy, Science and Digitalisation Saxony-Anhalt which amounts to a total of 36.000 Euro.

From January 2018 onwards, there are 70 Mio Euro available for ERDF funding in the framework of the “R&D” Directive.

2.1.6. Funding Sources

Funding for the revision of the directive comes from own resources of the Ministry of Economy, Science and Digitalisation Saxony-Anhalt.

Funding for the future innovation promotion with the revised “R&D” directive comes from the ERDF OP Priority 1.b.

2.2. Action 2: Organisation of a yearly conference of innovation stakeholders from the Lead Market Chemistry and Bioeconomy

2.2.1. Relevance to the project

The organisation of a conference of innovation stakeholders from the Lead Market Chemistry and Bioeconomy has taken inspirations from the interregional exchange of experience with the focus on improving stakeholder involvement and governance, which took mainly place in the 2nd semester. In the course of this analysis, the governance structure of the lead market has been described, which relies on regular meetings of the Lead Market Working Group for Chemistry and Bioeconomy. These meetings are organised on every 3-6 months by the Ministry of Economy, Science and Digitalisation Saxony-Anhalt. Important innovation stakeholders from industry and science participate to discuss the implementation of the RIS, the fine-tuning of the roadmap and recent activities of the clusters and networks. A major shortcoming has been identified in the participant structure of these meetings, where more or less the same people met each other and also companies were underrepresented.

In the course of the interregional learning process, Saxony-Anhalt was especially interested in the experiences of other regions for the organisation of events that aim to involve a larger audience into the discussion about the implementation of the RIS. Lombardy, for instance, organises a yearly conference to present results from innovation projects funded by ERDF. Catalonia was very active in organising several mid-size events to discuss thematic questions with a group of innovation stakeholders from industry and science.

2.2.2. Nature of Action

Saxony-Anhalt decided to organise a large conference of the lead market in November 2018 in Quedlinburg. This conference has been organised in close cooperation with the clusters chemistry plastics Central Germany, the bioeconomy cluster and the important Fraunhofer Research Institute IMWS, who is one of the main beneficiaries of ERDF innovation funding in the lead market. During this meeting, the current progress of the implementation of the RIS was presented and several companies and research institutes presented their ongoing research. A large area for presentation of posters was given to all interested stakeholders, where many projects have been presented. The meeting was successful in bringing together a larger group of innovation stakeholders from the lead markets also attracting companies. It was a good forum for thematic discussion and networking. The Ministry of Economy, Science and Digitalisation Saxony-Anhalt has promoted the important funding directive "Research and Development", where still a considerable amount of finance is available until 2022 (See action 1)

The organisation of the annual conference will improve the governance of the policy instrument the RIS with focus on chemistry and bioeconomy. The RIS was developed in a bottom up process under involvement of many representatives from companies and research entities. In the course of the implementation period the RIS has been constantly updated taking into account the progress of innovation projects and new emerging topics. The intensive contact and consultation with a larger group of stakeholders is important to ensure a lively further development and successful implementation of the RIS until the end of the funding period. The conference allowed to integrate stakeholders that have not been involved in this process so far.

Activities in Phase 2, Monitoring and Indicators:

In the course of phase 2, the Ministry of Economy, Science and Digitalisation Saxony-Anhalt plans to organise a similar conference in 2020 and 2021. The conference should follow the same approach to give a platform for discussion on the implementation of the RIS in the Lead Market Chemistry and Bioeconomy, to present ongoing research activities and to promote networking of innovation stakeholders. The conference will be organised in close cooperation with the clusters and networks and the Fraunhofer IMWS. The locations should be chosen close to the chemical parks in the southern part of Saxony-Anhalt to ensure high participation of chemical companies.

The costs of the event will be paid from resources of the cluster and Fraunhofer Institute. The Ministry of Economy, Science and Digitalisation Saxony-Anhalt will support in the context of funding opportunities (ERDF).

The following indicators will be measured:

- Number of events organised
- Number of participants (Companies / Research / Administration)
- Number of ERDF innovation projects presented (oral presentation and poster)
- Satisfaction survey to rate the success of the event.
- Number of Media Coverage

The data will be collected and analysed after the organisation of the events. The Ministry of Economy, Science and Digitalisation Saxony-Anhalt and Clusters discuss the success of the events to draw conclusions for future activities. All members of the working group of the Lead Market Chemistry and Bioeconomy will be invited to the events, but also a larger target group will be approached. Main results will also be communicated to S3Chem project partners, who are also invited to participate.

2.2.3. Players involved

Organisation	Role
Ministry of Economy, Science and Digitalisation Saxony-Anhalt	The ministry is coordinating the event organisation and contributes to financing in the context of the funding opportunities.
Cluster Chemistry Plastic Central Germany	The cluster supports the organisation of the conference and ensures the participation of cluster members, it supports thematic presentations of research projects, it contributes to the financing
Bioeconomy Cluster	The cluster supports the organisation of the conference and ensures the participation of cluster members, it supports thematic presentations of research projects,
Fraunhofer IMWS	The IMWS supports the organisation of the conference, it supports thematic presentations of research projects implemented in the Fraunhofer Institute, it contributes to the financing

2.2.4. Timeframe

The first conference has been organised in November 2018. The final S3Chem Dissemination Conference was organised in March 2019 in Halle, where also regional stakeholders have been intensively involved. Therefore, the next larger conference is planned for 2020. A further conference for 2021

2.2.5. Costs

The costs for the organisation of the event is estimated 6 full man-months of employees working in the Ministry of Economy, Science and Digitalisation Saxony-Anhalt, the clusters and the Fraunhofer IMWS, which amounts to a total of 36.000 Euro. Hard costs are estimated at about 20.000 Euro for room rent, catering, etc.)

2.2.6. Funding Sources

Funding for the organisation of the conference comes from own staff resources of the Ministry of Economy, Science and Digitalisation Saxony-Anhalt, the clusters and Fraunhofer IMWS.

Funding for the hard costs is shared between the Ministry of Economy, Science and Digitalisation Saxony-Anhalt (in the context of funding opportunities), the clusters and the Fraunhofer IMWS.

2.3. Transparent Presentation of ERDF funded innovation projects for the Lead Market Chemistry and Bioeconomy

2.3.1 Relevance to the project

In the course of the S3Chem Project, the partners have intensively discussed measures to present and disseminate the results of ERDF funded innovation projects. Comprehensive information about the regional innovation projects helps to better understand how the Regional Innovation Strategy has been implemented. It provides detailed information about the regional innovation landscape by highlighting innovation priorities and competent innovation stakeholders from companies and research institutes.

Saxony-Anhalt has focused its work in the S3Chem Project on the improvement of the funding directive “Research and Development”. More than 40 projects related to the area chemistry and bioeconomy have been funded so far, which constitute an important share. Nevertheless, there is no way to easily access information about these projects. The ERDF Managing Authority publishes a long list of beneficiaries, where all ERDF funded projects are listed (currently more than 1600) It is almost impossible to identify projects, which are funded by a single funding directive (e.g. R&D) This weakness has been identified in the course of the 5th semester analysis on monitoring of innovation funding.

On the other side partners such as Asturias and Limburg have implemented a very transparent approach to present and describe in more detail the single innovation projects – with direct information on the involved partners and research topics. This information is easily accessible on their websites for external stakeholders and the interested public audience.

2.3.1 Nature of Action

Based on the identified weaknesses in Saxony-Anhalt and the good practice in Limburg and Asturias - Saxony-Anhalt would like to establish a similar approach to ensure a transparent presentation of innovation funded projects in the area of chemistry and bioeconomy. All funded projects should be described with relevant information on innovation topic, description of activities, partners, duration and funding amounts. The information should be made available in the form of a short brochure and online. It should be available in German and English. In order to develop this presentation, cooperation with the Development Bank Saxony-Anhalt, who implements this funding directive should be established, to have systematic access to the relevant information. This should allow to constantly update this list of projects in the course of the remaining funding period. The development of the approach and the results will be

intensively discussed with the regional stakeholders in the framework of the Lead Market Working Group Chemistry and Bioeconomy. If finally implemented, the approach could also be transferred and applied to other Lead Markets to have a full transparent presentation of innovation funding across all innovation sectors. The English version will be actively communicated to the S3Chem Partners and other chemical regions e.g. from the European Chemical Regions Network or the new S3 Platform on Chemistry. It should form the basis for identifying also European cooperation potential.

Activities in Phase 2, Monitoring and Indicators:

- Establishing Concept for transparent presentation of ERDF funded innovation projects for the lead market Chemistry and Bioeconomy (isw)
 - Core Data will be taken from the list of beneficiaries, which is openly available and can be published according the EU Regulations, the list contains information on: name of beneficiary, Postal code and town, name of project, short description of project, duration, ERDF funding and own resources. (The pilot will start with projects from the lead market chemistry and bioeconomy – which are in the range between 40 and 50 projects)
 - This information is normally collected and published by the Managing Authority (Ministry of Finance) on the website <https://europa.sachsen-anhalt.de/esi-fonds-in-sachsen-anhalt/informationen-fuer-interessierte/liste-der-vorhaben/> The Development bank (ib) also has a database with more structured information related to the different funding programmes and an allocation of the projects to the different lead markets. The ib also is responsible for the formal implementation of the funding programme and has regular contacts with the beneficiary and receives progress reports.
 - Isw will be responsible for the development of the concept for transparent presentation of ERDF funded innovation projects for the lead market chemistry and bioeconomy, using the available data and developing a format which is easy and comprehensive to access, the aim is to give interested innovation stakeholders detailed information about recent and ongoing research activities in the lead market chemistry and bioeconomy, research competences of universities and research institutes in the area to promote further innovation cooperation between companies and science
- Meetings between Ministry of Economy, Ministry of Finance and Development Bank to discuss about concept and model for exchange of information (mw, isw, ib)
 - MW, IB and isw will meet to discuss the concept and arrangements how to transfer process information about the projects from the existing databases, Possibilities to enlarge the existing information with a bit more of thematic description will be discussed (max. ½ page) Furthermore possibility to

mention contact details of relevant researcher and company representatives will be discussed in line with data protection rules

- Collection of Data of funded projects, contact to Beneficiaries to eventually collect additional information
 - Ib will send relevant information about projects to isw, who will process it to the new form of presentation
 - Isw will develop a questionnaire to collect more detailed description of thematic focus of research projects, which will be sent via ib to the beneficiaries, ib will collect information and forward it to isw with consent of the beneficiaries. (besides the core information, which are open for publication according to European regulation it is the aim to have a comprehensive description about the innovation activities and also contact information of responsible persons – respecting the data protection regulation)

- Establishment and Testing of information platform for the transparent presentation of ERDF funded projects
 - Isw establish the information platform and process all information, which is received, information will be available in English and German
 - A proposal for exchange and updated of data via interfaces will be developed to ensure easy transfer of information between MA/IB and the future online platform
 - A testing process will be implemented involving stakeholders from the lead market working group as well as staff from MA and IB to receive a feedback on the usability of the proposed system

- Adaptation and transferring data to the platform (Brochure and Website)
 - Isw will publish all information in a form of a brochure in German and English (PDF, Printing 100 copies)
 - Isw will prepare the data in electronic format to publish them on website, following platforms can be used (Europa Website ERDF of the Ministry, Cluster Websites, research and innovation portal of Saxony-Anhalt, <https://innovationen-sachsen-anhalt.de/>, <https://forschung-sachsen-anhalt.de/> - so far there is no information about ERDF innovation projects in these large databases)

- Dissemination and information about the platform to the regional stakeholders and European Partners
 - Mw will invite regional stakeholders from the lead market to present results of pilot projects and promote future active use as information and cooperation platform
 - MW will disseminate information to the European partners from S3Chem, ECRN and S3Platform to open up possibilities for European Cooperation

- Updated information from the system will be regularly discussed in the framework of the lead market working group to allow monitoring and evaluation of success of implementation of RIS, results will be used to update the road map and to implement certain promotion measures in selected innovation areas
- Establishment of follow up procedures and interfaces to ensure sustainable usage for continuous updating
 - Mw, ib and isw will agree on procedures how to update the information of the platform with newly approved projects in the course of the remaining funding period. Isw will develop a proposal, which should be based on interfaces and ensure low staff efforts
 - Ministry of Economy can also extend this approach to all lead markets describing more than 200 projects.

2.3.3. Players involved

Organisation	Role
Ministry of Economy, Science and Digitalisation Saxony-Anhalt	Coordination of pilot and ensuring involvement of Development Bank, ensuring sustainable use of the platform, dissemination of results to stakeholders (Detailed description of the division of work see planned activities)
Isw Institute	Development of Concept, Collection and adaptation of data, the establishment of platform and development of a proposal for sustainable use
Development Bank Saxony-Anhalt	The Development Bank provides information about the funded project and establishes contact to the beneficiaries. It ensures interface for future cooperation.

2.3.4. Timeframe

The activities are implemented from April 2019 until March 2020.

2.2.5. Costs

The costs for the action event is estimated 2 full man-months of employees working in the Ministry of Economy, Science and Digitalisation Saxony-Anhalt, and the Development Bank, which amounts to a total of 12.000 Euro.

Furthermore, costs of 36.150 Euro have been planned in the pilot action application for the isw Institute to be paid by the Interreg Europe budget in phase 2.

2.2.6. Funding Sources

Funding for the staff time comes from own staff resources of the Ministry of Economy, Science and Digitalisation Saxony-Anhalt and Development Bank.

Funding for isw Institute comes from Interreg Europe budget.

Thanks to all project partners



isw

Institut für Strukturpolitik und Wirtschaftsförderung
gemeinnützige Gesellschaft mbH



Mazovia.
heart of Poland

provincie limburg



**Regione
Lombardia**



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ACCIÓ



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