



SmartPilots

Interreg Europe



European Union
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Development Fund

Innodriver: A voucher system for interregional cooperation in a region not hosting a pilot facility

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The Lombardy policy in bioeconomy

Within SmartPilots, Innovhub SSI srl addresses the following policy instrument :

Programma operativo nell'ambito dell'obiettivo "Investimenti a favore della crescita e dell'occupazione" in Lombardia 2014-20 (Operational Program – OP – in the framework of the "Investments for growth and employment" – Lombardy 2014-2020)

The OP of Lombardy focuses on three main goals in order to implement a regional strategy coherent with a "smart, sustainable and inclusive" growth:

1. Set the Region back on a sustainable growth path
2. Increase system productivity (both private and public)
3. Increase companies' competitiveness



Starting from this point, Lombardy government included in the SmartPilots Action Plan a specific action titled «Development of support actions addressed to local SMEs to improve their R&D capacities and facilitating their access to high performance infrastructures (voucher schemes)»

Background

European Shared Pilot Facilities for the bio economy represent a strategic opportunity for SMEs to avoid the “valley of death” and reducing the risk linked to the upscaling process toward the market.

In Lombardy we don't actually have such open infrastructures but only private plants developed by medium and Big companies for own purposes.

To stimulate R&D bio economy projects developed by SMEs and start ups, the Region can enlarge the scope of the actual funding scheme including, among the project costs, those related to the use of biobased facilities.

Since there are no such infrastructures on the regional territory, the companies could use such funds to access foreign plants.

[ERDF funds in fact limit the benefit of the funds to subjects based on a specific territory but doesn't prevent these subjects to use them abroad if the requested expertise is not available at local level.](#)

The Region has decided to enlarge the actual voucher tool for R&D project (within Law 29) also to projects that require piloting in dedicated plants.



The SMARTPILOTS project:

Improving policies in support of shared pilot facilities to increase their impact on the Key Enabling Technology Industrial Biotech and the European Bioeconomy

ACTION PLAN for the REGION LOMBARDY

To be implemented and monitored from April 2018 – March 2020

The Region Lombardy is represented in this project by Innovhub SSI (Partner 7)

Action 1	Development of support actions addressed to local SMEs to improve their R&D capacities and facilitating their access to high performance infrastructures (voucher schemes)
1. Background	<p>The context:</p> <p>European Shared Pilot Facilities for the bio economy represent a strategic opportunity for SMEs to avoid the “valley of death” and reducing the risk linked to the upscaling process toward the market.</p> <p>In Lombardy we don’t actually have such open infrastructures but only private plants developed by medium and Big companies for own purposes.</p> <p>Lessons learned from the SmartPilots project:</p> <p>Thanks to SmartPilots project, Lombardy Region had the chance to learn the functioning of these added value infrastructures and the benefits they can offer to companies (mainly Start ups).</p> <p>It has been possible in fact to learn (through the study visits) some important element such as business model, investment request, stakeholders involvement, rules of public vs. private funding and local economic and social impact deriving from the use of these facilities.</p> <p>In addition to this, the analysis conducted among SmartPilots partners and the related best practices detected, represented the starting point for Lombardy Region for the development of this Action.</p> <p>Below the best practices that stimulated this reflection:</p> <p><i>Innovation Vouchers</i></p> <ul style="list-style-type: none"> • Voucher programmes through INNOSUP (https://ec.europa.eu/easme/en/innosup) with coordination by EASME to provide innovation vouchers for 75% of project costs up to a maximum of €60K eg. H2020-SuperBio (http://www.h2020-superbio.eu/). Whilst limited in scope, these vouchers are valuable for accessing pilot facilities to validate high potential technologies. <p><i>Innovation vouchers</i></p> <ul style="list-style-type: none"> • Interregional partnership within the North-West European region ran an Interreg North West Europe project entitled ‘Bio Base NWE’ (2013-2015, http://www.biobasenwe.org/en/home/). A new interregional partnership currently runs the Interreg NWE project entitled ‘BioBase4SME’ (March 2016 – February 2019, http://www.nweurope.eu/projects/project-search/bio-innovation-support-for-entrepreneurs-throughout-nwe-regions/). In both projects BBEU is involved. <p><i>Use of national grant budgets to support subcontracts in different member states</i></p> <ul style="list-style-type: none"> • Flanders and UK allow beneficiaries of support mechanisms to source expert services or capabilities outside of the region (still to be motivated and preference to be giving to partners within the region). (eg. in Flanders: https://www.interregeurope.eu/policylearning/good-practices/item/1480/innovation-r-d-company-grant-scheme-of-flanders-innovation-and-enterprise/) <p>The above initiatives have been the incentive that lead the Region to consider the use of an existing financial scheme within Lombardy Region’s ROP 2014-2020 as described below (Call Innodriver-S3, edition 2017/2018).</p>
2. Action description	<p>Currently, to guarantee equal opportunities to regional companies and to support their competitiveness, the Region manages funds (both regional and structural) that can cover part of the R&D projects costs connected to consultancy offered by research centers. In particular, for R&D bio economy projects, developed by SMEs and start-ups, the piloting and scale up phase is essential and would require the use of biobased facilities.</p>

Action 2	Increase awareness among PA regarding biobased opportunities for the local development through a direct commitment of enterprise associations, financial organisations and public institutions
1. Background	<p>The context</p> <p>One of the main issue related to bioeconomy is the trust on the products developed using biomass feedstock. The customers have still to be properly informed and to reach this goal, citizens, civil society, bioeconomy innovation networks, local research centers, business and industry stakeholders and various levels of government have to explore bio economic innovation processes in open and informed dialogues.</p> <p>Lessons learned from the interregional learning within the project</p> <p>This approach has been demonstrated within Smartpilots through the involvement of ARD case study. In particular this has showed how successful is, in the creation of a biobased economy, the direct involvement of stakeholders, both from an economic and social point of view.</p> <p>Thanks to the study visit at ARD, we learned that in the 1980s the idea of creating value from agricultural by-products in non-food applications emerged in Pomacle and starting from the premise that innovation, research and development were the pre-requisites for this value creation, manufacturers and cooperatives in the Champagne Ardenne region joined forces to optimise research and promote the development of bio-based products within their region.</p> <p>This approach of course had an impact also on the local institutions that included bioeconomy within regional priorities.</p> <p>Further in early 90’s several grain cooperatives in Champagne-Ardenne decided to provide their financial support to innovation and contributed to ARD development.</p> <p>In 2005, the creation of IAR (the French cluster dedicated to the Bioeconomy which brings together more than 340 stakeholders from farmer cooperatives, research organisations and universities to VCs, start-up, SMEs and large industries, including end-users, around a common goal: the optimal valorisation of renewable resources) was another illustration of the shared commitment of research centres like ARD and centres of higher education and industry from Champagne - Ardenne and Picardie to a single objective: creating value from plant resources in non-food applications at global level.</p> <p>This example shows clearly how the interest of economic stakeholders and producers can impact on R&D initiatives, starting from a need they had in terms of re-use of waste deriving from their agricultural productions.</p>
2. Action description	<p>To allow a further development of bio economic practices, processes and products at regional and the EU level, it’s fundamental to reduce the existing cultural barriers. The Regional Government can play a strategic role by creating synergies with local stakeholders who can contribute to reach this goal. In particular the Region can promote the creation of a working groups that can stimulate the discussion and bring data and inputs to the political level, toward the elaboration of regional initiatives.</p> <p>The starting point could be the annual report developed by Intesa SanPaolo (one of the biggest Italian Bank group) on bioeconomy in Europe: this document is annually developed to present the current situation and analyse the value of bioeconomy in the economic scenario.</p> <p>The strategy is to make an insight into the Regional situation, underlying strengths,</p>





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Regione
Lombardia



POR FESR 2014-2020 / INNOVAZIONE E COMPETITIVITÀ

ROP ERDF 2014-2020

Axis 1 «Strengthen research, development and innovation»

Innodriver S3 Call – Edition 2019

Actions A and B – aims and goals

In July 2019, Lombardy Region approved the essential elements of Innodriver S3 call - edition 2019.

The aim of the call is to support micro, small and medium companies based in Lombardy to purchase and develop advanced services of technological innovation and IPR.

In particular the call is addressed to:



Action A

Stimulate product and process technological innovation, supporting collaborative projects between companies and research organisations/tech transfer centres.



Action B

Support companies toward the participation to R&D&I programmes, financing high level projects not funded under H2020 SME Instrument.

Eligible subjects

The subjects who can apply to the call are:

Companies:



- micro, small or medium;
- Regularly operating and registered in the Companies' Register, with a site in Lombardy;
- That develop projects within the regional territory.

Total budget available amounts to 7.000.000,00 €:



Action A



6.100.000,00 €



Action B



900.000,00 €

Lump sum for the realisation of an innovation project in collaboration with a research organisation (that provides basic research or lab services)



40.000,00 € (minimum investment)

25.000,00 € (maximum funding per project)

Lump sum for a Phase 2 submission (EIC Accelerator Pilot) recognised for a project that received the «Seal of Excellence – Phase1» within H2020 SME Instrument



30.000,00 € (maximum funding)

In both actions, the projects should refer to at least one area of “Regional specialisation strategy for R&I” according to the 8 ecosystems:

		S3 Specialisation (7 Areas and 1 transversal development driver)								
		Aerospace	Agrofood	Eco-industry	Creative and cultural industries	Health industry	Advanced manufacturing	Sustainable mobility	Circular Economy	SCC - Smart Cities & Communities
Needs collected from the territory	Nutrition									
	Health and Life science									
	Advanced Manufacturing									
	Territorial sustainability									
	Social Development									
	Culture and knowledge									
	Connectivity and Information									
	Smart Mobility and Architecture									



Eligible projects



Action A

Through this call it is possible to finance projects addressed to:

- Process innovation (to increase productivity and efficiency in goods and/or services production)
- Product innovation (to create new markets eg. Improving products' variety or creating new ones)

The projects have to be realised in collaboration with Research and Innovation Centers that provide basic and/or laboratory research services and have to foresee:

- The creation of new products, processes or services (disruptive and/or incremental innovation)
- Production processes innovation and distribution of products/services already on the market.

Eligible costs



Action A

- **A) Costs for the purchase of technical and consultancy services provided by research organisations:** technical competences and skills in research, innovation and tech transfer. Are also included: preliminary analysis and characterisation services, design and prototyping, engineering technologies, software/hardware products, lab certification costs.
- **B) Staff costs,** up to 20% of direct eligible costs (Category A) – lump sum based.
- **C) Indirect costs,** up to 15% of total direct staff costs (Category B) – lump sum based.



Action B

- The contribution can be granted to the company that has applied for SME Instrument Phase 1 reaching a total threshold of 13 scores but that was not financed due to depletion of EU funds; the company has to submit a Phase 2 (EIC Accelerator Pilot) for the same project, duly revised.
- **ELIGIBLE PHASE 1 CALLS:** cut-off between 8th November 2017 and 5th September 2019
- **ELIGIBLE PHASE 2 CALLS:** 9th October 2019, 8th January 2020, 18th March 2020, 19th May 2020, 7th October 2020



Evaluation criteria

Criteria	Evaluation elements	Score
Innovation level of the project: improvement in the competitive level and technological development of the applicant	Quality, project innovativeness in comparison to the state of the art (absolute innovativeness)	0-30
Project quality: congruity of project elements to reach the foreseen goals	Project innovativeness according to technological level of the company and related market (relative innovativeness)	0 -20
Project economic quality: congruity and relevance of costs with implementation timing	Congruity and relevance of costs with implementation timing and project sustainability (financial and economic)	0-20
Applicant's skills: capacity of the research organisation	Adequacy and technical-scientific capacity of the research center identified for service supply	0-10
Applicant's skills: company's capacity	Technical – scientific capacity of applicants for the innovation project realisation	0-10
Innovation impact of the project: potential impact on markets	Incidence of the project on development and competitiveness growth of beneficiary company	0-10

Some reflections: strengths...

- Through government-sponsored funding schemes (e.g. **Industry 4.0**), advanced manufacturing in bio economy can apply flexible depreciation rules (hyper or super) for investments
- **Seal of excellence** in the event of non-granting of funding: SME-applicant to SME instrument with score above threshold but not granted could receive funding through ERDF for Phase 1 projects.
- **Tax credit for R & D investment** covering some eligible expenses including those incurred for technical expertise and industrial and biotechnological patents who have provided good economic returns in the bio economy sector
- **Support to local initiatives** on bio economy: incentives focused on biogas; support to Green Chemistry Cluster (policy instrument)
- **Support measures** (at national level) to promote plants realisation (Minister for Economic Development has allocated 29 M€ for green chemistry – 20% for northern regions)

...and weaknesses in Lombardy

- **Lack of public SPF**, we currently have only some private facilities
- **No specific programmes** for supporting bio economy with direct regional or national funds
- **No specific incentives** for SMEs to develop bio based process and scaling up within SPFs
- **National Bio economy Strategy not yet fully implemented regionally**: officially launched in April 2017 (revised in 2019), need to be converted into an action plan
- **Lack of a fixed and coherent regulatory system**, which harmonise regional and national strategies
- **Scarce integration among regional depts.** that should collaborate toward a common goal (i.e. dept. responsible for R&D programs is far from infrastructures dept. and there are no synergies in the budget allocation)



CONCLUSIONS

- Bioeconomy in Lombardy is an interesting market: we detected a demand from companies operating in this sector who request services and programmes that can support innovative projects.
- Lombardy Region doesn't have pilot facilities on its territory; a possible investment for the creation of such infrastructure is not currently an option as it will require a huge amount of money and commitment from different stakeholders (both private and public).
- Lombardy Government has successfully implemented supporting measures to stimulate collaboration among companies and research organisations, addressed at the development of new services/products and improvement in production processes.
- Innodrivers is a tool that has been operating since 2017 obtaining requests for funding that go always beyond the available budget. This demonstrate how such instrument is positively perceived by companies that use the funding to increase their innovation capacity.
- Lombardy Region, according to “lessons learned” within SmartPilots projects, managed to enlarge the scope of the Innodriver instrument, allowing regional companies to use part of the funding to pay for services delivered by research organisations, even based abroad.
- This action represents an opportunity to stimulate interregional cooperation between regional companies and foreign experts/facilities like pilot facilities.
- Lombardy Region managed to impact on the ROP without affecting the general scope of the programming period; quite the opposite it improve an existing strategy with better tools and approaches.



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Thank you!

Questions welcome