

EcoRIS3
Policies & Measures to Support Local & Regional Innovation Ecosystems

ACTION PLAN
CIM do AVE
North Region, Portugal
June 2019



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1 Part I- General information

Project: Policies & Measures to Support Local & Regional Innovation Ecosystems (ecoRIS3).

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2 Part II – Policy context

The Action Plan aims to impact:	Investment for Growth and Jobs programme
	European Territorial Cooperation programme
x	Other regional development policy instrument

Name of the policy instrument addressed: ROP NORTE 2020

Priority Axis1- 1.2.4 – Increase business investment in innovative activities (product, process, organizational and marketing methods), promoting the increase of the production capacity for trade and internationalization and changing the production profile of the economic structure

The CIM do Ave (The Intermunicipal Community of Ave) replaced ADRAVE (Ave Regional Development Agency) in ecoRIS3 project. Therefore, the CIM do Ave had no participation in the preparation of the project application nor in the first stages of project implementation. However, the CIM Action Plan will be consistent with the project general objectives, will try to contribute to the improvement of the proposed policy instruments, and will propose specific initiatives to improve the strategies and instruments to Increase business investment in innovative activities in the Norte Region of Portugal and more specifically in the territory of the CIM do Ave.

The policy instrument to be improved through the ecoRIS3 project is the priority Axis 1 of the Regional Operational Programme NORTE2020, specific objective 1.2.4 – Increase business investment in innovative activities (product, process, organizational and marketing methods), promoting the increase of the production capacity for trade and internationalization and changing the production profile of the economic structure.

This specific objective aims at improve the business competitiveness based on innovation to add value to the product, make a difference from competition and gain control over the value chain. Innovation materializes in the investment in the valorization of knowledge with translation in the development of new goods and services, investment in organisational innovation and new models the exploitation of the results of R&D&I investment and integration into innovation networks. and global value chains.

The ROP 2020 shows difficulties of technology transfer to the market. In this sense, it is essential to support, within the priority areas of the smart specialisation strategy (regional) and national), the development of pilot, pre-commercial and commercial projects, and accelerating the introduction of new technologies and products into the market. This support is essential to accelerate the innovation cycle and validate new solutions impact on business performance and exports.

The programme intends to achieve the target of 2.7% to 3.3% R&D expenditure in GDP by 2020.

The challenges to tackle identified by the policy instrument, have been confirmed by the local SWOT analysis carried out within the framework of ecoRIS3 project, as follows:

- the low levels of public and, above all, private investment in R & D;
- the misalignment between the provision of advanced training and the capacity to absorb the regional economy of the most skilled workers;
- the excessive fragmentation of the scientific and technological system, as well as the support for R & D;
- the imbalance in resource allocation between demand pull and science push logics;
- the lack of consolidation of the technological market;
- the insufficiency and some bias of financial engineering instruments in support of innovation, internationalization and entrepreneurship; (reduced levels of entrepreneurship, in particular the most innovative; the difficulties of articulation between the entities of the Scientific and Technological
- System, technology production and development enterprises and advanced users.

The ROP support is provided through open calls for applications that are centrally managed. Applications can be submitted by individual companies or by intermediary organisations representing the business community. The National Regulation of support measures on Competitiveness sets all grant conditions, although the implementation need to be done at regional level (or eventually at sector or company level). Strictly speaking, the policy instrument is a national one which is funded out of the specific regional operational programme in each of the Portuguese regions. Therefore, the influence on the funding sources may be limited.

Therefore, as the influence in the planning of the policy instrument may be limited, **the Action Plan will focus on improving the implementation of innovation support measures in the area covered by the CIM do Ave** (which is the same previously covered by ADRAVE). The ecoRIS3 Action Plan is connected with the initiatives CIM do Ave is carrying out to boost the investment in Innovation of local SMEs, such as

In any case, the CIM do Ave Action Plan will still be fully consistent with the project general objectives, will try to contribute to the improvement of the proposed policy instruments, and will propose specific initiatives to improve the strategies and instruments to support the innovation of SMEs in the Norte Region of Portugal and more specifically in the territory of the CIM do Ave.

CIM do Ave is one of the 23 intermunicipal communities that were created in Portugal after the local government reform in 2013. Their area is coincident with the NUTS3 boundaries. The CIMs have replaced previous organisations, they are quite new structures, which are still consolidating. Recently adopted legislation (August 2018) have redefined the competences of CIMs, which include the promotion of investments and the development of local economy and entrepreneurship.

In the last two years, CIM do Ave has started the implementation of pilot projects to promote entrepreneurship, improve SME competitiveness through research and technological development, with the support of the Norte ERDF Operational Programme (Norte 2020):

- “IN.AVE 2020 – Promoção de Empreendedorismo Qualificado de Especialização Territorial” (Promotion of Qualified Entrepreneurship of Territorial Specialisation)
- “IN.AVE – Qualifica PME”, to improve innovation capacity and enhance the competitiveness of local SMEs

CIM do Ave is particularly committed to encourage innovation and technology transfer to enhance and maintain long-term competitiveness of local companies. The Action Plan will focus on:

- Promote and support innovation and technology transfer.
- Improve the visibility of innovation as a driver to foster local and regional innovation

The interregional learning process carried out during the implementation of the Phase 1 of the ecoRI3 project has been instrumental to identify new measures to improve the priority Axis 1 of the Regional Operational Programme NORTE2020, specific objective 1.2.4 – Increase business investment in innovative activities (product, process, organizational and marketing methods). As explained above, the Portuguese companies collaborate only weakly with system actors other than those companies that are part of international R&D projects (FP7). The excessive fragmentation of the scientific and technological system, as well as the support for R & D; along with reduced levels of entrepreneurship, in particular the most innovative was identified as a major obstacle for increasing innovation of SMEs, a weakness only partially covered by the existing supporting instruments.

During the policy learning phase of ecoRIS3 project, it has become clear that SMEs need additional support, because they have difficulties to access to ordinary instruments, particularly in case of microcompanies and traditional sectors.

CIM do Ave has learned from policy instruments and good practices exchanged during the project activities. Given the limited scope and development of the CIM do Ave policy instrument, most of the experiences are far too advanced to be directly transposed, but they have offered specific elements that have been instrumental to design the actions and activities:

- Importance of improving the local ecosystem, from different points of view: governance, engagement of key stakeholders, open innovation initiatives, etc. The experience of Fomento de San Sebastian (FSS) in strengthening the local ecosystem and fostering innovation has had a strong influence in the some of the actions, such as the strategic partnerships with key local agents. The degree of engagement and cooperation of technology centres and large companies in local programmes to support innovation (Technology vouchers and Donostia UP Best Practices).
- Connection between academia and business. The Best Practices from CIT (Dell EMC / CIT develop MSc in Cloud Computing and CIT Extended Campus) involving business in the design of the academic offer to respond to the market requests.

- Business cooperation for innovation. The interregional learning exercise of the Workshop n°4 and study visits held in Vilnius Lithuania on the 27th & 28th November 2018 on the topic of “Business and Science cooperation”, has provided very useful information on the steps to address successful cooperation between business and science:
 - Providing support services for the development of start-ups and to foster entrepreneurship at the Universities. This support can be provided by means of: Physical place, such as incubators like 2i3T and I3P in Città Metropolitana di Torino.
 - Supporting services, such as the technological vouchers provided by Fomento San Sebastián.
 - Co-creation methodologies such as the BP Co-creation model by Helsinki University can help to enable a knowledge flow from research to business and to work together.

CIM do AVE envisage to improve the policy instrument by:

- a) New project supported: the Innovation and Internationalisation Council along with the yearly Forums to • Promote innovation, research and knowledge transfer will increase the services provided in Ave region to increase business investment in innovative activities (product, process, organizational and marketing methods).
- b) Improved governance: the actions and services implemented in the Action plan will foster collective support to SMEs accessing technologies and innovation, strengthening the public support to market knowledge actions, strengthening business cooperation with universities and technological centres to encourage innovation.

3 Part III – Details of the actions envisaged

1. Action 1: Creation of the Innovation and Internationalisation Council (Conselho de Inovação e Internacionalização do Ave - CII)

CIM do Ave will create an **Innovation and Internationalisation Council (Conselho de Inovação e Internacionalização do Ave - CII)**, integrated by public authorities, technology and research centres, representatives of the business community, innovation interfaces and other relevant public and private actors. The CII will:

- improve the governance of local innovation policies, providing effective advice to CIM do Ave and to other organisations in the area,
- bring local actors closer together to strengthen the innovation ecosystem,
- help to evidence the challenges and opportunities for innovation, and to communicate and promote innovation and internationalisation of companies
- communicate the needs and priorities for innovation and internationalisation of Ave companies and stakeholders to the Regional Innovation Council of the Norte Region.

The CII will be built on the experience of Local Stakeholder Group created within the ecoRIS3 project. There will be meeting regularly (at least once per quarter).

For the implementation for this action, CIM do Ave will sign **Strategic Partnerships** with local technology and research centres (see stakeholders below) to become preferred partners in the dissemination of innovation and in other local actions. The CIM do Ave **Strategic Partners** will provide support, advice and mentoring to SMEs in innovation projects, including the preparation of collaborative applications to be submitted to national and EU funded research and innovation programmes. The Strategic Partnerships will work as levers for more ambitious collaborative projects and for long-term cooperation. The Strategic Partnerships that are planned to be signed during the implementation of the Action Plan will be:

- The Portuguese National Innovation Agency (ANI – Associação Nacional de Inovação). ANI will provide information and support to the SMEs on the possibilities to get funding for innovative and knowledge transfer projects as well as promote collaboration between entities of the scientific and technological system.
- CITEVE. CITEVE is a Technological Institute in the textile and clothing. It is a private non-profit organization, well connected to the public sector, both at national and European level, and influences the definition and implementation of public policies that are relevant for the textile & clothing industry. It provides services to develop innovative products and R+D solutions to the textile sector to increase the competitiveness of the SMEs in the region.
- University of Minho. University of Minho has a recognised stance in innovation and knowledge transfer and valorisation, promotion of entrepreneurship culture and creation of spin-offs through partnerships with companies, local and national authorities and agencies. UMinho has an interface unit based in Azurém (Guimarães).
- Local Development Units in Guimaraes (Guimaraes Marca) and Vila Nova de Famalicao (MADE IN). Both municipalities have established local economic development units that provide different services to local SMEs. The Strategic Partnerships will help to strengthen their innovation services. I.E. The BP of Guimaraes Marca is supporting new entrepreneurs within such new businesses which are operating on the field of innovation, new technologies of information and communication, collaborative procedures, urban arts, urbanistic renewal.

The Strategic Partnerships will help to increase collaboration within the local innovation ecosystem to boost technology transfer and exploitation of research results. Collaboration is particularly critical in an area with limited resources, density of agents and experience, although on the contrary all of these often leads to less cooperation. Collaboration should start by improving mutual understanding and trust, and by generating opportunities for knowledge exchange.

The services included in this action has been partially inspired by the interregional learning among partners developed during the debates and exchange of experiences of the following Best Practices:

- a) Piemonte's Regional Innovation Poles (P 6 Metropolitan City of Turin). This BP has allow us to learn how to coordinate structures among the different actors of the innovation process in a specific sector: innovative start-ups, SMEs, big enterprises, research institutions to stimulate innovation activities.
- b) The Cork City Public Participation Network (PPN) (P2 Cork Institute of Technology). This network of community, voluntary, social inclusion and environmental groups active across Cork City has provided us a useful background on how to increase SMES engagement, participative democracy and engagement with local government to strengthen partnerships among the actors of the local ecosystem.

2. Action 2: Promote innovation, research and knowledge transfer forums at Ave Region

CIM do AVE will implement a yearly event Forum to raise awareness and increase visibility on innovation and research and knowledge transfer.

The event will be addressed to the local and regional SMEs and will count on the participation of the main local stakeholder partners:

- a) Public institutions with competences on innovation, will inform on the funding opportunities and trend on innovation and research.
- b) Technology and research centres will provide information and examples of successful cooperation with local SMEs
- c) Academia with strong focus and research and knowledge transfer will showcase practical examples of spin off and start-ups.

This initiative has been partially inspired by the 2 BPs of Fomento San Sebastián: DONOSTI UP and WEEKINN. Donosti UP includes a wide range of activities to provide support to local SMEs to increase their investment in R+D and WEEKINN, the Innovation Week of San Sebastian, is a key event of the year to make visible local innovation in the city at different sectors and at different levels: companies, research centers, associations or entrepreneurs. WEEKINN has inspired CIM do AVE about formats, topics and speakers that could be of interest for local SMEs in the Ave region.

3. Action 3: Implementation of a communication strategy to promote a culture of innovation at regional level.

An element closely intertwined to formulating an effective vision is RIS3 communication. Good communication of the RIS3 is essential to ensure its endorsement by all stakeholders of the region, and beyond. Communication is needed all along the process, adapting the content to the appropriate stage (adoption of a vision, adoption of policy priorities, endorsement of an action plan, implementation of key projects, etc.).

Interviewees conducted for the preparation of the SWOT analysis have highlighted effective communication during the design and implementation process as one of the main areas for improvement regarding the RIS3: in particular the majority of the negative responses are those from the Third level educational and research institutions and the Governmental and policy making institutions. This leads to a conclusion that although those institutions are aware of the concept of the RIS3 they considered that communication and public engagement should be improved at regional level with quadruple helix stakeholders.

To tackle this challenge CIM do AVE will implement a communication strategy to promote culture of innovation at regional level. The strategy will involve the effective participation of representatives of the local and regional actor of the innovation ecosystem in workshops, events and awards. CIM do Ave intends to enlarge already running BP like Nanotech Awards, which aims at increasing visibility to the best industrial projects related to implementation and use of nanotechnology in the north of Portugal

4. Stakeholders involved

CIM do Ave. CIM do Ave acts as local Innovation and Economic Development Agency. It will be running and co-financing the support programme and will act as catalyser, to identify and recruit the SMEs, to set strategic partnerships with technology centres and large companies that can act as mentors of smaller companies.

Municipios (Local Councils). CIM do Ave works in close coordination with the municipalities of the area. They will be involved in most of the activities proposed in the Action Plan, to avoid any overlapping and to generate synergies with local policy instruments and actions.

CCDR-N (Regional Coordination and Development Commission of the Norte Region). The CCDR-N is the management authority of the Norte 2020 Operational Programme and very likely will be the MA in the future programming period 2021-2027. The CCDR-N chairs the Regional Innovation Council, composed of selected agents of the innovation ecosystem, including the intermunicipal communities. The CIM do Ave will liaise with the CCDR-N to involve key persons in the implementation and the monitoring of the Action Plan.

Research and Technology Centres. CIM do Ave will liaise with the research and technology centres located in the area or in neighbour areas. The Universidade do Minho (Ave Park, Campus de Azurem, Guimaraes) and CITEVE, located in Vila Nova de Famalicao, are the main centres research and technology in the area, but there are other organisations like the Design Institute that would be involved in the development of the measures included in the Action Plan.

Business Community. CIM do Ave will invite local business leaders to actively participate in the implementation and monitoring of the Action Plan. The main goal of the Plan is to spread the message of and raise the awareness of SMEs on innovation, so the organisations representing the business community will be fully involved.

5. Timeframe

The implementation of the Action Plan will kick-off in 2020 with the completion of the preparatory actions and the setting up of the governing and advisory structures, such as the Innovation and Internationalisation Council.

In 2020, CIM do Ave will try to secure the appropriate funding for the implementation of the different measures through:

- Redirection of CIM budget
- Submission of applications for funding to the Norte 2020 Operational Programme
- Sponsorship by private groups and co-financing with other organisations

The Action Plan will be fully operational in 2022. It is expected that by end 2022 the main measures had been implemented including the signature of strategic partnerships with most relevant research and technology centres and leading companies.

6. Indicative costs

The measures proposed in the Action Plan have different financial implications. Some measures, such as the creation of the I&I Council and the signature of strategic partnerships will have limited financial

requirements, at least in a first stage. Later on, the strategic partnerships may need some funding to be fully developed.

7. Indicative funding sources (please describe how action 1 will be financed. Is it through the policy instrument(s) indicated in part II):

CIM will seek additional Norte 2020 funding to develop the Action Plan. Local funding will primarily support staff and administrative costs incurred. External funding will be sought to enlarge the local services.

The annual estimated cost will be in the range of €40,000.

Date:

Signature: *João de Jesus Aguiar*



Stamp of the organisation (if available): _____