

PGI05786 – IMPROVE

**Improving Structural Funds for better delivery
of R&D&i policies**

Joint State of the Art Report

Common challenges

June 2020

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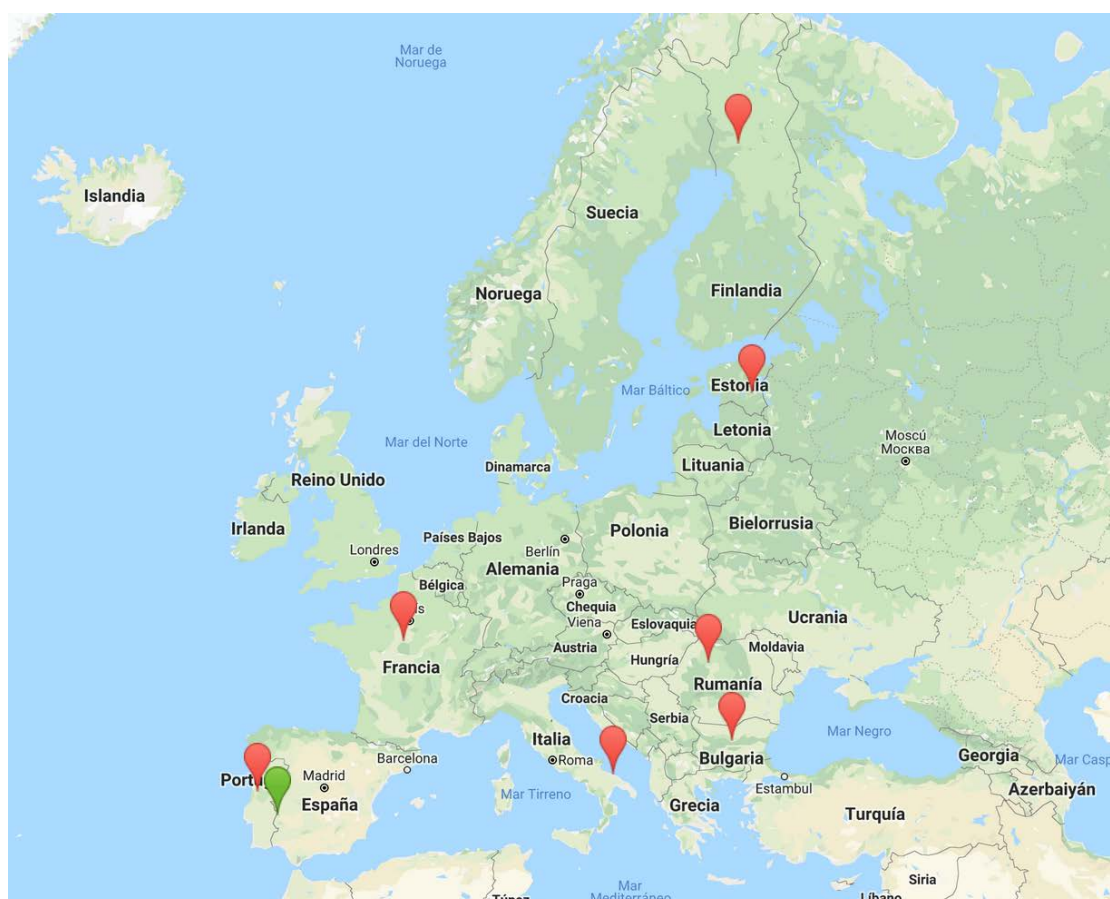
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1. Introduction

The IMPROVE project (PGI05786) was selected within the 4th call for proposals of Interreg Europe programme (<http://www.interregeurope.eu/>), under the policy topic Research, technological development and innovation.

The following eight partners are involved in its implementation:

1. Foundation FUNDECYT Science and Technology Park of Extremadura, Spain
2. DEV'UP Centre-Val de Loire, France
3. Regional Agency for Technology and Innovation, Italy
4. Municipality of Gabrovo, Bulgaria
5. North-West Regional Development Agency, Romania
6. Tartu Science Park Foundation, Estonia
7. Regional Council of Lapland, Finland
8. Regional Coordination and Development Commission of Centro, Portugal



The project started on 01.08.2019 and will end on 31.07.2023 (48 months). One of its first activities was the elaboration of regional State of the Art reports in order to set the basis of the future activities.

2. The project

The IMPROVE project brings together partners from 8 regions with different background in terms of geographic area, economic development, innovation performance, more or less centralised administration system and responsibility for the management of the addressed policies, with the aim of improving the effectiveness of Structural Funds Programmes dedicated to build up R&D&I policies and support the implementation of Smart Specialisation Strategies.

The policy instruments addressed by the project are mainly Structural Funds Programmes, except for 2 Municipal Development Plans, which have the common goal of enhancing a knowledge-based regional/municipal economic growth. Thus, IMPROVE will positively contribute to regional smart, sustainable and inclusive development by strengthening the effectiveness of policies/programmes to support Research, Technological Development and Innovation in the participating regions.

The project will improve 8 policy instruments and ensure its long-term impact involving the managing authorities in the interregional learning process, both as partners and stakeholders. The project's main activities are:

- 1) analysis of the regional state of the art regarding Structural Funds management and implementation,
- 2) exchange of experiences by means of Peer Reviews, identification of Good Practices and Interregional Thematic Workshops, and
- 3) transfer of knowledge and experiences to the regions.

3. Issue addressed

The 2014-2020 Structural Funds Programmes are the main policy instruments European regions have for building up Research, Technological Development and Innovation and support the implementation of their Smart Specialisation Strategies.

The policy instruments addressed by the IMPROVE project are mainly Structural Funds Programmes, except for the Municipal Plan for Development of Gabrovo (Bulgaria) and the Development Plan of Tartu City (Estonia), which have in common the goal of enhancing a knowledge based regional/municipal economic growth.

Beyond their different background, scope and particular target, these policies seek a smart, sustainable and inclusive regional/local development by means of actions and instruments that, to a greater or lesser extent, focus on entrepreneurship, competitiveness of regional/local businesses, employment, education and lifelong learning, innovation, research, technological development, etc.

Achieving an efficient delivery of regional development policies is crucial, not only in terms of making the best possible use of public funds, but also in terms of maximising regional potentials, fighting regional inequalities and strengthening Europe's economic well-being, as well as its social and political cohesion.

Therefore, the IMPROVE project perfectly fits in the Europe 2020 strategy for smart, sustainable and inclusive growth, as it will reinforce the effectiveness of policies and programmes dedicated to support the delivery of innovation, which is clearly a driving force for generating favourable opportunities for regional development and achieving Growth and Jobs goals of the UE cohesion policy.

For the same reasons, the issue addressed is equally relevant to the Interreg Europe Programme and the selected specific objective 1.2, as the project is particularly focused on improving ERDF policies and programmes and the deployment of instruments for strengthening Research, Technological Development and Innovation in areas of smart specialisation.

Moreover, the partnership includes a wide range of regional realities, with different levels of economic development, more and less centralised administration systems and different levels of innovation performance, as well as distinct level of involvement in the management of the addressed policies (more strategic for some partners and more operative for others), which enrich the perspective about the management and implementation of Structural Funds.

Ultimately, the project will allow that different regions with similar challenges can share and exchange practices, experiences, and knowledge to:

- a) jointly develop improved methodologies to deploy policy instruments,
- b) lift barriers and leverage strengths by following successful examples,
- c) foster balanced territorial development and reduce disparities, and
- d) reverse the backwardness of least favoured regions.

4. The policy instruments

The objective of the State-of-the-Art report is to clarify the current situation in terms of management and implementation of Structural Funds, with a special focus on the policy instruments selected by each partner.

Moreover, the reports set the basis for a fruitful Peer Review, regarding the three main topics addressed by the project:

- How are the operations designed and implemented (by whom, how they relate with the Managing Authority, etc.);

- How does the governance work (is it structured or not, who takes part and how, how is the coordination between other policies/instruments/funds); and
- How are those operations (and the instrument itself) being evaluated?

This way, the regional reports help the partnership (and the regional stakeholders) to better work on the improvement of the selected policy instruments and guide the future activities thanks to the identification of the main challenges in each region.

This Joint report will not reproduce the reports, but summarise the main challenges shared by the partnership, in order to better tackle them in the Interregional Thematic Workshops and the Peer Reviews.

Table 1: Policy instruments tackled by the project

Project Partner	Policy Instrument	Geographical coverage
LP – Foundation FUNDECYT Science and Technology Park of Extremadura	ERDF Operational Programme of Extremadura 2014-2020 – Investment Priority 1b: Promotion of business investment in R&D, development of links and synergies between enterprises, research and development centres and the higher education sector	regional
P2 – DEV’UP Centre-Val de Loire	RIS3 of the Centre-Val de Loire region and consequently the axis1 of the OT1 of the ERDF OP	regional
P3 – Regional Agency for Technology and Innovation	ERDF-ESF Regional Operational Programme 2014-2020 – Puglia Region – Thematic Objective 1	regional
P4 – Municipality of Gabrovo	Municipal plan for development of Gabrovo municipality 2014-2020 – Strategic goal 1: Stimulation of economic growth and enhancement of competitiveness of local business in Gabrovo municipality	local
P5 – North-West Regional Development Agency	Regional Operational Programme 2014-2020 (CCI No 2014RO16RFOP002) – Priority Axis 1	regional
P6 – Tartu Science Park Foundation	Development Plan of Tartu City 2018-2025	local
P7 – Regional Council of Lapland	Sustainable growth and jobs 2014-2020 Finland’s structural funds programme – Priority axes 1 and 2	regional
P8 – Regional Coordination and Development Commission of Centro	Regional Operational Program of Centro (Centro 2020) – Thematic Objectives 1 and 3	regional

5. Main conclusions and areas for improvement

During the elaboration of the project proposal, a number of common challenges among partners were identified:

- Setting up an effective framework for the delivery of R&D&I policies and the implementation of smart specialisation strategies
- Defining the right policy mix and deploying effective instruments
- Creating synergies and coordinating the delivery of Structural Funds Programmes with other Funds at regional, national and European level
- Boosting the use of the available European Funds
- Developing governance in regional policies on multiple levels
- Managing coordination at the transnational level
- Monitoring and evaluating the impact of policy actions deployed

After the elaboration of the regional State of the Art reports by the project partners, it seems clear that most of them are still in force and some new ones have appear.

From the conclusions of each regional report, the following challenges and areas of improvement were more recurrent and, therefore, identified and clustered in several topics:

TOPIC	CHALLENGE OR AREA OF IMPROVEMENT
PROGRAMMING AND DESIGN	Improve the participations of the experts who do the planning or design.
	Coordination for the design of activities with other funds.
	Need of clearer rules from ERDF programming and implementation.
	Involvement of stakeholders and experts in the design of ERDF activities from the beginning.
MANAGEMENT AND COORDINATION	Need of better coordination among the actors involved
	Multi-level coordination needs to improve the cooperation between National, regional and local authorities.
	Need of coordination with different funds.
	Need of multi-instruments calls.
IMPLEMENTATION	Need to introduce regional criteria in the implementation of the Policy Instruments.
	It is crucial the effective management and coordination of human resources who manage the RDI instruments.
	Improve the cooperation between Public Administrations (at different levels).
	Unified management tools and criteria.
	Expert human resources with full dedication to the tasks.

GOVERNANCE	Need of a more active participation of stakeholders in the governance of the policy instrument.
	Improve the governance among different funds.
	Need of coordination between actors and levels.
MONITORING AND EVALUATION	Better coordination of actors for monitoring and evaluation.
	Need of a better M&E system, with the involvement of stakeholders.
	Need of common criteria at EU level for better capitalization of the results in the different European programs.

Despite the fact that each partner will be able to discuss their main challenges or areas of improvement during the peer-reviews, we could state that the most relevant issues/problems shared by the partners to be analysed in future workshops are the following:

- ✓ More **integration and coordination between funds**, instruments and managing bodies (at different level: local, regional, national) is needed.
- ✓ Monitoring and evaluation is hindered by lack of resources and methods and stakeholders and target groups are not systematically involved in the monitoring and evaluation of the policy instrument. A more **robust approach to ROP monitoring and evaluation** is needed.
- ✓ **Limitations of structural fund programme**, administrative burdens, legal framework, rigid HRM system, audit processes, etc. hampers the implementation of selected policy instruments.
- ✓ Need of **multi-instruments calls** (where enterprises could fund all the innovation process - including research, creation and production of new products, as well as their promotion and internationalisation - instead of having different applications, to different instruments, to fund the several dimensions of the same strategy).
- ✓ In terms of **governance**, a more active participation of stakeholders and increased coordination and communication between them are needed.