

DEVISE
Interreg Europe

 European Union
European Regional
Development Fund

Digital tech SMEs at the
service of Regional Smart
Specialisation Strategies

Action Plan

Regional Government of Cantabria.

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1 EXECUTIVE SUMMARY

Industrial reinforcement is one of the key priorities in the development of the regions and this industrial reinforcement will not take place, if the regions are not able to associate innovation and new technologies with the industrial production.

Digitalization, through the digital single market and the digital transformation of European industry (announced by the European Council in May 2015), is considered by the European Union as one of the priorities. In a globalization, it is an essential task for Cantabria to develop action plans and strategies around these important areas.

Research actions and innovation activities are based on creating networks of cooperation between manufacturers and researchers, between buyers and sellers of technologies and between customers and suppliers to work in the implementation of open innovation systems.

We want to achieve, through this Action Plan, the creation and support of these open innovation systems, to foster the creation of new products, the implementation of new processes and the improvement of the activity of our traditional industry through their digitization.

Some of the most important points in order to develop such action plan are:

Companies associated with the industrial sector create more jobs, more stable and with higher quality in terms of wages.

Advanced industrial production systems increase international positioning of regional companies, and contribute to develop positive flows in industrial production ratios, through the acquisition of new production systems (advanced machinery, information systems, hiring technology experts), or through the creation of new products that increase the consumption of raw materials.

The regional industry will be reinforced with trained workers and employees, an increase in their management systems, increasing the development of projects and synergies with other companies at national and international level.

The launch of new digital industrialized models will encourage and support new connections between innovation business agents and industrial developers.

The Action will try to encourage the link between companies and technology enablers, building bridges between industry and research.

It is essential that the Action plan be based on networks that allow technology enablers, companies and the industry to develop their innovations and to

implement new systems for the development of new products or services, based on industrial digitalization.

DEVISE, or 'Digital tech SMEs at the service of Regional Smart Specialisation Strategies' project, aims to give response to the current challenge that 9 European regions are facing to unlock and exploit the potential that digital tech SMEs have as enabler for the competitiveness of other SMEs belonging to sectors included in their Regional Smart Specialisation Strategies (RIS3).

By 2021, DEVISE will increase by 15% the number of digital tech SMEs enabling competitiveness in other strategic sectors through improved policy instruments

DEVISE will produce concrete outputs to develop the definition of 10 regional action plans that will help policy makers to improve the effectiveness of the instruments they are responsible through more focused actions.

The project will also put a lot of effort to set up 10 regional digital transformation enabling environments that will cooperate. DEVISE will facilitate the creation of these environments formed by digital and other key sectors. Policy makers, business support organisations, educational centres and SMEs from the digital and other smart specialisation sectors will be the main participants and beneficiaries. These environments will bring improved coordination and increased collaboration between the digital sector and those belonging to other smart specialisation sectors.

2 GENERAL INFORMATION

- **Project: DEVISE**
- **Partner organisations: Regional Government of Cantabria**
- **Other partner organisations involved (if relevant):**
- **Country: SPAIN**
- **NUTS2 region: ES13**
- **Contact person: Mr. Jorge Muyo. Regional Innovation Manager. Government of Cantabria.**
 - **Email: muyo_j@cantabria.es**
 - **Phone number: +34 942200073**

3 POLICY CONTEXT

The Action Plan aims to impact:

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

Name and reference of the policy instrument addressed:

Regional ERDF Plan Cantabria.

DEVISE will address the Cantabria Regional Operational Programme 2014 - 2020 and more concretely its thematic priority 3: **SMEs competitiveness**, With an ERDF allocation of: 52,657,054.00 €, the regional programme is based on 6 priorities being SMEs competitiveness the most important one in terms of budget allocation with a 37.58 % of the total budget.

More concrete the Action plan wants to develop *"the implementation of new measures would ensure the launch of specialized companies and startups based on digital and at the same time to start with the implementation of an accelerator regional program to establish the further development of these measures"*. The project will also provide us with new coordination mechanisms that will improve the governance of the policy instrument and will bring better inter-sectoral coordination.

4 ACTION: TARGETING LESS INNOVATION AWARE (LIA) SMES TO UPGRADE DIGITAL SKILLS. (LIA UPGRADE)

Targets:

- Accelerate the investment of companies in the region, especially SMEs in Cantabria of all productive sectors, promoting the efficient use of aid for the development and implementation of new technologies in traditional production systems.
- Increase the number of employees who possess the necessary skills to be able to develop their skills in the productive environment demanded by advanced manufacturing.
- Create an environment in which companies know the potential in the implementation of advanced manufacturing technologies in their production, management and manufacturing systems.

An agenda of five steps to be developed to implement the plan:

Promotion of advanced production systems at the regional level: dissemination of everything related to industry 4.0 and advanced production systems. Carry out a structure of conferences and / or courses focused, either to traditional productive sectors or by technology implementation, specially focused to less innovative SMEs.

Promote the creation of networks between suppliers / facilitators and industries in the region: through sectoral or thematic working groups around areas of industrial specialization. Regional Clusters will have a key role in this process.

Extending good practices and actions carried out by suppliers and facilitators at national and international level: Cantabria has a number of companies that, due to their technological nature, already have solutions and tools for advanced production.

To develop a catalog of suppliers and facilitators of advanced manufacturing activities that could be disclosed to other autonomous communities and other European regions.

Create a regional network of specialists in advanced production: developing specifically the business and scientific / technological fields.

Strengthen the investment capacity in advanced technologies by companies in the region: facilitating access to regional, national and European grants for the development and implementation of technologies associated with advanced production, including training systems for human resources of the companies.

4.1 BACKGROUND

The selection of this action is the result of the process started by GOBCAN within the DEVISE project in coordination with other regional stakeholders, which have participated in the project, with the leadership of Innovation DG the responsible of the policy instrument addressed in the project.

DG Innovation has developed different actions in the past years and the action plan proposed is one-step further in order to increase the level of regional innovation and digitalisation.

Coordinated by DG Innovation, this is a public action from the regional government of Cantabria, which will be implemented at regional level to address the following challenges:

- Need to expand the implementation of new technologies based on digitalisation processes to less innovation aware SMEs.
- Securing the people from these SMEs with the required skills and experience.
- Increase the levels of research and innovation especially on those sectors and companies where it is even more necessary.

The action will develop a number of activities within the regional ecosystem of innovation and research and with the implementation of the digitalisation component.

This action plan has been a result of all the work and meeting developed in the DEVISE project. A complete list of those interactive work and exchange of knowledge is showed in Annex1.

Because of this meetings and studies, the action plan has a target of implementing new digital actions and programmes into less innovative SMEs.

State of the art in the field of the action plan:

Regional SMEs are developing serious improvements in order to increase their capacity to increase their innovation and the implementation of new technologies. According to different studies and based on the enormous competitiveness those companies and specially those SMEs that do not innovate introducing the digitalisation models into their production and services process will have as result a cut down on the benefits and productivity.

Less innovation aware SMEs: This term is used in this action plan to describe those companies, which are facing the innovation and the digitalisation processes, as followers instead of leaders. According to regional and national statistics and always following a more academic perspective at regional level we have 300 Companies (most of them SMEs) defining themselves as "innovative companies".

This is only a small percentage in the total number of regional companies with the potential and the need of developing innovative processes. At the same time, we could think in the same terms when we are speaking the implementation of digitalisation tools.

There is need for developing specific tools to reach those "less innovation aware tools" and to teach them and help them about how to develop different innovation and digitalisation processes in specific areas such as manufacturing or design of new products or services technologies.

Innovation and digital tools: Because of the regional evaluations carried out in the DEVISE project in, the challenges faced by Cantabrian SMEs to face their digitization, as well as their global approach, are highlighted, which can be grouped as follows and developed specifically on the following table:

CHALLENGE	ACTION PLAN APPROACH
Overcome the lack of awareness of the benefits of digitization and innovation.	Training in digital skills. Measurement of the degree of improvement of the company's operations and its organizational impact.
Improve the adoption of digital technologies by companies	Developing a single point to offer the services (One-stop-shop). Exchange of experiences related to digital transformation, from an intersectoral approach.
Overcoming the perception of high risk derived from the adoption of digital technologies.	Provision of infrastructures and test before invest service. Implementation of specific pilots. Promotion of an active dialogue between supply and demand services.
Integration of the strategic approach and support services required by digital transformation	Training programs between technology providers. Identification of financing opportunities and development of future projects.

4.2 KNOWLEDGE APPLIED FROM DEVISE

Partner practice/experience (please, detail: practice name, short description and location)	good good short How this good practice/experience has contributed to the actions developed in your Action Plan (detail any transfers, full or partial of good practice)
<p>Imec.Icon.</p> <p>Imec has a 5-year contract with the Flemish government, to stimulate both imec's local and global leadership in digital technology.</p>	<p>New approaches of developing collaboration and grants programme.</p> <p>Developing of financial and support programmes at regional level.</p>
<p>IoT-Compass.</p> <p>IoT-Compass Hub forms a demonstration, piloting and development environment for manufacturing industries using the existing IoT and Cyber Physical Factory – infrastructures.</p>	<p>Collaboration University-Enterprise systems.</p> <p>Open Innovation systems.</p> <p>Industrial support. Productive sector support.</p>
<p>Challenge Compétences.</p> <p>The programme aims to gather students, with their innovative and creativity spirit, and local SMEs, in order to initiate new and mainly digital projects in the companies.</p>	<p>Business productivity support.</p> <p>Local SMEs support.</p> <p>Implementation of innovation activities in traditional sectors.</p>
<p>Programme APOLLO</p> <p>The Programme APOLLO aims to support companies</p>	<p>Business productivity support.</p> <p>Local SMEs support.</p>

in their innovation process by adapting methods usually used by startups.	Implementation of innovation activities in traditional sectors.
DEVISE Regional Supply/Demand analysis	DEVISE has given us the opportunity and the tools to evaluate the current situation regarding the digital transformation of SMEs.

4.3 ACTION DESCRIPTION

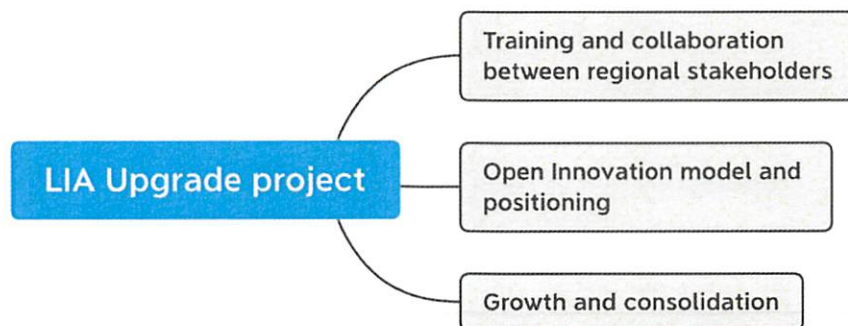
The aim of the LIA Upgrade project is to increase the number of innovative and more digitalised companies at regional level, especially SMEs. This upgrade will have as direct consequence too increase their competitiveness and innovation levels.

The main activities of the project are to use the training activities and the implementation of projects in order to develop more advanced pilot projects in different regional strategic sectors to improve the global levels of regional innovation.

All the parts of the project will be defined and implemented in order to increase the level of digitalisation and innovation around core competences, knowledge and technological providers, and regional structures (accelerator and Digital Innovation Hubs).

This is an integral tool and perspective into an open innovation ecosystem and because of the knowledge exchanged developed in the DEVISE project.

These targets will be achieved through a triple axis perspective:



Project's value for the region:

The LIA upgrade project will bring the following value for the region:

- Development of training plans promoting digital transformation.
- Increase the basic and advanced digital capacities of companies and workers.

- To increase the image of regional industry and the added of digitalization processes.
- Promote and position the action plan in the main national and international forums through the development of specific actions, attendance to specific fairs and international events.
- To identify the most important trends in relation with digitalization actions and activities using technology foresight tools.
- To develop periodic studies about analysis and surveillance of advanced manufacturing and industrial production systems.
- Creation of knowledge communities among the different agents of the regional science-technology-business system.
- Launch of new projects and activities related to Industry 4.0, improving the specific regional call about supporting Industry 4.0 projects.
- To update and improve the regional map of technological enablers that serve to know the potential of Cantabria when offering services related to industry 4.0 at national and international level.
- Promotion of activities carried out by companies and research centers in Cantabria in the field of Industry 4.0 and advanced manufacturing through international networks.
- Carrying out implementation studies 4.0 in key industrial areas or regional sectors (Health, Tourism and Agrofood sector).
- Promotion the business development of regional technology enablers increasing the interaction between clusters and business associations at national and international level.
- Promotion the investment of Venture Capital in the ICT field in these initiatives. Development of a specific area on industry 4.0 in the regional business acceleration project.

Targets

The project will try to reach 100 companies at regional level in the next three years involving the adoption of 50 new innovative areas, products or processes. More details in the impact section.

Players involved and role in the implementation and collaboration between them:

Business Associations.

Clusters and Key sector groups.

Technology Stakeholders and knowledge providers

4.4 TIMEFRAME AND FUNDING

<i>Project/Action Investment Line/Funding Source + Amount (please state each source of funding)</i>	<i>Submitted For Funding</i>	<i>Funding Decision</i>	<i>Project Date</i>	<i>Start</i>	<i>Other key milestones</i>
LIA Upgrade project	Jan 2021	Jan 2021	Feb 2024	2021/Feb	

4.5 WORKPLAN.

The project will have a duration of 36 months divided in the following work packages:

Wp1. Management (whole duration of the project): the objective of this WP is to coordinate the different Work packages of the project. A management committee will be created and the management structure will be in charge of a right communication flow within the project (bottom-up and top-down) through the typical communication methods such as meetings, video conference, e-mail, etc.

Wp2. Training: M3-15: the objective of this work plan is to select the training activities, which will be one of the core activities in the project. These training activities will be designed in order to help to those SMEs with less knowledge or capacity to develop innovation and digital services to implement them. The objective is to develop a completely training scheme to give services to 100 SMEs.

Wp3. Communication (whole duration of the project): the target of this work packages will be to promote the programme as well as the enrolment of SMEs. The promotion plan includes a strategy in order to contact with other relevant stakeholders at regional level, which can develop a multiplier effect in the process of promoting the programme. The consortium will develop a promotion strategy for the project taking in consideration the tools already available and the previous experience in the DEVISE project.

Some activities, which will be implemented within this WP:

- Identification of sufficiently large number of potential SMEs in the targeted areas.

- Identification of relevant stakeholders, which will help to promote the activities of the programme in the targeted areas as well as to specific users.
- Communication activities and promotional events.
- Provision of suitable answers to potential users of the project following best practices implemented.

Wp4. Implementation of projects (M6-M36): this work package has the objective of developing those projects already selected by the companies and specially by the SMEs in collaboration with other stakeholders and technology providers and using the different resources already available at regional level. In this part of the work package will have a specific importance the accurate definition of the projects including the main milestones and the services or products improved using innovative or digitalisation services.

Wp5. Development of pilot actions and dissemination of results (M24-M36): three different pilot actions will be implemented in the LIA upgrade project showing the advantages of the project and having into consideration the best practices and the sector specially identified in the DEVISE project. These pilot projects will be focused on:

- IA and VR in the Health sector.
- 3D printing in the car-manufacturing sector and in the metal mechanic sector.
- IA
- , VR and Big data systems in the Tourism sector.

These pilots will be closely developed together with the regional accelerator programme as well as with the digital innovation hub, which will be launched at the beginning of 2021.

4.6 BUDGET BREAKDOWN FOR THE ACTION

Category of funding	Expenditure Amount
Salaries	190.000
Overheads (i.e. calculated at 20 % of staff costs)	38.000
Travel & Subsistence	12.500

External expertise	55.000
Promotional activities	9.000
Equipment	25.000
TOTAL	329.500

4.7 VIABILITY AND SUSTAINABILITY

The LIA upgrade project will increase the number of regional companies implementing new innovative actions and digitalisation tools. At the same time the regional stakeholders will have a pilot framework in order to adapt their services and actions to the relevant needs of specific SMEs which are less innovative than those ones already implementing and developing those innovative services.

The objective of the project at long term is to adapt and to develop further tools and tailored actions and activities to those companies already at the high level of innovation and to attract new companies which are under the awareness of innovation services.

In the longer term, the project will require a feedback and evaluation of the training activities, implementation of the pilots and follow up of the SMEs involved in the projects. This work will be developed by the Regional Government (GOBCAN) and delivering and sustaining the service, for the next years. The involvement of other regional stakeholders as well as the development of the regional DIH (Digital Innovation Hub) will have a strong impact in the visibility and sustainability of the project.

4.8 IMPACT EXPECTED

The implementation of the DEVISE action plan will bring:

4.8.1 Impact on the policy instrument addressed

This plan is expected to improve of the policy instrument in different ways:

- 1- The funding scheme will be implemented at the beginning of 2021 within the new regional budget (the LIA upgrade project) supporting the innovation and digital improvement of the regional SMEs from different sectors.
- 2- Implementation of a new action in line with the Regional target: Especially with the Cantabria Regional Operational Programme 2014 - 2020 and more concretely its thematic priority 3: **SMEs competitiveness**.

4.8.2 Specific impact on the region

The expected impact of the project in the region will have the following figures:

Number of SMEs reached under the LIA concept and ready to implement more innovative and digital services: 100 companies.

Number of project implemented: 50 projects.

Number of pilot projects developed in order to develop further actions in collaboration with their innovation stakeholders: 15 projects.

Number of training actions and schemes: 20 training actions, 1 training scheme.

I, Jorge Muyo, Innovation, Technology Development and Industrial Entrepreneurship General Manager, agree to implement the Action Plan for the Targeting less innovation aware (LIA) SMEs, of the DEVISE project, as detailed above. I confirm that I have the required authorisation of to do so and that the required authorisation process of has been duly carried out.

On behalf of: Regional Government of Cantabria.

Signed:




Name:

Position in Organisation: Innovation, Technology Development and Industrial Entrepreneurship Regional Manager.
Regional Government of Cantabria.

Date:

26/2/21