



INNO PROVEMENT
**Translating Industry 4.0 to improved SME policy
instruments targeting innovation**

Regional Action Plan

Region of Thessaly, Greece – Project Partner 4

Larissa, August 2021



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1 Executive summary

This document is the Regional Action Plan of the Region of Thessaly - Project Partner 4 in the INNO PROEVEMENT Interreg Europe Project. As a result of the Region of Thessaly involvement in the interregional learning process of the INNO PROEVEMENT partnership, the Action Plan includes 2 actions to be monitored during the Phase 2 of the project.

The Action Plan addresses to the policy instrument stated in the Application Form:

- **Policy Instrument:** Regional Operational Programme (ROP) 2014-2020.
- **Priority Axis 1:** Strengthening the competitiveness and extroversion of enterprises (particularly SMEs), transition to qualitative entrepreneurship, spearheaded with the innovation and growth of Regional Value Added.
- **Thematic Objective 1:** Strengthening research, technological development, and innovation (R&D&I).
- **Investment Priority 1b:** Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies as well as fostering investment necessary for strengthening the crisis response capacities in health services.
- **Specific Objective 1.2.1:** Increase of private investments in technological and non-technological innovation.

The two actions:

1. Region of Thessaly Innovation Center
2. Innovation Vouchers for SMEs of the Region of Thessaly



2 General information

Project: Translating Industry 4.0 to improved SME policy instruments targeting innovation

Project acronym: INNO PROVEMENT

Partner organisation(s) concerned: Region of Thessaly

Country: Greece

NUTS2 region: Thessaly (EL61)

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INNOPROVEMENT aims at improving SME PIs targeting innovation activities and adapting them to requirements set by Industry 4.0. The project received funding in the 3rd round of calls in the Interreg Europe Programme. Phase 1 of the project started on 01/06/2018 and ends officially on 31/05/2021. Phase 2 of the project lasts from 01/06/2021 to 31/05/2023. The COVID-19 pandemic had a substantial delay on Phase 1 activities therefore the Interreg Europe Joint Secretariat gave consent on finalising Phase 1 activities in the first months of Phase 2.

The project is implemented by a transnational consortium with the following project partners:

- Ministry of Finance, Hungary – lead partner
- ICT Association of Hungary - advisory partner
- Ministry of Industry and Trade (Czech Republic) – project partner
- Region of Thessaly (Greece) – project partner
- Marche Region (Italy) – project partner
- COMPETE 2020 Managing Authority of the Competitiveness and Internationalisation Operational Programme (Portugal) – project partner
- Lodzkie Region (Poland) – project partner
- Regional Council of Kainuu (Finland) – project partner

The partnership of the project is clearly distinctive compared to other INTERREG EUROPE projects because – apart from the advisory partner – it is composed of managing authorities directly responsible for the policy instruments they address, and they all target nationally co-financed regional or national ERDF/ESF instruments in the project.



Phase 1 had three major overlapping stages:

1. **Analysis:** all partners carried out regional assessments about the status of digitalisation and Industry 4.0 specifically for their territories. The assessment included overview on relevant statistics, analysis of concerned strategies and programmes and for most partners an online survey conducted among SMEs. From the regional assessments a Joint Analysis Report has been produced with joint observations and conclusions.
2. **Experience exchange:** This is the most important module of the project structured along 7 thematic issues. The thematic issues have been elaborated by the partnership following the same procedure: Host of each thematic issued provided guidelines on their thematic issue. Based on the guidelines, partners gathered relevant local experience with the involvement of stakeholders. The thematic issue was then discussed during thematic transnational meetings. Results of the discussions were taken home and shared with stakeholders. Summary of each thematic issue is presented in thematic papers. During the knowledge exchange good practices have been identified and presented. This structure provided the framework for sharing knowledge and practices among project partners and stakeholders. The thematic transnational meetings have taken place as follows:

	Thematic issue	Host	Place and date of meeting
1	The effectiveness of public money used to support industrial research and development under I4.0	Ministry of Industry and Trade (Czech Republic)	Prague, 12-14 March 2019
2	Introducing I4.0 to traditional industries	Regional Council of Kainuu (Finland)	Vuokatti, 17-20 June 2019
3	Definition of I4.0 public policy initiatives	COMPETE 2020 Managing Authority of the Competitiveness and Internationalisation Operational Programme (Portugal)	Lisbon, 18-20 November 2019
4	Definition of an I4.0 maturity evaluation matrix	Lodzkie Region (Poland)	Online meeting, 14 May 2020
5	Market price assessment	Ministry of Finance, Hungary	Online meeting, 3-4 November 2020
6	Innovation in software development	Region of Thessaly (Greece)	Online meeting, 11-12 May, 2021
7	Adjusting calls to Industry 4.0 requirements	Marche Region (Italy)	Online meeting, 30 June – 1 July, 2021

3. **Action Planning:** The good practices and the thematic papers provided the primary inspirations for the regional actions of project partners. Actions have been elaborated in the Regional Action Plans. Region of Thessaly puts forward 2 actions in this action plan. The proposed actions are the result of the



interregional experience learned from the INNO PROVEMENT partnership. The proposed actions are addressed to ROP of Thessaly 2014-2020. However, due to delays in Phase 1 activities and in case of closure of the current programmes, the proposed actions will be considered for the ROP of Thessaly of the 2021-2027 programming period.

3 Policy context

The Action Plan aims to impact:

<input checked="" type="checkbox"/>	Investment for Growth and Jobs programme
<input type="checkbox"/>	European Territorial Cooperation programme
<input type="checkbox"/>	Other regional development policy instrument

The Action Plan addresses the policy instrument defined in the INNO PROVEMENT application form.

Name of the policy instrument addressed:

- Regional Operational Programme (ROP) 2014-2020, Priority Axis 1 “Strengthening the competitiveness and extroversion of enterprises (particularly SMEs), transition to qualitative entrepreneurship, spearheaded with the innovation and growth of Regional Value Added”, Investment Priority 1b “Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies as well as fostering investment necessary for strengthening the crisis response capacities in health services”.

Regional Operational Programme (ROP) 2014-2020, Priority Axis 2 “Strengthening the competitiveness and extroversion of enterprises (particularly SMEs), transition to qualitative entrepreneurship, spearheaded with the innovation and growth of Regional Value Added”, Investment Priority 1b “Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector”.



Priority Axis 2 aims at utilizing research, technological development, and innovation in favour of the increasing the competitiveness and extroversion of the regional SMEs in relation with the RIS3 pillars. For the above to be achieved the investment priority 1b foresees actions that promote business investment in research and innovation, developing linkages and synergies among the regional ecosystem, that is, research and development centres and the higher education sector. Considering the low level of technology and adoption and utilization of innovation the above-mentioned priority focuses on investments in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies as well as fostering investment necessary for strengthening the crisis response capacities in health services.

The following 4 actions referred under investment priority 1b are addressed to enterprises, research centers, universities:

- RIS3 support mechanism with the aim to facilitate knowledge transfer to businesses by developing links among research and regional entrepreneurship.
- Promoting research and innovation, utilizing research and technology results, in productive and commercial business activities of regional SMEs.
- Research programs targeted at the priorities of RIS3 Thessaly with beneficiaries the regional Research Centers.
- Dissemination of research results to businesses and citizens at regional level.

Furthermore, at national and regional level there is low adoption of Industry 4.0 digital technologies and applications resulting to overall low digital maturity of the business ecosystem. On the other hand, Greece demonstrates a technically adept human capital, with an overall high number of tertiary graduates and an adequate number of ICT and STEM graduates. What is more, in the context of R&D and innovation area, Greece is home to a burgeoning start-up & Digital Innovation Hubs scene. In addition, currently the National Strategy of Industry 4.0 is being formulated to be applied through specific actions within the next programming period 2021-2027 with a special focus on the 3 priority cases: Smart Manufacturing Technologies, Structural Materials Value Chain and Circular Economy. The suggested Operational plan includes initiatives that aim to drastically upgrade the Greek industrial ecosystem and assist enterprises and the human workforce within it with the right tools and training in order to make the leap to the Digital Age as swiftly and efficiently as possible.



Following, INNO PROVEMENT interregional learning and based on the needs of the Region of Thessaly, the proposed actions are focused on awareness raising, adoption of best practices, technology transfer and connection of the business ecosystem with research and innovation centers to facilitate the transformation of the regional ecosystem. Through a series of meetings and rounds of consultations with the internal staff and the stakeholders, the Region of Thessaly proposes 2 actions to be financed by the Regional Operational Programme:

1. Region of Thessaly Innovation Center
2. Innovation Vouchers for SMEs of the Region of Thessaly

The local stakeholder group is involved in the following manner in the development and finalisation of the Action Plan:

- Meetings and discussions with stakeholder group members on defining action ideas (Semester 5 and Semester 6)
- Regional action plan draft – Stakeholder group meeting (21/05/2021)
- Finalisation of the action plan – Stakeholder group meeting in September 2021

4 Details of the actions envisaged

4.1 ACTION 1 – REGION OF THESSALY INNOVATION CENTER

4.1.1 Relevance to the project

One of the proposed actions of the investment priority 1b of the ROP of Thessaly is the operation of RIS3 support mechanism. During the 2014-2020 period, the MA of ROP of Thessaly launched a call for the establishment of RIS3 support mechanism for the monitoring and update of RIS including supporting activities for the promotion of links and synergies among regional enterprises and research. The call went void since the Region of Thessaly, as a sole beneficiary, did not apply for the funding of the RIS3 support mechanism. Therefore, considering that on the one hand the current programming period is coming to an end, while on the other hand the new programming period is under design, the first action refers to the establishment and operation of an Innovation Center based on relevant good practices identified by INNO PROVEMENT project for the promotion of innovation and developing connections among entrepreneurship and research.

- Impresa 4.0 Observatory – Marche Region
- Fostering the promotion and development of Digital Innovation Hubs in the regional territory – Marche Region



The Observatory I4.0 established by the Marche Region under Regional Law 25/2018, "I4.0: Innovation, Research and Training" as a support body of the Regional Council in defining the interventions provided for by the law and help the Council in the preparation of the report on the state of implementation of the interventions activated. The main aim of the Observatory I4.0 is to help the identification of interventions that increase the competitiveness of the regional SMEs. **The Observatory is a practice very close to the proposed action of the Region of Thessaly Innovation Center in terms of scope, objectives, and organizational structure.**

Marche Region in 2019 launched the regional call "**Promoting the creation and development of Digital Innovation Hubs in the regional territory**" aimed at inducing the development of those territorial infrastructures fundamental for the success of the regional transformation process through the establishment of Digital Innovation Hubs (DIHs). The eDIH4Marche Innovation Hub was set up with the aspiration to: promote the acceleration of the digital transformation of the Marche production system, through the provision of innovative specialized services; become the main point of reference for the Marche economic territory on the theme of Digital Transformation, and strengthen the collaborations and synergies between regional and European and/or international level. **The eDIH4Marche Innovation Hub is a practical example of how local entities can cooperate for the transformation of the regional innovation ecosystem.**

4.1.2. Nature of the action

The proposed action refers to the establishment and operation of Regional Innovation Center with the aim to reinforce the networking between the R&I entities, academic/research institutions, businesses, industries and the existing business clusters of the Region, while at the same time, it will support the decision-making processes of the Thessaly Region bodies (Regional Governor, Regional Council, Committees, Research and Innovation Regional Board – RIRB etc.) by providing documented input on Research, Technological Development and Innovation aspects, including I4.0, that is, in terms of policy improvements providing to the Region and the Managing Authority in the design of the priorities and actions related to Industry 4.0 in the 2021-2027 programming period.

Indicative support services of the Region of Thessaly Innovation Center:

- Monitoring and documentation of the Research, Technological Development and Innovation activity in Thessaly, the monitoring of international related good practices, the comparative assessment of R&D&I activities in Thessaly region and the emergence of good practices, through the conduct of targeted surveys and studies.
- Policy proposals in collaboration with researchers and stakeholders. Development and operation of digital platforms and information and collaboration networks of Thessaly's stakeholders on issues, research, technological development, and innovation.



- Development of an annual plan focused on regional smart specialization in collaboration with the R&T institutions and businesses of Thessaly.
- Networking and awareness-raising processes and actions, user training actions, as well as publicity campaigns, to widen the socio-economic influence and adoption of R&D&I results.

Objectives of the Region of Thessaly Innovation Center:

- To operate as a supporting structure of the regional S3 governance and monitoring model & Research and Innovation Regional Board of Thessaly in shaping policies and strategy, as also in decision making.
- To support the Managing Authority of ROP of Thessaly in accelerating the activation of Calls interconnecting businesses with the academic and research community of the region.

The planned activities are as follows:

- Approval of the Action Plan from the JS of Interreg Europe
- Finalization of the Call for the proposed action
- Approval of the proposed action for funding from the Monitoring Committee of the ROP of Thessaly
- Publish of the call for funding from the Managing Authority of ROP of Thessaly
- Region of Thessaly applying for funding
- Evaluation - Approval from the Managing Authority of the funding of the action
- Establishment of Region of Thessaly Innovation Center

Activities will be led by the Region of Thessaly/ Directorate of Development Planning. A working group will be set up including representatives of stakeholders, which sets tasks, reviews progress, and evaluates results.

4.1.3 Stakeholders involved

Managing Authority of ROP of Thessaly is responsible for the launch of the call and will be in close cooperation with the Directorate of Development Planning of the Region of Thessaly.

Research and Innovation Regional Board (RIRB) which is responsible for the support of RIS3 implementation. Members of RIRB include a wide range of local actors such as universities and scientific associations.

Other regional stakeholders such as Chambers of Commerce, Industry Associations, development agencies and research centers.



4.1.4 Timeframe

The time needed to implement the action is 1 year starting in October 2021 and ending in September 2022.

The planned schedule is included in the following table:

No.	Activity	Deadline
1.	Finalization of the Call for the proposed action	October 2021 – January 2022
2.	Approval of the proposed action for funding from the Monitoring Committee of the ROP of Thessaly	January 2022 - February 2022
3.	Publish of the call for funding from the Managing Authority of ROP of Thessaly	March 2022 – May 2022
4.	Region of Thessaly applying for funding	May 2022
5.	Evaluation - Approval from the Managing Authority of the funding of the action	May 2022 - August 2022
6.	Establishment of Region of Thessaly Innovation Center	September 2022

4.1.5 Costs

For the estimation of the cost of the call the following assumptions are taken into consideration:

- The eligibility of costs for 2014-2020 period is until 31/12/2023. The Innovation Center starts its operation in October 2022. Therefore, the costs referred to the current period correspond to 15 months.
- The human resources needed for the operation of the Center are 3 staff member and 2 scientific external experts with a monthly fee of 2.000€ each, that is, 10.000€ per month or 150.000€ for the 15 months period.
- ICT and equipment of the center: 15.000€
- Operational/ maintenance costs: 1.000€ per month or 15.000€ in total.

The total cost needed for the establishment and operation of the Innovation Center for 15months-period is 180.000€

4.1.6 Funding sources

ROP of Thessaly 2014-2020, Priority Axis 1: Strengthening the competitiveness and extroversion of enterprises (particularly SMEs), transition to qualitative entrepreneurship, spearheaded with the innovation and growth of Regional Value Added, Investment Priority 1b: Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector. The



proposed action is the result of the interregional experience learned from the INNO PROVENT partnership and is addressed to ROP of Thessaly 2014-2020. However, and since the Phase 1 activities were delayed and their closure coincide with the closure of the current programming period, it is recommended that the proposed action should also be funded by the ROP of Thessaly of the 2021-2027 programming period, to succeed the action's feasibility and effectiveness.

4.2 ACTION 2 – INNOVATION VOUCHERS FOR SMEs OF THE REGION OF THESSALY

4.2.1 Relevance to the project

During 2014-2020 period the Region of Thessaly launched two calls addressed to new and existing companies for the utilization of patents and/or innovations, as well as support services for the improvement of their activities or for the development of new products and services. “Invest in Thessaly” and “Re-invest in Thessaly” have been launched under Investment Priority 3a “Promoting entrepreneurship, by facilitating the economic exploitation of new ideas and supporting the creation of new businesses, including through incubators” and Specific Objective 1.4.1 “Business exploitation of R&D&I products from existing and newly established SMEs to increase their productivity”. In total, 664 SMEs applied in both calls, while 583 were awarded.

Moreover, the ROP of Thessaly, under Investment Priority 1b “Promoting business investment in R&I, developing links and synergies between enterprises, research and development centers and the higher education sector” and Specific Objective 1.2.1 “Increase of private investments in technological and non-technological innovation’, foresees actions for “Promoting research and innovation, utilizing research and technology results, in productive and commercial business activities of regional SMEs”.

Through INNO PROVENT experience, the above action can be further specialized in order to take into provision I4.0 aspects, based on the following the good practice:

Support programme Innovation vouchers (Operation program of Entrepreneurship and Innovation) - Ministry of Industry and Trade

The Support Programme Innovation vouchers from the Czech Republic aims to develop communication and share knowledge and know-how between businesses and research organizations since increased interactions between entrepreneurship and research enhances the competitiveness of SMEs. Eligible applicants are SMEs and the supported activity is purchasing of advisory, expert and support services in the area of R&D and innovations from organisations for research and knowledge dissemination or from accredited labs to help SMEs



with testing their solutions in product development. The call of Innovation Vouchers has low administrative complexity, fast system of approval and payment of applications for support since the evaluation of applications is undertaken only in terms of meeting the formal requirements and eligibility criteria. Considering the experience gained the Region of Thessaly from the previous Calls “Invest and Re-invest in Thessaly” and considering that the current period is closing, Innovation Vouchers could offer an opportunity for further cooperation between business and academia. **Therefore, the launch of the call for Innovation Vouchers is proposed as a second action of the Regional Action Plan.**

4.2.2. Nature of the action

The action aims at promoting research and innovation, utilizing research and technology results, in productive and commercial business activities of regional SMEs. Eligible applicants are SMEs and the supported activity is purchasing of advisory, expert and support services in the area of R&D and innovations from organisations for research and knowledge dissemination or from accredited labs to help SMEs with testing their solutions in product development. The services in innovation are mainly measurements, diagnostics, testing, tests, analyses, verification, certification of products, calculations, designs of new systems, technological processes, unique structural designs, modelling, development of SW, HW, material, equipment, system elements, prototypes, functional sample with respect to the development or marketing of a new product (product, service or process), optimisation of processes, characteristics of products, services, methods, parameters and advanced I4.0 solutions.

The planned activities are as follows:

- Approval of the Action Plan from the JS of Interreg Europe
- Finalization of the Call for Innovation Vouchers
- Approval of the Innovation Vouchers call for funding from the Monitoring Committee of the ROP of Thessaly
- Publish of the call for funding from the Managing Authority of ROP of Thessaly
- SMEs applying for funding
- Evaluation - Award
- Approval of the awarded projects

Activities will be led by the Managing Authority. A working group will be set up including representatives of stakeholders, which sets tasks, reviews progress and evaluates results.



4.2.3 Stakeholders involved

Managing Authority of ROP of Thessaly is responsible for the launch of the call.

Research and Innovation Regional Board (RIRB) which is responsible for the support of RIS3 implementation. Members of RIRB include a wide range of local actors such as universities and scientific associations.

Other regional stakeholders such as Chambers of Commerce, Industry Associations, and research centers.

4.2.4 Timeframe

The time needed to implement the action is 1 year starting in October 2021 and ending in September 2022.

The planned schedule is included in the following table:

No.	Activity	Deadline
1.	Finalization of the Call for Innovation Vouchers	October 2021 – January 2022
2.	Approval of the Innovation Vouchers call for funding from the Monitoring Committee of the ROP of Thessaly	January 2022 - February 2022
3.	Publish of the call for funding from the Managing Authority of ROP of Thessaly	March 2022 – April 2022
4.	SMEs applying for funding	April 2022
5.	Evaluation - Award	April 2022 - August 2022
6.	Approval of awarded projects	September 2022

4.2.5 Costs

For the estimation of the cost of the call the following assumptions are taken into consideration:

- Budget per Innovation Voucher: 10.000€
- Number of awarded projects: 300
- Total budget of the Call: 3.000.000€

4.2.6 Funding sources

ROP of Thessaly 2014-2020, Priority Axis 1: Strengthening the competitiveness and extroversion of enterprises (particularly SMEs), transition to qualitative entrepreneurship, spearheaded with the innovation and growth of Regional Value Added, Investment Priority 1b: Promoting business investment in R&I, developing links and



synergies between enterprises, research and development centres and the higher education sector. However, and since the Phase 1 activities were delayed and their closure coincide with the closure of the current programming period, it is recommended that the proposed action should also be funded by the ROP of Thessaly of the 2021-2027 programming period, to succeed the action's feasibility and effectiveness.

Date: 30.08.2021

Name/ function: KONSTANTINOS AGORASTOS, GOVERNOR OF THE REGION OF THESSALY

Signature/ Stamp: