

S34Growth - Enhancing policies through interregional cooperation: New industrial value chains for growth

Regional Action Plan focusing on the improvement of the addressed policy instrument

According to the Interreg Europe programme manual, p. 38,

Produced by each region, the **action plan** is a document providing details on how the lessons learnt from the cooperation will be implemented in order to improve the policy instrument that is addressed within their region. It specifies the nature of the actions to be implemented, their timeframe, the players involved, the costs (if any) and funding sources (if any). If the same policy instrument is addressed by several partners (see the example of the Italian region in section 4.6), only one action plan is required.

Part I – General information

Project: S34Growth - Enhancing policies through interregional cooperation: New industrial value chains for growth

Partner organisation: Government of Flanders, Department of Economy, Science & Innovation (EWI)

Other partner organisations involved (if relevant): /

Country: Belgium

NUTS2 region: Flanders (BE1)

Contact person: Barbara Cattoor

Email address: Barbara.Cattoor@ewi.vlaanderen.be

Phone number: +32 2 553 40 78

Part II – Policy context

The Action Plan aims to impact:

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

Name of the policy instrument addressed:

Operationeel Programma “Investeren in Groei en Werkgelegenheid” Vlaanderen 2014 – 2020
(Operational Program “Investment in Growth and Jobs” Flanders 2014 – 2020)

Part III – Details of the actions envisaged

ACTION 1: Explore interregional dimension into Flanders' Operational Programme post-2020

1. **The background** (please describe the lessons learnt from the project that constitute the basis for the development of the present Action Plan)

Lessons learnt

Operational Program Flanders 2014 – 2020 has a specific target “Support the transfer/dissemination of technologies in view of knowledge valorisation and market uptake” as part of priority axis 1 “Stimulate research, technological development and innovation”.

The project partners noticed that innovation activities and knowledge transfer are not necessarily confined to the geographical borders of a region. Numerous examples of innovation activities have been presented during the S34Growth ‘On-Site Deep Dive’ (OSDD) meetings that would not have been possible without interregional collaboration. Good examples identified are:

- CrossRoads2: an Interreg Vlaanderen-Nederland project that funds cross-border innovative activities carried out by a combination of Dutch and Belgian SMEs. The project relies on Flemish and Dutch SME funding mechanisms respectively, which are generally well-known to SMEs. This limits the administrative burden. Since 2016, 70 projects were approved for a budget of 6,8 million euro, involving 126 companies.
- MANUNET: an Era-Net fund for interregional cooperation in the manufacturing since 2000. SMEs have easy access to this instrument, although it is not evident to secure the financial commitment of the regions. This Era-Net works as a ‘virtual common pot’, where each region only takes out what it has put into the fund. Since its creation in 2014, MANUNET has reached funded 223 projects involving 610 SMEs for a total budget of 224 million euro.

While interregional cooperation within the context of the current OP Flanders 2014–2020 is possible to a small extent (mainly through subcontracting), discussions with our local stakeholders and Managing Authority have taught us that these options are not well-known – and hence underutilized. The same reasoning applies to the 20%-rule of Interreg programmes (Article 20 of ETC Regulation No 1299/2013), which states that up to 20% of the project budget can be spend outside the programme area, provided that the operations are for the benefit of the programme area.

One of the suggestions from the stakeholder group to improve interregional cooperation within the context of ERDF was to organise so-called ‘joint ERDF calls’ among a number of partner regions. This option has been discussed extensively during the OSDD meetings, but most partners, including Flanders, realized that a large majority of the budget for this programming period has already been allocated to upcoming calls. In Flanders, for example, over 90% of funds have been allocated. Keeping this information in mind, we decided to focus our efforts on influencing the next Operational Programme for the period 2021-2027.

Opportunities identified

We have identified two opportunities/policy developments that will help us implement action 1.

First of all, the government of Flanders has started the process of drafting its Government Agreement for the newly-elected government 2019-2024. Department EWI will be heavily involved in the policy options related to innovation and industry. Several in-depth discussions between EWI, Flanders Innovation & Entrepreneurship (FIE – Flanders’ government agency for innovation and entrepreneurship), and other relevant departments/agencies will take place throughout the year 2018. Since one or more of the proposed policy tools will most likely be related to the next ERDF Operational Programme, EWI will propose

evidence-based policy recommendations regarding the usefulness of interregional collaboration, building on the knowledge gained within this project.

Second of all, the next ERDF Operational Programme needs to be operational by 2021. This means that the content, objectives and conditionalities of the programme will start taking shape in the next two or three years. During the implementation phase of this project, we would like to focus our efforts on providing recommendations for the next OP, while at the same time monitoring the achievements of the current OP.

2. Action (please list and describe the actions to be implemented)

This action will consist of three steps:

1) Engage with Managing Authority and stakeholders

1.1. Learn more about decision-making/writing process

It is important that the policy advisors of Department EWI responsible for this action are familiar with the process of drafting the next ERDF Operational Programme. Therefore, they must first learn more about the decision-making and writing process of the next OP. This will require a bilateral meeting with the Managing Authority and/or experienced policy advisors at FIE/Department EWI. One meeting will be sufficient.

When?	April-May 2018
Participants?	EWI + MA
Resources?	EWI staff costs

1.2. Organise a stakeholder workshop together with Managing Authority

In order to substantiate our proposals for the next OP, we will organise a regional stakeholder meeting together with the Managing Authority. It is important to involve the main beneficiaries of Structural Funds, namely RTOs, universities, companies. This meeting can serve a double purpose: on the one hand evaluating the efficiency of the current OP, and on the other hand gathering insights for the next OP (both in relation to interregional collaboration).

When?	May-June 2018
Participants?	EWI + MA + stakeholders
Resources?	EWI staff costs + catering

2) Collect relevant information ('inventorisation')

2.1. Evaluate current possibilities for interregional cooperation by creating an 'inventory'

During our consultation with the Managing Authority, we have been informed about the possibilities for interregional collaboration within the current OP2014-2020. We would like to gather and evaluate these possibilities in a 1- or 2-page summary ('inventory') which we can easily share within our department and/or the project partners for internal use.

When?	March-April 2018
Participants?	EWI
Resources?	EWI staff costs

2.2. Share and discuss 'inventory' with Managing Authority and relevant policy makers

Once we have created and disseminated the 'inventory' document, we can use it as the background for discussions with the Managing Authority and other relevant policy makers regarding the interregional dimension of the next OP.

When?	May-August 2018
Participants?	EWI + MA
Resources?	EWI staff costs

3) Contribute to government agreement

3.1. Contribute insights to the official government agreement 2019-2024

In collaboration with FIE and other policy domains, we will draft policy options for the ERDF instrument as input for the next Government Agreement. These recommendations will build on the evidence gathered during the partner meetings, study visits, stakeholder consultations and inventorisation exercise.

When?	March-December 2018
Participants?	EWI + FIE
Resources?	EWI staff costs

3. Players involved (please indicate the organisations in the region who are involved in the development and implementation of the action and explain their role)

- Department of Economy, Science & Innovation (EWI)

Department EWI will play a crucial role in coordinating and drafting the inventory document as explained above. It will also take the lead in organising stakeholder meetings. Finally, EWI is an active participant in the 'writers group' for the next government agreement. As such, they will contribute first-hand to drafting the policy options for innovation, industry and interregional collaboration post-2019. This will include recommendations regarding the next ERDF OP2021-2027.

- Managing Authority

The involvement of the Managing Authority is crucial since they have the technical and practical knowledge regarding Flanders' OP 2014-2020. EWI will continue to consult them to provide input for the inventory. They will also be asked to verify the accuracy of the document. Lastly, they play a crucial role in the decision-making and writing process for the next ERDF OP.

- Flanders Innovation & Entrepreneurship (FIE)

FIE has taken on the leading role both in the process of updating Flanders' S3 strategy as well as coordinating Flanders' contribution to the industrial policy recommendations of the Government Agreement. As such, EWI will enter into the discussions with FIE regarding the lessons learnt and recommendations for an interregional dimension of Structural Funds.

4. Timeframe

2018



5. Costs (if relevant)

There are no specific costs related to this action, except staff costs and catering for meetings.

6. Funding sources (if relevant)

Not relevant

7. Risk and contingency plans

- Substantial changes to cohesion policy post-2020 at EU-level

There is a risk that the cohesion policy will change substantially in the next programming period, mainly due to the withdrawal of the United Kingdom from the EU. This will leave the EU with a budget gap, meaning that all programmes could face cuts, including large ones like cohesion¹. In the worst case scenario, only Eastern European countries plus Cyprus, Greece and Portugal would receive regional aid from the cohesion funds². Therefore, it remains to be seen whether the ERDF programme in Flanders will continue to exist post-2020, and if so, what the budget will be.

In order to mitigate this risk, we will first of all follow the EU policy development closely together with the Managing Authority, in order to provide timely information and reactions vis-à-vis our stakeholders. Second of all, we will adapt our efforts according to the policy developments at EU level. If necessary, we will shift our focus to the improvement of similar/complementary policy instruments.

- No political willingness to introduce interregional elements in ERDF

In the past, we have experienced challenges when it comes to convincing political leaders to include an interregional dimension in a strictly regional policy such as ERDF (*cfr.* past experience with Article 70 of ERDF regulation). The upcoming elections in 2019 could provide an opportunity for renewed discussions in this respect. We will organise a high level meeting with the minister and/or his cabinet to start exploring this route.

¹ Arcilla, T. & Sandford, A. (January 2018) - <http://www.euronews.com/2018/01/10/the-eu-s-future-budget-plugging-the-brexite-hole> - retrieved 9 March 2018

² Eder, F. (November 2017) - <https://www.politico.eu/article/commission-gets-glimpse-of-post-brexite-eu-budget-horrors/> - retrieved 9 March 2018

8. Expected impact and results of the policy improvement

This action is expected to

- 1) raise awareness in the regional administration about the possibilities for interregional cooperation within the framework of the current OP in Flanders,
- 2) lead to evidence-based recommendations for an interregional dimension in the next ERDF OP2021-2027,
- 3) in the long run, lead to more project proposals with an interregional component.

These improvements will

- 1) facilitate structural cooperation between Flemish stakeholders and project partners in other EU regions,
- 2) improve knowledge and technological spillovers between regions, thanks to the collaboration within ERDF projects.

ACTION 2: Accelerate lobby efforts for Expanded Interreg B

1. The background (please describe the lessons learnt from the project that constitute the basis for the development of the present Action Plan)

Lessons learnt

This action is a joint, long-term effort to lobby for an expanded Interreg B program together with other partner regions involved in this project. During the regional stakeholder meeting in September, this action was identified as very relevant to achieve structural, interregional cooperation in the area of pilot/demonstration activities.

When a new technological application moves from a laboratory environment to the pilot and demonstration phase, the financial and technological risks are still very high. For this reasons, many innovations become trapped in the so-called ‘valley-of-death’. At that stage, capital expenditures are high because the research equipment needs to be upscaled to approximate commercial size. At the same time, financial and technological risks are substantial because the technology still needs to be tested at pre-commercial scale. Hence, innovation actors have difficulty attracting the necessary funds to invest in the pilot/demonstration infrastructure for new technologies. Interregional collaboration, i.e. joint demonstration activities, can help overcome this bottleneck by sharing the risks among many regions.

Interreg B is a suitable instrument for investing in joint demonstration activities, especially for covering the operational costs of an innovation project. Sometimes these programmes can also be used to invest in ‘hard’ infrastructural investments e.g. Biobase Europe. We have listed the most common types of activities in Interreg A/B programmes for Flanders below:

TYPE OF ACTIVITY	PROJECT EXAMPLE IN FLANDERS
Coordination and joint demonstration	Waterstofregio 2.0 (Waterstofnet vzw a.o.), Factory 4.0 (SIRRIS a.o.)
Pooling of existing research infrastructure and R&D capacity	Organext (UHasselt a.o.), Biohart (TNO, VITO a.o.)
Piloting	Carbon2Value (Arcelor Mittal a.o.)

Common infrastructure for research and training	BioBaseEurope (Biobase Europe vzw a.o.)
Innovation financing for SMEs	Crossroads 2.0 (Stichting Crossroads a.o.)
”Stimulation” projects	Innovation2Market EMR+ (DSP Valley a.o.),
Innovation support	BioBase4SME (Biobase Europe Vzw a.o.), Link2Innovate (Innotek a.o.)
R&D&I	Luminoptex (Centexbel a.o.), Polyvalve 3D (UHasselt a.o.)

We noticed that, when developing new value industrial chains in Europe, the concerned actors are not necessarily located in geographically contingent EU regions. The only Interreg programme that covers the entire European Union, namely Interreg Europe, focuses solely on policy learning. Hence, we would like to advocate for expanded Interreg B programmes, or alternatively an Interreg Europe programme with a project investment component, as a structural funding instrument for interregional collaboration aimed at higher TRL activities. This would also be an opportunity to improve synergies between ERDF and Interreg funding, as the former is appropriate for local infrastructure investments, while the latter is more suitable for interregional operational activities.

In addition, this action line is being explored within several expert meetings of the Vanguard Initiative ASBL, an association where all project partners, including Flanders, are actively involved. The experience within several interregional ‘demonstration cases’ of the Vanguard Initiative was meant to inspire the policy actions developed within the S34Growth project. As such, many ‘case leaders’ have presented their experiences and challenges during OSDD meetings, e.g. Lombardy, South-Netherlands. While the opportunity to spend up to 20% of the project budget outside the programme area exists in Interreg programmes, this measure has proven to be administratively cumbersome and politically sensitive. By analysing the existing Interreg B and Operational Programmes in the partner regions, we have concluded that 1) synergies between ERDF OP and Interreg B programmes can be improved, and 2) Interreg B programmes do not have sufficient geographical reach to enable ‘demonstration cases’ or other interregional innovation projects to utilize this instrument.

To substantiate the latter claim, Flanders and South-Netherlands have collaborated to create maps of the Vanguard ‘demonstration cases’ and existing Interreg B programmes. These maps clearly indicate the ‘gaps’ that exist at EU level when it comes to geographical coverage of Interreg B programmes and emerging industrial value chains. The mapping exercise provides a useful tool to 1) improve our analysis of Interreg B programmes within the context of interregional collaboration, and 2) accelerate our joint lobby efforts to convince Interreg B secretariats and European institutions to consider expanding certain programmes.

Opportunities identified

Department EWI participates in two initiatives that could provide the critical mass for this action.

First of all, the Vanguard Initiative is a network of over 30 (politically-committed) European regions, piloting interregional collaboration based on their smart specialisation strategies.

Second of all, Flanders is involved in more than five interregional partnerships as part of the Smart Specialisation Platforms of the European Commission. In two of these partnerships, EWI is leading a pilot action for interregional innovation investments in bio-economy and 3D printing, approved by the European Commission in December 2017. These pilot actions serve as “think tanks for the post-2020 programming

period” and hence, offer an excellent opportunity to convince the European Commission about the importance of an Expanded Interreg.

2. Action (please list and describe the actions to be implemented)

This action will consist of three steps:

1) *Create and share maps*

1.1. *Create maps of ‘demo cases’ and existing Interreg B programmes*

This action has already started in second half of 2017. The first versions of the maps, as described above, have been created in collaboration with project partner Brainport Development. To finalize this sub-action, these maps need to be reviewed and collected in a single policy document.

When?	December 2017-April 2018
Participants?	EWI + Brainport (PP10)
Resources?	EWI + Brainport (PP10) staff costs

1.2. *Share maps with relevant networks and stakeholders*

This comprehensive document will be shared with other project partners, the members of the Vanguard Initiative, and other relevant stakeholders, as a lobbying tool.

When?	April-May 2018
Participants?	EWI
Resources?	EWI staff costs

2) *Determine lobby strategy*

2.1. *Organise partner meetings to discuss strategy and divide tasks*

There will be a meeting with interested project partners to design a lobby strategy and to divide tasks among the partners.

When?	May-June 2018
Participants?	EWI + interested project partners
Resources?	EWI staff costs + travel expenses + catering

2.2. *Participate in expert group of Vanguard Initiative*

EWI will become a member of Vanguard Initiative’s expert group working on policy influencing, specifically lobby efforts towards an expanded Interreg. This joint approach will create critical mass during the influencing phase, as well as new strategical insights. It will also lead to more policy learning based on other regions’ experiences.

When?	April 2018-...
Participants?	EWI
Resources?	EWI staff costs

3) *Start joint lobbying efforts towards secretariats/EC*

3.1. *Engage with Interreg secretariats, EU policy makers, regional networks...*

From the second half of 2018 onwards, we will start interacting with Interreg secretariats, EU officials and managing authorities to spread our message and lessons learnt. This moment will be crucial as it leads up to the new programming period post-2020.

When?	May 2018-December 2019
Participants?	EWI + interested project partners
Resources?	EWI staff costs

3. **Players involved** (please indicate the organisations in the region who are involved in the development and implementation of the action and explain their role)

- Department of Economy, Science & Innovation (EWI)

Department EWI will execute most of the lobby work towards the Interreg secretariats, managing authorities and EU officials. We will also organise a meeting with the other project partners to discuss the joint lobbying strategy. As one of the founding members of the Vanguard Initiative, it has a strong connection to the network, which will provide the necessary leverage to carry out this action. In addition, EWI closely monitors and contributes to policy developments at EU level.

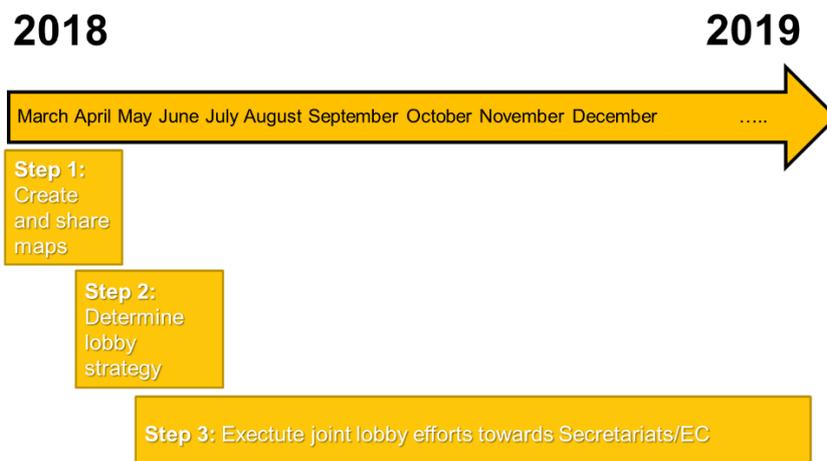
- Managing Authority

The Managing Authority is responsible for the Interreg programmes in which Flanders participates, e.g. Interreg North-West Europe, Interreg Vlaanderen-Nederland. As such, they have a lot of experience with these programmes, and closer connections with the secretariats. It is therefore essential to involve them in this action.

- S34Growth project partners and Vanguard Initiative ASBL

After consulting with the other project partners and the members of Vanguard Initiative, we have identified several project partners who are committed to join this action. Brainport Development (PP10) and AFIL (PP6) will explicitly include this action in their action plan.

4. **Timeframe**



5. Costs (if relevant)

There are no specific costs related to this action, except staff costs and catering/travel expenses for meetings.

6. Funding sources (if relevant)

Not relevant

7. Risk and contingency plans

- Policy improvements cannot be realised within the timeframe of phase 2

Since this action is truly a long-term effort, which requires continuous influencing and stakeholder engagement, it is possible that the time frame of two years for phase 2 is insufficient to achieve the desired result. To mitigate for this risk, we will link our efforts to a broader network of activities, in order to ensure continuity.

8. Expected impact and results of the policy improvement

This action will

- 1) Improve evidence- and knowledge-sharing regarding the usefulness of an (expanded) Interreg B programme,
- 2) Raise awareness at different policy levels regarding to need to open up Interreg programmes to a larger group of regions,
- 3) In the long run, realize a meaningful interaction between concerned policy makers, stakeholders and EU institutions regarding an improved Interreg B.

As discussed with the stakeholder group, an expanded Interreg B solution is useful to fund 'layer 2' costs, namely operational costs of demonstration activities and investments. These type of investments could be further enhanced by better aligning Interreg projects with ERDF investments in 'hard' infrastructure.

ACTION 3: Emphasize interregional cooperation in updated RIS3 strategy for Flanders

1. The background (please describe the lessons learnt from the project that constitute the basis for the development of the present Action Plan)

Lessons learnt

The Smart Specialisation Strategy was an ex-ante conditionality for receiving ERDF budget for the period 2014-2020. Regional smart specialisation as a guiding principle for the OP2014-2020 allows for a more efficient allocation of ERDF funds because it targets those sectors where the region has a strong economic advantage and/or a large innovation potential. Based on the need for structural interregional collaboration as identified within this project, Flanders has decided to give its Smart Specialisation Strategy an update in 2017-2018. By doing so, we will take into account and increasingly focus on new developments in terms of cluster policy, higher-TRL innovation instruments and interregional collaboration.

Especially interregional collaboration will receive more attention in the updated S3 strategy as it has proven to be an efficient and mutually beneficial way of implementing not only Flanders' S3 strategy, but S3 strategies across Europe. This is exemplified by the synergies that co-exist between, for example, the pilot facilities for bio-economy in Flanders, namely Biobase Europe Pilot Plant, and South-Holland, namely

Bioprocessing Facility. Another example is the collaborative research organisation Holst Centre in Eindhoven (South-Netherlands) jointly created by imec (Flanders) and TNO (The Netherlands) in 2005.

The policy discussions and presentations regarding S3 strategies in other partner regions will serve as an inspiration for our strategy's update. For example, during the OSDD in Basque Country, we learned that the region limits its priority domains to three specialisations and four 'opportunity niches'. This allowed them to carry out in-depth analysis about the strategic objectives of each specialisation domain. In Flanders, we also aim to combine a 'top-down' analysis of priority domains with a 'bottom-up' definition of the strategic objectives and road maps within each domain.

In July 2017, Flanders launched an inter-cluster project call, where the Flemish spearhead clusters had the opportunity to apply for funding in the context of an inter-cluster R&D&I project. Project proposals also needed to be linked to one out of three 'transition priorities' in Flanders, namely industry 4.0, energy or circular economy. The results of this pilot will be used to evaluate the importance of inter-cluster collaboration in the updated S3 strategy, both from a regional and interregional perspective.

Opportunities identified

FIE together with Department EWI has started updating its Smart Specialisation Strategy mid-2017. This process is still ongoing, as it requires input from many policy domains and stakeholder levels. By analysing and formulating the need for interregional cooperation in Flanders' S3 strategy, we can influence the next ERDF OP accordingly. The European Commission is also evaluating its Smart Specialisation policy in the light of the next Multi-Annual Financial Framework. This means that the ex-ante conditionalities in the next programming period might be subject to change. Through our participation in a pilot action for interregional innovation partnerships funded and supported by the European Commission, we will be able to further influence the European S3 policy as well. All in all, we hope that the results of this 3rd action will form the basis for action 1 as described in this action plan.

2. Action (please list and describe the actions to be implemented)

This action will consist of three steps:

1) Gather good practices

1.1. Gather good practices from other regions

During the numerous OSDD events, we have gathered evidence and good practices regarding the S3 strategies in partner regions. We will use this information as input for our own strategy update, and share it within Department EWI and FIE.

When?	March-May 2018
Participants?	Dep. EWI
Resources?	EWI staff

1.2. Analyse overview of current interregional cooperation activities within Flanders

Together with FIE, we are gathering and analysing several descriptions of interregional activities already carried out in Flanders in the context of our S3 policy, e.g. Thematic Smart Specialisation Platforms, Vanguard Initiative, Era-Nets, Joint-Undertakings, Interreg projects. This serves as input/evidence interregional collaboration component of our updated S3 strategy.

When? March-April 2018
Participants? EWI + FIE
Resources? EWI staff costs

2) *Develop updated S3 strategy*

2.1. *Develop proposals within writing group*

The writing group consist of Department EWI, FIE, and the Managing Authority. It meets several times per year to discuss the background documents, evidence, analysis and policy recommendations for the future.

When? Started April 2017
Participants? EWI + FIE + MA
Resources? EWI staff costs

2.2. *Discuss proposals with ministries and other relevant entities*

The updated S3 strategy needs to be discussed with and approved by the Minister and his cabinet. First high-level meetings concerning this topic have already taken place in December 2017, but more meetings are necessary to finalize the content of the updated strategy.

When? December 2017-December 2018
Participants? EWI + FIE
Resources? EWI staff costs

3) *Develop appropriate instruments to implement S3 strategy*

3.1. *Adapt/create appropriate instruments for (interregional) collaboration among S3 actors*

Following the update of the S3 strategy, a second exercise has started within the Department EWI and FIE concerning appropriate instruments for higher-TRL activities, inter-cluster and inter-regional collaboration. The pilot call for inter-cluster projects was a first attempt to test the new approach as put forward in the S3 strategy.

When? April 2018-...
Participants? EWI + FIE
Resources? EWI staff costs

3. **Players involved** (please indicate the organisations in the region who are involved in the development and implementation of the action and explain their role)

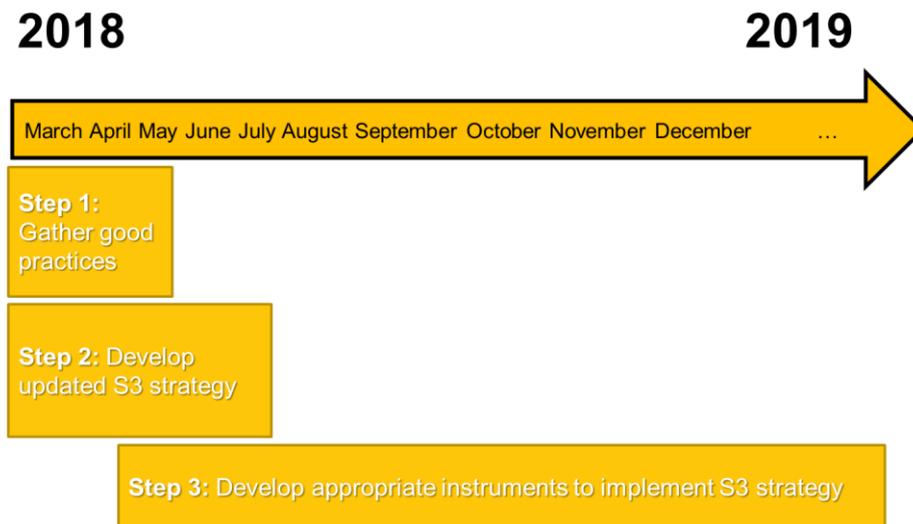
- Department of Economy, Science & Innovation (EWI)

Department EWI is actively contributing to the writing and evidence-gathering process for the update of the Flemish S3 strategy. Due to our active membership and engagement in regional networks and projects based on S3 principles, e.g. S34Growth, EWI will be a primary source for policy recommendations regarding S3, including the next EFRO OP as described in action 1.

- Flanders Innovation & Entrepreneurship

FIE has taken on the coordinating role in the writing group for the update of the S3 strategy. They are also responsible for the R&D&I instruments for SMEs. As such, their participation in the process is guaranteed and absolutely necessary. Several discussions with FIE will take place in 2018 to formulate the final strategy.

4. Timeframe



5. Costs (if relevant)

There are no specific costs related to this action, except staff costs.

6. Funding sources (if relevant)

Not relevant

7. Risks and contingency plans

- Breach in discussions due to regional elections mid-2019

In one year time, there will be regional elections in Flanders. This means that there will be a government change. If the S3 strategy update is not finalized by this time, we risk that the discussions will be discontinued for a couple of months around the election period, and need to be resumed shortly thereafter. It is also difficult to estimate whether the new government will show the same interest in the S3 strategy.

There are several situations that will mitigate this risk. First of all, having a regional S3 strategy is an ex-ante conditionality for the Operational Programmes. This means that an updated S3 strategy will have to be presented to the European Commission before the start of the next Programming Period in 2021. This provides a good motivation for developing an updated strategy in advance. Second of all, our Department can include a policy section regarding the importance of an updated S3 strategy in the new Government Agreement. Our next Minister and Government will consequently be able to fall back on this Agreement when setting out their policy priorities.

8. Expected impact and results of the policy improvement

During the stakeholder meetings, many stakeholders indicated that S3 should be a reality, not a wish, because it helps target public investments and innovation efforts. A clear and real S3 strategy can foster the development of innovation ecosystems around certain technology domains. It also helps identify synergies, complementarities and even inconsistencies in the innovation landscape.

Hence, this action is expected to

- 4) Provide a clear and predictable framework regarding S3 domains in Flanders,
- 5) Take into account a wide range of related policies and initiatives, and consolidate this overview in an overall strategy,
- 6) Describe the relevance and merits of interregional collaboration in a clear policy framework.

These improvements will

- 1) ‘Export’ Flanders smart specialisation sectors abroad, by further developing these sectors in an interregional context.
 - 2) At the same time, improve knowledge and technological spillovers between regions, thanks to the collaboration based on smart specialisation principles.
-