

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

Regional Action Plan focusing on the improvement of the Demonstration Projects

Part I – General information

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

Partner organisation: ANI – Portuguese National Innovation Agency, S.A.

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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: **Demonstration Projects**¹.

ANI manages a set of financial incentives for research development and innovation, with a view to supporting the valorisation of scientific and technological knowledge by turning it into economic growth.

The policy instrument being addressed by ANI in this Action Plan is the “Demonstration Projects”. This instrument aims at supporting the demonstration, in real productive conditions, of results from previously concluded R&D projects, including the setting of pilot lines, and addresses the growing need to integrate, test and demonstrate results from R&D projects developed at a national, regional or international level, and to disseminate them to a wider audience, both geographically and sectorial, thus boosting the changes for cross fertilization and further valorisation.

This is a new instrument that builds on the experience gathered in previous Operational Programmes that showed the still significant challenges of integrating results and technologies from R&D projects to build demonstrators and pilot lines. Under “Norte 2020” – the Operational Programme of the North Region of Portugal for 2014-2020, ANI acts as an intermediary body in the management of the Demonstration Projects, working closely with the programmes’ Managing Authority – Norte Portugal Regional Coordination and Development Commission (CCDRN).

Due to its nature, objectives and relevance, this policy instrument was set up through the following **legal framework**:

- It was included under the Priority Axis “Research, Technological Development and Innovation” of “Norte 2020”, responsible for the implementation of R&D demonstration results programmes and instruments (individual or collaborative) in the North Region of Portugal;

¹ More information at <http://ani.pt/en/incentives/demonstrators/>

- It was considered in the Specific Regulation of the thematic domain of Competitiveness and Internationalisation (“COMPETE” – RECI) of “Portugal 2020” – Portugal’s Partnership Agreement for the 2014-2020 programming period with the European Commission, responsible for the implementation of R&D demonstrations results programmes and instruments (individual or collaborative) at a national level.

The measures taken so far in terms of **increasing the effects of such instrument** are framed within the more general measures adopted in Portugal for the 2014-2020 structural funds programming period:

- **Orientation towards results** – the support is limited to projects which demonstrate their potential contribution to specific regional development objectives and result indicators;
- **Focus on key priorities** – the support implies an alignment of the project with the Norte 2020 RIS3 Strategy - the Research and Innovation Strategy for Smart Specialization of the Norte region of Portugal, in order to concentrate resources on the priorities relevant for the region;
- **Wide dissemination of the calendar of the calls** – the calls are publicised in advance, so that potential beneficiaries can better prepare their applications.

Although the still short period of time between the calls’ deadlines and the projects’ implementation results, this new calls for Demonstration Projects are a means to facilitate technology-to-market processes in the North Region of Portugal, this way addressing one of the main challenges of the Region, especially targeting the eight priority domains of the Norte 2020 RIS3 Strategy.

Part III – Details of the actions envisaged

1. The background

This Action Plan for the time period of 2018-2020 includes a set of 17 actions, divided between:

- **Short-term actions** – includes initiatives that can positively influence the Demonstration Projects over the next 2 years, until the end of “Portugal 2020” structural funds programming period between 2014-2020. The implementation of these initiatives does not require structural changes in the current version of the Demonstration Projects;
- **Long-term actions** – includes initiatives that are foreseen to be included in a possible definition of the Demonstration Projects under the new structural funds cycle, in the post-2020 period. The implementation of these initiatives requires comprehensive changes to the current formulation of the Demonstration Projects, namely in terms of the Specific Regulation on Competitiveness and Internationalisation (“COMPETE” – RECI).

For each initiative, we propose an execution time schedule, the leader entity in its execution and other entities to be involved in the development of the initiative.

The 17 actions proposed are a direct result of the participation on the 10 On-Site Deep Dives (OSDDs) of the project, 2-3 days of field visits to the project partners’ regions in order to collect good practices, and the feedback received from project partners when organising the OSDD Norte regarding new ways to promote inter-regional cooperation, which took place between 18-19 January 2017, in the cities of Porto, Matosinhos and Braga.

We also took into consideration the recommendations and suggestions provided by Norte’s Regional Stakeholders Group (RSG) – national entities with a very important role in the design and implementation of the Demonstration Projects and/or that can be affected by its results – on how to improve the policy instrument addressed by ANI. One of the activities of the RSG was the draft of a SWOT analysis that presented a first overview of the virtues and debilities of the Demonstration Projects instrument, identifying ways to overcome the difficulties pointed out when using the instrument. This SWOT analysis served also as baseline for this Action Plan.

Therefore, the goal of this Action Plan is to improve the Demonstration Projects instrument in this current version (a typology of R&D projects under the “Portugal 2020” programming period for 2014-2020), but also to identify actions that can be incorporated in a similar instrument of demonstration that may exist in the next programming period post-2020, namely actions that allow for an inter-regional cooperation between instruments of industrial innovation promotion.

2. Actions and expected impacts and results of the policy improvement

Short-term actions (2018-2019)

Action 1 – Extension of the typology of promoters to entities that do not have R&D as their main objective [regional action]

The work made in the scope of the S34Growth project has already allowed the introduction of some changes in the current Demonstration Projects instrument, namely in its collaborative component, on what concerns the broadening of the typology of promoters.

“The new drafting of the Specific Regulation on Competitiveness and Internationalisation (“COMPETE” – RECI) (Decree nº 142/2017 of 20 April) allows to safeguard the eligibility conditions of co-promoters that, although not having as main objective the promotion of research, they do participate in research activities in the scope of an effective collaboration. Thus, entities of the R&I system such as (a) higher education institutions, their institutes and R&D units; (b) state-owned or international laboratories headquarter in Portugal, in regions that fall under the scope of the current regulation; and (c) private non-for-profit institutions that have as main goal R&D activities, are now joined by other entities in which research is not their main objective, such as (d) other public and private non-for-profit entities that develop or participate in scientific research activities.

The illegibility of these entities will be evaluated in terms of the relevance of their participation in the project (effective collaboration), taking into consideration their competences, the goals of the project, the activities in which they participate, human resources involved and the adequacy of the respective budget”².

Action 2 – Development of more roadshows being carried out by ANI, given its importance in raising awareness among promoters of a set of failures that need to be addressed [regional action]

Promoted by ANI, this action foresees an increase in the number of information roadshows provided by the Agency in order to better clarify and raise awareness of the projects’ promoters to failures detected during the application phase of the Demonstration Projects. These failures are mostly related with eligibility criteria and not with the merit of the projects themselves.

The information roadshows will be held during 2018-2019 to potential beneficiary entities of the Demonstration Projects in order to prepare for new calls that can still open until the end of the current programming period.

Action 3 – Timely information on the calendar of the “Portugal 2020” competitions in the period 2018-2020 and compliance with this calendar [regional action]

As an intermediate body in the management of the Demonstration Projects, ANI’s main objective should be able to suppress delays when opening new calls in order for promoters to have time to work on their applications.

The main goal is to improve the communication of the instrument, avoiding overlaps with calls’ deadlines for other R&D promotion instruments that the Agency also manages, namely with the R&D projects. Currently, there’s still overlaps between the end of an R&D project and the possibility to apply in time for a Demonstration Project call.

² <https://ani.pt/incentivos/demonstradores/>

This action depends on the decision of national and regional management authorities of the “Portugal 2020” structural funds programme.

Action 4 – Publicly disseminate the results of supported Demonstrator Projects (online database and success stories) to maximize the positive impact of successful projects and companies [regional action]

ANI would like to create an online repository, in a technological platform which is foreseen to be created, of the Demonstration Projects supported by the Agency, which would also include success stories of projects that have already ended (i.e., project with high potential to be commercialised) and their results.

The technological platform will, thus, be a good way to disseminate successful demonstration projects (i.e., good practices) with recognised quality, this way promoting the public dissemination of technological solutions that can be replicable and commercialised.

Action 5 – Create training sessions for evaluators in order for evaluations of projects to be more homogeneous [regional action]

This action intends to promote more coherence and homogeneity on the evaluation criteria of applications received for the Demonstration Projects.

This means that evaluators (i.e., experts) hired by ANI to evaluate applications to the Demonstration Projects should have a comprehensive knowledge of the instrument and evaluate projects in a very objective way, taking into consideration the specificities of each project and each sector the project relates to.

Action 6 – Bilateral cooperation with the project partner ACCIÓ under the NUCLIS International Unilateral programme [inter-regional action]

Through our Partnership and Cooperation Unit, ANI intends to establish a bilateral cooperation with the project partner ACCIÓ - Agència per la Competitivitat de l'Empresa, the Agency for the Competitiveness of Companies of the Region of Catalonia, in the scope of its NUCLIS International Unilateral programme. Funded by FEDER, this instrument allows the participation and cooperation in R&D projects to other entities outside the Region of Catalonia, through the establishment of partnership agreements with organisations in other regions or countries.

The main objective of this action would be to open joint calls in the scope of this programme for R&D consortiums that would include the participation of entities from the Region of Catalonia and all regions of Portugal, including the North of Portugal (since ANI has a national scope, the calls cannot be restricted to the participation of only entities from Norte).

Action 7 – Identification and application to Interreg B calls together with other project partners in order to promote innovation activities [inter-regional action]

Due to the geographical proximity with Spain, ANI intends to bet on the identification and application to Interreg B calls, namely to Interreg Atlantic Area and Interreg Sudoe, together with project partners of the Basque Country (Government of the Basque Country) and from Catalonia (ACCIÓ - Agència per la Competitivitat de l'Empresa).

The main objective is to explore funding possibilities for the development of cross-border pilot actions and demonstration projects, in common smart specialization sectors between the regions. The Interreg projects would thus start by identifying basic infrastructure already existing in the regions and then try to foresee possibilities of funding to individual or collaborative R&D projects that allows the projects to show their technologies in an infrastructure from one of the involved regions. Calls for applications would be open in the scope of the implementation of the Interreg projects.

With this, ANI intends to promote an effective transfer of innovation results in order to facilitate the emergence of new products, services and processes in the Iberian Peninsula.

The following table presents the foreseen calls to open under the Interreg programme until the end of 2020 that match the priorities related with the promotion of innovation activities:

Table 1 – Cross-border cooperation possibilities in the scope of the Interreg B programme

Type of programme	Countries involved	Possible project partner regions	Priority	Next call
Interreg Atlantic Area	Portugal Spain France Ireland United Kingdom	Basque Country	Stimulating innovation and competitiveness	[not open]
Interreg Sudoe	Portugal Spain France	Basque Country Catalonia	Research and Innovation	End 2018 (4 th call) Start 2020 (5 th call)

Action 8 – Application to the ERA-NET instrument under the Horizon 2020 programme together with other project partners in order to promote innovation activities [inter-regional action]

In order to cooperate with other project partners which are not geographically close, ANI intends to apply for the ERA-NET instrument and create Joint Programming Initiatives (JPIs) in order to tackle common challenges more effectively in a few key areas.

The number of JPIs and the project partners to be involved will only be identified over the course of the next 2 years.

Long-term actions (post-2020)

Action 9 – Broaden the typology of evaluators (i.e., experts) of the Demonstration Projects [regional action]

For the next framework period, ANI would like to strengthen the current evaluation system of the Demonstration Projects, allowing for a broadening of the typology of evaluators to entities of the scientific and technological system that effectively represent the beneficiaries of the incentives system to R&D.

In order words, since it is considered that the current evaluation of Demonstration Projects is very much focused on the academia (mainly done by researchers, professors and individual specialists), ANI wishes to include in its pool of experts' also representatives of the industry such as clusters, technological infrastructures, competence centres, among others.

Action 10 – Draft and disseminate support manuals on the R&D incentives system [regional action]

For the next R&D incentives system 2021-2027, ANI would like to draft support manuals that can help promoters when applying for Demonstration Projects calls. These manuals would also include good practices of already finalised projects and their results as well as the procedures and evaluation criteria that will support evaluators of the projects.

Action 11 – Introduction of mid-term evaluations of the Demonstration Projects in order to identify the projects which are effectively being well-implemented and to take into consideration the specificities of projects in certain areas/sectors [regional action]

The implementation of mid-term evaluations of the Demonstration Projects would lead evaluators to look to the effective implementation of the project (i.e., execution of the foreseen activities and results accomplished), instead of focusing the evaluation only on the financial execution of the projects. This would also allow an adjustment of the funding received by a project if this did not meet the goals it foresaw.

Moreover, this change in the evaluation process would also allow for Demonstration Projects to be analysed and evaluated according to criteria that take into consideration the specificities of certain areas and sectors.

Action 12 – Implementation of ongoing calls with several cut-offs for the Demonstration Projects [regional action]

Similar to what happens in some calls of the Horizon 2020 programme, ANI will propose for the R&D projects it manages, including the Demonstration Projects, to have a fixed schedule, previously defined, more predictable for the interested promoters. The ongoing calls would allow for a greater continuity of the R&D projects already finalised that intend to demonstrate their technology in real time context.

Action 13 – Creation of a “green way” for finalised R&D projects, allowing them an easier access, in bureaucratic terms, when applying to the Demonstration Projects [regional action]

The implementation of mid-term evaluations in public policy instruments managed by ANI, namely R&D projects, is the basis for the creation of a “green way” (former “quality seal”) to be given to R&D projects with high demonstration potential, i.e., able to be replicable in other companies or sectors of activity.

The distinguished projects would have the right to be analysed in other levels, meaning, taking into consideration other criteria that not only the ones used when applying to R&D projects, thus simplifying the bureaucracy associated to a new application (e.g., a pre-filled application with data from the R&D project application and with the results from the mid-term evaluations). Since these will be projects with previous applications, there’s no need to repeat the same questions and criteria in the application phase.

The focus will be on the evidence that the team behind the Demonstration Project (and that was, at least in part, previously involved in the development of the R&D project) presents all the necessary conditions to build the infrastructure and that the Demonstration Project will have impact in the national scientific and technological system (e.g., training of human resources, impact on the regional economic and business fabric or on other companies of the same sector, ...).

Action 14 – Creation of an award system for successful technologies that demonstrate they can be commercialised [regional action]

Besides the online repository that will publicly disseminate the results of the Demonstration Projects, ANI wishes to create a Success Award to be given to finalised Demonstration Projects whose technologies had a high potential of being commercialised.

This non-monetary award would be a way to distinguish and provide visibility to successful Demonstration Projects, after they end. The main objective is to help the project establish partnerships with other entities that could support and help the technology to enter the market.

Action 15 – Link the Demonstration Projects with the “SME Instrument – Phase 2” through the “Seal of Excellence” [regional action]

This action intends to implement in Portugal the “Seal of Excellence” given to companies that apply to the “SME Instrument – Phase 2” but stay below the threshold. Such a change will imply the harmonization of national legislation, namely regarding criteria and evaluation of the Demonstration Projects.

Companies distinguished with the “Seal of Excellence” would, thus, have direct access to the Demonstration Projects and would be funded at a national level.

Action 16 – Within the Demonstration Projects, implement an international component that allows the creation of consortiums with non-Portuguese entities [inter-regional action]

Taking into consideration the experience of project partner ACCIÓ - Agència per la Competitivitat de l'Empresa with the NUC LIS International Unilateral programme, ANI intends to add an international component to the design of the Demonstration Projects of the next framework programme. The main objective would be to broaden the typology of entities that could apply to this instrument to international entities, as long as the application was made by a consortium led by a Portuguese entity.

ANI would thus establish Partnership Agreements with several strategic regions/countries that would include, among other measures, the possibility to have international collaborative Demonstration Projects.

Action 17 – Create an inter-regional Open Innovation Network [inter-regional action]

ANI will analyse the possibility of creating an inter-regional Open Innovation Network, starting by the project partners, in order to provide answers to common societal challenges.

3. Players involved and Timeframe

The following table presents the players foreseen to be involved in each action and correspondent timeframe. The dates refer to when the action is foreseen to start being defined and planned, thus not always coinciding with the year in which the action may be executed.

	Action	Starting date	Leader entity	Other entities to involve
Short-term Actions 2018 - 2019	1. Extension of the typology of promoters to entities that do not have R & D as their main objective [regional action]	2017 (finalised during the 2 nd semester)	ANI	COMPETE Regional Operational Programmes
	2. Development of more roadshows being carried out by ANI, given its importance in raising awareness among promoters of a set of failures that need to be addressed [regional action]	2018 (2 nd semester)	ANI	RSG
	3. Timely information on the calendar of the "Portugal 2020" competitions in the period 2018-2020 and compliance with this calendar [regional action]	2018	ANI	COMPETE Regional Operational Programmes
	4. Publicly disseminate the results of supported Demonstrator Projects (online database and success stories) to maximize the positive impact of successful projects and companies [regional action]	2018	ANI	COMPETE Regional Operational Programmes RSG
	5. Create training sessions for evaluators in order for evaluations of projects to be more homogeneous [regional action]	2018	ANI	COMPETE Regional Operational Programmes
	6. Bilateral cooperation with the project partner ACCIÓ under the NUC LIS International Unilateral programme [inter-regional action]	2018	ANI	ACCIÓ
	7. Identification and application to Interreg B calls together with other project partners in order to promote innovation activities [inter-regional action]	2018	ANI	ACCIÓ Basque Country

	8. Application to the ERA-NET instrument under the Horizon 2020 programme together with other project partners in order to promote innovation activities [inter-regional action]	2018	ANI	Project partners
Long-term Actions 2020 - ...	9. Broaden the typology of evaluators (i.e., experts) of the Demonstration Projects [regional action]	2020	ANI	COMPETE Regional Operational Programmes
	10. Draft and disseminate support manuals on the R&D incentives system [regional action]	2020	ANI	COMPETE Regional Operational Programmes
	11. Introduction of mid-term evaluations of the Demonstration Projects in order to identify the projects which are effectively being well-implemented and to take into consideration the specificities of projects in certain areas/sectors [regional action]	2020	ANI	COMPETE Regional Operational Programmes
	12. Implementation of ongoing calls with several cut-offs for the Demonstration Projects [regional action]	2020	ANI	COMPETE Regional Operational Programmes
	13. Creation of a “green way” for finalised R&D projects, allowing them an easier access, in bureaucratic terms, when applying to the Demonstration Projects [regional action]	2020	ANI	COMPETE Regional Operational Programmes
	14. Creation of an award system for successful technologies that demonstrate they can be commercialised [regional action]	2020	ANI	COMPETE Regional Operational Programmes RSG
	15. Link the Demonstration Projects with the “SME Instrument – Phase 2” through the “Seal of Excellence” [regional action]	2020	ANI	COMPETE Regional Operational Programmes European Commission
	16. Within the Demonstration Projects, implement an international component that allows the creation of consortiums with non-Portuguese entities [inter-regional action]	2020	ANI	COMPETE Regional Operational Programmes of other regions/countries interested in establishing Partnership Agreements
	17. Create an inter-regional Open Innovation Network [inter-regional action]	2020	ANI	COMPETE Regional Operational Programmes of other regions/countries interested in establishing Partnership Agreements

4. Annexes

Annex 1 – SWOT analysis resulting from the 1st RSG meeting on 11 November 2016 on the Demonstration Projects

Strengths	Weaknesses
<p>S1. It represents a possibility for companies and researchers to test in real time environment technologies which are difficult to foresee if they will be accepted by end-users</p> <p>S2. Instrument that complements others (> TRL than collaborative R&D projects)</p> <p>S3. The industrial application is “good marketing” for other companies and also to put the technology into the market</p> <p>S4. Illegible expenses: allows the inclusion of expenses (such as the adaptation of facilities) that other instruments do not consider illegible and includes market studies</p>	<p>W1. Communication of the instrument (which can cause problems when project apply to the instrument): the language of the calls is not very clear/accessible and there’s an overlap of deadlines for calls with other public policy instruments (confusion in the information provided)</p> <p>W2. Complexity of the process/application</p> <p>W3. The instrument is not well adapted to all different sectors of activity nor to the specific problems of the country, namely in terms of the maturity and development of technologies, dimension of companies and other types of specificities (duration of the lifecycle of innovation, volume of investment, ...)</p> <p>W4. 18 months for the development of the project is too short (in order to well adapt the technology to the industrial environment) as well as for the depreciation of the equipment</p> <p>W5. The instrument does not allow the extension of deadlines (this possibility should exist, if justified, without major penalties)</p> <p>W6. Cash management is not very agile for large investments</p> <p>W7. Time between the end of an R&D project and applying for the Demonstration Project (need to think the sequential implementation of the different instruments and to separate the Demonstration Projects from other calls and instruments)</p> <p>W8. Evaluation: evaluation panels are mainly composed by academics; disparities of interpretation; need for an efficient framework of the entities in some illegibility</p>

	<p>criteria (e.g., there are some limitations to the participation of entities that, although not directly related with R&D, provide or influence support at that level)</p> <p>W9. Illegible expenses/merit: penalization of the technical assistance; does not include success/results award</p>
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Opportunities	Threats
<p>O1. The technologies demonstrated work as a benchmark and promotion of the instrument</p> <p>O2. Strengthening of the communication/dissemination component</p> <p>O3. Example of previous good practices that support the demonstration phase</p>	<p>T1. Difficulty in effectively transfer knowledge between Universities and companies: only large companies integrate research; the majority of the Portuguese business fabric is SMEs; in certain sectors, there's only a few companies in the region, namely those with an innovative and high risk profile, that makes them "natural candidates" for the Demonstration Projects, which can result in low demand</p> <p>T2. Competitiveness clusters versus consultants when supporting applications</p> <p>T3. The instrument can be seen by companies as still very far away from the market</p> <p>T4. The offer of the R&D financial incentives, as well as the RIS3 framework, does not match the real demand</p>

Annex 2 – OSDD Norte Host Report

Key insights into the OSDD Norte

Summary Report

The Norte's "On Site Deep Dive" (OSDD) session took place in Porto, Braga and Matosinhos on the 18th and 19th of January 2017, with Norte, Tampere, Skåne, South Netherlands, Lombardy, Basque Country and Catalonia as participating regions. The goal of this policy learning event was to give the attending regions an overview of the policy instrument being addressed in Norte, by presenting good cases of R&D demonstration projects and showcasing the impact that this instrument has in facilitating technology-to-market processes in the region, and a better understanding of Norte's regional innovation policy and smart specialization strategy. Issues such as exploring the economic potential associated with the development and implementation of advanced production technologies (key enabling technologies) were also discussed, focused on the good examples of intra and interregional cooperation initiatives in Norte between companies, universities & research centres and clusters that promote vertical and horizontal technology transfer. According to the feedback received from participants, the programme was well set up and led to important discussions and insights. The participants also thought that site visits and the presentations made were relevant and provided a good overview of Norte's commitment and investments into different research infrastructures, cluster management strategies and companies competitiveness.

Successes, challenges, effectiveness of methods and recommendations for the next OSDD

The morning sessions that took place during the first day of the programme gave the participants an introduction to Norte's regional innovation policy and smart specialization strategy, which included the presentation of some of the region's economic clustering potential in key smart specialization sectors, and an overview of the policy instrument being addressed in Norte, the R&D demonstration projects. The programme continued, in the afternoon sessions and during the second day of the event, with practical cases of R&D demonstration projects, more good cases of the region's economic clustering potential related with key smart specialization sectors and examples of intra and interregional cooperation initiatives between companies, universities & research centres and clusters that have been facilitating technology transfer in Norte in advanced production technologies (key enabling technologies). Policy accelerator and co-creation sessions were spread equally throughout the two days of the event.

Lessons learned from the feedback received include:

- The policy accelerator and co-creation sessions were spread equally throughout the two days of the event, allowing for more interaction within the group and with Norte's stakeholders (e.g., RSG and invited speakers), since some of them were not able to participate in both days. However, a very full agenda and the need to have presentations to be followed by discussions on the topic, as recommended after Skåne's OSDD, led to less available time for the policy accelerator and co-creation sessions as initially foreseen in the programme. One recommendation could be that the agenda for future OSDDs allows for more time to be allocated to these group discussions, therefore predicting any possible delays in the agenda;
- The majority of the participating regions mobilised 1-2 stakeholders to come and participate in OSDD Norte, following OSDD Skåne's recommendation that relevant stakeholders (i.e., managing authorities' representatives, regional development and innovation agencies' representatives, experts of particular areas being presented in the OSDD) would add value to the sessions and provide regional specific input. The contribution of the participating stakeholders was considered to be very positive;
- The presentation made by Norte's Managing Authority (CCDR-N) was highly praised and considered has a good example to follow in future OSDDs while presenting the region's innovation policy and smart specialization strategy. According to the participating regions, Mr. Pedro Moia's presentation was an excellent example of how to present, in a clear and comprehensive way, the current regional strategy of Norte, related with RIS3 and the existing public policy instruments (i.e., demonstration projects), this way showcasing how Norte uses and integrates the several European, national and regional funds;
- Policy accelerator and co-creation sessions were facilitated by ANI's staff more directly related with the key issues presented in the OSDD. The sessions were focused on the region's policy instruments current development needs and what can be done beyond 2020. However, OSDD Norte showed that it is better if guest regions could know beforehand the concrete questions the host region wishes to debate, thus making the

sessions more focused on specific topics of interest for the host region. Recommendations for future OSDDs could entail host regions sending a list of prioritised questions they wish to discuss in further detail to other participating regions beforehand instead of only providing additional information on possible participating stakeholders and the policy instrument being addressed, thus enabling the host region to take clear conclusions from the project partners' recommendations and the project partners with a clear to do list to be on a next discussion level on future OSDDs.

- To be able to achieve this, there should also be, at least, one session entirely dedicated to the latest updates of the Vanguard Initiative, facilitated by one of the partner regions more directly involved in these discussions at an EU level, so that all partners can be updated on new developments;

New learning opportunities to support the methodology

Most participants thought that the OSDD has provided solid learning opportunities and exchange methods to support the Vanguard methodology. This experience has led to a better understanding of the importance of R&D demonstration projects in Norte and most partners agree that, although it is a way to get industry more closely involved, this instrument should be more interregional, with foreign entities being encouraged to participate and share experiences, technologies and R&D infrastructures.

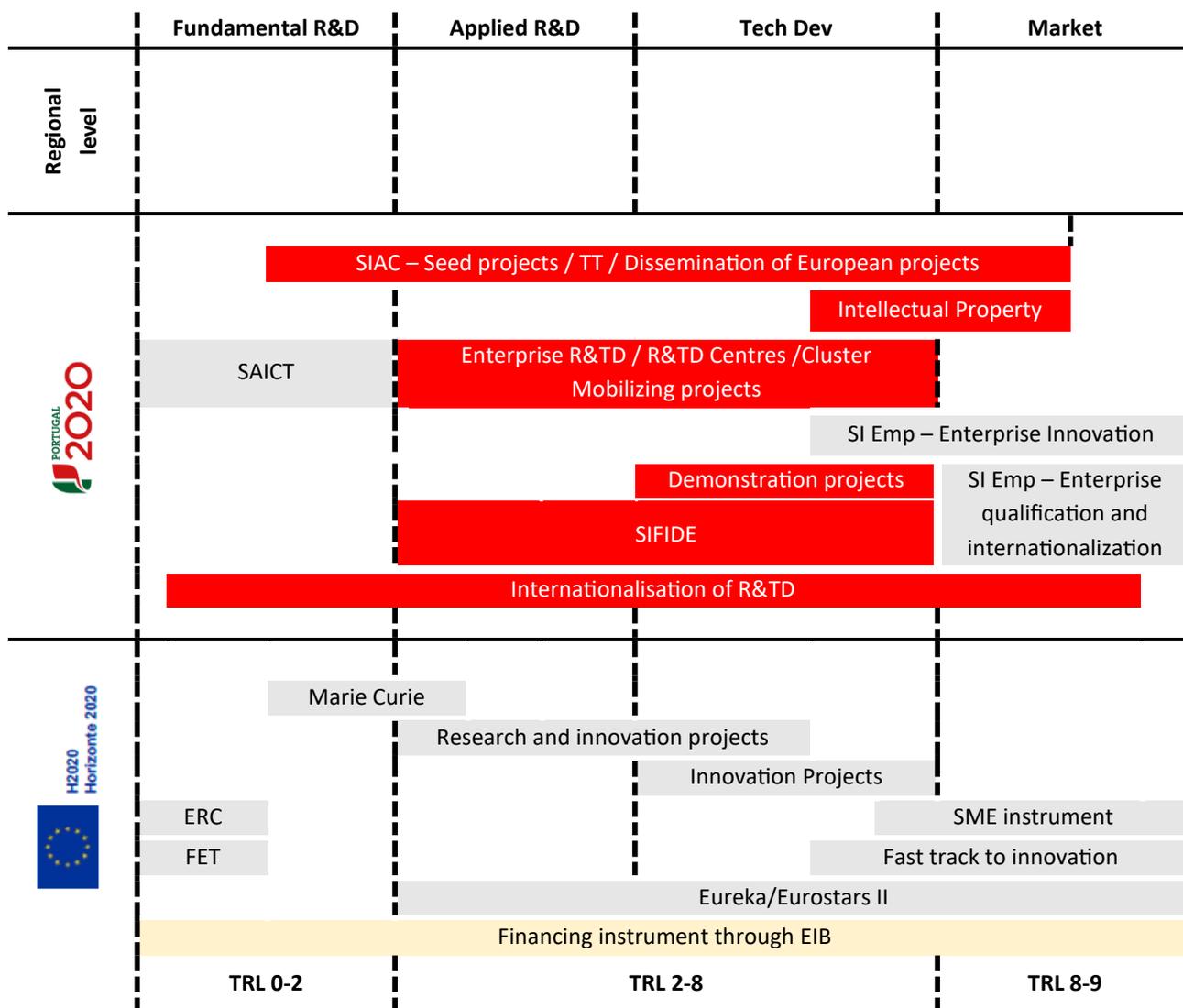
In addition, most partners agree that trust issues are a true barrier for regions not to cooperate with each other, even though they may face common challenges at a RIS3 level, a topic that needs to continue to be addressed in forthcoming OSDDs. Norte's Portugal-Galicia RIS3-strategy, RAIA and INL interregional cooperation examples were regarded as good practices of how sectorial common challenges can be solved by a successful interregional cooperation.

Other discussions revolved, for instance, around ideas about what can be done to improve policy instruments quality beyond 2020 in terms of programmes coordination issues (several EU programmes/national programmes) and the articulation between national, structural funds and EU instruments to support the different projects. The Norte team in particular, put forward some key challenges to the innovation policy after 2020 that will be discussed ahead of the upcoming programme period – how to increase trust between stakeholders (necessary in cooperation/collaborative projects), in which situation do we need bottom-up/to-down approaches, how to achieve higher society engagement (how to involve local actor, civil society), is cluster policy relevant in RIS3 initiatives, how to attract new investors, mix of financial instruments and financial engineering (specific financial package for SMEs and start-ups), PPP mechanisms for innovative projects and in which kind of projects, how to speed idea-to-market processes, policy awareness and how to introduce more efficiency in the National Innovation System. These are seen as crucial strategies and priorities and will be taken into consideration when developing regional actions plans.

Annex 3 – Norte Policy Brief

Policy Brief – Norte OSDD

Norte funding instrument scheme



Advantages and opportunities of inter-regional cooperation deriving from the extension to other Regions of the instruments/tools/practices presented

- Use of ERDF for R&D demonstration and pilot projects within programmes based on calls for R&D projects facilitating technology-to-market processes.
- Promote the development of a structured interregional policy and roadmap based on the complementarity of various RIS3 to support the definition and development of interregional programmes fostering the cooperation between regions and facilitating the access to innovation infrastructures, such as the Portugal-Galícia RIS3 strategy, RAIA - Iberian Oceanographic Observatory and INL - International Iberian Nanotechnology Laboratory.
- Encourage the establishment of consortia like FABTEC - Processes and Technologies Laboratory for Advanced Production Systems, connecting universities, research institutes and laboratories oriented toward bridging the gap between basic research and product development.

- Creating an ecosystem of regional actors committed to the achievement of shared objectives and working on specific initiatives (i.e. Vanguard) allows to improve confidence and mutual understanding between stakeholders.

Barriers and difficulties to face for the introduction of new instruments/tools/practices in a coordinated and synergic way

- Once demonstration facilities are in place, there is still the need to define the processes to make these facilities and laboratories open and visible to international cooperation. Thus, not only the establishment step is relevant, but also their launch and multi-years' operation.
- Norte is classified as a less developed region, so there is a substantial difference in the OOPP budget dedicated to the R&D demonstration projects and innovation, together with intensity of the co-financing supported by the region.
- Limitations can arise when structuring a joint/interregional RIS3 due to geographical distances. Indeed, outside of the context of border regions, it becomes more difficult to formulate a RIS3 with sufficient added value for the entire region (and thus the different nations/governments involved).

Recommendations and suggestions proposed to overcome such barriers and difficulties

- Facilitate the dialog among Regions to create trust and find a win-win situation for a better exploitation of existing infrastructures across Europe.
- New funding mechanisms under Horizon 2020 type of programmes (Joint programmes for R&D demonstration initiatives).
- Focus the discussion on new and innovative solutions and avoid being blocked in the existing financial instruments. When investments are able to generate a visible impact and networking effect, public money are no more needed and can be replaced by private investors. Thus, a careful selection of phases and tasks for which public support is needed is necessary.