MANUMIX’s results and implementation of the action plans

Basque Country

Vitoria-Gasteiz, 22nd of September 2020
I. Background situation & objectives of the action plan
II. Main activities developed and stakeholders’ involvement
III. Changes in policy instruments, results & impacts
IV. Application of the learnings
I. Background situation & objectives of the action plan

Actions and their objective (I)

Action 1. Transference of good practices: IR$^2$ from Piedmont

- Objective: Introduce changes into the Basque business R&D subsidy programme Hazitek based on IR$^2$ – Industrialisation of Research Results from Piedmont that supports big business R&D projects.
- The changes aim to foster the industrialisation of the results of previous R&D projects and develop capabilities among employees to be able to work with Advanced Manufacturing technologies.

Action 2. Transference of good practices: SBRI from Wales

- Objective: Develop a innovation public procurement scheme similar to SBRI (Small Business Research Initiative) from Wales.
- The aim is to foster innovations developed by Basque SMEs.
I. Background situation & objectives of the action plan

Actions and their objective (II)

Action 3. Setting general guidelines about evaluation and monitoring in the following Science, Technology and Innovation Plan (STIP)

- Objective: Align the evaluation and monitoring system of the programmes with the strategy’s. This way, the contribution of the Plan’s objectives could be measured.
- Helping programme managers with useful recommendations regarding evaluation and monitoring is another objective.

Action 4: Improvement of the monitoring and evaluation system of MANUMIX’s programmes (initial scope of the project)

- Objective: Improve the monitoring and evaluation systems of each of the MANUMIX’s programmes and evolve them towards a joint monitoring and evaluation system.
- MANUMIX programmes are Hazitek (business R&D subsidy programme), Gauzatu Industria (soft loan programme for industrial investments to introduce innovations in SMEs) and Basque Industry 4.0 programme (R&D subsidy programme to transfer Industry 4.0 technologies from RTOs to companies).
### Activities developed so far

<table>
<thead>
<tr>
<th>Actions</th>
<th>State of Situation</th>
<th>Activities developed so far</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action 1: Transference of IR²</td>
<td>In execution</td>
<td>• Elaboration of the new regulation of the main business R&amp;D programme Hazitek.</td>
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<tr>
<td>Action 2: Transference of SBRI</td>
<td>In execution (stand-by)</td>
<td>• Checked the compliance of a SBRI-like programme with the Basque Government’s procurement rules.</td>
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<tr>
<td>Action 3: Monitoring &amp; evaluation guidelines for STIP’s programmes</td>
<td>In execution</td>
<td>• Plan’s strategic pillars approved by the Basque Science, Technology &amp; Innovation Council.</td>
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<td>• Department of Presidency and Innobasque-Basque Innovation Agency working on the set of indicators, on their goals and on the monitoring and evaluation system.</td>
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<tr>
<td>Action 4: MANUMIX’s programmes’ monitoring &amp; evaluation system’s improvement</td>
<td>In execution</td>
<td>• Improved monitoring and evaluation system for Gauzatu Industria predefined.</td>
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</tbody>
</table>
II. Main activities developed and stakeholders’ involvement

2020, a difficult year

SARS-CoV-2
COVID-19 coronavirus pandemic

Regional elections
On the 5\textsuperscript{th} of April first, postponed to 12\textsuperscript{th} of July due to the pandemic

Delayed the implementation of the action plan
## Changes in the action plan

<table>
<thead>
<tr>
<th>Action 1: Transference of IR²</th>
<th>• Hazitek 2021 is expected that will introduce the new support line.</th>
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</table>
| Action 2: Transference of SBRI | • Design of the Basque scheme delayed.  
• It is in the new government’s agenda. |
| Action 3: Monitoring & evaluation guidelines for STIP’s programmes | • General guidelines’ definition and training courses to programme managers postponed to 2021.  
• Evaluation of programmes’ contribution when needed. |
| Action 4: MANUMIX’s programmes’ monitoring & evaluation system’s improvement | • Focused on the soft loan programme Gauzatu Industria.  
• Definition and approval of the new system is pending. |
II. Main activities developed and stakeholders’ involvement

Key stakeholders

Department of Economic Development, Sustainability & Environment

Department of Presidency

Programme owners

Innovation Agency

Technical secretariat of the Basque Science, Technology & Innovation Council

Business Development Agency

Programme manager

Basque Institute of Competitiveness

Advisor
III. Changes in policy instruments, results & impacts

Action 1. Transference of IR2 (I): Changes

Policy instrument influenced

Hazitek
*Business R&D subsidy programme*

Co-funded by ERDF
*Thematic Objective 1 “Boosting RDI”*

Changes in the policy instrument

- New-to-market product innovation required.
- Reaching TRL7 required.
- Projects must start from previous R&D projects’ results.
- Business plan required.
- Project partners must hire a PhD holder or a PhD student (compatible with Bikaintek subsidy programme)
- All evaluation criteria must be passed.
- Participation of SMEs will not be required but desired.
Potential results & impacts

• Big and R&D-intensive Basque companies will positively affected.

• Boosting genuine strategic projects for both the companies and the Basque Country and ensuring reaching the market.

• All changes are intended to have a greater effect of the R&D investment on the Basque economy and to help transforming it.

Some figures

Budget in 2019
€79M in total
€40M for strategic projects

Total investment supported in 2019
€269M in total
€116M in strategic projects

Projects supported in 2019
818 total projects
35 strategic projects
III. Changes in policy instruments, results & impacts

Action 3. Monitoring & evaluation guidelines for STIP’s programmes (I): Changes

Policy instrument influenced

Science, Technology & Innovation Plan (STIP) 2030
Basque RIS3

Many programmes included are co-funded by ERDF (e.g. Hazitek)

Changes in the policy instrument

- Introduction of comparable indicators with other territories (RIS/EIS indicators). For example, “Top 10% most cited publications”.
- More focus on results and impact indicators. For example, “Employment in medium-high and high-tech manufacturing and knowledge intensive services” or “Sales of new-to-market and new-to-firm innovations as percentage of total turnover”.
Potential results & impacts

- A more comparable monitoring system for tracking Basque Country’s comparative position in innovation.
- Greater focus on results and impact is needed to ensure higher levels of efficiency (even more in the short-term due to the coronavirus crisis).
- In order to know the actual contribution of the Science, Technology and Innovation Plan’s programmes to its objectives, it is necessary to align their monitoring and evaluation systems.

Some figures

- 2018 budget of STIP’s programmes
  - €299.6M in total
- RDI programmes included
  - 62 in 2018
III. Changes in policy instruments, results & impacts

Action 4. MANUMIX’s programmes’ monitoring & evaluation system’s improvement (I): Changes

Policy instrument influenced

Gauzatu Industria

Soft loan programme to support industrial investments to introduce innovations in SMEs

Not co-funded by ERDF, but in line with Thematic Objective 3 “Enhancing SMEs’ competitiveness”

Changes in the policy instrument

• Improvement of the evaluation and monitoring methodology for continuous adaptation of the programme to the needs of SMEs.
• Consideration of which technologies should be supported to better boost SMEs’ competitiveness.
III. Changes in policy instruments, results & impacts

Action 4. MANUMIX’s programmes’ monitoring & evaluation system’s improvement (II): Outcomes

Potential results & impacts

• Industrial SMEs that need to invest to introduce an innovation will be positively influenced.

• Thanks to the changes that are under definition, it is expected that Gauzatu Industria’s management will be improved.

• Changes will help adapting the programme to the needs of the SMEs each time. For example, the understanding of which technologies are the most appropriate to maximise SME’s competitiveness.

Some figures

Budget in 2020
€28.0M

Loans depending on employment
Maximum loan of €150,000 per new employee and €100,000 maintained employee
III. Changes in policy instruments, results & impacts

Other outcomes: deeper interregional collaboration, in particular with Wales and Piedmont
## IV. Application of the learnings

### Link between learning and changes

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<tr>
<th>Actions</th>
<th>Source</th>
<th>Learnings and their link with the changes</th>
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| Action 1 | IR² good practice from Piedmont | • How to boost highly strategic projects and ensure reaching the market:  
  • Need to start from previous R&D results.  
  • Need for a business plan.  
  • Need to ensure high TRL levels.  
  • Need to require disruptive innovations for the companies (new-to-market-innovation). |
| Action 3 | Benchmarking  
  • Third learning journey: Monitoring and indicators | • How to determine the likelihood of an intervention to lead to higher contribution in case there is lack of data (e.g. measuring contribution to productivity drivers).  
  • Overcome the issue of collecting reliable data. This was particularly important to ensure comparability with other regions' figures (same indicators needed). |
| Action 4 | Peer review | • Indicators being defined and reviewed to measure Gauzatu Industria’s relevance (e.g. technologies supported).  
  • Need to consider different methods to analyse the information. |