

BEYOND EDP

*A SECOND GENERATION OF SMART SPECIALISATION STRATEGIES TO
FOSTER ECONOMIC RECOVERY*

Proceedings: Beyond EDP Final Conference

10 December 2020

1. Welcome and opening of the conference

Mr. Richard Tuffs welcomed the audience and made his introductory remarks. He also explained the in-house rules during the event.

FRANÇOIS BONNEAU

President, [Région Centre-Val de Loire](#)

In a video recording, Mr. Bonneau discussed the importance of pushing forward production innovation, service innovation supported by digital solution, artificial intelligence and data through Research and Innovation. He stressed the need of investing in responsible research by responding to constant changes and challenges and by combining researchers and businesses to invent the world of tomorrow.

To conclude, Mr. Bonneau defined the need to design unified research systems that grant equal access to research, to a business based in a metropolitan area, near universities and labs, as to a business based in a rural area. He stressed that these types of innovation systems must be implemented to serve economic territories, whether they are focused on industry or services, ensuring that there is no first-rate and second-tier business, simply for their rural settlement, but rather looking for a smart rurality.

MIKEL LANDABASO

Director, [JRC. European Commission](#)

Mr. Landabaso spoke about the importance of the next generation of RIS3: RIS4. In a context of urgency and crisis recovery towards green and digital transitions, Smart Specialization Strategy takes on an even more central importance, according to Mr. Landabaso. He further outlined that the current crisis is affecting regions in an asymmetric way. S3 and RIS4 offers territories the opportunity to have a future through economic revitalization and the building up of resilience. Mr. Landabaso

also clearly highlighted that due to the record level of EU investment (Next Generation EU and Cohesion Policy), RIS4 needs to be placed at the very centre of efforts spearheading economic recovery with green and digital transitions. While concluding, Mr. Landabaso stressed that prioritization through RIS4 with the concentration of resources is imperative.

ERWIN SIWERIS

Programme Director, [Interreg Europe](#)

To begin, Mr. Siweris opened his presentation by acknowledging the work of Interreg and how it allows regions to connect and deliver better policies; stating that this was the final conference of one of the programme's many projects: Beyond EDP. He then continued to present the programme, its achievements, and an outline of the future.

Regarding the outputs achieved by the programme: more than 3,176 good practices have been identified; 12,028 staff members with knowledge about how to improve regional policies; and 920 action plans have been approved. He noted that these action plans are "the road to implement what you've learned into the local regional policies". Moreover, the improving policies of the Beyond EDP project, are the following: 448 policy changes in 133 projects; 170 invested in projects and 710 funds influenced.

He then continued the presentation, explaining what the policy learning platform was; he emphasized a lot about this tool/platform. This tool was established to boost EU-wide policy learning on practices from regional development policies. "We created this programme to help regions to learn from good practices; Christian Saublens made the first pilot study", he noted. Furthermore, Mr. Siweris explained that in the Interreg Programme, they have a dedicated team in regional policies who know the needs of each region and provides an expert that can help these regions that may have a problem/disparity. Each region may contact an expert on the policy learning platform and the expert will help them find a solution for their problem.

Link to platform: [Policy Learning Platform | Interreg Europe](#)

As his session was about to close, he briefly commented on the following issues:

- COVID challenges;
- Active contribution, wherein he explained the good practice database where the 10 action plans from the project is accessible.

To summarize, he mentioned a couple of good practices and explained how the programme will continue and maintain their key features. Regional development agencies will remain as core target groups and similar means must be used to achieve common objectives.

2. Lessons Learnt form Beyond EDP project: Matrix Governance

MATTIAS FLODSTRÖM
[Östergötland Region](#)

Mr. Mattias Flodström opened the session by explaining the structure of EDP in his region. He gave a brief overview of the region's RIS3 priorities which include knowledge- and competence-based areas.

He mentioned the problem of getting the areas to the right people and managing it in a systematic way. Their solution to this was their Matrix governance which has a horizontal and collaborative methodology between each area to develop both demand- as well as challenge-driven topics.

In practice, this translates as the region's coordinator overseeing the dedicated and highly qualified personnel of each area. He explained that each area has frequent meetings to identify the use of the strength-area both as an enabler and for capacity building (within business and innovation projects or initiatives). They established an agenda in each area wherein they indicated where they would like to be in 5 years. He reiterated the collaboration between each area to strengthen each other. Over the years, each area moved on to bigger initiatives. He explained that they are a small region given a budget of €50 Mio. to use with companies in the areas to develop S3. For instance, they are currently looking into AI and cybersecurity to include in the matrix as new initiatives.

Mr. Flodström concluded by discussing the changes and innovations the region experienced along with the success and failures encountered along the way. He highlighted that despite the lack of full engagement from different parts of the region, as well as from the national level, they were able to create a common vision built on transparency and trust. They are also working on improving the lines of communication with the national government to try and develop a national strategy for S3.

When asked about the incentives to get involved in the matrix, Mr. Flodström explained that the operational coordinators are given assignments and with the assignment comes an allocated budget.

LUC HULSMAN
[SNN, North Netherlands Provinces](#)

Continuing from the background that Mr. Flodström established, Luc Hulsmann explained the EDP implementation in Northern Netherlands. They took the best practice of Sweden as a basis and adapted the Swedish model to their region and made it a more operational model, "to create a place where people would trust each other to exchange project ideas at an early stage, a place where those ideas could be 'fuelled' with missing knowledge partners and funding". Beyond EDP is a striking example of how collaboration in an Interreg Europe project can have a significant impact on a region.

As a conclusion, Mr. Hulsman remarked that under his experience, the implementation process is not a copy and paste process, it is more than that. It is a process that takes time, and you have to find the right time.

3.Task Force Outcomes

NATHALIE BOULANGER

Head of European policies, [DEV-UP Centre-Val de Loire](#)

To showcase the project's findings and achievements, Ms. Nathalie Boulanger played a short video produced by the project consortium. She prefaced the video by highlighting the importance of involving stakeholders and their contribution to the success of a region's EDP.

The video opened by discussing the project's background stemming from the Europe 2020 strategy which encouraged regional innovation smart specialization strategies (RIS3) to foster indigenous development. It recognized that implementing effective management and coordination of the relevant players was a challenge for many managing regional authorities. The Entrepreneurial Discovery Processes (EDP) are key to place-based innovation, within the RIS3, which brings together public authorities, knowledge institutes, business, and civil society to create new ideas and practices. Thus, the quality of RIS3 is dependent on an efficient understanding and implementation of EDP. This is what BeyondEDP aimed to achieve— to provide the most efficient methodologies and practices to policymakers across Europe thereby enabling them to implement effective RIS3 in their own region. In the video, the governance through the three levels of innovation environments—macro, meso, and micro, were discussed to sustain continuity in EDP. The macro-level of innovation environments was described as being composed of broad umbrella organisations while specific cluster organisations belonged to the meso-level and hub, living laboratories, and innovation hubs made up the micro-level. The Quadruple Helix (Q4 Helix) composed of policy makers, business, academia, and civil society influence the political logic of EDP.

The video then explained the use of EDP in the RIS3 management. Two important actions were carried out in using EDP during the design phase of RIS3: 1) a thorough analysis of the regional profile including market opportunities and societal challenges, and 2) a participatory process for RIS3 elaboration. A focus group methodology was then used by the regions in the development of a shared vision for the regional development among the stakeholders, in the identification of horizontal objectives and thematic priorities, and in the definition of an action plan with a coherent policy mix. Finally, the last step of the RIS3 methodology was the establishment of a more permanent participatory governance structure.

The empowerment of stakeholders along with diversity, openness to new entrants, visionary leadership, and moderations skills were mentioned as solutions to challenges encountered in the project. Understanding EDP as a place-based concept and connecting the region's infrastructures and human resources were also discussed as important lessons learnt when it comes to the governance of EDP.

Ms. Boulanger closed the session by saying that the project was made to share experiences and enable regions to develop their own public policy by taking inspiration from the best practices collected. She shared the challenges faced by the consortium concerning their understanding of EDP and thanked the project partners for their cooperation and collaboration because together, they were able to set their definition and go further with their plans through an operational approach with the project.

4. WORKSHOPS

Continuous Entrepreneurial Discovery Process

Bruno Checcucci

Responsible for the [Electronic Service Laboratory](#), [Italian National Institute of Nuclear Physics \(INFN\) Physics](#), [Geology Department of Perugia University](#).

To open his session, Mr. Bruno Checcucci presented the questions “What are we learning from the huge crisis brought by the Covid-19 pandemic?” and “What are the implications in the matter of the entrepreneurial discovery process?”. He explained that we should be honest with ourselves and realize that we need an important change. We need to implement different choices.

Firstly, he explained the characteristics of the region of Umbria located in central Italy with about 884,640 inhabitants in an area of 8,456 km². The greater propensity to entrepreneurship is in the primary sector (21%) which together with the commercial sector make up more than half of the entire entrepreneurial fabric. Nevertheless, one of the most important negative points is that around 97% of the companies are very small and therefore have very poor research skills.

He spoke about the [Italian National Institute for Nuclear Research \(INFN\)](#), which is a public research agency under the supervision of the Ministry of Universities and Research (MUR). It conducts theoretical and experimental research within a framework of international competition and the use of cutting-edge technology and instruments developed by INFN in its own laboratories. Another important institution he mentioned was [Perugia University](#), a strong supporter of companies. Perugia University offers a wide variety of courses in all fields of Education: research, education and consulting activities in the various disciplines are organized in 16 Departments, with about 24,000 students, 1,100 professors and researchers and 1,100 staff members.

Secondly, he explained how the Best Practice (BP) implemented in Umbria Region (RIS3) works. He mentioned one of the best practices, which is a new approach in involving stakeholders to participate in the design of the new RIS3. This action is focused on Thematic Working Groups, (TWG) where the focus is on the interaction between University/research bodies and companies. For Mr. Checcucci, trying to create a strong interaction among them is the main goal. This interaction has been achieved thanks to the participation in the Beyond EDP project and it has been tested during the seven S3 Workshops conducted between June to July 2020, according to the seven research areas of Umbria RIS3. The goal of these workshops was to discuss with the companies the state of the art of research and innovation lines. From his point of view, doing so was a critical point to

further encourage entrepreneurial discovery processes and to allow the delivery of financeable projects capable of producing significant results in the short term in the different sectors. It is important to mention that the workshops received a great positive evaluation by the participants.

To make participants understand better, he explained an example of how a BP was concretely implemented in the HEALTH sector which was one of the seven areas of the project. Perugia University and INFN proposed a project for the construction of a regional research centre in the field of personalised medicine and omics sciences that could act as a driving force for companies operating in the region as well as an incubator for business initiatives. He remarked the importance of creating a fluid and effective system of knowledge circulation activated in the region among knowledge centres, regional stakeholders, businesses, and the public sectors for a valid relationship.

Lastly, he closed the presentation with some tips:

- Hold workshops with a more direct vision and involvement of companies in order to improve the entrepreneurial discovery process that has been organised;
- observe the importance of having a close and direct connection among knowledge centres (University & Research Institutes), regional stakeholders, and more extensively the most relevant businesses and the public sectors. He reiterated this as the most important point to be strong; and lastly
- put financing instruments in place especially for entrepreneurial initiatives.

Gabriel Bednarczyk

Marshal office, [Lodzkie Region](#)

Mr. Gabriel Bednarczyk started his presentation by briefly introducing the Lodzkie Region (Poland). Its geographical location is an important asset in terms of transport accessibility. In 2019, the Lodzkie Region generated 6% of GDP (6th out of 16 regions in Poland) and in the same year, there were 254,322 enterprises in the region (7th in Poland), which accounted for 5.6% of entities in the country.

After this explanation, Mr. Bednarczyk spoke about his region's BP which is based on Business Innovation Centres (BICs). In the BP, business advisors act as consultants who provide a wide range of support in relation to the individual needs of entrepreneurs. The BP was a success through the BICs because the advisors organised 2,410 individual meetings with entrepreneurs from the Lodzkie region. They faced some challenges such as increasing awareness among entrepreneurs about the benefits of implementing innovative solutions, as some of them do not see the need for innovation.

BICs are very useful in contributing to the development of the effectiveness of the innovation policy of many actions in that:

- they provide personalised support and information enabling the creation of appropriate solutions (taking into account conditions specific to particular specialisations),
- they identify regional innovation leaders, and
- they promote innovative attitudes among entrepreneurs and the region's offer.

To conclude, Mr Gabriel Bednarczyk gave us some practical tips:

- The role of BIC in regional innovation policy must be accurately defined,
- Ensure that advisors are carefully selected and that their knowledge is constantly improved (innovation is a wide and dynamic area of business activity),
- Ensure the continuity of BICs' activities, and
- Continuous analysis is needed by entrepreneurs with using the information regularly provided by advisors.

It is important to mention that to ensure the continuity of the BIC, the advisors were recruited from employees of selected business environment institutions operating in different parts of the region. This will allow them to continue their activities even after completion of the project.

After the presentations, both Mr. Checcucci and Mr. Bednarczyk answered some questions from the participants:

- What is the main weakness of the project?

Mr Bruno Checcucci remarked that more than 97% of the companies are very small, which reflects the situation in Italy. In the region, this is the critical point and for this reason the need of collaboration among the companies is essential. He underlined the importance of conferences to animate them, to involve all of them. Because we need an effort together to proceed.

Mr Gabriel Bednarczyk explained that the main weakness in his region is that some enterprises want administration solutions, meaning they do not want to cooperate. Moreover, it is important to remark that there are many enterprises that do not want to talk with advisors because they think that public employees won't help them, although they will.

- How to involve enterprises if they are competitors? Nobody wants to tell their competitors their best ideas or to participate with them to develop new ideas. Do you have a successful case of this?

Mr Bruno Checcucci remarked again the size of the companies in the region. The companies want complex projects, and they need each other in order to achieve the goals.

Mr Gabriel Bednarczyk explained that in the Lodzkie Region, it is possible that some companies don't want to share their ideas, but they should understand that competition is normal in the market and cooperation is more important for business. Moreover, the economic situation of Poland makes them cooperate even if there is competition.

Nelly Verstraeten

S3 project manager, [Régional Council Bourgogne-Franche-Comté](#)

Mrs. Verstraeten's presentation focused on the transfer of skills and technology from higher education institutions to foster innovation and growth. She briefly presented the Regional Council and the BFC region, highlighting the support of the region for research, innovation projects and intermediate bodies which foster the cooperation between research institutes and companies.

Subsequently, Mrs. Verstraeten introduced an innovative collaboration developed in the Bourgogne- Franche-Comté region named *Mimedi*, aimed at proposing new fabrication concepts to create innovative drugs. This research project sets an example of the collaborative actions between bodies as 10 regional partners were involved, including research partners, private companies, and the public sector. The main goal is to structure an integral feed in the region from manufacturers of innovative drugs into the market. Major economic impacts are expected for the region in terms of job creation and the creation of start-ups.

To conclude, Mrs. Verstraeten stressed the main objectives of smart specialization which are the following:

- Innovating by promoting the results of public research in order to foster economic growth of territories, and
- to transfer knowledge research to further development for industrial and commercial purposes.

However, the challenge of increasing the partnership between higher education institutions and the economic world remains present. This collaboration is crucial to offer training based on the needs identified in the territories and to stimulate the professional insertion of students.

Pilar Garcés

Deputy Minister for Universities and Research, [Region of Castilla y León](#)

Through her presentation, Mrs. Garcés explored the role of higher education in the field of Research.

Despite being an ageing and depopulated region, Mrs. Garcés presented the region of Castilla y León as an example where universities are seen as drivers of regional innovation ecosystems through their knowledge transfer. The deputy explained Castilla y León's structure of the higher education systems, stressing the variety of degrees and number of researchers, which have made the university-business knowledge transfer the region's best practice.

Mrs. Garcés introduced the concept of the "University-Business Challenge", which stemmed from the following question: How do we ensure the stakeholder's social stake from beginning to end?".

The main objective of the question is to identify challenges and opportunities in the regional socio-economic tissue, to promote knowledge transfer through innovative projects by giving solutions to the challenges previously identified, and to enable future cooperation between the different regional agents. These challenges are then proposed to students and researchers who will aim to come with a solution. The results of which are as follows:

TCUE Network Impact and Results (2008-2018)

INDICATOR	Before TCUE Network (annual average)	2008-2018 (annual average)
Universities turnover from RTD transfer	11,631,051	15,369,072
Annual number of new companies emerged from universities (spin-off included)	5.0	23.09
Universities patent applications at national level	8.67	33.91
Universities licensed patents	2.67	6.64

Mrs. Garcés announced that the region is running a pilot project on the entrepreneurial discovery process applied to the S3 challenge of economic opportunities in rural areas in Castilla y León. She explained that they are implementing a participative and interactive process among the different agents of the region to discover potential new activities enhancing the rural regional economy based on digital tools.

Mrs. Garcés finalised her intervention by stressing the importance of welcoming the silver economy, the digital and green transition.

Role of Intermediaries' orgs.

Carmen Sanchez Ruano

Project Manager, [FUNDECYT, Extremadura](#)

Ms. Ruano started her session by introducing her organisation. The Foundation FUNDECYT-Scientific and Technological Park of Extremadura is a non-profit organisation with the aim of contributing to the social and economic exploitation of science and technology in the region. Extremadura is a very rural and innovative area with a lot of natural resources, biodiversity, and outstanding environmental and water protection. Extremadura is a region where more than 99% of regional enterprises are SMEs.

One of the key factors for success is finding new regional ways to address the needs and challenges in the framework of smart specialisation through collaborative projects. We can achieve this by fostering the implementation of EDP to discover potential niche sectors along with new innovative projects and transforming the outputs of EDP into concrete policy instruments.

FUNDECYT is responsible for both the RIS3 Technical Office and the Office for Innovation, which are a very helpful tool for deploying EDP at regional level, involving regional stakeholders and translating EDP results into R&D&I (research, development and innovation) support policies. She stressed that these are their two good practices. They have also created 5 thematic working groups, all of which have proved to be a helpful tool for dynamization, participation and empowerment of key regional stakeholders in each specialization area.

Up to now in 2020, they have supported more than 65 cases of cooperation between companies and research centres. They have also supported more than 120 new R&D&I projects.

As a conclusion, she stressed the role of intermediary bodies in Extremadura. Developing those networks, working with, and connecting all of them is very important. She also stressed that these two good practices being managed by one organisation facilitates having a broad picture and ensures a more coordinated and efficient use of resources to involve key regional actors.

Ioan Levitchi

Head of Office, [ADR Centru](#)

Mr. Levitchi presented the different kinds of good practices and he stated that it was not easy to find the best practice. RDA Centru became a best practice supplier for regional actors involved in the EDP. They started with the EDP in 2016. Their first contact and outcome were difficult to understand. They were not very sure but, unwillingly, they managed to do a decent job.

Sometime later, a private entity adopted their EDP model and replicated it at a local level in order to generate projects and partnerships to help the local innovation community. For some other projects, they also offered consultancy services.

They never thought that their model would pique the interest of a private actor. ADR Centru agreed, followed the process but did not get involved. The success of this pilot made them think about the possibility to extend the model to other cities or counties in the region, under the condition that a local organisation must be interested to take the lead. These working groups transform themselves with help of social networks, they work together and cooperate. Later, some of the projects were included in their RIS3 Project Pipeline.

He concluded and said that their best practice is unwillingly becoming a best practice for the community to implement. Their goal is not to replace the local EDP with regional EDP, they just wanted to experiment. At the end of the day, we need to get people involved, working together and alongside us to transform the region.

5. Conclusions

Smart specialisation strategies were considered relevant during the previous programming period and are going to remain relevant as they are now going to be in the cornerstone of the execution of the structural funds for 2021-2027. There is still a wide consensus among the regional practitioners that this governance provides effective impact because it leverages support to projects. The main lesson learnt from the experiences of the most advanced regions is that we should use EDP to establish a framework of cooperation in the priorities. This is what we have learnt from the experience of the Matrix developed in Östergötland and customized in N-NL provinces, the pilots and co-pilots of Centre-Val de Loire, the thematic groups of Extremadura and the local initiatives established by ADR Centru.

The entrepreneurial process of discovery creates local impactful communities with the appropriate granularity of priorities. In addition, it creates international communities of practice that are very important to support innovation of the local stakeholders. There are many offered possibilities, the main one being the participation in the S3P platforms which is highly recommended to any regional authority. The European Commission is going to launch their interregional innovation investment (I3) initiative that will support specific cooperation to companies and regional stakeholders (the calls will probably open in spring 2021). The Horizon Europe programme is also going to launch calls for the connectiveness of innovation ecosystems and as Director Erwin Siweris mentioned, the Interreg Europe programme will continue to support the policy learning and effective cooperation among regional actors. The latter will be helpful because effective EDP means a complex governance. This Interreg Europe project, BeyondEDP, has contributed with a very well written "Framework Document" that could be used as a guide by the experts implementing entrepreneurial discovery process.