



# North-East Regional Development Agency (NE RDA) Aligning ROP call for proposals (digitalisation) and the activities of the regional Digital Innovation Hub in the North-East Region of Romania with real needs of the industry and policy objectives

## FOLLOW-UP NOTE

POLICY LEARNING PLATFORM MATCHMAKING SESSION

DATE: FRIDAY 18 MARCH 2022 – 10:30-12:00 CET

BENEFICIARY: North-East Regional Development Agency (NE RDA), Romania

TOPICS: Digital transformation of SMEs, Needs assessment, Call for proposals in the new ROP, role of the Digital Innovation Hub

### PARTICIPANTS

#### Hosts

- **Lidia Betoaea**, Project Manager for the Digital Innovation Hub at NE RDA

#### Peers and Experts

- **Katalin Barna**, Head of International and Cluster Unit, Managing Authority of Economic Development Programmes, Ministry of Finance (Hungary), Partner in Interreg Europe project INNO PROVEMENT
- **Miguel Angel Besga and Carlos Lopez**, Regional Government of Navarra (Spain), Partner in Interreg Europe project 40 Ready
- **Helena Deane**, West Regional Enterprise Plan Programme Manager (IRELAND), formerly involved in Interreg Europe project TRINNO
- **Aiga Irmeja**, Executive Director at Latvian IT Cluster/Digital Innovation Hub
- **Heikki Kallasvaara**, Senior Advisor at Helsinki-Uusimaa Regional Council (Finland), Partner in Interreg Europe project 40 Ready
- **Juha Palomäki**, Technology Adviser at Seinäjoki University of Applied Sciences, SEAMK (Finland), Partner in Interreg Europe project DEVISE

#### Interreg Europe Policy Learning Platform

- Luc Schmerber, Interreg Europe PLP Thematic Expert, SME Competitiveness

- Mart Veliste, Interreg Europe PLP Thematic Expert, SME Competitiveness
- Karine Gevorgyan, Assistant
- Josephine Mazy, Technical assistant

## OBJECTIVES OF MEETING

Starting with 2019, the North-East RDA co-founded a Digital Innovation Zone (DIZ), a fully operational Digital Innovation Hub. DIZ's expertise is in AI-based technologies, and it targets three verticals: manufacturing, smart health, and circular economy. The main services offered: test before investing, access to finance, digital skills, and innovation ecosystem. Also, DIZ is part of the European Network of Digital Innovation Hubs.

Within the recent European Call for Digital Innovation Hubs, Digital Europe Programme, the North-East RDA is looking at the opportunity to implement a more ambitious program of activities as of 2023. At the same time, the North-East RDA is the Managing Authority for the ROP 2021-2027 (the North-East Regional Operational Programme). Consequently, the terms of reference for the North-East ROP calls will be defined by the agency, to build a program according to the digitalization needs of the SMEs in the region. Considering that a large part of the regional businesses have low digital maturity, the North-East RDA expects that SMEs will have a hard time writing, applying, and submitting good project proposals.

The challenge to be addressed in the online matchmaking session was ***how can the North-East RDA design the funding instruments to:***

- making sure that the proposals generated will have a sustainable impact on the competitiveness of the businesses (vs. having businesses using the funding in a purely opportunistic manner)?
- making sure that the activities and services of the DIH can contribute to reaching the policy objectives of the ROP, e.g. by involving the DIH in supporting businesses with their proposals?

## INSIGHTS AND TAKEAWAY MESSAGES

- Identification of the actual needs of SMEs:
  - One common option to map SME needs is using a maturity or needs assessment tool. The experts recommended using pre-existing tools such as the one provided by the EC DiH framework.
  - However, DMAs are not ideal as the results depend on who fills in the survey (CEO or production manager) and they are time-consuming for SMEs.
  - Needs of SMEs are likely better identified in the framework of structured audits or moderated workshops and training activities.
    - Needs of SMEs are very different and specific. Individual support provided by experts (public or private) familiar with the businesses concerned are most likely to generate strong impact.  
Such a broad and complex approach has been for instance used in Hungary, with detailed audits of manufacturing companies.
    - However, DiHs have the challenge to address large numbers of SMEs, which is hardly compatible (in terms of resources) with individual support. Semi-collective approaches combining lectures and workshops (bringing together several companies sharing on their experiences, challenges and solutions) are well suited to increase the outreach of DiHs.
    - Mindset changing programmes targeting executive officers are suitable to engage durable digital transformation processes.
  - Considering the diversity and fast changing needs of SMEs, single organisations cannot address properly all needs. The support needs to build on an ecosystem approach involving policy makers, DiHs, higher education and research, industry, etc.

- A one-stop-shop for SMEs would also make it less burdensome for them to apply for support (the needs would be assessed in one entry point).
- Define suitable funding instruments (in the ROP), addressing actual needs of the industry
  - The experts recommend integrating the identification of needs and the definition of action to address them as part of the funding process.
  - One option is to provide funding (e.g. voucher) for the need assessment process and to make it compulsory or at least beneficial for the access to further funding programmes, as e.g. in the case of the 'Itinerarios 4.0' good practice in Navarra



## Itinerarios 4.0

### Process of consultancy and DTP development


#### Phase 1:


**-Preliminary analysis**  "Preliminary Analysis Report"

#### Phase 2:

#### **-Digital Maturity Diagnosis**

a) Business strategy and context  
 b) Technological infrastructure  
 c) Organization and people  
 d) Processes  
 e) Products and services

 "Diagnosis and Potential for Technological Improvement Report"

  
 -Assessment of the global maturity level of each of the previous dimensions.  
 -Opportunities for transformation to Industry 4.0 that have been identified.

- The result of the assessment could be for instance a list of activities that are then eligible for funding, whereas other activities (not identified in the assessment) would not be eligible.
- The assessment could also end up with a 'digital transformation roadmap', which helps the company for accessing different funding opportunities.
- A letter of recommendation from the DiH, provided on the basis of an audit of the company, could be made as an obligatory part of an application for call for proposals (legal aspects to be validated – it works in the case of Latvia).

### KEY PRACTICES IDENTIFIED

Interreg Europe projects and their good practices:

- INNO PROVEMENT: Comprehensive approach has been built to assist companies in the use of Industry 4.0 solutions
- DEVISE: Industry 4.0 Technology Audits, Regional Manufacturing Digital Innovation Hub IoT-Compass
- 4.0 Ready: Itinerarios 4.0
- INNO INDUSTRY: Kickstart Digitalization

## **OTHER POLICY LEARNING PLATFORM RESOURCES**

- Story "[Smart societies: interregional cooperation boosts digitalisation in rural areas](#)"
- Story "[Improving access to digital skills for SMEs](#)" about the 4.0 Ready project.
- Results of the workshop "[SMEs digitalisation](#)".

## **ADDITIONAL ACTIONS**

The participants exchanged contact details, and experts' slides were shared with the host region.

The host region is encouraged to submit a peer review application to get even more input from international peers. Interreg Europe Policy Learning Platform [peer review](#) and [matchmaking service](#) were also promoted to experts as all European regions are eligible to apply.

Note circulation: All attendees.