

Digital Innovation Hubs and demonstrators

an Interreg Europe
Policy Learning Platform event
22 November 2022, Espoo (FI)

Summary. The thematic workshop on Digital innovation hubs (DIHs) and demonstrators explored the role of regional policymakers in supporting the digital transformation and the competitiveness of European businesses. It attracted 40 participants and was organised at Aalto University in Espoo, Finland. Representatives of the Finnish innovation ecosystem along with other European regions shared their experiences in building digital innovation hubs to accelerate the take up of digitalisation opportunities for companies. The Interreg Europe projects <u>4.0Ready</u>, <u>BRIDGES</u>, <u>ClusterFY</u>, <u>CRE:HUB</u>, <u>DEVISE</u>, <u>DigiBEST</u>, <u>ECOC-SME</u>, <u>FOUNDATION</u>, <u>Future Ecom</u>, <u>INTER VENTURES</u> and <u>Urban M</u> were represented.





Highlights

Digital innovation hubs (including demonstrators/testbeds) have become Europe-wide a major instrument to support the digital transformation of businesses, improve their innovation capacities and foster competitiveness. They have quite different settings according to the local frameworks, but they all offer access to a broad range of services, such as information, community building, training and coaching, access to R&D infrastructures, Living Labs and testbeds, co-working spaces, incubation services, etc.

Following the adoption of the <u>Digital Europe Programme</u> work programme, the first **European Digital Innovation Hubs** have just started to be operational. They are expected to function as **one-stop shops that help companies dynamically respond to the digital challenges** and become more competitive. The EDIHs will not only function locally but will play an important role in pan-European networking and learning.

Several Interreg Europe projects partners have been involved in the process of setting up proposals for creating a local node of the future EDIHs network. In Espoo, they have discussed their first experiences in different contexts. The event has been a good exchange arena, as they all share similar challenges – as emerged during the working group sessions. Participants could also appreciate the **Finnish ecosystem**, where the national level offers coordination across the EDIHs (Ministry of Economic affairs and employment), the regional level ensures coherence between the RIS3 priorities and the EDIHs priority sectors (Region Helsinki-Uusima), and the local level (City of Helsinki) facilitates the deployment of services for businesses together with the other EDIHs members (i.e. university, incubators, etc.). One of those local partners is the City of Espoo, represented by Business Espoo, which also co-hosted the workshop and organised the visit of the local ecosystem at the end of the day.

Some of the main discussion points raised throughout the workshop revealed challenges and opportunities of EDIHs:

- Nobody walks alone: reinforcing ecosystems and strengthening partnerships are key to serve business at best, share tasks coherently, share information in a win-win approach: This approach is very much valid on the local and national, but also on the European level;
- The European approach of the EDIH offers thereby especially an opportunity for business support providers to develop across national borders a common approach and possibly even some kind of standardisation – in name and content - of support services provided by EDIHs:
- Both the intermediaries and the public administrations should agree to adopt the problemsolving and efficiency attitude of the business approach when looking at their common challenges to invest in digitalisation and business support;
- Especially reaching out to traditional SMEs remains a challenge for many EDIHs. Whenever EDIHs decide to go for a broad target group, it implies that they have to reach out to traditional small and micro-companies, quite often in the manufacturing sectors. This requires developing a specific approach moving away from individual mentoring: group mentoring, mass marketing, and automated services enable to increase the reach of small companies. More advanced and large-scale projects can develop a strong impact and spill-over effects by focussing on e.g. whole value chain s of larger companies.
- Investing in workers' skills is essential at all levels in businesses. There is a need for large awareness campaigns, vocational training initiatives and demonstrators supporting practically the digital transition in businesses;





- Sustainability is a common challenge across all EDIHs. The current approach does not offer a clear model towards sustainability;
- Sometimes the public administrations cannot keep the pace with the evolution of the support SMEs would need. The mismatch between regulations and businesses can be hindering the work of EDIH. Public support is an opportunity to exploit, and Public-Private-Partnerships is still the best option to develop for an efficient innovation ecosystem;
- The instability of regulatory environments which are constantly changing represents a risk for SMEs which should not be neglected;
- Ideally, it would be important to combine EDIHs with other supporting schemes to ensure a winning synergy across services;
- Data economy and AI have gained outmost importance in the digitalisation of businesses and the support services that can be offered by public entities. Cities and regions can contribute by offering e.g. testbeds building on making available data collected by public services and offering testing environments for new solutions. This can be especially efficient when combined with a challenge-based approach, like sustainable urban mobility, healthcare services for all, sustainable buildings, etc.







Good practices

The workshop explored five good practices from Interreg Europe projects, focusing on examples of how the policy environment provides the right support to the settling of efficient DIHs.

EDIHs - the policy focus

The Latvian IT Cluster and its Digital Innovation Hub – Aiga Irmeja, Latvian IT Cluster - DigiBEST

The <u>Latvian IT Cluster</u> acts as DIH since 2007. Their main mission, now that they have become a EDIH is to support the full cycle of the digital transformation of businesses: guide companies across Industry 4.0, support them in the digitalisation of processes and of products and services, ensure a digital business environment and develop the digital skills of employees. They have a target of 3500 companies to reach, and they wish to do it by speaking their own language, by adapting their services to allow maximum impact with the resources they have. For instance, they adopt the "1-to-many" or "many-to-many" approach to communication, standard offers to small companies (e.g. vouchers), strict collaboration with the public administration.

The new policy instrument 'Digital Innovation Hubs in Lithuania' – Mantas Vilys, Lithuanian Innovation Centre – Future Ecom

It all started with e-commerce. The Innovation Centre took a "step by step" approach, slowly enlarging their services to industry digitisation where they would not only provide financial support, but also -and most importantly- services for industrial digitisation. This process naturally brought to the creation of a





EDIH, where the services offered by the Digital Innovation Hub were blended with the European influence (i.e. with a common language across different EDIHs, and a common ground to exchange practices). No competition is necessary among EDIHs in Lithuania, they share tasks by sector (not geographically).

Digital demonstrators and testbeds

Innovation as a Service - Daniela Copaci, ERNACT - DEVISE

Following the exchange of experience in the project DEVISE, ERNACT got inspiration from several good practices from Belgium, France and Finland. The Innovation as a Service was funded by the Border Enterprise Development Fund following a call launched by the Irish Government early 2020.

laaS aims to increase the uptake of disruptive technology solutions by SMEs in the Border region to accelerate their competitiveness and innovation levels. This is key to enabling SMEs to address the twin threats of Brexit and Covid-19. The unique approach of the project is to use sophisticated digital collaboration services to better network and connect the Border region's growing network of innovation hubs to technology providers (universities and institutes of technology). The project mobilises up to 12 hubs and nine universities / institutes of technology to target 120 manufacturing SMEs in the Border, Midland and Western region in Ireland over a period of three years.

Demonstrators 4.0 – Alain Demarez, Wallonie emploi formation SPW – 4.0Ready

With ERDF support, 2 demonstrators have been acquired in Wallonia by 2 competence centres (TechniFutur & TechnoCampus). The idea is to develop and implement training courses aimed at the acquisition of skills by putting learners in real-life situations using Demonstrator 4.0. The demonstrators take the form of two complete "turnkey" workshops, reproducing a production line equipped with Industry 4.0 technologies in a didactic approach for a quick and easy handling. The Digital Wallonia strategy also foresees a fully-fledged training offer through the "Certificate in Operational Excellence 4.0": it is obtained by SME staff upon completion of a training programme carried out by the competence centres.

Open territorial laboratories 4.0 – Miriana Bucalossi, Tuscany Region – 4.0Ready

The "Open territorial laboratories" are innovative VET spaces to strengthen VET programmes through training alliances across VET provides, universities, companies and ITS (Higher Technical Institute programmes). They can be used by different VET providers, with an "open" approach. The Region Tuscany has set up 4 calls for proposals aligning regions funds with ERDF and ESF funds to achieve the common objective of bringing life to the Training 4.0 strategy of the Region. Through these calls, several Open Territorial Labs were funded in the past four years, mainly focusing on the ITS main training fields, which match the leading economic sectors of the Region: Energy, mobility, "new technologies for life", "made in Italy" (inc. agrifood and fashion), tourism and cultural heritage, ICT. Around 6.8 million Euros are invested in the Open Territorial Labs.

Next steps

Digital innovation hubs are in constant evolution and therefore they require continuous policy experimentations from regional governments. The Interreg Europe Policy Learning Platform **Good Practices database** helps you to find inspiration to the challenge of ensuring a well performing innovation ecosystem. Please do not hesitate to send us a **Policy Helpdesk** request and we will give you quick access to relevant policy information and contacts.

In addition, two services help respond to the policy challenges of support to business digitalisation: the matchmaking sessions and the peer reviews.





- Matchmaking sessions are two-hour meetings, online or face-to-face. They are designed to bring together a group of policymakers having the expertise and competence to discuss your question. For two hours, they are at your disposal to discuss your challenge and offer solutions.
- Peer-reviews are two-day meetings, online or face-to-face, involving an international team of experts and peers. Based on your specific needs and challenges, peers selected carefully based on targeted calls among the community members, share their expertise for your benefit. After a thorough analysis of your policy context, they provide targeted feedback and offer concrete solutions to you and your stakeholders.

The Policy Learning Platform provides a significant amount of material with advice and policy solutions, including:

- Policy briefs on Digital transformation and SMEs: what regions can do
- Policy brief "<u>Digital innovation hubs and demonstrators</u>"
- Policy brief "Fostering the digital transformation of SMEs"
- Results of the workshop "SMEs digitalisation"
- Results of the workshop 'Industry 4.0"

For more information on the workshop, visit the <u>event's conclusion page</u>, where you can access the presentations, attendee list and event photos.

