

### **ERRIN Position Paper**

# A European budget that fosters regional innovation ecosystems and interregional collaboration

Public Consultation on EU Funds in the Area of Research and Innovation

Building an effective and well-resourced European research and innovation policy post-2020 requires input from a range of stakeholders, including citizens. These stakeholders often work together in partnership at the city or regional level combining proximity with critical mass. Thus, ERRIN argues that effective research and innovation is increasingly dependent on strong interconnected research and innovation ecosystems embedded in regions and cities.

A well-functioning quadruple helix (research, industry, public authorities, citizen) is essential to achieving impact, and thus all its dimensions should be supported. Support to industry and SMEs should not be undermined in the next Framework Programme (FP9).

The FP9 should help regions to develop the European dimension of their domestic innovation ecosystems, and open new avenues for European collaborations. This would also support new export opportunities and allow testing European solutions in different regional contexts, hence reinforcing the single market and the competitiveness of the European Union as a whole. A well- resourced FP9 is essential for producing excellent cutting-edge research, capitalising on research infrastructures and clusters and providing incentives for risk-taking when bringing innovations to market.

### How can FP9 boost interregional collaboration in research and innovation?

Investing in research and innovation is crucial to tackle low economic growth, limited job creation, and global challenges. Collaborative research is key to create EU added value and must be adequately resourced, protected, and strengthened with emphasis on ambitious grant-based funding. ERRIN supports the European Parliament's proposal for a major increase in R&I funding.

During this period leading up to FP9, several reports - including the Lamy report - underlined the necessity to address the challenge of turning research knowledge into innovation and growth. To maximise impact and European innovation potential, experience shows that strong territorial innovation ecosystems are essential. These ecosystems connect different actors from the entire value chain to create an environment that allows development, commercialisation, and exploitation of innovation.

Regional innovation ecosystems generate significant impact for the economy and regional competitiveness as well as excellent innovation that is close to the people and their local needs. This territorial link also helps bringing science close to the society as it ensures a close connection with cities and regions, thus facilitating active citizen involvement, understanding, and ownership.

Regions should increasingly be seen as the primary point of reference for EU innovation policy. Digital Innovation Hubs and the European Roadmap for Research Infrastructures are an illustration of this



trend. It is also essential to generate innovation capacity bottom-up, building on existing strengths and bringing together key stakeholders to increase critical mass. Building critical mass in one or several regions is not enough. Europe needs a new partnership for research and innovation excellence in the whole of Europe, which is based on enhanced multilevel governance, a shared open innovation culture.

Therefore, FP9 should do more to strengthen regional innovation hubs and ecosystems, and the connectivity between them. A new "territorial connections" action should be set up to recognise and fund better connected regional innovation ecosystems boosting excellence, increase coherence, and avoid fragmentation.

The added value of this approach is to increase the effectiveness of EU investments and to boost the potential for interregional collaboration — also across funds. Bringing together regional innovation actors including SMEs around clusters of excellence forms the basis for Europe-wide value chains in innovation. Territorial cooperation and interregional collaborative projects are important to connect and complete value chains at EU level and to transfer best practices to new value chains.

## Practical approaches to synergies between Cohesion Policy and FP9

Aligning priorities is possible without blurring the different main objectives of excellence in FP9 and cohesion in ESIF. It is simply about creating synergies between the two programmes and their objectives. A mission-oriented approach might address the missing "common objective policy", whereas on the ground synergies can be created only when a certain extent of coherence is achieved in the various national and EU programmes. This calls for further simplification and harmonisation of rules. ERRIN supports the work carried out by the High-Level Group on Simplification, especially regarding state aid rules, which currently discriminate between EU projects under centralised and shared management.

Practical synergies between funds could be possible by funding different milestones of a "mission" through different funds, such as consortia working for a common objective but funded individually for its work via different funds. For example, within a Smart City Light House project, the light house cities could be funded via the FP, whereas the follower cities that need further capacity building and support to implement new business and management models could be funded via ESIF. The same could apply to "territorial connection" actions.

A cross-cutting objective within FP9 should therefore be the support to the development of stable interregional networks consisting of regional innovation ecosystems, favouring a stronger strategic alignment between research and cohesion policy.

We therefore suggest establishing a structured dialogue between various European Commission services and the regional innovation ecosystem players to

# Research and Innovation – joining up in the region Awareness of the territorial dimension: Research infrastructure Capacity building Synergies: Seal of excellence Regional Research & Innovation Ecosystem Building critical mass: Quadruple helix Concentration



ensure the viability of existing, and the design of new, policies and financing instruments to support regional innovation ecosystems and interregional cooperation between them. This would allow moving away from too prescriptive calls and further allow and encourage bottom-up solutions to the challenges throughout FP9.

### Summary of the main recommendations:

- Combining the top-down and bottom-up, and thus ensuring strategic coordination between the FP9 and cohesion policy;
- Connecting regional innovation ecosystems from various parts of Europe ("territorial connections") to provide bottom-up solutions to societal challenges and linked missions;
- Establish a structured dialogue with relevant EC services and the key regional innovation ecosystem players.

### **About ERRIN**

ERRIN, the European Regions Research and Innovation Network, is a Brussels-based platform with more than 130 regional stakeholders, most of whom are represented by their Brussels offices. Founded in 2001, ERRIN promotes knowledge exchange between its members focusing on joint actions and project partnerships to strengthen regional research and innovation capacities. ERRIN is supporting regions in developing their collaborative and open regional innovation ecosystems to enhance the EU's research and innovation capacity and build a competitive Europe which supports smart, sustainable and inclusive growth in all regions.