

## ERRIN CONTRIBUTION TO THE EUROPEAN COMMITTEE OF THE REGIONS OPINION ON "THE FUTURE OF COHESION POLICY POST-2027"

4<sup>th</sup> August 2023

Cohesion policy has been one of the key instruments supporting long-term investments for sustainable development, economic advancement, job creation, and business competitiveness in EU regions and cities. At the same time, research and innovation policy is a different but complementary enabler of progress, with a great potential of multiplying the impact of EU regions' and cities' efforts across all the above fields.

Within a set thematic scope, R&I is already a fundamental feature of cohesion policy. In the current cohesion policy framework regions must dedicate between 25% and 55% of their ERDF (European Regional Development Fund) envelope to "a more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity". At the same time, R&I has the potential to strengthen other aspects of cohesion policy and contribute to further development of smart specialisation strategies (S3) framework.

Also, the role of regional and local innovation ecosystems is increasingly recognised in the context of R&I policy implementation and strengthening territorial cohesion, as seen e.g. in the Spanish Presidency priorities in the R&I area. Building an effective European research and innovation policy depends on strong interconnected innovation ecosystems embedded in regions and cities. Innovation happens in places and is strongly linked to specific local conditions.

In this frame, **closer linkages and synergies should be explored and established between cohesion and research & innovation policies**. In addition to the impact that the cohesion policy can generate on its own, creating such connections can serve as a complementary measure to achieve a cohesive, sustainable and resilient Europe. For example, the 8<sup>th</sup> Cohesion Report has shown that despite the cohesion efforts, disparities in research and innovation performance across EU regions have been persistent and increasing. These imbalances, accompanied by economic and connectivity downturns, as well as more pronounced inequalities, hamper cohesion across the EU. **R&I policy can support tackling the innovation divide** through the framework programme's widening measures, new undertakings which put regions in the driving seat of enhancing their innovation ecosystems, or by fostering strengthened innovation collaboration between European ecosystems.

**Regional Innovation Valleys** – as one of the European Commission flagship initiatives under the New European Innovation Agenda from July 2022 – are an example of how cohesion and R&I policies can come together to offer added value for all stakeholders in EU territories. As this undertaking develops with the call for expression of interest and calls for proposals<sup>1</sup> open until autumn 2023, its proposals should be translated into actionable priorities and further embedded in both cohesion and R&I policy instruments.

---

<sup>1</sup> As Regional Innovation Valleys calls for proposals are organised both under the European Innovation Ecosystems part of Horizon Europe and under the Interregional Innovation Investments Instrument of ERDF, they are also a good example of how different policies' instruments can work alongside within one initiative.

**Partnerships for Regional Innovation (PRI)** are another new initiative aiming to link cohesion and R&I policies that is welcomed by ERRIN. Its proposed approach to place-based innovation policy can help regions better tackle current challenges by building on, as well as adjusting, the smart specialisation strategies. Strong points of PRI include among other things the much-needed drive for stronger multilevel cooperation around innovation, focus on green and digital transition, and its ways of using a mission approach to tackle place-based challenges identified by S3 strategies through joint actions and initiatives where more actors are cooperating together. Thanks to similar approaches, **the scope of S3 can be broadened from economic development to also addressing more widely the transformation needs of our societies.** Technology-driven S3 can evolve towards challenge-driven S3, with research and innovation contributing to address these challenges.

At the same time, the European Commission should better discuss new initiatives such as the Regional Innovation Valleys or the PRI prior to their launching with regions and managing authorities. Such a cooperative approach would ensure an easier and more confident take-up of these initiatives by the regions.

Debating the links between policies naturally opens the way for subsequent discussions around **synergies between corresponding funding programmes. Examining and identifying the rationale and expected impact of creating closer connections between cohesion and R&I policies should allow the creation of a more solid, reliable ground for discussions on funding synergies.** Especially as the debate on the latter has been gaining momentum in the last years, with a European Commission notice on the topic published in November 2022. Structuring this reflection process can help to ensure that even if cohesion and R&I policies have distinctive objectives, there are ways to better coordinate the policies before synergies will be proposed. Cohesion funding is not an endless resource that can be tapped into. At the same time, both cohesion policy and S3 should remain ready to evolve and create necessary links with other policy areas. Therefore, further dialogue should be encouraged between different Directorate-Generals (DGs) of the Commission with the aim of creating a commonly agreed vision on the key strategic objectives of the cohesion policy. In addition, DGs other than DG REGIO should also start a direct dialogue with regions. Such a dialogue should take place before managing authorities begin preparing their programmes, to ensure the clarity of the Commission's vision and expectations. As far as synergies and linkages between EU policies are concerned, anticipating is essential to make sure they will work concretely.

Cohesion policy already respects many requirements coming from other EU policies (for example in the field of environment). Bringing cohesion and R&I policies closer should be decided in cooperation between the different DGs in the Commission and the regions/managing authorities. In the end, regional and local innovation ecosystems should benefit from those linkages. Cohesion policy should not become a "simple" implementation tool for the R&I policy of the EU – establishing relevant connections can allow them to work together for increased added value.

The Regional Innovation Valleys serve as a concrete example with strong support from European regions to create funding synergies. In this case, the synergies are desired because the objectives of the initiative are aligned with regional priorities and not only imposed top-down. At the same time, some managing authorities are reluctant to open the possibility of using ERDF funding for projects under Horizon Europe due to cohesion programmes not explicitly mentioning Regional Innovation Valleys, but also due to other obstacles of operational nature, e.g. with regard to different reporting systems. Such technical or administrative barriers should also be considered by the Commission and targeted assistance offered to address such issues in specific countries.

Cohesion programmes are elaborated in a strict European framework but they are also based on regional contexts. Closer links between R&I and cohesion policies should not reduce the flexibility of the R&I part of cohesion programmes which are tailored-made to answer specific regional and local needs, reflecting the place-based approach.

As the discussions around the future of cohesion policy post-2027 are currently intensifying and proposals are also starting to be tabled for other policies, including R&I, **this moment is an excellent opportunity to explore and increase synergies and links. Cohesion policy should further increase its openness to dialogue with other policies, to avoid being considered as a default resource to be exploited at later stages during the programmes' implementation. It can also benefit from better coordination with R&I policy when it comes to simplification of administrative processes. This does not mean that cohesion policy should lose its fundamental principles or characteristics, but as a main EU investment policy with cross-sectional objectives it could benefit from better synergies with other policy areas in the context of the evolving realities of the European regions and cities.**

Going beyond silos and exploring such linkages at the preparatory design stage of the cohesion policy post-2027 can also help mitigate the risk of future excessive bureaucracy, complexity, competition and overlaps, offering instead a more structured approach. In this way, cohesion policy could be enriched with a stronger R&I dimension with respect to its other fundamental objectives, based on local priorities. It could also better tackle bottlenecks related to funding synergies and further increase the innovation potentials across the EU for the benefit of all.

Relating to this, the current thematic R&I focus in cohesion policy appears too top-down. More ownership should be given to the regions and their key stakeholders. This place-based dimension should also be further ingrained in the process of designing the cohesion policy in general, with less steering from the European Commission and national levels.

As far as implementation is concerned, if the EU's R&I policy is more embedded in cohesion policy, cohesion policy should also benefit from simplification coming from the R&I policy, for instance in terms of public procurement or state aid. This would create a win-win situation for both policies at the service of regional and local innovation ecosystems.

ERRIN wishes to stay engaged in the process of shaping the future cohesion policy post-2027 and remains open for discussing it further and exchanging insights with the European Committee of the Regions.



[ERRIN](#) (European Regions Research and Innovation Network) is a Brussels-based platform that gathers around 120 regional organisations in more than 20 European countries. ERRIN aims to strengthen the regional and local dimension in EU Research and Innovation policy and programmes. ERRIN supports members to enhance their regional and local research and innovation capacities and further develop their research and innovation ecosystems.

The ERRIN members primarily collaborate through 13 Working Groups (WGs) and two Task Forces (TFs), covering both thematic areas and overarching policy issues. The WGs and TFs are based on members' priorities and current funding opportunities. Their meetings are at the heart of ERRIN's activities, as this is where our members meet regularly to exchange information, present regional examples, build new partnerships, develop joint projects, network and much more.

For more information on the contribution please contact:

Pirita Lindholm, ERRIN Director, [pirita.lindholm@errin.eu](mailto:pirita.lindholm@errin.eu)

Ewa Chomicz, Policy and Engagement Manager, [ewa.chomicz@errin.eu](mailto:ewa.chomicz@errin.eu)