ESIF 2014-2020: investing in the smart priorities

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ESIF 2014-2020

- **Mission**
  - Reduce disparities between Europe's regions strengthening economic, social and territorial cohesion
  - Contribute to the *Europe 2020 Strategy* for smart, sustainable and inclusive growth

- **Increased performance and impact**
  - Thematic concentration of funds: 11 thematic objectives linked to the Europe 2020 Strategy
  - Ex-ante conditionalities and performance review

- 'Programming' - ongoing
### Eligibility map 2014-20

<table>
<thead>
<tr>
<th>Region</th>
<th>Billion EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less developed regions</td>
<td>182.2</td>
</tr>
<tr>
<td>Transition regions</td>
<td>35.4</td>
</tr>
<tr>
<td>More developed regions</td>
<td>54.4</td>
</tr>
<tr>
<td>Cohesion Fund</td>
<td>63.4</td>
</tr>
<tr>
<td>European territorial cooperation</td>
<td>10.1</td>
</tr>
<tr>
<td><strong>Of which</strong></td>
<td></td>
</tr>
<tr>
<td>Cross border cooperation</td>
<td>7.5</td>
</tr>
<tr>
<td>Transnational cooperation</td>
<td>2.0</td>
</tr>
<tr>
<td>Interregional cooperation</td>
<td>0.6</td>
</tr>
<tr>
<td>Outermost regions and northern sparsely populated regions</td>
<td>1.6</td>
</tr>
<tr>
<td>Youth Employment initiative</td>
<td>3.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>350.3</strong>*</td>
</tr>
</tbody>
</table>

*This figure does not include EUR 1.5b of Urban Innov. Actions and EC technical assistance*

- Programmes are developed and managed at national and/or regional level.
- Member States are asked to focus on interventions with the greatest added value, based on development needs and growth potentials and taking into account European priorities.
- Negotiations on new programmes currently ongoing
ERDF Thematic objectives/concentration

1. Research and innovation*
2. Information and Communication Technologies *
3. Competitiveness of Small and Medium-Sized Enterprises*
4. Shift to a low-carbon economy*
5. Climate change adaptation and risk management & prevention
6. Environmental protection and resource efficiency*
7. Sustainable transport
8. Employment and support for labour mobility
9. Social inclusion and poverty reduction
10. Education, skills and lifelong learning
11. Increased institutional capacity and effectiveness of public administration
ERDF thematic concentration

- Research and Innovation
- ICT
- SMEs competitiveness
- Low-carbon economy (energy efficiency and renewable energy)

<table>
<thead>
<tr>
<th>Region</th>
<th>Research and Innovation</th>
<th>ICT</th>
<th>SMEs competitiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>More developed regions</td>
<td>60%</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Transition regions</td>
<td>45%</td>
<td></td>
<td>15%</td>
</tr>
<tr>
<td>Less developed regions</td>
<td>38%</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>
Overall increase in funding R&I from ESIF

Preliminary data based on the allocations for TO1(R&I), TO2(ICT), TO3(SME), TO4(low-carbon economy)
RIS3 ex ante conditionality

Existence of a national or regional research and innovation strategy for smart specialisation (incl. digital growth, if relevant)

Fulfilment will be checked along the following criteria:

- Based on SWOT or similar analysis
- Concentrate resources on a limited set of R&I priorities
- Outlines measures to stimulate private RTD investment
- Monitoring system
- Framework outlining available budgetary resources

If investments in R&I infrastructures:

- Indicative multi-annual plan for budgeting and prioritization of investments linked to EU priorities, and, where appropriate, ESFRI

- All forms of innovation! ... also service innovation, eco-innovation, social innovation ....
- Critical mass ... incl. by pooling across borders
- Rejuvenating traditional sectors through higher value-added activities, diversification & differentiation
- Cross-sectoral links & new mixes of technologies
- New market niches by sourcing-in and disseminating new technologies rather than re-inventing the wheel

Place-based economic transformation!
**RIS3 is to set a limited number of priorities**

**Governance system:**
monitoring, evaluation, revisions incl. mobilising the entrepreneurial discovery process, and adjustments of financial and human resources

**Framework outlining available budgetary resources:**
"concentrate resources on a limited set of research and innovation priorities"
(own resources, ERDF, ESF, EMFF, EAFRD ...)

**Outline of measures:**
- to stimulate private R&I investment
- Synergies with Horizon2020 and other programmes
- Cooperation with other MS and regions

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**Skills & innovation capacities:**
Entrepreneurial skills, innovation management, creative thinking, design ...

**KETs for SMEs:**
Tech. transfer & audits, demonstrators, pilots

**ICT-based Forestry Technologies for mountain areas**

**Tourism:**
innovative health and sport services for elderly

**Renewable energy:**
Carbon neutral bio-mass

**Bio-Economy:**
New use of cellulose

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**Horizontal measures** for general innovation capacity and system building can also be included:
If they emerge in the entrepreneurial discovery process
Genuine involvement of local innovation actors is entrepreneurial discovery process to develop and implement RIS³

Kick-start with consultation in quadruple helix:
address market developments and emerging opportunities
Identify interest groups, new innovative entrepreneurs, hidden champions, boundary spanners
See annex III of RIS3 Guide:
http://s3platform.jrc.ec.europa.eu/s3pguide

Entrepreneurial: (risk-taking, beyond boundaries …)
Design of RIS3: authorities involved in RIS3/PA/OPs are expected to:

- Use entrepreneurial discovery process towards more synergies
- Work together with authorities involved in designing SME and industry, and R&I policies (e.g. Horizon 2020 actors)
- Evaluate the needs of industry, public & private procurers as part of the RIS3 process
- Focus the preparatory work for synergies on the strategic aim of their RIS3 in terms of economic transformation and the fields of specialisation
- Get internationally connected: multi-country proposals for H2020 and ETC; teaming up with other MAs, identify areas of specialisation of other regions through S3Platform
- Foresee close-to-market support in the OPs
Synergies with Horizon 2020 need to be exploited

- Improve the **quality & impact of national & regional & ESIF innovation investments**

- Deliver on the policy objective of **leveraging more national / regional funding towards EU objectives**

- **Strengthen cooperation between innovation actors and policies relevant for innovation** (skilled & creative people, research, enterprises, investors, market access, different Ministries and departments and on different levels, legal and administrative framework conditions...)

- **Leading regions as "locomotives" for lagging regions ...** but with **smart specialisation**, as not all regions are excellent in everything, but every region has the potential to be excellent in something
What are/are not ‘synergies’?

- **Obtaining more impacts** on competitiveness, jobs and growth by combining ESIF and Horizon2020
- **Amplifying** projects / initiatives under the other instrument
- **Carrying further** the projects of the other instrument towards market, e.g. SME instrument "seals of excellence"

... but are NOT:

- **NO substitution of national, regional or private co-funding** to projects or programmes by money from the other instruments
- **NO diversion of funding from the purpose** of the respective instrument/operational programme (e.g. smart specialisation strategy)
- **NO simple "run for the money"**: Maximising the acquisition of additional funding from H2020 for a MS / region is no good objective, as this is no durable impact.
How to achieve Synergies?

Overall concept for complementarity: Emphasis of programmes

- **ESIF**
- **Horizon 2020**
  - € over 100 billion for innovation in wide sense
  - € 79.4 billion

"Stairway to Excellence"
- National/Regional R&I systems
- Capacity Building
  - "Up-stream"

"Research Excellence"
- Research & Development

"Innovation Excellence"
- Innovation
- Market
  - "Down-stream"

Hopefully also excellence, but
How to achieve Synergies?

Possible in one, successive and parallel project(s)

Horizon 2020

ESI Funds
- ESI Funds
- R&I Infrastructures and Equipment (IP1)
- ESFRI
- Skills
- Business Advisory services

Grant agreements

ESFRI

Research & Development

Excellent R&I

Demonstration Pilots

Marie Curie

Innovation

KICs

Pilot lines

KETs (IP1)

Business Advisory services

SMEs

Financial instruments

 Procurement

Capacity Building
National/Regional R&I systems

R&I Infrastructures and Equipment (IP1)

Skills

Business Advisory services

Financial instruments

Innovation

Market

Grant agreements

Procurement

How to achieve Synergies?

Possible in one, successive and parallel project(s)
To WRAP up..

- **Think strategic & impact-oriented,** not project-oriented

- **All innovation actors** have to listen, learn and talk to each other, and take steps towards each other in collaborative spirit

- **RIS3 will only work** if there is a political leadership, real business and research involvement in design and implementation, active role of administration in facilitating an entrepreneurial discovery process
Thank you very much for your attention

http://ec.europa.eu/dgs/regional_policy/index_en.htm