Smart specialisation: networking excellence for a sound cohesion policy

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The Committee on Regional Development adopted the own-initiative report by Hermann Winkler (EPP, DE) on smart specialisation: networking excellence for a sound Cohesion Policy. It noted that "Smart specialisation strategy" meant the national or regional innovation strategies which set priorities in order to build competitive advantage by developing and matching research and innovation (R&I) own strengths with business needs to address emerging opportunities and market developments. Members also noted that regions should formulate a smart specialisation strategy and also draw up investment plans for the use of all available regional, national and EU funding for R&D&I, and that the Commission might withhold interim payments of ERDF funding for the thematic objective of strengthening R&D&I if these pre-conditions were not met. Members considered that, aside from the need to fulfil the ex-ante-conditionality, developing such a strategy could offer regions significant advantages in terms of the effectiveness of their R&D&I, and they called on each region to **view such a strategy not only as a statutory obligation but also as a source of opportunity.** All regions should press ahead with formulating their smart specialisation strategies, so as not to risk delays in receiving EU funding for the relevant operational programmes owing to the lack of such a strategy.

The 'right' priorities: Members called on the regions to make their own appropriate choice of actions by focusing on strengthening their regionally-based characteristics, rather than by simply copying the successful strategies of other regions. They encouraged the regions to invest in **cross-sector and cross-technology activities** that could generate cross-cutting links throughout the regional economy so that a variety of businesses, could contribute to as well as benefit from the generation of more growth and jobs. However, regions should not focus solely on technology-based innovation, but rather base their strategies on as broad a notion of innovation as possible, taking account not merely of high-tech but also of low-tech – and, indeed, non-technical –innovation, such as process optimisation and organisational transformation. When selecting their priorities, regions should – in addition to strengthening their innovation systems with a view to achieving greater competitiveness– undertake actions that address structural and societal challenges within society, such as unemployment, poverty, energy security and demographic change.

Closer involvement of actors within regions: Members stressed the importance of consulting with businesses, and with SMEs in particular, local and regional policy-makers, universities, research and innovation centres and businesses, as well as civil society and social actors. They called on public and private stakeholders to use the many opportunities to fund actions under the ERDF for 2014-2020, including by supporting the establishment of regional innovation incubators and by developing links and synergies between universities, other research and higher educational institutes, innovative and creative entrepreneurs and businesses, and business support providers and investors, as e.g. in the case of creative and cultural industries.

Achieving funding programme synergies: the report urged the regions to make full use of all funding, cooperation and investment opportunities, in order to promote synergies between European Structural and Investment Funds (ESIFs) and Horizon 2020 and, in so doing, to close the innovation gap between regions. In addition, all regional and national actors in charge of devising and implementing the RIS3 strategy, the European Strategy Forum on Research Infrastructures (ESFRI) road map, the ESIFs and Horizon 2020 were asked to cooperate more closely as regards planning and coordination, and, where necessary, to develop appropriate structures to integrate the various tiers of government action. Member States should exchange best practises on such structures.

Close cooperation of regions: the external dimension: the report called on the regions not only to improve their internal links between education and research institutions, businesses and the administration, but also to build alliances with other regions so as to supplement their own value chain. Opportunities would be fostered if close cooperation were established between the Knowledge and Innovation Communities (KIC) partners in the regions and the organisations involved in designing and delivering the RIS3 strategies.

Lastly, Members pointed out that, in border areas, the challenges were often the same on both sides of the border and they called for cross-border smart specialisation strategies, and cross-border clusters, making use of EU interregional cooperation funding.