

EURADA-NEWS  
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# EURADA NEWS

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## EDITORIAL

The forced change of the business model of our Association had as a first consequence a lower frequency of disseminating Eurada-News in its historical form in 2013. Indeed, the time spent to generate alternative revenue to membership fees has reduced the one dedicated to working out our newsletter.

We have of course continued to regularly disseminate information, not only through thematic issues of Eurada-News and eReminder, but also by sending ad hoc emails to members and supplying three LinkedIn groups (EURADA, IRE Community of Practice and S<sup>3</sup> Smart Specialisation Strategies).

However, as regards LinkedIn, it appears that there are few active members. That is why we will try to return to more tradition, but reiterate however our call that members adhere to these groups to be informed in real time about interesting publications on regional development or innovation.

## IMPORTANT DATES

24/25.2.14	EURADA Board of Directors, Évora (P)
12.5.14	Defence Industry: Dual-use technologies and products/services, Brussels
16/17.6.2014	<b>Agorada 2014</b> in Brussels. Theme: Eco-innovation

### OTHER EVENTS

18/20.3.2014	10 <sup>th</sup> INSME Annual Meeting – "Investing in Innovation: Building a Sustainable Knowledge-based Economy", Abu Dhabi, <a href="http://www.2014.insme.org">www.2014.insme.org</a>
26/27.6.2014	61 <sup>st</sup> Congress of CNER, Aix-les-Bains (F)
19/22.10.2014	IEDC Annual Conference – "Steering Toward the Future: Convergence, Connectivity, and Creativity", Dallas-Fort Worth, TX

## LIFE OF THE NETWORK

### MEMBERSHIP FEE STRUCTURE FOR 2014

The General Assembly of 18 November 2014 has adopted the membership fee scale for 2014. These amounts are unchanged since 2009.

- Full members: € 3,500
- Full members from EUR13: € 2,610
- Full members from EU candidate countries: € 2,260
- Associate and subscribing members: € 2,260
- Partner members: € 3,500
- Members from non EU countries: € 575
- Members from the Eurada Partnership Forum:
  - Private enterprises: € 3,500
  - Universities: € 1,180
  - Consultants (small and medium): € 2,360

### PROJECT IMPLEMENTATION

#### **BENISI**

In the framework of the BENISI project (FP7 social incubators, <http://www.benisi.eu/>), Eurada has been asked to identify between 30 and 50 practices in the field of social innovation in order to assess if they could be transferred to other regions and other stakeholders.

Therefore it would be useful if members could point out practices which they believe are worth scanning, or that could be advertised to a lot of EU stakeholders. The promoters of these social innovations might even become coaches for other aspiring social entrepreneurs. All fields of social innovations are of interest to the BENISI project.

#### **Know-Hub**

EURADA is coordinating the writing of a "wiki" on the key elements of the RIS<sup>3</sup> concept. A first series of definitions is available on <http://www.know-hub.eu/knowledge-base/encyclopaedia.html> Each concept has the following structure:

- *The concept*
- *How to implement it?*
- *Step in the RIS process*
- *What can be expected?*
- *A quote*
- *References*
- *Experts' comments*

All volunteers to write or comment on these articles are welcome.

## MIRRIS

The EURADA Secretariat has just worked out the scoping document entitled "Mobilising Institutional Reforms for better R&I Systems/Institutions in Europe" which is more particularly of interest to the members of the new Member States. However, the few elements below can be of interest to all regions.

### EU15 PARTICIPATION IN FP7

	Population in million inhabitants	Number of beneficiaries	Million Euros captured	Success rate beneficiaries	Success rate in Euros	Number of beneficiaries per million inhabitants	Euros per inhabitant	Euros per beneficiary
AT	8.40	2673.00	854.00	21.90	20.50	318.21	101.67	319491.21
BE	11.00	4553.00	1382.00	26.20	23.20	413.91	125.64	303536.13
DE	81.80	13845.00	5522.00	23.80	23.10	169.25	67.51	398844.35
DK	5.60	2132.00	772.00	24.20	22.60	380.71	137.86	362101.31
EL	11.90	2910.00	774.00	16.30	13.30	244.54	65.04	265979.38
ES	48.10	8357.00	2334.00	19.70	16.40	173.74	48.52	279286.83
FI	5.40	2060.00	737.00	21.50	17.20	381.48	136.48	357766.99
FR	65.40	9678.00	3560.00	25.00	24.10	147.98	54.43	367844.60
IE	4.50	1512.00	425.00	21.90	17.80	336.00	94.44	281084.66
IT	60.80	9111.00	2778.00	18.20	15.10	149.85	45.69	304906.16
LU	0.50	148.00	27.00	19.20	12.50	296.00	54.00	182432.43
NL	16.70	6128.00	2348.00	25.40	23.50	366.95	140.60	383159.27
PT	10.50	1747.00	373.00	18.70	13.60	166.38	35.52	213508.87
SE	9.40	3544.00	1271.00	23.50	19.80	377.02	135.21	358634.31
UK	62.30	13559.00	4752.00	23.20	20.20	217.64	76.28	350468.32
<b>EU15</b>	<b>402.30</b>	<b>81957.00</b>	<b>27909.00</b>	<b>21.91</b>	<b>18.86</b>	<b>203.72</b>	<b>69.37</b>	<b>340532.23</b>

### EU13 PARTICIPATION IN FP7

	Population in million inhabitants	Number of beneficiaries	Million Euros captured	Success rate beneficiaries	Success rate in Euros	Number of beneficiaries per million inhabitants	Euros per inhabitant	Euros per beneficiary
BG	7.30	585.00	83.00	16.40	10.30	80.14	11.37	141880.34
CY	0.80	357.00	63.00	15.60	10.60	446.25	78.75	176470.59
CZ	10.50	1100.00	200.00	19.90	14.70	104.76	19.05	181818.18
EE	1.30	412.00	68.00	21.20	15.40	316.92	52.31	165048.54
HU	9.90	1260.00	220.00	20.30	14.70	127.27	22.22	174603.17
LT	3.00	350.00	48.00	20.10	14.80	116.67	16.00	137142.86
LV	2.00	249.00	30.00	21.70	11.60	124.50	15.00	120481.93
MT	0.40	153.00	14.00	19.30	10.30	382.50	35.00	91503.27
PL	38.50	1834.00	344.00	18.50	12.10	47.64	8.94	187568.16
RO	21.30	862.00	119.00	14.60	8.50	40.47	5.59	138051.04
SI	2.00	717.00	131.00	15.90	11.40	358.50	65.50	182705.72
SK	5.40	401.00	62.00	18.30	11.80	74.26	11.48	154613.47
<b>EU12</b>	<b>102.40</b>	<b>8280.00</b>	<b>1382.00</b>	<b>18.48</b>	<b>12.18</b>	<b>80.86</b>	<b>13.50</b>	<b>166908.21</b>
<b>EU27</b>	<b>504.70</b>	<b>90237.00</b>	<b>29291.00</b>	<b>21.70</b>	<b>19.30</b>	<b>178.79</b>	<b>58.04</b>	<b>324600.77</b>
HR	4.40	317.00	59.00	17.10	10.50	72.05	13.41	186119.87
<b>EU28</b>	<b>509.10</b>	<b>90554.00</b>	<b>29350.00</b>			<b>177.87</b>	<b>57.65</b>	<b>324116.00</b>

### Questions for the debate

1. What could be improved in EU12?  
What are the asymmetries between FP7 expectations and EU12 realities? Are they structural such as:
  - excellence
  - leadership
  - country vision: national R&D priorities are different from those of FP7
  - capacity
  - reputation
  - priorities: capturing FP7 money seems more difficult than consuming ERDF earmarked money
  - knowledge absorption regarding EU administrative and pre-informationor only institutional for instance, lack of:
  - access to relevant information
  - capacity of drafting proposals
  - involvement in dynamic networks
  - international cooperation practicesor a mixture of both?  
To overcome those asymmetries, would the creation of a dedicated agency be the solution to promote the participation of a greater number of national stakeholders in Horizon 2020?
2. What would be the options to increase the EU13 participation rate in HORIZON 2020?
  - Feed a maximum of potential applicants with information and "touch-and-go advice", betting on the fact that the more organisations are aware a greater number may get funded?
  - Identify a few excellent organisations not yet involved in EU projects to upgrade their capability to become strong leaders or partners of HORIZON 2020 projects?
  - Run for every strand of HORIZON 2020 or chose a smart specialisation approach to target only strands for which national stakeholders have recognized expertise?
3. What would be the success of the implementation of a MIRRIS action plan?
  - Increase the number of applicants?
  - Increase the number of organisations involved in successful projects?
  - Increase the number of lead applicants?
  - Involve governmental institutions in joint initiatives or joint undertakings?
  - Provide quality assistance/mentoring to potential applicants?
  - Create a HORIZON 2020 proactive national agency?
  - Be in touch with numerous potential applicants?

### COOPERATION WITH CHINA

EURADA is working on a Memorandum of Understanding (MoU) with CCUD – China Center for Urban Development to support collaboration between China Demonstration Zones and RDAs.

CCUD provides guidance to pilot cities for urban reform and development, which involves socioeconomic development plans, spatial development and land use plans.

One of the aims of the MoU is to promote enterprise cooperation in both directions, i.e. EU-China and China-EU.

Up to 10 Demozones are interested in developing such partnership. A pilot phase with Shanghai and Foshan will serve as test.

Members having an office in China might be interested to team up.

A few members have already expressed their interest (see below). Others can still contact us.

ACC1Ó Competitivitat per l'Empresa (ES)

ASTER – Agenzia per lo Sviluppo Tecnologico dell'Emilia-Romagna (IT)

East Marmara Development Agency (TR)

Instituto de Fomento de la Región de Murcia (ES)

Izmir Development Agency (TR)

Jyväskylä Regional Development Company JYKES Ltd. (FIN)

Middle Black Sea Development Agency (TR)

SERDA – Sarajevo Regional Development Agency (BA)

Turku Region Development Centre (FIN)

A first opportunity to meet CCUD and Demozones and to discuss possible cooperation will be in Shanghai on 28/30 March 2014 during the China International Urbanization Forum. Members might have the opportunity to speak and profile themselves during that event.

At this stage, it would also be interesting to have an overview of your current contacts with Chinese regions as well as your expectations in this partnership.

#### DUAL-USE TECHNOLOGIES/PRODUCTS

The European Commission and the European Defence Agency (EDA) would like to accelerate the transfer from defence industry to civil industry and *vice versa* as a factor of competitiveness of territories and SMEs.

Information on any experiences in this field is welcome.

## COMPETITION

#### STATE AID AND FINANCIAL ENGINEERING

The European Commission has just published in O.J. C19, 22.1.14, guidelines on State aid to promote risk finance investments (risk capital).

The Communication reminds the principles which must rule the compatibility of risk finance aid with the internal market (Point 3) and more particularly the measures targeted at categories of undertakings outside the scope of the General Block Exemption Regulation (3.3.1) and the conditions for financial instruments (3.4.2).

Le texte complet de la communication est disponible sur

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2014:019:0004:0034:EN:PDF>

## INDUSTRIAL POLICY

### FOR A EUROPEAN INDUSTRIAL RENAISSANCE

The European Commission has just published a communication entitled "For a European Industrial Renaissance" (COM(2014) 14 final). Worth underlining are the following excerpts relating to breakthrough technologies on which the European industry should be based:

*(...) These strategic, cross-cutting areas are: advanced manufacturing, key enabling technologies, clean vehicles and transport, bio-based products, construction and raw materials and smart grids. The work of the six task forces that were set up a year ago has enabled the Commission to identify opportunities as well as obstacles to innovation requiring further policy action. Based on this work, the Commission will pursue the following priorities:*

- *Advanced manufacturing: implementing the Knowledge and Innovation Community on value-added manufacturing and establishing a Public Private Partnership on Sustainable Process Industry through Resource and Energy Efficiency, Factories of the Future, Photonics and Robotics, upgrading innovation capacity and competitiveness of Europe's manufacturing sector. The integration of digital technologies in the manufacturing process will be a priority for future work in light of the growing importance of the industrial internet. The use of "big-data" will be increasingly integrated in the manufacturing process.*
- *Key Enabling Technologies (KETs): this task-force is working on the identification of potential KETs projects of European interest in a number of areas, e.g. batteries, intelligent materials, high performance production and industrial bio-processes; facilitating pan-European access of SMEs to technological infrastructure; and exploiting further the possibilities of the Memorandum of understanding signed with the European Investment Bank.*
- *Bio-based products: granting access to sustainable raw materials at world market prices for the production of bio-based products. This will require the application of the cascade principle in the use of biomass and eliminating any possible distortions in the allocation of biomass for alternative uses that might result from aid and other mechanisms that favour the use of biomass for other purposes (e.g. energy).*
- *Clean Vehicles and Vessels: adoption and full implementation of the Commission's proposal on alternative fuels infrastructure, implementing the Green Vehicle Initiative and other H2020 initiatives promoting clean and energy efficient transport, pursuing global standards for electric cars and implementing the priorities identified under CARS 2020.*
- *Sustainable construction and raw materials: setting up a EUR 25 billion EIB lending capacity for energy efficiency in residential housing; and improving recycling and sustainable waste management in construction.*
- *Smart Grids and Digital Infrastructures: defining further targets for the development of smart grid components; revising and broadening standardisation mandates and development and guidance on performance indicators.<sup>21</sup> The infrastructure and connectivity software for industrial internet is a priority area in the light of its growing importance and should help integrate high performance processes including cloud computing.*

as well as considerations relating to SMEs.

*(...) Still, to release their full potential, SMEs must overcome the barriers that limit their growth. The average SME is smaller in Europe than in the U.S. There are also differences between SME-sizes within the EU: The average SME in Germany has 7.6 workers, compared to 3.6 workers in Spain and 3.2 in Italy. This has significant consequences: the smaller the company, the greater its difficulty in investing in innovation, exporting and integrating global value chains, thus compromising their competitiveness.*

*The potential of clusters to create favourable innovation ecosystems for mutually reinforcing groups of SMEs needs to be better exploited as a means of promoting growth. The Commission will facilitate the matchmaking of SMEs wishing to integrate into world-class clusters aiming for excellence and cross-European value chains. The focus will not be limited to industrial sectors, but on facilitating cross-sectoral and cross-border collaboration and innovation.*

*Value-added chains, from the procurement of raw materials to business services and distribution, as well as links with research, training and education centres must be better integrated. Cluster-facilitated demonstration projects for value chain innovation will also be financed through Horizon 2020 in support of the implementation of smart specialization strategies. In addition, the Commission will reinforce the Entrepreneurship Action plan to develop entrepreneurial skills and attitudes and to facilitate individuals in developing new ideas commercially.*

The full text of the communication is available on

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2014:0014:FIN:EN:PDF>



## PUBLIC CONSULTATIONS

### **Consultation on the Notice on the notion of State aid**

The notice on the notion of aid is an integral part of the Commission's State aid modernisation (SAM) programme. The notice intends to provide practical guidance in order to identify State aid measures pursuant to Article 107 (1) of the TFEU, which have to be notified to and approved by the Commission before being lawfully implemented. In doing so, the draft notice aims to cover all the constitutive elements of the notion of State aid: existence of an undertaking, imputability of the measure to the State, financing through State resources, grant of an advantage, selectivity and effect on trade and competition.

Period of consultation: From 17.01.2014 to 14.03.2014

[http://ec.europa.eu/competition/consultations/2014\\_state\\_aid\\_notion/index\\_en.html](http://ec.europa.eu/competition/consultations/2014_state_aid_notion/index_en.html)

### **Public consultation on the draft Union Framework for State aid for Research, Development and Innovation**

The Community Framework for state aid for research and development and innovation ("the R&D&I Framework") sets out the conditions Member States should respect when granting aid to industry for R&D&I-activities. It entered into force on 1.1.2007 and expires by end 2013.

The purpose of the present consultation is to collect views on the first draft text of the revised Framework.

The Commission has identified a series of R&D&I measures for which state aid may, under specific conditions, be compatible with Articles 107(3)(b) or 107(3)(c) of the Treaty:

- (a) aid for R&D projects where the aided part of the research project falls within the categories of fundamental research and applied research, of which the latter can be divided into industrial research and experimental development<sup>11</sup>. Such aid is mainly targeted at the market failure related to positive externalities (knowledge spill-overs), but may also address a market failure caused by imperfect and asymmetric information or (mainly in collaboration projects) a coordination failure;
- (b) aid for feasibility studies related to R&D projects, which aims at overcoming the market failure primarily related to imperfect and asymmetric information;
- (c) aid for the construction and upgrade of research infrastructures, which mainly addresses the market failure stemming from coordination difficulties. High-quality research infrastructures are increasingly necessary for ground-breaking research and innovation, as they attract global talent and are essential for information and communication technologies and key enabling technologies;
- (d) aid for innovation activities, which is mainly targeted at market failures related to positive externalities (knowledge spill-overs), coordination difficulties and, to a lesser extent, asymmetric information. With respect to small and medium-sized enterprises ('SMEs') such innovation aid may be granted for obtaining, validating and defending patents and other intangible assets, for the secondment of highly qualified personnel, and for acquiring innovation advisory and support services. Moreover, in order to encourage large enterprises to collaborate

with SMEs in process and organisational innovation activities, the costs incurred by both SMEs and large enterprises for such activities may also be supported;

- (e) aid for innovation clusters, which aims at tackling market failures linked with coordination problems hampering the development of clusters, or limiting the interactions and knowledge flows within clusters. State aid could contribute to solve this problem, first by supporting the investment in open and shared infrastructures for innovation clusters, and second by supporting the operation of clusters for the enhancement of collaboration, networking and learning.

This framework provides the compatibility criteria for R&D&I aid schemes and individual aid which are subject to the notification obligation pursuant to Article 108(3) of the Treaty.

Period of consultation: From 20.12.2013 to 17.02.2014

Further info on

[http://ec.europa.eu/competition/consultations/2013\\_state\\_aid\\_rdi/index\\_en.html](http://ec.europa.eu/competition/consultations/2013_state_aid_rdi/index_en.html)

Paper of the services of DG Competition containing a draft Framework for state aid for research and development and innovation

[http://ec.europa.eu/competition/consultations/2013\\_state\\_aid\\_rdi/rdi\\_draft\\_framework\\_en.pdf](http://ec.europa.eu/competition/consultations/2013_state_aid_rdi/rdi_draft_framework_en.pdf)

### **Interreg IVC**

The [interregional cooperation](#) programme 2014-2020, called 'INTERREG EUROPE', is currently being shaped. Its objective is to help European regions to design and implement regional policies and programmes more effectively, in particular the EU Structural and Investment Funds programmes for Growth and Jobs, but also, where relevant, the programmes under the [European Territorial Cooperation](#) (ETC) goal. The programme aims to do so through enabling exchange of experience, knowledge and good practices among relevant stakeholders from different European regions.

Themes

The programme will address four thematic objectives:

- Strengthening research, technological development and innovation
- Enhancing the competitiveness of SMEs
- Supporting the shift towards a low-carbon economy in all sectors
- Protecting the environment and promoting resource efficiency

Actions

Two actions are envisaged in this programme:

- The programme will fund interregional cooperation projects which allow partners from the different EU Member States, Norway and Switzerland to work together on a shared regional policy issue under the four thematic objectives supported. By adopting successful approaches from other project partners, the regions involved in these projects should improve the way their programmes and policies are implemented.
- The programme will provide assistance to all European regions through policy learning platforms covering the four thematic objectives. These platforms will offer services such as individual advice, peer reviews, thematic seminars and recommendations on the design and implementation of Structural and Investment Funds programmes.

The survey is open from 10 January until 21 March 2014.

Further info on <http://www.interreg4c.eu/interreg-europe/public-consultation/>