

# 13

Interregional  
Innovation  
Investment  
**Instrument**

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growth



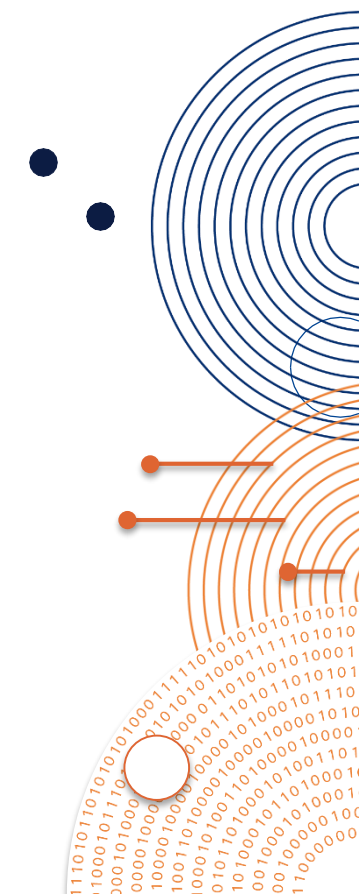


# Policy Context and Key Features

# I3 Instrument - Policy context

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- **The 2017 EC Communication** – Strengthening Innovation in Europe's Regions;
- **Learning phase** – Pilots & Thematic Smart Specialisation Platforms;
- **INTERREG link** (Art. 13 ERDF Regulation): « 13.7. When implementing this instrument, the Commission shall ensure coordination and synergy with other Union funding programmes and instruments and in particular with strand 'Interreg C (...)».



# Key changes for smart specialisation post-2020

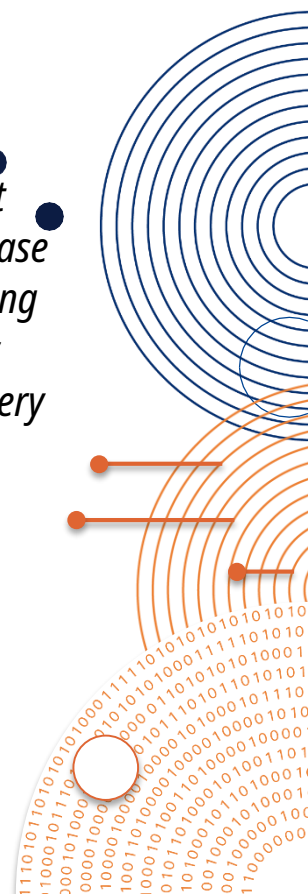
- Broader scope of the strategy: not only for research and innovation but including digitalisation, SME competitiveness and skills:

## Strategy for smart economic transformation

- New criteria of the enabling condition to match the challenges
- Ongoing assessment of the enabling condition

### Regulation on the European Regional Development Fund and on the Cohesion Fund (EU) 2021/1058

*Support from the ERDF should be based on building capacities for smart specialisation strategies, which set priorities at national or regional level, or both, to increase their competitive advantage by developing and matching research and innovation strengths with business needs and necessary skills through an entrepreneurial discovery process. (...)*





# EC support to Member States and regions – the role of the Thematic Smart Specialisation Platforms

- **EC initiative**, starting in 2015;
  - 4 platforms connecting regional ecosystems:
    - **Industrial Modernisation**
    - **Agri-food**
    - **Energy**
    - **Sustainable blue economy** (starting in 2022)
  - **37 partnerships – 208 regions – 19 Member States – 7 non-EU countries;**
  - Alignment of regional S3 → creation of European value chains → **Common investment project.**
- DG REGIO - Support to the management of the Smart specialization  
**S3 Community of Practice**



# I3 Instrument in a nutshell

## WHAT

**Commercialisation and scaling up of innovation projects** for the development of **European value chains**



## FOR WHOM

Interregional **Q-Helix ecosystems: researchers, businesses, civil society and public administrations** involved in **smart specialisation strategies** established at national or regional levels



## HOW

Implemented under **direct management**.



DG REGIO supported by European Innovation Council and SMEs Executive Agency (EISMEA)

## HOW MUCH

**ERDF (Art. 13)**  
EUR 570 Million (current prices)



Co-funded by the European Union



# I3 – wider picture

## Learn phase

Facilitated by Interreg or by appointed experts (for partnerships working on EC strategic priorities)



## Connect phase

Facilitated by Interreg, EEN & European Cluster Collaboration Platform



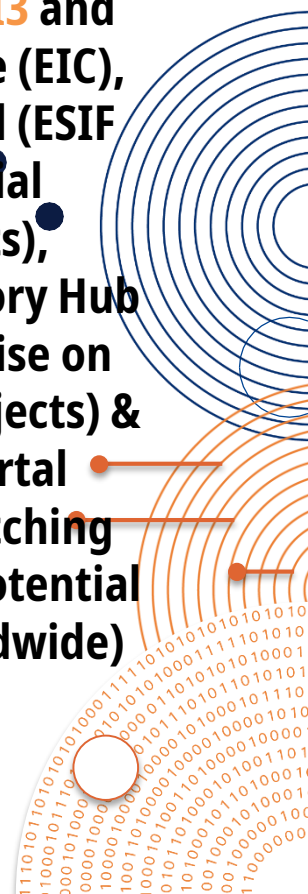
## Demonstration Phase

Facilitated by TAF experts (mature investment projects), supported by ERDF (I3, mainstream programmes) & Horizon Europe (IA) and Innovation ecosystems



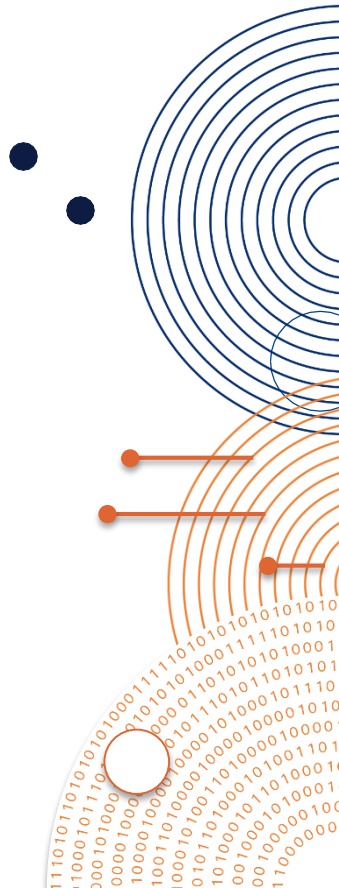
## Commercialisation & scale-up phase

Supported by I3 and Horizon Europe (EIC), InvestEU Fund (ESIF and financial instruments), InvestEU Advisory Hub (technical advice on investment projects) & InvestEU Portal (database matching projects with potential investors worldwide)



# I3 Instrument – Key features

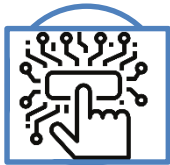
- **Type of Investment:** Interregional Innovation Investments in companies (TRL 6-9) to accelerate the market uptake/commercialisation in S3 priority areas;
- **Type of expenditure:** Productive investments / demonstration / piloting in companies;
- **Implementation:** Cascade funding, applicants signing the grant agreement redistribute the grant to final beneficiaries (SMEs), composing the investment portfolio;
- **Final beneficiaries:** Companies, in particular SMEs;
- **I3 Instrument position:**
  - Complementing Horizon Europe and other mainstream programmes;
  - With the focus on projects that are close to market deployment;
  - Tailored for the Cohesion specific context.





# I3: Total budget per Strand 2021 - 2022

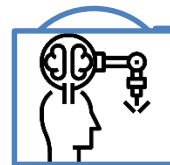
## THEMATIC AREAS:



Digital Transition



Green Transition



Smart Manufacturing

## STRANDS:

### Strand 1: Focus on developed regions

EUR 39,8 M in 2021 and 36,7 M in 2022. Average project size EUR 4–10 M;

### Strand 2a: Focus on less developed regions

EUR 36 M in 2021 and 32,9 M in 2022  
Project size up to EUR 3 M;

**Strand 2b: Capacity building for less developed regions, EUR 28,5 M total budget (for the 7y period), publication of the first call in 04 2022;**

*Technical assistance & experimentation EUR 11,4 M total budget (for the 7y period)*

**TOTAL  
BUDGET**

**EUR 570 M**  
(7 years)

# New info day: Calls for Strands 1 and 2a



**I3** Interregional  
Innovation  
Investment  
Instrument

## Online infoday

**23 June 2022**  
**Registration is open**

The banner features a dark blue background with abstract orange and white geometric patterns, including a grid of squares and a circular motif.

- The European Innovation Council and SMEs Executive Agency (EISMEA) organises online information day

**23 June 2022,**  
**14:30 - 17:30 CEST**

Registration link, and more details about infoday, on the [EISMEA website](#).



# 2021 Call Lessons learnt & FAQ \*

\* Info from EISMEA

# Lessons learned

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What has been noticed, and what needs to be worked on:

## Lower interest from less developed regions

- Work on collaboration potential (in particular for SMEs)
- Access to information - role of Managing Authorities (MA)

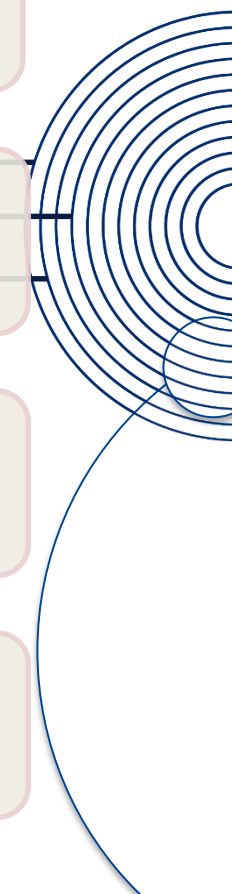
## Endorsing the S3 priorities

- Are the projects in line with the implementation of national / regional S3? Liaison of applicants and MA;

## Composition of consortia

- More flexibility in composition of the consortia;
- Who should be the Lead region for proposal;
- Modalities of SMEs participation;

## Towards the new Work programme

- Thematic areas, Size of grants, Capacity building;
  - Complementarities with other EU initiatives.
- 



# 1st cut-off: I3 – proposal topics – Strand 1& 2a



## Digital transition

Women led and women owned IT driven SMEs.

Social economy building

5G: edge computing, distributed learning, digital twins, robotics, unmanned aerial vehicles, cyber-physical systems/IoT in e-health, smart cities/buildings, tourism, and safety

European global value chain for smart & digital technology innovation investments in sports and active healthy lifestyle.

Digital transformation of healthcare organisations by improving the delivery of valuable, user-friendly and cost-effective services to patients and citizens.'



# 1st cut-off: I3 – proposal topics – Strand 1& 2a



## Green transition

Regenerative **mussel production**, nutrient removal, improved **water quality** and increased **biodiversity**

**Solar panel plant** for ports for 100% renewable energy

Ethyl lactate production, 100% **biobased fuel**

Circular innovations **in mining and for strategic raw materials**

**Textile industry** & Circular Economy & Recycling

Transformation of **post-mining facilities** in climate neutral facilities

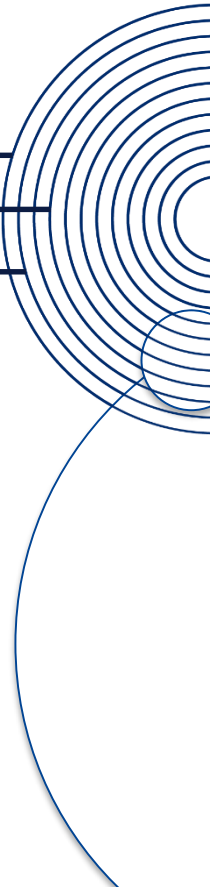
**Plant protection** via the use of unmanned aerial vehicles

**Waste heat recovery** from the SME industry

Living Labs in the area of **sustainable energy**

**Green hydrogen value chain**

**Electrothermal systems** for refrigeration



# 1st cut-off: I3 – proposal topics – Strand 1& 2a

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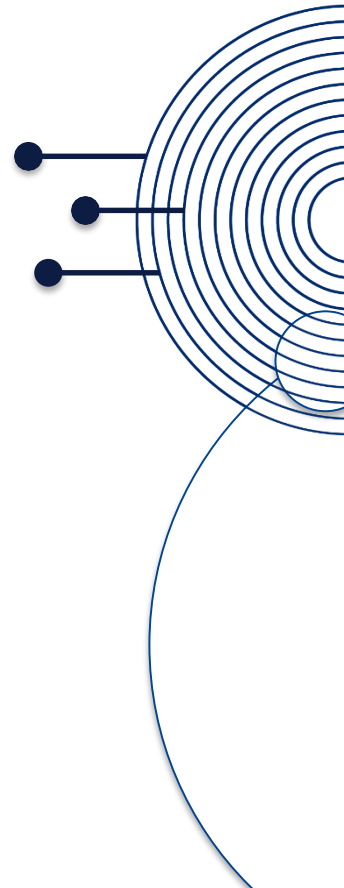
## Smart manufacturing

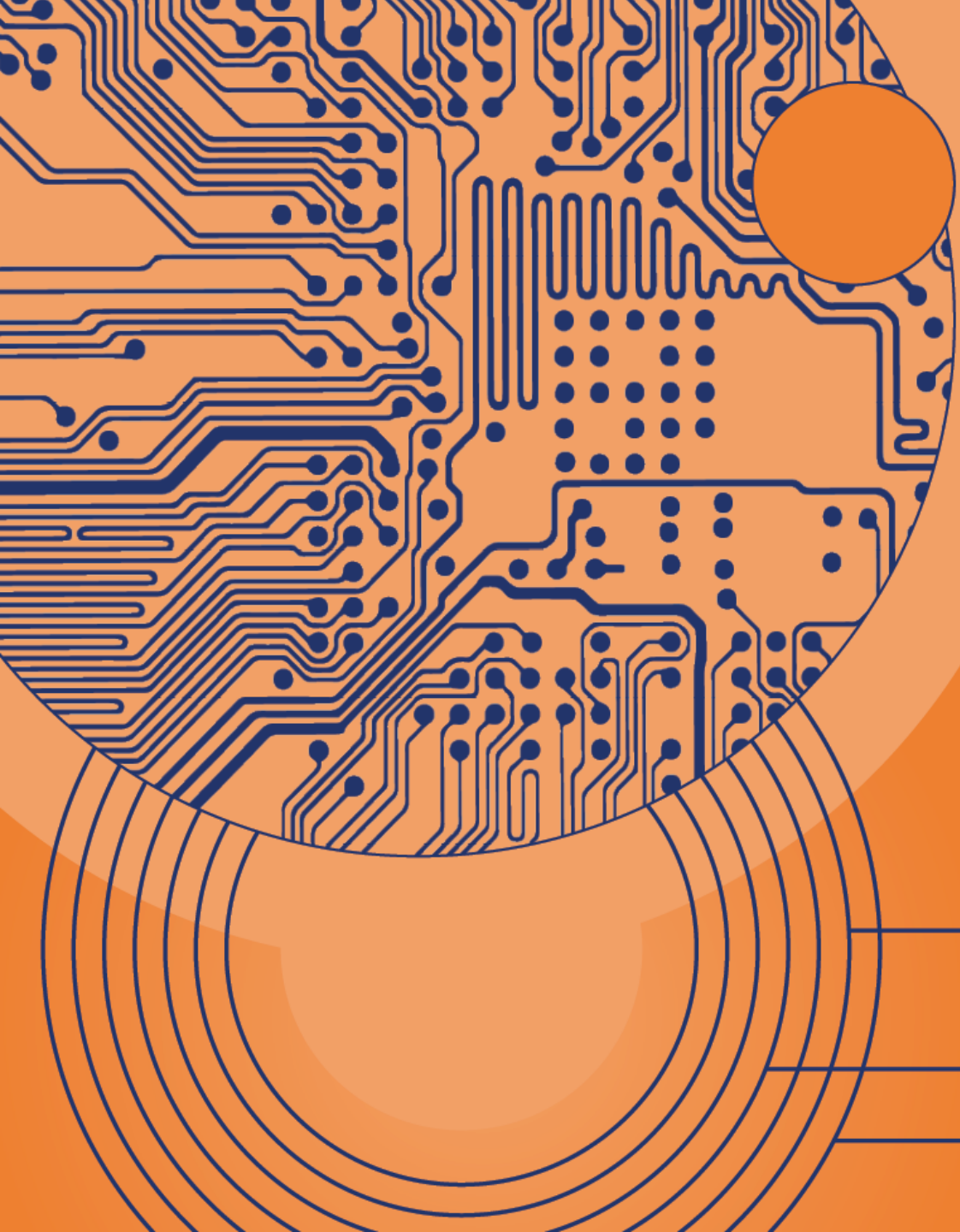
Optimisation of production through **Additive Manufacturing**

Cost-effective reuse of post-use **composite materials** and components in new high-added value products

Technology implementation by SMEs: **robotics, 3D and 4D printing, AI, HPC** for modelling for the decrease of waste, pollution

Innovative digital solutions to concrete challenges of **the food processing** companies and thus contributing to the Farm to Fork strategy





# Interregional Innovation Investments - next steps



# 2023 – 2024 work programme

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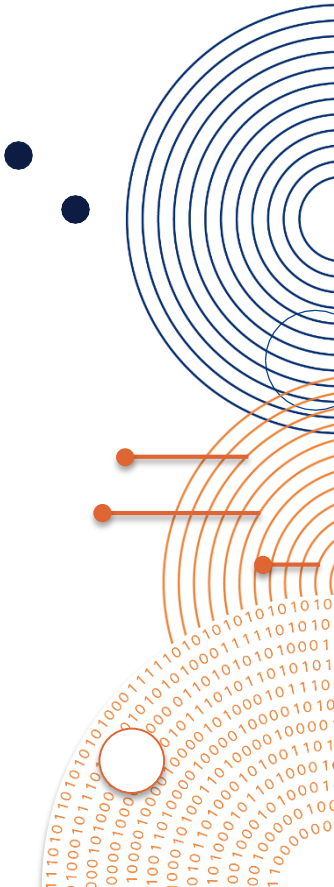
## Key topics of discussion with the I3 Expert Group – what can be done differently:

### Policy:

- What are the main objectives and expected results of the next work programme?
- What kind of tangible impact should be expected?
- What kind of Key Performance Indicators (KPIs) are crucial to monitor impact and results?
- What are the main barriers that the Capacity-building call should focus on as a priority?

### Calls:

- Expand or narrow the focus? Grant size? Consortium composition?



# Increasing the capacity of regional innovation ecosystems - focus on Less developed regions

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- Contribution to setting-up dynamic quadruple-helix ecosystems;
- Move from the innovative ideas to investment readiness;
- Involvement in the European value chains;
- Generating and sharing of knowledge among the regions and Member states;
- Raising the number and average quality of proposals for the I3 Instrument;
- Contribution to creating a pipeline of projects for funding under ERDF, Interreg and other Union funding programmes and instruments.



# Useful links

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- [Call documentation Strand 1, Call documentation Strand 2a](#)
- [EISMEA I3 Instrument web page](#)
- [DG REGIO I3 Instrument web page](#)



- [Investments into interregional innovation through I3 funding, Panorama](#)  
[April 2022](#)



# Thank you



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