



Digital Innovation in the future European Regional Development Fund Programmes

Katja Reppel
Deputy Head of Unit for Smart and
Sustainable Growth
DG Regional and Urban Policy



#CohesionPolicy
#EUinmyRegion

Future Cohesion Policy Objectives

Total proposed ERDF/CF budget: EUR 262 billion



A smarter Europe (innovative & smart economic transformation)



A greener, low-carbon Europe (including energy transition, the circular economy, climate adaptation and risk management)



A more connected Europe (mobility and ICT connectivity)



A more social Europe (the European Pillar of Social Rights)



A Europe closer to citizens (sustainable development of urban, rural and coastal areas and local initiatives)

Horizontal issues:

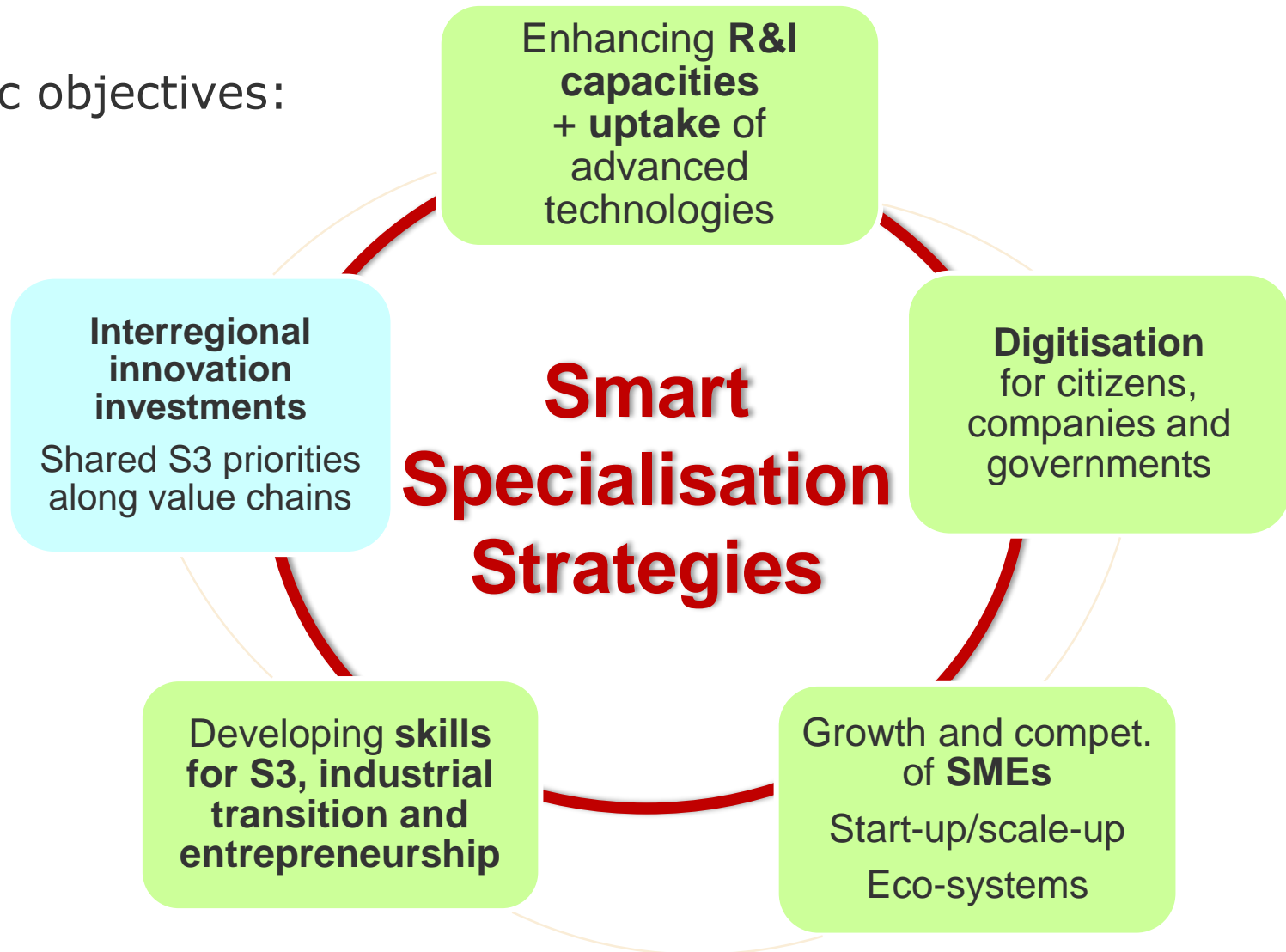
- administrative capacity building
- cooperation outside the programme area

- **Develop solutions**
- **Tech transfer**
- **Industrial capacities**

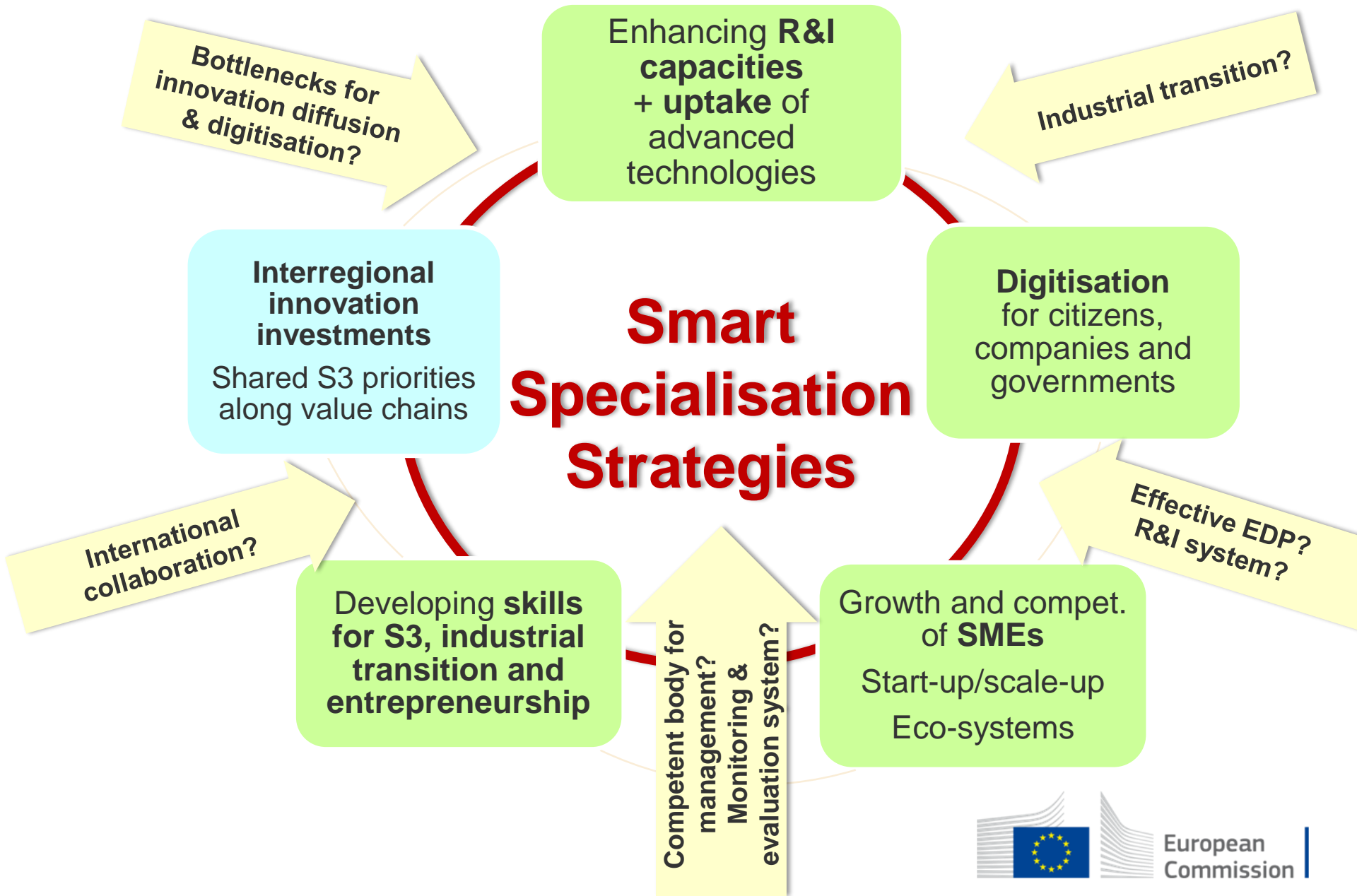
Deploy solutions
in public & private sector

Cohesion Policy Objective 1: A smarter Europe by promoting innovative and smart **economic transformation**

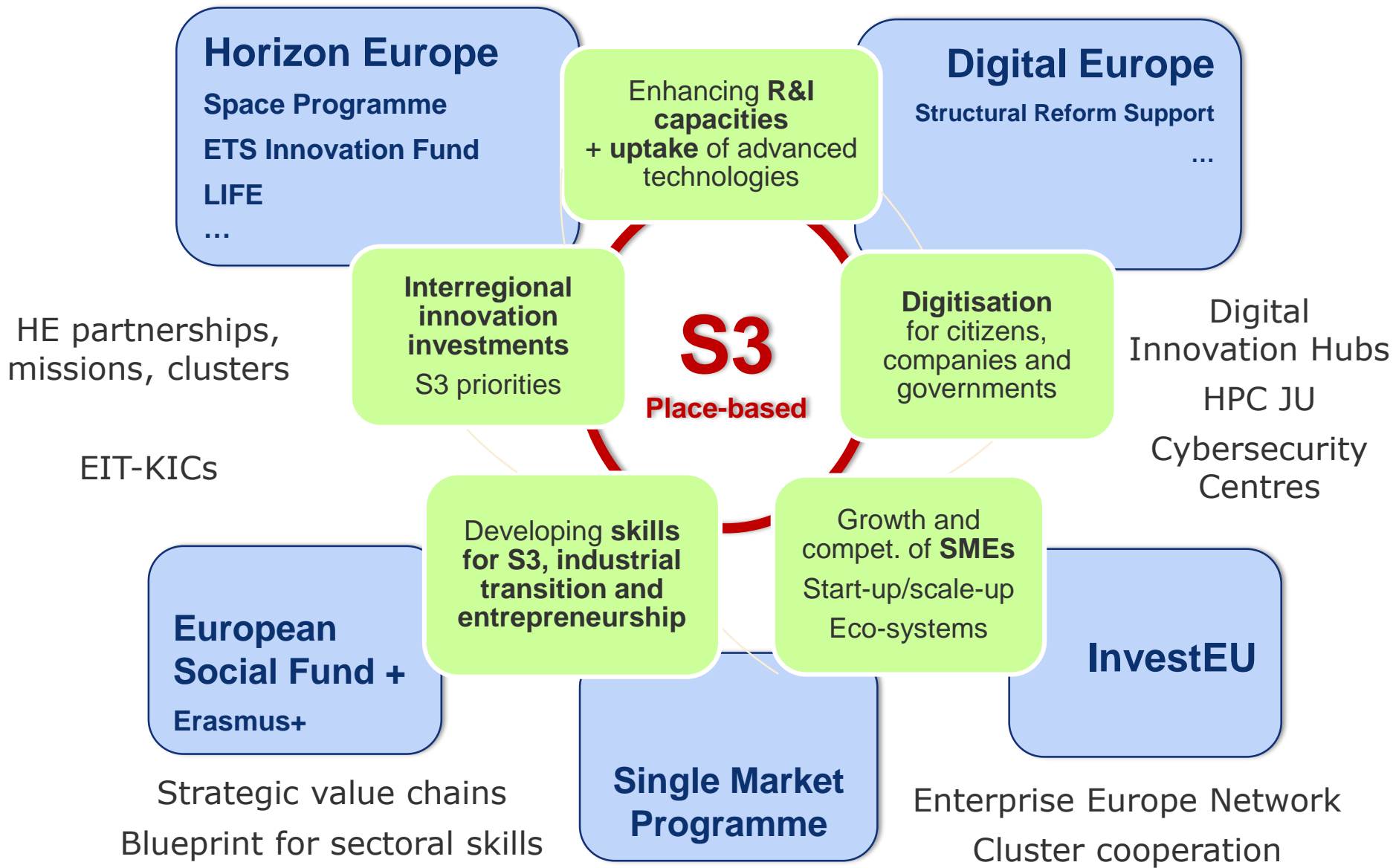
Specific objectives:



Smart Specialisation Fulfilment Criteria: designed to prepare ground for PO1 investments and complementarities



Complementarities ERDF – other EU programmes: Mutual involvement in governance for strategic alignment?



Digital R&I Smart Specialisation Priorities

are among the most frequent S3 priorities



Source: Eye@RIS3 database <http://s3platform.jrc.ec.europa.eu/map>



European
Commission

Regions in Industrial Transition



Development of a comprehensive strategy for economic transformation

- 10 regions & 2 countries selected via call for expression of interest
- Broad innovation and inclusive growth building on smart specialisation strategy
- Multi-sectoral focusing on jobs, industrial sectors, business models, economy and society as a whole
- Addressing globalisation, **automation**, **digital technologies**, **skills and investment**
- Supported by experts, inter-DG teams &  OECD



Embedding Digital in S3 strategies:

Business digitisation & e-commerce

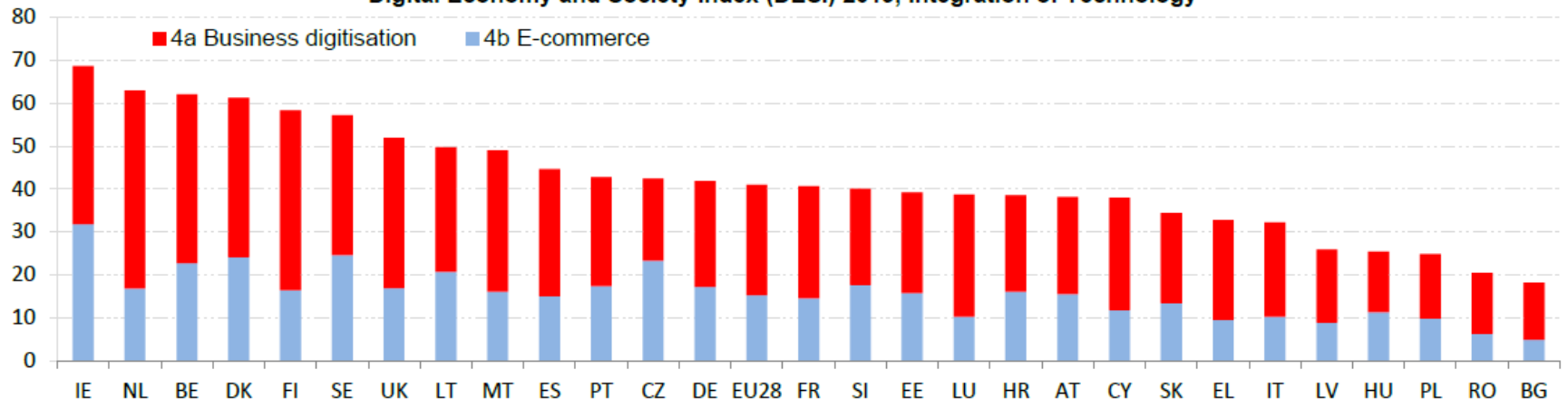
Integration of digital technology covers (a) 'business digitisation' and (b) 'e-commerce'.

'Business digitisation' has four indicators (as the % of enterprises using): electronic information sharing, social media, big data analysis and cloud solutions.

e-Commerce includes three indicators: the percentage of small and medium-sized enterprises (SMEs) selling online, e-commerce turnover as a percentage of total turnover of SMEs, and the percentage of SMEs selling online cross-border.

Integration of Digital Technologies indicators in DESI 2019		EU
4a1 Electronic information sharing		34%
% enterprises		2017
4a2 Social media		21%
% enterprises		2017
4a3 Big data		12%
% enterprises		2018
4a4 Cloud		18%
% enterprises		2018
4b1 SMEs selling online		17%
% SMEs		2018
4b2 e-Commerce turnover		10%
% SME turnover		2018
4b3 Selling online cross-border		8%
% SMEs		2017

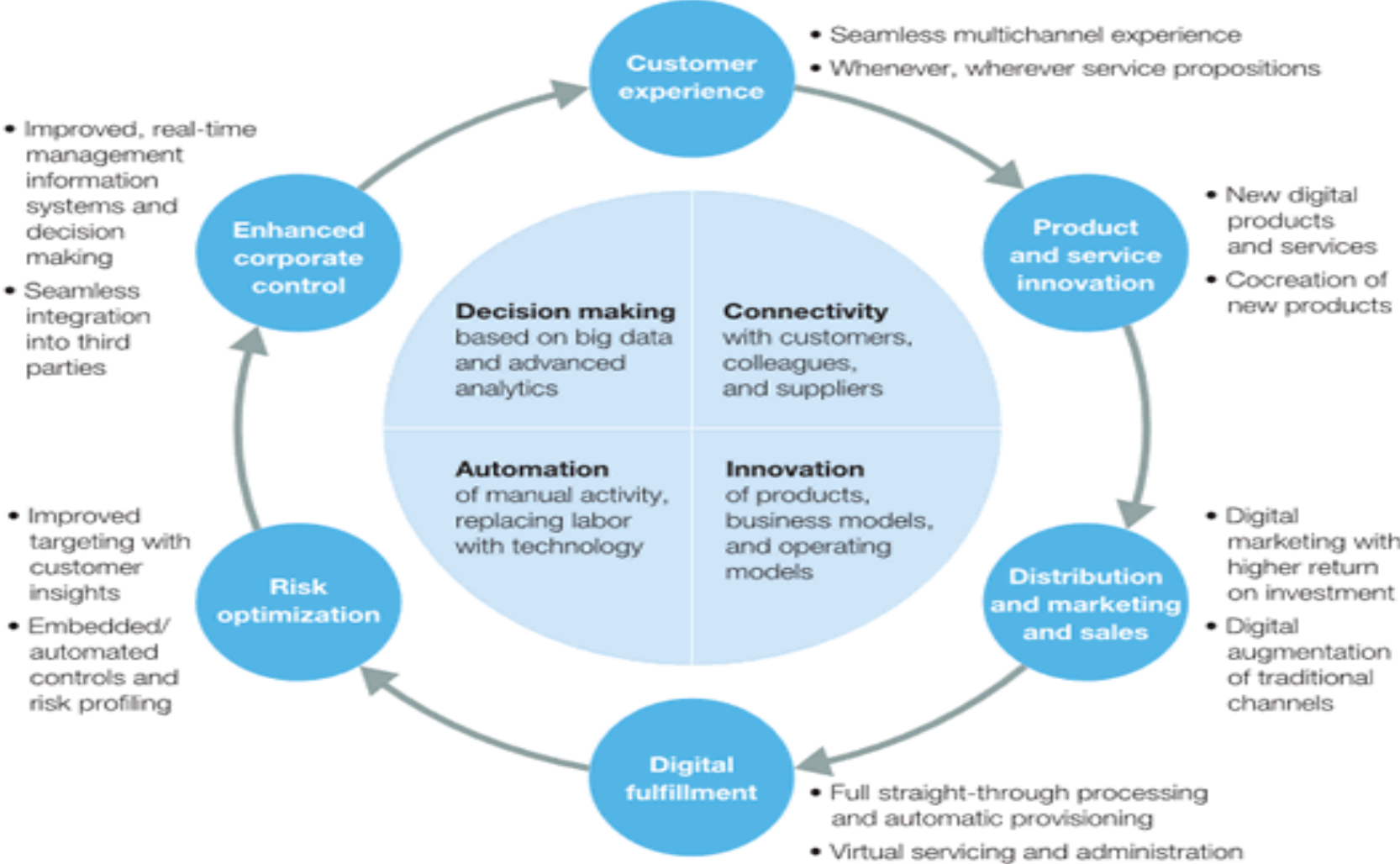
Digital Economy and Society Index (DESI) 2019, Integration of Technology



Source: DESI 2019 <https://ec.europa.eu/digital-single-market/en/desi>

Embedding Digital in S3 strategies:

Deep digital transformation needed



Source: Expert interviews; McKinsey analysis

Scope of support from the future ERDF

- ✓ **Investments in infrastructure, equipment**
- ✓ **Software and intangible assets**
- ✓ **Productive investments in SMEs**
- ✓ Investments in **access to services**
- ✓ Linked direct & indirect **staff cost**
- ✓ Information, communication, studies, **networking, cooperation, exchange of experience and activities involving clusters**
- ✓ Productive investments in enterprises other than SMEs when they involve cooperation with SMEs in R&I capacities and the uptake of advanced technologies under PO1 Smart Growth (a) (i)
- ✓ **Training, life-long learning and education** activities under PO1 (a) (iv);
- ✓ **Sharing of facilities** and of human resources, soft investments and other activities linked to PO 4 under the ESF+, under the European territorial cooperation goal (**Interreg**).
- ✓ Technical assistance

DIHs could be:

- **ERDF beneficiary buying** equipment, infrastructure, software, for construction & up-grading, cluster participation, etc.
- **ERDF intermediary for** providing SMEs with digitalisation & tech.transfer services, vouchers, training, etc.

Not possible:
Operating cost
(except in the EU outermost regions)

See: Art. 4 proposed ERDF/CF Regulation, Art 50 CPR and State aid rules on eligible costs

Questions and Answers

