Zuid Holland Roundtable "Zuid Holland in transition – Investing in the region" ¹ March 20th 2017, 15h00-18h00 Thon Hotel EU, rue de la loi 75, room Germany, Brussels

The roundtable was opened by Jaap Smit, the King's Commissioner of the Province of Zuid-Holland.

The "<u>Roadmap Next Economy</u>"² is the driving map for the region of Zuid Holland and is part of a broader national strategy. The province is investing heavily and expects to trigger more investments and collaborative efforts from the 3-helix stakeholders in order to deliver concrete investment projects. In the perspective of the Zuid Holland's transition, key questions to EU policymakers are:

- **What could be changed in the EU policy to trigger more interregional collaborations**?
- How to help regions for their transition towards the new economy and to face the upcoming challenges?

Also, there is a need for EU and national governments to bring together their instruments to support the Regional Investment Map(s) in order to *Make it happens*.

Two main pitches set the scene for the debates: *Industrial Modernization: investing in the region* (topic 1 by Mark Dijk, Port of Rotterdam) and *Zuid-Holland: a real-life testing ground* (topic 2 by Jolanda Heijstek Greenports Westland/Oostland).

Additional thematic pitches on the field labs in Zuid Holland were hold by Ferry Förster (*Why are field labs a crucial part of our innovation eco system? What challenges do we face?*) and by Tom van de Horst (*How to connect the Zuid-Holland Field lab platform to European platforms? How could Europe stimulate and support the development of regional field labs? How can we guarantee the quality of field labs?*)

SELECTED KEY MESSAGES AND REMARKS FROM THE DEBATE

- **The EU institutions should do their own smart specialisation**, "be smarter to company, to industries". This implies for instance to limit the creation of new instruments (simplification is needed, especially for SMEs), to avoid duplication (*eg.* with Vanguard Initiative, but also in S3P sub-thematic) and to limit the "accumulation" of institutions and mechanisms.
- The most important for regions is the **greater commitment of EU** to boost and maintain the interregional collaboration in investment projects
- EU should take more actions to lessen the regulatory barriers to investments and innovation. A focus should be put on "Frontrunners that need followers"; genuine leading regions need followers. In this perspective, Smart Specialisation should be the "bang for the buck" of our next investment policy. Besides new models of solidarity should emerge beyond the subsidies-based model: win-win situation should be identified.
- The possibility to blend funding from ESIF and other EU level ones should be done with care and oriented by the specific projects investments needs.
- **I**t is now time to assess our efforts in S3 and take lessons to reflect about the future regional policy with **stronger innovation** and **interregional cooperation components**.

The S3P on Industrial Modernization will do little more until industries drive forward – "push industries to the fore". Regional leadership should rely on a strong industrial base within, but also outside the region.

¹ The document has been drafted by Mafini Dosso, DG JRC, Dir B Growth & Innovation, Unit B3. Territorial Development (Seville, Spain).

 $^{^{2}}$ The RNE identifies five paths to support the transition towards the new economy of the metropolitan region.

"S3 should be the glue that brings together the different actors for the investment phase". Yet, it seems that in the first S3 phases, (4-)5-helix stakeholders enter in a sequential way. They should connect at earlier stage. Another key challenge is to set up governance mechanisms that do not only target sounder innovation ecosystems but also address regulation issue.

- The interregional cooperation should bring together three policy dimensions RIS3, Industrial policy and Investment policy -. Moreover, investments along value chains should be done in a consistent way to take greater advantage of synergies across the EU regions.
- The **impact of smart specialisation** should be assessed to draw constructive lessons for the future steps and the future of S3.
- The EU institutions and other regions can learn from regions that developed mappings of investments funds (eg. Cataluña, Zuid Holland).

Members of the panel (agenda order):

- Lambert van Nistelrooij, Member of the European Parliament
- Alison Hunter, Director Public Policy Consultancy
- Ana Coelho, Director Acció Brussels
- Nikos Pantalos, DG GROW, Innovation Policy and Investment for Growth
- Bernard de Potter, Permanent Representation Flanders, Administrator-General
- Mafini Dosso, DG Joint Research Centre (JRC, Dir B Growth & Innovation (Seville)
- Richard Tuffs Director ERRIN
- Zsuzsanna Bódi- ENoLL, Acting Lead, Project and Business Development Manager

Specfic remarks from the Pitch on Industrial Modernization (see ppt)

The transition strategy is challenged by several aspects such as the recent geo-political developments (*eg.* Brexit), moderate growth rates prospective, fast technological developments, a stronger competition (also intra EU) and the structural change in the energy markets. Important thematic challenges for the region to be among the most competitive regions by 2050 relate to the Circular Economy, the development of Smart industries, the Energy efficiency, Accessibility, Sustainability and digitalization (among other, see Roadmap). In this frame, specific support could take the form of: - CO2-cost regulation

- cost regulation

- a clear legal framework and timeline to industrial decarbonisation paths the support to R&D and investments in new low carbon technologies and infrast

- the support to R&D and investments in new low carbon technologies and infrastructure to improve the competitiveness of bio-based industry.

- the support to a better integration of the EU market and to a fairer competition between European seaports