

# Interregional Innovation Investments Instrument (I3)

I3-2021-INV2

Opening Date	Budget	Deadline date
06/06/2022	32.897.448M€	18/10/2022

## 1. BENEFICIARIES

Members of the quadruple helix

- be legal entities (public or private bodies)
- be established in one of the eligible countries, i.e
- EU Member States (including overseas countries and territories (OCTs))
- non-EU countries:
  - o - listed EEA countries and countries associated to the I3 Instrument or countries which are in ongoing negotiations for an association agreement and where the agreement enters into force before grant signature (list of participating countries)

**In the second Strand the project Coordinator must be located in a less developed, transition or outermost EU region/country.** To check the level of development you can use the [RIS Regional innovation scoreboard interactive tool](#).

## 2. SUMMARY

Regional economies need to innovate, transform and adapt to an ever-changing and more competitive and sustainable environment. In this context, the EU plays a key role by supporting all EU Member States and regions to activate their potential for innovation, competitiveness and sustainable jobs and growth through smart specialisation.

Smart specialisation strategies (S3) are at the centre of this approach. In the framework of Cohesion Policy programmes, EU Member States and regions have identified priorities to build on their strengths in business, innovation and research in order to move up value chains and improve the competitive advantage of their territories. This approach can be reinforced by interregional collaboration.

The I3 Instrument focuses on the support to interregional innovation investment on the road **towards commercialisation and scale-up phases giving them the tools to overcome regulatory and other barriers and bring their project to investment level by supporting interregional innovation investments** at high technology readiness levels (TRL 6-9). It represents an **opportunity to support interregional portfolios of companies' investments bringing innovation to the market and boosting the competitiveness of EU interregional value chains.**

By focusing on existing interregional partnerships that emerged around concrete smart specialisation strategies (see i.e. partnerships on the S3 Thematic Smart Specialisation

Platform) the I3 Instrument combines the S3 bottom up approach with investment support in concrete EU strategic priorities. It looks to boost and support the regional innovation potential and mobilise synergies and complementarities with other EU funding programmes and initiatives such as: Horizon Europe (in particular European Innovation Ecosystems), Digital Europe Programme, SMP and Interreg Europe.

The overall objective of the call for proposals is **to support interregional partnerships particularly through targeted investments aiming to accelerated market uptake and scale-up innovation solutions** in high technology readiness levels (minimum TRL 6) **in shared smart specialisation priority areas** to help them address barriers to moving to market.

Shared Smart specialisation priorities by region:  
<https://s3platform.jrc.ec.europa.eu/map>

Themathic platform: <https://s3platform.jrc.ec.europa.eu/thematic-platforms-map>

### 3. TOPICS

Topic	Name	Type of action	Budget (€M)	Project budget (€M)	Projects to be funded
<b>Destination</b>					
I3-2021-INV2a-DIGIT	Innovation Investments Strand 2 DIGIT	CSA	32.897.448M€	up to 2-3M€	Around 10-12
I3-2021-INV2a-GREEN	Innovation Investments Strand 2 GREEN	CSA			
I3-2021-INV2a-MANU	Innovation Investments Strand 2 MANU	CSA			

\*The budget for 2022 may be reduced for the second cut off depending on the amount expended in the first call extension.

### 4. ACTIVITIES THAT CAN BE FUNDED

The I3 Instrument funds interregional innovation investments projects under **joint smart specialisation priorities (S3) in the area of Interregional Innovation Investments (I3) Instrument** which take place in the S3 participating regions.

Thus, the I3 Instrument will help to promote enhanced interregional cooperation and sustainable connections between regional ecosystems, by building on the specific assets of EU regions. It aims to use the untapped potential of investments in innovation where the public and private sectors, as well as research and business from different countries, can work together. In order to accelerate market uptake of research results and stimulation of innovation, it supports companies in scaling up their ideas in the EU single market and in taking advantage of opportunities available at global level. At the same time, it helps to better align investment pipelines across borders to create opportunities in new EU value-chains.

The programme provides **financial and advisory support in form of grants to mature joint innovation projects in shared smart specialisation areas** structured in value-chain investment portfolios. Therefore, the main purpose is to directly contribute to actual concrete investments at high TRL levels (minimum TRL 6).

A project implemented under the I3 Instrument **can be composed of a portfolio of sub-projects** (portfolios of interregional investments activities – e.g. through distribution of **funding by the consortium coordinator to the members of the consortium or in a form of financial support to third parties**). These sub-projects are necessary to be carried out in order to accelerate demonstration processes for the uptake of innovation, thus increasing the competitiveness of EU value chains. This portfolio approach foresees the identification, within a specific thematic/technological area of cooperation, of a number of investment-ready sub-projects that address one or several bottlenecks identified in the project proposal by the consortium coordinator.

Target **investments can be both tangible and intangible investments** and must be related to the following:

- Advisory support for investment (developing or implementing interregional business and “go to market” investment plans in specific value chains);
- Financial support for production of plans and arrangements or designs of new, altered or improved products and services, that can include testing, demonstrating, piloting, large-scale product validation and market replication;
- Adaptation of existing prototypes (i.e. by combining two or more key enabling technologies) and tailoring them to the companies’ needs for the demonstration in real environment (ex-novo prototyping is not eligible);
- Development of portfolios of projects for close-to-market investments that deploy new or improved technologies or processes;
- Activities directly aiming at producing plans, arrangements or designs for new, altered or improved products, processes or services (adaptation to the companies’ needs). This can include testing, demonstration, piloting, largescale product validation and market replication;
- Activities connecting or making complementary use of testing and demonstration facilities<sup>6</sup> to accelerate market uptake and scale-up of innovation solutions in shared smart specialisation areas;
- Innovation services for the development of the business investment interconnecting value chains;
- Test beds related activities, needed to improve regulations and/or to remove barriers and bottlenecks to innovation;
- Any other activity needed to bring innovative ideas and new products to the market or instrumental to the development of value chains in less developed regions.

## **5. FUNDING CONDITIONS AND DURATION**

The available call budget is EUR 32.897.448M€ for 2022. EC reserves its right to do not award all available funds or to redistribute them between the call priorities, depending on the proposals received and the results of the evaluation.

In strand 1 the budget per project will be 2-3M€.

**At least 70% of the grant must be allocated to investments in companies.**

The costs will be reimbursed at the funding rate fixed in the Grant Agreement (70%)

Projects should normally range between 30 and 36 months.

## **6. CONSORTIUM**

- The coordinator must be located in a less developed, transition or outermost EU region/country.
- The coordinator must be a non-profit organisation:
  - o A public authority or
  - o A research body or
  - o A non-profit innovation intermediate organisation (i.e. a cluster organisation, an innovation agency etc.)
- Minimum 3 Partners(regions/countries) from 2 different eligible countries
- The consortium must involve various components of the quadruple-helix and must always cover both, the demand and supply side, such as (non-exhaustive list):
  - o Public authorities (national/regional/local)
  - o Universities, Research and Technology Organisations (RTO),
  - o Innovation agencies - Cluster organisations, SMEs, start-ups,
  - o Research data alliances (RDA)
  - o Any other entity that resembles the nature of the above mentioned entities.
  - o At least 1 partner must be established in a more developed region/country.

## **ANNEX: TOPICS DESCRIPTION**

### **INNOVATION INVESTMENTS STRAND 1 DIGIT DIGITAL TRANSITION**

Digital technologies present an enormous growth potential for Europe. According to the Europe fit for the digital age strategy, this call for proposals targets investments in businesses and administrations. In order to unlock digital growth potential and deploy innovative solutions (both for businesses and citizens), to improve the accessibility and the efficiency of services and bridge the persisting digital divide, the present call under this topic will support interregional investments projects in the following areas:

#### a) Digital economy and innovation

- The deployment of innovative solutions for businesses digitalisation and digital services, including the use of artificial intelligence;
- ICT up-take in SMEs applied to traditional and emerging sectors; B2B; B2C; Customer to Customer, including infrastructures and services to support this (digital innovation hubs, living labs, etc.);
- Demonstration of innovative digital technologies in view of the commercialisation of research results and a better integration in EU value chains;
- User driven innovation and valorisation of traceability and big data; • Companies reinforcing EU cybersecurity value chain and protecting from hacking, ransomware and identity theft;
- “Digital based” open innovation, supporting entrepreneurial discovery processes and cooperation between academia and businesses in the framework of smart specialisation;
- Digital skills for companies adopting innovative digital technologies (upskilling and reskilling) in the framework of investments relevant for Smart Specialisation.

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#### b) Digitalisation of the public administration

- New or significantly upgraded services for e-government, including the take-up of Europe wide interoperable services which improve the efficiency of services delivered by public administrations to citizens, companies and other public bodies by using information and communication technologies such as artificial intelligence and cybersecurity;
- Investments in innovative solutions helping administrations to make services user-friendly, accessible and more interoperable. Those investments might include the demonstration of the validity of new digital technologies in view of the large-scale adoption of new IT systems.

#### c) Digitalisation of healthcare

- Innovative investments in security of health data across borders (including cybersecurity);

- Investments related to the use of digital tools to stimulate prevention, enable feedback and interaction with the healthcare providers;
- Investments connected to the digitisation of healthcare systems, providing solutions to interoperability issues;
- Investments in digital health infrastructure (needed for demonstration processes), telemedicine, m-health and other innovative solutions for personalised medicine;
- Investments related to the acquisition of digital skills needed for the adoption of innovative technologies in healthcare.

\* In the first topic, if the proposal is related to digital transition in the field of smart manufacturing, then the applicant should submit the proposal under the smart manufacturing topic 3.

## **EXPECTED IMPACT**

### **SHORT-TERM**

- Innovative technologies tested and adopted by companies and public administration
- Deployment of innovative solutions improving businesses confidence, competences and means to digitalise and grow
- Contribution to digitisation and health systems transformation, through various types of innovation and the supply of IT services
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### **Medium-term**

- Increased companies productivity and efficiency
- Improved user-friendly, accessible and interoperable public services
- Improved level of digital skills
- Improved EU innovation capacity and competitiveness

### **LONG-TERM**

- Improved way of living and of doing business
- Increased social and territorial cohesion as well as personal well-being
- Improved education and vocational training systems (indirectly).

## **INNOVATION INVESTMENTS STRAND 1 - GREEN**

### **GREEN TRANSITION**

Turning climate and environmental challenges into opportunities is the ambition of the green transition. The European Green Deal has the goal to make Europe a resource-efficient and competitive economy. In this framework, the EU sets its targets to reach climate-neutrality by 2050, therefore this will require substantial investments. I3 intends to support innovative value chain investments, to boost the economy through green technology and to create sustainable industry/transport. It also intends to provide support to interregional investments in sustainable food systems, sustainable agriculture, clean and efficient energy, sustainable industry, building and renovating, sustainable mobility, eliminating pollution and climate action.

At least 70% of the grant must be allocated to investments in companies.

\* If the proposal is related to green transition in the field of smart manufacturing, then the applicant should submit the proposal under the smart manufacturing topic 3.

The present call for proposals under this topic encourages applications in one or more or a combination of the following investment areas (a non-exclusive list):

- Innovative investments in decarbonisation, reducing greenhouse gas emissions and contributing to improve air quality, health and wellbeing;
- Innovative investments in SMART cities;
- Innovative business investments related to smart, sustainable/efficient transport solutions and/or alternative fuels;
- Investments in climate action, environment, resource efficiency and raw materials;
- Investments in the management of natural resources, including the use of recycled materials, especially construction materials, plastics and textiles, to stimulate demand for secondary markets raw materials;
- Business investments in renewable energy and energy efficiency to make industry more sustainable;
- Business investments related to energy efficiency in buildings;
- Business investments related to a sustainable blue economy, contributing to the coastal protection;
- Business investments in circular economy to replicate and scale up successful circular economy solutions, which can generate EU added value;
- Investments in bioeconomy, efficient and sustainable agriculture and forestry, innovation in marine/ maritime and inland water sustainable solutions.

### **EXPECTED IMPACT**

#### **SHORT-TERM**

- Deployment of innovative solutions compared to existing technologies/solutions;
- Uptake of technologically/economically reliable and viable solutions on the market.

#### **Medium-term**

- Creating new market opportunities for EU companies;
- Reinforcing the capacity of regions to invest, joining forces around shared S3 investment priorities (interregional investments);
- Innovation diffusion.

#### LONG-TERM

- Reinforcing/reshaping EU value chains whilst increasing EU competitiveness in global markets;
- Unlocking the innovation potential of EU regions/countries;
- Contributing to the European Green Deal objectives;
- Positive impact on environment, health, climate, social and economy;
- Economic growth and job creation.

## **INNOVATION INVESTMENTS STRAND 1 - MANU**

### **SMART MANUFACTURING**

This topic focuses on improving the delivery of new or improved products, processes or services in the manufacturing industry. In the context of advanced manufacturing; knowledge and innovative technologies are used to produce complex products and improve processes to lower waste, pollution, material consumption and energy use. Robotics, 3D and 4D printing, artificial intelligence as well as high performance computing for modelling are important elements in advanced manufacturing.

The present call for proposals under this topic supports interregional innovation investments for the uptake of new or improved manufacturing solutions, as well as for supporting industry to face the challenge of digitalisation and to promote the shift towards a more environmentally sustainable production (zero pollution ambition for a toxic-free environment).

\*If the proposal is related to the topics of digital transition or green transition in the smart manufacturing, then the applicant should submit the proposal under the smart manufacturing topic.

The present call for proposals under this topic encourages applications in one or a combination of the following intervention areas (a non-exclusive list):

- Demonstration processes, i.e. helping new products to reach the market faster or having more efficient and sustainable processes adopted by the industry.
- Valorisation of research results and practical applications. This might include the active involvement of ecosystems and the co-creation process with stakeholders and end-users.
- Connecting or making complementary use of testing and demonstration facilities at interregional level. In this framework, synergies with circularity hubs are encouraged.
- Improving the use of natural resources and in the reuse of materials, promoting circularity models (de- and remanufacturing) and investments in carbon neutrality. Specific implementation (including funding) strategies can be envisaged, ensuring the participation of all stakeholders (industry, SMEs, local authorities, educational institutions and civil society).
- Implementation of interregional demonstration cases to test and replicate the results.
- Innovation diffusion and involvement of SMEs in EU value chains

### **EXPECTED IMPACT**

#### **SHORT-TERM**

- Deploying new green and digital technologies fostering the growth of Europe's manufacturing sector
- Innovative technologies adopted by SMEs

#### **MEDIUM-TERM**

- Making the EU industry more efficient and sustainable
- Reinforcing the capacity of regions to co-invest together, joining forces on common S3 investment priorities (interregional investments).
- Innovation difusión

#### LONG-TERM

- Reinforcing/reshaping EU value chains whilst increasing the competitiveness of the EU in global markets.
- Unlocking the innovation potential of EU regions/countries.