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Best practices catalogue for regional policy support of SMEs and photonics clusters

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Deliverable Author	Klaus Schindler, Johannes Verst with contribution from SEZ, OV, FORTH, EaPS, PhAu, SECPhO, NUI Gal, LITEK, KTN

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Introduction

Within the RespiceSME project a detailed analysis of the RIS3 process in the regions of the involved clusters is planned. This will show, how far and by which means the regional policy is involved in supporting the innovation potential of the regional SMEs. As a first step in this process, a list of best practices regarding the support of regional policy to SMEs and photonic clusters is generated.

This is the main content of Deliverable D3.5 which also serves as a basic input for Deliverable D3.6 "Report on RIS3 process in regions outlining how SMEs can positively impact the development of Smart Specialisation Strategy from the bottom up in regions with different priorities for photonics" as well as for Deliverable D3.7 "Best practices of regional financial supports & instruments for SMEs and a Memorandum for photonics cluster manager as a service provider to high-tech SMEs".

All project partners were asked to give input from the view of their region. To collect all necessary information, a list of questions was prepared.

List of questions

The following list of questions has been used to determine best practices of regional policy support for SMEs and photonics clusters:

- A) **What does "regional" policy mean in your case? In other words, what is the region in question?**
- B) **What kind of regional organizations do exist to support SMEs** (e.g. ministries, Chambers of Commerce, NGOs, etc.) **and what kind of programs do they have to support innovative SMEs** (e.g. funding programs, programs to internationalize, HR programs, etc.)?
- C) **Funding programs**
 - 1. What are the general funding conditions for SMEs are they different from those for RTOs and bigger enterprises?
 - 2. Are there special programs dedicated to SMEs only?
 - 3. Are there special accompanying programs to support innovation activities of SMEs (excluding common R&D activities)
- D) **What kind of special programs to support activities in the field of human resources do exist?**
- E) **What kind of special programs to support clusters / photonics clusters do exist?**
- F) **What kind of special programs to help SMEs to internationalize do exist?**
- G) **Are there other programs to support innovative SMEs, not mentioned yet?**
- H) **From your point of view: Which of the above mentioned regional policy support types for innovative SMEs could serve as a best practice?**



Situation in the partner regions

1. Austria

Question	Answer
A)	<p>In Austria a federal principle is used. Austria is divided into nine federal states which are responsible for several areas of legislation. However, large parts of the law are regulated by the federal constitution.</p> <p>Regarding funding schemes companies and organizations can receive funding on the one hand from the state and on the other hand from their federal state.</p>
B)	<p>Organisations exist to support SMEs. In terms of high tech, research and start up these are mainly:</p> <p>State:</p> <ul style="list-style-type: none"> - Österreichische Forschungsgesellschaft (FFG) - Austria Wirtschaftsservice (AWS) - Wissenschaftsfonds (FWF) <p>Federal states (two examples):</p> <p>Styria:</p> <ul style="list-style-type: none"> - Amt der Steiermärkischen Landesregierung - Außeninstitut der Montanuniversität Leoben - Steirische Wirtschaftsförderung (SFG) - Science Park Graz GmbH <p>Upper Austria:</p> <ul style="list-style-type: none"> - Amt der Oberösterreichischen Landesregierung - Business Upper Austria – OÖ Wirtschaftsagentur GmbH - Oberösterreichische Technologie- und Marketinggesellschaft m.b.H. (TMG) - OÖ Energiesparverband - Tech2b Gründerzentrum GmbH <p>All Austrian funding platforms can be found in the Förderkompass: http://www.foerderkompass.at</p>
C)	<ol style="list-style-type: none"> 1. Funding conditions for SMEs are mainly the same (or a little bit lower) as for RTO, but differ for medium and bigger companies 2. There are special programs for SMEs in Austria like feasibility studies, Innovationscheck, Markt.Start, Patent.Scheck, Projekt.Start or Talente – Ausschreibung FEMtech Karriere Check für KMU 3. Innovation activities are supported by innovation vouchers (small and large), feasibility studies or the Patent.Scheck which can be used for patent application.

D)	<p>In Austria there are three organisations which offer educational programs for adults. These are Wifi – Wirtschaftsförderungsinstitut, bfi – Berufsförderungsinstitut und Volkshochschule. All federal states offer financial benefits for the job training. Furthermore there is a program called Bildungskarenz where employees can take a year off to finish education or start further education.</p> <p>The WKO – Wirtschaftskammer Österreich offers different programs just for SME's to support Human Resources activities.</p> <p>In addition, the government offers special funding for women like the program FEMtech or the Firnberg program.</p>
E)	<p>The formation of clusters is supported by various organizations like FFG, AWS and KLIEN. Moreover, the federal states offer programs to support clusters. Photonics Austria is the only photonics cluster existing in Austria.</p>
F)	<p>Reduced rates to participate at joint booths at trade fairs organized by the chamber of economics are offered. Furthermore the chamber offer programs like go.international to support SME's.</p>
G)	-
H)	<p>The FFG offers a special package for SME's including support during market entry and project launches, financial aid for patents and feasibility studies. The most essential part of the package is the innovation voucher, which provides SME's financial support during the innovation process.</p>

2. France

Question	Answer
A)	<p>The Paris Area Region (Ile-de-France) has its own policy for innovation and the development of SMEs – called the “Smart Specialization Strategy (S3)”. Photonics is one of the two key enabling technologies of this strategy, providing solutions for 5 strategic domains (software and complex systems engineering, digital transformation, green and intelligent vehicle, eco-construction, medical devices) and 3 application fields (Health and Well-Being, Energy/Environment, Mobility).</p>
B)	<p>Many organizations provide support to SMEs in the Paris region: Chambers of Commerce and Industry, clusters organizations such as Opticsvalley, competitiveness clusters, regional & local agencies for economic development, dedicated services in ministries, professional organizations and so forth.</p> <p>All these organizations provide specific support to SMEs for the development of their innovation, their internationalization, their HR, et cetera. Some of them address all types of SMEs, while others (such as clusters) are more targeted at SMEs working in a specific field of activity, e.g. optics & photonics, mobility, health, digital, software, cosmetics, smart city...</p>
C)	<p>1. Some regional funding schemes are only available to SMEs; in all the other funding schemes for collaborative projects the percentage of costs subsidized is higher for the SMEs.</p>

	<p>2. Several programs are dedicated to SMEs only, both for innovation, R&D and also development (international development, defining their strategy, increasing the industrial performance, recruitment).</p> <p>3. Innovation activities are generally associated to R&D activities, there is no dedicated regional program, but a national program based on fiscal measures for sustaining innovation (in this program R&D and innovation have been recently dissociated, the same fiscal measures exist for R&D and the two are cumulative).</p>
D)	<p>Different programs are available to help SMEs with recruitment. Firstly, different fiscal measures and in some special cases subventions exist to help companies recruit, especially in association with societal responsibility measures. Some programs are dedicated to the R&D collaboration between the companies and universities through common PhDs.</p> <p>Also, in the case of PhDs holders (young researchers - or equivalent diploma) working on R&D projects, expenses are taken into account for the calculation of CIR (research tax credit) and accounted for twice their cost during the first twenty four months following their first recruitment (long term contract).</p> <p>There are also programs to help SMEs finance apprentices (specific contracts and tax incentives).</p> <p>Opticsvalley has developed a regional web site for employment, specialized in high-tech jobs called Job High Tech (www.job-hightech.fr).</p>
E)	<p>Regional (and to some less extent national) development programs are open to clusters, economic development agencies, Chambers of commerce ... Call for projects/proposals open to these structures usually target several (and sometimes all of the) domains and the KETs included in the regional strategy. Photonics being one of the regional KETs, calls for projects are also open to photonics clusters. At the national level there is no call for projects dedicated to the field of photonics.</p>
F)	<p>There is one specific program dedicated to SMEs to help them go international in the Paris Region, called "PM'up". This program, developed by the Paris Region local authority, helps SMEs to reinforce their competitiveness. Regarding international development, SMEs can benefit from a grant covering up to 50% of expenses for studies, support services, international exhibitions and recruitment, with a maximum amount of 250.000 €.</p> <p>In addition to PM'up, there are a lot of support schemes for all type of companies in which SMEs can also find relevant ones. These support programs cover all stages necessary for a company willing to develop at an international scale, in the framework of the label "Ile de France international". Different partners are involved in this initiative, such as banks (BPIFrance), credit insurance (COFACE), local authorities (Paris Region Council), French agency for the international development of companies (BUSINESS France), chambers of Commerce, clusters, ministries (Employment & Finance), customs, Regional Economic Development agency (Paris Region Enterprises), Competitiveness clusters, Enterprise Europe Network (EEN)...</p> <p>Here are examples of support programs & support offered at each international development stage:</p>

	<p>1/ Developing a strategy: Getting informed about international opportunities & studying targeted markets: web sites for international development, media, market due diligence, workshops & seminars... - Defining a project & an action plan: personalized support with above mentioned actors, specific tools for tailor-made business & financial action plans - Identifying business opportunities & partners: customized market due diligence, networks, EU and international tenders, technological watch, international technological cooperation – matchmaking...</p> <p>2/ Structuring an approach: - Legal information, standardization and intellectual property: information, advice and pre-diagnosis... - Training: on export strategy, customs, tax, payments... - Coaching - Recruitment: students, young graduates, shared-time sales persons... - Communication: support services for business brochures, press releases...</p> <p>3/ Development / establishment: - Prospecting abroad: list of prospects, individual support, collective company missions, Business to Business meetings, et cetera. - Selling, certifying and sending products: support services for custom’s formalities, foreign regulations, standardization, taxation, et cetera. - Location abroad: linking with experts, offices, domiciliation and so forth.</p> <p>There is also a specific program dedicated to start-ups called “French Tech”. This French Program gathers stakeholders of the start-ups French ecosystem (entrepreneurs, investors, designers, associations, public authorities, research institutions, et cetera) willing to promote the development and the innovation of French start-ups. Photonics is now identified as a key technology, and is included in the “#IoT #Manufacturing” national network. Concretely, this means that the French photonics start-ups and scale-ups will have more exposure to the international market. Different tools are offered to start-ups: grants, tickets (welcome offer for foreign start-up entrepreneurs), access to big tech international events and so forth. More information: http://www.lafrenchtech.com/</p> <p>Finally, there is a regional initiative “French Tech Hub”, which was inaugurated in 2014 to offer the best talents, resources and services for French entrepreneurs with ambitions to tackle the U.S. and global markets. More information: Http://frenchtechhub.com/about/#sthash.fvpQtfwl.dpuf</p>
G)	-
H)	<p>The regional Smart Specialization Strategy, providing both opportunities for cross fertilization between KETs and strategic domains and application fields and progressive levels of involvement at different stages of a SME’s development (for prototyping, experimentation – REX, business development ...), coupled with national policies reinforcing these measures, could serve as a best practice.</p>

3. Germany

Question	Answer
A)	<p>In case of Germany we have to distinguish between state policy (Federal Ministry of Education and Research, Federal Ministry for Economic Affairs and Energy) and policy support in the different federal states (e.g. Bavaria, Hesse, Thuringia, Baden-Wuerttemberg).</p>
B)	<p>On the national level most support for (photonics) SMEs is given by the Federal Ministry of Education and Research (BMBF) and the Federal Ministry for Economic Affairs and Energy (BMWi). Both of the ministries have their own funding programmes with a broad variety of measures. Most important support measures for photonic SMEs are within :</p> <p>BMBF:</p> <ul style="list-style-type: none"> - support of innovative projects and ideas in research through targeted funding programmes (e.g. photonics research) - funding is provided for projects in a wide spectrum of research areas; the range covers everything from basic research in natural sciences, environmentally friendly sustainable development, new technologies, information and communication technologies, the life sciences, work design, structural research funding at institutions of higher education to innovation support and technology transfer - KMU-innovativ: Priority for Cutting-Edge Research in SMEs. The BMBF has opened a number of its specialised programmes of research funding especially for projects of cutting-edge research in SMEs; these industrial research and pre-competitive development projects are funded to strengthen the innovation capability of SMEs in Germany. - special programmes for the new länder of Germany (former states of East Germany), e.g. programme “Unternehmen Region” www.unternehmen-region.de <ul style="list-style-type: none"> • dedicated to support SMEs and RTOs in their region with joint projects up to 15 million Euro funding each in “growing regional cores” • forming big consortia (up to 70 partners) in “Zwanzig20” projects <p>BMWi:</p> <ul style="list-style-type: none"> - Central Innovation Programme SMEs (ZIM) http://www.zim-bmwi.de/ ZIM is the basic programme by the BMWi for market-oriented technology funding of innovative SMEs in Germany; funding is provided for financing cooperation, network projects and individual projects; within ZIM there are manifold possibilities to cooperate with transnational partners - German Accelerator germanaccelerator.com/tech/ German Accelerator Tech supports high-potential German technology start-ups and emerging companies to successfully enter the U.S. market and scale their business globally

	<p>On a regional level (Federal länder of Germany) a broad variety of partners with special funding programmes for SMEs exist. Examples are for</p> <p>Baden-Württemberg:</p> <ul style="list-style-type: none"> - State Ministries (e.g. Ministerium für Wirtschaft, Arbeit und Wohnungsbau (Ministry for Economy, Employment and Public Housing)) - State Agencies: Umwelttechnik BW, eMobil BW GmbH, BIOPRO Baden-Württemberg GmbH, Agentur für Leichtbau BW - Chambers of Commerce - Steinbeis-Europa-Zentren - Networks: Allianz Industrie 4.0, microTEC, Photonics BW - Model: Innovation Angels, aimed at fostering SME research clusters - Cluster portals: Clusterportal BW, aimed at fostering and supporting clusters and networks <p>Hesse and Rhineland-Palatinate</p> <ul style="list-style-type: none"> - State Ministries - State Agencies (Hessen-Agentur, Hessen Trade und Invest) - Funding establishments (Investitions- und Strukturbank Rheinland-Pfalz) - Chambers of Commerce (in Hesse and Rhineland-Palatinate) - Enterprise Europe Network - Networks and clusters (e.g. Optence) <p>Thuringia</p> <ul style="list-style-type: none"> - State Ministries (e.g. Thuringian Ministry for Economy, Research and Digital Society) - State Agencies (e.g. Thüringer Landesentwicklungsgesellschaft) - Funding establishments (Türinger Aufbaubank) - Chambers of Commerce <p>In principle, one can find more or less equivalent structures in the different länder of Germany, individual developments included. Latter is also due to different regional smart specialization strategies.</p>
<p>C)</p>	<p>1. Most of the programmes on a regional level are intended for SMEs. In general they can go for better funding rates compared with bigger enterprises. In most of the funding programmes RTOs can claim a funding rate of 100%.</p> <p>2. Programmes like KMU innovative and special regional calls are open for SMEs only (e.g. InnovFin70 in Baden-Wuerttemberg or FTI Call in Thuringia). In any case SMEs have to be partners in joint research projects.</p> <p>3. In Germany there are several programmes to support the innovation activities of SMEs by measures in the field of development of Human Resources and internationalization activities. Coaching programmes and management trainings are funded, too.</p>
<p>D)</p>	<p>A variety of programmes for education and training is available. Most of the German</p>

	länder offer employment grants.
E)	<p>On a regional level the support for clusters is very different in Germany. In principle, in all länder support measures for cluster exist. In case of the Photonics Networks in Germany, the spectrum of support ranges from long lasting and specific support to very competitive situations with other regional cluster structures.</p> <p>In some länder there are special innovation vouchers for cluster development.</p> <p>On the national level BMBF and BMWi provide Cluster support.</p> <p>The “go-cluster” project, a cluster support initiative of the BMWi, is a very effective organization to support clusters (including Photonics cluster) with different meetings and events, separate cluster calls and support in labeling processes.</p> <p>Cluster Calls like “Internationalisation of Leading Edge Clusters” www.bmbf.de/de/cluster-netzwerke-international-547.html or “KMU-NetC” www.bmbf.de/de/kmu-netc-3244.html are very effective means to support clusters.</p>
F)	There are a few other programmes of interest for photonics SMES. Very important is the support for joint booths on international fairs by the BMWi. In particular for the fairs “Photonics West”, LASER World of Photonics in Munich, Shanghai and Bangalore.
G)	Financial support for projects in the field of “Green Photonics” including support for energy and resource-saving production.
H)	<p>As a complex system to support innovation activities for German SMEs serve the “Central Innovation Programme SMEs (ZIM)” http://www.zim-bmwi.de/ of the BMWi as well as the „KMU-innovativ: Priority for Cutting-Edge Research in SMEs“ www.bmbf.de/de/kmu-innovativ-561.html of the BMBF.</p> <p>An outstanding individual measure supporting SMEs as well as Clusters is the “KMU-NetC” www.bmbf.de/de/kmu-netc-3244.html of the BMBF.</p> <p>For the first time, it is possible for a cluster to be involved not only as a project partner directly in a R&D project of SMEs, but also having the coordination role.</p>

4. Greece

Question	Answer
A)	<p>At the level of state policy, funding schemes are handled by the General Secretariat for Research and Technology within the Hellenic Ministry of Education, Research and Religion. Additional options can become available through the Hellenic Ministry of Finance, Development and Tourism.</p> <p>Greece is divided in 13 administrative regions (peripheries) that contribute to national planning, and implement policies for economic, social and cultural development tailored to the specific needs and characteristics of their territory.</p>

<p>B)</p>	<p>Regional organizations for the support of SMEs:</p> <ul style="list-style-type: none"> • Peripheries (Administrative regions) • Regional Technical Chambers http://portal.tee.gr/portal/page/portal/TEE/TCG • Regional Financial Chambers http://www.oe-e.gr/ • Intermediary Body of the Operational Program “Competitiveness and Entrepreneurship”- EFEPAE http://www.efepae.gr/frontend/index.php <p>Currently available funding schemes:</p> <ul style="list-style-type: none"> • National Strategic Reference Framework –NSRF (ESPA) 2014-2020 https://www.espa.gr • Research and Innovation Strategies for Smart Specialization - RIS3: a comprehensive agenda of economic transformation, adapted to the specificities of each region. https://www.espa.gr/el/pages/staticRIS3.aspx • Operational Programme Competitiveness, Entrepreneurship and Innovation (EPAnEK) aiming to enhance the competitiveness and expansion of enterprises and to facilitate transition to innovative entrepreneurship. http://www.antagonistikotiita.gr/epanek/ • Interreg Europe: Bilateral and multilateral cooperation programmes that promote competitiveness http://www.interreg.gr/el/
<p>C)</p>	<p>1. In general SMEs funding schemes (not specific to photonic SMEs) can have conditions according to the age of the company. For example different programs exist for starting a new company or for supporting an existing one. Support is also available for spin-off or spin- out companies.</p> <p>2. The National Strategic Reference Framework (NSRF-2014-2020) provides funding opportunities for photonics companies including, but not limited to, SMEs. Specifically, currently available calls or calls in preparatory phase are listed here: http://www.gsrt.gr/central.aspx?sld=10813341124616461446050</p> <ul style="list-style-type: none"> • "Research - Development - Innovation" aiming to link research and innovation with entrepreneurship and enhance competitiveness, productivity and internationalization of enterprises. • “Industrial and Advanced Functional Materials” to support R&D collaboration projects between RTOs and Greek companies. The aim is to create the necessary knowledge base to foster innovation, increase competitiveness and stimulate economic activities on regional and national level. • “Bilateral and multilateral cooperation projects between Greece and selected countries such as Germany, China, Russia, Israel” aiming to promote business investment in research and innovation and develop links and synergies between companies in the respective countries. • "Culture, Heritage, Science and Technology” that seeks to encourage and support innovative actions in the relevant fields. <p>Furthermore, additional funding options exist targeting SMEs in general (not limited to Photonics SMEs). These actions include industrial research and experimental</p>

	<p>development projects, for the support of dynamic domestic groups of micro, small and medium enterprises with already developed product portfolio or startups. Specifically under 2014-2020 NSRF two calls opened in 2016 that will become available again that target SMEs http://www.eyde-et ak.gr/central.aspx?sld=11914901127916461491296</p> <ul style="list-style-type: none"> • “Upgrading micro & small enterprises to develop their skills to new markets • “Startups Entrepreneurship” for starting up new innovative companies <p>3. Under NSRF 2014-2020 "Research - Development - Innovation" additional funds will also become available for SMEs to assist on topics such as patent issuing, business networking (setting up clusters), operation of industrial parks, support for participation to exhibitions and consulting costs.</p>
D)	<p>The Greek Manpower Employment Organization (O.A.E.D.) is the main instrument for implementation of government policy on employment. It provides the unemployed population with information about training and employment opportunities available in the labour market, and takes active measures in creating new jobs. The web site of O.A.E.D provides information about the operation of the Centres for Promotion to Employment and relevant programmes in progress. http://www.oaed.gr/</p>
E)	<p>The formation of clusters is supported by various organizations that periodically open calls for proposals for specific sectors. An indicative list includes the:</p> <ul style="list-style-type: none"> . European Regional Development Fund (ERDF) a. National funds under the National Strategic Reference Framework (NSRF), b. Operational Programme Competitiveness and Entrepreneurship, c. Regional Operational Programmes,
F)	<p>The collaboration of Greek SMEs with European and Mediterranean SMEs can be facilitated through bilateral transnational cooperation funding schemes. Furthermore the new action "Research - Development - Innovation" under NSRF (2014-2020) specifically targets internationalization of enterprises including SMEs. https://www.espa.gr/el/Pages/procsimsea.aspx</p>
G)	<p>There are funds available in the form of awards for innovative SMEs that can lead to financial support for the companies through targeted lending schemes and investments.</p> <ul style="list-style-type: none"> • Excellence in Innovation and entrepreneurship http://awards.eie.gr/ • Hellenic entrepreneurship award https://www.hellenicaward.com/gr/ • Innovation and Technology Contest https://www.nbg.gr/el/nbgseeds/competition • Greece innovates http://www.kainotomeis.gr/
H)	<p>The funding scheme of the Ministry of Education, Research and Religion under the National Strategic Reference Framework (NSRF) for 2014-2020 entitled "Research - Development - Innovation" aims to bridge innovation and entrepreneurship in order to enhance competitiveness and to assist internationalization of companies, mainly SMEs. The targeted outcomes are:</p> <ul style="list-style-type: none"> • Economic growth based on knowledge and sustainable specialization

	<ul style="list-style-type: none"> • Integration of knowledge and innovation in existing and new products, services, production systems and value chains • Connection of academic research with the needs of industry. <p>Funding under this action targets promotion of research, technological development and innovation and is facilitated through three schemes: Research and Development of Small and Medium Enterprises, Business partnerships with research organizations and Exploitation of Research Results. This wide angle approach is further reinforced by the inclusion of additionally supported innovation activities such as acquisition, validation and protection of patents, staff mobility training in connection with RTOs, participation in trade fairs and consulting services.</p>
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5. Ireland

Question	Answer
A)	<p>Policy in Ireland is divided into three primary subdivisions: Counties, Regions, and the State</p> <p>Counties: The basic administrative unit in Ireland is the County. These are much smaller in scale than the regions mentioned above and are administered by a locally elected council. While their main function is domestic planning and infrastructure maintenance, they also have a number of programmes for SME assistance.</p> <p>Regions: Ireland is divided into three administrative regions consisting of The Northern and Western, The Southern, and The Eastern and Midlands Regions. These regions are important in terms of EU funding opportunities, in particular the area specific opportunities (e.g. Interreg Atlantic Area, ERDF, NWEurope, etc.). Regions are administered locally (Ballaghderreen for Northern and Western, Waterford for the Southern Region, and Dublin for the Eastern and Midlands Region). Regional assemblies co-ordinate, promote and support strategic planning and development. They administer a number of regional development initiatives as well as being the point of contact for EU affairs.</p> <p>The State: Given the small scale of Ireland its main industry (and all SME) supports are administered on a National level. The state wide scale offers significant advantages to competitiveness as development can be supported by Government agencies, favourable regulations, and strategic R&D direction.</p>
B)	<p>On a Regional level most opportunities for SMEs would arise through initiatives funded by the EU (e.g. ERDF funds an Entrepreneurship in Micro Enterprise programme) these are managed by the regional development authority.</p> <p>On a County level there are a number of local enterprise boards; these aim to capture the business types that wouldn't qualify for state funding (i.e. without any export potential) and have multiple local schemes. Local Enterprise offices also operate as administrative centres for programmes funded through the regional assemblies/EU.</p> <p>On a State level there are three state agencies that offer support to SMEs (and all business), these are: Enterprise Ireland, IDA Ireland, and SFI. Enterprise Ireland is the government organisation responsible for the development and growth of Irish enterprises in world markets. They assist Irish enterprises to “start, grow, and Innovate”, offering programmes for high potential start-ups, established SMEs, and</p>

	<p>large companies. Enterprise Ireland is typically focused on companies with the potential to operate internationally i.e. they have an exportable product or service.</p> <p>IDA Ireland (Industrial Development Authority Ireland) is a semi state body for the promotion of foreign direct investment into Ireland through a number of services. While they do not directly offer support to local SMEs, they do target FDI to augment and support the businesses in the region and to challenge indigenous enterprises to operate to top international standards.</p> <p>SFI (Science Foundation Ireland) is the state sponsored body for investments in scientific and engineering research. Part of their remit is the support of competitive enterprises in the STEM fields. SFI supports a number of RTOs through the colocation of SFI research centres within these RTOs. They promote a dynamic research environment through a five year research centre funding cycle; this pushes the centres to constant industry relevant innovation.</p>
<p>C)</p>	<p>1. Irish SMEs have some difficulty in obtaining finance when compared to their European counterparts; there are however a number of States sponsored funding opportunities administered by Enterprise Ireland and the Local enterprise offices. Examples include: Entrepreneurship Funding, Market research and internationalization, management team enhancement and development, company expansion packages, and feasibility study grants to name a few.</p> <p>RTOs and larger industries have access to separate funding resources compared to SMEs. RTOs in particular would be more closely supported by SFI through their regional programmes (such as regional Spokes centres for industrial and academic partnerships). Larger enterprises would have access to a suite of funding programs through enterprise Ireland that would be better suited to the larger scale of their production process; as well as this larger companies are better suited to undertake the SFI partnership programme and the Industry fellowships.</p> <p>2. There are a suite of special programmes for SMEs. These programmes focus on various stages of growth and development and are all aimed at growing high potential companies that can produce export sales in the medium term.</p> <p>Examples: Technical Feasibility Study Grant, In-house Research Development and Innovation (RD&I) Fund, Strategic Marketing Review Grant, Internationalisation Grant, Business Links Grant, and Job Expansion Fund to name a few.</p> <p>3. There are a number of innovation specific programs, specifically there is an innovation voucher programme, and a Research, Development and Innovation Fund, and there is an Innovation Partnership Grant to name a few.</p>
<p>D)</p>	<p>There are a number of programmes aimed at development of management teams and skills: i.e. Mentor Grants, Strategic Consultancy Grant, and Key Manager Grants. There are also funds available for workforce expansion and productivity training offered through Enterprise Ireland.</p>
<p>E)</p>	<p>Ireland has a stated objective to provide a cluster supporting environment through its funding and provision schemes. There are no direct funds available for clusters however there are funded opportunities for collaboration and shared resources throughout specific industry sectors that have the potential to develop into managed clusters with some careful management and evolution. Programmes such as SFI Spokes allow academia and industry to converge on an existing research centre to work on a common project. These collaborations are the elemental basis for managed clusters in Ireland.</p>

F)	Enterprise Ireland offers Tailored Expansion Packages aimed at supporting companies making significant increases to employment and international sales. Lacking a significant domestic market, all indigenous development is aimed at internationalisation. In this respect Ireland is very strong due to its limited customer base.
G)	Innovative SMEs are most likely to be accommodated through one of the three main state bodies mentioned above. There is however a number of initiatives by other organisations throughout the country which aim to develop a more specialised sector or address a specific need in the market. These include “Agri” specific companies, food safety companies, forestry start-ups, tourism support, financial services, etc.
H)	The unified system of supports offered in Ireland through Enterprise Ireland, SFI, and IDA Ireland has a distinctive offering to industry in that they link direct support to companies, sectors, and markets with legislative strategy, centrally directed regional specialisations, and a unique exposure to international markets. This country wide strategy has been very successful over the past 20 years and could serve as the basis for other national strategies. The specifics of the programmes are so particular to Ireland, however, that it would be difficult to recommend them as a best practice for all regions. The major disadvantage for Ireland is the limited domestic market; global market reliance has removed a large amount of control from the domestic policy makers and produces a large amount of uncertainty, especially in financial services. While incomplete as a ‘best practice’ the national strategy has some excellent implementations worth adopting.

6. Lithuania

Question	Answer
A)	There is no “regional” policy dimension in case of Lithuania. In the context of funding schemes, Lithuania is considered as one region (for example Lithuanian smart specialization strategy (a.k.a. Regional innovation strategy 3.0) is targeted at the whole of Lithuania). There is a debate to separate Vilnius region from the rest of Lithuania, but this is at the moment only in the debate phase. When it comes to other policy measures - sometimes one refers to smaller Lithuanian “regions”, usually having in mind smaller municipalities. But in terms of NUTS classification, NUTS1 and NUTS2 includes all of Lithuania, the NUTS 3 structure was abandoned recently.
B)	Companies can individually obtain EU funds for support for the exploration of new markets, for certification of their products, for covering patenting costs and running R&D projects (individually or jointly with other companies) in line with the Smart Specialization Strategy.
C)	1. The conditions do not differ markedly – only smaller companies can expect to get a higher rate of co-funding from the EU Structural Funds’ support measures. Some measures are limited only to SMEs; some (such as support to the setup of manufacturing infrastructure) are open to any type of enterprises. 2. There are indeed a number of EU funds’ programmes specifically dedicated to SMEs. 3. The only source of funding available is the EU Structural Funds. A new scheme, which

	relies on the same source of funding, is a pre-commercial public procurement.
D)	Funding measures supported from the European Social Fund programmes are an integral part of the EU Structural Funds.
E)	Two special funding programmes (funded from the EU Structural funds) exist: one supports the development of any business cluster (the funding measure “Verslo klasteris”), another supports the development of a cluster in the high-tech area (the funding measure “Inoklasteris”). For example, LITEK received funding for a project from the latter funding measure.
F)	The above funding measures are also oriented towards supporting the internationalization activities of individual clusters.
G)	SMEs are indirectly supported by the public institutions “Invest Lithuania” and “Enterprise Lithuania” which provide advice and help to promote companies and clusters.
H)	During the previous EU Financial Framework (2007-2013) a special support measure existed that supported the funding of the shared R&D infrastructure for clusters which gave rise to the establishment of the cluster technology centers and emergence of technology clusters such as LITEK (which has a physical infrastructure shared by the photonics companies).

7. Spain

Question	Answer
A)	Policy in Spain is led by the state despite regional territories also having some competences (Cataluña, Madrid, Navarra, e.g.). Depending on the region the range of competences varies, but all of them depend on directions from the central state. The state owns some general competences, while the regions own others that are more specific for their citizens.
B)	<p>In Spain the Ministry of Economy, Industry and Competitiveness as well as the Minister of Energy, Tourism and Digital Agenda provide support to SMEs. These come from the central state.</p> <p>Within the Ministry of Economy, Industry and Competitiveness there is a secretary for SMEs that provides support in the creation, financing and management of companies. The second Ministry developed a program called AEI (in Spanish Innovative Business Clusters) to support innovative and competitive business strategies from clusters by using public funding.</p> <p>In Catalonia, where SECPHO has its seat, there are two organisations present: ACCIÓ, an agency from the Catalan government and, second, the Catalan confederation for SMEs. ACCIÓ provides support to start-ups, clusters and companies. It is focused in innovation, R&D, financing and internalization.</p>

<p>C)</p>	<p>1. In Spain the funding conditions are differentiated in loans (for companies in general) and repayable funding for RTOs.</p> <p>2. The Catalan policy provides through ACCIÓ:</p> <ul style="list-style-type: none"> • “Cupons” for companies’ first steps in internationalisation. • “Esprint” for well-established start-ups’ first steps in internationalisation. • “Embarca” for start-ups that recently started their activities. • IFEM loans for entrepreneurship. • Funding to foster innovation from start-ups in big companies (incubation, acceleration). • ERA-net MANUNET II for European collaboration in R&D within companies. • “i+i” loans for innovation, industrialization and internationalisation. <p>The Spanish policy provides:</p> <ul style="list-style-type: none"> • “EMPLEA” for hiring and training new professionals in management of R&D. • “EQUIPA” for acquiring equipment dedicated to R&D in scientific and technological centres and institutions. • “EUROPA CENTROS” for increasing the participation and leadership of technological centers supporting innovative technologies within the European Innovation and Research Programme Horizon 2020. • “RETOS-COLABORACIÓN” for developing technologies, new ideas, products and services, all in cooperation between companies and research entities. • Reindustrialization measures and promotion of industrial competitiveness • “FTPYME” provides loans to SMEs • “AEI” for business innovation clusters
<p>D)</p>	<ul style="list-style-type: none"> • Industrial PhD to hire researchers in companies • TECNIOSpring plus for hiring experimental researchers in companies. • “EMPLEA” for hiring and training new professionals in management of R&D.
<p>E)</p>	<ul style="list-style-type: none"> • Competitive Reinforcement Initiatives (IRC) funding for entities that support companies • “AEI” for business innovation clusters
<p>F)</p>	<ul style="list-style-type: none"> • “Cupons” for company’s first steps in internationalisation. • “Esprint” for well-established start-ups’ first steps in internationalisation. • “i+i” loans for innovation, industrialisation and internationalisation. • “EUROPA CENTROS” for increasing the participation and leadership of technological centres supporting innovative technologies within the European Innovation and Research programme Horizon 2020.
<p>G)</p>	<p>CDTI is a public entity from the Spanish Ministry which financially contributes to the technological development for new processes, products and services of SMEs.</p>

H)	AEI could serve as a best practice since it is based on short-term projects that are highly specific and produce a high impact on society.
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8. Sweden

Question	Answer
A)	PhotonicSweden as a national platform will look at national programmes and organisations and regional programmes and organisations, mostly situated in Stockholm.
B)	<p>On the national level in Sweden, there are many different organisations supporting innovative SMEs. According to one Almi expert interviewed there are probably too many organisations. It becomes thus difficult for SMEs to know where to find information and support needed.</p> <p>Almi is dedicated to SMEs and probably the most accessible one. Vinnova, Sweden's innovation agency, the most suitable for fostering advanced innovation, has a number of programmes to stimulate innovation in SMEs which are mostly targeted at early phases of the innovation process. Later phases are covered mostly by other organisations such as Tillväxtverket, ALMI, Industrifonden, Inlandsinnovation and Fourier Transform (most of them are described below with their specific programmes for SMEs). Since the 1st of January 2014, Sweden has, similarly to almost all other OECD countries, introduced tax stimulating measures for RDI in SMEs.</p> <p>All most important support organisations are:</p> <ul style="list-style-type: none"> - Almi (www.almi.se/English/) - Vinnova (http://www.vinnova.se/en/) - Tillväxtverket - Energimyndigheten - Industrifonden - Business Sweden (www.business-sweden.se/en/Invest/) - Connect (http://connectsverige.se/) - Venture Cup Sweden - Coompanion - EKN (Export kredit nämnden), (http://www.ekn.se/en/) - Export Rådet - Handelskammaren (https://english.chamber.se/) - Svenskt Näringsliv (https://www.svensktnaringsliv.se/english/) - EU SME Support 2020 (http://eusme.se/) <p>As a matter of fact, most of the regional support to SMEs is provided by regional subsidiaries of some national organisations described above, especially Almi and Tillväxtverket. But there are of course some smaller regional players specific for each region considered e.g.:</p> <ul style="list-style-type: none"> - Almi Företagspartner Stockholm Sörmland AB (Almi SS) - Stockholm Innovation and Growth, STING (http://www.stockholminnovation.com/en/) - City of Stockholm (http://www.stockholm.se/)

C)	<p>1. The difference in funding conditions is mostly due to the fact that many funding programmes are only accessible to SMEs. Otherwise, when funding is accessible to both SMEs and larger companies or RTOs, there are in general no different funding conditions applied.</p> <p>The total public financing for companies, of which a very large part is allocated to SMEs, amounts to about 17 billion Crowns (about 1,8 billion Euros) if the following sources of financing are added:</p> <ul style="list-style-type: none"> • Capital risk • ALMI: loans (only ALMI is doing that) • Tillväxtverket: grants. • Vinnova: grants. <p>2. Yes (see above)</p> <p>3. There are other programmes, too.</p>
D)	To our knowledge, there is no public support for human resources.
E)	The support to clusters appears to exist mostly in the form of projects financed by Tillväxtverket. Other direct and dedicated funding programme and support for clusters is not known. In regions other than Stockholm (and mostly in regions with low number of inhabitants like in Northern Sweden), clusters seem to receive direct regional support and funding.
F)	Mostly Business Sweden (see above). See also in particular EKN above and more specifically: http://www.ekn.se/en/Moduler-och-funktioner/Smaller-companies/
G)	<p>There are; a facility created to host starting companies, typical for Stockholm, is Epicenter (https://epicenterstockholm.com/), for example.</p> <p>Epicenter is Stockholm's first digital House of Innovation at the heart of the city and a landmark in Sweden's digital landscape. At Epicenter members are invited to innovate alongside the world's fastest growing digital companies and creative corporate initiatives. Within Epicenter, Swedish and international entrepreneurs and companies meet to collaborate, learn and grow their businesses.</p> <p>Epicenter runs corporate innovation labs, provides fast growing digital companies flexible work space as well as knowledge and creativity through seminars and educational programmes for companies and organisations that wish to learn more about digital opportunities and corporate innovation.</p>
H)	<p>STING, Stockholm Innovation and Growth, is certainly one of the best Swedish examples of support for innovative SMEs.</p> <p>There is a plethora of supporting schemes in Sweden, most of them of excellent quality, but it seems that some coordination of efforts would be desirable. Many people working with start-ups and SMEs in Sweden look at Israel with jealousy. In Israel, for example, the support is much more concentrated and coordinated. When too many possibilities are offered, it is difficult to find the most suitable help.</p>

9. United Kingdom

Question	Answer
A)	<p>Increasingly, UK policy must operate within the EU regional policy framework, with its strong injunctions against unfair competition (generally meaning state aid). The post-1997 Labour administration reorganised regional policy, with RSA replaced by Selective Finance for Investment in England Scotland.</p> <p>Smart specialisation represents a new phase in the evolution of regional innovation policy in the EU. The history of regional innovation policy can be traced back to the regional technology plans of the mid-1990s, when Wales had one of half a dozen regions invited to pilot a programme that was freshly minted by the European Commission to boost the innovative capacity of less favoured regions.</p> <p>The Welsh Government has adopted the smart specialisation methodology to develop <i>Innovation Wales</i>, which, like <i>Science for Wales</i>, will recognise our strengths and define our future research and innovation priorities.</p>
B)	<p>The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, each of which have some elements of supporting SMEs.</p> <p>For the purposes of allocating funding, Wales is split into two regions:</p> <ol style="list-style-type: none"> 1. West Wales and the Valleys (less developed; GDP is less than 75% of EU average) 2. East Wales (more developed, GDP is 90% or more of EU average)
C)	<ol style="list-style-type: none"> 1. Main funds which benefit businesses in Wales <ul style="list-style-type: none"> • European Social Fund (investing in people via things like jobs and education) • European Regional Development Fund (focusing on research and social cohesion) • Agriculture and Rural Development (includes the Common Agricultural Policy) • European Maritime and Fisheries Fund (aims to help fishermen and coastal communities) 2. Finance Wales is a Welsh based government-supported organisation that offers support to businesses in Wales. It makes commercial investments in small and medium-sized businesses (SMEs) based in Wales or willing to relocate. <p>They can invest from £1,000 to £3 million at a time in SMEs based throughout Wales from a number of investment funds and can invest up to a total of £5 million in one SME. Loan repayment terms range from one to five years and interest rates are based on an SME's individual circumstances and fixed for the term of the loan.</p> <p>They offer:</p> <p>Micro loans</p> <ul style="list-style-type: none"> • Technology venture investment • Business loans or debt investment • Equity investments • Mezzanine investments

	<p>3. Welsh Government offers a programme called SMART which has several mechanisms to support SMES in Wales.</p> <p>SMARTInnovation which aims to increase the innovation awareness and capability of Welsh businesses and assist them to access financial support to grow their investment in Research, Development and Innovation (R,D&I).</p> <ul style="list-style-type: none"> • Impartial innovation advice & diagnostic • Specialist innovation consultancy • Non-financial support for the acquisition and implementation of new technologies, processes and equipment • Intellectual Property advice & support • Support with commercialisation and licensing <p>SMARTExpertise aims to increase commercialisation of Research, Development and Innovation (R,D &I) within research organisations in collaboration with industry.</p> <ul style="list-style-type: none"> • Industry led R&D collaborative projects • Industry as significant contributor • Applications developed in partnership with research organisation and industry • Strong industrially led governance structures <p>SMARTCymru aims to provide financial support to Welsh businesses to grow their investment in Research, Development and Innovation (R,D &I).</p> <ul style="list-style-type: none"> • Support businesses to introduce innovative technology and specialist knowledge that leads to the commercialisation of new products, processes and services • Encourage businesses to undertake technical and commercial feasibility studies to identify opportunities for R&D projects • Support businesses to develop new scientific and technical knowledge by conducting industrial research • Assist businesses in developing innovative products and processes as a result of new research • Help businesses exploit the results of their research and development <p>There is an online resource for driving collaboration and innovation in Wales. Expertise Wales can help you identify and promote opportunities for collaboration, and find out about the range of support available to assist your innovation projects. https://expertisewales.com</p> <p>There is an innovation specialist in each region of Wales that are assigned to businesses in the first instance and they can signpost them to one of the new schemes of funding.</p>
D)	<p>Business Wales is also a Welsh Government supported organisation, which offers support across most levels of organisational requirements of businesses.</p>
E)	<p>InnovateUK often fund schemes called “launchpads” which are typically based in a region or cluster with a specific expertise and critical mass of SMEs in the area.</p> <p>In 2016 Innovate UK funded a North Wales Photonics Launchpad programme of funding which was intended to accelerate innovation in SMEs in the region. 5 SMEs gained funding; two were start-ups and got additional business support to help them establish their business. One was based in Cambridge and is currently relocating the business to</p>

	North Wales to locate within the cluster.
F)	Finance Wales is able to offer support to Welsh SMEs. Also Welsh Government do many trade missions and take many businesses to trade shows or organised programmes visits to businesses internationally. Welsh Government will also offer support for a business exhibiting or meeting companies internationally of up to 50% of the travel and exhibition costs.
G)	Widening this to the UK, each region of the UK has a Local Enterprise Partnership (LEP) that has the role of supporting businesses in their region with access to regional funding. This varies significantly from region to region and is largely dependent on the LEP. Each LEP can secure large EU funded projects and work with SMEs (such as Sensor City in Liverpool City Region).
H)	Wales is a large region of the UK that offers multi-level support to SMEs. The UK as a whole could learn a lot from the methods of Wales. Wales also had a pilot programme of Open Innovation where Large Anchor companies opened their doors and posed challenges they are facing for SMEs, Academics and RTOs to solve. This worked well and would allow greater opportunity for technology pull rather than push. If other countries could adopt a similar mechanism as this, they would get good buy-in from SMEs and stimulate innovation with real end user applications in mind.

Conclusions

There are a lot of different approaches for supporting innovation activities by regional policy in the particular partner regions. The best practices identified by the partners are listed in the tables in column "H" respectively. In conjunction with the analysis of the RIS3 process in the partner countries the results of this list will help to understand the complex and diversified processes of supporting innovative SMEs by politics.

Abbreviations

NUTS 1,2,3

Nomenclature des unités territoriales statistiques, Classification/Level of Administration units

RIS3

National/Regional Innovation Strategies for Smart Specialisation