



# BETTER GOVERNANCE FOR BETTER INNOVATION

Recommendations for a challenge-oriented Mediterranean innovation policy with a territorial dimension

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This policy paper was produced within the framework of Panoramed, the governance project of the Interreg-MED Programme. The recommendations are the result of the debate and collaborative work of policy makers, R&I experts and Interreg MED communities from the 12 countries of Interreg MED and the associated Panoramed partners. The recommendations of this policy paper are developed in more detail in the [Gaps and Growth Opportunities Report](#) of the Panoramed Innovation Workpackage.



## 1. SUMMARY

The **MED is an especially heterogeneous cooperation area** with a great diversity of geographical, socio-economic and political contexts. After many years of devoting time and efforts to improving governance of policies in the MED Area, this continues to be a topic of concern for all actors.

This paper puts forward **recommendations to improve the governance of innovation policies** in the Mediterranean, which is necessary to align the efforts of the multiple actors and advance towards a more prosperous, peaceful, inclusive and sustainable region. The paper also makes **recommendations to unlock the potential of the blue bioeconomy** to become a driver for the prosperity of the MED Area.

## 2. WHY IS A BETTER GOVERNANCE OF INNOVATION POLICIES NECESSARY?

The Mediterranean Strategy for Sustainable Development (MSSD) 2016-2025 provides a **common vision** for the Mediterranean:

“A prosperous and peaceful Mediterranean region in which people enjoy a high quality of life and where sustainable development takes place within the carrying capacity of healthy ecosystems. This is achieved through common objectives, strong involvement of all stakeholders, cooperation, solidarity, equity and participatory governance.”

The **COVID-19 crisis** has made more evident than ever the need of transnational cooperation in research and innovation and of the alignment of policies and funds to tackle the current societal challenges and to implement the **Sustainable Development Goals** (SDGs). Moreover, the blue bioeconomy is called to play a central role in the **European Green Deal**, since it is a key sector to open new sustainable, inclusive and just development pathways and to advance towards a **decarbonised and circular economy**.

**Innovation and regional cooperation** between actors to implement sustainable development are the main drivers to advance towards this vision. Innovation and cooperation in the Mediterranean are promoted through many programmes and strategies, often addressing the same goals and covering the same territories.

The **Union for the Mediterranean (UfM)**, which brings together all the 27 countries of the European Union and 15 countries of the Southern and Eastern Mediterranean, is the broadest cooperation framework and it promotes two cooperation initiatives in research and innovation:

- the **BLUEMED Initiative on research and innovation for blue jobs and growth in the Mediterranean**, offering a shared strategic framework for working towards a healthy, productive and resilient Mediterranean Sea that is better known and valued

- the **Partnership for Research and Innovation in the Mediterranean area – PRIMA** to foster ground-breaking solutions for sustainable water provision and management and food production in the Mediterranean region

Besides this cooperation scheme involving the whole region, two main strategies cover sub-areas:

- the **EU Strategy for the Adriatic-Ionian Region (EUSAIR)**, launched in 2014 as one of four European macro-regional strategies covering 8 countries
- the **Initiative for the sustainable development of the blue economy in the Western Mediterranean region (WESTMED)**, approved in 2017 and involving 10 countries (5 EU Member States and 5 from the Southern shore).

Both initiatives focus on innovation and the blue economy among other objectives and priorities.

There is a high number of **territorial cooperation programmes** active, with different geographical coverage, in the Mediterranean region in the 2014-2020 programming period, linked to both external and internal cooperation. In the former group, the **ENI CBC Mediterranean Sea Basin Programme** is the most important, potentially covering the whole Mediterranean basin including the Southern and Eastern shores, and participated in by 13 countries.

### EU Cooperation Territorial Coverage in the MED



Source: Interact (2019). Note: The BLUEMED Initiative (2019), which is not included in the map, involves 16 countries: Italy, France, Malta, Portugal, Spain, Greece, Croatia, Slovenia, Algeria, Morocco, Cyprus, Egypt, Israel, Jordan and Turkey. Northern Macedonia has joined EUSAIR.

Concerning **internal territorial cooperation**, **MED** is a transnational cooperation programme covering the whole European side of the sea basin; while **ADRION** and **Balkan Med** cover sub-basin areas (the South West Europe programme covers the land area of Portugal, Spain and France). In addition, there are several cross-border programmes involving NUTS3 regions in Member States and Enlargement countries.

In this context, in the 2014-2020 period, MED included an axis on governance for the first time. The **Panoramed governance platform** supports the process of strengthening and developing multilateral cooperation frameworks in the Mediterranean region for joint responses to common challenges and opportunities.

**Coherence** among strategies, goals and programmes and alignment of the actors towards common goals is key to addressing the most important MED challenges. Coherence is necessary at three levels:

- **Improving the horizontal coherence** among strategies, objectives, instruments and projects. This means strengthening the inter-connectedness of policies and actors and promoting shared perspectives and roadmaps towards common goals. Misalignments in policy mixes should be identified and corrected. Social, environmental and economic value should be considered on the same footing.
- **Improving the vertical coherence** of actions designed and implemented at different scales of multilevel governance - international, national and sub-national levels of government. This means that the different approaches and policy choices of these different actors should reinforce each other.
- **Improving the temporal coherence** of policies and initiatives, orienting them towards sustainable goals and avoiding short-term decisions that may contradict them.

The **territorial dimension** is also a very relevant factor: MED strategies and programmes should build upon the resources, assets and potentials of the different MED territories.

### 3. RECOMMENDATIONS FOR A BETTER GOVERNANCE OF INNOVATION POLICIES

#### Advance towards a MED common approach

Advance towards a MED common approach drawing on existing instruments, programmes and funding (in particular smart specialisation strategies) and deploying them to address MED challenges under a common governance.

- Establishing shared, ambitious and positive long-term visions for the Mediterranean with shared narratives or storylines to facilitate the alignment of actors from different areas, enabling them to advance towards common goals.
- Developing a common governance to better align MED, national and regional policies towards the common challenges and promote collaboration among MED R&I actors towards common objectives.
- Raising awareness of the urgency to address MED challenges by providing evidence of the impact and costs of current practices.
- Developing MED platforms and protocols to visualise the relevant information about funding, strategies, programmes, actors, projects, results and contribution to SDGs, possibly complemented by open data.

#### Focus calls for R&I on pre-identified MED priorities and challenges

- Introducing more directionality in calls for proposals for competitive R&I projects and common indicators to measure progress toward common goals.
- Introducing mechanisms to facilitate better alignment and synchronisation of projects with the territory's dynamics and needs in calls.
- Promoting challenge-driven missions or alliances to encourage multiple actors (public administrations, academia, clusters, companies, users and citizens) to join forces and work together, using different types of funds to achieve common goals.



### **Optimise the use of MED R&I infrastructures**

- Creating comprehensive maps of existing projects and R&I capacities in the MED Area (especially regarding pilot plants and prototyping), which is necessary for the identification and prioritising of the necessary infrastructure to address the SDGs.
- Prioritising R&I infrastructures that respond to the challenges and needs of the territories and promoting networks of R&I infrastructures with a MED logic, fostering capillarity in the territory.
- Promoting new forms of governance and new business models for R&I infrastructures and equipment, facilitating access to SMEs, promoting open innovation and optimising their use.

### **Increase the contribution of R&I to SDGs by focusing on social needs**

- Including the social dimension in innovation calls and projects at the same level as the economic and environmental dimensions.
- Taking potential impact on vulnerable groups and territories into account in technological projects. Researchers should work more closely with users, communities and the public administration in order to anticipate the impacts of technological solutions and their potential to respond to social needs.
- Promoting technological and social experimentation at the local level through living labs and other open spaces that encourage citizen engagement. This local experimentation should be connected to technological developments and to regional, national and MED strategies and agendas aimed at addressing SDGs.
- Developing and adopting new quantitative and qualitative indicators and evaluation methodologies for the social impact of research and innovation.

### **Recognise and enhance contributions by local communities to MED challenges**

(Working and learning with and for them)

- Promoting mechanisms to identify and collect good practices from local communities that address MED challenges; methodologies to codify good practices, and mechanisms to promote knowledge exchange and cumulative learning processes.



- Promoting the application of technology to community-led projects and developing new technological tools to take greater advantage of local resources in a responsible way.
- Encouraging the articulation of local and regional bottom-up coalitions of actors with shared agendas to address MED challenges in their territory.

### **Articulate MED mechanisms for transnational clusters**

Articulate MED mechanisms for transnational clusters to identify opportunities for shared value related to the SDGs. The development of new business opportunities generating social and environmental value should be done in collaboration with other MED actors working at the local, regional, national and MED levels.

## 4. RECOMMENDATIONS TO UNLOCK THE POTENTIAL OF THE BLUE BIOECONOMY

The **blue bioeconomy** will play an increasingly strategic role in meeting MED challenges since it can improve food security, food safety and people's wellbeing as well as contribute to non-food applications important for a more sustainable lifestyle. The blue bioeconomy is also a promising area in terms of research breakthrough and highly-skilled employment, but to achieve its full potential it needs significant support in both research and market development and changes in legislation and regulations.

The **recommendations** in this field focus on strengthening the blue bioeconomy innovation ecosystem in the MED area by promoting **MED smart specialisation in the blue bioeconomy**:

- To promote a pan-Mediterranean **innovation roadmap** for the contribution of the blue bioeconomy to MED common challenges, taking into account existing strategies and programmes.
- To promote **collaboration and exchange of knowledge and practices** among actors across the MED area to address MED common challenges. This includes, among other actions, match-making workshops to promote the transnational upscale or replication of national and regional innovation projects, workshops, exchanges of professionals and students, information campaigns, etc.
- To develop **common tools as multi-user platforms to share information and knowledge** and avoid duplications, fostering visibility, transparency and networking within the MED blue bioeconomy ecosystem.
- To support the embedding of **transnational priorities in national and regional programmes and funding schemes**, including the preparation and implementation of programmes co-financed by European funds and the updating of smart specialisation strategies (S3).

- To develop **mechanisms to enhance synergies** with on-going projects and initiatives focusing on innovation in the blue bioeconomy sector, such as the Bluemed Initiative, S3 platforms, territorial co-operation projects, H2020, S3, Vanguard Initiative and others.
- To **map R&I infrastructures** in the MED area and facilitate **transnational access** to the existing European network.
- To **map technological solutions** (especially technological breakthrough discoveries) to address MED challenges and identify and formulate case study demonstrations of blue biotechnology potential in specific sectors and products, promoting the blue bioeconomy.
- To define **new metrics, methodologies and scoreboards** to measure the current and potential contribution of the blue biotechnology to MED common challenges, taking social, economic and environmental dimensions into account.
- To promote **knowledge transfer from research to business** through living labs and regional hubs, the networking of technology transfer offices in the MED Area and other forms of interaction between science, companies, policy makers and society.
- To promote **new value chains and business opportunities** related to the blue bioeconomy, contributing to MED challenges. This includes the sustainable production and valorisation of blue bio-resources for the wellbeing of society, such as functional food, pharmacological and nutraceutical applications and others.
- To increase and improve **funding mechanisms to support start-ups and SMEs** developing **new business models and value chains** from marine bio-resources, especially in the phases of proof of concept and of upscaling (including transnational investment).
- To support knowledge creation, the **attraction of talent** and the **development of capacities and skills** required for the development of the blue bioeconomy sector. This may require assessment of training needs and the design of new training models through transnational **capacity building** actions.
- To support the generation of **new knowledge about marine biodiversity** and the exploration of the marine environment through **open data platforms**, mappings and other tools that visualise opportunities.
- To promote the role of **clusters** by increasing awareness, building bridges, exchanging information and promoting collaboration among different actors in a value chain and among value chains.

- To promote **campaigns to increase consumer awareness** and acceptance of blue products and to **attract investors** to the blue bioeconomy.
- To **simplify and harmonise legislation and regulations** in the EU regarding activities, products and technologies, simplifying licences and permits for the use of marine bio resources.