

# Danube Strategy – How to boost innovation and digitisation?

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# Innovation and digitisation as cross-cutting themes for the EUSDR

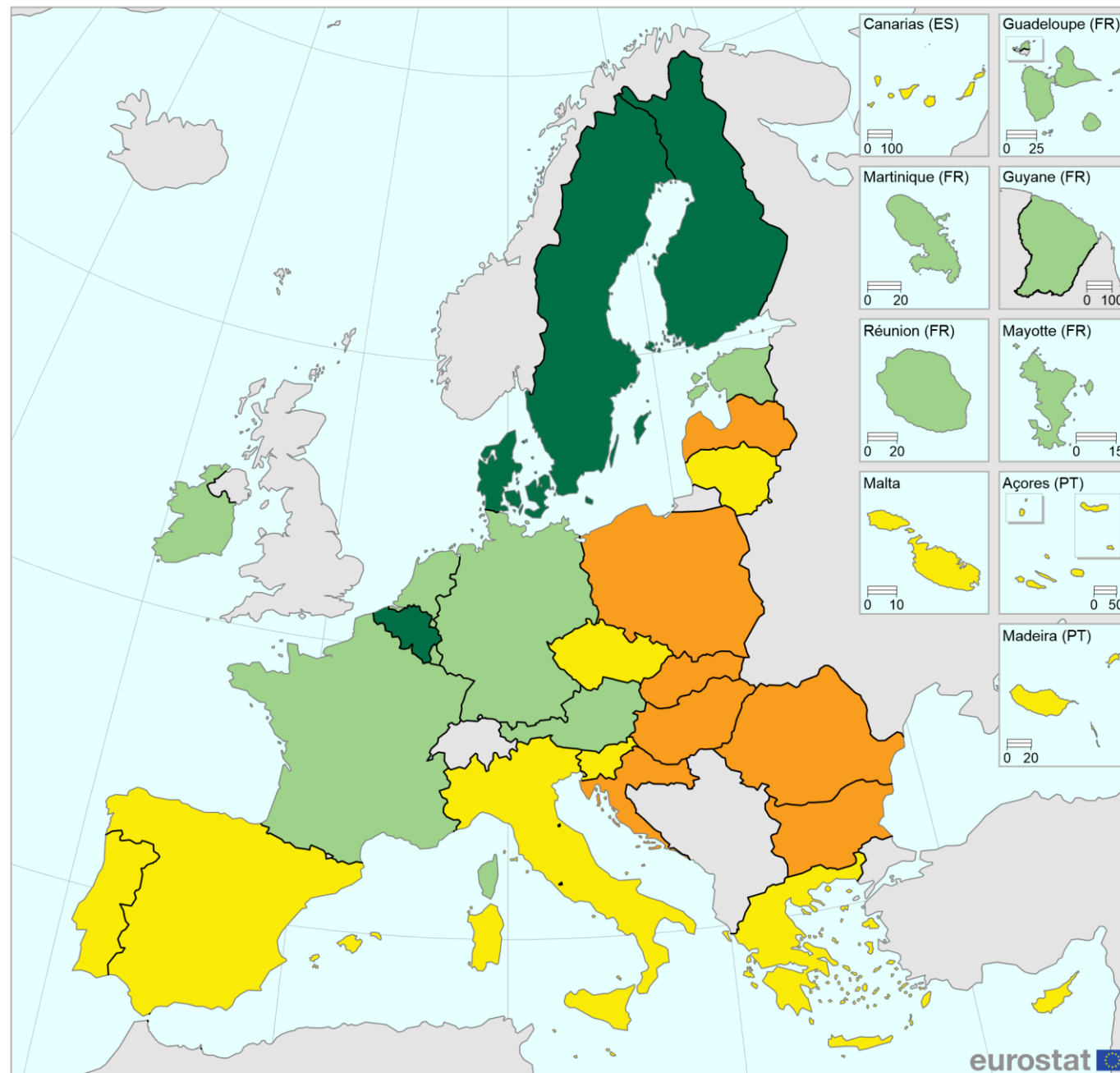
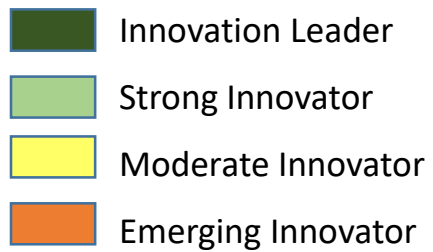
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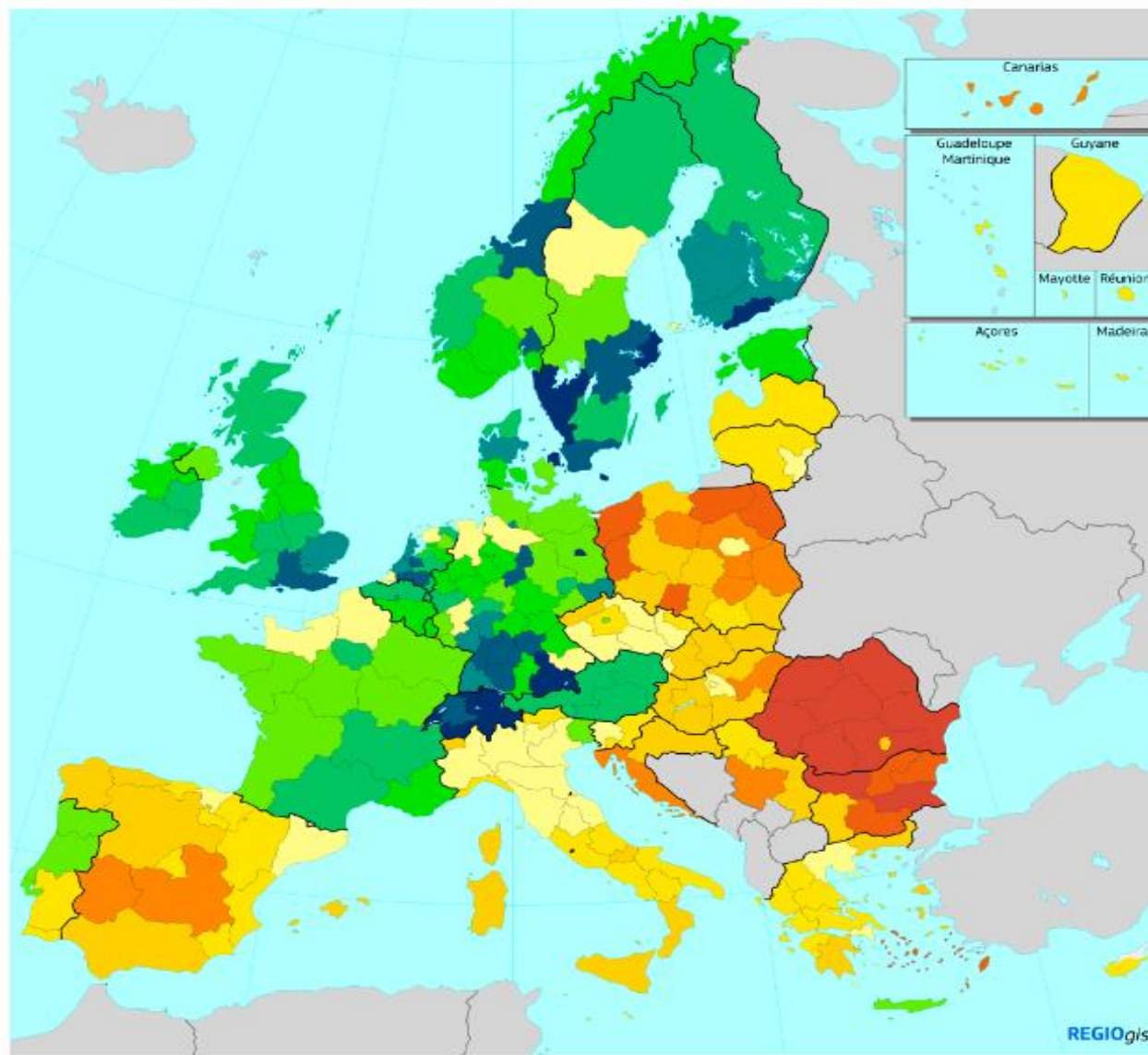


- The health crisis has been an accelerator of several trends, notably digitalisation and innovation.
- Innovation and digitalisation are horizontal themes of the revised Action Plan of the Danube Strategy.
- Innovation and digitalisation are covered by all priority areas of the Danube Strategy in one way or another, so the basis is already there!

# The Danube region facing the digitisation gap

- In a few months' time, the COVID-19 crisis brought about years of change in the way companies in all sectors and regions do business.
- Companies worldwide accelerated the digitisation of their customer and supply-chain interactions and of their internal operations by three to four years.
- To what extent have companies in the Danube region followed this trend? If we look at the 2021 European Innovation Scoreboard, the pattern is not convincing.

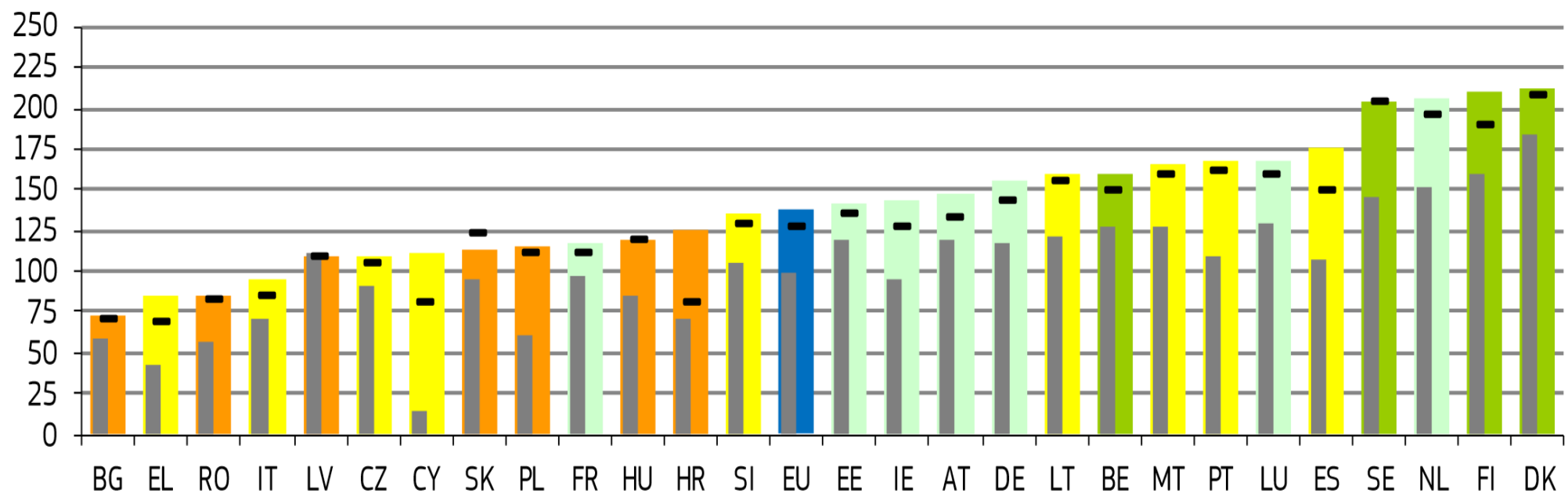




### Regional performance groups

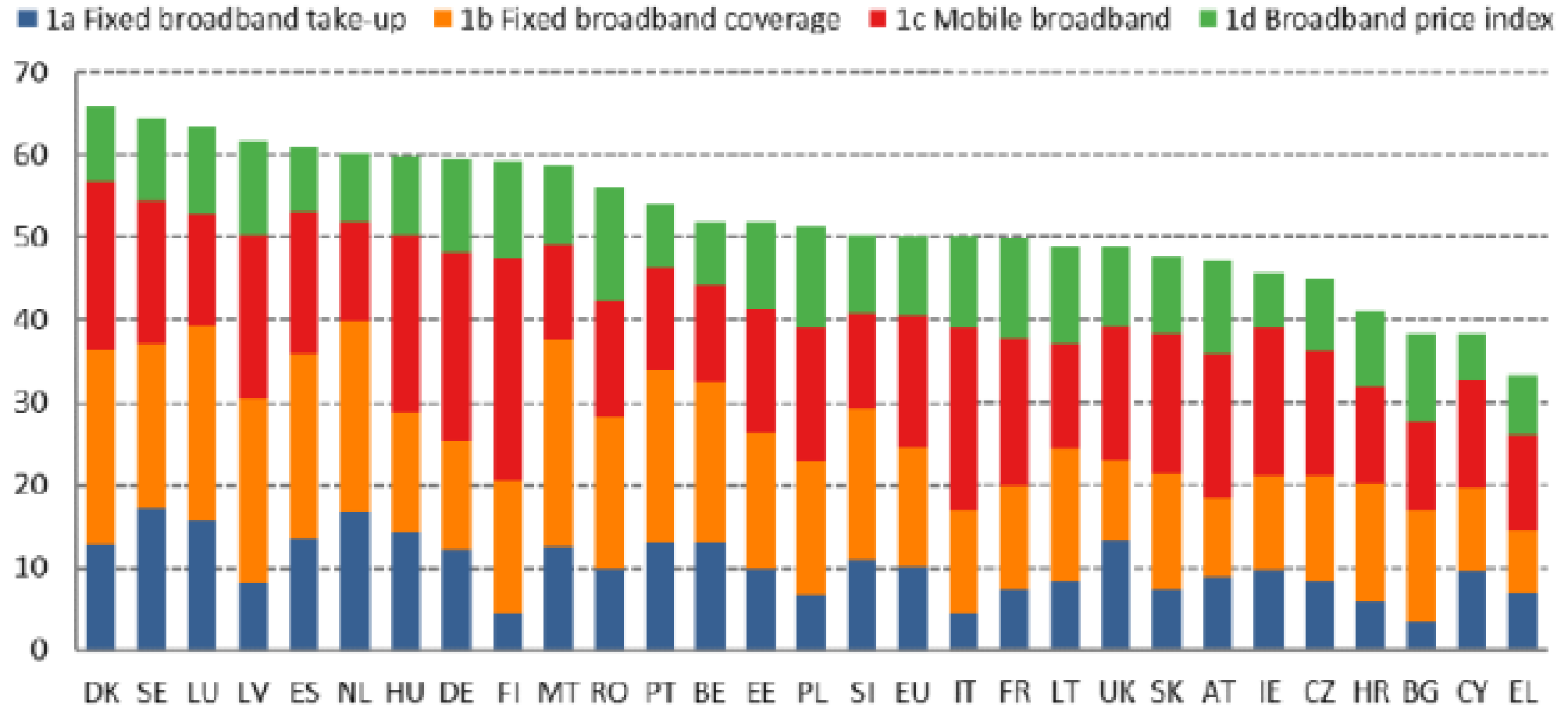


Source: European Commission - Regional Innovation Scoreboard 2019



*Coloured columns show Member States' performance in 2021, using the most recent data for the indicators in this dimension, relative to that of the EU in 2014. The horizontal hyphens show performance in 2020, using the next most recent data for the indicators in this dimension, relative to that of the EU in 2014. Grey columns show performance in 2014 relative to that of the EU in 2014.*

Figure 1 Digital Economy and Society Index 2020, Connectivity



Source: DESI 2020, European Commission.



# Setting the right enabling conditions

- **Linking research, business and civil society in interactive innovation processes...**
- ...through **a place-sensitive policy**, which takes into account different challenges, capabilities and resources of the Danube region.
- Stronger emphasis on **market orientation of research activities** to support industrial transition to higher value added.
- **Digitalisation is an innovation enabler** that cuts across all areas.
- **Location matters**, in particular for SMEs and start-ups. They develop more easily, and are more likely to scale-up, in advanced regional innovation eco-systems and clusters with a favourable administrative and regulatory environment and with access to skilled staff, markets, financial and business support services.

# Facilitating for SMEs

- Provide better access to finance especially for SMEs and start-ups through **seed funding, angel investors and venture capital** development.
- Strengthen the cross-sectoral collaboration between the research community, business, higher education, public authorities and civil society through **clusters and networking**.
- Accelerate uptake and diffusion of innovation through an **investment-friendly regulatory and business framework**, which also aligns investments with policy priorities.

# An interregional approach to innovation and digitalisation

- Linking regional research and innovation actors to industrial stakeholders from different parts of the Danube region to stimulate interregional cooperation in **new cross-border value chains**.
- **Commercialisation and upscaling** of interregional innovation projects through the new interregional innovation investments.
- Strategic interregional cooperation within the context of the Danube Strategy between parts of the region with similar or related **smart specialisation** priorities.

# Three additional key enablers

- High-speed **internet connectivity** is the condition for the emergence and take-up of the next generation of services and technologies (cloud computing, internet of things, artificial intelligence, smart grids).
- **New skills** for smart specialisation and industrial transition. About 40% of European employers have difficulty finding people with the skills they need in order to innovate and grow.
- **Green transition**: energy efficiency, renewable energy, smart energy systems, grids and storage.

# ERDF - EU 2021/1058 - Article 13 - Interregional Innovation Investments:

Support for commercialisation and scaling up of interregional innovation projects having the potential to encourage the development of European value chains.

Two strands:

- Financial and advisory support for **investments** in interregional innovation projects in shared smart specialisation areas.
- Financial and advisory support, and capacity building for **development of value chains** in less developed regions.



**Thank you for your  
attention**

