WORKSHOP REPORT

Thematic Programme Capitalisation on Demographic Change

Wednesday 27 November 2013
Committee of the Regions, Brussels

Roos Galjaard

December 13 2013, Groningen.
1. Introduction

On November 27th a second workshop on Demographic Change was organised within the framework of the Thematic Programme Capitalisation initiative of the Interregional Cooperation Programme INTERREG IVC. The workshop took place at the Committee of the Regions in Brussels and content-related partners from the core INTERREG IVC Projects on Demographic change were invited. Represented projects were: PADIMA, DART, CREATOR, CASA and INN.O.V.Age.

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Name of the project</th>
</tr>
</thead>
<tbody>
<tr>
<td>DART</td>
<td>Declining, Ageing and Regional Transformation</td>
</tr>
<tr>
<td>CREATOR</td>
<td>Creative regional policies addressing economic development opportunities related to ageing societies</td>
</tr>
<tr>
<td>CASA</td>
<td>Consortium for Assistive Solutions Adoption</td>
</tr>
<tr>
<td>INN.O.V.Age</td>
<td>Eco-INNovation for Smart hOme and independent living to increase the quality of life for Ageing people</td>
</tr>
<tr>
<td>PADIMA</td>
<td>Policies Against Depopulation of Mountain Areas</td>
</tr>
</tbody>
</table>

Four projects were not represented; these were DAA, ESF6 CIA, PEOPLE and RTF.

<table>
<thead>
<tr>
<th>DAA</th>
<th>Design led Innovations for Active Ageing</th>
</tr>
</thead>
<tbody>
<tr>
<td>RTF</td>
<td>Regional Telemedicine Forum</td>
</tr>
<tr>
<td>PEOPLE</td>
<td>Innovation for Societal Change</td>
</tr>
<tr>
<td>ESF6 CIA</td>
<td>Capitalising Innovating Approaches towards Demographic Change</td>
</tr>
</tbody>
</table>

The objectives of the workshop, in which 23 participants gathered, were:

- Validate the findings from the capitalization and gather further information from the projects, particularly regarding interesting practices and policies available within the involved regions that could be relevant also to other regions in Europe;
- Create synergies, interactions, networking and mutual learning among the projects.

Specially invited speakers for this workshop were: Dr Dimitri Corpakis, Head of Unit - Regional Dimension of Innovation of DG Research and Innovation, who was represented by Pia Laurila, Policy Officer at DG Research and Innovation; Hans Schlappa, Project leader of URBACT Capitalisation on Demographic Change and Anna Torelli from the Marche Region, Italy, lead partner of the INN.O.V.Age Project.

The agenda is shown on the following page.
AGENDA

08.30 Registrations and welcome coffee/tea

09.30 Welcome by the Programme – start of the meeting

09.40 Who is who? Short introduction round

10.00 The Interreg IVC Programme about the Capitalisation exercise and its objectives
   Erika Fulgenzi, Project Officer and Magdalini Anagnostou, Capitalisation Officer

10.20 Interreg IVC capitalisation on demographic change – results of the 1st year
   Policy framework, challenges, themes, best practices and recommendations.
   Plenary discussion and feedback.
   Roos Galjaard, Expert for Demographic Change

11.15 Coffee break

11.35 Smart Specialisation Strategies (S3) and Demographic Change (1)
   - Example from Marche Region in INNOVAge – Mrs Anna Torelli
   - Discussion

12.30 Lunch

13.30 Results of URBACT capitalisation study on demographic change
   “From crisis to choice: re-imagining the future in shrinking cities”
   Hans Schlappa, Project leader URBACT Capitalisation on Demographic Change

14.00 Challenges for regions (urban and rural) dealing with demographic change
   Group discussion on:
   - Thematic approach: economic challenges, (care) services (including mobility), independent living and labour market and innovation as crosscutting theme
   - Europe 2020 – growth, growth, growth – and what about decline?
   - Smart Specialisation Strategy – what does it mean for ageing regions or regions in decline, how does your project contribute?
   - Recommendations – why are they so general, more or less a wish list: how do we get to the answers of the how question?
   Moderator: Roos Galjaard, Expert for Demographic Change

15.30 Coffee break

16.00 Deepening the capitalisation
   Interreg IVC project partners discuss with the capitalisation expert on demographic change about:
   - new achievements
   - policy recommendations

16.30 Smart Specialisation Strategies (S3) and Demographic Change (2)
   The challenge and the opportunity of smart specialisation
   Dr Dimitri Corpakis, Head of Unit - Regional Dimension of Innovation
   Directorate General For Research and Innovation (EC)

   Questions and Answers

17.15 Conclusions and planning

17.30 End of programme
The Interreg IVC Programme about the Capitalisation exercise and its objectives

The workshop starts with a presentation by Mrs Magdalini Anagnostou, Capitalisation officer of the INTERREG IVC Programme about the benefits of the Capitalisation exercise and its objectives.

Over the last seven years, with the goal of improving regional policies, more than 2,000 public institutions across Europe have been learning from each other through cooperation in 204 interregional projects supported by the INTERREG IVC territorial cooperation programme. This has led to 4,527 staff with increased capacity, 252 good practices transferred and 262 local policies improved. To be able to benchmark this obtained wealth of knowledge, to demonstrate innovative practices, tools and methodologies, to propose synergies and links with other EU initiatives, to come to theme-specific policy recommendations and to validate the added value of Interregional Cooperation, INTERREG IVC set up a capitalisation exercise throughout 111 projects structured by 12 Capitalisation topics.

Priority 1

- Innovation Systems (triple helix & open innovation) 10
- Innovation capacity of SMEs 7
- Eco-innovation 7
- Creative industries 14
- Entrepreneurship 8
- E-government services 6
- Demographic change 9
- Rural development 9

Priority 2

- Climate change 7
- Energy efficiency 12
- Renewable energy 7
- Sustainable transport 15

The first year of this Capitalisation exercise has now finished and it is now entering the second year. In this second (and final) year of capitalisation, deepening of the analysis is needed to be able to update the report with new projects results, to inform and involve the beneficiaries and to place the findings in a bigger European picture. In this way, tailored recommendations for all levels of government can be ensured as the outcome of this exercise.

Subsequently, Mrs Erika Fulgenzi, Project Officer of the INTERREG IVC Programme, introduces the latest information on the new programming period (2014-2020) which will run by the name INTERREG EUROPE. INTERREG EUROPE will enhance the integration of ‘Regions of Knowledge’ and emphasizes on a very strict link to EU cohesion policy to improve efficiency. There will be 4 thematic objectives:

1) Strengthening Research, Technological Development and Innovation
2) Enhancing the competitiveness of SME
3) Shift towards a Low Carbon Economy
4) Protecting the Environment and promoting Resource Efficiency

An important innovation to the INTERREG EUROPE programme will be the Policy Learning Platforms, which will be put in place for each Thematic Objective and joins an online collaborative tool together with an expert team. This ‘demand driven’ system of the Platform aims to ensure the availability of the knowledge to a larger audience. It will ensure optimisation of the external capitalisation (sharing of knowledge to with European stakeholders to ensure EU wide capacity building) and the internal capitalisation (better exploitation of projects’ results, more synergies and improvement of programme itself).
Another innovation of the new programme is that the Interregional Cooperation Projects will have two phases: the first one entails the exchange of experiences and will end with the preparation of an Action Plan for each region involved; the second phase aims at monitoring the implementation of the Action Plans in each region. In very justified cases, pilot actions may also be experimented in the second phase. (i.e. limited budget of €10.000-20.000).

In the INTERREG Europe programme the participation of local stakeholders is highly valued, but –just like in the INTERREG IVC programme- SMEs cannot be direct beneficiaries of funding.

Timing-wise, by the end of 2014 or the beginning of 2015 at the latest, the first call of the INTERREG Europe will be launched.

---

### 3. Interreg IVC capitalisation on demographic change – results of the 1st year

After the introduction by the INTERREG IVC Programme on the objectives of the thematic capitalisation, Mrs Roos Galjaard, the expert for the capitalisation on demographic change and the chair of this workshop, introduces herself. Because of her extensive knowledge and experiences with demographic change in international research and transnational cooperation Mrs Galjaard was selected by the INTERREG IVC Programme to carry out the thematic programme capitalisation on demographic change.

Roos Galjaard then presents the results of the first year, published in her first report. She explains the importance of this second year of the Capitalisation exercise and of this particular workshop. In the first year of the Capitalisation exercise, the focus lay on the good practices and in this second year the analysis will be more in-depth and focus more on (future) policies. Roos provides an overview of what was published in her report and welcomes any feedback the project partners can provide her with. She starts

---

1. The presented outline of the future programme shape is still subject to approval of the final Operational Programme of INTERREG EUROPE by the Programming Committee.
her presentation with outlining the policy framework in which she carries out her research.

Demographic change results from changing birth rates, mortality (death) rates and migration rates. These rates are influenced both by socio-cultural developments, as well as by economic developments, and may lead to imbalances between age groups in regions that are economically less prosperous and, eventually, to local depopulation. Although the whole of Europe is still growing, low fertility rates and continuous rises in life expectancy result in an ageing trend. Older people make up a much greater share of the total population in the coming decades, while the share of the population aged 20 to 64 years will fall. In the last 20 years a 38.9 % rise in older persons aged 65 and above was encountered. In contrast, the number of 0 to 19 year olds fell by 15.5 %. Despite a growing population, the EU labour force is shrinking, increasing the burden on workers to provide for the social expenditure needed by an ageing population, resulting in a changing old-age dependency ratio².

![Map of Europe showing demographic changes](image)

Source: Eurostat 2013

In this figure the darker the yellow color, the higher the dependency ratio.

² The old-age-dependency ratio is the ratio of the number of elderly people at an age when they are generally economically inactive (i.e. aged 65 and over), compared to the number of people of working age (i.e. 15-64 years old).
And in many regions in Europe the population is shrinking. The demographic transition and the economic geographic processes result in regional population decline. This in turn has an impact on public services, housing and infrastructure, which are slow to adapt, leaving some people excluded. Therefore, the main challenge is the liveability of areas and the quality of life for inhabitants.

(blue = shrinkage, yellow = growth)

Source: Eurostat 2010 population change

This topic is important for today’s discussion. Due to the present demographic transition, it is important to make knowledge available for sharing, which is exactly what the Capitalisation exercise aims to do. Since many of the effects of demographic change only become visible after a long period of time, it is very important to raise awareness on, and monitor the consequences of, demographic developments.
The Lisbon Strategy for growth and jobs, launched in 2000 by the European Council, was the EU's joint response to facing the challenges of globalisation, demographic change and the knowledge society. It aimed at making Europe more dynamic and competitive to secure a prosperous, fair and environmentally sustainable future for all citizens. Despite joint European efforts these objectives were achieved only partly and the economic crisis has made challenges even more pressing. As a successor of the Lisbon Strategy, the Europe 2020 Strategy was launched by the European Commission to emerge from the crisis and to prepare Europe for the next decade, which was adopted by the European Council in June 2010. It highlights that Europe is facing challenges concerning ageing and depopulation in several regions, including rural and peripheral ones.

Smart, Sustainable and Inclusive growth is identified in the Europe 2020 Strategy as the key driver for growth. The Europe 2020 agenda consists of seven flagship initiatives:

As one of the flagships of Europe 2020, the ‘agenda for new skills and jobs’ aims to modernise labour markets and empower people by developing their skills and improving flexibility and security in the working environment. This includes lifelong learning and e-skills, topics already covered by the current Interreg IVC projects.

The Europe 2020 strategy also promotes the active inclusion in society and the labour market of the most vulnerable groups, and the provision of decent housing for everyone in the flagship ‘European Platform against poverty and social exclusion’.

In relation to ageing, a prominent focus of the flagship ‘Innovation Union’ is on ‘Active and healthy ageing’ to mobilise players across the innovation sector in order to speed up innovative solutions to societal challenges. This is necessary, since the need for healthcare is growing, while the labour force is shrinking. The role of healthcare and long-term care and ensuring access to high quality social services is therefore a main challenge. The European Commission put forward the concept of European Innovation Partnerships (EIP) to promote breakthroughs to address societal challenges and gain competitive advantages. One of them is the European Innovation Partnership on Active Healthy Ageing (EIP-AHA).

Another flagship in Europe 2020 is the Digital Agenda. In the Digital Agenda for Europe, the European Commission acknowledges the widespread usage of telemedicine services as an opportunity for citizens and a driver of great economic impact. The key challenge for policymakers in the EU will be to transform the European social models in such a way that the implications arising from an ageing population will become manageable.
Possible European funding programmes to reach these goals and tackle the consequences of demographic change are:

- Interreg V (A, B, EUROPE)
- Horizon 2020 (with a budget of just over €70 billion, the EU’s new programme for research and innovation)
- ESF (more than 74 billion € will be invested in Europe’s people over the next 7 years and greater support will be provided to social innovation, i.e. testing and scaling up innovative solutions to address social, employment and education needs)
- EIP – AHA (European Innovation Partnership on Active and Healthy Ageing)
- AAL JP (support SME to bring digital innovative products and services for ageing well to the European market)

A key issue in the report on Roos’ findings from the first year is the question whether the Europe 2020 strategy, focusing on growth and competitiveness is realistic for declining regions and cities in Europe. Growth is still regarded as progress, while shrinkage has a negative association. National and regional programmes in line with European policy support growth strategies and development and it is difficult to reward decline strategies.

Roos Galjaard then moves on to the 9 projects that were analysed in the first year. These were:

- **CASA**  
  Consortium for Assistive Solutions Adoption

- **CREATOR**  
  Creative regional policies addressing economic development opportunities related to ageing societies

- **DAA**  
  Design led Innovations for Active Ageing

- **DART**  
  Declining, Ageing and Regional Transformation

- **ESF6 CIA**  
  Capitalising Innovating Approaches towards Demographic Change

- **INN.O.V.Age**  
  Eco-INNovation for smart hOme and independent liVing to increase the quality of life of Aging people

- **PADIMA**  
  Policies Against Depopulation in Mountain Areas

- **PEOPLE**  
  Innovation for Societal Change

- **RTF**  
  Regional Telemedicine Forum
The 9 INTERREG IVC projects address the consequences of demographic change, centres on four common themes:

- Education, lifelong learning and the labour market;
- Economic diversification;
- Social- and (health) care services;
- Independent living.

The figure below shows the themes that are addressed by each INTERREG IVC project.

Roos explains that the number of practices is huge for each of these themes and in the presentation she only shows some examples to inform the audience about the type of practices that is implemented by the projects. For the discussion and the objectives of this workshop she puts more emphasis on the recommendations, as compiled in the first year's report, which of course are not exhaustive but represent the most important ones from the nine studied projects on demographic change and are meant to help policymakers to deal with the consequences of demographic change.

For the complete list of recommendations, please have a look at the first years report at: http://www.interreg4c.eu/good-practices/capitalisation/demographic-change/

Those presented in the workshop are a selection. Roos emphasises once more the importance of receiving the participants’ feedback on the recommendations.

**Recommendations in relation to Education, Lifelong Learning and the Labour Market**

- Patience is needed, since sensitising actions/awareness-raising cannot result in an immediate change of people’s ideas on longer careers. Nevertheless, these actions are necessary to create a new mind-set (ESF6 CIA);
- Create the right conditions for a better work-life balance, more flexible working opportunities (ESF6 CIA, PEOPLE);
- In line with the European 2020 Strategy on smart, sustainable and inclusive growth, it is essential to allow the full exploitation of regions dealing with population decline or ageing through maintaining high-level qualitative education and knowledge creation and innovation in the pursuit of smart growth (PADIMA);
- Stimulate training for the unemployed and individualised job-search advice;
- Provide incentives to encourage the employment of older people (CREATOR);
- Introduce age-management principles in the strategies of public and private sectors (PEOPLE);
- Monitor the working conditions of workers approaching retirement age to determine the factors that may contribute to their early exit from the labour market (ESF6 CIA).
Recommendations in relation to Economic Diversification

- More efforts and resources should be allocated to investigate the undiscovered potential of the silver economy (DART);
- Access to broadband has proved essential to a lot of the good practices developed and it is important especially for peripheral and rural areas. Existing and potential entrepreneurs can have better access to several services useful for developing and improving their diversified businesses and remote working and the creation of new companies can be significantly encouraged (PADIMA);
- SMEs could innovate their products by focusing on the needs of the elderly, e.g. the nutritional needs (CREATOR);
- More emphasis should be given to innovation hubs or labs where companies, research institutes and the governments can build on new entrepreneurial opportunities (DART and INN.O.V.Age);
- Stakeholders, such as industry, care professionals and end users must be involved in the design of policy and new types of services (INN.O.V.Age);
- Policies must seek to support diversification from traditional activities towards the creation of new products, supply chains or new activities and different marketing strategies.

Recommendations in relation to Social Services and (Health) Care

In general, it is recommended to develop health care towards a more comprehensive, integrated system, whereby all important stakeholders cooperate to deliver services of high quality; to support cost-efficient models in health care and to support dynamic health systems and new technologies, including e-health solutions. In relation to the above, it is recommended to:

- Provide customer-oriented, flexibly responsive and economically sustainable social services throughout declining and ageing regions (DART);
- Plan facilities and services accordingly to people’s needs and choices (DART);
- Involve the stakeholders, including the service designers and the users, at an early stage. In this way the political, economic, social, technological, legal and environmental key areas with their traditions, practices and cultures that are difficult to change can be analysed and necessary steps can be taken. The process should be bottom up and not top down (DAA);
- Narrow the gap on the operational level between health and social services (CASA);
- Improve the role of technology in the field of elderly care and effectively integrate it in the planning and delivery of care and assistance services (CASA).

Recommendations in relation to Independent Living

- The development of both assisted living and smart homes requires progress on a number of technical, financial and organisational fronts at the same time. This requires policymakers in health, social care and housing to work together with a shared objective and a common goal (INN.O.V.Age);
- Monitoring and prevention should also be parameters in the financial system of the healthcare sector to make independent living more economically sustainable (CASA);
- Improve patients’ independence by training the patient and caregivers in how to use telemedicine services, and make sure to also communicate these benefits to informal caregivers (RTF);
- Shorten the decision-making process and procurement rules that hinder innovation;
- Apply an end-user needs approach;
Foster better synergy between SMEs working on telemedicine projects and local and regional economic development policies (RTF);

When developing home and assisted living equipment, software and services, explore new domains, as it is necessary to consider techniques but also potential beneficiaries’ behaviour, organisational problems, and social and cultural aspects (RTF).

**Recommendations on demographic change for the EU level**

- Awareness of demographic change should be raised through long-term awareness-raising programmes and measures (DART);
- More attention should be given to declining and rapidly ageing regions within the EU;
- EU programmes and policies should increase their focus on re-organising and eliminating existing services and facilitate the provision of new ones;
- It is important to invest in competences of the older population as a source of specific competitiveness of the EU (CREATOR);
- Enhance creativity and innovation, including entrepreneurship, at all levels of education and training (DART);
- Enhance innovations in technology, ICT, housing and public-private partnerships in the area of senior care to create major potential for Europe's competitiveness (DAA);
- Population decline requires a public debate about minimum standards of (social) services and infrastructure, taking financial viability and sustainability into account (DART);
- Motivate governments to use social media tools in their communications and policies and enhance the participatory processes to let citizens be part of local decisions (PEOPLE);
- And last, but not least, in order to increase good practice and solutions in relation to demographic change, networking between regions in Europe should be encouraged and processes for exchange should be improved.

**Discussion and feedback on the recommendations**

After Roos’ presentation, the floor is open to all participants to provide feedback and share ideas. Dominique Lorrette (CREATOR) points out that Erasmus+ was not mentioned in the presentation and needs to be included. Dominique explains the need of transnational mobility to learn about demographic change in the non-formal educational system. To promote intergenerational awareness, it is important to include the volunteering aspect of society. Since it is not always public institutions that deal with the care for the elderly, a European volunteer exchange system needs to be put in place to improve the exchange of experiences. For example the Erasmus+ call for proposals may include that students will participate in volunteering jobs for elderly assistance.

Daniel López (DART) highlights the importance of capitalising good practices from all different projects in Europe as there exists a great amount of good practices and it would be a great idea to cluster them, for example by tagging them and then making them accessible for stakeholders in the regions, so that direct contact between people dealing with the same topic could be established. Erika Fulgenzi from the INTERREG IVC Secretariat responds by explaining that there is a Good Practice Database available on the website of Interreg IVC, but that it only contains the ones submitted by the projects and excepted by the Secretariat.

Edwin Mermans (CASA) underlines the added value of a virtual environment on good practices and lessons learned to create a learning community. In fact, in the EIP-AHA a virtual environment is developed (for C2 for example on independent and integrated care) which will integrate a database of outcomes, lessons learned and any relevant information and a network tool and ensures that “repositories”, which are a barrier to innovation, of knowledge are linked and shared. It needs to link the “islands” of knowledge that are the reality at this moment. It is going to be a very extensive, demand driven, interactive and easy to use environment in which all interested parties can participate. Edwin underlines the importance of participation in this virtual environment for INTERREG and even linking the active and healthy ageing department from the Policy Learning Platform (to be introduced in INTERREG Europe) to this virtual environment. Even more importantly, INTERREG should participate in the EIP-AHA.

Then a discussion opens on the terminology of good practices. A ‘good’ practice is not necessarily a
success; some good practices could be just an attempt and some of these good practices actually fail instead of succeed in which case there is also a lot to be learned from it. A better word for these good practices could be “initiatives”. Kjell Vaagen (PADIMA) provides an example of a good practice in the PADIMA project which seemed perfect on paper but did not work out in practice. It is difficult to get to the story behind the good practice (How and where did it start? Which steps should you take?), while it would be of great interest to get stakeholders together to be able to share these inside-stories.

Magda Anagnostou (INTERREG IVC Secretariat) explains that the terminology of good practices has been up for discussion quite a while now and actually it started under the name of ‘best practices’, while they are now just called ‘practices’ as not all of them are a success. Hans Schlappa (URBACT Capitalisation Expert) states that he would be very keen to hear about good practices that have been implemented by stakeholders who did not receive any EU funding. He wonders whether a good practice would still be called a good practice if it stops to be successful once the funding finalises.

Marielle Swinkels (CASA) mentions that the reviews of good practices should be more user-driven, so that instead of ‘heavy’ reviewing, peer-reviewing should be preferred. The reason behind this is that if you want to learn from failure, you need community-building to create enough trust among stakeholders.

Roos Galjaard (expert) adds to this that the involvement of other stakeholder than the ‘usual’ ones could be a great added value to come to a more ‘out-of-the-box thinking’. The example of the DAA project is given whereby designers are involved to find feasible and sustainable solutions that keep senior citizens physically and socially active and that provide them with the care they need.

The easy part is to identify good practices; the real challenge is the implementation and up-scaling of good practices, for which you come to horizontal aspects like for example capacity-building. It is then stated that it is important to identify a successful methodology for the (possible) transfer of good practices, for example by mentoring (method used in INN.O.V.Age) or by secondments (method used in CASA). However, the transferability of a good practice also depends on the adaptability which means that no direct copy of a good practice should be implemented but capacity-building in the local context should take place.

Roos Galjaard (expert) then explains that awareness-raising on population decline is very important; while the issue of an aging population seems to be covered to a great extent already. Another important issue is the end-user and the involvement of the population in projects. Interaction with the population is the added value of social media nowadays. The use of social media should not just be included in a regions communication strategy, but the role of the government itself should change so that active citizens’ participation is enabled. Roos Galjaard (expert) then wonders how you can determine whether citizens are really involved. How do you reach them and how do you/they provide feedback? Twitter is mentioned as one of the used media to get in touch with citizens.

4. Smart Specialisation Strategies (S3) and Demographic Change (1)

In order to have access to 2014-2020 ERDF, European regions must adopt a Research and Innovation Strategic Policy Plan for Smart Specialisation (RIS3) to leverage private research and innovation expenditure. Mrs Anna Torelli (INN.O.V.Age) presents the example of the Marche Region in Italy and the way in which the Smart Specialisation is developed here. Smart Specialisation involves the development of a vision, the identification of a competitive advantage and the setting of strategic priorities. The RIS3 approach is relevant to all three priorities of Europe 2020 i.e. smart, sustainable and inclusive growth. First of all, smart specialisation matters for the future of Europe because the development of an economy based on knowledge and innovation remains a fundamental challenge for the EU as a whole. Secondly, smart specialisation is relevant to achieve sustainable growth, as an important innovation effort and considerable investment is required to shift towards a resource-efficient and low carbon economy, offering opportunities in domestic and global markets. Finally, smart specialisation contributes to inclusive growth between and within regions by strengthening territorial cohesion and by managing structural change, creating economic opportunity and investing in skills development, better jobs and social innovation.

In the Smart Specialisation a distinction is made between research intensive regions, leaders in generating
new knowledge in general purposes technologies (such as ICT, biotechnology, etc.) and innovation
intensive regions that concentrate on the applications of new knowledge. Another important characteristic
is the role of the regional governments in concentrating public available resources to promising area of
specialisation and facilitating the collaboration between clusters within the region and between
complementary regions.

Two slides in Anna Torelli’s presentation show very well what Smart Specialisation is about:

The Marche Region has been working towards the RIS3
strategy in 3 steps from 2000 onwards:

- 2000-2006: A sectorial approach (identification of local productive sectors) was adopted for the
  promotion of innovation;
- 2007-2013: Innovation was supported by clustering groups of SMEs and Universities;
- 2007-2013: Evaluation took place and the ex ante conditionality provided the opportunity to define
  a more articulated “smart” strategy (Smart Clusters).

The strategic vision of Marche Region included an innovative cluster structure, which was put in place to
develop new activities in high-tech and smart domains and to support the upper quality traditional
productive vocations, to be able to exploit the related variety of the regional industrial system as well as to
strengthen the regional competitiveness in global markets. The main steps to identify the Smart
Specialisation were as follows:
Key challenges (such as low capitalisation and small size of firms, low productivity, low development of innovation and research activity, increasing vulnerability in the manufacturing sectors of specialisation and brain drain) were identified together with the main opportunities in regional development (such as an increasing global request for high quality production, behavioural change in the key regional actors, new firms active in emerging high-tech field and the development of national clusters). In addition, entrepreneurial dynamics were assessed (region and sector specific competitors), crucial regional factors that affect sustainable growth were identified and finally, a strategy of involvement (with a quadruple helix approach). Maybe the most interesting slide for the objective of this workshop was the one showing the relation between the Smart Specialisation Strategy and the regional challenges that are counteracted through this process.
In this context Roos Galjaard wants to know whether the Smart Specialisation Strategy in the Marche Region turned out to be a tool for raising awareness on the consequences of demographic change, since this is her experience in the northern part of the Netherlands, where for example R&D are very strong towards Active and Healthy Ageing. Edwin Mermans (CASA) mentions that the Province of Noord-Brabant is also taking part in the RIS3 on Smart Health, together with two other southern provinces of the Netherlands. The RIS3 is a step in the right direction to prevent regions from trying to ‘re-invent the wheel’. Anna Torelli pinpoints in reaction to this question that governments are already very much aware of the ageing population and smart objectives are already put in place. Since elderly people prefer to stay at home as long as possible, the idea for Living Labs was borne to test new prototypes for elderly people for which the methodology set out in the RIS3 Guide is very helpful. Anna Torelli underlines the fact that change in public administration might be very slow and difficult; in a way a change of culture is needed here. She also emphasizes that the focus groups with regional stakeholders have been of utmost importance in Marche Region to be able to realise the strategic vision; apart from the necessity of developing an RIS3, it is essential to make all stakeholders aware of what is going on in the region and the focus groups help to create awareness. She also mentions that in Marche Region, it is most difficult to reach micro-enterprises (craftsmen) when it comes to awareness-raising.

A RIS3 is an exercise that deals with policies developed by local, regional and national authorities (as well as EU policy). This multi-level dimension of policy implies that the governance mechanisms need to include stakeholders and decision-makers from these various levels, which might be the most difficult challenge in the process as some regions have very complicated governance structures. It also implies that links must be established between strategies for research (usually decided at national level) and strategies for innovation (usually under the responsibility or developed in coordination with regional authorities). They use different delivery instruments but need to look at common outcomes, such as for example the prioritisation of public investment in research, education and innovation in the region. This process also enables the identification of the most adequate policy-mix to use. RIS3 links research and innovation with economic development in novel ways such as the entrepreneurial process of discovery and the setting of priorities by policy makers in close cooperation with local actors.
5. Results of URBACT capitalisation study on demographic change

URBACT is a European exchange and learning programme promoting sustainable urban development. Mr Hans Schlappa, the project leader of the URBACT Capitalisation on Demographic Change, begins his presentation by stating that over 50% of the cities are shrinking ("Islands of growth in a sea of shrinkage") with of course strong national and regional variations to this shrinkage. The dynamics of ‘decline’ are not always synonym for shrinkage; stagnating, not growing and ageing cities have consequences for the physical infrastructure as well as to services. He provides the case study of the city of Altena, a shrinking city in Germany which has overcome the denial of the branding of its shrinkage by promoting a positive message about opportunities for active transformation in shrinking, strategic repositioning to reverse decline (analysis, choice, action), investments and by connecting young and old service users/providers. Due to the fact that the regional government kept indifference when addressing this case, it was up to innovative thinking in collaboration with its citizens (buy-in).

The question arises whether investing in shrinking cities always is a good idea? It is important to note that development does not equal growth. Growth is not always the most important thing; sometimes the quality of life or stability instead of decline should be valued more than economic growth. It is therefore of great importance to establish a paradigm shift away from a growth-oriented view of urban development to an acceptance that strategic goals concerned with ‘non-growth’ are viable and realistic options. There seems to be a disconnection between the levels of policy-makers, although at the same time a certain paradigm shift is taking place locally. Regional level support is essential for smaller cities that are shrinking.

Shrinking cities are often trapped in conservation and instead should adopt a new and sustainable ‘development’ trajectory to re-envision the future. They have to break out of the existing institutional framework towards service models based on client co-production and new public governance.

The thematic report with the main findings (published in May 2013) can be found here: http://urbact.eu/fileadmin/general_library/19765_Urbact_WS1_SHRINKING_low_FINAL.pdf
6. Challenges for regions (urban and rural) dealing with demographic change

After the very interesting presentations in the morning and the food for thought offered by Mr Hans Schlappa, capitalisation expert Roos Galjaard moderates the group discussion on:

- Thematic approach: economic challenges, (care) services (including mobility), independent living and labour market and innovation as crosscutting theme
- Europe 2020 – growth, growth, growth – and what about decline?
- Smart Specialisation Strategy – what does it mean for ageing regions or regions in decline, how does your project contribute?
- Recommendations – why are they so general, more or less a wish list: how do we get to the answers of the how question?

A first comment made by some of the participants is the notion that the social and economic sector should really work together on finding solutions for the future. The same accounts for cooperation between regions to integrate the different territorial levels. Roos Galjaard (expert) points out with an example on re-mapping schools in the north of the Netherlands that coordination on sub-regional level is of great importance as a bottom-up approach often is the most effective one. To be able to reach sustainability, it is necessary to reach a balance in regional development. Hans Schlappa (URBACT) emphasises that urban shrinkage demands new approaches to urban planning, design and management.

Mariëlle Swinkels (CASA) states that the contextual approach is very important, in which stakeholder participation should be highly valued. An added value to the stakeholder participation would be the linkage of different existing networks, to “connect the islands of knowledge”. Pertti Hermannek (DART) is of the opinion that demographic change needs to be defined as a cross-sectorial topic. He worries about the fact that innovation is often connected with growth and high-tech, while social innovation is often forgotten. Social innovation should also be included in the INTERREG Europe programme.

Anna Torelli (INNO.V.Age) points out that innovation is really important in the elderly care, which is often managed at the local level. However, an existing obstacle in putting innovation high on the agenda is the gap between regional governments and local governments, as the different levels might be governed by different political parties. She also highlights that Smart Specialisation Strategy in Marche Region is, partly due to this reason, not yet accepted by all local governments.

The INTERREG IVC projects partners acknowledge that social innovation is increasingly important. There exists a lack of emphasis on this issue in the future programmes, according to the participants. Nevertheless, the Innovation Partnerships already give greater importance to social innovation than INTERREG does/did. Social innovation is of essence to the issue of demographic change. Innovation is a “complicated concept since it can be explained in different ways and is very broad. It is emphasized by various participants to the workshop that (social) innovation could be seen as a cross-cutting theme, also in the thematic approach applied by Roos in her analysis. As an example, the good practice from the DART Project ‘Citizen buses and future trends’ is mentioned, now placed under the theme of social services could be considered an example of social innovation, as the DART representatives emphasize.

But what exactly is social innovation? Edwin Mermans (CASA) explains that in Noord-Brabant social innovation is implemented as a way of working according to the triple/quadruple helix approach to solve complex societal challenges through ‘learning by doing’.

Daniel López (DART) then points out that the level of technical innovation aimed for should be adapted to the regional context since the present situation also varies between the different regions, as he explains by the example of the users of health care in Galicia (Spain) who are not yet a “PC generation”, but rather a “phone generation”.

Social Innovation is increasingly seen as a process and a strategy to foster human development through solidarity, cooperation, and cultural diversity. Those engaged in social innovation often apply their own definition, but all definitions have one thing in common: working together towards a sustainable society. Social Innovation has an inter-sectoral approach and is universally applicable. Social Innovation focuses on new ways and new forms of cooperation.
It is mentioned that SMEs often are the motors behind social innovation, due to their economic drive. The necessity of including universities in social innovation is then being questioned (in response to the triple helix involvement brought up by Edwin), but this is rapidly contradicted by stating that universities play a key role in developing new methodologies so that social impact is guaranteed. How can social impact be measured? There are no attempts to assess the social impact as the focus lies on the result indicators. Result indicators should be assessed a lot earlier in the curve of development as now these are only assessed afterwards. The result indicators are also considered very important for the development of the RIS3.

Pertti Hermannek (DART) states that there is a need of educating younger generations on the demographic and societal changes, for example civil servants and key actors through lifelong learning. Edwin Mermans responds by stating that it should not just be future civil servants that need to be educated, but also the present ones. People need to be prepared to manage the necessary changes (as for example “Government 2.0” including the active use of social media, like in the province of Noord-Brabant); the biggest problem is, is that they often lack competences, which is underlined by many participants. Roos Galjaard also agrees and gives an example from the iAge project (Interreg IVB NSR) on e-inclusion whereby attention is not only given to the elderly but also to the (informal) caregiver, volunteer or health worker, who actually need to work with the new tools.

Dominique Lorette (CREATOR) reiterates the statement he made earlier in the workshop on Erasmus+. According to him, the programme should be called “Erasmus for all”. It should not just address students and teachers; it should also include civil servants and other working people.
7. Deepening the analysis: new achievements & policy recommendations

After the group discussion the participants pair up in small groups —corresponding to the different projects represented— to brainstorm, write down and subsequently share with the group, the new achievements their project has reached and points that Roos might have missed in her report and need to be included.

Important points to take into account in the capitalisation on demographic change are:

**PADIMA** (finalised)

- Attractivity (to keep people in the mountainous region): specific targeting, not just the elderly;
- Specificity of rural and mountain areas (different solutions than for urban areas).

Marie Clotteau (PADIMA) explaining the important aspects with regard to demographic change from a ‘mountain area’ perspective.

**INN.O.V.Age**

Important in the project are:

- Pilot actions. The roadmap to the pilot actions was as follows: SWOT cross-analysis between regions involved → 15 good practices identified in regions involved → contracting results → activities to develop → included in good practice catalogue → 9 pilot actions to implement good practices in the regions;
- Distinction made between learning partners and mentor-partners: concrete example of exchange of experiences and adaptation of good practices between one region and another (some partners were interested in different good practices, not just in one).

Recommendations from SWOT analysis:

- Interregional activities need to be explored;
- Cluster innovation policy should be to identify large markets (to draw attention from industry);
- Regional Development Clusters should avoid duplication and build on existing innovative infrastructures.

**CREATOR (finalised)**

- Preventive actions for demographic change should be more highlighted;
- Special attention to life-long learning and transnational mobility (to improve knowledge of caregivers of future generations);
- Develop a specific strategy on Silver Economy to ensure/strengthen competency and responsibility for demographic change;
- S3 should be used for the identification of European cooperation opportunities - Smart Specialisation Strategy for each region: interactive mapping system possible to see what we have in common with the different regions? How can I know whether there’s any region dealing with this specific topic? Possibilities for the development of a partnership;
- Create a “Demographic Change” EU Programme in next period → Existence of lack of knowledge about the existence of different programmes → Solution: Integrated project covering different aspects affected by the challenge.

**DART (finalised)**

- Demographic change should be a more important issue on the European agenda (not just as a cross-cutting topic, but as a thematic issue);
- Integrate demographic change in ESF/ERDF Operational Programmes for shrinking regions – tool to overcome short-term thinking (more than just electoral period);
- Prepare guidelines to tackle this problem in a holistic way - to overcome ‘absolute’ thinking;
- At a regional level it is crucial to implement better communication strategies (involvement of citizens, NGOs, universities, policy-makers, businesses);
- New definition of what type of work we are talking about for old(er) workers;
- Social innovation is crucial and could combine for example social/labour inclusion and care services or active ageing and social transport.
CASA

- Innovation Clusters in the regions of some of the partners → social innovation should take place in Innovation Clusters (‘learning by doing’), so a boost should be given to innovation clusters;
- More mutual learning on horizontal topics:
  - within INTERREG projects (secondments, Knowledge Transfer Conferences)
  - between projects (clusters of projects: for example Health Cluster Europe, a cluster of INTERREG Projects)
  - INTERREG EUROPE → partner in EIP AHA;
- Investing in capacity building (more knowledge sharing needed; tools needed for local context);
- Smart connections between repositories (virtual learning tools in integrating existing social media) – user-driven development.

CASA partners in discussion on innovation clusters

8. Smart Specialisation Strategies (S3) and Demographic Change (2)

Last but not least Mrs Pia Laurila, Policy Officer at the DG Research & Innovation, presents the challenges and opportunities of the Strategy for Smart Specialisation (RIS3). She explains this is not a new approach but one that is now more important than before because it helps to prioritise and concentrate resources for innovation and economic transformation in times of structural change, budgetary constraints and rapid globalisation.

Her first slides show the relevance in relation to demographic change: decreasing population in eastern Europe and growing urban regions in the west. In the following slides the audience is informed about the investments in R&D and innovation performance by each member state. Scandinavia and Germany are real front-runners with regard to innovation performance and especially Finland, but also parts in Central Europe, UK, Germany and France score above average on R&D investments.

**Figure 2: EU Member States’ Innovation Performance**

Note: Average performance is measured using a composite indicator building on data for 24 indicators going from a lowest possible performance of 0 to a maximum possible performance of 1. Average performance in 2011 reflects performance in 2009/2010 due to a lag in data availability.
The Smart Specialisation Strategy is part of Europe 2020 and flagship initiative Innovation Union with a focus on identifying niche areas of competitive strength, solving major societal challenges (bringing in a demand-driven dimension), innovation partnerships emphasizing greater co-ordination between different societal stakeholders (quadruple helix) and aligning resources and strategies between private and public actors of different governance levels.

The Connected Region

Smart Specialisation offers an important opportunity to better focus EU funds on common societal challenges and local opportunities for all regions and to create synergies with resources at national and regional level and with the private sector. Furthermore, it offers an opportunity to foster complementarities between regional and national innovation roadmaps and planned investments.

For a European region to be able to receive funding from the European Regional Development Fund (ERDF), a RIS3 must be developed and put in place. The goal of such strategies is to help reduce growth disparities in the EU by re-focusing EU structural funds on investments that trigger innovation and industrial renewal. Additional emphasis of these strategies is on their power to drive better international coordination of regional investment agendas and cluster activities to enhance critical mass and their contribution to common European challenges and innovation road maps. For many regions in Europe, more efficient use and management of the structural funds is a crucial factor to overcome the economic crisis, reinforce their capacities and create well-being for their citizens.

The next steps for the European regions would be to perform a serious analysis of national, regional and local characteristics and to position itself in its particular international context and see what this implies for its future priorities (consider re-positioning). The lay-out of the smart specialization strategy should be a bottom-up process involving all relevant stakeholders and the strategy itself needs to be a clearly formulated plan with limited and specific priorities, with a built-in evaluation process and relevant indicators. The Commission has set up a ‘Smart Specialisation Platform’ to provide assistance and run pilots with interested regions, which is established at the Joint Research Centre (IPTS) in Seville. Regions will have the time to put in place its RIS3 until 2016.

For more information, please visit: http://s3platform.jrc.ec.europa.eu/home
A variety of potential actors are relevant to the RIS3 process: from public authorities to universities and other knowledge-based institutions, investors and enterprises, civil society actors, and external experts who can contribute to the benchmarking and peer review processes. Smart specialisation addresses the difficult problem of prioritisation and resource allocation decisions by allowing entrepreneurial actors to demonstrate the most promising areas for future regional development through what has been described as an ‘entrepreneurial process of discovery’. Smart specialisation is not about creating technology monoculture and uniformity; on the contrary, it is likely to promote greater variety (such as, for example, the transition to new activities or the diversification of existing sectors). Diversification helps to make a regional economy less sensitive to fluctuations in specific markets.

Edwin Mermans elaborates further on what he mentioned already before in the workshop about Noord-Brabant’s participation in different Smart Specialisation Strategies, one of them being Life Sciences and Health. Noord-Brabant is one of the reference sites of the EIP-AHA and in the design of the RIS3 Noord-Brabant follows the division in Top Sector Policies of the Dutch economy by the national government. Life Sciences and Health is a cluster of national interest and with international potential. By strengthening this cluster, connecting different clusters and looking for crossovers and synergies, Noord-Brabant is working on the international competitiveness of the future. The strategy has been developed in close collaboration between industry, universities, and governments (provinces, regions and cities).

The identification of clusters and benchmarks are valuable instruments that can be used to identify Smart Specialisation patterns and to compare economic activities with those of other regions in the EU. We duplicate all kinds of things in the EU in the area of research and development and the Smart Specialisation will help to prevent this duplication. By enabling national clusters to collaborate more effectively internationally we can reach more with the same energy or investment and you do not have to re-invent the wheel. Regions will determine the areas in which they want to excel and will look for partners within Europe.

Fabian Dominguez informs the participants about the long-term vision of Flanders’ future development, ‘Vlaanderen in Actie’ (ViA). By 2020 Flanders wants to rank among the top five knowledge-intensive regions in Europe. To reach this target, the region has taken steps towards a transformation policy approach. This focuses on value chains, economic clusters, open innovation and ‘grand projects’, which are selective investments in future-oriented domains with a high innovation and growth potential and large societal impact. ViA conveys a vision that entails more than a moderated improvement or some growth percentage points. Namely, it points to an evolution that fundamentally alters the landscape and society of Flanders.
9. Conclusions and next steps

European regions differ from each other in many ways. They compete in excelling in different products, they possess different strengths and weaknesses, and they provide different possibilities for growth and development. One of the conclusions of this workshop is that tailor-made solutions should be proposed; regional policies should be tailored to the specific regional context for firms and people to accomplish higher welfare. It needs to be stated that it is not always economic growth that is the most important thing; in many cases the quality of life or stability instead of decline should be valued more than economic growth.

To be able to reduce differences between regions in Europe and to ensure growth across Europe, the strategic approach to economic development put in place by the European Commission, “Smart Specialisation”, will be an ex ante conditionality in the new programming period (2014-2020). RIS3 envisions integrated strategies based on multi-level, cross-sector governance capacities and multi-stakeholder partnerships with an emphasis on the regional ownership of the process (and therefore highlights each region’s uniqueness). Although the name might suggest this strategy focuses on specialisation, it is rather about economic diversification by combining local know-how and assets into new innovations that are related to existing areas of strength.

At the same time, and also due to the differences between regions, there is a lot to win by sharing experiences because common lessons can be drawn from this, as shown by this workshop. As the projects all share similarities in the search for solutions and best practices to deal with demographic change, similar activities and policies can be found in the field of economic diversification, independent living, education lifelong learning and the labour market, and social and (health) care services. In addition to sharing of knowledge, an important issue discussed in today’s workshop was connecting the existing knowledge repositories/networks to really share all existing information and create a learning community on for example active and healthy ageing. The interactive exchange is an important part of such a community and it’s important to prevent duplication of activities/information.

Another conclusion resulting from the workshop is that raising awareness of the consequences of demographic change is of utmost importance to be able to implement the proposed solutions successfully. Social innovation is identified as a key factor in tackling the negative effects of demographic change. Social innovation requires a change in mind-set of all stakeholders involved. (Social) innovation and collaborative efforts aimed at increasing wellbeing and integrated with social restructuring will result in the most successful policies.

However, at the same time it should be noted that demographic change does not only represent challenges, it also provides the possibility of bringing about a positive change for citizens of all generations. That is, only if appropriate measures to deal with this issue are taken on time. Through the exchange of experiences and the sharing of the knowledge obtained, policies can be adapted so that European regions can become more competitive and provide for yet better quality of longer lives.

Roos Galjaard, expert on demographic change, thanks the participants of the workshop for their active participation and valuable input and closes the meeting with the planning for the coming months with regard to the thematic capitalisation on demographic change. In May 20144 a final Capitalisation event is organised in Brussels to share all outcomes of all 12 capitalisation themes. Roos concludes with thanking Erika Fulgenzi, Magda Anagnostou and Ilaria Ramaglioni for their co-operation and helping to organise the workshop.

---

4 The Capitalisation event will take place on the 22nd of May 2014 in Brussels.
Conclusions and Planning

• Read or download publication and first year capitalisation report http://www.interreg4c.eu/capitalisation/
• Today: Capitalisation Workshop on Demographic Change (Brussels)
• Early 2014: paper for awareness raising
• February 2014: draft analysis report
• End of May 2014: INTERREG IVC Thematic Programme Capitalisation Event in Brussels
• June 2014: final analysis report

For more info, go to: http://www.INTERREG4c.eu

For questions and remarks, please contact Roos Galjaard: galjaard@pau.nl or +31 (0)50 5490902.