



Eco-innovation

What approaches can make regions both smart and sustainable?

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POLICY PAPER

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Thematic capitalisation

Over the last seven years the INTERREG IVC programme has been enabling public institutions all over Europe – over 2000 in total – to ‘learn through cooperation’ across 204 different interregional projects aimed at improving regional policies.

In June 2012, the programme commissioned a team of thematic experts to analyse, benchmark, and capitalise on the wealth of knowledge generated by projects working on similar regional development issues. Altogether, 12 policy themes, ranging from innovation to the environment, have been covered. 12 reports are now available detailing the insights and lessons from this capitalisation process for the benefit of all regions across Europe.

This policy paper distils the essential findings of the report into a ‘ready-to-use’ tool to convince policymakers of not only the need for change, but exactly what change is required.

Eco-innovation: a solution for environmental and economic challenges in regions

EU regions are facing twin challenges: the growing pressure on the environment and shrinking natural resources on one side, and on the other, a struggle for economic recovery, securing jobs and stability.

Each of these factors means that a “business as usual” approach to running regional economies is no longer an option. Viable solutions that do not compromise on the environment or on economic development are urgently needed; eco-innovation offers such “no compromise” solutions.

All forms of new, or improved, products, services, processes, organisational structures, institutional arrangements, lifestyle and social behaviours, which lead to environmental improvements compared to relevant alternatives can be seen as eco-innovations

In addition to **environmental benefits**, eco-innovations bring **economic benefits** in terms of new markets, businesses, jobs, resource and energy savings and waste management cost reduction. Eco-innovation can also bring about **social cohesion** from changing citizens’ behaviour towards more environmental awareness and collaboration. In the context of regional economies, promoting eco-innovation across sectors can ensure economic and environmental sustainability in the long-term.

How can regions foster their eco-innovation policies?

There are still large regional disparities in eco-innovation performance, policy maturity and readiness of local actors to invest effort and funding in eco-innovation. Interregional cooperation under the INTERREG IVC programme supports cooperation among more than 30 regions in 22 countries to identify effective ways of improving their performance. The wide range of fields addressed, from cleantech incubation to sustainable transport, from eco-management to construction, allows a detailed analysis of similar challenges and possible solutions. Many offer valuable success stories in promoting eco-innovation.

All regions are trying to influence the eco-innovation policy landscape, which is one of the key conditions for the emergence and diffusion of eco-innovative practices.



INTERREG IVC

www.interreg4c.eu

Tested approaches to promoting eco-innovation

Incorporation of eco-innovation in regional and local planning

Regions are beginning to orient regional and local planning towards eco-innovative measures and engage regional communities in collaborative processes to design smart systems together. This is especially timely as the EU Structural and Investment Funds will be available to foster eco-innovation if regions include eco-innovation as a priority in their Regional Innovation Strategy for Smart Specialisation (RIS3). For examples, see the projects **ECOREGIONS** (www.ecoregionsproject.eu) and **ECREIN+** (www.ecreinplus.eu).

Fostering the environmental technologies and competences

Some regions choose to focus on green technologies and build local technical competences. They concentrate on supporting R&D and demonstration activities and accelerating market take-up of innovative technologies, investing in research infrastructures, demonstrations or business incubators. Other measures include promoting the use of ICT in improving the economic and environmental performance in a specific sector. **CIE** (www.cleantechincubation.eu) and **PROSESC** (www.prosest.org) are projects providing excellent examples in the fields of clean technology and road transport.

Support for non-technological eco-innovations

Some regions focus on improving the eco-efficiency of regional industrial sectors, others on shifting the practices of private businesses towards more resource efficiency or reducing material and energy costs by promoting alternative measures. They support process innovations that improve the environmental performance in sectors such as construction, energy or transport sectors, but also in agro-food or the crafts area. Providing advisory services or creating the capacity of businesses to shift to a different production process or business model are among the eco-innovative solutions. Other measures include promoting eco-management and providing tools for eco-audits. The projects **RECOMMEND** (www.recommendproject.eu) and **DESUR** (www.desur.eu) focused on this area.

Using demand-side measures to foster the eco-innovation ecosystem

Eco-innovation is riskier and generally more expensive than traditional innovation. Greener products and services are not yet mainstream and in terms of cost cannot fully compete with conventional products and services. Yet there is a growing understanding among regions that special demand-fostering measures and framework conditions need to be created, such as:

- Green or sustainable public procurement;
- Green labelling and certification of products;
- Regulations and standards that favour eco-innovative products and services.

The **FRESH** project (www.freshproject.eu) assessed regions and introduced measures helping to create demand for eco-innovative products and services.

Policy sharing, policy learning

22 May 2014, Brussels

A day of learning about the latest policy trends and best practices available from all around Europe in 12 topics



This **one-day event** will showcase policy recommendations and lessons learnt resulting from the thematic analysis of the projects.

Thematic specialists and practitioners will present the knowledge acquired through interregional cooperation and discuss the latest policy trends and common challenges identified in European regions.

Interactive workshops and networking opportunities will allow those involved in policymaking to share ideas, get inspired and make new contacts for the future.

Whether you work for a local municipality, regional authority or national ministry; regional agency or European association...as long as you are involved in the policy process, you are welcome to come and share your experiences and leave with good practices you might like to try at home.

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Policy recommendations to foster eco-innovation in your region:

- Position your region as a “change agent”: regional authorities are central in facilitating sustainable strategies and changes and bringing together all regional stakeholders.
- Attain a political commitment of the region to the sustainability goals (e.g. adopting specific green targets and strategy).
- Assess the local demand for the new practices: the need should come from bottom-up, rather than being imposed from the top.
- Conduct a robust analysis of key economic stakeholders, priority areas and policy targets; as well as analyse eco-innovation markets, drivers and barriers to eco-innovation.
- Make strategic decisions in adopting good practices: while technical eco-innovation good practices (e.g. biogas technology, zero-emission homes) demonstrate quick results, the impacts from policy good practices are likely to be more long-term and wider.
- When adopting new eco-innovative practices, consider specific economic, regulatory, technological, innovation, and natural profiles of your regions as well as the readiness and responsiveness of the citizens.
- Do not focus on a single support measure in promoting eco-innovations; develop a policy portfolio supporting both supply of and demand for eco-innovation.
- Apply a comprehensive monitoring and evaluation framework for tracing the impact of the adopted eco-innovation practice.