2025

ANALYSIS OF BEST PRACTICES

OF EUROPEAN REGIONAL DEVELOPMENT AGENCIES (RDAs)
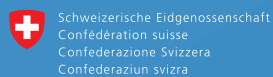
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Oleksii Ryabykin,
Deputy Minister of Development of
Communities and Territories of Ukraine

In the context of Ukraine's recovery and transformation, the issue of effective regional development is becoming critically important. This task cannot be solved without capable local institutions, such as Regional Development Agencies (RDAs), which should become catalysts for economic change, innovation and cooperation.

This study is the result of in-depth analytical work carried out by the European Association of Development Agencies (EURADA) with the support of our partner, the UCORD project. It covers the best practices of RDAs in five European countries - Scotland, Spain, Italy, the Netherlands, and Romania - demonstrating a wide range of organisational models, strategic planning tools, innovative development, and investment attraction.

This experience is extremely relevant for Ukraine, which is confidently moving towards European integration, decentralisation, strengthening of local self-government and building a new model of regional policy.

The Ministry of Development of Communities and Territories of Ukraine expresses its gratitude to all partners who contributed to the preparation of this material. We are convinced that the knowledge gained in the course of the study will contribute to the development of capable Ukrainian RDAs that will become real agents of change in their regions, strengthening national unity and sustainable development of the state as a whole.

Maryna Bryl,
UCORD project leader

I am pleased to share with you the results of a study on best practices from leading regional development agencies (RDAs) across Europe, that was conducted by our partner the European Association of Development Agencies (EURADA). This analysis highlights a variety of governance models, funding approaches, and strategic initiatives, offering valuable insights into the challenges and opportunities shaping regional development today.

By examining the experiences of RDAs from Scotland, Spain, Italy, the Netherlands, and Romania, the study offers practical lessons on fostering innovation, attracting investment, promoting internationalisation, and effectively implementing Smart Specialisation Strategies.

This publication is part of broader efforts of UCORD Project to strengthen the institutional capacity of Ukraine's RDAs. We hope the findings and recommendations presented here will provide inspiration and guidance as Ukraine advances its regional development policy and practice.

Understanding Regional Development Agencies in Europe

A Comparative Analysis

This report presents case studies of Regional Development Agencies (RDAs) from five European regions: Scotland (United Kingdom), Comunidad Valenciana (Spain), Emilia-Romagna (Italy), Gelderland and Overijssel (Netherlands), and North-East Romania. The purpose of the case studies is to provide Ukrainian stakeholders with insights into different RDA models, their governance structures, operational mechanisms, and strategic priorities. The case studies were prepared by EURADA (the European Association of Development Agencies), drawing on their experience and close cooperation with RDAs across Europe.

Purpose and Structure of the Case Studies

RDAs primarily focus on business development, attracting investment, and fostering innovation, leveraging a mix of public and private funding sources to drive economic transformation. They play a crucial role in supporting enterprises, enhancing regional competitiveness, and creating favourable conditions for economic growth. However, their role extends beyond business support - many RDAs play a strategic function, contributing to developing and implementing regional economic policies, sectoral strategies, and funding programmes.

RDAs act as key facilitators in strategy formulation, working closely with regional governments, private sector stakeholders, and research institutions to develop long-term economic frameworks. They contribute to national and regional development plans, ensuring policy objectives align with regional strengths and economic opportunities. Some RDAs, such as Scottish Enterprise and ART-ER, integrate policy advisory functions, assisting in designing economic transformation strategies. Others, like IVACE+I and Oost NL, focus on implementing Smart Specialisation Strategies (S3), leveraging sectoral expertise and EU funding to drive targeted economic growth.

In addition to strategy development, RDAs play a hands-on role in project development and implementation. Depending on the governance model and institutional setup, RDAs may act as Managing Authorities (e.g. ARD NE), directly overseeing the implementation of Cohesion Fundings; Intermediate Bodies, responsible for selecting, monitoring, and implementing measures within broader national or regional frameworks; Implementing Bodies (e.g. ART-ER, OOST NL, IVACE+) executing specific measures within regional or national strategies or securing funding for projects aligned with regional priorities.

Many RDAs also act as financial intermediaries, managing dedicated investment funds, providing investment readiness training (e.g., Oost NL and IVACE+), and supporting SMEs and startups. Others focus on building innovation ecosystems (e.g., ART-ER), facilitating research and technology transfer, business incubation, and the development of sectoral clusters to bridge the gap between R&D and market application.

Each case study provides an overview of the RDA mission, governance, and key functions, followed by a brief history outlining its evolution. It then describes the region's geographical coverage and economic profile and the governance structure, including the agency's autonomy and relationships with political institutions. The analysis also covers the organisational structure, funding sources, and strategic objectives, highlighting key sectors and priorities. The portfolio of activities demonstrates how RDAs support strategy development, business development, innovation, sustainability, and internationalisation. Finally, each case study presents notable achievements and inspiring elements, offering lessons that can be adapted to Ukraine.

Key Dimensions of Comparison

Beyond providing a structured understanding of each RDA, these case studies illustrate the varying degrees of decentralisation in regional development governance. The selected examples showcase different ownership and governance models, reflecting the distinct institutional frameworks in which RDAs operate:

■

Scotland (United Kingdom):
A regional economic development agency owned by the national government but operating within Scotland's devolved economic policy framework.

■

Comunidad Valenciana (Spain):
A regional government-owned agency in an autonomous region with significant self-governance.

■

Emilia-Romagna (Italy):
A public-private joint-stock consortium owned by the regional government, universities, and chambers of commerce, allowing for a multi-stakeholder governance approach.

■

Gelderland & Overijssel (Netherlands):
A hybrid model with ownership shared between the national government and two provinces, highlighting a balance between national and regional policy priorities.

■

North-East Romania:
A public-interest, non-governmental entity owned by regional stakeholders but not formally part of a regional government, demonstrating an alternative regional governance model.

These differences influence how RDAs structure activities, allocate resources and engage with businesses, academia, and local governments. By examining these models, Ukrainian policymakers can better understand the options for structuring and governing RDAs within their decentralisation and economic development framework.

Regional Development Agencies are shaped by the political, economic, and institutional contexts in which they operate. While each model has strengths and challenges, they provide valuable insights into effective regional development strategies. These case studies aim to support Ukrainian stakeholders in strengthening RDAs to play a key role in future economic and regional development, leveraging international best practices while aligning with Ukraine's specific governance and economic realities.

Scotland

m²

78,789 km²

population of approximately 5.44 million

Scottish Enterprise

SCOTTISH ENTERPRISE (SE)

April 1991

1,310 staff members

an executive non-departmental public body (NDPB) that operates independently of direct ministerial control

in the financial year 2023, an operating budget of £106 million

Overview

Scottish Enterprise (SE) operates as Scotland's development agency, driving innovation, sustainable growth, and international competitiveness. While Scotland is part of the United Kingdom, it also functions as a distinct economic region with devolved powers under the Scotland Act 1998, which grants the Scottish Government authority over areas like economic development, education, health, and the environment. This unique governance arrangement allows SE to operate with a national agency's strategic focus while addressing Scotland's economic challenges and opportunities as a region within the UK.

History

Scottish Enterprise (SE) was established in April 1991 under the Enterprise and New Towns (Scotland) Act 1990, succeeding the Scottish Development Agency (SDA), which had been created in 1975. The SDA was pivotal in addressing Scotland's industrial decline through initiatives in land regeneration, inward investment, and industrial restructuring. With SE's creation, the scope expanded to include promoting innovation, entrepreneurship, and internationalisation to align with the global economic trends of the 1990s. Over the years, SE has continued to evolve, marked by several key developments:

1991

SE incorporated training and development functions, ensuring economic growth strategies were closely linked to workforce skills and employment.

2000s

A strategic shift toward knowledge-based industries, driving investment in digital transformation, innovation, and high-growth sectors.

2022

SE became a key delivery partner of the National Strategy for Economic Transformation (NSET), reinforcing Scotland's ambitions for net zero emissions, inclusive growth, and economic resilience.

Legal form

The Scottish Government wholly owns Scottish Enterprise (SE). Established under the Enterprise and New Towns (Scotland) Act 1990, SE is an executive non-departmental public body (NDPB) that operates independently of direct ministerial control, allowing it to manage its day-to-day operations autonomously. However, it remains accountable to the Scottish Government, ensuring its activities align with national economic objectives.

Geographical coverage

Scotland, located in the northern part of the United Kingdom, has a population of approximately 5.44 million and a land area of approximately 78,789 square kilometres. The country is divided into three economic regions, each served by a dedicated Regional Development Agency (RDA) focusing on specific industrial sectors and addressing unique regional challenges.

Scottish Enterprise (SE) is the primary regional development agency for most of Scotland, focusing its efforts on central and southern Scotland. This region encompasses major cities such as Glasgow and Edinburgh, home to approximately 4.9 million residents.

SE shares coverage of Scotland with South of Scotland Enterprise (SOSE), created in 2020 to address the unique situation in the South of Scotland, which has a population of 230,000, and with Highlands & Islands Enterprise (HIE), which has a population of 470,000. The latter is responsible for an area with specific disadvantages: a sparsely populated area on the periphery of the UK and many islands of varying sizes.

Scotland's economy is diverse, with key sectors including financial services, technology, life sciences and renewable energy.

Governance

Scottish Enterprise (SE) operates as a non-departmental public body (NDPB) under the oversight of the Scottish Government. The Scottish Government appoints SE's Board of Directors, which comprises eight members, including the Chair. These appointments are based on individuals' expertise in areas such as business, innovation, economic development, and public policy, with non-executive directors typically serving terms of 3 to 4 years.

As an NDPB, SE functions independently of direct ministerial control, operating within a governance framework established by ministers. While SE carries out work on behalf of the government, it does not form part of it, nor is it directly accountable to parliament; its staff are not civil servants.

SE is committed to maintaining a gender-balanced board. As of November 2022, the board comprised eight members, four males and four females.

Organisational structure

Scottish Enterprise (SE) is structured to effectively deliver on its mission to drive sustainable economic growth across Scotland. The organisation is led by a Chief Executive Officer (CEO) who oversees its strategic and operational activities and the Executive Leadership Team. This leadership team manages six key departments, each focused on specific areas to support Scotland's economic development:

International Development:
Assists Scottish companies in expanding into global markets and attracts international investment to strengthen the nation's economic infrastructure.

Business Growth:
Collaborates with businesses to implement growth strategies, enhancing and streamlining access to support services.

Chief People & Chief Executive Office:
Oversees human resources, corporate governance, and internal communications to ensure effective organisational management.
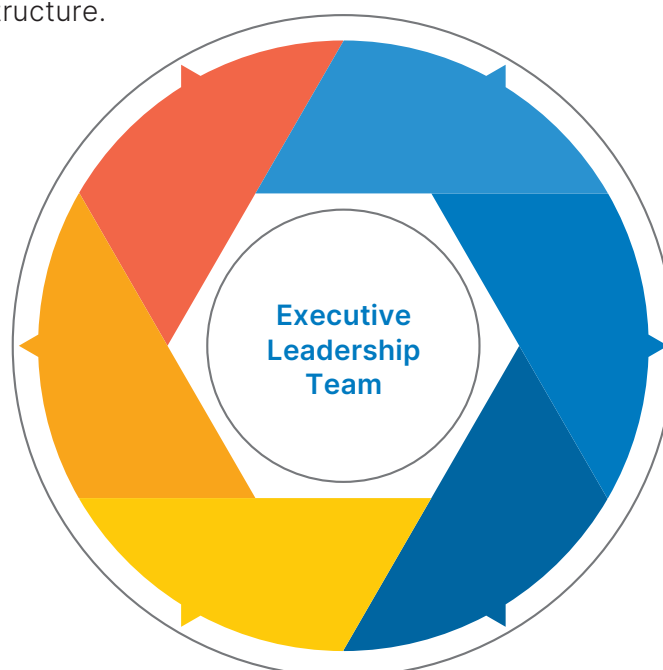
Innovation & Investment:
Partners with national and regional entities to invest in infrastructure and companies, fostering entrepreneurship and regional development in areas where Scotland has a competitive edge.

Executive Leadership Team

Chief Financial Office:
Integrates financial strategy into decision-making processes and collaborates with stakeholders to align strategic priorities with Scotland's economic development goals.

Digital & Major Projects:
Enhances organisational productivity through digital initiatives and manages large-scale projects that drive economic growth in priority sectors.

Scottish Enterprise (SE) employs approximately 1,310 staff members.

Operational means

Scottish Enterprise (SE), a non-departmental public body, received 53% of its total income from the Scottish Government in the form of grants and aid in the financial year 2023–2024. The remaining 47% was generated through its own activities, including industrial property rentals, asset disposals, and returns on early-stage investments. SE's total income for the year was approximately £351 million. Of this, around £106 million was allocated to operating expenditure, covering core organisational costs such as staff salaries, management services, office infrastructure, ICT, and utilities.

Partnerships play a key role in SE's operations, with the agency collaborating with private sector entities, public organisations, and international institutions. SE receives project management fees for overseeing large-scale initiatives, co-funded ventures, and innovation programmes. These collaborations generate income and strengthen Scotland's economic development ecosystem by fostering innovation, internationalisation, and sustainable growth.

SE operates a network of 10 offices across Scotland to support businesses locally and ensure close engagement with key stakeholders. Additionally, it maintains 30 overseas offices in 20 countries, facilitating international trade, attracting investment, and helping Scottish businesses expand into global markets. These international offices are critical in promoting Scotland as a destination for investment and innovation.

Mission

Scottish Enterprise (SE) is Scotland's main regional development agency, dedicated to transforming the economy by supporting businesses to innovate and scale. Aligned with the Scottish Government's National Strategy for Economic Transformation (NSET), SE focuses on three interlinked missions:

Energy Transition:

Developing Scotland's internationally competitive renewable energy industry.

Scaling Innovation:

Enhancing the impact of Scotland's innovation strengths in high-growth industries of the future.

Attracting Investment:

Driving capital investment to improve Scotland's productivity.

To achieve these missions, Scottish Enterprise pursues a set of seven strategic objectives that ensure a broad and lasting economic impact:

Economic Growth & Employment -

Support business creation, expansion, and productivity improvements to sustain economic growth and job creation.

Innovation & Industrial Competitiveness -

Strengthen Scotland's global position through technology adoption, advanced manufacturing, and industry-led R&D.

Internationalisation & Trade -

Expand Scotland's global market presence by supporting exports and attracting high-value foreign direct investment (FDI).

Sustainable & Green Economy -

Accelerating the transition to net zero by fostering green industries, clean energy solutions, and climate-focused business models.

Infrastructure & Regional Development -

Invest in place-based economic initiatives, industrial clusters, and digital infrastructure to drive inclusive growth.

Skills & Talent Development -

Equip Scotland's workforce with future-ready skills through industry-driven upskilling, reskilling, and entrepreneurship programmes.

Strategic Partnerships & Collaboration -

Enhance economic impact through collaboration with businesses, universities, local authorities, and global investors.

Portfolio of activities

Scottish Enterprise (SE) delivers a diverse portfolio of activities structured around six key clusters to drive economic transformation and sustainable growth. These activities focus on supporting businesses, fostering innovation, attracting investment, and advancing Scotland's transition to a net-zero economy while strengthening its global competitiveness.

Key Activity Topics	Type of Activities
Strategy Development & Implementation	Conducting research and thematic studies to inform economic strategy.
	Contributing to implementing the NSET, focusing on business innovation, industrial competitiveness, and net-zero opportunities.
	Supporting the development and execution of regional and sectoral economic plans.
Business Support	Providing tailored business advisory services to help companies start, grow, and scale.
	Supporting enterprises in succession planning, collaboration, and accessing new markets.
	Assisting businesses in developing strategic growth plans and navigating regulatory frameworks.
Innovation	Facilitating research & development (R&D), innovation adoption, and product commercialisation.
	Connecting businesses with funding opportunities for cutting-edge technology and digital transformation.
	Supporting firms in workplace innovation, productivity improvements, and advanced manufacturing techniques.
Sustainable development	Assisting businesses in transitioning to net zero, reducing carbon emissions, and implementing circular economy principles.
	Promoting the adoption of fair work practices and sustainable business models.
	Driving investment in renewable energy, clean tech, and green industrial solutions.
Internationalisation	Providing export and market entry support for Scottish businesses expanding internationally.
	Facilitating foreign direct investment (FDI) to attract capital into Scotland's high-growth sectors.
Financial instruments	Investing in high-impact regional innovation assets and infrastructure projects.
	Offering entrepreneurial finance for startups, spinouts, and scaling companies.
	Managing investment readiness programmes to help businesses secure external funding.

Achievements

Scottish Enterprise has played a pivotal role in transforming Scotland's economy through targeted investments, strategic partnerships, and business development initiatives. Its achievements span key areas, demonstrating its impact on innovation, sustainability, internationalisation, and regional competitiveness.

Driving Investment and Innovation	Enhancing Global Competitiveness	Sustainable and Low-Carbon Growth

Driving Investment and Innovation

- SE supports an average of 1,250 projects annually, fostering economic growth across key industries

- In 2022-2023, SE helped position Scotland as the top UK destination for Foreign Direct Investment (FDI) outside of London, reinforcing its role in attracting international capital.

- SE has been instrumental in 407 equity capital deals, supporting high-growth businesses in securing essential funding.

- SE invested in cutting-edge innovation facilities, including the Medicines Manufacturing Innovation Centre, which advances pharmaceutical research and production.

Enhancing Global Competitiveness

- SE assisted 300 enterprises (primarily SMEs and clusters) in entering international markets for the first time, strengthening Scotland's export capabilities.

- Supported 330 new product and service launches in existing export markets, enabling Scottish companies to expand their global footprint.

- SE successfully attracted inward investment from global firms, including satellite designer Mangata, which develops low Earth orbit (LEO) satellite communication systems to improve connectivity in rural and underserved areas.

Sustainable and Low-Carbon Growth

- SE aligned with the Scottish Government's NSET by driving investments in low-carbon energy (offshore wind, hydrogen), health & wellbeing, technology & data, and advanced manufacturing.

- SE launched the Low Carbon Manufacturing Challenge Fund, supporting businesses in transitioning towards net-zero production processes.

- SE invested in the Energy Transition Zone, a key hub accelerating Scotland's role in renewable energy development.

- SE supported the construction of Scotland's first Energy Incubator and Scale-up Hub in Aberdeen, fostering cleantech innovation and green startups

Inspiring Elements of Scottish Enterprise

Scottish Enterprise exemplifies several key success factors that make it a model for regional development agencies.

Strategic Vision and Policy Alignment:

SE operates within Scotland's National Strategy for Economic Transformation (NSET) framework, ensuring its initiatives align with national economic priorities.

Robust Financial Model:

SE blends government funding with self-generated income from property rentals, investment returns, and project management fees, reducing reliance on public financing.

Internationalisation and FDI Leadership:

SE actively supports export growth and inward investment, positioning Scotland as a competitive player in global markets.

Sector-Specific Innovation Support:

SE focuses on high-growth industries such as renewable energy, life sciences, advanced manufacturing, and digital technology, ensuring Scotland remains at the forefront of global innovation.

Partnership-Driven Approach:

SE collaborates with private sector partners, academia, local authorities, and international networks, maximising impact and fostering regional synergies.

Lifelong Learning and Workforce Development:

SE invests in entrepreneurship training, business acceleration programs, and upskilling initiatives, ensuring Scotland's workforce remains competitive in a rapidly evolving economy.

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Valencian
Community,
Spain

23,255 km²

population of
5 million

IVACE+i
INSTITUTO VALENCIANO
DE COMPETITIVIDAD
E INNOVACIÓN

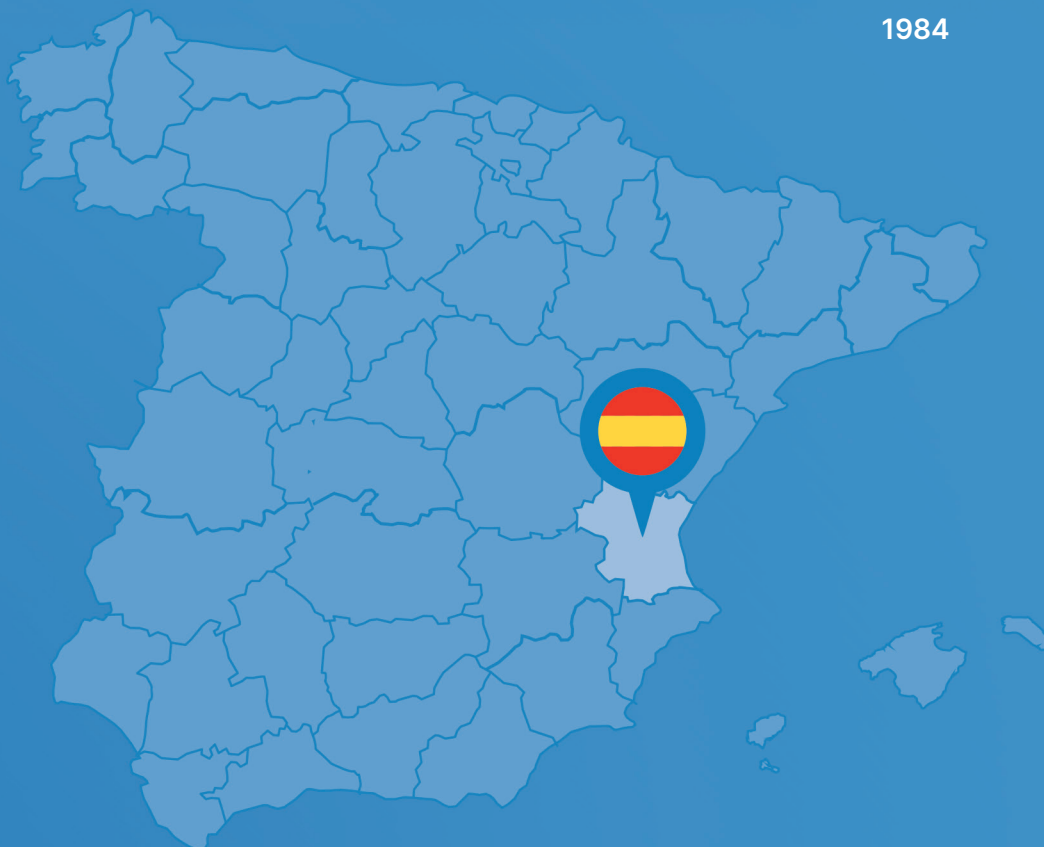# INSTITUT VALENCIÀ DE COMPETITIVITAT I INNOVACIÓ (IVACE+I)

1984

135
employees

a public entity
integrated into
the regional
government
administration

in the financial
year 2023, an
operating budget
of **€252** million

Overview

IVACE+I serves as the economic development arm of the Valencian Community, a medium-sized region in Spain that was considered lagging when Spain joined the EU. Over decades, IVACE+I has become a benchmark for fostering innovation and supporting SMEs rather than focusing on foreign direct investment (FDI). The agency plays a pivotal role in boosting regional economic competitiveness, sustainability, and global integration.

History

The Institut Valencià de Competitivitat I Innovació (IVACE+I) was established in 1984 under the name IMPIVA (Institute for Small and Medium Industry of Generalitat Valenciana) by the Regional Ministry of Economy, Industry, and Commerce. Its initial mission was to promote innovation and support small and medium-sized enterprises (SMEs) in industrial Valencia. During this period, IMPIVA focused on enhancing industrial capacity through technology, quality assurance, research and development (R&D), environmental practices, training, and promoting technological cooperation.

Recognising the need for an integrated and comprehensive approach to regional economic development, the Regional Ministry of Economy merged IMPIVA with four other regional agencies in 2013 to form IVACE:

IMPIVA
(Institute for Small and Medium Industry of Generalitat Valenciana)

I'AVEN
(Energy Agency): Focused on renewable energy and energy efficiency projects.

IVEX
(Export Promotion Agency): Supported international trade and export promotion initiatives.

IVACE

SEPIVA
(Industrial Park Management): Managed developing and administrating industrial zones across the region.

IVF
(Venture Capital Agency): Facilitated access to risk capital and financing for regional businesses.
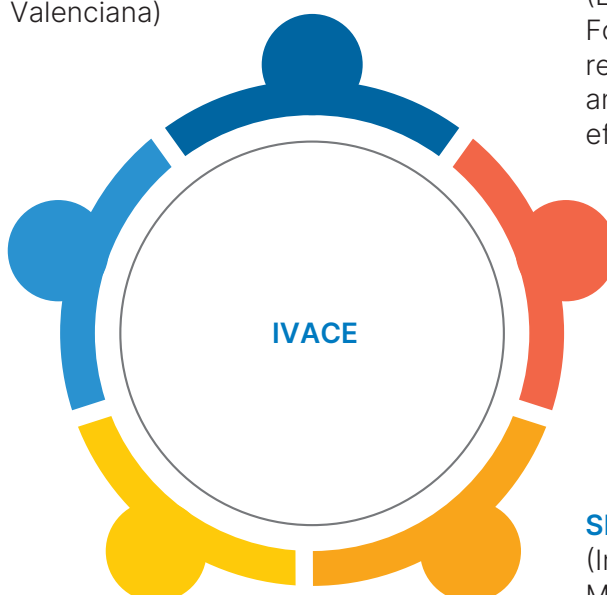
This merger allowed the new IVACE to consolidate resources and expertise, ensuring greater efficiency and alignment with regional and EU economic priorities.

In 2024, reflecting its modernised role and expanded mission, IVACE was renamed IVACE+I under Law 15/2024 on Restructuring and Modernization of the Valencian Agency for Innovation. This rebranding formalised the agency's commitment to fostering innovation and competitiveness under the strategic guidance of the Regional Ministry of Economy.

Legal form

IVACE+I operates as a public entity integrated into the regional government administration. It functions under the in-house providing model, granting it autonomy to act within the framework of regional public administration. The agency has its legal personality and full capacity to fulfil its objectives. Still, it collaborates directly with the Regional Ministry of Economy, Industry, and Commerce, ensuring its activities support regional and EU economic priorities.

The institute is governed not only by its operational regulations but also adheres to specific public sector regulations, including:

- Law 9/2019 on Fiscal Measures and Public Sector Management.
- Decree-Law 1/2011 on the Economic and Financia
- l Regime of Public Entities.
- Law 1/2015 on Public Finance, the Public Business Sector, and Subsidies.

Geographical coverage

IVACE+I serves the entire Valencian Community, an autonomous region along Spain's eastern coast. The region is divided into three provinces: Castellón, Valencia, and Alicante. It covers 23,255 square kilometres and has a population of 5 million.

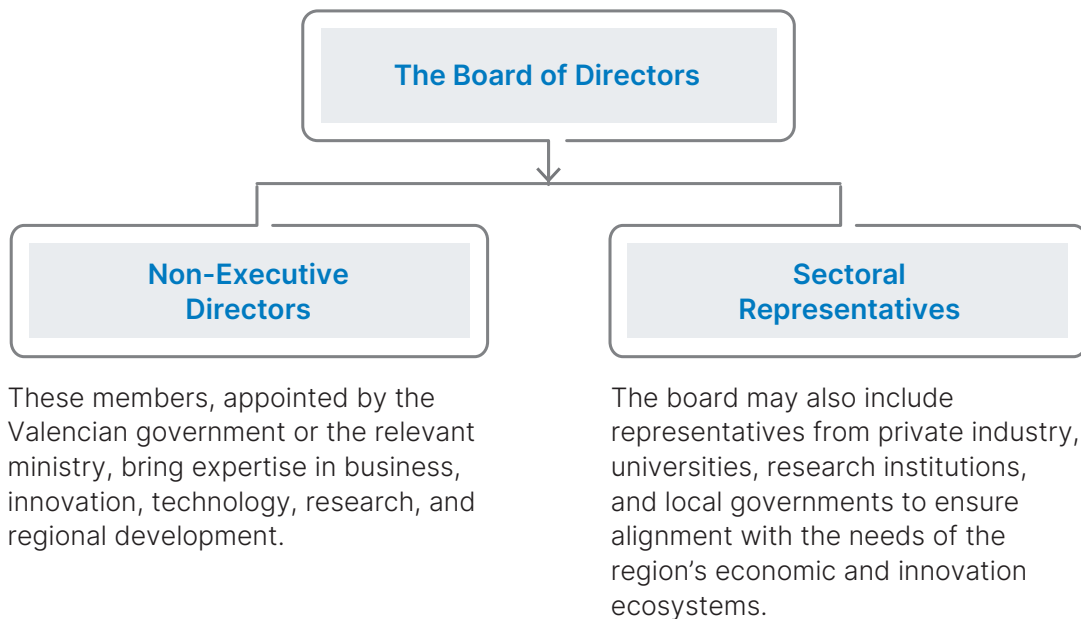Valencia's prime location on the Mediterranean coast makes it a vital hub for international trade and logistics, with a strong export-driven economy. Agriculture thrives by producing citrus fruits, rice, and almonds, while tourism draws millions annually to its beaches, cultural landmarks, and festivals. Industry is a key driver of growth in the region, with strengths in ceramics, textiles and footwear.

Governance

IVACE+I operates under a robust governance structure designed to ensure strategic alignment with regional priorities and effective management of its activities. The governance model balances political oversight with expertise from diverse sectors.

The regional minister responsible for industrial policy serves as the Chairperson of the Board of Directors by law, providing political leadership and ensuring that IVACE+I aligns with the broader objectives of the regional government. The Board of Directors is a body that governs and oversees the agency's strategic direction. It includes:

The Board of Directors

Non-Executive Directors

Sectoral Representatives

These members, appointed by the Valencian government or the relevant ministry, bring expertise in business, innovation, technology, research, and regional development.

The board may also include representatives from private industry, universities, research institutions, and local governments to ensure alignment with the needs of the region's economic and innovation ecosystems.

The Board comprises six members and one President, ensuring diverse perspectives and broad representation. Gender balance is a key consideration, reflected in the current composition of four women and two men.

The Director-General of IVACE+I, appointed by decree of the Regional Council of Ministers, plays an executive role, overseeing the agency's operations and implementing its strategic objectives. The Director-General is supported by an Assistant Directorate, who leads internationalisation and global integration efforts and ensures that IVACE+I maintains a strong international presence.

Organisational structure

IVACE+I, an organisation of 135 employees, is strategically structured to support regional business development, innovation, and internationalisation within the Valencian region.

The General Director provides strategic leadership and oversight, ensuring the organisation operates effectively and aligns with its objectives. Supporting the General Director is a centralised support division responsible for:

```
General Director
    │
    ▼
Centralised support division
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Economic and Financial Management

Maintaining fiscal responsibility and compliance with structural fund requirements.

Legal Affairs and Compliance

Ensuring adherence to legal frameworks and contractual obligations.

Human Resources

Managing staff development and operational performance.

General Services

Overseeing administrative processes and organisational logistics.

This division also coordinates the management of structural funds and incentive schemes. Operationally, IVACE+I is divided into specialised units, each focused on advancing the region's economic priorities:

Innovation Division:

This division collaborates with technological institutes, universities, and business associations to support research, development, and innovation. It bridges the gap between R&D and market application, fostering technological adoption and entrepreneurial growth.

Internationalisation Division:

Enhances global competitiveness through initiatives such as Invest CV, which attracts foreign investment, and specialised services to support businesses expanding into international markets. This division strengthens the region's integration into global value chains.

Industrial Promotion Division:

This division oversees regulatory compliance in industrial safety, legal metrology, and vehicle certification. It also manages business parks, creating a supportive infrastructure for industrial activities and fostering regional economic development.

IVACE+I
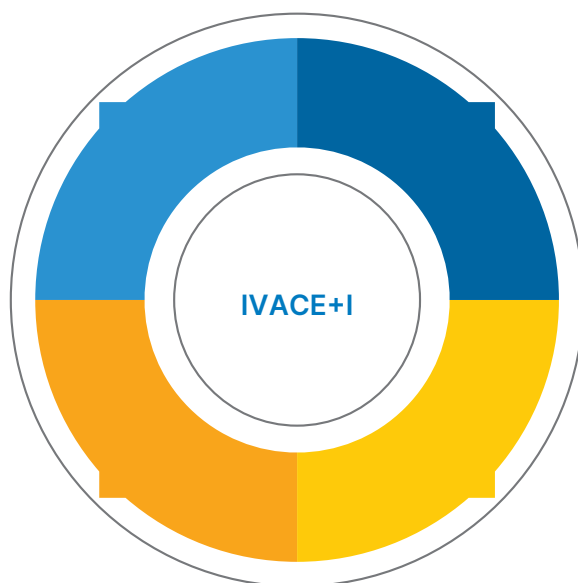
Energy Division:

This division leads efforts in sustainability and the green energy transition, focusing on energy efficiency and renewable energy projects. It aligns regional activities with EU sustainability targets.

Operational means

In the financial year 2023, IVACE+I had an operating budget of €252 million, which supported the delivery of a wide range of programmes — from managing industrial land to promoting international trade, energy efficiency, and innovation. This budget covered both programme implementation and institutional operations, including staff salaries, administrative support, and essential running costs such as office infrastructure and utilities. This substantial level of funding enables IVACE+I to achieve significant regional impact, despite operating with a relatively small workforce of just 135 employees.

IVACE+I manages EU structural funds and other incentive schemes with a total value of €207 million, and also generates revenue by providing certifications for renewable energy installations, energy efficiency in buildings, and industrial safety compliance.

Although IVACE does not directly offer equity support, it facilitates access to external financing for businesses, collaborating with national and EU institutions to help companies secure venture capital, grants, and other financial instruments. Its strategic partnerships with industry, research institutions, and government bodies further amplify its operational capacity.

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Mission

IVACE+I's mission is to spearhead the economic and industrial transformation of the Valencian Community by fostering innovation, sustainability, and internationalisation. Aligned with EU priorities, IVACE+1 aims to enhance the region's global competitiveness by supporting businesses in adopting advanced technologies, achieving environmental goals, and expanding their presence in international markets.

The agency is dedicated to creating a dynamic, innovative, and sustainable economic ecosystem by driving initiatives that empower local businesses and strengthen regional development.

Key Objectives include:

Promoting Competitiveness and Innovation:

IVACE works to improve the competitiveness of Valencian businesses through technological advancement, research and development, and collaboration between research institutions and industry. Special emphasis is placed on helping SMEs and start-ups adopt Industry 4.0 practices and develop cutting-edge solutions.

Supporting Internationalisation:

IVACE facilitates the integration of local businesses into global value chains through tailored programs like Invest CV. This helps companies access international markets, attract foreign direct investment, and expand their export capabilities.

Advancing Sustainable Development:

In alignment with the EU's Green Deal and regional sustainability targets, IVACE drives initiatives in energy efficiency, renewable energy, and carbon footprint reduction. The agency provides technical guidance, certifications, and funding for businesses to adopt environmentally responsible practices.

Enhancing Industrial Infrastructure:

IVACE manages and promotes industrial sites owned by the regional government, ensuring they serve as a strong foundation for economic activities. This includes overseeing business parks, facilitating compliance with safety standards, and advancing legal metrology practices.

Driving Regional Economic Transformation:

As a key player in implementing Valencia's Smart Specialisation Strategy (RIS3), IVACE directs regional resources toward high-potential sectors, fostering growth and innovation. This ensures that the region remains agile in adapting to technological and market changes.

IVACE+I plays a leading role in modernising the Valencian economy, fostering resilience, and supporting its transition to a knowledge-driven, sustainable, and globally competitive economic model through these initiatives.

IVACE+I also serves as the General Secretariat of FORO ADR, the Spanish National Association of Regional Development Agencies (RDAs), actively contributing to the coordination and representation of RDAs at the national level.

Portfolio of activities

Aside from the provision of services to allow certification of renewable energy installations for tax deductions and the management and dissemination of the Valencia Region's industrial land map, IVACE+I's portfolio of activities can be clustered around six key topics:

Key Activity Topics	Type of Activities
Strategy Development & Implementation	Implementing the regional industrial strategy through activities in internationalisation, R&D innovation, sustainable energy, Industry 4.0, industrial land and investments.
	Contributing to the drafting and implementation of the Smart Specialisation Strategy (S3), focusing on high-potential regional sectors.
	Promoting and marketing industrial sites owned by the regional to attract investment and support economic growth
Business support	Providing consultancy and advice on intellectual property, including patents, trademarks, utility models, and industrial designs.
	Offering European business services through Enterprise Europe Network (EEN), including guidance on accessing EU programmes and finding European partners.
	Delivering technical and administrative advice on industrial safety, legal metrology, and regulatory compliance
Innovation	Conducting innovation diagnostics (Innovacció-CV) to assess the innovation capacity of businesses and recommend improvements.
	Certifying R&D&I projects for tax deductions aimed at researchers, SMEs, and start-ups.

	Supporting technology generation and transfer through collaborations with regional Technology Centres.
	Providing technical advice on R&D and innovation projects to enhance competitiveness and innovation capacity.
Sustainable development	Certifying renewable energy installations for tax deductions to promote green transitions.
	Certifying energy efficiency in buildings to align with EU and regional sustainability goals.
	Delivering technical advice on sustainable energy initiatives tailored for SMEs, encouraging eco-friendly practices.
Internationalisation	Developing reports, publications, and market analyses on international sectors and opportunities for regional businesses.
	Promoting the external visibility of products and services from the Valencian region in global markets.
	Offering specialised grants for internationalisation, including export training programmes to help businesses expand globally.
	Providing technical and administrative support to attract investments and foster cross-border collaborations.
Financial instruments	IVACE does not directly offer equity support but facilitates access to grants and funding mechanisms for innovation, energy, and internationalisation projects.

Achievements

IVACE+I has demonstrated its capacity to drive innovation, internationalisation, and regional competitiveness by effectively managing networks, partnerships, and specialised support services. Ket achievements include:

Leadership in Technological Innovation	**Management of 11 Technological Centres:** IVACE oversees a network of technological centres that support key productive sectors and multi-sector technologies, driving business competitiveness through research and innovation. These centres cater to diverse industries, including wood, metal, and furniture (AIDIMME), toys (ARI), plastics (AIMPLAS), food (AINIA), textiles (AITEX), biomechanics (IBV), shoes (INESCOP), ceramics (CCI), energy (ITE), packaging (ITENE), and information and communication technologies (ITI). These centres provide cutting-edge resources and expertise, enhancing innovation and technological advancement across the Valencian economy.

REDIT Network: In 2001, IVACE facilitated the creation of the Network of Technological Institutes of the Valencian Community (REDIT). This private non-profit association integrates and represents the region's 11 technological centres. This network has enhanced collaboration, knowledge exchange, and innovation processes across sectors, ensuring alignment with local economic priorities.

Advancing Internationalisation	**Global Presence in 28 Cities:** IVACE provides strategic support to 35 priority markets through its international offices. These offices offer businesses critical insights into legislative frameworks, incentives, and services, enabling them to access global opportunities effectively.

Market Commission: IVACE collaborates with exporters' associations, the Council of Chambers of Commerce of the Community, and ICEX Spain Export and Investment to identify priority markets and deliver tailored support for exporters.

Driving Regional Collaboration	**Enterprise Europe Network (EEN):** IVACE coordinates the regional Enterprise Europe Network (EEN), which connects local businesses with European opportunities and fosters cross-border collaboration.

Transregional Projects: IVACE has been pivotal in leading or participating in EU-funded projects under programs such as Horizon Europe, INTERREG, and EEN.

Inspiring elements of IVACE +1

IVACE demonstrates several best practices and success factors that can inspire other regional development agencies, including:

Specialised Support Structures:

The agency's organisational structure, focusing on delivering tailored support through 11 technological centres, provides a replicable model for fostering sectoral innovation and competitiveness. This approach could be adapted to the Ukrainian context to address regional economic needs.

Technology Mapping:

Through the REDIT Knowledge Map (available at REDIT Knowledge Map), IVACE demonstrates an innovative way to align technological capabilities with sectoral demands, offering a clear framework for strategic decision-making.

Capacity for EU Projects:

IVACE's ability to lead or partner in transregional projects highlights its strong project management capabilities and its ability to build trust and collaboration with regional and European stakeholders. This positions it as a key enabler of EU-funded initiatives.

Integrated Internationalisation Strategy:

The company's global presence in 28 cities and collaboration with local market commissions showcase a cohesive strategy to support businesses' access to international markets. This approach can inspire regions aiming to boost global competitiveness.

Emilia Romagna, Italy

22,000 km²

4.5 million residents

ART-ER
ATTRACTIVENESS
RESEARCH
TERRITORY

ATTRATTIVITÀ RICERCA TERRITORIO IN EMILIA ROMAGNA (ART-ER)

2019

224 staff members

not-for-profit joint-stock consortium funded by public entities

in the financial year 2023, an operating budget of **€23.5** million

Overview

ART-ER (Attrattività Ricerca Territorio) serves as a model for regional development agencies (RDAs) by integrating cluster-based strategies and pioneering social economy initiatives.
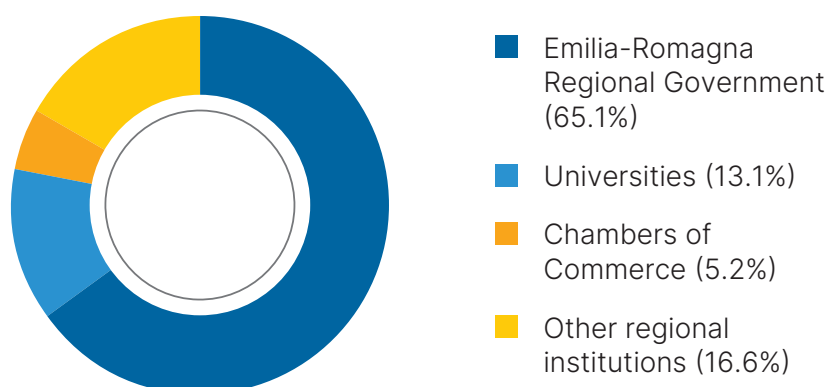
History

ART-ER was established in 2019 by merging two entities with complementary missions. **ERVET**, founded in 1974 as the Territorial Development Agency of the Emilia-Romagna Region, specialised in sustainable regional planning and development. **ASTER**, created in 1985, focused on managing the Emilia-Romagna High Technology Network, which included industrial research laboratories and innovation centres. ASTER provided research, expertise, and resources to local businesses, driving innovation and enhancing the region's competitiveness. These entities combined their strengths to form ART-ER, creating a unified organisation that promotes innovation, regional growth and sustainability.

Legal form

ART-ER operates as a not-for-profit joint-stock consortium funded by public entities.

The shareholders include:

- Emilia-Romagna Regional Government (65.1%)
- Universities (13.1%)
- Chambers of Commerce (5.2%)
- Other regional institutions (16.6%)

ART-ER's mission and activities align with the objectives outlined in Regional Law 1/2018, as amended. The organisation adheres to the in-house providing model, following its internal regulations and European Union guidelines. This model ensures that ART-ER operates on a not-for-profit basis, focusing on activities that serve the public interest and the specific objectives of its shareholders.

The organisation implements its mandate through multi-year and annual programmes, formalised via agreements and commitments with its shareholders. These agreements require shareholders to contribute to a consortium fund, stipulating that at least 80% of ART-ER's turnover must originate from tasks directly assigned by the shareholders. Any additional activities designed to generate economies of scale or enhance efficiency are permitted only if they support and complement the company's core objectives. This ensures that all external activities remain aligned with ART-ER's overarching purpose.

Geographical coverage

ART-ER covers the entire area of Emilia Romagna, which is composed of nine provinces of Italy: Bologna, Ferrara, Forlì-Cesena, Modena, Parma, Piacenza, Ravenna, Reggio Emilia, and Rimini. The region spans approximately 22,000 square kilometres and is home to around 4.5 million residents. Emilia-Romagna is characterised by its diverse economic landscape, which includes thriving industrial zones, agricultural regions, and a strong cultural and tourism sector.

Governance

ART-ER operates under a robust governance structure that includes a President, a Board of Directors comprising five members, and a Technical Scientific Committee (TSC). The TSC provides expert opinions on the annual activity program, oversees monitoring and guidance, and conducts scientific evaluations of the Emilia-Romagna High Technology Network. Additionally, a general assembly of stakeholders is convened annually to align activities with shareholder objectives.

The Board of Directors reflects a gender-balanced composition, with three female and two male members, ensuring diversity and representation across sectors such as business associations, scientific institutions, and universities. The Chairman, a senior advisor in circular economy with extensive experience in public utilities, is appointed by the Regional Government. The remaining board members are nominated by the General Assembly, ensuring inclusive decision-making and sectoral expertise.

Organisational structure

ART-ER's organisational structure includes the General Directorate and the Operational Department, coordinated by the Managing Director. The General Directorate provides strategic oversight, planning, and administrative support, managing functions such as Planning and Strategic Operations, Administration, Human Resources, IT Systems, and Communication and External Relations.

The Operational Department implements ART-ER's initiatives and oversees 11 specialised departments, including Digital Transition, Research Infrastructures, Territories and Attractivity, Structural Funds, Europe and Internationalization, Sustainable Development, and others. ART-ER employs 224 staff members across its departments to effectively support its diverse operations and regional development goals.

Mission

ART-ER aims to foster sustainable growth in the Emilia-Romagna region by enhancing innovation, knowledge, attractiveness, and internationalisation. This mission is pursued through several key objectives:

Developing the Regional Innovation System:

ART-ER collaborates with research centres, companies, and educational institutions to share ideas, skills, tools, and resources, strengthening the region's competitiveness.

Promoting Sustainable Development:

The agency focuses on initiatives that support environmental sustainability and the transition to a green economy, aligning with regional and national sustainability goals.

Enhancing Attractiveness and Interna-tionalisation:

ART-ER makes Emilia-Romagna more attractive to investors and international partners, facilitating the region's integration into global markets.

Supporting Business Growth and Competitiveness:

By providing support to startups and existing businesses, ART-ER aims to foster entrepreneurship and enhance the regional economy's competitiveness.

Facilitating Collaboration and Knowledge Transfer:

The agency coordinates networks and clusters to promote collaboration among various stakeholders, ensuring effective knowledge transfer and innovation.

Operational means

In the financial year 2023, ART-ER had an operating budget of €23.5 million, supported by 224 employees. This budget covered both programme delivery and institutional operations, including staff salaries, administrative support, and essential running costs such as office infrastructure and utilities. The budget is primarily sourced from regional government funding, contributing approximately €20.4 million, with an additional €3.1 million from European projects.

ART-ER operates from two premises in Bologna and maintains a network of antennas in each Technopole, referred to as S3 Areas. Since 1990, it has also managed a branch office in Brussels, established by the Regional Delegation, to strengthen its engagement at the European level and foster international collaboration.

Portfolio of activities

Aside from the provision of services to allow certification of renewable energy installations for tax deductions and the management and dissemination of the Valencia Region's industrial land map, IVACE+I's portfolio of activities can be clustered around six key topics:

Key Activity Topics	Type of Activities
Strategy Development & Implementation	Conducting data mining and establishing observatories for policymaking in partnership with key data providers at both national and regional levels.
	Advising the Regional Government and local authorities on policy design, implementation, monitoring, and assessment.
	Coordination and support to the Regional High Technology Network
	Researching the region's territorial, economic, and social assets.
	Planning, implementing, and managing infrastructure for regional development (e.g. Bologna Technopole)
	Working closely with local administrations, businesses, vocational and higher education institutions.
	Assisting regional stakeholders in designing, managing, monitoring, and evaluating strategic projects and programmes.
Business support	Promoting the competitiveness and development of manufacturing systems and enhancing environmental sustainability through infrastructure projects and social innovation initiatives.
	Supporting the distribution and management of available incentives.
Innovation	Coordinating and supporting regional innovation, including start-ups and fostering business creation.
	Managing a network of clusters.
Sustainable development	Contributing to the region's sustainability region through policy planning advice to local administrations, SMEs, and clusters.
	Management of the Energy and Sustainable Development Cluster.
Internationalisation	Facilitating participation in and development of European and international projects and networks.
Financial instruments	ART-ER does not directly offer equity support but assists stakeholders in accessing financial instruments through other mechanisms.

Achievements

ART-ER has played a pivotal role in driving innovation, research, and sustainable development in Emilia-Romagna, strengthening the region's reputation as a global leader in technology and innovation. ART-ER has set benchmarks for regional development agencies in Italy and Europe through strategic coordination of clusters, advanced research infrastructure, and effective governance. Its achievements include:

Innovation and Research Leadership:

- Emilia-Romagna is recognised as the leading region in Italy for gross expenditure on research and innovation per resident.

- Contributed to establishing the region as a global hub for supercomputers and data centres, including the ECMWF METO Data Centre and LEONARDO, the 6th most powerful supercomputer in the world (Top500, June 2023).

- Attracted the UN University on Big Data and AI for Human Habitat Change, enhancing the region's reputation in advanced technology and artificial intelligence.

Cluster Network and High Technology Ecosystem:

- Coordinates and sustains a network of nine clusters in agro-food industries, construction, mechatronics and automotive engineering, health and wellbeing, culture and creative industries, services innovation, energy and sustainable development, tourism, and urban economy.

- Operates 10 Technopoles, 89 accredited industrial research laboratories, and 15 innovation centres, forming the Regional High Technology Network to foster regional innovation.

EU Project Leadership and Funding Capacity:

- Actively involved in EU projects and networks, ranking among the top EU regions in absorption capacity for Cohesion Funds.

- Created a specialised infrastructure for accounting, monitoring, and evaluating EU and national programmes, facilitating funding requests, project design, and reporting for initiatives such as Cohesion Funds and emergency responses (e.g., earthquakes and flooding).

Innovative Governance and Benchmarking:

- Pioneered the in-house providing model, integrating ERVET and ASTER into ART-ER, serving as a benchmark for other Regional Development Agencies in Italy and Europe.

Inspiring Elements of ART-ER

ART-ER exemplifies several best practices and preconditions for success, making it a model Regional Development Agency (RDA). Key elements include:

Strong Governance:

ART-ER demonstrates effective governance by integrating public and private stakeholders, ensuring balanced decision-making and alignment with regional priorities.

Policy Advisory Role:

The agency provides strategic advice to regional and local authorities, assisting in the design, implementation, and monitoring of policies, particularly in areas like innovation, sustainable development, and internationalisation.

Diverse Human Resources:

ART-ER's workforce consists of professionals with expertise in economics, territorial development, law, public administration, engineering (e.g., energy and environment), psychology, social policies, culture, creativity, and participatory processes. This diversity enables comprehensive approaches to regional challenges.

Talent Attraction Strategy:

ART-ER has successfully developed and implemented the Regional Talent Attraction Strategy, which has become a model for other regions, such as Puglia, Italy, in addressing workforce needs and fostering innovation.

Cluster and Technopole Management:

The agency oversees a network of nine clusters and 10 Technopoles, alongside 89 accredited research laboratories and 15 innovation centres. It fosters collaboration and knowledge transfer across agri-food, energy, mechatronics, and creative industries.

ART-ER's integrated approach to governance, expertise, policy advisory, and innovation ecosystem management provides valuable lessons for other RDAs aiming to enhance their impact on regional development.

35

provinces of Gelderland and Overijssel, eastern Netherlands
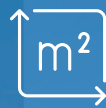
8,288 km²

3.7 million

Ontwikkeling-smaatschappij van Oost-Nederland (OOST NL)

2004

179 staff members

a public-private entity

in the financial year 2023, an operating budget of **€6.8** million

oost nl

Overview

Oost NL (Development Company East Netherlands) is a dynamic regional development agency (RDA) for the provinces of Gelderland and Overijssel in the Netherlands. Evolving from its origins as a ministerial initiative, Oost NL exemplifies a place-based approach to fostering economic innovation, sustainability, and entrepreneurship. The agency is a key connector between regional stakeholders, leveraging strategic investments, cluster-based strategies, and international partnerships to strengthen the region's competitiveness and drive sustainable growth.

History

Oost NL was established through a strategic partnership among its founding stakeholders: the Ministry of Economic Affairs and Climate, the provinces of Gelderland and Overijssel, and the University of Twente. These founders shared a vision to create a regional development agency to address economic disparities and empower entrepreneurs to innovate, grow, and shape a sustainable future.

The agency's origins date back to the establishment of three separate entities: the Overijssel Province Development Company (OOM) in 1975, the Gelderland Development Agency (GOM) in 1978, and ESKAN in 1993, which served the Arnhem-Nijmegen region. Each organisation brought valuable expertise in supporting businesses, promoting innovation, and addressing regional economic challenges. Recognising the need for a unified approach, the founders merged these organisations in 2004 to form Oost NL.

From its inception, Oost NL has placed entrepreneurs at the heart of its mission, providing them with the tools, resources, and networks needed to accelerate innovation and bring their ideas to market. By fostering collaboration between businesses, academia, and government, Oost NL has become a driving force behind the region's entrepreneurial ecosystem.

Legal form

Oost NL operates as a public-private entity, combining public funding with private-sector approaches to achieve its goals. The agency is commissioned by the Ministry of Economic Affairs and Climate and the provinces of Gelderland and Overijssel to pursue public objectives while leveraging entrepreneurial strategies. Its legal framework allows for strategically deploying public funds to support regional economic growth and innovation.

The agency's shareholders include:
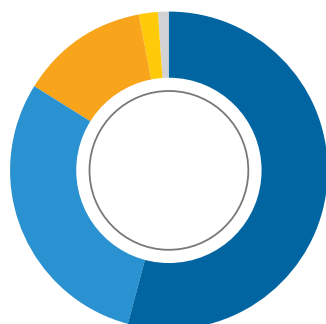
- The Ministry of Economic Affairs and Climate (54.6%)
- Gelderland Province (29.8%)
- Overijssel Province (13.2%)
- University of Twente (2% stake)
- Region Twente (1% stake)

Oost NL follows a not-for-profit operational model, reinvesting its revenues into activities that align with its mission to foster sustainable and inclusive growth.
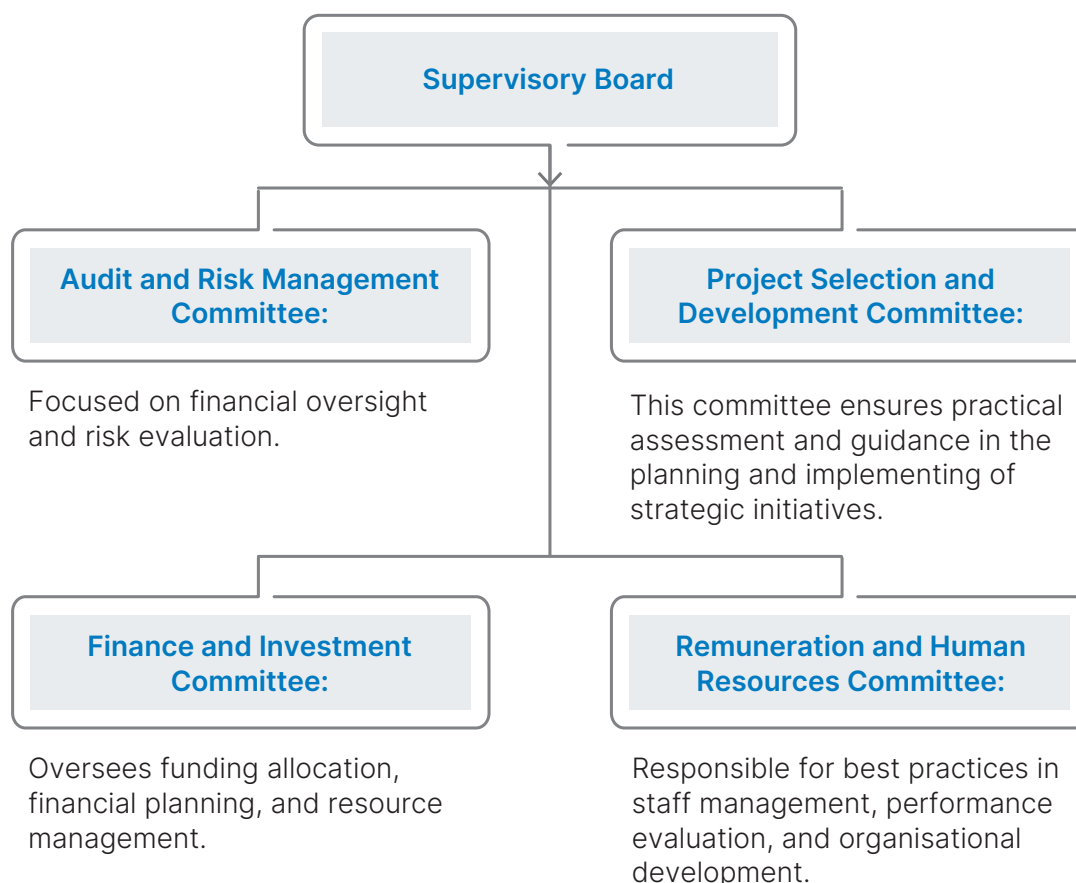
Geographical coverage

Oost NL serves the provinces of Gelderland and Overijssel in the eastern Netherlands, covering a combined land area of approximately 8,288 square kilometres and home to a population of 3.7 million. This region boasts a diverse and innovative economy with strong industrial clusters, vibrant SMEs, and cutting-edge sectors such as food, energy, and high technology. Its strategic proximity to Germany and access to EU markets make it an attractive location for international business and investment.

Governance

Oost NL's governance structure reflects its public-private partnership roots, ensuring diverse representation and accountability. Its Supervisory Board consists of five members (3 female and 2 male), each bringing expertise in key areas essential for the organisation's strategic oversight and operational performance.

The Supervisory Board operates through four key subcommittees, each chaired by one of the members (excluding the Chairperson):

Supervisory Board

Audit and Risk Management Committee:

Focused on financial oversight and risk evaluation.

Project Selection and Development Committee:

This committee ensures practical assessment and guidance in the planning and implementing of strategic initiatives.

Finance and Investment Committee:

Oversees funding allocation, financial planning, and resource management.

Remuneration and Human Resources Committee:

Responsible for best practices in staff management, performance evaluation, and organisational development.

The Supervisory Board is appointed by Oost NL's shareholders, including the Ministry of Economic Affairs and Climate Policy, the Province of Gelderland, the Province of Overijssel, the University of Twente, and the Twente Region. This ensures diverse stakeholder representation and alignment with shareholder objectives.

Oost NL is also a member of ROM Netherlands, the national association of regional development agencies, which fosters collaboration and shares best practices across the country.

Organisational structure

Oost NL's organisational structure is designed to ensure efficient management and execution of its regional development objectives. The structure includes:

Executive Management Team:

The team comprises five members who oversee the agency's strategic direction and operational performance. These include the General Manager, International Director, Director of Risk Capital, Director of Business Development, and Director of Finance, Risk, and operations.

Staff Unit:

This unit, which comprises 33 employees, handles internal operations, including human resources, finance, IT, and administration. It ensures smooth day-to-day operations and provides strategic back-office support for the organisation.

Capital Unit:

Employing 55 staff, this unit manages financial instruments, including equity investments, loans, and funds. It supports businesses by providing funding solutions and strategic co-investments to drive innovation and regional economic growth.

Oost NL's organisational structure

Busness Development Unit:

The largest unit, with 64 employees, supports startups, SMEs, and scaling companies through tailored programs. It also coordinates sector-specific initiatives to foster competitiveness and innovation across industries.

International Unit:

With 22 staff members, this unit leads internationalisation efforts, facilitating trade missions, cross-border collaborations, and foreign investments. It connects regional businesses to global markets, enhancing global competitiveness.

Oost NL employs 179 staff members with expertise in investment, innovation, internationalisation, and sectors such as food, energy, health, logistics, and the circular economy. This multidisciplinary approach enables the agency to address diverse regional challenges effectively.

Operational means

In 2023, Oost NL had an operating budget of €6.8 million, supported by public contributions from its shareholders and revenues from managed investments and loans. This budget covers both programme implementation and institutional operations, including staff salaries, administrative support, and essential running costs such as office infrastructure and utilities. The agency acts as a fund manager for various investment vehicles designed to support innovative and sustainable businesses. These include:

Participatiefonds Oost NL:

This fund primarily finances promising innovative startups and fast-growing companies in the provinces of Gelderland and Overijssel. It also invests in market funds with a similar scope, spreading risk and extending reach through a leverage effect.

Innovatiefonds Overijssel:

Focused on strengthening the socio-economic structure and competitiveness of the Overijssel region, this fund supports innovative enterprises contributing to regional development. Innovatiefonds Twente BV and Innovatiefonds Overijssel I BV merged on December 23, 2023, to streamline investments and activities under Innovatiefonds Overijssel I.

Topfonds Gelderland:

Dedicated to accelerating the conversion of high-quality knowledge from institutions like the universities of Twente, Eindhoven, and Wageningen, as well as TNO and ECN, into successful international companies. Topfonds Gelderland invests in innovative high-tech startups, fostering growth and market entry.

In 2023, the cumulative investments under these funds exceeded €65 million, supporting diverse initiatives in sustainable food, healthcare, technology, and smart energy sectors. Additionally, Oost NL facilitated access to European funding, securing €311 million investments through programmes like Horizon Europe and cross-border partnerships.

Oost NL maintains a presence in Brussels to strengthen its engagement at the European level and foster international collaboration. This facilitates participation in European networks and programmes, aligning regional capabilities with European opportunities.

Mission

Oost NL's mission is to foster a thriving entrepreneurial ecosystem in Gelderland and Overijssel by accelerating innovations, driving sustainable transitions, and promoting regional competitiveness. Its core objectives include:

Strategic Public Investment:

Leveraging government funding to support innovative companies through loans, risk capital, and financial incentives.

Entrepreneur-ship Support:

Guiding businesses from ideation to scaling with tailored programs and mentorship.

Sustainability and Social Impact:

Promoting green transitions and fostering socially responsible businesses.

Internationali-zation:

Connecting local businesses to global markets while attracting foreign investments.

Regional Competitiveness:

Strengthening industrial ecosystems and fostering collaboration among businesses, research institutions, and public authorities. Strengthening industrial ecosystems and fostering collaboration among businesses, research institutions, and public authorities.

Portfolio of activities

Oost NL's activities are structured around six key clusters, driving innovation, business growth, investment, and sustainability. Aligned with national and EU priorities, these initiatives support entrepreneurship, key industry sectors, internationalisation, and the transition to a circular economy.

Key Activity Topics	Type of Activities
Strategy Development & Implementation	Contribute to elaborating and managing measures defined by the Ministry of Economy & Climate Change, provincial governments, and regional cities.
Business support	Providing tailored assistance to businesses across all stages of growth, from 'idea to scaling' Offering support to enterprises in key sectors such as health, food, energy, circular economy, and high technology Assisting companies in finding appropriate premises, from labs and offices to warehouses and shared facilities
Innovation	Running the Start-up Readiness Programme, a three-module initiative that guides entrepreneurs from proof-of-concept to market readiness Operating the Growth Accelerator, focusing on knowledge, network expansion, and financing solutions Facilitating sectoral innovation through dedicated clusters, including Food Valley, Health Valley, and Tech Valley.
Sustainable development	Launching energy innovation demonstrators and schemes to promote agricultural sustainability. Supporting businesses that prioritise social and environmental impact. Providing expert advice and resources to encourage adopting circular economy practices.
Internationalisation	Organising custom fact-finding trips for foreign companies interested in the East Netherlands region. Promoting the region as a competitive location with a high quality of life and access to 500 million EU consumers.
Financial instruments	Managing funds like Participatiefonds Oost NL, Innovatiefonds Overijssel, and Topfonds Gelderland to provide equity investments and loans. Offering investment readiness training, such as the ;How2Finance' initiative. Supporting early-stage and growth-stage companies through strategic funding partnerships (equity investments).

Achievements

Oost NL has consistently demonstrated its impact through strategic initiatives and measurable outcomes, solidifying its role as a leading RDA in the Netherlands. Key achievements include:

Adopting a Multi-Annual Plan:

Oost NL implemented a strategic multi-annual plan focusing on achieving social and economic impact. This coherent approach provides a framework for targeted use of resources, strengthening innovative entrepreneurial ecosystems across the Eastern Netherlands.

Driving Investment in Innovation:

Oost NL has supported promising and innovative companies using risk capital and loans through direct and indirect investments. It manages funds made available by the Ministry of Economic Affairs and Climate, as well as the provinces of Gelderland and Overijssel, ensuring alignment with regional economic policies.

Establishing a Business Angels Network:

Oost NL has created a network of 150 business angels, offering investments ranging from €50,000 to €250,000, primarily supporting startups. This network not only provides vital funding but also mentorship to emerging enterprises.

Risk Capital Success Stories:

The agency has achieved notable successes in the field of risk capital, with several impactful exits showcasing its ability to support businesses from inception to growth.

Advancing Internationalisation:

In 2023, Oost NL facilitated over 40 foreign direct investments in high-value sectors such as life sciences and renewable energy. It also organised custom fact-finding missions and trade delegations, connecting SMEs to international markets and expanding their global reach.

Strengthening Innovation Clusters:

Oost NL has reinforced key ecosystems like Food Valley, Health Valley, and Tech Valley. These clusters have become centres of excellence, driving advancements in biotechnology, renewable energy, and digital health technologies through collaboration among research institutions, businesses, and government entities.

Promoting Sustainability:

The agency has launched programs to accelerate green transitions, such as the Smart Energy Hubs Project, which integrates renewable energy solutions into regional infrastructure, setting benchmarks for scalable energy systems in manufacturing and agriculture.

Expanding Entrepreneurship Support:

In 2023, Oost NL's Growth Accelerator Programme supported over 60 companies, providing tailored mentorship, funding opportunities, and networking resources critical for their success from ideation to scaling.

Inspiring Elements of Oost NL

Oost NL exemplifies best practices and preconditions for success, offering valuable insights for RDAs worldwide. Notable elements include:

Visionary Leadership:

From its inception, Oost NL was guided by a clear vision and mission defined by its founders, focusing on regional innovation, sustainability, and entrepreneurship.

Robust Risk Capital Capabilities:

Its powerful risk capital department, coupled with the Business Angels Network, effectively supports startups and scaling enterprises, providing funding and mentorship.

Tailored Entrepreneurial Support:

Oost NL employs a segmented approach, offering customised assistance to businesses based on their needs rather than a one-size-fits-all model. This ensures targeted and efficient support for entrepreneurs interested in the region.

Multi-Annual Work Plan:

The 2022–2025 work plan emphasises coherence and alignment with regional priorities, guiding strategic actions to maximise impact.

Responsive to Stakeholder Needs:

Oost NL's ability to provide tailor-made services, such as meeting the specific requirements of key shareholders like the Province of Gelderland, highlights its flexibility and stakeholder-focused approach.

the Northeast Region of Romania

36,850 km^2

3.3 million

ADR®
Agenţia pentru Dezvoltare Regională
N O R D - E S T

Agentia pentru Dezvoltare Regionala Nord-Est (ADR N.E.)
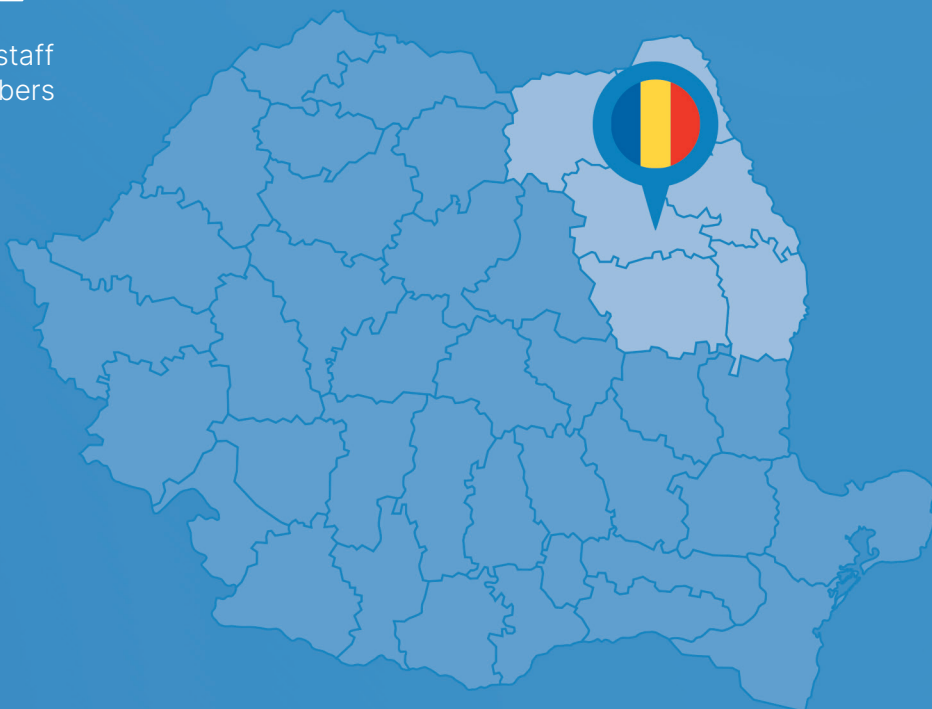
1998

242 staff members

a non-governmental, for-profit organisation of public interest

in the financial year 2023, an operating budget of **€11.3** million

Overview

The North-East Regional Development Agency (ADR N.E.) is a cornerstone of Romania's regional development landscape. Established to drive socio-economic growth, sustainability, and innovation, ADR N.E. has played a transformative role in leveraging European Union (EU) funding to elevate the North-East Region from one of Romania's most underdeveloped areas to an emerging hub of innovation and competitiveness.

History

ADR N.E. was founded in 1998 as Romania's first regional development agency under the National Law on Regional Development (Law no. 151/1998). Since its inception, the agency has continuously expanded its institutional capacity by leveraging opportunities from EU PHARE CEE and R&D programs, grant contracts, ministerial investment initiatives, and service agreements.

In 2007, ADR N.E. signed a contract with the Government of Romania as the implementing body for the European Regional Development Fund (ERDF) Regional Operational Programme (ROP) 2007–2013. This milestone solidified its role in managing EU funds and advancing the region's socio-economic development.

Since then, the agency has expanded its scope and responsibilities, becoming the Managing Authority for the Regional Programme North-East 2021–2027. It now oversees €1.75 billion in EU funding, focusing on strategic priorities such as sustainability, digital transformation, and urban mobility. ADR N.E. remains dedicated to enhancing regional competitiveness, fostering partnerships, and driving initiatives that support economic and social growth.

Legal form

ADR N.E. is a non-governmental, for-profit organisation of public interest established under Law no. 315/2004. Owned entirely by public authorities, the agency operates autonomously while aligning with national and regional development policies.

The agency's shareholders include: County Presidents, Mayors of county capitals, Mayors of small and medium towns and the Mayors of rural communes.

As a publicly owned entity, ADR N.E. collaborates with its stakeholders to implement regional strategies and manage EU-funded programmes, ensuring that its activities are directly linked to the public interest and the socio-economic growth of the Northeast Region.
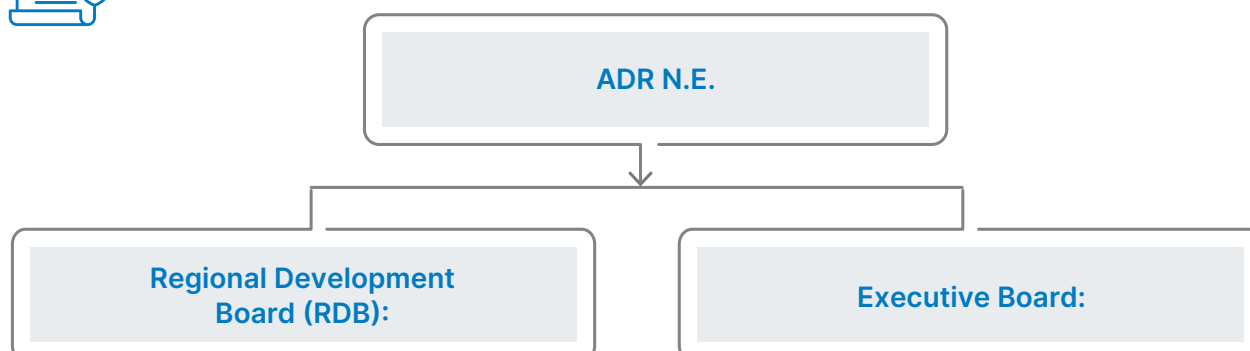
Geographical coverage

ADR N.E. serves the Northeast Region of Romania, a NUTS 2 Area encompassing six counties: Bacău, Botoșani, Iasi, Neamț, Suceava, and Vaslui. The Northeast Region covers 36,850 square kilometres and has a population of approximately 3.3 million, accounting for 16.6% of Romania's total population. Despite historical socio-economic challenges, the region has emerged as a focal point for innovation and sustainability, driven by ADR N.E.'s healthcare, tourism, green energy, and digital transformation initiatives.

Governance

ADR N.E.'s governance model, following Romanian Law no. 315/2004, prioritises inclusivity and regional representation, operating through two central bodies:

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                    ┌─────────────────────┐
                    │       ADR N.E.      │
                    └─────────────────────┘
                              │
              ┌───────────────┴───────────────┐
   ┌──────────────────────┐      ┌──────────────────────┐
   │ Regional Development  │      │   Executive Board:   │
   │      Board (RDB):     │      │                      │
   └──────────────────────┘      └──────────────────────┘
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Comprising 24 members (out of which 2 are women), the RDB represents the region's political and administrative leadership, including:

- 6 County Presidents
- 6 Mayors of county capitals
- 6 Mayors of small and medium towns
- 6 Mayors of rural communes

The RDB defines ADR N.E.'s strategic direction, approves regional development plans, and ensures alignment with regional priorities. Leadership rotates annually among county presidents. The President of the RDB is selected from the group of County Presidents and rotates annually, ensuring equal representation and leadership from all counties. The presidency also changes in response to electoral outcomes, reflecting the current political landscape and ensuring the board remains representative of the region's governance structure.

This board consists of economic directors from each county and oversees financial and operational performance, including budget approval and strategic initiative implementation.

The Director of ARD NE also serves as the President of the Romanian Association of RDAs.

Organisational structure

ADR N.E.'s organisational structure is designed to effectively deliver on its mission to drive socio-economic development in the North-East Region of Romania. The agency operates through specialised directorates, ensuring strategic, operational, and administrative excellence. ADR N.E. employs a dedicated team of 242 staff members distributed across its 10 directorates to support its diverse operations. The management team maintains gender balance, with five women and five men leading the 10 directorates. These directorates and their roles include:

1 Directorate-General:

Provides overall leadership, aligning operations with the agency's mission and strategic objectives. The Directorate-General ensures ethical practices, professional behaviour, and team collaboration.

2 North-East Regional Programme Directorate (2021–2027):

Responsible for the management and implementation of the Regional Programme, ensuring compliance with EU regulations, monitoring project progress, and maintaining alignment with regional priorities.

4 Directorate for Communication, Innovation, and External Cooperation:

This directorate manages the agency's communication strategy, promoting the ADR N.E. brand and fostering external partnerships. It also supports regional innovation and facilitates cross-border collaborations.

3 Regional Operational Programme Intermediate Body Directorate:

This directorate plays a critical role in coordinating and implementing EU-funded projects under the ROP, overseeing project approvals, funding allocation, and compliance with programme objectives.

5 Directorate of the Regional Centre for North-East Studies:

This agency hub acts as a research and analysis hub, conducting studies on economic, social, and territorial development. It provides evidence-based insights to inform policymaking and strategic planning.

6 Business Development Directorate:

This directorate drives the region's entrepreneurial ecosystem by offering tailored support to businesses. This includes fostering innovation, facilitating startups, and enhancing the competitiveness of regional SMEs.

7 Economic Directorate:

Oversees financial management, resource allocation, and budgeting to support the agency's operations and ensure the sustainability of its initiatives.

8 Internal Audit Directorate:

This directorate ensures compliance with efficiency and ethics standards by conducting regular audits. It also enhances transparency and operational effectiveness.

9 Legal and Human Resources Directorate:

This department provides legal advisory services and manages the agency's human resources. It includes ensuring compliance with labour laws, fostering a supportive work environment, and facilitating staff development.

10 Health Directorate:

Oversees the implementation of the Health Programme in the North-East Region, focusing on improving healthcare infrastructure, innovation, and accessibility through EU-funded initiatives.

Operational means

The budget for running ADR N.E.'s operations has grown significantly, reflecting its expanding responsibilities and activities. The agency's operational budget increased from approximately €45,683 in 1999 to approximately €11.3 million in 2023. This budget supports both programme implementation and institutional operations, including staff salaries, administrative functions, and essential operating costs such as office infrastructure and utilities. This growth highlights ADR N.E.'s ability to adapt to its evolving role and effectively manage large-scale regional and EU-funded programmes.

As the Managing Authority for the North-East Regional Program 2021–2027, ADR N.E. oversees a budget of €1.75 billion allocated across eight strategic priorities:

Regional Competitiveness
(€420.07 m)

Digitalization
(€101.11 million)

Sustainability, Energy, and Biodiversity
(€301.88 m)

Urban Mobility
(€277.31 million)

Accessibility and Regional Connections
(€182.16 m)

Education
(€192.10 million)

Regional Attractiveness (Tourism, Culture, and Creativity)
(€120.41 m)

Technical Assistance for Public Admin Capacity Building
(€74.23 m)

In addition to managing the Regional Operational Programme, ADR N.E. is the Intermediary Body for the EU Health programme (2021 - 2027) with a budget of €729 million and has also actively participated in 112 International projects with a combined budget of €14,13 million, fostering crossborder collaborations in energy transition, digital transformation, and entrepreneurship out of which 10 are funded by donors like DFID (Department for International Development), Foreign & Commonwealth Office, Startup Activator, Diaspora Restart.

These projects demonstrate the agency's ability to attract additional EU funding and facilitate regional integration into European networks.

ADR N.E.'s extensive experience as an Intermediate Body for the Regional Operational Program (2007–2013 and 2014–2020) laid the foundation for its current leadership role, demonstrating its operational and strategic capacity to effectively manage EU cohesion policy funds.

Since 2020, ADR N.E. has maintained a Representation Office in Brussels to strengthen its engagement with European institutions and foster collaboration with international partners. This office is pivotal in securing EU funding opportunities and ensuring the North-East Region benefits from cross-border cooperation programmes.

Mission

ADR N.E. is committed to driving the economic and social development of the North-East Region of Romania. By developing and promoting innovative strategies, attracting and capitalising on resources, and fostering collaborative partnerships, ADR N.E. aims to create a sustainable, inclusive, and competitive regional economy.

The following key objectives guide the agency's mission:

Strategic Infrastructure Development:

Improving regional infrastructure through efficient use of EU funding for urban mobility, digital connectivity, and public services.

Planning and Programming:

Developing and implementing strategic plans and programmes that leverage regional strengths, align with EU priorities, and maximise funding opportunities.

Capacity Building and Project Development:

Strengthening the skills of regional stakeholders to design, implement, and manage successful projects while providing tailored support to public and private actors for project preparation and funding applications.

Fostering Innovation and Entrepreneurship:

Supporting startups, SMEs, and research institutions to drive innovation in digital transformation and green energy sectors.

Attracting High-Value Investments:

Positioning the region as a competitive destination for domestic and international investors, bringing jobs and advanced technologies.

Promoting Regional Competitiveness:

Facilitating partnerships and leveraging smart specialisation strategies to enhance economic strengths.

Cultural and Tourism Development:

Boosting eco-tourism, creative industries, and regional branding to attract visitors and investors.

Empowering Communities:

Engaging citizens and local communities to ensure inclusive development across rural and urban areas.

Portfolio of activities

As the Managing Authority for the ERDF regional operational programme, ARD NE plays a central role in shaping and implementing regional strategies, ensuring effective resource allocation, and driving territorial development.

ARD NE's activities are structured around six key areas, emphasising innovation, business growth, sustainability, and regional competitiveness. These initiatives align with national and EU priorities, support economic development, enhance regional capabilities, and facilitate market access and the attraction of investments.

The portfolio of activities can be clustered around six key topics:

Key Activity Topics	Type of Activities
Strategy Development & Implementation	Acting as the Managing Authority for the ERDF regional operational programme.
	Leading the spatial planning and programming efforts, including urban and tourism development.
	Facilitating the design and implementation of the smart specialisation strategy.
	Providing vocational training to build local capacity and align with regional priorities.
	Overseeing the management of regional development and health programmes.
Business support	Supporting the entrepreneurial ecosystem by providing tailored assistance to start-ups, SMEs and scaling businesses.
	Promoting collaboration between companies, public authorities and Universities
	Provision of integrated support to the tourism sector, including capacity building.
Innovation	Promoting the innovation ecosystem by facilitating technology transfer and supporting innovative projects.
	Auditing firms' innovation capabilities and supporting innovative projects.
	Connecting companies and R&D+I centres to promote collaboration and innovation.
Sustainable development	Implementing the S3 Strategy through calls for projects such as innovation in energy provision and low-carbon production.
	Supporting eco-friendly tourism.
Internationalisation	Attracting foreign investment to the region.
	Supporting the internationalisation of firms and helping them access global markets.
	Facilitating strategic partnerships and cross-border cooperation to enhance collaboration and regional integration.
Financial instruments	ADR N.E. does not directly provide equity support

Achievements

ADR N.E. has demonstrated significant achievements across its key focus areas, establishing itself as a leader in regional development in Romania. By leveraging EU funds, fostering innovation, and supporting sustainable development, the agency has delivered transformative results for the North-East Region. Key achievements include

Leadership in Managing EU Funds

Managing Authority for the Regional Operational Program 2021–2027: ADR N.E. manages a budget of €1.75 billion across eight strategic priorities, focusing on regional competitiveness, digitalisation, sustainability, urban mobility, and education.

Successful Intermediate Body for EU Programs: During the 2007–2013 and 2014–2020 programming periods, ADR N.E. efficiently implemented the Regional Operational Programme, laying the foundation for its role as a Managing Authority.

Fostering Innovation and Entrepreneurship

- RubikHub Initiative: Launched in 2017, RubikHub has become the largest entrepreneurial space in North-East Romania, supporting over 300 startup founders and raising more than €55 million in investments for startups across various sectors, including MedTech, AI, and aerospace.
- Digital Innovation Zone: ADR N.E. developed the first European Digital Innovation Hub in Romania, bridging digital skill gaps and fostering transformation through modern tools, optimised services, and public-private partnerships.
- Startup Accelerator Programs: Supported over 4,000 participants through tailored startup programmes, facilitating over 120 startup events, 100 investor connections, and mentoring over 300 startups in emerging technologies.

Advancing Sustainable Development

- Smart Specialisation Strategy (S3): ADR N.E. has driven the implementation of S3, focusing on key sectors like health, digitalisation, and green innovation, aligning the region with EU sustainability priorities.
- Green Urban Mobility Initiatives: Developed eco-tourism and sustainable transportation projects that promote green transitions in urban areas and align with the circular economy.
- Smart Energy Hubs: Initiated programs to integrate renewable energy solutions and improve energy efficiency in manufacturing and agriculture.

Boosting Regional Competitiveness

- North-East Regional Studies Centre: This centre provides evidence-based insights to inform policymaking and supports strategic planning. It has become a critical tool for capacity building among public administrators and enterprise managers.
- IMAGO-MOL Cluster: Established Romania's premier medical imaging cluster with 71 members, offering cutting-edge telehealth and AI-driven medical imaging solutions, positioning the region as a leader in healthcare innovation.

Enhancing Internationalisation

- Cross-Border Cooperation: ADR N.E. has participated in 88 international projects with a budget of €11 million, fostering collaborations in energy transition, digital transformation, and entrepreneurship.

- Representation Office in Brussels: Opened in 2020, this office strengthens ADR N.E.'s engagement with European institutions and international partners and facilitates access to additional funding opportunities.

- Foreign Direct Investment Attraction: ADR N.E. has positioned the region as an attractive destination for international investors, driving economic growth and job creation through its initiatives.

Cultural and Tourism Development

- Regional Attractiveness Initiatives: Invested in tourism and creative industries, allocating €120.41 million under the 2021–2027 Regional Operational Program to promote the region's cultural heritage and eco-tourism.

- Eco-Tourism Platforms: Developed projects that promote environmentally friendly tourism, ensuring sustainable economic development in rural areas.

Building Administrative Capacity

- OECD Collaboration: Developed the Administrative Capacity Roadmap in partnership with the OECD, outlining measures to enhance the efficiency of regional actors and public institutions in managing EU funds.

- Training for Regional Stakeholders: Delivered capacity-building programmes to improve project development and management skills, benefiting local authorities and SMEs.

Inspiring Elements of ADR N.E.

ADR N.E. exemplifies several best practices and preconditions for success, making it a valuable model for regional development agencies. Key elements include:

From Initiative to Key Regional Player:

ADR N.E. has grown from a citizen-led initiative into a cornerstone of regional development, demonstrating the impact of grassroots innovation when paired with institutional support.
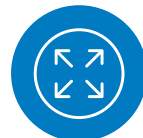
Evolution into an EU Managing Authority:

The agency's transformation from an initiative providing basic regional support to a fully-fledged Managing Authority for the ERDF Regional Operational Program highlights its capacity to adapt, scale, and lead in implementing EU-funded programs.

Inclusive Governance Model:

ADR N.E. ensures broad representation of regional and local authorities in its governance structures, fostering alignment with stakeholder priorities and reinforcing its legitimacy as a public-interest entity.

CONCLUSION

The case studies analysed in this report illustrate the diverse legal frameworks, governance models, missions and activities, financial strategies and operational approaches that define successful RDAs across Europe. Despite differences in national and regional contexts, common patterns emerge that offer valuable insights for Ukraine as it refines its approach to regional development. These insights highlight the need for a balanced governance structure, clearly defined missions, sustainable funding mechanisms and well-structured operational frameworks that enable RDAs to drive economic resilience and regional innovation effectively.

Legal Frameworks

RDAs across Europe operate under varying legal frameworks, reflecting different levels of decentralisation and economic policy priorities. While their structures differ, public ownership remains fundamental, ensuring alignment with long-term regional economic strategies and national policy objectives.

There are several legal forms under which RDAs operate:

State-Created RDAs:

Established directly by national governments, sometimes in partnership with regional and provincial governments, these agencies function as economic development arms supporting business growth, investment attraction, and competitiveness. RDAs in the Netherlands, such as the Oost NL model, are co-financed by the national government and regional provinces to ensure their strategies align with national economic goals and regional development priorities.

RDAs Established by National Regulation:

Some agencies, such as the former English RDAs, were created through government policy frameworks as part of a broader devolution strategy. The national government did not directly run these agencies but instead governed by regional boards that included business leaders, local authorities, and other regional stakeholders. While funded and regulated nationally, they were designed to operate independently.

RDAs Created Through Decentralisation:

In countries with strong regional government involvement, such as Spain (IVACE+I), Italy (ART-ER), RDAs function as extensions of regional economic governance, managing regional innovation, investment policies, and Smart Specialisation Strategies (S3). While their creation is rooted in decentralisation processes, they have also been formally established through ad hoc regional legislation, which provides a specific legal framework for their operation.

RDAs Under the Right of Association:

Formed as public-private partnerships or associations, as in Romania (ADR Nord-Est), Bulgaria, Belgium, and France, where regional governments and/or regional stakeholders co-own and co-finance RDAs to ensure local economic development priorities are met.

Ad Hoc Public Legislation RDAs:

Established through specialised legal frameworks, enabling municipalities and public entities to co-own RDAs. This model is particularly common in Belgium, where municipalities and regional public entities jointly establish RDAs as cooperative structures, sometimes in partnership with business chambers or other economic development organisations. These RDAs function as locally managed public institutions, focusing on regional economic development, investment promotion, business support, and cluster development.

Governance & Boards
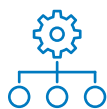
[1] This is the exception rather than the rule.

RDAs governance structures ensure strategic oversight, accountability, and alignment with national and regional economic priorities. Typically, RDAs operate under multi-stakeholder governance models, incorporating representatives from national[1] and regional governments, municipalities, business associations, universities, and financial institutions. This structure fosters collaborative decision-making and ensures that RDAs remain responsive to public and private sector needs.

RDA boards are appointed through various mechanisms, depending on the governance framework of each country. Scottish Enterprise is an example of a centrally governed RDA, where the national government appoints the board, with independent business leaders contributing strategic insights. Similarly, in Italy and Spain, regional governments are responsible for appointing the boards of RDAs such as ART-ER and IVACE+I, ensuring that regional economic strategies align with local governance priorities. Oost NL operates under a shared governance model in the Netherlands between the national and provincial governments, reflecting its role in regional and national economic strategies.

Some RDAs follow pre-determined participation models, where board composition is defined by legislation or statute. ADR Nord-Est in Romania operates under such a structure, with board representation allocated to key regional public institutions.

In certain governance frameworks, boards may also have self-appointing mechanisms or be structured within associated networks, where specific organisations hold designated seats to ensure balanced representation and strategic continuity. These governance approaches provide institutional stability and long-term policy consistency, ensuring RDAs can adapt to evolving economic priorities while maintaining accountability.

While governance models vary across Europe, gender diversity in leadership remains an area of progress for some RDAs and a challenge for others. ART-ER in Italy, for example, maintains a gender-balanced board with three women and two men. At the same time, ADR Nord-Est in Romania has an equal representation of men and women on its management team. However, many RDAs still have male-dominated leadership structures, making gender balance a key area for improvement.

Ultimately, the diversity in board appointment models across Europe highlights the importance of aligning governance structures with national and regional economic development strategies. While some RDAs operate with strong government oversight, others emphasise stakeholder-driven governance, reinforcing the critical role of public-private collaboration in shaping regional economic policies.

Missions and Activities

RDAs play a central role in shaping economic development by supporting business growth, fostering innovation, attracting investment, and implementing sustainability initiatives. Their missions reflect regional and national priorities, often aligning with EU policies such as Smart Specialisation Strategies (S3) and the Green Transition. While their specific focus varies, common objectives include strengthening SME competitiveness, promoting research-industry collaboration, developing human capital, and driving regional investment strategies and anticipating emerging trends and challenges to proactively address future economic needs.

RDAs engage in a broad set of activities tailored to their economic context to achieve these goals. They provide business support services, facilitate venture capital and grant funding, and manage business incubation and acceleration programmes. Many also serve as investment promotion agencies to attract foreign direct investment and integrate regional economies into global markets.

Innovation is another key area, with RDAs acting as intermediaries between businesses, research institutions, and public authorities to promote technology transfer and commercialisation. Increasingly, RDAs are incorporating sustainability objectives, helping businesses transition to low-carbon, circular economy models while managing regional development programmes focusing on energy efficiency and green growth.

In addition to their economic development functions, RDAs contribute to regional strategic planning and policy advisory work, often managing EU-funded programmes and coordinating public-private partnerships. They support workforce development and skills training initiatives, ensuring that regional labour markets can meet evolving industry needs. Many RDAs also focus on place branding and regional marketing, positioning their regions as attractive destinations for investment, innovation, and entrepreneurship.

These activities reinforce the role of RDAs as key facilitators of economic transformation. They adapt their missions to changing economic landscapes while ensuring alignment with national and European strategic priorities.

Financial Sustainability: Core Public Funding

Many RDAs manage substantial public budgets, with core funding primarily provided by national and regional governments and contributions from regional stakeholders such as municipalities. This ensures a stable financial base for long-term economic planning and implementation, allowing RDAs to operate effectively within their mandates. Additional funding is sourced from European Structural and Investment Funds (ESIF), project-based revenues, and self-generated income streams such as venture capital, consultancy services, and business support programmes.

The size of an RDA's budget varies significantly based on its scope, economic context, and policy mandate.

While national and regional governments provide the essential core funding, ESIF and other external funding mechanisms enable RDAs to expand their impact through targeted investments in infrastructure, innovation, and SME development. This balance between core public funding and additional revenue sources ensures financial sustainability, allowing RDAs to respond flexibly to regional economic priorities.

For example:

■
Scottish Enterprise had total funds of £351 million in 2023, with £106 million directed towards operating expenditure, including staff salaries, management services, office infrastructure, ICT, and utilities.

■
ARD Nord Est in Romania had an operating budget of €11.3 million in 2023 and manages €1.75 billion under the NE Regional Programme 2021 - 2027and acts as the intermediary body for EU Health Programme 2021 - 2027 with a total allocation of €729 million.

■
In 2023, IVACE+I managed €252 million to support institutional operations and programme implementation, drawing on regional government contributions and revenue from services provision.

■
ART-ER in Italy had an operating budget of €23.5 million in 2023 with the regional government providing €20.4 million and an additional €3.1 million from European Projects.

■
Oost NL in the Netherlands had an operating budget of €6.8 million in 2023 and is managing investment funds exceeding €65 million.

These figures highlight the significant financial responsibility RDAs hold in managing public and European funds. Public funding remains essential to sustain core operations and strategy implementation and ensure long-term regional impact.

The most effective RDAs operate under multi-annual financial agreements, allowing them to implement transformational projects without the uncertainty of short-term budget cycles.

Operational Structure: Specialised Teams for Delivery
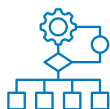
RDAs require structured internal teams with clear functional mandates to implement their economic strategies effectively. Most agencies follow a model where a central directorate provides strategic oversight, ensuring policy alignment, institutional coordination, and governance compliance. Within this framework, specialised divisions focus on business development, investment promotion, innovation support, and regional programme management.

Given the broad scope of RDA responsibilities, they require significant staff resources, which vary based on the scale of regional operations. The largest RDAs in Europe typically operate with several hundred to over a thousand employees, while smaller agencies function with more compact teams.

For instance, Scottish Enterprise in the UK and ADR Nord-Est in Romania are among the most well-resourced RDAs. SE, covering Scotland with a population of 4.9 million, employs over 1,310 Staff, reflecting its broad mandate in business support, skills development, investment attraction, and innovation. Similarly, ADR Nord-Est serves the 3.3 million residents of North-East Romania and has a team of 242 staff, primarily focused on managing EU Structural Funds.

Other RDAs operate at a smaller scale but remain highly specialised. IVACE+I in Spain, which serves the Valencian Community with a population of 5 million, operates with 135 employees, managing sectoral innovation hubs, energy transition projects, and internationalisation initiatives. Meanwhile, ART-ER in Italy, covering the Emilia-Romagna region with a population of 4.5 million, has 224 staff members, with dedicated teams for cluster development, EU project management, and industrial innovation. Oost NL in the Netherlands, serving the provinces of Gelderland and Overijssel with a population of 3.7 million people, employs 179 staff in the Netherlands, focusing on venture capital, investment promotion, and entrepreneurship.

At the smaller end of the spectrum, ROM Utrecht in the Netherlands, serving a region of 1.5 million people, employs 57 staff and primarily supports business incubation and innovation funding.

The structuring of RDA operations closely aligns with their strategic focus and regional economic priorities. RDAs with broad mandates and diverse economic responsibilities, such as Scottish Enterprise and ADR Nord-Est, require large teams with cross-sector expertise to support business development, foreign investment, skills training, infrastructure projects and the management of EU funding programmes.

In contrast, more specialised RDAs - such as IVACE+I, ART-ER, and Oost NL -prioritise innovation, cluster development, and venture capital investment, requiring teams with technical expertise in research commercialisation, digital transformation, and business scaling. Their structures are designed to support key regional

industries and align with Smart Specialisation Strategies (S3), ensuring resources are directed towards high-value economic sectors.

The diversity of legal frameworks, governance models, missions, financial strategies, and operational structures among European Regional Development Agencies (RDAs) reflects the dynamic nature of regional development across different contexts. Despite this diversity, common elements that can be identified - such as strong public ownership, multi-stakeholder governance, sustainable financing mechanisms, and specialised operational teams - offer valuable lessons for Ukraine.

Key Lessons for Ukraine

1 Clearly Defining Relationships and Responsibilities

It is important to clearly define the roles and relationships between RDAs and public authorities – who is responsible for what tasks and how they should work together. Clear governance structures promote accountability, reduce overlaps, and enhance the coordination of development initiatives. Establishing formal mechanisms for collaboration between RDAs, regional authorities, and national ministries will foster a cohesive approach to regional policy implementation.

2 Aligning Resources with Missions & Ensuring Financial Sustainability

For RDAs to fulfil their mandates effectively, it is essential that their resources are aligned with their assigned missions while ensuring financial sustainability. Each objective - whether improving business infrastructure, supporting SME growth, or enhancing innovation capacity - demands specialised skills and substantial resources. Policymakers must ensure that RDAs are equipped with adequate financial, human, and technical resources to deliver on their objectives.

Resource alignment should be strategic, reflecting both the scope of activities and the specific socio-economic needs of each region. At the same time, securing stable funding from public administrations at both national and regional levels provides a foundation for long-term planning and execution. Diversifying funding sources, including leveraging EU funds, international donor support, and private-sector partnerships, is critical to enhancing financial resilience. Together, these elements create a robust framework that enables RDAs to operate effectively, adapt to changing circumstances, and achieve sustainable regional development outcomes.

3 Transforming Regional Policy into Applied Science

RDAs should adopt an evidence-based approach to regional development, transforming policy into applied science. This involves robust data collection, the application of artificial intelligence, and the use of regional competitiveness intelligence to design result-oriented strategies. Data-driven decision-making enables RDAs to identify priority areas, tailor interventions to regional contexts, and effectively measure their initiatives' impact. Continuous learning from empirical evidence will help RDAs adapt to emerging challenges and opportunities.

4 Promoting Place-Based, Inclusive Development Strategies

The success of RDAs depends on their ability to implement place-based policies that reflect each region's unique socio-economic characteristics. By prioritising regional strengths, addressing specific challenges, and promoting inclusive, bottom-up development strategies, RDAs can promote sustainable growth. Engaging local stakeholders, including civil society, businesses, and academic institutions, ensures that development initiatives are grounded in the realities of the communities they serve.

5 Enhancing National Coordination and Policy Coherence

Coordination at the national level is vital for knowledge transfer, policy coherence, and avoiding unnecessary competition between regions. A well-structured national framework can facilitate the sharing of best practices, promote inter-regional collaboration, and ensure that regional efforts align with overarching national development goals. National-level support should also include capacity-building programmes and technical assistance to strengthen the institutional capabilities of RDAs.

6 Fostering High-Level Innovation and Transformative Change

RDAs should maintain a strategic focus on high-level innovation, positioning themselves as catalysts for transformative change rather than overlapping with market activities. By fostering ecosystems that support cutting-edge research, technological advancement, and entrepreneurial growth, RDAs can drive regional competitiveness. Supporting innovation clusters, industrial, science and technology parks, and start-up ecosystems will contribute significantly to Ukraine's sustainable development.

GLOSSARY

A   **Administrative Region:** A territorial unit defined for governmental and statistical purposes, often corresponding to NUTS classifications in Europe.

Ad Hoc Public Legislation: Specific legal frameworks established to regulate the creation and operation of RDAs.

Attractiveness Programs: Strategies designed to increase the appeal of a region to investors, businesses, and talent.

B   **Business Ecosystem:** The network of interacting organizations, including suppliers, customers, and regulators, within a region.

Business Incubator: A facility or program designed to support startup companies through shared resources, mentoring, and financial assistance.

C   **Clusters:** Groups of interconnected businesses, suppliers, and associated institutions in a particular field, boosting regional competitiveness.

Cohesion Policy: European Union policy aimed at reducing disparities between regions through financial instruments such as the ERDF and ESF.

Competitiveness Intelligence: Data-driven analysis to assess and enhance a region's economic strengths.

D   **Decentralization:** The transfer of authority from central to regional or local governments.

Digital Transition: The shift toward integrating digital technologies into all aspects of economic and social activity.

E   **Economic Development Organization (EDO):** Organizations focused on economic growth through business support and investment attraction.

Entrepreneurial Infrastructure: Support structures such as incubators, industrial parks, and co-working spaces that facilitate business growth.

EU Structural Funds: Financial instruments provided by the European Union to support regional development and cohesion.

EURADA European Association of Development Agencies

F   **Foreign Direct Investment (FDI):** Investments made by a foreign entity into a domestic business or region.

Foro ADR National Association of Regional Development Agencies in Spain

Funding Mechanisms: The various sources of financial support available to RDAs, including public grants, private investments, and EU funds.

G **Governance Framework:** The system of rules, practices, and processes that direct RDAs' operations.

Green Transition: Policies and initiatives aimed at promoting sustainability and environmental responsibility in regional development.

I **Innovation Ecosystem:** The interconnected environment of research institutions, businesses, and policymakers supporting innovation.

Intermediate Body: An organization that manages and distributes EU funds on behalf of a managing authority.

Investment Readiness Scheme: Programs designed to prepare businesses to attract investment capital.

L **Local Action Groups (LAGs):** Community-led rural development initiatives financed by the European Agricultural Fund for Rural Development (EAFRD).

Logic-Intervention Approach: A structured methodology for defining goals, processes, and outcomes in regional development planning.

M **Managing Authority:** The entity responsible for overseeing the implementation of EU-funded programs.

Mission Statement: A formal summary of an RDA's objectives and operational scope.

Multilevel Governance: A system in which decision-making responsibilities are shared across different levels of government.

N **Nomenclature of Territorial Units for Statistics (NUTS):** A classification system used by the EU to standardize regional divisions for economic analysis and funding distribution.

O **Operational Means:** The tools, financial resources, and policies used by RDAs to execute their mandates.

Organizational Structure: The hierarchy and functional divisions within an RDA.

P **Place-Based Strategy:** A regional development approach that tailors policies to local economic and social conditions.

Portfolio of Activities: The range of services and projects undertaken by RDAs, including business support, investment attraction, and regional marketing.

Public-Private Partnership (PPP): A collaborative arrangement between government agencies and private sector entities to fund and implement projects.

R   **Regional Branding:** Strategies aimed at enhancing a region's image to attract investment, talent, and tourism.

          Regional Intelligence: Data collection and analysis used to guide regional policy decisions.

          Reshoring: The process of bringing production and services back to a region from abroad.

          RDA: Regional Development Agency

S   **Smart Specialisation Strategies (S3):** EU policy framework encouraging regions to develop unique strengths in specific industries.

          Social Economy: An economic system focused on social impact rather than profit, including cooperatives and social enterprises.

          Statutory Bodies: Official governing entities responsible for overseeing RDAs' operations.

T   **Talent Attraction and Retention:** Initiatives aimed at drawing skilled professionals to a region and keeping them engaged in the local economy.

          Territorial Marketing: Promotional activities designed to highlight a region's economic advantages and attract investors.

          Technology Transfer: The process of commercializing innovations from research institutions into market-ready products and services.

U   **Unitary State:** A centralized governmental system where regional governance functions are limited or delegated from the national government.

V   **Venture Capital Funds:** Financial mechanisms used by RDAs to support startups and innovative enterprises.

W   **Workforce Development:** Training and education programs aimed at improving the skill levels of the regional labor force.

Y   **Youth Entrepreneurship:** Programs that encourage young individuals to start and grow their businesses through financial and mentorship support.