

## **EURADA Contribution to the European Commission's consultation on the future European Innovation Act**

Brussels, Belgium, October 2025

EURADA, the European Association of Development Agencies, represents more than 50 RDAs (Regional Development Agencies) across over 14 countries. RDAs are on the frontline of implementing innovation support and translating EU measures into concrete opportunities for SMEs and startups.

For that reason, it is important to recognise the important role RDAs can play as implementers of sandboxes, intermediaries for valorisation and co-investments in innovation ecosystems, and critical actors in creating links among different innovation actors and ecosystems. This would increase speed, scalability, and cohesion.

EURADA's feedback on the future European Innovation Act (henceforth EIA) focuses on the following points:

### **Access to finance**

Access to finance is one of the biggest hurdles for scaling innovative companies, and too often the problem is not the lack of funds but the complexity of rules to access them. RDAs are on the frontline in supporting SMEs in navigating this very complex landscape. EURADA, therefore, recommends that the EIA provides for stronger simplification of funding procedures, with clearer criteria and harmonised reporting across different local, national, and EU funding sources, so that SMEs can effectively benefit from these instruments.

At the same time, the EIA should encourage the use of more innovative financing models, within these public instruments, e.g. IP-based guarantees or quasi-equity. This would allow startups and scaleups to secure growth capital locally.

### **Public Procurement as a Regional Driver**

Public procurement is one of the strongest tools for scaling innovation, and it is overwhelmingly carried out by regional and local authorities. To unlock its potential, the EIA should support capacity-building for regional buyers and provide practical model contracts, giving local authorities the tools and confidence to purchase innovative solutions. The EIA should also facilitate joint cross-border procurement pilots led by RDAs and municipalities. By pooling demand across regions, such pilots would enable SMEs to access

EURADA. European Association of Development Agencies  
Rue de la Loi, 155 – 1040 Bruxelles - [info@eurada.org](mailto:info@eurada.org)

larger initial markets, speed up their entry into the Single Market, and demonstrate the scalability of their solutions beyond national borders. In this way, procurement would not only serve local needs but also become a strategic lever for spreading innovation across Europe.

### **Unlocking Regional R&I Potential**

A great deal of knowledge is generated in regional universities, clusters, and SMEs, but remains under-commercialised. The EIA could support the creation of regional brokerage hubs to connect public research results with companies and buyers. Anchoring these hubs in Smart Specialisation Strategies would ensure that innovations respond to regional strengths while feeding into the wider Single Market. This also means to have good access to the European Innovation Council and there programs.

### **Talent Development Beyond Capitals**

Attracting and retaining talent is a Europe-wide challenge, but the problem is especially acute outside major innovation hubs. The EIA should promote mobility schemes for innovators between regions, with a specific focus on less innovative regions, so that skills and expertise circulate more widely. It should, in other words, support place-based talent scheme that offers targeted incentives for innovators in less developed regions, provides matching funds for regional talent development projects, and establishes mobility networks to connect skilled people. At the same time, talent measures should be aligned with regional skills strategies and Smart Specialisation priorities, ensuring that human capital development matches the innovation needs of each territory. This would help spread innovation capacity more evenly across Europe, avoiding concentration in a handful of metropolitan hubs.

### **Making Regulation Work Locally**

Simplifying EU rules is necessary, but innovation policies often fail in the last mile of implementation. Many permits, standards, and authorisations are enforced at regional or local level, and this creates overlaps and inconsistencies across governance levels. RDAs already support companies daily in navigating this complexity — advising on certification, state aid, environmental permits, and compliance with EU programmes. The EIA should therefore not only simplify rules on paper but also ensure that simplification is felt by SMEs in practice. EURADA supports the promotion of coordinated

regulatory sandboxes (safe regulatory spaces to pilot and scale innovative solutions), which would share common EU principles but allow for regional adaptation. This approach would avoid fragmentation while enabling innovators to test and grow under realistic conditions, with results recognised across the Single Market.

## Conclusion

In conclusion, the EIA should take into full account the regional perspective, as Europe's regions show very different levels of innovation capacity, specialisation areas, and ecosystems, which must be reflected in the design and implementation of the Act. The EIA should make it easier for innovators to access finance, strengthen the role of public procurement as a driver of innovation, unlock underused regional R&I potential, promote talent development beyond capitals, and ensure regulation is effective at the local level. These priorities will only succeed if Regional Development Agencies are fully recognised and empowered within place-based ecosystems. By doing so, the EU can spread innovation capacity more evenly, turning Europe's diversity into a true competitive advantage.