

# Towards levelling up the EIP-AGRI – a common framework for multilevel functional capacity development

Lisa van Dijk, Susanne von Münchhausen,  
Andrew Fieldsend and Mark Redman

April, 2023

**Policy  
Brief**

## EXECUTIVE SUMMARY

- In 2012, the European Commission launched the European Innovation Partnership for Agricultural Productivity and Sustainability (EIP-AGRI) as a tool for ‘speeding up’ innovation in agriculture, forestry and related sectors across the European Union (EU) by means of collaboration and knowledge sharing between diverse actors.
- There is, however, ample evidence to show that the capacity to innovate varies widely across the EU, both between Member States and regions, as well as organisations, sectors, innovation partnerships and projects.
- A Common Framework for Multi-level Capacity Development (CF4CD) is required to address this ‘innovation gap’. In other words, it is necessary to develop the ‘functional capacities’ (i.e., ‘soft skills’ such as the ability to listen, reflect and learn) needed by diverse actors across the EU to utilise and co-ordinate technical capacities.
- The proposed CF4CD consists of five core elements, namely (1) a focus on development of the functional capacities necessary for the effective implementation of the EIP-AGRI (2) on three (micro-, meso- and macro-) levels (3) through five capacity development (CD) principles (4) by the adoption and adaptation of existing CD support mechanisms (5) based upon a self-assessment tool for functional capacity.
- The five CD principles are (1) enhance networking and collaboration, (2) work with diversity, (3) create space and ability to act, (4) foster reflection and learning, and (5) promote fair governance on multiple levels.
- This Policy Brief is addressed, in particular, to policy makers and programme managers at EU, national and regional levels, especially (but not only) those concerned with the implementation of the EIP-AGRI.
- As well as describing the CF4CD, this Policy Brief introduces the reader to several support mechanisms that are currently used by the European Commission in various domains for developing the capacity of relevant actors to implement EU policy and which have the potential to be adopted and adapted to the EIP-AGRI.

# State of play

## KEY MESSAGE:

An ‘innovation gap’ exists within the European Union. The innovation performance of many Member States and regions lags significantly behind others. Precisely targeted actions are needed to address this problem.

According to the so-called ‘European paradox’, Europe plays a leading global role in terms of scientific excellence, measured by the number of academic publications, but in comparison with other regions it is less able to transform this performance into innovations. Furthermore, innovation performance varies greatly from one European Union (EU) Member State (MS) to another (Figure 1), and often from one region to another within the same MS<sup>1</sup>. This variability can be attributed to various causes such as differences in political and institutional history, integration maturity, social and cultural context, availability of financial capital and the functioning of markets and the overall level of administrative decentralisation. But this ‘innovation gap’ also exists at the different ‘levels’ of the innovation system in a MS or region: innovation capacity can vary greatly between and within organisations, sectors, innovation partnerships and projects<sup>2</sup>.

Among the mechanisms that are already in place to address this problem, Horizon 2020/Europe ‘Spreading Excellence and Widening Participation’ (SEWP) actions support poorer performing MS through institution building and greater participation in transnational networks. Although the first SEWP Impact Assessment (December 2021)<sup>3</sup> was positive, there are limitations to this approach. One of the core objectives of the SEWP actions is to “strengthen human capital and reach excellence”, but ‘excellence’ is a key criterion for selecting SEWP project proposals. Hence, there is an inherent bias towards beneficiaries with the greatest existing capacity for preparing successful proposals. This is reflected in an uneven geographical distribution of SEWP beneficiaries with organisations in four MS consistently receiving most support. In addition, the 11 MS, which entered the EU with the Eastern Enlargement, secured less than five percent of the available H2020 funding in the period 2014-2016<sup>4</sup>. **If this ‘innovation gap’ is to be addressed, then well targeted actions are needed.**

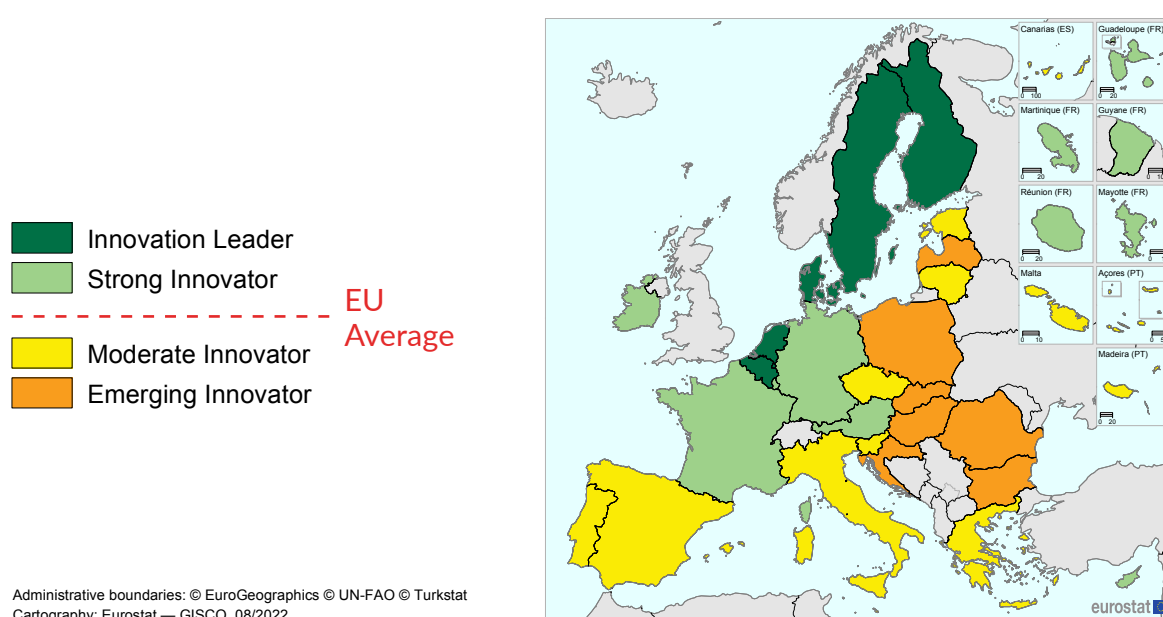


Figure 1: Relative innovation performance of the 27 European Union Member States

## KEY MESSAGE:

---

This ‘innovation gap’ is also evident in the EIP-AGRI and, in line with the objectives of both the 2023-2027 Common Agricultural Policy (CAP) and Horizon Europe, must be addressed through appropriate actions.

Agriculture is no exception to this paradox and a major policy approach adopted by the EU to address it is to provide financial and other support to strengthen the links between research and practice and to transform the way that actors work together in the innovation process. For example, the European Innovation Partnership ‘Agricultural Productivity and Sustainability’ (EIP-AGRI) requires projects to be implemented by ‘multi-actor’ partnerships which bring together the complementary knowledge and other resources of different types of actors (farmers, foresters, businesses, academics, NGOs etc.) and to apply the ‘co-innovation’ model. Partners are expected to ‘co-create’ new, ‘demand-focused’ knowledge ‘all along the project’<sup>5</sup>. The EIP-AGRI is a unique policy tool because it aims to create synergies between two complementary EU policies and funding sources (Rural Development and Research and Innovation)<sup>6</sup>

Significant successes were achieved with the implementation of the EIP-AGRI during the 2014-2020 programming period and these are expected to continue in the period 2021-2027. However, the EIP-AGRI will only achieve its full potential if **key weaknesses in its implementation are acknowledged and resolved**. The ‘innovation gap’ is one of these. Several – sometimes contradicting – factors drive the implementation of the ‘multi-actor approach’ and these ‘contextual contingencies’ lead to many different approaches<sup>7</sup>. What ‘works’ depends on the actors’ needs and given circumstances<sup>8</sup>. But, at present, the capacity required to implement the multi-actor approach is rarely, if ever, adequately shared, either among the actors (organisations and individuals) in innovation partnerships or across the broader, (inter)national landscape of innovation. In addition, understanding the overall innovation capacity requirements and capacity development (CD) needs (on multiple levels) in the different MS remains challenging.

To close (or at least reduce) the current innovation gap, **distinct and targeted CD interventions are needed at multiple levels for specific MS**. However, currently, neither the CAP nor the European Commission’s research and innovation programme have an overarching CD framework for supporting the implementation of the co-innovation model that underpins the EIP-AGRI. As a contribution to addressing this omission, this Policy Brief sets out the principles of an **EIP-AGRI CD Framework** that is designed to improve the ability of actors at many different levels (from local to national and beyond) to implement the co-innovation model and multi-actor approach within the EIP-AGRI.

# Towards an EIP-AGRI common framework for capacity development

## KEY MESSAGE:

A Common Framework for Multi-level Capacity Development (CF4CD) is required to address the ‘innovation gap’ that exists within the EIP-AGRI and to achieve an acceptable degree of ‘levelling-up’ in the next 5-10 years (by 2030)<sup>9</sup>.

Capacity development is a multi-actor process that goes well beyond the direct training and sharing of knowledge and skills at the individual level to encompass multiple organisational and institutional dimensions. It builds on existing knowledge and skills to drive a dynamic and flexible process of change. One of the key conclusions of the LIAISON project<sup>10</sup> was that the future implementation of the EIP-AGRI concept would benefit from the introduction of a common CD framework that focusses on development of the functional as well as technical capacity of actors engaged in co-innovation and the multi-actor approach. The LIAISON project recommends including CD for the EIP-AGRI as a core policy concept. CD should be seen as a key policy objective for the European Commission and other bodies promoting co-innovation and the multi-actor approach among all relevant actors, organisations and institutions engaged with ‘speeding-up’ innovation.

### Capacity development definitions

Capacity development can be defined in different ways. A commonly-used definition is that of the OECD’s Development Assistance Committee (OECD-DAC)<sup>11</sup>:

- *Capacity* is the ability of people, organisations and society as a whole to manage their affairs successfully.
- *Capacity development* is the process whereby people, organisations and society unlock, strengthen, create, adapt and maintain capacity over time, in order to achieve result.

#### Capacity development versus capacity building:

While ‘capacity-building’ suggests creating something new from the ground up, according to a pre-imposed design, ‘capacity development’ better describes an approach that builds on existing skills and knowledge, driving a dynamic and flexible process of change, borne by local actors<sup>12</sup>.

The EIP-AGRI Common Framework for multi-level Capacity Development (CF4CD) proposed by LIAISON offers a coherent and inspiring approach to strengthening the capacity of innovation actors working both at the grassroots as well as in the wider enabling environment. Owing to the large diversity of circumstance and context across the EU, no single blueprint or one-size-fits-all solution can be applied to CD for the entire EIP-AGRI and the draft Common Framework is intended to be a dynamic and flexible vehicle for structuring and organising multi-level CD according to the context.

The proposed EIP-AGRI CF4CD is designed to help individual MS develop and manage their own multi-level CD processes. It provides the starting point for assessing innovation ‘readiness’ capacity and introduces a CD common language for all aspects and dimensions of the EIP-AGRI. The design and sequencing of specific multi-level CD activities can be applied to local and regional needs, as well as national objectives (e.g. the AKIS strategic approach of the national CAP Strategic Plans).

The proposed EIP-AGRI CF4CD consists of five core elements:

- A focus on development of the **functional capacities** necessary for the effective implementation of the EIP-AGRI, on
- **three levels**, micro, meso and macro, through
- **five CD principles** relevant to speeding-up interactive innovation, by the
- **adoption and adaptation of CD support mechanisms** that exist within EU rural and other policy domains, based upon
- a **self-assessment tool for functional capacity** which individual MS can use to tailor their own needs-based CD activities.

### Capacity for change: The Tropical Agriculture Platform (TAP) Common Framework

Developing countries, 90 percent of which are located in the tropics, often lack the resources and capacities to develop their AKIS. To address this gap, in 2012 the Agriculture Ministers of the G20 called for the creation of the Tropical Agriculture Platform (TAP). With more than 40 partners, TAP is a multilateral dynamic facilitation mechanism, which fosters better coherence and greater impact of CD for agricultural innovation in tropical countries.

The TAP Action Plan was supported by the EU-funded project 'Capacity Development for Agricultural Innovation Systems' (CDAIS), jointly implemented by FAO and Agrinatura from January 2015 to August 2019.

The TAP Common Framework proposes a practical approach to CD for agricultural innovation that aims at harmonising, through an AKIS perspective, the diversity of existing strategies. The Common Framework provides concepts, principles, methodologies and tools to better understand the architecture of AKIS, to assess CD needs and to plan, implement, monitor and evaluate relevant interventions. This work should lead to more sustainable and efficient AKIS. The Common Framework emphasises the crucial role of facilitation, documentation and knowledge management issues as well as that of reflection and learning for enabling agricultural innovation (<https://tapipedia.org/framework>).

## Defining functional Capacity Development at multiple levels

### KEY MESSAGE:

Functional capacities are the 'soft skills' needed to utilise and co-ordinate technical capacities. It is necessary to develop these functional capacities at multiple levels in order to enhance the EIP-AGRI approach and level-up its implementation across all EU Member States.

CD interventions often focus on the technical capacities of innovation actors. These are the knowledge and (hard) skills that are task, sector or context specific such as crop production, livestock production or forestry. Although developing technical capacity is essential, it is often not enough for successful innovation.

Functional capacities are the 'soft skills' that are needed to utilise and coordinate technical capacity so that individuals and organisations work effectively in a co-innovation setting. Functional capacities include the ability to listen, reflect and learn; the attitudes and behaviour necessary to collaborate with others; the skills and knowledge to engage in/lead strategic processes; an open-minded attitude to change; and the ability to navigate complexity. These capacities are rarely task or

sector specific and are usually less obvious or apparent than technical capacity. They may occur as existing attributes but can also be developed and helped to grow and flourish.

The EIP-AGRI is a relatively complex multi-level system with capacities needed at individual and organisational levels, and in their interaction with the enabling environment. Individual- and organisational-level capacity brings about effective change through innovative structures and practices at both the **MICRO level (the multi-actor project or partnership level)** and the **MESO level (including innovation support services)**. **MACRO-level capacity provides policies and policy mechanisms** create an enabling environment supportive to innovation and change. Each of these three levels overlap, interlink and work interdependently and influence the capacity at the other levels (Figure 2).

The **EIP-AGRI CF4CD** proposed by LIAISON is therefore based upon a **multi-level approach that aims to strengthen the whole AKIS system**. The capacities at the three levels related to<sup>13</sup>:

- **MICRO** (Innovation partnership, niche or network): the combined and complementary skills, experience and knowledge of each individual actor collaborating in interactive innovation processes, shaped by the organisational and environmental factors (for example: beneficiaries and participants in Horizon 2020/Europe multi-actor projects and EIP-AGRI Operational Groups).
- **MESO** (Organisations): the internal structure, policies, procedures and practices of the organisations of which the individual actors are part, as well as those that translate and implement policy at local context and provide support to implement on micro level. This refers to both intra- and inter-organisational capacity. (For example: national- and regional-level administration, innovation support services, intermediary organisations, Horizon 2020/Europe projects such as 'ATTRACTISS' (<https://doi.org/10.3030/101061060>), 'modernAKIS' (<https://doi.org/10.3030/101060527>) and 'PREMIERE' (<https://cordis.europa.eu/project/id/101086531>)).
- **MACRO** (Enabling environment or system in which actors function) - formal 'tangible' rules such as laws, regulations and policies, and informal 'intangible' components such as social conventions, norms, values, attitudes and beliefs (public policy and governing structures; framework conditions; industry policies and practices that shape the landscape).



Figure 2: Three interlinked and interconnected capacity development levels

# Key principles for optimising interactive innovation

## KEY MESSAGE:

Functional CD needs to be based on five key principles to optimise and ‘level up’ the implementation of the EIP-AGRI co-innovation approach across all EU Member States: 1. Enhance networking and collaboration, 2. Work with diversity, 3. Create space and ability to act, 4. Foster reflection and learning, and 5. Promote fair governance on multiple levels.

The proposed framework for the development of functional capacity is tailored around five key principles that are needed to optimise and ‘level up’ the implementation of the EIP-AGRI co-innovation approach across MS (Figure 3). The LIAISON project found that the development of these five principles and their core capacities on all levels are essential to enhance innovation performance. These principles should build on the existing CD needs of individual MS. They also form the basis for a framework to assess ‘readiness’ to implement the multi-actor approach in a MS.

Such a **capacity assessment is a central element for preparing and implementing a CD strategy and intervention plan for a MS.**

The following sections explain the role of the five principles within the proposed **EIP-AGRI CF4CD**. The presentations of the principles include good practice examples from LIAISON’s case study work.

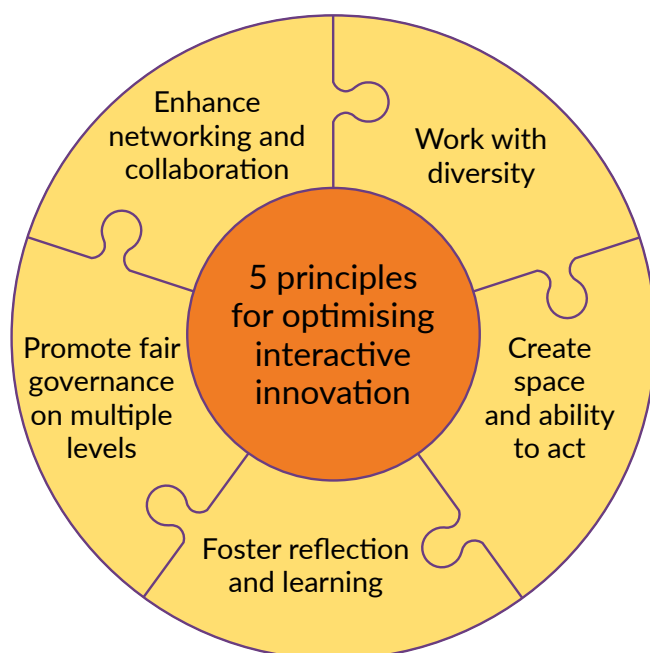


Figure 3: Key principles for optimising co-innovation



## Principle 1: Enhance networking and collaboration

### **Core functional capacity:** *Capacity to network and collaborate*

Networking and effective collaboration is a key ‘enabling capacity for innovation’. Policy mechanisms that incentivise multi-actor engagement and bring together diverse actors are essential to speed up innovation. Collaboration requires teamwork and trust (in its various forms such as companion, competence and commitment trust<sup>14</sup>) between individuals and as well as within and between organisations. Collaborative leadership and transparent decision making within partnerships as well as at the organisational level enhance effective collaboration.



### Case study 1: PROGRAMA DE SUSTENTABILIDADE DE VINHOS DO ALENTEJO – Portugal<sup>15</sup>

*“The project left no one behind. All types of enterprises within the [wine] sector were involved. It did not matter whether they were big or small, more or less innovative, followed different production practices, etc. This is the strength of the project”.*

PSVA is partnership between the Alentejo Regional Wine Commission (CVRA) that involves the grape and wine producers in Alentejo, the Universidade de Évora (UE) and nine other public and private institutions from the region. This partnership fosters the improvement of the environmental, social and economic performance of Alentejo’s winemaking and promotes the Alentejo sustainability brand. The partnership now includes more than 340 wine producers and vineyards.

The initial sustainability plan for the Alentejo wines, for which initial public funding was acquired, was co-created by CVRA, ATEVA (a technical association of wine producers), UE and a small group of wine producers. Many issues (such as sustainability indicators, their implementation, funding, marketing, and economic issues) were discussed in small thematic meetings where external experts provided ideas and suggested good implementation strategies. As well as a sustainability programme, the project co-created a new certification scheme for the Alentejo wines. Over time, more and more producers joined and PSVA has continued beyond the end of the funding period, with voluntary financial and logistical support from farmers and a well-organised central office. Innovation is twofold: organisational (managed through a voluntary agreement and open-ended programme) and product-related, through adding value and branding, with sustainability at the core of the project.

Interactions and co-creation happened because the programme is framed under a holistic and territorial vision. PSVA is for the benefit of all and everyone involved understands this. Such a vision created space for the trust needed to share intimate business knowledge among traditional competitors. The programme has evolved along with the producers, who not only feel confident to speak but also feel listened to in an open and democratic process. Regional and local cultures are essential factors for achieving effective co-innovation so that it remains effective beyond regular research project timelines.

## Principle 2: Work with diversity

### **Core functional capacity: Capacity to work with diversity**

Co-innovation to tackle complex societal problems requires different actors, at several levels (multi-level) bringing multiple frames of reference, complementary sources of knowledge and a diverse range of policy options to tackle a problem. Although ‘managing’ diversity is challenging, diversity is an essential requirement for successful co-innovation. This goes beyond diversity in terms of multiple actors involved in a project to diversity in programme design so as to have a portfolio of co-innovation support mechanisms. Programme design should be innovative in terms of allowing for a certain level of duplication and failure. For example, provide a variety of policy mechanisms, reflect and gather evidence on their effectiveness and scale up the mechanisms that are most impactful.



**ARENA  
SKOG**  
SKOGNÆRINGA  
I TRØNDELAG

### Case study 2: ARENA SKOG cluster – Sweden<sup>16</sup>

*“We have been very good at communicating and communicating each other’s needs, so we have a common consensus on what is to be done and manage to keep the plan in mind for both progress and finances”.*

ARENA SKOG is a value-chain driven wood- and forest-industry based innovation cluster located in the Trøndelag region of Norway. It developed out of the Forest Industry Collaborative Forum in Trøndelag, an interest organisation for forest and tree industry, which was established by the County Councils in Trøndelag region in 2004/2005. The forest industry in the region is characterised by its complete value chain; it has the industry needed to make full use of the raw material. This includes forest, forest industry and woodworking industry and users of the products. There are close links between the companies across the region and the many small businesses work closely with the public policy instruments and authorities.

Started in 2016, ARENA SKOG is one of 19 clusters in Innovation Norway’s ARENA-programme which provides financial and professional support for long-term development of regional business environments. The aim of the ARENA SKOG cluster was to develop the collaboration within the cluster through various projects and lay the foundation for taking new steps for further innovation, growth and commercialisation, and to work closer with the market. Fifteen companies, nine cluster companies, 12 R&D partners and 12 collaborative partners together co-developed research and development projects in four focus areas: forestry, infrastructure, wooden buildings and fibre-based industries. This activity has led to an expansion of the value chain and a broader inclusion of the woodworking industry and several R&D institutes.

In September 2019, the cluster applied for additional funding to set up a national cluster to further build the cluster and seek new opportunities with both commercial, public and R&D players. The cluster is a product of a long-term commitment and collaboration and currently has 75 members and more than 100 ongoing innovation projects.

### Principle 3: Create space and ability to act

#### **Core functional capacity: Capacity to engage and act**

Co-innovation requires ‘room for manoeuvring’ and change within an organisation, sector or system. It requires individuals in partnerships and networks to have the ‘power’ or be empowered and able to act in response to their reflections and the changing environment. Creating space for co-innovation means partnerships and networks have a level of autonomy to self-organise and have access to required knowledge and information. This also means they need the space to take risks, fail and learn from failure. Programme design to speed up co-innovation needs to provide this space in terms of flexibility in project design, mechanisms for agile adaptive project planning and implementation and simplicity of administrative procedures.



#### Case study 3: Rural Innovation Support Service (RISS) – Scotland<sup>17</sup>

*“It is a bit of a mindset shift because before it would have been getting together and getting the answers and trying to solve the problem, rather than getting together to figure out what the problem is in the first place”.*

RISS provided facilitated support for co-innovation between actors throughout the food and drink supply chain in Scotland. This programme was implemented at the national level and funded through Scottish RDP funding. RISS filled a gap in the innovation landscape by strategically requiring supply chain collaboration in the initial development stage, rather than supporting projects with only producers and/or land managers aiming to create innovations in isolation.

RISS creates the space for multi-actor groups including farmers, supply chain actors, researchers, government representatives and cooperatives with expertise, experience, skills or a financial stake in innovative outcomes to interact and jointly develop social, organisational, commercial and/or technological innovations. The RISS programme was in itself innovative as it provided the catalyst for innovation. Inspiration, planning and development all took place throughout the groups’ engagement in a non-linear, iterative cycle, leading to the realisation of a project plan. That project plan was then submitted to another funding body for continued research and testing of the idea or pursued as a commercial venture.

Having supported more than 40 groups over three years, RISS engaged and connected actors who do not normally collaborate in a process where supply chain issues were tackled from a holistic, integrated perspective. One of the key elements within the RISS group process that helped foster this consistent collaboration was a programme-funded facilitator. Furthermore, flexibility in programme design was crucial within RISS’ implementation. The actors could iteratively explore their topics without following strict procedures that may inhibit the innovation process and were entrusted to carry out their groups with minimal oversight.

## Principle 4: Foster reflection and learning

### **Core functional capacity: Capacity to reflect, learn and adapt**

Co-innovation is essentially a transformative and social learning process with at its core (self-) reflection and reflexivity to improve practices and challenge individuals' and organisations' own norms and assumptions. This requires the establishment of effective and relevant review, monitoring and evaluation practices and systems so that this reflection takes place at the programme as well as the project level. More formal monitoring should be combined with regular reflection on what (outputs/results) is being done and how (process) it is done, why this is happening (lessons learned) and how to adapt project implementation. This reflection and learning on multiple levels should be an outcome in itself and shared across MS and at multiple levels.



### Case study 4: Capacity Development for Agricultural Innovation Systems (CDAIS) – International<sup>18</sup>

*"We can achieve change only by promoting innovative ways to learn, reflect, and work together"<sup>19</sup>*

The CDAIS project aimed to strengthen the agricultural innovation capacity of individuals and organisations to make the AKIS more efficient and sustainable in meeting the demands of farmers, agri-business and consumers. The project was funded by EU DG DEVCO and implemented jointly by Agrinatura and FAO. The CD interventions in eight pilot countries in Africa, Asia and Latin America were demand-driven and integrated the development of individuals' and organisations' functional capacities through different types of interventions such as coaching, bridging events and policy dialogues.

In the pilot countries, AKIS actors were brought together in new and existing partnerships to address commonly-identified challenges and opportunities in specific value chains. The CD process was operationalised through the facilitation of an interactive five-stage learning process including capacity needs assessment, development of a CD action plan and regular reflecting, leaning and documentation (RL&D). CD interventions were implemented at multiple levels and interventions depended on the context and ongoing programmes and funding opportunities in each country. The regular RL&D was part of an integrated monitoring, evaluation and learning (MEL) system at country as well as programme level to support implementation and enabled project teams to contribute actively and explicitly to programme level learning.

Reflection and learning were at the heart of the CDAIS programme design through the implementation the interactive learning process and the focus on monitoring for learning instead of accountability. The MEL system was designed to track, monitor and evaluate outcomes in a participatory manner that enabled, on the one hand, learning and CD of project partners and, on the other, experimental learning by the AKIS actors in the value chains. Creating opportunities to regularly reflect upon and re-assess interventions in a given context should be embedded within innovation projects and programmes design.

## Principle 5: Promote fair governance on multiple levels

### **Core functional capacity:** *Capacity to develop, translate and implement (inclusive and) responsive policies and strategies based on need*

How innovation is framed or understood has a major impact on the dynamics of multi-actor co-innovation partnerships and to their sense of its successful undertaking. Hence, MS/national implementation agencies must be able to effectively interpret and implement policies and policy instruments based on need and tailor the multi-actor approach to the local context. Policy mechanisms must be responsive and flexible on the one hand and create stability on the other.



HESSEN



### Case study 5: Hessian EIP-AGRI Projektgruppe – Germany<sup>20</sup>

*“We knew we invested not only in a five-year funding measure when we set up the Project Group and its learning loops. We expected the implementation of a new and complex concept like the interactive innovation approach to need adjustments. Learning had to become part of the administrative system to make the EIP-Agri work.”*

The Hessian Ministry for the Environment (the Managing Authority for the European Agricultural Fund for Rural Development, EAFRD) developed a strategy for the continuous learning within the multi-level governance system of EIP-AGRI implementation. It studied the framework provided by the European Commission and constructed a self-learning system, which consisted of well-established institutes and procedures for their communication and cooperation. From the beginning, the idea was to provide support to Operational Group (OG) project applicants and to allow for an ongoing revision of Directives that will steer the next round of co-innovation group funding.

Responsibility for approving OG project applications and later for being the main contact point for the OGs lies with an administrative unit of the RP Giessen, an intermediate regional body. This unit has to deal with and translate the requirements of the funding authority. The Hessian Ministry has also appointed the Institute for Rural Development Research (IfIS) as the official Innovation Support Service. As an independent research and consultancy institute, IfIS has already been advising many beneficiaries during their proposal development phase.

In 2014, the Ministry, the RP Gießen, the IfIS and the public farm advisory service (Landesbetrieb Landwirtschaft Hessen) formed an EIP-AGRI *Projektgruppe* chaired by the Ministry. This multi-actor group within the programme administration oversees the application and selection cycles for new OG projects. It was also responsible implementing new administrative procedures (e.g. lump sum, cost simplification) and for drafting the ‘Directives of the State of Hessen for the Promotion of Innovation and Cooperation in Agriculture and Rural Areas’, which specify the conditions for OG funding in Hessen. Since the first issuance of the Directives in 2015, the group has continuously revised them, based upon experience and feedback. The Thünen Institute also provided feedback based on an external interim evaluation of the OG measure in 2018.

## Functional Capacity Development Self-Assessment

The five principles outlined in this Policy Brief form the basis for a framework to assess the 'readiness' of the different levels of the innovation system in a MS or region to implement the EIP-AGRI multi-actor approach. Such a capacity assessment is essential to identify the 'innovation gaps' at all levels and, based on these gaps, develop CD intervention pathways to increase the functional capacity in a MS<sup>21</sup>. To date, self-assessment by MS has been practised within the CAP planning to some extent. However, more emphasis should be placed on recognising the elements of functional capacity necessary for effective innovation, apart from the assessment of technical capacity of actors in MS.

This assessment should take the form of subjective self-assessment since the main purpose is learning, reflection and action. It is not intended to measure the overall innovation performance of MS or to benchmark and compare between MS. A good example of how such a functional CD self-assessment framework could look like for the EIP-AGRI policy context is the Administrative Capacity Building Self-assessment Instrument developed for the Managing Authorities of EU Funds under the Cohesion Policy<sup>22</sup>. The five principles outlined in this Policy Brief on functional CD form the 'pillars' for a functional CD self-assessment matrix. Based on such a functional CD assessment, specific intervention pathways can be developed to increase the functional capacity at relevant levels in a MS.

### Case study 6: Administrative Capacity Building (ACB) Self-assessment Instrument for Managing Authorities of EU Funds under Cohesion Policy

EU DG REGIO in association with the OECD are piloting an action to strengthen the capacity of national and regional administrations to manage complex projects within the multi-level governance context of the European Regional Development Fund and Cohesion Fund. This joint EC-OECD project is piloted with five Managing Authorities and one intermediate body in Bulgaria, Croatia, Greece, Poland and Spain.

A practical toolkit has since been published by DG REGIO to provide inspiration for other MS administrations seeking to build their own administrative capacities in order to facilitate programme implementation and to encourage good practices. One of the instruments in this toolkit is designed to help the national and regional Managing Authorities of EU funds under Cohesion Policy to better understand their strengths and weakness in terms of administrative and investment management capacities, assess the extent to which their capacity set supports the effective implementation of their programme over time, and develop targeted solutions to address capacity gaps.

The Instrument is divided into three parts: 1. What is the ACB Self-Assessment Instrument?, 2. The ACB Self-assessment Matrix, and 3. The OECD Pathway for Developing Administrative Capacity Building Actions. The Self-assessment Matrix serves as a 'conversation starter' and provides a comprehensive list of administrative capacity elements that can spark discussion or gather opinions regarding a Managing Authority's administrative and investment management capacities. The Matrix is structured in Pillars, Goals, Capacities and Dimensions (good practice). Each Pillar (people management; organisation management; strategic planning, coordination and implementation; beneficiaries and stakeholders; and enabling framework conditions) identifies several goals that a Managing Authority should consider achieving to reinforce its capacity. Several different specific capacities are listed under each goal and each capacity is broken down into multiple dimensions associated with an assessment level. For each dimension, a clear description of 'good practice' is provided as a reference. For each dimension (good practice), the Managing Authority can assess the degree to which their situation matches the reference using a four-point scale, namely: strong (green), significant (light green), moderate (yellow) and weak (red), as well as the option 'not applicable (N/A)' (Figure 4).

A Managing Authority can complete the whole Matrix, selected Pillars, or specific capacities. It can also adapt the capacities and dimensions in the Matrix or include additional ones to reflect its particular needs. Managing Authorities are strongly encouraged to complete this Matrix based on in-depth discussions among a diverse and representative group of staff.

GOAL 2: Actively engage with a broad-base of external stakeholders (e.g. subnational entities, private sector representatives, civil society)					
The MA has dedicated mechanisms to ensure active engagement with internal and external stakeholders throughout the investment cycle. The MA has a strong, trusting, and cooperative relationship with stakeholders, based on regular and effective two-way communication. Stakeholders' inputs are used to develop concrete solutions to address Programme implementation gaps.					
Capacity	Dimension (good practice)				N/A
Understand the needs of a broad range of stakeholders	Regularly capture the needs of different external stakeholders (beyond the Programme's beneficiaries) through surveys, research, focus groups, etc.				
	Encourage a broad range of external stakeholders to participate in the Programme implementation cycle (from objective and priority setting to evaluation), regularly collecting their insight on challenges and potential solution to Programme delivery.				
	Share information on stakeholder needs and insights within the MCS and use it to improve Programme implementation.				
Building stakeholder capacity to participate in Programme design and implementation	Identify the challenges that different types of stakeholders (e.g. enterprises, NGOs, research institutes, subnational entities, etc.) face at different stages of Programme implementation.				
	Provide tailored support to different types of stakeholders (e.g. subnational entities) to build their capacity in contributing to Programme implementation (e.g. workshops, online consultation, etc.).				
	Regularly collect feedback from diverse stakeholders regarding the quality and effectiveness of the capacity building activities with which they engage.				
	Use the feedback to update the capacity building activities for stakeholders.				
Build multi-stakeholder dialogue platforms for broader and more effective stakeholder input	Develop a dedicated, formal multi-stakeholder dialogue platform for stakeholders to provide regular, systematic and coordinated input to the full Programme design and implementation cycle.				
	Facilitate constructive dialogue through the multi-stakeholder platform to identify clear next steps to improve Programme implementation.				
	Disseminate the results of the discussion and the follow-up (implementation of the next steps) among stakeholders and beyond (wider public).				

Figure 4: OECD administrative capacity building self-assessment matrix Pillar 4 (Beneficiaries and Stakeholders) Goal 2 'Actively engage with a broad base of external stakeholders'<sup>23</sup>

## Adoption and adaptation of existing capacity development support mechanisms

### KEY MESSAGE:

Several support mechanisms are used by the European Commission in various domains for developing the capacity of relevant actors to implement EU policy. These mechanisms have the potential to be adopted and adapted to the EIP-AGRI and thereby help level-up the observed differences in functional capacity and 'innovation gaps' that exist between MS and key AKIS actors.

As indicated above, the European Commission **already provides support to key actors in other policy domains** to improve their administrative capacity and there is no reason why a similar approach could not be applied to building functional capacities for the EIP-AGRI. Furthermore, **several CD support mechanisms already exist**<sup>24</sup> which could either be **ADOPTED** for immediate use or **ADAPTED** for future use to support rapid implementation of the **EIP-AGRI CF4CD**. **Some examples of such mechanisms**, from both within and outside the rural policy domain, are listed in Tables 1 and 2. This is **not an exhaustive list**. It is merely illustrative and further work is required to map the available capacity development mechanisms and to identify the necessary approaches for their adoption and/or adaptation.

Table 1: Capacity development support mechanisms currently AVAILABLE for use to build functional capacity for the EIP-AGRI

MECHANISM	RELEVANT LEVEL(S) AND TARGET GROUP(S)
<p><i>EIP-AGRI Support Facility 2021-2027</i>  <a href="https://ec.europa.eu/eip/agriculture/">https://ec.europa.eu/eip/agriculture/</a>            The EIP-AGRI Support Facility is an external network support unit contracted by DG AGRI to foster and facilitate EU-level networking activities focused upon innovation and knowledge sharing within the 2021-2027 CAP Network. The Support Facility is carrying out various activities to enhance the implementation of the EIP-AGRI within the CAP Network. Although the format of these activities is strictly defined by the contractual framework for the services provided by the Support Facility, they have great potential for the delivery of targeted CD activities.</p>	<p>MACRO/MESO            Managing Authorities, paying agencies, CAP Network support units, advisors and innovation support services.</p>
<p><i>AKIS-related Horizon 2020/Europe projects (past, current and future)</i>            Several AKIS-related H2020 projects, including LIAISON and i2connect<sup>25</sup> have already created materials and activities of value for CD. Some Horizon Europe projects currently in the early stages of implementation (ATTRACTISS and PREMIERE) will focus upon strengthening specific aspects of the EIP-AGRI. There is scope for the programming of more such projects.</p>	<p>MACRO/MESO/MICRO            Depending upon the project objectives, innovation actors at all levels may be targeted by CD activities.</p>
<p><i>The European Social Fund Plus (ESF+) for Skills 2021-2027</i>  <a href="https://ec.europa.eu/european-social-fund-plus/en/what-esf">https://ec.europa.eu/european-social-fund-plus/en/what-esf</a>            ESF+ is the EU's main instrument for investing in people by financing actions in the areas of employment, education and skills, and social inclusion. Support to skills development covers a broad range of education and training activities, including lifelong learning, re- and up-skilling, anticipating change and addressing new skills requirements. ESF+ is under shared management between the EC and MS with specific actions programmed at the national/regional level. MS are responsible for i) implementing the planned actions (including selecting projects for funding and paying project organisers), and ii) allocating funding to a wide range of organisations (public bodies, private companies and civil society).</p>	<p>MESO/MICRO            Farmers, foresters and other rural businesses (including advisors and innovation support services) eligible for participation in MA/co-innovation projects.</p>
<p><i>ERASMUS+ Alliances for Innovation</i>  <a href="https://erasmus-plus.ec.europa.eu/programme-guide/part-b/key-action-2/alliances-innovation">https://erasmus-plus.ec.europa.eu/programme-guide/part-b/key-action-2/alliances-innovation</a>            The ERASMUS+ Alliances for Innovation programme aims to strengthen Europe's innovation capacity by boosting innovation through <i>cooperation and flow of knowledge</i> among higher education, vocational education and training institutions - as well as the broader socio-economic environment, including research. It also aims to boost the provision of new skills and address skills mismatches by designing and creating new curricula for <i>higher education and vocational education/training</i>, including supporting the broad development of a "sense of initiative and entrepreneurial mind-sets". This has great potential for the 'mainstreaming' of functional skills into the education and training of both current and future innovation actors at all levels.</p>	<p>MACRO/MESO/MICRO            Innovation actors at all levels.</p>



Table 2: Capacity development support mechanisms Suitable for ADAPTATION and future use to build functional capacity for the EIP-AGRI

MECHANISM	RELEVANT LEVEL(S) AND TARGET GROUP(S)
<p><i>TAIEX-REGIO Peer2Peer</i>  <a href="https://ec.europa.eu/regional_policy/en/policy/how/improving-investment/taix-regio-peer-2-peer">https://ec.europa.eu/regional_policy/en/policy/how/improving-investment/taix-regio-peer-2-peer</a>            TAIEX-REGIO Peer2Peer supports the organisation of peer-learning exchanges between programme authorities and other bodies in relation to the management of the ERDF, CF and Just Transition Fund programmes. More than 6,500 experts from across the EU are available to answer questions and provide support on any topic related to the thematic objectives and management of these programmes. Staff of the Managing Authorities and all other institutions involved directly in programme management may request peer-to-peer exchanges via one or more support mechanisms: study visits (2-5 days), expert visits (2-5 days), workshops (1-2 days) or online events. Requests can include learning new working methods and approaches, technical advice and direct support on specific topics or tasks, sharing experiences, discussing common issues and the co-creation of new solutions. This support is not currently offered to support administration of the EAFRD but if it were, it would be very useful for building the capacity of national authorities to implement the EIP-AGRI.</p>	<p>MACRO            National authorities.</p>
<p><i>FI-COMPASS Facilitated Knowledge Exchange for Managing Authorities</i>  <a href="https://www.fi-compass.eu/publication/brochures/targeted-coaching-financial-instruments-eafnd-managing-authorities">https://www.fi-compass.eu/publication/brochures/targeted-coaching-financial-instruments-eafnd-managing-authorities</a>            FI-COMPASS is a platform for advisory services on financial instruments under the European Structural and Investment Funds (ESIF). It is provided by the European Commission in partnership with the European Investment Bank. FI-COMPASS is designed to build the capacity of Managing Authorities and other interested parties to implement the ESIF by providing practical know-how and learning tools on financial instruments. One of the most appreciated available supporting actions is the peer-to-peer 'targeted coaching' of Managing Authority staff. This approach could easily be adapted to meet the CD needs in 'lagging' MS where Managing Authorities face challenges with programming and implementation of the EIP-AGRI. Other supporting actions offered by FI-COMPASS (and suitable for adaptation) include 'how-to' manuals, factsheets and case study publications, as well as face-to-face training seminars, networking events, podcasts and video information.</p>	<p>MACRO            National authorities.</p>
<p><i>DG CLIMA Capacity Building Support to Member States for Climate Policy Implementation</i>  <a href="https://effortsharing.ricardo-aea.com/">https://effortsharing.ricardo-aea.com/</a> and <a href="https://effortsharing.ricardo-aea.com/sites/default/files/inline-files/Effort%20sharing%20brochure-Final.pdf">https://effortsharing.ricardo-aea.com/sites/default/files/inline-files/Effort%20sharing%20brochure-Final.pdf</a>            A technical assistance project contracted to an external consultant by DG CLIMA for strengthening the capacity of selected MS to implement and meet their climate policy objectives in the transport and agriculture sectors. Various cross-cutting CD activities were offered (e.g. international workshops), plus tailored packages of support according to specific needs. Seven applications for support were developed in response to requests from Bulgaria, Estonia, Lithuania, Luxembourg, Poland and Slovakia. Packages generally ranged between 5-20 days of support. Poland was provided with an extended package of 80 days of support owing to the complicated nature of the problem at hand. This approach has great potential to be adapted and applied also to CD for improving the implementation of the EIP-AGRI in 'lagging' MS.</p>	<p>MACRO            National authorities.</p>

## About the LIAISON Project

*LIAISON was a European multi-actor project that brought together researchers, actors from innovation initiatives and networks, decision-makers and officials providing the enabling environment for co-innovation in agriculture, forestry and related activities across Europe. An interactive work programme guided the 17 Partner teams from 15 European countries to jointly investigate the design and implementation of international or local co-innovation projects – both inside and outside of the EIP-AGRI. The project team learned from its own experiences and from good practice examples of others implementing the idea of cooperation for innovation.*

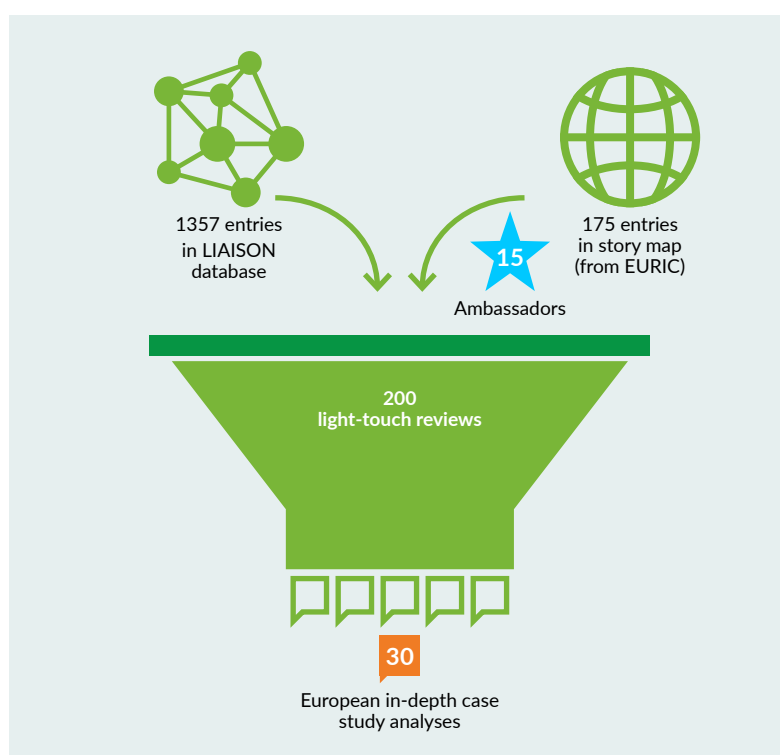


Figure 5. LIAISON's data collection process

The results and recommendations emerged from encompassing data collection in the field. In 2018, the search through public databases provided a list of 1357 funded projects identified as cooperative and participatory (multi-actor criteria). In parallel, the LIAISON *European Rural Innovation Contest* (EURIC) was held to identify and learn not only from publicly-funded projects but also from ‘under-the-radar’ co-innovation actions. An *Interactive map* presents the numerous entries to the EURIC from across Europe. Thereof, *15 Rural Innovation Ambassadors were selected*. The LIAISON *Ambassador videos* tell the stories of the groups’ innovative ways of working in partnership. A systematic selection process resulted in 200 projects or networks being selected for ‘light-touch’ review<sup>26</sup> (Figure 5). The evidence from the reviews allowed the selection of 30 European project groups for further analysis. In total, *32 ‘in-depth’ case studies*, including two non-European projects from other policy contexts which enriched the analyses, comprised a solid evidence base<sup>27</sup>. While the main focus of LIAISON was to provide insights into the performance of the EIP-AGRI, the case studies provided lessons learnt from a diversity of multi-actor co-innovation partnerships and allowed the analysis of a variety of national AKIS and policy contexts<sup>28</sup>

- 1 [https://ec.europa.eu/info/research-and-innovation/statistics/performance-indicators/european-innovation-scoreboard\\_en](https://ec.europa.eu/info/research-and-innovation/statistics/performance-indicators/european-innovation-scoreboard_en)
- 2 Cronin, E., Fieldsend, A.F., Rogge, E. and Block, T. (2022). Multi-actor Horizon 2020 projects in agriculture, forestry and related sectors: A Multi-level Innovation System framework (MINOS) for identifying multi-level system failures. *Agricultural Systems* 196, 103349. (LIAISON scientific paper, <https://doi.org/10.1016/j.agsy.2021.103349>).
- 3 [https://www.horizontevropa.cz/files\\_public/elfinder/2311/SEWP%20Impact%20Report%202022.pdf](https://www.horizontevropa.cz/files_public/elfinder/2311/SEWP%20Impact%20Report%202022.pdf)
- 4 European Commission, Directorate-General for Research and Innovation, Horizon 2020 in full swing : three years on : key facts and figures 2014-2016, Publications Office, 2018, <https://data.europa.eu/doi/10.2777/316104>
- 5 <https://ec.europa.eu/eip/agriculture/en/eip-agri-concept>
- 6 EU Cohesion and Education Policy can offer additional opportunities for cooperation and implementation of the multi-actor approach and co-innovation model but these are not key sources of funding for the EIP-AGRI.
- 7 Fieldsend, A.F., Varga, E., Biró, S., Von Münchhausen, S. and Häring, A.M. (2022). Multi-actor co-innovation partnerships in agriculture, forestry and related sectors in Europe: Contrasting approaches to implementation. *Agricultural Systems* 202, 103472. (LIAISON scientific paper, <https://doi.org/10.1016/j.agsy.2022.103472>).
- 8 Fieldsend, A.F., Cronin, E., Varga, E., Biró, S. and Rogge, E. (2020). Organisational Innovation Systems for multi-actor co-innovation in European agriculture, forestry and related sectors: Diversity and common attributes. *NJAS: Wageningen Journal of Life Sciences* 92 (1), 1-11. (LIAISON scientific paper, <https://doi.org/10.1016/j.njas.2020.100335>).
- 9 To coincide with the main deadline for the targets of the EU's Farm to Fork strategy.
- 10 <https://liaison2020.eu/>
- 11 OECD-DAC. (2006). The challenge of capacity development. Working Towards Good Practice. Paris.
- 12 These terms are used interchangeably in EU policy documents. See Zamfir, I. (2017). Understanding capacity-building/ capacity development: A core concept of development policy. [https://www.europarl.europa.eu/RegData/etudes/BRIE/2017/599411/EPRS\\_BRI\(2017\)599411\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2017/599411/EPRS_BRI(2017)599411_EN.pdf)
- 13 Adapted from Tropical Agriculture Platform (TAP, 2016). Common Framework on Capacity Development for Agricultural Innovation Systems: Synthesis Document. CAB International, Wallingford, UK. <https://www.cabi.org/Uploads/CABI/about-us/4.8.5-other-business-policies-and-strategies/tap-synthesis-document.pdf>
- 14 The complexity of the role of 'trust' in multi-actor partnerships and co-innovation is frequently underestimated both by policy makers and academics. For details, see King, B., Fielke, S., Bayne, K., Klerkx, L. and Nettle, R. (2019). Navigating shades of social capital and trust to leverage opportunities for rural innovation. *Journal of Rural Studies* 68, 123-134. <https://doi.org/10.1016/j.jrurstud.2019.02.003>
- 15 María Rivera, José Muñoz Rojas, & José Francisco Da Veiga,. (2022). LIAISON Innovative Case Studies: Programa de Sustentabilidade de Vinhos do Alentejo. Zenodo. <https://doi.org/10.5281/zenodo.6463162>
- 16 Rita Moseng Sivertsvik (2022). LIAISON Innovation Case Study: Arena Skog. <https://doi.org/10.5281/zenodo.6463140>
- 17 Beth Dooley, Lisa van Dijk and Henry Buller (2022). LIAISON Innovation Case Study: Rural Innovation Support Service. Zenodo. <https://doi.org/10.5281/zenodo.6463190>
- 18 Lisa van Dijk (2022). LIAISON Innovation Case Study: Capacity Development for Agricultural Innovation Systems. <https://doi.org/10.5281/zenodo.6463221>
- 19 <https://cdais.net/2017/10/06/ethiopia-story-of-change/>
- 20 Jekaterina Markow, Susanne von Münchhausen and Anna Häring (2022). LIAISON Innovation Case Study: Operational Group 'Hanfanbauer Werra-Meißner'. <https://doi.org/10.5281/zenodo.6463060>
- 21 Examples of CD support mechanisms can be found in the next section of this Policy Brief.
- 22 The Cohesion Policy is funded in the 2021-2027 programming period through the European Regional Development Fund (ERDF), the European Social Fund Plus (ESF+) and the Cohesion Fund (CF). <https://www.oecd.org/publications/strengthening-governance-of-eu-funds-under-cohesion-policy-9b71c8d8-en.htm>
- 23 [https://ec.europa.eu/regional\\_policy/sources/policy/how/improving-investment/ACB\\_Self\\_assessment\\_Instrument.pdf](https://ec.europa.eu/regional_policy/sources/policy/how/improving-investment/ACB_Self_assessment_Instrument.pdf) p.24.
- 24 The approach of making better use of the already available capacity development support mechanisms for enhancing the EIP-AGRI was endorsed during a SCAR-AKIS workshop in The Netherlands (11th SCAR AKIS SWG on 7 April 2022 in s' Hertogenbosch).
- 25 <https://i2connect-h2020.eu/>
- 26 Fieldsend, A.F., Cronin, E., Varga, E., Biró, S. and Rogge, E. (2021). 'Sharing the space' in the agricultural knowledge and innovation system: multi-actor innovation partnerships with farmers and foresters in Europe. *The Journal of Agricultural Education and Extension* 27 (4), 423-442. <https://doi.org/10.1080/1389224X.2021.1873156>
- 27 Cronin, E., Fosselle, S., Rogge, E. and Home, R. (2021). An Analytical Framework to Study Multi-Actor Partnerships Engaged in Interactive Innovation Processes in the Agriculture, Forestry, and Rural Development Sector. *Sustainability* 13 (11), 6428. <https://doi.org/10.3390/su13116428>
- 28 Díaz-Puente, J. M., Martín-Fernández, S., Suárez, D., De Castro-Muñoz, V. and Bettoni, M. (2022). The main risk factors for rural innovation in Europe: an analysis of 200 case studies. Submitted to *European Journal of Innovation Management*.

## About this 'Policy Brief'

This Policy Brief is the result of cooperation between the two European Union funded projects **LIAISON** and **PREMIERE**.

**PREMIERE** (Preparing Multi-Actor Projects in a Co-Creative Way) receives funding from the Horizon Europe research and innovation programme. It aims to foster the development of sound, coherent and well-prepared multi-actor projects for innovation in agriculture, forestry, and rural businesses.

**LIAISON** (Better Rural Innovation: Linking Actors, Instruments and Policies through Networks) received funding from the previous Horizon 2020 research and innovation programme. It aimed to develop methods and tools for the enhancement of the EIP-Agri, an initiative launched by the European Commission in 2012 with its goal of fostering competitive and sustainable agriculture and forestry that “achieves more and better from less”.

This policy brief was developed by:

Lisa van Dijk – Highclere Consulting, Romania

Susanne von Münchhausen – HNE Eberswalde, Germany

Andrew Fieldsend – HNE Eberswalde, Germany

Mark Redman - Highclere Consulting, Romania



Funded by  
the European Union

