

AUTHORS

Research Agent

DATE

December 2025

Addressing Territorial Fragility through Applied Research Organisations in FP10

Strategic Rationale for the 2028-2034
European Research Programming

ABSTRACT

As the European Union prepares for Framework Programme 10 (FP10, 2028-2034), the challenge of 'territorial fragility'—characterized by persistent innovation gaps and growing discontent in lagging regions—demands a strategic policy pivot. This report argues that Applied Research Organisations (RTOs) are uniquely positioned to address these disparities, contrasting their place-based 'Doing-Using-Interacting' (DUI) innovation modes with the 'Science-Technology-Innovation' (STI) focus of traditional academic excellence. synthesizing recent literature on 'left-behind places' and smart

specialisation, we present a case for integrating RTOs as central agents of territorial cohesion in the upcoming research framework.

Contents

1	Introduction	3
2	Conceptualizing Territorial Fragility in the EU Context	3
3	The Failure of Standard Innovation Policies in Lagging Regions	4
4	RTOs as Agents of Place-Based Innovation	4
4.1	The Intermediary Function	4
4.2	Bridging the Gap in FP10	4
5	Conclusion	5
	Bibliography	5

1 Introduction

The preparations for the European Union's 10th Framework Programme for Research and Innovation (FP10), scheduled for 2028-2034, are occurring against a backdrop of increasing territorial polarization. While previous programmes like Horizon Europe have successfully fostered scientific excellence, a growing body of literature points to the persistence of "innovation divides" and the entrenchment of "territorial fragility" in many European regions [1]. These disparities are not merely economic but have profound political implications, often manifested as "geographies of discontent" in so-called "left-behind places" [2].

This report examines the strategic rationale for positioning Applied Research Organisations (RTOs) as key agents in mitigating this fragility. Unlike traditional universities that often operate within global networks of academic excellence, RTOs are frequently embedded in local ecosystems, acting as intermediaries that can bridge the gap between high-level policy objectives and local implementation realities [3].

2 Conceptualizing Territorial Fragility in the EU Context

"Territorial fragility" in the current EU policy discourse goes beyond simple economic indicators like GDP per capita. It encompasses a multidimensional loss of agency, infrastructure decay, and the out-migration of talent, leading to a "development trap" for many regions [4].

Recent scholarship has refined this concept through the lens of "left-behind places," identifying them as regions that have been decoupled from the engines of globalized economic growth [2]. Stakeholder perceptions in these areas reveal a deep disconnect between EU cohesion rhetoric and local reality, suggesting that standard "one-size-fits-all" innovation policies have largely failed to reverse their decline [4].

3 The Failure of Standard Innovation Policies in Lagging Regions

A critical critique of past EU innovation policies, particularly Smart Specialisation Strategies (S3), is their over-reliance on the “Science-Technology-Innovation” (STI) mode. This mode prioritizes R&D investment, patenting, and high-tech startups—mechanisms that presuppose a density of scientific assets often absent in fragile territories [1].

Barzotto et al. (2020) argue that applying standard place-based innovation policies without accounting for the specific constraints of “lagging regions” has led to suboptimal outcomes. These regions often lack the “absorptive capacity” to benefit from top-down R&D funding, creating a “regional innovation paradox” where those who need innovation support the most are least able to utilize it [1].

4 RTOs as Agents of Place-Based Innovation

Applied Research Organisations offer a distinct alternative to the university-centric model. Literature suggests that for lagging regions, a “Doing-Using-Interacting” (DUI) mode of innovation—focused on incremental improvements, workforce training, and technology adoption—is often more effective than the radical innovation pursued by elite institutions [5].

4.1 The Intermediary Function

RTOs function as “super intermediaries” or “entrepreneurship instruments” that can tailor global technological trends to local industrial fabrics [3]. By operating at the interface of public policy and private enterprise, they are better positioned to facilitate the type of “related variety” diversification that is crucial for regional resilience.

4.2 Bridging the Gap in FP10

For FP10 to succeed in addressing territorial fragility, it must move beyond a binary choice between “excellence” (Horizon Europe) and “cohesion” (Structural Funds). Borrell-Damián (2025) suggests that the future framework must integrate these goals more holistically [6]. RTOs can serve as the

“transmission belts” for this integration, translating mission-oriented policies—such as the Green Deal or digital transition—into concrete regional projects that generate local value [7].

5 Conclusion

The case for prioritizing Applied Research Organisations in the 2028-2034 programming period is robust. As “territorial fragility” threatens the social and political cohesion of the Union, the ability of RTOs to deliver context-specific, DUI-mode innovation support becomes a strategic asset. To avoid reproducing the “geographies of discontent,” FP10 should explicitly recognize and fund the place-based mandate of RTOs, treating them not just as research performers, but as essential infrastructure for territorial equity.

Bibliography

- [1] M. Barzotto, C. Corradini, F. M. Fai, S. Labory, and P. R. Tomlinson, “The Future of Place-Based Innovation Policy (As IF ‘Lagging Regions’ Really Mattered),” Routledge, 2020, pp. 79–89. doi: 10.4324/9780367422745-7.
- [2] A. Pike *et al.*, “‘Left behind places’: a geographical etymology,” *Regional Studies*, vol. 58, no. 6, pp. 1167–1179, 2024, doi: 10.1080/00343404.2023.2167972.
- [3] M. Khelfaoui and L. Bernier, “Research and technology organizations as entrepreneurship instruments: the case of the Institut National d’Optique in the Canadian optics and photonics industry,” *Journal of Innovation and Entrepreneurship*, vol. 12, no. 1, 2023, doi: 10.1186/s13731-023-00321-z.
- [4] O. Jubany, Z. Sunderic, G. Matkovic, and M. Roiha, “Between policy and perception: Stakeholder views on addressing territorial inequality in Europe,” *Open Research Europe*, vol. 5, p. 40, 2025, doi: 10.12688/openreseurope.19221.2.
- [5] T. Hädrich, L. Reher, and J. Thomä, “Solving the Puzzle? An Innovation Mode Perspective on Lagging Regions,”

International Regional Science Review, 2024, doi:
10.1177/01600176241283898.

- [6] L. Borrell-Damián, "A view of Horizon Europe's future," *Science*, vol. 390, no. 6770, p. 217, 2025, doi: 10.1126/science.aed0012.
- [7] S. Somogyi-Farkas, "Revitalizing development policy: a mission-oriented strategy for sustainable finance and regional synergy," *Gradus*, vol. 12, no. 1, 2025, doi: 10.47833/2025.1.eco.001.