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European Digital Innovation Hubs as a potential driver of social economy in Ukraine

What is European Digital Innovation Hubs (EDIHs)?

European Digital Innovation Hubs (EDIHs) are non-profit intermediaries set up under the EU's Digital Europe Programme to accelerate digital transformation in both companies (especially SMEs) and public-sector organizations.

They deliver an integrated service portfolio built around 4 pillars:

- Test-before-invest;
- Skills and training;
- Support to find investments;
- Innovation-ecosystem & networking.

EDIHs operate within national and EU strategies (f.e. Smart Specialization), linking technology providers, research actors and users to de-risk adoption, build capabilities and boost competitiveness.

How EDIH can be launched?



- The legislative basis is defined in the Regulation on the Digital Europe Programme (2021–2027). It introduces the launch of the DIH/EDIH network under the principle of "at least one EDIH per Member State";
- Selection is performed through national competitions. The criteria include competencies, managerial capacity, infrastructure, private sector collaboration and links to other digital networks;
- The final selection is confirmed by the European Commission, ensuring geographical coverage, balance between industrial and public sector needs, and alignment with digital development.

How EDIH can be launched?



- In December 2023, the Ministry of Digital Transformation of Ukraine launched the national pre-selection for EDIHs, a prerequisite for joining the European network. The deadline for submission was 19 January 2024. Priority was given to consortia that included universities, institutions, clusters, business associations, entrepreneurship support organizations, universities and innovation SMEs;
- Applications were assessed by a national committee composed of representatives of the Ministry of Digital Transformation, the Office for Entrepreneurship and Export Development, and international experts. Following pre-selection, the European Commission makes the final approval and provides co-financing through the Digital Europe Programme;
- As a result, by January 2025, 6 EDIHs projects in Ukraine were selected with a total budget of €4.5 million. These hubs are intended to support both private and public sectors in industries, using technologies such as AI, Big Data, Cloud and IoT.

EDIHs in Ukraine



EDIH Name	Region / Scope	Main Focus & Services	Main Partners
CLOTEX-HUB	Khmelnyskyi Region	Digitizing garment manufacturing SMEs - training, testing, financing, innovation support	Khmelnyskyi National University; Podillia Fashion Cluster; ASTAR; IT Cluster Khmelnyskyi
WIN2EDIH	Kyiv, Zhytomyr, Chernihiv Regions	AI adoption, SME/business support, training	Chernihiv Potytechnic; Ukrainian Startup Fund; National University; regional authorities
ZP EDIH	Zaporizhzhia Region	Digitalization for metallurgy, manufacturing, energy sectors	Zaporizhzhia Potytechnic; regional authorities
Eastern Ukraine EDIH	Kharkiv & Eastern Regions	Digital & green transformation and post-war resilience, SME/public sector support	Kharkiv IT Cluster; regional universities; STCU; Cyber Diia
POLIDIH	Zhytomyr & Northern Regions	Solutions for SMEs, public admin, environment, agriculture	Polissia National University; regional authorities; Esri Ukraine
LEAP EDIH	Lviv & Western Regions	AI, cybersecurity, IoT, innovation platforms for startups, SMEs, public sector	Lviv IT Cluster; IT ecosystem actors

Eastern & Western Europe – Digital Indices

Ukraine & Eastern Europe:

Country	Nominal GDP 2024 (EUR, billions)	EDIH Amount in 2024	E-Government Development Index 2024	E-Participation Index 2024	Online Service Index 2024	Telecommunication Infrastructure Index 2024	Human Capital Index 2024
Poland	820,0	21	0,86	0,75	0,80	0,96	0,83
Hungary	190,3	12	0,80	0,55	0,71	0,83	0,87
Romania	330,0	9	0,76	0,68	0,65	0,89	0,74
Slovakia	130,2	6	0,80	0,70	0,71	0,90	0,80
Ukraine	180,0	6	0,88	1,00	0,99	0,84	0,82

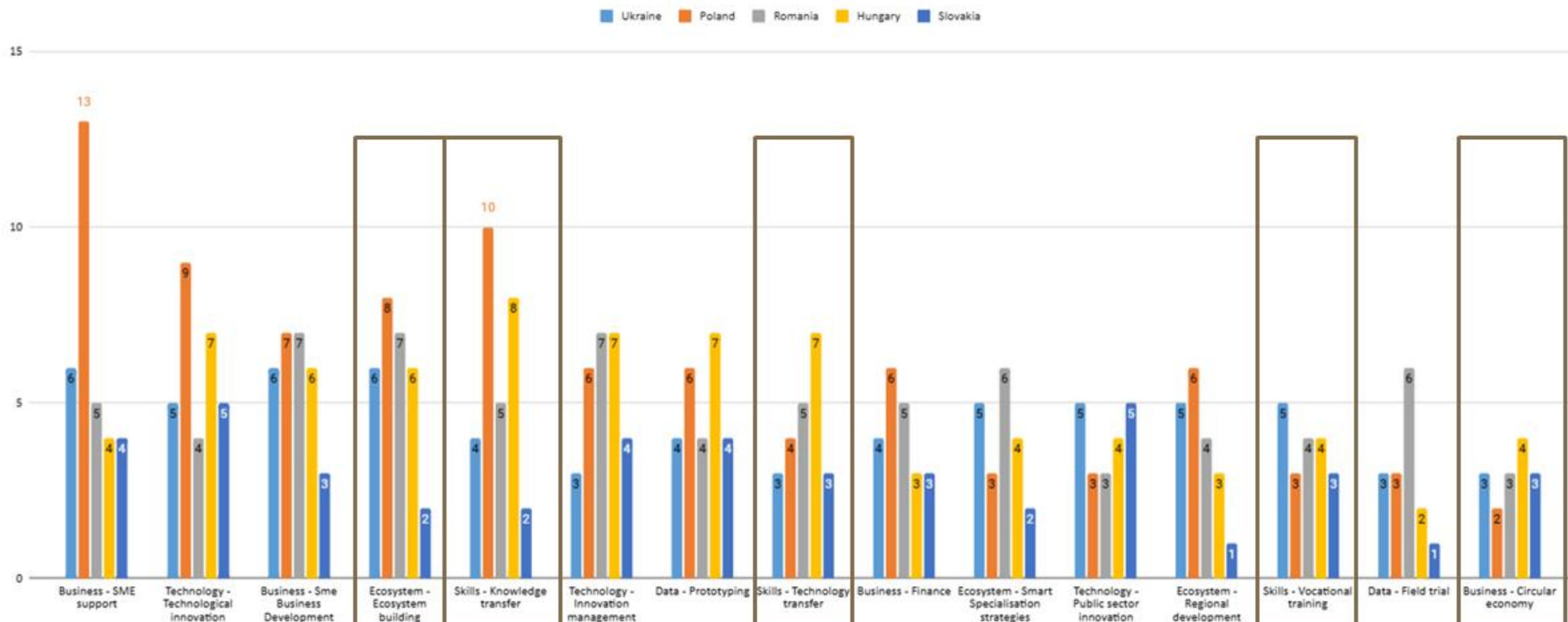
Ukraine & Western Europe:

Country	Nominal GDP 2024 (EUR, billions)	EDIH Amount in 2024	E-Government Development Index 2024	E-Participation Index 2024	Online Service Index 2024	Telecommunication Infrastructure Index 2024	Human Capital Index 2024
Germany	4 200	57	0,94	0,97	0,92	0,92	0,97
France	2 950	30	0,87	0,81	0,84	0,92	0,86
Italy	2 100	57	0,84	0,66	0,76	0,90	0,84
Spain	1 500	51	0,92	0,81	0,91	0,96	0,90
Ukraine	180	6	0,88	1,00	0,99	0,84	0,82

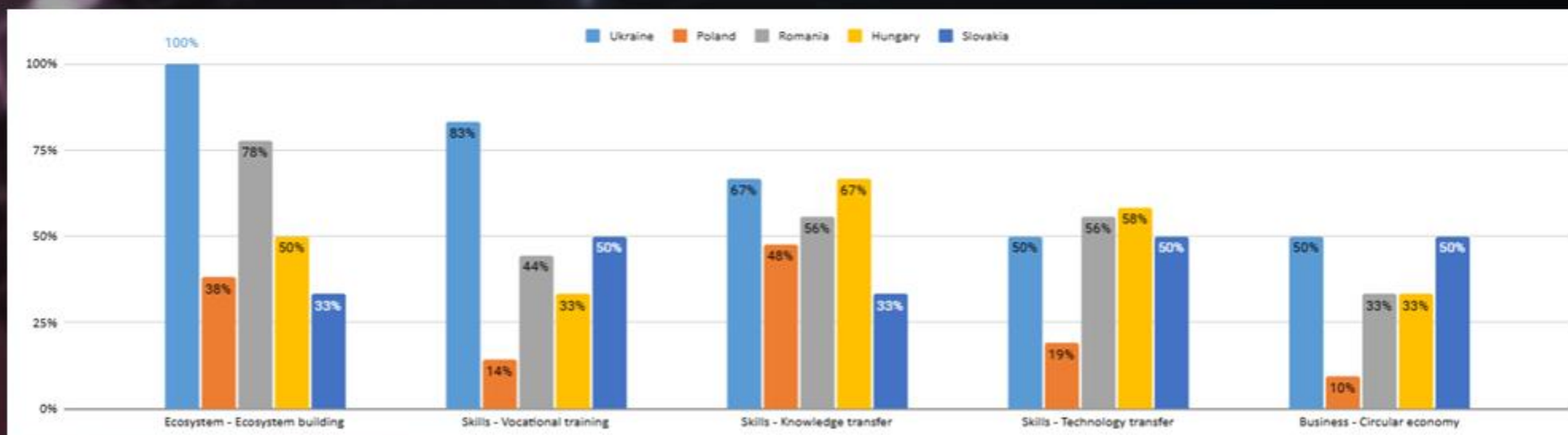
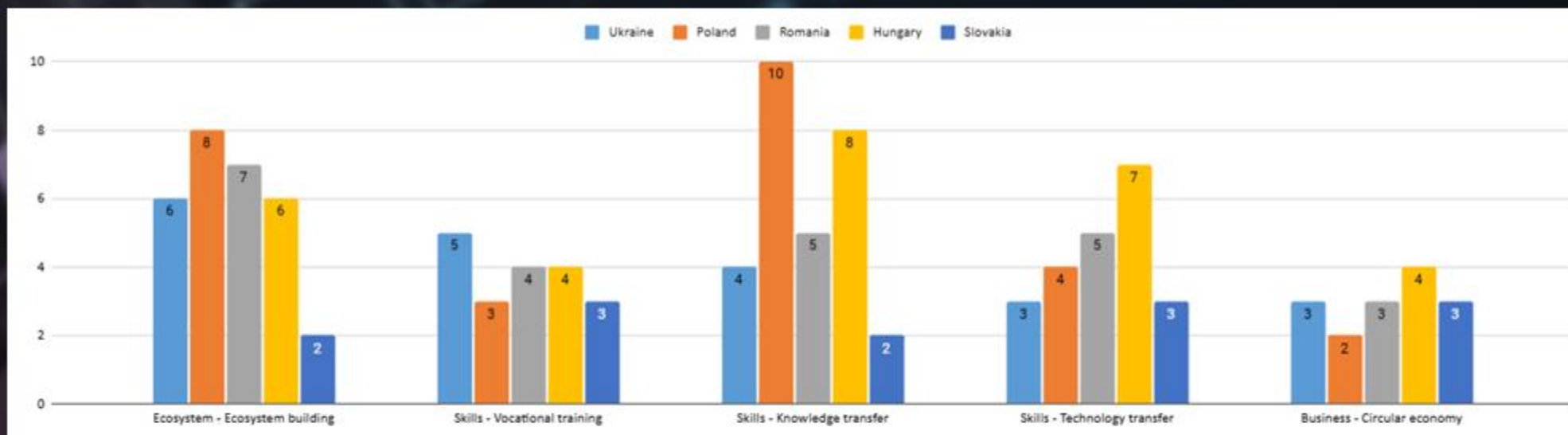
Which EDIHs services are potential influencer on social economy in Ukraine?

- Circular Economy as a core to social economy ethos. Social enterprises drive inclusive circularity by promoting repair, reuse, and recycling, generating jobs for marginalized groups while reducing waste;
- Social economy organizations often provide targeted vocational trainings, especially in reuse and repair, to socially disadvantaged individuals as a pathway to inclusion;
- Ecosystem building, since social economy actors help in creation of local, socially embedded economic ecosystems, f.e. cooperatives, community hubs, enhancing social cohesion and resource sharing;
- Knowledge & Technology transfer as a foundational kind of service, which is the main driver for our social economy directions. These services are ensuring diffusion of innovation to social enterprises and public institutions.

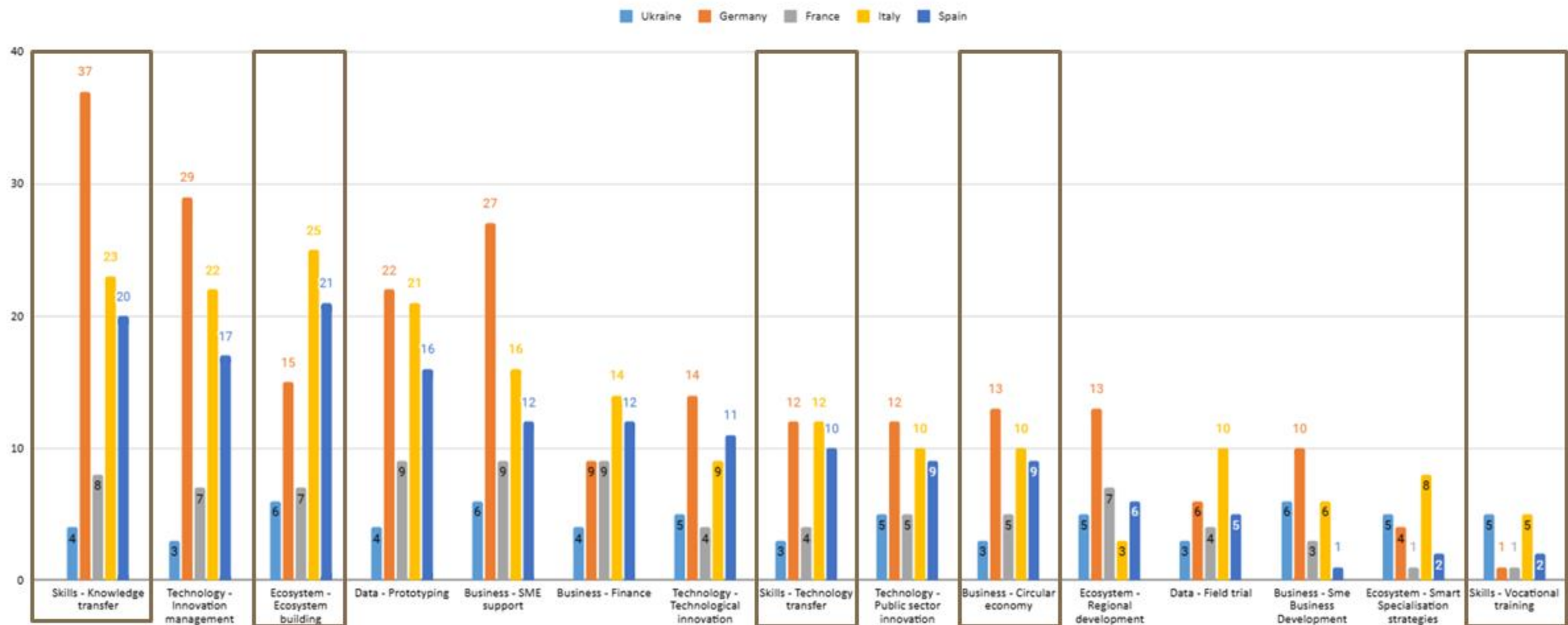
Ukraine & Eastern Europe EDIHs Services



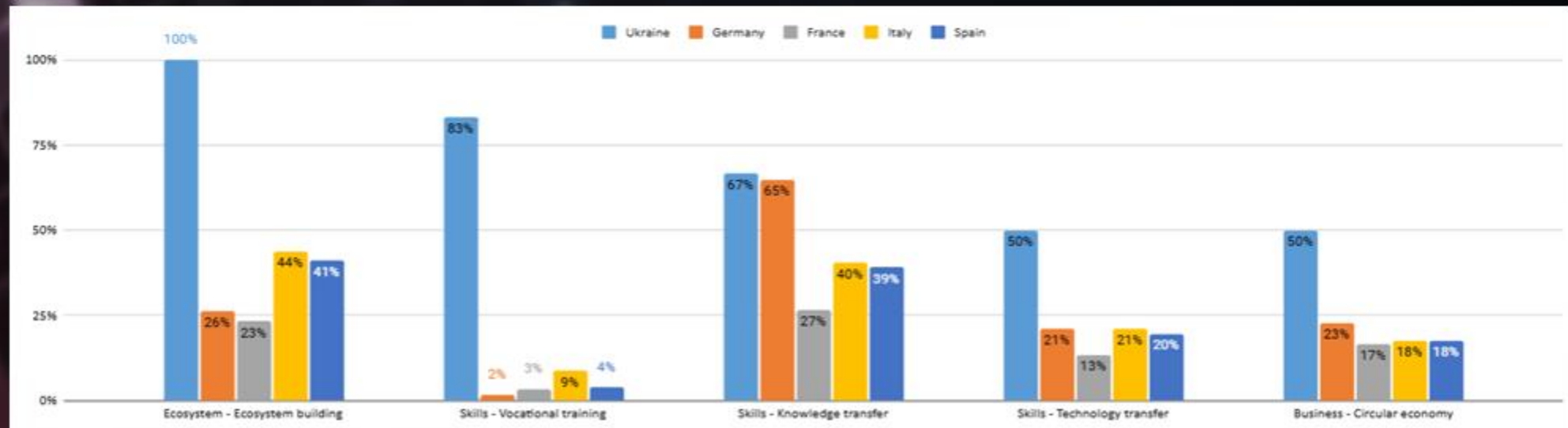
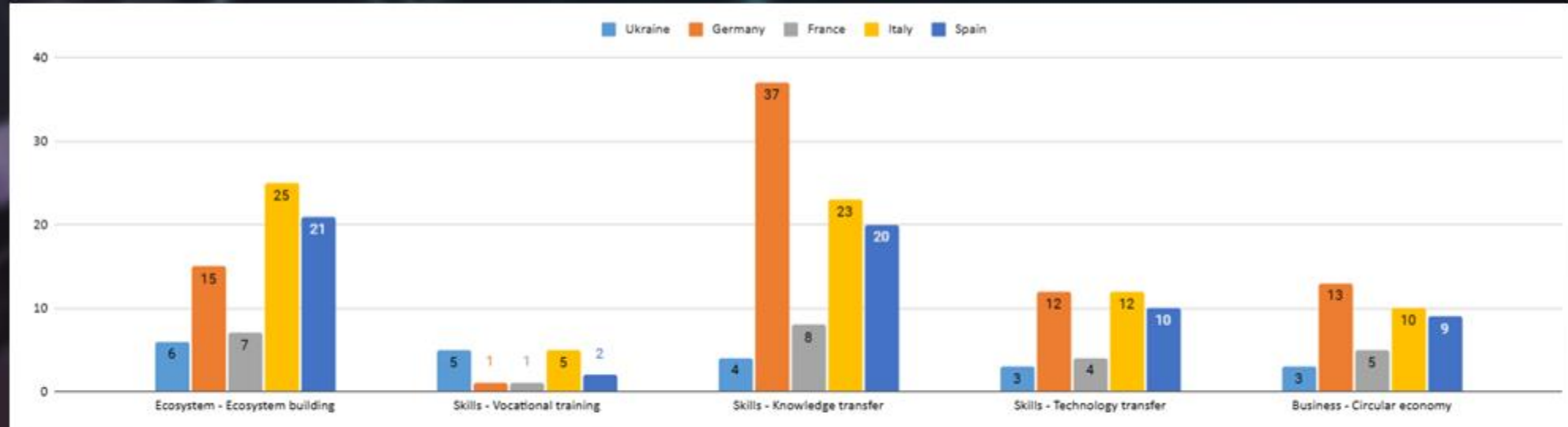
Ukraine & Eastern Europe EDIHs Services related to the Social Economy



Ukraine & Western Europe EDIHs Services



Ukraine & Western Europe EDIHs Services related to the Social Economy



Conclusions

- EDIHs in Ukraine have potential to become key actors in digital transformation, with strong potential to influence social economy development. At the same time, it seems that while current Ukrainian EDIHs are concentrated mostly in Northern, Eastern and Western parts of Ukraine (2 hubs for each region), it's a lack of this institution in Southern region of our country.
- Current Ukrainian EDIHs portfolios already touch upon critical social economy areas: ecosystem building, skills development and technology transfer, but still have a lack of circular economy services, mostly focusing on SME support in digital transformation. At the same time, this pattern is in tend with the closest Eastern European countries, which is proved by comparative analysis;
- Also comparative analysis reveals that Western Europe integrates social economy principles more directly, focusing on knowledge transfer. Even though, Western European countries have more EDIHs launched, current Ukrainian EDIHs can turn attention to their best practices.

Directions for future researches

- Future researches could quantitatively evaluate the contribution of Ukrainian EDIHs to job creation, social inclusion and overall resilience during a full-scale war;
- They also could explore how existing EDIH service portfolios can be tailored toward circular economy and community-based entrepreneurship;
- Comparative governance models: Study how governance and financing models of Western EDIHs that emphasize social inclusion can be adapted in Ukraine.
- Last, but not least – tracking of EDIHs' evolution in Ukraine, to understand whether they remain primarily technology-driven or evolve into broader socio-economic actors, can be helpful for formulating recommendations to stakeholders.

Thank you for attention!

Дякую за увагу!