An Innovation Policy Context

- **International level**
  - Europe 2020 (Innovation Union)
  - Cohesion Policy (RIS3)
  - Horizon 2020

- **National level**
  - National Innovation Strategy 2012
  - Research and Innovation Bill 2012

- **Regional/local level**
  - Regional development strategies (NUTS3)
  - Regional innovation strategies (NUTS3)
  - Structural funds programs (NUTS2)
National Innovation Strategy

- Challenges
  - Global challenges
  - Competitiveness/jobs
  - Public efficiency/quality

- Collaboration/dialogue in a broad process

- Implementation across levels, sectors and policy areas

- Importance of learning

Regeringskansliet, 2012
"Sweden is an innovative country, characterised by pioneering ideas and new ways of thinking and doing to shape our future in a global world. People in all parts of Sweden can and want to contribute to creating value for people, the economy and the environment through new or better solutions."
Reaching a world class innovation climate 2020
A Broad Definition of Innovation
Research and Innovation Bill 2013-2016

• Budget increase (26%)
• Main allocation
  – 15 universities and 20 university colleges
  – Recruitment of researchers (VR)
  – Research Councils
  – Life Science
  – Energy
  – Research Institutes
  – Infrastructure (e.g. ESS, MAX IV, SciLifeLab)
Research and Innovation Bill 2013-2016

• Strategic Innovation Areas
• Strategic research for industry and science
  – Mine-, mineral- and steel research (Vinnova)
  – Forest products and biomass (Formas)
  – Sustainable cities (Formas)
  – Life science
• Specific research areas, e.g. space, sustainable transport, gender, security
• European research collaboration
• Commercialisation
VINNOVA – National Agency of Innovation Systems

- VINNVÄXT 2013
- Knowledge Triangle
- SME Innovation
- Agendas for Strategic Innovation Areas
- Challenge driven innovation
  - Sustainable attractive cities
  - Health and care for the future
  - Information society 3.0
  - Competitive production
- Benchmarking (10 sectors)
- Innovation in public sector
Tillväxtverket - National Agency for Economic and Regional Growth

- Framework conditions
- Support to start-up and run companies
- Regional innovation and clusters
- Regional structural fonds program (ERDF)
- Sustainable development
- Tourism industry and statistics
EUROPE 2020

- Smart growth: developing an economy based on knowledge and innovation
- Sustainable growth: promoting a more resource efficient, greener and more competitive economy
- Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion

Concentration ERDF Investment

- Energy efficiency and renewable energy
- Research and Innovation
- SMEs competitiveness

Developed regions and transition regions

Less developed regions

60%
20%
44%
6%
Swedish Cohesion Policy Goals

1. Stronger research, technical development and innovation
2. Increased access to, use of and quality of ICT
3. Increased competitiveness of SME
4. Support transfer to a less CO2-based economy in all sectors
5. Support adaptation, risk prevention and risk management in relation to climate changes
6. Protect environment and support sustainable use of resources
7. Support sustainable transportation and reduce bottlenecks
8. Support employment and labor mobility
9. Support social inclusion and fight poverty
10. Invest in education, knowledge and lifelong learning
11. Improve the institutional capacity in public management
Smart specialisation
From academic discussions...

- EUs Knowledge for Growth (K4G)
- D. Foray et al, 2009
  - Specialisation in R&D and innovation
  - Entrepreneurial discovery processes – need for incentives!
  - Invention or application of GPT (General Purpose Technologies)
  - Evaluation an assessment of efficiency
  - Identifying complementary investments
- P. McCann and R. Ortega-Argilés, 2011
  - Space-Neutral vs Place-based policies
  - Embeddedness, relatedness and connectivity
  - Variations in regional policy design
...to policy implementation

- Europe 2020 Strategy
  - http://ec.europa.eu/europe2020/index_en.htm

- Flagship Initiative Innovation Union

- DG Regio - Regional Policy Contributing to Smart Growth

- EU:s Cohesion Policy and Structural funds programs 2014-2020
Level of Innovation in the EU

CP support for Innovation:

- 4% in 89’-93’
- 7% in 94’-99’
- 11% in 00’-06’
- 25% in 07’-13’
Smart Specialisation is...

“... a dynamic strategic process where regions and Member States identify their long term competitive advantages based on local strengths, and define those actions that can lead them to maintain and/or create their competitive position”

Source: Innovation Union Competitiveness Report 2011
Important Elements

• Analysis and regional embeddedness
  – Diversification and specialisation
  – Critical mass

• Collaboration and linkages (connectivity)
  – Across sectors, disciplines, clusters and industries
  – Local-region-national-global

• Broad definitions of innovation

• Top-down (strategic decision) and bottom-up (entrepreneurial dynamics)
Smart Specialisation

- S3 platform in Seville
- Guide to Research and Innovation Strategies for Smart Specialisation
- The RIS3 Key for self assessment

Källa: EU (2012), Guide to Research and Innovation Strategies for Smart Specialization (RIS3), s. 66
Applying a RIS3 framework

Step 1 – Analysis of regional context/ potential
Step 2 – Governance process
Step 3 – Vision for the future
Step 4 – Selection of priorities
Step 5 – Policy mix
Step 6 – Monitoring and evaluation
Implementation in a Nordic Context
Smart Specialisation in the Nordic Countries

- Nordic Working Group for Third Generation Regional Policy
- Purpose: Explore the concept and its impact on regional policy in the Nordic countries
- Method
  - Desk research
  - Some interviews
  - Participation in seminars
Impact on Nordic Policy

- Influence from EU Structural Funds
- More activity in Finnish and Swedish regions (S3 platform, Reglab seminar, OECD:s TIP project)
- Some hesitation in Denmark (IQ Net)
- Increasing interest in Iceland and Norway
• Tradition of SWOT-analysis within regional contexts
• Analysis in collaboration between regions (e.g. Reglab Denmark and Sweden)
• National analysis support, e.g.
  – Sector analysis
  – Cluster analysis/evaluation
  – Sfinno – innovation database
  – rAps – regional analysis and prognosis system
The Analysis Process of Skåne

Källa: Maria Lindblom (2012), PP vid Reglabs seminarium om Smarta regioner, 8 maj
Tradition of TH collaboration

• Regional collaboration and partnerships
  – Regional Development Plans and Strategies
  – ERDF-partnership
  – Regional Growth Fora
  – Councils for Cooperation with Business Communities

• Innovation Strategies
  – Regional Innovation Strategies
  – Regional Research Funds

• Cluster, program and project boards
Stakeholder Involvement in Skåne

Källa: Maria Lindblom (2012), PP vid Reglabs seminarium om Smarta regioner, 8 maj
A broad perspective on innovation
### Exemples of Policy Tools

- Clusters
- SME Innovation Environments
- Research infra-structures & science parks
- Universities & HEI
- Digital Agenda EU
- Key Enabling Technologies (KET)
- Financial instruments
- Culture and creative industry
- Internationalization
- Innovative public procurement
- Green growth
- Social innovation
Monitoring and Evaluation

- “Följeforskning” and on-going evaluation
- External experts, peer reviews and OECD Territorial Reviews
- National quality assessment of research and education
Smart Strategies in Värmland

Förpackning som värdestjärna

Grafisk teknik
Marknadsföring
Digitalisering
Tjänster
Energi

Multimedia

Bestyrkning

Processeteknik
Materialteknik
Industriell IT
Simuleringsytveckling
Pappers- & massateknik
Logistik
Design

The Paper Province

NORDREGIO
Nordic Centre for Spatial Development

OECD OM VÄRLANDS UTVECKLING OCH TILLVÄXT
Supporting the Contribution of Higher Education Institutions to Regional Development
Advantages for Nordic Regions

• Cooperative governance – strong tradition of triple helix collaboration, e.g. RIS, RDP, ERDF
• A broadly defined concept of innovation – e.g. user driven innovations, public sector innovation and green innovation
• Regional analysis and evaluation – established methods for analysis within regional contexts, e.g. SWOT
• National support for prioritisation, e.g. clusters, SRA, global challenges
• Avoiding lock-in effects – cross sector, cross regional and cross disciplinary collaboration
Remaining Challenges

• Identify potentials in relation to other regions – nationally and internationally
• Incentives for *Quadruple Helix* Collaboration – New groups, e.g. SME and NGO – Civil society, entrepreneurs, individuals
• Involving *non-traditional sectors*
• Dialogues *between levels* - local-regional-national-international
• Participation in *global value chains* and *EU research programs* (Horizon 2020)
• Securing *long term processes*!
“Smart specialisation is a policy concept that has enjoyed a short but very existing life! Elaborated by a group of academic “experts” in 2008, it very quickly made a significant impact on the policy audience, particularly in Europe. Such a success story in such a short period of time is a perfect example of ‘policy running ahead of theory’.”

Source: Foray et al (2011) Smart Specialisation. From academic idea to political instrument, the surprising career of a concept and the difficulties in its implementation, MTEI WP 2011-001