Regional Strategies for Smart Specialisation in the Nordic Countries

WS 9: Implementing Smart Growth Principles in the Age of Austerity
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Maria Lindqvist, Nordregio
Senior Research Fellow
From theory to policy

- EUs Knowledge for Growth (K4G)
  - D. Foray et al, 2009
  - P. McCann and R. Ortega-Argilés, 2011
- Europe 2020 Strategy
- Flagship Initiative Innovation Union
- DG Regio - Regional Policy Contributing to Smart Growth
- EU Cohesion Policy
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’

Source: DG Regio
Concentration ERDF Investment

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

Developed regions and transition regions: 60%
Less developed regions: 20%

Source: DG Regio
EU Cohesion Policy 2014-2020

• Cohesion policy (ERDF, CF & ESF) dedicated to meeting the Europe 2020 objectives of smart, sustainable and inclusive growth
• Consistency with the national reform programmes
• Thematic concentration to maximise the impact of investment: focus on research and innovation in ERDF
• Conditionality to ensure effective implementation, e.g. research and innovation strategies for smart specialisation (RIS3).

Common Strategic Framework of the Commission: coherence (ERDF, ESF, CF, EAFRD and EMFF); clarify synergies with Horizon 2020 etc.

Source: European Commission, October 2011
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
  - Interviews and seminars
  - Parallell projects
  - Working paper
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 postition”

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)
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

Source: S3 platform, RIS3 Guide
Impact on Nordic Policy

• Influence from EU Structural Funds
• Regional concentration in Finland (Innovative Cities)
• Focus on Smart Growth in Sweden
• Some hesitation in Denmark (IQ Net)
• More activity in Finnish and Swedish regions (S3 platform, Reglab seminar, OECD:s TIP project)
• Increasing interest in Iceland and Norway
Analysis Capacity

• Tradition of SWOT-analysis within regional contexts
• Analysis in collaboration between regions (e.g. Reglab Denmark and Sweden)
• National analysis support, e.g.
  – Sector and cluster analysis/evaluation
  – Sfinno – innovation database
  – rAps – regional analysis and prognosis system
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
Innovation in Health Care
Exemples of Policy Tools

- Clusters
- SME Innovation Environments
- Research infrastructures & 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
Strengths of 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
Smart Strategies in Värmland
Nordic Challenges

• Identify potentials in relation to other regions – nationally and internationally
• Incentives for Quadruple Helix Collaboration
• Involving non-traditional sectors
• Dialogues between levels - local-regional-national-international
• RIS3 – at what level?
• 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