Building collaborative networks in the Baltic Sea Region

...experiences and reflections from a practical approach to inter-regional smart specialisation

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Questions to consider...

• **Is there a ”best reason” to connect over boundaries?**
  - learning/knowledge exchange/inspiration
  - market expansion or supply chain extension
  - teaming up/critical mass
  - complementary efforts in a joint solution to a challenge

• **Whose needs/priorities drive what to do...what to start with?**

• **What role do strategies and analyses play?**

• **What are the most efficient mechanisms to get things going?**
Policy Area Innovation - focus areas and targets

A focus on joint action through...
- Aligning policies and funding
- Creating, developing and using transnational networks

Working towards longer-term joint investments

The roles of PA-INNO

The roles of PA-INNO

Enable shared learning
Create, strengthen and better utilise networks across BSR
Align resources and regulations
Join forces in common programmes or investments

INNOVATION DRIVERS WITH AREAS FOR COLLABORATION

Market-driven
Knowledge-driven
Challenge-driven

CROSS-CUTTING THEMES & INNOVATION ENABLERS

Digitalisation
SME Internationalisation
Talent Management and Entrepreneurship

STRATEGIC POLICY INSTRUMENTS OF PA-INNO PRIORITY

Smart Specialisation Strategies
Test beds and innovation infrastructure
Clustering and other innovation support structures

TARGETS

Increased stakeholder and institutional capacity
Improved engagement through efficient use of networks and new networks
Concentration of funding and alignment of policies and regulations
Long-term commitment and joint funding and decision-making

CHANGE

A globally competitive position within Research and Innovation for the Baltic Sea Region
So how do you get down from the clouds... move from concepts and strategies to actually doing things?
An example operational approach: BSR Stars Innovation Express

• Addressing shared policy objectives for SME internationalisation and transnational innovation collaboration (interregional S3)

• Using a common approach encompassing a joint call, matchmaking event and learning activities – coordinated by DASTI, as part of the BSR Stars flagship

• Leveraging cluster/network organisations to mobilise SMEs (and other actors) – tailoring project activities to identified needs

• Providing ”seed investments” (between 10-60.000 EUR per project grant/country) for short-term collaborative projects (12-18 mo)

• In first three calls (2013-2015), more than 4 MEUR has been invested in 134 collaborative innovation projects, involving 240 clusters and more than 3300 SMEs
Policy-level partners from eleven countries (2016 call)

Funding/cooperation and extended partners

Associated partners
## Overview of Innovation Express activities 2013-2016

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
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<tbody>
<tr>
<td><strong># Funding partners/countries</strong></td>
<td>6 partners 6 countries (DK, FI, IS, LT, NO, SE)</td>
<td>8 partners 6 countries (DK, FI, IS, LT, NO, SE)</td>
<td>6 partners 6 countries (DK, IS, LT, NO, SE + ES/Cat.)</td>
<td>8 partners 7 countries (DE, IS, LT, NO, SE + DE/Brand., ES/Cat.)</td>
</tr>
<tr>
<td><strong>Total budget (EUR)</strong></td>
<td>1.210.000</td>
<td>1.526.500</td>
<td>1.355.000</td>
<td>1.835.000</td>
</tr>
<tr>
<td><strong># appl. recd/appvd</strong></td>
<td>47/40</td>
<td>84/54</td>
<td>58/40</td>
<td>59/39</td>
</tr>
<tr>
<td><strong>MMkg Event</strong></td>
<td>Copenhagen, DK 9-10 April</td>
<td>Berlin, DE 18-19 September</td>
<td>Copenhagen, DK 17-18 September</td>
<td>Warsaw, PL 19-20 September</td>
</tr>
<tr>
<td><strong>#part./countries</strong></td>
<td>165 participants 70 clusters 15 countries</td>
<td>300 participants 150 clusters 24 countries</td>
<td>285 participants 151 clusters 32 countries</td>
<td>250 participants 150 clusters 30 countries</td>
</tr>
<tr>
<td><strong>Other learning activities:</strong></td>
<td>Experience exchange workshop (CPH, Sept ‘15)</td>
<td></td>
<td>Workshop on strategic internationalization (Riga, June ’16)</td>
<td></td>
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CLUSTER MATCHMAKING CONFERENCES

Why:

• Creating meeting places for cluster organisations for building up their international network.
• Combining the conference with possibilities for funding (Innovation Express, EU funding) and further development of partnerships with other partners (Enterprise Europe Network)
• Creating a setting for mutual learning, sharing of knowledge and best practice on internationalisation of clusters.

What:

• Over 1000 participants (some all four times)
• 260 unique clusters from around 30 countries
• 1725 cluster-to-cluster meetings
• Workshops and Clusters Labs

Results

• Over 120 cluster collaboration projects
• 14 larger partnerships (longer term collaboration)
• A lot of bilateral follow ups
• Over 3300 SMEs have engaged in international activities
• “I have learned so much that I want to implement in my cluster”
Summary of Results (2015 call) - initiation of 27 bottom-up partnerships

- 40 approved applications, resulting in 27 new international collaboration projects
  - 23 applicants teaming up in 10 joint projects
  - 17 additional approved projects
- Projects directly engaging more than 1180 SMEs in international collaboration
- Projects in a range of sectors (with the largest number of applicants in environment/green technologies and ICT)
- 30% of projects cross-sectoral – combining partners with expertise in different business, service or research sectors
- A majority of targeted partners (75%) located within other Baltic Sea Region countries, with a growing number of partners from other countries
Example of interregional projects from 2015 call
23 applicants teamed up in 10 “joint projects”

<table>
<thead>
<tr>
<th>Project Title and (Acronym)</th>
<th>Partnering Countries (partners from funded applications in bold)</th>
<th>#SMEs engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable building in circular resource economy (ecoConstruct)</td>
<td>AT, DK, NO, PL, SE</td>
<td>57</td>
</tr>
<tr>
<td>Intercluster cooperation on healthy and functional foods (DK/E Healthy Food 2)</td>
<td>DK, ES</td>
<td>16</td>
</tr>
<tr>
<td>Bridging the gap between construction, IoT and 3D printing (HT2C)</td>
<td>DK, ES</td>
<td>9</td>
</tr>
<tr>
<td>Railway Cluster Cooperation Europe (RCOE)</td>
<td>DK, ES</td>
<td>15</td>
</tr>
<tr>
<td>Nordic Furniture Making (NFM)</td>
<td>DK, NO, SE</td>
<td>65</td>
</tr>
<tr>
<td>Nordic Water Network – a platform for Nordic water business innovation (Nordic WIN)</td>
<td>DK, ES, FI, NO, SE</td>
<td>85</td>
</tr>
<tr>
<td>Involving spectators and participants in events through experience technology (ISPE X-tech)</td>
<td>DK, ES, NO, SE</td>
<td>42</td>
</tr>
<tr>
<td>Entrepreneur Creative Showcase 2016 (ECRES2)</td>
<td>DK, NO, SE</td>
<td>80</td>
</tr>
<tr>
<td>Process Industry – Zero Waste (PRO-ZERO)</td>
<td>IS, NO, UK</td>
<td>500</td>
</tr>
<tr>
<td>Joint Strategy for Building an International Brand for the Nordic Health Technology Industry (NorHealthTech)</td>
<td>IS, NO, SE</td>
<td>60</td>
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</table>
Example Innovation Express project (2014 call): Accelerating Bio-Economy Innovation for SMEs (ABEIS)

- Partners from four countries: Innovation Network for Biomass (DK); Tarvala Bioeconomy Campus/JAMK University of Applied Sciences (FI); Tretorget (NO); Paper Province (SE)
- Aimed at boosting innovation processes and exploiting new market possibilities in the circular economy by creating higher value-added from side- and waste streams
- Engaged more than 40 individuals (from SMEs, large companies and research organisations) in study visits and B2B matchmaking
- Resulted in new knowledge and expertise, access to larger test markets and new technology, new cooperation partners, initiation of longer-term research and innovation projects, and a stable platform for ongoing learning and collaboration

“We have initiated contacts from all the different events, both commercial and (development) collaboration – many of which would not have been possible without this project’s help. A better understanding of different markets is easier (to attain) when meeting and getting first-hand information through meetings.“ (Carl Romlin, Project Manager, Drinor AB, SE)
Learning from evaluation - needs and results for SMEs

“In daily production, we do not have the time and opportunities to seek new partners and internationalization. This project has given us the possibility to get new inspiration – and has been a source of education and teambuilding for my company.”

Tapperiet, SME within FoodNetwork, DK

SME respondents viewed **knowledge sharing and opportunity identification**, and **access to new partners and broadened networks** as the main results. Even though Innovation Express projects are quite short, nearly 20% indicated that projects also resulted in the **initiation of longer-term research and innovation collaboration or commercial contracts**.
Success factors and Improvement Areas

Success Factors

• Simple, pragmatic approach
  • Two partners from two countries
  • ”national rules” and varied financing levels
• Addressing shared (broad) policy objectives
• Focused on mobilisation/engagement and initial (experimental) linkages
• Financing (from NCM) for the ”transnational level”
• A national agency (DASTI) with mandate to coordinate the transnational level

Improvement Areas

• Achieving even better alignment between policy partners (e.g. Financing rules, levels and timing of funding), while maintaining simplicity
• Broadening the base of policy partners (even outside BSR)
• Connecting to regional- and European-level smart specialisation platforms and investments
• Developing long-term commitment to transnational efforts (despite organisational and political shifts), and a stable, longer-term framework for implementation
A different approach to initiating interregional partnerships and industrial cooperation, yet with the same challenge to move toward joint investments

**BSR Stars Innovation Express projects**
- Framed within a (general) call; time delimited projects
- Key initiating agent = cluster organisations/intermediaries
- Start with matching and mobilising actors...jumping directly to identification of opportunities
- No designated lead
- Funding generally from national (cluster or other) programmes

**S3 Interregional Partnerships**
- Framed within thematic platforms; ongoing process
- Key initiating agent = regional managing authority
- Start with scoping and mapping, then matching/mobilising actors, then identification of opportunities
- Designated lead region(s)
- Funding/expert support generally from EU (including ESIF)
Reflections on the questions

• **Is there a ”best reason” to connect over boundaries?**
  ”Define the issues – areas of inter-regional interest...then define the projects.”

• **Whose needs/priorities drive what to do...what to start with?**
  ”Let industry be in the driver’s seat...what is interesting for them? Then be open to working with those who have the desire to collaborate on the same things.”

• **What role do strategies and analyses play?**
  ”Certain more specific information cannot be found in the smart specialisation strategies...(must come from actors closer to companies).”

• **What are the most efficient mechanisms to get things going?**
  ”What’s the role of government? Just bringing the actors (particularly companies) together... providing the frame.”