

# Region of Lapland, Finland:



## Towards a RIS3 strategy of Northernmost Europe



**Palma de Mallorca,  
February 2013:  
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Regional Council of Lapland

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# LAPLAND

Above Ordinary

Lapland is spiritually, geographically and  
in its actions above ordinary.

## Rich in nature

Lapland is rich in nature. People living in the towns or countryside feel close to the nature - it feels like a second home for many.

## Creative madness

Positive originality, which is contagious. Everyone is uniquely individual.

## Arctic magic

In Lapland there is a strange kind of magic that cannot be described in words alone. It can only be experienced.

## Open and Arctic

Lapland is an international meeting point without borders. This has created a culture of transparency. The very best Arctic region.

## Consider it done!

In Lapland brisk bold ideas and expertise go hand in hand, in an international yet local environment.

# Our Expectations from the Peer-Review Workshop



- First, we introduce Lapland, its vast opportunities and major challenges
- After the introduction, we´d like to have your feedback:
  - How to find the balance in supporting the development of basic industry (which is the backbone of our economy) and emerging and evolving industries (particular important in rural settlements)
  - How to encourage micro level industries to grow
  - How to identify the “the blind spots” in the development of RIS3 in Lapland



# Introduction of the work in Lapland on Research and Innovation Strategy



- In Lapland we have currently a number of different strategies like:
  - Regional Development Plan of Lapland 2030
  - Regional Strategic Programme for Lapland which guides The Regional Cohesion and Competitiveness Programme
  - Sector based strategies such as e.g. The strategy of the industrial policy in Lapland (mining & stone industry): The strategy for the creative industries, Lapland Tourism Strategy, Lapland's energy strategy, The National Broadband Strategy in Lapland. Innovation program of Lapland University consortium etc

- The vision for 2030

*Lapland is an attractive, successful northern region with 195 000 inhabitants, known for its rich nature and culture and as a creative, internationally recognised region of growing investments.*

*Life force from Lapland!*



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Only in Lapland



Agnico-Eagle Finland Oy



Only in Lapland



Only in Lapland

# Place-based dimension

## RIS3: Lapland, Finland



- **Competitive advantages:** well-functioning traffic connections, logistics; strong traditional industry, ICT expertise, strong international tourism expertise, excellent R&D and education supply, clean environment, high quality of life
- **Key challenges:** long distances, arctic conditions, lack of medium-sized enterprises, lack of foreign enterprises and experts, outflow of people
- **Current situation:** Mining industry (currently booming), tourism, and process industry (steel, forest industry) as key branches. High hopes in emerging Arctic business opportunities related to e.g. climate change
- **Lapland S3 programme 2012-2013 (10 months) :** A project to prepare the S3 programme, including e.g. workshops, interviews. The project focuses on new opportunities of the Arctic region. The update of Innovation Strategy 2013-2016 for Universities and Education Centres is under preparation.



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# Looking beyond Your Region's boundaries



- In Lapland, ESF funds have been used actively for benchmarking and study visits :
  - “Best European Practices”, where the activities in Lapland co-funded by ESF are assessed against the European level. The project is managed by the Centre for Economic Development, Transport and the Environment, Lapland.
  - Educational institutions have been very active in the development of different benchmarking activities, always involving regional development agencies, local business and decision makers
  - The integration with RIS3 is one of the next steps to take
- The positioning is done via study visits with learning journal, desk studies, mobility of researchers, participation on conferences, Open days etc
- In future, the external learning will be even more important mechanism to enhance innovation
- The territorial cooperation and transnational learning have been dynamic due to the number of Interreg programs and ENPI Kolarctic CBC program.
- In addition, extra study visits will be done to Sweden and Norway
- In Finland, we are also planning to organise peer review session between the other Finnish S3 regions
- Participating in the forthcoming S3 platform, benchmarking & study visits are main practices to have wider perspective in EU



# Entrepreneurial dynamics



- Lapland has developed a Regional Innovation System including public and private actors. **The challenge: how to increase the involvement and commitments of the companies** – to improve the efficiency and innovativeness of the RIS Lapland in producing new commercial products and services?
- **Good practice cases** e.g. collaborative projects with key companies: BRP Finland (snow mobiles), Lappset (play ground equipment) .
- More action needed to bridge the gap between the needs of the companies and the R&D of the universities and other educational institutes. Is there too much public involvement in R&D in the current RIS? **Do we need more business driven approach?**
- The core companies and the associations of the entrepreneurs are active and well-represented in promoting and increasing entrepreneurship in Lapland. But **how to involve the SMEs in Lapland better into the (sometimes theoretical) process ? How to attract potential new entrepreneurs ?**



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JAANA MOONA  
couture de la Lapponie



Jaana Moona Design ja Studio Imagiar



Taisto Saari / Stora Enso



Only in Lapland

# Governance



- RIS3 planning is coordinated by Regional Council of Lapland:
  - Project “Lapland as an acknowledged Arctic Expertise (Specialisation)”, funded by ERDF
  - Supported by Lapland University Consortium and its project Smart Specialisation Strategy for the HEI Research and Innovation, funded by ERDF
- Regional partnership is developed through participatory approach in all 21 municipalities in Lapland, Industry, Educational institutions, Development Agencies, Research institutions etc
- Relevant actors are identified and engaged in the development of the strategy by using the Individual and group theme interviews, Multidisciplinary and sector based workshops, Steering group meetings
- During the last decades the regional and sub-regional development has been based on the triple helix collaboration for example on the development of tourism and creative industries
- The main governance mechanisms to facilitate an entrepreneurial process include the working group nominated by the regional council, which leads the process with the consultation by the dedicated steering group
- RIS3 priorities will identified through the participatory approaches and decision making will follow the regional council’s practise on public hearing



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# Priorities?



There is a **promising participatory process under way**, organized by the Project 2012-2013 by the Regional Council of Lapland, to identify the priorities in Lapland. An interactive workshop in Dec 2012, participated by 44 decision-makers in Lapland, to reveal/identify the most interesting and potential projects.

The regional prioritization process is largely based on the planning work of the Regional Council of Lapland and the municipalities. The regional prioritization is relatively strongly related to the national industrial and economic policy. The currently prioritized branches include mining, tourism, and traditional process industry. New sectors/businesses are being encouraged but big investments in new fields are rare.

Lapland - and Finland has a tradition of SWOT analyses in the national and regional planning process. **The challenge: How to identify and take into account the new business opportunities early enough?** The regional planning system is fairly participatory and democratic - but does it enable agile reactions on new opportunities?

Flexibility mechanisms are in place for resource allocation but the resource re-allocation may be too time-consuming in some cases.



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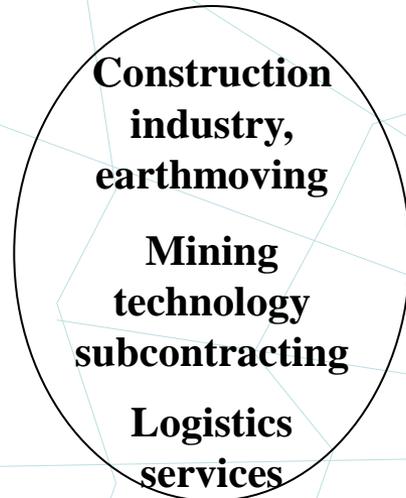


# CASE: The mining cluster in Sodankylä, Lapland, Finland

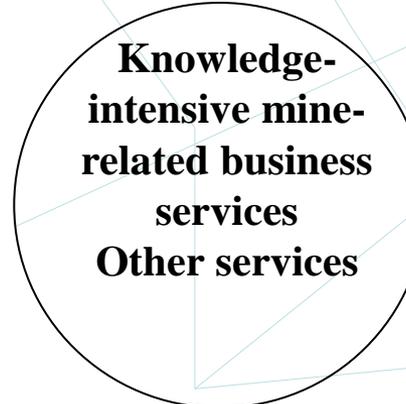
The Kevitsa mine employs directly 240 persons, and 66 subcontractor firms -

most of which from North Finland (partly adapted/Lapin Kansa 10.11.2012; visual format / Pikka, 2006)

## Supporting industries



## Associated services



## Focus business area



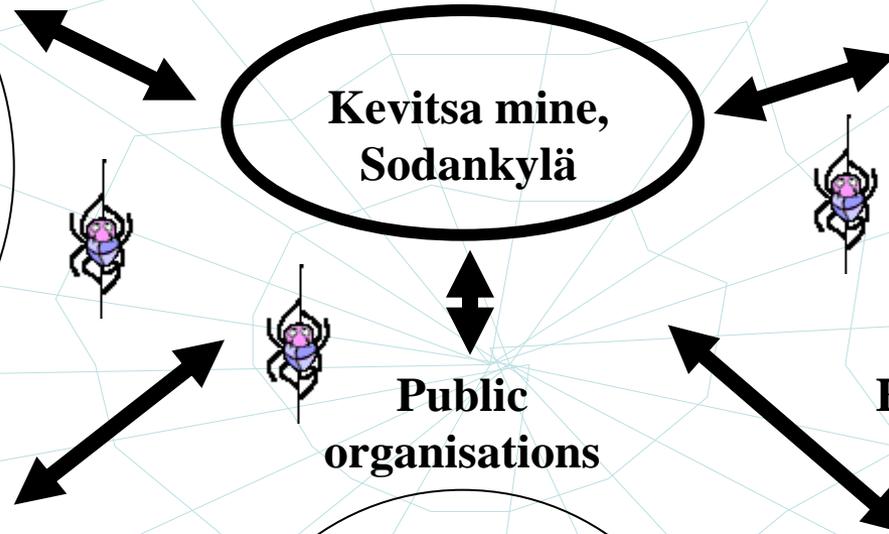
## Public organisations



## Related industries



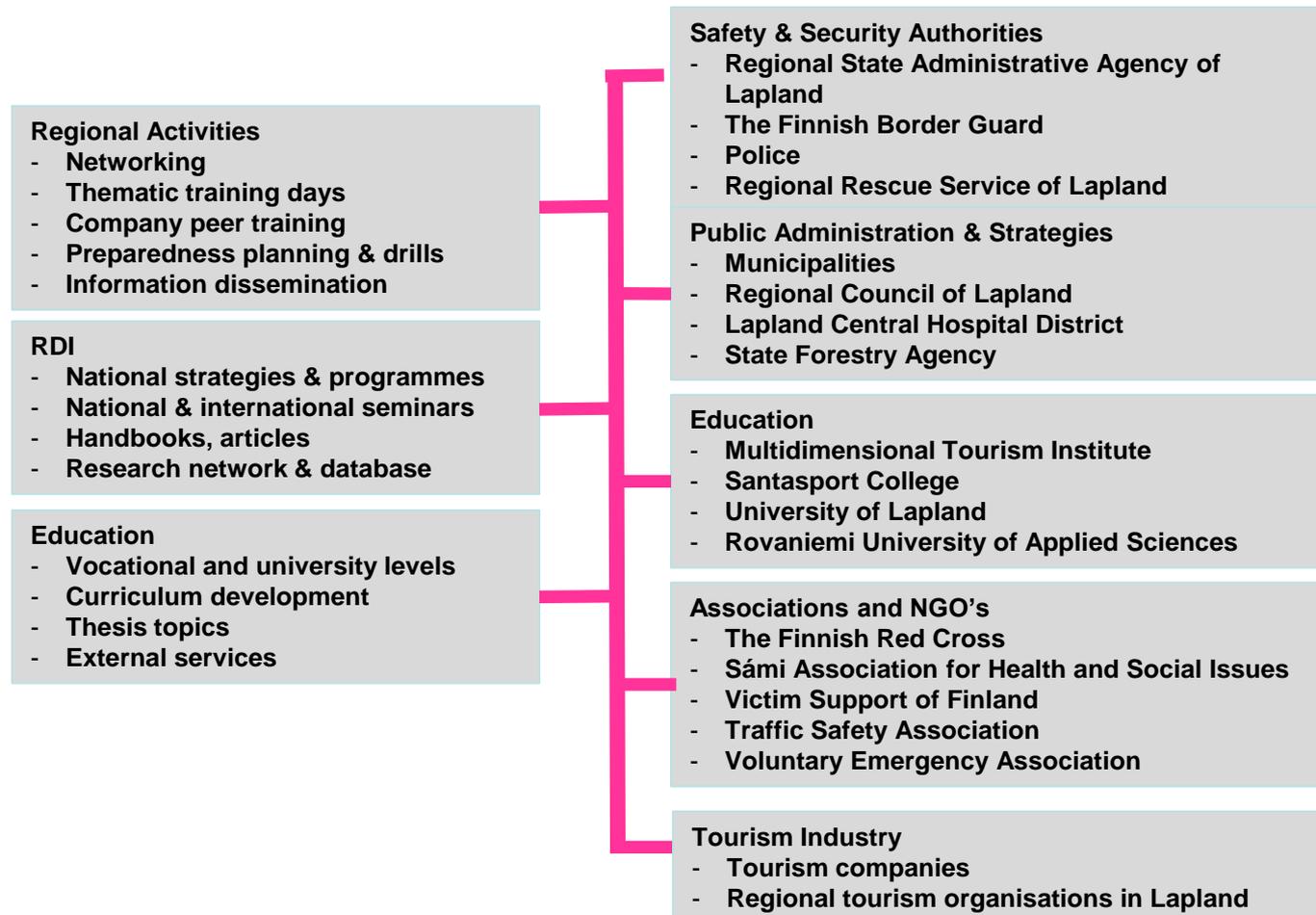
## Education & research organisations



# Development of the Tourism Destination Management: Case Tourism Safety and Security Network in Lapland

## OPERATIONAL MODEL OF TOURISM SAFETY AND SECURITY NETWORK

### OBJECTIVE: The Safest Tourism Destination in Europe



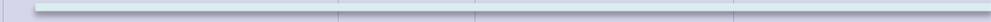
# Digital Growth Priorities?



- Finnish National Information Society Strategy has been just published and it will be one of the bases in the regional ICT-related prioritization
- One cross-cutting issue in the Lapland RIS3 will be the digital growth and use of ICT?
  - The Lapland Information Society Strategy is under development → will be used in RIS3
  - Existing National Broadband Strategy → updating going on
  - ICT is a cross-cutting issue in the Innovation program of LUC
- The budgeting and prioritization of the actions is already included in the Lapland and East Finland Development program 2014-2020 and will be the cross-cutting initiative in the RIS3
- In the process The Lapland Information Society Strategy
  - different analysis of balancing support for demand and supply of information and communication technologies (ICT) have been done,
  - the needs to reinforce ICT capacity-building are also assessed
  - the criteria for the indicators to measure progress of interventions in the field of digital literacy, skills, e-inclusion, e-accessibility, and e-health which are aligned with existing relevant sectoral national or regional strategies etc. are given by the strategy
  - More detailed indicators will be provided in RIS3 work



# Timeline for RIS3 development

<b>Step 1</b> Analysis of regional context and potential for innovation		<b>Analysing past development efforts, interviews, workshops</b>
<b>Step 2</b> Governance		<b>PPP approaches and participatory</b> methods used, steering and working group
<b>Step 3</b> Developing on overall vision of the region's future		<b>Scenarios, opportunities</b> Growth areas, matured clusters?
<b>Step 4</b> Identification of priorities		The sector focus innovation hubs supporting the strong industry Action focus ecosystems for new innovations and industries
<b>Step 5</b> Implementation, definition of the coherent policy mix, roadmaps and action plan		
<b>Step 6</b> Integration of the monitoring and evaluation mechanisms		Combination of LFA and balance score practices
<b>Timeline</b>	<b>January    February    March    April    May    June    July</b>	

**Development of the regional Arctic Specialisation Strategy and Program by July 2013**

**Development of the Smart Specialisation Strategy for the HEI Research and Innovation by the end of 2013**

# Implementation and Budget

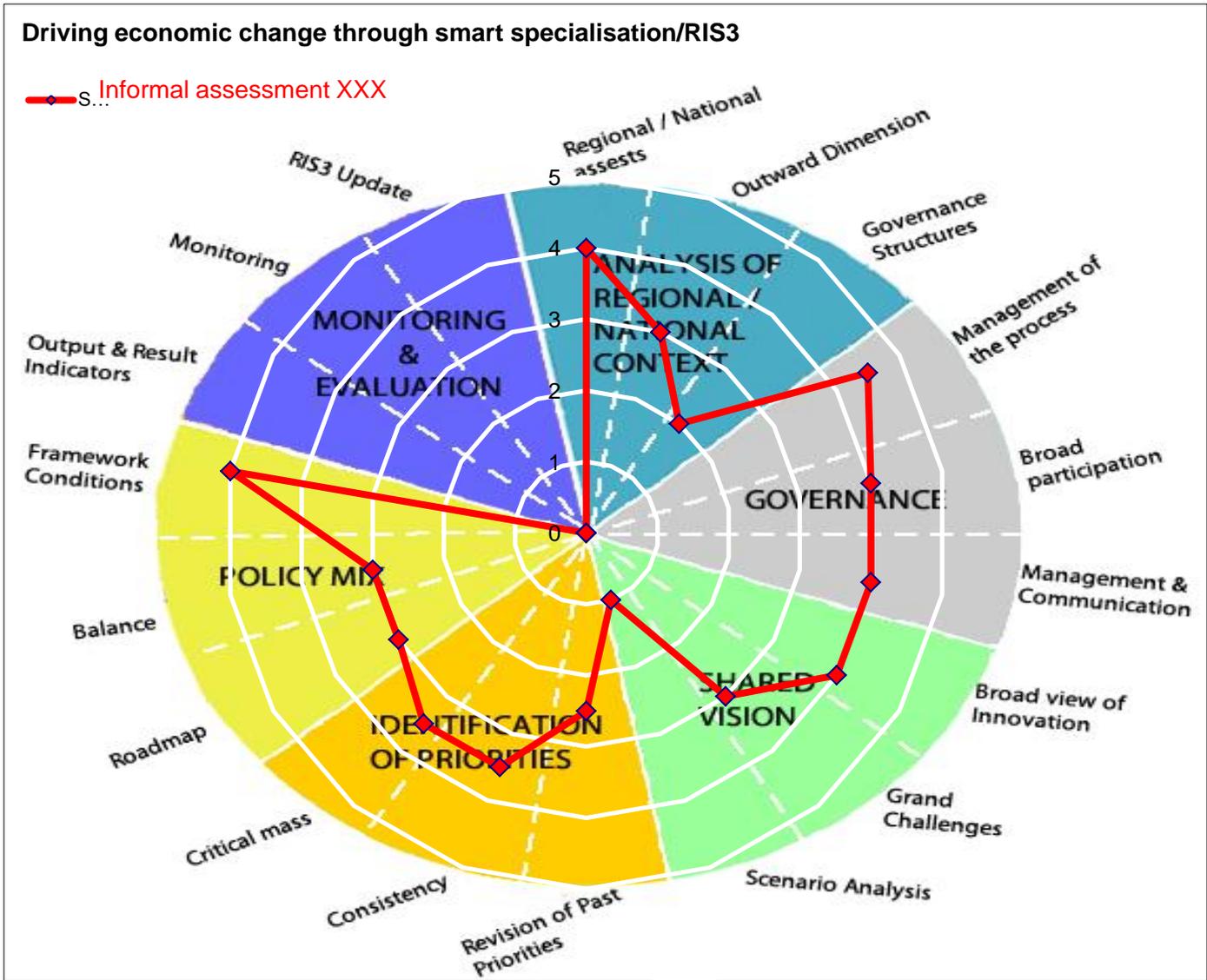


- At the moment we are in the stage to plan RIS 3 and related actions and strategies. By using the RIS3 steps:
- STEP 1: Analysing the regional potential will be finalised in February 2013
- STEP 2: Governance, effort on commitment which is strong at the moment, on February 2013 continues with the pilot development
- The tools and budgets to implement RIS3 will be clarified later, spring 2013
- The aim is to develop the roadmap, which support the synergic and integration of different policies and funding instruments.
- In the planning of implementation the focus is to support the activities which evolves different stakeholders and is enhancing to user-based innovation, living lab methods, helixes etc.
  - Social, cultural, institutional, and legal sustainability are as important than any sustainability
  - For example in the mining industry a lot of effort is put to develop of social licensing practises
- Lapland RIS3 challenge is to stimulate private R&D+I investments
- The implementation will be coordinated by the Regional Council of Lapland
- Mechanism to Measure the progress will be described later, spring 2013



# Driving economic change through smart specialisation/RIS3

— Informal assessment XXX



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# Summary and next steps

- Developed good practises for the governance, analyses and prioritisation are in progress
- The RIS3 main challenges in Lapland are ?
  - Micro companies, lacking small and medium size, SMEs reluctant to pursue growth → low capability to invest on innovation development
  - Demographic change → lack of young entrepreneurs
  - Only 2 inhabitants/km<sup>2</sup>
- The facilitation is practises used are good and motivating for the stakeholders
- The next stage are
  - to continue with the interviews, integration with the Lapland University Consortium project activities, business workshops “business breakfast and learning café”, workshop for the research and innovation actors
  - Sum up of the material, First draft of the regional smart spearheads, Planning the monitoring progress
- The support for the RIS 3 work is encouraging. The involvement of different players in the region has caused positive attitude and feedback. The working group has meetings with e.g. the Finnish parliament members, Barents Euro-Arctic Council, national ministries etc.



# Friendly questions for discussion

## Issues and needs



- Our main expectations for Smart Specialisation?
  - Feedback to find “blind spots”
  - Learning from the good practises
  - Identifying and starting cooperation with relevant EU regions
  - Learning from the RIS3 methodology and using it for a coherent regional development
- The main challenges of the region are in relation with the problems pointed out earlier:
  - How to find the balance in development of supporting activities between basic industry (back bone of the economy) and emerging and evolving field of industries (particular important in rural settlements)?
  - How to encourage micro level industries to grow?
  - How to encourage private R&D+I? Keep on mind the (micro level) SMEs!?



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