

# Monitoring Smart Specialisation Strategies



## Sweden

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# Issues to discuss from the experiences of Sweden

The experiences presented are based on different national programmes as well as on the regional perspective with regional strategies (innovation, regional development, EU-programmes). These programmes and strategies have worked towards smart specialization.

## **Questions we would like to discuss after the presentation:**

1. How can “systems oriented” results and effects be part of a monitoring and evaluation system?
2. How to create broader learning processes in order to promote smart specialisation?
3. How can we learn more about SMEs hindrances and opportunities for participating and in diffusion of innovations? How can different policies be evaluated?

# Overview of the Swedish landscape regarding RIS3 (1)

The Swedish Agency for Economic and Regional Growth has the national responsibility for smart specialisation. VINNOVA (Sweden's innovation agency) promotes and invests in smart specialisation by national programmes and calls for proposals.

## Policy tools (involving priorities):

- **The National Innovation Strategy** – promoting a broad approach to innovation (the government)
- **VINNVÄXT** – promoting sustainable regional growth by developing internationally competitive research and innovation milieus in specific growth fields. Strong milieus and consortias are financed in order to develop the innovation system. Focus: national and regional strong sectors (steel, life science etc.) as well as new combinations such as smart textiles or sports technology (VINNOVA)
- **Challenge Driven Innovation** – addressing essential or critical needs in society and industry and where co-creation and cross-sector collaboration is needed. Areas such as future healthcare, sustainable cities, future manufacturing and ICT (VINNOVA)

# Overview of the Swedish landscape regarding RIS3 (2)

- **Strategic Innovation Agendas and Programmes** – the idea is for industry, the public sector and academia to collaborate for common priorities in terms of investments in research, development and innovation. Developing strategic research and innovation agendas and innovation programmes that aim to support the implementation of the research and innovation agendas (VINNOVA)
- **Regional Innovative Work and Cluster Development** – promoting regional cluster initiatives as well as the regional leadership and regional innovation strategies (The national agency for economic and regional growth)
- **Regional Development Strategies, Regional Innovation Strategies, EU Regional Operative Programmes** – regions work in collaborative partnerships to define in the region and between the regions on how to specialise (21 regions in Sweden as well as 8 NUTS 2 regions)

# Monitoring regional specialisation strategies

- There is no national monitoring system of smart specialisation strategies
- Monitoring and indicators have been developed regionally, connected to the structural funds programmes (not aligned nationally)
- Evaluation, monitoring and learning are linked to the national programmes mentioned
- VINNVÄXT, which has promoted smart specialisation since 2001, has developed joint learning, evaluation and follow-up activities between the initiatives and the national level (VINNOVA). VINNVÄXT is a frontrunner in these activities

# VINNVÄXT in brief

## What

- VINNVÄXT is a programme for regional growth through efficient and dynamic innovation systems. VINNVÄXT is an early practice of “smart specialisation strategies”.

## How

- VINNVÄXT uses competition (calls for proposals) and rewards the best submissions. A limited number of growth initiatives receive up to EUR 1 million per year. Usual funding period is 10 years
- VINNVÄXT focuses on a region’s strengths
- Participants are companies, researchers and political/public sector (Triple Helix)

## Expected results

- Long-term results of structural renewal are expected in the region
- A transition from traditional business support to “infrastructure” for innovation and sustainable growth is expected to emerge within ten years

# VINNVÄXT



## *Kickstart initiatives:*

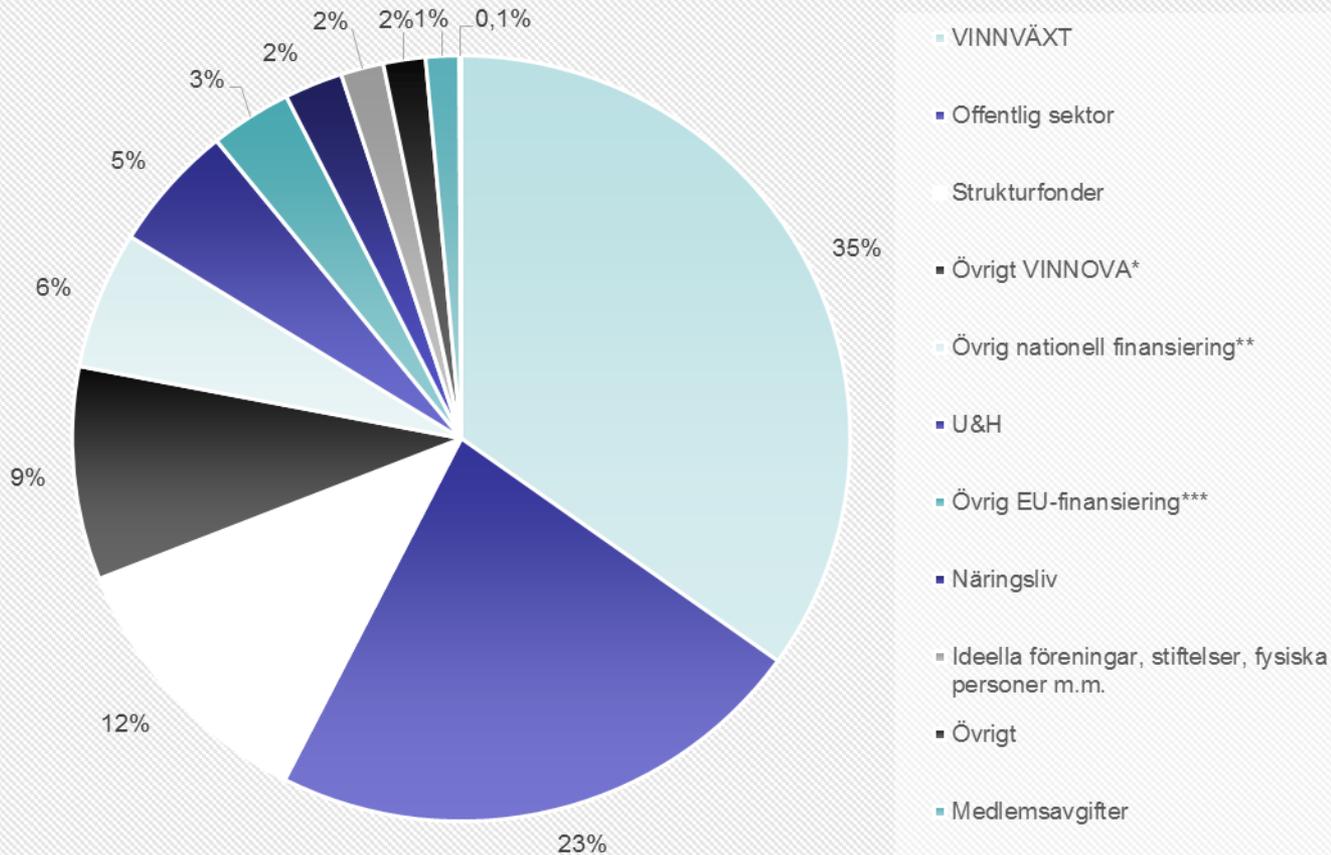
- ✓ BioBusiness Arena
- ✓ Cloudberry Datacenters
- ✓ Future Urban Supply system
- ✓ OffshoreVäst
- ✓ Stockholm Med-X
- ✓ Vehicle ICT Arena

2014-05-14

# Results 2003-2014

| Indicator  | 2011 | 2012 | 2013 | 2014 | 2003-2014 |
|--|------|------|------|------|-----------|
| New goods  | 44   | 72   | 71   | 57   | 558       |
| New services                                     | 38   | 53   | 25   | 18   | 282       |
| New processes                                    | 35   | 25   | 29   | 29   | 251       |
| Scientific publications                          | 135  | 121  | 247  | 137  | 1162      |
| Patent applications                              |      | 15   | 58   | 13   | 86        |
| New patents                                      | 20   | 7    | 4    | 17   | 159       |
| New companies                                    | 63   | 51   | 28   | 35   | 352       |
| Inward investments and investments in expansion. | 36   | 24   | 15   | 22   | 152       |
| Participating companies                          | 828  | 1026 | 924  | 1231 | *         |
| Involved researchers                             | 527  | 384  | 429  | 495  | *         |

# Add-on funding 2013



**Total  
financing:**

**214 MSEK of  
which 74  
MSEK is from  
VINNVÄXT**

Construction of new plant

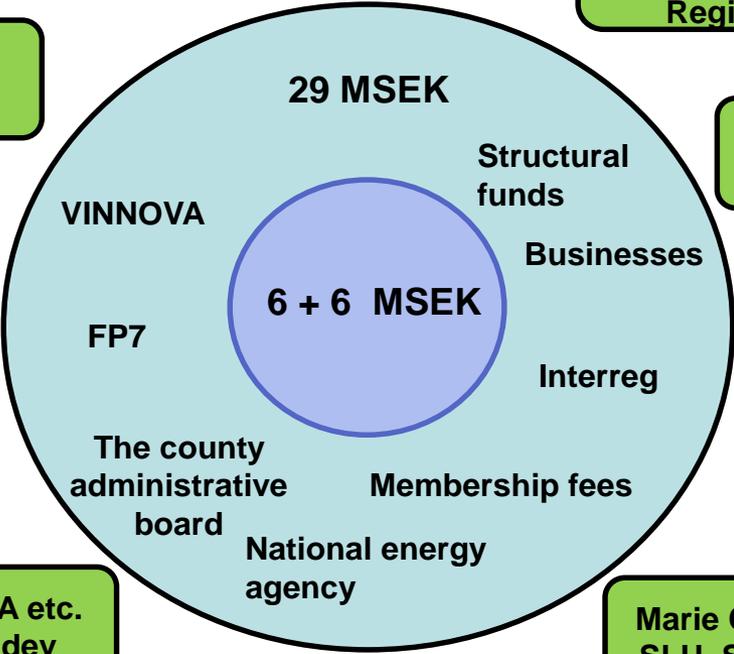
Collaboration between forest and chemistry gets national breakthrough

MTC invests in new plant

VR (SFO)  
UMU, SLU,  
LTU

Municipalities,  
EU, EM m.fl  
BioFuel  
Region

Research  
institutes



EM, Umeå Energi  
SLU

EM, Piteå  
municipality  
ETC

VINNOVA  
Åkroken

EM, VINNOVA  
SP, SEKAB

The county  
council etc  
Uminova  
innovation

EM, SCA etc.  
Bioendev

Marie Curie/CASTLE  
SLU, Skogforsk etc.

New investment  
decision

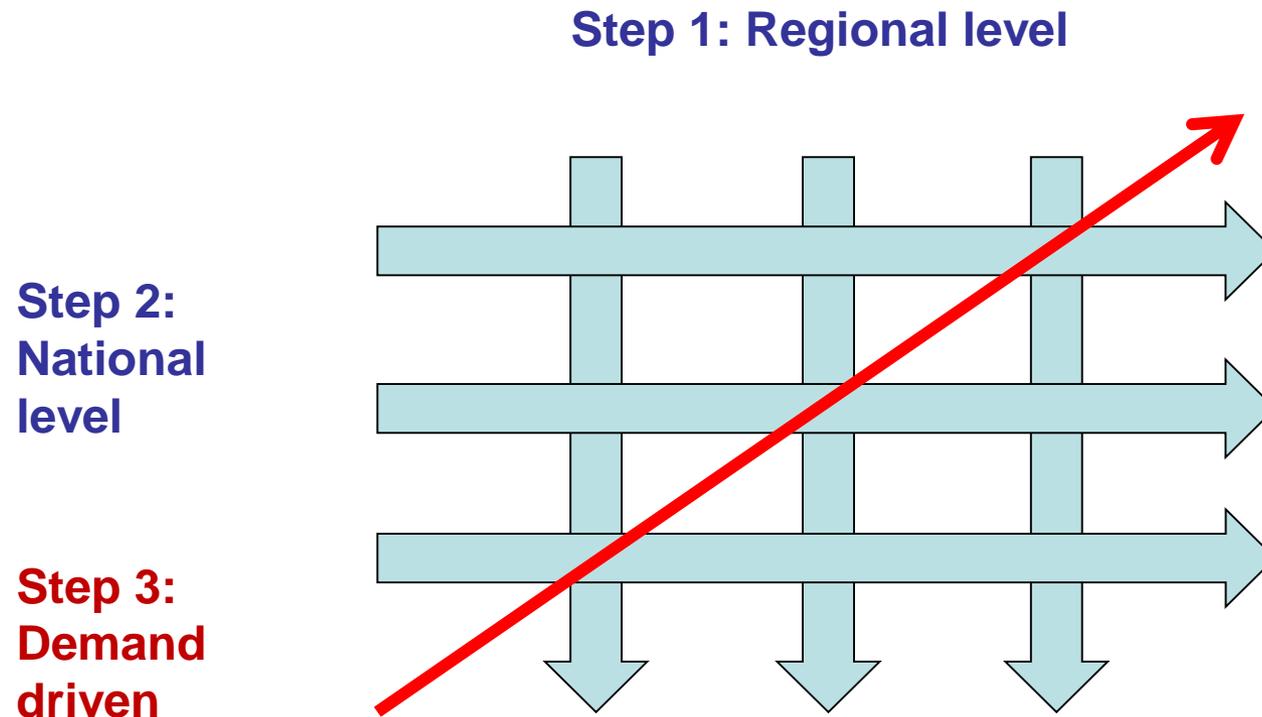
New acquisition

New investment  
decision

# Learning strategy of VINNVÄXT

- Extensive learning activities between national level and regional initiatives
  - Assessments: Annual reports with interviews, dialogue, measurement of results and effects indicators
  - Learning projects in all initiatives and at the national level
- Exchange of experience between initiatives
  - Meetings between process managers
  - VINNVÄXT seminars arranged by the initiatives
- International peer-reviews which adds new perspectives
  - Evaluations every third year by international experts, looking at the “system” and the “content”.

# Swedish policies over time



# Current status – conclusions

- Different policy initiatives have for the last 15 years been promoting smart specialisation in Sweden. VINNVÄXT is a very good example and has proved to be successful. Strong collaborations have developed on innovation and competitiveness within different areas and in different regions. Results and effects are monitored on a regular basis.
- The regional strategies on smart specialisation are more advanced than 5-10 years ago. Still, regions define smart specialisation in different ways.
- There is no prevailing national evaluation system for smart specialisation in Sweden today. Different ways of monitoring, evaluating and learning have been created. The interactive way of working and learning together is a strength.

# Current status – main challenges

- Evaluations and learning activities are mostly conducted as a necessary component of national programmes/ EU structural funds programmes.
- There is a need for a broader learning platform involving different levels (multi governance) and different policy areas.
- There is a need for a broader discussion and a policy-mix promoting the strategies. New approaches for policy design could be considered, eg more demand driven policies, also targeting the civic society and SMEs. We need more knowledge on SME participation in innovation processes and in collaboration partnerships.

**Question 1:** How can “systems oriented” results and effects be part of a monitoring and evaluation system of smart specialisation?



- **Why:** It will be important to not just collect indicators of “easy” measurable data but also find the systems oriented results and effects (as with the example of VINNVÄXT)
- **What has been done:** In VINNVÄXT methods have been developed to collect systems oriented results and effects (e.g co financing, new investments)
- **What worked:** Making system effects transparent and visible helps promoting smart specialisation regionally and leads to more investments
- **What did not work:** It can be difficult to attribute the system effects to the initiative. It can also be difficult to capture the system effects

## Question 2: How to create broader learning processes in order to promote smart specialisation?



- **Why:** It will be important to create a broader learning involving different policy areas, different organizations, and different governance levels for policy development. There is always a risk of “being introvert” in collaboration and with a focus on the regional or the national context. At the same time the world is in constant change and factors influencing competitiveness and innovation need to be part of regional processes and learning processes
- **What has been done:** In the case of VINNVÄXT and other initiatives joint learning has developed. Different initiatives have global links, researchers have their international networks. VINNVÄXT is evaluated by an international peer review team
- **What worked:** Trust has developed between national and regional level. New methods to support regional and national strongholds have been created. It has proven very useful to get outside perspectives on the development of smart specialisation in Sweden
- **What did not work:** Learning is being done in “silos”

**Question 3 :** How can we learn more about SMEs hinders and opportunities in participation of S3 projects and in diffusion of innovations? How can different policies be evaluated?



- **Why:** Because of the importance of rapid development and diffusion of new innovations. SMEs have an important role to play in the success of S3 initiatives.
- **What has been done:** There are two main strategies for implementing new innovations on the market. The first strategy is supply driven. Solutions are developed within knowledge and innovation hubs. The second strategy is more demand driven where challenges and user needs are in focus.
- **What worked:** In Sweden, most policy initiatives have supported the first strategy. There is emerging work like innovation procurement and Challenge driven innovation.
- **What did not work:** Evaluations show that SMEs have not been involved sufficiently and the knowledge is not enough for taking action. There is not enough learning about SMEs hinders and opportunities in diffusion of innovation. Neither in more traditional policy design, nor in new approaches of policy making.