South Ostrobothnia
Towards a RIS3

Baiona (Vigo), Galicia
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[presenters’ names]
**SURFACE AREA** 13,444 km²  
percentage of the total surface area of Finland 4.4 %

**POPULATION** 193,977  
percentage of the total population of Finland 3.6 %

**POPULATION DENSITY** 14.43/km²  
in the whole of Finland 17.9 /km²

**FINANCIAL DEPENDENCY RATIO** 1.4  
in the whole of Finland 1.3

**UNEMPLOYMENT RATE** 7.6 %  
in the whole of Finland 8.2 %

**POST SECONDARY SCHOOL QUALIFICATION**  
has been completed by 85.6 % of the province’s 20-59 years olds  
in the whole of Finland 83.5 %

**8.2 COMPANIES** per 100 residents  
in the whole of Finland 5.9
Questions you would like peers to discuss

• Main achievement: There is very strong regional commitment to the development of key business sectors, especially food systems

• Main bottleneck: Internationalization on every level and in every sector.

• Questions you would like peers to discuss after your presentation (Please see also our suggestions at the end of the template) :
  1. Are the thematic business sectors understandable?
  2. Are the service and skill sets innovative? How would you best implement them?
  3. Your recommendations for intensifying the international collaboration?
Introduction to South Ostrobothnia’s work on research and innovation

• The Regional Council of South Ostrobothnia subcontracted the work to the University. However, we closely monitored the work, participated in the working groups and have previous experience in the innovation and research policy (also previous international projects)

• Past experience will be useful and it will be utilized.

• In Finland Regions have been more active than the Ministry when it comes to RIS3. Most likely work will be done individually/in co-operation between the regions

• The goal of smart specialisation is to promote the regeneration of business life and to answer future skill requirements in selected thematic business sectors.
Governance

- RIS3 design process is coordinated by Regional Council of South Ostrobothnia.

- There has been wide partnership and participation within the preparation process.

- Through participation of a broad working party, it has been strived to create genuine ownership for the strategy among the different actors of South Ostrobothnia.

- Entrepreneurial approach of the strategy.

- RIS3 priorities are based on wide acceptance in the region.
Building the evidence base for RIS3

**STRENGTHS**
- Concentrated and versatile company base
- Regional higher education operations: Seinäjoki University of Applied Sciences, University Consortium of Seinäjoki, Epanet-research network
- Strong vocational education foundation
- Comprehensive technology and skill centre services, regionally and for thematic business sectors
- Regional operational and development culture: strong partnerships, reciprocal trust and entrepreneurial operation modes
- Jointly recognised strategic goals in different thematic business sectors

**WEAKNESSES**
- Relatively low populated province, where it is challenging to create sufficient concentrations of skills and capital
- Inadequate internationalisation
- Low number of companies that are growing or with strong R&D operations
- Active business development and regeneration, but with not with many actors

**OPPORTUNITIES**
- Growth companies and internationalisation development strides
- Entrepreneurial thinking and operation mode
- Growth of research, development and innovation operations volume and new models of co-operation
- User inspired innovation operation skills
- Versatile availability of culture and distinctive cultural tradition resources on which to construct new experience production
- Networking and synthesis skills

**THREATS**
- Fall of internationality and global development streams
- Scarcity of visionary and agents of change
- Disintegration of entrepreneurship and entrepreneurial spirit
- Fixation with declining sectors and current operation modes
Looking beyond your region’s boundaries

- Region’s work on Research and Innovation has been assessed *vis-à-vis* other regions and there have been analyses of the external context:
  - Background: comparative low level of research and innovation capabilities in the light of innovation indexes.
  - Operation model of the higher education network of South Ostrobothnia (Epanet).
  - Lead forum for Higher Education Community.
  - RIS3 strategy document recognizes external context rather well.
Looking at entrepreneurial dynamics

• Assessing entrepreneurial dynamics in your region:
  – Somewhat contradictory business sector and entrepreneurial dynamics in the region: South Ostrobothnia is called “entrepreneurial province” in Finland, yet business are smaller and less international than country average.
  – The whole business development and regional development system can be characterized as entrepreneurial. RIS3 recognizes certain service and skill sets which encourage companies to exploration and discovery.

• Involvement of entrepreneurial actors in your region:
  – The smart specialisation of South Ostrobothnia has been aligned with the help of a process involving a broad range of participants.
  – The strategy preparation work has given particular weighting to the viewpoint of business.
Main objectives of RIS3

• We aim at increased international co-operation, effective use of available human resources and intellectual capacity.

• Increased international project financing and foreign investments as well as smart growth are our goals! We have set a goal to triple the transnational co-operation funds that are coming to our region!

• Collecting the information of international project funding from the key stakeholders has been done

• The Structure Funds of the EU have decreased seriously, and there is a need to finance R&D actions by international funding. There is a clear stakeholder / societal needs for the actions.
Sustainable food systems and the regeneration of the bioeconomy

Potential focus sectors

- New systems and solutions for agrotechnology
- Consumer oriented and unique products for the foodstuff sector
- Food systems expert services
- Food safety in the foodstuff chain

The regeneration of service and experience production

Potential focus sectors

- Rhythm music
- Welfare and event tourism
- Event production
- Networked welfare service production

Smart and energy efficient systems

Potential focus sectors

- User friendly and smart machines and instruments
- New health technology applications
- Thermal management
- Smart and efficient logistical systems
- New solutions of metal and wooden construction
- Agile industrial solutions
- Smart customer service and logistic systems
**Start up and Grow up!**
South Ostrobothnia seeks firm international interactions in order to create operations and policies which support the creation and growth of new companies.

**Innovate!**
South Ostrobothnia wants to contribute to the construction of the European Innovation Union.

**Go Global!**
South Ostrobothnia commits to sustainable bidirectional international co-operation in thematic business sectors and to the improvement of its prerequisites.

**Get Talent!**
South Ostrobothnia invests in education at all its levels as a prerequisite for the improvement of the skill level of the province and through that also smart specialisation.

**Bilateral comparative learning**
South Ostrobothnia utilises dense synergy and learning potentials, which are made possible by the close-knit province, as efficiently as possible.

**Effective resource utilisation**
Development policies and development tools are combined efficiently, creatively and intelligently.

**Speed, flexibility and impartiality**
All possibilities are grasped with an entrepreneurial spirit.

**Fairness and reliability**
South Ostrobothnia refines the principles of fairness and reliability into a competitive advantage in smart specialisation, which penetrates business operations and also business development and higher education operations.
Operation matrix for smart specialisation

- Start up and Grow up!
- Go Global!
- Innovate!
- Get Talent!

- Sustainable food systems and the regeneration of the bioeconomy
- Smart and energy efficient systems
- The regeneration of service and experience production
Why these priorities?

- **Competence sectors:**
  - There is future potential in these priority areas
  - South Ostrobothnia has strong know-how in these areas
  - These areas have the most development potential in South Ostrobothnia

- **Development sectors:**
  - Entrepreneurship and growth companies are very important for the future of the region
  - Transnational co-operation is taken into consideration through active participation to transnational networks and through actively participating to international projects.
  - RDI intensive activities in the region need to be intensified
  - Skilled people are truly the main driving force for the regional development
Implementation and budget

• There are several action plans for the chosen priorities. Also the Regional Strategy recognizes the RIS3 priorities. Finances are allocated to these priority areas by the main financing institutions in the Region.

• The strategy and its implementation integrates and exploits the synergies between different policies and funding sources!

• The main stakeholders and partners are involved in the implementation stage of RIS3. However this task needs monitoring and active presence of the region.

• One of the aims of our RIS3 is to stimulate private R&D+I investments, especially international investments.

• The Regional Council of South Ostrobothnia is in charge of the RIS3 strategy together with a group of other stakeholders.
Measuring progress

• The Regional Council of South Ostrobothnia is responsible for monitoring the RIS3. Measuring will be combined with the evaluation of the implementation of the Regional Plan and Regional Strategic Programme of South Ostrobothnia.

• Permanent work groups will be connected to the monitoring work. Also the regional prediction group is closely connected to the measuring process. In this way it is ensured that the monitoring of smart specialization becomes a dynamic process.

• Outcome indicators: e.g. business indexes in selected specialization sectors (growth of turnover, doubling the export by 2020, number of jobs created) R&D indexes.
Driving economic change through smart specialisation/RIS3

Informal assessment - region South Ostrobothnia, Finland

Source: S3 Platform/EURADA
Summary and next steps

• Increasing international contacts and strengthening the international networks is the key issue in RIS3 in South Ostrobothnia

• All the key stakeholders are aware of the key challenge for the South Ostrobothnia
Question 1: Are the thematic business sectors understandable

**Why:**
- We are looking for new international contacts and networks and therefore the themes need to be understandable and appealing from collaboration point of view
- S3 strategy is also for “marketing purposes”; way for displaying our region in analytical manner
- Global challenges need local solutions; we want to be a part of “big picture”
Question 2: Are the service and skill sets innovative?

• **Why:**
  – Thematic business sectors are dominated by quite traditional industries. So, are the service and skill sets innovative enough to facilitate the renewal of these sectors?
  – If not, what should be done?
Question 3: Your recommendations for intensifying the international collaboration?

- What appealed most interesting for you concerning our strategy?
- Are there any potential avenues for collaboration?