EUSBSR Policy Area Innovation: New Action Plan 2021-

Esa Kokkonen
Director, The Baltic Institute of Finland
Policy Area Coordinator, EUSBSR PA INNO

Task Force on the EUSBSR Revision - Final Session: Role of the Regions in the revised EUSBSR Action Plan
9 September 2020 - Online meeting
Added value:

Policy Area Innovation (PA INNO)

- promotes a globally competitive position within innovation for sustainable economic growth in the BSR, and provides a strong platform for an enhanced macroregional collaborative ecosystem for innovation, research, SMEs and digitalization.

- enables shared learning through knowledge-transfer activities

- creates and strengthens networks across the Baltic Sea region

- aligns resources and regulations e.g. through co-ordination of funding sources

- facilitates the joining up of forces in common programs and investments and in the development of solutions for common challenges; and

- enhances BSR’s profile, visibility and attractiveness as a partner of choice for international innovation cooperation within and beyond the BSR.
EU or other policy framework

PA Innovation is related to the following EU- regional - and international strategic frameworks:

- European Strategic Cluster Partnerships (COSME)
- **Smart Specialisation Strategy**
  - Digitising European Industry, in particular the support to Digital Innovation Hubs that can support SMEs with their digital transformation
- Activities to support cultural and creative industries
- Digital Single Market
- EU Blue Bioeconomy Roadmap and Bioeconomy Strategy
- Policy goals of Horizon Europe
- A new Circular Economy Action Plan for a Cleaner and More Competitive Europe

The innovation AP is to be **linked to the Green Deal**, support for R&I being a cross-cutting element of the pact. It will also be directly linked to certain texts of the Green Deal: the new industrial strategy, the new circular economy action plan, the farm-to-fork strategy.
Key PA achievement so far

- PA INNO has helped versatile BSR innovation cooperation to evolve into strategic and complementary actions with stronger impact and more scalable results.

- PA INNO flagships such as BSR Stars, SUBMARINER Network, ScanBalt, Baltic Science Link and BSR Digi co-lab have produced numerous interesting and highly relevant results and new solutions e.g. in the fields of research collaboration, health, blue growth, bio/circular economy and digital economy.

- PA INNO experiences and results on transnational S3 are providing strong evidence and basis for the next wave of S3 in the next EU programming period.
  - Related to this, a network of ERDF Managing Authorities (MA Network) has been established to develop proposals on transnational S3 collaboration. Pilot projects on clean technologies and digital transformation have been created under the MA Network.
  - Results of various (regions-lead) PA INNO flagships on S3 are now being scaled up in connection with BSR S3 Ecosystem project (e.g. CPMR BSC member regions Västerbotten (lead partner), Uusimaa and Päijät-Häme involved)
EUSBSR Policy Area Innovation: New Action Plan 2021-

Action 1: Challenge-driven innovation

- Macroregional challenge-driven innovation policies and actions aim at fostering disruptive, breakthrough and market-shaping innovations to respond to the 21st century social, environmental, and economic grand challenges in the BSR (e.g. climate change, resource efficiency, demographic change, pandemics, rapid urbanization, healthy living and aging, clean energy, inclusive societies, sustainable food and feed production and various environmental challenges of the Baltic Sea).

- Building on the strong background and experience on challenge-based innovation cooperation, and leveraging and scaling up the successes and best practices, stronger innovation ecosystems can be created and common BSR challenges tackled by developing shared solutions and related new pan-Baltic value chains.

- The aim is to turn challenges into opportunities for sustainable growth in BSR.

Smart specialization is a key policy framework for challenge-driven innovation

- focusing on interregional collaboration through aligning regional S3 priorities and innovation investment efforts, and to help regions (and their industries) to draw on their collective strengths and common challenges to carve out new innovation focused value chain opportunities.

- **BSR S3 Ecosystem Support Programme** (based on the S3 platform project results especially on circular bioeconomy); Sector/S3 priority-specific S3 initiatives (e.g. on blue growth, circular economy, health, industry 4.0, smart cities);

**Action 2: Digital innovation and transformation**

Digital transformation is a societal change in BSR. Emerging digital technologies such as AI, VR/AR, blockchain, robotics and Internet of Things (IoT) are key tools to tackle societal challenges, facilitate new businesses, innovations, services and more sustainable, usable and vital living environments and infrastructures, and develop BSR innovation (e.g. smart city initiatives) and startup ecosystems.

**Objectives:**

- to develop common standards for interoperable public and private solutions (e.g. e-identity) and promote harmonizing of data - supporting transfer of solutions across BSR, new market opportunities and globally more competitive digital ecosystems.

- to give businesses and public service providers opportunities to analyze, evaluate, develop, co-create and test new ideas and services together.

- to promote knowledge sharing and institutional capacity building within digitalization to facilitate digital transformation and bridge digital divides in BSR.

**S3** can generate scaled up innovation efforts (e.g. on Digital Innovation Hubs), accelerate cross-regional value chains (e.g. on digital transformation of bioeconomy / circular economy) and generate new market opportunities in digital economy.
EUSBSR Policy Area Innovation: New Action Plan 2021-

**Action 3: Co-creative innovation**

Innovation ecosystems (local, regional or sector-based) are emerging as key frameworks for economic and innovation activity also in BSR. Transnational platforms and change agents are needed to connect BSR innovation ecosystems. Co-creative and open innovation as key innovation methods.

- **To scale up the use of co-creation among BSR SMEs** through improving their capabilities and absorptive capacities to efficiently turn market demand driven ideas into innovations.

- **To connect innovation ecosystems across BSR** through developing and piloting systematic models and practices to engage BSR SMEs, researchers, test facilities and end users in co-creation activities.

- **To facilitate the understanding and change of mindset among policy-makers** and SMEs to scale up practical co-creation activities in BSR and

- **To promote transnational cooperation and SMEs access to RDI infra**, and transnational exchange and joint development between Innovation Infrastructure Organisations and incubators.

Transnational S3 activities can include e.g. joint innovation investments aiming at widening the pool of resources and knowledge bases or at accessing complementary assets (e.g. through interregional voucher schemes). Regions can also develop and improve existing regional policy instruments such as ERDF to supporting the co-specialization approach to S3.
Esa Kokkonen
Director, The Baltic Institute of Finland
Policy Area Coordinator, EUSBSR PA INNO
Kelloportinkatu 1, FI-33100 TAMPERE
P. +358 50 516 9111
esa.kokkonen@tampere.fi
www.baltic.org

Twitter: @inno_pa, @BalticInstitute, @KokkonenEsa

Websites
https://www.balticsea-region-strategy.eu/
http://www.pa-innovation.eu/
http://www.bsr-stars.eu/
http://www.baltic.org/

Websites
https://www.balticsea-region-strategy.eu/
http://www.pa-innovation.eu/
http://www.bsr-stars.eu/
http://www.baltic.org/