

# S3: What's going on in the Baltic Sea Region

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Nordregio, Stockholm, Sweden - a leading Nordic research institute within the broad field of regional development

[www.nordregio.org](http://www.nordregio.org)



# Nordregio and Smart Specialisation

- EU Projects: EU JRC Study (2016), Mapping of EU Member States/regions regional S<sub>3</sub> strategies on Bioeconomy (2017), HIGHER Interreg Europe, S<sub>3</sub> & Arctic (2018)
- Nordic/Baltic projects: REGINA 2015-2018 (NPA), BSR Stars S<sub>3</sub> (BSR Interreg)
- Nordic Thematic Group TG2 Innovative and resilient regions 2017-2020, with an in-depth study on Nordic Smart Specialisation 2017-2018
- Regional Smart specialisation projects e.g. S<sub>3</sub> implementation in Lapland (2015), S<sub>3</sub> Monitoring System development for Värmland, Dalarna, Gävleborg (2018)
- Publications e.g. Discussion Paper on Nordic Smart specialisation(2017)

# Smart specialisation: brief remarks

- **Smart specialisation:** European regions create their innovation strategies based on existing strengths, and combine their resources in a new way to provoke new ideas and possibilities for growth
- Smart specialisation is **not** about selecting sectors, but rather about selecting activities aimed at transforming sectors or establishing new ones (Foray 2017)
- **Domains** - the level at which priorities are identified; neither too high (an entire sector) nor too low (an individual firm) (Foray 2015)
- **Entrepreneurial discovery** - the process in which entrepreneurs, companies, universities, technology transfer offices and regional development agencies **together** discover the *domains*

# Why regional smart specialisation strategies?

- “Ex-ante condition” related to smart specialisation and Structural Funds
- New instrument for regional development – with international benchmarking (EU JRC Peer Review process)
- Smart Specialisation as an element of regional branding

# Regional S3 strategies in the North



# Arctic Specialisation Programme

## Lapland, Finland

- Lapland's smart specialization strategy was prepared by the Regional Council of Lapland in 2012-2013.
- Priority areas: Refining of Arctic natural resources, Utilisation of Arctic natural conditions, Cross-cutting development enabling Arctic growth.
- The implementation phase 2015-2016: Five "smart cluster" initiatives in focus



# BSR and S3 – most common themes (Sörvik 2016)

## BSR – most common themes in S3 (EU only)



Theme	BSR				Theme	EU TOTAL			
	Territories		Priorities			Territories		Priorities	
Health	51	76%	69	17%	Health and Life sciences	157	78%	206	16%
<b>Energy</b>	<b>49</b>	<b>73%</b>	<b>56</b>	14%	ICT	144	71%	229	18%
ICT	45	67%	72	18%	Agro food	136	67%	178	14%
<b>Industrial modernisation</b>	<b>44</b>	<b>66%</b>	<b>67</b>	<b>17%</b>	Energy	134	66%	161	12%
Agrofood	41	61%	50	12%	Industrial modernisation	113	56%	176	14%
<b>Services</b>	23	34%	40	10%	Experience based (tourism and creative industries)	111	55%	148	11%
<b>BSR total</b>	<b>67</b>		<b>406</b>		<b>EU total</b>	<b>202</b>		<b>1295</b>	

# S3 Platform and Nordic/Baltic

Registered regions 2017 ([www.s3platform.jrc.ec.europa.eu](http://www.s3platform.jrc.ec.europa.eu))

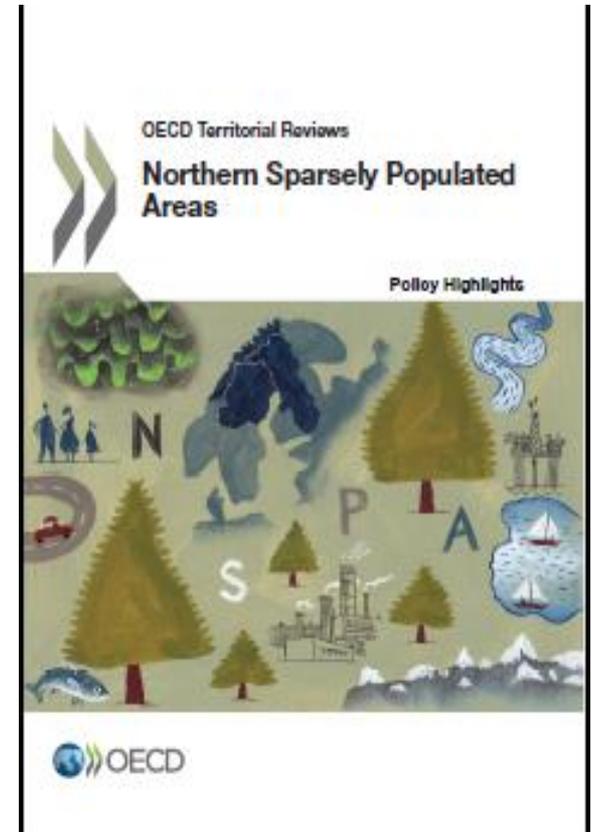
- Sweden: 11 (Dalarnas, Gävleborgs, Jämtlands, Örebro, Östergötlands, Skåne län, Södermanlands län, Stockholm, Värmlands län, Västerbottens län, Västra Götalands län)
- Finland: 16
- Norway: 5 (Aust-Agder, More og Romsdal, Nordland, Ostfold, Vest-Agder)
- Denmark: 2
- Estonia, Latvia, and Lithuania: registered as countries

# Smart specialisation and sparsely populated areas

- Sparsely populated regions: especially in northern and southern parts of Nordic countries , North Scotland
- Smart Specialisation policy thinking is supposed to be applicable in any type of regional setting. In practice, much attention to metropolitan and urban contexts - little evidence about the peripheral regions
- How to apply smart specialisation when the geographical area is huge - but the number of people living in the area is small ?
- How to apply “related variety” when you have abundance of natural resources - but you lack critical mass of actors? Lack of critical mass can be a major constraint for successful implementation of S3 (Foray 2015)

# OECD Study on NSPA region (2017) and smart specialisation

- Realising growth in NSPA is linked to the identification of absolute advantages e.g. minerals and energy, fisheries and aquaculture, forestry, renewable energy, and tourism–related services
- Key policy question : how to add value around the unique assets supporting factors that enable productivity growth such as skills, innovation, and infrastructure.
- **“The concept of ‘smart specialisation’ is therefore a very suitable policy approach for these low-density economies.”**



# EU JRC / NORDREGIO STUDY 2015-2016: CONCLUSIONS

- Smart specialisation is applicable for sparsely populated regions – with special attention to **critical mass**
- **The sparsely populated regions: not lagging behind by definition!**
- Extra-regional knowledge and experts needed



# REGINA 2015-2018: Regional smart specialisation complemented with local "zoom-in"

## Partners:

*Nordregio (Lead Partner)*

University of Lapland

MidtSkandia Sweden

**MidtSkandia Norway**

Sodankylä Municipality

Storuman Municipality

**Nordland Research Institute**

**BioForsk**

**Alstahaug Municipality**

**Brønnøy Municipality**

Kommune Kujalleq

North Highland College

## Associated Partners

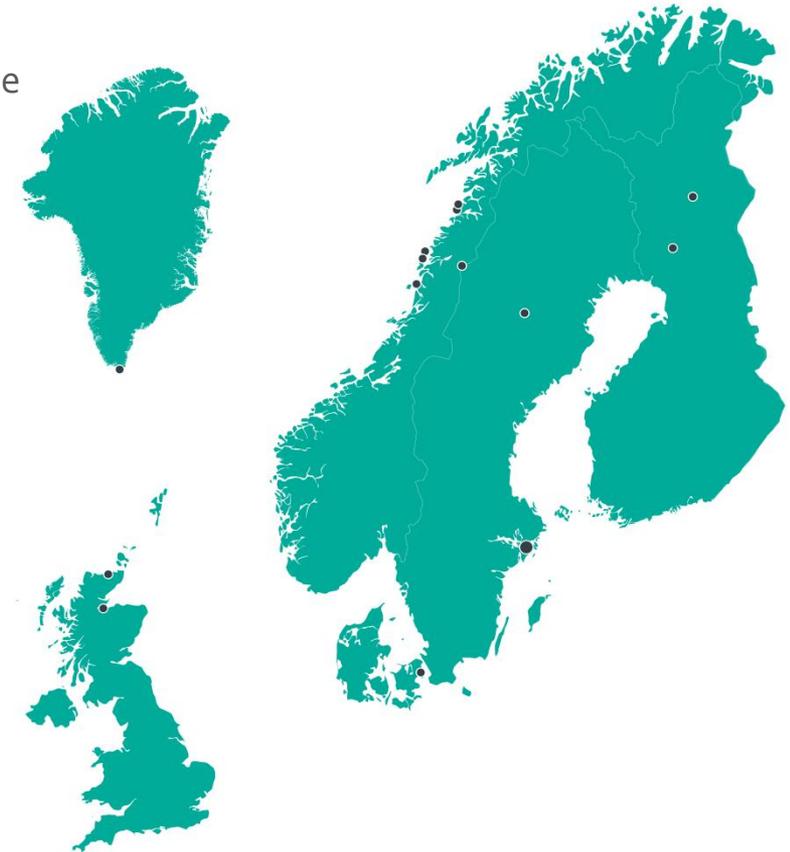
Highland and Islands Enterprise

**Nordland Fylkeskommune**

Nordic Council of Ministers

**Total Budget**

€1 999 749



# BSR Stars S3 and Study Tours 2017-2018

- joint Nordic/Baltic learning on smart specialisation

BSR Stars S3 – Smart specialisation through cross-sectoral Bio-, Circular- and Digital ecosystem, [www.bsr-stars.eu/bsr-stars-s3](http://www.bsr-stars.eu/bsr-stars-s3)

- Study Tours: to gather new knowledge, fostering transnational collaboration related to S3 implementation
- Kalundborg/Helsingborg May 2017
- Karlstad Nov 2017
- Arctic Study Tour (Kemi, Rovaniemi) on June 14-15, 2018

## S3 Arctic Report by EU JRC Seville Platform & Nordregio (2018)

- Smart specialisation in the Arctic (Innovation policy, S3 in the Arctic inside and outside the EU, Specifics on S3 in the Arctic)
- Empirical cases: North Finland, North Sweden, North Norway
- Introduction to other relevant cases in the European Arctic)
- Rovaniemi April, 2018 Workshop on Arctic S3
- Major conclusions & recommendations

# Success factors of regional S3 processes

Based on BSR experience

- Focus on own strengths
- S3 strategy process - engaging a large number of actors
- Strong S3 implementation phase after S3 strategy preparation
- Clear leadership of the process
- Invest in communication, international networking and regional branding
- Trust building among the actors!

# Thank you!

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Photo: Kjell Nilsson