



BRIDGES
Interreg Europe



European Union
European Regional
Development Fund

PGI 00040 BRIDGES

Bridging competence infrastructure gaps and
speeding up growth and jobs delivery in regions

ERRIN meeting, Brussels, September 19th 2016





Context



• Context

BRIDGES is an Interreg Europe (IE) project approved on 10.2. 2016 under the 1st call, Priority 1.a Improving innovation infrastructure policies.

Index number: PGI 00040 BRIDGES.

It is **implemented in two Phases**, Phase 1 1.4.2016 – 31.3.2019 called policy learning, and Phase 2 1.4.2019 – 31.3.2012 called policy implementation.

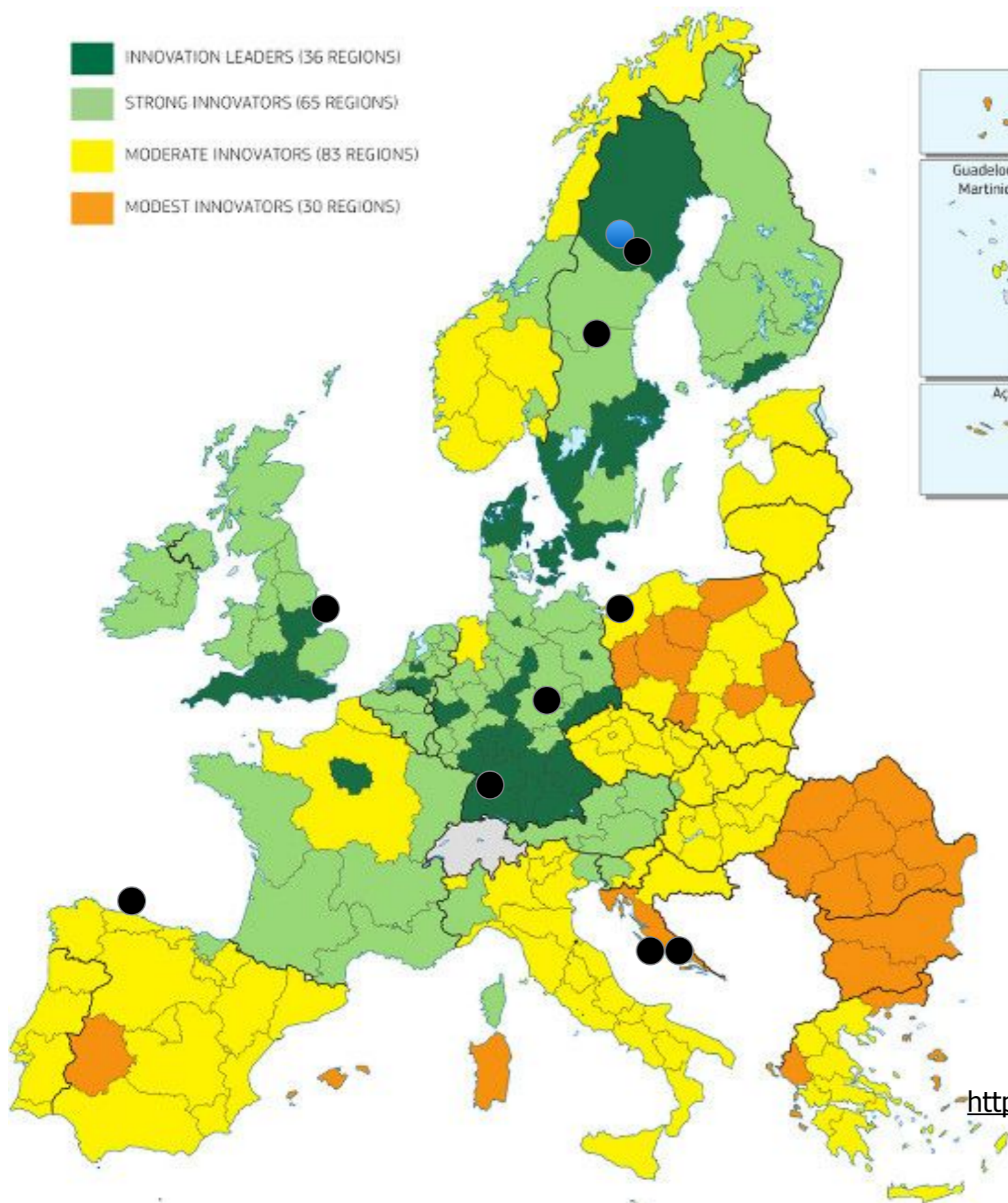
The **project budget** is 2 091 881€.

There are **ten (10) partners**, seven (7) regional and three (3) advisory partners. The partnership was planned to bring together innovation leader regions (Uusimaa) with innovation follower/moderate/modest regions.

Regional partners: Kainuun Etu Oy (FI, LP), Regional Council of Kainuu (FI), Lubelskie Voivodship (PL), Helsinki – Uusimaa Regional Council (FI), Regional Development Agency of Western Macedonia (GR), Socca Valley Development Centre (SI), Pannon Business Network Association (HU).

Advisory partners: European Business and Innovation Centre of Burgos (ES), Centre for Research and Technology /Thessaly (GR), and Stichting DLO (NL).

-  INNOVATION LEADERS (36 REGIONS)
-  STRONG INNOVATORS (65 REGIONS)
-  MODERATE INNOVATORS (83 REGIONS)
-  MODEST INNOVATORS (30 REGIONS)



Innovation Union Scoreboard 2016;
https://ec.europa.eu/growth/industry/innovation/facts-figures/regional_en



- **Overall objective**

The overall objective of the BRIDGES (Bridging competence infrastructure gaps and speeding up growth and jobs delivery in regions) project is to improve RIS3 governance and upgrade RIS3 innovation infrastructures into industry-led centres of competence (ICC).

- **Problem addressed**

BRIDGES wants to primarily break the vicious circle of regional lock ins, dominant in less advanced regions, and restricting the RIS3 impact. The focus of the project are knowledge asymmetries between innovation advanced and less advanced regions, addressing them through networked solutions. It also contributes to the uptake of commercially unexplored excellence results of the more advanced regions. Thus the RIS3 performance is improved in both types of regions.

• **MAIN REGIONAL CHALLENGE**

- 1) Low upscale investments, research excellence absorptiveness, and exploitation of related variety potential),
- 2) mismatches between RIS3 productive & RDI bases,
- 3) distance from & better exploitation of research excellence as a path to further specialisation,
- 4) restricted resources towards RIS3 impact.

• **PROJECT PURPOSE**

- 1) To address regional challenges by bridging the distance, methodology and resource gaps through innovation partnerships, for example:
- 2) To help innovation follower regions systematically absorb innovation and thus benefit from RIS3 measures
- 3) To strengthen the specialisation and research services of innovation leader regions
- 4) To strengthen the RIS3 implementation infrastructures in all regions

• **PROJECT OUTPUTS AND RESULTS**

The regional action plans and their implementation are the main outputs of BRIDGES project.



Kainuu motivation and focus

Kainuu bio economy strategy 2015 – 2020

- Improve the effectiveness of RIS3 implementation, in terms of improving the performance of the regional innovation system. This is done in the context of the implementation of the Bioe economy strategy.
- Strategic objective of bio economy strategy is to create bio economy business ecosystems in which triple helix co-operation exists and create extra value to regional economy
- These business ecosystems are developed by attracting so called driver companies to the region (meaning big industrial investments to the region and creating triple helix co-operation around these companies)
- The idea of bio economy in Kainuu (Kainuu bio economy strategy 2015 – 2020) is to product highly refined products, which will create optimized benefits for regional economy. It is also so that the further processed products are, the less important is the distance from the market. This is basis for new company which has been established to find investors for softwood processing and new bio-products. Discussions with investors have been started by the company and they still continue (<http://www.kaicellfibers.net/>).

KAINUU BIO ECONOMY STRATEGY 2015 - 2020

COMMON OBJECTIVES OF BIO ECONOMY SECTORS

Vision 2020

AIMs of BE strategy

- New investments, higher value products & services based on renewable nature resources & circular economy materials
- Agriculture products more profit, forest economy produces more economic benefits for the region
- Fostering the development from fossil economy to bio economy

GOALS (aimed results)

- Number of jobs
- Investments
- Potential of forest in use
- Agriculture remains & fosters

Strategy actions

Kainuu bio economy sectors & the developing goals of the sectors

- 1) Food,
- 2) Products of bio economy – logging of raw materials,
- 3) Products of bio economy – refining,
- 4) Renewable energy,
- 5) Nature tourism & nature based well being services (Green Care)

Kainuu bio economy strategy 2015 – 2020

- **1)** The plan for the project is to have investment decision by the end of 2018 (the construction of the factory from 2019 to 2020). The size of investment is about 800 million. €, direct impacts of the investment in regional economy will be approximately 270 jobs and 119 million. € and the indirect effects approximately 1 350 jobs and 67.5 million. €. If forest investment comes true this is very valid base for bioeconomy ecosystem – Bridges helps with this
- **2)** Wood industry is strong in Kainuu. In Kantola industrial area in Kuhmo have (2015) net sales of approximately € 100 million, in the district 12 companies and 240 jobs. In Kantola area started in December 2014 Kuhmo Oy CrossLam Ltd., CLT-factory, which employs 15 people. In 2016, the region began Kantola element - Sampo Oy, which employs 50 workers in the processing and equipped and CLT-plates. In addition, the element of Sampo is currently training 15 new employees recruited. Thus the year 2016 Kantola number of jobs will rise more than 250 jobs. By the year 2020 industrial turnover in Kantola is likely to double (EUR 170-200 million) which brings 50 to 70 new jobs. If forest investment comes true this is very valid base for bioeconomy ecosystem – Bridges helps with this.

Kainuu bio economy strategy 2015 – 2020

3) Circular economy as a part of bio economy is very important and growing business for Kainuu as well. An excellent example of realizing ideas of biotechnology and circular economy in Kainuu is the € 40 million investment by North European Biotech (NEB) to Renforsin Ranta business park in Kajaani, to build a bio-ethanol production facility. The facility will produce bio-ethanol suitable for traffic fuel, using sawdust from the nearby sawmill as raw material. The by-products of the process will be lignin, furfural and turpentine. The phasing in of the production plant will begin in the summer of 2016. The plant will create about 40 direct jobs. The company responsible for the plant technology and operations is St1 Biofuels Oy is. Extension of production amounts is likely in the future, since the current EIA (environmental impact assessment) procedure does cover five times the production amounts of the planned industrial plant. This would mean industrial investments of at least 80 million € for the period of 2017-2018. If forest investment comes true this is very valid base for bioeconomy ecosystem – Bridges helps with this.



Progress -to- date



State of play

BRIDGES project started officially on the 1.4.2016. As in all projects, there are good moments, delays, and difficulties. We are happy because to this stage at least, the methodology we have invested and investing in, seems to work. For example,

- the good practice approach, seems to work. However, we lag somewhat behind with good practice theme 2 contributions (research to business), and very limited good practice theme 1 contributions. The first GP there are very few contributions to GP theme 1 (industry led centres of competence). We will discuss all this during our 2nd meeting, during early November 2016, in Burgos.

- the regional maps have proceeded in some regions and in some others not. However, the findings are very interesting. For example, we have identified in one case pockets of totally unexploited patents, one wonders why.

State of play

- the policy review has proven very important, and the on-going bilateral sessions between the regional partners, the advisory partner and the LP, prove very useful. In some cases, we find that—as often in case of less advanced regions—RIS3 is on sectors and not on industries. During our bilateral sessions, we discuss in-depth to “name” the industries and then the innovation potential. Some cases indicate that RIS3 = re-industrialisation = industrial policy needed, and after that, the issue of platforms (industry versus competences) enters into the picture. Entrepreneurial discovery appears, to this moment, either cross-industry options (Kainuu, Western Transdanubia) or higher quality products addressing more demanding markets (Lubelskie, Western Macedonia). However, these are very initial insights and we are far from definitive action plan concepts.
- the regional stakeholder groups have been formed in all the regions, and the first meeting have been held in all of them, with more than one meeting in a few of them. In general, the meetings have been introductory. We expect the good practice discussion in the regions to start with the regional stakeholder group meetings in the second semester.

Thank you!





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