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S34Growth addresses regional policy instruments facilitating industrial innovation-related interregional collaboration which can help the renewal of Europe's industry and boost competitiveness.

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# Regional Action Plan: Skåne Region









# Part I – General information

Project:

- Partner organization: Region Skåne
- Other partner organizations involved (if relevant): Tempere, Basque country, Lombardy, Brainport Eindhoven and Province of Zuid-Holland (South Holland).
- Country: Sweden
- NUTS2 region: SE 22 Skåne
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# Part II – Context

This section provides an overview of the S34 Growth project and what it aims to achieve. In addition, it describes the policies the plan aims to influence. One good example are the policies outlined in the SWECO's baseline analysis (Norberg, et al., 2016) as well as other policies (e.g. new industrialization strategy and policies related to challenge-driven innovation). The action plan also aims to have a positive impact on interregional collaboration and strive to develop models of interregional cooperation.

#### **Policy Instrument**

The Regional Structure Fund for SkåneBlekinge 2014-2020 is the core financial tool for development in the Skåne region. It comprises of 61 million Euros in total. It aims to address the low level of internationalization in Skåne, shown in the OECD survey on Skåne from 2012. The implementation of the program needs to be improved by providing additional opportunities to collaborate across the EU. For instance, the development of a program that uses article 70 and a program that supports capacity building to collaborate in cross European initiatives.

#### About Skåne and the S34 Growth Project

Region Skåne is part of the S34 Growth project which aims to enhance existing regional policies and to develop new ones in order to foster EU industrial competitiveness. At the regional level, Region Skåne which is the Skåne Regional Council, located in Southern Sweden, has been tasked by the Swedish Government with the coordination of regional development and with the formulation of regional development strategies (Region Skåne, 2014). One good example is the Open Skåne Strategy





2030 which is the Skåne Regional Development Strategy. The work is carried out in a bottom-up and inclusive form and in continuous dialogue with Skåne's citizens, municipalities, authorities, universities and businesses (Region Skåne, 2014).

Furthermore, Skåne's regional development strategy is included in both the national and the European context such as the National Strategy for Regional Growth and Attractiveness, the Baltic Sea Strategy, WHO Health 2020 Strategy, Europe 2020, the EU Energy and Climate Goal 2030 and the EU Cohesion Policy. Skåne's development strategy also intertwines with other strategies at the regional and local levels such as the International Innovation Strategy for Skåne 2012-2020 (Region Skåne, 2014).

The International Innovation Strategy for Skåne is an ambitious strategy that aims to be inclusive and to reflect the European Union's "Innovation Union" strategy. The International Innovation Strategy for Skåne is a tool for development and growth in Southern Sweden. Today, Skåne sees a great potential in the areas of personal health, smart materials and sustainable cities. The goal is to foster international capability by promoting knowledge-based open innovation arenas to engage in international collaboration. This is a broad-based inclusive approach which means that the development of new innovation areas will be stimulated by participation in international networks (FIRS & SIS, 2011). Skåne has identified six overall strategies to strengthen innovation capacity: 1) Develop systemic leadership; 2) Broaden the meaning of innovation – include more people; 3) Streamline the support structure for innovation; 4) Develop new innovative areas and creative environments; 5) Develop international cooperation and 6) Strengthen innovation capacity in our existing industry and public-sector activities (FIRS & SIS, 2011).

Figure 1 below shows both the strategy formulation and the decision-making perspectives and the stakeholders involved in the two processes concerning EU-funding.

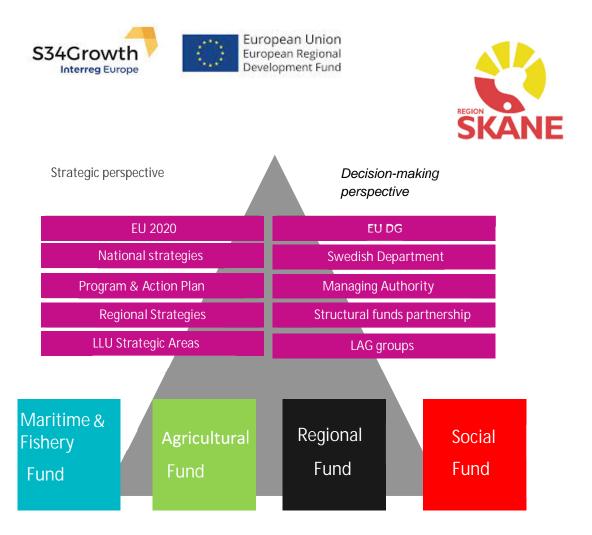


Figure 1 source: Kontigo Consultancy, Stockholm

# Part III – Planned actions

## Background

Section 3 provides information regarding the policy development needs of different regions. This is shown in more detail in Table 1 (see below). During a kick off meeting in Tampere on June 15, 2016<sup>1</sup>, regional representatives rated policy development needs in their regions (1 being the most important and 5 being the least). The policy development needs emerged in the following areas: a) cross-border collaboration; b) financial instruments; c) cross over between sectors and clusters; d) cross over between science and business; e) technology to market; f) skills development; g) need for new instruments i.e. mapping tools, contracts, technological transfers, interregional industry collaboration. As table 1 shows, Skåne has selected all seven areas as high priority. Although important, these seven areas need further development and discussion. For instance, how can we strengthen cross-border collaborations? How can financial instruments facilitate collaboration in

<sup>&</sup>lt;sup>1</sup> <u>https://www.interregeurope.eu/s34growth/news/news-article/146/s34growth-kick-off-in-tampere-15-17-june-2016/</u>





science, technology and innovation and more cross over between science and business? It is also important to consider the results: What does Skåne as a region aim to achieve through interregional cooperation and through the S34 Growth planned actions?

| Needs<br>Region | Collaboration over Borders | Financial<br>instruments | Cross overs between<br>sectors and clusters | Cross overs between science and business | Technology to market process | Skills Development | Need for new instruments i.e. mapping tools,<br>contracts, technological transfers, interregional<br>industry collaboration |
|-----------------|----------------------------|--------------------------|---------------------------------------------|------------------------------------------|------------------------------|--------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Basque          | 1                          | 2                        | 5                                           | 4                                        | 5                            | 5                  | 3                                                                                                                           |
| Noord-Brabant   | 1                          | 2                        | 4                                           | 5                                        | 5                            | 3                  | 5                                                                                                                           |
| Flandern        | 1                          | 3                        | 5                                           | 5                                        | 5                            | 2                  | 4                                                                                                                           |
| Catalonia       | 3                          | 3                        | 1                                           | 4                                        | 4                            | 3                  | 5                                                                                                                           |
| Lombardy        | 1                          | 1                        | 1                                           | 1                                        | 1                            | 2                  | 3                                                                                                                           |
| Portugal        | 5                          | 2                        | 5                                           | 4                                        | 1                            | 5                  | 3                                                                                                                           |
| Zuid-Holland    | 3                          | 4                        | 2                                           | 1                                        | 5                            | 5                  | 5                                                                                                                           |
| Skåne           | 1                          | 1                        | 2                                           | 1                                        | 2                            | 2                  | 2                                                                                                                           |
| Scotland        | 1                          | 2                        | 3                                           | 1                                        | 2                            | 5                  | 2                                                                                                                           |
| Tampere         | 1                          | 5                        | 2                                           | 5                                        | 3                            | 4                  | 5                                                                                                                           |
| average grade   | 1,8                        | 2,5                      | 3                                           | 3,1                                      | 3,3                          | 3,6                | 3,7                                                                                                                         |

## Table 1 Policy development needs ranking (Tampere 2016 06 15)

| high importannce (1-2) |
|------------------------|
| medium importance (3)  |
| low importance (4-5)   |

The following sections – opportunities, barriers to implementation and recommendations – draw on the Policy Brief Skåne OSDD document produced after the OSDD Skåne which took place in Malmö and Lund on the 25th and 26th of October, 2016 with Tampere, Norte, South Netherlands and Scotland regional representatives. Some of the recommendations in the Policy Brief can be seen as an inspiration for the actions described in this regional action plan. The three sections below are excerpts of the Policy Brief Skåne OSDD and serve as background information only.

Advantages and opportunities of interregional cooperation

- Facilitate the access of companies to innovation infrastructures in other regions through an interregional incubator for a specific RIS3-area providing stronger support to industry and businesses in different regional pilots.
- Identify common interregional priorities and needs, for example shown in table 1.
- Identify opportunities for collaboration within the macro-regional programs, similar to EUSBSR (EU Strategy for the Baltic Sea Region).
- Promote knowledge sharing and encourage businesses to use their expertise to develop new market opportunities to meet societal challenges. The Open Innovation approach that characterises LAUNCH Nordic platform is a good example and could be expanded to establish an international Open Innovation network.





Barriers to the implementation of new instruments/tools/practices

- In order to ensure the access of companies to interregional infrastructure, it is necessary to clearly define an interregional cooperation model by engaging authorities in the process and in the discussions. The allocation of Skåne structural funds to other regions should be justified by clear goals and benefits. The latter might be difficult to forecast or quantify.
- Decision making for joint actions is not an easy process due to the misalignment among regional priorities and differences in the regional innovation system (i.e. different sectors, areas of competences, sub regions in Skåne). The self-governance on a municipal level in the Swedish political system is enshrined in the constitution, but the county/region are at the same time obliged to follow the framework set by parliament and government. Although the autonomy at the municipal level also gives them the right to make independent decisions, these decisions are influenced by popularly elected political assemblies and what priorities they consider to be important e.g. healthcare, economic growth, sustainability or innovation. The lack of political leadership and/or commitment on the regional level for innovation may in some instances represent a barrier.
- One of Skåne's goals, as part of their regional development strategy, is to be Europe's most innovative region by 2020. Planned activities aim to initiate and test new models, processes and methods to establish structural cooperation with innovation as the main goal. A considerable amount of investment has been allocated to develop innovation infrastructures. It could potentially be difficult for some regions to appropriate similar funding to a single priority area, especially if the region has identified several specialisation areas in its RIS3.
- Geographical distance can be a barrier when defining an interregional strategy. In fact, in general, regions that are geographically close tend to be confronted with the same challenges compared to geographically distant regions.

Recommendations and suggestions proposed to overcome such barriers and difficulties

- Test joint calls between S34Growth partners exploiting Article 70 on the basis of Skåne experience in small scale Art.70-related projects in the Baltic Sea area. An interview subject states, "The plan has been to use Article 70 from the onset of the project to support participants in various pilot projects. However, it has been challenging to use article 70 and only a few have done it successfully. According to the same interviewee, a maximum of 15% within a program area might be used for this type of interregional collaboration." (interview March 22, 2018).
- Support the development of new and stronger network exploring cooperation opportunities among the partner regions with the aim of establishing new value chains within the Vanguard Initiative. This recommendation is corroborated by the following statements by an interview subject: "We have no choice, we have to work at interregional level," "We have to find raisins in the cake in Skåne and in other regions and find the best regions" (March 9, 2018). This means that it is important not only to create awareness and promote the best practices within a region but also know where to find expertise across national borders.





- Promote the implementation of instruments to help start-ups overcome challenges and help support idea to market processes (e.g. demonstration activities).
- Develop an interregional cooperation model with guidelines on how to engage authorities in joint actions. This recommendation includes detailed information about the technical aspects of funding instruments to address lack of knowledge and information. In addition, short reports of success stories can be used to create awareness and to capture the attention of regional authorities in order to sway their viewpoints and encourage cultural change.

### Actions for interregional collaboration

In this section we discuss the aim of the S34 Growth project and the Regional Action Plan, the methodology used to gather data that served as the background for the Action Plan and the objectives of each action.

Aim of the S34 Growth Project and Regional Action Plan

The main objective of the S34 Growth Project is to improve regional policy instruments or to create new ones in order to foster interregional collaboration. These actions to improve policy instruments or to create new ones are expected to support the competitiveness and the renewal of Europe's industry. This Action Plan describes the two actions Region Skåne has selected. Implementation has already started for each of the two actions. The actions have been inspired by discussions and meetings that took place during phase I of the S34 Growth project such as the On-Site Deep Dive on March 12-13, 2018 in Flanders. One of the activities from which the two actions are drawn is the cross-border activity matrix, a tool for identifying activities and ideas for regional action plans.

#### Methodology

The actions outlined in this Action Plan originated from the activities carried out in phase I of the project and internal discussions at Region Skåne which are explained in more detail under each action. In addition, a number of actions were identified based on a S34 Growth project cross over matrix. Telephone interviews and conversations with 10 stakeholders in Skåne and with S34 Growth regional partners were conducted. The input from these interviews and conversations were also included in this Action Plan.





## **Description of Actions**

#### Action 1 Skåne Digital Innovation Hub (SDIH)

The Skåne Digital Innovation Hub is an action inspired by the activities carried out in phase I of the S34 Growth project. For instance, during the On-site Deep Dive (OSDD) in Flanders on March 13-15, 2018 the project partners discussed a cross-activity matrix comprised of eight different ideas/activities that informed the Skåne regional action plan. During the same OSDD, we also listened to different presentations on the status of each regional action plan and the different regional actions across the S34 Growth partners. One of the topics presented was the Digital Innovation Hub which the Basque Country has been focusing on.

Digital Innovation Hubs are not unique to Skåne. Other European regions are also adopting the model encouraged by the European Union. For instance, Digital Innovation Hubs are a priority in the Digitizing European Industry Initiative adopted in April of 2016 by the EU. As such, the initiative wants to ensure that all companies, whether they are high-tech, have the same opportunity to access DIHs across Europe and be digitalized. DIHs function as a platform where companies can access financing advice, networking opportunities and technology testing. The EU encourages Member States to invest in Digital Innovation Hubs through their regional development funds. This is precisely what Skåne is currently pursuing.

In addition, the EU encourages a wide network of collaboration within the various European Digital Innovation Hubs where companies can access expert advice, facilities and competences that might not be available in the Digital Innovation Hubs of their own regions. This network of Digital Innovation Hubs has the potential to foster knowledge transfer between European regions, knowledge exchange and learning, all of which will be the basis for regional development and hopefully leading to more investments in digital hubs. In the introduction part of this Action Plan, we've laid out a few suggestions for overcoming barriers to the development of new policy instruments or practices. One such proposal is to write short reports of success stories to create awareness and to capture the attention of regional authorities. Concerning DIHs, it is important to create awareness of the importance of industrial digitalization. Developing a wide EU network linking these hubs is both a goal but also a means to achieve some of the goals laid out here. In order to achieve these goals, Skåne will follow concrete steps specified below that will help the region to advance toward establishing a Digital Innovation Hub.

Steps 1 through 4 are specific actions within Action 1 and are means to achieve specific targets described in this section. Step number 4 is the final stage in this process because it is meant to link different digital innovation hubs across Europe and certainly that includes the S34 Growth partners who are already working on the same topic or those who will start working on DIHs. In order to implement step 4, our actors in Skåne need to meet with their counterparts in other regions. Although meetings, visits and knowledge exchange were all part of phase I of the project, we anticipate that we will continue to have meetings and knowledge exchange in phase II in order to





implement step 4 (described below). It would not be feasible to achieve step 4 without talking to people and without connecting to other regions which will be carried out through meetings. Step 4 (connect to other European regions on the topic digital innovation hubs) is also one of the long-term objectives of Action 1. Therefore, step 4 should also be viewed as a tool to implement Action 1 and as an end goal.

Region Skåne, the governing body in Southern Sweden, is working with digital innovation hubs through its local cluster organizations. Region Skåne has commissioned three cluster organizations to establish and scale up Digital Innovation Hub activities. The actions that are foreseen in the next upcoming year are as follows:

- Step 1: Skåne's clusters develop an inventory of cluster activities that are linked to and overlap with digital innovation hubs Status: this activity has already started by Skåne's clusters.
- Step 2: Skåne's clusters conduct a pre-study phase to explore and identify the need of the Skåne industry to have digitalization services provided to them from a Skåne-based DIH.
- Step 3: Test these activities and scale up a Skåne-based Digital Innovation Hub (in the form of a pilot)
- Step 4: Connect to other European regions and expand/build a European network of digital innovation hubs. Linking to other European regions involves visits to partner regions Eindhoven and Basque Country to engage with our S34 Growth partners on the topic of Digital Innovation Hubs. Engaging with our partners involves discussions on how our digital innovation hubs can connect to digital innovation hubs in other European regions.

Definition of Digital Innovation Hubs (DIH)

Digital Innovation Hubs comprise of a system of digitally interlinked network of competence centers with research and development infrastructure that provides an array of specialized services to companies (source: author's own elaboration).

Short to medium-term objectives of Action 1: a) To conduct a pre-study to identify the need for digitalization services in companies; b) To assist local companies to begin the digitalization process

Long-term objectives of Action 1: a) Improve and provide digitalization services to companies from simple to more complex services; b) Establish a full scale Skåne-based DIH; c) Connect to other DIHs across Europe, particularly S34 Growth partners.

#### **Expected Outcomes:**

- 1. This action establishes a Skåne DIH pilot
- 2. It expands DIH network across Europe





3. It increases interregional collaboration and knowledge exchange about DIHs

Tangible outcomes: as described above

**Stakeholders:** Local clusters, Skåne Research and Innovation Council (FIRS), Region Skåne, industry, Swedish funding agencies (e.g. Tillväxtverket), S34 Growth partners (Basque Country, Eindhover).

Timeframe: 2019-2021; status: ongoing

Costs

Travel:

Cost of travel to meet S34 Growth partners in Basque Country and Eindhoven: Round trip ticket € 300; hotel € 180 x 2 nights: € 960 x 2 people = e 1920 (Eindhoven) + € 1920 (Basque Country) = € 3840

Pre-study: € 48,000

Pilot: between € 96,000 to € 500,000

Staff costs: 0

Administrative costs: 0

Monitoring: report; meetings with local clusters

#### Action 2 R&D Facilities for International Collaboration

The topic European R&D facilities was discussed during the last S34 Growth On-Site Deep Dive (OSDD) meetings on March 13-15, 2018 in Flanders. The R&D Facilities for International Cooperation originated from the cross-activity matrix presented during the same OSDD event in Flanders in 2018. Action 2 corresponds to action number 7 on the cross-activity matrix. Tempere and Scotland are among the regions that expressed an interest in this activity, according to the matrix and our discussions during the last OSDD. Therefore, Action 2 of the Skåne Region Action Plan has been inspired by the learnings that took place during the OSDD meetings in 2018 and from the cross-matrix exercise/discussions where all the S34 Growth partners participated in and provided input.

It is common knowledge that often regions face barriers to implementation of policy instruments/tools/strategies. In the beginning of this document, we've laid out a few suggestions to





minimize such barriers. Action 2 has the potential to do just that and to ensure the access of companies to interregional infrastructure, by partnering with other interested regions.

R&D facilities exist across Europe but they are scattered and located in different regions. In addition, there is often uncertainty about what they can be used for (e.g. what types of experiments researchers and companies can conduct, availability of tools, waiting time, rental or contract) are important details that are not always known or obvious to users. One of the topics discussed during phase I of the S34 Growth project was the dissemination of information about R&D facilities and their promotion. The objective of Action 2 is to expand existing networks to strengthen relationships with other European regions that might lead to future research projects. For instance, the exchange of information about R&D facilities and the use of these infrastructures by SMEs is an expected outcome. These activities enhance connection to open R&D labs (which is a concept) and foster the dissemination of information about the R&D facilities (when users of labs and research infrastructures know where they can find what they need and who to contact, companies are able to save time and money). The ultimate objective is to meet and work together to find new ways for collaboration for mutual benefit, show other regions our strengths and to gain knowledge about the capabilities of other regions to then find new business partners, to develop local businesses and the regional economies. Although knowledge exchange and learning are steps carried out during Phase I of the project, gaining knowledge about the capabilities and R&D facilities that exist in other regions entails meeting to exchange information which is one of the steps to achieve Action 2. As the paragraph explains, meeting, working together, knowledge exchange and learning are also end goals in Action 2.

- Promote the regional research facilities to other regions. This will be done through presentations to interested audiences outside Sweden.
- Obtain information about other R&D facilities across European regions, particularly in those S34 Growth participating regions.
- Connect with interested European regions to discuss and inform them about the R&D infrastructures in Skåne. The objective is to connect local R&D laboratories with other regions of similar structures.

Status: part of this action was accomplished in March of 2019, when our stakeholder, RISE Research Institutes of Sweden met with Emilia-Romagna researchers in Italy to discuss and present innovation infrastructures in Skåne and possibilities for future collaborative work.

Objectives of action 2: a) Strengthen international collaboration thorough the connection of R&D labs; b) Expand the network of R&D facilities across Europe.

**Stakeholders:** companies in Skåne, RISE Research Institutes of Sweden, R&D facilities, Region Skåne, labs in other EU regions.





#### Timeframe: 2019; status: ongoing

Costs:

Costs of meetings outside Skåne= (hotel for 2 days: approximately 320 €; roundtrip airfare: € 300

Hotel + airfare= € 320+ € 300= € 620 x 2 meetings= €1,240x 2 representatives=€2,480

Staff costs: 0

Administrative costs: 0

#### Expected Outcomes:

1. Increased knowledge and use of R&D facilities (we expect that the regions will know more about other regions' R&D facilities). In addition, we foresee increased interest in interregional collaboration.

Tangible outcomes: demonstrated number of interested actors

| Action                                                 | Participating stakeholders                                                                                | Timeframe | Cost                                                                                                                                                                   | Financial sources                                                  |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| Action 1<br>Skåne Digital<br>Innovation Hubs           | Region Skåne,<br>Sweden; S34 Growth<br>partner regions,<br>industry, FIRS.                                | 2019/2021 | Total costs= € 147 840<br>(travel costs + pre-study +<br>pilot, considering the<br>minimum costs for pre-<br>study and pilot which is<br>approximately 96,000<br>EUR). | Financing from<br>regional funds: the<br>Skåne-Blekinge<br>program |
| Action 2<br>Open R&D facilitate<br>for open innovation | Region Skåne,<br>industry, RISE<br>Research Institutes of<br>Sweden, S34 Growth<br>partners regions, FIRS | 2019      | Meeting expenses outside<br>Skåne (airfare + hotel): €<br>for two representatives<br>Total= € 2480                                                                     | Regional funds (e.g.<br>Skåne-Blekinge<br>program).                |
| Total Cost                                             |                                                                                                           |           | Total € 150 320                                                                                                                                                        |                                                                    |

Table 2: Summary of Actions





References

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