



KISS ME
Interreg Europe



Action Plan of the Interreg Europe Project KISS ME

Knowledge and Innovation Strategies involving SMEs
in the context of Interreg

Värmland County Administrative Board and Hedmark County
Council



Värmland County
Administrative Board



HEDMARK
FYLKESKOMMUNE



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1. Executive Summary

In the KISS ME project, the County Administrative Board of Värmland (SE) and Hedmark County Council (NO) have focused on the Cross-border cooperation Interreg Sweden-Norway programme. We found a considerable participation of SMEs in project activities. The engagement is most profound, as one should rightfully expect, within the two first strains of programme priorities; “Research and innovation” and “Support for SMEs.” These two priorities make for 2/3 of total programme funding (98 Million EUR). Projects have in general been developed, in line with the programme’s *cross-border investment plan* (2014) to cover areas which an *ex ante* SWOT-analysis and *cross-border atlas* have indicated should have the largest untapped potential for cooperation.

The Action plan is about supporting the further enhancement of methodology to improve the quality of programme interventions, with the aim to promote maximum relevance, efficiency and effectiveness of these community investments. To fulfil this action, we will engage in developing a framework to further promote SME participation in this and the next generation of cross-border Interreg programme in this functional cross-border territory.

2. General Information

Project	<i>KISS ME</i>
Partner Organisation	<i>Värmland County Administrative Board, Hedmark County Council</i>
Other partner organisations (involved if relevant)	
Country	<i>Sweden, Norway</i>
NUTS2 region	<i>Norra Mellansverige, Hedmark and Oppland</i>
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- The Action Plan aims to impact:**
- Investment for Growth and Jobs programme
 - European Territorial Cooperation programme
 - Other regional development policy instrument



3. Policy Context

- a) *Interreg Sweden-Norway: priority 2 “SMEs”, thematic objective/ investment priority 2, “Increase the competitiveness of SMEs”*

The Cross-border cooperation (CBC) programme Interreg Sweden-Norway is a programme under the regulation of European Territorial Cooperation EU no 1299/2013 co-funded by the European Regional Development Fund (ERDF). The programme was approved by the European Commission in 2014.

Cross-border cooperation between Norway and Sweden has a long history. Starting in the 1960s, The Nordic Council supported Nordic cooperation and Nordic Council of Ministers contributed to formalizing the cooperation through establishing border committees. Sweden became an EU-member in 1994, while Norway chose to stay outside the Union, and instead became affiliated with the EU through EFTA (European Free Trade Association) and then European Economic Area- agreement (EEA-agreement). Swedish EU-membership marked the introduction of new mechanisms in the Swedish-Norwegian cooperation. Sweden became part of EU Cohesion Policy, including European territorial cooperation. EU Cohesion policy is not directly part of the EEA-agreement, but the Norwegian government and Norwegian border-regions have since 1996 been invited to take part in CBC-programmes by the Swedish Government. The contribution from the General Information Norwegian Government is through the National Budget, and co-finance from partnerships at the regional level.

4. Action

4.1. Clarify the added value of cross-border cooperation and support and involve SMEs in the development of new projects

4.1.1. Background

For SMEs to get the most benefit from projects within the Interreg Sweden-Norway program, it is important that project interventions are of direct benefit for SMEs daily operations and/or their strategic aims. To ensure project activities are relevant for SMEs, it is important project operators keep close ties with the business community, being members of clusters, organizations or else, it is vital SMEs needs are well known during the planning phase of interventions. As stated in a recent report by the consultancy Kontigo, it is key that the added value of participating in a cross-border cooperation comes out clear for the SMEs.



In the KISS ME project we have learned and been inspired from several Good practices in our partner regions that we can transfer to our region and integrate in to our actions.

Some of the essential points for stimulating cross-border innovation and cooperation in *Young SMEs subsidy scheme – Knowledge Alliance Rhine-Waal (Euregio Rhine-Waal, Germany)* were assistance in writing project proposals and assistance in finding a relevant partner in the neighbouring country.

Even though *The International Pressure Cooker – Knowledge Alliance Rhine-Waal (Euregio Rhine-Waal, Germany)* focus on students, we think that this format may be transferred to SMEs, where they meet and discuss business cases and problems in the region within one day. This could stimulate cross-border cooperation, new ideas and identifying new contacts between companies in Sweden and Norway.

The introduction of ecologic sustainability as a project selection criteria (Euregio Rhine-Waal, Germany) would be an attractive innovation to implement the next cross-border programme generation.

The same goes for *introducing cross-border ambassadors and improving communication and branding of the cross -border partnership (Euregio Rhine-Waal, Germany)*.

We were also inspired by *Call for Euroregional and European cultural cooperation (Euroregion Pyrénées-Méditerranée, France)* where the aim was to develop and structure partnerships in the region and to encourage them to submit to European projects.

We found good examples in *Smart Factory Hub (Pomurje Technology Park, Slovenija)* where transnational cooperation was one main goal. We were inspired by the different tools, as e.g. the handbook that was produced.

The Good practice *Knowledge Economy in Balearic Island (Regional Government of Balears, Spain)* points out the importance to know the SMEs needs and expectations to develop policies that will directly affect SMEs. They used surveys, interviews and focus groups to collect data. Finding out needs and expectation of the SMEs will be crucial to our action.

Värmland County Administrative Board and Hedmark County Council intend to contribute to improve the policy instrument on programme and project level.



4.1.2. Action Description

As an action in the KISS ME project, we intend to have SMEs benefit even more from the added value of cross-border cooperation and promote bottom-up involvement of ideas for cross-border interventions. To fulfil this action, we will further develop the regional capacity to assist the development of cross-border initiatives led by the Interreg JTS, associated by cross-border development partners. We are defining an **Interreg Support Facility (ISF)** which will have two key functions;

1) as a new service the ISF will promote the participation of SMEs in cross-border activities, both open and larger on-going Interreg Sweden-Norway projects aimed at promoting CBC among SMEs (e.g. “The Bioeconomy Region,” “Music Ecosystems Inner Scandinavia,” “ecoINSIDE2,” “Inner Scandinavia sport and recreation cluster initiative,” “BioSirk”) as well as new projects. For the case of potential new projects, good practices derived from the KISS ME-partnership, some described in part 4.1.1, will be promoted by the ISF.

2) the ISF will act as an “advisory board” to the Interreg 2020 JTS and MA in providing input to the implementation and monitoring of the ongoing programme when it comes to SME CB cooperation. The ISF will deliver input to the development of the next generation of Interreg cross-border programme (2021-2027), by feeding experiences from the KISS ME project into the evaluation process for the current programme period. The ISF will make sure the border regions problems, issues and needs related to SMEs remain at the heart of the programming process.

In particular, this goes for identifying and removing border obstacles, and to provide opportunities for SMEs to take part in Cross Border Regional Innovation Systems (CB RIS).

- **The Interreg Support Facility** will;
 - Be a hub where SMEs needs will be picked up
 - Consist of members with background and knowledge in Interreg Sweden-Norway projects and programme
 - Identify and involve SMEs with innovation potential in the region and find out their interests and needs through company visits and workshops
 - Encourage SMEs to participate in cross border cooperation and help SMEs overcome border obstacles
 - Address the added value of cross-border cooperation
 - Have contacts and networks in Brussels and Europe



- Have contacts/collaboration with business and business clusters
- Collaboration with the Värmland Regional Export Centre
- Collaboration with Karlstad University and other Universities and University Colleges in Eastern Norway, Dalarna and Västra Götaland as well as regional research centers

4.1.3. Players involved

All members of the ISF:

Värmland County Administrative Board (KISS ME Project partner, SE),

Hedmark County Council (KISS ME Project partner, Key partner in the Interreg Sweden-Norway programme, the key player for regional development in Hedmark, NO),
Region Värmland (Coordinating regional development and Cluster management in Värmland, SE),

Karlstad University (The leading competence and research hub in Inner Scandinavia, the cross-border cooperation area, SE),

Grensetjänsten Norway-Sweden (Public, multi-sectoral agency aiding individuals (often workers) and companies in overcoming border obstacles. Situated at the very border, NO/SE),

Cluster organisations in Värmland (SE), Hedmark/Innlandet (NO) Dalarna (SE) Viken (NO) and Västra Götaland Region (SE)

4.1.4. Timeframe

2019-2021

2019: Setting up the support structure and methodology in collaboration with stakeholders

2020: Start identifying and involve SMEs in cross-border cooperation

2021: Function as a fully developed Interreg Support Facility in Värmland and Hedmark

4.1.5. Costs and Funding Source

We estimate a cost of 100 000 euro per year for the **Interreg Support Facility** (staff costs and external expertise for analysis, workshops etc). We will search for funding from VINNOVA Sweden's Innovation Agency, Interreg Sweden-Norway, Regional and National funds.



4.1.6. Expected impact / Potential for improvement

With an Interreg Support Facility, outreach for cross border cooperation, international projects and funding may be strengthened. More SMEs will learn about the added value and may find business and/ or development partners within a greater cross-border territory. The existing cooperation between Sweden and Norway and other partners in Europe will be strengthened and expanded.

5. Conclusion

The KISS ME project has during the last three years engaged the project partners who have learned about different policy instrument by sharing experiences, ideas and approaches with other European regions. In doing so, the KISS ME project partners have received interesting insights into the methods and workings of other cross-border policy instruments, such as the Interreg A programmes. We also have had a chance to evaluate our own programme and to get feedback and inspiration from our KISS ME partners. As for the Interreg A Sweden-Norway programme, we have seen that many things are already working well. But, there are also some parts in the programme that can be improved.

For SMEs to get the most benefit from projects within the Interreg Sweden-Norway program, it is important that businesses needs are well known and properly addressed in programme and project interventions. In most projects this is definitely the case, whether the issue have been the establishment of a cross-border cluster of renewable energy, the development of a world leading cross-border music industry network or the strengthening of the rural recreation (alpine) industries in the cross-border SITE region. For the latter, the establishment (2019) of a cross border international airport stands out as a mayor achievement from the Interreg Sweden-Norway partnership cooperation¹process, promoting massive local SME investment for the coming decade in this rural and wild cross-border area.

The policy learning process within the framework of the KISS ME project has resulted in a number of interesting insights. The exchange with stakeholders from other regions and the site visits has illustrated many interesting approaches that can serve as an inspiration and demonstrate innovative ideas for the Swedish-Norwegian border region. The identified best practices highlight some of these successful approaches from the KISS ME partner regions. The collaboration within the KISS ME project, the

¹ <https://scandinavianmountains.se/en/home/>



good practices and the study visits to other regions have all lead to our actions pointed out in this Action Plan. We expect that all learnings from the other regions, together with our actions will have a good impact in our regions.

Policy and decision makers in Värmland-Hedmark are aware of this action plan.

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