



**Action Plan for Nordland (Version 04.12.19)**



**Part I – General information**

**Project:** MONITORIS3 – Exchange of experiences in monitoring mechanisms, indicators and methodologies addressed to improvement in the delivery of policies and instruments in the framework of Regional RIS3 across Regions

Partnerorganisation(s)concerned: \_\_Nordland County Council

Country: \_NORWAY\_

NUTS2 region: \_\_NORTH NORWAY\_

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## Part II – Policy context

**The Action Plan aims to impact:** x Investment for R&D in SMEs  
Cooperation between R&D inst. and SMEs  
Value creation and job growth

**Name of the policy instrument(s) addressed:** STRENGTHENING THE INNOVATION CAPACITIES IN BUSINESSES – STIMULATING COLLABORATIVE R&D PROJECTS

### **Further details on the policy context and the way the action plan should contribute to improve the policy instruments:**

One of the main strategies in the S3 strategy of Nordland has been to increase the use of R&D to strengthen the innovative capacity among SME's. In particular to strengthen the links between the strong exporters within the process industry, the seafood industry and tourism in order to develop new knowledge based suppliers to the exporting industrial companies. The businesses within the process industry and the marin industries are among the most competitive businesses in the world, delivering high class quality goods in the world marked with the lowest environmental emissions compared to the competitors. Their suppliers therefore have to fulfill high quality requirements and innovative solutions to keep up with the exporters needs. This again makes them competitive in an international market. This policy instrument is therefore vital to achieve the goals of the overall S3 strategy of Nordland in creating new attractive jobs for well educated young people.

Using public funding in increasing private investments in R&D must have a long term perspective. The aim will be to increase innovation efforts in the companies to create increased turnover from new processes and products and more jobs in attractive segments. However, to measure results on a yearly basis in terms of increased turnover and more jobs, is difficult. To monitor effects of the policy instrument you have to develop indicators that describe changes in the companies behaviour, activity reporting and effects on company spending in R&D related projects since the desired effects that are measurable, normally will show up years after the initial investments. To establish these indicators will be an improvement of the monitoring system.

Nordland County Council has for many years cooperated with the Research Council of Norway to increase the R&D institutions relevance to and competence in developing industrial R&D programs. The Research Council of Norway's programme FORREGION (established in 2017) is a programme for increasing the R&D based innovations in private sector, mainly in SMEs. It is established in cooperation with the counties after an application process. It consists of the following elements.

1. Broad means for mobilization to R&D based innovation – competence brokerage, pre projects, mobility projects and network meetings.
2. Competence projects, called capacity building, to strengthen the access to competence and R&D for SME's in areas with specific potential or need
3. A knowledge bank on experiences of regional innovation programmes with R&D based innovation is



developed and kept in the Research Council.

In order to increase the resources in implementing the Nordland S3 strategy, The County Council formed a strategic partnership with The Research Council of Norway and formed the programme MOFI under the Policy Instrument “Strengthening the Innovation Capacities in businesses – stimulating collaborative R&D projects”. This is specifically oriented towards being an integrated part of the S3 strategy.

The MOFI project is operating in the strongest industrial region of the county with an aim is to stimulate more companies to use research in their innovation work and through this strengthen the industrial competitiveness and value creation. An important aspect with the MOFI programme has been to build stronger value chains between the supply sector and the international companies in the region. This is done through establishing arenas for cooperation, networking and support for building cooperation projects(financially and use of external resources) that can be financed through Innovation Norway and the Research Council.

MOFI has the following goals:

**Main Goal:** Increased innovation and technology development through research-based innovation in the industry at Helgeland.

**Part Goal 1:** Enhancing the interaction between industry, R & D and Public sector

**Part Goal 2:** Reducing the barriers to research-based innovation in industry

**Part Goal 3:** Developing research-based innovation projects in enterprises

**Funding:** Part of the RIS3 strategy of Nordland cofounded with The Research Council of Norway

***Activities and instruments to achieve the goals are:***

- Mobilising for R&D means<sup>1</sup>

Competence brokerage

Feasibility studies

- Mobility - Researcher, industry or student for loan
- Networking meetings/venues

The Innovation Park of Helgeland has had the programme management and the financial partners of the programme are the Research Council of Norway and Nordland County Council. Innovation Norway gives financial contributions to the companies based on approved applications for support to run innovative projects in cooperation with R&D partners.

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1 R&D means of current interest: The SkatteFUNN R&D tax incentive scheme, Feasibility studies FORREGION, Feasibility studies and research projects The Research Council of Norway (different R&D&I programs) and the Regional

Research Fund, User-driven Research based Innovation (BIA) program, Industrial Ph.D. scheme, Innovation Norway, the Arena program/Norwegian Centre of Expertise (NCE) (cluster programs), EU/Horizon 2020 programs.



The monitoring structure is build on the model developed by the Research Council and focus in the first stage on activity reporting, ref. the montoring structure developed by ANI, Portugal.

Type of report	Type of measures
Activity report	Mobilizing for R&D means
	Mobility - Researcher, industry or student for loan
	Networking meetings/venues
Progress report	Popular science presentation
	Result indicators (general (public) dissemination, user-oriented dissemination)
	Publishing (scientific publications, other publications, speech/lecture)
	Stipend (financed by the project)
	International cooperation (financed by the project)
Annual report	Qualitative overview describing the last year and plan: activities implemented, assessment and plan of action for next year

The first full year in operation (2018) the programme contributed to:

- 32 company visits for competence brokerage
- 3 mobility projects
- 15 networking meetings with 229 participants
- 5 approved applications, plus contribution in 14 applications for Skattefunn projects, 3 to Innovation Norway and 1 for the Research Council.

So far the results show that experiences with innovation work and attitudes to new developments in the companies have influence on how fast it is possible to adapt to new working methods and cooperation with external experts and R&D institutions. Improving the internal work prcesses will therefore speed up the innovation work. We will therefore carry out a mapping of these innovation attitudes in 2020 to create more effective working procedures. In addition we will structure the monitoring based on experiences from Portugal described later.

Based on the interim results of the MOFI programme and the improvements described over, the S3 strategy



of Nordland will implement a similar programme for the marine industry in the region implementing a structured monitoring system based on a combination of the above structure and experiences from the CCNR-N/ANI . At the moment we work on a specific revision of the S3 strategy for the marine industry. This work will be concluded in the spring 2020. This action will be included in the overall strategy for the marine industry.

The main fisheries region of Nordland is Lofoten/Vesteraalen. This region has also a substantial aquaculture industry. Both sectors are carrying out a number of projects within the ingredients industry, therefore the region is a natural choice to develop a similar programme as MOFI. MOFI itself focusing on the process industry will by all marks be prolonged in the next S3 strategy for Nordland. Strengthening the R&D activities within the industry is vital to release the value creation potential in extractive industries

Nordland County Council are together with Innovation Norway running cluster programmes in the region now, called Innovative Cod Network and a Center of Expertise within aquaculture. These programmes focus on cluster development, integration of collaborative R&D projects on common challenges for the industry. R&D institutions are integrated in the programmes, but there is no brokering services and focus on individual development projects in the companies of the region. Introducing the MOFI scheme will therefore be a natural extension for the next years. The innovation system for this industry is also completely different from the process industry, therefore it will be valuable experiences in comparing these programmes.

### Part III – Details of the actions envisaged

#### **ACTION 1:**

Name of the action: Building up the monitoring system for Collaboratory R&D projects in the seafood industry in Nordland – measurement of factors for change.

1. **Relevance to the project** *(please describe how this action derives from the project and in particular from the interregional exchange of experience. Where does the inspiration for this action come from?)*

The monitoring strategy of the S3-strategy of Norte region in Portugal is described in the memo from ANI of March 2018. After the meeting organized in Veneto in November 2017 project partners prepared a report in their regional monitoring strategies for RIS3. ANI, as advisory partner was the responsible for the development of the integrated report including all partner's strategies for the monitoring of their strategies which was presented during the meeting organized in Dubrovnik in September 2018. The structure of the monitoring process described in the monitoring strategy of the S3-strategy of Norte region in Portugal has served as an inspiration for this action. The structure of the monitoring process is described in the figure below.



Dimensions	Specific goals to monitor
<b>Implementation</b>	<ul style="list-style-type: none"> <li>• Implementation of bottom-up continuous processes: entrepreneurial discovery</li> <li>• Selectivity of the selection procedures</li> <li>• Demand distribution</li> <li>• Alignment of the policy-mix with the structural objectives of NRIS3</li> </ul>
<b>First level results</b>	<ul style="list-style-type: none"> <li>• First level assessment (incremental and individual impact analysis)</li> <li>• Integration in international R&amp;D consortia</li> <li>• Strengthen of University-Firms linkages</li> <li>• Reinforcing of inter-firms cooperation</li> <li>• Increased absorptive capacity</li> </ul>
<b>Structural change</b>	<ul style="list-style-type: none"> <li>• Value chain integration and positioning</li> <li>• Structural change</li> <li>• Specialization</li> </ul>
<b>Long Term Impacts</b>	<ul style="list-style-type: none"> <li>• Growth</li> <li>• Jobs (qualified, including PhDs hired by firms)</li> <li>• Sustainability</li> <li>• Innovation readiness (sophistication and ability to adapt)</li> </ul>

Norte presented their good practice on Methodological Approach for the monitoring of RIS3 in the meeting organized in Galicia in December 2018 where they also presented their structure for defining the monitoring process.

The difficulties in generating specific statistical data on impacts like growth in expenditures for R&D, growth related to new products, no of jobs created etc. leads to need for looking in other directions for measuring progress. Here the system developed in Portugal has been valuable in finding indicators for change, both in first level results and structural change. On the stage we are in the MOFI programme we are looking for First level results plus change in attitudes in the companies. Increase in absorptive capacity is a combination of increase of knowledge around the actual development project as well as increase of awareness of need for external resources to complete the development project. The combination of this gives an increase in absorptive capacity. In the Nordland S3 strategy a vital part is to strengthen the innovative effort and capacities in the SME's to create new R&D based products and processes, and the financial resources to the MOFI program comes from Nordland County council as well as the Research Council.

We have also learned that the generation of reliable statistics within the timeframe of a programme periode is an international challenge, especially on a regional basis. Setting up a limited range of indicators linked to the specific goals are therefore important to manage the evaluation process. Here again the Portugese memo is valuable and relevant for our own programme evaluation. The extention of the MOFI experiences to the marin industry will mainly be financed by the County Council, but we are also seeking combinations with other public financial sources. The difference from the original MOFI project will be the more focused



monitoring system.

Through the first fase of MOFI we also have learnt that long term results come from change of a companys networks and links to external institutions (customers, cooperation partners, R&D institutions, financial beneficators etc.) and the effects on internal workings procedures and attitudes to innovation. An integrated approach to this stage is to map these changes and develop a new set of indicators. Before the programme is established we will also carry out a survey and map innovation attitudes in the companies as a tool for creating more effective work processes. This study will be repeated before the finalization of the programme to study changes.

**2. Nature of the action** (*please describe precisely the content of action 1. What are the specific activities to be implemented?*)

The monitoring system for this specific initiative under the Policy Instrument “Strengthening the innovation capacities in businesses – stimulating collaborative R&D projects” will be set up based on the structure from Portugal and a specific reporting structure focusing on both activity measures, quantitative measure as spendings, no of applications for financing and not at least changes in behaviour and attitudes among the participants in the programme. The indicators will be set up both for first level results and structural change.

To increase the financial resource base for implementing the S3 strategy of Nordland regarding support of private investments in R&D, we seek to integrate other public programmes in our own strategy. The Research Council of Norway is now (from 2020) setting up a new seafood oriented supplier development programme for North Norway, the N2-programme. The goal of this programme is to qualify suppliers to become more competent and innovative and to extend the value chains around the bigger seafood companies to increase the value creation from the fisheries and the aquaculture companies in the region. Competence brokering is a integrated part of this programme, and one innovation agency in the region has been awarded this part. Integration of the competence brokerage service of the nationally financed programme in our own S3 strategy for the seafood industry in Nordland is important to achieve a more coordinated action and to increase the financial support. This is also the case in the MOFI programme.

The monitoring system must be in place before the application for financial support is sent to the Research Council of Norway. The application will be sent by May 2020. The activities will be the following:

1. Completion of a baseline study for mapping innovation attitudes in companies
2. Evaluation of experiences from the MOFI monitoring system (workshop with the stakeholders of MOFI)
3. Establishment of the monitoring system based on experiences from the MOFI project, the innovation attitude survey and the experiences from CCDR-N and ANI
4. Establishment of a reporting structure



5. Preparation of the annual monitoring reports
6. Publication and dissemination of the monitoring reports
7. Meetings with the stakeholder group for analyzing results and further actions
8. Recommendations for improvement regarding monitoring strategies and the policy instrument as such

The work will be carried out by Nordland CC personell with support from the MOFI project and Bodø Science Park which has been awarded the competence brokerage service of the N2 Programme, as well as the cluster management of the seafood cluster.

**3. Stakeholders involved** (please indicate the organisations in the region who are involved in the implementation of the action1 and explain their role)

The main stakeholders in the seafood part of the policy instrument will be:

- Nordland County Council (responsible for the overall seafood industrial strategy of the region)
- The Research Council of Norway (programme financing partner)
- Innovation Norway (financing concrete development projects in the companies)
- The seafood cluster in Lofoten/Vesteraalen (cluster development)
- R&D institutions like SINTEF, NOFIMA, Nord University, Arctic University (R&D-partners)
- Nordland Research Centre (system development)
- Lofoten/Vesteraalen Innovation Park (Egga Utvikling) and Bodø Science Park (programme operators)
- The regional Councils of Lofoten/Vesterålen and Salten (regional policy support)

**4. Timeframe** (please specify the timing envisaged for action 1)

Activity	2019		2020		2021	
	2 <sup>nd</sup> Semester	1 <sup>st</sup> Semester	2 <sup>nd</sup> Semester	1 <sup>st</sup> semester	2 <sup>nd</sup> semes	
1	x				x	
2	x	x				
3	s related to the implementation of action 1)					
4	ng programme costs is 1.200.000 NOKs (120.000 Euros) annually.					
5	of Norway will come in addition as well as specific company projects					
6						
7	x		x		x	
8					x	

Detailed budget related to monitoring.

Baseline study: 25.000 Euro (includes also mapping among the suppliers to the process industry)

Monitoring system development: 5.000 Euro (including reporting structure)

This work will be carried out with a combination of resources from Nordland Research Institute and staff costs in Nordland County Council, calculated to 10% of the two staff members for 2 years with an estimated



cost of 16.000 Euros. Meetings with stakeholder group are estimated to 1000 Euros (3 meetings). This will be covered by the overall budget for the Action Plan.

Total costs of the action plan connected to Monitoring is 46.000 Euros.

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**6. Funding sources** *(please describe how action 1 will be financed. Is it through the policy instrument(s) indicated in part II):*

Nordland County Council

Research Council of Norway

Internal staff costs in Nordland County Council is estimated to 10% of yearly salary linked to follow up and reporting.

**Date:** \_\_\_\_\_ December 04<sup>th</sup> 2019 \_\_\_\_\_

**Name of the organisation(s) :** :  
Nordland County Council

**Signatures of the relevant organisation(s):** \_\_\_\_\_

