

Priority 1 description

# Capacity for innovation

Extract of the Cooperation Programme



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Priority 1 description 'Capacity for innovation' of Interreg Baltic Sea Region, a transnational European Territorial Cooperation Programme, for the period 2014 to 2020, part-financed by the European Regional Development Fund (ERDF), version 1.0.



This document is an extract from section two of the Interreg Baltic Sea Region Cooperation Programme, version 1, as adopted by the European Commission on 18 December 2014. Priority descriptions for the three thematic priorities have been extracted from the programme document as service to potential applicants under the respective thematic fields. The text presented in this document should be identical with the priority descriptions in section 2 of the Cooperation Programme. However, only the official Cooperation Programme is legally binding. Furthermore, the Cooperation Programme provides additional information relevant for applicants, e.g. about the programme strategy, indicators and horizontal principles. Therefore we strongly advice applicants who are preparing an application to the programme to read the full version of Cooperation Programme:

[interreg-baltic.eu/about-the-programme/main-documents.html](http://interreg-baltic.eu/about-the-programme/main-documents.html)

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Electronic document, available for download at [interreg-baltic.eu](http://interreg-baltic.eu).

## Specific objective 1.1 ‘Research and innovation infrastructures’



**To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures<sup>1</sup> and their users.**

The Baltic Sea Region features a wide range of research and innovation infrastructures (e.g. large-scale research instruments; test bed facilities; databases; biological archives; clean rooms; high-speed communication networks; technology and innovation centres, clusters, technology and science parks, technology incubators and other related organisations). However, the existing infrastructure is not equally distributed, interconnected and optimally utilised. Furthermore, there is a lack of a coordination framework that would allow for better management of infrastructures’ assets. Such management should include assessment of user needs, optimization of utilization of facilities and building links between research resources located within the Baltic Sea Region, as well as in other EU countries and outside the EU borders.

Therefore, there is a noteworthy potential for joint actions on the transnational level in order to improve governance of research and innovation infrastructures.

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<sup>1</sup> The term "research infrastructure" used throughout the document refers to facilities, resources or services that are needed by the scientific and technological communities to conduct basic or applied research in the whole range of scientific and technological fields like test-bed facilities, collections, depositories, observation facilities, synchrotrons. Whereas, the term "innovation infrastructures" covers institutions established to support building capacity for innovation like technology and innovation centres, clusters, technology and science parks, technology incubators and other related organisations.

Such actions should lead to:

- ensuring sustainability of resources,
- optimal sharing of resources;
- exchange of data and
- translation of research into business activity.

Consequently, the programme within this specific objective aims at improving research and innovation infrastructure facilities' ability to manage own resources efficiently and to deliver results based on a combination of available resources and capacities in different regions/countries. In addition, the programme strives to improve the infrastructures' ability to attract external users and ensure external financing, as well as to coordinate their efforts with different research and innovation infrastructures.

To improve transnational links between the infrastructures and their users and thus achieve greater diffusion of research into the market, the investment priority seeks to reaffirm the role of the private sector. Various modes of enterprises' (notably SMEs) participation should be fostered, such as involvement of research and innovation infrastructures' users in testing, piloting and validation activities. Additional focus is placed on engaging enterprises in the capacity of know-how providers at early planning and identification stage of the infrastructures. Furthermore, the optimisation of research and innovation infrastructure usage is dependant to large extent on proper marketing measures applied to attract potential users, particularly those developing products addressing important market and societal needs. Whenever possible the programme intervention aims at integrating user perspective into validation of requirements towards specific innovative goods, services etc. At the same time the need for more demand-driven research is addressed through capacity building measures for the public sector, encouraging their active involvement in creating demand for specific innovation.

As a response to the risk of research and innovation infrastructures becoming obsolete due to fast technological and non-technological development and rapidly changing needs of stakeholders, the programme seeks to support monitoring and assessment structures of the infrastructures.

A particular focus will be put on the projects supporting research and innovation infrastructures contributing to development of areas that are central for the BSR. These areas include ICT, agro-food, healthcare/wellness, biotech, cleantech, energy (notably renewables), advanced materials and maritime sector, and others. At the same time, the innovation and research

facilities' operations should be seen as a response to large societal challenges related to climate change, low carbon economy, food security, and ageing population, leading to cross-sectoral collaborations and solutions. To accomplish this, modes of involvement of non-profit organisations and use of its know-how should be considered as well.

New project proposals should take into consideration achievements of the Baltic Sea Region Programme 2007-2013 projects. In particular the project SCIENCE LINK, which supported commercial users in individually developing measurement and analytical methods according to their research and development requirements. Whereas Technet\_nano set up a transnational network of clean rooms and research facilities in micro- and nanotechnology in order to facilitate SME access to them.

#### Examples of actions:

- Identifying challenges in management of research and innovation infrastructures followed by preparation of joint training programmes for infrastructure operators, development of mechanisms ensuring cost-efficient exploitation of resources and best use of the scientific results;
- Mapping and enhancing roles of different actors (including public sector) in development of the research infrastructures as well as establishing structures for monitoring and assessing demand for specific research capacities;
- Developing incentive and funding schemes improving interactions among research and innovation infrastructure providers, public sector as innovation driver and consumer, and other user communities including enterprises (notably SMEs), in particular exploring and implementing low cost schemes for SME's within the sectors of importance for the BSR;
- Optimising test bed functionality and synergies e.g. by conducting joint tests at the test bed facilities with a view to defining, adopting and promoting best practices in utilisation of such infrastructures or to link capabilities of several test bed facilities and establishing common practices among them;
- Piloting solutions to the large societal challenges in the Baltic Sea Region based on joint research efforts with a view to exploring the most efficient cooperation schemes between research communities, public sector and business sector (notably SMEs);
- Networking regions with a view to better utilising existing or planning new research and innovation infrastructures
- Optimising utilisation of existing research and innovation infrastructures by marketing them towards potential users (e.g. SMEs) in order to deliver new

products addressing market or societal needs. Actions improving reciprocal abilities of innovation infrastructures and SMEs to foster collaboration between the research environment and SMEs e.g. through testing new approaches to building strategic partnerships or clustering (e.g. providing support to engage with pan-European cluster consortia).

**Main target groups:**

- Public authorities/institutions responsible for planning and evaluation of the research and innovation infrastructures;
- Organisations hosting existing research and innovation infrastructures and potential hosts of the infrastructures in planning;
- Managing bodies of the programmes financing investments into research and innovation infrastructures;
- Research and innovation infrastructures users representing science and business sector with a special focus on SMEs;
- Technology transfer centres;
- Regional development and planning agencies/institutions.

**Geographical coverage:**

The whole territory of the Baltic Sea Region. Partnerships that include partners from the southeast part of the region are particularly encouraged. The programme also provides space for cooperation with actors located outside the formal borders of the BSR to strengthen already established networks.

## Specific objective 1.2 ‘Smart specialisation’



**To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach.**

The Baltic Sea Region (BSR) features different levels of innovation performance. Being a diverse region, the BSR has a potential to build on its heterogeneity as a strength, and thus achieve unique, smart combinations of competencies that enable finding new solutions to social and market needs. In order to unlock untapped innovation potential of the BSR the regional capacity building should put a special focus on diversification of innovation support measures that are suitable for the existing potentials and available expertise.

Given the heterogeneity of the region, as well as being in line with the Europe 2020 objectives, the BSR requires a more place-based and demand-driven approach to fostering innovation. This can be realised through an instrument such as smart specialisation. Smart specialisation enables the differentiation of innovation patterns according to the potentials and needs of a specific territory.

To this end it is crucial to mobilise internal assets and resources in fields where a country or a region is specialised. This covers areas characterised by advanced technologies as well as areas with a non-technological focus such as culture and creative industries, tourism and others. Smart specialisation is also seen as one of the tools to respond to societal challenges such as climate change, ageing society and demographical change etc. as well as utilising potential of green and blue growth. Therefore, bolstering the application of smart specialisation is

important to unlock promising areas of specialisation of the regions and countries in the BSR, which ultimately results in new economic activities.

However, the challenge is the lack of experience of regional and national authorities in designing and implementing smart specialisation strategies. Only few regions in the BSR have their smart specialisation strategies in place and functional. Thus, given rather weak readiness for practical application of the smart specialisation approach, it is assumed that enhanced capacity to develop and implement smart specialisation strategies serves a precondition to their application. Hereby, the programme takes a transnational approach in supporting smart specialisation through instruments such as peer learning.

In order to unlock new growth opportunities in the BSR the programme, within this specific objective, aims at enhancing the capacity of innovation actors (innovation intermediaries, authorities, research institutions and enterprises) to work with a smart specialisation approach.

In order to address the difficulty related to the practical application of the smart specialisation concept the programme primarily strives to support building capacity of innovation intermediaries (such as technology centres, incubators, chambers of commerce, development and innovation agencies), as well as non-profit organisations to work with the approach. At the same time, the involvement of enterprises (particularly SMEs) is considered as essential to discover new economic opportunities through a combination of existing knowledge with the resources and capacities in the region. However, this may also require the acquisition of resources (e.g. know-how, human capital, access to networks) outside the BSR.

New project proposals under specific objectives 1.2 should take into consideration achievements of the Baltic Sea Region Programme 2007-2013 projects, such as StarDust, Urban Creative Poles, BaltFood, BSHR HealthPort, and SUBMARINER. Among others, the achievements in supporting systems that help generate innovative solutions in response to large societal challenges; in supporting access to markets for SMEs from creative industries; as well as in translating sectoral knowledge into innovation and bringing them to the market.

#### Examples of actions:

- Forming alliances between different research and innovation milieus with leading competences, in such a way that a unique, smart combination of capabilities occurs with good potential to find new solutions to great societal challenges and market needs;
- Building cooperation structures to obtain innovation capacity (also from outside the BSR) needed to be globally competitive, identify niches in



global market and to become attractive as a partner to the best milieus in the world;

- Establishing platforms enabling transfer of knowledge and building inter-regional synergies for the development of regional smart specialisation strategies with a special focus on the involvement of entrepreneurial actors and existing networks in discovering promising areas of specialisation;
- Setting up and piloting measures for regions allowing for exchange of experience on implementation of smart specialisation strategies, e.g. networking of regions specialised in the field of culture and creative industries.

#### **Main target groups:**

- Public authorities/institutions involved in shaping innovation systems;
- Enterprises (special focus is put on participation of SMEs, including those working in the service sector);
- Academic and research institutions;
- Innovation support networks and clusters;
- Social actors, e.g. NGOs, contributing to unlocking creative potential, social enterprises, etc.;
- Regional development and planning agencies/institutions.

## Specific objective '1.3 Non-technological innovation'



**To advance the Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors.**

Currently innovation support mechanisms in the BSR are considered to be inclined towards technological innovation, yet the growing potential of non-technological innovation has not been fully acknowledged in the region. Given the diverse levels of innovation development and the innovation-support measures in place, the assumption of the programme is that a greater openness towards non-technological aspects is needed to allow the regions technologically lagging behind to increase their innovation potential. These regions feature assets that have a potential to be exploited in advancing their non-technological innovation potential. Moreover, recognising the fact that the market success of technological innovation often depends on a series of surrounding non-technological innovations (e.g., business model innovation), it is expected that promoting non-technological innovation support measures will strengthen the current innovation development performance in the region.

Furthermore, the BSR demonstrates a great opportunity for utilisation of synergies between research and innovation policies needed to improve competitiveness and economic performance, and the policies needed to resolve large societal challenges such as climate change, energy and resource efficiency, food supply, welfare, health and demographic change.

Therefore, the programme intervention aims at building favourable framework conditions for non-technological innovation. In particular, the programme within this specific objective strives to support action to increase capacities of innovation actors (innovation intermediaries, authorities, and research institutions, enterprises) to generate non-technological innovations.

Under this specific objective particular attention should be placed on social innovation, including gender equality perspective; as well as growing potentials of culture, creative industries and tourism. Tapping into non-technological innovation presents wide entrepreneurial opportunities too. Thus, specific measures shall be considered to assist innovation uptake by enterprises and to support SMEs growth and market access. In addition, innovation basis is to be broadened by involvement of users, which inter alia includes building partnerships with non-profit organisations and public authorities. Here, design thinking is considered as a prerequisite to find new solutions in the innovation chain from demand to end-users.

New project proposals under specific objectives 1.3 should take into consideration achievements of the Baltic Sea Region Programme 2007-2013 projects, such as StarDust, Urban Creative Poles, BaltFood, BSHR HealthPort, and SUBMARINER. Among others, the achievements in supporting systems that help generate innovative solutions in response to large societal challenges; in supporting access to markets for SMEs from creative industries; as well as in translating sectoral knowledge into innovation and bringing them to the market.

#### **Examples of actions:**

- Actions combining technical and non-technical approaches to support promotion and utilisation of new ideas (products, services and models) that meet important social needs of the BSR more effectively than existing approaches, including validation of the proposed ideas through direct involvement of users, e.g. building BSR region wide networks for improving food security or supporting the well-being of the ageing population by innovative solutions bringing together ICT and health care;
- Developing innovative solutions incorporating ICT services in existing business processes in order for the enterprise to increase competitiveness and growth prospects;
- Actions supporting promotion and utilisation of business opportunities emerging from large societal challenges, e.g. identifying and implementing new ways of supporting potential high-growth firms;
- Actions (e.g. forerunners networks, incentive and risk management models, involvement of municipal residents, non-profit organisations in planning of

services) aimed at renewing public services through innovations by focusing especially on public private partnership, user involvement, procurement of innovations and innovation vouchers;

- Joint developing and implementing of guidelines for integrating user-driven perspectives into national and regional regulatory documents;
- Joint developing of products and services (e.g. networked support centres) which are supporting social innovations and service innovations (incl. service design) and foster cultural entrepreneurship and job creation in the creative industries;
- Piloting of actions aiming at matching cultural and creative industries with traditional industries in order to increase the value of traditional industry;
- Awareness raising measures for enterprises on possibilities of using living lab environments; actions targeted at collecting and exchanging of methodologies and best practices for testing, modification and joint development of products and services with users through living labs;
- Actions improving support of innovation intermediaries for SMEs to advance their internationalisation capacity as well as enhance their access to markets within and outside the BSR, and enhancing connections to other SMEs offering complementary services;
- Developing and testing of measures that support cross-sectoral match-making of SMEs as well as actions supporting commercialisation and expansion into new markets;
- Developing of schemes dedicated to raising awareness and facilitating the acquisition of skills to stimulate eco-innovation at SMEs as well as enabling access to finances for development and commercialisation of eco-innovation products bearing higher commercial risk;
- Developing low-cost instruments for sharing and exchanging knowledge and skills supporting business development in the Baltic Sea Region.
- Joint actions facilitating trade through innovative approaches to e.g. creation of products standards, introduction of e-tendering and e-invoicing, process control, packaging, labelling and storage.
- Piloting of actions promoting innovation through ICT in business operations of SMEs e.g. establishing voucher schemes, supporting cloud computing services.

**Main target groups:**

- Public authorities/institutions involved in shaping innovation systems;
- Enterprises (special focus is put on the participation of SMEs, including those working in the service sector);
- Business and craftsman associations and other intermediaries;

- Academic and research institutions;
- Innovation support networks and clusters;
- Social actors, e.g. NGOs, contributing to the unlocking of creative potential, social enterprises, etc.;
- Regional development and planning agencies/institutions.

**Geographical coverage:**

The whole territory of the Baltic Sea Region. Partnerships that include partners from the southeast part of the region are particularly encouraged. The programme also provides space for cooperation with actors located outside the formal borders of the BSR to strengthen already established networks<sup>2</sup>.

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<sup>2</sup> Please note that the eligibility of costs of partners outside the programme area will be decided later during the programming.