

Results of regional consultations and final priorities for Transnational Smart Specialisation Strategy for Baltic Sea Region¹

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¹ The mentioned Trans-S3 priority areas (and domains) for the BSR have not been formally approved by the EUSBSR relevant management bodies. Currently (December 2021), they constitute the final proposal coming out of the work conducted under the EU Interreg BSR project "GoSmart&Excel BSR" (2021).

This document presents a final evaluation of the process for the preparation of the Transnational Smart Specialisation Strategy (Trans-S3) developed within the EU Baltic Sea Region (BSR). The methodology of this analysis follows 5 sequences (see fig. 1), which includes qualitative and quantitative statistical analyses, as well as regional stakeholder consultations². The approach taken for the Trans-S3 includes following steps: 1- Search for common priorities, 2- Analytical review of priorities, 3- Taking into account market and technology trends, 4- Identification of internationalization potential, 5- Stakeholder consultation.

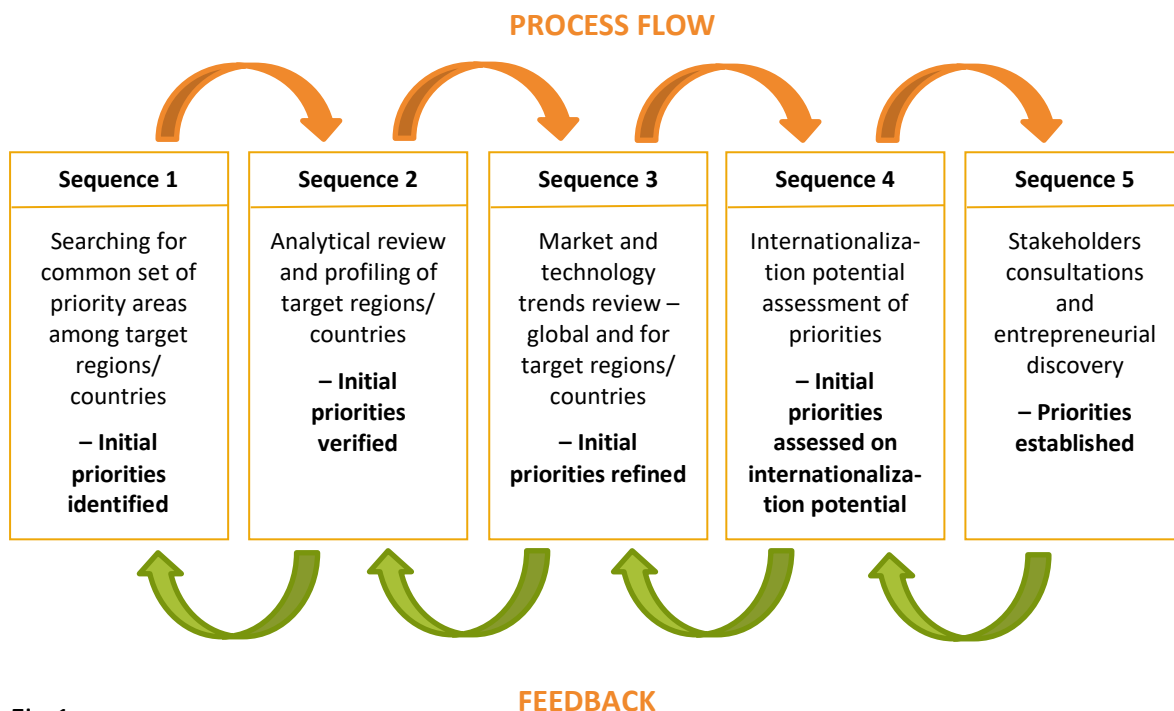


Fig 1.

The results of the analysis indicate that regions under consideration have common (shared) and complementary S3 priorities. These points had to be considered in the development of Trans-S3 priorities and existing synergies, as well as potentials in cooperation on a transnational level had to be identified. Challenges in the development of the Trans-S3 arose on the one hand due to data availability for the BSR. For example, for the analysis of the policy S3 priorities of the regions under consideration, the retrieved data were available in an inconsistent form. This was especially true for the age of the data and the different update times e.g., of the entries on the Eye@RIS3 Platform or from the Worldwide Input-Output database. Other difficulties included the fast-moving nature of market and technology trends,

² For detailed information, please refer to [Kruse, M.; Mesloh, M.; Wedemeier, J. \(2021\) Technical Report – Smart Specialisation and interregional cooperation in the Baltic Sea Region: Regional specialisation, trends, and internationalisation potential.](#)

which the qualitative structure of sequence 3 entails due to the high degree of complexity of its effects on the regions under consideration.

In order to define common denominators as a basis for further discussion of Trans-S3 priorities in the BSR, the outcome of the Trans-S3 development represents economic sectors on a broad level. Specifically, sectors that can be defined as a basis for common S3 priorities include:

- C – Manufacturing
- E – Water supply; sewerage, waste management and remediation activities,
- H – Transportation and storage,
- J – Information and communication technologies,
- M74 – Other professional, scientific, and technical activities,
- M72 – Scientific research and development.

Against the background of further regional specifics, political implications and market and technology trends, more specific synergies and cooperation potentials can be determined via further discussions among relevant stakeholders.

This discussion was organised in a series of regional workshops in the partner regions of the “GoSmart&Excel BSR” project within the Baltic Sea Region (tab 1). The workshops and consultations took place b/ween August 31st and December 3rd, 2021. The aim was – to leverage the regional promotion of the capacities of the innovation actors (innovation brokers, authorities, research institutions, companies) around the approach of smart specialisation and thus to better align the capabilities of the regions. The stakeholder workshops helped to support the results of the technical report (Kruse, M.; Mesloh, M.; Wedemeier, J., 2021, Technical Report – Smart Specialisation and interregional cooperation in the Baltic Sea Region: Regional specialisation, trends, and internationalisation potential, Hamburg).

Tab 1.

BSR-Region	Number of participants	Stakeholder
	37	Policy
Bialystok, Gävleborg, Hamburg,	59	Industry
Kaunas, Kymenlaakso, Valga,	27	Science
Vidzeme Planing Region	12	Civil Society
	47	Other

The consultation of regional stakeholders in the project's partner regions revealed, among other things, that especially the following areas are of interest for the cooperation of economic, political and scientific actors in the BSR partners from the EU countries (tab 2).

The collection of cooperation ideas (of domains) within the logic of S3 (see tab 2.) has confirmed the **proposed list of final priority areas of Trans-S3 for the Baltic Sea Region:**

1. **Advanced clean manufacturing and services:** bioeconomy, circular economy, blue growth; low-carbon production; clean and automated vehicles and machinery; enhanced agro/food and forestry/wood production; sustainable biotechnological processes and products of specialised chemistry; advanced environmental engineering; critical raw and other materials production, etc. (C. Manufacturing).
2. **Sustainable water management:** water supply and waste water management, remediation activities; marine systems ecology and economy; water-climate, water-food and water-energy research; minimised consumption of water in production, water preservation, etc. (E. Water supply, sewerage, waster m., and remediation services).
3. **Innovative transportation and storage:** smart, green and secure transportations systems; advanced logistics and storage, etc. (H. Transportation and Storage).
4. **Digitalisation and cybersecurity:** information and communication technologies infrastructure; cloud computing solutions and services; information interoperability; digitalisation of industry (internet of things, etc.), services and science; software development and programming; cybersecurity; e-skills; e-services; e-government; gamification (J. Information and communication technologies).
5. **Smart health:** innovative medicine, medical technology, biotechnology, biomedicine, new treatments and medical devices; telemedicine, digital applications in health and well-being, advanced diagnostics; genetic engineering and research; health, health-related services, rehabilitation; life sciences and welfare technology; nutrition (M74: Other professional, scientific and technical activities / M72 Scientific Research and Development).
6. **Cross innovation:** cross-sectoral and cross-disciplinary research and development and innovation (M74: Other professional, scientific and technical activities / M72 Scientific Research and Development).

Tab 2.

Domains

Circular economy,
Bioeconomy,
Resource efficiency,
Resource rehabilitation,
Sustainable water management,
Sustainable production,
Pharmaceuticals based on natural raw materials,

Production of medical devices,
Smart health,
Smart cities,
Improved agricultural and food production,
Innovative transport and storage,
Construction,
IT and ICT sector,
Digitalization and cybersecurity,
Education,
Advanced clean manufacturing and services.

Furthermore, obstacles in the implementation of a Trans-S3 were discussed by the stakeholders, which should be considered in the further work on Trans-S3. These include language barriers, scarce entrepreneurial resources, lack of networks, varied regional administrative and legal frameworks, lack of funding, cultural differences, lack of visibility of companies, the risk associated with internationalisation projects for companies, and the general openness of companies to involve other stakeholders. In this context, the Transnational Innovation Brokerage System (TIBS) offers to potentially bridge this gap by presenting a visible innovation broker who can provide support and analysis of potential cooperation partners in a more targeted way. By doing so, beneficiary SMEs gain valuable support in strategic approaches to innovation, search costs for international innovation partners are minimized and innovation-driven internationalisation is supported.

Nonetheless, the identification of S3 synergies with international cooperation potential can be considered as a particular benefit of the creation of a Trans-S3. The analyses and entrepreneurial discovery process carried out on an international scale helps identify areas of high competitive potential of a global nature among the existing and new value chains by means of international cooperation and thus strengthen and secure Baltic Sea Region's innovation and competitiveness in the long term. Based on these findings, further discussions will be held in the future and the results will be presented, among others, to the Policy Area 'Innovation' of the EUSBSR as policy recommendations or ideas for further collaborative actions.