Swedish Research & Innovation Policy
Perspectives on Policy Interaction

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Presentation

- State of Play
- Policy Content & Interplay
- Next Steps - Processes
- Challenges
State of Play
Governance in Sweden

• Government Agencies take and implement decisions on individual matters
• The Government directs National Agencies by
  • laws, regulations and ordinances
  • annual allocation of appropriations and tasks
  • appointments to senior posts and organizational form
  • management by results
Research & Innovation Policy Governance

• Industrial and innovation policy, Regional Growth policy is coordinated by the Ministry of Enterprise, Energy and Communications
• Research policy is coordinated by the Ministry for Education and Research
• Major Agencies
  • Swedish Research Council (fundamental research)
  • The Agency for Innovation Systems VINNOVA (applied, needs driven research and innovation)
Research & Innovation Policy Governance

Mrs Maud Olofsson
Minister of Enterprise and Energy
• **Responsible for industrial RTD and innovation policy.**
• **Responsible for the Agency for Innovation Systems, Swedish Energy Agency, Swedish National Space Board, Innovation Bridge, RISE Research Institutes of Sweden Holding AB**

Mr Jan Björklund
Minister of Education and Research, Deputy Prime Minister
• **Responsible for research policy.**
• **Responsible for the Swedish Research Council, the Universities and higher education institutions etc.**
R&D Expenditure % of GDP 2007

Source: Main Science and Technology Indicators
% of total R&D performed by different sectors

Source: Main Science and Technology Indicators
SE: EU #1 in the European Innovation Scoreboard
Weaknesses below the surface...
Swedish Characteristics

- High level of investments in RTD
- Large global firms dominates private RTD-system
- SME invest very little in RTD
- Universities dominates the public RTD-system
- High position in innovation rankings, but comparably low output
- Small Research Institutes sector

- Internationally linked economy – but with some distance to international markets
- Export oriented, fuell by innovation - increasing competition and offshoring
- Long tradition of close cooperation Triple Helix
Policy Content & Interplay
Research & Innovation Policy 2009-2012

Governmental Bill: “A Boost to Research and Innovation”

• A first decisive policy step in addressing innovation alongside research
• Promoting research and innovation policy interplay
• Largest R&D investment leverage in modern times (above 1% public funding)
• New incentives for quality, cooperation and innovation
• Launch of Strategic research areas: industry/societal relevance criteria
• Strengthened Industrial Research Institute Sector
• Multi-level governance: “novelty” introducing regional-national dialogue
Research & Innovation Policy 2009-2012

Innovation Relevance

- General changes shifting towards needs-driven research and innovation
- Research policy target of excellence extended to relevance and economic growth
- Introduction of competitive basic funding for universities, partly in relation to private investments
- Universities task concerning industry interaction and commercialisation now clearly integrated
- Innovation Package: Innovation Offices

- Paving the way for Knowledge Triangle perspective
Regional Growth Policy

- Regional Growth Policy (2008 Bill) - in line with EU Cohesion Policy
- Successful model balancing growth and equity
- The core of Swedish policy mix: Building Competitive Regions
- Swedish Key Multi-Level Governance Features:
  - Taxation 75% of Local Government Revenues,
  - 81% of CC budgets spent on Health Care
  - An increasingly heterogeneous map of regional responsibilities
  - Bottom-up decentralisation process, competencies for regional growth policy
Research & Innovation in Swedish ERDF

- 65% of ERDF intended for research and innovation
- Examples Strategic Instruments: Regional Cluster Program
  - Regional Growth through Dynamic Innovation Systems
  - Based on regional comparative advantages
  - Focus process support
  - Cross-sectoral perspective, Triple helix
  - Long-term vision
- Contributing to strategic prioritisation to a few areas
- Implementation of EU Economic Recovery Plan in regions and funds
Example Smart Funding Synergy

Smart Textiles VINNVÄXT Initiative

- Cross-sector interdisciplinary RTD Cluster on future textiles & fibre-based materials
- Interactive Open Innovation Platform
- Strategic Regional Initiative & National Excellence Area
- Funded by Region Västra Götaland, national Cluster Programme, ERDF & Industry
- Basis for leading role in FP7 ERA-NET CROSSTEXNET: Synchronization of Technical Textile Research Funding
Regional - National Governance

- Regional-National Political Forum on Regional Growth Policy
- Operational dialogue involving national and regional agencies
- Integrating EU Policy Perspectives
- Key Issues:
  - Next generation of Research and Innovation Programs: how to improve interaction national – regional – EU instruments
  - Multi-level governance increasing importance
Next Steps – On Going Processes
Current Innovation Agenda

• **Recognition and Integration of EU Policy:**
  • EU2020: Innovation Union/European Innovation Partnership
  • Industrial Policy, Regional Policy, EIT Strategic Innovation Agenda
  • New Programming Period Structural Funds, Framework Programme

• **Intergovernmental Task Force on Knowledge Triangle concept**
  • interface between education, research, innovation and regional growth policy

• **Service Innovation Strategy 2010**
• **National Comprehensive Innovation Strategy 2011**
• **Governmental Bill on Research & Innovation 2012**
Other Innovation Driving Measures

- Governmental Globalization Council
- OECD Territorial Review 2010
- The Royal Swedish Academy of Engineering Sciences: Innovation for Growth
- Commission on Innovation/Pre-Commercial Public Procurement 2010
- Assessment of the Swedish Innovation System, Commission on IPR
OECD Territorial Review Key Messages

- **Lessons from the crisis:** *regional development strategies helped prioritisation, appropriate coordination mechanisms across levels of government*

- **Swedish governance provides key comparative advantages:** trust, local social capital, transparency, agile government innovative governance approaches

- **High potential for innovation in both rural and urban areas**

- **The crisis: a window of opportunity for further structural reforms**
Key Challenges

- Globalisation, alls for competitiveness based on knowledge intense production and businesses
- Retaining large global companies while growing SMEs – a symbiosis
- Benefit from a varied territorial context, creating rural-urban dynamics
- Actions on policy and funding synergies connecting regional, MS and EU gov levels
- Refining research and innovation systems in order to be efficiently out-put oriented
- **Need for an Innovative Policy Design**
“.... Two roads diverged in a wood, and I, 
I took the one less traveled by, 
And that has made all the difference....”

“*The Road Not Taken*, Robert Frost
¡Gracias!

Eskerrik asko!