

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

- **The Government governs Sweden. Accountable to the Parliament.**
- **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*

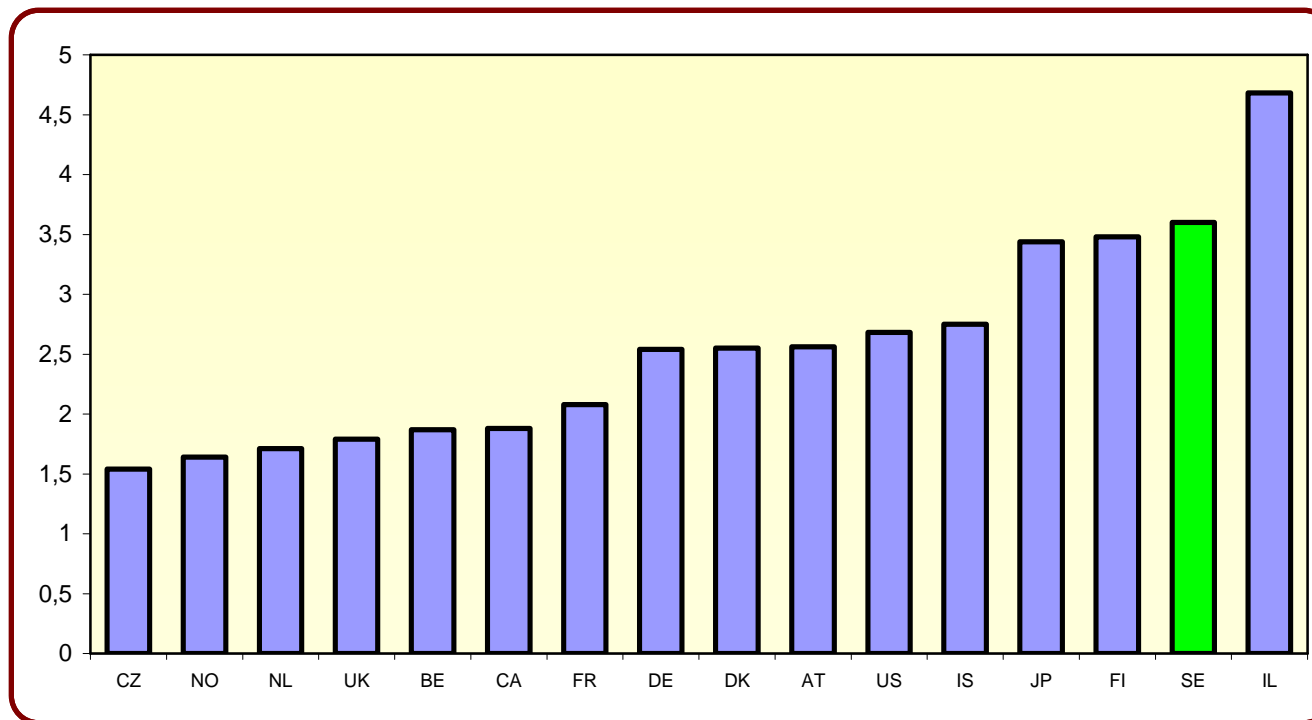


Mr Jan Björklund

Minister of Education and Research, Deputy Prime Minister

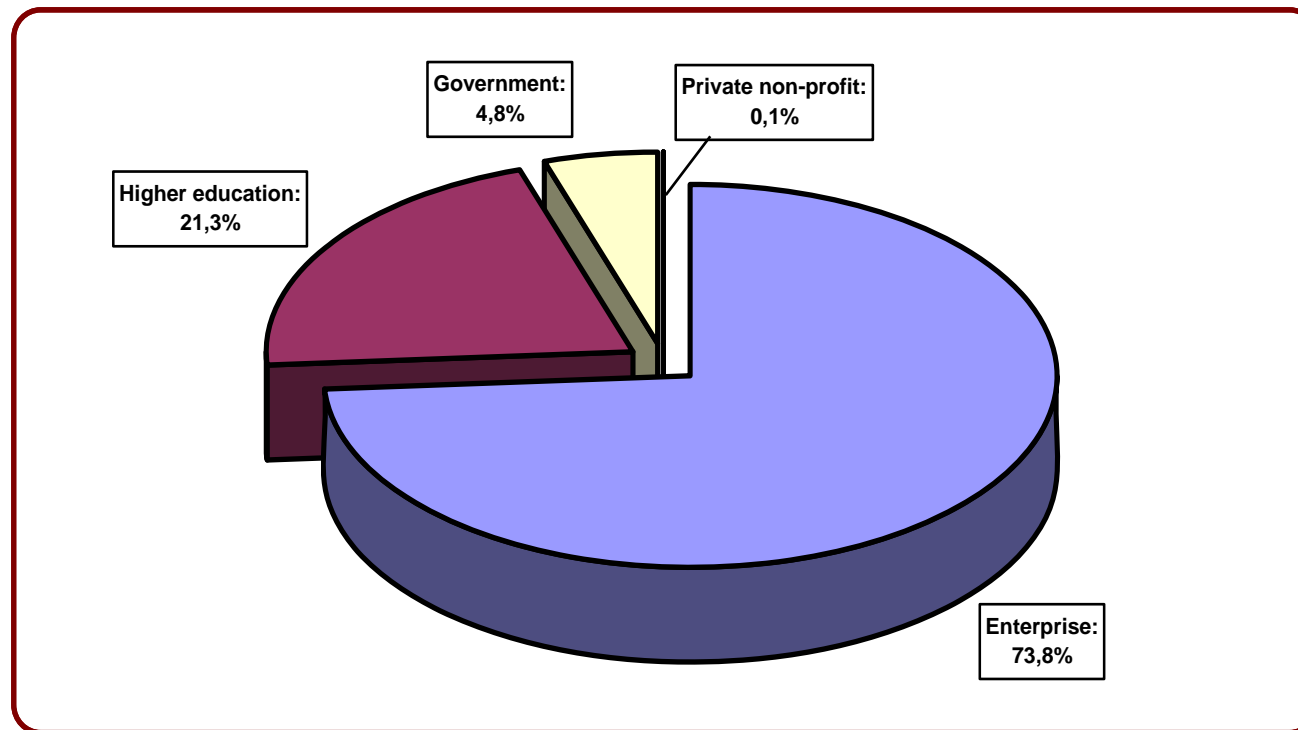
- *Responsible for research policy.*
- *Responsible for the Swedish Research Council, the Universities and higher education institutions etc.*

R&D Expenditure % of GDP 2007



Source: Main Science and Technology Indicators

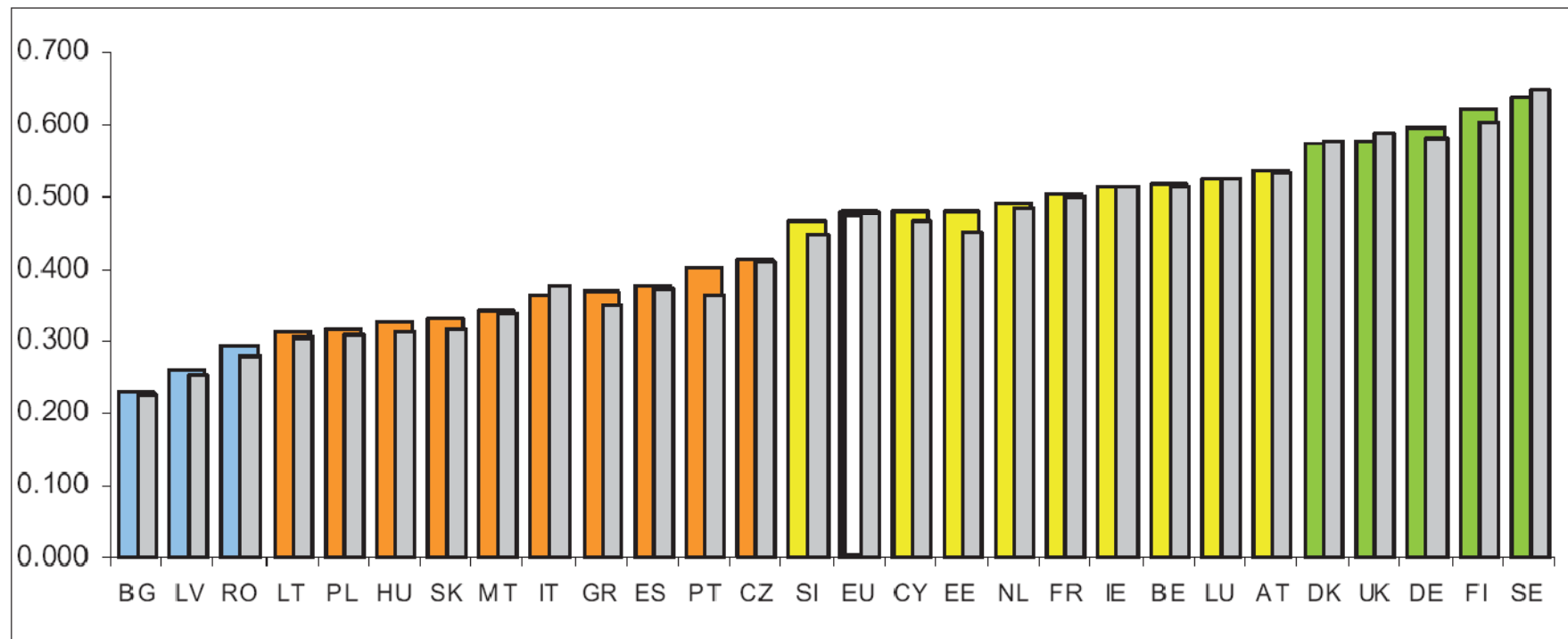
% of total R&D performed by different sectors



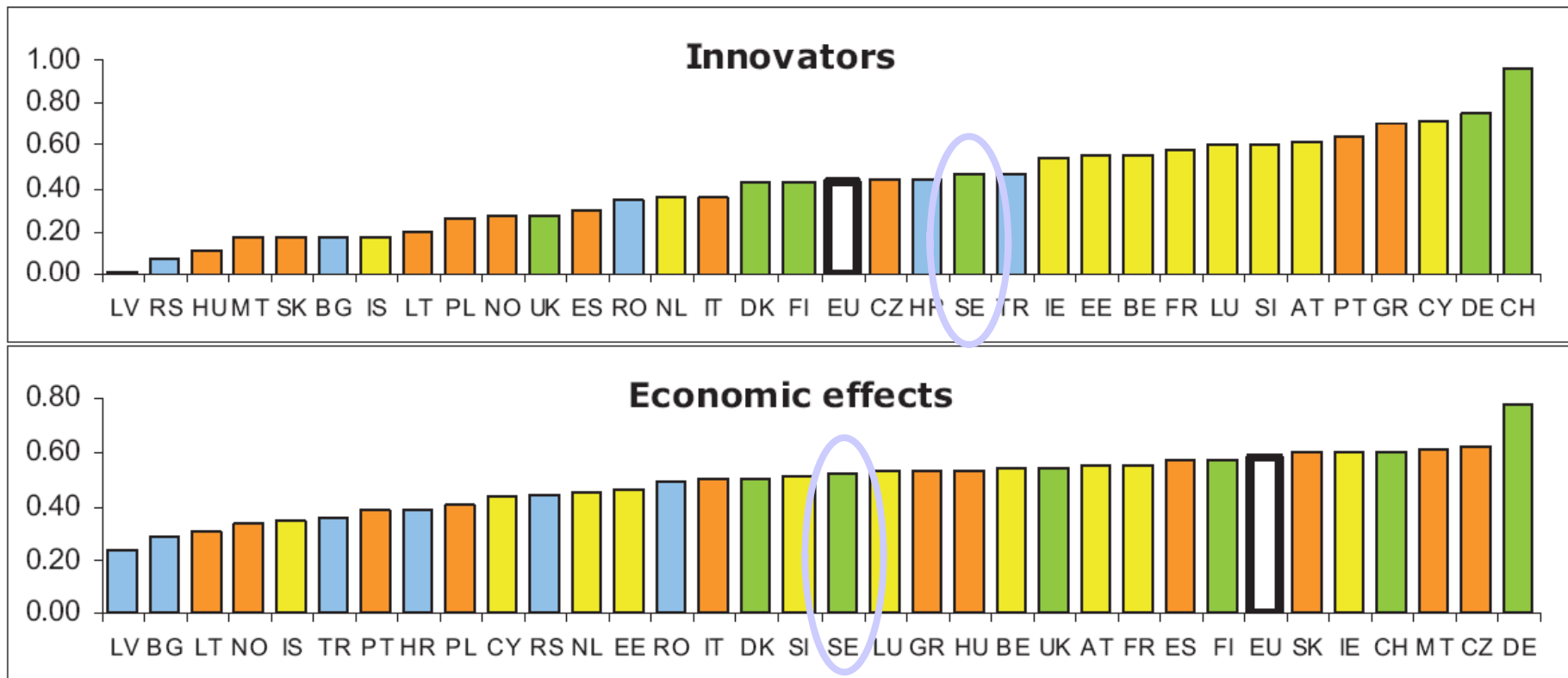
Source: Main Science and Technology Indicators

SE: EU #1 in the European Innovation Scoreboard

SUMMARY INNOVATION PERFORMANCE EU27 MEMBER STATES (2009 SII)



Weaknesses below the surface...

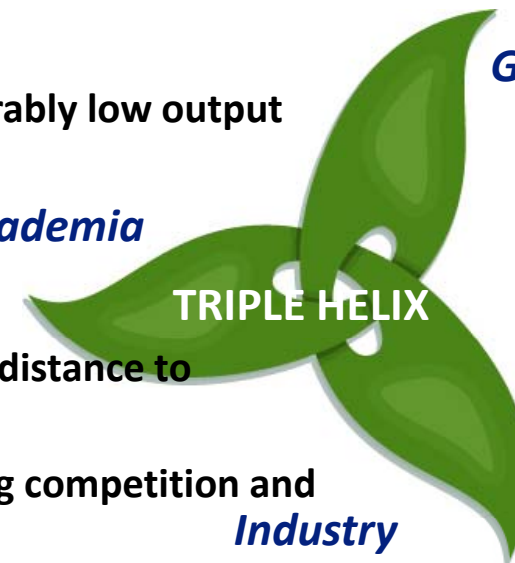


Swedish Characteristics

- 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

Academia

Government



Industry

- Internationally linked economy – but with some distance to international markets
- Export oriented, fueled 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 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

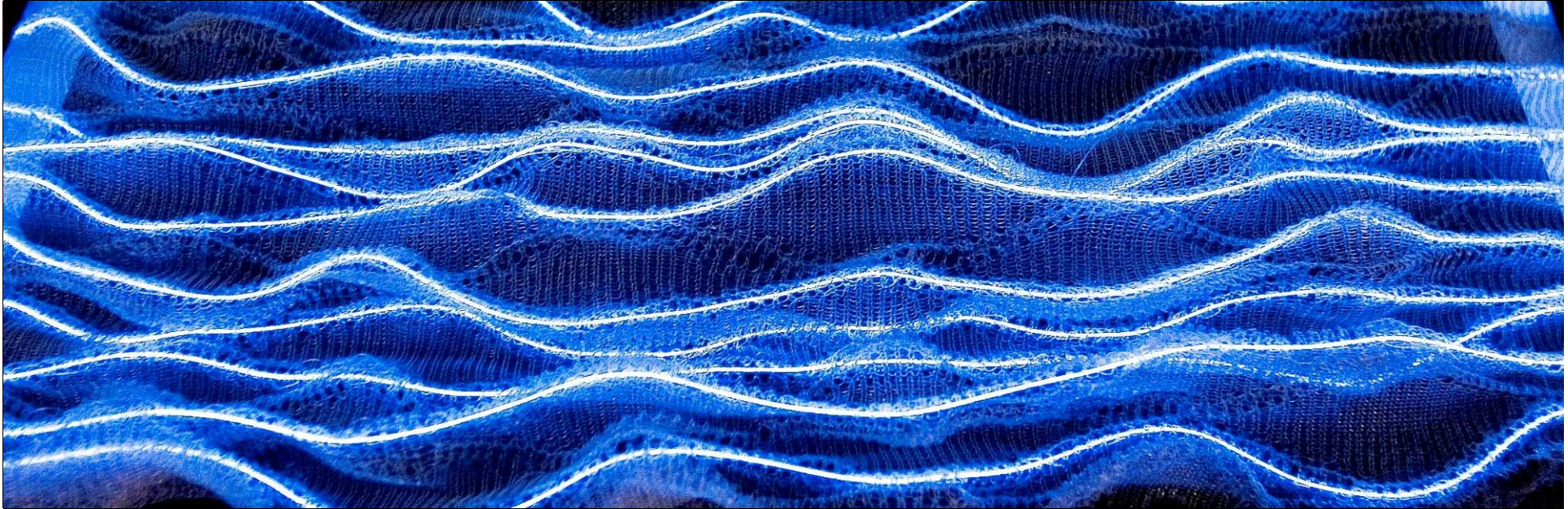
- **Regional Growth Policy (2008 Bill) - in line with EU Cohesion Policy**
- **Successful model balancing growth and equity**
- **The core of Swedish policy mix: Building Competitive Regions**
- **Swedish Key Multi-Level Governance Features:**
 - Taxation 75% of Local Government Revenues,
 - 81% of CC 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, calls 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!