## **BSR Stars – An Inspiration for Europe**

## The Baltic Sea Region is the EU's first attempt to establish a macro-region for innovation. Since 2009 ten countries have been working together to form unique innovation alliances and to identify new business opportunities while addressing societal challenges.

"The Baltic Sea Region consists of relatively small countries and by working together we can achieve more and increase the competitiveness and attractiveness of our region," says Vilma Puriene at the Lithuanian Ministry of Economy.

The Ministry, together with the Swedish Agency for Innovation, VINNOVA, are the main players behind a transnational collaboration program known as BSR Stars, turning policy into action.

"The idea is to create globally leading innovation hubs using the excellence from

neighboring countries. Addressing the grand challenges facing the region, as well as many other parts of the world, will create new business opportunities," says Karin Nygård Skalman, program director of BSR Stars at VINNOVA. So far the work has been largely concentrated to the areas of clean technology, future energy, health, future transport, and digital business. Results thus far have exceeded expectations.

"The extent to which the BSR Stars program is able to mobilize companies is very impressive. Integrating SMEs in the work we do as policy-makers is increasingly critical," says Alasdair Reid, head of the Brussels and Tallinn offices of the Technopolis Group.

In BSR StarDust, one of several projects included in the BSR Stars program, more than 800 SMEs have been engaged and 18 new product ideas have surfaced. By attracting external funds, participants have also managed to more than double the budget at their disposal.

"It's not just a desk project. It's a great program, especially the connection to the business world. It's important to make it beneficial for the companies while also reaching out to decision-makers. A lot of projects can learn from this," says Dr. Max A. Hogeforster, project manager at

Hanse-Parlament in Hamburg.

Hanse-Parlament, is a non-profit organization representing chambers of commerce, universities, and organizations. It



Karin Nygård Skalman, program director of BSR Stars at VINNOVA

is involved in 12 different programs aiming to promote SMEs in the Baltic Sea Region. BSR Stars is one them and, according to Hogeforster, a role model for other European initiatives.

"The trick is to learn to travel as captains, not passengers. The commission can help you maintain the vessel but you have to be at the bridge steering," says Johannes Hahn, commissioner for regional policy at the European Commission.

He sometimes feels the macro regional strategy for the Baltic Sea Region has been too inspirational.

"Now everybody wants one," he laughs.

His point is valid, the EU is filled with strategies, but not everybody knows how to implement them.

"There's usually lots of networking but not necessarily much action resulting from that.

There are pots of money, people from different jurisdictions, boxes are checked and

then it ends," says Karen Maguire, head of the regional innovation unit at the Organisation for Economic Co-operation and Development (OECD).

She thinks BSR Stars' selectiveness in choosing partners is part of the reason for the program's success. Over time the threshold to enter the program has grown higher.

"We are constantly revising our vision, our aims and what we ask of participants," says Emily Wise, researcher specializing in the internationalization of innovation processes and implications on policy. She has helped incorporate the lessons learned into revisions of the BSR Stars program.

"We need people with know-how, patience, and stamina. They need to have the support of their home regions, a long-term

commitment, access to resources, and knowledge of English. We expect participants to welcome new partners, seek additional financing, and engage member companies. Meetings alone are not enough. We expect the collaboration to bear fruit. We also



Karen Maguire, head of the regional innovation unit, OECD

know better what it takes to grease the wheels in the meantime and what type of support we are able to offer," says Wise.

Wise, as well as Program Director Nygård Skalman and Process Manager Erik Bunis,



Emily Wise moderates the BSR conference in Malmö

Applying

Bunis both advocate flexible financing.

stress the importance of flexibility. "We have to be more dynamic and structure things in a way as that it's passible to grab pow

things in a way so that it's possible to grab new opportunities when they arise. It has to be possible to change partners when collaboration isn't working and to accept new ones during the course of program," says Wise.

"Taking the time to be selective and to conduct pilots to make sure a collaboration is viable and has the right leadership increases the chances of success," says Bunis.

Applying higher standards also means that more freedom can be granted. Nygård Skalman and

"You have to be able to raise funds quickly to enable partners to act on opportunities. This requires flexible financing as well as functioning multi-level governance. Having the right structure is crucial. Local, regional and national levels have to talk to each other and work together for bilateral collaboration to work. All levels have to be onboard," says Nygård Skalman.

For the program management, an important task has consisted of developing tools to help coach the clusters participating in the different pilot projects.

One such tool is the use of so called signal sessions, a type of video conferencing where remotely located participants are brought together to interact with an expert from their field. Other tools include matchmaking, developing strategic action plans, business-model generation, and innovation camps.

"Longer sessions, like innovation camps, where participants get the chance to truly get to know one another are crucial for building trust," says Nygård Skalman.

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