

EU:s Strategy for the Baltic Sea Region

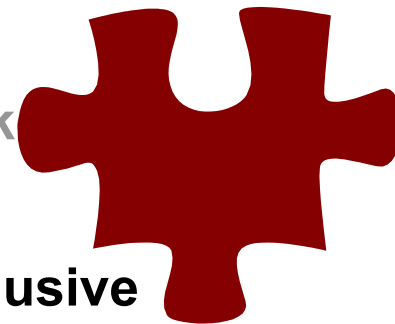
The case for transnational cooperation on innovation and SME
support

JOSEFIN Final Conference
Brussels, 17 January



smart growth

administrative hurdles / internal market



inclusive growth

Save the sea

digital @genda

1+1=3

Increase prosperity

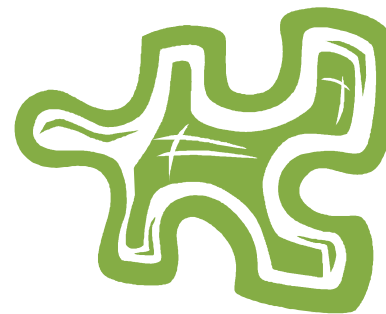
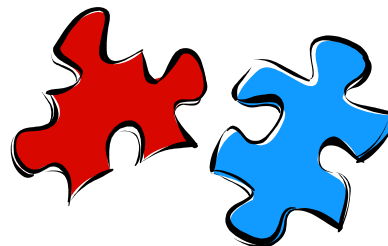


EMPLOYMENT

easy access to finance

INNOVATION

sustainable growth



Connect the region

entrepreneurial spirit / coaching

Background

- **8 of 9 Baltic Sea States are EU member states**
- **Region is important for the whole of EU**
- **EU-internal strategy**
- **Northern Dimension for external cooperation**



Four challenges

- **Sustainable Environment**
- **Prosperity**
- **Accessibility and Attractivity**
- **Safety and Security**



Strategy in practise

- 15 priority areas: coordinated by different MS
- > 80 flagship projects, horizontal and strategic actions
- Authorities, regions, organisations implementing



Pillar 2, Priority Area 7

- **Strategic action:**
 - ”Secure access to capital for SMEs” for instance by promoting and introducing new and inovative tools that facilitates the access to capital in the region, particularly at an early phase of their development.

Sweden coordinates four priority areas

Prio 3: To reduce the use and impact of hazardous substances
Naturvårdsverket

Prio 7: To exploit the full potential of the region in research and innovation (SE, PL)
Vinnova

Prio 9: To reinforce sustainability in agriculture (FI), forestry (LT) and fisheries (SE)
Fiskeriverket

Prio 11: to improve internal and external transport links (SE, LT)
Näringsdepartement

Governance

Bottom up

- EP resolution 2006
- Consultation process 2008/9
- Annual Forum (2. Gdansk 24-26 october)
- Regional activities

- COM communication 10 juni 2009

- European Council endorsement, 27 october 2009

- main implementing structure:

- national contact persons
- priority area coordinators
- flagship project leaders

Top down

Government Office's organisation

***- Secretariat within the Prime Minister's office
under the lead of the Minister for EU Affairs***

- **Permanent dialogue with all line ministries**
- **Government decision for 35 government agencies and all 21 County Administrative Boards**
- **Swedish Agency for Economic and Regional Growth: to coordinate agencies network and to disseminate/transfer knowledge**
- **SI's Baltic Sea Team: to ease Swedish participation**

Main principles "Three No:s"

- **No New Funding**
- **No New Institutions**
- **No New Legislation**



”Changing NO to YES”

the othe side of the coin:

- **Yes to Alignment of funds**
- **Yes to Alignment of institution**
- **Yes to Alignment of policy**



COMs Progress Report on Strategy

”...contributing to enhanced cooperation in the Region,

..to underline are:

- Maintaining political momentum
- Communicate results
- Targets
- Communication and ownership
- Policy development
- Further alignment of funding

Three overreaching targets

- **Save the sea**
- **Connect the region**
- **Increase prosperity**

Next steps

- **2014+**
 - facilitating alignment of funds in the next Multiannual Financial Framework
 - taking EUSBSR into account when designing the programs (transnational, national, regional)
- **Task Force Targets**
 - Political support: ambitious targets/ measurable indicators
- **Strategy review 2013,**
- **Europe2020**

Europe 2020

- **Smart growth:**
 - developing an economy based on knowledge and innovation.
- **Sustainable growth:**
 - promoting a more resource efficient, greener and more competitive economy.
- **Inclusive growth:**
 - fostering a high-employment economy delivering economic, social and territorial cohesion.

Europe2020

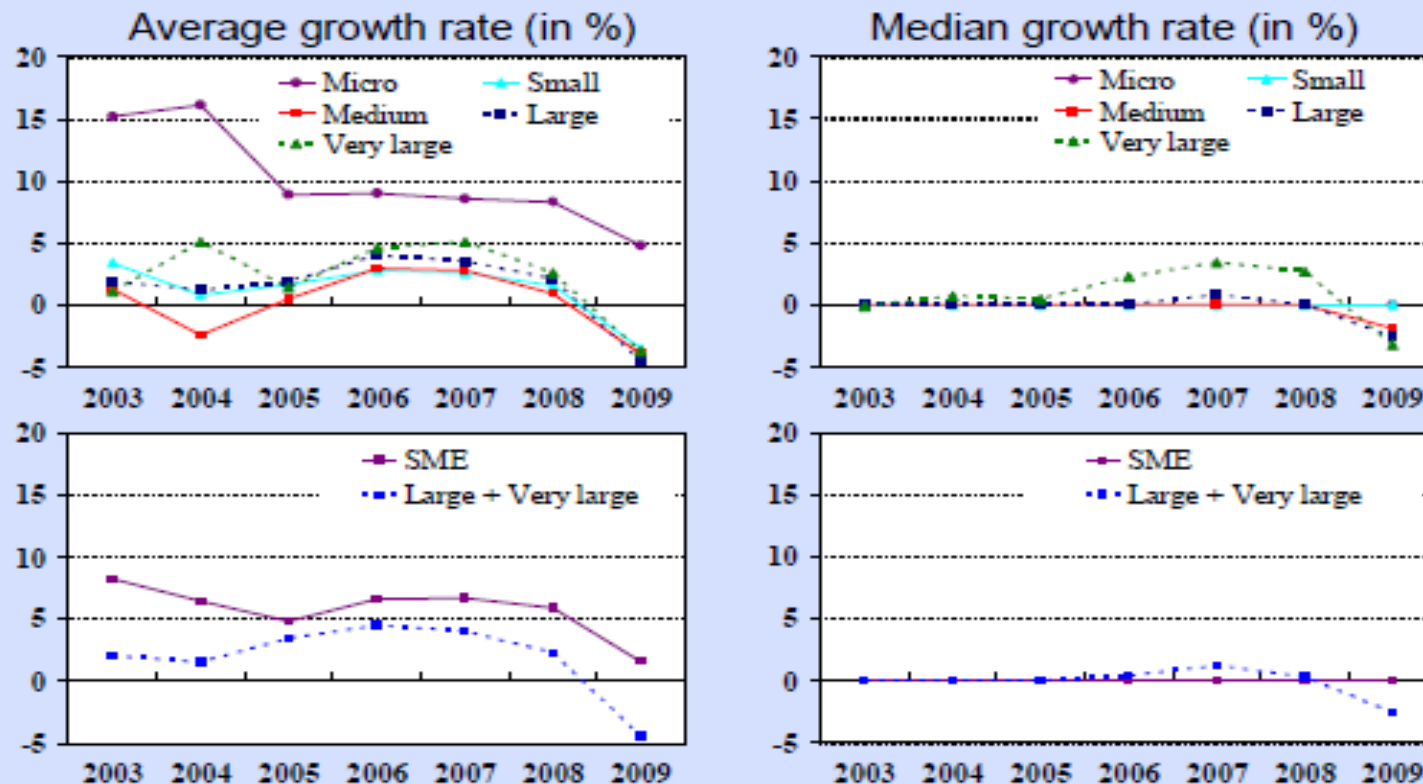
- To raise the employment rate of the population aged 20–64 from the current 69% to at least 75%.
- To achieve the target of investing 3% of GDP in **R&D** in particular by improving the conditions for R&D investment by the private sector, and develop a new indicator to track innovation.
- To reduce **greenhouse gas emissions** by at least 20% compared to 1990 levels or by 30% if the conditions are right, increase the share of renewable energy in final **energy consumption** to 20%, and achieve a 20% increase in **energy efficiency**.
- To reduce the share of early school leavers to 10% from the current 15% and increase the share of the population aged 30–34 having completed tertiary from 31% to at least 40%.
- To reduce the number of Europeans living below national poverty lines by 25%, lifting 20 million people out of poverty.

SMEs

- **typical European firm is a SME**
- **20 million enterprises**
(EU non financial business economy)
- **over 99 % are SMEs**
- **92% are micro enterprises (less than 10 empl)**
- **High contribution to job employment:**
 - SME:s share of total employment 67%
 - Share to employment growth (2002-2007): 84%

SMEs crisis / financing gap

Employment growth in EU manufacturing at firm level



Source: EFS calculations based on Amadeus (Bureau van Dijk)

Innovative SMEs in the USA

- 1. Financial crisis calls for a different style of recovery than 2000 (then: consumption)**
- 2. Innovation policy and entrepreneurial spirit backbone for export based growth**
- 3. SME share of job growth 100%**
- 4. Normal engine for SME finance has been brought down.**
- 5. „Start-up USA“**

Chief Economist Dr Austan Goolsbee
Chairman of the Council of Economic Advisers

SMEs most affected by crisis / financing gap

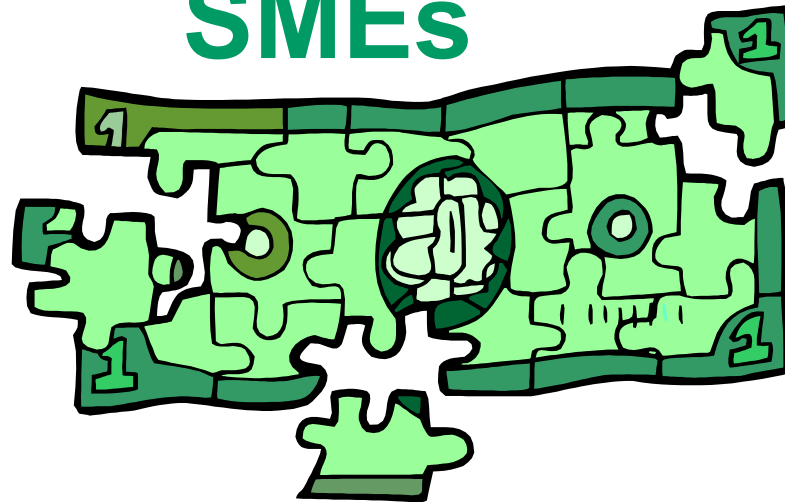
- **Micro Entreprises**
- **Start-ups / research intensive SMEs**
- **Innovative SMEs**
- **SMEs in decisive growth phase**
- **SMEs facing transmission**

Goal:
smart growth
inclusive
growth
sustainable
groth

Target:
Save the sea
Connect the region
Increase prosperity

SMEs

INNOVATION



EMPLOYMENT

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Thank you for your attention