

The Entrepreneurial Discovery Process

The case of Stockholm (Sweden): The Stockholm Model for smart specialisation

Sweden is often credited as one of the most innovative countries in the world. While the Swedish capital of Stockholm is a core hub for innovation, governing processes for smart specialisation in a diverse and dynamic environment is not a simple task. Simultaneously, according to the regional innovation actors in Stockholm County, increased collaboration and enhanced entrepreneurial discovery processes are essential in order to realise the full potential of regional collaborative innovation. An increased commitment from regional actors and a well-developed regional governance process for smart specialisation and entrepreneurial discovery process are therefore important.

To improve the regional performance, the regional authorities have created a so-called 'Stockholm Model', **a working method which integrates a smart specialisation perspective and encourages collaborative initiatives addressing the challenges of a growing urban region**. The model is also taking into account past shortcomings and weaknesses in facilitating the regional innovation and entrepreneurial discovery processes. Despite of a strong position of Stockholm in many international innovation rankings, the participation of small and medium-sized companies in innovation collaborative initiatives is relatively low. Stockholm does not have a history of cluster policy and increased knowledge among regional actors about incentives and activities to stimulate innovation collaboration is needed. Simultaneously, access to Structural Funds funding is scarce in comparison to the size of the region. Alternative mechanisms of co-funding are needed.

In the essence of the Stockholm Model is **the integrated use of funds**, especially in terms of the European Regional Development Fund and European Social Fund, **and the adoption of regional challenges as a catalyst for the regional entrepreneurial discovery processes and innovation**. **The key implementation tools** for the Stockholm model is the European Regional Development Fund (ERDF) Operational Programme for Stockholm as well as the Regional Innovation Strategy and the collaborative platform Innovation Stockholm.

The ERDF Operational Programme for Stockholm focuses on Sustainable Urban Development. Main activities that are to be funded are related to regional collaboration and discovery processes to develop new products and services whilst fostering mobility between different sectors to address cross-sectorial challenges. For ERDF, **prioritisations** are decided before a call is launched, based on regional analysis of relevant needs and strongholds. Focus has been on supporting strategic platforms (projects, science parks, business collaborations, etc.) in sectors of strategic importance for the growing capital region – which also includes rural areas – covering e.g. digital care, creative sector, green housing, food industry and life science.

Prior to the launch of a ERDF calls in Stockholm, **a mobilisation process** in close collaboration with the regional stakeholders takes place. The aim is to inform about the call and support potential projects owners in the preparation phase and to encourage the actors to tap into any emerging synergies and innovation potentials. Larger, strategic projects or alternatively smaller projects in mutual collaboration have been prioritised. Collaboration between the ESF and ERDF funds and projects are encouraged.

The ERDF and ESF programmes share the same **Structural Funds Partnership (SFP)**, are administered by the same secretariat at the County Administrative Board and are supported by a **joint preparation group**, consisting of officials from all major stakeholders in the SFP.

A second important instrument for the Stockholm model is the Regional Innovation Strategy and the collaborative platform Innovation Stockholm. In the process of developing the Regional Innovation Strategy in line with the ambitions of smart specialisation, a mapping of regional areas of strengths was conducted and presented also to the Structural Funds Partnership for their consideration in the future channelling and coordination of Structural Funds.

Read more:

Stockholm in S3 Platform: <http://s3platform.jrc.ec.europa.eu/regions/se11>

Stockholm model for urban development in Panorama Magazine #58;

http://ec.europa.eu/regional_policy/en/information/publications/panorama-magazine/2016/panorama-58-an-urban-agenda-for-the-eu