



INTERNATIONAL NEWSLETTER #7

VIDZEME PLANNING REGION 2019/2020



Hardijs Vents Chairman of the Development Council of Vidzeme Planning Region



Global change processes make it necessary to reduce the economic vulnerability of the region by making it smarter, more sustainable and more competitive. It is therefore a priority to promote cooperation between entrepreneurs and scientific institutions, to strengthen innovation capacities and knowledge transfer by producing and directing higher-value products into the market. VPR is already providing an opportunity for regional entrepreneurs to obtain an on-site support for the creation of partners for innovation in Latvia and abroad within the innovation brokerage network. Moving towards a sustainable economic model based on the balance between human, bio-resources and profit principles, Vidzeme will continue to work on the development of the circular economy and the bio-economy, as the momentum is already outlined in the agenda for developing the bio-economy innovation ecosystem in the region. Increasing productivity in all areas and the development of high added value jobs is key to boosting competitiveness. This requires the development of regional innovation environments and smart specialisation areas and integration into national innovation ecosystems, as well as the involvement of entrepreneurs in global value chains.

In the framework of the projects implemented, productive cross-border partnerships have been carried out to enable the region to move towards the creation of foreign innovation in business, as well as to focus on the development of areas such as energy efficiency, alternative forms of transport in rural areas, exploration of a natural resources and use of these resources to strengthen tourism supply.

VPR is already implementing and intends to continue coordinating the trilateral cooperation in the region between the public sector, the research and the business sector by organising various activities through Vidzeme Entrepreneurship Centre.

Our latest success – Vidzeme Innovation Week, which was for the second time organised on February 2020 and brought together more than 200 interested people from all over the country.



VIDZEME INNOVATION WEEK TOWARDS RESPONSIBLE INNOVATION

Innovation possesses "doing good" character. By applying innovations wisely, it is possible to create products, services and technologies that not only create solutions, but also save and improve. For the second year in a row, the last week of February in the region is traditionally called **Vidzeme Innovation Week**.

This year, more than 30 creative and practical events were organised throughout the region. Representatives of the public sector, business and research institutions and other interested parties participated, encouraging existing and future entrepreneurs, employees and managers and school children to see innovation potential in their daily lives.

Vidzeme Innovation Week serves as a platform for understanding that innovation is not just a privilege for high-tech companies. The ability to innovate is one of the preconditions that allows small and medium-sized enterprises to stand ahead of competitors. And innovation is closely linked to governance.



Already for the second year within this week Vidzeme Planning Region organized an international innovation conference for the interested parties. This year focus was on Responsible Innovation. It took a **closer look at three topics**, inviting to explore and discuss bioeconomy innovations in food production and gastronomy, the circular economy, design principles and innovative services in public administration. responsible innovation

WATCH REVIEW VIDEO OF THE CONFERENCE AND VIDEO PRESENTATIONS ON NEXT PAGE



VIDZEME | February 24 - February 28 | 2020



Biomass conversion to high added value products - Biorefinery innovation by Johannes Kisser (Austria)



Wild innovations and wild forest berries: R&D together with SMEs and larger companies by Dr. Pekka Kilpeläinen (Finland)





VIDZEME INNOVATION CONFERENCE "RESPONSIBLE INNOVATION"

REVIEW VIDEO 27.02.2020 | Cesis | LATVIA

watch to inspire



Circular bioeconomy innovation cases and business model examples in the Baltic Sea Region by Ants-Hannes Viira (Estonia)



The circular economy as a necessity and a driver of innovation by Jana Simanovska (Latvia)



Energy consumption data monitoring - a tool for efficient building management by Mārtiņš Kalva (Latvia)















SAVE THE DATE 2021

VIDZEME INNOVATION WEEK

VIDZEME | February 22 - February 26 | 2021

FIND OUT OUR LATEST CHALLENGES ADDRESSED AND TARGETS ACHIEVED

It has been a very busy year for Vidzeme Planning Region establishing change and mapping out our future. The biggest development challenges in the region are related to the ability to react flexibly to the global change, ensuring the sustainable development of the area and the wellbeing of citizens.

One of the directions is to promote the use of innovations in the region.

We invite you to get acquainted with the main highlights and think of common things which we could develop jointly in near future!

BIOECONOMY

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UNLOCKING THE POTENTIAL OF THE KNOWLEDGE-BASED BIOECONOMY IN THE REGION Over the past two years, Vidzeme has taken several important steps to promote the growth of a smart, sustainable and inclusive bioeconomy. The most important one is the elaboration of an **Action Plan for the development of a KNOWLEDGE-DRIVEN bioeconomy innovation ecosystem in Vidzeme region**.

To rally the "players" in bioeconomy, the development of a cluster of food bioeconomy has been launched, anticipating the conversion of Latvian high added value and healthy food cluster into **Latvian Food Bioeconomy cluster**. The Action Plan also focuses on the availability of bioeconomy data and information. One of the actions foreseen is the **study of the bioeconomy resources and potential** of Vidzeme, as well as the mapping of these resources, within the framework of the project "BalticBiomass4Value".

Interreg BSR programme 2014-2020 project BalticBiomas4Value ("Unlocking the Potential of Bio-based Value Chains in the Baltic Sea Region", <u>https://balticbiomass4value.eu/</u>) aims to enhance capacity of public and private actors within the BSR to produce bioenergy in more environmentally sustainable and economically viable way, by utilizing new biomass sources (chiefly, biological waste) for energy production, as well as possibilities to use bioenergy side streams for high value bio-products, such as food, feed, fertilizers, chemicals, cosmetics, and other uses.



Alongside the development of the regional plan, the RDI2CluB ("Rural RDI milieus in transition towards smart Bioeconomy Clusters and Innovation Ecosystem", <u>http://www.rdi2club.eu/</u>) project partners developed a cross-border **Joint Action Plan to build a knowledge-based bioeconomy innovation ecosystem**, including measures to promote the knowledge transfer between different countries, stimulate the creation of bioeconomy innovation and cooperation amongst bioeconomy enthusiasts from two or more countries. Several measures have already been implemented or are ongoing. For example, **Latvian** researchers and entrepreneurs in **Norway** got acquainted with the **smart use of wood resources**, bringing the knowledge to Latvia.

Today, we are also working on the **good practices of bioeconomy innovation**, which will include practices from all 5 partner-regions, including Vidzeme. The brochure **25 Cases for Bioeconomy Innovation Around the Baltic Sea Region** is elaborated with methodological support of Nordic Council of Ministers, and will serve as a follow-up material for their previously developed materials of bioeconomy best practices in Nordics.

Partners from 5 countries are working together to develop the bioeconomy innovation platform <u>https://biobord.eu/</u>. It is open to anyone who works in bioeconomy sector and needs external support or wants to find partners for joint initiatives.



"The BIOBORD platform, co-developed by VPR, is a place for sharing industry-critical information, searching for and finding experts, potential project partners, lecturers, students, and offering their experiences to others," says Santa Niedola, project "RDI2CluB" manager in Vidzeme Planning Region.

Check out bioeconomy innovation platform >>



So far within project partnerships VPR has supported the development analysis of market outlook and future viability of different bioenergy products and value chains in the BSR energy system. More than 50 good practice example small and medium scale business cases for sustainable bioenergy and side bioproducts production in the BSR have been identified and are analyzed. At least **12 good practice business models** will be developed as a result of this analysis. A preparation of a **good practice implementation guidelines for circular bioeconomy** development support and promoting them among public authorities and following Cross-border learning for public authorities is on the way in 2020.

Bioeconomy can also be a tool that is used effectively and demonstrated to investors while allowing to increase the attractiveness of Vidzeme region as a desirable place for innovation. In 2019 Vidzeme held two **bioeconomy innovation forums** – "Bioeconomy – Innovation opportunities" and "Digitalization for the development of bioeconomy". Each of them brought together more than 100 participants from Latvia and abroad, **promoting the bioeconomy, raising awareness on the value of the natural resources available**, the **potential** for their exploitation and **innovative opportunities**, as well as promoting the opportunities for **cooperation** between the owners of biological resources.

As young people are future policymakers and entrepreneurs, they are and one of our target audiences to whom we want to clarify the name and importance of bioeconomy, we were part of **Swedish Institute leadership programme on Youth and Bioeconomy**, where we worked on solutions and recommendations for youth engagement in the bioeconomy in BSR. It brought us to joint project **BeUBio**. The BSR already has a long-standing Bioeconomy Council, coordinated by EUSBSR PA Bioeconomy, and is represented by Kristīne Sirmā (Latvia).

The PA Bioeconomy Coordinator, mindful of the need to integrate the next generation, raised the task of integrating it into the existing BSR Bioeconomy Council.

ENERGY EFFICIENCY

ENERGY MANAGEMENT IN VIDZEME

Each year the energy efficiency and reduction of consumption becomes more important in the European Union, leading it to one of the strategic priorities in Europe. Investment in energy efficient technologies and renewable energy contributes to both the EU energy and climate priorities and the generation of economic growth. Households and public buildings are known to have the highest consumption of energy.

Vidzeme Planning Region (VPR) has set a goal – in 2050 VPR is the region of smart solutions and climate aware population. The region emits around 70% less CO2 than in 2015, the emissions reduction is reached in all sectors of region economy. Regional and local governments implement highly competent governance aimed at sustainable use of natural capital and responding/adapting to climate change.

PEOPLE

Without people, building occupants, users and their daily habits previous mentioned activities cannot lead to VPR Energy Vision 2050 goal. To raise public awareness about environmentally friendly lifestyle and smart use of energy resources, VPR has implemented **Smart Energy Community** project. This year Smart Living project will start in the region with the focus directly on **informing Latvian society on the possibilities to save energy resources**, as well as **addressing real estate managers regarding the use of renewable energy resources**.



FINANCING

Currently, the region is drawing the attention of municipalities and building managers to various financing mechanisms for energy efficiency measures in buildings. These mechanisms were tested in real buildings and even resulted with investments in some cases. The **EFFECT4buildings toolbox** will contain guides - approaches for financing energy measures, decision support tools, description and analyses of best practices, recommendations.

TECHNOLOGIES

Considering that Vidzeme region has one of the biggest heat losses in the district heating networks in Latvia, VPR indicates the need to **modernize existing district heating systems** through LowTEMP ("Low Temperature District Heating for the Baltic Sea Region", <u>http://www.lowtemp.eu/about_en/</u>) project. VPR pilot case at Alūksne city kindergarten "Pienenīte" demonstrates how new heating system technologies and energy consumption data monitoring system can help to improve the indoor climate. See our <u>VIDEO</u> story

4buildings

LowTEM

PLANNING

Helping the municipalities to contribute towards meeting the EU's climate goals and encouraging **municipalities to develop Sustainable Energy and Climate Action Plans**, VPR from this year will take part in CEESEU project.





MOBILITY AN ENABLER IN RURAL AREAS



MOBILITY IS ONE OF THE VITAL ENABLERS OF RURAL COMMUNITIES WHERE MANY ESSENTIAL THINGS ARE LOCATED SOME DISTANCE AWAY.

Providing satisfactory quality mobility services in remote rural areas is a major challenge and has a major impact on the socio-economic development potential of the Vidzeme region. New mobility services and innovative solutions for public transport and non-motorized private transport are needed. Therefore Vidzeme Planning Region is implementing an ambitious Interreg BSR mobility projects **MAMBA** and **MARA** to find solutions to improve mobility in rural areas.

The MARA project ("Mobility and Accessibility in Rural Areas-New approaches for developing mobility concepts in remote areas", <u>https://www.mara-mobility.eu/</u>) aims to **crosscheck the actual mobility demand of residents and tourists** with current mobility offers and existing services, **develop and test innovative sustainable mobility solutions for remote areas**.

The project will integrate its improved or new mobility approaches in remote areas into **regional spatial and mobility development plans**. MARA is developing several **mobility mapping tools** and **alternative mobility pilot cases**.

Vidzeme Planning Region will test a **e-bicycle/e-cargo bicycle sharing system for tourists and locals** as a pilot in two locations where local companies do not provide such services.







Decreasing and ageing populations in many rural areas have become a common problem of the Europe.

Through the MAMBA project ("Maximising mobility and accesibility of services in rural areas of the Baltic Sea Region", <u>www.mambaproject.eu</u>) for the first time in Latvia a **transport-on-demand service is being tested in two territories**, with two different approaches.

The transport-on-demand service is **designed together with its end-users** to create a service what is really needed and accepted by local inhabitants. While citizens are increasingly enjoying the benefits of no longer adjusting their plans to public transport and its sparse timetable, but free to organise their daily lives, another issue has come to light – **how flexible and adequately** the **national legislation is** to conduct pilot tests.

Rather minimal attention has been received so far from policymakers. When assessing the effectiveness of ToD services, it is not possible to use figures alone – sometimes the socio-economic benefits cannot even be quantified. In the end, everything is very simple – irrespective of where you live, you must have **equal access** to social **services** and other day-to-day services.





IT IS BECOMING INCREASINGLY DIFFICULT TO KEEP UP PUBLIC TRANSPORT AND OTHER SERVICES THAT DEPEND ON MOBILITY.

BUSINESS SUPPORT TOWARDS A FULLY-FLEDGED INNOVATION ECOSYSTEM

wework

During the programming period 2021-2027 **regional development** will be one of the priorities in all of Europe, and for regional development support for business and entrepreneurship is crucial. Analysing foreign business support systems, we have concluded that our local challenges are not unique therefore foreign examples as good practices have played an important role in improving the support mechanisms offered by VPR to region's SMEs.

VPR supports the idea to develop an innovation platform in Latvia, which would ensure the coordination of all industry support activities in the regions. Several cross-border cooperation programmes (Interreg Europe, Baltic Sea Region (BSR), Interreg Est-Lat) projects implemented by VPR has been a great help to organise many activities or services to move closer to this goal.

Within the EcoRIS3 project ("Policies & Measures to Support Local & Regional Innovation Ecosystems", <u>https://www.interregeurope.eu/ecoris3/</u>), an action plan has been developed to test two innovation support services – **Innovation project manager for SMEs** and **Innovation laboratories**.

The RATIO project ("Regional Actions To Innovate Operational Programmes", <u>https://www.interregeurope.eu/ratio/</u>) has received international recognition for its **improvements in Operational Programme "Growth and employment"**. Support for attracting highly qualified professionals is now available not only for start-ups but also for other SMEs. More **simplified procedure** for innovation vouchers support services is available. And one-off funding of €5000 for **first-time cooperation with research organisations** has been introduced.



European Union European Regional Development Fund







Within the GoSmart BSR project ("Strengthening smart specialisation by fostering transnational cooperation", <u>https://gosmartbsr.eu/</u>) that aims to foster transnational cooperation between industry, the research and development sector, and public authorities a <u>methodology for a Transnational</u> <u>Smart Specialisation Strategy</u> – Trans-S3 – has been developed. To give a glimpse of what Trans-S3 is our partners have created a video giving insight on and how it can be applied and used in any group of regions which attempts to intensify its collaboration based on the smart specialisation concept, <u>see here</u>.

GoSmart BSR Transnational Innovation Brokerage System (TIBS) has been operating in seven BSR areas since the year 2019, including Vidzeme region, and gains great feedback from local and European level experts, as well as local entrepreneurs. It is a way for SMEs to help develop their product/service and to allow them to see opportunities for cooperation with entrepreneurs or research institutions in other countries, thus promoting smart specialisation in businesses and cross-border cooperation.



${f T}$ ailored to your needs

TIBS brokers will evaluate your company and provide individually tailored solutions to foster the value chain approach, thus contributing to your business by:

- reducing your costs;
- increasing efficiency;
- providing benefit calculation.

Building connections

TIBS brokers will support and guide you throughout the partnership building step by step from the very first idea to the very end when a partnership agreement is concluded.

mprove access to markets

TIBS brokers ensure access to 7 European markets and beyond. Our brokers belong to the network of networks and can provide you with necessary contact points that will help with:

- access to new markets;
- · participation in company missions;
- finding new foreign partners.

Smart solutions

TIBS will help your company to increase its competitiveness by introducing future trends, making recommendations on adapting a business model, sourcing innovation, transferring or gaining knowledge.





Over the last years, Vidzeme Entrepreneurship Centre working under the supervision of VPR has been paying attention to the exchange of experience by inviting entrepreneurship specialists from local municipalities to go to neighbouring countries and see how business support is provided. The **hackathon** organised at secondary and vocational **schools** has also been implemented aiming to draw young people attention to engage in business.











BUSINESS SUPPORT

SOCIAL INNOVATION THE STORY OF HUMANENESS

Photo: Step by step care

Inclusive Vidzeme

deinstitutionalisation

A major milestone in the development of social innovations in Vidzeme is the implementation of the deinstitutionalisation project "Inclusive Vidzeme", as **the development of new community-based social services is impossible without the search for and implementation of innovative solutions.**

This year, in the framework of Vidzeme Innovation Week together with industry experts and opinion leaders we have been looking for answers on how to develop good social services and what their viability depends on, as well as how innovation can improve the quality of life, what motivates and what "knocks out" service providers' willingness to develop new services.

"When introducing new innovations, one must be brave," underlined the Vidzeme Innovation Week conference experts, because no real innovation has ever waited for the law to adjust to it. Every innovation was someone's dream first. We must not be afraid to innovate, but we need to be able to define service content and users. It is important to remember that innovation should also happen in the financial reallocation and policy making! Similarly, if we want to reorganise the nature of services and innovate, the process must involve 100% of all the employees of the organisation.

There are three important cornerstones for the implementation of social innovation – **the people** and **their needs**, **the infrastructure** required **to deliver the services** and the **change of public opinion**.



SOCIAL INNOVATION

PEOPLE

At the centre of the development are people – we must look for a way to satisfy not the people's need for services, but the unmet needs of people.

"If I were to create a day centre service for people with mental disorders, based on what I think is healthy and exciting instead of asking for the opinion of those people whom the service is built for, then all of the visitors would play basketball. But I don't think that this day centre would have a lot of visitors – don't you agree? " – Māris Grāvis, Chairman of the Board of the Society "Rīgas pilsētas "Rūpju bērns"".

SERVICE INFRASTRUCTURE

The deinstitutionalisation process involves the development of social services. New services are being created for children with disabilities as well as for children in out-of-family care and the most vulnerable group of society – adults with mental disorders. The first services have started operating, and one of the group home residents, who has started an independent life concludes: **"Living in such project is the ideal way to start an independent life for people with disabilities and low incomes."**

CHANGE OF PUBLIC OPINION

A major part of the deinstitutionalisation process is **the change of public opinion and reorganization of the value system, prioritizing people's needs**.

Lead child psychiatrist in Latvia N. Bezborodovs emphasizes: "There are many studies on what to do with society's stigma and how to deal with condemnation, and there are many studies that indicate it is very difficult to change it. The only scientifically proven way to change public perceptions is a positive social context. "

>> VIDZEME IS ON ITS WAY TO A MORE INCLUSIVE AND UNDERSTANDING SOCIETY.

KNOWLEDGE

SKILLS TO BE GUIDED INTO GLOBAL ERA ECONOMY 4.0



Scarcity of knowledgeable and qualified human resources, necessary for the development of economics, especially in smart specialisation areas, is a challenge faced by most of EU Member States. According to data of EUROSTAT, SMEs compose more than 90% of EU Member States (MS) economies and play a key role in national economies, generating employment and value added and contributing to innovation.

National and regional adult education systems currently are not responding to the speed and scope of SMEs needs to compete and sustain in the situation of global open market economy. There is need for such adult education approaches, which **can guide SMEs and societies into global era Economy 4.0**. However **several obstacles are hampering SME productivity and innovation**. Among them are skills shortages, poor human resources management practices, and workforce training.



Promoting smart specialization oriented adult learning pathways in small and medium enterprises



Funded by the Erasmus+ Programme of the European Union

Vidzeme Planning Region has initiated PULSE ("Promoting smart specialisation oriented adult learning pathways in small and medium enterprises") project to focus on human resource development opportunities for small and medium-sized enterprises (SMEs) in the Vidzeme region and Latvia, as well as to **reduce adult learning provision's reliance on actual human resources development opportunities and needs**.



KNOWLEDGE



Cultural and tourism heritage has a great potential to promote employment and economic growth, as well as to promote the development of rural, remote or less developed areas. The promotion of cultural heritage can play an important role in the development of European regions - infrastructure built for tourists contributes to the development of the site, while jobs created or preserved help prevent economic downturn in rural areas. Thus, the social and educational value of European cultural heritage affects both job creation, economic growth and social equality.





Funded by the Erasmus+ Programme of the European Union This is why VPR is engaged in **developing an innovative curriculum** to take full advantage of its cultural and natural heritage offer. The program within the framework of the SPECHALE ("Specialists in Cultural Heritage and Attractive Living Environment", <u>https://www.spechaleerasmus.eu/</u>) project will be based on a local case study of the existing **availability of nonformal education for the use of the natural and cultural heritage in tourism**, offering a **new position on the market** as a specialist in cultural heritage and attractive living environments.



COOPERATION

SCALING OUR NETWORK: 232 PARTNERS IN 28 COUNTRIES



EUROPEAN NETWORKS











EUROPEAN UNION AND NATIONAL PROGRAMMES



European Commission

Horizon 2020 European Union funding for Research & Innovation











Swedish Institute





THE ONLY WAY IS UP

Contact us to find out more, to discuss future cooperation or share good practice and knowledge

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For the region's economy to become more competitive, excellent in specific niche sectors, adaptable to changing conditions and challenges, it is important to improve the business and innovation environment in the region and to mitigate the vulnerability of the region's economy.

This is why we need to move towards a sustainable economic development model for the region, which is grounded in the fair balance between economic growth and responsible use of human and natural resources.

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