



Ekonomikas ministrija

S3 IMPLEMENTATION IN THE BALTIC STATES: ENTREPRENEURIAL DISCOVERY PROCESS IN LATVIA

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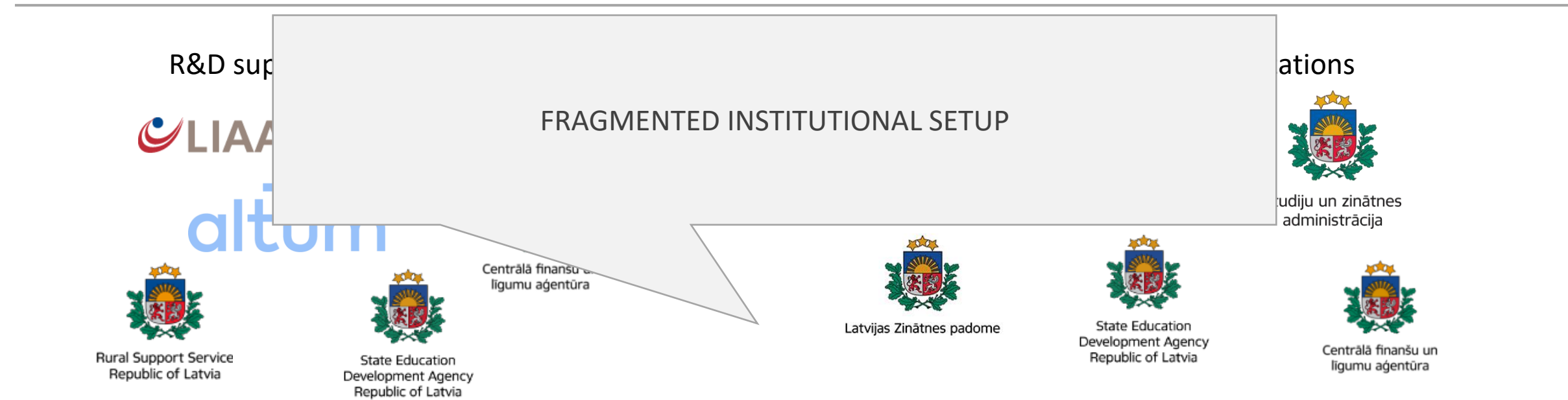
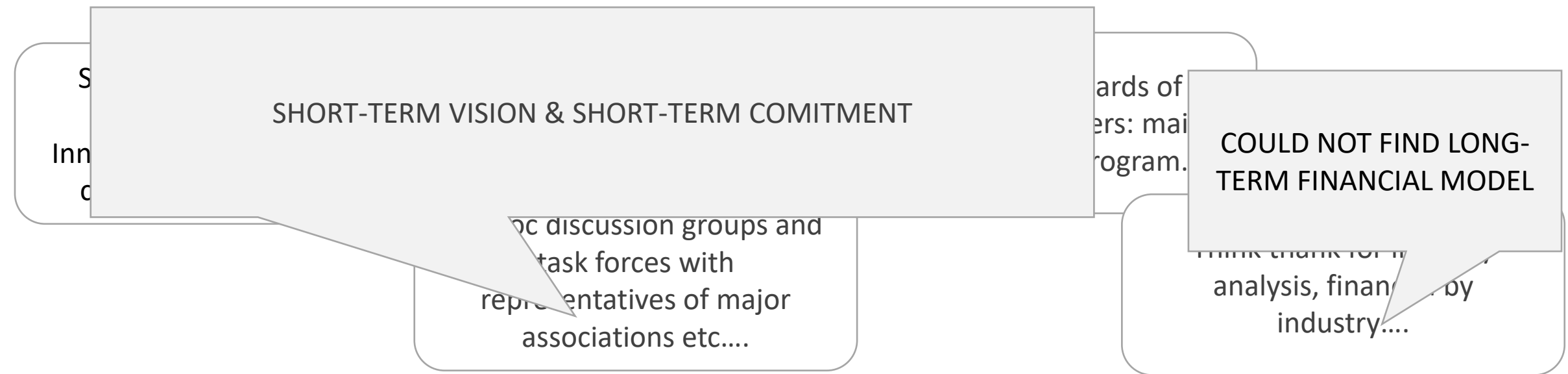
20.09.2019 // RIGA

What is entrepreneurial discovery process....

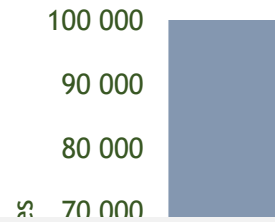
The EDP is an inclusive and interactive **bottom-up process** in which **participants** from different environments (policy, business, academia, etc) are **discovering** and producing information about potential **new activities**, identifying potential **opportunities** that emerge through this interaction, while **policymakers assess outcomes** and ways to **facilitate** the **realization** of this potential*

*<https://s3platform.jrc.ec.europa.eu/entrepreneurial-discovery-edp>

EDP implemented since 2004:



CHALLENGE -> STRUCTURE OF ECONOMY



**FACILITATED AND FINANCED RIS3 AND EDP
IMPLEMENTATION PROCESS NEEDED**



NEW EDP IMPLEMENTATION PROCESS

VALUE CHAINS/CROSS-SECTORAL

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FACILITATED

NEW EDP IMPLEMENTATION PROCESS

VALUE CHAINS/CROSS-SECTORAL

FACILITATED

LEADER GROUP

NEW EDP IMPLEMENTATION PROCESS

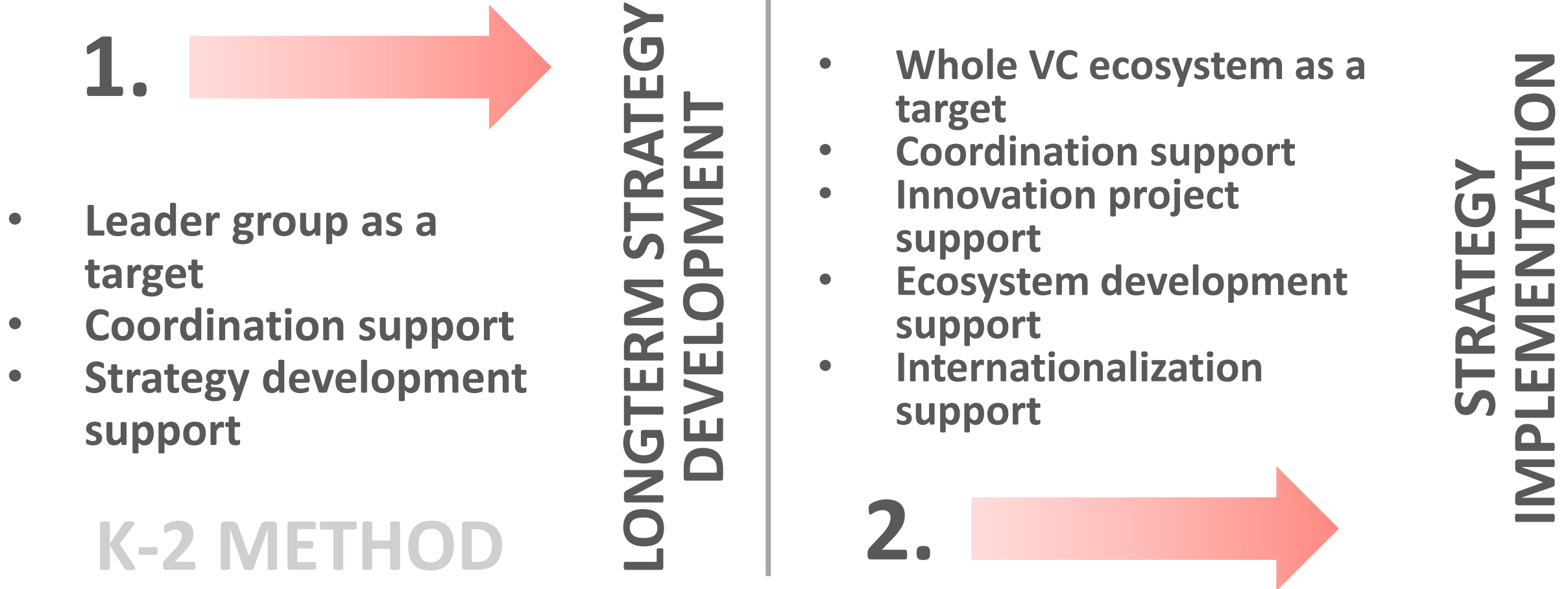
Changing the focus to value chain (cross-sectoral) development rather than individual sector promotion

Based on well known economic concepts of modern industrial policy

D.Rodrick (New industrial policy concept), M.Porter (Cluster policy concept), D.Furay (Smart specialization concept)

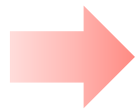
Tested on ground, well received locally and internationally

HOW IT WORKS- EXPERIENCE AND NEXT PHASE



ANALYSIS OF ECONOMY

- Global challenges
- Macro statistic analysis (EXPORT, GDP, etc.)
- Identifying the local champions
- Identifying research excellence



ANALYSIS



MAPPING



SELECTION



FACILITATION

MAPPING

STRUCTURED INTERVIEW WITH PRIVATE AND ACADEMIC SECTOR:

- 15+ interviews with private and academic sector to identify their development interests and competitive advantages
- Input analysis

WORKSHOP BASED ON DESIGN THINKING METHODES:

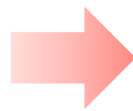
- Content based on interview outcomes
- 40+ representatives of public, private, academic sector
- Specialization definition

RESULTS:

- ☐ Identification of most active and important sector players
- ☐ Sector insights
- ☐ Long term specialization vision



ANALYSIS



MAPPING



SELECTION



FACILITATION

SELECTION OF LEADER GROUP

Leader selection is needed to establish strategic task force (public, private and academic sector) to run and influence sector transformation.

PRIVATE SECTOR SELECTION CRITERIA:

- Are drawing wealth into the local economy and have long term vision
- Are internationally active or with international potential
- Companies that have strong, charismatic leaders in front line

ACADIMIC SECTOR SELECTION CRITERIA:

- Have strong research capabilities
- Active in international projects (H2020, COSME, etc.)
- Have technology transfer practice
- Researchers with business oriented mindset

PUBLIC SECTOR SELECTION CRITERIA:

- Manages related legislation
- Develops relevant policy's
- Implement relevant policy's
- Have expertise and experience



ANALYSIS



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OUTCOMES:

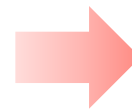
- ☐ Long term ecosystem development strategy with action plan
- ☐ Broad stakeholder interest coverage
- ☐ Policy incentives defined



ANALYSIS



MAPPING

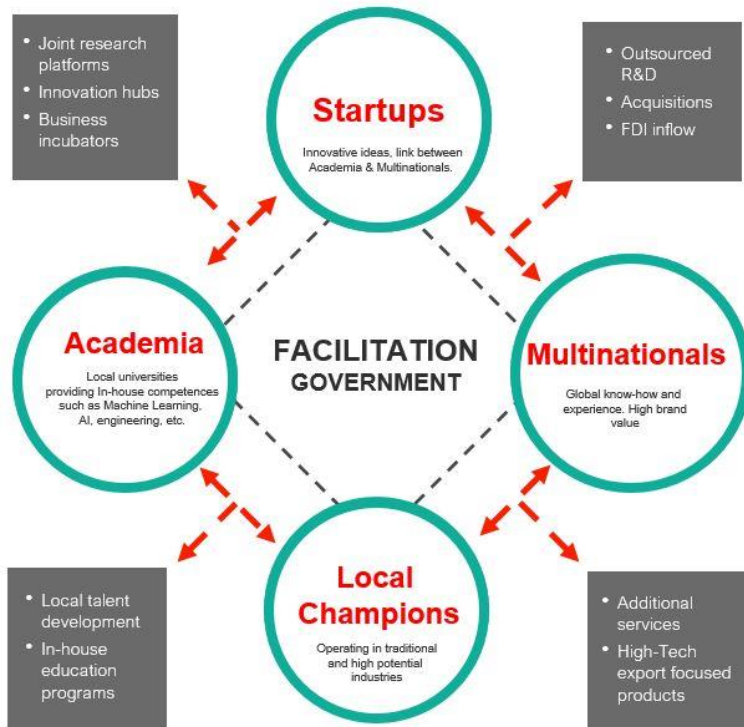


SELECTION



FACILITATION

FACILITATION AND IMPLEMENTATION



2018 Prime Ministers office

Aim of the facilitation is to enable cooperation among interconnected players of the specific ecosystem (triple helix coverage) until ecosystem reaches mature enough development phase (institutionalization).

Aim of the cooperation is to based on deep analysis of specific ecosystem competitive advantages and disadvantages define **development strategy** through short and long term goals and action plans



TRUST



STRATEGY



ENGAGEMENT



VISIBILITY

NEW EDP - TESTED

BIOMEDICINE



- ☐ Strategic aim defined
- ☐ Institutionalization in progress
- ☐ Best practice identified
- ☐ Infrastructure issue in handling

SMART CITY



- ☐ Strategic aim defined within policy planning papers
- ☐ Institutionalization example
- ☐ PPP issue in handling

SMART MATERIALS

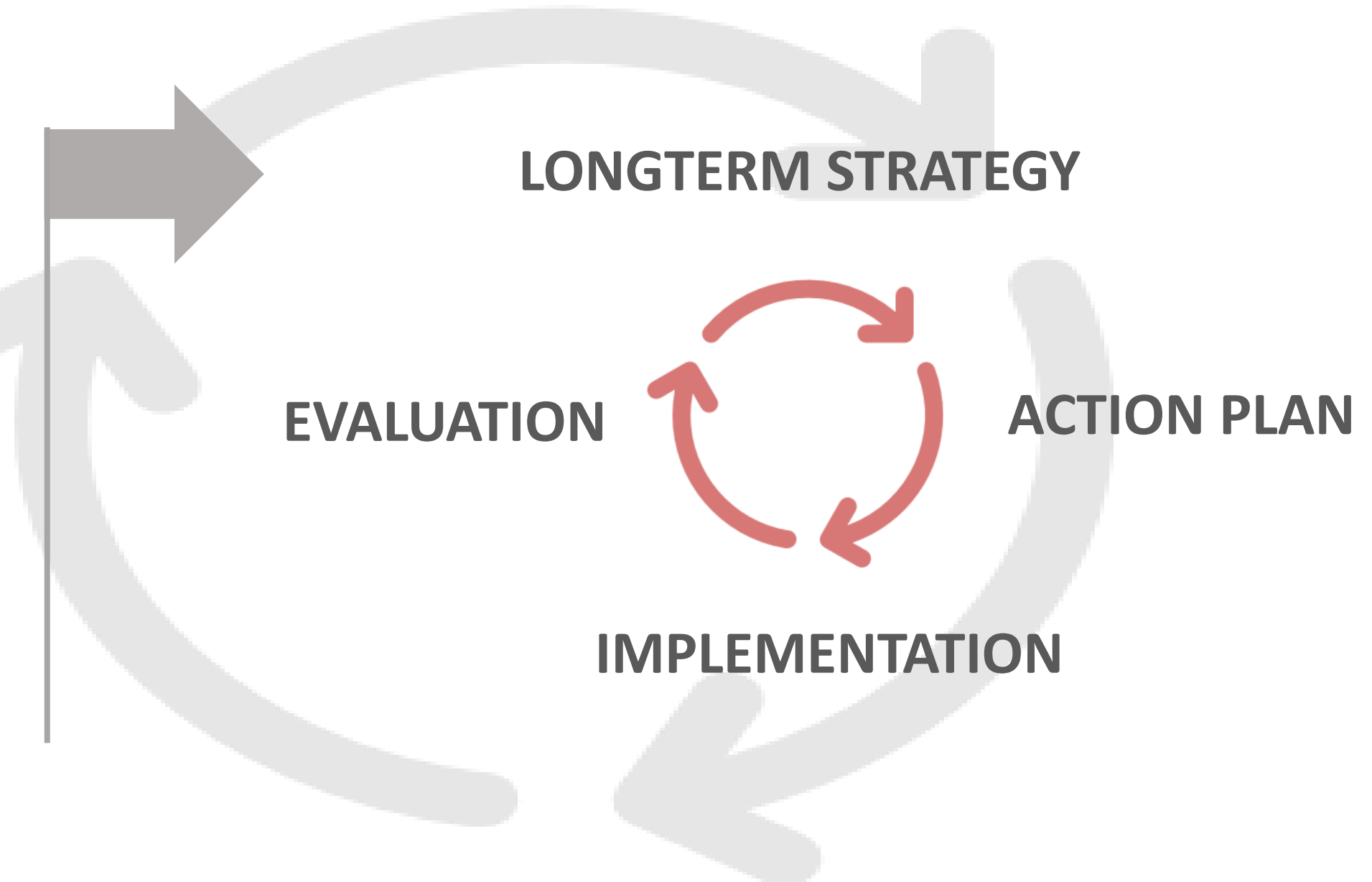


- ☐ Institutionalization is done
- ☐ Strategic aim definition in progress
- ☐ Triple helix collaboration issue in handling

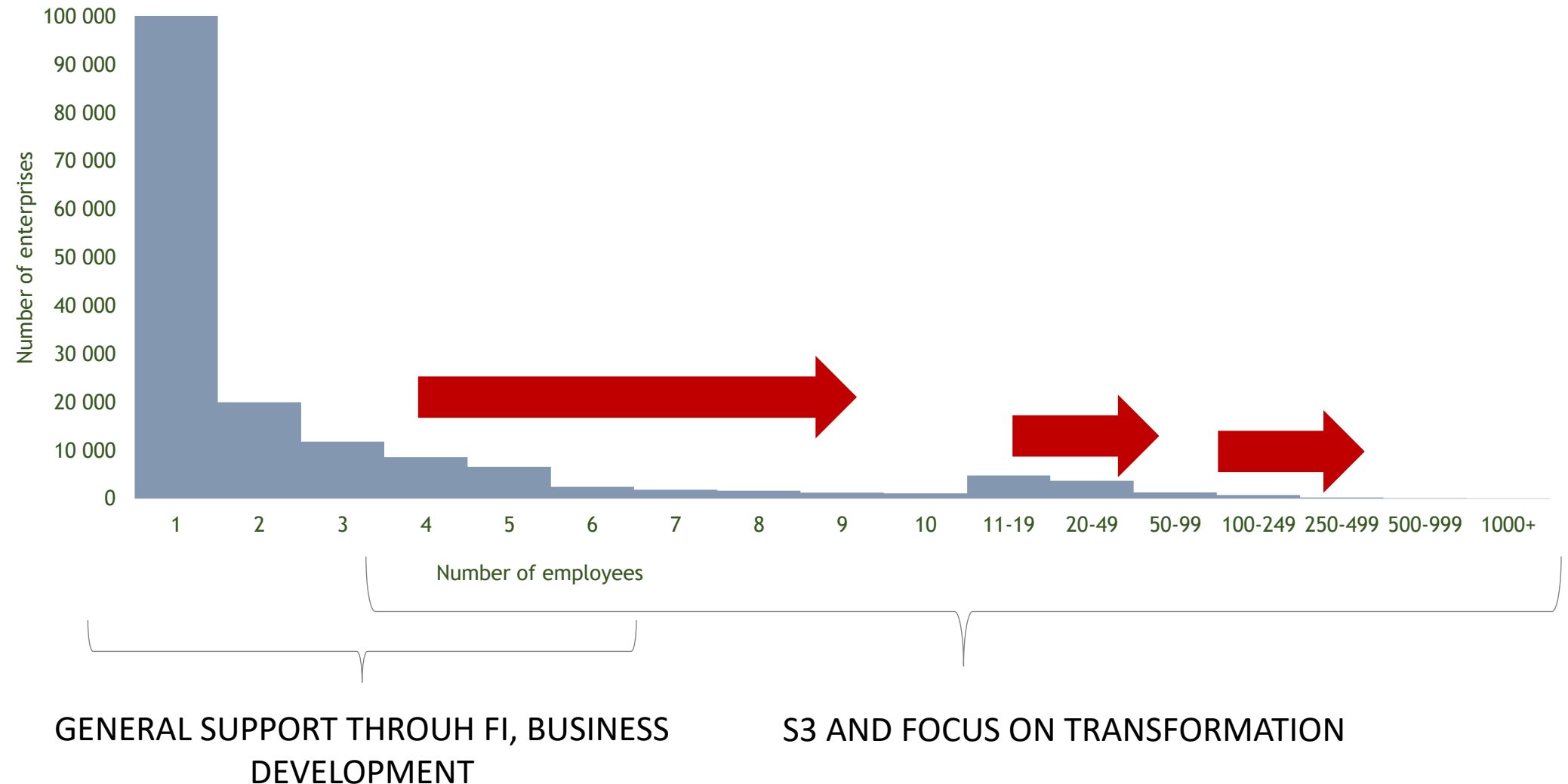
!NO PUBLIC INVESTMENTS HAS BEEN ALLOCATED!

CONTINUOUS RIS3 IMPLEMENTATION PROCESS

K-2 METHOD



K2 APPROACH AND RIGHT POLICY MIX IS ESSENTIAL FOR **TRANSFORMATION OF ECONOMICAL STRUCTURE**



PRACTICAL IMPLEMENTATION

- ☐ GVC development Fund: R&D, Internationalization etc.
- ☐ Financial instruments
 - Loan
 - Guarantees
 - Venture Capital
 - Export credits etc.
- ☐ SME support infrastructure: Business Incubators etc.
- ☐ Development of Business Environment

KEY SUCCESS FACTORS

- ☐ Coordination capacity and development capacity: operational and strategical
- ☐ System governance: institutional integration
- ☐ Elasticity and dynamisms within support schemes and processes
- ☐ Transparent decision making process

ANY QUESTIONS?

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