Leveraging innovation ecosystems for Sustainable Cities

EUI CAPACITY BUILDING EVENT

WORKSHOP 5 - Developing an investment and innovation strategy in micro-cities, feat. the cities of Ventspils and Valmiera, Latvia







What kind of organisation do you represent?



What kind of activities does YOUR municipality implement to foster the innovations in businesses in your territories? (write 3 words- 3 things)



Do municipalities have to actively participate in innovation support?



Valmiera business support initiatives

by Valmiera Development Agency

Key facts about Valmiera, Latvia

1283

Valmiera founded

2nd

In Latvia after Riga
– GDP per capita

25 000

Residents in Valmiera city

1920

Active businesses

55 000

Residents in Valmiera county

75

FDI companies

150 000

Residents in 50km radius around Valmiera

1st

The best FDI strategy by European micro city in 2022/2023



Key industries in Valmiera, Latvia

11%

Chemical industry (glass fibre)

28%

Agriculture and forestry

5%

Food and beverages

17%

Retail and wholesale

4%

Wood, furniture, paper

11%

Construction

3%

Mechanical engineering and metalworking

5%

Health and social care



Business and innovation ecosystem (stakeholders)

- 1.Local and regional authorities (municipalities, etc.)
- 2. Educational, academic and scientific institutions (universities, vocational schools, teachers, life-long learning sector, etc.)
- 3.Industry and businesses (SMEs, start-ups, FDI companies, etc.)
- 4. Business support organisations (incubator, chamber of commerce, business support and youth NGOs, etc.)
- 5. Business clubs, organisations, associations
- 6.Local communities
- 7. Service providers supporting businesses (consultants, mentors, book-keepers, legal services, etc.)
- 8.International partners that collaborate in transnational projects



Industry development and investors are a priority



Two industrial territories of 119ha are under construction and development currently.

Territory development and investment attraction measures go hand in hand with extensive business environment promotion and business support activities.







Makerspace DARE in Valmiera

The goal of DARE is to become a place that promotes creativity, the emergence of new ideas, the formation of new companies and the involvement of the local community.

- Community activation and involvement, creative workshops
- 2. Availability of workshop premises and equipment for prototyping
- 3. Emergence of new companies, development of existing ones
- Encouraging entrepreneurship, career development support, lifelong learning

https://darevalmiera.lv/
Facebook: @DARE.VKD
Instagram: @ dare_valmiera
Youtube: DARE koprades darbnīca









Makerspace DARE in Valmiera













Makerspace DARE in Valmiera

















Makerspace DARE – results in 2023

189

Events, seminars, workshops

14

Prototypes developed

4892

Participants in events

278

Social media posts

182

Business clients

22

Videos and TV stories

2

Summer camps

48

Articles, publications, press releases



Innovation support programme ZILE (ACORN)

The business support programme is about providing support - funding, advice, information, education, consultancy, expertise - to existing companies, start-ups, and freelancers to encourage innovations, development, export, the creation of new jobs, public and private partnerships, and social entrepreneurship.

Key objective of the programme:

- 1.To promote innovations and innovative products and services
- 2.To foster economic development and strengthen the local business and innovation ecosystem
- 3.To promote private and public sector cooperation
- 4.To create new jobs





The two sub-programmes

ZILE development

For innovation and development projects to be implemented by existing companies, mature start-ups, freelancers

Funding: 2000 – 10 000 euros

Financial aid: 60% - 80%

Advance payment: 20%

Currently the annual allocated funding for the programme is 60 000 euros

ZILE start-up

For smaller scale innovation and development projects by start-ups, freelancers, business idea authors

Funding: up to 2000 euros

Financial aid: 80%

Advance payment: 50%



Activities, process and annual time-line





Tools, methods, innovative elements

- 1.The support programme ZILE is the only local-level programme of its kind in Latvia. Its unique feature is the intense focus on innovation, which is not characteristic of other local and regional programmes
- 1. The programme supports the activities of companies that implement at least company-level innovations. The programme actively utilises the Deloitte Development 10 innovation types model. This approach encourages entrepreneurs to think more ambitiously and boldly while also changing their thinking, adding knowledge, and finding new partners at networking events
- 1. The programme is compact. Therefore, the team can give the beneficiaries wide publicity and individual support. Consultations, mentoring, and experts are available for each company, taking into account its specific needs
- 1.DARE, the makerspace, that is available for prototyping for programme's participants







Programme impact, results, contribution

Economic

2/3 of participants have increased turnover and profit

Higher volume of paid taxes, and more income for the municipality

68 new jobs

37 innovative products and services

Dynamic business environment

Valmiera has the second highest GDP per capita in Latvia after Riga

Available funding for developing industrial areas

Social

High quality of life

People drawn to Valmiera

Raised awareness about innovation, digitalisation

More skilled people

More innovations in the region

Networking, sense of community

More social interaction among entrepreneurs and stakeholders

Environmental

More innovative projects contributing to sustainability

Environmental awareness and education

More sustainable and circular economy practices in SMEs



Programme communication, more about ZILE

The web-page of the programme: https://developvalmiera.lv/atbalsta-programma-zile/

ZILE in social media:



https://www.f acebook.com /VAA.Valmier a https://www.in stagram.com/v almieras.attisti bas.agentura?i gsh=MXI4cTd4 NXh1eDJwbQ=

https://www.linkedin.com/company/valmiera-development-agency/posts/?feedView=a

https://youtub e.com/playlist ?list=PLwmZe FHoAR6_Na_U GJkURRk9O3t sWUmr&si=BTCRvpc bK0sZUc6N



Programme transferability

The fundamentals and structure of the business support programme ZILE are universal and can be adapted to different regions. Here are a few aspects that may be taken into account when transferring the programme to other regions:

- Economic context and sectoral specificity the programme may be adapted to support industries and business sectors that are particularly important or promising in the given region
- 1. Regional needs and goals the goals and tasks of the programme should meet the specific needs and development priorities of the region, taking into account the needs of local entrepreneurs and residents
- Funding sources funding methods, terms, and amounts should be adapted depending on the available resources and priorities in the specific region. Programme administrator might seek out additional funding sources, such as European Union funds or funding by local, regional or national government
- Partnerships and cooperation close cooperation between local governments, development agencies, educational institutions, business incubators and other critical regional actors is essential for the successful implementation of the programme
- Regulatory and policy support programme implementation should be aligned with local and national policies and regulations to ensure its effectiveness and sustainability
- 1. Monitoring and evaluation system the programme should include an effective monitoring and evaluation system to monitor its progress, evaluate its impact and make necessary adjustments.





Thank you!

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VENTSPILS FACTS & FIGURES



· 36 198 residents (01.01.2024)

58km² total area

6th largest city in Latvia

190km distance from the capital





PORT STATISTICS

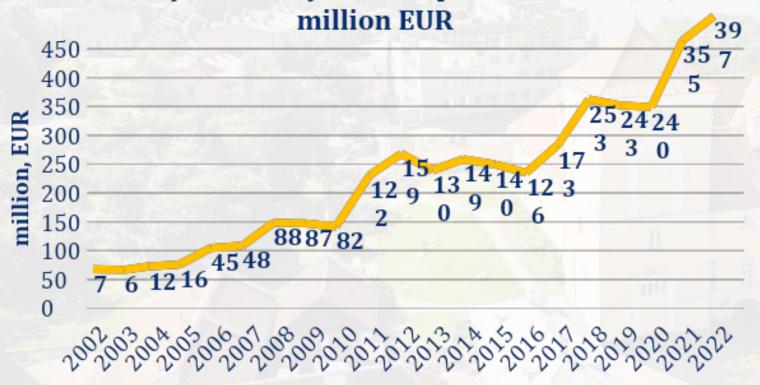
Cargo turnover in Ventspils port from 2017 to 2023, million tons



AN SIGNIFICANT INDUSTRIAL CENTER ON THE SCALE OF LATVIA



Production output of the manufacturing industry in the city of Ventspils in 2002-2022,



The production output of the manufacturing industry in the 3 quarters of 2023 is 265 million. EUR, which was the result of the whole



AN INVESTOR-FRIENDLY CITY

TOP 10 MICRO EUROPEAN CITIES OF THE FUTURE 2024 — FDI STRATEGY

RANK	CITY	COUNTRY
1	Limerick	Ireland
2	Ventspils	Latvia
3	Panevėžys	Lithuania
4	Tešanj	Bosnia-
		Herzegovina
5	Stara Zagora	Bulgaria
6	Jelgava	Latvia
7	Kakanj	Bosnia-
		Herzegovina
8	Waterford	Ireland
9	Gradiška	Bosnia-
		Herzegovina
10	Jastrebarsko	Croatia



Ventspils has been recognized as one of the ten best European micro-cities in terms of foreign direct investment (FDI) attraction strategy, taking second place.

Ventspils – the most businessfriendly state city in 2023

PROJECT «EUROPE'S NEXT GENERATION

Ventspils

OF SMALL CITIES»

• Topic: Work and skills in the local economy

Realization period: 01/11/2018 - 31/10/2021

The total budget: 6.25 million EUR

Partners:

Ventspils city (main partner)

Ventspils High-Technology Park

Ventspils University of Applied Sciences

Ventspils Vocational Technical school

Ltd. "Aspired"

+ Valmiera city

Valmiera Development Agency

Vidzeme University of Applied Sciences

Valmiera Vocational Technical school

Ltd. "IntelliTech"

Skills

Educational technologies

Working places

Human resources in small towns



PROJECT ACTIVITIES

• STUDENT ATTRACTION:

Implementation of intergenerational marketing, attracting foreign students to VeA

INTEGRATION OF EDUCATIONAL TECHNOLOGIES IN THE LEARNING PROCESS:

The digital classroom, application "University on the phone", distance learning course solutions, VR solutions, VR classroom

ED TECH FACTORY:

Prototyping workshop, Open workshops (Makerspace), Smart Technology Gallery at the Science Center, Educational programs

SUPPORT FOR THE CREATION OF NEW JOBS:

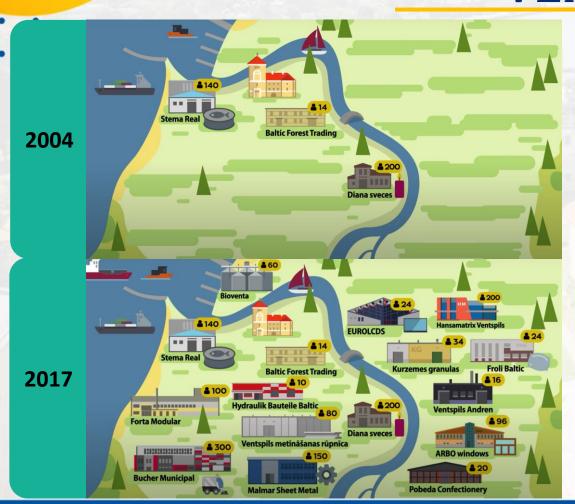
Retraining program in cooperation with ICT companies, innovative foreign investment attraction measures in the field of ICT, training and support for start-ups in Ventspils

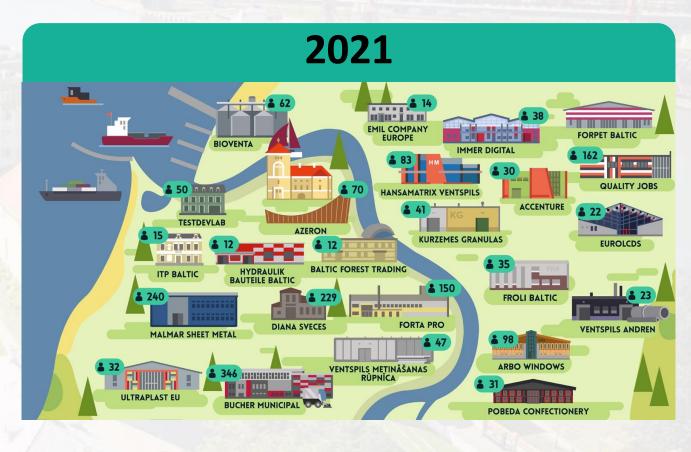
SUPPORT FOR ATTRACTING QUALIFIED SPECIALISTS:

Support for specialists - consultations and mentoring when moving to Ventspils, encouraging relocation of families of engaged specialists, support for companies, attracting both young specialists and already experienced highly qualified employees to work in Ventspils.

RESULTS - NEW WORKING PLACES IN VENTSPILS









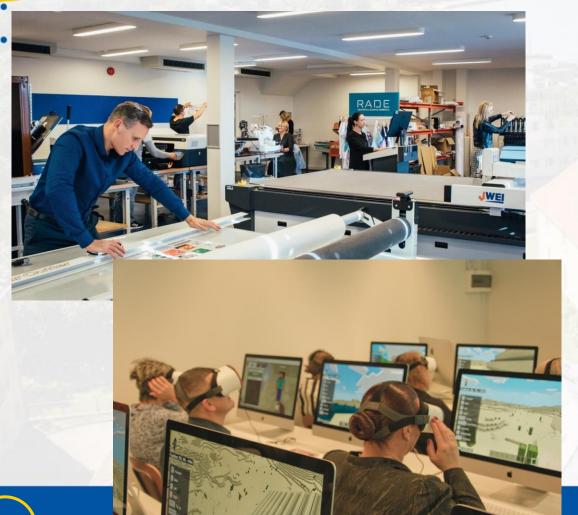
RESULTS - ENGAGED SPECIALISTS

Period	Specialists	Children	People together
Until 2022	103	57	160
Year 2022	7	4	11
Year 2023	20	14	34
Year 2024 (1st quarter)	5	4	9
Total:	135	79	214*

^{*}Of which 56 are remigrants.

RESULTS - OTHER ACTIVITIES







DIGITAL SKILLS ACTION PLAN FOR VENTSPILS SCHOOLS



- In 2015 Ventspils municipality approved first digital skills action plan for Ventspils schools.
- More than 30 different programmes for children are provided for free, for example, computer literacy basics, computer graphics and animation, digital photo and video, 3D basics, web site programming, robotics etc.
- Programmes are attended by about 600 (or 15% of school age children) Ventspils pupils from all city schools and all grades.
- Classes are organized in both sides of the city in the Centre and in Parventa primary school and on online mode.
- There are also special education programmes for teachers to ensure that they can follow up with digital skills.





SCIENCE CENTRE «VIZIUM»

- The overarching aim of the Science centre is to **encourage interest and motivation to learn through play** and engagement with specifically designed setting/environment.

 Building (total) 6300 m²
 - - Science centre 4500 m²
 - Innovation centre 1800 m²
 - Total area (territory) 22 950 m²
 - Visitors are offered an extensive exposition with **more than 80 exhibits**, which will be **divided into 7 galleries**, incl. 6 technical creative workshops and 6 science shows.
 - The exhibits are linked to 22 different programmes for STEM:
 - 18 programmes will be dedicated to children and young people
 - 4 programmes will be dedicated to the improvement of teachers' knowledge and competence in working with young people.
 - In cooperation with Ventspils University College, a Center for Researchers of Young Natural Sciences is established.











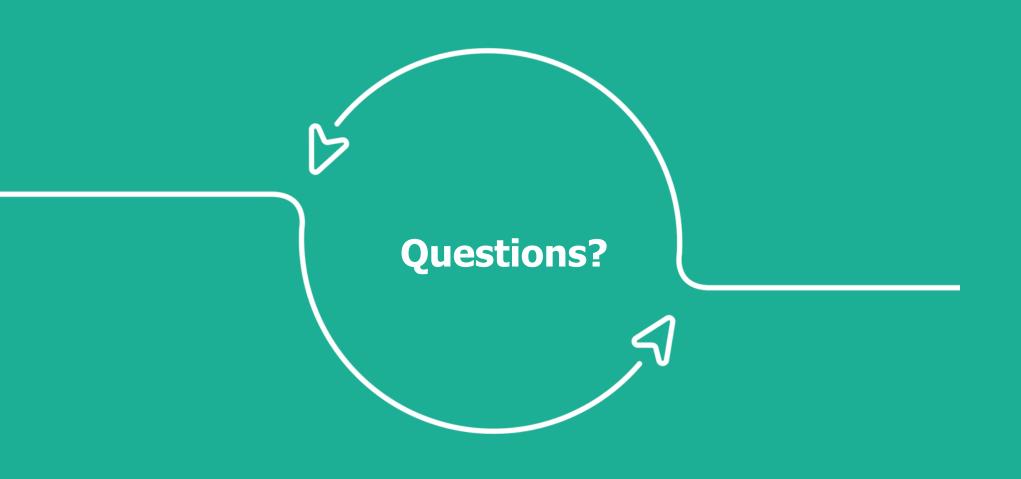










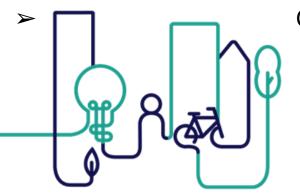


PRACTICAL EXERCISE - MICRO CITY - Designing your Ideal municipal business innovation support system.

- 1. Brainstorming and Idea Generation (15 min)
 In your small group, based on their experience (best practice) or intention of what will be needed, brainstorm ideas for these 4 areas:
 - -Funding: What grant programmes, loans, investment programs should be available in municipality
 - -Infrastructure: Co-working spaces, technology hubs, broadband access
 - -Training and Mentorship: Networking activities, Workshops, mentorship programs, incubators
 - -Policy and Regulation: Business-friendly policies, streamlined permitting processes.

Use sticky notes - one idea per note. All ideas are put on the wall under the 4 categories.

- 2. Prioritise and Select Top Ideas (5 minutes)
- **3.** Wrap up to present Top Ideas (5 minutes)



Components that should be in an ideal ecosystem model (5 min)



Why should municipality invest in innovations & innovations in businesses?

WHAT'S NEXT?

09:00	Drawing on key learnings
09:20	Challenge-oriented approach to smart cities
09:45	Interactive Workshops
10:15	Coffee break
11:30	Meet the cities and funders
12:30	Lunch
14:00	Making it all happen
15:30	What's next in your capacity building journey?
16:00	Closing together