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Leveraging Innovation Ecosystems for Sustainable Cities

EUI Capacity Building training
Tampere, Finland
29-30th of May 2024

CAPACITY
BUILDING
FOR CITIES

Sharing skills
and knowledge



Learning from peers



Supporting sustainable
urban development

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For the European Urban Initiative Capacity
Building team

All photos © Matias Ahonen

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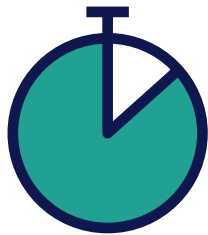
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01 Introduction

THE EVENTS' NUMBERS AT A GLANCE



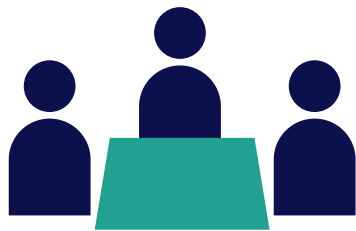
2 DAY
DURATION



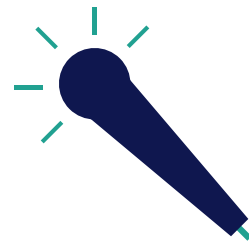
90
PARTICIPANTS



11
COUNTRIES
REPRESENTED



20
SESSIONS



25
SPEAKERS



5
FACILITATORS

SETTING THE SCENE

Over 90 city practitioners came together in Tampere on the 29th and 30th of May 2024 to share experiences on ways to connect innovation ecosystems to sustainable urban developments.

The event was organised by the European Urban Initiative (EUI) Capacity Building team and hosted by the Innocities network which brings together Article 11 cities responsible from implementing Sustainable Urban Development in Finland for the 2021-2027 programming period.

The objective was to explore different EU-wide perspectives on maximising innovation systems as a tool for Sustainable Urban Development, and to foster cooperation between EU regions and cities.

The participants came principally from Finnish municipalities, but also other local ecosystem stakeholders, such as Universities, business support agencies and regional bodies.

EUI also invited representatives from 10 other EU cities and regions to share their good practices.

The programme was designed to meet the identified learning needs through a series of

workshops, study visits and marketplace sessions, as well as structured networking opportunities.

KEY LEARNINGS

Key learning was how to reinforce partnerships within local innovation ecosystems, across different economic sectors, and to prioritise sustainability actions.

Participants commented on the inspiration and ideas emerging from exchange with peers across Europe, as well as the replicability of the tools and methodologies shared. There was also an emphasis on the use of EU funds, partnerships and knowledge that Finnish cities are now better empowered to take up.

This report documents the learning, including the do's, don'ts and calls to action for each of the topics addressed.

The following sections capture the main results of each session.

All of the city practices and workshop materials are also described in the urban case study section of the [Portico Knowledge Hub](#). All of the cities cited are open to contact, partnership and city to city exchange with other European counterparts, via the [Portico community](#).



02 Innovation Ecosystems in action

WHAT DO INNOVATION ECOSYSTEMS LOOK LIKE? HOW DO THEY WORK IN PRACTICE?

The successful innovation ecosystems showcased in Tampere share a number of key elements:

- **Multi sector collaboration** between public and private sectors, knowledge institutions and citizens. When this is actively facilitated it produces a culture of experimentation, opportunity and motivation to innovate.
- **Alignment with the city's strategic sustainability goals** across policy priorities such as energy, circularity, mobility, business growth, placemaking.
- **Long term vision, planning and investment** with targeted interventions, and scalability for pilot actions.
- **Talent development to create an entrepreneurial culture**, to provide future oriented education for young people, to re skill adults all of which fosters more innovation potential.
- **Supportive framework policies from all levels of governance** such as R&D, investment, crucial infrastructure, data sharing, procurement and internationalisation.
- **Political support across partisan lines** and over the long term to create a fertile innovation environment.
- **Inclusion of all communities**, for instance through participatory processes and accessible language.



Driving sustainable urban development with Innovation Districts

The case of Ørestad Innovation City Copenhagen

Sophie Bruun, Ørestad Innovation City Copenhagen Eileen Crowley, EUI Expert

The workshop held on the [Ørestad Innovation City Copenhagen](#) (OICC) provided a platform for discussing innovative approaches to urban development and sustainability within innovation districts, a growing concept defined as 'geographic areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators and accelerators.'

It included a presentation, group activity and discussions, focusing on practical examples and opportunities for the local transfer of innovative practices from OICC.

Ørestad Innovation district is a 4km² territory on the outskirts of Copenhagen, a place where city meets countryside. It is home to 20,000 students, 26,000 residents and 25,000 workers.



Do's

- ✓ **Foster Collaboration:** Encourage cooperation between public institutions, private companies, and citizens to ensure a cohesive approach to innovation and sustainability.
- ✓ **Prioritize Inclusivity:** Use inclusive language and involve diverse stakeholders in the planning and implementation phases.
- ✓ **Focus on Long-term Goals:** Plan for the long-term scalability and sustainability of innovation initiatives.
- ✓ **Engage the Community:** Involve local communities in decision-making processes to ensure that developments meet their needs and gain their support.
- ✓ **Secure Political Support:** Obtain commitment from political leaders to provide the necessary resources and create a favourable environment for innovation.

Don'ts

- ✗ **Exclude Stakeholders:** Avoid using jargon or terminology that might exclude certain groups from the conversation.
- ✗ **Neglect Long-term Planning:** Do not focus solely on short-term innovation; consider how projects can be scaled and sustained over time.
- ✗ **Ignore Resource Needs:** Do not underestimate the resources required for developing and maintaining innovation districts.
- ✗ **Overlook Branding:** Failing to create a strong, positive identity for the innovation district can hinder its success and recognition.
- ✗ **Depend Solely on Experts:** While expertise is valuable, ensure that non-experts, including local residents with lived experience and local knowledge, have a say in development processes.

Key learnings from Ørestad

The workshop highlighted the importance of **collaboration, inclusivity, long-term planning, and community engagement** in developing successful regional innovation ecosystems. Participants were provided with valuable insights into creating sustainable and forward-thinking urban environments. The discussions emphasized the need for a **balanced approach**, integrating both expert knowledge and cross-generational community input, to drive innovation and ensure the success of innovation districts. Workshop [tool](#) is available on Portico.

01

Public-Private Cooperation: Effective collaboration across sectors, particularly between public and private entities is crucial for the success of innovation districts. Collaborative projects require resources, coordination, commitment and political ownership. The role of the facilitator or impartial coordinator and link between sectors is critical.

02

Inclusion and Communication: Language and terminology used in innovation projects should be inclusive, ensuring that no stakeholders feel excluded and taking into account the local residents. For example, residents often do not want to live in 'a living laboratory', language is important.

03

Long-term Implementation: Innovation districts should focus not only on immediate innovation but also on long-term scalability and implementation of ideas. It's important to keep this long term and scaling perspective in mind.

04

Stakeholder Involvement: Engaging various stakeholders, including the community, is essential for holistic urban planning and development. This includes involving citizens in the branding and development processes to create unique city districts and happy residents who have agency over the development of their local area.

05

Resource Allocation and Political Support: Developing innovation districts requires significant commitment, buy in and support from political representatives to drive initiatives forward and create a vital communication link between business and policy.

06

Community Building: Building a sense of community and involving citizens in the process can lead to more sustainable and inclusive development ensuring that spaces are welcoming for people of all backgrounds, cultures and abilities.

07

Urban Planning and Sustainability: The integration of nature, city planning and collaborative innovation projects focussed on sustainability (energy flex lab, urban insights data lab, business innovation district) as seen in Ørestad, showcases the potential for sustainable urban development.

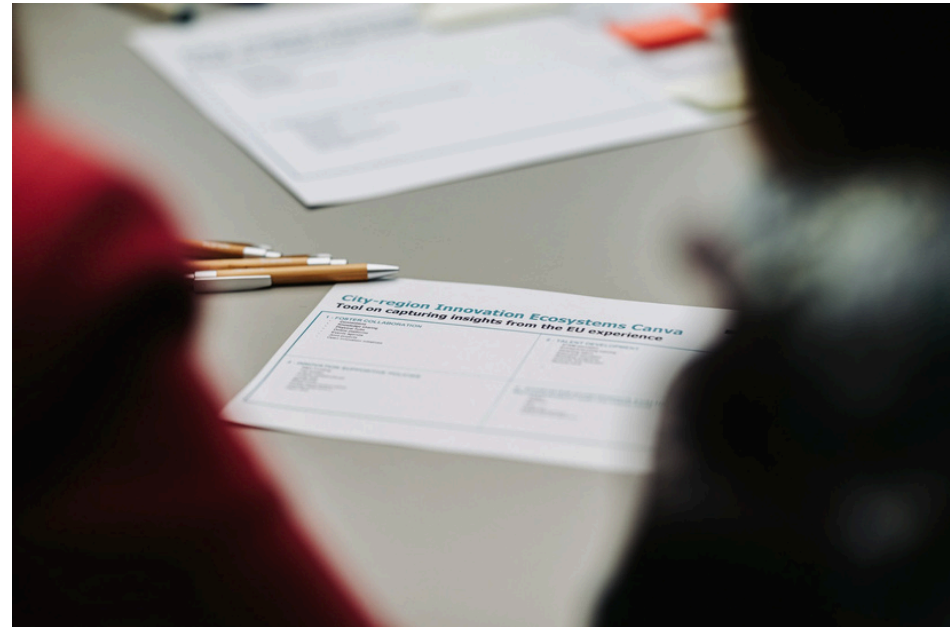
08

Data is the new oil: Data holds critical value. Its collection and analysis helps us to see define and measure challenges, analyse patterns, cause and effect, ideate solutions and monitor change. Cross sectoral collaboration is vital in capturing data value. OICC is actively doing this through its urban insights data lab.

How to develop city-region innovation ecosystems?

Tiago Ferreira, EUI Expert with insights from Bilbao and Fundão

Day 1 of the conference included a “Deep Dive” on the theme “**City-region Innovation Ecosystems**”, where the participants reflected on the topic, supported by the sharing of experience of the cities of **Bilbao** and **Fundão**, two recognized success cases with different city’s sizes. The session included the introduction of a personalized framework, the sharing of experience of the invited cities and the working session including the participants on the conference that also contributed to the topic discussion.



Bilbao presented their experience of combining the innovation regional strategy, RIS3, with their role on the innovation ecosystem. Bilbao also presented their experience with a collaborative governance of the innovation strategy, from the phase of creating a shared vision, to the public presentation of the collective strategy and tractor projects to mobilize the ecosystem stakeholder to collaborate and innovate.

Fundão showcased their experience with the creation and implementation of a city innovation plan that was rooted on the place characteristics, but that aimed to create a tech cluster from scratch. Fundão also shared their actions on hosting both talented people and people in need from different nationalities, working on their proper integration.

The session used a dedicated tool to support the discussion and the ability to take learnings from the discussion. The tool divided the creation and management of a city-region innovation ecosystem in four main dimensions:

01 Foster collaboration: A vibrant ecosystem where organizations and people are motivated to act and are more prepared than the competitors demands good collaboration opportunities and culture. An ecosystem that has good collaboration raises skills and knowledge levels quickly, which will become an important competitive advantage. At this dimension, the creation of connections between stakeholders from the innovation ecosystem, knowledge sharing, and initiatives created to this aim are included. Those can be online platforms, events, joint projects, or open innovation initiatives.

02 Talent development: The development talent is of high importance to the innovation ecosystems, because more skilled people mean better innovation potential. This dimension includes the education initiatives focussing on creating future knowledge and skills in young people. Entrepreneurship training, executive education and reskilling initiatives are also included. Attracting talent, the promotion of diversity and inclusion within the ecosystem and the ability to be remote work friendly are also other important dimensions.

03 Innovation Supportive Policies: Innovation is a main objective to these ecosystems. It means the creation of added value products and services that will potentially succeed in the market, creating and retaining job opportunities, especially with high average salaries that will be a great contribution to the city and region prosperity and wellbeing. At this dimension it is included the policies that support R&D, investment, and internationalization. It is also included the development of critical infrastructure, living labs, open data initiatives, innovation procurement and mentoring programs.

04 Ecosystem Achievements Evaluation, Recognition and Celebration: the evaluation of the ecosystem development, the recognition and celebration of stakeholder's performance and achievements is also important to the city-region innovation ecosystems. The creation of prizes, festivals, the capitalization of success stories on the press, the community management, and the ecosystems evaluation are all included. In some cases, public art is also used to recognize achievements and works as marketing for the ecosystem.

Do's

✓ **Housing as a strategy to attract talent:** The policy of providing housing at competitive prices and with easy access to people with a professional background with high added value for the innovation ecosystem is a measure of potential success. Fundão presented this experience through which it managed to attract people who are essential for the continued growth of its companies and innovation ecosystem.

✓ **Challenge-based Initiatives:** In an innovation ecosystem where there are people with an innovative and entrepreneurial profile, the dynamism of this ecosystem greatly benefits from the existence of programs based on challenges, which stimulate and reward innovation. Bilbao presented its experience with the Silver Lab, which carries out and rewards the best ideas within the theme.

✓ **Place-based innovation ecosystems:** the development of a city-region innovation ecosystem benefits from a strategy of connection with the reality of the place, including its intrinsic characteristics such as nature, traditional economic activities, agriculture, and the economic sectors with greater critical mass. The cases of Fundão and Bilbao demonstrate the virtue of place-based innovation ecosystems.

Don'ts

X **Regulatory issues on the Living Labs:** Living Labs are an important innovation tool. However, its creation must consider a good data management strategy that considers the different legal dimensions regarding this same data. The beginning of a project of this type cannot neglect this preparatory work.

Key learnings for City-Region cooperation

01

Co-creation strategies: The joint creation of a strategy, present in the Bilbao sharing, allows the process of building it to generate connections between stakeholders and for them to take ownership of the ideas developed. The city of Bilbao is committed to the results of the bottom-up process, supporting the organization of the ecosystem and the mobilizing projects designed to leverage each dimension of smart specialization.

02

Leadership commitment: Cities' innovation and economic and social development strategies require long periods of investment, without which the intended impact will not occur. The case of Fundão demonstrates that a strategic vision, aligned with strong political leadership and a capable team, generates above-average results over a sufficient period of time.

03

Use of European funds in the development of innovation ecosystems: Bilbao and Fundão demonstrated the virtue of mobilizing European funds in implementing their innovation strategies. There are several European funding opportunities that can support, whether projects promoted by cities, universities and research institutes, civil society organizations and even companies. One of the values of collaborative work in the development of the ecosystem is the ability of several agents to contribute together to their mission, to achieve a shared vision of innovation and progress.

Learn more with Bilbao & Fundão!

Bilbao and Fundão are two references on the topic of city-region innovation ecosystems. Their successful experiences are an inspiration for other European cities:

➔ **Bilbao** is a key player in the context of the Basque Country innovation ecosystem, one of the most advanced regions on innovation and economic development.

Learn more about combining innovation regional strategy with collaboration governance with Bilbao.

➔ **Fundão** is a reference on the context of the European small cities that are stopping shrinkage.

Learn more about city innovation plan for talent attraction/retention and integration with Fundão.

Both cities are great potential partners on collaborative European projects focused on innovation ecosystems. They have a past of success on these collaborations, and they are inspiring examples to future partners. Exchange with them with the [City-to-City Exchange](#) program!

How to run a testbed?

The cases of Kuopio and Oulu

Jari Jokisalo, City of Oulu & Arto Holopainen, City of Kuopio
Eileen Crowley, EUI Expert

Day one included a deep dive workshop which showcased the journeys of two Finnish cities, Oulu and Kuopio, in setting up and operating real life, real time test beds aimed at optimising local cross sectoral assets to unlock innovation and generate value.

Oulu shared their experience of providing and managing a space for developing, testing and demonstrating proptech solutions (smart and energy-efficient services in the building, real-time digital twin, virtual and augmented reality, accessibility, safety and cyber security, and health and well-being) with a focus on supporting economic development in the city.

Kuopio provided insights into how their journey of setting up a test bed focussed on the health and social care sector 10+years ago, has blossomed into today's process of expanding the model across multiple sectors focussed on an evolving innovation district in the city.

The following is a summary of some of the do's and don'ts of developing and operating a test bed based on the experiences shared by Oulu and Kuopio, along with some key learnings on leveraging the power of test beds to support effective innovation ecosystems.



Do's

- ✓ **Asset Scanning and Recognition:** Scope your ecosystem and identify your assets. Are there opportunities to generate additional value through increased collaboration and closer proximity between assets (hard and soft)?
- ✓ **Strategic Alignment:** Align testbed initiatives with the city's strategic goals to ensure they address genuine needs and offer scalable solutions. Balance direction setting between economic gains and the social and environmental agenda.
- ✓ **Inclusive and widespread promotion:** Promote testbed opportunities at regional, national, and international levels to attract diverse participants. Translate digital, tech and engineering speak into familiar language, emphasising societal impacts.
- ✓ **Comprehensive Support:** Develop a clear legal and operational framework and provide business support services and physical facilities to facilitate smooth operations and testing of the innovation services, products and technologies.
- ✓ **Facilitate (Climate Centred) Collaboration:** The city can play a clear role as a neutral facilitator and coordinator, enabling easy quadruple helix cooperation among citizens, industry, academia, and the public sector.
- ✓ **Transparent Funding:** Establish clear funding mechanisms for the operation of the test bed where stakeholders cover their own costs, and innovators cover city costs based on needed services.
- ✓ **Feedback Loop:** Incorporate structured feedback mechanisms to refine and improve services continually.
- ✓ **Collaboration Beyond Borders:** Network and collaborate with other municipalities to explore opportunities for networked test bed services, providing added value for your local businesses to test new solutions across diverse contexts and locations.
- ✓ **Avoid Bureaucracy:** Minimize bureaucratic hurdles that can delay the initiation and progress of testbed projects.



Don'ts

- X Neglect Stakeholder Needs:** Failing to consider the genuine needs and challenges of stakeholders can lead to ineffective solutions and wasted resources.
- X Ignore Scalability:** Overlooking the scalability potential of innovations can limit their long-term impact and sustainability.
- X Forget Coordination:** Poor coordination among service areas and partners can lead to fragmented efforts and reduced effectiveness.
- X Underfund:** Inadequate funding models can hinder the development and testing phases, leading to incomplete or subpar outcomes.

Key learnings for running testbeds

01

Role of Test Beds in Innovation Ecosystems: Test Beds are critical assets in innovation ecosystems, from small scale test beds for local businesses to larger scale integrated models that act as authentic co-creation environments where diverse stakeholders collaborate on real-world solutions.

02

Strategic Foresight: Ensuring close connectivity with the wider city vision, incorporating strategic foresight and resilience planning into innovation projects ensures they address relevant long-term urban development and sustainability challenges.

03

Clear Governance Structure: A well-defined governance structure, coordinated under key city officials (e.g., Mayor, Chief Innovation Officer), is crucial for the efficient operation of testbeds.

04

Ecosystem Integration: Scaling smaller testbed models and integrating them within larger innovation ecosystems at local or even national and international levels enhances visibility and collaboration opportunities, leading to broader impacts.

05

Impact Measurement: Regular assessment of the results and impacts of innovation projects contributes to urban sustainability and helps in fine-tuning strategies for better outcomes. Monitoring, evaluation and feedback loops are critical to continuous improvement and ensuring an agile and fit for purpose model.

Learn more with Oulu & Kuopio!

The workshop highlighted the importance of structured, collaborative, and strategic approaches to managing governance and innovation ecosystems through the example of test beds. By following tried and tested methods and avoiding common pitfalls, cities can create effective environments that foster innovation and address real-world challenges, contributing to sustainable urban development.

The EUI [City-to-City Exchange](#) programme provides a simple and accessible pathway to support cities on that journey. It covers travel and accommodation costs and provides an expert facilitator to support a learning and exchange visit between cities on a specific topic related to sustainable urban development such as this one. Check it out and **do an exchange with Kuopio and/or Oulu!**

Fundão, the Smart Rural City - how an innovation strategy of a small city is transforming an entire region

The case of Fundão

*Marianna Salvado, Municipality of Fundão.
Tiago Ferreira, EUI Expert.*

The case study of [Fundão](#), a small Portuguese municipality, focused on how the municipality's innovation strategy, defined in 2012, transformed the social and economic reality of the territory. Workshop [tool](#) is available on Portico.

The strategy was based on the following principles:

1. **Promoting urban regeneration**, providing infrastructure for the economy.
2. **Attracting investments and people**, supporting agents and creating new opportunities.
3. **Developing new skills**, adapted to the future needs of companies.
4. Involving Fundão and its agents in **international networks** and communication of the territory's assets and future vision.

Today, Fundão is a success story, it has been recognized in several awards, such as Regio Stars promoted by the European Commission. More than 1000 jobs were created in the technology sector, and Fundão is today the place of residence for people of more than 70 different nationalities, and is also recognized as a territory of social integration.



Do's

- ✓ Fundão's participation in European projects was diverse and vast, but always followed the criterion that each **project had to make a contribution to the realisation of the vision.**
- ✓ **Create a bank of projects** that you want to implement, and have these ideas prepared to submit to financing opportunities that arise.
- ✓ The Communication of a territory is an important tool for achieving various objectives. **Being creative and authentic, even using few resources,** is an exemplary practice at Fundão.

Don'ts

- ✗ **Not all projects that a city develops must be the result of financing opportunities.** Subjecting the city's voluntary assessment to the Sustainable Development Goals was an important step shared by Fundão.

Key learnings from Fundão

- 01 Fundão's innovation strategy was created in 2012 and still guides the city's management today. **The strategy is a long-term instrument,** which Fundão knew how to use to transform its territory.
- 02 **The reskilling programs,** in Fundão the Code Academy, dedicated to creating programming skills, allows for the creation of new job opportunities for local citizens, and at the same time supports companies in the search for talent.
- 03 **Having strong leadership and a team made up of talented and committed people,** supported by leadership, was fundamental to Fundão's success. Human resources are magnets for good results, and cities must be active agents in attracting talent to their teams and mission.
- 04 **Fundão's culture of permanent experimentation** and involvement of different organisations and companies makes its innovation ecosystem more vibrant and attractive to entrepreneurs and investors.

Learn more with Fundão!

Fundão is an excellent case study of a small European city, which halted population loss through an unequivocal commitment to innovation.

Fundão is an excellent partner for cities that wish to exchange experiences in the context of technology in cities and the culture of experimentation, in attracting investment and talent, in developing new profiles of people's professional skills and also in integrating immigrants into the community.

If you want to connect with Fundão a EUI [City-to-City Exchange](#) around Digital Twins, they are keen to be peers!

VISION 2030



Fundão's vision by 2030

TODAY

- Fundão's Cherry, recognized brand
- Positive migratory balance
- 70 nationalities
- Innovation Ecosystem reference in Portugal
- Digital nomads' home
- 1,000 new qualified jobs created
- 16 IT companies
- 80 start-ups
- Support 250 private investment projects
- Programming classes from age 6
- 1ST Social Impact Bond in Portugal, Code Academy Bootcamps
- 2015, 1ST place in the European Enterprise Promotion Awards
- 2016, Municipality of the Year
- 2018, 1ST place in the RegioStars Awards
- European Capitals of Diversity and Inclusion Award 2023

Fundão's success story today

03

Innovation Ecosystems
for Climate Actions

WHAT ROLES CAN INNOVATION ECOSYSTEMS PLAY IN CLIMATE ACTIONS

Innovation ecosystems deploying a climate lens demonstrated the power to promote change:

- **Identify areas with strong potential** for green transition where practise can be influenced. Data can help to focus where efforts can have most impact.
- **Celebrate innovation heroes** and change makers making a difference on the ground.
- **Co create a Climate City Contract** to engage and drive commitments from businesses and citizens.
- **Take the role of enabler**, mediator, motivator as a city.
- **Connect the actions of communities and businesses** to the city strategy and indicators such as CO2 reduction.



Using value chain innovation to speed up climate transition

The case of Helsingborg, Sweden

*Åsa Bjerling and Karolina Ekerlund, City of Helsingborg
Stina Heikkilä, EUI Expert*

Helsingborg's case study presented the city's ambition to become climate neutral by 2030 (part of the [100 Mission Cities](#)). With just over 150 000 inhabitants, the city of Helsingborg is "big enough to have impact, and small enough to move fast". It further has a unique position as the second largest logistics port in Sweden.

The presentation focussed on how to foster an innovation ecosystem around the logistics value chain and the Helsingborg Declaration, which gathered 60 signatories from the private sector in its first three weeks of launching – from local to multi-national companies.

The **Helsingborg Declaration** highlights five areas with strong potential for green transition in different parts of the logistics chain: Packaging logistics; Circularity, reuse and recycling; Fossil-free energy; Smart, seamless and efficient logistics; Technology and infrastructure. These areas have been selected as they focus on climate change impacts that are close to the business operations and can therefore be influenced. Result already achieved are for example Ättekulla charging station and (more recent) one more charging station by the Helsingborg harbour for electric trucks.

The group work in the session focussed on delving deeper into the possible motivation by different stakeholder groups to engage in a platform like the Helsingborg Declaration. Workshop template is available on Portico.



Do's

- ✓ **Empower “innovation heroes” everywhere:** Teachers, architects, truck drivers, etc. are examples of important change-makers who are out there doing work on the ground.
- ✓ **Set mutual clear goals at every level** and find arenas for stakeholders to collaborate. Cities can provide platforms for collaboration on a suitable scale.
- ✓ **Invest in engagement:** We need inspiring leaders to move things forward (a lot of compliments went to the speaker from Helsingborg, Åsa Bjering, in this regard).
- ✓ **Use data to** estimate where efforts can be best leveraged by different tools and approaches. In Helsingborg, around 30% of the costs of climate neutrality need to be covered by investment by private companies. The Helsingborg Declaration focuses its efforts here, but the city has many different arenas to engage other stakeholder groups.
- ✓ **Get CEO-level and political leaders on board** (including opposition) for holistic and long-term missions like climate neutrality. In Helsingborg, the opposition leader and the Mayor stand together around large commitments like the climate neutrality mission.
- ✓ **Consider citizens as “validators” of innovations** aimed at more sustainable urban life styles.

Don'ts

- X **Spend more time than needed analysing the “why”** – we tend to know it by now. Transformative innovations is the “how” we need to focus on to accelerate the climate transition, while innovation ecosystems help to answer the “who”.
- X **Allow Business-as-Usual** – in Helsingborg the parties to the Helsingborg Declaration start to recognise that they do Business-NOT-as-usual.
- X **Only focus locally** – national and multi-national players are important for innovation ecosystems to thrive. Many of the workshop groups identified how large companies may provide R&D resources for smaller players in the value chain to embark on green transition.



Learn more with Helsingborg!

The [Helsingborg Declaration](#) showcased a concerted effort by the city to foster innovation in the logistics value chain. Through this work, the need for new innovation pathways and businesses cases have been revealed. In Helsingborg's Climate City Contract, 1600 initiatives that need new businesses cases were identified. One challenge in this regard is the demanding role for the city to be the mediator in a platform or innovation ecosystem.

How do you best harness the distributed intelligence? How can cities help to foster collaborative business development among businesses, when business development skills may be in shortage in the municipalities themselves?

Helsingborg is keen to continue exchanging with European cities as peers in the EUI [City-to-City Exchange](#) programme around these questions.

How to deliver a local Green Deal?

The case of Mannheim, Germany

*Daphne Hadjiandreou-Boll and Judith Geiser, City of Mannheim.
Stina Heikkila, EUI Expert.*

The Mannheim Deep Dive described the city’s pioneering approach to **localising the Green Deal**: [iDeal for Mannheim](#). Local Green Deals refer to:

- Local, acknowledging that the European Green Deal only works if it is implemented in cities and communities.
- Green, referring to sustainable climate, nature and environmental protection in our daily lives and economies.
- Deal, meaning that actors in the community make a contribution (deal) and implement very specific measures.

The city takes the role as “enabler”, while the deals fully belong to the stakeholders leading them. An interdisciplinary team of 12 uses new ways and channels to initiate, activate, and bundle engagement across the entire urban society. There are **166 Local Green Deals** so far activated in Mannheim around the seven action areas identified, with commitment to the climate goals in the centre (see Figure on right). These are displayed and monitored through an online “Successsboard”, linking their impact to the city’s 2030 Mission and strategic goals.



The Seven Action Areas for Mannheim’s Green Deal

Examples of deals include the plantation of a tiny forest, installation of solar panels, new innovations in recycling and programmes to serve more organic food in schools. The city has earmarked 10 million Euros to support Local Green Deals, but for each specific allocation, the city council needs to make a decision if the municipality should enter as a partner of the green deal.

Workshop tool is available on Portico.

Do's

- ✓ **As the enabler, “invite yourself” everywhere** and always be on the run. Mannheim city council has invested in human resources to activate the urban community and make the Local Green Deals happen.
- ✓ **Let the deal owners focus on implementing their actions**, and work to make the connections to the city strategy and KPIs (e.g. CO2 emissions reductions) by consulting with the municipal departments.
- ✓ **Use online collaborative spaces** to gather and update information from stakeholders.

Don'ts

- ✗ **Take credit as the city:** Let the deals be fully owned by the stakeholders and refer to their successes.
- ✗ **Leave anyone behind:** Be active in all sectors of society and help those who may need extra empowerment.



Learn more with Mannheim!

The [Mannheim](#) Deep Dive highlighted the power of mobilising the urban community around the green transition.

The biggest challenges ahead for the team is to raise awareness among the population to change behavior, activate private investment, and the time pressure due to the progression of climate change.

The team is keen to continue exchanging and share the Mannheim [iDeal](#) experience through an EUI [City-to-City Exchange](#) programme around these questions.



03 Innovation Ecosystems for Digital Transition

WHAT ROLE(S) INNOVATION ECOSYSTEMS PLAY IN DIGITAL TRANSITION?

Innovation ecosystems focused on digital transition shared several cross-cutting insights:

- Digital tools can improve data, and simulation to **better forecast and manage the city** and engage the community in planning.
- **Involvement of stakeholders**, customers, transport users eg via citizen science and idea generation helps to gather richer data.
- **Leveraging EU funds and networks** can underpin digital knowledge and transformation.
- Investment is needed in **people, skills development and spaces** such as Hubs and Fab Labs to foster the digital ecosystem.



Enhancing the accessibility and value of data with Digital Twins

The case of Tallinn, Estonia

Markus Annilo, City of Tallinn.

Stina Heikkila, EUI Expert.

The case study about Tallinn's [Digital Twin](#) started by unpacking the concept of Digital Twin in the context of a city as a complex ecosystem of actors.

While the official definition of Digital Twin is “A virtual model of a real system that is in constant sync with its physical counterpart” (IEEE/ISO standard 26531:2015), this is complicated to achieve in a city environment with many different types of buildings, continuously changing infrastructure both over and underground, and varying data quality (different from e.g. an industrial process).

The presentation highlighted the efforts made by Tallinn to overcome these challenges together with both large and small players to improve the accessibility and quality of data, enhancing their value through simulations, and creating useful tools for both city management and for citizens to better engage in city planning. The group work continued the reflections through an ecosystem mapping exercise focusing on different impact areas. Workshop [tool](#) is available on Portico.

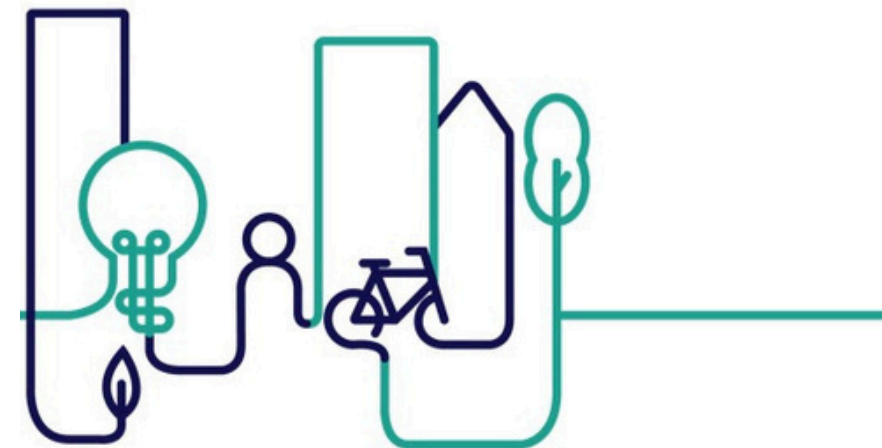


Do's

- ✓ **Adopt an ecosystem approach to developing Digital Twins**, rather than simply thinking about a software product and 3D models. This means working with different stakeholders and the national government to get the best possible data in order to develop valuable use cases, such as for example monitoring of underground infrastructure to better manage maintenance needs.
- ✓ **Consider the social return on investment.** This was the focus of discussion in one of the workshop groups, which highlighted the possibility to explore e.g. satisfaction of sports facilities among end users in relation to potential savings in healthcare expenditures. Another group reflected on the use case of Digital Twins to manage forest resources, involving stakeholders from across public, private, academia and civil society sectors. The potential of citizen reported data to capture the state of biodiversity through smart phone pictures was highlighted by another group.
- ✓ **Invest in data accuracy.** For many use cases this is vital, like when it comes to fixing underground infrastructure. On the other hand, it can come with significant financial costs.
- ✓ **Look for new partners and ways to get data** - from partnering with public transport providers to providing incentives for citizens to report data.

Don'ts

- ✗ **React to problems that could have been prevented** - use Digital Twin technology for predictive maintenance.
- ✗ **Forget about data security.** Not all the data of a Digital Twin should be open to anyone, since this could have severe geopolitical consequences. Collaboration with national security is essential.
- ✗ **Act alone** - connect with the international community. Innovation can be accelerated and pitfalls avoided by learning from others.



Learn more with Tallinn!

The Tallinn case study and workshop highlighted the need to collaborate across sectors and fields of impact to make the most out of [Digital Twin technology](#).

In this emerging field, international exchanges are valuable to learn about a variety of use cases. Tallinn is hosting a yearly international event, this year on the 12th of September 2024, to share their latest progress and open new collaborations (link to be shared next week).

If you want to connect with Tallinn through a EUI [City-to-City Exchange](#) around Digital Twins, they are keen to be peers!



Do's

✓ Leverage EU funds

Utilize EU funds strategically to align with local needs and ambitions.

Engage in EU cooperation for knowledge exchange and learning.

Build expertise on the EU funding ecosystems and develop a long term strategy. Engage the services of an expert when necessary and/or develop specific in-house expertise.

✓ Build Strong Partnerships

Foster collaborations between local governments, private sector, academia, and civil society.

Engage the services of an experienced facilitator to support effective cross sectoral exchange.

Engage stakeholders through clear communication and shared goals.

Don'ts

X Over-rely on single funding sources

Don't rely on single funding sources, diversify them to mitigate risks and ensure sustainability.

Don't think short term. Take a medium-to long term financial planning perspective, plan your financial sustainability strategy.

X Ignore Local Contexts

Tailor digital transition strategies to the specific needs and challenges of the local context.

Avoid one-size-fits-all solutions that may not be applicable locally, instead identify inspiring practices or parts of them from EU partners and adapt them to fit the local context.

X Forget about Digital Exclusion

Ensure inclusive access to digital tools and technologies for all community members. Scope your ecosystem, understand your community sectors and their differing needs, design outreach programmes and services accordingly.

Address barriers to digital participation to avoid widening the digital divide.



Do's

✓ Focus on Continuous Learning

Implement ongoing training and capacity-building initiatives for stakeholders.

Promote a mindset of continuous innovation and adaptation.

✓ Adopt a Human-Centric Approach

Prioritize creativity, soft skills development, and human-centric solutions in innovation efforts.

Include diverse perspectives to enhance the innovation process.



Key learnings from Bielsko-Biala

01

Strategic Use of EU Cooperation over time

- Bielsko-Biała successfully leveraged EU co-operation with the support of European Territorial Co-operation programmes such as Interreg and URBACT to drive its digital transition, highlighting the importance of EU projects in facilitating local innovation and progress.
- Small steps lead to big changes. Incremental progress through small, manageable steps can lead to significant advancements in digital transformation .
- Integrating local efforts with international collaborations enriches the innovation ecosystem and broadens the scope of possibilities.

02

Importance of Ecosystem Building

- People are central to innovation. Human resources, including skills development and stakeholder engagement, are critical for a successful innovation ecosystem.
- The creation of innovation hubs and FabLabs has been instrumental in fostering an innovation ecosystem in Bielsko-Biała.
- Collaboration among various local entities has strengthened the region's capacity for innovation, contributed to a shared regional vision and enabled the attraction of large scale investment.
- Neutral orchestration of ecosystems is critical. Having a neutral entity or facilitator to orchestrate and coordinate ecosystem activities ensures balanced and effective collaboration among stakeholders.

Key learnings from Bielsko-Biala

03

Role of Public-Private Partnerships

- Effective public-private partnerships have been crucial in driving the region's digital transformation.
- Engaging both public and private stakeholders has enabled a more comprehensive approach to innovation .

04

Adaptation and Flexibility

- The journey of digital transformation requires continuous adaptation and flexibility.
- Success depends on the ability to pivot and evolve strategies based on emerging needs and technologies.

Learn more with Bielsko-Biala!

The [case study](#) highlighted the value of collaborating across borders and harnessing EU added value to build and sustain effective digital innovation ecosystems.

By leveraging EU cooperation, fostering strong partnerships, and focusing on human-centric approaches, cities can replicate the success of Bielsko-Biala to effectively catalyse their digital transformation journeys.

The shared experiences and insights from this workshop provide valuable guidance for other regions aiming to develop their innovation ecosystems but direct contact with the case study itself can provide invaluable hands on insights.

We encourage participants and readers to consider harnessing EU added value by participating in EU exchange programmes. The EUI [City-to-City Exchange](#) call provides the ideal 'easy entry' point for cities wishing to learn directly from other cities across Europe.



05

Governance in
Innovation Ecosystems

GOVERNANCE MODELS FOR INNOVATION ECOSYSTEMS

Cross-cutting insights on building a sound and efficient governance model for innovation ecosystems are:

- **A strategic approach** to funding and investment with participatory and diagnostic approaches underpins success.
- **Awareness raising** of opportunities for funding, but also opportunities to network, learn and innovate are part of building the capacity of municipal staff and stakeholders.
- New models for innovation governance can be **co created together with regional and urban actors**. This can include different thematic working groups, clusters and activities based on local sector strengths.
- Innovation can be encouraged **at all levels, in cities of different sizes and historical contexts**.



Building your funding strategy: a participatory approach to territorial diagnostics and opportunity mapping

The case of Schaerbeek, Belgium

Giovanna Zamburlini, Municipality of Schaerbeek
Marion Cugnet, EUI Expert

Schaerbeek's [case study](#) presented the journey that the municipality undertook to develop its European funding strategy, from its first opportunistic participation in an EU-funded project ('the trigger'), to the major decision to invest in resources to develop the Municipality's EU capacity and the development and adoption of its EU funding strategy.

Workshop [tool](#) is available on Portico.



Do's

- ✓ **Adopt a 'baby steps' approach to involving and convincing your colleagues and leadership** of the need for a strategic approach. This will help ensure that each step of your strategy development is well understood and supported.
- ✓ **Consider running a territorial diagnostic** to ground your strategy locally.
- ✓ **Involve colleagues from all levels and departments** as well as key stakeholders from the beginning. The human factor is key.
- ✓ **Factor in the long-term game** and the need to keep resources for implementation.
- ✓ **Make sure there is alignment** between project idea and the workload of project managers.
- ✓ **Look for ambassadors** to help you promote and implement the strategy.

Don'ts

- ✗ **Don't assume that colleagues will get on board easily**, even if there is potential funding to be secured. Take good consideration of the limited administration resources.
- ✗ **Don't underestimate the level of commitment** it takes to maintain the level of engagement (continuous process).
- ✗ **Don't wait until you have all the elements ready.** Start small to scale-up, allow space for trial (and failure) in applying for funding as part of the strategy and capacity-building development and implementation.
- ✗ **Importantly, don't rush it.** It takes time but it is worth it!

Key learnings from Schaerbeek

01

Awareness Raising to improve the understanding of, and help disseminating information about funding opportunities.

02

Network Building and Visibility to build and foster connections between Schaerbeek and European partners.

03

Strategic monitoring to keep track of funding opportunities while ensuring alignment with the local and European priorities.

04

Capacity-building of city officers, an essential component to successfully implement the strategy and secure funding in the short to longer term.

Success was built on:

- A **step-by-step** and participatory approach.
- The **collaborative territorial diagnostic** and **opportunity mapping** exercises that provided a solid foundation for the funding strategy.
- Comprehensive and reflective of local needs and priorities.
- **Lasting support** from both leadership and colleagues from different administration levels, across departments, as well as from key municipality stakeholders.

Learn more with Schaerbeek!

Schaerbeek's experience emphasised the value of a participatory approach and well-coordinated strategy development process, continuous stakeholder engagement, and investment in resources and capacity-building to ensure buy-in and uptake.

If you want to exchange and benefit from their experience, the EUI City-to-City Exchange programme provides a great opportunity to do so.

Collaborative Governance for Knowledge-Intensive Business Services Competitiveness

The case of Bilbao, Spain

*Marije del Blanco Salvado and Oihana Eizmendi Sasiain, Municipality of Bilbao.
Cristina Urtiaga, ICT and Advanced Services Business cluster of the Basque Country
Tiago Ferreira, EUI Expert*

Bilbao is a renowned city, located in the Basque Country in Spain. The city is the epicentre of an important European innovation and technology ecosystem, historically known for its cluster strategy. The Bilbao case study presented how the city coordinates its role and contribution to the innovation ecosystem, through its economic development agency Bilbao Ekintza, side by side with the RIS3 regional strategy, in a logic of promoting synergies and complementarities.

In this workshop, Bilbao's performance in its strategic sectors was presented, namely:

1. Advanced Business Services.
2. Circular Economy.
3. Longevity.
4. Design.

The role of the Bilbao Ekintza agency and its collaboration with the GAIA cluster was also presented. The collaborative governance model of the innovation and economic development strategy was also a key content of the workshop.



Do's

✓ **The Silver Lab** was a highly appreciated project, both for identifying the opportunity and for the actions that the city promoted. The ability of a city to identify an opportunity and organise its innovation ecosystem to take advantage of it is a Bilbao competence, and a good practice to follow.

✓ **The concept of dedicated tractor projects** being the anchor of collaboration between different agents, within the collaboratively defined strategy, was highly appreciated. Cities can benefit from creating mobilising projects that inspire and challenge their innovation ecosystems.

✓ **The creation of a network of potential consultants** for the external preparation of applications for European incentives allows cities to access specialised work and not strangle their capacity in the search for new resources for strategic projects.

✓ **Participation in different European programs** is an opportunity to sequence and evolve strategic projects. The AS Fabric Bilbao project financed by the UIA, which continued and was reinforced with the Urbact AS Atransfer network, is an example of this in the area of industry 4.0 and the digital economy.

Don'ts

X The role of cities in an innovation ecosystem, which often has a regional character, is **not to try to do everything**. Knowing how to reconcile the role of a city within the regional innovation strategy is a fundamental strategic competence for cities.

Key learnings from Bilbao

01

A new model of relations between triple helix actors, enabling the co-design of efficient policies for Bilbao's competitiveness through shared vision and leadership.

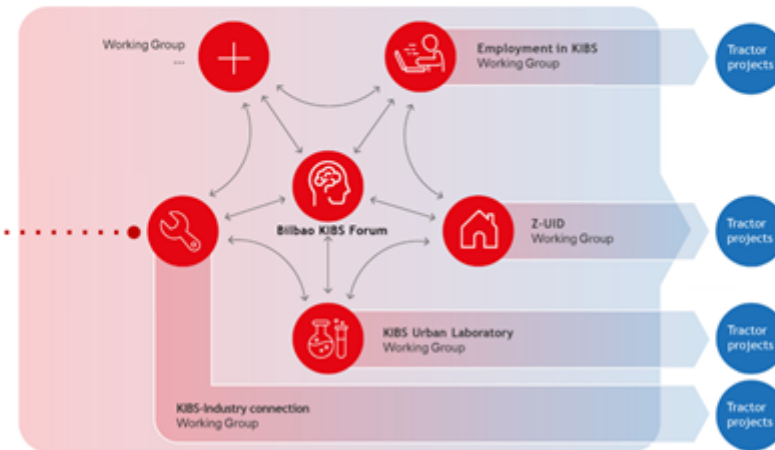
Bilbao's collaborative governance model combines the creation of thematic working groups with a global Forum. The working groups gather, diagnose and outline ideas for the future. The Forum creates a temporal target and makes working groups responsible for creating value in a specific period of time.



WG KIBS
Industry
Connection

COLLABORATIVE GOVERNANCE

A new model of relations between triple helix actors, enabling the co-design of efficient policies for Bilbao's competitiveness through shared vision and leadership



Bilbao Ekintza

Orkestra
BASQUE INSTITUTE
OF COMPETITIVENESS
RESEARCH FOUNDATION

02

The definition of an innovation and economic development strategy, the definition of the role of different agents in the city and the region, and the collaboration model **are interconnected lessons learned from the Bilbao case study.**

Taking into account the intelligent specialisation of an ecosystem, which combines the critical dimension of different clusters and also the associated scientific capabilities, is essential. Within a regional innovation ecosystem, there are several niches that cities can lead and mobilise their economic agents. In the case of Bilbao, the city's dynamization of Advanced Business Services, which are part of the Smart Industry cluster, is an example of a strategy with an impact on the ecosystem, and of the city's role in the triple helix.

Learn more with Bilbao!

Bilbao is an excellent case study in different dimensions. It is a model as an innovation ecosystem. It is also an example in the area of creative industries. It is an example of collaboration models between different ecosystem agents.

Collaborating with Bilbao is having the opportunity to access a lot of knowledge and many good practices that have proven over time to result in accelerated social and economic progress.

As the city of Bilbao has strong experience in several European financing programs, being a partner with this city also means benefiting from this specific knowledge.



Developing an investment strategy in micro-cities

The cases of Valmiera and Ventspils, Latvia

*Egons Spalans Municipality of Ventspils
Līga Vecā, Municipality of Valmiera
Marion Cugnet, EUI Expert*

In this workshop showcasing [Valmiera](#) and Ventspils' practices, the focus was on how two Latvian micro-cities successfully leveraged their unique strengths and developed successful investment strategies to support innovation and retain and attract talent. Workshop tool is available on Portico.

Ventspils, a port city and traditionally a hub for maritime and logistics industries, recognised the need to diversify and modernise its economy by bringing together its local ecosystem 'to survive'. The city's long-term approach combined, over two decades, hard and soft activities laying the ground for the integrated Foreign Direct Investment (FDI) strategy. First Ventspils focused on developing its infrastructure - both buildings and digital infrastructure were modernised to offer state-of-the-art facilities for high-tech industries. This was complemented by the establishment of business-friendly measures including simplified administrative procedures, and support services, as well as an important digital work and digital skills support programme in cooperation with educational partners. The city also established business incubators and accelerators to nurture its startups and innovative projects.

Valmiera, an inland small city, took a different approach and focused on nurturing its local innovation and entrepreneurship. Valmiera adopted an integrated approach that combined territory development and investment attraction measures together with extensive business environment promotion and business support activities. The city's initiatives, such as the Maker Space and the Acorn Business Support Project, a funding and mentoring innovation business support programme delivered in partnership with Ventspils, were designed to empower local businesses and startups and attract talent. Leveraging its local ecosystem, Valmiera highlighted the importance to keep it simple and to send a strong signal to local and international investors that the city needs them and that they will receive all the personalised support they need.

Both cities highlighted the **strengths of smaller cities** compared to larger ones, in particular:

- Their open-mindedness, flexibility and speed in answering requests from investors and businesses.
- Their capacity to build relationships and trust by providing personalised support services to investors, with quick access to infrastructure and facilities, including simplified administrative procedures, and support services.
- The ease for investors and businesses to navigate and use the local ecosystems. Smaller cities can provide a clear picture of what is there and available to them.
- The importance of reflecting all these strengths in the FDI strategy and supporting marketing to investors.

Key learnings from Ventspils and Valmiera

The success of Ventspils and Valmiera strategies lies in their ability to encourage innovation at all levels and turn their weakness into strength. For instance, the **deficit of workforce** has been a trigger for innovation in businesses to find new solutions to the issue.

Collaborative efforts for instance to leverage EU funding together, or in the ACORN project, have amplified their success.

By sharing good practices, resources, and expertise, these two cities have created a positive dynamic for investment and innovation in their microcities.





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06 Conclusions



WHAT DID WE LEARN FROM THIS EXPERIENCE?

As part of the event wrap up collective and individual learning was captured in final reflections. In addition to concrete ideas picked up through the EU city cases, for many participants there was an emphasis on continuous investment in cooperation across sectors and with communities. The local dimension of sustainability is key, and this means connecting strategies across all levels of governance, undertaking diagnostic and participatory activities to customise and embed actions for real impact.

The final session of the event was around resourcing actions to drive sustainability with pitches from relevant EU funding programmes (EUI, Horizon Europe, NetZeroCities, Interreg Europe, Urbact and FinEst Centre). Opportunities for implementing learning and action through both funds and knowledge resources are ongoing and up to date information is available on the Urban Panorama.

The European Urban Initiative funds [City-to-City Exchanges](#), [Peer Reviews](#) and [Innovative Actions](#). It also hosts Portico, with information on good practices, partners and other EU funds. Finnish city participants are now better placed to use EU instruments to boost regional development

The **URBACT** Call for Good Practices and the **FinEst** Smart City Challenge were open until the end of June 2024. Helsingborg invited all participants to its Innovation Impact Summit on September 17-18th and all participants were encouraged to create Portico profiles, to connect and continue to build future cooperations.