

Session 5: Creating an enabling policy environment

SPOTTING THE « WHITE SPOTS » OF ECO-INNOVATION POLICY INSTRUMENTS

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Rationale for the presentation

- Eco-innovation laying at the intersection of innovation policy and environmental policy – and internationalisation
→ the structural split diminishing in policy level, but still existing in the level of practical instruments
- In implementing eco-innovation policies, several “white spots” can be found in every European country
- In this presentation, I will try to identify some critical “white spots” from the point of view of instruments for implementation of eco-innovation policies



ECO POL – Accelerating eco-innovation policies

- ECO POL is a CIP Pro Inno project (DG Environment) that aims **to accelerate the implementation of eco-innovation policies** across Europe
- Contributes to the European level eco-innovation policy by
 - **identifying and analysing** promising eco-innovation practices and instruments
 - **launching pilot implementation actions** in the partnering countries
 - **developing recommendations** for the implementation of better eco-innovation policies and instruments
- Three **main priority areas**: Green public procurement, Waste & recycling, and Internationalisation of eco-innovators



White spots of implementing eco-innovation policies?

- GPP instruments supporting the market entry of eco-innovations
- Inter-level instruments
- Solutions based demand-side instruments

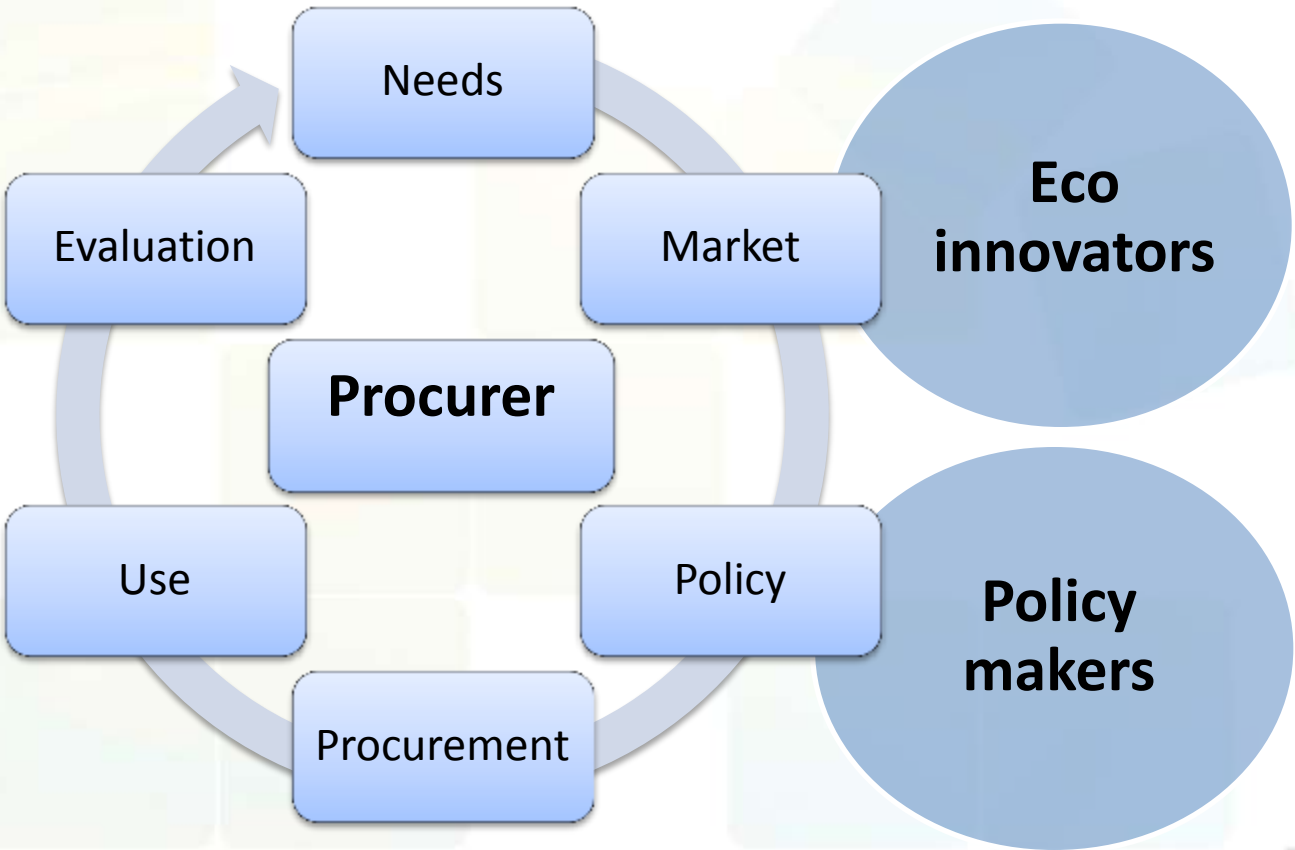


GPP instruments supporting the market entry (and scale-up) of eco-innovations

- There seems to be good green public procurement (GPP) instruments for supporting cleantech market in general, but how about eco-innovative market – e.g. innovative, ambitious products/services just entering the market?
- Not pre-commercial procurement/pure demonstrations
→ towards market diffusion
- The ECOPOL exercise: well-functioning models for supporting “G” of GPP, but only few that truly focus on eco-innovative public procurement (EIPP)
- Buying the function model as a potential source of EIPP



Eco-innovative public procurement – a preliminary ECOPOL framework



Inter-level instruments

- Typically, our international eco-innovation support instruments work either on the policy level affecting general business environment, OR on the practical level affecting concrete businesses of the internationalising companies
- However, especially in emerging economies we need to be able to act between these levels – i.e. to support concrete business activities AND to affect the structures and policies of the target market at the same time
- Finnish Environmental Cluster for China (FECC) as an example of a promising inter-level instrument

FECC as an inter-level instrument

POLICY LEVEL

- **GoVT LEVEL MOUs and OTHER PROCESSES**
- **PROCESSES in FINLAND & EUROPE**

SUPPORTING ACTIVITIES

- **FECC & PARTNERS (Opening doors; Support thru the whole business process)**
- **OTHERS (e.g. FINANCIERS) + NETWORKING + SISTER CITIES**
- **MARKET SURVEYS; PROJECT DEVELOPMENT; LEADS THRU NETWORKS**

CLIENT – COMAPANY INTERFACE

- **CONTRACTS & AGREEMENTS**
- **CLUSTERS**
- **SMEs**



Solutions based demand-side instruments

- Technology push model does not work well e.g. in China or Russia → focusing on relatively simple, cost-efficient and practical, but at the same time unique integrated **solutions** instead of technological offering itself is essential in emerging economies → this demands EU level cooperation
- Need for joint/collaborative solution development → open innovation (OI) models
- The analysis of INNO-GRIPS* shows that the instruments supporting international industry/end-user driven innovation models are the most potential sources of open innovation

Solutions based demand-side instruments

- Most of the current public support models for OI are focused on national level (e.g. living labs), and on strengthening science business linkages (CoE, innovation alliance/partnership models etc.)
- OI models for in-depth, vertical innovation collaboration between EU countries and emerging economies very scarce
- Need for a model of "Smart Open Innovation" (SOI): international, industry-based linkages for OI collaboration
 - Global living lab concepts
 - Culturally designed innovation processes
 - Common agreed IP rules within a global innovation network



Thank you!

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