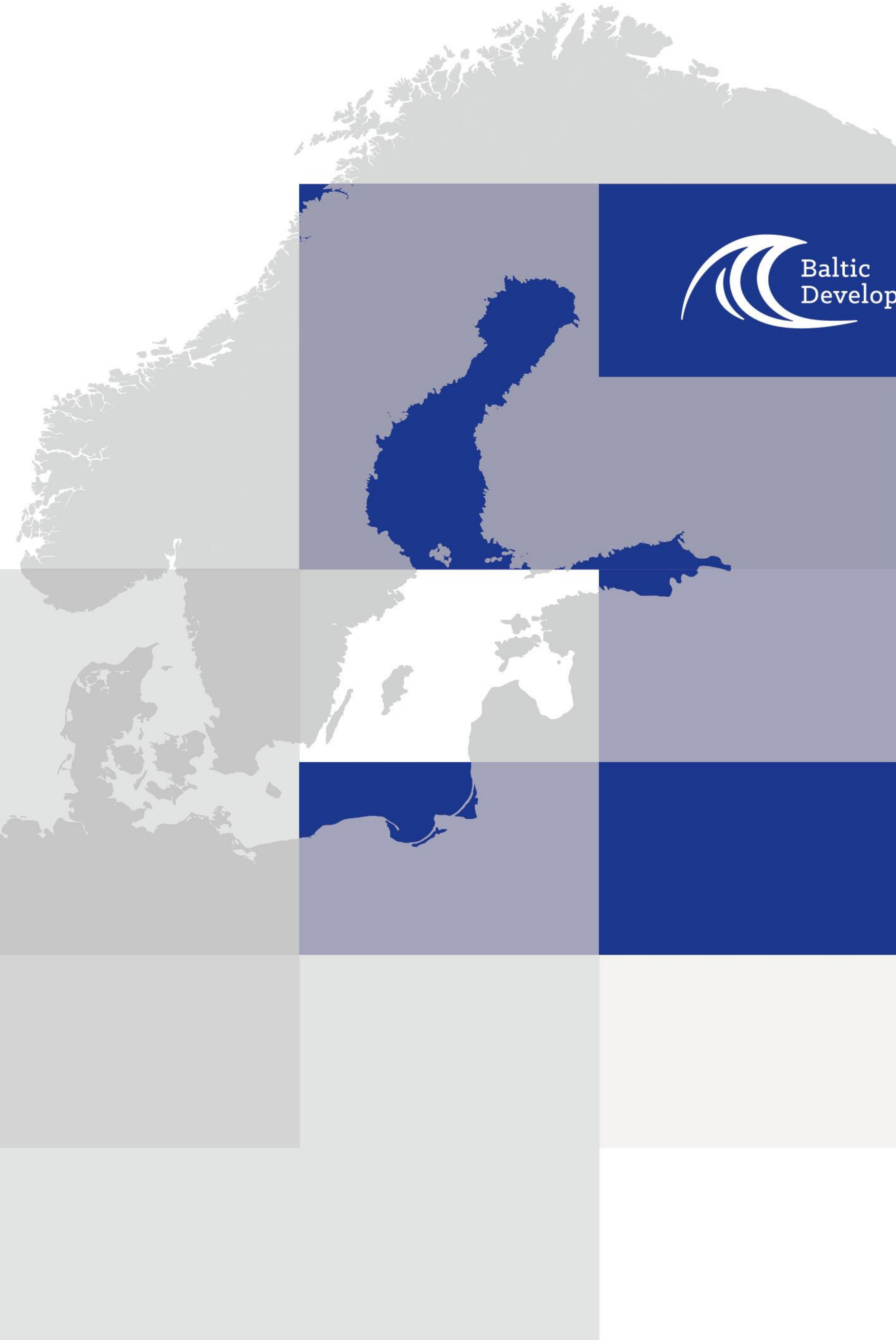
Baltic Development Forum

The Baltic Sea Region – the top of Europe

A model region for sustainable growth, innovation and competitiveness

Flemming Stender, director



Baltic Development Forum

Non-profit network for regional collaboration, cross-border dialogue and public-private partnerships

Regional think tank providing latest thinking on the region´s economic, political and digital performance

Mission: to promote sustainable growth, innovation and competitiveness in the Baltic Sea Region

Regional cooperation in key growth sectors - ICT, energy and blue growth/water

Baltic Sea Region – *strengths*

- One of the most prosperous macro-regions in Europe and globally
- Very solid underlying competitiveness
- Strong macro-economic fundamentals
- High degree of social cohesion and environmental sustainability

Baltic Sea Region - *weaknesses*

- **"New normal" of permanently lower growth rates due to slow growth in labour productivity & labour mobilization**

- **Weakening position in global trade & foreign direct investments**

- **Innovation systems - output from R&D only on par with other regions and dominated by a few *very* large companies**

- **Universities – not in the European / global top**

Baltic Sea Region – *threats*

- **Other competitive regions and hubs catching-up fast**

- **Difficult political environment (e.g. Russia, Brexit)**

- **Demographic challenge in the Baltic States**

Baltic Sea Region - *opportunities*

- Small open economies with many similarities in terms of culture, society and language etc.
- A market of 65+ million
- A unique regional cooperation framework (NCM, CBSS, NB8, BDF, ND etc)
- Long tradition for public-private cooperation

top of digital
Europe

ICT Think Tank
for the Baltic Sea Region

- promotes Baltic Sea Region as a leader in the digital economy
- analysis and recommendations for policy makers
- facilitates cross-border dialogue and public-private initiatives
- inspires transnational digital collaboration
- a joint initiative of Baltic Development Forum and Microsoft

sustainable growth
innovation
competitiveness
Baltic
Development Forum

Microsoft

www.topofdigital.eu

A Regional Digital Single Market (DSM)

top of digital
Europe

- **A bottom-up, regional approach to complement and support EU & national efforts towards DSM**

- **Nordic-Baltic are frontrunners – potential to learn from each other and work together cross-border**

- **A region well placed to overcome fragmentation due to culture, language, borders etc.**

- **Enable growth by *regional cooperation* and world-leading cross-border solutions**

- ***First movers* gain competitive advantage**

A Regional Digital Single Market

- **Significant economic potential from regional digital single market - €29 bn. within 1-2 election cycles**

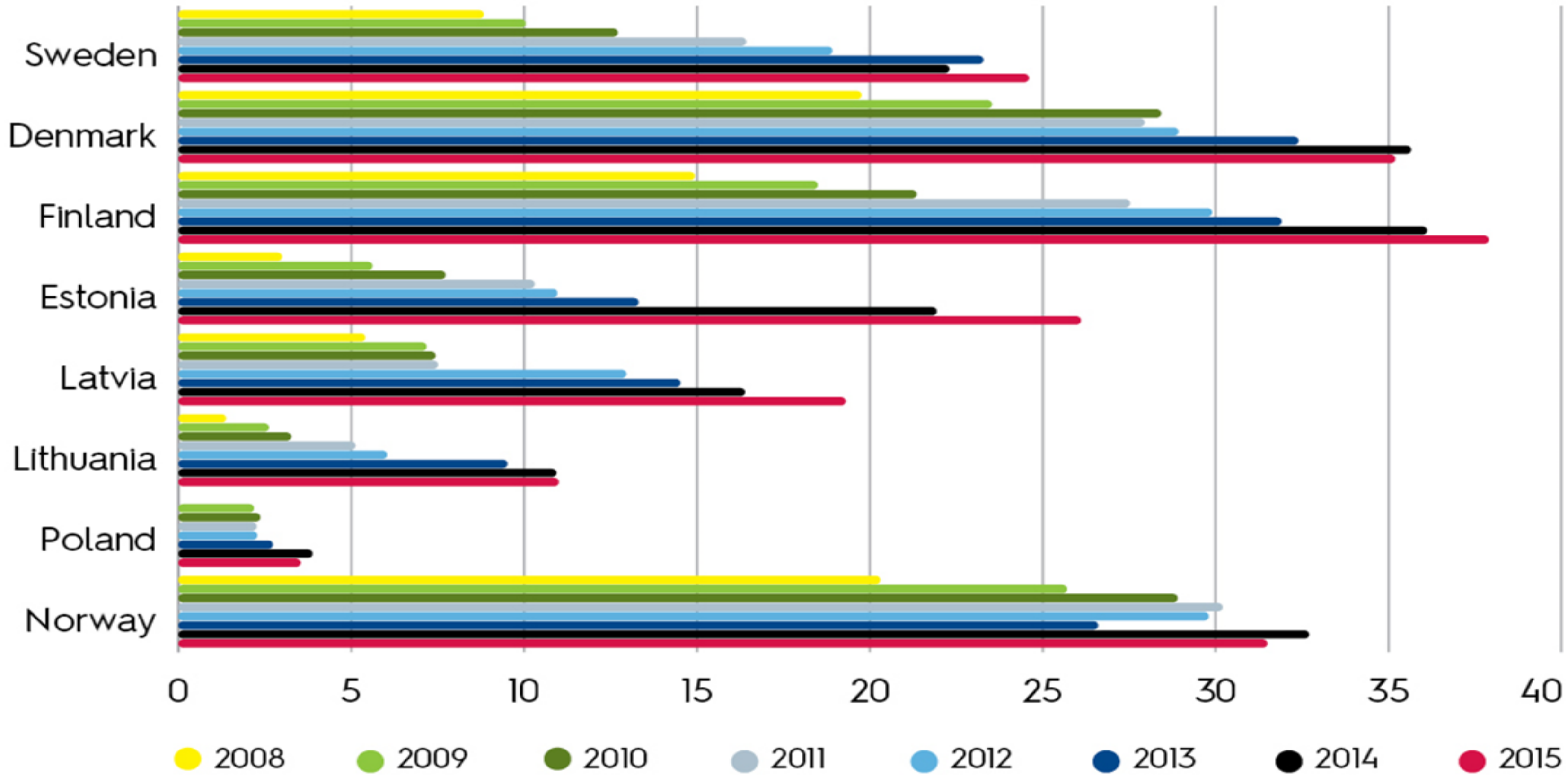
- **State of the Digital Region Report – annual overview of developments, trends and potentials**

- **Moving beyond traditional perception of gap between countries in the Baltic Sea Region**

There is a gap…

top of digital
Europe

Cross-border EU business to consumer purchases
(DIGITAL AGENDA SCOREBOARD)

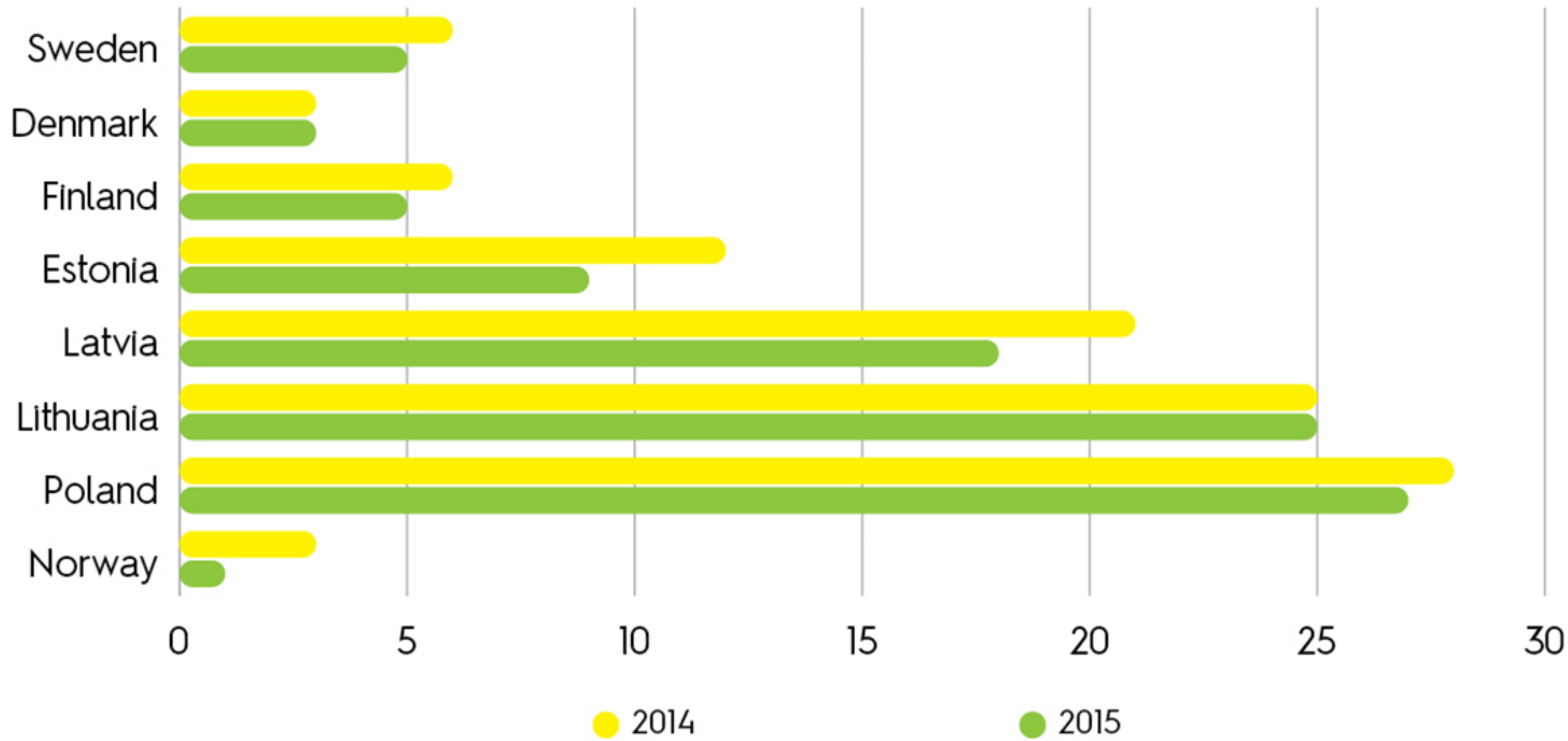


Also here...

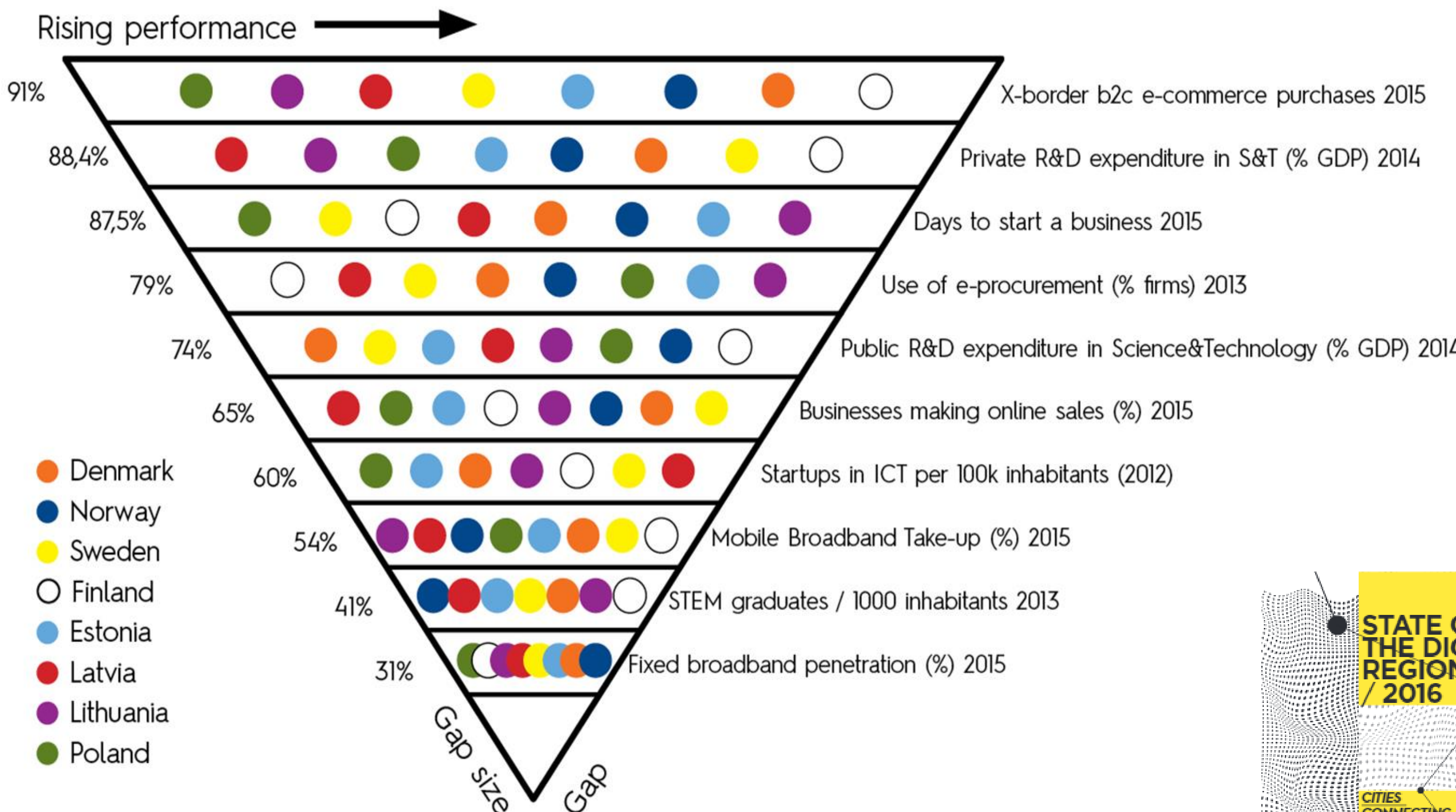
top of digital Europe

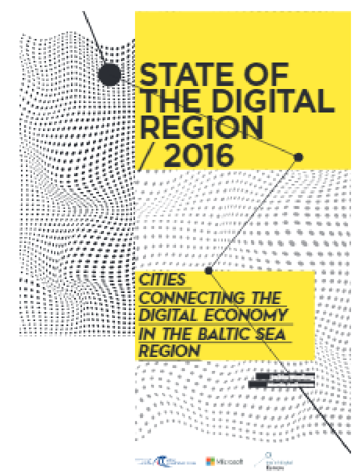
Percentage of people that has never used Internet in 2014 and 2015.

(DIGITAL AGENDA SCOREBOARD)



...but the gap is not constant





Key Observations

- **Nordics lagging ahead**
- **Norway brings a lot to the table**
- **Estonia mastering change – fastest mover in the region**
- **Poland – a very important part in a regional digital single market, but needs to pick up pace (also Latvia and Lithuania)**

Top of Digital Europe

- **A unique regional initiative**
- **Serve as inspiration for other parts of Europe**
- **We are ready to share experiences with you**

Baltic Development Forum

Thank You!

Nytorv 3, 1st floor,
1450Copenhagen,Denmark
Twitter: @bdforumorg
Facebook: facebook.com/bdforum.org
www.bdforum.org