Welcome

Transition success stories: public – private cooperation

Platform for Coal Regions in Transition

#CoalRegionsEU

Energy

Transition success stories – The case of Leipzig

Platform for Coal Regions in Transition
Sixth Working Group, Brussels, 16-17 October 2019

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1. Introduction of Leipzig

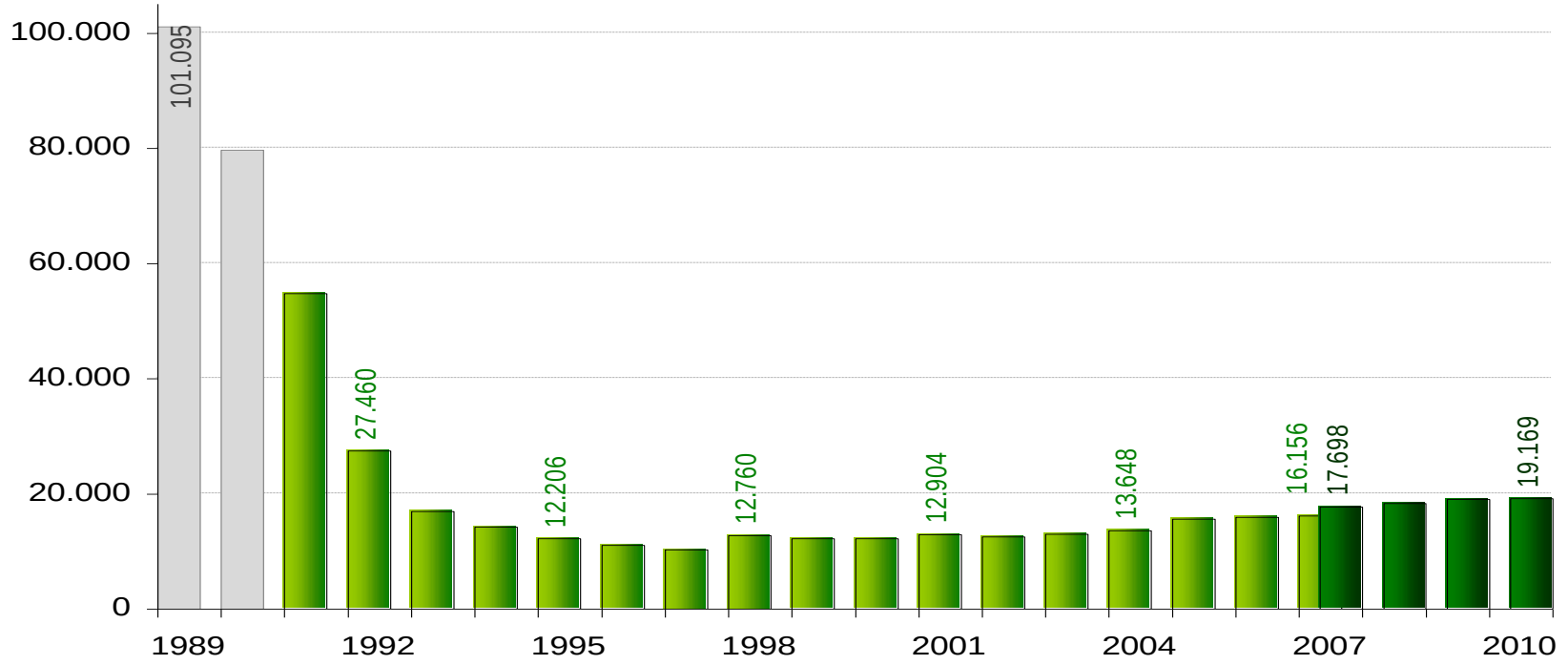
2. Strategic approaches

3. Future challenges and lessons learned

Peaceful Revolution Central Leipzig - October 16th, 1989

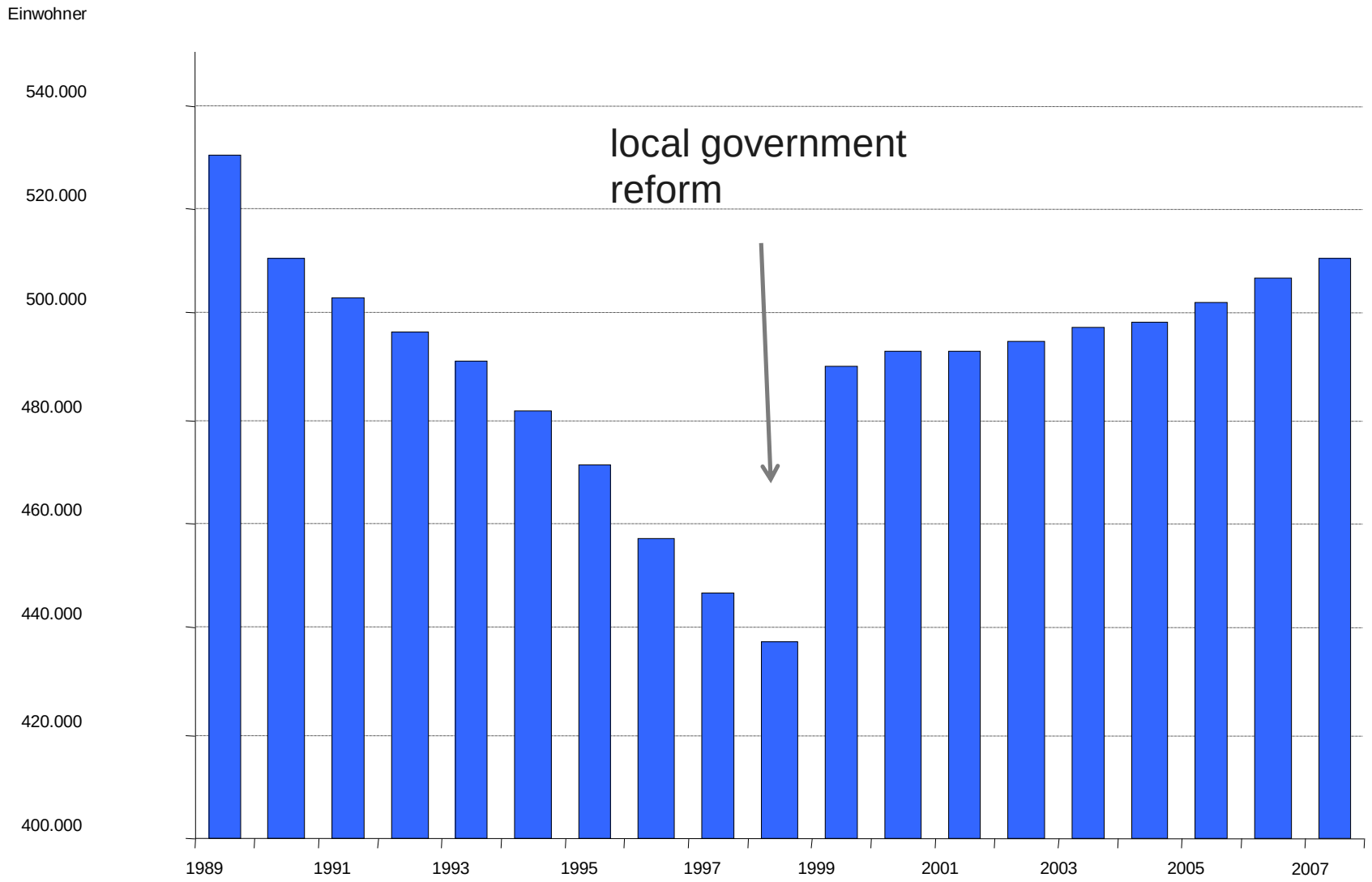
Leipzig – 590.000 inhabitants in the middle of Europe and the heart of the Central German lignite district

Jobs in industry and production



Quelle: Statistisches Landesamt Sachsen, Amt für Statistik und Wahlen
* bis 2007 Betriebe mit mehr als 20 Beschäftigte, ab 2007 gesamtes Verarbeitendes Gewerbe

Population of Leipzig 1989 - 2008



Major challenges

- Shrinking population and workforce
- Unemployment / social insecurity
- „urban sprawl“ / decline of city centre and district centres
- Limited public budget

Urban decline in the inner part of the city

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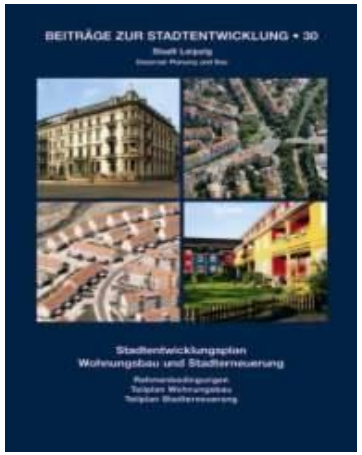
3 phases of urban development in Leipzig

- **1990ies:**

„Boomtown Leipzig“
Urban development with large projects



- **2000s:**

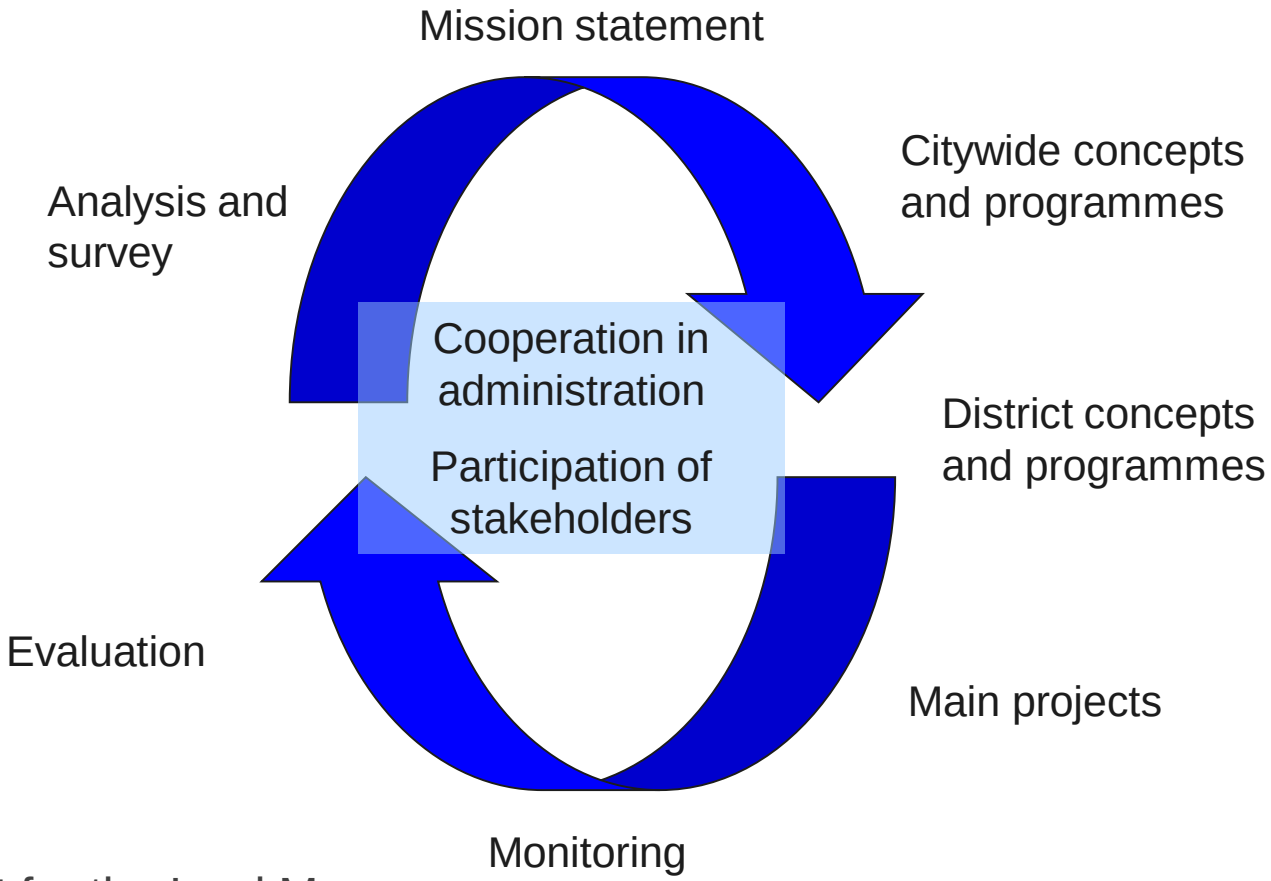
Shrinking and urban restructuring
Starting strategic planning

- **Today:**

Strong growth and reurbanisation
Integrated urban development

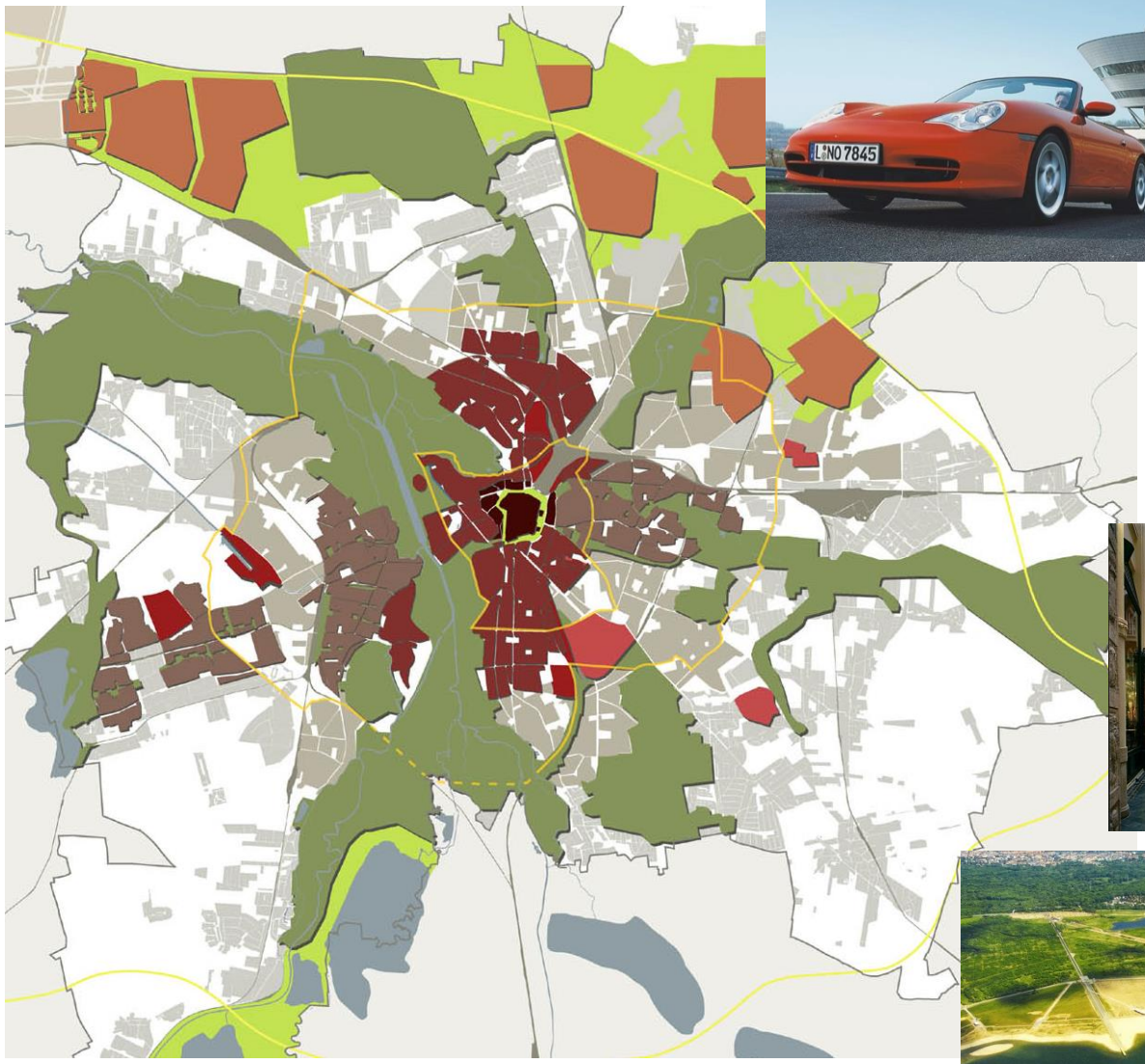
LEIPZIG
2020

Process and role of integrated urban development



- Steering instrument for the Lord Mayor
- Synergies of sectoral investments
- Priorities for budget process
- Basis for national and european funding
- Transparency for citizens

Leipzig today



North: New fields of employment

Historic and cultural centre

South: Leipziger Neuseenland

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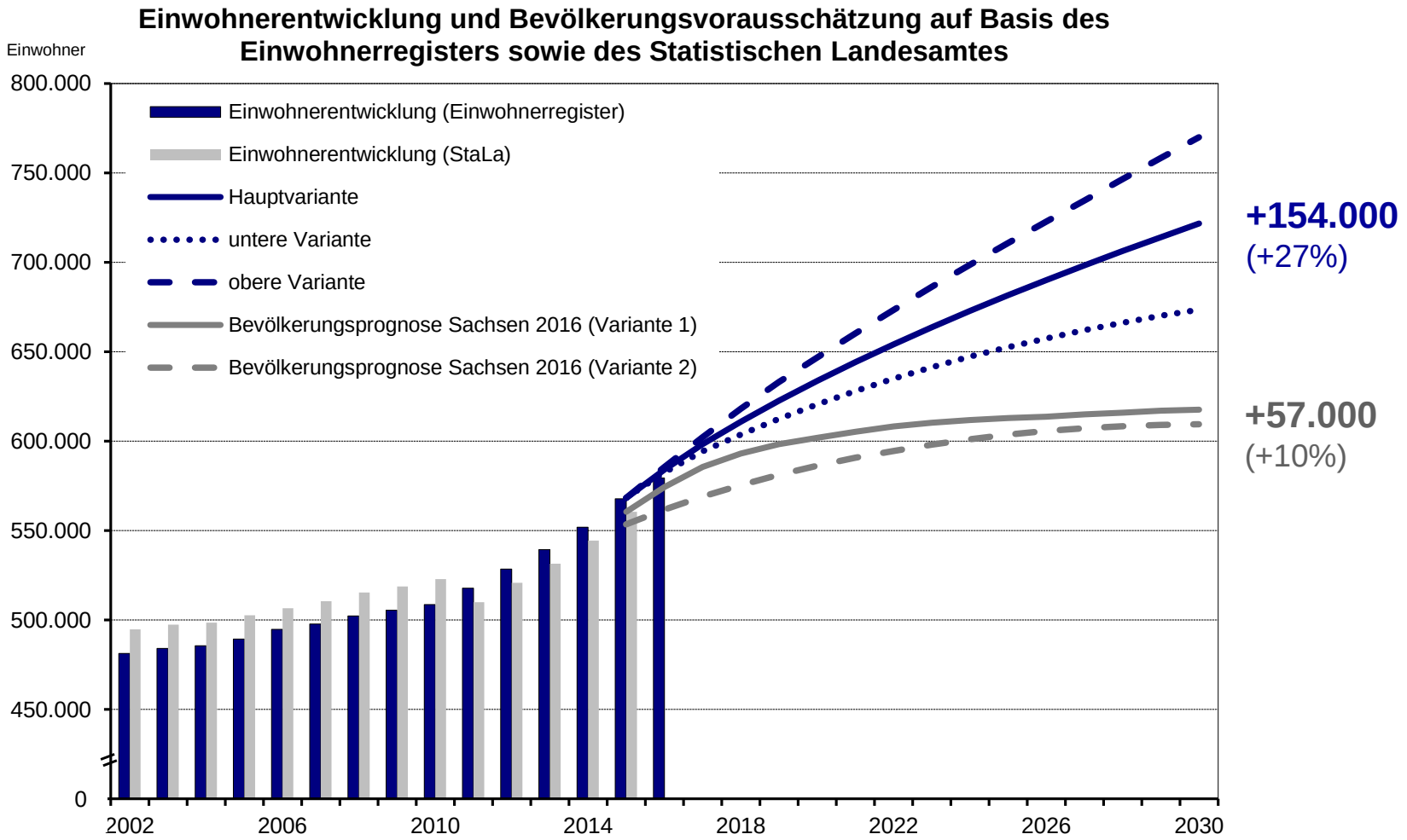
Population forecast for the City of Leipzig



Quellen: Statistisches Landesamt Sachsen; Einwohnerregister, Ordnungsamt; Amt für Statistik und Wahlen

Number of inhabitants 2018: 14.500 below central scenario and 7.300 below lower scenario

Future challenges

- Foster and expand “spill overs” to the region
- Inter- and intraregional cooperation
- Managing growth
  - Sustainable mobility
  - Securing „open spaces“
  - Social infrastructure
    - 80 new kindergardens (12.600 places)
    - 70 new or extended schools until 2030
  - Social cohesion and inclusive urban districts and housing
  - Sustainable district heating after lignite (up to 500,000+ inhabitants)

Lessons learned

- Openness and “open spaces”
- Attracting and supporting “movers and shakers”
- Positive “narrative” – “peaceful revolution” / “city of heroes” / “green city” / culture and music
- Participation
- Interregional cooperation
- Key success factors
  - Reliable social and technical infrastructure
  - “strategic awareness” and sufficient public capacities
  - Public (co-)funding from local, state, federal and EU-funds
  - Economic ties and traditions
    - Trade and fair city → airport, logistics and mobility
    - Culture and the arts → Start-ups, software and culture and creative industries
    - Medical Education (since 1415) → health, life sciences, medical applications
    - Coal, Gas and Chemical industry → EEX, clean tech, PtX/Hydrogen

Thank you for your attention!

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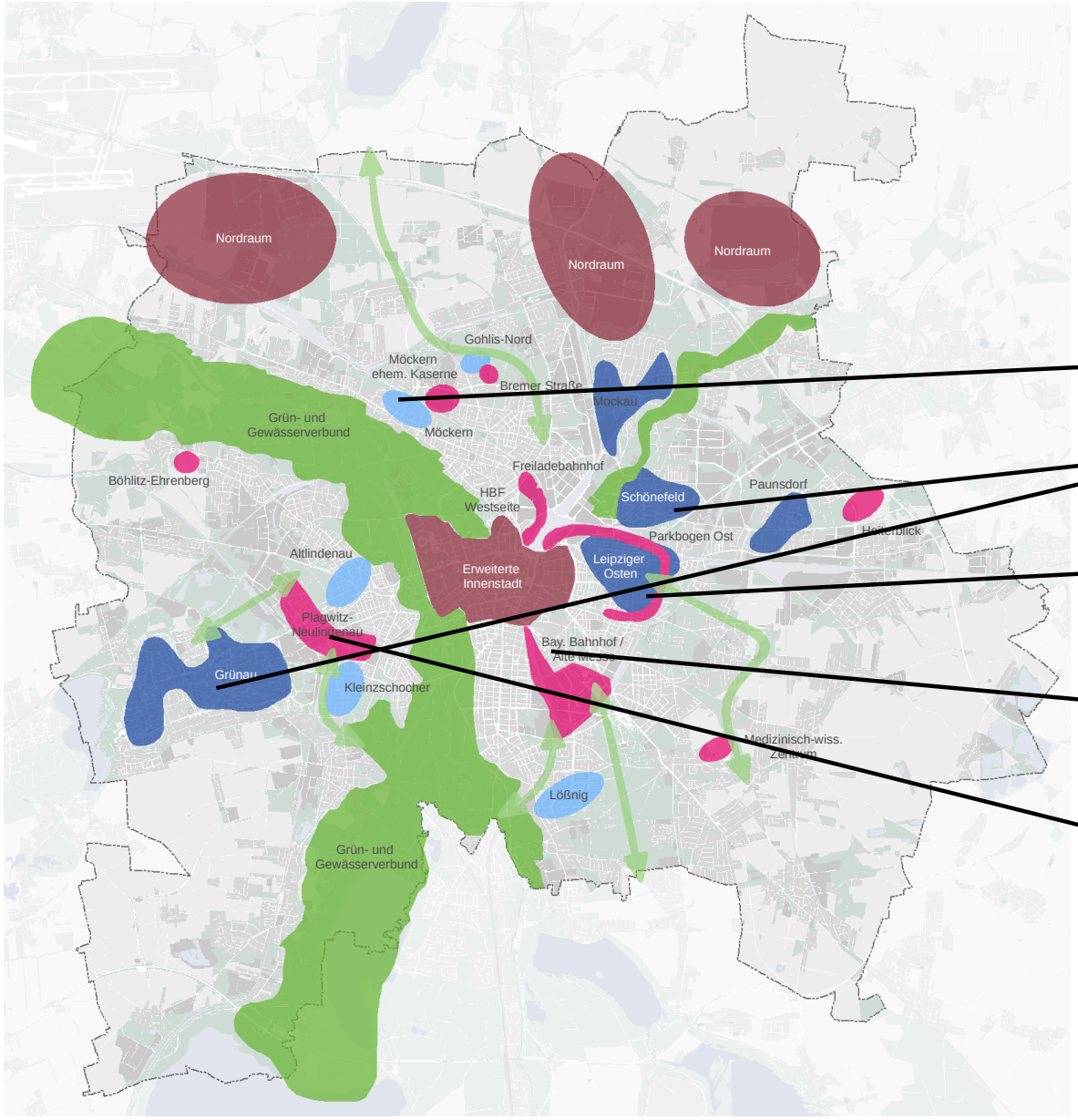
18

Focus areas of urban development and national / european funding



Funding Programmes:

Active Centres

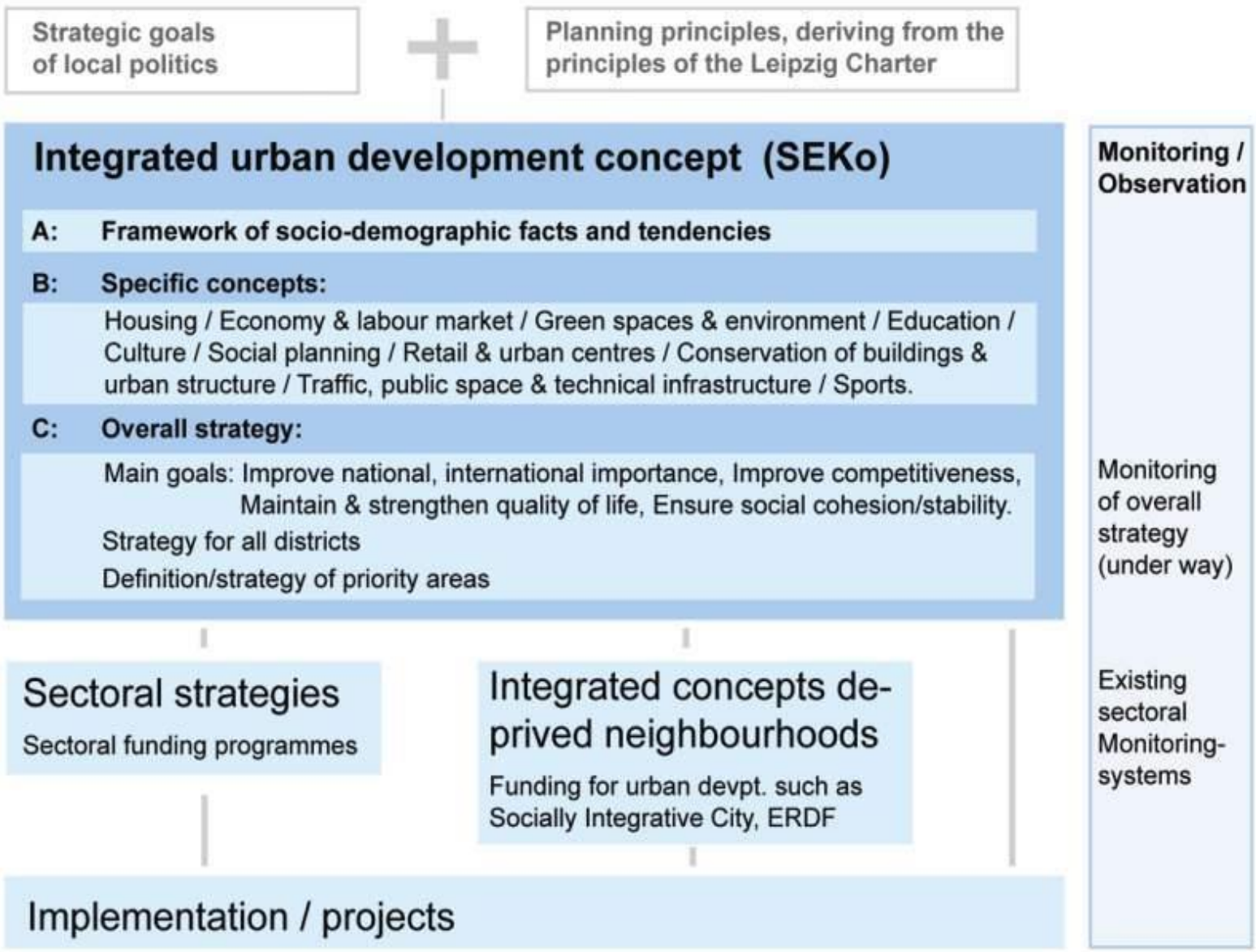
Urban development

EFRE/ESF

Protection of historic neighborhoods

Smart Cities / Horizon 2020

Integrated urban development concept Leipzig 2020 (InSEK)



OECD MINING REGIONS AND CITIES

CASE STUDY

OUTOKUMPU - NORTH KARELIA, FINLAND

EU Coal Regions in Transition
16 October, 2019

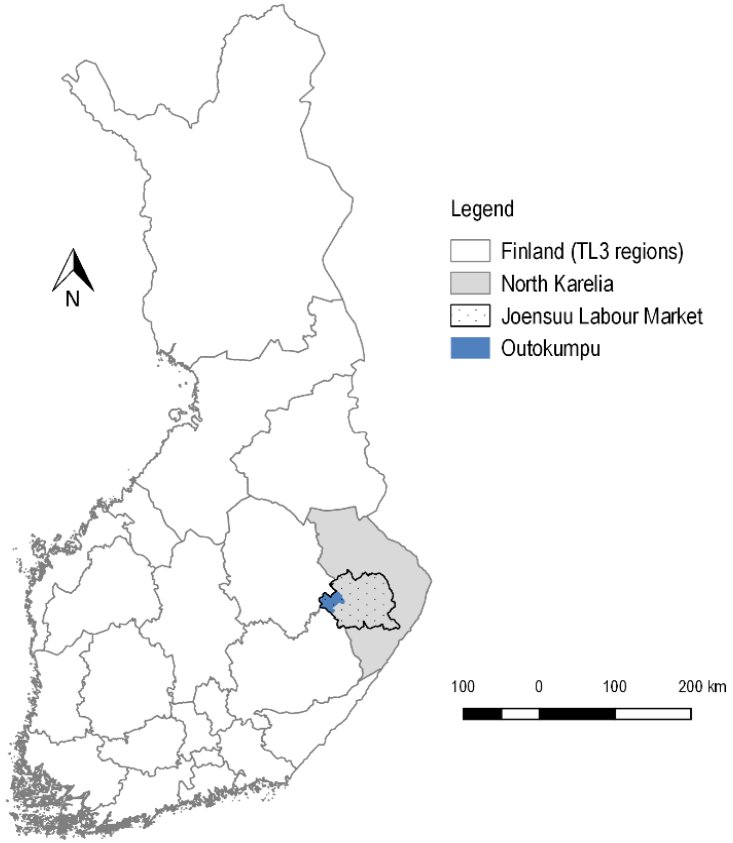
BETTER POLICIES FOR BETTER LIVES

1. **Key facts**

2. Transition story

3. Future directions

Outokumpu - North Karelia, Finland

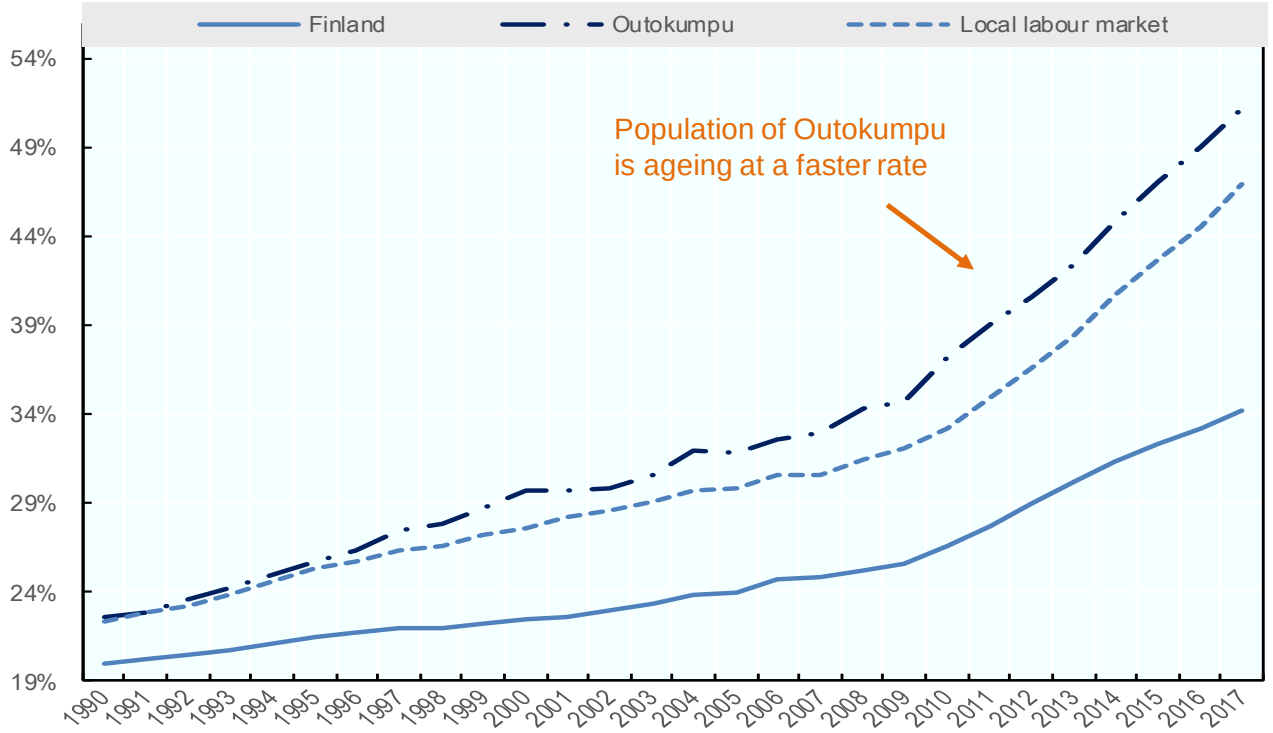


Specialisation in industrial sectors (mining and manufacturing)

	Finland	LLM	Outokumpu
Agriculture, forestry and fishing (A)	**3%**	**9%**	**4%**
Public administration and defence, compulsory social security, education and human health (O,P,Q)	29%	33%	25%
Construction (F)	7%	7%	5%
Real estate (L)	1%	1%	1%
Other services (R,S,T,U)	5%	5%	4%
Mining and quarrying, electricity and water supply (B,D,E)	**1%**	**3%**	**4%**
Manufacturing (C)	**13%**	**15%**	**33%**
Whole sale and retail trade, transportation, accommodation and food services (G, H, I)	21%	15%	13%
Information and communication (J)	4%	1%	1%
Professional, scientific, technical and administrative activities (M, N)	13%	8%	10%
Financial and insurance activities (K)	2%	1%	0%

Population decline and ageing

Old-age dependency ratio 1990-2017



- Population decline in Outokumpu is a mix between a constant natural population decline and net outmigration.
- The elderly population of Outokumpu is growing. In contrast the youth population and labour force is declining

1. Key facts

2. **Transition story and lessons**

3. Future directions

Transition in resource-based economies

- Nature of the adjustment and policy response - staged restructuring, shock, proactive support
- Strength of local institutions – distributed leadership, consensus, linkages
- Other areas of absolute and competitive advantage (resource endowments, food production, amenities, access to markets)
- Level of integration between mining and extractive operations and the local economy
- Size and skills-base of the local population that influences the diversification of the economy and its capacity to adjust to shocks

Outokumpu copper mine

Key strategies

- Local transition committee was established in the late 1960s (local municipality, company, and local community leaders)
- Industry park was established in the late 1970s with incentives from the Government of Finland (land, construction of buildings, and wage subsidies for 3 years)
  - Outokumpu Mining Company established a spinoff mining and equipment and technology company as an anchor tenant
  - Government of Finland located a key mineral processing laboratory of the Geological Survey of Finland
- Local governments in the area formed a development company to attract investment
- Mining heritage and tourism centre (including the mining archive of Finland)

Lessons

- Transition is a long-term process and ongoing
- Proactive local leadership
- Support of industry and national governments/ EU are critical (timely investments, incentives)
- Focus on how to redeploy existing strengths (e.g. industry park)
- Consider how to deal with stranded assets (mine site and infrastructure, housing, public services and infrastructure)

1. Key facts

2. Transition story and lessons

3. **Future directions**

Recommendations by OECD

- Mobilising local assets:
  - Green mining technologies (inc. leveraging linkages with forestry in areas such as photonics, ICT, and the circular economy)
  - Flagship project (tailings, mining rehabilitation)

- Diversifying the economy:
  - Build a better entrepreneurial eco-system
  - Open innovation processes (linked to mining and related manufacturing)

- Improving policies and governance:
  - Linking national mining policy instruments with regional development
  - Strengthening inter-municipal cooperation (e.g. workforce development and skills)

THANK YOU FOR YOUR ATTENTION

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WWW.OECD.ORG/CFE/REGIONAL-POLICY/MINING-REGIONS.HTM

EIPO

EINDHOVEN INTERNATIONAL PROJECT OFFICE

OPERATING COMPANY BRAINPORT REGION EINDHOVEN

Who we are

Joost Helms
(director)

- Former vice mayor of Eindhoven
- Director Eindhoven Academy, institute for successful collaboration in the Brainport Eindhoven ecosystem

Peter Portheine
(director)

- Entrepreneur by nature
- Program director Smart Cities Brainport
- Elected member of the Provincial Councel of North Brabant

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Where we come from

The development of the Brainport Eindhoven region was initiated by government with a public funded development company, established with a focus on developing the region itself

To accommodate international requests from other cities and regions, to support their socio-economic development based on the Brainport Eindhoven Triple Helix model, a private operating company has been founded to serve these requests

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What we do

Sharing experience and knowledge on successful collaboration, with a focus on creating new and better ecosystems, Smart City strategies and socio-economic development for regions and cities around the world

- **Triple Helix collaboration**
- **Building ecosystems**
- **Smart City development**
- **Boost marketing & FDi**

Brainport Eindhoven

the Dutch Approach to Innovation & High Tech Development

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EINDHOVEN

Strategic Location

BRAINPORT
EINDHOVEN

Drivers of Dutch Economy

Amsterdam Airport

(headquarters, trade, services, legal, finance, tourism, arts)

inh: 1,5 mln - 13% GDP NL

Rotterdam Seaport

(logistics, oil/chemicals, commodities)

inh: 1,2 mln - 10% GDP NL

Eindhoven Brainport

(hightech, electronics, design)

inh: 0,7 mln – 11 % GDP NL

CO-CREATING THE FUTURE

BRAINPORT
EINDHOVEN

Company town

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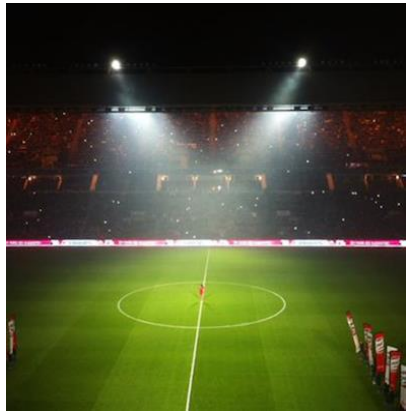
PHILIPS

BRAINPORT
EINDHOVEN

Philips history



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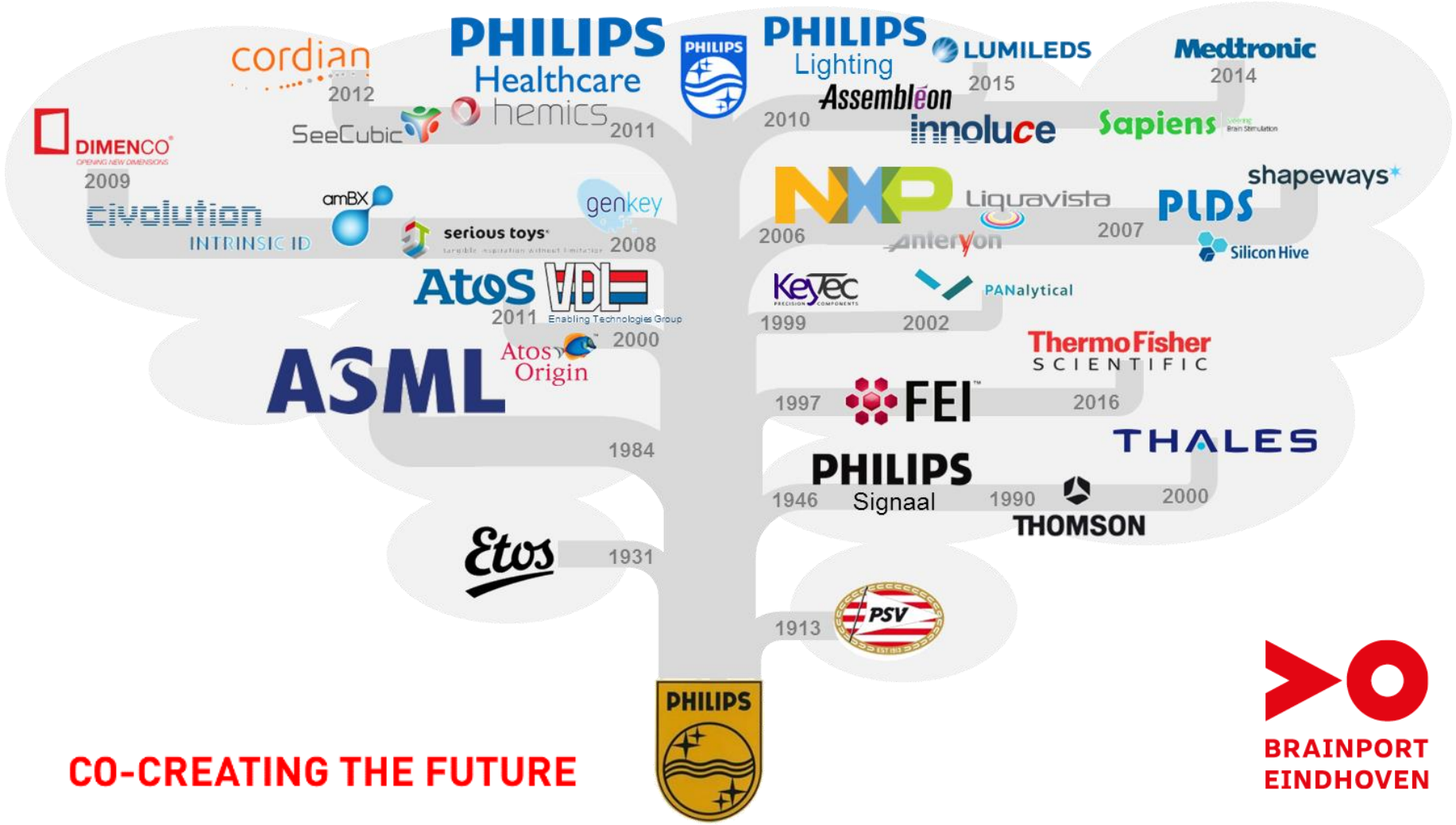
Philips legacy



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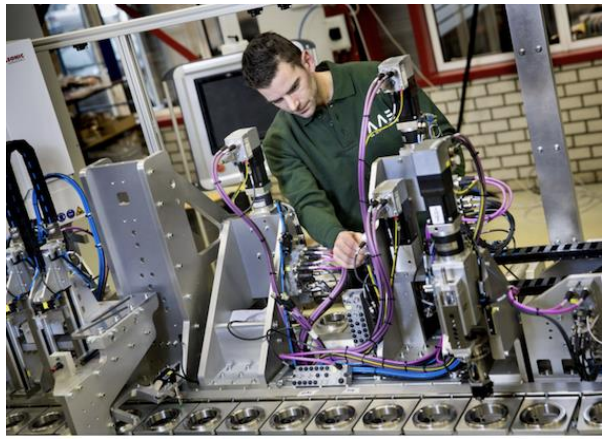
1990’s Crisis

Brainport Eindhoven – USP's

Complex High Tech Systems

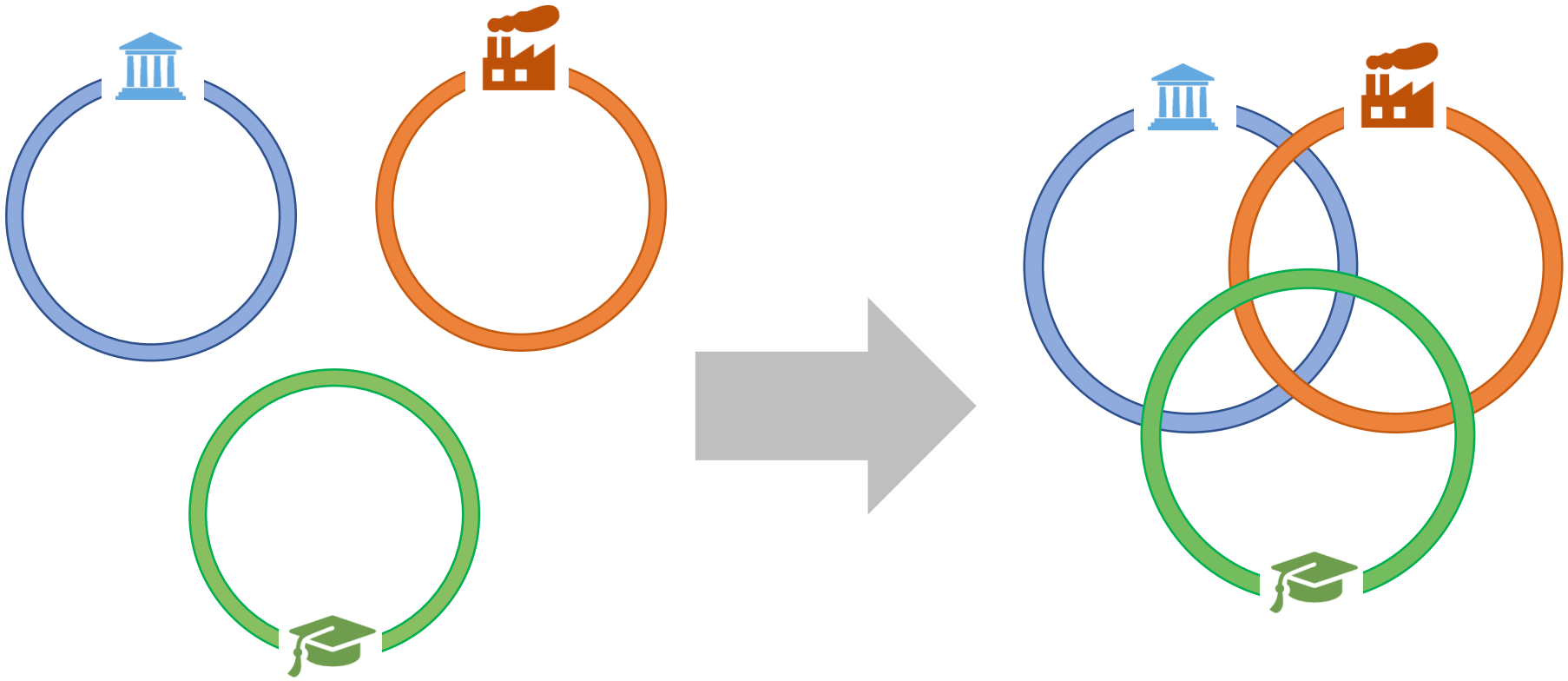


Research and Innovation

Design

CO-CREATING THE FUTURE

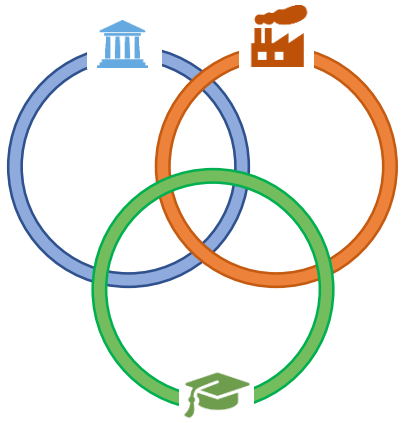
BRAINPORT EINDHOVEN



INDUSTRY

KNOWLEDGE

GOVERNMENT



Triple Helix Collaboration

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Organization

Brainport Foundation = Triple Helix Board

1. Governments: Local and regional representatives
2. Knowledge Institutions: Universities, vocational colleges, research institutes
3. Industry: OEM's, SME, regional suppliers

--> DEFINING JOINT AGENDA

Brainport Development = Execution

- Strategy development
- Development of projects and programs
- Branding and events

Adapting the model of Triple Helix collaboration

HOW ?

- Shared vision / ambition
- Serve and respect individual interests
- Good relations

LOCALIZE !

- Governmental system
- Regional structures
- Existing collaboration
- National and local culture

TRUST, OPENNESS & LEADERSHIP!

Ecosystems

Strengths of the Brainport ecosystem

- **Supply chain networks**
- **Public and private R&D**
- **Incubation & Startups**
- **Open Innovation**
- **Campusses**

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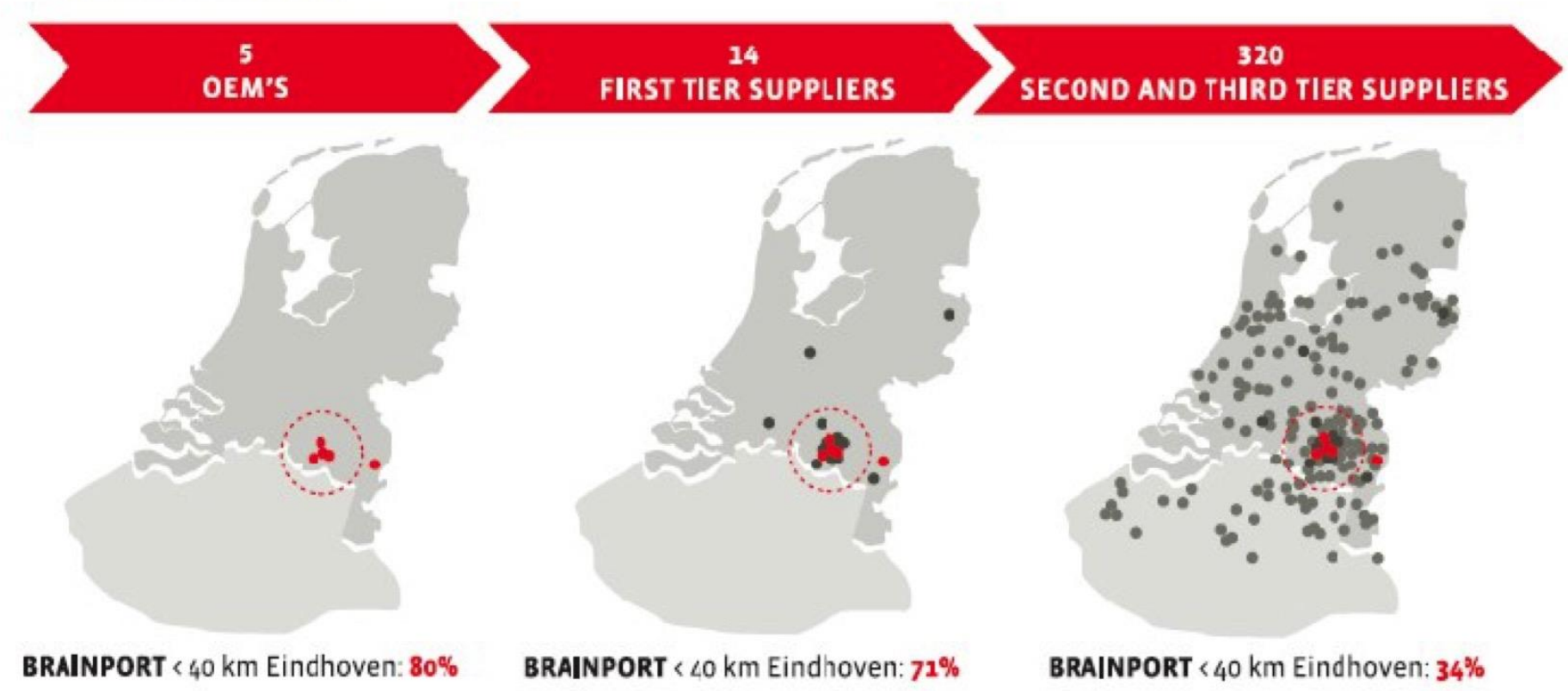
Supply chain networks



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ASML – Lithographic equipment

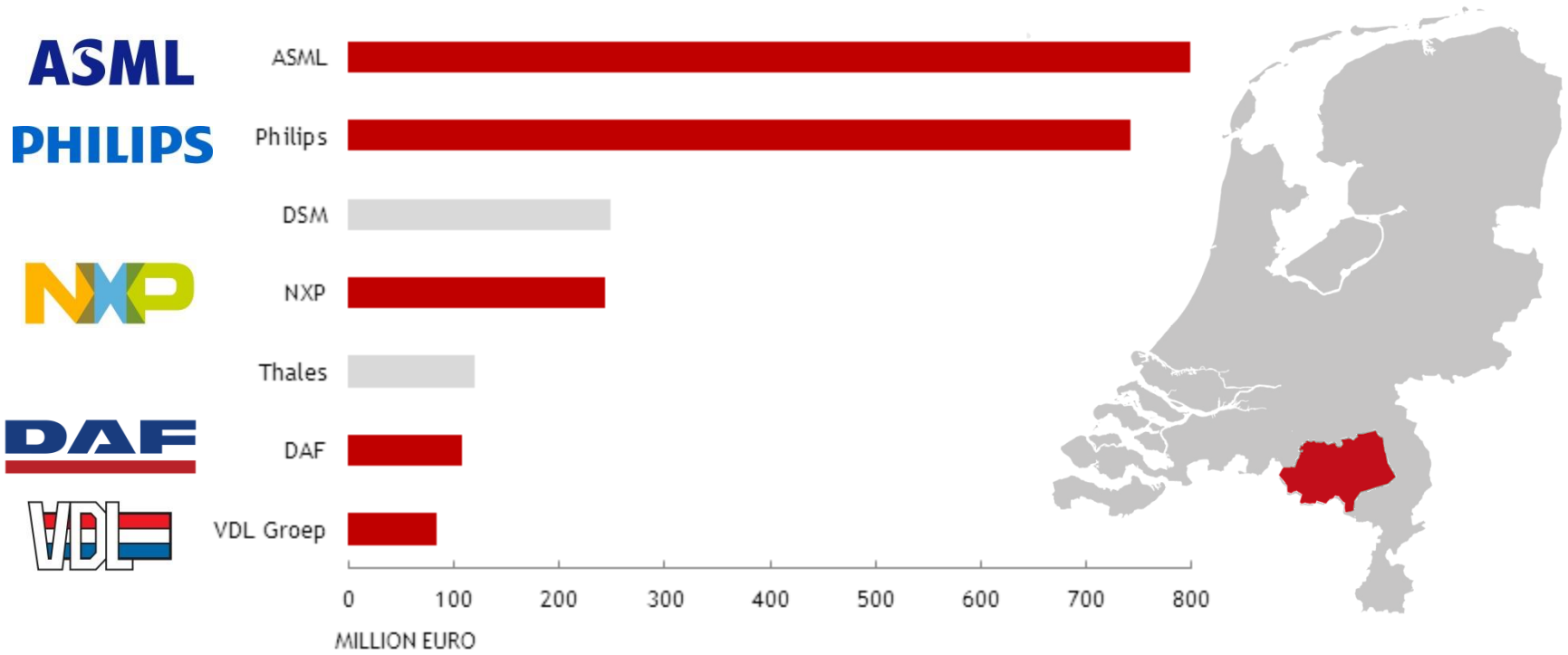
600 product related 1st suppliers

2nd and 3rd tier: > 3000

> 85% of value of custom made parts and modules are purchased

BRAINPORT EINDHOVEN

Corporate R&D in The Netherlands



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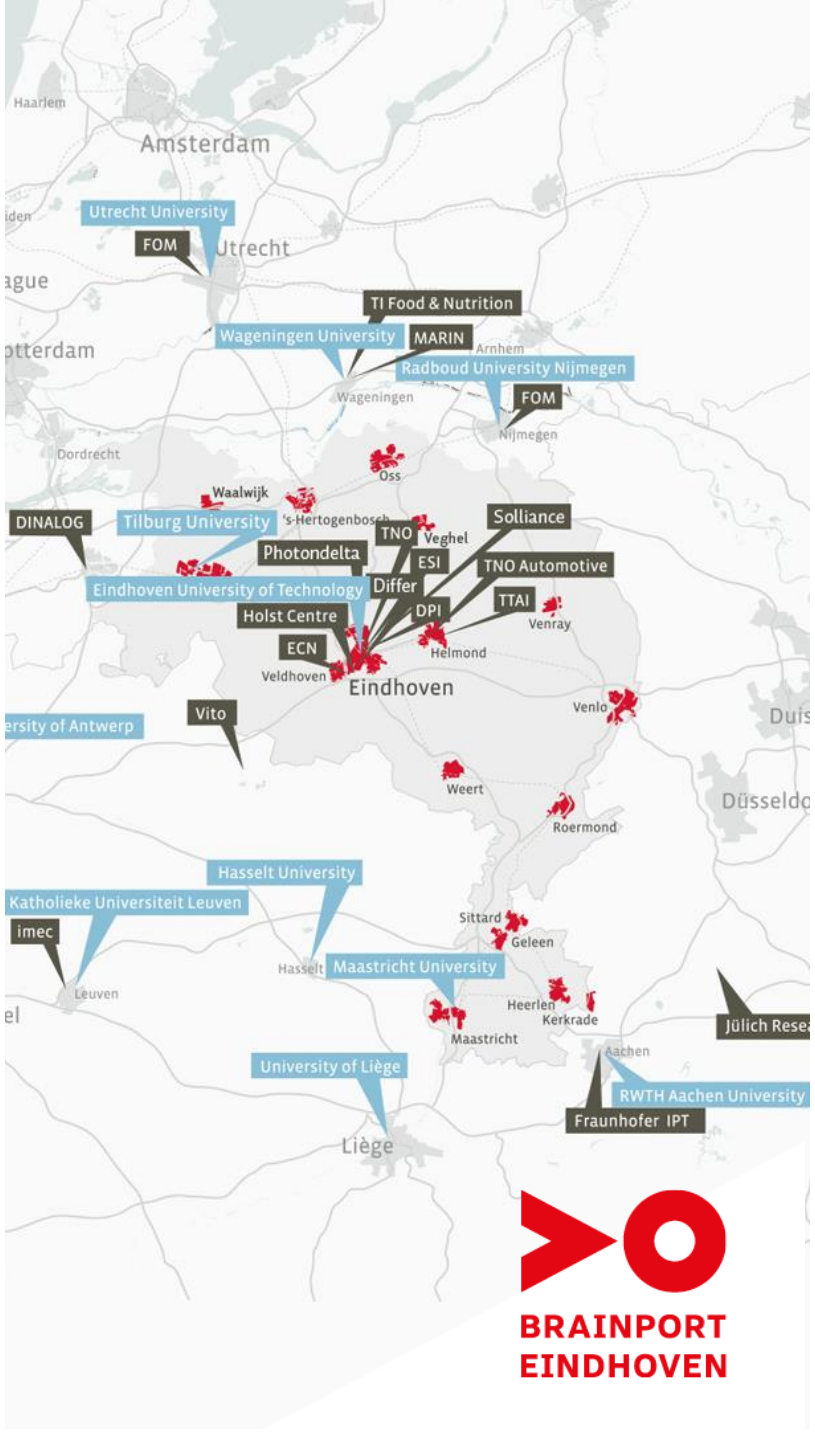
Public R&D (& PPP)

Dutch knowledge institutes
TU/e (university of technology), Fontys (university of applied sciences), TNO (applied research), Holst (sensor & flexible electronics), Differ (fusion energy & solar fuels), ECN (energy), Photondelta (integrated photonics), DPI (polymers & materials), Solliance (solar), …

International knowledge institutes
EIT Digital, IMEC, KICInnoenergy, Singularity University, ITRI, Institute of Advanced Industrial Science and Technology (AIST), …

International networks
ITEA3 (Software-intensive Systems), Fraunhofer, Artemis (Embedded & Cyber-Physical systems), …



CO-CREATING THE FUTURE

Incubation & Start-ups

17 incubators

14 Accelerator programs

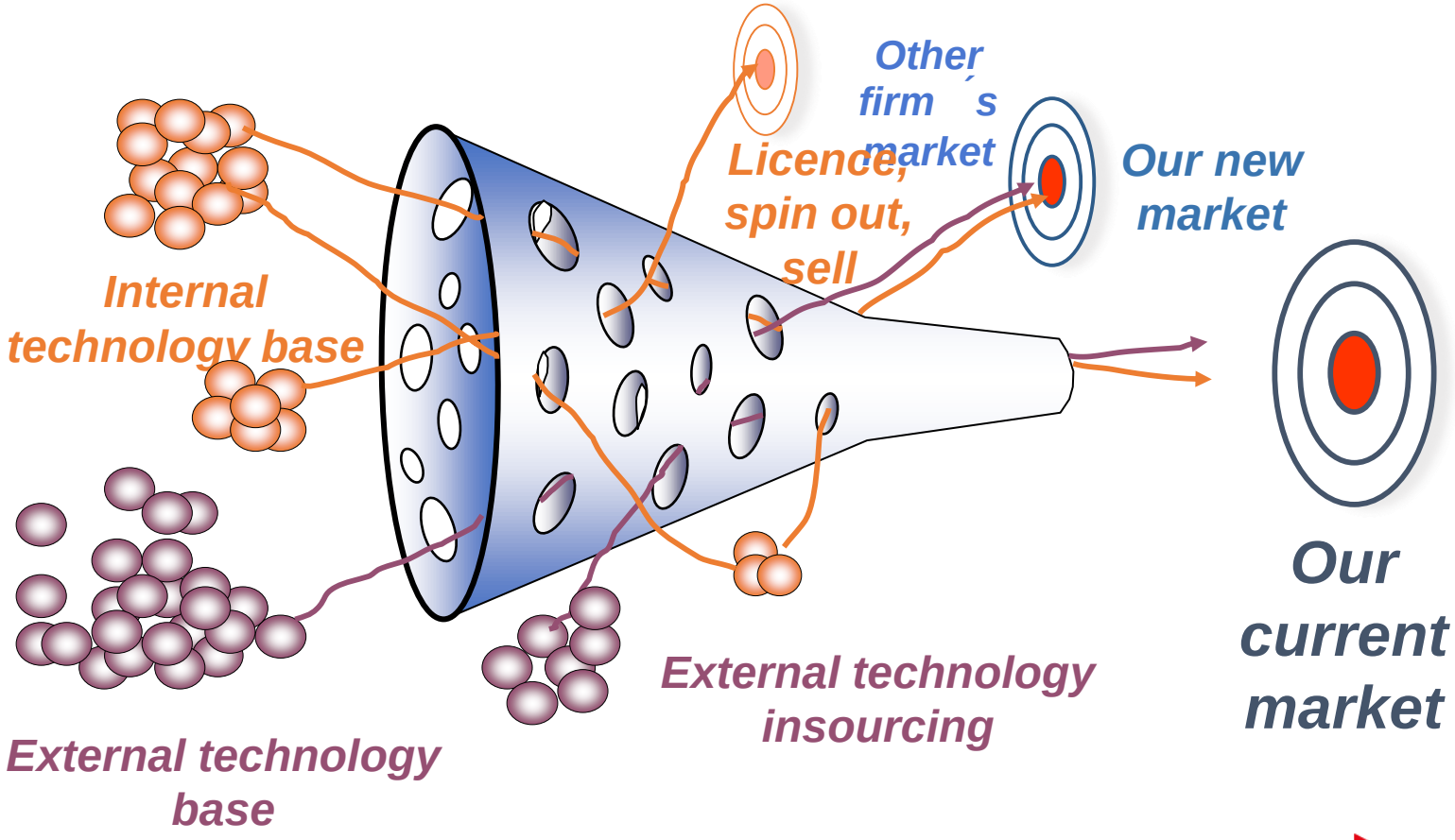
- NextOEM
- HighTechXL
- StartupBootcamp
- …

Studentteams & student startups

- TechUnited – Robocup team
- Stella – Solar powered family car
- FAST – Formic acid sustainable transportation
- Amber – autonomous car sharing (startup)
- …

CO-CREATING THE FUTURE

Open innovation



Brainport campuses

Science
CAMPUS

TU/e Technische Universiteit Eindhoven University of Technology
Where innovation starts

WHERE INNOVATION
STARTS

High Tech
CAMPUS

HIGH TECH CAMPUS
EINDHOVEN

LAUNCH
YOUR BUSINESS

Creative
CAMPUS

STRIJP-S

CREATIVE HEART

Manufacturing
CAMPUS

Brainport
Industries

YOUR HIGH TECH
OPEN SUPPLY CHAIN

Automotive
CAMPUS

AUTOMOTIVE
CAMPUS

DRIVEN TO MOVE
THE FUTURE

CO-CREATING THE FUTURE

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Success of Innovation

23%

of innovation success results from **technological innovation**

77%

of innovation success depends on **social innovation**

new ways of managing, organizing and working

Prof. Henk Volberda a.o. 2012
Rotterdam School of Management

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