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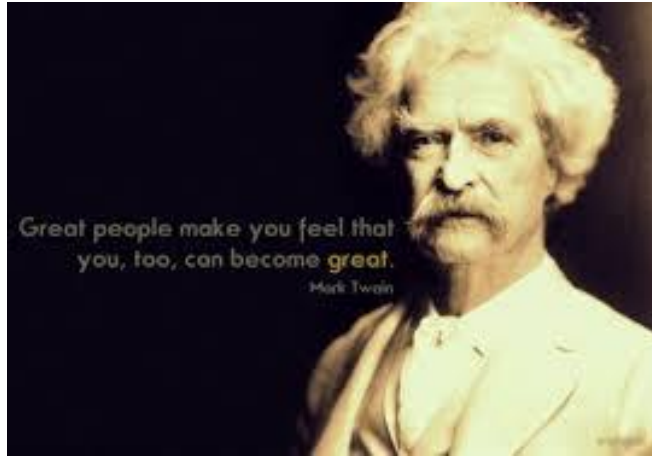
Sveinn Margeirsson, CEO

# Value Creation in Rural Areas – restrictions and incentives



# The Basics: People and sustainable resource utilization

## But we still need to consider the barriers



5

Principles for a Sustainable Nordic Bioeconomy



# The barriers of bioeconomy development

- **Low investment in commercialization**
- **Low investment in scale-up infrastructures**
- **Collaboration hurdles?**
- **Communicating our impact**
- **Limited market know-how**
- **Limited marketing and sales know-how**
- **Safety considerations**
- **Regulations**
- **More (strategic) research funding and collaboration**
- **Our mindsets**



(Based on discussion with Hörður Kristinsson – Chair of the Nordic Bioeconomy Panel)



# Some examples of literature

## Barriers to Business Model Innovation in Swedish Agriculture. Olof Sivertsson and Joakim Tell *(Sustainability 2015, 7, 1957-1969)*

*Therefore, this study contributes to the research by Leschke [36] and Osterwalder and Pigneur [12] and their suggestion that **government regulations** and policies are key elements of business models that should be explored and evaluated.*

### Are laws and regulations the real problem?

Many innovators feel held up by bureaucracy and red tape; however, as the research paper prepared by Jorrit de Jong indicates, it is often not the laws and regulations themselves that are the barrier, but the way in which they are **interpreted**.

Observatory of  
Public Sector Innovation



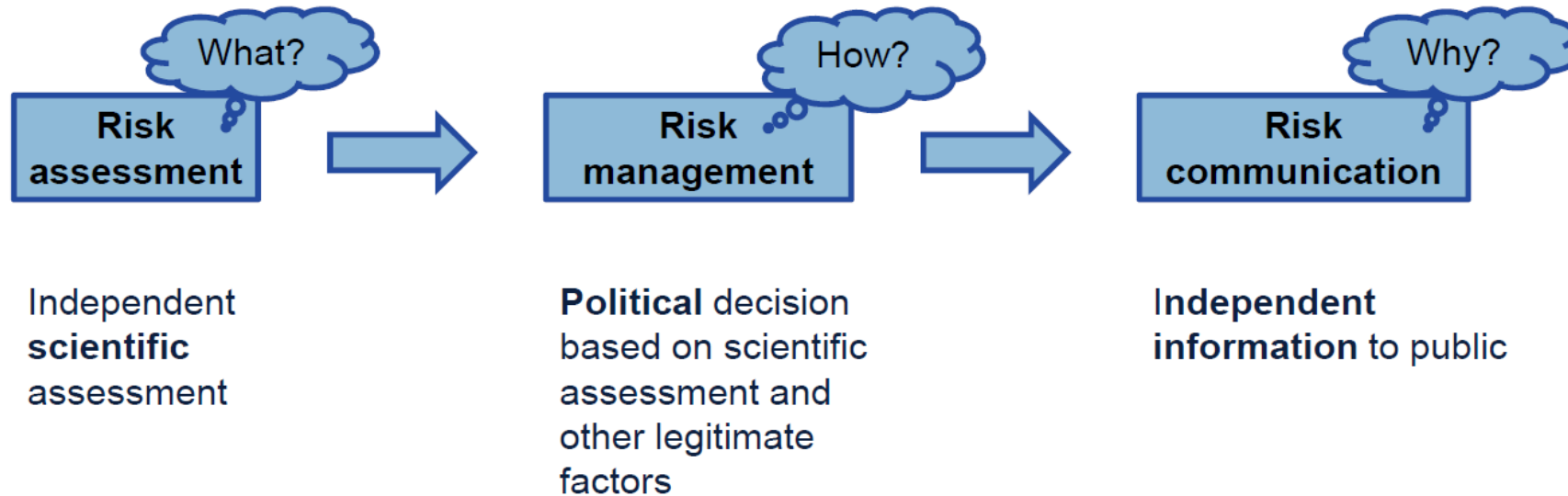


Sveinn Margeirsson

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# Principle of risk analysis: A clear separation of tasks

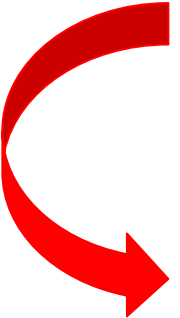


**Rationale: Increase transparency and guarantee independence of scientists from political influence**



# The Barriers to Innovation

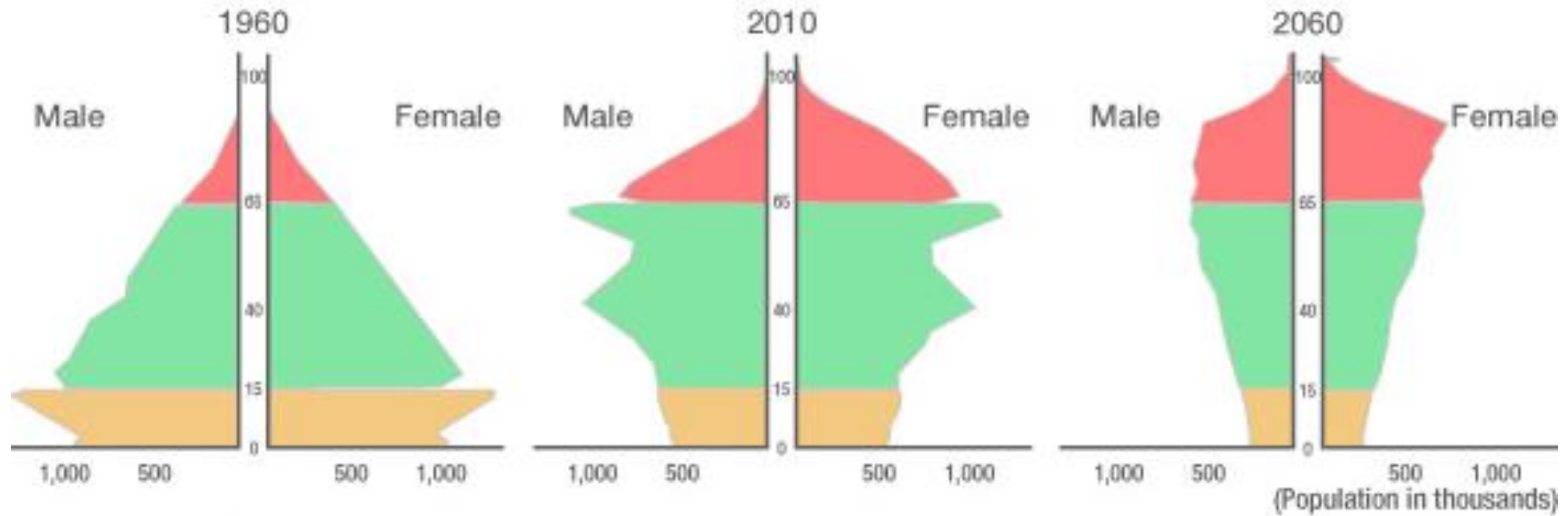
1. Public officials often confuse action for words
2. Government-funded services often lack systems to identify good innovations
3. Traditional government budgeting can discourage innovation
4. Incentives in government can discourage rather than promote innovation



“To be sure, public-sector workers often have the human ingenuity and desire to find better ways of doing things. But they also contend with incentives that discourage innovation. For example, innovation entails risk, and when something fails in government, political leaders and staff face sharp criticism from the media and the legislature. Often the **real incentive in government is to keep doing things the safe way**, even if that means that better, more efficient methods are never identified.



# We do not have time just to „see how it goes“



## Japan





# Technology connecting everything and everybody

## Top stories



Amazon says it had its biggest shopping day ever on Cyber Monday

CNBC

22 hours ago



**26+ BILLION**  
devices will be  
connected by 2020

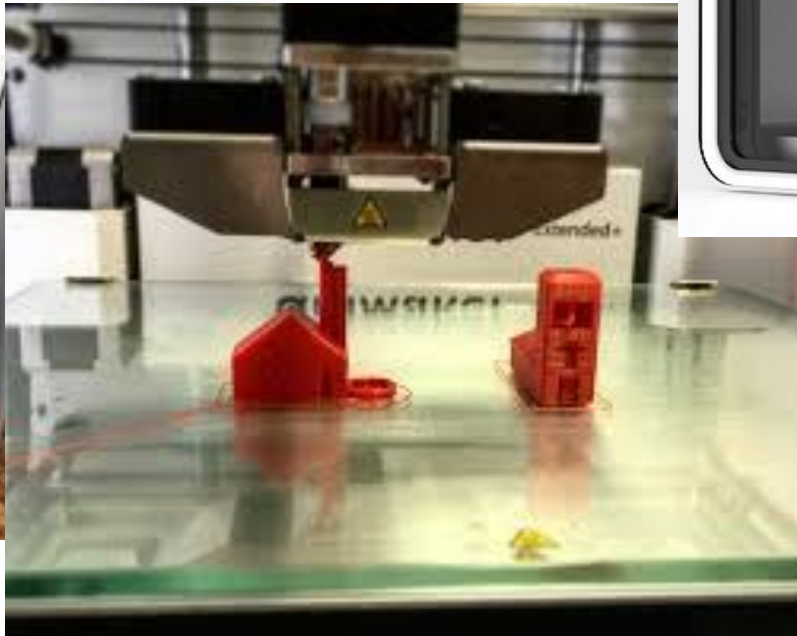
**\$4-11 Trillion**  
Economic Impact

**54%** of top performer  
companies will invest  
more in sensors this yr

Sources: Gartner, PwC, McKinsey



# Old fashioned „economy of scale“ is being disrupted



**What are the most important regulatory restrictions inhibiting value creation in rural areas?**



**What are the most important incentives for value creation in rural areas?**

