Case #6

Smart Kalasatama

Joint Development of a New Smart and Sustainable City District

START DATE	2013
LOCATION	Helsinki, Finland
THEME	Urban Transitions
LEAD CONTACT	Veera Mustonen, the Head of the Smart Kalasatama Project
STAKEHOLDERS	Private, Civil Society, Public & Third Sector

Case Study Overview

In 2013, the City Council of Helsinki launched the Smart Kalasatama Project which aimed to develop Helsinki's very own new, smart and sustainable city district. As part of the project, the Kalasatama Developers Club (KDC) was initiated as a collaboration network that encouraged local stakeholders to get involved in developing the Kalasatama City district[1]. The KDC is one of the first of its kind in Europe and aims to ease the process of finding partners to collaborate and develop projects with, fostering a new kind of district-based co-operation. Although the project aims to develop sustainable urban districts that are energy efficiency and reduce waste, the key aim is to give people back one hour of their time each day (e.g., by enhancing transport, improving the efficiency of energy generation, etc.).

Open Innovation requires a lot of presence, a lot of engagement and a lot of time. People come with different backgrounds and it takes time for them to get to know each other

The district is developed in close co-operation with public sector, academia, NGO's, businesses and residents who are all integrated into the Open Innovation process as a way to experiment and implement new smart ideas.

The Smart Kalasatama Project will house up to 20,000 residents and provide jobs for around 8,000 people. Although the district is not yet completed, currently over 3,000 inhabitants live in the area and it is expected a further 1,000 are expected to move in each year[2].

Obtaining: Local residents share insights for sustainable city district

The KDC, which meets up four times a year, enables local stakeholders and planners involved in the 'Smart Kalasatama Project to discuss ideas, build networks and contribute towards future plans (it is also known as The Innovators' Club). Veera Mustonen, the Head of the Smart Kalasatama Project, shares insights about why KDC has been so successful in facilitating the sharing of expertise and knowledge between stakeholders:

'We have to recognise all interests simultaneously. If you are doing something, that isn't in everyone's interest, then you're doing it wrong. It is possible to co-create … initiatives that benefit all stakeholders.'

Thanks to the KDC's activities, stakeholders can regularly share news and gather information about upcoming events and future projects. There are more than 300 people from industry, universities and civil society involved in KDC's activities overall. KDC's meetings are held at different locations in the district to enable everyone to participate in the decision-making process and provide insight and expertise on the local area.

[1] Smart Kalasatama Programme, fiksukalasatama.fi/en/co-creating-services-for-smart-cities/ – Accessed December 2017

[2] Forum Virium Helsinki, forumvirium.fi/en/smart-agile-piloting-in-kalasatama/ – Accessed December 2017

Integrating: Sourcing and co-developing smart solutions

To date, stakeholders are working together with the KDC, to design and implement innovative sustainability ideas within the district. The KDC has acted as the initial focal point and meeting place for project related activity, from brainstorming and co-creating ideas, to networking and designing projects. The 'Smart Kalasatama Programme for Agile Piloting' accelerated innovation within the city by procuring prototypes to real city environments that have be co-created in meetings and hakathons. Stakeholders are motivated to work with different types of organisations as there is support available to turn the idea into a reality. Although the KDC facilitate networking, any subsequent activity, such as implementing the project and developing project plans, takes place between stakeholders outside of the KDC facilitated events. Mustonen explains:

'We have a lot of constructive involvement and interesting players [involved in projects]. People want to come back and they want to be involved because they want to meet each other and work together. Now people know each other and they have their own network, which we don't facilitate.'

Although there are clear benefits in bringing stakeholders together, there are still inherent challenges that are brought to light throughout the Open Innovation process. For example, political processes and bureaucracy can often slow down the development of a project, there is often strict regulation on infrastructure projects and larger stakeholders can be difficult

to engage in the process as they may have whole departments delivering similar projects. Mustonen reiterates this point:

'Some companies [larger stakeholders] can, in a sense, create a whole ecosystem within their own organisations. The incentive to participate in these Open Innovation processes is therefore not that strong for them. They keep coming to our activities, though. To meet the start-ups and experience the future possibilities through the network.'

Implementing: Creating 'test beds' within the city

In the Kalasatama district, there are currently around 20 active projects owned and run by the different stakeholders involved with the KDC. These projects often vary in size, with larger infrastructure projects driven by companies or organisations and smaller projects run by the residents (e.g., community-led initiatives). Today more than 78 businesses, 4 universities and over 20 local residents are actively involved in sustainability projects in the Kalasatama district, not to mention the many hundreds of residents, who actively participate in projects more generally by providing feedback to the KDC regarding projects in their district.

Mustonen reflects on the successes of the KDC in facilitating the Open Innovation process in the Smart Kalasatama project:

'Open Innovations requires a lot of presence, a lot of engagement and a lot of time. People come with different backgrounds and it takes time for them to get to know each other. You have to create the space and atmosphere for people to meet. Facilitate in the beginning, then let go. And give it time!'

Effective facilitation is paramount for the Open Innovation process to be successful in engaging stakeholders and stimulating interest in projects, as is the provision of the right amount of time for stakeholders to work together as they try to counteract the inherent challenges they each face individually.

Case Study Summary

The Smart Kalasatama Project is an experimental innovation platform where anyone can co-create smart urban infrastructure and services. The City Council of Helsinki utilised the Open Innovation process in this project; it enabled them to obtain the best knowledge available in their local ecosystem, (e.g., from universities, businesses or residents). By facilitating events and creating the right environment for networking, the KDC encouraged stakeholders to participate in the design and development of the Kalasatama City District. The KDC effectively encouraged the development of innovative solutions from large and small consortiums as well as keeping stakeholders motivated by offering support for the best ideas.

Challenges:

Managing large consortiums can be challenging within the Open Innovation process as they frequently consist of different stakeholders, each with their own way of working. These differences can be overcome, but this requires keeping the stakeholders motivated and driven to implement their solution. This can be achieved by helping them to develop a vision with buy-in from each stakeholder involved.

Results:

- Helsinki qualifies as an EU 'Innovation Capital' for its innovation platforms such as Smart Kalasatama and intelligent transport pilots.
- The Smart Kalasatama Programme for Agile Piloting has launched three calls under three themes, and received over 130 offers. The programme has engaged over 500 citizens, 10 city departments and 30 companies in co-creation activities.
- In 2015, Frost & Sullivan ranked it Helsinki number one 'Real-Time City' in Europe for its data-based services, open source utilisation and collaboration. The Smart Kalasatama Project runs quarterly 'Innovators' Clubs' what attract more than 200 stakeholders who come together to co-create smart infrastructure and services[3].

[3] Smart Kalasatama Programme, fiksukalasatama.fi/en/building-blocks/innovators-club/ – Accessed December 2017