This paper deals with policy options for constructing cross-border innovation systems. Trans-frontier cooperation and policies to stimulate increased interaction between neighbouring regions that belong to different nation states are not new phenomena. There is a large body of work on the governance structures of such areas and the array of public policies geared towards promoting increased economic integration. Little has been said so far, however, about the nature of policies that could stimulate the innovation dynamics of cross-border regions. This issue is critically important, because in the contemporary era of the globalizing knowledge economy the competitiveness of these regions will – at least in the long run – depend on their capacity to develop a common innovation system. Arguably, cross-border regions differ markedly in their preconditions and abilities to create such systems. Recent research has enhanced our understanding of different types (or stages) of cross-border RIS and the role played by suboptimal levels of distance – including physical, cognitive, functional and institutional ones – as barriers to the flow of knowledge across borders. What remain less understood are the policy implications that result from these insights. The paper intends to shed some light on the role of policy in constructing a cross-border RIS by addressing the following research questions. Do suboptimal levels of distance constitute rationales for innovation policy and demand specific policy actions? What are adequate policy strategies for different stages of cross-border RIS development?