

## Annex 1

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# Action Plan Denmark

### Summary

This action plan describes a list of actions planned by the Danish authorities to improve the Cluster and Innovation Network strategy as well as the Innovation Denmark Programme (funding scheme for innovation networks). The actions will be implemented in the period 2018 – 2020 and will implement changes which intends to improve the policy instruments in question, building on obtained knowledge from the other P2L2-partners during the project period.

Using the other partners as a mirror, Denmark have gained valuable knowledge about our own system and the importance of a coherent system across different administrative levels and the importance of a good dialogue and interactions between different funding programmes

The Danish action plan is focused on addressing two main challenges:

- Avoiding overlaps and overload of offers within the Innovation Network Denmark Programme. This will be obtained by diminishing the number of funded actors in the innovation and business promotion system, as well as creating a more cohesive strategic framework.
- Improve the performance of innovation network-organizations in their effort to facilitate internationalization and access to R&D infrastructure abroad concerning advanced materials for Danish companies and knowledge institutions.

## Part I: General Information

**Project:** Public Policy Living Laboratory (P2L2)

**Partner organization:** The Danish Agency for Institutions And Educational Grants (DAEIG) (until 1st January 2017 The Danish Agency for Science, Technology and Innovation (DASTI))

**Other partner organizations involved (if relevant):** N/A

**Country:** Denmark

**NUTS2 region:** Hovedstaden

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## Part II. Policy Context

**The Action Plan aims to impact:**

- Investment for Growth and Jobs programme
- European Territorial Cooperation programme
- Other regional development policy instrument

**Name of the policy instrument addressed:** The Innovation Network Denmark Programme and the Cluster and Innovation Network strategy

**The Cluster and Innovation Network Strategy:**

In 2013 Denmark's first cluster and innovation network strategy was launched. The strategy is a common document including eight ministries, the six regional growth forums and the organization Local Government Denmark (KL). The purpose of the strategy is to strengthen cluster development and the value creation of the clusters as well as create greater coherence and synergy between the national, regional and local cluster efforts. As part of the strategy, a Cluster Forum was established, where the responsible ministries, regions and larger municipalities cooperate to ensure coherence in cluster efforts and meet the strategy's goals and efforts. The current strategy covers the period 2016-2018.

**The Cluster Forum**

In order to facilitate dialogue between funding authorities at local, regional and national level a Cluster Forum was established in 2014. The work of Cluster Forum is based on a common cluster and network strategy (Cluster Strategy 2.0 – Strategy for Denmark's Cluster and Network Policy for 2016-2018). The Cluster strategy is the strategic framework for coordination between funding authorities, but it does not have a formal legal status. It provides common goals and principles for collaboration in order to professionalize and strengthen the Danish cluster and network initiatives.

The Cluster and Network strategy does not directly provide a guide for which cluster and network initiatives, that are to be funded at the national and regional level. This is managed by the different funding authorities, which have been legally appointed to allocate the different funding schemes (e.g. the innovation network programme is administered by MHES/DAIEG etc.).

**The Innovation Network Denmark Program:**

The Ministry of Higher Education and Science funds and manages the Danish Innovation Networks (22 networks in 2018). The Innovation Networks are organized with independent secretariats and operates within different business sectors and knowledge areas. The purpose of the Innovation Networks is to build knowledge sharing bridges and bring together researchers, companies and public authorities to create innovation and growth. The networks exist in areas where Denmark has important strengths, such as production, ICT, energy, environment, transport, lifestyle, health and food.

The innovation networks work as a framework for activities and projects that can inspire companies and researchers about new trends and technologies, concretize and test ideas, and create new collaborations both in Denmark and abroad.

## Part III – Details of the actions envisaged

### ACTION 1

#### Background

Denmark have experienced challenges when it comes to implementing the smart specialization strategies. This is due to the fact, that ERDF-funding is managed on a national level (NUTS 1), but allocated to the 5 Danish sub-regions (NUTS 2) that each have similar agendas and strategies. This contributes to an overlap in cluster and network initiatives across the sub-regions, which offset competition among actors in the system. Altogether the different administrative levels and authorities involved contributes to an inflated number of different public initiatives/actors in Denmark concerning business and innovation promotion, leading to lack of overview for the enterprises that are the target of the activities.

The Danish Ministry of Science and Education have thus sought inspiration in the P2L2 project with the intention to work more strategically with the smart specialization framework in the context of the Cluster and Network strategy. An important take away from the P2L2 project was the use of Key Enabling Technologies (KET's) as a focal point in the different regional strategic setups (e.g. Bremen, Bordeaux and Lithuania). Focusing on KET's will help creating a more horizontal division of the cluster initiatives according to positions of strengths cross-cutting business sectors and administrative borders.

The period of the existing Cluster and Network Strategy runs out in 2018 and a new is to be developed. The aim of the new Cluster and Network Strategy is to ensure fewer overlaps among actors and initiatives across regional and national administrative borders. This entails further alignment of strategies among funding authorities according to common goals and criteria for allocating funds.

**Actions**

- Developing a new Cluster and Network Strategy. The objective of the working group is to create a new common Cluster and Network Strategy with the aim of further strengthening dialogue about aligning cluster and network initiatives to avoid overlap and inexpedient use of public funding. The aim is to diminish the number of funded players in the innovation system as well as creating a coordinated cluster structure. The EU RIS3 smart specialization framework will serve as inspiration for the discussions in the working group. A new Cluster and Network Strategy will be submitted for discussion and approval in Cluster Forum before the end of 2018. A representative from the P2L2 team will lead the strategy process in order to share lessons learned from the project.
- There will be established a strategy-working-group in 2018, with the purpose of creating a new Cluster and Network Strategy for 2019-2021. The strategy-working-group (expected 4-5 members) will consist of representatives from national, regional and local (municipal) level. Expected number of meetings: 2-3 times in the developing process.
- Increasing the dialogue and bilateral bonds between The Ministry of Higher Education and Science (responsible for innovation) and the Ministry for Industry, Business and Financial Affairs (managing authority for ERDF-funding)

**Players involved**

- Representatives from local, regional and national levels. Representatives are recruited within Cluster Forum. On national level representatives will be needed from The Ministry of Higher Education and Science (responsible for innovation) and the Ministry for Industry, Business and Financial Affairs (managing authority for ERDF-funding). From a regional level: Representatives from regions and the interest-organization Danish Regions. From local level: Representatives from the interest-organization Local Government Denmark and the municipalities.

**Timeframe**

- Deadline for establishing a strategy-working-group: Before the end of April 2018.
- A new strategy should be ready for discussion and conclusion in Cluster Forum in 2018

**Costs (if relevant)**

Not relevant

**Funding sources (if relevant):**

Not relevant

**Indicators & Impact**

Result Indicator

- Establish working group – 2-3 meetings
- Updated Cluster and Network Strategy for the period 2018-2021

Expected Impact

- Closer coordination among funding authorities and related initiatives in the Cluster Forum.
- Increased critical mass in cluster and network initiatives e.g. increased funding for each initiative (aprox 4 mio. DKK pr. year in 2018) and/or increased number of members (aprox 130 members pr. network in 2018)

**ACTION 2****Background**

SME's lack the resources and insights into other regions or countries' innovation infrastructure to utilize it optimally - even in their own field of specialization. The P2L2 project has shown that there are unexplored possibilities in the other EU regions concerning research and development infrastructure concerning advanced materials (e.g. ERDF funded). Danish companies are not utilizing these opportunities optimally because of a lack of knowledge and contacts. Innovation networks can help bridge the gap as they are specialized in connecting companies with the right knowledge-partners, authorities, foreign clusters or companies.

Denmark thus wish to improve the performance of Danish innovation networks in their effort to develop transnational linkages between SME's, clusters/networks and research institutions within the field of advanced materials and related sectors. This process have already begun, as the Danish P2L2 stakeholders have already started bilateral cooperation with the partners and/or clusters in the participating regions of the P2L2 project.

**Actions**

- Funding innovation network activities/projects within the existing Innovation Network Denmark funding program and supporting the innovation networks' efforts to facilitate internationalization and access to R&D infrastructure concerning advanced materials for Danish companies and knowledge-institutions. Funding of the activities or projects will be restricted to the current national budget of the Danish Innovation network programme or the Baltic Sea Region, Innovation Express Programme (BSR).
- Calls for innovation network grants conducted by DAIEG in 2018-2020 will have a separate strategic aim of strengthening the field of advanced materials and related sectors (or at least maintaining the funding)
- DAIEG will monitor the P2L2 stakeholders in order to document how the contacts created in phase 1 of the P2L2 project will lead in to specific R&D projects or matchmaking with partners in the other regions.

**Players involved**

- The Danish Agency for Institutions and Educational Grants (DAIEG).

**Timeframe**

- 2018-2019-2020

**Costs (if relevant)**

- Not known yet.

**Funding sources (if relevant):**

- Not known yet.

**Indicators & Impact***Result Indicator*

- Increased funding for research and innovation infrastructure on advanced materials, and related projects (ERDF or national funding)
- Focused effort among innovation networks on access to research and innovation infrastructure concerning advanced materials (R&D projects)

*Impact Indicator*

- 1-2 cluster-to-cluster cooperation projects concerning research and innovation infrastructure on advanced materials
- Increased no. of companies/knowledge institutions have gained access to R&I-infrastructure and/or international partners

**ACTION 3****Background**

Following up on the Danish Research and Innovation Strategy – Denmark Ready for the Future, 2017 - The Ministry of Higher Education and Science have established an international expert group that will help in identifying international best practices for improving the Danish knowledge innovation system.

The learnings and actions from the P2L2 project will have to be integrated within the above mentioned process, but the regional action plan it will not have a formal role in providing recommendations for the expert group.

**Actions**

- The international expert group will provide the Danish Government with international best-practice recommendations concerning potential adjustments of the Danish knowledge based innovation system. The aim is to have a knowledge-based innovation system that ranks among the global elite, and support stakeholders working effectively and towards common overall objectives. The Danish Ministry of Higher Education and Science will assume the role of secretariat to

the expert group. The secretariat will provide data and background information to the expert group regarding the Danish innovation system as well as international best practices concerning R&I-systems. This also includes relevant best practices and insights from the P2L2 project. On the basis of the information obtained from the secretariat and their own knowledge and experience, the expert group will present their views on the Danish innovation system and give recommendations to improve it. The expert group is expected to consist of 5-6 experts and meet 2 times in Autumn 2018 concluding with a report of recommendations in the beginning of 2019.

- The Danish Ministry of Higher Education will follow up on the recommendations from the international expert group addressing the need for adjustments to the Danish innovation system, including the Innovation Network Denmark Program. This process is set to start after the publication of recommendations from the international expert group in 2019 and is set to conclude with adjustments to the Innovation Network Program from 2021.

#### **Players involved**

- The Ministry of Higher Education and Science (MHES) including The Danish Agency for Institutions and Educational Grants (DAIEG). MHES is responsible for the policy process and organizing cooperation with the international expert-group. The task of DAIEG is to provide background knowledge about the knowledge base innovation system in Denmark, including the Innovation Network Denmark Programme and to implement adjustments according to political decisions.

#### **Timeframe**

- 2018-2020

#### **Costs (if relevant)**

- Not relevant

#### **Funding sources (if relevant):**

- Not relevant


#### **Indicators & Impact**

##### Result Indicator

- Development of a background report for the expert panel. The P2L2 learnings will serve as input for the background report.

##### Impact Indicator

- Yet to be settled.

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