

**CLUSTERIX 2.0**  
Interreg Europe



European Union  
European Regional  
Development Fund



---

**ACTION PLAN**  
CLUSTERIX 2.0 NEW MODELS OF INNOVATION FOR STRATEGIC  
CLUSTER PARTNERSHIPS

**SOUTHERN DENMARK**  
Region of Southern Denmark

# Table of Content

## Part I – General information

Project: **CLUSTERIX 2.0 - New Models of Innovation for Strategic Cluster Partnerships**

Partner organisation: Region of Southern Denmark

Country: Denmark

NUTS2 region: Region of Southern Denmark

Contact person: Helle Knudsen

Email address: helle.knudsen@rsyd.dk

Phone number: +45 2920 1905

## 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 Regional Development Strategy of Southern Denmark**

### **INTRODUCTION:**

The Region of Southern Denmark chose in 2008 to shift the strategic approach from supporting a wide range of development initiatives to a smart specialisation strategy. This resulted in a focus on few selected business sectors with a high potential for growth. The selected business sectors were Health and Social Innovation, Energy (Offshore and Energy Efficient Technologies) and Design/ Tourism.

The ERDF Operational programme is managed at national level and has until 2019 been implemented by regional intermediate bodies, such as the Growth Forum of Southern Denmark within the Region of Southern Denmark. It was interacting with the regional business development strategies and action plans of which the regional cluster policies were vital parts.

The Danish National Government decided in May 2018 to transfer regional business development and the implementation of the structural funds to the state level and thereby, the Region has no possibility to finance actions in the field of business development. The Danish regions have no legal basis to carry out business development initiatives after the governmental reform. The region of

Southern Denmark has no influence on ERDF OP and no possibility to apply for funding of initiatives for business development initiatives.

### **New Policy Instrument addressed:**

As described above the Growth and Development Strategy of Southern Denmark was cancelled at the end of 2018 as the business development competencies and investment possibilities were transferred to the state. The region is therefore setting up a new Regional Development Strategy for 2020-2023 – based only on the Region's own funds and possible external financing. The Regional Development Strategy is currently being elaborated and processed in the political committees of the Regional Council and will be approved in 2019.

The Regional Development Strategy addresses amongst others the policy fields Health and Social Care **Innovation** as well as **Digitalisation**. Digitalisation and PPI are core topics in CLUSTERIX 2.0.

The Region of Southern Denmark (P7) will be able to invest the region's own funds in these areas according to the priorities of the Strategy for 2020-23.

The CLUSTERIX 2.0 Action plan will therefore focus on 2 actions that the region will be able to carry out in partnership with relevant actors under the new policy instrument addressed Regional Development Strategy of Southern Denmark: 1) Public Private Innovation and 2) Digitalisation.

Both subjects were dealt with by the CLUSTERIX 2.0 Working Groups that met at the project meetings in Győr (02/2018) and Clermont-Ferrand (05/2018) at which several representatives from Southern Denmark participated. In addition, a staff exchange was carried out in April 2018 in collaboration with Lower Austria to exchange experiences on digitalisation in clusters, enterprises and in the public sector.

On the basis of the exchange, we organised a workshop in Odense (10/2018) in connection with the Week of Health and Innovation that features developments of digitalisation in the public sector and enterprises in the field of health and social care.

## **Part III – Details of the actions envisaged**

### **ACTION 1: Public Private Innovation**

#### **1. The background**

At the project meeting in Southern Denmark in September 2017 the region presented an example of Good practice on its "Public Private Innovation Pool", a funding instrument for public-private innovation projects that clusters located in the region use as a tools to develop projects in collaboration between the public and the private sector. More specifically, it co-finances projects of companies to test prototypes with public test users. Partners were very interested in the good practices. However, the in-depth discussion at the subsequent project meeting in Győr showed:

1. that the good practice was too specific to be immediately transferred to another region. It needs better understanding of different types of Public Private Innovation and improved communication between the relevant actors;
2. that the definition and the use of PPI, i.e. using public procurement to foster innovation, differ between countries and causes confusion;
3. that the partners need to use common definitions to be able to exchange experiences – and to use these experiences to use PPI in developing new models of innovation for strategic cluster partnerships.

Together with the CLUSTERIX 2.0 partners, Southern Denmark therefore carried out an **analysis that defined and mapped the use of the EU tender legislation and PPI** in the 6 regions that are members of the CLUSTERIX 2.0 working group on PPI. The analysis showcased barriers and possibilities for using the EU tender directive and PPI, and it pointed to ways for clusters to use PPI as tool for development of collaboration between the public and the private sector. Based on examples from different regions, it clearly explained different types of PPI (PPI light, explorative PPI, Innovative tendering and strategic PPI) and the role of clusters in fostering PPI.

The analysis was presented at the Clusterix 2.0 meeting in Debrecen in November 2018 where partners discussed different ways of using PPI in the regions. The discussion showed a need for acquiring and exchanging experiences on PPI and its effect on collaboration between companies and public institutions, specifically with the help of intermediary bodies such as clusters.

To explore possibilities in Southern Denmark PP7 therefore invited Local Stakeholders as well as external participants for a meeting on 18 Jan 2019 to present and discuss possibilities of ways to better use PPI in the region. The 26 participants at the meeting were representatives of cluster organisations (CLEAN and Welfare Tech), municipalities, another region, and staff from different departments of PP7 including a hospital. The participants agreed to address PPI in the Action Plan (action 1) in collaboration with relevant partners and the LSG meeting was the first step to disseminate knowledge about the findings.

#### **Specific lessons learned in CLUSTERIX 2.0:**

In the field of Public Private Innovation, Denmark is the most advanced country in the CLUSTERIX 2.0 partnership. Other project partners did not contribute with a specific good practice on PPI that Southern Denmark could directly transfer.

P7 learned from the partners that the reason for their difficulties to implement PPI is mainly caused by the lack of efficient communication between public procurers and innovative companies. This lack of communication cannot be considered a “good” practice, but it helped P7 to understand that it is crucial to constantly work on this issue as a precondition for successful PPI projects.

P7 therefore decided to further work on the communication between stakeholders, despite the changed responsibility of the region.

Secondly, P7 learned from the analysis carried out in CLUSTERIX 2.0. The analysis describes different possible interventions of public authorities and clusters to foster PPI in a very structured way. Together with the regional stakeholders, P7 decided

- to consider Public Private Innovation as a strategic method and to embed it in the new Regional Development Strategy
- to introduce the new models featured in the analysis to be used in setting up initiatives for strategic partnerships with clusters, enterprises, knowledge institutions and other relevant

regional actors. Based on the models that were featured in the analysis and discussed with partners, a concept for a pilot project on PPI in the field of health has thus been developed.

## **2. Description of Action**

The analysis brought about a need to understand the possibilities of using PPI as a tool for collaboration with external bodies. The presentation showcased the need for concrete successful examples that can be used both in Denmark and abroad.

It has been decided that the regional administration of Southern Denmark should work more with PPI in the framework of the new regional Development Strategy.

**Step 1:** A first step has been taken by putting forward an initiative on PPI in the field of Health Innovation to the regional council in February 2019.

This PPI project will contribute to mature the approach to Health Innovation. It will also show a way to use PPI as a strategic approach in the new Regional Development Strategy to make public institutions work more together at different levels with private companies and civil society.

We expect to promote the use of the EU tender directive to improve public private innovation projects over the next 2 years.

**Step 2:** The new Regional Development Strategy will set up an overall framework in which Public Private Innovation will be included.

**Step 3:** The subsequent action plan will draw up details about ways to use PPI in the different fields of Regional Development fostering innovation.

**Step 4:** The PPI project that has been forwarded to the regional council will bring about useful experiences of working with explorative PPI in the regional administration.

The examples of good practice will be collected and shared with the cluster Welfare Tech that is responsible for the PPI guide at nation-wide level. The analysis showed a need for exchanging good practices and experiences at international level as well to make better use of the possibilities in the EU legislation.

The experiences will be shared with local stakeholders and Clusterix 2.0 partners in the project meetings in Iasi (autumn 2019) and Brussels (autumn 2020). Also, the experiences will be shared with partners in other international for a, such as the North Sea projects in which Southern Denmark is participating.

## **3. Players involved**

Local Stakeholders: Cluster organisations, in particular Welfare Tech and CLEAN to promote the use of PPI amongst companies and public institutions; Northern Connection

Staff at the regional administration: Lawyers to assist in setting up the framework for PPI contracts; development consultants to develop projects in collaboration with relevant external partners in different fields.

## **4. Timeframe**

2019-2020: development of new Regional Development Strategy and Action Plan

**Step 1:** New pilot project on Public Private Innovation developing new products and services put forward to the regional council: February 2019 – Dec 2020.

**Step 2:** Development of new Regional Development Strategy including Public Private Innovation will be put forward to final decision by the Regional Council in December 2019.

**Step 3:** Development of subsequent strategic initiatives: 2020

**Step 4:** Sharing experience with regional stakeholders: bilateral meeting with regional stakeholders such as the region’s purchasing department, the Health Innovation centre, the Cluster Welfare Tech and the Cluster CLEAN.

Sharing experience with CLUSTERIX 2.0 partners: autumn 2019, autumn 2020.

### 5. Costs

3 mio. DKK (400.000 €)

### 6. Funding sources:

Regions’ own funds to implement the new Regional Development Strategy (see additional policy instrument addressed).

### 7. Monitoring

Action	Indicator	Who
<b>Action 1</b> <b>Public Private Innovation</b>	<b>Quantitative KPI:</b> <ul style="list-style-type: none"> <li>• 1 PPI project</li> <li>• Involvement of 10 external stakeholders and 2 international stakeholders</li> <li>• Bilateral agreements with 3 internal units in the region</li> </ul> <b>Qualitative KPI</b> <ul style="list-style-type: none"> <li>• Insights in PPI possibilities in different policy areas</li> <li>• Experiences with PPI as policy instrument</li> </ul>	Clusters in the Region and in other regions Other regions in Denmark abroad Other regional stakeholders The Region of Southern Denmark

## **ACTION 2: Cross-cluster innovation impacting companies and the regional society by exploiting the opportunities of digital transformation technologies**

### **1. The background**

During the project meeting in Denmark in September 2017 Lower Austria presented their work on “Economy 4.0” including initiatives such as the project "Enterprise 4.0" which is run by the cluster organisation Mechatronics Cluster of ecoplus. The subject was at the time also of great interest for the Region of Southern Denmark as the region was about to implement larger projects within Industry 4.0 and Digital innovation with funds from EU’s Regional Fund 2014-2020 Denmark, priority axis A.1, Strengthened innovation in SME.

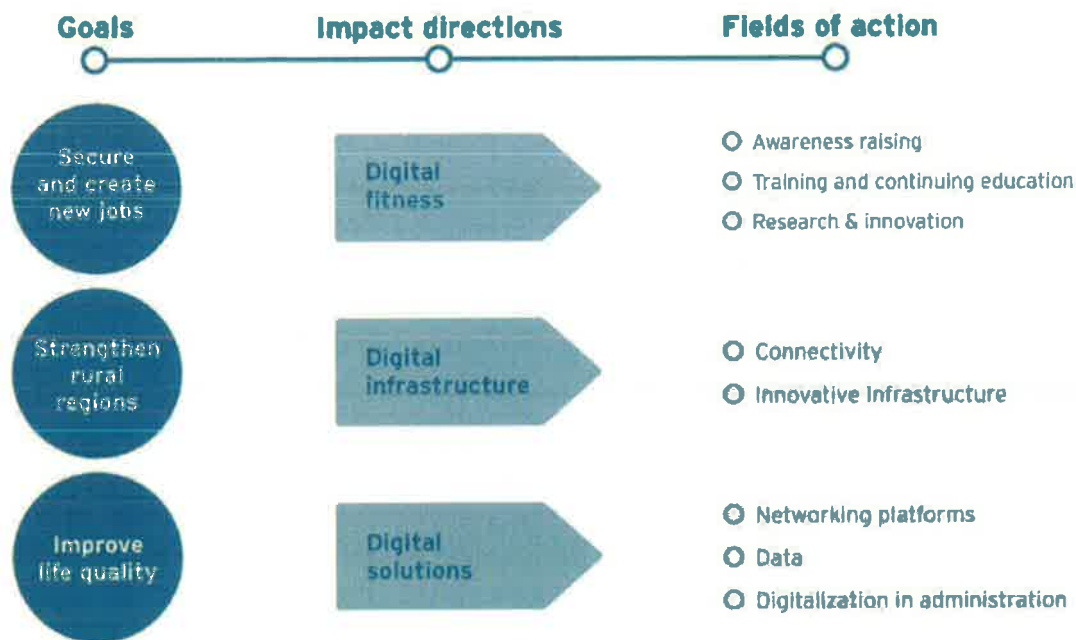
Inspired by good practices from Lower Austria that had been working with digitalisation at a more strategic level – among others that a new strategy was founded on many internal working groups, seminars and questionnaires conducted in all departments and across departments over more than 1 year – it was agreed to organise a staff exchange programme by which a representative from Regional Development in the Region of Southern Denmark visited Lower Austria.

The staff exchange took place in St. Pölten in April 2018 and was the springboard for good exchanges. During the staff exchange it became clear that both parties had some experience with Industry 4.0 projects, however there was still much to learn and new ways to go about the topic in upcoming projects. It was decided that other project partners could learn from ongoing Industry 4.0 cases and projects from both Lower Austria and Region of Southern Denmark and these were therefore presented at the project meeting in Clermont-Ferrand in May 2018.

It was not possible to transfer the good practice “Enterprise 4.0” to Southern Denmark as the new Danish business development legislation does not allow the Region to work directly with development of enterprises.

Nevertheless, there are **specific lessons learned in CLUSTERIX 2.0** that were included in the action envisaged:

The Lower Austrian Digitisation Strategy has a very broad scope.



It reaches from awareness building to development of qualification offers and supporting targeted research, broadband infrastructure development and setting-up an ecosystem for digital transformation. It does not only look at the **innovation** but also on the **quality of life aspect** of digitalization. This approach goes hand-in-hand with the approach for the regional development strategy in Southern Denmark, where the vision is “det gode liv” (*the good life*).

From the Lower Austrian example discussed in the staff exchange and the working group meetings, Southern Denmark learned that digitalisation should not be organised in a cluster organisation as such. Digitalisation should involve and handle digital innovation in ecosystems across clusters, companies and public institutions. Also, as a source of inspiration, Southern Denmark studied the recent Lower Austrian project ‘House of Digitalisation’ on ways to set up an ecosystem for digital transformation of several subjects such as infrastructure, digital skills, research and collaboration as well as test and user labs.

## 2. Description of Action

The exchange of good practices has led to two actions within Digital transformation:

### Action 2.1.:

For the past 10 years Region of Southern Denmark has been promoting an approach to innovation through cluster organisations. A way to promote the opportunities of digital transformation technologies and processes is to let cluster organisation work together in developing new innovative ideas. Therefore clusters need to focus more on cross-cluster innovation which can foster new ideas and strengthen the individual clusters.

With digital transformation as the point of departure, Southern Denmark is developing a new cross-border project on cluster collaboration with Northern Germany. The project outcome should be



common knowledge and common strategies to form the basis for developing strategic initiatives within digitisation in relation to subjects such as qualified labour, strategic research and research infrastructure, public-private collaboration on sustainable growth as well as digitally enhanced innovation between the industries within robot technology, maritime industries and energy efficient technologies. In the end, the project should lead to an actual establishment of a Southern Danish and later also Northern German eco-innovation system within digitalisation and AI.

#### Action 2.2.:

Because of the high level of regional autonomy of Austrian provinces, Lower Austria has developed a Lower Austrian Digitisation Strategy with a broad scope. Southern Denmark does not have the same degree of autonomy, but learned that the digitalisation strategy should target challenges and opportunities in digital transformation across sectors. Using the example of good practice on Industry 4.0 – which is basically the digitalisation strategy of Lower Austria - digitalisation will be included in the new regional development strategy as a means to reach regional objectives such as securing digital competencies and improving quality of life in terms of health, communication and connectivity.

- The new regional development strategy will set up an overall framework in which Digitalisation will be included. The subsequent action plan will draw up details about ways to use digitisation and digital transformation in the different fields of Regional Development.
- The new regional development strategy is emphasising 6 themes related to innovation where digitalisation will be an important tool to address regional challenges in health and social care innovation and infrastructure, in particular in terms of access to fast broadband.

### 3. Players involved

Action 2.1.: Local private and public stakeholders: Knowledge institutions, educational institutions, SMEs and entrepreneurs, cluster organisations, in particular Odense Robotics and CLEAN to promote cross-cluster innovation by exploiting the opportunities of digital transformation technologies.

Action 2.2.: Citizens and regional politicians and staff at the regional administration: citizens and regional politicians to decide on vision and strategy subjects in a new regional development strategy, development consultants to develop the strategy in collaboration with relevant external partners in different fields.

### 4. Timeframe

Action 2.1.: 2019-2020: searching for funds and setting up political steering committee

**Step 1:** A Feasibility study is carried out, financed by the Region's own funds, to unfold barriers and opportunities and to match-make relevant partners for future project/ collaboration (Autumn 2019)

**Step 2:** Setting up a political platform across the border (2019)

**Step 2:** Kick-off of cross-border project (2020)

Action 2.2.: 2019-2020: development of new Regional Development Strategy and Action Plan

**Step 1:** Involvement of regional stakeholders in a co-creation process. One subject to be discussed is digitisation. (March 2019)

**Step 2:** New Regional Development Strategy is subject to a political hearing. (Autumn 2019)

**Step 3:** Implementation of strategy and development of an action plan. (2020)

## 5. Costs

Action 2.1.:

- Feasibility study (65.000 EUR entirely financed by Southern Denmark)
- Establishment of political Steering Committee (no costs).
- Setting up a cross border project

Costs of project: typical project volume 4 mio. €, typically 40% contribution of companies, 60% public funding from Interreg 5 A

Action 2.2.:

- Development of strategy: no extra costs, staff costs of regional employees is covered by the Region of Southern Denmark

## 6. Funding sources:

Action 2.1.:

- Costs for the project: Interreg 5A
- Costs for the feasibility study: region's own funds to implement the new Regional Development Strategy (see additional policy instrument addressed).

## 7. Monitoring

Action	Indicator	Who
<p><b>ACTION 2.1:</b>  <b>Cross-cluster innovation impacting companies and the regional society by exploiting the opportunities of digital transformation technologies</b></p> <p><b>ACTION 2.1:</b>  <b>Development of a new regional development strategy, including digitisation and digital transformation within</b></p>	<p><b>Action 2.1:</b>  <b>Quantitative KPI:</b></p> <ul style="list-style-type: none"> <li>• 1 cross-border political platform on digitalisation</li> <li>• 1 feasibility study, incl. funding possibilities</li> <li>• 1 cross-border project on digitalisation</li> </ul> <p><b>Qualitative KPI</b></p> <ul style="list-style-type: none"> <li>• Insights in challenges and opportunities in digital regional transformation in</li> </ul>	<p><b>Action 2.1.</b>  Clusters in the Region and in other regions  Local private and public stakeholders: academia and educational institutions, SMEs  Other regions in Denmark abroad  Other regional stakeholders  The Region of Southern Denmark</p> <p><b>Action 2.2</b></p>

<b>regional competencies</b>	<p>other European regions</p> <ul style="list-style-type: none"> <li>Experiences with dialogue with citizens and regional stakeholders</li> </ul> <p><b>Action 2.2</b></p> <p><b>Quantitative KPI</b></p> <ul style="list-style-type: none"> <li>1 co-creation process involving citizens and local and regional stakeholders</li> <li>1 regional development strategy including digitalisation</li> </ul> <p><b>Qualitative KPI</b></p> <ul style="list-style-type: none"> <li>Insights in challenges and opportunities in digital regional transformation</li> <li>Experiences with digitalisation in regional competencies such as qualified work force and health and social care innovation</li> </ul>	<p>Citizens</p> <p>Regional stakeholders, such as academia, educational institutions, enterprises</p> <p>Regional elected members</p> <p>Staff of regional administration</p>
------------------------------	---	---

Place, date: Vejle, 7.10.2019

Region of Southern Denmark

*Dorthe Kusk*

Dorthe Kusk

Head of Department

