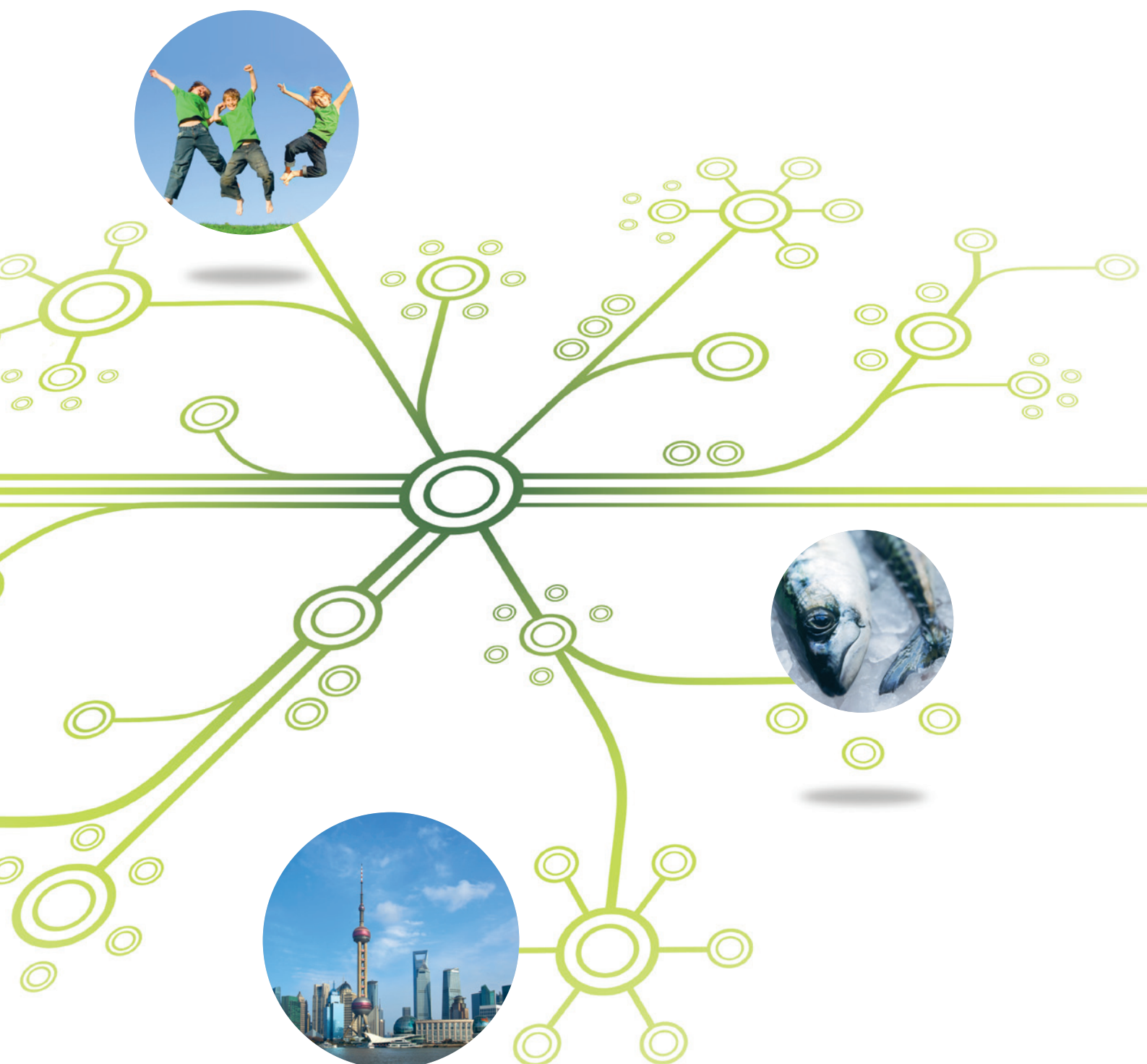




ANNUAL REPORT 2010

ADDING NORDIC VALUE



// Nordic Innovation is an institution under the Nordic Council of Ministers facilitating sustainable growth in the Nordic economies. Our mission is to stimulate innovation, remove barriers and build relations through Nordic cooperation. We encourage innovation in all sectors, build international relationships, and contribute to a borderless Nordic business region. We work with private and public stakeholders to



create and coordinate initiatives which help Nordic businesses become more innovative and competitive //

Visit us at www.nordicinnovation.org



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2010

- A year of renewal and green prosperity

2010 was the year of renewal and change for Nordic Innovation. We spent the year in close dialogue with our stakeholders to figure out the right strategy for the years ahead. Our board, management and staff contributed to this comprehensive strategy development. We also spent time figuring out our role in promoting innovation in the Nordic region, concluding that it is exactly promoting innovation that is our core business. The outcome is therefore a strategy for 2011-2014, placing emphasis on proactive innovation efforts, networking initiatives and competence sharing between the Nordic innovation actors. So far the feedback on our new strategic decisions for Nordic Innovation has shown that the choices we made were correct. The choices made in our new strategy were also in alignment with the new *Nordic Co-operation Programme for Innovation and Business Policy 2011-2013*. Both our strategy as well as the new co-operation program places emphasis on green growth and sustainable innovation as the key factor for successful development in the Nordic region in the coming years.

Along with the new strategy came also a simplification of our name, to better communicate our official role within the Nordic cooperation and that innovation is our primary task. By removing *Centre* from our name we hope to dismiss of all misunderstandings about what kind of institution we represent.

Last year we cooperated closely with the Danish presidency for Nordic council of ministers, and one of our common tasks was to launch the new globalizations initiative for climate friendly buildings.

2010 also marked the official start up of our *Measured and Managed Innovation programme*. After a small pilot we were happy to set aboard the full scale programme with 100 Nordic companies participating in a comprehensive programme that will help them further develop their innovation strategies. These businesses represent more than 160.000 employees, and a 20 Billion Euros turnover. Now in the beginning of 2011 we are starting to see results, and expect more in the coming year.



We need effective innovation to meet our future challenges and this innovation should be the driving force for economic growth in the area »

BENT LINDHARDT ANDERSEN, FORMER CHAIRMAN OF THE BOARD
OF NORDIC INNOVATION



Nordic Innovation's management team is excited with the new strategy and look forward to seeing it in action. From the left: Managing director Ivar H. Kristensen, Human resources manager Kari Winquist, and Communications manager Melita R. Hasle.

New proactive strategy for Nordic Innovation

BY PÁLL TÓMAS FINNSSON

In December 2010, Nordic Innovation finalised a new strategy for the organisation's following four years, placing emphasis on proactive innovation efforts, networking initiatives and knowledge sharing between the Nordic countries.

Definition of commitments and core functions

The formulation of the strategy is based on the visions put forward in the *Nordic Co-operation Programme for Innovation and Business Policy 2011-2013*, adopted by the Nordic trade ministers in October 2010.

- Our new strategy reflects the political visions described in the programme and Nordic Innovation's intended role in achieving the objectives put forward by the ministers, says Bent Lindhardt Andersen, Chairman of the Board of Nordic Innovation in 2010.

The reassessment of the strategy was a key element in preparing a new contract with the Nordic Council of Ministers. The contract was signed at the beginning of 2011 and defines Nordic Innovation's commitments and core functions for the next three years.

Sustainable growth a common denominator

The vision described in the strategy corresponds to the Nordic Council of Ministers' emphasis on reinforcing the Nordic countries' position as a leading region for innovation and sustainable growth.

- We need effective innovation to meet our future challenges and this innovation should be the driving force for economic growth in the area. But not at all costs, it has to be sustainable growth. That should be the common denominator for the Nordic countries in the future, says Lindhardt Andersen.

Nordic Innovation's mission is to orchestrate increased Nordic value creation through international co-operation.

- We encourage the countries to work together on activities where collaboration creates greater

Nordic value than if each country worked on its own. This also applies to cooperation with our partners outside the region, for example EU, Canada and the Baltic region, Lindhardt Andersen continues.

Increased emphasis on networking capabilities

Nordic Innovation's traditional approach to stimulating innovation has been to initiate and fund projects and work towards removing obstacles for innovation in the Nordic countries. Through these efforts, an extensive network of public and private innovation and trade stakeholders has been established.

- The networking aspect has become more and more prominent in our operations and to underline the significance of this development, building relations and creating new partnerships between innovation actors, has been included as an explicit dimension in our strategy, says Communications manager in Nordic Innovation, Melita R. Hasle.

According to Bent Lindhardt Andersen, this is an important modification.

- We go from being a sixth innovation institution that funds projects to focussing on the co-operation between the Nordic stakeholders to a larger extent. What Nordic Innovation does best is to build relations and make sure that we gain from each other's knowledge and experiences. And by doing that, we increase the Nordic value added, he explains.

Five strategic targets outline future activities

Based on the fundamental objectives for the organisation, five strategic targets are highlighted in the strategy.

They include providing international overview and best Nordic insight into innovation and cross-border trade, developing and sharing new innovation competences and creating platforms for co-operation. Improving the conditions for innovation and trade across the Nordic borders, as well as assisting implementation of political initiatives, will continue to be an important part of Nordic Innovation's operations.

Challenging existing Nordic innovation framework and initiating new types of co-operation is an addition in the new strategy.

- It is important to challenge the Nordic countries to continuously develop their innovation approach. There is great potential in encouraging innovation institutes and other stakeholders to think beyond the national level, explore Nordic collaboration possibilities and integrate the Nordic perspective into their existing projects, Melita R. Hasle points out.

More proactivity to increase innovation success rate

Nordic Innovation's more proactive role is intended to increase the innovation success rate for public and private stakeholders in the Nordic region.

- The proactivity not only means bringing national innovation actors closer together. It also means stimulating innovation in Nordic companies, whether by supporting entrepreneurship or by sparking innovation processes in existing companies. Successful innovation is imperative for their continued competitiveness and growth in the future, says Melita R. Hasle.

Bent Lindhardt Andersen is satisfied with the outcome of the strategy process.

- We have agreed on a to-the-point strategy that defines clear guidelines for our operations in the coming years. Nordic Innovation can contribute significantly to economic growth in the area by providing a professional, incisive insight into Nordic innovation processes and by further growing the relations between national authorities and other stakeholders, Lindhardt Andersen says.

The new website nordicinnovation.org is finally in place. Along with advertising-, analysis- and web agencies, Nordic Innovation's Communications department has worked diligently throughout 2010 to create the ultimate platform for innovation, trade and co-operation in the Nordic region.

New website launched



BY SOPHIE TERKELSEN

This has been a long and thorough process, but it has definitely been worthwhile, says Communications manager at Nordic Innovation, Melita R. Hasle. She has led the work along with Project manager and Senior communications adviser, Gaute Rossnes.

- When we started this process we considered it essential to start from the bottom and building stone by stone. Both we and our users wanted a website that would act as something far more than an information platform. Disclosing information is very important, but equally important is to facilitate dialogue and interaction. The first important milestone for us was therefore to put in place a proper CRM system for better handling and dialogue with our stakeholders, says Rossnes.

User-driven development

This system is now integrated with the new website, making it much easier to for example send out newsletters, tailor information to selected groups, help to create networks, and more. Furthermore, extensive analysis and user surveys have been conducted, to identify the needs and wants of those who visit the website of Nordic Innovation.

- Our users have been the focus throughout this process. They have really been the main source to the development of our new site, says Hasle. They also helped us to determine which social medias we will be present in.

Nordic Innovation's three strategic objectives: to promote innovation, remove barriers and build relations, have also been essential in the new

strategy for web and digital channels.

- These three objectives constitute the premises for the functionality of our new website and our presence in social medias. This is the experience we will provide for those who visit us, Hasle says.

A Nordic language perspective

Nordic Innovation has a multinational and multilingual commitment. This also applies to the organization's communications.

- When launching our new website, we have therefore gone to great lengths to meet our users in a way that is easy and accessible. Therefore, the site presents a structure with information in all the five Nordic languages in addition to English. This is also reflected in our new newsletter. Although some articles will only be available in a Scandinavian language, we hope to reach out to a wider audience by presenting every post in our newsletter in English. In this way one can get an idea of what we find important, even if the full article is not available in English, says Hasle.

In such cases the posts will be marked with the appropriate Scandinavian language, so no one will need to load an article they cannot read. Fortunately, everyone in Nordic Innovation speaks English, and would therefore be more than happy to contribute should readers have need for more information on a topic that only exists in one of the Scandinavian languages.

New visual profile

But in addition to new features and multilingual engagement on the Internet, Nordic Innovation

is also wearing a new suit.

- In parallel with the web process, we have also developed a new graphic profile. The visual profile consists of key graphic elements that make up our visual identity and communicate and emphasize our role as a meeting place and promoter for Nordic innovation co-operation, Hasle says.

In line with the new organization strategy

In December 2010, the new organization strategy was adopted by Nordic Innovation's board, and in March 2011 the new contract with the Nordic Council of Ministers (NMR) was signed.

- The new strategy and contract has been especially considered, when working towards the launch. It has been very important to us that our new profile and our new website hang together well with the formal objectives and guidelines set by our board and NMR. Through our design profile and all our communications activities, we will visualize and communicate our new goals. You, as our user, should be able to read, hear and see that we are focusing even more on our core competencies; namely innovation, says Hasle.

Now she has a fervent appeal to all readers:

- Visit our website, follow us on Twitter, join the dialogue, comment on reports, sign up at conferences, and last but not least, be a part of the Nordic innovation co-operation, an engaged Hasle concludes.



« Visit our website, follow us on Twitter, join the dialogue, comment on reports, sign up at conferences, and last but not least, be a part of the Nordic innovation co-operation »

MELITA R. HASLE, COMMUNICATIONS MANAGER,
NORDIC INNOVATION



Guiding principles for Nordic innovation efforts

BY PÁLL TÓMAS FINNSSON

Green growth and welfare are central elements in the *Nordic co-operation programme for innovation and business policy 2011-2013*, outlining the guiding principles for Nordic innovation efforts in the coming period.

Programme based on prosperous collaboration

The Nordic trade ministers signed the programme in October 2010. It identifies the major innovation priorities for the Nordic countries and elaborates on how certain co-operation forms can contribute significantly to prosperity in the region. Main focus is on four priorities; innovation, entrepreneurship, green growth and welfare.

- Education, research and innovation are the most important aspects in meeting our future challenges and ensuring economic growth. Our task is to reinforce these three fundamental aspects in close alliance with our industries and business communities, says Secretary General for the Nordic Council of Ministers, Halldór Ásgrímsson.

According to Ásgrímsson, stimulating economic growth through innovative approaches to a more sustainable future seems natural from a Nordic perspective.

- Our societies are globally known for being mindful of the environment. Energy resources are sustainable, we are conscious about limiting pollution and our bond with nature is strong. Our primary strengths and opportunities lie in creating green growth, which should be the major driving force for the further development of our welfare systems, Ásgrímsson says.

Every challenge represents opportunities

The programme encourages the Nordic countries to work together in all areas of innovation where Nordic value added can be gained from the collaboration. The objective is to address issues like how to reignite economic growth in the aftermath of the financial crisis, development and commercialisation of new energy technologies and transformation of the Nordic societies towards the use of sustainable energy solutions.

- We are well aware of the issues that need to be addressed and we have to react now if we do



« Education, research and innovation
are the most important aspects in
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HALLDÓR ÁSGRÍMSSON, SECRETARY GENERAL,
NORDIC COUNCIL OF MINISTERS

not want to pass them on to our future generations. But we should also seize the opportunities in these challenges. If we succeed in dealing with them through entrepreneurship and innovative solutions, they represent great potential for Nordic companies and the Nordic economies, Ásgrímsson continues.

Furthermore, the programme aims to find ways to react to the demographic change in the Nordic countries, where the senior population is consistently growing, relative to the active workforce. This will best be met by innovative solutions in the health sector, and as things are moving in a similar direction in the rest of the world, commercial potential in health care services is expected to increase rapidly in the future.

Lighthouse projects lead the way

Six so-called lighthouse projects are presented in the programme and serve as role models for other Nordic innovation projects and collaboration forms.

These include the creation of a Nordic Innovation Forum, exploring how the Nordic countries should proceed in their innovation efforts; a Nordic CSR Strategy, promoting Nordic competitiveness

through responsible growth; and a Knowledge Centre for Entrepreneurship, focusing on how education and training can increase entrepreneurship and growth prospects.

A Nordic programme for climate-friendly construction is also amongst the lighthouse projects, supporting the Nordic building sector in developing energy efficient solutions for new and older buildings.

- 40% of our energy is used in buildings, which clearly underlines the importance of improving their energy efficiency. The techniques already exist in the Nordic countries and we have to use that to our advantage by making them accessible to all, says Halldór Ásgrímsson.

Moreover, joint marketing efforts for innovative Nordic companies will be explored, both towards potential markets and investors, as well as how innovation in the health sector can be encouraged through public-sector procurement and regulation.

Combined efforts to attract investment and ensure growth

According to Halldór Ásgrímsson, Nordic Innovation's foundation is strong, but he

emphasizes that increased knowledge sharing and co-operation represent a large growth potential for the Nordic region.

- There is vast knowledge on environmental issues in the Nordic countries, especially in the energy sector. What we want to achieve with the new co-operation programme is to ensure that we continuously develop this knowledge, improve our innovation and production methods and search for new, sustainable solutions, Ásgrímsson explains.

According to Ásgrímsson, the Nordic countries have to work closely together to be able to meet the increased competition, coming from some of the world's fastest growing economies.

- There are advantages in all aspects of the situation, we can exchange knowledge, our development and production capabilities improve and we put ourselves in a much better position to attract capital to the region and thereby support further green growth, Halldór Ásgrímsson concludes.

On the 29th - 30th of September, World Climate Solutions 2010 was held at the Bella Centre in Copenhagen. For the third year running, Nordic Innovation took part on behalf of the Nordic Council of Ministers as an important partner during the event. In all, around 1,600 delegates from all around the world attended, and there was great enthusiasm for the Nordic activities.

World Climate Solutions 2010 concluded with celebrations

BY PÁLL TÓMAS FINNSSON AND SOPHIE TERKELSEN



Given the limited results of the UN's top climate meeting in Copenhagen, COP15, there was considerable focus on active participation and initiatives from innovative and prominent organisations and individuals in the environmental field. The purpose of the conference was to present some of the many green solutions and measures that have already been developed and successfully used in both public and private sectors in the Nordic countries and internationally.

More than 100 speakers on stage

Over 100 speakers presented, from their own viewpoints, ideas for how the environment can be improved and what measures could inspire continued development and more green growth.

The list of speakers included Climate commissioner Connie Hedegaard, Denmark's Climate and energy minister Lykke Friis, Professor of economics Lord Anthony Giddens, Colorado governor Bill Ritter and a wide range of innovators and business leaders from both the large,

David Miller, Mayor of Toronto, Halldór Ásgrímsson, Secretary General of the Nordic Council of Ministers and Ivar H. Kristensen, Managing Director of Nordic Innovation, discuss collaboration between the Nordic countries and Canada during World Climate Solutions 2010. (Photo: Johannes Jansson /norden.org)



established players in the market and smaller, innovative start-up companies.

Great interest in the Nordic activities

Among the activities organised by Nordic Innovation was a joint Nordic pavilion where the Nordic collaboration was presented. The pavilion was the site of great interest in the organisation's activities and many meetings were held there. During the first day of the event, David Miller, Mayor of Toronto, Halldór Ásgrímsson, Secretary General of the Nordic Council of Ministers and Ivar H. Kristensen, Managing Director of Nordic Innovation met in the Nordic pavilion to discuss strengthening collaboration between the Nordic countries and Canada. The forthcoming Nordic Green Days in Toronto were also discussed.

Climate friendly building

On day two, Nordic Innovation, on behalf of the Danish Presidency of the Nordic Council of Ministers, organised a one and a half hour

session entitled: *Climate Friendly Buildings – Promoting Nordic competencies on the global markets*. About 70 delegates attended the session to discuss challenges, opportunities and solutions for climate friendly building in the Nordic countries. Eight speakers, chaired by moderator Karen Sund, created lively and interesting debate between themselves and the audience. One of the speakers, Åsa Wahlstrøm, presented the report *Nordic Analysis of Climate Friendly Buildings*. After the session, both audience and panel were invited into the pavilion, where discussion continued through the afternoon.

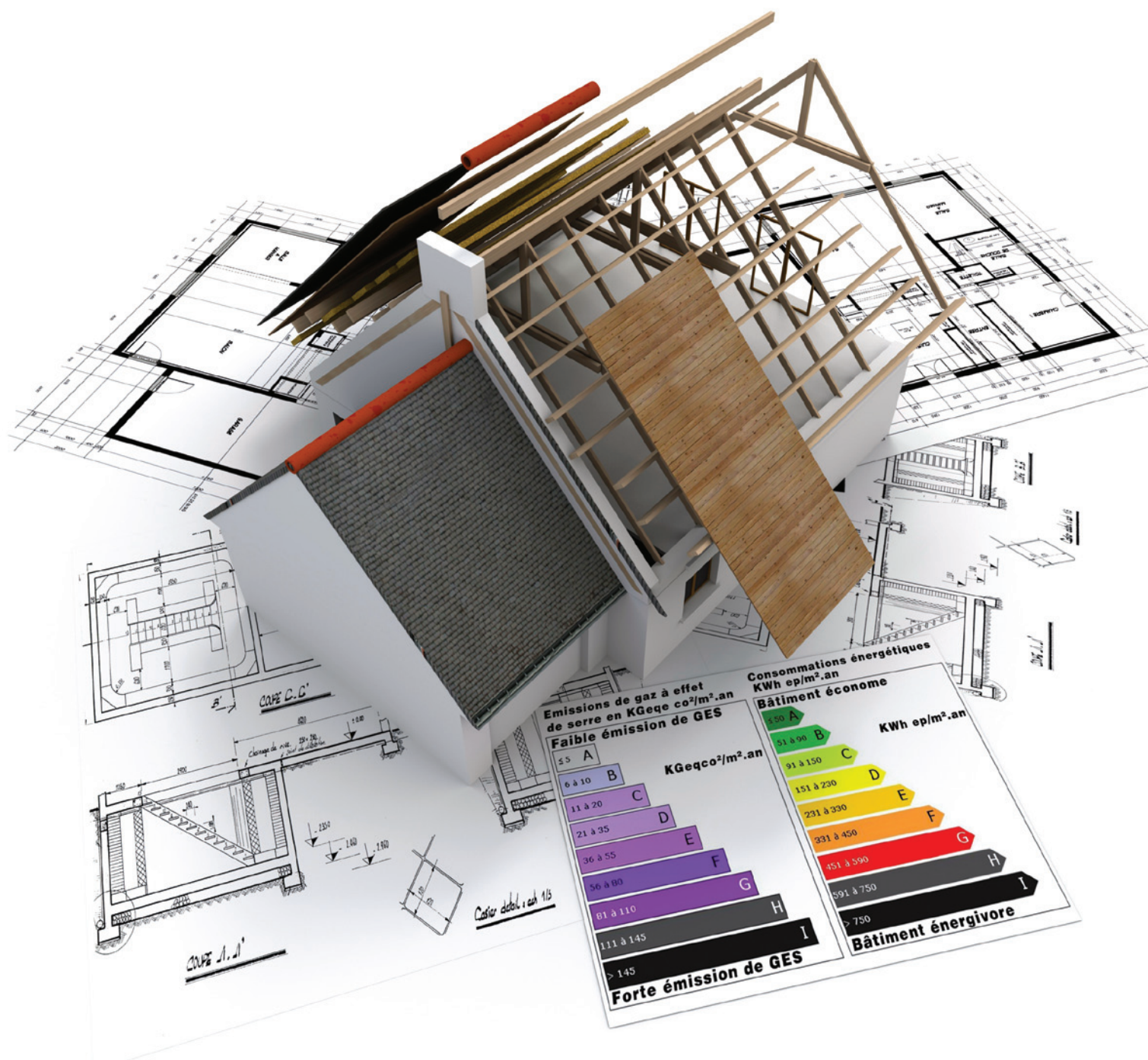
Innovation and CSR

While the Presidency session was going on, Ivar H. Kristensen was in the exhibition area of the Bella Centre, where he was moderating the workshop *Sustainable Leadership*. A large audience assembled here to hear Kristensen and four speakers, including Bjørn Haugland of Det Norske Veritas and Pierre Tabary of Schneider Electric, discuss innovation and CSR, which

is also one of the themes of the Finnish Presidency's Lighthouse Projects 2011.

Food, fashion and cleantech

The afternoon of day two saw the closing session: *From Food and Fashion to Cleantech – Shaping a Nordic brand*, and the event took place on the main stage of the exhibition area. Nordic Innovation participated actively as organiser. Marianne T. Poulsen of SRI International acted as moderator, and with her on stage were Danish energy minister Lykke Friis, TV chef and entrepreneur Claus Meyer and the founders of the Malmø-based fashion house Righteous Fashion. World Climate Solutions 2010 concluded to great celebration from the audience, along with tasting of Nordic raw ingredients and a fashion show. After the scenes of celebration, Meyer, Poulsen and the fashion creators and models gathered in the Nordic pavilion. Fascinating conversations and discussions continued here until it was time to round off a highly successful event.



During World Climate Solutions 2010, Nordic Innovation, on behalf the Danish Presidency of the Nordic Council of Ministers, organised the session: *Climate Friendly Buildings - Promoting Nordic competencies on the global markets*. This session represented the start of Nordic Innovation's new focus on climate friendly buildings.

« The Nordic countries have a great deal to gain by working together, instead of all sitting on their own mounds developing solutions to the same problems »

EILI VIGESTAD BERGE, IINNOVATION ADVISER,
NORDIC INNOVATION



Climate friendly buildings on the agenda

BY SIGURD AARVIG AND SOPHIE TERKELSEN

In 2010, the Danish Presidency of the Nordic Council of Ministers launched a new globalisation initiative aimed at establishing a framework for a joint Nordic innovation programme in climate friendly building. A Nordic working group carried out an analysis, and its report *Nordic Analysis of Climate Friendly Buildings* concluded that there is a strong base on which to create a joint Nordic innovation programme. The Lighthouse project *Innovation Programme for Climate Friendly Building* was established as part of the *Nordic co-operation programme for innovation and business policy 2011-2013*.

Ambitious climate goals and a pressing need for innovation

All five Nordic countries have set themselves very ambitious goals for the reduction of energy consumption in the building sector. The building sector in the Nordic countries also has a great deal in common, such as choice of materials, building practice and climate. The customers have similar needs. There are therefore many things that naturally lead towards a joint Nordic innovation programme for climate friendly buildings.

- The Nordic innovation programme is intended to build on ongoing national initiatives in climate friendly building, and it is our ambition to be a bridge builder and a creator of added Nordic value for the individual countries. Being part of the Nordic innovation programme will have national benefits, says Innovation adviser Eili Vigestad Berge in Nordic Innovation.

It is therefore with a great deal of commitment that she and her colleagues, together with EBST of Denmark among others, are getting to grips with work on the new innovation programme for climate friendly buildings. During the course of 2011, a funding consortium will be established, consisting of national organisations that themselves operate programmes in energy efficiency, sustainable urban development and building.

- The Nordic countries have a great deal to gain by working together, instead of all sitting on their own mounds developing solutions to the same problems, says Vigestad Berge. One of the first important tasks for the programme will be to identify the areas where working together will create the greatest mutual benefits.

A long term commitment

Over the last ten years, Nordic Innovation has implemented a number of projects relating to building and construction. This new initiative is a natural extension of the organisation's long term focus on building.

- We consider it both exciting and relevant for Nordic Innovation to be involved in this programme. This initiative allows us to continue our long and solid commitment to building, with regard to innovation in the sector generally, and especially in sustainable building. It also gives the organisation a unique opportunity to use our expertise to create interaction between Nordic organisations, says Vigestad Berge.

The programme will be launched during the course of 2011. DKK 7.5 million a year has been earmarked by the Nordic Council of Ministers; national organisations will also be invited to give financial support and Nordic Innovation will also contribute from its own funds.

- Together, we shall create a substantial programme, in terms of both content and finance, says Vigestad Berge.

Updates on the website

Vigestad Berge invites interested parties to stay in touch with Nordic Innovation's new website for updates regarding the programme. Also on the website you will find the report *Nordic Analysis of Climate Friendly Buildings*, and the synthesis report *Bygg for fremtiden - Innovasjon i nordisk byggsektor (Building for the future - innovation in the Nordic building sector)*, which is a summary of Nordic Innovation's building sector initiatives in recent years.

Measuring innovation focus in Nordic companies

BY PÁLL TÓMAS FINNSSON

A total of 100 Nordic SMEs and larger companies have commenced their participation in Nordic Innovation's *Measured and Managed Innovation programme (MMI)*. The overall aim is to improve the companies' innovation success rates, and participants in all the Nordic countries are now completing the project's first phase.

Increased innovation awareness

Studies conducted by Nordic Innovation show that only 41 % of the participating companies have a defined innovation strategy, while 63 % state that they operate in markets characterized by strong competition. The numbers clearly indicate the need for increased innovation awareness to enable Nordic companies to differentiate themselves from their competitors.

The objective of MMI is to increase Nordic competitiveness by introducing a focused approach to innovation management. During the programme, the participants diagnose their innovation strategy in detail and get challenged on their innovation efforts and focus. The *Measured and Managed Innovation programme* is led by Nordic Innovation, in close collaboration with national innovation agencies in all the Nordic countries.

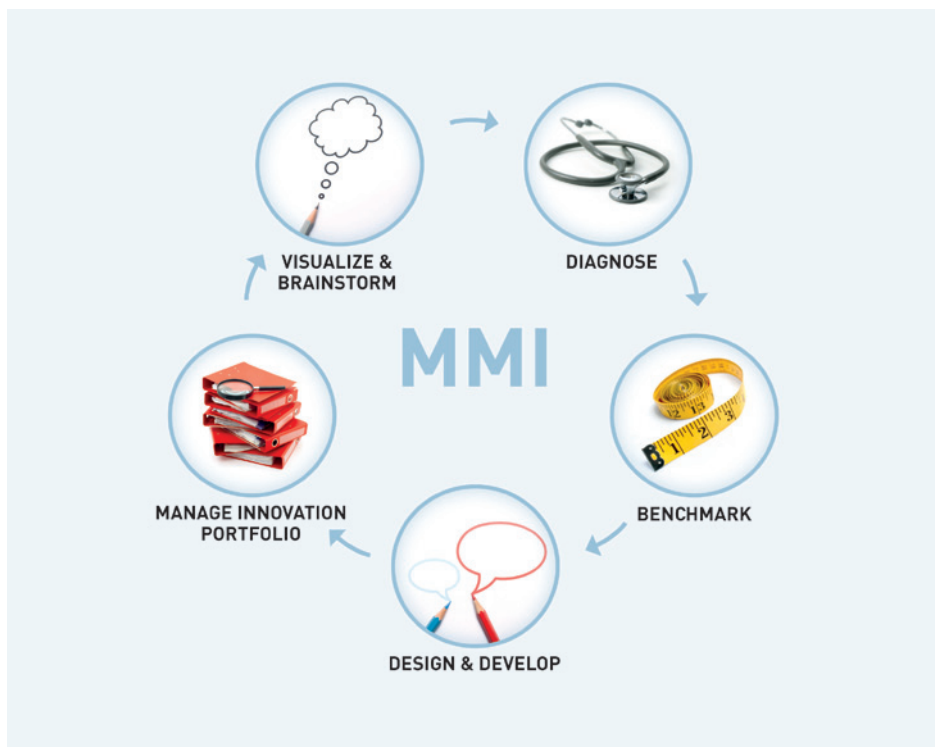
- We wanted to give the managements a tool

that increases their awareness of their innovation strategies. Activating innovation as a source for growth represents a large potential for Nordic companies, but it requires everybody to be aware of how they can contribute to the innovation process and create new values for the company and its customers, says Ivar H. Kristensen, managing director of Nordic Innovation.

A tool for innovation management in a Nordic context

The diagnostic method applied in MMI is based on the Innovation Radar, developed by Mohan Sawney, Inigo Arroniz and Robert C. Wolcott from Kellogg School of Management, Northwestern University. The method was chosen after a thorough comparison of different innovation tools, where their usability in a Nordic context was evaluated.

- After a Nordic pilot test, with participation



from 60 managers from eight different companies, Nordic Innovation and the pilot steering committee concluded that the Innovation Radar was the most applicable for a full scale Nordic programme, as it enables statistical comparison across Nordic industries and borders, says Innovation adviser, Hans Christian Bjørne.

The participating companies go through three rounds of analysis of their innovation focus, during the course of two years. Each company is assigned a consultant, specialised in the use of the Innovation Radar, to guide them through the results and assist them in developing a focused innovation strategy. The Innovation Radar methodology is used to measure and analyse various innovation activities across the company, resulting in an innovation profile, drawn up around 12 different business dimensions.

- The result from the analysis is a Radar Profile that shows how focused they are on each of the business dimensions incorporated in the

Innovation Radar. The method also reveals if different departments within the same company approach innovation in different ways, senior Innovation adviser Jørn Bang Andersen explains.

Benchmarking against other companies

One of the world's most progressive orthopaedic companies, Icelandic Össur, is amongst the participants in MMI.

- Our innovation strategy is well defined and all our projects run through a phase-gated development process. What aroused our interest in MMI was the opportunity to look the innovation strategy straight in the eyes, map our approach and compare ourselves to other industries and investment options, says Hilmar Janusson, Össur's Vice President of Research and Development.

At Nordea Cards, the participation in MMI has been an interesting supplement to internal strategy development.

- We have been working on improving our

innovation strategy and MMI will help us achieve the objectives we want to reach in that process. The combination of the three studies and the workshops with the consultants improves the grounds on which we base our decision-making on innovation in the company, Rikard Munoz from Nordea Cards explains.

Advantages for innovation actors and policy makers

- Some of the most interesting companies in Iceland participate in the project and they have been extremely positive towards MMI, much more so than towards previous, comparable programmes. They have expressed a great deal of interest in using the Innovation Radar for strategic innovation planning in the future, which shows us that the Radar targets the issues that are critical for these companies at this time, says Berglind Hallgrímsdóttir, Managing Director of Innovation Center Iceland.

13 consultancy firms across the Nordic region have been trained in the use of the Innovation Radar. They prepare the companies and make sure that a minimum of six managers from each company takes the Innovation Radar Survey. They also conduct the so-called deep-dive workshops, where the results are analysed and the companies draw up their desired future profile.

Parallel to the studies, Nordic Innovation intends to initiate collaboration with Nordic business schools that will conduct benchmarking studies between the countries.

- The results provided by the business schools will be useful for policy makers and national innovation actors. They will improve their insight into how to co-operate with local enterprises in developing innovation programmes, capable of creating innovation and growth, says Ivar H. Kristensen, Managing director of Nordic Innovation.

«What aroused our interest in MMI was the opportunity to look the innovation strategy straight in the eyes, map our approach and compare ourselves to other industries and investment options»

HILMAR JANUSSON, ÖSSUR'S VICE PRESIDENT
OF RESEARCH AND DEVELOPMENT



NORDIC INNOVATION AS GENERAL PARTNER AT GULLTAGGEN 2010:

Three days of inspiration, knowledge and networking

BY PÁLL TÓMAS FINNSSON AND SOPHIE TERKELSEN

As the year before, Nordic Innovation was a general partner in the Gulltaggen 2010. The theme of the 2010 conference was innovation and entrepreneurship, and those on stage included among other, Sir Richard Branson.

Gulltaggen has become an important meeting place for the creative industries in the Nordic countries, with more than 1,500 delegates. Gulltaggen is organised by the industry organisation for interactive marketing, INMA, and consists of three full days of workshops, exhibitions and conference sessions. The theme for last year's event was innovation and entrepreneurship, and speakers included Guy Kawasaki, Kjell A. Nordström and not least Sir Richard Branson!

The intension of this collaboration was to focus on innovation and entrepreneurial energy in the interactive and creative sector in

the Nordic countries. It was also intended as an aid to establishing new networks and meeting places by focusing on more Nordic collaboration between the countries.

The event, which was held in Oslo on 27 - 29 April, attracted delegates from all over the Nordic countries and internationally. They all came together for three intensive days of activities intended to give inspiration, increase knowledge and encourage networking.

Icelandic delegation at the event

Nordic Innovation also invited an Icelandic delegation to the event, for the purpose of focusing on Iceland as an innovative nation. The delegation was led by Iceland's Industry, Tourism and Energy Minister Katrín Júlíusdóttir, who brought with her the heads of ten companies who wanted to publicise what Iceland has to offer, from green energy to tourism and creative industries.

According to the minister, this was an excellent opportunity for the Icelandic companies to extend their networks.

- The companies had the opportunity to present their ideas and strengthen their ties with both partners and potential investors. They can also draw inspiration from other Nordic companies, which is why this kind of collaboration is good for all parties, said Katrín Júlíusdóttir during her visit.

Nordic reception

A busy programme was organised for the Icelandic delegation and other interested parties. The first day had about 20 workshops on the agenda, one of them chaired by senior Innovation adviser Jørn Bang Andersen at Nordic Innovation and focusing on innovation and leadership.

On day two, in addition to a wide ranging conference programme, Nordic Innovation and The Icelandic Embassy in Oslo initiated a reception at the Icelandic Ambassador's residence. The other Nordic ambassadors to Norway were also invited, as well as the Icelandic delegation. After the reception, the group moved on to Gulltaggen's exhibition area in Oslo Spektrum, where Nordic



Iceland's Industry, Tourism and Energy Minister Katrin Júlíusdóttir (left) took the opportunity during the conference to invite Sir Richard Branson (right) to Iceland, who said immediately after the seminar that he would try to visit the land of the sagas as soon as possible. (Photo: Sophie Terkelsen / nordicinnovation.org).

Innovation had its stand. Here the Icelandic companies had the opportunity to market themselves to potential Norwegian clients and partners.

Met Sir Richard Branson

On the last day the Icelandic delegation and about 200 selected innovation and commercial delegates were able to listen to Sir Richard Branson. The occasion was the seminar *Sustainable and Profitable Innovation in the Nordic Countries*, which was organised by Nordic Innovation, DnB NOR and INMA. The seminar was linked to Gulltaggen and was held in DnB NOR's Marble Hall in Oslo. Those taking part included Stein Erik Hagen, Fredrik Baksaas, Berit Kjöll and Christian Ringnes, among others.

Even though Sir Richard was the event's big attraction, many were inspired by the other speakers on the programme, as well as moderator Arne Hjeltnes.

Iceland's Industry, Tourism and Energy Minister Katrin Júlíusdóttir had the pleasure of introducing the seminar, which had the overall

theme of profitable and sustainable innovation in the Nordic countries. She used the occasion to promote the many areas in which Iceland is innovative. She also took the opportunity to invite other Nordic investors to Iceland, including Sir Richard Branson, who said immediately after the seminar that he would try to visit the land of the sagas as soon as possible.

Norwegian Minister of Trade and Industry Trond Giske also took the stage, followed by Marianne T. Poulsen, European head of SRI International. Poulsen was quick to encourage a Nordic innovation manifesto for strengthened collaboration and commitment to innovation in the Nordic countries.

After coffee and some opera with Didrik Solli Tangen, Richard St. John presented 8 things successful people have in common, based on the findings of more than 500 interviews with people like Bill Gates, Martha Stewart and not least Sir Richard Branson, who was last on stage that day.



Recipe for success

Many people wanted to know the recipe for Branson's success, as founder of one of the world's most recognised brands, Virgin. He puts it down to an instinct for knowing how to make the most of a situation, being good with people, praising employees often and almost never criticising.

After a very successful day, Gulltaggen 2010 was rounded off with a gala dinner and prizegiving in Oslo Spektrum.

After the seminar, the Nordic Innovation had invited Norwegian reporters to capture the meeting between Iceland's Industry, Tourism and Energy Minister Katrin Júlíusdóttir and Sir Richard Branson, which here is being interviewed by Norwegian broadcaster NRK (Photo: Sophie Terkelsen / nordicinnovation.org).

More innovation in Nordic Tourism

BY PÁLL TÓMAS FINNSSON

An innovative tourism sector in constant development represents serious growth opportunities for the Nordic economies.

The Nordic countries have shared interests with regards to development of their tourism, focusing on new service technologies, wellness solutions and sustainability. Developing the sector and confronting international competition together therefore makes a lot of sense.

New products and services

In the autumn of 2008, Nordic Innovation wanted to contribute to a new way of thinking tourism in the region, and therefore launched the programme *Innovation in Nordic tourism - New products and services*. As part of the programme, seven projects were financed. The projects provide valuable insights and recommendations on how the Nordic tourism industry can develop into competitive, sustainable and innovative businesses and thereby increase their market shares globally. Most of the projects concluded their final reports by the end of 2010, and in April 2011 their results will be presented on a final seminar. Here the participants will discuss the findings from the seven projects and how they can promote innovation and growth in the Nordic tourism industry.

Joint Nordic effort

In 2010, Nordic Innovation also had the secretariat for the Nordic working group on tourism, with representatives from tourism organisations and tourist boards from all the Nordic countries. The joint Nordic effort in developing the tourism industry will continue by developing a project together with the OECD, called *Business model innovation in the experience economy and the tourism industry*, which will be carried out in 2011.



FLASHBACKS 2010



03



ABOVE Stian Westlake, Executive Director of Policy and Research at the UK-based NESTA inspired the participants with new knowledge about user-driven innovation in the public sector.



LEFT Marthe Hammer, Research consultant at Helse Bergen and Jens Reigstad from InnoVest presented a study that has examined the health employees' interest in participating in innovation projects.

06



TOP
The Swedish pavilion at World Expo in Shanghai.



Innovation Professor Robert C. Wolcott spoke at Nordic Innovation's breakfast seminar.

03 ØRESTAD USER-DRIVEN HEALTH

March 11 marked the completion of two projects under Nordic Innovations project portfolio for user driven innovation in the health sector. On this day 75 employees from various companies from the Nordic countries had made the trip to Ørestad just outside Copenhagen to present their findings and discuss the framework for user-driven innovation in the health sector. The two projects *Innovation4care* and *New Methods for user driven innovation in the health care sector* are two of the seven projects on user-driven innovation financed by Nordic Innovation.

06 SHANGHAI NORDIC INNOVATION AT THE WORLD EXHIBITION

Nordic Innovation was at the world exhibition in Shanghai, where the project *Nordic innovation representations in Asia* was presented. The project was also brought forward on the Nordic day during the exhibition, which took place in late June.

06 OSLO PROFITABLE BUSINESS ON THE AGENDA

In June, Nordic Innovation arranged a breakfast seminar with renowned Innovation Professor Robert C. Wolcott. In a packed hall at the Mini Bottle Gallery in Oslo, two very inspiring hours with enthusiastic participants from both the industry, government, and education, took place.

The theme of the seminar was how established companies can engage in profitable business development through innovation and entrepreneurship. The participants also got an introduction to Nordic Innovation's *Measured and Managed Innovation Programme (MMI)*.

08

World
Economic
Forum in
Davos,
Switzerland



Nordic
Innovation
has promoted
promising
Nordic
companies
to investors
in Europe.

11



07

07 COPENHAGEN NORDIC CLEANTECH OPEN

In July Nordic Innovation and Venture Cup Denmark agreed on a contract for the project Nordic Cleantech Open. The project is a business plan competition in which 100 Nordic companies participate. Only a few will end up in the finals held at the Cleantech Capital Day in Copenhagen in April 2011. You can follow the competition and read more about it at Nordic Innovation's new website and at www.nordiccleantechopen.com.

08 DAVOS NORDIC INNOVATION IN DIALOGUE WITH THE WORLD ECONOMIC FORUM

In August 2010 Nordic Innovation visited World Economic Forum (WEF) to contribute in the planning of the annual meeting in Davos, January 2011. The workshop took place in the WEF headquarters in Geneva with forum founder Klaus Schwab.

At the meeting representatives from the Nordic business, research and innovation sectors participated, as well as various ministries.

The reason for Nordic Innovation's participation was an invitation from the Managing Director of WEF, to contribute to the formulation of the Annual Meeting in Davos 2011. The main theme of the meeting was to convey the Nordic model and how the Nordic countries have been relatively unscathed by the financial crisis.

Nordic Innovation has also been asked to contribute when it comes to the WEF's future work with innovation. Nordic Innovation therefore continue the dialogue with the WEF in 2011. This also will include the development of a conference focusing on innovation and growth.

11 BERLIN/MÜNCHEN NORDIC COMPANIES MET WITH GERMAN INVESTORS

Nordic Innovation has initiated a collaboration between the leading public seed capital funds in Finland, Sweden and Norway: *Nordic Seed Capital Initiative*. The goal is to develop an efficient and competitive Nordic seed capital market.

Among the many activities that are part of the initiative, one of them is to promote promising Nordic companies to international investors. In November, the *Nordic Seed Capital Initiative* therefore visited Berlin and Munich to meet with German venture capital funds and investors.

THESE PROJECTS WERE GRANTED IN 2010

Health and lifestyle

—
Nordic Platform for Clinical Trials
(10003)

—
Health and innovation
(10007)

Climate, environment and energy

—
Lighthouse project: Climate friendly building
(10099)

—
Nordic Cleantech open (09080)

—
Nordisk Miljøklassifisering (10094)

Network

—
Grænseløse innovationsnetværk for virksomheder og forskningsinstitutioner i Norden (10089)

—
Kompetanseplattform for felles markedsføring av Norden (10134)

—
World Climate Solutions 2010 (10107)

Food, tourism and adventure

—
Nordic tourism co-operation (10008)

—
International Experience (10128)

—
MMI Experience (10108)

Marine innovation

—
Lokalt råmateriale til produktion af fiskefoder til akvakultur (10102)

—
Marine Innovation Programme (07118)

Eracobuild - Sustainable Renovation

—
Sustainable construction products and materials for renovation (10020)

—
One Stop Shop in Sustainable renovation (10022)

Top-level Research Initiative (TRI)

—
Co-financing Top-level research initiative (09079)

—
Research towards Nordic industrialization of The-Salt-and-Paper Battery (S&P Battery) (10014)

—
Nanordsun - Semiconductor nanowire based solar cells (10048)

—
TRI Study: CCS potentials in the Nordic region (10015)

—
TRI Study: CCS and Renewable Energy (10026)

—
Nano Coatings for Solid Oxide Fuels Cell (10051)

Engaging SMEs in the Development of Standards

—
Implementing solutions in order for Nordic SME to have access to International standardization (10015)

—
Energy Management in SMEs (10016)
SME4stone (10117)

InnoGrowth

—
Cross Border Venture Capital (10079)

—
Nordic Baltic Investment Fund (10126)

—
DENIP Program: Innovation for Growth (10078)

—
Akademikere i Norden - hva hemmer og fremmer entreprenørskap/vekstiverksettelse (10083)

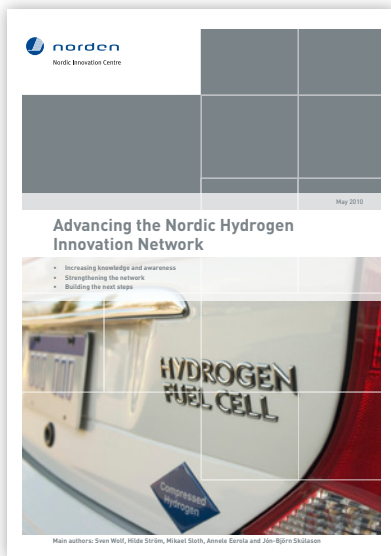
—
Innovative Public procurement (10106)

—
Measured and Managed Innovation (MMI) (09106)

—
Mapping of Nordic and Global Innovation and Entrepreneurship Networks (10109)

—
A pilot Project in Financing of Creative Industries (08038)

SOME OF THE REPORTS PUBLISHED IN 2010



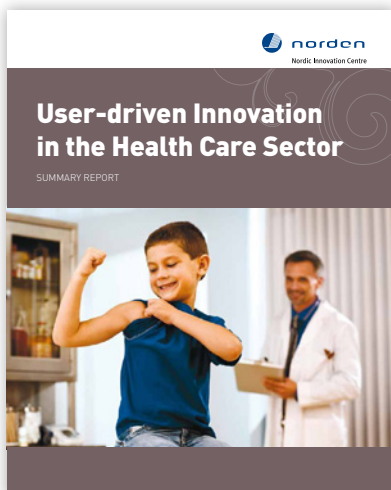
ADVANCING THE NORDIC
HYDROGEN INNOVATION
NETWORK



MID-TERM EVALUATION OF NORDIC
INNOVATION POLICY 2005-2010



CSR-DRIVEN INNOVATION
- Combining design and business in a
profitable and sustainable way



USER DRIVEN INNOVATION IN THE
HEALTH CARE SECTOR
Summary report



NORDIC SERVICE PROVIDERS'
EXPERIENCES AND VIEWS ON
CERTIFICATION AS A BUSINESS TOOL
Summary report



BYGG FOR FREMTIDEN
- Innvasjon i nordisk byggsektor

Interesting opportunities in international trade of services



The service sector accounts for a large share of the Nordic countries' economic activity and improving conditions for export of services represents attractive opportunities. *The Nordic platform for better trade in services* focuses on how implementing certifications and voluntary standards can contribute to consistent service quality and an effective cross-border service market in the Nordics and in Europe.

BY PÁLL TÓMAS FINNSSON

Certification and standards increase market transparency

The platform's main focal point is the implementation of Article 26 from the European Services Directive, stating that EU member states should encourage service providers to use certification and voluntary standards to ensure the quality of service provision.

According to Johan Englund, senior Innovation adviser at Nordic Innovation, the *Nordic platform for better trade in services* aims to advance the development of coordinated Nordic and European certification and standards, recognised across the borders.

- There is a risk that different national standards create trade barriers and lead to a fragmented European service market. The Nordic countries should take the lead in increasing transparency in the standards and thereby facilitate international service trade, Englund explains.

The Nordics as standard makers

The programme has two major objectives, firstly to shed light on the practical challenges in using standards and certification to ensure quality of services, and secondly, to ensure that the Nordic countries play an active role in the development of European certifications and standards.

- This is an important issue. We want to position ourselves as being standard-makers rather than standard-takers. We are hoping to set a European example and acquire consensus on the standards we are developing. This would create considerable competitive advantage to Nordic companies, Johan Englund explains.

The Nordic platform works closely with its European partners, i.e. the EFTA Secretariat, the EU Parliament's Internal Market and Consumer Protection and CEN, the European Committee for Standardisation. According to Englund, the projects initiated within the platform have already attracted attention from these institutions.

Large variety of approaches

A broad range of approaches to standardisation is represented in the platform's project portfolio.

- Some of the projects approach the issue on a general level, exploring the mechanisms between standardisation and legislation. Others are more sector specific, aiming to develop standards within certain sectors of high importance for the Nordic economies, Englund says.

Among the areas explored in the projects are procurement standards giving guidance to providers and purchasers of cleaning services, standardisation in the security sector and elderly services, and the use of standards to enhance innovation in selected industries and in relation to public procurement.

«*The Nordic countries should take the lead in increasing transparency in the standards and thereby facilitate international service trade*»

JOHAN ENGLUND,
SENIOR INNOVATION ADVISER,
NORDIC INNOVATION

Engaging SMEs in the development of standards

Furthermore, three projects dealing with the question of how to engage small- and medium sized enterprises (SMEs) in development of standards have been initiated, following a call for proposals launched in September 2010. The call raised two main questions; how to increase knowledge on standardisation among SMEs and how to make standardisation processes more accessible to them.

- We received nine applications, which was very satisfactory considering that we are dealing with a field of very specific expertise. The

proposals were evaluated by a panel of Nordic specialists. Based on their recommendations, the board of Nordic Innovation decided to grant funding to three of the projects, says Johan Englund.

The three projects aim to make suggestions on how to increase Nordic SMEs' access to international standardisation, implement standards that allow them to improve their energy efficiency and optimise Nordic use of standards in the natural stone sector.

Valuable Nordic insight into standardisation

The report *Nordic service providers' experiences and views on certification as a business tool* was published in 2010. The study aims to identify the factors that affect service providers' willingness to certify and their experiences following certification.

Moreover, TNS Gallup conducted a preparatory study for the call of proposals on engaging SMEs in standardisation. The purpose of the study was to obtain insight into barriers and drivers concerning the motivation of SMEs within the service sector to engage in development of standardisation. The study has been presented to standardisation organisations on a Nordic and European level and gave important input to define the scope of the call.

The studies conducted within the *Nordic platform for better trade in services* have been presented at various seminars during 2010, amongst others *The Baltic Sea Strategy and the Internal Market*, held in Tallin, Estonia. Both the present and former EU Commissioners for the internal market attended the seminar, as well as the Estonian Minister of Economic Affairs and Communication.

- The seminar was an important opportunity to present the Nordic views on the risks of developing national standards with national certification schemes, instead of coordinating the efforts on a European level. An issue that will continue to be our priority in 2011, says Johan Englund.

Competent capital for Nordic growth

BY PÁLL TÓMAS FINNSSON

Nordic Innovation works in various ways towards improving the framework for investment in the Nordic region. The main objectives are to increase collaboration between the countries and present the region as one market, encourage cross-border investment and improve legal environment for international investors. Emphasis is on the need for competent capital to enable promising Nordic companies to acquire growth.

Growth companies need well-functioning capital markets

The efforts to improve the Nordic investment environment go back to 2004, where attracting venture capital was the primary aim. The programme's focus has gradually moved towards creating investment conditions that are apt to provide capital for Nordic growth companies.

- Our challenge is that we need

companies with global potential to sustain their growth and become large enterprises. If we could increase our success rate in this area by only 1-2 per cent, it would contribute greatly to our value creation, says Ivar H. Kristensen, Managing director of Nordic Innovation.

Senior Innovation adviser, Marcus Zackrisson, states that Nordic capital markets need to be improved, in order for these companies to

realise their growth potential.

- We need to establish a complete food chain of capital. The Nordic governments have put large amounts of money into seed funds, so getting start-up capital is relatively easy. However, when more funding is needed to ensure continued growth and a strong market position, things get more complicated, Zackrisson explains.

Competent capital

Attracting capital to the Nordic region is not only about getting funding from international investors. The accompanying competences are equally important.

- You need capital with the right risk profile and the right critical competence. The investment funds need to be able to help the companies grow by establishing contacts and supporting them in their activities, says Zackrisson.

- In the Nordic countries, we invest too little in too many companies. In Silicon Valley, there are fewer investments but on a larger scale, attracting competent owners that want to follow the company's development. This type of competent capital is vital for our growth in the future, Ivar H. Kristensen continues.

A common Nordic presence

The growth capital approach underlies all of Nordic Innovation's capital activities. Considerable effort has been put into increasing Nordic cooperation to attract

capital and present the Nordic region as one market towards investors. Joined together, the Nordics represent the 10th largest economy in the world.

- Closer partnerships between national innovation actors create a bigger home market for our growth companies, where they can test and develop their ideas. Furthermore, it allows the countries to come together and jointly showcase Nordic companies towards international investors, Kristensen says.

One of these common activities is *Nordic Cleantech Open*, an event that allowed 100 Nordic companies to participate in a business plan contest. The 10 best companies presented their ideas towards international investors and got challenged on their business model. The competition final will take place at the *Cleantech Capital Day* in Copenhagen in April 2011.

Public funding can motivate private investment

Public seed funds in each of the Nordic countries invest in early stage companies at a national level. A Nordic outlook for these funds would add significantly to their ability to support growth companies.

- Their national mandate means that when the companies grow, the funds have to hand them over to private investment initiatives. These operate on a Nordic level and concentrate on the further development of the business, says Marcus Zackrisson.

To enhance a Nordic approach to the seed capital market, the *Nordic Seed Capital Summit* was organised in Stockholm in May 2010. A report on the subject, *Creating Nordic Success Stories*, was presented, introducing methods for strengthening Nordic start-up companies with public funding, making them more attractive to private investment funds.

- It should be up to the market to decide, which companies succeed. Public investment funds can contribute with seed capital, which

can then be matched with private, international capital. Doing this on a Nordic level would make our investment environment less fragmented and much more competent, Ivar H. Kristensen concludes.

Fund of funds investment and cross-border investment data

Other efforts conducted by Nordic Innovation are studies, looking for legal obstacles for fund of funds investment and gathering information on cross-border capital flow.

- A fund can invest directly in a company without problems. However, if it wants to invest in a venture capital fund, it risks being obliged to pay double taxes. We are therefore looking into how coordinating corporate setup and tax issues can avoid this and facilitate further cross-border investment, says Zackrisson. The results of the research were presented in *Obstacles to Nordic Venture Capital Funds*, updated in 2010.

Zackrisson points out that a

better understanding of the Nordic market is required to increase investment and growth among Nordic companies.

- No one really knows how much money crosses the borders, as we do not have complete data to work with. We therefore want to see if annual or by-annual statistics of cross-border investment in the Nordics can be produced, linking to a European database on the same issue, Zackrisson says.



« *In the Nordic countries, we invest too little in too many companies. In Silicon Valley, there are fewer investments but on a larger scale, attracting competent owners that want to follow the company's development. This type of competent capital is vital for our growth in the future* »

IVAR H. KRISTENSEN,
MANAGING DIRECTOR,
NORDIC INNOVATION

INSPIRING SOLUTIONS FOR CHILDREN IN MOTION

BY PÁLL TÓMAS FINNSSON



350 jumping guests, 34 playful children on bikes and constant activity on the trampoline. Not the traditional conference formula, but nevertheless some of the ingredients at *Nordic Movement Solutions 2010*.

The conference, which was held in Malmö on 30th November 2010, featured a speech from the biggest Nordic superhero, a hand-walking Minister of Health and an inspiring solution gallery with 50 activities that promote physical activity and healthier living among children and adolescents in the Nordics.

Innovation and new thinking

Nordic Movement Solutions was organised by the Nordic Council of Ministers, Nordic Innovation and the think tank Monday Morning, in collaboration with the Danish Cancer Society, The Danish Guide and Scout Association and the Municipality of Copenhagen. The conference was part of Nordic Innovation's programme *Healthier Choices*, and centred on innovation and new thinking within four arenas; transport, nature, city and school.

Varied solutions

A large number of innovative companies, organisations and institutions were invited to the conference to share their experiences in working with children and adolescents. They each presented their perspective on how children and young people can be motivated to play, be physically active and lead a healthy lifestyle.

A wide range of activities in the solutions gallery

A solution-oriented approach and the joy of playing were essential elements in the idea behind *Nordic Movement Solutions 2010*. The conference's solution gallery featured 50 projects, all designed to inspire children to be physically active in different ways. A large variety of solutions was presented, featuring everything from traditional outdoor activities in the Nordic nature to high-tech solutions, where computer technology and physical activity are combined.

Nordic superhero

Magnús Scheving, better known as the superhero Sportacus from the TV show *Lazy Town*, spoke of the challenges of explaining and promoting a healthier lifestyle and physical activity amongst children and adolescents.

- When I started talking about children's health 20 years ago, people looked at me like I was a lunatic. It is dangerous being right at the wrong time, Scheving said during the conference.

It seems that he now is right at the right time. *Lazy Town* is seen by 500 million children in 120 countries and the show's health initiatives have an immense effect on the children.

A Fitting finale

Balance was also a keyword in Danish Health Minister Bertel Haarder's contribution to the conference, albeit in a more physical sense.

- We must be active, we must move and we must learn from each other, Haarder said in his closing comments, before taking off his jacket and hand-walking across the stage, receiving a massive applause from all present. A fitting finale of an exciting day, where passionate people from the entire Nordic region tested each other's ideas and shared inspiration.



Fun, games and physical activity had a major focus at the event.

Innovation in the marine sector

BY SOPHIE TERKELSEN



The marine sector represents important industries in the Nordic countries. Furthermore, the potential for increased innovation and competitive ability is great, and in May 2009 Nordic Innovation began its programme for innovation in the marine sector.

When the programme was launched in Reykjavik on 12 May 2009, there was great interest in a Nordic innovation collaboration on the marine sector. Almost 140 delegates gathered on that occasion to discuss how the innovative ability of the Nordic marine sector could be strengthened.

Since that time, Nordic Innovation with senior Innovation adviser Sigridur Thormodsdottir in front, have been working energetically on developing the programme.

Promoting Nordic collaboration

– Some of the most important aims is to strengthen the collaboration between national and Nordic financing institutions and other projects, and to promote Nordic collaboration within the sector, with focus on industry challenges and needs. To achieve that, we have been working actively with the financing consortium to define objectives and a framework for the announcements, explains Thormodsdottir.

The possibilities of co-financing projects have also been discussed.

– To begin with, the programme had no basic Nordic finance, but the work is driven by real needs and interest in Nordic measures in this area, says Thormodsdottir, who also explains that the programme has focused particularly on the actual value chain in the marine sector. That is to say a sector approach that looks at the innovation possibilities throughout the value chain and the interaction with the various interested parties, such as suppliers and users.

Communication is important

With a large financing consortium and many interested parties, communication has been a vital factor all the way. Thus, in 2010 the programme's own website was launched.

– This website doesn't just function as a

communications platform for the programme itself, it also gives participants the opportunity to present and promote activities such as conferences, seminars and projects. We can also see the number of visitors to the website steadily increasing, which is very gratifying, says Thormodsdottir.

The programme is divided into several modules, the first of which was to create awareness and attention for the programme.

– I believe we have done that well. The programme has also been presented on several occasions at different events, plus we have promoted it through other channels, such as advertising in relevant newspaper supplements, says Thormodsdottir.

In 2010, two studies were initiated, both of them financed by members of the consortium. The studies will help to increase knowledge about innovation in the sector. Information and the results of the studies could also help in the choice of topics for coming announcements and other activities in other modules that will be implemented in 2011 - 2014.

– During the course of the activities we performed in 2010, we had several enquiries from principals; this confirms that there is great interest in the programme, concludes Thormodsdottir.

New Nordic Food II

BY PÁLL TÓMAS FINNSSON



*New Nordic Food :
Food from the
restaurant Chez
Dominique
in Helsingfors.
(Photo: Johannes
Jansson/norden.org)*

New Nordic Food I completed its first three years in November 2009. In 2010 a new steering committee and working group were set up to plan and coordinate the implementation of the new programme: New Nordic Food II.

At the end of the New Nordic Food programme's first three years, former chairman Einar Risvik summed the programme up in the following words: it should have been impossible to

achieve so much in three years! Now, however, everyone looks forward to new efforts and projects over the next four years. 2010 has therefore been used for endorsing and planning the content of the new programme.

Nordic Innovation has been part of both the new steering committee and the new working group, and has used this to help create synergies with Nordic Innovation's initiatives in the tourism and attractions industry. Nordic Innovation's Communications manager and member of the

working group, Melita R. Hasle, has also led the work on the programme's new communications strategy that the working group has developed.

With this new programme, the Nordic governments wish to make the Nordic countries highly visible on the gastronomic map of the world. After the Nordic triumph at Bocuse d'Or in January 2011, there can be little doubt that Nordic cuisine deserves its place.

Action oriented Top-Level Research Initiative



« *The projects focus on industry participation and an innovative approach to developing and commercialising new technologies or improving existing methods with nanotechnology, says Innovation Advisor Natalia Glette*

NATALIA GLETTE, INNOVATION ADVISER

The Top-level Research Initiative is a Nordic venture programme for research and innovation in climate, energy and environmental issues. Nordic Innovation is responsible for two of its six sub-programmes, *Energy Efficiency with Nanotechnology* and *CO₂-Capture and Storage*. Amid the highlights of 2010 was a successful presentation of the initiative at EuroScience Open Forum in Torino, Italy.

BY PÁLL TÓMAS FINNSSON



■ Optimising energy production and consumption

The nanotechnology programme aims to optimise production and consumption of energy by applying nanotechnology. Following a call for applied or user-driven research ultimo 2009, four projects were selected for funding. They all launched their activities in 2010.

- The projects focus on industry participation and an innovative approach to developing and commercialising new technologies or improving existing methods with nanotechnology, says Innovation Advisor Natalia Glette.

The issues explored are as different as developing batteries made of salt and paper, nanocoating fuel cells to minimise pollution in electricity production, improving silicone based solar cell efficiency and making de-icing of airplanes cheaper and more environmentally friendly.

■ Studies and networking on Carbon Capture and Storage - CCS

Two studies mapping the Nordic potential for further development of CCS technology were published during the year, *CCS and Renewable Energy*, managed by Norwegian consultants Sund Energy, and *CCS potentials in the Nordic Region* that was co-ordinated by VTT Technical Research Centre of Finland. A usedriven competence centre call of 35 million NOK was prepared based on the result from the studies, and will be launched in 2011.

- We also gathered 70 researchers, companies and other stakeholders at the Nordic CCS Workshop in Copenhagen, with the objective to activate the CCS network in the region and discuss how to proceed in developing the cooperation in the future, Glette says.

■ Focus on communication of activities

The Top-level Research Initiative puts large emphasis on communicating its activities and results. In 2010, the initiative was presented

at two major events, its annual conference in Copenhagen and at the EuroScience Open Forum (ESOF), a widely respected European meeting place for scientific research and innovation.

- ESOF was an important opportunity to present the Nordic cooperation model within research and innovation. Our approach is more action oriented than most similar international cases and this has proven very successful, says Glette.

The closest internal stakeholders were furthermore represented at the initiative's annual conference.

- The conference concentrated on the fact that 26 projects have already been started in the first two years of the programme, with participation from 114 organisations. Our main message on both these occasions has been how quickly the programme has advanced from being a political initiative to concrete research and innovation actions, Natalia Glette concludes.

OPERATING ACCOUNTS

ALL AMOUNTS ARE IN NOK.

NOTE

ACCOUNTS 2010

ACCOUNTS 2009

INCOME

Nordic Council of Ministers ordinary budget		78 137 000	77 804 000
Other income	4	7 448 061	4 017 338
Financial income		2 013 074	2 086 327
Project funding from Nordic Council of Ministers		1 227 905	2 888 623
Other external project funding		15 962 172	2 317 518
Total income		104 788 212	89 113 806

EXPENSES

Personnel expenses		13 533 086	11 472 014
Goods and services		3 727 100	4 017 091
Contribution to external projects	5	85 107 528	84 987 487
Other expenses		427 298	582 945
Total expenses		102 795 012	101 059 537
Transferred funds for the year		1 993 200	-11 945 731

BALANCE STATEMENT

BALANCE STATEMENT 31.12.2010

NOTE

2010

2009

ASSETS

Debtor receivables etc.		896 004	938 974
Project receivables	3	9 646 339	5 563 698
Bank deposits and cash	6	86 547 049	66 304 243
Total assets		97 089 392	72 806 915

LIABILITIES

Liabilities to creditors etc.		2 802 495	2 265 161
Project advances		90 971 459	69 219 516
Transferred funds	7	3 315 438	1 322 238
Total liabilities		97 089 392	72 806 915

Note 1: Free services/rental etc.

2010

2009

Free personnel resources		0	0
Other free operating activities		-	-
Total		0	0

Note 2: Lease contracts and leasing	2011	2012	2013	2014	2015
Rent	1008888	1008888	1008888	1008888	75666
Leasing agreements: Copiers	47780	23890			0
Total lease contracts and leasing	1056668	1032778	1008888	1008888	756666

NOTE 3

PROJECT RECEIVABLES

The amount is made up of receivables of NOK 528,550 for the Nordic Council of Ministers and NOK 9,117,789 for other external financiers.

NOTE 4

OTHER INCOME

Of the amount NOK 7,448,061, NOK 5,273,812 is reversal of projects previously entered as expenses, NOK 1,446 is currency gains and NOK 2,172,801 is invoicing of hours in connection with joint services in the Nordic Centre and income from administration of external projects.

NOTE 5

CONTRIBUTION TO EXTERNAL PROJECTS

Contributions to internally financed projects are entered as expenses when the obligation is entered into (accounting principle); with externally financed projects, income and expenses entries are made when the payment occurs (cash principle). In 2010, Nordic Innovation has paid **NOK 70,093,663** in its active projects. In addition to this, Nordic Innovation has an obligation to pay NOK 69,346,297 to project activities that were entered as expenses in 2010 or earlier. Payment will be made in 2011.

Contributions of NOK 40,084,977, which were granted in 2008, 2009 and 2010 on commitment authorisations for 2011, 2012 and 2013, have not been included. Nordic Innovation has the possibility of granting a total of NOK 70 million on commitment authorisations for 2011, 2012 and 2013.

NOTE 6

CASH AND BANK DEPOSITS

This amount comprises deposits in bank accounts in Norway per 31 December 2010. Balances in foreign currency are entered at the exchange rate on the date of balance.

NOTE 7

TRANSFERRED FUNDS

The transferred funds of NOK 3,315,438 are unrestricted and are of an amount consistent with the recommendations of the Nordic Council of Ministers.

Oslo, 04 February 2011

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