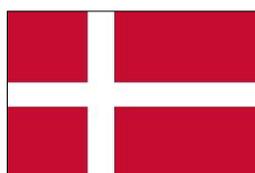


Regional Outlook 2019 DENMARK

Regional Development Policy in Denmark



General policy approach

Denmark's approach to regional development prioritises the competitiveness of all its regions. A high share of EU Cohesion Policy funding is dedicated to this objective, along with other measures such as regional growth houses (business development centres) and cluster policies. There is no national strategic document on regional development per se, but balanced development throughout the country is an important political concern and the government has placed a renewed focus on rural development.

While municipalities, regions and the state could set up and fund initiatives to promote competitiveness prior to 2019, a new National Board for Business Promotion has recently been established. The previous approach led to a system with many schemes and projects, and thereby a complex system of overlapping initiatives, lack of strategic focus and high administrative costs. Thus, a clear division in responsibility between the different levels of the administration has been created, aiming for a more efficient system that meets the needs of businesses better. From 2019, regions will no longer have tasks related to business promotion. Instead, the new National Board for Business Promotion will develop its own strategy (which will be approved by the government) as well as fund and initiate local and regional projects to promote regional competitiveness. The board is comprised of business representatives and local politicians from different parts of the country. Moreover, seven new local boards, which co-operate with the national board, will work with local chapters to maximise their potential and address their respective challenges. The local boards will also be responsible for the municipalities' business service activities for 13 localities across the country. With this new policy approach, all local and regional business promotion activities will be streamlined into one comprehensive strategic framework.

Recent policy changes

- The Policy Growth and Development in all of Denmark is being implemented, and includes new strategies to improve the attractiveness of areas outside the largest towns and cities.
- Denmark is devising new regional development policy objectives and strategies, such as moving certain national government work outside the capital city to spread public sector activity, and easing planning restrictions.
- An enhanced integration of urban policy and spatial planning under the Ministry of Business and Growth has been implemented to ensure a strong economic development focus.
- There is an increased focus on village renewal and development, as well as targeting rural settlements. Several initiatives in recent years were designed to address the depopulation of rural and remote areas and agglomeration in large cities.
- A National Board for Business Promotion was established in 2019 to allow for a clearer strategic focus to improve competitiveness across regions while allowing for local and regional specificities.

Institutional arrangements to prepare for global megatrends

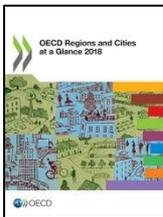
At the national level, the 2018 Spatial Development Plan (Landsplanredegørelse) sets out the framework for municipal planning work and creates the basis for municipalities to follow the government's vision and strategic priorities.

To address megatrends, sector-specific strategic documents are also developed. For example, the Strategy for Denmark's Digital Growth (2016–20) contains 38 initiatives which aim to enhance Denmark's position as an attractive digital hub by improving the tech ecosystem, for businesses to be able to utilise the full benefits of new technologies. The strategy covers national, regional and local government planning. Other strategic documents include the Technology Pact, Denmark – Going for Growth and the Danish Tourism Strategy.

In addition to strategic plans, the government established a short-term task force called the Disruption Council (Disruptionrådet) to assist the government to prepare for megatrends. The council analyses, discusses and provides advice on how best to seize new technological opportunities and support the labour market.

Looking for statistical information to complement this?

Take a look at our publication Regions and Cities at a Glance:



<https://oe.cd/pub/2n9>

OECD Regional Outlook 2019: Leveraging Megatrends for Cities and Rural Areas

The 2019 edition of the *OECD Regional Outlook* examines the regional dimensions of global megatrends and their implications for the well-being of people living in different places. It discusses how place-based policies, public investment and multi-level governance reforms can respond to these megatrends to revive productivity growth, reduce inequalities, improve quality of life and increase sustainability.

Consult the full publication and the other country profiles on line: <https://oe.cd/pub/2vq>.

