

4.1 Economic Development strategy and action plan.

Growth in Aarhus III

Since 1989 the Municipality of Aarhus has had a specific economic development action plan. The economic development plan "Growth in Aarhus III" covers the period 2001-2005. At first, the general vision is stated, then the 10 overall strategies are mentioned, and finally 25 specific initiatives have been developed.

The process of developing this strategy and action plan involved almost 100 representatives from all relevant partners in the region including major educational institutions, organisations and private companies as well as the general public. The plan was finally approved by the City Council in September 2001. Altogether this makes the plan unique, as implementation is fully supported by all relevant partners. In the Danish version of the plan there are more details on deadlines, budgets, responsibilities etc. This paper is only an abstract of the original version including current status. For further information please contact the Economic Development Department, Municipality of Aarhus (e-mail: erhv@aarhus.dk, tel: +45 8940 2200) or Aarhus EU Office, Brussels (e-mail: info@bxl.aarhus.dk, tel: +32 2 230 8732). For more information of the Aarhus-region please consult the English web page on www.aarhus.dk/uk.

Vision

Aarhus should, in a Europe of the regions, be a strong growth area with an active, dynamic private sector and a strong local partnership.

It implies that co-operation among representatives of employers and employees, educational institutions and the Municipality focus on strengthening the competitiveness of companies and creating diverse job opportunities for the citizens independent of sex, race, age, ethnical background or handicaps. This should all lead to Aarhus as a city, where, in the middle of a dynamic development, there is good living conditions for the entire population.

10 strategies

To fulfil this vision and 10 overall objectives, the following 10 strategies have been chosen.

1. Innovation strategy

Promotion of new products, services, processes, technology, design and methods for promotion, logistics and organisation. Leading to initiative 1.1-1.2

2. Strategy for market access

Continuous development of the infrastructure for transport of cargo and individuals as well as telecommunication. Leading to initiative 2.1-2.4

3. Strategy for start-up of new enterprises

The priority is technology and knowledge based companies but also traditional industry and transport. Leading to initiative 3.1-3.3

4. Strategy for regional strong positions

A special effort on selected areas and sectors. Leading to initiative 4.1-4.3

5. Strategy for the provision of risk capital

For new growth companies as well as existing companies financing is essential. Initiative 5.1

6. Talent and competence strategy

The strategy will insure further co-operation between research and educational institutions and the private sector. It should promote Aarhus as one of Scandinavia's leading educational and knowledge cities. Initiative 6.1-6.4

7. Cultural and sports strategy

A cultural active city is recognised as a precondition for attracting further activities and ensuring development. Initiative 7.1-7.3

8. Tourism strategy

One-day tourism, meeting and congress tourism are in focus. Initiative 8.1

9. Marketing strategy

Marketing effort towards young people looking for educational institutions and towards primarily knowledge based businesses. Initiative 9.1-9.2

10. City development strategy

An attractive city environment is regarded as an important condition of maintaining a reputation as an attractive region for businesses and people. Initiative 10.1-10.2

25 initiatives

The 10 strategies have resulted in 25 specific initiatives as outlined below:

1. Innovation strategy

1.1. Master-plan for IT-growth centre Katrinebjerg, Aarhus

Status

The Katrinebjerg area (www.katrinebjerg.net) next to the University of Aarhus is developing into an area for IT researches and growth company clustering. A number of activities are already located here like the headquarters of the National Danish Centre for IT-research (www.cit.dk), Department for Computer-science (www.daimi.au.dk), University of Aarhus (www.au.dk), and many others (please see description of the IT-sector at www.aarhus.dk/uk for further details). The area is undergoing an extensive development and city planning has been adjusted to prepare for further investments. The County, the Municipality, the University of Aarhus and private funds have invested in the area, and recently, the Danish State has granted 175 million DKK (23 million EUR) for IT activities in West-Denmark with the Katrinebjerg area as one of the strongest centres.

Objective

The whole area should be further developed into an IT-growth centre with companies, incubator houses and research institutions living door-by-door in an interactive and creative environment

much of which is already in place. In addition, student accommodation and facilities, cinemas, theatres, cafés etc. are anticipated. A "development-function" to co-ordinate the further development of Katrinebjerg is prepared.

1.2. Establishment of an Innovation-Institute with focus on existing companies

Status

Barriers exist for technology transfer to especially SMEs. At present the Municipality is preparing an open tender in order to select a supplier to run an "Innovation Institute" for 3 years.

Objective

Further promotion of technology transfer to SMEs in the region by establishing an Innovation Institute as a pilot project. Specific objectives: A minimum of 30 innovation and technology promotion projects among regional SME's over 3 years.

2. Strategy for market access

2.1 Transport centre in the Aarhus-region

Status

As a result of a demand from the transport sector the Municipality and the County have started the planning of a transport centre. With the large harbour (largest container harbour in Denmark) the need is compelling. However a location has not yet been finally decided.

Objectives

To establish the transport centre as soon as possible.

2.2 A new rail line to serve the newly extended Harbour of Aarhus

Status

The existing cargo rail line between the railway station and the harbour is outdated. Feasibility studies and detailed planning have therefore begun with EU funding of EUR 1 mio.

Objectives

Expectation is that 1st phase of the rail line renovation will be accomplished in 2004.

2.3 Broadband for telecommunication in the Aarhus region

Status

Companies increasingly demand better communication infrastructure. The IT-Committee of the Aarhus region has asked the association IT Forum (with a membership of approximately 140 IT companies) to proceed in order to promote a faster development of broadband facilities. A secretariat with full-time staff has been established.

Objectives

Implementation of broadband initiatives for private companies as soon as possible.

2.4 Securing an attractive public transport system

Status

Based on an infrastructure report for the region the County and the City Council have decided on different measures to strengthen public transport.

Objectives

Projects for priority lanes for public buses – already implemented successfully on some priority roads. The potential for extending to a tram system in the future is being considered.

3. Strategy for start-up of innovative companies

3.1 Strengthening the innovative environment for start-ups

Status

A number of incubator facilities and capital facilitators already exist in the region (please see description on business support on www.aarhus.dk/uk) but more should be done for sectors with growth potential.

Objectives

Easy and local access to sources of financing and advice for small innovative start-ups and entrepreneurs. Creation of a common plan for "innovation environment Aarhus". Special focus on IT, life science, medico, biotechnology. Establishment of a new science park next to the university hospital Skejby which is internationally known and acknowledged for its research competencies.

3.2 Micro-entrepreneur environment and fund

Status

As mentioned above facilities are in place for existing start-ups. Based on positive Canadian experiences the idea is to secure facilities and funding for potential entrepreneurs.

Objectives

To initiate a "micro-growth-house" where potential entrepreneurs can test the potential of their ideas before actually starting a company. In addition the purpose is to start a "micro-growth fund" to provide students with small grants when they want to test their abilities as entrepreneurs during summer vacation.

3.3 New companies within the cultural and creative sector and interaction with other sectors

Status

A national survey has indicated a great potential for the cultural sector and it seems that this potential is increasing. An incubator house and action plans are being developed.

Objective

An incubator house will be established with the aim of increasing the number and quality of creative and cultural entrepreneurs and to further commercialise existing initiatives.

4. Strategy for regional strong positions

4.1 Food industrial complex

Status

The Aarhus region must be regarded as a centre for the world famous Danish food industry. Home to companies like Europe's largest dairy-company ARLA Foods (headquarters), Tulip International (headquarters), Danisco Ingredients, York Refrigeration (headquarters), APV Nordic (headquarters), Linco (headquarters), Scanvægt (headquarters), KFK (headquarters), Aarhus Oil (headquarters), Vital Pet Foods, Dansk Supermarked (headquarters), Defco Food (headquarters), Schow Packing, and Hoyer (Tetra Pack) etc. In addition, a number of knowledge centres like MAPP, Agricultural Advisory Centre, Food Innovation Lab etc.

Objective

To support a continuous positive development of this cluster within the food industry by securing facilities for MAPP, localisation of 1-2 branch organisations, establishing a food technical scientific education and securing 1-2 visiting professors.

4.2 Architecture, design, and building industry

Status

Denmark is well known for its design and architecture. Aarhus hosts one of the two Danish Schools of Architecture, with about 70 researchers and a cluster of architecture companies, many of which

are often winning international competitions. However, the construction industry is lacking adaptation of technology etc.

Objective

Development of highly technological building methods, building components and building systems through improved co-operation between architects, engineers, entrepreneurs and producers of building components through e.g. EU financed R&D projects. Development under the theme “future city” unites quality, environment and IT.

4.3 Growth groups, development contracts, EU projects and incubator house for traditional industry.

Status

Growth groups and development contracts are instruments financed by the Municipality of Aarhus through the Economic Development Department. Growth groups are groups of 8-12 companies undergoing a process to improve on a specific theme (25 groups with approximately 250 companies so far). Development contracts are agreements between private companies and a municipal department where the municipality pays part of the development cost. EU-projects are encouraged by the **Aarhus EU-Office** (www.aarhus.dk/bruxelles) which in the period 1998 to 2001 has secured an annual average of approximately 3 million EUR of EU-funding to projects in the Aarhus region.

Objectives

It is the aim by using the three instruments mentioned above to further stimulate the classical industry and in addition establishing an incubator house for entrepreneurs in the classical industry.

5. Strategy for risk capital

5.1 Start of a regional venture fund

Status

Lack of local venture funds resulted in the IT Committee for the Aarhus region establishing a sub-committee to work on founding a local venture fund. Aarhus Venture Ltd., was proposed. In February 2001 the limited company INCUBA A/S (www.incuba.dk) was established with the purpose to support the entrepreneurial activities and to provide venture capital to start-up companies. Thus, INCUBA A/S has taken over from the proposed Aarhus Venture Ltd. The plan is, that the Venture Capital activities of INCUBA A/S will be carried out through a dedicated fund “INCUBA Venture I P/S”. The Fund will hold a capital base of EUR 30 - 45M.

Objective

Venture fund establishment fulfilled.

6. Talent and competencies-strategy

6.1 Establishment of a technical oriented research based science education at the University of Aarhus in co-operation with the Engineering College of Aarhus.

Status

There is a demand and need for a high-level education in engineering in Aarhus. Thus, the local companies' difficulties in recruiting qualified engineers risk endangering the development prospects of the companies. In the autumn of 2001 a “Centre of High Level Technical Educations” was established in co-operation with the Engineering College of Aarhus and the University of Aarhus. At the same time a number of specific educations has been established.

Objectives

The long term objective is to establish a high-level technical university education at the University of Aarhus in order to meet the local employment demand. This was initiated in 2001.

6.2 Development of the educational sector in Aarhus

Status

With more than 25 educational institutions, some 35,000 students and 15,000 people are engaged with education, Aarhus is an important educational city. Numerous students from all over Denmark and from abroad are attracted to the city. The students are very visible in Aarhus and contribute to the city's dynamic society and cultural diversity. With the actual development in society, the educational sector faces new challenges and opportunities. In Aarhus, the educational sector is in a good position to meet these challenges.

Objectives

The following two initiatives have been drafted in order to secure a sound development of Aarhus as an educational city:

- A) To establish a strategic committee for development of the educational sector in Aarhus – the aim is to analyse the sector at present and to draft a strategy for its future elaboration. Time frame: the goal is to have the strategy ready at the beginning of 2003.
- B) Cooperation between Aarhus School of Architecture, the Royal Academy of Music, The Kaos Pilots and the Academy of Fine Arts. The vision is by 2004/2005 to create “Byens Puls” (City Beat) with integration of the dynamic educational institutions with and within the city.

6.3 New school-model – testing new interior principles, educational methods and collaboration models

Status

Testing of new interior principles, educational methods and co-operation models is currently being carried out individually at individual schools. A systematic and co-ordinated testing of new principles, methods and models could be carried out at one single new school designated to the purpose.

Objective

The objective is to create a perfect frame for an innovative school, which meets the requirements of involved parties and which is well integrated into and in dialogue with the local society. Anticipated is also collaboration with higher educational institutions. A project description is being prepared.

6.4 Establishing “Inspiratorium” (fun experimental science museum in Aarhus)

Status

Research proves a need for alternative learning environments in order to make science and mathematics more attractive to pupils at school. Several key players (university, municipality, and museums) have plans in regard hereto.

Objective

The goal is to establish an “Inspiratorium” meaning a museum-like establishment where pupils and teachers can work with science and experimental activities. Co-operation with companies is anticipated. Final project description and budget is under preparation.

7. Cultural and sports strategy

7.1. Multi media house/new city library

Status

In order to be at the leading edge of culture, IT and competence development, a major project in integrating these areas is necessary. This requirement is considered together with the urgent need for a new main library.

Objective

A multi media house is anticipated being established in Aarhus by 2008. A multi media house includes, among others, innovative environments, initiatives to further develop IT competencies, dissemination and distribution of knowledge and competencies – all through an advanced main library. Collaboration between IT companies, educational institutions and media companies are anticipated. A central location for the 21,000 sq. (gross area) large house has been designated.

7.2 Movie-city Aarhus

Status

“Filmby Aarhus” - “movie-city Aarhus” – opened its doors for the first tenants in early 2002 at the premises at Aarhus harbour. At present 10,000 sq. are available but expansion up to 60,000 sq. is possible

Objective

The objective is to attract as tenants, companies and institutions working with film, sound, light, radio, television, audio-visual works and multi media. The goal is to encourage multi media activities through synergies arising from being positioned at one single location.

7.3 Elite sports and talent-development

Status

Preconditions for promoting Aarhus internationally as a top-level sports city are in place. Thus, sports facilities are of high standards, numerous associations and organisation are well established and there is a broad basis for finding and recruiting new talents among the city’s many students. Despite of this Aarhus is not well positioned as a top-level sports city. Therefore, a new educational centre for sports education is planned being established at the University of Aarhus. Moreover, a paper regarding top-level sports in Aarhus has been developed at the end of 2001.

Objectives

Initiatives to develop Aarhus’ position as a top-level sports city include:

1. Establishing good conditions for talent development
2. Establishing appropriate frames for top-level athletes
3. Local organisation of top-level sports teams
4. Analysis of reorganisation of co-operation between all involved parties

Initiatives will be carried out in 2002-2003.

8. Tourism-strategy

8.1. New marketing initiatives – tourism

Status

Consists of 3 sub-objectives:

1. Future tourism profile of Aarhus
2. Common profile of Eastern Jutland
3. The digital tourism office

Objectives

1. Tourism potential should be further investigated and marketing focused on 1-2 priorities
2. Clear profile and longer staying tourists in the region
3. Development of new interactive tourism portal for Aarhus

9. Marketing-strategy

9.1 Marketing towards young people about to chose education

Status

It is recognised that attracting the talented young people is of high importance, as many tend to stay after finishing their studies and thereby become "human capital" for the region.

Objectives

Marketing of Aarhus as a knowledge city in which it is attractive to look for education, to live and to run the growth companies of the future.

9.2 Marketing towards companies

Status

Aarhus offers companies a well-educated work force in a dynamic business environment and attractive living conditions.

Objective

Marketing of Aarhus as a knowledge city where it, as a result of a well educated workforce and educational and research environment, is attractive to run a strong company of the future. New companies, existing companies as well as research- and development departments in established companies are in focus.

10. Strategy for city-development

10.1 Sufficient supply of attractive housing areas

Status

Attractive housing areas are of high importance for the economic development.

Objectives

To secure that the supply of housing areas does meet different kind of demands. 3 sub-objectives are: 1. Development of a new housing area in Lisbjerg, 2. More variation in the supply of lots and 3. More housing development for young people.

10.2 Transformation of the city centre

Status

The city centre is developing rapidly and is visible not least around the opening of Aarhus stream, which used to be covered by streets. A city development project that won an EU-price few years ago. The up-coming challenges are further renovation of squares and streets and *the integration of the city centre and the inner harbour-area*. A city plan competition has taken place.

Objectives

1. Based on ideas from the city plan competition to continue work on integrating city centre and harbour-area.
2. Plan for opening the last stretch of Aarhus stream towards the harbour-area.