

Increasing Innovation – New Goals and New Policy Instruments

Remarks by State Secretary Helle Hammer
Ministry of Trade and Industry, Norway

Ottawa, 7 November 2003



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Goals: Sustainable Economic Growth and Continued Welfare



- Framework conditions
- Policy Instruments
- State Ownership



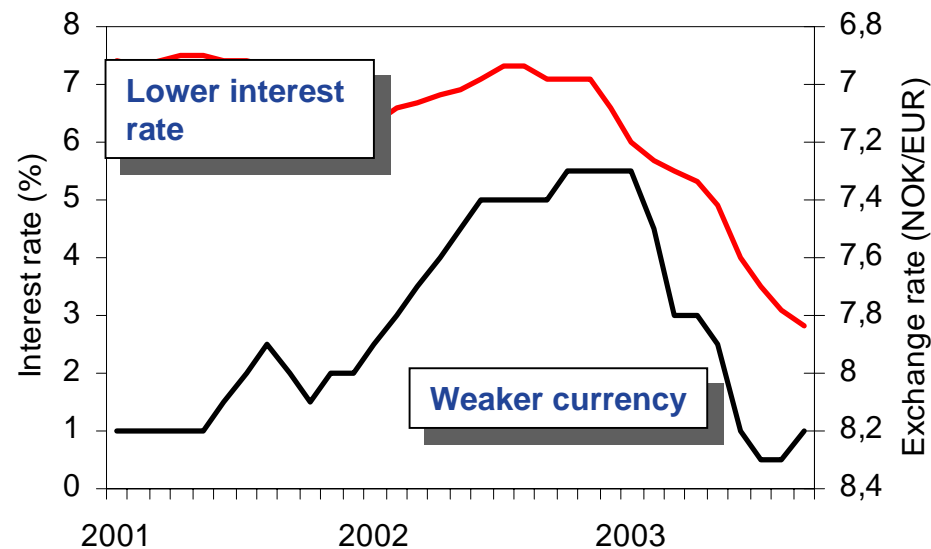
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Strengthening the Competitive Position

- Interest rate down by 4,5 percentage points since October 2002.
- Weaker currency in relation to the Euro.



**Lower interest rate
Competitive exchange rate**

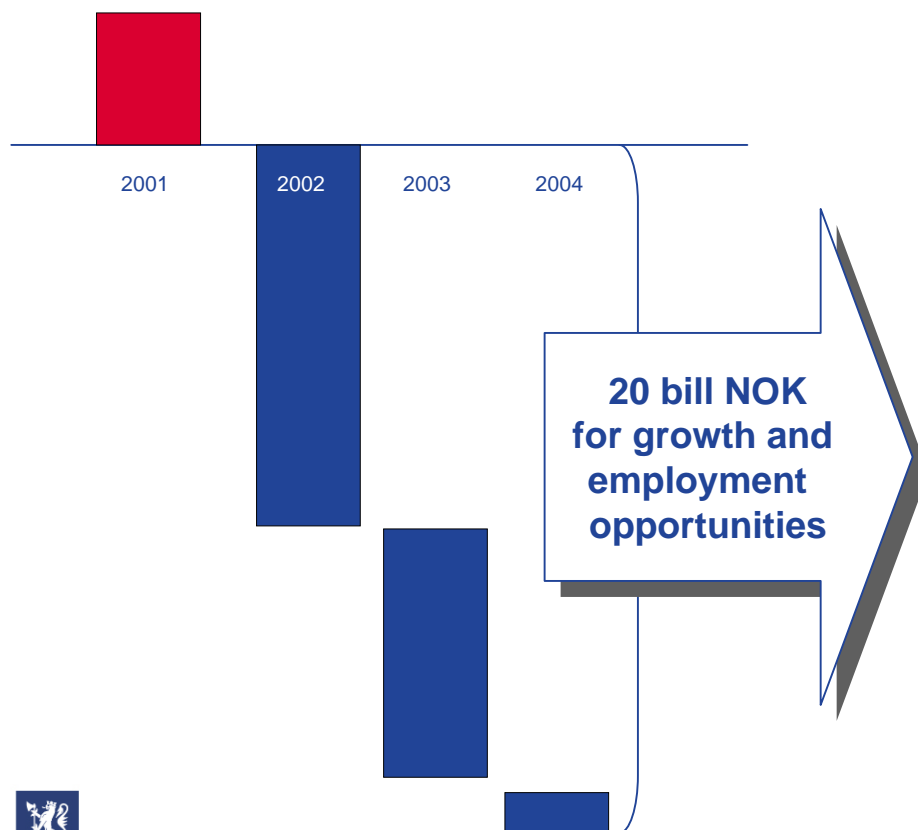


Good and Stable Framework Conditions a Main Priority



- Tight financial policy
- Development of physical and electronic infrastructure
- Reduction in Red Tape
- Well-functioning markets
 - Competition
 - Building knowledge
 - Utilising the labour force
- Reduction in taxes and duties

Tax reductions initiated by
the Government

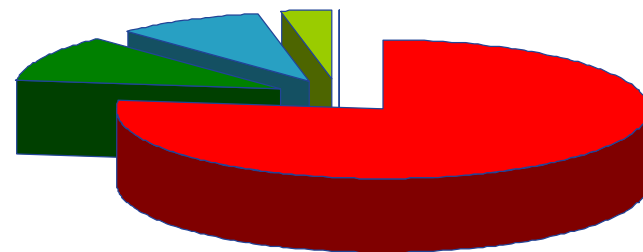


Free Trade is pivotal to Norwegian industrial development



Norwegian Foreign Trade

- Small economy makes trade essential for specialisation and economic growth.
- Norway is active in the EEA, WTO and EFTA.
- Structural challenges call for open markets.



■ Europe (77%) ■ Asia (11%) ■ USA (9%) ■ Other (3%)



Innovation Challenges

- Downsizing in sectors exposed to competition from abroad.
- Shortage of manpower.
- Knowledge and competence.
- Not enough innovation in trade and industry.
- Need for growth in non-petroleum trade and industry



Increasing our Innovation Capacity is Fundamental



Plan for a comprehensive Innovation policy

23 October 2003

Complete Revision of Public Instruments of Policy



- **Objective:**

Increasing innovation all over Norway

- **Focus areas:**

- Internationalisation
- Research and knowledge
- From idea to commercialisation



Innovation ◀ ▶ Internationalisation

Regional Development



- Companies with international activities are more innovative.
- Innovation is knowledge-based, and knowledge is international.
- Linking innovation, internationalisation and regional development is crucial.



Public support will be targeted at groups with great potential for value creation



- Entrepreneurs
- Innovation systems
- SMEs
- Researchers / R&D



New organisation - key to success



- Two major actors:
 - The Norwegian Research Council
 - New entity in the field of Innovation and Internationalisation
- The new entity is based on:
 - The Norwegian Industrial and Regional Development Fund (SND)
 - The State Counselling Office for Inventors (SVO)
 - The Norwegian Trade Council (NTC)
 - The Norwegian Tourist Board (NTR)
- Operational from 1 January 2004



Substantial portfolio



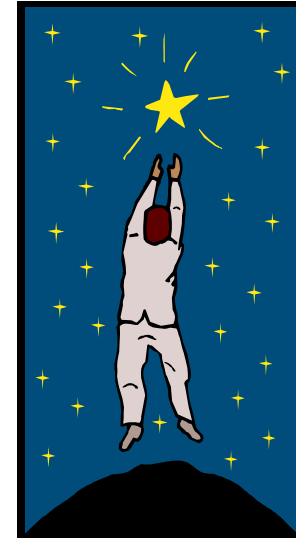
	SND	SVO	Trade Council	Tourist Board
Financing				
Advice and competence				
Networks				
Marketing				



Managing principle: user-friendliness

Public instruments shall be:

- ✓ accessible
- ✓ comprehensive
- ✓ competent
- ✓ efficient



- One door to the entire set of policy instruments
- A new network: Offices in Norway and abroad will be better coordinated
- Closer co-operation and integration abroad with the Foreign Service

