

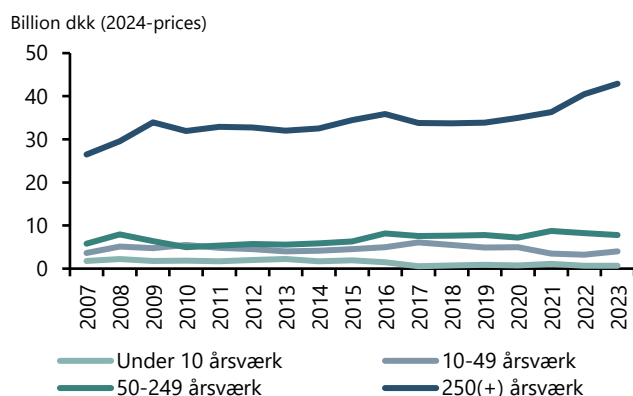
The New Cluster Programme: 2025-2028

In May 2025, the Danish Board of Business Development (DEB) awarded a total of DKK 662 million to 11 cluster organisations¹. In this context, the Danish Council for Research and Innovation Policy (DFIR) held the conference *The Role of the New Knowledge and Business Clusters in the Innovation System* at Videnbyen, Southern Research Parks, on 3 September 2025. The event set the stage for a discussion of the clusters' role, challenges and opportunities in the Danish innovation system.

In the report *The Danish Cluster Programme: The Cluster Programme Innovationskraft 2021–2024*², DFIR compiled lessons from the previous programme. The clusters play a central role in strengthening SMEs' capacity for innovation, and DFIR considers it important to discuss and, if necessary, adjust the role of cluster organisations and their interfaces with the wider innovation system.

The backdrop to the programme is the declining share of SMEs in Danish research and development investments. Over the past 20 years, R&D in Denmark has become increasingly concentrated in the largest companies, cf. Figure 1 on page 1. At the same time, substantial resources are invested in creating attractive environments for start-ups, particularly at Danish universities. SMEs, and more specifically the group DFIR has previously referred to as innovation-ready companies³, are, however, a weak point in the Danish innovation system. Over the past decade, SMEs' R&D investments have stagnated.

Figure 1 Research and development expenditures in the business sector by company size and time. Billion DKK, 2024 prices.



Source: Danmarks Statistik and DFIR's calculations.

It is a systemic problem that SMEs do not contribute sufficiently to R&D investments, since R&D-active SMEs are typically more willing to take risks and more often engage in disruptive research and innovation than larger and more

established companies. R&D investments are also crucial for SMEs' growth and productivity⁴. SMEs account for 99 percent of all private firms and roughly two-thirds of total turnover in Denmark. They play a significant role in business growth, productivity and competitiveness.

The Cluster Programme 2025–2028

The investment in the new cluster programme aims to strengthen SMEs' productivity and competitiveness by promoting and accelerating their own innovation activities and collaboration on innovation. The new programme includes several changes compared to previous cluster programmes.

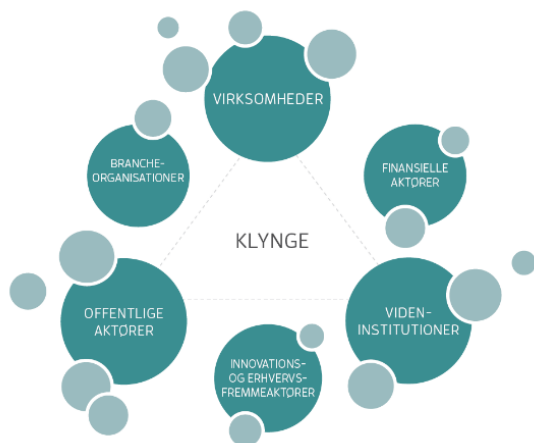
For the first time, administration and public funding are concentrated within a single authority, namely the Danish Board of Business Development under the Ministry of Industry, Business and Financial Affairs. The programme is also more focused, as only 11 cluster organisations receive funding. In the previous round, 14 clusters were funded, and it is particularly the emerging cluster initiatives that were not selected this time. The 2025–2028 programme also has a clear ambition to increase clusters' ability to attract private co-funding. Finally, the programme requires clusters to be more targeted in their support. They must support fewer companies, but with larger amounts and with an emphasis on more substantial innovation collaborations. Clusters may now offer up to 70 percent co-funding for SMEs' research and development activities, including overhead for administration. This will make the clusters more financially attractive to SMEs compared to other public programmes, but to a smaller share of SMEs.

Overall, the Danish clusters are in a period marked by change, ambition and new opportunities. The cluster organisations are busy. The programme will be evaluated in 2026 and expires in 2028, leaving only three and a half years of the funding period.

Conference, 3 September in Odense

The new structures and the need for change formed the focal point of the discussions at the event on 3 September. An important reference point is Figure 2 on page 2, which shows the clusters' role as an independent broker that brings stakeholders together and creates value for all parties. Several cluster organisations have board members from more than 10 different sectors and organisations, each with different views on the direction of the clusters and how they create value. It can feel like standing on a balance board, trying to navigate many interests.

Figure 2. Clusters' interaction with the surrounding society.



Source: Bolette Van Ingen Bro, 3 September in Odense.

One specific challenge highlighted is that clusters must become more commercial and strengthen private co-funding. This creates an incentive for clusters to move into markets where private providers already operate, such as export promotion and policy advocacy. In these borderline areas, clusters must develop their commercial services with an awareness that they operate with public support. The relationship between clusters and educational and research institutions was also discussed. It was questioned whether clusters offer universities sufficiently valuable collaboration opportunities, although several examples of successful co-operation were also mentioned. The division of roles among clusters, business houses, GTS institutes, universities and other educational institutions was another theme. Some strong collaborations were mentioned, but it was also noted that incentives to refer companies to other actors remain insufficient. There is therefore a need for continuous and mutual dialogue to strengthen knowledge of the system's actors and ensure smoother collaboration. Personal relationships were emphasised as crucial.

Finally, the discussion turned to how clusters work with capital attraction. Participants noted that investors find it appealing to collaborate closely with clusters, as clusters can mature companies and prepare them for engagement with investors.

DFIR's observations

DFIR draws several observations from the conference. It is fundamentally difficult to discuss clusters as one unified instrument. The 11 clusters have developed from different regional and institutional contexts and serve companies operating in very different markets. Their business models should therefore not be identical. However, the effectiveness of the cluster instrument would be strengthened if a clearer common ground were established across clusters. DFIR notes strong cooperation among cluster directors,

which provides good conditions for clusters to succeed in this balancing act.

Across the clusters, there is a need to strengthen collaboration with knowledge institutions. These institutions are essential to the uniqueness and value proposition of the cluster instrument. This is a task that cluster organisations must take seriously, and it should also be a focus area for the Danish Board of Business Development during the evaluation of the current programme and in connection with future adjustments. This applies not only to collaboration with universities, but also with GTS institutes, business academies and university colleges.

Finally, it is important to emphasise that clusters exist to bring people together. Trust in relationships and in the instrument itself is essential. Relationship building is challenged by the current system, where only three and a half years remain in the funding period, leaving limited time to deliver on the new objectives. A decision on continuation of the programme will likely be required in 2027. DFIR also notes that there is strong commitment in the cluster network to delivering on the task. It could be valuable for the cluster community to meet again in a couple of years to discuss developments.

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Notes

¹ Danmarks Erhvervsfremmestyrelse (2025), [En stærk klyngeindsats skal styrke virksomhedernes produktivitet og konkurrenceevne](#)

² DFIR (2024). [Det danske klyngeprogram: Klyngeprogrammet Innovationskraft 2021 - 2024](#)

³ DFIR (2019). [Innovationsmodne virksomheder](#)

⁴ OECD (2023). [OECD SME and Entrepreneurship Outlook 2023](#), og OECD (2021), [Understanding Firm Growth](#)