

Interview: Pia Olsen Dyhr, Minister of Trade & Investment, Denmark

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Pia Olsen Dyhr is a member of the Danish Folketing (Parliament) for the Socialist People's Party in the North Zealand greater constituency, as well as Minister for Trade and Investment. Today she talks with us about the life sciences in Denmark, its future growth in the area and their governments efforts to allay some of the challenges for local businesses trying to expand.

Denmark's growth strategy is one of consolidation around sectors where Danish companies already have a strong foothold. One of these sectors is without a doubt the life sciences industry, as Denmark is home to some international industry champions, and a dynamic life sciences cluster. How do you explain Denmark's historical success in life science?

It is indeed a historical success born through partnership between the industry and the Danish government. Novo Nordisk, for example, benefits from the government's decision to give all patients with diabetes access to free medication, so Novo Nordisk has been able to build on the domestic market before going global. In the same way, Lundbeck and Leo Pharma benefitted from Public Private Partnerships to build an export business. Besides PPPs, Denmark is a country where you can have very easy access to high quality clinical trials and highly competent people. In that way, the local life sciences companies had a solid base from which to grow.

Today, it's thanks to these same assets that we are able to attract FDI. Firstly, many companies develop products and services in collaboration with the public and together they constantly deliver new and better solutions. Secondly, thanks to our social security number system and our tradition of patient and population registration, we have access to data: a child born in Denmark will enter our registration system and will be followed through their life. This means that companies can follow a disease pattern and cross-check data to see if there is a relation between the disease and where the patient was born, where he went to school, if he lived close to a factory, etc. Provided they fulfil certain criteria and are specific in their research, companies can have access to this data and this is what makes us attractive.

Denmark's positioning is based on its tradition for innovation. However, in a global economy, most countries in Europe, but also beyond, in Singapore, Korea, China, are building knowledge-based economies, with life sciences as a pillar for future growth. Why will Denmark succeed where others might fail?

I cannot predict the future, but the Danes have innovation in their DNA. From a very early age in our public schools (and most schools are public in Denmark), you learn that you have to ask questions, challenge the status quo, and find solutions by yourself. And this is what our Danish researchers and Danish companies bring to the table: they accept there is no standard solution, and know how to look beyond. This spirit is what gives us an edge.

Some call it the "burning platform" syndrome but the modest size of the domestic market has always pushed Danish companies to look abroad for growth, a mission supported by your Ministry. Today, what are the main challenges faced by local companies in their international journey?

The main issue faced by our companies is not that they need to be introduced to new markets, since they are already there for the most part. The main role of our export promotion office is to tackle any governmental-related or legislation issue, such as trade barriers, guaranteeing equal access to market, or that local legislation regarding IP for instance is implemented. Currently, we are negotiating bilateral agreements with the US and Canada to ensure data protection and respect of IPR.

Our research pointed to the fact that investment from multinational companies in the country was limited. Some executives explained this by the fact that they saw little connection between investment and commercial success. What is missing to attract more FDI in one of the industries where the country is very strong, and how are you addressing the situation?

Most MNCs are already investing in Denmark, but I of course would like them to invest more. The government is currently tackling this issue, and our strategy has just been launched to improve the framework conditions for the companies in Denmark. Also we have organised a growth team for the health- and welfare technology area where we have invited the government, the industry, and various stakeholders to the table. All were welcome to come with suggestions, and share the specificities of the sector, and what we could do to help. Taking outset in the recommendations given by the growth team, the government is currently working on a growth plan for the health- and welfare technology area.

The feedback from the industry was the following: having access to high quality public research and a cluster of educated and highly qualified people is crucial for them, and that's the reason why many companies have already established themselves in Denmark. Companies such as BGI and Biogen Idec have chosen Denmark because of the level of research at the Danish universities, the level of interactivity they can have with researchers and access to qualified labor that's the reason why they have chosen nowhere else in Europe. In the future, the two angles on which we will be working are reduced taxation on R&D, and continuing to raise education levels to further increase our competitiveness.

You are also currently the Minister for Environment, and Denmark is famous for cross industry collaboration, especially between green tech and life sciences. What will be achieved through this dialogue?

These cross-industry dialogues clearly add value for all parties involved. We need to start building bridges between industries to tackle global challenges such as pollution and its impact on public

health and create virtuous circles. Industries need to work together to find better, smarter, more sustainable solutions.

In an interview, you mentioned that Denmark must become better at branding itself. In a few words, how would you like Denmark to be perceived in the world?

I would like people to see us as creative, innovative, thinking out of the box. I thought everyone knew we had one of the strongest life sciences clusters in the world but I found out that this is not the case, even though the The Worldview Report and Bio-Innovation Scorecard presents us as number one in Europe and second in the world after the US. We have all the assets; it's just a matter of telling the story.

Is there such a thing as "the Danish model," and if so, what can the world learn from it?

Denmark's foundation is a well-established welfare state, where everyone has free and equal access to healthcare. This creates a society where people are safe. Even if we sometimes take it for granted, this safety net creates a culture where people are more willing to participate in the community as well. Also, we have free access to education from kinder garden to university, which means Denmark is a true meritocracy. We get the best brains since no potential is lost because of people couldn't afford to pay for their education. Foreign investors often think that Denmark is an expensive country with high taxes but the truth is a lot of services are free so in the end, the Danish model is also cost effective.

To conclude, you once said "As Minister for Trade and Investment, I will work to strengthen Danish exports and make it attractive for foreign companies to invest in the country, but I would also help to tell a bigger story." What is this story?

This story is that we are facing global challenges, such as climate change and access to water. Specifically in life sciences, one of the challenges that need to be addressed via prevention and medication is obesity. Interestingly enough, the founder of Novo Nordisk wanted to find to cure for diabetes. I want the story to be that we are not just selling products, but that we are getting to the next level together.

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