

The Technology and Innovation Act

This is an Act to consolidate the Technology and Innovation Act, cf. Consolidating Act no. 835 of 13 August 2008, as amended by section 72 of Act no. 1336 of 19 December 2008 and section 1 of Act no. 309 of 29 March 2014.

Technology and innovation activities

1.-(1) The purpose of this Act is to enhance technological development and innovation in trade and industry.

(2) This Act is primarily to promote technological development and innovation exercised through approved technological service provider institutes, innovation incubators and innovation networks, etc., and through

- 1) collaboration and dissemination of knowledge between Danish and international researchers, Danish and international research and educational institutions, technological service provider institutes, knowledge institutions and enterprises,
- 2) innovation, development, dissemination, use and commercialisation of research results, new technology, as well as organisational and market-related knowledge,
- 3) developing and increasing the number of knowledge-based and technology-based enterprises,
- 4) innovation and injection of capital and skills in knowledge-based and technology-based enterprises,
- 5) international collaboration with regard to exploiting knowledge and technology.

(3) Within the budget framework of the annual Finance Act, the Minister for Higher Education and Science may introduce initiatives, including co-financing of development activities, analyses, assessments, etc. in order to achieve the purpose of this Act, cf. subsection (2).

2.-(1) One or several of the following co-financing policy instruments may be used to ensure fulfilment of the purpose of this Act:

- 1) Subsidies, including for participation in international collaboration.
- 2) Capital contributions.
- 3) Loans.
- 4) Guarantees.
- 5) Other, similar financing instruments.

(2) The Minister for Higher Education and Science may stipulate regulations for co-financing in accordance with subsection (1) and repayment of co-financing already granted.

3. To facilitate implementation of the purpose of this Act, the Minister for Higher Education and Science may commission advisory services from the Danish Council for Research and Innovation Policy.

4.-4a. (Repealed)

Approved technological service institutes

5.-(1) The Minister for Higher Education and Science may approve independent institutions or limited companies working for public benefit as approved technological service provider institutes following an application.

(2) Within the area of technological service, approved technological service provider institutes shall work on a financially, professionally and organizationally sound basis.

(3) The articles of association of the institutes and amendments hereof shall be approved by the Minister.

(4) Approval entails that the Minister shall have oversight with all the activities of the institute.

(5) An approved technological service provider institute shall report to the Minister for Higher Education and Science in the event of changes in the conditions on which the approval and co-financing are based.

(6) Approval pursuant to subsection (1) may be granted for up to 3 years. The Minister may revoke the approval with or without prior notice if the conditions on which the approval is based are no longer present, cf. subsection (2).

6. The term »technological institute« or »technological service provider institute« or collocations in which these terms appear shall only be used upon approval by the Minister for Higher Education and Science.

Innovation incubators

7.-(1) The Minister for Higher Education and Science may approve innovation incubators with a view to promoting collaboration between the public-sector knowledge system, new innovative enterprises, established enterprises and sources of capital following an application.

(2) In order for an innovation incubator to be approved, it shall possess the required facilities and qualifications to promote new innovative enterprises with a view to developing and commercialising new ideas for services and products. Moreover, approval requires that the founders of an innovation incubator meet the following requirements:

- 1) If the founders have their own enterprises, these shall have demonstrated a satisfactory result from their regular operations for several years. Similarly, the enterprises shall demonstrate a reasonable financial position and equity commensurate with the enterprises' business foundation.

2) Founders shall not have any outstanding debt to the public sector exceeding DKK 100,000.

(3) An innovation incubator shall be a limited company whose primary object is activities related to developing new ideas for services and products towards commercial exploration.

(4) The Minister for Higher Education and Science may, within a budget framework stipulated in the annual Finance Act, finance in full or in part establishment and operation of approved innovation incubators.

(5) An approved innovation incubator shall report to the Minister for Higher Education and Science in the event of changes in the conditions on which the approval and co-financing of the innovation incubator are based.

(6) The Minister for Higher Education and Science may revoke the approval for an innovation incubator, if the conditions on which the approval is based are no longer present, or in the event of serious or repeated violation of the regulations in this Act or regulations stipulated pursuant to this Act.

(7) The Minister for Higher Education and Science may stipulate more detailed regulations regarding the requirements for approval.

(8) The Danish Public Administration Act shall apply to any activities conducted as an approved innovation incubator.

8. The Minister for Higher Education and Science shall stipulate the regulations regarding supervision of innovation incubators. The Minister may request that innovation incubators report all the information necessary for supervision of the innovation incubators' activities.

9.-(1) The Minister for Higher Education and Science may, within a budget framework set in the annual Finance Act, grant innovation incubators a budget with which to co-finance commercialisation of new ideas, inventions and research results.

(2) In the contracts with the innovation incubators it can be stipulated that

- 1) the innovation incubators grant co-financing on behalf of the Ministry of Higher Education and Science,
- 2) co-financing is awarded to innovation incubators with a view to apply said financing as co-financing in the form of loans or capital injections for the commercialisation of new ideas, inventions and research results in the innovation incubator.

(3) If the innovation incubators grant co-financing on behalf of the Ministry of Higher Education and Science, cf. no. 1, it may be stipulated that a percentage of the returns from the projects shall be paid to the innovation incubator.

(4) If the innovation incubators are granted co-financing for use as co-financing in the form of loans or capital injections, cf. no. 2, it may be stipulated that a percentage of the returns from the project shall be paid to the Ministry of Higher Education and Science.

(5) Decisions made by the innovation incubators may not be brought before an administrative authority.

(6) The Minister for Higher Education and Science lays down more detailed regulations concerning case processing and co-financing carried out by the innovation incubators, including the terms for repayment by the innovation incubators of co-financing granted pursuant to subsections (1) and (2).

Innovation networks

9a.-(1) The Minister for Higher Education and Science may grant co-financing to innovation networks with a view to promoting collaboration and dissemination of knowledge between Danish and international research and educational institutions, approved technological service provider institutes, knowledge institutions and enterprises.

(2) Co-financing of innovation networks shall be granted upon application and on the basis of published criteria for award of co-financing.

Administration, supervision and inspection

10.-(1) The Minister for Higher Education and Science shall, when necessary, issue regulations concerning implementation of activities launched by the Minister.

(2) For initiatives launched pursuant to this Act, the Minister for Higher Education and Science may stipulate regulations concerning administration, approval, presentation of financial statements, auditing, inspection and supervision as well as disclosure of information and financial statements.

(3) With respect to initiatives launched pursuant to this Act, the Minister for Higher Education and Science or an agency under the Ministry to a specified extent, if so determined by the experience or specific conditions of the Ministry or agency, may delegate preparatory case work for administering concrete initiatives to another public authority or private institution.

11.-(1) The Minister for Higher Education and Science may require that individuals or enterprises who are granted co-financing pursuant to this Act shall disclose all information and financial statements deemed necessary for administration purposes, etc.

(2) The Minister for Higher Education and Science may, upon agreement with the Minister for Finance, authorise the State Administration to make rulings in accordance with rules concerning administration of funds granted pursuant to this Act.

12.-12 a. (Repealed)

13. Up to 20 per cent of co-financing granted for activities pursuant to section 1(3) may be retained and applied to offset any debt an enterprise may have to the public sector.

Delegation provisions

14.-(1) After consultation with the relevant minister, the Minister for Higher Education and Science may authorise a government authority set up under the auspices of the Ministry or other government authorities to exercise the powers vested in the Minister for Higher Education and Science pursuant to this Act.

(2) The Minister for Higher Education and Science may lay down regulations on access to appeal decisions made in accordance with the authority pursuant to subsection (1), including that it shall not be possible to appeal the decision.

(3) The Minister for Higher Education and Science may lay down more detailed regulations on the exercise of authority which another government authority, after consultation with the relevant minister, becomes authorised to exercise under subsection (1).

Penalty provisions

15.-(1) Unless more severe punishment is incurred under other legislation, offenders shall be liable to a fine if, when applying for or receiving co-financing, they:

- 1) provide incorrect or misleading information or
- 2) fail to disclose information relevant to application decision in a case.

(2) Companies, etc. (legal persons) may incur criminal liability according to the regulations in chapter 5 of the Criminal Code.

(3) Violation of section 6 shall be liable to a fine.

16.-(1) Regulations issued pursuant to this Act may stipulate fines for any violation of the provisions of said regulations.

(2) Companies, etc. (legal persons) may incur criminal liability according to the regulations in chapter 5 of the Criminal Code.

Entry into force and transitional provisions

17.-(1) This Act shall enter into force on 1 July 2002.

(2) Applications pursuant to the Act on Technological Services (*“Lov om teknologisk service”*) or the Trade and Industry Development Act (*“lov om erhvervsfremme”*) shall be processed in accordance with the

regulations that apply at the time of receipt. Administration, reporting, presentation of financial statements and any repayment of co-financing granted pursuant to the Act on Technological Services or the Trade and Industry Development Act shall also be processed in accordance with provisions applying hitherto.

(3) Approvals issued pursuant to the Act on Technological Services and the Trade and Industry Development Act shall be processed in accordance with provisions applying hitherto.

(4) The executive orders and specifications issued pursuant to the Act on Technological Services shall continue to apply until they are amended or repealed in accordance with the provisions of this Act.

(5) The executive orders and regulations concerning innovation incubators issued pursuant to the Trade and Industry Development Act, cf. subsection (8), no. 2 shall continue to apply until they are amended or repealed in accordance with the provisions of this Act.

(6) The approvals and authorisations issued pursuant to the Act on Technological Services shall continue to apply until they expire, are amended or withdrawn in accordance with the provisions of this Act.

(7) The approvals and authorisations issued pursuant to the Trade and Industry Development Act, cf. subsection (8), no. 2, shall continue to apply until they expire, are amended or withdrawn in accordance with the provisions of this Act.

(8) Upon entry into force of this Act, the following shall be repealed:

- 1) Act no. 221 of 27 March 1996 on Technological Services,
- 2) sections 9a, 9b and 9c of the Trade and Industry Development Act, cf. Consolidating Act no. 1088 of 29 November 2000.

18. (Repealed)

19. This Act shall not extend to Greenland and the Faeroe Islands, but may be brought into force by Royal Decree for these parts of the Realm subject to any variations in their operation necessitated by the specific conditions prevailing in Greenland and the Faeroe Islands.

Act no. 430 of 6 June 2005 on Amendment of various acts and on repealing the Act on Municipal Collaboration on Collection and Recovery (*"Lov nr. 430 af 6. juni 2005 om ændring af forskellige love og om ophævelse af lov om kommunalt samarbejde om opkrævning og inddrivelse"*) (amendments as a consequence of the Act on Collection and Recovery of Certain Debts - making the Danish Ministry of Taxation solely responsible for recovery) contains the following provisions regarding entry into force:¹¹

(1) This Act shall enter into force on the day after publication in the Danish Law Gazette.²⁾

(2) This Act shall apply with effect from 1 November 2005, cf. however subsection (3).

(3) Rulings on recovery that have been appealed before 1 October 2005 to the previous appeals bodies shall be transferred to the Danish National Tax Tribunal on 1 January 2006 in cases where the appeals body has not finalised the appeal prior to this date.

Act no. 431 of 6 June 2005 amending various acts (simplification, harmonisation and objectification of the regulations on collecting debt to the public sector, etc. as well as possibility of using digital payslips), contains the following provisions regarding entry into force:³⁾

85.

(1) This Act shall enter into force on 1 November 2005, cf. however subsection (2).

(2) (Omitted)

Act no. 569 of 6 June 2007 amending the Act on Technology and Innovation (enabling the allocation of grants to international fora and a number of other amendments) contains the following provisions regarding entry into force:⁴⁾

2.

This Act shall enter into force on 1 July 2007.

Act no. 1336 of 19 December 2008 amending the Taxation at Source Act (*"kildeskatteloven"*), the Collection of Taxes Act (*"opkrævningsloven"*), the Statutory Debt Collection Act (*"udpantningsloven"*) and various other acts (amendments as a consequence of the Act on Collection of Debt Payable to the Public Sector (*"lov om inddrivelse af gæld til det offentlige"*)), contains the following provisions regarding entry into force:⁵⁾

167.

(1) This Act shall enter into force on 1 January 2009, cf. however, subsection (2). Section 11 shall only apply to decisions on withholding of pay made after the entry into force of this Act.

(2) (Omitted)

Act no. 309 of 29 March 2014 amending the Act on Technology and Innovation and the Act on the commercial activities of public research institutions and their collaboration with funds (amendments due to the Act on the Innovation Fund Denmark (*lov om Danmarks Innovationsfond*)) contains the following provisions regarding entry into force:⁴¹

3.

(1) This Act shall enter into force on 1 April 2014.

(2) Upon entry into force of this Act, the Innovation Fund Denmark shall take over the rights and obligations of the Danish Council for Technology and Innovation, cf. however, subsection (3).

(3) Upon entry into force of this Act, the Ministry of Higher Education and Science shall take over the rights and obligations of the Danish Council for Technology and Innovation in relation to approved technological service provider institutes, innovation incubators and innovation networks.

4.

(1) This Act shall not apply to the Faeroe Islands and Greenland, cf. however subsection (2).

(2) Section 1 may by Royal Decree be brought into force for the Faeroe Islands and Greenland, subject to any variations necessitated by the conditions prevailing on the Faeroe Islands and in Greenland.

The Ministry of Higher Education and Science, 10 April 2014

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Official notes

¹¹ The amendment shall apply to sections 12(2) and (3).

²¹ The Act was published in the Danish Law Gazette on 7 June 2005.

³¹ The amendment shall apply to section 12a.

⁴¹ The amendment shall apply to section 1(2), no. 1, section 2(1), no. 1, and section 4a.

While this translation was carried out by a professional translation agency, the text is to be regarded as an unofficial translation based on the latest official Act no. 366 of 10 April 2014. Only the Danish document has legal validity.

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⁵¹ The amendment shall apply to the heading after sections 11, 12 and 12a.

⁵² The amendment shall apply to section 1(2), the heading before section 3, sections 3-4a, section 5(1), (3) and (4), section 5(6), 2nd clause, section 7(2), no. 2, section 7(4), section 9(1), section 9a, section 11(2), the heading before section 14, sections 14 and 18.