IMPLEMENT
CONSULTING GROUP

Challenge competition on independent living 2014-2016

Project plan
Nordic Innovation

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1. Background

The five capital cities of the Nordic countries all face similar challenges in the area of care for the elderly and the disabled. The number of the elderly as a share of the total population in all five countries is growing. There is an increasing demand for more individualized services. Finally access to more resources to finance new services are expected to be limited for the foreseeable future.

In all five capital cities, therefore, significant focus Is placed on developing new and innovative solutions in order to support the independent living among the elderly and the disabled with the double objective of improving lifequality among the persons in question and of reducing the dependence on publicly financed health and social services. And, in all five capital cities, as a part of this innovative strategy initiatives are taken to develop new forms of collaboration between public authorities and private companies to see if new ideas, developed in other contexts may fertilize the process of innovating public service production.

It is in this context that the board of Nordic Innovation has taken the initiative to organize a challenge competition on independent living in close collaboration with the five capital cities.

Nordic Innovation is interested in promoting this kind of initiative not only to support the development of new and innovative solutions for the production of welfare services in the Nordic countries, but also with the ambition of developing opportunities for Nordic companies to develop new products and services that can be brought to market in the Nordic homemarket and in other countries.

Following an initial round of meetings and seminars in the autumn of 2013, commitment has been made by the five capital cities and Nordic Innovation to organize the challenge competition with launch in late 2014 and final celebration of the winner in the summer of 2016. Companies, organizations etc. will be invited to participate in a competition, running through three stages: A concept development stage, a prototype-development stage and a testing stage leading up to the celebration of the finalists and the final winner of the challenge prize.

The entire process is organized based on experience from running similar challenge competitions at international level, that have proven effective in developing novel and innovative approaches to defined challenges. Nordic Innovation is in close contact with a parallel challenge competition being organized within the same timeframe in UK, and intends to let the two parallel processes cross fertilize each other.

2. Overall purpose

The aim of the challenge prize is to inspire individuals, small businesses, research institutions and ngo's from the Nordic Countries to contribute to the improvement or development of solutions or technologies for assisted independent living for both elderly and functionally disabled people. The Nordic

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challenge prize competition serves as a platform to create a new understanding of common challenges and needs, and an environment to meet and solve some of those challenges on a Nordic basis. The setup can create opportunities for economy of scale and a bigger home market for new solutions within the area of "independent living".

The overall purpose of a Nordic challenge competition is

- To drive innovation in both the public and private sector.
- To create new innovative solutions that helps citizens (elderly and people with some functional disabilities) to be and live more independent lives.
- To test and apply new innovative tools like "challenge competition" that can provide the municipalities with new and better integrated solutions,
- To create economy of scale and a bigger home market for new solutions within the area of "independent living".

Prizes act as a powerful incentive for meeting a specific challenge, and we believe they can help stimulate new ideas for some of the most difficult challenges we face.http://www.nesta.org.uk/our-projects/centre-challenge-prizes#sthash.rVKCHJU1.dpuf

A CHALLENGE COMPETITION SEEKS TO INVOLVE EXTERNAL PARTIES IN THE DEVELOPMENT OF INNOVATIVE SOLUTIONS

Challenge competitions have been developed as a means to invite an array of different actors to contribute to the development of innovative solutions to particular problems. The challenge competition essentially sets out a prize, that is rewarded to whoever can first, or most effectively, meet a defined challenge. It has thus been used in a variety of contexts, mainly by public authorities to invite private companies, research institutions, ngo's or other organizations to compete on developing novel and innovative ideas and solutions or technologies to meet a particular problem. One of the challenges of organizing a prize is to define the challenge in a way that opens up for innovative solutions, and inspires companies to participate, while at the same time ensuring that the solutions or technologies that are developed in the process will actually be regarded as attractive by the organization or public entity that owns the problem, i.e. that it will be implemented and used.

The working group of the Nordic Challenge Competition, consisting of representatives from the five capital cities and Nordic Innovation, has at an earlier stage in the process agreed on the subject and content for the challenge. The challenge competition is summarized as

providing new solutions to elderly and people with disabilities so that they can live longer in their own home.

The overall objective of the challenge competition can, thus, be formulated as

Elderly people and people with disabilities living more independent lives and less dependent on costly publicly provided services

That is, this is the impact, that the entire project seeks to achieve. In order to achieve this impact a number of more specific objectives for the management of the project can be defined:

1. By autumn 2014 the five capital cities have achieved a more profound understanding of the needs of the frail elderly and the disabled, that will allow them to open up for the development of novel and innovative

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ways of producing service for the target group. Two research reports have been received and have been widely communicated and spread within the five municipal organizations

2. By late 2014 the five capital cities will have established a relationship with a number of external parties, that are interested in contributing to the solution of the challenges facing publicly funded welfare production, thus forming a kind of welfare alliance with interested parties. A roster of 150 companies, research institutions, ngo's etc. have been established (30-35 for each city). Of these 150 companies etc. 100 are expected to hand in concept papers by the end of stage 1 in march 2015.
3. By summer 2015 the five capital cities and Nordic innovation will have gained experience and developed a number of lessons learned with regard to collaborating with external innovators, thus being able to identify the advantages as well as the obstacles to involving these parties in the development of services in a way that produces true value. 25 companies etc. have received one-to-one mentoring as part of the support package. 25 city officials will have participated in one-to-one mentoring with regard to developing – with the participants – a more profound understanding of how solutions can benefit the target population as well as the cities themselves.
4. By spring 2016 the five capital cities and Nordic innovation will have gained experience in terms of providing test-beds for the testing of innovative solutions and technologies. Each city has been involved in the test of at least one of the developed solutions. Evaluation criteria for the test of each of the five solutions have been developed, sata has been gathered, and suggestions for improvements have been extracted.
5. By summer 2016 a winner of the challenge competition has been found and a number of solutions or technologies will be ready to be brought to market. The challenge competition has been mentioned and winner mentiont on national media in each of the five Nordic countries.
6. By late 2016 three of five finalists will have brought their solutions to the market, or, have responded "to a high degree" on a evaluation questionnaire on the question "participating in the challenge competition has brought our solution significantly closer to being brought to market"

The ambition of the project is, off course, that the solutions and technologies that have been developed as part of the competition, is actually brought to market, and that they are actually procured and used by the municipal authorities in a way that will produce an impact on the lives of the frail elderly and the disabled. This is however, outside the scope of the project. The project will seek to inspire interest in the solutions and technologies developed as part of the competition, but only the desirability of the products or services developed will be able to determine whether they are actually procured and implemented in the five municipalities and elsewhere.

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Figure 1: Hierarchy of objectives

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3. Hierarchy of objectives

The concept of the hierarchy of objectives serves as a way of making more operational the overall purpose of the project, dividing the overall purpose into concrete objectives and developing an understanding of the interdependence of each individual objective and how these objectives contributes to fulfill the overall purpose.

Table 1: Hierarchy of objectives

Objective	What –how?
Elderly people and people with disabilities living more independent lives and less dependent on costly publicly provided services	Among the target population of frail elderly and disabled people, solutions increasing independence are being used and have proved effective in increasing quality of life and in reducing demand for services
Publicly financed services are delivered in a more efficient way	New technologies and services have been acquired and implemented in day-to day practice and have proven to be able to

	increase quality in service delivery and increase effectiveness in service provision
Services and technologies that increase independence among the elderly and the disabled are available and used	Individuals within the target population are made familiar with new solutions, technologies or services, and are actively demanding these solutions and are finding ways to use them and benefit from them
Municipal service providers in the five capital cities are ready to implement innovative solutions and technologies	Building on the developed analysis of user needs among target population, decision makers in the five municipalities demand new solutions, new technologies and services, and have developed the organizational set-up to implement new approaches and realize potential benefits
Innovative services and technologies are brought to market	Companies have on the background of the results of the testing phase, made necessary adjustments, and have developed solutions to prepare for market entry, business plans have been developed and executed. This is outside the scope of the challenge competition, and will depend on the participating companies' own ability to take next step.
Prototypes of innovative services and technologies are tested in relation to public service provision and in the private sphere of elderly and disabled people	Five of the developed prototypes have passed on to the final third stage of the competition. In the testing phase, the solutions have been tested for usability as well as for their potential for improving quality of life among the target group, as well as improving efficiency in service provision.
Innovative services and technologies are developed by private companies and organizations	25 companies and organizations pass to stage two of the competition. These companies are able to invest resources in the development of their solution from concept to prototype. Support has been extended to these companies, and participants regard the solutions that are finally handed in to challenge in the competition as significantly improved in terms of usability and in terms of market potential
Private companies are approached and motivated to develop innovative solutions or technologies	Relationships with at least 150 companies have been established (30-35 in each of the larger capital cities, a bit fewer in Reykjavik). Of these at least 100 hand in concept papers at the end of stage one of the competition

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Challenge competition defined and prize set up and communicated	The final wording and scope of the challenge competition has been developed by the working group and approved by the steering committee. Decision has been made on the structure of the competition and the prize, and support packages for the three stages of the competition has been published
User needs are analyzed and defined in ways that inspire innovative solutions	Two research reports have been received, and have been spread to relevant stakeholders. The project groups within each of the fiev cities have deliberated over research findings and have elaborated brief summaries to distribute to relevant stakeholders
Communication around challenge competition penetrating into relevant spheres	Communications plans have been developed at a Nordic level and at the level of each of the five cities. Communication is being carried out in a structured and professional fashion, and has created awareness and interest among potential participants in the competition as well as within the five municipalities themselves.

In the initial phase of the challenge competition, therefore, emphasis needs to be directed to the four starting points of the hierarchy og objectives, namely:

- Challenge competition defined and prize set up and communicated
- User needs are analyzed and defined in ways that inspire innovative solutions
- Communication around challenge competition penetrating into relevant spheres

4. Milestones

The milestones in the project plan essentially constitute the necessary steps or the finalization of different necessary phases of the project plan. Milestones are always formulated as a state of affairs that is projected as being achieved at a particular point in the project plan. In this way al the activities within the project plan, that lead up to the milestone have to contribute to achieving the desired state of affairs.

Thus the list of milestones have to be seen as the steps that need to be taken in order to fulfill the objectives of the project and adhere to the project plan

Table 2: Milestone plan

Milestone	Date
Project description approved, commitment from project parties in place and project organization in place	June 2014

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MILESTONES REPRESENT NECESSARY STEPS, THAT NEED TO BE TAKEN IN ORDER TO ACHIEVE THE OVERALL OBJECTIVE

Local project organization in five cities in place	July 2014
Plan for launch event approved by steering committee	August 2014
Research reports on needs and on municipal strategies on innovation of the production of welfare services received and approved	September 2014
List of potential participants in each of the five Nordic countries elaborated. Jury named and design of support packages apporced by the steering comittee	October 2014
Communications plan at Nordic level approved and first press release delivered	October 2014
Local project plan approved. Local communications plan approved	October 2014
Political case on commitment to challenge competition presented in each of the five capital cities	November 2014
Second press release and launch event completed	November 2014
All applications received and distributed to to jury panel	March 15, 2015
Applications for next phase chosen and informed of further process	March 15. 2015
Plan for testing process in five cities approved	June 2015
Applications for testing chosen and informed of testing process	October 15, 2015
Final applications handed in and distributed to jury	May 2016
Winner elected and prize-event	June 2016
After-prize communication activities completed	September 2016

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4.1 Main project tasks

The entire challenge competition can be split up into five main tasks, that will be carried out through five distinct phases of the project.

The five tasks are:

Organizing the challenge competition

This task is pivotal in the initial phases of the challenge competition, because this has to do with establishing the knowledge base, needed in order to define the challenge, and to make sure that the different parties can actually commit themselves to the specific wording of the challenge.

During the so called early stage of the challenge competition a number owf seminars have been conducted to create a common understanding of how the challenge could be defined in a way that would inspire potential participants to direct their development activities towards the desired outcome. IN this phase, a number of studies and investigations have been commissioned in order to create a background for the definition of the specific challenge and in order to gain a more profound understanding of the needs of the target group

THE SUPPORT PACKAGE OFFERED IN THE DEVELOPMENT PHASE OF THE CHALLENGE COMPETITION IS KEY TO ATTRACTING PARTICIPANT COMPANIES AND ORGANIZATIONS

This task also involves the organizing of the support package at different phases of the competition. The support package is an key feature of the challenge compettion, where the competing companies or organizations are supported in developing their concepts or ideas into solutions that can be implemented and brought to market. The specific support packages in the different phases need to be designed. According to earlier experience these can involve two different elements:

- Workshops for all competitors, where different issues pertaining to the needs oif the target population can be clarified or where the specific obstacles, that the participating companies or organizations are experiencing, can be discussed, and help can be provided. This kind of workshops could be organized as part of the work on establishing of networks with paticipating competitors in the phase leading up to the launch of the competition and the phase of conpept development
- Tailored one-to-one support where competing companies after having passed to the second or third round of the competition can receive mentoring on the practical usage of their solution or on the task of developing af business plan for the product or service in question. Earlier experience with challenge compettions have shown this part of the competition set-up to be vital to the succes of the competition. A central concern, in this context, is how to be able to provide competitors with qualified coaching and support. This can be solved through involving municipal expertise in the practical usability issues

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and /or contracting with expert-assistance with regards to the development of viable business plans for the concrete product or service.

The specific design of the support package should probably be in place, so that information can be given at the moment of the launch of the challenge competition, because the design of this support package may be one of the elements attracting potential competitors to participate in the competition.

Communication at a Nordic level

A number of communcations activitis have to be planned and carried out at the Nordic level in order to create interest in the challenge competition throughout the entire process. Thus a communcations plan needs to be drafted and responsibility for the organization of the specific communcations activities needs to assigned.

Creating and maintain commitment and ownership in the five capital cities

This task essentially consists of two distinct elements. On the one hand it is necessary to establish the local project organization, so as to ensure that the specific tasks, that are to be carried out at the level of each of the five cities are actually taken care of. This is the responsibility of the appointed local project manager in each of the participating municipalities. The project group should consist of people from each of the involved servicedelivery departments within the city, as well as of professionals with communication skills. The local project is in itself a relatively complex endeavor and one of the initial tasks of the project group is to develop a project plan and a timeline for the local project.

On the other hand the professionals in the cities, that are employed in care for the frail elderly and the disabled need to informed of the progress of the challenge competition in order for them to influence the development process of new solutions and technologies and in order for them to actually demand the procurement and implementation of the innovative solutions and technologies, once they have been developed as part of the competition. Thus, another central task for the project group is to ensure that communication is directed at several layers within the municipal organization, so as to create and maintain ownership and interest in the project during the entire project process.

Communication and the establishment of network of participants at city level

Even though it is well known in the Nordic countries that publicly funded welfare production is facing major challenges and that new ways of collaborating between public authorities and private companies are sought, it is by no means obvious that companies will see the challenge competition as an attractive opportunity to develop business. Therefore much emphasis needs to be put on developing a local communicatons plan, that involve a number of different activities aimed at creating interest and establishing relationships with potential participants. They may be found in existing companies or among start-up companies, in research institutions or ngo's with a particular interest in the fields of care for the elderly and disabled or elsewhere. However, for these parties to be inspired to participate quite an effort needs to be made.

In the concept stage (stage 1) of the challenge competition a number of workshops should be organized allowing for potential participants to meet with representatives of the city and other participants to explore the possibilities of partnering up or getting inspired by presentations on existing services and

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technologies or getting a mor profound understanding of the needs and daily lives of the target population.

In the prototype stage (stage 2) each of the five cities need to organize mentoring activities as mentioned above.

Finally in the testing stage (stage 3) negotiations have to be conducted between the finalists and the potential testing sites for the new solutions, so as to ensure, that usability of solutions can be tested and evaluated properly and, to ensure that this is done in a fashion that is in accordance with professional standards and ethical guidelines for service delivery at the site in question. The local project groups need to plan for the testing stage well in advance to ensure that this is feasible.

Project Management

A responsible steering committee needs to be named and it's specific terms of reference needs to be established, in order for the governance of the entire process to be put in place. Local project groups needs to be named and project managers picked, in order to ensure the coordination and simultaneous progress of the process in each of the five countries. A detailed plan has to be developed and monitored aling the process in order to esnsure that the project stays within scope, that the budget is spend responsibly etc.

5. Outline – timeframe

The timeline for the project runs from August 2013 to summer 2016. Both the timeline and budget was presented to the participants from the Nordic municipalities at the challenge competition meeting in November. The timeline

Figure 2 Timeline May 2014 – launch late 2014

describes a process with launch in late November 2014 and final prize award in late June 2016. the timeline must, however be extended beyond final prize event in order to see how benefits can be harvested in a longer term.

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The project will be carried out in a number of stages:

Early stage / challenge design / analysis

Focus has been on establishing a collaboration between Nordic Innovation and the five capital cities and exploring the possibilities of drafting a challenge formulation, that will inspire potential participants and at the same time meet the defined needs of each of the five participating cities. A letter of intent has been signed, and a budget for the entire challenge competition, including funding from the participating cities and Nordic Innovation, has been elaborated.

A project plan has been drafted and the members of Steering Committee named, and local project managers appointed.

Furthermore a number of studies have been commissioned, including:

An analysis that will identify comparable background information from each (Nordic) capital city on a range of parameters to qualify the need and to focus the challenge the municipalities are experiencing. The analysis will serve a dual purpose:

- background for the project group when designing the challenge competition for the Nordic capital cities within independent living,
- background and insights documentation for applicants to the challenge competition – description of the need that successful applicants must meet

A deeper analysis of user needs including a description and illustration of the needs of the users; the elderly and disabled, (including relatives and health professionals working with the user groups etc). This analysis will serve several purposes:

- background for the project group when designing the challenge competition for the Nordic capital cities within independent living,
- background and insights documentation for applicants to the challenge competition – description of the need that successful applicants must meet
- in depth knowledge on the target groups

Finally through an internal process Nordic Innovation has sought to clarify the legal aspects of public authorities and private companies entering into the particular relationship, that is involved in the challenge competition

Concept development stage (stage 1)Launch, application and matchmaking

A large launch event Will be organized at a Nordic level, creating interest among main stakeholders for the project at a Nordic level. This needs however to be coordinated with more local launch and communications activitiesat the level of the cities. The latter is the responsibility of the local project organizations.

Preceding the launch event in each of the participating cities contact and relationships need to be developed with relevant stakeholders in order for a number of potential participants to be prepared for the launch event and the concept development stage.

Following the launch event a number of workshops have to be organized at local level in order for potential participants to be informed and inspired , and in order for potential participants to partner up with other potential participants etc. These also need to be organized and planned for by the local project organization in the time leading up to the

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Figure 3 Timeline Launch – celebration off prize summer 2016

launch.

Prototype stage (stage 2) - support to participants

The challenge competition will only be a success if the supply side engages in the competition. SMEs, academics, health professionals etc. must be incentivized to invest the time it takes to participate. Incentives involve the final prize, off course and the possibility of access to the five cities as main buyers in the market for welfare services. Potential participants will, however, also be incentized by the access to different kinds of support at stage 2 and 3 in the competition, and by the access to using the municipal organizations as test-beds for products and services.. Mentoring or other types of assistance to the companies will have to be procured as a part of the project. Mentoring will be carried out partly by employees form the municipality with expert insigtht into the professional field of care for the elderly and the disabled, or, by private companies or consultants with insight into the development of new products or bringing a product or service to market.

The selection process will involve three steps. Following the launch, late 2014, potential participants will be asked to develop and hand in very brief concept-papers, that describe the need, that the solution is targeting, the potential benefit for users and service providers and a crude design of the solution technology or service. These applications have to be handed in in each city by march 15th 2015.

After the first selection phase, it is expected that around 20-25 finalists across the five Nordic countries get to participate in stage 2 of the compettion. During stage one, support will be given to potential particpants in the shape of workshops and meetings, where participants will have the opportunity to meet representatives from the host-city and fellow participants.

The 25 companies or organizations that pass through to the second phase will be offered one-to-one support to develop the solution or the business potential of the solution, technology or service. From this phase around five to seven companies will be appointed to participate in stage three – the testing stage

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Testing stage (stage 3) As part of the challenge competition design, the five selected companies, that have developed the most promising prototypes in the prototype-stage are to be given the opportunity of conducting realilife testing within the municipal service delivery system. This gives companies the opportunity to test solutions in day to day service delivery exploring the usability of the solutions as well as the potential benefits for target population and for developing more efficient service provision.

The testing stage has to be coordinated at Nordic level, but the concrete testing sites have to be chosen and prepared by th local project group, in order to ensure, that the site provides for optimal testing facilities and that testing can take place without violating important organizational standards for security and ethics.

Prize stage:The prize, including final event and follow up
There will be a final event where the winner is awarded. However, the project shouldn't stop when the prize is awarded, but continue to see how the cities can continue their processes, possibly through procurement processes. Nordic Innovation will also through the project see how the challenge competition best can fit into other parts of a health and welfare innovation program.

Figures X and x illustrate the project outline from may until December 2014 and from november 2014 to summer 2016:

Final stage: Evaluation and measuring of impact

The evaluation and the measuring of impact will be organized as a coordinated follow up on the specific objectives defined above with contributions from each of the capital cities. Beside this a more qualititative evaluation of the process will be carried out at the time of the conclusion of the challenge compettion in order for the involved municipalities and Nordic Innovation to extract the lessons learned from the process.

6. Main stakeholders – stake holder analysis

The stakeholder analysis is an essential part of any project plan. It serves the purpose of identifying all main stakeholdes in the project and the role of each stakeholder. This is necessary in order to identify the bodies that will be supporting the project, those that will need to be kept informed and also bodies or entities that have do be dealt with in order to overcome different material or more subjective obstacles for the project to be realized in the projected way

Stakeholder	Role
The five capital cities	Members of steering group Commitment to co-finance the challenge competition and to contribute to organization and communication
Nordic Innovation	Members of steering committee
Local companies, research institutions etc.	Potential participants. .Main target group of initial communication activities. Need to

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	be incentivized and inspired to participate and make the necessary investments to develop sustainable solutions
Users, usergroups, user organizations	Will be involved as stakeholders, will be informed and could take part in the jury (?)
National authorities	Eill be kept informed about major progess and achievements

6.1 Commitment of capital cities and Nordic Innovation

6.2 Value proposition for the applicants

It is critical to the success of the challenge competition to attract interest and participation from applicants with good ideas. The value proposition for applicants will be as follows:

- 25 applicants will get the opportunity to have their idea developed through mentoring and/or grants
- Of the 25 applicants chosen to have their idea developed, 5 finalists will get the opportunity to test/pilot their concept in a capital city setting
- Of the 5 finalists, 1 winner will be selected to receive a prize of 1 mill NOK

All applicants will get information from the cities about their needs, and get the opportunity to network and meet city representatives at the launch event and on other occasions.

There will be good profiling and communication opportunities for the companies in the programme.

The cities are interested in actual procurements in this field, and have asked Nordic Innovation to have a plan for the project that does not stop with the final prize. This will give opportunities for companies.

7. Project organization

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The steering Comittee has the overall responsibility of organizaing and managing the entire challenge competition and ensuring commitment from the five cities

The working group is constuted by the five local project managers responsible for organizing project activities in each of the five cities. The working group there for has the task of coordinating activities as well as to facilitate the exchange of experiences and lesssons learned in each of the five cities

The local project group has the tasks of organizing activities in each of the five cities, involving creating interest among potential participants, organizing the mentoring activities, designing the testing facilities, and creating ownership and interest in the challenge competition within the municipal organization

8. Costs

The draft budget drafted by Nordic Innovation was also presented to the group at the meeting the 20th of November. Nordic Innovation requires approximately 2 man-years of work and NOK 500.000 of financial resources from each city. The preliminary response to the budget has been positive. However, the cities need to anchor the budget further in their administration in order to do final commitment, especially when it comes to the funding.

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