

Joint Nordic-UK and Estonian Research and Innovation Programme on Digitalisation of the Public Sector

Programme Memorandum

Background of the Programme

The demographic composition of all the European countries is changing, creating new demands for services and raising questions about the capacity and the quality of the public sector as the main provider of those services. Digital transformation is seen as both a necessity and a possibility to improve public service. Alongside the changing demographics, the digital transformation of work activities and occupations – combined with rapidly evolving user expectations and preferences – is creating a high demand for transformation of workforce and labour markets as well as increased pressure on infrastructure and service delivery. Our ability to deliver on lifelong learning across all sectors and industries is tightly coupled to how this will ultimately play out. Other conditional factors for successful digitalisation are tied to technology adoption capabilities as well as strategies to avoid exclusion and marginalisation.

The Nordic region is high-performing and digitally mature with regards to public sector, yet there is a strong political imperative for further improving the efficiency, effectiveness and governance of public services design, public infrastructure and delivery through expanded digitalisation in the Nordic countries. This is also the case in the UK and in Estonia. All the countries have developed digital strategies which contain high ambitions for modernising, simplifying and improving the public sector. Summing up the aims, objectives, goals and focus areas of the strategies shows that all the countries have similar main goals, as they all emphasise knowledge development, user-centricity, digital skills, digital security, AI application and e-administration, for the further development and digitalisation of the public sector.

Against this backdrop and in response to the open invitation from NordForsk, the Research Council of Norway, on behalf of the involved funding agencies, submitted an Expression of Interest letter to establish



a NordForsk Research and Innovation Programme on Digitalisation of the Public Sector. At its meeting on 19 November 2018, the NordForsk Board decided to initiate and implement the initiative. The joint Nordic-UK and Estonian Research and Innovation Programme was established as a result of this process. A Nordic-UK and Estonian cooperation of this type will contribute to Nordic added value and enable Nordic researchers and public and private sector agents to align with international state of the art, building networks and capacities they can bring to even more competitive arenas internationally.

The following research funding organisations (hereafter jointly called the Funding Partners) participate in the joint funding of the programme:

- Research Council of Norway (Norway)
- Innovation Fund Denmark (Denmark)
- Swedish Research Council for Health, Working Life and Welfare, Forte (Sweden)
- Academy of Finland (Finland)
- Economic and Social Research Council, part of UK Research and Innovation (United Kingdom)
- Estonian Research Council (Estonia)
- NordForsk

Economic Framework

The total budget of the programme is approximately EUR 6.6 million. The programme is funded through a virtual common pot.

Overarching Aims and Objectives of the Programme

The programme aims to:

- accelerate knowledge-based innovation and digitalisation of public sector services across the Nordic region;
- advance knowledge related to enabling factors for successful digital transformation of the public sector;
- strengthen research and knowledge related to long-term effects and impacts of the digital transformation on the public sector and society as a whole;



- strengthen knowledge-based innovation capability in the Nordic public sector and beyond and encourage stronger cooperation and collaboration between innovation agents and research communities across the public and private sector;
- produce useful knowledge and decision support for future policy development and the development of the public sector throughout the Nordic region, in the UK, Estonia and beyond;
- encourage comparative research and the exchange of best practice and innovative solutions within participating countries and across borders.

Objectives:

- To advance theoretical, methodological and experimental research and innovation, and motivate and support excellence and capacity building for interdisciplinary and cross-sectoral research on public sector digitalisation.
- To generate applied research that will be useful to practitioners and offer guidance to policy-makers in each participating country as well as across national boundaries.
- To promote increased cooperation between researchers, service providers and users at all levels, and across public, civic and private sectors.
- To develop and test specific innovations and new digital solutions in the public sector, as well as develop an understanding of the potential impact of digitalisation on public sector organisations and on public sector employees.
- To consider security, privacy and ethical implications and other possible societal risks of digitalisation e.g. cyber security, data governance and increased social inequality.

Thematic Framework

Based on a set of factors that enable and drive digital transformation of the public sector (i.e. emerging technologies, emerging organisational practices, and/or emerging regulatory frameworks and governance mechanisms), programme initiatives are to combine and integrate knowledge-based, digital innovation efforts with research on the related effects and/or impact on society and end-users.



The thematic framework encompasses the following three main dimensions:

1. **ENABLING FACTORS** – exemplified by, but not limited to:
 - a. emerging technologies that drive and/or accelerate digital transformation of public sector;
 - b. emerging organisational practices that support and enable digital transformation of public sector;
 - c. emerging regulatory frameworks and/or governance mechanisms that are conditional for digital transformation of public sector.

2. **DIGITAL INNOVATION OF PUBLIC SECTOR** – exemplified by, but not limited to:
 - a. service/process automation, self-enablement;
 - b. data/insight driven services (personalisation, differentiation);
 - c. MyData and personal approval-based services;
 - d. OpenData-based innovation.

3. **SOCIETY AND END-USER PERSPECTIVE** - exemplified by, but not limited to:
 - a. skill requirements and user adoption;
 - b. labour markets and need for life-long-learning;
 - c. security, privacy and risk;
 - d. longer-term effects and impact of digital transformation in public sector.