



**MINISTRY OF FOREIGN AFFAIRS  
OF DENMARK**

*Invest in Denmark*

# 2024

## ANNUAL REPORT

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# INTRODUCTION

Invest in Denmark is part of the Ministry of Foreign Affairs and works to attract, retain, and develop foreign investments in Denmark. Invest in Denmark is Denmark's national investment promotion agency.

In 2024, through this work, the Ministry of Foreign Affairs supported a total of 56 investment projects from foreign investors, who ultimately decided to carry out an investment in Denmark.

Of the 56 investment projects, 44 are classified as being of particularly high quality (equivalent to 79%), while 26 projects are classified as sustainable (equivalent to 46%).

Invest in Denmark's targets for 2024 were to attract at least 55 investment projects, of which at least 65% should be of particularly high quality, and 40% should be sustainable. These targets have thus been met.

Foreign investors themselves estimate that their investments will result in the creation of approximately 2,300 jobs, along with an additional 1,200 construction jobs during the implementation phase of the investments. Based on a methodology developed by the consultancy firm Copenhagen Economics, this is estimated to have a positive GDP effect on the Danish economy of approximately DKK 5 billion.

## ABOUT INVEST IN DENMARK

Invest in Denmark works to attract, retain, and develop foreign investments across Denmark, primarily by:

- Raising international awareness of Denmark as a highly attractive investment destination.
- Providing free and confidential assistance to foreign companies considering or in the process of making an investment in Denmark.
- Assisting foreign investors with insights and understanding of specific investment, research, and development opportunities, as well as framework conditions and requirements in Denmark.
- Helping foreign investors gain access to relevant partners and networks, such as local authorities, business clusters, and universities.
- Connecting foreign investors with relevant legal and financial advisory firms.

In this work, Invest in Denmark focuses particularly on Tech, Cleantech, and Life Science & Food, with a special emphasis on attracting investments that contribute to a more sustainable and resilient economy while also supporting Denmark's strongholds in high-growth potential sectors.

The efforts are coordinated and implemented in collaboration with partners across Denmark.

# KEY RESULTS 2024



**56**

**SUCCESSFUL INVESTMENT  
PROJECTS**



**44**

**HIGH-QUALITY INVESTMENTS\***



**26**

**SUSTAINABLE PROJECTS\***



**2.300**

**APPROX. NEW JOBS**



**1.200**

**APPROX. NEW CONSTRUCTION JOBS**



**DKK 4.9 BILLION**

**ESTIMATED CONTRIBUTION TO GDP  
GROWTH\***

*\* See detailed definitions of successful projects, high-quality projects, and sustainable projects, as well as the calculation of GDP impact at the end of the annual report.*

# LOCAL AND GLOBAL PRESENCE

## INVEST IN DENMARK'S GLOBAL PRESENCE IN KEY MARKETS

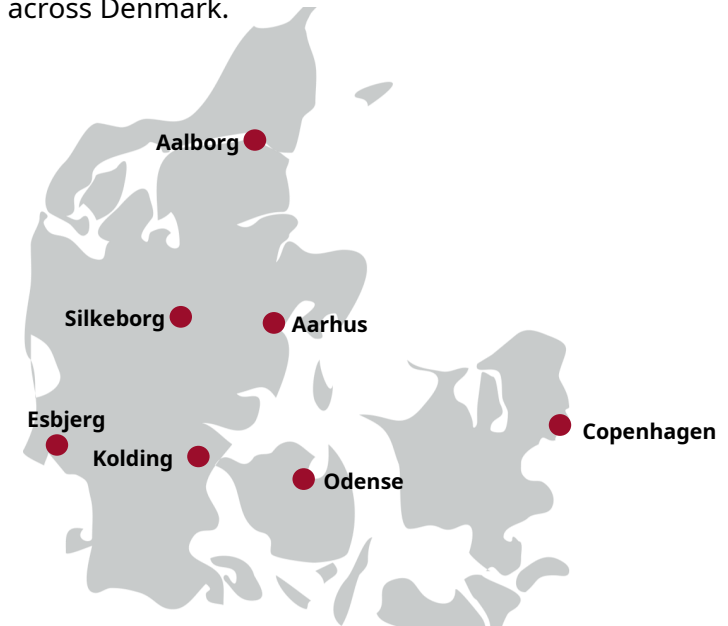
The Ministry of Foreign Affairs has dedicated staff in key markets that Invest in Denmark has identified as having particularly strong potential for attracting investments. Investment promotion staff located across 12 diplomatic representations in North America, Europe, and Asia provide in-depth market and business insights, strong local networks, and cultural understanding.



## INVEST IN DENMARK'S LOCAL PRESENCE ACROSS DENMARK

Invest in Denmark has sector experts located across Denmark, strategically positioned near key knowledge hubs. The regional teams have specialised expertise in Danish strongholds and focus areas. These regional experts engage with local businesses, municipalities, cluster organisations, and universities to develop and leverage investment opportunities in Denmark.

This approach helps connect foreign investors with the local expertise, opportunities, and knowledge environments available across the country. Additionally, it strengthens local communities, supports the national economy, and plays a vital role in driving growth across Denmark.



# RESULTS 2024

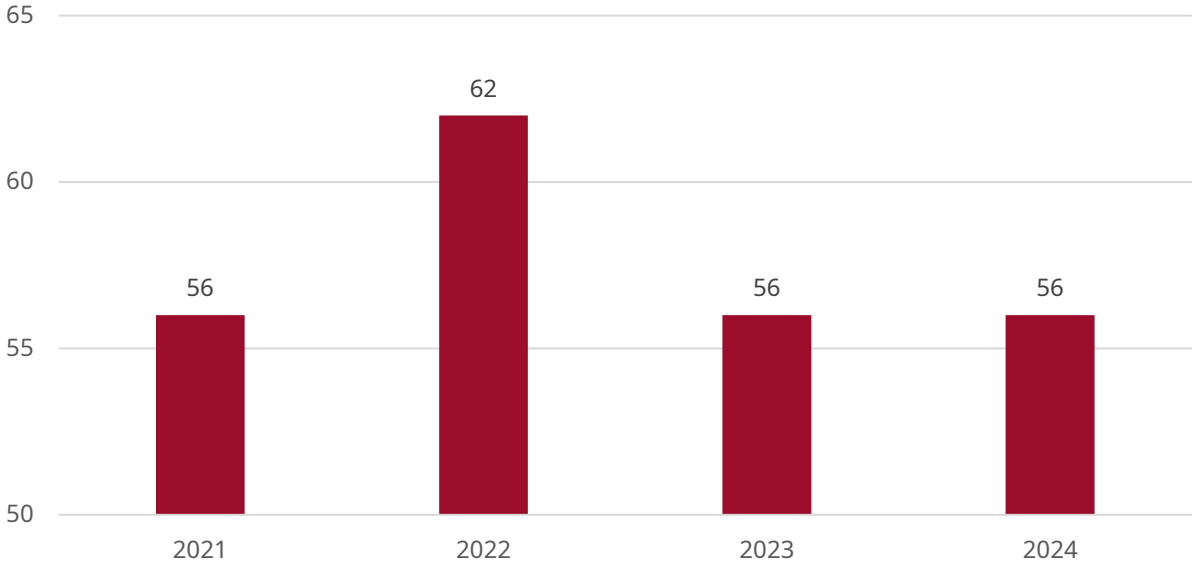
## OVERVIEW, HIGH-QUALITY AND SUSTAINABLE PROJECTS

Invest in Denmark attracted a total of 56 successful investment projects in 2024, maintaining the same level as the previous year.

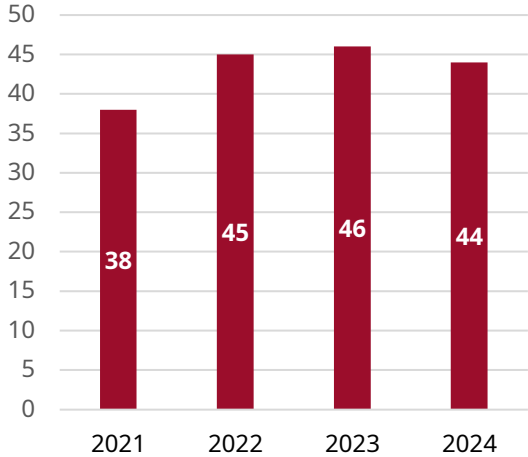
Invest in Denmark evaluates successful investment projects based on whether they are of particularly high quality (knowledge- and technology-intensive and/or particularly large investments, as further described in the appendix) and whether they can be considered sustainable, as outlined in the appendix.

The annual report presents a selection of investment projects that Invest in Denmark supported in 2024. More detailed examples of successful investment projects can be found on Invest in Denmark's website. [LINK](#)

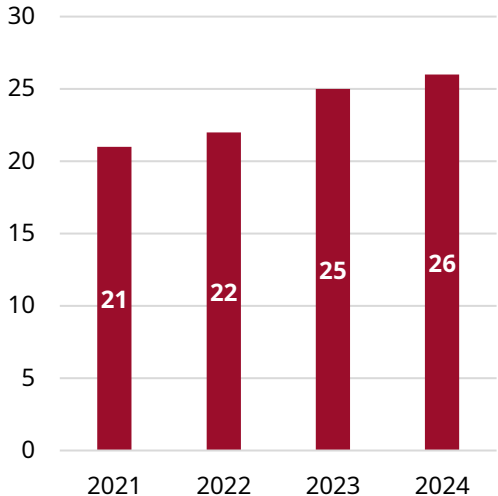
SUCCESSFUL INVESTMENT PROJECTS, 2021-2024



HIGH-QUALITY INVESTMENTS



SUSTAINABLE PROJECTS



# RESULTS 2024

## FOCUS AREA AND MARKET DISTRIBUTION

### FOCUS AREA

Among the 56 investment projects supported by Invest in Denmark in 2024:

- 44% were within Cleantech,
- 32% were in Life Science and Food,
- 24% were in Tech.

These investment projects spanned a wide range of sectors and technological solutions.

In the Cleantech sector, investments included data centres, the green maritime sector and transport, as well as carbon capture, utilisation and storage (CCUS), hydrogen/Power-to-X, wind energy, and energy storage.

Within Life Science and Food, Invest in Denmark primarily supported investments in digital health & medtech and pharmaceutical biotech.

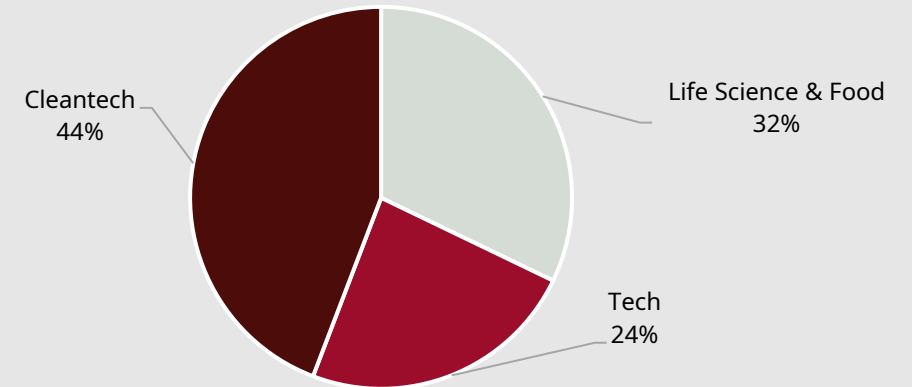
In the Tech sector, investments included quantum technologies and robotics/drones.

### MARKET DISTRIBUTION

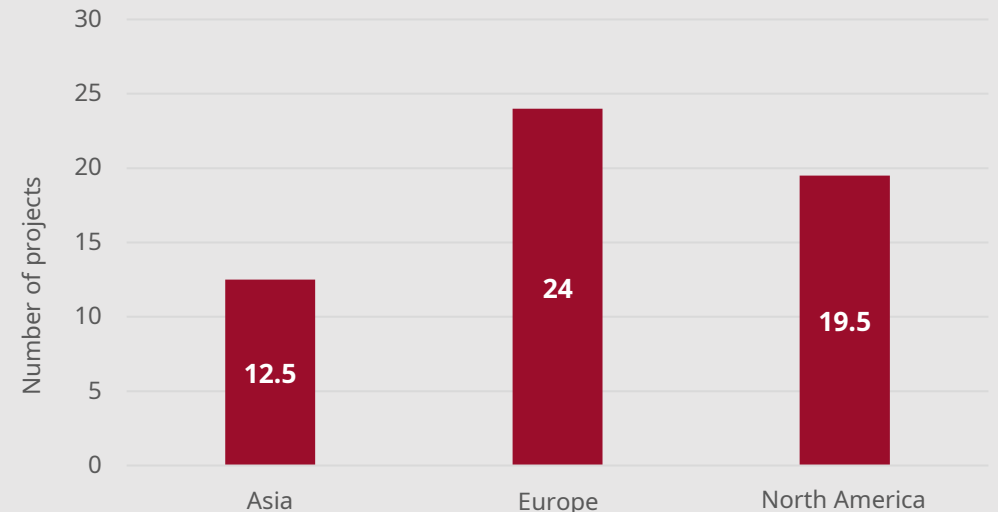
In 2024, Invest in Denmark supported 24 investment projects from Europe, 19.5 from North America, and 12.5 from Asia.

Looking at individual countries, most foreign investments in 2024 came from the USA, followed by the UK, Sweden, India, Germany, and France (not shown graphically).

INVESTMENT PROJECTS BY FOCUS AREAS, 2024



MARKET DISTRIBUTION OF INVESTMENT PROJECTS, 2024



# RESULTS 2024

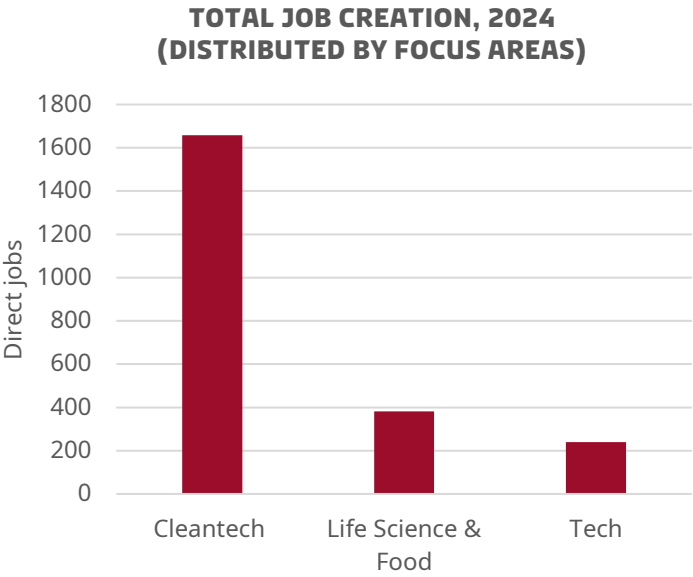
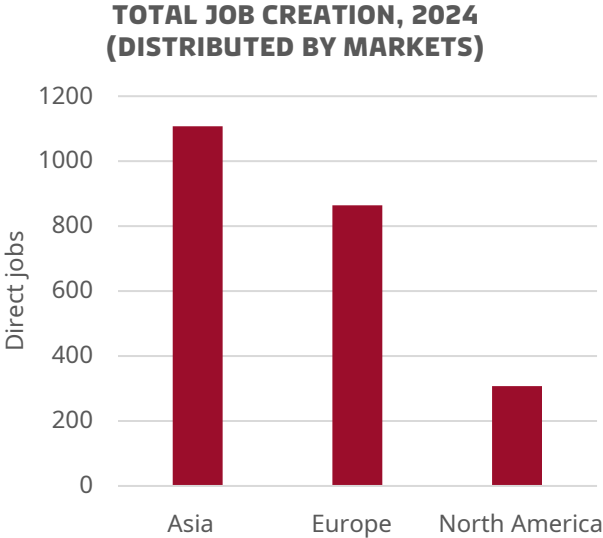
## JOB CREATION

The investment projects that Invest in Denmark helped attract in 2024 are expected to create a total of 2,279 new direct jobs. This represents an increase of 677 direct jobs compared to 2023.

The largest expected direct job creation is within the Cleantech sector and is further driven by investments from Asia. Both factors can be attributed to a major investment from Japan in Cleantech.

Job creation can occur both through recruitment in Denmark and through foreign specialists or other personnel relocating to Denmark. The international investment projects that Invest in Denmark has supported in relation to investing in Denmark are expected to result in a total of 509 highly educated full-time employees (i.e., holding at least a bachelor’s degree) moving to Denmark as a result of their investment (not shown graphically).

In addition to this direct job creation (i.e., jobs expected to be created as a result of foreign investment), a further 1,159 jobs are expected to be created in the construction sector during the period in which the investments are implemented (not shown graphically).



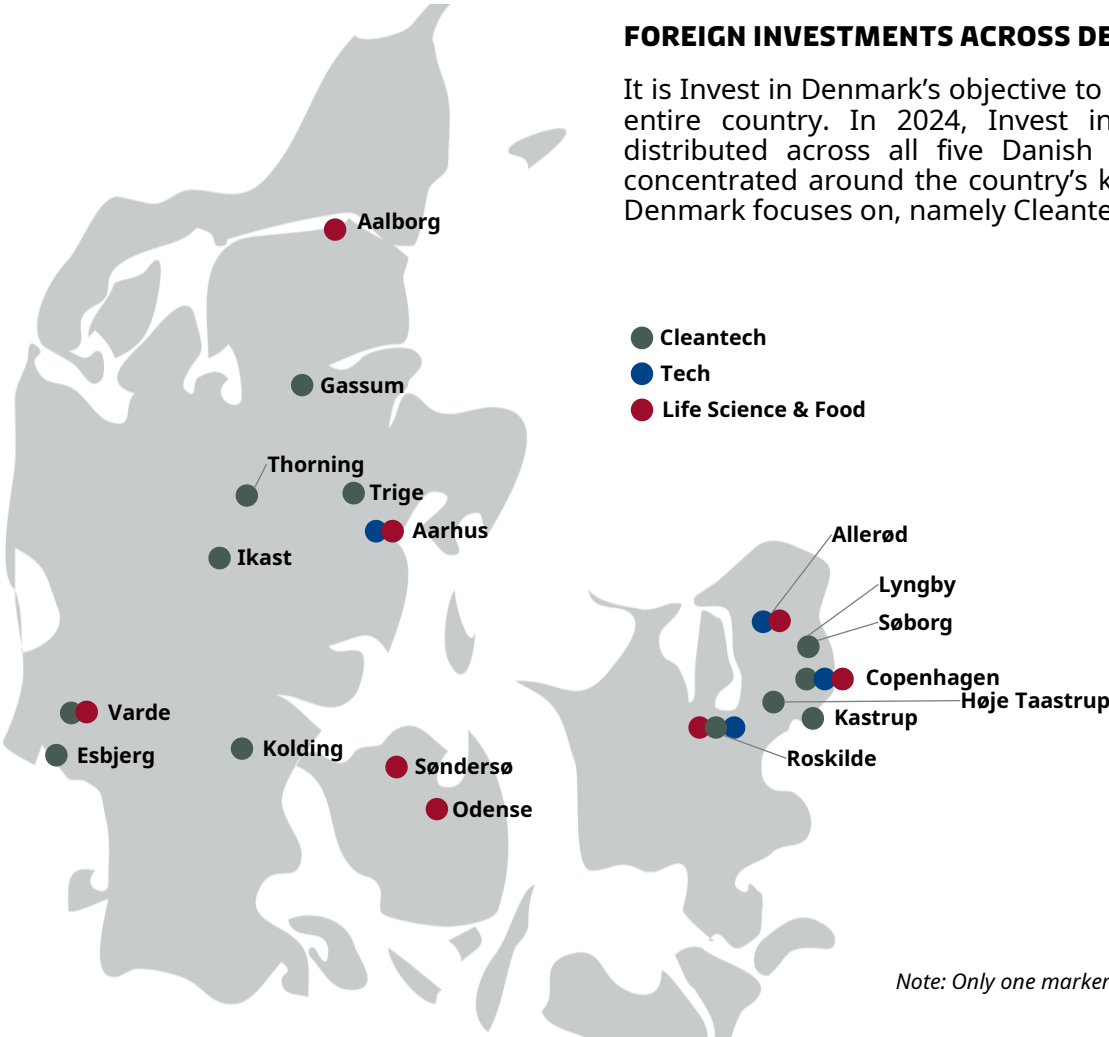


# RESULTS 2024

## NATIONAL INVESTMENT COVERAGE

### FOREIGN INVESTMENTS ACROSS DENMARK

It is Invest in Denmark's objective to contribute to growth and investments across the entire country. In 2024, Invest in Denmark supported 56 investment projects distributed across all five Danish regions. The majority of the investments are concentrated around the country's knowledge hubs within the sectors that Invest in Denmark focuses on, namely Cleantech, Tech, Life Science, and Food.



Note: Only one marker is shown for each city, even if multiple investments have been made.

# RESULTS 2024

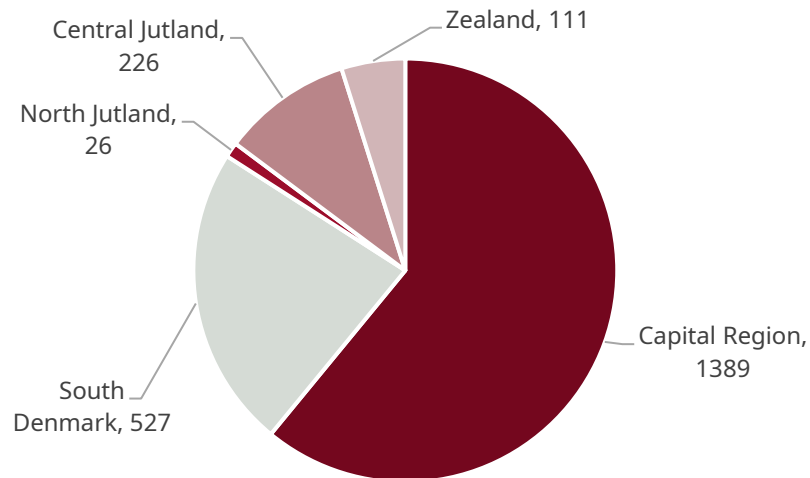
## REGIONAL DISTRIBUTION OF PROJECTS

It is a key objective for Invest in Denmark to help attract investments across the entire country.

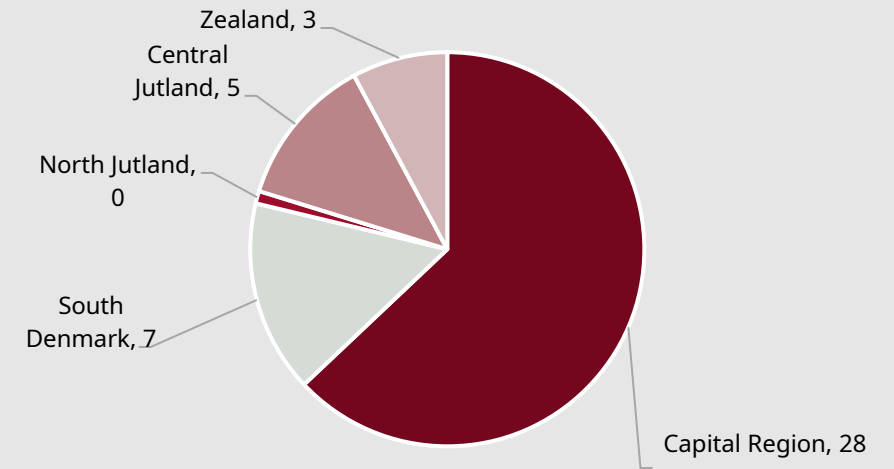
Looking at the job creation expected by foreign investors as a result of their investments, approximately 60% (1,389 jobs) will be generated in the Capital Region of Denmark. Around 900 jobs, corresponding to approximately 40% of the total job creation, will take place outside the Capital Region.

The 44 high-quality projects and 26 sustainable projects that Invest in Denmark helped attract to Denmark in 2024 are distributed across all Danish regions. However, the majority of both high-quality and sustainable projects were located in the Capital Region.

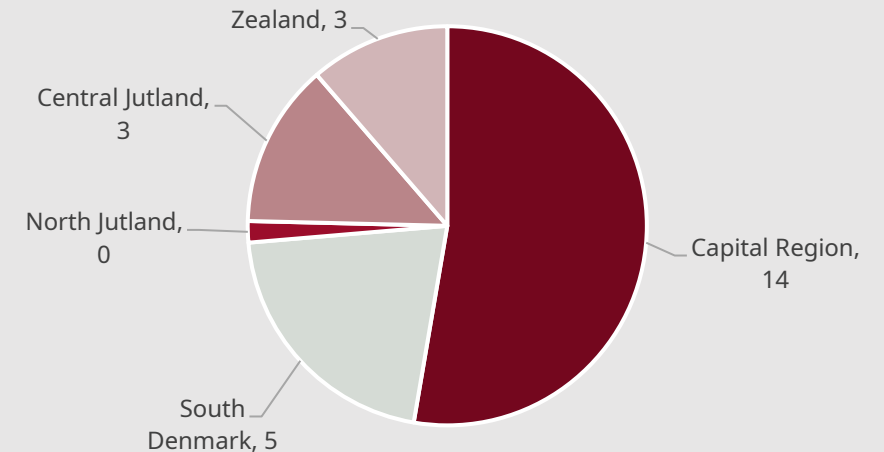
**REGIONAL JOB CREATION IN 2024  
(NUMBER OF JOBS)**



**REGIONAL DISTRIBUTION OF HIGH-QUALITY PROJECTS IN 2024**



**REGIONAL DISTRIBUTION OF SUSTAINABLE PROJECTS IN 2024**



# SATISFACTION WITH INVEST IN DENMARK'S SERVICES

The Ministry of Foreign Affairs evaluates how the foreign investors they have supported perceive Invest in Denmark's services. The evaluation is carried out by an external auditing firm (EY).

As shown in the table, the overall assessment for the projects supported in 2024 was that Invest in Denmark created value for the foreign investors it supported (average score of 4.7 out of 5), made a difference (average score of 4.0 out of 5), and was professional (average score of 4.8 out of 5).

The results are on par with or slightly higher than the corresponding results for the previous four-year period (2020-2023).

Evaluation parameters	2024	2020-2023
To what extent were the services provided by Invest in Denmark of <u>value</u> to you?	4.7 out of 5	4.5 out of 5
To what extent did Invest in Denmark make a <u>difference</u> regarding your decision to proceed with the investment?	4.0 out of 5	3.9 out of 5
To what extent were the services delivered by Invest in Denmark carried out <u>professionally</u> ?	4.8 out of 5	4.8 out of 5

*Note: The value is an average of the responses, where each response has been assigned a numerical value based on the answers to the questions shown: Not at all=1, To a small extent=2, To some extent=3, To a large extent=4, To a very large extent=5*



*They made a difficult decision simple, provided information that was easy to understand, and generally made the process of establishing in Denmark very smooth."*



**Alex Payne, Chief Legal Officer, Comma**



*Their services were quick, efficient, and seamless. They made the entire experience of investing in Denmark effortless and quickly understood our needs and how to address them."*



**Pramod Sajja, Founder & CEO, Farm to Plate**



*They were very service-minded and invested in addressing our needs. We have been really happy with the services provided and have received a high level of support from Invest in Denmark and the Danish government."*



**Rasmus Holmer, Business Development CCS, Carbon Management & Hydrogen Division, Harbour Energy**

# DECISION TO INVEST IN DENMARK

Invest in Denmark supports the successful execution of investment projects and helps attract foreign investors to choose Denmark as an investment destination. As a result, the timing of when Invest in Denmark gets involved in a foreign investor's decision-making process can vary.

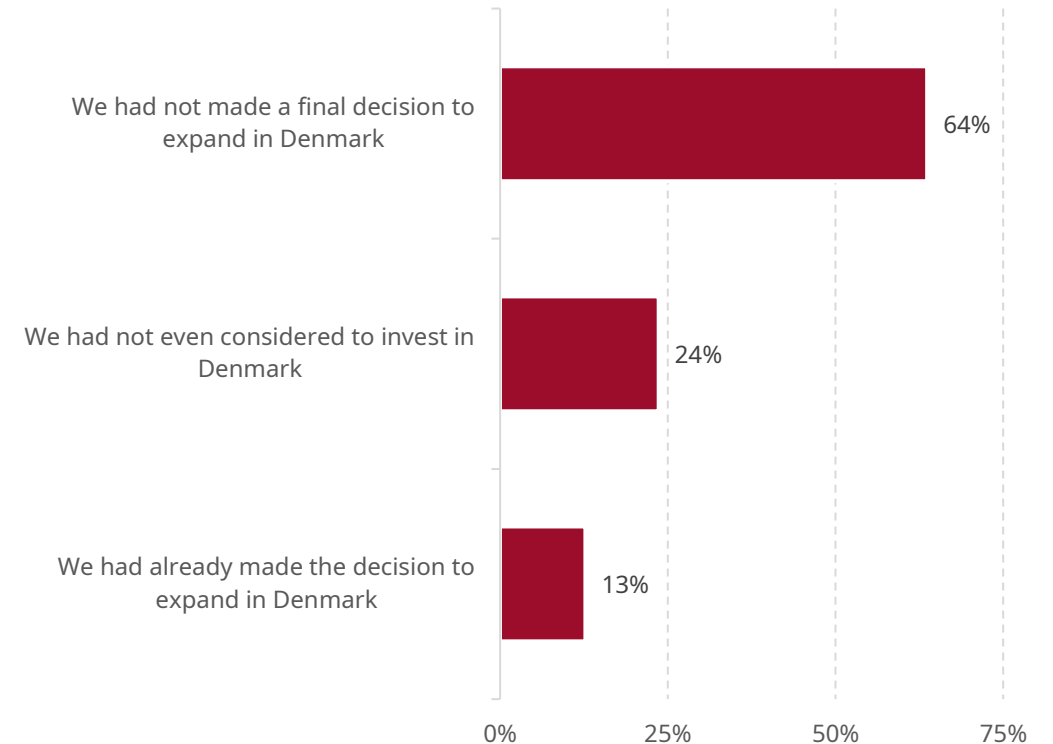
Typically, Invest in Denmark makes the greatest positive impact in attracting foreign investments when contact and dialogue are established with a foreign investor at a relatively early stage in the process leading up to an investment decision.

The vast majority of foreign investors had not yet made a final decision to invest in Denmark before Invest in Denmark became involved (64%).

Around one in four (24%) had not even considered investing in Denmark before Invest in Denmark became involved.

In 13% of the cases, the investor had already made the decision to invest in Denmark by the time Invest in Denmark became involved.

**WHEN DID INVEST IN DENMARK BECOME INVOLVED IN RELATION TO THE DECISION-MAKING PROCESS TO INVEST IN DENMARK**



In the evaluation of Invest in Denmark's services, the foreign investor is asked to indicate how far along they were in the decision-making process when Invest in Denmark became involved in the investment project. ("How far were you in the decision-making process when Invest in Denmark started providing their services?")

# COLLABORATION AND OVERSIGHT WITH COPENHAGEN CAPACITY

## OVERALL RESULTS 2024

The Ministry of Foreign Affairs' investment promotion work is carried out in collaboration and coordination with the regional investment promotion organisations to ensure synergies and efficient resource utilisation. Additionally, the Ministry of Foreign Affairs is the supervisory authority for the state funding that the regional investment and business promotion organisation, Copenhagen Capacity, receives through the national budget to carry out investment promotion activities.

### OVERALL RESULTS IN 2024

Copenhagen Capacity attracted a total of 25 successful investment projects to Eastern Denmark in 2024. Of these, 4 projects were completed in collaboration with the Ministry of Foreign Affairs.

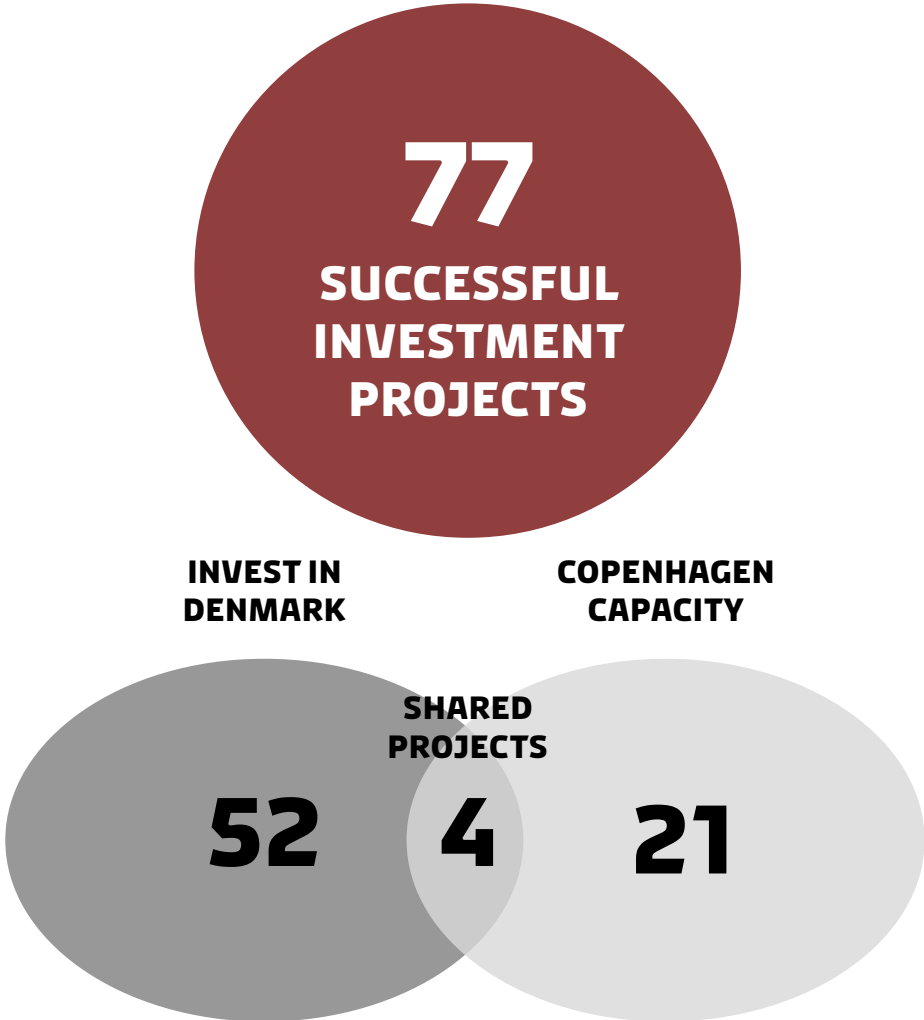
Out of the investment projects that Copenhagen Capacity supported in 2024, 18 were high-quality projects and 13 were sustainable investments. Together, they are expected to create 820 direct jobs.

Overall, the government-funded investment promotion efforts (i.e., the combined efforts of the Ministry of Foreign Affairs and Copenhagen Capacity) resulted in 77 successful investment projects in 2024, which together are expected to create 3,021 direct jobs.

### ABOUT COPENHAGEN CAPACITY

Copenhagen Capacity works to make the Greater Copenhagen region a magnet for international growth and development. Copenhagen Capacity's efforts to attract investments to Greater Copenhagen are financed by the Ministry of Foreign Affairs and are also supported by the organisation's activities within branding, marketing, and talent attraction. The efforts in the Capital Region and Zealand Region are carried out in collaboration and coordination with Invest in Denmark.

[LINK](#) to Copenhagen Capacity.



# CONDITIONS FOR INVESTMENT PROMOTION IN 2024

## ECONOMIC TAILWIND FOR INVESTMENT PROMOTION

In 2024, Denmark experienced a solid economic growth of 3% and an increase in employment by 26,000 people, contributing to an attractive investment climate. The volume of Foreign Direct Investment (FDI) in Denmark is once again showing positive development, following a decline in 2021 and 2022 due to COVID-19 lockdowns. In 2023, the total amount of FDI in Denmark increased by approximately 2%, which was somewhat lower than the typical growth rates before the pandemic. However, this contrasts with the global trend, where global FDI flows fell by about 2% in the same year.

The global economy continues to be characterised by significant uncertainty, particularly due to the situation in Ukraine and the Middle East, as well as rising trade policy tensions. Global economic growth in 2024 was 3.2%, which is subdued and below pre-pandemic levels. This dampens investment sentiment, although Denmark stands out as a stable beacon of growth in a European economy otherwise marked by weak growth and competitiveness challenges.

## STOCK OF FOREIGN INVESTMENTS IN DENMARK, 2018 – 2023

	2018	2019	2020	2021	2022	2023
<b>Total stock, DKK billion</b>	766,4	860,5	930,8	911,0	870,8	886,8
<b>Change from the previous year</b>	7,3%	12,3%	8,2%	-2,1%	-4,4%	1,8%

## ATTRACTIVE INVESTMENT COUNTRY, BUT NEED TO INCREASE AWARENESS AMONG FOREIGN INVESTORS

Denmark is one of the world's most attractive investment destinations. This is highlighted in a number of international analyses and rankings, such as IMD's World Competitiveness Ranking, which in 2024 ranked Denmark as the third most competitive economy in the world. With a highly educated workforce, world-leading companies in many key areas, and solid economic growth, Denmark has a lot to offer foreign investors.

However, global awareness of Denmark as an attractive investment destination is not always high among foreign investors. Therefore, the Ministry of Foreign Affairs is proactively working, through its investment promotion efforts, to increase knowledge and awareness of Denmark as a top destination for foreign investments.

# CONDITIONS FOR INVESTMENT PROMOTION IN 2024

## IMPROVED FRAMEWORK CONDITIONS FOR FOREIGN INVESTORS

The various rules and framework conditions for running a business are crucial in determining whether foreign investors will find it attractive to place an investment in Denmark.

Therefore, the Ministry of Foreign Affairs, through Invest in Denmark, engage in ongoing dialogue with relevant Danish stakeholders to identify possible improvements that will make it easier for investors to choose and establish themselves in Denmark. 2024 saw several important improvements in this direction, including:

- The Danish Parliament passed new legislation on enhanced access to a basic business account for businesses and associations. Although various documentation requirements, including customer due diligence procedures, will still apply, this can be an important and positive step towards making it easier for foreign investors to establish themselves in Denmark.
- The Danish Parliament has decided to make it easier to establish production facilities in Denmark. A one-stop-shop will be created to ensure a faster and smoother authority process when establishing and expanding production facilities. Additionally, industrial parks dedicated to production businesses will be designated to ensure suitable areas with access to the necessary business infrastructure, including electricity, water, transport, and wastewater management.
- A majority in the Danish Parliament reached an agreement on an entrepreneur package aimed at improving the framework conditions, including a range of tax relief measures.
- The Danish Parliament has permanently increased the deduction for tax depreciation on research and development expenses to 120% with a cap of DKK 1 billion.

## POTENTIAL TO MAKE IT EVEN EASIER FOR FOREIGN INVESTORS TO CHOOSE DENMARK

In a world marked by growing geopolitical uncertainty and accelerating technological development, it is increasingly important for Denmark to attract the right investments that hold great potential for strengthening the Danish economy or contributing to key priorities such as achieving greater societal resilience and securing a strong Danish position in emerging technology areas with significant growth potential.

Therefore, in 2024, the Ministry of Foreign Affairs focused on ensuring that investment promotion efforts reflect these developments and support significant political priorities, as outlined in the Government's new Life Science Strategy, Quantum Strategy, as well as work on economic security and critical technologies at both national and EU levels.

The Ministry of Foreign Affairs and Invest in Denmark's new strategy for attracting foreign investment for the 2024-2027 strategy period ([LINK](#)) also reflects these priority areas. As shown in the following pages, this has, for example, led to Invest in Denmark supporting the establishment of a number of companies in Denmark, including those involved in the development of quantum computers and advanced therapeutic methods.

# INVEST IN DENMARK'S STRATEGIC PRIORITIES

In 2024, the Ministry of Foreign Affairs launched a new strategy for attracting foreign investments. It sets the direction for Denmark's investment promotion efforts for 2024-2027 and supports the Ministry of Foreign Affairs' focus on achieving tangible results through economic diplomacy via close partnerships. In the new strategy, the Ministry of Foreign Affairs has outlined four priorities for the types of investments to be attracted:

## **A STRONGER DENMARK** STRATEGY FOR ATTRACTING FOREIGN INVESTMENTS 2024-2027 ([LINK](#))



# 1

**ATTRACTING INVESTMENTS THAT DEVELOP DANISH STRONGHOLDS**

# 2

**ATTRACTING INVESTMENTS THAT ACCELERATE THE GREEN TRANSITION AND CONTRIBUTE TO RESPONSIBLE BUSINESS CONDUCT**

# 3

**ATTRACTING INVESTMENTS THAT PROMOTE GROWTH AND DEVELOPMENT IN ALL OF DENMARK**

# 4

**ATTRACTING INVESTMENTS THAT STRENGTHEN DENMARK'S RESILIENCE**



# EXAMPLES OF INVESTMENT PROJECTS IN 2024

The Ministry of Foreign Affairs works to attract investments that contribute to growth and productivity improvements across Denmark, ensure that Danish businesses have access to world-leading knowledge and expertise, and support key political priorities, including accelerating the green transition, achieving a more resilient economy, and ensuring technological leadership in areas with high growth potential. Some examples of investment projects that Invest in Denmark has supported in 2024, which contribute to these goals, are shown here:

## ATOM COMPUTING

Atom Computing is a leading American quantum company developing quantum computers based on neutral atoms. The company has decided to establish its European headquarters in Denmark, including a research and development laboratory that will bring world-leading quantum expertise and know-how to Denmark.

Invest in Denmark has, among other things, contributed to the investment decision by organising fact-finding visits to Denmark for the company and introducing them to key players in the Danish quantum ecosystem, as well as helping Atom Computing understand the relevant framework conditions and specific factors and requirements related to setting up an office in Denmark.

*“The quality of quantum computing in the ecosystem in Denmark is high compared to other places, and strong support from various organisations, including the Novo Nordisk Foundation, contributed significantly to our decision.”*

**Rob Hays, CEO & President (former), Atom Computing**

## MITSUBISHI HC CAPITAL

In 2024, Mitsubishi HC Capital entered into an agreement with the Danish company European Energy to invest EUR 700 million (DKK 5.25 billion) for a 20% ownership stake. The investment supports a globally leading company in the production of renewable energy. By leveraging the expertise and knowledge of both companies, the development of green energy can be accelerated internationally.

With the Japanese capital infusion, European Energy expects to expand in Denmark and globally in 2025/26. The investment demonstrates that Denmark is an attractive place to invest. A world marked by increased global strategic competition and geopolitical shifts underscores the importance of investments in Danish green energy solutions.

*“Invest in Denmark was very helpful in the renewable market and were a significant support of Mitsubishi HC Capital arranging visits. The strategic advice was crucial as it provided Mitsubishi HC Capital with valuable insights into the dynamics of the energy market”*

**Keiro Tamate, Deputy Managing Director, Business Development Europe, Mitsubishi HC Capital UK PLC**

# EXAMPLES OF INVESTMENT PROJECTS IN 2024

## RECODE THERAPEUTICS

ReCode Therapeutics is an American company working with groundbreaking gene therapy in the clinical phase, where treatments are tested on humans. The company focuses on developing treatments for rare and life-threatening diseases that currently lack effective treatment options. ReCode Therapeutics plans to conduct its first clinical trials in Europe in collaboration with leading researchers from Rigshospitalet in Copenhagen. This initiative will contribute to strengthening Danish expertise and knowledge in advanced treatment methods.

Invest in Denmark has played an important role in facilitating dialogue between relevant authorities, including the Danish Medicines Agency and the Danish National Committee on Health Research Ethics.

*“We had some very specific regulatory questions and much to our surprise, we were able to have an informal conversation with the Danish Medicines Authority within a very short time frame. This interaction was extremely helpful in that all of our questions were answered and we were able to move forward without delay.”*

**John Matthews, Chief Medical Officer, ReCode Therapeutics**

## RONDO ENERGY

Rondo Energy is an American company that in 2024 chose to establish a thermal energy storage battery at GreenLab Skive. The company develops special heat batteries that enable the storage of energy from renewable sources and provide high-temperature heat to industry. The heat battery has a capacity of 100 MWh and is directly connected to a solar and wind park.

From mid-2025, Skive will be the European showcase for Rondo Energy, supported by Bill Gates' company Breakthrough Energy. The investment supports the green transition of the industrial park and creates local jobs.

*“Our co-operation with Invest in Denmark has been great and working with them has supported our path into Denmark's energy market. With a large amount of renewable electricity production as well as a need for flexible loads for grid balancing, it is a perfect fit for the technology. We are thrilled to be building our first European Rondo Heat Battery in Denmark.”*

**Eric Trusiewicz, CEO, Rondo Energy**



# EXAMPLES OF INVESTMENT PROJECTS

## THUNDERSTRIKE AVIATION

Thunderstrike Aviation specialises in the development and manufacturing of advanced drone technology. Among other things, they have developed particularly robust drones with large capacity, which can be used for various purposes. Furthermore, Thunderstrike Aviation extensively utilises sustainable energy sources to achieve higher efficiency for their drones. The company is establishing sales, research, and development activities, having built a drone hangar, and plans to collaborate with the national Danish drone test center in Funen (National UAS Test Center).

Invest in Denmark has helped identify the right location and relevant testing facilities for the company's activities and has facilitated contact and meetings between Thunderstrike Aviation and relevant authorities at the municipal, regional, and national levels, as well as relevant industry organizations.

*“Denmark houses the largest drone testing facility in the European Union, making it an excellent hub for our European activities in the booming market for unmanned aerial vehicles. With an emphasis we place on green power generation, as well as using our drone technology for search and rescue missions, we were extremely pleased to find that this ecosystem shared our core values. In addition, we were delighted to have received initial support from Invest In Denmark to help get us started here”*

**David Schmidt, Owner & Founder, Thunderstrike Aviation**





# OPPORTUNITIES, CHALLENGES, AND STRATEGIC FOCUS IN 2025

## CHALLENGES AND GROWTH OPPORTUNITIES IN A WORLD OF GEOPOLITICAL UPHEAVAL

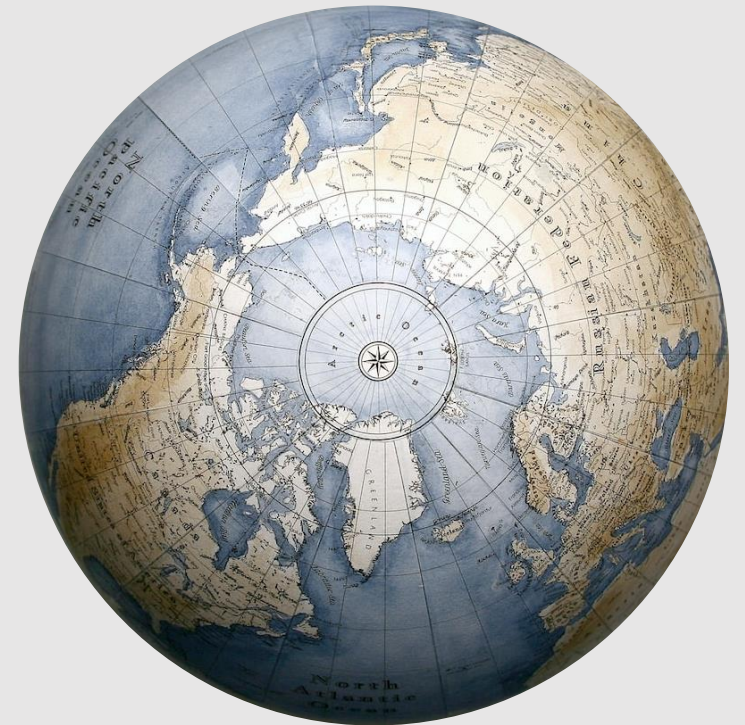
2025 looks set to be a year with both challenges and opportunities for the efforts to attract investment projects to Denmark.

On the one hand, Denmark is strong as an attractive investment destination for foreign investors. The Danish economy is rapidly growing, and Denmark holds world-leading positions in a wide range of highly productive sectors, providing a strong foundation to take advantage of the fast development in sectors with high growth potential such as life science and food, cleantech, and tech.

On the other hand, there are also developments that may dampen investment enthusiasm globally. Global growth continues to be subdued, and growing geopolitical tensions and the risk of trade policy unrest may further dampen growth and create greater uncertainty for investors. There is however also strong European focus on addressing competitiveness challenges and improving Europe's ability to attract investments.

In 2025, Invest in Denmark will continue its investment promotion work with a focus on Life Science and Food, Cleantech, and Tech, contributing to positioning Denmark better in a rapidly changing global economy, in particular by:

- Contributing to **sustainability and green transition** by attracting investments that can support Denmark's own transition or strengthen the Danish cleantech sector as a key export industry.
- Contributing to **societal resilience** by attracting investments that, among other things, can strengthen our position in strategically important areas or contribute to a more diversified and secure access to critical supply chains.
- Contributing to Danish **strongholds, competitiveness, and technological leadership** by attracting investments that support Danish productivity, involve the transfer of important knowledge or technologies, or otherwise support Danish business strengths. In this regard, Invest in Denmark will continue to work closely with municipalities, regional organisations, and other partners.



# APPENDIX: EVALUATION AND ACCOUNTING METHODS

## SUCCESSFUL PROJECTS

The Ministry of Foreign Affairs offers potential foreign investors various forms of free-of-charge assistance, engages in ongoing dialogue with relevant investors about possible investment projects in Denmark, and conducts proactive work to increase awareness of Denmark as an attractive investment destination.

When accounting for Invest in Denmark's results, a consistent method is applied based on the investment projects it has supported. This includes an evaluation of whether investments have generated economic activity in Denmark and whether the investor believes that Invest in Denmark has created value and made a difference in the company's decision to invest in Denmark. Whether this is the case is evaluated by an external partner (the audit firm EY).

## HIGH-QUALITY PROJECTS

Invest in Denmark particularly focuses on attracting projects that are technology- and knowledge-intensive or otherwise have the potential to significantly contribute to Danish growth, competitiveness, and productivity.

Therefore, the investment projects supported by Invest in Denmark are evaluated based on whether they are of particularly high quality, using a set of fixed criteria, including the size of the investment, knowledge content, job creation, and whether the investment falls within the national focus areas of Cleantech, Tech, or Life Science and Food.

In 2024, the objective was for at least 65% of the investment projects to be classified as high-quality investment projects.

## SUSTAINABLE INVESTMENTS

Invest in Denmark works to support and accelerate the green transition. Attracting foreign companies with specialised knowledge or innovative technological solutions can play a key role in this. Therefore, Invest in Denmark conducts sustainability assessments of the investment projects that have been supported. For this purpose, Invest in Denmark has developed a tool that aligns with the EU's Green Taxonomy and regulations for ESG reporting. This is not a complete analysis of all aspects, technical details, etc., of each investment project, but it provides an indication of whether a project can reasonably be considered sustainable or not.

In 2024, the objective was for at least 40% of the investment projects to be classified as sustainable according to this method.

# APPENDIX: EVALUATION AND CALCULATION METHODS

## GDP EFFECTS OF INVESTMENT PROMOTION EFFORTS

The Ministry of Foreign Affairs calculates the GDP effect of investment promotion efforts based on a method developed by the consultancy firm Copenhagen Economics for the Ministry of Foreign Affairs.

A distinction is made between the following economic effects of foreign investment in Denmark:

- a) The direct effect (the economic activity, such as the new jobs directly created by the investment)
- b) The indirect effects (the economic activity generated as a knock-on effect, e.g., when a new company is established as a result of the investment, which will then need to purchase goods and services from other companies, and its employees will spend part of their wages in Denmark, leading to increased economic activity and employment in various related industries)
- c) The productivity effect (when the investment leads to productivity growth in the Danish economy, e.g. through the transfer of knowledge, know-how, or technological solutions that other companies can learn from or access).

All of these effects are considered significant. However, they are also methodologically difficult to calculate. Therefore, the Ministry of Foreign Affairs' estimate is based solely on the direct economic effect of foreign investments. This is measured by having the foreign investor report the number of jobs they expect the investment to create (i.e., a forward-looking expectation rather than actually realised). An independent audit firm (EY) conducts an interview with the foreign investor to validate the expected job creation and to ensure that Invest in Denmark is perceived to have provided services of significant value to the investor, playing a key role in their decision to invest in Denmark.

This direct job creation is then converted into a GDP effect by considering the economic activity typically associated with a given number of jobs in the relevant sector. This is, therefore, the best possible estimate rather than an exact calculation. Since the Ministry of Foreign Affairs' estimate for the GDP effect only includes the direct effect, it is assumed to be a significant underestimation.

The estimate does not account for the fact that economic theory suggests that the amount of labour in the Danish economy in the long run is assumed to be determined by structural factors. Thus, the long-term effect of investment promotion efforts is assumed to come from the positive productivity effects associated with the transfer of knowledge, know-how, and similar factors, rather than job creation (direct and indirect effects). In this sense, the presented job and GDP effects should be understood as short- and medium-term effects, rather than long-term effects. Furthermore, no account is taken of potential displacement effects or the impact of increased competition in markets where foreign investments take place.