Towards European Strategic Cluster Partnerships for smart specialisation investments

supporting the Thematic Platform for Industrial Modernisation

Carsten Schierenbeck
GROW.F2 – Clusters, Social Economy and Entrepreneurship
European cluster strategy for growth

- Clusters accelerators for innovation and industrial change
- Inter-regional/international cluster cooperation
- Cluster excellence
Using clusters to facilitate value chain innovation and industrial transformation

Promoting collaboration and innovation across regional and sectoral silos & accelerating industrial change and smart specialisation synergies

- Cluster facilitated projects for new industrial value chains (Horizon2020, ca. €130m)
- European Strategic Cluster Partnerships for smart specialisation investments (COSME 2017)
- Resource efficiency: Green Action Plan for SMEs (European Resource Efficiency Excellence Centre, Low Carbon Business Action with Mexico and Brazil & more)
- European Observatory for Clusters and Industrial Change (COSME 2016, €2.8 million)
Cluster facilitated projects for new industrial value chains (INNOSUP-1)

Overall Budget 2015-2020: ca. EUR 130 Million

Annual Budget
2015: 24.9 m EUR
2016: 15.0 m EUR
2017: 18.5 m EUR

Support for 5-10 projects per year

Two-stage submission procedure

First stage concept note of 10 pages (RIS3/ESIF link to be outlined)

Deadline 1st stage: 06/04/2016
Deadline 2nd stage: 08/09/2016

Standard eligibility criteria

70% funding rate (except non-profit entities: 100%)

At least 75% to support innovation in SMEs

Topics of INNOSUP-1 cluster projects - 45 second stage full proposals

- General: 13%
- ICT/Mobile/Electronics/Internet of Things/Digital/Cloud: 15%
- Health/Care/Personalized medicine/Pharma: 13%
- Circular/Resources Efficiency/Environmental/Eco-efficient/Renewable energy: 9%
- Creative Industries/Fashion/Experience Industries: 9%
- Advanced Manufacturing/4.0/Smart factory/KETs: 7%
- Food/Agrifood: 7%
- Logistics/Mobility/Car: 5%
- Blue growth/Marine/Maritime/Port: 5%
- Construction: 4%
- Servitization: 2%
- Other industries (once each): 11%
- Other industries (once each): 11%
- General: 13%

Executive Agency
Supporting SME internationalisation and cluster excellence

Promoting cluster cooperation for industrial leadership in global markets & supporting capacity building in cluster management

• Cluster Internationalisation Programme for SMEs (COSME, €19 m)
  European Strategic Cluster Partnerships – Going International
  European Cluster Collaboration Platform
  International cluster matchmaking events in third countries and Europe

• Cluster Excellence Programme for SMEs (COSME, €8.25m)
  Benchmarking, training, twinning & labelling
European cluster strategy for growth

Clusters accelerators for innovation and industrial change

Inter-regional/international cluster cooperation

Cluster excellence
How lead regions can get involved

Interest handling by Joint Research Centre (JRC)

Region submits application to JRC

Commitment verification before info on S3P web site

Call for expression of interest for inviting other regions

Establishment of Thematic Area

http://s3platform.jrc.ec.europa.eu/industrial-modernisation
How business networks, cluster organisations and technology centres can get involved

Call for expression of interest published towards European Strategic Cluster Partnerships for smart specialisation investments (S³)

Launch or join a partner search for a thematic Partnership by December 2016

Participate at matchmaking events

2017 call for establishment of

www.clustercolaberation.eu/partner-search/escp-s3
Call for expression of interest
Towards European Strategic Cluster Partnerships for smart specialisation investments

- aims to strengthen industry participation and inter-regional collaboration in implementation of smart specialisation strategies
- addressed to cluster organisations, other business network organisations, technology centres and science parks
- focuses on industrial modernisation
- open partnering process until end of 2016 via

European Strategic Cluster Partnerships for smart specialisation investments

**Preparatory Phase**
- Partnership building
- Joint strategy formulation
- Implementation roadmap

**Implementation Phase**
- Matchmaking
- Joint activities, demonstration projects, pilots, preparation of bankable proposals

**Investment Phase**
- Additional private/public financing
- Acceleration support
- Showcasing results
Working process

- European Cluster Collaboration Platform
- RECONFIRM project
- European Observatory for Clusters and Industrial Change
- European Strategic Cluster Partnerships (ESCP-S3)
- Advisory financial support services

Regional Workshops and partnering

Mapping of competences and areas of interests

Involvement of industry

Demonstration projects

Investment projects

- S3 Platform (JRC)
- KETs Observatory
- Digital Entrepreneurship monitoring
- Contacts with Commission services
- Specific action for Advanced Manufacturing
Support to regions and Partnerships

- Support and visibility via the Smart Specialisation Platform and European Cluster Collaboration Platform
- Support and guidance for interregional cooperation for industrial modernisation (RE-CONFIRM)
- Support for networks of regions, cross-regional business partnerships for co-investments & matchmaking for digital transformation & KETs
- Advisory support services for Cluster Partnerships (European Observatory for Clusters and Industrial Change)
- Possible other support
Events to get engaged in

• **1-2 June 2016**: Launch Thematic Platform at high-level Smart Specialisation event

• **10-13 October**: Open Days workshops, including from Dir F

• **30 November-2 December 2016**: High-level European Cluster Conference and European cluster matchmaking pre-event

• **Mid 2017**: Stocktaking at "GROW your REGION" conference
Smart Guide to Cluster Policy

A couple of concepts,

Eight Do’s and Don’ts, and

 Plenty good practice examples ...

of how to make better use of clusters for promoting regional industrial modernisation, supporting the growth of SMEs and encouraging smart specialisation.

What the Smart Guide covers?

Cluster and cluster policies explained…
- what they are and what not
- what makes them successful
- why they matter

Modern cluster policy means…
- A tool throughout the policy process
- Practical instruments
- Monitoring and evaluation
- Four Smart Cluster Stories
- Cluster Programme examples
# Do's and Don'ts of Modern Cluster Policy

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Annex

More on the Smart Guide to Cluster Policy
What are clusters?
Clusters are...

...group of firms, related economic actors, and institutions that are located near each other and have reached a sufficient scale to develop specialised expertise, services, resources, suppliers and skills.
Cluster ≠ Cluster initiatives

- Cluster = economic phenomenon
- Cluster initiative = organised efforts (pôles de compétitivité, leading-edge "Spitzencluster")
- Cluster organisation = legal entity / actor (specialised SME intermediary)
- Cluster policy = government intervention (industrial, SME, research, innovation policy...)
Successful clusters are characterised by

- geographical concentrations of economic activity and supporting institutions
- benefiting from groups of related industries
- quality of specific business environment
- not being created but having evolved
- dynamic local interaction
- open environment for collaboration
- mastering related, diversified specialisation and not just narrow sectoral specialisation
Emerging industries & Smart specialisation

Emerging industries are... the establishment of an entirely new industrial value chain, or the radical reconfiguration of an existing one, driven by a disruptive idea (or convergence of ideas), leading to turning these ideas/opportunities into new products/services with higher added value.

=> Focus of entrepreneurial search and discovery process

Why do clusters matter?
Clusters matter for growth and jobs

- 39% of European jobs and 55% of European wages
- Companies innovate more
- generate higher productivity, wages and growth rates

and

- amongst most successful Cohesion Policy instruments for supporting innovation in SMEs despite small scale
- emerging evidence that cluster policy matters
Modern cluster policy means what?
Learning from the past:
common pitfalls for cluster initiatives and programmes

- Uncoordinated and pursued in parallel
- Disconnected from other, traditional policies
- Narrowly focussed on networking
- Spread support too thinly
- Lacked the entrepreneurial discovery
- Monitoring and evaluation forgotten
- “Strengthening the strength” misunderstood as sectoral specialisation
- Little regard for the specific locational context and bottlenecks of wider eco-system
Ingredients

- 2 eggs
- 200 grams of flour
- 2 glasses of milk...
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A tool for

Using clusters to facilitate value chain innovation and industrial transformation
What tools?
Cluster policy cycle

- **Analysis**
  - Assessing the impact of activities; achievements in specific fields
  - Analysing the composition of the regional economy

- **Action**
  - Implementing activities

- **Strategy**
  - Selecting priority fields and activities
Regional strength (sectoral and cross-sectoral cluster mapping)

Regional priorities (research and innovation policy priorities)

Regional partners (cluster organisations, European Partnerships)

European Cluster Observatory

Smart Specialisation Platform

European Cluster Collaboration Platform

Eye@RIS tool, http://s3platform.jrc.ec.europa.eu/

http://www.clustercolllaboration.eu
Translating strategy into action

1. Mix of cross-cutting and cluster-specific measures
2. Organising policies around clusters with differentiated support depending on development level (immature, mature or in transition)
3. Mobilising cluster initiatives for designing and implementing smart specialisation strategies
4. Providing better SME support through cluster organisations and services
5. Promoting excellent cluster management through benchmarking & training (Cluster Excellence initiative)
6. Promoting collaboration across regions (Interreg / CLUSTAR, Vanguard Initiative, peer reviews, Thematic Smart Specialisation Platform)
8. Using data and knowledge platforms
9. Put in place continuous monitoring and evaluation of cluster development (France, Wallonia, Denmark) and use for entrepreneurial discovery process
Service portfolio for the promotion of cross-sectoral collaboration

- Market Intelligence
  - Identifying opportunities in other industries
  - Roadmapping
  - White Papers
  - Market-Check Tool

- Matchmaking
  - Finding partners in other industrial sectors
  - Cross-sectoral Speed Dating
  - Competence Mapping Tool
  - Technology Round Tables

- Project Development
  - Translating market intelligence and matchmaking into cross-sectoral innovation
  - Innovation Platforms
  - Change Management Moderation
  - Special Interest Groups

- Technology Transfer
  - Spreading capacity and knowledge
  - Transfer Concept

- Innovation Vouchers
  - Channelling funding through a cluster organisation
  - Meet & Greet Incentives
  - Insight Incentives
  - Collaboration Incentives

Development of new value chains and emerging industries = new business opportunities for SMEs
What examples?
Four smart cluster stories from the 2015 GROW your REGIO conference

1. Rhônes-Alpes: Connecting technologies and markets through Silicon Europe and Health2Care
2. Bavaria: value creation and site development
3. Veneto region: combing innovative production methods with ancient traditions
4. Greece: developing world-class clusters with a long-term perspective

Four cluster programme inspirations

1. Offering advice to cluster organisations and actors through cluster agencies (Germany and Denmark)
2. Providing individual support corresponding to the development stage of a cluster (Norway)
3. Supporting cooperation across borders (the Baltic Sea Region)
4. Channeling R&D support through clusters (Flanders and North-West Europe)