Regional and Urban Policy Directorate General

EU Cluster Initiatives to support emerging industries

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EU Cluster policy in perspective of Economic Transformation

- Clusters as micro-systems (cluster policies are 'systemic')
  - Agglomeration economies, using positive externalities + (tacit) knowledge spillovers. Does it still drive productivity gains? Role of open Innovation?
  - Changing patterns of specialisation and (dis)integration in global value chains
  - Secular stagnation: clusters as part of the problem or/and part of the solution?
  - Cluster initiatives (functions for business services, networking, brokerage): can reinforce **lock-in** but also **change management**

- Challenges for transformation (system innovation / transition)
  - Strategic cluster initiatives are geared towards opportunities for **diversification**, but conditions of uncertainty and coordination failures requires experimentalist governance
  - Role of public authorities (new industrial policy) is to enable **strategic learning** in **concrete investment projects** to favor **emergence** of new value chains/emerging industries
  - Role of strategic cluster partnerships as part of the 'entrepreneurial discovery process'
EU Cluster initiatives

Invest in cluster excellence

Knowledge and Innovation Communities (EIT)
Cluster Excellence Programme (COSME)

Promote cluster collaboration

European Cluster Collaboration Platform
Cluster Internationalisation Programme for SMEs (COSME)
Interrreg (ESIF)

Cross-sectoral value chains

European Cluster Observatory, S3 Platform
Cluster facilitated projects for new industrial value chains (Horizon2020)

+ linkages with PPPs under Horizon2020, European Innovation Partnerships, Joint Technology Initiatives, Joint Programming Initiatives, Knowledge and Sector Skills Alliances, Enterprise Europe Network, etc.
European Institute of Innovation & Technology (EIT) Knowledge and Innovation Communities (KICs)

- Independent body with 2.4 billion budget (2014-20)
- Five Knowledge and Innovation Communities (KICs) plus two from 2016
- Bringing together leading higher education institutions, research labs and companies
- Long-term perspective to spur innovation and entrepreneurship
- Focus on developing innovative products and services, start-up support, and Master & PhD education and training programmes
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
Cluster initiatives 2014-2020
Internationalisation

Cluster Internationalisation Programme for SMEs (€19 million):

- Implementation of European Strategic Cluster Partnerships – Going International (2015 call)
  - 13 funded partnerships: 8 for preparatory phase and 5 for implementation phase
  - 16 non-funded partnerships selected plus up to 19 further pilots to continue

- Further development of the European Cluster Collaboration Platform to facilitate cluster cooperation, including with international partners (first agreement signed with US Department of Commerce in April 2015)

- Organise international cluster matchmaking third countries and in Europe.
Cluster initiatives 2014-2020
Professionalisation of cluster management

Cluster Excellence Programme for SMEs (COSME, estimated €8.25 million)
Cluster benchmarking and training

- ≈836 x (40 countries) BRONZE label
- 51 x (12 countries) SILVER label
- 71 x (14 countries) GOLD label

http://www.cluster-analysis.org/
Cluster initiatives 2014-2020
Emerging industries & smart specialisation

• Cluster facilitated projects for new industrial value chains (Horizon2020, estimated €130m)

• European Cluster Observatory and European Observatory for Clusters and Industrial Change (COSME, estimated €5 million)

• 6 Clusters and entrepreneurship in support of emerging industries projects (CIP 2013, €4.2m)

• Towards Regional Economic Convergence to explore European Cluster Partnerships (EP, € 0.5m )
Role for cluster organisations or other SME intermediaries

- Customised SME support
- Regional and International Strategy
- Cross-sectoral Collaboration

VALUE CHAIN INNOVATION
**Example: 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/Resource Efficiency/Environmental/Eco-efficient/Renewable energy: 9%
- Creative Industries/Fashion/Experience Industries: 9%
- Advanced Manufacturing/4.0/Smart factory/KETs: 7%
- Food/Agrifood: 7%
- Blue growth/Marine/Maritime/Port: 5%
- Logistics/Mobility/Car: 5%
- Construction: 4%
- Servitization: 2%
- Other industries (once each): 11%
- Other: 11%
European Structural Investment Funds (ESIF)

- EUR 451 billion of ESIF + EUR 183 billion of national co-financing
- 456 national & regional and 79 interregional cooperation programmes
- 11 thematic objectives and guided by smart specialisation strategies

Source: Final ESIF partnership agreements as of December 2014m soon all open data available at: https://cohesiondata.ec.europa.eu/
RIS3 supports inter-regional, inter-disciplinary, cross-sectoral areas to build competitive advantage.
**Regional strength**
(sectoral and cross-sectoral cluster mapping)

**Regional priorities**
(research and innovation policy priorities)

**Regional partners**
(cluster organisations, European Partnerships)

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**European Cluster Observatory**

**Smart Specialisation Platform**

**European Cluster Collaboration Platform**

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Cluster mapping tool
http://ec.europa.eu/growth/smes/cluster/observatory/

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

http://www.clustercollaboration.eu
For more see

**EU Cluster Portal**
http://ec.europa.eu/growth/smes/cluster/

**Smart Specialisation Platform**
http://s3platform.jrc.ec.europa.eu/