

**How can clusters contribute to
a smarter Europe by promoting
innovative and smart economic
transformation?**

20 November 2020

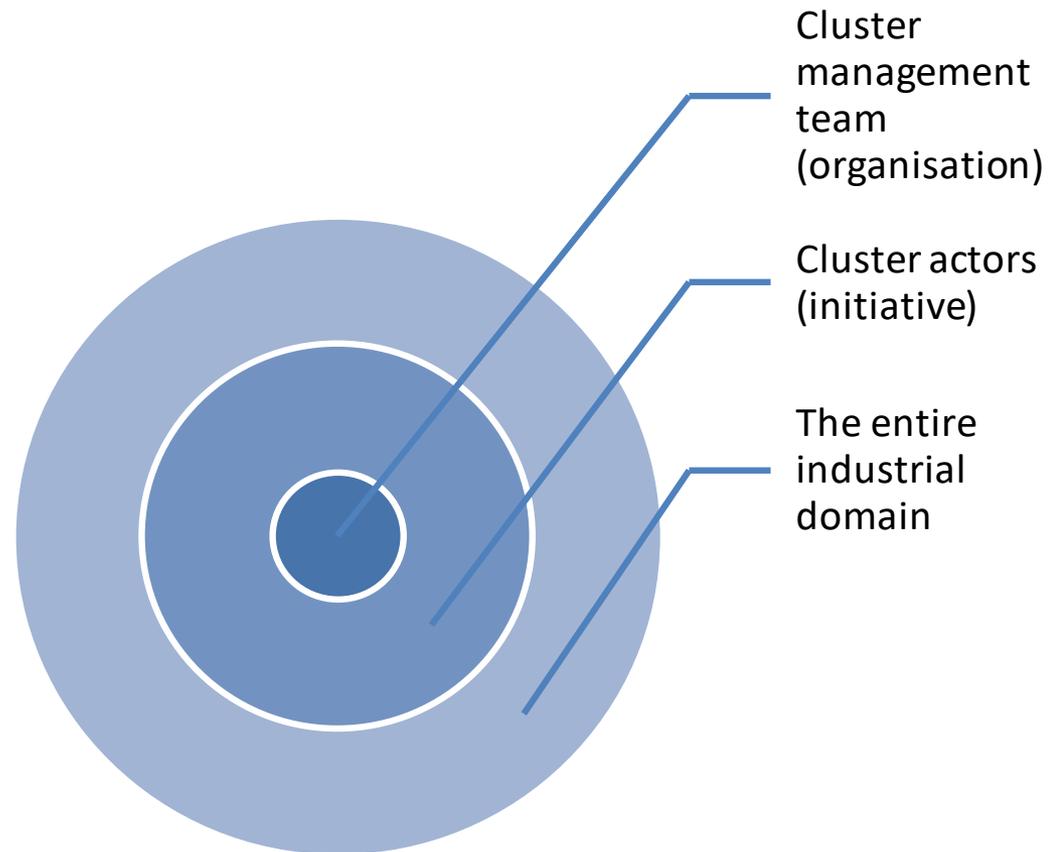
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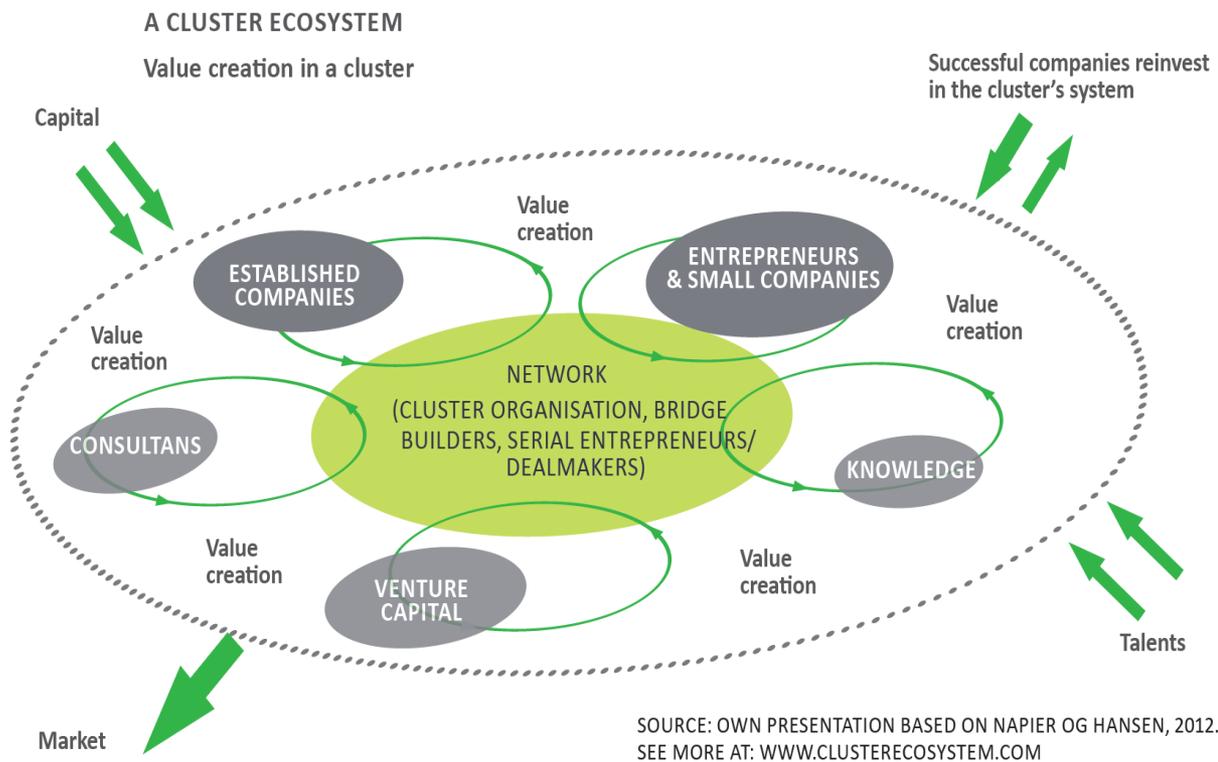
“Clusters have a key role to play in the European recovery”
- EU Commissioner for the Internal Market, Thierry Breton



What is an industry cluster?



Clusters vs. Ecosystems or Clusters as Ecosystems?



An ecosystem is characterized by the presence of players in a cluster, all of them supporting the creation of growth in the cluster companies. **The ecosystem reflects the network and the cooperation between the players in the cluster,** including companies, educational and knowledge institutions, public institutions and authorities, investors and consultants.

Industrial Ecosystems in Europe



- Social enterprises, associations and cooperatives aiming at generating a social impact, often proximity based

- Retail sales
- Wholesale connected to consumers

- Construction, maintenance, refurbishment and demolition of buildings and infrastructure (e.g. transport infrastructure, utilities)
- Manufacturing of products and equipment
- Other related services (e.g. real estate activities)

- Telecommunication
- Software and programming
- Web portals
- Manufacturing of computers and equipment

- Pharmaceutical products and equipment
- Hospitals, nursing homes, residential care

- Plant and animal production
- Processing of food
- Veterinary activities

- Electric motors, engines and turbines
- Electric power generation
- Manufacturing and distribution of gas

- Passenger transport and travel
- Hotels, short term accommodation
- Restaurants and catering
- Events, theme parks

- Newspapers, books and periodicals
- Motion picture, video and television
- Radio and music

- Aircraft and spacecraft production
- Military and weapons
- Satellites

- Production of textiles, wearing apparel, footwear, leather and jewellery

- Production of electronics

- Production of motor vehicles, boats and trains, and accessories
- Their repair and maintenance
- Freight transport

- Extraction of fossil fuels
- Refining
- Manufacturing of products with high environmental impact: plastics, chemicals, fertilisers, iron and steel, paper, etc.

Some facts and figures

European clusters account for 61.8 million jobs, equivalent to 23.4% of total European employment.*

Clusters drive growth in Europe through their high number of innovative and high-growth firms, showing top performance on key social and business competitive indicators.

Clusters matter



13.5%

Higher average wage



+0.7%

Higher annual wage growth rate



+0.5%

Higher annual employment growth rate



143%

More Global Frontier Firms



77%

More High-Growth Firms



141%

More rapidly growing start-ups

in specialised clusters than in other locations

*EOCIC European Panorama of Clusters and Industrial Change 2020

Where are the clusters in Europe?

European Cluster Collaboration Platform
(www.clustercollaboration.eu)

European Clusters Alliance
(www.clustersalliance.eu)



Open calls for clusters in the COSME programme:

- **Clusters Go International 2020** (7,5 M EUR, deadline 2.12.2020):
<https://ec.europa.eu/easme/en/section/cosme/cos-clusint-2020-3-01-clusters-go-international>
- **European Cluster Excellence Programme with ClusterXchange scheme connecting ecosystems and cities** (6 M Euro, deadline 2.2.2021):
https://ec.europa.eu/easme/sites/easme-site/files/documents/cos-cluster-2020-3-03_final.pdf
- **Strategic alliances for the uptake of advanced technologies by SMEs on the economic recovery** (5 M EUR, deadline 2.2.2021):
<https://ec.europa.eu/easme/en/section/cosme/cos-strat-2020-3-05-strategic-alliances-uptake-advanced-technologies-smes-economic>

The European Expert Group on Clusters Draft Recommendation Report



- puts forward **15 recommendations** to policy makers on the European, national and regional level on how to use clusters strategically for reaching policy objectives including the implementation of recovery efforts.
- mirrors the structure of the **EU Recovery Plan** with three pillars:
 - 1) Digital transition**
 - 2) Green Transition**
 - 3) Resilience**
- developed through an interactive process by the **European Expert Group on Clusters**

As next steps, it will be adopted by the Expert Group and submitted to relevant Commissioners by the end of 2020.

Clusters can lead the green transition



1. Green transition needs agents of change

Use clusters:

- as drivers of change, accelerators and enablers of green transition
- to co-develop policies (jointly with public authorities, entrepreneurial discovery process)
- to adapt policy instruments to the needs of industry

Build on the ability of clusters to facilitate cooperation among stakeholders and collaboration across ecosystems

Clusters can lead the green transition



2. Circular economy becomes a new norm

- ❑ Use clusters to implement circular economy strategies/ action plans, to detect opportunities for reuse, to bring circularity in the business processes, to strengthen industrial symbiosis

3. Flagship policy initiatives serve to mobilize SMEs and civil society

- ❑ Clusters can mobilize for the European innovation missions of relevance (e.g. alliances on hydrogen, batteries, raw materials, circular plastics, etc.)

Clusters can lead the green transition



4. Awareness raising and sharing good practices on green solutions

- Capacity building programmes for cluster organisations
- Equipping clusters to support their members in managing the transition

5. Facilitate SMEs access to green knowledge and financing

- Use clusters as intermediaries to support and mobilize SMEs
- Possibly channel expertise and financing to SMEs through clusters

Clusters can accelerate the digital transition



6. The importance of education and skills for the digital transition

- Mobilize clusters to participate in digital skills related initiatives
- Enable them to develop their own skills related services
- Closely connect with local education and training structures

Clusters can accelerate the digital transition



7. Integration of physical and digital systems

- Increase cluster capacity to provide advanced business services
- Leverage clusters to shift from knowledge-based intelligent manufacturing to data-driven and knowledge-enabled smart manufacturing

8. Linking digital innovation hubs and clusters

- Incorporate clusters into the DIH's government and operational structures
- Leverage clusters to make DIHs more connected to the local ecosystems and SMEs, and demand-driven

Clusters can accelerate the digital transition



9. Initiate public private partnerships for the digital transition

- Use clusters to initiate new and to reinforce existing PPPs
- Build on the ability of clusters to boost collaboration and partnering across various actors

10. Participating in European policies and programmes for the digital transition

- Use clusters to inform policies and channel industry views to the design/development of policies
- Reach out through clusters specifically to SMEs and start-ups

Clusters can build resilience



11. Clusters as a tool for strategic intelligence

- Rely on clusters for reconsidering supply chains and reshaping or rebuilding vulnerable value chains
- Engage clusters in strategic foresight initiatives

12. Reskilling and upskilling of workforce

- Use clusters as intermediaries between industry/research/education, connecting skills demands and supplies
- Mobilize cluster actors for effective participation in the European Pact for Skills (ECA)

Clusters can build resilience



13. Clusters addressing societal challenges

- Use clusters to address societal needs through shared value approach
- Strengthen clusters' ability to help companies constructing new products/ services that respond to societal challenges

14. Facilitating access to global value chains

- Reinforce clusters' ability to look for trade, investment and partnering opportunities at global markets
- Increase, through clusters, SME market export capacity and help them benefit from the EU's free trade agreements

Clusters can build resilience



15. Joint cluster initiatives - Euroclusters

- Pursue this initiative that was proposed by the EC as a new generation of strategic partnerships
- Use the initiative to connect ecosystems across regions and sectors to strengthen value chains; to boost innovation, internationalization and scaling up support to SMEs; to foster knowledge sharing and to facilitate industrial transformation

Thank you for your attention!

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