

CLUSTERS3
Interreg Europe

 European Union
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Interreg Europe - CLUSTERS3

Leveraging Cluster Policies for Successful Implementation of RIS3

Policy Learning Document #3

Good Practices on Cluster Policies in the context of Smart Specialisation



Index

Interreg Europe - CLUSTERS3.....1

Leveraging Cluster Policies for Successful Implementation of RIS31

Executive summary3

1. Introduction4

2. A Learning Journey fueled by Good Practices7

3. Impacts of Sharing Good Practices 10

4. Conclusions: Where next? 14

5. Future challenges for cluster policy and smart specialisation:..... 15

To be completed with the conclusions from the Final Conference group dynamic/discussion of cluster policies 16

Annex: Good Practice Collection 16

draft

Executive summary

The Interreg Clusters3 project has brought together seven regional and national authorities over a period of four years to learn, understand and share experiences in the design, implementation and monitoring of their cluster policies and smart specialization strategies. This is the last in a series of policy learning documents that reflect on this learning journey and its key findings. Specifically, it reports on the process of identifying and sharing good practices related to cluster policy and the link with smart specialisation strategies.

The sharing of good practices identified from/by the project partner regions for “aligning clusters and RIS3” has been an integral part of the project. These examples have served as a learning tool for understanding what works in other places and to consider the transfer of practices to partners’ own environments. This has been done through the development and implementation of action plans by each of the regional or national authorities engaged in the project. More than 45 good practices shared between partners have provided inspiration for the development of these plans, through which 28 specific actions are currently being developed. A selection of 14 of these experiences have been uploaded to the Interreg policy learning platform to be shared with a wider audience and are detailed here.

The good practices captured in this policy learning document and the topics covered in partners’ action plans cover a broad range of themes that reflect the complexity of the interactions between clusters and regional strategies. There is, however, a notable focus on:

- (i) The **overall design and deployment of cluster policies** and the articulation of specific support instruments
- (ii) The **internationalisation of cluster organisations**, combined with the need for a better understanding of how to foster cross-cluster collaboration
- (iii) **Building capacity among cluster management organisations**, both in regions that are just starting out with cluster policy and in those with a long experience
- (iv) **Monitoring and evaluation**, both in terms of better demonstrating the impact of policy investments and generating learning dynamics that feed back into policy improvement.

As clusters continue to play an active role in the smart specialisation dynamics within and across many regions, supported by initiatives such as the European Strategic Cluster Partnerships, these topics are likely to be critical for the next stage of development in the relationship between cluster policies and smart specialisation strategies.

1. Introduction

Policies to support clusters have been developed around the world since the early 1990s and have become a permanent feature of the European competitiveness policy landscape. Their resilience is rooted in a cooperative rationale that fits well with the needs of policy makers to promote the systemic interaction of firms and other triple helix actors as a driver of regional competitiveness, and cluster policies therefore naturally interact with a range of other competitiveness policies.¹

One such policy framework is regional smart specialisation strategies, introduced by the European Commission in late 2013 as an “important concept for better and more targeted innovation policy”.² From very early on in the application of the smart specialisation concept a key role for clusters has been recognised,³ raising questions around how cluster policies can be leveraged to support their successful implementation.

Responding to some of these questions has been the overarching goal of the Clusters3 Interreg project. Starting in 2016, it has regularly brought together 7 regional and national authorities to learn, understand and share experiences in the design, implementation and monitoring of their cluster policies and smart specialisation strategies. The authorities involved in the project represent considerable diversity of regional context and have provided an excellent basis for mutual learning, leading to the development of action plans and ultimately to the upgrading of cluster policies and better RIS3 implementation.

Figure 1: Clusters3 Partners



The first phase of the project (2016 – 2018) was focused on knowledge exchange by means of regional benchmarking analyses, policy learning workshops and peer review exercises, leading to the

¹ See: Wilson (2019) ‘Cluster policy resilience: New challenges for a mature policy’, *International Journal of Business Environment*, Vol 10, No. 4, 371-382.

² See: European Commission (2016) *Smart Guide to Cluster Policy*, Brussels, p. 13.

³ See: European Commission (2013) *The Role of Clusters in Smart Specialisation Strategies*, European Commission, Brussels; Aranguren, M-J. and Wilson, J.R. (2013) ‘What can experience with clusters teach us about fostering regional smart specialization’, *Ekonomia*, Vol. 83, No. 2, pp.126–145.

identification of good practices and the development of action plans. The second phase of the project (2018 – 2020) is seeing these action plans put into practice by the participating regional and national authorities.

Figure 2: The Clusters3 Project



The learning journey of the project is reflected and shared in a series of policy learning documents, of which this is the third.

The first policy learning document reported on an initial benchmarking SWOT analysis across the 7 participating regions/countries (see Figure 3), and led to a series of recommendations to guide the focus of the project's learning workshops in six areas:⁴

- Design and deployment of cluster policies
- Specific support instruments and programmes for implementation
- Cluster policy development and alignment with RIS3
- Monitoring and evaluation of cluster performance and cluster programmes
- Internationalisation of cluster organisations
- Building the capacity of cluster organisations
- The second policy learning document reported on

The second policy learning document synthesised the main findings from six peer reviews that were conducted in 2017. Peer review visits were undertaken by an expert from another partner region alongside two external experts, and followed a consistent methodology facilitated by advisory partner, TCI Network. From a synthesis of the six visits there were four key recommendations for strengthening the opportunities and negating the threats highlighted in the peer-reviews.⁵

- The need to develop shared understanding of the cluster concept and cluster policy background

⁴ Clusters3 Policy Learning Document 1 'Looking into Context: Regional SWOT Analysis Report' can be found at <https://www.interregeurope.eu/clusters3/library/>.

⁵ Clusters3 Policy Learning Document 2 'Peer Reviews' can be found at <https://www.interregeurope.eu/clusters3/library/>.

- The need for capacity-building to strengthen the roles played by cluster organisations in the regional competitiveness ecosystem
- The need for better evaluation and monitoring processes, structured and harmonized to maximise learning possibilities
- The need for coherence and alignment with the mix of other policies supporting RIS3 processes

Figure 3: Clusters3 SWOT Analysis



This third and final policy learning document reports on the good practice examples that have been identified throughout the course of the project, several of which have been transferred across partners and are being experimented in the ongoing action plans. The next section explains the process of identifying and sharing good practices during the project, highlighting the practices that were shared during the policy learning journey and their links to different themes. This is followed by a reflection on the impact of the process of sharing good practices, including a summary of how they are being transferred through ongoing regional action plans and the identification of 14 specific good practices that have been extended to a wider audience through the Interreg policy learning platform. The report concludes with a brief reflection on emerging challenges with regards policy learning around clusters and smart specialisation.

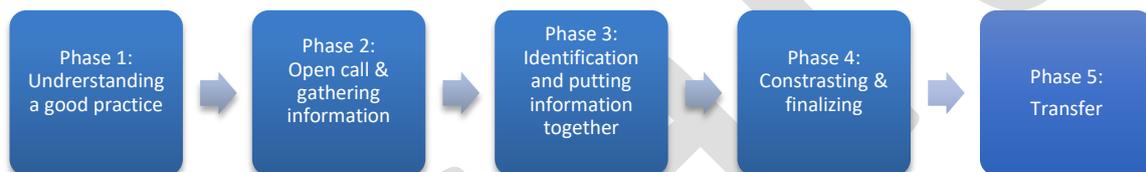
2. A Learning Journey fueled by Good Practices

Good practices for “aligning clusters and RIS3” is an integral part of the Interreg Clusters3 project, drawing on examples identified from/by the project partner regions. These examples serve as a learning basis for partner regions to get to know about existing practices and potentially transfer them to their own environments.

A good practice is not only a practice that is good, but a practice that has been proven to work well and produce good results in a specific context. It is a successful experience, which has been tested, validated (in a broad sense), and repeated. It is therefore a practice that deserves to be shared as a basis for peer learning, so others can consider whether and how it can be adopted in their own contexts.

To elaborate Good Practices (GPs) within the Clusters3 project, the following overall process was followed:

Figure 4: Good Practice Process



To begin the process of defining GPs a key first step was to generate common understanding of what a GP is and how it can be identified. Various inputs were introduced to the partners throughout the series of policy learning workshops to guide their identification of relevant GP examples to share:

- **RIS3 challenges identified by the European Commission (2016):** (1) Prioritization, (2) Integrated policy mixes, (3) Smart, evidence-based policy making, (4) Multi-level governance, (5) Cross- border dimension, (6) Sustainable stakeholder engagement.
- **Clusters3 ‘Thematic framework’:** (1) implementation via specific support instruments & programmes, (2) Design and deployment of cluster policy, (3) monitoring and evaluation, (4) Alignment with RIS3, (5) Internationalization of CA, (6) Building the CA capacity
- **Benchmarking Analysis** (Policy Learning Document 1): Alignment with action areas/opportunities identified
- **Peer Review** (Policy Learning Document 2): Inspiration from recommendations and practices highlighted by external experts.

At the beginning of the project the partners built up a list of topics (a ‘thematic Box’). These gave structure to the learning journey in terms of content, providing a guide around which to organize workshops, surveys and other learning activities. Specifically, this thematic box contained some questions that helped partners to clarify their own experiences and practices related to cluster strategies and support instruments. Indeed, a first step was to get contributions to this “wish list” and

agree on the content to be explored according to the participating regional managing authorities' interests and experiences.

As the project progressed through a series of learning workshops hosted by different partners, these provided the opportunity to share, discuss and analyze the GPs proposed by each partner. The GPs to be shared at each workshop were identified and proposed through a process that was guided by common understanding around a set of criteria.

1. Basic criteria

Basic criteria facilitate a first screening of the proposed best practice, namely whether the proposed practice addresses a relevant topic and is transferable to other territories, etc

- **Transferability** (can and how can one transfer or learn from the GP)
- **EU Clusters and RIS3** (does the GP align with the project agenda on clusters and RIS3)

2. Common criteria

Common criteria look deeper into the context of the proposed practice with respect to the central components of the defined topic: key themes acknowledged by the inputs outlined above as being central to the "alignment of clusters and RIS3"

- **Evident changes** (results confirmed via quantitative and qualitative evidence)
- **Multiple-helix approach to implementation** (the activities have been done by various institutions)
- **Multi-level Governance** (the implementation has been done with involvement of various actors)
- **Cross-sector cooperation** (the bridging institutions/companies of (un)related industries/sectors)

3. Specific criteria

Specific criteria reflect (1) either partner regions specific interest, (2) territories specific conditions and/ or (3) other partner-specific proposals

- **Added value** (reflect what specific added value for the partner regions the practice has contributed)
- **Thematic framework** (indicate to which of the projects thematic lines it is primarily associated)

The journey through the thematic topics, and the GPs shared during this journey, is set out in the table below.

	DATE	LOCATION	TOPICS (THEMATIC BOX)
1	May 2016	IWS BASQUE COUNTRY	 <p>The implementation of cluster policies typically requires the design and launch of specific instruments and programmes that support cooperative activities in the region's clusters. This may be through support for formal Cluster Associations or Collaborative Networks or for looser projects that bring together constituent parts of clusters (firms, research centres, training centres, etc.), or some combination of these. During the first two workshops (Bilbao, Piemonte, 2016) partners presented the specific types of</p>

			<p>instruments and programmes that have been/ or anticipated to be developed in each of the partner regions.</p> <p><u>Practices shared:</u></p> <p>Design and deployment of Clusters Policy</p> <ul style="list-style-type: none"> • How to Identify & prioritise clusters & sectors & involve SMEs, STI, administration and large companies. • How to Coordinate w/ other Competitiveness Policies (<i>Joined-Up</i> Policies, Innovation, Internationalisation, FDI). • How to evolve & deal with Emerging clusters, Expansion of clusters, spin-offs, restructuring & convergence, etc.)
2	Oct. 2016	IWS Piemonte	 <p><u>Practices shared:</u></p> <p>Implement the Policy through specific support instruments & programmes</p> <ul style="list-style-type: none"> • How to adapt the typology & intensity of support (technical assistance, financial support, duration of the programmes, etc.) to the maturity & development stage of clusters. • <i>How to enhance Cross-Sector collaboration in order to foster technology hybridisation and specialised diversification within a cross-cluster approach.</i>
3	Feb. 2017	IWS Lubelskie	 <p>In Lublin, partners reflected about “Adopting Cross-cutting KETs and cross-domain cooperation” and “Exploring Cross-cluster synergies beyond the territory & domain boundaries of the cluster, in order to articulate and implement the RIS3”. During this workshop the objective was to understand how to increase the interaction of cross-sector cluster partnerships: both within each partner region as well as between the regions based on complementary competences identified through smart regional profiling. To identify opportunities taking into account the cross-sector dimension and cross border dimension.</p> <p><u>Practices shared:</u></p> <p>Development of Clusters Policy & Alignment with RIS3</p> <ul style="list-style-type: none"> • <i>Adopting Cross-cutting KETs and cross-domain cooperation</i> • <i>Exploring Cross-cluster synergies beyond the territory & domain boundaries of the cluster, in order to articulate and implement the RIS3.</i>
4	Jun. 2017	IWS Highlands & Islands	 <p>The main focus of the 4th learning workshop conducted in Inverness (Scotland, 2017) was on the monitoring and evaluation of clusters and cluster policies. This is a very challenging part of cluster policy practice because many of the impacts of working with clusters are intangible. Moreover, cluster policies are extremely heterogeneous and typically have strong interactions with a wide range of other competitiveness policies. Hence attributing specific socioeconomic impacts to a given cluster or cluster policy is an extremely difficult task. All of the partners are grappling with these issues in their day-to-day work managing cluster (or cluster-type) policies, and the workshop was a great forum for exchanging</p>

			<p>experiences and practices.</p> <p><u>Practices shared:</u></p> <p>Monitoring & Evaluation of cluster performance & cluster programmes.</p> <ul style="list-style-type: none"> • Methodology for measuring and assessing • Long term Socio-economic impact • How the results shape the Policy & strategy
5	Oct. 2017	IWS Latvia	 <p>The Clusters3 project partners met for the 5th Interregional Workshop in Riga in October 2017. The workshop dealt about internationalisation and the audience had the opportunity to discuss trying to reveal the worth of cooperation for the promotion of competitiveness, innovation and internationalization of SME's. Partners also reflected about ¿How to boost Technology Innovation in SMEs?</p> <p><u>Practices shared:</u></p> <p>Interntionalisation of Cluster Organisations</p> <ul style="list-style-type: none"> • Increasing International engagement of both cluster organizations & its members. • How to enhance <i>Cross-Cluster collaboration cooperation (at regional and international level) in order to develop new value chains in new emerging growth domains.</i>
6	March. 2018	IWS Northern I.	 <p>During the last IW held in Belfast (March 2018) an aspect pertaining to cluster capacity/capability building from a Government perspective, Industry Perspective, Cluster Manager Perspective, Academic Perspective.</p> <p>Notes on Experience Exchange capacity and competence building for cluster management</p> <p>Each partner briefly presented the mechanisms through which policy-makers & cluster managers develop their competences in their regions and how are the people directly involved in policy for and management of collaborative networks and clusters increasing their competences.</p> <p><u>Practices shared:</u></p> <p>Building the Capacity of Cluster Organisations.</p> <ul style="list-style-type: none"> • <i>Formal Training for Cluster Managers and Policy Officers</i> • <i>Sharing Experiences, Joint Learning</i>

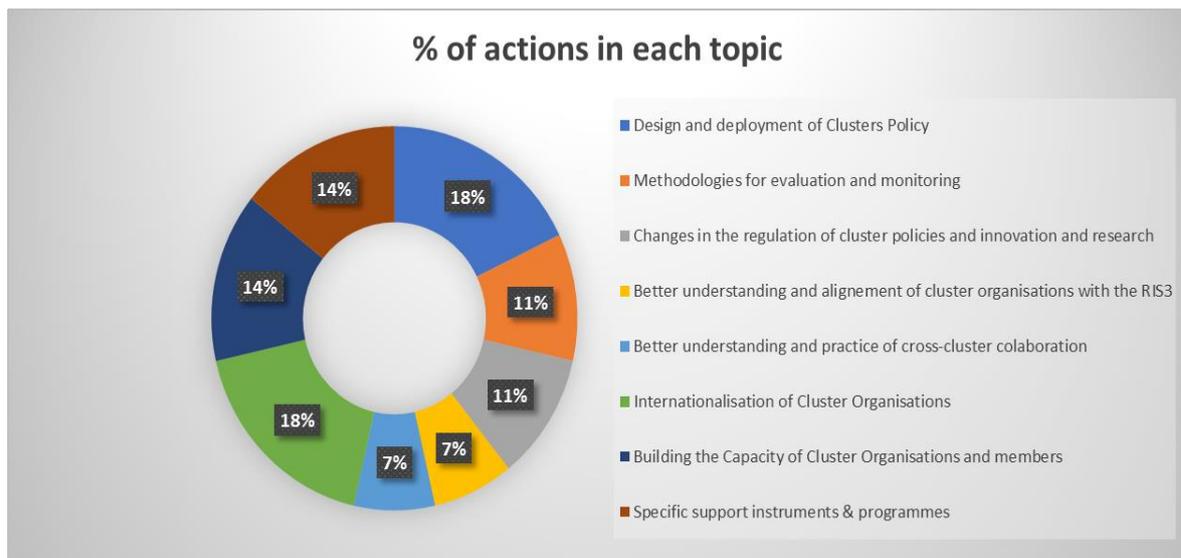
3. Impacts of Sharing Good Practices

The second phase of Clusters3 is based around the implementation of action plans by each of the regional or national authorities engaged in the project. An action plan is a document providing details on how the lessons learnt during the project will be exploited in order to improve a specific policy instrument. The good practice examples shared during the first stage of the project served as a learning basis to get to know about and deeply understand existing practices elsewhere and have provided inspiration for the actions being implemented in partners' action plans. In total 28 actions have been developed by the project partners in their action plans, and Figure 5 shows the topic

distribution of these actions.

There is notable focus on some areas that appear to be particularly important, such as internationalisation of cluster organisations, capacity building and development of support instruments and programmes. Exchange and learning from specific support instruments and programmes can be highlighted as the most effective topic on the transfer of practices between the regions as many inspirations for the action plans came from here.

Figure 5: Action Plan Topics



Alongside their influence on experimentation with real-time policy improvements, a selection of the more than 45 experiences shared within the Clusters3 project are also being extended to a wider audience through the Interreg policy learning platform. These GPs were selected by applying the criteria mentioned in the previous section, which were operationalised by grouping them together into an assessment tool (see Table 2, below). The resulting GPs are the following, each of which is detailed in the Appendix to this report:

- Cluster management development support: non-financial assistance (Basque Country)
- Cluster observatory on economic outlook and industrial trends (Basque Country)
- Key national cluster (Lubelskie Region)
- Business marketing of Lubelskie Voivodeship (Lubelskie Region)
- Regional calls supporting SME R&D innovative projects (Piemonte Region)
- The creative industries network programme 2014-2017 (Scotland)
- Interface: Knowledge connection for business (Scotland)
- Cluster associations' involvement in Basque RIS3 implementation (Basque Country)
- Regional cluster support strategy (Piemonte Region)
- MATRIX, the Northern Ireland Science Industry Panel (Northern Ireland)
- Riga IT demo centre as industry promotion instrument: local & international (Latvia)
- Voice of the user survey for cluster associations services assessment (Basque Country)
- Tool for monitoring and evaluating Hungarian cluster policy: accreditation (Hungary)
- Independent programme evaluation and appraisal (Northern Ireland)

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Table 1: Evaluation of GPs (assessment tool)

Criterion	LOW	MEDIUM	HIGH
1) Transferability. The description gives information on components regarding the transferability of the good practice (can and how one can transfer or learn from the GP).(low = only components of low transferability, medium = at least 1 component of high transferability, high = 2 or more components of high transferability)			
2) The description provides insight in how the good practice is tackling regional potential, specific strengths, competitive advantages, needs or challenges (evidence-based).			
3) The description of the good practice states, how it is tailored to the regional or local context (place-based).			
4) EU Clusters and RIS3 (does it in line with EU agenda for clusters and RIS3)			
5) Cross-sector cooperation (the bridging institutions / companies of (un)related industries/ sectors)			
6) Several regional stakeholders have been involved in the implementation of the good practice. Multiple-helix approach to implementation (the activities have been done by various institutions) <i>(low = 1 stakeholder; medium = 2 to 3 stakeholders; high = 4 or more stakeholders)</i>			
7) Thematic framework (indicate to which thematic line it primarily associated)			
8)A system for continuous monitoring, ideally based on a derived set of indicators, is in place, which supplies information on the outputs and outcomes of the practice.			

4. Conclusions: Where next?

When the Clusters3 project was launched in Bilbao in March 2016, smart specialisation strategies were being implemented for the first time across European regions. Since then they have become embedded as a key framework for prioritising innovation investments in European regions. Clusters have played and continue to play an active role in the smart specialisation dynamics within and across many regions, supported by initiatives such as the European Strategic Cluster Partnerships in thematic areas related to industrial modernisation. As these relationships consolidate, the good practices shared, and the lessons learned during the course of the Clusters3 project provide a valuable foundation for reflecting on the next stage of development in the relationship between cluster policies and smart specialisation strategies.

The good practices captured in this policy learning document and the topics covered in partners' action plans cover a broad range of themes that reflect the ambitious initial scope of the project and the complexity of the interactions between clusters and regional strategies. There is however a notable focus on four areas that appear to be consistently important.

Firstly, a large proportion of the actions and several of the identified GPs relate to the **overall design and deployment of cluster policies and the articulation of specific support instruments**. This reflects both the heterogeneity that characterises cluster policy and its instruments across regions, and the complexity of the innovation and competitiveness policy mix with which cluster policies interact. In this context the continued exchange of good practices and experimentation of approaches in different contexts will be particularly important, especially given the changing nature of regional economies. Fostering economic transformation is a key goal of smart specialisation strategies, and regional policy makers need more sophisticated and dynamic intelligence on how regional strengths and cluster boundaries are evolving in real time. Cluster policies themselves can play a key bridging role in obtaining and feeding this intelligence into other relevant policy areas, and that same intelligence can be used to more effectively align cluster policies with the entrepreneurial discovery shaping regions' smart specialisation strategies.

Secondly, the **internationalisation of cluster organisations**, combined with the need for a better understanding of how to foster cross-cluster collaboration, is highlighted time and again in the action plans and good practices. While the specific purpose, focus and process is different in each plan, the common thread is recognition of the need to promote international openness as a core feature of the cluster policy, reflecting the position of regional clusters in global innovation networks and value chains. Moreover, in a context of rising global trade uncertainty, where processes such as Brexit are threatening to change the barriers to internationalisation, the role that clusters can play in

smoothing the pathways for their members to engage in global value chains is likely to become an area of increasing focus.

Thirdly, as might be expected, **building capacity among cluster management organisations** features strongly. What is more surprising is that it is present both in the action plans of regions that are just starting out with cluster policy and in those of regions with a long experience with cluster policy. This highlights the ‘life-long’ nature of training and support for cluster practitioners, whose delicate intermediary role requires a unique set of skills. It suggests the need for an ongoing focus on how best to build and maintain this capacity into the future.

Finally, the presence of both good practices and ongoing actions related to **monitoring and evaluation** reveal that there is still much to learn around the workings of cluster policies and the types of impacts that they can make, both with regards to business competitiveness and with regards to regional smart specialisation. Improving monitoring and evaluation practice will be important for the next stage of development in the relationship between cluster policies and smart specialisation strategies, both in terms of better demonstrating the impact of policy investments and generating learning dynamics that feed back into policy improvement.

5. Future challenges for cluster policy and smart specialisation:

To be completed with the conclusions from the Final Conference group dynamic/discussion of cluster policies

Annex: Good Practice Collection



Cluster Management development support (Non-financial assistance) (Pais Vasco)	
Policy Implementation through specific support instruments and programmes	
Description:	<p>SPRI offers Basque Cluster management organisations, together with Financial support, a wide range of “Technical” assistance initiatives for their development.</p> <p>In order to successfully implement RIS3, Basque cluster policy has addressed 2 main challenges:</p> <ul style="list-style-type: none"> • Developing stronger Cluster management organisations by creating common spaces for mutual learning with and among them. • Further aligning public competitiveness policies with the private sector and the cluster associations’ strategies, informing also Government strategies by reinforcing constructive dialogue. <p>Thus, SPRI offers to Basque CMOs (Cluster Associations), together with Financial support, a wide range of “Technical” assistance initiatives for cluster development, including:</p> <ul style="list-style-type: none"> • Cluster Associations’ Action Plans assessment. • Information & experiences exchanges (learning and sharing together): <ul style="list-style-type: none"> o Basque Cluster Day o Working Groups on common interests such as Technology Watch & Competitive Intelligence Tools, Evaluation or Talent development. • International networking, CMOs matchmaking and Best Practices watch (TCI-Network, European Projects, ECCP, ESCA..). • Facilitation Support for Exploring Convergence, Fusion, Integration or Alliances of Clusters Associations. • SPRI Cluster Liaison Officers in each Cluster Associations’ Boards. • Monitoring & Evaluation Tools: Shared Comparative Performance Scoreboard, the “User’s Voice” Survey... <p>The main stakeholders are: Cluster Associations; academia and science, technology & innovation (STI) system; Cluster policy managing authority (Dept. of Economic Dev. and Infrastructures) and implementing agency, SPRI.</p>
Resources:	A coordination team of 2 people (FTE) and 8 Cluster Liaison Officers on a part-time basis (Min. 100 hours/year each). Depending on workload, external support might be needed for facilitation, analysis and event organisation.
Evidence Success:	A high degree of participation attained in the proposed activities. In the annual meetings all cluster associations take part. In the last Basque Cluster Day (2017) satisfaction survey 90% rating 4-5 points (out of 5) in general satisfaction and 80% rating 4-5 points the Thematic Workshops. Engagement in the Working Groups is also high; 12 cluster associations (out of 17) participate in the WG on “Collaborative Competitive Intelligence”; all 17 cluster associations in the WG on “Evaluation”.
Potential for learning or to transfer:	<p>The transferability of this experience regarding into other European contexts is quite high. It capitalizes on the value of sharing knowledge and mutually reinforcing development, profiting from learnings from hands-on experiences and actual practice and adopting what has already worked for others.</p> <p>Keys to success are the following:</p> <ul style="list-style-type: none"> • Willingness of Cluster Associations to share and to learn with and from each other. • The role of the cluster policy implementing body (Regional Agency or equivalent) as facilitator and booster. <p>Lessons learnt: Beyond financial assistance, which can be very relevant for the cluster associations’ sustainability, especially in early stages, the proposed “non-financial support activities” contribute to engage cluster management organisations in regional cluster-based economic development policies, generating trust, building bridges and aligning collaborative efforts.</p>
Difficulties encountered:	The main challenge is to agree on topics of interest for different Cluster Associations with different levels of maturity and different needs and, eventually, different resources; also to customize tools to different requirements.
Opinion from experts	This is an example of how to improve RIS3 implementation through targeted support to identified key actors, in this case clusters. It highlights the role of cluster management organisations, and the measures that can be taken to strengthen them in this role. The support offered comprise individual development as well as actions to facilitate the inter-cluster collaboration and knowledge sharing. The relevance is reflected by the seemingly high interest and participation rate from the cluster associations. The transferability is dependent on the level of commitment from individual clusters, but the practice could work as inspiration and a source of knowledge for a region interested in bringing regional clusters closer together, and looking beyond financial support.

Cluster Observatory on Economic Outlook and Industrial Trends (OCI) (Pais Vasco)	
Policy Implementation through specific support instruments and programmes	
Description:	<p>OCI is an instrument for sharing strategic information on industry trends and economic outlook through the Cluster management organisations (CMOs)</p> <p>Cluster-based economic development requires a fine tuning and interaction between regional governments and cluster associations, and the same goes for embedding RIS3 strategies across sectors and competences, since clusters are a key strategy building and implementing partner and a fundamental policy delivery tool for broader industrial transformation.</p> <p>In order to enhance these collaborative dynamics, OCI (Observatorio de Coyuntura Industrial) creates a space for sharing, in a systematic way, strategic information on the main sectors in the Basque economy, global trends, macroeconomic and market prospects, engaging all parties in a focused discussion.</p> <p>OCI is an instrument that collects and enriches the relevant data and its interpretation; It contributes to public-private dialogue and provides the Basque Government with feedback to align strategies, policies and plans with the challenges of industrial modernisation.</p> <p>Once or twice a year, OCI brings together, under the form of a round table, around 30 people including all 17 cluster associations' managers, SPRI agency cluster programme coordination team and cluster liaison officers and Basque Government's vice-ministers, directors and programme managers of all directorates related to competitiveness (Dept. of Economic Development & Infrastructures). Other stakeholders include members of Academia (Basque Institute of Competitiveness) and other senior and high rank officers in the department of Planning and Economy.</p>
Resources:	Just staff costs (a facilitator team of 2-3 people) and, eventually, venue location. An Information collection form is used in order to collect data and insights in an homogeneous format.
Evidence Success:	<p>Managing directors of all cluster associations in the Basque Country together have taken part in all editions. In 2017, Satisfaction Survey result showed 4% Low Satisfaction; 5% Medium Satisfaction level and 91% High and Very High Satisfaction level.</p> <p>This cluster to cluster dialogue, allows for discussion of interrelations in sectoral trends and economic transactions between different interrelated value chains together with international market trends and country specific information.</p>
Potential for learning or to transfer:	<p>The transferability of this initiative is quite high into other European contexts and this kind of interaction is a very cost and time effective way of:</p> <ul style="list-style-type: none"> - Actually capturing first hand relevant data from all clusters and sectors involved. - Providing the Cluster Associations with a common space for face to face meeting, dialogue and joint reflection, strengthening their sense of belonging, as a baseline for further engagement in cross-cluster collaboration and mutual learning. - Facilitating and moving public- private dialogue forward. <p>Furthermore, engaging different cluster associations, that represent clusters related in value chains and interlinked in their economic transactions and customer-supplier relationships, allows for a better exploration of data and better forecasting sectoral trends and economic cycles.</p>
Difficulties encountered:	Initially, the challenge was to convince participants to share quantitative data on their cluster performance and evolution; then to gather information in a homogeneous comparable format. As for qualitative information, it is not easy to collect it on expectations.
Opinion from experts	The practice is an interesting example of how intelligence on economic and development issues can be collected and shared among cluster management organisations and public stakeholders. It highlights the possibilities for dialogue and strategising generated through this approach, but also underlines the importance of trust and willingness to share among clusters, in order to have it working successfully. This practice has a good potential for learning and should be of interest to any regions working with clusters.

Key National Cluster (Lubelskie Region)	
Policy Implementation through specific support instruments and programmes	
Description:	<p>Key National Clusters are characterized by their significance to Polish economy and international competitiveness.</p> <p>The cluster policy in Poland is being managed by Ministry of Economic Development, with involvement of regional level. In the period 2007-2013 support was aimed at capacity building (human capital, organisational issues). This resulted in increase of the number of clusters in Poland. Nowadays, the cluster policy aims at strengthening innovativeness and competitiveness of Polish economy thanks to cooperation, knowledge transfer and smart specialisation. Clusters are seen as important drivers of this policy. The idea of Key National Cluster label is to direct support to those clusters that 1) have substantial impact on Polish economy (in terms of employment and added value creation), 2) innovation is high on their agenda and are linked with national smart specialisations and 3) are internationally recognisable. Activities on the national level include: Step 1. Exploring the potential of regional clusters to become Key National Clusters (KNC): applications of clusters are evaluated according to range of criteria. Step 2. Dissemination & promotion of cluster management standards (series of workshops for cluster coordinators) Step 3. Requirements & technical specification for a cluster monitoring platform. Step 4. Support for internationalization of KNC. Only KNCs are eligible to apply for funding of their internationalisation activities under EU Smart Growth Operational</p>
Resources:	<p>Human resources: employees of Ministry of Entrepreneurship (2 persons) and Polish Agency for Enterprise Development (4 persons). Support for internationalisation is financed under OP Smart Growth (ERDF) in the amount of PLN 100 mln (approx. EUR 23 mln) – Measure 2.3.3. Internationalization of KNC</p>
Evidence Success:	<p>During open calls (2015-2016) 16 clusters obtained status of KNC (40 submitted applications).</p> <ul style="list-style-type: none"> - Activity of KNCs covers whole territory of Poland and the most areas of national smart specializations; - Meetings of KNCs organized by the Ministry of Entrepreneurship; - Training for cluster's managers; - 13 KNC granted under OP Smart Growth, Measure 2.3.3. Internationalization of KNC (24 projects); - Out of 7 clusters, that got the KNC status in 2015, 6 submitted applications for its renewal
Potential for learning or to transfer:	<p>The focus on cluster policy both at national and regional level created conditions for more intensive and effective cluster development. The KNC system helps to channel limited public funds to the most promising and prospective undertakings, and the label can be achieved in a competitive, transparent procedure. It is important to highlight, that this label has to be renewed every two years. That means, that cluster organisations are enhanced to be active and keep the standards, otherwise they lose the label and all profits linked to it. Other profits:</p> <ol style="list-style-type: none"> 1. Stronger cluster organisations, competitive internationally, aware of their resources and potentials/strengths and weaknesses 2. The KNC selection system is in fact a specialisation strategy, with an aim to strengthen clusters with important innovative potential 3. Industries in the regions which are members of KNCs have been strengthened .
Difficulties encountered:	<p>Clusters are very dynamic and are flexibly adapting to changing environment that is why the system needs to be continuously revised and adjusted.</p>
Opinion from experts	<p>Clusters of different sizes and industry orientation are common across Europe, however the practice may provide inspiration concerning how to support the most promising ones, and strengthen the cluster organisations in general. Labels, like KNC, function both as validation of clusters and their activities, a distinction that sets them apart, and as decision support to public funders when directing resources. The label and the possibilities that come with it can function as incentives to clusters to improve, while the recurring renewal ensures the standard is maintained. The practice could like be a source of inspiration to regions, or countries, looking to foster "competition" among clusters and promote their international competitiveness. The elements of the selection process should have a good</p>

Business marketing of Lubelskie Voivodeship	
Policy Implementation through specific support instruments and programmes	
Description:	<p>"Business marketing" program supports the enterprises on international markets in order to increase their competitiveness and expansion to other markets.</p> <p>The main aim of "Business marketing" project was to improve conditions for increasing Lubelskie region competitiveness and to create the economic image of the region. The issue of crucial importance was to create and strengthen the culture of cooperation between entrepreneurs, and this way to build critical mass of the companies to export. It was important to offer to the companies support and knowledge about new possibilities of sale, and this way to help them to change their business models and open them to new solutions, innovation and international cooperation.</p> <p>"Business marketing" enhanced competences of entrepreneurs through their participation in:</p> <ol style="list-style-type: none"> 1. Business Academy for Entrepreneurs - 14 thematic modules, i.a.: Brand Building and Management; Clusters; Internet marketing; ABC of business presentations; Cultural differences in business; Design thinking; HR; Export activities; Significance of the brand, Effective negotiator; Risk in export; 2. trade fairs and inbound business missions; 3. Export Academy (20 modules according to potential export destinations). <p>The main stakeholders were: entrepreneurs including co-operation networks and clusters operating in RIS3 domains (e.g. Lublin Eco-energy Cluster, Stryjno Sad Producers' Group and LubApple), foreign investors, foreign co-operation networks and clusters. The success of the project resulted in continuation in project „Business Marketing of the Lubelskie Voivodeship, edition II" financed under Lubelskie ROP 201</p>
Resources:	<p>The program was co-financed with the ROP Lubelskie Voivodeship 2007-2013 (ERDF) in the amount of PLN 30 mln (approx. EUR 9 mln) for all planned actions (including the aforementioned). Team of 16 people working in the region area was engaged at all level of the Program's implementation.</p>
Evidence Success:	<p>In the context of networks and clusters:</p> <ul style="list-style-type: none"> • Participation of 597 people in Business Academy • Participation of 192 entrepreneurs in Academy of Exporters • Organization of 47 outbound & inbound business missions – also with clusters and cooperation networks • In program evaluation survey participants highlighted: finding new business contacts; getting to know the culture of other societies; opportunity to enter a new market; increase in production by 11%, of exports by 16%, of sales by 14%.
Potential for learning or to transfer:	<p>Business marketing can be a useful tool for regions, where economy depends on micro and small companies. Such companies, even if they have a good products or services, do not have enough power to expand, especially abroad. Clustering and networking is an important factor to overcome those problems.</p> <p>The main precondition for participation in business missions was to present application on behalf of a group of companies. This way clusters can have influence on destinations of the missions. Possibility to take part in fairs stimulated companies to re-define their business strategies and create a cooperation network.</p> <p>Program contains elements raising general competences of entrepreneurs, but also specifically on internationalization.</p> <p>Wide range of information channels and events provide broad access to information for stakeholders. The dialogue of regional authorities and stakeholders is important for entrepreneurial discovery process, that leads to specifying smart specialization.</p>
Difficulties encountered:	<p>At the beginning-lack of trust in competences of Marshall Office employees (low interest of companies)</p> <ul style="list-style-type: none"> • In second phase (with huge interest of comp.) sometimes inappropriate people attended trainings (e.g. specialized training on internationalization- only few people from sales and marketing).
Opinion from experts	<p>This practice represents a comprehensive initiative to strengthen the marketing skills of entrepreneurs and catalyse their export-oriented actions. The high number of participants reflects the relevance of the practice; similar opportunities would likely be valued by entrepreneurs in many regions. Regions looking for ways to strengthen the international presence of their local companies might find inspiration here. The scale of the programme depends on the funding available, but also a smaller version, e.g. targeting a particular industry or cluster, could prove beneficial.</p>

Regional Calls supporting SMEs' R&D innovative Projects (Piemonte Region)	
Policy Implementation through specific support instruments and programmes Development of Clusters Policy & Alignment with RIS3	
Description:	<p>Supporting R&D activities, with a high level of innovativeness, for the development of new technologies, new products and services</p> <p>For the implementation of the Smart specialization Strategy, Clusters have a relevant role enabling cooperation among small medium enterprises (SMEs) and giving technical support to SMEs' Research and development (R&D) activities.</p> <p>The practice consists of public calls, both for cluster's associated members and not associated (committed to enter the clusters), financing Industrial research and/or experimental development projects, with a prevalent component of research compared to the development component and a Technological readiness level of 4 that reaches at least 7 by the end of the activities, excluding the production phase.</p> <p>The challenges that have triggered the introduction of this practice are:</p> <ul style="list-style-type: none"> - fostering cooperative industrial research and experimental development projects among SMEs - increasing the number of cluster's associated members - encouraging SMEs cooperation with Universities and Research centres as providers of high qualified services. <p>Projects have to be related to the priorities of RIS3 and the thematic areas of the Strategic Agenda of the Cluster Management organizations. Not associated members of the clusters shall follow the same rules and be committed to enter the cluster in case of financing.</p> <p>Projects shall have a high level of innovativeness.</p>
Resources:	<p>50 M€ for R&D projects funded under the ROP-ERDF 2014-2020</p> <p>Estimated human resources needed are approximately 6 persons to set up and 30 to run the practice.</p>
Evidence Success:	<p>Two calls launched: Line A for associated members – with 35 M€ (113 submitted projects, 73 financed projects, 215 enterprises involved, 49,8 M€ overall investments, 23,7 M€ of public grants); Line B for not associated members - with 15M€ (53 submitted projects, 34 financed projects, 68 enterprises involved, 21,2 M€ overall investments, 9,3 M€ of public grants).</p> <p>The calls produced 137 (93 Line A and 44 Line B) contracts with R.O. equal to 20M€ (13M€ Line A and 7M€ line B) and participation of 57</p>
Potential for learning or to transfer:	<p>This practice can be potentially interesting for other regions that need to support Research & Innovation activities developed by SMEs, inspiring public authorities to introduce in cluster policies measures to financially support associated members of the clusters for Research and Innovation activity and attract new members in the cluster.</p> <p>This practice can support and boost SMEs development, allowing them to undertake research projects, access to high qualified research services from universities and research organisations.</p>
Difficulties encountered:	<p>Difficulties encountered have been: Low propensity of SMEs to cooperate among them; SMEs difficulties to access to high qualified services provided by research organizations; Participation of Research organizations not as project partner but as services providers</p>

The Creative Industries Network Programme 2014-2017 (Scotland)

Policy Implementation through specific support instruments and programmes

Description:	<p>The Creative Industries Network Programme 2014-2017 was created to help micro businesses increase their competitiveness and collaboration to make more impact.</p> <p>A new way to help develop the Creative Industries in the Highlands and Islands was formed to overcome peripherality.</p> <p>Clusters were set up - each with a manager - in the areas of : 1) screen and broadcast (covering all forms of screen including games), 2) music, 3) crafts, fashion and textiles, and 4) writing/publishing.</p> <p>These clusters provided advice and support in areas of digital skills, business planning and commercial partnerships, not just in the Creatives Industries but also in sectors including tourism, and heritage.</p> <p>A cluster model was devised that was flexible, highly entrepreneurial and designed to create scale through collaboration for the many micro and SME businesses in the Creative Sector. This took the form of four clusters providing year round activity with a multifaceted industry event (XpoNorth) held every Summer.</p> <p>The clusters provided the opportunity for the industry to articulate what it wanted from the public sector, and also to engage in the delivery of that support.</p> <p>Within Creative Industries itself, the support focused on scaling up businesses, supporting the entry into new markets, and supporting innovation around business models and products/services.</p>
Resources:	<p>HIE £1.065,600 ERDF £950,400 Creative Scotland £360,000</p>
Evidence Success:	<p>The outputs delivered:</p> <ul style="list-style-type: none"> • 200 businesses facilitated through provision of advice and training; • 300 jobs created; • Increase in GVA totalling £9m; • 10 newsletters; • 1 major international showcase event; • 3 additional showcase events; • 6 trade events attended; • 20 local events;
Potential for learning or to transfer:	<p>The nature of the Creative Industries, especially across remote and rural geographies, often makes it challenging for regional development agencies to tailor appropriate support. The Cluster model allowed for good engagement and interaction across the range of businesses, encouraging collaboration and growth.</p> <p>Clusters can work with micro businesses/sole traders covering a large geography, even covered more than one island.</p>
Difficulties encountered:	<p>One challenge encountered was the need for better and improved communication. This was an investment in time and resources to improve communication activities and get the private sector actors bought in to believe in collaboration and not just competition.</p>

Interface-The knowledge connection for business (Scotland)	
Policy Implementation through specific support instruments and programmes	
Description:	<p>Interface works with businesses of all sizes, in all sectors, to match them to Scotland’s world-leading academic expertise. Building collaborations all the time.</p> <p>The Interface strategy aims to stimulate demand for knowledge exchange between industry and universities and research institutions through creating sustained partnerships, proactive marketing, stakeholder engagement and infrastructure management including research into long term sustainability options.</p> <p>The actors have come together by mutual consent to provide a central point of access for companies to tap into expertise across a wide breadth of disciplines from science, engineering and technology to arts and humanities.</p> <p>Interface facilitates triple helix clusters to tackle industry sector challenges that leads to transformational outcomes and impacts. By working together to accelerate entrepreneurship and innovation, Interface drives sustainable economic growth and helps to make Highlands and Islands region a CAN DO place for business.</p>
Resources:	Funding for the service is provided by Scottish Funding Council, European Regional Development Fund and Highland and Islands Enterprise. Currently, the service is financed through public sources.
Evidence Success:	<p>Business supported by Interface contribute £64.2 million gross value added (GVA) a year the Scottish economy, supporting around 1,060 Scottish jobs. Since 2005:</p> <ul style="list-style-type: none"> • Interface has introduced over 2,700 businesses to academic partners. • Over 1,700 company & university collaborative projects initiated. • 33 clusters addressing key growth sector challenges. • 83% of businesses recorded reduced operating costs, increased productivity, profits, export, turnover and new or safeguarded employment.
Potential for learning or to transfer:	<p>For each £1 invested in Interface to date it has generated £6.33 GVA for the Scottish economy; and the average cost/job supported by Interface has been £9,566. This means that the return on investment generated by Interface, which is funded by the Scottish Funding Council, with contributions from Scottish Enterprise and Highlands and Islands Enterprise, is already on a level with that delivered by comparable UK wide programmes designed to achieve similar objectives.</p> <p>Companies have experienced transformational effects on their business as a result of their interaction with Interface. In particular, many reported that the collaboration had been a catalyst for deep and long lasting relationships which has resulted in improved business competitiveness.</p>
Difficulties encountered:	Some collaborations have been challenging due to personalities involved, and also some business actors cannot change from a thinking of competition. Also not all innovations or findings work out the way it was initially anticipated.

Cluster associations' involvement in Basque RIS3 implementation & deployment (Pais Vasco)

Development of Clusters Policy & Alignment with RIS3

Description:	<p>Cluster associations' active involvement in Basque RIS3 implementation & deployment, ensuring its translation into action, projects and results in the market.</p> <p>In order to overcome the challenge, the Basque Government designed a RIS3 participatory entrepreneurial process of discovery, with distributed leadership; Cluster associations as key players in regional economic development, perform an essential role in the Steering Groups of all 3 Priorities (Advanced Manufacturing, Energy and Bio-Health) and 4 Niches of Opportunity - N.O. (Creative & Cultural Industries; Urban Habitat & Sustainable Construction; Environmental Ecosystems; Food), and in the Working Groups, coordinating some of them. E.g.:</p> <ul style="list-style-type: none"> • ACICAE Automotive cluster & AFM cluster associations: Advanced Manufacturing priority Steering Committee and WGs. • ACLIMA Environmental cluster, Ecosystems niche Steering Group • Cluster de Energia led the Energy Priority. • GAIA ICT cluster, WG 3 "Innovative Business Models", Advanced Manuf. Priority. • Basque Health Cluster, WG 1 "Personalised Medicine". • Basque Food Cluster and GAIA have jointly coordinated WG3: "Integration of ICT in production, logistics and marketing". Food N.O. • ERAIKUNE Construction cluster coordinated Strategy Line 1 "Industrialized Construction & Virtual Modelling", Urban Habitat & Sustainable Construction N.O. <p>The main stakeholders are the Basque Govt.'s President's Office, leading RIS3, and Departments (incl. Dept. of Economic Dev.), SPRI as Cluster policy Implementing Agency, Cluster Associations and STI system, since this full involvement is the base for S3 & smart public-private investments</p>
Resources:	<p>The Basque RIS3 design, implementation & deployment has been a wide open participatory exercise with a high degree of voluntary commitment and generosity of actors engaging, pro bono, their time and effort. All 17 basque cluster managers are involved in RIS3 steering committees / working groups.</p>
Evidence Success:	<p>RIS3 WGs with cluster associations have developed concrete initiatives contributing to activate or engage in global emerging value chains:</p> <ul style="list-style-type: none"> • CFAA - Advanced Manufacturing Centre - Aeronautics (with AFM Advanced Manufacturing & HEGAN Aerospace Cluster associations) • Basque Digital Innovation Hub (ACICAE, AFM, GAIA, Cluster de Energia & HEGAN inv). • Basque Ecodesign Centre (9 cluster associations as partners). • Offshore Wind Basque Country (Foro Marítimo Vasco & Cluster of Energy involved)
Potential for learning or to transfer:	<p>This practice is potentially interesting for other regions, since a key success factor for RIS3 is the active involvement in the strategies' design, implementation and deployment of all stakeholders beyond the regional governments; in particular, of the private sector (large and SMEs), since it ensures the translation of strategies into action, projects and results in the market. And Cluster management organisations (CMOs), as pivotal structures of the triple helix, mobilizing the private business sector, the STI system and the administration in search of competitiveness, are an essential player.</p> <p>This involvement of clusters in RIS3 requires, first, the Government commitment to build RIS3 through a participatory process with distributed leadership and its belief that CMOs are key partners in regional economic development; second, a regional portfolio of strong and committed CMOs. Mutual trust and engagement are the base for in this collaborative "entrepreneurial discovery" journey.</p>
Difficulties encountered:	<p>Main challenges: to coordinate different groups of interest, to build a strong and committed governance and to keep up the process momentum.</p> <p>Lessons learnt: early engagement in the process and responsive support in projects activation are critical factors for securing participation and commitment.</p>
Opinion from experts	<p>The practice shows how a region can actively involve cluster associations and cluster management organisations in its smart specialisation work. The practice highlights these actors as key players for successfully translating strategies into actions. Furthermore, it shows how commitment can be secured through distributed leadership, where the input of cluster managers is actively encouraged in steering committees and working groups. Regions looking to engage their clusters in RIS3 can likely learn and benefit from the experience gained in this practice. The potential for transferability is good, granted that active participation and commitment from clusters is achieved.</p>

Regional Cluster support strategy (Piemonte Region)	
Development of Clusters Policy & Alignment with RIS3	
Description:	<p>Establishment of seven regional innovation cluster in seven thematic areas in line with RIS3 in order to support SMEs competitiveness.</p> <p>In 2009 Piedmont Region started a cluster policy establishing 12 regional innovation clusters in 12 different thematic areas in order to support SMEs' innovation, cooperation and research activities. In 2015 Region undertook a process of revision of the clusters to face these challenges:</p> <ul style="list-style-type: none"> - rationalize the number of cluster and align them to RIS3 priority areas; - increase the qualified range of services; - strengthen their role and the relations with policy makers. <p>Analysis of previous results led to the identification of 7 domains. For the selection of the Cluster management organizations (CMOs) Region lunched a public call for the constitutions of the following clusters: Smart Products and Manufacturing, Green Chemistry and Advanced Materials, Energy and Clean Technologies, Information and Communication Technologies, Agrifood, Textile, Life Sciences. Piedmont Region planned actions to develop and strengthen clusters in terms of innovation capacities, business opportunities, competences, communication and marketing, internationalization.</p> <p>Each CMO implement an action plans and Piedmont Region supports the process of reinforcing the role of clusters at regional, national and European level.</p> <p>Main activities carried out so far indude:</p> <ul style="list-style-type: none"> - strengthening partnerships and capacity of CMOs in supporting SMEs - sharing experiences, defining common standards and tools for communication - involving CMOs in the internationalization strategic dialogue.
Resources:	<p>5M€ under the ROP-ERDF 2014-2020 to support cluster activities.</p> <p>Estimated human resources needed are approximately 6 persons to set up and 21 to run the practice.</p>
Evidence Success:	<p>Reduced duster fragmentation (from 12 to 7 clusters)</p> <ul style="list-style-type: none"> - more cooperation among clusters of different sectors - CMOs activity more oriented to the selection of R&D projects - more cooperation (organization of 7 meetings with CMOs, one for each cluster, and 1 plenary meeting with all clusters - increased CMOs development of skills and training (over 40 training agencies' agreements and 200 Research Organizations' collaboration - over 200 international and inter-regional collaborations.
Potential for learning or to transfer:	<p>This practice can be potentially interesting for other regions that need to align Cluster policy, supporting SMEs development, with smart specialization strategy priorities.</p> <p>Despite clusters policies among European regions are not homogenous and not easy to compare, this approach might support others regions to foster :</p> <ul style="list-style-type: none"> - new policy support schemes improving the clusters ecosystem; - specialisation of the cluster management team; - working as a coordinated system (sharing experiences, goals and define a common methodology to identify priorities) <p>This approach is particularly effective for regions considered in transition that need to become more competitive and resilient in the context of major changes brought by globalisation.</p>
Difficulties encountered:	<p>Difficulties encountered are mostly related to the existing differences among dusters management bodies (some of them have been merged during the last revision of duster policy) and mainly to the difficulties to adapt this approach to very different and wide application areas.</p>

MATRIX, the Northern Ireland Science Industry Panel (Northern Ireland)

Development of Clusters Policy & Alignment with RIS3

Description:	<p>MATRIX is a business-led science industry panel whose remit is to provide independent advice to the Department for the Economy and the Minister for the Economy.</p> <p>In order to increase the return from science & innovation in Northern Ireland (NI), MATRIX was established to provide government with expert innovation, academic & scientific advice.</p> <p>MATRIX was established to meet identified needs by: providing advice to NI government on maximising the economic impact of R&D, science and innovation; representing the voice of high tech industry; championing the role of Science and Technology; & identifying future high tech market opportunities for NI.</p> <p>MATRIX explores how NI's R&D & Science & Technology strengths to can be best levered for commercial advantage and to help ensure sustainable economic growth in NI. It examines market opportunities on 2, 5 and 10 yearly forecasts to steer investment in science, technologies & skills. A major element of its work is its foresight reports. Its first report examined strategic markets across five key sectors – ICT, Advanced Engineering, Advanced Materials, Agri-food and Life and Health Sciences and also recommended the use of pre-commercial procurement. It continues to identify future global market opportunities, producing further foresight reports in: Telecommunications; Sustainable Energy; Life & Health Sciences; ICT/Digital; Advanced Manufacturing, Materials and Engineering; and Creative Technologies. MATRIX plays a key role in informing the strategic thinking of government & sectoral bodies.</p> <p>Regarding this Interreg project (CLUSTERS3), MATRIX has been invaluable in identifying priority areas.</p>
Resources:	<p>Approximately £250k per annum. 6 full time staff</p>
Evidence Success:	<p>MATRIX gathers experts from innovation, scientific and academic fields to provide advice to Government and has significantly influenced Government policy including the Programme for Government, the draft NI Industrial Strategy, the Innovation Strategy and the Life & Health Sciences Strategic Action Plan.</p> <p>Invest NI used MATRIX sectoral reports to launch calls for expression of interest in developing collaborative networks in niche areas where NI has demonstrated existing or potential capability.</p>
Potential for learning or to transfer:	<p>This practice provides an example of the setting up of a successful industry-led government advisory body. The reports produced by MATRIX clearly show the benefits of appropriate industrial expertise, supported by academia, in such an economic advisory body.</p> <p>The influence of the panel on the direction of governmental strategy documents reinforces the importance of the use of comprehensive and expert-driven foresight in policy making. The reports have influenced investments by public, private and academic sectors and have helped to highlight areas of strength and opportunity for the region.</p> <p>The panel's work on pre-commercial procurement has directly influenced NI government's use of the Small Business Research Initiative and subsequently informed policy and practice in Wales, Scotland, Ireland and most UK Central Government.</p> <p><u>The significant lesson learnt is the importance of a wide bank of expert advice when developing economic,</u></p>
Difficulties encountered:	<p>There is the prospect for MATRIX recommendations to be more widely used in government policy, particularly in influencing the prioritisation of investment. For example, a report on pre-commercial procurement, while accepted, struggled to gain traction, until a specific funding stream was ring-fenced</p>
Evaluation Experts:	<p>The practice represents a successful implementation of an industry-led advisory board and shows how specific expertise can help steer policies on innovation, academia, and science. It highlights the value created through foresight processes, and the impact on identifying regional opportunities in different technology sectors. The relevance of the practice is also reflected by its influence on pre-commercial procurement practices, and its longevity. The potential for transfer is good and the practice should be of interest to authorities on all levels looking for input to more informed policy decisions.</p>

Riga IT Demo centre as industry promotion instrument in local and international level (Latvia)	
Internationalisation of Cluster Organisations	
Description:	<p>Riga IT Demo centre was initiated by the cluster and its members as a platform for experience exchange and building partnerships, and community.</p> <p>Latvian IT cluster is an IT company community and one of the oldest clusters in Latvia with roots dated back to Year 2000. Its goals are to:</p> <ol style="list-style-type: none"> 1) create a value network of Latvian IT companies; 2) strengthen the development of the Latvian IT sector and help it grow through internationalization and cross-sectoral collaboration; 3) advocate the development of sustainable industries through digital tools; 4) promote the Latvian IT story and showcase the success stories. <p>In Year 2012 Riga IT Demo centre was initiated by the cluster and its members as a platform for experience exchange and building partnerships, and it soon became a place of the Latvian IT story. If there was not enough information on Latvian IT achievements and how they worked before, then Riga IT Demo centre was the showroom that brought the biggest Latvian IT successes under one roof and presented a niche know-how that helped our companies grow global.</p> <p>Today, it's a chance for the visitors to learn the Latvian IT experience story and – the best of it – try out the products and solutions on the spot. The demo centre is built for the society to see, evaluate and learn the best examples of the Latvian tech scene.</p> <p>Obviously in the end all these activities help to develop national ICT sector in more efficient way by strengthening collaboration between different players of the ecosystem.</p>
Resources:	<p>Riga IT Demo centre was created with a support of Cluster members, they invested both their money and content to set it up (approximately costs to set it up were about 100 000 EUR). Since then the running costs are ~ 30 000 EUR per year including administration, 1-person staff and marketing costs.</p>
Evidence Success:	<p>Demo centre provided the possibility to host delegations in the more efficient way and it resulted in the great local and international collaborations between different kind of ICT players. Also Demo centre provided the possibility to set up a learning and workshop platform for students, so they could develop their knowledge to ICT related aspects. This is the long-term activity where we will be able to measure the results afterwards but definitely it will affect positively the ICT ecosystem.</p>
Potential for learning or to transfer:	<p>The driving force behind the success is the community power. For example, Latvian IT Cluster is proud that during the Presidency the IT industry – through Demo centre – was the closest industry to the events of the Presidency, no other industry was represented that much, and no other industry hosted that many side events. That was done with the help of the community members and their dedication.</p> <p>Also, thanks to members' content and support Riga IT Demo centre can share the story of the Latvian IT, free of charge. That makes it one of the most unique examples in the European tech scene.</p> <p>Other regions with their cluster support mechanisms definitely should try to include similar kind of activity (setting up the Demo centre) into their policy documents because it shows the both - the short-term goals where players of concrete sector begin to collaborate in the more efficient way and also its provide the chance to aim for a long-term goals by developing the sector and related aspects.</p>
Difficulties encountered:	<p>The most difficult task of Riga IT Demo centre is still the development and a clear vision of it. The key is to stay focused and encouraging, and be convinced that Riga IT Demo centre indeed pushes the Latvian IT Cluster to achieve more.</p>

The voice of the user survey for Cluster Associations' services assessment & development (Pais Vasco)

Evaluation and Monitoring

<p>Description:</p>	<p>"The Voice of the User" is a survey to gather feedback, on cluster associations' activities and services and their impact on competitiveness, from their members</p> <p>The challenge addressed was to gather feedback from cluster associations' members on their perception regarding the activities and services delivered by the organisation, and its impact on their competitiveness; furthermore, to hear their views on whether and in which direction the services and activities need to be reoriented.</p> <p>"The Voice of the User" is a survey designed by SPRI with participation of the cluster associations and delivered online (in some cases, with tailor-made questions for their specific requirements), that collects information on:</p> <ul style="list-style-type: none"> • Degree of participation of the company in the cluster's services and activities (on a typology of 13 categories; type of participation, frequency). • Importance of each activity/service for the competitiveness of the company. • Time and resource commitment that the cluster association should ideally allocate to each activity/service • Suggestions for new activities/services and collaboration areas • Estimated impact of the clusters activities/services in the company's competitiveness in the last 5 years and expected for the next 5. • Perception on the cluster association members' commitment. • Qualitative assessment (strengths, opportunities for improvement). • Company profile (jobs, turn-over range, R&D+i activity, exports). <p>The main stakeholders are Cluster Associations, members of Academia and STI system, cluster policy Managing authority (Dept. of Econ. Dev. and Infrastructures) and Implementing agency, SPRI</p>
<p>Resources:</p>	<p>Staff cost (design, upload the survey in online format and process data); depending on workload, external support may be needed for exploiting results/producing reports (estimated 12-18 hr for CMO).</p> <p>Online survey tools cost around 20 €/month (1.000 results per form) to 50 €/month (2.500 results).</p>
<p>Evidence Success:</p>	<p>All 17 Basque CMOs (cluster associations) engaged in a constructive dialogue to define final format & customize the survey with additional relevant questions for their specific requirements.</p> <ul style="list-style-type: none"> • Positive feedback from the 4 participants in the pilot survey about the insights they got from the survey. • Positive feedback in other international partners (TCI Evaluation Group, CLUSTERS3 partnership...).
<p>Potential for learning or to transfer:</p>	<p>The practice can be relevant for Cluster policymakers and cluster management organisations that want to check the relevance and impact of the delivered services and activities for their members and also to obtain from them feedback and guidance on what other services, activities and collaboration dynamics should be developed by the cluster organisation.</p> <p>A key for this practice to be successful is that the cluster policy implementing agency engages the cluster management organisations in the design and launch of the initiative. Shared ownership and mutual understanding of the potential benefit is a precondition for success. This survey is not about auditing the activity or the performance of the cluster associations. It is about learning together and gaining direct insight for improving.</p> <p>This practice can be easily adopted, provided the cluster management organisations' members are committed enough and willing to contribute.</p>
<p>Difficulties encountered:</p>	<p>The big challenge is to ensure and achieve a wide participation from cluster associations' members in the survey. The CMOs can increase participation by sending an invitation to their members encouraging them to participate in the survey.</p>
<p>Opinion from experts</p>	<p>The practice represents a cost-efficient approach to gather feedback from cluster members in order to provide input to future activities. It highlights the need of wide participation and a set of purposeful questions to generate useful information. Surveys can be a helpful tool to understand a target group's needs, challenges and experience, but it is crucial to act on the results and show the target group that there is an opportunity to influence change or improvement. Otherwise there are few incentives to continue to provide feedback. The survey approach is not unusual and is easily transferable. However, in this case the practice may offer insights into target group engagement and relationship building, and into the process of formulating questions that are most relevant and provide the best basis for development actions.</p>

The tool for monitor and evaluate the Hungarian cluster policy: Cluster accreditation system	
Monitoring & Evaluation of cluster performance & cluster programmes	
Description:	<p>The renewed system made it possible to support clusters only with improved cooperation and international activities and capacities</p> <p>The main problem behind the issue was the non-efficient support for clusters with minimized cooperational capacity/activity, limited innovation and economic impact. Applying the new system, more and more strict entry rules have been defined for applicants defining the basic requirements for clusters aiming to be accredited. Compared to the earlier accreditation system, instead of measuring economic data there is stronger emphasis on cooperations within the cluster and the activity of cluster members. More focus is put on the performance and services of cluster management organisations and examining the internationalisation issues of the cluster is also a significant issue. Specifically the following themes are covered by selection criteria of the accreditation scheme: cooperation inside the cluster (20 points), cluster management and the composition of the cluster (30 points), international focus of the cluster (24 points), innovation potential and performance (26 points). Last but not least, the existence of the cluster strategy is evaluated as a qualitative issue. The main beneficiaries are the clusters and their management organisations.</p>
Resources:	<p>Activities provided by the International and Cluster Department of the Ministry of Finance (earlier Ministry for National Economy) with a staff of 5; 2 of them responsible for contacting clusters/operating the system; the system includes the Accreditation Body (8 government/private sector experts).</p>
Evidence Success:	<p>Although instead of the earlier number of accredited clusters (34 at the end of the 2007-2013 programming period) only 21 clusters have been awarded accreditation (Oct 2017, 18 renewal, 3 new ones) while another 4 clusters is renewing their accreditation. The income of entrepreneurship taking part in the clusters is about 25 billion EUR (about third of this sum originates from export). These clusters coordinates the work of 908 entrepreneurs.</p>
Potential for learning or to transfer:	<p>The Hungarian cluster accreditation system can serve as a good practice for regions and neighbouring countries intending to map their own clusters. Considering their peculiarities and their clusters' specific character, the Hungarian accreditation scheme can provide a good base for the elaboration of their own evaluation system with special regard to the experience gained during the 10-year operation of the Hungarian accreditation scheme.</p>
Difficulties encountered:	<p>Expected administrative burden, progress level of a region/country to be considered, criteria need to be defined according to latter one (starting clusters: economic potential, selection of sturdy clusters prioritised; advanced clusters: role of activities within cluster to be increased/emphasized).</p>
Opinion from experts	<p>This practice showcases how evaluation instruments can be designed to foster improvement in certain directions among clusters. It highlights the connections between why and what to measure, and what actions to follow-up with given the result. Many regional and national authorities strive to achieve efficient cluster support, well-functioning cluster management, and high-activity clusters. This practice can likely provide inspiration for implementation of similar accreditation systems, adapted to local circumstances.</p>

Independent Programme Evaluation and Appraisal (Northern Ireland)	
Monitoring & Evaluation of cluster performance & cluster programmes	
Description:	<p>To provide an independent economic evaluation and appraisal of a clustering/collaboration intervention where not all outcomes are immediate and/or quantitative</p> <p>To make a business case to secure public funding to leverage cluster policies for the successful implementation of RIS3 it is necessary to measure the impact of cluster policies/activities. This presents a number of challenges eg. time lag between participation & outcomes; & the presence of monetary and non-monetary outcomes.</p> <p>The Financial intervention in cluster/collaboration activities is subject to external evaluation/appraisal. The evaluation reported against the extent to which:</p> <ul style="list-style-type: none"> • intervention objectives have been met; • the Programme contributes to development of human/intellectual/market & social capital amongst participating SMEs; • the Programme contributes to promotion of wider regional innovation etc. • the intervention has informed government policy; • the skills/competences of network facilitators have been enhanced; • the intervention represents Value for Money <p>The Economic Appraisal focused on building a business case to determine future funding for the Programme & had as objectives to provide:</p> <ul style="list-style-type: none"> • an assessment of strategic context; • a need for expenditure rationale; • a range of options for the future; • an assessment of monetary & non monetary costs/benefits; • an assessment of risk & calculation of Optimism Bias; • Net Present Value/Costs & Sensitivity Analysis; • preferred option & overall Value for Money <p>As a result of the positive outcomes of the Appraisal a business case was made to secure £5.7m funding to run the Programme for 5 years</p>
Resources:	Independent consultants were engaged within a budget of £28,000 + VAT to carry out the evaluation and appraisal; in addition, three members of Invest NI staff working on the Programme provided support to the consultants in terms of making additional information available.
Evidence Success:	The evaluation and appraisal provided the basis of a strong business case, together with clear evidence of a positive Return on Investment for the NI economy. This was used to secure further funding of further five year roll out of the project with a total budget of £5.7m.
Potential for learning or to transfer:	<p>It is particularly difficult to assess the economic impact of clustering and/or collaboration activities, particularly the quantitative impact. The approach used by Invest NI can inspire public authorities and the improvement of public policy through offering the following benefits:</p> <ul style="list-style-type: none"> • An independent and rigorous assessment of the economic return on investment associated with public funds allocated in support of cluster/collaboration activities; • An independent assessment of the additionality/gross value added associated with funding of cluster/collaboration activities; • An independent assessment and weighting of options for future policy development associated with cluster/collaboration activities, together with forecasts of future return on investment for each option – allowing policy makers to make informed decisions as to value for money outcomes; • Independent setting of targets/Key Performance Indicators for any future investment in cluster/collaboration activities
Difficulties encountered:	Many projects being evaluated were either not completed, or completed some time ago; it was therefore difficult to collect information on the success of each, particularly where individuals involved had moved on; we are now considering amending our process to allow real-time monitoring/evaluation.
Evaluation Experts:	<p>For regional authorities considering to implement cluster or collaboration schemes as part of their RIS3, this practice may offer an approach to evaluate what outcomes could be expected and which schemes offer the best return on investment. Often, the perceived value of cluster/collaboration interventions may be high, but still intangible and difficult to measure. The assessment offered by the practice provides a better decision basis. This could likely be transferred to other regions and provide inspiration both for what to measure and how to do it.</p>