

Inter-regional approach to cluster policy

**Clusters as drivers of regional
innovation, SME competitiveness
and interregional cooperation**

Leuven, 20 June 2018

Alessandra Lepore

Unit G1 - Smart and Sustainable Growth
DG Regional and Urban Policy



Main points

- Policy context
- Current status and initiatives
- Possible future developments

Policy Context

3 challenges for our industry



1. A more adaptive and innovative industry
2. *A more interconnected industry / innovation ecosystems*
3. Better connection with potential investors

Which role should clusters play?

The added-value of clusters

- Key role in design and implement RIS3
- Naturally create synergies with regional ecosystems in Europe
- Help SMEs to scale-up unblocking business opportunities
- Accelerate the uptake of innovation to the market
- Support industrial modernisation / tool for regions to accelerate their industrial transition
- Shape/ transform and strength EU industrial value chains reinforcing EU competitiveness against global players (EU=global leader)



The key role of clusters was highlighted by the European Commission:

- Renewed Industrial Policy
- Start-up and Scale-up
- *Smart Specialisation Communication (2017)*

Smart Specialisation Communication (2017)

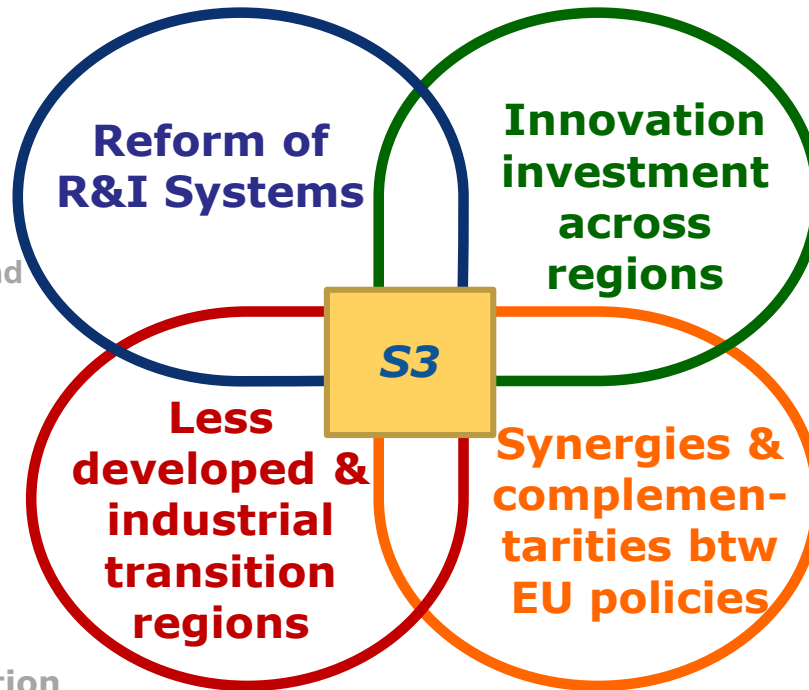
See: [COM\(2017\)376](#) and [SWD\(2017\)264](#)

► Step up available policy support:

- Smart Specialisation Platform
- H2020 Policy Support Facility
- SRSS
- European Semester: Dialogue with regions and local authorities.

► Pilot actions for accelerating innovation uptake, removing investment barriers:

- Lagging regions
- Regions in industrial transition



► **Actions:**

- [Thematic Smart Specialisation Platforms](#)
- Pilot action on [Interregional innovation projects](#) to commercialise & scale-up inter-regional projects in value chains; developing bankable projects

► Maximise the impact of different EU funds:

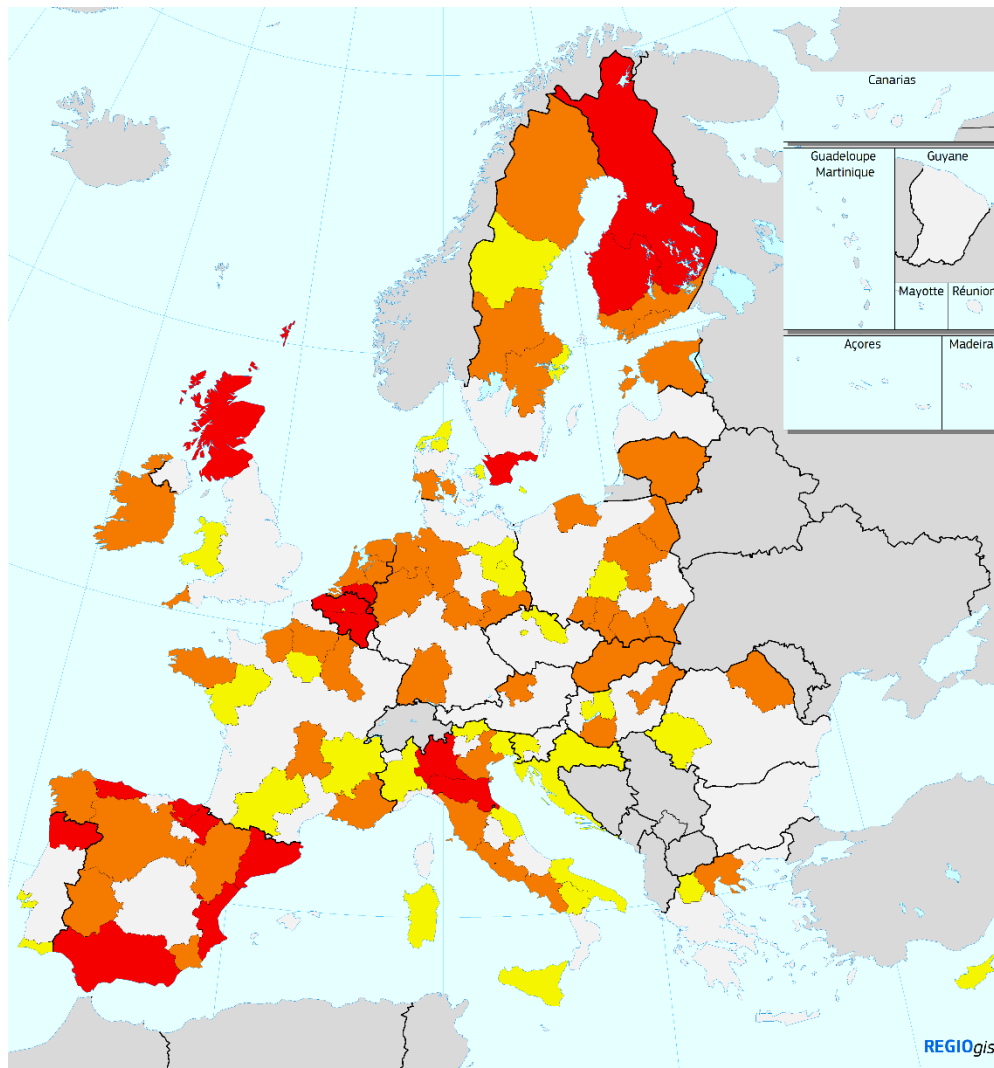
- Facilitate combination of funding instruments, harmonise rules, inter-regional investments
- Mapping of R&I facilities
- Investment envoys

Current status and initiatives

Thematic S3 Platforms

3 platforms, 1 goal

- **Joint EC-initiative** (DG REGIO, GROW, AGRI, ENER, JRC, ...)
- **Bottom-up approach**
 - **> 100 regions** involved
 - **> 25 partnerships** under the 3 platforms
- Using S3 as a coordination principle in strategic EU priority domains
- Alignment of regional S3
- ***Creation of interregional value chains → investment projects***
- Alignment of strategic investments (public/ private)
- Essential role of clusters



Thematic Smart Specialisation Platforms:
Which regions participate and in how many different partnerships?

Number of participations



Source: JRC, DG REGIO

0 500 Km

© EuroGeographics Association for the administrative boundaries

Industrial Modernisation

Advanced manufacturing

Bio-economy

Efficient and Sustainable Manufacturing

3D Printing

Photonics

Cybersecurity

New nanoenabled Products

Innovation in Textile

Industry 4.0

Sports

Medical technology

Tourism safety and ICT

...

Agri-Food

High Tech Farming

Traceability & Big Data

Smart sensor systems in AF

Nutritional ingredients

Consumers involvement in AF

Energy

Sustainable Buildings

Marine Renewable Energy

Smart Grids

Solar Energy

Bioenergy

Lessons learned on the role of clusters:

- Essential part of the triple helix
- Proximity to the **market** and its needs / proximity to **private investors**
- Play a key role in **mapping** all industrial stakeholders in regions
- Partnerships lead by clusters are particularly **dynamic** (*'photonic'*)



Preparing for the future

PA Interregional investment projects

Support from S3Platform and external experts

The pilot action will accelerate the work done within the thematic platforms.

The focus will be on projects on **higher TRLs** (>5/6 TRL).
The results will **feed** the EC's **discussions** for **2021-2027**.

Learn

Connect

Demonstrate

Commercialise

Scale-up

Following a call for expression of interest in 2017
8 pilots selected:

- ▶ 3D Printing
- ▶ Cybersecurity
- ▶ High-tech farming
- ▶ Sustainable buildings
- ▶ Bio-economy
- ▶ De-&Re-manufacturing for circular economy
- ▶ Marine renewable energy
- ▶ Traceability and big data



Preparing for the future

PA Interregional investment projects

Timeline

SELECTION of 8 interregional partnerships for innovation investments in smart specialisation areas



DEC 2017



Kick-off meeting of each partnership

JAN 2018

TAILORED SUPPORT provided to every partnership by Commission and external experts



1st HALF 2018



FINALISATION of the business case for the investment project or pipeline of investment projects

2nd HALF 2018

CAPITALISATION and **LESSONS LEARNED** from this pilot action



EARLY 2019

Budget





In addition to this hands-on support from the Commission, each partnership can benefit from external advisory service up to a value of €200,000.

- Test new approaches to interregional cooperation





- TA no direct grants

- Removal of technical bottlenecks to prepare business plans to be presented to investors in 2019

Pilot action: the 8 selected partnerships (1/2)

THEMATIC AREA	COORDINATED BY	LEAD REGIONS	PARTICIPATING REGIONS
 <p>High-tech farming</p>	Thematic Smart Specialisation Platform for Agri-food	Tuscany (IT)	Estonia, Flanders (BE), Weser-Ems (DE), Central Macedonia (EL), West Macedonia (EL), Galicia (ES), Extremadura (ES), South Ostrobothnia (FI), Pays De la Loire (FR), Marche (IT), Veneto (IT), Emilia-Romagna (IT), North East Romania (RO), East Central Sweden (SE), Northern Netherlands (NL), Gelderland (NL), Noord Holland (NL), Zuid Holland (NL), North-Brabant (NL), Limburg (BE), Northern Ireland (UK), Centro (PT)
 <p>Marine renewable energy</p>	Thematic Smart Specialisation Platform for Energy	Basque Country (ES) & Scotland (UK)	Asturias (ES), Andalucia (ES), Navarra (ES), Norte (PT), Flanders (BE), Emilia Romagna (IT), Lombardy (IT), South Denmark (DK), Skåne (SE), Dalarna (SE), Ostrobothnia (FI), Brittany (FR), Cornwall (UK), Sogn og Fjordane (N)
 <p>Sustainable buildings</p>	Thematic Smart Specialisation Platform for Energy	Andalucía (ES)	Friuli Venezia Giulia Region (IT), Central Slovenia (SI), South Karelia (FI), Provence-Alpes-Côte-d'Azur (FR), Algarve (PT)
 <p>Traceability and big data in agri-food</p>	Thematic Smart Specialisation Platform for Agri-food	Andalucía (ES), Emilia-Romagna (IT)	Pays de la Loire (FR), Friuli Venezia Giulia (IT), Aragon (ES), Extremadura (ES), Pazardzhik (BG), South Ostrobothnia Region (FI), South Savo (FI)

Pilot action: the 8 selected partnerships (2/2)

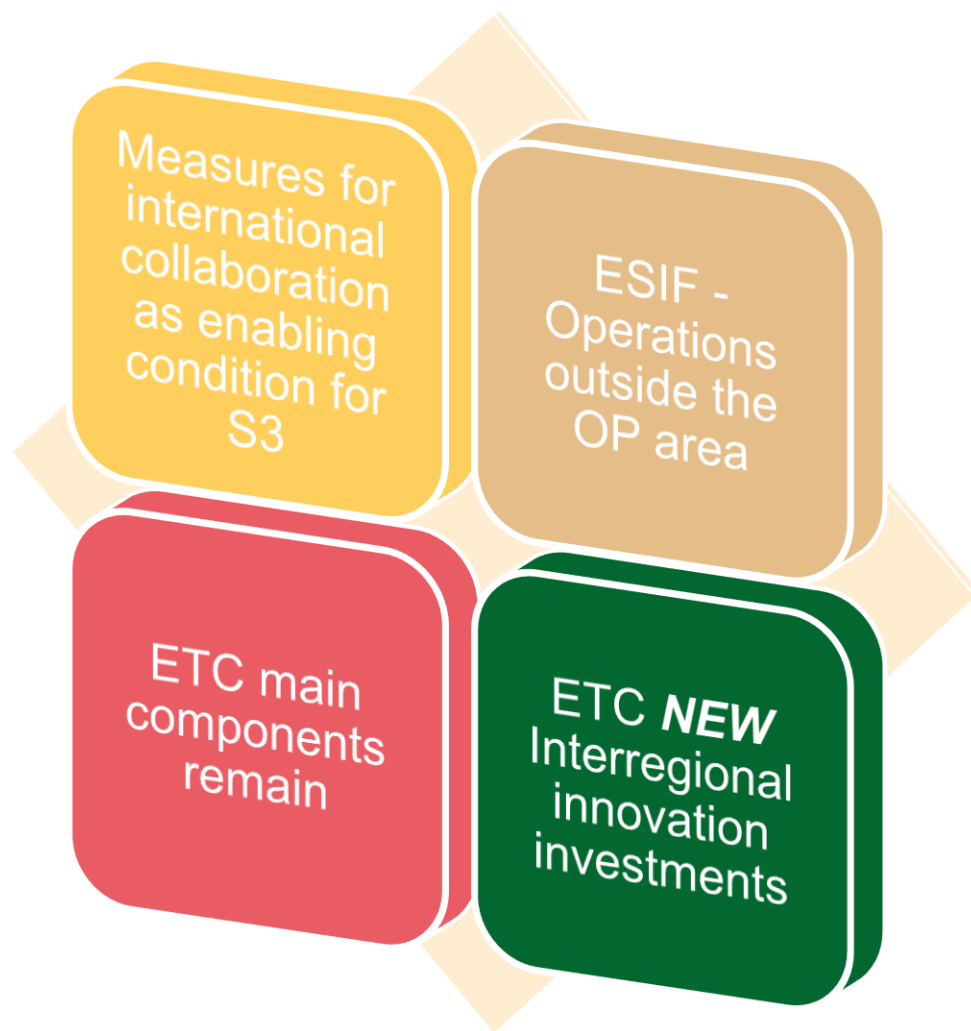
THEMATIC AREA	COORDINATED BY	LEAD REGIONS	PARTICIPATING REGIONS
 3Dprinting	Thematic Smart Specialisation Platform for Industrial modernisation	Flanders (BE), Noord-Brabant (NL), Norte (PT)	Emilia-Romagna (IT), Wallonia (BE), Lombardy (IT), Aragon (ES), Saxony (DE)
 Bio-economy	Thematic Smart Specialisation Platform for Industrial modernisation	Flanders (BE)	Wallonia (BE), Lower-Austria (AT), North Rhine-Westphalia (DE), Emilia-Romagna (IT), Navarra (ES), Noord-Brabant (NL), Helsinki-Uusimaa (FI), Łódzkie (PL)
 Cybersecurity	New thematic area	Brittany (FR)	Estonia, North Rhine Westphalia (DE), Central Finland (FI), Castilla y Leon (ES)
 De- & re-manufacturing for circular economy	Thematic Smart Specialisation Platform for Industrial modernisation	Lombardy (IT)	Tampere (FI), Norte (PT), Scotland (UK), Saxony (DE), Basque Country (ES), Flanders (BE), Emilia Romagna (IT)

Other ongoing initiatives / projects

- **Several EU platforms for clusters**
 - European Strategic Cluster Partnerships for going international (ESCP-4I)
 - European Cluster Collaboration Platform (ECCP)
- Call for **European Strategic Cluster Partnerships for Smart Specialisation Investments (ESCP-S3)** – *COSME -closed on 08/03/2018*
- Interreg Europe's projects:
 - **ClusterFY, S34Growth, MANUMIX, NMP-REG, Clusterix 2.0, etc.**
- Etc.

Possible future developments

International / interregional collaboration: *A key element*

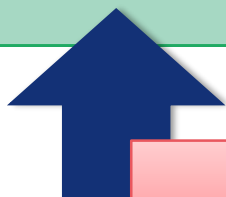


Specific provisions for the “European Territorial Cooperation”

(COM(2018) 374 final)



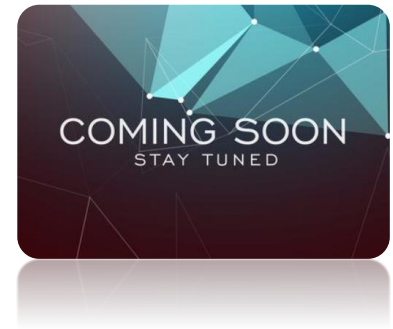
Five components expected	Budget proposed Total budget: EUR 8,4 Bln
1. Cross-border cooperation	• EUR 4.4 Bln (52,7%)
2. Transnational cooperation and maritime cooperation	• EUR 2.6 Bln (31,4%)
3. Outermost regions cooperation	• EUR 0.2 Bln (3,2%)
4. Interregional cooperation	• EUR 0.1 Bln (1,2%)
5. Interregional innovation investments « ...through the commercialisation and scaling up of interregional innovation projects having the potential to encourage the development of European value-chains »	• EUR 0.9 Bln (11,5%)



Support too risky but promising innovation projects with an interregional dimension → leverage of private-public investments

Specific provisions for the “European Territorial Cooperation”

(COM(2018) 374 final)

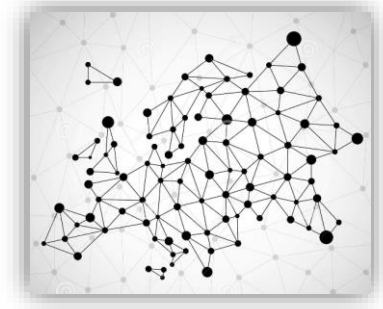


CHANGES IN ETC

1. Cross-border programmes: from fund distributors to centres of strategic planning
2. **New: Interregional innovation instruments**
3. **New:** Maritime co-operation goes from CBC to sea-basin level
4. **New:** Specific component for the outermost regions (with co-operation outside EU)
5. **New:** Co-operation outside the EU (incorporation of IPA/ENI)
6. **New:** European Cross Border Mechanism (ECBC and ECBS)

Interregional innovation investments

‘Component 5’ → built on the results of the PA



WHAT

Interregional innovation investments through the commercialisation and scaling up of interregional innovation projects having the potential to encourage the development of European value chains (component 5) (ETC Art 3.5)

HOW MUCH

11.5 % of ETC Resources (i.e., a total of EUR 970m) for interregional innovation investments (component 5) (ETC Art. 9.2)

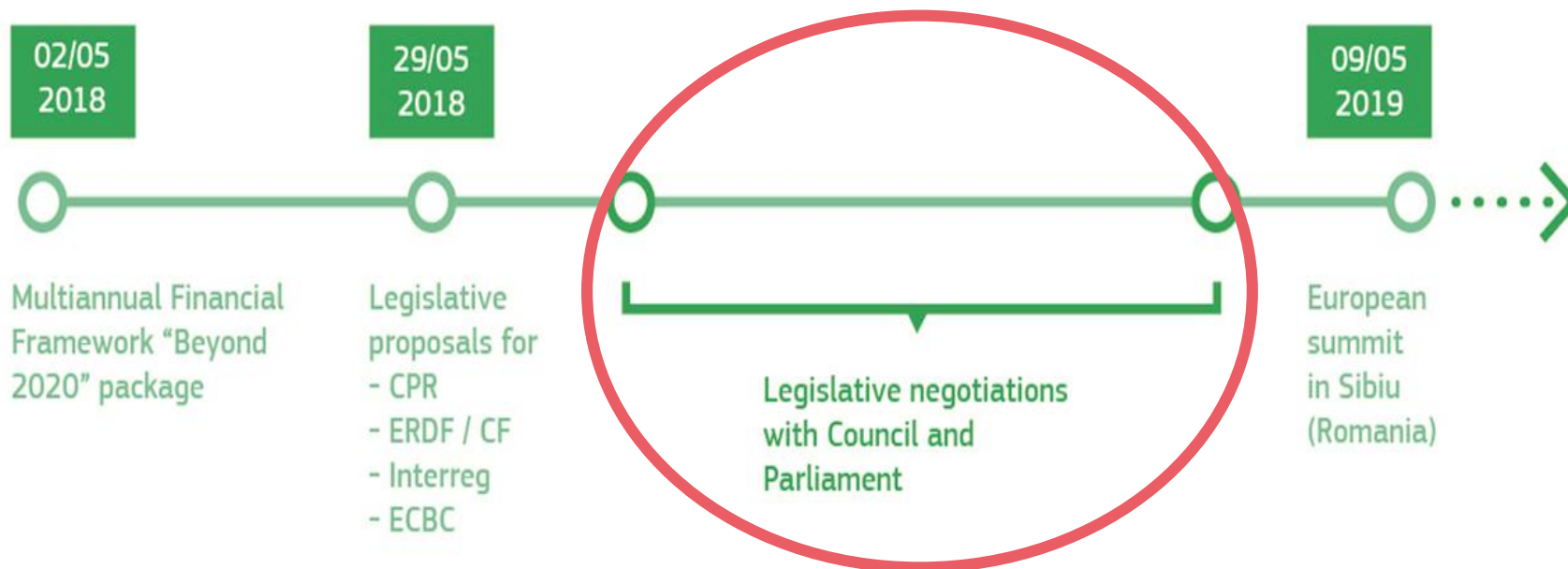
HOW

It shall be implemented under direct or indirect management. (ETC Art 16.1)

FOR WHOM

At the initiative of the Commission, the ERDF may support interregional innovation investments, as set out in point 5 of Article 3, bringing together researchers, businesses, civil society and public administrations involved in smart specialisation strategies established at national or regional levels (ETC Art 61)

Expected timeline for adoption



“If we want to make Europe’s industry more competitive we need to make a better use of clusters: strengthen their interregional, cross-sectoral and interdisciplinary collaboration in common domains of specialisation”

Marc Lemaitre
Director General , DG REGIO
EU Industry Day 2018

Thanks for your attention.
Questions?

