Internal Market, Industry, Entrepreneurship and SMEs

European Cluster Policy – using clusters to support European SMEs

Dr Anna Sobczak
Policy Officer for clusters & emerging industries

22 February 2019, Warszawa
Why clusters?

... Offer a favourable eco-system

... Host innovative companies

... Reach out to groups of related SMEs

... Well positioned as facilitators & bridge-builders

... Create strategic partnerships at the level of policy-makers & intermediaries

... Channel customised business support services to specific groups of SMEs

... Provide support for innovation activities
European Cluster policy for growth

Clusters as accelerators for innovation & industrial change

Inter-regional & international cluster cooperation

Capacity-building
Cluster facilitated projects for new industrial value chains (INNOSUP-1)
Why focus on value chain innovation?

- Innovation is NOT Always radical in the world
- adaptation in a new context ➔ disruptive effect/idea
- interactions between value chains & industries
- development of emerging industries
- new products/services with higher added value

• ... using clusters to exploit innovative potential of SMEs
Why SMEs need support?

... To Generate & better capitalise on all forms of knowledge, creativity, craftsmanship & innovation

... To bring their cross-cutting technologies, service innovation & eco-innovative solutions into new industrial value chains
Why cross-sectoral collaboration matters?

...offers opportunities for new knowledge combinations and innovation.

... shapes new products, value chains and industries.

... diversifies specialisation patterns that are more likely to boost economic prosperity.
Why cross-regional cooperation matters?

... breaks regional silos

... mobilises around common smart specialization strategies

... Is important for the strategic use of innovation to develop new industrial value chains

... may offer further funding opportunities for possible collaboration ideas

... may trigger complementary support via linking sectors & partners to smart specialisation priorities

as illustrated by partnerships under Thematic Smart Specialisation Platforms
18 thematic areas under S3 for Industrial Modernisation

- Advanced manufacturing
- 3D Printing
- Non-food biomass
- Efficient & Sustainable Manufacturing
- Nano-Enabled Products
- Digitalisation & Safety for Tourism
- Personalised medicine
- Social Economy
- European Cyber Valleys
- Artificial intelligence & Human machine
- Chemicals
- Advanced materials on batteries
- SMEs to Industry 4.0
- Textile Innovation
- Medical Technology
- Sport
- Photonics
- Safe & sustainable mobility
<table>
<thead>
<tr>
<th>Region</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>Bielsko-Biała</td>
<td>1st, 2nd, 3rd, 4th</td>
</tr>
<tr>
<td>Lodzkie</td>
<td>2nd, 3rd, 4th</td>
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<tr>
<td>Lubelskie</td>
<td>3rd, 4th</td>
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<tr>
<td>Malopolska</td>
<td>1st, 2nd, 3rd, 4th</td>
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<tr>
<td>Mazowieckie</td>
<td>1st, 2nd, 3rd, 4th</td>
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<tr>
<td>Gorny Slask</td>
<td>2nd</td>
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</table>
What are examples of SME support tools to facilitate cross-sectoral collaboration & innovation?

<table>
<thead>
<tr>
<th>Innovation &amp; technical assistance voucher schemes</th>
<th>Knowledge transfer &amp; technological integration support</th>
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<tbody>
<tr>
<td>IP &amp; innovation management support</td>
<td>Mentoring, coaching, training, mobility activities</td>
</tr>
<tr>
<td>Incubation &amp; accelerator support</td>
<td>Connecting SMEs with research &amp; innovation actors</td>
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<tr>
<td>Brokerage &amp; matchmaking support</td>
<td>Innovation &amp; creativity competitions</td>
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- Innovation vouchers
- Lump sums
- Awards & prizes
- Hackathons
- Innovation clubs & virtual rooms
- Peer-to-peer evaluation by entrepreneurs
- Crowd-funding
- Hackathons
- Innovation clubs & virtual rooms
- Peer-to-peer evaluation by entrepreneurs
- Crowd-funding
What do we want from Innosup projects?


**INPUT**
- cross-sectoral & cross-regional innovation
- Involvement of cluster organisations as facilitators
- Direct innovation support to SMEs (75 %)
- Complementarities with S3 strategies & other funding
- Variety of support innovation tools

**OUTPUT**
new or significantly improved:
- products (goods &/or services)
- processes
- marketing methods
- organisational methods
- impact on resource efficiency (water, energy, material consumption)
- SMEs turnover & profit

INNOSUP-1
HORIZON 2020
What are Existing 13 projects?
Cluster facilitated projects for new industrial value chains INNOSUP-1
Supporting cross-sectoral & cross-regional innovation in SMEs

- 9 ongoing projects (2015-2017) reached out to > 3,000 SMEs & supporting 500 SMEs directly, through innovation vouchers (€60,000)
- Max € 5 million per project with 75% of budget to support innovation in SMEs
- during 2015-2020, INNOSUP-1 aims to support 2,000 SMEs directly (€ 130 million)

Next call ➔ apply by 3 April 2019 (€22.85 million)
Stage 1 ➔ 10 pages concept note
KATANA: http://katanaproject.eu
NEPTUNE: http://www.neptune-project.eu
SUPERBIO: http://www.h2020-superbio.eu
PERMIDES: http://permides.eu/
ACTTIVATE: http://acttivate.eu
INNOLABS: https://www.innolabs.io

<IMPACT> Connected Car: http://www.impact-accelerator.com/connected-car/
INCluSilver: http://www.inclusilver.eu
CROSS4HEALTH: http://www.cross4health.eu/
DIVA: https://www.projectdiva.eu/
IoT4Industry: https://www.iot4industry.eu/
VIDA: http://vidaproject.eu/
C-Voucher: https://c-voucher.fundingbox.com/

13 ongoing projects

https://www.clustercollaboration.eu/eu-initiative/innosup-calls
<table>
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<tr>
<th>Lessons learnt</th>
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<tbody>
<tr>
<td><strong>Covering all Horizon2020 countries</strong></td>
<td>• a wide outreach to SMEs</td>
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<td><strong>A 36-month duration</strong></td>
<td>• efforts &amp; time to engage SMEs through face-to-face meetings</td>
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<tr>
<td><strong>Two call for expressions of interests or a global call</strong></td>
<td>• lump sums vouchers of up to EUR 60,000</td>
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<tr>
<td><strong>Applying a needs-based “funnel” support approach</strong></td>
<td>• I. Matchmaking</td>
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<tr>
<td></td>
<td>• II. Designing the approach with a consumer in mind (≠technology)</td>
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<td></td>
<td>• III. Providing financial support based on actual needs, promising ideas/achievement/progress of SMEs</td>
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<td><strong>providing investment-readiness support</strong></td>
<td>• through bootcamps, 1-hour customized training with mentors &amp; a toolbox</td>
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<td><strong>organising joint investor</strong></td>
<td>• Using investors as evaluators</td>
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### Direct financial support to support innovation
- innovation vouchers
- consultancy vouchers
- IPR vouchers
- travel vouchers
- awards / prizes
- lump sums/direct costs

### Direct non financial innovation support (services)
- coaching session
- life cycle assessment
- market research

### Additional funding amount leveraged
- crowdfunding
- ESIF
- Venture capital
- EFSI
Innosup-1 projects 2015-2017
thematic focus of 13 projects (9+4)
Advanced technologies for agribusiness innovation

An EU-funded business accelerator has led to the successful launch of 10 European businesses in the agrifood sector. These now provide key technology products and services - fostering innovation and competitiveness.

- Addressed pressing needs in agrifood, ICT, emerging & eco-industries, mobile services & personalised health
- Used crowdfunding to enable the market to select the agribusinesses with the most potential
- Companies raised almost EUR 1 million of funds
- 10 businesses successfully launched
- Brought farmers, food producers & technologists together
- Led to the formation of consortia that aimed to create innovative products or services in 3 areas

1. Precision agriculture for sustainable farming
2. Functional foods for personalised nutrition
3. Services for accessing agrifood markets & IoT
New cross-sectoral value chain

- SCS cluster (coordinator, France)
- Microtech Südwest (Germany)
- DSP Valley (Belgium)
- Mont-Blanc Industries (France)
- MESAP Polo di Innovazione Smart Products & Manufacturing MESAP per l’Italia (Italy)
- Pôle Mecatech (Belgium)
- Manufacturing Technology Center (UK)
- inno TSD (France)

for European SMEs
Precision Agriculture // Functional Food // Mobile Services for Agrifood
Themes (Car)

- Safety & Security
- Vehicle Management
- Well-being
- Mobility Management
- Driver Assistance
- Infotainment

C-Car Smartization Programme
6 months

- S1: Disruptive Boot Camp
  - Digital BC
  - Business coaching
  - Technical coaching
  - Corporate coaching
  - Technical BC

- S2: Ignition Plan (2 months)

- S3: Application development (4 months)
  - Funding mentor
  - Funding BC

Challenges

- Automotive
- Mobility
- Infrastructure
- Electronics
- ITC
- Consumer & Business Services

PHASE 1: Connected Car Open Space
4,000 users

PHASE 2: Disruptors Discovery
70 Disruptors:
  - 4 Use-cases (partners)
  - 2 Super-stars (Awards)
  - 64 SMEs (Open Call)

PHASE 3: Smartization
Disruptors ↔ Rooted companies
At least 6 value-chains impacted
Disruptors ↔ Rooted companies
5 Regions replicating the model
Extra €2.4 Million mobilized

Impact

PHASE 4: Value Link-Chains

PHASE 5: Sustainability

VISION: Become a standard across Regions
Figure 10 “Hot topics” providing SME opportunities

Overview of challenges for collaboration between SMEs and health care providers
The European Cluster Collaboration Platform
An initiative aiming to support cluster organisations

www.cluster collaboration.eu

CLUSTER ORGANISATIONS MAPPING
The easiest way to find a cluster organisation in Europe
The innovative mapping offers:
- hundreds of cluster organisation profiles
- a large selection of filters (industry sectors, countries ...)
- a smart correlation with the indicators of the European Cluster Observatory

INTERNATIONAL COOPERATION
Cooperation with strategic countries beyond Europe
Key information sources helping clusters and SMEs internationalise:
- information on priority third countries
- "gateways" to EU international support services

MATCHMAKING EVENTS
Opportunities to connect and initiate collaboration in high level events in Europe and beyond
Cluster matchmaking meetings (C2C, C2B) stimulating cooperation for clusters and SMEs through:
- interactive and innovative formats
- professional support
- dedicated financial support to participate in events

PARTNER SEARCH
A forum for cluster organisations to discuss offer/demand/exchange opportunities for collaboration
A virtual, quick and efficient dedicated "marketplace" to:
- find and be found
- trigger direct dialogue with other clusters
- interact with peers in a structured way

EU CLUSTER PARTNERSHIPS
Implementing joint strategies to go international and specialise
ECCP is the HOME of the newly established European Strategic Cluster Partnerships (ESCPs) offering:
- profile and visibility for ESCPs
- a reserved forum for exchange and collaboration
- an opportunity to showcase partnership activities and success stories
Changes in INNOSUP-1-2018-2019:

Eligibility and admissibility conditions:

- An applicant organisation cannot be coordinator in more than one proposal, including projects awarded under previous INNOSUP-01 calls.
- It can however still participate as a partner in a proposal.

Evaluation procedure (order for proposals with same score):

- Proposals that address industrial value chains or sectors, not otherwise covered by more highly-ranked proposals, will be considered to have the highest priority.

Grant conditions:

- Beneficiaries may provide support to third parties either in form of grants or prizes.
Each proposal should demonstrate the capacity to:

- validate ideas for structured innovation projects driven by SMEs from different sectors & countries in collaboration with other innovation actors
- facilitate the coordination towards new industrial value chains through this collaboration space.
- support innovation activities
- channel a mix of different targeted entrepreneurial & innovation support measures
  - mentoring, coaching, innovation & technical assistance vouchers directly to SMEs
- further support their development, integration & large-scale demonstration in a strategic manner.

At least 75% of the total proposed budget shall be allocated to support innovation in SMEs directly,
  - whereby the SMEs benefit by either participating in the consortium or by receiving financial and/or other support as a third party (SME) ➔ General Annex K of WP
## Excellence Criterion for Innosup-1

<table>
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<tr>
<th>Clarity &amp; pertinence</th>
<th>Systemic approach and strategic focus</th>
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<tr>
<td>Soundness of the concept, incl. trans-disciplinarity</td>
<td>Cross-sectoral, cross-border &amp; using clusters/SMEs intermediaries</td>
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| Ambition, innovation potential, beyond state-of-the-art | - contribution to/leveraging of national/regional/private plans & investments  
- Reaching out to groups of SMEs, validating their ideas & supporting their projects  
- Testing different innovation instruments |
## Impact Criterion

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<tr>
<th>Reinforce existing value chains</th>
<th>• To integrate innovative solutions in SMEs, along &amp; across existing value chains.</th>
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</table>
| Stimulate the creation of new globally competitive industrial value chains | • to accelerate the development of emerging Industries  
• to boost industrial competitiveness & underpin future economic growth, jobs, & progress towards a resource-efficient economy. |
| Further leverage & complement support for innovation in SMEs & other funding | • by national/regional authorities (ESIF)  
• by private investors (upfront or as follow-up investments), incl. EFSI. |
| Contribution to smart specialisation strategies | • Linking related sectors & partners to smart specialisation priorities |
| Improved business environment | • enhance innovation capacity,  
• create new market opportunities,  
• strengthen competitiveness & growth of SMEs |
Excellence

- Cross-sectoral, cross-border & using clusters/SMEs intermediaries
- Reaching out to groups of SMEs, validating their ideas & supporting their projects
- Testing different innovation instruments

Expected impact

- Creation of new value chains towards emerging industries
- Linked to smart specialisation strategies
- Contribution to innovation performance of supported SMEs

Quality and efficiency

- 75 % of budget dedicated to support innovation in SMEs
- Strategic selection of partners & sectors
- Facilitated cross-border & cross-sector collaboration

Stage 1 ➔ 10 pages concept note ➔ only excellence+impact evaluated
European Strategic Cluster Partnerships for smart specialisation investments

Boosting industrial competitiveness and investments in the EU via cross-regional cooperation and networking

- implementation of 9 cluster partnerships to boost collaboration and investments linked to smart specialisation & industrial modernisation
- €3.1 million (COSME) with 346,000 €/project
- 57 project partners from 19 European countries
- more than 4,500 SMEs directly or indirectly benefited
- complement mobilisation of interregional RIS3 partnerships of regional authorities under Smart Specialisation Platform for Industrial Modernisation
Cluster Internationalisation Programme for SMEs (COSME, €19M)

Supporting SME access to global value chains through clusters

European Cluster Collaboration Platform (ECCP)
- The hub connecting clusters across Europe & beyond
- Over 880 cluster organisations profiled !!!

International cluster matchmaking events in third countries and Europe:
- EU-Taiwan: 6-8 March, Lyon (France)
- EU-Morocco: 9-11 April, Casablanca
- EU-Canada: 4-6 June, Toronto

European Strategic Cluster Partnerships – Going International (ESCP-4i)
'EU Clusters Go International' action

Promoting cluster cooperation for industrial leadership in global markets through European Strategic Cluster Partnerships for Going International (ESCP-4i)

- **25 Cluster partnerships** (EUR 6,84+0,4 mln, of which two projects in the field of Dual-use defence)

- **141 cluster organisations** representing over 17,000 SMEs

- Supporting **joint international strategies & collaboration with partners in third countries** for the benefit of SMEs

main target countries:
USA, Canada, Japan, China, Singapore
European Cluster Excellence Programme

Strengthen cluster management excellence and strategic interregional partnering to foster cluster capacity building and SME competitiveness

Budget: EUR 3,6 mln - 10-12 partnerships (max EUR 360.000 per project)
Published - Deadline for applications 04/04/2019

Information webinar on 12/02/2019:
https://webcast.ec.europa.eu/cluster-excellence-info-day-12-02-19

Expected tasks:
1. Enhance cluster managers’ skills
2. Support cluster strategy development (at cluster and partnership levels)
3. Organise twinning, collaboration, networking and learning activities and cooperation projects for cluster organisations, technology centres and SMEs
4. Implement „ClusterXchange” pilot scheme (short-term visits with lump sum payments)
### European Strategic Cluster Partnerships for Excellence (ESCP-4x)

<table>
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<tr>
<th>Development of cluster management skills, cluster strategy and learning (Mandatory activity)</th>
<th>Development of partnership strategy (Optional activity)</th>
<th>Implementation of joint activities, such as B2B and C2C collaboration (Optional activity)</th>
</tr>
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- **Implementation of ‘ClusterXchange’ pilot scheme (Mandatory activity)**

  **Eligible**: cluster organisations, SMEs and scaling-up support organisations, e.g. technology centres, research institutes, fab labs, (digital) innovation hubs, creative hubs, resource-efficiency service providers, incubators and accelerators of a cluster.

  **Target**: 50 exchanges per partnership, 50% involving SMEs

- **Outreach and awareness-raising activities (Mandatory activity)**

  Awareness-raising of the cluster and partnership activities and their impact within the regions and beyond, including outreach and engagement of the target group of the ClusterXchange scheme.

The future of EU Cluster Policy
Partnering Event for European Strategic Cluster Partnerships
25 November 2018

Watch here: https://youtu.be/xcQxn-7lkWc
European Cluster Policy Forum

Synergies between cluster initiatives and industrial, innovation and regional policies, especially in relation to smart specialisation, SMEs scaling-up and cross-sectoral collaboration

Using clusters in supporting entrepreneurship and the scaling-up of SMEs

Using cluster partnerships to help clusters & their members go international

Cluster capacity-building & professionalisation of cluster management (Erasmus for cluster managers)

Dialogue among all EU Member States, European Commission & experts about modern cluster policies

watch here: https://youtu.be/hoAtGU1casQ
Towards Joint Cluster Initiatives

- Industry-focused actions guided by joint strategies of specialised SME intermediaries
- Thematically targeted, with cross-regional and cross-sectoral outreach to SMEs
- Channelling scale-up support to groups of SMEs to boost industrial transformation

Building EU value chains, industrial modernisation & capacity building
Skills upgrading, talent attraction & entrepreneurship acceleration
Boosting internationalisation & access to global value chains
Cluster collaboration & intelligence tools

Finding partners/cluster organisations (partner search, matchmaking etc)

- Mapping over 880 cluster organisations
- 320 clusters having 1400 meetings with internat. partners & 500 with EU partners
- 10,000 monthly visitors to the website
- 4,500 subscription to newsletters and weekly digests
- 1000+ news items published
- 600+ events promoted

Comparing regional strength (sectoral & cross-sectoral cluster mapping)

- Regional Ecosystem Scoreboard
- 12 pilot regions in industrial transition
- Trends, emerging industries, priority sector reports
- Cluster policies in Member States
- Smart guides including on cluster partnerships and entrepreneurship support

Awareness-raising campaign across Europe on the role of clusters and the results they achieve

Feedback on common challenges & what needs to be done to address them in the next generation of regional, national and EU cluster initiatives.

The campaign supports any national, regional and local cluster event that is:
- organised by cluster stakeholders or
- organised around the 'cluster' topic or a specific topic closely related to it.

Call for application for organisations wishing to host national/regional cluster events under #EUClusterWeeks between November 2018 - April 2019


All the events on https://www.clustercollaboration.eu/event-calendar/eu-cluster-weeks

Bucharest, Romania 14-16 May 2019:

Over 400 participants across Europe share their experience & co-design to inspire the future of European Cluster Initiatives getting ready for post-2020

https://www.clustercolaboration.eu/event-calendar/eu-cluster-weeks
Smart Guide to Cluster Policy

A couple of concepts,

Eight Do’s and Don’ts, and

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

Available at http://publications.europa.eu/en/publication-detail/-/publication/e1fb9f84-2ba9-11e6-b616-01aa75ed71a1 /
Thank you

https://ec.europa.eu/growth/industry/policy/cluster
http://www.clustercollaboration.eu/

anna.sobczak1@ec.europa.eu

@Clusters_EU
@sobczak_anna