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# Partnering Side Event of the European Cluster Partnerships

Output Paper

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# 1. Introduction

## 1.1. Background

The Side Event for European Cluster Partnerships was organised on the 16<sup>th</sup> of November 2020 in the context of the 7<sup>th</sup> edition of the European Cluster Conference 2020.

The Side Event gathered 51 participants, mostly consisting of representatives of ESCPs and INNOSUP projects, as well as some European cluster representatives that participated as speakers. The event provided a platform to discuss in detail and transfer knowledge about the activities supporting cluster organisations, the challenges they face and possibilities to collaborate and develop joint actions.

## 1.2. Purpose of the document

The purpose of this Output Paper is to summarise the outcomes of the Side Event – including discussions, lessons learnt and conclusions.

This document has been elaborated based on the notes taken during the various sessions of the Side Event, as well as on the Input Paper that was shared with the participants beforehand as a preparatory document.

The Output Paper will be published on the European Cluster Collaboration Platform (ECCP).

## 1.3. Agenda

The Side Event was held online on the 16<sup>th</sup> November 2020 from 09:00 to 12:30 CET.

In agreement with EASME and DG GROW, based on experts' inputs and the feedback of the participants during the 1<sup>st</sup> webinar for the Forum of European Cluster Partnerships, the topic "Creating value proposition for clusters" was selected as the main theme for the plenary session.

Applying the same approach, the topics for the breakout sessions were selected: "Funding Challenges for Clusters", "Digitalisation", and "Knowledge exchange - success stories from selected ESCPs".

The final Agenda of the Event is presented at Table 1.

Table 1. Agenda

Time	Description
08:30 - 09:00	<b>Log-in and registration</b>
09:00 - 09:05	<b>Opening by ECCP team</b> Main moderator: Marie-Jose ZONDAG (ECCP)
09:05 – 09:20	<b>Welcome speech from DG GROW/EASME</b> Marek Przeor (Team Leader Cluster Policy DG GROW European Commission)
09: 20 – 09:25	<b>Introduction to the Forum of the European Cluster Partnerships</b> Carolina Turcato (ECCP)
09:25 – 10:35	<b>Panel discussion and Q&amp;A</b> <b>Topic: <u>Creating value proposition for clusters</u></b> <b>Main Moderator:</b> Marie-Jose Zondag (ECCP) <b>EC Moderator:</b> Benoit Esmanne (Cluster Team - DG GROW) <b>Speaker 1.</b> Enrico Venturini (OTIR2020-TFC - Next Technology Tecnotessile) <b>Speaker 2.</b> Marielle Campanella (SCS Secured Communicating Solution cluster)
10:35 – 10:45	<b>Break</b>
10:45 – 11:45	<b>Break out session</b> Participants have chosen one of the three following breakout sessions:  <b>1. <u>Funding challenges for clusters</u></b> <b>Moderator:</b> Douglas Thompson (ECCP) <b>EC Moderator:</b> Marek Przeor (Team Leader Cluster Policy DG GROW European Commission) <b>Speaker 1.</b> Funder side: Nicolai Sederberg Rottbøll (Quercus-Group) <b>Speaker 2.</b> Cluster side: Gus Verhaeghe (Flanders Food)  <b>2. <u>Digitalisation</u></b> <b>Moderator:</b> Alexandros Vigkos (ECCP) <b>EC Moderator:</b> Batalla Masana Marta (Cluster Team, DG GROW) <b>Speaker 1.</b> Anna Naydenova (ICT Cluster) <b>Speaker 2.</b> Nicolas Nguyen The (Agri Sud-Ouest Innovation)  <b>3. <u>Knowledge exchange - success stories from selected ESCPs</u></b> <b>Moderator:</b> André Barbosa (ECCP) <b>EC Moderator:</b> Christophe Guichard (Cluster Team, DG GROW) <b>Speaker 1.</b> Gennaro Russo (DAC, Campania Aerospace District) <b>Speaker 2.</b> Silvana Sanfeliu Giaimo (Fondazione Torino Wireless)
11:45 - 12:00	<b>Break</b>
12:00 - 12:30	<b>Conclusion and main take-outs</b> Main moderator: Marie-Jose ZONDAG (ECCP)

## 2. Overview of the partnering event

The overall aim of the sessions was to enable and support discussions on the most relevant topics according to the first survey implemented with European Cluster Partnerships. The Side Event also aimed at backing up the creation and animation of the Forum of European Cluster Partnerships, thus allowing these partnerships to create a community of practice, and contributing to a better-connected and more collaborative cluster community.

In this context, this chapter presents a summary of the main discussions and conclusions in each of the sessions of the Side Event.

### 2.1. Plenary Session: Opening speeches and Panel discussion on Creating value proposition for clusters

Following a short opening by Marie-Jose Zondag from ECCP, **Marek Przeor from the EC** shared key quotes from and a short film on the European Cluster Conference 2020.

The selected quotes highlight how clusters are vital for the European economy, resilience, recovery, green and digital transitions, innovation and industrial modernisation. He also noted how clusters and the networking between them can help take full advantage of the European Single Market. The need for clusters and policy makers to partner with each was also highlighted, to set the policy agenda in a way to ensure the most optimal use of new resources for competitiveness.

Specific EU policies were identified that act to boost the European digital and green transitions and resilience and competitiveness. The recently published Council Conclusions on “[A recovery advancing the transition towards a more dynamic, resilient and competitive European industry](#)” stress the role of clusters since industrial ecosystems are officially recognised as facilitators of cooperation across Member states and regions. Industrial ecosystems also ensure effective, efficient and inclusive coordination to generate the required cross-sectoral synergies and encourage joint collaborative actions with and for industry, which are key for a competitive and resilient European industry. Marek Przeor emphasized that European Cluster Partnerships and networks have a crucial role in supporting clusters in this path.

Furthermore, he mentioned that integrating cluster policy into industrial ecosystems will promote resilience and strategic independence, as well as it will foster and speed up the digital transformation. In order to accomplish this, the right partners – policymakers, SME intermediaries and industry, researchers and civil society – need to be involved. Marek Przeor also gave an overview of the latest EU calls for clusters:

- [European Cluster Excellence Programme](#);
- [Strategic alliances for the uptake of advanced technologies by SMEs on the economic recovery](#);
- [Clusters Go international action](#).

**Carolina Turcato from ECCP** presented the scope of the Forum of European Cluster Partnerships run by ECCP. The online Forum will be available in the new ECCP website and will aim to generate discussion and knowledge exchange between the Forum members.

The panel discussion within the plenary session was focused on the topic of Creating value proposition for clusters. The first speaker, **Enrico Venturini, Senior Research and Project Manager at NEXT TECHNOLOGY TECOTESSILE (Italy)** presented information on the textile sector in Europe, the Tuscany Fashion Cluster, textile active partnerships (TEX4IM Partnership, EXTRATEX, TEXTGLOBAL), lessons learnt and impacts, current emergencies and what clusters can do.

As the main lessons learnt, Enrico Venturini noted that textile SMEs are very conservative, especially in the clothing business, although diversification to higher added value products can be supported by cluster actions (rather than at the SME level). Further, he mentioned that the adoption of new technologies is slow and expensive, and resources / time are very limited. Hence SMEs are very much in need of support. In addition, the cross-border and cross-sector dimensions are still barriers to textile SMEs in the current fierce competitive scenario, and opportunities are still to be found. According to Enrico Venturini, one relevant area on which to focus is related to markets and marketing, making investment in commercial policies and new business models for SMEs key to recovery. Finally, when dealing with SMEs, a lesson learnt is to always keep the dialogue open, be inspiring, convincing and pushing them forward.

Regarding the impacts of the current COVID-19 crisis, it was identified that the textile & clothing, leather, and footwear industries suffered - with 80% of the companies having to lay off workers and estimated reductions in turnover of 30% in 2020. He mentioned that particular characteristics of the industry are that sales are time sensitive - a summer season cannot be postponed or recovered and textile and clothing is often considered as a “not necessary” item. An emerging need is to design a renovated business model to attend the current pandemic requirements, including safety in work environments. Furthermore, R&D is one of the first activities to be put on hold.

As possible ways out of the crisis, Enrico Venturini highlighted the support to new investment plans, the investment in circular business models – by adopting and re-defining the understanding of textiles as interactive and multi-functional material, and as replacement of intermediate materials for other sectors. Clusters can be identified as supporting this shift (digest-adopt-transfer) and connecting SMEs from different sectors among themselves and with big players. Clusters are also important to define and update the recovery strategy.

Finally, Enrico Venturini presented how clusters can facilitate the implementation of the recovery plans, as in Figure 1.

## Clusters facilitate the implementation of the recovery plans

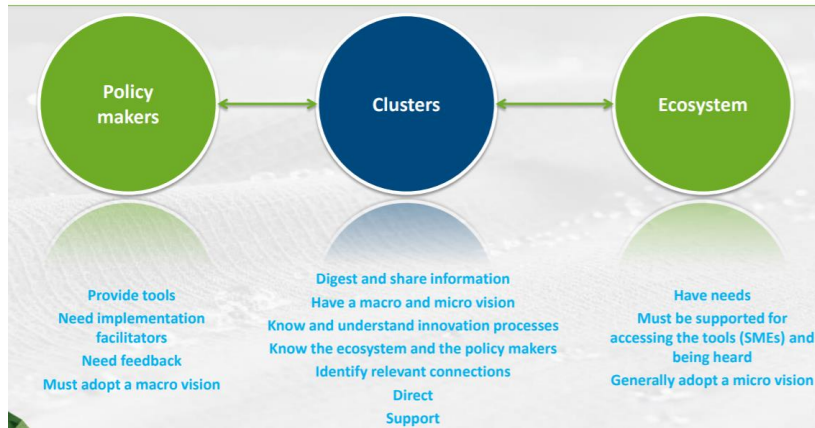


Figure 1. How clusters can facilitate the implementation of the recovery plans

Source: Techtera presentation (Robin Oddon) at the ECA Meeting on the Textiles Industrial Ecosystem (September 2020)

The second speaker of the panel discussion was **Marielle Campanella, Head of European projects at Pole SCS**. She presented PoleSCS, the award winning of IOT4Industry, StartUp3 and Silican Europe. She indicated that value propositions for clusters can be created through cross-sectoral and cross-border cluster and business collaborations, through engagement of all ecosystems' actors (especially SMEs via dedicated communication strategy and dedicated funding schemes), long-term and trustful relationships among clusters and agility of clusters' team, and partnerships.

A Slido was done during the conclusion of the panel session with the question of "what do you consider as the main value of your partnership?". The results are presented in Figure 2.

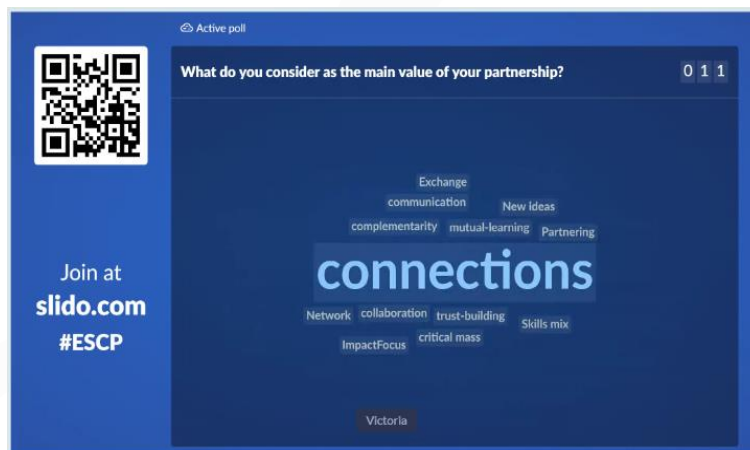


Figure 2. Slido results

### Conclusions and key take-aways

- Partnerships and clusters can help to diversify the offer of a region and be more innovative by linking and enabling SMEs to strengthen themselves
- When there is crisis, the R&D is often the first aspect to be reduced. However, staying innovative is important to keep investing in R&D
- Circularity often tends to be put on hold in the current crisis, while a sustainable Europe is vital for a healthy Europe
- Clusters and cluster partnerships are key to face the current pandemic-led crisis through their vision, the sharing of trusted information, developing new business models and partnerships, and rebuilding SMEs through dialogue with policy makers and funding opportunities
- The main value of cluster partnerships for the attendees was identified as connections, followed by trust-building, exchange, communication, new ideas, mutual learning, partnerships, skills mix, impact driven focus and building critical mass

## 2.2. Breakout session 1: Funding challenges for clusters

After the introduction of the session by Douglas Thompson (ECCP), **Marek Przeor from the EC** provided an introduction to the breakout session where he identified the key possibilities from EU funding:

- THROUGH clusters channelled to final recipients, in particular SMEs (such as INNOSUP-1 projects with cascade funding)
- WITH clusters to provide specialised services to any economic actor in need, e.g. technological advice and upskilling
- BY clusters to mix private and public funding; align local, regional, national and EU funding; and reaching out to financial providers across EU territory
- FOR clusters to build their capacity to facilitate collaboration; capitalise technological and market intelligence; and offer services

Finally, he provided an overview of the Multiannual Financial Framework (MFF) 2021-27 and the Next Generation EU (NGEU).

Moving to the speakers of the session, **Gus Verhaeghe, Innovation Manager of Flanders Food**, introduced the topic of funding of clusters and cluster members through presenting the EU dimension of Flanders Food. Gus Verhaeghe provided an overview of the funding methods for the Flanders Food cluster by first identifying the core cluster activities and strategic objectives, before showing the main sources of financing: Membership; Regional funding; Projects (private and public); and Events.

Moreover, he highlighted the internationalisation strategy of the cluster, including how to develop new services (including through use of surveys to understand company requirements and identify how Flanders Food could assist). He then introduced the three pillars of European activities for the cluster, that are (1) Networking (lobbying); (2) Non-financial support; and (3) Financial support.



Going further in the subject of financial support, Gus Verhaeghe noted how to identify and follow-up on calls and topics, and gave an example of smart use of funding sources for *Smart Sensors for Agri Food*. In conclusions and recommendations, he emphasised the creation of a trust zone for members and providing personalised support when needed. He also concluded on smart combinations of funding sources and developing ready to use outcomes.

The second speaker of the session, **Nicolai Sederberg Rottbøll, CEO of Quercus Group**, discussed the main funding challenges for clusters. Firstly, he provided a brief introduction to Quercus Group – which facilitates cluster development and multi-stakeholder projects for regional economic growth, including training cluster managers and other cluster support activities in over 35 countries for ministries, cities, cluster organisations, NGOs, business federations and trade councils.

He then highlighted how to create a strong value proposition for a cluster, including the concept of Need, Approach, Benefit, Competition (NABC). He noted considerations for cluster business models – focusing on public and private funding. Under private funding, he emphasised member fees; paid activities; sponsors; and private foundations. He discussed how to set membership fees – dependent on the needs of the member organisation and how valuable they perceive the services to be.

Furthermore, he noted that there is no single recipe for the proportion of public *versus* private funding for a cluster, providing several examples. He showed the tendency, though, was for the share of government funding to decrease over time as clusters become more mature. Finally, he highlighted the need to target value propositions towards different segments and needs.

### Conclusions and key take-aways

- Government funding is beneficial for clusters, but can also be considered as toxic. It can be the case that the Key Performance Indicators (KPIs) that clusters need to meet for their contractual requirements for government funding do not reflect the best economic outcomes for the cluster, its members or the region. Government funding can also take cluster's attention away from the specific needs of their members, and not create real economic value
- Clusters should spread risk when determining their business models – using different types of revenue sources. They can also set KPIs that reflect the need for sustainability, for instance being fully self-sustainable in a period of 5 years
- Examples of different business models were provided – including the possibility of applying high membership fees to larger corporate members, whilst at the same time having smaller but very targeted fees for SMEs
- A specific discussion was raised on clusters that had been reliant to some extent on government funding but then lost this funding due to public policy changes. This sudden loss of government funding led to a requirement to change aspects of the cluster – increasing targeting on the needs of members whilst reducing cluster staff and updating the cluster's organisational structure. This was seen as a long-term benefit, as it resulted in leaner and better functioning clusters which created more economic value for the members and region

## 2.3. Breakout session 2: Digitalisation

The first speaker, **Anna Naydenova, Executive Director of Bulgarian ICT Cluster and coordinator of the GIVE ESCP**, presented the partnership and discussed the main current challenges and solutions of GIVE. She emphasised the main challenges of the lack of sustainable digitalisation framework in the region, the lack of regional authorities supporting internationalisation, the cross-industrial and cluster approach not being recognised as an enabler of innovation and competitiveness, and that SMEs and manufacturing companies in the region both lack information on the benefits of digitalisation and are facing a number of barriers (e.g. access to technologies).

Among the solutions found by the partnership are the analysis of companies needs and internationalisation interests, the organisation of webinars to upgrade digital and internationalisation skills of SMEs, the development of cross border and cross industrial B2B events in six different places, the identification of three target markets and founding specific partners to support the SMEs involved in the partnership, the development of a strategic plan for internationalisation and start the implementation of some of the activities together with the partners from third countries.

The second speaker, **Nicolas Nguyen The, Head of European projects at the “Pole de compétitivité Agri Sud Ouest Innovation in Montpellier, and coordinator of the DIVA project**, discussed digitalisation in the agri-food sector and presented the lessons learnt from the DIVA project. He noted that the cluster is looking into digitalisation solutions in the areas of data economy, digital economy, circular economy, on-demand economy, sustainable intensification and sharing economy. This includes a framework of innovations in production, processing, packaging, distribution, selling, retail and consumers. He emphasised that the DIVA project has an online database of challenges being addressed by digital solutions - such as early prediction of the vine yield by non-destructive method, reducing anthelmintic resistance in sheep, and precision viticulture, among others.

Nicolas Nguyen The mentioned that, through two calls, the project has distributed 2.7 million Euros in vouchers to 180 SMEs along the agri-food value chain in areas such as: sustainable production, service innovation and marketing, social sustainability, advanced manufacturing and ecological sustainability. The main digital technologies of interest are in data management and analysis, sensors and IoT solutions, while emerging and anticipated technologies include robotics, blockchain, cloud and edge computing, digital twins, optics/photonics, AR and VR.

As the main conclusions, Nicolas Nguyen The highlighted that digitalisation is running in the agri-food and forestry sectors at different levels according to the organisations involved. He also mentioned that it is more difficult to address the whole value chain than the primary sector. Further, at farm level, there is a growing trend of moving from techno-push to real market-pull and more frugal innovation, including social and organisational innovation. He also mentioned that a cross sectoral approach is a complex task as there are many different players with different needs to bring together. Finally, clusters and partnerships play a major role as intermediaries.

### Conclusions and key take-aways

- Digitalisation across sectors and value chains can be very challenging: the role of clusters and Digital Innovation Hubs as intermediaries is crucial in supporting this digitalisation
- There is a need to take into account “green” aspects - to look more into optimised IT systems, minimising the negative effects for environmental sustainability
- There are positive impacts of COVID-19 regarding digitalisation. There is an increased need for digital solutions to conduct business processes remotely and in a safe and efficient manner (e.g. in manufacturing). Demand for such aspects has been observed to increase during the COVID-19 crisis. It should be noted that in other some cases, e.g. exports of certain goods and services in the food sector, negative impacts are observed.

## 2.4. Breakout session 3: Knowledge exchange – success stories from selected ESCPs

In this session, three successful examples of ESCPs were presented, with the goal of sharing their good practices and knowledge of generating and achieving concrete results in the planning and implementation of the ESCPs.

- [EACP-EUROSME \(ESCP-S3\)](#): The project aimed to boost the collaboration of the SMEs within the involved clusters and across the involved regions, participating in joint investment projects in the common smart specialization aerospace priority area with a relevant focus on the circular economy
- [MobiGoIn \(first generation of ESCP-4i\)](#): The project aimed to establish a Smart Mobility focused ESCP to promote clusters’ internationalisation by developing a joint strategy aimed at supporting SMEs in their internationalisation process across and beyond Europe
- [MobiGoIn-Action \(second generation of ESCP-4i\)](#): The project aimed at supporting the launch, and the initial implementation and development of the MobiGoIn Internationalisation Strategy

**Gennaro Russo, Manager and Coordinator for internationalisation of DAC, the Campania Aerospace District** presented the case of the *European Aerospace Cluster Partnership – Aerospace Inter-Cluster Smart Specialization Actions for SMEs Competitiveness in the Circular Economy Approach* (EACP-EUROSME). His presentation highlighted the challenges linked to the identification of common interest areas among the involved Regional Smart Specialisation Strategies (RIS3). He also described the steps defined to implement the Roadmap, which resulted in concrete actions to support the involved SMEs – including the submission of seven proposals with a total requested investment of more than 30 million Euros.

Finally, Gennaro Russo highlighted different strategies of the partnership to support SMEs, such as building innovation project scouting data to identify potential partners; defining a process to facilitate project set up; and creating an initial pipeline of potential SME projects for partnerships.

**Silvana Giaimo, Project Manager at Torino Wireless**, and Project Manager of ESCP-4i BRIDGE and coordinator of ESCP-4i’s MobiGoIn (first generation) and MobiGoIn Action (second generation), presented the case of Mobility Goes International (MobiGoIn). Her presentation underlined that the

focus of the initiative is the internationalisation on the smart mobility action and the good practices developed by the partnership. The first good practice described the methodology for designing and defining the internationalisation strategy, as well as the results achieved. The methodology includes the mapping of SMEs and start-ups' competences; developing secondary research about opportunities worldwide; and activating the partners found in the countries.

The second good practice was the development of a final interactive and participative event, not only a plenary about the results of the project, including pitches from SMEs and start-ups; B2B meetings; live web streaming; and a networking lunch.

The third best practice referred to the valorisation of the informal activities developed by the clusters involved in the project. This helped reducing the risks of the collaboration, and maintaining a good environment.

Further, Silvana Giaimo described the initial steps of focus definition and ecosystem mapping, resulting in the development of a full strategic plan and roadmap including concrete support measures to the SMEs. In total, 45 SMEs benefitted from the internationalisation actions adopted in the context of MobiGoIn.

As the main recommendations from the experience of MobiGoIn, Silvana Giaimo highlighted to always keep the clusters' members database updated; to implement monitoring scoreboards to measure KPIs; to keep in mind the needs of the companies; to remember that the best opportunities for SMEs are not always where one "thinks" they are and that the partnership needs to help them see opportunities without fear. She also highlighted the need to use co-design and validation as good methods; to bear in mind that networking opportunities are always important and that collaboration between clusters is key.

### Conclusions and key take-aways

- The definition and implementation of a consistent methodological approach is a key successful factor for the ESCPs. EACP-EUROSME and MobiGoIn designed full strategic roadmaps, which included concrete measures in support of the SMEs they were working with, and which was based on a thorough analysis and understanding of the market conditions in which they operate
- The achievement of concrete SME-oriented results is a specific aspect of the partnerships' performance. EACP-EUROSME and MobiGoIn were able, within the context of the roadmap implementation, to undertake actions that helped SMEs in their goals of internationalisation (in the case of MobiGoIn) or of investment search (in the case of EACP-EUROSME)
- Follow up initiatives and lessons learnt taken from both actions are important to capitalise on knowledge. EACP-EUROSME's initial effort in evaluating RIS3 to find common interests resulted into concrete recommendations for the European Multiannual Financial Framework, including in terms of harmonisation of R&I strategy structures for smart specialisation. MobiGoIn has generated knowledge and expertise that led to the preparation and approval of a new ESCP focused on internationalisation – BRIDGE-ESCP4i

## ANNEX. European Cluster Partnerships – objectives, activities and achievements

### A.1. Context

The European Cluster Partnerships were launched by the European Commission through financial incentives under COSME and Horizon 2020 programs. The aim is to encourage clusters from Europe to intensify collaborations across regions and sectors. As a result, the Partnerships pool resources and knowledge in order to work together on the development of joint strategies. The main objective is to undertake actions in the common interest of their SME members, with the ultimate goal to boost economic growth and competitiveness in Europe.

This Chapter provides an overview of the three different European Strategic Cluster Partnerships under the COSME programme, as well as the INNOSUP-1 cluster projects under the Horizon 2020 programme, highlighting some of the key characteristics, initiatives, achievements and members.

The purpose of this Chapter is to ensure that all Event participants are informed and have a clear understanding of the major existing initiatives.

### A.2. European Strategic Cluster Partnership for Going International | ESCP-4i

Building upon the successful implementation of six pilot initiatives (European Cluster Consortia), the [Cluster Go International](#) action was developed with an aim of promoting cluster internationalisation. Since 2014 and the launch of the first call, the Action continues to significantly contribute to cluster and business network cooperation, supporting the establishment and further development of European Strategic Cluster Partnerships-Going International.



The [European Strategic Cluster Partnerships for Going International](#) are transnational cluster partnerships that develop and implement a joint internationalisation strategies and support SME internationalisation towards third countries beyond Europe. Partnerships are active in various industrial and cross-sectoral areas including health, aerospace, mobility and logistics, agri-food, energy, marine and environment, packaging, materials and photonics, ICT, construction and sports. The full list of partnerships can be found [here](#).

Since the launch of the “Clusters go International” action, three generations of ESCP-4i have been established and supported: ESCP-4i: First Generation (2016-2017), ESCP-4i: Second Generation (2018-2019), and ESCP-4i: Third Generation (2020-2022).

The [fourth call for proposals](#) under the European Commission's Clusters Go International programme is **now open**, with a total of EUR 7.5 million of funding available. Strand A will support the establishment of ESCP-4i open to a wide range of European industrial sectors and value chains; while

Strand B will have a specific focus on creating up to two ESCP-4i in the Defence and Security sector (dual use technologies).

In the sub-sections below an overview for each of the ESCP-4i generations is presented, including the target markets, together with some of the main achievements that can be highlighted.

#### *ESCP-4i: First Generation (2016-2017)*

[The first generation of ESCP-4i](#), consisting of 15 co-funded and 10 voluntary European Strategic Cluster Partnerships and involving about 150 cluster organisations across 23 European countries, developed and implemented joint strategies to support SME internationalisation towards third countries. The partnerships have been targeting cooperation with third countries' economies. Most partnerships already identified their target markets, per region or specifically mentioning target countries, before starting their activity. The main ones included Brazil, China, India, Japan and USA.

The overall achievements that resulted from the 24 month period of support can be highlighted as following<sup>1</sup>:

- 2000 European Small and Medium Enterprises have been involved in activities targeting international third markets generating 85 concrete business cooperation cases with international partners;
- 370 Cluster-to-Cluster events completed;
- 3010 Business-to-Business events have been conducted;
- 39 Memoranda of Understanding established;
- 45 collaboration projects implemented between EU clusters and international peer organisations.

#### *ESCP-4i: Second Generation (2018-2019)*

[The second generation of ESCP-4i](#), consisting of 25 European Strategic Cluster Partnerships and involving about 140 cluster organisations across 26 European countries, have developed and implemented joint strategies to support SME internationalisation towards third countries. The primary target markets of the second generation of partnerships included Canada, China, Japan, Singapore, and the USA.

The overall achievements that resulted from the 24 month period of support can be highlighted as following<sup>2</sup>:

- 3,000 European Small and Medium Enterprises have been involved in activities targeting international third markets generating around 300 concrete business cooperation cases with international partners;
- 944 Cluster-to-Cluster events and meetings held;
- 2,738 Business-to-Business events and meetings conducted;

<sup>1</sup> <https://www.clustercollaboration.eu/eu-cluster-partnerships/escp-4i/first-generation/achievements>

<sup>2</sup> <https://www.clustercollaboration.eu/eu-cluster-partnerships/escp-4i/second-generation/achievements>

- 180 collaboration cases were developed between EU clusters and international peer organisations;
- 304 cooperation cases were developed between European SMEs and entities located in third countries.

#### *ESCP-4i: Third Generation (2020-2022)*

From September 2020, 24 new cluster Partnerships began their collaborations under the [third edition of the Clusters Go International action](#). Over the course of 24 months, the action will support clusters from Europe to work together and look for trade and investment opportunities and cooperation partners in third markets for the benefit of their members, especially SMEs.

The Partnerships are made up of 78 clusters covering 20 European countries. The Partnerships are active mainly in the following sectors: clean-tech and environmental services, energy, health, mobility, smart cities, ICT, electronics, textiles and hospitality. Nineteen countries of interest are identified, with Canada, China, Japan and USA being the most frequent choice of target markets.

### A.3. European Strategic Cluster Partnerships for Excellence | ESCP-4x

Building upon the experience of 11 projects selected under two calls of the framework of the Cluster Excellence Programme, EASME launched the call of the European Cluster Excellence Programme in 2019 as part of the European Commission's COSME programme.

Recognizing the potential of an inclusive approach and the long-term benefits that the investment in cluster management excellence can create in the context of development towards more European world-class clusters, the action is designed to act as an enabler and multiplier of cluster collaborations. Following the call, in 2020, the first wave of ESCP-4x consisting of 13 partnerships was selected under the Programme. The 13 partnerships bring together 69 Clusters across 21 European and COSME participating countries. The full list of partnerships can be found [here](#).



The overall aim for the selected [European Strategic Cluster Partnerships for Excellence](#) is to increase the competitiveness of SMEs by strengthening cluster management excellence, facilitating strategic exchanges and partnering between clusters and specialised industrial eco-systems across Europe. The Partnerships are therefore of transnational character and part of the policy that aims to contribute to the objective of the support for short-term exchanges to better connect Europe's industrial ecosystems.

To achieve the expectations, the ESCP-4x partnerships are tasked with the following activities:

- Cluster management skills development to boost excellence in delivering SME support;
- Cluster strategy setting at individual and European partnership levels;
- Support to the implementation of these strategies;
- Implementation of a new action: the pilot [ClusterXchange programme](#).

This third generation of European Cluster Partnerships for Excellence received the “ESCP-4x” label, which highlights the new and particularly important “ClusterXchange” activity of the action.

#### *What is ClusterXchange about?*

The ClusterXchange is a pilot scheme to support short-term exchanges to better connect Europe’s industrial ecosystems. It facilitates transnational cooperation, peer learning, networking and innovation uptake between actors of different industrial clusters across Europe. An exchange constitutes a stay abroad performed by a visiting organisation from an eligible country at a host organisation in another eligible country. It should be noted that due to the COVID-19 crisis virtual exchanges are also possible.

Based on an analysis of the information available on the European Cluster Collaboration Platform, the selected 13 ESCP-4x Partnerships are planning a total of 695 exchanges under the programme, or somewhere around 54 exchanges per partnership on average.

The main benefits of the programme can be reflected in:

- Learning from actors in another cluster and other country;
- Exploring growth opportunities in new markets;
- Fostering the adoption of new technologies, digitalisation and green low-carbon solutions;
- Investing in strategic interregional collaboration.

Further, it should be highlighted that the programme will open to participants beyond the direct beneficiaries of the European Cluster Excellence Programme, as the purpose of the action is to reach a larger group of the cluster community. As of 24<sup>th</sup> September 2020, the European Commission launched the [online platform to apply for the ClusterXchange programme](#).

## **A.4. European Strategic Cluster Partnerships for smart specialisation investments | ESCP-S3**

In order to achieve a sustainable and successful industrial modernisation, the EU acknowledges that significant investment and cooperation effort is required. In this context, the Regional Smart Specialisation Strategies (RIS3) support the prioritisation and the alignment of efforts between public and private stakeholders in EU regions and allocate EU and regional funds in a focused and efficient way.

Recognizing the potential of interregional cooperation and in order to seize the benefits that the regional and national smart specialisation strategies for research and innovation provide, in 2017, COSME launched a call for European Strategic Cluster Partnerships for Smart Specialisation Investments.





As a result of the call, in 2018, nine EU Cluster Partnerships, gathering 57 partners from 19 European countries active in various industrial sectors, were selected. The full list of partnerships can be found [here](#).

[The European Strategic Cluster Partnerships for smart specialisation investments \(ESCP-S3\)](#) aim to facilitate cluster cooperation in thematic areas related to regional smart specialisation strategies and increase the involvement of industry in the context of the [Smart Specialisation Platform for Industrial Modernisation](#).

The specific objectives of the ESCP-S3 are to foster the collaboration of enterprises, especially SMEs, as well as their interaction with technology centres both within the cluster and across regional and sectoral silos towards generating joint actions and investment projects in common smart specialisation priority areas linked to industrial modernisation and to help to improve their business environment. By facilitating the cooperation, ESCP-S3 strengthen the European dimension in the implementation of national and regional smart specialisation strategies and support a sustainable partnering process for strategic interregional collaboration in various industrial specialisation areas.

Further, the actions and investments that result from the ESCP-S3 support the innovation uptake and productivity increases by matching R&D and innovation solutions, and supporting interregional innovation activities. Therefore, the ESCP-S3 complement the interregional RIS3 partnerships of regional authorities under the Smart Specialisation Platform for Industrial Modernisation by generating corresponding interregional European Strategic Cluster Partnerships of cluster organisations and other specialised SME intermediaries.

At the centre of the partnerships is the creation of value chain linkages and joint business cooperation projects and investments amongst groups of SMEs in specific industrial areas, including bringing together SMEs from less and more economically advanced regions and clusters. In this context, ESCP-S3 are active in various industrial sectors and perform processes in relation to the key drivers of industrial modernisation, involving a total of 5,829 SMEs.

## A.5. INNOSUP-1 cluster projects under Horizon 2020

The development of new industrial value chains calls for the collaboration and integration of different innovation actors, including large enterprises and especially SMEs, across different sectors towards the implementation of a joint vision. In addition to the Partnerships, the European Commission, under Horizon 2020 and more specifically through the [INNOSUP-1 cluster initiative](#), has supported the facilitation and the emergence of new industrial value chains.

In particular, INNOSUP-1 aims to bring together different sectors and areas of expertise in order to create new value chains across the EU and Horizon 2020 associated countries.

The value chains supported by INNOSUP-1 promote cross-sectoral and cross-border collaboration. SMEs work with one another and with other actors to develop cross-cutting approaches and emerging technologies. The resulting value chains develop the competitiveness of the European economy and encourage collaborative practices across borders. Since the launch of the initiative and the first call in

2015, a collaboration is promoted with an objective to support innovation activities of SMEs through clusters and the leveraging of European Structural and Investment Funds. Similar to the partnerships, the Initiative aims to exploit the potential of clusters as favourable ecosystems for innovation. As a result, the coordination and facilitation of the projects under the initiative is led by cluster organisations and other intermediary organisations, by following a systemic approach that combines different resources, tools and instruments.

Through the initiative, SMEs receive the support needed to generate, take up and better capitalise on all forms of knowledge, creativity, craftsmanship and innovation, including for the application of existing cross-cutting or emerging technologies, ICT, eco-innovative and resource-efficient solutions, new business models, service innovation and design.

To date, the European Commission supported 24 INNOSUP-01 projects with a total EUR 112 million (approximately 95% of the total budget). From a total of 26 countries, 248 different organisations have participated or are currently participating in 24 projects. The total number of participants is 298 with an average 12 participants per project and an average project value of EUR 4.7 million. The full list of projects and consortiums can be found in [here](#).

The following is a breakdown of the projects funded under each INNOSUP-01 call<sup>3</sup>:

- **H2020-INNOSUP-2015-1:** A total of 6 projects with a budget of EUR 29 million (EU contribution EUR 26.7 million). In total there are 77 participations, of which 33 are SME participations.
- **H2020-INNOSUP-2016-twoStage:** A total of 3 projects with a budget of EUR 15.2 million (EU contribution EUR 14.1 million). In total there are 38 participations, of which 18 are SME participations.
- **H2020-INNOSUP-2017-twoStage:** A total of 4 projects with a budget of EUR 19.5 million (EU contribution EUR 18.9 million). In total there are 48 participations, of which 16 are SME participations.
- **H2020-INNOSUP-2018-twoStage:** A total of 5 projects with a budget of EUR 26.1 million (EU contribution EUR 24.5 million). In total there are 61 participations, of which 30 are SME participations.
- **H2020-INNOSUP-2019-twoStage:** A total of 6 projects with a budget of EUR 28.7 million (EU contribution EUR 27.8 million). In total there are 71 participations, of which 13 are SME participations.

However, besides the direct support that the clusters and SMEs have received that is evident from the above information, the impact of the INNOSUP-1 initiative is significantly wider and far-reaching.

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<sup>3</sup> <https://webgate.ec.europa.eu/dashboard/sense/app/93297a69-09fd-4ef5-889f-b83c4e21d33e/sheet/erUXRa/state/0>

The following taken from the Impact Report “Horizon 2020 – INNOSUP-1 Cluster facilitated projects for new industrial value chains” highlights the achievements of 18 individual INNOSUP-1 projects<sup>4</sup>:

- Provided EUR 36 million to SMEs in funding and services;
- Supported 2,656 SMEs and 204 SME-led consortiums;
- Across 39 countries;
- Covering all EU Member States;
- Covering 12 out of 16 H2020 associated countries;
- Innovation Support Services provided to 2,315 SMEs;
- Direct funding for innovation provided for 1006 SMEs out of 3,654 applicants.

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<sup>4</sup> <https://op.europa.eu/en/publication-detail/-/publication/f3d69a67-9ece-11e9-9d01-01aa75ed71a1/language-en>