The Role of Clusters in Facilitating Interregional Cooperation & SMEs Innovation in the Balkan-Mediterranean Area

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Eligible area

Balkan-Med area
1. Greece ERDF
2. Cyprus ERDF
3. Bulgaria ERDF
4. Albania IPA
5. The former Yugoslav Republic of Macedonia IPA

Programme budget and co-financing rate

BalkanMed budget incl. national contribution: € 39.727.654,00 M

Available EU funds: € 33.456.246,00 M
out of which Available ERDF funds: € 28.330.108,00 M
Available IPA II funds: € 5.126.138,00 M

EU co-financing rate: 85%
### Interreg V-B Balkan-Mediterranean Programme 2014-2020

...to build on shared territorial assets and promote integrated territorial development and cooperation for a more competitive and sustainable Balkan-Mediterranean area.

#### PA1: Entrepreneurship & Innovation

- **TO03.** Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)

- **IP3a.** Promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators

- **IP3d.** Supporting the capacity of SMEs to grow in regional, national and international markets, and to engage in innovation processes

- **SO1.1 - Competitive territories:** stimulating business performance and extroversion through transnational linkages, clusters and networks

- **SO1.2 - Innovative territories:** unleashing territorial potential to improve the transnational innovation capacity of the business sector

- **SO1.3 - Territories of knowledge:** entrepreneurial learning and knowledge transfer for more competitive SMEs

#### PA2: Environment

- **TO10.** Investing in education, training and vocational training for skills and lifelong learning

- **IP10a.** Investing in education, training and vocational training for skills and lifelong learning by developing education and training infrastructure

- **SO1.2 - Biodiversity:** promoting ecological connectivity and transnational ecosystems' integration

- **SO2.1 - Sustainable territories:** fostering transnational cooperation for resource efficiency and climate change resilience

- **SO2.2 - Delivery on environmental legal framework:** improving transnational governance capacities

- **TO06.** Preserving and protecting the environment and promoting resource efficiency

- **IP6c.** Conserving, protecting, promoting and developing natural and cultural heritage

- **SO2.1 - Biodiversity:** promoting ecological connectivity and transnational ecosystems' integration

- **IP6f.** Promoting innovative technologies to improve environmental protection and resource efficiency in the waste sector, water sector and with regard to soil, or to reduce air pollution

- **SO2.2 - Sustainable territories:** fostering transnational cooperation for resource efficiency and climate change resilience

- **SO2.3 - Delivery on environmental legal framework:** improving transnational governance capacities

- **TO11.** Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration

- **IP11a.** Enhancing institutional capacity of public authorities and stakeholders and efficient public administration through actions to strengthen the institutional framework

- **SO2.3 - Delivery on environmental legal framework:** improving transnational governance capacities
Priority Axis 1: Entrepreneurship & Innovation

SO1.1 - COMPETITIVE Territories: stimulating business performance and extroversion through transnational linkages, clusters and networks

- Green, blue and social economic development;
- Transnational linkages, clusters, incubators and business cooperation networks development, promotion, expansion;
- Pilot demonstration actions;
- Joint development and rapid transfer of technological and non-technological solutions for fast access of SMEs to various instruments/procedures for smart, sustainable and inclusive growth;
- Working solutions to support new business models and enhance territorial competitiveness, etc.

Key target groups: SMEs' Umbrella Organisations (Chambers, ...), Development/Planning agencies, Local, Regional and national authorities, Technology transfer centers and universities, Innovation support networks, NGOs and Civil Society organisations

General Rule: Not just studies! Joint applications and tests' development!

SO1.2 - INNOVATIVE Territories: unleashing territorial potential to improve the transnational innovation capacity of the business sector

- Entrepreneurial, social and digital innovation;
- Transnational cooperation schemes of "triple helix" (business sector, public sector and research/academic centers) or "quad helix" (business sector, public sector, research/academic centers and civil society organizations) type;
- Pilot demonstration actions;
- Working solutions to engage SMEs in innovation processes, etc.

Key target groups: Vocational education and training institutes/centres, SMEs' Umbrella Organisations (Chambers), Development/Planning agencies, Local, Regional and national authorities, Technology transfer centers, Innovation support networks, NGOs and Civil Society organisations

General Rule: Not just lectures! Joint training across borders, peer-mentoring, and field visits!

SO1.3 - Territories of KNOWLEDGE: entrepreneurial learning and knowledge transfer for more competitive SMEs

- Vocational training for skills and lifelong learning (of entrepreneurs/practitioners);
- Tailor-made training schemes for the promotion of entrepreneurial culture and transnational networks, peer-mentoring and field visits;
- Training programmes to bridge the gap between academic education and practical entrepreneurial learning towards skills development, SMEs competitiveness growth and employment, etc.

Key target groups: SMEs' Umbrella Organisations (Chambers), Development/Planning agencies, Local, Regional and national authorities, Technology transfer centers, Innovation support networks, NGOs and Civil Society organisations

General Rule: Not just lectures! Joint training across borders, peer-mentoring, and field visits!

Better education, training

Please note that these actions are only indicative. Further analysis is provided in the Cooperation Programme, as approved by the European Commission.
Ensures an integrated, structured and inclusive approach:

1. to effectively address territorial competitiveness and skills’ gap,
2. to overcome markets’ fragmentation and
3. to foster business environment that could further unleash untapped cooperation potential.

Available ERDF budget: € 10.198.839,00 M
Available IPA budget: € 1.845.410,00 M
= 36% of ERDF and IPA budget
## Priority Axis 1: Output & Result Indicators

### PA1: Entrepreneurship & Innovation

#### 1.1 - Competitive territories: stimulating business performance and extroversion through transnational linkages, clusters and networks

<table>
<thead>
<tr>
<th>ID OI</th>
<th>Output indicator (OI)</th>
<th>Measurement Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>ERDF - CO01</td>
<td>Number of enterprises receiving support</td>
<td>Number</td>
</tr>
<tr>
<td>ERDF - CO04</td>
<td>Number of enterprises receiving non-financial support</td>
<td>Number</td>
</tr>
<tr>
<td>O0601</td>
<td>Business models or jointly developed instruments, tested and implemented including the ones related to the “green”, “blue” and social economic sectors</td>
<td>Number</td>
</tr>
</tbody>
</table>

#### 1.2 - Innovative territories: unleashing territorial potential to improve the transnational innovation capacity of the business sector

<table>
<thead>
<tr>
<th>ID OI</th>
<th>Output indicator (OI)</th>
<th>Measurement Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>ERDF - CO26</td>
<td>Number of enterprises cooperating with research institutions</td>
<td>Number</td>
</tr>
<tr>
<td>ERDF - CO29</td>
<td>Number of enterprises supported to introduce new to the firm products</td>
<td>Number</td>
</tr>
</tbody>
</table>

#### 1.3 - Territories of knowledge: entrepreneurial learning and knowledge transfer for more competitive SMEs

<table>
<thead>
<tr>
<th>ID OI</th>
<th>Output indicator (OI)</th>
<th>Measurement Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>ERDF - CO46</td>
<td>Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders</td>
<td>Persons</td>
</tr>
<tr>
<td>ERDF - CO44</td>
<td>Number of participants in joint local employment initiatives and joint training</td>
<td>Persons</td>
</tr>
</tbody>
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Key Features

- Collaboration among Consortia
- Joint actions for similar objectives
- Exchange of experience
- Free & Open-to-All Outputs and Results

Sustainability & Replication
What BMP seeks (1)

- Overcome poor business environment
- Favorable and business’ friendly conditions

**Sustainable development**

Better contribution of economic operators to the national, transnational and EU GDP & new and better jobs

Build on existing potential of the region, using smart specialization strategies

Implement working solutions to support new business models and enhance territorial competitiveness
What BMP seeks (2)

[+] Strong entrepreneurial spirit
[+] Diversified local economies
[+] Strong potential for green and blue growth
[+] Relatively high skill levels in some regions to contribute to competitiveness potential by sharing and testing best practices
[+] Building on the EU initiatives to promote employment
17 approved projects in Priority Axis 1

[out of which]

5 projects for the Role of Clusters in facilitating interregional cooperation, SMEs innovation & entrepreneurship support

- **Allocated budget**: EUR 4,3 M / 20 M budget Call, i.e. 21.5%
- **Duration**: 24 months
- **29 participating organizations** (Public Bodies, Universities / Research Institutions, NGOs) from 5 countries
• **SO 1.1** – Competitive Territories
• **Duration:** 24 months
• **Partnership:** 5 partners [GR, CY, FYROM, AL, BG]
• **Lead Beneficiary:** Human Resources Development Agency (BG)
• **Project Budget:** 717.588,50 €

**Project Main Goal:**
- Enhance competitiveness of exporting SMEs in the BM region

**Specific Objectives:**
- E-Business pages platform providing information on exporting SMEs companies’ associations and clusters in the BM region and beyond;
- Fostering on exchange of business information, collaborations and good practices through digital tools;
- Creation of business networks which will additionally contribute to building SMEs’ capacity.
FOCUS

• **SO 1.1 – Competitive Territories**
• **Duration:** 24 months
• **Partnership:** 8 partners [GR (4), BG (2), CY, AL]
• **Lead Beneficiary:** Region of Peloponnese (GR)
• **Project Budget:** 902,845,90 €

**Project Goal:**
• Introduce innovation in Agrofood Sector products based on consumers' increasing preferences

**Specific Objectives:**
• Promoting SMEs' **networking** towards the advancement of their capacity to adopt new technologies & business models;
• **Capitalizing** on existing Agro-food Clusters through tailor-made services, training, seminars & networking activities;
• **Analysis** of Regional profiles, **benchmarking** of the existing BM Agro-food support ecosystem & identification of **novel technologies**, meeting EU regulations
SMEInnoBoost

• **SO 1.1 – Competitive Territories**
• **Duration:** 24 months
• **Partnership:** 10 partners [GR (1), BG (3), CY (1), FYROM (3), AL (2)]
• **Lead Beneficiary:** National Association of Small and Medium Business (BG)
• **Project Budget:** 879,504,18€

Project Goal:
• Boost **transnational innovation capacity of SMEs** from selected priority sectors and support them to make sustainable network formations with other SMEs

Specific Objectives:
• **Increased competitiveness of SMEs**, specifically targeting micro companies which represent 92% of all SMEs in BG, 71% in FYROM and 95% in AL;
• Decreased **innovations gap between EU and IPA countries** by supporting know-how transfer and innovation clusters in the BM region;
• Funding and boosting **innovation capacity** through clusters;
• Recommended **cluster system** for transnational innovation & cooperation network.
• **SO 1.1 – Competitive Territories**
• **Duration:** 24 months
• **Partnership:** 7 partners [GR (3), CY (2), AL (2)]
• **Lead Beneficiary:** Greek Free Open Source Software Society (GR)
• **Project Budget:** 855.172,79 €

**Project Goal:**
- Development of Phygital decentralised network of businesses & professionals, dedicated to the empowerment of innovation and social entrepreneurship at transnational level.

**Specific Objectives:**
- Developing a multilingual **open knowledge platform**, to host, organize and diffuse knowledge derived from open source and collaborative projects;
- Developing and connecting open collaborative production spaces (marketspaces);
- Increase **clustering & entrepreneurial support** through an open decentralised network of professionals and businesses operating at a transnational level;
• SO 1.2 – Innovative Territories
• Duration: 24 months
• Partnership: 8 partners, incl. RCM [GR (2), CY (2), AL (2), BG (2)]
• Lead Beneficiary: Technological Educational Institute of Athens (GR)
• Project Budget: 956,303,00 €

Project Goal:
• Foster the production and distribution of innovative agro food products of the Balkan Med area by capitalizing on local value

Specific Objectives:
• Organizing local value chains, supporting producers and creating new markets and new agro-food products;
• Development of 4 Agro Food innovation clusters (participation of research, industry and authorities);
• Enhance the Balkan-Med area’s competences in the agro-food sector.
Main Outputs/ Results

- Establishment of Transnational Cooperation *Business Network & Entrepreneurial Links*
- Development of *new Clusters* to address common challenges
- Supporting and expanding *currently existing Clusters*
- Capitalization on successful cluster projects
- Enhance innovation in the eligible area, creating replication potential at EU level
2nd Call for Project Proposals

- **Expected:** with 2018
- **Common or Targeted Call**
- **Budget** -> TBD (upon completion of the contracting procedure of the 1\textsuperscript{st} Call for Project Proposals)
Thank you for your attention!

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