

The SMART BALKAN CLUSTER POLICY Declaration

The Cluster House Balkan Black Sea Cluster Network (hereinafter **BBS ClusNet**) participants of *The 10th ECCP Greece Cluster Matchmaking Mission in Thessaloniki (13-14 September 2017)*, gathered on the values of the market economy and the European society, declare hereby their commitment to the issue of the **Smart Balkan Cluster Policy** (hereinafter **SBCP**) to be jointly addressed by the EU cluster-based economic development institutions with the aim of being based on the European cluster policy for growth, to maximise the cluster concept capitalisation in the Balkan countries with transitional economies and support the European integration process of the Balkans.

This Declaration is to appeal on the Unit for Cluster, Social Economy and Entrepreneurship, DG Growth, European Commission to put the following proposals on their agenda:

- 1. Set up a Standing Working Group on The Smart Balkan Cluster Policy with the task of completing the existing EU strategic framework for cluster development with appropriate recommendations for the Balkan countries.**

The Standing Working Group needs to include mandated policy-makers from each Balkan country, the Cluster House representatives and national cluster practitioners or experts - representatives of the BBS ClusNet.

Expected outputs of this activity:

- **Policy level: The Balkan Regional Development Strategy and**
- **Operational level: allocated funding for the intermediary cluster development organizations and clusters in the Balkans / the SME Development Program – the Interreg program**

The Cluster House suggests that for the Balkan Regional Development Strategy development could be used the EU Baltic Sea Region Programme as a model.

Why choose the Cluster House BBS ClusNet for a partner in the Smart Balkan Cluster Policy development as an integral part of the European Cluster Policy for Growth?

*Since 2012 the Cluster House is a coordinator of the BBS ClusNet and a meta-cluster organization in the Balkans. From the beginning the **BBS ClusNet** has been developing on the **bottom up cluster development approach**, collaborating with the intermediary cluster development organizations (national clusters associations, consulting cluster organizations, cluster management organizations) from each Balkan country, as drivers of the public-private dialogue toward the national cluster policies development in harmony with the EU cluster policy. The Cluster House cooperates with the Balkan clusters directly fully respecting the role of the existing national intermediary cluster development organizations in the region.*

The Cluster House is a coordinator of the following self-supported cluster networks:



The Cluster House is an organizational member of the Global TCI Network & the ELAN Network.



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BBS ClusNet

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A key prerequisite of successful cluster-based collaboration between Europe and Balkans is to respect the established organizational structure channels of communication in the BBS ClusNet:

(1) Cluster House, a coordinator of the Balkan Clusters Network

(2) Intermediary cluster organizations, national coordinators of clusters in each Balkan country and

(3) Balkan clusters.

The Cluster House is an exit strategy of the Danish local economic development in the Balkans LEDIB Programme, Nisava District, Serbia, supported by the Danish MfA, using the bottom up strategic approach and investing the 10 mil EURS from 2007-2012.

The Cluster House was established by 7 clusters from the SE Serbia in 2011.

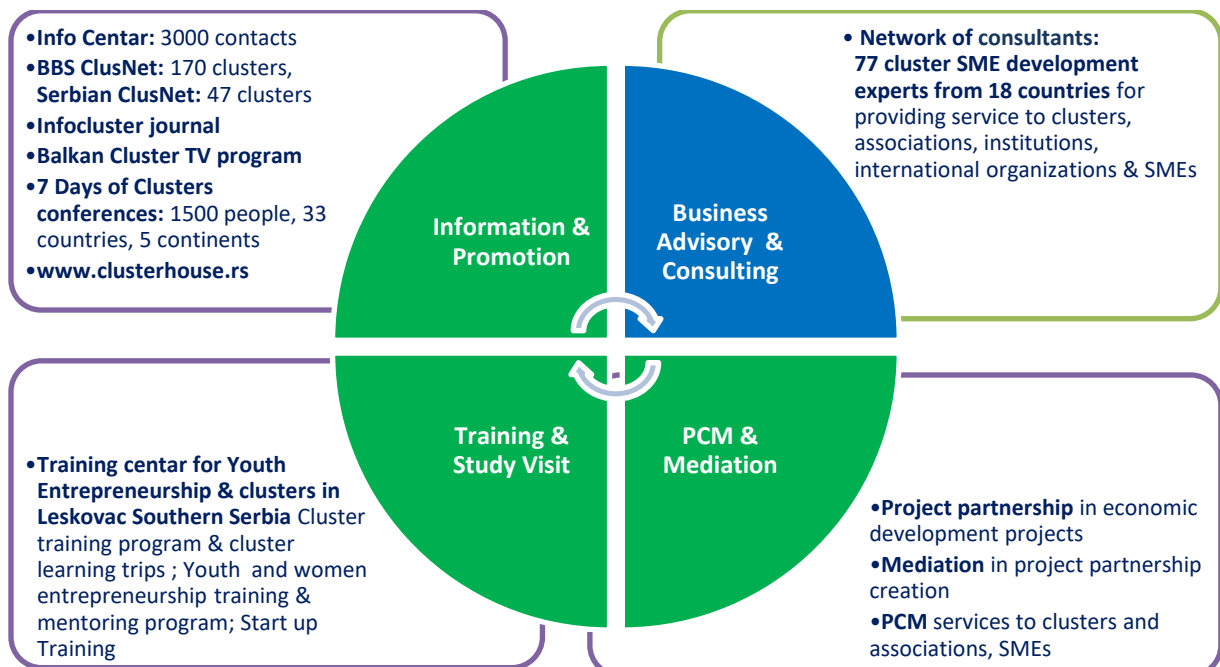
It is a non-for-profit, non-governmental and private partnership organization for cluster-based economic development in Serbia and in the Balkan and Black Sea Region.

The Cluster House is based in Nis, the Southern Serbia, with impacts in the Balkans.

The Cluster House developed a few powerful tools for sustainable cluster-based economic development in the region:

- [BBS Days of Clusters Conference](#)
- [BBS ClusNet](#)
- [Balkan Cluster BG-RS cross clusters collaboration](#)
- [CZ-RS Cluster-Based SME Trade Bridge](#)
- [Serbian ClusNet](#)

The Cluster House Model is a tailor made and a demand driven business development model for cluster-based SME development in countries in transition and developing countries:



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The Cluster House business philosophy is to act locally and think globally. It is an organizational member of the Global TCI Network, a member of the ECCP and the ELAN Network and a partner institution of the INSME, the France Clusters and the ESCA.

The Cluster House, as an umbrella organization or a meta-cluster organization in the region, develops equal partnership collaboration with the intermediary cluster development organizations in the BBS Region: National cluster associations, Cluster management organizations and Consulting Clusters.

The Cluster House is the initiator and organizer of the BBS Conferences DAYS OF CLUSTERS since 2010. The conference was a bilateral project between the Cluster House and cluster actors of the conference host country and a powerful tool for Balkan clusters internationalization, gathering over 1500 policy makers, cluster experts, practitioners and cluster managers from 33 countries from 5 continents for seven years implementation. The DAYS OF CLUSTERS conference became a worldwide well known cluster brand name and in last two years many cluster organizations organize the Cluster Day(s) in their countries. The conference contributed to the BBS region promotion on the European and the global market, to making project partnerships and to cluster development promotion advocating for the national cluster policies development in the region.

The most important outputs of the conferences were:

VI BBS Conference „DAYS OF CLUSTERS 2015“, Brasov, Romania

The SMART CLUSTER POLICY Declaration aimed to the governments of the Danube Region countries and their representatives in the EUSDR's Priority Area 8 Steering Group to put the set of proposals on their agenda which will contribute to the creation of the cluster environment in the region.

VII BBS Conference „DAYS OF CLUSTERS“, Ohrid, Macedonia

Agreement on Cluster-Based Cooperation between S.Korea and BBS Region (Slovenia, Croatia, BiH, Serbia, Romania, Bulgaria, Macedonia) with CZ and HU signed on September 23, 2016

2. Follow the European policies and actions towards the development, improvement and up-grade of the existing national and regional cluster policies in the Balkans.

The Cluster House developed a Model for cluster development in countries in transitional and developing economics in the framework of the Danish LEDIB Programme mission in Nis City, Nisava District, Serbia, with the effects in the Balkans (2007-2012).

Since 2013 the Cluster House Model is functioning independently, demonstrating that bottom-up approach is the best approach to achieving long term sustainable economic development impacts in the Balkans. In order for this potential to be fully developed and put into the function of raising the competitiveness of the Balkans and the European Union itself, strategic support is necessary.

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*The Balkan clusters **need systemic, systematic, long term and bottom up support from the EC.** The Europe-Balkan Cluster-Based SME Bridge Programme could bring sustainable economic development and contribute in keeping the peace in the region.*

The Cluster House Model for cluster development is a bottom-up approach activating the local potentials for the development of the market, reducing poverty through the increase in employment rate with the special focus on accelerating the youth and women entrepreneurship.

The Cluster House Model recommends the following interventions and need funding from EC/DG Growth to Cluster House and cluster development activities in the Balkans:

- Support the **Balkan clusters identification and mapping** using the EC Cluster Mapping tool, in collaboration with EU Cluster Development Institutions such as the European Cluster Observatory and the ECCP. Due to the lack of financial support the BBS ClusNet is human-based developed and needs professional analysis of cluster data in the region. The BBS ClusNet consists of over 170 clusters, cluster management organizations and supporting institutions in the region.
- Support the development of the **Balkan cluster collaboration platform in Balkan languages** as an integral part of the ECCP. Due to the lack of English language speaking in the region, the big advantage of the Cluster House is communication in Serbian language which is understandable to most Balkan countries.
- Support of the **ESCA cluster excellence benchmarking** for the mapped Balkan clusters / currently there are 0 bronze label cluster in Macedonia, Montenegro, Albania, BiH, 1 in Slovenia, 2 in Bulgaria, Croatia and Greece, 3 in Serbia and Turkey, 21 in Romania; 1 silver label cluster in Turkey, Greece and Bulgaria, 10 in Romania, 0 in the rest of the Balkan countries; and only 2 gold label clusters in Greece for all Balkans!/. Due to the lack of national and local cluster policies and lack of cluster development finance, the Balkan clusters are not able to pass the ESCA cluster benchmarking procedures, but in the same time they are generators of local economic development in their country/district and very important partners for sustainable economic development in the Balkans.
- Support the **Cluster Manager Training and Mentoring program and cluster study trip** for benchmarked Balkan clusters in collaboration with The European Foundation for Cluster Excellence. Due to the lack of finance the last cluster management training program was implemented in the Balkans in 2012 thanks to Danish LEDIB Programme and the Cluster House.
- Support the establishment of **the Balkan Cluster Training Centre based in Leskovac, Southern Serbia and Sub-Centres in the Balkan countries** for providing cluster training programmes in local languages in collaboration with The Global TCI Network and the European Cluster Manager Training Program.
- Support the establishment of **the Balkan Institute for Cluster Development** for serving the BBS ClusNet members and stakeholders in local Balkan languages in collaboration with appropriate European institutions and the Global TCI Network - Institute for competitiveness, innovation and clusters and achieving the sustainable cluster-based economic development in the region.

The Cluster House is a coordinator of the following self-supported cluster networks:

THE BALKAN & BLACK SEA
CLUSTER NETWORK

The Balkan Cluster

CZ-RS SME TRADE BRIDGE
CrossClustersNetworking

SERBIAN ClusNet

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- *The Cluster House, the BBS ClusNet and the Balkan clusters are non-profitable and non-governmental self-supported organizations with developing members, without the financial support from the state, for access to EU funds the intermediary cluster organizations, meta-cluster organizations and clusters should be freed from the obligation to co-finance projects and to have a minimum bronze label until the creation of the cluster development environment in the Balkans. The EU should develop the special funding mechanism for the Balkans using the bottom up approach. Currently, especially in the Western Balkan countries, the EU's significant financial resources are spent through national institutions on the top level never reaching the real beneficiaries for the bottom level. The Balkan clusters did not have any EU-funded project on average for last 3-4 years! Due to very difficult economic situation in the region, Balkan cluster managers are enthusiastic, high educated and professional people who are very well aware of the regional economic benefits from clusters. The fact that the BBS ClusNet gathered over 50 clusters from the region which is missing the national cluster policy and the EU support, means that the Balkan cluster managers are the right drivers of the local economic development in the region and should be used in the Smart Balkan Cluster Policy development.*
- *The role of meta-cluster organizations and intermediary cluster development organizations in each country is important for driving the national cluster development, but national and the EU calls for project proposals are always related to clusters, not to meta-clusters or intermediary cluster development organizations, so that clusters can participate in the matchmaking event and apply with projects, but not intermediary cluster development organizations. The future EU support should be directed to meta-cluster organizations and intermediary cluster development organizations.*
- *Support the Cluster House, as meta-cluster organization, with intermediary cluster development organizations in each Balkan country for integral Balkan cluster development programs and the Balkan clusters – members of the BBS ClusNet for cluster development projects according to their cluster agendas/action plans/within the programme.*
- *Support the special training, coaching and cluster learning trip program for upgrading the policy makers' and academicians' awareness on cluster development and its benefits in agriculture and industry in the Balkans.*
- *Support the special Balkan cluster policy for encouraging the cluster-based women and youth entrepreneurship in the Balkans.*
- *Support the strategic communication using the multiple media to tell cluster stories in Balkan languages / Cluster House TV programme, INFOCLUSTER journal, web site etc.)*

The Cluster House and the BBS ClusNet are willing to support the EU cluster development institutions to jointly develop the Smart Balkan Cluster Policy which will support the EU integration process of the Balkans.

3. Gather and benchmark the existing cluster policies of the Balkan countries to evaluate their functionality and consistency and identify the best practices worth following.

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4. **Create the SBCP Model based on the most effective criteria and rules to be applied by the European Commission, DG Growth, the Unit for Cluster, Social Economy and Entrepreneurship on the national and regional levels.**

EC/DG Growth supports funding (grant schemes) for Balkan Clusters and their cluster development activities.

5. **Provide the participating parties with the possibility of public discussions, comments delivery and revision processes of the SBCP Model.**

Since 2011 the Cluster House BBS ClusNet experience and knowledge is that the clusters are powerful tool for social economic development in the region and enhancing delivery and broadening impacts of the European integration process of the Balkans.

The ECCP Greece Cluster Matchmaking mission in Thessaloniki brought the new optimistic time for Balkan clusters after the 5 long years lack of cluster development in the Balkans.

The Balkan cluster momentum should be kept and continued in Bulgaria through the building of strong partnership between the ECCP, the Global TCI Network and the Cluster House BBS ClusNet on the European TCI Cluster Conference organization which is planned in Sofia for 19-22 March 2018.

The next Danube and BBS cluster family gathering will be organized by Romanian Association of Clusters, ClusteRo, in Bucharest, 22-23 November 2017.

6. **Organise the EU high-level event on the official adoption of the SBCP Model by the governments of the Balkan countries.**

7. **Provide the SBCP programme with relevant sustainability measures, such as awareness building, cluster stakeholders training and impact assessment methodologies for the successful SBCP Model implementation in the national and regional cluster policies of the Balkan countries.**

In Thessaloniki on 14th September 2017

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