

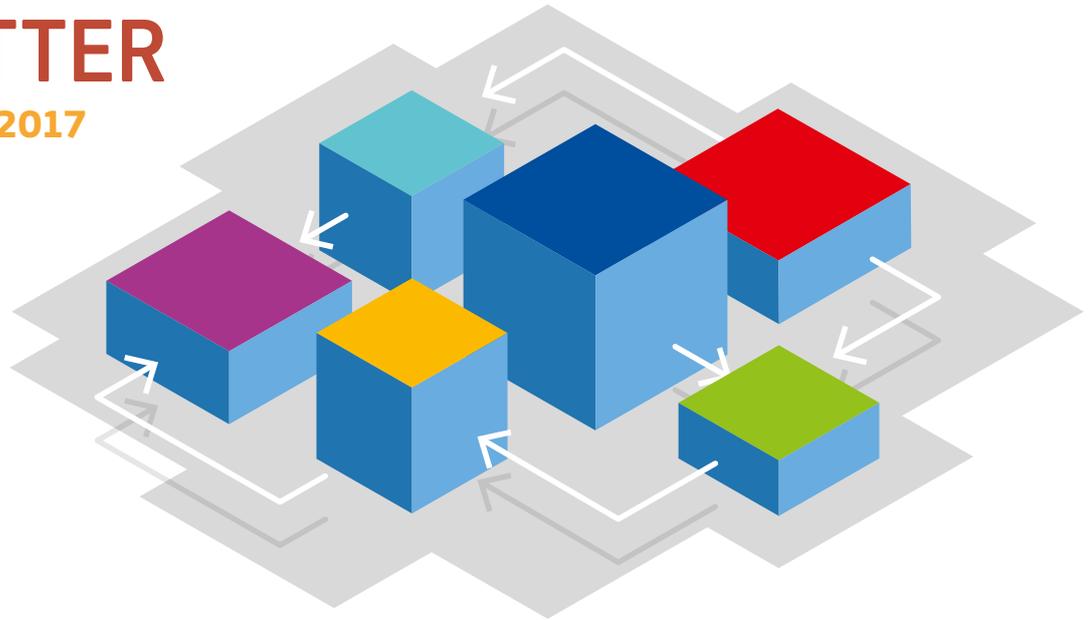


European  
Commission

European Cluster Observatory

# NEWSLETTER

Issue #4, February 2017



## From the Editor

Cluster policies have seen many exciting developments during 2016, such as the launch of the Smart Guide to Cluster Policy and the creation of closer ties between clusters and the implementation of smart specialisation strategies. Here at the European Commission we hope 2017 will enable us to build on these foundations and allow stakeholders to drive industrial modernisation and growth. Clusters can in this respect be used as an integrator of innovation, regional and economic policy.

The European Cluster Conference, held in Brussels in December 2016, gave us clear signals from cluster organisations and policy-makers on their interest to work together to shape smart industries. The Smart Specialisation Platform on Industrial Modernisation, launched in June 2016, is an important initiative in this context to support more strategic interregional cluster cooperation and investments.

The challenge for 2017 and beyond is to continue to successfully support the design of modern cluster policies across the EU that support investments and growth of our SMEs. I was therefore pleased to announce at the European Cluster Conference the new phase of European actions. This includes the renewal of the Cluster Excellence policy with a new call to be launched at the end of 2017 and two new calls in early 2017 for supporting European Strategic Cluster Partnerships. We are not only extending the international cluster policy dimension with supporting such partnerships for Going International, but we will also support cluster partnerships to boost smart specialisation investments

within the EU, both supported by the activities of the European Cluster Collaboration Platform.

Finally, I am pleased to announce the future development of the European Cluster Observatory, which shall evolve in 2017 towards stronger support for accelerating industrial modernisation. It will then consequently be renamed European Observatory for Clusters and Industrial Change.

Cluster policies have demonstrated their relevance and impact across the European Union and we are committed to strengthen and deepen our work to support the efforts at regional and national level. I believe European cluster policy is in a very good shape, when I am handing over responsibility to my successor, Ulla Engelmann, at the end of this month. As she comes from the Joint Research Centre, where she was responsible for international and stakeholder relations, clusters and smart specialisations are not new to her. I know she will drive the agenda with as much passion as I did.

**Michel Catinat**

*Head of Unit for Clusters, Social Economy and Entrepreneurship  
at the European Commission's Internal Market, Industry,  
Entrepreneurship and SMEs Directorate-General*

# European Cluster Conference 2016: Shaping Smart Industries

1st and 2nd December 2016 in Brussels



The European Cluster Conference 2016 represented the fifth edition of the event, and focused this year on the theme “**Clusters 4.0: Shaping Smart Industries**”. The aim of the conference was for policy-makers, cluster representatives and other intermediaries to discuss the most recent trends and priorities for cluster policies and cluster organisations in supporting **industrial modernisation**. The key question was “how to effectively use clusters to capitalise upon new technologies and service offerings that drive digitalisation and industrial transformation trends”. Indeed, clusters 4.0 calls for the

development of a **generation of advanced cluster policies** that responds to new industrial challenges through facilitating cross-sectoral value chains, fostering SME internationalisation, boosting interregional investments, and accelerating entrepreneurship and skills upgrading. The conference gathered more than 300 attendees from all over Europe.

The conference featured interactive group discussions and electronic voting to get immediate **audience feedback** on challenges and solutions. The discussions covered industrial modernisation aspects from three parallel angles: advanced and digital manufacturing, green manufacturing and the circular economy, and service innovation and the creative economy. It also hosted the elections of both the Cluster Manager of the Year 2016 and the European Strategic Cluster Partnership of the Year 2016 (for the first time).

The European Cluster Observatory created a dedicated hashtag on twitter - **#clusters4\_0**, which was used during the Conference: see the **twitter feed of the Conference**.

## Day 1 – Opening plenary session of the Conference



The European Cluster Conference was opened by a series of high-level speeches from Irmfried Schwimann, Deputy Director-General for Internal Market, Industry, Entrepreneurship and SMEs of the European Commission (DG GROW), Marc Lemaître, Director-General for Regional and Urban Policy of the European Commission (DG REGIO) and Lambert van Nistelrooij, Member of the European Parliament.

*“Clusters can help to implement the industrial modernisation in regions”* was one of the key messages highlighted by Irmfried Schwimann. She stressed the important role that clusters are playing as favourable ecosystems to turn more start-ups into scale-ups – as highlighted by the new Start-up and Scale-up Initiative adopted by the European Commission in November 2016.

Marc Lemaître used three key words to describe the role of clusters within regional ecosystem's: **“Innovation, Acceleration, and Collaboration”** to strengthen economic growth in the EU.



Both highlighted the recently established Smart Specialisation Platform on Industrial Modernisation as a key initiative in the context of this conference to boost strategic interregional cluster collaboration and investments.

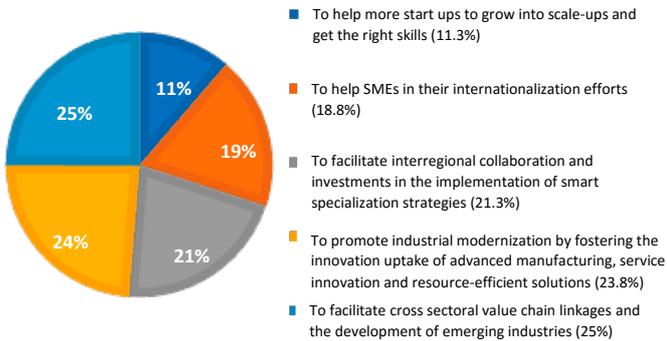
Read more about the key policy messages of the European Cluster Conference from the **Conference story**.

### ► High-level roundtable on Clusters 4.0

Christian Buchmann (Chair of the Committee of the Regions' Commission for Economic Policy), Manuela Garcia Pascual (Head of Department in the Ministry of Economy, Industry and Competitiveness, Spain) and Oscar Pasquali (Head of the Minister's Technical Secretariat, Ministry of Education, Universities and Research, Italy) spoke in the **Clusters 4.0** roundtable. The key message of their interventions was that clusters play a key role as integrators in national and regional ecosystems and as drivers of regional development. They, also emphasised the necessity for clusters to facilitate cross-border and cross-sectoral cooperation as part of shaping the industry 4.0. The experiences of both the Spanish and Italian national policy makers highlighted the importance of maintaining agile and focused national cluster policy frameworks.



► **Plenary session: Accelerating industrial modernisation and raising the bar on cluster excellence**



During the first plenary session Carsten Schierenbeck (Team Leader at the European Commission’s Clusters, Social Economy and Entrepreneurship Unit in DG GROW), set the scene for finding answers to the main questions that the Conference sought to address. Some of feedback captured from the 300-person audience through interactive voting is described below:

*What can cluster management contribute the most to achieve more growth and jobs?*

The majority of the participants answered: “Facilitating cross-sectoral value chains and the development of emerging industries” (26%) and “Promoting industrial modernisation by fostering the innovation uptake of advanced manufacturing, service innovation and resource efficient solutions” was also high (24%).

*What do you see as the biggest challenge for fostering cluster management excellence in Europe?*

The majority answered “Lack of resources: Cluster organisations are pre-occupied with ensuring their financial sustainability” (44%).

*What should be the guiding principle in the next cluster excellence call for supporting the twinning and/or coaching of cluster organisations in Europe?*

The majority answered: “Let cluster organisations team up along smart specialisation priorities and offer coaching for addressing similar challenges.” (42%), ahead of leaving it up to cluster organisations to decide at random (24%).

This introduction was followed by a roundtable discussion with Gerd Meier zu Köcker (VDI/VDE-IT, Germany, European Cluster Excellence Initiative), Anna Maassen (Hamburg Aviation, Germany, RUEAERO cluster excellence project), Daniel Cosnita, (Romanian Cluster Association, Romania) and, Rui Tocha (Pool-net Portuguese Tooling Network, Portugal, MATERIALIX cluster excellence project). The key messages from this discussion were:

- “Cluster excellence is still high on the agenda”, Gerd Meier zu Köcker. Cluster organisations have an increasing central role in economic policy development.
- The representatives of both Cluster excellence projects emphasised the importance of **sharing good practices of cluster management** between organisations to foster excellence.

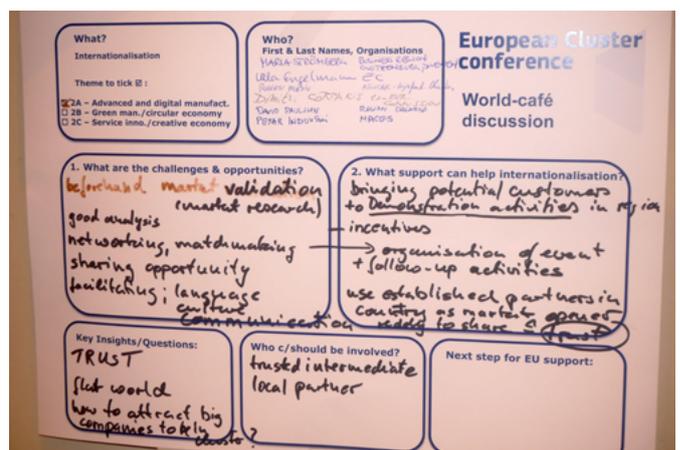
► **Key-note speeches**

The Day One conference agenda featured 3 key note speeches:

- Professor Slavo Radosevic, Professor of Industry and Innovation Studies, University College of London, made a strong and passionate call for a **new global value chain oriented cluster policy and interregional collaboration approach**. His plea was based on the observation that place-based policies alone are not sufficient responses to structural issues such as the diversity and gaps between the EU regional ecosystems.
- Christian Ketels from Harvard Business School and member of the European Cluster Observatory team presented the key aspects of the **European Cluster Panorama 2016** that was published at the occasion of the conference. He presented the results on clusters and activities in emerging industries in an interactive quiz format. It showed for instance, that young, fast-growing enterprises (so-called gazelles) in strong clusters employ more staff (35) compared to elsewhere (24).
- Professor Scott Stern, Professor of Management, MIT Sloan School, Cambridge, USA, in his presentation of the MIT Regional Entrepreneurship Acceleration Programme, introduced the necessity of using **regional entrepreneurship comparative advantages** and argued to move from smart specialisation to smart acceleration of entrepreneurship.

The afternoon of the **Day 1** of the Conference was dedicated to discussing two challenges for cluster policies and cluster organisations:

- **Session 1: Using clusters to accelerate entrepreneurship and promote skills**
- **Session 2: Fostering internationalisation through clusters**



These challenges were discussed in parallel sessions according to the three main conference “thematic themes” – chosen for their relevance in the context of industrial modernisation:

- Advanced and digital manufacturing
- Green manufacturing and the circular economy
- Service innovation and the creative economy

The parallel sessions were animated by moderators from the European Cluster Observatory and the European Cluster Collaboration Platform teams. The sessions featured practical cases, a ‘hard talk panel’ and participatory ‘world café’-style group discussions on the challenges and solutions for cluster policies and cluster organisations to address these topics. The results of the discussions were gathered in the form of discussion templates that have been made available at <http://clusterconference2016.eu/documentation.jsp>.

The results of the parallel sessions were debriefed in the afternoon plenary by the rapporteurs appointed for the three topics: Richard Tuffs (ERRIN), Susan Jay (WRAP, European Resource Efficiency Excellence Centre) and Rasmus Wiinstedt Tscherning (Creative Business Cup). The key messages were:

- “Clusters have a key role in enhancing and supporting entrepreneurship”. Clusters are facilitators for entrepreneurs to navigate throughout the ecosystem and for big companies to find and engage with innovative small companies and start-ups.
- There are a number of **organisations and networks that support cluster internationalisation** for the benefit of their members: cluster partnerships dedicated to internationalisation such as the European Strategic Cluster Partnerships – Going international (ESCP-4i), the **European Cluster Collaboration Platform** which facilitates cluster internationalisation through matchmaking missions and a collaborative platform and the European Enterprise Network. ESCP-4i cluster projects (NATUREEF, Silicon Europe Worldwide, BioXClusters+, the EU4Sport Cluster Alliance, the European Circular Construction Alliance and GIVE) were particularly showcased in the second set of parallel sessions dedicated to discussing internationalisation through clusters.
- Some clusters in Europe are international by nature and not by choice – given their thematic focus.
- Green manufacturing: “green innovation should not be seen as separate but be integrated in manufacturing” within an industry 4.0 approach.

### ► The European Cluster Conference Award session

Day One of the Conference ended with the announcement of various Clusters Awards: the **Cluster Manager of the Year** and the very first award rewarding the excellence of an **European Strategic Cluster Partnership** in promoting internationally the partnership’s activities for the benefit of SMEs. The awards were organised jointly by the European Cluster Observatory and the European Cluster Collaboration Platform (ECCP).

The Cluster Manager of the Year 2016 Award went to **Bianca Dragomir** (General Manager of AVAENSEN, Spain) and **Energy in Water** (EnW, ESCP-4i) won in the category European Cluster Partnership 2016 Award.



The winners Bianca Dragomir, AVAENSEN, and Pieter de Jong, representing EnW (in the middle), with Marc Pattinson, ECCP, Anna Sobczak, Carsten Schierenbeck, Christophe Guichard, all from DG GROW and, Lucia Seel, ECCP (from left to right)

The **Cluster Manager of the Year Award** provides an opportunity for European Cluster managers to showcase their excellence and for the European Union to promote the excellence of European cluster initiatives. This year, after all the cluster manager applications had been evaluated, the international jury shortlisted 4 European candidates, to compete and pitch in front of the audience at the European Cluster Conference 2016. The audience then made their choice via an online voting tool.

The winner of the audience vote was **Bianca Dragomir**, cluster manager of Valencian Region Renewable Energy Cluster (AVAENSEN) (Spain), who has become the **Cluster Manager of the Year 2016**. During her pitch, she explained how she had tried to “reinvent their cluster concept” during her 4-year tenure. Today, her cluster organisation AVAENSEN has a cluster excellence bronze label and 120 members, an increase of 25% over two years. The other shortlisted Cluster Manager candidates were **Marc Charlet**, from the French Pôle de compétitivité MOV’EO, **Peter Simkens** from DSP Valley (Belgium) and **Georges Falessi**, from the French Pôle de compétitivité Secured Communication Solutions (SCS).

The **European Strategic Cluster Partnership Award 2016**, rewarding ESCP-4i projects’ communication activities, was organised for the first time. The Award provided an opportunity for **European Strategic Cluster Partnerships for Going International** (ESCP-4i) to showcase their excellence in promoting their activities through various channels, including the ECCP. **Three partnerships were shortlisted by a high-level and international jury: NATUREEF, Energy in Water and bioXclusters Plus.** Following the 3 individual presentations of the projects’ international promotional activities, the audience voted for the best candidate and the award went to **Energy in Water (EnW)**.



Read the full news item and press release about the awards on [the European Cluster Collaboration Platform](#).

## Day 2 – Plenary session on interregional cluster collaboration and value chain linkages

The second day of the Conference was opened with a roundtable discussion giving “impulse presentations”, on the topic of the day – **inter-regional cluster collaboration and value chain linkages** – prior to a full morning of parallel sessions on these same topics. The roundtable gathered Slawomir Tokarski, director for Innovation and advanced manufacturing at the European Commission (DG GROW), Colin Wolfe, head of the Competence Centre for Smart and Sustainable Growth (DG REGIO), Paola Peduzzi, Finlombarda, Head of Business Support Services, Lombardy Region, and Pieter de Jong, Water Alliance (NL) from the Energy in Water ESCP-4i, who took the slot for the European Strategic Cluster Partnership of the Year.

The main highlights of the discussion were:

The success of **smart specialisation policies relies on the involvement and engagement of the ecosystem**, especially businesses, to work together.

- **The next challenge for smart specialisation is the international and interregional dimension:** succeeding in building connections between regions and their eco-systems and clusters. This will be the role of the **Smart Specialisation Platform for industrial modernisation**: a platform for regions having similar priorities to cooperate and encourage interregional cluster collaboration. The forthcoming call for proposals for European Strategic Cluster Partnerships for smart specialisation investments (ESCP-S3) will support this process. The mapping of regional strengths and competencies of the European Cluster Observatory and the partnering tool of the European Cluster Collaboration Platform can be used to help with the matching and linking regions and their clusters together.
- **Clusters remain key stakeholders in the implementation of smart specialisation strategies** because they gather a critical mass of relevant actors, notably SMEs, and are the relevant vectors for regional cooperation and joint projects and interregional networking and cooperation.

### ▶ Parallel sessions

The rest of the morning was dedicated to discussing the challenges for cluster policies and cluster organisations according to the conference’s three thematic topics in the following two parallel sessions:

- **Session 3: Boosting interregional collaboration and investments through cluster partnerships**
- **Session 4: Clusters facilitating new cross-sectoral value chains**

In session 3, the ESCP-S3 pilot cluster project EURECAT-ERICA was presented whilst in session 4 the recently launched INNOSUP-1 cluster projects launched under the EU’s research and innovation programme Horizon2020 (KATANA, NEPTUNE, PERMIDES) were showcased. The parallel sessions were debriefed in a plenary session by the three rapporteurs Richard Tuffs, Susan Jay and Rasmus Wiinstedt Tscherning.

### ▶ Closing panel – Next steps for the European Cluster Policy



Michel Catinat, Head of Unit for Clusters, Social Economy and Entrepreneurship at the European Commission (DG GROW) set out the next steps for the European Cluster Policy. He explained that clusters are entering an exciting period and represent

“the solid foundations of the smart specialisation policy: We received a clear signal from clusters on their interest to participate and support smart specialisation for industrial modernisation”. The main challenge of the next generation of cluster policies is to continue to be successful on cluster excellence, cluster collaboration and cluster internationalisation in the coming years and engage in a renewal on these topics. The next important calls for clusters in 2017 will be the cluster excellence call, the call for European Strategic Cluster Partnerships – Going International and the new call for European Strategic Cluster Partnerships for Smart Specialisation.

Bianca Dragomir, the European Cluster Manager of the Year 2016 was given the opportunity to participate in the closing panel: *“I take this Award as a strong motivation to keep challenging and reinventing the cluster concept beyond its traditional boundaries, but also as an encouragement and inspiration to other European clusters to also pursue their efforts. European clusters are business and innovation impact multipliers and we need to make the most of them”* said Ms Dragomir.

### ▶ Closing remarks



Lowri Evans, European Commission DG GROW, Director-General for Internal Market, Industry, Entrepreneurship and SMEs, had the final words of the Conference and noticed the **transformational energy** that the European Cluster Conference displayed. Lowri Evans highlighted the potential of clusters to bring policies together, link sectors and be a vector for change. *“Clusters and cluster policies have now an even stronger role to play, they can act as multipliers and accelerators for industrial modernisation”*.

In the context of the global industrial revolution, Europe needs more investments to be able to compete with the other world leaders. “We need more success stories and we need to scale-up our successes” said Lowri Evans. The European Commission will continue to support and develop modern cluster policies to support these goals with the support of Member States.



Lowri Evans, Michel Catinat, Christophe Guichard, DG GROW, with Bianca Dragomir, AVAENSEN, the European Cluster Manager of the Year 2016, and Pieter de Jong, representing EnW, the EU Cluster Partnership of the Year 2016.

Watch the video of the European Cluster Conference 2016, shown at the end of the Conference.



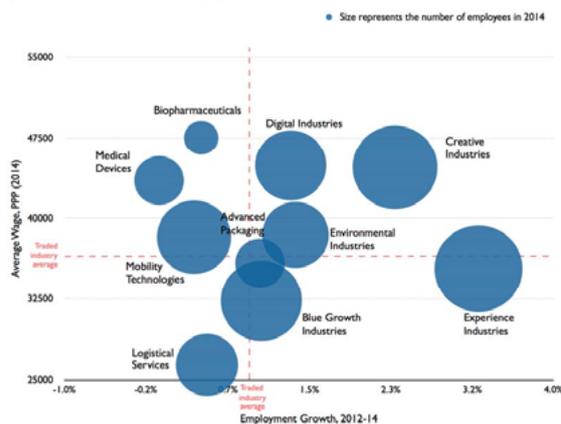
The Conference organisers and moderators (DG GROW, European Cluster Observatory team, the Conference moderator Emily Wise, from Lund University, Sweden, European Cluster Collaboration Platform team, ERRIN network).

Read the news article related to the Conference on the DG GROW’s website. The Conference materials (programme, presentations, biographies) are available on the Conference website: <http://clusterconference2016.eu/>

## NEW REPORT: the European Cluster Panorama 2016 is available

The European Cluster Observatory published the European Cluster Panorama 2016 on the occasion of the European Cluster Conference held in Brussels on 1-2 December 2016. The Panorama provides an updated perspective on clusters focusing again on the evolution of the ten emerging industries identified in 2014. It documents the role and benefits of strong clusters and shows how emerging industries continue to outperform the rest of the economy. An entirely new data set adds insights on skills, entrepreneurship, and the evolution of clusters over time. Read the [European Cluster Panorama 2016](#).

Figure 6: Performance of Emerging Industries



## Latest cluster cooperation news

### Cluster matchmaking event on 30 November 2016 in Brussels: 114 clusters from 21 European countries and over 500 face-to-face meetings



The the European Cluster Collaboration Platform with the support of AWEX and the Enterprise Europe Network organised a match-making event in Brussels on the day before the European Cluster Conference. It gathered together 114 cluster organisations from 21 countries. These clusters represented more than 10.000 SMEs in Europe that will benefit from the contacts and the concrete cooperation initiatives developed during the matchmaking sessions. With new calls for proposals related to cluster collaboration to be launched in 2017, this event represented a great chance to initiate European Strategic Cluster Partnerships.

This event followed up from cluster matchmaking missions organised earlier in 2016 by the European Cluster Collaboration Platform. These included the Hannover Fair in Germany, Pollutec in France and overseas missions to Iran and Mexico. A further five cluster-to-cluster (C2C) missions will be organised in 2017.

## Public consultation on Smart Specialisation still open

Cluster organisations are invited to express their opinion on smart specialisation during the public consultation open until 24 March 2017. The objective of this public consultation is to collect views and suggestions, to understand challenges and to identify good practises and lessons learnt from the different categories of stakeholders and regions for the further

development of research and innovation driven growth through “Smart specialisation strategies”. Shape the next phase of smart specialisation by contributing with your experience to the online questionnaire available at [http://ec.europa.eu/regional\\_policy/en/newsroom/consultations/smart-specialisation/](http://ec.europa.eu/regional_policy/en/newsroom/consultations/smart-specialisation/)

## EU Industry Day will gather over 400 stakeholders on 28 February in Brussels

The European Commission is organising the first ever **EU Industry Day** on 28 February in Brussels. Over 400 stakeholders will join the discussions on shaping the industrial agenda of tomorrow. Participants will include Commission Vice-President Jyrki Katainen, and Commissioners Elżbieta Bieńkowska (Internal Market, Industry, SMEs and Entrepreneurship) and Carlos Moedas (Research and Innovation), key industrial players and the European Cluster manager of the Year 2016 Bianca Dragomir. Registration is closed already, but the event can be followed via webstreaming and twitter at [#EUIndustryDay](https://twitter.com/EUIndustryDay). More information is available at [http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item\\_id=9063](http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=9063)



## Contact

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The European Cluster Observatory is implemented through a service contract from the **“Clusters, Social Economy and Entrepreneurship”** unit of the European Commission’s Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs.

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The key members of the team led by VDI/VDE-Innovation + Technik GmbH include Technopolis Group, Center for Strategy and

Competitiveness of the Stockholm School of Economics, Orkestra, inno TSD and TIPIK.

Please find further information, or follow the European Cluster Observatory activities, at: <http://ec.europa.eu/growth/smes/cluster/observatory>

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