



**Views of Tactics¹ (and the European Cluster Alliance)
INTEGRATING CLUSTER POLICIES WITHIN THE FUTURE EU PROGRAMMES**

Future research and innovation policies should address the changing role of clusters to facilitate the emergence of new and revitalised competitive industries in Europe, and ensure stronger engagement of SMEs in EU programmes.

On the basis of its collective experience, the TACTICS consortium, together with members of the European Cluster Alliance (gathering 120 members, policy makers), and with European networks EURADA and ERRIN² would like to emphasize the need for a strong cluster policy within the future EU programmes dealing with regional competitiveness.

Since the early 1980s, public authorities responsible for economic development have used cohesion policy instruments to develop innovation strategies including the nurturing of clusters. In 2006, the EU identified strengthening clusters in Europe as one of the nine strategic priorities for successfully promoting innovation. This was followed in 2008 by the EU Communication on World Class Clusters which argued that Europe needed world class clusters with a critical mass and innovation capacity to face global competition. Strong clusters offer a fertile combination of entrepreneurial dynamism, intensive linkages with top level knowledge institutions and increased synergies among innovation actors and contribute to achieving the objectives of the Lisbon Strategy (now the Europe 2020 Strategy). ***Striving for excellence should thus be a high priority.***

Despite the importance of clusters, they seem to have been somewhat missing in the discussions about the future research and innovation policies. However, not only are ***clusters central to innovation and competitiveness, they also have adapted to new trends.*** Therefore, we must now make ***a better use of clusters.*** Clusters are a necessary and an important tool to improve economic performance.

EU programmes, such as Cohesion Policy, COSME and Horizon 2020 should recognise excellent clusters and their specific mission to link research and innovation and support effective and efficient regional innovation eco-systems.

In Cohesion Policy, cluster initiatives can contribute to the objective of territorial growth and job creation. Cluster organisations mobilise regional stakeholders and build bridges across different actors and sectors. Clusters are significant tools in the implementation of Regional Innovation Smart Specialisation Strategies and transnational or interregional cooperation programmes, by fostering cross-border cooperation.

In contrast to Horizon 2020, the Guide to Smart Specialisation has over 40 references to clusters and clusters appear as one of the four C's of Smart Specialisation under 'Connectivity and Clusters'. Indeed, according to the guide, a good smart specialisation strategy should catalyse structural change and the emergence of critical clusters so that agglomeration externalities, economies of scale, economies of scope and local spillovers can be fully realised in the process of knowledge production and distribution.

Clusters offer support, via their contacts, networks, technical expertise, inter-cluster activity, etc. to SMEs so they can diversify into new markets, seek out new technologies and new processes and are therefore very strong elements of sectoral strategies. This is even more important with the increased emphasis and funding on research **and** innovation and the competitiveness of SMEs. Clusters play a key role in the implementation of thematic priorities and provide a point of dialogue between policy makers and on the ground activities.

In COSME, cluster organisations are one of the very few vehicles capable of building the more widely diversified industrial manufacturing value chains that are vital in Europe, through cross-sectoral and inter-clustering activities, linking very diverse companies and contributing to industrial competitiveness.

¹ The TACTICS consortium (Oseo, France; VINNOVA, Sweden; TMG, Upper Austria; Veneto Innovazione, Italy; PAED, Poland; Manchester Metropolitan University, UK; and IWT, Flanders/Belgium)_Information on Tactics outputs "Key messages and practical recommendations on cluster policies" <http://www.proinno-europe.eu/eca/page/results-publications>

² ERRIN position papers reflect the views of the network but may not reflect the views of individual ERRIN members



With their proximity to firms, cluster organisations can also be helpful facilitators of knowledge exchange in international inter-cluster cooperation, involving SMEs which have more difficulties to develop international cooperation, help them identify relevant partners and initiate trust-building processes that are directly oriented to market impact.

Clusters also play a key role helping SMEs access to finance - one of the most important concerns for SMEs in the current crisis. Cluster initiatives raise awareness, inform, explain and identify those companies and in particular SMEs able to grow fast and to benefit from venture capital. This is where clusters can work in synergy with a reformed Enterprise Europe Network and build stronger and more efficient regionally embedded networks together.

In Horizon 2020, cluster organisations facilitate the dissemination of information about EU programmes and the setting up of project partnerships, enabling more SMEs to come on board. They can also encourage collaborative bidding by SMEs for public procurement initiatives.

Open innovation means that firms, universities and other innovation actors are looking for efficient ways to access globally dispersed knowledge and collaborate with these specialised knowledge hubs. Innovation actors should use clusters to involve user-driven communities and innovative SMEs more actively in the innovation process.

To link research, innovation and regions, we support the renewal of the Regions of Knowledge (RoK) programme. RoK allows **synergies between innovation stakeholders** in EU regions, and highlights the importance of strategy building and mid-term vision, compatible with the smart specialisation strategy. It raises awareness on building a strategy and is a crucial tool to help clusters on their way to excellence. In line with this assertion the Tactics consortium fully supports ERRIN's "**Regions need innovation and innovation needs regions**" position paper³.

We therefore recommend that the future EU programmes make better use of clusters through the following actions:

- foster inter-clustering and cross-fertilisation platforms to encourage cross sectoral /disciplinary, and international linkages, thereby also stimulating emerging industries and services and responding to societal challenges
- channel research and innovation funds through cluster organisations for increased focus on business benefit and commercialisation,
- use cluster organisations to stimulate participation of SMEs in Community research and innovation programmes
- restore a regionally focused programme similar to RoK within Horizon 2020

To facilitate these recommended actions the new innovation policies should focus public private funding mechanisms towards cluster organisations for the benefit of their businesses.

More information

<http://www.proinno-europe.eu/eca/news-and-events> as from September 2012: www.ECA-Tactics.eu

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³ ERRIN News release, 21st November 2011