



ACTION PLAN

CLUSTERIX 2.0 NEW MODELS OF INNOVATION FOR STRATEGIC CLUSTER PARTNERSHIPS

FLANDERS

Flanders Innovation and Entrepreneurship
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Part I – General information

Project: **CLUSTERIX 2.0 - New Models of Innovation for Strategic Cluster Partnerships**

Partner organization: Flanders Innovation and Entrepreneurship

Country: Belgium

NUTS2 region: Région de Bruxelles-Capitale/Brussels Hoofdstedelijk Gewest

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Part II – Policy context

The Action Plan aims to impact:

<input type="checkbox"/>	Investment for Growth and Jobs programme
<input type="checkbox"/>	European Territorial Cooperation programme
<input checked="" type="checkbox"/>	Other regional development policy instrument

Name of the policy instrument addressed:

Flanders Cluster Support Programme

INTRODUCTION

Flanders has a history in cluster support from supporting technology valleys (1990's) to competence poles (2008) and recently the innovation platforms (2011). In 2016, we developed a new approach for cluster support in the Flanders Cluster Support Program:

- new projects: besides the former encouragement of R&D projects (in competence poles and innovation platforms) we envisage to stimulate collaborative developments in all aspects of businesses, creating added value through the creation or adaptation of new products, processes or services, along new value chains or based on new business models;
- improved governance: the approach for cluster support will be based on a competitiveness program, with active involvement of the companies, and will be followed up based on Key Performance Indicators representing the results of their actions and the generated impact for the cluster members. The government is committed to support the cluster organizations and to support the activities of the cluster as described in their competitiveness program and agreed upon in a so-called cluster pact.

With this cluster program, focusing on an increase in collaborative activities among companies, we want to improve the overall innovation capacity and competitiveness of the Flemish Region. The merge of the Flemish Agency for Innovation (IWT) and Enterprise Flanders (AO) into the Flanders

Innovation and Entrepreneurship in charge of the Flanders Cluster Support Programme offered the opportunity to develop a holistic and more flexible cluster program supporting companies for a very broad range of activities from R&D to investments to market introduction.

The European Cluster Policy Benchmarking and Peer review carried out by ESCA in the project CLUSTERIX 2.0 provided the opportunity to benchmark the Flemish Cluster Policy to peers in Europe. This benchmark exercise was performed in the first half of 2017. It became evident that Flanders is in the middle group of European regions when it comes to the implementation of S3 through clusters, with a score close to the average of the comparative portfolio. It was mentioned that it had to be taken into account that Flanders started a bit late with the implementation of its S3, but that the Flemish clusters were significantly involved in the development of its S3. Among others, we were during the benchmark exercise just about to implement the (new) cluster support schemes, which targets on two level approach (spearhead clusters and innovative business networks). This two level approach was by ESCA considered as an excellent approach towards tailor-made support schemes for clusters (managements). ESCA therefore expected that the performance of Flanders would be increasing on the short term (“coming months”). The most underperforming criteria were related to alignment of cluster policies with other policies and measures on the national level, dynamics of cooperation between regional development agencies/policy makers and clusters, mechanisms to enable/support cross cluster collaboration, tailor made evaluation and monitoring approach for cluster development, maturity of cluster organisations and common long-term business model for clusters. Our region performed well above average for access of clusters to flag ship initiatives/programmes under S3, budget for cluster organisations to fulfil their role as tool to implement S3, continuation and sustainability of cluster support, evaluation as a tool for continuous improvement, and experiences and capability of cluster organisations to initiate innovation-driven cross sectoral cooperation.

Part III – Details of the actions envisaged

ACTION 1: Introduction of Services for Cluster Management Organisations

1. The background

Lessons learned:

In several CLUSTERIX 2.0 partner regions cluster organisations have access to services¹ that are specifically designed for them, with the ambition to improve their performance. These services can be offered by the governmental organisation that financially supports or recognizes clusters through their cluster policy or programme or by third parties. Examples of “internal” offered services are for example the support that the Region Skåne offers towards the ESCA-labelling of its clusters. Cluster Excellence Denmark and France Clusters are examples of third parties that offers services towards clusters in respectively the regions of Southern Denmark and France (CLUSTERIX 2.0 partner region: Auvergne-Rhône-Alpes).

From amongst others these CLUSTERIX 2.0-partners we learned that non-financial support to cluster management organisations (CMOs), next to the financial support we already offer, can contribute significantly to higher cluster excellence, and consequently to the impact of CMOs towards their company members.

During the first period of the CLUSTERIX 2.0 project, the services towards CMOs in the Flanders region were limited amongst others because of the recent new support programme for clusters. The services offered include the assignment of an account manager from our agency to the cluster and learning platforms. In addition, we concluded in 2017 the first cluster pacts (see also the good practice description on the CLUSTERIX 2.0 website). This cluster pact, which is only available for spearhead clusters and is a new tool for Flanders, is an agreement between the spearhead cluster, cluster members and government on commitments regarding clusters' competitiveness plan (additional to the funding agreement).

Based on the first exchange of experience between the CLUSTERIX 2.0 partners, the working group on Services for CMOs (cluster management organisations) was set up. The Working Group met in Győr (Feb/2018), Clermont-Ferrand (May/2018) and in Budapest (Sept/2018) and involved project partners from Hungary, Romania, Denmark, France and Sweden as well as external experts from Spain and Germany. The objective of this working group was to structurally identify good examples of services to CMOs in CLUSTERIX 2.0 and other European regions: which services, how are these services set up and organised, financial set up, lessons learned, etc. Within the context of CLUSTERIX 2.0, Flanders also organised a bilateral meeting with France Clusters (Region Auvergne-Rhône-Alpes).

The next step was to translate the findings to the specific context of the own region, amongst others based on an inventory of the needs of our clusters (CLUSTERIX 2.0 local stakeholders).

¹ With services, we mean all measures and activities that support the cluster organisations in their work, next to the basic funding received to the funding programme.

Concrete **lessons learned** in the CLUSTERIX 2.0 project were:

- Learning from other clusters by exchanging experiences and views is the most appreciated method for learning (experience Cluster Excellence Denmark (stakeholder of Region Southern Denmark), consultation Flemish stakeholders);
- Preferred or exclusive access to financing (grant) to innovation projects is very valuable in the implementation of the cluster strategy (INMA Romania) and a dedicated project budget is a prerequisite for cross cluster cooperation (European Cluster Policy Benchmarking and Peer review)
- Added value for labelling: labelling can be used as a precondition to access budget for innovation projects of clusters and their members (input from experts invited to the workshops), as a tool to increase cluster management capacities (INMA Romania, Westpannon Hungary), group sessions with CMOs could be organized instead of individual interviews in the labelling procedure (Region Skåne), labelling as a tool to facilitate international cooperation;
- Support in the sustainability of the business model of the CMO: a tailor made service package of the CMO towards its members is essential in a sustainable business plan (France Clusters, stakeholder of Region Auvergne-Rhône-Alpes);
- Coaching or supporting of CMOs in the development of this service package can provide added value to the Innovative Business Networks in Flanders, for which the basic funding through the cluster programme will end after three years (Flemish stakeholders).

These lessons learned were mainly the **result of the meetings and work related to the Working Group Services for CMO's**. They are not directly related to the listed good practices of the CLUSTERIX 2.0 project, of which most were defined before we started the work in the Working Groups.

Another learning resulted from the joint study "Regional Experiences with PPI". Region Southern Denmark coordinated this analysis regarding the regional use of new tender opportunities to support Public-Private Innovation in CLUSTERIX 2.0 partner regions in the framework of Working Group PPI. An external expert interviewed partners and regional stakeholders in summer 2018. The head of the Flemish Program for Innovation Procurement also provided input. Region Southern Denmark and the external expert presented the results at the project meeting in Debrecen (Nov/2018). The main learning from this study was

- A better understanding of various possible roles of clusters in the different stages of Public Private Innovation: facilitating market dialogue, cooperation of public procurers and private partners in research and development, innovative tendering (European Tender Directive, Dir. 2014/24/EU) and strategic cooperation on PPI.

It inspired P9 to organise a meeting with regional clusters in January 2019 to discuss the transferability of the learnings to the Flemish situation. The meeting started with a presentation of the Flemish Program for Innovation Procurement, followed by the presentation of the learnings from the CLUSTERIX 2.0 analysis. In an interactive discussion, FIE and the cluster managers discussed the following questions: How do you see the role of clusters in PPI: a) in the various phases of the PPI trajectories (preparation phase, procurement phase, execution of the assignment), b) with respect to the different relevant actors in Flanders (Flemish Program for Innovation Procurement, government and enterprises); and c) other possibilities and opportunities?

2. Description of Action

In order to set up a substantiated plan for the development and executing of a service package to support cluster management organisation, we already started with implementation of first learnings in the first phase of the project.

- **Step 1:** The benchmark study showed that Flanders underperformed regarding the mechanisms in place to support cross cluster collaboration. This conclusion was one of the reasons to organise three **intercluster calls for innovation projects** (2017/2018). We started to organize **matchmaking** events for cluster managers as a new non-financial incentive to raise awareness for intercluster collaboration and to stimulate project proposals. This non-financial incentive would not have been introduced without CLUSTERIX 2.0 and the learnings from the exchange of experience in the peer group discussion. As a result, the calls were successful in terms of number and quality of applications.
- **Step 2:** Intercluster manager procurement: one of the learnings of these intercluster calls for innovation projects was that our clusters do not have enough resources available to pay enough attention on the opportunities that intercluster collaboration can offer. As a service, and in close collaboration with the spearhead clusters, our agency decided to procure for two FTE intercluster managers, to initiate and anchor the intercluster collaboration, with the aim to increase the number of innovation projects relevant for and executed by members of 2 or more clusters. The **intercluster managers** started in autumn 2018.
- **STEP 3:** First draft of **service package plan for Flanders**: the plan for 2019 was submitted to the management board in January 2019. As a direct result of the CLUSTERIX 2.0 project, it includes a service to support the cluster managers in the development of the sustainable business model (learnings from the Working Group Services for CMO's) as well as a learning platform focussed on the topic of PPI (inspired by the analysis regarding the regional use of new tender opportunities to support Public-Private Innovation performed in the Working Group on PPI).

In the second phase, we will focus on the following actions:

- **Step 4:** further development of the service package plan for Flanders, based on the learnings on phase one. Within the Working Group of Services for CMOs we identified the services offered for clusters in the other regions. Based on the needs of our clusters, which will probably also will change in time, these identified services will provide an excellent bases for making available similar services to our Flemish cluster. To offer these services to our clusters, these services can be tailor made for our Flemish clusters, or we might set up collaboration with partners in other regions.
- **Step 5:** developing minimum two new services to Flemish clusters, including the above-mentioned service regarding the business model. The procurement for the services regarding the business model was launched early May, within a framework agreement of FEI. We recommended in the specification of the procurement to include expertise on cluster business models in the tender. As we learned for discussions in the Working Group that the business models of clusters have to deal with very specific challenges. This learning is not related to specific good practices.
- **Step 6:** The yearly internal cluster team meeting in April 2019 will discuss how we can support the promotion of clusters and the cluster program, both in Flanders as

interregional/international. The method will be based on that presented on the CLUSTERIX 2.0 local stakeholder meeting on 19th December 2018.

3. Players involved

- FIE: as initiator and executer/responsible organisation of the service package
- CMO's: as beneficiaries of the services developed
- subcontractors as service providers (to be decided)

4. Timeframe

Step 1 Matchmaking events to foster cross-cluster collaboration	June 2017
Step 2: Intercluster manager services	Nov 2018 – Oct 2020
STEP 3: Development of service package plan for Flanders	January 2019
Step 4: Further development of the service package plan:	
“service package 2020”: plan 2020	January 2020
“service package 2021”: plan 2021	January 2021
Step 5: Developing minimum two new services to Flemish clusters:	
one new service developed and tested	April 2019 – March 2020
second new service developed and tested	April 2020 – March 2021
Step 6: Annual Team Meeting 2019 “how we can support the promotion of clusters and the cluster program, both in Flanders as interregional/international: April 2019”	April 2019

5. Costs

Internally about one FTE will be working on the services for cluster organisations, spread over various persons. In addition an additional budget might be necessary to implement the services, e.g. for external expertise. We estimate these costs on approx. 150-200 k euro/year (excl. costs for the intercluster managers).

6. Funding sources:

The funding will come from the FEI budget (“operational costs of the agency” and earmarked budget for cluster projects) and possible by a (limited) contribution from CMO's.

7. Monitoring

Indicator: Number of clusters that make use of the services offered by FEI (self-defined indicator according to CLUSTERIX 2.0 application form). We monitor this indicator on a regular basis.

Place, date: Brussels

Signature:

Mark Andries
Administrator General

Stamp of the organisation (if available):