



Support to firms networks and clusters in the Innovative Actions of ERDF

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Benedicte Mouton



Sustainable regional development

- No competitive regional economy without innovation
- No sustainable development without economic and social cohesion
- Economic and social cohesion requires public intervention : strong involvement of regional authorities and public private partnership

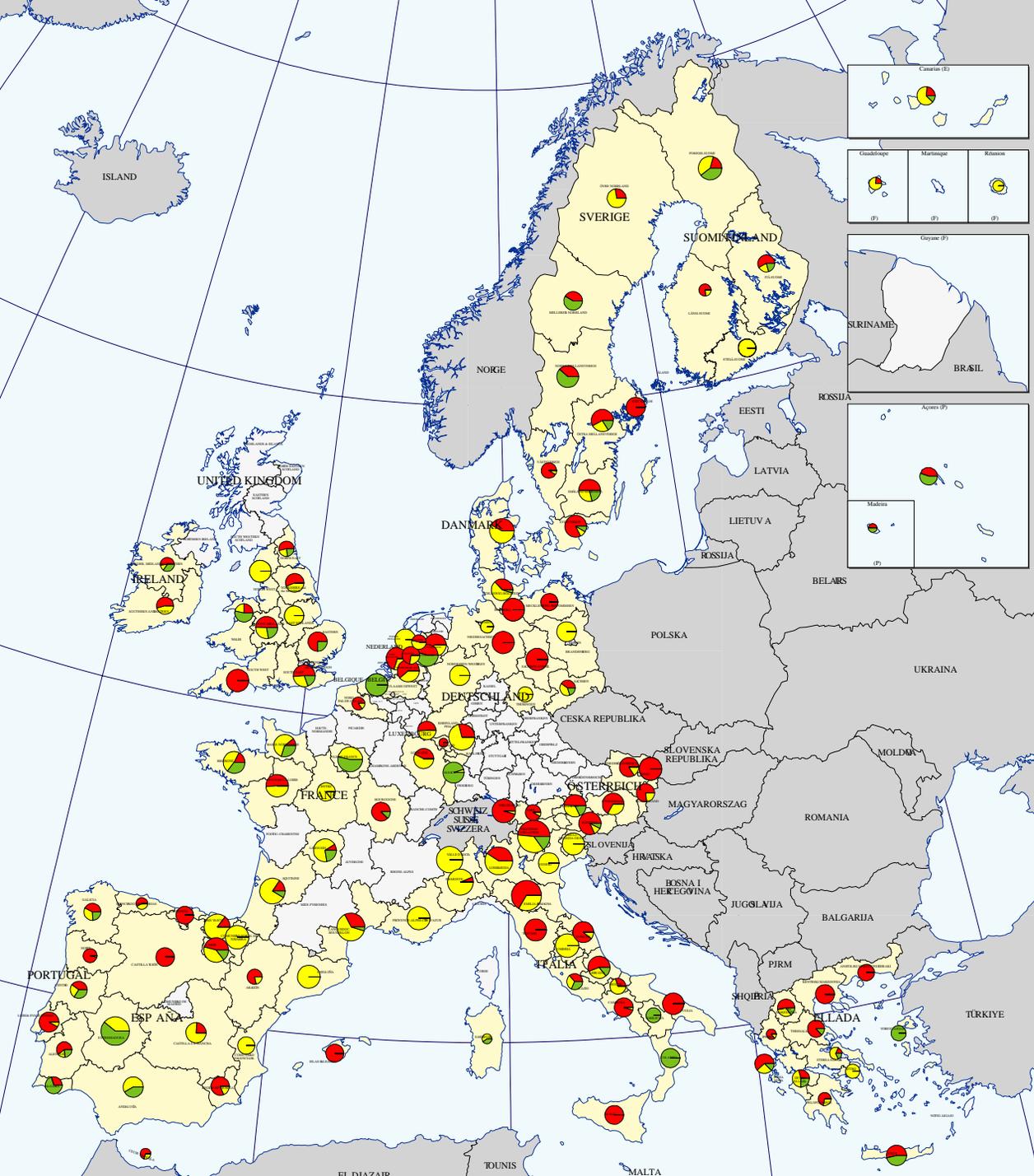


ERDF Innovative Actions

3 priorities

- technological innovation
- information society
- sustainable development
- Regional programmes
- Networks
- Regional innovation award

Budget : 400 Meuros



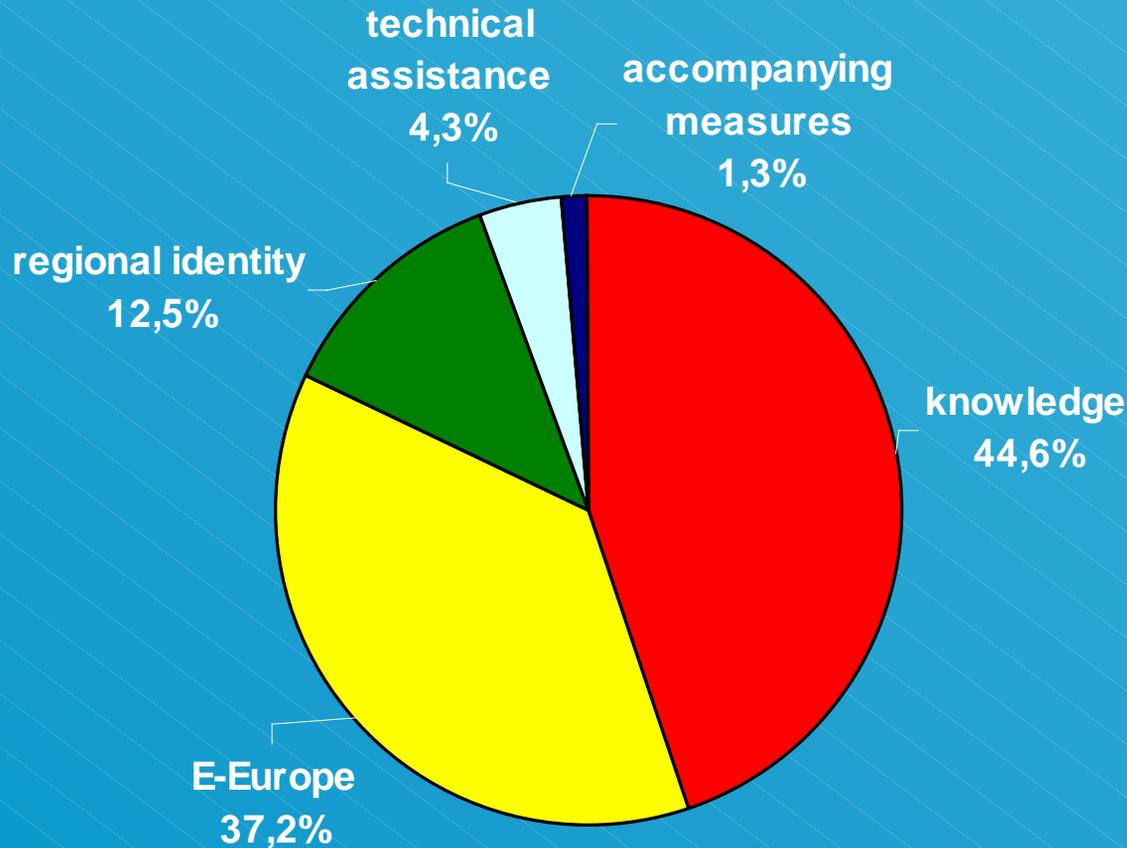
Most EU regions involved :

143 different European regions participated (out of 156 eligible regions - 92%)
126 already selected (80%)

- In 2001:***
103 applications
81 selected.
- In 2002,***
53 applications,
45 selected.
- In 2003,***
16 applications



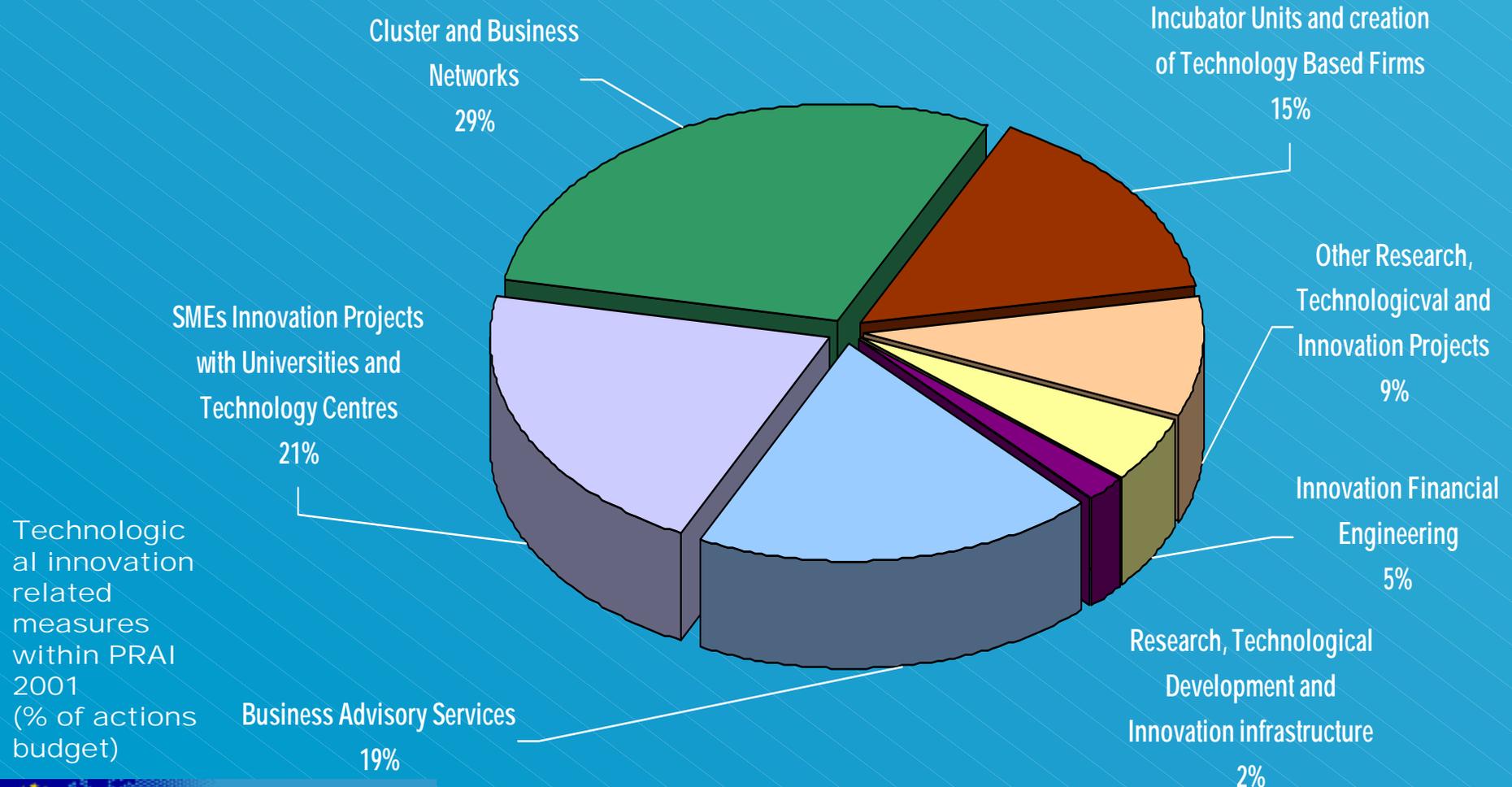
A regional priority : Knowledge and Technological innovation



Which PRAI themes regions choose?
(% of actions PRAI 2001-2002 budget)



The Knowledge priorities : Support to firms networks and clusters - Links between knowledge base and firms

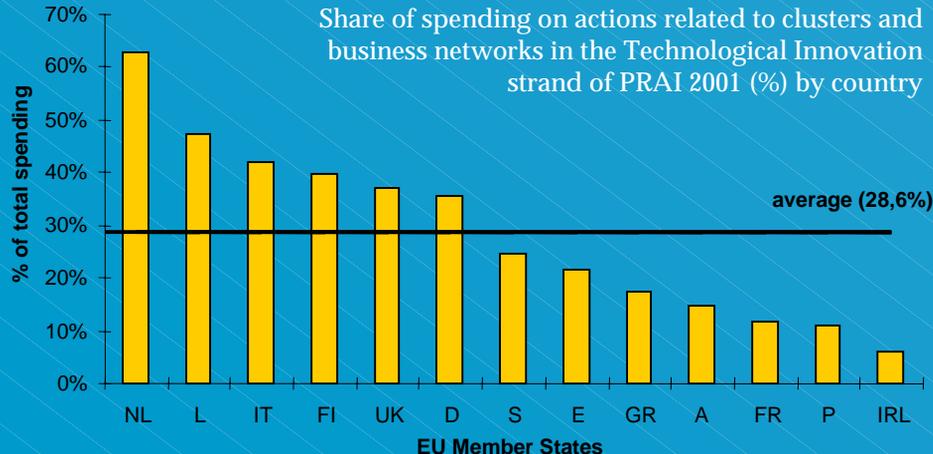


Technological innovation related measures within PRAI 2001 (% of actions budget)



Clusters and business networks (PRAI 2001)

- the largest sub-theme within PRAI technological innovation (28% of spending within the theme)
 - ▶ the only sub-theme chosen by all the countries represented in PRAI 2001
- private sector contribution 7,6 million euros (16,5% of total budget)
- mostly southern regions: Italian (5), Spanish (5), Greek (3) as well as 3 German regions represented



▶ **traditional business networks and sectoral platforms collectively designing innovation action plans:** Italy (Campania and Calabria), Spain (Aragón and Cantabria), Greece (Thessaly and Central Makedonia), Portugal (Centro), Sweden (Mellesta Norreland)

▶ **ICT in SMEs as a new tool for facilitating** e.g. business networking, creation of 'virtual companies', joint software solutions, the promotion of B2B internet marketplaces: Niederösterreich in Austria, Bolzano in Italy, Brandenburg in Germany, Etela-Suomi in Finland, the South East and Eastern in the UK

▶ **traditional cluster model related to supply chain integration** e.g. automobile sector (e.g. Cantabria and Aragón in Spain), chemical/plastic sectors (Sachsen-Anhalt) or fashion and biotech sectors (Toscana)

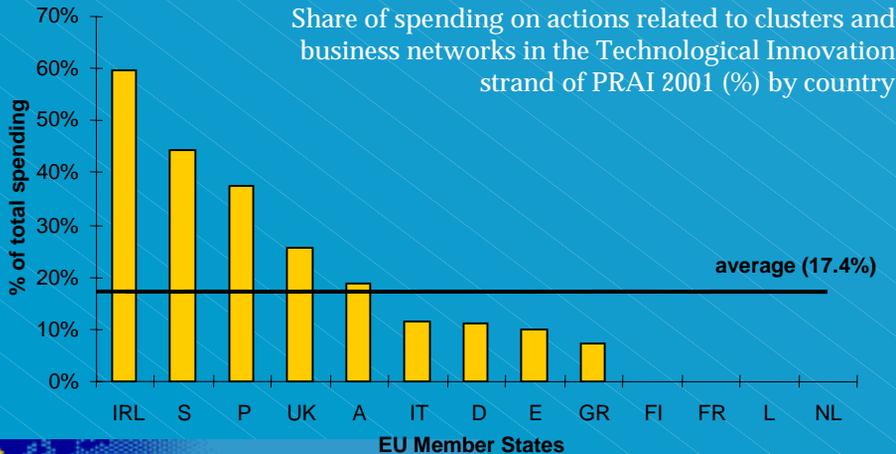




SMEs innovation projects with universities and technology centres (PRAI 2001)

- 17 % of the budget for technological innovation actions (third biggest theme - 20 regions)
- private sector contribution almost 5 million euro (17% of total cost)
- no clear regional concentration
 - ▶ Spanish regions - the biggest number of actions, Swedish regions - the biggest budget
 - ▶ Ireland over-represented: all Irish regions work in this field (60% of all Irish actions)
 - ▶ no Dutch, French, Finnish regions, and Luxembourg

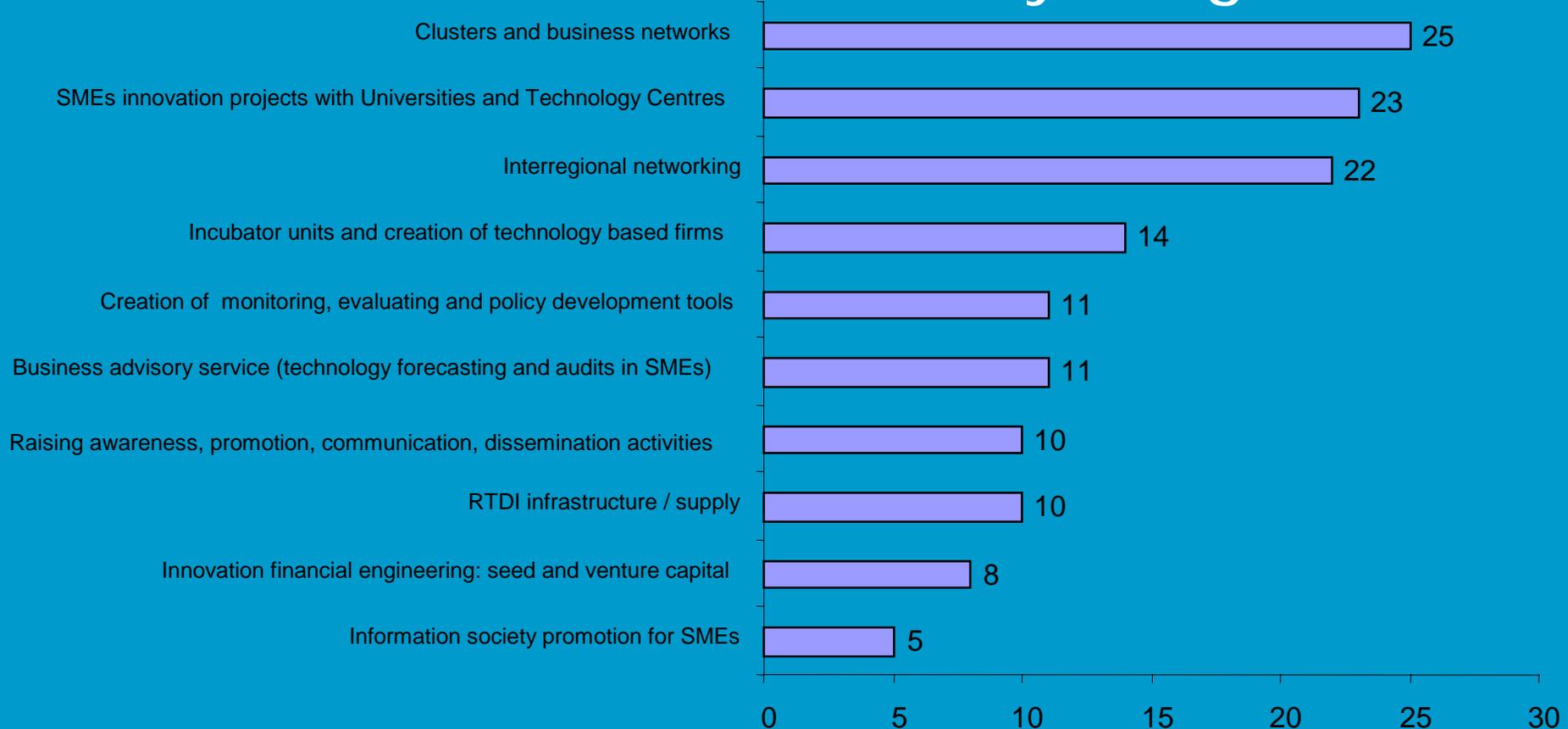
- ▶ stimulation of a demand for R&D projects in SMEs e.g. South East (Ireland), Murcia (Spain), Steiermark (Austria)
- ▶ studies on innovation financing and guidelines for SMEs and policy makers regarding innovation support schemes: e.g. Sachsen (Germany), Emilia-Romagna and Marche (Italy), Sydsverige (Sweden)
- ▶ optimisation of the existing supply offered by universities and R&D organisations: Central Macedonia, Castilla y Leon (internationalisation of existing R&D suppliers), Murcia (setting up design and quality department in technology centre), Lombardia, UK Eastern and South East of Ireland (networking of organisations)
- ▶ projects between universities and technology centres/SMEs: Steiermark, Marche, Puglia, Madeira, Sydsverige, Ostra Mell. Examples: Murcia and Irish South and East region (technology transfer services); Castilla y Leon, Central Macedonia, Sydsverige (forums and workshops of representatives of firms and R&D suppliers)





Already in RIS : Growing interest for support to firms networks
and clusters

In RIS 2000-2002: actions by categories





Business networks in RIS :

Examples of results

- **Support to firms networks creation:**
15 sectoral clusters in Yorkshire, wine cluster in Central Macedonia, plastic in Halle-Leipzig-Dessau, new Cluster policy in Wallonie, etc.
- ✎ Key dimension of RIS : stimulation and valorization of social capital by regional authorities



In RIS : Social capital is a success / failure factor

- Successful RIS based on inclusive, iterative process involving public and private regional actors
- Less successful RIS due to weak regional partnership and lack of political commitment





Regional competitiveness through innovation

- Response to challenges of globalisation and technological change for regions
- necessity to keep and attract talents and highly performing firms
- rather than competing on low working costs



Innovation as a regional partnership process

- Interfirm cooperation and cooperation between knowledge base, firms and intermediaries : Innovation as a regional system
- Public support : to create an environment favorable to this system

**Catalyser, broker, animator to
'open minds' rather than to 'open roads'**