



# THE INTERNATIONAL DEVELOPMENT OF WALLOON COMPETITIVENESS CLUSTERS

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# WALLONIA : A REGION AT THE VERY HEART OF EUROPE



- A totally new industrial development approach linked to the implementation of an extensive economic recovery programme known as Wallonia's Contract for the Future.
- The Contract for the Future focuses exceptional resources (€1.4 bn) on 5 priorities during the 2006-2009 period :
  1. Create competitiveness clusters
  2. Stimulate business start-ups
  3. Reduce corporate taxes
  4. Boost research and development activities
  5. Generate job skills

- Priority given to the most promising growth sectors:
  1. Life sciences (pharmaceuticals / health)
  2. Aeronautics & Aerospace
  3. Mechanical engineering
  4. Transport & Logistics
  5. Food-processing industry



- Total budget for cluster development: 280 million euros over the 2006-2009 period
  - 120 millions for research and development projects ;
  - 55 millions for training and employment schemes ;
  - 50 millions invested by the government in assets and holdings specific to the clusters ;
  - 45 millions for general investment incentives ;
  - 10 millions for export promotion and foreign investment assistance.

- **Status report**

- A call for tenders for the constitution of clusters was issued in late 2005.
- Proposals submitted by consortia of enterprises, research organisations and job training centres were evaluated by an international jury composed of CEOs of large Belgian firms.

## • Status report

- In July and September 2006, the five competitiveness clusters were launched:
  - ❑ total number of participants : 486 organisations, of which 375 private firms ;
  - ❑ 61 projects approved and financed (R&D, product design, industrial process, training)
  - ❑ 30 R&D projects financed ;
  - ❑ € 164 millions of public aid allocated ;
  - ❑ 3.760 expected new jobs.

## Role of AWEX

- **Evaluator of the international dimension of the clusters**
- **Eligibility criteria for the international dimension of the clusters' projects :**
  - Impact on the growth of Walloon exports and employment creation linked to export activities ;
  - Potentialities of the foreign markets targeted ;
  - Quality of international partners ;
  - Impact on Wallonia's international visibility and attractiveness towards foreign investors.



## Role of AWEX

- **Promoter of the international development of clusters**
- **Export promotion measures (2006-2009 budget : €5.5 millions)**
  - Assistance in recruiting an export manager per cluster ;
  - Preparation of an annual export action plan per cluster specifically based on their international strategies.
- **Foreign investment promotion measures (2006-2009 budget : €4.5 millions)**
  - Recruitment of five high-level FDI experts within AWEX which are specialised in the search for foreign investors in the sectors covered by the clusters ;
  - Reinforcement of the international visibility campaign of the Walloon region by integrating the dynamics of the clusters.

- **Conventions : legal framework for international development assistance provided by AWEX**
- **Type of projects defined in the conventions:**
  - Recruitment of export managers ;
  - Development of promotional material (Web sites, CD-ROMs, brochures, etc.) ;
  - Carrying out of visibility and branding campaigns at the international level ;
  - Organisation of cluster-based foreign trade missions ;
  - Participation to major international fairs ;
  - Invitation of foreign delegations and foreign investors ;
  - Development of networking and partnerships with foreign clusters.

## • Conclusions :

- Efforts to promote the international development of clusters through AWEX are important at the Walloon scale ;
- The international development of clusters is based on:
  - ❑ a supportive approach by the Walloon government (important public aid for cluster specific investments) ;
  - ❑ structures and organisations initiated and managed by clusters' members ;
  - ❑ a pro-active international approach: cross-border networking, international partnerships and participation to European research programmes.
  - ❑ sufficient critical mass of participants.



Thank you for your attention

[www.wallonia-international.be](http://www.wallonia-international.be)