

Industrial Clusters need to be included in the European Recovery Plans

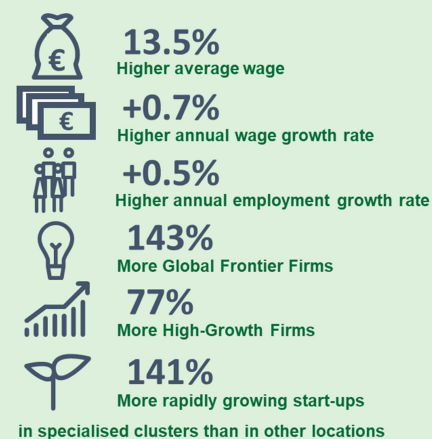
The COVID-19 crisis has seriously impacted our European economy. We are still fighting its immediate effects and are adjusting to keep companies alive, fix disruptions in value chains, and improve our business models. However, we need to look ahead and prepare the recovery strategically. Even though the crisis hit us with its disastrous consequences, we can take it as a chance to accelerate the economic transformation to a green, digital, and resilient Europe. The European Commission laid out the path in its roadmap “Europe’s moment: Repair and Prepare for the Next Generation” and plans to allocate 500 billion EUR for the recovery directly to the Member States under the NextGenerationEU instrument. Now, it is time for the Member States to draft their national recovery plans – and clusters need to be a part of them.

On 30 June 2020, European Commissioner Thierry Breton affirmed the role of clusters in the economic recovery to the European Clusters Alliance. He declared: “You must be part of the recovery plans. You are the pillars of the bridge I am willing to build across all the internal market.” Therefore, the European Clusters Alliance reinforces its call to the Member States to be included in the drafting and implementation of the national recovery plans.

Clusters matter. Why?

According to the report “European Panorama of Clusters and Industrial Change”, European clusters account for 61.8 million jobs or 23.4% of total employment. Clusters drive growth in Europe through their higher number of innovative and high-growth firms, showing better performance on key social and competitive indicators. We see for example 13.5% higher average wage and 77% more high-growth firms in specialized clusters than in other locations. They should be considered as regional ecosystems of related industries and competences. Their mission is to facilitate and maintain strong, close, and trust-based collaborative relations between companies and research organizations, helping public authorities to strengthen the competitiveness and prosperity of their regions. Clusters, by bringing together SMEs, encourage innovation, job creation and international trademarks and patents.

Clusters matter



Why clusters should be included in the Recovery Plans of the EU Member States

Clusters can allocate the funds to where they are needed

1. Due to their closeness to the market, clusters have real-time information on economic developments, the situation of the industries, trends and their implementation, and the needs of companies, especially SMEs. They can provide policymakers with this data to design the right recovery instruments.
2. Act local, reach global: Through their collective action, cooperation, and strong partnerships, clusters can bring ideas and concepts to the local grounds. They can build bridges to reduce duplications of projects and match them to create synergies – saving time and funds.



3. Clusters can connect entities across different administrative levels, linking them to bring the financial resources to the right stakeholders. They support the translation of the national plan and instruments to the regions.
4. Thus, clusters make the investment in the recovery sustainable by saving resources and sharing knowledge, good practice, and expertise.

Clusters bring valuable knowledge to the drafting of the recovery plans

1. For years, clusters have successfully implemented European, national, and regional projects. They have gained valuable knowledge and experience in how to bring about innovation, which they can apply to the design of investments and projects to maximize their impact. An appropriate mix of instruments and support tools must be in place to deliver solutions to our common challenges.
2. Clusters have first-hand knowledge on the needs and capacities of each sector for innovation and collaboration. They work in close cooperation with the R&D sector in international and intersectoral consortia. For the recovery, the European Commission defined seven flagship areas, which should lead the transformation to a green, digital and resilient Europe. With their deep understanding of these areas, clusters must play an important role in the definition and implementation of the needed strategies and innovation projects.
3. Thus, clusters are a key tool to adapt policy instruments to the needs of the industry.

Clusters create innovation and have proven resilience

1. During the COVID-19 crisis, clusters have been quick to adapt their activities, supporting their companies to react to the situation, mobilizing networks and working as facilitators to improve the well-being of our society. Clusters were key players in helping their members to find the right partners and build ad hoc partnerships between two or more sectors to meet the challenges imposed by the pandemic. With these activities, they have proved to be resilient – a property much needed for the future.
2. The recovery plan needs big and innovative projects. Back to “business as usual” is not an option. Clusters have been pushing innovation for years and have accelerated the adoption of technology across the EU, which makes them a valuable partner to achieve the goals of the priorities set out by the European Commission.
3. Clusters can identify cross-sectoral cooperation opportunities, expand their business to new sectors, link necessary stakeholders, do matchmaking across regions, and scale-up ideas. They are the only actors able to gather entire value chains within their innovation ecosystems.
4. This agility and capacity are needed to achieve the goal of resilience in European value and supply chains, one of the main aims to make our economy stronger and more independent.

What we call for

We call for the recognition of clusters as a strategic agent for the drafting and implementation of the national recovery plans of the EU Member States, reinforcing their presence and participation in the different stages of the plans.

European Clusters Alliance

The European Clusters Alliance is a bottom-up initiative that gathers 13 National Cluster Associations and several European international cluster networks representing more than 740 clusters, where 134,000 of our most innovative businesses collaborate with thousands of universities, research centers and public institutions to boost their competitiveness.

Our mission is to be their common voice, facilitating connections and opportunities to meet the challenges they face. To find solutions for the COVID-19 crisis, the European Clusters Alliance initiated the creation of a high-level expert group which is meeting on a daily basis: the European Alliance Against Coronavirus (EAAC). This alliance has been deeply involved in detecting COVID-related disruptions in European value chains, proposing actions to make them more resilient, and sharing good practices on how to implement the green and digital transition.

Throughout the upcoming framework programme over the 2021-2027 period,
clusters are a strategic strength and asset for the European institutions
to provide decisive innovative solutions to the societal challenges we face:

changing economies

changing climate

changing attitudes

For a green, digital, and resilient Europe

