



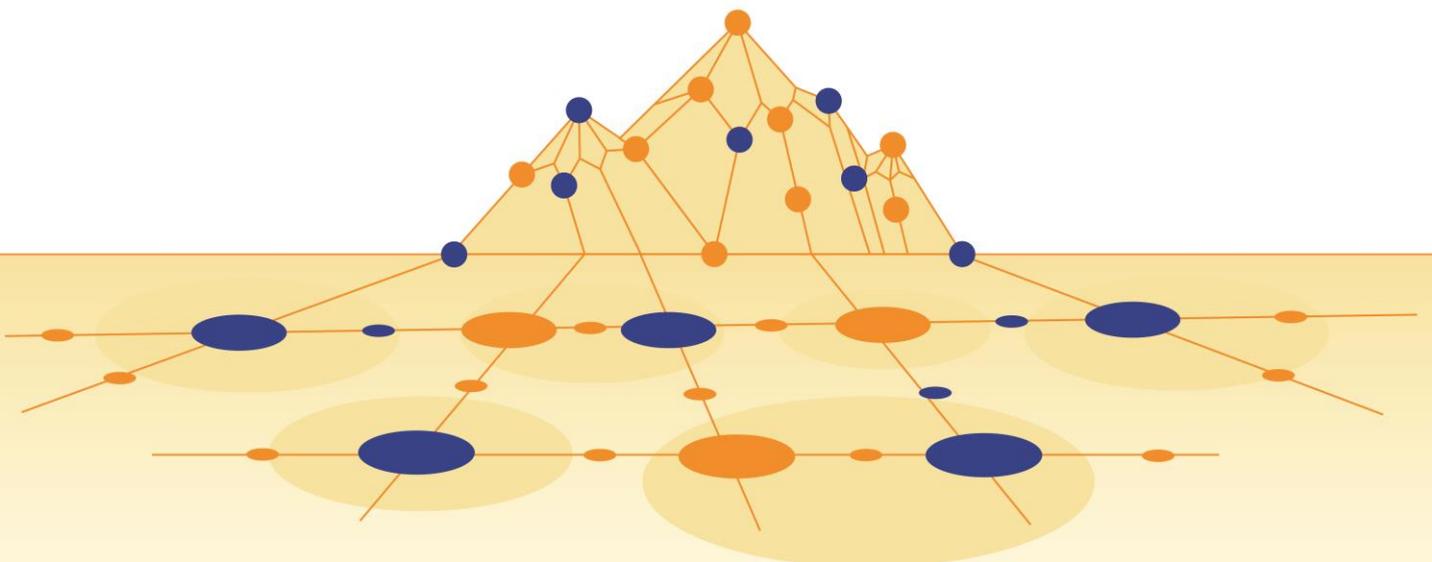
S3-4AlpClusters

Transformative Activities for Regional Development

Project Overview

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The S3-4AlpClusters project aims at enhancing smart industrial transition in the regions of the Alpine Space by making use of the interplay between clusters and S3. It offers a set of tools for cluster initiatives and regions to explore capacities and opportunities for transformation and to facilitate the identification and development of transformative activities based on need-based interregional cooperation.

Project Summary

Smart Specialization Strategies (S3) are a common policy lever at regional level within the EU. They aim at supporting regions in achieving structural change in order to generate the innovation and growth needed to harness globalization. However, recent experiences show that the identification and development of transformative activities - *i.e.* the innovation capacities and actions that have the potential to lead to this structural change - remain a significant challenge in the practical implementation of S3. S3-4AlpClusters tackles the two identified roots of this challenge. Firstly, there is a lack of experience among regions on how to use clusters to implement S3. Secondly, real transformative activities could often be developed more successfully in a joint effort across regional borders. The activities of the project are structured in 3 phases and driven by stakeholders from 11 regions. All relevant actors of an interactive innovation process are taking part: academic researchers, industry professionals, authorities and customers. The first phase spanned from 2016 to 2017 and aimed at analysing the challenges of S3-related policymaking and the current role of clusters in that process, as well as identifying potentials for complementarity and synergy between regions. The identified challenges were addressed in a second phase, in 2017 and 2018, through the elaboration of a systematic process for the identification and development of transformative activities. The partnership also developed practical tools for process implementation, and for the facilitation of need-based interregional cooperation through cluster initiatives. In the third phase (currently running) the tools and processes are applied and tested in 25 pilot-clusters across the Alpine Space, contributing to the identification of new transformative activities and significantly facilitating their joint development across regions.

Strategic Context – Addressing Smart Industrial Transition

As highlighted by the EC Communication on Strengthening Innovation in Europe's Regions (COM(2017)376), globalization requires regions to tackle the transformation of existing economic structures, *inter alia* by designing S3 and cluster policies. All regions in the project set up cluster initiatives and developed S3, but the potential of their interplay in triggering real transformation remains insufficiently explored. Many regions focus their S3 on similar industries but fail to gain critical industrial mass. The project overcomes this by facilitating framework conditions for cross-sectoral and interregional cooperation and increases effectiveness in long-term S3 implementation. It directly addresses challenges in the EU Cohesion Policy 2014-2020, supports the EC pilot action on industrial transition, contributes to the implementation of cluster and innovation policies of DG Growth, DG Regio and DG RTD and creates synergies between ERDF and Horizon 2020.

An Innovative Approach

Current implementation of Smart Specialization Strategies (S3) is often limited to the definition of broad priority areas and confined within strict regional borders. S3-4AlpClusters involves three innovative approaches in triggering and supporting real transformation processes: 1) a novel focus on identifying and developing real transformative activities, 2) the exploitation of the huge potential represented by the interaction between S3 and clusters in this process, and 3) the facilitation of interregional implementation. This approach is a timely and highly innovative contribution because it directly addresses main stumbling blocks in current S3. The systematic identification of transformative activities is a complex exercise requiring new tools to support the entrepreneurial discovery and action development process. The development of those activities is in many cases hampered by the lack of critical mass. Cross-regional cooperation based on complementary needs is critically missing from the given framework conditions. Given the huge potential of cross-regional cooperation and cluster-based processes, these challenges represent a clear call for action.

The involvement of clusters into S3 helps to identify entrepreneurial resources and areas of strategic potential. Located at an intermediate level between individual firms and broad sectors, clusters typically reflect strong partnerships, vibrant communities and relevant connections between related businesses, suppliers and associated institutions. Clusters embrace all relevant actors of the innovation process and provide important information about needs, opportunities and ongoing transformations – all essential elements of S3. In addition, clusters are not limited to any border, but often stretched over several regions. They are thus the ideal playgrounds for implementing actions through interregional cooperation.

The S3-Innovation Model

The project specifically aims at facilitating innovation through cluster initiatives and initiating interregional cooperation for the implementation of S3. It introduces a systematic process, the S3-Innovation model, which relies on the involvement of clusters for the identification and development of transformative activities. Tools are provided for each phase of the process: StressTests and Synergy-Diamonds are used as an innovative way of depicting existing capacities and detecting opportunities for structural transformation, both within and across regions. Entrepreneurial discovery workshops (EDW) build on this base of evidence in order to identify real transformative activities. Next, action development workshops (ADW) allow working out concrete actions - such as R&D projects, networking or development of critical skills - in order to gain critical mass for the identified transformative activities. The implementation of these actions is supported by a collection of best practices of cluster services covering transversal fields such as education, technology, growth, research or collaboration. The partnership puts particular focus on facilitating the cross-regional implementation of actions, with the initiation of an interregional cooperation scheme (Alpine Cluster Innovation Express – ACIE). It is funded via existing regional programmes. The intent is aligning those existing funds and launching joint calls for the implementation of cross-regional actions. Finally, the S3-Innovation model also includes a methodology for evaluation and monitoring of the process. Hitherto, the project has generated a solid knowledge base on S3 and identified more than 100 transformative activities in the 11 participating regions. The running third phase will further develop the most promising of the identified transformative activities. The entire process will be tested in pilot clusters and result in a full training kit for cluster managers and regions by the end of the project.

First Results

The 11 regions gathered extensive experience of S3 implementation and started to identify transformative activities (TA) using the tools of the S3-Innovation model. A StressTest on the role of clusters in S3 was produced based on a survey of more than 130 regional stakeholders, consisting *inter alia* of cluster managers and policymakers dealing with regional innovation policy. Synergies in regional S3 were identified and cluster initiatives in all regions now possess evidence documenting opportunities for transformation and interregional cooperation. All regions identified new TA in a series of 12 EDW, each involving 10 to 30 regional key actors from firms, clusters, policymaking and the regional innovation system. Furthermore, the project partners published a collection of best practice of services provided by clusters across the Alpine Space resulting from a survey of 33 cluster initiatives, uniting more than 5900 members in total. These best practices address a wide array of topics, from boosting entrepreneurial culture to support in accessing public R&D calls or cross-cluster collaboration, and were promoted in a series of 10 cluster workshops across the regions (10-40 participants each), where they inspired the proposal of 14 new cluster services.

An Example from Upper Austria

Upper Austria, for example, sought to explore the challenges and transformation opportunities for its existing strengths in the health sector. Potential complementarities with related activities from ICT, agrofood, materials and manufacturing were depicted in a Synergy Diamond, which then served as base of evidence for the identification of new TA, such as innovative medtech materials or smart IT services in healthcare. Actions to further develop these activities will be defined in upcoming ADW and implemented through cluster initiatives that will benefit from the identified best practices. Interregional cooperation will be facilitated through participation of Upper Austria in the initiated synchronized funding scheme.

Impact beyond the Project

The outputs and related tools are intended to be implemented by cluster initiatives and regions beyond the runtime and geographical scope of the project. They can easily be transferred to other regions and financed by public or private sources other than EU-funds (*e.g.* in Switzerland). Communication activities include dedicated measures to make all results public. Synergies with other programmes and initiatives (*e.g.* with the Action Group 2 of the EU strategy for the Alpine Region, the EU Strategy for the Danube Region, or TCI-The global practitioners network for competitiveness, clusters and innovation) are used to raise the interest of a broad community of cluster managers and policymakers who may use the developed tools in their own fields and regions to trigger identification and development of new transformative activities. The promoted process encourages public-private synergies, unlocking private investments and schemes, and enabling synergies between EU Structural/Investment Funds, H2020 and other RDI and competitiveness-related programmes.

In particular, the project implements a synchronized interregional cooperation scheme (ACIE). The ACIE is a common approach implemented by interested regions of the Alpine Space aiming to support the development of the same transformative activities. Focus is placed on cross-border learning, competence development and innovation creation. The ACIE will be funded by already existing regional programs whose calls are synchronized accordingly. By synchronizing existing programs, the calls that are directed at similar targets allow for an increase in the critical mass and a bundling of complementary regional competences.

In addition, the project outputs have already inspired applications for new projects, continuing the development of transformative activities, such as TRANSALP focusing on medical and aromatic plants and phytopharma, co-financed by the Alpine Region Preparatory Action Fund -ARPAF and led by ClusterAgentur Baden-Württemberg.

The Project Partnership

The interregional dimension is crucial. The project brings together 15 partners from 11 Alpine Space Regions (Piedmont, Lombardy, the Autonomous Province of Trento, Venetia, Slovenia, Upper Austria, Salzburg, Bavaria, Baden-Württemberg, Bourgogne-Franche-Comté, and the canton of Fribourg), as well as their clusters and 10 observers. Partners include private and public actors from business organizations, SMEs, regional and national authorities, sectoral agencies and academic and research institutes. All partners take active roles in the implementation of the activities in close collaboration with the lead partner and the leaders of the different work packages. The Project Steering Committee composed of all project partners meets twice a year and bears the responsibilities for decision-making. An Advisory Board of 5 experts, presided by Dominique Foray (EPFL), assesses the outputs and ensures that they comply with scientific standards and the objectives of the Alpine Space Programme.

More Information

Project results are promoted to a wide community that spans beyond the direct stakeholders of the project, like recently at the 2017 TCI conference in Bogota or the 2018 “go-cluster” conference of the German Federal Ministry for Economic Affairs and Energy in Berlin (www.alpine-space.eu/project-news-details/en/3355).

In addition to its regular communication activities (*vide infra*) the project publishes a series of short films on its YouTube channel. To date, 18 films present a fresh and direct perspective on the activities of the project. The films display interviews, descriptions of the project and underlying concepts, but also insights into the concrete implementation of the project by documenting the entrepreneurial discovery and cluster workshops in the different regions.

YouTube channel:

www.youtube.com/channel/UCXf4dSJMZiTRCSSmaEGmMNq

Project News:

<http://www.alpine-space.eu/projects/s3-4alpclusters/en/news-events/news/news-overview>

Press Releases:

www.alpine-space.eu/projects/s3-4alpclusters/en/media-corner/press-releases/2018

LinkedIn:

www.linkedin.com/groups/8584656



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