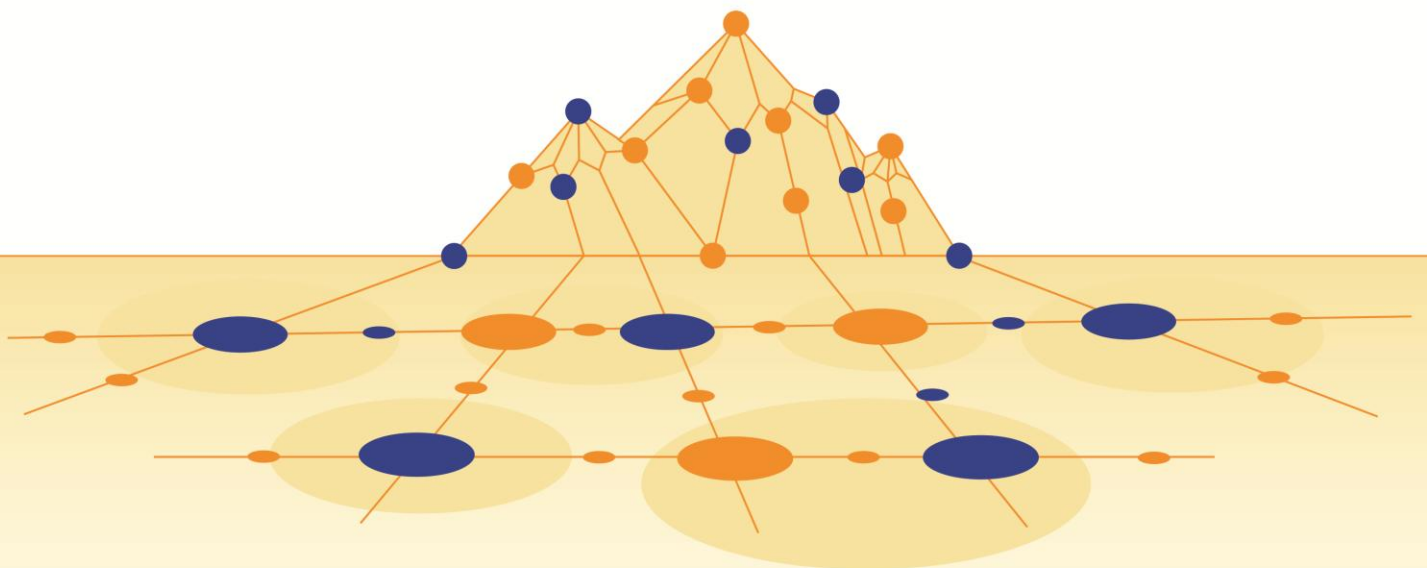


First Findings of Alpine Space Stress Testing Approaches conducive to Implement Smart Specialisation Strategies through Clusters

Policy Memo

June 2017



Several European Union (EU) regions have developed **Smart Specialisation Strategies (S3)** as integrated part of their regional innovation strategies. The challenge is to implement S3 by means of a cluster-based approach in order to gain sustainable and inclusive growth while generating critical mass of economically viable activities. Currently, there is still a significant lack of knowledge about S3 in emerging economic regions of the EU. The objective of the S3-4AlpClusters project is to improve the framework conditions for innovation induced by clusters and SMEs as well as to create new jobs and employment opportunities. As implemented by clusters and cluster organisations, S3 can offer an innovative approach to improve innovation in the Alpine Space.

Against this background each of the 10 partners of the S3-4AlpClusters conducted **StressTest (policy benchmarking) exercises** to learn how to implement S3 through clusters. The StressTesting addressed policy-making and implementation processes, namely the role of clusters in the design of the S3, regional support schemes for cluster initiatives, coordination and alignment of S3 at the regional and national level and the role of clusters in the implementation of S3. The StressTest compared the approaches among the 10 Alpine Space partner regions as well as of 25 regions in Europe conducive to implement S3 by means of clusters. It aims to serve substantiated discussion and policy improvement, demonstrates the state of play in each region and offers individual recommendations.

Key findings of the StressTest for the Alpine Regions are:

▶ *Clusters are well-acknowledged tools in the context of S3*

S3 is a strategic approach to regional economic development, aiming at new combinations between a region's existing potential and capacities as well as new opportunities. By focusing the S3 on clusters, main regional economic assets are taken into consideration and, moreover, cluster organisations are involved as crucial regional moderators of transformative actions. There was a broad consensus that clusters are promising tools to implement S3.

▶ *Most regions involved cluster during the S3 development, but in very different ways*

The involvement of clusters during the development phase of S3 helped to identify place-based entrepreneurial resources and areas of greatest strategic potentials, which are crucial for a successful definition of strategic priorities. Clusters helped regions to provide important "in-sight" information about needs, opportunities and on-going transformative actions and helped policy makers to develop a tailor-made S3. Consequently, most regions involved cluster during the S3 development. However, ways and extent vary significantly between the project partner regions.

▶ *There are innovative approaches in place how clusters can be used in practice to implement S3*

Cluster initiatives are promising tools not only during the development phase of S3 but also during its implementation. Respective cluster organisations can serve policy makers in very different ways. The StressTest has shown that regions apply very different approach how to make best use of clusters.

▶ *S3 and related policy instruments are often not well aligned with national level neither with neighbour regions*

Clusters are place-based areas of greatest strategic potential and not limited to any border. They are often stretched over several regions. Thus, the priority areas of a S3 in a given region are most likely also relevant for neighbour regions. By aligning S3 related policy instruments with those on national level as well as of the neighbouring regions, synergies and related S3 objectives can be achieved faster and more efficiently. Surprisingly, the findings reveal that only in exceptional cases a proper alignment was reached.

S3-4AlpClusters in a nutshell

Smart Specialisation with Smart Clusters

Smart Specialisation Strategies (S3) are a lever of EU Cohesion Policy. One of the biggest challenges is to make use of the interplay between S3 and clusters. How can S3 be used to foster innovation processes and spark entrepreneurship within clusters? How can S3 be implemented through clusters to gain sustainable and inclusive growth? There is a lack of experience among regions on how to use clusters in the implementation of S3 and how to develop implementation tools to fully benefit SMEs. In addition, alignment between and knowledge about other regions' strategies are very limited.



This is exactly the focus of the S3-4AlpClusters project, which believes that the interplay between S3 and clusters is an innovative approach that could spread innovation in the whole Alpine Space. S3-4AlpClusters will launch cross-regional coordinated actions between the different sectors/regions involved and enhance transnational cluster cooperation. The final aim is to generate critical mass for SMEs and to improve the framework conditions for innovation in the Alpine Space.

S3-4AlpClusters will develop:

- A joint transnational cluster action plan to improve transnational, cluster-based cooperation
- An S3-based innovation model for cluster development
- A fully synchronized call scheme
- New services validated by pilot clusters

The S3-4AlpClusters community includes cluster managers, entrepreneurs, academics and policymakers, and is supported by public authorities and S3 experts.

The NUMBERS of S3-4ALPCLUSTERS

15 Partners

35 decision makers

More than **10** Observers

11 Alpine Regions

830 SME

10 pilot clusters to be involved

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S3-4ALPCLUSTERS Partners

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Haute école d'ingénierie et d'architecture Fribourg
Hochschule für Technik und Architektur Freiburg

Business Upper Austria - OÖ Wirtschaftsagentur GmbH



ClusterAgentur Baden-Württemberg



Veneto Region - Research Clusters and Networks Unit



Poly4EMI hosts by Anteja ECG d.o.o



Innovation and Technology Transfer Salzburg GmbH



University of Franche-Comté - FEMTO-ST



PROPLAST - Consortium for the Plastic Culture Promotion



Cluster Technologies for Smart Cities & Communities
Lombardy Foundation



Autonomous Province of Trento (PAT)



Trentino Innovation Hub



Lombardy Region Government



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