



A call for the recognition of Industrial Clusters in the European Recovery Initiatives

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To the Commissioner for Internal Market Thierry Breton

The COVID-19 crisis has seriously impacted the European economy. Companies need to improve their business models and resilience. However, despite its severe consequences on our industries, the crisis can be turned into an opportunity to accelerate the European transformational leadership and turn into a green, digital, and resilient Europe.

What we call for

The European Clusters Alliance calls for the recognition of clusters as a strategic agent for the drafting and implementation of the European recovery initiatives. We call to **reinforce cluster's support from the European Commission**, and cluster's presence and participation in the different stages of the initiatives.

Why clusters should be included in the Recovery Initiatives

The European Commission laid out the path in its roadmap "Europe's moment: Repair and Prepare for the Next Generation" and plans to allocate important recovery funds under the NextGenerationEU instrument. Clusters should be considered as valuable partners to activate SMEs, linking them with the leading companies, and effectively carry out innovative investments and projects to reach the goal of a green, digital, and resilient economy.

Clusters are a key tool for the successful and quick implementation of innovation projects

1. Europe's recovery demands strategic, impactful, 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 technologies across the EU.
2. SMEs affiliated to a cluster are more willing to participate in project calls and their success rates are higher. Clusters can involve the appropriate SMEs in the projects foreseen in the recovery initiatives, and foster collaboration between SMEs and larger companies.
3. Clusters are the only actor currently able to gather entire value chains within their innovation ecosystems.
4. Clusters connect ecosystems and regions. For years, clusters have been a part of the implementation of interregional European programs (INNOSUP, ERDF, Interreg, Vanguard Initiative).

Hence, clusters can build the bridge to the European SMEs and large companies for the development and execution of innovation projects funded under the recovery initiatives.

Clusters can help to properly allocate the funds for economic value creation as well as manage funding for SMEs

1. Being so close to the market, clusters have real-time information on economic and technological developments, opportunities of the industries, and the needs of companies. Hence, they can provide policymakers with valuable information to design and implement the appropriate instruments for the recovery.
2. Clusters act local but reach global: Through their collective action and partnerships, clusters can bring ideas and solutions to the local grounds. They build bridges to join stakeholders for win-win alliances to reduce duplications of projects and create synergies – thus 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 regional ecosystems.

Therefore, clusters make the investment in the recovery sustainable by saving resources and sharing knowledge, good practice, and expertise.

Clusters have proven to be strong and resilient partners

1. During the COVID-19 crisis, clusters have quickly adapted their activities, supported companies to react to the situation, and mobilised networks to improve the well-being of our society.
2. 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.

This agility and capacity are crucial to make European value and supply chains across the 14 industrial ecosystems more resilient.

Clusters bring valuable knowledge to the drafting of the recovery plans

1. For years, clusters have successfully implemented European, national, and regional projects. With this experience, clusters can help with drafting an appropriate mix of instruments and support tools 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. For the recovery, the European Commission defined seven flagships areas, which should lead the transformation to a green, digital and resilient Europe. With their deep understanding of these areas, clusters should be involved in the definition and implementation of the most suitable strategies and key innovation projects for each European country.

Thus, clusters are excellent facilitators to adapt policy instruments to the needs and opportunities of the European industry.

