



CLUSTERS CORD

connecting small to feel big

JOINT RESEARCH AND ANALYSIS OF REGIONAL CLUSTERS AND RELATED POLICIES BENCHMARKING STUDY

CENTRAL EUROPE PROGRAMME

CLUSTERS-CORD

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**CENTRAL
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TABLE OF CONTENTS

	1
Executive Summary	3
General objectives and applied approach	3
Internal evaluation of clusters	3
Main policy issues and initiatives	5
Best practice experiences	6
Strategic, policy oriented proposals	7
Ten tips for cluster managers	9
* * *	
1. Introduction	11
2. Performance and internal evaluation of clusters	12
2.1. General information on clusters	13
2.2. Organization structure and regularity (a 7 graded scale)	15
2.3. Cluster management organisation	17
2.4. Common cluster services	17
2.5. Common cluster strategy	24
2.6. Conclusions, suggestions	25
3. Evaluation of cluster policies	28
3.1. National cluster policy and cluster program(s)	28
3.2. Cluster program(s) at regional level	30
3.3. Conclusions	39
4. Evaluation of best practices	40
4.1. The success factors of best practices	43
4.2. Critical parameters	43
4.3. Common aspects of cluster efficiency	49
5. Summary – policy oriented proposals	50
6. Case studies	52
6.1. Czech Republic	52
6.2. Slovak Republic	52
6.3. Hungary	59
6.4. Austria	63
6.5. Italy	66
6.6. Slovenia	70
7. Ten tips for cluster managers	72



EXECUTIVE SUMMARY

GENERAL OBJECTIVES AND APPLIED APPROACH

The activity WP3.2 has aimed at giving a benchmarking on the current processes in each partner regions. The activities have two well separated phases. They are the data collection and data processing.

The basic approach of WP3.2 was implementing a functional benchmarking for getting all valuable information on the targeted issues and giving valuable background for further – especially policy related – activities of Clusters Cord. Following this approach, a systematic comparison process of involved regions have been made, where the current situation has been digested in each region and project level conclusions will be made. To reach our goal, similar or adaptable regional initiatives have been studied and lessons to be learnt have been summarized.

The study will give a detailed description on basic features, needs, interests and services and foundation of common cluster strategies in the first issue. In case of second one relevant national and regional policy initiatives will be summarized to get a basic input for policy recommendations. Finally the most efficient and effective ways of BP implementation as well as potential transferring opportunities will be given.

All partial tasks will have a common approach. It is the policy and service orientation. All relevant characteristics and initiatives will be investigated by taking them into consideration.

The complexity of the examination gives a surplus value to this study in comparison with the other official document.

INTERNAL EVALUATION OF CLUSTERS

Dimensions of cluster evaluation

- General information on cluster
- Organization structure and regularity
- Cluster management organization
- Common cluster services
- Common cluster strategy

For the analysis of the problem 63 questionnaires were available.

In terms of the foundation of clusters involved in the study, two groups of the partner countries can be distinguished: In case of Germany, Austria and Slovenia, we can talk about an earlier creation period of clusters, while in case of Hungary, Poland, Italy, and the Czech and Slovak Republic, the majority of

clusters started to operate after year 2006. *This allows the adoption of good practices and experiences among partner countries in terms of developing national and regional cluster policies and of developing the cluster organizations' structure, operation, and collaboration activities.*

By industry, the largest proportion of the surveyed cluster organizations is operating in production technology, energy and environmental industry sectors.

Analysing the internal organizational structure of clusters it can be concluded that the ratio of small and medium-sized enterprises involved in the work of the clusters is 70%. The ratio of large corporations is 10% and the participation rate of the public sector (7%), R&D organizations (4%) and education (4%), in cluster organizations is considered as very low. *Shifting these ratios towards professional organizations is a priority objective of cluster development.*

The relative maturity of cluster organizations is indicated by the complexity of their internal organizational structure. 60% of organizations comprise 4-6 organization types; the development of the internal organizational structure of the model would greatly contribute to the development of the (internal and external) collaboration system of cluster organizations.

By geographic scope the clusters having been investigated are the least tied to micro-regions. However, the role of clusters with regional scope or surpassing regional-scale but in terms of their activities limited within national borders is significant. *All this knowledge can contribute to the foundation of regional and national cluster policies.*

The employment of self-employees is an essential element of the organizational structure. 30% of organizations do not have employees; a further 43% had fewer than five employees full or part time. The cluster organization development concepts include raising the level of employees.

The organization's work merits is indicated by the fact that a high part of the cluster organizations has organizational and operational rules, marketing and communication plan. *A partial definition of the content of development documents, their differentiation by development level and size would greatly contribute to the development of cluster organizations; in case of the existing documents the preparation of impact assessment is recommended.*

Despite the statements of documents cluster organizations consider marketing and PR activity as moderately important, organizations think that their reputation is not primarily the result of their marketing efforts.

The number of organizations having not been implemented common investments and having no joint relationship in production is considered to be high.

The respondents evaluate their own collaboration abilities within the organization mostly as positive and problem-free and within this field they consider their project development activities within cluster organizations as successful ones.

Organisations are open to expand their international experiences, and for the adaptation of international best practices as well. The cluster organizations performing R&D activities in higher number are primarily Austrian and German ones which are largely regional in scope and falling into developing or advanced categories. The organizations performing innovation activity in a higher number are mainly in the developing and advanced categories, they are mostly German, Czech and Hungarian cluster organizations. *The development of co-operation within cluster organizations, the elaboration of cooperation models according to cluster types (by sector, size, organizational structure) is required.*

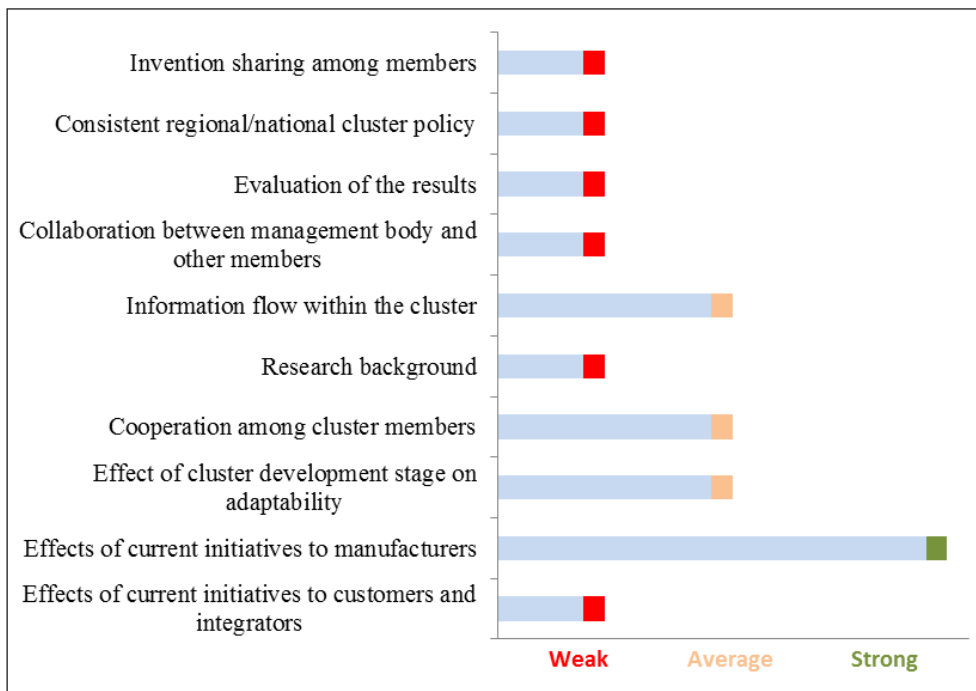
93% of the organizations have common development strategy. Besides the formulation of operational objectives it is also noteworthy that resource planning and the expected numerical indicators will in the majority of cases be defined. In this respect, especially the role of clusters with larger member size, broader geographic scope, and being developing or advanced stage is outstanding. *The partial definition of the content of development documents, their differentiation by the organization type may greatly*

contribute to the development of cluster organizations; In case of the existing documents the preparation of an impact assessment is recommended.

Reviewed factors (internal organizational structure, geographic scope, cooperation factors, development strategies) indicate that the investigated clusters have created by common needs and interests. The majority of this clusters has been structured along the bottom-up strategy.

By summarizing the key factors affecting the operating best practices, some elements seem to have stressed importance (see figure). Among these the factors so-called “weak” should be developed in the future, namely the background issues of the best practice operation (research background, consistent regional/national cluster policy), the co-operation within and outside of cluster organizations, furthermore the dissemination of results and effects of best practices. The database of this analysis consists of quantitative and qualitative data, so these indicators can be evaluated very carefully. Unfortunately, the available information does not allow comparing the above criteria according to the project partners’ regions.

Current performance in the most important aspects specifying cluster efficiency



MAIN POLICY ISSUES AND INITIATIVES

The evaluation of cluster policy section is based on the responses to Questionnaire for Benchmarking Clusters in Regions II-cord. – Performance Evaluation of Cluster and Policies. Questionnaires arrived filled in from Czech, German, Slovak, Hungarian, Austrian, Italian, Polish, and Slovenian partners.

National cluster policies are part of an economic development policy and they appear as its priorities.

In addition to national cluster policies, national cluster strategies are essential element from the point of the operation of cluster organizations. With the exception of Slovakia, each respondent partner's country has a national cluster strategy which is valid with one exception (Germany) for a longer term.

The majority of national cluster strategies formulate comprehensive strategic objectives with indicating the financial instruments enabling their achievement.

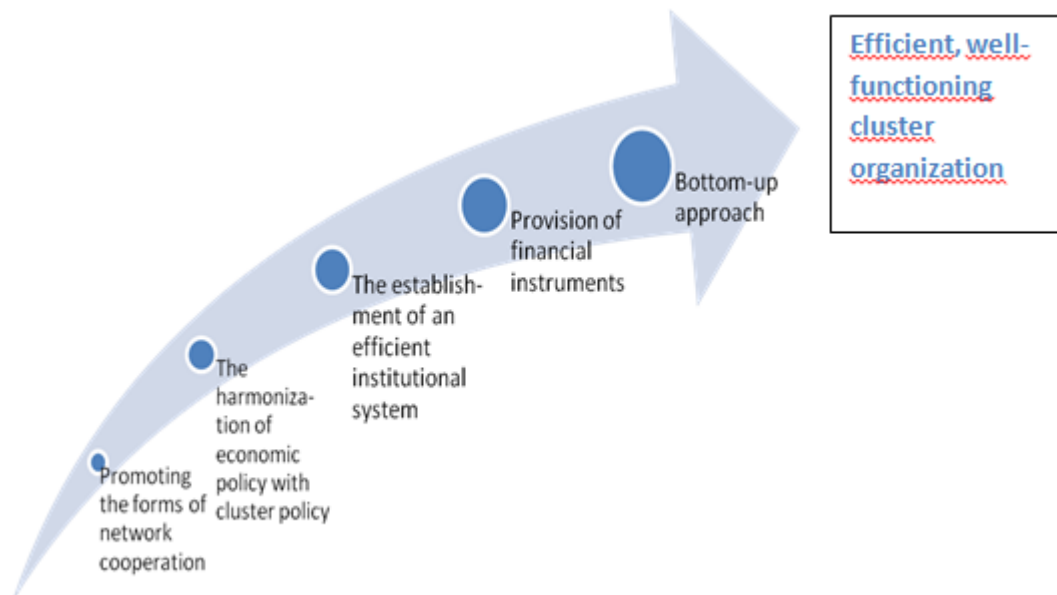
The operational objectives are included in regional cluster policies.

Concerning the institutional system the partial integration, thematic harmonization and co-operation of local, regional and national institutions may be observed.

Also the existence of certain cluster activity related institutions and agencies may be detected able to fill in the gap arising from the missing elements of organizational structure by their advanced services.

The resources supporting the operation of clusters are related to the operation of the Structural Funds, to the use of Framework Programmes and Community Initiatives.

The components of a well-functioning cluster organization



BEST PRACTICE EXPERIENCES

Performance evaluation of best practices completed by the partners (29 questionnaires were returned) and of the Template for the identification of good practices and analysis of questionnaires (17 questionnaires were returned) are summarized.

Among the success factors of the analysed best practices organisational, policy factors, knowledge-intensive factors as well as cooperation-related factors can be found.

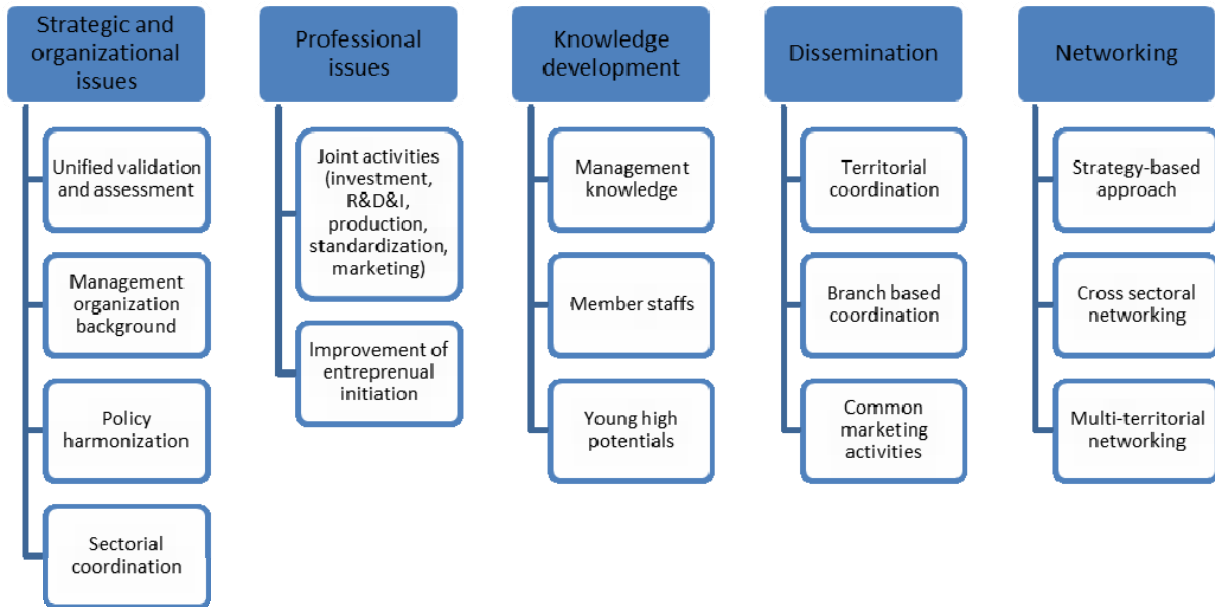
Among the barriers to good practices respondents mentioned significantly less factors than success factors. These included the role of national cluster policy and its weaknesses.

The public funding policy and the low level of funding were further important considerations. The absence of strategic plans, their unreliability, the absence of project ideas, as well as the clusters' lack of experience all hamper the operation of clusters and the effectiveness of good practices.

STRATEGIC, POLICY ORIENTED PROPOSALS

By overviewing the results, the policy issues can be classified in five main dimensions. They are strategic and organizational, professional, knowledge development, dissemination and networking issues. All of them can be divided into initiatives as follows:

Policy related issues



Strategic and organizational issues should have the basis for successful cluster implementation and increasing the effects of these co-operations. From this perspective, competitive market support and demanding customers for driving innovation, a strong presence in the premium and high performance sectors, gaining external economies and improving the flexibility of the given sector might be a goal or a result of successful operation. To increase the strategic and organizational efficiency, the following initiatives have to be taken into account:

1. Most of the Central-European countries have no proper and formal validation rules for clusters with different development level. The development of an international validation standard and methodology should be useful for supporting transnational cluster networking. Additionally, the efficiency of the operation should be developed and implemented by using joint measures. Both aspects should have been integrated to national and transnational support strategies that mean a continuous policy harmonization as well.
2. As a result of the benchmarking, the cluster management organizations are very diverse from institutional, financial, skill and experience aspects. The experiences show that in some cases the quality from these aspects makes some operational problems. This problem could be solved by strict criteria at applications on the one hand, and continuous knowledge development of the management organizations on the other.
3. Finally, from strategy development perspectives, most of the countries have sectorial preferences for cluster development in the applications. In parallel with keeping these preferences, sectorial interoperability and cross-sectorial networking should be integrated to development strategies as an advantage.

From the view of **professional issues**, cluster initiatives should have stress on concrete joint activities that could support market-oriented production. Common investments, R&D and innovation as well as production should be supported from policy side.

Knowledge development and its continuity can be a core supporting issue of competitive clustering. We propose to support it from policy side from three dimensions. They are the continuous skill development and trainings for the management organization, the opportunity for common skill development of the experts within the member companies (especially for small-scale companies) and finally the knowledge support of enterprises for increasing ability of initiation.

Dissemination and cluster marketing have important role in competitiveness growing. They can be effectively supported by policy initiatives, as well. From this dimension, supporting joint territorial marketing should be valuable, combined with borderless branch-based coordination. Additionally, different cluster in the same sector should implement common marketing and marketing development activities. All of these initiatives should have integrated to regional policy as well as application development.

Finally, the planned development of **networking** should be supported by the regional and national development policies. The most important aspect of this dimension is to apply a complex, strategy-based approach that means the consideration of all types of networking. It could help to find the right type of networking initiative in each case. As mentioned above effective networking support needs cross-sectorial approach, so development policy initiatives should pay growing attention to combine core branches. Finally, as a core goal of this project, supporting multi-territorial co-operations should have integrated to different regional policies in similar ways.

TEN TIPS FOR CLUSTER MANAGERS

As a practical value added output, we have summarized the most important aspects of effective cluster management. They all imply to the current development and operation barriers of the investigated cluster initiatives. They are not described here in details, but hopefully help cluster managers to think over their current activities, while the study gives more details for these issues.

1. Improving the cooperation between management organizations and members
2. Implementing common marketing activities have crucial importance
3. More active participation in policy development should support direct implementation
4. Systematic development of common production activities is needed
5. Development and operation of internal monitoring system might develop the efficiency of common operation
6. Cross-sectorial networking can support regional economic integration
7. Strict criteria for membership application could improve the quality of collaboration
8. Increasing technology transfer support can help market implementation
9. Supporting foreign appearance can help improving market presence
10. Improving the participation of professional organizations in clusters could give more added value to cooperation

Deliverable	Joint research and analysis of regional clusters and related policies – Benchmarking Study		
Work Package	3. Exchange of experiences dedicated to the identification of good practices		
Activity	3.2. Joint Research and Analysis 3.2.4. Benchmarking study		
WP Responsible partner	PP5 Mid-Pannon Regional Development Company		
Version	Final	Date	25/07/2011
Type	Study – executive summary		
Responsible partner	PP5 Mid-Pannon Regional Development Company		

1. INTRODUCTION

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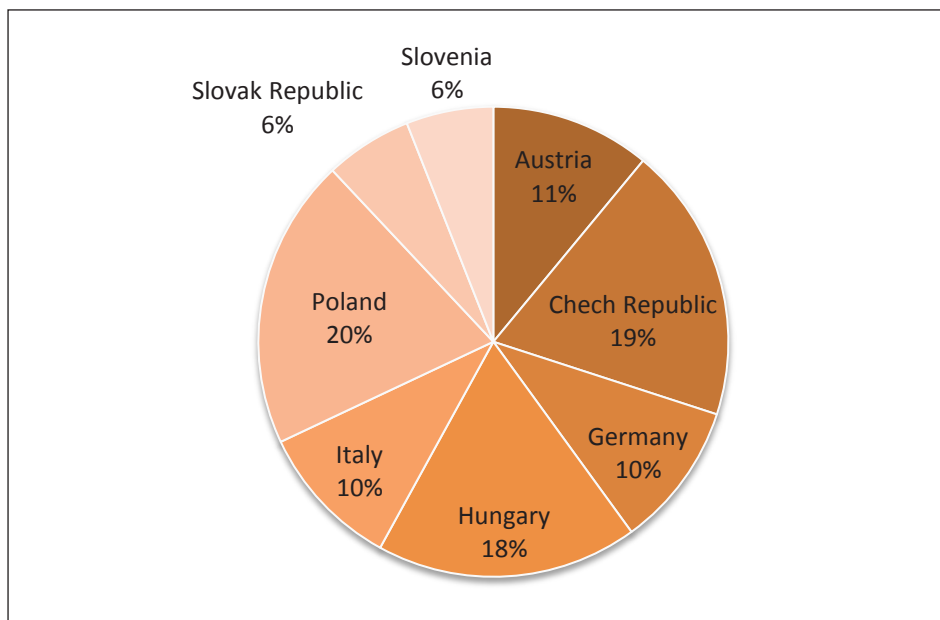
All partial tasks will have a common approach. It is the policy and service orientation. All relevant characteristics and initiatives will be investigated by taking them into consideration.

The complexity of the examination gives a surplus value to this study in comparison with the other official document.

2. PERFORMANCE AND INTERNAL EVALUATION OF CLUSTERS

For the analysis of the problem 63 questionnaires were available which were broken down by partner-country as follows:

Figure 1: The breakdown of cluster organizations by country (%)

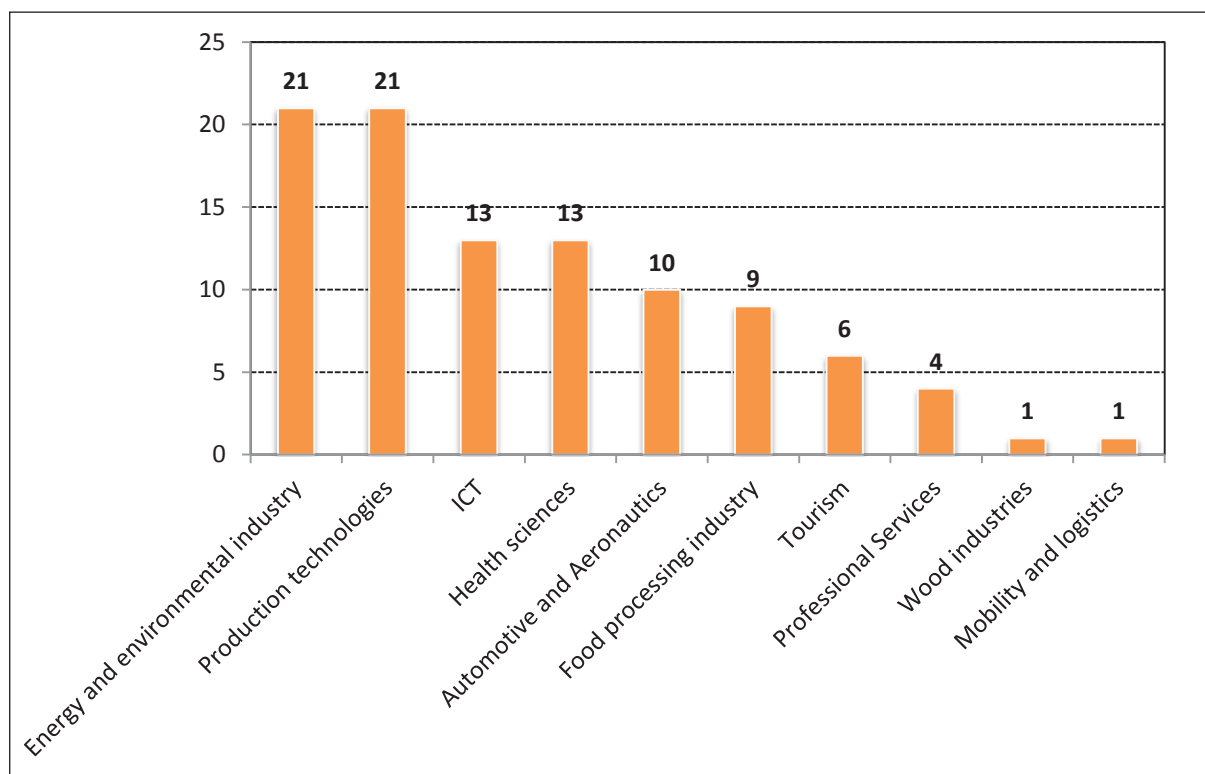


Source: Clusters Cord questionnaire data

2.1. GENERAL INFORMATION ON CLUSTERS

The majority of clusters investigated in our analysis (71,2%) were formed after 2006, the ratio of clusters founded before 2000 is merely over 10%. It is only Austria, Germany and Slovenia where we can observe a former development of clusters while in Hungary, Poland, Italy and the Czech and Slovak Republic the majority of clusters started to operate only after 2006.

Figure 2: The sectorial breakdown of clusters (%)

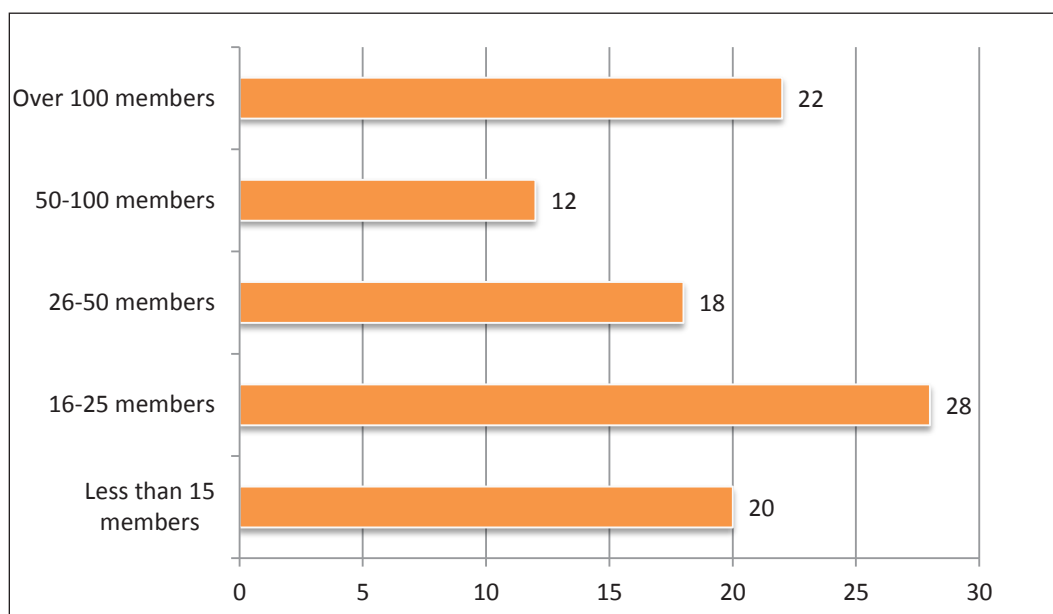


Source: Clusters Cord questionnaire data

By sectorial breakdown the majority of cluster organizations are operating in production technology, energy and environmental industry sectors. The share of ICT, health sciences, automotive and aeronautics and food processing industry tends to be around ten per cent each. Beyond the above-listed sectors the following ones were also listed in the questionnaires each by once: agro-biotech, construction, development of innovation, education, packaging industry, plastics processing, shipping and technical textiles.

The average size of respondent clusters consists of 67 members. This median comes up from some extensive cluster organizations (with 200–400 members in some cases). Their size group seems to be composed of the following categories: every fifth cluster has less than 15 members, nearly 30% of clusters counts up from 16 to 25 members and also every fifth cluster has more than 100 members.

Figure 3: The breakdown of cluster organizations by size (%)



Source: Clusters Cord questionnaire data

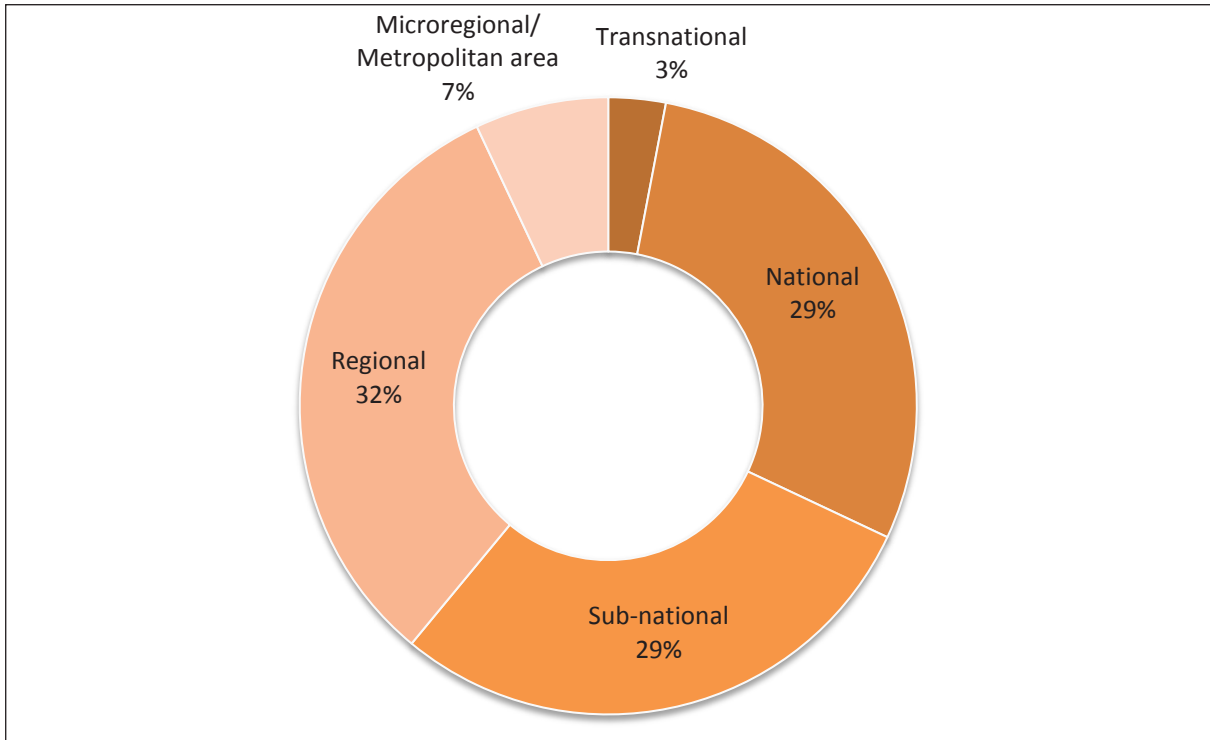
An analysis of the types of organizations forming the clusters reveals that the ratio of SMEs in clusters is nearly 70%. The share of big companies by the number of employees and price revenues is 10%, the participation ratio of public sector (7%), R&D organizations (4%) and educational institutions (4%) is very low. The number of foreign enterprises is 33 only which is also an extremely low rate. The cluster organizations comprising big companies, R&D organizations and educational institutions are mostly of Austrian and German origin.

Table 1: The internal organizational structure of cluster organizations (%)

Type of organization	Ratio (%)
Big companies	10
SMEs	68
R&D organizations	4
Educational institutions	4
Municipalities/other public sector institutions	7
Others	6
Foreign companies	1

Source: Clusters Cord questionnaire data

Figure 4: The geographical scope of cluster organizations (%)



Source: Clusters Cord questionnaire data

By geographical scope nearly one-third of the investigated clusters has national, one-third has sub-national and one-third has regional scope, the total rate of clusters bound to transnational and micro-regional areas is only 10%. 28–28% of the clusters fall into the initial or developing category while 44% are advanced clusters.

2.2. ORGANIZATION STRUCTURE AND REGULARITY (A 7 GRADED SCALE)

In addition to exploring the project’s organizational structure the project also was aimed at revealing how the organizations involved in the research evaluated the complexity, the geographic scope, the evolution and the possible spread of their own organizational structure.

The respondent clusters were moderately satisfied with the growth in the number of their member organizations. In the case of certain types of organizations we cannot find a significant difference, all the respondents rated it as average. The evaluation of the organizational structure of the clusters shows no significant correlation with the size and nationality of clusters, a weakly significant relationship has been detected between the development stage of clusters and the satisfaction with the development of the organizational structure.

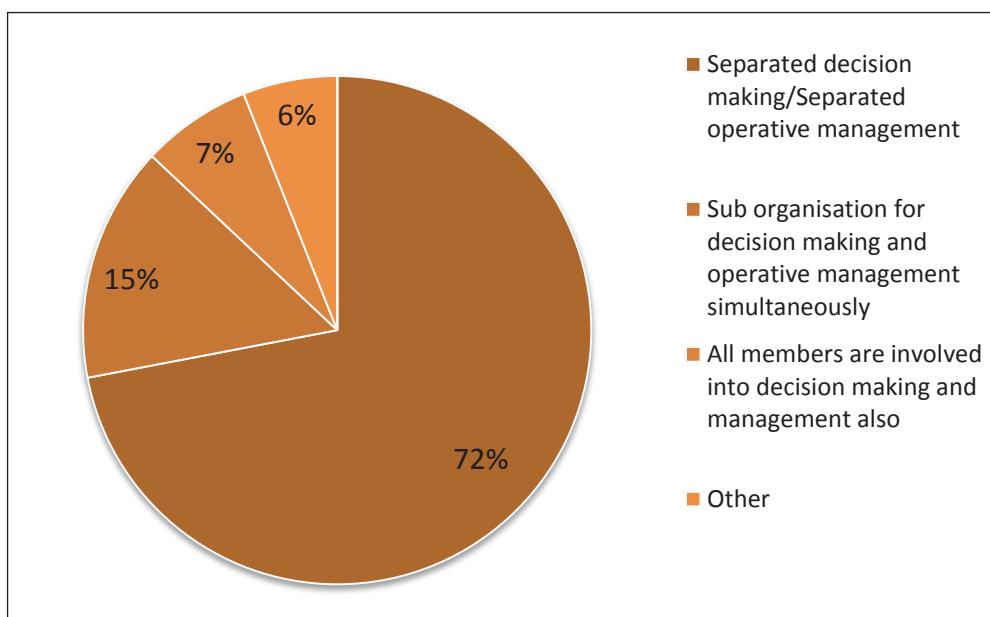
The surveyed organizations also rated their development of geographic scope as average. Here, however, it is seen that those organizations are satisfied (ranks are ranging between 5-7 on a seven-graded scale) whose geographical scope spread beyond regional level, interregional, or nationwide, and establish international relationships as well.

The respondent organizations satisfied with the average sales growth over the past three years relative to the industrial average are moderately satisfied with it on international, national and regional context as well.

The cluster organizations rated their overall situation with a value of five on average, which means they are rather satisfied with the position of their organization. The overall satisfaction rate correlates with the cluster’s development stage (in favour of the developing and advanced of clusters), with the clusters’ geographic scope (in favour of clusters surpassing regional coverage) and with cluster size (in favour of larger organizations).

The evaluation of the clusters’ internal organizational structure and management had the following results. In case of 72% of the organizations the processes of decision-making and management take place separately (separated decision making, separated operative management) regardless of size, national origin, composition and organization, and of the date of establishment. 15% of the organizations established decision-making and management units within the organization (sub-organization for decision making and operative management simultaneously), and only in case of 7% of organizations can we see that all the members of the cluster participate in the operational work and decision-making.

Figure 5: Organisational structure of cluster organisations(%)



Source: Clusters Cord questionnaire data

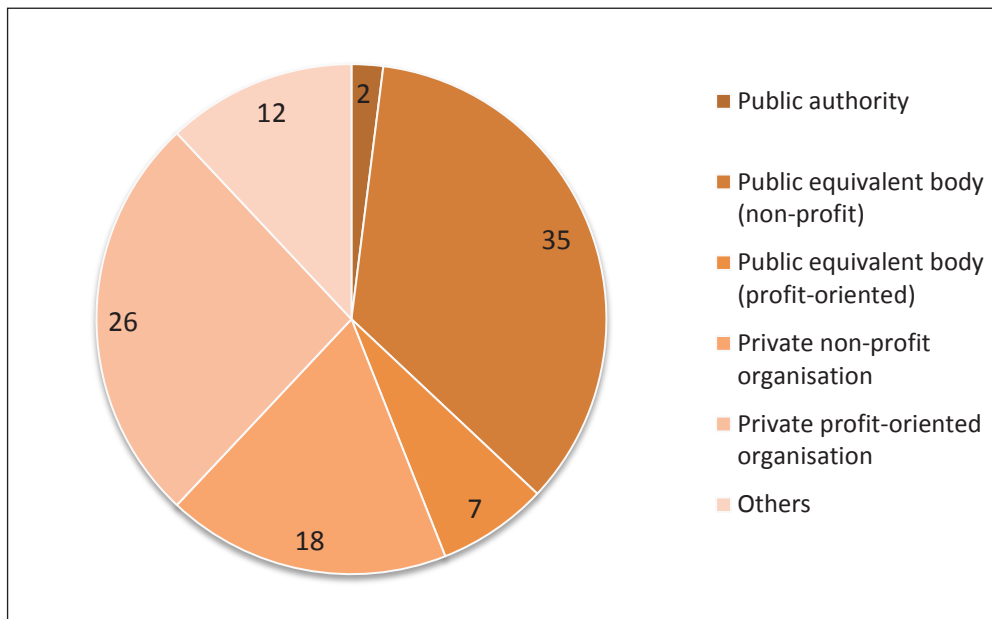
80% of the respondent organizations have organizational and operational rules, which rules by the evaluation of organizations may be considered as adequate and suitable on the current development stage of the organizations to regulate their operation. It was the developing advanced clusters that were more satisfied with their organizational and operational rules. It was also found that the organizational and operational rules were reviewed and updated in a greater proportion of the cases, and they were covering all the cluster members’ interests.

The cluster members’ membership fees also contribute to the operation of clusters, 65% of the organizations levy fees from member organizations, but it does not always mean sufficient motivation for encouraging regular cooperation along common interests.

2.3. CLUSTER MANAGEMENT ORGANISATION

The breakdown of cluster management organizations by their legal status is shown as follows:

Figure 6: The breakdown of cluster management organizations by their legal status (%)



Source: Clusters Cord questionnaire data

The employment of self-employees is an essential element of the organizational structure. 30% of organizations do not have employees. Another 43% had fewer than five full or part time employees. In three cases, respondents indicated more than 1,000 employees, in case of two German organizations and one Italian organization.

The project also surveyed the respondents' opinion about the staff of clusters. The respondents are mostly satisfied with the number of employees for the functioning of organizations (they evaluated it by rank five on a seven-graded scale).

The professional competences of staff, their experiences, and their openness to collaboration, communication and presentational skills received an even higher value (6) which means that respondents are almost entirely satisfied with these skills. It is positive from the point of the organizations' future functioning that they continuously train their employees, and they are open to the adoption of new cluster management methods and techniques.

2.4. COMMON CLUSTER SERVICES

The majority of cluster organizations involved in the research, 58% have a common marketing cluster strategy. They are mainly from Austria, the Czech Republic, Hungary and Slovakia, most of them are young organizations (founded after 2007), and considering their size they have a large number of members. For the latter factors it may be an explanation that in coordinating the work of organizations operating with more members, joint strategic thinking plays an essential role and a number of good

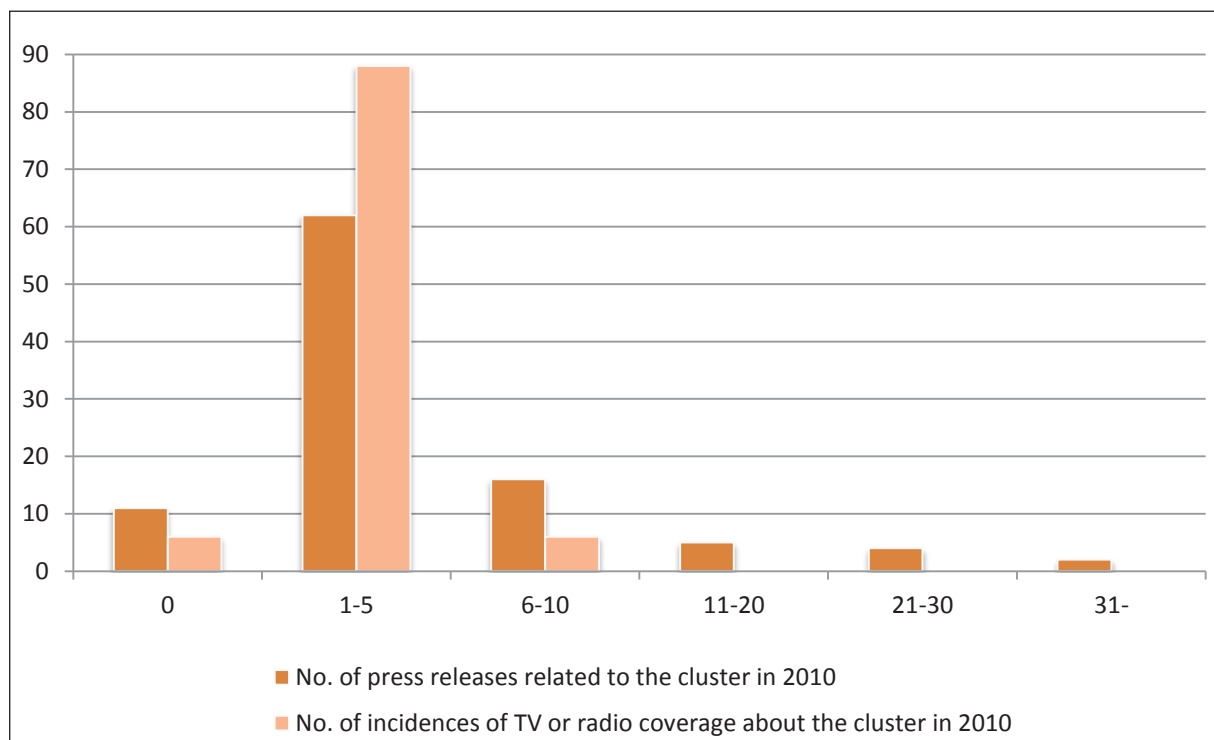
practices are available for the newly formed organizations which can be considered as almost a starting point for their operations. It has also been proven by facts that the existence of organizational and operational rules and a common marketing strategy are in strong correlation. The timespan of the existing marketing strategy of organizations shows a wide variety. 38% of the organizations set up their marketing plans until the end of this year, an additional 42% until the end of 2013, and only 7% of the organizations, set up their plan beyond 2014, they are primarily the larger, developing or advanced clusters, with more extensive geographical scope i.e. spreading beyond regional boundaries.

The percentages concerning the communication plan are slightly lower, half of the organizations created their communication plan. They are primarily the larger cluster organizations, in a wider geographic scope, but among them there are start-up cluster organizations as well. There is no significant correlation by regions.

If we examine how the communication and marketing plans have been realized i.e. we quantify in what kind and how many actions have plans been manifested in the lifetime of clusters, we can see as follows. In terms of common appearances 80% of cluster members reported less than ten common appearances in year 2010. The remaining 20% of organizations were founded prior to 2005, their majority are Austrian organizations with lower number of staff, they are without exception, fall under the category of organizations being in advanced stage of development which can be explained by the fact that the successful operation of these organizations is less influenced by the broad public and press releases.

In case of the majority of organizations the number of annual press appearances, TV and radio coverage can be considered as low, in each group the majority of appearances are below the number of five.

Figure 7: Common appearances of clusters (%)



Source: Clusters Cord questionnaire data

Regarding the international, national, regional and local-scale events organized by the cluster organization it can be stated that primarily national and regional events are popular among organizations. 34% of the respondents did not organize international and 28% did not organize events of local importance, which is in close correlation with the cluster organizations' geographic scope. Agglomeration advantages are less reflected in the cluster organizations' activities but the development stage of network cooperation is by all means reflected by the surpassing of regional scope.

Among international event organizers, the Czech cluster organizations, organizations with higher number of members, as well as organizations with national and regional scope are prominent.

The participation in the events and the representation of cluster follow a similar pattern. The ratio of organizations representing their bodies at national and regional events is the highest followed by those representing their bodies at international and local events.

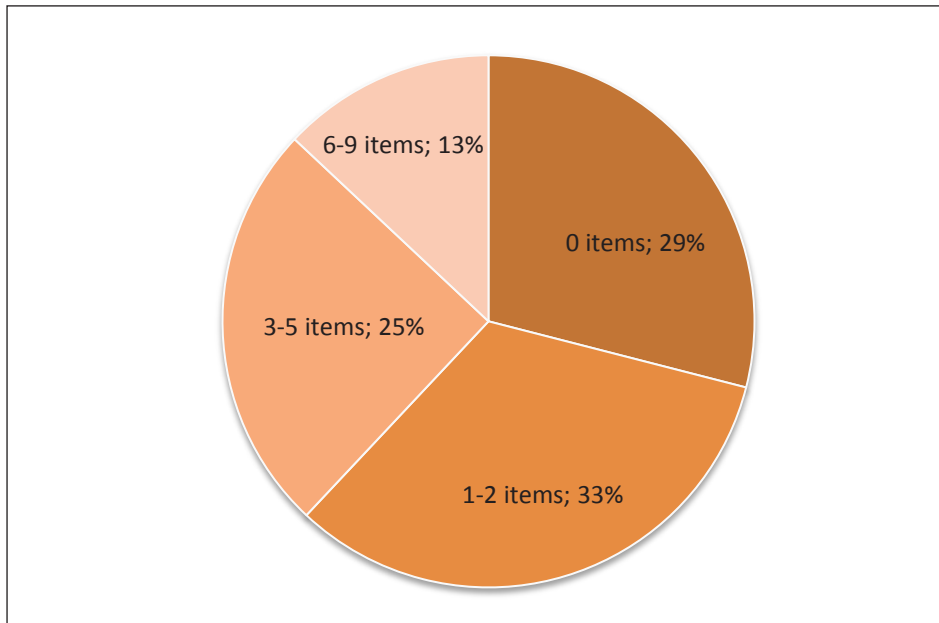
The majority of organizations for maintaining good communication and marketing produced different promotional materials and furthermore, 88% of organizations have a website where besides presenting their activities they have a chance for promoting their cluster organizations as well. The organizations' brochures and flyers are serving just for this purpose and two-thirds of the organizations have both of them. The dropouts are primarily initial or advanced clusters. The former presumably have not yet prepared them while advanced clusters do not primarily use flyers and brochures any longer as means of promotion.

The numerical results are also reflected in the opinion of respondents, which in this aspect were also examined by using a seven-grade scale. Generally speaking, cluster organizations consider marketing and PR activities moderately important, which is reflected in the opinion that organizations do not acknowledge their reputation primarily as a result of their marketing efforts. Respondents are on the opinion that their organization's awareness is primarily bound to the level of their own region.



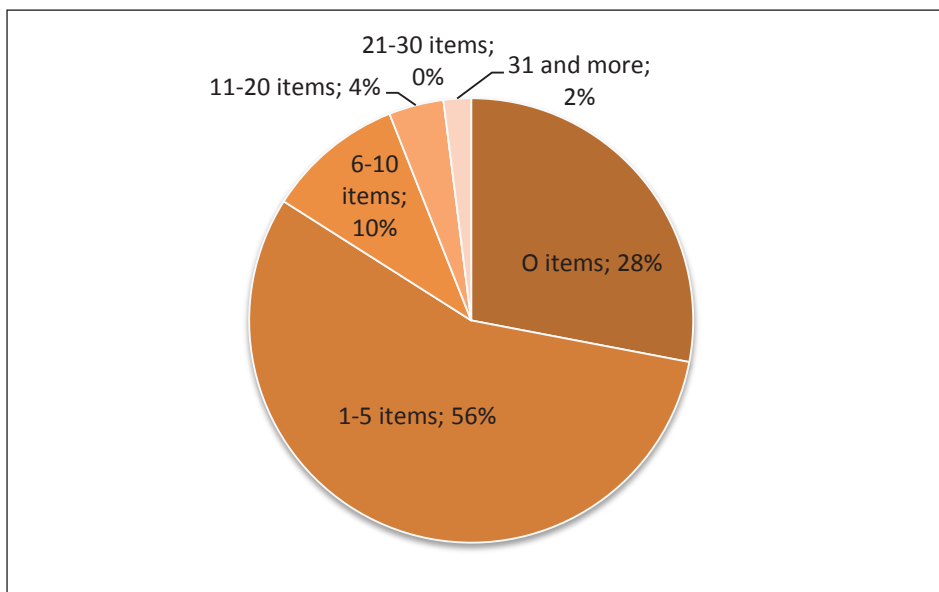
Further examining the internal structure and operation of clusters, as well as the cooperation within cluster organizations it can be seen that a relatively high number of organizations, have no common investments and neither have built common production relationship.

Figure 8: No. of common investments (%)



Source: Clusters Cord questionnaire data

Figure 9: No. of common production relationships (%)



Source: Clusters Cord questionnaire data

Higher values are read when the participation ratio at networking events and other cooperative projects is examined. In the first case 80% of the surveyed organizations and in the second 90% are involved in these things. It is also positive that more than 90% of the organizations have cluster management services in the field of project development and cooperation.

The respondents evaluated their co-operation capability within the organization for six on a seven-graded scale which means that despite the above indicated numerical results they generally positively think of their cooperation and feel them as free of problems. On the basis of this willingness to cooperate a serious progress is expected in the development of cooperation among cluster organizations. The organizations have positive impressions on the on-going collaborations and their impacts and they consider project development activities within cluster organizations as successful and they are wide open to learning and adapting international experiences.

The cluster organizations were also interviewed on their R&D as well as their innovation and technology transfer activities. Nearly 80% of cluster organizations have achieved some results in R&D and innovation activities for the year 2010. The majority of organizations in terms of quantity perform a lower number of R&D and innovation activities.

The cluster organizations performing R&D activities in higher number are primarily Austrian and German organizations, as well as clusters with R&D organization that primarily operate on regional scope or fall into developing or advanced categories.

The organizations performing innovation activities in higher number also fall mainly into developing and advanced categories, they are mostly German, Czech and Hungarian cluster organizations.

Table 2: The parameters of the R&D and innovation activities of organizations

No. of common R&D activities (by the cooperation of 2 cluster members at least) on 2010	0	1-2	3-5	6-9	10-12	12-	Items
	23%	26%	28%	15%	0%	8%	%
No. of innovation relationships (by the cooperation of 2 cluster members at least) on 2010.	0	1-5	6-10	11-20	21-30	31-	Items
	17%	60%	17%	2%	0	4%	%
No. of successful technology transfers	0	1-5	6-10	11-20	21-30	31-	Items
	33%	56%	4%	2%	2%	3%	%
No. of R&D/Innovation oriented events organised by CP in 2010.	0	1-3	4-8	9-12	13-18	19-	Items
	24%	51%	16%	5%	4%	0%	%
No. of participation at R&D/Innovation oriented events organised by institution(s) outside CP in 2010.	0	1-5	6-10	11-20	21-30	31-	Items
	26%	57%	4%	8%	5%	0%	%

Source: Clusters Cord questionnaire data

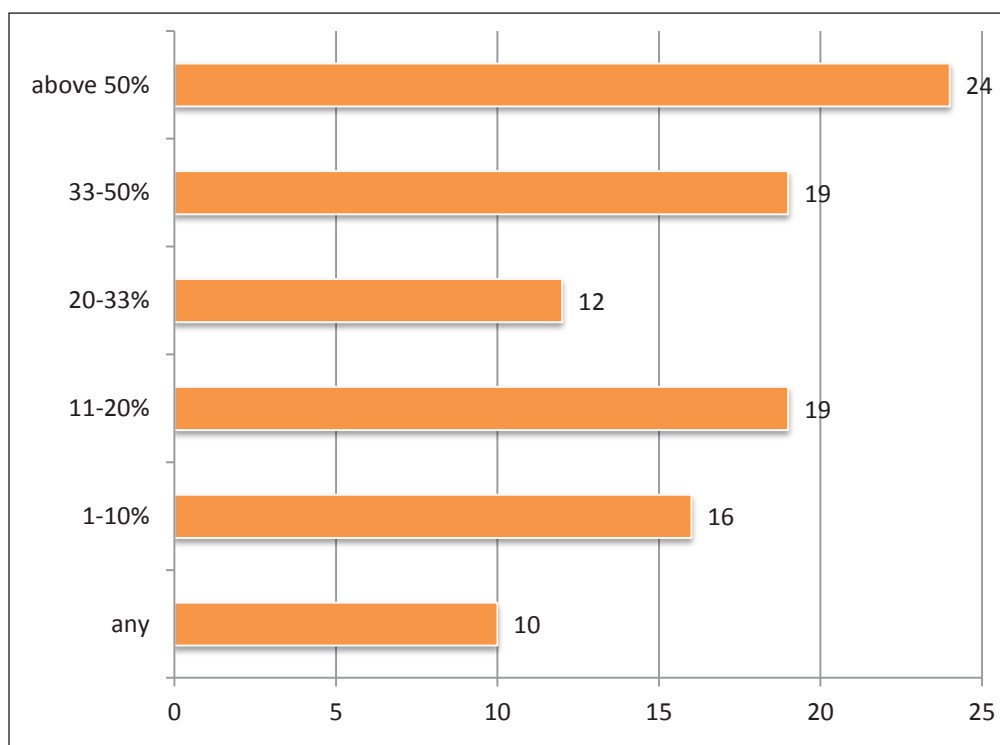
The data in the table also show that two-thirds of the cluster organizations are involved in the R&D and innovation-themed events organized or attended by cluster organizations. It can also be remarked that 73 and 84% of the surveyed organizations are involved in R&D and innovation oriented cluster management services.

The clusters themselves also evaluate their R&D, innovation and general activities as successful, just like their preparedness, and openness.

This is also true for the evaluation of their innovation abilities and skills, for the assessment of their readiness and willingness for R&D activities and for the evaluation of the adaptability of cluster organizations as well. The respondent organizations are fully open to the exchange of experiences in this field as well.

Below an overview is provided on the international connections of cluster organizations. During the analysis of the internal structure of the organizations we have seen that a significant ratio of them are companies, especially small and medium-sized enterprises, but foreign-owned members and corporations are also in a large number among member organizations. It also follows that 43% of the organizations have such member organizations of which more than two-thirds are export-oriented organizations. These cluster organizations are primarily those with higher number of members, falling into developing or advanced category and those where the majority of members are business entities.

Figure 10: Ratio of export-oriented members (%)



Source: Clusters Cord questionnaire data

The ratio of international relations-oriented organizations is high amounting up to 94% of the total respondents. Within them the ratio of cluster organizations with more than half internationally oriented members is 28%. Interesting within this is that majority have higher number of members, and they are cluster organizations founded in the last few years. They are mainly regional in scope, and there are plenty of start-ups among clusters. The results also show that international cooperation has become increasingly popular in the recent years in the clusters' activities.

From the comparison of these results with the evaluation of the organizations it can be seen that the measured values on a seven graded scale are at medium and in several aspects are below medium level.

Table 3: The parameters of transnational connections

Factors	Rank
The membership is open to establish international connections	5
Members products/services meet the needs of foreign partners	5
The level of members' language knowledge is comply with transnational communication expectations	5
The membership is flexibly adaptable in the context of different cooperation cultures	4
The CM has established transnational partnership with foreign matchmaking organisations/companies and functions as an intermediary body-explores possibilities, initiates transnational cooperation as well as supports existing connections	3
Members regularly visit foreign branches	3
Members are visited by foreign branches/bridge makers at transnational level	3

Source: Clusters Cord questionnaire data

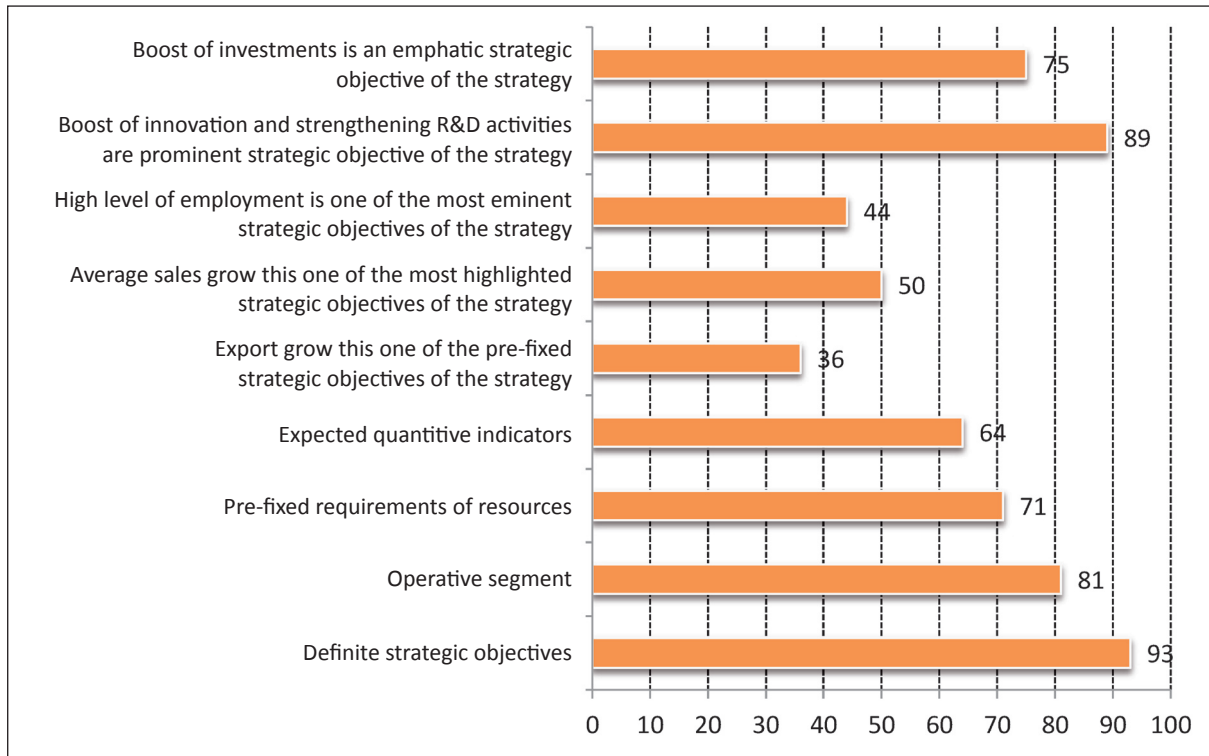
However, even in this case we can conclude that the respondent organizations are open to the exchange of experience in the field of international cooperation.



2.5. COMMON CLUSTER STRATEGY

92% of the respondent organizations have a comprehensive cluster strategy; the drop-outs are mainly start-up clusters. The validity of the strategies in 54% of the organizations is the end of 2013 or the subsequent period which means organizations think in medium and long-term strategy.

Figure 11: The parameters of cluster strategy (%)



Source: Clusters Cord questionnaire data

80% of the strategies set out the operational objectives, which is essential for the implementation of strategies. Besides the formulation of operational objectives, it is worthy of note that resource planning and the expected numerical indicators have also been defined in the majority of cases. In this respect, especially clusters with larger number of members, broader geographic scope, and being in developing and advanced stage have an outstanding role. In the manifestation how highlighted objectives of these strategies are the export growth, the average sales growth and the achievement of high level of employment, a fairly diverse attitude is shown by the organizations.

The export and revenue growth as a target was detected, primarily in younger organizations gathering mainly business organizations, being national in scope, start-up and in advanced stage of development.

The aspects of high level of employment were the least dominant in the Slovenian and Italian clusters however there were a large number of initial clusters among organizations considering the employment of labour force as a matter of outstanding importance.

Table 4: The evaluation and consideration of cluster strategies

Factors	Ratio	Rank on a scale from 1 to 7
Pre-fixed requirements of resources	71	7
Export growth is one of the pre-fixed strategic objectives of strategy	36	6
Average sales growth is one of the most highlighted strategic objectives of the strategy	50	6
High level of employment is one of the most eminent strategic objectives of the strategy	44	6
Boost of innovation and strengthening R&D activities are prominent strategic objectives of the strategy	89	7
Boost of investments is an emphatic strategic objective of the strategy	75	7

Source: Clusters Cord questionnaire data

The table data indicate that the numerical results and their evaluation by organizations do not always match. A more positive assessment is formulated in the above-analysed export, sales growth and high employment level issues by the respondent organizations.

The increase of innovation and R&D activities are generally outstanding aspects of the respondent cluster organizations, and in this context it is still very positive that only a very small percentage of the organizations have partnerships with R&D organizations and educational institutions.

The organizations evaluating the strategies fully agreed that their strategies are tightly based on national and regional cluster strategies.

2.6. CONCLUSIONS, SUGGESTIONS

In terms of the foundation of clusters involved in the study, two groups of the partner countries can be distinguished: In case of Germany, Austria and Slovenia, we can talk about an earlier creation period of clusters, while in case of Hungary, Poland, Italy, and the Czech and Slovak Republic, the majority of clusters started to operate after year 2006; *This allows the adoption of good practices and experiences among partner countries in terms of developing national and regional cluster policies and of developing the cluster organizations' structure, operation, and collaboration activities.*

By industry, the largest proportion of the surveyed cluster organizations is operating in production technology, energy and environmental industry sectors.

Analysing the internal organizational structure of clusters it can be concluded that the ratio of small and medium-sized enterprises involved in the work of the clusters is 70%. The ratio of large corporations is 10% and the participation rate of the public sector (7%), R&D organizations (4%) and education (4%), in cluster organizations is considered as very low; *Shifting these ratios towards professional organizations is a priority objective of cluster development.*

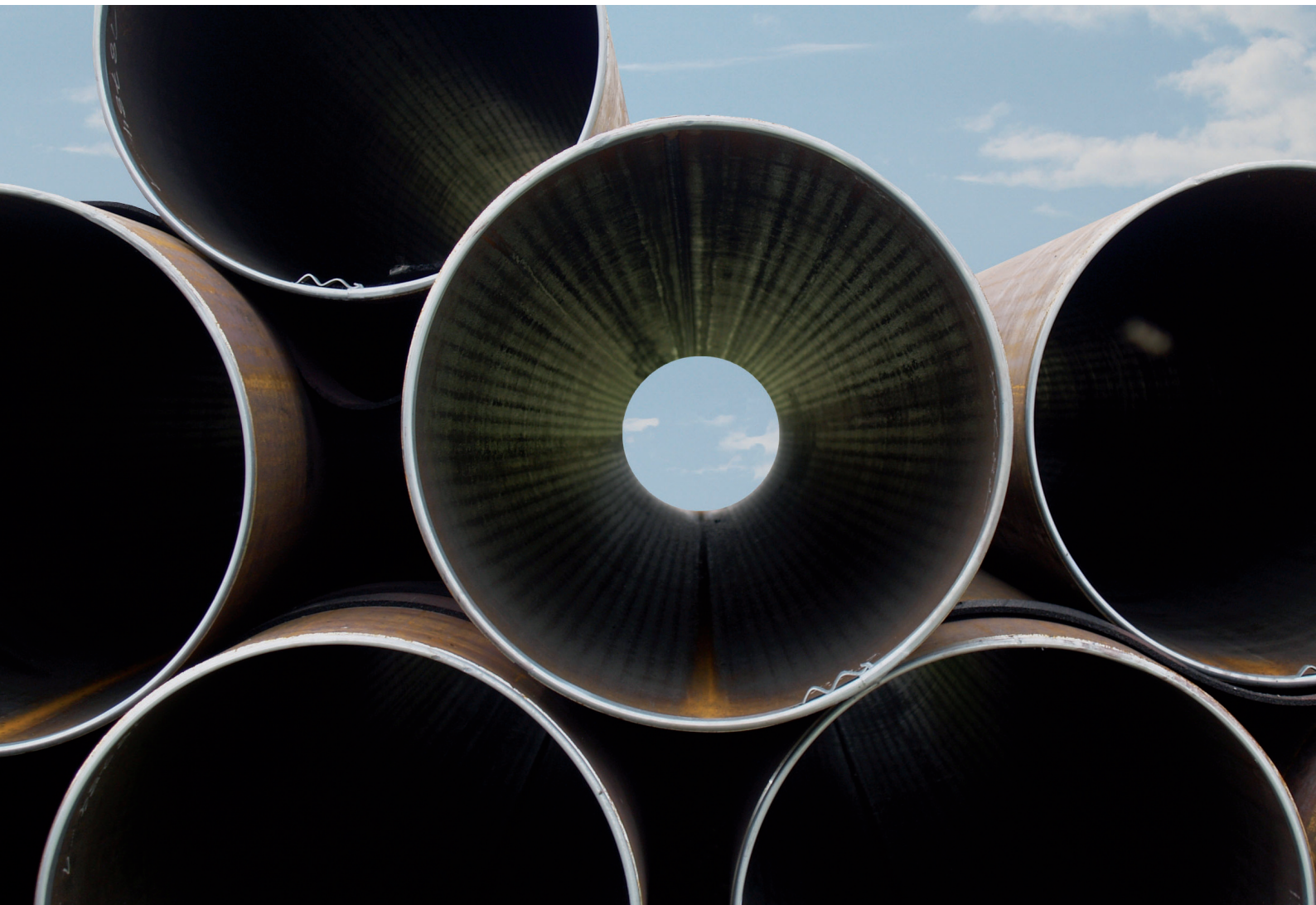
The relative maturity of cluster organizations is indicated by the complexity of their internal organizational structure. 60% of organizations comprise 4-6 organization types; the development of the internal

organizational structure of the model would greatly contribute to the development of the (internal and external) collaboration system of cluster organizations.

By geographic scope the clusters having been investigated are the least tied to micro-regions. However, the role of clusters with regional scope or surpassing regional-scale but in terms of their activities limited within national borders is significant; *All this knowledge can contribute to the foundation of regional and national cluster policies.*

The employment of self-employees is an essential element of the organizational structure. 30% of organizations do not have employees; a further 43% had fewer than five employees full or part time. The cluster organization development concepts include raising the level of employees.

The organization's work merits is indicated by the fact that a high part of the cluster organizations has organizational and operational rules, marketing and communication plan; *A partial definition of the content of development documents, their differentiation by development level and size would greatly contribute to the development of cluster organizations; in case of the existing documents the preparation of impact assessment is recommended.*



Despite the statements of documents cluster organizations consider marketing and PR activity as moderately important, organizations think that their reputation is not primarily the result of their marketing efforts.

The number of organizations having not been implemented common investments and having no joint relationship in production is considered to be high.

The respondents evaluate their own collaboration abilities within the organization mostly as positive and problem-free and within this field they consider their project development activities within cluster organizations as successful ones.

Organisations are open to expand their international experiences, and for the adaptation of international best practices as well. The cluster organizations performing R&D activities in higher number are primarily Austrian and German ones which are largely regional in scope and falling into developing or advanced categories. The organizations performing innovation activity in a higher number are mainly in the developing and advanced categories, they are mostly German, Czech and Hungarian cluster organizations; *The development of co-operation within cluster organizations, the elaboration of cooperation models according to cluster types (by sector, size, organizational structure) is required.*

93% of the organizations have common development strategy. Besides the formulation of operational objectives it is also noteworthy that resource planning and the expected numerical indicators will in the majority of cases be defined. In this respect, especially the role of clusters with larger member size, broader geographic scope, and being developing or advanced stage is outstanding; *The partial definition of the content of development documents, their differentiation by the organization type may greatly contribute to the development of cluster organizations; In case of the existing documents the preparation of an impact assessment is recommended.*

Reviewed factors (internal organizational structure, geographic scope, cooperation factors, development strategies) indicate that the investigated clusters have created by common needs and interests. The majority of these clusters has been structured along the bottom-up strategy.

3. EVALUATION OF CLUSTER POLICIES

The findings of the following section are based on the responses to Questionnaire for Benchmarking Clusters in Regions II-cord. – Performance Evaluation of Cluster and Policies. Questionnaires arrived filled in from Czech, German, Slovak, Hungarian, Austrian, Italian, Polish, and Slovenian partners.

3.1. NATIONAL CLUSTER POLICY AND CLUSTER PROGRAM(S)

All partner countries participating in the project with the exclusion of Slovakia and Poland (Germany, Czech Republic, Hungary, Austria, Italy and Slovenia) have a national cluster policy, the validity of which in the vast proportion of cases expires beyond year 2014.

These policies define two-thirds of the nations' strategic objectives for cluster development as well as the funding instruments.

Besides national cluster policy the formulation of national cluster programs is also an essential element for the functioning of cluster organizations. With the exception of the Slovak Republic the responding partner countries have a national cluster strategy, which are valid with one exception (Germany) for a longer term.

These national cluster strategies mostly set up the concrete strategic goals with the financial resources enabling their implementation. The lack of strategic goals can be perceived in the cluster strategy of the Slovak Republic, while the absence of the definition of financial instruments is seen in the strategies of the Slovak Republic and Slovenia.

During the strategic analysis of the strategic documents of clusters it was apparent that the pre-defined financial resources, as well as the quantitative outcome indicators were less outlined in these strategies. On national level the same thing can be said. The awareness of resources was seen in the national cluster strategies of the Czech Republic, Germany and Poland, while the pre-defined performance indicators were set only in the strategies of the Czech Republic, Hungary and Poland.

Table 5: The key aspects of content elements in the national cluster strategy programs by country

Aspects	Countries where these aspects are included in the cluster strategy	Countries where these aspects are excluded from the cluster strategy
Export growth is one of the pre-fixed strategic objectives of the strategic program	CZ, HU, I, SI	DE, SK, A, PL
Average sales growth is one of the most highlighted strategic objectives of the strategic program	CZ, I, SI	DE, SK, HU, A, PL
High level of employment is one of the most eminent strategic objectives of the strategic program	CZ, DE, HU, I, PL, SI	SK, A
Boost of innovation and strengthening R&D activities are prominent strategic objectives of the strategic program	CZ, DE, HU, A, I, PL, SI	SK
Boost investments is an emphatic strategic objective of the strategic program	CZ, HU, I, PL, SI	DE, SK, A
The strategic program supports the strengthening of common cluster services in the field of PR & Marketing	CZ, DE, HU, PL, SI	SK, A, I
The strategic program supports the strengthening of common cluster services in the field of cooperation/networking/project development	CZ, DE, HU, A, I, PL, SI	SK
The strategic program supports the strengthening of common cluster services in the field of R&D/Innovation	CZ, DE, HU, A, I, PL, SI	SK
The strategic program supports the strengthening of common cluster services in the field of Transnational connections	CZ, HU, A, I, PL, SI	DE, SK

Source: Clusters Cord questionnaire data

National strategies set up export growth, revenue growth and investment growth as strategic goals of the smallest importance.

In national cluster strategies the achievement of high level employment (with the exception of the Slovak and Austrian strategic programs), innovation and R&D growth (with the exception of Slovakia's strategic program), the development of cluster of services, PR and marketing (with the exception of the Slovak, Austrian and Italian programs), collaboration and project development (with the exception of the Slovak program), R&D and innovation (with the exception of the Slovak program), and international relations (with the exception of Slovak and German programs) are considered as elements of outstanding importance.

It can be seen that in terms of the above aspects the Slovak, German and Austrian national cluster programs can be considered the least complex.

3.2. CLUSTER PROGRAM(S) AT REGIONAL LEVEL

Table 6: The key aspects of content elements in the regional cluster strategy programs by country

Aspects	Countries where these aspects are included in the cluster strategy	Countries where these aspects are excluded from the cluster strategy
Export growth is one of the pre-fixed strategic objectives of the strategic program	SK, A, I, SI	CZ, DE, HU, PL
Average sales growth is one of the most highlighted strategic objectives of the strategic program	SK, A, I	CZ, DE, HU, PL, SI
High level of employment is one of the most eminent strategic objectives of the strategic program	DE, SK, HU, A, I	CZ, PL, SI
Boost of innovation and strengthening R&D activities are prominent strategic objectives of the strategic program	DE, SK, A, I, SI	CZ, HU, PL
Boost investments is an emphatic strategic objective of the strategic program	SK, HU, A, I, SI	CZ, PL
The strategic program supports the strengthening of common cluster services in the field of PR & Marketing	DE, SK, HU, A, SI	CZ, I, PL
The strategic program supports the strengthening of common cluster services in the field of cooperation/networking/project development	DE, SK, HU, A, I, SI	CZ, PL
The strategic program supports the strengthening of common cluster services in the field of R&D/Innovation	DE, SK, HU, A, I, SI	CZ, PL
The strategic program supports the strengthening of common cluster services in the field of Transnational connections	DE, SK, HU, A, I, SI	CZ, PL

Source: Clusters Cord questionnaire data

Just like in national cluster strategies, in regional strategy documents as well export growth and revenue growth are the least important aspects.

In case of the other aspects similarly high rates of appearance are seen. In contrast to national cluster strategies at regional level, by the above criteria of analysis the Czech and Polish regional cluster strategies are considered the least complex.

The project partners were also interviewed on the above-listed factors.

Table 7: The evaluation of cluster policy and cluster strategies

Aspects	Rank on a scale from 1 to 7
Pre-fixed and accepted national cluster policy is the compass of development	5
Export growth should be one of the most highlighted strategic objective of cluster policies/programs	6
Average sales growth should be one of the most highlighted strategic objective of cluster policies/programs	5
High level of employment should be one of the most eminent strategic objective of cluster policies/programs	6
Boost of innovation and strengthening R&D activities should be prominent strategic objectives of cluster policies/programs	7
Boost of investments should be an emphatic strategic objective of cluster policies/programs	6
The cluster strategies are in keeping with national/regional cluster policies/programs generally	6
The national/regional cluster policies/programs should be up-dated according to common cluster services in the field of PR & Marketing	5
The national/regional cluster policies/programs should be up-dated according to common cluster services in the field of cooperation/networking/project development	5
The national/regional cluster policies/programs should be up-dated according to common cluster services in the field of R&D/Innovation	5
The national/regional cluster policies/programs should be up-dated according to common cluster services in the field of Transnational connections	5

Source: Clusters Cord questionnaire data

The questionnaires show that the quantifiable results are not always in accordance with evaluation of partner organizations. Overall, the project partners rather agree with the above findings. What they mostly agree with is that national cluster policies significantly contribute to the development of clusters. The majority of the respondents also agree that the export growth, revenue growth and the achievement of high level of employment should be important aspects of cluster of policies and programs.

The respondents attributed also an important role to innovative activities and R&D activities as well as to their inclusion into cluster policies and programs.

Table 8: Parameters of cluster policy

	Cluster policy – national features	The cluster agencies on national and regional level	International programmes	Programmes on national and regional level	Messages
Czech Republic	<p>The main provider of cluster organisation support on the national level is Ministry of Industry and Trade of the Czech Republic (MPO) with its Investment and business development agency – Czechinvest. Financial instrument of Ministry for clusters support is Operational Programme Enterprise and Innovations (OPEI) 2007 – 2013 – Cooperation programme co-financed by EU Structural Funds.</p> <p>Besides the state frame of support there is National Cluster Association – NCA registered from 2008 as non-profit organization. Acts as knowledge platform for clusters, co-ordinates and develops cluster activities, associates and represents their interests towards national and international partners. The main target audience is cluster organizations and initiatives, universities, development and innovation agencies, consulting companies etc.</p>	<p>The basic institution providing the cluster support on the national level is Czechinvest. The main objective of Czechinvest, the Investment and Business Development Agency, is to advise and support existing and new entrepreneurs and foreign investors in the Czech Republic.</p> <p>National Cluster Association (NCA) matches subjects and individuals with the aim of co-ordination and sustainable development of cluster activities and development of cluster policies in the Czech Republic. It's activities are based on concentration of knowledge, experience and expert's findings for strengthening of competitiveness of the Czech Republic.</p>	<p>Competitiveness and Innovation Framework Programme (CIP) 7th Framework programme on Research (FP7) Interreg IVB</p>	<p>In 2004–2006, the Operational Programme Industry and Enterprise Clusters Programme was in operation with the aim of supporting the establishment and development of communication and cooperation between the business and science-and-research spheres. The programme offered support to cluster initiatives in two phases. In the first phase, support was provided for seeking out firms for participation in clusters. The second phase consisted in the actual establishment and further development of clusters. The unequivocal success of all supported activities has been demonstrated by the fact that in that time in the Czech Republic 25 new legal entities have been established – clusters, and a range of other projects has been passing through the mapping phase.</p> <p>In the Structural Fund programming period 2007–2013, the similar Cooperation Programme builds on the Clusters Programme. This time, however, support is expanded to more activities from the regional to the international level. Clusters, poles of excellence and technology platforms are supported, both in the phase of seeking out firms for inclusion in groupings as well as in the establishment and development phase.</p> <p>This programme is open to SMEs as well as large firms, universities, science-and-research institutes and regional administrative bodies.</p> <p>There are still no special programmes supporting cluster establishment developed on the regional level in the Czech Republic.</p>	<p>In the Czech Republic, there is a need of starting financing the support of the regional clusters and their cooperation. There is a need to support the enhancement of professionalism of facilitation and management of clusters by education, knowledge sharing, common actions of clusters at the national and European level.</p>
Germany	<p>Cluster policy – national features</p> <p>In Germany the Cluster policy is on federal state level.</p>	<p>The cluster agencies on national and regional level</p> <p>Cluster department in State ministry for economics, regional economic development agencies, in Stuttgart Region it is WRS</p>	<p>International programmes</p> <p>–</p>	<p>Programmes on national and regional level</p> <p>Baden-Württemberg: enable ERDF-funding scheme for identified relevant clusters. Stuttgart Region: regional programme for establishing regional competence centre as cluster organisation</p>	<p>Messages</p> <p>Internationalization strategy for regional cluster: ministry for economics started a programme "internationalization strategy for regional clusters" to develop a strategy for the 18 relevant clusters and to support the cluster manager in the approach of internationalization e.g. study visits, exchange and corporation on international level.</p>

	Cluster policy – national features	The cluster agencies on national and regional level	International programmes	Programmes on national and regional level	Messages
Slovak Republic	Cluster policy is not systematically promoted at national level.	National Agency for Enterprise Ministry of Economy Social Implementation Agency Energy and Innovation and Energy Agency	Operational Programme Central Europe Operational Programme South East Europe Slovak-Austrian, Hungary – Slovakian, Czech republic – Slovakian cross-border cooperation programme 2007–2013	Operational Programme Science and Research Operational Programme „Competitiveness and Economic Growth Operational Programme Employment and Social Inclusion	
Hungary	<p>The Hungarian Pole Program is a comprehensive economic development program funded by Structural Fund sources with strong focus on the 8 pole cities in Hungary (Budapest, Miskolc, Debrecen, Szeged, Pécs, Székesfehérvár, Veszprém, Győr) and cluster development. Objectives of the Pole Program will be reached through the improvement of the business environment and cluster development.</p> <p>The 2 pillars of the program</p> <ol style="list-style-type: none"> 1. Horizontal economic development pillar: focusing on the involvement of competitive business environment in pole cities 2. Cluster development pillar: enhancement of competitiveness of domestic companies and clusters mainly in export oriented, innovative industrial fields with high added value 	<p>The Strategic Steering Committee (SCC) is functioning in the fields of the strategic coordination and decision making related to the Hungarian Pole Program at national level. This organization consists of heads of relevant ministries and the National Development Agency. The SCC is the most highlighted decision maker body regarding to the strategically questions of the Hungarian Pole Program (HPP) implementation; the president of the body is the Minister of National Resources.</p> <p>Hungarian Pole Program Office is the top organization responsible for the operative coordination of the Hungarian Pole Program (HPP) at national level.</p> <p>MAG – Hungarian Economic Development Centre Private Limited Company. MAG is Hungary's intermediate body for economic development programs financed from European Union resources.</p> <p>Hungarian Pole Program Office – Network-development Office- Local Pole Offices (LPOs) Regional Development Agencies – The Central-Transdanubian Regional Development Agency</p>		<p>The Economic Development Operational Programme (EDOP) The Central Transdanubian Regional Operational Programme (CTOP)</p>	

	Cluster policy – national features	The cluster agencies on national and regional level	International programmes	Programmes on national and regional level	Messages
Austria	<p>UPPER AUSTRIA is the leading Austrian Cluster Region</p> <p>Strategic Programme Upper Austria 2010+</p> <ol style="list-style-type: none"> Year of appearance: First Programme started 1998: Strategic Programme Upper Austria 2000 Responsible organisations: Government of Upper Austria, The Upper Austrian Research and Technology Council, Upper Austrian Technology and Marketing Company, Upper Austrian Chamber of Commerce, etc. Aims: Our "programme for the future", which has been approved by both the Upper Austrian government and parliament, focuses on R&D, technology-oriented qualifications, networks, Upper Austria as an economic and technology location and EU networking. The programme is holistic in approach, sustainable, strategic and feasible, above all. <p>In detail: Professional qualifications, Networks, R&D, Economic and technology location Upper Austria, EU networking</p>	<p>Government of Upper Austria, The Upper Austrian Research and Technology Council, Upper Austrian Technology and Marketing Company, Upper Austrian Chamber of Commerce</p> <ol style="list-style-type: none"> Clusterland Oberösterreich: <ul style="list-style-type: none"> Automotive Plastics Furniture & Timber Construction Health Technology Mechatronics Environmental Technology Wirtschaftskammer Oberösterreich: <ul style="list-style-type: none"> Food Technology Government of Upper Austria <ul style="list-style-type: none"> Eco-energy Technology 		<p>For the Food Cluster as Project Partner in Clusters-Cord: There are three additional programmes:</p> <ol style="list-style-type: none"> The Upper Austrian Chamber of Commerce Programme The department for agriculture of the Government of Upper Austria The economic department of the Government of Upper Austria <p>Strategic Programme Upper Austria 2010+ Governmental programme</p> <p>The main goals are defined within the 5 strategic fields</p> <ul style="list-style-type: none"> R&D Professional qualifications Networks Economic and technology location Upper Austria 	<ul style="list-style-type: none"> Institutionalise the Cluster Managements in the regions Cross Mentoring of Cluster Managements on regional and interregional level Have regional focus on regional economic interests and politics Supporting the culture of communication among the network players (start building linkages) Standardized tools like: marketing activities, development of programmes and projects, contact management, communication and the coordination of the network consistence Top-down set-up and standardized tools helps to create common quality levels Identification of regional value chains is crucial Focus on key-players and firms Establishment of whole branches / sectors instead of specialized suppliers and service firms
Italy		<p>Federazione dei Distretti Italiani (Italian Federation Cluster) 1994:</p> <p>SYMBOLA 2005</p> <p>LOMBARDY REGION – Directorate of Industry, SME and Cooperation Department 1970</p> <p>UNIONCAMERE LOMBARDIA 1901</p>		<p>Programme "METADISTRICTS" for promoting collaborative activities among companies, universities, scientific societies in RTDI projects</p> <p>Sistemi Produttivi Sperimentali (Programma Driade)</p> <p>"Craftmanship" agreement, between the Region Lombardy and Union Camere Lombardia</p>	–

	Cluster policy – national features	The cluster agencies on national and regional level	International programmes	Programmes on national and regional level	Messages
Slovenia	<p>Defensive industrial policy, 1991 – 1999 The policy was initiated by Ministry of Commerce. The content is Social cost of transition and macroeconomic stabilization. Entrepreneurship and Competitiveness Policy – Breaking the Mould (proactive industrial policy), 1999–2004</p> <ul style="list-style-type: none"> • Sub-programs: enhancing knowledge creation, improving enterprises' competitive capacity, promoting entrepreneurship and utilization of entrepreneurial opportunities <p>The overall specific aims: Cluster development in 3 steps:</p> <ul style="list-style-type: none"> • Identification • Development of specific measures • Initiation of pilot project in potential cluster development <p>Results: 2001 – 2004</p> <ul style="list-style-type: none"> • 17 clusters (300 enterprises, 57.000 employees, 40 supportive institutions) • 4 technology networks (43 enterprises, 30.000 employees, 15 R&D institutions) <p>Policy sustainability: after 4 years of financial support from the government the clusters and technology networks ceased to receive financial support. New cluster formations on the market principal, 2004 – 2005, from 17 to 32 clusters. With cluster movement the technology platforms were formed, centres of excellence and competence centres.</p>	<p>Slovenia does not have national agencies for clustering and clusters. It has regional development agencies whose job isn't to support or cooperate with clusters or work clustering process. Developmental agencies and clusters cooperate at their own initiative and convenience in the line of projects. In the attachment there are all regional developmental agencies.</p> <p>The legal status of developmental agencies is double; they are companies with limited financial responsibility or full financial responsibility. They are non-profitable agencies and they are public equivalent bodies founded by public bodies.</p> <p>Cluster Agencies:</p> <ul style="list-style-type: none"> • Construction Cluster of Slovenia • Automotive Cluster of Slovenia • District energy cluster • eAliansa IT cluster • Economic Interest Association of Geodetic Service Providers • High technology Products Manufacturers' Cluster • Slovenian Environmental Cluster • The Slovenian Plasttechnics Cluster • TECOS, Slovenian Tool and Die Development Centre • Toolmakers Cluster of Slovenia • Wood Industry Cluster • HVAC – Heating, Ventilation and Air-Conditioning Cluster • Slovenian Consulting Cluster • Technology Networks of Slovenia (TNS) • Technology network of information and communication technologies (TMI ICT) • Technology network "Intelligent polymeric materials and pertaining technologies" (IPMT) • Technology network Process control technology (PCT) • National Centre of Clusters and Technology Networks 		<p>Programs for developing clusters on the national levels have been described in previous chapters. We do not have programs on the regional level for cluster development or support, as we do not have clusters on the regional level – regional clusters. Clusters have strategic plans and the common line of those plans is to find new business connections and to develop better services for members, to be involved in the profitable innovative or developmental projects, improving performance of the cluster, penetrating and strengthening position in foreign markets and in domestic one, gaining new members.</p> <p>However they are National and Regional Developmental programs.</p>	<p>Clusters are independent economic entities and are completely autonomous on development and financing. Regional or national government does not finance clusters and it does not prepare development programs for clusters, neither do regional development agencies. The cooperation between stakeholders, on occasion, is base on project participation and cooperation and on lobbying. National and regional development programs are a loose framework that gives the clusters the guidelines for operation.</p> <p>Clusters' strategic development plans are not publicly available. However since BSC, Kranj cooperates with several Clusters' offices we have the information about the main priorities for the clusters: to improve the performance of the cluster, new business connections and to develop better services for members, to be involved in the profitable innovative or developmental projects, penetrating and strengthening position in foreign markets and in domestic one, gaining new members. Since there is a limited number of mass in membership in Slovenia, clusters are working international networks. International networks also enable provision of additional service and added value to members of the cluster. Being a part of European networks and technological platforms means being or having a chance to be more competitive on a global market for cluster and members of the cluster. Another vision of clusters which are financially strong is to open offices abroad in business or in political environment.</p>

	Cluster policy – national features	The cluster agencies on national and regional level	International programmes	Programmes on national and regional level	Messages
Poland	<p>There is no cluster policy on the national level that means no policy that would consider only clusters in general or in specific. Cluster policy is a part of innovation policy in Poland</p>	<p>Ministry of Regional Development may be considered as responsible for clustering in Poland on the national level. On the regional level regional public authorities seem to be engaged in the cluster building and development.</p>	-	<p>On the national level: indirectly National Development Strategy 2007–2015 , November 2006 by Ministry of Regional Development On the regional level: In Lower Silesia there are some documents in which the concept of clusters appears with recommendation of its development: Lower Silesia Innovation Strategy January 2005; The 2020 Development Strategy for the Lower Silesia Voivodship, November 2005</p>	<p>Basing on the Benchmarking study on clusters from 2010 the recommended activities to be conducted by the policy makers on the national level include:</p> <ul style="list-style-type: none"> identifying the model of cluster policy in Poland and preparing a strategy of clusters support (including the contribution in the strategy development of clusters, local government units, local economic experts and experiences of the countries); distinguishing the key clusters and sectors in the forthcoming strategy; identifying an action plan to implement the strategy; improving communication with clusters; preparing analysis of needs of support among the clusters, which are the part of a strategic cluster policy in Poland; preparing the basic instruments of support for clusters in the early stages of development, including the preparation of long-term plans to support individual clusters, taking into account the reduction of public financial support each year; development of advanced instruments of support for clusters in the phase of growth, maturity, or transformation, related to the implementation of concrete projects; incorporating clusters' specifics within the criteria for project selection; taking into account the collaboration with R&D units among the criteria for project selection; dissemination of knowledge about clustering in Poland during the events related to enhancing the entrepreneurship; preparation of specific support tools for clusters that are easily accessible; creating a database of tools that are already developed; cluster support through assistance of qualified public employees, offering consulting and training services; providing incentives and tools to stimulate innovation in clusters;

	Cluster policy – national features	The cluster agencies on national and regional level	International programmes	Programmes on national and regional level	Messages
					<ul style="list-style-type: none"> • creating a system of evaluation of policies coherence (creating a system before taking action), including the evaluation of cluster policy; • change in the system of vocational education, which requires a greater orientation towards the practice; • promotion of technical education (at all levels of education); • taking into account the needs and views of clusters when designing changes; • creating a platform for cooperation between clusters with R&D units; • encouraging clusters and showing them the possible areas of cooperation with R&D units. <p>The recommended activities to be conducted by the policy makers on the regional level include:</p> <ul style="list-style-type: none"> • creating coherent national rules for the promotion of clusters in each region, linked to national policies to promote clusters described in the strategy; • taking into account a significant share of local governments in the preparation of cluster development strategy in Poland; • analysis of the potential of the individual clusters in the region and determining the directions of supporting them; • organization of meetings and training that build awareness of the benefits of cluster structures; • identifying the key clusters in terms of regional development and prioritization of selected structures; • creating of such project selection criteria that promote clusters projects; • representing the interests of the local clusters at higher levels; • development of research and industry analysis in the region and studies on future trends (development of the region/sector); • supporting R&D regional units;

	Cluster policy – national features	The cluster agencies on national and regional level	International programmes	Programmes on national and regional level	Messages
			-		<ul style="list-style-type: none"> • supporting the implementation of changes in education at regional level proposed by clusters; • searching by local authorities of possibilities to benefit from the experience of cooperation with clusters among the other units of local government in Poland and abroad; • creation and strengthening of special economic zones; • improvement of infrastructure (roads, utilities etc.) • preparation of land use plans; • implementation of Regional Innovation Strategies (RIS) ,including the strategies regarding clusters; • taking into account the needs of clusters during the RIS update process; • dissemination of information and promotion, supporting initiatives undertaken by the clusters; • organizational support; • cluster support in foreign markets on the occasion of creating a “regional brand”; • creating of clusters administrator in the regional authorities offices (marshal offices) for all clusters in the region (a person that would be a point of contact for all clusters in the region).

Source: Clusters Cord questionnaire data

3.3. CONCLUSIONS

National cluster policies are part of an economic development policy and they appear as its priorities.

In addition to national cluster policies, national cluster strategies are essential element from the point of the operation of cluster organizations. With the exception of Slovakia, each respondent partner's country has a national cluster strategy which is valid with one exception (Germany) for a longer term.

The majority of national cluster strategies formulate comprehensive strategic objectives with indicating the financial instruments enabling their achievement.

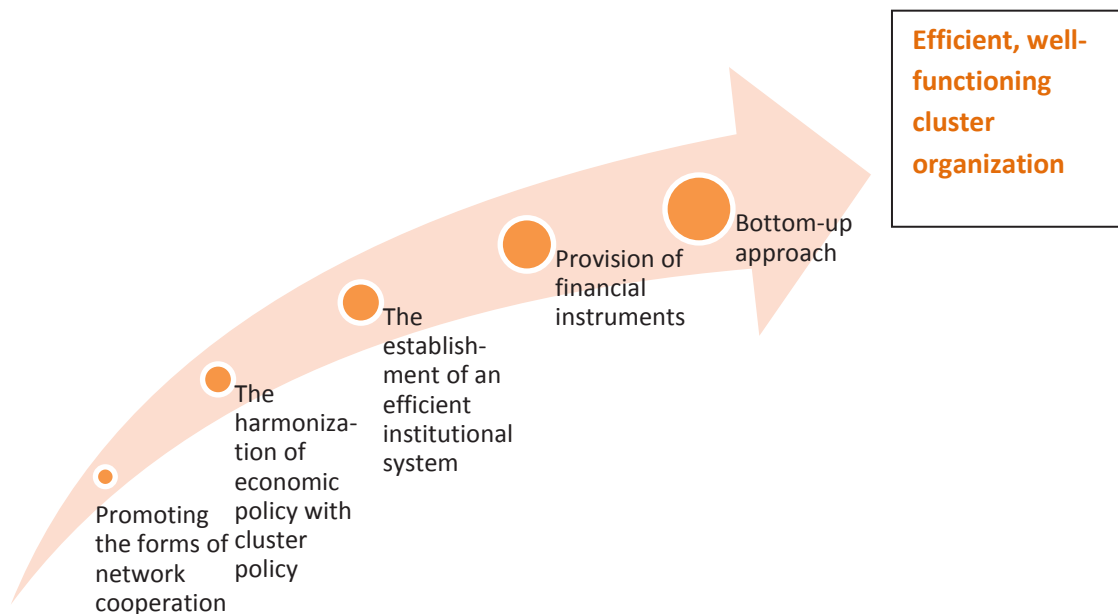
The operational objectives are included in regional cluster policies.

Concerning the institutional system the partial integration, thematic harmonization and co-operation of local, regional and national institutions may be observed.

Also the existence of certain cluster activity related institutions and agencies may be detected able to fill in the gap arising from the missing elements of organizational structure by their advanced services.

The resources supporting the operation of clusters are related to the operation of the Structural Funds, to the use of Framework Programmes and Community Initiatives.

Figure 12: The components of a well-functioning cluster organization



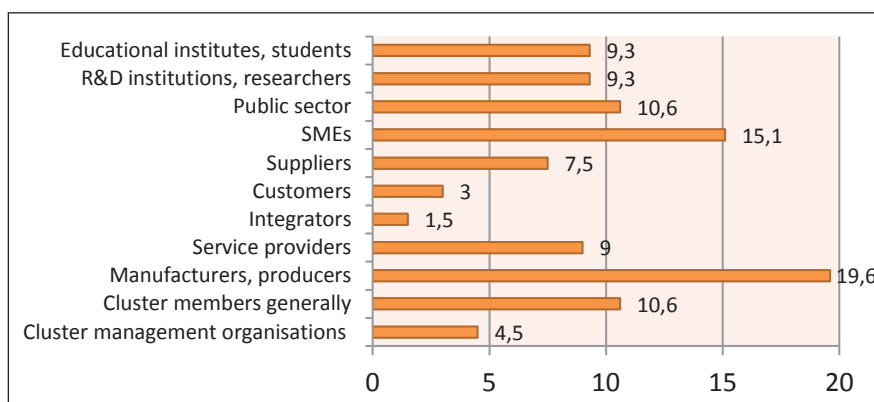
Source: Constructed by Mid-Pannon Regional Development Co.

4. EVALUATION OF BEST PRACTICES

In the following section the results of Questionnaire for benchmarking clusters-cord Regions. Performance evaluation of best practices completed by the partners (29 questionnaires were returned) and of the Template for the identification of good practices and analysis of questionnaires (17 questionnaires were returned) are summarized. The best practices gathered and presented by the project partners, in the largest share (55%) were regional in scope, with another 35% surpassing regional scope, or being country-wide, depending on the cluster founder organization's (e.g. public authority) coverage as well.

If during the analysis of best practices we examine who the partners and who the project participants and their beneficiaries are, it is seen that the ratio of manufacturers is nearly 20%, of small and medium-sized enterprises is around 15% while the percentage of cluster members and the public sector is just above 10%. The internal organizational structure of the cluster organizations as well as the circle of cooperating partners and beneficiaries in the best practices all prove that the co-operation between public sector and professional organizations (educational institutes, R&D institutions, the institutional system of innovation) should be developed in the future.

Figure 13: Identification of target beneficiary (%)



Source: Clusters Cord questionnaire data

On the basis of the project partners' evaluations, it can be stated that the collected good practices generally can be sustained in their own environment. The better than medium value (on a 1 to 7 scale) shows this and these practices seem to be capable for adaptation, since the respondents are on the opinion that these examples and models can be viable in a new environment.

Table 9: Viability of Best Practices (ranking on a 1 to 7 scale: 1 fully disagree to 7 fully agree)

Factors	Ranking
General sustainability in accustomed environment	5
General viability in different environment	5
The viability depends on relevant industry	5
The viability depends on number of cluster members	4
The viability depends on stage of cluster development	4
The viability demands separate CM organisation	5
The viability demands special CM staff skills	6
The viability demands special technical environment	5
The viability demands special locale	4
The viability demands state subsidy	5

Source: Clusters Cord questionnaire data

The viability and adaptability of best practices requires efficient cluster management organization and also depend on the specific economic and technical environment (special technical environment), and assumes an effective functioning of the public funding system.

We get similar results in terms of the applicability of best practices, i.e. their general applicability in a new environment was rated higher than medium. The determining factors, however, appear here with a different emphasis. What the respondents mostly agreed with is that the applicability of best practices is highly dependent on the economic environment and industry, as well as on the cluster's development stage. The cluster management organization's preparedness, the adaptation to special local needs and the public funding system can neither be neglected from the point of applicability. The emphasis, however, in this case, has shifted from the cluster organization towards the economic environment of the organization.

Table 10: Applicability of Best Practices (%)

Factors	Ranking
General applicability in different environment	5
The applicability depends on relevant industry	6
The applicability depends on number of cluster members	4
The applicability depends on stage of cluster development	5
The applicability demands separate CM organisation	4
The applicability demands special CM staff skills	5
The applicability demands special technical environment	5
The applicability demands special locale	4
The applicability demands state subsidy	5

Source: Clusters Cord questionnaire data

Concerning the feasibility of best practices in different environments, the respondents were not as optimistic. The economic environment, within this the role of industry, primarily the cluster management organization's preparedness and the role of the public funding system were mentioned as the most important determining factors.

Table 11: Feasibility of Best Practices (%)

Factors	Ranking
General feasibility in different environment	4
The feasibility depends on relevant industry	6
The feasibility depends on the number of cluster members	5
The feasibility depends on the stage of cluster development	5
The feasibility demands separate CM organisation	5
The feasibility demands special CM staff skills	6
The feasibility demands special technical environment	6
The feasibility demands special locale	5
The feasibility demands state subsidy	6

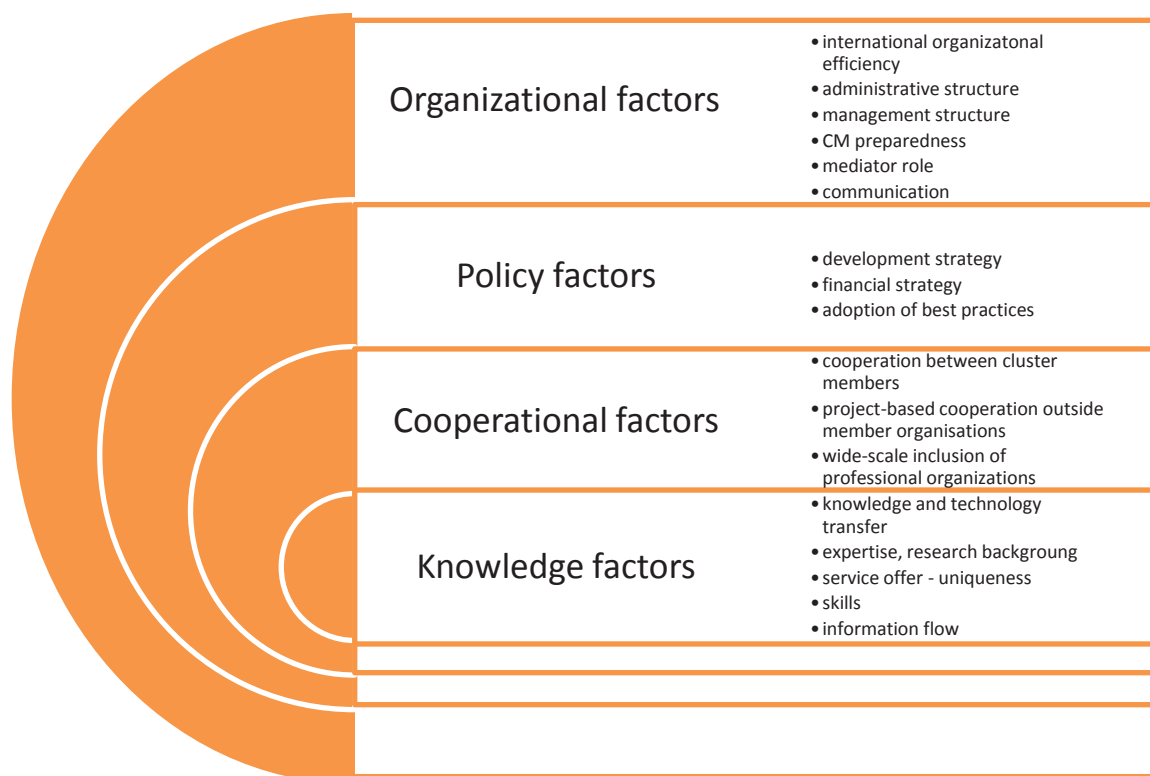
Source: Clusters-Cord questionnaire data



4.1. THE SUCCESS FACTORS OF BEST PRACTICES

Among the success factors of the analysed best practices organisational, policy factors, knowledge-intensive factors as well as cooperation-related factors can be found.

Figure 14: Success factors of best practices



Source: Constructed by Mid-Pannon Regional Development Co.

4.2. CRITICAL PARAMETERS

Among the barriers to good practices respondents mentioned significantly less factors than success factors. These included the role of national cluster policy and its weaknesses. The public funding policy and the low level of funding were further important considerations. The absence of strategic plans, their unreliability, the absence of project ideas, as well as the clusters' lack of experience all hamper the operation of clusters and the effectiveness of good practices.

Table 12: Parameters of Best Practices

Country	Project title	Type of BP	Territorial identification	The aims of BP/Fields	Identification of target beneficiary	Success factors	Critical parameters
Czech Republic	Network Security Monitoring	Network Traffic Analysis	Service can be provided nationally (Czech Republic), or using the on-line, service world-wide	The aim of network security monitoring is to have secure cyber-space, monitored in time, according to ENISA recommendations and national law.	<ol style="list-style-type: none"> 1) Cluster management organizations, 2) Manufacturers, producers, 3) Service providers 4) Dealers, 5) Customers, 6) Suppliers, 7) Integrators. 	<p>The main success has been the Network Security Monitoring Cluster establishment and starting the dialogue with universities and towards the government according to the network security dilemma.</p>	<p>Unsecure cyber-space (the threat of cyber-wars, electric machines breakdowns and collapse). The disclosure of unsecured companies and associations – no one like to admit there is a potential danger in its network (because of insufficient securing and monitoring).</p>
Czech Republic	Regional Competence Centre Programme			On different innovation fields like mechatronics, fuel cell, internet applications and solar technologies.	<p>Municipalities, companies, universities.</p>	<ul style="list-style-type: none"> • Unification of firms with special knowledge in specific technology fields/branches • Offering scientific expertise as a paid service • Making individual participants part of the regional network with a focus on science/technology • Contact mediation and the initiation of innovative, groundbreaking projects • Information transfer between science/research, teaching and practice • Preferred terms for members, associates or participating firms • Canvassing services for all participants • Shared public relations work (e.g. use of a common logo) • Shortening innovation cycles <p>Maintaining and increasing the region's appeal as a business location</p> <ul style="list-style-type: none"> • Initiation of start-ups (interlink ages to entrepreneurial and university support within R&D department) • Stimulation and support for cooperative enterprises • Creation of new, modern and attractive workplaces • Preservation of regional expertise <p>Concerning international co-operative actions, the regional Competence Centres act as a mediator for their members. They are a contact point and generator for national and international cooperation projects.</p>	<ol style="list-style-type: none"> 1. Initial Start and basic financing: Initial start of the Competence Centre Programme (Institutional Funding Phase) by a formal decision of the regional assembly providing a regional budget for the contribution programme (2 Mio. € in sum for three years). 2. Evaluation after three years: Evaluation of the Institutional Funding Phase by a second formal decision of the regional assembly to define the level of service. Basis for second stage finance. <p>Guidelines for the project-oriented Funding Phase (which is ongoing at that time).</p>

Country	Project title	Type of BP	Territorial identification	The aims of BP/Fields	Identification of target beneficiary	Success factors	Critical parameters
Slovak Republic	Automotive cluster – West Slovakia (ACS)	–	TSGR	The establishment of the ACS facilitated more effective support for the development of technological innovation based on partnership, and the fostering of quality cooperation among key entities in the automotive industry in the TSGR.	SMEs, ACS members and non-members, like-minded foreign clusters.	Connection to major regional companies in the automotive sector Connection of business needs and educational institutions (secondary schools and institutions of tertiary education).	Obtain confidence and support of business sector System support of cluster policy by state.
Slovak Republic	Electronics Cluster – West Slovakia (ECS)			The ECS was founded in order to create conditions for the implementation of research and development results as industry practice and for the improvement of the system for the education of the younger generation.		Connection of business needs and educational institutions (secondary schools and institutions of tertiary education) Obtain confidence and support of business sector. System support of cluster policy by state.	Obtain confidence and support of the business sector, municipalities, cities and tourism associations.
Slovak Republic	Energy Cluster – West Slovakia (EnCS)		In September 2009, a Memorandum of Cooperation on the Establishment of the EnCS was signed between the TSGR, the Municipality of Trnava, the Association of Towns and Villages, the Jaslovské Bohunice NPP Region, the Žitny ostrov Association of Towns and Villages, the Záhorie Association of Towns and Villages, and the Galantia-Sála Association of Towns and Villages.	The aim is to foster conditions for development and applied research, not only for businesses in the Trnava region, but for the whole of Slovakia's energy industry.		Using of renewable energy sources. Connection to major regional companies in the energy sector, connection of business needs and educational institutions (secondary schools and institutions of tertiary education).	Obtain confidence and support of business sector. System support of cluster policy by state.
Slovak Republic	Tourism cluster – West Slovakia (TC)			Its aims are, inter alia, to promote infrastructure development and enhance quality, including the creation of conditions for business in tourism in the Trnava region, promote the natural beauty and business entities of the Trnava region at domestic and foreign exhibitions and fairs, and other activities related to tourism.		Connection to major companies in the field of tourism, tourism associations in the region, Using of renewable energy sources. Connection of business needs, community and educational institutions (secondary schools and institutions of tertiary education).	Obtain confidence and support of the business sector, municipalities, cities and tourism associations. System support of cluster policy by state.

Country	Project title	Type of BP	Territorial identification	The aims of BP/Fields	Identification of target beneficiary	Success factors	Critical parameters
Hungary	Project-Pipeline System in Central-Transdanubian Clusters					Concrete, realized examples help the project-generalizing efficiently. Efficiency of the work of the cluster-managers has great importance. Typical demands are the continuous information, communication and deepening the application possibilities. It is important to deal with the received project proposals, co-operation among the project hosts, managing organization and its partners.	The scant sources of the cluster members is a dam Lack of the essential plans of cluster members is typical There are few integrated project ideas, having effects on extended fields There are few project ideas in the disadvantaged micro regions Failure of some advance-joining programs had negative influence.
Poland	The implementation of micro projects on the Polish-Czech-Slovak – umbrella projects.			These are projects in the field of economic development, cultural exchange, local democracy, environmental protection, tourism, health and information flow implemented in partnership with the Czech and Slovak party.		Owned development vision and strategy for the Euroregion <ul style="list-style-type: none"> building relationships and alliances in support of the above. vision, which helps to transform the vision into action, owned network of contacts, skills and expertise that are used when applying and coordination of microprojects involvement of members of the Euroregion organizational culture, characterized by high trust in relation to the members and partners, and cited a sense of responsibility for the development of the Euroregion 	The need for pre-actions (eg, measures from the European Regional Development Fund shall be provided as reimbursement of costs incurred) <ul style="list-style-type: none"> Implementation of the cooperation of its members and foreign partners
Poland	The provision of services between the partner of Cluster and services for companies cooperating with members of the Energy Cluster.			The main target of the Energy Cluster is mutual cooperation, aiming at increasing energy efficiency for businesses, resulting in a reduction of carbon dioxide emissions into the atmosphere as a result of business and promoting behavior and pro energy projects.		Owned vision of development and strategy for the Cluster, <ul style="list-style-type: none"> specialized, highly qualified expertise of members of the cluster, which is used to promote energy efficiency, smart energy, etc. involvement of members of the cluster network of contacts relationships between members of the cluster 	Deficiencies of sufficient capital, <ul style="list-style-type: none"> Limited experience of the cluster
Austria	Exchange forum for operational supervisors in food producing companies and for food traders.	Common Cluster Service	National (Upper Austria, Lower Austria and Salzburg)	The exchange forums aim to bring into contact employees from different companies but who face the same challenges concerning questions of personal resources and/or other topics. Within the regular meetings the participants can share their experiences and develop a network for solving problems together.	Manufacturers, producers Dealers	It is very important that there is somebody who cares about the organizational aspects (finding topics and experts, fixing dates, ...) and that the group is limited at a certain time, which means that the group consists of a determined group of participants.	Setting up rules concerning the course of the meetings is very important.

Country	Project title	Type of BP	Territorial identification	The aims of BP/Fields	Identification of target beneficiary	Success factors	Critical parameters
Poland	Promotion of changes in the education system according to the hiring needs of cluster and its members.			Changes in the education programmes aiming at suiting the hiring needs of the cluster	Manufacturers, Producers	Close cooperation with local schools and universities and their acceptance of the project concept More young people studying in schools with focus on technical/industrial issues – leading to decrease in the unemployment rate in the future	
Poland	Developing and conducting a promotional campaign	Activities connected to promotion	Poland, regional	The aim of the good practice is to disseminate the idea of the clusterization among regional deciders and community and to benefit from common promotional activities in the light of finances.	Cluster management organizations, Manufacturers, Producers, Customers	This good practice enabled a successful building of the brand of the cluster abroad, as well as it helped obtain external financing, since it strengthened the integrity and the image of the cluster.	Internal: Among clusters members concerning either shared costs or the degree of the visibility of each member's offer.
Slovenia	REG CON			The driving idea of REG CON is the advancement of the concept of "clustering" across regions of Europe with a thematic focus on construction.		Setting up in the EU three regional clusters focusing on particular areas of interest of the construction activity in the participating regions, <ul style="list-style-type: none"> Achieving cluster participant mobilization in each of the clusters, resulting to understanding of needs for each cluster actor, development of practical R&D action plans and co-operation, Achieving nine instances of mentoring, cross-regional co-operation, SWOT analyze, joint R&D Action Plan and food practice transfer among the clusters and experts beyond the clusters. These would be implemented by: surveys, regional events and workshops, dissemination and mentoring activity. Designing a financial instrument the would secure the sustainability of the clusters and R&D cooperation beyond the project lifetime, Designing an administrative and management structure that would host and administer the cluster. 	There are four strategic objectives set up for REG CON: <ul style="list-style-type: none"> Objective 1. Methodology development – designing a common methodological framework especially adapted for construction cluster development in the EU. Objective 2. R&D based cluster formation – implementing the above construction cluster model in pilot cases in the EU regions, Objective 3. Mentoring – developing and exploiting a mentoring model, Objective 4. Cluster sustainability – securing the sustainability of the clustering exercise by linking it to public and private funds and by designing the appropriate organizational structure to host the cluster, following the project end.

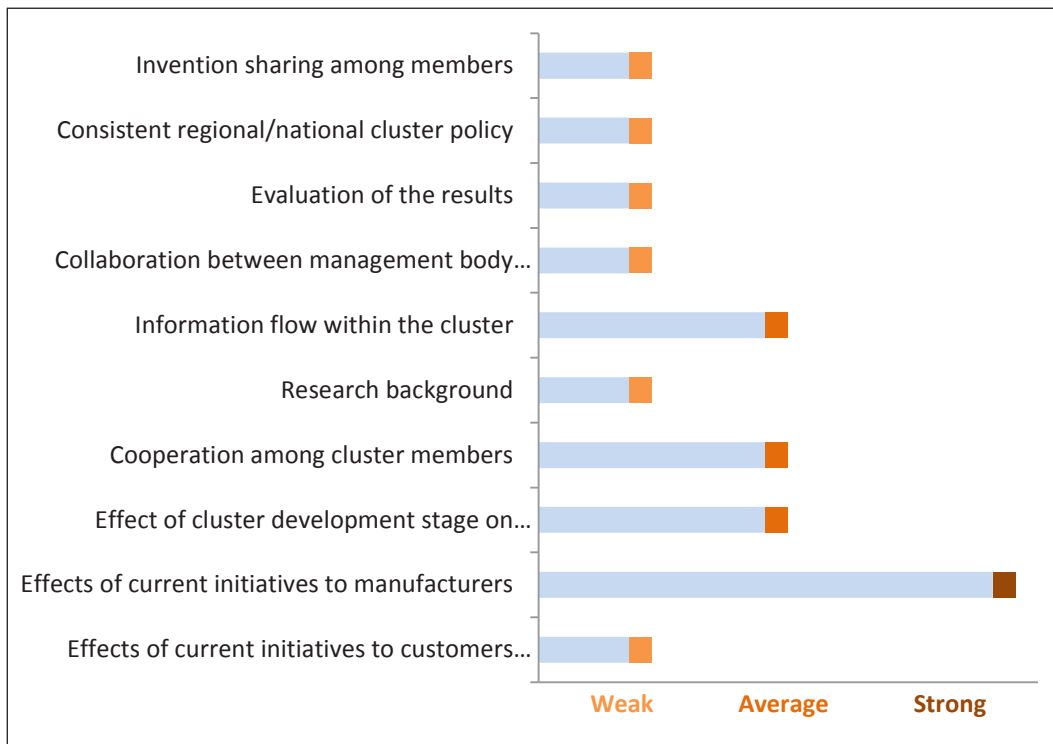
Country	Project title	Type of BP	Territorial identification	The aims of BP/Fields	Identification of target beneficiary	Success factors	Critical parameters
Slovenia	SEI Project – Service Enabling Infrastructure					This joint project of the ten consortium partners deals with the development of some of the basic and at the same time key elements of the modern telecommunication networks, based on the IMS/TISPAN architecture.	It deals with the application server, call server and media gateway, which are all administered through joint management. These elements enable the construction of a modern and universal ICT infrastructure and thus provide advanced communication services for residential as well as business users whom the operators and communication service providers plan to target with their offer today and in the future.
Slovenia	BIOSTRUCT	BioStruct is a large scale collaborative project funded by the European Commission. The project involves 20 partners from 10 European countries, and has a total budget of around 10 million €.			The project aims to develop the next generation of wood and cellulose-reinforced composites – so-called „enhanced wood-plastic composites“ or eWPCs – for complex structural and multifunctional components.	Material development will be accompanied by parallel process development to optimise the potential of the new composites.	Despite the significant amount of research carried out in the field of wood-plastic compounds, these materials have not yet reached their full commercial and technical potential. BioStruct will help to overcome the obstacles to market success by developing the next material generation, so-called enhanced wood-plastic composites (eWPCs), for use in demanding, high-value technical applications.
Slovenia	Tools for Innovative Product-Service-Systems for Global Tool and Die Networks (TIPSS)			The main focus of the European research and development project TIPSS is to describe the role of toolmakers changing from producers to producing service-providers being managers of global business networks.		With this project European toolmakers are given tools to improve their local and global performance. These tools allow synchronising their tool development design with the customer's product development processes by means of a continuous simultaneous engineering. The time-to-market of the final product can thus be shortened. Secondly this project shall enable European toolmakers to build global cooperation networks and make them capable of linking them to cross-country product development and production networks.	As a result tool and die companies face the question on how to meet the customer's needs at best locally and globally in order to remain competitive. Ideal solutions to the customer's problems instead of a 'simple' tool can be developed by an early integration of product and tool development processes. Global cooperation offers chances to sustainably improve their position in this fierce competitive environment.
Slovenia	SouthEast and Central European Network of Forest-Based Clusters			The main aim of the network is reaching and exploiting synergies and new business / development opportunities in order to develop and strengthen the competitiveness of the individual clusters and their members (or stakeholders).		<ul style="list-style-type: none"> • Education and knowledge transfer • International Research and Development projects • Bilateral and multilateral collaboration • Connection of experts and researchers • Connection of companies – new business opportunities • Individual clusters' and Network development • Clusters' and Network promotion 	<ul style="list-style-type: none"> • Exchanging of information useful for cluster members' and cluster development • Exchanging of project ideas, creation of project consortiums • Searching for possibilities for public funds acquiring • Creating possibilities for bilateral and multilateral collaboration • Organizing matchmaking events for companies • Education, sharing knowledge

Source: Clusters Cord questionnaire data

4.3. COMMON ASPECTS OF CLUSTER EFFICIENCY

By summarizing the key factors affecting the operating best practices, some elements seem to have stressed importance (see Figure 15). Among these the factors so-called “weak” should be developed in the future, namely the background issues of the best practice operation (research background, consistent regional/national cluster policy), the co-operation within and outside of cluster organizations, furthermore the dissemination of results and effects of best practices. The database of this analysis consists of quantitative and qualitative data, so these indicators can be evaluated very carefully. Unfortunately, the available information does not allow comparing the above criteria according to the project partners’ regions.

Figure 15: Current performance in the most important aspects specifying cluster efficiency



Source: Constructed by Mid-Pannon Regional Development Co.

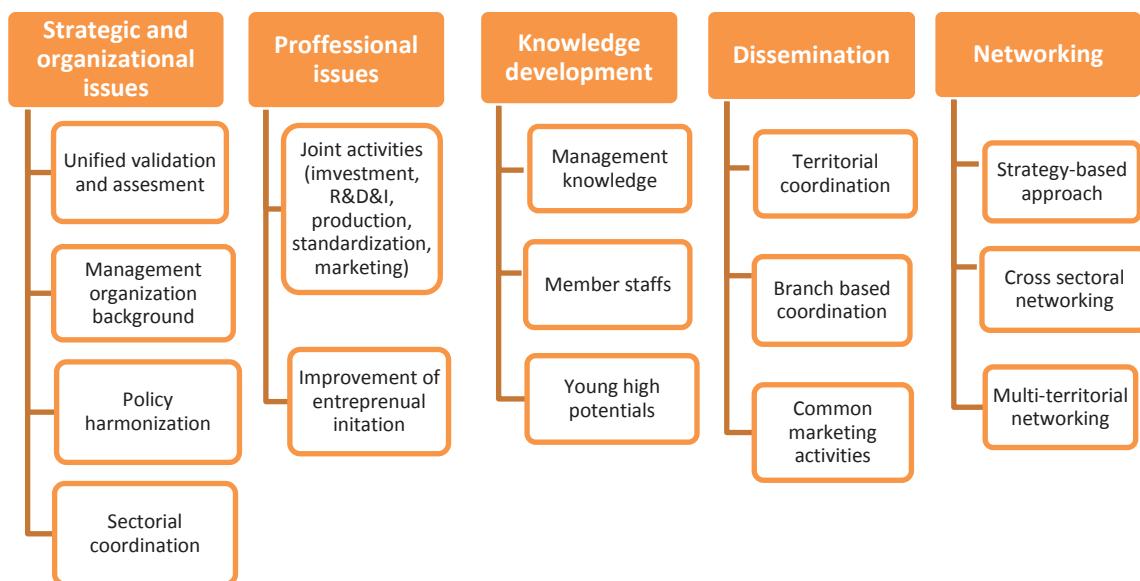
5. SUMMARY

– POLICY ORIENTED PROPOSALS

As an important goal of the study, strategic proposals for policy development have drawn up and summarized in this chapter. Both the whole study and the policy development proposals are aimed at giving valuable input for the further activities of the project.

By overviewing the results, the policy issues can be classified in five main dimensions. They are strategic and organizational, professional, knowledge development, dissemination and networking issues. All of them can be divided into initiatives as follows:

Figure 16: Policy related issues



Source: Constructed by Mid-Pannon Regional Development Co.

As seen on the chart, the dimensions have completely different element with various types of interventions. But we have to highlight that all issues are closely connected to each other and all have to be maintained as a complex system, where the overall success is only possible with considering all issues.

Strategic and organizational issues should have the basis for successful cluster implementation and increasing the effects of these co-operations. From this perspective, competitive market support and demanding customers for driving innovation, a strong presence in the premium and high performance sectors, gaining external economies and improving the flexibility of the given sector might be a goal or a result of successful operation. To increase the strategic and organizational efficiency, the following initiatives have to be taken into account:

1. Most of the Central-European countries have no proper and formal validation rules for clusters with different development level. The development of an international validation standard and methodology should be useful for supporting transnational cluster networking. Additionally, the efficiency of the operation should be developed and implemented by using joint measures. Both aspects should have been integrated to national and transnational support strategies that mean a continuous policy harmonization as well.
2. As a result of the benchmarking, the cluster management organizations are very diverse from institutional, financial, skill and experience aspects. The experiences show that in some cases the quality from these aspects makes some operational problems. This problem could be solved by strict criteria at applications on the one hand, and continuous knowledge development of the management organizations on the other.
3. Finally, from strategy development perspectives, most of the countries have sectorial preferences for cluster development in the applications. In parallel with keeping these preferences, sectorial interoperability and cross-sectorial networking should be integrated to development strategies as an advantage.

From the view of **professional issues**, cluster initiatives should have stress on concrete joint activities that could support market-oriented production. Common investments, R&D and innovation as well as production should be supported from policy side.

Knowledge development and its continuity can be a core supporting issue of competitive clustering. We propose to support it from policy side from three dimensions. They are the continuous skill development and trainings for the management organization, the opportunity for common skill development of the experts within the member companies (especially for small-scale companies) and finally the knowledge support of enterprises for increasing ability of initiation.

Dissemination and cluster marketing have important role in competitiveness growing. They can be effectively supported by policy initiatives, as well. From this dimension, supporting joint territorial marketing should be valuable, combined with borderless branch-based coordination. Additionally, different cluster in the same sector should implement common marketing and market development activities. All of these initiatives should have integrated to regional policy as well as application development.

Finally, the planned development of **networking** should be supported by the regional and national development policies. The most important aspect of this dimension is to apply a complex, strategy-based approach that means the consideration of all types of networking. It could help to find the right type of networking initiative in each case. As mentioned above effective networking support needs cross-sectorial approach, so development policy initiatives should pay growing attention to combine core branches. Finally, as a core goal of this project, supporting multi-territorial co-operations should have integrated to different regional policies in similar ways.

6. CASE STUDIES

Below the non-comparable country-specific policy factors are summarized, which will contribute to national and regional cluster policy awareness and understanding.

In the following part the information recorded on the questionnaire Template for the identification of cluster policies in clusters-cord regions are published.

6.1. CZECH REPUBLIC

National Cluster Association (NCA) matches subjects and individuals with the aim of co-ordination and sustainable development of cluster activities and development of cluster policies in the Czech Republic. It's activities are based on concentration of knowledge, experience and expert's findings for strengthening of competitiveness of the Czech Republic.

NCA creates long-term and competent platform for cluster's initiatives development in the Czech Republic and active boundary for internationalization of cluster activities.

NCA Contributions:

- Strengthening of clusters role in innovation processes and development strategies of the Czech Republic
- Dynamic development of key sectors and technology sector on the basis of clusters
- Institutional support of cluster organizations and initiatives – better preparedness for development of knowledge-based regions
- Higher efficiency and quality of cluster management
- Better utilization of social resources and innovation potential based on sharing of knowledge and reliance among small and medium enterprises, manufacturing leaders, public sector and universities
- More effective transfer of best practice in international range

6.2. SLOVAK REPUBLIC

The Intelligent Energy Project aims to make advances, on numerous fronts, in bilateral and interregional cooperation between Austrian and Slovak regions at regional, municipal and private level in the sector of sustainable energy development. The intention is the cross-border development of competencies in the field of renewable and sustainable energy management. In pursuit of environmental objectives (climate protection), this project will take into account the best possible use of local and regional disposable resources with a view to achieving the highest value added for the region. It will place an emphasis on raw materials as well as resources such as solar energy, wind, water and waste.

Project aims and areas:

- energy efficiency,
- energy storage,
- energy production.

In the long-term, project objectives will focus on complete independence from imported (mostly fossil-based) energy. The project objectives are defined as follows:

- the project should contribute to climate protection goals under the Kyoto Protocol, with regional reductions in CO₂ production at the forefront,
- the use of available primary regional renewable energy resources to cover energy needs,
- to contribute to the creation of a meaningful mix of energy sources within the scope of long-term supra-regional energy management,
- to contribute to reductions in energy consumption, particularly to reduce dependence on imports of fossil energy carriers.

The TSGR (Trnava Self-governing Region) will contribute to the following project outputs:

- the establishment of an international energy cluster (Institute for Renewable Energy Sources),
 - a partnership of 20 to 25 entities covering the issue of renewable energy sources on both sides of the Austrian/Slovak border,
 - the production of a TSGR energy security strategy for the sustainable development of the energy industry, with an emphasis on renewable energy,
 - the development of five energy concepts,
 - the development of five “eco-checks” of different-sized communities (cities, municipalities, associations),
 - the preparation of five publications covering different areas in relation to projects, themes and experience in the field of energy,
 - the organization of ten workshops and seminars on renewables and sustainable development in the energy industry,
 - the development of five cross-border pilot projects on renewable energy sources and sustainable energy development.
- Generally, the Intelligent Energy Project aims to reduce regional dependence on imported energy and to draw on renewable sources.
 - The Duo**Stars Project aims to promote the business environment.
 - Workshops on cross-border cooperation with Austria:
 - Workshop theme – “Education and the implementation of entrepreneurship education”

This workshop on education is an opportunity for numerous teachers, interested parties from among TSGR staff, businesses, or members of special-interest professional groups to learn more about the education system in the Slovak Republic and Austria. Speakers are expected to include teachers from Slovakia and Austria, and representatives of regional government responsible for education.

Workshop theme – “The business environment and entrepreneurship”

This workshop on entrepreneurship should not focus only on one side of the project, i.e. TSGR, but also on the Austrian side, so that the business climate in the twinned regions can be compared. For entrepreneurs and their associations, it is interesting to know in which country a particular component

is more favourable for the development activities conducive to business and affecting the life of business entities from the moment of their formation, operation, financing, State aid, all types of financial contributions to public funds, administrative barriers, sales and liquidation of enterprises, and so on.

Professional brochures, studies:

“Doing Business in the Trnava Region – Podnikanie v Trnavskom samosprávnom kraji”

This is a professional document for analytical and presentation purposes, the content of which is primarily focused on the description and definition of: a) general business conditions in Slovakia – the establishment of companies, the tax environment, accounting, charges and the labour market, and b) specific information about the Trnava Self-Governing Region in terms of conditions for entrepreneurship in the TSGR as a whole and in individual districts and towns here.

The content of the publication will have the following structure:

- Basic factual information about the TSGR
- The business environment in the Slovak Republic and the TSGR
- The legislative, regulatory and institutional framework for business
- Promoting entrepreneurship – tools and opportunities
- Establishing companies
- The tax framework for business
- The accounting framework for business
- The labour market and promotion of employment
- The banking sector
- Infrastructure in the TSGR
- Industry in the TSGR
- Agriculture in the TSGR
- Tourism in the TSGR
- The history, people and culture of the TSGR

“Booklet – Catalogue of TSGR Companies”

The brochure “Catalogue of TSGR Companies” is a presentation focusing on providing an overview of profiles, capacities, locations, business plans and expansion opportunities for businesses operating in the TSGR. The aim is to increase the participation of enterprises in international trade and promote the participation of enterprises from the TSGR in transnational production and marketing chains. The Catalogue of Companies will be produced on basis of the individual demands of companies (the demand side) operating in the TSGR and on the basis of demand via business organizations and professional associations (the supply side).

The content of the publication will have the following structure:

- Overview of industrial enterprises in the TSGR
- Overview of industrial enterprises in various districts of the TSGR
- Information on industrial enterprises broken down by sector
- Information on industrial enterprises broken down by district
- Information on industry in the TSGR in general

“Information brochure – Innovation and Enterprises, Challenges and Opportunities”

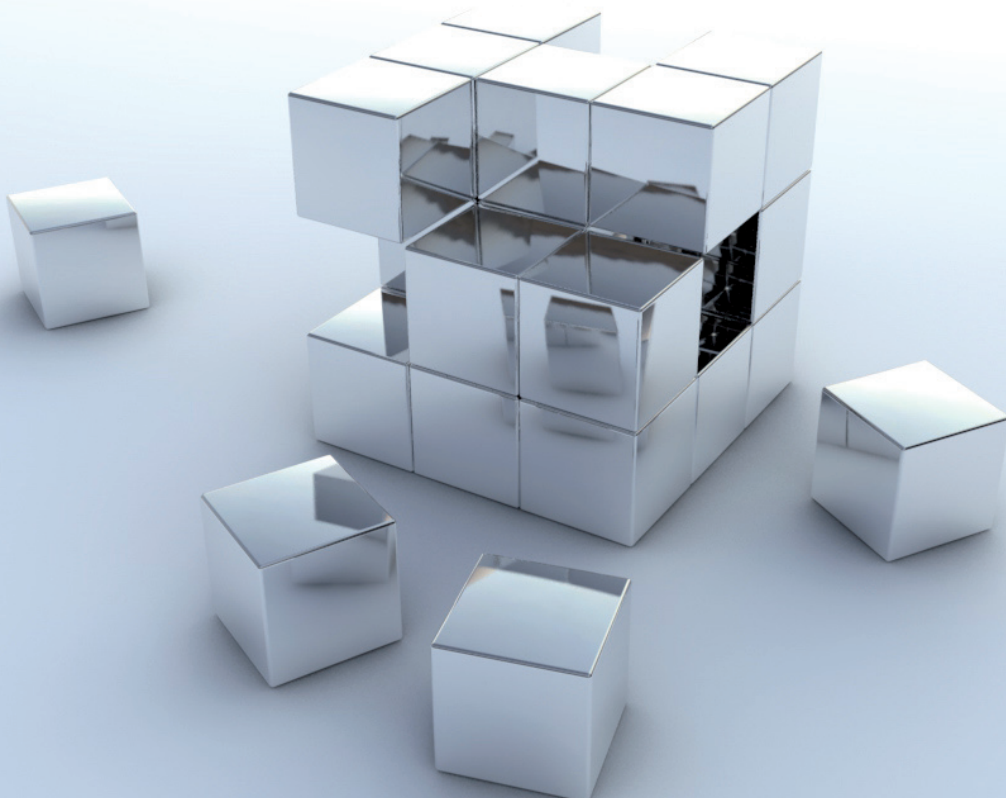
The information brochure “Innovation and Enterprises, Challenges and Opportunities” will be an informative and motivational booklet for businesses. The aim of the publication is to popularize and promote innovation among entrepreneurs as a means of achieving economic growth and increasing competitiveness in the market. Innovations are a key form of business development, which should be the central theme throughout the publication.

The content of the publication will have the following structure:

- Basic information about innovations and their role in business in Slovakia
- Description of innovations in the world
- Description of innovations in OECD countries
- Description of innovations in the EU, with an emphasis on Austria
- Best examples of innovation from the private sector
- Description of existing resources to support innovation in the private sector

“Study – TSGR Innovation Index”

The main aim of the study is to analyse the conditions for implementing innovations in the TSGR and the development of the TSGR’s innovation performance. The essence lies in the processing and evaluation of individual components which are prerequisites for innovation performance in the TSGR – in terms of expenditure on research and development, in terms of the patent activity of firms, in terms of employment in industries (mid-tech, high-tech), and in terms of education and the education system and the existence of a framework for lifelong learning. The results of the analysis must refer to strengths and weaknesses from the perspective of the region’s innovation performance and indicate opportunities for the development of innovation performance. The study includes a definition of instruments for stimulating innovation performance. The production of such a study could become an example for other Higher territorial units in Slovakia.



The content of the study will have the following structure:

- Regulatory and institutional framework for the implementation of innovations in Slovakia
- Regulatory and institutional framework for the implementation of innovations in the TSGR
- Description of the basic conditions for innovation performance
- Analysis of key conditions for the realization of innovations and innovation performance in Slovakia, and specifically in the TSGR
- Tools for growth in innovation performance in the TSGR and recommendations for the growth of innovation performance in Slovakia
- Examples of the stimulation of innovation performance via the public sector

“Model study – Turning rural areas into industrial areas”

The aim of the study is to analyse the conditions for transforming a farming community into an industrial zone in terms of the capacity of the territory, existing and potential infrastructure, the availability of financing for construction, the possibilities of attracting, stimulating and maintaining investors, the procedures that can be followed in implementing such a project, and the roles of the players involved at local, regional and central level. This document will serve both municipalities in the TSGR and the TSGR itself (as the regional government) as best practice. The aim of the study is to become an instrument for the transfer and dissemination of a model for the transformation of an agricultural community into an industrial community – as a model or best practice – to other regions of Slovakia, Austria or other parts of the European Union.

The content of the study will have the following structure:

- Description of the municipality (basic statistics) and the status of the municipality in the region and the micro-region
- Management and economy of the municipality
- Strategic planning at municipal level
- Municipal infrastructure
- Plan for the transformation of the municipality from a rural to an industrial community
- The future of the municipality and instruments for the transformation of the municipality from a rural into an industrial community

“Comparative study of secondary education in Slovakia and Austria, with an emphasis on economic and business education”

The aim of the study is to compare and analyse the education systems in the two neighbouring countries (Slovakia/Austria) affected by the project. The aim of secondary schools in both regions is the same – to prepare professionals for the labour market as proficiently as possible. Each country historically has own different ways, tools and goals in achieving this aim. The study will compare the theoretical and practical aspects of training and the methods employed by schools to deal with ever-changing realities in the business sector, to respond to labour market needs and new initiatives arising from the knowledge-based economy, and to propose ways of improving the education system, including on the basis of the transfer of examples from Austria to Slovakia and vice versa.

The content of the study will have the following structure:

Analysis

- Regulatory framework for education in both countries
- Education system in both countries
- Comparison of systems and selected pros and cons
- Analysis of business education in both countries

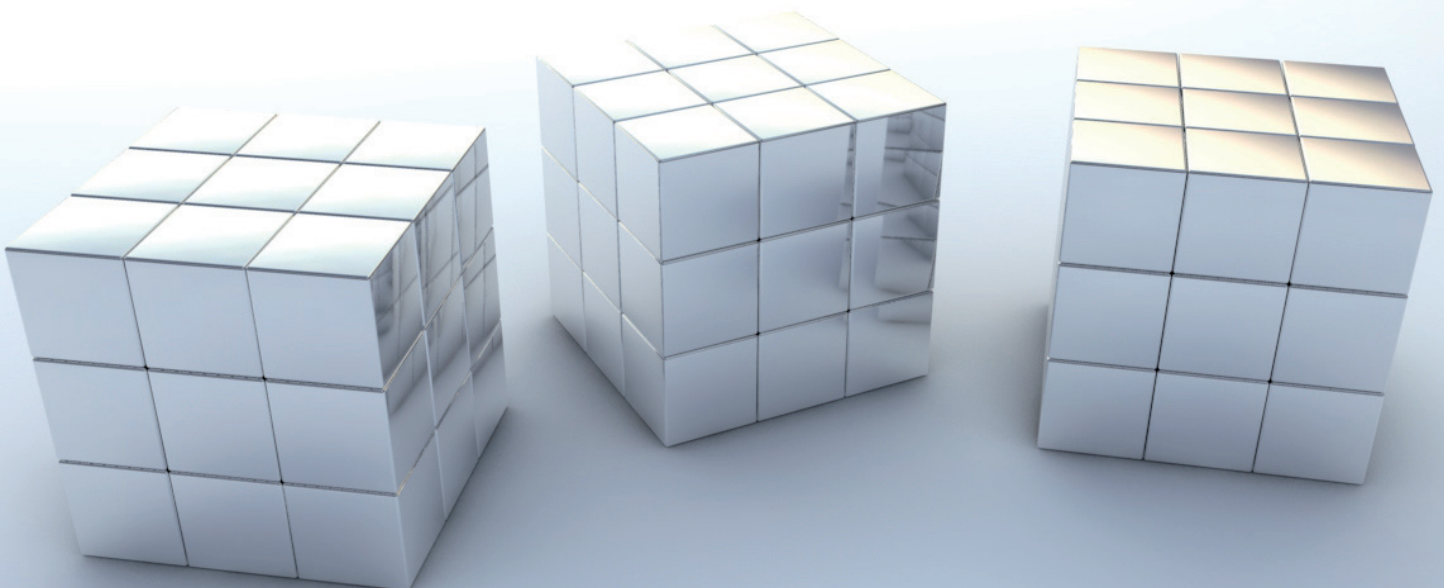
Strategy

- Aims and objectives of training
- Tools to enhance labour market links with the education system
- Best practice in interlinking the education system with the labour market

“Study – Preparation of content to build the region’s identity” + “Creation of a TSGR portal”

The aim of the study is to develop the concept of the form and content of a promotional and informative website about the TSGR, which is an important element in terms of project planning and building the identity of the TSGR – as a region to live, work and do business in.

The interactive portal will be programmed in xhtml, asp, sql database. The solution includes interactivity allowing not only the static presentation of information, but also dynamic updates by various entities without further assistance from the TSGR.



The content of the study and programming of the interactive portal will have the following structure:

- Description of the TSGR region (characteristics of the territory and local administrative structure)
- Economic life in the TSGR and opportunities for the economic growth of the TSGR
- Infrastructure in the TSGR
- Possibilities of cultural and social life in the TSGR
- Educational opportunities in the TSGR
- Social network in the TSGR
- Proposal for an interactive presentation of the region and entities operating in the region

“Survey and data collection in the TSGR focusing on the industrial, innovation and educational potential of businesses for cooperation with Lower Austria” + “Analysis of information gathered from a survey in terms of cross-border cooperation with Lower Austria (LA) and economic entities in LA”

Invitation for students to enter a competition within the scope of cross-border cooperation with Austria (the Lower Austria Economic Chamber and Industry Association in Vienna)

At the heart of this project is a contest for students of secondary vocational centres and secondary vocational schools. Involving the younger generation in a competition is a way to map younger people’s views of their own education, their attitude to learning and ideas about how they can best apply themselves in their future profession or business. The main output will be student essays on these subjects. The incentives will be prizes and visit to secondary schools in Lower Austria. The value added will be the promotion of regions in the segment of future active members of the labour market.

Support for the establishment of an industrial estate in Dolný Bar

In the framework of the Slovak Republic – Austria 2007–2013 Cross-Border Cooperation Programme, which aims to promote European territorial cooperation and improvements in economic competitiveness and social cohesion, at the end of the previous year a joint project of the Trnava Self-Governing Region and Lower Austria, called Duo**Stars, was approved. The key players on the Slovak side are the Trnava Self-Governing Region and the municipality of Dolný Bar (in the Dunajská Streda district), and on the Austrian side they are the Lower Austria Chamber of Commerce and the Industry Association in Vienna.

The main aim of the project is to create conditions to strengthen economic and industrial development in both the regions (support of the regional economy based on knowledge and innovation, an increase in the attractiveness of the locality and the competitiveness of the region, and improvements in the skills of regional human resources).

Project activities are thus aimed at businesses, local government, secondary vocational secondary vocational schools and other entities from economic and social life.

A specific and concrete result of the project should be the preparation of the area for the construction of an industrial zone and conditions conducive to investment in Dolný Bar. This part of the project is organized and managed by the local municipal authority.

From the perspective of regional government, i.e. the Trnava self-Governing Region, this part of the project is of considerable importance, especially as an example of the transformation of a traditionally rural part of the region into an industrial zone. This change should guarantee improved living standards and quality of life of the population in an ethnically mixed area where the Hungarian national minority predominates.

6.3. HUNGARY

The cluster development model in Hungary

Cluster development is supported in four phases – based on the different characteristics of the phases tailored measures have been formed for each phase. These phases are:

1st phase: Start-up initiatives

Aim: Giving opportunity to all initiatives

2nd phase: Developing clusters

Aim: Support to the active cooperation to help further development

3rd phase: accredited clusters

Aim: Support to clusters with proven cooperation

4th phase: Pole innovation clusters

Aim: Complex background infrastructure for the most successful clusters

** Cluster accreditation*

Before the 3rd phase (Accredited Clusters) clusters have to get through a rigorous expert evaluation system with the aim of selecting the most promising initiatives.

Results and outputs:

Clusters:

- 79 start-up initiatives to be granted (8 million EUR)
- 21 developing clusters to be granted (5,2 million EUR)
- 17 accredited clusters (until October of 2010)
- 29 joint projects by the accredited clusters to be granted (21,2 million EUR)

Pole cities' research & development projects:

- EUR 280 million granted for the 8 pole cities until October of 2010
- Several additional tenders are under evaluation

Municipalities, Chambers of commerce and civil organizations:

- Closer cooperation between the actors of the economy
- The increase of the economic performance brings along the income growth of the municipalities, consequently the resources for public investments also rise

Universities and research institutes:

- Establishment of R&D infrastructure and economic utilization of the results
- Risk elimination in the field of innovation
- Demand oriented educational systems

Companies:

- Growing entrepreneurial courage
- Growing employment and purchasing power
- Reaching the sustainable growth potential
- Well-educated workforce

The Economic Development Operational Programme (EDOP)

The Economic Development Operational Programme (EDOP) has been prepared to encourage permanent growth of the Hungarian economy in accordance with the Competitiveness Concept of the Ministry of Economy and Transport (that has not been passed on government level), to execute the priority 1 of the New Hungary Development Plan (which is the National Strategic Reference Framework of Hungary) on economic development.

Its overall objectives are

- To achieve long term growth of the Hungarian economy by improving the quality of physical and human capital, as well as of total factor productivity.

Four specific objectives have been selected to strengthen growth factors:

- Increase in Research & Development and innovation capacity, activity, as well as cooperation
- Complex development of corporate capacities
- Development of the business environment
- To facilitate the access of SMEs to financing resources

Due to the application of different regional objectives and categories in the priorities of EDOP, different elements of the regional development can get priority. In the R&D and innovation priority, as the development of research capacities can only achieve critical mass that is necessary for proper economic utilization if appropriate level of concentration and specialisation is provided, R&D infrastructure and service development is required, under the development of already existing enterprise innovation collaborations (innovation clusters). A suitable tool for that are the towns which are development/competitiveness poles serving the innovation clusters, already having the highest level of R&D and innovation capacity, and are also regional centres. Strengthening the regional emission role of these pole-towns and innovations clusters is only expected on the long run, at the same time certain corporate R&D projects and collaborations can be supported in any convergence location.

ECOP – Field of Action No. 1.2: Supporting of joint cluster projects (accredited and pole innovation clusters)

Fields of interventions:

3rd phase: ACCREDITED CLUSTERS

Supported activities: Joint services and investments

Subsidy for supported cluster or project: EUR million 1 – 6

The estimated number of supported clusters/projects: 25-50

Aim: Support to clusters with proven cooperation

Selection criteria: Accreditation is an entry criterion, Export, High value added focus, Track-record

4th phase: POLE INNOVATION CLUSTERS

Supported activities: Services, Investments, Complex Centres

Subsidy for supported cluster or project: EUR million 6 – 17

The estimated number of supported clusters/projects: 5-15

Aim: Complex background infrastructure for the most successful clusters

Selection criteria: 2nd accreditation level, Export, High value-added focus, Track-record

The Central Transdanubian Regional Operational Programme (CTOP)

With Central Transdanubia being one of six Hungarian regions subject to the Convergence Programme, the Central Transdanubian Regional Operational Programme (hereinafter CTOP) has been primarily designed to support implementation of Priority No. 5: Regional Development of the New Hungary Development Plan (hereinafter NHDP), which is the National Strategic Reference Framework of Hungary (NSRF). This regional operational programme (ROP) and sectoral operative programmes (SOP's) will, however, be used jointly to satisfy development needs of the Region in the plan period 2007–2013. An overall objective of CETOP is to ensure that, making an efficient use of socio-economic innovation and relying on ongoing revival efforts, the Central Transdanubia Region (hereinafter KDR) maintains its outstanding economic position and revenue-generation ability among Hungarian regions.

A finding applicable especially to the pole of competitiveness constituted by Székesfehérvár and Veszprém due to its sectoral concentration, the dynamically developing sectors, whether traditional or new, which are capable of becoming cores of potential clusters, do exist in the Region (most emphatic ones being the software, microelectronic, and plastic trades in Székesfehérvár, and IT and environmental industries in Veszprém).



CTOP – Field of Action No. 1.2: Promotion of networking and co-operation of businesses

The clustering and networking initiatives, already seen in several industries, are mostly underdeveloped, and require more pronounced management, increase of volumes and efficiency of joint business activity, and improvement of shared services. Types of Action

- Encourage strategic co-operation, networking, and clustering of businesses;
- Launch innovative experimental projects (experimentation).

Fields of interventions:

1st phase: START-UP INITIATIVES

Supported activities: Cluster management and Joint services

Subsidy for supported cluster or project: EUR million 0.06-0.2

The estimated number of supported clusters/projects: 150-200

Aim: Giving opportunity to all initiatives

Selection criteria: Advantage if Export-oriented business and High value-added focus

2nd phase: DEVELOPING CLUSTERS

Supported activities: Management, Joint services and investments

Subsidy for supported cluster or project: EUR million 0.2-0.8

The estimated number of supported clusters/projects: 50-100

Aim: Support to the active cooperations to help further development

Selection criteria: At least one year successful (effective) operation necessary, Export, High value added focus



6.4. AUSTRIA

Since 1998 the strategy paper “Strategisches Programm OÖ 2000+” based on a consequent cluster-oriented economy and technology policy is running with the aim of strengthening the regional competitiveness. The status quo of today’s cluster policy in Upper Austria is the result of co-occurrence of various factors. The Upper Austrian Future Fund finances a large part of the cluster initiatives, but the share of private financing is increasing constantly by individual contribution of partner companies. This contribution comprises a promotion fee. The remaining part correspond to the economic effects which indirectly affects also non participating companies.

The basic strategic elements of “Upper Austria 2010”

A sum of EUR 600 million, of which EUR 200 million is provided by the Upper Austrian government, and is foreseen for the implementation of the “Innovative Upper Austria 2010” programme between 2005 and 2010. 18 strategies and 43 measures have been formulated for five topic areas. 250 experts participated in the preparation of the programme. One basic element of the programme is formed by the strategic principles drawn up by the Upper Austrian Research and Technology Council, which consist of the consolidation of existing strengths and the exploitation of new opportunities, attention to leverage and the allocation of priority to measures that best support companies during the transition of their ideas into market success. The R&D topic area forms the focal point of the programme and will receive over 50% of the available funding. Together with professional qualifications, innovations represent the most important prerequisite for prosperity and employment in years to come.

R&D

Major consolidation of the R&D field is a central objective of the “Innovative Upper Austria 2010” strategic programme. Focal points include a concentration of capabilities on five critical areas (mechatronics, information and communications technology, life sciences, innovative materials and logistics), even closer cooperation between business and research bodies and forward-looking additional funding for FFG projects

Professional qualifications

Employment with a future and employees with innovation-oriented qualifications for the economy is a further goal that is to be reached through an extensive selection of measures. Young people and women should be encouraged to undertake a technical education, employee further training is to be intensified and professional training aligned with the needs of business and industry. In addition, top talent in Upper Austria is to be identified, nurtured and naturally, retained within the province.

Networks

Networks facilitate and accelerate innovation. They bring ideas to market maturity and provide success. Upper Austria has positioned itself as the competence region with regard to cluster initiatives and networks and now the “Clusters” are established, further developed and given an even more international orientation. The Human Resources, Logistics and Design&Media Networks are to be continued and supplemented with the new Environmental Technology Network and coaching during research projects.

Economic and technology location Upper Austria

Upper Austrian location and technology policy is aimed at improving the preconditions for entrepreneurial activity and hence the securing of the attractiveness of the province to investors. In addition, the location should be the object of targeted advertising. An important factor in this regard is the direct address of companies; however, companies that are already resident should also be assisted with their expansion plans. Last, but not least, CATT Innovation Management GmbH, which advises companies in all matters relating to technology and mobility support, is to be expanded, and broadband Internet will be made, available to all.

EU networking

The task in this area is to exploit the historic opportunity provided by the enlargement of the EU. Exchange relationships with the new member states constitute a focal point of the EU networking topic area. In addition, Upper Austria intends to present its positions in Brussels in a more proactive manner, for example greater number of Uployed and an increased number of partnerships entered into, above all in the new member states.

Title: **Strategic Programme Upper Austria 2010+**

Type: Governmental programme

Management: TMG/WKOÖ, and others

The main goals are defined within the 5 strategic fields

- R&D
- Professional qualifications
- Networks
- Economic and technology location Upper Austria
- EU networking

In detail within strategic field: networks, we can find all clusters. For Clusters-Cord we focus on the Food Cluster with relevant regional programme goals:

- Increasing competitiveness and innovatory strength through co-operation.
- Strengthening economic power by establishing strategic networks without endangering the partners' autonomy and flexibility.
- Intensification of horizontal, vertical and diagonal relationships within the network.
- Exchange of specialist knowledge and the generation of new knowledge; increase of food competence through R&D projects.
- Image work for the Upper Austrian food sector and an increase of Upper Austria's attractiveness as a business location.

Priorities: Measures of priority within the Food Cluster – “consumption and technology from one hand”

Specific goals in the Upper Austrian Cluster policy

- Support for innovative food processing companies
- Inforcement of cooperation among companies
- R&D and qualification institutions

Target groups, beneficiaries: all parties which have influence on the food chain.

Supported areas and activities

- Food Production
- Production of animal food
- Trading devices
- Service providers
- Qualification
- R&D institutions

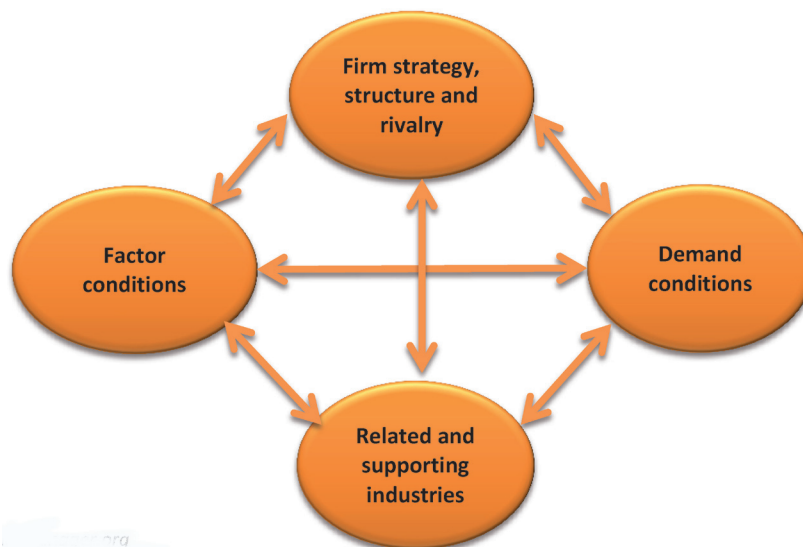
Financing

Direct support from Government and Chamber of Commerce, additionally contributions from LC partners.

Main programme/project indicators

- Number of Cooperation Projects
- Number of events
- Number of Partners
- Number of direct contacts
- Number of F&E research
- Turnover of Cluster Partners
- Number of Employees of Cluster Partners

In Upper Austria the Clusters are driven by the Cluster idea of Michael Porter (Porter’s Diamond Model). His diamond model offers a method that can help understand the comparative position of a geographic region in global competition. Clusters are groups of interconnected firms, suppliers, related industries and institutions that arise in certain locations. Clusters give a key position with a sustainable competitive advantage over other companies. Another formula for success are the advisory boards in each cluster, these provide support in strategic questions. Each Upper Austrian Cluster is following that model.



Source: themanager.org

6.5. ITALY

1. National level

Law for the definition of industrial districts in Italy (L. 317/91)

1991 – Ministry for economic development

According to this law, industrial districts are limited territorial systems characterized by a high concentration of SMEs belonging to the same sector. The Italian regional governments are in charge of their identification, according to certain parameters determined by the national level. Region Lombardy identified in 1993 21 “industrial districts”.

Specific national and regional funding and policies were over the years targeted to those industrial districts.

Regions are also in charge for the most part of the cluster policies.

2. Regional level

Legge Regionale 5/10/2001

Legge Regionale 1/2007

Direzione Generale Industria, Artigianato, Edilizia e Cooperazione – Regione Lombardia

As the upgrading of industrial districts is one of the best tools for strengthening the regional productive system, in 2001 the Region Lombardy, established by law (Regional Law 5/10/2001) other 16 “industrial districts” on its territory which cancelled the former ones.

The 16 industrial districts comprise 302 municipalities on 10 Provinces. Sectors were: Textile / fashion (7), Iron/steel industries (3), Shoes (2), Wood-furniture (2) electronic devices and others

Since 2001 the Region Lombardy has been choosing a “subsidiary” model in its industrial policy, by sustaining directly the enterprises belonging to clusters instead of planning interventions on the “district” scale. Those enterprises belonging to clusters can have preferred channels for obtaining regional grants and incentives sustaining SMEs.

Further to this, in the last few years the Region of Lombardy has been delivering a regional strategy based on the promotion of both:

- traditional industrial districts
- meta-districts
- new “productive systems”

The objective is to experiment new ways for consolidating productive systems by sustaining new forms of aggregation between enterprises and value chains as key factors for competitiveness in the Lombardy Region. Thus overcoming traditional cluster models, mixing sectoral policies with territorial policies

The need for overcoming the traditional „district” models originates in the complete change in the SMEs approach to the market, that push them to compete on the international arena, with technological and organizational innovation.

Meta-districts and new productive systems are an answer to this need.

Meta-districts

Meta-districts are generally temporary market oriented cluster, rarely permanent, whose core is made of SMEs, but also with big companies, research institutes and foundations. The concept of meta-cluster cut with the traditional definition of industrial district and is an innovative model for sustaining SMEs in Lombardy.

Meta-districts are therefore “areas of productive excellence” with high technological potential and market potentialities comprising a transversal value chain, untie from traditional territorial development models.

They are characterized by:

- Multi-sectoral value chain
- Broader territorial extension
- Leadership of enterprises able to lobby and “represent” the cluster

The existing meta-cluster are:

- Food biotechnologies
- Non food biotechnologies
- Fashion
- Design
- New materials
- Information and Communication Tecnology (ICT)



They comprise a good part of the region, even if none of them can be limited to a specific territorial area.

SMEs and other entities belonging to the meta-clusters are free and encouraged to present projects and ideas. Also the partnering among SMEs and research centers is encouraged.

New “Productive Systems” (Driade special program)

Following the experience of the meta-cluster creation, the region Lombardy started the DRIADE programme (regional law 1/2007). The programme has a clear bottom-up approach and starts from the acknowledgement of the needs that are expression of the territory. It has the following objectives:

- the emersion of relatively new productive systems and value chains (not yet acknowledged) born due to rapid market and technologic knowledge transformation: Aerospace, Nautical Industry, Automotive, Sustainable building, Cosmetics.

Each of them comprises:

A promoting committee formed by 20 players (public authorities, trade unions, service centers, RDAs, consortia and SMEs)

Regional fundings to start-up the clusters: networking activities and specific projects (service centres, technology transfer, definition of strategic action plans identity enforcing, internazionalization paths etc.)

- The restructuring, strenghtening and growth of craftmanship and micro-enterprise networks in the context of the lombard meta-clusters and areas of productive excellence

Programmes on national and regional level

Programme “**Metadisricks**” for promoting collaborative activities among companies, universities, scientific societies in RTDI projects.

Lombardy Region – Directorate of Industry, SME and Cooperation Department

Region Lombardy publishes yearly a Call for proposals for selection of R&D project on metadistrict’s thematic areas:

- Food biotechnologies
- Non food biotechnologies
- Fashion
- Design
- New materials
- Information and Communication Tecnology (ICT)

Objective is the development of a new product, process or service

Partnerships: At least 3 autonomous enterprises + Large Enterprise + R&D Centers + Research Foundations

The project have to be completed in 24 to 36 months

Grant = max 50% of the project costs

Grant = min €.250.000 max 1M€

Results:

METADISTRICTS CALLS – REPORT ON FINANCED PROJECTS – years 2003–2004–2005–2007			
METADISTRICTS	N. PROJECT	PROJECT COSTS €.	PUBLIC AID €.
FOOD BIOTHEC	10	11.488.237,60	6.236.262,05
NO FOOD BIOTHEC	17	35.407.941,00	14.377.772,00
NEW MATERIALS	36	57.917.528,67	22.314.106,95
FASHION	12	20.802.934,00	9.396.778,22
DESIGN	10	17.903.178,54	6.522.925,12
ICT	19	31.705.706,36	14.500.145,48
GRAND TOTAL	105	175.225.526,17	73.347.989,82

Sistemi Produttivi Sperimentali (Programma Driade)

Regional Programme

LOMBARDY REGION – Directorate of Industry, SME and Cooperation Department

Main goals: the regional programme DRIADE represents an experimental action promoted by the Region Lombardy and addressed to the creation of “network systems”. It aims at fostering new forms of support to the creation and growth of local productive systems, by supporting pilot actions, networking among SMEs and the emersion of new clusters.

Priorities

The programme has two axis: 1. Dafne and 2. Artemide

Dafne supports aggregations of micro, small and medium enterprises and the emersion of relatively new productive clusters (not yet acknowledged by the traditional industrial policy tools).

DAFNE, with a public funding of 7,6M €, co-financed 25 innovation projects submitted by a cluster of at least 5 SMEs belonging to 7 pre-selected new clusters in the field of:

- Aerospace
- Shipping
- AUTOMOTIVE
- Thermo-Electro Mechanic
- Wood-furniture and sustainable building
- Cosmetics

ARTEMIDE

It aims at structuring, or strengthening the growth of craftsmanship networks in sectors belonging to the acknowledged districts or meta-districts. It supports for example innovative organizational models, management structures, joint management of common services etc.

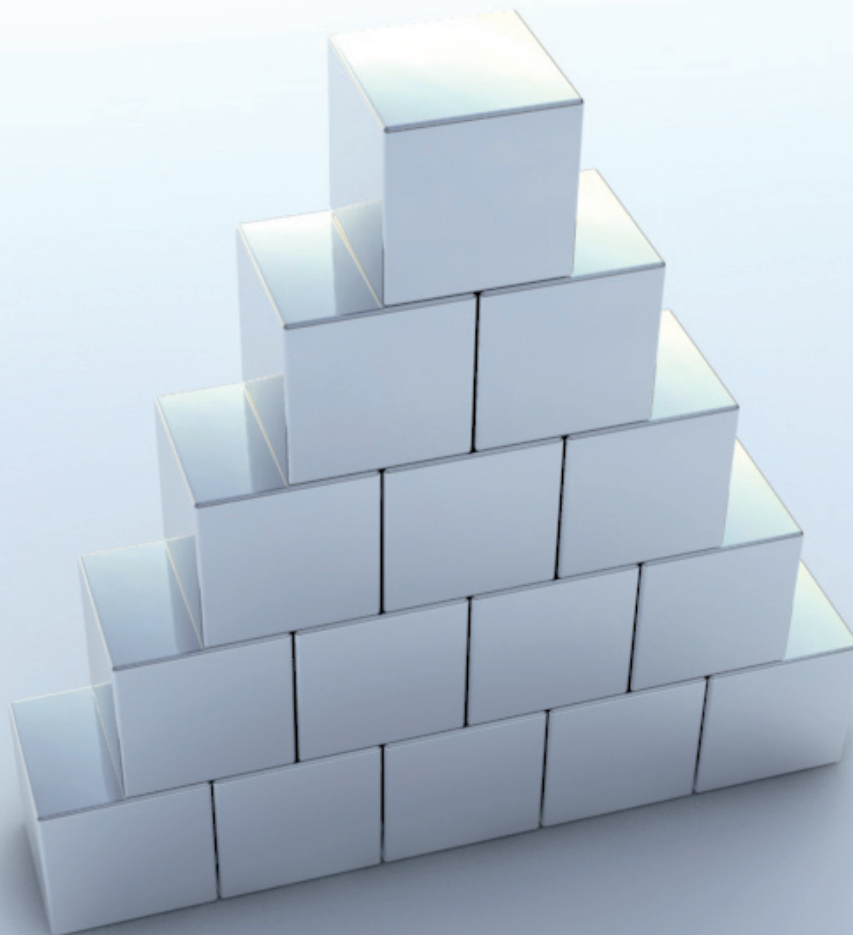
The action foresees ad-hoc bids and a total public amount of 5,12M €

6.6. SLOVENIA

There are no national programs since 1999 – 2004. RDAs' have general developmental programs which are not specific for cluster support or development or services provided from RDAs' to clusters, cluster members or vice versa. Services are provided in the line of project cooperation. The only relevant programs for development of clusters are the programs within the clusters – the strategic development plans.

Ministry has prepared a cluster development program 2000–2003 (MoE, 2001), which included a number of interrelated measures. Their purpose was to provide a solid foundation for the development of clusters.

The first objective of the measures was to accelerate the integration of companies between themselves and their interaction with knowledge institutions (universities, R & D-Institute) and support networks and strengthening individual and collective ability to develop partnerships at various levels to promote innovation and technological development. Ministry for this purpose, support the implementation of projects of at least three partners and one other institution of knowledge in the areas of technological development, product development specialist, supply chains, joint production and marketing.



The second objective was to establish a common support infrastructure. To achieve the objective of the SBDC run a program of development of local clusters or local inter-company connections has been focus on the knowledge, skills and research actors in the development of clusters.

The third goal was to take the development of clusters in practice. The aim of the initiative was to develop a cluster model and determine the appropriate approach to promote networking in Slovenia (Mešl, 2001), which is 2001 Ministry supported the development of three pilot projects for the development of clusters (automotive, tool and transport and logistics).

The Ministry had, in the whole process worked as a catalyst of development processes, but hadn't substituted for market mechanisms, had not dictated on what areas to develop clusters, had not prescript strategies, exact rules and patterns of their development, organizational structures, management processes, had nothing to do with calling and had not chosen cluster managers and other key people evolved in clusters. All these areas were and are independent decision actors, and the willingness and responsibility for success remained in the preservation of firms and other participants, i.e. their managers, employees and owners.

Functioning of the state (government) as a catalyst for change is an important for building and faster implementation of changes and thus the competitiveness of the economy. Nevertheless, competitiveness depends mainly on businesses, its knowledge, ideas and skills. The government can only encourage the promotion of new organizational forms, methods integration and innovation, but can not replace the activities of companies. Companies must in new operating conditions establish its own organizational structure and business processes and adapted to a dynamic form of industrial organization (Zabasu, 2003).

Ministry resources for cluster development provide the framework of the Action Plan promoting entrepreneurship and competitiveness of 2002–2006, additional development funds clusters extract from the cluster members and through various EU programs such as: 6. Framework research programs, Interreg, PHARE, EUREKA, from 2004 and through the European Regional Development Fund. Cluster development is one of the objectives of promoting the development of innovative environment, i.e. Measure 1.1 of the Single Programming Document 2004–2006. Funds under the action of promoting the development of innovative environment are aimed primarily for investment in infrastructure development (e.g., technology centres, centres of excellence, incubators and technology parks).

7. TEN TIPS FOR CLUSTER MANAGERS

As a practical value added output, we have summarized the most important aspects of effective cluster management. They all imply to the current development and operation barriers of the investigated cluster initiatives. They are not described here in details, but hopefully help cluster managers to think over their current activities, while the study gives more details for these issues.

1. Improving the cooperation between management organizations and members

Most of the investigated initiatives have shown that the operations of the cluster management organizations are strongly separated from the members. By doing so, the effective cooperation opportunities seem to be unused. The utilization of potential internal networking resources could be more effective with continuous demand monitoring and better tracking of interventions.

2. Implementing common marketing activities have crucial importance

Almost every investigated cluster has its own marketing strategy. Nevertheless real common marketing activities, especially market campaigns are not implemented yet. As a result, the cluster does not integrate to the local economy as a corporate identity. By implementing these activities, the market position of individual members could be improved.

3. More active participation in policy development should support direct implementation

Except some cases, regional cluster policy development is taking place without the involvement of clusters. This situation could be changed with more active lobbying and professional participation in policy development events. Additionally, giving a continuous feedback for policy makers on success and critical factors of operation should help developing practice-oriented strategies.

4. Systematic development of common production activities is needed

In most cases, the common activities of the clusters are limited to general issues. The lack of concrete joint production initiatives results weak cooperation interest. By accelerating production-related collaborations higher added value networking could be implemented.

5. Development and operation of internal monitoring system might develop the efficiency of common operation

As a common experience, the activity of clusters is well organized in general, but the monitoring of concrete results is still missing. Implementing an internal monitoring tool should support the development of the efficiency of cluster's activity.

6. Cross-sectorial networking can support regional economic integration

The clusters in general concentrate on only one narrow slice of economic sectors. Opening for bordering branches and networking along the demands of the members might support their integration to regional economic value chain.

7. Strict criteria for membership application could improve the quality of collaboration

To improve the quality and economic performance of the clusters, new members should be selected carefully. To reach this goal the development of an application procedure is expected. It could help for cluster boards to decide on the one hand and potential members to consider the expected benefits of joining.

8. Increasing technology transfer support can help market implementation

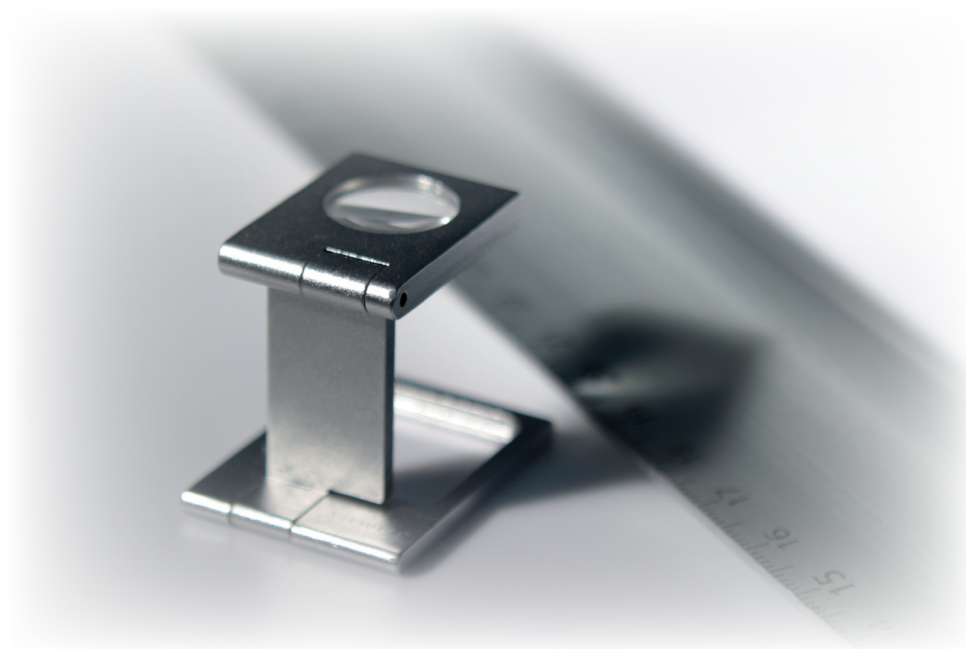
As most of the cluster members (especially SMEs) have not enough capacity to manage and develop their inventions, while some partners have significant R&D resources, connecting the supply and demand side is needed. The most efficient way would be involving a technology transfer expert.

9. Supporting foreign appearance can help improving market presence

Only some of the operating clusters have foreign collaborations. The international cooperation limited to individual members. For improving market position, participation in foreign fairs and conferences would be expected.

10. Improving the participation of professional organizations in clusters could give more added value to cooperation

By reviewing the current cluster initiatives, the involvement of professional organizations (like high added value consultancy) is weak. As they could directly support the members, closer cooperation has to be developed.



Clusters & Cooperation for Regional Development in Central Europe

(2CE202P1)

This project is implemented through the
CENTRAL EUROPE Programme,
co-financed by the European Union and Hungarian Government

Deliverable	Joint research and analysis of regional clusters and related policies – Benchmarking Study		
Work Package	3. Exchange of experiences dedicated to the identification of good practices		
Activity	3.2. Joint Research and Analysis 3.2.4. Benchmarking study		
WP Responsible partner	PP5 Mid-Pannon Regional Development Company		
Version	Final	Date	25/07/2011
Type	Study		
Responsible partner	PP5 Mid-Pannon Regional Development Company		

Source of photos: ICG EX ANTE, SXC.HU