Enhancing European defence-related clusters

Background

At the December 2013 European Council, the Heads of State and Government stated "Europe needs a more integrated, sustainable, innovative and competitive defence technological and industrial base (EDTIB) to develop and sustain defence capabilities." EDTIB provides thousands of highly skilled jobs, as it directly employs about 400,000 people and generates up to another 960,000 indirect jobs[i].

This industrially multi-layered supply chain has for long acknowledged the necessity to be regrouped in associations, clusters and other organisations that could, among others, help to defend their capabilities and support their actions at regional, national and European level.

> "Supporting regional networks of SMEs and strategic clusters is also critically important."
> (December 2013 European Council)

Clusters are considered to be a specific type of groupings with particularly strong networking characteristics. They allow companies to combine strengths and resources in order to diversify into new products, tap into new markets and help develop dual-use products and technologies. Clusters may benefit companies especially SMEs in many sectors of the economy, including companies that operate in the defence sector.

European Commission

In its Communication on defence (2013) and Implementation Roadmap (2014), the European Commission set out a number of actions for defence-related SMEs, including the use of existing EU programmes and tools designed to support the process of (regional) clustering.

Through the "Cluster Go International" action (COSME) the Commission supports the establishment of a number of European Strategic Cluster Partnerships. These partnerships encourage clusters from Europe to intensify cluster collaboration across borders and sectoral boundaries and to develop and implement joint strategies in new areas towards third countries.

The Enterprise Europe Network supports SMEs with cross-border partnership and networking in the EU and beyond, through matchmaking events and other services. The Network's experts advise SMEs on a wide range of matters relevant to innovation and cross-border business, in particular access to finance, EU programmes and legislation and enhancing innovation management capacities.

The Commission is clarifying the conditions under which the European Structural and Investments Funds can be used to support dual-use projects. The Commission is also fostering applications from cross-border clusters and networks to the European Territorial Co-operation programme.

On 10 October 2014 the Commission released **a Guide for Regions and SMEs – EU funding for Dual Use.** The guide helps SMEs understand how the different EU funding tools - e.g. European Structural and Investment Funds (ESIF), Horizon 2020, COSME - could support SMEs in developing dual-use strategies and projects. It also shows how regional authorities can draw up dual-use strategies, in particular in the context of the ESIF 2014-2020.

It is of course up to companies, clusters and regional authorities to take up these opportunities, but the Commission will continue to raise awareness through targeted events.

More info: http://ec.europa.eu/enterprise/sectors/defence/defence-industrial-policy/smes/index_en.htm

European Defence Agency

Together for a stronger Europe

The strategy for the European Defence Technological and Industrial Base (EDTIB), approved by Defence Ministers in May 2007, stressed that the future success of European Defence Industry would depend on effective utilisation of human capital and innovation wherever these are to be found in Europe, in SMEs and in suppliers not always associated with defence.

As a result of a 2012 EDA study, a non-exhaustive list of defence-related clusters was compiled and published on EDA Defence Procurement Gateway, launched in June 2013. The Gateway, accessible through EDA website, is one-stop-shop for defence-related business opportunities and procurement regulations/policies (at national and European level).

In January 2013 EDA launched the debate with defence-related clusters in a joint workshop organized with European Commission on "Regional Smart Specialisation for the EU Defence Sector". In addition, EDA SME Action Plan and Supply Chain Action Plan, approved by the EDA Steering Board in March 2013 and respectively in May 2014, address measures in support of defence-related clusters.

EDA SME ACTION PLAN	EDA SUPPLY CHAIN ACTION PLAN
Increasing interaction with European Commission work on **clusters** and SMEs, with a focus on specific action to support defence-related SMEs and making best use of existing tools (e.g. EEN, ESIF, COSME)	Further develop web-based tools in order to improve access to information and business opportunities and promote matchmaking, **clustering** and best practice along the whole Supply Chain
Improving **defence-related clusters'** landscaping and development	Contribute to the creation and development of networks between **defence-related clusters**

In 2013 EDA launched an initiative on the use of ESIF to support dual-use research and innovation projects. In 2014 EDA's pilot case in Portugal attracted a positive decision to be co-funded by 60% in a total project-budget of €1,3M. Moreover, EDA published a methodology in support of industry providing a step-by-step technical support, on how to get access to ESIF.

More info: http://www.eda.europa.eu/procurement-gateway/information/eda-market-industry-policies

EURADA

One of the core activities of EURADA is the promotion of support services to SMEs by public stakeholders. Those services aim at helping SMEs to innovate and enhance their competitiveness. In this respect, EURADA and its members have developed for many years activities in the field of cluster policies and the implementation of cluster schemes at regional level. EURADA has also promoted the concept of inter-clustering.

EURADA has started to draw the attention of its members and public authorities to the concept of dual use since early 2013. EURADA has contributed to the drafting of the above-mentioned **Guide for Regions and SMEs – EU funding for Dual Use** which was recently published by the European Commission.

More info: http://www.eurada.org/

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i European Commission Communication COM(2013) 542 on "Towards a more competitive and efficient defence and security sector"