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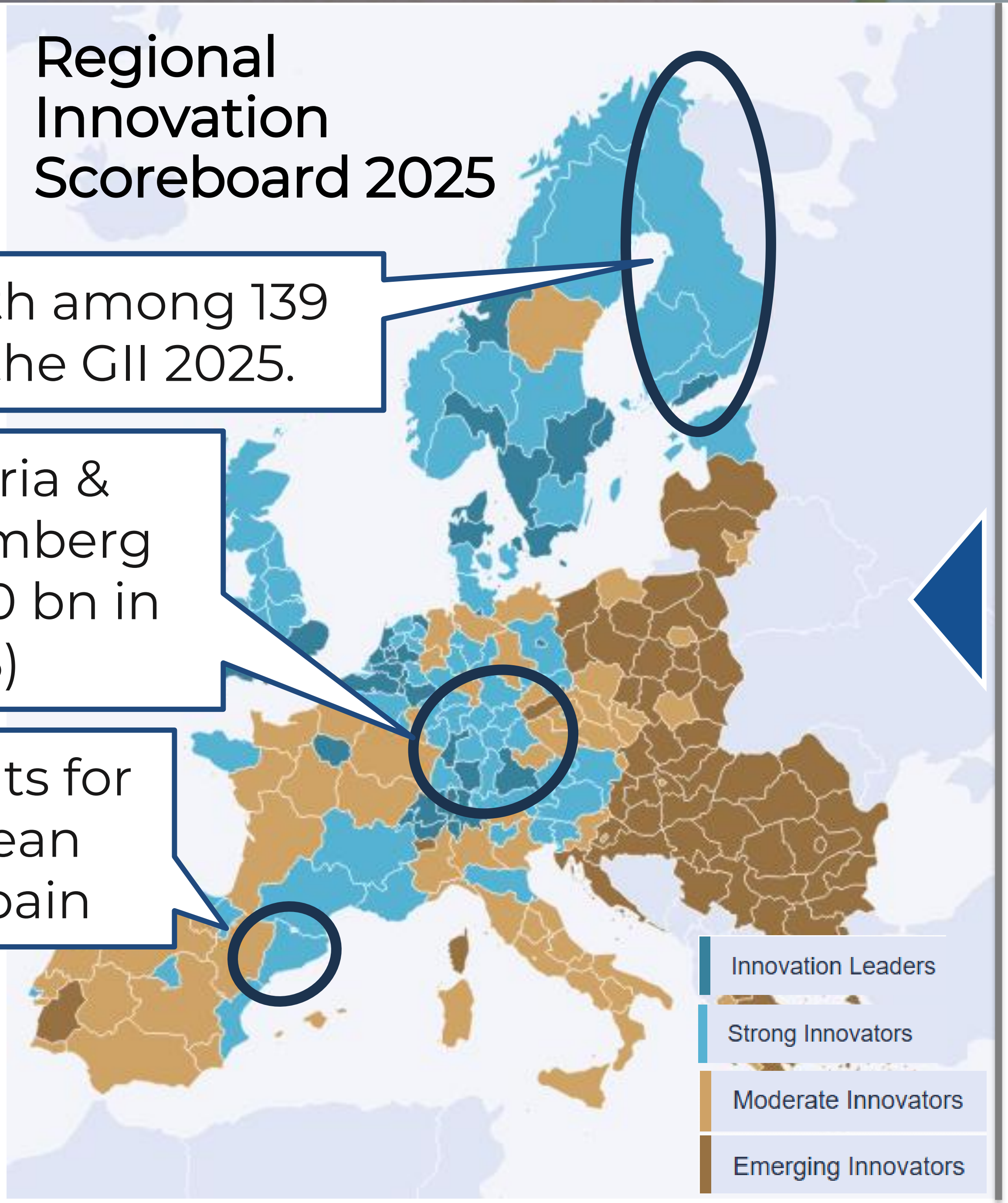
Why this conversation matters!

Regional Innovation Scoreboard 2025

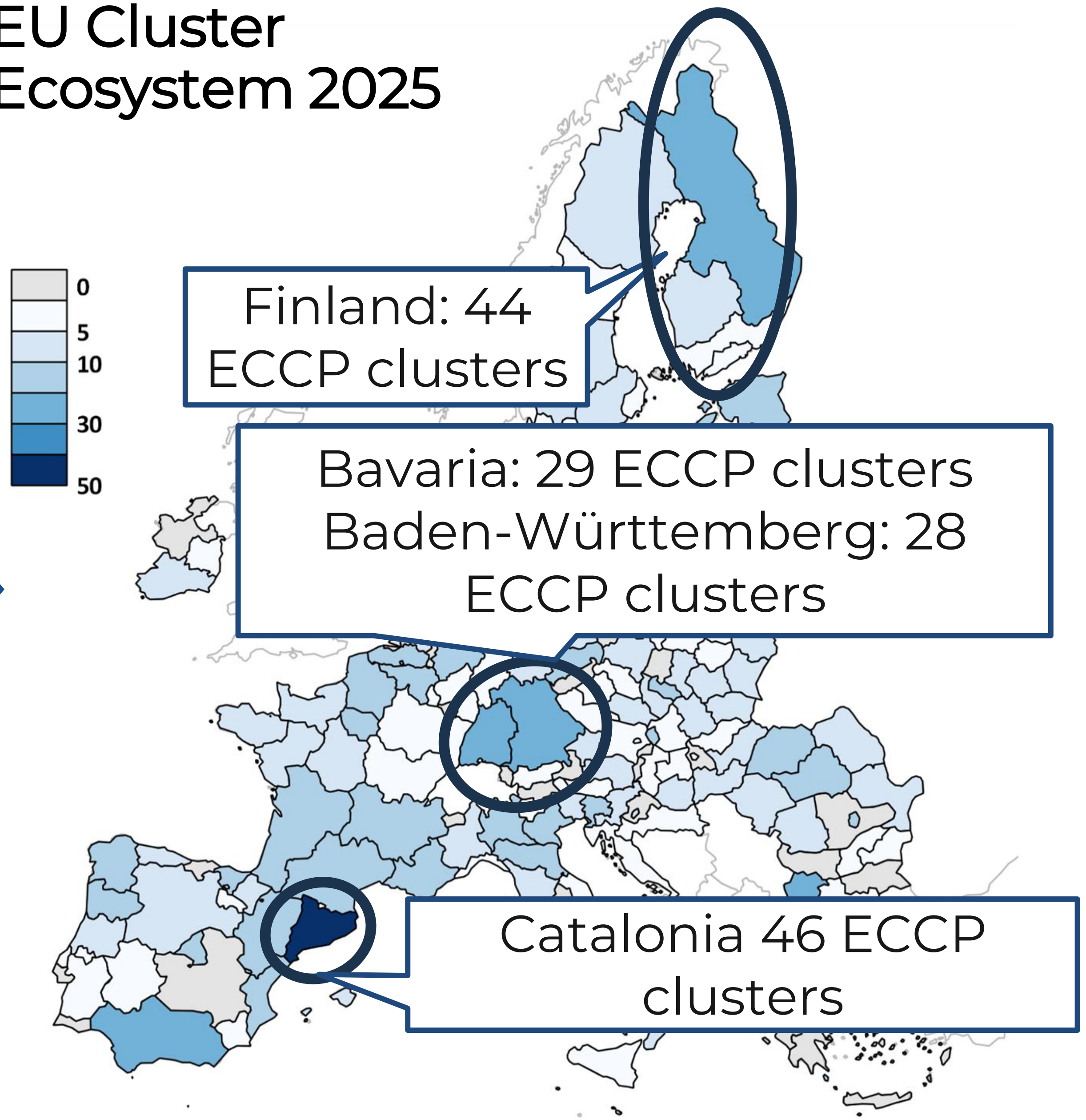


Finland ranks 7th among 139 economies in the GII 2025.

Firms in Bavaria & Baden-Württemberg invested EUR 50 bn in R&D (2023)

Catalonia accounts for 33.4% of European patents from Spain

EU Cluster Ecosystem 2025



Finland: 44 ECCP clusters

Bavaria: 29 ECCP clusters
Baden-Württemberg: 28 ECCP clusters

Catalonia 46 ECCP clusters

Clusters as *Connectors* of the EU Single Market & beyond

1,640 **cluster organisations** on the ECCP (1,260 in the EU-27).

40% of cluster organisations in the **EU-27** since 2014.

~ 170,000 **cluster members** represented by the clusters.

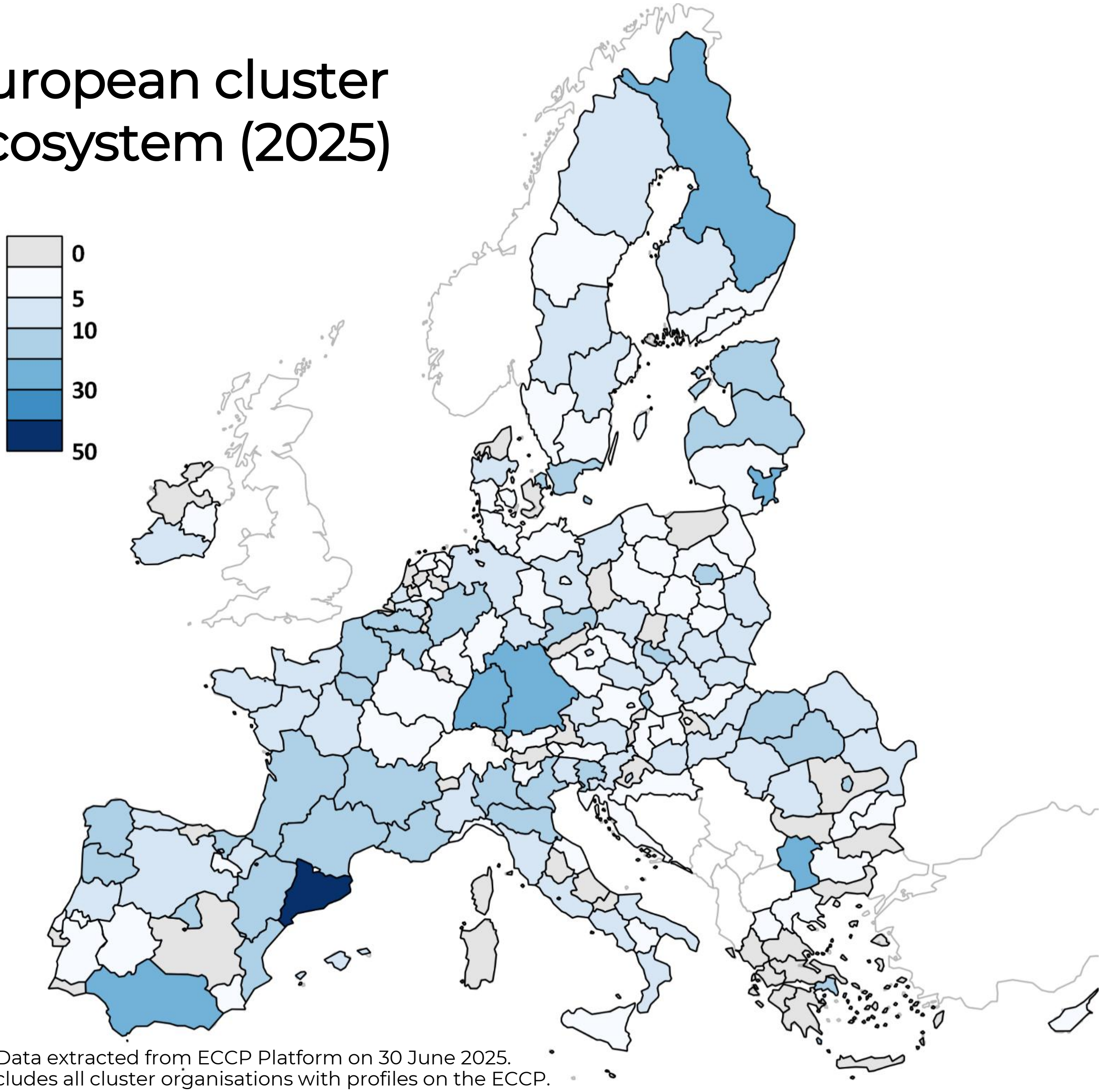
~ 140,000 SMEs

~ 16,000 large corporations

~ 13,000 research organisations

70 **national cluster associations & meta-clusters** in the EU-27

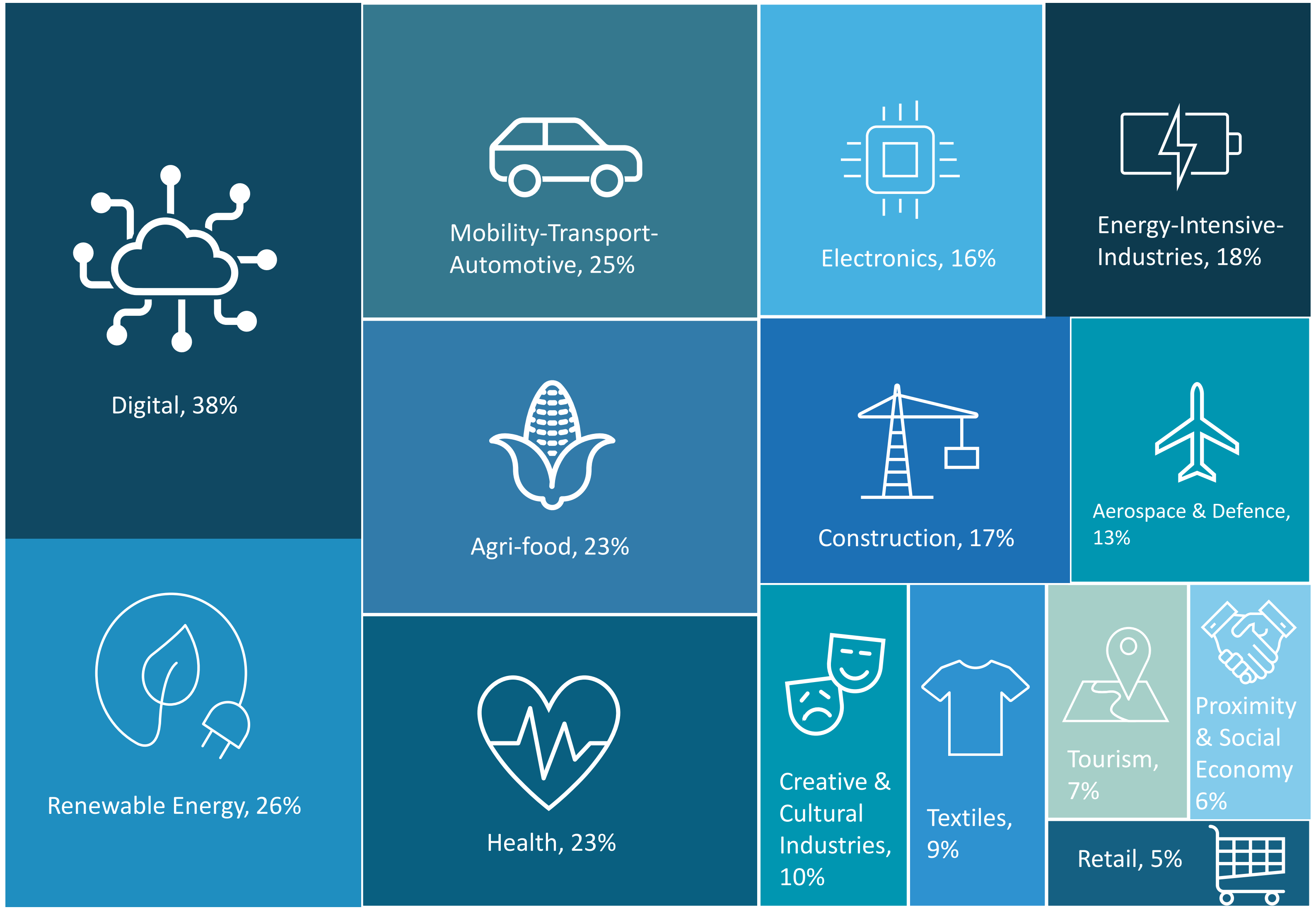
European cluster ecosystem (2025)



Source: Data extracted from ECCP Platform on 30 June 2025.
Note: Includes all cluster organisations with profiles on the ECCP.

EU cluster ecosystem represents key future industries

EU cluster ecosystem by industrial ecosystem (2025)



Source: Prognos (2025), data taken from the ECCP platform on 30 June 2025.

"Digital" ecosystem

- Significant growth in employment (24%) and gross value added (48%) from 2014 to 2021
- By far the largest ecosystem in terms of the number of cluster organisations

"Renewable energy" ecosystem

- Strong increase in gross value added (27%)
- Most dynamic growth among cluster organisations (>70 new clusters since 2021)

"Health" ecosystem

- Significant increase in employment (14%) and gross value added (27%)
- Growth of more than 50 clusters since 2021

Euroclusters as strategic cross-European partnerships

- The EU has launched **30 Euroclusters** to help deliver the EU Industrial Strategy
- Euroclusters are **cross-sector, interdisciplinary, pan-European partnerships** that bring together industry clusters and other economic actors
- In 2024, a **new Euroclusters call** invited collaborative projects, with a focus on critical raw materials and net-zero technologies.
- **Financial Support for Third Parties**: 75% of the grant must be passed on as direct support to SMEs

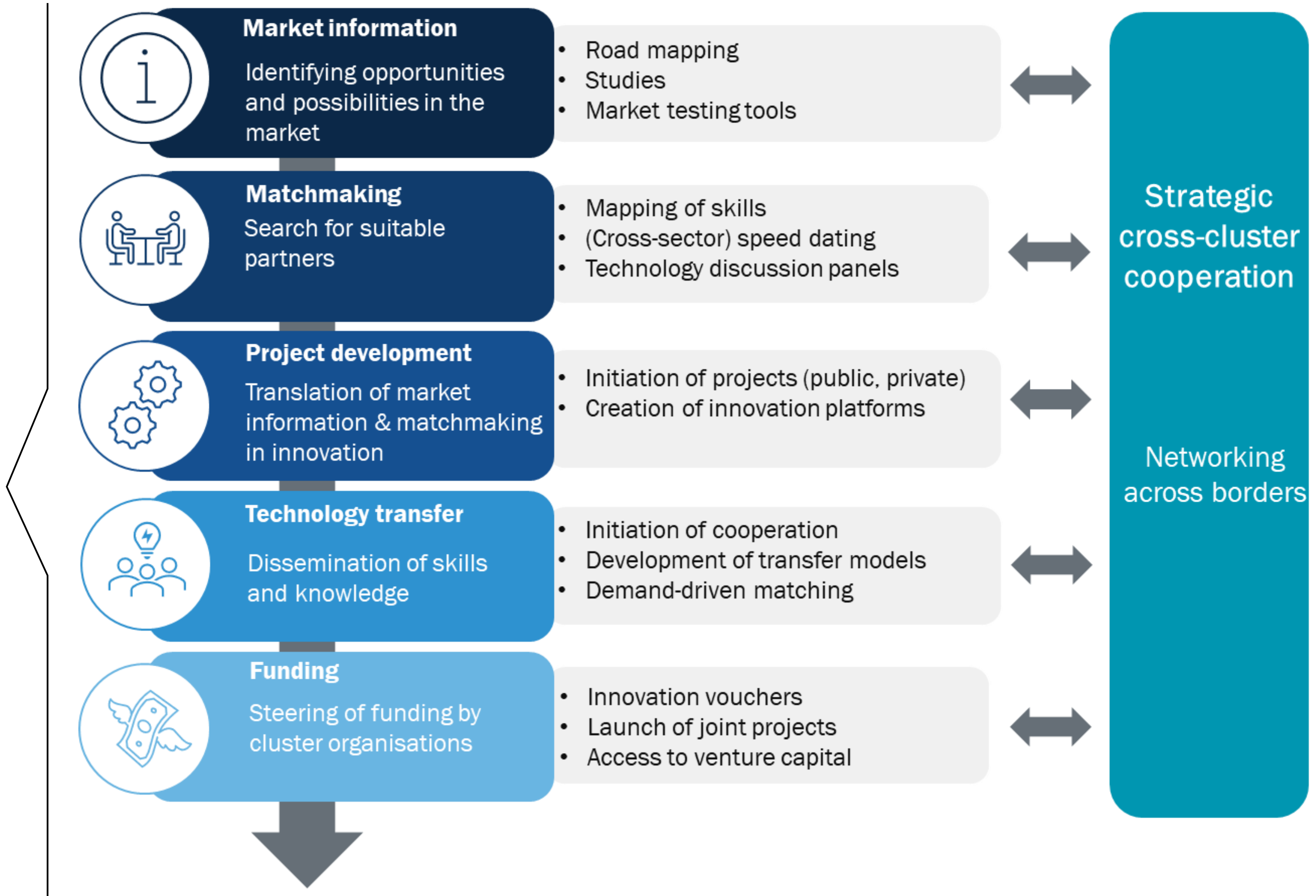
Source: ECCP (2025).

Cluster organisations as *Change Agents* of transformation

Cluster organisations serve as:

- **Platforms** for cooperation, knowledge transfer and market development.
- **Accelerators** for SME innovation and internationalisation.
- **Enablers** for transformation towards the twin transition (digital & green).

Specific Contributions of Clusters to Transformation

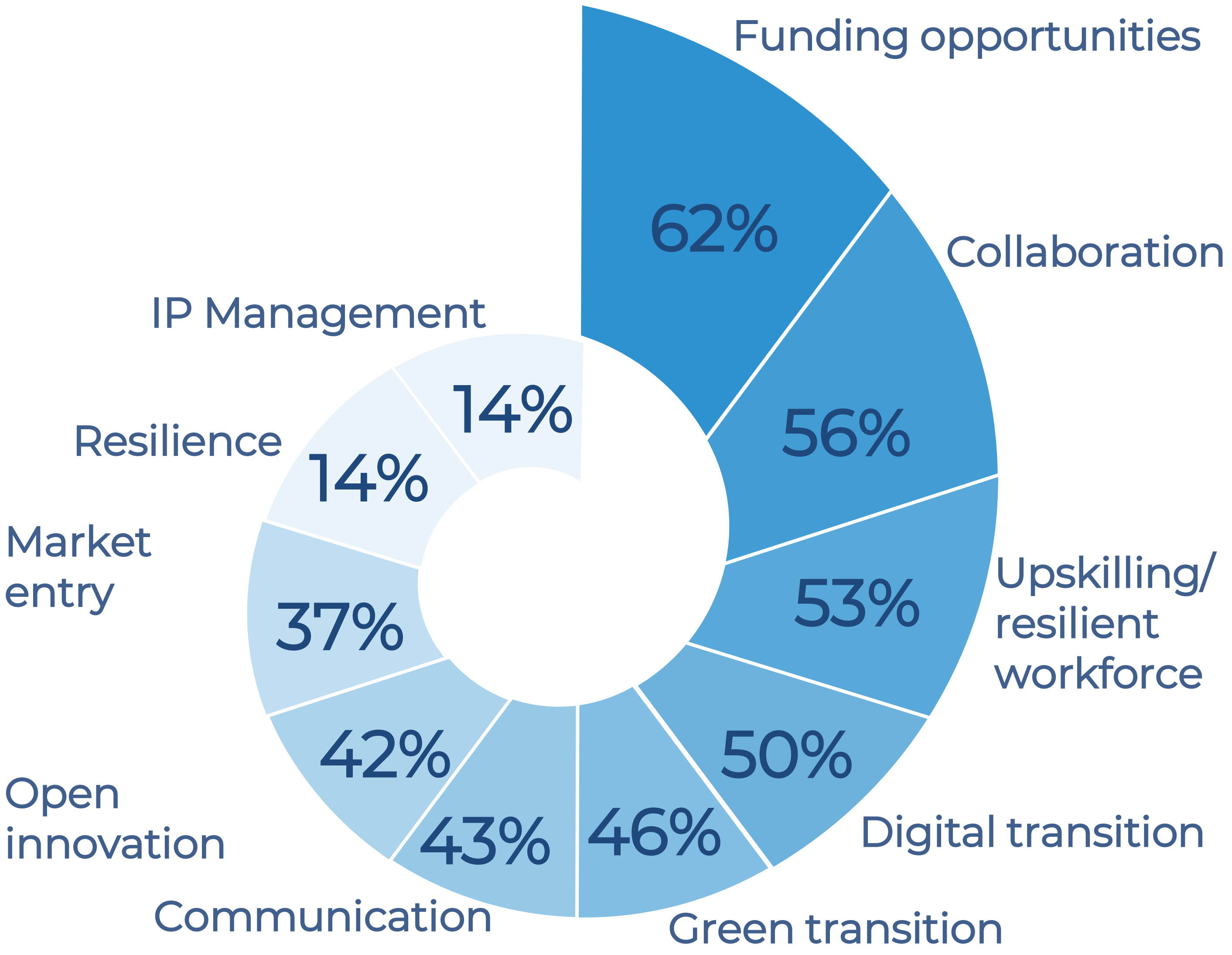


Promoting the transformation of value chains (twin transition), strengthening innovation and increasing resilience

Source: Prognos (2025), own representation based on European Cluster Observatory (2014): Cluster Collaboration and Business Support Tools to Facilitate Entrepreneurship, Cross-sectoral Collaboration and Growth.

Service portfolio of cluster organisations supports change

Support Services by EU-27 cluster organisations



n = 145

Source: ECCP (2024). European Cluster Panorama Report 2024, based on data from December 2023.
Multiple entries possible.

Selected Euroclusters projects

Mind 4 Machines offers support for manufacturing SMEs to test & adopt latest digital technologies. Activities include investment readiness, open innovation platform, accelerator programme

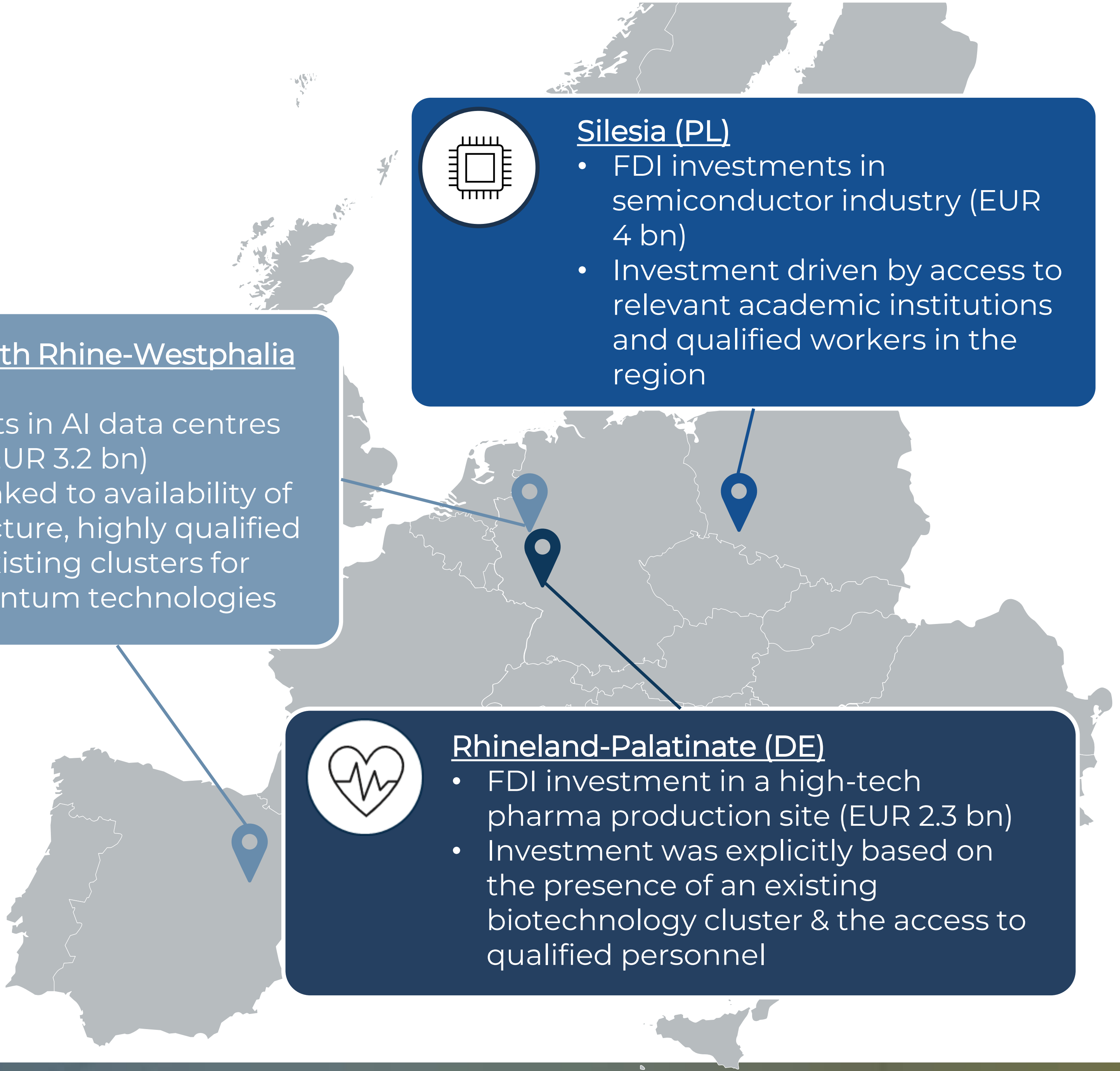
ELBE Eurocluster gathers eight EU clusters to facilitate new value chains through cascade funding for innovation, training & internationalisation in the Offshore RE sector.

Silicon Eurocluster aims to strengthen the competitiveness & resilience of SMEs in the electronics value chain. By mobilising technological expertise, it supports Europe's leading position in micro- and nanoelectronics development and production.

Clusters act as magnets of Foreign Direct Investments

Attraction of Foreign Direct Investment (FDI)

- FDI is an **important aspect of competitiveness** and can directly increase firm competitiveness
- FDI is at the same time an **indication of the attractiveness & competitiveness** of a region
- Clusters provide foreign investors access to a skilled labour force, knowledge, specialised suppliers & existing value chains



Aragón (ES) & North Rhine-Westphalia (DE)

- FDI investments in AI data centres (EUR 6.7 bn & EUR 3.2 bn)
- Investments linked to availability of good infrastructure, highly qualified labour force, existing clusters for digital and quantum technologies

Silesia (PL)

- FDI investments in semiconductor industry (EUR 4 bn)
- Investment driven by access to relevant academic institutions and qualified workers in the region

Rhineland-Palatinate (DE)

- FDI investment in a high-tech pharma production site (EUR 2.3 bn)
- Investment was explicitly based on the presence of an existing biotechnology cluster & the access to qualified personnel

European clusters and regional economic competitiveness

Correlation of cluster presence and key competitiveness indicators

Business environment
- Birth of enterprises: weak positive correlation
- Human resources in Science & Tech: weak positive correlation

Firm behaviour
- Business R&D investment: positive correlation

Innovation potential
- PCT patents per capita: weak positive correlation

Economic returns
- GDP per capita: weak positive correlation
- Apparent labour productivity: weak positive correlation
- Employment rate: weak positive correlation
- Employment in tech & knowledge sectors: weak positive correlation

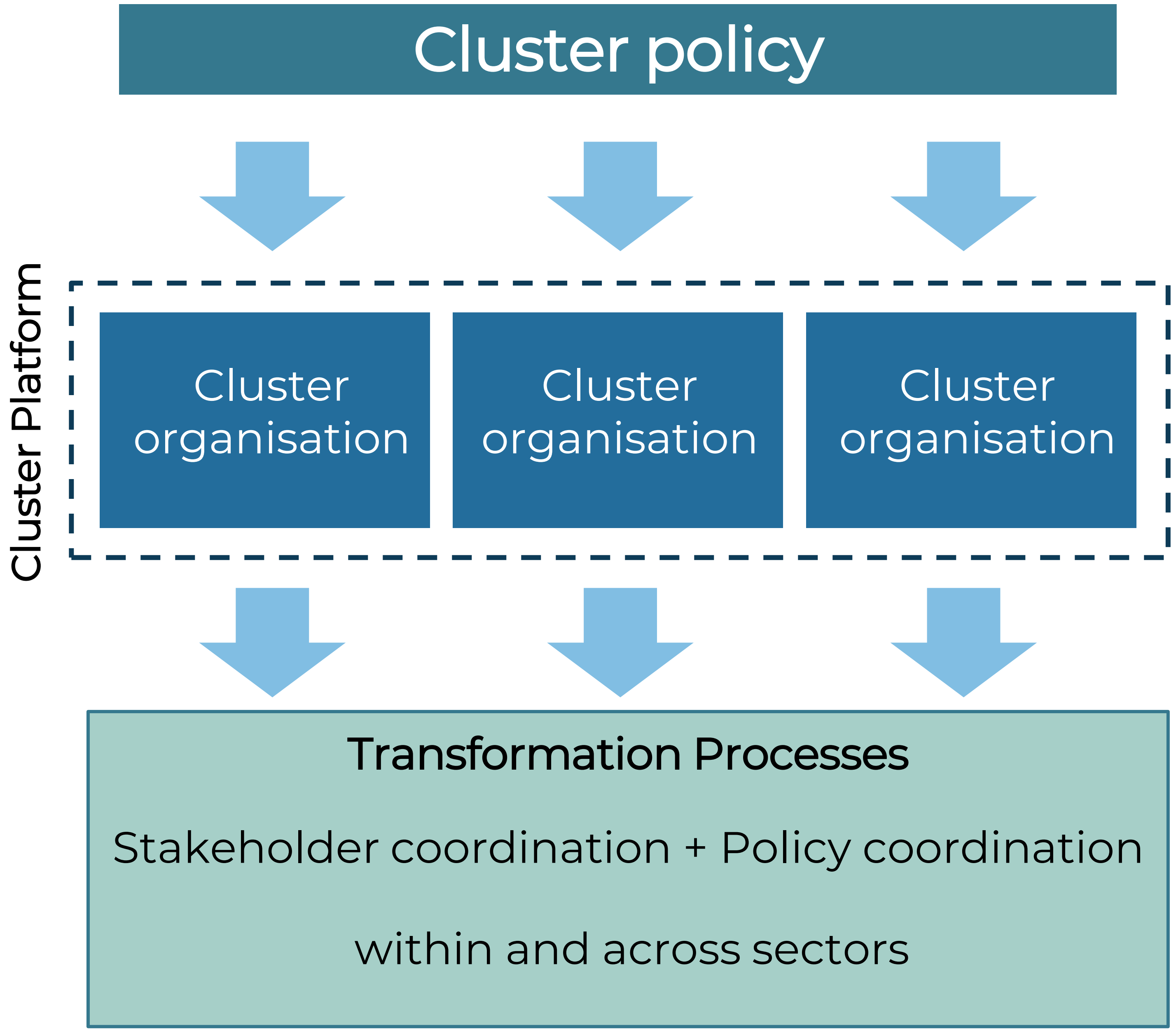
++ Positive correlation   + Weak positive correlation

Source: ECCP (2025). The symbols in the table indicate Pearson correlation coefficients that are significant at 95% level. Positive/negative Correlations include coefficients >=0.3, weak correlations include coefficients >=0.1. Green fields indicate a positive relationship and red a negative relationship

Cluster policy enables industrial transformation

Cluster policy makes important contributions to the **institutionalisation of coordination structures:**

1. **Creation** of new cluster organisations
2. **Professionalisation** of cluster management
3. **Networking** among cluster members
4. **Linking** cluster structures with **policy strategies** to support industrial transformation and resilience



Source: ECCP(2025), own representation on the Cluster Policy Transformation Processes.

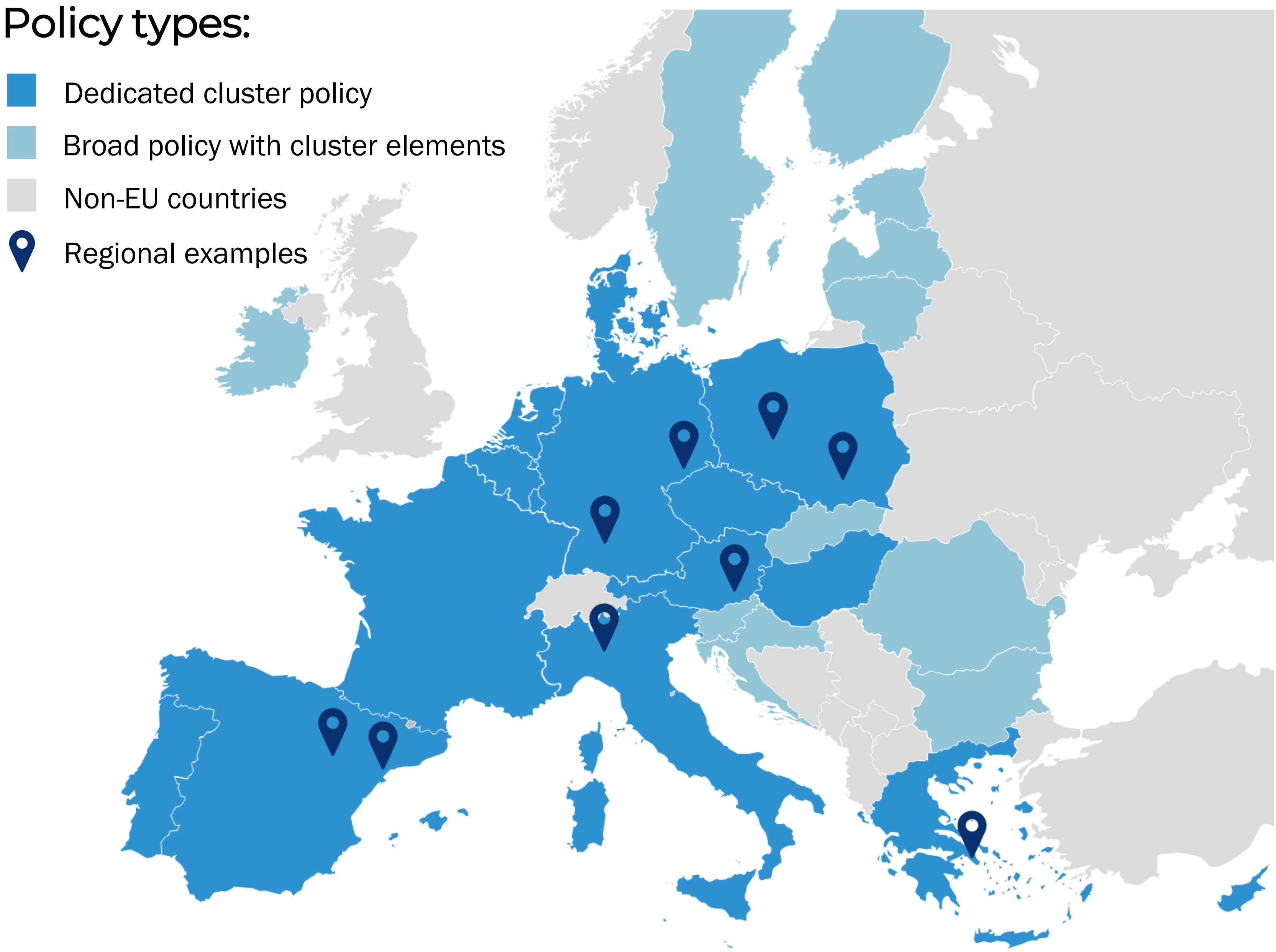
Cluster policies across the EU have evolved over time

15 EU Member States with dedicated cluster policy

- Mostly Central and Southern Europe
- Around 920 cluster organisations on ECCP (73%)
- Special case Belgium: cluster policy in all regions

12 EU Member States have broad policies with cluster elements

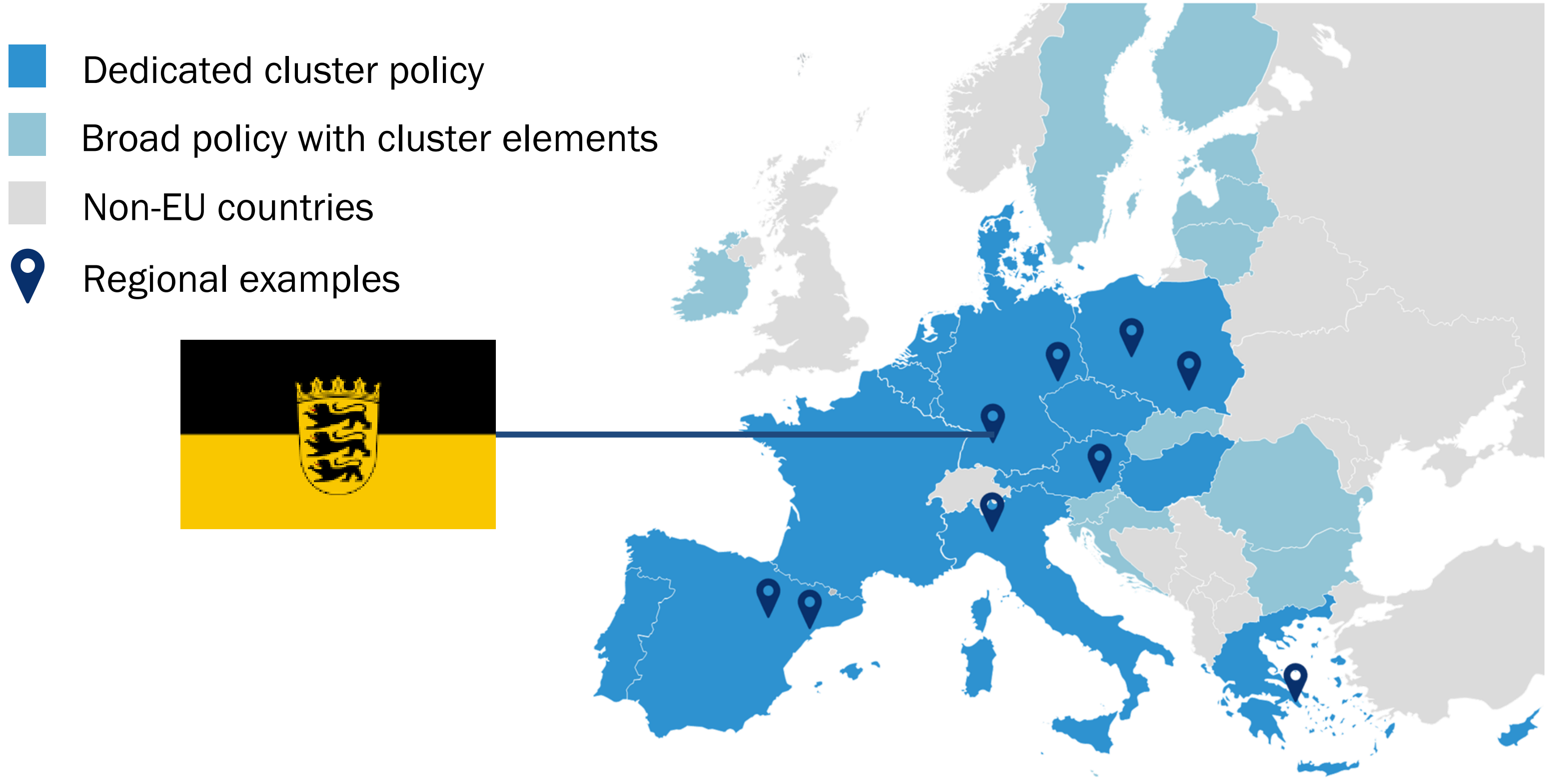
- Mostly Northern and South-Eastern Europe
- Around 340 cluster organisations on ECCP (27%)
- Some countries are currently developing a dedicated cluster policy (e.g. Finland and Ireland)



Source: ECCP (2025), based on information gathered through desk research and validation by national authorities. N1 = 48 policies, N2 = 27 countries

Baden-Württemberg with long cluster policy tradition

Example 1: Cluster policy and funding in Baden-Württemberg (Germany)



Cluster policy

- Developing **cluster policy** *along* with the **cluster landscape** and its needs: From mapping of existing cluster initiatives, to professionalisation of cluster management and foresight capabilities
- New **RegioClusterAgentur** integrates cluster policy and regional development with a focus on transition challenges

Regional public funding

- **No general funding** for cluster organisations: RegioClusterAgentur is a pure service and knowledge provider
- **Public funding** for cluster organisations through **thematic calls**, often ERDF co-financed (e.g. RegioWIN; RIS-Koordinatoren)

Cluster funding mix

Funding **sources vary** for different clusters:

- Federal funding programmes
- Regional agencies (e.g. for e-mobility)
- Membership fees
- Fee-based services
- Participation in projects

Poland operates a multi-layered cluster policy scheme

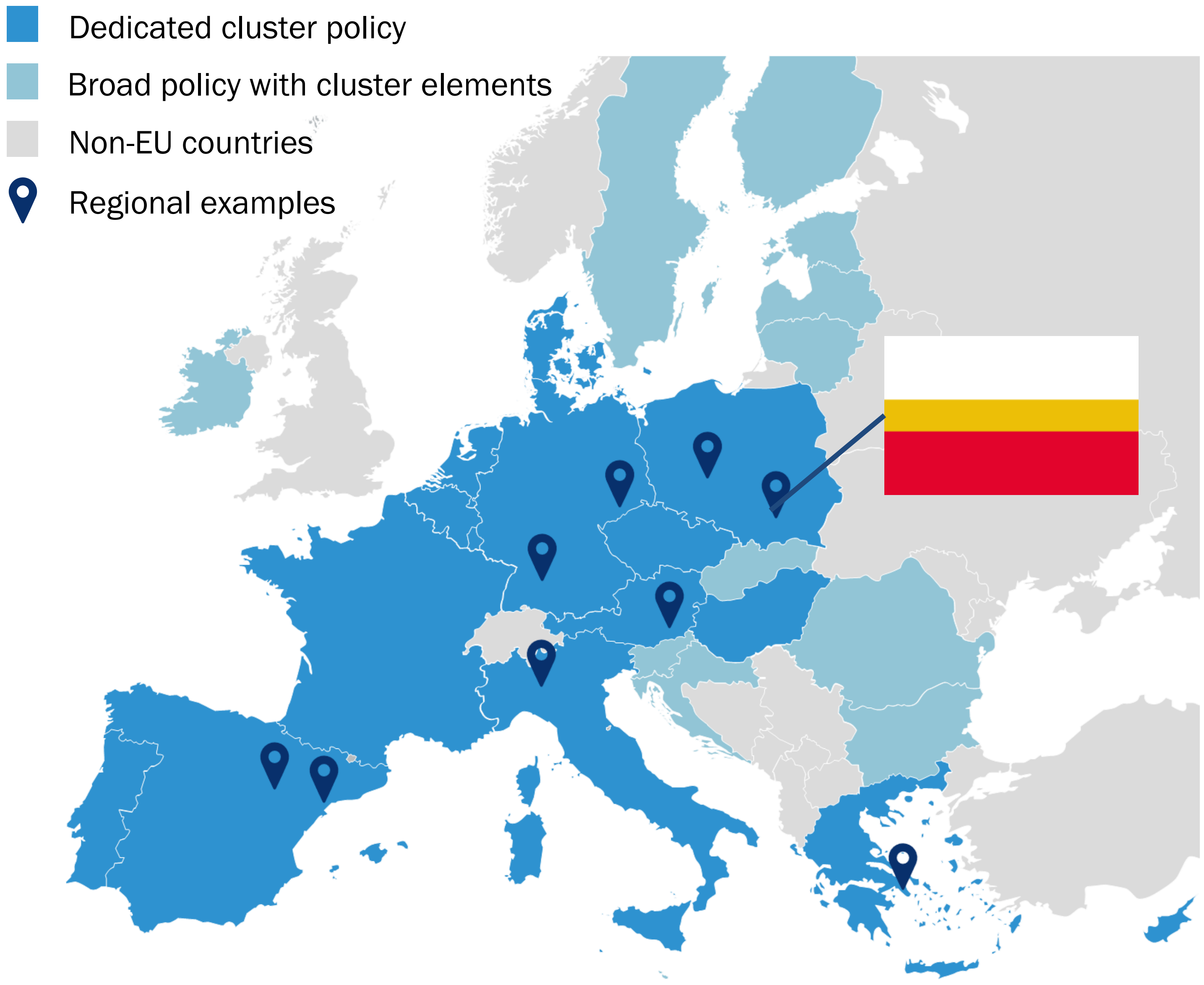
Example 2: Regional cluster support in Małopolska (Poland)

Cluster support and policy

- Cluster support is linked to the **regional innovation strategy** & connects local cluster initiatives to **National Key Clusters** programme
- Regional development agency **MARR** offers diverse services including a business centre and a technology park

Accessing funding

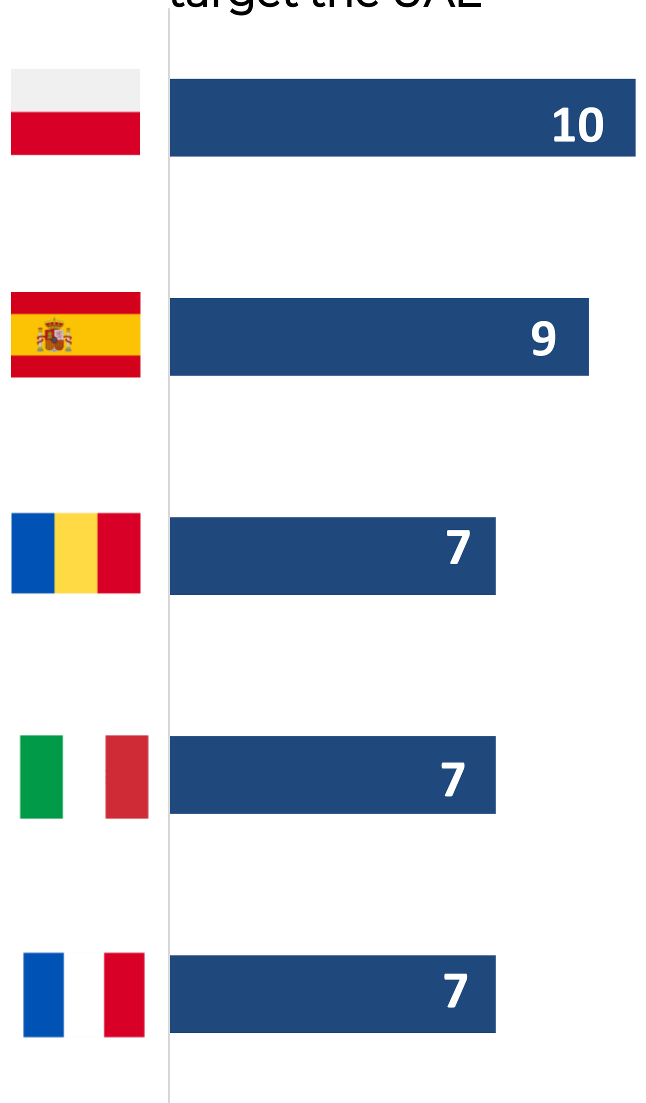
- **National Key Clusters (KKK)** programme does *not* provide funding itself but gives designated clusters **access to specific funding streams** (e.g., the ERDF co-financed Internationalisation of National Key Clusters programme)
- **Cluster budgets vary greatly** in Poland. Large clusters, often with KKK status, command significant resources while small ones often only survive at the bare minimum. (*exception*: Southern Macroregion incl. Małopolska)
- **Cluster coordinators facilitate access to financial instruments** for cluster members



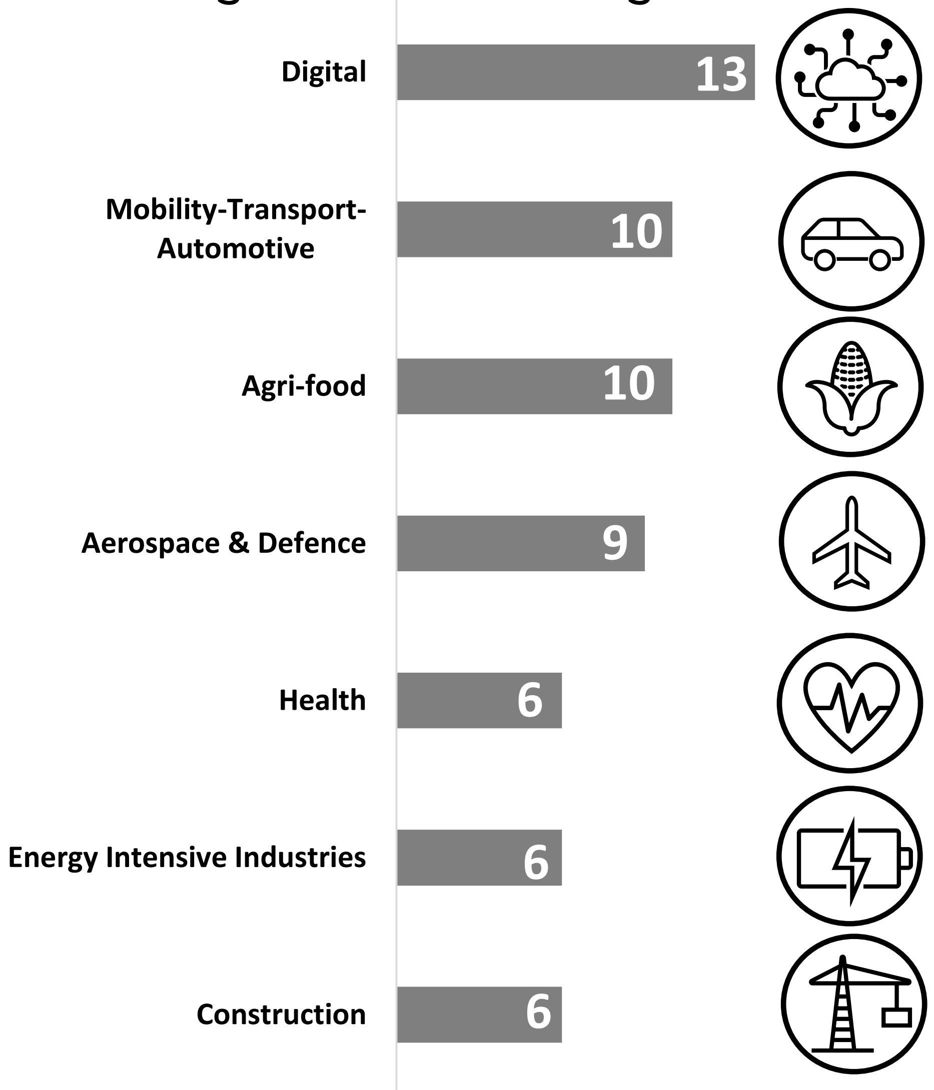
Outlook: UAE as key potential partner for EU clusters

EU-27 countries and cluster organisation's industrial ecosystems targeting the UAE

Top 5 EU-27 countries that target the UAE



Ecosystems of EU-27 cluster organisations that target the UAE



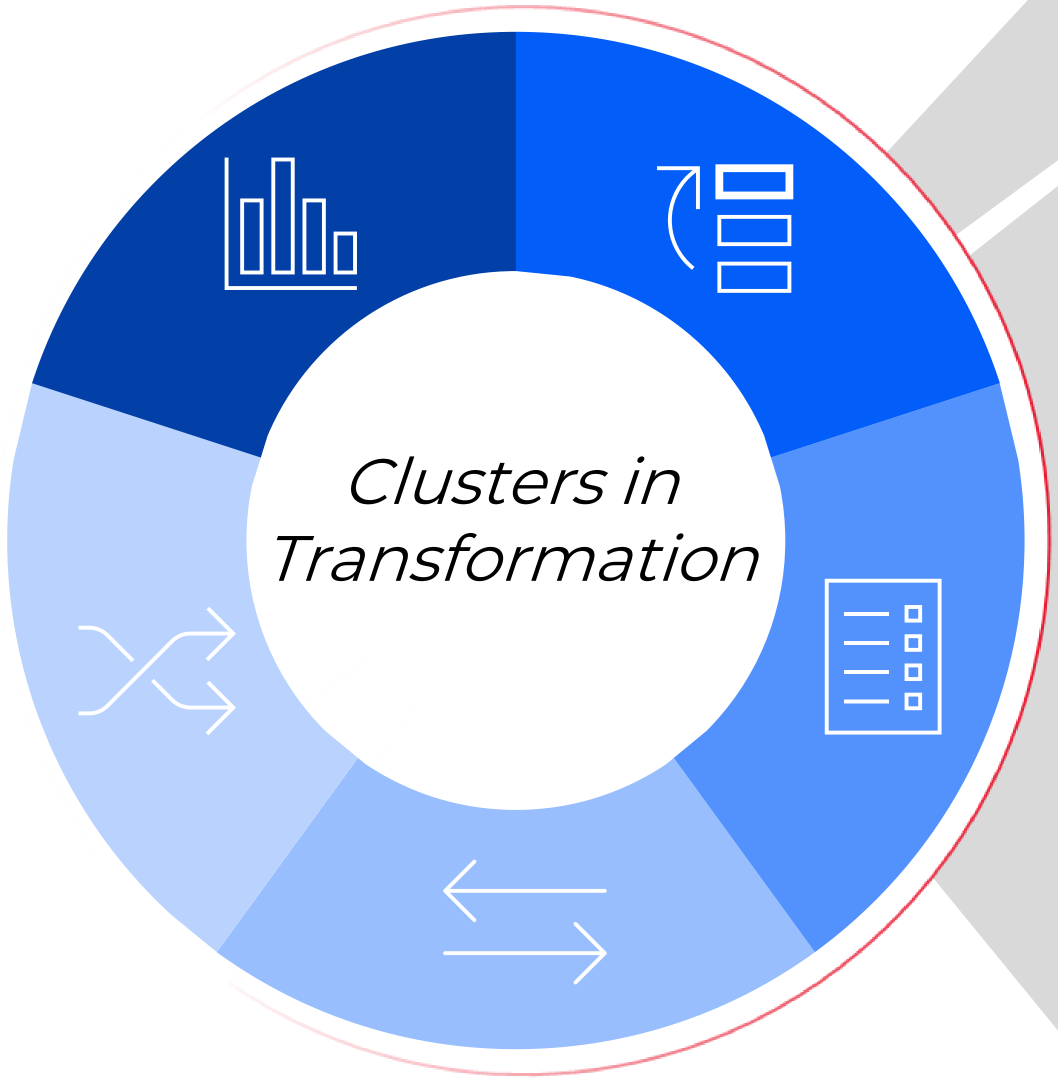
- The UAE is among the **Top 10 most targeted market** for cluster organisations in EU-27 countries
- **Poland and Spain** are the countries with the most cluster organisations that **target the UAE market**
- Most clusters that target the UAE market can be assigned to the **Digital, Mobility-Transport-Automotive,** and **Agri-food industrial ecosystems**
- **Three Eurocluster targeted** the UAE:

DESIRE — Focus on Digital Health

CreaThriv-EU (EuroCluster CCIs) — Focus on Cultural & Creative Industries

XBUILD-EU — Focus on Textile/Construction/ Advanced Manufacturing

Conclusions & Outlook



Clusters as a key opportunity for Europe and the UAE to deepen economic ties

- **Cluster organisations** in the EU-27 are **key integrators**, connecting a wide range of important stakeholders, in all relevant industrial ecosystems of the EU Single Market.
- European cluster organisations actively **support the competitiveness in regions** as well as their future potential.
- **Cluster policies are evolving** in Europe and beyond, with new frameworks shaped by geoeconomic landscape, resilience and development of new value chains.
- UAE's national cluster policy focuses on **cluster development as a key driver of diversification**, opening the region as a prime hub for cluster collaboration with the EU in fields such as digital, mobility, agri-food, and life sciences.