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European Cluster Observatory Subsidiarity and Effectiveness tests

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Subsidiarity test

European Cluster Observatory (ECO)	
<p>I. Description: what are the general objectives of the policy action?</p>	<p>The ECO is an analytical service that performs mapping (policies, programmes, characteristics, 'geography of strengths') with regard to clusters throughout Europe and across industrial sectors. The ECO offers rich data on geographical patterns of specialisation across cluster categories, national and regional portfolios of clusters, cluster organisations, and national and regional policies and programmes related to innovation and clusters. In addition, a cluster library offers case material and various articles on clusters, competitiveness and cluster policy.</p> <p>The ECO provides data in four sections:</p> <ul style="list-style-type: none"> - <u>Cluster mapping</u>: regional clusters based on 38 cluster categories (agglomeration of employment in co-located industries) in 259 regions (predominantly NUTS 2 regions); - <u>Cluster organisations</u>: shortlist of regional and local public-private partnerships; - <u>Cluster policies</u>: reports on national and regional cluster policies and programmes; - <u>Cluster library</u>: including cluster cases and other cluster-related documents. <p>The beneficiaries of the ECO are policy makers, cluster practitioners and researchers throughout the world. To them, the ECO provides a basis for devising effective cluster policies, identifying clusters, cluster organisations and 'innovation hotspots' and measuring the economic impact of clusters in Europe. Also individual businesses, notably small to medium-sized enterprises (SMEs), can take advantage of the knowledge the ECO disseminates in view of partnering, location and investment decisions. Moreover, cluster organisations can use it as a tool to benchmark their own service palette.</p>
<p>Legitimacy check: Assessing the legitimacy of a policy action by means of establishing whether market and or network failures apply and whether the policy action at stake deals with it properly.</p>	
<p>IIa. Legitimacy check a): are there market or network failures related to the domain of the policy action?</p>	<p>The failures at stake are essentially threefold. The first, and most 'direct' one, concerns a market failure:</p> <ul style="list-style-type: none"> - information imperfections: info on partners, services and location options is lacking for SMEs, or it is too costly if sourced via the market ⁽¹⁾. Similarly, cluster organisations often lack a view on what peers undertake and offer. The same goes for policy makers who can use cluster mapping as a tool for policy formulating and to prioritise and organise economic development policies.

¹ It is important to make a distinction here between large corporations and SMEs. The former generally do make available the intelligence and or the resources to be informed on this. In general, they are able to conduct or invest in market, partner and location scans on their own account. And they know the best place to go for their innovation and sales activities (cf. Castells, M., 'Innovation, competitiveness and new technologies in regional development', Sodena reports, Pamplona, 2005), but this is much less the case for SMEs. So there is a clear case of information asymmetry here: information is (more generally) available to large corporations, but a lot less so to SMEs.

Following on from this previous market failure, an 'indirect' network failure arises:

- network failures in terms of mismatches between actors and their environment or missing actors in networks.

Leaving the former market failure to the private sector will most likely not lead to a solution, since the market does not spontaneously or rapidly (off-the-shelf) gather/provide the kind of info that is lacking. That is, the ECO aims to provide a rather exhaustive coverage of the cluster landscape throughout Europe. On a case-per-case basis, services for partner searches and for cluster mapping activities are probably indeed easy to contract. But producing and maintaining an exhaustive overview of cluster activity around Europe is presumably not a commercially viable business. So it can be assumed that such an inventory does not and will not exist on the basis of private action and that it is legitimate for government to initiate such an action ⁽²⁾.

Concerning the imperfect view of cluster organisations in terms of what peers offer and undertake, the same applies. It is unlikely that cluster organisations themselves will engage in producing such an overview (or contract market assistance to develop this). Certainly, they do have an interest of their own in identifying and implementing good practices from others. However, as clusters and cluster organisations tend to be location bound, there is a real risk of geographical lock-in (also in terms of outlook). Also, cluster organisations may lack the time and resources (as they are caught up in day-to-day operations) to orient themselves more on what others do, and this may seriously limit their development potential towards SME-customised support services and partnership building. Therefore, it is not likely that they will come up with a solution for the failure. Consequently, government action that promises to provide the necessary overviews is legitimate.

Finally, it is self-evident that if cluster mapping can serve public policy makers, public action to get the concerned information at the disposal of policy makers is a logical venture, and should not be left to spontaneous market initiatives instead.

The indirect network failure that arises from the lack of information and overview on the cluster landscape in Europe is that network mismatches can occur, which obstruct firms (SMEs in particular, as well as clusters), in finding and connecting to the right partners, services and investment locations, for example. This may hamper their innovation and growth possibilities, because increasingly innovation or business development requires companies to team up with others or even to integrate in clusters where they can collaborate with research institutions, suppliers, customers and competitors.

SMEs, and clusters - certainly if they are not organised or if the caretaking organisation has purely operational and secretarial tasks - often lack the resources to engage in intelligence activities to overcome such partnering problems. Similarly, they often lack the resources to contract market services for this ⁽³⁾. So, again, leaving this aspect to the market is presumably not a valid solution.

This further strengthens the interest in overcoming the root failure of information shortage and in getting clusters onto the map. i.e., to make them more visible and traceable for actors that would benefit from connecting to specific clusters or locating (or opening a branch location) in a cluster area. Consequently, there is a case for enhancing the international visibility and outlook of clusters, as it would improve the chances of companies to detect suitable partners and locations. Similarly, enhanced visibility may also increase the size of clusters and allow cluster organisations to develop a better and broader service offer to affiliates, as it provides cluster organisations with a

² This has been further advocated in the US. See, for example http://www.brookings.edu/~media/Files/events/2008/0422_innovation/innovation_transcript.pdf online. At the same time, one should question the usefulness of such an exhaustive overview, and whether this goal can be achieved in a qualitative way. This is an issue that touches upon the possibility to come up with an adequate initiative (be it private or public), which is dealt with under section IIb of the current document.

³ Such services do exist, though. See, for instance, <http://www.argosconsulting.net/> and <http://www.intercluster.eu/> online.

	benchmark against which to compare their own service packages. This allows them to assess their own service level and judge whether the scope can and should be widened.
<p>Iib. Legitimacy check b): does the policy action actually tackle the market or network failures at stake?</p>	<p>The mere existence of market and network failures like the ones indicated above justify government intervention. Whether the proposed, and legitimate, policy action is also adequate in dealing with the failures is another issue.</p> <p>In this regard, although the information shortage problem is real, it remains to be seen whether the delivered information is sufficient to overcome this market failure. And also whether it is efficacious to remediate the subsequent network failure in the form of mismatches between actors and their environment or missing actors in networks.</p> <p>In principle, through disclosing the proposed information on the cluster landscape in Europe, the ECO can eliminate the information shortage and support networking and liaising between SMEs, clusters, cluster organisations and policy makers. For example, this can be done by showing SMEs and cluster organisations how those clusters correspond to their profile and or (innovation) needs, or offer complementary or best-of-class services.</p> <p>However, what the ECO actually provides is a baseline of data that is rather superficial and disengaged. It is doubtful whether it paves the way for those interested in really resolving the failures at stake or deriving benefit from the information supplied. For this to be the case, it should at least be coupled to complementary measures like the Europe INNOVA cluster networks and the European Cluster Alliance (or the upcoming Cluster-IP) ⁽⁴⁾. But even then, it remains to be seen whether these adjacent measures can make productive use of the information disclosed via the ECO ⁽⁵⁾.</p> <p>A first question is, therefore, whether the ECO is able to overcome the market failure of information shortage mentioned. The answer appears to be negative. A second one is whether, in combination with other tools and initiatives, it is able to overcome the cited network failure. For on its own it is certainly not able to do so. Although this second question is also food for the alignment checks under section III of the effectiveness test, in judging the produced cluster landscape information on its own account, one reaches the conclusion that the ECO provides a ramshackle basis for other initiatives to build upon and to solve the network failure.</p> <p>Consequently, the policy action does not address the full range of failures at stake; it only addresses them partially. Therefore, the policy action appears unable to provide an integrated solution. In fact, this calls for the need to reflect on the question of whether it is indeed useful to undertake the mapping exercise as the ECO proposes to do. That is, is it really possible to produce the intended exhaustive overview in a qualitative way, and is this a prerequisite for SMEs and clusters to interact more fruitfully? Certainly the feasibility of mapping the entire cluster landscape is questionable and it is doubtful whether the efforts are proportional to the desired results. Furthermore, whether the efforts are proportional to the pursued effects (namely, will it actually make SMEs and clusters launch more into partnering) is not clear. Although the information shortage is real, one cannot claim with certainty that complete information is what is needed to make organisations interact. For that purpose, more proactive forms of information transfer and partnering mechanisms seem to be more promising.</p> <p>Although it may be noted that serious and systematic attempts to map the cluster landscape exist ⁽⁶⁾, these serve primarily academic,</p>

⁴ This point also touches upon the issue of horizontal alignment, which will be further addressed under section IIIa of the effectiveness test.

⁵ Please note that the present assessment on the quality and exhaustiveness of the information on the cluster landscape in Europe is based on the material that is currently available on the website, which seems more like a data drop and an arbitrarily brought together patchwork/set of documents; it is not very uniformly applied and digested).

	<p>research and analytical interests and only indirectly - if that - SME, cluster organisation and policy interests.</p> <p>To conclude, we argue that the match between what is needed and what is offered is not optimal. First of all, the action taken in order to tackle the failures at stake is incomplete (does not solve the network failure). Secondly, the failure that is being addressed (information shortage) is not resolved appropriately, and the action does not provide the adequate means either to third parties (be it SMEs, cluster organisations or other policy actions) to resolve it. Therefore, the benefits of the action in its present state are not very clear.</p>
Iic. Legitimacy check c): is EU involvement in this policy action legitimate?	<p>Based on the 'Framework for EU Innovation Support Actions', the characteristics of the ECO can be categorised as a mix of category 1b-type of innovation support actions (policy benchmarking), 2a-type of innovation support actions (exchange of good practice) and 4a-type of innovation support actions (provision of EU services).</p> <p>In any case, it can be labelled as a support action vis-à-vis innovation policy action that either Member States, regions or the proper cluster organisations may initiate. This also goes for other EU initiatives. Given the support character of ECO and the fact that the EU has a shared competence with the Member States in the field of innovation policy (and EU policy actions can thus not go beyond the coordination, support or supplementing of Member State policies), the ECO falls within the legitimate action domain of the European institutions.</p>
Iid. Conclusion on legitimacy: is EU-involvement in the policy action under consideration legitimate?	<p>Does the ECO foresee tackling the prevailing market and network failures and does the ECO as a policy action fall within the competences of the EU as regards innovation policy?</p> <p><input checked="" type="radio"/> Yes (as regards 'falling within the competences of the EU as regards innovation policy')</p> <p><input type="radio"/> No (or only partially as regards 'tackling the prevailing market and network failures').</p>
<p>Subsidiarity check: For the policy action under consideration, evaluate the benefits and costs of addressing them at EU-level in the boxes below. To do so, use the 'traffic light' codes from the following legends:</p> <p><input type="radio"/> Red: this is an argument for not lifting this policy action to the EU level.</p> <p><input type="radio"/> Yellow: this is neither argument for lifting this policy action to the EU level, nor for keeping it at MS level.</p> <p><input type="radio"/> Green: this is a positive argument for lifting this policy action to the EU level.</p>	
IIIa. Subsidiarity: what are the benefits of having this policy action at the EU-level?	<p>To assess whether a gain can be expected from lifting/implementing the ECO initiative at/to the EU level, a series of potential benefits apply. In the following they undergo a review and get a traffic-light colour code according to the legends provided above.</p> <p><input type="radio"/> Does the ECO address specific cross-border aspects of market or network failures? It is beyond any doubt that the kind of inventory that ECO attempts to draw up, is best done at a European scale and on a uniform basis: green.</p> <p><input type="radio"/> Does the ECO exploit scale economies in policy making or implementation? Yes, in pooling information resources that provide inputs to SMEs, cluster organisations and policy makers. Perhaps more wishful thinking, but in theory it could also contribute to better territorial and industrial development policies (economies in policy making) as a bird's eye view on cluster (conditions) should emerge, allowing for an integrated spatial-industrial policy: green.</p> <p><input type="radio"/> Does the ECO internalise policy externalities (international spillovers)? The lack of information on clusters may in part be attributed to the fact that disclosing information on one's own cluster</p>

⁶ See <http://hbswk.hbs.edu/item/3245.html> online.

	<p>(organisation) is considered to be more in the interest of third parties than of one's own organisation(s), and therefore it is perhaps insufficiently done. In that sense, the action would create international spillovers: green.</p> <ul style="list-style-type: none"> ○ Does the ECO bring together the necessary resources (finance, knowledge, etc.) to implement the policy action? Although the incentives for knowledge provision are not very binding (notably the request for inputs from cluster organisations), which can put a mortgage on the vastness of the information that will become available, to undertake an information inventory on a pan-European basis would certainly be more beneficial than doing it on a country-to-country basis. Moreover, this not only assures a harmonised and integrated approach, but also avoidance of redundant actions. As regards pooling sufficient finance, the costs of the initiative are rather small, so such advantages are probably negligible. At the same time, the cost of implementation is likely to be lower on an integrated EU basis (due to scale economies), than on a country-per-country basis: green. ○ Does the ECO stimulate international policy learning and diffusion of best practice measures? Yes, definitely: green. <p>Overall, European support to and coordination of the implementation of an assignment like the ECO is the right choice.</p>
<p>IIIb. Subsidiarity: what are costs of having this policy action at the EU-level?</p>	<p>In order to assess the potential costs of lifting/implementing the ECO initiative to/at EU level, one should ask the question: if implemented at EU level, does the ECO (through a loss of heterogeneity):</p> <ul style="list-style-type: none"> ○ lead to too little adaptation to local circumstances? Not an issue: yellow. ○ lead to too great a loss of opportunities for learning from a diversity of experiences? On the contrary, dissemination of information on diverging clusters fosters learning from other experiences: green. ○ lead to a too large reduction of incentives for policymakers to engage in policy competition? In this regard, two opposed dynamics are possible. On the one hand, the dissemination character of the ECO bears the risk that certain cluster organisations may stand back and wait to see what others have invented to learn from that, instead of coming up with their own services and assistance programmes. On the other hand, making their peers more visible may also incite them to excel. Given these considerations, on this criterion the traffic light code is deemed to be: yellow.
<p>IIIc. Conclusion on subsidiarity: is there value added in addressing the failures in question at the EU-level?</p>	<p>In view of the former inventory, the benefits clearly outweigh the costs of organising an action like the ECO at EU level. So, when concluding whether lifting/implementing the ECO to/at the EU-level is <i>in principle</i> beneficial or not, by looking at the 'traffic lights' and answering the following questions:</p> <ul style="list-style-type: none"> ○ Are the red traffic lights prohibitive — do they constitute decisive reasons not to engage the EU level? If not, then: ○ Do the green lights outweigh the red lights? If yes, the EU level is the preferred level for implementation of this policy action. <p>the answer is:</p> <ul style="list-style-type: none"> ⊙ Yes... ○ No <p>...but with the annotation that if we review the action against the failures at stake, it does not appear to be very efficacious (see notably section IIb under the present subsidiarity test) and even less so regarding the network failures at stake compared to the information shortage it can not completely resolve either. These are issues to follow up on under the effectiveness test.</p>

Effectiveness test

European Cluster Observatory (ECO)	
<p>I. Description: what are the activities that make up the policy action under consideration?</p>	<p>The European Cluster Observatory (ECO) provides data in four sections:</p> <ul style="list-style-type: none"> - Cluster mapping: regional clusters based on 38 cluster categories (agglomeration of employment in co-located industries) in 259 regions (predominantly NUTS 2 regions); - Cluster organisations: short list of regional and local public-private partnerships; - Cluster policies: reports on national and regional cluster policies and programmes; - Cluster library: including cluster cases and other cluster-related documents. <p>So it is an information provision initiative. In terms of classifying the it along the 'Framework for EU Innovation Support Actions', it can be categorised as a mix of category 1b-type of innovation support actions (policy benchmarking), 2a-type of innovation support actions (exchange of good practice) and 4a-type of innovation support actions (provision of EU services).</p>
<p>Effectiveness check: Use the following 'traffic light' codes in the tests below:</p> <ul style="list-style-type: none"> ○ Red: this is an argument for refraining from implementing this line of policy action at the EU level. ○ Yellow: this is neither argument for changing and improving the implementation of this line of policy action at the EU level. ○ Green: this is an argument for keeping the implementation of this line of policy action at the EU level as it is. 	
<p>IIa. Support: is the policy action supported by the major stakeholders?</p>	<p>The actors that have a stake in ECO are notably:</p> <ul style="list-style-type: none"> • cluster organisations • policy makers • cluster practitioners and researchers • SMEs. <p>The latter do not directly participate in the implementation of the action, but the first three groups have a direct stake in it. Notably so, as they can provide information inputs to it and they are also explicitly indicated as beneficiaries from the action. There is certainly a win-win situation involved in 'cluster organisations etc. providing input to the observatory' and 'these same actors doing a better job if the observatory is mounted in a good way'. However, the contributions appear to take place on a rather voluntary basis, which weakens the basis for coming to a complete overview of the cluster landscape in Europe.</p> <p>So there is shared interest and the ECO would support the stakeholders in achieving their goals, but in practice the support of the stakeholders vis-à-vis the ECO appears to be rather weak. And the action does not really seem to help the stakeholders in reaching their goals either, since the information value of the gathered data is rather limited. This is — as indicated — partly due to insufficient</p>

	<p>contribution on behalf of these same stakeholders. However, it must also be sought in a lack of means or quality added by the service provider (⁷): yellow.</p> <p>It should be noted that we already indicated under the subsidiarity test that perfect information on the cluster landscape in Europe may not cause too much behavioural additionality on behalf of the stakeholders either. Consequently, this may also be an explanatory factor behind the apparently timid input provisioning on their behalf. That is,, it is questionable whether — with the obtained results — stakeholders wanting to pursue a partnering strategy would be able to do so as the ECO seems to result in a kind of 'data in space' (vacuum).</p>
<p>Iib. Additionality: is the policy action 'additional'?</p>	<p>As it can be assumed that an inventory like the ECO does not exist and that it is legitimate for government to initiate such an action, there is no great risk of public money and or activity crowding out private money/initiative. Consequently, the action is truly additional from a public-private perspective.</p> <p>It can and should, however, be questioned whether the private sector (or academia) — if asked — could do a better job than the current exercise that appears to function largely on goodwill. As the ECO can also be framed as contract research with clear <i>quid pro quo</i> conditions, it can be marketed just the same. This is not to argue that an initiative like the ECO can be left to spontaneous market acts, but to state that relying too much on direct stakeholders' contributions (for whom conducting research is not their core business and core competence), or to ask for rather generic service provision may be a less useful and certainly a less targeted strategy.</p> <p>Please note that under the subsidiarity test we already indicated that an ongoing monitoring of cluster activity in Europe may not be a commercially viable activity (unless requested by the public sector). But, perhaps, for the sake of quality, the stakeholders could be better off with stronger private (or academic) support than by persevering with the current setting. The merit of the ECO is that it offers information and data for free, but the value, applicability and relevance of this information is rather low and hardly any advisory or decision-making can be based on it. This would be possible if the ECO were conceived as an instrument or project to render targeted intelligence and services. And for these kinds of services the private market should have a bigger role to play, as these kinds of services can be commercially viable. Consequently, if the policy sector wants SMEs and cluster organisations to be oriented towards more specialised cluster study services, it might be better off supporting that kind of market development than it would sustaining a patchwork observatory.</p> <p>So the policy action is at present certainly additional: green, but it could make better use of private initiative and the academic research community: yellow.</p>
<p>Iic. Delivery costs: what are the 'transaction costs' of the policy action?</p>	<p>In absolute terms, the ECO is a rather low-cost activity and the costs are lowest if implemented at EU level. In relative terms, if an initiative that is not expensive does not provide a lot of value for money, it follows that it is still a costly affair: yellow.</p>

⁷ Please note that the difficulty of good cluster mapping is broadly acknowledged (see, for instance, Lennihan, M., 'Cluster mapping — a valuable tool for policymaking?', EU Clusters Seminar, Copenhagen, 9 June 2003). Still, this is not an adequate excuse, as meritorious exercises do also exist — see for instance <http://hbswk.hbs.edu/item/3245.html> online.

<p>IIIa. Horizontal alignment: how well is the policy action aligned with related policy initiatives at EU-level?</p>	<p>The ECO is financed under the Europe INNOVA programme and it forms a building block for and link with the Cluster-IP initiative. There are also bonds with the European Cluster Alliance. The initiatives in question are highly complementary, so there is no case of overlap or redundancy. These initiatives form the counterpart to the ECO information provisioning initiative, in the sense that they foresee complementary partnering and networking mechanisms. Therefore, in terms of linking as such among related initiatives, there is a good fit: the ECO is well embedded and institutionalised in the system of EU policy actions.</p> <p>A different question is whether the ECO is able to deliver the 'ingredients' for the related initiatives to function optimally, and whether the latter can make productive use of it. It appears to fall short in that respect and fails to function as a real stepping stone for true partnering actions.</p> <p>As such, horizontal alignment is in theory certainly the case, although in practical terms there is not so much of a seamless integration: yellow.</p>
<p>IIIb. Vertical alignment: how well is the policy action aligned with related policy initiatives at MS-level?</p>	<p>In terms of establishing an inventory of clusters Europe wide, this action is arguably one of a kind. So it does not interfere with similar actions at national level.</p> <p>However, it is reasonable to expect that on an ad hoc or piecemeal basis, sectoral organisations, development agencies or research institutions like universities (as well as private research companies and consultancies) have engaged in cluster inventories. Nonetheless, there is no sign that stock taking of existing national initiatives on cluster mapping has been performed, neither whether coordinated action and alignment with such initiatives took place.</p> <p>To the extent that the information baseline that the ECO creates can serve national or regional cluster development actions (cluster service design, partner search, etc.), it is neither clear whether the ECO actions were grounded on such a user- and service-oriented basis. Given that such actions may exist in manifold ways, and that a match therewith appears not to have been sought after, the ECO in its present state has a highly academic and stand-alone air. In sum, it seems that vertical alignment has not been assured.</p> <p>Although this kind of initiative is best launched at EU level and definitely ought to complement and support policies at MS or regional level, the fit between the ECO and related initiatives that may already exist at MS or regional level is not clear: green flashing light.</p> <p>To conclude with, rather than the existence of vertical misalignment, there may be a lack of vertical adjustment, synergies and junctions, which can also be a worry from the viewpoint of assuring stakeholder support</p>
<p>IV. Conclusion on effectiveness: is having these lines of policy action at EU-level effective?</p>	<p>Having the ECO as a policy action at the EU level can <i>in principle</i> be beneficial. However, there are myriad weaknesses and points for improvement, which result in the action — in its current state — not achieving its desired result. So the answer with regard to effectiveness through allocation of the initiative at EU level must be:</p> <p><input type="radio"/> Yes</p> <p><input checked="" type="radio"/> No</p> <p>Please note that the negative answer to the present question is not a matter of the EU level being less effective in getting the most out of the initiative (see subsidiarity test).</p>

<p>V. Recommendations on how to proceed</p>	<p>The demerits of the initiative lie not so much in the area of not being allocated and steered at the right policy level (subsidiarity). Instead, effectiveness can be enhanced in a number of ways.</p> <p>To better identify clusters as well as 'innovation hotspots' in Europe, cluster mapping should either be undertaken in a more methodical way (consider involving academia for this), and/or in a more targeted and applied way (consider involving the private sector more strongly for this).</p> <p>A further recommendation is to extend it and equip it with more action-oriented initiatives, or to develop tools that allow for more action orientation, notably in the field of partnering and setting up networks.</p> <p>Additionally, there appears to be room for taking more notice of the kind of information that potential users of cluster databases are interested in for the sake of their work and goals (e.g. services offered by cluster organisations). For this purpose, interaction with and involvement of such actors (cf. development agencies or cluster organisations) is highly indicated. In that case, if the aim is to offer a more specialised information service instead of full-coverage cluster landscaping for Europe, it would be more suitable to leave more to private initiative.</p> <p>Also a better understanding of what is undertaken and available as regards cluster mapping initiatives at national and regional level is recommended.</p> <p>In brief, apart from the fact that the quality and applied character of the supplied information can be improved, there is also a need for more practical information and tools that will facilitate the participation of innovative SMEs in clusters: a more proactive form of information transfer and or stimulating networking, e.g. by setting up information transfer mechanisms.</p> <p>In that regard, it may also be indicated to focus on specific sectors that are less mature (emerging/promising industries) and where the visibility of partners and clusters across borders is less obvious. This would also allow taking sectoral specificities of clusters better into account, rendering a more applied character to the tools to be devised, and allowing a greater policy and cluster impact. This would also allow for better control for the institutional context of clusters to assess whether transfer and adoption of good practices is possible and will be equally successful (call for transfer pilot/assessments, cf. Inno-Partnering Forum).</p> <p>The proposed follow-up strategy in view of addressing the failures at stake in the future is:</p> <ul style="list-style-type: none"> ⊙ reinforce stakeholder support: improve communication and review incentives; ⊙ improve additionality: leave more to private initiative and self-organisation where possible; ○ reduce delivery costs: diminish bureaucratic burden; ○ improve horizontal alignment: embed the policy action better within the EU-level system of policies; ⊙ improve vertical alignment: improve the links between EU-level and MS-level policy actions; ○ review the support action: improve effectiveness by reducing EU-level involvement and increasing MS-level engagement.
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