



**East West Cluster Conference**  
**28 - 31 October, Udine and Grado, Italy**

**LEED/ CEI/ EBRD Project: Clusters in Transition  
Economies, 2001 - 2003**

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# Recap: LEED/ CEI/ EBRD Clusters in Transition Economies, 2001 - 2003

## ● Aims:

- Spread knowledge on the concept of clusters
- bring together national policymakers, entrepreneurs, NGOs, academics and international experts and participants from neighbouring countries for cluster discussions
- Take stock of cluster situation in transition economies
- Formulate policy recommendations

## ● Outputs:

- Five cluster seminars in Slovenia, Slovak Republic, Czech Republic, Poland and Hungary, 2001 - 2002
- East West Cluster Conference, 28 - 31 October 2002, Udine and Grado, Italy
- Cluster Publications in 2003 (Clusters in Transition Economies; Clusters and Social Capital)

## ● Outcomes so far:

- Increased knowledge on clusters of target population
- National and international networks of cluster practitioners

# What are clusters?

## LEED core definition:

“Clusters are firms operating in related lines of business vertically and/ or horizontally linked that concentrate geographically.”

# LEED/ CEI/ EBRD East West Cluster Summit

## - Outputs

- 200 participants from more than 50 countries
  - LEED Delegates from Austria, Denmark, Italy, France, Belgium, Canada, Turkey, Slovenia, Slovak Republic, Poland, Czech Republic, World Bank, CEI/ EBRD
  - Participants from 16 out of 17 Central European Initiative countries, from the Baltic countries, Russia, Central Asia, Jordan
  - LEED Partners from Australia, New Zealand, Mexico, Spain, Italy, France, Greece, Poland, Germany, Finland, Norway, United States and the United Kingdom
- Four days of debate and discussion on the topics of SME internationalisation, innovation and social capital with a specific focus on transition economies
- Two days of study visits to four Italian Industrial Districts (ham, knives, furniture and applied research)
- Cluster country presentations from Slovenia, Slovakia, Czech Republic, Poland, Hungary, Lithuania, Latvia, Estonia and Ukraine

# Cluster Workshops on Innovation, SME Internationalisation and Social Capital

- Innovation: The workshop explored the role of clusters as tools to foster innovation, to upgrade skills and to build international competitiveness of national industries
- SME Internationalisation: The workshop debated how clusters can help SMEs to go international outlining both challenges and prospects of SME internationalisation
- Social Capital: The workshop focused on the role of social capital in building and operating of clusters discussing both its negative and positive aspects

# Industrial Districts Study Tours

Different districts highlighted different cluster aspects:

- **San Daniele:** Insights as to how the *ham district* has identified and built upon local competitive advantage in ham manufacturing, skilfully using branding and marketing for nat. and int. markets
- **Maniago:** Presentation on the role of support institutions (district consortium) and leadership in the day-to-day business of the *knives district*
- **Amaro Tolmezzo:** Lessons on how EU and national funds are used to finance *applied research* with the aim of contributing to the revitalisation of mountainous regions
- **Alto-Livenza:** Exchange on the role of co-operation and competition, the constant pressure to innovate and the potential for internationalisation in the *furniture district*

# Cluster Presentations

- Cluster presentations from Slovenia, Slovak Republic, Czech Republic, Hungary, Poland presenting first results from their cluster mapping exercises
- Cluster presentations from Ukraine, Estonia, Latvia and Lithuania reporting on potential clusters and the economic and policy environment in their country with regard to clusters
- Cross-country comparative perspective - Learning from peers
- Expert panel review cross-checking first results with international experience
- Input from cluster presentation sessions for cluster publications

# Lessons Learned - East West Cluster Conference from a Danish Point of View

- Potential for cross-border co-operation/ SME internationalisation with transition economies
- Necessity to identify and build upon local competitive advantage when building national cluster strategy
- Sharing of lessons from Denmark's cluster approach with transition economies: Danish Ministry of Industry and Trade Use of benchmarking and trend analysis
- Learn from experience of transition economies

# LEED/ CEI/ EBRD East West Cluster Conference Outcomes

- Increased networking of cluster interested parties
- Demand for second round of cluster seminars in Ukraine, Croatia, Romania, Estonia, Lithuania, Latvia, Uzbekistan, Kazakhstan in 2003 - 2004
- Changes in draft industrial/ SME support policies due to cluster lessons learned

**Facit: Clusters are existing in unique economic, cultural and historic environments. Understanding about clusters varies from country to country.**

**There is a need to continue to explore the usefulness of this concept in the context of local and regional economic environment in transition and non-transition economies.**

**Continued learning on clusters therefore is a legitimate goal**