



**TERRITORIAL DEVELOPMENT SERVICE  
DIRECTING COMMITTEE OF THE CO-OPERATIVE ACTION PROGRAMME  
ON LOCAL ECONOMIC AND EMPLOYMENT DEVELOPMENT**

**DT/LEED/DC(2002)8  
For Official Use**

**Local Economic and Employment Development (LEED)**

**CLUSTERS IN TRANSITION ECONOMIES - PROGRESS REPORT**

**Note by the Secretariat**

*This document details the progress made in the LEED/CEI/EBRD project: Clusters in Transition Economies, outlining the five seminars on SME clusters held in Slovenia, Slovak Republic, Czech Republic, Poland and Hungary and announcing the East-West Cluster Summit, 28-31 October 2002, Italy.*

*It is submitted to the Committee for information and comments at its 40th Session on 20-21 June 2002.*

**Dina IONESCU / Johanna MÖHRING - TDS/LEED**  
Tel: 33-1 45 24 85 62 / 33-1 45 24 92 94; Fax: 33-1 45 24 16 68  
e-mails: dina.ionescu@oecd.org; johanna.moehring@oecd.org

**English - Or. English**

## **CLUSTERS IN TRANSITION ECONOMIES – PROGRESS REPORT**

In November 2001, the LEED Programme launched a project on clusters in transition economies [DT/LEED/DC(2001)22] in the framework of its co-operation with the Central European Initiative (CEI) and the European Bank for Reconstruction and Development (EBRD). The project 'Clusters in Transition Economies' entails a series of five seminars in central European countries, to be followed by a conference in autumn 2002, as well as a publication on clusters in transition economies in 2003. This document provides an update of LEED cluster seminars in Slovenia, Slovak Republic, Czech Republic, Poland and Hungary, as well as on the East West Cluster Summit to take place in Udine and Trieste, Italy, 28-31 October 2002.

The first phase of the seminar has been completed with five cluster seminars having taken place in Ljubljana, Slovenia (November 2001), Bratislava, Slovak Republic (February 2002), Prague, Czech Republic (March 2002), Warsaw, Poland (April 2002) and in Budapest, Hungary (May 2002).

The five cluster seminars lead up to the East-West Cluster Summit in Udine and Trieste bringing together seminar participants, international experts, as well as entrepreneurs from central, eastern and western Europe, as well as Central Asia. Currently, LEED is preparing the programme for two days of study visits in North Italian Industrial Districts bracketed by two days of presentations and discussions on the internationalisation of SMEs, innovation, social capital and clusters.

After briefly outlining the aims of the cluster seminars, this document will present results of the seminars in Slovenia, Slovakia, the Czech Republic, Poland and Hungary. It will then discuss the upcoming East-West Cluster Summit in more detail. The note concludes with a calendar of events.

### **1. Aims of the LEED/ CEI/ EBRD Seminars 'Clusters in Transition Economies'**

The LEED Programme has done extensive work on industrial clusters, especially focusing on clusters of small- and medium- sized enterprises and the interrelationship between clusters and local and regional development. Clusters have attracted widespread attention as potential motors of economic growth and social innovation (OECD Bologna Charter on SME Policies 2000) allowing SMEs to compete on a global scale. This is why the topic of clusters is of great importance in the context of transition economies where a productivity gap persists and where SME growth remains feeble at best. In the spirit of the CEI initiative, LEED therefore has been asked to organise a series of five seminars, as well as a conference and a final publication on clusters in Slovenia, the Slovak Republic, the Czech Republic, Poland and Hungary.

The LEED/ CEI/ EBRD cluster seminars aim at:

- Raising awareness about the concept of clusters among business and government circles adopting a cross-national perspective
- Creating a lasting country policy network to promote the cluster idea as a long-term strategy of local and regional development

- Launching individual country studies mapping existing and emerging industrial clusters in Slovenia, the Slovak Republic, the Czech Republic, Poland and Hungary

Each cluster seminar is organised by the LEED Secretariat in close co-operation with a national host ministry. A one-day event, they bring together national representatives of the public and private sector, of universities and non-governmental organisations, as well as international experts and participants from neighbouring countries. The seminars are kept rather small with around 50 people participating. In the morning, experts present international cluster experiences to familiarise the audience with the concept of clusters and their varied manifestations. In the afternoon, participants are split into workshops discussing a maximum of three cluster themes chosen prior among the following cluster topics:

Foreign direct investment and clusters development; Cluster financing; Social capital and trust; Regional exchange and trans-border clusters in transition countries; Rural clusters/ urban clusters; Capturing the Diaspora; Women entrepreneurship; Youth entrepreneurship and National minorities.

The seminars aim at balancing expert presentations and discussions ideally allowing for an exchange of opinion among representatives of the business world, policy-making circles and international experts to identify future areas of work. Seminars conclude with presentations of lessons-learned from the workshops and discussions. As a follow-up, a 'Cluster in Transition Economies' Newsletter outlining main results of each seminar serves as a communication tool connecting participants of the seminars on clusters in transition economies.

In-depth research needs to be undertaken to establish a clear picture of cluster development in Slovenia, Slovak Republic, Czech Republic, Poland and Hungary. The five seminars will lead up to a final publication incorporating the results of the East West Cluster Summit to take place in October 2002 in Trieste. In conjunction with national experts, LEED will produce a publication providing individual country cluster mapping, the assessment of SME cluster framework conditions and the potential for internationalisation of its SMEs.

In the following section, results of the five cluster seminars will be presented.

## **2. Preliminary Results of the Cluster Seminars in Slovenia, Slovakia, the Czech Republic, Poland and Hungary**

The scope of the LEED/ CEI/ EBRD Project 'Clusters in Transition Economies' covers five central European countries, each with a distinct and unique history and political economy. While all five countries have expressed great interest in the topic of clusters, it is perhaps not surprising that all five countries reviewed have shown quite distinct cluster approaches based upon individual political and economic framework conditions.

It needs be said at the outset that to date, no clusters -- defined as spontaneously occurring agglomerations of vertically and/ or horizontally integrated firms operating in related lines of business -- have yet been identified in above-mentioned countries. This may be due to the fact that, apart from the Slovenian case, no systematic research has been conducted mapping existing and budding clusters in central European countries. Another possible explanation would be the special economic environment of transition economies hindering cluster formation.

Slovenia, Slovakia, the Czech Republic, Poland and Hungary have nevertheless recognised clusters as a potential tool to further local and regional economic development and to upgrade the competitiveness of their industry. They have also ascertained the analytical utility of cluster mapping as an instrument to inform the making of national economic policy. In addition, policymakers of these countries see the

concept of clusters as a possibility to improve conditions for SMEs in general by accelerating the creation of conducive framework conditions.

The five countries reviewed are on very different development stages with regard to clusters: Slovenia is leading the group with clusters already being an integral part of its industrial policy, together with Hungary, which supports clustering firms in the framework of the Széchenyi Plan of the Ministry of Economy. The Czech Republic has recently included a section targeting clusters within its policy of SME support. In Poland, research on enterprise clusters has been encouraged by municipalities and regions to assess regional and local cluster potential. Slovakia is still in the process of exploring the cluster concept, having just launched an academic programme to study clusters in the Slovak Republic.

All five countries share certain characteristics of transition economies impeding the growth of small- and medium-sized firms in general, and emerging clusters in particular. One key obstacle is the lack of a culture of entrepreneurship in these countries. Starting and developing one's own business is still seen with a negative eye and SME support remains marred by contradictions. Among entrepreneurs, a climate of mistrust prevails preventing the crucial exchange of information and co-operation. The clustering of firms thus faces formidable obstacles that need to be overcome in order for SMEs to be successful in a globalised economy. A case-by-case analysis will shed more light on these impediments in the final publication.

#### *Cluster Seminar in Ljubljana, Slovenia, 19 November 2001*

LEED jointly organised the Slovenian seminar on clusters in transition economies with the Slovenian Ministry of Economy. Under the patronage of Ms Tea Petrin, Slovenian Minister of Economy, the seminar brought together participants from the government, regional development agencies, entrepreneurial circles, the Statistical Office of Slovenia, as well as experts from Austria, Belgium and the Netherlands. Mr Michael Foerschner, Austrian TDS/ LEED Delegate from the Ministry of Economy and Labor and Ms Mateja Mesl, State Secretary of the Slovenian Ministry of Economy acted as chairpersons.

During the morning session, Ms Mateja Mesl, and Ms Mateja Dermastia from the Center for International Competitiveness gave an introduction to Slovenian cluster policy. Mr Michael Quévit, Professor at the Catholic University of Louvain presented the Belgian cluster experience and Mr Pieter van Run, Director of Research Voor Beleid International reviewed cross-border cluster co-operation between Germany and the Netherlands. In the afternoon, participants were split into two workshop groups focusing on clusters and investment/ finance, as well as social capital and trust.

Slovenia, faced with a productivity gap and a dominance of traditional industries, opted in 2000 for making industrial clusters part of a pro-active Slovenian industrial policy. This policy aims at promoting the competitiveness of Slovenian industry with an emphasis on skill formation and industrial development by implementing two interrelated programmes: The Programme to Promote Entrepreneurship and the Programme to Support Structural Adjustment and Restructuring. Clusters feature in a sub-programme of the Programme to Promote Entrepreneurship promoting enterprise networking and co-operation and cluster development in Slovenia. The Slovenian government supports these objectives by the co-financing of infrastructure development and the implementation of a cluster pilot project.

This cluster pilot project started by carrying out a cluster mapping of the Slovene economy finding no 'real' clusters existing to date in Slovenia. Researchers found that existing co-operation and flows of goods and services could form a basis for at least nine potential clusters. In order to initiate cluster development, the Ministry of Economy invited groups of companies to identify themselves as potential nuclei of clusters. Six groups applied for tender with the automotive, logistics/transport and machine tool sector being chosen.

Slovenia has thus taken an active approach with regards to clusters encouraging cluster formation and aiming at creating a self-sustaining cluster support structure. The implementation phase of this first cluster pilot project will end in 2003.

Thanks to the advanced stage of Slovenian cluster policy, the LEED/CEI/EBRD seminar in Slovenia easily met its three seminar aims. It raised awareness about clusters by bringing together representatives from the business world and government circles creating a venue for learning from cluster examples from abroad. It contributed to reinforcing a policy network promoting clusters by underlining the necessity to create a climate of trust and co-operation among ministries, as well as between government and business representatives. With regard to the third aim, to launch individual country studies, Slovenia has already undertaken a cluster-mapping exercise, identifying three sectors of industry (machine tools, transport/logistics and automotive sector) where firms are in the process of clustering.

### *Cluster Seminar in the Bratislava, Slovak Republic, 18 February 2002*

The second LEED/ CEI/ EBRD cluster seminar was organised by the LEED Programme in conjunction with a Slovak ministerial 'steering group' consisting of members of the Ministry of Labour and Social Affairs, the Ministry of the Economy, the Ministry of Construction and Regional Development, as well as the Ministry of Foreign Affairs. The seminar was chaired by Mr Bernard Hugonnier, Director of TDS with Mr Igor Kosir, Ministry of Labour and Social Affairs presiding on the Slovak side. It followed the established format with OECD expert presentations in the morning session and workshop groups discussing clusters and foreign direct investment, cluster financing and social capital and trust in the afternoon.

The presence of representatives of the Ministry of Construction and Regional Development (Mr Peter Tapak, State Secretary), the Ministry of Economy (Mr Jan Oravec, Director General of the Strategy Section) and the Ministry of Labour and Social Affairs (Mr Stefan Condik, Director General of the Labour Section), as well as the Ministry of Foreign Affairs (Mr Jan Jursa, International Economic Co-operation) reflect the importance the Slovak Republic attributes to the concept of clusters as motors for growth and social innovation. The constitution of an inter-ministerial steering group set up to organise the Slovak cluster seminar is a first step potentially leading up to a permanent structure allowing for the horizontal exchange of opinion among ministries with regard to clusters.

Jan Oravec, Director General of the Strategy Section, Ministry of Economy of the Slovak Republic outlined the importance of improving the environment for SMEs in the Slovak economy. Despite ten years of targeting the development and support of small- and medium-sized firms, the implementation of programmes remains unsatisfactory and riddled with contradictions. Clusters would clearly benefit from an improvement of the economic framework conditions under which SMEs operate today in the Slovak Republic.

Due to the novelty of the cluster concept in the Slovak economic and political context, considerable time was devoted to the definition of clusters and international cluster experiences. The Slovak seminar was able to draw on a wide variety of cluster examples, including from neighbouring countries, such as Hungary and Slovenia. Mr Jack Breton (France, Regional Development Agency Basse-Normandie) and Mr Branislav Chudada (Slovak Republic, Svema s.r.o.) presented French-Slovak entrepreneurial cluster co-operation supported by the DATAR. Ms Anikó Soltész from the SEED Foundation, Hungary, introduced Hungarian cluster developments. Mr Ugo Poli, Informest, presented an Italian perspective on the potential of clusters in central and eastern Europe. Mr Søren Hellener from the Danish Agency for Trade and Industry showed how Denmark is using cluster mapping for the benchmarking of Danish industry. And

finally, participants were able to learn from Ms Tatijana Bolčič and Ms Mateja Dermastia, ITEO Consulting, about Slovenian cluster policy.

Given the economic and social benefits associated with clusters, the exercise of cluster mapping in Slovakia is deemed essential to get a clear picture of conditions of the ground. Efforts in this respect are under way with pioneer research carried out at the Economic University of Bratislava. The LEED Programme encourages Slovak authorities to allocate sufficient resources to implement a cluster mapping of firms in the Slovak Republic. Contacts with the Slovak Statistical Office have been established in this respect.

Assessing the attainment of LEED seminar aims, the Slovak cluster seminar emphasised Slovak interest to comprehend the cluster concept as a tool for regional and local economic development and to ameliorate the framework conditions for SMEs. However, the need to further discuss and popularise the concept of clusters became apparent. The Slovak Republic is only at the beginning stage with regard to clusters, thus the creation of an inter-ministerial steering group is seen as a very positive step towards a lasting policy network to promote the cluster idea as a long-term strategy of local and regional development. Cluster mapping to be undertaken over the coming months will establish a clear picture of conditions on the ground.

#### ***Cluster Seminar in Prague, Czech Republic, 26 March 2002***

The third LEED/ CEI/ EBRD cluster seminar was organised by the LEED Secretariat in co-operation with the Czech Ministry of Regional Development. Mr Michael Förschner, TDS/ LEED Delegate from Austria again kindly agreed to act as the seminar chairperson.

Dr Jiri Durcok, Deputy Minister of Regional Development, stressed the importance of SMEs as key to the economic and social development of the regions in the Czech Republic. Mr Durcok outlined the challenges SMEs are facing and how clusters can help to reduce costs and increase their competitiveness.

Both the Ministry for Regional Development and the Ministry of Industry and Trade of the Czech Republic have developed a wide array of SME support programmes. Ms Jaroslava Kubů, Director, Department for Support of SMEs, Ministry of Industry and Trade of the Czech Republic presented Czech SME policy outlining a recently adopted support programme targeting clusters. The objective of the programme is to support the development of SME associations co-operating with the aim of strengthening their positions on the market. This scheme was developed through consultations with entrepreneurs starting in 1998. In the year 2000, ten projects were funded, the number growing to twenty-six in 2001.

Mr Zdeněk Mikoláš, University of Ostrava, outlined the potential for cluster development in the Czech Republic, especially in its structurally weak eastern part. His university is closely co-operating with firms located in its surroundings sharing laboratories and furthering the exchange between students and entrepreneurs. He is currently working on the development of virtual industrial parks in the Czech Republic. Mr Mikolas also described the possibilities of cross-border cluster co-operation with neighbouring Poland.

In the Czech Republic, clusters have attracted widespread interest in academic and business circles. Since 1998, the Czech Center of Productivity has been active in this field, organising trips to Czech industrial districts to promote the cluster concept among entrepreneurs. In November 2000, a major conference was held in Prague on the topic of regional enterprise networks to present and evaluate the experience, promote research, and explore cross-regional transferability of SME cluster experiences.

The seminar emphasised Czech interest to comprehend the cluster concept as a tool to enhance international competitiveness of Czech industry and to ameliorate the framework conditions for SMEs. The presentation of Slovene, Hungarian, World Bank and Dutch-German cluster examples contributed to the exchange of experience and stimulated the on-going learning process with regard to clusters in the Czech Republic. The preparation of the seminar in co-operation with the Czech Ministry of Regional Development unfortunately did not lead up to the formation of a policy cluster. In the future, it is vital to combine the efforts of the Ministry of Regional Development and the Ministry for Industry and Trade to further cluster development. The Czech Republic will greatly benefit from cluster mapping and analysis, also assessing the effectiveness of its SME support programmes with regard to clusters.

### ***Cluster Seminar Warsaw, Poland, 22 April 2002***

The Polish Seminar was organised together with the Ministry of Economy, under the patronage of Ms Ewa Freyberg, Under-Secretary of State and with the support of Mr. Piotr Zuber, delegate to the LEED Programme. Mr. Ugo Poli, Senior Expert from the Italian organisation Informest and LEED Partner chaired the seminar.

In Poland, research on clusters of enterprises has been encouraged by municipalities such as Gdansk (high tech or naval clusters) and Warsaw (printing cluster), who supported financially different research institutions to explore the reality and potential of clustering phenomenon. The greatest barrier to cluster proliferation that was identified during the seminar was the absence of co-operation among companies, also considered as one of the lingering factors of communism.

Two case studies were presented. First, the Printing Cluster a Warsaw pilot project presented by the European Institute for Regional and Local Development, University of Warsaw. Wojciech Dziemianowicz and Karol Olejniczak identified problems such as a low level of innovation and few investments, the lack of trust among firms. They presented the reality of relations among the existing enterprises that allows the use of the notion 'embryonic cluster', the objectives to be achieved and they provided policy recommendations. Second, Ms Elzbieta Wojnicka from the Gdansk Institute for Market Economics presented the research on High Technology Clusters (biotech, process automation and control, pharmaceutical industry) from the Gdansk region. Sweden is an important investor in the area. Cluster formation is only embryonic, nevertheless, the links with R&D are strong and the majority of entrepreneurs come from the same University, which, according to the research, are promising elements for further cluster strengthening.

The experts invited to present foreign case studies and policies came from France, Ukraine and Lithuania : Mr. Gilles Coffin, Chamber of Commerce Nantes and Saint Nazaire, France (Head of the Department of Industry and Services), Mr. Stanislav Sokolenko, Joint Stock Company Ukrimpex (Chairman of the Board), Ukraine and Mr. Robertas Jucevicius, Business Strategy Institute (Director) Lithuania. Their interventions focused on concrete collaboration proposals and the presentation of clusters as part of national industrial policies.

The first afternoon workshop discussed the impact of Special Economic Zones (SEZ) on cluster development, taking the example of the Lodz special zone. SEZ policy is now being reviewed in Poland, because of the EU requirements. In some cases the existence of SEZ can help the development of clusters when building upon already existing networks and infrastructures, or upon existing localised and specialised industries. On the contrary, in other cases it can be unfavourable: promotion of big investment companies rather than local SMEs, lack of co-operation among entrepreneurs. The workshop also concentrated on rural clusters, as Barbara Szymoniuk from the Technical University of Lublin presented the example of the agrotourism clusters in the Lublin region (Eastern Poland) showing that rural and urban

cluster development are very different, especially because of different perceptions on business collaboration. The other workshops dealt with foreign direct investment, access to capital and cluster financing. Both raised questions that were similar to all the other transition countries' seminars which shows that policy makers have a significant role to play in these areas.

Considering the initial aims of our clusters' programme, this seminar has been organised at a key political momentum for Poland, after the September 2001 elections. Raising awareness on the concept of clusters was a central objective for Poland, as clusters are not part of any SME or regional development policy. The presence of Ms Ewa Freiberg, Under-secretary of State, was interpreted as a clear political sign. Over 70 participants took part in this seminar and emphasised the usefulness of such an initiative. The representative of the Polish Agency for Foreign Investment proposed that participants should stay linked together in a network, supported by an Internet Forum. As far as the cluster mapping exercise is concerned, questions were raised directly to the government, about possible funding. For the moment the mapping concerns only some regions, such as the Pomeranian region, where the Gdansk Institute identifies local innovation systems.

The seminar achieved other aims beyond the main three outlined, such as promoting concrete cross border co-operation between Poland and Ukraine, encouraged by the presence of Mr. Sokolenko to the seminar and international discussions between the French Pole Maritime and networks of naval constructors from Gdansk.

#### ***Cluster Seminar in Budapest, Hungary, 29 May 2002***

The Hungarian Ministry of Agriculture and Regional Development, represented by Mr János Sára, Director, Department of Regional Development and TDS/LEED Delegate, kindly hosted the last cluster seminar in Budapest. Mr Ugo Poli, Senior Expert of Informest, a member of the LEED Partners Club, acted as chairperson of the Hungarian cluster seminar with Mr Tamás Lunk, Director General of the National Regional Development Center presiding on the Hungarian side. The Hungarian Ministry of Economy, in whose domain the topic of SMEs and clusters traditionally falls, had been implicated in the preparations of the event. Mr Antal Nikodémusz, its Director of Strategic Development was able to participate in the morning sessions greatly contributing to the quality and scope of the debate.

Dr Anikó Soltész, Director of the Hungarian Foundation for Small Enterprise Economic Development (SEED) presented the state of affairs of clustering firms in Hungary. Currently, the Hungarian Ministry of Economy lends financial support to several clusters in Hungary in the framework of the Széchenyi plan, which aims at integrating Hungarian SMEs into the multinational division of labour. Ms Soltész pointed out that clusters hold the potential of upgrading both the quality of Hungarian goods, as well as the skills of entrepreneurs and the labour force.

The Hungarian audience greatly benefited from listening to international cluster experiences, notably from the United Nations Industrial Development Organisation (UNIDO), Poland and Ireland. Mr Michele Clara, Programme Officer, Programme Development and Technical Co-operation Division, SME Branch presented the UNIDO Cluster Development Programme and its Indian case study. Ms Elzbieta Wojnicka from the Gdansk Institute for Market Economics outlined the emergence and potential of clusters in the high-technology sector in the Gdansk region of Poland. And lastly, Mr James Donlon, Westbic Business & Innovation Center introduced Netwin, a methodology to networking and cluster development supported by the European Commission.

For the afternoon workshops, LEED's Hungarian counterparts had chosen the following cluster topics: The role of clusters in regional development, clusters and SME employment chances, as well as cluster

development and cluster structure. It became apparent that in Hungary, clusters are perceived as valid tools for local and regional development with a high potential for SMEs to survive in a globalised economy. Participants agreed that cluster formation takes time and patience and that cluster support in financial and/or organisational form will play a crucial role for cluster development in the future.

Judging by the LEED cluster seminar aims, the Budapest seminar attained its goals with ease. Given the Hungarian interest in clusters, seminar organisers were able to draw on a motivated and well-selected audience giving rise to lively and informative debates. A delegation from both the Czech Republic (led by Mr Zdeněk Mikoláš, University of Ostrava) and Ukraine (led by Mr Stanislav Sokolenko, Joint Stock Company Ukrimpex) participated in the event greatly adding to the cross-national learning process. Thanks to the excellent preparation by the Hungarian side, inter-ministerial co-operation was assured opening the path of future cluster co-operation. Regarding the last seminar aim, launching a cluster mapping exercise in Hungary, even though several clusters have been recognised by the government, Hungary would greatly benefit from further research to study the phenomenon of clusters in Hungary and its prospects of long-term development and support.

After having briefly outlined the results of the five cluster seminars, the next section will introduce the follow-up event, the East West Cluster Summit taking place in October 2002.

### **3. Forthcoming East-West Cluster Summit, Udine and Trieste, Italy, 28-31 October 2002**

To close the series of cluster seminars, a major conference will take place in the Friuli Venezia Giulia region, Italy, from 28 to 31 October 2002. This conference is organised in the spirit of the OECD Bologna Conference 2000, 'Enhancing SME Competitiveness', following up on the themes of clusters and SME globalisation, innovation, as well as SMEs in transition and developing countries.

The East West Cluster Summit is planned as a four-day event bringing together around 400 participants from western, central and eastern Europe, Central Asia, as well as international interlocutors. Its main aims are to : i) learn the main lessons from the five cluster seminars in Slovenia, the Slovak Republic, Poland, the Czech Republic and Hungary held in 2001-2002; ii) discuss the internationalisation of SME clusters, as well as the role of social capital and innovation and iii) further exchange among clusters by inviting entrepreneurs to team up with potential partners across Europe joining forces with similar efforts from the Club of Industrial Districts, Italy, the DATAR, and the CEI. In addition, iv) the summit will take the cluster experience further east and south by integrating interested parties from (south-) eastern Europe and Central Asia and launching a new round of cluster seminars.

The Summit will include two days of study visits to successful cluster examples in Northern Italian industrial districts to highlight the economic potential and benefits of clusters. In addition, participants will assemble in Udine and Trieste for two days of presentations and debate about the topic of SME clusters in transition economies, the internationalisation of clusters in the world economy and the role of social capital and innovation.

The Friuli Venezia Giulia region, the dynamic economic and financial hub connecting the single European market and the countries of central and eastern Europe is the ideal backdrop for this East-West Cluster Summit. The LEED Programme is calling on interested delegates and Partners to get involved in the preparation of this event and to collect examples of east-west collaboration to be presented at the summit.

**Annex: Calendar of LEED Cluster Events**

<b>Month</b>	<b>Activities</b>	<b>Events</b>
<b>November 2001</b>		5-6 November, LEED Directing Committee <b>19 November 2001, First Cluster Seminar in Ljubljana, Slovenia</b> 22-24 November, CEI Summit, Trieste, Italy (LEED Presentations on Clusters in Transition Economies, Women Entrepreneurship)
<b>December</b>	Preparation of Mission to Poland	
<b>January 2002</b>	Preparation of Seminar in Slovak Republic	
<b>February</b>	Preparation of Seminar in Czech Republic	11 February, LEED Preparatory Mission to Poland <b>18 February, Second Cluster Seminar in Bratislava, Slovak Republic</b>
<b>March</b>	Preparation of Seminar in Poland	<b>26 March, Third Cluster Seminar in Prague, Czech Republic</b>
<b>April</b>	Preparation of Seminar in Hungary Preparation of Preparatory Mission to Italy and Slovenia	<b>22 April, Fourth Cluster Seminar in Warsaw, Poland</b>
<b>May</b>	Start Preparation of East West Cluster Summit Collection of Lessons Learned from the Five Seminars	<b>29 May, Fifth Cluster Seminar in Hungary</b>
<b>June</b>		20-21 June, LEED Directing Committee, Paris
<b>July-September</b>	Preparation of Draft of Publication scheduled for 2003	
<b>October</b>		<b>28-31 October, East West Cluster Summit, Trieste, Italy</b>

**References**

OECD Bologna Charter on SME Policies 2000, 'SMEs 2000, Local Strength – Global Reach', Adopted 15 June 2000

OECD Background paper to the Bologna Conference 2000, 'Local Partnerships, Clusters and SME Globalisation' prepared by the OECD Secretariat for Workshop 2 of the Bologna Conference

For more information, please contact:

[Johanna.Moehring@oecd.org](mailto:Johanna.Moehring@oecd.org) and [Dina.Ionescu@oecd.org](mailto:Dina.Ionescu@oecd.org)