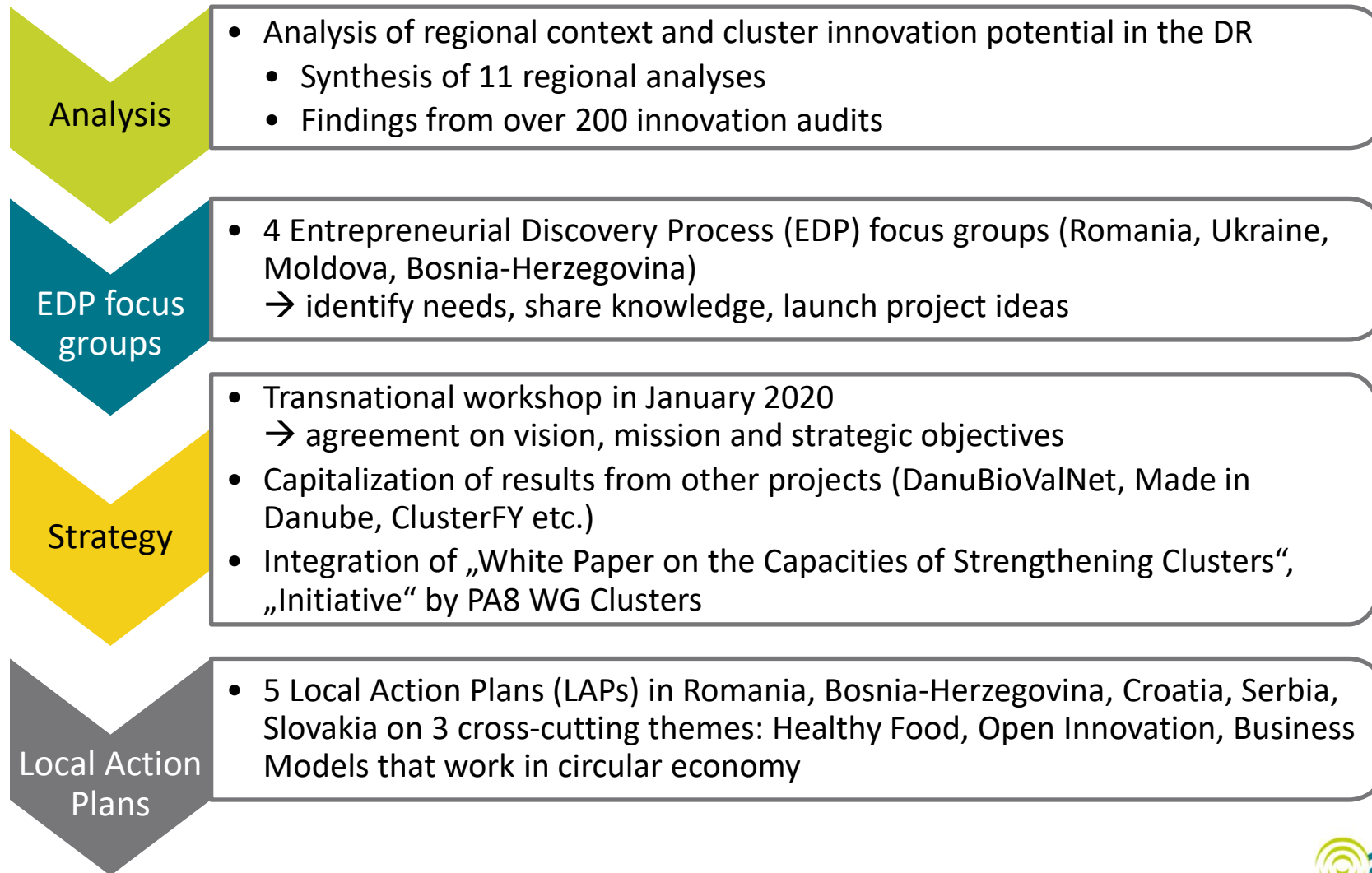# Danube S3 Cluster Project – Final conference, Oct 21st, 2021

Developing a joint S3 Cluster Strategy

Dr. Katrin Hochberg – Steinbeis Europa Zentrum

A stream of cooperation

Activities connected to the strategy

Analysis

- Analysis of regional context and cluster innovation potential in the DR
  - Synthesis of 11 regional analyses
  - Findings from over 200 innovation audits

EDP focus groups

- 4 Entrepreneurial Discovery Process (EDP) focus groups (Romania, Ukraine, Moldova, Bosnia-Herzegovina)
  → identify needs, share knowledge, launch project ideas

Strategy

- Transnational workshop in January 2020
  → agreement on vision, mission and strategic objectives
- Capitalization of results from other projects (DanuBioValNet, Made in Danube, ClusterFY etc.)
- Integration of „White Paper on the Capacities of Strengthening Clusters", „Initiative" by PA8 WG Clusters

Local Action Plans

- 5 Local Action Plans (LAPs) in Romania, Bosnia-Herzegovina, Croatia, Serbia, Slovakia on 3 cross-cutting themes: Healthy Food, Open Innovation, Business Models that work in circular economy

A stream of cooperation

Danube S3 Cluster Strategy

Mission / Objective:
Provide strategic objectives and recommendations to support the development of a **sustainable, resource efficient agro-food sector** within the Danube Region by strengthening the **role and the market efficiency of clusters** through **enhanced cooperation, visibility and recognition**

Priority 1 – Improve framework conditions for cluster policies

- **Objective**: Create a clear **legislative definition** and a stable, predictable **supporting scheme** for clusters that enhance their market efficiency

Priority 2 – Increase cluster mapping and visibility

- **Objective**: Identify the already existing **players** on the market and make them **visible** for interested stakeholders
  - E.g. by encouraging and supporting clusters to join ECCP and DIH Agrifood

Priority 3 – Monitoring, accreditation and benchmarking

- **Objective**: Promote the **continuous monitoring** of the clusters' activities and boost their performance through **accreditation** and **benchmarking** models (e.g. by ESCA labels to build trust)

Priority 4 – Cluster management & excellence support programs

- **Objective**: Support the **professionalism and competences** of cluster management
  - E.g. with trainings on "Innovation management dimensions", "Business models for self-sustainable clusters" and "Business internationalization and scale up"

Priority 5 – Increase transsectoral cooperation & internationalization

- **Objective**: Strengthening the clusters' embeddedness in various economic environments, facilitating the **internationalization** of their business activities and transsectoral as well as transregional **cooperation**
  - E.g. with brokerage events or international networks as the Danube S3 Cluster Network

- Development of methodology

- Data basis: **interviews** with stakeholders, **questionnaires**, desk **research**

- **9 regional analyses** performed by partners (1 for each partner country / region)

- **Joint analysis** will be finalized end of October 2021

- Main results:

  - **Legal restrictions in all partner countries**

    - Border closures, export bans for certain goods

    - Social distancing, lockdowns / curfews, closure of hospitality and tourism businesses, restrictions for other business activities (working from home necessary), closure of non-essential businesses

  - **Changes in everyday life across society**

    - working from home, no possibility to go out or travel etc. → change in eating habits, increased awareness for the sector, interest for farming & life in the countryside, increased demand for high quality local food

Main results of PESTEL analysis

- **Economic challenges**

  - Overall economic recession, fractured supply chains, missing work force (domestic and seasonal workers), increased production costs affecting agro-food sector

  - Changes in demand for agro-food products (e.g. increase in canned goods, flour, sugar, decrease in perishable products, products for hospitality sector)

  - Trend toward short supply chains, more flexibility (e.g. by multiple suppliers)

- **Technology development, digitalization and innovation**

  - Development of new, online business models (sales and deliveries, marketing, events, working from home) → useful also after pandemic

  - Need for digital skills vastly increased → challenging, especially in countries where digital transformation was underdeveloped (e.g. Bosnia-Herzegovina)

Main results of PESTEL analysis

- **Environmental impacts**
    - General: less pollution by reduced mobility, but increased plastic and food waste (e.g. by forced dumping)
    - In some countries additional problems, esp. African swine fever
- **Political mitigation and support programs**
    - direct financial help (compensation, loans), reduction of taxes or other duties, exceptions from restrictions (e.g. border closures, contact reductions)
    - National funds and EU funds (Next Generation EU, Recovery plan for Europe)
    - In some countries no sufficient support, not flexible enough or too delayed

Analysis will be used to formulate additional policy recommendations and create a Pandemic Response Plan for Agri-Food Clusters in the next months

Thank you for your attention!

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