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CLUSTER & SMART SPECIALIZATION TO SUPPORT THE ANIMATION SECTOR

A study by

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With the collaboration of

INDEX

1. INTRODUCTION

ALICE - Animation League for Increased Cooperation in Europe, funded by INTERREG Europe Programme 2014/2020, explores avenues for interregional collaborations in the animation sector to leverage the sector's potential for growth and innovation and to foster the development of a pan-European, world-leading industry. ALICE intends to seize the opportunity presented by the current boom in the animation sector in a bid to build up its capacity to contribute to growth and job creation in Europe. This fits perfectly with the Animation Plan for Europe published by the European Commission in September 2017 as part of the preparations for the next Creative Europe Media Programme.

The six partners of ALICE project are Wallimage — Wallonia (BE), Pictanovo —Hauts-De-France (FR), PROA — Catalonia (SP), Puglia Region – Department of Tourism, Economy of Culture and Valorization of Territory — Puglia Region (IT), Ministry of Culture of the Slovak Republic —Bratislava (SK) and Rzeszow Regional Development Agency (RARR) — Rzeszow (PL).

ALICE's overall objective

By improving the policy instruments related to SMEs in the animation sector (producers, animation studios, broadcasters), the goals of ALICE will be to enable them to collaborate more among themselves through co-productions, make access to funding and capital easier for them and enable them to retain talent within their organisations by avoiding this talent leaving Europe. It will therefore boost their competitiveness on the international, globalised market along the entire production value chain.

One of the very important areas of interest for the ALICE project is exploring how clusters and smart specialisation approaches can tackle the digital animation value chain, as well as ways of building up a favourable eco-system for innovation and growth of animation sector in a very competitive international context.

The basis for this analysis was a methodology covering the following stages:

- Verification of the basis for the creation of smart specializations, their impact on the development of industries and regions, as well as the link between smart specializations and cluster activities;
- Research and study of the best practices and organisational models of creative clusters;
- Research and screening of the best practices of creative clusters in Europe;
- Identification of funding sources at European level;
- Administration of questionnaires to project partners to collect data and useful information related to Smart Specialisation strategies.

2. CREATIVE INDUSTRIES

Cultural and creative industries are fundamental to promote smart, sustainable and inclusive growth and contribute to the Europe 2020 strategy.

Creative industries are industries that produce and distribute goods or services which, when conceived, are considered to have a specific character, use or purpose that incorporate or convey cultural expressions, whatever their commercial value. In addition to the traditional art sectors (performing arts, visual arts, cultural heritage - including the public sector), these goods and services also include films, DVDs and videos, television and radio, video games, new media, music, books and the press. This concept is defined in relation to cultural expressions in the context of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions[1]. Culture-based creativity is an essential feature of a post-industrial economy. A company needs something more than an efficient production process, cost control and a good technological base to remain competitive: a particularly recognisable brand, motivated staff and management that respects and understands creativity are needed. In order to remain competitive in the market, there is also a need to develop products and services that meet the expectations of citizens or create those expectations. Digital technologies play an important role in this intangible economy as they provide new forms of social exchange and contribute significantly to new expressions of creativity. Therefore, it is imperative for creative industries to satisfy and create new types of demand that are not simply based on the functionality of a product but are instead rooted in individual and collective aspiration. In this new paradigm, marketing and services are as important as production.

[1] "Unlocking the potential of cultural and creative industries", Green Paper, Bruxelles, 27.4.2010 COM (2010) 183 final

The cultural and creative industry (CCI) is one of the liveliest productive realities, capable of generating well-being and expressing unique and particular excellences.

The classification in CCI sectors both at international and national level is not unique but presents a certain diversity in typologies according to the different authors and case studies. This work proposes a classification from the Green Paper "Cultural and creative industries, a potential to be exploited": [2]

- **Creative Industries**: all the activities of architecture and design, engineering, communication and branding and artistic craftsmanship;
- **Cultural Industries**: Cinema, Audiovisual, Music and Publishing (including digital). Non-reproducible artistic representations are indicated as Performing Arts and, in many elaborations of the report, they have been included among the cultural industries in the deep conviction of the increasingly evident and strategic link between live entertainment and the other sectors of the group;
- **Historic-Artistic Heritage**: museums, libraries, archives, historic places and monuments.

Within the framework of cultural industries, the animated feature films are particularly important in the audiovisual sector. At an international level, animation is increasingly affirming itself as a suitable language for telling current issues and moral stories to the general public, focusing on an adult audience that finally recognises its narrative and linguistic ability in telling stories. We are also witnessing a rebirth of animated feature films for adults and crossover (for a transversal audience) in Europe. In addition to the renewed interest in cinemas, the fastest growing sector is still the television sector for children, characterised by two main trends: on the one hand, the adaptation of editorial products and transmedia development; on the other hand, linguistic and technological

[2] "Unlocking the potential of cultural and creative industries", Green Paper, Bruxelles, 27.4.2010 COM (2010) 183 final

innovation with 360-degree animated series or products designed to be usable even for blind and deaf people.

At an international level, animation is increasingly affirming itself as a suitable language to make the general audience aware of topical issues. Just as comics have now established themselves as an effective means to tell great pages of journalism for adults and children, animation cinema is increasingly opening up to current issues and news. For instance, the 2019 edition of Anima, the international animation film festival in Brussels, hosted in its programme three feature films that tell the civil war in Angola, the repression of the Khmer Rouge in Cambodia and life in the refugee camps of Beirut. This trend follows the success of films that have been applauded at an international level, such as Persepolis and Waltz with Bashir.

However, feature films take time to be realised and require significant productions, capable of focusing on diffusion in international festivals as well as of platforms such as Netflix (see the American Love, Death & Robots). In some countries such as Italy, the still unripe market has so far pushed most studios to focus on the “safer” entertainment market (television series for children), rather than on films for adults. But things have been changing, thanks to new tenders and laws that encourage production, such as the recent Tax Credit for Italy (used in many European countries as well): tools that aim to develop the market, in favour of the growth of new talents and stronger studies, able to afford more “experimental” film productions. It is worth noting a growing attention to the new generations of authors and animators that involves schools and training institutions or festivals of this sector that have multiplied.

In line with European directives, it will be increasingly necessary to innovate production processes that must be able to respond to environmental sustainability criteria.

Supporting the creative and innovative efforts of companies through projects aimed at the development and up-take of new technologies is equivalent to favouring the originality of the final products and the final satisfaction of the user, improving the competitiveness and growth potential of important sectors of the regional economy.

3. THE ROLE OF THE SMART SPECIALIZATION FOR THE DEVELOPMENT OF THE REGION AND ECONOMY

The smart specialization initiative is a new point of view for regions through EU policy. The document Europe 2020 indicated for the European Union countries three main positions and goals related to smart specializations: sustainable, intelligent and inclusive development.

Smart specializations are industries which, thanks to their development, create innovative socio-economic solutions and increase the competitiveness of the increased value of the economy on the international arena and are an instrument for supporting innovation. Their main goal is the innovative development of the regions. Smart specializations are both a concept of building an innovation strategy for countries or regions, and a tool for its creation. They use all elements of the region's advantage compared to others - strengths, greater resources, wider opportunities, domination in a given field, environmental conditions, etc. For the development of small and medium-sized enterprises, especially those closely related to the local environment, support and use of technological opportunities and potential, the scientific and economic aspect of a region is extremely important.

The idea of smart specialization is part of the science of economics and management. Although it is a new concept of EU policy, it is based and modelled on the existing sources of science and literature in this field. Trade theory researchers, including A. Smith, D. Ricardo, E. Heckscher, B. Ohlin, P. Samuelson, W. Stolper, W. Leontief, K. Kojim, and R. Vernon showed interest in the specialization of regions and states in specific fields producing specific goods. There are examples of theories convergent with the idea of smart specialization, such as:

1. The theory of the basic product of H. Innes - specialization of products creating competition on the external market. Its priority is to support exports and business environment services.[3]
2. The concept of flexible production - flexibility of small and medium-sized enterprises that skilfully change depending on market conditions.[4]
3. The concept of industrial districts by A. Marshall - development of the local market through closely cooperating small and medium-sized enterprises.[5]
4. The concept of the M. Porter cluster - the most important element are industrial clusters, cooperation of related industries in order to increase the competitiveness of the region.[6]
5. Endogenous development strategy - potential, possibilities and resources of the regional environment.
6. The concept of growth poles - the most developed entities and sectors dominate the economy.[7]

All these theories to a greater or lesser extent became the basis for creation of the concept of smart specialization for regions, being included in strategic documents of the European Union.

Assuming that there is no single region that specializes best in all areas of economic development, it can be concluded that there is no specific leader in the field of science and innovation. However, this does not change the fact that all regions have a certain

[3] [Grosse 2002]
[4] [van Dijk 1995]
[5] [Grosse 2002]
[6] (por. [Porter 2001])
[7] [Grosse 2002]

potential. In the Europe 2020 project, the priority for success is inclusive growth. The main goal of the EU is to focus on the area of knowledge and innovation, as well as to create a new approach to the effective definition and implementation of goals in the innovation strategy. The use of such an approach will result in the use of the potential of the region's strengths and designation of a specific direction and method of implementation of activities so that they are consistent with their specific conditions, in other words, adjusting the triangle science - education - economy.

Smart specializations will also be helpful in a more efficient use of the resources of a low-emission economy, requiring both financial outlays and a specific and thoughtful approach to efficiently achieve sustainable growth. Better jobs will be created through social inclusion, through growth based on smart specializations, which will lead to territorial cohesion of regions.

Sectors focusing on concentration and having a national or transnational competitive advantage should be the focal point for Regional Third Generation Innovation Strategies (RIS3). These are development potentials that show kinship and cooperative connections within and between sectors and are well-entrenched in the region's economy.

Smart specialization sets goals that focus on:

- Developing technologies in various applications, mainly using them in services and products;
- Counteracting duplication and fragmentation of scientific research within the European Research Area (ERA);
- Actions that generate greater interest in the strategy by stakeholders;

- Obtaining critical mass in areas and sectors crucial for European competitiveness;
- Local potentials in conducting activities in the field of research, development and innovation (R & D & I);
- Evidence-based policies, programming and implementation.

Derived from the above assumptions, RIS3 (Regional Innovation Strategies of the Third Generation) focus five important issues:[8]

1. Focusing on national priorities, policy support and investment, considering the scope of knowledge development, including ICT related activities.
2. The use of all the strengths of the region.
3. Stimulation of the private sector investment and increasing the importance of technological innovation.
4. To persuade all actors / stakeholders to innovate and experiment and involve them in innovation.
5. Only objective data influences the evaluation and monitoring systems.

The idea of smart specialization is to optimize the use of the potential of each region by adjusting the development policy to its individual socio-economic conditions. Smart specialization strategies are designed using a new approach to regional development and innovation.

The choice of a region's smart specialization should result from an entrepreneurial discovery process, which will interest and intrigue stakeholders, so as to select priorities in the field of research and innovation development, around which public and private

[8] D. Foray et al., Guide to Research and Innovation Strategies for Smart Specialisation (RIS 3), May 2012, Smart Specialisation Platform S3, European Commision, Regional Policy, s. 8.

investments are concentrated. Research and development institutions, enterprises, universities, representatives of business and institutions are particularly important in this process. When making smart specialization decisions, a lot of analysis is done in terms of endogenous economic advantages and cooperation with socio-economic partners. In order to obtain a comprehensive and in-depth analysis of the region, several methods should be used in the process of smart specialization identification. It is worth taking into account the specificity of the entire region, strengths, weaknesses, barriers as well as opportunities and challenges, mainly socio-economic.

Various global experts provide such methods of choosing smart specialization as, among others:

- Analysis of the scientific and technological potential;
- Searching for clusters;
- Foresight;
- Market selection;
- Competitive selection;
- Case studies;
- Gravity model.

Clusters are very often used to identify priority areas in the concept of smart specialization. They are also used to implement a regional innovation strategy. This avoids duplicating the specializations of other regions.

The concept of smart specialization is based on four main assumptions:

- The first one consists in carrying out a series of research and innovations of considerable size, so as to ensure that a large number of entities can compete with each other. The condition of competitiveness is fulfilled by the European

Research Area, i.e. a space in which there is free flow of resources. The aim is to make better use of scope, economies of scale and spread.

- The next assumption is to focus on the discovery and concentration of the process of identifying smart specialization, complementary to the socio-economic conditions and resources of a given region.
- Another issue is general-purpose technologies that create opportunities for growth by acting as supporters rather than creating complete end-to-end solutions.
- The fourth assumption and a very important issue is the way of implementing smart specialization. At the stage of identifying smart specialization, the scope of the administration's activities is very limited. The implementation of this strategy is to help and lead to an increase in diversification in various fields of science and economy in the EU.

Smart specialization is a simple and natural instrument that supports the development and competitiveness of a given region. Its aim is to make the most effective use of the existing potential of individual regions. However, for this to succeed, it is necessary to create complex relationships between the system components and an appropriate environment and activities. The success of the smart regional specialization concept is due to the combination of regional (RIS3) and sectoral policies.

The necessity to select smart specializations creates many benefits, thanks to which a SWOT analysis of regional development strategies, partner involvement and cooperation is possible. A serious and one of the most important threats in the process of identifying and implementing smart specializations is the risk of focusing on current leaders, imitating other regions and supporting and helping traditional low-productivity industries.

The impact of smart specialization on the development of small and medium-sized enterprises is manifested in many issues. It can be presented by supporting them with funds, supporting cluster initiatives, building an entrepreneurial climate. Both small and medium-sized enterprises have the ability to flexibly adapt to changes in the environment and to catch opportunities in industries selected as part of smart specializations. However, at present, there is uncertainty about both the actual benefits of these measures for all companies in the economic sector and that regions applying smart specializations will gain a competitive advantage from this issue.

In many European countries there are difficulties with the concept of smart specialization in regions. Very often, despite the provisions on smart specializations in new regional innovation strategies, not everything translates into reality. The aim of smart specialization is to make the best use of the existing potential of individual regions by appropriate adjustment within the science-education-economy relationship. The successful implementation of smart specializations is determined by many factors, especially the scientific and economic potential of a given region - whether the regions will be able to effectively implement the concept, or whether they will overcome scientific and economic barriers and limitations. Smart specializations require a very large and professional commitment of the authorities, science and business. The necessity to select smart specializations can bring about many benefits, it allows for the analysis of the strengths and weaknesses of the region, the regional development strategy, and the involvement and cooperation of many partners. A potential threat in the process of identifying and implementing smart specializations may be the risk of imitating other regions, focusing on the currently leading sectors or the trap of supporting traditional, low-productivity industries.

The development of the animation and visual effect industry combines the efforts of scientists and entrepreneurs, and its potential and solutions used by this industry can also be beneficial for other sectors of the economy, as well as inspire and be part of innovative technological solutions. With this in mind, investing in the development of the animation and VFX industry brings benefits also to other sectors of regional economy. Therefore, it is an area of operations that has a high chance of becoming a key smart specialization or smart sub-specialization in regions with animation traditions and growing potential of this industry.

4. STARTING ASSUMPTIONS OF THE CLUSTER

If up to now the entrepreneurial vivacity and development of the CCI is on the rise, despite the recession, it is necessary to leverage this specialisation to implement policies to support businesses and medium-term employment (through clusters, consortia, agreements, devices that facilitate companies and support inclusive development at European level). Improving inter-company dynamics can also have positive effects on the quality of employment and act as an incentive to support wages in the sectors (resulting in an increase in regional domestic demand).

If there are agglomerative dynamics by sector at European level, this is the result of a process of entrepreneurial relapse, of a "know-how" located by sector on the one hand, and on the other hand of a propensity to do (small) business, also determined by the role that the region and other actors (such as Teatro Pubblico Pugliese and Apulia Film Commission in Puglia) played as development agency. Therefore, a key issue is strengthening and redefining the role of agencies with respect to the various sectors, being able to use the knowledge and technical skills used up to now by the actors active in the area and developing adequate tools and regulatory devices for a competitive and inclusive development.

In order to fully exploit the local fabric, it is also essential **to design specific policies addressed to the third sector** and to start a structured **dialogue between non-profit organisations and businesses**. The territorial roots of non-profit entities play a strategic role in the emergence of cultural and creative skills and ensure that the development of the CCI sectors also translates into a new welfare model and greater participation in cultural and creative events or greater social inclusion.

One of the main functions of the agencies in the new phase that opens for the development of CCIs is the promotion of new networks and European cooperation platforms between companies and subjects of the same supply chain or related supply chains: alliances which, once tested, should remain stable in time. It is therefore a question of entering into a coopetition logic, in which cooperation on some tables is directly proportional to the competitive strengthening on others. Universities can also play an important role in this area.

The other challenge for the governance of the clusters and for the agencies is the promotion of innovation. To make the leap, it is necessary to transform the "creative atmosphere" into competitive assets, or rather into entrepreneurial projects that have their main driver in experimentation and innovation. The key tool of this process is the contamination between supply chains. As a matter of fact, it is by encouraging the actors of the territories to cooperate that new proposals are naturally lit up. The role of the public sector is mainly to create the conditions for this to happen.

A strategic lever is to develop tools and devices capable of operating inter-company, territorial and European economies of scale, making companies more competitive through cost containment and increasing the ability to invest in research and innovation - usually precluded in a system of micro-enterprises based on family capital - allowing to enter a more mature and stable phase of local production systems.

Participation is also linked to the theme of innovation. Cultural and creative participation is in fact a precondition for innovation. In this direction too, the past decade has opened a path that must now be structured and reviewed in the light of the new development objectives.

4.1 CATEGORIES BELONGING TO THE CLUSTER

The categories belonging to the Cluster can be:

- Performing arts (categories: theatre, dance, music, festivals);
- Cultural industries (categories: cinema, publishing, media and multimedia, audiovisual, digital, ICT, video game industry, software houses);
- Creative industries (categories: design, communication, architecture);
- Heritage industries (categories: cultural heritage, visual arts, entertainment venues, multicultural centres, enhancement of cultural heritage, enhancement of the territory and the environment);
- Creative-driven industries (categories: social innovation, services, consulting, training);
- Category Associations of Enterprises and Trade Union Associations of regional significance;
- Local authorities, public and private bodies and associations, special companies, chambers of commerce, publicly owned companies;
- Universities, public and private institutions active in the field of education, vocational training, promotion, research and innovation.

4.2 DEFINITION OF CREATIVE CLUSTERS

According to the definition provided by the economist Walter Santagata[9], cultural clusters are the

"[...] *Product of two factors: the presence of external agglomeration economies and the recognition of the idiosyncratic nature of culture production. When these two factors come together in a dynamic and creative economic environment, the conditions for the existence*

[9] Santagata, W. "I distretti culturali nei paesi avanzati e nelle economie emergenti", 2005, Il Mulino.

of a potential cultural cluster are met. The addition of good and efficient institutions is the political factor that can make it possible to transform a potential cluster into a real and successful phenomenon".

Therefore, according to one of the most authoritative scholars and experts of creative clusters, in order for them to become a source of opportunities for a territory, it is essential that a synergy is created between different actors who aim to pursue a common goal: the development of the territory/region /country.

Cultural clusters are, among other things, a common ground (physical, but also virtual) which offers the right conditions for dialogue and planning to create an impact (economic, social etc.). These planning and creation activities can be carried out in harmony and synergy by companies, public decision-makers and training institutions: when these actors manage to cooperate in a profitable way, conditions of success lead creative clusters to become catalysts of creativity and attractive centres for artists and craftsmen, but also for tourists and the general public. A feature, as well as a fundamental requirement of creative clusters, is the interdependence between its constituent parts. The ability of creative clusters to create networking conditions generates a "surplus" of opportunities for various sectors and is not only closely linked to the related activities and economic return for a territory.

Therefore, it is clear that for a creative cluster to function properly a common effort is necessary and this effort should not be unilateral. The creation of creative clusters for the animation and visual effects sectors at European level brings with it a huge potential for growth and development.

- As emerged from the research activity already conducted within this project (WG2), the animation and visual effects sector at European level is less competitive and developed than the market in other countries (e.g. the United States with large production and distribution companies, etc.);

- There is a significant gap between the skills coming out of school and academic courses in the sector and the demands of companies operating in the sector, which need professionals who are constantly updated on innovative software, techniques and tools;
- There is a lack of standardisation at European level of the skills necessary for the professions related to this field.

Furthermore, the creative clusters in Europe should be able to develop forms of interconnection for the exchange of know-how and skills.

5. CLUSTERS AS AN INSTRUMENT SUPPORTING THE IMPLEMENTATION OF SMART SPECIALIZATION ASSUMPTIONS IN REGIONS

Since the 1990s, the concept of economic clusters, was popularized by M.E. Porter. Both the entrepreneurs themselves and representatives of local government units, business environment institutions, state governments and international organizations see in cluster structures opportunities for the development of individual enterprises, as well as increasing competitiveness and accelerating the development of local, regional, national and even international economy. This has led to the emergence of a cluster-based economic development policy concept. International organizations, such as the OECD, the European Union and the World Bank, are increasingly involved in the creation and development of clusters, and the initiatives taken extend beyond European countries. In the EU policy, activities for the benefit of clusters are an element of the innovation policy, and the most important decisions related to their shape are the responsibility of individual member states. The cluster-based development policy is implemented at three basic levels, i.e. at the level of European institutions (including activities initiated by the Commission and the European Investment Bank), at the level of Member States under various common policies, as well as national strategies of individual countries.

Clusters are a phenomenon of geographically related companies, service units, suppliers, similarly operating companies in related sectors and their institutions, such as universities, cooperating or competing with each other in various fields.

Their functioning is both favourable for the entire region in which they occur, but also for the participants of this phenomenon. For the region, this connection has particularly significant benefits, e.g. building mutual support, dialogue and trust in the society, faster and more efficient development of infrastructure, development of human and social capital, development of technology and business science in the region. Thanks to the creation of such clusters, many new enterprises will be created, which through their existence will contribute to building the region's brand, which will attract foreign investors, thanks to which the region will gain the possibility of development, creation and operation of regional innovative systems and more effective development of technical infrastructure.

Because of their spatial concentration, efficient development of competencies and skills, and because of the competition and cooperation they involve, clusters are used and predisposed to the efficient implementation of the concept of sustainable development and their objectives in the environmental, economic and social fields.
Due to the many benefits resulting from the operation of clusters, local authorities should use various support instruments to make the most of their potential. All activities and individual goals should be properly and thoughtfully planned so that the cluster support policy for key areas is implemented under the regional policy.

Clusters which play a special role in the region and have the greatest potential should be particularly supported and driven to continuous growth. For clusters very important aspects are:

- possibility of organising joint ventures,
- efficient communication
- the synergy effect regardless of the level of technological advancement.

Companies and enterprises in a given region should have such a policy that is not detrimental to their development. It can be horizontal or it can be an industrial / science and technology policy agenda.

As clusters are a source of innovation and local competitiveness. According to Ch. Ketels information, thanks to the benefits of their functioning, there are 3 main economic effects:

- Companies that are linked in clusters are in a better level of productivity.
- There is a development of innovation among science and research centers and business entities, through the mutual pressure of entities in close interaction between them.
- The number of undertakings in the region of clusters is increasing due to the possibility of finding partners and suppliers in the cluster.

Local and regional authorities are more interested in clusters, thanks to their benefits, which means that in most European regions there is an increased pro-innovation and pro-cluster policy. Clusters undeniably have enormous innovation potential, but in order not to waste it, regional authorities should support and engage in initiatives related to them to a significant extent.

Cluster policy (pro-cluster) is understood most broadly as a concept of the development of a country or region based on clusters, combining many different strategies and instruments that support the development of these structures in a coordinated manner. There are also programs for clusters, i.e. sets of assumptions, activities and tools aimed at supporting the development of clusters in a given territory.

Depending on the goals, the policy of supporting clusters may take various forms. The first, most horizontal category concerns a strategy aimed at creation favorable microeconomic conditions for the business environment for economic growth and innovation, which indirectly stimulates the creation and development of clusters. The second type includes traditional industrial, SME, research and regional policies, which often use the concept of clusters to increase the effectiveness of a specific support instrument. The third category consists of development programs, the purpose of which is to create, mobilize or strengthen a given type of clusters, which results in the creation of individual cluster initiatives.

There are several models of cluster policy in the world, relating mainly to activities undertaken at the national, regional or local level. The European Commission points to two main models. The first model assumes supporting cluster coordinators whose functioning brings measurable benefits to its actors. An important goal is also to support the linkages typical of clusters. Policies focused on strengthening relationships focus on stimulating and developing all types of cooperation between economic entities within the cluster, as well as its environment, both in the R&D sphere, as well as in relation to the value chain and horizontal links. The second model provides for supporting specific projects implemented by entities belonging to the cluster. The supported initiatives are single (e.g. joint R&D projects) and horizontal (e.g. building a joint research infrastructure).

Cluster support policies can be top-down or bottom-up in nature. In the first case, the involvement of public authorities plays an important role, and support is focused on the development of specific, selectively chosen clusters. The bottom-up approach, on the other hand, supports clusters emerging independently of public authorities. There is also a hybrid policy, which is a combination of top-down and bottom-up actions.

Cluster policy is formulated at all levels - from local, through regional, central to the supranational level. Depending on the level at which it is implemented, it should be horizontal and comprehensive at the international and national level, as well as decentralized and detailed solutions tailored to the specificity of the local and regional level.

In terms of the degree of cluster development, the European Union is not a uniform area. Developed countries differ significantly in this respect from countries that are transforming their economies. In the countries that have recently joined the grouping, the process of creating cluster structures is relatively new and in most cases clusters are only in the initial stage of development. On the other hand, in the European Union there are regions such as Veneto and Emilia Romagna in Italy, Baden-Württenberg in Germany or West Jutland in Denmark, where cluster structures have a long tradition and are characterized by high maturity.

For many years, the European Union has been attaching great importance to the development of clusters, seeing them as the engines of economic development. Assisting cluster initiatives in Europe aims to increase the number of world-class clusters, raise their innovation potential and improve international cooperation in the field of clustering. The key decisions on the shape and methods of implementing measures for clusters are the responsibility of individual Member States. The role of the Community is to facilitate and support these efforts by improving framework conditions, promoting excellence and entrepreneurship in research and education, creating stronger relationships between enterprises and R&D actors, as well as mobilizing knowledge exchange on forms of cluster policy and cluster cooperation in EU. The European Commission not only conducts regular observations of cluster support initiatives, but also carries out comparative analyzes of the identified clusters across the EU. The EC's activity also consists in creating a favorable regulatory framework, popularizing the concept of a cluster and exchanging knowledge, as well as developing recommendations for public authorities regarding the proper support of the clustering process. In addition to acting as a catalyst, the Commission is also taking direct action to support the development of clusters in the Community by launching and funding an increasing number of initiatives and programs as well as European Technology Platforms.

The concept of clusters also fits in with the key priorities of the Europe 2020 strategy, which includes smart, sustainable and inclusive growth and fostering a high-employment economy delivering economic, social and territorial cohesion. An important element of the strategy is the aforementioned concept of smart specialization of regions, which includes the idea of supporting clusters.

Summing up, clusters indicate far-reaching development prospects and the potential of European regions, which definitely proves the development of the EU economy, whose clusters have become an indispensable element, thanks to which they are very often a manifestation of globalization and regionalization. Both on the social side - improving the quality of life, increasing the level of wealth, and economic and economic - stimulating the economy, developing enterprises, improving infrastructure, clusters ensure greater innovation and competitiveness of regions.

5.1 BENEFITS FOR ANIMATION COMPANIES AND INDUSTRY PROFESSIONALS DERIVING FROM THE PARTICIPATION IN THE CLUSTER

Based on the experience of industrial clusters in various European countries, the creation of cultural clusters would bring a number of benefits in the animation and visual effects sector, such as:

1. A concentration of sector-specific knowledge and skills.
2. A growth of social capital, in terms of trust and cooperation.
3. A dense interaction between the cities or the territory in which the companies are located and the country.
4. A high differentiation of animated and audiovisual products, at the expense of product standardisation; therefore, animated and audiovisual products would be more original and innovative.
5. A spontaneous inclination/propensity towards international markets.
6. Greater opportunity to access regional, national or European public funding, by participating in tenders or attracting investments from private individuals (larger companies operating in the same sector).
7. Possibility of generating technological innovation.
8. Potential for growth not only in purely economic terms, but also in terms of competitiveness and image.
9. Employer branding: the best talents in the industry would be willing to work for these companies, as they recognise the value they place on development.
10. Improving the company's image would go hand in hand with international growth.

11. The participation of companies in clusters would also allow them to attract investments, both from the same country in which they are located, and from abroad.
12. This factor also implies the growth of an ever wider network and the exchange of know-how with other companies belonging to the clusters.
13. Possibility of accessing a network of partners with specific know-how and skills in the animation and visual effects sector.
14. Fast transmission of information and updates.
15. Ability to provide and receive on-going training.
16. Cooperation within the cluster gives a guarantee of providing joint capacity (human and technical resources) that will enable engaging cluster partners in ambitious high scale projects.
17. Joint promotion of cluster members.
18. Reduction of risks associated with information asymmetries.
19. Possibility of joining programs such as Erasmus + to attract young male and female students from other countries (e.g. using the Erasmus for Young Entrepreneurs programme).

5.2 BENEFITS FOR THE REGION AND THE COUNTRY DERIVING FROM THE PARTICIPATION IN THE CLUSTER

1. Attracting investments from other countries.
2. Ability to establish industry best practices.
3. Internationalisation of local businesses: from local to global –"glocal"-, namely combination of cultural elements of the territory with those of other countries.
4. Improvement of relations with other countries.
5. Overall improvement of the image of the country or region.

6. Increase in the number of interdisciplinary projects with the participation of cluster members and entities supporting it.
7. Intensification of business-science cooperation
8. Stimulating technological development and innovation in the region / country.

6. CLUSTER MODEL FOR THE ANIMATION AND VISUAL EFFECTS SECTOR

A peculiarity of cultural clusters is the differentiation of creative products: since, especially in the animation and visual effects sector, there are various possibilities linked to the creation of a new product, a self-reinforcing effect is created both as regards the creation of this products (differentiation) and for the development of skills of professionals who are in the orbit of these cultural sectors. The professionals who contribute, for example, to the creation of an animated product (whether they are freelance professionals or employees of a company) with their intervention make the difference, in the strict sense of the term, in this process.

Based on this premise, in the creative clusters for the animation and visual effect sectors it would be appropriate to "differentiate" the areas of competence of the subjects involved: for example, if a company (or freelance professionals) is particularly specialised in the promotion of animated product, it could represent the point of reference within the cluster for promotional activities; if a company (or freelance professionals) is specialised in the creation of 3D animations, it could take care of the management of activities related to the production of 3D animations within the cluster. Since various skills and abilities are "mobilised" in the creation of animated products and visual effects, the same cluster can act as a "laboratory" for the creation of something new. Even if these elements tend to be endogenous and spontaneous, it is important that there is also an external support both as regards the ex-ante phase, namely the cluster creation itself, and as regards the ex-post phase, which is the "maintenance" and growth of the cluster over time, with the possibility of internationalisation. This means that the institutional support to recognise and regulate the activities of the cluster is fundamental and that the growing interest of the same institutions can lead the cluster to further develop at an international level.

Potential subjects to be involved within the creative clusters for the animation and visual effects sectors:

- University
- High schools
- Companies - production and distribution studios
- Business environment institutions
- Freelance professionals
- Associations
- Non-profit organisations
- Festival organisers - communication and event agencies

6.1 E-CLUSTER

The creation of cultural clusters in the animation and visual effects sector at European level implies a necessary use of digital and virtual tools to the detriment of territorial "barriers": this can be achieved through the creation of so-called "e-clusters", that is digital cluster organised, structured and managed in a completely virtual way.

The "e-cluster" replicates in a virtual space the proximity and coexistence effect that in the past was a typical -and almost exclusive- feature of the territory. It can do this thanks to the possibility of "shortening distances" through ICT, which generates:

- an evolved form of proximity, no longer only physical, but also virtual, between people and companies that use technological mediation to have "close relationships" (easy, frequent, reliable, complex) even when they are in places that remain physically distant from each other;

- an evolved form of coexistence, no longer linked to the sharing of a particular place, but of a network of concepts, methods, experiences, languages that make it possible to create and maintain over time a condition of cultural sharing and a bond of trust also between people and companies operating in different places.

The e-cluster is, therefore, an organisational form that brings together the local dimension with the global one, using technology to have fluid, reliable relationships not only on the territory, but also at a distance. To make this happen, it is necessary for the actors belonging to clusters to have three fundamental elements:

1. The necessary technologies to allow communication and cooperation with the other actors of the cluster, such as electronic devices and software for sharing data and information;
2. The necessary mindset to allow these forms of clusters to exist, to overcome problems related to information asymmetries;
3. The will to enhance the cultural and linguistic specificities of all the cluster players.

In a context such as that of animation and visual effects, there is a starting advantage linked to the use of digital tools for communication and the creation of new projects given by the skills of professionals from private realities (companies or freelance professionals), by the knowledge of experts and scholars in the sector (universities, schools, academics) and by the administrative, legal, procedural and planning skills of institutions, public bodies, associations and non-profit organisations - i.e. by all the actors who should be able to be involved in the creation of such clusters. Therefore, to ensure that this system works and is maintained over time, a synergistic and common commitment of these skills and knowledge is necessary.

This type of virtual organisation can have two major competitive advantages over territorial clusters:

- a large pool of knowledge multiplication and re-use that promises to significantly increase economies of scale and returns on investments made in the production and propagation of new ideas;
- a high level of complexity (variety, variability) that the system, thanks to its internal differentiation and the significant degree of freedom maintained by the various operators, is able to tolerate and govern, ultimately exploiting the greater complexity as a competitive advantage over organisational forms that more rigid and limited.

6.2 GOVERNANCE OF CULTURAL CLUSTERS

In order to favour the creation of cultural clusters and safeguard its maintenance and development, it is necessary to establish a governance model capable of supporting the activities of the cluster through defined roles and a systematic network of interventions. Empirical evidence shows that “virtuous” clusters are characterised by:

1. the presence of governance and coordination structures that promote and support development activities for cluster businesses by creating the right synergies with the various actors;
2. membership of associations, bodies, institutions (typically chambers of commerce or industrial associations) which act, among the various activities, also as aggregation centres for the interests of the same clusters;
3. the presence of service centres, which have a culture of relationships with universities, research centres, etc. and carry out effective services to support the development policies of cluster businesses.

In the clusters that represent consolidated best practices, the organisational form adopted for the implementation of the interventions related to their development mainly provides for the establishment and operation of entities such as:

- Cluster committees;
- Service centres;
- Associations/Consortia between companies and between them and local institutions;
- Foundations;
- Regional innovation agencies and helpdesks for businesses.

These bodies guarantee shared governance of the system to activate and develop common initiatives between companies and stimulate the involvement of schools, vocational training bodies, universities and research centres. The representative bodies of the cluster play a fundamental role both within the cluster in relations between companies and outside the cluster for relations with institutions.

In particular, these bodies guarantee the contact of companies with all the actors and members of the cluster, as well as with the commercial partners and the local institutions; they promote exchanges of information and guarantee the dissemination of best practices, know-how and innovative technologies among entrepreneurs, research bodies, also through the creation of support laboratories for research and development; they support promotion and marketing activities, with particular reference to foreign markets, not only of the typical productions of the cluster, but above all to the enhancement of the economic, social and cultural specificity; they set up activities aimed at training new professionals to be included in the production system or at qualifying the skills already present and available in the area.

The support of these bodies can also be decisive for the establishment of clusters at European level in the cultural and creative sectors: it is necessary to regulate and establish the names, organisational structures and functions of these bodies so that they can concretely contribute to the activities of the clusters.

The cluster committees, for instance, are tables for consultation and planning around which the interested parties involved in the development process of the cluster converge. The committee, therefore, is not a new "institutional" subject nor a new subject is born: in fact, the composition of the cluster committee is representative of public institutions, private companies and other associations and organisations belonging to the cluster. These subjects, on the basis of a memorandum of understanding or a statute, undertake to work for the achievement of the objectives set by the regulation and the strategic programme.

The functioning of the committee is normally governed by a specific regulation which, in addition to establishing its duration and decision-making method, establishes its functions, that involve typically:

- elaboration and adoption of a strategic programme of actions, which determines the strategic guidelines of the cluster's work;
- coordination of the activities of the cluster with public planning, taking care of the connections and participating in the areas of public consultation;
- elaboration of a programme of interventions, including infrastructural ones, consistent with the objectives of the strategic programme;
- monitoring of the state of implementation of the programme;
- evaluation of the effectiveness of the interventions in relation to the objectives of the programme.

The strengths of a cluster committee are connected to the nature of a body which is not institutionalised and does not have a formalised functioning in fixed procedures and consist in:

1. streamlined functioning and decision-making: periodic meetings, on the basis of calls with very short notice times; informal communication tools are used which guarantee fast and effective information exchange;
2. the creation of project partnerships: through the committee, important relationships are created between participating entities and between individual companies/individual entrepreneurs, favouring the development of the sector and the processes of acquiring adequate sources of financing;
3. greater efficiency in the use of resources addressed to projects: the existence of a “network” allows for a better understanding of the initiatives implemented in the sector by the various operators (public and private), favouring the concentration of resources for targeted projects and avoiding the duplication of interventions.

The weaknesses of the committee are connected to the possibility that, if not supported in its activity with conviction by all the members, it risks having poor decision-making capacity and being ineffective. In particular, the main critical factors refer to the quality of the representation and the real ability to formulate guidelines for sector policies. In this regard, in order to effectively elaborate the strategies and shared guidelines for the development of the sector, the committee should be able to count on the active contribution of its members, both in terms of technical knowledge to be brought to the discussions, and in terms of real capacity to represent the interests of the economic, institutional and social actors.

6.3 GOVERNANCE OF INTERNATIONAL CLUSTERS

Clusters can have different organizational forms. The most suitable forms of aggregation for a **supranational organization** are described below.

CONSORTIUM

The consortium is established through collaboration contracts that lead to the creation of a common organisation that has the task of coordinating and directing the activity of individual members. The contract may also provide for "negative obligations" for the member companies, but these should be interpreted as an "accessory" (or consequent) fact of the agreement and not as its main element or purpose.
The consortium can be with both internal and external activity; in order to carry out the "external" activity, the companies belonging to the consortium can set up specific consortium companies in the forms provided for by law as well as creating a common office.

SHAREHOLDING ASSOCIATIONS

The shareholding associations arise for several reasons: from speculative ones linked to the possibility of carrying out one or more joint businesses (to reduce production or procurement costs, to combine their skills in research and development, etc.) up to economic reasons that justify much more penetrating additions and that push to put the entire management in common and thus create stable and long-lasting relationships. In the latter case, the companies involved, while maintaining their legal autonomy, put in place a unitary management by creating a very strong aggregation, while the simpler forms (the most widespread), which provide for one or a certain number of isolated operations, are characterised by an extremely weak constraint and normally do not last long (their duration is linked to the operation to be carried out).

While the associating party must necessarily be a company, the associated one can also be a natural person. However, if it is represented by another production combination, a business combination is set up on a contractual basis.

TEMPORARY BUSINESS ASSOCIATIONS

Temporary business associations, as the same term states, consist of transitory business combinations whose purpose is to cooperate to carry out a common project. It is a case very similar to the consortium, but it differs from this for a series of elements. In addition to the lack of specific legal regulations - the legislative provisions on the matter only in fact only "partial" - there is also the absence of the organisation and the common "accountability" on the project, which in the consortium is demonstrated by the presence of a consortium body, often even with external relevance. As a matter of fact, the associated companies maintain their legal and economic independence and are directly accountable, for the part of their competence, of the project they are required to carry out. This happens also if a particular company is assigned the task, towards third parties , of representing all the others (i.e. "lead company"). Furthermore, while the consortium normally involves a series of operations, if not all the activity of the member companies, the temporary association is limited to a specific business. The most common case that leads to the establishment of a temporary business association is undoubtedly participation in tenders. The aggregation thus allows the various member companies to reach a critical mass (horizontal associations) or a series of skills (vertical associations) such as to allow the aggregate to participate in tenders and to create works that the individual members would not be able to do or perform independently.

JOINT VENTURES

Joint ventures are forms of collaboration that have had a notable diffusion in both advanced and developing countries. They are particularly common in the international arena, as they allow you to quickly start new activities aimed at entering multiple markets, as well as overcoming obstacles and constraints that often limit investments abroad.

They can be divided into two main types according to the respective methods of constitution: contractual joint ventures and corporate joint ventures (incorporated joint ventures). The most common initiatives for which this type of aggregation lends itself are the manufacture of a complex asset (such as a city, an organised area, a large building, a large plant, etc.) where distinctive skills are needed in various fields, participation to a specific contract, the creation of a new product, the management of an important event (such as a fair, a sporting event, etc.)

BUSINESS NETWORKS

A network of companies is configured whenever operators, formally independent, set up co-production relationships through agreements which can be of different types and are based on the presence of a relational structure based on communication mechanisms and coordination between the various companies in the network. These relationships can be structured with a leader company and a series of “subordinate” companies, or with a set of companies that are on the same level, thus establishing equal relationships. The resulting network is characterised by a strategic and long-lasting link that allows the individual business units to obtain variously configured advantages compared to competitors who are placed outside the network itself. A network can be established, for instance, with an informal agreement of a productive nature, or through a collaboration contract (even with the presence of participatory relationships) but unlike these, it presupposes a relationship and an interaction that goes well beyond the specific terms of these agreements and, above all, is not subject to excessive structural rigidity. The network contract in some ways is similar to the case of the cluster, but, unlike this, it goes beyond the logic of territoriality and can provide for the aggregation of companies that are also very distant from a geographical point of view.

The essence of the network contract lies in the organised relationship between several companies that undertake to jointly carry out one or more economic activities that fall within their respective social objects, in order to increase mutual innovative capacity and competitiveness on the market. A common body must be established with the task of following the network programme and managing the conduct of internal and external activities.

EUROPEAN ECONOMIC INTEREST GROUPING (EEIG)

The European Economic Interest Grouping (EEIG), despite its name ("group"), is a form of aggregation of a contractual nature desired at Community level and established with the Council of Ministers of the European Communities Regulation of 25 July 1985, no. 2137 with the aim of allowing Union companies to create alliances under a common European regulation in order to overcome national differences in the matter. The EEIG is a contract that can be stipulated between subjects who carry out an economic activity and gives rise to an associative phenomenon with external significance. However, it is necessary that at least two parties from different countries of the European Union are present. A peculiarity lies in the fact that it is possible to introduce in the "group" not only companies but also professionals (i.e. freelance professionals). It is not for profit: the goods and services produced must be offered to the members of the grouping at their cost. In this way the economic advantages of the EEIG are directly linked to the assets of the individual participating companies. The related regulation is, however, rather cumbersome and unclear and envisages a “crucial” issue, the patrimonial responsibility of the individual members, who are liable indefinitely and jointly for all the obligations that are not satisfied by the “group”, while maintaining their own legal and patrimonial autonomy.

7. FUNDING SOURCES

In this section there are:

- European programmes for the creative and animation industries in the 2021-2027 programming;
- in-depth sheets containing an analysis of the main objectives of each programme;
- the links of the European Commission to access the reference sites and official documents related to each programme.

7.1 HORIZON EUROPE

Horizon Europe[10] is the new European programme for research and innovation for the period 2021-2027, for which an investment amounting to 95.5 billion euros has been allocated. The general objective of Horizon Europe is to produce a scientific, technological, economic and social impact from EU investments in research and innovation, in order to:

- strengthen the scientific and technological foundations of the Union and the European Research Area;
- promote its competitiveness in all Member States;
- implement the strategic priorities of the EU and contribute to the realisation of European policies.

Based on the United Nations Sustainable Development Goals (SDG), the programme is divided into three pillars and a transversal part that concerns the expansion of

[10] https://ec.europa.eu/info/research-and-innovation/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe_en

participation and the consolidation of the European research area. Each pillar has a specific thematic area:

- Pillar 1: Scientific excellence. The first pillar has the objective of promoting scientific excellence, attracting the best talents to Europe, providing adequate support for early career researchers and supporting the creation and dissemination of scientific excellence.
- Pillar 2: Global challenges and European industrial competitiveness. The second pillar aims to strengthen the competitiveness of European industry, increase the impact of R&I in the development, support and implementation of Union policies and support the adoption of innovative solutions in the industrial sector.
- Pillar 3: Innovative Europe. The third pillar aims to promote all forms of innovation, including non-technological innovation, especially within SMEs, facilitating technological development, demonstration and knowledge transfer, and strengthening the dissemination of innovative solutions.

In the context of the creation of new creative clusters linked to the development of the animation and visual effects sectors, pillars 2 and 3 constitute an important source of funding.

"Culture, creativity and inclusive society"

Within Pillar 2, whose budget amounts to 53.5 billion euros, among the thematic poles we find "Culture, creativity and inclusive society": the investments in research and innovation of this cluster, which amount to almost 2,3 billion euros over seven years (2.4% of the entire programme), focus on challenges related to cultural heritage and the creative industry, as well as social and economic transformations. The objective consists, in general terms, in the adoption of new paradigms and policies for change in a dynamic context, of rapid transformations, transitions and international connections.

This cluster finances three destinations:

"Innovative Research on Democracy and Governance" - this area of intervention intends to support the strengthening of democratic governance and the improvement of trust in democratic institutions;

"Innovative research on European cultural heritage and cultural and creative industries": this area of intervention aims to improve the protection, enhancement and restoration of cultural heritage; the funded companies support sustainable growth and the creation of job opportunities through cultural and creative industries, helping to make them a source of innovation and job opportunities;

"Innovative Research on Social and Economic Transformations": this area of intervention participates in addressing social, economic and political inequalities, supporting the development of human capital and a global European strategy for inclusive growth.

The calls for tenders of the "Culture, Creativity and Inclusive Society" cluster are available on Funding & Tender[11], the European Commission's portal dedicated to directly managed loans.

As for Pillar 3, the "European Innovation Ecosystems" and the "European Institute of Innovation and Technology (EIT)" support the development of creative clusters.

"European ecosystems of innovation"

The activities funded under this thematic pole aim to strengthen innovation ecosystems by enhancing their connections, making them inclusive and efficient so that they can support the scalability of companies and stimulate innovation to address important

[11] https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/horizon

challenges such as social and economic recovery, sustainability and resilience in a responsible way; the financial endowment available to the European Innovation Ecosystems is 528 million euros in seven years.

This cluster also finances three destinations:

CONNECT[12] – It focuses on building interconnected and inclusive innovation ecosystems across Europe, building on existing strengths of national, regional and local ecosystems and encouraging the involvement of all actors and territories to define, undertake and achieve collective ambitions for the benefit of society, including green, digital and social transitions and the European Research Area.

SCALEUP[13] – It focuses on strengthening network connectivity within and between innovation ecosystems for sustainable business growth with high social value.

INNOVSMES[14] – It supports the European "Innovative SMEs" partnership, which will help innovative SMEs to increase their research and innovation (R&I) capacity and productivity and to successfully enter global value chains and new markets.

The calls of the European Ecosystems of Innovation cluster are also available on the Funding & Tender portal, in the section dedicated to Horizon Europe.

"European Institute of Innovation and Technology - (EIT)"[15]

Established in 2008, in order to increase Europe's ability to innovate by nurturing entrepreneurial talent and supporting new ideas, the EIT aims to facilitate integration

[12] https://ec.europa.eu/info/departments/communications-networks-content-and-technology_en
[13] https://digital-strategy.ec.europa.eu/en/policies/startup-europe
[14] https://ec.europa.eu/programmes/horizon2020/en/innovation-smes-work-programme-2018-2020-0
[15] https://ec.europa.eu/education/policies/innovation-in-education/the-european-institute-of-innovation-and-technology-eit_en

and interconnection between businesses, training institutions and research institutions. The institute continues to support the Knowledge and Innovation Communities (KICs) in order to strengthen innovation ecosystems and thus contribute to global and social challenges. Two other objectives are to increase the entrepreneurial and innovation capacity of the higher education sector in Europe and to broaden the regional and local reach of KICs, to be achieved by including a wider range of stakeholders to address inequalities in the capacity for innovation within the EU. The EIT will have a financial endowment of almost 3 billion euros for the period 2021-27.

Much of the EIT's budget is dedicated to supporting the Knowledge and Innovation Communities (KICs), made up of European partnerships between companies, research institutions, universities and businesses that pursue a strategic agenda in specific scientific sectors and technological, through integrated advanced training, research and innovation activities. The KICs offer a wide range of innovation and entrepreneurship services and activities: training courses that combine technical and entrepreneurial skills, tailor-made services for the creation and acceleration of businesses and innovation-oriented research projects. There are currently eight KICs:

1. EIT Climate-KIC
2. EIT Digital
3. EIT Food
4. EIT Health
5. EIT InnoEnergy
6. EIT Manufacturing
7. EIT Raw Materials
8. EIT Urban Mobility

The funding opportunities activated by the KICs are available on the EIT website in the Opportunities section[16].

7.2 CREATIVE EUROPE

Creative Europe[17] is the EU framework programme that supports activities in the cultural and audiovisual sectors with a budget of 2,4 billion euros. The general objectives of the programme are: to safeguard, develop and promote the European cultural heritage; increase the competitiveness and economic potential of the creative and cultural sectors, in particular the audiovisual sector. The program includes three macro areas/sub-programmes: “Culture”, “Media” and “Cross-sectoral Section”.
Like other programmes of the new seven-year period, Creative Europe 2021-2027 will also benefit from an increase in resources to support the European cultural and creative sectors and audiovisual works.

As a matter of fact, the Commission proposed to make 1,85 billion euros available (€ 400 million more than Creative Europe 2014-2020). In particular, the funds will be divided as follows:

- 1,081 billion euros for the Media section
- 609 million euros for the Culture section
- 160 million euros for the cross-sectoral section

In order face the challenges of the future, the proposal foresees the pursuit of general objectives, specific objectives and priorities.

[16] https://eit.europa.eu/our-activities/opportunities
[17] https://ec.europa.eu/culture/funding-creative-europe/about-creative-europe-programme

Some examples are the promotion of European cooperation on cultural and linguistic diversity or the strengthening of the competitiveness of the cultural and creative sectors with particular attention to the audiovisual sector.

The proposal for a regulation put forward by the Commission is based on and follows up on the current structure of the programme in terms of structure and objectives. However, adaptations were needed to respond to economic, technological, social and political developments. In particular, the programme aims at giving:

- greater opportunities for carrying out cross-border projects, increasing cross-border cooperation between cultural operators and funding for European cultural networks;
- greater attention to digital transformation, favouring innovative forms of storytelling, the creation of a network of video on-demand (VOD) platforms, pan-European distribution, the development of a greater number of successful European works, the creation of a repertoire of European films, networks of European festivals and the updating of the rules available to the audiovisual media sector;
- Increased support for the promotion of European cultural and creative works outside the EU, through marketing and branding campaigns for European works at international level, the participation of European works in international festivals and the creation of networks of young people and creative entrepreneurs.

As anticipated, the programme is divided into three sections that provide for investments for different types of projects:

Culture

This sub-programme aims to support the growth and potential of the cultural sector through a series of tools:

- European platforms for cultural sector operators, with the aim of promoting emerging artists and stimulating the design of artistic and cultural works;
- European networks, designed to foster transnational cooperation between subjects operating in the artistic-cultural sector;
- European cooperation projects, which aim to encourage and promote European planning in the artistic and cultural sector;
- Translation of literary works, to facilitate access and disseminate knowledge of European literary works.

Media

The sub-programme dedicated to the audiovisual sector aims to support the growth of a constantly evolving market with high growth potential through various initiatives:

- European Cinema Forum, or a platform aimed at encouraging dialogue between public decision makers and operators in the audiovisual sector;
- Television programming of European audiovisual works, dedicated to opportunities for European audiovisual production companies;
- Film festivals, useful for stimulating interest in European audiovisual productions;
- International cooperation funds, to encourage international co-productions and strengthen the dissemination and distribution of audiovisual works;
- Support to distribution, to encourage dialogue between production companies and distribution companies;
- Training, to stimulate the acquisition of new skills by operators and professionals in the audiovisual sector;

- Networks of cinemas, to encourage the growth of a network between European cinemas;
- Online distribution, with the aim of testing and encouraging new distribution methods;
- Access to markets, to facilitate market entry through various strategies;
- Made in Europe, to spread the culture and specificities of the member countries;
- Expansion of the public, with the aim of stimulating interest in European audiovisual works by promoting them;
- Development of individual projects and slate funding, to promote European audiovisual works also at an international level;
- Video game development, with the aim of increasing the competitiveness of the European video game industry

Cross-sectoral section

This sub-programme aims to support the transnational exchange of experiences and know-how in relation to new business and managerial models and to develop the network between cultural-creative organisations and public decision makers in relation to the development of the cultural and creative sectors.

The calls are available on the Funding & Tender[18] portal of the European Commission.

7.3 DIGITAL EUROPE

Digital Europe is the European programme that funds digital transformation, whose budget amounts to 7,5 billion euros. The five pillars on which the program is based are:

- High performance computing;
- Artificial intelligence;

[18] https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/crea2027

- Cybersecurity;
- Advanced digital skills;
- Implementation, optimal use of digital capacity and interoperability.

The pillar dedicated to advanced digital skills emphasizes the importance of training and the development of innovative knowledge and skills in various digital fields: therefore, being it addressed not only to students and professionals, but also to businesses and operators of these sectors, it can constitute a significant support tool for the development of creative clusters.

7.4 EURIMAGES - COUNCIL OF EUROPE

Another important tool to be taken into consideration for the development of creative clusters, particularly in the animation and visual effects sectors, is the Eurimages fund[19]: this fund, which active since 1989, promotes the making of independent films, including feature films, animation films and documentaries. This fund, whose annual budget amounts to approximately 27,5 million euros, aims to support:

- Co-productions between Member States;
- Promotion of co-productions;
- Exhibitions.

7.5 INTERREG

The INTERREG inter-territorial cooperation programme[20], funded by the ERDF, aims to support collaboration between all European territories and regions: this program helps and supports local and regional governments to implement policies that promote

[19] https://www.coe.int/en/web/eurimages
[20] https://www.interregeurope.eu/about-us/2021-2027/

growth and development and to share best practices and know-how in order to pursue common objectives and ensure sustainable development. As part of the creation of cultural clusters between different member countries, this programme can contribute to the growth and development of networks through specific cooperation tools.

With a budget of 8,05 billion (at 2018 prices), the sixth Interreg generation will be organised into four components (strands), one more than in 2014-2020:

- Interreg A, i.e. **Cross-Border Cooperation** between adjacent regions to promote integrated and harmonious regional development between neighbouring land and maritime border regions. 72.2% (5,8 billion euros) of the budget will be dedicated to this part of the programme;
- Interreg B, or the **Transnational Cooperation** on wider transnational territories or around sea basins, to which 18.2% of the available resources (1,467 billion euros) is assigned;
- Interreg C, that is the **Interregional Cooperation** to strengthen the effectiveness of the Cohesion Policy, which takes home 6.1% of the total funds, equal to 490 million euros;
- Interreg D, i.e. the **Cooperation Of The Outermost Regions** to facilitate their integration and the harmonious development of the territories. 3.5% of the total budget (280 million) goes to this last component; this section aims to strengthen the cooperation of the ultra-peripheral regions with their neighbouring environment (for example the Caribbean regions), to stimulate economic exchanges between regional partners and support their mutual development.

Other elements to be taken into account are:

- a specific co-financing rate of 80%, raised to 85% for the outermost regions, agreed in the Common Provisions Regulation;

- provisions on thematic concentration, including the obligation to support measures contributing to the implementation of the European Green Deal and measures falling within the scope of the European Social Fund Plus regulation, between internal land borders. These provisions also promote specific new objectives within Interreg, mainly aimed at making Europe safer;
- flexibility provisions that facilitate support for small projects, including initiatives involving people-to-people contacts;
- a comprehensive and flexible technical assistance support system, tailored to the needs of each type of programme;

Any public or private, profit or non-profit organisation can participate in the programme.

- Small, medium and large-sized enterprises;
- Universities and research centres;
- Associations and NGOs;
- Public bodies.

Interreg aims to promote better cooperation within the Union for a common approach aimed at solving related issues. Its support is aimed at a wide range of project investments related to innovation, environment, accessibility, telecommunications, urban development, etc.

In particular, transnational programmes add an important extra-European dimension to regional development, channelling it towards coordinated strategic priorities, such as lines of communication, flood management, international links between research and business, and the development of more vital and sustainable markets.
The covered topics include:

- Innovation, in particular networks of universities, research institutes, SMEs;
- Environment, especially water resources, like seas, rivers, lakes;
- Accessibility, including telecommunications, and in particular the creation of networks;
- Sustainable urban development, especially polycentric development.

The average cut of a transnational cooperation project, in terms of budget, varies between 1,5 and 3,5 million euros. The funding is equal to 80% of the value of the project. The 20% of co-financing is covered, for public entities, by a national revolving fund (as in Italy, for instance) which leads to 100% reimbursement of eligible expenses. The eligible expenses are:

- Staff (personnel)
- Administrative expenses (calculated on a flat-rate basis)
- Travels
- External services (consultancy and supplies)
- Durable equipment ("equipment")
- Infrastructure investments (under certain conditions)

7.6 URBACT

The URBACT programme[21], funded by the ERDF, aims to help urban areas to develop innovative, sustainable and pragmatic solutions capable of integrating the social, economic and environmental fabric. The programme is based on five pillars:

- Economy;
- Governance;
- Social inclusion;

[21] https://urbact.eu/

- Urban development;
- Environment.

Within the pillar dedicated to "Economy", it is possible to refer to the spheres "Digital transformation", "Entrepreneurship and SMEs" and "Research and innovation" to find tools to support the development of creative clusters; as regards the pillar dedicated to "Urban development", on the other hand, there are tools aimed at the protection and enhancement of "Culture", which could be considered a potential element to support the development of cultural clusters.

7.7 INTERACT

The INTERACT programme[22], funded by the ERDF, aims to enhance the effectiveness of cohesion policy by promoting the exchange of experiences, the transfer of good practices and the dissemination of innovative approaches between partners and territorial cooperation programmes. The exchange of good practices and the creation of networks beyond the borders of the member countries are fundamental elements for the development of creative clusters: therefore, even these programmes, deriving from indirect funds, can be considered as a tool for the development and consolidation of clusters.

7.8 SINGLE MARKET 2021-2027

The 2021-2027 programme[23] on the single market, business competitiveness and European statistics aims to:

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[22] https://www.interact-eu.net/#post-2020
[23] https://ec.europa.eu/info/publications/single-market-innovation-and-digital_en

- improve the functioning of the internal market and in particular protect and strengthen the role of citizens, consumers and businesses, especially micro and small and medium-sized enterprises (SMEs), through the application of Union law, the market access, standardisation and promotion of human, animal and plant health and animal welfare, as well as promoting cooperation between the competent authorities of the Member States and between those authorities and the Commission and decentralised agencies of the EU;
- Provide high-quality, comparable and reliable statistics on Europe to support the design, monitoring and evaluation of all Union policies and to help policy-makers, business, academia, citizens and the media to make informed decisions and actively participate in the democratic process.

The new single market programme will bring many activities together in a single coherent framework with the aim of reducing overlaps and concentrating investments in sectors where the impact of intervention is greatest.

One of the specific objectives of the new programme is dedicated to improving the competitiveness of enterprises, with particular attention to SMEs, through various measures in support of enterprises. In particular, the new programme aims to:

- provide financial support in the form, for example, of grants and loan guarantees under the InvestEU Fund;
- facilitate access to markets and reduce administrative burdens;
- support the diffusion of innovation and addressing global and social challenges;
- promote a business-friendly environment and an entrepreneurial culture;

Among the identified instruments, the Enterprise Europe Network will offer an integrated advisory package to SMEs on how to innovate and grow internationally, and debt and equity financing will be available under the SME section of the InvestEU Fund. Overall, the financial aid for the implementation of the programme in the 2021-2027 period amounts to about 4 billion of which 1 billion be allocated to the competitiveness of businesses.

With regards to the specific objective *Increase the competitiveness of enterprises*, in particular SMEs, the following actions are eligible for funding:

- provision of various forms of support for SMEs;
- facilitating the access of SMEs to markets and supporting them in addressing global and social challenges and the internationalisation of businesses;
- strengthening the industrial leadership of the European Union in global value chains, including the Enterprise Europe Network;
- removing market barriers and administrative burdens and creating a business-friendly environment to enable SMEs to benefit from the internal market;
- facilitating business growth, including skills development, and industrial transformation in the manufacturing and service sectors;
- support for the competitiveness of businesses and entire sectors of the economy, adoption of innovation by SMEs and their collaboration along the value chain through the strategic connection of ecosystems and clusters, including the initiative for collaboration between clusters;
- promotion of a favourable environment for entrepreneurship and an entrepreneurial culture, including the mentoring system for new entrepreneurs, and support for start-ups, business sustainability and rapidly expanding businesses.

7.9 NEXT GENERATION EU

Next Generation EU[24] is a 750 billion euros temporary recovery tool that will help repair the immediate economic and social damage caused by the coronavirus pandemic to create a greener, digital and resilient Europe to cope with present and future challenges. Over 50% of the amount will support modernisation, for example through:

- Research and innovation, carried forward with the Horizon Europe programme;
- Equal climate and digital transitions, through the Just Transition Fund and the Digital Europe Programme;
- Preparedness, recovery and resilience, through the Recovery and Resilience Facility, rescEU and a new health programme, EU4Health.

The programme will also finance:

- The modernisation of traditional policies, such as cohesion policy and the common agricultural policy, to maximize their contribution to European Union's priorities;
- The fight against climate change, to which 30% of European funds will be reserved, the highest percentage ever for the EU budget;
- The protection of biodiversity and gender equality;

The mechanism for recovery and resilience is at the heart of Next Generation EU and will provide 672.5 billion euros in loans and grants to support reforms and investments made by Member States. The aim is to mitigate the economic and social impact of the coronavirus pandemic and make the economies and societies of European countries more sustainable, resilient and prepared for the challenges and opportunities of the

[24] https://ec.europa.eu/info/strategy/recovery-plan-europe_en

ecological and digital transition. Member States are preparing their recovery and resilience plans, which will entitle them to receive funding under the Recovery and Resilience Facility.

Next Generation EU also allocates 47.5 billion euros for REACT-EU, a new initiative that continues and expands the crisis response measures and those for overcoming the effects of the crisis implemented through the investment initiative in response to the coronavirus and the Coronavirus Response Investment Initiative Plus. REACT-EU will contribute to a green, digital and resilient economic recovery. The resources will be divided between:

- the European Regional Development Fund (ERDF)
- the European Social Fund (ESF)
- the Fund for European Aid to the Most Deprived (FEAD)

These additional resources will be disbursed in the period 2021-2022.

The long-term budget will continue to be financed using the EU's known sources of revenue:

- customs duties
- Member State contributions based on value added tax (VAT)
- contributions based on gross national income (GNI)

7.10 DIGITAL INNOVATION HUBS

European Digital Innovation Hubs (EDIHs)[25] will function as one-stop shops that help companies dynamically respond to the digital challenges and become more competitive.

[25] https://digital-strategy.ec.europa.eu/en/activities/edihs

By providing access to technical expertise and experimentation as well as the possibility to "test before invest", EDIHs help companies improve business/production processes, products, or services using digital technologies. They also provide innovation services, such as financing advice, training, and skills development that are needed for a successful digital transformation. Environmental issues are also taken into account, in particular with regard to energy consumption and low carbon emissions.

7.11 INDIRECT FUNDS

In order to support the development of cultural clusters, it is also possible to identify some types of indirect funds: these funds, also called structural and investment funds, are financed by the European Commission, but are managed by local, national or regional authorities such as ministries. These funds have the objective of implementing the "regional policy" or "cohesion policy" of the European Union by reducing the economic, social and territorial disparities between the various European regions.

The structural funds are divided into:

a) European Regional Development Fund (ERDF), whose main objective is to consolidate the economic and social cohesion of the European Union by correcting the imbalances between regions. The ERDF focuses investments on several key priority areas. This approach takes the name of "thematic concentration":

- innovation and research;
- digital agenda;
- support for small and medium-sized enterprises (SMEs);
- low carbon economy.

The ERDF resources allocated to these priorities depend on the category of region: in the more developed regions at least 80% of the funds must be concentrated on at least two priorities; in transition regions, the concentration concerns 60% of the funds; in less-developed regions, the concentration concerns 50% of the funds.

b) European Social Fund plus (ESF plus), which aims to support employment in the Member States, as well as to promote training and economic and social cohesion. The three investment sectors are: education and training; effectiveness of labour markets and equal access to quality employment; social inclusion, health and fight against poverty.
c) Cohesion Fund (CF), which aims to reduce economic and social disparities and promote sustainable development.

Indirect funds are managed and disbursed by regional or national authorities in the form of:

- non-repayable contributions (often called "Vouchers" and divided into plant subsidies, interest subsidies, capital contributions);
- subsidised loans;
- credit guarantee instruments;
- tax relief;
- contribution relief;
- interventions in risk capital.

Among the ERDF funds it is possible to identify potential sources of financing to support the development of creative clusters in Europe. For information on the programming of indirect funds 2021-2027 it is advisable to consult the websites of the managing authorities of the individual member states/regions.

8. SMART SPECIALIZATIONS AND CLUSTER ACTIVITIES IN ALICE REGIONS - REVIEW OF APPLIED SOLUTIONS AND GOOD PRACTICES

In order to investigate the situation in the field of clustering, regional smart specializations and to identify good practices, surveys were carried out among the six partner regions of the ALICE project in Q2 2021. A questionnaire was created to obtain information on the situation in the partner regions, identify potential good practices in this thematic area, as well as the orientation of Regional Innovation Strategies to support the innovation of creative industries, in particular the animation sector and VFX. Questions were asked to 6 regions within each of the three thematic blocks.

A. Regional Smart Specializations

1. **Does the thematic area of supporting the development and innovation of the animation, VFX and games sector fit into the current list of regional smart specializations in your region? If so, please provide the correct smart specialization for your region and describe how it relates to the animation and visual effects gaming sector. Is the thematic area of supporting the development and innovation of the animation, visual effects and games sector directly related to a specific RIS or not?**

5 out of 6 surveyed regions are included in the current list of regional smart specializations or national smart specializations (depending on the size of the country). The Apulia region of Italy has supported the development and innovation of the creative industries sector at the regional level, as well as the animation, VFX and video games sectors. In addition, it has introduced a comprehensive policy to support the production

chain of culture and creativity. Apulia Film Commission was established as an institution responsible in the region for the video, audiovisual and cinema fields.

The Walloon region developed the creative department of Wallimage, funded directly from the Creative Wallonia regional plan. It has been replaced by the broader Digital Wallonia strategy. Wallimage also finances activities in the area of gaming. In another Hauts-de-France region, the creative industries are part of the five strategic dynamics retained in the new Regional Economic Development, Innovation and Internationalization Plan (SRDEII) known as "dynamique Créa-HdF". It aims to connect policies and sectors and implement an approach to innovation and support the 3 pillars of image and the creative industry. The Ministry of Culture of the Slovak Republic, on the other hand, supports the development of CCIs in a general way through various activities. It focuses on motivating regional and local authorities to map their areas to develop strategies for the cultural and creative sectors. One of the areas of action could also be support for the animation sector, if the country has sufficient potential. Smart specialization strategies are not an agenda of the Ministry of Culture but an agency of the Ministry of Investment, Regional Development and Informatization of the Slovak Republic (MIRRI).

The Podkarpackie Region does not have a direct regional smart specialization in which the animation and computer games sector would fit in, but it has a supporting intelligent specialization called: information and telecommunications (ICT). Intelligent specialization information and telecommunications (ICT) is justified not only by the diagnosed potential of the region (research and development and entrepreneurship), but most of all it is related to the key concept of assistive technologies. Therefore, the information and telecommunications (ICT) specialization, which is significant in nearly every sphere of the economy and society, cannot be treated in terms of sectors or industries. Products and services related to this specialization will play a key role in solving many social and economic challenges, they should mainly play a supporting role for three key, distinguished smart specializations of the Podkarpackie Voivodeship: aviation and space, quality of life and automotive.

2. **Does your region approve the new Regional Innovation Strategy (which relates to the aforementioned regional smart specialization) for 2021 and above? Is the current strategy still valid or is a new strategy being developed?**

In 4 of the 6 surveyed regions, the Regional Innovation Strategy has been approved and is still valid for 2021 and the following years. In one of the regions, the documents making up the Smart Specialization Strategy are in the area of operation for the center of the regional Research and Innovation policy. They propose a new approach to identify a model of responsible economic development, capable of gradual and collective improvement in the use of new technologies. In another region, the Strategy includes the creation of 5 strategic innovation domains, which aim to combine a coherent and ambitious set of innovative actions with a regional scope, with a strong economic and social impact. These relate to the energy transition, inclusive society, health and food, the climate crisis and biodiversity, as well as resource optimization. In the Podkarpackie Region in Poland, a new Regional Innovation Strategy for 2021-2027 is currently being developed in line with the new EU financing perspective.

3. **If a new Regional Innovation Strategy has already been approved or if the current one is still valid (till what time), please specify which priority actions are planned in your region regarding the animation, visual effects and games sector?**

In one of the partner regions, support for the cultural and creative sectors is mentioned in general, but there are no specific actions, and the Puglia region has not approved its RIS. However, thanks to the results of the ALICE project, the Apulia Region will implement programs and initiatives that favor the VFX industry and the gaming sectors in Puglia. In other regions, the VFX and gaming sectors are involved in the strategy. However, there is no official organization coordinating the animation sector yet. In Slovakia, the priority actions are a special fund for animation projects and a special fund for video games. In the Podkarpackie Region in Poland, a new Regional Innovation Strategy for 2021-2027 is currently being developed in line with the new EU financing perspective. It is difficult to say whether, despite the efforts of the Rzeszów Regional Development Agency - ALICE project partner, it will be possible to introduce provisions regarding the animation sector, visual effects and games.

4. **How does the Regional Innovation Strategy relate to the Development Strategy of your region? What activities are you planning in your strategy of strengthening and developing regional smart specializations of the region?**

In Italy, cultural attractiveness has long been an important aspect of activating tourism spending. The Puglia region contributed to the determination of the tourism expenditure activated by the cultural industries in Italy at around 4%. This shows the impact that the cultural industries can have on the development of tourism in a given territory. This relationship creates a political revolution, as was the case until recently, in the field of research and innovation. Therefore, it has become a pillar of the regional policy of the Apulia operational plan. In the Walloon region, the most important activities are managed by Wallimage: investments in audiovisual projects, mainly for the production process, but also, to a lesser extent, in the development phase, investments in audiovisual businesses, investments in the gaming industry and the creation of cooperation between the animation sector and the gaming industry (by generating relationships between both sectors). The study region hopes that Phase II of the ALICE project plan will allow them to work on developing a true network of animation studios using digital innovation. In the Hauts-de-France region, four action plans are introduced as operational measures: start-up and acquisitions plan, business development Booster plan, employment plan and territories plan. These action plans rely in particular on mechanisms to support enterprises, especially financial ones, with the aim of being the Region that offers the most competitive aid and the most business-friendly simplification of formalities in France, enabling investors to be attracted to this territory. Catalonia's Smart Specialization Strategy provides the framework within which the Catalan Government sets up research and innovation activities and programs and provides support for the generation and development of innovative projects. Furthermore, the Catalan Digital Strategy provides a framework for investment and action in the field of ICT.

In the case of the Podkarpacie Region, the recognition of information and telecommunications (ICT) as a smart supporting specialization is of great importance for each social and economic area in the context of the multi-dimensional development of the Region. The area of intelligent specialization supporting information and telecommunications (ICT) directly supports the development of the leading smart specializations of the Region (aviation and aerospace, quality of life and automotive), which results directly from the ubiquitous presence of information and telecommunications technologies in almost all areas of the functioning of today's societies and economies.

5. **Do these activities also concern supporting the development of clusters and cluster initiatives in the region and the internationalization of clusters and cluster initiatives?**

In the Puglia region, both a cluster promotion policy and an industrial support policy for enterprises have been launched. The law provides for two phases: the first is the recognition phase, in which some actors ask a region to be recognized as a regional cluster. The second is to create a development program with system activities that may include research, training, internationalization. There is a cross-functional audiovisual cluster called 'Twist' in the Walloon region of Belgium and is currently working on an international network of commercial virtual graphic resources. In the Hauts-de-France region, the regional strategy is contained in several regional clusters EURATECHNOLOGIES: for information technology, LA PLAINE IMAGES: European center dedicated to the creative industries: audiovisual, games, image, animation, events and marketing, LA SERRE NUMÉRIQUE: dedicated to creating digital: video games, animation and design and ARENBERG CREATIVE MINE: for filming (several film sets) and research.

In Podkarpacie, Poland, as part of RIS, special meetings and smart specialization panels are organized in which cluster representatives can participate and formulate the most important solutions for them. There is no special program for supporting clusters in the region - it is in Poland, but it is directed only to the most important clusters for the country's development, so-called Key Clusters. From the Podkarpacie Region, only the Aviation Valley Cluster is the key cluster. There are two clusters of animation, special effects and video games in Poland: Media Cluster operating in the city of Łódź, Łódzkie Voivodeship and the Animation Center in Kraków from the Małopolska region. Both clusters are not core clusters.

6. **Are there any other regional strategy papers that link animation clusters to your regional smart specializations, and if so, what are the main lessons learned from them?**

In the 4 regions, there are no other regional strategy papers linking animation clusters to smart specializations, although in the Walloon region the opening of the New Animation Technologies Training Institute could remedy this. In Puglia, there are documents relating to the Strategic Cultural Plan of the Puglia Region, the Strategic Plan "Custodiamo la Cultura in Puglia" and the Development Plan of the Puglia Creativa

Cluster. In the Hauts-de-France region, the Image and Culture Campus of Tomorrow is taking place and an industry agreement is being implemented linking the Cultural and Creative Industry. Industry contracts are the operational and partnership version of the regional strategies for economic development (SRDE-II) and the development of training and counseling.

B. Cluster activity as a way to support the development of the animation sector

1. What kind of management and organizational structure can creative clusters have?

According to the Apulia region, the cluster should have a developed form of closeness, not only physical but also virtual, between people and companies that use technological means to establish "close relationships" (easy, frequent, reliable, complex), even when they are in places physically distant from each other. It should have a management and coordination structure, membership in associations, bodies and institutions may be important. The Walloon Region considers the most effective administrative structure to be a non-profit association of producers, studies, talents, schools and institutions. Each cluster has local or multi-local management. All clusters are included in the regional development program. Catalonia, on the other hand, replied that in their case the governance model works, in which the General Assembly is the governing body, the Board appoints the chairman, treasurer and secretary, the CEO and the management team work exclusively for the cluster.

In Poland, clusters most often operating in the form of a consortium agreement, the leader of which is an association or foundation. It is the simplest and most functional solution in Poland.

2. **Which methods of operation would you prefer to use for cooperation between members of the creative cluster?**

Hauts-de-France would prefer to use a General Assembly / Meeting, Pictanovo participates in the cluster selection committee and collaborates on the installation of producers and suppliers. Catalonia would also like to hold informal meetings and meetings, and Slovakia would like to conduct an open dialogue between the actors involved in the entire channel in the CCIs. The Walloon Region, as recommended by the ALICE project, wants to use mapping and registration in a smart directory, but also networking and financial support from public institutions to improve cooperation. Subsequent regions would like to create service centers whose staff would have excellent relations with universities, research centers and which would provide effective service supporting the development policy of enterprises belonging to the cluster by encouraging participation in joint regional, national and European tenders and projects.

C. Identification of potential good practice

In conclusion: in most of the analyzed partner regions of the ALICE project, the thematic area of supporting the development and innovation of the animation, VFX and games sector is part of the current list of regional smart specializations and is included in the approved or updated Regional Innovation Strategy applicable for a given region or country. When it comes to the most important priorities in the animation sector, visual effects and games, it is certainly important to establish a special animation fund and a fund for the creation of video games, creating programs and initiatives that favor the VFX industry and the gaming sectors. General support for the cultural and creative sectors is also important. Thanks to the ALICE project, it will be possible at a later stage to work on the development of a real network of animation studios using digital innovations. Regional Innovation Strategies of individual regions also apply to supporting the development of clusters and cluster initiatives. The downside, however, is that in most regions there are no regional strategy papers linking animation clusters with other regional smart specializations, only as such occur in the regions of Apulia and Hauts-de-France. Therefore, it is very important to target the Regional Innovation Strategies well, providing for real support for innovation in the creative industries, the animation sector and VFX. The methods of working for cooperation between members of the creative cluster, which were found to be of particular importance, are primarily informal meetings, mapping and registration in the smart directory of entities, as well as open dialogue between entities involved in the entire channel in CCIs and special public to support clusters, their development and functioning. A big plus is the information that in most of the partner regions there are clusters dedicated to the creative industry or the animation and games industry, which support companies operating in this thematic area (unfortunately in Slovakia there is no creative or animation cluster, similarly in Poland in the Subcarpathian Region which is the partner region of the ALICE project). Activities supporting the development and innovation of companies from the animation / VFX / games sector include a cooperation network and lobbying activities among public institutions, international programs, incubators - accelerators, as specific "meeting places" and a coworking space that can be used by entrepreneursBasing on the analysis carried out, it can be said that for the creative industry to develop in a given region, appropriate conditions should be formed for it: appropriate provisions should be included in regional smart specializations, a dedicated and very efficiently functioning cluster of companies in the creative industry should be created. This should be formed of universities, public entities, research and development centers, non-governmental organizations as well. A special fund would be established to finance the industry and clusters from public funds, an incubator-accelerator should be created what will allow the development of new companies and ideas. Also, the entire creative industry from a given region should cooperate and work together to promote the industry and the region, e.g. by organizing international events together.

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