



Annex 1 – Action plan

INNO Industry - Improving innovation delivery of policies within 4.0 industry in Europe

Part I – General information

Project: **INNO Industry- Improving innovation delivery of policies within 4.0 industry in Europe.**

Partner organisation: **Romanian Cluster Association (CLUSTERO)**

Other partner organisations involved (if relevant): Ministry of Economy, Entrepreneurship and Trade, 8 Regional Development Agencies, according to NUTS 2 below, Companies, clusters, and professional associations.

Country: **Romania**

NUTS2 region: **RO 11, RO 12, RO 21, RO 22, RO 31, RO 32, RO 41, RO 42.**

Contact person: **Daniel Alexandru Cosnita**

email address: daniel.cosnita@clustero.eu

phone number: +40-721 244 306

Part II – Policy context

The Action Plan aims to impact:

<input checked="" type="checkbox"/>	Investment for Growth and Jobs programme
<input type="checkbox"/>	European Territorial Cooperation programme
<input checked="" type="checkbox"/>	Other regional development policy instrument

Name of the policy instrument addressed: **National Strategy for Competitiveness 2021-2027**

The National Strategy for Competitiveness (NSC) for the period 2021 -2027 is elaborated by the Romanian Ministry of Economy as the main policy document guiding the national economical policy. It comes as a continuation of the Competitiveness Strategy 2015-2020 and is an important set-up element of New Programming Period 2021-2027, regarding the use of EU Structural Funds.

One of the main components of the Strategy is the Action Plan for Managing the Industrial Transition, which in its turn, is part of the National Strategy for Research, Innovation and Smart Specialisation and represents an enabling condition for the Cohesion Policy Framework 2021-2027 in Romania.

The action plan for managing the industrial transition intends to support the digital transition of enterprises, efficiently target private sector spending on research and development and technological innovation, in the context of the circular economy and environmental sustainability and increase skills in Industry 4.0 related areas.

Overall, the NSC 2021-2027 has following objectives:

- O1. Industrial modernisation of enterprises, through
 - o O1.1 Enterprise competitiveness
 - o O1.2 Up- and re-skilling
 - o O1.3 Business Driven Innovation
 - o O1.4 Bridging the gap between rural and urban economies
 - o O1.5 Integration of Romanian enterprises into global value chains
- O2. Competitiveness through Industry 4.0 processes
 - o O2.1 Plan for Managing the Industrial Transition
- O3. Institutional Capacity Development for the Implementation of the Competitiveness Policy.

Accordingly, the NSC 2021-2027 influences several policies such as:

- National Strategy for Research, Innovation and Smart Specialisation (National S3) via O2.
- Regional Innovation Strategies (Regional S3) via O2.
- National Strategy for Employment (NSE 2021 -2027)) via O1.2
- National Plan for Rural Development (NPRD 2021-2027) via O1.4,

as well funding programmes such as:

- National Research and Development Plan IV (national budget).
- ERDF Programme for Intelligent Growth, Digitalisation and Financial Instruments.
- ERDF Regional Operational Programmes
- The European Agricultural Fund for Rural Development (EAFRD)
- The European Social Fund (ESF)

As shown in the following figure.

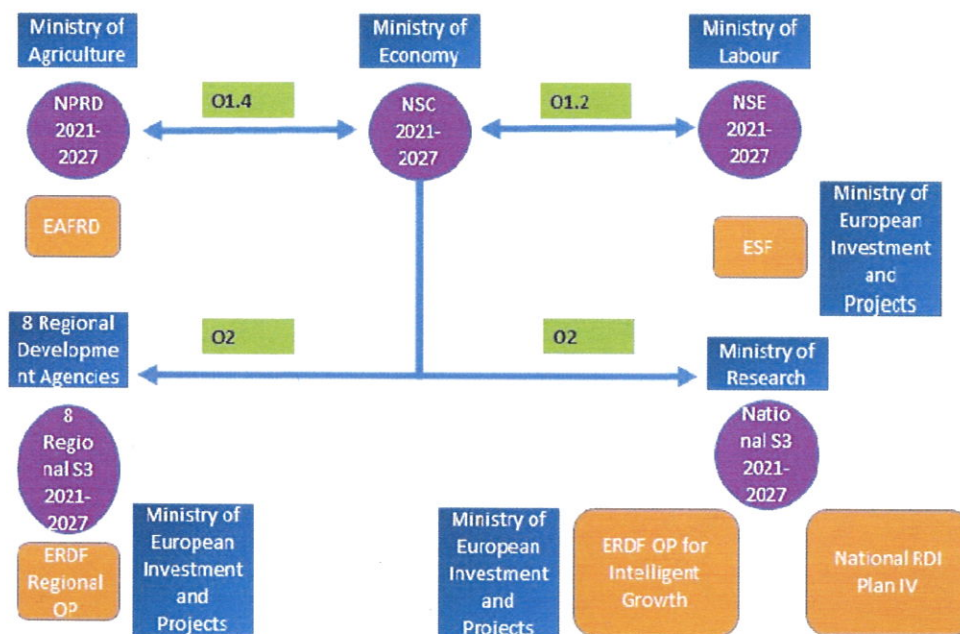


Figure 1 The National Strategy for Competitiveness against in the Romanian economical policy context

Influence of INNO Industry

One of the measures (a new one) in support of O3. *Institutional Capacity Development for the Implementation of the Competitiveness Policy* is the to strengthen the informal cooperation networks between the Policy Makers (in particular the Ministry of Economy) and representatives of the business environment (professional and/or employers' associations such as CLUSTERO) by means of regular meetings which will ensure the ongoing monitoring of the strategy implementation, the so called "economic policy hackathons", and adaptation of the Latvian best practice discussed and further developed in the frame of INNO Industry Therefore it is considered as improved management of the policy instrument addressed.

Endorsement

The measure is endorsed by the Directorate for Industrial Policy in the Romanian Ministry of Economy, as responsible body for the elaboration, implementation, monitoring and evaluation of the National Strategy for Competitiveness 2021-2027.

Part III – Details of the actions envisaged

ACTION 1

1. The background

Given the complexity of the institutional eco-system governing the National Strategy for Competitiveness (see Figure 1), the Inter-ministerial Competitiveness Committee (ICC) was set in place by Government Decision in 2016 as a monitoring body of the Strategy¹, including all relevant Ministries involved in the national economic policies. (Economy Finances, European Investment and Projects, Research, Labour, Regional Development). One of the main weaknesses identified during the previous period (2015-2020) lies in the very formal character of the committee. As a rule, members of committee are state secretaries representing the various ministries,

¹ http://economie.gov.ro/images/transparenta-decizionala/HG_Comitet_Interministerial_Competitivitate.pdf

subject to frequent changes; therefore, the committee has been acting as an approving body (as in the case of the Industrial Policy Document adopted in 2018) rather than an evaluation and monitoring one.

Hence, the need of a more informal and more participative body gathering experts from the above-mentioned ministries but including other actors of the economic ecosystems (regional development agencies, professional and/or employers' associations, clusters, RDI, civil society etc.) which would support the ICC in its decisions. Over the last decade the Ministry of Economy and the Romanian Cluster Association – CLUSTERO have built a very solid partnership in support of cluster and competitiveness development, translated into several actions such as the 2nd national cluster mapping (2017), the organisation of yearly international cluster conferences, including the European Cluster Conference (2019), joint participation in international cooperation projects such as DTP “DanuBioValnet” (2017-2019), DTP “GoDanuBio” (ongoing) etc.

Against this background, during the implementation of the project “Improving innovation delivery of policies within 4.0 industry in Europe,” the Romanian Cluster Association – CLUSTERO, ERDF PP9 within the project, analysed models of good practice on how the policy instrument is influenced by improving cluster activities related to Industry 4.0, against the wider competitiveness actions. The good practice initially considered for the improvement of the policy instrument (action 1 of the Action Plan) is “Hackathons as a cooperation platform – Latvia”.

Having in mind the fact that the action plan for industrial transition by digitalization – Industry 4.0 is a common theme as well for the National Strategy for Competitiveness 2021-2027 as for the National Strategy for Smart Specialisation 2021-2027 as an enabling condition for the next programming period, CLUSTERO will propose the “policy hackathons” to improve, refine and support the National Strategy for Competitiveness.

The “policy hackathons”, proposed by CLUSTERO and endorsed by the Ministry of Economy in the National Competitiveness Strategy, are thought as informal platforms to bring together experts representing ministries, regional development agencies, professional and/or employers' associations, clusters, RDI, civil society etc which will support the Inter-ministerial Competitiveness Committee in its evaluation and monitoring role of the National Strategy for Competitiveness.

2. Description of Action

To fulfil the objectives of the National Competitiveness Strategy, CLUSTERO proposes the organization of hackathons, both at national and regional level. The aim is to define the challenges and identify solutions for them. The analysis of the level of industrial development of Romania and the capacity of traditional industries to evolve towards Industry 4.0 reveals an industrial profile characterized by important gaps between the industrial dynamics of well-integrated sectors within European value chains (e.g. automotive sector, automotive components, etc.) and the traditional ones (e.g. textile, wood and furniture industry), the positioning being in the middle zone, blocked by the modest innovative performances registered by the Romanian enterprises. These conclusions shape a profile with a high degree of diversity on the quantitative, sectoral dimension but with a modest performance on the qualitative dimension.

The hackathons meant to identify the challenges and to define the solutions, both at national level and at regional and sectoral level will be organized as follows:

- a. policy maker hackathons, organized by the Ministry of Economy, Entrepreneurship and Trade and CLUSTERO.

The planning of the activities will be done by CLUSTERO together with all the participating parties for the period 2022-2027.

The “policy hackathons” are designed as 1 day online/offline events (depending on the pandemic situation) where hot topics concerning the implementation/monitoring/evaluation of the National Strategy for Competitiveness will be discussed, such as:

- alignment of different economic policy instruments.
- synchronising funding mechanisms (of various sources and types).
- Continuous adaptation of policy instruments and support instruments to the bottom-up feedback coming from the market.

3. **Players involved** (please indicate the organisations in the region who are involved in the development and implementation of the action and explain their role).

a. **Romanian Cluster Association-CLUSTERO.** Founded in 2011, CLUSTERO is the representative body of Romanian cluster at national and international level, with 47 cluster members. It supports the development of the Romanian clusters in terms of:

- Representation of the cluster interests at national and international level
- Runs a national cluster accreditation system
- Latest cluster mapping performed in 2017 in cooperation with the Ministry of Economy, Entrepreneurship and Trade
- Support to cluster internationalization by organizing various in- and outward cluster missions and brokerage events
- Support to cluster excellence by organizing yearly cluster management trainings and assisting them with the meeting up the cluster excellence criteria

As a founding member of the European Cluster Alliance from 2019, CLUSTERO supports the development of European value chains through clusters, as tools in this process.

b. **Ministry of Economy** functions as a specialized body of the public central administration, subordinated to the Government, which implements the strategy and the Government Program in the fields of economy, industrial policies, competitiveness, the defence industry, non-energy mineral resources and sustainable development, energy and energy resources, intellectual property, inventions and trademarks, consumer protection, quality and market surveillance, small and medium enterprises, business environment, trade, entrepreneurship and foreign investment, in the field of tourism, in accordance with the requirements of the market economy and to stimulate the initiative economic operators.

c. **Regional Development Agencies.** In Romania, there are 8 development regions which are eight statistical entities, without legal personality, created in 1998 by associating county councils to coordinate the regional development necessary for Romania to join the European Union. Romania's development regions correspond to the NUTS-II level divisions in the EU. Although they are becoming increasingly significant in the field of regional development, these regions have no administrative status, no legislative council or executive body. The development regions are not administrative-territorial units, being the result of a free agreement between the county and local councils.

d. **European Digital Innovation Hubs.** During 2020, since the launch by the European Commission of the concept of European Digital Innovation Hubs in the Digital Europe Program, Romanian clusters have played the role of catalysts for the establishment of these structures. Romania has now 12 EDIHs in all the 8 Development Regions.

e. **Clusters.** In accordance with the definition of European Cluster Collaboration Platform – ECCP, Romania registers in the database of the Ministry of Economy 76 active clusters in all the economic sectors.

4. **Timeframe**

2022-2027

5. **Costs**

Based on the lessons learned from the experience of the Ministry of Economics from Latvia an amount of 5000 Euros is estimated for every hackathon. Given the fact that the operational programs for the future programming period 2021-2027 are still in the negotiation phase with the European Commission, CLUSTERO aims to organize three pilot hackathons together with the Ministry of Economy in 2022. Starting with 2023, when the negotiation of the Smart Growth, Digitization and Financial Instruments Operational Program 2021 – 2027 (POCIDIF) will be finished, the financing may be included in this program.

6. Funding sources

CLUSTERO own sources for three pilot hackathons in 2022 (15,000 Euros).

7. Monitoring

In accordance with Decision no. 236/2016 on the establishment of the Inter-ministerial Committee for Competitiveness, this body has the role of promoting an adequate institutional framework for coordinating public policies with an impact on the competitiveness of the economy at national level, monitoring sectoral developments and formulating strategic directions accompanied by an action plan in the medium / long term to improve the competitiveness potential.

The Inter-ministerial Committee for Competitiveness - CIC - delivers, under the coordination of the Ministry of Economy, an Annual Report containing an analysis of the state of achievement of the objectives of the National Strategy for Competitiveness 2021-2027, as well as recommendations, strategic and operational guidelines for medium and long term. meeting the objectives of increasing competitiveness, including through the convergence between the field of research and the needs of the business environment.

Romanian Cluster Association

Daniel Cosnita
President

Date: 26.01.2022

Signature: _____

Stamp of the organisation

Ministry of Economy

Mirona Veronica Daia
Director - Directorate Industrial Policy and Competitiveness

Date: 26.01.2022

Signature: _____

Stamp of the organisation