

Albanian Investment Development Agency Agjencia Shqiptare e Zhvillimit të Investimeve

WORKSHOP: SUPPORT CLUSTER DEVELOPMENT

Tirana, Albania December 06, 2012

### Outline of the presentation

I – AIDA: an executive public body supporting SMEs and clusters development

II - Clusters in Albania: a new concept and strategy

III – Numerous projects and stakeholders engaged in the cluster development in Albania



## I – AIDA: an executive public body supporting SMEs and clusters development

 To assist and accelerate the inflow of foreign investments into the Albanian economy by improving the business climate & attractiveness

# Mission

 To improve the competitiveness of Albanian SMEs and exporters by supporting the private sector development

 To enhance innovation and the adoption of new technologies among Albanian SMEs by promoting new technologies and processes



# Business reforms

## I – AIDA: an executive public body supporting SMEs and clusters development

- Low taxes and incentives
- Dynamic, educated and cost competitive work force
- Business friendly regulatory environment
- High investment potential
- Liberal legal framework for foreign investments
- Improving infrastructure



- Business Innovation and Technology Strategy 2011-2016 (BITS) in compliance with EU policy
  - assist companies in the process of innovation, improvements of technological capacity; creation of an innovation system to increase the interaction of institutions in support for enterprises;



- 1. Innovation Financing
- 2. Business Innovation Services
- 3. Business Incubators
- 4. Business Clusters

#### **Definitions:**

"Clusters are geographic concentrations of interconnected companies and institutions, in a given field. Clusters comprise a group of related industries and other entities important in terms of competition." \*Michael Porter

At EU level, innovative clusters are considered the "engine" of economic development and innovation, they represent a framework for business development, collaboration between companies, universities, research institutions, suppliers, customers and competitors located in the same geographical area (local, regional, national, transnational).



## II – Clusters in Albania: a new concept and strategy

Albanian Business Innovation & Technology Action Plan: 2011-2016

Preparation phase

Pilot phase

Full implementation phase

**TODAY** 

Promotion of Cluster Concept:

Meeting 6.12.2012

Workshops

Press conference

ClusterPoliSEE



Analysis of regulatory and legislative framework

Cluster mapping

Preparation and launching the Public Call BRIC financial and nonfinancial support to clusters

Monitoring

Based on experiences from Pilot case and evaluation report 1, further improve ACP

Preparation and launching the II Public Call

Selected clusters from the pilot phase further supported

Max two new clusters supported

BRIC professional support to clusters

Monitoring

## II – Clusters in Albania : a new concept and strategy

#### **Cluster development in Albania to-date:**

- Need for better coordination and networking between stakeholders (Events & B2B meetings)
- Objective to organize round tables, conferences to identify clusters and challenges and possibilities to find/reach common solutions
- Raise awareness about the benefits of clustering
- Invite and cooperate with Donors to assist cluster development

#### **Albanian clusters:**

- 1) Tourism Clusters (GIZ)
- 2) Software cluster (GIZ)
- 3) Leather Goods/Shoe Production Industry Cluster (ACIT, EDEM, USAID)



## II – Clusters in Albania : a new concept and strategy

- Training assessment for cluster managers through life cycle of a cluster:
  - Market needs or political initiative
  - First ideas
  - Networking or cluster management
  - Going international
  - Take part on EC initiatives or program
- Support and training for companies to innovate and establish partnerships
  - Ex. Enterprise Europe Network (EEN) (business partnership, technology transfer)



- Increased productivity and profitability through better resource allocation, thus new products to market, and increase exports
  - Ex. Innovation & Competitiveness Funds (grants from state budget for SMEs)
- Improved chain value improved access to financing for new product development activities / innovation financing
  - Assistance and market pointers, identification for certification need



## II – Clusters in Albania : a new concept and strategy

Clusters - Tool for recovery at regional level

The global crisis was a catalyst for change, an opportunity to leap forward in a more entrepreneurial and innovative way.

#### Benefits of Cluster development:

- + source of employment creation at regional/national level
- + to boost regional competitiveness and regional development
- + stimulate innovation, support companies to find resources, knowledge and technology
- +facilitate ideas to be turned into business opportunities.



## III – Numerous projects and stakeholders engaged in the cluster development in Albania

- EU funded Project of *5.186.352* euro, 25 European partners (Austria, Albania, Italy, Serbia, Greece, Slovenia...)
- Digital knowledge platform (FAQ, on-line requests of info, identification of best-practices...)
- Identify legal and strategic frameworks and templates
- Developing cluster policies through exchange of information, work Groups for policy learning:
  - 1. Innovation, R&D driven Cluster Development
  - 2. Sustainability through Cluster Development
  - 3. International Cluster Cooperation and networking
  - 4. Financial Framework Improvement (Cluster Financing)
  - 5. \* Clusters and Regional Specialization
  - 6. New skills and Jobs creation
- AIDA will support the creation of clusters policies and projects in Albania and their integration to regional networks





## III – Numerous projects and stakeholders engaged in the cluster development in Albania

- AIDA Albanian Investment Development Agency
- Directory of Economy Competitiveness METE Ministry of Economy, Trade and Energy,
- ARTI Agency for Research, Technology and Innovation
- Directory of Extension Services Ministry of Agriculture, Food and Consumer Protection (CTT – institutes for scientific research)
- Universities and Research Institutes
- CSOs & Donors (GIZ, USAID, WB, UNDP, OSCE etc)
  - CCIs Chambers of Commerce and Industry
  - RDA Regional Development Agency
  - CFA Chamber of Façon of Albania
  - ALCDF Albanian Local Capacity Development Foundation
  - AITA Albanian IT Association
  - ProTIK etc....



## Thank you for your attention

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