URBACT III Implementation Networks call for proposals

PROJECT TITLE: Clustering strategy for employment sectors – a model for efficiency and growth

Background:

County Monaghan, on the border with Northern Ireland, was traditionally known as one of the greatest clusters of furniture manufacturers in Ireland, before these firms experienced significant decline over recent decades, in common with the sector as a whole. Nowadays, Monaghan is recognised for its proliferation of engineering companies which have developed from the entrepreneurial nature of its people and are mainly indigenous.

As part of an URBACT II initiative – the <u>Wood Footprint Project</u> (WFP)¹ on managing the legacy left by the wood manufacturing sector in European cities – <u>Monaghan County Council</u> was able to identify key underlying factors preventing the local wood and furniture industry, as well as engineering firms generally, from realising their true potential. These barriers centre around a combination of general disconnection and lack of trust between stakeholders, with firms largely working independently from each other and not realising the benefits of working collaboratively; inaction in developing a functioning furniture cluster, including the absence of a distinct business association to work on its behalf (this has since been addressed); the lack of relevant education and on-the-job training opportunities; and product design, development and innovation limitations.

Based on this key learning, Monaghan formulated a Local Action Plan (LAP) aimed at nurturing, supporting and developing a traditional and indigenous sector that operates in a part of Ireland that has relatively high unemployment and few opportunities to attract high-end manufacturing and multinational companies that could provide quality. Coupled with a recognition of the need to educate, train, develop and upskill staff and local people jobs in order to advance employment prospects within the local area (Action 4 of the LAP: to 'Develop a new 'Work-Based Learning Initiative'), the plan cites a clear need to improve the capacity of SMEs to bring design and innovation into their businesses to allow them to compete on a national and global stage. A further study and subsequent publication completed by the Northern & Western Regional Assembly, entitled 'Design Driven Innovation – Why it Matters for SMEs Competitiveness' backs up this added-value recommendation.

A key element in achieving growth and innovative progress in areas of concentrations of employment sectors is developing a clustering model. The plan promotes building on sectoral opportunities to sustain and grow employment across a broad range of engineering sectors and locations. It focuses on providing supports to develop a new cluster for the engineering sector in Monaghan through devising a Cluster Strategy. This would involve the establishment of a working group of key stakeholders from industry, local government, the education sector, and other public agencies to identify and analyse important challenges and opportunities facing the industry and to prioritise key focus areas within the eventual cluster. It additionally seeks to get more of the Region's enterprises engaged in research, development and innovation to support them in

¹ The WFP project was driven through Local Support Groups (i.e. steering groups) which, in Monaghan's case, consisted of the County Council, education and training providers, elected members and industry representatives. Transnational meetings between project partners, exchanges of ideas and networking, provided inspiration for the actions devised as part of the Monaghan Local Action Plan (LAP).

developing new products, services and processes for the global marketplace. As such, it is consistent with key aspects of the *Europe 2020* growth strategy; with the business support and employment creation actions devised under the Irish Government's current *North East/North West Regional Action Plan for Jobs*; and with the developmental priorities identified in the statutory *Monaghan Local Economic and Community Plan*.

Proposal:

Monaghan County Council is now very interested in developing an Implementation Network under URBACT III, under the theme areas of Education, Skills and Lifelong Learning and Competitiveness of SMEs, around the clustering concept for various employment sectors. This will be based on pioneering an integrated approach to put local cluster strategies such as theirs into action by defining the parameters and territory of each cluster and supporting firms to develop joint solutions and to combine resources in order to take advantage of market opportunities. The network will act as a vehicle to foster collective sustainable growth based on identifying specific measures which will promote knowledge transfer and innovation, enhanced employability and improved efficiencies among cluster firms. The network will enable member authorities to coordinate and discuss possible ways of implementing their plans.

Partner Search:

As potential Lead Partner, we are looking for a mix of local authorities, from any part of the EU, who have a plan for strategy based around clustering for employment sectors and would like to become involved in a cluster network. Potential partners should either:

- have responsibility for supporting employment sectors covering a specific sector and related or component sectors;
- are at various stages of cluster development;
 Or,
- have identified a recognised need for clustering.

Potential partners may want to address specific areas of clustering including, networks, specialised services in finance, distribution, out-sourcing, marketing, packaging, education, pooled labour, research and innovation methods, new business formation and shared support services.

Timetable: The closing date for the call for proposals for the creation of the URBACT III Implementation Network is 22nd June 2016. To facilitate the coordination and preparation of the application and to formulate partner profiles, challenges, actions and expected results, parties should advise of their interest by 10th May 2016.

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