



EUROPEAN CLUSTER
COLLABORATION PLATFORM

Country factsheet

Ukraine

An initiative of the European Union





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Introduction



This document presents an overview of the cluster policy in Ukraine. Given its importance to contextualise the cluster policies (and related) analysed in the factsheets, a comprehensive outlook of the country in socioeconomic terms can be consulted in the [World Bank Country Snapshot](#) for Ukraine 2020.

The “Country Snapshot” is a bi-annual update, highlighting the country’s recent developments, economic outlook and major overview of the World Bank’s partnership with the country.

01

National cluster policy, programmes and initiatives



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1. National cluster policy, programmes and initiatives

Policy type:	Broad policy
Policy name:	<u>State Target Economic Programme of Industrial Development for the Period until 2020</u> Industrial policy
<p>POLICY OBJECTIVES</p> 	<p>Strengthening cooperation between companies or industry and RTDI actors</p> <p>Supporting internationalisation activities</p> <p>Fostering R&D activities, technology development and implementation</p> <p>Fostering innovation and strengthening innovation ecosystems</p> <p>Supporting the consolidation of existing cluster organisations</p> <p>Supporting the creation of new cluster organisations</p> <p>Promoting social and sustainable economy and other solidarity-based initiatives</p> <p>Promoting employment and upgrading skills and competences</p> <p>Connect to global supply chains</p>
	<p>As stated in the Concept of the Programme approved by the Cabinet of Ministers of Ukraine, the main goals of the programme were:</p> <ul style="list-style-type: none"> • accumulation and application of scientific, intellectual, technological and resource potential in production processes; • modernisation of production through introduction of innovations and new technologies; • intensification of production; • increase in cooperation with foreign countries; • development of economic activities that could lead to export growth in competitive sectors of the economy;



		<ul style="list-style-type: none"> • creation of a precise legal framework for financing (co-financing) of clusters and priority projects; • implementation of an energy-saving model of development with the expansion of the use of non-traditional and renewable energy sources; • bringing the regulation system in line with international standards, in particular in what concerns product quality, environmental requirements for products and for the process of production, labour protection and safety; • improving the training, retraining and advanced training of specialists with higher education and skilled workers; • providing professional development opportunities to manual workers.
<p>POLICY FOCUS</p> 		<p>No specific focus</p> <p>The primary goal of the programme was to address the issues encountered by Ukraine's industry, but it did not focus on specific sectors.</p>
<p>RESPONSIBLE AUTHORITIES</p> 		<p>In charge of drafting</p> <p>Provided funding</p> <p>The programme was adopted by Decree of the Cabinet of Ministers of Ukraine in 2013. The programme was funded from the state budget in accordance with available financial resources, as well as through public-private partnerships, which brings in funds of enterprises, loans, and direct investments.</p>
<p>BENEFICIARIES</p> 		<p>Cluster organisations</p> <p>Research organisations</p> <p>Academic institutions</p> <p>Large firms</p> <p>Technology centres</p> <p>The beneficiaries of the programme were all enterprises, technology centres and academic institutions that contribute to the work of Ukrainian industry.</p>
<p>INSTRUMENTS</p> 	<p>Financial</p>	<p>Others: The implementation of the programme was carried out with the help of financial instruments. However, there is no information regarding the distribution of financial resources among the beneficiaries of the programme.</p>



	Technical assistance	<p>Support for hard skill development: knowledge transfer, intellectual property, entrepreneurship, export advice, market intelligence</p> <p>Support for soft skills development: coaching, management training, upskilling/reskilling</p>
	Explanation	There is no information regarding the distribution of financial resources among the beneficiaries of the programme. In what concerns non-financial support, the programme outlined support for hard and soft skills development among its major goals. The programme is mentioned in the websites of several Ukrainian clusters as one of the prerequisites for their creation. As stated in the 2017 review of the state of development of clusters in EaP countries, no funding from the state budget supported specific cluster-oriented initiatives in these years between 2013-2017. No information is available regarding funding of cluster-oriented activities from the state budget after the year 2017.
HISTORY 	Period	Limited period
	Ending year <i>(for policies with limited period)</i>	2020
	Starting year	2013
	Explanation	The programme was designed for a limited period of seven years and runs between 2013 and 2020.
BUDGET 	Overall	Information about the budget is not publicly available.
	Annual	Information about the budget is not publicly available.
	Source of funding	The programme was funded from the state budget in accordance with available financial resources, as well as through public-private partnership, which brings in funds of enterprises, loans, and direct investments.
	Availability	No policy evaluation



<p>POLICY EVALUATION</p> 	<p>Results</p>	<p>No evaluation of the State Target Economic Programme of Industrial Development for the Period till 2020 has been identified.</p>
<p>POLICY ALIGNMENT WITH THE EU PRIORITIES</p>		<p>Green economy Social inclusion</p>

02

State of play of cluster policy



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2. State of play of cluster policy

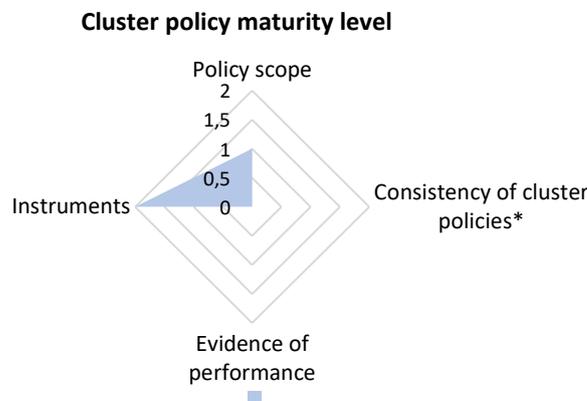
The data below illustrates how the country ranks in terms of maturity of cluster policy. The maturity index is based on a combination of factors presented in Chapter 1 and which are scored based on their existence:

- **Policy scope:** whether the country has a dedicated cluster policy, or cluster creation and/or development is targeted through broader policies (existence of broader policies = 1 point; existence of targeted cluster policies = 2 points)
- **Consistency of cluster policies:** assessment of the duration and experience of the country in doing cluster policies. This dimension assesses only existing cluster policies and not broader policies (no cluster policies available = 0 points; < 10 years of experience or > 10 years (but interrupted) = 1 point; > 10 years (but with clear continuity) = 2 points)
- **Evidence of performance:** the existence of monitoring and evaluation mechanisms determines the degree of policy development in the country (no evaluations = 0 points; existence of evaluations of past policies or in-itinere = 0.5 points; existence of ex-ante and/or ex-post evaluations = 0.5 points)
- **Instruments:** whether the policies provide any instruments to support the policy implementation, being these financial and/or technical assistance (1 point for each type of instrument available)

It is important to note that the maturity does not reflect the performance of a country, but only the degree of development of their cluster policy at the moment when the data was collected (2020 and 2021). The maturity index illustrates how the country scores for each of these four dimensions (policy scope, consistency of cluster policies, evidence of performance and instruments) compared to the maximum score that they can reach.

	Ukraine	Maximum score
Policy scope	1	2
Consistency of cluster policies*	0	2
Evidence of performance	0	1
Instruments	2	2

** This dimension is scored solely if the country has a dedicated cluster policy and it assesses only cluster policies*





State of play of cluster policy in the country	
Policy evaluation (for terminated policies)	<p>Availability of evaluations for terminated policies</p> <p>Ukraine does not have any policy in place that targets the development and/or creation of clusters, hence no evaluation is available. There are, however, evaluations for broader policies. For instance, in 2014, the State Audit Service of Ukraine carried out an evaluation of the effectiveness of implementation of the State Target Economic Programme on Development of the Domestic Market. The evaluation identified a number of factors that did not allow the programme to achieve the set goals and ensure the maximum return on the use of public resources.</p>
Policy approach in the country	<p>Policy support for the activities of cluster organisations</p> <p>Broad-based framework policies to support cooperation effectiveness</p>
Continuity	<p>The first document on cluster policy in Ukraine was prepared in 2008, when the Concept of creation of clusters in Ukraine was published by the Ministry of Economy of Ukraine. This document identified the prospects of implementation of the cluster approach in the economy, highlighted the advantages of cluster organisation of production / manufacturing for the domestic economy, and defined the conceptual basis of clusters. On the basis of the above-mentioned concept, the National goal-oriented programme for industrial development in Ukraine to 2017 was adopted by the government in 2008. Its implementation assumed the setup of the cluster model in the national economy. It also created some preconditions for the introduction of legal acts, aimed at further developing state cluster policy in the Ukrainian economy.</p> <p>In 2009, another draft of the National Strategy formation and development of cross-border clusters was prepared. Its main purpose was to help to solve problems associated with asymmetries in Ukraine's regional development, the outflow of its labour intellectual and other resources in border countries. In 2013, the Concept of the State Target Economic Program of industrial development for the period till 2020 was adopted by Decree of the Cabinet of Ministers of Ukraine.</p> <p>The new law entitled "On Scientific and Scientific-Technological Activity" was enacted on January 16, 2016. One of the most important innovations of this document is the establishment of a permanent advisory body, the National Council of Ukraine on Science and Technology under the auspices of the Cabinet of Ministers of Ukraine, the main purpose of which is to ensure an effective interaction between representatives of the scientific community, governmental agencies, and industry.</p>
Consistency	<p>No cluster policy available</p> <p>Ukraine does not have a policy that directly targets cluster development. Cluster development is supported by means of the State Target Economic Programme of Industrial Development for the Period till 2020. One of the goals of the programme is creation of a precise legal framework for financing (co-financing) of clusters and priority projects.</p>

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