



NEWSLETTER

The latest news from EU-GCC project



Source: Photopea

In this issue

EU Cluster Collaboration

EU Intelligent Cities Challenge

Access2Markets to support trade by small businesses

EU: Renovation Wave

Improving the well-being of older persons in the era of digitalisation

A new European Research Area

Pandemic gives major boost to GCC e-commerce sector

Editorial

Whilst this edition of the newsletter has no specific focus, the diversity of stories contained within serve to highlight the breadth and depth of diversification initiatives being progressed across the GCC and initiatives in Europe relevant to the challenges and opportunities that the GCC faces in this process.

The outbreak of Covid-19 has not only increased the pressures on GCC economic diversification but changed its face with an emphasis on future technologies and their application to the economies, societies and settlements of the region.

In this edition of the newsletter we look at the multi-faceted impacts of the virus of the way that we live and work. Whilst the virus may not necessarily have caused these changes, its outbreak has accelerated them.

Douglas Aitkenhead - EU GCC Dialogue on Economic Diversification Project 18th of September 2020



EU Cluster Collaboration

European Commission's "Clusters Go International" programme is now open for proposals until December 2, 2020 - with a total of €7.5 million of funding available. The aim of the initiative is to intensify cluster and business network collaboration across borders and between sectors.

Under the programme, interested consortia develop and implement a joint internationalisation strategy, common goals towards specific third markets, and support SME internationalisation towards countries beyond Europe.

The programme is the part of the European cluster approach for growth, that is based on three main pillars: emerging industries and interregional cooperation, cluster internationalisation and cluster excellence.

Through the European Observatory for Clusters and Industrial Change (EOCIC), the European Commission provides statistical and trend analysis of clusters, cluster policy advice and learning, as well as support for strategic interregional cluster partnerships. This policy approach is implemented through concrete EU initiatives launched under EU's financial programmes, mainly COSME (and its predecessor CIP) and Horizon2020.

The first pillar focuses on emerging industries that can benefit from the collaborative opportunities provided by clustering and contribute to future competitiveness and prosperity. The development of emerging industries is often driven by cross-cutting technologies, creativity and service innovation, and societal challenges such as the need for eco-innovative and resource-efficient solutions.



A number of initiatives at EU level support clusters in the emerging industries by addressing challenges such as developing new cross-sectoral industrial value chains across the EU and building upon the innovation potential of SMEs, as well as strengthening industry participation and inter-regional collaboration in the implementation of smart specialisation strategies. The initiative "Towards European Strategic Cluster Partnerships" encourages the partnering process in the context of industrial modernisation, such as in relation to Key Enabling Technologies, ICT, service innovation and resource efficiency. This includes advanced manufacturing, digital transformation/industry 4.0, digital platforms, big data analytics, space data services, advanced material and disruptive business models and service concepts including in creative industries, textiles and tourism.

The second pillar of the European Cluster approach for growth is Cluster Internationalisation. The "Clusters Go International" action supports the establishment and further development of European Strategic Cluster Partnerships-Going International (ESCP-4i) and builds upon the successful implementation of 6 pilot initiatives (European Cluster Consortia). These pioneer projects paved the way for hundreds of European cluster organisations to cooperate for jointly developing internationalisation strategies and better support SMEs' access to global value chains and markets beyond Europe.



In addition, the European Commission makes continuous efforts aimed at strengthening the cluster management excellence in the EU as a way to provide more professional business services to European SMEs through clusters and therefore contribute to the development of more world-class clusters in the EU.

European Strategic Cluster Partnerships for Excellence (ESCP-4x) are transnational cluster partnerships selected under the European Cluster Excellence Programme as part of the European Commission's COSME programme. The action aims at facilitating cross-cluster networking and learning, to support the professionalisation of specialised and customised business support services to SMEs. The action will help drive the development of cluster management excellence and formation of strategic cross-regional collaboration between industrial clusters across Europe.

The first wave of ESCP-4x (2020-2021) is composed of 13 EU Cluster Partnerships bringing together 69 cluster organisations from across 21 European and COSME participating countries. The action was kicked-off on the 3rd February 2020 for a period of two years (until 2021).

A number of upcoming events will provide collaboration opportunities in innovation projects related to digital solutions for improving healthcare - [DIGI-B-CUBE Virtual Matchmaking webinar: Health meets IT](#) (October 22) as well as the use of blockchain in three vital sectors for the European economy: agrifood, logistics, and finance [Block.IS Virtual Cluster Mission Berlin](#) (November 10)

The 'SMEs Go International' Technical Assistance Facility call for applications has been relaunched in September and the deadline is 23 October, 2020.

The SME's Go International Technical Assistance Facility is a unique support service provided by the European Commission for eligible projects related to the ['European Strategic Cluster Partnership for Going International' \(ESCP4i\)](#) and the [H2020 INNOSUP-1 Initiative](#).

'SMEs Go International' aims to facilitate the internationalisation and scaling-up efforts of European SMEs by providing and advisory services to 25 selected projects. Depending on the market and country targeted by the project, beneficiaries will profit from the best-suited mix of business and legal expert support.

In addition, the first fully virtual European Cluster Conference is being organised on 10 and 11 November 2020 by the European Commission's Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs together with the German Federal Ministry for Economic Affairs and Energy under the German Presidency of the Council of the EU.

The conference - executed by the European Cluster Collaboration Platform – will bring together stakeholders, policymakers, cluster managers, researchers, entrepreneurs and the public to discuss and share current and future priorities for cluster policies and developments to support sustainable industry development and interregional cooperation, and to build connections between Europe's value chains, clusters and ecosystems.

<https://www.clustercollaboration.eu/news/eu75m-clusters-go-international-call-launched>

<https://www.clustercollaboration.eu/event-calendar/european-cluster-conference-2020-register-now>

<https://www.clustercollaboration.eu/news/eu75m-clusters-go-international-call-launched>

<https://ec.europa.eu/easme/en/section/cosme/cos-clusint-2020-3-01-clusters-go-international>



EU Intelligent Cities Challenge



One of the EU initiatives supporting the European Green Deal goals is the Intelligent Cities Challenge that brings together 126 cities from around the world to achieve intelligent, socially responsible and sustainable growth through advanced technologies. The 2.5-year programme builds on the success of the Digital Cities Challenge, which helped 41 EU cities develop a strategic vision and roadmap for their digital transformations.

Participating cities are encouraged to interact and learn from one another leveraging the support of ICC in the form of regular networking opportunities and community gatherings, access to training, online toolboxes and guidance from the ICC mentor cities.

The 1st ICC City Lab consisting of five-day online meetings held between 28 September and 2 October, 2020, offered participating cities the opportunity to network and explore further the themes of the challenge. The first City Lab marks the official start of the 100 Intelligent Cities Challenge programme.

Day one was open to participants not representing an ICC city. General public and cities exchanged views and knowledge on the role of cities in the post-COVID recovery and the power of local ecosystems. The topics included the role of cities for a green and digital recovery and social resilience, local ecosystem mobilisation for a green and digital recovery between city, industry and green economy representatives. During the remainder of the online sessions, participants learned how ICC can help them achieve their specific goals, how to overcome common challenges and mobilise local ecosystems, and how to leverage national networks and scaling solutions across the EU.

At the end of the event, expert speakers from the European Commission provided an overview of urban and technological initiatives that can support the ICC cities on their way to sustainable and socially-inclusive technological innovation and economic recovery.



The European Urban Initiative (EUI), presented by DG REGIO, aims to strengthen integrated and participatory approaches to sustainable urban development and provide a stronger link to relevant EU policies, and in particular, cohesion policy investments. It facilitates cooperation and capacity building in all EU Urban areas, with a focus on innovative actions, knowledge, policy development and communication in the area of sustainable urban development.

The Pact for Skills Charter, presented by DG GROW aims to mobilise industry, public and private employers, social partners, education and training providers and employment agencies to take concrete actions for upskilling and reskilling people of working age in order to foster an economic recovery that is socially inclusive.

DG RTD outlined the Horizon Europe Mission for 100 Climate Neutral and Smart Cities by 2030 and the report presented during the European Research and Innovation Days, as well as the H2020 Call for the European Green Deal. This €1 billion call for research and innovation projects that respond to the climate crisis and help protect Europe's unique ecosystems and biodiversity will spur Europe's recovery from the coronavirus crisis by turning green challenges into innovation opportunities.

The European Commission's 100 Intelligent Cities Challenge

The European Innovation Partnership on Smart Cities and Communities (EIP-SCC) outlined by DG ENER brings together cities, industry, SMEs, banks, research and other smart city actors and whose objectives align closely with that of the ICC.

The participants were provided with a tour of the Green City Accord, a movement of European cities committed to safeguarding the environment, by DG ENV. In signing the Green City Accord, city leaders agree to take further action to make their cities greener, cleaner and healthier places.

The Advanced Technologies for Industry initiatives, presented by DG GROW, analyses and systematically monitors the state of uptake of advanced technologies by EU industry.

During this five-day online meeting, the ICC cities had the opportunity to meet and network, learn about the ICC objectives, methodology and working methods and tools, as well as European policy initiatives and inspiring best practices for smart cities.

<https://www.intelligentcitieschallenge.eu/events/1st-icc-city-lab>

<https://www.intelligentcitieschallenge.eu/cities>

<https://ec.europa.eu/social/main.jsp?catId=1517&langId=en>

https://ec.europa.eu/info/horizon-europe-next-research-and-innovation-framework-programme/missions-horizon-europe/climate-neutral-and-smart-cities_en

https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1669

<https://eu-smartcities.eu/>

https://ec.europa.eu/environment/urban/green_city_accord.htm

<https://ati.ec.europa.eu/>

<https://www.intelligentcitieschallenge.eu/news/1st-icc-city-lab-day-5>



Commission launches Access2Markets portal to support trade by small businesses

The European Commission has launched on October 13th, the [Access2Markets](#) online portal to help small and medium-sized firms trade beyond the EU's borders.



The new portal responds to requests from stakeholders to better explain trade agreements and help companies ensure their products are eligible for duty discounts. It will serve both companies that already trade internationally and those that are only starting to explore opportunities in foreign markets.

Executive Vice-President Valdis **Dombrovskis** said: “*We need to help our companies, in particular our SMEs, to derive maximum benefit from our trade agreements. This is why we have created this new portal to help our smaller companies navigate the world of international trade. This one-stop-shop will help European firms to make the most of the EU’s network of trade agreements and get the best access to the markets, products and inputs they need to grow and to stay competitive.*”

The European Union has a large network of trade agreements with over 70 countries and regions and is currently negotiating a raft of new deals. [Access2Markets](#) breaks this complex set of rules down into practical information so that smaller firms can have access to relevant information more easily. Concretely, Access2Markets delivers the trading conditions to import goods to the EU and to export goods to over 120 foreign markets.

Small businesses represent 88% of all EU exporters. Their exports account for one third of all EU exports and support 13 million jobs. Global markets are an important source of growth for European small and medium-sized companies. Paying particular attention to small businesses in the economic recovery from the coronavirus pandemic is therefore essential.



“Small businesses are vital to our economy that thrives on the goods and services they provide,” said Véronique Willems, secretary-general of the European association of small and medium-sized enterprises, SMEunited. *“SMEunited is pleased to see the launch of the Access2Markets portal. This portal will help small and medium-sized enterprises overcome obstacles to tapping the global market. Providing them with better access to information that is tailored to their needs will be to the benefit of all Europeans.”*

The portal allows companies to look up the following details for imported and exported goods, in just a few clicks: Tariffs, Taxes, Rules of origin, Product requirements, Customs procedures, Trade barriers and Trade flow statistics.

The new [Access2Markets](#) portal also includes explanations, tutorials and FAQs to help new as well as experienced traders analyse the benefits of trade with each of the EU's trading partners. It provides an overview of EU laws on products and services, as well as contact details for customs and other public authorities in EU Member States and in the EU's trading partners. Businesses can also use the portal to contact DG TRADE to report trade barriers they encounter.

Access2Markets' self-assessment tool, ROSA, provides special assistance on the rules that define the 'economic nationality' of a product, known as 'rules of origin'. These are tailor-made in every trade deal, making sure that sensitive market sectors are protected and that companies can claim reduced or eliminated customs duties as set in the agreement. Companies can also find information on how trade agreements regulate trade in services or on the conditions to invest, or take part in public calls for tenders in a foreign market.

Every product traded internationally has a code that determines what import duties and national or local taxes need to be paid. On [Access2Markets](#), businesses can find not only the code but also what duties they need to pay in each jurisdiction. The portal's My Trade Assistant tool enables businesses to look up information on duties, taxes, product rules and requirements on a product-by-product basis for each market.

The portal is optimised for use on smartphones and tablets. It includes a host of additional user-friendly functions to help businessmen and women get the most out of the EU's trade agreements. And, of course, it is completely free of charge.



Renovation Wave: doubling the renovation rate to cut emissions, boost recovery and reduce energy poverty

The European Commission has published its [Renovation Wave Strategy](#) to improve the energy performance of buildings. The Commission aims to at least **double renovation rates in the next ten years and make sure renovations lead to higher energy and resource efficiency**. By 2030, **35 million buildings could be renovated and up to 160,000 additional green jobs created** in the construction sector.

Buildings are responsible for about 40% of the EU's energy consumption, and 36% of greenhouse gas emissions from energy (*). But only 1% of buildings undergo energy efficient renovation every year, so effective action is **crucial to making Europe climate-neutral by 2050**.

Executive Vice-President for the European Green Deal, Frans **Timmermans** said: *“We want everyone in Europe to have a home they can light, heat, or cool without breaking the bank or breaking the planet.”*

Commissioner for Energy, Kadri **Simson**, said: *“The green recovery starts at home. With the Renovation Wave we will tackle the many barriers that today make renovation complex, expensive and time consuming, holding back much needed action. We will propose better ways to measure renovation benefits, minimum energy performance standards, more EU funding and technical assistance encourage green mortgages and support more renewables in heating and cooling. This will be a game changer for home-owners, tenants and public authorities.”*

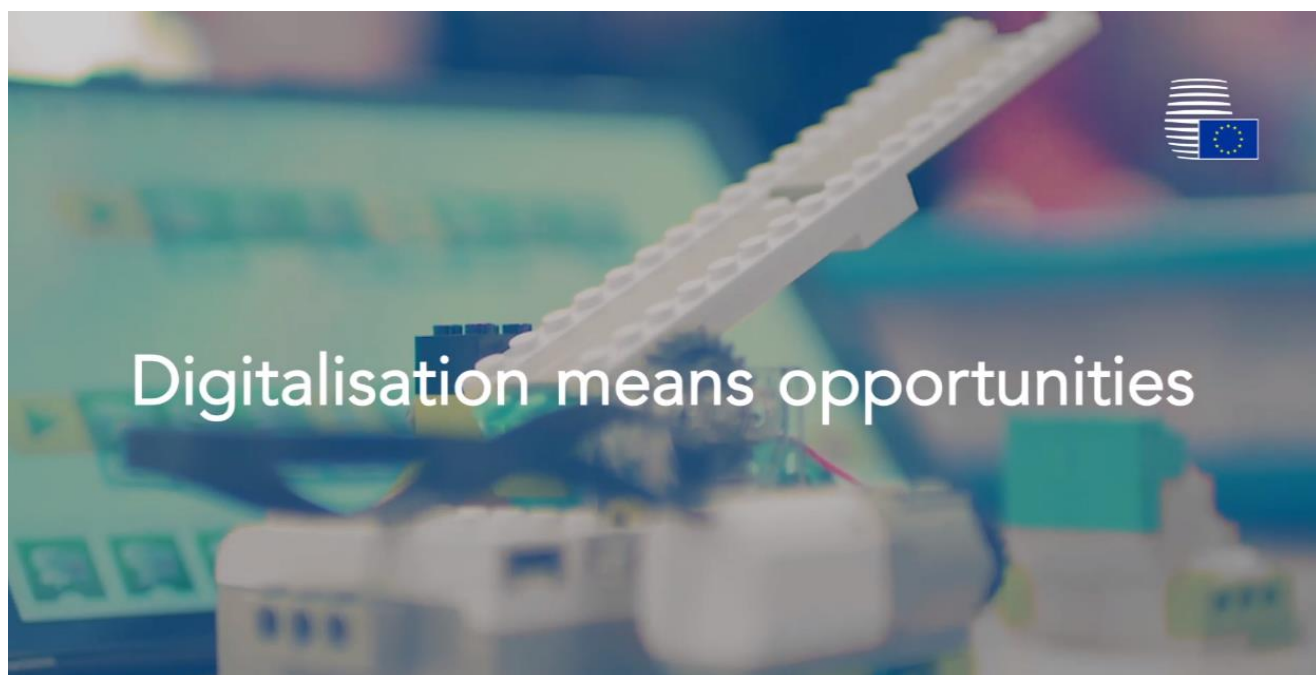
The strategy will include the following lead actions:

- Stronger **regulations, standards and information on the energy performance of buildings to set better incentives for public and private sector renovations**, including a phased introduction of mandatory minimum energy performance standards for existing buildings, updated rules for Energy Performance Certificates, and a possible extension of building renovation requirements for the public sector;
 - Ensuring accessible and **well-targeted funding**, including through the 'Renovate' and 'Power Up' Flagships in the Recovery and Resilience Facility **under NextGenerationEU**, simplified rules for combining different funding streams, and multiple incentives for private financing;
 - **Increasing capacity** to prepare and implement renovation projects, from technical assistance to national and local authorities through to training and skills development for workers in **new green jobs**;
 - Expanding the market for **sustainable construction products and services**, including the integration of new materials and nature-based solutions, and revised legislation on marketing of construction products and material reuse and recovery targets;
 - Creating a **New European Bauhaus**, an interdisciplinary project co-steered by an advisory board of external experts including scientists, architects, designers, artists, planners and civil society. From now until summer 2021 the Commission will conduct a broad participatory co-creation process, and will then **set up a network of five founding Bauhaus in 2022** in different EU countries.
 - Developing **neighbourhood-based approaches** for local communities to integrate renewable and digital solutions and create zero-energy districts, where consumers become prosumers selling energy to the grid. The strategy also includes an **Affordable Housing Initiative** for 100 districts.

For more information: https://ec.europa.eu/energy/sites/ener/files/eu_renovation_wave_strategy.pdf
file:///C:/Users/hp/Downloads/RenovationWave_GreenDeal_FS_EN.pdf.pdf
https://ec.europa.eu/commission/presscorner/detail/en/fs_20_1844



Improving the well-being of older persons in the era of digitalisation: Council adopts conclusions



Digitalisation means opportunities

The Council adopted conclusions on human rights, participation and well-being of older persons in the era of digitalisation. The conclusions take a rights-based approach and address various concerns related to the well-being of older persons, giving due regard to the context of the current COVID-19 pandemic. The Council highlights the opportunities, but also the potential risks for older persons in a digitalised world. It recalls that digitalisation helped reaching older persons during the COVID-19 crisis, but also that the digital gap between generations is significant and increases with age.

The Council invites the member states and the Commission, in accordance with their competences, to strengthen social inclusion and mutual solidarity between generations, include ageing in all policy fields and involve older persons, in particular older women, in all decision-making processes affecting their lives. The Council also calls for ensuring that the necessary protective measures in times of health crises are proportionate to older persons' rights, interests and well-being. Further to that, the conclusions invite the member states and the Commission to ensure that digitalisation, in particular, in health, social and long term care services, will facilitate access to and use of services, while maintaining non-digital services.

The Council invites the Commission to consider dedicating a chapter of its 'Green Paper on Ageing' to the rights of older persons, including older persons with disabilities. The Commission is also invited to continue to support member states in actions aimed at prevention of chronic diseases, health promotion and strengthening the development of long-term health care policies, with a focus on digitalisation.

For more information: <https://data.consilium.europa.eu/doc/document/ST-11717-2020-REV-2/en/pdf>



A new European Research Area: Commission sets new plan to support green and digital transition and EU recovery

The European Commission adopted a [Communication on a new European Research Area for Research and Innovation](#). Based on excellence, competitive, open and talent-driven, the new [European Research Area](#) will improve Europe's research and innovation landscape, accelerate the EU's transition towards climate neutrality and digital leadership, support its [recovery](#) from the societal and economic impact of the coronavirus crisis, and strengthen its resilience against future crises.

Objectives of the new European Research Area

Building on Europe's innovation leadership and scientific excellence, the new European Research Area aims to incentivise better coordination and cooperation among the EU, its Member States and the private sector; lead to more investments in research and innovation; strengthen mobility of researchers, their expertise, and the flow of knowledge;



The Communication defines four strategic objectives:

1. **Prioritise investments and reforms in research and innovation** towards the green and digital transition, to support Europe's recovery and increase competitiveness.
2. **Improve access to excellent facilities and infrastructures** for researchers across the EU.
3. **Transfer results to the economy** to boost business investments and market uptake of research output, as well as foster EU competitiveness and leadership in the global technological setting.
4. **Strengthen mobility of researchers and free flow of knowledge and technology**, through greater cooperation among Member States, to ensure that everyone benefits from research and its results.

As part of its initiatives to support the recovery and build a green and digital Europe, the Commission, in addition to the new European Research Area, adopted today a new [Digital Education Action Plan](#), to adapt education and training systems to the digital age, as well as a [Communication on the European Education Area](#) as a driver for job creation and growth.

For more information: <https://data.consilium.europa.eu/doc/document/ST-11717-2020-REV-2/en/pdf>



Pandemic gives major boost to GCC e-commerce sector

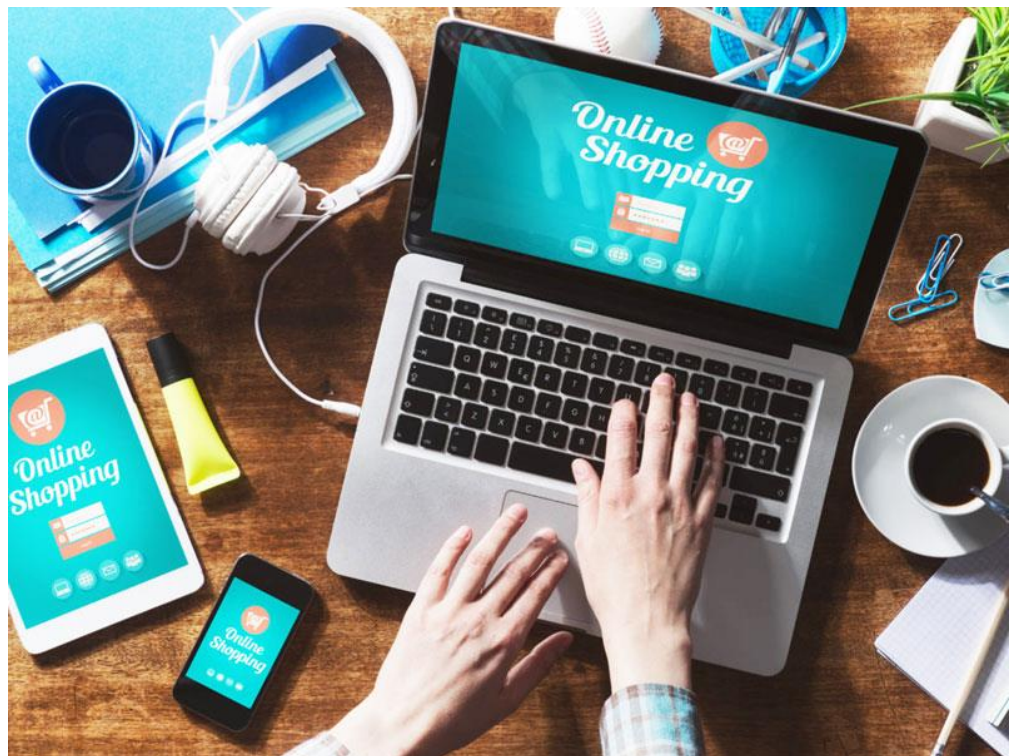
The GCC e-commerce sector is forecasted to reach a value of US\$50bn by 2025, according to a new report by global consulting firm Kearney Middle East.

The report titled '[GCC e-commerce unleashed: A path to retail revival or a fleeting mirage?](#)' predicts that e-commerce will become the main source of growth in the retail sector over the next five years.

The report forecasts a larger acceleration in e-commerce between 2020 and 2022, at 20 per cent compound annual growth rate (CAGR), and 14 per cent until 2025, mainly due to the shift taking place in retail markets due to the COVID-19 pandemic. Without COVID-19, the same growth was projected at 14 and 10 per cent, respectively. This highlights the impact of the pandemic on accelerating the growth of the sector in the region.

While the report highlights the effects of a more definitive shift to online on major retail groups, it also explores the likely implications and imperatives on the two other key actors within the retail ecosystem; real estate and small and medium enterprises (SMEs).

The key challenges including the rise of pure-play e-commerce marketplaces, the large investment in digital by retail giants, and the declining physical store sales pose a threat to commercial real estate and the survival of SMEs that have not yet



adopted to online sales channels, the report said.

An earlier survey by Kearney in the UAE indicated that just 36 per cent of SMEs have made the investment so far, while only 4 per cent are planning to sell online in the future.

"The projected growth in GCC e-commerce rests on crucial factors like the logistics infrastructure, flexible manpower models and centrally governed policies. All stakeholders should take note and revisit their strategies, operating models and policies to adapt and make the best of this e-commerce driven new normal. Those who have already made the investment have weathered the storm and are well-positioned to lead in the post-COVID-19 retail revival. More than ever, those who fail to make the required changes and investments will be sidelined and put their very survival in question," Debashish Mukherjee, partner at Kearney Middle East said.

Source: <https://www.muscatdaily.com/Business/388302/Pandemic-gives-major-boost-to-GCC-e-commerce-sector>



EU-GCC Dialogue on Economic Diversification recent Activities



EU-GCC Dialogue on Economic Diversification
A project funded by the European Union

Webinar | INJAZ

Developing Youth in the UAE, training and employment opportunities for European Businesses

14 OCT

11,30 GST
10,30 AST
09,30 CET

Join the webinar to better understand how INJAZ UAE services and programmes contribute to youth development and the ways in which EU companies in the UAE can work with INJAZ to meet, inter alia, UAE In Country Value (ICV) requirements

Registration

<https://us02web.zoom.us/meeting/register/tZlkc-mopz8vE9YbF1CpJlRT0qsjWSGX02j->



INJAZ UAE
A Member of JA Worldwide



INJAZ UAE, CEO
Razan Bashiti

<https://www.injazuae.org/about>

Razan Bashiti, CEO of INJAZ UAE led the discussion at a webinar on 'Developing Youth in the UAE, training and employment opportunities for European Businesses held on 14th October. During the session Razan highlighted how INJAZ UAE's services and programmes contribute to youth development and the ways in which EU companies can work with INJAZ to meet, amongst other things, UAE In Country Value (ICV) requirements. In particular Razan highlighted that the INJAZ UAE team works with students to implement programmes in middle schools, high schools and universities, and help prepare youth in the UAE for success in the global economy as young managers and entrepreneurs in the country. In seeking to give youth the knowledge and skills they need to plan their professional future and make smart academic and economic choices, INJAZ UAE works under three main pillars: Workforce Readiness, Financial Literacy and Entrepreneurship, striving to bridge the gap between the outcomes of the education system and the requirements of the labour market through hands-on, highly relevant training and mentoring programmes delivered on a volunteer basis by successful business leaders and entrepreneurs.

Follow us on LinkedIn to get information on upcoming events

<https://www.linkedin.com/company/eu-gcc-dialogue-on-economic-diversification/?viewAsMember=true>



For more information, the editorial team suggests the links below:

European Union

<https://www.consilium.europa.eu/en/press/press-releases/?Page=1>

<https://ec.europa.eu/trade/trade-policy-and-you/publications/news-archive/>

Gulf Wide

<http://www.gdnonline.com/>

<http://gulfbusiness.com/>

<https://www.arabianbusiness.com/gcc>

Bahrain

<http://www.newsofbahrain.com/>

<http://www.bna.bh/en/index.aspx>

KSA

<http://www.arabnews.com/>

<http://saudigazette.com.sa/>

<https://www.spa.gov.sa/?lang=en>

Kuwait

<http://www.arabtimesonline.com/news/>

<http://news.kuwaittimes.net/website/>

<https://www.kuna.net.kw/Default.aspx?language=en>

Oman

<https://timesofoman.com/>

<http://www.omanobserver.om/>

<https://www.muscatdaily.com/>

https://www.omannews.gov.om/ona_eng/#/home

UAE

<https://www.khaleejtimes.com/>

<https://gulfnnews.com/>

<https://www.thenational.ae/>

<http://wam.ae/en>

Qatar

<https://www.qatarday.com/news-category/local>

<https://www.qatarliving.com/news>

<https://www.gulf-times.com/>

<https://www.thepeninsulaqatar.com/>



EU-GCC Dialogue on Economic Diversification

A project funded by the European Union

As always, we welcome your feedback on the topics and sectors that interest you most and you would like to see covered in future editions of the newsletter.

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eugccdialogue

