

# Policy Learning Platform on SME competitiveness

## Workshop brief

FOSTERING ENTREPRENEURSHIP AND BUSINESS CREATION

14 NOVEMBER 2018, SOFIA, BULGARIA





## Summary

The Interreg Europe Policy Learning Platform organised a thematic workshop on the topic of entrepreneurship and business creation, which was held in Sofia on 14 November 2018, back to back with a large Startup Europe event. The workshop brought together 27 individuals, including 17 representatives of eleven Interreg Europe projects. Other participants came from the European Commission, the Bulgarian Ministry of Economy as well as the Policy Learning Platform and the Joint Secretariat of Interreg Europe.

The workshop was divided into the following main sessions:

- **European entrepreneurship support frameworks and community**

This session focussed on the opportunities for managing authorities on regional level provided by [Startup Europe](#), an initiative of the European Commission.

- **Entrepreneurship and business creation in Interreg Europe**

An overview of Interreg Europe projects dealing with entrepreneurship and business creation was provided, with a focus on their challenges and good practices in the following three strands:

- Access to skills, knowledge, networks
- Access to infrastructures
- Access to funding

- **Good Practices for business support in the spotlight**

According to the three above horizontal strands for business support schemes, five project representatives took the opportunity of the workshop to present a relevant good practice or an ongoing policy improvement from their projects.

- Breakout sessions: in-depth discussions in small working groups and feedback to the plenary on the topics “Access to skills, knowledge, networks” and “Access to funding”.

The Policy Learning Platform will aim at taking up the above questions in its future activities. More specifically the following specific actions have already been identified:

- Drafting of a **policy brief dedicated to business support ecosystems** and their management;
- Promotion of the **peer review** service for managing authorities.
- Explore the most suitable options for addressing the following issues:
  - How to deal with government or policy change?
  - How to develop a pathfinder tool helping SMEs to identify relevant funding instruments on national and European level.

The day ended with a visit of the Puzl coworking space and an informal get together with the Startup Europe ambassadors. At this occasion, the Thematic Manager of the Policy Learning Platform was given the possibility to deliver a presentation on the services and tools of the platform to the community of [Startup Europe](#).



## Introduction

The Interreg Europe Policy Learning Platform organised a thematic workshop on the topic of entrepreneurship and business creation, which was held in Sofia on 14 November 2018.

The aim or the workshop was to pave the way for synergies and mutual learning between the Interreg Europe projects working on entrepreneurship and business creation.

Consequently, the participating project representatives were invited to discuss and present their achievements, good practices and also their challenges, learn more about further European initiatives, see how projects could support each other for mutual regional benefit and understand how the Interreg Europe Policy Learning Platform could help them to improve the effectiveness of regional policies with regards to entrepreneurship and business creation.

## Participation

Altogether, 17 participants from Interreg Europe projects came together for the thematic exchange, supplemented by an external speaker from the European Commission, three representatives of Bulgarian public authorities, as well as the support staff of the Policy Learning Platform and the Joint Secretariat of Interreg Europe.

The following eleven Interreg Europe projects were represented in the event:

	<b>BRIDGES</b> Bridging competence infrastructure gaps and speeding up growth and jobs delivery in regions
	<b>E-COOL</b> Entrepreneurial and Intrapreneurial Mindset in Young People through the Dynamisation of Competences, Teaching Methodologies and Entrepreneurial Ecosystem
	<b>ESSPO</b> Efficient support services portfolios for SMEs
	<b>FAST FORWARD EUROPE</b> Business acceleration schemes for better access to finance
	<b>InnoBridge</b> Bridging the innovation gap through converting R&D results into commercial success in a more effective and efficient way
	<b>Innova Foster</b> Fostering startup & innovation ecosystems in Europe
	<b>Innova-FI</b> Financial Instruments for Innovation
	<b>OSS</b> One Stop Shop towards competitive SMEs, focusing on the ecosystem for the first line service system



	<p><b>RCIA</b> Regional Creative Industries Alliance – From European recommendations to better regional CCI policies for a more competitive economy</p>
	<p><b>REBORN</b> Embracing failure to encourage entrepreneurship and competitiveness</p>
	<p><b>STOB regions</b> Succession and Transfer of Business in Regions</p>

## Sessions

The workshop started with an official welcome by Laurentiu David from the Interreg Europe programme Joint Secretariat and Emil Komatichev from the Bulgarian Ministry of Economy, Energy and Tourism.

The welcome words were followed by a presentation of the Policy Learning Platform and its services by Thorsten Kohlisch, Thematic Manager of the Policy Learning Platform. Rene Tönnisson and Luc Schmerber, both thematic experts for SME competitiveness, introduced then the participants to the topic and objectives of the day, which was divided into the following sessions:

- European entrepreneurship support frameworks and community
- Entrepreneurship and business creation in Interreg Europe
- Good Practices for business support in the spotlight
- Breakout sessions in-depth discussions in small working groups and feedback to the plenary
- Visit to Puzl coworking space

The day ended with informal exchanges during a cocktail reception at Puzl coworking space.

In the following a summary for each of the sessions is provided. The event agenda is included in Annex A, and the [presentations](#) from the day are available via the Policy Learning Platform.

### European entrepreneurship support frameworks and community

This session focussed on the opportunities for managing authorities on regional level provided by Startup Europe, an initiative of the European Commission.

- **Bogdan Ceobanu, European Commission, Startup Europe initiative**

Bogdan Ceobanu, Policy Officer Startup and Scaleup at the European Commission, Directorate-General for Communication Networks, Content and Technology, presented the ambition of Startup Europe to connect on the European level the different local ecosystems of start-ups, including investors, accelerators, corporate networks, universities, entrepreneurs and media.

In order to do so, Startup Europe funds projects under the Research and Innovation programme Horizon 2020, supports grassroots initiatives and collaborates with startup friendly networks, including Startup Europe ambassadors in 24 countries. Information on those



measures and partnerships is available on the [Startup Europe](#) one stop shop <http://startupeuropeclub.eu/>.

Bogdan Ceobanu, about the Startup Europe initiative:

*"If we eat a biscuit every day and this biscuit contains policies, partnership, entrepreneurial spirit, impact, communication and other ingredients, we can trigger change and development... [...] Whether we are talking about citizens, students, teachers or professionals, Start-Up Europe supports grassroot initiatives to trigger business development and the turn of Europe's economy towards industry 4.0."*

- **Andreia Mendes - Start-up Europe regions network (SERN)**

SERN is a non-profit association in Brussels that focuses on

- mapping and providing better understanding of regional initiatives to support startups
- highlighting best practices
- providing recommendations
- connecting the relevant stakeholders and facilitating learning from each other.

There are currently almost 30 regional and national ecosystems represented in the membership of SERN and exchanging on the following issues:

1. Regional Ecosystems
2. Innovation Procurement
3. ICT and Arts (e.g. within the Interreg Europe project [Region Arts](#))
4. Financial Instruments (e.g. within the Interreg Europe project [Innova-FI](#))

### **Entrepreneurship and business creation in Interreg Europe**

As an expert of the Policy Learning Platform for local and regional policies boosting SME competitiveness, Luc Schmerber presented an overview of Interreg Europe projects dealing with entrepreneurship and business creation. The presentation built on the **model for a comprehensive Business Support Ecosystem** developed by the partners of the Interreg Europe [TRINNO](#) project, focussing thereby on challenges and good practices in the following three strands:

- access to skills, knowledge, networks
- access to infrastructures
- access to funding

#### **Access to skills, knowledge, networks**

The following projects are primarily addressing the issue of promoting entrepreneurship through

- awareness action targeting different target groups (kids, students, unemployed people)
- information portals
- training, coaching, mentoring
- fairs



Acronym	Title
<u>E-COOL</u>	Entrepreneurial and Intrapreneurial Mindset in Young People through the Dynamisation of Competences, Teaching Methodologies and Entrepreneurial Ecosystem
<u>OSS</u>	One Stop Shop towards competitive SMEs, focusing on the ecosystem for the first line service system
<u>REBORN</u>	Embracing failure to encourage entrepreneurship and competitiveness
<u>STOB regions</u>	Succession and Transfer of Business in Regions

The following of their good practices were exemplarily displayed:

Project	Good Practice
<u>REBORN</u>	<p><b>No fail No gain Conferences</b>  <a href="https://www.interregeurope.eu/policylearning/good-practices/item/852/no-fail-no-gain-conferences/">https://www.interregeurope.eu/policylearning/good-practices/item/852/no-fail-no-gain-conferences/</a></p> <p>This practice is much about role models and the huge social capital represented by entrepreneurs' experiences while setting-up and running a business.</p> <p>It provides an interesting complementary approach to entrepreneurship and business creation policies, which focus commonly on providing support in terms of expertise, training, facilities or funding. While all of this is important, the practice reminds us that setting up and running a business is primarily a human experience which cannot be fully rationalised. And this experience cannot be better translated than by entrepreneurs themselves.</p>



## STOB regions

### **Success-o-meter: a self-assessment tool for knowledge in business transfer**

<https://www.interregeurope.eu/policylearning/good-practices/item/255/the-success-o-meter-a-self-assessmenttool-for-knowledge-in-business-transfer/>

Ensuring the continuity of existing businesses through successful transfer or takeover is a challenge for many European regions and represents a significant potential in terms of maintaining employment and economic activities. The topic is often not strongly taken into consideration in policy or not strongly communicated.

It is therefore meaningful to promote the development of suitable policy approaches. The success-o-meter provides hereby a straight forward and easily transferable tool enabling to address a large target group, identify the most critical needs and eventually develop further policy measures to address them.

A following step is to develop **succession wiki** (under preparation): comprehensive digital online reference guidebook gives an overview of four main topics:

1. transfer of a company (handing over as a senior)
2. internal succession (within a family or family network)
3. external succession (buyers, employees)
4. General Aspects concerning people who seek information (e.g. advisors, students, policy-makers)

<https://www.interregeurope.eu/policylearning/good-practices/item/1564/the-successionwiki-a-comprehensive-online-lexicon-for-business-transfer/>

## **Access to infrastructures**

The following projects are primarily addressing the issue of access to dedicated infrastructures for supporting entrepreneurship though

- Accelerator – acceleration programmes
- Incubators
- Research parks
- Competence centers / Hubs

Acronym	Title
<a href="#"><u>FFWD EUROPE</u></a>	Business acceleration schemes for better access to finance
<a href="#"><u>ESSPO</u></a>	Efficient support services portfolios for SMEs
<a href="#"><u>iEER</u></a>	Boosting innovative Entrepreneurial Ecosystem in Regions for young entrepreneurs
<a href="#"><u>SPEED UP</u></a>	Supporting Practices for Entrepreneurship Ecosystems in the Development of Urban Policies



The following of their good practices were exemplarily displayed:

Project	Good Practice
<u>iEER</u>	<p><b>Contamination Lab of Polytechnic University of Marche</b>  <a href="https://www.interregeurope.eu/policylearning/good-practices/item/1064/contamination-lab-of-polytechnic-university-of-marche/">https://www.interregeurope.eu/policylearning/good-practices/item/1064/contamination-lab-of-polytechnic-university-of-marche/</a></p> <p>This project resulted from a discussion between leading entrepreneurial universities in Italy, stimulated by the Italian Ministry of University and Research. Given the success experienced by those universities that acted as pioneer in the development of the programme, in 2016 the Italian Ministry of University and Research issued a call for the replication of this practice in other universities.</p>
<u>ESSPO</u>	<p><b>Bind 4.0</b>  <a href="https://www.interregeurope.eu/policylearning/good-practices/item/1374/bind4-0/">https://www.interregeurope.eu/policylearning/good-practices/item/1374/bind4-0/</a></p> <p>From the beginning, the BIND 4.0 programme has been characterised by high demand from the international start-up scene. Already under the first call, more than 250 applications were submitted from companies located in 41 countries. Until now, 27 international start-ups have been selected to develop a total of 40 projects in collaboration with 27 big corporates.</p>

## Access to funding

The following projects are primarily addressing the issue of access to funding for entrepreneurs though

- Grants
- Preferential loans (e.g. 0% loans) and guarantees
- Public-private mixed funding schemes
- Micro-funding (micro-credit using ESF), crowd funding
- Revolving funding schemes
- Vouchers
- Business angels
- Venture capital

Acronym	Title
<u>ATM for SMEs</u>	Access to Microfinance for Small and Medium-sized Enterprises
<u>Innova-Fi</u>	Financial Instruments for Innovation

The following of their good practices were exemplarily displayed:



Project	Good Practice
<u>ATM for SMEs</u>	<p><b>MICROCREDIT FUND FOR ENTERPRISE CREATION USING ESF FUNDS</b></p> <p><a href="https://www.interregeurope.eu/policylearning/good-practices/item/509/microcredit-fund-for-enterprise-creation-using-esf-funds/">https://www.interregeurope.eu/policylearning/good-practices/item/509/microcredit-fund-for-enterprise-creation-using-esf-funds/</a></p> <p>The practice illustrates well the possibility to use ESF Funding for microloans at favourable conditions to support individuals or start-ups with difficulty to access traditional credit channels. The experience gained by the Sardinia region in the management of the Microcredit ESF Fund can facilitate preparation of programmatic documents and ensure a model for access to information, support in the strategic review in the use of resources and certification of expenditure for other regions.</p>
<u>FFWD EUROPE</u>	<p><b>MurciaBan - Business Angels Network</b></p> <p><a href="https://www.interregeurope.eu/policylearning/good-practices/item/1724/murciaban-business-angels-network/">https://www.interregeurope.eu/policylearning/good-practices/item/1724/murciaban-business-angels-network/</a></p> <p>From the beginning, the BIND 4.0 programme has been characterised by high demand from the international start-up scene. Already under the first call, more than 250 applications were submitted from companies located in 41 countries. Until now, 27 international start-ups have been selected to develop a total of 40 projects in collaboration with 27 big corporates.</p>

### **Good Practices for business support in the spotlight**

According to the three above horizontal strands for business support schemes, five project representatives took the opportunity of the workshop to present a relevant good practice or an ongoing policy improvement from their projects:

- **Soft measures: Awareness / education / training**

Project	Good Practice
<u>RCIA</u>	<p><b>Entrepreneurship Kids</b>, <a href="#">RCIA</a>, City of Lublin, Diana Ciszewska</p> <p>The City of Lublin, Poland, has 70 000 students and thousands of graduates every year and faces the challenge to ensure an economic environment providing jobs for them. One of the key objectives of the local authorities is thereby to promote a culture of entrepreneurship and a positive economic image of Lublin.</p> <p>The Entrepreneurship Kids is a pilot project launched 2018 in this context and targeting school kids in the age of 6 to 10. It involved 9 educational institution and 350 children. It involved a mascot (the Entrepreneurial Goat), thematic workshops, visits to other companies, economy classes in cooperation with two banks (concept of money, inflation etc. discussed) and simulated the development of children's own companies (name, business plan, model).</p> <p>The project got very positive feedback. The kids truly enjoyed the process, and nobody dropped out. Therefore, the project will be continued with a</p>



	<p>bigger number of students and institutions involved and will become a yearly project.</p> <p>Diana Ciszewska about the project:</p> <p><i>"By nature, kids are creative and entrepreneurial. Through workshops, company visits and a big final event, the project gave kids from our city the possibility to apply their creative thinking skills and develop solutions which may turn into business plans in the future."</i></p>
--	---

- **Infrastructures: incubators, accelerators, co-working spaces, living labs...**

Project	Good Practice
<u>FFWD EUROPE</u>	<p><b>Setup of a new accelerator in Lithuania:</b> policy improvement efforts in a frame of <a href="#">FFWD Europe</a>, Kaunas STP, Ramune Guogiene</p> <p><a href="#">FFWD Europe</a>'s aims for setting up acceleration programmes for startups and further SMEs for growth potential.</p> <p>In the framework of the project implementation, the representatives of Kaunas Science and technology Park were able to engage in a policy improvement process jointly with the Ministry of Economy, which led to the approval for the set-up of a new startup acceleration programme - Greitintuvas'120 (Accelerator' 120) – to be funded in the framework of the Lithuanian Innovation Development Programme 2014-2020. More specifically, additional funds are expected to be allocated to the InoSputras 2.0 scheme for innovation consultancy and support services with the specific aim to set up the Greitintuvas'120 accelerator in Kaunas.</p> <p>Ramune Guagiene about the policy improvement in Lithuania:</p> <p><i>"By combining the efforts of our science part and the <a href="#">FFWD Europe</a> project, we succeeded in ensuring financial support for our business acceleration scheme through Lithuania's innovation programme 2014-2020."</i></p>
<u>BRIDGES</u>	<p><b>Kantola industrial estate and Woodpolis centre of competence, BRIDGES, Kainuu Etu, Markus Leinonen</b></p> <p><a href="https://www.interregeurope.eu/policylearning/good-practices/item/136/kantola-industrial-estate-and-woodpolis-centre-of-competence/">https://www.interregeurope.eu/policylearning/good-practices/item/136/kantola-industrial-estate-and-woodpolis-centre-of-competence/</a></p> <p>The practice implemented in Kantola, Finland, addresses the issue of supporting business development in sparsely populated areas thanks to a strong triple helix co-operation tying together regional companies and educational institutions with national universities. The policy sector is represented by the city of Kuhmo and the regional council of Kainuu.</p> <p>A Master Plan, a growth orientated strategy, was defined in order to support the development of the local wood processing industry, representing 12 companies and about 240 jobs and EUR 100 Mio. of turnover. It encompassed the creation of Woodpolis, a competence centre set up for the benefit of the companies. Woodpolis focuses on R&amp;D, education and trading, providing manufacturing facilities. It was mainly funded by ESIF, but also partly by the national innovation fund. The current results demonstrate that the triple-helix cooperation is working and that the cluster companies are getting closer to the goals of doubling their turnover and create additional 50 to 70 jobs by 2020.</p>



The practice has been transferred to the Goriska region (Slovenia) for the set-up of a knowledge intensive platform for aquaculture in the framework of the [BRIDGES](#) project.

Markus Leinonen about the practice:

*"Our master plan for wood cluster development shows how triple-helix cooperation and the creation of new value-added products can work in sparsely populated areas."*

- **Funding schemes: vouchers, grants, loans, equity...**

Project	Good Practice
<a href="#">ESSPO</a>	<p><b>Bilateral Green Industry innovation programme, <a href="#">ESSPO</a>, ARC Fund, Daniela Tonchkova</b></p> <p>The Green Industry Innovation programme, operated by Innovation Norway in collaboration with ARC Fund, focuses on supporting the greening of existing industries, green innovation and green entrepreneurship and presents the particularity to provide foreign businesses – in this case Bulgarian ones – with funds aiming at developing innovative products and processes in collaboration with a Norwegian entity.</p> <p>In Bulgaria, more than 100 project applications have been received and the grant amount applied for was four times bigger than the available funds. A total of 32 projects have been finally selected for the total project value of approx. EUR 25 million. 24 projects were successfully implemented in partnership with a Norwegian entity. The average grant amount allocated to projects is around EUR 350.000 and the average grant rate is 46 %.</p> <p>The lessons learnt by ARC Fund and the Bulgarian national stakeholders from the collaboration with Innovation Norway are:</p> <ul style="list-style-type: none"> <li>▪ The establishment of partnerships for the development of innovative solutions takes more time than expected. The necessity of building trust at the beginning of the collaboration process needs to be taken into account.</li> <li>▪ The assessment of the project's potential profitability and the verification of the company's reputation are crucial in order to ensure a real commercial valorisation of the project's results.</li> <li>▪ The difficult economic context in Bulgaria requires to implement adequate financial instruments for supporting large investments in innovation on the business side.</li> </ul> <p>Daniela Tonchkova about the selection process of companies:</p> <p><i>"When deciding on financial support for innovative SMEs, face-to-face meetings with applicants have helped us to really understand their projects and ambitions."</i></p>
<a href="#">FFWD EUROPE</a>	<p><b>INVEGA fund: Access to finance for business creation and development in Lithuania, <a href="#">FFWD EUROPE</a>, Kaunas STP, Vaiva Kelmelyte</b></p> <p><a href="https://www.interregeurope.eu/policylearning/good-practices/item/182/invega-fund/">https://www.interregeurope.eu/policylearning/good-practices/item/182/invega-fund/</a></p>



One of the objectives of the [FFWD Europe](#) project is to enhance the competitiveness of SMEs, especially startups, through improved access to finance. The Lithuanian INVEGA Fund, which provides access to finance for business creation and development in Lithuania is an example of how public managing authorities can provide a financial supportive environment for SMEs.

The INVEGA Fund encompasses a series of instruments, which constitute a sound mix addressing a large part of the funding needs for startups and growing businesses:

- Individual guarantees
- Portfolio guarantees
- Soft Loans
- Venture Capital Investments
- Subsidies

Vaiva Kelmelyte presented exemplarily the entrepreneurship promotion 2014-2020 loans (soft loans), which already contributed to the creation of about 800 jobs by new businesses. Quite interestingly, those new business show a high survival rate of 99% after 12 months.

Beyond its limited flexibility due to public procurement regulations and procedures, the INVEGA Fund has significantly increased the willingness of private financial institutions to provide to the businesses supported by the INVEAG Fund, thus increasing the continuity of the necessary investments.

Vaiva Kelmelyte:

*"The financial support provided by the INVEGA fund has successfully helped start-ups and SMEs during vulnerable periods of their business lifecycles."*

### **Breakout sessions in-depth discussions in small working groups and feedback to the plenary**

The participants were asked to select their preferences for the breakout session among the three main stands of the day:

- Access to skills, knowledge, networks
- Access to infrastructures
- Access to funding

As a result of the participant's choices, it was decided not to hold a breakout session on "access to infrastructures".

Each of the breakout sessions were moderated by a thematic expert on the basis of prepared questions and taking into account the presentations from the morning sessions.

#### **▪ Breakout session on access to funding (moderated by Rene Tõnnisson)**

The session started with a presentation of a good practice dedicated to an original practice on a transnational funding scheme.



Project	Good Practice
<a href="#"><b>BRIDGES</b></a>	<p><b>CENTROPE Innovation Voucher, <a href="#">BRIDGES</a>, CEEI Burgos, Juan Carlos Martínez Barrio</b></p> <p>The CENTROPE Innovation Voucher is a transnational voucher which was designed and tested in the framework of the Interreg Central Europe CENTROPE transnational project. It aimed at supporting SMEs with EUR 5.000 to get services from universities and R&amp;D institutes abroad, thus providing financial support for 50 transnational science-to-business cooperative projects: feasibility studies, prototyping, testing, potential for technology transfer, economic impact assessment etc.</p> <p>Despite the limitations due to the project framework the practice proved to be successful in supporting some 34 projects out of 66 applications.</p> <p>As it appeared from the discussion, the CENTROPE Innovation Voucher did actually serve as a blueprint for a follow-up project in Austria in the field of Creative Industries (see more to it on the Good Practices database <a href="https://www.interregeurope.eu/policylearning/good-practices/item/546/kreativwirtschaftsscheck-kws-creative-voucher/">https://www.interregeurope.eu/policylearning/good-practices/item/546/kreativwirtschaftsscheck-kws-creative-voucher/</a>), which eventually also evolved into a government programme delivering up to 600 vouchers a year.</p> <p>With respect to transferability the discussion highlighted that a successful roll out requires</p> <ol style="list-style-type: none"> <li>1) qualified business support intermediaries should be there (institutional side) and</li> <li>2) financial resources with transnational eligibility for the implementation, which is not the rule.</li> </ol> <p>It also needs to be stressed that the connection between (small) SMEs and (large) R&amp;D institutes often needs to be stimulated.</p>

Following the presentation and discussion on the CENTROPE Innovation Voucher, the participants exchanged ideas on their main challenges with respect to the access to funding.

Main challenges faced by break-out session participants:

#### Policy changes

The first challenge voiced was: how to ensure the continuity of policies in times of changing governments and keep the support for projects, strategies and priorities (example: stimulating entrepreneurship among migrants)? This challenge was relevant to all the participants. The participants discussed different measures that could be used to protect policies and projects from changes in politics. One of the mentioned solutions was to incorporate policies into long-term strategies and funding schemes, i.e. integrating them into multi-annual strategies. Another solution focuses on the smart combination of different policy objectives and priorities.

Naturally, the raised political challenge is not limited to policies on entrepreneurship and business creation and was thus not discussed further during the break-out session. At the same time, given the relevance of the issue for the participants, the Policy Learning Platform may dedicate future learning activities/events to the topic of policy continuity.

#### SME digitalisation



The group discussed whether the observed reluctance to digitalization is a funding or a mindset problem. It was emphasized that change of the mindset is a slow process while digitalization is a very quick process. It was pointed out by the participants that companies that are reached through digitalization programmes are already doing some digitalization and are therefore not the most critical target group. Estonia was brought as an example where the IT hype is so strong that the mindset is not as problematic, but rather the deterrent is the cost of digitalization and the uncertainty of securing benefits. Companies want risk sharing assistance. Estonia now has a support-scheme called Digiaudit which is a voucher-based audit for processes.

### Pathfinding

The key difficulty regarding access to funding is to get the SMEs aware which support instrument is the most appropriate for them, i.e. what is the difference between regional, national, European and other funding schemes. The core of the problem lies in communication. Another point made was that it is not only that the SMEs do not understand the difference but also that they do not care. The recipient does not care where the money comes from, but this is problematic if attention is not paid on the differences in provisions. It became evident that a pathfinding tool for SMEs is needed.

### Other topics

Additional thoughts that were shared but did not manage to develop into extended discussions included the difficulty of finding the most appropriate international partners for SMEs in order to participate in interregional funding schemes and the complexity of the entire support instruments bureaucracy. Some SMEs are managing the game, but many do not have the time or skills to cut through the regulation framework.

### **▪ Breakout session on access to skills, knowledge, networks (moderated by Luc Schmerber)**

The session focused on the identification of the main challenges encountered by the participants with respect to the promotion of soft support measures and initiatives aiming at supporting entrepreneurship and business creation. The following topics were addressed:

#### Entrepreneurial spirit and education / Investment in soft skills

The participants agreed on the necessity to promote entrepreneurial spirit through education and further awareness measures, as well as to foster investment in relevant soft skills within businesses and administration, but also on a broader level by targeting e.g. students before they enter the professional life.

#### Durability – continuity of the schemes / Monitoring of the progress

A particularity of schemes aiming at improving the entrepreneurial spirit of specific target groups or fostering improvements in terms of skills is that their impact is difficult to monitor and measure. An example therefore are entrepreneurial trainings and projects targeting pupils or students: how many will actually create a business or demonstrate entrepreneurial behaviour in the course of their professional lives? As confirmed by all participants, finding an answer to this question remains one of the strategic challenges when designing business support policies and instruments.

The issue of the continuity of the schemes was also raised: how to ensure that beneficiaries from single programmes or projects will actually remain in a favourable environment with



respect to entrepreneurial spirit beyond taking part in a specific project? Which would be a suitable array of measures on regional level?

#### Management and coordination of complex ecosystems

The participants are clearly thinking in terms of business support ecosystems involving multiple stakeholders. They raised questions about practices related to:

- The governance of such ecosystems: how should the responsibilities be split? How to balance competition and collaboration? How to reach a regional consensus?
- Operational management issues: how to ensure an efficient delivery of support services (e.g. one stop shop approach)? How to ensure quality and continuity of support service delivery?

#### Capacity building for managing authorities

Some participants raised the necessity for managing authorities to ensure within their organisations a good level of understanding of the needs of the businesses and the relevant support services in order to be able to adapt policies and support schemes in a dynamic way.

#### Need for good practices

All the participants stressed their high interest in learning from the good practices from other regions and integrate this knowledge in their own policy making process. This goes for all of the above listed topics.

## **Conclusions**

The last plenary session was dedicated to the reporting of the main issues discussed in the breakout sessions and the general conclusions of the day.

#### Breakout session on access to funding:

The following main questions were discussed in the breakout session:

1. How to keep projects and programmes going when governments change?
2. How to get SMEs to digitalize (which funding schemes should be used)?
3. How to make companies understand the differences between national, regional and EU funding schemes?

#### **Follow-up activities:**

The following key issues have been identified:

- As a major concern for the participants was **how to deal with government or policy change**.
- The discussion regarding SMEs' incapability in differentiating between funding instruments on national and European level made it clear that there is a demand for a pathfinder tool. Different committed Interreg lead partners could be brought together to develop a **pathfinding prototype**.

The Policy Learning Platform will explore in the coming weeks the most appropriate options in terms of services and formats in order to address those topics.

#### Breakout session on access to skills, knowledge, networks:

The following main questions were discussed in the breakout session:



1. How to create an entrepreneurial spirit and propose a set of entrepreneurial education services?
2. How to ensure the durability and monitoring of entrepreneurial spirit?
3. How to manage and coordinate local and regional business support ecosystems?  
How to avoid overlaps, gain commitments from relevant stakeholders?

#### Follow-up activities:

The Policy Learning Platform will aim at taking up the above questions in its future activities. More specifically the following actions have been identified:

- Drafting of a **policy brief dedicated to business support ecosystems** and their management;
- Consider activities/events on cross-thematic policy challenges such as policy continuity and stakeholder governance;
- For the different questions listed above, identify and disseminate relevant **good practices**. The most appropriate tools therefore will be defined in the coming weeks (e.g. stories on specific good practices, thematic online discussion...);
- The **peer review** service was mostly highlighted by the participants as having the highest potential for providing direct added-value to managing authorities. The participants to the workshop are recommended to follow-up on the publication of a new call for peer review applications on the Interreg Europe website. Information will also be provided in due time by the Interreg Europe Policy Learning Europe.

#### General conclusions of the day:

Luc Schmerber concluded the day by stressing the importance of thinking in terms of ecosystems when dealing with policies and support measures for entrepreneurship and business creation.

The diversity and complexity of both the target group and the relevant services makes it necessary to engage into the set-up and management of multiple stakeholder systems, so as to provide adequate services to (potential) entrepreneurs with a high professionalism. With this respect there is a need for public policy making and support for entrepreneurship as not all regional ecosystems are complete or able to keep pace with the increasingly fast evolution of business models and practices.

Luc Schmerber also reminded that beyond policies and support schemes, it is always necessary to act to some extent on a single person level when it comes to implementation and to win champions in the relevant institutions in the ecosystem.

#### **Visit to Puzl coworking space**

Following the formal part of the workshop at International Business School, the participants walked jointly to the Puzl coworking space, where a visit in two groups took place. At the end of Startup Europe Ambassadors gathering, which was also taking place in Puzl at the same time, Thorsten Kohlisch was invited to give a presentation about Interreg Europe PLP main activities, which gave the participants better understanding on how PLP services can be used in their regions and resulted already in several follow-up contacts from the participants in the meeting. The day ended with an informal get together in co-working space, where some Startup Europe ambassadors joined the Interreg Europe crowd.



## Annex A: Agenda

<b>Agenda</b>	
9h00	<b>Registration &amp; welcome coffee</b>
9h30	<p><b>Welcome &amp; Introduction</b></p> <ul style="list-style-type: none"> <li>Opening and welcome to the workshop, Interreg Europe Secretariat and Bulgarian Government representatives (tbc) <i>Laurentiu David, Project Officer, Interreg Europe Joint Secretariat</i></li> <li><i>Emil Komatichev, State Expert, Innovations &amp; Entrepreneurship Dept., "Economic policy" Directorate, Ministry of Economy</i></li> <li>Presentation of the Policy Learning Platform <i>Thorsten Kohlisch, Interreg Europe Policy Learning Platform</i></li> <li>Introduction to the topic and objectives of the day <i>Rene Tönnisson &amp; Luc Schmerber, Interreg Europe Policy Learning Platform Thematic Experts – SME competitiveness</i></li> </ul>
10h00	<p><b>European entrepreneurship support frameworks and community.</b></p> <p>What are the latest trends and developments from the European perspective? How can regions and European initiatives team up for entrepreneurial support.</p> <p style="margin-left: 20px;">Presentations followed by panel discussion and questions from audience with:</p> <ul style="list-style-type: none"> <li>Bogdan Ceobanu, <b>Start-up Europe, European Commission</b></li> <li>Andreia Mendes, <b>Start-up Europe Regions Network (SERN)</b></li> </ul> <p><i>Moderation: Rene Tönnisson</i></p>
11h00	Coffee break
11h30	<p><b>Entrepreneurship and business creation in Interreg Europe.</b></p> <p>What are European regions doing to boost entrepreneurship and business creation? How can interregional learning help policy makers to run their business support policies more efficiently?</p> <p>Introduction and overview of Interreg Europe projects working on the subject.</p> <p><i>Luc Schmerber</i></p>
11h45	<p><b>Good Practices for business support in the spotlight</b></p> <p>From the challenges of financing to business acceleration and capacity building, Interreg Europe good practices are presented. Each presenter has 5 minutes to present their GP, then the thematic expert and the audience interview the presenter for 10 minutes.</p> <p><i>Moderation: Luc Schmerber</i></p>
13h00	Networking Lunch
13h45	<b>Breakout sessions in-depth discussions in small working groups</b>



- Awareness / education / training
- Funding schemes (vouchers, grants, loans, equity...)

Questions discussed during the sessions:

- Major challenges addressed / aims
- Learnings / results so far
- Experiences with interregional transfer
- Learning expectations

*Moderation: Rene Tõnnisson, Luc Schmerber & Thorsten Kohlisch, Interreg Europe Policy Learning Platform Thematic Experts*

<i>14h45</i>	Coffee Break
<i>15h00</i>	<p><b>Concluding session – what's next?</b></p> <p>Reporting back from the working groups and what can participants take back home. How to optimise policies for entrepreneurship and business creation - conclusions for local and regional policy makers</p> <p><i>Moderation: Rene Tõnnisson &amp; Luc Schmerber</i></p>
<i>15h30</i>	<p><b>Visit to Puzl coworking space (<a href="http://www.puzl.com">www.puzl.com</a>) and walking tour.</b></p> <p>Puzl is a good practice on <b>how to turn an old factory into modern business hub</b>. With more than 6000 square meters of space with relevant business services attached, Puzl has created a homey coworking space suitable for work and leisure.</p>
<i>16.30</i>	<b>Cocktail reception at Puzl coworking space</b>



## Annex B: List of participants

Surname	First Name	Organisation	Project
Andonova	Vihra	Euro Perspectives Foundation	n/a
Catherall	David	Oldham Metropolitan Borough Couincil	Innova Foster
Ceobanu	Bogdan	European Commission	n/a
Ciszewska	Diana	City of Lublin	RCIA
David	Laurentiu	Interreg Europe	n/a
Gallacci	Ornella	FILSE SPA	REBORN
Gevorgyan	Karine	Interreg Europe Policy Learning Platform	n/a
Guogiene	Ramune	Kaunas Science and Technology Park	FFWD EUROPE
Ilieva	Marusya	Executive agency "Science and Education for Smart Growth Operational programme"	n/a
Kelmelyte	Vaiva	Lithuanian Business Support Agency	FFWD EUROPE
Koch	Christina	Austria Wirtschaftsservice	RCIA
Kohlisch	Thorsten	Policy Learning Platform	n/a
Komatichev	Emil	Ministry of Economy	n/a
Leinonen	Markus	Kainuun Etu Oy	BRIDGES
Marinova	Denitsa	Applied Research and Communications Fund	InnoBridge
Martinez Barrio	Juan Carlos	CEEI-Burgos	BRIDGES
Mendes	Andreia	Startup Europe Regions Network	Innova-FI



<b>Surname</b>	<b>First Name</b>	<b>Organisation</b>	<b>Project</b>
Nikolov	Nikolay	Agency for regional end economic development	OSS
Panteva	Geri	Devon County Council	E-COOL
Petrov	Velizar	Regional Development Agency with BSC for SMEs	STOB REGIONS
Ramaglioni	Ilaria	Interreg Europe	n/a
Schmerber	Luc	Policy Learning Platform	n/a
Sottilli	Valeria	Città Metropolitana di Torino	FFWD EUROPE
Tchonkova	Daniela	Applied Research and Communications (ARC Fund)	ESSPO
Tonkov	Aleksandar	Regional Development Agency with Business Support Centre for Small and Medium-si	STOB REGIONS
Tonnisson	Rene	Policy Learning Platform	n/a
Veliste	Mart	Baltic Innovation Agency	n/a

#SMECompetitiveness  
#business\_acceleration  
#startup



## Interreg Europe Policy Learning Platform on SME Competitiveness

Thematic experts:

Rene Tõnnisson & Luc Schmerber

[r.tonnisson@policylearning.eu](mailto:r.tonnisson@policylearning.eu)

[l.schmerber@policylearning.eu](mailto:l.schmerber@policylearning.eu)

<https://interregeurope.eu>

DECEMBER 2018



**Interreg**  
**Europe**



European Union | European Regional Development Fund