



STOB regions
Interreg Europe



STOB regions Interreg Europe Interregional policy learning event report

Thematic of “Business Transfer in Rural Areas”

STOB Regions 67th Interregional Policy Learning workshop and peer review

December 13th - 14th 2018, Seville, Spain

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Succession and Transfer of Business in Regions (STOB) Project, funded by the European Commission Interreg Europe programme.

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Overview

The seventh Interregional policy learning workshop & peer review of the STOB regions project took place on 13th and 14th of December 2018, in Seville, Spain. Organized by project partner Official chamber of Commerce, Industry and Shipping of Seville. The first day was dedicated to introducing the participants to the thematic workshop topic: **Business Transfer in Rural Areas**. The event was attended by 38 and 39 participants, on day one and day two respectively.

Brief from STOB regions' project application

The 7th interregional learning event will be hold in Sevilla following the approved methodology for the peer review. The advisory partner will moderate the one-day event. The one-day workshop will cover the topic "Business transfer in rural areas". A high number of transfers takes place in rural areas. The demographic change with a shrinking population in particular the migration of young people is an important barrier to find the successors needed. On the other hand, young people can be motivated to stay in their home region when they see an economic perspective through becoming an entrepreneur.

How can regions support young people and make them fit for a company succession process with different instruments will be discussed with experts and RSG members in this workshop. The partners can refer to some good practices evaluated in the INTERREG IVC project DART but will also analyse new examples. A workshop report with recommendations summarises the results.

Meeting Itinerary

Day one - Interregional workshop 13th December 2018

Location: Chamber of Commerce Seville

08.45 – 09.00 Registration and coffee

09.00 – 09.30 Welcome and reminder of the programme

Manuel Montoya project manager at Seville Chamber of Commerce, welcomed the participants with a review of the two-day workshop.

Thematic lectures

09.10 – 09.30 Thematic lecture 1: EU overview of Business Transfer

Marie Depelssemaker, Secretary General, Transeo

The presentation offered an EU wide overview of Business transfers. A key takeaway was the need to combine business transfer as a time-point for potential growth and innovation renewal. In addition, TRANSEO presented their 2019 working plan including the 2019 General assembly and development of the Transeo Marketplace, an online buyer and seller side platform.

09.30 – 09.50 Thematic Lecture 2: Business Transfer in Rural Areas in Europe

Laurent Renerken, Manager, SOWaccess

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The second thematic lecture presented by Laurent Renerken, Business transfer Advisor at SOWACCESS, offering a good practice in the form of the Walloon Business Transfer ecosystem in Belgium. The platform and process were presented in great detail, and the results were impressive with 310 accompanied seller deals declared by SOWACCESS partners, representing 191 and 113 on the buyers and sellers side respectively.

09.50 – 10.20 Thematic Lecture 3: The Spanish support plan for Business Transfer

Francisco Moreno, Head of Area, Directorate-General Industry and SME of the Ministry of Industry, Trade and Tourism

The Spanish National Plan for Business Transfer was presented by Francisco Moreno. Head of Area, Directorate-General Industry and SME of the Ministry of Industry, Trade and Tourism. SME support is offered through the PAE and PLAN networks, comprised of 40-member organisations, and provides 279 service points across Spain. The ongoing activities and aim is to integrate basic BT services on the portfolio of networked services in addition to providing a comprehensive list of professional advisors who provide advanced BT services.

10.20–10.50 Short coffee Break

10.50 – 11.20 Thematic Lecture 4: Challenges and opportunities for Business transfer in Rural areas

Francisco Palma, CEO, Japon Matari Consultores

The final thematic lecture was provided by Family business consultancy Japón Matarí, of the challenges and opportunities for business transfer in rural areas in addition to offering their approach to ensure family business continuity and prosperity. It was stressed Family and Business as terms, should be considered holistically.

11.20 – 12.15 Presentation of the partners' contributions part 1

Presentation "Bulgaria"

The Bulgarian partner provided an overview of the Rural development programme 2014-20 with reference to business transfer. The aim of the programme is to 1) develop a competitive agriculture and forestry, stimulate 2) innovation in the food industry, 3) and conservation of natural resources and the environment, as well as and 4) to promoting employment opportunities and a better quality of life in rural areas. Under the programme, the amount of grant per applicant varies between 40% and 100% of the total project cost, depending on whether the applicant is a private person or municipality.

Two regional good practice company cases were presented; the second-generation succession of Agroprodukt group, a supplier of foodstuffs for the retail sector and also Pulpadeva Ltd, a wine and drink producer.

Presentation "Denmark"

Danish partner offered a recent practical case of a successful transfer in rural a setting. The company who specialise in ventilation products and services has no succession planning in place, through public support in the form of a financial advisor and a specialist, an experienced successor was located, and the transfer was expedited resulting in the securing of jobs and ensuring an efficient transfer for business continuity.

Presentation "Finland"

The Finnish partner initiated with a general overview of the dynamics of the region, highlighting how a large majority of the region is classified as rural areas and the cruciality of locating buyers for these rural SMEs which are heavily reliant upon for regional employment and economic value added. A good practice example from South west Finland in the form of their BT platform, administered by the local branch of the Federation of Finnish Enterprises, and constitutes a public and private partnership towards the orchestration of systematic BT services with a strong and coherent focus on renewal and innovation.

12.30 – 14.00 Lunch break

14.00 – 15.30 Presentation of the partners' contributions part 2

Presentation "Germany"

From Germany, a Draft of an excellence programme of the Brandenburg university of technology Cottbus-Senftenberg was presented with the aim to match future successors to local companies. The program has two components; firstly to raise sensitization for students to take over a company as an alternative for employment. Secondly to sensitize and encourage local companies to participate in student exchange programs and joint marketing actions.

Presentation "Poland"

The polish contribution revolved around the regional specifics of the Malopolska region, focusing on rural areas. There is a key issue of lack of successors in addition to a widespread lack of understanding of managing of succession and its processes. There also exists a mismatch in cross generational dialogue, the varying desires and goals of the generations further exacerbate the issues.

Presentation "Romania"

Alexandru Groseanu, from Ilfov County Local Action Group, discussed the issue of renewal of generations with focus on farm activity transfer to the younger generation. The demographics of farm ownership show need for affirmative action with regards to generation shift, as close to 75 % of regional farmers are over the age of 51. The national programme for rural development contains under specific objective 6.1 "support for installation of young farmers, in the current program period provides new farmers flat rate support of up to 50,000 EUR. It is expected this amount will increase by a factor two during the proceeding program period.

Presentation "Slovenia"

Mitja Kadoič, representing KGZS-Zavod KR, offered an overview of the transfer situation in rural areas of Slovenia. Demographics are playing a significant role in the need for advanced and expedited support for continuity of agriculture operations in the country. Reactionary measures were implemented during the previous programming period of the Rural development programme, to aid in early retirement of farmers. In tandem to support this attrition, the young successor measure was implemented, including qualification criteria, to financially support young farmers in succession in agricultural activities. Results of this measure in particular increased the educational level of farmers, whilst maintain the rural economic base.

15.30 – 16.00 Closing remarks

Following the partners' contributions, the group assembled to discuss the key outcomes and knowledge generated throughout the day's proceedings as a reminder for transfer into the local action plans for each region to assist in the support of Business Transfer in the partner's respective regions.

Day two - Interregional peer review 14th December 2018

Location: Chamber of Commerce Seville

08.45 – 09.00 registration and welcoming coffee

09.00 – 09.10 Welcoming remarks

Manual Montoya welcomed the participants to the second day of the interregional policy learning event, describing the agenda of peer review.

09.00 – 09.30 Introduction to the regional context of rural areas in Andalucía

The peer review on day two began with introduction of the regional situation regarding business transfer in rural areas, presented by Ignacio Garcia Saura, General manager at ARA Andalucía Rural offered key statistics and dynamics of the agriculture sector in the region. In short succession, Francisco Cousinou, Service Manager at Andalucía Regional Government detailed their offerings to regional rural based SMEs for both start-up and business transfer services.

09.30 – 10.40 Regional government business support in rural areas & Business succession in the agriculture sector

Francisco Cousinou, Service Manager at Andalucía Regional Government detailed their offerings to regional rural based SMEs for both start-up and business transfer services. Vicente Perez Garcia de Prado, Andalusian general manager of the Association of Young Agricultors offered the scenario of business succession in the Andalusia region.

10.40 – 11.10 Good practice example – Rodamientos Bulnes

The final good practice example, courtesy of Carlos Bulnes, 2nd generation CEO of Bulnes Group, comprised of three companies operating in the industrial and engineering sector, described his personal experience with a succession in his family company. The key takeaway was the need for the next generation to be equipped with new knowledge and skills and renew the company in a direction to ensure competitiveness and growth.

11.10 – 11.40 Coffee break

11.40 – 12.40 SWOT analysis

With participation of all partners – moderated by scientific advisory partner.

The results and input for the regional SWOT analysis of the Andalusia region from all project partners is displayed below.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Tourism & agriculture • Global language • Social cohesion • Strong educational programs & collaboration with universities 	<ul style="list-style-type: none"> • Depopulation in rural areas • Relatively low income in agricultural sector • Lack of knowledge in technology/digitalisation

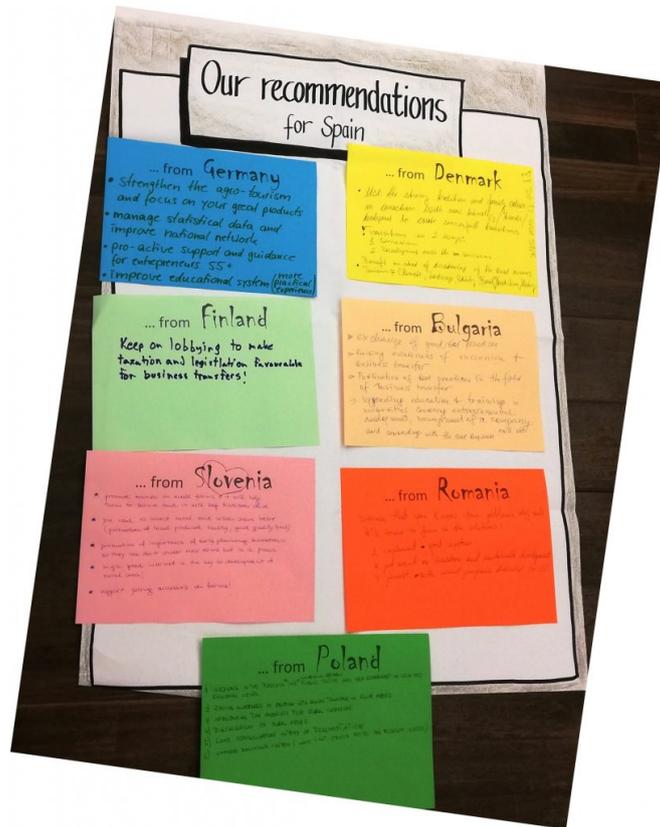
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<ul style="list-style-type: none"> • Human capital • Entrepreneurial culture • Well-developed services for entrepreneurs • Good corporate governance • Female entrepreneurship • Good infrastructure • High level of product quality • Access to new technology • Diversification of products/industry 	<ul style="list-style-type: none"> • Tax & legal regulatory framework • Structure of farms is diverse • Aging farmers • Lack of awareness and knowledge regarding succession • Lack of access to statistics • Younger generation's Lack of interest in certain business areas • Knowledge gap between higher education and working life • Lack of business administration knowledge
Opportunities	Threats
<ul style="list-style-type: none"> • Economic growth • Sustainable development • Developing quality infrastructure • Connecting tradition with innovation • Tourism in rural areas • Utilising EU/government funding • Good financial retribution • Well trained workforce • Promoting entrepreneurial skill within the younger generation • "Sevilla future" 	<ul style="list-style-type: none"> ▪ Demography ▪ Reduction in quality of infrastructure ▪ Dependency on changing conditions ▪ Retirement poverty ▪ EU legislation ▪ Lack of widespread understanding on BT ▪ No public coordination bodies ▪ Lack of national plan (BT) ▪ Business not connecting with LAGs ▪ Tax legislation ▪ Small farms ▪ Lack of professionalisation of agriculture business ▪ Lack of attractiveness for younger generation to engage in farming activities ▪ Lack of social support for older farmers ▪ No integration of family businesses

12.40 – 13.00 Recommendations session

During this session, all the project partners gave their recommendations to the Romanian partner and they can be summarized as follows:



13:00 – 14:30 Steering committee meeting

14:30 – 14:45 Closing remarks

Communications output as part of the 6th IPL

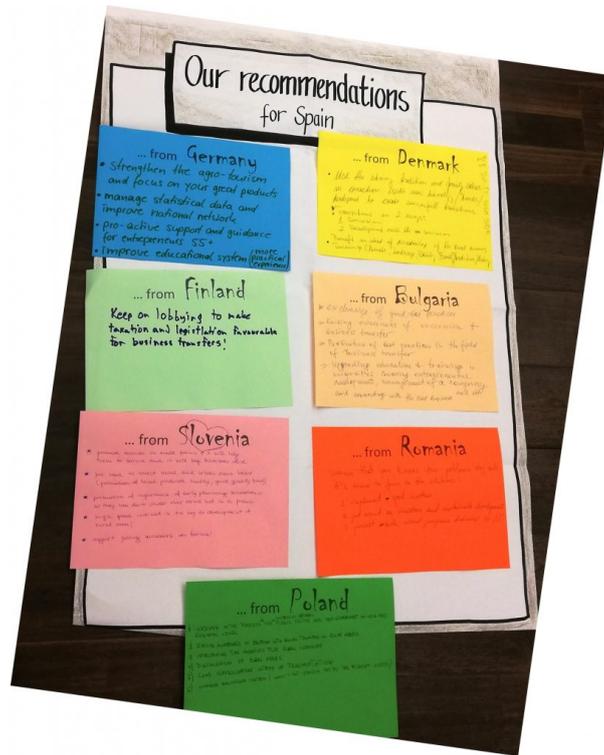
Active and running commentary of the event was disseminated via the project's social media channels.

A news article and press release of the 7th workshop can be found on the STOB regions Interreg Europe website through the following link: <https://www.interregeurope.eu/stobregions/>

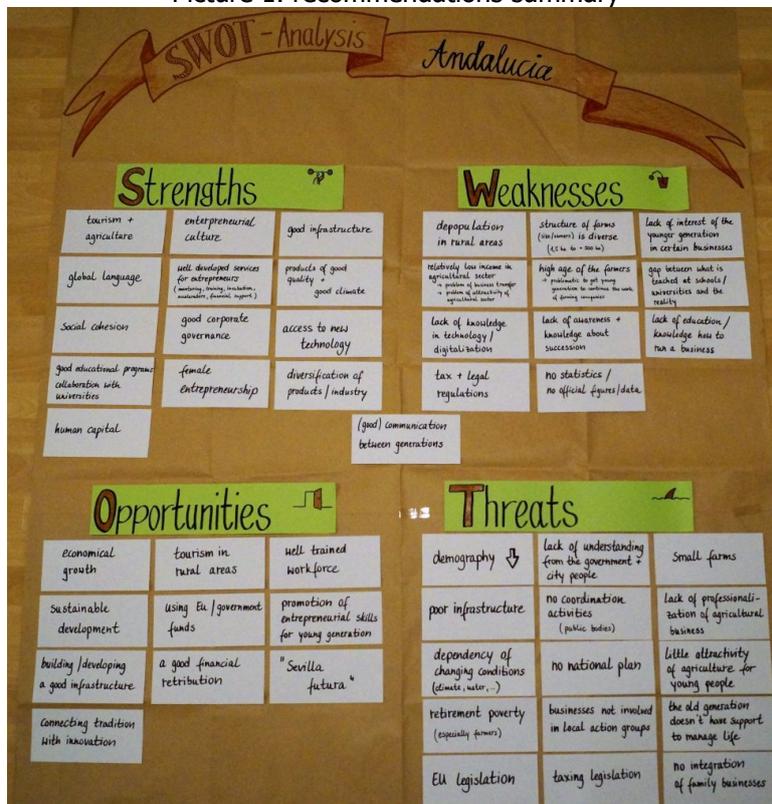
Transeo published a review of the 7th IPL in their December newsletter.

All output and content from the 6th IPL meeting are uploaded to the project's successionwiki site for dissemination purposes. <https://successionwiki.emfprojekt.de/workshop-7-sevilla-spain/>

Appendix



Picture 1. recommendations summary



Picture 2. Interactive workshop SWOT analysis summary



Picture 3. Event location