

EIS – Everywhere International SMEs

Action Plan by

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Other partners / players involved (if relevant)	Croatian Chamber of Economy Croatian Agency for SMEs, Innovations and Investments (HAMAG-BICRO)
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1. Policy context

1.1 Aim of the Action Plan

The Action Plan aims to impact:

- Investment for Growth and Jobs programme
- European Territorial Cooperation programme
- Other regional development policy instrument

Name of the policy instrument addressed:

Operational programme Competitiveness and Cohesion 2014-2020

Specific objective "3d1 - SMEs' development and growth improved in domestic and foreign markets"

1.2 Peer Review Summary of reviewed measure

Continental Croatia region is one of two regions in the Republic of Croatia (the other is Adriatic region). The regions don't have any administrative functions, but they are divided by the National classification for statistics of spatial units, by their geographical coverage. Continental Croatia region consists of 13 counties and City of Zagreb, as a financial, administrative and cultural capital of the Republic of Croatia.

Since all of the financial and administrative activities gravitates towards Zagreb, we can say that Continental Croatia is the wealthier Croatian region with bigger concentration of capital and population, but it is also necessary to mention that other, Adriatic region (which consists of 7 counties) is more focused on touristic activities since it is located along the seaside. Overall Croatian economy is orientated towards service-based model which accounts for around 70% of total gross domestic product. Croatian economic development has been in the transition phase after the fall of socialism and Yugoslavia, and it has suffered severe decline after the civil war in the 90's. Another mayor step back was during the financial crisis in 2007-2008 which was followed with the period of recession. Croatia became the member of the European Union in 2013 and it finally came out of recession in 2015 after 3 continuous quarters of GDP growth.

Regarding export, Croatia is the 76th largest export economy in the world and the 37th most complex economy according to the Economic Complexity Index (ECI). In 2015, Croatia exported \$12.7B and imported \$21.2B, resulting in a negative trade balance of \$8.49B.

The top exports of Croatia are refined petroleum (\$771M), packaged medicaments (\$480M), electricity (\$363M), sawn wood (\$356M) and electrical transformers (\$297M). The top export destinations of Croatia are Italy (\$1.55B), Germany (\$1.41B), Slovenia (\$1.39B), Bosnia and Herzegovina (\$1.04B) and Austria (\$775M). From a continental perspective, 86.3% of Croatian exports by value are delivered to other European countries while 6.5% are sold to Asian importers. Croatia ships another 4.1% worth of goods to North America with 2.2% going to customers in Africa.

Given Croatia's population of 4.3 million people, its total \$13.8 billion in 2016 exports translates to roughly \$3,200 for every resident in that country.

Some of the major, long-term weaknesses of Croatian export are: narrow base of products and services focused on a small number of close markets, low level of technological complexity, low value added products and services, high proportion of seasonal services, and the disproportionate ratio of exports of goods and services.

Even though there isn't a coordinated support system in Croatia regarding, SME support, there are number of call which contribute to (some) internationalisation activities of SMEs: Internationalisation of SMEs (call for applicants; main measure reviewed in this document), Commercialization of Innovation in SMEs (call for applicants), By product certification to the market (call for applicants), Providing high-quality services to SMEs (call for applicants), Internationalisation of SMEs through business support institutions (call for applicants), Competence and SME Development (closed call)

The Croatian Ministry of the Economy, Entrepreneurship and Crafts is main governmental body that offers direct financial support through their call Business internationalisation, a programme that is strictly targeted for SME internationalisation, we can consider them as the main responsible body. That is main body responsible on national level, that means for both Croatian region, Continental and Adriatic. But, Croatian Ministry of the Economy, Entrepreneurship and Crafts cannot be considered as regional coordinator between several authorities involved in support schemes for SME internationalisation activities, because there isn't a concrete and coordinated support system.

Besides Croatian Ministry of the Economy, Entrepreneurship and Crafts, there are many agencies and institutions that provide internationalisation support for SMEs (they operate on local level municipality or county), which is mostly non-financial. And while the Internationalisation of SMEs call is the main measure that

offers direct, financial support for SME internationalisation, other institutions provide other SME services that contribute to internationalisation indicators from the OPCC.

All those actors like development agencies, incubators and other support institutions can be considered as coordinators for this measure on local level (county or municipality). Those organisations act as promoters of that measures and they find SMEs which will apply for the measure. It is in their interest to attract SMEs for the measure, because it affects development of their local area (city, county) in which they operate. In case of Koprivnički poduzetnik d.o.o., City of Koprivnica (which founded Koprivnički poduzetnik d.o.o.) is co-financing employees' wages and in return, the city expect growth in SME development (which includes internationalisation activities as well). However, one of the main factors of the measures' success is willingness of SMEs to participate in the measure. Those institutions and their services will be described in the section 3.1. Their services and initiatives include consultations about business internationalisation, some research of foreign markets, support with finding foreign partners, support for organizing business fairs etc. But, all those organisations and institutions work mostly on their own and there is a lack of coordination among those stakeholders many of them have overlapping services and none of them provide step-by-step support for SME internationalisation. There isn't any system or group of services that can provide support for SMEs through the whole internationalisation process.

Here it is important to say that business support institutions (like incubators or development agencies) until now couldn't get many financial or operational supports to help SMEs internationalize their business. Although, recently, there have been some initiatives on national level to help business support institutions to develop some more advanced services, like internationalisation support service and local governmental bodies support business support organisations through con-financing of wages and such.

Given all circumstances, Koprivnički poduzetnik d.o.o. is aiming at the improvement of the addressed measure Internationalisation of SMEs is one aim, but also the development of a coherent policy system for the support of SMEs' internationalisation system on national level with integration of regional and county level, coordinated support services with definition of responsibilities among actors on national, regional and county level.

Croatia doesn't have one common national/regional measure which is related only on internationalisation. Instead, there is lots of activities implemented by

national and regional institutions as mentioned in previous chapter. Only the measure "Internationalisation of SMEs" is part of the Operational Program.

The Ministry of Economy, Entrepreneurship and crafts is authority body for the implementation of the OP Competitiveness and Cohesion, specific priority 3 "Business Competitiveness" and announces a call for proposal which are funded by European regional development fund.

Calls that are in correspondence with supporting SME internationalisation and currently opened and available for SME in Croatia are:

Internationalisation of SMEs - The purpose of this call is to increase the Croatian economy's ability to participate in global markets and to increase the share of SMEs in total exports of goods and services by improving the conditions for their work in the international markets. Total amount of available resources for this call is app 5 mil €, SMEs can apply with the projects of total minimum value of app 13.000 € and maximum value of 130.000,00 €. Co-financing rate is 15%.

Commercialization of Innovation in SMEs - The purpose of this Call is to support projects targeting new and high value added products and services that have a positive impact on business performance and growth, and with market potential at the international level. Total amount of available resources for this call is app 15 mil €, SMEs can apply with the projects of total minimum value of app 101.000 € and maximum value of 1 mil €. Co-financing rate is 50%.

By product certification to the market - The purpose of this Call is to contribute to the activities of SMEs to ensure that the quality, safety and reliability of their products are prerequisites for increasing exports and overall competitiveness. Total amount of available resources for this call is app 5 mil €, SMEs can apply with the projects of total minimum value of app 2.600 € and maximum value of 130.000 €. Co-financing rate is 15%.

Providing high-quality services to SMEs through Business Support Institutions (BSOs) - The purpose of this Call is to provide effective assistance with the aim of strengthening the position of SMEs in the market in order to reduce the asymmetry of information among SMEs and to facilitate access to business knowledge and skills, partners and information key to growth and business development and to improve economic success, and the survival rate of SMEs. Total amount of available resources for this call is app 3 mil €, SMEs can apply with the projects of total minimum value of app 13.000 € and maximum value of 80.000 €. Co-financing rate is 15%.

Internationalisation of SMEs through business support institutions - through supporting business support organisations, this call will make it easier for SME to jointly participate in international fairs and events, in order to raise visibility of their products and services on international markets, but also to connect with new foreign partners. Total amount allocated for this call is 5.000.000 €, minimal amount is 100.000 € and maximum amount is 1.000.000 € per application.

Competence and SME Development (closed call) - aim of this call was inclusion in the process of growth in regional, national and international markets and innovation processes. Total amount of available resources for this call is app 115 mil €, SMEs can apply with the projects of total minimum value of app 40.000 € and maximum value of 4mil €. Co-financing rate is 55%.

HAMAG BICRO is the Croatian Agency for SMEs, Innovation and Investments established by the Government of the Republic of Croatia with the purpose of enhancing SME development and promoting investment and innovation. The Agency is an independent institution under the supervision of the Ministry of Entrepreneurship and Crafts.

They have several programs/activities which are related to internationalisation.

EUREKA is a program that encourages small and medium-sized enterprises (SMEs) to co-operate with international partners in launching research and development (IR) activities. The maximum amount of grants per project is up to EUR 150,000 or up to 50% of the Croatian partner's share of the project.

EUROSTARS is a research and development program created as a joint initiative of EUREKA and the European Commission. The maximum amount of grants per project is up to EUR 200,000 or up to 70% of the Croatian partner's share of the project.

NEW! B Light Grant Scheme is a project for financing the cooperation of SMEs in the Hungary-Croatia border area within the Interreg V-A Hungary-Croatia Cooperation Program 2014-2020. In the first round of tenders, entrepreneurs have a total of EUR 2,550,000 available from the European Regional Development Fund. The main project user is HAMAG BICRO.

Other activities of HAMAG BICRO regarding internationalisation are: cooperation between Switzerland and Croatia on research and development projects through the Eurostars program, conference organization - B2B Software Days, Chicago Collaboration Week, info days and promotion of internationalisation.

Croatian Chamber of Economy provides many different internationalisation services to SMEs: Business delegations and business forums (2012 - 2016 - HGK organized 742 economic domestic visit delegations and abroad involving 8,500 representatives of Croatian companies), organization of fairs in foreign markets, providing "tailor made" support to exports (responded to more than 330 individual requests from domestic companies, submitted suggestions with more than 75,000 potential foreign partners with contact information), new TENDER application (2,250 individual users, 5.500 announcements), 2 representatives in Brussels and Moscow, Croatian coordinator of EEN (20 cooperation's between SMEs in 2016), Register of Croatian Exporters (1240 companies in the register).

Croatian chamber of trades and crafts and Croatian Employer's Association have activities like matchmaking events, B2B meeting, international lobbying, organization of conferences and info days etc.

HBOR (Croatian Bank for Reconstruction and Development) plays a key role in the promotion of Croatian exports through the financing of investment in modernisation of production and new products, working capital for pre-export finance, providing loans for the foreign buyers of Croatian goods and services, issuing of performance-related guarantees and insuring collection of payments for export transactions.

Ministry of Foreign and European Affairs mainly through Economic delegations Promotes economic interests abroad (22 general consulates, 2 temporary offices, 93 honorary consuls, 53 embassies)

Results of Economic delegations: 5829 export opportunities, 11880 service, 3404 Croatian exporters

Tasks: providing information, finding business partners, supporting fairs etc.

Croatian exporters is a non-profit, non-partisan and non-governmental organization that is independent in its work and cannot be subordinated to any external authority. Activities: Promotion of exports of Croatian products, goods and services, encouraging Croatian exports, promotion of the quality of business of Croatian exporters, ongoing analysis and concern about government proposals that reflect on Croatian exports etc.

Business support institutions (local and regional): providing informations about future calls and programs, preparing and implementing EU projects for

SMEs regarding internationalisation, encouraging cooperation with international organizations and institutions through involvement in common projects, individual

counseling - if necessary and in the SME interest, collaboration with other support institutions, project implementation (like EIS) in which more efficient tools for internationalization or preparation for internationalisation are being developed etc.

(Please summarize the results of your Peer Review document for the addressed measure and related policy instrument (approx. 5 to 10 pages)):
Brief description of the addressed policy instrument/measure with links to other documents/information

Addressed Policy instrument

Addressed policy instrument is Operational programme Competitiveness and cohesion 2014-2020 for Croatia (OPCC), Priority axis 03: "Enhancing the competitiveness of small and medium-sized enterprises and the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)", Investment priority 3d: "Supporting the capacity of SMEs to grow in regional, national and international markets, and to engage in innovation processes", Specific objective "3d1 - SMEs' development and growth improved in domestic and foreign markets".

In global, there is no structured support system for business internationalisation. The main direct and financial measure for supporting SMEs in their international activities is application/call/proposal: "Internationalization of SMEs", which is funded through European fund for regional development and is conducted by Croatian Ministry of the Economy, Entrepreneurship and Crafts.

The measure being analysed in the Peer Review is "Internationalisation of SMEs".

Aim and target group

The aim is to increase the ability of Croatian economy to participate in global markets and contribute to the share of SMEs in total exports of goods and services by improving the conditions for their work in the international environment.

The measure is intended for micro, small and medium sized entrepreneurs. One SME can get financial support in one call, min 13.334 EUR , max 133.334 EUR. Total allocation was 5 mil. euros.

Since the amount of quality of the received project proposals exceeded the available allocation for this Call (more than 7,3 mil euros), additional new funds were provided (6.7.2018) in the amount of 2,5 mil euros and the Minister of Economy, Entrepreneurship and Trades Darko Horvat made the Decision on Increasing the Call Allocation, thus increasing the new allocation amount for the mentioned Call amounts to 7,5 mil. euros.

Until it is signed 80 contracts with SMEs in whole Croatia.

Measure content

"Internationalisation of SMEs" is the measure designed for financing the activities of SMEs to take initial step in entering new markets. The measure aims to increase overall international activities of SMEs and to support growth of SMEs who already have international activities to strengthen their position on that market.

The topic of the measure is to strengthen international competitiveness of Croatian SMEs by facilitating presentation of their products and services to the international business community.

Support service 1 – Financial grant

Aim of this support service is to provide a financial grant (if project is approved). These financial grant must be spend according to activities dedicated in the project. Activities that are eligible and can get funding for are:

- Participation costs for international fair
- Organization of presentation activities under international fairs
- Costs for international market research for distribution of products/services
- Production of promotional materials for international fairs
- Participation on B2B meetings
- Information and publicity
- Cost for hiring and expert for project administration

Target group are micro, small and medium sized entrepreneurs.

Support service 2 - Informative and educational workshops

Ministry of economy, entrepreneurship and craft is obligated to organize and implement workshops mainly for support institutions and development agencies and SMEs with the aim to inform, promote and raise competences and skills of staff who are working on preparation of application for funding. One day workshops is organized several times during the open call and provide information such as eligibility of activities and applicants, which indicator needs to be filled, co-financing rate, reporting procedure. Related to Internationalization of SMEs measure 5 workshops were held in different geographical cities of Croatia (Zagreb, Rijeka, Split, Virovitica, Vinkovci, April and May 2017).

In addition, prospective applicants may ask questions continuously during the Call by sending an email. These workshops are part of the project "Technical assistance" co-financed with the grants of the European Regional Development Fund under Priority Axis 10, OP Competitiveness and Cohesion 2014-2020.

Workshops are free and open for everyone, just need to register before. Although, the workshops are mainly organized for business support organizations and

development agencies (not so much for SMEs) who have previous experience on preparing similar projects. After the workshops, their job is to provide information to local SMEs.

Support service 3 - Individual consulting

Individual consulting is not official part of the addressed measure and it's not financed from OP, but this support services which support internationalisation of SMEs under the addressed measure, is provided on local level (city, county) from BSO and it contributes to the indicators of local (city, county) development strategies. Role of the business support institutions is to provide visibility, information and help with preparing documentation for the measure. After sending information via e-mail (newsletter) and informing SMEs through social media web page, we, Koprivnički poduzetnik d.o.o. as a business support organization, provide them individual consulting service. In practice, that service includes several individual meetings with SMEs who have conditions for growth and entering new markets. After informing them about the measure and check their eligibility, we offer them a service of preparing the application for funding.

All SMEs are free to come on first individual meeting. After first meeting, we make a "screening" of their business in order to conclude which of them have growth potential and are eligible for this measure.

Summary of SWOT results for the reviewed measure

- SWOT matrix and further explanations (short version of full SWOT matrices from Peer Review document)
- without "sensitive" and confidential information

<p>STRENGTHS</p> <p>S1 Educated staff (have good knowledge and networking) who are working on support service related to internationalisation</p> <p>S2 Free and available "SMEs screening" by BSOs (only applicable by BSOs)</p> <p>S3 Customised services to SMEs</p> <p>S4 SMEs are showing willingness and readiness to be informed about new programs (BSOs are locally available)</p> <p>S5 Fast learning, adjustment and flexibility for new challenges, especially for innovative and tech SMEs.</p> <p>S6 Good balance between GLE & LG – 50/50%</p> <p>S7 Small cohort: easier to identify needs</p>	<p>WEAKNESSES</p> <p>W1 Unstructured and disjointed system between stakeholders</p> <p>W2 BSOs don't have added value (don't provide direct financial support) – don't have decision autonomy</p> <p>W3 Very centralised system (at the end, final decision about funding is on Ministry)</p> <p>W4 Competitive with private consultants who offer similar services as BSOs – the same level</p> <p>W5 Long period for projects approval</p> <p>W6 Stakeholders are providing similar support (workshops, consultations, and no "added value" workshops, no specialization) – incomplete six step model</p> <p>W7 Too specific criteria for SMEs to get grant (no room for local knowledge or interpretation)</p> <p>W8 No coordination and no specified targets</p> <p>W9 Not all targets clearly targeted</p> <p>W10 No defined authority for BSOs – top-down approach only</p> <p>W11 Monitoring after project's duration</p> <p>W12 Small cohort – lack of diversity</p>
<p>OPPORTUNITIES</p> <p>O1 Creation of new internationalisation program (for new program period) based on good EU practices</p> <p>O2 Stronger connection and communication between stakeholders</p> <p>O3 More programs for BSOs in order to raise the level of SMEs internationalisation (and in order to provide "high quality" services)</p> <p>O4 Clearly job divisions between stakeholders – stronger decentralization</p>	<p>THREATS</p> <p>T1 Short programs without measurement</p> <p>T2 Competition between stakeholder (everybody wants to do the same)</p> <p>T3 National policy changes</p> <p>T4 Administrative barriers for SMEs</p> <p>T5 Because of customised services BSOs can become not enough efficient</p>

O5 Creation of tracking system of SMEs who are preparing or already doing internationalisation (collecting data etc)	T6 Because of lack of structured programs, SMEs founders could decide to move companies to more stimulating environment.
O6 To be the "lead agency" for business support	T7 Establishment of regional stakeholders
O7 Leadership to adopt BS agenda	T8 No funding for own services and administration
O8 Koprivnica to influence a new, better way to organize internationalization programme	T9 Political paralysis
O9 Focus also on services different from others	
O10 Upgrade the offer – be more innovative	

Suggested improvements or changes to policies/practices (can be identical with list of actions following on the next pages

- Better cooperation with other relevant organisations

In order to improve the policy instrument in Croatia our suggestion is to establish a better communication and cooperation between relevant organizations that can contribute to higher number of SMEs performances within internationalization activities. Those organisations include: policy makers (stakeholders), other BSOs and business support agencies, development agencies, universities, institutes, government agencies etc. This step includes stakeholders meetings with the aim of presenting the results of this project (per reviews), presenting good practices of other partners...

- Identify main partners

Koprivnički poduzetnik d.o.o., as a business support organization, could act as a local entry point or starting point for all SMEs willing to engage in internationalization activities. Since there is no organization that can provide internationalization support for SMEs through all steps, Koprivnički poduzetnik (and other BSOs in other counties and cities) could represent local entry point for such companies and it could cover support for, at least, first three steps. Then, to complete other steps, BSOs would act as an information provider and it could offer guidance for SMEs on where to find support for other steps. This step is all about mapping the possible local partners who can act as local entry point. This local entry points could be technology parks, incubators and local offices of Chamber of economy.

- Identify systematic support service through improvement or creation a new measurement

Based on per reviews and good practices, together with partners, action should be creation a new methodology for support service that can improve the policy instrument. This action should include creation of monitoring methodology of outcomes and outputs.

2. Introduction

Based on conclusions from Croatian per review and partners as well as after reviewing good practices and exchange of experience conclusion is that not coordinated measures don't have impacts regarding providing support for internationalization of SMEs. Also, identified problem is data and measurement of results, especially for non-financial support. Because in Croatia there are no regions, cooperation is very hard, but with systematic approach it is shown great possibility of improved actions.

Koprivnički poduzetnik Ltd. recognized EIS project as opportunity for learning from other partners who shared their experience.

Implementation of joint activities, especially GlobaleIS tool (together with regions from Donegal, Alentejo and Hampshire) helps understand structural support for SMEs.

GlobaleIS Tool helps SMEs in structuring their internationalisation activities in a systematic way and as reference for the mentoring and support services provides by the public business support organisations – ideally with integration of the private ones.

A standardised SME internationalisation process helps all involved players of the different target groups, to develop a common understanding of the internationalisation activities of SMEs and the required preparation steps for successful internationalisation.

It provides also advice for support and mentoring services addressing the SMEs' internationalisation activities, the GlobaleIS Tool comprises a second level: the support and mentoring level, which is following the structure of the SME internationalisation process.

Beside the mentoring and support services provided by the BSOs, the regional support system needs to be coordinated. In addition, those regional SMEs, which belong to the target group for internationalisation support, need to be identified and informed about the opportunities of going international. These activities form the outer shell of the GlobaleIS Tool.

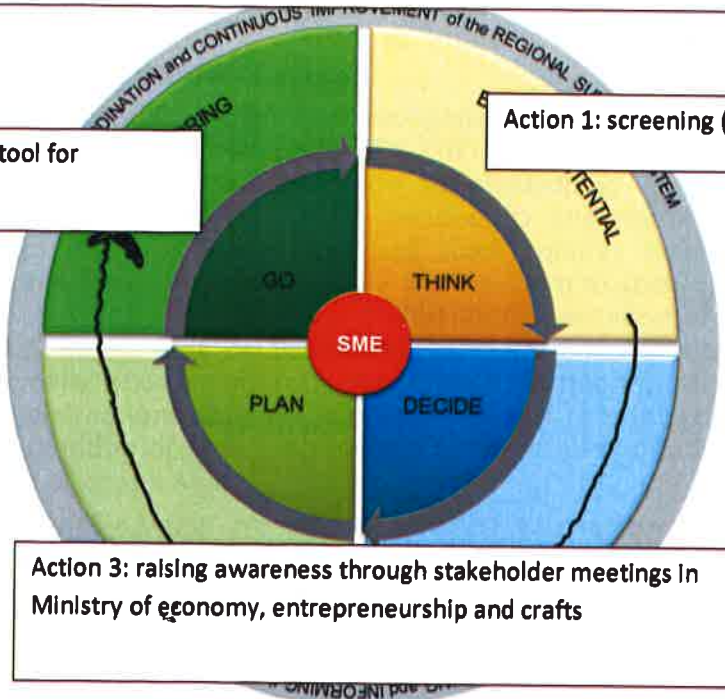
The GlobaleIS Tool is flexible enough to allow the support and mentoring of all kind of SMEs throughout their full internationalisation process with involvement of one or numerous support service providers from the public and private sector. Thus, the results can be manifold due to the high variety of SMEs and their different internationalisation activities.

The GlobaleIS Tool is claiming neither the complete description of the steps of the internationalisation process nor the coverage of the full bandwidth of the support services for SME's internationalisation. It is functioning as a guideline with checklists for the internationalisation process of SMEs and with policy recommendations on how to establish an effective regional support system.

Action 1 i 3: Coordination between stakeholders, including mapping of BSOs and support activities

Action 2: creation of IT tool for evaluation

Action 1: screening (PILOT – North Croatia)



GlobaleIS internationalisation process for SMEs

Croatia's Action Plan will follow the approach of the GlobaleIS Tool as much as possible within the Croatian framework. This Joint Action helps Koprivnički poduzetnik Ltd. to create individual actions which can be presented to national bodies and implemented in Operational programme. These actions are positioned in the graphics above in order to show the link with the GlobaleIS Tool and will be presented in the next chapters.

Based on reviewed measure Internationalization of SMEs, Koprivnički poduzetnik created actions which can contribute to measure and are in correspondence with suggested improvements. This action was introduced and presented to the national bodies through stakeholder meetings. When the action plan was created and presented to the Ministry of economy, entrepreneurship and crafts and Chamber of economy, initiative of this „small” actions were recognized in Chamber of economy future project within they are planning to implement very similar activities as Koprivnički poduzetnik suggested.

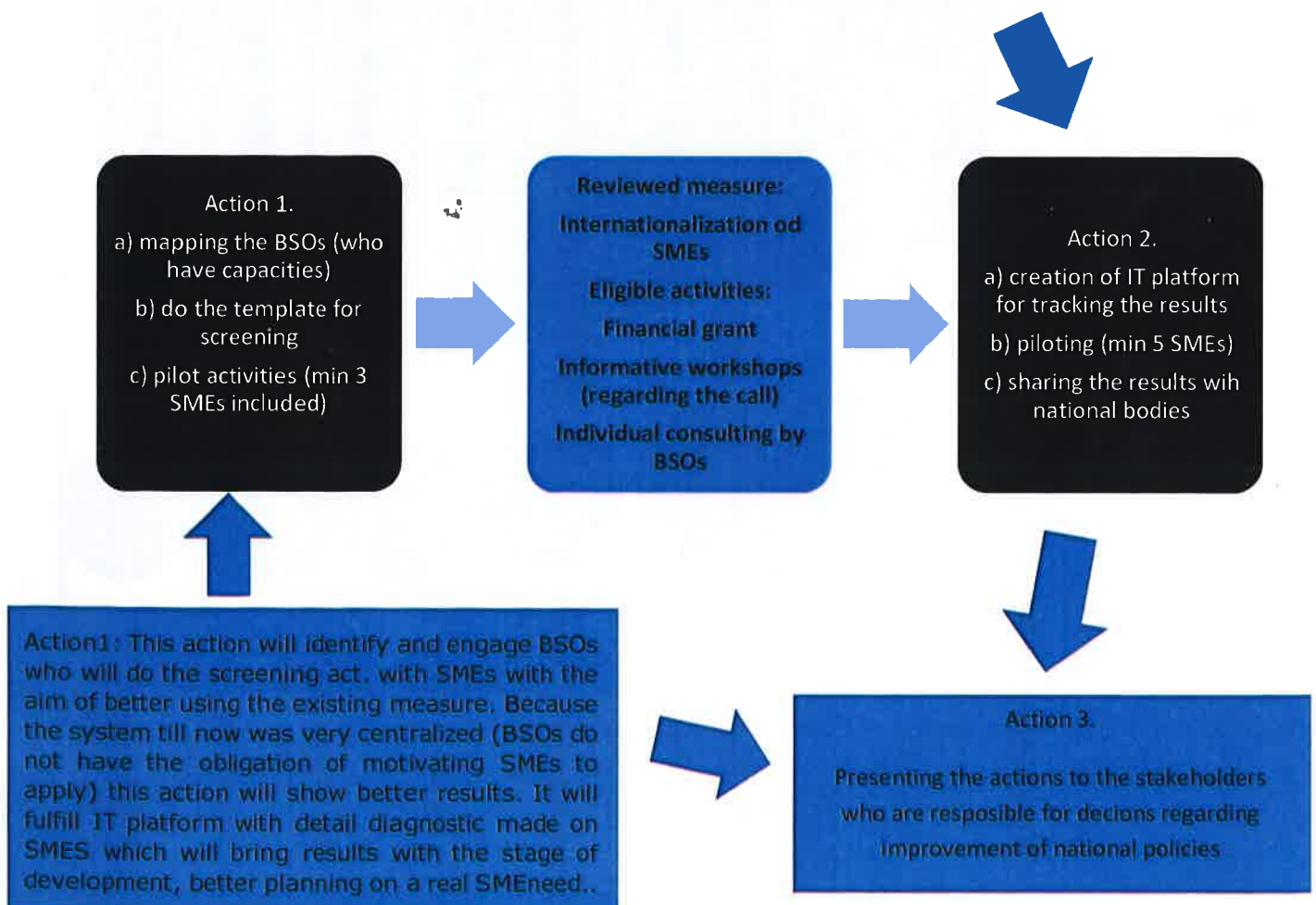
Koprivnički poduzetnik action plan was recognised on national level by Croatian Chamber of economy as a partner under EIS (INTERREG EUROPE) and it is decided to merge activities under project that they are developing. Because it is a really complex project, Koprivnički poduzetnik decided to implement only part of the activities under phase 2 of EIS project and work (mainly through stakeholders' meetings, creation a template and piloting – with the aim to show results) on further development of activities which will result with implementation of common project on national level. Being part of INTERREG EUROPE programme put Koprivnički poduzetnik in a really good position because (even working locally), thanks to the experiences and joint actions Koprivnički poduzetnik was recognised as a partner who can be a part of creation of new programme for internationalization (together with Croatian Chamber of economy).

Further will be explained the process of creating the action plan of Koprivnički poduzetnik with activities that will be done under phase 2 of EIS and with actions that Koprivnički poduzetnik is doing in order to implement these actions into the wider program from Croatian Chamber of economy.

KOPRIVNIČKI PODUZETNIK ACTION PLAN:

Action 2: The data gathering system will serve as an internal database among involved partners which will save all the data necessary for monitoring SMEs which have been going through partners' programmes for internationalisation support (screening process from Incubators and support programmes from Croatian Chamber of Economy). It will provide all necessary information about analysed SMEs which than can be used for more tailored support for those SMEs.

Impact will be also better measurement of results of support services from national bodies, but through bottom up system. Koprivnički poduzetnik will gather data from SMEs which Ministry can use for improvement (for the nex call).



CHAMBER OF ECONOMY – wider program explanation:

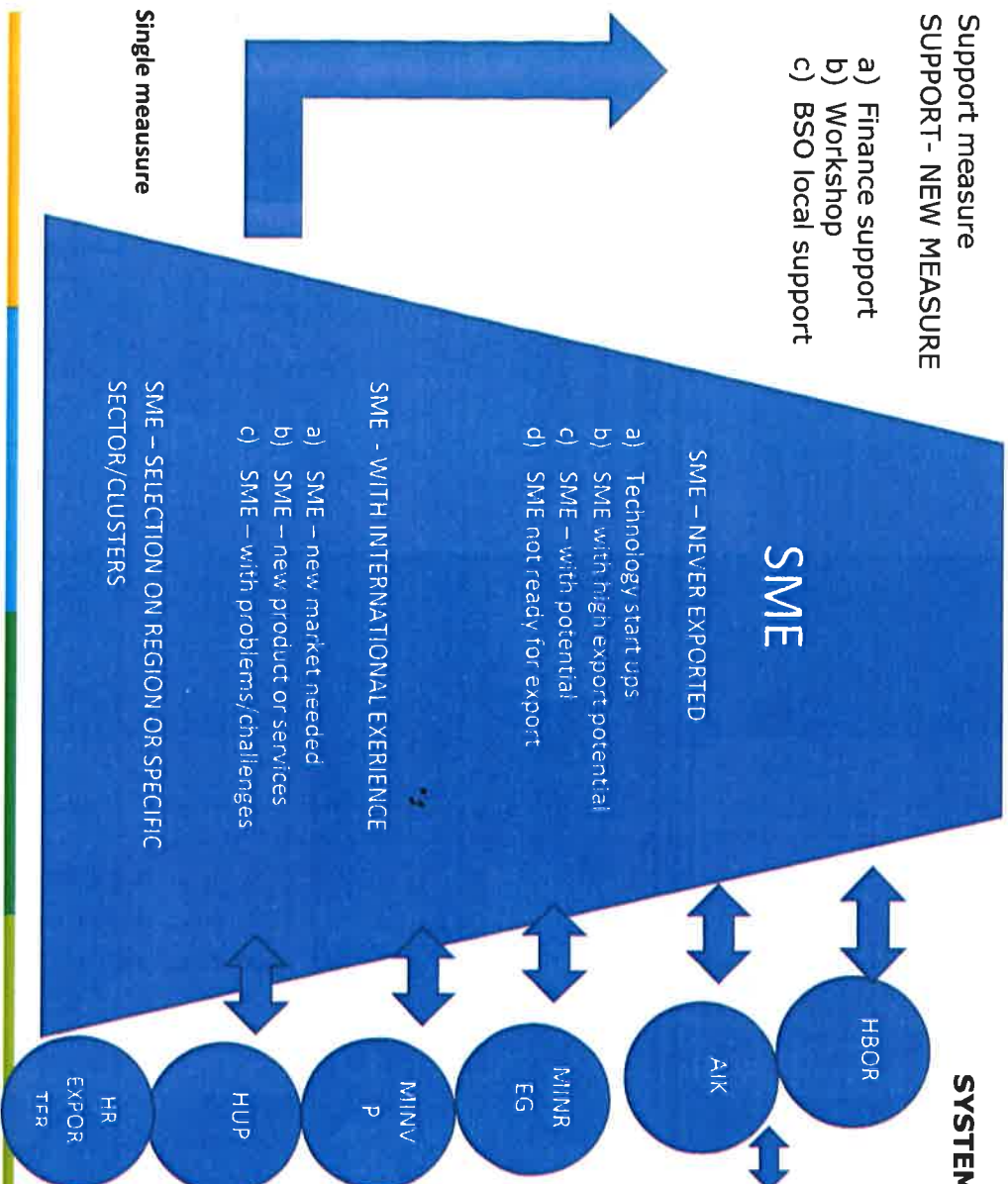
Internationalization of SME

CHAMBER OF ECONOMY

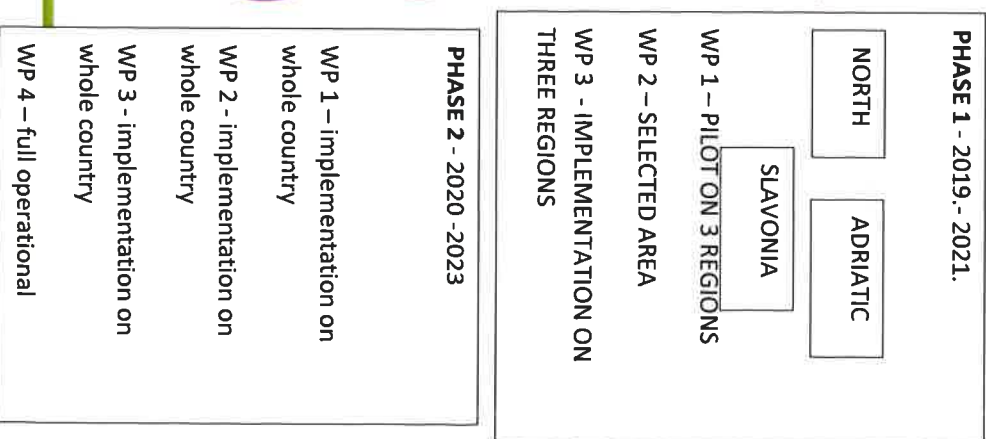
Support measure

SUPPORT- NEW MEASURE

- a) Finance support
- b) Workshop
- c) BSO local support



SYSTEMATIC APPROACH



PHASE 1

<p>WP 1 EDUCATION AND TRAINING FOR BSO</p> <ol style="list-style-type: none"> 1. Mapping the BSOs who will be trained 2. Creating a methodology based on Global EIS tool 3. Implementing education on BSOs – licencing 10 expert for export 4. Train the trainee <p>PILLOT (under EIS): piloting will be implemented in BSOs in North Croatia (Koprivnički poduzetnik included). After: Adriatic and Slavonia region.</p>	<p>WP 2 IT SYSTEM</p> <ol style="list-style-type: none"> 1. Creating the concept of online "business to business" platform (CRM for tracking results) 2. Making - setting up online "business to business" platforms 3. Create - set up a Mobile Help Desk application for Export <p>PILLOT (under EIS): Koprivnički poduzetnik will create a methodology (for evaluation of support measure results) and do the pilot in North region</p>	<p>WP 3 EXPORT ACADEMY FOR SMES</p> <ol style="list-style-type: none"> 1. Conducting training activities for SMES and implementing program 2. Selection of SMES who will go through programme in 3 regions 3. Providing a mentor <p>PILLOT(under EIS) Koprivnički poduzetnik will do the pilot of screening process in North region</p>	<p>WP 4 BUSINESS DIPLOMACY AND LOBBYING</p> <p>At this phase there is no activities</p>
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PHASE 2

<p>WP 1</p> <p>Revision of results, updating and implementing of whole county</p>	<p>WP 2</p> <p>Revision of results, updating and implementing of whole county</p>	<p>WP 3</p> <ol style="list-style-type: none"> 1. Organize and conduct educational workshops – testing the program 2. Link start up exporters with successful exporters 3. Conduct a selection of SMEs that will be covered by a business export mentor service 4. Provide support for MSP's departure to the selected market 5. Financial or non – financial grants (see the appendix ³ scheme) COVERAGE: whole Croatia 	<p>WP 4</p> <ol style="list-style-type: none"> 1. Provide the necessary business infrastructure for MSA abroad 2. Provide the necessary business infrastructure for foreign investors in Croatia 3. Providing business support to Croatian SMEs in internationalization through occasional or temporary "business missions 4. Adaptation and equipping of business premises within the existing facilities owned by the Croatian Chamber of Economy on the territory of the Republic of Croatia and abroad 5. Establishment of "International Market Advisor" services – providing an
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EXPECTED RESULTS

1. Established systematic support and model of internationalization of SMEs using ICT
2. Strengthened SMEs for Internationalization through the established Export Academy and Information and Consultation
3. Strengthened SMEs' capacity for internationalization through the development of business infrastructure at home and abroad
4. Enhanced reporting capacities for attracting foreign investors through the development of business infrastructure
5. Mechanisms are in place to support the activities needed to successfully implement a strategic project

TOTAL PROJECT BUDGET (Chamber of economy):

NAME OF THE WORK PACKAGE	BUDGET IN PHASE 1	BUDGET IN PHASE 2
WP 1 – EDUCATION AND TRAINING	120.000	75.000
WP 2 – EXPORT IT PLATFORM	140.000	30.000
WP 3 – EXPORT ACADEMY	260.000	700.000
WP 4 – BUSINESS DIPLOMACY AND LOBBYING	0	1.300.000
TOTAL	520.000,00 EUR	2.105.000,00 EUR

3. Action 1: Creation of systemic eco-system by involving relevant support organizations and/for implementation of Screening programme for SMEs' potential

3.1 The Background

One of the mayor problems in overall national support for internationalisation in Croatia is that there is no cooperation between stakeholders and concrete system for filtering SME with great export potential by systematic screening in order to let them through existing measures for internationalisation. Because of that, some SMEs, even if they apply for internationalisation support, don't have sufficient capacities to internationalise successfully. Also, there is no existing/non-structural support from local BSOs who can provide useful information to national bodies who are responsible for further support (financial and non-financial). These national bodies are Croatian Chamber of economy, Ministry for economy, entrepreneurship and craft and Hamag bicro.

3.2 Action

3.2.1 Objectives

Creation of systematic eco-system by involving relevant support organizations for implementation of Screening programme for SMEs' potential comprises several steps:

- Define the geographic area according to Hamag Bicro data where BSO will do the activities (Koprivnica cower North Croatia) and defining the process of preparation and make diagnostic for SME to go international using the screening methodology (assessment tools Joint action of EIS) to go in deep with position and readiness of SME and with that start to define the support program, consultancy, and incentives for further steps – **OUTPUT** will be template for screening which can be replicable to other BSOs, the list of mapped BSOs, as well as PILOT ACTION with 3 SMEs.
- Detailed identification and mapping of all services provided by Chamber of Economy, detect relation to other services provided by Ministry of economy, entrepreneurship and crafts and Hamag-bicro and adjustment with the screening methodology. That way there will be created one systematic system according to all 4 steps defined in Global EIS. **OUTPUT** will be structured list of support services with relations of one and another and in correspondence with EIS methodology.

3.2.2 Target group

- SMEs with export potential
- BSO staff

3.2.3 Content

Many of activities under this action are replicable with joint action of project EIS.

But, before this, it is necessary to hold several meetings regarding mapping the BSOs who's staff could be experts in future Screening programme. Koprivnički poduzetnik is counting on Hamag bicro data base, but, also has good connections with BSOs who could be interested in participating in this programme.

After this, screening methodology will be implemented which is applicable with GOING GLOBAL tool and EIS Assessment Questionnaire. The guideline is developed by EIS partners and includes parts like what are the expectations of SMEs, organization structure, data about human resources, other capacities, product/service, information, possible risks, SWOT analysis of their own position and readiness to enter the foreign market etc. This methodology, in order to be useful for Croatia, must be a little bit tailored to SMEs in Croatia, and tailored to further non-financial and financial support provided by national bodies. The screening process lasts for 4 hours, depends on the size of the company.

In per review Koprivnički poduzetnik Ltd. has analysed national support services but some of them are new and has to be detailed listed and complementary fitted to results of screening programme. Have to made a mapping of services because of clear road map of possibilities offered for support.

For example, if SMEs is graded as being excellent (by expert) – this SME is ready for going global and can get direct financial/non-financial support through vouchers or going on a fair. If SMEs is graded as being not ready for internationalization because, according to screening, it is missing product certification, this SME will get support by applying him to the call which is related to providing product certification. If SME doesn't have capacities (own their own), but want to export and have a great product, they will be selected in programme of searching foreign partners etc.

3.3 Partners/Players involved

(Please indicate the organisations/stakeholders in the region who are involved in the development and implementation of the action and explain their role.)

- Koprivnički poduzetnik Ltd. (collecting data, development of screening methodology together with EIS partners, being involved in training activities)
- Croatian Chamber of Economy (support in development/signed partnership agreement with the aim of further development of common programme)
- HAMAG BICRO (support in development)

3.4 Timeframe

(Please indicate the timeframe with particular emphasis on what you will implement within the phase 2 of the EIS project.)

01/01/2019 – 31/03/2019 – meeting with HAMAG BICRO (min 1) in Croatia with the aim of mapping the right BSOs who are willing to be a part of this programme and creating the template for screening

01/01/2019 – 15/04/2019 – working with partners on further development of common tool (screening), stakeholder meetings with Chamber of economy (min 1) regarding detailed mapping of their activities which can be included in action

- 01/09/2019 – 01/06/2020 – developed template for screening which can be replicable to other BSOs, the list of mapped BSOs, as well as PILOT ACTION with 3 SMEs.

3.5 Costs

(Please list the costs for implementation – if relevant.)

Meeting with stakeholders

Mapping

Implementation of screening in SME

Total : 1.000 EUR

3.6 Funding sources

(Please list the funding source for the above-mentioned costs for implementation – if relevant. Can you demonstrate the sustainable funding of the implemented action?)

Screening methodology will be developed through partners' own funding.

Mapping the services and road map of services will be done through own financing.

Regarding the implementation of the wider activities explained in Chamber national program the implementation depends on Croatian Ministry of economy, entrepreneurship and crafts and implementation in the future Operational programme Competitiveness and Cohesion 2020-2027.

3.7 Impact expected

(Please explain the Outputs – outcomes – effects, that you are expecting from the implementation. Pay particular attention to your defined indicator in the EIS proposal. Can you demonstrate the sustainability of the implemented action on the basis of the expected impact?)



- Influenced amount of Structural Funds for 2019-2020 for our Action plan (together with Croatian chamber of economy) – NOT CONFIRMED

- Influenced amount of Structural Funds for 2019-2020 for our single action: 0 EUR
- Local, City funds, budget for support entrepreneurship through direct incentives (small grants including grants for internationalisation: 149.932 EUR (the incentives includes total support for SMEs for export in 2018 – 0 EUR, expected allocation in 2019. – 5.000 eur)
- Local, City funds, Indirect Support for entrepreneurship through subventions given to BSOs: 758.389 EUR (for the implementation of the actions planned to be spend though 50.000 EUR)
- Self-defined performance indicator expected from Action plan:
- Value added per employee in SMEs benefitting (EUR) = 25.000 EUR
- Internationalization of SMEs (call for proposal) – ERDF funds – 7,5 mil EUR

NOTE: Monitor system doesn't exist under single measure in OPKK. This indicator is related to several measures using specific methodology of EUROSTAT and National Bureau of statistics which present barriers to track impact of each measure under 3d1 priority axis.

In January 2018 Ministry implemented full operational new IT system E-funds. The main purpose is to digitalize application procedure for the single call and also track the results for hole implementation period of project. With that E-Funds Ministry will have the impact of single measure (calls). That means that our new call will also have the same system of measuring. Koprivnički poduzetnik requested indicators regarding from Ministry of economy, entrepreneurship and crafts for internationalization activities like it is written in OP (from 2012).

Regard Natonal Bureau of statistics, they collected this results:

Year	Value added per employee in SMEs benefitting (EUR)
2012.	15.301,34
2014.	16.876,00
2015.	18.073,00
2016.	19.330,00
2023.	25.000,00

These results are not following individual projects (or measures), so it is not possible to identify effectiveness of individual measures, but it is considered that all measures (call for proposals) are having an impact on improvement on national policy. For now, it is impossible to provide unified methodology for measurement which can evaluate each call or measure.

Full statement from Croatian Ministry of economy, entrepreneurship and crafts regarding measurement the indicator of measures under OP is put as appendix of this document.

In regard of the Action Plan, but also OP (partially) we suggest these indicators:

- # Number of SMEs participating in internalization activities
- # Number of newly developed specific services
- # Number of workshops and advisory services for SMEs
- # Number of SMEs that received specific help
- # Total funding for internalization of SMEs decided in 2014 – 2020 OP
- # Number of grant agreements signed
- # ...

Example of setting up the indicators:

INDICATOR	OP level	Project level	Pilot level	Initial amount	Final amount
Number of SMEs participating in internalization activities			x	0	#
Number of grant agreements signed	x			0	#
Number of newly developed specific services		x		0	#
....					

3.8 Next steps

(Please describe the next steps you intend for developing this action, e.g. as a list of activities/meetings with date/timeframe – activity. Are you facing any problems/barriers?)

Problem/barriers are financing activities of big EXPORT program that Koprivnički poduzetnik aim is to develop together with project partners and Chamner of Economy and decision made by Ministry of economy, entrepreneurship and crafts, timeframe is not fixable because of the decisions that isn't in Koprivnički poduzetnik power.

Koprivnički poduzetnik will participate in the programming process during the public consultation process and have no influence on indicator fulfillement.

Their role is to propose different priorities and projects, but without significant and real influence on the decision-making

- In regard of EIS, Koprivnički poduzetnik will:
 - Present the Action plan to relevant stakeholders (Ministry of Economy and Entrepreneurship, Croatian Chamber of Commerce etc.)

- Actively participate in public consultation process for the next programming period for the implementation of the Action Plan
- Preparing and implementation of pilot activities in North Croatia (internalization activities, lobbying, EU framework and regulation)

4.

4. Action 2: Creation of IT platform for better tracking of results

4.1 The Background

(Please describe the lessons learnt from the project that constitute the basis for the development of the present Action Plan. Please show links to the overall Peer Review findings and summary under chapter 1.2)

With no structured system for internationalisation support in Croatia, there is fundamental lack of monitoring system, i.e. there is no tracking service or programme which can follow SMEs from their early stage of internationalisation to full export activities. Combining that fact with lack of support among main actors for internationalisation support, it's almost impossible to track SMEs with great export potential.

After the screening process, online platform will be used for give further recommendations, track and evaluate the expert results, evaluate results after the internationalization activities, give national bodies one unified data etc.

This online platform will be opened to access to experts and national bodies for track the results. This way, bodies who are responsible for final support of SMEs can better see which services shows very good results and which are not.

4.2 Action

(Please list and describe the actions to be implemented.)

Koprivnički poduzetnik will create road map of IT system (for evaluation of support measure results) and do the pilot in North region

4.2.1 Objectives

- gained in-depth knowledge on SMEs included in support programme for internationalisation

OUTPUT – easy sharing data base

- easy-sharing database among stakeholders

OUTPUT – presentation of results of data to the stakeholders

4.2.2 Target group

SMEs that went through the evaluation process

4.2.3 Content

Online system is a data base with information on SMEs who have gone through the screening process in local business support institutions. This tool will gather all available information on SMEs in order to provide more in-depth knowledge about

SMEs business structure, motivations for internationalisation and their potential to internationalise their business.

At the conference in Gdansk partners from Central Denmark expressed the willingness to develop an IT platform in correlation with joint action and going global tool, which can be good exchange of knowledge for Koprivnički poduzetnik Ltd. and IT platform for Croatia. Also, after the last meeting in Chamber of economy, they shared information that they want to establish export platform, an online Help desk for SMEs, similar tool as IT platform of Koprivnički poduzetnik, so maybe there is a possibility to merge these activities into the wider programme.

Because this IT platform is planned to be developed under Chamber of economy (EXPORT program) and not confirmed to be implemented in the phase two of EIS project, Koprivnički poduzetnik will create simple IT tool which will pilot in phase two. This IT tool will be used for evaluation of results (which are very missing in Croatia). The aim to find out which services (for internationalization) are useful and showing results and which of them have to be updated. These results will be presented to Ministry.

PILOT - Koprivnički poduzetnik will create a simple IT platform and do the implementation with 5 SMEs who already used the measures for internationalization with the aim of providing real evaluation results of measures (this does not exist in Croatia)



4.3 Partners/Players involved

(Please indicate the organisations/stakeholders in the region who are involved in the development and implementation of the action and explain their role.)

- Koprivnički poduzetnik Ltd. (development of simple IT tool)

4.4 Timeframe

(Please indicate the timeframe with particular emphasis on what you will implement within the phase 2 of the EIS project.)

01/09/2019 – 01/06/2020 – IT tool for evaluation (creation)

01/06/2020 – 01/11/2020 – piloting (5 SMEs) and sharing the results with stakeholders



4.5 Costs

(Please list the costs for implementation – if relevant.)

IT expert for creation the IT tool

Coordination and monitoring the construction of IT tool

Collecting the good practices

Total budget – 2.700 EUR

4.6 Funding sources

(Please list the funding source for the above mentioned costs for implementation – if relevant. Can you demonstrate the sustainable funding of the implemented action?)

Own expenses

4.7 Impact expected

(Please explain the Outputs – outcomes – effects, that you are expecting from the implementation. Pay particular attention to your defined indicator in the EIS proposal. Can you demonstrate the sustainability of the implemented action on the basis of the expected impact?)

The data gathering system will serve as an internal database and also as the case with involved partners in future BSO, which will save all the data necessary for monitoring SMEs which have been going through partners' programmes for internationalisation support (screening process from incubators and support programmes from Croatian Chamber of Economy). It will provide all necessary information about analysed SMEs which then can be used for more tailored support for those SMEs.

Impact will be also better measurement of results of support services from national bodies, but through bottom up system.

4.8 Next steps

(Please describe the next steps you intend for developing this action, e.g. as a list of activities/meetings with date/timeframe – activity. Are you facing any problems/barriers?)

01/09/2019 – 01/06/2020 – IT tool for evaluation (creation)

01/06/2020 – 01/11/2020 – piloting (5 SMEs) and sharing the results with stakeholders

Problem/barriers of implementing common IT tool on national level is funding decision made by Ministry of economy, entrepreneurship and crafts, timeframe is not fixable because of the decisions that isn't in Koprivnički poduzetnik power.

5. Action 3: Common action towards Croatian Ministry of economy, entrepreneurship and craft regarding getting support for financing activities regarding better support of internationalization activities for SMEs

5.1 The Background

(Please describe the lessons learnt from the project that constitute the basis for the development of the present Action Plan. Please show links to the overall Peer Review findings and summary under chapter 1.2)

To impact on policies through this Action plan, partners must address authorities responsible for implementation of Operational programme Competitiveness and Cohesion 2014-2020 for Croatia. Ministry of Economy is the main body responsible for this OP.

After several stakeholder meetings with Croatian agency Hamag bicro, Ministry of economy, entrepreneurship and crafts, Ministry for regional development and EU funds and Chamber of economy there can be two options for implementation activities:

1. Koprivnički poduzetnik can present their own activities (action plan), with support from Chamber of economy to the Ministry of economy, entrepreneurship and crafts which can decide about funding through Operational programme Competitiveness and Cohesion 2014-2020 for Croatia or can influence that this activities can be implemented in a new OP.
2. Because Chamber of economy is preparing their own programme (EXPORT PROGRAM) related to internationalization which will also present to the Ministry, it can be decided to merge Koprivnički poduzetnik activities in a wider program for support internationalization. This program is in preparation phase and consist many activities and some work package are very suitable with Koprivnički poduzetnik action plan activities. Chamber of economy goal is to establish unique center for support SMEs for internationalization. They want to establish export platform, an online Help desk for SMEs, similar tool as our CRM system. After this, their plan is to establish export academy, where will offer screening services for SMEs and start ups – depends on the % of their current export profit. Koprivnički poduzetnik found their roal and suggested to contribute to their wider program with activities. Koprivnički poduzetnik and Chamber of economy signed a partnership agreement on further development of the programme. Because Chamber of economy is very important national institution, maybe this way will be faster.

5.2 Action

(Please list and describe the actions to be implemented.)

Organise stakeholder meeting to present the outputs and results of EIS action plan.

5.2.1 Objectives

- implement Action plan or common programme together with Chamber of economy in new Operational programme Competitiveness and Cohesion 2020-2030 for Croatia

5.2.2 Target group

- Croatian Ministry for economy, entrepreneurship and craft

5.2.3 Content

These activities include joint action towards Croatian Ministry, body responsible for implementation of Operational programme Competitiveness and Cohesion. The goal of this action is to influence on OP, to implement new measures regarding internationalisation into the OP or new OP.

Through this program Koprivnički poduzetnik, together with Chamber of economy can have an impact on policy instrument Operational program Competiveness and Cohesion. In policy instrument it is expected that 500 SMEs will get support for internationalization till year 2023. With systematic approach, good IT platform system for tracking of results and cooperation of BSOs like Koprivnički poduzetnik, local offices and Chamber of economy indicators will be much better.

5.3 Partners/Players involved

(Please indicate the organisations/stakeholders in the region who are involved in the development and implementation of the action and explain their role.)

- Koprivnički poduzetnik Ltd.
- Croatian Chamber of Economy

5.4 Timeframe

(Please indicate the timeframe with particular emphasis on what you will implement within the phase 2 of the EIS project.)

01/01/2019 – 15/04/2019 – stakeholder meetings in Croatian Ministry of economy, entrepreneurship and crafts (min 1)

15/4/2019 – 15/6/2019 – final decision about funding common activities (Koprivnički poduzetnik and Chamber of economy common program) need to be decided by the Ministry of economy

5.5 Costs

(Please list the costs for implementation – if relevant.)

Stakeholder meeting cost include the presentation of all the possible results and output

Total – 400 Eur

5.6 Funding sources

(Please list the funding source for the above mentioned costs for implementation – if relevant. Can you demonstrate the sustainable funding of the implemented action?)

Own recourses

5.7 Impact expected

(Please explain the Outputs – outcomes – effects, that you are expecting from the implementation. Pay particular attention to your defined indicator in the EIS proposal. Can you demonstrate the sustainability of the implemented action on the basis of the expected impact?)

Expected impact of this action is adding findings of the EIS project along with this Action plan and to be more aware of potential impact of suggested measures and actions, supported with results of pilot activities, into OP Competitiveness a Cohesion for Croatia, in order to develop a more structured approach to business internationalisation support on national level.

5.8 Next steps

(Please describe the next steps you intend for developing this action, e.g. as a list of activities/meetings with date/timeframe – activity. Are you facing any problems/barriers?)

01/01/2019 – 15/04/2019 – stakeholder meetings in Croatian Ministry

Problems/barriers are decisions that are lasting more than expected which are crucial for further implementation.

no

6. Timeframe overview

(Please provide a timetable with overview over the timeframe of all actions listed above with milestones, e.g. as Excel graph.)

Detailed timeline (phase 2)	Action 1	Action 2	Action 3
01/01/2019 31/03/2019	- Meeting with HAMAG BICRO (min 1) regarding mapping the BSOs		
01/01/2019 31/03/2019	- Creating of template for screening (1)		
01/01/2019 15/04/2019	- Meeting with Chamber of economy (min 1) regarding mapping their support act. – needed after screening		Stakeholder meeting in Croatian Ministry of economy, entrepreneurship and crafts (1) – presenting the results of EIS
01/09/2019 01/06/2020	- Screening piloting (min 3 SMEs)	Creating IT platform (1) which consist evaluation of results of SMEs who already used the support measures in Croatia	
01/06/2020 01/11/2020	-	Piloting with 5 SMEs (who user the measures) and sharing the data with stakeholders	

7. Signature:

Date: 20.12.2018.

Signature:

Luka Burilović, President of the Croatian Chamber of Economy



Stamp of the organisation (if available):

8. Appendixes

- EISglobal tool
- EIS Joint action
- Presentation of Chamber of economy project including proposed road map of WP1 of Koprivnički poduzetnik involvement (draft)
- Statement of agreement between Croatian Chamber of economy and Koprivnički poduzetnik
- Statetement from Croatian Ministry of economy, entrepreneurship and crafts regarding measurement the indicator of measures under OP
- Document with suggestions on how to Implement Action plan into the OP with set up indicators



Koprivnički
poduzetnik d.o.o.
Koprivnica