



LODZKIE GO ORGANIC!

Organic Action Plan of Lodzkie Region



Main body responsible: Marshal's Office of Lodzkie Region

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SME ORGANICS Action plan for Lodzkie Region

I. General information

Project	SME ORGANICS – Enhancing SME competitiveness and sustainability in the organic sector
Partner organisation	Lodzkie Region – Marshal’s Office of the Lodzkie Region
Other partner organisations involved (if relevant)	-
Country	POLAND
NUTS2 region	Lodzkie Region
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II. Policy context

The Action Plan aims to impact:	<input checked="" type="checkbox"/> Investment for Growth and Jobs programme <input type="checkbox"/> European Territorial Cooperation programme <input type="checkbox"/> Other regional development policy instrument
Name of the policy instrument addressed	Regional Operational Programme

Board of the Lodzkie Region plays a crucial role in sharing regional policy by preparing the most important strategic documents for the region, i.e.: Development Strategy of Lodzkie Region for 2020 and Regional Innovation Strategy for Lodzkie Region LORIS 2030. In addition, Board of the Lodzkie Region is a managing authority for the Regional Operational Programme for Lodzkie Region for the period 2007-2013 and 2014-2020.

Regional Operational Programme for the Lodzkie Region 2014-2020 (ROP 2014-2020) contains 12 priority axes that correspond to the challenges faced by the region that were identified in key strategic documents, including Development Strategy of Lodzkie Region for 2020 and Regional Innovation Strategy for Lodzkie Region LORIS 2030, and provide for areas of intervention the support of which will end with most visible effects.

The majority of SMEs from the region are characterized by a low level of innovation and they do not have their own R&D infrastructure, therefore the intervention in the area of raising competitiveness of SMEs focuses on three main areas: access to external capital and financial markets, access to market oriented on knowledge and the ability to promote SMEs in the value chain.

The Priority Axis II Innovative and Competitive Economy of the ROP for Lodzkie Region 2014-2020 involves supporting the creation of new products and services. SMEs are direct support recipients – the goal of which is to increase companies’ competitiveness and place high-quality services and products on the market.

The SME Organics Action Plan targets the Priority Axis II the ROP 2014-2020, named Innovative and competitive economy, enclosing two investment priorities:

- Action II.2 Internationalization of SMEs

Sub-action II.2.2 Economical promotion of the region

As part of the sub-action, the tasks are realised to develop a comprehensive offer of economic promotion, aiming at increasing export and gaining new sales markets, establishing contacts with foreign partners and obtaining information on foreign markets, in particular in the field of regional specializations, including the organic sector.

- Action II.3 Increasing competitiveness of SME:

Sub-action II.3.1 Innovations in SME

The support is intended primarily for investments related to the development of SMEs, a change in the production process, a change in the method of providing services as well as organizational changes.

Under the sub-action there are implemented the projects consisting of:

- implementation of the results of R&D works,
- implementation of innovative products and product manufacturing processes, including eco-innovations.

Sub-action II.3.2 Financial instruments for SME

The intervention under the sub-action is aimed at improving the access of the SMEs from the region to external sources of financing.

It is also important to emphasise how strong is the connection between EARDF and ROPs, as the organic sector is mainly composed of agri-food, and so the synergy between the two programmes is inevitable. The organic market development will be then possible using resources of EARDF to finance the actions like trainings connected to the particular skills required by the sector, distribution and logistics, marketing, awareness raising and promotion of the sector overall.

For many years, Lodzkie Region has been carrying out activities to build on this potential and to become a bioeconomy leader in Poland and Central/Eastern Europe. In 2015 the Regional Parliament of Lodzkie Region adopted a resolution on transforming a region into bioregion. Bioeconomy was indicated as a horizontal field of economic development priority where innovative bioindustry based on bioresources is supported. The resolution foresees also preparation of the “Regional Development Strategy of Bioeconomy in Lodzkie Region” along with a working document “Action Plan for Development of Bioeconomy in Lodzkie Region” which are currently under preparation.

The strategy i.a. assumes that by 2020 access to EU funds will speed up the implementation of innovative solutions, which will contribute to the development of the organic farming sector.

One of the greatest potential identified in the 6 Regional Intelligent Specialisations provided in LORIS 2030 is supporting innovative solutions such as eco innovation of SMEs.

RIS describes structures at strategic and operational level in order to carry out activities among entities that usually do not cooperate with each other and they refer to the following areas:

- Modern textiles and fashion industry (including design);
- Advanced building materials;
- Medicine, pharmacy, cosmetics;
- Power engineering, including renewable energy sources;
- **Innovative agriculture and food processing;**
- IT and telecommunications.

Organic Action Plan of Lodzkie Region is one of the main outputs of the SME ORGANICS project. The overall objective related to this action is to improve policies and programmes in order to enhance the competitiveness and sustainability of SMEs in the organic sector of all the regions working in the framework of project consortium, including Lodzkie Region. It is the main output of interregional learning process as the action plans are based on good practises presented by the project partners.

As there is no National Organic Action Plan in Poland and no other Polish region has its own Action Plan, Lodzkie Region is a pioneer in this area. Lodzkie Region understands the necessity of taking concrete and structured activities to achieve the sustainable development of the organic sector.

Part III. Details of the actions envisaged

SME ORGANICS is an EU Interreg funded project bringing together 8 European regions, which main objective is to improve policies and programmes under the Investment for Growth and Jobs goal in order to enhance the competitiveness and sustainability of the SMEs in the organic sector.

On the regional level the stakeholders group has the regular meetings to talk about problems and challenges for consumers, entrepreneurs and producers (SMEs), as well as institutions involved in the organic sector issues. **Interregional exchange of experience** occurred in the field visits performed in the 8 partner regions, where representatives of the Local Stakeholders Group participated and witnessed directly the benefits of the successful initiatives and realized also the possibility of adopting and sometimes adapting the best practice to local environment. Based on the experience gained during study visits and cooperation with stakeholders from the region, the following activities planned for implementation in the second phase of the project were identified:

ACTION 1. Establishment of producer groups in the area of organic SMEs in Lodzkie Region

<p>1. Background</p>	<p><i>Good practice: ORGANIC FARMER NETWORK, ProAgria Rural – the example from Western Finland, a partner in the framework of SME ORGANICS, was a strong and direct impulse to create a concept of the similar structure in the Lodzkie Region, willing to gather the organic SME entrepreneurs. The mentioned example showed how important it is and what a huge benefit it brings to organic entrepreneurs who, thanks to cooperation, become a serious player in the economic area. There are many small organic producers scattered across the region, lack of power to break of single producers, lack of organic producer groups in the Lodzkie Region.</i></p> <p><i>The mentioned activity from Western Finland was presented during one of the study visits in the framework of SME ORGANICS project – 5th study visit on 6-7 June 2017.</i></p>
<p>2. Action description</p>	<p><u>Coordinator:</u> Marshal's Office of the Lodzkie Region;</p> <p><u>Objective:</u> selling larger batches of organic raw materials and processed organic food and products and possibility of funds receiving for promotion by organic producer groups;</p> <p><u>Detailed description:</u></p> <p>Based on the experience gained during realisation of the SME ORGANICS project, including interregional contacts, allowing to learn about good practices from partner regions, representatives of stakeholders group joined together to create Association of Polish Organic Growers, that is planned to be transformed into the cooperative. Lodzkie Region is a producer of 10% of the total production of organic apples in Poland, which means the potential of the founding members of the association is high.</p> <p>The main objectives of the association:</p> <ul style="list-style-type: none"> • dissemination of the organic method of fruit growing and processing, • dissemination of knowledge about the health-promoting properties of organic food, • dissemination of knowledge about the impact of organic food production on the state of the natural environment, • integration and support for organic food producers from the Lodzkie Region, • economic benefits - increasing the competitiveness of producers through working under a common strong brand and in cooperation that will allow the goods to be delivered to wholesale customers. <p>Planned activities:</p>

	<ul style="list-style-type: none"> • creating a platform for the exchange of information, wholesale offers and offer inquiries in B2B relations (retail chains, processing, export), • creating a market brand <i>PolskiEkoOwoc</i>, • protection of the interests of association members - monitoring and expressing opinions on legal regulations and their projects regarding the subject matter of members and the association, • contact with policy makers to discuss the possibility of preferential conditions for producer groups in the process of applying for ROP ERDF funds (to introduce changes in the framework of project selection criteria under the ROP of Lodzkie Region, taking into account preferential conditions for ecological producer groups)
3. Players involved	<p>Organic SME entrepreneurs from Lodzkie Region – producers of fruit (especially apples but also soft fruit producers). Activities within the Association will be implemented by the representatives of the mentioned SMEs with the help of external contractors in some works, such as the creation of an Internet platform.</p> <p>The involvement of the Marshal's Office of the Lodzkie Region will also be crucial, as its role will be to link the association and the local authorities, which will allow lobbying for entrepreneurs - fruit producers – members of association, as well as for the whole organic sector in the Lodzkie Region.</p>
4. Timeframe	2019-2020
5. Costs (if relevant)	20.000,00 EUR
6. Funding sources (if relevant):	<p>The financial funds for the needs of the association will come from subscriptions of members of the association and future projects of the association, with emphasis on projects from ERDF - we will seek to introduce changes to get the ERDF funds for the association's activities. These changes are aimed at introducing preferential conditions for organic SMEs and associations of such SMEs, applying for funds - changes in project selection criteria, favouring SMEs from the organic sector.</p> <p>Activities will be carried out without any financial costs for Marshal's Office of the Lodzkie Region, using its infrastructure and human capital.</p>
7. Monitoring	<ul style="list-style-type: none"> – growing number of food producers joined in the framework of association, – increase in the level of sales of organic food products from Lodzkie Region, including products sold under the market brand <i>PolskiEkoOwoc</i>, – range of introduced changes in the framework of project selection criteria under the Regional Operational Programme for Lodzkie Region, taking into account preferential conditions for ecological producer groups

ACTION 2 A series of educational meetings and individual consulting sessions in terms of organic food production, including aspects of circular economy, implemented as part of the “Lodzkie Green Hub” project (Self-government Centre of Circular Economy and Internationalisation of Enterprises)

1. Background	<p><i>Good practice: Organic Informal Business School, National Federation for Organic Agriculture – the example from Nord-Vest Romania presented by a partner in the framework of SME ORGANICS was a basis to undertake the concrete training actions in the Lodzkie Region addressed to entrepreneurs - organic producers or those who are interested in the transition to the organic production. In the framework of Informal Organic School of Professor Fitiu more than 1000 farmers and SMEs representatives were trained for conversion into organic agriculture and organic processing.</i></p> <p><i>Another good practice learned thanks to the implementation of the SME ORGANICS</i></p>
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	<p><i>project that has contributed to the implementation of this action was NEUVO 2020 from Western Finland – the consulting concerning legislation and regulatory aspects of SMEs support system, to support SME's competitiveness.</i></p> <p><i>The mentioned activity from Romania was presented during one of the study visits in the framework of SME ORGANICS project – 7th study visit to Transylvania on 28-29 November 2017.</i></p>
<p>2. Action description</p>	<p><u>Coordinator:</u> Marshal's Office of the Lodzkie Region;</p> <p><u>Objective:</u> Increased number of organic SMEs in the Lodzkie Region as well as the increased public awareness regarding the impact of organic food on health and the environment and regarding the circular economy principles;</p> <p><u>Detailed description:</u></p> <p>The Action will be implemented through a series of educational meetings and individual consulting sessions in terms of organic food production, including aspects of circular economy.</p> <p>Planned activities:</p> <ul style="list-style-type: none"> • building a database of SMEs from the Lodzkie Region, operating under regional specializations, interested in implementing solutions in the field of circular economy, including SMEs from the organic food production sector - the tool that will enable aggregation of data in the scale of the region; • conducting a series of workshops for SMEs with the participation of Polish and foreign experts aiming at developing competitive business models based on the principles of circular economy. Individual consultancy in the above field. The workshops and individual consultancy will also refer to issues related to conversion into organic processing as well as legislation and regulatory aspects of SMEs support system, to support SME's competitiveness: <ul style="list-style-type: none"> – in the first phase of the project implementation, it is planned to identify SMEs from Lodzkie Region, interested in organic production and changing the business model from traditional to circular, – experts involved in the project will conduct a data analysis, including the collection of data on enterprises operating in the area of smart specializations. On this basis, a maximum of 60 SMEs will be selected, which will take part in the further part of the project, that is training and individual consultancy, – concerning the cycle of workshops, it is planned to cooperate with domestic and foreign experts from more advanced countries in the field of circular economy, – the workshop will be a derivative of the analysis of the needs of previously selected SMEs - entrepreneurs participating in the workshops will have the opportunity to learn about the European markets in terms of environmental protection, including eco-labels and certificates, the requirements of potential consumers in terms of energy efficiency, safe for the environment utilization or re-use, – an additional form of support for SMEs from the Lodzkie Region will be individual consultancy with experts in the field of circular economy, dedicated to entrepreneurs interested in increasing the efficiency of resource management - this will contribute to increasing the efficiency of activities aimed at raising entrepreneurs' awareness of the possibility of gaining a competitive advantage on foreign markets, thanks to the introduction of rational resource management and the use of pro-environmental technologies in the production process.

	<p>This Action will be developed in the framework of “Lodzkie Green Hub” project (Self-government Centre of Circular Economy and Internationalisation of Enterprises), covering one of the regional specializations, which is “innovative agriculture and food processing”. The preliminary idea of the project has been developed and modified on the basis of experience from the SME ORGANICS project, which resulted in a greater emphasis on support of the SMEs from the organic sector. Project implementation showed how big the potential in the region is in this area, and the experience gained through interregional cooperation made us realize how important is the support of ecological SMEs and what is its positive effect in the region.</p> <p>The project will enable SMEs from Lodzkie Region to create an offer of products competitive on the international market in one of the directions of global development, which is circular economy. “Lodzkie Green Hub” is amongst others an outcome of an analysis of regional potential and needs of SMEs dealing with ecological businesses and implementing circular economy. The project is designed to support SMEs operating in the framework of Regional Smart Specializations for Lodzkie Region. The potential of organic sector in Lodzkie Region needs further attention, that is why Lodzkie Region decided to implement future projects. “Lodzkie Green Hub” will be offering consultancy and training for organic SMEs as well as participation in events in Poland and leading European countries.</p>
<p>3. Players involved</p>	<p>Marshal's Office of the Lodzkie Region, as the coordinator and project management unit (coordinating of all the activities related to identifying of SMEs, choosing experts, organisation of workshops and individual consultancy etc.); SMEs from Lodzkie Region (including SMEs from the regional stakeholders group of the SME ORGANICS project); regional, national and foreign experts who will be involved in conducting workshops and individual consultations - the region has a wide contact database in this area developed thanks to joint projects in the area of the organic sector and circular economy, a large part of which is related to the implementation of the SME ORGANICS project.</p>
<p>4. Timeframe</p>	<p>01/2019-12/2022</p>
<p>5. Costs (if relevant)</p>	<p>30.000,00 EUR</p>
<p>6. Funding sources (if relevant):</p>	<p>ERDF - Regional Operational Programme for Lodzkie Region 2014-2020, Axis II – Competitiveness of the SMEs- “Lodzkie Green Hub” project (Self-government Centre of Circular Economy and Internationalisation of Enterprises)</p>
<p>7. Monitoring</p>	<ul style="list-style-type: none"> - Local workshops – 6 - International workshops – 6 - Number of stakeholders attending individual consulting sessions (SMEs covered by the advisory program) -12 - Number of written expert recommendations - 12

ACTION 3. Activities affecting the regional policy with the intention of improving the competitiveness and sustainable development of SMEs from Lodzkie Region in the ecological sector based on the concept of establishing a regional monitoring centre for the organic sector in the framework of “LODZKIE GO BENELUX” project.

<p>1. Background</p>	<p><i>Realisation of the SME ORGANICS project, including the participation in study visits and presentations of partners experiences, their good practices and the applied political mechanisms allowed for observation and development of a specific position in the field of popularization of organic farming and food production in the Lodzkie</i></p>
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	<p><i>Region. The experience from the first phase of the project is the basis for taking action aimed at political changes in favour of the organic food sector.</i></p> <p><i>Lodzkie Region plays a key role in the shaping of regional policy through the preparation and drafting of the most important strategic documents, such as the Development Strategy for the Lodzkie Region or Regional Innovation Strategy for the Lodzkie Region – LORIS 2030 (Smart Specialization Strategy). The Board of the Lodzkie Region acts as the Managing Authority for the regional operational programs.</i></p> <p><i>The action is based on the following good practice identified in the framework of SME ORGANICS project: Regional Observatory on the development of Organic Agriculture in Apulia Region-BioBank Open Project - the initiative that was born as a necessity to simplify the coordination among the players in the organic sector.</i></p> <p><i>The mentioned activity from Italy was presented during one of the study visits in the framework of SME ORGANICS project – 3rd field visit to Bari (Apulia) on 6-8 February 2017.</i></p>
<p>2. Action description</p>	<p><u>Coordinator:</u> Marshal's Office of the Lodzkie Region;</p> <p><u>Objective:</u> The improvement of the competitiveness and sustainable development of SMEs from Lodzkie Region through the simplification of coordination among the players in the organic sector, leading to facilitate their access to ERDF funds.</p> <p><u>Detailed description:</u></p> <p>The Action will be implemented through creation of a digital application - a tool to simplify the coordination among the organic SMEs from Lodzkie Region. The tool will help to monitor the amount and structure of ecological SMEs in the region and it will be a platform for entities willing to establish cooperation in order to optimize production costs, to increase the sales of organic products, to increase export and establish international business relations. This tool will enable direct networking and it will be a virtual living-lab tool, but the main reason to create the application is to introduce the tool for SMEs from Lodzkie Region interested in the development of companies based on markets in the Benelux countries.</p> <p>Other activities:</p> <ul style="list-style-type: none"> - meetings with policy makers willing to make changes in access to EU funds, so that innovative entrepreneurs from the organic sector were favoured and more actions were taken to improve the competitiveness of SMEs in the organic sector, - development of recommendations for the managing authority of Regional Operational Programme. <p>The Action will be developed in the framework of the project LODZKIE GO BENELUX. The preliminary idea of this project has been developed and modified on the basis of experience from the SME ORGANICS project, which resulted in a greater emphasis on support of the SMEs from the organic sector. The organic sector will be one of the sectors covered by this action, as its huge potential in the region had been identified thanks to realisation of SME ORGANICS project.</p> <p>Therefore and focusing on regional specializations, a huge part of the project activities will concern one of them which is "Innovative agriculture and food processing", therefore organic SMEs.</p> <p>Project LODZKIE GO BENELUX will facilitate access for SMEs from the Lodzkie Region to the European market by identifying potential access barriers, increasing the level of trust among contractors and consumers for products and services, identifying value chains, contractors, implementing innovations, and seeking new sources of funding for entities operating in the areas of smart regional specializations.</p>

3. Players involved	Marshal's Office of the Łódzkie Region, as the coordinator and project management unit, as well as the link between SMEs and policy makers, providing lobbying for the organic sector; organic SMEs from Łódzkie Region (including regional stakeholders of SME ORGANICS project); external contractors involved in activities such as creation of the IT tool.
4. Timeframe	10/2019-09/2023
5. Costs (if relevant)	69.000,00 EUR
6. Funding sources (if relevant):	ERDF - Regional Operational Programme for Łódzkie Region 2014-2020, Axis 2 – Competitiveness of the SMEs - "ŁÓDZKIE GO BENELUX" project
7. Monitoring	<ul style="list-style-type: none"> - Number of meetings to set up the tool simplifying the coordination among the players in the organic sector; - Number of written recommendations for the managing authority of Regional Operational Programme; - Increase in the number of projects submitted by organic SMEs within Regional Operational Programme

Date	26. 02. 2019
Signature	<p>DYREKTOR Regionalnego Biura Województwa Łódzkiego w Brukseli</p> <p><i>Marcin Podgórski</i></p>
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