

ACTION PLAN IN THE FRAMEWORK OF THE PROJECT

INNOGROW

for Gorenjska Development Region

Policy context

From the policy point of view in Slovenia exist only national policy, since Slovenia does not have regions, while in local communities' support to start-ups and SMEs is not the main goal.

Although at the beginning of the project it was intended to impact the Slovenian Industrial Policy 2014-2020 – SIP due to the policy changes in Slovenia this is no longer possible. Based on the political powers of the institutions in the country and their involvement in the work on the regional level, we can't expect that recommendations from the Action plan will be taken into consideration.

Further details on the policy context are presented below:

1. Action Plan will have impact on Operational Programme for the Implementation of the EU cohesion Policy. The current OP is a centralized programme for territorial development of Slovenia, covering all 11 thematic objectives. The OP strategy has been built on the analysis of needs, disparities and growth potential and lessons learned in previous programming period. The analysis of Slovenia's progress towards the 2020 national targets reveals certain gaps, especially in terms of boosting growth of employment rates, reducing the number of people at risk of poverty or social exclusion, strengthening efforts in the area of research and development and promoting energy efficiency.

The INNOGROW project concerns Strategies for the Development of Entrepreneurship and Innovative Small and Medium Enterprises (SMEs) in rural areas. The project affects directly to priority axe number three 'Dynamic and competitive entrepreneurship for green economic growth:

1. Promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators;
2. Developing and implementing new business models for SMEs, in particular with regard to internationalization;
3. Social innovation, transnational cooperation and contribution to thematic objectives.

The program period is ending and the request for improvement of policy instrument does not seem sensible at the moment. Most of the funds for implementing action of the OP have already been used. National managing authority responsible for OP is facing the lack of funds for implementing activities in West cohesion region, but supports in particular the inclusion of new innovative priorities and objectives into OP for this programming period. BSC Kranj has a representative in the monitoring Committee of Western Slovenia cohesion region and thus can directly influence the policy document when drafted for the programming period.

At the moment in the OP is lack of concrete focus in rural areas. The policy should be enriched with measures addressing the demographic reality of the region and the necessities of enterprises located in these areas, since rural SMEs barriers to business growth differ geographically.

2. The Action Plan will have influence on Operational Programme for the Implementation of the EU Cohesion Policy 2014-2020 also in the priority 2.9 Social inclusion and poverty reduction, measure 2.9.7 Investment under CLLD strategies where the strong emphasis is on job creation via promoting entrepreneurial activities and innovative development partnerships: the action support activities contributing to enhancing entrepreneurship, creativity and innovation, and support is expected

for activities designed to increase entrepreneurship, creativity and innovation, and activities that contribute to the creation of conditions for the implementation of entrepreneurial initiatives, such as: development of activation tools, establishment of informal networks for promoting entrepreneurship. In this programming period, based on OP 37 local action groups (LAG-s) were formed in Slovenia, thus covering the whole territory. Local action groups were formed in areas with common local needs and challenges with the common objective of realising local development needs.

BSC Kranj is authorized operator (lead partner) of CLLD funds – Community Led Local Development (CLLD) – Local development strategy of Local Action Group Gorenjska Košarica covering 70 % of the Gorenjska region while RA Sora operates the programme for the remaining rural areas of Škofja Loka.

Local development strategy of LAG Gorenjska Košarica has a specific goal to promote better economic and social inclusion of the society, where creation of entrepreneurial activities and innovative development partnerships are supported. Promoting dynamic competitive business development with support of innovative development and integration into value chains and development of new innovative sustainable green products / services goes in hand with proposed actions of the Action Plan.

The new business opportunities in the countryside has to be further fostered and developed. Specific emphasis has to be on support for creation of innovative SMEs in the rural area. On the basis of the data from 2013 there is a lack of financial mechanisms for start-ups and also lack of entrepreneurial culture, more aggravated in the rural areas. The programme should be better developed in themes that concerns the creation of entrepreneurial activities and innovative development partnerships and specific measures and services for encouragement of the entrepreneurship in rural areas.

Especially is important to tackle the issue of young entrepreneurs in countryside where specific attention need to be given to the young with potentials, women and other vulnerable groups, that are facing threat of social exclusion, have little or no opportunities for the development of own entrepreneurial ideas due to lack of knowledge or skills, needed for successful start-ups.

The proposed actions are of the strategic importance as it addresses mainly rural areas of the region in a sustainable way. The actions might be funded from current LAG strategy and included into the new strategy 2021-2027 for the two LAGs of Gorenjska region. BSC Kranj is operator of LAG Gorenjska košarica and initiator of the local strategy.

3. BSC Kranj and the regional stakeholders aim therefore to improve the implementation of the above priority by preparing new projects and initiatives based on policy learning from the partner regions within the project Rural SMEs and from programme Interreg Europe data base. Since the OP is not part of jurisdiction of regional level (no regional policy level in Slovenia) BSC Kranj and regional stakeholders from statistical region Gorenjska can empower regional environment and start new practices support measures mainly through project development and implementation that are financed by EU (transnational programs, EC calls, local funds (e.g. from local communities), CLLD funds that are managed locally (based on the CLLD strategy/its priorities/measures).

Due to further expected loss of structural funds, local communities together with support organizations in the region must start with joint alliances for the future (in the way to negotiate with the state and to join forces for joint programs and subsidies).

ACTION 1: Development of framework for trainings for local entrepreneurs - as a first step towards a Rural Enterprise HUB

1. **The background** (lessons learnt from the project that constitute the basis for the development of the present Action Plan)

Gorenjska region development plan 2007 – 2014 as Development areas, investments measures and projects of the region on the field of technological development, entrepreneurship and innovation (chapter 6.1) as key goals determine support environment for dynamic entrepreneurship and knowledge transfer from institutions to economy as well as increasing of innovation with focus on raising competitiveness and developing new technologies.

Activity base on lessons learnt within two projects. EcoSmartLand Lecco EcoSmart City as it has completely and systemically relaunch economic, social and cultural competitiveness of the area. The process was supported by different working groups, each specified for one field: Lecco Innovation, Lecco Culture, Lecco Food System, Lecco Mountains and Lecco ICT. It also based on good practice example from Newcastle where rural Business Knowledge Exchange and Innovation was increased with the Contribution of the network of Rural Enterprise Hubs, which carry out different activities.

The combination of mentioned cases and strategic objectives of the Gorenjska region to provide the support to SMEs in rural area are basis for the presented action.

Policy context: Investment for Growth and Jobs Programme/ Operational Programme for the Implementation of the EU Cohesion Policy 2014-2020

2. Action (list and description of the actions to be implemented)

Gorenjska region has several types of institutions and provides different activities (as co-working places, incubators...) that support and provide an environment for R&D. The region does have EU funds available for local development, but is facing a lack of support mechanism appropriate for rural SMEs.

Due to further expected loss of structural funds, local communities together with support organizations in the region must start with joint alliances for the future (in the way to negotiate with the state and to join forces for joint programs and subsidies) to gain additional funds for development of rural entrepreneurial culture and most of all to establish a stable and continued support to use the funds since most of the entrepreneurs don't have time or the staff to deal with the paperwork.

Activities to be implemented short term:

1. Linking the institutions in the region through RDA of Gorenjska in order to collect the existing support and trainings already available
2. Making a common list of existing trainings between different institutions from the field
3. Developing structured and continued topics and execution events and workshops to promote innovation and innovative business models (presentation of good practices, innovative networks and partnerships...)
4. Establishing common regional service to offer support with implementing innovations in the existing or potential rural SMEs

First three actions are feasible within the existing regional institutional capacities. The 4th action does already need extra budget for the proper execution but furthermore, there are planned activities which do need a steady, long term regional fund and basically involve establishing Rural Enterprise HUB.

Activities to be implemented long term:

5. Establishing HUB
6. Establishing and combining Research and Development activities for rural SMEs and farms
7. Transfer the knowledge gained into practise

3. Players involved (the organisations in the region who are involved in the development and implementation of the action and their role)

Key regional organisations involved in activity implementation:

RDA, Business support centre - BSC Kranj in its three roles. First, as a regional development agency in charge of preparing and implementing the regional development plan. It will put more focus to support innovation in agri-good industry. As a regional SPOT (one of 12 Slovenian business point) that among others provide counselling for entrepreneurs, regional cooperation and support to exporters and investors (internationalization and foreign investments). It will develop special support focusing on micro entrepreneurs and farmers in rural areas within its local action group (LAG - LEADER / CLLD found) activities.

Centre for sustainable rural development Kranj – professional and organizational support to development and social initiatives (economic, social, environmental and cultural sustainable development).

Regional chamber Gorenjska – Chamber of Commerce and Industry of Slovenia and Regional chamber of craft and small business Kranj - education and training, international cooperation and presentation on national and international fairs ...

Regional Chamber of Craft – providing contacts and trainings,

Chamber of agriculture and forestry of Slovenia - Institute Kranj: education and training ...

Key educational institutions: Biotechnical centre Naklo – education and training on new technologies, trends in agri-food sector, Smart farming training for employment ...; Faculty of Organizational Sciences University of Maribor providing education and training on Process and Information Management.

4. Timeframe

Preparation and pilot implementation 2019 - 2021; implementation in programming period 2021 – 2028.

5. Costs

Short term: No additional cost, activities will be financed through existing programs.
Long term: 120.000 EUR per year.

6. Funding sources

The project idea will be prepared and the funding will be requested within:

Operational Programme for the Implementation of the EU Cohesion Policy 2014-2020

- Priority axis 3 "Dynamic and competitive entrepreneurship for green economic growth". The preferred investment is 3.1 "Encouraging entrepreneurship, in particular by facilitating the economic exploitation of new ideas and encouraging the creation of new businesses, including entrepreneurial incubators."
- Program founding scheme (ERDF).

ACTION 2: Establishment of Networking Platform for the promotion of local producers

1. The background (lessons learnt from the project that constitute the basis for the development of the present Action Plan)

The background for the development of this activity was the case of Milans' Science Park PTP where we learned that an Institution of such kind can have a huge impact on Innovation development in the territory. They help businesses and organizations in their R&D projects with Idea evaluation, scouting for funding, project consortium set up, Negotiations and relations with funding bodies, technical and financial reporting, remodulation and amendment requests.

They are also partners with the Municipality in Alimenta, the first Italian Business Accelerator, created to find out innovative solutions to Bio-based industries and to companies facing problems related to the Agri-food and Life-sciences areas can lead to It is a Partnership with Science Park and Municipality.

An interesting example was also presented in Lombardy, where they use Cluster strategy for the benefit of SMEs. There Nine Technology Clusters of Lombardy (CTL) offer a positive environment for companies and "ears" aimed at intercepting the needs of the productive society. Clusters have been selected to support the development of sectors identified as priorities for the territory.

Policy context: Investment for Growth and Jobs Programme/ Operational Programme for the Implementation of the EU Cohesion Policy 2014-2020

2. Action (list and described actions to be implemented)

In Gorenjska region exists a lot of local farmers or providers of services for tourist, craftsmen, producers of wooden products etc. Creating a Networking Platform will offer the support to the suppliers, manufactures or buyers and provide the possibility of connection which would be established within the value chains. The participant in a specific value chain will exchange information, seek local buyers, trainings and all relevant information for conducting business in rural SMEs. The promotion of local products, services, food, etc, will be established on the platform.

Based on the activities from the Action 1, where a strong cooperation between regional institutions dealing with rural SMEs is being build and a lot of connections to rural SMEs will be established the situation is producing the environment where all potential target groups can be reached within the same actions. Therefore it is a natural course of events to prolong the activities into a new possibility.

Activities to be implemented:

1. Collecting various contacts and other relevant information on one spot – RDA Gorenjske
2. Creating target groups
3. Defining points of interest for different target groups
4. Researching and marking value chains
5. Building a digital platform
6. Running a digital platform

The activities will be working towards raising awareness among rural SMEs for the usage and strengthen capacities within the selected value chain and also improving the sustainable usage of local products in the fostering regional added value along processing chains.

3. **Players involved** (organisations in the region who are involved in the development and implementation of the action and their role)

RDA, Business support centre - BSC Kranj in its three roles. First, as a regional development agency in charge of preparing and implementing the regional development plan. As a regional SPOT (one of 12 Slovenian business point) that among others provide counselling for entrepreneurs, regional cooperation and support to exporters and investors (internationalization and foreign investments). It will develop special support focusing on micro entrepreneurs and farmers in rural areas within its local action group (LAG - LEADER / CLLD found) activities.

Centre for sustainable rural development Kranj – professional and organizational support to development and social initiatives (economic, social, environmental and cultural sustainable development).

Regional chamber of Gorenjska – Chamber of Commerce and Industry of Slovenia and Regional chamber of craft and small business Kranj - education and training, international cooperation and presentation on national and international fairs ...

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Chamber of agriculture and forestry of Slovenia - Institute Kranj: education and training ...

Key educational institutions: Biotechnical centre Naklo – education and training on new technologies, trends in agri-food sector, Smart farming training for employment ...; Faculty of Organizational Sciences University of Maribor providing education and training on Process and Information Management.

4. Timeframe

Preparation and pilot implementation 2019 - 2021; implementation in programming period 2021 – 2028.

5. Costs

Activities will need one larger amount for creating the platform costing 30.000 EUR and yearly cost of 48.000 EUR for operational costs.

6. Funding sources

The project idea will be prepared and the funding will be requested within:

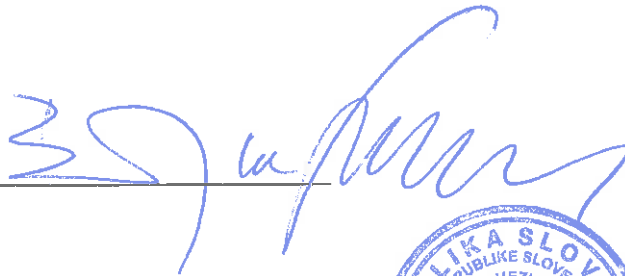
- Decree on the Implementation of Community Led Local Development - CLLD 2014-2020.

Government Office for Development and European Cohesion Policy, Cohesion Policy Office

Date: 16.8.2019

This is to confirm, that Government Office for Development and European Cohesion policy received and reviewed the Action plan in the framework of the INNOGROW project (AP). Any further activities to be followed on the basis of the AP and linked to the Operational programme for growth and jobs 2014-20 will follow implementation procedures through intermediary body or bodies as appropriate.

Signature: _____



Stamp of the organisation (if available): _____

