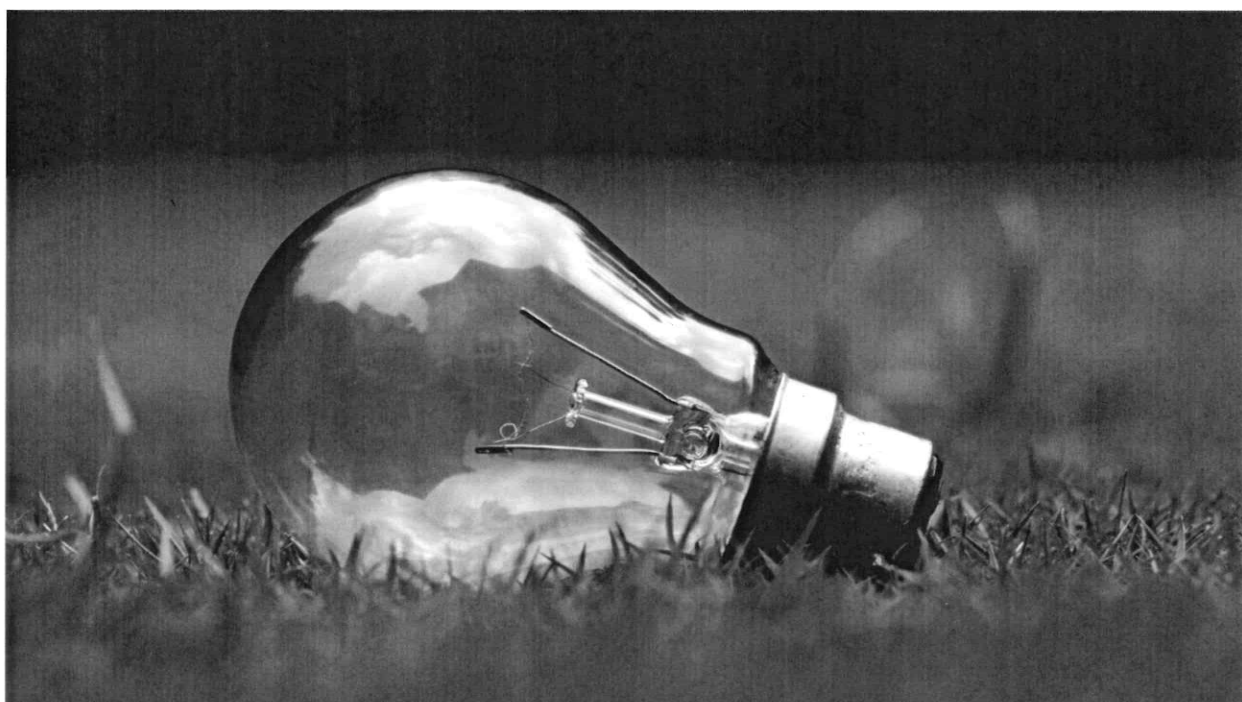


Rural SMEs

Policies to develop entrepreneurship and innovative SMEs in rural areas

ACTION PLAN FOR THE PROVINCE OF BURGOS (SPAIN)



P1. Society for the development of the province of Burgos (SODEBUR)

October 2019



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1. INTRODUCTION

1.1. RURAL SMES project

The project “Policies to develop entrepreneurship and innovative SMEs in rural areas” (Rural SMEs) was approved under the second call of Interreg Europe Programme.

PRIORITY AXE: 2 - Enhancing the competitiveness of SMEs
Specific objective 2.1. Improving SMES competitiveness policies

On these grounds, **Interreg Europe’s overall objective** is to improve the implementation of policies and programmes for regional development, principally of programmes under the Investment for Growth and Jobs goal and, where relevant, of programmes under the European Territorial Cooperation goal, by promoting exchange of experience and policy learning among actors of regional relevance.

Thus, Rural SMEs brings together seven territories that aim at improving the policies on regional support systems for entrepreneurs to **increase the creation of innovative SMEs in rural areas, but also supporting those which are already established to introduce innovation in their daily activity.**

To achieve this goal, the project envisages the identification, transfer and adoption of projects, measures and policies that would contribute to find out solutions to key challenges that face business development in less populated areas, such as: *access to finance, communication and logistics, access to knowledge or innovation services support.*

Thanks to all knowledge generated during the first two years and a half of the project (“interregional learning’s process”), this Action Plan provides details on **how the lessons learnt from the RURAL SMES project** (28 good practices identified, 7 regional SWOT analysis, 7 study visits, 2 seminars, 4 workshops, 10 local stakeholders meetings in every territory and continuous exchanges with partners all over the five semesters of phase 1) **will be exploited in order to improve the Policy Instrument tackled within the province of Burgos.** It mainly specifies the nature of the actions to be implemented, timeframe, players involved, costs and results.

The elaboration of this Action Plan is the result of intensive internal work of the Society for the development of the province of Burgos (SODEBUR) in close collaboration with the stakeholders group which has contributed with valuable insights during this preparation time.



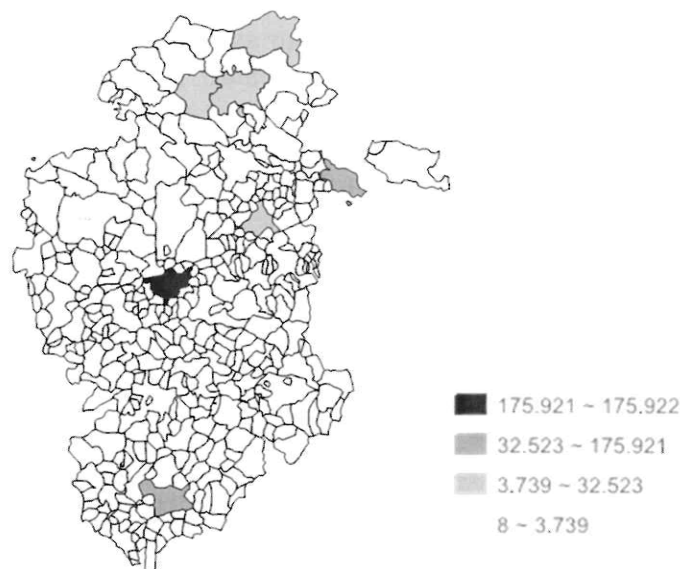
1.1.1 Findings in the province of Burgos

The province of Burgos is located in the north of Spain being one of the nine provinces of Castilla y León region. The capital city Burgos agglomerates about half of the province's population and this is the heart of the economic and social activity of the territory.



POPULATION

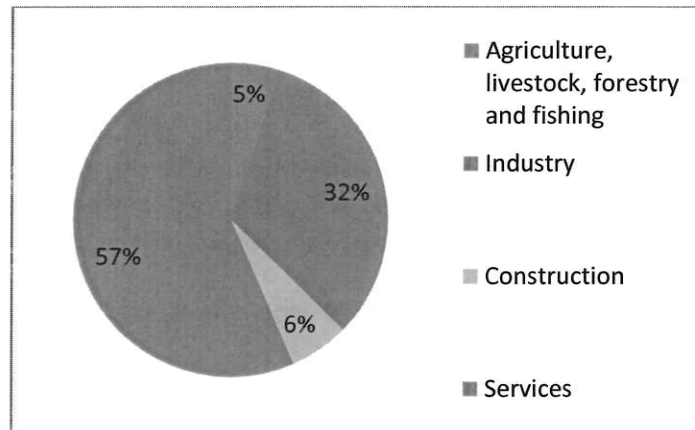
Being aware of the fact that Rural SMEs is lead to entrepreneurs and companies placed in rural areas, it must be highlighted that the province of Burgos has *368 municipalities with a population lower that 20.000 inhabitants (and more than 1.200 living areas)*. In fact, and only considering the rural population, this is about **113.149 inhabitants** (2018); approximately the third part of the whole province's population.



ECONOMY

According to the first estimation of Spanish Regional Accounts for 2016, the province of Burgos recorded a volume **GDP growth rate of 4.4%** (one of the highest one in Spain), with **27.205 € per inhabitant** (around 3.000 € more that the national average).

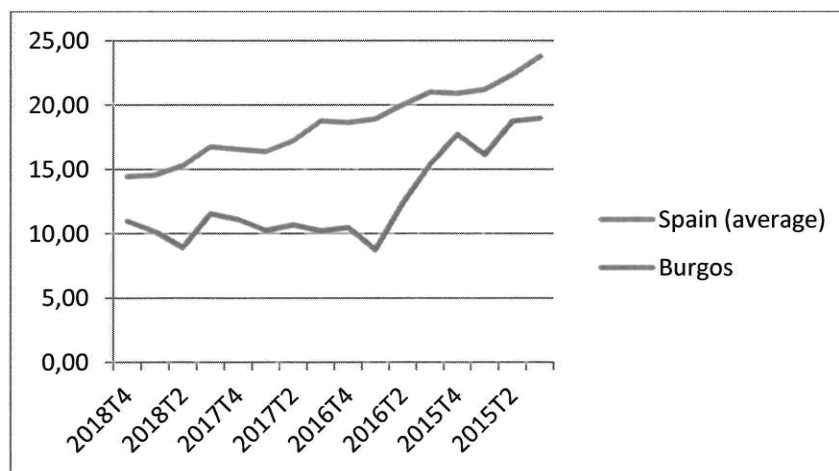
Studying in detail the data on sector contribution to the **gross added value(GVA)** of the province of Burgos (2016), the agricultural sector represented 4.88% (much higher than national average, 2.6%). The weight of the manufacturing industry was 26.97% plus 5.48% of the energy sector, which reflects the importance of this sector in the provincial economy (especially in the capital city). The construction sector presented a quantity of 6.14% with a big increase from the previous two years. The services sector represents 56.54% of the GVA.



GVA (2016).Province of Burgos

Considering this reality, the economic activity in the rural areas of the province is mainly based on **services and industry sectors**(grouping together close to the 90% of workers). On these grounds, service sector has the highest percentage of active workers/companies operating in all the different parts of the territory.The percentage of self-employees operating in rural areas is about38%.

Regarding **unemployment**, the latest data from the Labour Force Survey (EPA) for the last quarter 2018 (10.96%) indicates a decrease in the number of unemployed people in the province in comparison with the Spanish average (14.45%).



Rate of unemployment (%).Comparison Burgos vs. national average

EDUCATION

Considering educational issues, the province of Burgos has one of the highest rates of education population (higher studies) from all Spain; 29.26% versus 24.31%.

Like in other Rural SMEs project partner regions, the business environment in the province of Burgos faces several challenges, considering **low population densities** (8.27 inhabitants per square kilometre in rural areas), **high aging ratios and rural exodus**.

All this information and the SWOT analysis carried out within the Rural SMEs project revealed the **main points where initial focus during the Phase 1 “Interregional learning” should be addressed:**

- Need of taking economic advantage of endogenous resources (cultural, natural and historic heritage).
- Risk of migration of young and educated people from rural areas.
- Small size of local markets.
- Overlapping among institutions providing support services for both local entrepreneurs and companies, would suggest the need of specialization and covering the currently gaps.
- Promotion of mentoring/empowering people taking advantage of volunteers – successful entrepreneurs from the same rural area: experts in finance, marketing, accounting...
- Need to expand the profile of entrepreneur, also considering women or other segments in the population (vulnerable groups).
- Lack of cooperation and joint initiatives between rural SMEs.
- Difficulties to access for financing at regional and national level (only relevant projects).
- Lack of customized training by sectors.
- Lack of adequate mobile and internet coverage which means difficulties for SMEs operating in many rural areas of the province.

2. GENERAL INFORMATION

Project: Policies to develop entrepreneurship and innovative SMEs in rural areas (Rural SMEs) PGI02119.

Partner organisation: Society for the Development of the Province of Burgos (SODEBUR)

Country: SPAIN

NUTS2 region: Castilla y León

Contact person: Beatriz García Val

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- phone number: 0034947061929

3. POLICY CONTEXT

The Action Plan aims to impact: • STRUCTURAL FUNDS OPERATIONAL PROGRAMME

Name of the Policy Instrument addressed:

ERDF Regional Operation Programme Castilla – León (2014-2020).

Priority axis 3. Improving SMEs competitiveness.

Priority investment 3.1. Entrepreneurship promotion.

Priority investment 3.4. Support to the capacity of SMES to grow in regional, national and international markets and in innovation processes.

The Action Plan for the province of Burgos focuses on the initial Policy Instrument addressed. The targeted policy document is the **ERDF Regional Operational Programme Castilla y León (2014-2020)**, concretely *Priority axis 3 "Improving SMEs competitiveness"* (88.939.215 € ERDF – 26.55%) and dealing with two Investment priorities (3.1. Entrepreneurship's promotion and 3.4. Support to the capacity of SMEs in innovation processes).

The Managing Authority of this programme is the **Regional Government of Castilla y León – Junta de Castilla y León**.



Specific objectives affected for this Action Plan:

OE.3.1.2. Creation of new companies and business incubators by improving their access to financing and advanced support services.

OE.3.4.1. Promote SMES' growth and consolidation by improving their financing, technology and access to advanced support services.

OE.3.4.2. Promoting innovation among SMEs and the cooperation for innovation in all sectors.

In addition, there are several indicators included in the Operational Programme which can be also affected for this Action Plan.

- **PERFORMANCE INDICATORS.**
 - *R036C: % of innovative companies.*
Foreseen value (2023): 24%
 - *R036B: Business intensity in innovation activities.*
Foreseen value (2023): 1.3%
 - *R031a: Number of SMES exporting at regional or national level.*
Foreseen value (2023): 2.100
- **PROCESS INDICATORS.**
 - *E020: Number of reached companies by dissemination and awareness activities.*
Foreseen value (2023): 684

On paper and aiming to reach the previous specific objectives included in this investment priority, the following activities will be funded for the Operation Programme – ERDF (among others):

- Actions to promote the spirit and entrepreneurial culture through workshops for the development of new projects and business vocations.
- Project laboratory to stimulate the steps to create innovative companies (from prototyping) and documentation of the business model.
- Advanced services/support lead to entrepreneurs in legal, financial, commercial and strategic areas.
- Financing lines for the promotion of SMEs' technological investment to generate new jobs or at least maintaining the existing employment.
- Innovation projects and joint activities among clusters to strength the competitiveness of the member companies.
- Technical services specialized in innovation.
- Support services for SMEs' internationalization (markets beyond local level).

In addition, the **Strategy for Intelligent Specialization in Research and Innovation (RIS3) of Castilla y León** and its goals must be considered regarding the strengthening of the competitive economic model by increasing the number of innovative businesses and fostering a culture of innovation and creativity in all economic areas. RIS3 has also identified the key sectors with the greatest potential for development and competitiveness of Castilla y León region like *agri-food (bio-economy), transport (automotive), health and well-being or endogenous resources (cultural and natural heritage)*.

Although Castilla y León is a rural region eminently, this consideration affecting economic activities is not too much specifically considered in the main regional policies as ERDF Operational Programme or Smart Specialization Strategy (RIS3) for the period 2014 – 2020 in Castilla y León.

On the other hand, there is a regional **Strategy for Entrepreneurship, Innovation and Self-employees (2016 – 2020)** which has also been considered. This Strategy is complemented linked to the goals of the ERDF Regional Operational Programme Castilla y León (2014-2020) and it was drafted in this framework.



private...).

Because of this, for the Provincial Government of Burgos and the Society for the Development of the Province of Burgos (SODEBUR), the most powerful policy tool to promote these goals is the **Strategic Plan for the province of Burgos 2015-2020** which was elaborated starting from a diagnosis about the territorial reality and after a participatory process involving the main stakeholders at regional level (social, public,

On these grounds, there is one of the five strategic axes that make up the Strategic Plan in the province (and two working lines), affected by this Action Plan:

- **Economic Environment** (aims at improving the competitiveness and sustainability of economic activities in rural areas).
 - o *Programme 3 “Economic revitalization of rural areas”.*

This working line includes all activities lead to the economic revitalization of rural areas based on tools and instruments to improve the competitiveness of companies through support, advice and innovation services.

- o *Programme 4 “Entrepreneurship”.*

This Programme includes all actions related to entrepreneurship promotion considering all activities developed across the whole cycle of life of an entrepreneurship project.

The alignment of the Rural SMEs Action Plan also with the **Strategic Plan for the province of Burgos 2015-2020** is crucial to capitalize available resources and potentiate the impact of the actions of both policies (at regional and provincial level). Therefore, the actions chosen for the Rural SMEs Action Plan in this territory will contribute to the goals established for these working lines of the Strategic Plan, and are influenced by the general progress made since the beginning of Rural SMEs project.

Lessons learnt during the project will be integrated into the revision of local/regional policies at different levels:

- Improvements in the governance and management of the policy by the adoption of specific measures dealing with concrete economic sectors. This measure will be linked with the inclusion of all knowledge generated in the first phase of the project in the drafting of the new Strategic Plan for the province of Burgos in the next programming period (2020-2025).
- Better understanding and alignment of rural approach within the regional RIS3.
- To intensify coordination and development among stakeholders involved in the territorial entrepreneurial ecosystem.

Thus, the Action Plan for the province of Burgos, inspired by the insights and good practices examples from Rural SMEs project partners) includes the following **actions** (which will be explained in detail in the following section):

- 1. Detection of sectorial entrepreneurship's opportunities to establish new companies in rural areas.**
- 2. Promoting the establishment of social economy companies in rural areas.**
- 3. Development of a professional network of rural artisans in the province of Burgos.**

Therefore, actions mentioned above are also aimed at **preparing competent authority for the efficient use of resources and new project generation** in response to the main detected points to be improved. As far as the competitiveness' improvement of rural economies is considered in the ERDF Regional Operation Programme, these actions will also contribute **to reach the indicators already established.**

On these grounds, the implementation of the three actions included in this will document will influence the regional policy instrument in the following ways:

- Increasing the competences of the regional authority regarding the generation of new projects and efficient resources' use.
- Increasing the efficiency of the management and assessment by continuous feedbacks with the policy relevant body about the results of the actions.

4. PRIORITY ACTIONS

ACTION 1 **DETECTION OF SECTORIAL ENTREPRENEURSHIP'S OPPORTUNITIES TO ESTABLISH NEW COMPANIES IN RURAL AREAS** **RELEVANCE TO THE PROJECT**

One of the most relevant (and repeated) issues during the phase 1 of the project (interregional learning process) is the need to **use endogenous resources of every territory** as a mean of promoting the establishment of new companies.

On these grounds, this action concerns the implementation of an **integral methodology of continuous accompaniment to rural entrepreneurs based on the detection of business/entrepreneurship opportunities - training – advice/support – financing to promote the establishment of new companies operating all over the rural areas**. More specifically, thanks to this action it is foreseen develop a complete strategy to support **rural entrepreneurs with interest in creating a new company even if they don't have specific ideas to work with** (attending to the sectorial entrepreneurship's opportunities which will be initially detected and mainly based in endogenous resources of the province of Burgos).

Interregional learning process:

Principally, the good practice presented by **PP6 – Chamber of Commerce and Industry Bistrita Nasaud - Romania regarding “Social economy – social responsibility from north to south”** has been a source of inspiration. This is a methodology (integral model) for entrepreneurs including different services for them, including, for example, the support/advice to entrepreneurs in all different stages from the very beginning until the companies' set up. In fact, this good practice was very successful (with the creation of 14 new social companies and 54 job positions). Although this good practice was only focused on social economy sector, SODEBUR wants to test this methodology but also applied to other fields of activity (bio-economy, circular economy, ICTs, sustainable tourism, silver economy...).

In addition (and complementary), SODEBUR's staff as well as some representatives from the local stakeholders group have had the opportunity to study the good practices presented by all partners (successful business examples operating in different sectors: circular economy, energy, ICTs or social innovation). These experiences were presented during the **thematic workshops organized in Rural SMEs phase 1 and celebrated in Romania (November 2017), Portugal (March 2018) and Hungary (June 2018)**.

Thus, we can mention the following examples:

- Sylvania International presented by PP6 – Chamber of Commerce and Industry Bistrita Nasaud - Romania (SUCCESSFUL BUSINESS MODEL IN THE SECTOR OF CIRCULAR ECONOMY).
- Vimasol Renewable Energy presented by PP7 – Ave Intermunicipal Community – Portugal (SUCCESSFUL BUSINESS MODEL IN THE SECTOR OF ENERGY).
- The cottage tearooms presented by PP2 – Tipperary County Council – Ireland (SUCCESSFUL BUSINESS MODEL IN THE SECTOR OF SOCIAL INNOVATION).

Being aware of the success of these companies in different sectors (as seen in our interregional workshops), we had the idea to use our endogenous resources and setting down the business plans of the main detected business/entrepreneurship' opportunities to support our potential entrepreneurs.

NATURE OF THE ACTION

To implement the action the following activities are envisaged:

1.1. Public tender

Design specifications (identified needs, research of market and trends...)
Public procurement respecting all affected national and European rules.
Internal meeting with selected offeror.

- **Development of the economic studies (booklets)**

Service of the study for the detection of sectorial business/entrepreneurship opportunities; meetings with relevant stakeholders, workshops, documentation – literary research, videoconferences with Rural SMEs selected good practices' owners...

Results will be written down in some booklets (one per economic sector) compiling the explanation and general description of every business opportunity detected (and considered viable) together with a more detailed business plan (background and purpose, market analysis, product or service development, marketing, financial data, proposed organisation structure and management, risk factors...). These booklets will be a tool (starting point) to help potential entrepreneurs to start their own businesses (and the first part needed to develop and implement this action).

1.2. Communication and dissemination

Meeting with the local stakeholders group (created during Rural SMEs' phase 1) to present the results and involved them in attracting potential entrepreneurs to participate in the action.
Organisation of several workshops across the province of Burgos in collaboration with Municipalities and Local Action Groups to disseminate the results obtained – Business opportunities detected - with the idea of "inspiring" and select potential entrepreneurs to take part in the training period (2.3).

1.3. Training – Advice/support - Mentoring period

During this time, selected entrepreneurs will receive specific training and continuous support/advise to finally decide about the establishment of the company.

The idea is organising a **short-term entrepreneur's training** to provide general, basic and practical information about enterprising, setting up a business and other aspects including funding, marketing, communications, taxation or financial administration. On another level, more specific training will also help participants to adapt their selected business opportunities and business plans into every personal reality. Support services are vital for the success of any new business. Being aware of this fact, after the training period, all participants will be permanent in contact with representatives of Rural SMEs local stakeholders' group experts to receive the required **support/advice when needed**. It will be also considered the organization of exchange visits to know in situ other successful business examples.

Additionally, participants will have the possibility to access to the **microloans line (funding)** for entrepreneurs/companies which is property of SODEBUR.

Once the new company will be established, entrepreneurs will have access to the **services of a mentor/facilitator**. These professionals will be selected depending on the need thanks to the contacts of all entities involved in Rural SMEs local stakeholders group.

STAKEHOLDERS INVOLVED

The implementation of the Action will be coordinated by SODEBUR.

The following stakeholders will be also involved in communication and dissemination issues, looking for the most appropriate candidates to take part in the training-mentoring period:

- Municipalities.
- - Local Actions Groups.
- Burgos Chamber of Commerce.
- Burgos Business Association.

Regional Government of Castilla y León (Managing Authority) will participate in a transversal way in different stages: launch, communication and dissemination to potential users, assessing results...

TIMEFRAME

July 2019 – June 2021 (semesters 6, 7, 8 and 9).

Detailed information (point 5. Work plan).

INDICATIVE COSTS AND FUNDING RESOURCES

40.000 € of extra funding resources will be needed.

- 35.000 €. External experts for the detection of business/entrepreneurship's opportunities (studies and business plans).
- 5.000 €. Design and printing of booklets (results).

RESULTS – IMPACT IN THE POLICY INSTRUMENT

Digital and printed booklets (with viable sectorial opportunities of entrepreneurship and business plans).
6 new companies established.

In particular, this action will contribute with its outcomes to **influence the results indicator R03a**. SMEs survival rate at the fourth year of life of the Operational Programme (*investment priority 3.1 Entrepreneurship's promotion and the Specific Objective 3.1.2. Creation of new companies and business incubators by improving their access to financing and advanced support services*).

ACTION 2
PROMOTING THE ESTABLISHMENT OF SOCIAL ECONOMY
COMPANIES IN RURAL AREAS

RELEVANCE TO THE PROJECT

Rural areas all over Europe are being increasingly subjected to a series of pressures that have caused the continued abandonment of inhabitants due to the lack of opportunities and services. The province of Burgos (with a population density of 8.27 inhabitants per square kilometre in rural areas) is an example of it.

Entities working in the field of social economy create employment, maintain population in the territory, generate business growth and improve the social welfare of citizens. For this reason and before the challenges that arise, it is necessary to apply specific measures to favour their development, promoting the natural and cultural resources of the territory and taking advantage of the opportunities within the global development of the society.

This action concerns the development of a **complete itinerary including training – advice/support – financing to promote the establishment of companies operating in the “social economy” sector**. On these grounds the concept of ‘social economy’ includes cooperatives, mutual societies, non-profit associations, foundations and social enterprises. More specifically, this action is foreseen to be a complete strategy of accompaniment for **rural entrepreneurs** (with special attention to vulnerable groups) based on the results (booklet about social economy’s opportunities) of Action 1.

Interregional learning process:

- *Good practice presented by P6 (Chamber of Commerce and Industry Bistrita Nasaud) – Romania. “Developing entrepreneurial/managerial skills of young entrepreneurs for business generation. NewBIZ”. Workshop celebrated in Tipperary (Ireland). June 2017*

This good practice aimed at developing the entrepreneurial skills of the students and young people and supporting the entrepreneurial initiatives in order to stimulate self-occupation. These will be the main objective and starting point of our action but lead to all rural population with entrepreneur’s mind.

- *Good practice presented by P6 (Chamber of Commerce and Industry Bistrita Nasaud) – Romania. “Social economy. Social responsibility from north to south”.*

The objective of this good practice was to foster the economic development and job creation in targeted rural areas of Romania for persons at risk of social and economic exclusion. The methodology used to create new SMEs was based in the work with innovative business models taking advantage of endogenous resources and the dedication of some incentives to promote economic activity.

In fact, SODEBUR had been valuing launching a new project related to social economy during the previous years and this good practice has given us the perfect example to prepare an action under a successful bases.

The interregional learning to define this action comes from the experience of supporting/training and mentoring potential entrepreneurs followed by the previous good practices and the creation of specific incentives to promote the establishment of new companies (“Social economy. Social responsibility from north to south”). This is a complete methodology supporting entrepreneurs from the beginning.

NATURE OF THE ACTION

The first step to implement the action will be the design of an internal strategy to compile all different steps of it (and based on the viable social economy's opportunities detected in Action 1).

2.1. Programme definition. Communication and dissemination

This programme will include the complete methodology to be used to reach the final objective of creating new jobs related to social economy activities. The programme will include three main steps (detailed below) supporting potential entrepreneurs from the very beginning until the legal establishment of the company: selections of participants, training and financing for relevant and feasible business ideas.

Considering that main users will be vulnerable groups, the lack of entrepreneurial skills as well as training could be a common denominator. Thus, special attention will be paid to the way of offering training for the selected participants. On these grounds, the collaboration with regional and specialist social entities to provide this service will be studied.

SODEBUR together with all relevant stakeholders named below will use all channels to disseminate the programme among potential participants.

2.2. Selection of participants. Training

Participants will take part in a guided training developed for experts about general concepts of entrepreneurship as well as specific management issues about this special kind of business.

2.3. Financing

Social enterprises are struggling to find the right funding opportunities due to the lack of understanding of their functioning and their small size. These financing lines will be opened to all social companies/social entrepreneurs operating in the rural areas of Burgos province, not only for those taking part in the previous stage.

SODEBUR will adapt two of its own funding calls - launched in the framework of the Strategic Plan for the province of Burgos 2015-2020 - to favour this kind of companies (social entities) with the objective of promoting the creation of companies, in rural areas, through self-employment or social entrepreneurship projects.

- Microloans' line for rural entrepreneurs and companies: it is foreseen providing financial support to those persons who, without being able to offer real guarantees, do have a moral guarantee based on trust in the person and in the economic and financial viability of the project. Therefore, criteria of economic sustainability and social ethics will be taken into account.

Nowadays, the currently call of microloans doesn't consider special conditions for this kind of business. The beneficiaries of these grants will be individuals and / or legal entities resident in one of the municipalities of the province of Burgos (with less than 20.000 inhabitants) who present a project of economic activity with a positive social, environmental or cultural impact, to encourage among citizens the ability to develop economic activities both self-employment and expansion or consolidation of a new line of business within the existing one.

<ul style="list-style-type: none"> • <u>Funds to encourage the hiring of rural unemployed</u>: social economy companies will have extra punctuation to access to this line of financing. • <u>Others</u>: other kind of financing lines will be studied to cover the economic needs of these companies (crowd funding...).
STAKEHOLDERS INVOLVED
<p>The implementation of the Action will be coordinated by SODEBUR.</p> <p>The following stakeholders will be also involved in communication and dissemination issues, looking for the most appropriate candidates to take part in the programme:</p> <ul style="list-style-type: none"> - Local Actions Groups. - Burgos Young entrepreneurs Association. - Burgos Chamber of Commerce. - Burgos Business Association. <p>Burgos Business Innovation Centre will offer their experience in the training – mentoring stage. Regional Government of Castilla y León (Managing Authority) and the Regional network of social organisations will participate in a transversal way in different stages: launch, communication and dissemination to potential users, assessing results...</p>
TIMEFRAME
<p>July 2019 – June 2021 (semesters 6, 7, 8 and 9). Detailed information (point 5. Work plan).</p>
INDICATIVE COSTS AND FUNDING RESOURCES
<p>SODEBUR will use its own budget (15.000 €) to sign a cooperation agreement with a regional entity specialized in the job with social economy companies (providing training and the required support).</p> <p>Additionally, SODEBUR will use part of its annual microloans line for rural entrepreneurs and companies to finance social economy SMEs (25.000 € will be used during the first year). Depending on the success of this action, SODEBUR will study increase or not de amount for the next years.</p>
RESULTS – IMPACT IN THE POLICY INSTRUMENT
<p>Considering the concrete expected results of this action, we can mention the following impacts at provincial level (Strategic Plan for the province of Burgos 20115-2020):</p> <ul style="list-style-type: none"> • Programme definition for training/supporting new social companies/entrepreneurs. • Microloans line adaptation with specific fund for social companies/entrepreneurs. • Adaptation of the line to encourage the hiring of rural unemployed to favour social companies/entrepreneurs.

Rural SMEs

Interreg Europe

As a more accurate **self-defined indicator** for this aim and related to the ERDF Regional O.P , we consider the strengthening of existing projects/companies (up to n. 5) and the creation/establishment of new projects (up to n. 2).

Additionally, this action aims to **improve the capacity of the Policy Instrument of supporting/prioritizing new projects** that strengthen the regional economic system with the use of social innovation policies and tools.

ACTION 3
DEVELOPMENT OF A PROFESSIONAL NETWORK OF RURAL
ARTISANS IN THE PROVINCE OF BURGOS

RELEVANCE TO THE PROJECT

The valuable contribution that artisan enterprises make within rural regions to its promotion, including the enhanced reputation has been widely acknowledged. The findings highlight that professional networks/associations operating in rural areas play a more important role in the improvement of their members' benefits at all levels (economic activity – new markets and commercialization channels, creation of synergies, taking advantage of common challenges/solutions/resources...) than working in an individual way.

Assuming the fact that Rural SMEs project aims at improving rural businesses in all stages of their life cycle, this action will support rural artisans to be more competitive.

Interregional learning process:

Being aware of the previous facts and the needs of the province of Burgos, Rural SMEs project has provided the following inputs to design the current action.

- *Good practice presented by P3 (BSC, Business Support Centre Ltd, Kranj) – Slovenia. "Development of local innovative products. Collective brand "Bohinjsko". Workshop celebrated in Tipperary (Ireland). June 2017*

The "Bohinjsko" brand relates to development of local traditional and innovative products. It guarantees geographic origin and high quality of products. The collective brand is a local network of local providers to achieve greater efficiency and recognition in the region. This good practice provides certification, rewarding of quality, promotion and sale of local produce and products with a higher added value of the region. This good practice was made using a bottom-up approach; with the involvement of all relevant local stakeholders.

- *Good practice presented by P5 (Central Transdanubian Regional Innovation Agency Non-profit Ltd) – Hungary. "Rural Quality – Cooperation Balaton Uplands Brand System". Workshop and study visits - Hungary. June 2018*

The Rural Quality Brand was elaborated in order to help rural SMEs in validating themselves on the market by incorporating them into an umbrella brand. This brand was launched five years later of the Association ÉLTETŐ establishment. The prior aim of the brand is to draw attention to those local producers and service-providers which are present on the market with quality products. In addition, brand members contribute to the development of each other mutually (information sharing, common product development and expansion of services).

This action (which is yet one step behind of both initiatives) has benefit from the following aspects of the previous good practices to start: bottom up approach in development of the professional association (already operating but with special needs to grow) with the involvement of all relevant stakeholders; inclusion of local producers with products of high quality (selection and rules definition for entrance and permanence in the association); development of ambitious common projects (as rural quality brands' launch) should be only made by mature professional associations. Of course, the philosophy of working together in rural areas as a mean to be more competitive will be present from the beginning.

NATURE OF THE ACTION

The main goal of this action is to detail the guidelines and define the road map to develop a professional network of rural artisans to be able to meet the sectorial demands and enhance the business development of the companies (mainly entrepreneurs) in the territory.

The job will be coordinated with a professional network already operating in the territory (scarcely represented) with the main aim of strengthen the association and defining activities lead to improve the promotion and commercialization of artisan products not only in the province of Burgos but also at regional and national level.

The work plan will be based on three main stages:

3.1. Management, coordination and communication.

The first step will be the creation of a public – private working group (which will meet periodically) with some representatives of the sector and other relevant stakeholders. These sessions will be used to establish the first basis of the actions to be developed, promoting the benefits of working in an associative way and receiving feedback from artisans about needs, challenges and common interests.

3.2. Elaboration of a work program to solve the needs/challenges of rural artisans.

The main goal of the working group (point 3.1.) will be the elaboration of a road map with the main interesting activities to improve the situation of rural artisans.

Additionally and depending on the conclusions of the previous activity, the last stage will be **3.3. Development of common and prioritised activities.**

Initially, it is foreseen that common interests could be related with the following topics:

- Training (social networks).
- Marketing (proposal of a brand quality) and commercialization (study of partially financing (public subsidies) the expenses related to the participation in fairs at different levels, search of new premises for products exhibition).

STAKEHOLDERS INVOLVED

The implementation of the Action will be coordinated by SODEBUR / Provincial Government of Burgos together with the Professional association of rural artisans.

In addition, Regional Government of Castilla y León, Local Action Groups, Municipalities and Burgos Business Association will participate in the different stages of the action (especially in the development of common and prioritised activities).

TIMEFRAME

July 2019 – June 2021 (semesters 6, 7, 8 and 9).
Detailed information (point 5. Work plan).

INDICATIVE COSTS AND FUNDING RESOURCES

Funding resources will depend on the activities which will be finally included in the road map. Provincial Government of Burgos/SODEBUR will study partially financing those strategic and linked to the aims of the entities.

RESULTS – IMPACT IN THE POLICY INSTRUMENT

The main result will be the development of a professional rural artisans' association in the province of Burgos (with the objective of being more competitive and economically sustainable, with positive impact in the territory).

Regarding the affected Policy Instrument, this action will influence the investment priority 3.4. Support to the capacity of SMES to grow in regional, national and international markets and in innovation processes.

Specifically, foreseen results are aligned with the specific objectives 3.4.1. *Promoting SMES' growth and* 3.4.2. *Promoting innovation and cooperation among SMES.*

5. WORK PLAN

ACTION 1				
DETECTION OF SECTORIAL ENTREPRENEURSHIP'S OPPORTUNITIES TO ESTABLISH NEW COMPANIES IN RURAL AREAS				
PHASE 2				
2019		2020		2021
Semester 6	Semester 7	Semester 8	Semester 9	
1.1. PUBLIC TENDER (external services)				
Development of sectorial studies				
1.2. COMMUNICATION AND DISSEMINATION. Selection of participants				
2.3. TRAINING – MENTORING PERIOD				
ACTION 2				
PROMOTING THE ESTABLISHMENT OF SOCIAL ECONOMY COMPANIES IN RURAL AREAS				
PHASE 2				
2019		2020		2021
Semester 6	Semester 7	Semester 8	Semester 9	
2.1. PROGRAMME DEFINITION. Communication and dissemination				
2.2. SELECTION OF PARTICIPANTS. Training				
2.3. FINANCING				
ACTION 3				
DEVELOPMENT OF A PROFESSIONAL NETWORK OF RURAL ARTISANS IN THE PROVINCE OF BURGOS				
PHASE 2				
2019		2020		2021
Semester 6	Semester 7	Semester 8	Semester 9	
3.1. Management, coordination and communication				
3.2. WORK PROGRAMME elaboration				
3.3. Development of relevant actions				
COMMUNICATION & DISSEMINATION				
MONITORING AND IMPACT				

6. MONITORING AND EVALUATION

Phase 2 – monitoring the implementation of the action plan

In order to assess the results of interregional cooperation (phase 1), phase 2 will be dedicated to monitoring the implementation of the action plans.

Thus, SODEBUR will monitor the implementation of the measures defined in this Action Plan to see the progress and determine the impact of the collaboration. The entity will check how the actions established are actually implemented and what results are reached.

During two years (July 2019 – June 2021), partners will continue the mutual learning process during the implementation phase of the action plan.

SODEBUR will stay active during the monitoring phase at two levels;

- LOCAL LEVEL
 - 6 monthly check of the state-of-the art of all actions. Review of indicators.
 - Monitoring the progress made in every action by maintaining contact with the stakeholders involved in the implementation.
 - A final monitoring report will be compiled by the end of Phase 2 (June 2021) including all actions' development, results and indicators achieved and impact on policy.

- INTERREGIONAL LEVEL
 - Participating in the organisation of one project meeting at the end of each year to exchange on the way the implementation is progressing.
 - May 2020, Ireland.
 - November 2020, Spain.
 - Organising a final public dissemination event gathering executives and policymakers from the regions and from other relevant institutions (May, 2021).
 - Supervising (as lead partner's role) the monitoring of the Action Plans implemented in the other six partners' regions.

On these grounds, it is necessary to define a scoreboard for follow-up and monitoring, to supervise the execution of the different actions at two levels:

- **Process indicators;** to measure if the actions' development is going on and continue as planned and
- **Performance indicators;** to measure specific results and monitoring the success of the actions.



ACTION 1	
DETECTION OF SECTORIAL ENTREPRENEURSHIP'S OPPORTUNITIES TO ESTABLISH NEW COMPANIES IN RURAL AREAS	
PROCESS INDICATORS	MEASUREMENT. Source P1 SODEBUR
<ul style="list-style-type: none"> • Number of business/entrepreneurship's opportunities detected. • Number of dissemination events for entrepreneurs to present results. • Number of participants in the dissemination events. • Number of interested entrepreneurs to take part in the training period. 	<ul style="list-style-type: none"> • Documents. • Programmes – pictures. • Lists of registration. • Application sheets.
PERFORMANCE INDICATORS	MEASUREMENT. Source P1 SODEBUR
<ul style="list-style-type: none"> • Number of sectorial booklets developed. • Number of participants in the training period. • Number of established companies. • Number of employs created. 	<ul style="list-style-type: none"> • Booklets. • Lists of registration. • Official documents. • Official documents.
ACTION 2	
PROMOTING THE ESTABLISHMENT OF SOCIAL ECONOMY COMPANIES IN RURAL AREAS	
PROCESS INDICATORS	MEASUREMENT. Source P1 SODEBUR
<ul style="list-style-type: none"> • Number of projects submitted for funding. • Number of participants in the training. 	<ul style="list-style-type: none"> • Application sheets. • List of registration.
PERFORMANCE INDICATORS	MEASUREMENT. Source P1 SODEBUR
<ul style="list-style-type: none"> • Number of new established companies. • Number of employs created. 	<ul style="list-style-type: none"> • Official documents. • Official documents.



ACTION 3	
DEVELOPMENT OF A PROFESSIONAL NETWORK OF RURAL ARTISANS IN THE PROVINCE OF BURGOS	
PROCESS INDICATORS	MEASUREMENT. Source P1 SODEBUR
<ul style="list-style-type: none"> • Work programme definition. • Number of prioritised actions included in the work programme. 	<ul style="list-style-type: none"> • Document. • Document.
PERFORMANCE INDICATORS	MEASUREMENT. Source P1 SODEBUR
<ul style="list-style-type: none"> • Number of prioritised actions in the work programme which are being developed. 	<ul style="list-style-type: none"> • Internal records.

7. SIGNATURE

DATE: 31/10/2019

NAME AND POSITION: Mr. César Rico Ruiz. Provincial Government of Burgos. President

SIGNATURE and STAMP:



NAME AND POSITION: Mr. Lorenzo Rodríguez Pérez. President Board of Directors – Society for the development of the province of Burgos (SODEBUR)

SIGNATURE and STAMP:

