



ACTIONS FOR INDUCING SME GROWTH AND INNOVATION VIA THE EUROPEAN CAPITAL OF CULTURE EVENT AND LEGACY

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POLICY CHANGES INSPIRED BY THE ECOC-SME PROJECT

















Leeuwarden, Province of Friesland

The <u>Municipality of Leeuwarden</u> together with <u>Incubator Leeuwarden</u> worked to upgrade a policy instrument of their province, Friesland (NL), namely the **Strategy Europe and Action Plan Europe 2020-2023** which is directed at improving the connection of the region with Europe through a stronger involvement of Frisian partners in European projects. A key element of the Action Plan is the creation of a 'vehicle' to boost European project development in the region.

Through the interregional exchange, our Partners from Friesland have gained new ideas how to involve the cultural and creative industries (CCI) in existing support systems. The special focus on CCI within SME competitiveness witnessed in Basilicata (IT), led Leeuwarden to recognise the under-representativeness of CCI SMEs in the region despite their successful ECoC year in 2018. Based on exchanges with the experts from Materahub, and particularly concerning their region's <u>Basilicata Creativa</u> cluster initiative, it has become clear that in order for the CCI sector to be taken seriously in the development of new policy instruments, such as the Strategy and Action Plan Europe, CCI stakeholders should collaborate more, be more visible and represent a formal cluster. Examples of instruments used in Rijeka, Kaunas and Timisoara have inspired concrete actions directed at the CCI-proofing of the entrepreneurial support system.

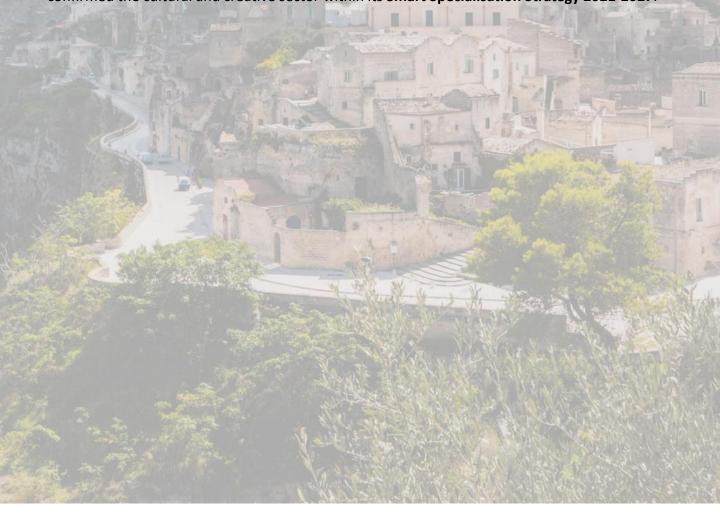
As a result, the CCI sector has been explicitly included in the text of Friesland's Strategy & Action Plan as one of the specific sectors that needs special attention and support when aiming to strengthen the region's European linkages and visibility. So, a representative of the CCI sector was included in the steering group designing the 'vehicle' for improved European project development, as well as in the advisory board of the actual policy tool, the Frisian Project Machine (FPM). This has made it possible to respond to special needs of CCI stakeholders as regards, for example, funding for project development, participating in European networks and travel, and coping with administrative requirements. All instruments of the support system have been checked if they're CCI proof, and standard instruments, such as the Launch Game for prospective entrepreneurs, has been tailored to the sector. Four additional European project applications have been submitted from the CCI sector and the FPM has awarded 25,000 euros to the Legacy organisation of ECoC 2018 (LF2018) for the development of a European cooperation strategy. These tangible results make sure the stakeholders are and will be kept engaged, while simultaneously showing policy makers the necessary investment and potential effect of introducing these concrete instruments.



Matera, Basilicata Region

The policy instrument that had originally been the target of ECoC-SME developments in the Basilicata Region (IT) – the Regional Operational Programme 2014-2020 – had been heavily impacted by the reshuffling of resources for combating the COVID-19 pandemic. So, our Italian partner organisation decided, ambitiously, to turn towards future policy frameworks that deal with the same, relevant sectors and areas of development (competitiveness, creation and strengthening of SMEs, resource efficiency).

Materahub, together with their stakeholder group, could build a strong network of relations spanning across the regional, national and international levels, which encouraged them to upscale their local project Heritage Smart Lab model by submitting it to the European (DG Connect) call for proposals about creating a network of European Digital Innovation Hubs. The Heritage Smart Lab model was proposed to facilitate digitisation in the cultural and creative sectors in Basilicata, Campania and Apulia. The European Commission has granted its support, ensuring continuation of the ECoC-SME Action in the region (and beyond) for the next seven years, incorporated into the funding scheme of the Regional Operational Programme 2021-2027 of Basilicata (this means €5.5 million for the first three years). As such ECoC-SME has achieved a major impact on current policies: regional stakeholders have been convinced about the potential of investments in innovation in the CCI sector through concrete actions that could invigorate local communities and improve youth employment — and Basilicata Region has confirmed the cultural and creative sector within its Smart Specialisation Strategy 2021-2027.





Rijeka

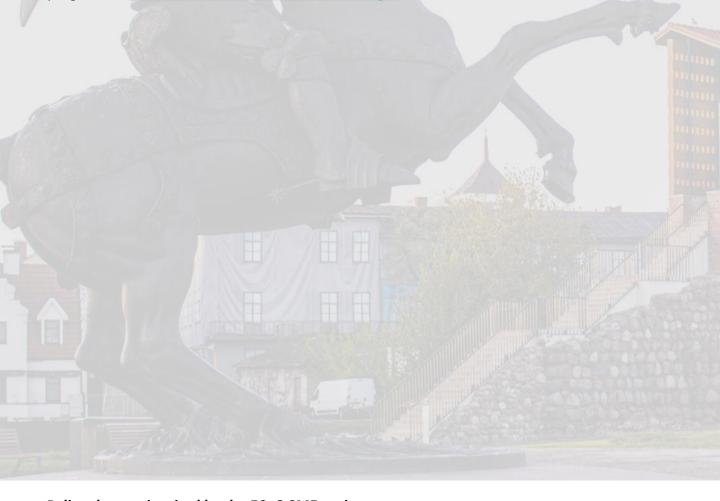
Facing difficulties posed by the pandemic, including the distress on their Rijeka2020 ECoC event, the City of Rijeka, working together with their local stakeholder group, have developed three financially 'light' yet innovative and impactful projects that have become integrative part of Rijeka's entrepreneurship policy. These were to fill in gaps identified during local stakeholder workshops, that is, a need for improvement of cross-sectoral collaboration, digitalization, local innovation potential and SMEs sustainability in the city as well as education and mentoring. The Creative Doctors project inspired by the study visit in Matera (the Creative Cities sustainable model) and by a component of one project developed in Kaunas (social media used for mentoring start-ups), the Startup Lite & Startup Creative training modules, as well as the design of a new governance model to improve the City-owned entrepreneurial infrastructure (RiHub Centre, business incubator) will all be further developed according to specific needs of the local SMEs and prospective entrepreneurs. While their pilots during 2021-22 were funded (€ 4 000) under City's Development Strategy 2014-2020 (Strategic Goal 2 "To develop a competitive economy on a knowledge-based society and new technology"), their success triggered further policy change. Under the Rijeka Development Plan 2021-2027, Strategic Goal 2 has been improved into "Working in Rijeka 2030 - University city for a new age, where advanced technologies and creative industry enrich its industrial heritage", including new specific measures reflecting the themes where the new projects have been launched, such as "the development of City-owned entrepreneurial infrastructure" and "new programs for new age entrepreneurship".



Kaunas

In Kaunas (LT), the policy instrument addressed with ECoC-SME actions – the **Strategic Development Plan of the Kaunas City Municipality up to 2021-2023** – is a step towards the long-term vision to become a sustainable and civic community inhabited city, which is a leader in smart business and innovation and a centre for modern and inclusive culture, as well as a home for life-long learning and happy residents. Under the Plan's priority area no. 1 "Sustainable Economic Development Promotion and Enhancing Competitiveness", the objective to ensure favourable conditions for business and to encourage entrepreneurship includes several specific goals that served as the starting points for the ECoC-SME partner, a team of business development experts from the Vytautas Magnus University, in their work to design the Action Plan with innovative projects with the help of interregional learning and local stakeholder engagement.

The string of three new projects piloted in 2021-22 – a workshop and seminar series titled Lessons from Business to Culture and Back (inspired also by Leeuwarden's simulation 'Launch Game'), a seven-week programme called More Kaunastic Start-ups organised for higher-education students, and a multi-sectoral city-level mentorship programme Kaunas is Growing Talents – were able to build a strong, cross-sectoral network between institutions as well as communities (students, teachers, professionals, local enterprises) and raised more awareness of unused potentials in local education for local business developments and filled in relevant gaps. Furthermore, these projects have already inspired the creation of a continuation programme "Creative business and innovation design", which started in Autumn 2022.





Timișoara

ECoC-SME outputs were perfectly on time for the Municipality of Timisoara to enrich the Integrated Urban Development Strategy Timisoara Growth Pole 2021-2027, which was in the process of finalisation during 2020-21. The policy impact was reached also by the direct engagement of the experts working on the Strategy in the finalisation of the ECoC-SME Action Plan for Timisoara. Among the Strategy's priorities are innovation and technological development, which requires the development of a supportive entrepreneurial ecosystem. Building on the creative energies from the Timisoara2023 ECoC, a new measure was added to the Strategy (under General Objective 1 "A smarter growth pole, through innovation, digitalization, economic transformation and support for SMEs"): "Stimulating cross-sectoral partnerships to include the CCI, business, and technology sectors in the context of the upcoming ECoC mega-event and its legacy years". This includes diverse supportive and capacity-building activities for SMEs and start-ups from the CCI and other sectors in order to help them participate more actively in all three stages of the mega-event (preparation, the event year and legacy period). It is expected that through such engagement, internationalisation and branding processes it involves, local businesses and prospective entrepreneurs will adopt and further develop new, for instance, cross-sectoral approaches, strengthening the entrepreneurial ecosystem of the Timişoara Growth Pole.

Through the interregional learning process during the ECoC-SME project, new ideas and inspiration were gained about workable ways to involve CCI businesses in the upcoming ECoC year. The examples of Basilicata and Friesland showed that placing the CCI in the focus of smart specialisation strategies bears a lot of growth potentials for a region and its businesses but requires awareness and sensitivity of the CCI stakeholders' specific needs. The partner cities Rijeka and Kaunas offered insights into the challenges and benefits of developing concrete actions that generate impacts on local communities and trigger youth entrepreneurship. Timisoara's piloted projects, Cultural to Business Hackathon, the Creative Talks and Matchmaking Fair, as well as the development of the concept of the Oxygen for Creatives platform would not have been possible without the learning opportunities from our more experienced project partners who already had the ECoC experience!



Funds influenced by the outputs of the ECoC-SME project in the 5 regions (€):

Leeuwarden	25 000
Matera	ca. 5 million for 2022-2025 (indirect influence)
Rijeka	4 000
Kaunas	ca. 100 000
Timisoara	28 000