

# INTERREG IVC analysis report



## Entrepreneurship

October 2014

## Credits

### Experts for thematic capitalisation on Entrepreneurship:

This study was performed by the experts of **Greenovate! Europe EEIG** and its member **Van der Meer & Van Tilburg** for GEIE GECOTTI (Groupement Européen pour la coopération Transfrontalière Transnationale et Interrégionale)



#### Astrid Severin

Ms Severin has been Managing Director of Greenovate! Europe since 2007 and has 20 years of experience in regional policy. Astrid began her career at the Berlin Entrepreneur Association and was seconded as a national expert to the European Commission to work on key entrepreneurship programmes. From 2004-2007 she was EU Policy Officer at DG Enterprise, focusing on eco-innovation across industries, standardisation, construction and energy. Astrid has substantial experience in helping businesses to internationalise and has co-authored reports on a variety of entrepreneurship related issues. She holds an MBA from United Business Institutes in Brussels.

#### Arjan de Bruin

Mr de Bruin is a partner and Managing Director of Van der Meer & Van Tilburg, with a background in industrial engineering. He has worked with industrial companies, universities, branch associations, and policymakers and is specialised in the fields of innovation, performance and quality management, technology commercialisation, complex knowledge transfer projects and entrepreneurship.

#### Gosse Hiemstra

Mr Hiemstra is a partner and Managing Director of Van der Meer & Van Tilburg, with over 25 years' experience in innovation, strategy development, and commercialisation of new technologies. Gosse holds an MSc in chemical engineering and an MSc in business administration. He has provided consultancy for individual companies and has managed multi-company and multi-sector projects throughout Europe for both governmental and non-governmental organisations.

#### Marloes Sikkema

Ms Sikkema is a consultant at Van der Meer & van Tilburg and has consultancy expertise in entrepreneurship, innovation, collaborative innovation projects, knowledge management, business modelling, project management, strategy and business planning. Marloes has a Master's degree in innovation management and a Bachelor's in product development and has previously worked on regional knowledge infrastructure and policy for innovative entrepreneurs at the Living Lab in Leiden.

*With assistance from*

#### Simon Hunkin

Mr Hunkin holds responsibilities in communications, policy and projects at Greenovate! Europe. Prior to this, he worked for a British electoral reform campaign and a member of the House of Commons. Simon holds a BA in History and an MA in European Studies (politics and economics) from King's College London, with a specialisation in European-level lobbying and environmental policy-making.

#### The first year analysis was conducted by Alison Partridge, Eddy Adams and Sally Kneeshaw

Alison Partridge, Eddy Adams, Sally Kneeshaw are regional development practitioners working across the EU. They have extensive thematic expertise in entrepreneurship, workforce development, enterprise and human capital and support programmes to identify good practices and key messages and to share them with peers across Europe and beyond. Recent examples include preparing case studies, writing articles and thematic reports and delivering conference presentations / workshops for DG Regio, the OECD, URBACT II and INTERREG IVC

***"The contents of this work reflect the views of the author(s) and do not necessarily represent the position of the INTERREG IVC programme. The authors are entirely responsible for the facts and accuracy of the data presented."***

## Foreword: Capitalising on achievements

Over the last seven years, with the goal of improving regional policies, more than 2 000 public institutions across Europe have been learning from each other through cooperative policy learning in 204 interregional projects supported by the INTERREG IVC territorial cooperation programme.

The programme can now point to hundreds of examples of how a region or city has built on the experiences of their counterparts elsewhere to enhance their own policy and delivery strategies.

A few examples:

- inspired by the approaches taken by the Welsh ECO Centre and an Educational Centre in the Dutch city of Sittard-Geleen, the Hungarian city of Vecsés developed educational activities on renewable energy and sustainability for its school children;
- after consulting the Spanish city of Paterna, the Latvian Daugavpils City Council was able to successfully modernise its soviet-era industrial parks, giving a major boost to business development;
- after consulting the Cypriot authorities, the Greek Region of Crete invested in water recycling and re-use schemes, applying the Cypriot models.

The policy learning enabled by the INTERREG IVC Programme is not just a paper exercise: it has helped, through 204 projects, almost 6 000 staff involved in regional policy to acquire new skills and capabilities, and it has led directly to the improvement of more than 400 policies. The programme was therefore determined to go a step further and share its tremendous wealth of policy experience and know-how even more widely.

The programme therefore asked 12 teams of experts covering 12 different fields of policy to analyse the achievements of its projects and to report back on 'what works'. This report, which focuses on **Entrepreneurship**, is the fruit of their work. It **showcases a selection of tried-and-tested entrepreneurship policies and practices** that have been shared through the INTERREG IVC programme, and which will be of interest to all EU regions. Policymakers and practitioners interested in this topic – whether working on regional, national or European scales – will also find policy recommendations tailored to them.

Cooperative policy learning makes sense. It makes sense because, in an era of tight budgetary constraints, local and regional authorities are seeking best value for money, and robust evidence can enhance the chances of policy success by eliminating the risks and costs of trial and error.

To take forward the programme's key strategic task of sharing policy know-how, the new programme for 2014-2020, INTERREG EUROPE, is developing 'Policy Learning Platforms' which will stimulate a process of continuous policy learning among all interested regional policy stakeholders around Europe.



**Michel Lamblin**  
Programme Director



**Erwin Siweris**  
Deputy Programme Director

## Table of Contents

<b>Definitions .....</b>	<b>3</b>
<b>Executive Summary.....</b>	<b>4</b>
<b>1. Introduction and Methodology .....</b>	<b>8</b>
<b>2. Policy Context - The entrepreneurship big picture.....</b>	<b>10</b>
2.1. Entrepreneurship in Europe .....	10
2.2. International perspectives .....	13
2.3. Added value of interregional cooperation for entrepreneurship .....	14
<b>3. Analysis.....</b>	<b>15</b>
3.1. Nine entrepreneurship projects .....	15
3.2. The entrepreneurship barriers that are tackled within INTERREG IVC.....	16
3.2.1. Education and culture.....	17
3.2.2. Finance.....	20
3.2.3. Regulatory environment and procurement .....	22
3.2.4. Infrastructure.....	23
3.2.5. Advisory support services.....	26
3.3. Thematic Analysis.....	28
3.3.1. Common challenges.....	28
3.3.2. Common good practices.....	30
3.3.3. Different solutions to the same issue .....	31
3.3.4. Interesting or innovative practices or policies and their transferability .....	32
3.3.5. Results of interest to other regions.....	34
3.3.6. Pre-requisites for entrepreneurship policy.....	35
3.4. Entrepreneurship in other INTERREG IVC themes, EU programmes, networks and organisations .....	36
3.4.4. Entrepreneurship knowledge offered by European networks en organisations .....	40
<b>4. Key Policy Messages .....</b>	<b>44</b>
4.1. Recommendations for regional strategies .....	44
4.2. Recommendations for entrepreneurship strategies.....	45
4.3. Recommendations for entrepreneurship education.....	46
4.4. Recommendations for entrepreneurship ecosystems.....	46
4.5. Recommendations for communications on entrepreneurship.....	48
4.6. INTERREG IVC's added value and process in context of entrepreneurship.....	49
4.6.1. The unique features and added value of INTERREG IVC .....	49
4.6.2. Contribution of INTERREG IVC entrepreneurship to EU objectives.....	49
4.6.3. Lessons on the exchange of entrepreneurship good practices in INTERREG IVC.....	50
<b>5. The Support-Development Matrix .....</b>	<b>53</b>
5.1 Regional policy .....	53
5.2 Entrepreneurship fundamentals .....	53
5.3 Entrepreneurship policy recommendations .....	54
5.4 Support – Development matrix.....	55
5.4.1. Access to know-how.....	56
5.4.2. Access to facilities .....	67
5.4.3 Access to finance .....	70
<b>6. Annexes.....</b>	<b>76</b>
Annexe 1: Entrepreneurship projects overview .....	76
Annexe 2: Entrepreneurship project partners Map .....	78
Annexe 3: Entrepreneurship projects factsheets .....	79
Annexe 4: Links and References .....	107

## Definitions

- **Inclusive Growth:** one of the three priorities of the Europe 2020 Strategy: fostering a high-employment economy delivering social and territorial cohesion.
- **Capitalisation:** the process of documenting, sharing and spreading achieved results with the purpose of supporting their re-use in the future. This way valuable project results are optimally exploited.
- **Enterprise:** a company organised for commercial purposes.
- **Entrepreneur:** a person who creates, organises and manages an enterprise.
- **Entrepreneurial culture:** the inclination of a people to have a positive attitude towards entrepreneurship, that can both lead to a high number of people starting a business and to people having an “intrapreneurial” attitude in their jobs.
- **Entrepreneurial ecosystem:** The degree to which a region’s characteristics contribute to the chances of success for entrepreneurs. To positively influence the entrepreneurial ecosystem of a region, a policymaker can provide for an integrated, comprehensive support infrastructure. However, there are also certain intangible aspects beyond their control, such as the inclination of entrepreneurs to connect, inspire and help each other.
- **Entrepreneur support infrastructure:** the regional set of support tools for entrepreneurship, such as access to finance, incubator, entrepreneurship education etc.
- **Europe 2020 Strategy:** The European Commission’s strategy to help the EU come out stronger from the crisis and turn the EU into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion<sup>1</sup>.
- **EU Flagship Initiatives:** seven initiatives that give direction to EU instruments (such as financial levers and policy tools), which are: Innovation Union, Youth on the move, A digital agenda for Europe, Resource efficient Europe, An industrial policy for the globalisation era, An agenda for new skills and jobs, and European platform against poverty.
- **Experiential Learning:** Experience as the source of learning and development, a learning process for both higher education and lifelong learning<sup>2</sup>.
- **Smart Growth:** one of the three priorities of the Europe 2020 Strategy: developing an economy based on knowledge and innovation.
- **Smart Specialisation Strategies:** The national or regional innovation strategies which set priorities in order to build competitive advantage by developing and matching research and innovation own strengths to business needs in order to address emerging opportunities and market developments in a coherent manner, while avoiding duplication and fragmentation of efforts<sup>3</sup>.
- **Social entrepreneur:** An operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners and shareholders. They operate by providing goods and services for the market in an entrepreneurial and innovative fashion and using profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities<sup>4</sup>.
- **Sustainable Growth:** one of the three priorities of the Europe 2020 Strategy: promoting a more resource efficient, greener and more competitive economy.

---

<sup>1</sup> EC, *Communication from the Commission. Europe 2020. A strategy for smart, sustainable and inclusive growth* (3 March 2010)

<sup>2</sup> David A. Kolb, *Experiential learning: experience as the source of learning and development* (Prentice Hall: Englewood Cliffs, 1984)

<sup>3</sup> EC, *National/Regional innovation strategies for smart specialisation Cohesion Policy 2014-2020* (March 2014)

<sup>4</sup> EC, *Communication from the Commission, 2011/682 final. Social Business Initiative: Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation* (October 2011)

## Executive Summary

This report draws upon a comparative analysis of promising approaches and good practices from nine of INTERREG IVC's projects exchanging good practices in entrepreneurship. The findings are distilled into key messages and recommendations that can assist policymakers and practitioners across Europe.

### INTERREG IVC Capitalisation on Entrepreneurship: Why entrepreneurship matters in European regions

The Europe 2020 strategy acknowledges the importance of entrepreneurship and self-employment in achieving smart, sustainable and inclusive growth. For more than a decade, the European Commission has actively promoted entrepreneurship in response to the fact that fewer Europeans start or grow businesses than their main global competitors. Efforts in this area have included supporting business start-ups as well as promoting social entrepreneurship. They have also sought to improve business innovation, growth and sustainability rates.

Improving rates of entrepreneurship – in both the commercial and 'social enterprise' spheres – are considered vital for Europe's economic recovery. Regions have a key role to play in creating ecosystems that promote and support enterprising attitudes and activities.

### Entrepreneurship challenges at regional level

Despite many interventions, entrepreneurship levels in Europe remain stubbornly low. Addressing this will require tackling the barriers which remain in place. Although we see some regional variations, this report highlights common challenges and barriers facing entrepreneurs and public support for them across Europe. Principal amongst these are:

**A lack of entrepreneurial spirit** inhibits Europe from improving its entrepreneurial performance. Introducing entrepreneurship in education can positively influence entrepreneurial spirit.

**Access to finance** remains a barrier for entrepreneurs. Locating finance for business-start-up and innovation is particularly difficult in the current context of public sector austerity and limited liquidity.

Businesses regularly complain about '**too much red tape**'. Entrepreneurs struggle with areas such as tax, company reporting, health and safety requirements, and import- export regimes.

Entrepreneurs sometimes lack the **personal support** they need to nurture their business into maturity. Coaching and mentoring services are expensive, but effective to support entrepreneurs succeed during the early stages of enterprise development.

In most regions, publicly funded support services are often **difficult for entrepreneurs to access** and support services offered by different institutions are insufficiently joined-up.

For publicly funded agencies seeking to support entrepreneurs, **the diversity of the client group** (young people, high tech start-ups, social entrepreneurs, ethnic minorities, etc.), and their distinct barriers can present challenges.

**Business premises are disproportionately expensive** for small companies. Service incubators combine affordable premises with entrepreneurship support services, but incubators with a clear focus on the distinct needs of a single group of entrepreneurs are rare.

**Measuring the impact** of entrepreneurship support - and social entrepreneurship support in particular - offers challenges for policymakers. The usual indicators (i.e. number of start-ups, survival rates) do not provide a complete picture of the effectiveness of the used support tools.

In cases of interregional policy exchange, regional players do not always have the **necessary planning machinery or financial resources available** to bring in an entrepreneurship support tool from another region and successfully implement it.



## **Policy recommendations**

The study makes the following recommendations for policymakers involved in entrepreneurship support:

### **Good entrepreneurship support starts with good policy, not just good tools**

Successful entrepreneurship support is not just a matter of offering a range of stand-alone support tools, but of a long-term, comprehensive regional and entrepreneurship policy.

Recommendations for **regional strategies** include:

- Long-term vision and commitment are required, with a willingness to invest
- Consistent multi-party commitment is needed at high levels
- Patience is required, as results may take time

Recommendations for **entrepreneurship strategies** include:

- More coherence and more user-oriented thinking is needed across departments and levels of government
- Evidence based / informed decisions are required to make best use of limited resources
- Social entrepreneurship strategy contributes to the inclusion of unemployed, disadvantaged or minorities in the region
- Supporting high tech start-ups is a way to capitalise on a region's endogenous strengths and capabilities in the context of its Smart Specialisation Strategies.

### **Entrepreneurship education is key to awakening the entrepreneurial spirit in Europe**

A lack of an entrepreneurial culture is cited repeatedly as a barrier to business generation in Europe. Attention to entrepreneurship in education does not only have a positive effect on the entrepreneurial performance of a region, but creates a better workforce as well.

Recommendations for **entrepreneurship education** include:

- Short, intensive experiences introduce young people to the advantages and impact of entrepreneurship
- Training and business networking programmes enable teachers to spark the entrepreneurial spirit among young people
- Social entrepreneurship education motivates unemployed and disadvantaged people to take responsibility for their own well-being, livelihood and position in society

### **A comprehensive support infrastructure should support all kinds of entrepreneurs**

For a fertile entrepreneurship ecosystem to emerge, a comprehensive support infrastructure for all types of entrepreneurs in every stage of enterprise development needs to be in place.

Recommendations for **entrepreneurship ecosystems** include:

- Services should be specifically tuned to overcoming the distinct barriers affecting different segments of entrepreneurs (start-ups, ethnicities, young people, etc.) and to supporting each stage of enterprise development
- Coherence between services in the areas of know-how, facilities, access to finance, and technology related knowledge is vital
- Communication can inspire a cultural change by publicising the benefits and impacts of entrepreneurship through success stories, competitions, awards, ambassadors, etc.

### **Interregional exchange: a way to stimulate mutual learning among European regions**

Interregional exchange enables European regions to benefit from each other's good practices. However, it is never a 'copy and paste' process – it requires a structured approach to organisational and mutual learning. INTERREG has played an important role in enabling a successful transfer of good entrepreneurship policy between European regions:

- Involving politicians in interregional exchange has a proven positive effect on the success for transferring policies – increasing levels of political commitment
- Interregional exchange helps regions to evaluate and benchmark their own entrepreneurship assets and assess the potential for improvement
- Emerging tools can help administrations in the design of the new Structural Fund programmes and improve regional entrepreneurship policy.

## **The Entrepreneurship Support-Development Matrix**

To present the findings of the study in a comprehensive and yet accessible way for policymakers, the Support-Development matrix was developed. The Support-Development Matrix presents policymakers with a conceptual framework for the development of a comprehensive entrepreneurship support infrastructure. The recommendations are illustrated by good practices and solutions emerging from the study of Entrepreneurship projects in INTERREG IVC. These illustrated recommendations are a valuable source for policymakers that have the intent to improve their entrepreneurship support infrastructure. Furthermore, they can use it to initiate interregional collaboration with the authorities that originally delivered the presented good practices.

In the Support-Development Matrix, the good practices that emerged from the study are presented according to their relevance for the different stages in the business development cycle. The end result is a practical tool for regional policymakers with successful examples of all types of support (that fall within the scope of policymakers on a regional level) in every stage of the business development cycle.

**Support - Development Matrix**

Support Stage of Development	Access to know-how			Access to facilities	Access to finance
	Education & training	Mentoring & coaching	Technological knowledge		
1. Awareness/ interest					
2. Preparation to start					
3. Started enterprise					
4. Early Growth					
5. Sustained Growth					

Per type of support the main recommendations are:

### **Access to know-how**

- Awareness and interest:
  - Teachers are very capable of sparking the entrepreneurial spirit among young people by offering short, intensive experiences, such as in the Summer Entrepreneur good practice (identified by the MINI EUROPE project).
  - Train the Teacher programmes enables teachers to offer high quality experiences, such as the Entrepreneurship Teacher Training Initiative (IMAGEEN project).
- Preparation to start - Early growth: Mentoring and coaching are especially valuable for social entrepreneurs, to build self-esteem, self-confidence and autonomy of action, as offered by the Hampshire School of Social Entrepreneurs (ENSPIRE EU).
- Started enterprise - Early growth: Training programmes are key to developing business management skills, such as offered by the INCYDE foundation (YOUNG SMEs).

### **Access to facilities**

- Started enterprise: Cluster-related incubators strengthen a region's Smart Specialisation target industries by offering special technical equipment. An example is the CleanTech Campus (PROSPECTS).
- Started enterprise - Early growth: For entrepreneurs in rural areas, a network of support points is the way to make support accessible. An example is Lyon Ville de l'Entrepreneuriat (IMAGEEN).
- Preparation to start - Sustained growth: ICT plays a key role in delivering support services to entrepreneurs, such as the Web Portal for Entrepreneurs (IMAGEEN).



## **Access to finance**

- Awareness & interest: Competitions offer entrepreneurs a way to win a start-up fund and to meet investors at the same time. An example is the Munich Business Plan Competition (IMAGEEN).
- Preparation to start: Social entrepreneurs benefit from start-up grants, such as offered by the Malopolska region (PASE).
- Started enterprise - Early growth: Offering finance in combination with training/mentoring generally leads to a better chance of success for the entrepreneur. An example is the Prince's Trust Enterprise Programme (ENSPIRE EU).

## 1. Introduction and Methodology

Capitalisation is an increasingly important feature of European Territorial Cooperation Programmes (ETCs) and plays an essential role in exploiting the knowledge created by the projects funded within them. This report draws upon a comparative analysis of promising approaches and practices identified within nine of INTERREG IVC's entrepreneurship projects and aims to help policymakers and practitioners use this practice to develop effective policy recommendations at regional, national and / or European level.

Included in the study are 8 projects of the INTERREG IVC theme "Entrepreneurship and SMEs". Furthermore, one "satellite project" was included, which is a project from another theme but also deals with the topic of entrepreneurship. Following extensive desk work, 30 telephone and face to face interviews with lead partners and project partners and an interactive workshop, the Entrepreneurship capitalisation team has identified practices from the projects that were measured or experienced by the participants as being particularly successful in supporting entrepreneurship. These were collated around a number of themes that turned out to recur throughout the analysed projects. These themes were analysed in response to the specified terms of enquiry:

- The common features, challenges, difficulties, successes, innovative features, results and good practices;
- The extent to which the good practices, or elements of them, are transferable to other regions in the EU and how this might be achieved;
- The extent to which the projects addressed similar challenges and found different solutions which could be shared;
- The methods that projects have used to transfer a practice and the relevance of this to policy development in that region and other EU regions;
- The success factors in terms of policy influence and their transferability to other EU regions;
- Thematic and policy areas of common interest / synergies – both within the projects in this theme and also between other IVC projects and other ETC projects;
- Initial ideas on lessons learnt and policy recommendations at regional, national and EU level.

The findings were validated, deepened and broadened using recent publications from the EU, business and science, and expertise in the areas of entrepreneurship and regional policy. Links with current developments (such as social entrepreneurship, Smart Specialisation, etc.) were deepened further; arising opportunities and the potential contribution of entrepreneurship support to the future of Europe were explored.

Section 1 introduces the themes and capitalisation methodology. Section 2 sets out the European policy and programme context in the field of entrepreneurship; Section 3 reports the results of the analysis - firstly by presenting some information on the nine projects assessed and then by exploring some of their common challenges and solutions; Section 4 sets out the main findings of the thematic analysis and some thoughts on policy recommendations, and the report ends with some qualitative information on each of the 9 projects examined.

### Some definitions and description of entrepreneurship

**Noun** – a person who organises and operates a business, taking on financial risk to do so.

"Entrepreneurship is about the pursuit of goals with resources beyond your current control."  
(Harvard Business School, Professor Howard Stevenson)

"Entrepreneurship is an individual's creative capacity, independently or within an organisation, to identify an opportunity and to pursue it in order to produce new value or economic success."  
(Commission's Green Paper on Entrepreneurship in Europe, 2003)

"Entrepreneurship is a various and broad phenomenon of applied creativity, problem-solving, innovation and interaction, beyond business start-ups. It is also a concept for personal growth and learning." (Finding from INTERREG IIIC project BEPART- Baltic Entrepreneurship Partners)

"The development of entrepreneurship has important benefits, both economically and socially. Entrepreneurship is not only a driving force for job creation, competitiveness and growth; it also contributes to personal fulfilment and the achievement of social objectives." (EC, *Flash Eurobarometer 283 Entrepreneurship in the EU and beyond: Analytical Report* (2010))

"Entrepreneurship education has a positive impact on the entrepreneurial mind-set of young people, their intentions towards entrepreneurship, their employability and finally on their role in society and the economy." (DG Enterprise and Industry, 2012)

"Entrepreneurship is not, as commonly assumed in Europe, necessarily about small and medium sized companies (SMEs). It is about growth, creativity and innovation. Innovative entrepreneurs come in all shapes and forms. They start companies, they spin out companies from universities or corporations, they restructure companies in need of refocusing, they innovate within larger organisations. Usually they share a primary objective-growth." (European Foundation for Entrepreneurship Research, Bert Twaalfhoven and Karen Wilson, *Breeding More Gazelles: The Role of European Universities*, 2004)

"Europe face a number of challenges that can only be met if it has innovative, well-educated and entrepreneurial citizens who, whatever their walk of life, have the spirit and inquisitiveness to think in new ways, and the courage to meet and adapt to the challenges facing them." (EC, *Entrepreneurship Education at School in Europe: National Strategies, Curricula and Learning Outcomes*, 2012)

"An entrepreneur is described as a person or persons who habitually create and innovate to build something of recognised value around perceived opportunities. Entrepreneurs will reveal themselves when the right environment is created." (Bill Bolton, Thematic Programme Capitalisation – Workshop on Entrepreneurship, 25 November 2013)

## 2. Policy Context - The entrepreneurship big picture

### 2.1. Entrepreneurship in Europe

At European level, there is a long-held belief that entrepreneurship and self-employment help to create jobs, develop skills and give unemployed and disadvantaged people an opportunity to fully participate in society and the economy. This section explores how this is reflected in various areas of European policy-making and consider the impact on entrepreneurship in Europe.

Entrepreneurship policy was anchored in the [Lisbon Strategy](#)<sup>5</sup>, which ran from 2001 to 2010 and placed the need to boost entrepreneurship at the heart of employment, economic reform and social cohesion measures. In 2003, the Commission published a Green Paper<sup>Error! Bookmark not defined.</sup> on Entrepreneurship in Europe which identifies the key factors for building a climate in which entrepreneurial initiative and business activity can thrive in order to boost the Union's level of entrepreneurship, adopting the most appropriate approach for producing more entrepreneurs and for getting more firms to grow.

Subsequently, the [Europe 2020 Strategy](#)<sup>6</sup> recognises entrepreneurship and self-employment as key for achieving smart, sustainable and inclusive growth. Entrepreneurship is either directly supported or cross-cuts most if not all of the flagship initiatives, of which the following are most evident:

- **Youth on the move** with its emphasis on supporting young entrepreneurs and self-employment through improvements in education and training provision;
- **Agenda for new skills and jobs** which emphasises the need for new approaches to job creation (including start-ups and entrepreneurship) and the supply of skills (including entrepreneurship);
- **European Platform against poverty** and social exclusion with its emphasis on social innovation;
- **Innovation Union** which seeks to remove the multiple barriers and adverse framework conditions which stop companies from getting ideas to market (including innovation procurement, access to capital, more affordable patents) and to embed creativity, innovation and entrepreneurship into education systems.

As a result, the European Commission focuses its efforts in this field on supporting business start-ups by unemployed people or people from disadvantaged groups, support for social entrepreneurs and support to self-employed businesses / micro entrepreneurs to improve business sustainability. Through a range of interventions, summarised here, it seeks to increase knowledge about entrepreneurship and self-employment; raise awareness, facilitate mutual learning and build capacity in EU countries and regions; promote voluntary standards and protective measures for entrepreneurship and self-employment and support entrepreneurship financially.

In the 2014-2020 programming period for EU funds, one of the central aims of the Commission's proposals for [Cohesion Policy](#)<sup>7</sup> is to ensure better value for money by concentrating funding on 11 strategic priorities based on Europe 2020. Three of these priorities target economic competitiveness; four focus on the environment and three deal with jobs, human capital and social inclusion. The last (cross-cutting) priority concerns good governance. The Commission also wants to improve integration between funding streams, simplify procedures and move towards a more results-based approach. The level of support and the national contribution (co-financing rate) will also be adapted to a region's level of development. Entrepreneurship is considered in at least half of the thematic objectives for 2014 to 2020, and business support to SMEs is a key focus for European Regional Development Fund (ERDF).

Alongside this, the [Commission's Action Plan to improve access to finance for SMEs](#)<sup>8</sup> includes the various policies that it is pursuing to make access to finance easier for Europe's 23 million SMEs and to provide a significant contribution to growth. It covers areas such as access to venture capital, loans, taxation reforms, state aid rules, better information for SMEs, business angel initiatives and cross-border investments.

The European [Social Business Initiative](#)<sup>9</sup>, introduced in 2011, has three main elements which, together, aim to improve access to funding for social businesses, improve the visibility of social businesses and improve the legal environment in which they operate.

---

<sup>5</sup> EC, *Lisbon Strategy: Towards a green and innovative economy* (2010)

<sup>6</sup> EC, "Europe 2020 strategy" *Europa.eu*

<sup>7</sup> EC, *Panorama Inforegion: Cohesion Policy 2014-2020 Momentum Builds* (2013 no. 48)

<sup>8</sup> EC, *Communication from the Commission, COM2011/870 final. An action plan to improve access to finance for SMEs* (2011)

<sup>9</sup> EC, "Social Entrepreneurship." *Europa.eu*

The recent Commission Communication on a Job Rich Recovery<sup>10</sup> includes the promotion and support of self-employment, social enterprise and business start-ups as one of the key targets for job creation. It recognises the fact that businesses face considerable barriers such as a *"lack of professional or business skills, mentoring possibilities and difficulties accessing finance"* and states that *"fostering entrepreneurial mind-sets, greater availability of start-up support services and microfinance as well as schemes converting unemployment benefits into start-up grants play an important role in facilitating self-employment and creating new jobs"*.

Specific measures in the Communication to boost entrepreneurship include:

- Mobilisation of European Social Fund during the 2014 to 2020 period;
- Better synergy between the worlds of work and education e.g. more structured cooperation between universities and companies with a view to creating new curricula promoting entrepreneurship, problem solving and creative thinking;
- Launching a microfinance and social entrepreneurship stakeholders forum in 2013 to engage local financial intermediaries in promoting entrepreneurial activity in the green economy;
- Promoting synergies in actions for ICT employment e.g. to further develop the EU initiative on e-leadership (also known as the e-skills initiative) which aims to address the needs of entrepreneurs, managers, ICT practitioners etc.

The Commission's Entrepreneurship 2020 Action Plan<sup>11</sup>, published as the *'blueprint for action to unleash Europe's entrepreneurial potential'* in January 2013 sets out to *"revolutionise the culture of entrepreneurship"* in Europe. It focuses on a range of areas where action at EU and national levels are said to have greatest potential for return on investments: These include:

- Investing in entrepreneurship education, acknowledging results from surveys suggesting that between 15% and 20% of students who participate in a mini-company programme in secondary school will later start their own company (3-5 times higher than for the general population);
- Improving access to finance, particularly for entrepreneurs in the early stages of their business;
- Supporting new businesses in the most crucial stages of their lifecycle (acknowledging that about 50% of new businesses fail during their first five years as businesses often lack an appropriate ecosystem to help them to grow);
- Better use of information and communication technology (ICT) can significantly help new businesses to thrive;
- Making the transfer of business ownership easier by reducing regulatory / tax obstacles;
- Promoting second chances for 'honest' bankrupt entrepreneurs;
- Continuing to reduce regulatory requirements for entrepreneurs;
- Nurturing a new culture of entrepreneurship - *"a radical change of the European culture towards new notions about entrepreneurship is needed, one that publicly celebrates success, brings the contributions of entrepreneurs to European prosperity to the fore and showcases the rewards of an entrepreneurial career"*.

There is also an emphasis on the entrepreneurial potential of women, older people, migrants and unemployed people.

At the same time, a new Programme for the Competitiveness of enterprises and SMEs (COSME)<sup>12</sup> was launched for the 2014-2020 period. The objectives are to help SMEs to access finance, create a business friendly environment, encourage an entrepreneurial culture, increase sustainable competitiveness and help small businesses operate outside their home countries and improve their access to markets. COSME will build upon initiatives and actions already undertaken under the Entrepreneurship and Innovation Programme (EIP), such as the Enterprise Europe Network and continue the many successful features of the EIP, while simplifying management of the programme to make it easier for entrepreneurs and small businesses to benefit. The main beneficiaries are likely to be:

---

<sup>10</sup> EC, *Communication from the Commission, COM2012/173 final. Commission Towards a job-rich recovery* (April 2012)

<sup>11</sup> EC, *Communication from the Commission, COM2012/759 final. Entrepreneurship 2020 Action Plan: Reigniting the entrepreneurial spirit in Europe* (January 2013)

<sup>12</sup> EC, "COSME." *Europa.eu*

- Existing entrepreneurs (small businesses in particular) – easier access to funding for development, consolidation and growth of their business.
- Future entrepreneurs (including young people) – assistance in setting up their own business.
- National, regional and local authorities – tools for effectively reforming policy: reliable, EU wide data and statistics, best practice and financial support to test and scale up sustainable solutions for improving global competitiveness.

COPIE<sup>13</sup> is a learning network of European Social Fund (ESF) Managing Authorities and Implementing Bodies from across the EU who have come together to explore how best to support disadvantaged people to become successful entrepreneurs. COPIE has developed a range of tools to help meet this goal including diagnosis, action planning and entrepreneurship education tools, a manual on access to finance (aimed at ESF Managing Authorities) and a tool which aims to help regions map their entrepreneurship resources.

The question is whether all of these different initiatives actually make a difference and whether they are working. In comparison to the US and China<sup>Error! Bookmark not defined.</sup>, it seems that entrepreneurial attitudes and activity in the EU remain stubbornly low. A survey of over 100 000 people in 50 cities carried out in 2009, for example, found that 71% of Chinese respondents said they preferred self-employment to employment, compared to 45% in the EU. American respondents were more likely to be risk-takers and liked competition (77-82% compared to 55-65% in the EU). The US and China were also seen to be ahead of the EU in all aspects of entrepreneurship education in schools.

There is a sense that this rather fragmented picture of EU entrepreneurship policy still has some way to go in achieving its goals of job creation, skills development and integration of unemployed people in the labour market. Cutting across so many areas of EU policy makes it difficult to create policy coherence and even harder to develop joined-up approaches to support for entrepreneurship with potential for real impact. Of course, measuring the impact of entrepreneurship support activity is notoriously difficult as quantitative indicators do not always tell the full story in terms of economic and social impact.

So, what value do interregional projects, such as those funded by INTERREG IVC, add to this somewhat fragmented scene? Do they bring a greater understanding of what actually makes a difference to entrepreneurship activity on the ground in European regions? Many of the project representatives who gave input for this capitalisation work cited fragmentation within policies, programmes and organisations as a key barrier to progress. Added to this, there are many different - often uncoordinated - players and actions in the field of entrepreneurship policy.

Subsequent sections of this report highlight some of the good practices identified which tackle these issues and demonstrate their importance to evidence-based policy-making.

### **Social entrepreneurship in Europe**

Social entrepreneurship support is receiving growing attention in the EU, especially in the entrepreneurship policymaking context. As set out in the EC's Social Europe Guide<sup>14</sup> from 2013, the European Union recognises the contribution of the social economy and social entrepreneurship to sustainable economic growth with more and better jobs and greater social cohesion. Demographic and economic shifts over the past few decades have brought about significant changes in the societal needs of the population; such as taking care of the elderly, women entering the workforce, the economic and social integration of migrants, the role of education and a more knowledge-based economy, and environmental issues. At the same time, growing fiscal constraints and the need for more complex services have made it increasingly difficult for the public sector to meet this demand on its own, as it had traditionally done in a welfare model dominated by state intervention. On the other hand, a rise of bottom-up initiatives from citizens is visible as a response to failures of the market and shortcomings of public policies. Both not-for-profit and for-profit enterprises respond to emerging social needs, thereby recognising that the economic dimension is not the only one that matters. In Europe, the social economy has gradually grown, from 6% in 2002, to 6.5% of total European paid employment in 2009.

The interest of the EU in the social economy has its origins in the Lisbon strategy of 2000, with its strategic goal to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and social cohesion. This was continued in the Europe 2020 Strategy, which is striving to turn Europe into a smart, sustainable and inclusive economy.

<sup>13</sup> COPIE "The Community of practice on Inclusive Entrepreneurship" *cop-ie.eu*

<sup>14</sup> EC, *Social economy and social entrepreneurship: Social Europe guide – Volume 4.* (2013)



The impact of the economic crises has raised awareness that restoring economic growth in Europe requires the rethinking of the founding social pact. The EU support to the social economy has sought to foster the development of social economy and social entrepreneurship through a series of policy initiatives. The EU has supported the start-up and growth, at local or national level, of many social initiatives, particularly through the Social fund and the European Regional Development Fund. The regulations on how these funds are to function in the 2014-2020 make provisions for 'promoting social economy and social entrepreneurship' as a specific investment priority. In 2011 the Social Business Initiative<sup>15</sup> was launched, a comprehensive EU policy initiative aimed at fostering the development of social enterprises throughout the continent. In 2013 the Commission put forward a Communication on "social investment for growth and cohesion"<sup>16</sup>, setting out a Social Investment Package urging Member States to prioritise spending that enables people to fully contribute to the economy and participate in society. Policymakers on national and regional levels can use various funds that are in place, such as the European Regional Development Fund, to develop and share knowledge in the area of Social entrepreneurship and social economy policy, additionally supported by policy resources such as the Policy Brief on Social Entrepreneurship (OECD).<sup>17</sup>

## Supporting entrepreneurship in the context of Smart Specialisation

In light of the Europe 2020 Strategy and the EC's proposal for Cohesion Policy, Smart Specialisation Strategies can be considered as a focal point for regional policy-making in Europe. The objective of Smart Specialisation is to identify the unique characteristics and assets of each country and region, highlighting each region's competitive advantages, and rallying regional stakeholders and resources around an excellence-driven vision of their future. In times of increasingly scarce public resources, regions are forced to make difficult decisions about the allocation of their resources. Smart Specialisation Strategies give regional strategies a direction as to what regional skills and strengths should be supported in order to stimulate regional economic growth and competitive advantage.

Many national and regional authorities choose to support knowledge intensive start-ups as one of the ways to capitalise on a region's endogenous knowledge and skills. Also, the INTERREG IVC projects on the topic of entrepreneurship show some examples of policy in this direction, which are highlighted throughout the report.

## 2.2. International perspectives

As early as 2000, the OECD recognised the importance of 'entrepreneurship and firm generation' to the modern economy. Since then, it has done a huge amount of work on SMEs and entrepreneurship. Perhaps most relevant to this report is the '[OECD Scoreboard - Financing SMEs and entrepreneurs](#)'<sup>18</sup> (2012), which provides a framework to monitor trends in SMEs' and entrepreneurs' access to finance – at country and international level – and a tool to support the formulation and evaluation of policies.

Also of importance is the OECD-EU project on self-employment and entrepreneurship<sup>19</sup>, where the OECD LEED Programme (Local Employment and Economic Development) joins forces with the European Commission (DG Employment) to monitor and report on the development and impact of entrepreneurial activity in Europe. It focuses on how public policy can create jobs through self-employment and entrepreneurship and provide better access to the labour market for economically and socially disadvantaged groups. The aim is to support policymakers to design and deliver effective and efficient entrepreneurship support through the provision of robust data and information on entrepreneurship and self-employment activities and on the activities and outputs of public policies, drawing together information from several different sources.

As part of the abovementioned OECD-EU project on self-employment and entrepreneurship, an evidence base on this topic and policies in this area in the European Union countries has been collected and made available. It aims to facilitate mutual learning and build capacities of high-level policymakers in the design of good practice policies.

---

<sup>15</sup> EC, *The Social Business Initiative of the European Commission* (2014)

<sup>16</sup> EC, *Communication from the Commission COM2013/83 final. Towards Social Investment for Growth and Cohesion – including implementing the European Social Fund 2014-2020* (2013)

<sup>17</sup> EC, *Policy Brief on Social Entrepreneurship: Entrepreneurial Activities in Europe* (2013)

<sup>18</sup> OECD. "Financing SMEs and Entrepreneurs 2012: An OECD Scoreboard." *OECD.org*

<sup>19</sup> OECD, *The Missing Entrepreneurs: Policies for inclusive entrepreneurship in Europe* (2013)

The Global Entrepreneurship Monitor<sup>20</sup> (GEM) is an initiative that explores the role of entrepreneurship in national economic growth, identifying detailed national features and characteristics associated with entrepreneurial activity. It distinguishes between 'Improvement-Driven Opportunity Entrepreneurial Activity' and 'Necessity-Driven Entrepreneurial Activity'. The first is defined as the "percentage of those involved in TEA (Total Early Stage Activity) who (i) claim to be driven by opportunity as opposed to finding no other option for work; and who (ii) indicate the main driver for being involved in this opportunity is being independent or increasing their income, rather than just maintaining their income"<sup>21</sup>. The second is defined as the "percentage of those involved in TEA who are involved in entrepreneurship because they had no other option for work".

### **2.3. Added value of interregional cooperation for entrepreneurship**

The INTERREG IVC Programme enables a broad range of organisations operating at regional level to develop a structured and incremental approach to exchanging their experiences of entrepreneurship policy and practice. Interregional exchange of this nature - starting with the identification of practices, and then moving into a sharing phase and finally looking at how different practices might be transferred - helps regional entrepreneurship stakeholders to benchmark their own experiences against those of their peers and to learn from them about what works and what doesn't in different contexts. This learning can then be used to inform policy and practice in individual regions across the EU and thereby adds value at regional level.

Involving multiple stakeholders also helps a region to develop common ownership of a good practice. When several partners and agencies from one region come together to see a practice live, it enables them to quiz the hosts, to discuss together how it could be adapted in their own region. This means that results are more embedded, more realistic and more sustainable as they are transferred to the new region. Transferring good practice through interregional exchange is not about finding 'off the shelf' solutions and applying them in your own region. INTERREG IVC exchange enables partners to reflect and adapt practices in a realistic and meaningful way, taking time out of their day-to-day working lives to consider the 'big picture' and think strategically about how they might do things differently and promote entrepreneurship more effectively.

The role of programmes such as INTERREG IVC in supporting entrepreneurship policy at regional level is also important because involving politicians in interregional exchange creates credibility and a higher degree of political commitment. It also has potential to inform new regional programmes (whether funded through national or EU funds) as INTERREG IVC project partners develop relationships with Managing Authorities to improve the added value of European Regional Development Fund (ERDF) investments in entrepreneurship policy.

In summary, INTERREG IVC creates a space for cross-fertilisation and dialogue between regional level networks and stakeholders on entrepreneurship policy. This is beneficial, accelerates innovation, helps to avoid duplication of effort and repetition of mistakes, and therefore adds value to European investments.

---

<sup>20</sup> GEM. "Global Entrepreneurship Monitor" *Gemconsortium.org*

<sup>21</sup> Global Entrepreneurship Monitor, *2011 Global Report* (2012)

### 3. Analysis

This section analyses INTERREG IVC's response to the challenge of the EU to boost entrepreneurship that was described in section 2.1. It presents summary information on each of the nine projects which have been reviewed as part of the entrepreneurship capitalisation work and explores their impact on entrepreneurship policy and practice. It goes on to highlight some of the common and different challenges they face and provide some answers to the core questions posed through the capitalisation work.

#### 3.1. Nine entrepreneurship projects

This report focuses on nine entrepreneurship projects supported through the INTERREG IVC Programme. The projects are diverse, reflecting the breadth of this policy area, but they also highlight a number of common challenges, as we discuss below.

The projects have involved 82 partner regions from 21 countries across Europe with lead partners coming from seven different Member States. The projects come mainly from the second and fourth calls in the 2007-2013 programme, and on average, they have each run for three years. Seven of the nine are now complete, with the remainder continuing until December 2014.

A summary of the projects is presented in Table 1.

<b>Table 1: INTERREG IVC Entrepreneurship Projects</b>			
<b>Title</b>	<b>Aim</b>	<b>Lead Partner</b>	<b>Status</b>
PASE  Public policies and Social Enterprises	To reinforce the effectiveness of regional public policies promoting and supporting social entrepreneurship as an asset for local economic development and territorial competitiveness. It recognised the particular characteristics of the social economy and its capacity to correct major economic and social imbalances and to help to achieve a number of general interest objectives.	Marche Region (IT)	Complete
ENSPIRE EU  Entrepreneurial Inspiration for the European Union	To improve regional and local policies that could help to change people's mind-sets about entrepreneurship. Throughout its duration, there was a special focus on three communities: the Disadvantaged, Disconnected, Discouraged	Esbjerg Municipality (DK)	Complete
YES  Youth Entrepreneurship Strategies	To contribute to European competitiveness and regional growth by instilling an entrepreneurial mind-set in the next generation.	Östergötland County Council (SE)	Complete
ENTREDI  Entrepreneurial Diversity	To exchange good practice amongst the partner regions in relation to entrepreneurship support mechanisms. The project had a particular focus on promoting diversity in entrepreneurship.	Kompass, Frankfurt (DE)	Complete
IMAGEEN  Improvement of Methodologies And Governance of European Entrepreneurship Network	To benchmark best practice governance models and support methodologies for entrepreneurship.	Chamber of Commerce and Industry of Lyon (FR)	Complete

PROSPECTS To Promote Entrepreneurship and New SMEs	To promote entrepreneurship and SMEs in former mining and traditional industry regions	Association of Mining Communities (FR)	Complete
MESSE Mechanism for Enhancement of Synergy and Sustainability among Enterprises	To improve the effectiveness of regional development policies for economic growth and the quality of social entrepreneurs in Europe	Veneto Region (IT)	In progress
Young SMEs	To jointly define an integrated support programme for SMEs between their 3rd and 5th years of operation. It also aims to contribute to business consolidation and therefore to improve the efficiency of SME policies at European level	INCYDE Foundation (ES)	In progress
MINI EUROPE	To exchange and develop regional policies in SME development, focussing mainly on the themes of promoting entrepreneurship and providing infrastructure to support innovation in SMEs	Province of Flevoland (NL)	Completed

Much more detailed information on each of the projects listed - including a web link, budget, information on the partnership, good practices identified and transferred and project level policy recommendations etc. is included in Annex 1 - Qualitative Information by Project.

### 3.2. The entrepreneurship barriers that are tackled within INTERREG IVC

Entrepreneurs experience various barriers when starting up and running a business. Policymakers generally use support tools to lift these barriers in their mission to stimulate entrepreneurship. This section explores the topic of entrepreneurship support within INTERREG IVC, illustrated by various noteworthy solutions and good practices from INTERREG IVC projects. The following five inter-linked themes, each tackling a different entrepreneurship barrier, arise from the analysis:

- Education and culture
- Finance
- Regulatory environment and procurement
- Infrastructure
- Advisory support services

The table below indicates where each of the nine projects analysed fits within these themes, although, clearly, there are some overlaps between the projects and the themes.

<b>Table 2 - INTERREG IVC Entrepreneurship projects, by theme of entrepreneurship support</b>					
	Education and Culture	Finance	Regulatory environment and procurement	Infrastructure	Support and assistance with practical issues
PASE	X	X	X	X	
ENSPIRE EU	X			X	X
YES	X			X	X
ENTREDI			X	X	X
IMAGEEN	X	X		X	X
PROSPECTS				X	X
MESSE	X		X	X	
Young SMEs		X	X		X
MINI EUROPE	X	X		X	X

Each of the sections in this analysis starts with a short introduction to the theme and then goes on to provide examples of good practices that illustrate the way the entrepreneurship support tools within the theme have successfully been established in INTERREG IVC. Consideration is given to optimum conditions and barriers to transfer to other EU regions. Please note that the underlined texts contain a link to the website of the project or the mentioned project partner.

### Supporting Social entrepreneurship within INTERREG IVC

A re-occurring subject within the above five themes is that of tools that are specifically designed to support social entrepreneurs. Ever since the Lisbon Strategy, the EU have sought to foster the development of the social economy and social entrepreneurship. One way that regional policymakers are able to create advantageous policies for social entrepreneurs is by means of the European Regional Development Fund. The added value for policymakers is that supported social entrepreneurs not only contribute to the regional economy, but in turn also deliver a contribution to European social objectives. Social entrepreneurs generally have the same needs as traditional entrepreneurs - hence their presence in the above five themes - but every group of social entrepreneurs requires its own kind of additional support. The MESSE and PASE projects especially focus on social entrepreneurship, but the subject also occurs in other projects, such as ENSPIRE EU. The social entrepreneurship specific support tools in INTERREG IVC are highlighted for each theme.

The line between social and traditional entrepreneurship is often not clearly defined. The support tools are considered to fall under social entrepreneurship support if they are specifically designed to meet the needs of certain groups, such as ethnic minorities or unemployed young people.

#### 3.2.1. Education and culture

A lack of an entrepreneurial culture is cited repeatedly as a barrier to business generation in Europe. Many people do not recognise entrepreneurship as a viable alternative to employment. An aversion to risk exists and perceptions of business failure are negative. At the same time, the European Commission believes that investing in entrepreneurship education offers real opportunities: *"Surveys suggest that between 15% and 20% of students who participate in a mini-company programme in secondary school will later start their own company, a figure that is about three to five times higher than for the general population"*<sup>11</sup>. The department SMEs and Entrepreneurship of the Directorate-General Enterprise & Industry of the European Commission underlines the importance of creating entrepreneurial mindsets through education<sup>22</sup>. Some countries aim to change culture over the long term by embedding entrepreneurship education across the curriculum from preschool through to post graduate level (or 'ABC to PhD' as it is referred to in Denmark). Others struggle even to include discreet entrepreneurship programmes in their education systems. In some European regions, there is a belief that business has no place in the education system.

<sup>22</sup> Weinberger, C. *Entrepreneurship*. Panel discussion Capitalisation event (22 May 2014)



Several good practices have been identified within INTERREG IVC projects which aim to achieve a long-term change in culture of and attitudes to entrepreneurship among young people through education. The ENSPIRE EU and YES projects in particular focused on these issues.

### Short, intensive experiences

Various examples of short, intensive experiences that introduce young people to the topic of entrepreneurship can be found in INTERREG IVC. They are intended to unleash the entrepreneurial spirit of young people and to train their mind-set and skills for entrepreneurship. The advantage of a short, intensive experience is that it has a lasting effect on a young person's entrepreneurial attitude without taking considerable time from the regular educational curriculum. The identified experiences take different forms: real-life challenges, setting up own businesses and business model workshops. The following examples illustrate these different forms.

School-age pupils are given a challenge by a local company in The Danish **InnoCamp** (ENSPIRE EU) initiative. All the teams present their proposed solution to a panel of judges made up of stakeholder representatives, along with prototypes of the solution, an advertising campaign and a sales pitch containing a market analysis and price quotation. Prizes are awarded for team work, sales and marketing and for the product or service itself. The long-term goal is to invest in young people so as to achieve a step change in entrepreneurship culture. The InnoCamp example was transferred to the project "A different school" in the North-West Region of Romania.

In **Summer Entrepreneur** (MINI EUROPE), young people (14-20 years) are given the opportunity to build up their own business in the summer vacation period. Participants developed a variety of skills and attitudes which will be useful when starting an enterprise later in their careers. The initiative has been transferred from Sweden to Flevoland in the Netherlands and to the North West of England.

The Estonian '**Hour Innovation Camp**' (YES) offers an intensive idea-generating workshop for upper secondary school students. Based on Junior Achievement Estonia's 'learning by doing' principle, it hosts small groups of students who work together on developing a business model, supported by a plan which is then pitched to potential 'investors'. Young people are taken out of their comfort zone – building new relationships, working within tight deadlines and undertaking new roles and responsibilities. Through a varied programme of support, they develop skills in team working, problem-solving, marketing and financial analysis.

### Teacher training

Entrepreneurship education in schools assumes a degree of experience and expertise amongst the people who are expected to teach it - namely the teachers. Gothenburg, Sweden (IMAGEEN) is trying to address this by developing and delivering an **entrepreneurship teacher training programme initiative** which gives school teachers the skills and knowledge they need to stimulate entrepreneurial awareness in the young people they teach. Like InnoCamp and Summer Entrepreneur, the aim is for this approach to have a 'ripple effect' in the long term by gradually instilling a sense of entrepreneurial spirit in the business owners of the future. Representatives from Lubuskie (Poland) visited the programme as part of the ENSPIRE EU project and have used the experience to introduce entrepreneurship teacher training in their region as well. However, with education systems across the EU being so different (and mostly defined at a national level), transferring such a practice may not be straight forward. In Sweden, for example, there is a national strategy to embed entrepreneurship in schools which paves the way for local and regional authorities to introduce complementary programmes such as this one. Clearly, this is not the case in all countries.

Short, intensive experiences and teacher training are often combined. Before the start of the InnoCamp initiative for example, teachers and companies go to a preparatory camp where they learn how to facilitate innovative processes during the camp itself. This teacher/business camp also acts as a network to foster innovation and entrepreneurship among young people in the local environment. Also in the context of the Summer Entrepreneur initiative, facilitators and trainers are trained and certified.

Another approach to making experience and expertise available to teachers is to tighten the collaboration between teachers and entrepreneurs. This has been a consistent theme for many of the project partners of the YES programme. Some of the project's most valuable work has stemmed from their research into the varying attitudes amongst key stakeholders – who for them include business people, the education profession and students. The **Finnish YES centres** offer an attractive model that has stirred interest in Spain, Sweden and Ireland. The YES centres are resource nodes, usually staffed by seconded teachers, whose role is to stimulate and support cooperation between education and industry. The approach is



pragmatic and hands-on - producing resources, organising events and brokering relationships to break down attitudinal barriers and to promote collaborative activity. An important point noted by external partners was the YES centres' focus on attitudinal issues, recognising that these are priorities for a successful enterprising future generation. Another important finding for the partners was the model where teachers are invited, not required to participate. In this way, those who are supportive will get involved, and resources can be targeted at them, rather than at reluctant professionals who lack commitment to the overarching aims. Similarly, the **speed networking** initiative in Finland aims to build an interactive network between teachers and entrepreneurs through a series of events based on this technique. In 2011, over 70 teachers and entrepreneurs participated – building networks, exchanging ideas and scoping collaborative options.

### Social entrepreneurship education

This section explores how education can tackle various barriers for social entrepreneurs. First of all, a barrier for social entrepreneurs is that they often lack practical business skills that traditional entrepreneurs already possess by nature. Second, social entrepreneurs also often need a confidence boost in order to develop the attitude required for starting their own business. Third, in order to help unemployed people along by means of education, it might be necessary to facilitate social enterprises for them. Fourth, social entrepreneurs often suffer from an untrustworthy image. Examples are given of support tools that tackle these barriers.

An example of practical education for social entrepreneurs is the **Hampshire School of Social Entrepreneurs** (ENSPIRE EU, MESSE) from the UK, which uses a variety of different support interventions and learning methodologies to provide tailored, personal development and organisational support that social entrepreneurs need. It is part of the School for Social Entrepreneurs, which is a UK organisation developed through a franchise model. Disadvantaged people are supported by trained facilitators and experts to understand the social entrepreneurship landscape. Methodologies include action learning sets, witness sessions, expert sessions, show-how project visits, mentoring and coaching. Training and support are provided in a range of areas including legal structures, financial management, business planning, securing funding, marketing, partnering and other essential skills. In addition, students receive a start-up grant of around €5 000. Competition to participate on the course is very fierce.

An example of attitudinal education can be found in ENSPIRE EU where the **Groupeement de Créateurs** (Entrepreneurs Team) delivered by the Paris Chamber of Commerce and Industry aims to build awareness among unqualified and disadvantaged people about developing their own small business as an alternative to finding a job. It encourages disadvantaged people to trust their ability to come up with good ideas and to carry out their own projects. It also aims to foster beneficiaries' self-esteem, self-confidence and autonomy of action as well as providing them with the opportunity to access an academic programme in business management.

A less conventional form of education for specific groups is found in **fairKauf** (MESSE). This is a social second hand store where donated used goods are selected and sold by previously unemployed people. Young people, long term unemployed and people with handicaps or limitations are qualified, prepared and trained to get a job in the labour market. The initiative gives unemployed and disadvantaged people a chance to take ownership of their own well-being, livelihood and position in society. *fairKauf* does not make use of any public funding; all costs are covered by its own revenues, which makes it a new, more attractive alternative to charity. Another unique aspect of *fairKauf* is that it takes the form of a non-commercial (non-profit) cooperative. The advantage of this type of legal entity is that the enterprise's risks, management and benefits are shared by personnel, contributors and other social interested parties – which empowers personnel to take responsibility for their own future. See section 3.4 Synergies for more information on social cooperatives.

To convince civil society about the quality of social products and services of social enterprises, the Malopolska region carries out a **marketing campaign**. Consumers often think that, because social enterprises are often run by disabled people, addicts etc., they are not trustworthy and therefore the product or service is not trustworthy. This image has to be challenged through awareness campaigns.

It is clear from these examples that changing entrepreneurial culture through entrepreneurial education requires long-term commitment. Rewards will be great but will take time. Even in INTERREG IVC projects, there seems to be quite a significant geographical divide between those countries for which entrepreneurial education is an integral part of the school system (mostly Scandinavia and some North West Europe countries), those where schools offer some entrepreneurship programmes alongside the core curriculum and those where there is practically no mainstreamed entrepreneurship education offer. Interregional

exchange (such as that promoted in INTERREG IVC) can make a significant contribution to the step change in entrepreneurial culture which the Commission sees as a prerequisite of job creation and economic growth. It allows local and regional authorities to learn from their peers what works and what doesn't in different contexts and to test new approaches in their own countries.

The choice for a particular educational measure depends on what stage the entrepreneur is at along the business life cycle. Short, intensive experiences and trained teachers are crucial for awareness among young people. As soon as businesses are in their growth phase, entrepreneurs benefit more from training/mentoring with professionals who can draw from their own experience. Building the necessary capacities to become an entrepreneur is more often found in training/mentoring, see section 3.2.5.

### 3.2.2. Finance

Access to finance - whether in the form of loans, seed funding, microfinance facilities, angel type investment or other equity funding, grants or guarantees - is particularly difficult in the current context of public sector austerity and limited liquidity. Investors often consider (high tech) start-ups, social enterprises and locally owned businesses as high-risk investments. It is hardly surprising, therefore, that some of the INTERREG IVC projects have been exploring new ways of helping (new) businesses to get the funds they need, when they need them. Finance support tools for each of the mentioned target groups are discussed.

#### Access to finance for start-up entrepreneurs

The **Munich Business Plan Competition** (IMAGEEN) offers guidance in developing a business plan and implementing it. The competition has three stages (business concept, market strategy, full business plan) that finally lead to a selection of 3 winners. The competition started as early as 1997 and takes place each year between October and July.

The Jury is made up of industry and finance experts. All entrants receive written feedback. Intensive training and individual mentoring/coaching is offered every step of the way. The best business ideas are awarded cash prizes and all participants have the chance to become members of the **evobis network** which provides additional support to facilitate the implementation of the plan as well as access to financing (venture capital, business angels, and subsidies). There are eight staff members, and between 1997 and 2012, there have been 3 726 entries, 808 enterprises have been started, 5 199 new jobs have been created and over €300 million seed to growth capital has been invested in these companies (2011 data).

One of the key success factors in this model is that the access to finance element forms part of a much wider support package - one that has generated massive added value for the region. The 'competition' title in reality acts as a marketing tool and attracts people to the programme - both potential investors and entrepreneurs. It provides good visibility for the initiative and attracts a high level of media attention. Because of this 'multiplier effect' the impact of the competition reaches beyond just the winners of the competition. The yearly reoccurrence contributes to an increase of the brand awareness, further anchoring the message within the target group. This flywheel effect has a considerable impact on the Return on Investment for the regional managing authority. It shows how not only the choice of support tool, but also a consistent and intelligent delivery, can contribute significantly to the impact of the money spent.

Interestingly, in the IMAGEEN project Birmingham (UK) started to transfer the initiative to their own region, they decided that in their context the term 'competition' could be a disincentive to some potential entrants. Still, they were able to add the strong elements of Munich's example to their arsenal for future support tools, e.g. a systematic approach with incremental steps and rewards along the way (membership, consultancy). This process is mutually beneficial for both investors and start-ups. Investors use their knowledge and experience to coach and select 'gazelles' (companies with high growth potential), thereby both helping start-ups along and reducing the risk of the investment for themselves at the same time.

#### Access to finance for established companies

The lead partner **INCYDE Foundation** of Young SMEs offers established companies help to access finance. Here the emphasis is not necessarily on high-value companies but often on shops or other local businesses. Since 2000 INCYDE has been using the European Social Fund (ESF) to provide training and consultancy to the Spanish entrepreneurs and the European Regional Development Fund (ERDF) to create the largest network of business incubators around Europe. The programme aims to help them survive - it is about business sustainability rather than growth. It offers training, capacity building / advice and

consultancy through a team of consultants who go to one town at a time and work intensively with the businesses there. The Team spends around 10 weeks in each town (not every day). Each young SME is offered 4 to 5 hours of support each week (including access to finance, marketing, IT), and then a consultant spends 2 to 3 hours with each business owner working on their specific needs. This model is replicated each week on different topics. INCYDE Foundation is in the process of trying to integrate this programme with the new JEREMIE initiative which has been approved nationally and will provide a revolving fund of loans for SMEs. INCYDE Foundation will be responsible for assessing applications for loans and are keen to ensure that, where possible, these are integrated into a wider support package.

### **Access to finance for knowledge intensive start-ups**

The Veneto region in Italy has developed a synergic three-way approach to **financial engineering** (MINI EUROPE). The common problem that has been identified is that innovative (young) SMEs and (high tech) start-ups are considered to be high-risk investment opportunities by private investors and venture capitalists. The SMEs and start-ups have difficulties to provide guarantees. To overcome this barrier, the Veneto region has established a guarantee system for innovative investments: a revolving fund for SMEs innovative investments, and a Venture Capital and private equity fund. This combination makes finance more accessible for innovative SMEs, including starting entrepreneurs and early stage companies. The geographical dispersion of access points and the revolving character means that finance is accessible and available now and in the future. The guarantee system makes investment in innovative companies more attractive for investors.

Another example of early investment support for high tech businesses is the Basingstoke and Deane Council **3en Venture Capital Fund** (UK - ENTREDI) - established in 2005 as the first Local Authority Venture Capital Fund in the UK. It prioritises new businesses with a sound structure and Intellectual Property Right (IPR) shares. The fund focuses on a range of new industry sectors – software, IT, telecommunications and new media – and will offer risk capital to the value of around €95 000.

### **Access to finance for social entrepreneurs**

For social entrepreneurs, the PASE project offers some examples of access to finance initiatives. In France for example, since 2001, the Regional Council Provence- Alpes- Côte d'Azur has delivered a project called '**Solidarity Economy and Active Insertion**' (ESIA) to help social enterprises to access banks and traditional financial institutions. It carries out financial audits and needs analyses for social enterprises and provides funding in the form of loans and loan guarantees, as well as advice and guidance. Between 2002 and 2008, some 264 projects were funded and over €11m committed.

The Malopolska region in Poland (PASE) is home to an interesting initiative which offers financing (through European Social Fund grants of €4 500) to unemployed people to help them to set up social enterprise. The funding is part of an integrated package of support measures including advice, guidance and training. It forms part of the region's '**Centre for the Support of Social Cooperatives**', which aims to promote social enterprise as a viable economic option for disadvantaged unemployed people.

Access to finance continues to be a major challenge for all kinds of entrepreneurs. The key lesson in these INTERREG IVC projects is that access to business finance cannot work effectively when operated in isolation. It needs to be part of an integrated support package which includes needs analysis, guidance and support. In cases when this support package is facilitated by a public body, it must be noted that intensive training/mentoring generally requires a considerable, long term money flow. Policymakers are advised to ensure that individual companies are coached to reach economic sustainability without needing ongoing public support. In addition, different forms of finance are needed and entrepreneurship practitioners across European regions are well placed to facilitate these, for example, through platforms for crowd funding or setting up business angel networks.

Finally, the given examples show how regional authorities can effectively use public funds to provide companies with access to finance. For example, a guarantee system has a higher Return on Investment on the long run in comparison to traditional grants. By giving out guarantees, regional authorities enable private funds to be accessible for start-up entrepreneurs. Similarly, in the new Cohesion policy period 2014-2020, the emphasis will be on loans rather than grants to improve project quality and discourage subsidy dependence. Therefore the given examples in that direction have an increased potential to be used in future EU funding programmes.

### 3.2.3. Regulatory environment and procurement

The aim of policies supporting entrepreneurship must be to reduce regulatory barriers to enterprise and to create legal frameworks that enable entrepreneurs to take new products and services to market as quickly and efficiently as possible. Regulation is often experienced or perceived as a constraint. Businesses regularly complain about ‘too much red tape’ and as one project partner stated “if government can’t help they should stay away!” Legislation regulating business start-up has many layers at many levels, from European regulations governing the functioning of the single market and state aid to national fiscal systems, to local taxes, and business registrations. This complexity makes it more difficult to transfer practices simply, or at least necessitates thorough analysis of the local legislative contexts in order to assess the feasibility of transfer. Although regional policymakers do not always have an influence on (national) regulations and procedures, they can still offer support to entrepreneurs to relieve the regulatory burden. The good practices from INTERREG IVC in this section show how especially facilitating training, for instance through making budget available for regional development agencies, can be an effective way for regional policymakers to support entrepreneurs in the area of the regulatory framework. Furthermore, this section shows how policymakers can use regional regulatory, collaborative and procurement measures to stimulate social entrepreneurship.

#### Mentoring and training

Many project partners in the entrepreneurship theme offer models for supporting start-ups with legal advice, since one of the first challenges for entrepreneurs is to identify the right legal form under which to operate. For example, **Kompass in Frankfurt** (ENTREDI) offers systematic and consistent support to entrepreneurs to make sure that entrepreneurs are aware of and comply with regulations, such as tax, company reporting, health and safety requirements, and import- export regimes.

Another example of mentoring and training entrepreneurs and social businesses is found in several regions that participate in INTERREG IVC, in this case to improve their capacity to win work through procurement. Although procurement processes are designed to ensure fair competition, they are in fact often a daunting prospect for entrepreneurs and small businesses, who often do not have the human resources or skills to complete the complex paperwork required, and this puts them at a competitive disadvantage compared to larger businesses. An example of a support tool to tackle this barrier is the **Supplier Development Programme** in Falkirk (Scotland), part of the Young SMEs network, which offers a bespoke training programme to help entrepreneurs to access new contracts.

The new consolidated **EU directive on public procurement**<sup>23</sup> provides regional authorities with opportunities to arrange their public procurement in a socially responsible way.

#### Regulatory, collaborative and procurement measures for small & social entrepreneurship

Policymakers are putting an increasing effort into supporting social entrepreneurship through regulation. Beneficial regulations are being created and used, public-private cooperation are being instituted and procurement processes are being adapted, as shown in the examples below.

Many partners in the PASE project were very inspired by the **strong co-operative models** in Italy and Spain. Compared to other regions, this social economy model is a more sophisticated concept and cooperatives in Italy and Spain are very real, competitive, serious businesses. In Italy for example, social cooperatives are specifically defined by law. They provide for multi-stakeholder governance and membership (of both volunteers and workers), while still allowing a wide set of (economic) activities, and benefit from beneficial tax arrangements<sup>24</sup>. The regions of Italy have the autonomy to experiment with social policies, which has resulted in a growing number of social enterprises. More information can be found in section Prerequisites for entrepreneurship policy (3.3.6).

As a result of exchange in PASE the Provence- Alpes- Côte d’Azur Region is now working with the Association of Co-operatives on getting more start-ups to develop as cooperatives from the beginning. The legal basis of social enterprises as associations is not well adapted to economic activity in the way that the cooperative model is. Association statutes can be a block. The cooperative statute has the right shared governance and ethical base.

<sup>23</sup> European Parliament “New EU-Rules on public procurement – ensuring better value for money” [Europa.eu](http://europa.eu)

<sup>24</sup> Francesco De Rosa, “Policies to develop Social Enterprises in Italy: the experience of Marche Region” (presentation, Brussels 6th October 2011)



There were some cases of innovation and bottom-up approaches influencing regulation between public agencies and social enterprises and innovative strategies favouring the emergence of new public social partnership/procurement models at local level. The Marche Region showcased the Italian practice of **co-programming**, which is effectively a new dialogue and cooperation between public sector and social entrepreneurs to develop and fund social services.

**Regional public procurement** offers the possibility for cities and regions to insert social and environmental evaluation criteria that invite and encourage bidding for contracts by entrepreneurs and social enterprises. It can help to achieve multiple objectives, including enterprise development, employment creation and improved social cohesion. Targets can be introduced for a certain percentage of contract value to be awarded to small businesses, local businesses and social businesses. These good practices, used in France and Italy, were explored and documented as guidelines in PASE. Likewise, Italy has **reserved tenders for social enterprises** that strive for work integration of disabled people, and in the Marche Region, 5% of public spending goes on enterprises focused on integration.

A lesson from the project exchange is to stress that any regulatory tool designed to support entrepreneurship, such as procurement clauses, must be backed up with good training and awareness for public servants to use it well. For instance after 10 years of social clauses in procurement in France, out of 82 billion Euros of public spending, only 1.9% is allocated through them, as results have shown. And even if reserved tenders are allowed by national legislation, these provisions are not always implemented at regional level.

Another lesson is that the implementation of other types of support tools, such as support for access to finance, might be bound by regulatory limitations. An example is the previously mentioned 3en Venture Capital Fund (UK – ENTREDI), which was considered interesting by other partners, but the regulations allowing this financing tool are so different that it would be impossible to establish it in the legal settings of other regions. Because of the multi-level nature of governance regulating business, good practices may need substantial adaptation to transfer them to the different legal and historical traditions of European regions. Having said that, transfer of best practice into the Malopolska Region from PASE partners was quick and effective. Within two years, the region had developed a framework and modified regulations for social enterprises.

#### 3.2.4. Infrastructure

The value of regional infrastructure for promoting entrepreneurship is an important message to come from this capitalisation work. Starting and sustaining a business is tough. It can be lonely and isolating and business accommodation can be disproportionately expensive for small companies. Support structures have a vital role to play in encouraging and sustaining entrepreneurs by tackling these barriers.

Here, when we speak about infrastructure, we include the **physical spaces** where entrepreneurs can find not only office space but also support and encouragement. Business centres, incubators and science parks are all in the mix here, regularly offering technical instruments and machines as well. Shared spaces, which bring entrepreneurs together, are consistently acknowledged as being important. In order to create coherence within inhabiting entrepreneurs and to offer tailor-made support to them, physical spaces are often organised around a certain sector.

Moreover, our definition of infrastructure also includes the systems that are needed to deliver support services. In some cases, for instance when entrepreneurs are geographically dispersed, support cannot be centred on physical spaces, but need to be delivered through **a nodal network of service providers**. Finally, the growing suite of **ICT solutions to deliver support services** to embryonic businesses is also included in this definition. ICT tools form a growing and indispensable infrastructure for offering all kinds of support (e-learning, mentoring etc.) to certain target groups, such as potential entrepreneurs who might have second thoughts about setting foot in a conventional business centre.

This section highlights good practices from INTERREG IVC in the area of these three types of infrastructure.

##### Physical spaces targeted at certain groups

Within the INTERREG IVC projects there are various examples of physical space providing the combined package of a work environment with ancillary support. Often a targeted approach to certain types of entrepreneurs is taken (creative sector, high tech start-ups or social entrepreneurs), which has the advantage of being able to offer them the support and facilities they need.

For the **creative sector**, an example of a targeted approach is given by the **Gothenburg Brewhouse** (IMAGEEN), located in a distinctive refurbished building in the city centre. Part of the IMAGEEN network, this facility provides a shared space for creative industry entrepreneurs, which includes incubator units and collaborative work areas. The latter has been important in promoting the cross-fertilisation of ideas amongst users of the facility.

**High tech start-ups** offer a way to capitalise on a region's endogenous knowledge and capabilities in certain sectors. By supporting them, a region can increase the region's competitiveness on a global scale. This strategy is often referred to as a Smart Specialisation Strategy, which offers regions a way to meet the Europe 2020 objectives regarding Smart and Sustainable growth. An example of offering sectoral support in this manner is the **CleanTech Campus** (PROSPECTS), located in Houthalen-Helchteren, Belgium. In order to improve this former mining area, these facilities provide support especially to businesses involved in clean mobility, renewable energy and clean production processes. In addition to incubation units and a conference centre, there are education facilities – important in a region seeking to improve its future economic prospects.

Another example of support for high tech start-ups can be found in North West England, where the **Cluster Support Environment** model (MINI EUROPE) shows how specialised high tech companies benefit from offered facilities specific for their cluster. The business support model focuses both on the requirements of clusters as a whole and of the SMEs within these clusters in particular. It provides incubation for start-up firms and includes Business Technology Centres (BTC). The BTCs offer pilot plants, demonstrators, specialised equipment, specialised IT equipment and knowledge. When the firms grow, they can transfer to more spacious accommodation, which is also provided as part of the policy. Since its successful implementation in North West England, the Cluster Support Model has been transferred to Maramures in Romania, and to Észak-Alföld in Hungary.

#### Physical infrastructure targeted at social entrepreneurs

Not surprisingly, the support needs of social entrepreneurs are in many ways similar to those of their more purely profit-focused peers. Access to high quality information and guidance – delivered flexibly on a just-in-time basis, is a recurring requirement for all businesses, regardless of their legal structure. So too is having access to like-minded people, and the opportunity to collaborate with them. In the Veneto region (MESSE), the **Consorzio in Concerto** unites 16 cooperative businesses from across a range of industrial sectors. These businesses provide services whilst creating opportunities for the most disadvantaged in the community – but again they would struggle to succeed in isolation. The infrastructure support provided by the Consorzio reflects the legal enterprise frameworks evident across many of these INTERREG IVC project regions.

#### Nodes as a way to support geographically dispersed entrepreneurs

In rural areas, economies of scale are often not feasible. For instance, there are often not enough entrepreneurs from one sector present in order for a physical space to be targeted especially at them. Still, the support of entrepreneurs is often a priority, since entrepreneurship can tackle various regional issues such as preventing talent drain, raising the economic wellbeing of convergence regions and solving environmental issues (see also section 3.4 Synergies). In that case, the necessary infrastructure to deliver support needs to take another form.

In former semi-urban mining regions, access to support is also one of the key issues. As part of the ENTREDI project, the **Jönköping Science Park** showed that this type of sectoral support can work beyond urban areas. This model is delivered via a network of locally located nodes. It supports entrepreneurship in small towns and rural areas, aligned to a strategic regional focus on supporting and retaining small businesses, many of which are family-owned. The Jönköping science park offers a support package which combines on-site and virtual delivery, making support easily accessible for entrepreneurs.

A good example of this from the IMAGEEN project is the **Lyon Ville de l'Entrepreneuriat**. Fronted by the Chamber of Commerce and Industry, this comprehensive service is provided by more than 40 partners behind a single brand. The aim is to ensure that no entrepreneur in the region is more than 15 minutes away from a support point, from where they can tap into the wider network's expertise. This coordinated model is now well established, and has contributed to Lyon enjoying a new business start-up rate that is 18.2% higher than the national average.



The **Murcia Regional Entrepreneurship Plan** (YES) provides a strategic support framework to be able to deliver entrepreneurship education to geographically dispersed locations. This ambitious model involves over 50 regional delivery partners, working with young people through the education system.

Another important aspect of delivering entrepreneurship support is to adjust the delivery method to match the needs of the receiver. An example from IMAGEEN is '**Mind Your Own Business**' (MYOB), which offers a comprehensive support service for entrepreneurs. The service is free of charge, with a paid option for more intensive support. What is distinctive is that the service is provided at hours to suit the business people, so as to minimise disruption for them.

#### Online tools to reach social and potential entrepreneurs beyond the “usual suspects”

A priority for the ENTREDI network has been to widen the search for potential entrepreneurs beyond the 'usual suspects' and to reach out to those who might have second thoughts about setting foot in a conventional business centre. ICT platforms make for an accessible way to deliver support services to groups such as women, young entrepreneurs and people from minority backgrounds.

Another example is found in Granada (Spain – IMAGEEN), where a potentially positive outcome of the crisis has been to raise the profile of entrepreneurship as an alternative to regular paid employment. This rising tide of interest in enterprise is being met by an online service model. This provides a **web portal for entrepreneurs** – actual and prospective – where the full range of resources can be found in one place. The model has encouraged municipalities to collaborate, thus reducing duplication and recognising that businesses often transcend administrative boundaries.

The sub-theme of targeting has been important for many of these INTERREG IVC projects. Several drivers are at work here. One is that individuals with a more traditional start-up profile (redundant executives, higher education spin-outs etc.) require less public sector support, so there is a limited market failure argument in these cases. Consequently, public resources are better invested in those who might not otherwise have this opportunity. Raising the awareness of school pupils is a good example of this, as a good way to reach a universal audience. Another, evident in the ENTREDI network, is to develop services focused at those under-represented in the start-up communities – often women, minorities and the young.

One of the important points emerging from this work is the need to acknowledge the wide range of motivating factors behind entrepreneurship. This is perhaps particularly relevant when considering the drivers from atypical entrepreneurs – who will not always be 'in it for the money'. The YES project has highlighted environmental activism as a factor for engaging young people, whilst PASE and MESSE explore the support issues relating to social entrepreneurs.

In conclusion, these nine projects underline the importance of infrastructure in supporting and sustaining entrepreneurship. But this is not simply a case of providing a few business units. Physical space does matter in a number of ways: it can provide a visible symbol of the enterprising spirit in those areas where the concept has limited traction; it offers a shared space – often a neutral one – for entrepreneurs to mix and to exchange ideas; and, most obviously, it can provide room to grow.

Yet, **space in itself is not enough**. A strong and clear message from this work is that entrepreneurship is primarily about attitude. It is a people thing – not a buildings thing. So a prerequisite for an effective infrastructure offer is to combine any physical space with an appropriate menu of support and resources. As we have discussed in this section, this might be wrapped around an industry sector focus, as with the CleanTech Campus. It can include access to equipment for the development of innovative products and services, such as in the Cluster Support Environment model. It may be sited in nodal points across a city or region, as we see in Lyon and Jönköping. And it is increasingly common to have that offer delivered via a combination of advisers who can be met face to face, and support that can be accessed day and night via an ICT-based platform. The defining factor however is that it is reliable, of high quality and easy to reach.

When delivering a support service, one should consider the **cost, accessibility and convenience** for the entrepreneur. Increasingly, we live in an age where consumers expect round the clock services personalised to their needs. Entrepreneurs are no different. They are busy people, often with strong and clear ideas, and with high expectations of the support they need to succeed.

### 3.2.5. Advisory support services

Entrepreneurs stress the importance of knowing **where** to find support they **really need**. Access to an integrated support model, which makes a palette of appropriate services available, delivered through trusted relationships, is highly valued by those engaging in new business venture. But when we speak of services, what type of support is particularly helpful for entrepreneurs? Looking at these nine INTERREG IVC projects, what stands out and which support mechanisms have been most widely transferred amongst partners?

#### Generic tools as a basis for tailor made support

A generic diagnostic tool can be of value in order to define what specific kind of support an entrepreneur needs. Two of those transferred via the ENTREDI project have been particularly interesting. The **Kompass profiling tool** allows business support agencies to work with potential entrepreneurs to test their readiness to start a business. This screening tool produces a profile of the individual which assesses overall business capability, and in doing so can identify whether further training and support is needed before engaging in trade.

Although the Kompass tool had been tried and successfully implemented in Frankfurt, it was interesting to note the adjustments made in order to transfer it to other cultural contexts. For example, the original version contains a suite of questions about family background and relationships, designed to assess the personal and emotional stability of the candidate. Some partners felt that this was inappropriate for their working environment, so these elements were deleted during the transfer process. This important aspect of the exchange process was summarised well by a Finnish interviewee: "The implementation isn't just about copying what others do. It's more a process of reflection and adaptation."

Another valuable ENTREDI tool was the **I-Planner**, showcased by the **Tartu Science Park** in Estonia. This is a web-based environment for business plan creation and implementation. The user can enter text and numbers, and the I-Planner will calculate cash flow, break-even points and other key metrics. The tool is now well established throughout Estonia, and increasingly government agencies and banks require new businesses to use it as a condition of financial support.

This sheds an interesting light on both of these generic tools for, although they are useful for the entrepreneur, they are also important screening processes, which can help identify weaknesses and potential flaws. At a time when public resources are tight, mechanisms like these which reduce risk are highly attractive to public sector funders of innovation and entrepreneurship. However, generic tools only deliver their value when they are used in the context of a mentoring relationship, either as a conversational tool or as a basis to determine further support necessary.

#### Mentoring and coaching: a trusted relationship is a prerequisite

Mentoring often plays a key role in giving people the necessary capacities to be an entrepreneur, as for example offered by the INCYDE foundation (Young SMEs). In order for an entrepreneur to benefit from intensive mentoring, it is necessary to have a credible mentor with a relevant field of expertise. So not only the content of the coaching is adjusted to the entrepreneur's needs, but also the choice for a certain mentor depends on the type of entrepreneur. This section shows how mentoring and coaching for various groups of entrepreneurs (business leaders, small businesses, ethnic minorities, young unemployed, social enterprises) is approached in INTERREG IVC.

Business leaders receive leadership support in the **Expedition Forward** project from Sweden (IMAGEEN). The focus is on building a growth plan and structuring a personalised 'expedition' to support leaders to achieve this. The expedition comprises various customised components and each company is assigned an account manager who works closely with them, monitoring progress and providing guidance and feedback. There have been high levels of customer satisfaction from this experience. The Expedition Forward project emphasises the concept of a journey, which takes entrepreneurs beyond their normal experience and knowledge – in some respects out of their comfort zones.

Small businesses are the focus of the **CIME (Creativity and Innovation Toolkit for SMEs)** project (Young SMEs). Through this model, supported companies have access to a mentor who, as well as providing generic support, is tasked with looking to stretch the new businesses by building their creative thinking. Young SMEs focuses on small businesses between their third and fifth year of operation, which can be a time when small firms stall, particularly in the current economic climate. Data shows that businesses participating in the programme were twice as likely to take on new staff as the regional average.

## Coaching social entrepreneurs

Trusted relationships with professional, well-educated coaches are a prerequisite for the successful coaching of social entrepreneurs, as the examples below will demonstrate.

Ethnic minority groups often display higher levels of entrepreneurial behaviour than host communities, as much of the available evidence indicates. However, their aspirations can be limited by various issues – including language, limited knowledge of legal and commercial norms – and as a consequence, they may restrict their plans to only operating within their own community, or face greater risks in operating in the open commercial environment. There is an active debate about whether support services for minorities are more effective if delivered within the mainstream, or whether bespoke approaches are better. A good example of the latter is the **Ethnic Coach for Ethnic Entrepreneurs** project operating in Denmark and part of the ENSPIRE EU project. Again, this approach builds upon the trusted coach/client relationship, both of whom are from the Muslim community in this case. The role of the coach is to occupy a pivotal role connecting to the wider range of support services, but starting from a shared knowledge and culture base with the ethnic minority entrepreneur.

Young, unemployed business people are the subject of the UK **Prince's Trust Enterprise Programme** (ENSPIRE EU), where this trusted relationship is also a key feature. The Trust supports young unemployed people aged 18-30, many of whom have had negative experiences in education and employment. The organisation looks to build confidence, nurture talent and to support these young people with their business ideas. The support on offer includes a range of training inputs (financial management, marketing, employment law etc.) as well as access to a coach and exposure to the ideas of a wide range of successful business people – many of whom are Trust alumni. The Prince's Trust also provides financial support – in the form of small grants and loans – to fledgling entrepreneurs.

The Prince's Trust model recognises the role of a wide variety of stakeholders in providing support to entrepreneurs – coaches, mentors, business people, peers, and so on. Their programme also acknowledges the importance of these diverse stakeholders coming together to collaborate and to feed off one another's ideas. A hidden objective is also to dismantle the psychological barriers that can exist between different stakeholder groups.

Social enterprises are also the targeted group in the **Mentors of Social Enterprises (ME)** project (MESSE). Depending on their stage of development (i.e. start-up or in early operation), social enterprises need support in various horizontal fields or relevant specific knowledge and expertise. Social enterprises are in need of business advice, for resolving an urgent problem, conducting certain activities, responding to new market trends or reporting on their results and Social Responsibility issues. In order to professionalise this service for social enterprises, a Professional Profile and a Code of Practice was developed. The aim was to achieve effective mentoring services by setting out the MEs' values, qualifications, competencies, experience, code of ethics and conduct.

Overall, consistent features of effective approaches include a 'trusted relationship' with another individual who might be a coach or mentor, combining a buddy role with a diagnostic service, which helps businesses identify their support needs from a comprehensive range of support options.

As we have seen, there is a wide variety of players who feature in this support landscape. However, it is important to stress the value of those people with first hand commercial experience. Credible, empathetic peers are probably the most valuable resource available to entrepreneurs – particularly if they stand outside the business and are willing to give honest, objective guidance.

The role of the public sector is perhaps worth mentioning here. It has a key role in providing finance, business intelligence, offering know-how about Quality Assurance (QA) and other services. However, as part of an integrated service model it is often well advised for it not to assume the lead role. Business focused organisations, such as the Chamber of Commerce and Business in Lyon, are often more credible and appropriate bodies to provide that public face.

A final remark is that mentoring is an effective, but cost intensive support tool, which is important when public funds are in play. There are examples that involve the private sector to make mentoring more affordable, see section (3.3.2). Because of the cost intensiveness of support tools such as mentoring, it is important to have incentives in place for entrepreneurs to achieve sustainable businesses independent from the "funding drip".

### 3.3. Thematic Analysis

This section presents an analysis of the lessons emerging from the INTERREG IVC entrepreneurship projects, and explores the implications for entrepreneurship policy in European regions. The analysis is structured around the core questions at the heart of the capitalisation exercise, which formed the terms of enquiry set by the INTERREG IVC Joint Technical Secretariat at the outset.

#### 3.3.1. Common challenges

The projects summarised in Section 3.1 and in the additional qualitative information attached to this report all aim to promote entrepreneurship within regional and local policies. They operate in different geographical and socio-economic contexts but share this common goal. Here, we explore some of the challenges the project partners face.

**Fragmentation** - within policies and programmes and organisations - is cited as a key barrier to progress. Service provision and infrastructure are often developed and delivered in an ad hoc and reactive way rather than being genuinely integrated within a strategic framework. Trust is needed for various stakeholders in the entrepreneurship support landscape to work effectively together, and building trust takes time<sup>25</sup>. Linked to this, there is a sense that political cycles contribute to **short-termism**, with politicians seeking to secure rapid results which are not always sustainable in the long term, or which do not deliver long-term impact. Entrepreneurship practitioners can find it difficult to develop consistency and continuity within this environment. A related issue is that compact, boxed-in support tools, such as competitions, are more easily transferred and implemented than more coherent, comprehensive ecosystems. When there are limited budgets and time spans for entrepreneurship support development, compact tools are more easily chosen, which contributes to the fragmentation of a region's entrepreneurship support as well. Sometimes support tools are even **selected in terms of their transferability** instead of their potential contribution to regional objectives.

**A lack of focus** is often experienced as a barrier to transfer and to implement a comprehensive support infrastructure. Regional players often do not have the necessary planning and sufficient resources to ensure the successful implementation of a transferred tool. They do not give priority to the learning and adoption process. Based on our experience, in some cases the projects result in an inspirational publication about support tools, but which does not necessarily cover all the actions necessary to achieve the result described. This is why unexpected obstacles of the transfer process are not identified beforehand.

In many cases, there is a **multitude of players** – and funding programmes – operating in the field of entrepreneurship. These are not always coordinated and sometimes even compete for beneficiaries. They do not always work together to avoid duplication of effort and ensure that entrepreneurs get the best possible service. Different levels of government are at play in every region that do not always have an aligned point of view – in one region various municipalities, provinces and the national government have a say. Similarly, the role of the public sector is sometimes confusing - as one project partner said "*Facilitate, don't regulate. If you can't help, don't disturb*".

The project representatives also spoke about the difficulties providing services to **different target groups**. Some practitioners had problems knowing how best to understand these different groups and develop a service which meets their needs. It is hard to include entrepreneurs from the region in the transfer process in order to adjust the transferred support tool to the barriers they experience and to their daily habits. Furthermore, it can be hard for policymakers to keep track of the latest developments that are relevant for entrepreneurs. Others found it difficult to engage people in greatest need of support and often reverted to supporting the 'usual suspects'. Policymakers are confronted with questions such as: Which group should be provided with what kind of support and what are realistic regional societal objectives? Should they provide customised support for migrants or women or young entrepreneurs for example? Should they develop a core service which is then tailored slightly to address the diverse needs of different groups? Where does **social entrepreneurship** fit (see text box)? In the climate of austerity, when authorities face a multitude of dilemmas in resource allocation, is money best spent supporting the start-up phase, facilitating access to finance or to helping with business sustainability?

---

<sup>25</sup> Marina, C. *Entrepreneurship*. Panel discussion Capitalisation event (22 May 2014)



## Social entrepreneurship challenges

Supporting social entrepreneurs is a relatively new field in Europe, which is why the European policy framework is not yet completely crystallized. This creates a number of barriers for regional policymakers.

First of all, there is not yet a **generally accepted definition**, which is a prerequisite for social entrepreneurship policy to be able to target regulations and policy at a well-defined target group and to gather statistical information for a better understanding, recognition and visibility of the sector<sup>26</sup>. Likewise, different countries in Europe attach a different meaning to the term Social Entrepreneurship, which makes dialogue about and transfer of policies for Social Entrepreneurship difficult<sup>27</sup>.

Second, policymakers tend to use the term social entrepreneurship for more than just the strict definition of entrepreneurship. This dilutes the impact that social entrepreneurship can have on a region. Only when the social entrepreneur works for **his own risk and account**, will the regional social sector benefit from the advantages that entrepreneurship has to offer (such as economic growth and job creation).

Third, policymakers find it hard to develop **long-term, reliable social entrepreneurship support strategies**, although the Social Business initiative, Social Policy brief and Social Europe Guide have proved to be valuable levers (see section 3.3.6).

Fourth, partly because of the relative novelty of social entrepreneurship support, another challenge is the need to gain insight into the target group. Policymakers still lack an understanding of the **barriers social entrepreneurs** experience in achieving the societal or environmental objectives that policymakers find important. This is necessary in order to offer the support that social entrepreneurs really need.

Finally, when it comes to public procurement as a policy tool for supporting social entrepreneurship, project representatives agreed that an ongoing **lack of awareness of, and use of, social clauses**, weighted criteria and reserved tender arrangements continued to be a barrier to progress.

Many of the projects reviewed are operating in **different contexts** - some are rural, others urban, some in between the two. Also, there are fundamental differences in culture between European countries. There is **no 'one size fits all' solution** for entrepreneurship policy. It is not possible to take an off-the-shelf solution from one region and directly transfer it to another. Successful transfer requires a learning and adaption process that requires a considerable commitment from the partners involved. There are many potential challenges when transferring a practice, including regulatory, legal, financial, institutional, cultural and political barriers. When transfer does not take place because of such challenges, the mutual learning potential between regions can still be very beneficial. However, regions have a hard time **anchoring lessons learned in the organisation** in order to use them for future support policy developments.

The difficulty of developing a shared understanding of **political, economic and social motivations** for entrepreneurship policy in any given region contributes to this challenge. Some regions are clear that entrepreneurship policy is vital for job generation and economic growth (improvement entrepreneurship). Others believe that, with unemployment at an all-time high, entrepreneurship is a better option for job-seekers (necessity entrepreneurship). Some pick winners - high growth gazelles; others believe that services should be equally accessible for all types of entrepreneurs. These conflicting interpretations can make it difficult to develop and deliver entrepreneurship policy and programmes effectively.

**Measuring the impact** and success of entrepreneurship policy is also a challenge faced by several of the projects reviewed. Quantitative indicators – for example, increases in start-up numbers, turnover or number of jobs - do not always tell the whole story in terms of social and economic impact, and yet, practitioners sometimes find it difficult to get politicians and funders to see beyond them. It is even more difficult to measure (and attribute) the impact of the public sector on entrepreneurship, especially in the case of long-term solutions, such as education and awareness raising. Measurements that give evidence of the results of support measures should play a decisive role in selecting and adjusting support policy, but it is difficult to prove the causality between a policy measure and a change in quantitative indicators. Furthermore, in the new Cohesion policy period 2014-2020, countries and regions will have to state upfront what objectives they intend to achieve with the available resources and identify precisely how they will measure progress

<sup>26</sup> EC, *Strasbourg Declaration: Empowering social entrepreneurs for innovation, inclusive growth and jobs* (January 2014)

<sup>27</sup> O'Brien, T. *Entrepreneurship*. Panel discussion INTERREG IVC Capitalisation event (22 May 2014)

towards those goals. Insight into measuring the impact of entrepreneurship support tools and the results of cooperation on this topic will be of increasing importance in future EU funding programmes.

A related issue is **measuring the success of social entrepreneurship support** tools, which often have objectives in relation to the inclusion of social groups instead of usual measurements such as “the number of businesses” or “the amount of jobs generated”. There are no widely accepted definitions and methods to determine the Social Return on Investment.

In light of the regulatory framework for entrepreneurs, regional policymakers do not always have the **freedom to operate** to reduce the regulatory burden that entrepreneurs experience.

Clearly, **access to finance** is a constant challenge for all entrepreneurs across European regions, although most projects seem to think that this was not insurmountable where there were good business ideas.

Mentoring/coaching for entrepreneurs proves to be an effective support measure in many INTERREG projects, often when offered simultaneously with other support measures such as access to finance, but have the disadvantage of being **relatively expensive** when offered over a long period of time.

More challenging seemed to be the **lack of an entrepreneurial culture** and, linked to this, in some regions the lack of awareness of the importance of entrepreneurial education. Even in regions where there was agreement on the importance of **entrepreneurial education**, there was sometimes disagreement on whether it should be delivered within the curriculum or as a separate module, or whether it should start at an early age or at secondary or even post 16 level.

In any case, projects concurred that across Europe **attitudes to risk** and the **negative perceptions of business failure** were barriers to entrepreneurship. This fear of failure was identified as a major challenge, particularly when ‘second chance’ support (support given to entrepreneurs who have already failed once) can often generate successes.

Many of the projects have concentrated their efforts within the framework of the INTERREG IVC Programme, on addressing some of these challenges. The good practices identified and shared solutions which have been tested are explored in the previous section (3.2) of this report.

### 3.3.2. Common good practices

Several common good practices were found across the participating regions. With some adaptation they could easily be transferred to other regions and information about these practices should be disseminated further.

An example is the concept of an **integrated, multi-agency ecosystem** that promotes entrepreneurship, attracts potential entrepreneurs and guides them through the various stages of starting and growing a business. These ecosystems exist in many regions, and are exemplified in different models in Lyon and Gothenburg (IMAGEEN), Frankfurt, (Kompass Model - ENTREDI), North West England (Cluster Support Environment - MINI EUROPE), and in the Murcia Entrepreneurship Plan (YES).

**Diagnostic tools** to help entrepreneurs to assess the potential of their ideas, their skills and support needs are a fundamental part of most ecosystems and a practice in many regions. Good practices are well developed in Lyon (IMAGEEN) & Frankfurt (ENTREDI). In Grenada, a web portal has been developed to meet a similar need and to signpost (would-be) entrepreneurs to support services (IMAGEEN).

Many good practices in **entrepreneurship education** were explored - particularly in YES and ENSPIRE EU. The Speed Networking practice in Finland (YES), the Summer Entrepreneur programme in Mid-Sweden (MINI EUROPE) and the InnoCamp (ENSPIRE EU), in Denmark (see above) are both initiatives that showed great promise for transfer to other regions.

Many partners showcased **entrepreneurship competitions** to raise profile and show how business ideas can be generated. Some were short – just 24 hours as in the case of the competition held by the Paris Chamber of Commerce (ENSPIRE EU) and the Sweden Environmental Rally (YES). Others are more focussed on business plan competitions like the one in Munich (IMAGEEN). These could be quickly transferred to regions as one-off or regular events.



The initiatives in PASE to **professionalise the social enterprise** sector varied in scope and ethos and had features in common. The successful example in Andalucía was adapted in other regions with a focus on hard business skills, and in other regions with an emphasis on soft skills / competences / mind-sets. The Italian and Spanish practices have elements that other regions may well find useful.

In terms of **physical infrastructure for entrepreneurship support** some regions set up a 'One stop shop' location (e.g. in Gothenburg, Lyon, Munich in IMAGEEN) and created a set-up in which physical space and access to equipment were combined, whereas others, often for reasons of geography or resources, created a network of nodal points as in CleanTech (Flanders) (PROSPECTS) or an online portal in Granada (IMAGEEN). All of these models offer possibilities for transfer.

All of the abovementioned solutions strengthen the competitive advantage of their region by creating an overall beneficial environment for both start-ups and existing businesses. Entrepreneurs are given the opportunity to exploit the valuable attributes that are present in the region, thereby contributing to the region's competitive strength. This has a positive overall effect on both economic and social conditions of a region, such as the attractiveness of a region for economic activity, the employment rate and the inclusion of certain social groups. As explained before, it is notoriously difficult to measure the effect of entrepreneurship support tools, but there are examples of regional success that have been measured, such as the ecosystem in Lyon (IMAGEEN) where the business start-up rate exceeds the national average by 18.2%.

### 3.3.3. Different solutions to the same issue

Rather than finding very different solutions to the same issues, many of the partner regions have created variations of similar solutions and practices to support entrepreneurship.

With entrepreneurship education, there is a divergence of ideas about the best approach, which seem to reflect a North/South divide. Some regions think supporting teachers is important, and others believe that is not the best use of resources or even appropriate. For some, entrepreneurship education is an extra-curricular activity, for others it is, or should be, running through all school subjects at all levels. Some partners questioned if business should be in schools at all, and some professionals in education are uncomfortable with that concept.

Although the Basingstoke Venture Capital initiative (ENTREDI) was considered a strong model, it would not work elsewhere because of different legal structures, and other partners had developed alternative models of finance. Similarly, the Kompass profiling tool and '4+1' Framework (ENTREDI) was not successfully transferred to Basingstoke as it was considered too resource intensive at a time when public sector budgets were under considerable strain.

The business diagnosis tool used in Lyon (IMAGEEN) was considered too lengthy for Munich and the partners will strip it down for use there. Some regions included more personal and lifestyle questions in such diagnosis tools. Others felt this was too intrusive and not appropriate in a business environment.

The Italian cooperative system is well established and highly developed. Since not every authority has the ability to introduce such considerable changes in policy, different approaches to the topic of co-operatives are identified in INTERREG IVC, such as offering legal advice to entrepreneurs. However, learning about the legal structures of cooperatives in Italy, led the French partner in PASE to work with the Association of Co-operatives on getting more start-ups to develop as co-operatives from the beginning.

In conclusion, partner regions only occasionally developed different solutions to the same challenge. The question is why they chose a different path and what this means for the appropriateness of up-scaling these solutions for European regions. In general, it is mainly cultural differences (especially between the North and South of Europe) that seem to have an effect on the choice of solutions. This is reflected in different views about education. However, in most cases the tools developed are similar and only the content (i.e. kinds of questions in diagnosis tools) shows some differences. Other points of differences are the local regulatory environments and the budget that is available for the solution. The tools developed still have validity for other European regions, but attention needs to be given to cultural specific content when transferring such a solution.

### 3.3.4. Interesting or innovative practices or policies and their transferability

This section explores the practices that have stood out in the capitalisation exercise as especially successful or innovative and that could be usefully showcased for other regions. These measures are judged to be worthy of up-scaling because it is estimated that their benefits for a region (both in economic and social terms) are likely to be considerable and thereby far exceed the costs of implementation. In order to prevent unnecessary risks for policymakers who are looking for entrepreneurship support tools that really work, only the robust, tried and tested solutions are mentioned.

- **Andalucía: The Infrastructure for social enterprise, including FIDES training, a network of social entrepreneurs and investment tools (PASE)**

The Andalusian social enterprise infrastructure is remarkable in the way it incorporates many diverse elements, and is a mature system. The regional policy tool involves complex collaboration between local agencies, delivering assistance with practical matters, training, guidance and access to capital. It particularly targets young people and women. It links to the nationally recognised social business training programme and offers financial support to start-ups.

- **Frankfurt: The Kompass system, bringing together a suite of support services and sophisticated diagnostic tools (ENTREDI)**

Kompass provides two related practices with high transfer potential. Both are tried and tested approaches, which are particularly relevant for public sector agencies seeking to support entrepreneurs with fewer resources. The first, the '4+1' model, provides a structured support package for businesses relating to their stage of development. This particularly addresses the issue of new business sustainability. The second product, the Profiling Tool, is a diagnostic mechanism to assess the readiness of entrepreneurs to start in business. Partners have been attracted to this as a way to ensure that public support is effectively targeted. Especially the combination of the two tools is of added value; the results of the diagnostic tool provide input for what support entrepreneurs need from the 4+1 model.

- **The I-Planner in Tartu (ENTREDI) provides a web-based business planning tool which is not only attractive to new businesses but also to public funders as it provides a quality assurance check which reduces risk for investors**

The I-Planner is an online business plan tool. It supports users by calculating key metrics – such as cash-flow and break-even points – from data input in numeric and text formats. It has proven to be a reliable indicator of business performance, and in Estonia its use is increasingly a condition of public and private sector financial support.

- **The Munich Business Plan Competition which has generated huge value both in terms of investments made and jobs created and in business capital for the city as a whole (IMAGEEN)**

The innovation here is the use of the 'competition' element or label as a lever to attract would-be entrepreneurs into the support system available to them. In reality, the 'competition' is much more about provision of a wide range of structured business support and access to finance opportunities. The competition 'prizes' do include cash, but the bigger and more sustainable prize is having a robust business plan, validated by experts and in some cases supported by investors.

- **Lyon: The well-developed, fine-tuned Entrepreneurship Ecosystem, led by the Chamber of Commerce that has remarkable, statistically proven success rates (IMAGEEN)**

Many regions claim to have a comprehensive entrepreneurship ecosystem. What Lyon has achieved stands out because they can quantify the added value of developing such a system in terms of the number of business start-ups at regional level compared to other regions in France. Every entrepreneur in the region is no more than 15 minutes away from a business support service. Different stakeholders come together under one banner, using one slogan and one logo. The common goal is more important than individual organisational priorities.

- **Gothenburg's Expedition Forward programme which demonstrates the importance of long-term systematised and structured support (IMAGEEN)**

The long-term and structured yet flexible nature of this support is what sets it apart from other similar initiatives. The focus is on structuring a personalised 'expedition' which includes various customised elements and emphasises the concept of a journey which takes entrepreneurs out of their comfort zone and challenges them to be daring and take risks along the way with support from their personal account manager.

- **Murcia's approach to planning for entrepreneurship – focusing on schools through 3 priorities: promoting the entrepreneurial spirit; supporting the creation and consolidation of companies and establishing a coordinated regional support platform for entrepreneurs (YES)**

Murcia already had an ambitious regional entrepreneurship support tool in place prior to participating in the YES project. However, their involvement has led to a significant restructuring of the approach – with greater emphasis on the need to encourage entrepreneurial attitudes, and a focus on committed teachers as catalysts for the change process. The Murcia region previously suffered from overlapping and duplicity because similar initiatives were promoted by different institutions. The new approach is innovative in the sense that a new, strategic action plan is taken into effect, in which all regional institutions participate<sup>28</sup>.

- **The CIME creativity and innovation tool used in SMEs in the South East Region, Ireland was considered to be of high present-day relevance (Young SMEs)**

In CIME, the emphasis in the mentoring relationships is on stretching new business owners by building on their creative thinking. The project is thus encouraging attitudinal change through a trusted support relationship whilst at the same time providing more traditional business support. The project is considered innovative because it was well-adapted to current trends and developments. The project was aimed at the relatively new 'micro-enterprises' (having five or fewer employees), helping them to battle the current crisis with effective management and approaches to be able to quickly respond to new trends and technologies.

- **The Cluster Support Environment approach (MINI EUROPE) from North West England was unique in the sense that it provided both physical space and support, as well as access to specialised equipment for innovative product development to high tech companies in specific clusters**

This combination enhances opportunities for those new entrepreneurs who reside in the incubator. Moreover, according to the region, it fosters co-operation between different entrepreneurs within the incubator, as well as with nearby SMEs. The approach also included expansion possibilities with business accommodation. In this way, successful start-ups are more likely to stay in the region in which they were established.

### **Transferability & up-scaling**

The abovementioned measures have successfully been delivered in more than one region and can therefore be seen as good candidates for up-scaling and transfer to other regions. In general, more specific tools, such as competitions and diagnostic tools are likely to be more easily transferred than comprehensive ecosystems, although they do not have a comparable impact. In order to successfully implement them in other regions, they should suit a region's entrepreneurship related objectives and local circumstances. Furthermore, cultural, regulatory and economic adaptation requirements should be examined. Further insights on how to enhance the transferability of good practices can be found in the Europe INNOVA initiative, see the section Synergies (3.4.3).

The term up-scaling is interpreted as making solutions suitable for a larger number of regions. The Support-Development Matrix in chapter 5 will contain a reference guide for policymakers looking for a solution, thereby contributing to the up-scaling of the good practices. However, it is still recommended to transfer solutions from experienced project participants to new regions on a one-to-one basis. A recent study of interregional exchange of experience in INTERREG IVC has shown that this way of transferring knowledge is a powerful concept through which substantial effects in terms of policy change can be produced. The transfer process will benefit from a pre-determined methodology (see section 4.6.4).

---

<sup>28</sup> YES! *Regional Action Plans* (2013)

### 3.3.5. Results of interest to other regions

This section explores the good practices transferred which have had particularly interesting results and which will therefore be of interest to other projects or authorities. They have proved to have the capacity to have a lasting effect on regional entrepreneurship policy. Regions that are looking for systemic ways to support entrepreneurship can usefully refer to the good practices described below. Because of their considerable impact, these projects are considered to have validity beyond the INTERREG IVC Programme. The entrepreneurship support tools listed below may also be of interest to future INTERREG participants, parties involved in future Structural Funds Programmes or other local and regional authorities all around Europe.

- The Frankfurt Kompass tool (ENTREDI) was the most widely transferred. Lyon and Gothenburg (IMAGEEN) developed and shared similar approaches that show the optimal functioning of this integrated **entrepreneurship ecosystem** including a comprehensive structured support system. All of these examples could help to inspire other regions to see how to reach this level of success.

All of these practices are robust, tried and tested models that have been proven in their own regions. Of particular interest here are the long-term, structured and strategic approaches combined with a shared understanding amongst entrepreneurship stakeholders that achieving measurable impact takes time but is worth the wait. Working together achieves more than working apart: economies of scale are significant and the business support offer is more comprehensive, more effective and easier for entrepreneurs to understand.

- Ethnic Coaches for ethnic entrepreneurs (Denmark - ENSPIRE EU) demonstrated the importance of offering tailored, **culturally sensitive solutions** to entrepreneurship support, which is of increasing importance to other EU regions, particularly as in many cases people entering the EU from outside bring new entrepreneurial ideas and potential with them.

Entrepreneurs come in all shapes and sizes and the notion of the 'traditional' entrepreneur is constantly evolving. It is therefore important that regions recognise that support packages also need to be flexible and adapted to the different needs of different target groups. The Ethnic Coaches project showed that offering peer-to-peer support works well with ethnic minorities. It is clear that this approach is also transferable not just to other regions but to other potentially vulnerable (would-be) entrepreneur communities.

- A profound and rapid impact was achieved by the transfer from the Andalusian social enterprise training modules and the French **Social Enterprise support structure** into the Malopolska Region in PASE. As a result, three Polish universities have now adapted their curriculum for social enterprise (and with national mainstreaming underway), and the whole region now has a support structure that makes use of ESF funds for social enterprise start-ups.

In PASE, there was an interesting juxtaposition of regions with very little knowledge or experience of social enterprise with regions in Italy, Spain and France, which have developed advanced systems and practice for social enterprise support. Partners in the regions new to social enterprise expressed how remarkable it was to see such mature well-functioning policies in practice. The exchange process enabled them to understand how these good practices work, analyse feasibility for their own regions and adapt ideas into local policies.

- Almost all of the analysed projects have gained valuable experience regarding **financial instruments for SMEs**. In PASE, solutions were explored for making finance accessible for social enterprises. In MINI EUROPE, a mix of financial engineering tools was developed, focused on research and innovation, consisting of, among other things, a system of guarantees for innovative investments.

Since public budgets are increasingly put under pressure, both SMEs and governments are looking for alternative ways to make access to finance feasible for both (start-up) entrepreneurs and other SMEs looking for ways to fund their innovations. Since the new Cohesion Policy 2014-2020 comprises extra attention to financial instruments, this experience might be considered for further uptake in future Structural Funds programmes and projects.

### 3.3.6. Pre-requisites for entrepreneurship policy

A detailed set of prerequisite conditions for successful implementation of entrepreneurship policy is listed in the policy messages section (Section 4).

Most important of all are high level, consistent and long-term political support and clear stakeholder roles and responsibilities. This needs to be coupled with an acceptance that measurable impact takes time as well as the development of a common understanding of *why* entrepreneurship is important to the region and *what* can realistically be achieved through the promotion of entrepreneurship.

All of this needs to be clearly set out in a defined regional level strategy, complementing work at national and EU levels. The Europe 2020 strategy provides a useful long-term framework for planning, and the EU initiatives listed in Section 2 show the direction of travel for entrepreneurship policy in the next decade. A good example of effective planning in INTERREG IVC is the Murcia Regional Entrepreneurship Plan (YES) which provides a strategic support framework. The themes tackled in this report - Education and Culture; Finance; Regulatory environment and procurement; Infrastructure and Advisory support services - combined with the good practice included - could provide a useful starting point for the development of such a strategy.

Perhaps equally important is the development of an effective entrepreneurship ecosystem incorporating multiple stakeholders who come together to deliver a comprehensive support package for entrepreneurs. Individual allegiances are set aside for the benefit of a predefined common goal. Lyon (IMAGEEN) has demonstrated the difference such an approach can make at regional level in the long term. On the other hand, small and simple support activities, such as Summer Entrepreneur (MINI EUROPE), are more easily communicated and can therefore be used by politicians to act as ambassadors in order to find financial resources and to ensure the commitment of all necessary stakeholders<sup>29</sup>.

#### Prerequisites for social entrepreneurship policy

As indicated in the section Challenges (3.3.1), a European-wide **definition of Social entrepreneurship** is a prerequisite for long-term, evidence-based policy, tailored for the benefit of social enterprises, to be developed. There are two main sources for a definition that show similarities.

- The EC gives the following definition (also used in Social Europe Guide and Strasburg Declaration): “An operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners and shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities”<sup>4</sup>.
- The OECD defines social enterprises as follows: “Any private activity conducted in the public interest, organised with an entrepreneurial strategy, but whose main purpose is not the maximisation of profit but the attainment of certain economic and social goals, and which has the capacity to bring innovative solutions to the problems of social exclusion and unemployment”. The OECD’s Social Entrepreneurship Policy Brief states that a social enterprise is distinct from a voluntary organisation when at least 50% of its turnover is earned income, often through trading, which will be reinvested in the organisation to support its societal mission.
- The following criteria from EMES (European Research Network) determine whether a business or organisation is a social enterprise: a continuous activity producing goods and/or selling services; a high degree of autonomy; a significant level of economic risk; a minimum amount of paid work; an initiative launched by a group of stakeholders; a decision making process not based on capital ownership; a participatory nature, which involves the persons affected by the activity; limited profit distribution; and, an explicit aim to benefit the community.

Another prerequisite for social entrepreneurship policy is a **legal entity** that allows social enterprises to both be organised in a shared, participatory fashion and be allowed to sell goods and services. By defining a separate legal entity, policymakers can also develop policy directly for the benefit of that specific entity. In recent years various European countries have developed their own legal entities to enable social entrepreneurship: Italy, Spain, France, Portugal, Poland, Hungary and Greece. In general they can be grouped into cooperatives, Mutual companies and associations, foundations and other similar accepted forms. The EC’s Social Europe Guide provides valuable insights into the legal forms of social

<sup>29</sup> Pels, B. *Entrepreneurship*. Panel discussion INTERREG IVC Capitalisation event (22 May 2014)



entrepreneurship throughout Europe: “The attention paid by European governments to social enterprise resulted in new laws regulating their legal form and activity. In some cases it also resulted in favourable tax treatments and direct support to their activities”.

Finally, social entrepreneurship policy can be a powerful tool in the hands of regional policymakers to make a significant contribution to the Europe 2020 Strategy’s objectives for Inclusive Growth. In order to do so, policymakers need to set out specific, realistic objectives for the support of social entrepreneurship. It is necessary to **gain a clear insight into what specific groups in the region need** to be able to use entrepreneurship to fight exclusion (e.g. women, unemployed, minorities, disabled/disadvantaged, etc.). Social entrepreneurs generally have the same needs as “traditional” entrepreneurs, but every type of social entrepreneur has added needs, which should be carefully examined and be met by specially designed (or transferred) support tools for each separate group. A valuable resource on this topic is the OECD’s Policy Brief on Social Entrepreneurship, see section 3.4.5. It denotes that barriers for social entrepreneurs are generally: a lack of necessary skills, legal and regulatory frameworks (enabling environment), financial resources (due to limited understanding of social enterprise), access to markets, business support and development services, training and research.

### **Pre-requisites for the support of knowledge intensive start-ups in context of Smart Specialisation Strategies**

Reserving resources to support knowledge intensive start-ups is a way for regional managing authorities to accomplish their Smart Specialisation Strategies. However, it is important to prevent a scattered support landscape for different kinds of entrepreneurs. It is recommended to align different support policies for different target groups by incorporating them into a single integrated regional strategy in which Smart Specialisation and other kinds of regional objectives and strategies are tackled simultaneously. This results in an alignment of resources towards a comprehensive infrastructure that is clear and unambiguous for entrepreneurs who are looking for support.

In order for a regional Smart Specialisation Strategy to make a significant contribution to a region’s competitiveness, the endogenous strengths of a region need to be identified. An example is the earlier mentioned Cluster Support Environment model (MINI EUROPE), where SMEs are offered access to specific technical equipment in order to strengthen the region’s biomedical specialisation. Identifying a region’s endogenous strengths can however be a challenge and strengths that have value beyond the latest ‘hot topics’ in the research arena should be identified.

### **3.4. Entrepreneurship in other INTERREG IVC themes, EU programmes, networks and organisations**

In order to strengthen and enrich the findings of this capitalisation study, similarities have been sought with practices tools, methodologies and policies from other INTERREG IVC topics, ETC programmes and beyond. This way a mutually beneficial exchange of information between the entrepreneurship topic and other topics is enabled and doors are opened for mutual learning. Two themes are explored:

**a. Policy development:** state of the art approaches (good practices) on the topic of policy development that strengthen and enrich the results of INTERREG IVC entrepreneurship.

**b. Transfer:** synergies and additional lessons about the transfer and learning process.

#### **3.4.1 Entrepreneurship in other INTERREG IVC capitalisation initiatives**

Several of the 12 thematic areas covered by the INTERREG IVC Capitalisation exercise can enhance the conclusions in this report in two main areas:

- The reports on Innovation systems, Innovation capacity of SMEs, Eco-innovation and Creative Industries each offer useful insights into developing effective SME policies and support tools.
- The reports on Eco-innovation, Climate change, Renewable energy, Sustainable transport, Rural development and Demographic change all contain relevant analysis demonstrating the wide spectrum of policy areas where entrepreneurship is a valuable development lever.

The first year reports of the other thematic areas<sup>30</sup> were studied in order to benchmark and supplement the findings of this entrepreneurship capitalisation study for the topics of (a) policy development and (b) transfer process.

---

<sup>30</sup> INTERREG IVC “Capitalisation reports” [interreg4c.eu](http://interreg4c.eu)

## a) Policy development

Within INTERREG IVC, a shared assumption is that a support system's performance can be optimised by aligning regional resources to contribute to **the same strategy and objectives**. Since Smart Specialisation Strategies can be seen as a focal point for regional policy making in Europe, it contributes to the effectiveness of measures when **Smart Specialisation** is used as a starting point for all regional objectives, albeit in light of smart, sustainable or inclusive growth. **Entrepreneurship support is one of the weapons** in a policymakers' arsenal to achieve these objectives. Additional support tools are presented, such as support for internationalisation and for the enhancement of SMEs research capacity. Support measures to stimulate **network creation** are considered a powerful way to support start-ups<sup>31</sup>. An integrated approach also comprises the **involvement of stakeholders**: not only regional and local authorities, but also businesses and industries, research organisations, cluster organisations, universities, NGOs, citizens, Living Labs, user groups, and regional or local innovation or development agencies. **The credibility of the support offering organisation** is also considered as a prerequisite for successful support<sup>32</sup>. To assure that taken measures make a significant contribution to the objectives, policymakers can **monitor the Return on Investment** of their policy by means of well-defined and measurable set of indicators.

## b) Transfer

It is generally agreed that the transfer process is **not a copy-paste process**. Adaptations need to be made to make the adopted tool fit the region's objectives, regional context (political, social, economic etc.), target group (habits and routines, barriers) and recent trends and developments (the rise of micro-enterprises, open innovation, collaboration in the value chain etc.). In order for a successful adoption of a good practice, certain conditions need to be in place regarding **organisational learning**. The involvement of all relevant levels of government is necessary. Success further depends on local ownership of the new solution. Creating win-win situations for collaborating regions stimulates mutual learning. Learning does not always comprise **a literal transfer of well-defined tools**. In some cases it can be preferred to improve existing policy based on the experiences of other regions, rather than transferring new support tools.

### 3.4.2. Entrepreneurship in other ETC programmes

The ETC Interregional co-operation programme includes (next to INTERREG IVC) three networking programmes that offer enrichment and strengthening with entrepreneurship policy development in the following ways:

- ESPON provides regional policymakers with a wide range of useful economic development data and analytics. In that capacity, it enables regional policymakers to make evidence-based decisions and to develop support tools on the basis of real evidence. ESPON offers several economic indicators that might benefit regional policymakers in the area of entrepreneurship support.
- URBACT promotes sustainable urban development, in which entrepreneurship support can play its part.
- INTERACT Knowledge Management and Capitalisation has worked with ETC programmes and projects to capture their knowledge and expertise, including Cross-border and Transnational Cooperation and even ENPI and IPA cross-border and macro-regional strategies. The entrepreneurship related projects in the whole of ETC are captured by INTERACT<sup>33</sup>.
- As a part of the programmes mentioned above, Fast track of Regions for Economic Change (RfEC) focuses on the transfer of good practices into the main body of EU Structural Funds. The entrepreneurship related fast track projects are discussed in more detail below.

Information was gathered from capitalisation officials from these programmes and capitalisation results were studied to identify what they can offer for the topics of (a) policy development (b) transfer process.

## a) Policy development

Not only several INTERREG IVC initiatives provide for evidence that an **integrated approach** helps policymakers to identify and prioritise the policy levers where they have the greatest chances of achieving long-term results. Additionally, the URBACT work on capitalisation provides evidence of the effectiveness of an integrated approach as well. Several regions in URBACT successfully tackle environmental, social and economic challenges by following a single strategy. By means of "sustainable development strategies", they take an integral approach to the economic, social and environmental pillars of the EU 2020 Strategy.

<sup>31</sup> Eco Innovation, *Presentation INTERREG Capitalisation event* (22 May 2014)

<sup>32</sup> Innovation Systems, *Presentation INTERREG Capitalisation event* (22 May 2014)

<sup>33</sup> INTERACT II "Knowledge management and capitalisation" *interact-eu.net*

Various ETC projects offer evidence of the significant **contribution of entrepreneurship support to regional objectives**. Research carried out by ESPON has found entrepreneurship support contributes to **regional economic performance**<sup>34</sup>. It has also identified what factors can help Convergence Regions (regions who need to accelerate their regional performance to catch up with EU's mean welfare and growth rates) as input for the development of successful entrepreneurial initiatives<sup>35</sup>.

#### Contribution of entrepreneurship support to a region's Inclusive Growth objectives

Similarly, various ETC projects show how social entrepreneurship support can contribute significantly to inclusive growth related objectives, such as the **social inclusion of various groups**. For instance, URBACT found that municipalities can increase **women's involvement** in entrepreneurship by working with boys and girls in school to change their attitudes towards the roles of men and women; making micro-finance more accessible for women and developing more integrated and innovative support for new businesses and business growth<sup>36</sup>. The Fast-track project InteGROW<sup>37</sup> validates the finding that entrepreneurial opportunities contribute to the **inclusion of young people from the labour market**.

Furthermore, from the ETC programmes the conclusion emerges that investing in entrepreneurship is a way for regional managing authorities to **invest in people**. URBACT shows how entrepreneurship is a lever for exploiting the potential of human capital. This means being able to retain, attract and mobilise the talents of young people in cities. URBACT also highlights the importance of entrepreneurship and entrepreneurship education for the generation of new jobs in the recovery<sup>38</sup>.

Additionally, ESPON shows the significance of measuring the impact of policy, which is necessary in order to make well-considered policy decisions and to increase the effectiveness of policy tools<sup>39</sup>. ESPON statistics provide valuable input for **evidence-based policymaking** on the topic of entrepreneurship. ESPON SCALES shows how policymakers can use ESPON data in the area of Economy, Innovation and Accessibility on their own regional level<sup>40</sup>.

Finally, the Fast track project RAPIDE<sup>41</sup> would like to see the EU innovation programme landscape move **from an audit culture** (ex-post financial checks) **towards an evaluation** (impacts) and monitoring **culture**. In addition, reducing the administrative burden can be achieved through a more integrated approach to funding programmes and a better utilisation of modern communication tools.

#### b) Transfer

URBACT recognises the issue of participating authorities having to re-invent the wheel of **the policy exchange process**. They have established the URBACT method, which relies on mutual assistance between participants (transnational exchange), action-orientation (Local Action Plans), a participative approach (bringing together all concerned stakeholders), and a strong methodological support (guidance from URBACT).

The other programmes exploit **the opportunities that e-platforms offer for sharing results**. ESPON for instance offers all the territorial indicators and statistics on one e-platform, combined with e-learning, training materials and workshops, making them easily accessible for policymakers throughout Europe regarding their own region. One of main achievements of INTERACT II is the online database KEEP<sup>42</sup>, in which ETC Programmes, projects and partners can be found using certain keywords, such as entrepreneurship. KEEP is a comprehensive database for policymakers looking for examples of entrepreneurship policy support, but does not offer analysis on what projects are good practices.

<sup>34</sup> ESPON *ESPON ECPs Transnational Networking Activities: MONTESPON International Seminar on Mountainous Areas in Europe - synthesis Report 2006* (2006)

<sup>35</sup> ESPON *SEARCH; Structured empirical analysis for convergence regions: identifying success factors for consolidated growth* (December 2010)

<sup>36</sup> URBACT "Weed Results" [urbact.eu](http://urbact.eu)

<sup>37</sup> inteGROW, "InteGROW; Social inclusion of young people at risk of exclusion; Our Project" [urbact.eu](http://urbact.eu)

<sup>38</sup> URBACT "ESIMeC Results" [urbact.eu](http://urbact.eu)

<sup>39</sup> ESPON "TranSMEC Transnational support Method for European Cooperation" [espon.eu](http://espon.eu)

<sup>40</sup> ESPON, *SCALES; Breakdown and capitalisation of EPSON results on different scales* (2013)

<sup>41</sup> INTERREG IVC, "RAPIDE – Regional Action Plans for Innovation Development and Enterprise" [epractice.eu](http://epractice.eu).

<sup>42</sup> Territorial Cooperation, "KEEP" [territorialcooperation.eu](http://territorialcooperation.eu)

Finally, INTERACT emphasises the importance of the absorption capacity of organisations necessary for policy improvement<sup>43</sup>. In order for ETC programmes to lead to policy improvements, **capacities on different authority levels** need to be in place. Capacity is understood as a set of knowledge, skills and attitudes enabling performance on the individual level, and as a set of criteria and performance indicators on organisational, regional, national, Programme and EU levels. INTERACT thereby addresses the issue highlighted by URBACT, that local policymakers do not have access to all the relevant policy levers that could potentially make a difference, as many key policy decisions are taken at the national and international levels. The same was concluded in our report on the topic of entrepreneurship support on a regional level.

### 3.4.3. Entrepreneurship in other European Funds and Programmes

In this section state of the art approaches from other EU Funds and Programmes are explored in order to confirm and augment the findings of the INTERREG IVC projects on entrepreneurship. Next to the European Regional Development Fund (ERDF), which mainly funds the ETC Programme, achievements of other Funds and Programmes supplement the body of work on entrepreneurship support policy in INTERREG IVC:

- The European Social Fund (ESF) directly addresses the topic of entrepreneurship in light of the fund's objective to support job creation and improvement.
- Various Programmes of the Directorate-General Employment, Social affairs and Inclusion fund projects in the area of entrepreneurship, such as the European Community Programme for Employment and Social Solidarity PROGRESS<sup>44</sup>.
- The Directorate-General DG Enterprise and Industry offers not only financial support, but also other kinds of support services to enterprises. Europe INNOVA<sup>45</sup> has been the laboratory for development, testing and promotion of new innovation tools and instruments and offers interesting insights in support tools.

Various sources were studied to identify the contribution they can make to the topic of (a) policy development and (b) transfer.

#### a) Policy development

Under the umbrella of the ESF activity “strengthening employment and mobility” – Boosting business<sup>46</sup>, projects support **entrepreneurs to tackle the barriers they face**. The projects confirm many of the barriers that were identified in this report including entrepreneurship awareness in education, training in practical business skills, business mentors to help entrepreneurs through the critical first years, networks of entrepreneurs and access to finance. Boosting entrepreneurship in education is a recurring theme, for instance the ‘Steady Path of Entrepreneurial Education’ programme in Finland where the aim is to ‘mainstream’ elements of entrepreneurship in school education across the curriculum.

An aspect of knowledge intensive entrepreneurship support that has been slightly underrepresented in the studied INTERREG IVC projects, is **training researchers in the area of business**, which promotes the commercial exploitation of research. For the thematic priority ‘Nanoscience, Nanotechnologies, Materials and new Production Technologies (NMP)’ of the 7<sup>th</sup> Framework Programme for Research (FP7), an Exploitation Strategy Seminar (ESS)<sup>47</sup> was offered to the research consortia. The ESS has been a very powerful instrument to support partners in an NMP research project to give sharper consideration to the potential of project results and their exploitation routes. The research consortia are supported in delivering more concrete and exploitable results. This could be a useful tool in order for achieving regional objectives in context of Smart Specialisation Strategies.

---

<sup>43</sup> INTERACT, *Indicators: Telling the Story of the European Territorial Cooperation Discussion Paper for the Workshop on 7 may 2013 in Brussels* (May 2013)

<sup>44</sup> EC, “PROGRESS programme (2007-2013) [ec.europa.eu](http://ec.europa.eu)

<sup>45</sup> EC, “Europe INNOVA” [ec.europa.eu](http://ec.europa.eu)

<sup>46</sup> EC, “Strengthening Employment and Mobility - Boosting Business” [ec.europa.eu](http://ec.europa.eu)

<sup>47</sup> EC, “Research and Innovation - Exploitation Strategy Seminars” [ec.europa.eu](http://ec.europa.eu)



### Lessons from European Programmes on social entrepreneurship

Another entrepreneurship related ESF activity is “giving chance to all” – Promoting social enterprise<sup>48</sup>. The ESF is actively supporting the establishment of social enterprises as a source of jobs, in particular for groups of people who find it difficult to get work for a variety of reasons. These include young long-term unemployed, disabled people and people in rural communities. An interesting additional lesson from this activity stems from the project ‘Empowering excluded groups through local action’ in Germany, which **involves local stakeholders**, such as parents of young people, to achieve progress in the local entrepreneurial culture and manifestation of entrepreneurial initiatives.

The European Community Programme for Employment and Social Solidarity PROGRESS provides useful insights into social entrepreneurship policy. WISEs<sup>49</sup> (**Work Integration Social Enterprises** as a tool for promoting inclusion) have job creation for disadvantaged persons as a purpose. A recent two-year study shows that they play an important role in promoting social inclusion and employment all over Europe.

#### b) Transfer

In order for **newly developed tools and instruments to be transferable**, they have to possess certain characteristics. In the Europe INNOVA project Take It Up<sup>50</sup>, the following six principles are identified. They are used to assess the developed tools and instruments in order to improve their transferability, and can also be used in relation to the transferability of entrepreneurship support tools:

- 1) Subsidiarity – addressing challenges that are common to a number of Member States and important enough to be tackled jointly;
- 2) Novelty – developing new approaches that have not previously been tested;
- 3) Usability – ensuring that the tools address real problems and can be operationalised;
- 4) Scalability – moving from a pilot phase to full-scale implementation;
- 5) Replicability – enabling other stakeholders to take similar action;
- 6) Adaptability – providing flexible tools that can be adapted to different environments.

These tried and tested principles can benefit the INTERREG IVC capitalisation exercise and might be used to benchmark, adapt and improve the good practices with a view to their transferability and uptake by other regions or projects.

#### 3.4.4. Entrepreneurship knowledge offered by European networks and organisations

In this final section some valuable resources are provided from various European networks and organisations for policymakers who are looking for current insights into entrepreneurship policy development. Inspiring work on entrepreneurship policy has been produced by the following European players:

- The Community of Practice on Inclusive Entrepreneurship (COPIE), in its capacity as a learning network for ESF Managing Authorities and Implementing Bodies at national and regional levels in Europe. Their focus has been on inclusive entrepreneurship.
- The Social Business Initiative (SBI), which has published valuable resources on social entrepreneurship policy.
- Organisation for Economic Cooperation and Development (OECD), which has carried out work on SMEs and entrepreneurship and on social entrepreneurship policy.
- Networks such as the European Enterprise Network (EEN) and Competitiveness and Innovation Financial Instruments (CIFI) have valuable insights to offer regarding entrepreneurship support, such as access to finance.
- Finally, some national and regional organisations offer some very useful additional insights into entrepreneurship support.

The recent reports and results of the abovementioned networks were studied in order to identify relevant lessons for the INTERREG IVC entrepreneurship capitalisation conclusions in the areas of (a) policy development and (b) transfer.

<sup>48</sup> EC, “European Social Fund – Promoting Social Enterprise” [ec.europa.eu](http://ec.europa.eu)

<sup>49</sup> WISE, *A Wise way of working; Work Integration Social Enterprises and their role in European Policies – National Cross Cutting Reports* (2013)

<sup>50</sup> TII, “Take It Up” [tii.org](http://tii.org)



## a) Policy development

COPIE has developed a range of tools to help promote inclusive entrepreneurship. Their work shows synergies exist with ENSPIRE EU and YES, which both operate in the field of entrepreneurship education and culture. COPIE's<sup>13</sup> work has included diagnosis, action planning and entrepreneurship education tools, a manual on access to finance and a tool which aims to help regions map their entrepreneurship resources. Partners in these projects will also be heartened by the emphasis in the Commission's new Entrepreneurship Action Plan<sup>11</sup> on **investing in entrepreneurship education**, nurturing a **new culture of entrepreneurship** and on the **entrepreneurial potential of women, older people, migrants and unemployed people**. Likewise, the OECD shows in their comprehensive report on self-employment "The Missing Entrepreneurs – policies for inclusive entrepreneurship in Europe"<sup>19</sup> examples of supporting unemployed people with their enterprise by continuing their unemployment benefits.

Furthermore, there are clear links between Young SME's focus and that of the European Enterprise Network (EEN) and the Competitiveness and Innovation Financial Instruments (CIFI) with both emphasising the importance of support to new SMEs rather than just start-ups and both exploring innovative access to finance options. Similarly, the emphasis in the Commission's Entrepreneurship 2020 Action Plan on **supporting new businesses in the most crucial stages of their lifecycle** reinforces the importance of the work underway in this INTERREG IVC project.

As well as learning from good practices from other regions, there are scientific publications available that form a valuable resource for successful entrepreneurship policy development. This is an especially valuable source of **new trends and developments** in the entrepreneurship area (e.g. new forms of business organisation such as cooperatives) and to research in the area of different entrepreneur groups (e.g. female entrepreneurs). Recommendations for further reading can be found in annex 4.

The OECD highlights that high growth firms need access to finance in order for growth and job creation to occur. However, many start-ups are unwilling to seek external equity finance and those who are willing do not understand what equity investors are looking for or how to "sell" themselves and their businesses to potential investors<sup>51</sup>. **Investor Readiness programmes** are a good way for public bodies to support entrepreneurs in their path to sustainable growth using external sources of finance.

### Valuable European work on Social entrepreneurship policy

**The Social Europe Guide vol. 4 on Social economy and Social entrepreneurship (SBI)**<sup>14</sup> offers valuable insight into the position of the European Commission and European countries in the areas of social entrepreneurship (including definitions, legal frameworks and market aspects), providing policymakers with a direction for their own social entrepreneurship policy. SBI therefore validates the findings of PASE and MESSE in the area of social entrepreneurship, that share some partners and both focus on social enterprise.

The **"Policy brief on Social Entrepreneurship"** (OECD) is a valuable resource for policymakers who strive to support social entrepreneurship. It provides a measuring framework for policymakers to make evidence-based policy decisions, gives insight into the barriers that social enterprises face, gives examples of good practice social entrepreneurship support tools and makes the case for supporting social enterprise development. There are six pillars for a comprehensive regional support strategy for the development of social economy and social entrepreneurship (Promote social entrepreneurship, Build enabling legal, regulatory and fiscal frameworks, Provide sustainable finance, Offer business development services and support structures, Support access to markets, Support further research). IMAGEEN and ENTREDI's structured approach to the development of an entrepreneurship ecosystem, structured diagnostic and support tools and **measurement of impact** have much in common with the Organisation for Economic Co-operation and Development (OECD) work on SMEs and entrepreneurship. Indeed IMAGEEN's 'common entrepreneurship barometer' work - which aims to end up with 10 permanent common indicators giving a global picture and enabling comparisons between EU Regions - draws heavily on the 'OECD Scoreboard - Financing SMEs and entrepreneurs'.

<sup>51</sup> Colin Mason and Jennifer Kwok, *Facilitating Access to Finance: Discussion Paper on Investment Readiness Programmes* (2010)

In addition, the Scottish government recognises that demonstrating added social, economic and environmental value is important for third sector organisations and their funders, investors and commissioners, and is becoming increasingly important for the public and private sectors. A three-year programme on **measuring social value** has therefore been funded. The result is a valuable guide<sup>52</sup> to define and measure Social Return on Investment.

Finally, some useful additional information from European sources are presented regarding **supporting high tech entrepreneurs**, an aspect that has been slightly underrepresented in the entrepreneurship analysis of INTERREG IVC. The region of Twente has had more than 30 years of experience in this area. For instance, VentureLab Twente<sup>53</sup> is a “one stop shopping” programme for high-growth business development. VentureLab offers training, coaching and expert support on strategy, technology, finance, marketing and sales, organisation, and personal & team skills. Access is offered to national and international networks from the business, scientific and financial world. Furthermore; entrepreneurs are provided with office space, lab facilities and more.

Another example of support for high tech entrepreneurs is TOP<sup>54</sup> (Temporary Entrepreneur Placements), a support infrastructure of the University of Twente for the start-up of new businesses. Starting entrepreneurs **are placed at an existing company**, which itself functions as an incubator. Participants are guided to develop their own business plan, can apply for financial assistance from a revolving fund and are able to use the instruments and knowledge from the university. TOP has already run for 29 years which has a positive effect on its recognisability, as described in section 3.2.2.

**Supporting high tech entrepreneurs in a regional specialisation** can be a way for regional policy makers to stimulate Smart Specialisation in their region. RIS<sup>3</sup> (Research and Innovation Strategies) is a EU-wide accepted six-step methodology on how to develop research and innovation strategies for Smart Specialisation supported by the Structural Funds. The recent guide “Regional Policy for smart growth of SMEs”<sup>55</sup> gives insight into how RIS<sup>3</sup> policy, especially for SMEs, can be developed. The SME-RIS<sup>3</sup> methodology offers valuable resources for:

- Taking a strategic approach to policy development, connecting practical policy levers to long-term regional objectives.
- Creating a comprehensive SME support ecosystem, including different support tools such as financial support with advice, access to specialist infrastructure as well as a network of professional facilitators etc.
- Providing insight into selecting the right support tool for the policy objective.
- Providing instructions on how to use monitoring and evaluation to inform changes to the policy mix.
- Matching the supply of support services with the demand. This means tailoring service provision to different SME profiles and needs. This is especially valid for social entrepreneurship, where groups such as disadvantaged or ethnic groups each have their own set of needs.
- Involving SMEs and their representative organisations in policy development.
- Adapting business support services to the lifecycle of businesses. The different needs according to each stage of a business lifecycle are mapped, for instance in relation to business finance. INTERREG IVC projects (or adopters of good practices into mainstream EU Structural funds Programmes) can use this analysis to make support tools fit for businesses in every stage of their lifecycle, depending on the policy objective.
- Ensuring a state of the art policy mix that matches current developments and trends in the field of business strategies in order to support businesses in a region. Examples are outsourcing, open innovation etc.

An example of supporting entrepreneurs in a regional specialisation is presented by the regional development agency BOM, which provides a revolving fund for entrepreneurs specialising in CleanTech<sup>56</sup>.

---

<sup>52</sup> Jeremy Nicholls, Eilis Lawlor, Eva Neizert and Tim Goodspeed, *A guide to Social Return on Investment* (April 2009, Society Media)

<sup>53</sup> VentureLab Twente “About” [venturelabtwente.nl](http://venturelabtwente.nl)

<sup>54</sup> Kennispark Twente “TOP regeling” [kennispark.nl](http://kennispark.nl)

<sup>55</sup> European Commission, *Regional Policy for smart growth of SMEs: Guide for Managing Authorities and bodies in charge of the development and implementation of Research and Innovation Strategies for Smart Specialisation* (2013)

<sup>56</sup> Brabantse Ontwikkelingsmaatschappij “Fondsen Brabant – Cleantech fonds” [bom.nl](http://bom.nl)

## b) Transfer

In recent years there has been a growing body of literature within political science and international studies that directly and indirectly uses, discusses and analyses the processes involved in lesson-drawing, policy convergence, policy diffusion and **policy transfer**. A good starting point is The Dolowitz and Marsh Model<sup>57</sup>, which provides a framework for policy transfer. It sketches the reasons behind the recent growth in policy transfer and valuable insight in reasons why policy transfer might fail.

---

<sup>57</sup> David Dolowitz and David Marsh, *Learning from Abroad: The Role of Policy Transfer in Contemporary Policy-Making*. *Governance: An International Journal of Policy and Administration* (2000)

## 4. Key Policy Messages

This section summarises the key messages to policymakers emerging from the INTERREG IVC entrepreneurship capitalisation exercise. The insights are gained from direct contact with practitioners and project partners working on the ground to support entrepreneurs in European regions. What they had to say about their work, and on the experience of interregional exchange in this field can provide insights for European regions to help them provide the right conditions in which entrepreneurship can flourish, in turn leading to more competitive economies and better jobs. The section starts with some of the generic policy messages for regional strategies and then focuses on more specific points for entrepreneurship. The section ends with conclusions about INTERREG IVC and the exchange process.

### 4.1. Recommendations for regional strategies

A number of the messages emerging from the capitalisation exercise hold true across several of the INTERREG IVC capitalisation themes. The key policy message of this study is that a defined regional level strategy, which complements the policies of national and EU levels, needs to be the basis of any regional policy. The Europe 2020 strategy provides a useful long-term framework. The regional strategy should be a shared vision and give direction to all policy down to the operational level, including entrepreneurship support tools. All available resources will therefore contribute to the same objective and measures will not act against each other.

The main messages for regional strategies are as follows:

- Continuity, consistency and stability of policy are important. Changes of direction, for instance through policy and agency restructuring, are destabilising. INTERREG IVC partners in several projects talked about the difficulties encountered with policy change and restructuring.
- Long-term vision and commitment are needed, backed up with a willingness to invest.
- Consistent, multi-party political leadership is needed at high levels and beyond terms of office.
- Patience is required as tangible results may not be visible immediately or quickly.
- Private sector partners need to feel confident that this stable policy environment is in place in order to participate.
- Public sector players need to be clear about their role, where they can add value and where they cannot.
- The involvement of all stakeholders from the start and throughout the development and delivery of strategy and systems brings higher chances of success. This includes different authorities that are active within one region, such as provincial authorities and various municipalities. Building a successful, multi-stakeholder, integrated model of support takes considerable time.
- It is increasingly common among policymakers on all levels to monitor what people do with the received funds by monitoring the support measure's impact, instead of a strict auditing system. By creating more trust-based relationships with entrepreneurs and citizens, they optimise the use of limited resources and relieve the high administrative burden for the beneficiaries that comes with public funds.
- Policy needs to consider functional geographies and the distinctive characteristics of regions, such as transport links, industrial legacy, education levels, SME base, whether the region is central or peripheral. Strategy has to fit these conditions.
- When developing a regional strategy, Smart Specialisation Strategies offer regional policymakers a direction to focus their resources on those regional qualities that contribute to their region's competitive advantage. Smart Specialisation Strategies stem from the new rules and regulations governing the EU Cohesion Policy investment for 2014-2020.
- An SME looking for support does not care whether the support was originally meant for entrepreneurs, innovation, creative industries, etc. By approaching these support tools in one regional strategy, resources are aligned, counterproductive or scattered measures are prevented, and a basis is formed for a more user-friendly support infrastructure.
- Even though regional managing authorities have limited freedom to operate within the national and EU regulatory framework, the INTERREG IVC good practices show multiple ways in which powerful support tools can be put in place for the benefit of the region.

## 4.2. Recommendations for entrepreneurship strategies

This section presents policy recommendations that are focused on strategies for entrepreneurship. The main message is that successful entrepreneurship support is not just a matter of successful, distinct tools, but of a long-term, comprehensive entrepreneurship policy. The regional strategy can function as a compass to clearly set a regional authority's direction for entrepreneurship support. After all, supporting entrepreneurs is not just a goal on its own, it is also a way to achieve regional objectives, such as economic growth, regional competitiveness, an increase in the employment rate and the inclusion of certain groups. Having a clear vision for entrepreneurship support is a prerequisite for a comprehensive, recognisable and reliable support infrastructure. Such a support infrastructure will contribute to the chances of success of the region's entrepreneurs and to the objectives that regional managing authorities wish to achieve. A long-term, shared entrepreneurship strategy gives a basis for making and justifying decisions about what types of entrepreneur to support and what kinds of tools to implement. In this context, the recommendations for entrepreneurship strategies are:

- The entrepreneurship strategy should specify what contribution entrepreneurship policy will make to a region's smart, sustainable and inclusive growth. The choices for certain support tools need to be made according to the objectives.
- Entrepreneurship strategies need to have clear, feasible and measurable objectives, based on a shared understanding amongst all stakeholders of the ultimate goals, in order to appropriately allocate funds, monitor their effect and make any necessary adjustments.
- Metrics should be reviewed so that they include better analysis of survival or growth rates of all businesses, including social enterprises. More widely accepted metrics are needed for social return on investment, added value of social enterprise, improved living conditions, cost savings when people are in jobs, or when sustainable practices are used.
- Decisions about how and where to focus resources need to be well informed and be based on a single strategy. In the context of limited resources difficult decisions may have to be made about whether to prioritise businesses that will grow, e.g. picking winners, or whether to invest in entrepreneurship education, or target disadvantaged or disconnected communities. The European Flagship European Platform against Poverty and Social Exclusion (see section 4.6.3), with its emphasis on social innovation, highlights the need to develop inclusive entrepreneurship policies.
- In order for entrepreneurship to flourish in a region, it is necessary to create a comprehensive support package for all kinds of businesses, and businesses in every stage of their life cycle.
- At all levels of government, responsibility for entrepreneurship support is scattered over different departments and levels of government. More coherence is needed to ensure that these often un-coordinated activities can come together within an integrated approach and strategy.
- In order for regional entrepreneurship policy and the EU policy on entrepreneurship and SMEs to strengthen each other, they should be aligned. The EU initiatives listed in Section 2 show the direction of travel for entrepreneurship policy in the next decade.
- Entrepreneurs experience barriers in their quest for (commercial) success. The purpose of the entrepreneurship strategy is to help them overcome these barriers. It is important to carefully research what the barriers are in order to develop (or transfer) effective support tools. Resources can be found in section 3.4.5.
- As soon as the needs of different entrepreneurs vary significantly, it might be beneficial to tailor support tools for specific categories of entrepreneurs, such as social entrepreneurs, high tech start-ups, etc.
- Smart Specialisation Strategies give regional policymakers levers to support high tech start-ups and thereby optimise the exploitation of skills and knowledge that are endogenous to a region.

### Entrepreneurship strategies for social entrepreneurship

- Government at all levels can make use of policy tools to support social enterprise, to exploit its potential to achieve multiple objectives related to Inclusive Growth, for instance in local business growth and supply chains, the integration of disadvantaged groups, and more responsive local services. These tools have to be reinforced with information and training to develop awareness about how to use them. The Social Business Initiative provides a framework and links to many of these tools.
- Social entrepreneurship deserves a specific strategy and policy, since specific adaptations are required to match the unique characteristics of social enterprises and the "third sector" (enterprises/organisations that are positioned in between private and public sectors, e.g. voluntary organisations, co-operations, associations). Policy that is specific for social enterprises needs to be cognisant of the particular characteristics of the sector, and the constraints it faces in competition with the private sector in the open market.



- In order to monitor and adapt social entrepreneurship policy, the traditional indicators for measuring entrepreneurship are not sufficient. The success of social enterprises is generally not only expressed in commercial, but also in societal and economic terms. There are tools to measure the Social Return on Investment, see section 3.4.4 Synergies.
- Supporting social entrepreneurship is fundamentally different from supporting a charity. Social entrepreneurship strategies are intended to make a region fully benefit from entrepreneurial individuals with the desire to spark a change in their social environment. In order for social initiatives to be actual social enterprises, the entrepreneur in question needs to be involved at his/her own expense and risk. Social entrepreneurship strategies should therefore support social entrepreneurs to tackle barriers that they encounter in achieving actual entrepreneurship.

### 4.3. Recommendations for entrepreneurship education

Even within the EU, there are large variations in entrepreneurial culture. It is clear that many regions believe that long-term investment in entrepreneurship education - on all levels - is vital for changing attitudes towards entrepreneurship. These policy messages exhibit far-reaching synergies with the European Entrepreneurship Action Plan.

This section specifically covers the role of education in advancing the general entrepreneurial culture. The education, training and coaching of entrepreneurs is part of the entrepreneurship support infrastructure, and is covered in the next section.

- Entrepreneurship education is a strategic tool for equipping young people from the earliest age with competencies in entrepreneurship and the possibilities of a career in business. Introducing entrepreneurship as a topic in the education system can contribute to two separate objectives: creating awareness about the advantages and mechanisms of entrepreneurship; and enhancing the entrepreneurial culture of a population in general.
- Short, intensive experiences have a lasting effect on a young person's entrepreneurial attitude without taking considerable time from the traditional educational curriculum. Due to the confined nature of short, intensive experiences, teachers are generally capable of offering them; it is not necessary to commit more experienced professionals.
- Teachers play an important role in sparking the entrepreneurial spirit. Working with teachers in the school system and motivating them to work more closely with businesses can reap rewards.
- Entrepreneurship education creates a better workforce generally, instilling skills that are widely sought after by mainstream employers, such as teamwork, creativity and problem-solving (increasingly referred to as 'intrapreneurship'). This supports the objectives of the European Commission Communication on a Job Rich Recovery<sup>10</sup>.

#### Social entrepreneurship education

- Social entrepreneurship education can also target cultural awareness: to give unemployed and disadvantaged people the sense that they can take ownership of and can positively contribute to their own well-being, livelihood and position in society.
- In the social entrepreneurship sector, the "Train the trainer" principle offers great added value. Both social workers and commercial trainers benefit from training on the drivers, needs and barriers of different types of social entrepreneurs.

### 4.4. Recommendations for entrepreneurship ecosystems

A region's entrepreneurial ecosystem is influenced by a wide range of factors, such as culture, the national regulatory framework and the available support. Not all of these characteristics are within a regional policymaker's control. However, the resources in this section offer ways to positively influence the conditions necessary for a fertile ecosystem to emerge.

A comprehensive support infrastructure that is recognisable, reliable and helps entrepreneurs tackle their barriers, is needed for a region's entrepreneurs to flourish and for reaching regional policy objectives. Regional entrepreneurship ecosystems function best when they (a) follow the principles set out below and (b) provide a coherent palette of support.

**a) The principles which are essential for creating a fertile entrepreneurship ecosystem are:**

- Coherence between legal frameworks, infrastructure and human capital.
- One accessible, coherent, recognisable infrastructure with long-term consistency, preferably behind one brand name, to prevent a scattered support landscape.
- Different tools that strengthen each other and reduce risk of failure, such as combining financing with training/mentoring.
- Targeted and tailored approaches, for different sectors, types of entrepreneurs, and business life cycles.
- Optimal use of the 'multiplier effect' to increase the impact of money spent. An example is to organise a recognisable, yearly event and to use this as an opportunity to communicate the message to a wider audience.
- Responsiveness to need and the ability to adapt to emerging or changing needs.
- Credibility with the business and finance community.
- Proactive brokerage between inventors, researchers, entrepreneurs, financiers, government and markets. Opportunities to network, to bring together different disciplines and sectors.

**b) The resources required to offer support in the following areas are:**

**In the area of finance:**

- Offer tailor-made programmes to enable different categories of entrepreneurs to access finance (i.e. high tech start-ups, social entrepreneurs, family-owned businesses). For instance, investors often consider high tech start-ups too high-risk to invest in. A guarantee system can enable start-ups to access private funds nonetheless.
- Competitions offer entrepreneurs a way to win a start-up fund and to meet investors at the same time. Winning the contest contributes to their attractiveness for potential investors. Furthermore, not only the winners, but also the other contestants are helped forward by the available coaching during the competition (multiplier effect).
- Offering finance in combination with training/mentoring generally leads to a better chance of success for the entrepreneur.
- Investor readiness programmes are a way to help entrepreneurs access finance.
- It is possible for regional managing authorities to help entrepreneurs access finance without having to issue grants. Examples such as a guarantee system, revolving funds, and support to make private funds accessible can offer a high value for money in comparison to grants.

- Social entrepreneurship: financial audits and needs analyses for social enterprises and provides funding in the form of loans and loan guarantees, as well as advice and guidance.

**In the area of regulatory framework and procurement:**

- Help entrepreneurs to overcome regulatory barriers. Tools that fall within the scope of a regional policymaker include training in the area of regulations, finding the right legal status and procurement procedures.
- Regional authorities have the freedom to design procurement processes in such a way that they offer opportunities for SMEs and social entrepreneurs.

- Social entrepreneurship: examples show that social entrepreneurs benefit from cooperatives as a legal status, although this work is mainly conducted at national level. However, regional managing authorities can provide legal information, training and mentoring for social entrepreneurs or can develop procurement procedures that allow dialogue between public sector and social entrepreneurs.

**In the area of infrastructure:**

- Help entrepreneurs to overcome the barrier of expensive business accommodation by providing for business centres, incubators and science parks. Such business spaces generally offer entrepreneurship support tools as well.
- By offering space to clustered groups of entrepreneurs (e.g. CleanTech, creative sector, biomedical), the support offered can be tailored to these groups. For instance, sector-specific technical instruments and machinery can be provided for knowledge intensive entrepreneurs who are active in a region's Smart Specialisation target industry.
- Added benefit of shared space is that entrepreneurs can interact, inspire and support each other. This is especially true for spaces for clustered groups of entrepreneurs. Spaces can offer facilities to stimulate interaction.

- ICT infrastructure can be established to make the support offered accessible and to be able to offer a comprehensive supply of information and tools.
- Nodal systems (networks of service providers or support points throughout a region) make support infrastructures easily accessible for geographically dispersed entrepreneurs in rural areas.

- Social entrepreneurship: good practices show that also social entrepreneurs especially benefit from shared space with support targeted specifically at them and the chance to interact and support each other.

#### **In the area of Advisory support services:**

- Training, mentoring and coaching often play a key role in giving people the necessary capacities to be an entrepreneur. Although they are generally expensive, they do have a high impact.
- Offering training, mentoring and coaching is often used to strengthen the tools in the other categories.
- In order for an entrepreneur to benefit from mentoring, it is necessary to have a credible mentor with a relevant field of expertise.
- Generic diagnostic tools can be a good starting point for identifying what support the entrepreneur needs and for evaluating various business aspects in order for them to access finance.

- Social entrepreneurship: social entrepreneurs often lack certain skills that traditional entrepreneurs already possess by nature. Policymakers might consider offering a curriculum to help social entrepreneurs develop the necessary self-esteem, self-confidence and autonomy of action to start or participate in a business. Educational tools can give social entrepreneurs a safe environment to test and build confidence around their own abilities.
- In order to effectively mentor and coach social entrepreneurs, it is necessary to ensure that the mentors have the necessary set of capacities and expertise (both in business and in social aspects).

It is recommended for regional authorities to offer the described resources in coherence with each other. For instance, regions need to combine financial support with the whole system of coaching, mentoring, business development services etc. The Commission's Action Plan to improve access to finance for SMEs<sup>8</sup> outlines some of the tools and investment sources for the future.

Many of the practices from INTERREG IVC projects described in section 3.2 that focus on infrastructure and technical support show how the combination of physical and virtual tools, access to finance and 'up-skilling' can make a real difference to start-up and business survival rates in the regions. Many support tools are offered at physical offices and meeting spaces, and others are virtual such as the I-Planner, showcased by the [Tartu Science Park](#) in Estonia (ENTREDI).

These concrete examples of integrated support systems have been most frequently transferred from one region to another through INTERREG IVC. In the Support-Development Matrix (section 5) an overview of good practices is given that shows how all the necessary resources can be operationalized in order to create an integrated support infrastructure.

#### **4.5. Recommendations for communications on entrepreneurship**

It is important that regions underpin their investment in entrepreneurship strategy, education and ecosystems with good communication strategies:

- Successful regional and local communication strategies, backing up the overall strategy, can help inspire a positive culture of entrepreneurship and counteract negative perceptions and fear of failure.
- Entrepreneurship ecosystems need to pay attention to branding and style, and reach out to target audiences to attract entrepreneurs and potential entrepreneurs. In the ENSPIRE EU network, the Entrepreneurship Foundation in Żary, Poland actively targets people looking for work to support them in possible business start-ups, and the Ethnic Coach for Ethnic Entrepreneurs project operating in Denmark provides customised support to potential Muslim entrepreneurs.
- Cities and regions need to find a way to articulate the benefits and impact of entrepreneurship policy in a way that each audience understands.
- Communication activities to raise the image and profile of entrepreneurship include the sharing of success stories, competitions, awards and ambassadors. An example is the Munich Business Plan competition that creates visibility in the city for enterprise activity. By performing a surveys, an authority can create a contact moment with the target group.
- Communication is important for involving stakeholders and opinion leaders in the entrepreneurship support system of a region. Internal communication can play a supportive role to spread awareness of the success of a single project among peers and higher level policymakers.

- Communication can assist social entrepreneurs for the benefit of their product's image.
- Communication should play a key role in actually delivering support to the region's entrepreneurs. The resources necessary for creating ample brand awareness should not be underestimated.

#### 4.6. INTERREG IVC's added value and process in context of entrepreneurship

The entrepreneurship capitalisation study shows that not only INTERREG IVC as a whole adds value to European policymaking, but also that INTERREG IVC's entrepreneurship projects in particular make significant contributions to the EC's objectives. This section sets out these general and entrepreneurship specific contributions, and finally presents some policy exchange recommendations that are specific for the exchange of entrepreneurship support tools.

##### 4.6.1. The unique features and added value of INTERREG IVC

From the capitalisation exercise it can be concluded that the added value of INTERREG IVC in the context of entrepreneurship support are threefold:

- INTERREG IVC enables knowledge transfer through the facilitation of experiential learning. Participants gain from first-hand experience by interacting with their peers from other regions. This lowers the risk of new support tools because good practices have already been tried and tested.
- INTERREG IVC offers opportunities for real policy improvement. Interregional exchange helps regions to evaluate and benchmark their own entrepreneurship policy in relation to other regions and critically assess potential for improvement. Some of the tools from INTERREG IVC projects have the capacity to improve policy to such an extent that they should be considered for uptake in the new Structural Fund programmes. For instance, the INCYDE Foundation (Young SMEs) has developed valuable experience in the area of financial instruments, which are promoted in the new Cohesion Policy for 2014-2020.
- INTERREG IVC exploits the benefits of working on a regional scale. Because of the regional approach to entrepreneurship support, good practices can be adapted to the regional context (i.e. budget, present entrepreneurial culture, national framework) and challenges (i.e. high unemployment, need for job creation).

##### 4.6.2. Contribution of INTERREG IVC entrepreneurship to EU objectives

The Europe 2020 Strategy sets out the objective for the EU to become a smart, sustainable and inclusive economy. The Union has concretised this strategy into five quantified goals to be reached by 2020<sup>1</sup>. Entrepreneurship support contributes to at least four of these objectives in the following ways:

- **A “75% employment rate in the population aged 20-64”:** Many good practices from INTERREG IVC display a significant contribution to raising the employment rate. Solutions range from education in business skills to supporting the unemployed to set up a business (e.g. *fairKauf* (MESSE)). A concrete, statistically supported example is the Entrepreneurship Foundation in Poland (ENSPIRE EU), which supports young unemployed people in setting up their own business. Since it was established, the foundation has financially supported, trained and advised almost 15 000 people, 550 of which started up and developed a business.
- **“3% of GDP investment in R&D in particular by improving conditions for R&D investment by the private sector”:** In INTERREG IVC various examples seek to tackle the barrier of investor risk aversion in the area of social enterprise. An illustrative example is Financial Engineering (MINI EUROPE)), where a well-balanced mix of financial engineering tools, focused on research and innovation, has been set up and launched, consisting of, among other things, a system of guarantees for innovative investments. Entrepreneurship support in the area of R&D investment is a way to capitalise on a region's endogenous knowledge and innovation, thereby contributing to a region's Smart growth.
- **“Cut greenhouse gas emissions by 20%, 20% of energy from renewables, 20% increase in energy efficiency”:** Entrepreneurs play a vital role in bringing new technology in these areas to through to commercial exploitation, thereby contributing to a region's Sustainable Growth objectives. An example is Houthalen-Helchteren which supports enterprises working in clean mobility, renewable energy, reusable materials and clean production processes by means of an incubator and related support tools.
- **“At least 20 million fewer people in or at risk of poverty and social exclusion”:** Several examples of social entrepreneurship from INTERREG IVC contribute to self-employment and entrepreneurship among groups at risk of exclusion. An example is Ethnic Coaches for Ethnic Entrepreneurs (ENSPIRE EU). Such initiatives make a significant contribution towards reaching a region's Inclusive growth objectives, such as economic, social and territorial cohesion.

Additionally, since entrepreneurs can offer solutions for all kinds of issues (not just economic, but also environmental and social ones), entrepreneurship can be seen as a powerful tool to contribute to the Europe 2020 Strategy's seven flagship initiatives<sup>6</sup>. As highlighted in chapter 2, entrepreneurship is mainly linked to the following four flagship initiatives:

- **Youth on the move** has an emphasis on supporting young entrepreneurs and self-employment. Various INTERREG IVC projects – such as InnoCamp in Denmark (ENSPIRE EU) – give young people a practical entrepreneurial experience before leaving compulsory education. Another example is the Entrepreneurship Foundation in Żary (Poland) (ENSPIRE EU), which offers a coordinated support package to students and young unemployed people. Since being established, the foundation has financially supported, trained and advised almost 15 000 people (including 1 000 pupils and students), 550 of which started up and developed a business.
- **Agenda for new skills and jobs** emphasises the need for new approaches to job creation and the supply of skills. Many INTERREG IVC project revolve around skills creation by means of coaching/mentoring, e.g. offered by the INCYDE foundation (Young SMEs). Furthermore, the Krakow University of Economics in Poland (PASE) offers a “Social Enterprise Curriculum” that includes practical skills in finance, marketing, labour law and public procurement to social entrepreneurs.
- **Innovation Union** seeks to remove the multiple barriers and adverse framework conditions which stop companies from getting ideas to market. Various examples from INTERREG IVC operationalise this flagship: e.g. Financial Engineering (MINI EUROPE) creates a guarantee system for SME funding; Kompass in Frankfurt (ENTREDI) offers support for entrepreneurs regarding regulations.
- **European Platform against poverty and social exclusion** places specific emphasis on social policy innovations. INTERREG IVC offers many examples of social entrepreneurship projects, such as in the Malopolska region (PASE), where financing is offered to unemployed people to help them to set up social enterprise.

#### 4.6.3. Lessons on the exchange of entrepreneurship good practices in INTERREG IVC

During the capitalisation exercise not only were good practices distilled from the INTERREG IVC projects, but experiences of the interregional exchange process were also gathered from the project partners participating in entrepreneurship related INTERREG IVC projects. The experiences are in line with the findings of the Study on Exchange of Experience Processes<sup>58</sup>. However, some entrepreneurship specific recommendations arose from the capitalisation study, which are set out in this section.

- **Adjusting entrepreneurship support tools to the adopting region's own circumstances:** For a successful transfer of an entrepreneurship good practice, organisations need to consider the following adaptations to their own circumstances:
  - **The regional context:** the objectives the regional authority wants to achieve by adopting the tool (e.g. promoting self-employment among the young unemployed); the national or regional culture; the available budget and human resources; the match of the with the existing infrastructure of support tools in order to prevent a scattered landscape and conflicting tools.
  - **The target group:** the target group specific barriers, habits and routines (of e.g. young, social, ethnic entrepreneurs); the target group's preferred distribution channels (e.g. digital platforms); the effect of the stage of the targeted entrepreneur's business development on his needs for support. Section 3.4.4 offers resources to investigate such target group specific details.
  - **Current developments & trends:** the societal, economic and regulatory developments with an effect on the entrepreneur's needs. Section 3.4.4 offers resources to keep track of current developments with relevance to entrepreneurs.
  - **Performance of tools after they have been implemented:** Using appropriate monitoring processes and quantitative indicators can improve the quality of tools. In addition, surveys or interviews with entrepreneurs and tool-implementing stakeholders can give policymakers good insight into necessary adjustments to improve the tool's functioning.

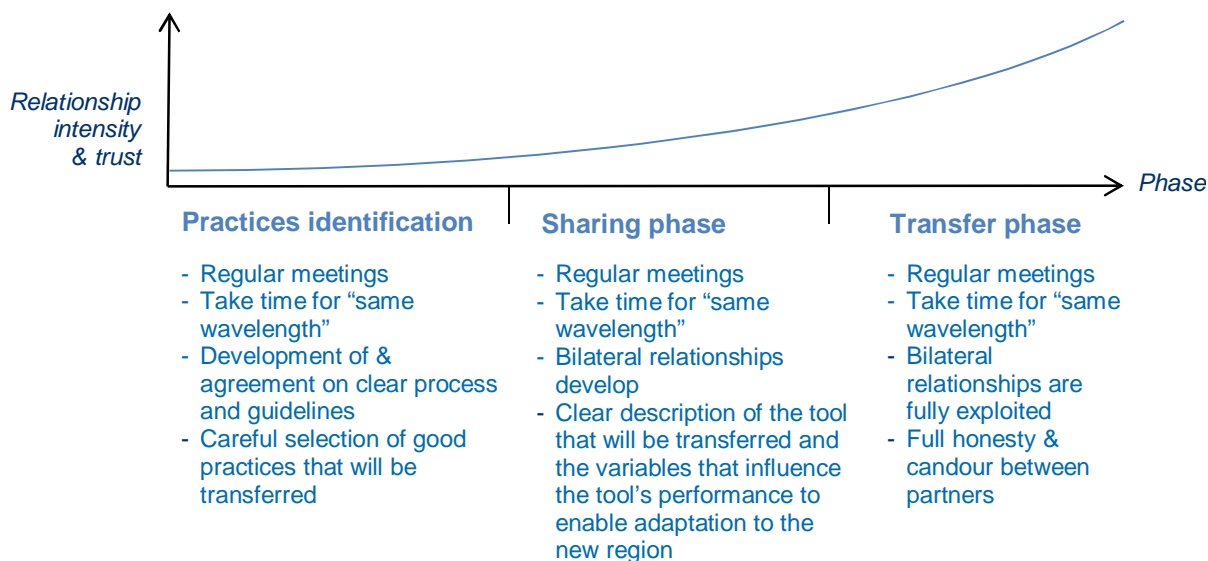
<sup>58</sup> EureConsult S.A. *Study on Exchange of Experience Progresses* (2013)



- **Transferring an entrepreneurial ecosystem:** Several of the participating regions successfully created a comprehensive entrepreneur support infrastructure, which comprises different types of support (business accommodation, finance, coaching, etc.) for different groups of entrepreneurs (young, unemployed, disadvantaged, etc.). It is not simple to transfer such an intricate system to another region, since this would require significant adjustments to the regional circumstances as well as a considerable amount of time, budget and commitment from various stakeholders. In some INTERREG IVC cases the transfer therefore took the form of a perhaps even more valuable learning effect: gaining a deep understanding about the functioning of an integrated approach in action instead of transferring a single, more isolated support tool.
- **Considering the non-transferrable conditions of the entrepreneurial ecosystem:** The entrepreneurial ecosystem emerges from all sorts of regional conditions that might reach beyond the influence of policymakers, such as the regional population's propensity to take entrepreneurial risks, the presence of a well-intertwined business network necessary to meet the right people, etc. Regional players need to consider these conditions, and their limited influence on them, when designing or adopting entrepreneurship support tools.
- **Choosing the right entrepreneurship support tools:** Some of the projects that were still running at the time of this analysis, indicated that their choice for tools to be transferred depended on the expected ease of transferability. However, as was concluded from this capitalisation exercise, successful entrepreneurship support is not solely a matter of successful individual tools, but also of a long-term, comprehensive entrepreneurship policy. Authorities are recommended to make transfer choices on an underlying strategy: what do you want to achieve with entrepreneurship support, and what tool fits the targeted group of entrepreneurs best in order to reach this goal?
- **Creating involvement of all stakeholders in entrepreneurship support landscape:** In a region the entire economic development policy community must make a united effort to present a support infrastructure to a region's entrepreneurs: various governments (national, various municipalities), executing agencies, professionals involved in training, investors, etc. Their active involvement, shared view of the objectives and a regular availability and open communication are conditions for a successful support infrastructure. Multi-stakeholder site visits help to develop a common ownership of the practice to be transferred. When several partners and agencies from one region come together to see a practice live, it enables them to quiz the hosts, to discuss together how it could be adapted in their own region. This practice has led to results that are more embedded, more realistic and more sustainable, as they are transferred to the new region. YES presents some good approaches to achieve multi-stakeholder involvement.

Finally, some interesting recommendations on the transfer process arose from the capitalisation study with validity beyond the topic of entrepreneurship:

- **Executing a phased transfer process:** Interregional exchange benefits from working in phases that are discussed and agreed upon up-front, starting with the identification of practices, and then moving into a sharing phase and finally the transfer phase. The more time is invested at the beginning, the more effective and rapid the transfer phase becomes. The figure shows the team forming aspects during the different phases.



- **Approaching policy exchange as a learning process:** The interregional exchange projects show that the transfer of good practices requires an active approach to learning. An interesting insight in this process is provided by the Kolb Learning Circle<sup>2</sup> (concrete experience – reflective observation – abstract conceptualisation – active experimentation). The good practice-adopting project participant starts with a reflective observation of the solution in the experienced region. In some situations the project partner can choose to stop here and view the interaction as just an interesting observation exercise. When continued, the participant conceptualises the solution in order to make it transferrable to their own region. Next the participant implements the solution, making the necessary adaptations along the way. The end result is that the receiving organisation has implemented the new tool, resulting in concrete experience of the new knowledge.
- **Enabling mutual learning through a win-win relationship:** The learning process is most successful if both parties have something to gain; if the parties succeed in setting up a mutual learning relationship. A good example is Young SMEs, where at the beginning of the project the project partners indicated both the good practices they could offer and the expertise of others they were interested in. In many cases, project partners succeeded in finding interesting good practices on either side of the exchange, which contributed to an equal playing field between them.
- **Learning from peers:** Working with peers from comparable organisations has proven time and time again to be the most valuable exchange relationship. Peers with comparable positions in similar organisations communicate effortlessly because of their common ground, common language and a shared experience of the kinds of issues they come across in their daily practice. An example was found in MINI EUROPE, where peer to peer meetings were organised.
- **Ensuring involvement on high hierarchical levels of policymaking:** Only when high ranking policymakers with advanced decision making authority are involved, the transfer of a good practice can lead to long term implementation and real, long-term policy change. Such policymakers have the ability to choose the right tool for the long-term regional objectives and the overview of the role of the new project in the region-wide SME support landscape. Furthermore, they can provide the project with the necessary resources in order for a lasting implementation (budget, human resources and network of external stakeholders).
- **Ensuring the learning capacity of the receiving organisation:** The experiences from the project need to be propagated within the organisation in order for the new knowledge to be more widely secured and internalised. Only when people from different disciplines and hierarchical levels are made aware of the practice and find the spark to get involved, will the projects lead to real change and a shared, organisation-wide, integrated approach. A driver for a receiving region's learning capacity is the nomination of a "champion": a person who is not only involved in the project but is the driving force; someone who carries the message across to other stakeholders over a longer period of time.
- **Learning from failed projects:** Practices that fail can be a valuable source for learning. Analysing what went wrong can give good insight in how to approach the transfer of a support tool. Having a trust-based relationship is a prerequisite for learning such lessons.

## 5. The Support-Development Matrix

To present the findings of the study in a comprehensive and yet accessible way for policymakers, the Support-Development matrix was developed on the basis of the previous sections. The Support-Development Matrix provides policymakers and practitioners at regional (and even in some cases provides interesting information for national and European) levels with a menu of options based on INTERREG good practices for entrepreneurship policy. It is based on the overall lessons learnt and policy recommendations from the INTERREG IVC capitalisation study on entrepreneurship.

Before introducing the Support-Development Matrix, some fundamental insights into entrepreneurship and recommendations for entrepreneurship policy from INTERREG IVC are presented. These give policymakers the necessary framework to successfully build a basis for, make the right choice for, and develop a strategy for implementing the support tools presented in the matrix.

### 5.1 Regional policy

A well designed regional policy is indispensable when boosting entrepreneurship in any European region. In order for entrepreneurs and new enterprises in a region to develop, entrepreneurship needs to be an integral part of the broader regional development plan. One of the main conclusions from the present analysis is that in many of the European regions the support for entrepreneurs and the development of new enterprises falls short because it is fragmented and often short term in nature. In many cases it is subject to political needs for rapid success.

### 5.2 Entrepreneurship fundamentals

When designing a well-balanced entrepreneurship support policy it is important to consider the following entrepreneurship 'principles', which can be the foundation for a fertile environment that is conducive to enterprise growth.

**1. Entrepreneurship** – The most characteristic difference between an employee and an entrepreneur is that an entrepreneur is working for his/her **own risk and account**. This holds true for every form of entrepreneurship, including social entrepreneurship. Only in cases where the initiator of the social enterprise works for his own risk and account, will the regional social sector benefit from the advantages that entrepreneurship has to offer (such as economic growth and job creation).

Still, an additional advantage of entrepreneurship support programmes is that their positive effect reaches beyond just entrepreneurs. The participants of entrepreneurship support programmes who decide not to start a business, will still have gained valuable knowledge and skills. First, they are protected from a disappointing experience with potential harmful negative consequences after failure. Second, they often become better employees since they develop qualities such as a more entrepreneurial attitude, a propensity to take initiative, better team working skills and higher confidence and self-esteem. These improved employee skills have a positive effect on regional businesses as well as on the regional economy.

**2. People** – People make the difference when it comes to starting and developing a new company. Regional policymakers should focus their support on **enabling entrepreneurs**. Entrepreneurs should be supported in what they need – in order to fully realise their ambitions – and not be hindered by too many rules and regulations. Regional policymakers do not always have an influence on such circumstances, but can offer entrepreneurs assistance to familiarize themselves with rules and regulations.

**3. Transition moment** – When people really decide to become an entrepreneur it is always at a moment when they arrive at a transition point. Understanding this mechanism provides policymakers with insight in the questions and needs of starting entrepreneurs. According to Shapero<sup>59</sup>, four factors need to be present to enable the act of starting a company. These are:

**3.1. Displacement** – Displacement is a rupture in someone's life or career. Examples include the end of an academic course, being fired from a job, discontent with future possibilities, migration, etc. but also life-changing events such as receiving an inheritance.

---

<sup>59</sup> Shapero, A. "Social dimensions of Entrepreneurship" In *The encyclopaedia of Entrepreneurship*, ed. C. Kent, D. Sexton and K. Vesper. (Englewood Cliffs: Prentice-Hall, 1982) 72-90

**3.2. Disposition to act** – This is a personality trait whereby a person is able to act on their own decision. Such a person has a strong internal locus of control. They believe they can determine their own future, and do not depend on their environment.

**3.3. Feasibility of alternative** – Does the potential new entrepreneur perceive the alternative of becoming self-employed as feasible? Examples of successful starters can support this.

**3.4. Resources** – Are resources, such as a business idea, finance, and support for starting a business, available?

### 5.3 Entrepreneurship policy recommendations

Next to an understanding of the basic principles of entrepreneurship, policymakers can benefit from the lessons learned from regional policymakers that participated in INTERREG IVC. The following main recommendations stem from the capitalisation study and show what should be considered for the realisation of a well-designed policy:

- 1. Integrality** – Entrepreneurship should be an integral part of the plan for development of the region. Furthermore, the involvement of all regional stakeholders in this plan is important. A Triple Helix approach is an example of a common way to involve all stakeholders in the entrepreneurship support environment. Here government and politics combine forces with business, education and research. The strengths and weaknesses of the region should be considered in the regional development plan. Based on this analysis, goals can be set and specific targets identified. For example a focus on Smart Specialisation, certain (ethnic) groups or education. Such targeting should not, however, be on the basis of unilateral or short-term interests or politics.
- 2. Long-term vision** – Entrepreneurship support must be long-term. Results take time and require patience, and there must be a willingness to invest in support in a consistent way – entrepreneurs need a reliable regional policy. They must have confidence that ‘next year’ the government will still be there for them.
- 3. Integrated support** – The support that a region is prepared to offer to new and/or existing entrepreneurs should be integrated, i.e. ‘An integrated approach should provide a complete suite of supporting services such as education and training, access to finance, information services, coaching and mentoring and infrastructure (incubators, shared services, access to technology centres and databases); covering each phase in the development and growth of a new enterprises.’ Within such an integrated approach, priorities can be set on the basis of defined needs and budgetary constraints.
- 4. Monitoring effects** – Insight into the outcomes of support is essential to make well-balanced decisions and demonstrate accountability and good stewardship. Currently, figures for the number of newly started enterprises, additional employment, growth in turnover and survival rates, for example, are often measured. Additionally - although more difficult to measure - effects should also be measured such as social return on investments, creating a better workforce, savings on social welfare (when more people find a job) and environmental advantages.
- 5. Communication** – A good entrepreneurship policy should also communicate on its successes and results. This promotes entrepreneurial culture and a positive atmosphere for start-up companies. It promotes the continuity of the readiness to invest in entrepreneurship. Another fundamental goal for communication is to publicise and explain what support is available in the region. Practice shows that in many regions improvements in this area could significantly improve the impact of support measures.

## 5.4 Support – Development matrix

The Support-Development Matrix presented in this section provides insights and practical solutions for a policymaker to answer the following questions: What does an entrepreneur need in order to develop a sustainable, profitable enterprise? How can a policymaker create the ideal circumstances for an entrepreneur to do so? It provides policymakers and practitioners with an organisational framework and policy options based on the overall lessons learnt and policy recommendations from the present INTERREG IVC capitalisation study on entrepreneurship.

The Support-Development Matrix is based on the different development stages that an entrepreneur passes before their enterprise develops into a mature business: awareness and interest, preparation to start, started enterprise, early growth, and sustained growth (see first column in table below). For each development stage the Matrix sets out the types of support they may need, illustrated by proven and successful support tools from INTERREG IVC (see the subsequent columns in the table below). Policymakers can use the table either as a checklist for a comprehensive support infrastructure or to find good practices that they may transfer to their own region.

**Support - Development Matrix**

Support Stage of Development	Access to know-how			Access to facilities	Access to finance
	Education & training	Mentoring & coaching	Technological knowledge		
1. Awareness/interest					
2. Preparation to start					
3. Started enterprise					
4. Early Growth					
5. Sustained Growth					

The types of support are plotted against the stages of enterprise development, since the needs of entrepreneurs strongly depend on the development stage in which they find themselves. This can be clearly illustrated by an entrepreneur's need for financial support. An entrepreneur in the "preparation to start" stage is often helped with just a small start-up fund that covers their livelihood and initial, often limited, business costs. In later stages, their financial needs increase significantly, for instance to fund research & development or to put production assets in place.

The phases in the table can be described as follows:

- **Awareness and interest:** Creating awareness about entrepreneurship and its viability as an alternative to employment. Awareness and interest rising campaigns can be targeted at the general public to support anyone that encounters transition moment towards becoming an entrepreneur, although many INTERREG IVC examples are specifically designed to rise the relatively low awareness among young people and potential social entrepreneurs (disadvantaged, minorities, etc.).
- **Preparation to start:** Progressing from the idea to the business plan. Establishing the feasibility and starting to organise business aspects such as resources, production assets, and sales channels. Giving proof of principle. Finding the right business partners and a business accommodation. Start-ups are also active with research and development and proof of concept.
- **Started enterprise:** Providing proof of concept, developing the final product through prototyping and establishing the production method. Realising all aspects of the business model (putting production assets in place, first buy-in of resources, developing sales channels, etc.) and starting production/service delivery.
- **Early growth:** Company achieves first turnover, upscales production and slowly works towards a positive cash flow.
- **Sustained growth:** The company matures. In order to become sustainable businesses, companies widen their activities by either targeting new markets or by offering new products/services to the markets they are already in. Innovation is key to achieving this. Going from small SME to a larger firm often proves to be a challenge.

For every business development stage, the following types of support for entrepreneurship development should be present:



- Access to know-how (entrepreneurship training and entrepreneurship mentoring/coaching, technological knowledge);
- Access to facilities;
- Access to finance.

To keep the extensive information in the Matrix clear, it is split up in paragraphs each describing one type of support (one column in the table above). The paragraphs start with a brief description of the findings from INTERREG IVC in the area of that specific type of support. Next, a table presents how this type of support can be realised to meet the needs of entrepreneurs in each enterprise development stage. The most illustrative good practices that were identified in this study can be found via the links given in the table.

#### **5.4.1. Access to know-how**

Access to know-how can be defined as all the necessary knowledge and skills for a start-up entrepreneur on how to start and run a business. After all, a business does not only consist of its tangible assets; a person's entrepreneurial abilities are key to an enterprise's chances of success. There are three types of know-how for (potential) entrepreneurs:

- a) General business know-how through pre-defined education and training programmes;
- b) More specific business know-how through bespoke, one-on-one mentoring and coaching relationships with a business professional;
- c) Technological know-how and knowledge often coming from knowledge institutions.

The success of other kinds of support tools (such as incubators, access to finance), is significantly increased when they are combined with training programmes or mentoring/coaching. An integrated support infrastructure offers all the support entrepreneurs need in order to establish a flourishing business. Multiple organisations can each make their own contribution in order to establish such a comprehensive support infrastructure.

A final note is that while mentoring and coaching are effective, they are also cost intensive support tools. This has to be taken into account when adding mentoring and coaching to a support infrastructure.

#### **a) Education and training**

The choice for a particular educational measure depends on the business development stage that the (potential) entrepreneur is in. Short, intensive experiences and trained teachers are crucial to create awareness among young people. Entrepreneurship education among young people does not only lay the foundation for enterprises to arise in the future, it creates a better workforce generally as well, as it stimulates 'intrapreneurship' within companies.

As soon as businesses are in their growth phase, entrepreneurs benefit more from training programmes that match their knowledge & skills and fit with the business development stage of their company.

The following table shows the different types of education and training for each development stage, illustrated by good practices.

## Access to know-how – Education & Training

Position in the Support Development Matrix:					
Support	Know-how			Facilities	Finance
	Education & Training	Mentoring & Coaching	Technological knowledge		
Development stages					

Development stage and challenge	Type of support	Examples policies/practices
<b>Awareness and interest</b> Young people and other members of the general public are often unaware of the opportunities or lack accurate knowledge on entrepreneurship and its viability as an alternative to employment.	<b>Entrepreneurship in education</b>	
	– Inclusion in school curricula	– <b>Murcia Regional Entrepreneurship Plan (YES)</b> : transmitting entrepreneurial attitudes to young people through the education system. – <a href="http://www.young-entrepreneurs.eu/partners.php?id=2">http://www.young-entrepreneurs.eu/partners.php?id=2</a>
	– Short experience oriented activities	– <b>Sweden Policy Documents (YES)</b> : In Sweden entrepreneurship is part of the regular education curriculum. New policy documents prescribe entrepreneurship education on all levels. – <a href="http://www.young-entrepreneurs.eu/partners.php?id=1">http://www.young-entrepreneurs.eu/partners.php?id=1</a> – <b>Hour Innovation Camp (YES)</b> : ideas-generating workshop for upper secondary school students, developing a business model and pitching to "investors". – <a href="http://www.young-entrepreneurs.eu/partners.php?id=7">http://www.young-entrepreneurs.eu/partners.php?id=7</a> – <b>InnoCamp challenge (ENSPIRE EU)</b> : School-age pupils are given a challenge by a local company. – <a href="http://www.innocamp.info/Sted/InnoCamp.html">http://www.innocamp.info/Sted/InnoCamp.html</a>

Access to know-how - Education & Training – Awareness & Interest (continued)		
		<ul style="list-style-type: none"> <li>– <b>Summer entrepreneur (MINI EUROPE):</b> Young people (14-20 years) build up their own business in the summer vacation period, intended to ignite the entrepreneurial spirit in young people and train their mindset and skills for entrepreneurship.</li> <li>– <a href="http://tinyurl.com/l77t4ka">http://tinyurl.com/l77t4ka</a></li> </ul>
		<ul style="list-style-type: none"> <li>– <b>Environment Rally – solving real problems (YES):</b> students solve real environmental problems faced by companies.</li> <li>– <a href="http://www.young-entrepreneurs.eu/partners.php?id=1">http://www.young-entrepreneurs.eu/partners.php?id=1</a></li> </ul>
	– Teacher training	<ul style="list-style-type: none"> <li>– <b>InnoCamp - teacher training (ENSPIRE EU):</b> Before the InnoCamp challenge for school-age pupils starts, teachers and companies go to a preparatory camp.</li> <li>– <a href="http://www.innocamp.info/Sted/InnoCamp.html">http://www.innocamp.info/Sted/InnoCamp.html</a></li> </ul>
		<ul style="list-style-type: none"> <li>– <b>Entrepreneurship teacher training programme (IMAGEEN):</b> gives school teachers and careers advisors the skills and knowledge they need to stimulate entrepreneurial awareness in young people.</li> <li>– <a href="http://www.imageen.eu/partners/2010/11/268/partner-6/">http://www.imageen.eu/partners/2010/11/268/partner-6/</a></li> </ul>
	– Teacher-entrepreneur networks	<ul style="list-style-type: none"> <li>– <b>Speed Networking Initiative (YES):</b> builds an interactive network between teachers and entrepreneurs through events.</li> <li>– <a href="http://www.young-entrepreneurs.eu/partners.php?id=3">http://www.young-entrepreneurs.eu/partners.php?id=3</a></li> </ul>
		<ul style="list-style-type: none"> <li>– <b>Finnish YES centres (YES):</b> research into the varying attitudes amongst key stakeholders. Nurturing improved collaboration between teachers and industry.</li> <li>– <a href="http://www.young-entrepreneurs.eu/partners.php?id=3">http://www.young-entrepreneurs.eu/partners.php?id=3</a></li> </ul>
	– Creating awareness among social entrepreneurs	<ul style="list-style-type: none"> <li>– <b>Groupe ment de Créateurs (ENSPIRE EU):</b> to build awareness among unqualified and disadvantaged people on developing their own small business</li> <li>– <a href="http://www.groupe ment-de-createurs.fr/">http://www.groupe ment-de-createurs.fr/</a></li> </ul>
	<b>Information</b>	
	– Information websites	
	– Publicity	

Access to know-how – Education & Training (continued)		
<b>Preparation to start</b> In this phase, it is crucial to acquire the necessary know-how regarding business development in order to move on to the next phase.	<b>Training</b>	
	– Diagnostic tool as a basis for training and coaching for business readiness and start-up	– <b>Paris Chamber of Commerce</b> (ENSPIRE EU): a programme which tests the entrepreneurial aptitude and capacity of individuals over a 24-hour period. – <a href="http://www.enspire.eu/countries">http://www.enspire.eu/countries</a>
		– <b>Kompass</b> (ENTREDI): offers systematic and consistent support to entrepreneurs regarding regulations. – <a href="http://www.kompassfrankfurt.de/index.php?p=1">http://www.kompassfrankfurt.de/index.php?p=1</a>
	– Training for development of business concept and business plan	– <b>Environment Rally - training</b> (YES): As well as solving companies' real environmental problems, a web-based training is offered to students. – <a href="http://www.young-entrepreneurs.eu/partners.php?id=1">http://www.young-entrepreneurs.eu/partners.php?id=1</a>
		– <b>Prince's Trust Enterprise Programme – training</b> (ENSPIRE EU): young unemployed people (18-30) are supported with a range of training courses (combined with coaching and financial support) – <a href="http://www.princes-trust.org.uk/need_help/enterprise_programme.aspx">http://www.princes-trust.org.uk/need_help/enterprise_programme.aspx</a>
	<b>Information</b>	
	– Information and advice about legal and regulatory environment	– <b>Kompass</b> (ENTREDI): profiling tool to test potential entrepreneurs' readiness to start a business. – <a href="http://www.kompassfrankfurt.de/index.php?p=1">http://www.kompassfrankfurt.de/index.php?p=1</a>
	– Intellectual property support (high tech starters)	– <b>European Patent Office:</b> <a href="http://www.epo.org/">http://www.epo.org/</a>
	– Online information resources (business plan, administration and management databases)	– <b>Web Portal for Entrepreneurs</b> (IMAGEEN): full range of resources can be found in one place. – <a href="http://www.imageen.eu/resources/">http://www.imageen.eu/resources/</a>
<b>Started enterprise</b> Various business skills (finance, etc.) are necessary in order for an entrepreneur to move their start-up company into growth.	<b>Education/Training</b>	
	– Business start-up training and advice tailored to needs (on-line, face-to-face, individualized, at suited times, at various locations)	– <b>Mind Your Own Business</b> (IMAGEEN): comprehensive support service for entrepreneurs provided at hours to suit the entrepreneur. – <a href="http://www.imageen.eu/partners/2010/11/268/partner-6/">http://www.imageen.eu/partners/2010/11/268/partner-6/</a>
		– <b>Lyon Ville de l'Entrepreneuriat</b> (IMAGEEN): no entrepreneur in the region is more than 15 minutes away from a support point. – <a href="http://www.lyon-ville-entrepreneuriat.org/">http://www.lyon-ville-entrepreneuriat.org/</a>

Access to know-how – Education & Training - Started enterprise (continued)		
	<ul style="list-style-type: none"> <li>– Practical business skills for social entrepreneurs</li> </ul>	<ul style="list-style-type: none"> <li>– <b>Krakov University of Economics</b> (PASE): Social Enterprise curriculum focuses more on practical business skills. – <a href="http://tinyurl.com/odprww9">http://tinyurl.com/odprww9</a></li> <li>– <b>Foundation of the Social Economy School</b> (PASE): training programmes for entrepreneurs, business managers, trainers and leaders based on social economic values (class/e-learning). – <a href="http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html">http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Tailored, personal development and organisational support for social entrepreneurs</li> </ul>	<ul style="list-style-type: none"> <li>– <b>Hampshire School of Social Entrepreneurs</b> (ENSPIRE EU): uses different support interventions and learning methodologies to provide tailored, Tailored, personal development and organisational support for social entrepreneurs – <a href="http://www.the-sse.org/schools/7/Hampshire">http://www.the-sse.org/schools/7/Hampshire</a></li> </ul>
	<b>Information</b>	
	<ul style="list-style-type: none"> <li>– Idem as “Preparation to start” (previous stage in this table):</li> <li>– Information and advice about legal and regulatory environment</li> <li>– Intellectual property support (high tech starters)</li> <li>– Online information resources (business plan, administration and management databases)</li> </ul>	<p>Good practices given in “Preparation to start”:</p> <ul style="list-style-type: none"> <li>– <a href="#">Kompass profiling tool</a></li> <li>– <a href="#">European Patent Office</a></li> <li>– <a href="#">Web portal for entrepreneurs</a></li> </ul>
<b>Early growth</b> As soon as the business has started to grow, new challenges arise that need new know-how.	<b>Education/Training</b>	
	<ul style="list-style-type: none"> <li>– Training on different business topics</li> </ul>	<ul style="list-style-type: none"> <li>– <b>INCYDE Foundation - training</b> (Young SMEs): Training for established companies in their own town (combined with access finance, capacity building/advice and consultancy). – <a href="http://www.incyde.org/">http://www.incyde.org/</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Innovation/ creativity/ New Product Development training</li> </ul>	<ul style="list-style-type: none"> <li>– <b>Creativity and Innovation Toolkit for SMEs (CIME)</b> (Young SMEs): Creativity training method for small businesses between their third and fifth years. – <a href="http://www.cimeproject.com/">http://www.cimeproject.com/</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Procurement training</li> </ul>	<ul style="list-style-type: none"> <li>– <b>Supplier Development Programme</b> (Young SMEs): bespoke training programme to help entrepreneurs access new contracts (procurement). – <a href="http://www.sdpscotland.co.uk/falkirk">http://www.sdpscotland.co.uk/falkirk</a></li> </ul>



Access to know-how – Education & Training (continued)		
	<b>Information</b> <ul style="list-style-type: none"> <li>– Idem as “Preparation to start” (earlier stage in this table):</li> <li>– Information and advice about legal and regulatory environment</li> <li>– Intellectual property support (high tech starters)</li> <li>– Online information resources (business plan, administration and management databases)</li> </ul>	Good practices given in “Preparation to start”: <ul style="list-style-type: none"> <li>– <a href="#">Kompass profiling tool</a></li> <li>– <a href="#">European Patent Office</a></li> <li>– <a href="#">Web portal for entrepreneurs</a></li> </ul>
<b>Sustained growth</b> As soon as their business has established sustainable growth, the entrepreneur is supposed to (and has shown to) have the necessary skills to run a successful business. Needed skills might be sought in the areas of innovation and management and can be obtained through commercially offered training.	<ul style="list-style-type: none"> <li>– Commercially offered trainings</li> </ul>	

## b) Mentoring & coaching

Mentoring is an effective way to increase the business start-up success rate. Issues that are specific to an entrepreneur can be tackled with the insights of an experienced peer. Trusted relationships are a prerequisite for mentoring and coaching to work, and choosing the right coach deserves close attention. Good practices show that a credible, experienced business professional that can draw from his own experience is key in achieving a trusted relationship.

As mentoring mainly tackles entrepreneurial skills and know-how, coaching offers added value when an entrepreneur needs support in the area of ‘personal growth’: for instance, social entrepreneurs often need to achieve the necessary self-esteem, self-confidence and autonomy of action to start or participate in a business. Coaches can also provide access to certain new markets. Business networks offer entrepreneurs the opportunity to exchange experiences with peers. In later business development stages, when entrepreneurs become less dependent on support from public bodies, inter-firm contact and sparring partners can assume the role previously executed by mentors and coaches.

The following table shows the different types of mentoring and coaching for each development stage, illustrated by good practices.

## Access to know-how – Mentoring & coaching

Position in the Support Development Matrix:

Support \ Development stages	Know-how			Facilities	Finance
	Education & Training	Mentoring & Coaching	Technological knowledge		

Development stage and challenge	Type of support	Examples policies/practices
<b>Awareness and interest</b> Mentoring and coaching can give young people and other potential entrepreneurs insight and motivation to become an entrepreneur.	– Direct contact with role models (opinion leaders, heroes, ambassadors, successful entrepreneurs)	– <b>Environment Rally – contact with real companies (YES):</b> students solve real environmental problems from companies. Students have contact with successful entrepreneurs and web-based training is offered. – <a href="http://www.young-entrepreneurs.eu/partners.php?id=1">http://www.young-entrepreneurs.eu/partners.php?id=1</a>
	– Idem as the awareness stage in Education & Training (previous table): Teacher training	Good practices given in “Awareness & Interest” in previous table: – <a href="#">InnoCamp – teacher training</a> – <a href="#">Entrepreneurship teacher training programme</a>
	– Idem as the awareness stage in Education & Training (previous table): Teacher-entrepreneur networks	Good practices given in “Awareness & Interest” in previous table: – <a href="#">Speed Networking Initiative</a> – <a href="#">Finnish YES centres</a>
	– Publicity about successes	
<b>Preparation to start</b> Mentors and coaches can give tailor-made inspiration and advice to build the starting entrepreneurs’ skills and to tackle their issues.	– Mentoring/coaching of the development process for business concept and business plan	– <b>Munich business plan competition – coaching (IMAGEEN):</b> during the competition, participants are guided in developing a business plan and implementing it. <a href="http://www.evobis.de/">http://www.evobis.de/</a> – <b>Prince's Trust Enterprise Programme – coach (ENSPIRE EU):</b> young unemployed people (18-30) are supported by a coach (combined with training and financial support) – <a href="http://www.princes-trust.org.uk/need_help/enterprise_programme.aspx">http://www.princes-trust.org.uk/need_help/enterprise_programme.aspx</a>
	– Intellectual property support (high tech starters)	– <b>European Patent Office:</b> <a href="http://www.epo.org/">http://www.epo.org/</a>
<b>Started enterprise</b> Coaches and mentors are able to tap from their own experience to tackle the challenges a new enterprise faces that is seeking to grow.	– Business development support / implementation mentoring/coaching	– <b>Kompass (ENTREDI):</b> profiling tool to test potential entrepreneurs' readiness to start a business as a basis for mentoring/coaching. – <a href="http://www.kompassfrankfurt.de/index.php?p=1">http://www.kompassfrankfurt.de/index.php?p=1</a>

Access to know-how – Mentoring & coaching - Started enterprise (continued)		
		<ul style="list-style-type: none"> <li>– <b>Jönköping Science Park – mentoring</b> (ENTREDI): offers entrepreneurship support in small towns and rural areas via a network of locally located nodes.</li> <li>– <a href="http://sciencepark.se/en/">http://sciencepark.se/en/</a></li> <li>– <b>Mind Your Own Business – guidance</b> (IMAGEEN): guidance for entrepreneurs provided at hours to suit them.</li> <li>– <a href="http://www.imageen.eu/partners/2010/11/268/partner-6/">http://www.imageen.eu/partners/2010/11/268/partner-6/</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Support with finding a 'launching customer', first clients, entrance/leads to new markets</li> </ul>	
	<ul style="list-style-type: none"> <li>– Mentoring / coaching as part of an incubator, interaction facility with other entrepreneurs</li> </ul>	<ul style="list-style-type: none"> <li>– <b>VentureLab:</b> a “one stop shopping” programme for high-growth business development, offers training, coaching and expert support on strategy, technology, finance, marketing and sales, organisation, and personal &amp; team skills.</li> <li>– <a href="http://venturelabtwente.nl/">http://venturelabtwente.nl/</a></li> <li>– <b>Andalucía – social enterprise infrastructure</b> (PASE): An infrastructure for social enterprises, including the “FIDES” training.</li> <li>– <a href="http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html">http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html</a></li> <li>– <b>Gothenburg Brewhouse – coaching</b> (IMAGEEN): integrated entrepreneurship ecosystem including a comprehensive structured support system.</li> <li>– <a href="http://www.brewhouse.se/">http://www.brewhouse.se/</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Assuring the quality of the coach by: <ul style="list-style-type: none"> <li>– Professionalization of mentors of social enterprises (qualifications, code of ethics etc.)</li> <li>– Selecting credible, empathetic coaches matching the target group</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>– <b>Mentors of Social Enterprises</b> (MESSE) professionalising service for social enterprises by development of a professional Code of Practice</li> <li>– <a href="http://tinyurl.com/nmxzp82">http://tinyurl.com/nmxzp82</a></li> <li>– <b>Ethnic Coach for Ethnic Entrepreneurs</b> (ENSPIRE EU): trusted coach/client relationship from a shared knowledge and culture base</li> <li>– <a href="http://tinyurl.com/nwzvmbp">http://tinyurl.com/nwzvmbp</a></li> </ul>
<b>Early growth</b> As soon as the business has started to grow, new challenges arise that need new know-how.	<ul style="list-style-type: none"> <li>– Capacity building, advice and consultancy on different business topics</li> </ul>	<ul style="list-style-type: none"> <li>– <b>INCYDE Foundation</b> (Young SMEs): capacity building/advice and consultancy for companies in their own town. In combination with access to finance and training programmes.</li> <li>– <a href="http://www.incyde.org/">http://www.incyde.org/</a></li> </ul>

Access to know-how – Mentoring & coaching – Early growth (continued)		
	– Mentor for innovation/creativity/New Product Development	– <b>Creativity and Innovation Toolkit for SMEs (CIME) - mentor</b> (Young SMEs): supported companies have access to a mentor to guide them through the Creativity and Innovation Toolkit. For small businesses between their third and fifth years. – <a href="http://www.cimeproject.com/">http://www.cimeproject.com/</a>
	– Access to networks (business, scientific and financial)	– <b>Andalucía – social entrepreneurs network</b> (PASE): A network of social entrepreneurs is offered, in combination with infrastructure, training and access to investors. – <a href="http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html">http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html</a>
	– Idem as “Started enterprise” (previous stage in this table): Assuring the quality of the coach (by professionalization and selecting credible coaches)	Good practices given in “Started enterprise”: – <a href="#">Mentors of Social Enterprises</a> – <a href="#">Ethnic Coach for Ethnic Entrepreneurs</a>
	– Tailored, personal development and organisational support for social entrepreneurs	– <b>Hampshire School of Social Entrepreneurs</b> (ENSPIRE EU): uses different support interventions and learning methodologies to provide tailored, personal development and organisational support that social entrepreneurs need. – <a href="http://www.the-sse.org/schools/7/hampshire">http://www.the-sse.org/schools/7/hampshire</a>
<b>Sustained growth</b> As soon as a business has established sustainable growth, entrepreneurs / business leaders can exploit relationships with peers, commissioners, sparring partners etc. to find the guidance they need. The role of public bodies decreases.	– Business mentoring	– <b>Expedition Forward</b> (IMAGEEN): support to business leaders; a growth plan and a personalised "expedition" – <a href="http://tinyurl.com/pv8wctp">http://tinyurl.com/pv8wctp</a>
	– Business networks	
	– Consultants, counsellors	
	– Non-executive board members	

### c) Technological knowledge

For knowledge-intensive, science and technology based start-ups, the need for know-how exceeds just economic and business administrative aspects. For them, it is crucial to have access to advanced knowledge about the technology that is at the heart of their business. The knowledge needs of these kinds of start-ups often include specialised know-how and research & development capacity that is available at universities, at other knowledge institutions and occasionally in the private sector. Because the knowledge component of their business is relatively expensive, they often make use of public support in the early phases of their existence for this purpose.

The following table shows the different types of technical knowledge support for each development stage, illustrated by good practices.

Access to know-how - technological knowledge					
Position in the Support Development Matrix:					
Support	Know-how			Facilities	Finance
	Education & Training	Mentoring & Coaching	Technological knowledge		
Development stages					
Development stage and challenge	Type of support		Examples policies/practices		
<b>Awareness and interest</b> Access to technological knowledge is not yet relevant. To stimulate high tech start-ups, it is mainly important to address technological students' entrepreneurship awareness and give an opportunity to visit/meet high tech start-ups.	Access to technological knowledge is not yet relevant in the Awareness and Interest stage.				
<b>Preparation to start</b> University is often the place to where students and PhD students can trace the origin of their knowledge intensive enterprise.	– University: facilitation of contact with professors/ PhD students and use of RTD/testing facilities		– <b>Temporary Entrepreneur Placements (TOP)</b> <sup>i.60</sup> support infrastructure of the University of Twente for the start-up of new businesses. Starting entrepreneurs are placed at a university faculty, which itself functions as an incubator. – <a href="http://www.kennispark.nl/nl/do-business/top-regeling">http://www.kennispark.nl/nl/do-business/top-regeling</a>		
	– Grants to finance access to knowledge				
	– Scientific and technology coaching				



Access to know-how - technological knowledge (continued)		
<b>Started enterprise</b> Access to knowledge is crucial to progress from concept to market ready product, a process which can be relatively long and expensive for high tech start-ups.	<ul style="list-style-type: none"> <li>– Access to specialised RTD and testing facilities with sectoral focus</li> </ul>	<ul style="list-style-type: none"> <li>– <b>Cluster support environment model – Specialised equipment</b> (MINI EUROPE): provides incubation for starting firms and includes Business Technology Centres (BTC). The BTCs offer pilot plants, demonstrators, specialised equipment, specialised IT equipment and knowledge.</li> <li>– <a href="http://tinyurl.com/njfuva2">http://tinyurl.com/njfuva2</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Idem as “Preparation to start” (previous stage in this table): <ul style="list-style-type: none"> <li>– University: facilitation of contact with professors/PhD students and use of RTD/testing facilities</li> <li>– Grants to finance access to knowledge</li> <li>– Scientific and technology coaching</li> </ul> </li> </ul>	Example given in “Preparation to start”: – <a href="#">Temporary Entrepreneur Placements (TOP)</a>
<b>Early growth</b> The move from initial high tech product to commercial success often proves to be a challenge for knowledge intensive start-ups.	<ul style="list-style-type: none"> <li>– Research by University or Technology Institution with public co-financing</li> </ul>	
	<ul style="list-style-type: none"> <li>– Idem as “Started enterprise” (previous stage in this table): Access to specialised RTD and testing facilities with sectoral focus</li> </ul>	Good practice given in “Started enterprise”: – <a href="#">Cluster support environment model-specialised equipment</a>
	<ul style="list-style-type: none"> <li>– Idem as “Preparation to start” (earlier stage in this table): <ul style="list-style-type: none"> <li>– University: facilitation of contact with professors/ PhD students and use of RTD/testing facilities</li> <li>– Grants to finance access to knowledge</li> <li>– Scientific and technology coaching</li> </ul> </li> </ul>	Example given in “Preparation to start”: – <a href="#">Temporary Entrepreneur Placements (TOP)</a>
<b>Sustained growth</b> High tech businesses grow through innovation and market expansion.	<ul style="list-style-type: none"> <li>– Support for Technology Transfer</li> </ul>	
	<ul style="list-style-type: none"> <li>– Funds for or publicly co-financed contract research</li> </ul>	
	<ul style="list-style-type: none"> <li>– Facilitating University-industry relations</li> </ul>	
	<ul style="list-style-type: none"> <li>– Innovation and RTD funds</li> </ul>	

#### 5.4.2. Access to facilities

Access to different kinds of facilities is a prerequisite for entrepreneurs to grow from a start-up to a mature, sustainable enterprise. Incubators are a wide-spread and highly valued way of offering facilities to entrepreneurs throughout Europe. Incubators are not only a way for young entrepreneurs to find an affordable physical space for business, they also facilitate social interaction with peer entrepreneurs and play a key role in accelerating and systematising the process of creating successful enterprises<sup>60</sup>. Incubators generally offer support in three categories: business services (diagnosis, training and coaching), shared services facilities (space to rent, soft- and hardware facilities, phone, mail and administration, security, catering, conference centre, education facilities, etc.) and access to networks (strategic level networks, investor networks, informal network contacts, etc.).

There **are different types of incubators** that offer different kinds of support. What kind of support is offered, depends on three issues. First, incubators can have a focus on a development stage of a company, since the development stage has consequences for the nature of business support provided (such as training/coaching and sometimes finance). Secondly, the support offered depends on the intent of its initiators and regional promoters (municipalities, banks, educational institutes, trade unions, etc.) and its non-profit, semi-profit or for-profit status. Third, incubators that are especially targeted at a certain kind of entrepreneur, such as a social entrepreneur or an enterprise active in a region's (Smart) Specialisation target industries, offer the opportunity to effectively deliver tailor-made support tools to this target group.

However, the entrepreneur's need for facilities does not stop at physical space. Our definition of facilities also includes the systems that are needed to deliver support services. In case of geographically dispersed entrepreneurs, for instance in rural areas, support is delivered through a nodal network of service providers. Finally, ICT plays a key role in delivering support to entrepreneurs.

The kinds of facilities an enterprise needs, varies according to its business development stage. Start-ups are more benefited by an incubator that includes intensive training and coaching, in comparison to more mature companies. The kinds of facilities a regional authority can offer, including some good practices, are given in the table below.

---

<sup>60</sup> North European Network for Service Incubators, *Guide to set up and manage a service incubator* (2008)

Access to facilities																																
<div> <div>Position in the Support Development Matrix:</div> <table> <tr> <th rowspan="2">Support \ Development stages</th><th colspan="3">Know-how</th><th rowspan="2">Facilities</th><th rowspan="2">Finance</th></tr> <tr> <th>Education &amp; Training</th><th>Mentoring &amp; Coaching</th><th>Technological knowledge</th></tr> <tr> <td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td></td><td></td><td></td><td></td><td></td></tr> </table> </div>						Support \ Development stages	Know-how			Facilities	Finance	Education & Training	Mentoring & Coaching	Technological knowledge																		
Support \ Development stages	Know-how			Facilities	Finance																											
	Education & Training	Mentoring & Coaching	Technological knowledge																													
Development stage and challenge	Type of support	Examples policies/practices																														
<b>Awareness and interest</b>	<ul style="list-style-type: none"> <li>– Publicity about start-up facilities offered</li> </ul>																															
<b>Preparation to start</b> No income is generated yet, so business accommodation needs to be affordable and small	<b>Physical space</b> <ul style="list-style-type: none"> <li>– Incubators focused on pre-start phase</li> </ul>	<ul style="list-style-type: none"> <li>– <b>Entrepreneurship Foundation – incubator</b> (ENSPIRE EU): actively targets people looking for work through a support repertoire including a business incubator and an entrepreneurship development fund.</li> <li>– <a href="http://tinyurl.com/ngbjood">http://tinyurl.com/ngbjood</a></li> </ul>																														
	<b>ICT</b>																															
	<ul style="list-style-type: none"> <li>– Diagnostics tools and access to resources (business plan creation, e-learning)</li> </ul>	<ul style="list-style-type: none"> <li>– <b>I-Planner</b> (ENTREDI): a web-based environment for business plan creation and implementation that is well established throughout Estonia.</li> <li>– <a href="http://www.iplanner.net/business-financial/online/start.aspx">http://www.iplanner.net/business-financial/online/start.aspx</a></li> <li>– <b>Kompass</b> (ENTREDI): profiling tool to test potential entrepreneurs' readiness to start a business.</li> <li>– <a href="http://www.kompassfrankfurt.de/index.php?p=1">http://www.kompassfrankfurt.de/index.php?p=1</a></li> </ul>																														
<b>Started enterprise</b> Start-ups are determining and realising all aspects of their business model, and can draw on additional mentoring, coaching, finance and meetings with peer entrepreneurs in addition to affordable business accommodation .	<b>Physical space</b> (Incubators focused on business start-up that include business services, shared services facilities and access to networks. Incubators can be focused on clusters):																															
	<ul style="list-style-type: none"> <li>– Incubator for creative entrepreneurs</li> </ul>	<ul style="list-style-type: none"> <li>– <b>Gothenburg Brewhouse – incubator</b> (IMAGEEN): integrated entrepreneurship ecosystem including a comprehensive structured support system.</li> <li>– <a href="http://www.brewhouse.se/">http://www.brewhouse.se/</a></li> </ul>																														
	<ul style="list-style-type: none"> <li>– Incubator for entrepreneurs operating in a region's (Smart) Specialisation target industries, e.g. CleanTech</li> </ul>	<ul style="list-style-type: none"> <li>– <b>CleanTech Campus</b> (PROSPECTS): incubation units, conference centre, education facilities in a former mining area.</li> <li>– <a href="http://www.houthalen-helchteren.be/themes/31">http://www.houthalen-helchteren.be/themes/31</a></li> </ul>																														
	<b>ICT</b>																															
	<ul style="list-style-type: none"> <li>– Access to information from various public bodies in one place</li> </ul>	<ul style="list-style-type: none"> <li>– <b>Web Portal for Entrepreneurs</b> (IMAGEEN): full range of resources can be found in one place.</li> <li>– <a href="http://www.imageen.eu/resources/">http://www.imageen.eu/resources/</a></li> </ul>																														

Access to facilities - Started enterprise (continued)		
	<ul style="list-style-type: none"> <li>E-learning</li> </ul>	<ul style="list-style-type: none"> <li><b>Andalucía – e-learning for FIDES training (PASE):</b> e-learning is used to provide access to the “FIDES” training, in combination with facilities for social enterprises, a network of social entrepreneurs and investment tools.</li> <li><a href="http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html">http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html</a></li> </ul>
	<b>Nodal networks</b>	
	<ul style="list-style-type: none"> <li>Network of locally located nodes to deliver entrepreneurship support in rural areas, located close to entrepreneurs</li> </ul>	<ul style="list-style-type: none"> <li><b>Jönköping Science Park – nodal network (ENTREDI):</b> offers entrepreneurship support in small towns and rural areas via a network of locally located nodes.</li> <li><a href="http://sciencepark.se/en/">http://sciencepark.se/en/</a></li> <li><b>Lyon Ville de l'Entrepreneuriat (IMAGEEN):</b> no entrepreneur in the region is more than 15 minutes away from a support point</li> <li><a href="http://www.lyon-ville-entrepreneuriat.org/">http://www.lyon-ville-entrepreneuriat.org/</a></li> </ul>
<b>Early growth</b> Start-ups in their early growth phase have considerable investments in tools and instruments. Shared technology related facilities can play a role in reducing costs. Risk reduction is an important focus.	<b>Physical space</b>	
	<ul style="list-style-type: none"> <li>Incubators with a focus on young enterprises. Business Technology Centres (offering business accommodation, support and equipment) for entrepreneurs operating in a region's (Smart) Specialisation target industries, e.g. biomedical</li> </ul>	<ul style="list-style-type: none"> <li><b>Cluster support environment model – incubation (MINI EUROPE):</b> provides incubation for starting firms and includes Business Technology Centres (BTC). The BTCs offer pilot plants, demonstrators, specialised equipment, specialised IT equipment and knowledge.</li> <li><a href="http://tinyurl.com/njfuva2">http://tinyurl.com/njfuva2</a></li> </ul>
	<ul style="list-style-type: none"> <li>Physical infrastructure for social enterprises</li> </ul>	<ul style="list-style-type: none"> <li><b>Consorzio in Concerto (MESSE):</b> unites 16 cooperative businesses from across a range of industrial sectors that would struggle to succeed in isolation.</li> <li><a href="http://www.consorziainconcerto.it/">http://www.consorziainconcerto.it/</a></li> </ul>
	<b>ICT</b>	
	<ul style="list-style-type: none"> <li>Idem as “Started enterprise”, previous stage in this table: Access to information from various public bodies in one place</li> </ul>	Good practices given in “Started Enterprise”: <ul style="list-style-type: none"> <li><a href="#">Web Portal for Entrepreneurs</a></li> </ul>
	<b>Nodal networks</b>	
	<ul style="list-style-type: none"> <li>Idem as “Started enterprise”, previous stage in this table: Network of locally located nodes to deliver entrepreneurship support in rural areas</li> </ul>	Good practices given in “Started Enterprise”: <ul style="list-style-type: none"> <li><a href="#">Jönköping Science Park</a></li> <li><a href="#">Lyon Ville de l'Entrepreneuriat</a></li> </ul>

Access to facilities (continued)		
<b>Sustained growth</b> Mature businesses can generally afford to relocate to commercial real estate or industry parks and move away from publicly funded incubators.	<b>Physical space</b>	
	– Business locations (industry parks) for companies clustered around a region's (Smart) Specialisation target industries	– <b>Cluster support environment model – clustered companies (MINI EUROPE):</b> Next to start-ups (see previous phase), companies of all sizes that share a specialisation (i.e. biomedical) are clustered at the same location. – <a href="http://tinyurl.com/njfuva2">http://tinyurl.com/njfuva2</a>

### 5.4.3 Access to finance

Access to finance is a prerequisite for businesses in their path to sustainable growth, and for the associated contribution to a region's economic development and job creation. In the last decade SMEs in Europe have increasingly faced difficulties obtaining equity finance in the range of € 250 000 to 10 million<sup>61</sup>. Regional policymakers can support entrepreneurs to overcome this “equity gap” in two main ways. First, regions can offer finance themselves, in the form of grants and loans or revolving funds. Secondly, they can take risk-reducing measures for investors, for instance by providing for a guarantee system or by offering entrepreneurs support to increase their “investor readiness”. The table below provides types of support tools and good practices from INTERREG IVC that aim to support businesses to access finance in every stage of their life cycle. Furthermore, attention is given to special target groups such as high tech start-ups, social entrepreneurs and family owned businesses.

An optimal impact of finance support tools is reached when they are offered as an integrated package with other types of support, such as needs analysis, training, mentoring etc. Examples of successful integrated support packages are given. Furthermore, attention is given to solutions with a relatively high Return on Investment, such as guarantee systems and revolving funds.

The following table shows the different types of financial support for each development stage, illustrated by good practices. The examples offered might provide regional authorities with valuable resources in terms of the Cohesion Policy 2014-2020, where extra emphasis is given to loans rather than grants.

<sup>61</sup> DG Enterprise and Industry, *Cross-border Matching of Innovative Firms with Suitable Investors* (2012)



## Access to finance

Position in the Support Development Matrix:

Support \ Development stages	Know-how			Facilities	Finance
	Education & Training	Mentoring & Coaching	Technological knowledge		

Development stage and challenge	Type of support	Examples policies/practices
<b>Awareness and interest</b>	<ul style="list-style-type: none"> <li>Publish information about start-up funds</li> </ul>	<ul style="list-style-type: none"> <li><b>Munich business plan competition – publishing</b> (IMAGEEN): this annual competition receives considerable attention in the media.</li> <li><a href="http://www.evobis.de/index.php?id=179">http://www.evobis.de/index.php?id=179</a></li> </ul>
<b>Preparation to start</b> Covering early business costs and the livelihoods of the founders.	<b>Start-up funds (20 - 50 k€)</b>	
	<ul style="list-style-type: none"> <li>Grants for proof of concept and feasibility studies</li> </ul>	<ul style="list-style-type: none"> <li><b>Munich business plan competition – grant</b> (IMAGEEN): guides start-up entrepreneurs in developing a business plan and implementing it. The prize is cash, access to financing and support network</li> <li><a href="http://www.evobis.de/index.php?id=179">http://www.evobis.de/index.php?id=179</a></li> </ul>
	<ul style="list-style-type: none"> <li>High risk loans/ Revolving funds (~ € 25.000)</li> </ul>	<ul style="list-style-type: none"> <li><b>Prince's Trust Enterprise Programme – financial support</b> (ENSPIRE EU): young unemployed people (18-30) receive financial support (small grants and loans) in combination with training and a coach</li> <li><a href="http://www.princes-trust.org.uk/need_help/enterprise_programme.aspx">http://www.princes-trust.org.uk/need_help/enterprise_programme.aspx</a></li> </ul>
	<ul style="list-style-type: none"> <li>Funds targeted at a region's (Smart) Specialisation target industries, e.g. CleanTech fund</li> </ul>	<ul style="list-style-type: none"> <li><b>Guide “Regional Policy for smart growth of SMEs”</b> explains the position of the European Commission and European countries in the area of social entrepreneurship, providing policymakers with a direction for their own social entrepreneurship policy.</li> <li><a href="http://ec.europa.eu/social/BlobServlet?docId=10027&amp;langId=en">http://ec.europa.eu/social/BlobServlet?docId=10027&amp;langId=en</a></li> <li><b>BOM Revolving CleanTech Fund:</b> provides a revolving fund for entrepreneurs who specialize in CleanTech</li> <li><a href="http://www.bom.nl/over-bom/fondsen-brabant">http://www.bom.nl/over-bom/fondsen-brabant</a></li> </ul>
	<ul style="list-style-type: none"> <li>Start-up grants for social enterprises</li> </ul>	<ul style="list-style-type: none"> <li><b>Malopolska region</b> (PASE): grants of €4 500 for unemployed people to help them to set up social enterprises. Including other kinds of support (guidance, training)</li> <li><a href="http://mfes.pl/">http://mfes.pl/</a></li> </ul>

Access to finance (continued)		
<b>Started enterprise</b> Costs of operation are substantial in this phase, while revenues still have to start or are developing.	<b>Start-up funds (50 - 200 k€)</b>	
	– Grants	– <b>Entrepreneurship Foundation – grants</b> (ENSPIRE EU): actively targets people looking for work through a support repertoire including a business incubator and an entrepreneurship development fund. – <a href="http://tinyurl.com/ngbjood">http://tinyurl.com/ngbjood</a>
		– <b>Andalucía – investment tools</b> (PASE): investment tools for social entrepreneurs are offered in combination with training and access to networks. – <a href="http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html">http://www.cepes-andalucia.es/And-Social-Economy-School.1052.0.html</a>
	– Idem as “Preparation to start” (previous stage in this table): Funds targeted at a region’s (Smart) Specialisation target industries, e.g. CleanTech fund	Good practices given in “Preparation to start”: – <a href="#">Guide “Regional Policy for smart growth of SMEs”</a> – <a href="#">BOM Revolving CleanTech Fund</a>
	– Early investment fund for high tech businesses	– <b>3en Venture Capital Fund</b> (ENTREDI): provides early investment support for high tech businesses. – <a href="http://www.entredi.eu/basingstoke.php">http://www.entredi.eu/basingstoke.php</a>
	– Continued unemployment benefits for start-up entrepreneurs	– <b>OECD report ‘The missing entrepreneurs’</b> <sup>19</sup> : examples of supporting unemployed people with their enterprise by continuing their unemployment benefits. – <a href="http://www.oecd-ilibrary.org/industry-and-services/the-missing-entrepreneurs_9789264188167-en">http://www.oecd-ilibrary.org/industry-and-services/the-missing-entrepreneurs_9789264188167-en</a>
	– Grants/vouchers for consultancy and coaching support	– <b>Commission Communication on a Job Rich Recovery</b> <sup>i.15</sup> : includes the promotion and support of self-employment, social enterprise and business start-ups as one of the key targets for job creation. – <a href="http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0173:FIN:EN:PDF">http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0173:FIN:EN:PDF</a>
	– High risk loans/ Revolving funds	

Access to finance - Started enterprise (continued)	
	<b>Access to investors</b>
	<ul style="list-style-type: none"> <li>– Guarantee system for innovative investments</li> <li>– <b>Financial Engineering</b> (MINI EUROPE): a guarantee system for innovative investments: a revolving fund for SMEs innovative investments, and a Venture Capital and private equity fund. To make finance more accessible for innovative SMEs, including starting entrepreneurs and early stage companies.</li> <li>– <a href="http://interreg-minieurope.com/good-practices/financial-engineering-in-veneto/">http://interreg-minieurope.com/good-practices/financial-engineering-in-veneto/</a></li> </ul>
	<ul style="list-style-type: none"> <li>– “Investor readiness” mentoring/coaching and raising awareness of the benefits of external finance</li> <li>– <b>Discussion Paper on Investment Readiness Programmes</b><sup>i.57</sup>: the design and delivery of investment readiness programmes in the UK</li> <li>– <a href="http://www.oecd.org/investment/psd/45324336.pdf">http://www.oecd.org/investment/psd/45324336.pdf</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Access to business angel networks</li> <li>– <b>Munich business plan competition – access to investors</b> (IMAGEEN): Winners of the business plan competition get the chance meet investors</li> <li>– <a href="http://www.evobis.de/index.php?id=179">http://www.evobis.de/index.php?id=179</a></li> </ul>
	<b>Access to turnover</b>
	<ul style="list-style-type: none"> <li>– Improving accessibility to public procurement for small, local and social enterprises</li> <li>– <b>Public procurement</b> (PASE): Reserved tenders for social enterprises<sup>62</sup></li> <li>– <a href="http://www.pase-project.eu/cms/images/stories/products/pase_LG_EN.pdf">http://www.pase-project.eu/cms/images/stories/products/pase_LG_EN.pdf</a></li> <li>– <b>Co-programming in Marche region</b> (PASE/MESSE): dialogue and cooperation between public sector and social entrepreneurs to develop and fund social services.</li> <li>– <a href="http://ifl.regione.marche.it/Programmscommunityprojects/Programmesandcommunityprojects/PASE.aspx">http://ifl.regione.marche.it/Programmscommunityprojects/Programmesandcommunityprojects/PASE.aspx</a></li> <li>– <b>Supplier Development Programme</b> (Young SMEs): bespoke training programme to help entrepreneurs access new contracts.</li> <li>– <a href="http://www.youngsmes.eu/working-groups/assistance-with-public-sector-procurement/">http://www.youngsmes.eu/working-groups/assistance-with-public-sector-procurement/</a></li> </ul>

<sup>62</sup> PASE Guidelines for Evaluation criteria of social issues in services procurement practices (Last 2014)

Access to finance - Started enterprise (continued)		
		<ul style="list-style-type: none"> <li>– <b>EU directive on public procurement/workshop (PASE):</b> workshop for policymakers about public procurement and EU rules.</li> <li>– <a href="http://www.europarl.europa.eu/news/nl/news-room/content/20140110BKG32432/html/New-EU-rules-on-public-procurement-ensuring-better-value-for-money">http://www.europarl.europa.eu/news/nl/news-room/content/20140110BKG32432/html/New-EU-rules-on-public-procurement-ensuring-better-value-for-money</a></li> </ul>
<b>Early growth</b> Business angels and early stage investors / venture capitalists still experience the investment as high-risk.	<b>Funds and tax incentives (~ 200 k€)</b>	
	<ul style="list-style-type: none"> <li>– High risk loans/ Revolving funds</li> </ul>	<ul style="list-style-type: none"> <li>– <b>INCYDE Foundation – access to finance</b> (Young SMEs): helps established companies in their own town to access finance (in combination with training/consultancy).</li> <li>– <a href="http://www.incyde.org/">http://www.incyde.org/</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Idem as “Preparation to start” (earlier stage in this table): Funds targeted at a region’s (Smart) Specialisation target industries, e.g. CleanTech fund</li> </ul>	Good practices given in “Preparation to start”: <ul style="list-style-type: none"> <li>– <a href="#">Guide “Regional Policy for smart growth of SMEs”</a></li> <li>– <a href="#">BOM Revolving CleanTech Fund</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Idem as “Started Enterprise” (previous stage in this table): Early investment fund for high tech businesses</li> </ul>	Good practice given in “Started Enterprise”: <ul style="list-style-type: none"> <li>– <a href="#">3en Venture Capital Fund</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Funds for social entrepreneurs</li> </ul>	<ul style="list-style-type: none"> <li>– <b>Solidarity Economy and Active Insertion (ESIA) (PASE):</b> helps social enterprises to access banks and traditional financial institutions.</li> <li>– <a href="http://www.esia.org/">http://www.esia.org/</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Grants for consultancy and coaching support</li> </ul>	
	<ul style="list-style-type: none"> <li>– Tax incentives (payroll tax reductions for R&amp;D, tax reduction over profit from innovations, accelerated depreciation of investments, etc.)</li> </ul>	
	<b>Access to investors</b>	
	<ul style="list-style-type: none"> <li>– Idem as “Started Enterprise” (previous stage in this table): Guarantee system for innovative investments</li> </ul>	Good practice given in “Started Enterprise”: <ul style="list-style-type: none"> <li>– <a href="#">Financial Engineering</a></li> </ul>

<b>Access to finance – Early growth (continued)</b>		
	<ul style="list-style-type: none"> <li>– Idem as “Started Enterprise” (previous stage in this table): “Investor readiness” mentoring/coaching and raising awareness of the benefits of external finance</li> </ul>	Example given in “Started Enterprise”: <ul style="list-style-type: none"> <li>– <a href="#">Discussion Paper on Investment Readiness Programmes</a></li> </ul>
	<ul style="list-style-type: none"> <li>– Facilitating access to business angel networks and to venture capital</li> </ul>	
	<b>Access to turnover</b>	
	<ul style="list-style-type: none"> <li>– Idem as “Started Enterprise” (previous stage in this table):</li> <li>– Improving accessibility to public procurement for small, local and social businesses</li> </ul>	Good practices given in “Started Enterprise”: <ul style="list-style-type: none"> <li>– <a href="#">Public procurement for social enterprises</a></li> <li>– <a href="#">Co-programming in Marche region</a></li> <li>– <a href="#">Supplier Development Programme</a></li> <li>– <a href="#">EU directive on public procurement/workshop</a></li> </ul>
<b>Sustained growth</b> Companies move away from the need for public finance. Funds for regular SMEs can be accessed, for instance to finance innovation. Private resources generally provide the company with their working capital.	<b>Funds and tax incentives (&gt; 200 k€)</b>	
	<ul style="list-style-type: none"> <li>– Innovation and R&amp;D funds</li> </ul>	
	<ul style="list-style-type: none"> <li>– Tax incentives (payroll tax reductions for R&amp;D, tax reduction over profit from innovations, accelerated depreciation of investments, etc.)</li> </ul>	
	<b>Access to investors</b>	
	<ul style="list-style-type: none"> <li>– Guarantee system for innovative investments</li> <li>– Facilitating access to venture capital, banks, loans, private equity</li> </ul>	



## 6. Annexes

### Annexe 1: Entrepreneurship projects overview

Nine projects:

Project acronym	Project name	Detailed topic
ENSPIRE EU	Entrepreneurial Inspiration for the European Union	Promoting entrepreneurship for disadvantaged, disconnected and discouraged people
ENTREDI	Entrepreneurial diversity	Supporting young entrepreneurs in launching their business
IMAGEEN	Improvement of Methodologies and Governance of European Entrepreneurship Network	Efficiency of support policies for new enterprises
MESSE	Mechanism for Enhancement of Synergy and Sustainability among Enterprises	Economic and qualitative growth of social entrepreneurship
PASE	Public policies And Social Enterprises	Developing social entrepreneurship
PROSPECTS	To promote and support entrepreneurship to create new SMEs	Promoting entrepreneurship in former mining and mono-industrial regions
YES	Youth Entrepreneurship Strategies	Promoting youth entrepreneurship
Young SMEs	Sharing Interregional knowledge to define Supporting Programmes for Young SMEs	Integrated support programme for 'Young SMEs' (between 3rd and 5th year of operation)
MINI EUROPE	Mainstreaming Innovative Instruments for SME development in Europe	Promoting entrepreneurship and providing infrastructure for innovation

Project acronym	Number of partners <sup>1</sup>	Country of the LP <sup>2</sup>	ERDF funding (€)	Total budget (€)	Starting date	Ending date	Type of project
ENSPIRE EU	12	DENMARK	1 530 379	1 951 464	01/01/2010	28/02/2013	RIP <sup>3</sup>
ENTREDI	7	GERMANY	1 081 196	1 386 650	01/01/2010	29/02/2012	CAP <sup>4</sup>
IMAGEEN	7	FRANCE	985 013	1 291 050	01/01/2010	31/12/2012	RIP
MESSE	9	ITALY	1 237 012	1 592 235	01/01/2012	31/12/2014	RIP
PASE	8	ITALY	1 402 223	1 834 412	01/11/2008	31/12/2011	RIP
PROSPECTS	10	FRANCE	1 407 862	1 793 582	01/01/2010	31/03/2013	RIP
YES	9	SWEDEN	1 168 559	1 521 199	01/01/2010	31/12/2012	RIP
Young SMEs	12	SPAIN	1 555 520	1 991 482	01/01/2012	31/12/2014	RIP
MINI EUROPE	8	NETHERLANDS	1 554 920	1 991 639	01/09/2008	30/11/2011	RIP
<b>TOTAL</b>	<b>82</b>		<b>11 922 656</b>	<b>15 353 713</b>			

<sup>1</sup> Representing 22 Member states + Norway

<sup>2</sup> LP: Lead Partner

<sup>3</sup> RIP: Regional Initiative Project

<sup>4</sup> CAP: Capitalisation Project

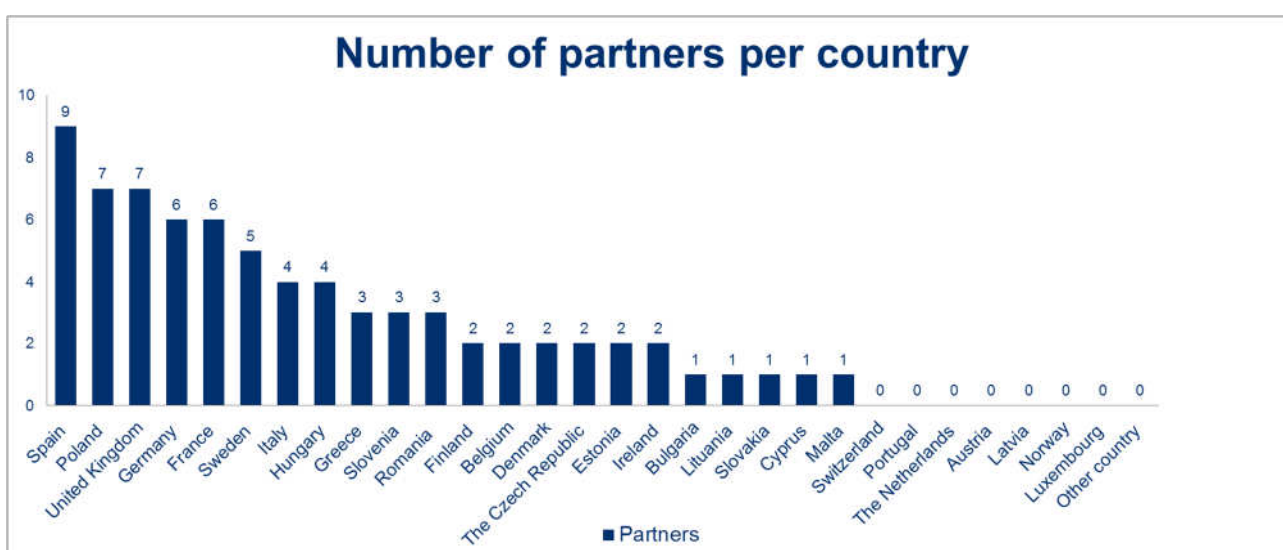
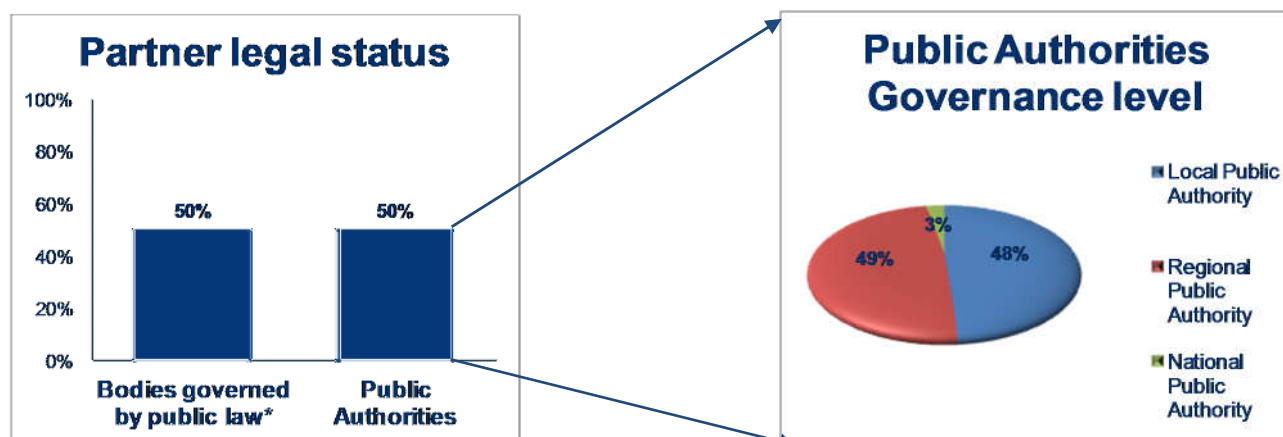
## Indicators - as of end 2013

		Outputs		Results		
		No. of regional / local policies and instruments addressed	No. of good practices identified by Regional Initiative Projects	No. of regional / local policies and instruments improved or developed	No. of good practices successfully transferred within Regional Initiative Projects	No. of staff members with increased capacity (awareness / knowledge / skills) resulting from the exchange of experience at interregional events
Project acronym	End date					
ENSPIRE EU	28/02/2013	22	54	0	6	105
ENTREDI	29/02/2012	7	8**	7	7***	39
IMAGEEN	31/12/2012	7	16	1	5	27
MESSE	31/12/2014	9	39	0	0	6
PASE	31/12/2011	9	17	4	2	57
PROSPECTS	31/03/2013	10	40	5	5	38
YES	31/12/2012	7	40	4	0	19
Young SMEs	31/12/2014	12	47	0	0	38

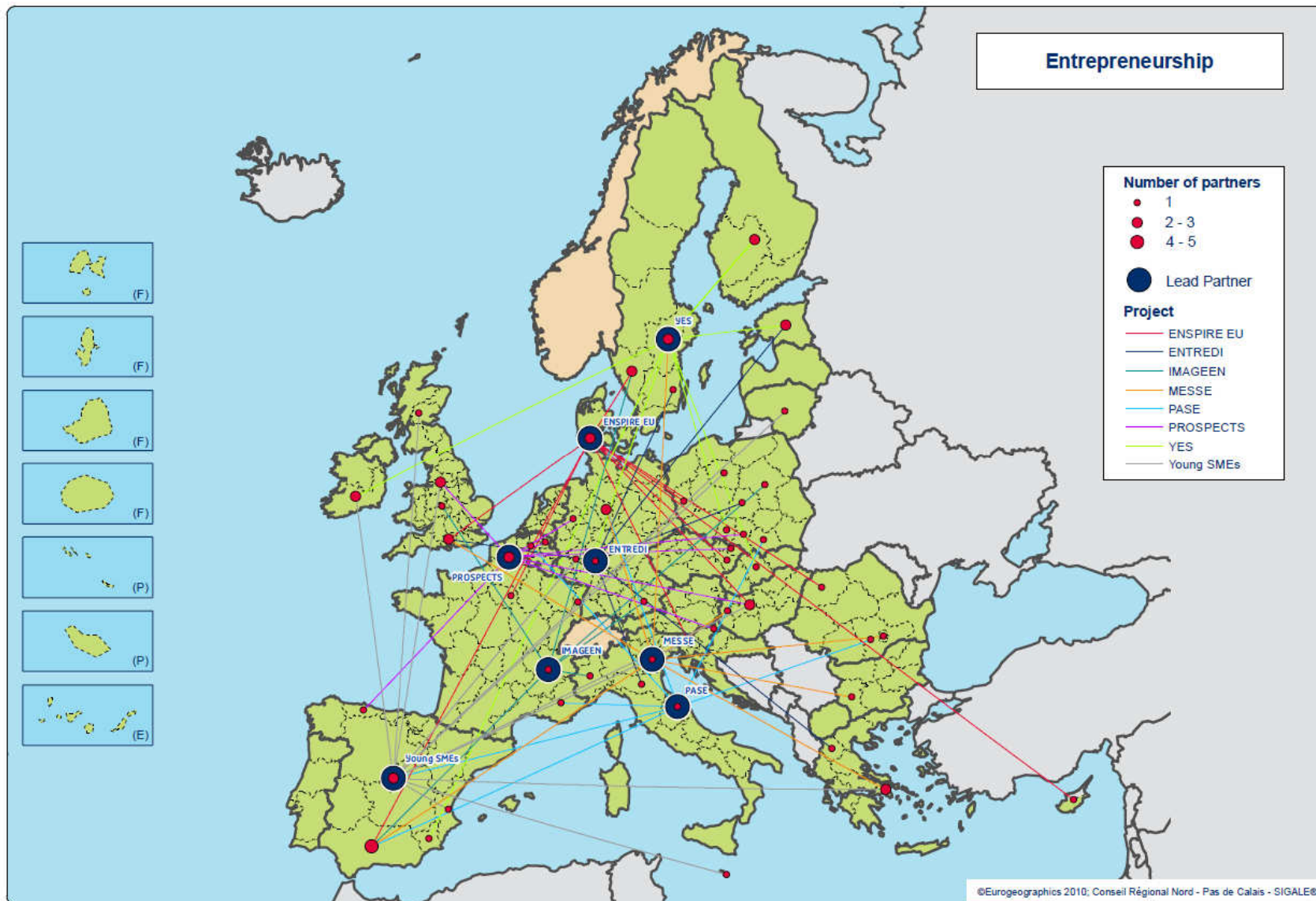
\* Projects (RIP) do not always result in the transfer of good practices, but they always have to identify good practices with view to improving policies

\*\* No. of good practices already identified and made available to regional and local actors involved in Capitalisation projects

\*\*\* No. of action plans developed under Capitalisation projects



## Annexe 2: Entrepreneurship project partners Map



### **Annexe 3: Entrepreneurship projects factsheets**

This section includes project factsheets with summary information on each of the projects reviewed, in the following order:

- a. PASE
- b. ENSPIRE EU
- c. YES
- d. ENTREDI
- e. IMAGEEN
- f. PROSPECTS
- g. MESSE
- h. YOUNG SMES
- i. MINI EUROPE

For each project, the factsheet includes:

- the aim and key objectives
- a map showing the location of the partners
- some of the good practices identified and transferred
- some key points on optimum conditions for transfer
- some key policy messages

### 3a) Developing social entrepreneurship

#### PASE

Public policies And Social Enterprises

##### PROJECT DETAILS

**Priority:** Innovation and the knowledge economy  
Entrepreneurship and SMEs

##### TYPE OF INTERVENTION

**Type of Intervention:** Regional Initiative Project

**Duration:** 01/11/2008 - 31/12/2011

**Website:** [www.pase-project.eu](http://www.pase-project.eu)

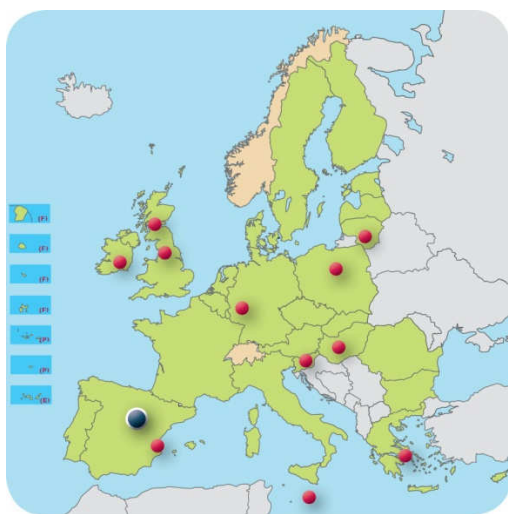
##### BUDGET

**Total Budget:** €1 834 412

**ERDF contribution:** €1 402 223



##### PARTNERSHIP



##### Lead Partner

Marche Region  
via Tiziano, 44  
60125, Ancona  
ITALY

	Country	Institution, Town
1	Italy	Marche Region, Ancona
2	Spain	Andalusian Government, Gen. Manag. of Social Economy and Entrepreneurship, Seville
3	Belgium	City of Forest - Brussels Capital-Region, Brussels
4	Romania	Arges County Council, Pitesti
5	Sweden	Almi Företagspartner Mitt AB
6	Poland	Cracow University of Economics, the Małopolska School of Public Administration, Kraków
7	Germany	Adult Education Centre of the City of Hannover, Hannover
8	Spain	South Madrid Consortium, Fuenlabrada, Madrid
9	France	REGIONAL COUNCIL Provence Alpes Côte d'Azur, Marseille

#### A. PASE PROJECT AIM

PASE aimed to enhance the effectiveness of regional public policies for promoting and supporting social entrepreneurship as an asset for local economic development and territorial competitiveness. It recognised the particular characteristics of the social economy and its capacity to correct major economic and social imbalances and to help to achieve a number of general interest objectives.

#### B. SOME OF THE GOOD PRACTICES IDENTIFIED

A catalogue of 17 good practices was published, combined with a full analysis of the state of the social economy. Eight of these 17 practices were highlighted as being of special interest to partners.

##### 1. Foundation of the social economy school (FIDES) (ES)

The school offers training programmes for entrepreneurs, business managers, trainers and leaders based on social economy values, which are delivered both in class and through e-learning. It is a national reference point for social economy training. The regional policy tool involves complex collaboration between local agencies, delivering assistance with practical matters, training, guidance and access to capital. It particularly targets young people and women. It links to the nationally recognised social business training programme and offers financial support to start-ups.



2. Andalusia network of social economy foundation. (ES)

This is an innovative and complex entrepreneurship policy tool working together with local agencies. It delivers assistance with practical matters, training, guidance, access to capital and targets especially young people and women.

3. Programme for the promotion of the social economy Andalusia (ES)

This programme provides investment grants for business creation, growth and expansion in the region.

4. SISMA developing social enterprises in the Marche Region (IT)

This is a pilot action to develop social enterprise by enhancing networking activity amongst social enterprises, third sector organisations, financial institutions, private businesses and commissioning agencies, which will in turn promote supply chains. It includes the establishment of a service centre that provides assistance with practical matters to social enterprise businesses.

5. Public tools to support social cooperatives, Cracow University of Economics (PL)

The Malopolska region has set up a number of centres to support social cooperatives, and has been involved in a legislative change to better regulate social enterprises. The centres provide legal, financial, training support for the employability of disadvantaged groups through setting up cooperatives. ESF grants of €4 500 are available to unemployed people.

6. Employers group. Provence Alpes Côte d'Azur (PACA) region France

A formalised grouping of 200 employers has been set up with regional aid to help businesses come together to create high-quality, secure jobs across companies. 10% of the employers in the group are social enterprises.

7. Solidarity economy and active insertion (Economie Solidaire et Insertion Active - ESIA) Provence Alpes Côte d'Azur region

This is a tailor-made tool to support the financial consolidation of social enterprises providing access to finance through capital loans, loan guarantees and giving banking advice alongside financial audits.

8. Urban regeneration initiative (IT).

This approach combines urban interventions in a deprived area of Rome with small business finance projects capable of creating jobs.

9. Guidelines for evaluation criteria of social issues in services procurement practices in the Marche Region (IT)

The Marche region has set up specific evaluation criteria for public procurement to make them accessible for small, local and social businesses, see annex 4 for the report link.

### C. SOME OF THE PRACTICES TRANSFERRED

The transfer of good practices was originally planned to be primarily to two regions in Romania and Poland. At the Cracow University of Economics in Poland, the Social Enterprise curriculum was improved by transferring the ethos of the Andalusian example. It inspired a change of thinking to be less theoretical and focus more on practical business skills in finance, marketing, labour law, public procurement. This knowledge has also been transferred to national level to the Ministry of Labour and through cooperation with universities in Warsaw and Szczecin.

From the experience of seeing social enterprise support and status in other regions the Malopolska region now also includes a marketing campaign to convince civil society about the quality of products and services of social enterprises. Consumers often think that, because traditionally social enterprises are run by disabled people, addicts etc. they are not trustworthy and therefore the product or service cannot be trusted. This image has to be challenged through awareness campaigns.

In Hanover, the new adult education centre will incorporate a café run as a social enterprise, based on a model visited in Poland of a hotel run by disabled people.

Hanover will also introduce the social enterprise financing tool from France. This is an important tool to produce a level of sustainability in social enterprises, to support them to access bank finance, and provide incubator services.

Hanover will also introduce a training concept inspired by the social enterprise financing tool from France and the social economy school (FIDES) from Spain. Increasingly, managers in the social arena need to organise their business in the same way as a 'conventional' business. However, employees and managers

in social services, or similar fields, rarely have adequate economic know-how to successfully negotiate market challenges. The objective is therefore to transfer this training concept to address this challenge.

The PACA Region found the cooperative models from Italy and Spain remarkable. As a result, they want to focus on increasing the number of start-ups that develop as co-operatives, with the appropriate legal framework, right from the beginning.

The PACA region wants to transfer the FIDES School from Andalusia within 2 to 3 years. They are starting with training modules to reinforce business governance.

Interestingly in PASE much of the transfer of good practice was from the South to the North of Europe.

From regions where social enterprise is more developed, and a more complex concept (in the South) to regions where social enterprise is more or less sheltered employment or a secondary labour market. This showed the spectrum of status from a social philosophy to a fully-fledged business mentality.



#### OPTIMUM CONDITIONS FOR TRANSFER

- PASE partners stressed the need to involve policymakers at every step of the project including in the interregional visits. It was helpful to encourage them to come along and meet the other partners directly.
- Local mainstreaming meetings, organised in each region towards the end of the project, helped to anchor the results and guarantee sustainability.
- Most regions were interested in defining support strategy for social enterprise not just good practices.
- Transfer of knowledge and practice takes time. Partners can look and ask 'This is an excellent idea- how can we adapt it and implement it in our context?' This is what PASE did well.
- It is important to understand that many social enterprises are also local businesses and often can't be delocalised.
- The green economy is well suited for social enterprises, such as waste, recycling, renewable energy, sustainable food, markets.

#### D. SOME POLICY MESSAGES

- Help policymakers to understand and recognise the particular characteristics of social enterprises and the constraints they face in open competition with the private sector.
- Combine public procurement policies / tools and social enterprise policies to contribute to local and regional sustainable development.
- Recognise that many social enterprises fulfil a public interest role but are hindered by public procurement regulations.
- Reserve tenders for social enterprises and have a target of, for instance, 5% of public spending, going to enterprises focused on integration.
- Create a European statute for social enterprises
- Support social enterprise in order to achieve multiple objectives, including enterprise development, employment creation and improved social cohesion, fight job segregation- improve employability and diversity.
- Consider mechanisms to provide a better analysis of survival or growth rates of social enterprises. Better and more integrated and widely accepted metrics are needed for e.g. social return on investment, added value of social enterprise, improved living conditions, cost savings when people are in jobs, or when sustainable practices are used.
- Reinforce the good tools with information and training to develop good knowledge. For example, in France there have been weak results: of €82 billion of public spending, only 1.9% is allocated through tenders with social clauses due to a lack of awareness about how to use them and the benefits they bring.
- Work towards a holistic approach in the policy framework. Partnership is needed in order to address all challenges. It's important to integrate and coordinate across departments and sectors.
- Promote the visibility and image of Social Enterprise through the media, ambassadors, and awards.
- Make sure that business support is open, accessible, and inclusive. Both general and specialist support is needed with premises, access to finance, start-up and growth (franchising/replication).
- Act together **with** social enterprise actors.

- Experiment: trial with small steps first. Make sure you have a coherent offer before rolling it out.
- Acknowledge that long-term perspectives and patient capital are key. Social enterprise takes a long time to grow and to reap returns.
- Adopt more of a service attitude and be more flexible to support and finance business start-ups.

### 3b) Promoting entrepreneurship for disadvantaged, disconnected and discouraged people

#### ENSPIRE EU

Entrepreneurial Inspiration for the European Union

##### PROJECT DETAILS

**Priority:** Innovation and the knowledge economy

**Theme:** Entrepreneurship and SMEs

##### TYPE OF INTERVENTION

**Type of Intervention:** Regional Initiative Project

**Duration:** 01/01/2010 - 28/02/2013

**Website:** [www.enspire.eu](http://www.enspire.eu)

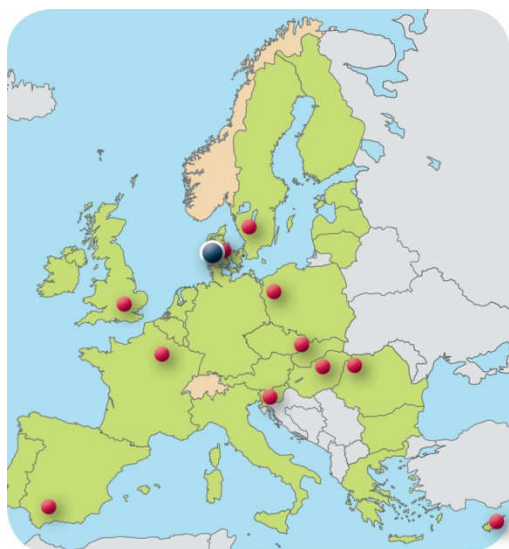
##### BUDGET

**Total Budget:** €1 951 464

**ERDF contribution:** €1 530 378



##### PARTNERSHIP



##### Lead Partner

Esbjerg Municipality  
Torvegade 74  
6700, Esbjerg  
DENMARK

	Country	Institution, Town
1	Denmark	Esbjerg Municipality, Esbjerg
2	Denmark	Vejle Business Development Agency, Vejle
3	United kingdom	Hampshire County Council, Winchester
4	France	The Paris Chamber of Commerce and Industry / Advancia, Paris
5	Spain	Official Chamber of Commerce, Industry and Shipping of Seville, Seville
6	Sweden	Halland Regional Development Council, Halmstad
7	Cyprus	Larnaca District Development Agency, Voroclina
8	Czech Republic	Zlin Region, Zlin
9	Romania	North-West Regional Development Agency, Radaia
10	Poland	Marshal Office of the Lubuskie Region, Zielona Gora
11	Hungary	Central-Transdanubian Regional Development Agency Nonprofit Company, Székesfehérvár
12	Slovenia	BSC, Business Support Centre L.t.d., Kranj, Kranj

#### A. ENSPIRE EU PROJECT AIM

ENSPIRE EU aimed to improve regional and local policies that could help to change people's mind-sets about entrepreneurship. Throughout its duration, there was a special focus on three communities: Disadvantaged, Disconnected, Discouraged.

## B. SOME OF THE GOOD PRACTICES IDENTIFIED

ENSPIRE EU published a Toolkit which showcased 15 of the good practices identified within the project and explored their potential to be transferred to other regions. Some of these are highlighted here.

### 1. Groupement de Créateurs (Entrepreneurs Team) (FR)

The initiative focuses on building awareness among unqualified and disadvantaged people, on developing their own small business as an alternative to finding a job. It encourages disadvantaged people to trust their ability to come up with good ideas and to carry out their own projects. It also aims to foster beneficiaries' self-esteem, self-confidence and autonomy of action as well as providing them with the opportunity to access an academic programme in business management. It is structured into three phases - the Emergence, Training and Academic phases.

### 2. Hampshire School for Social Entrepreneurs (UK)

This programme uses a variety of different support interventions and learning methodologies to provide tailored, personal development and organisational support that social entrepreneurs need. It is part of the School for Social Entrepreneurs, which is a national organisation developing through a franchise model. Disadvantaged people are helped by trained facilitators and experts to understand the social entrepreneurship landscape. Methodologies include action learning sets, witness sessions, expert sessions, show-how project visits, mentoring and coaching. Training and support is provided in a range of areas including legal structures, financial management, business planning, securing funding, marketing, partnering and other essential skills.

### 3. Teacher training in entrepreneurship education in the Gothenburg Region (SE)

This initiative aims to give school teachers and careers advisors the skills and knowledge they need to stimulate entrepreneurial awareness in the young people they teach or advise. The aim is for this approach to have a 'ripple effect' in the long term by gradually instilling a sense of entrepreneurial spirit in the business owners of the future.

### 4. Entrepreneurship Foundation in Żary, (PL)

This Foundation offers support to the SME sector, targeting people looking for work and considering self-employment. There are 4 parallel elements: a Centre for Entrepreneurship Support, an Entrepreneurship Development Fund, a Business Incubator and Communal Information Centre. All of this aims to inspire, support and create business activities at the local level, to implement business initiatives, increase entrepreneurial awareness and stimulate entrepreneurship as a way out of unemployment. Since it was established, the foundation has financially supported, trained and advised almost 15 000 people (including 1 000 pupils and students), of which 550 started up and developed a business.

### 5. Princes Trust Enterprise Programme (UK)

The Trust supports unemployed young people aged 18-30 to help them determine if their business ideas are viable and whether self-employment is right for them. They do this by offering a 3-day intensive training course followed by mentoring support. For those that really need it, financial support in the form of a loan is also available to start a business.

### 6. Ethnic coach for Ethnic Entrepreneurs (DK)

When you move from one country to another there are legal, institutional and cultural differences which become important when you want to start a business. In this programme, the coach and the entrepreneurs are from Muslim communities. The coach works on an outreach basis to help raise awareness of coaching and support services available to potential beneficiaries. Training is also offered e.g. marketing programmes. The key thing is that courses are adapted to local needs.

The initiative also provides ethnic entrepreneurs with the opportunity of accessing a mentor from the local business environment. So far, 230 individuals have participated in the programme. 50 enterprises have worked with growth plans for their businesses for two years and have increased their turnover, as well as employing new workers.

### 7. InnoCamp - Syddanmark, (DK)

InnoCamp is an initiative where school age pupils are given a challenge by a local company, which they then have three days to work on. All the teams present their proposed solution to a panel of judges made up of stakeholder representatives. The presentations describe the progress of their project (project log), a thorough project description containing illustrations or prototypes of the project solution, an advertising campaign and a sales pitch containing a market analysis and price quotation. Prizes are awarded for team work, sales and marketing, and for the product or service itself. Before the InnoCamp starts, teachers and



companies go to a preparatory camp where they learn how to facilitate innovative processes during the camp. This teacher/business camp also acts as a network to foster innovation and entrepreneurship among young people in the local environment.

### C. SOME OF THE PRACTICES TRANSFERRED

#### Transfer (pilot actions)

In order to facilitate the transfer of good practice, a series of 'twinning visits' was organised - where sub-groups of partners visited the good practices to learn more & discuss transferability potential.

- Lubuskie (Poland) visited Denmark and Sweden and has organised a pilot action with parts from the InnoCamp (DK), the Project Edison (DK) and Entrepreneurial Halland (SV).
- Zlin (Czech Republic) visited Paris and has transferred a programme which tests the entrepreneurial aptitude and capacity of individuals over a 24-hour period.
- Kranj (Slovenia) has transferred the InnoCamp initiative from Denmark and the Social Entrepreneurship approach from Hampshire, UK.

### OPTIMUM CONDITIONS FOR TRANSFER

- At political level, it is useful if there is recognition that entrepreneurship is a viable employment option and contributes to economic growth.
- A robust regulatory environment for entrepreneurship is useful when transferring good practice.
- Using people who have been involved in developing and delivering the practice to actually introduce it to the new region works well - not only because they are experts in the practice but also because they bring a degree of credibility.



### D. SOME POLICY MESSAGES

- Consider entrepreneurship as a career choice for disadvantaged, disconnected, discouraged people.
- Develop entrepreneurship mind-sets through education, training, mentoring etc.
- Tailor services for different target groups.
- Changing mind-sets is a long-term challenge.
- The entrepreneurial conditions in our communities are affected by decisions taken at political level and consolidated into policies.
- Base policies on an in-depth understanding of what inspires and makes people want to become entrepreneurs.
- It is vital to share inspirational awareness and know-how - use successful initiatives as a source of knowledge.
- It is important to target different groups in different ways.
- Combine strategic long-term measures with effective, short-term measures.
- Aim to create improvement and opportunity-driven entrepreneurs.
- Identify and involve the right people and create the policy in a partnership.
- Communicate policy to stakeholders and key operators.
- Use local strengths but consider the wider context.
- Secure the necessary resources.

### 3c) Promoting youth entrepreneurship

#### YES

Youth Entrepreneurship Strategies

##### PROJECT DETAILS

**Priority:** Innovation and the knowledge economy

**Theme:** Entrepreneurship and SMEs

##### TYPE OF INTERVENTION

**Type of Intervention:** Regional Initiative Project

**Duration:** 01/01/2010 - 31/12/2012

**Website:** [www.young-entrepreneurs.eu/](http://www.young-entrepreneurs.eu/)

##### BUDGET

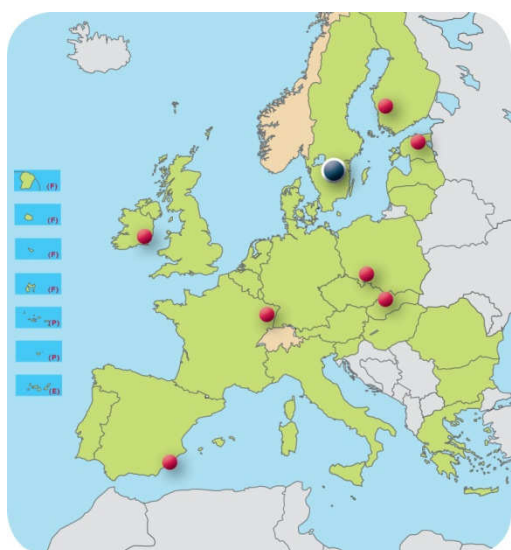
**Total Budget:** €1 521 199

**ERDF contribution:** €1 168 559

# YES

Youth  
Entrepreneurship  
Strategies

##### PARTNERSHIP



	Country	Institution, Town
1	Sweden	Östergötland County Administrative Board, Linköping
2	Spain	Council of Education, Training and Employment of the Region of Murcia, Murcia
3	Finland	Pori Regional Development Agency POSEK Ltd, Pori
4	France	Assembly of European Regions (AER), Strasbourg
5	Ireland	South-East Regional Authority, Clonmel, Co. Tipperary
6	Slovakia	Zilina self-governing region, Žilina
7	Estonia	Junior Achievement Estonia, Tallinn
8	Poland	Marshal's Office of Opolskie Region, Opole
9	Finland	Prizztech Ltd, Pori

##### Lead Partner

Östergötland County Administrative Board  
Östgötagatan 3  
581 86, Linköping  
SWEDEN

#### A. YES PROJECT AIM

YES aimed to contribute to European competitiveness and regional growth by instilling an entrepreneurial mind-set in the next generation.

#### B. SOME OF THE GOOD PRACTICES IDENTIFIED

##### 1. Environmental Rally (SE)

Environmental Rally is a web-based training tool that promotes collaboration between schools and businesses. Companies submit real environmental problems for students to solve. The tasks are adjusted for students of all ages, who choose which ones to tackle. The fact that these are real projects helps students to understand the challenges of regional businesses. Young people bring fresh perspectives, and as the problems are cross-curricular, they provide integrated learning experiences which are genuine. The project raises environmental awareness as well as stimulating entrepreneurship through student's responses.

In Sweden entrepreneurship is part of the regular education curriculum. New policy documents prescribe entrepreneurship education on all levels.

## 2. Murcia Regional Entrepreneurship Plan (ES)

This is a strategic approach to promoting entrepreneurship education, involving over 50 regional partners. Although the education system addresses employability, there had been limited focus on entrepreneurship in schools. Initially, the plan focused on promoting mini-enterprises in schools and working with the entire teaching profession. Through participation in YES, changes have been introduced. There is now stronger focus on addressing attitudinal issues. The Regional Action Plan (RAP) focuses on promoting an enterprise culture, encouraging risk-taking, problem-solving and creativity. The approach also supports teachers through the production of practical materials and the facilitation of contact with businesses.

## 3. 24 Hour Innovation camp (EE)

This is an intensive ideas generating workshop for upper-secondary school students. Based on Junior Achievement Estonia's 'learning by doing' principle, it hosts small groups of students who work together on developing a business model, supported by a plan which is then pitched to potential 'investors'. Young people are taken out of their comfort zone – building new relationships, working with tight deadlines and required to assign roles and responsibilities. Through a varied programme of support they develop skills in team working, problem-solving, marketing and financial analysis.

## 4. Bi Gnothach (Get Busy) Programme (IE)

This programme aims to introduce young school pupils (between 10 and 12 years old) to the entrepreneurship concept. The main focus is on helping students understand how to set up and run a business, which includes an awareness of the risks enterprises have to overcome. It is delivered in schools by teachers, using bespoke learning materials and a video. The model stresses that businesses are part of everyday life, through the conduct of local surveys and business visits. There is also an emphasis on business ethics and the importance of the environment. Bi Gnothac is an extra-curricular option which has proven very popular, with over 1 500 pupils involved per annum.

## 5. 'Opolskie I stay here' (PL)

This project tackles the talent drain facing many central European regions. It has two related aims – to alert young people to the regional economic opportunities and to equip them to take advantage of them. Local business people play a key role in the programme, which also involves educational establishments and public authorities. Participating students hear about successful local enterprises and have the chance through workshops to test business ideas and understand the competencies required to succeed in commerce. Over 200 young people took part in 2010.

## 6. Regional YES Centre (FI)

The YES Centre supports entrepreneurship education through the development and sharing of methods, ideas, and materials. This includes training for teachers, the hosting of networking events and curricular development. At the regional level, more than 300 teachers, 100 entrepreneurs and 1 500 students participate in these activities each year.

## 7. 'Do not be afraid of business' (SK)

This initiative addresses students' concerns about starting a business. The project is aimed at those in vocational secondary schools and universities. A distinctive feature is that it promotes cross-border activity between Slovakia and the Czech Republic. The model uses interactive techniques – including games and simulations – to develop students' entrepreneurial skills. It also stresses the importance of social media – including Facebook and Linked In – as key business networking tools.

## C. SOME OF THE PRACTICES TRANSFERRED

The YES project was unusual in that it did not include a direct project transfer element.

The process allowed each partner to map entrepreneurship education in their region, and this led to the identification of service gaps.

As a consequence, on an informal basis some partners have looked at options for introducing good practice from other regions. For example, the Swedish partner is very interested in the Finnish YES centre, whilst the Irish partners were impressed by the strategic approach adopted by Murcia region in Spain.

The stakeholder analysis conducted through the project has also influenced partners' approaches, as can be noted in the Regional Action Plans.

The stakeholder research provides a state-of-the-art review of entrepreneurship education across Europe. It is drawn from the perspectives of four stakeholder groups – Decision-makers (politicians), Opinion-makers (business people), Stakeholders (educationalists) and Students.

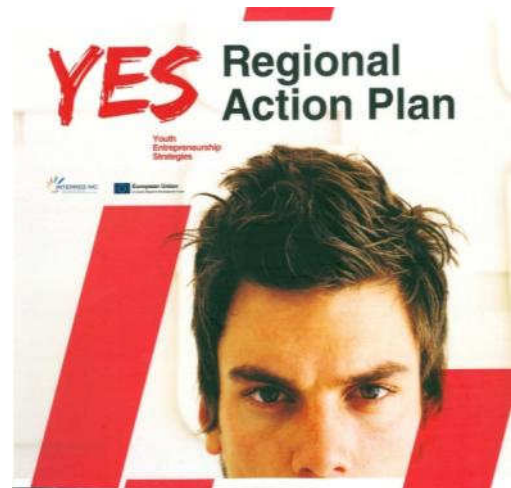
The research findings focus on some of the key questions including: the optimum age to start promoting enterprise education; the biggest barriers to progress; respective roles of the business community and educators; the core definition of enterprise education.

#### OPTIMUM CONDITIONS FOR TRANSFER

- “Transfer and implementation isn’t just about copying what others do. It’s more a process of reflection and adaptation.” (Partner comment)
- Although the YES project did not engage in direct transfer of good practice, the features of this partnership that have facilitated effective interregional working were articulated as follows:
  - Strong partnership structure, with good leadership and direction
  - Clear and consistent communications
  - A process which enables partners to (quickly) understand their similarities and differences – but which emphasises the shared agenda
  - Identification of shared challenges
  - A process which allows partners to work intensively together on shared priorities
  - Honesty and candour amongst partners – assisted by continuity of personnel within the interregional activities.

#### D. SOME POLICY MESSAGES

- Develop high level leadership and commitment to stimulate entrepreneurship education.
- Use long-term, sustained pressure from political leaders - don't expect a 'quick fix'.
- Recognise that, in many Member States, young people go through the entire education system without any exposure to entrepreneurship – this must change.
- Build on the work of YES to develop a better and shared understanding of entrepreneurship education.
- See entrepreneurship education as an integral part of the education system, not as an extracurricular 'bolt-on'.
- Where possible, start entrepreneurship education as early as possible.
- Adopt a strategic approach at regional/national level. In a congested landscape this helps identify specific roles and responsibilities in order to effectively mobilise all stakeholders.
- Recognise that teachers have a key role to play, and the YES network has underlined some of the issues related to involving them. A frequently stated view stresses the benefit of inviting teachers to participate – working with the willing – rather than mandating those who are reluctant.
- Invest in the promotion of the entrepreneurship education agenda - support teachers in improving their skills and knowledge in this field.
- Provide opportunities – shared spaces – for teachers and business people to network and collaborate – such as via the Finnish YES centre model.
- Equip young people with the right attitudes through entrepreneurship education. Even if they do not go into business, these competencies – teamwork, problem-solving, creativity, planning etc. – are valued by all employers and are increasingly expected in the workplace.
- Engage employers and offer guidance and facilitation to maximise the potential of their involvement.



### 3d) Supporting young entrepreneurs to launch their business

#### ENTREDI

Entrepreneurial Diversity

##### PROJECT DETAILS

**Priority:** Innovation and the knowledge economy

**Theme:** Entrepreneurship and SMEs

##### TYPE OF INTERVENTION

**Type of Intervention:** Capitalisation Project

**Duration:** 01/01/2010 - 29/02/2012

**Website:** [www.entredi.eu](http://www.entredi.eu)

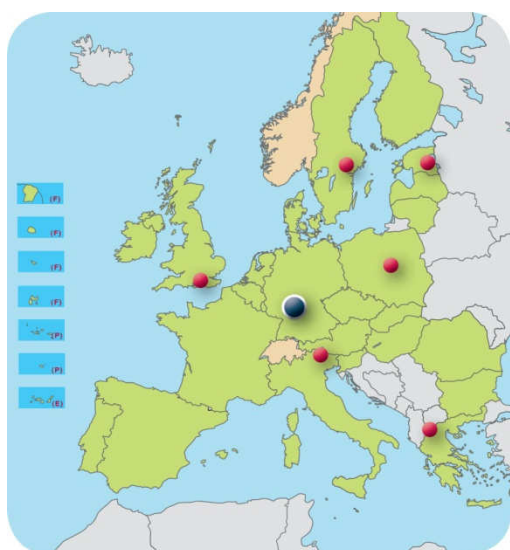
##### BUDGET

**Total Budget:** €1 386 650

**ERDF contribution:** €1 081 195



##### PARTNERSHIP



	Country	Institution, Town
1	Germany	Kompass, Frankfurt am Main
2	Sweden	LTC AB, Jönköping
3	United kingdom	Basingstoke and Deane Borough Council, Basingstoke
4	Estonia	Tartu Science Park, Tartu
5	Poland	University of Lodz, Łódź
6	Italy	Aster s.cons.p.a., Bologna
7	Greece	University of West Macedonia, Research Committee, Kozani

##### Lead Partner

Kompass  
Hanauer Landstraße 521  
60386, Frankfurt am Main  
GERMANY

#### A. ENTREDI PROJECT AIM

ENTREDI aimed to exchange good practice amongst the partner regions in relation to entrepreneurship support mechanisms. The project has a particular focus on promoting diversity in entrepreneurship.

#### B. SOME OF THE GOOD PRACTICES IDENTIFIED

##### 1. Kompass profiling tool and '4+1' Framework (DE)

The profiling tool is a diagnostic product to assess an entrepreneur's readiness to develop a business. This can provide a reliable screening function as well as identifying support needs. The profiling tool is a well-established part of the Kompass business support repertoire.

The tool is used at the assessment stage of an established Kompass '4+1' business development model. This provides a coherent staged framework for business start-up and development.



## 2. Jönköping Science Park model (SE)

Science Parks are often identified with urban areas. The Jönköping model is unusual because it supports entrepreneurship in small towns and rural areas. This is done via a network of 14 locally based nodes. The sectoral focus is primarily on 'knowledge-based' companies, with a long-term strategic perspective. This is aligned to regional efforts to retain talent and to support small (often family-run) businesses through harnessing the support of all relevant regional stakeholders.

## 3. Basingstoke and Deane Council 3en Venture Capital Fund (UK)

Established in 2005, it was the first Local Authority Venture Capital Fund in the UK. The aim is to provide early investment support for high tech businesses. It prioritises new businesses with a sound structure and Intellectual Property Right (IPR) shares.

The fund focuses on a range of new industry sectors – software, IT, telecommunications and new media – and will offer risk capital to the value of around €95 000.

## 4. Tartu Science Park I-Planner (EE)

The I-Planner is an online tool which supports the business planning process. It allows entrepreneurs, advisers and investors to see the business plan content in real time, and is now widely established in Estonia.

This tool supports the business development process and it will automatically calculate break-even points and provide cash flow assessments on the basis of data input. It is now widely trusted and is often a requirement for businesses looking for public and private sector support in Estonia.

## 5. University of Lodz – Mini MBA (PL)

The Global Mini-MBA is a non-degree management development course for business people. Designed in partnership with the University of Maryland in the US, the programme provides a virtual learning offer with a practical management focus. It was written in Polish.

Established in 2000, it was a pioneering example of e-learning and ideally suited to the transnational field.

## 6. ASTER: We Tech Off (IT)

'We Tech Off' has helped over 150 businesses to start up since 2004. The organisation is a consortium promoting enterprise and technology transfer and is jointly owned by the regional government, the Chamber of Commerce and five universities.

Support and information are provided via eight 'antennae' located throughout the Emilia Romagna region. 'We Tech Off' uses a structured model to promote spin-outs and to support their sustained development. Support is provided face-to-face and through online tools and services.

## C. SOME OF THE PRACTICES TRANSFERRED

The table below shows that three products were particularly likely to be transferred:

The widespread adoption of the '4+1 tool' underlines that many regions lacked a coherent business support framework. The profiling tool was identified as being particularly useful at the front-end screening stage. When money is tight, investors look to limit risks as much as possible.

The Jonkoping science-park was popular although in practice some regions (e.g. Emilia Romagna) lacked resources to implement it. Although the Basingstoke good practice example was of interest, it was deemed too difficult to transfer – largely due to differing legal and financial structures.

## OPTIMUM CONDITIONS FOR TRANSFER

- Partners stressed the importance of all being on the same wavelength
- A clear process that allowed initial wide scanning, then narrowing down to preferred Good Practices was helpful.
- Successful donors asked themselves "What have we got that works and doesn't need political change to introduce?"
- 'No-selling' and the opportunity to see the product in use.

#### D. SOME POLICY MESSAGES

- Long-term vision and continuity are needed for effective enterprise support. The most successful regions are those where there is evidence of a long-term vision and political commitment to supporting enterprises.
- Investment remains a key issue – particularly in those parts of Europe where the crisis is most acute – as there is no shortage of good ideas.
- Structural continuity within the public sector is very important. Without it, establishing a long-term vision is difficult, and a high level of staff turnover (for example in restructuring agencies) is a disincentive for private sector partners in particular.
- Achieving results takes time and impacts from such projects may not all be visible in the short term.

Table showing transfer of good practice transferred in ENTREDI

	KOMPASS	Basingstoke	Jonkoping	Tartu	Lodz	Emilia	West Mac
Kompass 4+1							
Profiling tool							
Regional Entr model							
3en VC Fund							
Science Park model							
I-Planner							
Tartu RIS							
Distance learning							
We Tech Off							

Key:

	GP donor
	Selected for transfer
	Expressed interest

### 3e) Efficiency of support policies for new enterprises

#### IMAGEEN

Improvement of Methodologies and Governance of European Entrepreneurship Network

##### PROJECT DETAILS

**Priority:** Innovation and the knowledge economy

**Theme:** Entrepreneurship and SMEs

##### TYPE OF INTERVENTION

**Type of Intervention:** Regional Initiative Project

**Duration:** 01/01/2010 - 31/12/2012

**Website:** [www.imageen.eu](http://www.imageen.eu)

##### BUDGET

**Total Budget:** €1 291 050

**ERDF contribution:** €985 012



##### PARTNERSHIP



	Country	Institution, Town
1	France	Chamber of Commerce and Industry of Lyon, LYON cedex 02
2	Italy	Province of Turin, Torino
3	Poland	City of Warsaw, Warsaw
4	Germany	City of Munich - Department of Labour and Economic Development, Munich
5	Sweden	Business Region Göteborg AB, Gothenburg
6	United Kingdom	Birmingham Chamber of Commerce, Birmingham
7	Spain	County Council of Granada, Granada

##### Lead Partner

Chamber of Commerce and Industry of Lyon  
Place de la Bourse  
69289, LYON Cedex 02  
FRANCE

#### A. IMAGEEN PROJECT AIM

IMAGEEN aimed to benchmark best practice governance models and support methodologies for entrepreneurship.

#### B. SOME OF THE GOOD PRACTICES IDENTIFIED

IMAGEEN produced a Good Practice Guide which showcases 16 of the practices identified during the project. A few of these are highlighted here.

##### 1. Gothenburg Brewhouse (SE)

The Brewhouse is an incubator / meeting place / collaborative space for creative industry entrepreneurs. It was set up in 2004 and is now an established meeting place. It has created a marked increase in innovation and many entrepreneurs in the building have created new business opportunities with each other. The most important lesson learnt is to let a process take the time it needs. There is also a need for greater interaction and shared communication. The economic crisis has made it difficult for some companies to stay on as tenants.

## 2. Mind your own business (SE)

MYOB was started in 2009 and combines a standard one stop approach to advice and support for would-be entrepreneurs (free of charge) with a paid option of more in-depth training in business start-up. The unique selling point (USP) is that the support takes place 'in the everyday life' and training is out of hours - i.e. so business people experience minimal disruption.

## 3. Munich business plan competition (DE)

Operational since 1997, the Munich Business Plan Competition (MBPW) guides founders and start-up entrepreneurs in developing a business plan and implementing it. The MBPW selects the most promising business plans submitted by university technology-oriented would-be entrepreneurs. Intense training and individual coaching are offered. The best business ideas are awarded cash prizes, and all participants have the chance to become members of the Evobis network where they will get additional support to facilitate the implementation of the plan as well as access to financing (venture capital, business angels, and subsidies). There are eight staff members, and in 15 years, over 700 enterprises have emerged from the Munich Business Plan Competition. About 4 250 new jobs have been created and over €554 million seed-to-growth capital has been invested in these companies (2008 data).

## 4. Expedition Forward (SE)

Starting in January 2010, this initiative offers free growth training for business leaders. The primary focus is on strategic growth and the 'expedition' includes various stages: business analysis, growth plan, TUNE (which categorises the potential growth level). Every member company is assigned a key account person who follows the company during their growth journey. This person decides at which stage the company will begin and works out a growth plan together with the company. The charging structure is quite innovative: companies are members, and there is a menu of options for services. Some are paid for by the hour, others per course. There are 14 members of staff, and customer satisfaction is very high and very closely monitored.



## 5. Lyon - City of Entrepreneurship (FR)

Lyon *Ville de l'Entrepreneuriat* is a network of 44 partners offering a full range of common services with shared resources, for every stage of a business start-up, takeover or transfer process. Services cover everything from the project maturity phase to the actual execution phase, helping entrepreneurs to deal with the issues of markets, accommodation, funding and more. A single brand is used which guarantees visibility of support services in the Greater

Lyon area. This has resulted in 18.2% more start-ups in Lyon than in its host region / country. In 2004, 44% of business owners reported difficulties accessing information and support for start-up. In 2012, this had reduced to 14%.

## 6. Project diagnosis (FR)

This IT tool, developed in Lyon, undertakes pre-start diagnosis (of a business idea and the entrepreneur's ability to bring it to life and grow a business). It assesses, through support and consultancy, business needs and provides assistance and signposting to support services. 220 questions about the project are included, and the system also explores the entrepreneurial aptitude of the person behind the project. The cost is €150 per company, which is match-funded by the Lyon Chamber of Commerce.

## 7. Online services for Entrepreneurs (ES) (<http://www.granadaempresas.es>)

This online portal / one stop advice for entrepreneurs collates information for entrepreneurs from a range of (mostly public) bodies in one place. The aim is to facilitate the development of business ideas and the sustainable establishment of new companies.

The main innovations are the integration of all resources on the creation and consolidation of companies and the creation of an intranet where all the municipalities can work together.

All documents and files created by entrepreneurs, i.e. business plan, administration and management databases are located in the computer cloud.



## IMAGEEN

---

■ 5 good practices out of 16 will be experimented in IMAGEEN:

Good Practices	Experimenting Partners
Project Diagnosis (Lyon)	Munich and Turin
Lyon City of Entrepreneurship (Lyon)	Gothenburg
Expedition Forward (Gothenburg)	Lyon and Granada
Mind Your Own Business (Gothenburg)	Warsaw
Munich Business Plan Competition (Munich)	Birmingham

### C. SOME OF THE PRACTICES TRANSFERRED

In summary, Gothenburg is trying to transfer Lyon's entrepreneurship and innovation ecosystem. So far, results suggest that the common brand - shared by all providers - is very important. Other prerequisites of successful transfer are a common database / information, benchmarking and working groups in the network, common tools and skills training. Gothenburg believes that, if successful, the model will provide a better offer to entrepreneurs and better value for money. Lyon and Granada are taking experience from Expedition Forward.

Birmingham is transferring the Munich Business Plan Competition through the Local Enterprise Partnership. One of the main success factors is seen to be an integrated competition which operates at a functional geographical area level and engages all communities within that area. Munich is hoping to develop their own diagnosis database based on Lyon's online diagnosis model. Munich's will be simpler but will use learning from Lyon to identify what information is required to assess needs and what sort of service offers can be put in place which meet them. Munich is also focusing more resources on high growth companies thanks to learning from Expedition Forward.

### OPTIMUM CONDITIONS FOR TRANSFER

- Regions need to quantify and understand their entrepreneurship assets in order to successfully consider and transfer good practices.
- IMAGEEN partners took time to get to know each other and to really understand the different contexts in which they were working. This meant that transfer was better and quicker when they reached that stage of the project.
- Working bilaterally on transfer helps - so that the region which has tried and tested the good practice almost acts as a consultant to the recipient region. This also helps with credibility.
- The opportunity for multiple stakeholders to visit the good practice and to quiz those involved face-to-face also helped to deepen understanding and make transfer more effective.

### D. SOME POLICY MESSAGES

- A fertile entrepreneurship ecosystem is vital - with coherence between the legal framework, the infrastructures and human capital.
- Strong branding is key.
- Adapt education to entrepreneurial needs.
- Involve local stakeholders in the setting up of new services from the beginning.
- Ensure transparency/clarity in the services offered by different local stakeholders.



- Set clear targets in terms of the client group you are reaching out to (students, unemployed people, women, etc.)
- Plan for a long implementation, over a 3 to 4 year period.
- Identify all legal and intellectual property issues.
- Implement a comprehensive communications strategy.
- Use online tools & database to inform and coach online.
- Define indicators and methods to measure the objectives you pursue.
- Invest in supporting entrepreneurship - infrastructure of information and processes - so that people know where to go to get good advice quickly that is clear and easy to access, understandable and accurate.
- Entrepreneurs need new mechanisms for access to finance for start-ups.
- Self-diagnosis tools help entrepreneurs understand whether their business has potential.
- Entrepreneurship intermediaries and projects need to focus on people - users - not on process.
- Some regions need to make it easier for start-ups to start. Some regions need to make it less easy! In the UK, for example, some businesses are set up without people understanding what it means and this leads to a high failure rate. In places like France and Germany, businesses have to be registered with their Chamber of Commerce before starting. This might be a barrier but it's a useful / worthwhile barrier.
- Public support needs to be more accessible - in the community, and on the road to engage people.
- Pre-business start-up marketing is important.
- Survival rates are often a problem - it is not worth setting up 10 000 companies if 40% of them are to fail in 3 or 4 years - regions need to focus on quality businesses so that fewer, better companies are set up. Better pre and post-consultancy services are needed to keep contact between the office and the companies after the initial start-up phase.
- Services need to be better tailored to the needs of start-ups - different sectors, communities etc. often speak different languages.
- Intermediaries need to assess the SME owner after the start-up phase to ensure they have the skills to run and sustain the business.
- It is vital to put money in the right places -for example education for entrepreneurship is essential, as are dedicated initiatives for certain target groups (e.g. migrants) - it's not all about high growth companies.
- It would be useful for regions to have access to common indicators for entrepreneurship - IMAGEEN has developed a common entrepreneurship barometer with ten permanent common indicators giving an overall picture and enabling comparisons between EU Regions.

### 3f) Promoting entrepreneurship in former mining and mono-industrial regions

#### PROSPECTS

To promote and support entrepreneurship to create new SMEs

##### PROJECT DETAILS

**Priority:** Innovation and the knowledge economy

**Theme:** Entrepreneurship and SMEs

##### TYPE OF INTERVENTION

**Type of Intervention:** Regional Initiative Project

**Duration:** 01/01/2010 - 31/03/2013

**Website:** [www.prospects-project.com](http://www.prospects-project.com)

##### BUDGET

**Total Budget:** €1 793 582

**ERDF contribution:** €1 407 862



#### PARTNERSHIP



	Country	Institution, Town
1	France	Association of Mining Communities of France, Liévin
2	Belgium	City Council of Houthalen-Helchteren, Houthalen-Helchteren
3	Czech Republic	Union of cities and municipalities of district Karvina (ACOM CZ), Karvina
4	France	County council of Pas-de-Calais, Arras Cédex 9
5	Hungary	City Council of Tatabánya, Tatabánya
6	Poland	Association of Mining Communities in Poland, Rybnik
7	Slovenia	Labour fund Zasavje, foundation for active employment policy, Zagorje ob Savi
8	Spain	City Council of Laviana, Pola de Laviana
9	United Kingdom	Wigan Council, Wigan
10	Germany	Science Park Gelsenkirchen, Gelsenkirchen, Kreisfreie Stadt

##### Lead Partner

Association of Mining Communities of France  
Hôtel de Ville - B.P. 49  
62800, LIEVIN  
FRANCE

#### A. PROSPECTS PROJECT AIM

Prospects aims to promote entrepreneurship and new SMEs in former mining and traditional industry regions.

#### B. SOME OF THE GOOD PRACTICES IDENTIFIED

##### 1. CleanTech Campus (BE)

CleanTech Campus is located in Houthalen-Helchteren and led by the Municipality. The campus has been established on a former mining site and aims to promote enterprises working in clean mobility, renewable energy, reusable materials and clean production processes. It aspires to become Flanders' regional centre for these sectors. The facility includes an incubation unit, conference centre and education facilities, all relating to the CleanTech sector. Between 2008 and 2012, the target was to create 1 000 jobs, 15 new enterprises and help reduce local unemployment from 7.5% to 5%.

## 2. Valnalon Entrepreneurship Training Programme (ES)

Valnalon Entrepreneurship Training Programme tackles the problem of dependency culture in regions with historically high levels of public-sector investment. It aims to promote a spirit of enterprise through a structured offer delivered in all stages of the education system. The emphasis is as much on culture change as the organisational aspects of starting a business. It includes the establishing of mini-enterprises, export-focused activity and support in attitudinal areas like creative problem-solving and teamwork. The programme has established strong links with partners in South America, and in 2010, it had over 170 000 participants.

## 3. Tourism in the Pas-de-Calais (FR)

This initiative addresses the negative image problem shared by many former mining regions. This is a coordinated effort consisting of a poster campaign in target cities, the recruitment of volunteer 'greeters' to welcome visitors, linking the new Louvre and Turner galleries in Lens and Kent and supporting 20 000 free entries to local tourist sites to support the 'ambassadors'. The programme will be fully evaluated after 2012, but the initial indicators are positive. They have included a more than doubling of the number of visitors to the regional tourist body's website and where tourism throughout France suffered a decrease in visitor numbers by about 20% in 2010, Pas-de-Calais suffered no more than 8%.

## 4. Wigan Property Service Finder (UK)

Wigan Council is working with a wider network of neighbouring local authorities to provide this service. It offers advice and assistance to businesses looking to expand and/or relocate. The service also assists those who are marketing commercial services, as a 'broker'. The service relies on an extensive and current database. This is provided online and by telephone with no charge to customers. Advice on relocation grants as well as public support are also available. The service handles up to 800 enquiries per annum and to date has 9 500 registered customers.

## 5. Energy Lab (DE)

Situated in the Gelsenkirchen Science Park, Energy Lab addresses the issue of attracting young people to careers in technology by offering a place outside school for them to engage in practical learning and access careers guidance. Energy Lab is aimed at young people aged 10 to 16. It focuses on the renewable energy and climate protection energy sectors and gives a chance to learn through conducting practical experiments under supervision. The model also involves regional businesses, which provide careers guidance relating to these key sectors. Energy lab has more than 800 participants per annum.

## 6. Project Natura 2000 (SL)

Project Natura 2000 addressed the issue of the regional post-mining economy. A strategic planning exercise – involving extensive consultation – raised the idea of establishing an eco-park at the centre of a tourism offer. Work has followed to develop a brand and articulate the visitor product. The work has involved the development of resources – such as a game for tourists based on the region and the hosting of a summer school to generate new ideas from stakeholders. The sectoral training needs of locals are also being addressed. Project Natura 2000 is the first of its kind in the Zasavje region.

## C. SOME OF THE PRACTICES TRANSFERRED

The Prospects project produced over 40 good practice case studies relating to the four strategic sub-themes:

- Strengthening the appeal of territories
- Enhancing business support structures
- Supporting business clusters
- Supporting eco-industries and knowledge

Each of the partners submitted an example of regional good practice relating to the four sub-themes. The project process then supported partners in identifying the projects with the best transfer potential. Houthalen-Helchteren donated good practices to three partner regions (Lens-Lievin, Karvina and Wigan) through two of its eco-sectoral projects – the CleanTech Campus and the 'From waste to materials, and from waste to energy' initiative.

The issue of culture change was acknowledged by two separate regions adopting the Valnalon Entrepreneurship Training Programme. This is being developed by Houthalen-Helchteren and by Pas-de-Calais County Council. Pas-de-Calais' success in stimulating the regional tourism potential encouraged

three regions to explore the transfer potential in detail. These were ACOM Poland, Laviana and Gelsenkirchen.

#### OPTIMUM CONDITIONS FOR TRANSFER

- An effective transfer process – phased to include 1) Identification and sharing then 2) transfer activity.
- Clear Lead Partner guidelines on the transfer process.
- Well-designed transfer plans.
- Continuity of personnel – allowing the building of trust.
- Availability of practical projects with tangible benefits that are easy to explain to decision-makers and investors.

#### D. SOME POLICY MESSAGES

- Mining communities are distinctive across Europe, but their challenges are often shared – peripheral locations with poor transport links, environmental degradation, low levels of education, weak SME base and low entrepreneurship rates – these should be binding connections for policymakers.
- Transforming former mining regions is a long-term process – it requires commitment and vision from politicians and policymakers, combined with a willingness to invest.
- Engage politicians in the investment process. Interregional activity can provide a useful platform to involve them.
- Articulate the benefits and potential impacts of interregional work in ways that senior decision-makers can easily understand.
- Maintain momentum by tapping into the new programme funds – particularly ERDF. Managing Authorities have a key role to play here, and the INTERREG IVC Programme is a helpful mechanism to strengthen these regional-level relationships.



### 3g) Economic and qualitative growth of social entrepreneurship

#### MESSE

Mechanism for Enhancement of Synergy and Sustainability among Enterprises

##### PROJECT DETAILS

**Priority:** Innovation and the knowledge economy

**Theme:** Entrepreneurship and SMEs

##### TYPE OF INTERVENTION

**Type of Intervention:** Regional Initiative Project

**Duration:** 01/01/2012 - 31/12/2014

**Website:** [www.messe-project.eu](http://www.messe-project.eu)

##### BUDGET

**Total Budget:** €1 592 235

**ERDF contribution:** €1 237 011



**Mechanism for Enhancement of Synergy  
and Sustainability among Enterprises**

##### PARTNERSHIP



	Country	Institution, Town
1	Italy	Veneto Region, Venice
2	Greece	Region of Attica, Athens
3	Spain	Andalucian Government, Sevilla
4	Romania	Romanian Ministry of Labour and Social Protection, Bucharest
5	Hungary	Pannon Business Network Association, Győr
6	Bulgaria	Sofia Municipality, Sofia
7	Sweden	East Sweden Region, Linköping
8	Germany	Adult Education Centre of Hannover, Hannover
9	United Kingdom	Community Action Hampshire, Winchester

##### Lead Partner

Veneto Region  
Fondamenta S.Lucia Cannaregio, 23  
30121, Venice  
ITALY

#### A. MESSE PROJECT AIM

MESSE seeks to improve the effectiveness of regional development policies for economic growth and quality of social entrepreneurs in Europe.

#### B. SOME OF THE GOOD PRACTICES IDENTIFIED

The project only started in 2012 and, at the time of writing, had not finished the analysis of good practices due to take place from 2012-2013.

About 35 good practices have been identified and collected for publication. A bilateral transfer (from good practice to good practice) is now taking place between the project countries.



### 1. Agency for the Sustainability of Social Enterprises (IT)

The Veneto Region mentoring scheme connects social enterprise with private companies so they are not just dependent on public procurement. The agency supports social enterprises by giving advice to both public authorities and micro-businesses, thereby promoting better joint working. It boosts local networking and offers a consultancy service with the staff team giving advice for instance on public procurement procedures. The agency has a lightweight structure based on a network of resources, competences and expertise provided by its local partners.

### 2. Consorzium in Concerto, Veneto Region, (IT)

Consorzium in Concerto is a social production cluster, with 16 cooperatives employing disadvantaged people, in different sectors such as agriculture and creative industries. It employs 1 300 people and has an annual turnover of €50 million. It supports people with serious mental health conditions to move from public healthcare into job placement and eventual employment where possible.



### 3. FairKauf Department Store, Hannover (DE)

FairKauf is a social department store, selling used goods at reasonably cheap prices. FairKauf's main objective however is to create opportunities for, and offer employment to, unemployed people with the long-term objective of being fully integrated into the labour market. They work in close collaboration with the public employment agency in Hannover. FairKauf's legal form is that of a non-commercial (not-for-profit) registered co-operative. Due to the steady economic growth that FairKauf has been achieving since their foundation in 2006, there has never been a need for public subsidies. Conversely, with a constantly growing number of employees (currently 220), FairKauf has been further expanding, aiming to have five facilities within the next five years.

### 4. Hannoversche Werkstätten gem. GmbH (DE)

The Hannover Workshops create opportunities for people with disabilities to develop their personal and vocational skills within the areas of working, living, and gastronomy. Within the field of vocational training, people with disabilities receive vocational qualifications corresponding to professions on the general job market. Within the area of assisted living, the Hannover Workshops encourage and supports disabled people to lead an independent, self-determined and dignified life. The institution currently employs roughly 1 000 people in the workshops and about 250 members of staff for group supervision, specialist services and administration.

## C. POLICY MESSAGE

- Social enterprise is more resilient in the crisis - it has a particular modus operandi which in some EU Member States makes it benefit from privileged access to Public Procurement Procedures. It is an important model of entrepreneurship to overcome the crisis.
- It has proved possible for Social Enterprises to be independent from public funding and operate like any other business, but there is a need for cooperation and exchange between relevant actors to achieve this end.
- Social entrepreneurship is not about charity, but an economic sector that plays a major role within the European context (supported by facts and figures, see section 2.1).
- A key focal point for social entrepreneurship is to bring more recognition and acknowledgement to the social sector as an equal player. The social sector is gaining importance from day to day and becomes increasingly relevant - in various respects – for customers, partners, employees and the general public.
- To stimulate social enterprises en social entrepreneurship it is useful to have both tailor-made support and general instruments in place, so the entrepreneurs can simply choose the method that best suits their own business concept.

### 3h) Integrated support programme for 'Young SMEs' (between 3rd and 5th year of operation)

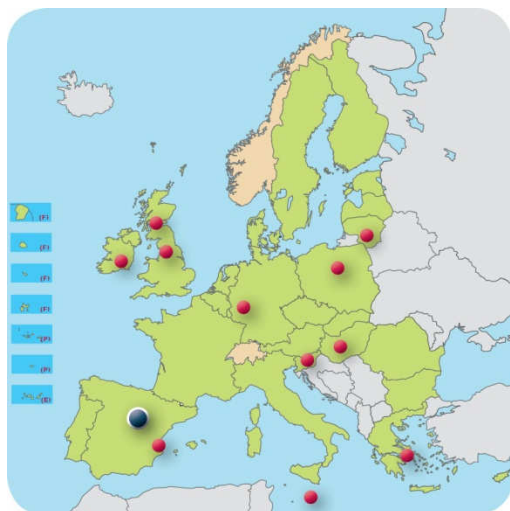
#### Young SMEs

Sharing Interregional knowledge to define Supporting Programmes for Young SMEs

PROJECT DETAILS	
<b>Priority:</b>	Innovation and the knowledge economy
<b>Theme:</b>	Entrepreneurship and SMEs
TYPE OF INTERVENTION	
<b>Type of Intervention:</b>	Regional Initiative Project
<b>Duration:</b>	01/01/2012 - 31/12/2014
<b>Website:</b>	<a href="http://www.youngsmes.eu">www.youngsmes.eu</a>
BUDGET	
<b>Total Budget:</b>	€1 991 482
<b>ERDF contribution:</b>	€1 555 520



#### PARTNERSHIP



##### Lead Partner

INCYDE Foundation  
C/ Ribera del Loira, N° 12  
28042, Madrid  
SPAIN

	Country	Institution, Town
1	Spain	INCYDE Foundation, Madrid
2	Ireland	South-East Regional Authority, Clonmel, Co. Tipperary
3	United Kingdom	Oldham Metropolitan Borough Council, Oldham
4	United Kingdom	Falkirk Council, Falkirk
5	Malta	Malta Enterprise, San Gwann
6	Hungary	Central Transdanubian Regional Innovation Agency Nonprofit Ltd., Szekesfehervar
7	Germany	City of Koblenz, Koblenz
8	Spain	Regional Government of Valencia, Valencia
9	Lithuania	KTU Regional Science Park, Kaunas
10	Poland	Torun Regional Development Agency, Toruń
11	Greece	Athens Tourism and Development Agency SA, Athens
12	Slovenia	Development Centre Litija, Litija

#### A. Young SMEs PROJECT AIM

Young SMEs aims to jointly define an integrated support programme for SMEs between their 3rd and 5th years of operation. It also aims to contribute to business consolidation and therefore to improve the efficiency of the SME policies at European level. At the time of writing of this report, the Good Practices analysis is complete and transfer exchanges are currently in process between all the partners and due to finish in the summer of 2014.

## B. SOME OF THE GOOD PRACTICES IDENTIFIED

The project only started in 2012 and, at the time of writing, had not finished the analysis of good practice. The examples below are drawn from interviews with some of the partners.

### 1. INCYDE Foundation (ES)

INCYDE Foundation is working with established companies - not necessarily high-value companies but shops, local businesses etc. - to help them to survive. They offer training, capacity building / advice and consultancy through a team of consultants who go to one town at a time and work with the businesses there. The Team spends around 10 weeks in each town (not every day). Each young SME is offered four to five hours of training per week (finance, marketing, IT) and then a consultant spends two to three hours with each business owner working on their specific needs. This model is replicated each week on different topics.



### 2. INCYDE Foundation (ES)

INCYDE Foundation also offers consolidation advice for start-ups in incubators. In this shorter service, three consultants are sent to each company for one day or so and given 1:1 support on finance, marketing and IT advice. A short-term business plan is developed (1 year) and then while this is being implemented the consultants are on hand to help / offer advice.

### 2. Energy Audits (Malta Enterprise)

With the highest utility bills in the EU, energy saving is all the more important for Maltese businesses. Businesses regularly highlight energy related costs as one of their most worrying business related concerns; ME has recognised this reality by providing Energy Audits & related Incentives. Energy Audits are part of the general range of Business Advisory Services offered by Malta Enterprise. Typically, for every euro invested in energy savings measures, approximately 7 euro worth of energy efficiency savings are identified. Since 2006, almost 300 audits have been carried out.

### 3. CIME Project (UK, IRE)

Creativity and Innovation Toolkit for SMEs. This project, originally funded through Ireland-Wales INTERREG IVA programme, gives micro-enterprises across South West Wales and South-East Ireland access to leading edge development and training programmes, designed to encourage creativity and innovative thinking within their businesses. Businesses are supported with the generation of innovation and ideas through mentoring and other structured support tools. 21% of candidate companies had taken on a new employee in the first year, and a further 24% plan to take on a new person within the next 12 months. This is double the regional average.

### 4. Supplier Development Programme (UK)

This local procurement initiative, in Falkirk, Scotland, offers a bespoke training programme to help entrepreneurs to access new contracts.

### 3i) Mainstreaming Innovative Instruments for SME development in Europe

#### MINI EUROPE

Sharing Interregional knowledge to define Supporting Programmes for Young SMEs

##### PROJECT DETAILS

**Priority:** Innovation and the knowledge economy  
**Theme:** Innovation, Research and Technology Development

##### TYPE OF INTERVENTION

**Type of Intervention:** Regional Initiative Project  
**Duration:** 01/09/2008 - 31/11/2011  
**Website:** <http://interreg-minieurope.com/>

##### BUDGET

**Total Budget:** €1 991 640  
**ERDF contribution:** €1 554 920



##### PARTNERSHIP



##### Lead Partner

Province of Flevoland  
 PO Box 55  
 8200 AB, LELYSTAD  
 The Netherlands

	Country	Institution, Town
1	The Netherlands	Province of Flevoland, Lelystad
2	United Kingdom	Tameside mbc, Ashton-under-lyne
3	Hungary	Észak-Alföld Regional Development Agency Non-profit Limited Company, Debrecen
4	Romania	Maramures County Council, Baia Mare
5	Sweden	Almi Företagspartner Mitt AB, Härnösand
6	Spain	Institute for Small and Medium Sized Industrial Firms of the Valencian Government, Valencia
7	Italy	Veneto Region, Venezia
8	Italy	Veneto Innovation, Venezia Marghera
9	Greece	Patras Science Park s.A., Rion, Patras
10	The Netherlands	Province of Flevoland, Lelystad
11	United Kingdom	Tameside mbc, Ashton-under-lyne
12	Hungary	Észak-Alföld Regional Development Agency Non-profit Limited Company, Debrecen
13	Romania	Maramures County Council, Baia Mare

#### A. MINI EUROPE PROJECT AIM

MINI EUROPE aimed to exchange and improve regional policies in SME development, focusing on the main themes of promoting entrepreneurship and providing infrastructure for innovation to SME's. In particular, it addresses the issues of increasing involvement of under-represented groups (like minorities, disabled people, and women) in entrepreneurship.



## B. SOME OF THE GOOD PRACTICES IDENTIFIED

The MINI EUROPE consortium has published a good practice catalogue containing 26 good practices. Most effort was on extending entrepreneurship, cluster development, and knowledge transfer. The most important practices are highlighted, covering all three mentioned areas of focus.

### 1. Summer Entrepreneur

Summer entrepreneur is focused on young people (14-20, even up to 30 years old) who develop their own micro business during the summer vacation period. The intention is to let young people get acquainted with the idea of starting their own business. Furthermore, problem solving skills and attitude, and experience in working in teams were developed. It has been under development in Europe since 2005. This practice has been transferred from Sweden to other regions involved in MINI EUROPE, such as Flevoland in the Netherlands or North West England in the UK.

### 2. Starting Point Flevoland

In this project different types of business starters, e.g. ethnic minorities, innovative business start-ups, were helped to start up their own businesses or to expand their existing companies. The instrument aims to stimulate entrepreneurship in a quantitative (amount of start-ups) and qualitative (success rate) way. It helps out the regional development of the economy and encourages innovation.

It covers both the identification of a number of relevant preconditions for (starter) businesses, including accommodation, financing (particularly in the form of 'micro-credit') and the necessary infrastructure, and the provision of help and guidance for a number of starter enterprises and more established companies (set up within the last five years).

### 3. RURCED Romania - Ukraine Regional Centre for Economic Development

A support network "RURCED" was created, in the cross-border region Romania (Maramures, Satu Mare) and Ukraine (Zakarpatska and Ivano-Frankivsk), consisting of chambers of commerce, public regional authorities and universities. Romania and Ukraine share a border but do not yet have significant bilateral trading activities. The goal was to improve this and to stimulate smaller and medium sized enterprises. Activities included trade missions, internet marketing, organising a network support infrastructure and workshops for setting up a strategy for future cooperation.

### 4. Cluster Support Environment Model

The Cluster Support Environments (CSE) model considers the physical infrastructure requirements of a cluster. Whilst all clusters are different and the specific mix of infrastructure will therefore vary, there are several generic types of infrastructure which might be present. The model considers the premise that businesses need support at various stages of growth, including spin-outs and diversification from large businesses. It also considers the specialist facilities that businesses may need to use on a short term basis to develop new products and processes.

### 5. Higher Level Skills Pathfinder

Higher level skills pathfinder aimed to achieve a step change in employer engagement with higher level skills. This means a significant increase in the proportion of the workforce with higher level skills and an improvement of the knowledge economy.

The model is based on two aspects: brokerage and the development and delivery of new high level skills. It was carried out in North West England and proved to answer to employer needs very well.

### 6. Financial Engineering

Although there is a very high entrepreneurial propensity in Veneto, private funds (and also private venture capitalists), which companies or moreover start-ups can apply to, are still lacking. The credit system is often beyond the reach of SMEs and due to the credit crunch it is even more reluctant to give loans without the proper guarantees. Moreover, SMEs asking to fund innovative ideas or start-ups working in high tech sectors such as biotech, nanotech and ICT are not always able to provide guarantees as their collateral is based more on intangible assets.

Public funds for innovation and research are usually connected to periodic calls which are not always in line with the company's time-scale and needs.

To overcome these barriers, a well balanced mix of financial engineering tools, focused on research and innovation, has been set up and launched, consisting of (1) a guarantee system for innovative investments, (2) a revolving Fund for SMEs innovative investment, and (3) a venture capital and private equity Funds.



### C. SOME OF THE PRACTICES TRANSFERRED

The summer entrepreneur programme has been developed in cooperation between Mid Sweden and Nova Scotia. Within the MINI EUROPE programme, the practice was transferred from Sweden to Flevoland in the Netherlands and to North West England. In the UK, the pilot will allow 30 young people the chance of starting a business in the summer holidays with coaching from local business people.

In December 2010, a meeting in Manchester was held with the purpose of transferring the Cluster Support Environment model that was implemented in North West England to both Maramures in Romania, and Észak-Alföld in Hungary. In the meeting, the delegates of Maramures and Észak-Alföld are told what opportunities the Cluster Support Environment could mean for fostering entrepreneurship in their region.

Furthermore, the Higher Level Skills Pathfinder model was transferred from North West England to Greece (Patras Science Park). This was done through dialogue between representatives from Greece and HLSP project managers in a number of sectors, including, Creative, Digital & ICT, Construction, Bio-medical, Energy & Environmental, to progress the exchange, and a visit to Manchester Metropolitan University. Subsequently, the Greek partners developed a similar programme in their own region.

### OPTIMUM CONDITIONS FOR TRANSFER

- A combination of video conferences and exchange visits, proved to be a sound way of communicating in good practice transfer
- When visits are supported by involved regional stakeholders like development organisations that are engaged in supporting entrepreneurs, the good practice becomes more vivid
- Creative workshops were held in the Mini Europe project. These proved to be a good way of mainstreaming ideas to assist exchanges

### D. SOME POLICY MESSAGES

- Innovation and a knowledge-based economy are the engines of regional development and increase a region attractiveness.
- The development of (technology) clusters can be an excellent way of creating the appropriate milieu favourable to innovation.
- Exchanging best practices and learning from experience strengthen entrepreneurship in regions.
- Involving young people in entrepreneurship programmes helps to unleash entrepreneurial talent.
- Cross-border cooperation can reveal previously untapped opportunities for economic development. Examine whether bordering regions have more opportunities for cooperation than currently used.
- Brokerage and the development of new high level skills improve the quality of the workforce in a region.

## Annexe 4: Links and References

1. European Commission, *Communication from the Commission. Europe 2020. A strategy for smart, sustainable and inclusive growth* (3 March 2010), available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:2020:FIN:EN:PDF>
2. Kolb David A., *Experiential learning: experience as the source of learning and development* (Englewood Cliffs Prentice-Hall, 1984).
3. European Commission, *National/Regional innovation strategies for smart specialisation Cohesion Policy 2014-2020* (march 2014) available at: [http://ec.europa.eu/regional\\_policy/sources/docgener/informat/2014/smart\\_specialisation\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docgener/informat/2014/smart_specialisation_en.pdf)
4. European Commission, *Communication from the Commission, 2011/682 final. Social Business Initiative: Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation* (October 2011) available at: [http://ec.europa.eu/internal\\_market/social\\_business/docs/COM2011\\_682\\_en.pdf](http://ec.europa.eu/internal_market/social_business/docs/COM2011_682_en.pdf)
5. European Commission, *Green Paper – Entrepreneurship in Europe* (January 2003)
6. European Commission, *Flash Eurobarometer 283 Entrepreneurship in the EU and beyond: Analytical Report* (May 2010) available at: [http://ec.europa.eu/public\\_opinion/flash/fl\\_283\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_283_en.pdf)
7. European Commission, *Effects and impact of entrepreneurship programmes in higher education* (March 2012) available at: [http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/files/education/effects\\_impact\\_high\\_edu\\_final\\_report\\_en.pdf](http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/files/education/effects_impact_high_edu_final_report_en.pdf)
8. Twaalfhoven, Bert and Karen Wilson, *Breeding More Gazelles: The Role of European Universities* (October 2004) available at: <http://www.efer.nl/2013/pdf/RP-Breeding%20Gazelles-TheRoleofUniversities.pdf>
9. European Commission, *Entrepreneurship Education at School in Europe: National Strategies, Curricula and Learning Outcomes* (March 2012) available at: [http://eacea.ec.europa.eu/education/eurydice/documents/thematic\\_reports/135en.pdf](http://eacea.ec.europa.eu/education/eurydice/documents/thematic_reports/135en.pdf)
10. European Commission, *Lisbon Strategy: Towards a green and innovative economy* (2010) available at: [http://ec.europa.eu/archives/growthandjobs\\_2009/](http://ec.europa.eu/archives/growthandjobs_2009/)
11. European Commission, “Europe 2020 strategy” Europa.eu [http://ec.europa.eu/europe2020/index\\_en.htm](http://ec.europa.eu/europe2020/index_en.htm) (last updated May 2014).
12. European Commission, *Panorama Inforegio: Cohesion Policy 2014-2020 Momentum Builds* (2013 no. 48) available at: [http://ec.europa.eu/regional\\_policy/sources/docgener/panorama/pdf/mag48/mag48\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docgener/panorama/pdf/mag48/mag48_en.pdf)
13. European Commission, *Communication from the Commission, COM 2011/870 final. An action plan to improve access to finance for SMEs* (December 2011) available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0870:FIN:EN:PDF>
14. European Commission, “Social Entrepreneurship.” Europa.eu [http://ec.europa.eu/internal\\_market/social\\_business/index\\_en.htm](http://ec.europa.eu/internal_market/social_business/index_en.htm) (Last Updated April 2014).
15. European Commission, *Communication from the Commission, COM2012/173 final. Commission Towards a job-rich recovery* (April 2012) available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0173:FIN:EN:PDF>
16. European Commission, *Communication from the Commission COM2012/759 final. Entrepreneurship 2020 Action Plan: Reigniting the entrepreneurial spirit in Europe* (January 2013) available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0795:FIN:en:PDF>
17. European Commission, “COSME.” Europa.eu [http://ec.europa.eu/enterprise/initiatives/cosme/index\\_en.htm](http://ec.europa.eu/enterprise/initiatives/cosme/index_en.htm) (Last Updated April 2014).
18. COPIE “The Community of practice on Inclusive Entrepreneurship” cop-ie.eu <http://www.cop-ie.eu/> (Last accessed May 2014)
19. European Commission, *Social economy and social entrepreneurship: Social Europe guide – Volume 4.* (April 2013) available at: <http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=7523&type=2&furtherPubs=yes>

20. European Commission, *The Social Business Initiative of the European Commission* (January 2014) available at: [http://ec.europa.eu/internal\\_market/publications/docs/sbi-brochure/sbi-brochure-web\\_en.pdf](http://ec.europa.eu/internal_market/publications/docs/sbi-brochure/sbi-brochure-web_en.pdf)
21. European Commission, *Communication from the Commission COM2013/83 final. Towards Social Investment for Growth and Cohesion – including implementing the European Social Fund 2014-2020* (February 2013) available at: <http://ec.europa.eu/social/BlobServlet?docId=9761&langId=en>
22. European Commission, *Policy Brief on Social Entrepreneurship: Entrepreneurial Activities in Europe* (2013) available at: [http://www.oecd.org/cfe/leed/Social%20entrepreneurship%20policy%20brief%20EN\\_FINAL.pdf](http://www.oecd.org/cfe/leed/Social%20entrepreneurship%20policy%20brief%20EN_FINAL.pdf)
23. OECD, "Financing SMEs and Entrepreneurs 2012: An OECD Scoreboard." *OECD.org*. <http://www.oecd.org/cfe/smes/financingsmesandentrepreneurs2012anoecdscoreboard.htm> (last accessed May 2014)
24. OECD, *The Missing Entrepreneurs: Policies for inclusive entrepreneurship in Europe* (2013) Available at: [http://www.keepeek.com/Digital-Asset-Management/oecd/industry-and-services/the-missing-entrepreneurs\\_9789264188167-en#page7](http://www.keepeek.com/Digital-Asset-Management/oecd/industry-and-services/the-missing-entrepreneurs_9789264188167-en#page7)
25. GEM, "Global Entrepreneurship Monitor" *Gemconsortium.org*. <http://www.gemconsortium.org/> (Last accessed May 2014)
26. Global Entrepreneurship Monitor, *2011 Global Report* (2012) available at: <http://www.gemconsortium.org/docs/2409/gem-2011-global-report>
27. Weinberger, C. *Entrepreneurship*. Panel discussion Capitalisation event (22 May 2014)
28. European Parliament, "New EU-Rules on public procurement – ensuring better value for money" *Europa.eu*. <http://www.europarl.europa.eu/news/nl/news-room/content/20140110BKG32432/html/New-EU-rules-on-public-procurement-ensuring-better-value-for-money> (Last updated: January 2014)
29. De Rosa, Francesco. "*Policies to develop Social Enterprises in Italy: the experience of Marche Region*" (presentation, Brussels 6<sup>th</sup> October 2011) available at: <http://www.pase-project.eu/cms/images/stories/products/SEpase-rounde-table-fdr.pdf>
30. Marina, C. "*Entrepreneurship*" Panel discussion INTERREG IVC Capitalisation event (22 May 2014)
31. European Commission, *Strasbourg Declaration: Empowering social entrepreneurs for innovation, inclusive growth and jobs*. (January 2014). Available at: (January 2014). [http://ec.europa.eu/internal\\_market/conferences/2014/0116-social-entrepreneurs/docs/strasbourg-declaration\\_en.pdf%20](http://ec.europa.eu/internal_market/conferences/2014/0116-social-entrepreneurs/docs/strasbourg-declaration_en.pdf%20)
32. O'Brien, T. *Entrepreneurship*. Panel discussion INTERREG IVC Capitalisation event (22 May 2014)
33. YES! *Regional Action Plans* (2013) available at: [http://www.young-entrepreneurs.eu/download\\_doc.php?id=45&t=e](http://www.young-entrepreneurs.eu/download_doc.php?id=45&t=e)
34. Pels, B. "*Entrepreneurship*" Panel discussion INTERREG IVC Capitalisation event (22 May 2014)
35. INTERREG IVC, "Capitalisation reports" *interreg4c.eu*. <http://www.interreg4c.eu/capitalisation/> (last accessed: May 2014)
36. Doranova, A. "*Eco Innovation*". Presentation INTERREG Capitalisation event 22 May 2014
37. Heydebreck, P. "*Innovation Systems*". Presentation INTERREG Capitalisation event 22 May 2014
38. INTERACT II, "Knowledge management and capitalisation" *interact-eu.net*. [http://www.interact-eu.net/synergies\\_and\\_capitalisation/intro/26/15](http://www.interact-eu.net/synergies_and_capitalisation/intro/26/15) (last accessed: May 2014)
39. URBACT II, *Cities of tomorrow – Action today: URBACT II capitalisation key messages*. (May 2013) available at: [http://urbact.eu/fileadmin/general\\_library/19765\\_Urbact\\_Crosscutting\\_low\\_FINAL.pdf](http://urbact.eu/fileadmin/general_library/19765_Urbact_Crosscutting_low_FINAL.pdf)
40. ESPON, *ESPOE ECPs Transnational Networking Activities: MONTESPOE International Seminar on Mountainous Areas in Europe - synthesis Report 2006* (2006) available at: [http://www.espon.eu/export/sites/default/Documents/Events/ESPON2006Seminars/ECPTransnationalSeminars/MontESPONSeminar/montespon\\_final\\_27-11-2006.pdf](http://www.espon.eu/export/sites/default/Documents/Events/ESPON2006Seminars/ECPTransnationalSeminars/MontESPONSeminar/montespon_final_27-11-2006.pdf)
41. ESPON, *SEARCH; Structured empirical analysis for convergence regions: identifying success factors for consolidated growth* (December 2010) available at:

- [http://www.espon.eu/export/sites/default/Documents/Projects/TargetedAnalyses/SURE/SURE\\_Final\\_Report\\_and\\_annexes.pdf](http://www.espon.eu/export/sites/default/Documents/Projects/TargetedAnalyses/SURE/SURE_Final_Report_and_annexes.pdf)
42. URBACT, "Weed Results" *urbact.eu*. <http://urbact.eu/en/results/results/?resultid=18> (Last accessed: May 2014)
  43. inteGROW, "InteGROW; Social inclusion of young people at risk of exclusion; Our Project" *urbact.eu* <http://urbact.eu/en/projects/active-inclusion/integrow/our-project/> (last accessed: May 2014)
  44. URBACT, "ESIMeC" Results *urbact.eu*. <http://urbact.eu/en/results/results/?resultid=34> (last accessed: May 2014)
  45. ESPON "TransMEC Transnational support Method for European Cooperation" *espon.eu* [http://www.espon.eu/main/Menu\\_Projects/Menu\\_TargetedAnalyses/TransMEC.html](http://www.espon.eu/main/Menu_Projects/Menu_TargetedAnalyses/TransMEC.html) (last accessed: May 2014)
  46. ESPON, *EPSON SCALES; Breakdown and capitalisation of EPSON results on different scales* (2013) available at: [http://www.espon.eu/export/sites/default/Documents/Projects/TNA-ECP/SCALES/ESPON\\_SCALES\\_FR\\_main\\_report.pdf](http://www.espon.eu/export/sites/default/Documents/Projects/TNA-ECP/SCALES/ESPON_SCALES_FR_main_report.pdf)
  47. INTERREG IVC, "RAPIDE – Regional Action Plans for Innovation Development and Enterprise" *epractice.eu*. <http://www.epractice.eu/en/cases/rapide> (last accessed: May 2014)
  48. Territorial Cooperation, "KEEP" *territorialcooperation.eu*. <http://www.territorialcooperation.eu/keep/> (last accessed: May 2014)
  49. INTERACT II, *Indicators: Telling the Story of the European Territorial Cooperation Discussion Paper for the Workshop on 7 may 2013 in Brussels* (May 2013) available at: [http://admin.interact-eu.net/downloads/7796/Event\\_document\\_discussion\\_paper\\_Indicators\\_for\\_2014\\_2020\\_Programmes\\_Telling\\_the\\_Story\\_of\\_the\\_European\\_Territorial\\_Cooperation\\_05\\_2013\\_.pdf](http://admin.interact-eu.net/downloads/7796/Event_document_discussion_paper_Indicators_for_2014_2020_Programmes_Telling_the_Story_of_the_European_Territorial_Cooperation_05_2013_.pdf)
  50. European Commission, "PROGRESS programme (2007-2013)" *ec.europa.eu*. <http://ec.europa.eu/social/main.jsp?catId=327> (last accessed: May 2014)
  51. European Commission, "Europe INNOVA" *ec.europa.eu*. [http://ec.europa.eu/enterprise/policies/innovation/support/europe-innova/index\\_en.htm](http://ec.europa.eu/enterprise/policies/innovation/support/europe-innova/index_en.htm) (last updated: April 2013)
  52. European Commission, "Strengthening Employment and Mobility - Boosting Business" *ec.europa.eu*. <http://ec.europa.eu/esf/main.jsp?catId=457&langId=en> (last updated: March 2013)
  53. European Commission, "Research and Innovation - Exploitation Strategy Seminars" *ec.europa.eu* [http://ec.europa.eu/research/industrial\\_technologies/ess-innovation\\_en.html](http://ec.europa.eu/research/industrial_technologies/ess-innovation_en.html) (last accessed: May 2014)
  54. European Commission, "European Social Fund – Promoting Social Enterprise" *ec.europa.eu* <http://ec.europa.eu/esf/main.jsp?catId=531&langId=en> (last updated: April 2013)
  55. WISE, *A Wise way of working; Work Integration Social Enterprises and their role in European Policies – National Cross Cutting Reports* (2013) available at: [http://www.isede-net.com/sites/default/files/social\\_economy/WISE%20report.pdf](http://www.isede-net.com/sites/default/files/social_economy/WISE%20report.pdf)
  56. TII, "Take It Up" *tii.org* [http://tii.org/index2.php?sm=tii\\_en-17-take\\_it\\_up](http://tii.org/index2.php?sm=tii_en-17-take_it_up) (last accessed: 2014)
  57. Mason, C and Kwok, J, *Facilitating Access to Finance: Discussion Paper on Investment Readiness Programmes* (2010) EC/OECD available at: <http://www.oecd.org/investment/psd/45324336.pdf>
  58. Nicholls, Jeremy; Lawlor, Eilis; Neizert, Eva; Goodspeed, Tim; *A guide to Social Return on Investment* (April 2009, Society Media)
  59. VentureLab Twente "Homepage" *venturelabtwente.nl* <http://venturelabtwente.nl/> (last accessed: May 2014)
  60. Kennispark Twente "TOP regeling" *kennispark.nl* <http://www.kennispark.nl/nl/do-business/top-regeling/> (last accessed May 2014)
  61. European Commission, *Regional Policy for smart growth of SMEs: Guide for Managing Authorities and bodies in charge of the development and implementation of Research and Innovation Strategies for Smart Specialisation* (2013) available at: [http://ec.europa.eu/regional\\_policy/sources/docgener/studies/pdf/sme\\_guide/sme\\_guide\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/sme_guide/sme_guide_en.pdf)

62. Brabantse Ontwikkelingsmaatschappij "Fondsen Brabant" *bom.nl* <http://www.bom.nl/over-bom/fondsen-brabant> (last accessed May 2014)
63. Dolowitz, David. and Marsh, David; *Learning from Abroad: The Role of Policy Transfer in Contemporary Policy-Making. Governance: An International Journal of Policy and Administration* Vol. 13, No. 1 (Oxford: Blackwell Publishers, 2000) 5-24.
64. EureConsult S.A. *Study on Exchange of Experience Progresses* (2013) Available at: [http://www.interreg4c.eu/uploads/media/pdf/exchange\\_experience\\_study\\_full.pdf](http://www.interreg4c.eu/uploads/media/pdf/exchange_experience_study_full.pdf)
65. Shapero, A. "Social dimensions of Entrepreneurship." In *The encyclopaedia of Entrepreneurship*, edited by. C. Kent, D. Sexton and K. Vesper. 72-90 Englewood Cliffs: Prentice-Hall, 1982
66. North European Network for Service Incubators *Guide to set up and manage a service incubator* (2008)
67. DG Enterprise and Industry *Cross-border Matching of Innovative Firms with Suitable Investors* (2012) Available at: <http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetailDoc&id=6008&no=1>
68. PASE *Guidelines for Evaluation criteria of social issues in services procurement practices* (Last accessed 2014) Available at: [http://www.pase-project.eu/cms/images/stories/products/pase\\_LG\\_EN.pdf](http://www.pase-project.eu/cms/images/stories/products/pase_LG_EN.pdf)

## Further Reading

As well as the references used in the report, this section presents recommendations for further reading for future entrepreneurship policy development in Europe and its regions.

### **a) The context of entrepreneurship in Europe**

To complement the picture that emerges from this INTERREG IVC capitalisation study of recent entrepreneurship related developments and the role of entrepreneurship in the European economy, the following resources provide for valuable additional insights and information:

1. OECD *Small Businesses, Job Creation and Growth: Facts, Obstacles and Best Practices* available at: <http://www.oecd.org/industry/smes/2090740.pdf>
2. European Forum for Entrepreneurship Research "Main Page" *efer.eu* <http://www.efer.eu/> (last accessed: May 2014)

### **b) Future entrepreneurial strategies of the European Commission**

In addition to the sources mentioned in section 2 "Policy Context", the following sources present tools, strategies and information in order to develop regional policies in line with the European Commission's future direction for entrepreneurship:

3. European Commission, Regional Policy – Info regio "Cohesion Policy 2014-2020" *europa.eu* [http://ec.europa.eu/regional\\_policy/what/future/index\\_en.cfm](http://ec.europa.eu/regional_policy/what/future/index_en.cfm) (last updated March 2014)
4. European Commission, Guidebook Series, *How to support SME policy from Structural Funds* (2013). especially recommended titles are:
  - No 1. *Building Entrepreneurial Mindsets and skills in the EU*. available at: [http://ec.europa.eu/enterprise/policies/sme/regional-sme-policies/documents/no.1\\_entrepreneurial\\_mindsets\\_en.pdf](http://ec.europa.eu/enterprise/policies/sme/regional-sme-policies/documents/no.1_entrepreneurial_mindsets_en.pdf)
  - No 6. *How to use Structural Funds for SME & Entrepreneurship Policy*. available at: [http://ec.europa.eu/enterprise/policies/sme/regional-sme-policies/documents/no.6\\_cookbook\\_en.pdf](http://ec.europa.eu/enterprise/policies/sme/regional-sme-policies/documents/no.6_cookbook_en.pdf)

### **c) Resources for (entrepreneurship) policy development**

As well as the examples mentioned in the Support-Development Matrix (chapter 5), the Study on Exchange of Experience Progresses (see reference 64) and the EC Guide for Smart Specialisation Strategies (see reference 61), the following sources are recommended for further reading on the topic of regional entrepreneurship policy development and interregional collaboration for regional policy development:



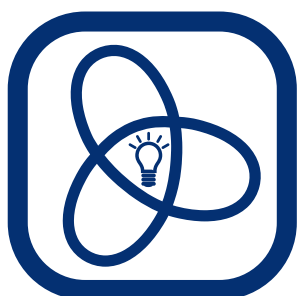
5. UNCTAD (United Nations Conference on Trade and Development) *Entrepreneurship Policy Framework and Implementation Guidance* (2012) available at: [http://unctad.org/en/PublicationsLibrary/diae2012d1\\_en.pdf](http://unctad.org/en/PublicationsLibrary/diae2012d1_en.pdf)
6. OECD *Making Innovation Policy Work, Learning from Experimentation* (2014) edited by: Dutz, Mark A et al. Available at: [http://www.keepeek.com/Digital-Asset-Management/oecd/science-and-technology/making-innovation-policy-work\\_9789264185739-en](http://www.keepeek.com/Digital-Asset-Management/oecd/science-and-technology/making-innovation-policy-work_9789264185739-en)
7. OECD Reviews of Regional Innovation, *Regions and innovation, collaborating across borders* (2013, OECD Publishing) available at: [http://admin.interact-eu.net/downloads/8499/OECD\\_Study\\_Regions\\_and\\_Innovation\\_Collaborating\\_across\\_Borders\\_2013.pdf](http://admin.interact-eu.net/downloads/8499/OECD_Study_Regions_and_Innovation_Collaborating_across_Borders_2013.pdf)
8. European Commission - Enterprise and Industry, *Entrepreneurship in higher education, especially within non business studies; Final Report of the Expert Group* (2008) available at: [http://ec.europa.eu/enterprise/policies/sme/files/support\\_measures/training\\_education/entr\\_highed\\_en.pdf](http://ec.europa.eu/enterprise/policies/sme/files/support_measures/training_education/entr_highed_en.pdf)
9. European Commission, Enterprise and Industry, *Entrepreneurship Education: A Guide for Educators* (Brussels, June 2013) available at: [http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/files/education/entred-manual-fv\\_en.pdf](http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/files/education/entred-manual-fv_en.pdf)
10. European Business Network "Main Page" [ebn.eu](http://www.ebn.eu) [http://www.ebn.eu/](http://www.ebn.eu) (last accessed: May 2014)

#### **d) Resources for social entrepreneurship policy development**

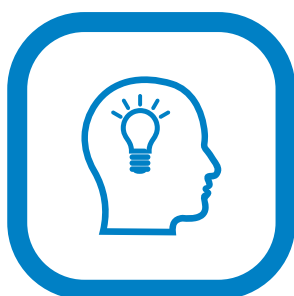
For the development of social entrepreneurship policies, the OECD and the EC provide for some comprehensive resources (see references 19, 22, 24). In addition, the following sources provide tools, strategies and additional information in this area:

11. Social Economy Europe "Main Page" [Socialeconomy.eu](http://www.socialeconomy.eu) <http://www.socialeconomy.eu.org/> (last accessed: May 2014)
12. REVES "European Network of Cities & Regions for the Social Economy" [revesnetwork.eu](http://www.revesnetwork.eu) <http://www.revesnetwork.eu/> (last accessed: May 2014)
13. DIESIS "European Research and Development Service for the Social Economy" [diesis.coop](http://www.diesis.coop) <http://www.diesis.coop/> (last accessed: May 2014)

# INTERREG IVC Thematic Capitalisation



Innovation systems



Innovation capacity of SMEs



Eco-innovation



Creative industries



Entrepreneurship



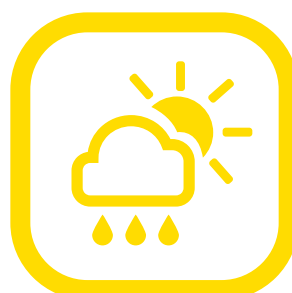
E-government services



Demographic change



Rural development



Climate change



Energy efficiency



Renewable energy



Sustainable transport



**Download all reports at:**  
[www.interreg4c.eu/capitalisation](http://www.interreg4c.eu/capitalisation)

© INTERREG IVC Joint Technical Secretariat

Région Nord-Pas de Calais, Les Arcuriales – Entrée D, 5e étage, 45 rue de Tournai – 59000 Lille – France

T.: +33 (0)3 28 14 41 00 • F.: +33 (0)3 28 14 41 09 • [info@interreg4c.eu](mailto:info@interreg4c.eu) • [www.interreg4c.eu](http://www.interreg4c.eu)