



Application form
European Entrepreneurial Regions (EER)
Pilot scheme

1. Contact details

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Application year:

- EER year 2011
- EER year 2012

Summary

- Presentation of the political vision
- Action plan
- EER activities and communication

Total characters	39.205
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*This application has been submitted together with the declaration of political commitment signed by the Minister for Innovation Universities and Enterprises, Mr Josep Huget to:
eer2010@cor.europa.eu, the day, 13th January 2010.*

2. Presentation of the political vision

Catalonia, a haven for SMEs and one of Europe's leading economic engines

In Catalonia, companies constitute the base of the economy and the SME is its fundamental pillar to the extent that this group, made up of 535,169 companies, accounts for 99.9% of Catalonia's companies, 76.0% of its employment and 67.6% of its Gross Value Added¹. These results place the relative weight of SMEs in Catalonia above the European average, in terms of the number of companies (99.8% of EU-26 average) and, especially, employment and value added (67.1% and 57.9%, respectively). In terms of business sectors, SMEs represent the largest group of all manufacturing branches, to the extent that they account for 57% of value added in manufacturing activities, 92% in construction, 74% in trade, 88% in the hotel and restaurant industry, 51% in transport and communications and 63% in business services.

Three factors that contribute to explaining the presence of SMEs in the business fabric of Catalonia can be identified: **the territory, the application of resources and the entrepreneurial spirit of Catalan society**. Effectively, for centuries the productive fabric has been consolidated around a system of small and medium-sized cities², which has favoured the creation of territorial production systems based on small and medium-sized enterprises that form the Catalan economy. Within this context, Catalonia's significant resources (natural, human, financial and technological) have allowed the development of a diversified and international economy with a major industrial base and a relatively high level of technology. A third element, which is of major cultural significance and great importance, is the entrepreneurial spirit that characterises Catalan society and that has enabled the number of entrepreneurs in Catalonia to reach more than half a million and Catalonia to become a strong economic engine within the regional European context. In this sense, Catalonia has moved from being the eighth European region in terms of the absolute number of individual entrepreneurs in 2000 to being the second region in 2008, surpassed only by Lombardy³.

Within the framework of changes affecting the global economy and the new production model, the competitive position of the Catalan business sector can be expressed in the following SWOT analysis related to business structure, environment and strategy.

In this context, the Government of Catalonia is aware that the capacity of a country to face structural challenges and to transform threats into opportunities and weaknesses into strengths is closely linked to the capacity of the public authorities to apply integrated policies that are coherent with the production situation and with the consensus of economic and social agents.

1. Data corresponding to 2006, obtained from the Catalan SME Yearbook prepared by PIMEC with the collaboration of the Government of Catalonia. (PIMEC/The Catalanian Confederation for SMEs represents the interests of SMEs in Catalonia. It was established in 1978 and its members are both business organisations and individual enterprises. PIMEC is a member of UEAPME.)

2 See attached map of Catalan cities.

3 Information obtained from EUROSTAT data (reg_lfe2estat).

These policies must:

- a) Define an environment that facilitates business activity.
- b) Stimulate the transformation of the production model.
- c) Accompany structural changes.
- d) Take into account the different industrial and territorial situations.
- e) Place public business support instruments and suitable mechanisms at the disposal of the production fabric.

The new European policy: an opportunity to meet Catalonia's strategic objectives

In order to provide a suitable response to significant changes in the environment in which the companies have to carry out their activities, initiatives have been implemented in the European political scope that are of great importance and that might have a strong positive impact on Catalonia.

Given its effect on the Catalan economy, one of the main initiatives is the Small Business Act ⁴, which represents a step towards a political response aligned with Europe, in accordance with Catalonia's business situation and coherent with the general objectives of the country, including the Catalan Agreement on Research and Innovation, the Catalan Law on Education, the Catalan Law on Industrial Policy Law, the Strategic Agreement to Promote the Internationalisation, Job Quality and Competitiveness of the Catalan Economy, and the Agreement on Measures for Youth Employment in Catalonia.

Effectively, the aim of the aforementioned documents is to enable Catalonia to maintain its status as a European business engine and make its economy stronger, more internationalised, more innovative, more efficient and with better quality employment, greater respect for the environment and greater social cohesion.

Therefore, it is necessary to guarantee that Catalonia is capable of transforming its traditional industrial and services economy into another one based on knowledge and the production of value added goods and services while using research and innovation to respond to social and environmental challenges.

⁴ Mention could also be made of the Communication of COM Commission (2005) 474 final, of 5 October 2005, Implementing the Community Lisbon Programme: A policy framework to strengthen the EU manufacturing – towards a more integrated approach for industrial policy, or to the recent initiative to revise the Lisbon Strategy.

Strengths	Weaknesses
<p>Business structure</p> <ul style="list-style-type: none"> ▪ Industrial, transforming and diversified companies, providing resistance to asymmetric shocks. ▪ Light and flexible structure, in spite of the predominance of SMEs. ▪ Strong entrepreneurial tradition. ▪ Strong tradition of trade associations and professional unions/guilds. <p>Business environment</p> <ul style="list-style-type: none"> ▪ Significant number of knowledge generation and application centres. ▪ Highly clustered industry. ▪ Agglomeration and urbanisation economies in the metropolitan scope of Barcelona. <p>Business strategy</p> <ul style="list-style-type: none"> ▪ Clear predominance of the business sector in the distribution of R&D expenditure. ▪ High level of international trade with an increase in exports. ▪ Growing development of the number of Catalan industrial multinationals. ▪ Pronounced presence of foreign capital, which has covered sectors that local capital was not able to, generating induced effects and increased production and exports. ▪ Dynamism and strong position in the European market of Catalan industrial products. Good quality. ▪ Strong position in the Mediterranean especially in business related services and activities related to ICT and knowledge. 	<p>Business structure</p> <ul style="list-style-type: none"> ▪ Lack of cooperation and strategic alliances between companies. ▪ Lack of global companies with national capital of a sufficient size to compete with major multinationals. ▪ Low level of productivity growth. ▪ High level of debt and decreasing economic margins. ▪ Traditional competition model in terms of costs. <p>Business environment</p> <ul style="list-style-type: none"> ▪ Excessive territorial concentration of certain industrial sectors with congestion problems. ▪ Infrastructure deficiencies. ▪ Lack of specialist personnel with language skills. ▪ Difficulties in terms of access to the continuous training system. ▪ Excessive administrative regulation. ▪ Problems accessing funding. <p>Business strategy</p> <ul style="list-style-type: none"> ▪ Low level of effort in R&D, despite growth in recent years. Insufficient emphasis on innovation. ▪ Insufficient relationship between universities and companies. ▪ Small number of sectors with a high content in technology. ▪ Lack of coordination of innovation policies among the government agencies. ▪ Small number of Catalan multinationals and of reduced scope, in general. ▪ Overly concentrated exports: to the EU; few companies and few sectors. ▪ Dependence on foreign capital, with decision centres outside Catalonia.

Opportunities	Threats
<p>Business structure</p> <ul style="list-style-type: none"> ▪ Growing number of large and medium-sized companies with the potential to be top-level players. ▪ Growing number of companies adapting to changes in the world economy. 	<p>Business structure</p> <ul style="list-style-type: none"> ▪ Global tendency towards offshoring and production subcontracting. ▪ Decreasing economic margins. ▪ Difficulties accessing business funding. ▪ Loss of entrepreneurial culture.

<ul style="list-style-type: none"> ▪ Improvements in business cooperation as a means of growth. <p>Business environment</p> <ul style="list-style-type: none"> ▪ Good level of universities and research centres. ▪ Existence of capital available for investment. ▪ New structure of the Ministry of Innovation, Universities and Enterprise (DIUE). ▪ Review of the Strategic Agreement. ▪ Increase in spending on training. ▪ Tendency towards administrative simplification in Europe, Spain and Catalonia. ▪ Potential in sectors such as biotechnology, renewable energy, aerospace, navigation, the environment... ▪ Coordination of cluster policies. <p>Business strategy</p> <ul style="list-style-type: none"> ▪ Transformation of the production model towards high-qualification activities with more technology and innovation. ▪ Determination of the regional, Spanish and European administrations to foster innovation and R&D, with an increase in aid and networks of centres. ▪ Birth of technology companies ▪ New markets (China, India, Russia, etc.). ▪ Potential of investments abroad to equal the EU average. ▪ Mediterranean Free Trade Area (2010). 	<p>Business environment</p> <ul style="list-style-type: none"> ▪ Possible lack of infrastructure. ▪ Exterior dependence on energy supplies and increase in the price of oil. ▪ Reduction of European funds. ▪ Increasing regulation in the European scope. ▪ Competition from other self-governing regions of Spain. ▪ Decreasing demand in certain key sectors. ▪ Growth of New Industry⁵ Enterprises ▪ Difficulty absorbing an increasing number of unskilled immigrants. ▪ Decline of mature industry clusters. <p>Business strategy</p> <ul style="list-style-type: none"> ▪ Possible flight of technological capital and human capital if the suitable environment is not found. ▪ Tendency to increase low-cost imports. ▪ Reduction of foreign investments. ▪ Reduction of the Catalan business fabric in favour of foreign capital.
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In this context, once the economic crisis is over, Catalonia will be in a stronger position and will be capable of continuing to improve prosperity and wellbeing in a globalised context if **the fundamental objective of making SMEs, which are the core element of our production fabric, lead the recovery process and take on their corresponding role in accordance with their weight in the economy is achieved.**

⁵ Baró, Ezequiel and Villafaña, Cinthya (2009) “The New Industry: The core of the Catalan Economy”. Observatori de Prospectiva Industrial. Generalitat de Catalunya

3. Action plan

A. Background

Within the framework of the competences issued by the Statute of Autonomy of Catalonia⁶, the Government of Catalonia is committed to consolidating the process started with the 2007-2010 Government Plan⁷ and the 2008 and 2009 plans ratified by the Parliament of Catalonia⁸ which has expressed a strong political commitment with this initiative by urging the government to ‘start actions to **adapt** the principles and recommendations arising from the SBA to the productive, industrial and business situation of Catalonia,’⁹ and to ‘**prioritize** the actions arising from the SBA initiative, in order to reinforce the role of small and medium-sized enterprises when fostering the economic recovery of Catalonia.’¹⁰

Following the recommendations of the European Commission (EC), of the Committee of the Regions (CoR) and of the European Economic and Social Committee (EESC), during this period, the Government of Catalonia has identified and prioritised, in conjunction with business representatives, specific actions and measures that serve as a basis for compliance with the mandate of the Parliament of Catalonia¹¹ while advancing the process of making the principle of ‘think small first’ within the formulation and execution of policies and the design of public instruments to support Catalan enterprise.

This political commitment, explicitly recognised by the EC in the 2009 report on the application of the SBA¹², has so far resulted in the development of specific regulations, mechanisms and instruments to support SMEs on a regional level, such as:

- a) The approval of **Decree 106/2008 on measures to remove procedures and the simplification of procedures to facilitate economic activity**, which has meant, so far, a saving of 61,000 procedures for Catalan companies equivalent to 81,000 working days.
- b) The approval by **Government Agreement of specific measures in terms of public contracting** with a specific package of measures in accordance with Principle 5 of the SBA on fostering information, transparency and the removal of obstacles hindering the access of SMEs to public contracts.
- c) The creation of the **SME Programme** within the Secretariat for Industry and Enterprise with the objective of fostering the **participation of SMEs** in Catalonia’s new model of competitiveness and **developing the principles of the SBA** in Catalonia.

6 http://www.parlament.cat/porteso/estatut/estatut_angles_100506.pdf

7 <http://www.gencat.cat/pladegovern/eng/index.htm>

8 http://www.parlament.cat/portal/pls/portal/pcat.pk_idioma.portlet_guardar_idioma?p_idioma=ENGLISH&p_url=http://www.parlament.cat/web/parlament/funcions

9 Resolution 301/VIII of the Parliament of Catalonia on the general political orientation of the Government (2008)

10 Resolution 520/VIII of the Parliament of Catalonia on the general political orientation of the Government (2009)

11 Small Business Act: State-of-the-Art in Catalonia, Collection of Initiatives and Best Practices (2007)

12 COM(2009)680 final

- d) **The INICIA project**, a plan to support entrepreneurs and self-employment in Catalonia (2008-2010) with the objective of fostering the creation of more and better companies. This challenge is to be met by creating a favourable environment, providing information, training, guidance, advice and support for entrepreneurs. The Government will earmark almost 73 million euros from 2008 to 2010, which will benefit more than 310,000 potential entrepreneurs.
- e) The introduction of specific organisational and technological measures to enable the **Business Management Office (OGE)**¹³ to work as a **single processing point for companies** by facilitating the completion of their obligations with the administration.
- f) The creation of a **single Catalan Business Support Agency (ACCIO)**¹⁴ that merges instruments to support innovation and internationalisation, brought about by the consensus and cooperation of public and private agents, and that collaborates with business organisations to create synergies and to provide Catalan companies with additional instruments to enable growth in competitiveness.
- g) The development of **specific funding instruments for SMEs** in order to face the crisis by means of the ICF (Catalan Institute of Finance) and AVALIS–SGR (Reciprocal Guarantee Society)¹⁵

B. Strategic objectives

The objective of the *2010-2013 Catalan SBA Implementation Plan* is to develop specific actions designed to contribute to enabling Catalonia to continue to be one of the European regions with greatest business dynamism, where SMEs can lead economic recovery and play a central role in the process of making the economy more competitive, more intensive in terms of knowledge at the same time as being sustainable and respectful of the environment.

In accordance with the Strengths, Weaknesses, Opportunities and Threats analysis and in tune with the directives of the SBA, the **16 measures** contained in the plan are grouped under **three major strategic pillars with specific objectives** in order to respond to the real needs of Catalonia's business fabric within the framework of the **European strategy to support small and medium-sized enterprises**.

- **Pillar 1. Business environment and business creation**

The rate of entrepreneurial activity in Catalonia, whose average was 7.4% in the period from 2003 to 2008¹⁶, will have to increase to 8% in the period from 2010 to 2013, while maintaining a positive differential with respect to the European and Spanish averages.

¹³ <http://www.gencat.cat/oge/>

¹⁴ <http://www.acc10.cat/ACC10/cat/empresa-ACC10/agencia/>

¹⁵ <http://www.icfinances.com/en/>

¹⁶ Global Entrepreneurship Monitor 2008

- **Pillar 2. Structure and business size**
Currently, the average size of SMEs is smaller in Catalonia than in EU-15 (3.9 and 4.4)¹⁷. By 2013, the average size of SMEs in Catalonia must be 4.3 workers per company.
- **Pillar 3. Business strategy: innovation, internationalisation and sustainability**
In an SME environment, innovation, sustainability and profits in terms of knowledge intensity are more easily achieved in cluster dynamics, especially if they are of an innovative type. Catalonia was one of the first European regions to make use of clusters to design competitive reinforcement initiatives. This policy, first implemented in Catalonia in the 90s, is being adapted to a new situation and must become a key element in order to achieve a 20% increase in the number of innovative companies, create 1,000 technology companies in Catalonia from 2010 to 2013 and move from 300 to 400 Catalan multinationals by 2013.

In this way, the plan contains a total of **48 actions** that the Government of Catalonia, within the scope of its competences, is committed to developing in a period of 4 years in order to foster the activity of more than 500,000 small and medium-sized enterprises and to help companies to be created, to grow and to face the structural challenges and difficulties that might hinder their development.

C. General principles

Taking into account that companies are the centre of economic activity and that progress is closely linked to entrepreneurship, innovation and the taking on of risks, the **general principles** behind the plan are as follows:

- **Non-interventionist:** it must be the companies that provide the initiative, while the task of the Government is to provide support, facilitate activity and accompany the companies as they adapt to the change in production model (economic transformation). The companies, in addition to being the receivers (or beneficiaries) of the public policy, are also its agents, in contrast to the passive role often assigned to them.
- **Selective:** public resources must be concentrated on priority projects that can represent and affect the whole economy, in accordance with three reasons:
 - a) **Political:** there are activities with a greater capacity than others to generate positive externalities such as cultural change, a greater territorial balance, greater environmental sensitivity, an increase in the wellbeing of the population, etc.
 - b) **Productive:** there are activities with greater growth potential and technological development, with greater business dynamism, with more capacity to generate employment, with more foreign investment attraction, with a better competitive position in the domestic market or foreign market, etc.

¹⁷ Small and Medium-Sized Enterprises in Catalonia –PIMEC– (2009) Catalan SME Yearbook 2009, Barcelona

- c) **Budgetary:** the existence of budgetary limitations makes research more efficient in the use of public resources aimed at business support and, therefore, can lead to need to concentrate public resources on certain business projects.
- **Aligned with the policies of the EU and of Spain:** the Catalan business support policy will be more effective as it responds to the situation of the production fabric and becomes, at the same time, coherent with the European and Spanish strategy.
- **Public-Private Partnership friendly and participative:** it is necessary to link within the same system the business sector, the administrations and the agents and institutions linked to business policy (university institutions and training centres, research centres and technology centres, business associations and unions, local administrations, financial sector, energy and water sector, telecommunications sector, statistics institutes, communications media, etc.).

D. Actions

PILLAR 1. BUSINESS CREATION

The generation of new business activity constitutes the starting point for the sustained creation of wealth and the increase of wellbeing in society. The entry into the system of new entrepreneurs, who introduce new ideas and new production means adapted to the current situation, is key in this respect.

In order to reach the objectives proposed in this pillar the Government of Catalonia will develop **16 specific actions based on 4 measures of Principles 1 and 4 of the SBA.**

Priority actions

1. *In order to stimulate the spirit of innovation and business among young people, by introducing the business spirit as a key element into school programmes and guaranteeing that it is correctly reflected in educational materials, the Government of Catalonia will:*
 - ◆ Organise almost 80 dynamisation workshops in order to create positive attitudes regarding the creation of companies.
 - ◆ Organise awareness and training actions on the creation of companies in education centres.
 - ◆ Organise idea-generation seminars and entrepreneurial awareness workshops in secondary schools.
 - ◆ Propose entrepreneurial discovery training programmes within vocational training programmes.
 - ◆ Create the Entrepreneurial Universities Network.
 - ◆ Contribute entrepreneurial content to occupational training and vocational training.
 - ◆ Promote training about companies, the entrepreneurial culture and the fostering of entrepreneurship in the secondary school system, vocational training (regulated and occupational) and in the scope of further education, including technological, technical and scientific education.
 - ◆ Foster the INICIA business creation network.
 - ◆ Introduce a module related to business and entrepreneurship. This module will be compulsory and will be taught to 44,000 students per year and will have a duration of 66 hours.

- ◆ Ensure that the educational material meets the needs of entrepreneurship by means of the supervision of the same by the Ministry of Education and the General Council of the Chambers of Commerce of Catalonia.
2. *In order to guarantee that the importance of the business spirit is reflected correctly in the training of educational staff, the Government of Catalonia will:*
- ◆ Guide the teachers so they can teach the subjects correctly.
 - ◆ Foster a friendly image of entrepreneurship in universities, independently of qualifications.
 - ◆ The business associations, with the support of the Government of Catalonia, will promote a plan of actions so as to highlight, to the whole of Catalan society, the importance of enterprise (Industry XXI) as a generator of social and economic value and as a source of the future wellbeing of the society.
3. *In order to accelerate the start of the commercial activity of the SMEs while reducing and simplifying the required commercial licences the required permits, the Government of Catalonia will:*
- ◆ Enhance remote processing by means of the Enterprise Creation Advisory and Initiation Points (PAIT), which are an additional service of the OGE.
 - ◆ Deploy the regulation of the law on environmental prevention and control, which expands the number of activities within a system of environmental communication, while avoiding in many cases environmental licences.
4. *In order to reduce the level of taxes demanded by administrations of the Member States to register companies, based on the best examples of the EU, the Government of Catalonia will:*
- ◆ Study and agree, within the framework of application of the Law on Sustainable Economy, measures with the Government of Spain to limit to 100 euros the total cost of the creation of a limited company with a capital of 3,100 euros. In the case of limited companies with a capital of up to 30,000 euros, the cost would be limited to a maximum of 250 euros.

PILLAR 2. STRUCTURE AND BUSINESS SIZE

Small size, even though it involves a series of advantages such as the facility to adapt to changes and flexibility in times of crisis, within an environment of growing market globalisation **is the main weakness of the structure of Catalan companies.**

Public intervention aimed at improving the business structure of Catalonia is justified and completely necessary given that, otherwise, the negotiation power and market control of major multinational corporations could distort the rules of competition in their favour.

In order to reach the specific objectives associated with this pillar, the Government of Catalonia will develop **17 specific actions based on 8 measures of Principles 1, 3, 4 and 6 of the SBA.**

Priority actions

5. *In order to avoid requesting from the SMEs information that the Government already has, the Government of Catalonia will:*
 - ◆ Foster and accelerate the process of incorporation into the Platform for Administrative Integration and Collaboration (PICA) of databases used in processes that affect companies, prioritising the connections that, due to the number of cases/year in which requests for information are made to companies, have a significant effect on their costs.
 - ◆ Create a working group formed to reduce the statistical obligations of SMEs.

6. *In order to develop funding programmes for amounts between 100,000 and 1,000,000 euros, especially by making use of instruments that combine debt and capital characteristics while at the same time respecting the regulations in terms of state aid, the Government of Catalonia will:*
 - ◆ Design aid orders to foster integrated investments in growth or strategic change projects with minimum investments of 20,000 euros, with the intention of enabling this aid to adapt to the real dimension of Catalan medium-sized, small and micro enterprises.

7. *In order to foster the use of risk capital funds by Catalan SMEs, the Government of Catalonia will:*
 - ◆ Foster the creation of risk capital funds from ICF Holding¹⁸ and ACCIÓ.
 - ◆ Publicise this financing instrument within the framework of the Investment Forum.
 - ◆ Place special emphasis on communication of this instrument to companies with high growth potential.

8. *In order to reduce the administrative burden by 25% before 2012, the Government of Catalonia will:*
 - ◆ Establish 2011 as the deadline, for the application of 100% of the administrative simplification measures (total of 48 measures), which must achieve a decrease of 60% of documentation especially by means of the remote processing of requests.
 - ◆ Strengthen the OGE for this purpose.
 - ◆ Promote the services and processes portal for companies, which will include the business processes carried out by the different departments of the Government of Catalonia, and moreover, will include an information system, as a company folder, which will integrate the processes that companies carry out with the Administration of the Government of Catalonia.
 - ◆ Foster the transformation of the processes currently carried out in person into electronic processes.
 - ◆ Create a working group formed to reduce the statistical obligations of the SMEs.

9. *In order to consult the interested parties, including SME organisations, at least eight weeks before preparing any legislative or administrative proposals that might have an effect on companies, the Government of Catalonia will:*

¹⁸ http://www.icfinances.com/informacio/e_informacio_icfholding.asp

- ◆ Constitute in 2010 the Catalan Industrial Policy Council (CPIC), a body of institutional participation in industrial and business matters formed by the government, the most representative business associations and unions. It is the organisation responsible for participating in the definition of objectives and the identification of the most suitable industrial and business policy instruments for each sector of activity and for adapting them to new situations. Its functions include providing information about the regulations concerning business and industrial matters.

10. *In order to guarantee that taxes (in particular the taxation of donations, dividends and assets) do not unduly impede the transmission by companies, the Government of Catalonia will:*

- ◆ Apply the reform of the tax on inheritance and donations approved in 2009.

11. *In order to guarantee that corporation tax fosters investment, the Government of Catalonia will:*

- ◆ Use all possible forums to enable the competent administration (State) to make modifications to this tax in the indicated sense.

12. *In order to apply flexibility measures to SMEs to transpose EU legislation and prevent overregulation, the Government of Catalonia will:*

- ◆ Increase administrative efficiency and competence by means of the transposition of the European Services Directive.
- ◆ Foster the Good Practices Guide for the preparation and review of regulations.
- ◆ Prepare assessments of the regulatory impact on each new regulation that affects companies.

PILLAR 3. BUSINESS STRATEGY: INNOVATION, INTERNATIONALISATION AND SUSTAINABILITY

The world economies as a whole are facing major structural challenges arising from globalisation, accelerated technological change, the growing importance of sustainability and pressure on natural resources, the incorporation of knowledge in all economic and social aspects and demographic changes.

The need to meet these challenges is taking place at a time of great change in the production model in which companies that do not base their competitiveness on **innovation and on productive efficiency and companies that are not more respectful of the environment and do not have an international presence** might find it difficult to survive in a strong global economic crisis. With this objective, Catalonia has 2 major political and social agreements in place:

- a) **Catalan Agreement on Research and Innovation (October 2008)**¹⁹ which constitutes a strategic agreement with economic and social agents, universities and political parties with the objective of Catalonia becoming an international benchmark in terms of research and innovation by 2020.

¹⁹ http://www.gencat.cat/diue/doc/doc_11166837_1.pdf

- b) **Catalan Strategy for Sustainable Development**²⁰ (February 2010), which constitutes the roadmap that establishes the quantified objectives and priority actions that will guarantee that Catalonia move towards scenarios of greater social, economic and environmental sustainability, establishing 2026 as the target year.

Both pillars play a highly significant role in the public sector in terms of fostering policies on research, innovation and sustainable development, so much so that additional financial instruments must be placed at the disposal of companies and research agents. In this sense, the **new community framework becomes a clear opportunity** to equip the Catalan system, and therefore SMEs, with these instruments.

Catalonia has its own policy to support business internationalisation developed by the Catalan Business Support Agency, ACCIÓ²¹. In an SME environment such as the one in Catalonia, public policies to support internationalisation increase efficiency if they are developed by means of business clusters in such a way that the resulting cooperation enables the dimension effect to be overcome.

In order to guarantee the sustainable growth of the business fabric and the participation of the SME in the process of innovation and internationalisation and to achieve the objectives established in this pillar, the Government of Catalonia will develop **15 specific actions** based on **4 measures of Principles 8 and 9** of the SBA.

Priority actions

13. In order to guarantee, upon the execution of the cohesion policy programme, that SMEs can easily access funding related to the spirit of business, innovation and knowledge, the Government of Catalonia will:

- ◆ Develop the JEREMIE programme with four lines of action: a) microloans (in order to facilitate loans to entrepreneurs); b) guarantees; c) risk capital (in order to create and consolidate new risk capital funds); d) co-investment (in order to provide capital in conjunction with private investors).
- ◆ Manage the European Regional Development Fund global subsidy 'Business Innovation in Catalonia'. The lines of action will be: a) strengthening of the regional capacities of technological research and development; b) support for industrial or technological competitiveness centres; c) fostering of the creation of new companies with suitable university and research institutions and also based on existing companies; d) creation of financial engineering instruments and business nurseries.
- ◆ Support European R&D by means of: a) direct contribution to the 'European territorial cooperation' objective by leading the project Innovation 4 Welfare; b) participation in two ERA-NETS (EUROTRANS-BIO and MANUNET).
- ◆ Strengthen Catalan participation in the EUROINGENIO Plan of the Spanish Ministry of Science and Innovation to support Catalan participation in the Seventh Framework Programme of the EU.

20 http://mediambient.gencat.cat/cat/ciudadans/educacio_ambiental/edscat/intro_presen.html

21 <http://www.acc10.cat/ACCI0/cat/internacionalitzacio/>

14. *In order to promote the development of the competences of SMEs in terms of research, the use of R&D services, the contracting of qualified personnel and training, based on the new community framework on state aid for research, investigation and development, the Government of Catalonia will:*

- ◆ Strengthen ACCIÓ funding and financing programmes: aid for companies and entities to support innovation, internationalisation and investment projects in Catalonia.
- ◆ Increase assessment in the scope of technological innovation.
- ◆ Foster the TECNIO Network, which groups the main expert agents in applied research and technology transfer.
- ◆ Adapt aid orders to the timescales established in the European Union in order to enable companies to fully take advantage of resources to promote technology change.
- ◆ Increase the participation of Catalan companies in projects organised by the Centre for Industrial Technological Development (CDTI) in the following programmes: a) CENIT b) technological development projects and technological innovation projects aimed at the development of new projects or processes; c) NEOTEC; d) State-assisted industrial research projects; e) integrated and technological cooperation projects between SMEs; f) international projects.
- ◆ Increase the participation of Catalan companies in the Seventh Framework Programme of the EU with respect to the Sixth.

15. *In order to enable SMEs to transform environmental challenges into opportunities, the Government of Catalonia will:*

- ◆ Boost the implementation of environmental management systems in SMEs, such as EMAS, that contribute to the reduction of the environmental impact of activities and to incorporate a culture of prevention among companies.
- ◆ Develop, within a framework of public-private collaboration, sectors that have a major effect on the environment and that can provide competitive advantages in specific activity sectors. Specifically, this will affect construction, transport and renewable energy.

16. *In order to foster the efforts of SMEs to internationalise and become companies with high growth, in particular by means of participation in innovative clusters, the Government of Catalonia will:*

- ◆ Strengthen international relations with the policy makers in other countries and regions who are responsible for cluster policies.
- ◆ Foster transnational cooperation initiatives that have until now been carried out in the European project INNET, which has the objective of strengthening the development of business relations between clusters located in different countries on the European level.
- ◆ Strengthen, through ACCIÓ, sector-based actions providing integrated support for companies, by means of actions that foster movement into foreign markets and the start-up of new business internationalisation processes, for SMEs that might adopt innovative processes

22 <http://www.acc10.cat/ACCI0/cat/empresa-ACCI0/premsa/noticies-notes-premsa/091207.jsp>

E. Resources for the development of actions

Catalonia has a suitable political and institutional framework, suitable regulatory instruments and public organisations and the budgetary capacity and the proven experience **to take this step forward** in the process of consolidating a more active policy, with a long-term vision, in support of companies and constituting a **benchmark in the European regional scope**.

The main resources to carry out the actions proposed in the three pillars will be provided by the following public bodies:

- ◆ **ACCIO**: The Catalan Business Support Agency, created in 2009 as a result of the merger of CIDEM (an innovation agency) and COPCA (an internationalisation consortium), has 200 professionals, an exterior network of 35 business promotion centres and an annual budget of 400 million euros.
- ◆ **TECNIO Network**: This network, created in 2009 and formed by 100 centres, has the objective of grouping the main experts in applied research and technology transfer in Catalonia. In relation to 2010 it has planned the incorporation of new agents, such as hospital research foundations and research centres.
- ◆ **ICF**: Public capital financial entity that provides long-term funding in the business sector and complements in this manner the private finance sector. Accordingly, it has an annual budget of 1,100 million euros and a team of 60 professionals.
- ◆ **AVALIS de Catalunya, SGR**: Its objective is to grant financial and technical guarantees to small and medium-sized enterprises, the self-employed and professionals. It has net assets and liabilities to the amount of 33 million euros.
- ◆ **OGE**: Administrative unit of the Government of Catalonia that carries out the function of providing services for companies. Information, assessment and unified processing and in-person settlement at the time of the request. Currently, thanks to agreements with the Catalan Chambers of Commerce, it has a network of 22 offices distributed throughout the territory.
- ◆ **INICIA Network**: A network to aid entrepreneurs created in 2008 and that is currently formed by 150 local units and 400 technicians distributed throughout Catalonia.
- ◆ **CATALAN CONSORTIMUN FOR THE LIFELONG LEARNING**. Organism which gather both the Government and Social and agents. It aims the management and execution of the lifelong learning schemes and the monitoring and control of the learning actions developed within Catalonia.
- ◆ **AVANÇSA**. Public company which aims participate as a minority member in strategic, economically and financially viable entrepreneurial projects with difficulties in accessing to the private funding can present initially.

F. Execution, monitoring and dissemination of the plan

With the aim of providing the **business support policy with stability**, the timescale of the plan is understood to extend to **2013**, which is sufficiently close to prevent current challenges from suffering too many modifications and not too far away to be in the next legislature.

Moreover, it must be taken into consideration that since 2009 Catalonia has had the **CPIC**, which will become the tripartite body of **institutional participation** that will guarantee, by means of the creation of a specific working group with the participation of Catalonia's most representative business organisations and unions, that the **monitoring of this process** will become the essential framework for **dialogue and social coordination** with all the public and private agents involved.

In the first six months of 2010, the working group will establish the specific monitoring indicators for each one of the measures of the **2010-2013 Catalan SBA Implementation Plan**.

Additionally in 2010, the Ministry of Innovation, Universities and Enterprise will establish a **unit responsible for the dissemination of the plan** to be responsible for coordinating the different communication actions related to the EER.

4. EER activities and communication

INTRODUCTION AND OBJECTIVES

For over a decade, Catalonia and the EU have been developing actions to improve the business environment and to foster the competitiveness of the SME fabric. In this context, the communicative aspect has always been seen as a central element and, therefore, specific dissemination programmes have been developed.

Catalonia's recognition as a European Entrepreneurial Regional (EER) in this pilot scheme constitutes a major opportunity for the Government of Catalonia to take a step forward in the communication strategy to the extent that it is a matter of achieving, from the time it was made public, 2 major objectives:

- A) Inform the business fabric of Catalonia and its stakeholders, the public administration and society in general that:
 - The **backbone of the Catalan and European economy is their SMEs and their spirit of enterprise**, and, therefore, support for entrepreneurship, productive business and the commitment to making it grow and be more competitive is, has been and will be one of the major **political priorities of the EU and of the Government of Catalonia**.

- **Catalonia** is developing a **suitable policy aligned with European recommendations** and our trajectory proves that we are prepared to tackle future challenges.
- B) Transmit to **other European regions** and **Catalonia’s local government agencies** the idea that, by means of the implementation of the measures contained in the SBA and the development of a **specific action plan**, the principle ‘**think small first**’ can be **applicable in the formulation and the execution of policies** and in the design of public instruments to support companies **at any level of government**.

PROPOSED USE OF THE LOGO

The EER logo is fundamental to the extent that it must be used to achieve the proposed objectives, identify the actions by the different target audiences and, in short, generate value:

- a) ***At the time of granting (February 2010):*** It will be publicly presented in Brussels and in Catalonia in a ceremony at the Palau de la Generalitat, the seat of the Catalan Presidency and Government, or at the Parliament of Catalonia, with the presence of Catalonia’s highest figures of authority and representatives of the CoR and the EC and the business world. The network of international correspondents will be mobilised.
- b) ***During the year in which Catalonia is recognised as an EER (2011 or 2012), the positioning of the logo will be on two levels, taking into account the different existing channels:***

Government of Catalonia	Europe
<ul style="list-style-type: none">  Websites of the ministry and of the government, especially economic sites and those centring on fostering entrepreneurship.  Electronic bulletins issued by the Government of Catalonia and the agents involved.  Accrediting symbol inside and outside of the headquarters of the ministries involved.  Printed media (leaflets, publications, etc.) issued by the Government of Catalonia.  Public presentations in PowerPoint.  Exhibitions, presentations, congresses and seminars.  Advertising campaigns in the media.  Press releases. 	<ul style="list-style-type: none">  Use of the logo in the assembly room of the Government of Catalonia Delegation in Brussels for business or economic matters.  Dissemination by means of the annual conference of the REGLEG network  Dissemination within the CORE Group.  Use of the EEN Network of Catalonia to communicate the logo to the rest of the Member States.

- c) **In the period from 2010 to 2013**, the logo will identify each one of the 47 actions contained in the 2010-2013 Catalan SBA Implementation Plan at the time of presentation, in the execution, during the process of assessment and in the result of the measure.

COMMUNICATION ACTION PLAN

Catalonia has a rich and diversified range of instruments, forums and dissemination events that will be used as a platform to disseminate recognition as an entrepreneurial region (EER).

Accordingly, audiovisual, written and above all on-line²³ communication means in Catalonia are especially sensitive to the situation of SMEs and entrepreneurship and, therefore, are highly receptive to compiling and transmitting information related to actions to support this group.

The fact that Spain is currently the president of the EU and that Barcelona is the administrative centre of the Union for the Mediterranean (UfM) multiplies the exterior projection possibilities of the governmental policies of Catalonia and of the EU in favour of SMEs.

SPECIFIC ACTIONS

In order to achieve Objective A

2010	EER Year	2010-2013
<p> Press conference in Brussels and in Catalonia announcing the recognition and transmission of information to the media, business representatives and the stakeholders in general.</p> <p> Internal communiqué to all the ministries of the Government of Catalonia.</p> <p> Constitution of the Steering Committee for the SBA Implementation Plan and presentation to the Parliament of Catalonia with the presence of European representatives.</p> <p> Catalonia will be presented as an entrepreneurial region at the HiT Barcelona 2010: World Innovation Summit. The Education and Professional Training Fair will also be used to foster information sessions about entrepreneurship in schools and universities.</p>	<p> Debates and special programmes on radio and television in the Catalan and territorial scopes.</p> <p> Agreements with the leading media.</p> <p> Specific advertising campaigns.</p> <p> Monographs in Government of Catalonia publications.</p> <p> Presence at the country's main economic events and at business forums (chambers of commerce and employer organisations)</p> <p> From January, the CPIC will organise 10 monograph EER seminars, one each month for each one of the principles of the SBA, with the participation of the European representatives.</p>	<p> Interviews, press releases, press conferences, opinions and reports.</p> <p> Annual publication of monitoring reports on the Catalan SBA Implementation Plan.</p> <p> Permanent presence in the main business seminars fostered by Government of Catalonia bodies (INTERACCIÓ, Day of the Entrepreneur, competitiveness lunches, etc).</p> <p> Communicatively exploit the over 100 events held per year related to business and entrepreneurship, such as EUNIP.</p>

²³ <http://www.en.globaltalentfcri.com/index.aspx>

In order to achieve Objective B

2010	EER Year	2010-2013
<p> Presentation of the EER project to the Catalan Local Government Commission.</p> <p> Proposal to create a specific working group within the framework of the CoR to present its SBA implementation plans on the regional level and disseminating good practices on the regional level.</p> <p> Catalonia will inform all regions present in the CoR that it has been recognised as an EER.</p> <p> <u>Spanish Presidency of the EU.</u> Take advantage of the different actions that will be held in Barcelona such as the ECRI in March and the Euro-Mediterranean Ministers of Tourism Summit in May and the trade summit in June.</p>	<p> Implement recognition of the CATALAN ENTREPRENEURIAL DISTRICT with the same philosophy as the EER</p> <p> In December, a closure ceremony for the EER year will be organised in Catalonia with the participation of European representatives, in which the baton will be handed over to the next recognised region or regions.</p>	<p> As participants in the ERRIN Network. The activities developed within the framework of the Catalan SBA Implementation Plan will be communicated to the 77 member regions of the network.</p> <p> The message will be disseminated by means of the Assembly of European Regions (230 regions) and the Conference of Peripheral Maritime Regions (161 regions)</p> <p> International dissemination of the entrepreneurial policies in place in Catalonia. We have 35 business promotion centres around the world in addition to the local offices of the Catalan Government.</p>

Key: classification of the communication actions

-  Advertising
-  Event organisation
-  Direct press actions
-  Reports/studies
-  Exploitation of networks/forums (dissemination to internal and external customers)
-  Own media
-  Institutional actions