Peer review

Interreg Europe Policy Learning Platform

Talent Attraction, Retention and Startup Monitoring in Catalonia

FINAL REPORT

Peer Review hosted by

Government of Catalonia

Dates: 15th, 18th 30th June 2020

1. Host of the peer review

This peer review was hosted by the Department of Enterprise and Knowledge of the Government of Catalonia.

The Generalitat of Catalonia is the institution than governs the region of Catalonia. Created in 1359, it is one of the oldest institutions in Europe. The modern Generalitat, restored after the end of the Francoist dictatorship, in 1978, acts as the Government of Catalonia. As any Government, it is divided in different Departments or Ministries.

The Department of Enterprise and Knowledge is in charge of all the issues regarding enterprises – their creation, legalization, control of their activity, internationalization… - and knowledge – universities, grants, scientific parks… -. The relation of these two issues is very clear when it comes to knowledge transfer from the university to the private world, especially in the field of startups. This Department has the capacity of regulating and changing policies, but always in a regional level – so, some matters that are reserved competence of the Spanish State cannot be regulated in a Catalan level.

In this field, the Catalan government's strategy has been, in the last decade, to digitalise its relation with entrepreneurs and companies, and to simplify it. That is why in 2011 the Catalan One Stop Shop (OSS) was created as a part of the Business Management Office (OGE). This newly created OSS was meant to be the milestone of the new strategy to help promote the creation of new businesses in Catalonia.

2. Motivation of the host to call for the peer review

One of the main priorities of the Department for the 2019-2021 programme is to improve the services directed to startups. The Department is doing this in different ways, also being involved in two European interregional cooperation projects. In both Interreg projects, the Department has the possibility of getting to know best practices from all around Europe, which led to also some doubts in terms of how to improve in certain fields. The more you know about something, the more gaps you identify.

In particular, in the Start Easy project, the Department identified 11 general issues regarding Startup creation, which are being discussed and presented during the course of the project's implementation. However, after meeting with some stakeholders and starting thinking on the possible outcome of the project, in terms of fulfilling the internal Plan 2019-2021, the

Department identified some areas of interest which are not covered in either Start Easy or PURE COSMOS (the other Interreg project in which the Department is involved).

The Department has seen that one of the best ways to improve is to see what others are doing and adapting it to individual regional realities, in terms of budget, laws, etc. Therefore, the Department called for this peer review to deepen, via expert's advices, on the knowledge of good practices implemented by similar regions, besides those topics and regions already covered in the regional projects in which the Department is involved.

3. Focus areas of the peer review

The host selected the following areas in which the analysis of the peer will focus:

a) Talent attraction and retention

Current situation: It is always a problem to be able to attract international talent, as well as to try to keep local talent away from leaving the country. In the Catalan case, the Department tried to tackle this issue in the Start Easy Interreg project, but due to the nature of the partners, no useful feedback was given, so it was decided to leave it out of the scope of the project.

Barcelona already attracts a lot of talent. In this sense, it is, according to Atomico, the third favourite European city to create a startup. Nevertheless, this is mainly because the city is attractive itself, and more efforts will be required from the Institutions to keep competing in terms of talent attraction with some other European cities. Therefore, to keep advancing, the regional government would like to deepen its knowledge in tools or policies that could be used to improve its attractiveness. The aim is, as any other innovative city, to have ways to promote this from the public institutions.

Main Issues: Both stakeholders and other European regions, in Interreg events, have suggested interesting initiatives, such as entrepreneurial visas, or fiscal incentives. However, the main limitation of the lack of competence on immigration policy, which is defined on national level, should be considered.

There are different ways in which regional policy instruments can be used to attract talents for the benefit of the regional startup ecosystem, and the peer reviews is a good opportunity to explore them.

This talent attraction is well fitted in the OSS Plan 2019-2021, as one of its objectives is to be able to make it easier for foreign entrepreneurs to establish themselves in Catalonia.

Questions to be answered by the peers:

1. How to make policies to foster talent attraction without the legal tools of a State?
2. How to foster talent retention in attractive regions like Barcelona?

Other aspects of the challenge mentioned during the peer review:

- Lack of funding for spin-offs
- Difficult bureaucracy in non-business related aspects of life - regarding health, apartments, family matters. The ecosystem is in place, but how to make the bureaucracy easier.

b) Alternative financing

Current situation: ACCIO (the Catalan agency to foster company's competitiveness) has created several tools that allow each startup to access to recommended and tailored options of alternative financing.

Main Issues: The Department would like to know which alternative ways of financing are there for a Catalan startup, such as business angels, or public funds, but also any other interesting alternative financing tools implemented or identified by other regions.

Questions to be answered by the peers:

1. How can we find foster alternative ways of financing, different than the classic ones, from the public bodies?

Other aspects of the challenge mentioned during the peer review:

- Barcelona could do better in fostering science and technology-based companies.
- How can Catalan startups be more connected to other technology-focused ecosystems like in the Nordics?

c) Startup monitoring (assessment)

Current situation: Catalonia is nowadays one of Europe's biggest startup hubs (in fact, Barcelona is the 4th city in terms of capital investment in startups). It has currently 9.282 innovative companies, and 1.46% of the GDP is spent in R&D. From those, ACCIO has identified 1.300 startups, which have created 13.800 jobs so far. These 1.300 startups are organised in an accurate and thorough directory, and anyone can access their information in terms of sector, money raised, etc.

Regarding startup assessment, the OSS services include all the steps needed for a company to legalise its activity in front of the administration. However, the Department would like to be able to help in the previous steps like the assessment to the company, which is not done now. There is a Catalan institution, from the same Department, called Catalunya Emprèn, that already provides some services in this field, but the Department would like to know what the state of the art is in other European regions.

Main Issues: Barcelona constantly sees new startups being founded, foreign companies settling in Catalonia, but there is no clear system to track them. The mentioned 1.300 startups were identified and classified in a directory one by one by the Catalan Government on individual basis, following our own definition of what is a startup, which is not clearly defined by law.

In a 2019 Interreg seminar in Brussels colleagues from Norway presented a very interesting tool, aimed at the previous phase of the company creation: the assessment. A tool that let every entrepreneur identify and interact with an advisor, as well as to work on business plans, etc. The Department is looking for a similar model or tool to help to monitor our startups.

Questions to be answered by the peers:

- How could we monitor in real time all the start-ups existing in Catalonia? Could a proactive approach – start-ups have to sign-up to get benefits – be enough?
- Are there any software solutions, or database presentations, that solve this or do a better job than our current directory?

d) Startup definition

Current situation: There is currently no official definition, by law, of what a startup is Catalonia.

Main Issues: This definition is important in order, for example, to regulate grants specially aimed to startups, or to make certain administrative concessions in case the newly founded company is going to be a startup. In line with the OSS 2019-2021 plan, this startup definition and mapping will help the Department to define the correct strategy to make it easier for entrepreneurs to start a business in Catalonia.

Questions to be answered by the peers:

1. Which is the best way to define a start-up?
2. Should this definition condition the access to grants, administrative simplification…?

4. Participants to the peer review

List of Participants
Generalitat de Catalunya - Marta Felip, General Secretary of Business and Knowledge Department - Cristina Pruñonosa, Director of the Business Management Office - Natàlia Cantero, OSS responsible for local administration. Business Management Office - Almudena Castillo, Project Manager, Catalunya Emprèn - Montse de Riquer, Startup Coordinator, ACCIÓ - Jordi Aguasca, Startup Catalonia Director, ACCIÓ - Oriol Sans, Director of Funding Unit, ACCIÓ - Mercè Chacón, Director General of Planning, University and Research - Juli Hernández, European Projects Coordinator
Peers - Nassibou Jerome, Head of incubator, Innovation consultant, Innovact, Reims, Greater East, France - Malene Aaram Vike, Project manager, Møre and Romsdal County Authority, Vestland, Norway - Nicolai Strøm-Olsen, Chief analytical officer,Startup Migrants AS, Oslo-Berlin, Norway-Germany - Peter Grant, Chief Executive, WSX Enterprise -Southern United Kingdom

- Tautvydas Pipiras, Project manager, Lithuanian innovation center. Lithuania
- Christine Chang, Project manager, Helsinki-Uusimaa Regional Council, Finland

Regional Stakeholders

Business organisations

- Moisès Bonal, PIMEC
- Maria Mora, FOMENT
- David Garrofé, CECOT
- Abraham Arcos, CECOT
- Josep Narvajo, DELVY

Universities

- Xavier Crusat, Innoenergy
- Mar Martinez, Innoenergy

Startup ecosystem

- Joana Fusté, Barcelona Tech City
- Jordi Arrufí, Barcelona Digital Talent
- Esther Pinyol, Barcelona Digital Talent

Interreg Europe Programme

- Ilaria Ramaglioni, Policy Officer
- Laurentiu David, Policy Officer

Interreg Europe Policy Learning Platform

- Elena Ferrario, PLP Thematic Manager
- Luc Schermber Thematic Expert, SME Competitiveness
- Rene Tonnisson, Thematic Expert, SME Competitiveness
- Mart Veliste, Thematic Expert, SME Competitiveness

5. Peers' recommendations

a) Talent attraction and retention

Attraction

- Analyse the status today and define your challenges by using SWOT or other methods. Then set concrete targets (key performance indicators) for how many people you want to retain and gain and work towards that target. You need to have a direction, you need to know where you want to go and have the relevant metrics in place to measure it.

- In order for talent attraction measures to work it must be on the policy agenda (visibility, openness). It might be necessary to develop policy to achieve the change.

- Ease of starting a company is important for attracting and retaining talent. Establish public private partnerships that help migrant founders. Migrants need network, capital and knowledge of business culture.

- Collaboration between city departments and establishment of public-private partnerships are important to help migrants succeed
    - Start the work to develop a partnership agreement with important parties with <u>one joint goal</u> (e.g. business development and start up agencies, immigration services, unemployment services, local and regional level) and how to get there.
    - Are the goals for the wanted development in line with goals in municipal planning? Work with both regional and local entities:
        - Is the goal defined in municipal plan/social, community plan?
        - Is the development goal mentioned in regulation plan/zoning/physical plan?
        - Is the development mentioned in the economy plan?
        - Is the development and goal mentioned in the yearly budget?
    - Get the entrepreneurship strategy operationalized in municipal and local plans as well as regional. Decide which levels to involve.
        - Consider if policy recommendations need to be different for Barcelona and other local municipalities in Catalonia

- According to Startup Migrants successful municipalities have these 3 steps in common (that should be analysed and considered in the case of Catalonia):
    - 1. a system for talent discovery (job-centres, educational institutions, work and welfare office)

- ○ 2. a system for verifying and matching talent with the business ecosystem (Technology transfer office, Welcome Centres, NGOs)
- ○ 3. Follow up that leads to new jobs, innovation and active startup ecosystem (Business Chambers, Incubators and startup ecosystem, mentors and advisors).
- Make sure your "domestic" system for Spanish citizens is good as well. If that system is well developed then it is easier also to provide quality services to foreigners and it will make your region more attractive. You need to work on both, to have some symbiosis or balance.

Good Practice Examples
Example from France: City agency « Invest in Reims » has been set up for developing the attractivity of the Region (for big groups and also Startups)

Retention

- Do not forget the foreigners who already live in your city: Migrants like to move and stay in cities where other migrants succeed. Build an inclusive ecosystem that makes it easier for migrants to succeed in the city.
- Use the reverse logic - Figure out why people leave. This way you will know where you need to pay extra attention.
    - ○ Hire migrants in the public sector to see what makes it hard for talented foreigners to deal with the public sector. Always keep in mind that local bureaucracy is easier to understand for people who have lived in their entire life - needs for migrants might be different.
- Foreign students are likely one of the best groups to try to retain as they have already accustomed to the city and local culture, they have already some experience with the state and city bureaucracy and have built initial social networks. The cost of retaining a student is likely smaller than attracting foreign talent through some regional promoting activities at business fairs and other similar events - you can balance costs between attracting new people and retaining those already there. But you can do more to tie the foreign students to the city:

- ○ Enable foreign students to live among non-migrants (e.g. mixed dormitories, local family housing, etc) to help them build their local networks. It is easy for foreign students to remain in the "foreigners bubble"
- ○ Provide clear information to all foreign students on where they can get information and assistance; and what steps do they need to take, if they want to stay after their studies. This includes providing clear information and opportunities for (language) trainings as well as a clear overview of their rights (e.g. how long are they allowed to stay in the country after their graduation; what if they don´t graduate; how can they change their right of residency from the student status to something else, etc.)
- ○ Make it easy for students to connect to the business world. This can be done by building bridges between Universities and the Startup ecosystem. Examples include: Forward Incubator NL

- "Walk through centers" or "International houses" can help explain and guide foreigners through the difficult bureaucracy and systems regarding health care, schooling, apartments, etc. Usually these centres would employ public officials as well as cooperate with private organizations that work towards talent attraction, relocation and head hunting. A well working system will solve many stressful problems for foreigners, make them feel more welcome and therefore help to retain them for a longer period.
  - ○ Provide (paid) services to help foreigners fill in all the necessary forms

Good Practice Examples
From Estonia: In the case of Estonia one of the reasons identified for leaving has been the fact that the high-skilled worker´s spouse or family is unhappy and feeling alone in the city/country. This is especially so if the spouse feels isolated in this new society and does not have a social network of their own, i.e. separate group of friends, colleagues. Special programmes (funded on state level, but carried out on the city level) have been set up for the spouses of highly skilled migrant workers to help them socialize and learn about their opportunities on the local labour market or in continuing their educational training in the local universities. Such initiatives could be easily run on the local city level. See more at: https://investinestonia.com/re-invent-yourself-programme-talent-attraction-for-international-spouses-in-estonia/

Example: Venture Coffee. Initiative built in Cambridge but now all around the world in 10 different locations. Great example how people are built in the local community and particular area. Website: https://venturecafeglobal.org/

From the UK: In Southampton a partnership between Universities and public authorities from the county councils to build a science park incubator centre for graduates to try business ideas was set up. Preferential terms are given to recent university graduates, e.g. 6 months rent free. Now 15 years later it is a thriving hub and brings in enough funding to be sustainable. It creates jobs and new businesses as well as keeps students local when they finish their studies. https://www.science-park.co.uk

From the UK: The Hampshire County authority went to the top 100 businesses and mapped what are the skill areas needed and what is the link with local universities and colleges. This helped to facilitate a two-way traffic between skills-needs, work placements and as a side product helps to retain students.

Walkthrough centres or International houses:

International House of Estonia: https://workinestonia.com/internationalhouse/

International House Tartu: https://www.internationalhouse.ee/en/

b) Alternative financing

- Look into indirect financial support measures:
  - Reduce financial burden for startups (employee stock option, free resources, reduced taxes)
  - Increase VCs and Business Angels' willingness to invest
  - Voucher schemes for services
- Invest in match funding models / match-making grants that use 1to1 or 2to1 ratio models in order to get commitment and solidarity from new businesses.
- Find your answer to the classic dilemma: do you "go after the winners", or you provide public support for everybody. Do you provide small grants of 500 euros to all types of new businesses or do you invest more heavily in the latest innovation and technology?

- Take into account the needs of startups, which are different from established businesses. Startup and emerging businesses need 4 things: access to finance, digital and communication skills, skilled employees and, most importantly, cash flow.
- Modifying the way you do events can help to bring new life to the ecosystem. Instead of organizing events where you gather SMEs to a room and present them different funding programmes and application guidelines, it can be more effective to **focus on community and trust building**. Small companies come to events that explain funding schemes as a mirage hoping to find out an easy way on how to get money - but in reality, they often don't have the skills to apply or to find the right consultant. Therefore community building events that are held in a more relaxed environment, e.g. in the evening over some cocktails, will be more effective in keeping companies together. Then if you have a community where companies talk to companies, then it is a different framework of trust than public presentations to private businesses. If consultants and investors also start attending these events then you can expect positive collaborations.

Horizontal recommendations regarding alternative financing

- Analyze and monitor your startup ecosystem - stage and activities of startups, VC funds operation logic, other resources and actors - to identity which type of support is missing
  - Try to work bottom up in developing your services
  - There can be different paths, e.g. student path, co-innovation path, growth path
  - Financing does not need to mean "new money" - look for ways to pull existing sources together. Create partnerships: Make sure that new "source" of finance would be in your database
- Further develop Catalonia's one stop shop approach to increase the accessibility of information and avoid fragmented funding approach:
  - Foster better access to financing through regional orchestration
  - Start early and co-innovate with the research infrastructure and entrepreneurs.
  - Provide subsidies and coaching for the best startup in the seed phase (the "death valley" phase.)
  - Enhance relations for seed funding for regional co-investment: with Venture Capital funds, Business Angels, banks, crowdfunding, crowdequity.
- Move from the concept of « funding as service » to « supporting growth as service »:
  - Bring startups together based on topics and ambition, rather than just finance

○ Bring together all the existing human resources that you need to launch unicorn with affordable location rent: Public R&D centers, interns and qualified employees

○ Utilize existing EU platforms (such as Startup Europe) and initiatives to build connections with EU regions and access the pool of international finance such as Startup Europe or the EC's S3 platform for the startups in the sector of Catalonia's innovation focus.

Good Practice Examples
Voucher schemes for services: see the article by PLP thematic expert Luc Schmerber, the article also lists some good practices. https://www.interregeurope.eu/policylearning/news/7858/voucher-schemes-a-great-career-since-end-of-the-1990s/
Example from INVEGA (a financial entity incorporated by the state) - In 2017, INVEGA established a subsidiary company UAB "Kofinansavimas" with the purpose to create Co-Investment Fund which, together with private investors that will co-invest into small companies operating for less than 5 years. It includes: 120 business angels and venture capital funds (Including Contrarian Ventures). 4 sub-funds with different investment strategies and sources, mainly focused on micro and small enterprises. https://invega.lt/en/
Example of Innovact incubator - no coworking, everything done in-house, co-financing of startups expenses (audit, due diligence, 5 k€ per year per startup). Region Greater East in France provides 30 k€ at the creation, 100 k€ for R&D. No fee taken from companies benefitting from incubator services, no equity is taken. https://www.innovact.com/
Sweden has startup support measures that really focus on helping businesses to get their first customer(s).
UK has a fragmented system depending on the region as to which state or local support may be in place. But an easy win is to collate all the sources of finance available into a 'one stop

shop' - i.e. does not require new funding - just the resource to collate and maintain. The constant call from micros, startups and growing SMEs is: 'we don't know what is out there, we don't know where to go'. It is easy to underestimate how valuable this simple solution can be. More info at: www. Financesoutheast.co.uk.

c) Startup monitoring (assessment)

- Give incentives to SMEs/startups to allow you monitoring them. The biggest challenge is that SMEs/startups have to be willing to be monitored. You need to "give them carrots" as otherwise they just care about their business and profits. Carrot can be e.g. easy access support for start-ups. If you have available easy access support, include that in the platform to ease the onboarding process. Such support can also be non-financial, e.g. about increasing skill sets. You need to create an environment that SMEs and startups want to join. Use the desire for monitoring as an excuse to develop a portal which serves this purpose, but also gives start-ups enough benefits in terms of direct support and information to encourage self-registration. Once established it can be used for research, communication, identifying needs etc.
  - Online Business Club with public sector support can give monitoring capability, needs strong communication and dissemination plan
  - Entrepreneurs expect availability of advisors.
  - Keep in mind that your platform or tool will be competing with other online information portals and tools. You will need to think like a business - why will your platform be chosen by the startups?
- When setting up a monitoring & services system make sure to use user-oriented strategy for development, e.g. design thinking. Users know best what they need. It is easy to miss the mark with developing a tool in the office. This will also ensure commitment and ownership in the solution from the business side.
  - Also remember to keep the feedback loop active so that you will continue to improve the system.
- An assessment and monitoring system can initially be set up as a project. But the project should be aligned with policy, therefore there might be a need to create a new policy beforehand. The system, just as anything else, should be adjusted to the region's needs and main goals.

- Developing a monitoring or OSS system takes time and requires lots of testing. Be ready for initial failures and the need to make adjustments to the system.
  - This is not something you quit in the middle. The companies you have engaged with expect a result and for you to stay in the game.
  - This also means that it is very important for the project to be linked with new policies and budgets in order to ensure enough funding and commitment to complete the project.
- Keep in mind the GDPR. Develop that in parallel as you develop the mapping or OSS system, because otherwise you won't be legally allowed to monitor.
- The OSS system is not an isolated thing but is cross cutting the sub-topics covered in this peer review. It can be more than a monitoring system or just providing a mentor or business canvas online; big carrots such as access to finance (and alternative financing) or free digital training come together in one focus. At the end of the day you take away the pain for businesses, of "where we need to go" to find the relevant support.

Good Practice Examples
Finance South East model https://www.thefsegroup.com/
Lithuania example of building a startup database - Every startup that wants to be officially recognized as a startup needs to register in the official repository, i.e Startup Lithuania website. The application is evaluated by experts. Experts come from accelerators, public, business sides. 3-5 working people are working on this. Lithuania gets roughly 200 startups each year which means 3-5 startups applications need to be assessed each week. Only startups that are confirmed can apply for, startup employee visa, get accesses to dedicated acceleration funds, tax-free stock option for employees, access to state funded incubators, free networking opportunities See more: https://www.startuplithuania.com/ecosystem/
Example from Møre og Romsdal: Hoppid.no – first line service for start ups, one door policy Hoppid.no's digital tool example from Møre and Romsdal was explained in great detail in Malene's presentation, please see it for details. However, one thing to note is that the OSS system only provides a low key funding of 3000 euros, but the consultants also increase the skills of entrepreneurs by guiding and preparing them for more advanced funding solutions.

Interreg Europe
European Union | European Regional Development Fund

Generalitat de Catalunya
Departament d'Empresa i Coneixement

This has had a positive impact as comparatively companies in the region get more funding as they are more prepared than some other regions.

Try the tool general solution: https://tools.entreprenerdy.com/?language=en

Link to the hoppid.no solution: https://hoppid.entreprenerdy.com/

Link to Good Practice: https://www.interregeurope.eu/policylearning/good-practices/item/3068/digital-tool-for-supporting-start-ups/

Link to story about the solution:

https://www.interregeurope.eu/policylearning/news/7840/the-digital-tool-for-supporting-entrepreneurship/?no_cache=1&cHash=10cd712c62c73cab75b0cd5fe861cdac

Example from EU: https://startupeuropeclub.eu/

d) Startup definition

- Connect the start-up definition to the goals of the economic policy. Start-up definition alone won't solve everything – start with the vision!
  - Do you want to put your focus on (high-growth potential) start-ups? Or do you want to focus on businesses in general and focus also on traditional SMEs, community startups, etc. Do you back the winners (businesses of tomorrow) or do you support losers?
  - Think about how start-ups benefit from the new legislation?
  - Strategy to agree with stakeholders that you will focus on startup ecosystem
  - Build supporting policies in accordance with the vision. Once you have a definition and mapping of companies that fit it, you need to analyse whether you need talents, finance, community building measures and so on - what do you offer formally registered startups? Important precondition for this is an established database and a pool of experts.
- Recommendations for definition:
  - Define start-ups after as viable companies for growth that would include limited companies, of less than five years, with more than one founder. That is solving a problem in a new way, and that has an ambition to more than double the size of its staff and investing in growth.

Interreg Europe
European Union | European Regional Development Fund

Generalitat de Catalunya
Departament d'Empresa i Coneixement

- - ■ Limited companies are good because they can hire without risk and can be invested in.
  - ○ A good definition ticks as many of the following boxes as possible: Innovation, Investment, High skilled jobs, Secure jobs, Economic growth, Stopping decline - but you need to be careful not to exclude great companies with too many requirements.
- Benefit of defining startups - It enables to separate them from regular SMEs whose business models are different and to devise target measures (e.g. grants) to companies specifically with high growth potential, high risks, disruptive innovations that can generate new money and jobs for the ecosystem.
  - ○ You should support companies that do not build only themselves but the ecosystem around them. You might initially invest in one startup, e.g. "winner", but if it is successful then years later you could have an ecosystem of hardware, software and service companies around it.
- On the flip side, too rigid a definition might exclude some great companies. Startups can pop up in any field or sector. In this sense, it would be beneficial to have as many viable companies in the directory as possible. Even supporting "losers" you might in the end create more local "winners". Plus a company that does not look innovative or with large growth potential could turn out to be very relevant in some new niche.
  - ○ Basic rule "do no harm". If we know that it is good to support limited companies, with more than one founder, then these criteria are fine. But don't make a definition that would harm companies in the districts.
  - ○ A win-win situation is needed - stronger startups will make SMEs and industry stronger, and SMEs will enable startups to grow.
  - ○ Ask yourself why you need the label of "startup" Why do you need this definition? At the end of the day it matters what type of companies you want to attract. Maybe there should not be a need for a definition.
- Potentially one size fits all definition is not the way to go.
  - ○ If possible, allow for local differences - The goals in municipalities in a region are seldom the same. Barcelona's definition might be different from the rest of Catalonia.
- Continue monitoring - over time it might become evident that the definition should be adjusted or some other measures (carrots) should be linked with the definition.
  - ○ Compare your ecosystem with other ecosystems – some points in the definition should align with other ecosystems to enable comparisons.

○ The meaning of big growth can mean different things in different communities, e.g. from 1 person employed to 4 in smaller communities vs from 1 to 25.

Good Practice Examples
Example from Lithuania - Start-up – is a very small or small enterprise with a large and innovation-based business development potential, operating for less than 5 years. ● A large and innovation-based business development potential - the ability of a business entity to provide goods and services and expand services to international markets without the use of additional production resources. ● The main criteria to evaluate a large and innovation-based business development potential: The size of serviceable obtainable market; None or very low marginal costs; Projected at least 20% annual growth (measured as number of employees and revenue).
Example from Møre and Romsdal in Norway: Baseline start-up definition is only defined by number of years (5). All the startups are in the beginning defined as a startup, to catch all who want to start a business. Then, by level of growth, innovation or if it is just a startup to make your own job, the help and criteria for support is set. Some just get advice in first line service, and some advanced get a totally different level of service, from experts and different grants and so on.
Example form UK - create an online ' club' which is low maintenance but captures the information you need. As long as there is perceived value to start ups we have captured a lot of new businesses entrepreneurs this way. E.g the site/portal features latest business news, contract tenders, new legislation, courses available PLUS an absolute win for the start up community a chat room facility to establish joint ventures /trading/ export partnerships etc. www.DorsetGrowthhub.co.uk

6. Future steps

Following the peer review, the host organisation started a consultation process with the other stakeholders and government departments involved in the implementation of policies in the topics included in this peer review. This consultation process has the objective of discussing all the recommendations provided by the peers and assess the possibility of drafting action plans to implement some of the recommendation provided by the peers.

This consultation process started right after the peer review and the host organisation expects to have concrete actions plans in at least two of the topics discussed before the end of the year.

These actions plans will be based on the recommendations provided by the peers, and therefore the host organisation would like to continue cooperation with the peers to go deeper and receive more information in some of the good practices and recommendations presented.