

GOOD PRACTICE

“Gospodarna (thrifty) Wielkopolska” key project implemented within Regional Operational Programme for Wielkopolska Region 2014-2020”

ORGANISATION: Marshal Office of the Wielkopolska Region

TOPIC: Penetration of territories, attraction of investments

TOPIC OF THE GOOD PRACTICE

1. The penetration of territories

Entering to the new markets, especially outside the EU, is the basis for economic development of Wielkopolska entrepreneurs, and consequently the whole region. Trade fairs are an important marketing tool that enables company to publicize its range of products or services and to access new domestic and foreign markets. Due to globalisation, any SME that intends to grow must increase its exports. Moreover, trade fairs are platforms for information on markets trends, canvassing new customers, and making contacts with future cooperation and distribution partners.

The source of acquiring the expertise needed to carry out actions by the Wielkopolska Region authority in the field of regional economy internationalization and a background for taking up activities within "Gospodarna (thrifty) Wielkopolska" project is ordering market and economic analyses. Those analyses help to make the right decisions on which markets Wielkopolska entrepreneurs should enter or which foreign trade fairs they should attend.

2. The attraction of investment

In order to support attraction of investment to the Wielkopolska Region an Electronic Database of Investment Areas of the Wielkopolska Region (eBOI) was created within the "Gospodarna (thrifty) Wielkopolska" project. eBOI is a website addressed to a potential investor in Wielkopolska. It allows a simple and intuitive search for the investment offers located in the Wielkopolska Region by some pre-defined key criteria.

DETAILED DESCRIPTION OF THE GOOD PRACTICE

Regional authority of Wielkopolska attaches great importance to the internationalization of local companies. Regional strategy papers (Development Strategy for the Wielkopolska Region 2020, Wielkopolska 2020, Regional Innovation Strategy for Wielkopolska 2015-2020, Wielkopolska Economic Promotion Strategy 2011-2020) emphasize the importance of strengthening regional businesses in the global market for the development of Wielkopolska. To get that, we need a complex management of economic promotion and investment. The main emphasis will be put on strengthening the economic potential of the region in the strategic areas defined in the Regional Innovation Strategy as smart specializations.

That is why the "Gospodarna (thrifty) Wielkopolska" project offers a scheme that supports Wielkopolska companies' participation in international economic events around the world (trade fairs, business forums, etc.). Thanks to the public funding SMEs from Wielkopolska can participate in foreign trade fairs, and promote the economic potential of the region.

Selecting the fairs is based primarily on the guidelines of the "Regional Innovation Strategy for Wielkopolska for the years 2015-2020" by focusing on region's smart specialization, and on industries that have the greatest promotional and export potential in the region. The economy promotion programs announced at the national level, analysis and consultations with the business are also taken into account. Under the Trade Fair Support Scheme for Businesses based in Wielkopolska Region, regional authority of the Wielkopolska Region plans to prepare a joint regional stand on selected international trade fairs, where the companies based in the

region may present their offer. To collect companies willing to share the regional stand, an open call is organized, and formal applications gathered. To be eligible a company has to be: a SME, be registered in the Wielkopolska Region, and operate in the area of the smart specialization applicable for the call, which is defined by applicable codes from the list of classification of business activities in Poland. The condition for the organization of the exhibition stand is to collect at least 5 eligible applications. Qualified companies are required to sign a grant agreement with the regional authority, who organizes the regional stand. The scope of support under the de minimis subsidy covers: participation of the company on the regional stand in selected fairs, cost of entrance tickets to the exhibition, access and space on a stand purchased by the regional authority, accommodation with breakfast, internal transport within the country, care for exhibitors and in special situations cost of interpreter. Organizer, the local authority, covers the costs of participation at a joint exhibition stand of only 1 representative from the company. Travel costs from Poland to the place where trade fairs are taking place, costs of food and any costs other than those mentioned above related to the fair (including vaccinations, visas or other documents), the company covers from its own resources.

The duties of the company include: full participation in the fair programme prepared by the Organizer (presence at the regional stand, accommodation in hotels designated and funded by the Organizer), compliance with the provisions of the grant agreement, putting an article on the website of the represented party about its participation in the fair along with a link to the Organizer's webpage. In case of violation of the rules established by the regional authority, the company is required to reimburse any costs incurred by the organizer covering the expenses related to the participation in the fairs. Benefits of the joint stand under Wielkopolska brand: technical and organisational consulting prior and during the trade fair done by the regional authority staff; single-source organisation; synergies with the other exhibitors at the joint stand, increased visibility of the joint stand; appealing and user-friendly stand design, customisable area with basic facilities for each exhibitor on the joint stand, common info desk to welcome visitors, meeting facilities for exhibitors and their guests; interesting supporting events and meetings with high-ranking politicians; press and PR activities.

The geographical scope of the Trade Fair Support Scheme for Businesses is basically worldwide. However, the choice of the exact markets is based, among others, on the regional authority own analysis and strategic documents such as:

The Strategy for Economic Promotion of the Wielkopolska Region 2011-2020 which identifies priority geographic markets, in which Wielkopolska companies' promotional activities shall be carried out in the first place. These are: traditional foreign markets: Germany, France, United Kingdom, Spain, Russia, Ukraine, the US and emerging foreign markets: China and Hong Kong, India, Brazil, Kazakhstan, UAE and neighboring countries, the Arab countries of North Africa. The choice of the markets is based on the analysis of the needs reported by local entrepreneurs and economic organizations, also on the basis of desk-research and analysis and strategic documents prepared by third parties - eg. Ministry of Economy (programs "GoAfrika", "GoChina"), the website of Ministry dedicated to international cooperation, information obtained from the Departments of Trade and Investment Promotion and Polish embassies, current information on the economic situation in professional journals and on the Internet.

The analysis of the potential export manufacturing and service companies from the Wielkopolska Region (2014) aimed to provide updated information on exports by companies from Wielkopolska and their opportunities in foreign markets. The purpose of the study was to assess the export potential of companies from Wielkopolska region in key regional industries and to discuss the conditions of export markets outside Europe. The scope of the analysis included: presentation of the export situation of the Wielkopolska region in the period 2011 to 2013/2014, in comparison to data available for whole Poland and other Polish regions, characteristics of foreign trade conducted with the Wielkopolska region to the European Single Market and third countries in the period from 2011 to 2013, characteristics of the exports of the key industries for the development of the region (consistent with the area of "smart specialization") to the European Single Market and third countries in the period from 2011 to 2013, evaluation of the export potential of enterprises from Wielkopolska region in the years 2014 to 2020, conditions for the development of exports to Asian markets, African American / North and South America.

The analysis of international trade fairs at prospective markets in the 6 smart specialization areas of the Wielkopolska economy (2015) was meant to identify the most important trade events in the world for the 6 key specializations of Wielkopolska economy. Trade events indicated in this report were the basis to develop a plan of Wielkopolska participation in international trade fairs on the key markets, respectively in the both EU and outside EU. Participation in the fair events is co-financed under the "GOSPODARNA (thrifty) WIELKOPOLSKA" project within ROP.

The strategy for entering foreign markets (2016) aimed to systematize the knowledge of Wielkopolska entrepreneurs on the ways of entering foreign markets and in addition, to provide a summary of selected aspects of determining access to foreign markets, which must be analyzed in detail by taking a strategic decision on international expansion. The analysis was made available for entrepreneurs on a website and provides them with increased knowledge about entering foreign markets. The document includes information on types of strategies for entering foreign markets, aspects of access to some foreign markets important for exporters from Wielkopolska, information on access to non-European markets (Angola, Argentina, China, Kazakhstan).

Investment Support Scheme with Electronic Database of Investment Areas of the Wielkopolska Region is based upon the Wielkopolska Economic Promotion Strategy 2011-2020, its strategic line 4 ("Investment promotion") aiming at ensuring the inflow of incoming investment in order to raise competitiveness of the region. One of its assumptions is, among others, comprehensive promotion of the investment and real estates offers prepared by communes, to enhance the chance of finding an investor.

The basic idea for the attracting investors is to combine the economic and investment promotion to show the strengths and advantages of the Wielkopolska region in the international arena. The presence of Wielkopolska entrepreneurs in emerging markets will define the image of Wielkopolska as an investor-friendly region with high economic potential. Presentation of the innovation and creativity of the Wielkopolska inhabitants will enhance the image of the region as a place where not only prepare the infrastructure and investment incentives are important for an investor, but also the quality of staff and living conditions. In this context, the investment promotion of the Wielkopolska Region doesn't only include the areas intended for investments, investment projects, real estate and business, but also presents the Wielkopolska region as offering a well-developed transport infrastructure, wide range of scientific research, and qualified and stable conditions for development.

The Electronic Database of Investment Areas (eBOI) has been created and remodeled to take on the best features of this type in the world. The database offers access to all updated investment and real estate offers submitted by communes from the Wielkopolska Region. The eBOI webpage was meant to be user friendly for a potential investor, and enabling in a simple and intuitive way to search investment offers available in the Wielkopolska Region. The eBOI webpage includes the following information: on the cover page interactive map with marked investment areas with search engine of investment areas; database of investment areas offers located in the Wielkopolska with the description of: the name of the site, town, district, municipality, address, owner, type of plot and its measurements, greenfield / brownfield, the total area of the plot, utilities (electricity, water, sewerage, telecommunications), distance from (seaport, airports, highways, national road, station / siding, intermodal terminal), photos / graphics (maps), the area covered by the Special Economic Zone (SEZ), contact person, info about the adopted local development plan, price of the offer). Additionally every person who visits the eBOI website has access to basic information and up-to-date statistics about the region: location, historical and cultural background, transport, population and economy, Poznan International Fair. There's also a section describing Wielkopolska advantages as a best place for an investment, including incentives for investors in Special Economic Zones, SEZ areas in Wielkopolska, incubators, industrial and technological parks, intelligent specialization of the region and statements of previous investors. Moreover, there's also a special section with a guidebook for potential investors called "10 steps for an investor" containing info about the market, legal and administrative conditions for running a business in Poland, looking for a place for investment, setting up and registering a company, land purchase, investment preparation – permits, registered office/facility construction, employees recruitment, employment, communications and information technology

infrastructure and finally outsourcing. A separate sections are devoted to description of the legal system in Poland (administrative division of the country, custom rules, public procurements, tax system and avoidance of double taxation, social security system, stay and work permit) and public aid (Poland in the European Union and EU Funds 2014-2020, institutions providing support within the EU funds).

The eBOI website is available in Polish and English.

ROLE OF ACTORS

Wielkopolska Region authority is responsible for definition of strategy of regional development, formulating other regional development policies in the field of entrepreneurship, innovativeness, public education, promotion and health protection, culture and heritage, social welfare, modernization of rural areas, spatial management, environmental protection, water management, collective transport and public roads, sports and tourism, consumers rights' protection, defenses, public security, counteracting unemployment and activation of local labor market. Authority of the Wielkopolska Region perform activities of shaping and implementing the Regional Strategy for Innovativeness 2010-2020 as well as the Wielkopolska Economic Promotion Strategy 2011-2020.

Public agencies on regional level (eg. Wielkopolska Agency for Enterprise Development, Regional Development Agency in Konin acting in Europe Entrerprise Network, Fund for Development and Promotion of the Wielkopolska Region SA-regional guarantee fund) as well as other territorial actors (eg. Wielkopolska Chamber of Industry and Commerce, The Polish Chamber of Commerce for Importers, Exporters and Cooperation; billateral chambers like: Polish-Kazakh Chamber of Commerce and Industry, Polish-German Chamber of Industry and Commerce, Polish-Mongolian Chamber of Commerce, African-Polish Chamber of Commerce - "ProAfrica") support the Trade Fair Support Scheme by consulting in the planning of trade fairs, cooperation in recruiting companies to participate in trade fairs and missions, participation of representatives of missions and fairs organized by the Office, joint organization of economic events in the region and receiving foreign guests.

The eBOI database is run, administered and financed by the regional authority of the Wielkopolska Region. However a crucial role is played by the local communes and districts that provide the investment and real estate offers. The Association of Wielkopolska Municipalities and Counties, running The Investor Assistance Centre as joint initiative with the Polish Agency for Information and Foreign Investment, is also supporting and complementing the promotion of investment in the region and providing professional services to foreign investors.

BENEFICIARIES

Trade Fair Support Scheme for Businesses based in Wielkopolska Region is directed to micro, small and medium-sized enterprises (pursuant to Commission Regulation (EU) No 651/2014 of 17 June 2014.) based in the Wielkopolska Region whose activities are consistent with the area of smart specialization for Wielkopolska, which applies to selected trade fair.

The whole territory of the Wielkopolska Region benefits from the expansion into new markets through increase the value of trade, employment and income of enterprises, but also an increase in tax revenue, the inflow of foreign investment, the acquisition of innovative technologies and improvement of SMEs management efficiency.

Main beneficiary of the Investment Support Scheme with Electronic Database of Investment Areas of the Wielkopolska Region (eBOI) is a potential investor looking for opportunities to set up its business in Wielkopolska (a domestic or international investor). Indirect beneficiary of the service offered by eBOI are the territories (communes and districts of the region) which have a possibility to have their investment and real estates promoted and thus making them more attractive to investors.

Foreign markets analyses for international expansion of Wielkopolska businesses in the first help the regional authority of the Wielkopolska Region to take up activities related to the internationalization of regional economy. Analyses are the basis for determining foreign markets showing potential for expansion of Wielkopolska companies. They also offer wider knowledge both to the regional policymakers and entrepreneurs.

INNOVATION OF THE GOOD PRACTICE, POTENTIAL FOR IMPROVEMENT AND REPLICABILITY

Trade Fair Support Scheme for Businesses based in Wielkopolska Region is a public support within de minimis aid, however it is not a direct financial support. The support benefactor by choosing the trade fairs destinations keeps the control on the target foreign market identified for the region and also by narrowing down the range of support to the region's 6 areas of smart specialization and its industries. Thanks to that, the support has been limited to branches having already some potential in the territory of the region and who have the chance to play an important role in its development in the future.

CONTACT DETAILS

Name	Magdalena Kaseja-Astriab, Head of Division of Promotion, Trade and Investments, Department of Economy Anna Maciołek, Division of Promotion, Trade and Investments, Department of Economy
Organisation	Marshal Office of the Wielkopolska Region
E-mail	magdalena.kaseja-astriab@umww.pl anna.maciolek@umww.pl
Website	www.umww.pl www.iw.org.pl