



Action plan of Goriška region, Slovenia

I Profile of the Action Plan

Project:	BRIDGES
Partner organisation:	Posoški razvojni Centre, PP6
Other partner organisations involved:	-
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NUTS2:	Western Slovenia
Region:	Goriška
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II Policy context

Table 1 The Action Plan aims to impact

Investment for Growth and Jobs programme		X
Type 1: Implementation of new projects	X	
Type 2: Change in the management of the policy instrument (improved governance)		
Type 3: Change in the strategic focus of the policy instrument (structural change)	X	
Other improvements not corresponding to types 1-3 (please comment)		
European Territorial Cooperation programme		
Other regional development policy instrument		

Name of the policy instrument: Investment for Growth and Jobs programme, CLLD (Community led local development)

Improvement needs: Improvement of infrastructure for research and innovation and enhancement of capacities for excellence in this area in accordance with the Smart Specialisation Strategy. The industry focus will be on agri-food and aquaculture: improvement of quality, clustering, and linkages to new product lines.

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III Background

The innovation map

The innovation map of PP6 did not identify performance strengths of the business community. It identified, however, localised resources with development potential. One among these resources was the aquaculture sector, with acknowledged fishing, tourism and new product development possibilities. In particular, endemic fish species could be one of the development “fields”. The innovation map identified also the need for targeted knowledge-to market initiatives and systematic support to businesses to be able to absorb such types of initiatives. Thus, the ‘optimisation question’ for PP6 was finvesting on the best & most realistic solution for developing the endemic fish species industry in the area, aligned to the national RIS3 priorities strongly emphasising knowledge-based economy and platform type of solutions and also sustainable food production.

Good practice transfer & policy learning

PP6 adopts the KANTOLA CLUSTER with Woodpolis centre of competence and master plan (‘Kantola’ for short): Kantola is a good practice identified in Kainuu region in Finland and accepted to the Interreg Europe data base (<https://www.interregeurope.eu/policylearning/good-practices/item/136/kantola-industrial-estate-and-woodpolis-centre-of-competence/>).

KANTOLA is based on scaling up and diversifying the saw mill industry, into advanced wooden processing activities, especially focusing on elements of sustainable wooden production. Kantola is a development initiative initiated in 2006 and on-going. It involves businesses in the industry, the municipal government as well as regional, national and international knowledge actors, and a specialised business development centre (Woodpolis). A regularly renewed (every 2-3 years) masterplan (Kantola masterplan) confirms/evaluates/renews the strategic vision and the prioritised development actions of the initiative. Kantola was established as knowledge-intensive initiative, aiming at linking excellence results to product applications and associated business services. It adopted the demand-led approach from the beginning, utilising excellent research, as a proxy and the channel for responding to demand. Development actions are largely co funded by the regional ERDF & ESF. The role of the structural funds as policy maker and co funder is essential. Innovation actions by individual businesses are co-funded by the national innovation fund (TEKES, part of Business Finland).

The whole KANTOLA process is aligned with the Kainuu RIS3. It includes reference to interregional cooperation and also strong emphasis on research and training. The Slovenian aquaculture concept is following Kantola GP in several identified elements. It adopts the demand-led, excellence-based, and bottom up approach converging excellence results with SMEs potential and clustering them with research sector (excellence in repopulation of endemic species). No matter the scope of the network it is inclusive for existing and future international cooperation. For the duration of this new type of project, the network follows the principles of industry-led Centres of Competence, but without a formal structure, by focusing mostly on knowledge intensive cooperation.

<http://www.interregeurope.eu/bridges/>

PP6 selected to transfer the Kantola good practice because of three reasons: (1) it proposes a bottom up approach for knowledge-based development transferable to any regional context and functioning as an ecosystem, and it is initially research driven: research → thematic areas → product development actions & associated business services This approach was missing in Goriška; (2) it demonstrates how the demand-led approach (starting from mainstream excellence) is accessible also to smaller and not necessarily very advanced businesses; (3) it enhances localisation by stressing joint local action and at the same time benefits from linkages to the regional / national and interregional levels.

The KANTOLA good practice is transferred to Action 1 Integration of the aquaculture centre of competence & associated projects to the CLLD (policy instrument governance improvement action) and to Action 2 Aquaculture development actions (policy instrument implementation of new projects) of the PP6 action plan (III Action plan). The transferred elements include the stakeholder (national level) knowledge platform, the master plan, and development projects resulting from the master plan implementation.

Feasibility study

PP6 invested in an extensive and detailed feasibility study addressing the sustainable and competitive development of aquaculture from many points of view: it examines the repopulation of marble trout and adriatic grayling, the projects that should support it and embed it locally, it analyses the absorptiveness of the local business community towards knowledge-intensive development activities. In the process, it positions the concept of a centre of competence as an objective and a tool for such type of development. Centres of competence (CC), in the past, were understood more as top down initiatives. One of the objectives of the feasibility study was to develop a CC valorising bottom up approaches, well embedded in the area and with national and interregional linkages if needed.

The FS oriented the action plan through the key findings:

- (1). Both Marble trout and Adriatic grayling are endemic species in the Slovenian Adriatic basin with high priority given by anglers, fisheries and research institutions from Slovenia and abroad.
- (2). The challenge in the sector is in the fact that there is no leading research institution dealing with fisheries and aquaculture or setting research priorities in Slovenia. Research on different levels has been limited to aquaculture, fisheries and conservation especially with the French research scientists. The other parts of the fish value chain have not been studied and they would need a more multidisciplinary approach understanding the value chain as whole and its interaction with the surrounding food systems. That results the lack of common focused research priorities, weak participation of industry in research projects or research initiatives from the industry, undeveloped training and education of value chain actors in universities.
- (3). Past and current research initiatives have been based mostly on motivation of different actors and available funding instruments.
- (4). The link of aquaculture to other sectors like food processing, technology and market research is rather poor at the moment.
- (5). Commercialisation is one possible long-term source of funding research and repopulation process.

<http://www.interregeurope.eu/bridges/>

(6). Establishment of a Competence Centre would bring together aquaculture SMEs and research institutions. It would enable transfer of knowledge and coherence of both repopulation and commercialization.

To proceed to the final selection of activities (as the feasibility study includes a wide range of options), in the next step, PP6 explored the mechanism for realising the action plan. Following meetings with the MA, it was clarified that the solution would come from calls of the Local Action Group Soča valley implementing the CLLD mechanism (Community led local development). CLLD is a cross cutting tool of the Structural Funds, combining various funds at sub regional level:

“A single methodology regarding CLLD for the ESI Funds, which:

- focuses on specific sub-regional areas
- is community-led, by local action groups composed of representatives of local public and private socio-economic interests;
- is carried out through integrated and multi-sectoral area-based local development strategies, designed taking into consideration local needs and potential;
- takes into consideration local needs and potential, includes innovative features in the local context, networking and, where appropriate, co-operation

This single methodology will allow for connected and integrated use of the Funds to deliver local development strategies. As community-led local development is area-based and can be financed by the different ESI Funds (ERDF, EAFRD, EMFF), it is an ideal methodology for building linkages between urban, rural and fisheries areas. CLLD as a mechanism is part of Slovenian OP 2014-2020 and as such also linked to the implementation of Slovenian RIS3 (S4)¹.

III Action plan

The Goriška action plan has two actions: Action 1 Integration of the aquaculture centre of competence & associated projects to the CLLD (policy instrument governance improvement action) and Action 2 Aquaculture development actions (policy instrument implementation of new projects), Figure 1.

The overall objective in Goriška region that focuses in aquaculture sector is both *good state of the ecosystems* and *development of new products*. This is a process that integrates knowledge intensive repopulation of endemic fish species (Marble trout and Adriatic grayling) and commercialisation as a driver for economic growth of the sector. The challenge is in developing synergies without harming (or even improving in some cases) the natural habitats. The process of repopulation of Marble trout has been ongoing for more than 20 years and has reached good results but to keep it going and to transfer it to Adriatic grayling it is essential to secure additional funds also by linking repopulation and commercialisation.

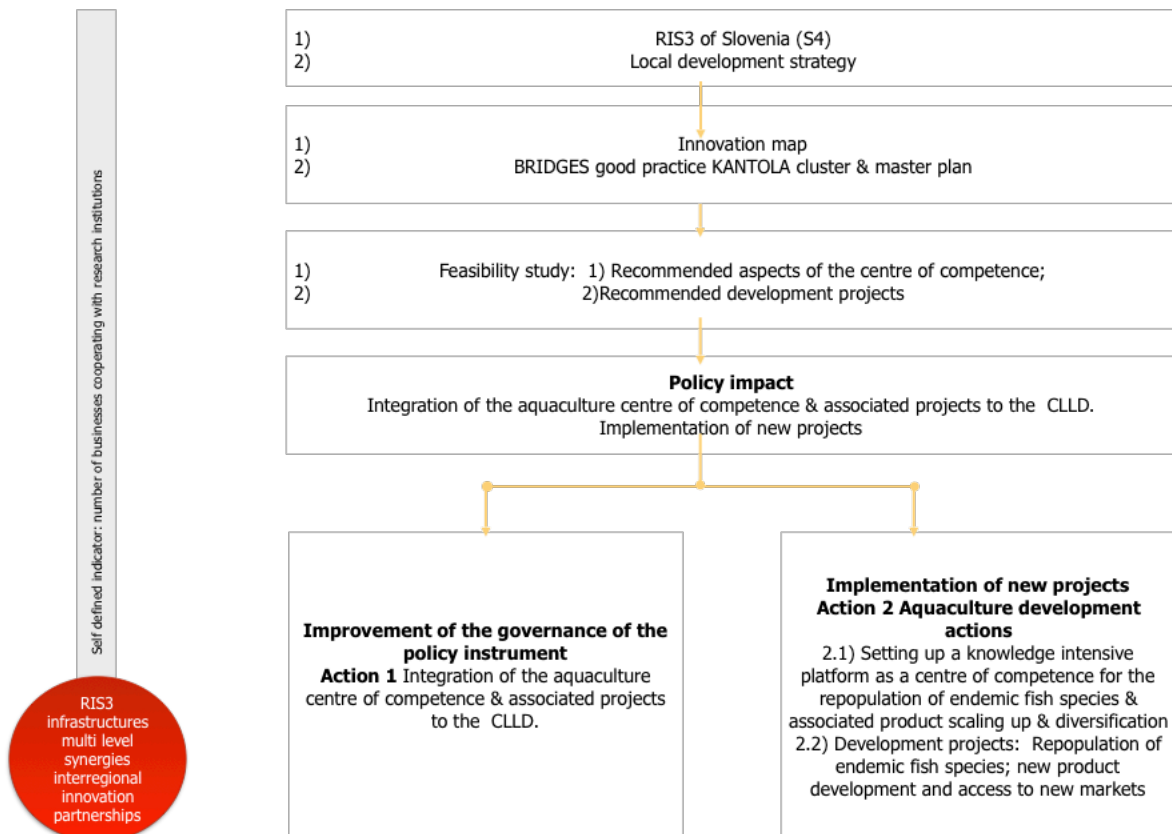
The final target is to (partly) finance the repopulation process with revenues from commercial aquaculture, in order to ensure the sustainability and independence of centre of competence in the long run. To reach this it is necessary to:

¹ http://ec.europa.eu/regional_policy/sources/docqener/informat/2014/community_en.pdf

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- Establish a knowledge intensive network between SMEs and research institutions (national and international)
- Optimise and better disseminate repopulation knowledge among stakeholders (aquaculture SMEs, angling club, research institutions)
- Identify and implement development projects within the sector and outside (fish processed products, branding, angling tourism, ...).
- Piloting of the competence centre approach will enable SMEs to link themselves with each other exchanging existing knowledge and setting priorities on the field of repopulation and commercialisation of both important endemic fish species. It will also create a value added chain that will allow Slovenian and foreign research institutions to be partners in the process.
- It will also link the process to other sectors like food processing, technology, and market research which is quite poor at the moment.

Figure 1 Action plan PP6



Action 1 Integration of the aquaculture centre of competence & associated projects into the CLLD.

Implementation of Action 1 is a precondition for the implementation of Action 2.

In Slovenia there are national policies and funding mechanisms available that support Centres of Competence and excellence but are focusing on large sectors with big players. The sector of aquaculture, identified within the Innovation map of the Goriška region as one with a very high potential, could not fit in the mechanism. The Kantola good practice that was presented within the BRIDGES project, describes a mechanism that is tailor made, regionally adopted and suitable for SMEs. This is exactly what was lacking and the stakeholder group of PP6 analysed it and recognised it as a possible instrument that could be integrated into the CLLD programme. This could bridge the current gap of available funding schemes and enable SMEs to engage in research to business initiatives in a systematic and organised way.

For this purpose, PP6, cooperated with the MA at national level and the local CLLD, with the purpose of "opening up" the CLLD project options to centres of competence, based on place-based approaches. The Local development strategy as a core document for the implementation of the CLLD was adjusted² and officially confirmed on 23.4.2018 by the Ministry of agriculture, forestry and rural development. The Ministry re-evaluated all the changes of the strategy and confirmed that it is in line with the CLLD regulation. Following the adjustment of the policy instrument, PP6 proceeded to the formulation of the action plan as a whole.

Action 2 Aquaculture development actions

Action 2 is structured into two sub actions:

(2.1) Setting up of a knowledge intensive platform as a centre of competence for the repopulation of endemic fish species with associated product scaling up & diversification.

(2.2) Development projects: Repopulation of endemic fish species; new product development and access to new markets

Action 2 is implemented through an open call issued by the CLLD, following the integration of the Aquaculture centre of competence into the national CLLD (Action 1).

Expected outputs include:

(1) Knowledge intensive platform (network-based) for repopulation of endemic fish species. Organisation of the platform (signed document) and establishment of a competence Centre based network will build on Kantola (Bridges GP) approach integrating the needs of SMEs and strengthening the bottom up elements while ensuring stakeholder involvement in the process. At the moment there is no structure within the sector

² http://lasdolinoasoce.si/wp-content/uploads/2018/05/SLR_LAS_Dolina_Soce_oktober2017.pdf

<http://www.interregeurope.eu/bridges/>

of aquaculture where interested stakeholders would regularly meet, share knowledge and their needs and establish a formal link between research sector and businesses.

Under the lead of Soča Valley Development Centre, Action 2 will connect 4 aquaculture SMEs, Planika dairy, Angling club of Tolmin, National fisheries institute, Biotechnical faculty from Ljubljana and other interested aquaculture authorities and research institutions (national and international). The network will focus on developing the synergies between repopulation (success and excellence elements) as well as establishment of synergies with development aspects for two endemic fish species (Marble trout and Adriatic grayling). Businesses outside the sector of aquaculture will be invited to cooperate (food processing, logistics, gastronomy).

(2) Repopulation of endemic Marble trout and Adriatic grayling: The current knowledge is mostly based on activities of the angling club of Tolmin, Faronika d.o.o., Fisheries research institute of Slovenia and some Slovenian and foreign research institutions that has been ongoing for the past 20 years. In order to optimize the process other aquaculture SMEs will be invited to actively participate in the process. Repopulation of endemic fish species in aquaculture facilities and natural habitats is a long-term process. In order to secure financial sustainability of the process a closer link between improvement of natural habitats and commercial aquaculture (of endemic species) will be established.

(3) New product development and access to new markets: Aquaculture related to endemic fish species has a high potential in adding value to new products (according to the Feasibility study findings). A new project will be developed and implemented that will address processing of the raw fish, and commercialization of the products (raw and processed fish, angling, gastronomy). Planika dairy will develop a new product that combines trout meat and raw cheese. A project proposal is planned under the lead of the tourism destination organisation that will work on building of a brand (system, positioning, evaluation, market placement) developed from a tourist destination brand 'Dolina Soče'.

Players involved in the implementation of Action 2

Soča valley development centre is responsible for the implementation of the Action plan after the endorsement from the LAG Soča valley. Under the lead of the SVDC several other stakeholders will participate in the project development, application and implementation. Below there is an indicative list of key stakeholders that have already expressed interest; however the process remains open to others that would want to join.

Table 2 Key players involved in PP6 action plan implementation

Players	Roles
Soča valley development centre	Process facilitator
Aquaculture SMEs	R&D demand
Angling club of Tolmin	R&D demand, dissemination
Other SMEs in food chain	R&D demand
Chamber of Agriculture and Forestry of Slovenia	Expert support, dissemination
University (Ljubljana and/or foreign institution)	R&D input

Players	Roles
Fisheries research institute of Slovenia	R&D input, testing
LAG Soča valley administration and board	CLLD funds regional management body
Ministry of agriculture, food and forestry	Supervising body, MA
Municipalities	Process observers

Planned cost of project & sources of funding

Estimated project value: 230.000 EUR

- **Knowledge intensive platform and brand development (100.000 EUR)**
 - 80% CLLD - European maritime and fisheries fund (EMFF)
 - 20% own contributions
- **New product development (130.000 EUR)**
 - 50% CLLD - European maritime and fisheries fund (EMFF)
 - 50% own contributions

Total: 230.000 EUR

Timetable

- Endorsement of Action 1 by the national CLLD authority: March 2018.
- Improvement of the action plan: October 2018
- Endorsement of the action plan by the partner: November 2018
- Final approval of the action plan: Spring 2019.
- Submission of application to the open call of the CLLD: Spring 2019.
- Start of implementation: Summer / Autumn 2019.
- Monitoring, evaluation and conclusions: 2019 -2021

Impact on the region

Self-defined indicator:

- number of businesses cooperating with research institutions, (4)
- Number of partners of the network (5).
- One knowledge-based aquaculture platform, with research to business provisions and development programme
- New fish products developed (3)
- Brand established (1)

IV Endorsements

Approval of the action plan for PP6 SVDC

Date: _____

Signature: _____

Stamp of the organisation (if available): _____

Endorsement of the PP6 SVDC action plan by the president of LAG Soča valley

Date: _____

Signature: _____

Stamp of the organisation (if available): _____