
ACTION PLAN

Provincial Council of Granada

2022



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Part I – General information

Project: Digital Business EcoSystem Transformation (DigiBEST)

Partner organisation: Provincial Council of Granada (PP-5)

Country: Spain

NUTS2 region: Andalusia

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Part II – Policy context

The Action Plan aims to impact:

<input type="checkbox"/>	Investment for Growth and Jobs programme
<input type="checkbox"/>	European Territorial Cooperation programme
<input checked="" type="checkbox"/>	Other regional development policy instrument

Name of the policy instrument addressed: “Plan for the development of local productive activity”

Part III – Details of the actions envisaged

ACTION 1

Awareness campaign on the benefits of digitalization

1. The background

The development of this first action included in the Action Plan is based on several lessons learnt from the exchange of good practices as well as on certain recommendations arising from the various research activities carried out within the DigiBEST project.

More specifically, the Action nr.1 is inspired by the three following elements learnt through the project:

- The conclusions of the regional study (Andalucía – Granada).
- The recommendations included in the Peer Review activity report.
- A selection of the project's good practices.

On the one hand, the Regional Study has revealed that micro-SMEs are below the national average in almost all the digitization development indicators that have been analysed. It also points out that business managers have a low perception of how important digitalization is. There is a huge lack of knowledge about how to handle the digital transformation process, both the different digital solutions that can be found in the market, and the benefits that they could bring to the business (as a reference, the Study points out that 50% of Andalusian businesses are unaware of digital solutions for the automation of the processes). In the province of Granada there is a weak professional culture associated with the digitalization of SMEs, according to the SWOT analysis included in the Study.

Also, one of the conclusions from the Peer Review activity outlines the fact that awareness is one of the three main elements that limit the adoption of digital solutions by SMEs and microSMEs. It is frequent that business owners don't know how to implement digital solutions to business processes.

As a result of the Peer Review activity, experts have suggested to include more specific activities in the policy instrument "Plan for the development of local productive activity" in order to raise awareness. Since it is one ambitious target, as it takes time and requires cultural change, the experts suggest including activities targeting general managers in SMEs, as well as specific events for SMEs using digitalization success stories.

This action has been also inspired by two of the good practices that have been identified within the DigiBEST project:

- "My Latvija. Do Digitally", the comprehensive communication and training programme to inform and encourage society to use online services offered by the government (Latvia).

This good practice has been essential to understand the importance of all entrepreneurs having access to information about the benefits of digitalization and all the activities required for its promotion. It has also been useful to identify initial investment needs for the implementation of this kind of actions.

- "E-Skills Week for Jobs" (Latvia).

This experience of the Latvian partner arises from a situation that is also repeated in Granada. There is not enough information for SMEs and entrepreneurs about the benefits obtained with the digital transformation of businesses and the possibilities to start it. It has been a good example of a consolidated and successful initiative of collaboration between public institutions and companies to raise awareness, easy to transfer and affordable with the institution's own resources.

Moreover, raising awareness about digitalization amongst SMEs is completely coherent with relevant digital European and national (Spanish) strategies, such as the Digital Agenda for Europe: 2020-2030, the national strategy "España Digital 2025" or the national digitalization plan for SMEs 2021-2027.

This is a key factor for the success of this action, as it is necessary to raise awareness as a previous step towards boosting digital intensity in SMEs, targeted by the following European and Spanish plans and strategies:

Strategy	Coherence
Digital Agenda for Europe: 2020-2030	Digital target #2: Businesses: 75% of companies should use cloud computing services, big data and AI; more than 90% of EU small and medium-sized enterprises should reach at least a basic level of digital intensity; and the number of EU unicorns should double.
España Digital 2025 (Digital Spain 2025)	Strategic axis #6: Accelerate the digitalization of companies, especially micro-SMEs and start-ups. The goal is that at least 25% of the turnover of SMEs will come from e-commerce by 2025.
	Strategic axis #7: Accelerate the digitalization of the productive model through digital transformation projects in strategic economic sectors such as Agri-food, Mobility, Health, Tourism, Commerce or Energy, among others. These projects aim to reduce CO2 emissions by 10% as a result of the digitalization of the economy by 2025.
Plan de Digitalización de PYMEs 2021-2027 (SMEs Digitalization Plan 2021-2027)	Objective #1: To establish programs focused on basic digitalization of SMEs, enhancing public-private cooperation. Axis #1: Basic Digitalization for SMEs

According to this background, this action is aimed at promoting the culture of digitalization and its advantages among managers of SMEs and entrepreneurs, that frequently have a lack of understanding of the benefits of digitalization.

The action is included in the “ACELERA PYME Rural Hub” project, launched by the Service of Enterprises of the Provincial Council of Granada, as a result of the experiences and lessons learned from the DigiBEST project.

The “Awareness campaign on the benefits of digitalization” will improve the “Plan for the development of local productive activity”, by means of providing one more action to complement the activities that are currently included within the policy (subprogram “Development of local productive activity”, action line “152B1 Assistance to municipal policies to support entrepreneurs and businesses”).

The results and effects of this nr. 1 action will be measured through the following indicators:

- Number of communication and dissemination awareness activities organized.
- Number of persons participating in awareness events (men and women).
- Number of SMEs participating in awareness events.
- Number of received information requests (concerning the digitalization of companies).

2. Action

The actions to be implemented are listed in the chart below:

Action	Tasks
<ul style="list-style-type: none"> • Design of the strategic elements of the campaign 	<ul style="list-style-type: none"> • Definition of the objectives to achieve, as well as key performance indicators. • Review of key agents and identification of target groups for the awareness campaign. • Definition of communication channels and types of communication activities.
<ul style="list-style-type: none"> • Preparatory activities 	<ul style="list-style-type: none"> • Produce all communication materials (videos, leaflets, banners, informative contents, etc.). • Logistic tasks (space rentals, collaboration agreements, etc.)
<ul style="list-style-type: none"> • Implementation and monitoring of the awareness campaign 	<ul style="list-style-type: none"> • Organise all planned events and communication activities. • Monitor indicators. • Prepare evaluation reports (mid-term and final evaluations).

3. Players involved

The main responsible for the development and implementation of this action is the Provincial Council of Granada (Delegation of Employment and Sustainable Development).

The following groups of agents will also be involved in the implementation of the awareness campaign, as a network providing institutional cooperation for the intelligent development and digital transformation in the Granada province:

- Local authorities.
- Associations.
- Local Development Groups.
- Businesses, especially those with a more advanced degree of digitalization.
- Universities and R+D+I centers.

Most of these agents are already part of the stakeholders' network for the DigiBEST project, so they have been actively involved in the definition of the Action Plan, making contributions in order to prioritize the interventions. They will also be participating in the implementation of this action, mainly in dissemination activities and also providing facilities to host awareness events all over the Granada province.

The public national entity Red.es (Ministry of Economic Affairs and Digital Transformation) is also a key player in this action, as it is expected to be financing 80% of its costs, through their support to the project proposal "ACELERA PYME Rural Hub", submitted within the 2021 call for the implementation of ACELERA PYME offices in rural areas (offices in charge of awareness issues and supporting SMEs and individual businesses around the advantages and innovative methodologies to optimise business operation through ICT adoption).

4. Timeframe

This action is planned to be implemented within a global 24-month timeframe:

Action	Start date	End date
Design of the strategic elements of the campaign	August 2022	October 2022
Preparatory activities	November 2022	January 2023
Implementation and monitoring of the awareness campaign	February 2023	July 2024

5. Costs

Total estimated cost of this action is 98.588,27 euros, including staff costs, general costs and external services.

Concept	Cost
Staff	47.467,71 EUR
Project coordinator	22.755,42 EUR
Project technician	24.712,28 EUR
General costs	7.120,56 EUR
External services	44.000,00 EUR
TOTAL	98.588,27 EUR

6. Funding sources

As previously stated, the Provincial Council of Granada expects to receive financing from the Spanish Government (Red.es) to implement this action, since it has submitted a project proposal to the 2021 call for the implementation of ACELERA PYME offices in rural areas (the proposed project includes awareness raising campaigns, as the nr. 1 action).

The Red.es grant will provide 80% of the funds needed, and the Provincial Council of Granada will provide 20% with its own resources.

ACTION 2

Capacity building to boost SMEs digital transformation

1. The background

The development of this second action included in the Action Plan is based on several lessons learnt from the exchange of good practices as well as on certain conclusions and recommendations arising from the various research activities carried out within the DigiBEST project.

More specifically, the Action nr.2 is inspired by the following key elements learnt through the project:

- The conclusions of the regional analysis (Andalucía – Granada).
- The conclusions and recommendations of the Peer Review activity report.
- Four good practices identified within the project.
- The contributions of local stakeholders participating in the DigiBEST project.

On the one hand, the regional analysis carried out within the DigiBEST project concludes that it will be necessary to directly support business, facilitating the access to needed resources to tackle all digital transformation procedures. The barrier analysis for digital transformation of SMEs included in this Study points at some barriers linked to business skills that are preventing them to start digitalization processes: lack of qualified staff, employees and managers who have to make decisions about digital procedures not having technical capacity, or lack of capable managers and staff to undertake digital transformation. The fact that micro and SMEs often lack technological skills is highlighted as a weakness in the regional SWOT analysis.

The regional analysis also concludes that any digital transformation process requires a flexible system for project financing; the access to funds is quite difficult, both from public and private resources, for micro and SMEs in the region of Granada (especially rural business). Considering the recommendations included in the report, it is necessary to implement actions in the province of Granada to improve knowledge about the resources that are available for SMEs digital transformation (funds for technological advice and for digital resources – software or hardware).

The Regional Study reflects the complexity of the procedures for obtaining financing for SMEs and highlights the important role played by public administrations in facilitating this process of seeking financing by SMEs. This Study includes a barrier analysis for digital transformation of SMEs, that points out key financial and economic barriers: digitalization costs are considered as an expensive investment, and it is difficult to access financing sources to undertake businesses digitalization projects. The SWOT analysis has identified several weaknesses as well for SMEs, some of them directly linked with financial issues: there is a lack of information on how to access funding through the different projects and programs available, and the enterprises are not used to reserve some money for digitalization in their annual budget. In it also identifies, as a strength, the fact that local, regional and national administrations know European digital transformation programs. They also have good knowledge of administrative procedures and available grants.

On the other hand, the Peer Review analysis points out that training programs are an important success factor for the digital transformation, especially for the province of Granada, where there is a disproportionate offer and demand of qualified labor force in a context with high unemployment rates. Therefore, the experts have suggested that addressing the objective of skills improvement should be the highest priority when designing and implementing the policy framework for the province of Granada.

The analysis also indicates that it is usual that SMEs are reluctant to apply for funding due to a lack of knowledge on how to draft projects to apply for funds. The experts point out that it would be beneficial to educate SMEs, providing them with assistance through seminars or educational activities teaching how to design the projects and applications needed to access financing. According to the experts, a new educational initiative could be developed for this purpose, and they also recommend to originate specific training for the application of aid and subsidies.

Besides these conclusions and recommendations arising from the Regional Study and the Peer Review activity, the participation of local stakeholders in the DigiBEST project has led to the identification of key priorities for SMEs digitalisation in the province of Granada. One clear challenge, according to their

contributions, is for SMEs to overcome barriers linked to the lack of financial capacity to start digital transformation processes.

On the other hand, the following good practices identified within the DigiBEST project have been an inspiration for the definition of this second action:

- “Restructuring Motor – Digital competence enhancement” (Norway).
The most interesting element of this good practice is its methodology, as well as its focus on capacity building around business opportunities, ability to change and implementation of real digital change, providing the SMEs with resources to identify digitalization opportunities through a workshop program.
- “Training for SME for development of innovations and digital technologies” (Latvia).
This good practice has been selected as it has been a remarkably successful project that has even been transferred to another country (Bulgaria), and is aimed at increasing productivity, innovation and long-term competitiveness of small and micro companies, through training on how to take advantage of ICT and digital skills efficiently. It is focused in training, that is a key challenge in the province of Granada.
- “PUNTO EMPRESA DIGITALE – Digital Business Points (PIDs)” (Italy).
This initiative of Unioncamere (Italian Chambers of Commerce) is aimed at supporting the digitalization of SMEs and is interesting because it includes a network of 'physical' points joined by a 'virtual' network through the use of a wide range of digital tools, providing training, information and mentoring services in the field of business digitalization; this model could be transferred to the Granada context.
- "Digital Pro Bootcamps" (Austria).
It has been selected due to it is a good example of an action aimed at capacity building, as it is focused on the development of digital skills, supporting constant digital learning to overcome the obstacle of scarce business staff with appropriate digital skills, as it happens in the Granada province.

Moreover, capacity building around SMEs digital transformation is completely coherent with relevant digital European and national (Spanish) strategies, such as the Digital Agenda for Europe: 2020-2030, the national strategy “España Digital 2025” or the national digitalization plan for SMEs 2021-2027.

This is a key factor for the success of this action, since it is necessary to provide the companies with basic digital skills as well as orientation to access to financial resources, as a previous step in order to undertake any digitalization process boosting digital intensity in SMEs, targeted by the following European and Spanish plans and strategies:

Strategy	Coherence
Digital Agenda for Europe: 2020-2030	Digital target #2: Businesses: 75% of companies should use cloud computing services, big data and AI; more than 90% of EU small and medium-sized enterprises should reach at least a basic level of digital intensity; and the number of EU unicorns should double.
España Digital 2025 (Digital Spain 2025)	Strategic axis #6: Accelerate the digitalization of companies, especially micro-SMEs and start-ups. The goal is that at least 25% of the turnover of SMEs will come from e-commerce by 2025.
	Strategic axis #7: Accelerate the digitalization of the productive model through digital transformation projects in strategic economic sectors such as Agri-food, Mobility, Health, Tourism, Commerce or Energy, among others. These projects aim to reduce CO2 emissions by 10% as a result of the digitalization of the economy by 2025.
Plan de Digitalización de PYMEs 2021-2027 (SMEs Digitalization Plan 2021-2027)	Objective #2: To promote businesses and managers training focused on digital skills, aimed at improving the SMEs transformation process, their productivity and their chances to grow and internationalize. Axis #1: Basic Digitalization for SMEs

According to this background, this action is aimed at creating a capacity building program for digital transformation through the improvement of both digital skills and financial capacity to undertake actions to digitalize companies. Employees and managers of SMEs frequently have insufficient digital skills that are a burden towards digital transformation processes, and they face difficulties to apply for funds that could boost their digital transformation.

This action expects to provide guidance through an omnichannel service with face-to-face coverage, but also with a digital channel, in order to solve doubts and concerns that businesses might have in terms of digitalization and access to digitalization grants or financial support, facilitating access to valuable content and documents enhancing digital business and a digital entrepreneurial culture in the Granada province.

It also focuses on connecting public resources with SMEs, boosting knowledge transfer from public administrations (that are used to work with financing programs and instruments, and have a deep knowledge of administrative procedures for grant application) to the business sector. Thus, SMEs in the province of Granada will be provided with assistance so that they can take advantage of the various public financing instruments that are currently available, especially the Digital Kit, launched by the Spanish Government, that supports the implementation of digital solutions in order to significantly improve SMEs digital maturity (through grants).

The action is included in the “ACELERA PYME Rural Hub” project, launched by the Service of Enterprises of the Provincial Council of Granada, as a result of the experiences and lessons learned from the DigiBEST project.

The “Capacity building to boost SMEs digital transformation” action will improve the “Plan for the development of local productive activity”, by means of providing one more action to complement the activities that are currently included within the policy (subprogram “Development of local productive activity”, action line “152B1 Assistance to municipal policies to support entrepreneurs and businesses”).

The results and effects of this Action nr. 2 will be measured through the following indicators:

- Number of capacity building activities organized.
- Number of persons participating in capacity building activities.
- Number of SMEs participating in capacity building activities.
- Number of institutions participating in capacity building activities.
- Number of SMEs requesting any kind of financial support for digital transformation initiatives.
- Number of SMEs requesting the Digital Kit (managed by the Spanish Government).

2. Action

The actions to be implemented are listed in the chart below:

Action	Tasks
<ul style="list-style-type: none"> • Identification of the training and skills needs 	<ul style="list-style-type: none"> • Identify key targeted sectors and/or areas. • Identify target group, create a data base of SMEs. • Develop diagnostic and research tools. • Perform the research to identify and analyse skills gaps and training requests.
<ul style="list-style-type: none"> • Map of funding resources for digitalization 	<ul style="list-style-type: none"> • Identify national, regional and province grants supporting SMEs digital transformation. • Create a data base with basic facts and information of each financing source.
<ul style="list-style-type: none"> • Design and production of capacity building activities and materials 	<ul style="list-style-type: none"> • Identify services and activities to be provided (and eventual external services needed): training modules, workshops, guidelines, fact sheets.... • Prepare training materials and contents (physical and online). • Prepare fact sheets with basic information on funding sources and guidelines for potential applicants. • Prepare protocols for prescribers on how to provide with advice in financing issues for digital transformation.

	<ul style="list-style-type: none"> • Design, test and launch of the digital channel to provide online services / e-learning platform.
<ul style="list-style-type: none"> • Implementation and monitoring of the capacity building activities 	<ul style="list-style-type: none"> • Organise workshops / training sessions / informative activities / dissemination events / activities on funding opportunities. • Manage online platform. • Manage SMEs requests and provide direct assistance to SMEs (training and on-demand advice service for SMEs on financing issues). • Monitor indicators. • Prepare evaluation reports (mid-term and final evaluations).

3. Players involved

The main responsible for the development and implementation of this action is the Provincial Council of Granada (Delegation of Employment and Sustainable Development).

The following groups of agents will also be involved in the implementation of this action, as a network providing institutional cooperation for the intelligent development and digital transformation in the Granada province:

- Local authorities.
- Associations.
- Local Development Groups.
- Businesses, especially those with a more advanced degree of digitalization.
- Universities and R+D+I centers.

Most of these agents are already part of the stakeholders' network for the DigiBEST project, so they have been actively involved in the definition of the Action Plan, making contributions in order to prioritize the interventions. They will also be participating in the implementation of this action, mainly in dissemination activities but also providing facilities to host training workshops and events all over the Granada province, as well as staff to prescribe financing opportunities.

The public national entity Red.es (Ministry of Economic Affairs and Digital Transformation) is also a key player in this action, as it is expected to be financing 80% of its costs, through their support to the project proposal "ACELERA PYME Rural Hub", submitted within the 2021 call for the implementation of ACELERA PYME offices in rural areas (offices in charge of awareness issues and supporting SMEs and individual businesses around the advantages and innovative methodologies to optimise business operation through ICT adoption).

4. Timeframe

This action is planned to be implemented within a global 24-month timeframe:

Action	Start date	End date
Identification of the training and skills needs	August 2022	October 2022
Map of funding resources for digitalization	August 2022	October 2022
Design and production of capacity building activities and materials	November 2022	February 2023
Implementation and monitoring of the capacity building activities	March 2023	July 2024

5. Costs

Total estimated cost of this action is 140.963,21 euros, including staff costs, general costs and external services.

Concept	Cost
Staff	41.032,45 EUR
Project coordinator	26.205,08 EUR
Project technician	14.827,37 EUR
General costs	3.930,76 EUR
External services	96.000,00 EUR
TOTAL	140.963,21 EUR

6. Funding sources

As previously stated, the Provincial Council of Granada expects to receive financing from the Spanish Government (Red.es) to implement this action, since it has submitted a project proposal to the 2021 call for the implementation of ACELERA PYME offices in rural areas (the proposed project includes capacity building and access to finance activities, as the nr. 2 action).

The Red.es grant will provide 80% of the funds needed, and the Provincial Council of Granada will provide 20% with its own resources.

Date: _____

Signature: _____

Stamp of the organisation (if available): _____