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no. 1G-MED08-289***

Strategic and Operational Plan in South East Slovenia region

Med Programme

Priority-Measure 1-2

Axe 1: Strengthening innovation capacities

***Objective 1.2: Strengthening strategic cooperation between economic development
actors and public authorities***

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Part 1: IDENTIFICATION SHEET

1. IDENTIFICATION SHEET

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Abstract (for dissemination)	The study deals with the strategic and operational plan in South East Slovenia. The Strategic and operational plans aims are listed. The local workshops with key stakeholders were performed. The synthesis of the social, economic, productive, innovation situation is defined. Main stakeholders, tools and difficulties for innovation and eco-innovation are listed. The analysis of the coherence among intervention needs and possible strategic lines and operational objectives are listed. The good practices and pilot projects are described.

Part 2:
EXECUTIVE SUMMARY

2. EXECUTIVE SUMMARY

Strategic and operational plan in South East Slovenia region covers methodology and content related to the strategy and its implementation in the area of eco innovation in this region. Strategic and operational plan consists of the territory analysis, participative process, strategic lines and the operational plan. Presented pilot projects are supported with good practices examples.

In the Chapter "Methodology and key concepts for strategic and operational plan" an explanation of the Strategic and Operational Plan's aims are presented and complete methodological background is explained.

In the Chapter "Context and Territory Analysis" social, economic, productive, and environmental and technology & innovation situation are presented. Key features of the region are the following: South-eastern Slovenia is the largest region in Slovenia with the total area of 2,675 km². The biggest city in the region is Novo mesto. The population is on the increase due to a positive net migration rate as well as the natural increase. Typical features of the region include the land of the Karst with woodenware, the light red wine Cviček and the mascot Zeleni Jurij (Green George). The development of this region is largely dependent by the industry (car industry, pharmaceutical industry, etc.), as it created a half of the gross value added in the region in 2006. Most important characteristic of the region is the business environment is dependence on the few large and successful companies and consequently less developed SME segment.

Presented is SWOT analysis in the following areas:

- Social system.
- Economic and productive system.
- Territorial and environmental system.
- Innovation & Eco innovation in local/regional context.
- Eco innovation in candidate sector or with reference to selected eco-innovation technology and requirements/intervention modalities.

In the Chapter "The participative process in the territorial context", the local workshops and series of meetings on eco-innovation are presented. At the workshops public bodies, support organizations in the regional level and selected enterprises were present and shared their views on the strategic priorities related to eco-innovation and their perspectives of the regional support environment.

The meetings and workshops have been conducted with:

- Public bodies - eco innovation support organisations on the national level; Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments - and Slovenian Chamber of Commerce.
- Support organisations in the regional level - Development centre Novo mesto ltd. and Business incubator Podbreznik.
- Selected enterprises - Ekof d.o.o., lku d.o.o. and Inoveks d.o.o.
- Strategic workshop with participation of key stakeholders - public bodies on the national level, support organisations in the regional level and selected enterprises.

In the Chapter »Strategic lines« is presented strategic outline of the region in the area of eco innovation. R&D and innovation activities are mainly based in large companies and not present or only in a very small portion in SME. Because of the rigid business environment after the political transition and low rate of investment in the region from the national level, entrepreneurs still sought for traditional businesses instead of looking for new business opportunities. To recover more dynamic business sector of SME in the region there

should be made a significant boost of investments in innovation activities in the economic sectors where goods could be exported abroad or attracted to foreign investors.

Considering innovation potential is present in companies Krka d.d. and Revoz d.d. which are the key companies in the region, mainly because of their economic power to bind to themselves many subcontractors. However, these companies are not innovators of new products, since Revoz d.d. does not develop new models of cars and Krka d.d. produces generic drugs, but they do innovate a lot in regard to process innovations and product improvements. On the other hand, other important companies that innovate new products are also vital for the development of the region (Trimo d.d., Adria Mobil d.o.o...); this enables them to sell products with higher added value.

For regional boost in the area of eco innovation has been identified group of 10 potential strategic priorities, these priorities have been evaluated and selected are few most influential, namely; acting in the area of promotion of ecology, creating better recognition of eco innovative enterprises with the support of eco innovation training and establishing operational consulting support in the area of eco innovation.

In the chapter "The operational plan" some of the good practices are identified that served as an example also in structuring the pilot projects in the operational plan. In the company Ferročrtalič d.o.o. are eco innovations as important constant in company's everyday development. Very important is also the message how the company has reached such successful product, namely the systematic work on the operational processes and innovation culture. The company Plasta has developed systematic identification of inside reserves, especially on the area of energy and material savings and eco innovation products. The eco stance of the company is also recognised on the market. Spanish good practice of Eco Chamber represents a web-portal that is a central information point for eco-innovation in the region.

Three pilot projects have been identified and their content, financial resources and demands has been defined in details. The identified pilot projects are:

- Promotion of ecology and eco products directed at consumers and employees in the enterprises with the eco innovation potential.
- Introduction of eco brand for better recognition of eco enterprises and introduction of group of experts for promotion of brand and performing eco innovation lessons and trainings.
- Information and consulting service in the area of eco innovation.

**Part 3:
METHODOLOGY AND KEY CONCEPTS FOR STRATEGIC
AND OPERATIONAL PLAN**

3. METHODOLOGY AND KEY CONCEPTS FOR STRATEGIC AND OPERATIONAL PLAN

3.1 STRATEGIC AND OPERATIONAL PLAN'S AIMS

The Strategic and Operational Plan (SOP) is predisposed by each partner of MEDOSSIC project in the field of WC4 - Development of Strategic and Operational Plans for establishing pilot Structures in the regions.

The finality of the SOP, in brief, is to define the strategic lines and the operational modalities for establishing a reception office for potential innovators, entrepreneurs, and SMEs who wants to operate in the framework of innovation, in order to stimulate the eco-innovative process.

3.2 METHODOLOGICAL APPROACH

The present Strategic and Operational Plan (SOP) has been preceded by a range of activities resulting in the realization of analysis, evaluations, reports and documents preparatory to the SOP itself. In particular, within phase WC3 of MEDOSSIC project have been predisposed the Existing Situation Analysis, reports on the identified national Good Practices and Investigational Institutional Settings, each for every partner territory of the project, as well as the Benchmarking, as synthesis document of analyses ref. WC3, and the Investigational Institutional Settings (WC4).

The Strategic and Operational Plan (SOP) is articulated as follows:

→ **General framework of the existing situation:** Chapter 4 “Context and territory analysis”.

After the introductory part, there is the examination of the general framework of the existing situation, through an analysis of the context and of the territory, with an introductory part related to elements of greatest relief in terms of social, economic and productive, but also environmental and technological situation, underlined both in synthetic descriptive way, and through the SWOT analysis, structured in order to point out the main requirements for the area of reference.

→ **Participative process:** Chapter 5 “The participative process in the territorial context”.

The situation about the main institutional stakeholders and the tools at disposal for the (eco)-innovation is underlined in a synthetic way. The modality with, in the different territorial partners of project contexts has been applied the participative process and how the different subjects participated in the process, is described, with some anticipation on the modalities of collaboration which will be adopted for the definition of the most operational aspects of the plan.

→ **SOP's strategy and objectives:** Chapter 6 “Strategic Lines”

The activities of analysis and investigation, the results and the emerged needs, their presentation and discussion in an approach based on the participation and on the involvement of social and economic actors of the territory bring to a joint, shared and legitimated definition of the common vision or a global objective to act on, to pursue the objectives of (eco)-innovation of the territory. Therefore, the section describes the global objective, the strategic lines and the operational objectives in accordance with the emerged needs and the existing resources.

→ **Operational Plan:** Chapter 7 “Operational Plan” and Chapter 8 “Good practices”

SOP ends with the definition of the operational plan for the implementation of pilot project: it contains the description of *what, why, how and when* the partners will realize the pilot projects. The definition of single operational level is tightly related with the evaluation and monitoring indicators of the achieved results and with the selection of

possible good practices that can be helpful for the implementation of the pilot projects themselves.

3.3. DEFINITIONS OF KEY CONCEPTS

The SOP is based on some **key concepts**:

- **Innovation:** an innovation is the implementation of a new or significantly improved product (good or service) or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relation. The minimum requirement for an innovation is that the product, process, marketing method or organizational method must be new (or significantly) to the firm.
- **Invention:** an important distinction is normally made between invention and innovation. Invention is the first occurrence of an idea for a new product or process, while innovation is the first attempt to carry it out into practice (Fagerberg 2004).
- **(Eco)innovation:** it presents all forms of innovation activities resulting in or aimed at significantly improving environmental protection. Eco-innovation includes new production processes, new products or services, and new management and business methods, the use or implementation of which is likely to prevent or substantially reduce the risks to the environment, pollution and any other negative impact of the use of resources throughout the lifecycle of related activities.

Furthermore, when exploring eco-innovation, the following classification is provided:

1. ENVIRONMENTAL TECHNOLOGIES:

- pollution control technologies including waste water treatment technologies
- cleaning technologies to treat the pollution released into the environment;
- cleaner process technologies: less polluting new manufacturing processes and/or more resource efficient than relevant alternatives;
- waste management equipment;
- environmental monitoring and instrumentation;
- green energy technologies;
- waste supply;
- noise and vibration control.

2. ORGANIZATIONAL INNOVATION for the environment:

- pollution prevention schemes;
- environmental management and auditing systems: formal systems of environmental management involving measurement, reporting and responsibilities for dealing with issues of material use, energy, water and waste;
- chain management: cooperation among companies so as to close material loops and to avoid environmental damages across the value chain (from cradle to grave).

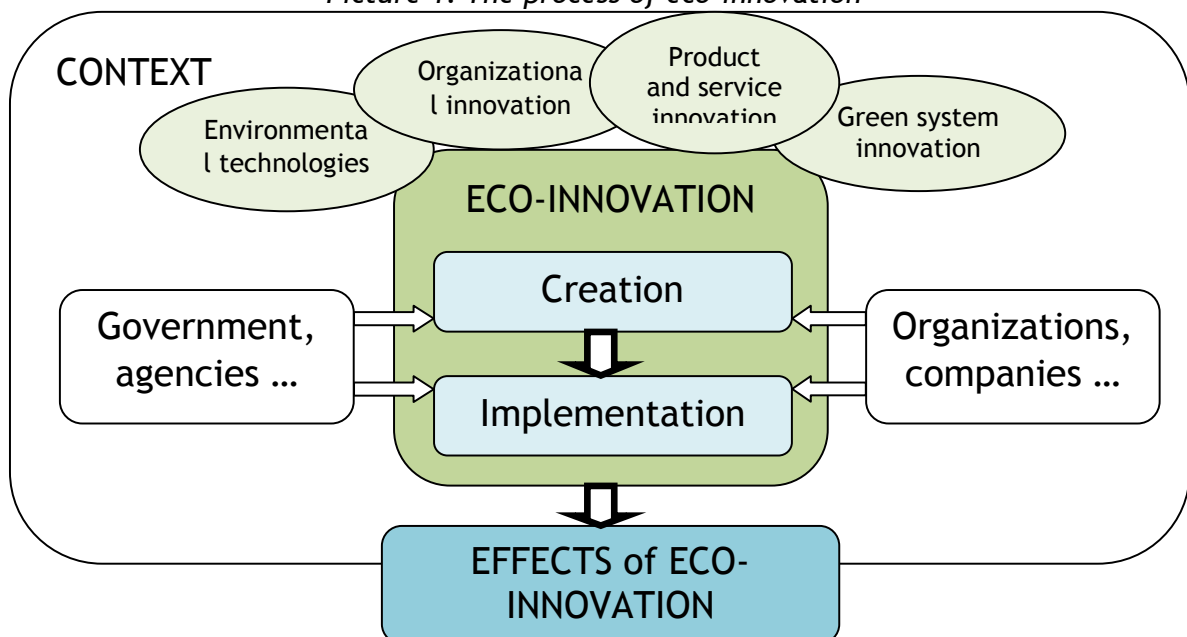
3. PRODUCT AND SERVICE INNOVATION offering environmental benefits:

- new or environmentally improved products (goods) including eco-houses and buildings;
- green financial products (such as eco-lease or climate mortgages);
- environmental services: solid and hazardous waste management, water and waste water management, environmental consulting, testing and engineering, other testing and analytical services;
- less polluting and less resource intensive services (car sharing is an example).

4. GREEN SYSTEM INNOVATIONS:

- alternative systems of production and consumption which are more environmentally friendly than existing systems (biological agriculture and renewable-based energy systems are examples).

Picture 1: The process of eco-innovation



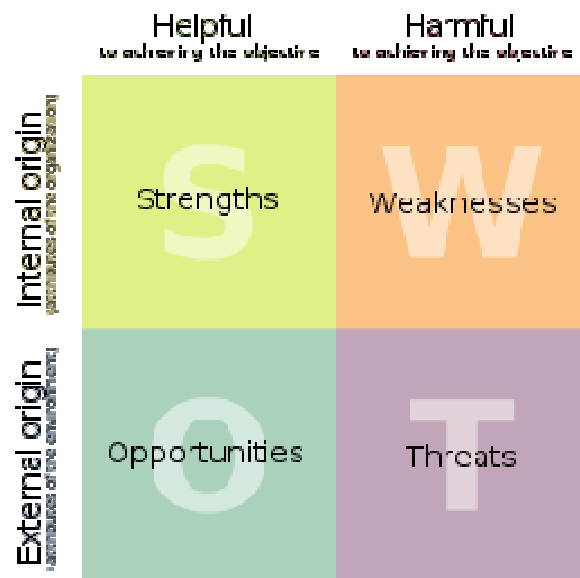
- **Stakeholders** where stakeholders are people, corporate bodies and organizations deriving from the public sector, companies and private sector, from the civil society that, through their resources, competences, role or actions, influence or are influenced by the process of eco-innovation
- **Partnership and participative procedure (or participated planning)**: the tool of the involvement of the stakeholders and the creation of partnership of various nature is based on the conviction that development is not a subject of governments and administrations but of the community, operators and civil society in general, and on the principle that, governments and administrations must play the role of facilitators and animators in the development process, as well as of agree plans and collaborate with the territory. Therefore, the participative procedure foresees an involvement of all the actors that can directly or indirectly be involved in eco-innovation, according to a *bottom up approach* in order to share the priorities of intervention and define the

lines of action with all the decision makers, actors as well as last recipients of impacts of eco-innovation, thus stakeholders.

- **SWOT analysis.** It is a tool of strategic planning used to evaluate the points of *strength* (Strengths), *weakness* (Weaknesses), the opportunities (Opportunities) and threats (Threats) of a project or “in an enterprise or in every other situation where an organization or an individual must take a decision to reach an objective”. The finality of the SWOT analysis is therefore to identify existing points of strength and weakness , opportunities and threats in the territory and sector context or in key phenomena/contexts, in order to synthetically and clearly analyze and individuate the initial situation.

Picture 2: SWOT Analysis

SWOT ANALYSIS



Part 4:
CONTEXT AND TERRITORY ANALYSIS

4. CONTEXT AND TERRITORY ANALYSIS

4.1 SYNTHESIS OF THE SOCIAL, ECONOMIC, PRODUCTIVE, ENVIRONMENTAL AND TECHNOLOGY & INNOVATION SITUATION

South-eastern Slovenia is the largest region in Slovenia with the total area of 2,675 km². The biggest city in the region is Novo mesto. The population is on the increase due to a positive net migration rate as well as the natural increase. The region includes the following municipalities: Črnomelj, Dolenjske Toplice, Kočevje, Kostel, Loški Potok, Metlika, Mirna Peč, Mokronog - Trebelno, Novo mesto, Osilnica, Ribnica, Semič, Sodražica, Straža, Šentjernej, Šentrupert, Šmarješke Toplice, Škocjan, Trebnje, and Žužemberk.

Typical features of the region include the land of the Karst with woodenware, the light red wine Cviček and the mascot Zeleni Jurij (Green George). The development of this region is largely caused by the industry (car industry, pharmaceutical industry, etc.), as it created a half of the gross value added in the region in 2006. The expenditure on research and development (R&D) amounting to 2.7% of the regional GDP in 2006 underlined the importance of R&D in the region. The main sources of financing were business enterprises, while among researchers women prevailed (55.1%). This region belonged to the half of Slovenian regions that had lower the registered unemployment rates compared to the national average. However, the structure of the unemployed was less favourable since more than half of them had the lowest level of education. Population indicators are much more favourable. In 2007, the region was still among the three regions with more than 10 live births per 1,000 inhabitants. According to the mean age of mothers at birth, women here were the youngest. A fifth of them were younger than 25 and less than a tenth were older than 34. The share of young people (aged 0-14) was still the highest in the country (15.3%), although it was already lower than the share of old people (aged 65+). The mean age of the population in South-eastern Slovenia is the lowest; in 2007, it was 3 years lower than the mean age of the population in South-eastern Slovenia region.

95.4% of all enterprises in the region are small (including micro enterprises). They employ 31,2% of the employed population in the region and create almost 20% of all income (16.7% of that in foreign markets). The number of middle size enterprises is close to equal with the number of large size ones, but large size enterprises employ 52% of the employed population in the region and create almost 71.4% of all income in the region (71.8% of that in foreign markets). Among large size enterprises two stand out; Krka d.d. - pharmaceutical industry and Revoz d.d. - automotive industry.

It is typical for the economy of SE Slovenia that the industry is concentrated of around the city of Novo mesto, which represents a healthy economic regional centre. The number of small enterprises is below average per capita in relation to other regions in Slovenia; this represents a potential for growth. In addition, higher education in the region is still very limited and should be encouraged. For a sustainable growth of the region, the growth of entrepreneurship and the access to higher education should be supported.

Relative to its population South-eastern Slovenia has reasonably high percentage of expenditure on R&D, large share of that originate from business companies (large share of it has large pharmaceutical company Krka d.d.). Analysis show very large discrepancies between sources of financing of R&D between regions. Absence of centres of knowledge (universities and main state founded institutes) in the South-eastern Slovenia mean also substantially smaller amounts of government funds available. Relative large share of female researchers originates from strong pharmaceutical industry in the region.

R&D and innovation activities are mainly based in large companies and not present or only in a very small portion in SME. Because of the rigid business environment after the political transition and low rate of investment in the region from the national level, entrepreneurs still sought for traditional businesses instead of looking for new business opportunities. To recover more dynamic business sector of SME in the region there should be made a significant boost of investments in innovation activities in the economic sectors where goods could be exported abroad or attracted to foreign investors.

4.2 SWOT ANALYSIS

Table 1 - SWOT of the SOCIAL SYSTEM

SWOT analysis of the social, demographic conditions of territorial area and intervention needs' indication.

SWOT SOCIAL SYSTEM	
strengths	weaknesses
<ul style="list-style-type: none"> • Good lifelong learning, • Rich cultural heritage, • Appropriate social infrastructure, • Several support organizations for innovations, • Workforce is concentrated in large firms and therefore human resources are clearly distributed and reachable • Companies in the region are already concerned about ecological matters and internal savings connected to that 	<ul style="list-style-type: none"> • Lack of regional belonging (reflects as a small social and political impact of the region in the country), • Higher education in the region is on the beginning of the development path, • Lack of human resources for the needs of business and corporate sector, • Large number of jobs with low added value, • Brain drain in the state capital or foreign countries, • On the national level educational structure in spite of the improvement is still not sufficiently adopted to the needs, • Employees are not enough aware about the environmental matters and internal savings on eco-field, • Companies in the region are only beginning to concern ecological matters,
opportunities	threats
<ul style="list-style-type: none"> • Establishing centres of higher education, which could lead to a higher human resources potential of the region, • Vicinity to the capital and the possibility of migration of crucial human resources • Stimulation of final customers, so they would demand eco products and eco services, • Growing eco awareness of final customers, which will reward eco products, eco services and eco organizations, • Innovation culture - increase innovation culture off all innovation components of the region as a whole, create framework conditions for innovation development in the region and increase the quality of entrepreneurial environment, • Prepare students of all educational types to be in better way in-line with labour market demands, • Students participation on practical projects in enterprises, mainly SMEs on the eco- 	<ul style="list-style-type: none"> • Fall down of big industrial companies (can result in big unemployment), • Concentration of knowledge in the capital Ljubljana, • Only a few educational centers (only in Novo mesto), however, most with similar programs as in the nearby capital Ljubljana • Fragmentation of educational institutions, possibly resulting in low quality programs and human resources deterioration (not improval)

innovation projects, <ul style="list-style-type: none"> • Lifelong learning in the area of eco-innovation. 	
NEEDS/ INTERVENTIONS NECESSITIES	
1.1 Better connection between educational system and business sector 1.2 Improve the awareness of companies about internal savings (energy, water, material). 1.3 Report to companies that cost-benefit problem on the long term can be turned into profit.	

Table 2 SWOT of the ECONOMIC AND PRODUCTIVE SYSTEM

SWOT analysis of the economic and productive conditions of territorial area and intervention needs' indication.

SWOT ECONOMIC AND PRODUCTIVE SYSTEM	
strengths	weaknesses
<ul style="list-style-type: none"> • Relatively good economic activity, • Regional GDP presents region as one of the better developed in Slovenia, • Stable banking system, • In comparison with average Slovenian company region has: • Above average economic performance, • Above average productivity, • Above average return on assets and capital, • Reduced labour costs, • Larger companies are recognized by traditional brand names which in some cases, after the transition, renewed their appearance • Some brands are strong locally and nationally, others like Krka are also well known in Eastern Europe • Large companies are export oriented, mainly with mid-tech manufactures 	<ul style="list-style-type: none"> • Present are large internal differences in economic region activity, • Predominant influence of large companies (such as Krka d.d., Revoz d.d., Adria Mobil d.o.o.) • Deterioration of economic activity of small companies and entrepreneurs, • Lack of innovative SMEs, • 67% of participating companies in ESA sees economic barriers as most influential, • Little systematic financial support or financial reward for companies that are acting eco-innovative, • Lack of knowledge how to sign up for tenders that are related to eco-innovative sectors, often companies don't know all the tenders that are available and can't recognize which of them are suitable for the company, resulting in companies' failure in gaining assets. • Patents are rare and originating mostly from larger companies • Professional level of employees is linked to the mid-tech level of enterprise' development
opportunities	threats
<ul style="list-style-type: none"> • Individual local authorities (such as Development centre Novo mesto ltd.) promote the activity of small entrepreneurs with tenders for financing eligible costs associated with innovations, • Business innovators and entrepreneurs are stimulated to use support services (help with procedures to protect industrial property, drawing up business plan and establish R&D links), 	<ul style="list-style-type: none"> • Big companies move their production to more cost-effectively counties, • 50% of participating companies in ESA sees laws and standards as barriers in eco-innovation (if this stays so, the eco-innovative development is jeopardised), • If lack of cooperation between public R&D sphere and business sector stays, that means lots of let go opportunities

<ul style="list-style-type: none"> • Achieving bigger independence of small and medium sized companies and speed up their economic growth, • Better cooperation between public R&D sphere and business sector, • Detection of business areas with potential critical mass for development breakthrough, • Raise the number, influence and added value of the SME's in the South-East Slovenia, • South-East Slovenia region has already reached certain level of quality on the area of eco-innovation, but the potentials have much more to offer, • Pay attention to branches, which can markedly contribute to regional development from long term view, • Formation of regional financial grants to support new firms with expensive innovation activity 	<p>also on eco-innovations and does slow technological reconstructing of business sector,</p> <ul style="list-style-type: none"> • Not sufficiently flexible labour market and high tax burden on labour, • Proceed from formulation of strategic objectives into their realization (if not, slowly progress on eco-innovation field), • Financial barriers - investments in eco-innovations are expensive and even if companies want to implement some eco-innovations they don't have enough assets for this, • Companies look to often on eco-innovation field through financial results
NEEDS/ INTERVENTIONS NECESSITIES	
<p>2.1 Enable the support of financial availability of consulting services at Focal Points of VEM or other existing information points, 2.2 Increase private expenditure in R&D and disperse them from large companies to SMEs aswel. 2.3 Increase the innovation level culture in the region and the level of in-house innovation with SME-R&D institution collaboration.</p>	

Table 3 SWOT of the TERRITORIAL AND ENVIRONMENTAL SYSTEM

SWOT analysis of the territorial and environmental conditions of territorial area and intervention needs' indication.

SWOT TERRITORIAL AND ENVIRONMENTAL SYSTEM	
strengths	weaknesses
<ul style="list-style-type: none"> • Favourable strategic geographical location, • Quality environment and new transport links, • 2/3 of companies in ESA have already offered ecologically improved products to the market, half of them dealing with advantages of reduced energy consumption, one third of them dealing with reduced use of materials, 	<ul style="list-style-type: none"> • The environment is not supportive enough for entrepreneurship, • Insufficient public financial support of innovation, entrepreneurship and innovation infrastructure, • No special benefits (financial or some other) of assessing standards such as ISO 14001,
opportunities	threats
<ul style="list-style-type: none"> • Removal of administrative barriers is an important promotor of innovative activities, • Creation of favourable business environment (eliminate barriers restraining formation of innovative business environment) 	<ul style="list-style-type: none"> • Success of future eco-innovation will mostly depend on possibilities of involving synergies between ecology and economic success,

NEEDS/ INTERVENTIONS NECESSITIES

3.1 To supplement the missing infrastructure across the region (society of innovators, incubators, technology parks as well as offices for technology transfer that should be implemented across the region at appropriate levels of supportive environment).

Table.4 SWOT of the Innovation & Eco innovation in local/regional context and intervention needs' indication.

SWOT Innovation & Eco innovation	
strengths	weaknesses
<ul style="list-style-type: none"> • 2/3 of companies in ESA know EU founded support programmes and half of them have already applied for such funds and 17% of them have been successful in such EU founding, • R&D potential of institutions and individuals is present, 	<ul style="list-style-type: none"> • Less innovative SME present than in other regions, • Insufficient innovation network (connection between SMEs and educational system insufficient), • Educational/R&D institutions - locally and nationally - are not embedded in the innovation system of the region • Youth and eco-innovation programmes are not supported enough
opportunities	threats
<ul style="list-style-type: none"> • 83% in SME contacted companies agreed that ecology is important for competitiveness on the market, • The development of science and technology park and business incubator could support the gradual development of high-tech companies and construction of appropriate business zones, • Companies in ESA have expressed their interest in further development of eco-innovations, • Interesting from the perspective of ecology in very big raise in number of enterprises from 2003 to 2008 in electric, gas and water supply (clearly ecological component is especially important for from this sector), • Most important sectors concerning eco-innovations are metal processing, automotive industry and pharmaceutical industry, IT and some development services connected to this industries, • Prevailing types of eco-innovation are products and service innovation and environmental technologies; cleaner process technologies, waste supply and vibration control and services that are less pollution intensive, • Creation of effective innovation network for support of cooperation of SMEs, • Participation of enterprises in international 	<ul style="list-style-type: none"> • Insufficient support of technology transfer, • Insufficient commercialization of research and development outputs (if community will not use eco-innovative products companies will have no benefits of it), • Lack of institutional intellectual property rights protection,

<p>programmes of research and development (use of research and development on the national level to support innovation SMEs),</p> <ul style="list-style-type: none"> • Support for SMEs; promotion and information support of R&D programmes, support in financing and preparation of R&D projects, support of projects being solved with financial participation of company practice and compatible with EU framework programmes, • Creation of supporting tools (patent fond, trade mark exchange, exchange of patents, support of licensing), • Support assistance in commercialization of the intellectual property, • Creation of standard procedure how to proceed in intellectual property process, • Support young people and develop particular eco-innovation programmes to enable informed choice on innovation and eco-innovation 	
NEEDS/ INTERVENTIONS NECESSITIES	
<p>4.1 Support participation of enterprises in international programmes of research and development (use of research and development on the national level to support innovation SMEs), with an emphasis on eco-innovation program participation.</p> <p>4.2 National support assistance in commercialization of the intellectual property, with proper networking to reach the local people, SMEs and large enterprises.</p> <p>4.3 Develop particular eco-innovation programmes to enable informed choice on innovation and eco-innovation.</p>	

Table 5 SWOT of Eco innovation in candidate sector or with reference to selected eco-innovation technology and requirements/intervention modalities.

Analysis of strengths, weaknesses, opportunities and threats related to eco-innovation in the candidate sector or with reference to the selected eco-innovative technology/ tool and intervention needs' indication.

SWOT Innovation & Eco innovation	
strengths	weaknesses
<ul style="list-style-type: none"> • Existing innovation support institutions understand and are supportive in the process of establishing a more innovative and eco-innovative region • National and EU funds for eco-innovation are available 	<ul style="list-style-type: none"> • Youth is not systematically introduced to the need of innovation and eco innovation • Eco-awareness is taking a small part in the innovation culture of the region • SMEs are not aware of the funds available for innovation and eco-innovation support
opportunities	threats
<ul style="list-style-type: none"> • Establishment of local and / or national experts who would audit, assist and support SMEs in innovation and eco-innovation activities under the support of a local organization (as the Development 	<ul style="list-style-type: none"> • Limited funds available for activities in innovation support • Limited awareness of the regional structures of the importance of these procedures to support eco innovation

<p>Center Novo mesto)</p> <ul style="list-style-type: none"> • Implementation of new local training / courses in this region of the target (the commercialization of innovation, IPR, energy savings...) • The creation of an "Eco-trademark" which the company could acquire after audit and pay membership fees for it, to solve the problem with the confidence of customers for their eco- solutions. 	<ul style="list-style-type: none"> • Regional decoupling from the national level, where several issues are being addressed within the topic of national innovation system and eco-innovation
<p>NEEDS/ INTERVENTIONS NECESSITIES</p>	
<p>5.1 Establish a mixed local and national expert group to audit, assist and support SMEs in innovation and eco-innovation activities under the support of a local organizations.</p> <p>5.2 Implementation of new local training / courses in this region of the target (the commercialization of innovation, IPR, energy savings...), in particular with emphasis on the youth.</p> <p>5.3 The creation of an "Eco-trademark" which the company could acquire after audit and pay membership fees for it, to solve the problem with the confidence of customers for their eco- solutions.</p>	

**Part 5:
THE PARTICIPATIVE PROCESS IN THE TERRITORIAL
CONTEXT**

5. THE PARTICIPATIVE PROCESS IN THE TERRITORIAL CONTEXT

The local workshop on eco-innovation is set to act as catalyst of the dynamics which can really bring to a suitable development of an operational and strategic plan supporting local eco-innovation and baiting politics and virtuous actions of development.

The concrete pursue of such finalities requires the identification of all those working subjects/stakeholders on the territory of reference entitled to give an exact contribution to the discussion as well as to the implementation and actuation.

5.1 LOCAL WORKSHOPS

5.1.1. LOCAL WORKSHOPS' ROLE

A series of meetings and workshops have been conducted with all key groups of stakeholders. The groups of stakeholders that were represented were:

- Public bodies - eco-innovation support organisations on the national level.
- Support organisations in the regional level.
- Selected enterprises

The representatives from public bodies on the national level had shared the information and their view on the future trends, mechanisms and funds available for the eco-innovation support. Representatives from the support organisations on the regional level had shared their views on the strategic priorities in the region in relation to the eco-innovation; also they have discussed their stance in the region and perspectives of the regional support environment. Representatives from the selected enterprises had expressed their needs in the area of eco-innovation and also shared their views regarding the strategic priorities in the region.

In the frame workshops and meetings with the public bodies has been arranged meeting with the **Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments - PAEFI (JAPTI)** with Igor Plestenjak and Irena Meterc. There has been emphasized that JAPTI support the regions in particular by providing adequate support for their economic development environments (incubators, technology parks, VEM points) and the provision of information via web portals (JAPTI web site, the portal I have an idea, innovation forum, etc..) and other forms of communication. Particularly in the Inner-Karst region such support is very weak with exception of VEM points. A business incubator Veliki otok is still not registered, as an entity of an innovative environment. This should be checked as soon as possible and incorporated into the incubator project activities within MEDOSSIC. JAPTI has also informed Regional Development Agency about some JAPTI support programmes. JAPTI had stated that it does not support establishing of new support structure for eco innovation, but rather integration in the existing support environment.

Slovenian Chamber of Commerce (GZS) as an important public body that deals with eco-innovation on the national level has been contacted and on the meeting was present ms. Simona Rataj from GZS. Ms Rataj has presented the role of GZS as a representative of economic subjects on the national level. Also GZS has presented its role of organiser of regional awards for innovation (which is with success conducted in the Inner-Karst region). Ms. Rataj has raised the issue of ecological commitment, especially in light of the current tight economic times. Compliance with environmental standards and the introduction of environmental technologies is expensive for European companies, especially; this presents an additional cost in comparison with fierce competition from countries where these standards are not enforced. Therefore the question is to what extent the EU requires the

commitment of the companies, or European policy should require such a commitment in the wider international arena.

In the frame of workshops and meetings with the support organisations in the regional level two meetings with the **Development centre Novo mesto ltd.** took place. Ms. Špec Potočar (also as a representative of the **Business incubator Podbreznik**) and Mr. Jeraj have presented their views on the project and strategic priorities in the region. They have expressed the importance of the support organisations in the region and in particular on the positive role of Development centre Novo mesto and related encouraging number of enterprises that have recently joined the Business incubator Podbreznik. They have expressed that special attention have to be put to the SMEs in the region since the number of SMEs is under the potentials of the region. The ecology culture in the region should be encouraged, this would also trigger eco related consumption in the region which would help eco innovative companies. Some regional good practices like Ferročrtalič d.o.o. and Plasta d.o.o. have been described.

Several meeting with the representative eco innovation active companies have been performed;

Mr. Rajšelj from the **IKU d.o.o.** has presented his views on the possibilities regarding the energy savings in the industry, he sees there a big unused potential. He proposed establishing a group of experts that would offer lectures and trainings related to the eco innovation in the region.

Mr. Oberč from the **Ekof d.o.o.** has stated that their company and probably several others face problems with recognition from the side of the customers. Customers often do not recognise small companies as a valuable partner. Therefore it would be useful, if some kind of common eco brand would be established that eco innovation active companies could use. Also he said that the state should be more restrictive in some areas like energy and recycling and with regulations force population to ecological behaviour.

Mr. Šturm from the company **Innoveks d.o.o.** has presented his views regarding the problem of exact defining the term of eco innovation and problems with the financing eco innovations which require investments that small companies often can not afford. Mr. Šturm saw also problem in eco culture and consciousness in the region, but have added that is difficult for the population with smaller incomes to behave ecological. The company Innoveks is according to his words prepared to offer sharing of their knowledge in the area of eco innovation to others.

A strategic workshop with participation of key stakeholders (support environment, local authorities and eco innovation active enterprises) has been organised.

Mr. Jeraj, from the Development centre Novo mesto explained that the region in the field of eco-innovation is in a bit worse position than some other developed regions in the country, therefore the best approach might be to start to influence to the people with the simple matters related to ecology, even later we start to promote more complex problematic.

Director of the Development centre Novo mesto, Ms. Mojca Špec Potočar at the beginning of the workshop highlighted the importance of the project Medossic. She said, that Medossic project tries to contribute to preservation of the environment. At the same time she expressed her satisfaction that the small innovative enterprises responded to the invitation to the workshop.

Ms. Virc from the Municipality Novo mesto confirmed that it is very important to start to educate children in school and kindergartens. Then she presented case of one kindergarten in Novo mesto which is very eco-oriented and should be inspire kindergartens from other regions to act in the same way.

After completing the introductory part of a workshop, Mr. Kunaver representative of the Institute "Jožef Stefan" continued with the actual content of the workshop. He presented project Medossic more specifically and presented two cases of good practices from other regions. After that he presented a set of strategic directions and specifically explained each of them.

Representatives of the company Ekof highlighted the problem of legislation in the field of eco-innovation. Their opinion is that the legislation is too vague which should be amended as soon as possible. Their view is that companies are not sufficiently informed and focused on the ecological thinking. Companies and their representatives should in general lift eco-innovation at a higher level.

Mr. Strojín from Intuito company proposed solution for open issues about mobile phones and their batteries which are often thrown away together with mobile phones which is very dangerous. He suggested special synergic business model that would include installing special containers in stores in which consumers could throw away used batteries of their mobile phones and other devices.

Mr. Udovč Ufra d.o.o. has focused on the issue of eco-innovation on the level of the government. His opinion was that there are not enough incentives and assistance by the government and other related organizations. He highlighted the problem of efficiency of buildings, where the standards of new buildings are too low regarding energy saving and preserving the environment. G. Udovč said that is very important to encourage companies to eco-innovation also with public praise.

Mr. Šturm of the company Inoveks raised the issue of poorly defined concepts in the field of eco-innovation. His opinion was that whole matter should be divided into eco-products and eco-supportive environment, so on one hand we would have experts on eco-products and on the other hand, experts for sales, promotion, etc.

Mr. Rajšelj from lku d.o.o. company was concerned because small companies, that could be eco-innovative, doesn't have enough information about how should they start their eco-innovative projects and where can they save money. Mr. Rajšelj also said that school and other educational organizations should start to educate their children and students about importance of eco-innovations early.

Ms. Andolšek and Ms. Črtalič of FerroČrtalič company focused to the debate of the special group of expert, who would take care for eco-innovation and new eco brand which should inform consumers that they are using or buying eco-products.

According to the all gathered inputs from the stakeholders we can conclude the following:

- General strategic outlines incorporated in the Existing Situation Analysis study have been confirmed.
- Most of the sectors / technologies stated in the Existing Situation Analysis study have been confirmed, however some new have been as well identified - more in a form of possible future opportunities (like eco innovation in the energy saving technologies).

5.1.2 WORKSHOPS' STEPS AND WORKING MODALITIES-METHODOLOGY

The meetings / workshops were conducted with the following organisations:

Public bodies - eco innovation support organisations on the national level

I.I.

- Organisation: Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments - JAPTI.
- Participants: Igor Plestenjak (JAPTI), Irena Meterc (JAPTI), Mateja Simčič (RDA Inner-Karst), Jana Nadoh Bergoč (RDA Inner-Karst), Tina Jančar Matekovič (RRC Koper), Simon Jeraj (Development centre Novo mesto ltd.)
- Date: 30.3.2010
- Details: The meeting has been organised as meeting of representatives of the three regional development agencies involved in the MEDOSSIC project and JAPTI. Strategic and operational issues regarding MEDOSSIC project and eco innovation have been discussed.

I.II.

- Organisation: Slovenian Chamber of Commerce - GZS.
- Participants: (Simona Rataj (GZS), Tina Jančar Matekovič (RRC Koper), Simon Jeraj (Development centre Novo mesto ltd.)
- Date: 11.5.2010
- Details: The meeting has been organised as meeting of representatives of the two regional development agencies involved in the MEDOSSIC project and GZS. Strategic and operational issues regarding MEDOSSIC project and eco innovation have been discussed.

Support organisations in the regional level

II.I.

- Organisation: Development centre Novo mesto ltd.
- Participants: Mr. Jeraj Simon (DC Novo mesto), Mr. Kunaver (Institute "Jožef Stefan")
- Date: 22.7.2010
- Details: The meeting has been organised as meeting of representative of the regional development agency and Mr. Kunaver representative of the Institute "Jožef Stefan". The aim of the meeting was recording the views of the Development centre Novo mesto ltd. On the strategic priorities in the area of eco innovation in the region.

II.II.

- Organisation: Business incubator Podbreznik
- Participants: Ms. Mojca Špec Potočar (DC Novo mesto), Mr. Jeraj Simon (DC Novo mesto), Mr. Kunaver (Institute "Jožef Stefan")
- Date: 22.7.2010
- Details: The meeting has been organised as meeting of representatives of the business incubator and Mr. Kunaver representative of the Institute "Jožef Stefan". The aim of the meeting was recording the views of the business incubator on the strategic priorities in the area of eco innovation in the region and problematic of the support environment in the region.

Selected enterprises

III.I.

- Organisation: Ekof d.o.o.
Participants: Mr. Matej Oberč (Ekof), Mr. Jeraj Simon (DC Novo mesto), Mr. Kunaver (Institute “Jožef Stefan”)
- Date: 22.7.2010
- Details: The meeting has been organised as meeting of representative of the eco innovation active company, DC Novo mesto) and representative of the Institute “Jožef Stefan”. The aim of the meeting was recording the views of the innovation active company on the strategic priorities in the area of eco innovation in the region and acquiring practical proposals for the necessary actions in the future.

III.II.

- Organisation: Iku d.o.o.
Participants: Mr. Domen Ranšelj (Iku), Mr. Jeraj Simon (DC Novo mesto), Mr. Kunaver (Institute “Jožef Stefan”)
- Date: 22.7.2010
- Details: The meeting has been organised as meeting of representative of the eco innovation active company, DC Novo mesto) and representative of the Institute “Jožef Stefan”. The aim of the meeting was recording the views of the innovation active company on the strategic priorities in the area of eco innovation in the region and acquiring practical proposals for the necessary actions in the future.

III.III.

- Organisation: Inoveks d.o.o.
- Participants: Mr. Milan Šturm (Inoveks), Mr. Jeraj Simon (DC Novo mesto)
- Date: 20.8.2010
- Details: The meeting has been organised as meeting of representative of the eco innovation active company, DC Novo mesto) and representative of the Institute “Jožef Stefan”. The aim of the meeting was recording the views of the innovation active company on the strategic priorities in the area of eco innovation in the region and acquiring practical proposals for the necessary actions in the future.

Strategic workshop with participation of key stakeholders

IV.I.

- Organisation: Development centre Novo mesto ltd.
- Participants: Mr. Jeraj Simon, Ms. Mojca Špec Potočar, Ms. Suzana Virc, Ms. Andreja Klobučar, Ms. Miljana Balaban, Ms. Emilija Lukšič, Mr. Robert Oberč, Mr. Matej Oberč and Mr. Igor Kink, Mr. Andrej Strojín, Mr. Domen Ranšelj, Mr. Milan Šturm, Mr. Miha Jelenc, Ms. Mojca Andolšek and Ms. Slavojka Črtalič
- Date: 25.8.2010
- Details: The workshop has been organised as a project cover strategic workshop. It has been moderated by the Mr. Kunaver representative of the Institute “Jožef Stefan”. Aim of the workshop was to select some strategic priorities in the area of eco innovations in the region and for selected ones outline the basic elements of the operational plan.

5.1.3 POSSIBLE DIFFICULTIES ENCOUNTERED DURING THE PARTICIPATIVE PROCESS

All aims related to the acquiring the needed content for the conclusions have been achieved. However during the process of acquiring there inputs and organisation of meetings and workshops we have encountered few obstacles, namely:

1. Majority of meetings and workshops were organised in July and August when several representatives planned vacations, therefore there were some operational difficulties in organisation of meetings and workshops.
2. An the workshop there was few times exposed that the main problem about eco-innovation is that the educational institutions pay too little attention to eco-innovation and there is a lack of related educating children in school and kindergartens. For faster development in this area it is necessary to begin to teach and educate school children early and effectively about the benefits which could eco-innovation bring. If children would be well-educated they could use their knowledge and skills in practice.
3. At the workshop there have been also few times exposed the problem that smaller enterprises find it very difficult to start with eco-innovation. Smaller enterprises usually don't have sufficient information and resources to start with eco-innovative projects.
4. It was also found that there is a lack of initiatives to raise awareness among the people. Representatives of companies miss the particular assistance of organizations such as Municipality Novo mesto, Development centre Novo mesto and other organizations to act as promoters of eco-innovation and the various grants and awards in addition to motivate companies to act in accordance with eco-innovation.

5.2 INSTITUTIONAL CONTEST

5.2.1. THE FRAMEWORK OF THE MAIN INSTITUTIONAL STAKEHOLDERS AND THE MAIN TOOLS FOR ECO-INNOVATION

MATRIX 1 - MATRIX OF EXISTING STAKEHOLDERS & TOOLS TO SUPPORT ECO-INNOVATION

Body/ subject	Operational level	Typology of support	Support tool			Impact on eco-innovation in local context	Involvement in SOP definition ?
			Title	Short description	Reference to the project's document		
	Specify if: - European level - National level - Regional level - Local level	Specify if: - Political - Financial - Service - Others (specify)	Law / proclamation / service / good practice / other		Example ref. Report ESA - Report BP for further detail	Specify direct or indirect impact	(yes / not) IF YES, please specify the kind of involvement for example (telephone contact, participation to meetings, etc.)
Ministrstvo za visoko šolstvo, znanost in tehnologijo - Ministry for Higher Education, Science and Technology (MHEST)	National level	- Political - Financial	-Set of laws related to the RR -Set of programmes related to RR	MHEST is the central national body on the area of RR	Research and Development Act - (ZRRD) Ur.l. RS, št. 96/2002 Resolution on the 2006 - 2010 National Research and Development programme- Resolucija o Nacionalnem raziskovalnem in razvojnem programu za obdobje 2006 - 2010 /ReNRRP/Ur.l. RS, št. 3/2006 Rules on Keeping the Register of Innovative Environment - Pravilnik o vodenju evidence subjektov inovativnega okolja Ur.l. RS, št. 25/2008 Industrial Property Act - Zakon o industrijski lastnini (ZIL-1) Ur.l. RS, št. 45/2001 Employment Related Industrial Property Rights Act - Zakon o pravicah industrijske lastnine iz delovnega razmerja (ZPILDR) Ur.l. RS, št. 45/1995	In-direct influence	not
Ministrstvo za okolje in prostor -	National level	- Political - Financial	-Set of laws related to the environment	MESP is the central national body on the	- Act Declaring the Ecological Protection Zone and Continental	In-direct influence	not

Body/ subject	Operational level	Typology of support	Support tool			Impact on eco-innovation in local context	Involvement in SOP definition ?
			Title	Short description	Reference to the project's document		
Ministry of the Environment and Spatial Planning (MESP)			-Set of programmes related to the environment	area of environment	Shelf of the Republic of Slovenia - Zakon o razglasitvi zaščitne ekološke cone in epikontinentalnem pasu Republike Slovenije (ZRZECEP) Ur.l. RS, št. 93/2005 The Environment Protection Act - Zakon o varstvu okolja (ZVO-1) Ur.l. RS, št. 41/2004 Noise Safety in Natural and Living Environment Act - Zakon o varstvu pred hrupom v naravnem in bivalnem okolju (ZVPH) Ur.l. SRS, št. 15/1976 Ionising Radiation Protection and Nuclear Safety Act - Zakon o varstvu pred ionizirajočimi sevanji in jedrski varnosti (ZVISJV) Ur.l. RS, št. 67/2002 Water Act - Zakon o vodah (ZV-1) Resolution on The National Environmental Action Programme 2008-2016 (Neap) - Nacionalni akcijski načrt za energetska učinkovitost za obdobje 2008-2016		
Ministrstvo za gospodarstvo - Ministry of the Economy	National level	- Political - Financial	-Set of laws related to the competitiveness -Set of programmes related to the competitiveness	Ministry of the Economy is the central national body on the area of the competitiveness	- Companies Act - Zakon o gospodarskih družbah (ZGD-1) Ur.l. RS, št. 42/2006 (60/2006 popr.) Public Funds Act - Zakon o javnih skladih (ZJS-1) Ur.l. RS, št. 77/2008 Restructuring Economies Act with the Merits of Funding - Zakon o kriterijih za usmerjanje	In-direct influence	not

Body/ subject	Operational level	Typology of support	Support tool			Impact on eco-innovation in local context	Involvement in SOP definition ?
			Title	Short description	Reference to the project's document		
					<p>sredstev za prestrukturiranje gospodarstva Ur.l. SRS, št. 5/1990</p> <p>Venture Capital Companies Act - Zakon o družbah tveganega kapitala (ZDTK) Ur.l. RS, št. 92/2007</p> <p>Award for Business Excellence Act - Zakon o priznanju Republike Slovenije za poslovno odličnost (ZPPO) Ur.l. RS, št. 22/1998</p> <p>Promotion of Foreign Direct Investment and Internationalisation of Enterprises Act - Zakon o spodbujanju tujih neposrednih investicij in internacionalizacije podjetij (ZSTNIIP) Ur.l. RS, št. 86/2004</p> <p>Promotion of Balanced Regional Development Act -</p>		
Javna agencija RS za podjetništvo in tuje investicije - Public Agency for Entrepreneurship and Foreign Investment (PAEFI - JAPTI)	National level	- Financial	- Implementation of programmes in the area or innovation support	PAEFI - JAPTI is the central national body on the area Implementation of support to innovation programmes		In-direct influence	Yes (meeting)
Tehnološka agencija Slovenije - Slovenian Technology Agency (STA - TIA).	National level	- Financial	--Implementation of programmes in the area of RR and innovation	STA - TIA is the central national body in the area of implementation of RR and innovation support programmes		In-direct influence	not
Development centre Novo mesto	Regional level	- Service	- Regional strategic plans - Operational support in the area	Development centre Novo mesto is central regional body that deals with the	- Regionalni razvojni program razvojne regije jugovzhodna slovenija 2007 -2013 - Vizija razvojne regije JV	In-direct influence	not

Responsible partner: Development centre Novo mesto ltd.

Body/ subject	Operational level	Typology of support	Support tool			Impact on eco-innovation in local context	Involvement in SOP definition ?
			Title	Short description	Reference to the project's document		
			of regional development	regional development (prepares strategy studies and implements part of operational support)	Slovenije v programskem obdobju 2007-2013 - Izvedbeni načrt Regionalnega razvojnega programa regije JV Slovenija, obdobje 2010-2012		
Chamber of Commerce of Dolenjska and Bela Krajina	Regional level	- Service	- Intermediately role between regional enterprises and regional political structures - Operational support to regional enterprises - Support in organisation of regional contest in innovation	- Regional Chamber of Commerce is a representative of the enterprises, among several services it coordinates also successful regional contest in innovation		Direct influence on innovation	not
Higher Education Centre Novo mesto	Regional level	- Service	- Education - also in the area of eco innovation	- Higher Education Centre Novo mesto represents only higher education organisation in the region and is a regional centre of knowledge		Direct influence on innovation in area of cultural and ecological heritage	Yes (meeting)
Business incubator Podbreznik	Regional level	- Service	- Operational support to entrepreneurs	- Business incubator Podbreznik will eventually become a centre of innovative entrepreneurship in the region		Direct influence on innovation	Yes (organisation, meetings)
Regional Craft and Entrepreneurial Chambers Črnomelj, Kočevje, Metlika, Novo mesto, Ribnica, Trebnje	Local level	- Service	Local operational support to entrepreneurs	Various operational support tasks to entrepreneurs		In-direct	No
Razvojni center Kočevje-	Local level	- Service	- Regional strategic	- Razvojni center	-	In-direct	No

Responsible partner: Development centre Novo mesto ltd.

Body/ subject	Operational level	Typology of support	Support tool			Impact on eco-innovation in local context	Involvement in SOP definition ?
			<i>Title</i>	<i>Short description</i>	<i>Reference to the project's document</i>		
Ribnica, d. o. o.			plans - Operational support to the entrepreneurs	Kočevje-Ribnica, d. o. o. is a general support organisation in the part of the region			

5.3 A GENERAL COMMENT ON THE EXISTING INSTITUTIONAL CONTEXT

5.3.1 THE MAIN STAKEHOLDERS AND TOOLS FOR INNOVATION AND ECO-INNOVATION.

The main stakeholder that influence eco innovation in the Inner-Karst region are:

National level:

Ministrstvo za visoko šolstvo in znanost - Ministry for Higher Education, Science and Technology (MHEST) defines policies and performs tasks in the areas of higher education, research, technology, metrology, and promotes the information society in areas that do not fall within the responsibilities of other ministries. It also co-ordinates state directed activities in the area of information society.

Influence on the regional eco innovation is indirect in formulation of legislation and installation of relevant support programmes in area of research and development.

Ministrstvo za okolje in prostor - Ministry of the Environment and Spatial Planning (MESP) defines policies and performs tasks in the areas of ensuring healthy environment for all the inhabitants of Slovenia, encouraging and coordinating efforts aimed at sustainable development grounded in social well-being, and based on the prudent use of natural resources.

Influence on the regional eco innovation is indirect in formulation of legislation and installation of relevant support programmes in area of ecology.

Ministrstvo za gospodarstvo - Ministry of the Economy defines policies and performs tasks in the areas of internal market, enterprise and competition, foreign economic relations, tourism, energy and electronic communications.

Influence on the regional eco innovation is indirect in formulation of legislation and installation of relevant support programmes in area of competitiveness and innovation.

Javna agencija RS za podjetništvo in tuje investicije - Public Agency for Entrepreneurship and Foreign Investment (PAEFI) looks after the implementation of the development policy designed to cater to the development of entrepreneurship and competitiveness in Slovenia on one hand, and to run programmes aimed at attracting foreign direct investments and company internationalisation on the other.

Influence of PAEFI - JAPTI on the regional eco innovation is indirect in form of implementation of support programmes for innovation.

Tehnološka agencija Slovenije - Slovenian Technology Agency (STA) is an independent public agency responsible for the enhancement of technology development and innovation in the Republic of Slovenia. Its main activities are granting programs aimed at technology development and fostering cooperation of R&D institutions and universities with the industry. An important part of STA's activities are international projects. Through the cooperation with partners abroad, the agency strives to develop new policies in technology development and services in the Slovenian industry.

Influence of PAEFI - JAPTI on the regional eco innovation is indirect in form of implementation of support programmes for research and development as well as innovation.

Regional level:

Development centre Novo mesto performs the following undertakings:
services in the area of designing and performing projects and regional structure policy;

- enhancement of local and regional development in the area of economy, social matters, spatial planning and environment;
- consultancy and enrichment of small economy development;
- coordination of the Scholarship scheme for Dolenjska region;
- guidance on innovation and technological development;
- designing, coordinating and assessing the execution of regional development programmes;
- training and education;
- other activities directed to region development.

Development centre Novo mesto is a central regional body that deals with the regional development. It prepares strategy studies and implements part of operational support for regional development as well as participates in the several national and EU projects.

Chamber of Commerce of Dolenjska and Bela Krajina is generally oriented towards providing support activities to companies acting in different business environments. Among other things, they offer:

- data and information on the economic situation: statistics, population, labour market, economic sectors, foreign trade, production;
- legal and contractual information that govern domestic and international activities in Slovenia;
- information on fairs in Slovenia;
- useful addresses in Slovenia;
- credit report information on Slovenian companies;
- seeking out and selecting potential customers and suppliers for effective matchmaking.

In the field of innovation - through their knowledge of the Slovenian R&D policy - they actively contribute support to the technological platforms and 'innovative clusters' on the national level. They have a comprehensive insight into the R&D sector in Slovenia - from institutions to enterprises.

Higher Education Centre Novo mesto is only higher education centre in the region. It includes school of Business and Management, School of Technologies and Systems, School of Health Science Novo mesto and Faculty of Business and Management Sciences.

Business incubator Podbreznik is a business development infrastructure that offers new businesses growth and innovative environment for its participants. South East Slovenia so far did not have such infrastructure. When it will be fully operational, there will be 22 hectares of new space that include a technology park, utility service facilities, business centre and other support infrastructure with 3.600 m² of modern business space area with the complete technical , infrastructure and support services.

Local level:

Regional Craft and Entrepreneurial Chambers Črnomelj, Kočevje, Metlika, Novo mesto, Ribnica, Trebnje support its members who are seeking for support to develop their business idea. It associates (on the basis of the Law of Craft) craftsmen and other small businesses in a local environment. They are obliged to manage several important tasks:

5. Representing craftsmen before the state/local authorities and defending their business interests,
6. Giving information to craftsmen,
7. Offering services to craftsmen,
8. Realisation of different public authorisations (issuing craft permits, keeping the craft register and the register of craft masters)

The main activities of the Chambers are thus: consulting, training and education, coordination, designing and supervising projects, information, ensuring and coordinating financial resources - financial engineering. They collaborate in different development projects.

Razvojni center Kočevje-Ribnica, d. o. o., družba za razvoj in svetovanje - točka VEM (Development Centre Kočevje-Ribnica Ltd.). This non profit enterprise was formed in 2006 with the merger of Pokolpje Development Center, which was set up with members of the Municipality Kočevje local development coalition since 2000, and sectoral economic development center of Ribnica. The main aim of the Development Centre is to promote entrepreneurship in the municipality of Kočevje, Ribnica, Sodražica, Velike Lašče, Loški potok, Dobropolje, Kostel and Osilnica, and to connect entrepreneurs and companies with regional chambers of commerce, municipalities, state and other institutions that affect economic development. Development Centre Kočevje-Ribnica advises and assists in establishing and running businesses and performs the initial market researches. With its entrepreneurial support and promotional activities represent an important base for innovation on the local level.

5.3.2 DIFFICULTIES AND PROBLEMS ENCOUNTERED WITH REFERENCE TO STAKEHOLDERS AND TOOLS FOR ECO-INNOVATION

On general according to the contacts and work done in the frame of the MEDOSSIC project we can state the following:

Stakeholders that are present in the region are very serious about their intentions and they act as much as is their ability in terms of resources and other means possible, however these are often scarce.

Eco innovation is a relative new form of business area in the region, therefore the number of companies dealing with it is limited also the concepts and implementation are in most cases in the evolving phase.

The South East Slovenia does not have many support environment organisations; also concentration of RR active enterprises is weaker than in some more developed regions in Slovenija, like in Central Slovenia. Therefore it was not surprise that we have a choice only relative scarce number of competent stakeholders.

The effort in much better networking and cooperation could with very small investment result in significant results. Support activity has to be performed in the regional and local level, but the knowledge and resources could be “imported”.

5.3.3 ACTORS AND TOOLS FOR THE NEXT FUTURE

The main future influencing actor (that is in the phase of formation) in the region is related to the implementation of the first priority (Competitive economy and faster growth) of the Strategic Development of Slovenia from 2007 to 2023. There have been established priority projects in the Slovenian regions. For South-eastern Slovenia Region such priority project is “Construction of the Economic Centre of the South-eastern Slovenia”. The location of the Centre is in the city of Novo mesto.

Content of the project:

- a. The development of higher education on the area of science, engineering and construction University centre with all relevant facilities
- b. Building of Science and Technology Park
- c. The regional business incubator network
- d. Commercial-industrial zone in Novo mesto

The objective of the project is by concentrating the institutions of knowledge and supportive environment for entrepreneurship reach economic breakthrough of the region.

The development of science and technology park and business incubator will help developing high-tech companies and the construction of appropriate business zones. This will contribute to added value, technological breakthrough and global competitiveness of the region. Therefore, this should result in approximately 1300 new jobs. The development of concentrated business environment will have positive effects for Regional Development in Slovenia, for example, the survival of people in rural areas and rapid development economy in Bela krajina, Kočevsko and Ribnica area (sub-contractors in the supply chain).

Important role in the development and effectiveness of eco-innovation certainly has government who should motivate enterprises and individuals with different incentives. Currently there is not enough of such incentives. Kindergarten and school should educate children about ecology and innovation throughout their educational process.

Part 6.
STRATEGIC LINES

6. STRATEGIC LINES

6.1 IDENTIFICATION OF THE SECTOR/SECTORS AND/OR CANDIDATED ECO-INNOVATION TYPOLOGY

6.1.1 OVERALL DESCRIPTION

In the period from 2004 to 2006, 35.1% of Slovenian companies dealt with innovation activity. From innovation active enterprises, 18.8% introduced a new or significantly improved product or service. In the same period, 22.6% of innovation active enterprises introduced an innovation process (innovation process means the introduction of a new or significantly improved production process, a way to distribute materials, products or services or support the activity for the product or service). 55.7% of innovation active enterprises established both an innovation and a product innovation process. At the forefront of companies in this respect are the manufacturing companies. The share of innovation active enterprises in the manufacturing sector was 41.2%, and 26.8% in the selected service industries. The proportion of enterprises with innovation activity increases with the size of the company. Thus, small businesses (businesses with 10 to 49 employees) are still the least engaged in innovation activity; innovation active companies in the period from 2004 to 2006 were only 27.7%. On the other hand, 76.9 % from large companies (companies with more than 250 employees) were innovation active.

Economy:

- within the region, economic development is dominant in Dolenjska - the central part of the region (58% of companies, 66% employees, 59% of entrepreneurs) where the largest companies are located,
- the region has a relatively good economic activity compared to the other Slovenian regions,
- large internal differences in regional economic activity are present,
- predominant influence of large companies,
- the deterioration of economic activity of small companies and entrepreneurs.

In comparison with the average Slovenian company, the region recorded:

- above-average economic performance,
- above-average productivity (revenue/employee),
- above-average return on assets and capital,
- greater economy,
- average value added/employee,
- is less well equipped with the means to work,
- reduced labour costs,
- has a high coverage of fixed assets to equity.

A special feature of the regional economy is represented by large industrial companies sponsoring the economic and social development. These are export oriented and are responsible for the region being among the largest exporters among Slovenian regions. The industry accounts for 40% of regional value added. Among the 100 largest Slovenian companies in 2008, there were 7 companies from South-eastern Slovenia, 5 from Dolenjska and 2 from Bela krajina. The first and the third best Slovenian companies Krka d.d. and Revoz d.d. are located in the region. Companies that are not yet fully adapted to the requirements of the global market and have lower operating results, are in the textile and wood processing sectors, where large reductions in the workforce were made, by more than 6,000. The region faces the deterioration of the economic activity in small companies and entrepreneurs. Although the region invests a lot in research and development (more

than Slovenia's average), the value of this fact is reduced because investments in of R&D activities are typical only for a small number of large companies.

The region has several small companies (95%). They employ a third (31%) of all employees in companies and create nearly 20 % of all revenue (17% of their revenue generated in foreign markets). Their net value added per employee in 2005 amounted to EUR 22,750, which is approximately 10% more than the previous year. This shows that the companies slowly started to produce innovative products with high added value, which contributed to the breakthrough of the region. Given the important role played by small enterprises in developing economies, the measures to support and encourage their start-up should be intensified. In addition, necessary measures should be taken to promote the development of new products, technologies and the co-operation with research institutions. This would allow the development of innovative products with higher added value.

6.1.2 INDICATIONS OF SECTORS/CANDIDATE AREAS FOR (ECO)INNOVATION

One of the criteria for the selection of key economic activities is the share of value added by each activity, added value created in the whole region and the size of value added per employee. The industry as a whole produces more than 40 % of regional value added; real estate and rental contribute an additional 12 %. Otherwise, the highest value added per employee is created by financial intermediation, which falls within the service sector, and by the chemical industry. These two have a much higher value added per employee than the average in this region. The first exceeds the average regional value added by more than five times (over 146,000 EUR), and the other is twice higher (58,000 EUR). The automotive industry presents a two-times higher value added per employee compared to the regional average. Large and worldwide known companies (Krka d.d., Revoz d.d., Danfoss d.o.o., Adria Mobil d.o.o.) can be found in this region. They developed a wide network of quality suppliers and subcontractors who may enable the development of new businesses and the expansion in the world market. With their export orientation and financial indicators, these large companies suggest that the sectors where they operate are the most appropriate drivers of economic development.

The majority of companies (693 in the year 2008) in South-eastern Slovenia region are in the production sector, numerous are also in real estate, retail and construction; however, most of these are very small companies. What is interesting from the perspective of ecology, is the very big increase in the number of enterprises from 2003 to 2008 (322% in relation to the number in 2003) in electric, gas and water supply. Clearly, the ecological component is especially important for the companies from this sector. However, the structure of companies presents a big difference in numbers between micro companies on one side, and middle and large companies on the other. In this respect it is important that most of the R&D demanding (eco)innovations originates from (a relative small number of) middle or large companies.

In this respect, the following large business systems, Krka d.d., Revoz d.d., Adria Mobil d.o.o., Trimo d.d. and possibly some others, hold a special position.

Considering innovation potential, Krka d.d. and Revoz d.d. are the key companies in the region, mainly because of their economic power to bind to themselves many subcontractors. However, these companies are not innovators of new products, since Revoz d.d. does not develop new models of cars and Krka d.d. produces generic drugs, but they do innovate a lot in regard to process innovations and product improvements. On the other hand, other important companies that innovate new products are also vital for the development of the region (Trimo d.d., Adria Mobil d.o.o...); this enables them to sell products with higher added value.

As has been established in the frame of MEDOSSIC Situation analysis of the region two thirds of companies know EU funded support programmes for (eco)innovations, half of them have already applied for such funds and 17% have been successful in such EU or national programmes. In addition, two thirds of the companies have already offered ecologically improved products to the market, approx. half of them dealing with the advantage of reduced energy consumption, one third of them dealing with the reduced use of materials. Innovation dealing with improved recycling after use and lower CO₂ emissions were also present

The most important sectors concerning innovation in the region are the metal processing industry, the automotive industry and the pharmaceutical industry, IT and some development services connected to these industries.

The prevailing types of (eco)innovations are product and service innovations and environmental technologies, more precisely: cleaner process technologies, waste supply, noise and vibration control and services that are less pollution intensive. Important sectors of the region, in regard to the large amount of jobs or added value, are:

- automotive industry,
- pharmaceutical industry,
- metal processing industry.

For evaluating the investment and innovation potential, it is interesting to list the enterprises that got national support for their (eco)innovation projects. All projects of the enterprises deal with innovation and were evaluated also for their ecological impact, and should contain an ecological component. They originate from metal processing, electronics, wood processing, and electric and chemical industry sectors (pharmaceutical and automotive industry has difficulties to obtain funds since these are large companies that are not eligible to some forms of national support).

The major influential business entities concerning (eco)innovation in the region are production companies from the metal processing industry, automotive industry and pharmaceutical industry; electronics, IT, wood processing, electric and chemical industry are also important. As has been established in the frame of MEDOSSIC Situation analysis of the region the prevailing types of (eco)innovations are cleaner process technologies, waste supply, noise and vibration control and services that are less pollution intensive. From the companies that have introduced ecological innovations, one third use the 3R (Reduce/Reuse/Recycling) principle in the area of water, paper, batteries, oil, and 17% in the area of metal. However, these results may be a bit distorted since companies dealing with (eco)innovation may be more interested in participating in research than others.

Threats connected with (eco)innovation are mostly related with the economic output of innovations. On one part, these are connected to the final customers (whether they value an “eco” product more than a “non eco” product) and on the other hand, to the actual output of innovation in terms of relation between costs and benefits of innovation. An important internal threat can also be a (non)ecological perception of employees; therefore, values like ecological stance and innovative spirit have to be encouraged.

6.1.3 PROBLEMS AND BARRIERS OF ECONOMIC SECTOR CANDIDATES FOR DEALING WITH (ECO)INNOVATION ISSUES

Industrial centres near the city of Novo mesto characterise the economy of South-eastern Slovenia region. All economic indicators show an economically efficient industrial region

with a healthy core, which represents the main power of the economy. Although the strong industry in form of large enterprises is an advantage to the region, on the other hand this can also be a weakness. The dependence on large companies would cause a major regional and national economic problem in the scenario of their economic failure, with significant unemployment. On average, there are less small companies in the region, making it necessary to continue to encourage the development of small companies in this area in order to avoid economic risks of the region.

Higher education in the region is at the beginning of the development path. Most research takes place in export-oriented enterprises. There are only some major subjects of supportive environment. However there is a reasonably good access to support organisations in Central Slovenia, where most of such national organisations are located. Therefore, a few secondary and primary types of supporting organisations, such as an incubator, a technology park and the Society of innovators, are missing (which, given the number of companies, might be expected).

From the business perspective of individual companies, it is crucial to have a clear financial business outcome of (eco)innovation. The primary research was conducted to obtain the relevant data concerning (eco)innovation within the individual companies in South-eastern Slovenia region. As has been established in the frame of MEDOSSIC Situation analysis of the region 83% of contacted companies agree that ecology is important for the competitiveness of their company. One third of organisations have raised the sales with implemented (eco)innovation (however, less than 5% of total sales). On the other hand, 64% of the participating companies also responded that it is exactly the economic barriers that are the most influential barriers, which they encounter when introducing (eco)innovations. It seems that the main challenge is how to develop (eco)innovation that brings economic success as well. 50% of respondents also responded that laws and standards have represented barriers for their (eco)innovations, the same percentage perceived barriers in the lack of demand for “eco” products in the market. It seems that the main challenge is how to develop (eco)innovation that brings economic success as well

It is clear that (eco)innovations have and will have brought a positive economic effect to the companies in the region. However, it is important to differentiate between a direct economical impact in terms of cost savings, due to innovations that have for example contributed to the lower consumption of water used in the production process and - on the other hand - (eco)innovations that perhaps create even higher production costs but have a positive economic effect due to the public image of the company or the direct “eco” image of the products, if the consumers are willing to pay for that. Anyway, the companies that participated in the survey clearly state that, in general, (eco)innovations had an economically positive effect for them.

Eco)innovation effects spread their effect across the value chain. In this respect, (eco)innovations that are driven by the final customer demand of preferences (one third of participating companies marked this as the driver for their (eco)innovations) are especially effective, because this represents an extra pressure along the whole product chain so that the products can be declared as “eco” products.

According to the inputs provided by the participative process it is clear that the eco innovation companies in the region deal with the problem of not too good level of the ecology culture in the region. Consequently potential customers do not perceive the right value in the (eco)innovative products and services. Also small (eco)innovative companies have problem with recognition of their brand and they would need a cover eco brand for better recognition.

6.2 IDENTIFICATION OF THE GLOBAL OBJECTIVE

During the process of workshops and meeting has been established that ecologic behaviour in the region is relatively poorly developed in the region in comparison to some other Slovenian regions. This represents a big potential also in the terms of market for eco innovation. Regional (and other Slovenian enterprises) face a severe competition from the East in form of low cost products. Eco innovations are one of the important possible market advantages that regional enterprises can offer as a response. Eco products and eco behaviour also contribute to the higher quality of living in the region. However for consumption of eco products and services eco behaviour of the consumers must be present and for offer of regional eco products and services first eco innovation processes in the regional enterprises must be realised. Key for raising level of eco consciousness and eco behaviour is promotion of eco issues, especially related to the consumption.

Surely raising level of eco innovation represents a great opportunity for the region from both creating competitive advantages and as well as contributing to the higher quality of living in the region. In this respect we can identify global objective as the following:

Promotion of eco culture and behaviour in the region, creating the foundations of knowledge and customer recognition for the enterprises with the eco innovation in the region.

However this global objective has to be strategically structured and implemented.

Surely, the success of future (eco)innovation will mostly depend on the possibilities of evolving synergies between ecology and economic success. In addition, an increasingly important strategic opportunity will be the growing eco awareness of the final customers, which will reward eco products, eco services and eco organisations.

To optimize the positive economic output of eco-innovations and to make it as shortly attainable as possible, implementation of different segments of eco-innovative system lies also within a possibility of establishment of a local and / or national experts group, who would audit, assist and support SMEs in innovation and eco-innovation activities under the support of a local organization (as the Development centre Novo mesto).

On the other hand implementation of new local training / courses in this region of the target (the commercialization of innovation, IPR, energy savings...) would highly alter the general attitude about eco-innovation, especially since the topics are at present not well spread.

One of the future steps supporting the global objective is also the creation of an "Eco-trademark" which the company could acquire after audit and pay membership fees for it, to solve the problem with the confidence of customers for their eco- solutions.

The further development of a science and technology park and a business incubator will support the gradual development of high-tech companies and the construction of appropriate business zones, which will contribute to greater added value and technological breakthrough (increased innovation) as well as to the global competitiveness of the region. The development of the concentrated business environment will have positive consequences for regional development in Slovenia, for example, the survival of people in rural areas and a rapid economic development in Bela krajina and Kočevje-Ribnica sub-region (from where many sub-contractors in the supply chain originate).

6.3 STRATEGIC SYSTEM

Strategic system for the region consists of the following three strategic lines that act as umbrella for all operational objectives and implementing actions:

Strategic line I - Awareness of the ecology and eco innovation:

The main stimulus as well as an obstacle for (eco)innovation is the ability of a certain (eco)innovation to result in economic benefits for the innovator. Therefore, the strategic opportunity for a further development in this direction is the stimulation of final customers towards demanding eco products and eco services. Such demand could then be directed down through the whole value chain.

Strategic line II - strengthening of the SMEs general ability in eco innovation:

Strategic opportunity for the region is surely achieving a bigger independence of small and medium-sized enterprises and speed up their economic growth. In addition to the conversion of enterprises to be really able to compete on the foreign markets, the flexibility of industries should also be achieved by accelerating the growth of new technology businesses; all this can be in great deal contributed with the eco innovation ability of the companies in the region.

Strategic line III - raising the capacity in specific technologies or knowledge related to the eco innovation in the region:

As has been established in the frame of MEDOSSIC Situation analysis of the region individual companies in South-eastern Slovenia region expressed their interest in further development of eco innovations, which what surely presents a big opportunity for the future. The biggest interest was expressed in the area of environmental technologies followed by production and service technologies. As a rule, companies developed their previous eco innovations by themselves, which indicates that they have internal research and development potentials for further eco innovations. All this represent a strategic opportunity for the future.

6.4 FRAMEWORK OF THE OPERATIONAL OBJECTIVES

On the basis of the global objective and the strategic system the following operational objectives have been set:

1. Promotional activities for raising awareness of both employees and consumers related to the ecology and (eco) products and services in the region.
2. Diversification of structure of business entities in SE Slovenia with an emphasis on support for innovative SMEs (identification of sectors with a needed critical mass, web activities, various forms of SME support, promotion of entrepreneurship - networking with the appropriate supportive environment for performing these functions).
3. Consulting to SMEs in the area of eco innovation (preparation of tenders, commercialization, IPR, energy saving...).

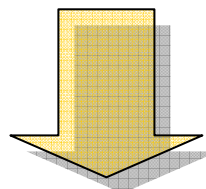
4. Establishment of local and / or national experts who would conduct training / lectures in the region on the topics of commercialization of innovation, IPR, energy savings etc.
5. Establishment of a standard (trade mark) in the field of ecology to improve the market recognition of the "eco" companies.
6. Structuring and networking of the support environment (scanning, networking, establishment of permanent structures, definition of areas of work, coordinating the activities of individual structures).
7. Cooperation in the field of innovation (the creation of appropriate links between business and centres of knowledge, a systematic transfer of technologies to support the participation of enterprises in R & D programs, Slovenia and the EU, further strengthening of the supportive environment, IPR protection) - with the help of existing support structures, which could be linked to national and international (MHEST, JAPTI, JSI, WIPO ...).
8. Education and training for the knowledge and innovation-based society (lifelong learning support...) at the local level through high-quality lectures and eco innovation focus.

6.5 ANALYSIS OF THE COHERENCE AMONG INTERVENTION NEEDS, AND POSSIBLE STRATEGIC LINES AND OPERATIONAL OBJECTIVES

MATRIX 2 - ANALYSIS OF THE COHERENCE BETWEEN INTERVENTION NEEDS AND STRATEGIC LINES

a. Intervention needs	b. Sector/typology of reference eco-innovation	c. Strategic lines	d. Involved or to involve stakeholders	e. Relevance for the strategy (1 most, 5 least)
1.1 Better connection between educational system and business sector	All sectors	Strategic line I - Awareness of the ecology and eco innovation	Educational institutions, companies	4
1.2 Improve the awareness of companies about internal savings (energy, water, material).	Processing industry	Strategic line I - Awareness of the ecology and eco innovation	Companies, support organisations	1
1.3 Report to companies that cost-benefit problem on the long term can be turned into profit.	All sectors	Strategic line I - Awareness of the ecology and eco innovation	Companies, support organisations	2
2.1 Enable the support of financial availability of consulting services at Focal Points of VEM or other existing information points,	All sectors	Strategic line II - strengthening of the SMEs general ability in eco innovation	Local, regional authorities, support organisations	2
2.2 Increase private expenditure in R&D and disperse them from large companies to SMEs as wel.	All sectors	Strategic line II - strengthening of the SMEs general ability in eco innovation	Companies, support organisations	2
2.3 Increase the innovation level culture in the region and the level of in-house innovation with SME-R&D institution collaboration.	All sectors	Strategic line I - Awareness of the ecology and eco innovation	Companies, support organisations, R&D institutions	1
3.1 To supplement the missing infrastructure across the region (society of innovators, incubators, technology parks as well as offices for technology transfer that should be implemented across the region at appropriate levels of supportive environment).	All sectors	Strategic line II - strengthening of the SMEs general ability in eco innovation	Local, regional, national authorities, support organisations	3
4.1 Support participation of enterprises in international programmes of research and development (use of research and development on the national level to support innovation SMEs), with an emphasis on eco-innovation program participation.	All sectors emphasis on the technology development active	Strategic line II - strengthening of the SMEs general ability in eco innovation	Companies, support organisations	3
4.2 National support assistance in commercialization of	All sectors	Strategic line II - strengthening	National authorities,	3

the intellectual property, with proper networking to reach the local people, SMEs and large enterprises.		of the SMEs general ability in eco innovation	support organisations	
4.3 Develop particular eco-innovation programmes to enable informed choice on innovation and eco-innovation.	All sectors	Strategic line II - strengthening of the SMEs general ability in eco innovation	Local, regional, national authorities, support organisations	4
5.1 Establish a mixed local and national expert group to audit, assist and support SMEs in innovation and eco-innovation activities under the support of a local organizations.	All sectors emphasis on the technology development active	Strategic line III - raising the capacity in specific technologies or knowledge related to the eco innovation in the region	Local, regional, national authorities, support organisations, companies	1
5.2 Implementation of new local training / courses in this region of the target (the commercialization of innovation, IPR, energy savings...), in particular with emphasis on the youth.	All sectors emphasis on the technology development active	Strategic line III - raising the capacity in specific technologies or knowledge related to the eco innovation in the region	Local, regional, national authorities, support organisations, companies	1
5.3 The creation of an "Eco-trademark" which the company could acquire after audit and pay membership fees for it, to solve the problem with the confidence of customers for their eco- solutions.	All sectors - companies that offer products	Strategic line II - strengthening of the SMEs general ability in eco innovation	Local, regional, national authorities, support organisations, companies	1



MATRIX 3 - SYNTHESIS FRAMEWORK OF SOP OBJECTIVES

Global SOP objective	Strategic lines	Operational objectives	Possible identifiable actions
Promotion of eco culture and behaviour in the region, creating the foundations of knowledge and customer recognition for the enterprises with	Strategic line I - Awareness of the ecology and eco innovation	1.1 Promotional activities for raising awareness of both employees and consumers related to the ecology and (eco) products and services in the region	- direct promotion (media, various direct actions) - in -direct promotion (influence on opinion leaders, synergies with other actions...)
		1.2. Education and training for the knowledge and innovation-based society (lifelong learning support...) at the local level through high-	- preparation of key contents - forming of strategy and action plan - adding contents in the curriculum

the eco innovation in the region.	Strategic line II - strengthening of the SMEs general ability in eco innovation	quality lectures and eco innovation focus.	- seminars for lecturers
		2.1. Diversification of structure of business entities in SE Slovenia with an emphasis on support for innovative SMEs	- identification of sectors with a needed critical mass, - web activities, - SME support by counselling - promotion of entrepreneurship - networking with the appropriate supportive environment for performing these functions
		2.2. Structuring and networking of the support environment	- scanning - networking - establishment of permanent structures - definition of areas of work - coordinating the activities of individual structures
		2.3. Cooperation in the field of innovation	- creation of appropriate links between business and centres of knowledge - systematic transfer of technologies to support the participation of enterprises in R & D programs, Slovenia and the EU - further strengthening of the supportive environment - IPR protection - all with the help of existing support structures, which could be linked to national and international (MHEST, JAPTI, JSI, WIPO ...).
	2.4. Establishment of a standard (trade mark) in the field of ecology to improve the market recognition of the "eco" companies.	- establishing the project team (from Development centre Novo mesto, enterprises and experts) - preparation of eco brand rules - launch of eco brand - expansion of use of eco brand and its reputation	
	Strategic line III - raising the capacity in specific technologies or knowledge related to the eco innovation in the region	3.1. Establishment of local and / or national experts who would conduct training / lectures in the region on the topics of commercialization of innovation, IPR, energy savings etc.	- preparation of plan of lectures and trainings - implementing first set of lectures and trainings
		3.2. Consulting to SMEs in the area of eco innovation (preparation of tenders, commercialization, IPR, energy saving...).	- scanning of needs - infrastructure installation - training of personnel - promotion of service - implementing of service

Part 7
THE OPERATIONAL PLAN

7. THE OPERATIONAL PLAN

7.1 GOOD PRACTICES FOR THE ACTUATION OF THE STRATEGIC AND OPERATIONAL PLAN

7.1.1 IDENTIFIED GOOD PRACTICE N.1 “ECO-INNOVATIONS AS IMPORTANT CONSTANT IN COMPANY’S EVERYDAY DEVELOPMENT - FERROČRTALIČ D.O.O.”

Good practice Title	Eco-innovations as important constant in company’s everyday development - Ferročrtalič d.o.o.
Promoting Subject	Company is constantly innovating new and environmental friendly technologies for blasting. They were among the first companies using soda for blasting which makes blasting environmental harmless. Even bigger step in eco direction was made when they started to use dry ice (even more ecologically friendly material). Developing environmental friendly blasting cabinets and using new materials also results in some material's savings.
Good practice description	<p>Ferročrtalič ltd. is specialised in the search of solutions in sandblasting and painting. Their aim is to help partners all over the world to solve problems regarding surface treatment and to improve the growth of their companies. Company's philosophy is tracking the novelties and constant development through innovations and research, which enables them to put themselves on the top of the suppliers of technological solutions in sandblasting and painting.</p> <p>Their greatest product novelties are blasting cabinets that are completely harmless to environment. These systems are totally closed so all needed blasting materials (sand, air) are purified and reused over and over again.</p> <p>The basic direction of their work is defining themselves as an ecologically conscious enterprise on the market. The company had invested considerable amount of funds in the ecological technologies. Actually the company ecological stance is far more ecologically friendly than the market of regulative environment demands. However they are focused in the future. They rely on the trend that customer will become more ecologically aware.</p> <p>The company has been ecologically active since the very first beginning. First level of acting ecological can be seen on waste separating. This separation is very precise - they separate every type of waste: paper, plastic, metal and they have their own</p>

	agreement with waste companies when to submit waste.
Info (website, contacts etc.)	Sela pri Dolenjskih Toplicah 47, 8350 Dolenjske Toplice, Slovenia Bojan Črtalič (director), tel: +386 7 384 5 100 mail: info@ferrocrtalic.com
Name of the MEDOSSIC project partner that analyzed the good practice and reference code of the Good Practices report of project partners	Development centre Novo mesto ltd. Deliverable number 3.22.
Why it represent a good practice for the identifies pilot project/projects? What are the relief elements in the good practice suitable for the identified pilot project?	<p>The case of Ferročrtalič is a proof that in the region there is a very valuable eco innovation potential. As such it can be a good practice for other companies, industries and technologies that are very much present in the region.</p> <p>Very important is also the message how the company has reached such successful product, namely the systematic work on the operational processes and innovation culture.</p> <p>The investment in the ecology and relying on the evolution of the customers that they will eventually become more ecological aware is a good practice related to the pilot project of promotion of ecology in the region and pilot project of introduction eco brand for better recognition of eco companies.</p>

7.1.2 IDENTIFIED GOOD PRACTICE N.2 “PLASTA - SYSTEMATIC IDENTIFICATION OF INSIDE RESERVES AND ECO PRODUCTS AS A RECOGNISED ECO COMPANY”

Good practice Title	Plasta - sytematic indentification of inside reserves and eco products as a recognised eco company
Promoting Subject	The company Plasta has developed systematic identification of inside reserves, especially on the area of energy and material savings and eco innovation products. The eco stance of the company is also recognised on the market
Good practice description	Company’s production is directed in manufacturing of polyethylene foils and different sized bags. The production is dedicated to the costumer’s needs, technical specifications and other costumer’s wishes, and especially is eco innovative on energy usage by using heated water, used for machines cooling, in thermal heating system.

	<p>Plasta ltd. acts as and exceptionally responsible company in the eco-field. The energy and material savings are one of the key values represented in the company. This value is represented in the all important internal and external communications. Management promoted and demands from their employees results in this direction.</p> <p>Their most important eco-innovative product is the system that uses redundant heat for warming business buildings. Production of folio needs a lot of water for cooling down the machines. After the cooling this water is very hot and till now all this water was wasted. With this new system hot water is directed into the heating system and great savings are consequence of this action. Saving can be seen on the oil (they were managed to save up to 50% of the oil needed for one season), less water is needed for cooling because the water is reused once it has been cooled down; all this has a great positive impact on the environment. Looking overall savings are also resulting at lower costs.</p> <p>Organization is also active on waste separating. This separation is quite précised as they separate every type of waste: paper, metal, plastic. At plastic materials the separation is even more précised; a different plastic goes in different containers. Some of these plastics are being recycled in company's own recycling machine; they save much material that way.</p> <p>Plasta ltd. has also received the license for foil that is environmental friendly; this folio degrades on CO2, water and harmless dust. They think this is the base for the future, because more and more that kind of folios will have to be developed in order to save the nature.</p> <p>Plasta cooperates with some companies that are operating with environmental measurements; they are also connected with some laboratories, institutes in order to keep their ecology standards above regulated limits. The company sees environmental protection as an important role that all the companies should consider in their everyday operation and as a big competitive advantage for the future.</p>
Info (website, contacts etc.)	<p>Plasta ltd. Kamnje 41, 8232 Šentrupert Stane Gorenc jr. (contact person) Tel.:+386 7 34 35 539 Email plasta@siol.net</p>
Name of the MEDOSSIC project partner that	Development centre Novo mesto ltd.

analyzed the good practice and reference code of the Good Practices report of project partners	Deliverable number 3.22.
Why it represent a good practice for the identified pilot project/projects? What are the relief elements in the good practice suitable for the identified pilot project?	<p>Employees in Plasta are stimulated that they identify and implement eco innovations, especially in the area of identification of savings in the internal processes and also in the area of product eco innovation. This process is not sporadic, but is coordinated and managed. The systematic encouragement of eco innovation in the company represents a very good example also for other companies in the region.</p> <p>Plasta has created recognition of “eco company” on the market. This represents a very good example for the pilot project of creation of eco brand</p>

7.1.3 IDENTIFIED GOOD PRACTICE N.3 “ECO CHAMBER”

Good practice Title	Eco Chamber
Promoting Subject	Web portal for promotion of eco innovation
Good practice description	<p>EcoCámara is a web-portal created by the Málaga Chamber of Commerce in collaboration with the Information Systems Agedum consultant to help all those companies wishing to implement the Law 26/2007 about 'Responsibility' Environment. Its main objective is the promotion of competitiveness of the productive sector in the province of Malaga. The main activity is the promotion of expansion of local companies abroad through innovation.</p> <p>Web portal is a central information point for eco-innovation in the region. Beside the passive information provision also newsletter is being sent to the selected list of recipients.</p> <p>The content of the information and news published on the web portal are needs to comply with legal requirements, cost savings, the corporate social responsibility strategies etc.</p>
Info (website, contacts etc.)	<p>Chamber of Commerce ff the Province of Málaga, C/ Cortina del Muelle 23</p> <p>Mr. José María Gómez Pretel, tel: 952 211673</p>
Name of the MEDOSSIC project partner that analyzed the good practice and reference code of the Good Practices report of	<p>Provincial Government of Málaga</p> <p>Deliverable number: 3.2</p>

project partners (deliverable number)	
Why it represent a good practice for the identifies pilot project/projects? What are the relief elements in the good practice suitable for the identified pilot project?	Described web portal could serve as a good practice example also for the South East Slovenia region because with relatively low costs of investment and operation it can result in a great multiplication of effects on the regional business environment. Similar web portal with description of good practices, important information regarding regulations, funding opportunities, innovation commercialisation etc. could help a lot to the regional companies and entrepreneurs. This represent a good practice also for the pilot project “Information and consulting service in the area of eco-innovation” in the area of dissemination of information.

7.2 PILOT PROJECT N.1 “PROMOTION OF ECOLOGY AND ECO PRODUCTS DIRECTED AT CONSUMERS AND EMPLOYEES IN THE ENTERPRISES WITH THE ECO INNOVATION POTENTIAL”

7.2.1. GENERAL DESCRIPTION

- **ACTION’S TITLE**

Promotion of ecology and eco products directed at consumers and employees in the enterprises with the eco innovation potential

- **OPERATIONAL OBJECTIVES**

Operational objective of this pilot project is raising the level of consciousness of the importance of ecology and eco products in the region, with the special attention to the consumers and employed in the enterprises with the eco innovation potential. More specifically:

- Address critical mass of consumers in the region with the promotional actions regarding of ecology and eco products.
- Address critical mass of employees in the enterprises with the eco innovation potential in the region with the promotional actions regarding of ecology and eco products.

- **INVOLVED SECTOR OR SUBSECTOR**

All sectors, with special attention to the sectors that have an important eco innovation potential in the region (automotive manufacturing, pharmacy, metal processing...).

- **INVOLVED ECO-INNOVATION TECHNOLOGY**

All technologies used in the mentioned sectors.

- **INVOLVED OR TO INVOLVE ACTORS/STAKEHOLDERS**

Implementing institution of the pilot project would in the initial phase be Development centre Novo mesto. However when the initial phase would be finished and funds for normal operation ensured it would be more efficient that these tasks would take over other some other institution (municipalities, regional craft and entrepreneurial chambers etc.). Important fact in this project is, that it demands certain effort in form of organisation and various implementing activities, but the real outcome of the project is in great deal related to the funds available, since effectiveness of promotion is very much dependent on financing.

- **TARGET GROUPS**

There are two main target groups:

- Consumers that should be stimulated in consuming eco products and eco behaviour
- Employees in the enterprises with the eco innovation potential that should be stimulated in creation of eco innovations

- **ACTION'S GENERAL DESCRIPTION / FORESEEN PILOT PROJECT**

During the process of workshops and meeting has been established that ecologic behaviour in the region is relatively poorly developed in the region in comparison to some other Slovenian regions. This represents a big potential also in the terms of market for eco innovation. Regional (and other Slovenian enterprises) face a severe competition from the East in form of low cost products. Eco innovations are one of the important possible market advantages that regional enterprises can offer as a response. Eco products and eco behaviour also contribute to the higher quality of living in the region. However for consumption of eco products and services eco behaviour of the consumers must be present and for offer of regional eco products and services first eco innovation processes in the regional enterprises must take realise.

Key for raising level of eco consciousness and eco behaviour is promotion of eco issues, especially related to the consumption.

In the frame of pilot project should promotion of ecology and eco products directed at consumers and employees in the enterprises with the eco innovation potential be realised in the following areas:

- Indirect promotion with the key political and social opinion leaders
- Direct promotion in the regional media (articles, interviews etc.)
- Direct promotion with leaflets, adds and other forms of advertising

7.2.2. ACTUATION AND MANAGEMENT MODALITY

- **PARTNERSHIP COMPETENCES AND THEIR ORGANIZATIONAL MODALITIES**

Development centre Novo mesto could in the initial phase take over the implementation of the pilot project. For little more than half a year is also some funds available in the frame of MEDOSSIC project which could cover the implementation. In this time the project could be established in such a way that normal operation would run without any major difficulties. However when the initial phase would be finished and funds for normal operation ensured it would be more efficient that this service would be implemented by some other institution (perhaps municipalities, regional craft and entrepreneurial chambers etc.). For effective promotions is crucial that there are enough funds available, therefore wider support from the regional authorities and local authorities is extremely important. It is advisable that request for support would be directed also on the national institutions.

- **MANAGEMENT SUBJECT AND/OR MODEL**

The management of the project will have to be incorporated in the model of organisation that will perform it (probably the Development centre Novo mesto). In the same time measurable aims and indicators have to be set (number of people targeted, number actions etc.).

For success of this pilot project will be crucial acquiring enough funds for implementing effective promotion, therefore this issue will have to be in managerial sense addressed with special attention.

- **ACTUATION PROCEDURES**

The actuation procedures are presented in the table:

Phase	Time frame (months)	Basic actions	Critical elements
Initial	0 - 7	<ul style="list-style-type: none"> - scanning of needs - preparation of detailed pilot project action plan - selection of partners and outside implementing organisations - implementing of promotion actions 	<ul style="list-style-type: none"> - acquiring enough support from other key stakeholders (strategic project partners, operational cooperation from the side of opinion leaders) - sources of funding of operation
Normal operation	8 -	<ul style="list-style-type: none"> - repetitive implementing of promotion actions according to the action plan - monitoring and improving of actions 	<ul style="list-style-type: none"> - sources of funding of operation

- **INTEGRATION AND COHERENCE WITH OTHER PLANNING TOOLS FOR THE LOCAL DEVELOPMENT IN THE REFERENCE TERRITORY**

The pilot project will mostly interact with the pilot project “Introduction of eco brand for better recognition of eco enterprises and introduction of group of experts for promotion of brand and performing eco innovation lessons and trainings” could have a very positive effect on the promotion, because the “Introduction of eco brand and introduction of group of experts” will deal with selected but very targeted population also for promotion in the frame of target group of Employees in the enterprises with the eco innovation potential that should be stimulated in creation of eco innovations. It will not however deal with the target group of large number of consumers.

Important synergy could also be achieved between pilot project and development programmes of political parties and regional and local authorities. Related stakeholders have with their means a relative good penetration of their messages to the target

population, therefore it is very important that they include ecology related targeted message into their messages.

7.2.3. PILOT STRUCTURE’S ACTIVITIES

I. Initial Phase (0- 7 months)

I.I. Scanning of needs related to the promotion

- identification of the state of eco culture and eco behaviour in the region
- identification of target groups and subgroups

I.II. Preparation of detailed pilot project action plan

- preliminary scanning of possible cooperation of key stakeholders (local, regional authorities, some key opinion leaders...)
- synthesis of all gathered information
- preparation of detailed pilot project action plan document

I.III. Selection of partners and outside implementing organisations

- systematic contacts and acquiring support of relevant partners regarding funding and operational support
- systematic contacts and acquiring support of relevant stakeholders regarding opinion leasers and other indirect promotion actions
- selection of implementing organisation for direct promotion actions

I.IV. Implementing of promotion actions using various contact tools and media

- indirect promotion with the key political and social opinion leaders
- direct promotion in the regional media (articles, interviews etc.)
- direct promotion with leaflets, adds and other forms of advertising

II. Normal operation (8- months)

- identification of sustainable sources of funding
- indirect promotion with the key political and social opinion leaders
- direct promotion in the regional media (articles, interviews etc.)
- direct promotion with leaflets, adds and other forms of advertising
- monitoring and improving of actions

7.2.4 FINANCIAL PLAN

• FINANCING: FINANCIAL BUDGET PLAN

Planned costs in EUR for the initial phase:

	Unit	Planned units	Planned cost per unit	Total cost

Staff costs	Hours	100	16	1.600
External expertise	expertise	5	1.000	5.000
Travel costs	travel	5	50	250
Overhead	Hours	20	14	270
TOTAL				7.120

The project partner Development centre Novo mesto has in total planned 17.100 EUR of funds for realisation all actions related to the establishment of pilot structures. However only part of these funds can be allocated to this particular pilot project. Among total planned sum are planned 7.000 EUR for staff costs and 8.600 for external expertise, those are costs that are related closely for this particular pilot project.

- **FURTHER POSSIBLE SOURCES OF FINANCING BESIDES MEDOSSIC PROJECT?**

Some costs, namely overhead and small material costs might be covered by the Development centre Novo mesto. However especially for the direct promotion with leaflets, adds and other forms of advertising it would be necessary to acquire funds from the from the budgets of regional and local authorities related to the support of ecology, competitiveness and innovation.

- **ECONOMIC AND FINANCIAL SUSTAINABILITY**

Future of the project is very much dependent to the financing sources. External funds could be acquired in the next possible sources:

- Budgets of regional and local authorities related to the support of ecology, competitiveness and innovation
- National sources support of ecology, competitiveness and innovation
- EU horizontal projects

7.2.5. THE MONITORING AND THE EVALUATION

IMPACT INDICATORS

Global objective	Impact indicator/indicators	Actual value, if identifiable	Expected value
Raising the eco innovative culture in the region	% of population in the region directly addressed by the action or informed about the action		15% in one year

RESULT INDICATORS

Global objective	Result indicator/indicators	Actual value, if identifiable	Expected value
Raising the number eco innovations	Number of patents		25 national per year in three years
Raising the number of successfully commercialised eco-innovations	Number of successful commercialised eco-innovations		15 per year in three years

REALIZATION INDICATORS

Operational objectives	Realization indicator/indicators	Actual value, if identifiable	Expected value
Addressed critical mass of consumers in the region with the promotion actions regarding of ecology and eco products	% of active population addressed in the region	Not available	25%
Addressed critical mass of employees in the enterprises with the eco innovation potential in the region with the promotion actions regarding of ecology and eco products	% of employees in the enterprises with the eco innovation potential in the region	Not available	35%

7.3 PILOT PROJECT N.2 “INTRODUCTION OF ECO BRAND FOR BETTER RECOGNITION OF ECO ENTERPRISES AND INTRODUCTION OF GROUP OF EXPERTS FOR PROMOTION OF BRAND AND PERFORMING ECO INNOVATION LESSONS AND TRAININGS”

7.3.1. GENERAL DESCRIPTION

- **ACTION’S TITLE**

Introduction of eco brand for better recognition of eco enterprises and introduction of group of experts for promotion of brand and performing eco innovation lessons and trainings

- **OPERATIONAL OBJECTIVES**

Operational objectives are the following:

- Introduction of eco brand that certified eco innovation enterprises would use for achieving better recognition and consumers trust
- Introduction of group of regional / national experts that would in the region promote eco brand and perform series of lectures and trainings from eco innovation (ecology, commercialisation of innovations, energy efficiency, protection of intellectual property etc.)

- **INVOLVED SECTOR OR SUBSECTOR**

All sectors, with special attention to the sectors that have an important eco innovation potential in the region (automotive manufacturing, pharmacy, metal processing...).

- **INVOLVED ECO-INNOVATION TECHNOLOGY**

All technologies used in the mentioned sectors.

- **INVOLVED OR TO INVOLVE ACTORS/STAKEHOLDERS**

Implementing institution of the pilot project would in the initial phase be Development centre Novo mesto. Development centre Novo mesto would take over the initiative and offer organisational support. However the interested eco innovation enterprises and individual experts should also actively contribute to the realisation. When the initial phase would be accomplished, the eco brand should in the long term finance itself with the certification contributions. The lectures and training should on the other hand be supported form also from the side of other stakeholders like local, regional and national authorities.

- **TARGET GROUPS**

There are two main target groups:

- Consumers that should be recognise higher value added of products with eco brand
- Key employees and management in the enterprises with the eco innovation potential that should be stimulated in creation of eco innovations and use of eco brand

- **ACTION'S GENERAL DESCRIPTION / FORESEEN PILOT PROJECT**

During the process of workshops and meeting has been established that it is very important to enable recognition of regional value added eco product and eco enterprises. Also the consciousness and level of knowledge in the area of eco innovation has to be raised in order to gain competitive advantage related to eco innovation.

Regional (and other Slovenian enterprises) face a severe competition from the East in form of low cost products. Eco innovations are one of the important possible market advantages that regional enterprises can offer as a response.

The introduction of product or company related eco brand obtained through some form of certification, would enable regional (and also nation wide) recognition among the consumers. Eco brand should be started regionally and could later evolve in the nation wide or even broader used brand. The demands for obtaining the eco brand should be set and expert group for performing audits should be established. Important task would be also promotion of the brand.

Assembled group of experts would also perform lectures and trainings from the contents of ecology, commercialisation of innovations, energy efficiency, protection of intellectual property etc. This would also be a very valuable and non-expensive way for promotion of the eco brand. The lectures and trainings should in the initial phase be co financed or totally financed from the side of the Development centre Novo mesto and possibly from the local and regional authorities.

7.3.2. ACTUATION AND MANAGEMENT MODALITY

- **PARTNERSHIP COMPETENCES AND THEIR ORGANIZATIONAL MODALITIES**

Development centre Novo mesto could in the initial phase take over the implementation of the pilot project. For little more than half a year is also some funds available in the frame of MEDOSSIC project which could cover the implementation. In this time the project could be established in such a way that normal operation would run without any major difficulties. It is very important that interested enterprises with high eco innovation potential see the value in this pilot project and take over the initiative. Also grounds for self-financing of the projects should be set in this phase. However when the initial phase would be finished and funds for normal operation ensured it would be more efficient that this service would be implemented by some other institution (perhaps municipalities, regional craft and entrepreneurial chambers etc.). For effective promotions is crucial that there are enough funds available, therefore wider support from the regional authorities and local authorities is extremely important. It is advisable that request for support would be directed also on the national institutions.

- **MANAGEMENT SUBJECT AND/OR MODEL**

The management of the project will have to be incorporated in the model of organisation of the Development centre Novo mesto. In the same time measurable aims and indicators have to be set (number of acquired companies that use eco brand , number of participants that have attended lectures and trainings etc.).

For long term success of this pilot project will be crucial to acquire enough initiative among the eco innovation enterprises that soon they will become the main actors in the project, therefore this issue will have be in managerial sense addressed with special attention.

- **ACTUATION PROCEDURES**

The actuation procedures are presented in the table:

Phase	Time frame (months)	Basic actions	Critical elements
Initial	0 - 7	<ul style="list-style-type: none"> - establishing the project team (from Development centre Novo mesto, enterprises and experts) - preparation of eco brand rules - launch of eco brand - preparation of plan of lectures and trainings - implementing first set of lectures and trainings 	<ul style="list-style-type: none"> - acquiring critical mass of recognition of eco brand among the consumers - existence of perceived need among the potential attendants of the lectures and trainings
Normal operation	8 -	<ul style="list-style-type: none"> - expansion of use of eco brand and its reputation - implementing of lectures and trainings 	<ul style="list-style-type: none"> - acquiring critical mass of recognition of eco brand

- **INTEGRATION AND COHERENCE WITH OTHER PLANNING TOOLS FOR THE LOCAL DEVELOPMENT IN THE REFERENCE TERRITORY**

The pilot project will mostly interact with the pilot project “Promotion of ecology and eco products directed at consumers and employees in the enterprises with the eco innovation potential”. Among these two projects should evolve a great deal of synergy most of all in form of mutual promotion. Therefore it is necessary that mutual promotion is planned and systematic implemented.

7.3.3. PILOT STRUCTURE’S ACTIVITIES

I. Initial Phase (0- 7 months)

I.I. Establishing the project team (from Development centre Novo mesto, enterprises and experts)

- selection of internal team from Development centre Novo mesto
- informing potential members (selected enterprises with eco innovation potential and experts) about the pilot project
- implementing a series of meetings and brainstormings
- formation of project team

I.II. Preparation of eco brand rules

- setting the targets
- identification of best practice cases
- selection and formation of rules that participants have to fulfill
- setting the rules of operation

I.III. Launch of eco brand

- promotion of eco brand (through lectures / trainings, media, direct promotion to the target companies etc.)
- acquiring the first pilot group of companies that acquire the eco brand
- acquiring "regular" participants

I.IV. Preparation of plan of lectures and trainings

- scanning of needs (lack of knowledge) related to eco innovation in the region
- selection of experts lecturers (if possible related to the eco brand)
- ensuring the material conditions (available lecture rooms, financing of lectures etc.)
- preparation of detailed plan of lectures and trainings

I.V. Implementing first set of lectures and trainings

- promotion among the target enterprises and other target public
- implementing first set of lectures and trainings

II. Normal operation (8- months)

II.I. Expansion of use of eco brand and its reputation

- wider promotion of eco brand (first national wide, later even wider)
- possible expansion of use in form of common promotion and marketing actions for groups of products etc.
- modification and improving the operation

II.II. Implementing of lectures and trainings

- ensuring sustainable sources of funding (self financing, if possible)
- regular implementing of lectures and trainings
- modification and improving the operation

7.3.4 FINANCIAL PLAN

• FINANCING: FINANCIAL BUDGET PLAN

Planned costs in EUR for the initial phase:

	Unit	Planned units	Planned cost per unit	Total cost
Staff costs	Hours	75	16	1.200
External expertise	expertise	5	500	2.500
Travel costs	travel	5	50	250
Overhead	Hours	30	14	405
TOTAL				4.355

The project partner Development centre Novo mesto has in total planned 17.100 EUR of funds for realisation all actions related to the establishment of pilot structures. However only part of these funds can be allocated to this particular pilot project. Among total planned sum are planned 7.000 EUR for staff costs and 8.600 for external expertise, those are costs that are related closely for this particular pilot project.

- **FURTHER POSSIBLE SOURCES OF FINANCING BESIDES MEDOSSIC PROJECT?**

Some costs, namely overhead and small material costs might be covered by the Development centre Novo mesto. However the project should eventually reach the ability of self financing, since participation in the project activities should be in the direct interest of the eco innovation active enterprises. If necessary it might be possible to acquire funds from the budgets of regional and local authorities related to the support of ecology, competitiveness and innovation.

- **ECONOMIC AND FINANCIAL SUSTAINABILITY**

As stated above the project should eventually reach the ability of self financing, since participation in the project activities should be in the direct interest of the eco innovation active enterprises. If self financing could not be reached soon, there might be possibilities in acquiring funds from the following sources:

- Budgets of regional and local authorities related to the support of ecology, competitiveness and innovation
- National sources support of ecology, competitiveness and innovation
- EU horizontal projects

7.3.5. THE MONITORING AND THE EVALUATION

IMPACT INDICATORS

Global objective	Impact indicator/indicators	Actual value, if identifiable	Expected value
Raising the eco innovative culture in the region	% of population in the region directly addressed by the action or informed about the action		15% in one year

RESULT INDICATORS

Global objective	Result indicator/indicators	Actual value, if identifiable	Expected value
Raising the number of eco innovations	Number of patents		25 national per year in three years
Raising the number of successfully commercialised eco-innovations	Number of successful commercialised eco-innovations		15 per year in three years

REALIZATION INDICATORS

Operational objectives	Realization indicator/indicators	Actual value, if identifiable	Expected value
Critical mass of companies that use eco brand	Number of acquired companies that use eco brand	none	10 in one year, 40 in two years
Critical mass of participants that have attended lectures and trainings	Number of participants that have attended lectures and trainings	none	150 in one year, 300 in two years

7.4 PILOT PROJECT N.3 “INFORMATION AND CONSULTING SERVICE IN THE AREA OF ECO-INNOVATION”

7.4.1. GENERAL DESCRIPTION

- **ACTION’S TITLE**

Information and consulting service in the area of eco innovation

- **OPERATIONAL OBJECTIVES**

In the frame of existing support institutions establishing the information and consulting service in the following areas:

- Access to funding of eco-innovation
- Commercialization of eco-innovation
- Promotion of eco-innovation
- Access to sources of knowledge (bonding with centres of knowledge)
- Networking (directing the companies and individuals on the relevant addresses in the case of more in-depth needs)

- **INVOLVED SECTOR OR SUBSECTOR**

All sectors, with special attention to the sectors that have an important eco innovation potential in the region (automotive manufacturing, pharmacy, metal processing...).

- **INVOLVED ECO-INNOVATION TECHNOLOGY**

All technologies used in the mentioned sectors.

- **INVOLVED OR TO INVOLVE ACTORS/STAKEHOLDERS**

Implementing institution of the pilot project would in the initial phase be Regional Development centre Novo mesto. However when the initial phase would be finished and funds for normal operation ensured it would be more efficient that this service would be implemented by some other institution.

- **TARGET GROUPS**

There are two main target groups:

- Companies with eco-innovation potential
- Individual innovators with eco-innovation potential

- **ACTION’S GENERAL DESCRIPTION / FORESEEN PILOT PROJECT**

In order to be able to raise the level of eco-innovation in the region the companies and individual innovators need information and consulting support. Such support should be the direct and individual. Therefore it is in the frame of existing support institutions necessary to establish the information and consulting service in the following areas:

- Access to funding of eco-innovation
- Commercialization of eco-innovation
- Promotion of eco-innovation
- Access to sources of knowledge (bonding with centres of knowledge)
- Networking (directing the companies and individuals on the relevant addresses in the case of more in-depth needs)

7.4.2. ACTUATION AND MANAGEMENT MODALITY

- **PARTNERSHIP COMPETENCES AND THEIR ORGANIZATIONAL MODALITIES**

Development centre Novo mesto could in the initial phase take over the implementation of the pilot project Information and consulting service in the area of eco-innovation. For little more than half a year are also some funds available in the frame of MEDOSSIC project which could cover the implementation. In this time the project could be established in such a way that normal operation would run without any major difficulties. However when the initial phase would be finished and funds for normal operation ensured it would be more efficient that this service would be implemented by some other institution.

Important is that there will be support from the side of the regional authorities and as well local authorities where the service will take place.

- **MANAGEMENT SUBJECT AND/OR MODEL**

The service will take few hours weekly (probably from 4-6 hours of work time). In accordance with the needs it is most efficient that it will be implemented in the frame of already existing support environment - preferably public body.

It is important that the service performing personnel will have enough knowledge to perform the service with adequate quality.

The management of the service will have to be incorporated in the model of organisation that will perform it. In the same time the measurable aims and indicators have to be set (number of passed information, network contacts, successful commercialisations etc.).

- **ACTUATION PROCEDURES**

The actuation procedures are presented in the table:

Phase	Time frame (months)	Basic actions	Critical elements
Initial	0 - 7	- scanning of needs - infrastructure installation - training of personnel	- recognition threshold in target groups - appropriate knowledge of personnel implementing the

		- promotion of service - initial implementing of service	service
Normal operation	8 -	- normal implementing of service - monitoring and improving of service	- sources of funding of operation

- **INTEGRATION AND COHERENCE WITH OTHER PLANNING TOOLS FOR THE LOCAL DEVELOPMENT IN THE REFERENCE TERRITORY**

The pilot project will mostly interact with the pilot project dealing with the promotion of ecology and also with the pilot project dealing with the introduction of eco brand and introduction of lessons and lectures. In the light of limited resources it is important that all three pilot projects will mutually promote each other in order to reach the maximum possible effect on all related areas.

7.4.3. PILOT STRUCTURE'S ACTIVITIES

I. Initial Phase (0- 7 months)

I.I. Scanning of needs of the target groups

- identification of target entities
- selection of representative entities
- preparation of scanning tool (questionnaire)
- contact with the selected entities and scanning
- infrastructure installation

I.II. Training of personnel

- selection of personnel (among existing ones) that will perform the service
- definition of content of training
- selection of organisations that have the relevant knowledge
- organisation of knowledge transfer
- implementation of training

I.III. Promotion of service

- preparing the list of target recipients
- preparing the promotion plan
- implementing the promotion plan using various media and direct contact tools

II. Normal operation (8- months)

- identification of sustainable sources of funding
- identification of implementing organisation
- training of personnel
- normal implementing the service

7.4.4 FINANCIAL PLAN

- **FINANCING: FINANCIAL BUDGET PLAN**

Planned costs in EUR for the initial phase:

Cost	Unit	Planned units	Planned cost per unit	Total cost
Staff costs	Hours	260	16	4.160
External expertise	expertise	1	1.000	1.000
Overhead	Hours	30	14	405
TOTAL				5.565

The project partner Development centre Novo mesto has in total planned 17.100 EUR of funds for realisation all actions related to the establishment of pilot structures. However only part of these funds can be allocated to this particular pilot project. Among total planned sum are planned 7.000 EUR for staff costs and 8.600 for external expertise, those are costs that are related closely for this particular pilot project.

- **FURTHER POSSIBLE SOURCES OF FINANCING BESIDES MEDOSSIC PROJECT?**

Some costs, namely overhead and small material costs might be covered by the Development centre Novo mesto. However the project should eventually reach the ability of self financing, since participation in the project activities should be in the direct interest of the eco innovation active enterprises. If necessary it might be possible to acquire funds from the budgets of regional and local authorities related to the support of ecology, competitiveness and innovation.

- **ECONOMIC AND FINANCIAL SUSTAINABILITY**

As stated above the project should eventually reach the ability of self financing, since participation in the project activities should be in the direct interest of the eco innovation active enterprises. If self financing could not be reached soon, there might be possibilities in acquiring funds from the following sources:

- Budgets of regional and local authorities related to the support of ecology, competitiveness and innovation
- National sources support of ecology, competitiveness and innovation
- EU horizontal projects

7.3.5. THE MONITORING AND THE EVALUATION

IMPACT INDICATORS

Global objective	Impact indicator/indicators	Actual value, if identifiable	Expected value
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Raising the eco innovative culture in the region	% of population in the region directly addressed by the action or informed about the action		10% in one year
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RESULT INDICATORS

Global objective	Result indicator/indicators	Actual value, if identifiable	Expected value
Raising the number eco innovations	Number of patents		25 national per year in three years
Raising the number of successfully commercialised eco-innovations	Number of successful commercialised eco-innovations		15 per year in three years

REALIZATION INDICATORS

Operational objectives	Realization indicator/indicators	Actual value, if identifiable	Expected value
Established information and consulting service	Normal operation of service	Non existent	Fully operational in 7 months
Massive information on eco-innovation (mail, newsletters)	Number of sent mails, newsletters on different addresses per year	0	3000
Access to information and consulting on eco-innovation in the region	Number of passed information and consulting on eco-innovation in the region	0	150 individual sessions

ANNEX

Please insert in enclosure the minutes of the workshops, a copy of the list of the participants, possible materials distributed during workshops, further documentation predisposed to support the participative process, as questionnaires, slides of presentation etc.