Final, In-Depth Assessment Report

Slovenia

A projekt az Interreg Europe Programból, az Európai Regionális Fejlesztési Alap támogatásával,
az Európai Unió és Magyar Állam társfinanszírozásával valósul meg.
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Summary

The following Assessment Report has been created following the Cre:Hub Peer Review Methodology, reviewing the inputs that we as invited experts, could collect from our interviews and afterwards grouping them into the existing sections of the Report. Key findings and recommendations can be found in the following pages, therefore in the next lines we summarize just some of the general impressions.

Slovenia and specifically the LUR hold a great potential for the development of innovative CCI's. Its demographic characteristics and geographic location within Europe make of Ljubljana an attractive and strategic spot that, developing an adequate strategy, could result in great opportunities for their CCI's to rise in competitiveness and internationalization.

It must be said that there was a great feeling of commitment from the country on the development of the sector, and that the already developed studies, sector mapping, roadmaps, strategies, were carefully crafted and developed in a professional way. From a practical and down to earth perspective, we identified two, among all the recommendations that can be found in the report, that we would like to pin point.

Firstly, the need of putting in place a neutral agent that can take on the leadership of the sector. This agent should connect both Top Down and Bottom Up initiatives, represent the existing associations, be a valid figure to which companies, public institutions, academic institutions and others can refer. As we also mention in the report, it's vital for the CCI to cluster and gain critical mass so as to gain “muscle”.

Secondly, it is important to improve private – public communication and collaboration. During the interviews rose the need of improving and developing a closer relation between public and private organisms for a correct development of a CCI's strategy. There are existing private initiatives, hubs, spaces and individuals with tremendous knowledge on how to develop CCI's policies that are not being taken into consideration for the strategy development. For the roadmap to successfully be implemented and bring cohesion to the CCI's sector, it is required to generate this sort of collaboration with already stablished activities that, otherwise, are at risk of disappearing. Building on existing capabilities and strengths should be one of the key strategic priorities.

Regarding the Centre for Creativity, it has a good strategy to reach the local members of the entrepreneurs, NGO’s and schools. The strategy is based on six key activities. The development of the objectives fits in with the local and international economic situation, but their reconciliation with the local actors is unclear. During the meeting it seemed that there was no communication between decision-makers, project leaders and active people working in the creative industry for several years, a hidden conflict was observed.

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Overall, the CCI project fits into the region's capabilities, but entrepreneurs and creators actively involved in the creative industry approach the project in a completely different way. There are a lot of possibilities for further development and implementation that need to be developed.

One of the key aims of the project underway by the Center is to incorporate entrepreneurial skills into education, thus promoting the acquisition of entrepreneurial attitudes in a young age. It also makes well-thought out goals in reaching the international scene and appearing there.

Overall, the strategy is well thought out, and the project managed by the Center can provide all the resources for implementation.

Section 0: Introduction

(a) Short introduction of the CRE:HUB project

The project "Policies for cultural CREative industries: the HUB for innovative regional development" (CRE:HUB) started on April 2016 and it will continue until the end of September 2020. The CRE:HUB overall objective is to improve 8 programmes for Investment for Growth and Employment (TO3), to support creation and development of new SMEs in CC sector at regional and national level through fruitful cooperation among regions with different level of capacities and experiences in CCIs supporting policies.

With this objective eight project partners, representing … EU regions, will exchange policies and instruments for identifying and supporting the main regional economic actors that improve policies for CCI and innovative regional development.

In the project context CCIs represent highly innovative SMEs and their promotion can effectively increase regional competitiveness and job creation capacity. For participating regions CCIs represent a strategic sector of development as underlined in many of their RIS3 documents. Despite the dynamic and innovative field of action, CCIs encounter difficulties in access to credit and lack resources to enhance their competitiveness on the global market, building effective partnerships, extending their activity to other countries.

(b) Short introduction to the Peer Review methodology

The CRE:HUB Peer Review Methodology helps regions to improve their policies for promoting CCI development.

The CRE:HUB Peer Review Methodology is developed directly to use it during the CRE:HUB project, when assessing different regions' CCI policies. The methodology standardises the relevant aspects that need to be measured, in order to enable experts with different background, to assess the regional situation in an objective way. By this, they will be able to give appropriate recommendations for CCI development in the host region. The other important advantage of peer reviews is the selection of experts, who are practitioners in the field of the assessment, which means that the recommendations given by them after the review will be practical and realistic.

Section 1: Overview

(a) Short description of the Host Region, general overview, economic profile.

Characteristics of LUR

The Ljubljana urban region (LUR) encompasses 26 municipalities and has a total population of 542,447. The region covers an area of 2,555 km2, which equals 12.6% of Slovenian territory. The Ljubljana urban region is the Slovenian region with the biggest concentration of knowledge and creative potential as this is where the key state, scientific, research, educational and cultural institutions are based. It has an exceptional strategic position both within the country itself and on the European scale. It lies in the centre of Slovenia and is the economic, administrative and cultural hub of Slovenia – Ljubljana; LUR is also the intersection of important international traffic corridors.

The Ljubljana urban region is the most developed Slovenian region in economic terms and is the country's economic centre. In 2009, the companies headquartered in the region generated 43.2% of added value in Slovenia. The region generated more than a third of the total Slovenian GDP in 2011. The regional GDP per capita is the highest in Slovenia and significantly exceeds the Slovenian average. More than a quarter of Slovenia's active working population lived in the Ljubljana urban region in the middle of 2013. The share of the unemployed living in the region was somewhat less than a quarter of all unemployed person in Slovenia. When compared to other Slovenian regions, the LUR has a smaller share of the industrial sector, while market and public services are better developed (Kozina et al, 2014).

The Ljubljana Urban Region is an attractive region in terms of tourism. The region had a tenth of accommodation capacities in Slovenia in 2012 or 12,160 beds, and was fourth in terms of the number of overnight stays among twenty Slovenian regions. Foreign guests account for 93% of overnight stays in the region, with the share reaching as much as 96% in the City of Ljubljana. The average period of stay in the region in 2010 was 1.91 days (Ljubljana Tourism, 2011).

In terms of education, the Ljubljana urban region stands out mainly on account of the concentration of post-secondary schools, faculties and institutes. The country's largest university, the University of Ljubljana, is located in the region. The share of the population with post-secondary or higher education in the LUR (29.1%) significantly surpasses the Slovenian average (22.4%) (SORS, 2013) and is at the same time the highest share of Slovenia's population with post-secondary or higher education. Problems appear in the accessibility to pre-school education as demand exceeds supply in certain municipalities even though almost a third of all children included in such programmes in Slovenia are enrolled in pre-school education programmes in the LUR.

Source: Regional Development Programme of Ljubljana Urban Region 2014 – 2020, RRA LUR, April 2015

Characteristics of CCI's in LUR

In 2015, there was 4110 SMEs in CCI in LUR, which presented 11.2% of all SMEs in LUR. The vast majority of the CCI SMEs were very small, since they employed 5862 people, meaning that the average is 1.4 employed per company. In total, 5.62% of all employed in SMEs in LUR, were employed in CCI SMEs. Large urban areas and capital city regions dominate the CCI (Power, Nielsen, 2010). Since Ljubljana is the capital and the biggest city in Slovenia, it is no surprise that creative industries are concentrated here. This was confirmed also by the industrial statistics analysis (see Table 1), which demonstrates that the share of CCI SMEs as well as the share of employed in CCI SMEs is significantly larger in LUR than in Slovenia. Furthermore, the occupational analysis of CCI in Slovenia (Murovec, Kavaš, 2010) also confirmed the concentration of CCI around the capital and indicated a preference on the part of creative people to settle in Ljubljana. The concentration of creative people in Ljubljana is therefore main factor behind the development of CCI in this region. Since Ljubljana is the capital of Slovenia, most national cultural institutions are located here as well. The estimation is that around 60% of all Slovenian cultural events, infrastructure and also people, working in culture, are concentrated in Ljubljana. All the major faculties are located in Ljubljana, and the major firms from other business sectors concentrate here as well. Besides the fact, that Ljubljana is a capital and has solid infrastructural and educational preconditions for the development of CCI, the development of CCI was also fostered by the established system for the support of entrepreneurship (focused on start-ups), which is not focused on CCI, but also includes them. Furthermore, different "bottom-up" initiatives have also been successful, such as for example Poligon (co-working space) or Zavod Big. Like CCI SMEs in Slovenia, CCI SMEs are not very export oriented in LUR either. However, their exports have been significantly increasing between 2009 and 2015 and exceed the share of CCI SMEs exports in Slovenia. Most of the CCI SMEs would like to increase their internationalisation, but feel hindered by different factors. The most important hindering factors are the lack of finances and the lack of support for the internationalisation.

Source: State of Art of the CCI Sector in Ljubljana Urban Region, IER, January 2017

In Slovenia, the **cultural sector** is relatively well supported by the state. Despite the polycentric organisation of cultural institutions, the main share of resources for culture (around two thirds) presents the state budget; public funds, reserved for culture present a bit over 0,8% of the total GDP or a bit less than 267 million euros in 2014. The local communities or municipalities contribute only a minor share and are mostly responsible for libraries and some other cultural institutions (local museums, galleries and cultural centres), and NGOs which are active in the field of culture.

The strategic document that directly adresses Cultural and creative industries is *The National Programme for Culture 2014–2017*, where important measures in the field of cultural industries are already included in other chapters so that the main objective is focused on increasing the market for cultural industries and a growing international recognition of Slovenian cultural industries. For the development of creative industries on the other hand a number of measures are envisaged such as priority support to projects involving creative industries in traditional industries; linking stakeholders in the development of creative industries (projects, transfer of good practices); introducing design management in public sector institutions; applying the rule "instead of exhaustible natural resources to exploit unlimited intellectual resources" and so on.

In the past only some of the single and fragmented measures which directly or indirectly supported Creative Industries on the national level have been realised (Innovation voucher, R&D investments tax relief, Integration of industrial design in wood processing SMEs, etc.)

However in May 2017, the Government Office for Development and European Cohesion Policy, the Managing Authority for the European Structural Funds and the Cohesion Fund, issued a decision on financial support for the first part of the project, the **Center for Creativity** worth almost EUR 11 million, to be implemented between 2017 and 2022 and this is the first substential support programme that directly aims at creative industries development and in a wider sense also on cultural industries. The Center for Creativity will be managed by the national institution Museum of Architecture and Design and was approved on the basis of a direct confirmation of the operation. The first part of the project - Platform Center for Creativity (CzK) - will be implemented by the Museum of Architecture and Design. The objectives of the project will be in the form of public tenders - for SMEs and establishing stronger co-operation with the cultural and creative sector - upgrading the financial support of the CzK. The authorized contractor of these public tenders is the Slovenian Enterprise Fund (SPS). This part of the project is under construction. The investment is co-financed by the EU from the European Regional Development Fund and the Republic of Slovenia. The operation is carried out in the framework of the Operational Program for the Implementation of the European Cohesion Policy for the period 2014-2020.

Source: Analysis of support policies and financing of creative industries in ljubljana urban region, IER, February 2012.

National Programme for Culture 2014 – 2017, MK, 2013

Centre for Creativity, MAO, 2017

Section 2: Regional Strategy

(a) Key Findings

The strategy clearly describes what is meant by "the creative industry", so the area of activity can be clearly defined for laypeople. The strength of the strategy also shows that the specific players help to implement the strategy, and if necessary, it will be revised. The strategy also sets the financial resources that must be spent on the creative industry and its players in the subsequent years. It is also a strength of the strategy that is was established with the involvement of decision-makers.

There was nothing mentioned about the rate and intensity of the predetermined amount of funding, and the percentage breakdown of each key area. This lack was felt by professionals working in certain areas, so community planning and communication need to be strengthened.

The strategy did not touch on the labor flow, the steps taken to keep young people in the local environment, and the integration of industries identified in the influx workers' strategy. From a labor market perspective, it is necessary to examine whether the resource allocated to the area is being used efficiently and sustainably.

(b) Recommendations

The actors of the strategy are not fully acquainted with its content elements and goals, but we recommend for residents and foreigners to come up with a brochure introducing entrepreneurs working in the region's CCI area.

For foreign workers coming to the region, we recommend developing a specific subprogram that can help their involvement. At the same time, it is proposed to form and work out study grants and / or resettlement grants for young people. In addition, it is suggested promoting and being socialized into the strategy so that it could get widely known for the residents.

Section 3: Education. Skills and Capacity Building

(a) Key Findings

The key task in the strategy is to strengthen education in which besides orienting and educating children, young adults are also involved. In addition, the strategy also targets the professional development of actors active in the field by providing strategy, study tours and conferences. One of the difficulties of the sector is that, besides creativity, the actors should be also able to become active in the business, so the strategy also aims to mentor and develop those who are in difficulty in this a field. There are employees in MAO's staff who have the right skills to run start-ups, so they can help those who are just starting to work.

The priority area of the strategy is education and its purpose is to involve children as soon as possible, as well as to develop competence, however, the professionals in the field do not feel its presence. For this reason, it would be necessary to inform the public during the implementation of the measures, possibly with the involvement of CCIs and organizations working in the area in order to attain the objectives.

The development of the IKT field is of the utmost importance, which is not covered by the strategy, so it was not possible to get to know it. It is very important to consider this, since the Y, Z and later Alpha generations communicate on this interface.

(b) Recommendations

It is recommended to work out **scholarship schemes** that make the profession attractive for couples and adults:

- *Teach people how to write proposals;*
- *Improve the education system with special startup and business oriented classes, workshops.*

Established professionals: professionals from the CCI's are struggling to stay tuned in this fast paced changing the sector. New technologies and the rise of the value of creativity within the industrial and social sectors represent at the same time big opportunities and big challenges. Skills and capacities of professionals on the field of CCI's should be constantly revisited and questioned. How can we empower people on the field to keep up to date not only with the “best practices” but also the “next practices”? What type of education or courses they demand? **A deeper**

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understanding of their needs concerning this topic is probably necessary. Furthermore, developing a “glocal” perspective of the CCI's so as to **adapt the latest trends and knowledge of international leaders** in CCI's to a local context, will help define the required education skills and professional capacities.

Public officials: In order to successfully adequate and develop political tools and policies of the CCI sector, decision makers on the public administration should have the proper understanding on, again, an international and local levels. We just mentioned that even professionals on the field should constantly revisit their skills and capacities, therefore obviously the public administration should make the effort to keep at the same pace.

Intersectoral and cross competencies: Educational programs from universities or any other institution, should work on the development of cross competencies within their main capacity building goals. Those cross competencies will help professionals developing skills such as entrepreneurship and understand the needs of the market, be able to communicate the value they can contribute with, etc. Furthermore, intersectoral programs contribute to explore and disseminate the value of CCI in contexts that never happened before with the possible output of a portfolio containing successful case studies.

Moving target: Among the discussions held during the interviews, several times appeared the need of a clear definition of the CCI's. This is a need caused not only by the broadness of the sector but also because of the speed of change in the professional competencies and fields of action. Understanding that the target to be addressed is a “moving” target with changing needs, knowledge, tools and capacities will certainly help define the policies and programs for education within the CCI's sector.

Section 4: Favourable Business Environment

(a) Key Findings

Slovenia, in particular Ljubljana, is characterized by the sucking power of global corporations. The economic and legal provisions make it possible to set up a business fast. At present, there is no proposal, plan or solution to that problems that the valuable, creative young workforce is flowing into larger cities, such as Berlin or London. The Creativity Center provides mentoring and knowledge-enhancing support, which is a kind of incubator for start-ups.

(b) Recommendations

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Proximity to the public administration and proximity to the society: Cultural and Creative Industries must help the government in the process of sociocultural development for society and citizens. Therefore, as it will be also mentioned in Section 8, it's vital to host those industries not only in a favorable business environment but also in a social environment, for them to become a central part of the core city development. Incubators and accelerators should be strategically located within the city in order to get visible to people, engage with citizens, showcase their value propositions, and little by little create a collective mindset about CCI's. In addition, incubators, accelerators, creative hubs are great initiatives to empower urban regeneration of unused centric spots through the creation of new lively and dynamic spaces, that are generally well perceived -if managed correctly- by the city.

Empowerment of Cross – Sectorial collaboration: In order to create a favorable business environment CCI's should fight against the lack of a clear ROI and KPI's that can make attractive for companies to “buy” CCI's services. This results in skepticism and uncertainty on the business side creating a difficult barrier to overcome in order to start possible collaborations. Therefore, it is important to develop a system that can track, record and justify the contribution of the sector to the economic development. Representative case studies of existing companies that might have improved their income statements through the use of any service related to CCI's should be communicated and used as a flag for the rest. Furthermore, partly public funded pilot programs can make it easier for SME's to unveil their appetite for CCI's services. Even economic development departments from the government have to experience the possible contribution of the CCI's to their existing programs for entrepreneurship, social innovation, etc.

Establish a **network between creative places**. Ironically, in many cases co-working spaces that tend to defend collaborative values, sharing risks and opportunities within their coworkers don't do so with other co-working or creative hubs, becoming closed “solitary wolfs” communities and resulting in much less impact that they could generate through networking with others. Shifting the mindset from perceiving other creative spaces as competitors - public and/or private- to collaborators through shared activities and programs is one of the key to raise impact levels.

In addition, we also recommend devising action and development plans for young start-ups in creative industries: scholarship programs, housing problems management. **Retaining and attracting talented individuals / start ups / companies is probably one of the challenges to be addressed.** Creating a favorable business environment involves also the development of policies that encourage them to stay and empower them to perform better. In certain European capitals access to housing in relatively centric areas of the city can be extremely expensive due to the lucrative growth of renting services for house owners (such as Airbnb), in many cases unaffordable. If the government wants to, as mentioned in the previous paragraph, permeate the city atmosphere with a creative "flavor" by empowering the generation of creative spots in centric areas, probably policies for lowering housing barriers to entrepreneurs should be considered.

The strategy does not provide a detailed description of the economic environment support tools, so we recommend introducing **tax incentives for start-up CCIs**.

Section 5: Partnerships and Networking

Gain critical mass of CCI's: The lack of a clear definition of Creative and Cultural Industries results in a lack of precise data of the real GDP and makes it difficult to account the mass of professionals belonging to them. In order to develop programs with funding, develop new policies to empower CCI's etc. the sector must gain critical mass so as to be perceived as valuable on the eyes of the public administration and the economic tissue. Disaggregated professional associations should network and consider the possibility of aggrupation to achieve the aforementioned gain of mass. Building up this bigger muscle is a powerful strategy for the CCI's that can change the, in some cases, belittled perspective of it. Furthermore, it would result in a stronger power for negotiation and a centralized agent to which public administrations or other entities can relate to, lowering the actual possible confusion of agents, associations, ...

Build CCIs ecosystem: To build up the previously mentioned critical mass through networking, partnership and clustering, it is important to identify all the possible stakeholders that might benefit from this action and that would be interested in belonging to a CCI ecosystem. Such agents range from different departments of the public administration, to SME's, international companies, academic institutions, professionals on the field and many others. From our perspective this process should be led by a private neutral entity that could be the "glue" of all these different stakeholders, connecting their needs and wants to articulate possible programs or initiatives of their interest. The first steps towards the creation of this ecosystem is the exhaustive mapping of the sector, understanding the needs and expectations of the stakeholders from the CCI's through participatory methods. These initial activities should be probably economically empowered by the public administration.

Widen and strengthen partnerships of the Creativity Centre: Between the Ministry and the Creativity Centre the liaison is tight, but other actors of the sector do not feel included into the

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overlaying definition of the developments concerning the creative industry, and the use of the amount earmarked for it. It emerged that the program prefers the startup of new entrepreneurs, but for the already established businesses and organizations, the process of accessing resources is unclear. The Ministry is open for listening to the opinions, but there is no process in place for that. It is essential to develop one, so the experiences of the organizations already actively operating for years can be built into the program. The Center should allow creative people to gather some unused space and foster the underground events in art.

Section 6: Access to Finance

(a) Key Findings

There are clear developed areas in the strategy. The Center will manage the financial allocation, but the stakeholders don't know the possibilities. The Creative Center will have a budget for five years, however there is no clear view about the budget for the members of the CCI sector.

(b) Recommendations

The Creative Center should support crowdfunding initiatives. The budget of the Creative Center should contain a "low hanging fruit" project(s) to gain a quick win and further support from the government. The Creative Center should make a monitoring system about the projects to have a vision for the 6th year. It could be a growth for the whole creative industries via a spillover effect. Funding cannot be the solution, just a catalyst: CCI's initiatives should be economically self-sustainable as any other companies from different sectors. As usual, Start Ups go through different development stages, ranging from pre-seed, to seed, early growth, consolidation and expansion. Generally, Pre-seed stages are well covered by angel networks and accelerators, with few funds focusing on early growth stage, thus leaving a clear financial need for companies raising between USD 600K and USD 9M. It is important to create a successful entrepreneurship ecosystem to correctly articulate funding and resources for all the journey that Start Ups will have to overcome, avoiding the well-known concept of "Dead Valley Curve". Also, in many cases public funding can go into other type of actions that are not direct funding to entrepreneurs or Start Ups. These actions can be as simple as empowering CCI's events, Pop Up initiatives, mapping the sector and stakeholders... There are many possible initiatives from which the creative ecosystem can benefit.

Section 7: Administrative and Technical Issues

(a) Key Findings

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The administrative and technical barriers/support is quite good, the online administration helps for the users. The communication between the government and the CCI sector needs development. The legal environment enables the creation of businesses easily, with less bureaucratic burdens, which means a supportive environment for startups.

Between the borders provided by the project executed by the Creativity Centre individual mentors can be reached, so aside from the skill development, specific support is ensured for the entrant entrepreneurships. However, with this process it became apparent that the operation of CCI organizations with a past of several years already functioning were hamstrung. There is development needed in the internationalization of outstanding domestic and international, which can be traced back to the deficiency in synergy.

(b) Recommendations

Improving private – public communication: During the interviews arose the need of improving and developing a closer relation between public and private organisms for a correct development of a CCI's strategy. There are existing private initiatives, hubs, spaces and individuals with tremendous knowledge on how to develop CCI's policies that are not being taken into consideration for the strategy development. For the roadmap to successfully be implemented and bring cohesion to the CCI's sector it is required to generate this sort of collaboration with already stablished activities that, otherwise, are at risk of disappearing. Building on existing capabilities and strengths should be one of the strategy priorities.

By strengthening the communication, including more actively working organizations in the sector the coherence and collaboration can be intensified with the Creativity Centre. Besides strengthening the co-operation between actors, the online interface presenting the CCI sector’s participants is missing. It would be essential to have an online interface where one could get informed of the CCI sector.

CCI's Leadership: On one hand to improve the aforementioned situation and on the other, to actually empower the CC Industries, we believe there is an existing need to create - or relate to a neutral existing agent- that can take on the leadership of the sector. This agent should connect both Top Down and Bottom Up initiatives, represent the existing associations, be a valid figure to which companies, public institutions, academic institutions and others can refer. As we also mentioned previously in the report, it's vital for the CCI to gain cluster and gain critical mass so as to gain “muscle”.

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Administrative communications forms optimized for Y, Z generations: In order for the policies and programs published by the administration to arrive to younger generations, communication should be delivered in a way that result attractive. Designing the information platforms in an easy to understand and intuitive way, design the procedures minimizing waisted time for the users etc is a key requisite nowadays for policies to be delivered to Y,Z Generations.

Section 8: Awareness Rising and Motivation

(a) Key Findings

In Ljubljana there are several motivated stakeholders with good ideas. It is difficult to communicate with each other. The Ministry of Cultural is really open for the activities.

(b) Recommendations

Social awareness of the CCI's: During the peer reviews its was pointed several times that the Centre for Creativity (CZK) can be a good “starting point” to claim the relevance of the sector and create a spillover effect on a social level. We concur with this affirmation however, it is obvious that the rise of awareness about the value from CCI's to business and social development can't be modified on the collective mindset through a single initiative. There should be an extensive program of small actions and happenings that might be coordinated by a single entity such as the CZK, but that they occur in distributed spots along the city. It's the continues repetition of CCI's small activities that will eventually lead, after some time, to a social mindset change. Furthermore, all agents related to the cultural and creative sector should be involved in the program and contribute also in terms of communication.

Organizing **information programs** promoting the strategy in the educational area can increase the awareness of the local residents. In addition, it is proposed to involve those organizations working in the CCI for the implementation of the Creativity Center, who have also been working for several years in the field. The Creative Center should organize more study visits for the stakeholders to keep on their motivation.

Section 9: Internationalization

(a) Key Findings

The internationalization level is low. The members of the CCI sector are working on their own. Some of them has national partner but mostly they produce for the internal market.

(b) Recommendations

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Slovenia/The Creative Center should build an **own brand in the startup world**, a lovable environment in the EU with affordable living costs. There are several potentials in the field. A worldwide campaign can help to became well known the Slovenian CCI sector.

CCI's industries, as other sectors, have specific characteristics that should be carefully understood to develop useful policies and strategies. In many areas of the CCI's young entrepreneurs and Start Ups are already working in collaboration with other international partners due to several reasons, among which is clear that younger generations have wider international connections as a result of studying abroad, the use of social networks and so on. How can we make use of that international network that's already there? How can this be empowered and foster new connections by the public administration? Internationalization is of course an Outside – In and Inside – out process of visiting international fairs, creating exploratory missions to learn best practices from leading countries, helping to export products and services in Europe and worldwide, but not only. As said before, there are probably a lot of existing international connections to build upon and strengthen. On the other hand, more mature areas of the CCI's could learn from the younger generations how to work, communicate and collaborate with international partners, share contacts etc.

Section 10: Conclusions

According to our experience during the visit, the CCI strategy and the reality had some differences, especially in the field of communication. It would be beneficial to organize workshop, it could strengthen communication and the connection between the decision-maker and the sector. The second step is to improve the communication to the generation Y and Z. They are using new mobile technologies to get information from the virtual space. The situation is the same in the education, they do not speak the same language. The organizations of the old creative industries are living and working separated from the Creative Center, there is no knowledge transfer. The stakeholders are deeply involved and motivated about the creative industry, they have big tacit knowledge about it, so we suggest involving them closer into the strategy. We think that the project Creative Center is not recognizably different from the Creative Center as the institution, so it makes it harder to specify who should be executor of the suggestions.

The budget must be transparent, how it is used, how it would be beneficially for the CCI sectors. Without this the communication gap and anger that we felt from the entrepreneurs during our visit would remain in the future.

We missed that there was no presentation about the existing resources.

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The program was design and architect oriented, it would be beneficially to have the same focus on the other sectors of the CCI.

There was presentation about the effects of the creative industries on the economy, like on the labor market, the decision-maker pointed us a different view than the local players.

It would be useful to examine why the bottom-up initiatives fading so quickly. Is there a space for the young ones who are involved in the underground scenes where they can create art?

The danger of globalization arrived at Slovenia, with the new urban crisis, with AirBnB and the budget airlines. The old city center(s) became a target destination for tourists, so the young generations of the locals could not be found in the downtown. The suburbia misses the infrastructure to bring together the creative youth, so the creative community is also fading. It would be necessary to examine of the creative spaces and give more focus on organizing local communities. We also think this effect of the globalization has a positive side, the cultural tourism should be also in the focus point.

Section 11: Attachments

Please list which documents were studied by the peer review team prior, during or after the review visit (e.g. Operational Programme, State of Art Report, Roadmap, local development programs, etc.).

- State of Art
- Roadmap
- Document on S4 Strategy
- Operational Programme (extract)
- Information on Creativity Centre

CRE:HUB

Policies for Cultural Creative Industries: the hub for innovative regional development

ANNEX 2

CHECKLIST

Checklist	Yes / No / N/a	Notes
1. Regional strategy		
1.1 There is clear strategy for CCI, supported by specific objectives and indicators: - national level - regional level	YES	The strategy for CCI appears to be clear for the regional level, not so much for the national level.
1.2 Region has clearly defined its CCI sectors	YES	Through the document Stare of Art of the CCI Sector in Ljubliana Urban Region.
1.3 Job creation appears as a priority in this strategy.	YES	In the Slovenian Smart Specialisation Strategy, the CCI are mentioned as “an opportunity as these industries are developing faster than other segments of the national economy” therefore growth and job creation are considered.
1.4 Progress is regularly assessed against its objectives and measures outcomes	N/a	
1.5 Different sources of funding are employed to support the implementation of the strategy.	YES	
1.6 There is an SME/Start-ups strategy in CCI sector, supported by specific objectives and indicators (measures to sustain / boost	YES	SMEs are deeply analysed in the Starte of Art of the CCI Sector in LUR report. However they don't mention specific objectives and indicators.

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	creation of companies).		
1.7	The different regional strategies are clearly coordinated, also with national and other levels.	N/a	
1.8	The regional strategy takes into account sustainable development objectives.	YES	In Slovenian S4 they specifically mention sustainable development as one of the four key objectives.
2.	**Education, skills and capacity building**		
2.1	There is an appropriate connection between universities and business environment: companies find the manpower they need and students find the job they want.	NO N/a	Universities were absent in the peer reviews.
2.2 2.3	The region provides instruments to support education in the CCI sector.	N/a	
2.4	Demand and offer fit on the regional market (regional workers find jobs and regional companies find the necessary human resources, all this in the region)	YES	The high concentration of creative professionals in LUR and specifically in Ljubljana can result in difficulties for companies outside the region to find the desired profiles.
2.5	Measures have been set up to limit the migration of the necessary workforce out of the regional territory.	N/a	
2.6	There is an equal opportunities policy regarding employment in the region.	N/a	

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3.	**<u>Favourable business environment</u>**		
3.1	The region has a clearly identified innovation anchor(s).	YES	For example in Software&Games industries the share of employment has increased from 19% in 2009 to 33% in 2015,
3.2	Clusters, accelerators, science parks and other innovation hubs are present and act as support instruments.	YES	They are working on it.
3.3	Intermediary organisations (such as Chambers of Commerce, Business Associations, innovation agencies ...) play an active role in fostering CCI in the territory.	N/a	They should be empowered to gain critical mass in the CCI.
3.4	Knowledge Providers (universities, research and innovation centres) cooperate / network efficiently with companies.	N/a	Not enough to our understanding. Weak cooperation has been indentified as one of the weaknesses in the S4.
3.5	Existence of a diversified business environment (big/small/old/new companies).	NO	The vast majority of CCI SMEs are very small.
3.6	Jobs in the CCI sector are available throughout the region's territory (as opposed to only in certain areas).	N/a	
3.7	The business environment is active to support CCI.	N/a	
3.8	Existence of private financial actors (venture capitalist, business angels, seed funds…).	YES	

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4.	**Partnerships and networking**		
4.1	The regional authority has an active role in fostering partnership between CCI stakeholders. (companies, clusters, innovation and research centres, universities)	N/a	They are working on it.
4.2	The regional authority is itself involved in this partnership and works closely with existing stakeholders.	NO	They are working on it.
4.3	If applicable, the CRE:HUB partner has an active role/is involved in the existing partnerships between innovation stakeholders.	YES	
4.4	Involvement of other stakeholders such as Chamber of Commerce, trade unions, employment agencies in different projects, cooperation…	YES	
5	**Access to finance**		
5.1	The financing for CCI businesses development is available and easily accessible from commercial banks.	YES	
5.2	Regional authorities are providing financial support for the CCI businesses development.	YES	
5.3	The regional authority has established schemes and/or instruments to support CCI companies that create jobs, through	YES	It's been taken into account in the Roadmap.

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subsidies/taxes or other benefits.		
5.4 The regional authority monitors the creations/disappearances in companies that receive public support through subsidies/taxes or other benefits.	YES	
<u>6. Administrative and technical issues</u>		
6.1 There aren’t any administrative and technical barriers for CCI business development.	YES	Lack of understanding of the sector in the public administration from the perspective of some professionals in the field.
6.2 National/regional level regulations support the CCI development.	YES	
6.3 Administrative burden for starting and running CCI businesses isn’t too big even in the case of microenterprises and individual businesses.	YES	Apparently processes for starting a business are quick and simple.
7. Awareness rising and motivation		
7.1 There are national/regional level public awareness rising activities related to CCI development.	YES	
7.2 There is a clear definition for CCI in the country/region.	YES	
7.3 Motivation and incentives for CCI development.	YES	

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8. Internationalization		
8.1 Involvement of the region and/or CCI stakeholders in local/interregional, national, international cooperation projects/agreements.	YES	
8.2 Education, training and consulting.	YES	
8.3 Financial incentives. i.e. export credit guarantees etc.	YES	
8.4 Motivation, support instruments and incentives for CCI businesses to go international.	YES	

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