



## 1. Summary

The lion's share of the work the enterprise team involves preparation, analysis and dissemination of SBA assessments in three partner country regions (pre-accession, Eastern Partnership, Southern Neighbourhood) with country-based follow-up action lines set against on expertise and financial resources available.

A second area will be the compilation of good practices (training for SME internationalization) and dissemination. Further, a next phase of development in the ETF good practice drive will focus on adapting the digital tools for use at national level within ETF partner countries as well as establishing new knowledge and first tools to promote skills development within a smart specialization paradigm.

Expertise support to the European Commission includes developments on entrepreneurship key competence and women's entrepreneurship as well as supporting the elaboration of larger scale actions to be financed by the European Commission, as follow up to the ETF's SBA analyses and recommendations.

## 2. Progress to date and lessons learnt

ETF has pioneered evidence-based policy tools across 22 partner countries in three areas: a) lifelong entrepreneurial learning, b) women's entrepreneurship and c) skills for SMEs.

As a follow-up to SBA assessments, the ETF provides country support to policymaking and implementation.

Key developments from the team's work and lessons learnt include:

- *skills, competitiveness and EU external policies*: skills development policy dialogue should not parallel but be couched within a wider economic development framework; and particularly set against the wider economic cooperation objectives agreed between the European Union and partner countries. Connecting ETF activities to the competitiveness agenda in each partner country will directly contribute to wider EU external policy interests.
- *policy-practice disconnect*: while policy support remains an important feature of ETF's work, particularly to ensure a sustainable and enabling framework for human capital development, translating policy into practice is important in determining viability of policy. Training communities have an important role in road-testing policy recommendations, evaluating performance and feed-backing to governments on what works well in training. However, training communities and policymakers work in ghettos. ETF's work in Tunisia demonstrates why mechanisms to support dialogue, good practice sharing and joint agenda setting are necessary. And ETF has an important facilitation role in this dialogue and supporting a policymaker-practitioner agenda.
- *key competences*: key competences will be a primary factor in VET developments as businesses and the economies in which they operate evolve towards more flexible models of market transition. Given that ETF partner

countries are already in transition mode, accommodating the EU's key competence agenda provides an important opportunity for countries ready to move forward with the key competence agenda. ETF's engagement within the wider key competence developments at EU level has allowed for inputs into policy development (e.g. EntreComp) and has helped leverage policy interest and response from partner countries. Engagement in the wider key competence discussions alongside the demands for the new economy within the Small Business Act for Europe has additionally opened discussion with a number of partner countries (e.g. Ukraine, Bosnia and Herzegovina, Georgia) on the opportunity in co-working both the entrepreneurship key competence (EntreComp) and the digital key competence (DigComp).

- *Making more of good practice*: an ETF external evaluation has recommended that while ETF good practice developments go further by allowing partner country policymakers and training providers to adapt and employ the ETF tools for use at national level. This recommendation is followed up in this implementation plan.
- *Smart specialization*: a growing interest in smart specialization particularly in a number of pre-accession countries reflects an objective of EU regional policy, towards which partner countries will evolve, to maximize the innovation potential generated through public-private sector cooperation and particularly the contribution of businesses and the research community to high-value creation in the economy. High-level skills must feature in this dynamic. This implementation plan will build on earlier work within ETF on smart specialization and focus particularly on the role and potential of a more developed skills debate within the wider smart specialization dynamic in one country – Serbia.

### **3. New opportunities, challenges and risks**

Increasing EU political interest in the entrepreneurial learning agenda provides an opportunity to ETF given the policy headway and experience that it has developed to date. Growing demand, however, from partner countries for support in the area is challenge given the team's resources. Nonetheless, ETF should continue to build on its reputation as international leader on entrepreneurship competence developments. Moving from policy to implementation will require attention to determining how the Entrepreneurship Key Competence Framework can be effectively adapted to national training systems in partner countries, including implications for teacher training, in particular.

The opportunity through our SBA work is to knit our expertise and support more closely into the competitiveness agenda for each country. This includes the role of vocational training within smart specialization which features in the revised SBA assessment instrument for the pre-accession region. Ensuring relevance between the ETF's skills support agenda and each partner country's trade relationship (pre-accession, East and South) with the EU presents an important opportunity given that trade is the foremost of objective of the EU's political agreements with our partner countries.

The ETF's SBA 5-step model of policy development and its indicator package will become less of a feature in ETF work as we will have to accommodate an OECD questionnaire model for upcoming assessments. This revision of SBA tools moves away from a capacity building to a policy monitoring objective. The revision raises that risks that ETF's SBA capacity-building objective will be diluted.

#### 4. Key priorities for 2018

A first priority of the enterprise team is **evidence-based policy analysis** primarily through the SBA assessments.

A second priority is **capacity building** through more strategic good practice promotion with a particular focus on how both policy makers and training providers can accommodate the SBA human capital recommendations. This includes a new focus on how existing ETF good practice tools can be adapted for use by governments and training providers in-country.

Thirdly, **support to European Commission** (including JRC) involves inputs to Commission working groups and initiatives as well as expertise to delegations for the design of EU support programmes.

A final priority is **dissemination** of policy assessments through country and regional networks.

#### 5. Expected Outcomes 2018

The primary outcomes of the 2018 activities are as follows:

- progress achieved in partner countries implementing SBA human capital recommendations
- partner countries develop mechanisms to identify and share good practice in training.

The outcomes are related to the following functions.

##### a) Evidence-based policy analysis

- Seven country assessments across three training areas (entrepreneurial learning, women's entrepreneurship training and SME skills) in the pre-accession region, with an overall regional analysis, including recommendations for improvement by country for each of the three areas;
- Agreement on approach and tools for the next SBA assessment in the Eastern Partnership region with international partners (GROW, OECD, EBRD), including a calendar for assessments to be undertaken in 2019;

##### b) Capacity Building

- A recognised mandate and cross-stakeholder capacity in Montenegro for policy analysis and prognosis related specifically to EU policies (e.g. ERP, SBA, Riga)

including monitoring and reporting responsibilities (e.g. relevant accession chapters).

- In response to new education legislation in Ukraine, a) improved capacity of curriculum specialists including teacher training in addressing key competences (entrepreneurship and digital) in Ukraine including the upgrading of the new competence-based education standards for upper secondary education and VET and b)
- Reinforced policy commitment to entrepreneurship in VET in Tunisia through integration of VET entrepreneurship developments within a wider entrepreneurship policy framework. Capacity at school level for entrepreneurship promotion will be extended to a wider network of VET schools.
- A first set of good practices specifically addressing SME interests for internationalization, including policy-practitioner dialogue resulting in specific guidelines for policymakers and training providers to improve quality of training.
- A revised good practice scorecard and support tools for policymakers and training providers to use within ETF partner countries, and addressing women's entrepreneurship with possibility of extension to other policy areas (e.g. youth entrepreneurship).

#### **c) Support to Commission**

Expertise support to the European Commission and delegations will have the following outcomes:

- Improved understanding, ownership and capacity of stakeholders in BiH to dialogue and elaborate plans for reform and modernization in the state-wide learning eco-system with specific reference to the entrepreneurship and digital key competences;
- Inclusion of entrepreneurship and digital key competence within a wider skills development programme in Georgia to be supported by the European Commission in 2019;
- Subject to request by the Commission, formulation of an entrepreneurship development line within a wider youth development programme.
- Through engagement and support to its working groups and initiatives, continued recognition by the Commission of the added-value of ETF expertise to its work.

#### **d) Dissemination and networking**

Key European Commission and ETF networks updated on all developments pursued through the team's SBA policy support and capacity building activities.

## **6. Actions and outputs for 2018**

This section provides an overview of the key activities of the team. See Figure 1.

The activities are broken by the specific objectives of the Single Programming Document (2017-2020) broken down by ETF core functions a) evidence-based policy analysis, b) capacity building, c) support to the European Commission and d) knowledge dissemination and networking.

## **6.1 Evidence-based Policy Analysis**

Firstly, the team will support SBA assessment drives across three regions.

### *Pre-accession Region*

This assessment cycle will involve:

- multi-agency planning and coordination led by DG GROW;
- participating in national SBA launch meetings, introduction of new indicators and assessment method (self-assessment and focus groups);
- facilitation of 3 focus groups in each country reflecting the three ETF policy themes (entrepreneurial learning, women's entrepreneurship and SME skills);
- dialogue and finalisation of assessment conclusions, scoring and recommendations;
- drafting of country-specific chapters and regional assessment for three thematic areas (timing to be defined but likely to run into 2019);
- integration of SBA assessment findings into wider ETF and Commission monitoring and reporting activities (e.g. ERPs, Riga).

### *Southern Neighbourhood*

- Finalisation of drafting SBA 2017 assessments for integration within wider SBA publication (GROW, OECD, EBRD);
- Official launch of SBA report (Q1/2) and dissemination at national level through ETF networks and events.

### *Eastern Partnership*

- Dialogue and planning with DG GROW, OECD and EBRD on the 2018 SBA assessment drive for the Eastern Neighbourhood and launch of process in Q3/4 with in country stakeholder mobilization and calendar for focus groups in 2019.

Secondly, a cross-regional review of policy intelligence and tools specifically addressing women's entrepreneurship will allow for a more focused position paper in this area and will be accompanied by support tools for policymakers, SME agencies and training providers. See section 6.2 (b).

Finally, set against the Trieste conclusions for the pre-accession region, the team will explore issues and options for promoting skills through wider policy developments specifically addressing smart specialisation. This will involve,

- knowledge build-up on skills link to smart specialisation in EU lagging regions (low-income and low-growth regions);
- relationship building with JRC as the lead actor on smart specialization and connecting into JRC's network of events in candidate countries;

- dialogue with different smart specialisation stakeholders in Serbia and a concept note for potential pilot action in 2019.

## 6.2 Capacity Building

Activities with a capacity-building objective fall under two pillars, a) customised support to partner countries and b) good practice developments.

### a) Customised support to partner countries

#### *Montenegro*

To date, ETF has supported the mobilisation and capacity building of a national partnership to bring forward developments in entrepreneurial learning including providing support to national policy monitoring.

The objective in 2018 is that the national partnership will have a mandate from national stakeholder institutions to monitor and report on national policies relevant to the entrepreneurial and enterprise skills agenda.

Capacity building activities are planned for the following areas:

- *Economic Reform Programme*: monitoring, reporting and recommendations to government on entrepreneurial learning, women's entrepreneurship and SME skills;
- *Riga*: monitoring, reporting and recommendations to Government on developments in-country particularly on the entrepreneurship key competence;
- *SBA*: lead the compilation of the SBA 2017 self-assessment, act as a dialogue partner for completion of the assessment, and ensuring evidence to meet the demands of the SBA instrument (human capital areas);
- *Accession Chapter 20*: Enterprise and industrial policy: monitoring, reporting and recommendations to Government on developments in-country particularly on the SME skills and good practice including supporting Ministry of Economy on the skills dimension of its regional industrial strategy work led by the RCC. The partnership will additionally contribute to the elaboration of a new SME Strategy;
- *Accession Chapter 19*: Social policy and employment: Supporting the national Employment Service in ensuring progress and constraints in implementation of the entrepreneurship components of national employment strategy are addressed.

Additionally, the national partnership will continue its advocacy work for youth entrepreneurship building further on the Trieste conclusions of the Berlin Process. This will also feature within an updated strategy for the partnership.

ETF will liaise with the Montenegrin authorities to determine interest and readiness to take a leading role at regional level on entrepreneurial learning set against the dilution/winding down of SEECCEL activities and the increased EU and regional interest in youth and entrepreneurship (Trieste).

#### *Ukraine*

To date, ETF has supported the Ukrainian authorities through building awareness and piloting of the EU key competence policy, and in particular the potential of the

European Entrepreneurship Key Competence Reference Framework (EntreComp) to bring forward curricula and teacher training developments under the policy framework of New Ukrainian School reform. The application of the EU's EntreComp with ETF's support will be co-worked in Ukraine with DigComp and will support the design and adoption of the new education standard and curricula framework featuring the EU key competences and applying "integrated learning outcomes approach". In September 2017, the Government adopted new education legislation prepared with ETF's support and reflecting the EU key competence policy recommendations. A new "Strategy for Small and Medium Enterprise Development in Ukraine until 2020" had been prepared with inputs from ETF and adopted by the Government of Ukraine in 2017, featuring entrepreneurship key competence and the link to education sector developments. All these steps specifically follow recommendations from the 2016 SBA assessment report for the country.

The objective of ETF work in Ukraine in 2018 is twofold. Firstly, to bring forward competence based education developments and integration of entrepreneurship key competence into the education curricula and teacher training set against the most recent SBA recommendations. Secondly, to reinforce implementation of the new policies and legislation to support coordinated efforts of various parts of the Government and their partners in the implementation of life-long entrepreneurial learning.

Activities include:

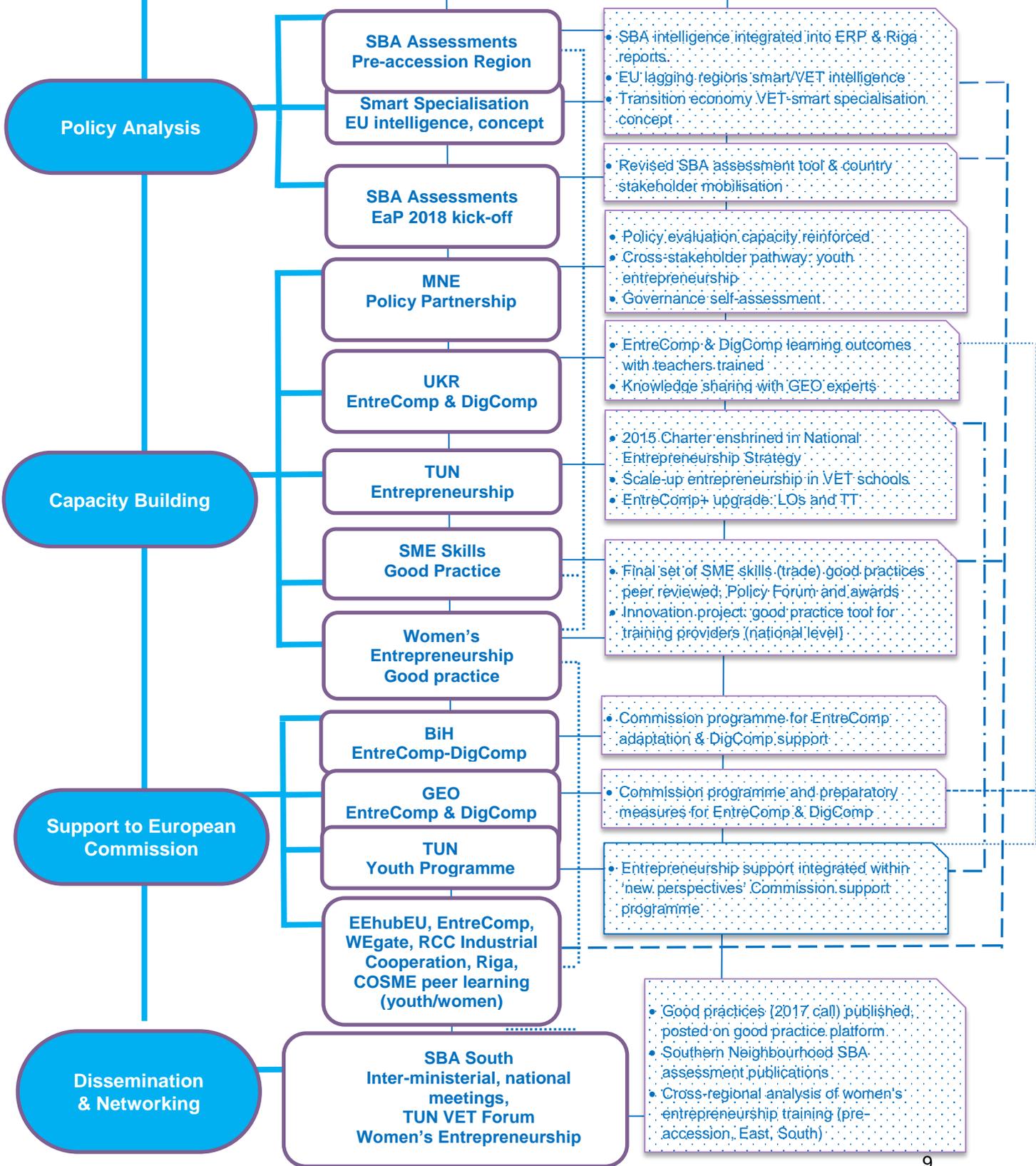
- support to the design of learning outcome-based standards, curricula and teacher training materials integrating entrepreneurship key competence and set against the provisions of the European Entrepreneurship Competence Framework (EntreComp) and the European Digital Competence Framework (DigComp).
- training of trainers in In-service Teacher Training Institutes in all 25 regions on the application of EntreComp and DigComp, followed by training of teachers and pilot activities in the schools selected jointly with Ukraine's authorities. At least 75 teacher trainers will be trained, and at least 25 schools will be involved in the pilot activities.

Additionally, the project will have coordinated actions to support peer-learning between Ukraine and Georgia, allowing to share knowledge and experience developed in Ukraine in the course of implementation of competence-based approach with the Georgian experts as groundwork for elaboration of the Georgian skills development programme (see Support to European Commission, section 6.3 below)

Figure 1: Intervention Logic of the 2018 Strategic Project

# Single Programming Document 2017-2020

## Specific Objective 5 Entrepreneurial learning and enterprise skills €300,000



## *Tunisia*

To date, ETF has supported Tunisia in building a National Charter for Entrepreneurial Learning in VET developed on the basis of national good practice, including the introduction of entrepreneurship as a key competence into VET courses and the set-up of a platform for exchange between stakeholders on entrepreneurial learning.

The objective of ETF support to Tunisia is to reinforce national policy and capacity in the VET system in the area of entrepreneurial learning set against the provisions of the Small Business Act for Europe.

Activities include:

- *Policy reinforcement:* dialogue, adaptation and integration of the provisions of the entrepreneurial learning charter within wider National Entrepreneurship Strategy to include training provision within the VET system as a factor in counteracting and coping with start-up failure;
- *Scale-up:* building on results of 2016/2017 piloting of entrepreneurial learning in VET schools as well as recommendations from the 3rd National Forum on Entrepreneurship in VET, adaptation and extension of support to other VET trainers and students with results brought into the 4th National Forum for Entrepreneurship in VET in November 2018;
- *Mainstreaming:* elaboration of a national plan for implementation of the VET entrepreneurship developments across all vocational schools
- *Electronic Platform:* support to VET schools (teachers and pupils) on knowledge sharing on entrepreneurship developments through social media including dissemination of results and recommendations for entrepreneurship in VET from the 2017 SBA assessment.

## **b) Good Practice Developments**

To date, ETF has developed a good practice scorecard that has been applied to three categories of training, i) youth entrepreneurship, ii) women's entrepreneurship and iii) SME skills. The scorecard is backed up with guidelines for a) policymakers to refer to good practice in policy developments; and b) training providers for self-assessment and quality assurance purposes. The guidelines also encourage dialogue and knowledge sharing between policymakers and the training community. Further, the scorecard has been adapted to promote national policy developments (e.g. Tunisia, Montenegro).

In 2018, ETF will hold a Policymaker-Training Provider Forum specifically to review results of a 2017 open call for good practice in training on Skills for Internationalisation of SMEs. The primary output from the Forum will be SBA policy guidelines for partner country governments in improving training support for SMEs trading or with potential to trade with the European Single Market, and internationally. Good practices will be published and posted on ETF's good practice platform. The good practices and the Forum guidelines will additionally be fed into the following Commission-led regional initiatives a) South East Europe Working Group on Industrial Policy, b) the Working

Party on Euro-Mediterranean Industrial Cooperation and c) Eastern Partnership Platform 2 (Economic integration & convergence with EU policies).

Also in 2018, a new development line in ETF's good practice development area will focus on adapting the ETF good practice scorecard for use by policymakers and training communities in partner countries, in particular. This reflects recommendations from a) external evaluations in 2015 (thematic policy area)<sup>1</sup> and an ETF-wide evaluation on the need for ETF to extend its SBA support beyond government policy support to grass roots stakeholders including training providers and SMEs<sup>2</sup>; and b) proposals for development of digital innovation in ETF's work.<sup>3</sup>

The adaptation of the scorecard for digital applications by partner countries will dovetail with a wider review of developments in women's entrepreneurship development in ETF partner countries borrowing specifically on the key findings from the most recent SBA analyses in three regions (pre-accession, Eastern Partnership and Southern Neighbourhood).

More specifically, the following actions are planned for 2018:

- adaptation of ETF good practice scorecard to a telematic format for self-assessment purposes by the training community and a peer review tool for use by national SME agencies. This will result in separate but complimentary tools for road-testing in 2019;
- dialogue with SBA coordinators through regional SBA fora to identify one national SME agency from each of the ETF SBA regions (pre-accession, Eastern Partnership, Southern Neighbourhood) and agreement for project cooperation and coordination for road-testing phase in 2019. Capacity building of the SME agencies for undertaking;
- good practice peer reviews will also feature in the road-testing phase. The three countries will run a national call for good practice using ETF nationally adapted digital tools;
- in 2020, experience from the process will be reviewed with options for regional calls and an overall cross-regional call to be led by ETF which featured in the report on Digital Innovation, as well as extending the digital tools to other target groups e.g. youth entrepreneurship training.

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<sup>1</sup> ETF (2015). Evaluation of Entrepreneurship and Enterprise Skills development in ETF partner countries. European Training Foundation, Turin. ICON Institut. November 2015.

<sup>2</sup> European Commission (2016). External Evaluation of the European Training Foundation (ETF). Framework contract: EAC/22/2013, European Commission – DG Education and Culture. Final Report. EFECTIV Consortium September 2016

<sup>3</sup> European Training Foundation. Digital Innovation. 28 February 2017.

For ease of reference and coherence with other areas to be supported in 2018, the digital innovation component of the good practice project will interface with a wider review of ETF work on women's entrepreneurship including:

- cross-regional analysis of SBA intelligence on women's resulting in an ETF publication including good practices already known to ETF.
- an updated policy brief on women's entrepreneurship training, capturing key issues from the cross-regional analysis and recommendations specifically targeted at policy makers from the ETF regions;
- an updated ETF position paper on women's entrepreneurship training building on the cross-regional intelligence and analysis with a more developed focus on policy advocacy.

Finally, building on the success of the 2016-2017 good practice calls for entrepreneurship key competence, a further call will be held for ETF partner countries with a view to 'The Torino Process Award for Entrepreneurship Key Competence' being conferred by Commissioner Thyssen at the awards' ceremony of the European Vocational Skills Week hosted by the Austrian Presidency in November 2018.

### **6.3 Support to the European Commission**

To date support from the team to the European Commission has focused primarily on policy concerns and developments at EU level particularly through EU working groups. This support will continue in 2018 but will include expertise inputs to work of the European External Action Service.

#### *Georgia – bridging assistance for the entrepreneurship and digital key competences*

Set against the recommendations from the 2016 SBA assessment report and a request from the EU delegation to support the elaboration of a skills development programme scheduled to run 2019-2022, the team will

- contribute to the design of EU support programme in the Republic of Georgia "Skills Development and Matching for Labour Market Needs": entrepreneurial learning and entrepreneurship training accessible in the selected regions;
- provide support to the Government and build capacity of local stakeholders and experts during the interim period 2018-2019 in defining practical measures on the development of entrepreneurship key competence in upper secondary general education and VET. This work will involve co-working EntreComp and DigComp, with a particular focus on curricula and teacher training.

#### *Bosnia & Herzegovina – dialogue, planning for entrepreneurship & digital key competences*

The team will support a series of round-tables in BiH whose objective is to determine issues, options and commitment to bring forward key competence developments set against the European Commission's EntreComp and DigComp policy support tools. The round tables will be BiH-driven and technically supported by a local expert building on the success of 'local' approach within the most recent Torino Process review. The round tables would include follow up tasks for table members as follows:

- mapping of both competence areas across the various parts of the state

- cross-referencing competences against the EU's EntreComp and Digcomp
- identification of good domestic practice particularly with joint 'comp' applications as well as mutually reinforcing phenomena (e.g. teacher support, learning outcomes, assessment arrangements)
- proposals and recommendations for next step state-wide developments.

*Tunisia – expertise inputs for elaboration of a youth development programme*

The European Commission will elaborate a programme on youth development in 2018.

Subject to a formal request from the Commission, the team provide inputs to the design of this programme with a particular focus on entrepreneurship promotion through non-formal learning. This will borrow specifically on DG EAC work and recommendations in this area and where ETF made a contribution in 2017.

*Support to Commission working groups and Commission-supported initiatives*

- DG EMPL: ETF expertise to developments on the Entrepreneurship Competence Frameworks as well as reviews of the candidate country 'Riga' updates. In particular, a) feedback and input to implementation of EntreComp and its relevance to entrepreneurship competence developments; b) participation and facilitation in activities and events on the use of EntreComp and DigComp;
- DG NEAR: supporting a) the Working Group on Industrial Policy in the pre-accession countries coordinated by the Regional Cooperation Council; b) Platform II of the Eastern Partnership on entrepreneurial learning and women's entrepreneurship; and c) the Euro-Mediterranean Working Group on Industrial Cooperation;
- DG GROW: a) expertise inputs to the final phase of the EU entrepreneurship hub (EEhubEU) and the Women's Entrepreneurship Platform Advisory Board; b) facilitation of COSME 2018-2020 peer-learning workshops in the areas of entrepreneurial learning and women's entrepreneurship, where a number of partner countries are eligible to participate.

## **7. Knowledge Management, Communication and Dissemination**

***Knowledge Management***

The team's efforts to share knowledge will be addressed as follows:

- *Policy Watch*: all new EU policies in the areas in the following areas will be screened, summarised and added to the 'policy watch' knowledge area on ETF's connections platform area.
- *Good practice platform*: peer reviewed good practices will be posted on the good practice platform as well as shared with DG GROW which has expressed interest in the outcomes of the good practice call.
- *In-house knowledge-sharing*: cappuccinos (in-house) will ensure opportunities for ETF staff to be updated on latest developments in the team's work as well as invitation of experts to ETF for exchange of knowledge and experience.
- *Social media*: the team will continue to share materials and engage discussion on its policy areas through Twitter.

## **Communication**

The primary communications activities include:

- *Publications*: the SBA assessments for the Southern Mediterranean will be included in an overall publication of the European Commission, OECD, ETF and EBRD.
- *Good practice platform*: ETF will publish the a good practice compendium, a women's entrepreneurship advocacy report and a 'quick read' policy guidance note on women's entrepreneurship training.
- *Webnote alerts*: more critical policy tools and news on the team's activities will continue to feature in an email alert system disseminated through the team's database comprising individuals and organisations with interest in the team policy area;
- *Social media*: the team will continue to share materials and engage discussion on its policy areas through Twitter.

## **Dissemination**

Key areas for dissemination of key products from the team's work are as follows:

- *SBA report – Southern Neighbourhood*: analysis and recommendations from the 2017 SBA assessment will be disseminated through a dedicated regional ministerial meeting as well as through the Euro-Mediterranean Working Party on Industrial Cooperation.
- *Good practices on training for SME internationalisation*: the good practice compendium will be disseminated through the
  - South East Europe Working Group on Industrial Policy
  - Euro-Mediterranean Working Party on Industrial Cooperation.
  - Platform 2 Eastern Partnership (Economic Convergence)
  - SBA Coordinators (3 regions)
  - SME Envoys (EU and candidates)
  - European Enterprise Network
- *Women's entrepreneurship publications*: the women's entrepreneurship advocacy report and policy tool will be disseminated in 2019 through the Eastern Platform women's entrepreneurship laboratory and other regional events.

## **8. Monitoring and evaluation**

Monitoring of the implementation plan will be monitored through the ETF in-house quarterly reporting mechanism.

Monitoring progress of countries on the team's three primary policy areas will continue using the SBA policy indicators. A review of the new SBA indicator format applied in the pre-accession region in 2017 will allow for options to be considered for the Eastern Partnership region's SBA assessment drive in 2019.

There are no evaluations planned for 2018. Nonetheless, proposals for an external evaluation of the work in the strategic policy area should be discussed including options for more focused evaluation in select areas of work as opposed to the standard blanket evaluations which have brought little value to the team's area of work.