NICE
Net Zero Industrial Cluster Exchange

CONFERENCE SUMMARY

2ND NICE CONFERENCE ON SME LOW-CARBON DEVELOPMENT AND BUSINESS ATTRACTION

20 June 2023

The Net Zero Industrial Cluster Exchange (NICE) had its second conference on 20 June 2023, where policy and business partners from seven European countries and academic experts discussed on the topic of low-carbon entrepreneurship and SME development.



Figure 1 – Photo of some of the participants of the 2nd NICE conference on 20 June 2023 at the EnergyVille building at Thor Park, Genk, Belgium.

GENK, 20 June 2023. The second NICE conference was held on Tuesday 20 June 2023, from 9.30 to 15.30, at Thor Park in Genk, Belgium (conference agenda below). It was organised by the European Policies Research Centre (EPRC), in conjunction with Scottish Government and Michelin. The conference gathered 19 participants both in person and online (participants' list below), including policy and business partners from nine European countries, and academic experts from EPRC and the Centre for Energy Policy (CEP) of the University of Strathclyde, among others. The conference reviewed and discussed challenges and strategies for creating an enabling environment for SME low-carbon entrepreneurship, exploring constraints and opportunities related to policy, finance, and capacity. Session 1 focused on engagement with SMEs and entrepreneurs on low carbon and Session 2 on support services available. In the afternoon, a tour of Thor Park's EnergyVille and Incubathor was provided to delegates, demonstrating the infrastructure available for promoting an innovative environment for the low-carbon sector.

The conference kicked off with a welcome and introduction by Professor John Bachtler, co-director of EPRC. The **first morning presentation** was given by Hannah Corbett, Knowledge Exchange Fellow at CEP, who presented the NICE briefing paper co-authored with Dr Liliana Fonseca (EPRC) on "Enabling low-carbon entrepreneurship and SME development to drive a Net Zero future". Corbett discussed the constraining and enabling factors for creating a supportive low-carbon entrepreneurial environment. She highlighted that while there are no readily available solutions to the challenges, there are many practical examples of how transition is taking place, and the paper highlighted several of these from among the NICE network partner organisations. Key issues discussed include:



Figure 2 – Photo of attendants during intervention by Peter Keller and Julia Meisner (CleanTech) on networks between companies and universities for low-carbon entrepreneurship.

- An enabling environment for low carbon entrepreneurship (namely of SMEs) is created through policies, finance, collaboration, and innovation;

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- Both supply and demand-side factors can constrain or enable green entrepreneurship, which is also dependent on a particular political and economic context.

Session 1 focused on engaging with SMEs and entrepreneurs on low-carbon, with contributions from three NICE partner organisations on their marketing, strategies and projects – Michelin Scotland Innovation Parc, Green Hub Denmark and CleanTech in Germany. It was highlighted that change is often too fast for companies to manage, which makes it important for there to be support frameworks and services (policy, finance, training, etc.) available. Additionally, besides providing services, it is important to facilitate and signpost, that is, to create useful connections and act as convenors of expertise. The key role of stakeholder engagement and consultation was also highlighted, as well as the importance of developing and maintaining connections/networking.



Figure 3 - Intervention by Joris Merckx (Thor Park) on the services provided by the park.

Session 2 was devoted to the variety of support services provided for low-carbon SMEs among NICE partner organisations. This included contributions from SZ REDA in Bulgaria[1], the Local Government Association of Western Macedonia (Greece), and Thor Park (Flanders, Belgium). The main points outlined include problems around attracting investment and potential local resistance to new initiatives, which emphasise the need for communication and dissemination and distribution of benefits. Assessment of projects and progress, as well as valorisation, are also key aspects to consider for regional authorities, clusters, and science parks.

In the afternoon, attendants were led on a **site visit** of two buildings and organisations within the Thor Park structure: EnergyVille, which seeks to develop technology (e.g. batteries, solar PV, thermal systems, etc.) and knowledge to support public and private stakeholders in the transition to an energy efficient, decarbonised and sustainable urban environment; and Incubathor, which as the name suggests is an incubator that offers facilities and services for start-ups all the way to multinationals in the fields of smart energy, smart manufacturing, innovation and technology.



Figure 4 – Former mining structure incorporated into the new buildings of Thor Park. View in front of EnergyVille building.

Conclusions

Key takeaways from the conference include:

- **Defining and evaluating impact:** getting the right metrics is important. For example, i is not enough to measure the number of jobs without assessing their quality and location, and how local supply chains can be boosted.
- **Nurturing and sustaining complex ecosystems and sustaining partnerships:** this seems critical to the success of ventures. For example, getting the right balance of public/private funding.

[1] SZ REDA's presentation, while included in the agenda, was cut short due to technical issues. This was provided later in the form of a recording.

- **Engagement:** this is important to ensure that people understand and have a stake in initiatives, and there is a benefit to them. Pursuing and communicating impact is key.

- **Awareness:** we know that green transition is still perceived as a constraint by many companies. While most businesses are aware that climate change requires a rapid response, few have turned this into action, citing obstacles such as indifference, cost and complexity (e.g. BPI 2023 business survey).

- **Cost:** this is one of the most cited obstacles. There is a multiplicity of funds especially at EU level to finance green transition, with risks of crowding out and overlap. However, gaps remain, for example around venture capital funding for scaling up.

- **Capacity:** Also at EU level, the EC has stated that the biggest obstacle they have identified to green transition is capacity especially at the level of the project promoter/beneficiary of EU funding. Technical expertise is in high demand/low supply at all levels, for example related to climate proofing needed for some EU-funded operations or for projects demonstrating compliance with the Do No Significant Harm principle.

These themes all have in common the important role knowledge exchange can play – helping move awareness to action and building capacity.

Some questions pertaining to these emerging themes are highlighted to be addressed:

a) How have low-carbon entrepreneurship and sustainability-focused SMEs evolved in recent years? What motivates them?

b) What enables and incentivises low-carbon entrepreneurs and SMEs to contribute to sustainable transitions e.g., policy frameworks, funding mechanisms, capacity and skills development, other cultural and social factors?

c) What more needs to be done to create the right enabling environment and what should be the approach e.g., involving entrepreneurs and SMEs?

d) Are there examples of where approaches to low-carbon entrepreneurship and SMEs have worked particularly well? Why?

e) What more can be done to help low carbon entrepreneurs and SMEs measure their impact and contribution to sustainable transitions?

CONFERENCE AGENDA:
SME DEVELOPMENT AND ENTREPRENEURSHIP FOR THE TRANSITION

THOR PARK, 3600 GENK, BELGIUM

Room 15 - Sastanak

20 June 2023, 09.00-16.00

8.45	Registration
9.00	**WELCOME AND INTRODUCTION** • *Professor John Bachtler, European Policies Research Centre*
9.15	**CHALLENGES AND ISSUES FOR SUPPORTING LOW CARBON ENTREPRENEURSHIP & SMEs** • *Hannah Corbett, Centre for Energy Policy, University of Strathclyde*
9.45	**ENGAGING WITH SMEs AND ENTREPRENEURS ON LOW CARBON** Moderator: *Professor John Bachtler, EPRC*
	• **Marketing low carbon facilities to companies***, Sarah Petrie, Michelin Scotland Innovation Park, Dundee, United Kingdom* • **Green Transition in Danish SMEs: Low Carbon Business Models and Financial Implementation Aid***, Thilde Møller Larsen, Green Hub DK, Aalborg, Denmark* • **Building low-carbon networks between companies and universities**, *Peter Keller and Julia Meisner, CleanTech, Hallstadt, Germany*
	Q&A
11.00	Coffee break
11.30	**LOW CARBON SUPPORT SERVICES FOR SMEs** Moderator: *Hannah Corbett, CEP*
	• **Supporting SMEs in transitioning away from coal,** *Rumyana Grozeva, SZ REDA, Bulgaria* • **Online tools for evaluating SME investments***, Dimitrios Theodoridis & Pavlos Kilintzis, Local Government Association of Western Macedonia, Greece* • **Thor Park today and in the future - property, services, and training supporting low carbon entrepreneurship**, *Joris Merckx, Thor Park, Genk, Belgium*
	Q&A
12.50	**CONCLUSIONS** *Rona Michie & Liliana Fonseca*
13.00	Lunch
14:00	**STUDY TOUR OF INCUBATHOR & ENERGYVILLE**
16.00	Close

PARTICIPANTS

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*VIRTUAL ATTENDEES.