

D.1.2.4 - Recommendations for Improvement of Regional Policy Frameworks

CROATIA - Based on the Regional State of the Art Report

Introduction

This document provides recommendations for improving the policy instrument(s) and the wider policy support system for SME digitalisation in Croatia, with particular attention to territorial disparities between developed urban hubs and lagging rural/peripheral areas. The recommendations build on the findings of the Croatian Regional State of the Art Report, which maps the national policy mix (grants, vouchers, hubs, startup instruments), assesses implementation challenges, and identifies gaps in outreach, capacity, and uptake across regions and sectors.

Croatia has established a comprehensive strategic framework (e.g., Digital Croatia Strategy 2032 and the National Recovery and Resilience Plan), with several active instruments: Digital Transformation Grants, innovation commercialisation support, startup grants, the EDIH network, and an accelerator scheme, alongside a planned/ongoing Digital Vouchers Scheme. However, the report confirms that digital maturity remains uneven and participation in major calls tends to concentrate in stronger ecosystems (e.g., Zagreb and other larger urban centres).

The recommendations outlined below aim to strengthen the coherence, inclusiveness, and effectiveness of the regional digitalisation support system. They shall be discussed and validated by the Regional Stakeholder Group for the Digitrans project in Croatia, which will assess their potential to be translated into concrete action plans and pilot activities to be tested within Working Package (WP) 2 of the project.



Identified Gaps Between Urban and Rural Areas

The State of the Art analysis highlights interrelated gaps that influence the effectiveness and equity of the policy instrument(s):

- **Infrastructure and connectivity gap:** Rural connectivity remains weaker; the report notes rural very high-capacity network (VHCN) coverage at 25.5%, compared to an EU average of 55.6%, reinforcing territorial differences in readiness and uptake.
- **Access and outreach gap:** Awareness and reach of instruments and innovation services is lower among SMEs in peripheral regions and traditional sectors, risking concentration of innovation capacity in metropolitan areas.
- **Capacity and administrative gap:** More complex grant instruments show high demand but are harder to access for micro and low-capacity SMEs; the report highlights barriers such as documentation requirements, need for pre-application support, and lower visibility in rural/non-tech regions.
- **Skills gap:** Uneven distribution of digital skills and low adult lifelong learning participation create a structural barrier for rural and older SME workforces.
- **Sectoral gap:** Traditional sectors (e.g., agriculture, hospitality, construction, crafts) are underrepresented in some advanced instruments; voucher approaches are expected to be crucial for reaching these groups.
- **Implementation (“aftercare”) gap:** SMEs often need hands-on support beyond diagnostics; hubs and grant schemes require better integration with implementation and post-award support.

Recommendations for Improvement

Recommendation 1: Establish a unified “no wrong door” entry point for SME digitalisation support

To reduce fragmentation and improve accessibility, a unified national entry point (“no wrong door” approach) for SME digitalisation support should be established. This entry point should combine a central digital portal with a helpdesk or concierge function guiding SMEs towards the most appropriate instruments, including Digital Transformation Grants, Digital Vouchers, EDIH services, startup support schemes, and access-to-finance measures.

Expected impact:

- Simplifies navigation of a complex and fragmented support ecosystem
- Improves awareness and access for SMEs in rural and peripheral areas
- Increases uptake and more efficient use of existing policy instruments

Relevance for WP2:

This recommendation can be pilot tested through a digital concierge or advisory intake service targeting SMEs in less-developed regions.

Recommendation 2: Expand decentralised and mobile delivery of digitalisation support services

To address territorial imbalances, digitalisation support services should be delivered through decentralised and mobile formats that complement existing urban-based hubs. This includes travelling advisory units, temporary local desks, and partnerships with chambers of commerce, local development agencies, and municipalities to bring diagnostics, advisory services, and awareness-raising activities closer to SMEs outside major cities.

Expected impact:

- Improves physical and practical access to digitalisation support
- Strengthens local and regional innovation ecosystems
- Encourages participation of SMEs located in rural and peripheral areas

Relevance for WP2:

Pilot actions could include mobile “digital clinics” offering on-site digital maturity assessments and tailored roadmaps.

Recommendation 3: Introduce simplified digitalisation support bundles for micro-enterprises

Micro-enterprises face significant capacity and administrative barriers when accessing complex grant schemes. To address this, simplified support bundles should be introduced, combining small-scale grants or vouchers with mandatory coaching and implementation support to ensure effective adoption of digital solutions.

Expected impact:

- Reduces administrative and capacity barriers for micro-enterprises
- Increases effectiveness and sustainability of digital investments
- Particularly benefits rural SMEs with limited internal resources

Relevance for WP2:

This recommendation can be tested through a pilot “micro-grant or voucher + coaching” package targeting rural micro-enterprises in traditional sectors.

Recommendation 4: Strengthen the Digital Vouchers Scheme through diagnostics and quality assurance

To maximise the impact of the Digital Vouchers Scheme, it should be complemented by light digital diagnostics and quality assurance mechanisms. This includes ensuring a transparent and geographically balanced provider registry, linking vouchers to clearly identified SME needs, and conducting targeted outreach to traditional and rural sectors.

Expected impact:

- Prevents low-impact or poorly targeted digital investments
- Improves quality and relevance of supported services
- Increases voucher uptake in rural and underserved areas

Relevance for WP2:

A pilot could test a “voucher + diagnostics” pathway and compare outcomes with voucher-only support.

Recommendation 5: Strengthen integration between EDIHs and funding instruments

European Digital Innovation Hubs should be more strongly integrated with national funding instruments to provide SMEs with a continuous support pathway. Beyond diagnostics and training, EDIHs should

actively support SMEs in identifying suitable funding opportunities and during early implementation stages.

Expected impact:

- Creates continuity between advisory services and financial support
- Improves implementation success, especially for low-capacity SMEs
- Reduces the risk of failed or incomplete digitalisation project

Relevance for WP2:

Pilot actions could test a structured EDIH-led pathway from assessment to funding and early implementation support.

Recommendation 6: Promote advanced digital technologies through low-risk SME pilots

To prevent widening digital gaps, targeted support for advanced technologies such as artificial intelligence, cybersecurity, data analytics, and cloud solutions should be introduced through low-risk pilot projects linked to concrete SME needs.

Expected impact:

- Encourages experimentation with advanced digital solutions
- Prevents concentration of advanced adoption in urban hubs only
- Supports competitiveness and long-term resilience of SMEs

Relevance for WP2:

Mini-pilots focusing on applied use cases (e.g. predictive maintenance, cybersecurity basics) could be implemented in less-developed regions.

Recommendation 7: Link digital skills development to real SME implementation projects

Digital skills measures should be closely connected to concrete SME digitalisation projects. Training should be delivered in short, flexible formats and embedded within funded projects to ensure that new technologies are effectively used by employees.

Expected impact:

- Improves effective use of supported digital solutions
- Addresses skills gaps in rural and peripheral areas
- Increases sustainability of digital investments

Relevance for WP2:

Pilot actions could combine micro-training modules and mentoring with voucher- or grant-supported projects.

Recommendation 8: Introduce structured post-support follow-up and impact monitoring

A light but structured follow-up mechanism should be introduced after SMEs receive digitalisation support. This would allow identification of implementation challenges, provision of corrective advice, and collection of outcome data to inform future policy improvements.

Expected impact:

- Improves long-term effectiveness of policy instruments
- Prevents SMEs from disengaging after funding is awarded
- Generates evidence for policy learning and scaling

Relevance for WP2:

This recommendation can be pilot tested through follow-up check-ins and before/after digital maturity assessments for supported SMEs.

Role of the Regional Stakeholder Group



The Regional Stakeholder Group (RSG) plays a central role in ensuring that the recommendations identified through the Regional State of the Art analysis are grounded in regional realities and have a strong potential for effective implementation. Acting as a bridge between policy, practice, and project activities, the RSG will support the transition from analytical findings to concrete, pilotable actions within the project framework.

The Regional Stakeholder Group will play a key role in:

- **Validating the relevance and feasibility of the proposed recommendations**

The RSG will be responsible for **validating and refining the proposed recommendations**, assessing their relevance in relation to existing regional strategies, policy instruments, and institutional capacities. Through its multi-actor composition—bringing together public authorities, SME representatives, business support organisations, innovation hubs, and other relevant stakeholders—the RSG will ensure that diverse territorial perspectives, including those of rural and peripheral areas, are adequately reflected.

- **Prioritising actions with the highest potential for pilot testing**

The RSG will contribute to the **prioritisation of recommendations** by identifying those with the highest added value, feasibility, and transferability. This prioritisation process will take into account regional development needs, existing gaps between urban and rural areas, and synergies with ongoing or planned initiatives, in order to avoid duplication and maximise impact.

- **Supporting the co-design of WP2 action plans adapted to regional and territorial needs**

A key function of the RSG will be to **support the co-design of action plans and pilot activities** to be implemented under WP2. This includes providing input on the scope, target groups, governance arrangements, and expected outcomes of the proposed pilots, as well as advising on suitable territorial testbeds (e.g. rural areas, specific sectors, or SME profiles). The RSG will also help identify potential risks and enabling factors for implementation.

Finally, the RSG will also contribute to **monitoring and learning**, by reviewing early results from pilot actions, providing feedback on implementation challenges, and supporting the identification of lessons learned. This involvement will help ensure that the pilot actions generate evidence that can inform future policy adjustments and support the scaling up of successful approaches beyond the project lifetime.