SpinIT

Local Action Plan

The institution for development of competence, innovation and specialisation of Zadar County - INOVAcija

Contents

FOREWORD

Katarina Colić, Director of the INOVAcija Institution

Zadar County is entering a new era of transformation, focusing on digitalization and innovation, reaffirming its commitment to development and progress. The SpinIT project is a key initiative aimed at promoting digital transformation and innovation in European regions, based on the principles of national Smart Specialization Strategies (S3). With an emphasis on enhancing digital skills, strengthening cross-border cooperation, and increasing regional competitiveness, the project implements targeted activities in collaboration with key partners.

The project actively involves the INOVAcija Institution as a territorial partner and Zadar County as an associate partner, ensuring a strategic approach that integrates regional potentials within a broader European context. Zadar County's Local Action Plan (LAP), developed within the framework of the SpinIT project, serves as a crucial document providing a strategic framework to strengthen regional capacities, foster innovation, and enhance competitiveness.

The INOVAcija Institution assumes a pivotal role in coordinating activities and connecting stakeholders from the public, private, and academic sectors, ensuring the implementation of best practices, the development of digital competencies, and cross-border cooperation. The focus of the Local Action Plan is on addressing the specific needs and challenges of citizens, entrepreneurs, and public institutions, with a particular emphasis on developing digital skills, fostering innovation, and strengthening inter-sectoral collaboration.

Through cooperation with all relevant stakeholders, including those identified through the activities of the local research group, the LAP ensures sustainable and tangible solutions that will benefit the entire community and lay the foundation for further advancement of Zadar County in digital transformation.

1. INTRODUCTION

The SpinIT project focuses on driving innovation, sustainability, and inclusivity by leveraging transnational knowledge and aligning with the Smart Specialization Strategy (S3). It adopts a "quadruple helix" approach, fostering collaboration among academia, SMEs, governments, and NGOs to design and execute pilot projects. This model addresses key challenges and unlocks opportunities in the IT sector, Industry 4.0, and broader cross-sectoral initiatives.

A core aim of SpinIT is to strengthen ecosystems and foster cross-border connectivity within the Danube region. The project encourages peer learning, knowledge exchange, and collaboration by engaging a wide range of stakeholders—including businesses, startups, policymakers, and the public sector. Key activities include the creation of Local Action Plans, developing and validating pilot projects in IT and smart specialization, and building capacity to drive regional growth.

SpinIT also focuses on raising awareness about the benefi ts of interconnected ecosystems and promoting skill development to align with S3 goals. The project prioritizes networking, innovation, and sustainable development, empowering local actors while supporting digital transformation and cross-sectoral collaboration. SpinIT aims to create a more integrated and advanced innovation environment across the Danube region through its efforts.

As a territorial partner in the SpinIT project, INOVAcija plays a vital role in facilitating regional engagement and ensuring the project's successful implementation at the local level. The Institution for Development of Competence, Innovation, and Specialization of Zadar County —INOVAcija— is a public institution established and funded by Zadar County. Its primary mission is to foster a technologically innovative and competitive economy in the region by supporting knowledge-driven growth, innovation, and sustainable development.
The INOVAcija institution collaborates closely with stakeholders from academia, the public sector, SMEs, and NGOs to develop strategic initiatives like the Local Action Plan for Zadar County. By aligning regional priorities with the Smart Specialization Strategy (S3), INOVAcija actively contributes to enhancing the county's innovation capacity, promoting cross-sectoral collaboration, and supporting digitalization efforts. Through its involvement in SpinIT, INOVAcija not only strengthens Zadar County's economic ecosystem but also ensures its integration within the broader innovation network of the Danube region.

The INOVAcija Institution organized four workshops focusing on strengthening digitalization and developing new skills in Zadar County. The approach was based on collaboration with the Local Discovery Group (LDG) and methods that encouraged active participation and idea exchange.

Workshops were structured to facilitate a gradual process, transitioning from idea collection to the formulation of concrete implementation proposals. The LDG consisted of representatives from the quadruple helix: local authorities, entrepreneurs, academic institutions, and the civil sector.

This diverse composition provided a broad perspective on local needs and resources. Over 30 participants attended each session, fostering balanced discussions and a vibrant exchange of ideas.

Key outcomes included the development of programs to increase digital literacy through targeted education for all age groups, ranging from primary school students to adults. Special attention was given to workshops on the fundamentals of digital tools and practical courses in artificial intelligence. Opportunities to apply AI tools in the local context were identified, including predictive analytics for public services and process automation in the private sector, emphasizing their potential to enhance efficiency and innovation. The workshops underscored the importance of linking technical knowledge to local challenges, highlighting the need for strategic investments in education and the implementation of AI technologies. Discussions also explored the resources and methods required to implement these initiatives, forming a foundation for future activities outlined in the Local Action Plan.

The Local Action Plan (LAP) for Zadar County, developed within the framework of the SpinIT project, serves as a document providing a strategic framework to strengthen regional capacities, foster innovation, and enhance competitiveness. Designed in alignment with the project's overarching goals, the LAP identifies key priorities and actionable steps tailored to the specific needs and opportunities of Zadar County. It promotes collaboration among regional stakeholders, supports the implementation of pilot projects in the IT sector and smart specialization, and emphasizes the importance of cross-sectoral and cross-border cooperation.

2. ZADAR COUNTY: A REGION OF TRADITION AND INNOVATION

Zadar County, with a population of 162,255 spread across six towns and 28 municipalities[1], is a region defined by its unique blend of history, natural beauty, and strategic location. The city of Zadar, a 3,000-year-old urban hub and the fifth largest city in Croatia, serves as the educational and economic center of the region. Its central Adriatic position, coupled with strong transport connections, underpins the county's commitment to smart, sustainable, and inclusive growth aligned with EU policy objectives.

The county's economy thrives on a combination of traditional industries and emerging sectors. Tourism is a cornerstone, drawing visitors with its stunning coastline and cultural landmarks. The maritime economy plays a significant role, supported by the region's Adriatic resources. Agriculture, particularly olive oil and wine production, remains a vital sector, complemented by small-scale food processing businesses. Meanwhile, the IT sector has experienced rapid growth, creating jobs, boosting exports, and attracting digital nomads. These economic activities are bolstered by a robust entrepreneurial infrastructure, including business zones, incubators, and public programs supported by EU funding.

Innovation and sustainability are at the forefront of Zadar County's development. The region has embraced renewable energy projects and eco-tourism initiatives, balancing economic progress with environmental preservation.

The Development Plan for Zadar County 2021–2027 outlines technological advancement, digital transformation, and innovation as one of the strategic priorities. While entrepreneurial infrastructure is well-established, challenges remain in technology transfer, R&D investment, and fostering innovation[2].

Digital connectivity in Zadar County has improved significantly, with 86% of households covered by fast broadband and full 5G readiness achieved. Despite these advancements, gaps persist in rural areas, including limited penetration of Very High-Capacity Networks and affordability of high-speed broadband. Nationally, Croatia surpasses EU averages in digital skills, with Zadar County following suit; 63% of residents possess basic digital skills, and 31% demonstrate advanced abilities[3].

The economy of Zadar County has achieved outstanding business results in the recent period, with growth recorded across all major economic indicators. Overall employment, across all sectors, is at an all-time high, and. foreign trade has reached record levels[4].

Previously underrepresented in the economy of Zadar County, IT sector is gradually expanding. In 2023., nearly all key performance indicators showed an increase. The number of companies, their employees, and average salaries have all risen. In 2023, compared to 2022, all financial indicators recorded growth exceeding the inflation rate: total assets increased by 14.8%, equity by 21.6%, revenue by 22.4%, net profit by 31.1%, export sales revenue by 19.7%, and gross investments by 18.9%[4].

While profitability and financial stability have improved, further support for micro, small, and medium-sized enterprises (SMEs) is needed to unlock their full potential for innovation and technology-driven growth.

Zadar County's strong foundation in digital skills, its human capital, and its commitment to sustainable development and innovation position the region for continued technological and economic progress. Combining its rich heritage with modern advancements, Zadar County stands as a dynamic region ready for future growth.

Sources:
1. Croatia Central Bureau of Statistics: Population estimate 2023, dzs.gov.hr
2. Zadar County, The Development Plan for Zadar County 2021–2027, zadarska-zupanija.hr
3. Croatia in the Digital Economy and Society Index, digital-strategy.ec.europa.eu/en/policies/desi-croatia
4. Croatian Chamber of Commerce, Economic Trends of Zadar County No. 40, hgk.hr

2.1. SWOT analysis of the local area

Strengths	Weaknesses
• Human capital • Strategic location • Natural and cultural assets • Growing IT Sector	• Limited investment and financing opportunities • Urban-rural gap • Administrative barriers
Opportunities	**Threats**
• Digital transformation • EU Funding and policies	• Economic and financial challenges • Technological lag

The SWOT analysis of Zadar County, derived from the insights gathered during the SpinIT workshops, highlights key factors influencing the region's development, particularly in the context of digitalization and innovation.

" Enhancing digital literacy and strategically integrating AI across both the public and private sectors is essential for Zadar County to remain competitive in the evolving digital economy.
These advancements enable businesses to innovate, improve public services, and unlock new growth opportunities.
By equipping individuals and organizations with the skills to leverage technology effectively, our community can drive innovation, cooperation, and ensure long-term growth and resilience. "

Alenka Bopsić, DIGITALI

2.2. Best practices from Zadar County

Zadar County has increasingly positioned itself as a growing hub for IT innovation, driven by strategic initiatives and the collaboration of various local stakeholders. One of the key factors contributing to the sector's growth is the educational focus on IT skills development. Local universities and academic institutions, in cooperation with local businesses, off er tailored programs, such as coding boot camps and specialized IT courses, aimed at equipping students and professionals with the necessary skills for high-demand roles in areas such as software development, AI, and IT infrastructure. These programs help bridge the skills gap and ensure a steady flow of talent into the IT sector.
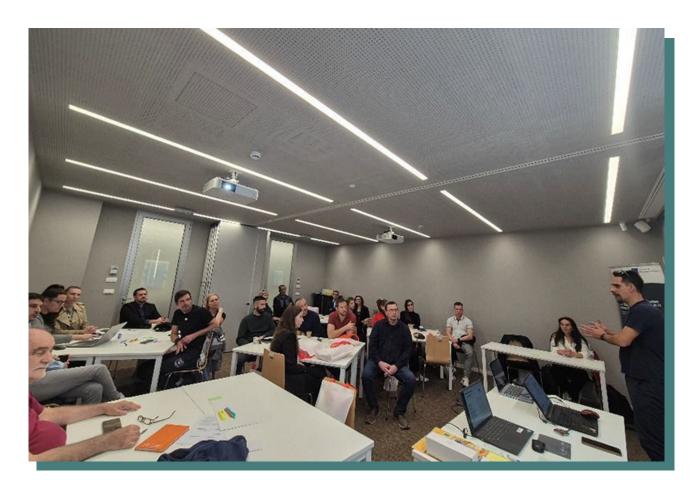
Zadar County is home to several companies in the IT sector that have demonstrated exemplary practices in terms of innovation, digital transformation, and growth. These companies stand out as examples of how local businesses are leveraging technology to drive success, enhance effi ciency, and contribute to the region's economic development. Here are a few examples:

▶ *HSTec* has been developing projects with the faculties of mechanical and electrical engineering for years, thus promoting networking and cooperation between the industry and the scientific research community.

▶ *Cognism*, through its own patented artificial intelligence (AI) technology, initially launched Prospector, providing B2B companies with data and a toolkit for accelerating sales.

▶ *Rentlio*, a comprehensive vacation rental software tailored for streamlined renting of apartments, villas, and vacation homes, encompasses functionalities such as a Property Management System (PMS), Channel Manager, and mobile application.

These are just a few examples of best practices within Zadar County, all contributing to the region's drive towards technological advancement and sustainable development. These efforts not only empower individuals and businesses but also foster an ecosystem conducive to growth and innovation, ensuring that the county remains competitive and adaptable in the face of rapid technological changes.

3. IMPLEMENTING THE STRATEGIC VISION FOR ZADAR COUNTY

As part of the SpinIT project, INOVAcija hosted a series of workshops aimed at addressing the region's digital transformation and fostering innovation in Zadar County. These workshops brought together a diverse group of participants, including local businesses, public sector representatives, academic institutions, and civil society members, all engaged in collaborative discussions about the future of the county's IT and digital ecosystem.

Throughout the SpinIT workshops, participants provided valuable insights into the region's challenges and opportunities. A significant theme that emerged was the importance of enhancing human capital and digital skills to fuel sustainable growth and innovation in Zadar County. Attendees expressed enthusiasm about the project's potential, and their active participation was reflected in their thought-provoking questions and suggestions. The focus on strengthening digital skills was underscored in nearly all responses. Participants emphasized that the Local Action Plan (LAP) and pilot projects must prioritize digital literacy across all sectors, from individuals seeking personal skill development to businesses looking to leverage technology for growth. A strong interest was also expressed in the sharing of best practices among local stakeholders, recognizing the value of mutual learning in driving regional progress.

Many attendees highlighted the necessity of equipping individuals with the skills needed to navigate the digital world, particularly through the integration of Artificial Intelligence (AI) tools into daily workflows. Discussions also revealed a recurring need for education on the creation and management of social media content. Given the growing significance of social media in professional and entrepreneurial contexts, participants stressed its importance in business growth, personal branding, and community engagement.

Key insights from the workshops include:

▶ **Enhancing human capital and digital skills:** Participants emphasized the need to improve digital literacy across all sectors, from personal development to business growth.

▶ **Integrating Artificial Intelligence (AI):** There was a focus on equipping individuals with skills to incorporate AI tools into daily workflows.

▶ **Social media proficiency:** Attendees highlighted the importance of creating and managing social media content for business growth, personal branding, and community engagement.

Throughout the workshops, participants offered useful feedback and shared ideas on the kind of training that would be most beneficial for the future. The demand for comprehensive digital literacy programs that address both AI technologies and the vital role of social media education in the digital age was clear. The input gathered during these sessions will play a crucial role in shaping the next steps of the SpinIT project, ensuring that future initiatives meet the needs of Zadar County's digital and innovation-driven landscape.

Training in new skills and embracing new technologies is key to continuous progress and innovation. It empowers individuals to explore modern solutions and advance their daily work processes.
This project encourages a mindset of lifelong learning and responsible use of new technology.

Josip Kalebić, VP Software Development at Bruncin Ltd

4. STRATEGIC GOALS

4.1. Vision

The vision of the Local Action Plan (LAP) is to position Zadar County as a leading hub for innovation, digital transformation, and sustainable development. The plan seeks to empower individuals and organizations by equipping them with vital digital skills, enhancing digital literacy, and promoting inclusion across the region. This will strengthen Zadar County's competitiveness in the rapidly evolving digital economy. The LAP is perfectly aligned with the objectives of the SpinIT project and the Smart Specialization Strategy (S3), both of which prioritize technological advancement, collaboration, and inclusive regional development.

The strategic initiatives outlined in the LAP focus on bridging the digital divide, driving innovation, and enhancing the capabilities of local industries, public institutions, and entrepreneurial ecosystems. By promoting initiatives such as digital skills training and the responsible adoption of AI, the LAP strives to create a skilled and adaptable workforce. These efforts will empower local industries, public services, and startups, ensuring they are equipped to excel in the ever-changing digital landscape.

Additionally, the LAP positions Zadar County as a forward-thinking participant in cross-border cooperation, facilitating its sustainable integration into wider innovation networks. Through fostering regional collaboration and growth, the plan is in harmony with both the SpinIT project's goals and the broader priorities outlined in the S3 strategy. These initiatives will position Zadar County to thrive in the global digital economy and contribute to a more inclusive, prosperous future.

4.2. Strategic goals: Driving innovation and digital transformation in Zadar County

During the LDG workshops and follow-up surveys, several key areas for improvement were identified that could have a significant impact on the local community. These areas reflect both the current needs and the future potential of Zadar County, highlighting the importance of advancing digital capabilities and fostering an environment conductive to innovation and growth.

Strategic goal 1: Foster innovation and digital transformation in the local economy

• This goal emphasizes the importance of equipping local businesses, start-ups, and enterpreneurs with the tools and knowledge necessary to embrace advanced digital technologies and sustainable practices. By supporting the digital transformation of businesses, this initiative aims to stimulate economic development in the region and foster long-therm growth.

• *Activity 1: Pilot Digital Transformation*
• *Activity 2: Entrepreneurship and Business Skills Training*
• *Activity 3: AI User Skills and Responsible AI Use in Business*

Strategic goal 2: Enhance digital literacy and inclusion in Zadar County

• This goal is centered around addressing the digital skills gap within the broader community. It directly aligns with SpinIT´s objective of ensuring a digitally literate population that can effectively contribute to and benefit from technological advancements. Strengthening digital literacy will create new opportunities for individuals to fully participate in the digital economy and ensure that Zadar County is not left behind in the rapidly evolving digital landscape.

• *Activity 4: Digital Skills for the 50+ Population*
• *Activity 5: Basic Digital Skills Training*

"Zadar County is strategically positioning itself as a hub of innovation and technological progress, creating conditions to attract new investments, generate employment opportunities, and improve the quality of life for its residents. Empowering the population with digital skills plays a crucial role in this process, enhancing personal and professional competitiveness."

Jurica Bosna, dr.sc, Zadar University

Activity 1:
Pilot Digital Transformation
This activity involves launching a series of workshops designed to help local businesses and public sector employees to navigate and implement digital transformation strategies. By testing and refining new technologies, local enterprises will develop the capability to operate more efficiently, improve services, expand their digital presence, and better serve their customers.

Activity 2:
Entrepreneurship and Business Skills Training
A comprehensive training program will be delivered to help entrepreneurs and business leaders develop key skills, from digital marketing to financial management. These courses will empower local entrepreneurs to innovate and successfully compete in a modern, technology-driven marketplace.

Activity 3:
AI User Skills and Responsible AI Use in Business
With AI playing an increasingly crucial role in shaping business operations, this activity aims to equip business owners and employees with the necessary skills to use AI tools responsibly and effectively. It will also foster an understanding of the ethical implications surrounding AI, ensuring that local businesses are positioned to thrive in an evolving digital economy while adhering to best practices.

Activity 4:
Digital Skills for the 50+ Population
A dedicated initiative aimed at upskilling individuals aged 50 and above with fundamental digital skills. As this demographic often faces challenges in keeping up with new technologies, this program is designed to bridge the digital divide and help older citizens engage in online activities, whether for personal use or to enhance their work opportunities.

Activity 5:
Basic Digital Skills Training
This activity provides foundational digital training for people of all ages and backgrounds, particularly targeting those with limited experience or access to technology. Offering basic digital skills training will enable more individuals to navigate the digital world confidently, whether it's for job searching, connecting with others, or managing their personal tasks.

These strategic goals and associated activities form a comprehensive approach to advancing digital competencies within the local population. By promoting digital literacy and inclusion, as well as empowering businesses with the tools to drive innovation, this initiative supports the vision laid out in the Local Action Plan and the objectives of SpinIT. The overall aim is to create a future-proof, digital-first region that fosters innovation, sustainability, and economic growth.

5. LOCAL ACTION PLAN FOR ZADAR COUNTY

As digital tools and AI applications become more integral to professional success, public sector employees, entrepreneurs, and startups often face challenges in staying up to date with technological advancements. This gap hinders their ability to integrate digital tools eff ectively, make data-driven decisions, and limit their innovation potential. To address this challenge, the initiative focuses on equipping participants with the essential skills and knowledge to leverage digital tools and adopt AI responsibly. The aim is to empower participants to boost their professional capabilities and foster innovation in their respective fields.

The training will prioritize key skills such as the responsible use of AI, digital tools integration, and social media content creation, enabling participants to use these technologies to enhance their operational efficiency and market presence.

The primary objectives are to improve participants' ability to utilize AI tools. The specific targets are to train at least 15 participants from various sectors and to facilitate the responsible implementation of AI in at least 5 local businesses.

Target group for this Activity: Public institutions, SMEs, Business support organisations, NGO

5.1. AI user skills and responsible AI use in business

The curriculum will be developed to meet specific training goals, ensuring that participants acquire the skills necessary to implement digital solutions effectively. Workshops will be designed to be accessible to beginners, providing step-by-step guidance and real-world applications over theory, allowing participants to immediately try and apply what they learn.

The training will consist of a series of interactive workshops combining expert-led instruction, case studies, and hands-on exercises tailored to different industries. Participants will learn how to implement AI tools in daily operations, optimize social media strategies to enhance their market presence. Special emphasis will be placed on critical thinking skills to evaluate AI-generated content and ensure its responsible use in business and governance.

The training will prioritize practical skill development, equipping participants with AI literacy, digital marketing techniques, and data-driven decision-making abilities. By fostering collaboration between businesses, public institutions, and support organizations, the initiative will create a strong foundation for regional innovation and digital transformation.

Through a series of relevant and impactful workshops, this initiative will guide participants in responsibly adopting new technologies in their businesses. The expected outcomes include a significant boost in digital literacy, as well as an increased readiness for embracing digital transformation and fostering innovation.

AI has become essential in today's business world, transforming the way we work and make decisions. Quality training helps people not only use AI tools effectively but also understand their impact, ensuring ethical and innovative applications. This project empowers participants to embrace AI with confidence, improving productivity and business growth.

Ive Botunac, AI Research Scientist,
Vice President of CroAI

6. CONCLUSION

The Local Action Plan (LAP) for Zadar County, a key part of the SpinIT project, is a major step toward the region's vision: becoming a leading center for innovation, and sustainable development. Developed through collaborative workshops and with input from IT entrepreneurs, local government, and NGOs, the LAP focuses on bridging the digital divide, encouraging innovation, and strengthening the region's competitive edge. It supports the Development Plan for Zadar County 2021-2027, which also prioritizes technology, digital change, and innovation, contributing to specific goal "Happy and employed people" The LAP helps put these broader goals into action.

This plan is expected to bring positive change by improving digital skills through training, helping people participate fully in the digital world.
By equipping individuals with skills in emerging fields such as AI and digital tools, Zadar County region is cultivating a highly skilled workforce capable of driving innovation. These trained individuals can enhance daily operations, lead or contribute to projects, collaborate with startups, or help modernize existing industries — directly supporting the S3 goals of enhancing regional innovation capacity.

These improvements will help many. Citizens will find it easier to access information and services and participate in their community. Businesses will become more competitive by using digital tools and new ideas, including AI, and will be better equipped for daily work and projects. Public services will be easier to use, more efficient, and better meet people's needs. The LAP also aims to create a good environment for new businesses and attract investment. Public organizations will provide better services, communicate more effectively, and modernize their operations. NGOs will be able to use digital tools, connect with others, and become more visible. The LAP aims to help everyone succeed in the digital age.

Led by the INOVAcija, the institution for development of competence, innovation and specialisation of Zadar County, the LAP will improve the region's abilities and build a stronger Zadar County, ready for continued growth and innovation in the global digital economy. It shows how working together and planning carefully can create a better, more digital future for the region.

Project website: https://interreg-danube.eu/projects/spinit
Facebook: https://www.facebook.com/spinitproject