



# Slovenia's High Impact Action:

Establishing an Industry 4.0 Transformative Mechanism

**In-depth assessment**

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# In Brief

## Industrial Transition in Slovenia

Industry is the largest sector in Slovenia, accounting for around 23% of total employment. The country has a strong industrial base, with many small and medium-sized enterprises (SMEs) operating in various sectors, such as manufacturing, engineering, and technology. Despite this, building innovation capacity in industrial SMEs remains an important industrial transition challenge for Slovenia.

One reason for this is the limited availability of funding. SMEs have limited resources to self-finance research and development (R&D) activities, which are essential for innovation, and find it challenging to secure other sources of funding. This lack of funding makes it difficult for SMEs to invest in new technologies and equipment or hire qualified staff to drive innovation. In addition, innovation management is also a significant challenge. Many SMEs lack the experience and expertise needed to effectively manage innovation, which can hinder their ability to successfully innovate.

### Overview of the HIA

Slovenia's HIA was a first step in broadening the innovation base and building SME capacity for innovation and innovation diffusion. The expected result was greater collaboration between industrial SMEs and service providers (especially universities) and piloting and demonstrating SME-generated innovations in Industry 4.0.

The HIA consisted of an innovation voucher system to support piloting and demonstrate innovations with high Technology Readiness Levels (TRL). It was a physical and virtual platform that brought together equipment, resources, and expertise from a wide range of organisations specialised in Industry 4.0 development and deployment. Concretely, the HIA provided financial vouchers to five SMEs needing support to digitalise and automate production. To obtain the voucher, each SME had to partner with a research organisation to jointly develop an Industry 4.0 project, under the guidance of an international expert.

### Governance and management of the HIA

Effective stakeholder engagement and interaction was the key governance and management variable that underpinned the HIA's implementation. The Slovenian Toolmaker Association held monthly meetings with all companies to offer the chance for participants to interact with their chosen service providers and external experts, as well as to present interim findings. In addition, they organised two meetings with representatives of the European Commission. These meetings and the regular catch-up calls among companies, service providers and international experts were essential to the successful implementation of the projects.

The meetings were useful in developing a community of shared practices in matters related to Industry 4.0. They also enabled stakeholders to make new contacts and identify synergies or complementarities that would aid the SME beneficiaries over the long term. Success was not necessarily measured by product development and commercialisation but whether there was a possibility to extend or diffuse innovative activities among enterprises and research organisations.

### Results of the HIA and impact on Slovenia

The HIA has supported Slovenia's industrial transition on a number of fronts. First, it supported industrial SMEs in transforming their traditional production processes into modern production lines with the aim of

improving the efficiency, productivity, and carbon intensity of production. In this way, the HIA responded to the needs of industrial SMEs that had little ability to act on their own. Second, the HIA helped raise awareness of the need to focus on the green and digital transition as a driver of Slovenia's industrial transition and how the industrial sector can contribute to this effort. Third and finally, the HIA demonstrated that smart specialisation priorities should be defined based on partnerships involving the private sector, knowledge institutions, the state and other stakeholders.

### The HIA's experimental nature, scalability and lessons learned

Several aspects of the HIA were new and different from traditional Slovenian approaches to supporting funding and management schemes oriented towards innovation. In particular, funding calls for innovation support in Slovenia tend to suffer from a high level of administrative burden and a lack of flexibility when projects need adjustment. The HIA sought to overcome this by implementing the HIA via TECOS, which had more flexibility to design a less burdensome funding call because, as a non-governmental body, it was not obliged to follow the Ministry of Economic Development and Technology's funding rules.

In addition, TECOS assisted the Ministry of Economic Development and Technology in designing the call and was also responsible for assisting beneficiaries in implementing and documenting their projects. This helped fill a capacity innovation knowledge gap among SME beneficiaries who would not have been able to transform their production lines on their own. It also helped reduce the red tape associated with applying for public funds, making HIA participation more accessible. Having a non-governmental body, with few bureaucratic structures, responsible for implementing an innovation-oriented initiative was an experimental model that has not been applied before in Slovenia.

In terms of continuity and scalability, the HIA served as a pilot to test demand for a larger project on building physical demonstration centres as collaboration platforms between industry and academia for industry 4.0 applications. Thus, it was designed with the notion of scaling up already in mind. These centres will provide the facilities and expertise necessary to enable industrial SMEs to experiment with new tools to develop new products at a lower cost and to gain access to experts. Moreover, these centres can provide a physical platform for SMEs, research institutions and experts to interact and establish new collaborations with a view to integrating and demonstrating innovative technologies for advanced manufacturing.

The HIA's implementation also generated valuable policy lessons, including the following:

- Partnering with non-governmental or other innovation bodies to implement innovation support programmes can help work through capacity gaps and implementation challenges.
- Designing performance measurement frameworks that account for inherent differences in public versus private sector measures of success can provide more comprehensive insight into advances in industrial transition.

## Introduction

This case study provides an in-depth assessment of Slovenia's High Impact Action (HIA). The HIA developed by Slovenia had two main objectives. First, it tested an innovation voucher model to encourage industry-university collaborations in order to promote industrial transformation in small and medium-sized enterprises (SMEs). Second, the HIA tested demand for larger-scale demonstration centres to encourage research and knowledge transfer in Industry 4.0. For example, the demonstration centres, once established, should promote the acceleration of digital transformation through the development of smart

factory concepts and their use. To best align the innovation vouchers with industry needs, the Slovenian Toolmaker Association (TECOS) was charged with its implementation. Delegating the HIA management and implementation to TECOS was experimental as it placed the management of a government initiative in the hands of a non-governmental organisation. This was unlike most innovation support, which goes through the Ministry of Economic Development and Technology.

The purpose of this case study is to explore how new approaches to governance and policy can support industrial transition, through a process of experimentation as applied through Slovenia's HIA. The case study offers an assessment of the benefits and challenges of testing a new approach to industrial transition. Experimental governance can be defined as an iterative process of goal setting, exploring alternative approaches, and learning and monitoring (Morgan, 2018<sup>[1]</sup>; Wolfe, 2018<sup>[2]</sup>). This case study shows that adopting such an approach is not without preconditions and challenges but can help advance industrial transition if its learnings are well integrated into future regional innovation and smart specialisation strategies. The case study may serve as inspiration for practitioners and policy makers from other regions in industrial transition trying to advance their transitions, and notably those that did not participate in the industrial transition pilot.

This case study consists of five sections. The first section describes the industrial transition challenges and industrial transition and smart specialisation policy frameworks in Slovenia. The second section analyses the High Impact Action, including its objectives, activities, governance mechanisms and contribution to the industrial transition challenges. The third section elaborates on the experimental nature of the HIA. The fourth section provides a series of policy lessons from the HIA to advance industrial transition. The last section concludes the case study.

## Industrial transition challenges and policy frameworks in Slovenia

Slovenia has a population of 2.1 million people (Eurostat, 2022<sup>[3]</sup>). Industry is the largest sector in the country, employing some 23% of the nation's workforce (OECD, 2020<sup>[4]</sup>). The country has a strong industrial base, with many small and medium-sized enterprises (SMEs) operating in various sectors, such as manufacturing, engineering, and technology. Despite this, building capacity to innovate in industrial SMEs remains an important industrial transition challenge for Slovenia. One of the main reasons behind this is the limited availability of funding. SMEs have limited resources to self-finance research and development (R&D) activities, essential for innovation, and find it challenging to secure other sources of funding. This lack of funding makes it difficult for SMEs to invest in new technologies and equipment or hire qualified staff to drive innovation. In addition, when funding is available, there are often high bureaucratic hurdles to access it.

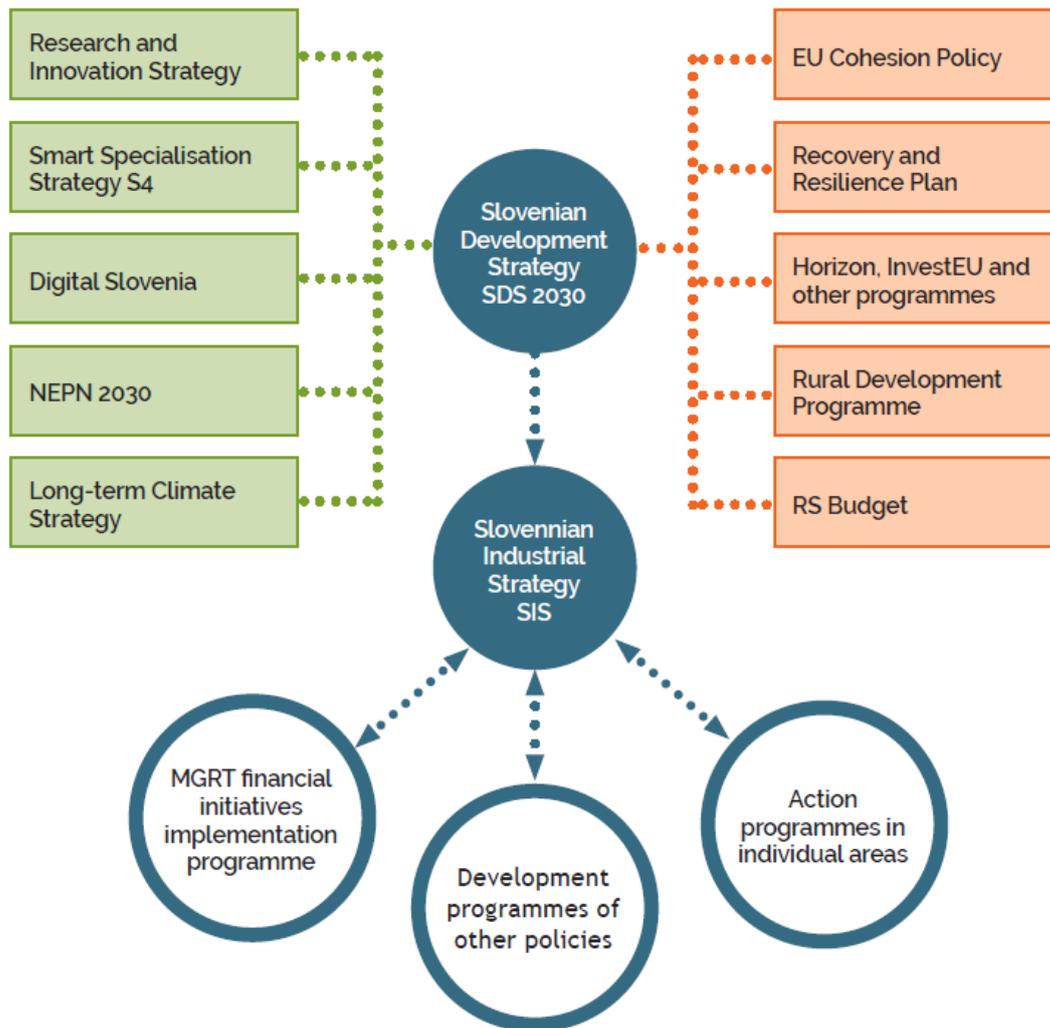
In addition, innovation management is also a significant challenge. The processes involved in managing innovation, such as identifying new opportunities, managing risks, and implementing new technologies, can be complex and time-consuming. Many SMEs lack the experience and expertise needed to effectively manage innovation, which can hinder their ability to successfully innovate (OECD, 2022<sup>[5]</sup>). To overcome these challenges, Slovenia developed an HIA that helped SMEs manage innovation by collaboratively identifying industrial transformation opportunities with chosen service providers and international experts. Furthermore, the HIA provided easy to access funding through TECOS, the non-governmental organisation in charge of implementing the HIA call. The HIA also fit well with Slovenia's industrial policy frameworks.

### ***Industrial policy frameworks in Slovenia***

Industrial modernisation is one of Slovenia's main strategies for securing its future growth. Slovenia's Ministry of Economic Development and Technology developed the Slovenian Industrial Strategy (SIS) for

the period 2021-2030. This strategy represents an upgrade of the previous “Slovenian Industrial Policy-SIP” and was developed in accordance with current European and domestic strategic documents and guidelines focusing on “green, creative and smart development” (Figure 1). The SIS aims to enhance the competitiveness, productivity, and innovation of Slovenia’s economy, leading to a higher proportion of high-tech products and high-value-added services. It seeks to achieve this by promoting greater inclusion of Slovenian enterprises in international value chains and better positioning them within these chains.

**Figure 1. Inclusion of Slovenian Industrial Strategy in development planning documents**



Source: Slovenian Industrial Strategy 2021–2030 (Republic of Slovenia, 2021<sup>[6]</sup>).

The Slovenian Industrial Strategy is well aligned with Slovenia’s Smart Specialisation Strategy (S4). The renewed S5 – following the S4 – for the period 2021-2027 was submitted to the European Commission on 4 March 2022. It contains ten smart specialisation priorities. All of them are governed by Strategic Research & Innovation Partnerships (SRIPs) that bring together quadruple helix representatives. These partnerships, which were first established in 2017 and have evolved since then, aim to promote the convergence of a wide range of technologies, services, and social innovations in a systematic way. More than 500 actors – involving firms and higher education institutions – were engaged in bottom-up initiatives and networks. They have adopted roadmaps and action plans for joint development activities, internationalisation, human resources development, entrepreneurship, and joint services promotion

(Ministry of Cohesion and Regional Development, n.d.<sup>[7]</sup>). Slovenia's HIA for industrial transition was well anchored within the smart specialisation priority of Smart industries (Industry 4.0) and Smart Factories (TECOS, 2022<sup>[8]</sup>).

## Slovenia's High Impact Action

Slovenia's HIA was a first step in broadening the innovation base and building SME capacity for innovation and innovation diffusion. The expected result was greater collaboration between industrial SMEs and service providers (especially universities) and piloting and demonstrating SME-generated innovations in Industry 4.0.

The HIA consisted of an innovation voucher system to support piloting and demonstrating innovations with high Technology Readiness Levels (TRL). It was a physical and virtual platform that brought together equipment, resources, and expertise from a wide range of organisations (research and technology organisations, centres of excellence, SMEs, large companies, etc.) specialised in Industry 4.0 development and deployment.

Specifically, the HIA provided financial vouchers to five SMEs needing support to digitalise and automate production. To access the voucher, each SME had to partner with a research organisation to jointly develop an Industry 4.0 project. In addition, each of the five projects were advised by an international expert assigned to them (TECOS, 2022<sup>[8]</sup>).

### ***Governance and management of the HIA***

The HIA was designed by the Ministry of Economic Development and Technology in co-operation with TECOS. It was implemented by TECOS, which designed and implemented the HIA voucher call and accompanied the chosen SMEs in their day-to-day work (Box 1). TECOS acted as an intermediate body between the Ministry of Economic Development and Technology (that obtained the funding from European Commission) and the HIA stakeholders.

The HIA's primary stakeholders were TECOS, the five funded SMEs, the chosen service providers, and international experts. TECOS was responsible for all practical HIA arrangements and their implementation, including managing call procedures, organising events, receiving interim reports, and undertaking final reporting to the European Commission. Insights from participating SMEs were presented by TECOS at a webinar held in late May 2021, which was attended by representatives of the European Commission, Slovenian policy makers, international experts, and service providers (TECOS, 2022<sup>[8]</sup>).

#### **Box 1. The HIA implementation process**

The HIA's implementation process consisted of three steps:

1. A call for proposals for an international expert panel to act as a project monitoring and quality assurance body was launched in June 2020. The chosen experts were tasked with connecting the HIA projects to the wider EU and international environment of industrial transition. There were two experts from Slovenia, and the remaining three came from Belgium, Croatia, and Spain.
2. A call for service providers to collaborate with the SME beneficiaries that applied to the HIA was initiated. The chosen service providers were research institutions and firms with expertise in helping SMEs test innovative products and technologies.

3. A call for SME beneficiaries was launched, with a criterion being that beneficiaries need to form a consortium with the service providers that were selected through the call in the second stage. Pairing each SME with a service provider was the ultimate action that would help the SMEs transform and modernise their industrial production.

TECOS selected the international group of experts based on their expertise, experience, and availability, and verified the expertise of the service providers. The potential SME beneficiaries were evaluated by two external contributors, based on a specific set of pre-established criteria (Table 1).

**Table 1. Beneficiary selection criteria**

Criteria	Description
Relevance to call ambitions	Relevance to Smart Specialisation Strategy
	Innovativeness and newness
	Lesson-drawing potential of the project for HIA
	Demonstration of readiness to cooperate with other selected projects
Impact	Measure(s) to open up/make project sustainable
	On challenges (digitisation, circular economy, etc.)
	Value added to Slovenian economy (growth, employment, etc.)
	National demo centre "Factory of the Future" establishment support and collaboration/communication readiness
	Achievement of specific indicators as stated above in point Project Achievements and Objectives
Project description	Clear description of project approach
	Description of ways to achieve stipulated project achievements
	Description of phases and duration of each phase
	Description of input needed
	Description of the value added of service provider
	Argumentation of necessary additional costs or investments
HIA-specific	Cross-regional collaboration
	Business case backed by relevant evidence (market assessment)
	Dissemination effort
Team/consortium/management quality	Argumentation for an option of selecting a consortium or not, presentation of consortium
	Risk mitigation capability
	Budget soundness and argumentation

Source: (TECOS, 2022<sup>[8]</sup>)

Several stakeholders confirmed the rigorous and transparent evaluation of the project proposals (OECD, 2022<sup>[5]</sup>). After evaluating the proposals, five SME beneficiaries were selected, each paired with an expert (a so-called "service provider") and a specific work-plan. Each company was given a voucher of up to EUR 50 000, with 50% co-financing. The international group of experts was tasked with monitoring their assigned approved project, providing guidance, and supporting better communication among the partners.

### *Stakeholder engagement and interaction*

During the HIA implementation, TECOS held monthly meetings with all companies to offer the chance for participants to interact with each other's chosen service providers and external experts, as well as to present interim findings. In addition, they organised two meetings with representatives of the European

Commission. These meetings and the regular catch-up calls among companies, service providers and international experts were essential to the successful implementation of the projects.

The meetings were useful in developing a community of shared practices in matters related to Industry 4.0. They also enabled stakeholders to make new contacts and identify synergies or complementarities that would be beneficial for the SME beneficiaries over the long term. Success was not necessarily measured by product development and commercialisation but whether there was a possibility to extend or diffuse innovative activities among enterprises and research organisations (OECD, 2022<sup>[5]</sup>).

Although COVID-19 restricted the opportunities for physical interaction, the SME beneficiaries were satisfied with their level of engagement with the research institutions and experts. However, it would have been more helpful if the dedicated expert had been able to spend more time with the associated beneficiary to better understand everyday production activities. Potentially, this would have provided more practical feedback on the processes and operations that could be improved (OECD, 2022<sup>[5]</sup>).

### ***Industrial transition challenges that were addressed by the HIA***

The initiative supported industrial SMEs in transforming their traditional production processes into modern production lines with the objective to improve the efficiency, productivity, and carbon intensity of production. The HIA responded to the needs of industrial SMEs with little ability to act on their own. Slovenia's industrial SMEs, like many others, often lack the resources (e.g. experienced staff and government support) to apply to national and European funding calls that could support industrial transition activities. Frequently such calls require very detailed documentation and are associated with unclear and inconsistent standards that can pose a financial risk (i.e., due to financial corrections) for beneficiaries. As a result, many smaller SMEs decide not to become involved (OECD, 2022<sup>[5]</sup>).

The HIA helped raise awareness of the need to focus on the green and digital transition as a driver of Slovenia's industrial transition and how the industrial sector can contribute to this effort. Achieving a green transition and the development of green transition policy instruments is also an important element of the Slovenian S4. Improving energy and material efficiency in all industrial sectors and consequentially reducing the use of energy and other natural resources is a key step to a climate neutral society in Slovenia. For its part, digitisation in the industrial sector will have to be achieved through the digitisation of products and services, and by creating digital business models and digitalising processes and operations. This can lead to savings at all levels of operation and increase productivity and competitiveness in the global market. Finally, the HIA demonstrated that smart specialisation priorities should be defined based on partnerships involving the private sector, knowledge institutions, the state and other stakeholders.

### **The HIA's experimental nature, lessons learned and scalability**

The HIA enabled SME beneficiaries to work with an innovation voucher that supported collaboration between them and research institutions. The innovation voucher brought together SMEs and suitable experts in the industrial sector. It attracted substantial interest from SMEs due to its limited administrative burden and the light, SME-friendly application scheme. In this way, SMEs could access industrial expertise and tools (e.g. those provided by the university that participated as a service provider for the SMEs) to experiment with new technologies under the direction of the experts.

### ***The novelty of the HIA compared to previous policy approaches***

Several aspects of the HIA were new and different from tradition Slovenian approaches to supporting funding and management schemes oriented to innovation, including:

### *A flexible short-term funding model with low administrative burden*

Funding calls for innovation support in Slovenia tend to suffer from a high level of administrative burden and a lack of flexibility when projects need adjustment. While some of this red tape is related to EU fund requirements, Slovenia often adds additional layers of administrative requirements (i.e. gold-plating) (OECD, 2022<sup>[5]</sup>). The HIA tried to overcome this by implementing the HIA via TECOS. TECOS had more flexibility to design a less burdensome funding call because it was not obliged to follow the Ministry of Economic Development and Technology's funding rules and the Cohesion fund rules. Funding recipients agreed that the flexible and short-term funding model with low administrative burden was effective in facilitating the adoption of new methodologies and the testing of new tools. These included digital twins for physical production lines to improve product quality, thereby reducing costs by ensuring that SMEs get the most out of every production line (OECD, 2022<sup>[5]</sup>). Also, short-term funding was preferred by the SME beneficiaries over long-term funding, as many SMEs preferred to experiment within a short-term horizon with little reporting requirements rather than in longer more time-consuming projects.

### *An HIA management body with strong insights into the needs of industrial SMEs*

TECOS assisted the Ministry of Economic Development and Technology in designing the call and was also responsible for assisting beneficiaries in implementing and documenting their projects. This helped fill a capacity innovation knowledge gap among SME beneficiaries who would not be able to transform their production lines on their own and helped reduce the administrative burden associated with applying for public funds, making HIA participation more accessible to targeted beneficiaries. Having a non-government body, with few bureaucratic structures, responsible for implementing an innovation-oriented initiative was an experimental model that has not been applied before. In Slovenia, the model was deemed successful because it put a body at the heart of the initiative who was able to help industrial SMEs increase their innovation capacity and overcome industrial transition challenges related to the modernisation of their production lines. TECOS was also praised for reducing the administrative burden on SMEs associated with the HIA call (OECD, 2022<sup>[5]</sup>).

### *Relying on international experts to complement domestic expertise*

The model of inviting external experts to collaborate was instrumental to the HIA's success. SME beneficiaries had frequent meetings with their assigned international experts to provide feedback. The experience of international experts in innovation management in SMEs helped the SME beneficiaries to complete their projects successfully and quickly. While experts provided feedback over the implementation period, they did not have the chance to conduct in-person visits to the beneficiary SMEs and research institutions, which could have been more useful for understanding their everyday problems (OECD, 2022<sup>[5]</sup>).

## **Challenges encountered**

The design and implementation of the HIA was welcomed by all stakeholders. However, administrative procedures were new and brought unforeseen requirements and delays. For example, the development of the application and evaluation forms for the HIA funding call was more time-consuming than expected. This caused a small delay in delivering the funding decisions and pre-financing the pilot projects. Nevertheless, TECOS supported the projects so they could launch their activities, be efficient and meet project timelines.

## **The HIA's continuity and scalability**

The HIA served as a pilot to test demand for a larger project on building physical demonstration centres as collaboration platforms between industry and academia for industry 4.0 applications. Thus, it was

designed with the notion of scaling up already in mind. These centres will provide the facilities and expertise necessary to enable industrial SMEs to experiment with new tools to develop new products at a lower cost and to gain access to experts. Moreover, these centres can provide a physical platform for SMEs, research institutions and experts to interact and establish new collaborations to integrate and demonstrate innovative technologies for advanced manufacturing. A first demonstration centre with an investment value of about EUR 100 million, financed by EU Cohesion Policy funds and the Slovenian government, is currently under negotiation (OECD, 2022<sup>[5]</sup>).

## Policy lessons from the HIA for advancing industrial transition and smart specialisation

The HIA was a learning process for all stakeholders. The main lessons learned relate to (1) how to set up an implementation model for innovation vouchers that best meets the needs of industrial SMEs and (2) how to take innovation support forward in the new Slovenian S5.

- **Partnering with non-governmental or other innovation bodies to implement innovation support programmes can help work through capacity gaps and implementation challenges.** The success of TECOS in bridging the gap between the Ministry of Economic Development and Technology and SMEs in designing funding calls based on their current business needs highlights the benefits of having an intermediate body with close-to-industry associations. This approach can support building innovation capacities in SMEs, reduce the administrative burden on businesses and encourage them to apply for funding without excessive spending depleting their internal resources (OECD, 2022<sup>[5]</sup>). This model points out that close-to-industry associations, such as TECOS, may be well-suited actors to administer public innovation vouchers for industrial transformation because of their proximity to and knowledge of different industrial processes, for example. In addition to supporting industrial SMEs with an innovation deficit, such a non-governmental innovation support body with the market knowledge to provide the necessary context to policy makers can assist in smart specialisation implementation.
- **Designing performance measurement frameworks that account for inherent differences in public versus private sector measures of success can provide more comprehensive insight into advances in industrial transition.** There is often an inherent tension in what the public sector prioritises in monitoring and evaluation processes versus the priorities of the private sector. On the one hand, the public sector frequently concentrates on proper project documentation, timing and costing as determinants of project success. On the other, the private sector generally assesses project success based on the ability to deliver new ideas and innovative products to market, in addition to timing and cost considerations. This dichotomy was highlighted by the Slovenian case (OECD, 2022<sup>[5]</sup>). The HIA helped address this by tasking the project's international group of experts with monitoring their assigned project according to a series of monitoring and evaluation criteria that placed high emphasis on assessing the individual project outcomes.

## Conclusion

The Slovenian HIA demonstrated how an experimental governance initiative, which was set up for the provision of innovation vouchers, a new financing model and collaboration, can help businesses and research organisations successfully engage in the process of industrial transition. The role of TECOS, the HIA implementation body, was fundamental in developing an easy-to-apply, less burdensome funding scheme, in line with the needs of industrial SMEs. In addition, the international expert advice component of the HIA was a valuable complement to the work of the national service providers. The HIA highlighted the important role of digitisation in the manufacturing processes (i.e., Industry 4.0-Smart Industries), which

is part of Slovenia's current S4 and future S5. It also tested a new smart specialisation governance model, Strategic Research & Innovation Partnerships. Lastly, the initiative acted as a pilot for the wider development of demonstration centres in Slovenia. Those centres that will: 1) provide industrial SMEs with access to facilities to test new products and tools and 2) establish new collaborations with experts or other businesses.

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## Annex: The EC-OECD Pilot Action on Regions in Industrial Transition

In 2018, the European Commission/DG REGIO with support from the OECD launched the pilot action *Regions in Industrial Transition* to support ten regions and two countries<sup>1</sup> in industrial transition prepare their Smart Specialisation Strategies (S3) and innovation policies for the 2021-2027 period. The pilot action was designed in two phases. The OECD supported the first phase with a series of five thematic workshops held with two cohorts of participants, each including five regions and one country. The findings from these workshops were collated into an OECD synthesis report, *Regions in Industrial Transition: Policies for People and Places*.

As part of the project, eight of the original regions and the two countries received a EUR 300 000 grant from DG REGIO as well as tailored advisory services to design a High Impact Action that could support their industrial transition strategies.

The OECD is supporting the European Commission with an assessment of each High Impact Action. The aim is to take stock of the potential benefits of different types of High Impact Actions on industrial transition and of the policies that support them. Each assessment considers the actual or expected results of individual High Impact Actions through an understanding of their objectives, activities, governance mechanisms and experimental nature. The in-depth analysis also explores how each pilot region/country expects their individual High Impact Action to contribute to their industrial transition and advance their smart specialisation strategies and governance.

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<sup>1</sup> The regions are Cantabria (Spain), Centre-Val de Loire (France), East North Finland (Finland), Grand Est (France), Greater Manchester (UK), Hauts-de-France (France), North Middle Sweden (Sweden), Piedmont (Italy), Saxony (Germany) and Wallonia (Belgium). The countries are Lithuania and Slovenia.

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