



Abruzzo

ACTION PLAN

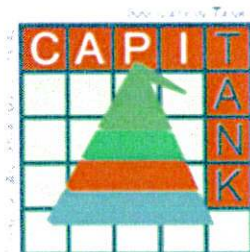


INTRA
Interreg Europe



European Union
European Regional
Development Fund

*SCHEMA PIANO DI AZIONE
Allegato n° 1 DPA 27 del
21/03/2019*



INTRA
Internationalisation of regional SMEs

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1. GENERAL INFORMATION

Project: INTRA (PGI01464)

Partner organisation: **Capitank – Chemical and Pharmaceutical Innovation Tank. Innovation Pole in Pharmaceutical and Chemical sector of Abruzzo Region**

Other partner organisations involved:

Country: **IT - Italy**

NUTS2 region: **ITF1 - Abruzzo**

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The Action Plan aims to impact: ✓ **Investment for Growth and Jobs programme**

European Territorial Cooperation programme

Other regional development policy instrument

Name of the policy instrument addressed: **Regional Operational Programme for the European Regional Development Fund 2014 – 2020 (2014IT16RFOP004)**, Axis I: research, technological development and innovation



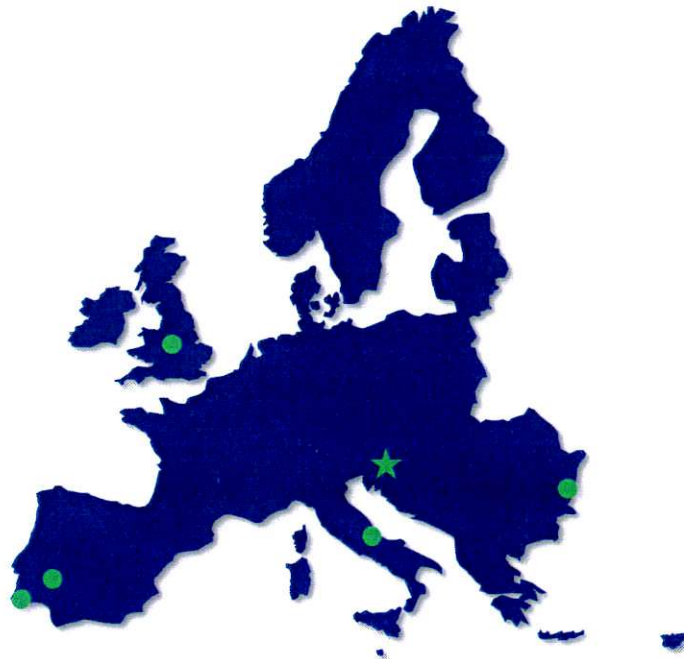
2. INTRODUCTION

2.1 INTRA Project: Internationalisation of regional SMEs

INTRA project focuses on the role of public authorities in creating internationalisation services to support the competitiveness of the regional economies and thus contribute to the Europe 2020 strategy.

Developed by the project partners, it builds on internationalisation research findings as well as highlights the importance of regional quadruple helix partnerships to bring together universities, business, civil society and local authorities as the main stakeholders in research and design of new internationalisation policy models, wider acceptance of the good practices identified within the INTRA regions and preparation of new project proposals to be funded under the respective national Cohesion policy 2014 - 2020.

Figure 1: INTRA regions



INTRA partners exchange, explore and disseminate good practices in ways to promote internationalisation and improve competitiveness of the respective regions involved. INTRA has 6 partners from six different EU28 member states: Maribor Development Agency (SI), Regional Agency for entrepreneurship and innovations – Varna (BG), Foundation FUNDECYT Scientific and Technological Park of Extremadura (ES), University of Algarve (PT), Coventry University Enterprises Limited (UK), CAPITANK (IT) and is supported by the Managing Authorities for ERDF and represent the active stakeholders in internationalization.



INTRA PROJECT PARTNERS



Lead Partner - Maribor Development Agency



PP2 Regional agency for entrepreneurship and innovations - Varna (RAPIV)



PP3 Foundation FUNDECYT Scientific and Technological Park of Entrepreneurs (FUNDECYT PCTEX)



PP4 University of Algarve

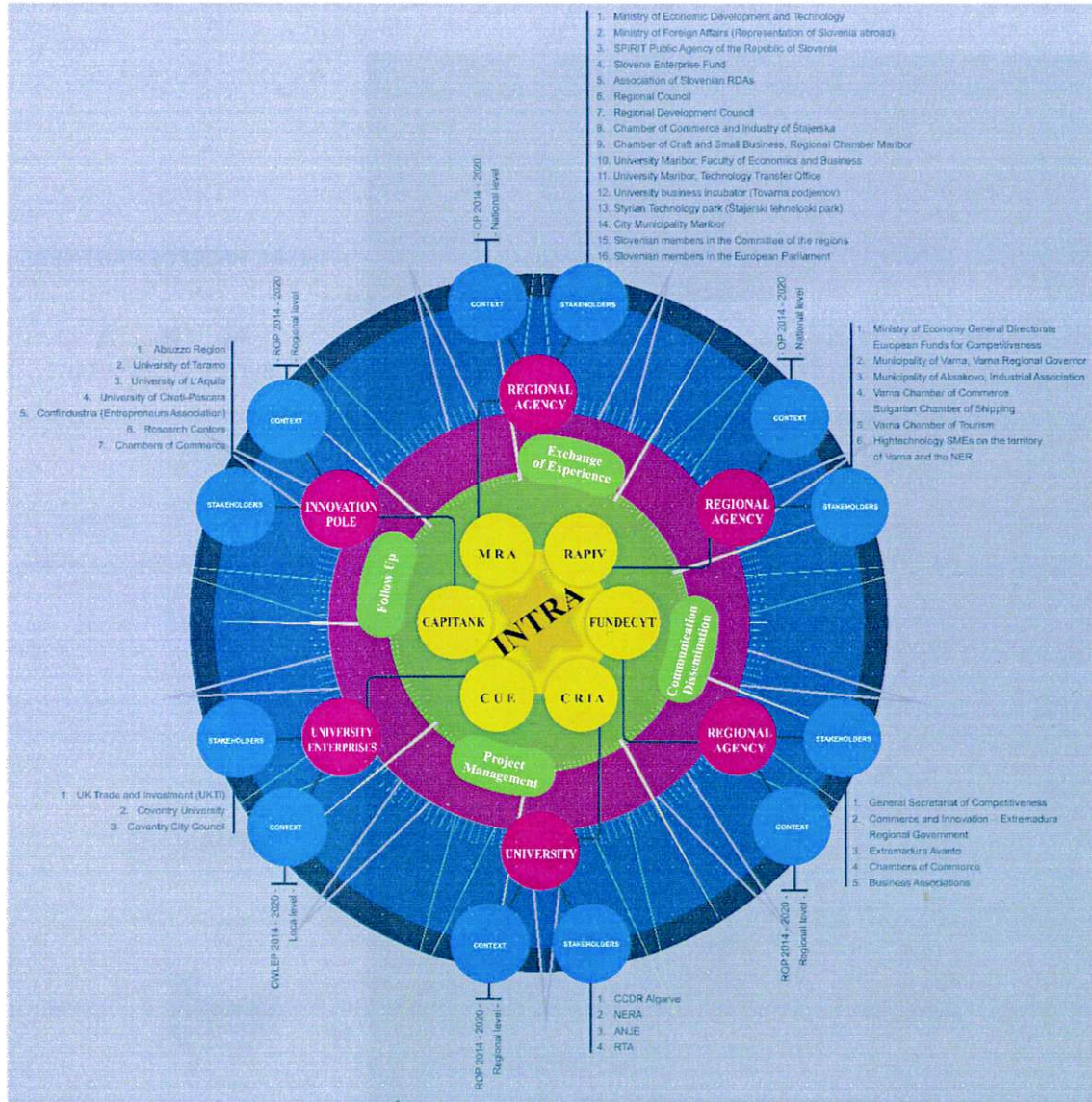


PP5 Coventry University Enterprises Ltd



PP6 CAPITEK - The Development of Maritime Innovation - Limited Liability Consortium

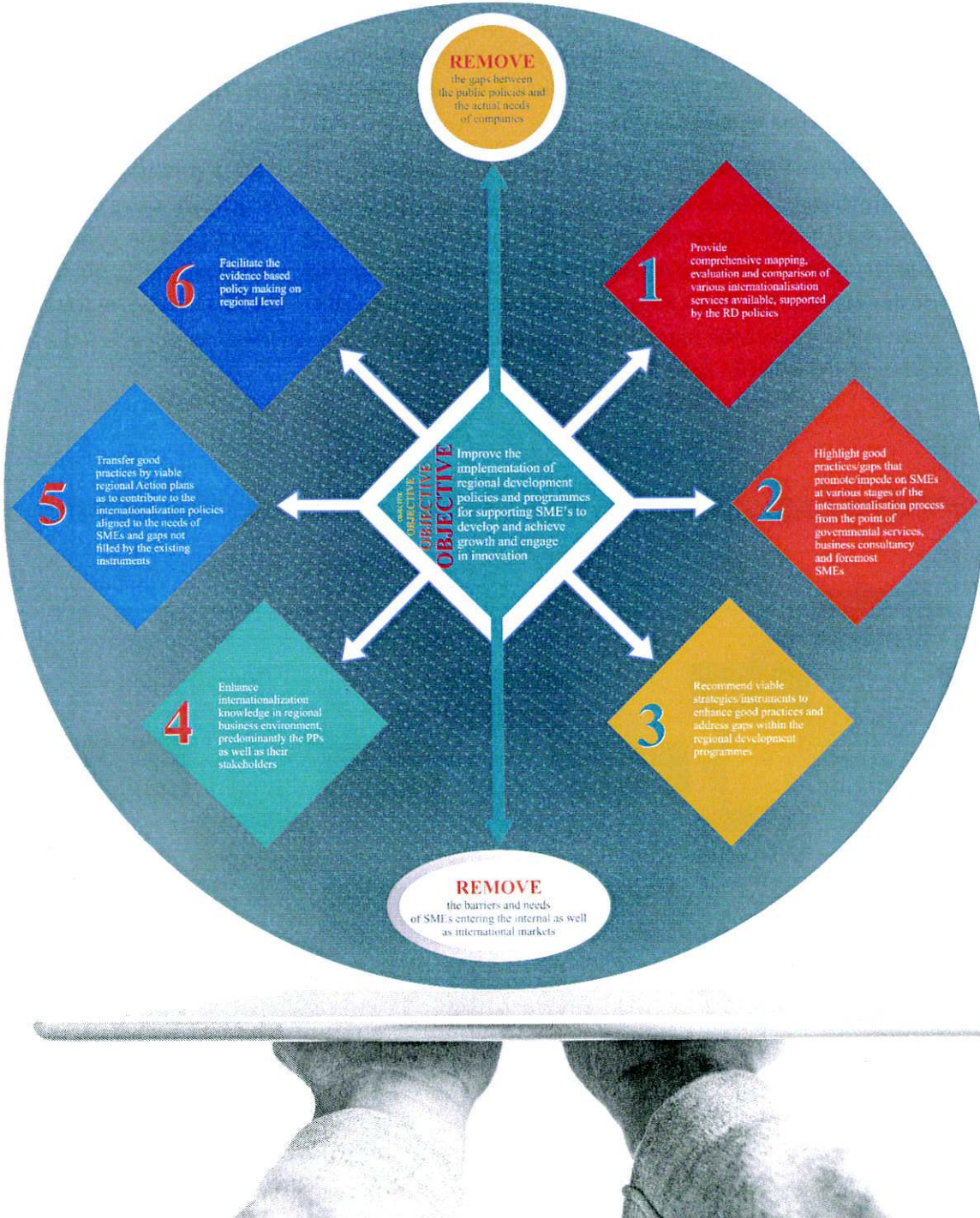
Figure 2: INTRA stakeholders



The objectives of INTRA are to provide comprehensive mapping, evaluation and benchmarking of various internationalisation services available across the regions, highlight good practices/gaps that promote/impede on SMEs at various stages of the internationalisation process.

Upon the selection of good practices, the viable strategies/instruments to enhance good practices and address gaps within the regional development programmes were elaborated and described in the Policy recommendations and will be implemented in the regional Action plans as to contribute to the internationalisation policies aligned to the needs of SMEs and gaps not filled by the existing instruments.

Figure 3: INTRA objectives

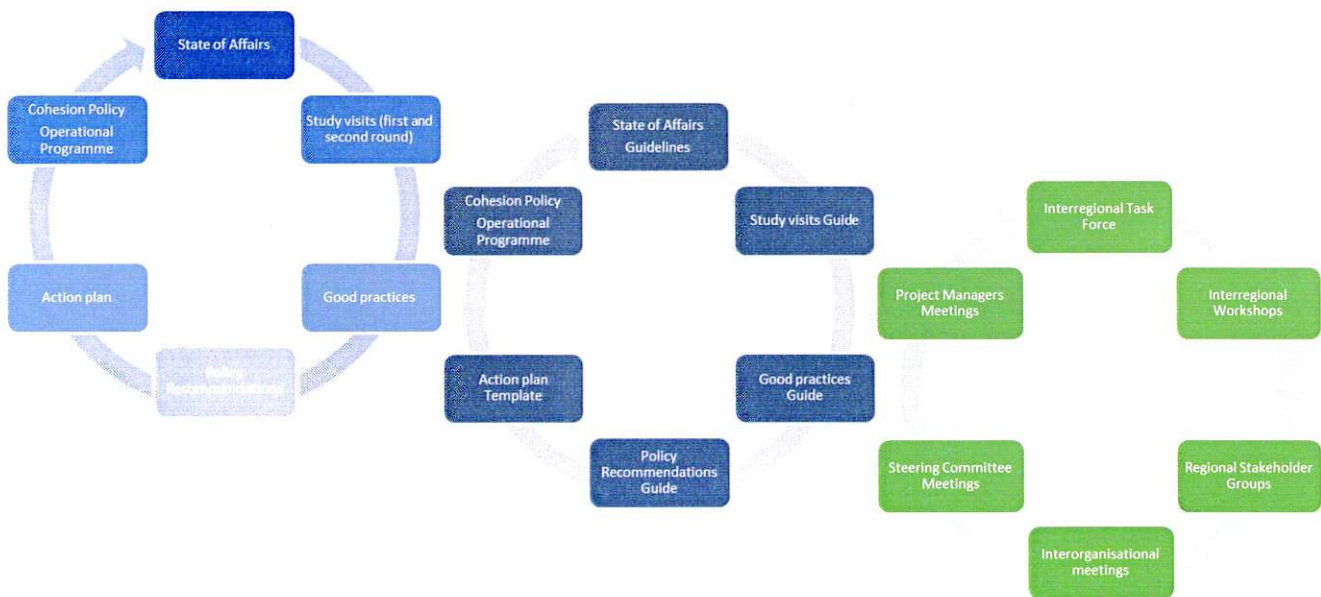


2.2 Regional Action plans

Produced by each region, the action plan is a document providing details on how the lessons learnt from the cooperation will be implemented in order to improve the policy instrument that is addressed within their region. It specifies the nature of the actions to be implemented, their timeframe, the players involved, the costs and funding sources.

Based on the Knowledge Sharing Strategy, which was prepared to facilitate a process of knowledge transfer and dialogue between internal and external stakeholders, as well as facilitate active involvement of regional stakeholders (meetings, workshops, interviews), resulting in solutions that contribute to internationalisation of regional SMEs within each of project partner regions, and beyond. INTRA followed the logic described in the INTRA Knowledge Sharing Cycle as depicted in Figure 4: circle 1 represent the main deliverables; circle 2 the supporting documents for the facilitation of the process; circle 3 the forms of cooperation within INTRA project.

Figure 4: INTRA Knowledge Sharing Cycles



In terms of results, cooperation can influence policy instruments in various ways and may take different forms (see figure 5 below), which can sometimes be interconnected.

Figure 5: Type of policy improvements

Type 1: implementation of new projects

Type 1 implies that the policy instrument provides funding as is the case with Structural Funds programmes. Thanks to interregional cooperation, managing authorities and other relevant bodies can find inspiration in other regions and import new projects to be financed within their programmes. This type of impact requires the availability of funding in the programme.



Type 2: change in the management of the policy instrument

Interregional cooperation can also influence the way policy instruments are managed.

New approaches can be adopted thanks to lessons learnt in other regions. For instance, a new methodology for monitoring or evaluating a measure can be developed within the policy instrument. A managing authority or any other relevant body can also improve the way thematic calls are organised or the way projects are selected. The governance of the programme may also refer to the way environmental issues are integrated into the different measures of the operational programmes.



Type 3: change in the strategic focus of the policy instrument

The third type is the most challenging since it requires a change in the operational programme. To integrate the lessons learnt from the cooperation, some managing authorities can modify existing measures or even create new measures in their programme.



During the 2nd Phase of INTRA Project (starting April 2019 - March 2021) the project partners will closely monitor the implementation of action plan, will regularly check the extent to which the measures described in the action plan are implemented on the ground, evaluating the results of these measures and gathering evidence of success to be reported on to the programme. During the 2nd phase the project partners will continue to learn from each other and will exchange and build on the success achieved or on the difficulties encountered.

3. Description of Abruzzo Region

3.1 Abruzzo Region

Figure 6: Abruzzo region in Italy

Abruzzo is an ordinary region of peninsular Italy, between the Adriatic Sea and the central Apennine, with L'Aquila as capital city.

The region is divided into four provinces: L'Aquila, Chieti, Pescara and Teramo, and in 305 municipalities. Abruzzo borders the region of Marche to the north, Lazio to the west and south-west, Molise to the south-east, and the Adriatic Sea to the east.

The data about Abruzzo Region are represented in the table 1 below.

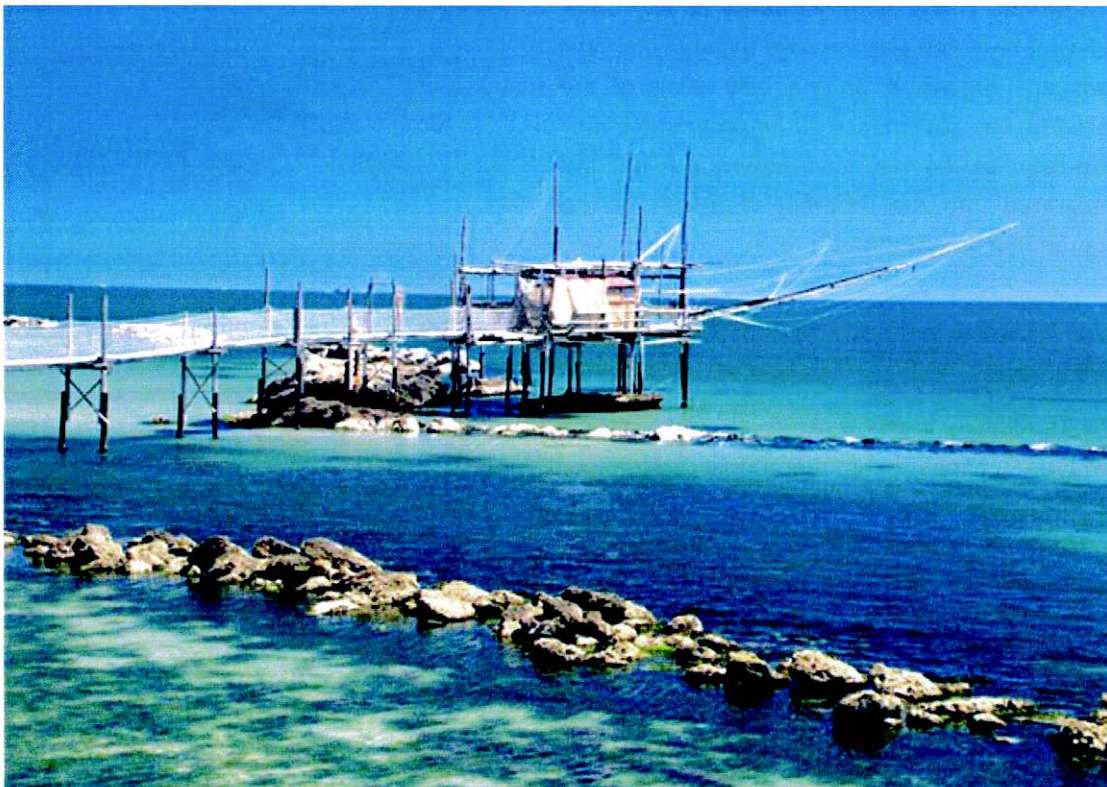


Table 1: Abruzzo Economy in brief

	ITALY	ABRUZZO	MEASURE	PERIOD
Surface	302.073	10.382	Km ²	2018
Population	60.483.973	1.315.196	Number	2018
Population growth	-0,17	-0,53	%	2018
Population density	200	121	Number/km ²	2018
Agriculture	2,1	3,0	%	2017
Industry	19,4	20,7	%	2017
Construction	4,7	5,6	%	2017
Services	73,8	70,7	%	2017
GDP real annual change	1,6	1,6	%	2017
Nominal GDP	1.680.523	31.959	Million EUR	2017
GDP per capita	28.500	24.400	EUR	2017
Total employment	23.023	491	Number*1.000	2017
Unemployment rate	11,2	11,7	%	2017

Source:

- Banca d'Italia - L'economia delle regioni italiane nel 2017;
- Istat (Istituto Nazionale di Statistica).

3.2 Export competitiveness of the Abruzzo economy

In 2017, Italian exports of goods and services recorded overall positive performance.

In particular, sales on foreign markets have grown at a faster pace than those of the euro area and the main European countries (+ 5.7% in Italy, + 5.4% in the euro area and + 4.6% in Germany). The strongly expansionary dynamics of exports led to a contribution positive net external demand to GDP growth of 0.3 percentage points.

Italy in world trade has a high vocation for export, which is confirmed by the main indicators of internationalization. In particular, the propensity to export compared to the production of manufactured products reached 45.4% in 2017, with an increase of over 4 percentage points in the period 2013-2017.

The industrial sectors that are characterized by the highest propensity to export are: pharmaceutical, chemical-medical and botanical items, machinery and equipment, computers, electronic and optical equipment, electrical appliances, means of transport and textiles, clothing, leather and accessories.

In 2017 regional exports of goods increased by 10.2 percent in Abruzzo (9.7 percent in 2016). Beginning in 2014, sales abroad progressively recovered the growth gap accumulated in comparison with the national figure during the crisis, reaching levels of over 20% over last year compared to 2007. In comparison with pre-crisis levels, exports they have grown above all in the food and in the automotive sectors; although slightly recovering, they remain far below the values of ten years before exports of Made in Italy products.

In 2017, the highest contribution to the growth of regional exports was provided by the pharmaceutical sector. In terms of geographical areas, exports were mainly driven by sales to non-EU countries (with a contribution on total growth of 9.8 percentage points), in particular for pharmaceutical products to the United States. Sales in Asian countries, on the other hand, showed a market slowdown.

Compared to 2016, the contribution of European Union countries was lower, where, in particular, exports to the euro area slowed down and those to the United Kingdom decreased.

Between 2007 and 2016, the world share of regional exports fell by around 20%. After strongly decreasing until 2010, the share showed a recovery in the following years of an entity comparable to that recorded at national level. The resulting higher profitability, together with the improved access to financing sources for companies, contributed to the gradual growth in the investments of the corporate sector.



4. Policy tackled



Table 2: Abruzzo ROP ERDF 2014-2020

	Abruzzo ROP ERDF 2014-2020
Policy/Strategy	Axis I - Research, technological development and innovation Axis III - Competitiveness of productive system

<p>Brief Description</p>	<p>The purpose of the Program, whose total budget amounts to € 231.509.780, is to promote smart, sustainable and inclusive growth and strengthen the economic, social and territorial cohesion of Abruzzo.</p> <p>Priority:</p> <p>Axis I - Research, technological development and innovation Axis II - Digital services broadcast Axis III - Competitiveness of the production system Axis IV - Promotion of a low carbon economy Axis V - Reduction of hydrogeological risk Axis VI - Protection and enhancement of natural and cultural resources Axis VII - Sustainable urban development Axis VIII - Technical assistance</p> <p>Axis I - Research, technological development and innovation</p> <p>The regional strategy is aimed at supporting regional SMEs. In the context of an overall loss of competitiveness of the Abruzzo business system, the best performances have been achieved by companies that have adopted strategies for innovation and internationalisation.</p> <p>For this reason, the Program promotes:</p> <ul style="list-style-type: none"> • investments in R & I companies by developing links and synergies between companies, research and development centers and the higher education sector; • technology transfer, open innovation through intelligent specialization; • technological research and applied in key enabling technologies. <p>Axis III - Competitiveness of productive system</p> <p>The main objectives of this axis are:</p> <ul style="list-style-type: none"> • Develop and implement new business models for SMEs, in particular for internationalization <ul style="list-style-type: none"> ○ Support for the competitiveness of companies in tourist destinations, through actions to qualify the offer and product / service innovation, strategic and organizational • Support the ability of SMEs to grow on regional, national and international markets and to take part in innovation processes <ul style="list-style-type: none"> ○ Enhancement of the system of public guarantees for credit expansion in synergy between the national system and regional guarantee systems, favouring forms of rationalization that also enhance the role of the most efficient and effective trust
<p>Managing Entity</p>	<p>Unique Management Authority ROP ERDF / ESF Abruzzo 2014-2020</p>
<p>Scope</p>	<p>Regional</p>



Target group	Regional SMEs, Industries, Universities and Research Centers
Budget Available	<p>Abruzzo ROP ERDF 2014-2020</p> <p>Total budget: € 231 MEur</p> <ul style="list-style-type: none">• Axis I - Research, technological development and innovation: 45 MEur• Axis III - Competitiveness of productive system: 65 MEur
Indicators	<p>Axis I - Research, technological development and innovation:</p> <ul style="list-style-type: none">• Researchers employed in companies on the total number of employees: from 0,1% (2012) to 0,3% (2023)• Companies that have carried out activities of R&D in collaboration with external subjects: from 37,9% (2012) to 60,0% (2023) <p>Axis III - Competitiveness of productive system:</p> <ul style="list-style-type: none">• Innovation rate of the production system: from 31,5% (2012) to 45,0% (2023)• New company employees: from 3,4% (2012) to 5,0 (2023)

4.1 Policy Recommendations (EU and Abruzzo specific)

The regional environment in the field of internationalisation has been characterized, in the recent years, by a multitude of initiatives “on spot” being put in place by different stakeholders, especially related to information and training.

The direct action of the Abruzzo region has been limited to a few initiatives.



From this point of view, Smart Strategy Specialization can be a step forward, since it focuses its efforts, also in the field of internationalisation, in already competitive sectors in exports, that can enhance their activities, by also attracting SMEs to its dependent industries. However, this still requires a necessary improvement in the rapidity and effectiveness of policy execution procedures.

At regional level, the most important aspects highlighted within INTRA project are:

- SMEs have got a strong awareness of the importance of affirming themselves in international markets; such consciousness, in the economic crisis phase, becomes hardly investments and systematic activities;
- The main needs of Abruzzo regional SMEs are the achievement of financial instruments and the detailed knowledge of the targeted foreign market; even the needs related to the implementation of suitable products for the new markets or to the improvement of the production process are strong;
- The internationalisation policy must be based on the promotion of innovation activities, which includes promotion of collaboration between universities and companies, human capital development, development of innovation cluster, and development of competences for Industry 4.0. For the internationalisation of research and development it is important the mobility of researchers that aims at creating companies (start-ups, innovative SMEs) that can immediately connect to an international network.
- The regional policy for internationalisation of the SMEs should focus on supporting processes for the realization of technological partnerships with targeted countries.
- The innovative products are indispensable actions for internationalization of sales not only of big companies but also of SMEs.
- The facilitating tools provided directly and indirectly by the EU are, in the perception of SMEs, still unsuitable for two orders of reason: small knowledge of existing possibilities and excessive lateness and bureaucracy of procedures
- From the point of view of the organizations that develop supporting activities, even though all the different services and know-how are available at the regional level is considered as a primary requirement the one of a further integration of the activities and collaboration of the committed organizations.

Recommendations:

- Minimize the timing for launching of call for proposals at regional level, for supporting SMEs in internationalisation processes.
- Reduce the bureaucratic complexity of access to facilitations.
- Operating in continuous manner with actions already put in place such as:
 - involving the different actors, in supporting actions (One-Stop-Shop):
 - stimulating aggregation (partnership, network of enterprises) in internationalisation activities.
- Proceed rapidly in the direction of automating of provided Public Administration's services, to increase the chances of interaction with SMEs. For example, a digital platform could be created that, in agreement with the one already provided by the Ministry of Economic Development - Agenzia ICE, deepens the aspects linked to the internationalization of SMEs of the Abruzzo Region. It should therefore provide news, information and tools specifically aimed at regional SMEs.
- Provide further knowledge tools in relation to the initiatives promoted by the EU in every field and for internationalisation actions. This could be achieved through the one stop-shop methodology, intended as real and virtual places (web) of training and information on the activities and possibilities offered to SMEs by the European programming.

Recommendations to EU level:

- The availability of internationalisation services for SMEs should be aligned to their needs;
- EEN as promotor of internationalisation should incorporate also training for SMEs and act as the entry point for their internationalisation.

5. Exchange of Experiences: transformative potential of interregional cooperation

The main activity in INTRA project, Exchange of Experiences was focused on Study visits, the interregional learning events that include study visit with observation of good practices, Interregional task force meetings with evaluation and discussion about observed good practices and Interregional workshops in which knowledge about internationalisation of SMEs was generated.

Capitank, Innovation Pole of the Pharmaceutical Technological Domain of the Abruzzo region, took part in the participatory process that led to the definition of the Smart Strategy Specialization and therefore to the identification of the guidelines for regional planning.

Programming in the field of internationalization has assumed a precise position: to favor the presence on international markets by strengthening the ability to compete through innovation, in the economic sectors (S3) already ready to take this step.

The main reason and decision for the preparation of INTRA project in Abruzzo

- provide a complete mapping of the needs and activities to support the internationalization of SMEs;
- to evaluate the policies and application examples for internationalization coming from partner countries
- assessing regional policies thanks to the comparison with the international context.

Thanks to the INTRA project it was possible to share knowledge between SMEs, institutions, chambers, associations, NGOs, networks, Regional development institutions, public institutes.

The development within Regional Stakeholder Group and participation of regional representatives in Interregional Task Force as well as at the Interregional Workshop would not be feasible without implementation of INTRA project.

The Action Plan construction process was carried out in close contact with the Managing Authority, through the learning process foreseen by the INTRA project and carefully evaluating the good practices that could have a real transferability (in this moment) in the Abruzzo region.

The concept of transferability makes explicit reference to the possibility of evaluating activities / actions in the field of internationalization inserted in the context of the current programming.

During the project it was possible to deduce that these elements that could have a direct connection with what is foreseen by the regional programming development lines are innovation and clustering, with direct effects for the promotion of SME internationalization. This was the focus of discussion at each INTRA project meeting, both regional and interregional, such as the interregional workshop of INTRA partnership on 14th June 2017 in Pescara. On this occasion all the partners shared the lesson learned: *“Interdependences between Innovation and Internationalisation: considering, in fact, the different types of internationalisation that can be implemented (internationalisation of sales, internationalisation of product, process, marketing and organizational innovation always plays a decisive role. In many cases, for example, creating new and more efficient processes or innovative products for new markets are indispensable actions to enable internationalisation of sales. These aspects have an important influence on Implications for local authorities' policy. Internationalisation policy must therefore be based on the*

promotion of innovation activities that can be: promoting collaboration between universities and companies; human capital development; development of innovation cluster; overpass digital divide; develop competence related to industry 4.0”.

The good practices of the INTRA project that helped to confirm these elements were different, but we focused on those, described below, which showed a precise adherence to the needs identified at the regional level.

This learning process has led to identifying the characteristics of the Action Plan:

- strengthen the programming activities for internationalization through innovation and clustering activities
- monitor the results obtained in terms of competitiveness and internationalization deriving from this strengthening.

5.1 Good Practices observed: transformative potentials

In the context of Interreg Europe Project INTRA, a good practice is a national, regional or local initiative aimed at supporting SMEs to internationalise. It can be, for example, a project, a process, a policy or a technique which has some evidence of success in reaching its objectives. Moreover, a good practice has the potential to be transferred to other geographic areas through regional strategy and policy. The total number of 98 good practices were listed under the project INTRA.

In the whole phase 1 the selection, evaluation and validation process were done that resulted in 84 listed good practices.

The whole process is depicted in the Figure 8. The 84 good practices can be observed at:

www.interreg.europa.eu/intra project website.

Good practices observed have been collected in the *Good Practice Guide on SME Internationalisation*.

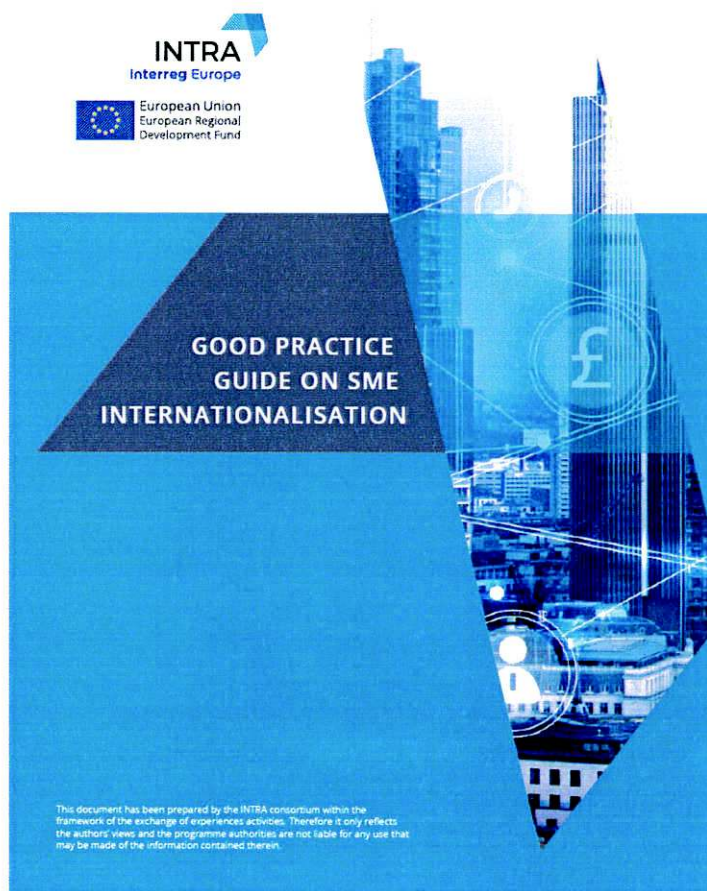
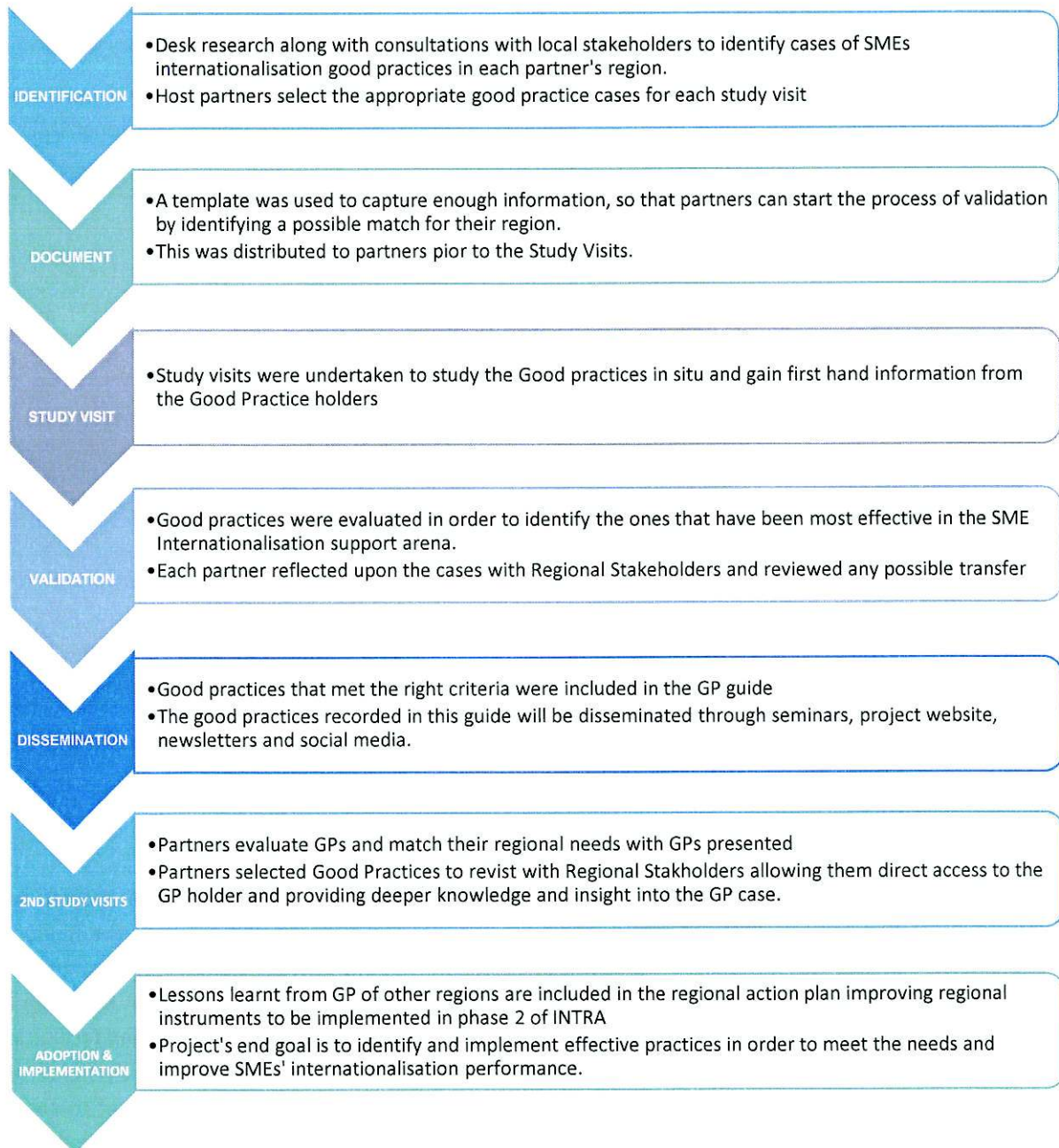


Figure 7: Good Practice Guide on SME Internationalisation.



Figure 8: Good practice process within INTRA project



5.1 Good practices: Transferability Elements

Good Practices that are the basis for the preparation of action to be implemented in the Phase 2 of the Project INTRA in Abruzzo are those observed in the first round of study visit in Algarve (Portugal) and Maribor (Slovenia). The INTRA project with its facilitation of exchange of experience will serve as the basis for further development of internationalisation services in the region, organizing collaboration among different institutions in the region, providing SMEs services.

In the figure below are the main barriers and needs for internationalisation of Abruzzo Regional SMEs.

Figure 9: Barriers and needs for internationalisation of Abruzzo Regional SMEs



These barriers and needs can be schematized according to the model already used within the INTRA project, in 4 groups:

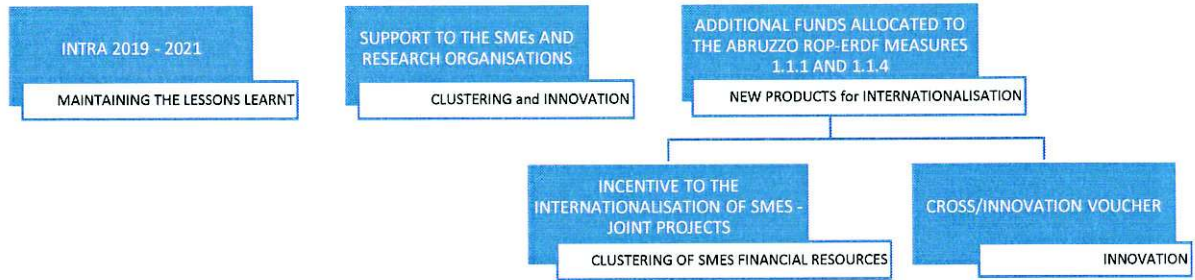
- Financial support services for Internationalisation,
- Services for developing human resources/ managerial capacity,
- SME support structure and other non-financial services,
- Information provision services.

In particular, this framework derives from the analyzes carried out within the INTRA project and illustrated in the Regional State of Affairs and from the interlocutions carried out with the Regional Stakeholders Group. The barriers and needs will be overcome gradually by providing services and know-how gained and developed within INTRA project. The focus was on maintaining the INTRA Exchange of Experience Cycle within the region, by facilitating the RSG meetings, setting joint targets and facilitating internationalisation processes of involved SMEs (RSG meetings, intraorganisational meetings, interorganisational meetings (ITW, ITF) for animation and connecting regional environment to create better cooperation among all regional stakeholders (including businesses) and also cross-border connections to similar institutions in neighboring countries) and shaping the support environment for business, which includes reporting on administrative barriers identified by beneficiaries of services, meetings of the support environment in the region and presentations of regional businesses at a joint regional exhibition place. A set of specific instruments and tools, observed in GPs will be translated into local/regional environment:

- support clustering of SMEs;
- research and innovation projects:

- the shaping of the technical assistance provided to achieve the results in internationalization of SMEs.

Figure 10: Translated elements of GPs into regional system



The description of the GPs that inspired the proposed Action of the Phase II in Abruzzo can be found at the INTRA webpage:

1	Incentive to the Internationalisation of SMEs - Joint projects (Algarve, PT)	https://www.interregeurope.eu/policylearning/good-practices/item/500/incentive-to-the-internationalisation-of-smes-joint-projects/
2	Cross/Innovation Voucher (Slovenia, Maribor)	https://www.interregeurope.eu/policylearning/good-practices/item/473/cross-innovation-voucher/



Table 3: GPs from SLO and PT to enhance the internationalisation of regional SMEs

n.	Title of the GP	Transferability elements
1	<p align="center">Incentive to the Internationalisation of SMEs - Joint projects (Algarve, PT)</p>	<p>The practice is an instrument fully dedicated to increase the SMEs cooperation and capacity to reach new and foreign markets, through funding directly joint internationalisation activities.</p> <p>From this good practice the general objective of encouraging the aggregation of SMEs in competitiveness activities and the procedures for managing the procedure can be transferred.</p> <p>The methodology adopted is that of favoring aggregation with the aim of internationalizing not only a single SME but a network or cluster, with the result of increasing the value chain.</p> <p>The good practice highlights the importance of a decisive element also for SMEs in the S3 domains of the Abruzzo region (automotive, agri-food, made in Italy, life science, ICT): obtaining, validating and defending patents and other industrial intellectual property.</p> <p>The development of knowledge and innovation in joint internationalization activities plays an important role in the set of activities funded by the procedure.</p>
2	<p align="center">Cross/ Innovation Voucher (Maribor, SLO)</p>	<p>TechnoCenter of University of Maribor led a nine-partner consortium from five countries to design cross-innovation voucher scheme helping SMEs from Central Europe Region purchase R&D services in order to support the development of innovative products and processes. Voucher could be used for:</p> <ul style="list-style-type: none"> • development of new product, prototype, • testing quality control and environmental comparability, • business plan development for innovative product, • improvement analysis of idea, product, business model, • development of feasibility studies, studies for problem solving, • product/service testing, • analysis of technology transfer potential. <p>Practice is transferable in terms of organisational model / implementation process, specific tools and methodology for the involvement of the targeted stakeholders.</p> <p>The set of activities implemented by this good practice has developed a favorable environment for international cooperation for innovation activities:</p>

built twelve cooperations across Central Europe and invested € 60.000 to stimulate the transnational exchange and cross-border support; helped connect SMEs and public research organisations, bringing together parties who were seeking new research partners and new market opportunities.

The elements of the GPs observed are translated into the Action 1: Managing Authority – Additional funds allocated to the Abruzzo ROP - ERDF measures 1.1.1 and 1.1.4.

The two good practices identified helped the Managing Authority to identify the measures to be considered as possible targets for the improvement of the internationalization policies.

Good practice from Portugal has shown that internationalization projects implemented by SME clusters had great implementation effectiveness and, in this way, it was possible for SMEs to share results that individually would have been very difficult to achieve. From this point of view, this Good Practice was therefore important to identify the call within axis 1.1.4 that could have a greater impact for SMEs.

In fact, the reference call of the Action Plan is named "*Industrial Research Projects and Experimental Development of Enterprises belonging to the Domains identified in the Regional Strategy of Smart Specialization in Abruzzo*".

It provides that the projects must be proposed and implemented by groups of companies (consortia, clusters) with the participation of at least one SME.

One of the main objectives of the call is (literally): "*In particular, it intends to enhance the skills and knowledge of the area, strengthening collaboration and synergy between companies and research organizations, also through the creation, consolidation and international projection of networks, clusters and partnerships.*"

Just as foreseen by the Good Practice coming from Portugal the objective of the call is to promote internationalization (through innovation) of clusters of companies in order to increase the value chain.

The good Cross / Innovation Voucher practice (Maribor, SLO) was important instead to allow Capitank to confirm the correctness of the implementation model. The Maribor TechnoCenter has developed a consortium to design innovation activities for the benefit of SMEs in the five participating countries.

Joint activities for innovation represent a fundamental element for the competitiveness of SMEs, above all to confront new markets. This type of activity and management model are perfectly reflected by the call of the Abruzzo Region to which the Action Plan refers. The tender in question, as mentioned, provides resources for industrial research and experimental development projects for groups of companies related to the technological domains of the smart specialization strategy of the Abruzzo region. The POR-FESR Abruzzo, through the participatory process with stakeholders, has indicated the strategy for the internationalization of regional SMEs: strengthening competitiveness through innovation in the sectors of the regional economy that already have a mature presence in international markets.

6. ACTION 1: Increased financial allocation to "Support for R&D projects of companies involved in S3 domains" - DPG013 no. 183 01/11/2016 (Action 1.1.4).

6.1 Background



Within project INTRA the Regional Stakeholder Group (further RSG) was set up consisting of:

- Abruzzo Region: Managing Authorities and DPG
- University of Teramo
- University of L'Aquila
- University of Chieti- Pescara
- Confindustria (Entrepreneur Association)
- Research Centers
- Chambers of Commerce

The members of RSG were involved in the preparation of Regional State of Affairs, which they validated before launching it for the wider interesting public. During the preparation of Regional State of Affairs, the interviews were conducted with the regional stakeholders that constitute the internationalisation supporting environment. A survey among SMEs was launched in order to compare the existing measures for internationalisation and the needs and barriers the SMEs are facing. The Regional State of Affairs revealed that the supporting environment clearly sees the needs for the implementation of actions stimulating aggregation in innovative processes even to be able to reach new markets.

This together with the needs to minimize the timing related to the procedures for launching of call for proposals at regional level, for supporting SMEs in internationalisation processes and to reduce the bureaucratic complexity of access to facilitations.

On this regard, it's important to note that the Abruzzo Region decided to adopt a unique ERDF-ESF Managing Authority to guarantee a better efficiency of the administrative process related to calls for tenders, the distribution of resources and a better impact of European funds on the regional territory.

In parallel the study visits were organized in which the project partners observed the good practices in the internationalisation policies, collected by respective project partners.

In the first round of study visits it was possible to come into contact with similar experiences to Capitank and to note that some lines of intervention for internationalization provided for innovation aid for the development of new products and services to enter in international market. An example is

- Cross/ Innovation Voucher performed by TechnoCenter of University of Maribor:

Based on the presentation of the good practices the joint decision of Regional Stakeholder Group was made, which of the GPs should be analyzed in depth during the 2nd round of Study visits.

The first round was reserved solely for the project partners, whereas in the second, the project partners were accompanied by representatives of the regional stakeholders:

- CNA Teramo (Italian Confederation of Crafts and SMEs) in the second round of study visit in Algarve;
- University of Teramo was in the second round of study visit in West Midlands.

The activities of the INTRA project allowed Capitank to get in touch with the good practices coming from the partners, in particular:

- IPAM - Intellectual Property Asset Management program: Intellectual Property Asset Management is designed to raise awareness of the value of tangible and intangible intellectual assets within a business and to help West Midlands SMEs improve their competitiveness and sustainability by identifying and unlocking their existing and potential assets to enable them to enter new markets;
- Incentive to the Internationalization of SMEs - Joint projects: The practice, from Algarve, a direct financial support of the Regional Operational Program.

These good practices were subsequently deepened during the second round of study visit and confirmed the centrality of the themes of innovation and clustering of regional SMEs in the process of internationalization.

Finally, the Good Practice taken as inspiration in the context of actions of Intra in Abruzzo were:

- Incentive to the Internationalization of SMEs - Joint projects – Algarve (Portugal);
- Cross/ Innovation Voucher performed by TechnoCenter of University of Maribor – Maribor (Slovenia).

Stakeholder meetings were very important to define, in a shared way, a roadmap for initiatives to support competitiveness, as part of the ROP ERDF measures.

In particular in the RSG held on 29 November 2016, the topic addressed was the one concerning the two ERDF ROP measures 2014-2020 - Axis I:

- Action 1.1.1. - Support for research projects of companies that provide for the employment of researchers (PhDs and postgraduates with technical-scientific profiles) in the companies themselves
- Action 1.1.4. - Support for collaborative R & D activities for the development of new sustainable technologies, new products and services

On this occasion, Capitank presented the INTRA project and shared with stakeholders the need to use all the resources available for action 1.1.4 also through the reallocation of funds. This need had already been illustrated and shared during the May 2016 Monitoring Committee meeting.

The foreseen action is listed under the type 1, implementation of new projects / structural change.

6.2 Action - Increased financial allocation to "Support for R & D projects of companies involved in S3 domains" - DPG013 no. 183 01/11/2016 (Action 1.1.4) - Description

With ROP ERDF Action 1.1.4. - *Support for collaborative R & D activities for the development of new sustainable technologies, new products and services*, Abruzzo Region intends to support the regional productive sectors that demonstrate a real aggregative capacity and the greater propensity to develop new technologies and/or new products and/or new organizational processes, whose positive impact reflect on companies. The intervention is limited to the S3 specialization areas. This action also aims to promote the establishment of international partnerships for the location of the Abruzzo business fabric on frontier technological trajectories. In this sense, the participation of the Abruzzo companies in consortia is promoted in the context of projects financed at European level.

In November 2016, the Abruzzo Region published a call for tenders "*Industrial Research Projects and Experimental Development of Enterprises belonging to the Domains identified in the Regional Strategy of Smart Specialization RIS3 Abruzzo*".

In this case, the importance of the innovation processes carried out through the collaboration of industries, SMEs, universities and research centers aimed at internationalization is not a "*scholastic*" hypothesis, but a fact concretely expressed by the Abruzzo ROP ERDF. It does not envisage specific lines of development for internationalization but intends to promote the international presence of regional SMEs by improving their innovative capacity in the sectors expressed by the Smart Strategy.

Likewise, the call "*Industrial Research Projects and Experimental Development of Enterprises belonging to the Domains identified in the Regional Strategy of Smart Specialization in Abruzzo*" is explicitly referred to internationalization. Indeed, one of the main objectives is: "*to enhance the skills and knowledge of the area, strengthening collaboration and synergy between companies and research organizations, also through the creation, consolidation and international projection of networks, clusters and partnerships.*"

Through the collaboration with the Managing Authority, the regional stakeholders and thanks to the learning process of the INTRA project, the call "*Industrial Research Projects and Experimental Development of Enterprises belonging to the Domains identified in the Regional Strategy of Smart Specialization Abruzzo*" was identified as a key element to be strengthened and measured / evaluated within the Action Plan.

The initial budget of the tender was divided into two actions:

- Action 1.1.1. - Support for research projects of companies that provide for the employment of researchers (PhDs and postgraduates with technical-scientific profiles) in the companies themselves - 4 MEuro;
- Action 1.1.4. - Support for collaborative R & D activities for the development of new sustainable technologies, new products and services - 12 MEuro.

The procedure has attracted great interest from large companies, SMEs and universities that have proposed projects deemed of strategic importance by the Abruzzo Region. These projects concern regional smart specializations:

- Automotive
- ICT/Space

- Agrifood
- Life Science

Abruzzo Region, basing itself on the interlocutions with the production system, with the Universities and the Regional Innovation Poles (Ex.: Capitank) in the context of events, such as the RSG of the INTRA project of 29 November 2016, has undertaken the procedures to increase the budget financial assistance dedicated to this procedure.

The decision for reallocation of funds within ROP Abruzzo 2014 - 2020 in the amount of 6.438.204 euros was based on the MA/IB involvement in the activities of INTRA in person or the discussion of the exchange of experiences as follow up activities of the Study visits conducted in NE Bulgaria, Badajoz and East Slovenia and Abruzzo, comprising observation of good practices, ITF, ITW, SC and PCT meetings.

During the interregional workshop of INTRA partnership on 14th June 2017 in Pescara the PPs in exchange of experiences discussed the importance of innovation, R&D for the internationalisation.

In the ITW, moderated by prof. Alesse, it was clearly shown that there is interdependence between Innovation and internationalisation of sales/production/supply and R&D. As discussed during the ITW, the internationalisation policy must be based on the promotion of innovation activities, which includes promotion of collaboration between universities and companies, human capital development, development of innovation cluster, and development of competences for Industry 4.0. For the internationalisation of research and development it is important the mobility of researchers that aims at creating companies (start-ups, innovative SMEs) that can immediately connect to an international network. The need for internationalisation of R&D companies and its practical impacts were showcased by dr. Marco Ciambrone (NRGsys sas company).

It was concluded that regional policy for internationalisation of the SMEs should focus on supporting processes for the realization of technological partnerships with targeted countries.

Prof. Fratocchi of the University of L'Aquila, then, clearly demonstrated the interdependence between innovation and internationalization and PPs have effectively shared how to create more efficient processes or innovative products are indispensable actions for internationalization of sales.

Throughout the discussion with the project partners, the importance of this contribution has been underlined and served as a basis for the discussion of the RSG in which also the MA plays an active role. Based on the interregional learning and experienced shared among the PPs the RSG members elaborated the recommendations for MA to reallocate additional funds that will enhance R&D&I&I (research&development&innovation&internationalisation).

The Abruzzo Region with D.G.R. 745 of 12/12/2017 has increased the financial envelope of 6.438.204 euros for the call "Industrial Research Projects and Experimental Development of Enterprises belonging to the Domains identified in the Regional Strategy of Smart Specialization RIS3 Abruzzo".

Thanks to this, it will be possible to carry out:

- No. 2 new R & D projects with the involvement of further n. 10 partners - due to the increase in the financial allocation;
- overall n. 9 research and development projects conducted by groupings that count a total of n. 38 partners.

For the implementation of this action, Capitant will carry out monitoring and evaluation activities; in particular, on the basis of the data provided annually by the Abruzzo region, Capitant will develop a report on the implementation of the R&D Projects referred to in the procedure described, evaluating the following indicators:

n	Indicator	Target
1	Number of projects carried out	9
2	Financial progress of the projects	100%
3	Number of researchers employed in carrying out the projects	30
4	Results obtained: patents, publications, etc.	1

6.3 Players involved

Managing Authority:	Abruzzo Region - Unique Management Authority
Contracting Authority:	Abruzzo Region - Unique Management Authority
Contractor:	Capitant

6.4 Timeframe

Timeframe for the implementation of the Action is
April 2019 - February 2021

6.5 Costs

6.438.204 EUR

6.6 Funding sources

ERDF Abruzzo

6.7 Monitoring of the Action plan implementation

The monitoring of the implementation of the proposed actions will be on a regular basis, both within the region according the steps defined in the action plan and informing the INTRA partners on regular basis through online meetings and three PPs meetings as envisaged in the Application Form.

Specific attention will be set on the indicators listed under the point 6 of the current document.

The project partner will also use the high political event to demonstrate the impact of INTRA on the regional/national activities in internationalisation policy.

The monitoring activity schedule is:

- beginning: April 2019
- end: February 2021
- schedule: monitoring can be carried out on the basis of the Annual Implementation Report (RAA - Relazione Annuale Attuazione) according to the following deadlines:
 - September 15, 2019
 - September 15, 2020
 - January 31, 2021: this report would use unofficial data but would be useful in view of the conclusion of the INTRA project.



Ref. no.:

Date: 22/03/2019

Signature: Edoardo Alesse



Function: President

Organisation: Capitank

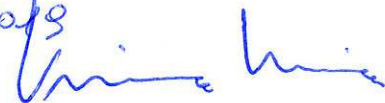
Stamp of the organisation:



Ref. no.:

Date: 22/03/2019

Signature: Vincenzo Rivera



Function: General Director

Organisation: Regione Abruzzo
Autorità di Gestione Unica FESR-FSE

Stamp of the organisation:

