



ACTION PLAN

Associazione Regionale dei Comuni del
Lazio

ANCI Lazio



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General information

Project: RATIO

Partner organisation: ANCI Lazio.

Country: ITALY

NUTS2 region: Lazio Region.

Contact person: Andrea Vignoli

email address: project@ancilazio.it

phone number: +39.3393791615

Policy context

The Action Plan aims to impact:	<input checked="" type="checkbox"/>	Investment for Growth and Jobs
programme	<input type="checkbox"/>	European Territorial Cooperation
programme	<input type="checkbox"/>	Other regional development policy
instrument		

Name of the policy instrument addressed: ERDF Regional Operative Programme (ROP) Lazio 2014-2020 Thematic Objective 1.b Promotion of R&I investments for enterprises developing synergies and connections between enterprises, research centers and universities

General background

The whole activity was based on the addressed self-defined policy instrument ERDF Regional Operative Programme (ROP) Lazio 2014-2020 Thematic Objective 1.b Promotion of R&I investments for enterprises, developing synergies and connections between enterprises, research centers and universities.

In particular, it refers to:

- Action 1.1.3 which includes support instruments to research, innovation and technology transfer from Research to SMEs and among production sectors, to the development of consortia and business networks;
- Action 1.4.1 which includes support instruments to high-tech start-ups and to spin-offs.

Both of the above Actions are included in the Lazio Regional Unified Planning in the Key Actions AC03 and AC04.

The Lazio regional SWOT analysis regarding the level of innovation capacity is as follow:

Strengths	Weaknesses
<ol style="list-style-type: none"> 1. High Impact of Research and Development in public Sector; 2. % of graduates in a science- or technology-related field; 3. % of employers in Research and Development; 4. % of employers in services for SMEs; 5. % of export sales; 	<ol style="list-style-type: none"> 1. only private-sector investment in R&D; 2. pulverization of the productive system; 3. Poor relations between SMEs and Public Research Sector; 4. Low % of employment in the high and medium technology sector; 5. Low level of internationalization; 6. Low number of patents; 7. Imbalance between demand and supply in the instruments supporting R&D and Innovation; 8. significant difficulties in accessing bank credit; 9. lack of integrated supply chains; 10. Loss of competitiveness in the production sectors and in traditional sectors; 11. Weak Regional productivity growth being limited to a few sectors;

Opportunities	Threats
<ol style="list-style-type: none"> 1. Concentration of public R&D and higher education structures; 2. Good level of productivity and employment in business services; 3. High number of patents per million inhabitants in Biotechnologies; 4. Technological clusters: Bioscience, Aerospace and Cultural Heritage; 5. market stimulation to spark innovation led by large SMES in the area; 6. High potential linked to the demand for innovation from the Public Administration and Public Utilities Companies; 	<ol style="list-style-type: none"> 1. reduced expenses for R & D with impact on the achievement of the EU2020 targets; 2. Loss of competitiveness; 3. Negative trend in the number of patents required in the ICT sector; 4. Lack of innovation; 5. Loss of competitiveness on the international market for high-tech SMEs; 6. Shortage of financial instruments for start-ups; 7. Foreign market of R&D; 8. Lack of evaluation of public policies for R&D; 9. Loss of high-level skills in key sectors;

In line with the provisions of the ROP ERDF Lazio 2014-2020 for the referred Actions, the target goal established at the beginning of the activities, is to involve at least 10 SMEs in joint R&D projects with public/private research centres and to achieve a target expenditure under the thematic Objective 1 funds of € 36 million in small urban areas and € 9 million in rural areas.

ANCI Lazio identified several elements to re-propose within this Action Plan and to improve the ongoing European Structural and investments Funds (SIE Funds) in Lazio Region, through a cross-fertilization of ideas and results among the project partners. This was made possible by a detailed analysis of the strengths and weaknesses found in the good practices identified by the RATIO Project and through the study visits carried out by the partners.

In particular, ANCI Lazio took into consideration the opportunity to transfer lessons learnt during the overview of “Enterprise Ireland’s supports” done on 3 October 2017 in Cork (Ireland) and the overview of Neu e.V. Cluster Energy and Environment done on 4 April 2017 in Leipzig (Germany). Following both overviews, we participated in the study visits organized to deepen the related subjects. After that, **an in-depth study of the lessons learned was carried out during the Regional Stakeholder meeting organized by ANCI Lazio on 16 January 2018**, with the direct participation of the main policy makers addressed by this Action Plan. On this occasion, a selection of lessons learnt was discussed, having in mind the importance of ensuring the most relevant impact on regional policies. Hence, the policy makers addressed (Lazio Region

Administration) were involved in the Exchange of Experience meeting organized on 8-9 March 2018 in Zaragoza (Spain) with the aim to share with them the contents of the proposed Action. As a consequence, the proposed Action Plan was agreed with the staff of the Lazio Region Administration in charge of improving the policy instruments addressed. Successively, a targeted meeting involving the policy makers addressed and the ERDF Lazio Management Authority was organized on 1 June 2018 and on 19 June 2018 in order to plan the implementation process.

As a result of the aforementioned steps, the interest of Anci Lazio was particularly focused on the good practices of two partners: 1) the Chamber of Commerce of Cork, as per the processes of reducing the bureaucratic procedures aimed to speed up both the process of approving and providing incentives to SMEs; 2) the Aufbauwerk Region Leipzig GmbH, as for the solutions to be adopted to strengthen innovation in SMEs. Further added value in choosing this second good practice was the Memorandum on the Aerospace sector signed between Saxony Region and Lazio Region, which represents not only one of the main production sectors of the respective SMART SPECIALIZATION STRATEGIES, but a driving force for innovation development in rural areas, considering the increasingly widespread use of satellite data in other production areas (etc. precision agriculture).

Based on the experiences of the project partner regions, it was found that during this planning phase, the development, monitoring and evaluation of innovation will be coordinated by actors with specific responsibilities, within local authorities and other decisions-making bodies.

In general, this phase of implementation of the ROP measures, in the RATIO partner regions, saw a greater and clear synergy between the Managing Authorities and the final beneficiaries of the Innovation measures, allowing a bureaucratic simplification of the procedures and focusing a greater clarity of the objectives of calls for proposals. This made it easier to achieve the objectives of the development of innovation among the SMEs of the concerned territories.

This is highly significant because the support to innovation among companies should have two main characteristics: the clarity of the intervention objectives and the subsequent speed of application, in order to avoid the weakening of the effects of the identified measures and the related projects on the territory. Furthermore, the lack of coordination between the diverse players in the programming sector can make the individual calls poorly calibrated on the real innovation needs of SMEs.

More in detail, the survey carried out on the regional management of the public funds and the comparative analysis between the existing systems in the RATIO partner regions, brought out the following needs:

- When it comes to technological innovation processes, timing issue is fundamental. Therefore, the tools should always be operational and available to SMEs, in order to be able to promptly respond to the territory's needs;

- Calls should not drive innovation but support it. Therefore, calls for proposals should not set up strict limitations to certain areas and/or sectors, on the application of innovation, but should define the strategic objectives of implementing the Smart Specialization Strategies, allowing the market to develop the kind of innovation;
- The timing of assessment and approval of the Call for proposals must be fast. This because the innovation, if truly such, cannot wait to be placed on the market, otherwise it loses its value;
- The procedures for access to subsidies for the support of innovation in SMEs, particularly for micro and small enterprises, should be simple and easy in order to concretely guarantee their access to the funds;
- The assessment should be based more on the innovative idea rather than on the enterprise itself, in order to ensure the development of new SMEs and new innovative ideas;
- in order to support a more widespread diffusion of SMEs throughout the region, specific tools should be ensured to SMEs located in rural and/or isolated areas in order to help these SMEs, being located away from traditional processes of innovation and technology transfer;
- funding measures to support research and technological development for SMEs and funding measures specifically directed to public bodies should be linked, in order to allow greater diffusion of regional innovation to be developed on the market.

Based on this needs analysis are the Actions described here below:

ACTION 1

The objective is the improvement of the implementation of the 2014 ERDF ROP calls for Lazio region, in order to allow the entire management supply chain to have access to the innovation support tools.

What emerged from the above needs analysis is that the wished improvement should not only concern the Managing Authority and the offices of the Regional Administration, but also the operational offices in charge of technical assistance directed to the beneficiaries. In fact, it became clear that the implementation of the 2014 ERDF ROP calls depends on how the offices in charge of technical assistance implement the available tools in practical terms.

Consequently, the following improvement solutions are suggested:

- **simplifying procedures** to be followed in calls, notices and tenders;
- **reducing time**, by promoting calls for proposals and related topics specifically aimed at the identified needs of the innovative SMEs, in order to avoid fragmentations and dispersion of the available financial resources;

To this purpose, first of all, it is necessary to guarantee:

- easy availability of forms through the on-line system;
- reducing number of certifications and acquisition of data from the offices of public administration (ie: blockchain document management);
- check of the veracity of the self-certifications (declarations in lieu of certification and notarial deed);
- regulation of access to administrative documents and, in particular, the identification of the instruments of protection, in the event of a negative response from the Administration;
- information desks and performing assistance to the public.

Therefore, the proposed Actions are:

1. Planning more flexible Calls for proposals in which their strategic objectives of innovation do not include too many constraints.

A tangible example is the Call for Proposal on "GREEN AND SMART BUILDING" in which the innovation was exclusively aimed at specific objectives, excluding some important business sectors in the Lazio region. This constraint limited the number of companies participation. This because, the Call did not take into account the variety of the regional market that demanded innovation in many other sectors, beside that specifically indicated in the Call. The result was the lack of participation and, as a consequence, little use of the funds allocated, due to lack of the submitted proposals.

Therefore, it is clear that it is necessary to define a general innovation strategy that meets the regional S3 objectives, without inserting unnecessary limitations that restrain the market. Moreover, stringent constraints in the Call imply the need to publish many other Calls in order to cover all fields of innovation, with a consequent fragmentation of available resources.

In addition, publishing "open" calls would allow the use of many more resources to be allocated, without repeatedly resorting to the increase in available ex-post funds, as it usually happens.

2. Plan "open calls", until the completion of the funds available for all the planned Actions.

In order to avoid fragmentation of available resources, it is appropriate to provide with the publication of a Call for proposals concerning each Action, preferably at the beginning of the Programming period, allocating the entire amount available for the targeted Action. In this way, the Call would remain available to businesses at all times, until the resources available are totally

utilised. In addition, when the Call is published, the “race” for the presentation of a proposal would be avoided.

Instead, as subsidies must promptly satisfy the needs of businesses and the market, it is crucial that businesses submit their project ideas at the same time as they develop them. In fact, the tools must be available at the time of need, without having to wait every time a Call is published. In this way the real expected benefits of the Action would be met. It is clear that the proposals must represent the real needs of the companies and the market.

3. Simplification of the administrative procedures

Innovation needs fast and certain times to maintain its added value on the market. Waiting for three or even four years from the submission of the proposal to its approval and implementation often makes the investment of the company vain.

The assessment process currently adopted requires that all administrative documents are submitted together with the proposal to be verified in advance. Only at a later stage, the validity of the project idea/proposal is assessed. This implies very long assessment times.

Instead, the project idea/proposal should be assessed first, because the assessment criteria planned in the Calls for proposals should be linked to the real focus of the Call that is the innovation and the sustainability of the proposal.

Therefore, once the project ideas/proposals have been assessed, the request and verification of the administrative admissibility documents should follow only for those proposals that have been considered valid.

In this way, the assessment times of the submitted proposals would be drastically reduced, and the answers to the companies would be ensured in short time.

Furthermore, the workload at the offices dedicated to the assessment processes would be reduced, as the entire documentation would be verified only for the proposals considered valid, and not for all candidatures as it is today.

Not less important, access to subsidies would be significantly simplified, which is particularly crucial for micro and small businesses. If the proposal is not approved, the preparation and submission of the requested whole series of administrative documents is a waste of time and costs, represents an inefficiency for the business model of Lazio that should be removed.

PLAYERS INVOLVED

The implementation of the proposed Action implies the involvement of the following actors:

1. Managing Authority ERDF Lazio 2014-2020, as the body responsible for the implementation of the Programme;
2. Lazio Region - Regional Directorate for Economic Development and Production Activities - Targeted Research Area, Innovation and

- Infrastructures for Economic Development, Green Economy, as a competent area in the development of policies on innovation;
3. Lazio Innova S.p.A., as the office in charge of technical assistance for the implementation of the ROP ERDF Lazio 2014-2020.

TIMEFRAME

The timing of implementation of the proposed Action can not be precisely identified at this stage, as it will depend on the timing of the preparation of new Calls published by Lazio Region and the Managing Authority POR ERDF Lazio 2014-2020. In any case, the implementation will have to take place by 2019.

COSTS

There are no investments and/or additional costs necessary to implement the proposed Action.

In addition to the monitoring activities planned by RATIO project, ANCI Lazio planned to follow the implementation procedures of the proposed Action. A total budget of € 2.500 was allocated to the staff in charge of directly supporting the involved players.

The benefits obtainable refer to the funds allocated in the ERDF Lazio 2014-2020 POR for Action 1.1.3 and Action 1.4.1.

FUNDING SOURCES

The additional budget planned by ANCI Lazio will be covered through own funds of the Association.

ACTION 2

The fundamental objective of the RATIO project is the growth of the competitiveness of SMEs located in rural areas through an increasingly effective participation in innovation processes.

As highlighted in the SWOT analysis, private investments in R & D activities are extremely lacking in our Region.

This figure is even more worrying considering the micro and small enterprises located in rural areas. In fact, in defining the 2014-2020 planning of the ROP ERDF, the Lazio Region included a specific expenditure target to be achieved specifically for such enterprises.

As already mentioned, micro and small enterprises are already suffering from inadequate facilities, human and financial resources. For those enterprises located outside the large research and technology transfer centers, the problems are even more pressing.

Therefore, it is crucial to develop tools capable of supporting an increase in the participation performance of these companies in the innovation processes through the inclusion of specific priorities and / or awards in Calls aimed to support R & D and innovation projects.

Based on the above, the following criteria are suggested:

1. A reserve of funds or a priority in the assessment process in favour of Micro and Small Enterprises located in rural areas.

SMEs located close to large research and technology transfer centres generally are advantaged thanks to the ease of contact and interlocution with these organizations which by nature play a role as facilitators of innovation. The most evident result is that of concentrating companies close to large centers that can attract investments for commercial potential, industrial vocation, presence of infrastructures and research centers and equipment. In line with the strategies for the internal areas of the Lazio Region, in order to achieve the spending reserve objectives set by the ROP ERDF Lazio 2014-2020, it is appropriate to rebalance this access potential in favour of companies located in "disadvantaged" areas. In our view, the reserve of funds would guarantee this result.

Should it be preferable to proceed in a more "soft" manner, the reserve of funds could be replaced by the inclusion of a specific scoring priority in the criteria for evaluating proposals, according to geographical location principles.

According to the cases and the specific needs in each call for proposals the geographic criterion could be intended as follows: 1) the identification of specific municipalities or homogeneous areas; 2) identification of the whole regional territory excluding the city of Rome; 3) identification of areas according to specific statistical or socio-economic indicators.

2. Inclusion of a grant award for R & D projects involving SMEs and / or start-ups.

In order to achieve the objectives described for the active participation of SMEs and innovative start-ups, it would be appropriate to include some specific grant awards for micro enterprises, SMEs and start-ups, in the calls related to the Thematic Objective of interest. This awarding measure would allow micro-small enterprises to participate in research and development projects and to develop innovation, achieving the objectives set by the result indicator of Action 1.1.3 and Action 1.4.1.

3. Inclusion of an award and / or scoring award to Local Authorities that submit proposals in which innovations developed through the support of ERDF ROP Lazio 2014-2020 are included among the eligible expenditures

The incentive measures to favour investments in Local Authorities, both deriving from the funds co-financed by the European Union and from regional budget funds, represent an important driving force for the

economic development of the territory at this time of particular economic difficulty.

Local authorities have difficulty in identifying the innovations developed in the different sectors. It would be extremely useful to develop an innovation catalogue developed by SMEs through the support of the ERDF funds.

An innovation catalogue developed by Lazio companies would be extremely useful with the support of the ERDF funds, to which a list could be added including summary sheets to be requested directly from the individual beneficiaries and illustrating the approved projects already published at [http://www.lazioeuropa.it/por_fesr-15/attuazione_del_programma-, 130/elenco_operazioni_e_beneficiari-68/](http://www.lazioeuropa.it/por_fesr-15/attuazione_del_programma-,130/elenco_operazioni_e_beneficiari-68/)

The realization of this catalogue would allow the opportunity :

- a. for Local Authorities to be updated on the innovations present in the different sectors in order to develop an innovative and efficient planning;
- b. for Lazio SMEs to have a "showcase" in which to promote innovative products on the market;
- c. in the case of commercial contracts between Local Authorities and SMEs from Lazio, to increase regional GDP, favouring the growth of SMEs and the development of employment.

The incentives would stimulate the Lazio Municipalities to frequently see the catalogue and therefore encourage investments towards innovative and sustainable solutions.

In order to favour the process of meeting supply and demand, it may be envisaged to include a specific award rating for the Calls referring to Local Authorities, for the adoption of technological solutions deriving from projects funded within the ERDF ROP, according to the current regulation of competition and purchase procedures by Public Bodies.

PLAYERS INVOLVED

The implementation of the proposed Action implies the involvement of the following actors:

1. Managing Authority ERDF Lazio 2014-2020, as the body responsible for the implementation of the Program;
2. Lazio Region - Regional Directorate for Economic Development and Production Activities - Targeted Research Area, Innovation and Infrastructures for Economic Development, Green Economy, as a competent area in the development of policies on innovation;
3. Lazio Innova S.p.A., as the office in charge of technical assistance for the implementation of the ROP ERDF Lazio 2014-2020.

TIMEFRAME

The timing of implementation of the proposed Action cannot be precisely identified at this stage as it will depend on the timing of the preparation of new calls by Lazio Region and the Managing Authority ERDF ROP Lazio 2014-2020.

In any case, the implementation will have to take place by 2019.

COSTS

There are no investments and/or additional costs necessary to implement the proposed Action.

In addition to the monitoring activities planned by RATIO project, ANCI Lazio planned to follow the implementation procedures of the proposed Action. A total budget of € 3.000 was allocated for the staff in charge of supporting the involved players.

The benefits obtainable refer to the funds allocated in the ERDF Lazio 2014-2020 POR for Action 1.1.3 and Action 1.4.1.

FUNDING SOURCES

The additional budget planned by ANCI Lazio will be covered through own funds of the Association.

Date 02/10/2018

Signature



Stamp of the organisation

