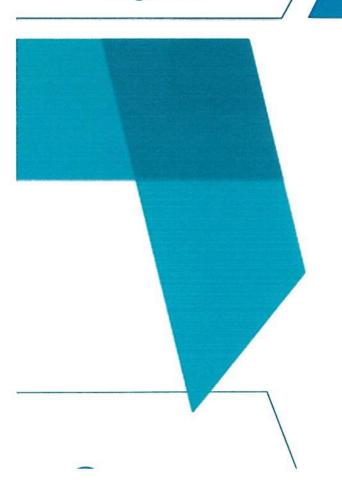




### **Algarve**

## **ACTION PLAN**











# INTRA Internationalisation of regional SMEs

This document has been prepared by the INTRA consortium within the framework of the exchange of experiences activities. Therefore, it only reflects the authors' views and the programme authorities are not liable for any use that may be made of the information contained therein.

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#### 1. GENERAL INFORMATION

Project: INTRA (PGI01464)

Partner organisation: University of Algarve

Other partner organisations involved:

Country: Portugal

**NUTS2** region: Algarve

Contact person at Maribor Development Agency: Hugo Filipe de Brito Barros

Email address: hfbarros@ualg.pt

Phone number: +351 289 800 097 Ext:7093

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: Algarve Regional Operational Programme CRESC - Algarve 2020, Investment priority 1: Strengthening research, technological development and innovation - Expand the business economic base, increasing employment and the enhancement of endogenous resources; International Competitiveness - Strengthen the value chains of consolidated and emerging activities identified by the regional RIS3. Create conditions for the enhancement of international position of the region and the increase of the production of tradable goods and services.







#### 2. INTRODUCTION

#### 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, and 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. In addition, aims to achieve a 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 Scient 1c and Technological Pack of Extrematura (FUNDECYT PCTEX)



PP4 University of Algarya



PPS Coventry University Enterprises Ltd.

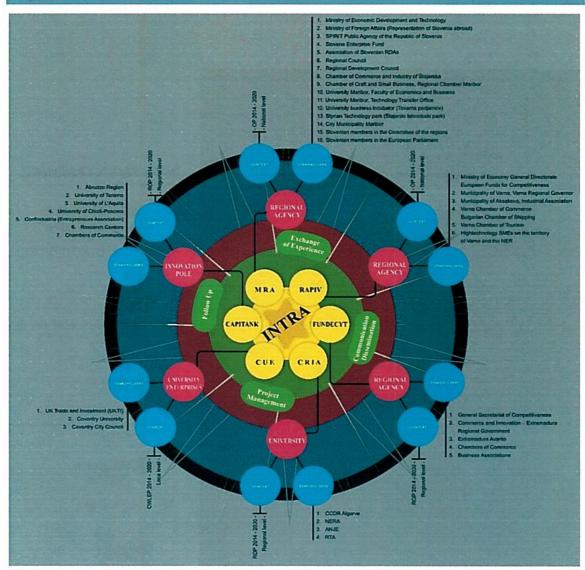


PPG CAPITANK - Chemical and Minimal euto-Indication (Londed Liability Consortium





Figure 2: INTRA stakeholders

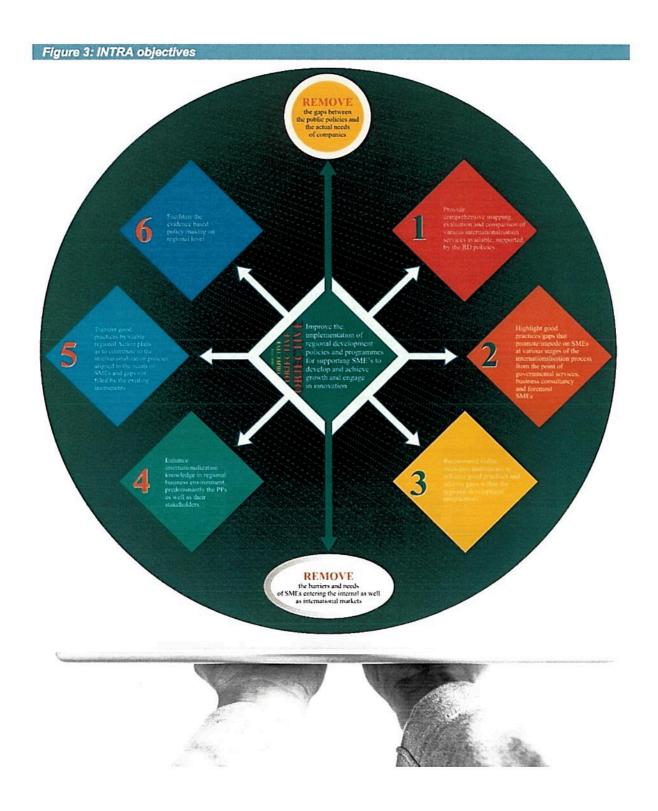


The objectives of INTRA are to provide comprehensive mapping, evaluation and benchmarking of various internationalisation services available across the regions, highlight good practices/gaps that promote/impede on SMEs at various stages of the internationalisation process.

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.







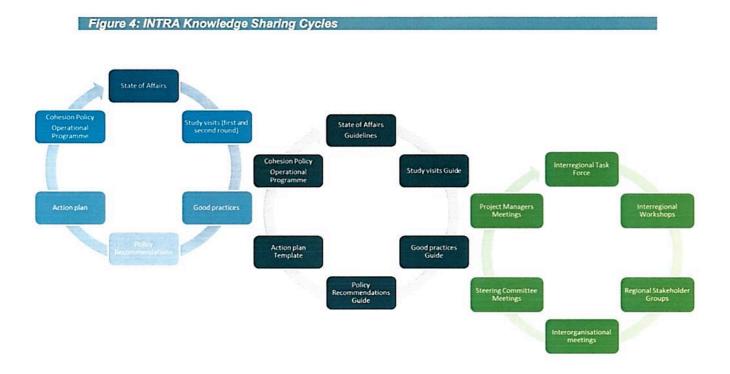




#### 2.2 Regional Action plans

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.



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), project partners will closely monitor the implementation of action plan, and check the extent to which the measures described in the action plan are implemented, evaluating the results of these measures and gathering evidence of success to be reported on to the programme. During the 2nd phase, 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 the Algarve's Cohesion regions

#### 3.1 Cohesion Regions in Portugal

#### Figure 6: Cohesion regions NUTS II Algarve

The Algarve is the southernmost region of Portugal and occupies 4996 Km2 (about 5% of the total national territory). Its total perimeter is 584 km, 142 km east west and 63 km north south. The region has a resident population of 444.390 inhabitants (about 4% of the resident population of the country) and has a population density of 88 inhabitants per km2. 52% of the total population of the Algarve region live in 5% of the territory, from which 70% live in urban areas.

Geographically, the Algarve region is located south of the Alentejo region, is bathed to the south and west by the Atlantic Ocean, forming part of the Mediterranean basin, and to the east by the Guadiana River that marks the border with Spain. The highest point is in Serra de Monchique, with a maximum altitude of 902m (Pico da Fóia). Distribution of population in Algarve region









The most important economic sector in the Algarve is the tertiary sector (trade and services), a result of the region's main economic activity - tourism. This subsector of activity assumes such importance in the Algarve that it represents, directly and indirectly, 87% of regional GDP. It should note that the Algarve receives about 5 million tourists per year.

The tourist cluster dominates the Algarve regional economy, marking both the economic sector, intensive and tertiary, and the labour market, precarious, seasonal and undemanding in terms of the qualifications of workers. Seasonality, characteristic of regions dependent on tourism products based on the sun and beach, marks deeply the entire economy, influencing its performance and its development. There are numerous territorial and strategic planning instruments with an impact in the Algarve that point to the need to overcome seasonality as a major goal. However, it is a difficult battle, which depends not only on intrinsic factors to the region, but also on external and structural factors.

As the main tourist region of the country, the Algarve stands out in the main indicators of the sector, namely in terms of accommodation capacity, number of guests and overnight stays. Because of the national and international economic situation, tourism activity showed a relevant impact in the first years of analysis, with more than 1.8 million overnight stays in hotel establishments between 2007 and 2009. However, in 2010 and in the following years, there is a continuous growth, reaching in 2015 the most significant values of the last decade, about 16.6 million, which represents a growth of more than 20% in relation to 2005. These figures only reflect the nights spent in hotel establishments. The analysis of the new data series on overnight stays in the tourist accommodation, which also includes rural tourism units and local accommodation, which presents retrospective information since 2009, points to a growth of 33.5% between that year and 2015, when recorded 17.3 million overnight stays.



The increase in overnight stays in hotel establishments did not mean, however, a change in their distribution throughout the year, at least until 2013. In fact, the seasonality rate worsened between 2007 and 2012, when 47% of overnight stays concentrated in the months of July to September.

The net occupancy rate has shown a constant positive evolution, always higher than the national average, both in hotel establishments and in the tourist accommodation as a whole.

In addition to the traditional emitting markets of the United Kingdom, Spain, Germany and the Netherlands, which account for almost 71% of tourists, the growing demand for the Algarve by the Irish and French markets was, respectively, 7% and 5.6%.





#### Algarve, a UNIQUE region



beach to work in 15min



best climate in Europe



central airport, 40min to everywhere



high speed internet



best beach & surf in Europe



little traffic on good infrastructure



meeting 5min after dropping kids at school



mediterranean cuisine



musical & fun events



300+ days of sun per year



everyone speaks English



private, english curriculum schools

#### 3.2 Export competitiveness of the Algarve economy

There has been an increase in the intensity of exports in the region. The contribution of exports of goods to GDP increased from 1.7% in 2007 to 1.9% in 2015. Although there are slight fluctuations in this period, there is a trend of increasing export intensity.

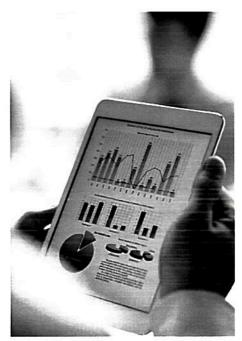
On the other hand, the rate of import coverage by exports has also increased continuously and steeply. In 2007, it was 43%, in 2010, it grew to 53% and in 2015, it reached 63%. However, the region continues to present one of the least favourable ratios among the various Portuguese NUTS II, a situation that would certainly be different if the

The proportion of exports of high-tech goods, although modest, has also improved favourably, contrary to what happened at a national level. In 2007, it represented 2.9% of regional exports of goods, and in 2015 it represented 4.5%. In the country, the importance of this type of goods in total exports of goods fell from 6.8% to 3.8%.

"services" sub-sector was included in the equation.

The great majority of the exports of the operators based in the Algarve went to the European Union, in particular Spain, which received 43% of the total regional exports of goods in 2014.

In the case of imports, the growth slowed down from 2007 to 2014, even though on three consecutive years, the variation was negative. By 2015, the data point to a much more intense increase in imports.







Over the past few years, positive developments where observed in some areas. The decrease of domestic consumption has forced some companies to look at new markets and move towards internationalization. The enlargement to the East and strong growth in countries such as Brazil and Angola have also brought new opportunities for expansion to a number of companies. The public policy measures implemented, including the financial support provided through incentive systems to companies, also contributed to this process. In this context, the Regional Operational Program CRESC Algarve 2020 highlights the instruments that intend to provide direct support to the internationalization of companies based in the Algarve. Through the Axis 2 aimed at support internationalization and business competitiveness and qualified entrepreneurship, the ROP has the goals of:

- Encourage qualified entrepreneurship as a tool for promoting innovation, and diversification of the regional production base;
- Increase competitiveness and external awareness of products, and companies of regional the sectors identified in the Smart Specialisation Strategy (RIS3), to promote internationalization and export.
- Improve the competitiveness of enterprises and stimulate business investment, particularly in the context of the sectors identified in the Smart Specialisation Strategy (RIS3).

To achieve this goals, companies have available specific calls to internationalization activities (participation in trade fairs abroad, business missions), qualification (marketing investments, modernization, and other), and innovation (investment in productive areas associated with the innovation of the product / service)





### 4. Policy tackled



Table 1: Algarve Re	able 1: Algarve Regional Operational Programme CRESC Algarve 2020	
Policy/Strategy	Through the ROP CRESC Algarve 2020, the region has available three specific financial instruments to foster internationalization of companies and, in consequence, increase the competitiveness of the region.	
	CRESC Algarve 2020 is the policy instrument, which combines the strategic guidelines of RIS3 with the financial instruments for the Algarve towards 2020. it is structured in 5 main topics for intervention:	
	Innovation and diversification - Expand the business economic base, increasing employment and the enhancement of endogenous resources;	
Brief Description	<ol> <li>International Competitiveness - Strengthen the value chains of consolidated and emerging activities identified by the regional RIS3. Create conditions for the enhancement of international position of the region and the increase of the production of tradable goods and services;</li> </ol>	
	<ol> <li>Territorial Value - Strengthen the regional identity and enhance the natural resources of excellence. Create conditions for the emergence of innovation in green economy, improve energy efficiency and training and rational use of resources;</li> </ol>	
	4.Cohesion and Inclusion - Reduce disparities and existing territorial imbalances, while ensuring a less fragmented territory and a coherent and competitive urban network, capable of stimulating the toughening of the economy;	
	5. Capacity Building for Employability - Adjust and refocus regional skills for employability and create conditions for the emergence of creative and innovative responses, whether in specialized or advanced offerings. Strengthen	





	regional leadership and empowering partnerships, strengthening the representation in national or international networks.
Managing Entity	Comissão de Coordenação e Desenvolvimento Regional do Algarve (CCDR-Alg)  Website: https://www.ccdr-alg.pt/site/ Address: Praça da Liberdade, 2  8000-164 Faro Portugal
Scope	Integrated in the Ministry of Planning and Infrastructures and jointly managed by the Ministry of Environment, the Algarve Regional Coordination and Development Commission (CCDR-Alg) is a decentralised body of the central government. Its mission is to promote the framework conditions for the development of the Algarve region. CCDR-Alg, which has administrative and financial autonomy, is tasked with coordinating and promoting governmental policies with regard to regional planning and development, environment, land management, interregional and cross-border cooperation and also support local government and inter-municipal Associations. The fields of intervention of CCDR-Alg also encompass the management of regional operational programmes financed by European Union funds, as well as other regional development financing instruments.





	Bearing in mind the multifund dimension of the Operational Program and the fact that, as transition region, beneficiaries and interventions are limited to the OP to acess ERDF and ESF, the Algarve region has identified three main areas as essential for overcoming their constraints, namely:  • Employment, conectivity and Innovation (taking into account the high employment unemployment, low qualifications, low diversification of the economic base, and the limited incorporation of knowledge as a factor of
Target group	differentiation and valuation of production processes);  • Inclusion and Education (based on the lack of adjustment regarding the competences versus the needs of the region, and the need to integrate vulnerable communities, with a particular emphasis on reducing school abandonenment and improving the qualification of resources)
	<ul> <li>Sustainability and Territorial Cohesion, reducing asymmetries (taking taking into account the need to reinforce supramunicipal integrated logics, in a context of aproaching the territories to the touristic experience, focusing on revitalizing the low density territories, and reinforce actors and partnerships, in a policy of more sustainable urban development, and in a commitment to improve energy performance and emission reductions).</li> </ul>
Budget Available	318,6 Million Euros
Indicators	<ul> <li>Public investment in R&amp;D as a percentage of regional GDP;</li> <li>Proportion of full-time equivalent (FTE) staff in research and development activities in the active population (excluding business units);</li> <li>Research, Innovation Number of researchers working in improved research infrastructures;</li> <li>Supported R&amp;D projects;</li> <li>Business expenditure on R&amp;D in Gross Added Value</li> <li>Turnover associated to the introduction of new products into the market</li> <li>Number of companies receiving support;</li> <li>Private investment parallel to public business support;</li> <li>Jobs created in supported businesses;</li> <li>Number of companies in cooperation with research institutions;</li> <li>Number of companies supported to introduce new products in the market;</li> </ul>





#### 4.1 Policy Recommendations (EU and Algarve specific)

The Regional Policy Recommendations present a set of proposals to improve the performance of the policy instruments dedicated to internationalisation. The Regional Stakeholders Group (RSG) was crucial for the elaboration of these proposals, being actively involved in the discussion of the Good Practices identified during the study visits.

#### · Recommendations on Regional level

- ➤ Capacity building for SMEs and intermediate entities should be a measure to consider more seriously in order to improve the competencies and skills of staff to support the access to foreign markets.
- There is a need to improve the regional ecosystem in order to access to international networks and attract International players.
- > Build an internationalization program with the involvement of a International network of entities is of major importance for the Algarve SMEs target specific sectors.

#### Recommendations on National level

- > There is a need to improve the financial instruments dedicated to internationalisation. In particular, small grants to first time internationalisation of SMEs should be provided as an instrument.
- > A special focus should be provided to the internationalisation of new and innovative technologies, as starting point for the emergence of international start-ups and spin-offs.

#### > Recommendations on EU level

- Export and trade measures could be adapted to the specific needs of innovative SMEs.
- > Innovation-oriented international trade missions could focus on earlier stages of product development rather than on the later commercialisation phases, target potential partners for R&D&I collaboration rather than customers, and be aimed at a certain sector or technology rather than a specific country.
- > Innovative SMEs have many different approaches to go international, depending on their business models and stage of development. The policies and instruments should address this differentiation.





#### 5. 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. A total number of 98 good practices were listed

under the project INTRA.

INTRA
Interreg Europe

European Regonal
Development Fund

GOOD PRACTICE
GUIDE ON SME
INTERNATIONALISATION

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Figure 7: Good Practice Guide on SME Internationalisation.

In the whole phase 1 the selection, evaluation and validation process was 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.europe/intra project website.

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





#### Figure 8: Good Practice process within INTRA project

IDENTIFICATION

- Desk research along with consultations with local stakeholders to identify cases of SMEs internationalisation Good Practices in each partner's region.
- Host partners select the appropriate Good Practice cases for each study visit.

DOCUMENT

- •A template was used to capture enough information, so that partners can start the process of validation by identifying a possible match for their region.
- •This was distributed to partners pior to the study visits.

STUDY VISIT

•Study visits were undertaken to study the Good Practices in situ and gain first hand information from the Good Practice holders.

VALIDATION

- Good Practices were evaluated in order to identify the ones that have been most effective in the SME Internationalisation support arena.
- Each partner reflected upon the cases with Regional Stakeholders and reviewed any possible transfer.

DISSEMINATION

- Good Practices that met the right criteria were included in the GP guide.
- The Good Practices recorded in this guide will be disseminated through seminars, project website, newsletters and social media.

2ND STUDY VISITS

- · Partners evaluate GPs and match their regional needs with GPs presented.
- Partners selected Good Practices to revist with Regional Stakholders allowing them direct access to the GP holder and providing deeper knowledge and insight into the GP case.

ADOPTION &

- Lessons learnt from GP of other regions are included in the regional action plan improving regional instruments to be implemented in phase 2 of INTRA project.
- Project's end goal is to identify and implement effective practices in order to meet the needs and improve SMEs' internationalisation performance.





#### 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 the Algarve region (NUTS II) are those observed in the first and second round of study visit in Extremadura (Spain) and Abruzzo region.

The INTRA project with its facilitation of exchange of experience will serve as the basis for further development of internationalisation services in the region, organising collaboration among different institutions in the region, providing SMEs services.

In the figure below shows the main barriers and needs for internationalisation of Portuguese SMEs, targeting the internal barriers, namely innovation and diversification of regional economy, international competitiveness, territorial valuation, cohesion and inclusion, and employability. This can be overcome with the accessible and fast-track training, preparation/operationalisation of model for SMEs learning (e-module), specific trainings according to the needs of the sectors, all supported with the One-Stop-Shop model for internationalisation on regional level (within so called SPOT III).

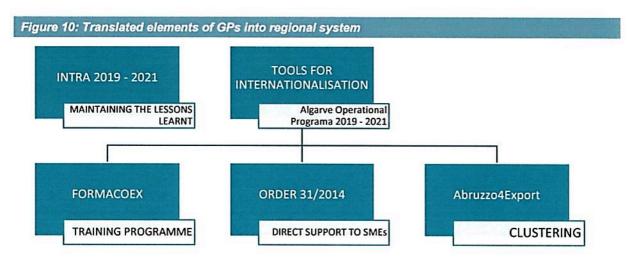
Figure 9: Barriers and needs for internationalisation of Portuguese SMEs



The barriers and needs will be gradually overcomed, by providing services and knowledge, gained and developed within INTRA project. The focus will be on maintaining the INTRA Exchange of Experience Cycle within the region, by facilitating the RSG meetings also in Phase II, namely by setting joint targets and facilitating internationalisation processes of involved SMEs. This includes 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 neighbouring countries). Includes also 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 by preparation/implementation of 2 projects in the field of R&D, following also self-defined indicators.







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

For the Action 1:		Transferability elements	
Training for New Professionals in Foreign Trade, from FORMACOEX	https://www.interrege urope.eu/policylearnin g/good- practices/item/198/tra ining-for-new- professionals-in- foreign-trade- formacoex/	<ul> <li>Theoretical training in the foreign trade;</li> <li>Operational training in foreign trade processes, such as export of SMEs, markets selection to export, marketing, customs and taxation;</li> <li>Technical tutoring and monitoring towards an international marketing plan simulation.</li> </ul>	
<b>Abruzzo4Export,</b> from Abruzzo Region	https://www.interrege urope.eu/policylearnin g/good- practices/item/371/ab ruzzo4export/	Networks and training packages.     Increase cooperation among     SME's     Training needs analysis     Professional skills in managing processes of internationalisation     Learning territorial communities for the development of new competences on internationalisation	
For the Action 2		Transferability elements	
Order 31/2014: Aids addressed to the Internationalisation of the Extremadura Economic Activity, from Regional	https://www.interrege urope.eu/policylearnin g/good- practices/item/201/or der-31-2014-aids-	<ul> <li>Recruitment of foreign trade technicians from specific goals defined by the company, and according with an internationalisation plan;</li> </ul>	





government of Extremadura	addressed-to-the- internationalisation- of-the-extremadura- economic-activity/	<ul> <li>Access to highly qualified and experienced technicians;</li> <li>Technical support supported on full-time employment contract, allowing for a sustainable strategy implementation;</li> <li>Direct access to grant to a three years grant.</li> </ul>
------------------------------	-----------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The elements of the GPs observed are translated into the Action 1: Algarve Science and Technology Park and Action 2: Re-Start, which are in detailed described below. Both actions represent new projects under the Algarve Regional Operational Programme CRESC Algarve 2020.





#### 6. ACTIONS:

#### 6.1 Background for Action 1 and Action 2



Within project INTRA the Regional Stakeholder Group (further RSG) was set up consisting of: representatives of regional governement (Comission Regional Coordination Development -CCDR Algarve), representative from business associations (National Youth Entrepreneurs - ANJE, and Algarve Business Association NERA), Rectory of the University of Algarve academia, and selected entrepreneurs/business man, as well

as public and private companies, whenever found necessary.

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 national, regional as well as local stakeholders that constitute the internationalisation-supporting environment. A survey among SMEs was launch 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 One-Stop-Shop on national level, enhancing the coordination as well as implementation of joint activities among different programs (CRESC Algarve, Tourism of Portugal, Energy efficiency) and funds (ERDF, ESF).

In parallel the study visits were organised in which the project partners observed the good practices in the internationalisation policies, collected by respective project partners. Based on the presentation of the good practices the joint decision of Regional Stakeholder Group was made, which of the GPs should be analysed in depth during the 2nd round of Study visits. The first round was reserved solely for the project partners. However, in the second round, the project partner was accompanied by the Comission for Regional Coordination and Development (CCDR Algarve), as managers of the operational program in the Algarve, and by key regional stakeholders, like the CEO of the Algarve Science and technology Park Association, as a regional players towards the suport on the internationalization of SME's. This entities, wheter in different roles, are responsible for the implementation of the Investment priority in the Algarve region, developing and implementing new business models for SMEs, in particular with regard to internationalisation (priority financed through ERDF).

During the first year of INTRA implementation, the discussions were held with different regional player, namely representatives of the regional operational program, business associations like National Youth Entrepreneurs Association - ANJE, and Algarve Business Association - NERA, Algarve Evolution, and national entities like IAPMEI – Institute of Suport to SME's and Innovation, and Portugal Global - Trade & Investment Agency (AICEP).





During the discussions with the representatives of the entities above mentioned, it was clear that there is need for models and tools that would benefit the staff as well as that would enable the SMEs to go international, complementary to the ones already made available by the operational program CRESC Algarve.

Based on the Study visit in Extremadura the workshop was held among representative of the Division of Entrepreneurship and Technology Transfer of the University of Algarve - INTRA Team. It was informed that the partner (UALG) should gain the inputs for the new instruments, which will incorporate several small-scale interventions. Based on the suggestions, derived from the Regional State of Affairs, meetings and workshops with Regional Stakeholder Group and the Study visits conducted, the INTRA team submitted two project proposals that will contribute to the companies to connect with international players, and a more hands-on support to the internationalisation strategy of each SME.

- 6.2 New Project "Algarve Science and Technology Park"
- 6.2.1 Action "Algarve Science and Technology Park" description

Under the Algarve Regional Operational Program CRESC Algarve 2020 the Project "Algarve Sicence and Technology Park" was submitted to the MA by University of Algarve on September 9th, 2018 (ref.: Comprovativo da Candidatura ALG-01-0246-FEDER-000001). The project was scheduled to be approved in December 2018. However, due to delays in the operational regarding the validation from EU and National entities is still under evaluation, scheduled for decision in the 1<sup>st</sup> trimester of 2019.

The actions proposed are build up on the lessons learned in INTRA project (direct references on p. 6 and 39. of the Application) as a reference to the dynamism of innovation and potentials for internationalisation. The GP observed during the INTRA project that contributed to the preparation of the above mentioned projects are: Training for New Professionals in Foreign Trade, from FORMACOEX, and Abruzzo4Export, from Abruzzo Region. These GPs have been selected by their potential impact on the activities proposed by the Algarve Science and Technology Park, namely in direction to the impact on the competitiveness and internationalization capacity of SME's. Regarding Training for New Professionals in Foreign Trade, the goal is to learn from the Spanish experience and increase actions that can support theoretical training in the foreign trade, operational training in foreign trade processes, such as export of SMEs, markets selection to export, marketing, customs and taxation, and technical tutoring and monitoring towards an international. As for Abruzzo4Export, the goal is to transfer good practices and implement actions that can increase cooperation among SME's, namely by implementing networks and training packages, as well as actions on training needs analysis, professional skills in managing processes of internationalisation, and learning territorial communities for the development of new competences on internationalisation. However the selection of these GP's, more were discussed within Regional Stakeholder Group and aligned to the regional needs. The Algarve Science and Technology park will be presented in the Action plan under Action 1: Improvement of Internationalisation Ecosystem.

The actions proposed in the "Algarve Science and Technology Park" project, as a policy instrument, aim directly to foster the internationalization of SME's, capitalizing form the activities and lessons learnt in the project, specifically the Regional Stakeholder Group, the Study Visits, the Interregional Task Force Meetings, the Interregional Workshops, and the Interorganisational meetings. In this sense, the problems addressed in the Regional Stakeholder Group, act as a catalyst of the policy instruments to be addressed in the Algarve Science and technology Park, as they aggregate the main and most representative regional stakeholders. The Study Visits have been a disruptive action, allowing for new lessons learnt from other





regions, validating and adapting, whenever necessary, new strategies and policy instruments towards the regional goals. Moreover, the work developed with all international partners in the Interregional Task Force Meetings, in the Interregional Workshops, and in the Interorganisational meetings, allow for the Identification of improvements to be materialized in the influencing of the regional policy instruments, clearly attributed to the activities and lessons learnt from the INTRA project.

Project aims to stimulate initiatives and group skills for the technological development and innovation of sectors of economic activity with consolidated or latent expression, with particular focus on the ICT and Health and Wellbeing domains, promoting the connection with Tourism, Sea, Agro-food, and CCI sectors. It is intended for initiatives that are located in the Algarve region, but that develop global strategies.

The Algarve Technological Park will direct its activity towards the conception and execution of projects that associate research and technological development capacities, dispersed by entities of the scientific and technological system, with innovation needs explained by companies, either directly or through procedures with a view to accelerating them. It should systematically seek to create, value and transfer technology and knowledge, and foster spaces for business interaction and interaction, stimulating the flow of knowledge between companies and the University, and promoting the creation of new knowledge-based enterprises.

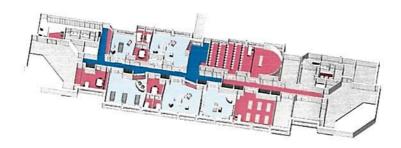
The objectives of the Algarve Technology Park, among others will be to diversify regional business matrix with high technological companies nationally and internationally, strengthening intraregional and interregional coordination, promoting participation in European, international innovation networks and attracting international companies to the regional ecosystem.

The ATP planning documents are described below:

#### 1) Area of ATP: Simulation Centre



#### 2) Inner architecture of ATP Simulation Centre







#### 3) Simulation Centre Plans

(i) stimulate the I&I flow with companies

(ii) facilitate the location of R&D activities

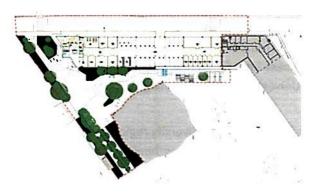
(iii) development of science and technology based companies

(iv) provision of high value-added services

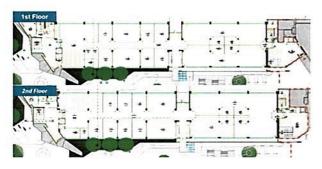
(v) promote



#### 4) Architectural drawings of ATP



#### 6) ATP in 2 floors



#### 7) View on ATP







#### 8) Access to ATP



#### 8) Inner Architecture of ATP



Following the present information, and complementary to the infrastructure observed, it is important to highlight the immaterial activities that are considered into the project, aiming to increase competitiveness of the regional players (namely SME's, research centres, and business associations) and fostering internationalization of regional SME's.

The Algarve Science and Technology Park project includes actions such as:

- Promotion of Intellectual Property;
- Technology Scouting in research centres and academia;
- Technology Scouting in SME's and large companies;
- · Validation and Prototyping;
- Science2Business (matching U-E meetings);
- Entrepreneurship actions in order to support identification and support of new knowledge based business ideas;
- Joint ventures (new calls for cooperation projects among university and SME's);
- Licencing and technology transfer.

Therefore, complementary to the material actions in renovation that creates the infrastructure where the critical mass can interact (research, SME's, technicians and others), the immaterial actions on innovation and internationalization actions provided to the SME's, are the operational activities that make the outputs a reality.

The GP's selected are to be incorporated in the actions proposed in the operational activity of the Algarve Science and Technological Park, allowing for the SME's to benefit from the lessons learned for the project partner (in this case the University of Algarve), and from the international networks made possible by





INTRA project. Particularly by the networks created by the partnership with stakeholders in the INTERREG Europe cooperation area.

#### The following indicators will be used for each element:

No.	Element	Indicator
1	Indicators of result	Number of installed companies, inserted in sectors of high and medium-high technology and knowledge-intensive services
2	Indicators of execution	Infrastructure adapted for the reception of companies (ha);
3	Indicators of execution	Degree of completion of the activities envisaged in the project (%)

#### 6.2.2 Players involved

Managing Authority / Intermediate Body:	Comissão de Coordenação e Desenvolvimento Regional do Algarve (CCDR-Alg)	
Contractor:	University of Algarve	

#### 6.2.3 Timeframe

Timeframe for the implementation of the Action is

August 2019 - August 2021

#### 6.2.4 Costs

The total amount of new project is:

5,428,571.00EUR

#### 6.2.5 Funding sources:

The project represents a total of 5.428.571 euros of investment, assuming a total of 3.800.000 euros of ERDF support and 1.628.571 euros of self-funding.





#### 6.2.6 Monitoring of the Action 1 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 also 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.

#### 6.3 Re-Start

The project Re-Start was submitted under the call ALG-51-2018-19, SIAC - Support System for Collective Actions - Promotion of the Entrepreneurial Spirit" (link to the call:

https://algarve2020.pt/info/aviso/alg-51-2018-19) under the OP CRESC Algarve 2020.

The results are expected by the end of the first trimester of 2019. The partners are: National Association of Young Entrepreneurs (ANJE), and Algarve Business Association (NERA).

Re-Start complements the Algarve Technology Park as it represent the services that will be offered in the ATP to SMEs.

#### Algarve region



Support to Internationalisation of SMEs







As discussed during the Study visit in Abruzzo region (June, 2017), in particular during the observation of case studies such as SIMULI and the discussion with the prominent lecturers from the University of L'Aquila during the Interregional Workshop, it becomes evident that there is a clear link between innovation, networks (poles) and internationalisation. Namely, the benefits for the firms, from participating in poles are: risk sharing, acess to new markets and technologies, comercialisation speed, accumulation complementary assets, protection of property rights and access to external knowledge. From the scientific literature it is also evident that SMEs

pursuing international market entry undertake organisational innovation, which in turn enables them to gain positional advantages. In particular, firms that undertake both technological and non-technological innovations gain positional advantages facilitating global market entry. Furthermore, it has shown that SMEs pursuing innovation-based competitive strategy for internationalisation are characterised by higher

levels of international entrepreneurship. The internationalisation and innovation are linked when large firms acquire small ones for their technology as well. Their internationalisation strategy for these firms is to scout around for the lates innovation in global market. The model to support the linking internationalisation, innovation, research and development was observed in Chemical and Pharmaceutical Pole in Abruzzo region. All these knowledge and experiences gained are reflected in two projects to be financed under the CRESC Algarve 2020, submitted by INTRA PP4 - University of Algarve.



#### 6.3.1 Action Re-Start description

RESTART Algarve Project has nine operational objectives (O.O.), directly indexed to the regional critical factors of competitiveness of SMEs:

O.O.1: To train and monitor the network of partners of the regional entrepreneurial ecosystem, in all its relevant dimensions in the territory, namely in strengthening the capacity internationalisation of the SME's;

O.O.2: Stimulate and enable the Regional Incubation Network;

O.O.3: To promote entrepreneurship, the detection of innovative ideas, and the creation of new companies in the 16 municipalities of the Algarve region, with special focus towards the international markets;

O.O.4: To stimulate the emergence of innovative business ideas under the scope of the Smart Specialization domains of RIS3 Algarve;





- O.O.5: Empower entrepreneurs to accelerate business ideas so as to make them more robust competitive in the international markets;
- O.O.6: Support the creation of new companies from and R&D results, in accordance with the Smart Specialization domains of RIS3 Algarve;
- O.O.7: To carry out regional events towards innovation and internationalization, involving entrepreneurs from all municipalities of the Algarve and promoting the training of entrepreneurial initiatives in all the region (including increased capacity for competitiveness and internationalization);
- O.O.8: To award scholarships and prizes to Young Entrepreneurs so that they can validate and prototype their innovative business projects;
- O.O.9: Ensure a wide dissemination of the project, objectives, activities and results, ensuring the free and universal availability of all goods and services produced.

The project has five activities, with underlined actions, namely:

- Activity 1. Strengthening cooperation, partnerships and support networks for skilled and creative entrepreneurship
  - Action 1.1. Conception of an Entrepreneurship Barometer to support the Network and business development
  - Action 1.2. Awareness-raising actions to promote entrepreneurship in local authorities
  - o Action 1.3. Revitalization of the Regional Incubation Network
  - Action 1.4. International Roadshow for enhancement of the Entrepreneurial Ecosystem of the region
- Activity 2. Identification and support for the development of innovative ideas, business initiatives and the creation of new companies
  - o Action 2.1. Design and implementation of an ideas competition
  - Action 2.2. Elaboration of Business Plans
  - o Action 2.3. Allocation of scholarships to young entrepreneurs.
- Activity 3. Coaching to support the development of innovative ideas
  - o Action 3.1. Business coaching for the development of business ideas
  - Action 3.2. Development and implementation of a program to accelerate business ideas.
- Activity 4. Promotion and dissemination of the project and the theme of entrepreneurship
  - o Action 4.1. Preparation and implementation of the Project Communication Plan
  - o Action 4.2. Graphic Design and production of promotional materials
  - o Action 4.3. Regional Conference for the Promotion of Entrepreneurship.
- Activity 5. Coordination and project management





As indicated above, the project activities are directed to fostering entrepreneurship and innovation at a regional level, aiming to capitalize the knowledge created in the University of Algarve (research centers, MsC's thesis, and PhD's thesis), the potential of the regional stakeholders(municipalities, business associations) and the civil society (entrepreneurs).

Therefore, the projects aims very clearly to train and capacitate the regional agents in the scope of entrepreneurship, innovation, and knowledge transfer, to identify new and innovative business Ideias, and to coach and support the new entrepreneurs that originate from these actions. Moreover, the project also incorporates an international roadshow to identify international GP's and develop further cooperation actions with recognized ecosystems.

The final goal is to capacitate both the regional stakeholders and the new entrepreneurs and SME's towards increased competitiveness and access to global markets.

Once more, as regards to INTRA project, all the actions proposed to be developed in RE-START, are a result of lessons learned in INTRA with the international partners, with particular focus on *Training for New Professionals in Foreign Trade*, from FORMACOEX, and *Abruzzo4Export*, from Abruzzo Region. Moreover, RE-START project also includes some lessons learned by the international experience of INTRA, namely in *Order 31/2014: Aids addressed to the Internationalization of the Extremadura Economic Activity*, from Regional government of Extremadura, as it aims to include support to internationalization of these new and innovative companies. This is a relevant factor, since as university spinoffs and startups, these companies are immediately under the scope international trade, whether regarding global opportunities and treats. Therefore, is extremely relevant to work, from the first moment, in internationalization readiness.

#### 6.3.2 Players involved

Contracting Authority:	Comissão de Coordenação e Desenvolvimento Regional do Algarve (CCDR-Alg)	
Contractor: Partners:	University of Algarve National Association of Young Entrepreneurs (ANJE) Algarve Business Association (NERA)	

#### 6.3.3 Timeframe

June 2019 – May 2021

#### 6.3.4 Costs

The total amount of new project is:
712.908,64 EUR





#### 6.3.5 Funding sources:

The above amount includes the budget of all 3 partners, and was estimated taking into consideration the actions (immaterial) proposed, including international traveling, services, promotion and materials, and human resources.

In total, the project represents 712.908,64 euros of investment, assuming a total of 499.036,05 euros of ERDF support and 213.872,59 euros of self-funding.

#### 6.3.6 Monitoring of the Action 2 plan implementation

The monitoring of the implementation of the proposed action 2 will be performed by the Comission for Regional Coordination and Development on a regular basis. The monitoring results will be shared with the Regional stakeholder group, based on the foreseen meetings in 2019 and 2020. The Comission for Regional Coordination and Development will use the high political event within INTRA to demonstrate the impact of the voucher on the internationalisation of regional SMEs and as such on the internationalisation policy in Algarve region.

Ref. no.:

Date:

Signature:

Function:

HEAD OF DIVISION

Organisation: University of Algarve

Stamp of the organisation:

Ref. no.:

Date:

06.08.2019

Signature:

Function:

PRESIDENT





Comissão de Coordenação e Desenvolvimento

Organisation:

Regional do Algarve (CCDR-Alg)

Stamp of the organisation:

Presidente da CCDR Algarve